



# Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2012 - Supplementary Material

November 2, 2012  
Sojitz Corporation

(Billions of Yen)

## P/L

	FY2012 1st Half Results *1	FY2011 1st Half Results *1	Change	FY2012 Initial Full-year Forecast (May 8th, 2012)	Achieved	FY2012 Revised Full-year Forecast (Nov 2nd, 2012)
<b>Net sales</b>	<b>1,952.6</b>	<b>2,195.7</b>	(243.1)	<b>4,300.0</b>	45.4%	<b>4,100.0</b>
<b>Gross profit</b>	<b>94.8</b>	<b>102.2</b>	(7.4)	<b>217.0</b>	43.7%	<b>194.0</b>
Gross profit margin	4.86%	4.65%	0.21%	5.05%		4.73%
Machinery	32.1	33.1	(1.0)	71.0	45.2%	65.0
Energy & Metal	16.3	23.1	(6.8)	49.0	33.3%	32.0
Chemicals	17.1	19.3	(2.2)	37.0	46.2%	37.0
Consumer Lifestyle Business	25.6	24.9	0.7	54.5	47.0%	54.5
Other	3.7	1.8	1.9	5.5	67.3%	5.5
Selling, general and administrative expenses	(78.0)	(79.5)	1.5	(165.0)	47.3%	(158.0)
<b>Operating income</b>	<b>16.8</b>	<b>22.7</b>	(5.9)	<b>52.0</b>	32.3%	<b>36.0</b>
Operating income margin	0.86%	1.03%	(0.17%)	1.21%		0.88%
<b>Non-operating income/expenses - net</b>	<b>(1.0)</b>	<b>1.1</b>	(2.1)	<b>(2.0)</b>	-	<b>(4.0)</b>
<b>Ordinary income</b>	<b>15.8</b>	<b>23.8</b>	(8.0)	<b>50.0</b>	31.6%	<b>32.0</b>
Ordinary income margin	0.81%	1.08%	(0.27%)	1.16%		0.78%
Machinery	2.0	3.3	(1.3)	8.0	25.0%	5.0
Energy & Metal	3.1	11.0	(7.9)	27.0	11.5%	8.0
Chemicals	3.6	4.8	(1.2)	7.0	51.4%	8.0
Consumer Lifestyle Business	5.6	5.3	0.3	9.0	62.2%	11.0
Other	1.5	(0.6)	2.1	(1.0)	-	0.0
<b>Extraordinary income/losses - net</b>	<b>(6.3)</b>	<b>(0.3)</b>	(6.0)	<b>(10.0)</b>	-	<b>(8.0)</b>
<b>Income before income taxes and minority interests</b>	<b>9.5</b>	<b>23.5</b>	(14.0)	<b>40.0</b>	23.8%	<b>24.0</b>
<b>Income before minority interests</b>	<b>5.4</b>	<b>12.1</b>	(6.7)	<b>23.0</b>	23.5%	<b>13.5</b>
<b>Net income</b>	<b>3.0</b>	<b>10.3</b>	(7.3)	<b>20.0</b>	15.0%	<b>10.0</b>
Machinery	1.2	1.6	(0.4)	4.0	30.0%	3.0
Energy & Metal	(0.7)	9.9	(10.6)	20.5	-	3.0
Chemicals	2.6	3.0	(0.4)	4.0	65.0%	4.5
Consumer Lifestyle Business	2.9	3.8	(0.9)	4.5	64.4%	6.0
Other	(3.0)	(8.0)	5.0	(13.0)	-	(6.5)
Core earnings *2	14.1	25.2	(11.1)	52.5		33.5

\*1 Effective the this fiscal year, the domestic real estate business was reclassified from the Consumer Lifestyle Business Division to the Other segment. In addition, former Chemicals and Functional Materials division changed to Chemicals division. The results for the first half ended September 30, 2012, and the first half ended September 30, 2011 are stated based on the business divisions after the change was made.

\*2 Core earnings = Operating income (before provision of allowance for doubtful accounts and write-offs) + Net interest expenses  
+ Dividends income + Equity in earnings of affiliates

(Billions of Yen)

## B/S

	Sep 30, 2012	March 31, 2012	Change	March 31, 2012 Initial Full-year Forecast (May 8, 2012)	March 31, 2012 Revised Full-year Forecast (Nov. 2, 2012)
<b>Total assets</b>	<b>2,006.5</b>	<b>2,120.6</b>	(114.1)	<b>2,050.0</b>	<b>2,010.0</b>
<b>Total equity *3</b>	<b>290.2</b>	<b>305.9</b>	(15.7)	<b>320.0</b>	<b>295.0</b>
Total net assets	316.1	330.5	(14.4)	-	-
<b>Equity ratio (%)</b>	<b>14.5%</b>	<b>14.4%</b>	+ 0.1%	<b>15.6%</b>	<b>14.7%</b>
<b>Net interest-bearing debt</b>	<b>629.3</b>	<b>647.8</b>	(18.5)	<b>680.0</b>	<b>640.0</b>
<b>Net D/E ratio (times)</b>	<b>2.17</b>	<b>2.12</b>	+ 0.05	<b>2.1</b>	<b>2.1</b>
Net D/E ratio based on total net assets (times)	(1.99)	(1.96)	(+ 0.03)	-	-
<b>Risk assets</b>	<b>280.0</b>	<b>300.0</b>	(20.0)	-	-
<b>Ratio of risk assets to equity (times)</b>	<b>1.0</b>	<b>1.0</b>	+ 0.0	-	-

\*3 Total equity = Total net assets - Minority interests

\*4 Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements. The Company will provide timely disclosure of any material changes, events, or other relevant issues.

## Main factors behind changes

### Machinery Division

• Despite an increased number of vehicles sold by some overseas automobile businesses, earnings decreased due to the increase in selling, general, and administrative expenses and a decrease in trading volumes in plant and shipping-related businesses.

### Energy & Metal Division

• Gross profit decreased due to factors including declines in the prices of mineral resources, a decrease in production volume for certain interests and concessions, and cost increases.  
• Equity in earnings of affiliates attributable to a bioethanol production company and a nickel refining company decreased, contributing to a decrease in ordinary income and net income.

### Chemicals Division

• Earnings decreased due to a decrease in sales prices and a decrease in trading volumes mainly in Europe, China, and other parts of Asia.

### Consumer Lifestyle Business Division

• Despite increases in trading volumes in the overseas fertilizer businesses and increases in sales in the overseas industrial park-related business, net income decreased due to factors including a decrease in the net income of lumber subsidiaries

### Other

• Earnings improved due in part to the absence of the real-estate related valuation losses posted during the previous fiscal year.

## FY2012 current position and outlook

### Machinery Division

• We anticipate a downward revision of the full-year forecast due to a decline in the number of vehicles sold by some overseas automobile businesses compared with initial forecasts and flat trading volumes in the shipping-related business.

### Energy & Metal Division

• We anticipate a downward revision of the full-year forecast as a result of a decline in performance overall due to declines in the prices of mineral resources, a decrease in production volume for certain interests and concessions, and the adverse impact of unseasonable weather conditions and exchange rates on the bioethanol production company.

### Chemicals Division

• We envisage an upward revision of the full-year forecast due to a strong performance in the methanol business, although we will need to continue to closely monitor future changes in the operating environment and market trends.

### Consumer Lifestyle Business Division

• We envisage an upward revision of the full-year forecast due to expectations of a strong performance, particularly for the overseas fertilizer businesses and overseas industrial park-related business.

### Other

• Although performance is in accordance with the outlook, we expect to incur some expenses in the future.

