

JAPAN KENZAI CO., LTD

Tokyo, Japan
(the «Company»)

JPY 2 500 000,000.–

Zero Coupon JPY Convertible Notes Due September 30, 2008
(the «Notes»)

Swiss Security No. 1870381; ISIN Code: XS0193730024;
Euroclear/Clearstream, Luxembourg Common Code: 19373002

Revision of the Conversion Price

In accordance with Sections 5(G), 5(H) and 10 of Annex B-2 and Section 1(B) of Annex C to the Note Purchase, Paying and Exercise Agency Agreement dated June 7, 2004 between JAPAN KENZAI CO., LTD. on the one part and UFJ Bank (Schweiz) AG and other financial institutions named therein on the other part (the «Agreement»), JAPAN KENZAI CO., LTD. hereby notifies UFJ Bank (Schweiz) AG that, in connection with JAPAN KENZAI CO., LTD. Zero Coupon JPY Convertible Notes Due September 30, 2008 in the aggregate principal amount of JPY 2 500 000 000 (the «Notes») , the Conversion Price shall be revised as follows:

Conversion price before the revision:	JPY <u>870.00</u>
Conversion price after the revision:	JPY <u>755.00</u>
Effective date of the revision:	October 3, 2005 (Japan Time)

This announcement is made pursuant to Section 10 of Annex B-2 to the Agreement.

Zurich, September 16, 2005

By order:
UFJ Bank (Schweiz) AG