## Commodity Prices and Exchange Rates

	FY2011 Results (Annual Average)	FY2012 Initial Assumption (Annual Average)	FY2012 Revised Assumption (2nd Half)	FY2012 Results Apr.-Sep. '12 Avg.
<b>Crude oil (Brent)**1</b> (\$/bbl)	\$111.3/bbl	\$110/bbl	\$110/bbl	\$109.0/bbl
<b>Thermal Coal</b> (\$/t)	\$121.3/t	\$115/t	\$96.5/t	\$93.1/t
<b>Molybdenum</b> (\$/lb)	\$15.5/lb	\$17.5/lb	\$13.8/lb	\$12.9/lb
<b>Nickel**2</b> (\$/lb)	\$10.4/lb	\$10/lb	\$8.0/lb	Jan. -Jun. Avg. \$8.3lbt
<b>Copper**2</b> (\$/t)	\$8,821/t	\$7,690/t	\$7,690/t	Jan. -Jun. Avg. \$8,090/t
<b>Exchange rate**3</b> (¥/\$)	¥79.5/\$	¥80.0/\$	¥79.0/\$	¥79.0/\$

\*\*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters ordinary income by approx. ¥0.2 billion.

\*\*2 The price assumptions of Nickel and Copper are based on the annual average from Jan. to Dec.

\*\*3 Impact of fluctuations in the exchange rate on earnings: A ¥1/US\$ change alters net sales by approx. ¥5.0 billion, ordinary income by approx. ¥0.2 billion, and shareholders' equity by approx. ¥1.2 billion.

# Summary of Consolidated Financial Results

## for the First Half Fiscal Year Ending March 31, 2013 (Japanese accounting standard)

November 2, 2012

### Sojitz Corporation

( URL <http://www.sojitz.com> )

Listed stock exchange: The first sections of Tokyo and Osaka

Security code: 2768

Company representative: Yoji Sato, President & CEO

Contact information: Shinji Harada, GM, Public Relations Dept. TEL +81-3-6871-3404

Scheduled filing date of quarterly financial report: November 13, 2012

Scheduled date of delivery of dividends: December 4, 2012

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

### 1. Consolidated Financial Results for the First Half Ended September 30, 2012 and 2011

#### (1) Consolidated Operating Results

Description of % is indicated as the change rate compared with the same period last year.

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
for the 1st Half								
FY 2012	1,952,570	(11.1)	16,812	(26.0)	15,781	(33.6)	3,015	(70.7)
FY 2011	2,195,704	11.7	22,723	30.8	23,776	7.3	10,281	12.8

Note. Comprehensive Income For the Second Quarter ended September 30, 2012: (11,561) (-%) For the Second Quarter ended September 30, 2011: (5,251) (-%)

	Net Income per Share (EPS)	Adjusted EPS
	Yen	Yen
for the 1st Half		
FY 2012	2.41	2.41
FY 2011	8.22	8.21

#### (2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio
	Millions of Yen	Millions of Yen	%
As of			
September 30, 2012	2,006,513	316,147	14.5
March 31, 2012	2,120,596	330,471	14.4

(Millions of Yen)

Notes: Total Equity

As of September 30, 2012 : 290,206

As of March 31, 2011 : 305,905

### 2. Cash Dividends

	Cash Dividend per Share				
	First Quarter	Second Quarter	Third Quarter	Year Ended	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2012	-	1.50	-	1.50	3.00
March 31, 2013	-	1.50	-	-	-
March 31, 2013 (forecast)	-	-	-	1.50	3.00

Note. Change in cash dividends forecast announced on May 8, 2012 : No

### 3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2013(April 1, 2012 - March 31, 2013)

Description of % is indicated as the change rate compared with the same period last year.

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the Year Ending									
March 31, 2013									
Full-year	4,100,000	(8.8)	36,000	(44.2)	32,000	(48.6)	10,000	-	7.99

Notes: Change in Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2013 : Yes

Notes:

- (1) Changes in major subsidiaries during the period  
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No
- (2) Adoption of specific accounting procedures for preparing quarterly consolidated financial statements : No
- (3) Changes in accounting standards, accounting estimates, and retrospective restatement for preparing quarterly consolidated financial statements
  1. Changes due to amendment of accounting standards : Yes
  2. Changes due to other reasons : No
  3. Accounting estimate change : Yes
  4. Retrospective restatement : No
- (4) Number of outstanding shares at the end of the periods (Common Stock):
  1. Number of outstanding shares at the end of the periods (Including treasury shares ):  
As of September 30, 2012: 1,251,499,501 As of March 31, 2012: 1,251,499,501
  2. Number of treasury shares at the end of the periods:  
As of September 30, 2012 : 478,275 As of March 31, 2012 : 475,587
  3. Average number of outstanding shares during the periods:  
For the second Quarter ended September 30, 2012(accumulative): 1,251,022,520  
For the second Quarter ended September 30, 2011(accumulative): 1,251,036,327

\* Disclosure Regarding Auditing Procedure for Financial Statements

At the time of this earnings report's disclosure, auditing procedures for financial statements in accordance with the Financial Instruments and Exchange Act were in the process of being implemented.

\* Important Note Concerning the Appropriate Use of Business Forecasts and other

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We will soon incorporate our financial statement supplementary materials and details providing an explanation (recorded) of our quarterly financial statement meeting (streaming video) for both analysts and institutional investors together with some principle questions and answers on Friday, November 2.

## **Analysis of business results**

### **1. Overview of First Half of Fiscal 2012 (April 1 – September 30, 2012)**

#### **Economic environment**

In the first half of fiscal 2012 (April–September 2012), concerns of a global economic slowdown escalated as the effects of economic stagnation in developed countries spread to emerging market economies.

In Europe, policymakers adopted a more flexible posture toward the protracted euro-zone fiscal crisis, including a September agreement authorizing a new European Central Bank program for purchasing government bonds.

The US economy was bolstered by additional monetary easing amid signs of improvement in employment- and housing-related data. The Chinese economy, by contrast, progressively decelerated, its growth rate dropping below 8% amid a slowdown in exports, chiefly to Europe. Emerging market economies, particularly those that are not resource producers, have experienced a growth slowdown in response to the European, US, and Chinese slowdowns.

The Japanese economy, despite a downshift in exports, maintained a positive growth rate by virtue of domestic demand supported by stimulus measures, including subsidies for eco-friendly auto purchases. However, Japan's economic recovery appears to have stalled in the wake of a consumer spending slowdown, including a decline in auto sales following the subsidy program's expiration, and sharp decreases in exports to China, Chinese tourist traffic, and production and sales of autos and other products in China as a result of intensification of Chinese anti-Japan protests. The Bank of Japan has kept yen appreciation under containment with additional monetary easing in coordination with further European and US monetary easing. Nonetheless, the yen has remained in an appreciation trend, resulting in a continued adverse environment for export industries.

Much of the liquidity spawned by global monetary easing has been flowing into commodity markets in addition to government bonds amid a trend toward risk aversion. Despite the economic slowdown, commodity prices have remained elevated. Food prices in particular have risen sharply in response to diminished harvests due to unfavorable weather exacerbating the economic slowdown, particularly in non-resource-producing countries.

#### **Financial Performance**

Sojitz Corporation's consolidated business results for the first half of fiscal 2012 are presented below.

##### **Net sales**

Consolidated net sales decreased by 11.1% year on year to ¥1,952,570 million as a result of sales declines in the Consumer Lifestyle Business, Machinery, and Energy & Metal Divisions. The Consumer Lifestyle Business Division's sales decline was due largely to decreased trading volumes for cigarettes and marine products, the Machinery Division's decline was the result of non-recurrence of large plant export sales booked in the year-earlier period, and the Energy & Metal Division's decline was largely attributable to price declines and reduced trading volumes.

##### **Gross profit**

Consolidated gross profit decreased ¥7,374 million year on year to ¥94,834 million as a result of a decrease in the Energy & Metal Division's gross profit, which was due largely to price declines and reduced unit volumes, and a decline in the Chemicals Division's gross profit in response to reduced demand in Europe, China, and elsewhere in Asia.

##### **Operating income**

Despite a reduction in general, selling and administrative (SG&A) expenses, consolidated operating income declined ¥5,911 million year on year to ¥16,812 million as a result of the decline in gross profit.

#### Ordinary income

Consolidated ordinary income declined ¥7,995 million year on year to ¥15,781 million. The decline was attributable to a decrease in equity in the earnings of affiliates, including a bioethanol producer and nickel smelting company, in addition to the decline in operating income.

#### Extraordinary income and losses

Extraordinary income totaled ¥6,870 million, including a ¥3,485 million gain on the sale of equity interests and ¥2,250 million gain on sales of investment securities. Extraordinary losses totaled ¥13,143 million, including an ¥11,734 million valuation loss on investment securities due largely to declines in market prices of listed stocks. Extraordinary income and losses netted to an extraordinary loss of ¥6,273 million.

#### Net income

Consolidated income before income taxes and minority interests was ¥9,508 million, and with current income tax expense of ¥5,684 million and deferred income taxes of ¥1,561 million, consolidated net income was ¥5,384 million before adjustment for minority interests. After deduction of ¥2,369 million of minority interests in consolidated subsidiaries' net income, first-half consolidated net income was ¥3,015 million, a ¥7,266 million decrease from the year-earlier period.

Effective from the first quarter of fiscal 2012, Sojitz revised its business segmentation, reclassifying its domestic real estate business from the Consumer Lifestyle Business Division to the "Other" segment. Additionally, the former Chemicals and Functional Materials Division was changed to the Chemicals Division.

Fiscal first-half results are summarized by business segment below.

#### Machinery

Net sales decreased 10.9% year on year to ¥429,144 million as growth in automobile export sales was negated by declines in plant exports and ship-related sales. Net income also declined by ¥308 million year on year to ¥1,227 million.

#### Energy & Metal

Net sales declined 7.5% year on year to ¥469,530 million, largely as a result of price declines and reduced trading volumes. A valuation loss on investment securities that was booked as an extraordinary loss, coupled with a decrease in equity in the earnings of affiliates, including a bioethanol producer and nickel smelting company, resulted in a net loss of ¥678 million, a ¥10,612 million decrease from year-earlier net income.

#### Chemicals

Net sales declined 11.4% year on year to ¥283,333 million, largely due to reduced demand in Europe, China, and other parts of Asia. Net income decreased ¥400 million year on year to ¥2,564 million.

#### Consumer Lifestyle Business

Net sales decreased 13.4% year on year to ¥744,264 million, largely as a result of decreased trading volumes for cigarettes and marine products. Net income was down ¥907 million year on year to ¥2,911 million, partly due to lower profits at a lumber subsidiary.

#### Other

Net sales declined 2.9% year on year to ¥26,296 million. Net income totaled ¥1,490 million, a ¥3,501 million improvement from the year-earlier net loss. The improvement was largely attributable to non-recurrence of a real-estate-related valuation loss in the year-earlier period.

## 2. Financial Position

### Consolidated Balance Sheet

At September 30, 2012, consolidated assets totaled ¥2,006,513 million, a ¥114,083 million decrease from March 31, 2012. Notable reductions in individual asset accounts included a decrease in cash and deposits of ¥30,304 million, largely due to redemption of bonds; a decrease in trade notes and accounts receivable of ¥43,191 million, largely as a result of reduced trading volumes of chemical and oil-related business; a decrease in investment securities of ¥28,599 million, largely due to adverse stock price and exchange rate movements; and a decrease in property, plant and equipment of ¥5,133 million, largely as a result of exchange rate movements. These decreases were partially offset by a ¥14,363 million increase in inventories, mainly cigarette and fertilizer inventories.

Consolidated liabilities totaled ¥1,690,366 million at September 30, 2012, a ¥99,759 million decrease from March 31, 2012. The decrease was attributable to a reduction in interest-bearing debt due mainly to redemption of bonds and loan repayments, and a ¥22,830 million decrease in trade notes and accounts payable resulting largely from reduced oil and machinery-related sales. Sojitz consequently ended the fiscal first half with a current ratio of 136% and long-term debt ratio of 69%. Net interest-bearing debt (total interest-bearing debt less cash and deposits) at September 30, 2012, totaled ¥629,361 million, an ¥18,475 million decrease from March 31, 2012. This decrease resulted in a net interest bearing debt ratio of 2.20 at September 30, 2012.

With regard to net assets, net unrealized gains on available-for-sale securities decreased ¥4,775 million from March 31, largely as a result of adverse stock price movements, while the foreign currency translation adjustment account's balance decreased ¥13,274 million over the same timeframe. As a result, total net assets inclusive of minority interests decreased ¥14,324 million to ¥316,147 million between March 31 and September 30, 2012.

In terms of funding, Sojitz remains committed to a basic financial strategy of maintaining and enhancing the stability of its capital structure under its *Medium-term Management Plan 2014*. Sojitz is endeavoring to maintain a stable financial foundation by holding sufficient liquidity as a buffer against changes in the economic or financial environment and building a stable funding structure by maintaining a sound long-term debt ratio as a target carried over from its previous medium-term plan.

As one source of long-term funding, Sojitz issued ¥10 billion in straight bonds in July 2012. Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional issues whenever advantageous opportunities to do so arise.

Additionally, Sojitz maintains two committed credit lines, a ¥100 billion yen line and US\$300 million multicurrency line, as supplemental sources of precautionary liquidity.

### Consolidated cash flows

In the six months ended September 30, 2012, operating activities provided net cash of ¥38,784 million while investing and financing activities used net cash of ¥20,083 million and ¥45,729 million, respectively. Sojitz ended the fiscal second quarter with cash and cash equivalents of ¥395,329 after foreign currency translation adjustments related to cash and cash equivalents.

#### (1) Cash flows from operating activities

In the six months ended September 30, 2012, operating activities provided net cash of ¥38,784 million, a ¥38,139 million year-on-year increase. Operating cash inflows, sources of which included a reduction in accounts receivable, exceeded operating cash outflows, uses of which included a reduction of accounts payable and an increase in inventories.

#### (2) Cash flows from investing activities

Investing activities in the six months ended September 30, 2012, used net cash of ¥20,083 million, a ¥7,535 million year-on-year decrease. Investment outlays included capital expenditures related to resource concessions and ship purchases and exceeded investment inflows, sources of which included sales of investment securities and aircraft.

(3) Cash flows from financing activities

Financing activities in the six months ended September 30, 2012, used net cash of ¥45,729 million, a ¥53,801 million increase from the year-earlier period. Financing cash outflows, uses of which included bond redemptions and repayment of long-term loans, exceeded financing cash inflows, sources of which included new borrowings and bond issuance.

### **3. Consolidated Earnings Forecast**

Sojitz's fiscal 2012 consolidated earnings forecast is based on the following assumptions.

Exchange rate (annual average JPY/USD rate): ¥79

Crude oil price (Brent) (annual average): US\$110/bbl

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**Consolidated Balance Sheets**  
**As of September 30, 2012 and March 31, 2012**

(Millions of Yen)

	As of March 31, 2012	As of September 30, 2012
<b>Assets</b>		
Current assets		
Cash and deposits	442,706	412,402
Notes and accounts receivable-trade	490,708	447,517
Short-term investment securities	1,297	768
Inventories	270,645	285,008
Short-term loans receivable	5,667	5,173
Deferred tax assets	4,577	6,389
Other	88,132	79,759
Allowance for doubtful accounts	(5,583)	(3,390)
<b>Total current assets</b>	<b>1,298,151</b>	<b>1,233,630</b>
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	116,084	113,617
Accumulated depreciation	(57,457)	(54,712)
Buildings and structures, net	58,626	58,904
Machinery, equipment and vehicles	168,030	180,531
Accumulated depreciation	(81,810)	(80,970)
Machinery, equipment and vehicles, net	86,220	99,560
Land	53,429	52,232
Construction in progress	26,169	6,878
Other	22,431	24,407
Accumulated depreciation	(13,616)	(13,856)
Other, net	8,814	10,551
<b>Total property, plant and equipment</b>	<b>233,260</b>	<b>228,127</b>
Intangible assets		
Goodwill	44,612	42,155
Other	79,884	75,414
<b>Total intangible assets</b>	<b>124,497</b>	<b>117,569</b>
Investments and other assets		
Investment securities	313,897	285,298
Long-term loans receivable	22,415	22,639
Bad debts	68,164	61,669
Deferred tax assets	22,442	21,900
Real estate for investment	31,934	31,735
Other	52,788	48,616
Allowance for doubtful accounts	(47,223)	(44,921)
<b>Total investments and other assets</b>	<b>464,419</b>	<b>426,938</b>
<b>Total noncurrent assets</b>	<b>822,177</b>	<b>772,635</b>
Deferred assets		
Other	266	247
<b>Total deferred assets</b>	<b>266</b>	<b>247</b>
<b>Total assets</b>	<b>2,120,596</b>	<b>2,006,513</b>

**Consolidated Balance Sheets**  
**As of September 30, 2012 and March 31, 2012**

(Millions of Yen)

	As of March 31, 2012	As of September 30, 2012
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	461,799	438,969
Short-term loans payable	282,524	306,424
Commercial papers	2,000	2,000
Current portion of bonds	35,000	20,000
Income taxes payable	8,850	7,009
Deferred tax liabilities	87	34
Provision for bonuses	6,254	6,287
Other	150,906	129,530
<b>Total current liabilities</b>	<b>947,422</b>	<b>910,255</b>
Noncurrent liabilities		
Bonds payable	80,000	70,000
Long-term loans payable	691,018	643,339
Deferred tax liabilities	20,596	18,430
Deferred tax liabilities for land revaluation	696	672
Provision for retirement benefits	14,232	14,484
Provision for directors' retirement benefits	648	571
Other	35,509	32,611
<b>Total noncurrent liabilities</b>	<b>842,702</b>	<b>780,110</b>
<b>Total liabilities</b>	<b>1,790,125</b>	<b>1,690,366</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	160,339	160,339
Capital surplus	152,160	152,160
Retained earnings	151,706	153,119
Treasury stock	(179)	(179)
<b>Total shareholders' equity</b>	<b>464,026</b>	<b>465,440</b>
Accumulated Other Comprehensive Income		
Valuation difference on available-for-sale securities	7,626	2,851
Deferred gains or losses on hedges	935	1,869
Revaluation reserve for land	(2,120)	(2,161)
Foreign currency translation adjustment	(163,686)	(176,960)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(875)	(832)
<b>Total accumulated other comprehensive income</b>	<b>(158,121)</b>	<b>(175,233)</b>
Minority interests	24,565	25,940
<b>Total net assets</b>	<b>330,471</b>	<b>316,147</b>
<b>Total liabilities and net assets</b>	<b>2,120,596</b>	<b>2,006,513</b>

**Consolidated Statement of Profit and Loss  
for the First Half Fiscal Year Ending March 31, 2013**

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2012 (From April 1, 2011 to September 30, 2011)	For the 1st Half Fiscal Year Ended March 31, 2013 (From April 1, 2012 to September 30, 2012)
<b>Net sales</b>	2,195,704	1,952,570
Cost of sales	2,093,495	1,857,736
<b>Gross profit</b>	102,208	94,834
Selling, general and administrative expenses	79,484	78,022
<b>Operating income</b>	22,723	16,812
Non-operating income		
Interest income	2,319	2,528
Dividends income	1,729	1,667
Equity in earnings of affiliates	8,118	4,261
Other	9,162	5,828
<b>Total non-operating income</b>	21,329	14,285
Non-operating expenses		
Interest expenses	11,715	10,815
Interest on commercial papers	2	2
Foreign exchange losses	4,969	1,078
Other	3,587	3,419
<b>Total non-operating expenses</b>	20,276	15,315
<b>Ordinary Income</b>	23,776	15,781
Extraordinary income		
Gain on sales of noncurrent assets	2,297	1,123
Gain on sales of investment securities	3,151	2,250
Gain on sales of equity investment without stock	—	3,485
Gain on change in equity	6	5
Gain on negative goodwill	—	5
<b>Total extraordinary income</b>	5,455	6,870
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	205	180
Impairment loss	539	364
Loss on sales of investment securities	28	28
Loss on sales of equity investment without stock	5	—
Loss on revaluation of securities	2,567	11,734
Loss on change in equity	176	17
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	2,193	237
Loss on litigation etc	—	582
<b>Total extraordinary losses</b>	5,715	13,143
Income before income taxes and minority interests	23,516	9,508
Income taxes-current	6,364	5,684
Income taxes-deferred	5,024	(1,561)
Total income taxes	11,388	4,123
Income before minority interests	12,128	5,384
Minority interests in income	1,846	2,369
<b>Net income</b>	10,281	3,015

**Consolidated Statement of Comprehensive Income  
for the First Half Fiscal Year Ending March 31, 2013**

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2012 (From April 1, 2011 to September 30, 2011)	For the 1st Half Fiscal Year Ending March 31, 2013 (From April 1, 2012 to September 30, 2012)
<b>Income before minority interests</b>	12,128	5,384
Other comprehensive income		
Valuation difference on available-for-sale securities	(9,490)	(1,714)
Deferred gains or losses on hedges	(376)	860
Foreign currency translation adjustment	5,530	(8,347)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	11	45
Share of other comprehensive income of associates accounted for using equity method	(13,054)	(7,791)
Total Other comprehensive income	(17,380)	(16,946)
<b>Comprehensive income</b>	(5,251)	(11,561)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(6,953)	(13,925)
Comprehensive income attributable to minority interests	1,701	2,363

**Consolidated Statements of Cash Flows**  
**for the First Half Fiscal Year Ended March 31, 2013**

(millions of Yen)

	For the First Half Fiscal Year Ended March 31, 2012 (From April 1, 2011 to September 30, 2011)	For the First Half Fiscal Year Ended March 31, 2013 (From April 1, 2012 to September 30, 2012)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes and minority interests	23,516	9,508
Depreciation and amortization	15,387	14,653
Impairment loss	539	364
Loss on valuation of investment securities	2,567	11,734
Amortization of goodwill	2,429	2,434
Increase (decrease) in allowance for doubtful accounts	(4,264)	(4,302)
Increase (decrease) in provision for retirement benefits	431	393
Interest and dividends income	(4,048)	(4,195)
Interest expenses	11,718	10,817
Foreign exchange losses (gains)	4,391	2,941
Equity in (earnings) losses of affiliates	(8,118)	(4,261)
Loss (gain) on sales of investment securities	(2,948)	(5,695)
Loss (gain) on sales and retirement of noncurrent assets	(2,092)	(943)
Decrease (increase) in notes and accounts receivable-trade	(19,701)	36,869
Decrease (increase) in inventories	(29,350)	(18,389)
Increase (decrease) in notes and accounts payable-trade	12,114	(16,089)
Other, net	6,228	7,424
<b>Subtotal</b>	<b>8,804</b>	<b>43,263</b>
Interest and dividends income received	11,496	12,455
Interest expenses paid	(11,519)	(9,806)
Income taxes paid	(8,136)	(7,128)
<b>Net cash provided by (used in) operating activities</b>	<b>645</b>	<b>38,784</b>
<b>Net cash provided by (used in) investing activities</b>		
Decrease (increase) in time deposits	(5,468)	(1,878)
Decrease (increase) in short-term investment securities	(532)	(10)
Purchase of property, plant and equipment	(15,733)	(15,759)
Proceeds from sales of property, plant and equipment	4,435	6,161
Purchase of intangible assets	(4,625)	(5,256)
Purchase of investment securities	(2,483)	(1,702)
Proceeds from sales and redemption of investment securities	6,340	5,014
Decrease (increase) in short-term loans receivable	3,376	129
Payments of long-term loans receivable	(8,046)	(2,959)
Collection of long-term loans receivable	253	558
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,840)	-
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(742)	(4,309)
Other, net	(2,552)	(70)
<b>Net cash provided by (used in) investing activities</b>	<b>(27,618)</b>	<b>(20,083)</b>
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	13,764	(9,252)
Proceeds from long-term loans payable	50,920	84,827
Repayment of long-term loans payable	(56,004)	(93,496)
Proceeds from issuance of bonds	29,847	9,953
Redemption of bonds	(27,719)	(35,000)
Proceeds from stock issuance to minority shareholders	4	68
Cash dividends paid	(1,876)	(1,876)
Cash dividends paid to minority shareholders	(357)	(111)
Other, net	(506)	(842)
<b>Net cash provided by (used in) financing activities</b>	<b>8,072</b>	<b>(45,729)</b>
Effect of exchange rate change on cash and cash equivalents	701	(4,915)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(18,198)</b>	<b>(31,944)</b>
Cash and cash equivalents at beginning of period	415,261	427,274
<b>Cash and cash equivalents at end of period</b>	<b>397,062</b>	<b>395,329</b>

## Segment Information

### Reportable segment information

For the first half fiscal year ended March 31, 2012 (April 1, 2011 – September 30, 2011)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	481,515	507,589	319,845	859,675	2,168,627	27,076	2,195,704	-	2,195,704
(2) Inter-segment	1,508	761	2,106	1,424	5,800	1,639	7,439	(7,439)	-
Total	483,023	508,351	321,951	861,100	2,174,427	28,716	2,203,143	(7,439)	2,195,704
Segment income (loss)	1,535	9,934	2,964	3,818	18,252	(2,011)	16,241	(5,959)	10,281

Notes: 1. "Other" includes functional services, domestic regional companies in Japan, logistics and insurance services, aircraft leasing, real estate business (investment, buying and selling, leasing, management) and part of commercial facilities operation.

2. The (5,959) million yen adjustment for segment income includes (5,278) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (718) million yen of loss on revaluation of securities associated with unallocated shared corporate assets.

3. Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

For the first half fiscal year ending March 31, 2013 (April 1, 2012 – September 30, 2012)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	429,144	469,530	283,333	744,264	1,926,273	26,296	1,952,570	-	1,952,570
(2) Inter-segment	686	525	1,987	1,815	5,016	2,574	7,590	(7,590)	-
Total	429,831	470,056	285,320	746,080	1,931,290	28,871	1,960,161	(7,590)	1,952,570
Segment income (loss)	1,227	(678)	2,564	2,911	6,025	1,490	7,516	(4,500)	3,015

Notes: 1. "Other" includes functional services, domestic regional companies in Japan, logistics and insurance services, aircraft leasing, real estate business (investment, buying and selling, leasing, management) and part of commercial facilities operation.

2. The (4,500) million yen adjustment for segment income includes (698) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (4,376) million yen of loss on revaluation of securities and 574 million yen in gain on sales of investment securities associated with unallocated shared corporate assets.

3. Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

#### (Changes in the Reportable segment information)

Effective the first quarter ended June 30, 2012, the domestic real estate business was reclassified from the Consumer Lifestyle Business Division to the Other segment to improve earning base and strengthen its function.

In addition, former Chemicals and Functional Materials division changed to Chemicals division. The results for the first half fiscal year ended March 31, 2012 are stated based on the business divisions after the change was made.

## Consolidated Financial Results for the Second Quarter Ended September 30, 2012

### Contents

◆ Consolidated Statements of Cash Flows for the First Half fiscal Year Ending March 31, 2013	P. 1 ~ 2
◆ Segment Information	P. 3 ~ 4
◆ Increase/Decrease in the Number of Consolidated Subsidiaries and Affiliates	P. 5 ~ 6
◆ Performance at Consolidated Subsidiaries and Affiliates	P. 7 ~ 8
◆ Major consolidated subsidiaries and affiliates	P. 9 ~ 10
◆ Country Risk Exposure (Consolidated)	P. 11
◆ Real Estate (Consolidated)	P. 12
◆ Number of Employee by Business Segment	P. 13
◆ News Releases for the First Half Fiscal Year Ending September 30, 2012	P. 14
◆ Forecast for the Year Ending March 31, 2013	P. 15
◆ Change of Consolidated Statements of Income	P. 16
◆ Change of Consolidated Balance Sheets	P. 17
◆ Change of Consolidated Statements of Cash Flows	P. 18

◆ Consolidated Statements of Cash Flows  
for the First Half fiscal Year Ending March 31, 2013

(Millions of Yen)

	For the 1st Half Fiscal Year Ended March 31, 2012 (From April 1, 2011 to September 31, 2011)	For the 1st Half Fiscal Year Ending March 31, 2013 (From April 1, 2012 to September 31, 2012)
1	<b>Net cash provided by (used in) operating activities</b>	
2	23,516	9,508
3	15,387	14,653
4	539	364
5	2,567	11,734
6	2,429	2,434
7	(4,264)	(4,302)
8	431	393
9	(4,048)	(4,195)
10	11,718	10,817
11	4,391	2,941
12	(8,118)	(4,261)
13	(2,948)	(5,695)
14	(2,092)	(943)
16	(19,701)	36,869
17	(29,350)	(18,389)
18	12,114	(16,089)
19	6,228	7,424
20	<u>8,804</u>	<u>43,263</u>
21	11,496	12,455
22	(11,519)	(9,806)
23	(8,136)	(7,128)
24	<b>645</b>	<b>38,784</b>
	<b>Net cash provided by (used in) investing activities</b>	
25	(5,468)	(1,878)
26	(532)	(10)
27	(15,733)	(15,759)
28	4,435	6,161
29	(4,625)	(5,256)
30	(2,483)	(1,702)
31	6,340	5,014
32	3,376	129
33	(8,046)	(2,959)
34	253	558
35	(1,840)	-
36	(742)	(4,309)
37	(2,552)	(70)
38	<u>(27,618)</u>	<u>(20,083)</u>
39	<b>Net cash provided by (used in) financing activities</b>	
40	13,764	(9,252)
42	50,920	84,827
43	(56,004)	(93,496)
44	29,847	9,953
45	(27,719)	(35,000)
46	4	68
48	(1,876)	(1,876)
49	(357)	(111)
50	(506)	(842)
51	<u>8,072</u>	<u>(45,729)</u>
52	701	(4,915)
53	<u>(18,198)</u>	<u>(31,944)</u>
54	415,261	427,274
56	<u><u>397,062</u></u>	<u><u>395,329</u></u>



◆ Consolidated Statements of Cash Flows  
for the First Half fiscal Year Ending March 31, 2013  
(Supplementary)

	<u>FY2012 1H</u>	<u>Details</u>
<u>① Net cash provided by operating activities</u> (Billions of Yen)		
1. Income before income taxes and depreciation	24.2	
2. Excluding profits/losses that do not affect cash flow	9.9	Impairment loss; interest and dividend income; interest expenses; and foreign exchange losses (gains)
3. Excluding profits/losses related to investment activities	3.3	Loss on valuation of investment securities; loss (gain) on sales of investment securities; amortization of goodwill; equity in earnings of affiliates; and loss (gain) on sales and retirement of noncurrent assets
4. Other	1.4	Revenues from decrease in notes and accounts receivable-trade etc.
<b>Total</b>	<b>38.8</b>	
<u>② Net cash provided by (used in) investing activities</u>		
1. Decrease (increase) in time deposits	(1.9)	
2. Noncurrent assets		
Purchase of property, plant and equipment	(15.8)	Oil-related equipment, ships
Purchase of intangible assets	(5.3)	Coal, iron ore, oil and gas interests
Proceeds from sales of property, plant and equipment	6.2	Real estate, aircraft
<b>Sub-total</b>	<b>(14.9)</b>	
3. Short-term investment Securities, Investment securities		
Purchase of investment securities	(1.7)	Purchase of overseas business company stock
Proceeds from sales of investment securities, etc.	5.0	Sales of overseas business company stock
<b>Sub-total</b>	<b>3.3</b>	
4. Loans receivable		
Decrease (increase) in short-term loans receivable	0.1	
Payments of long-term loans receivable	(3.0)	Loans to equity-method affiliates
Collection of long-term loans receivable	0.6	
<b>Sub-total</b>	<b>(2.3)</b>	
5. Other	(4.3)	Payments for sales of subsidiaries' stock resulting from change in scope of consolidation
<b>Total</b>	<b>(20.1)</b>	
<b>Free cash flow (① + ②)</b>	<b>18.7</b>	
<u>③ Net cash provided by (used in) financing activities</u>		
1. Increase (decrease) in short-term loans payable	(9.3)	
2. Long-term loans payable		
Proceeds from long-term loans payable	84.8	
Repayment of long-term loans payable	(93.5)	
<b>Sub-total</b>	<b>(8.7)</b>	
3. Bonds		
Proceeds from issuance of bonds	10.0	
Redemption of bonds	(35.0)	
<b>Sub-total</b>	<b>(25.0)</b>	
4. Cash dividends paid	(1.9)	
5. Other	(0.8)	
<b>Total</b>	<b>(45.7)</b>	

## ◆ Segment Information

For the first half fiscal year ended March 31, 2012 (April 1, 2011 – September 30, 2011)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales and segment income ( loss)									
Net sales									
(1) Customers	481,515	507,589	319,845	859,675	2,168,627	27,076	2,195,704	-	2,195,704
(2) Inter-segment	1,508	761	2,106	1,424	5,800	1,639	7,439	(7,439)	-
Total	483,023	508,351	321,951	861,100	2,174,427	28,716	2,203,143	(7,439)	2,195,704
Segment income ( loss )	1,535	9,934	2,964	3,818	18,252	(2,011)	16,241	(5,959)	10,281

Notes: 1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate business (investment, buying and selling, leasing, management) and part of commercial facilities operation.

2. The (5,959) million yen adjustment for segment income includes (5,278) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (718) million yen of loss on revaluation of securities associated with unallocated shared corporate assets.

3. Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

For the first half fiscal year ending March 31, 2013 (April 1, 2012 – September 30, 2012)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales and segment income ( loss)									
Net sales									
(1) Customers	429,144	469,530	283,333	744,264	1,926,273	26,296	1,952,570	-	1,952,570
(2) Inter-segment	686	525	1,987	1,815	5,016	2,574	7,590	(7,590)	-
Total	429,831	470,056	285,320	746,080	1,931,290	28,871	1,960,161	(7,590)	1,952,570
Segment income ( loss )	1,227	(678)	2,564	2,911	6,025	1,490	7,516	(4,500)	3,015

Notes: 1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, aircraft leasing, real estate business (investment, buying and selling, leasing, management) and part of commercial facilities operation.

2. The (4,500) million yen adjustment for segment income includes (698) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (4,376) million yen of loss on revaluation of securities and 574 million yen in gain on sales of investment securities associated

3. Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

(Changes in the Reportable segment information)

Effective the first quarter ended June 30, 2012, the domestic real estate business was reclassified from the Consumer Lifestyle Business Division to the Other segment to improve earning base and strengthen its function.

In addition, former Chemicals and Functional Materials division changed to Chemicals division. The results for the first half fiscal year ended March 31, 2012 are stated based on the business divisions after the change was made.

## Details of Industry Segments

### 【Net sales】

	(Billions of Yen)		<u>Change</u>	<u>Reasons for change</u>
	<u>FY2011 1st Half</u>	<u>FY2012 1st Half</u>		
Machinery	481.5	429.2	(52.3)	Despite an increased number of vehicles sold by overseas automobile businesses, net sales decreased due to a decrease in trading volumes in plant and shipping-related businesses and other factors
Energy & Metal	507.6	469.5	(38.1)	Decrease due to factors including declines in the prices and trading volumes of mineral resources
Chemicals	319.8	283.3	(36.5)	Decrease due to a decrease in sales prices and a decrease in trading volumes mainly in Europe, China, and other parts of Asia.
Consumer Lifestyle Business	859.7	744.3	(115.4)	Despite increases in trading volumes in the overseas fertilizer businesses and in sales in the overseas industrial park-related business, net sales decreased due to a decrease in trading volumes of cigarettes and marine products
Other	27.1	26.3	(0.8)	
Consolidated	2,195.7	1,952.6	(243.1)	

### 【Net income】

	(Billions of Yen)		<u>Change</u>	<u>Reasons for change</u>
	<u>FY2011 1st Half</u>	<u>FY2012 1st Half</u>		
Machinery	1.6	1.2	(0.4)	Despite an increased number of vehicles sold by certain overseas automobile businesses, net income decreased due to the increase in selling, general, and administrative expenses and a decrease in trading volumes in plant and shipping-related businesses
Energy & Metal	9.9	(0.7)	(10.6)	Decrease due to decline in equity in earnings of affiliates and a decline in gross profit due to factors including declines in the prices of mineral resources, a decrease in production volume for certain interests and concessions, and cost increases
Chemicals	3.0	2.6	(0.4)	Decrease due to a decrease in sales prices and a decrease in trading volumes mainly in Europe, China, and other parts of Asia.
Consumer Lifestyle Business	3.8	2.9	(0.9)	Despite increases in trading volumes in the overseas fertilizer businesses and increases in sales in the overseas industrial park-related business, net income decreased due to factors including a decrease in the net income of lumber subsidiaries
Other, Reconciliations	(8.0)	(3.0)	5.0	Net income improved due in part to the absence of the real-estate related valuation losses posted during the previous fiscal year
Consolidated	10.3	3.0	(7.3)	

## ◆ Increase/Decrease in the Number of Consolidated Subsidiaries and Affiliates

### Changes in the number of consolidated subsidiaries and affiliates (April 1, 2012 - September 30, 2012)

(Number of Companies)

	As of March 31, 2012	As of September 30, 2012	Changes
Subsidiaries	323	320	(3)
Affiliates	139	137	(2)
Total	462	457	(5)

### Changes in major subsidiaries (April 1, 2012 - September 30, 2012)

#### ○ Major new subsidiaries

##### Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Consumer Lifestyle Business	PT. Sojitz Sabindo Aquaculture	Hatching, culture, processing, and export of shrimps (Indonesia)
Other	Sojitz Logistics Vietnam Co., Ltd.	Integrated logistic service (Vietnam)

##### Equity-method affiliates

(Segment)	(Company name)	(Main business)
Chemicals	CPC Sojitz Minería S. De R.L. De C.V.	Company that holds barite mining interests and is engaged in the manufacture and sale of barite products (Mexico)

#### ○ Major companies excluded from consolidation

##### Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Machinery	Sojitz Solar Betzweiler GmbH	Solar power generation business (Germany)

##### Equity-method affiliates

(Segment)	(Company name)	(Main business)
Chemicals	Nemoto Portugal Quimica Fina Lda.	Manufacture and sale of special paint (Portugal)

Impact on the Profit due to Increase and Decrease of Consolidated Subsidiaries(compared with the same period last year)

(※Excluding impact due to amortization of goodwill )

Increase

(Billions of Yen)

	Net Sales	Gross Profit	Ordinary Income	Net Income
Consolidated subsidiaries	0.0	0.0	0.1	0.1

Decrease

(Billions of Yen)

	Net Sales	Gross Profit	Ordinary Income	Net Income
Consolidated subsidiaries	(5.4)	(0.9)	0.0	0.7

## ◆ Performance at Consolidated Subsidiaries and Affiliates

### (1) Number of Consolidated Subsidiaries and Affiliates

(Number of Companies)

		As of September 30, 2011			As of September 30, 2012			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	46	48	94	60	29	89	14	(19)	(5)
	Overseas	148	82	230	140	91	231	(8)	9	1
	Total	194	130	324	200	120	320	6	(10)	(4)
	% of total	59.9%	40.1%	100.0%	62.5%	37.5%	100.0%			
Affiliates	Domestic	32	6	38	30	8	38	(2)	2	0
	Overseas	84	26	110	74	25	99	(10)	(1)	(11)
	Total	116	32	148	104	33	137	(12)	1	(11)
	% of total	78.4%	21.6%	100.0%	75.9%	24.1%	100.0%			
Total	Domestic	78	54	132	90	37	127	12	(17)	(5)
	Overseas	232	108	340	214	116	330	(18)	8	(10)
	Total	310	162	472	304	153	457	(6)	(9)	(15)
	% of total	65.7%	34.3%	100.0%	66.5%	33.5%	100.0%			

### (2) Earnings of Consolidated Subsidiaries and Affiliates

(Billions of Yen)

		For the 1st Half Fiscal Year Ended March 31, 2012 (From Apr. 1, 2011 to Sep. 30, 2011)			For the 1st Half Fiscal Year Ending March 31, 2013 (From Apr. 1, 2012 to Sep. 30, 2012)			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	6.1	(3.7)	2.4	4.7	(1.0)	3.7	(1.4)	2.7	1.3
	Overseas	21.9	(4.4)	17.5	13.1	(3.9)	9.2	(8.8)	0.5	(8.3)
	Total	28.0	(8.1)	19.9	17.8	(4.9)	12.9	(10.2)	3.2	(7.0)
Affiliates	Domestic	5.9	(0.1)	5.8	5.3	(0.2)	5.1	(0.6)	(0.1)	(0.7)
	Overseas	3.9	(2.4)	1.5	3.5	(4.0)	(0.5)	(0.4)	(1.6)	(2.0)
	Total	9.8	(2.5)	7.3	8.8	(4.2)	4.6	(1.0)	(1.7)	(2.7)
Total	Domestic	12.0	(3.8)	8.2	10.0	(1.2)	8.8	(2.0)	2.6	0.6
	Overseas	25.8	(6.8)	19.0	16.6	(7.9)	8.7	(9.2)	(1.1)	(10.3)
	Total	37.8	(10.6)	27.2	26.6	(9.1)	17.5	(11.2)	1.5	(9.7)

## Performance at Principal Subsidiaries and Affiliates

### ○ Profit

(Billions of Yen)

Company	Ownership	Equity in earnings			Main business
		1st half FY2011	1st half FY2012	Changes	
<b>(Consolidated subsidiaries)</b>					
MMC Automotriz, S.A.	92.31%	2.0	1.3	(0.7)	Assembly and sales of Mitsubishi and Hyundai automobiles (Venezuela)
Sojitz Coal Resources Pty Ltd.	100.00%	4.0	1.1	(2.9)	Investment in coal mines (Australia)
Sojitz Energy Venture Inc	100.00%	1.7	1.1	(0.6)	Oil and gas development (America)
P.T. Kaltim Methanol Industri	85.00%	0.5	0.9	0.4	Manufacture and sale of methanol (Indonesia)
Solar Global Maritime Corp.	100.00%	0.0	0.7	0.7	Ship-owning and operating company (Liberia)
<b>(Equity-method affiliates )</b>					
Metal One Corporation	40.00%	2.9	2.9	0.0	Export and import as well as domestic and offshore trade of steel-related products
Nisshin France S.A.	20.00%	0.1	0.9	0.8	Investment in ferronickel manufacturers
Mitsubishi Motors Philippines Corporation	49.00%	0.5	0.6	0.1	Import, assembly and sale of Mitsubishi automobiles (Philippines)
LNG Japan Corporation	50.00%	1.0	0.5	(0.5)	LNG business and related investments
Coral Bay Nickel Corporation	18.00%	1.0	0.3	(0.7)	Manufacture and sale of nickel cobalt mixed sulfide (Philippines)

### ○ Loss

(Billions of Yen)

Company	Ownership	Equity in earnings			Main business
		1st half FY2011	1st half FY2012	Changes	
<b>(Consolidated subsidiaries)</b>					
Sojitz Moly Resources, Inc.	100.00%	0.0	(0.7)	(0.7)	Investment in molybdenum mine (Canada)
Sojitz Resources(Australia) Pty Ltd	100.00%	0.0	(0.5)	(0.5)	Investment in alumina refinery (Australia)
Sojitz Energy Project Limited	100.00%	(0.9)	(0.2)	0.7	Oil and gas development (Britain)
<b>(Equity-method affiliates )</b>					
ETH Investimentos S.A.	18.91%	(2.1)	(3.3)	(1.2)	Production of bioethanol and sugar (Brasil)

## ◆ Major consolidated subsidiaries and affiliates

( )% is the share as of September 30, 2012

### Consolidated subsidiaries

(Millions of Yen)

#### Domestic

Sojitz Machinery Corporation	(100.00%)		
	11/9	12/3	12/9
Net sales	25,436	62,812	31,087
Gross profit	1,825	4,612	2,288
Net income	204	806	470
Equity in earnings	204	806	470

Sojitz Marine & Engineering Corporation (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	39,140	85,439	35,262
Gross profit	2,069	4,231	1,632
Net income	407	1,119	(164)
Equity in earnings	407	1,119	(164)

Nissho Electronics Corporation (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	18,484	39,817	16,942
Gross profit	4,758	10,521	4,442
Net income	(12)	(1,213)	(119)
Equity in earnings	(10)	(1,213)	(119)

SAKURA Internet Inc	(40.29%)		
	11/9	12/3	12/9
Net sales	4,542	9,164	4,671
Gross profit	1,396	2,513	1,295
Net income	365	556	261
Equity in earnings	147	224	105

Sojitz Aerospace Corporation	(100.00%)		
	11/9	12/3	12/9
Net sales	53,364	112,349	55,354
Gross profit	1,213	2,885	1,443
Net income	109	381	158
Equity in earnings	109	381	158

Sojitz Energy Corporation (Consolidated)	(97.08%)		
	11/9	12/3	12/9
Net sales	90,019	198,678	101,529
Gross profit	2,439	5,111	2,411
Net income	31	53	44
Equity in earnings	31	52	43

Pla Matels Corporation (Consolidated)	(46.55%)		
	11/9	12/3	12/9
Net sales	28,463	57,790	28,283
Gross profit	1,606	3,179	1,583
Net income	228	531	225
Equity in earnings	106	247	105

Consolidated to Sojitz Pla-Net Holdings, Inc.

Sojitz Pla-Net Holdings, Inc. (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	115,152	228,514	104,353
Gross profit	5,472	11,004	5,010
Net income	(110)	(21)	(146)
Equity in earnings	(110)	(21)	(146)

Sojitz Building Materials Corporation (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	79,670	160,627	79,009
Gross profit	3,631	6,703	2,825
Net income	1,577	1,670	416
Equity in earnings	1,577	1,670	416

Sojitz Foods Corporation (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	77,462	150,764	73,238
Gross profit	3,161	6,147	2,881
Net income	551	(484)	479
Equity in earnings	551	(484)	479

Sojitz General Merchandise Corporation	(100.00%)		
	11/9	12/3	12/9
Net sales	3,526	8,441	3,536
Gross profit	565	1,277	557
Net income	72	217	45
Equity in earnings	72	217	45

Sojitz Infinity Inc. (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	3,206	7,578	3,459
Gross profit	1,725	3,957	1,821
Net income	(158)	303	(172)
Equity in earnings	(158)	303	(172)

### Consolidated subsidiaries

(Millions of Yen)

#### Overseas

MMC Automotriz, S.A.	(92.31%)		
	11/9	12/3	12/9
Net sales	17,093	50,407	20,936
Gross profit	4,858	11,598	4,890
Net income	2,120	4,058	1,394
Equity in earnings	1,957	3,746	1,287

Sojitz Coal Resources Pty Ltd. (Consolidated)	(100.00%)		
	11/9	12/3	12/9
Net sales	20,318	58,677	19,696
Gross profit	5,834	17,184	3,706
Net income	4,014	12,876	1,060
Equity in earnings	4,014	12,876	1,060



## Consolidated subsidiaries

	Sojitz Energy Venture . (Consolidated) (100.00%)		
	11/9	12/3	12/9
Net sales	7,398	17,955	4,967
Gross profit	2,925	10,082	1,997
Net income	1,736	6,303	1,115
Equity in earnings	1,736	6,303	1,115

	Sojitz Moly Resources, Inc. (100.00%)		
	11/9	12/3	12/9
Net sales	1,598	3,393	1,040
Gross profit	194	(136)	(808)
Net income	2	(346)	(717)
Equity in earnings	2	(346)	(717)

	P.T. Kaltim Methanol Industri (85.00%)		
	11/9	12/3	12/9
Net sales	7,439	18,658	10,083
Gross profit	1,015	2,398	1,739
Net income	603	835	1,050
Equity in earnings	513	710	893

	Sojitz Corporation of America (Consolidated) (100.00%)		
	11/9	12/3	12/9
Net sales	23,026	58,490	15,556
Gross profit	4,206	10,607	3,509
Net income	951	1,822	355
Equity in earnings	951	1,822	355

	Sojitz Europe Plc (Consolidated) (100.00%)		
	11/9	12/3	12/9
Net sales	34,022	77,061	28,681
Gross profit	1,945	4,566	1,601
Net income	405	537	116
Equity in earnings	405	537	116

	Sojitz Asia Pte. Ltd. (Consolidated) (100.00%)		
	11/9	12/3	12/9
Net sales	82,651	193,953	76,052
Gross profit	2,177	4,950	2,081
Net income	459	913	436
Equity in earnings	459	913	436

	Sojitz (Hong Kong) Ltd. (Consolidated) (100.00%)		
	11/9	12/3	12/9
Net sales	31,414	83,407	33,200
Gross profit	342	818	293
Net income	166	492	162
Equity in earnings	166	492	162

## Equity-method affiliates

### Domestic

	LNG Japan Corporation (Consolidated) (50.00%)		
	11/9	12/3	12/9
Net sales	248,169	533,416	214,299
Gross profit	3,028	10,691	8,518
Net income	2,092	3,635	927
Equity in earnings	1,046	1,817	463

	Metal One Corporation (Consolidated) (40.00%)		
	11/9	12/3	12/9
Net sales	1,223,427	2,473,001	1,175,398
Gross profit	54,511	109,486	54,659
Net income	7,163	14,668	7,570
Equity in earnings	2,865	5,867	3,028

	JALUX Inc. (Conoslidated) (22.00%)		
	11/9	12/3	12/9
Net sales	41,918	89,082	41,428
Gross profit	9,039	18,819	9,435
Net income	193	693	392
Equity in earnings	42	153	87

### Overseas

	Coral Bay Nickel Corporation (18.00%)		
	11/9	12/3	12/9
Net sales	14,324	30,363	12,105
Gross profit	5,731	10,102	1,887
Net income	5,549	9,326	1,575
Equity in earnings	998	1,678	283

	Cariboo Copper. (Conoslidated) (50.00%)		
	11/9	12/3	12/9
Net sales	3,014	6,910	3,385
Gross profit	1,091	2,321	753
Net income	592	1,260	398
Equity in earnings	296	630	199

	Japan Alumina Associates (Australia) Pty. Ltd. (50.00%)		
	11/9	12/3	12/9
Net sales	5,091	9,911	3,776
Gross profit	438	560	(624)
Net income	181	23	(604)
Equity in earnings	90	11	(302)

### (Note)

1. In general, figures in the above tables are based on the financial statements prepared by each company. "Equity in earnings" is calculated by multiplying the respective company's net income by our percentage of ownership in that company as of the end of the respective fiscal period. Changes in ownership during the fiscal period are not taken into account.

2. For the fiscal year ended March 31, 2012 Sojitz Group adopted a uniform fiscal year-end for its major overseas consolidated subsidiaries that hitherto had a fiscal year-end different from that of the Sojitz parent company. Consequently, Sojitz has implemented a 15-month accounting period (from Jan. 1, 2011 to Mar. 31, 2012) for the above 9 major overseas consolidated subsidiaries' fiscal 2011 results.

## ◆ Country Risk Exposure (Consolidated)

### Exposure (As of September 30, 2012)

(Note)

We calculate exposure for the consolidated Sojitz Group by tallying assets that are exposed to country risk.

We disclose exposure for the entire Sojitz Group and for the following assets: investments, loans, guarantees, and operating receivables and inventories (grouped as “operating receivables”); cash and deposits and financial assets (grouped as “cash and deposits, etc.”); Bad debts, noncurrent assets, etc. (grouped as “other assets”).

Exposure is tallied on the following bases:

- Country risk: Exposure is calculated based on the country in which credit counterparties, etc., are present.
- Substantial country risk: Exposure is adjusted based on the substantial country of risk, regardless of counterparties’ country of domicile.

(Billions of Yen )

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	1.4	0.0	0.0	29.1	9.4	6.2	46.1	50.6
Malaysia	0.7	0.0	0.0	3.6	0.5	1.1	5.9	4.5
Indonesia	4.1	0.1	0.0	9.6	3.3	16.3	33.4	40.9
Philippines	13.6	0.5	0.0	9.4	1.0	1.3	25.8	21.0
China (include Hong Kong)	10.3	0.4	0.4	32.9	6.0	4.3	54.3	52.6
(China)	9.0	0.4	0.4	23.9	4.1	1.0	38.8	42.7
(Hong Kong)	1.3	0.0	0.0	9.0	1.9	3.3	15.5	9.9
Brazil	4.5	0.4	0.1	9.3	2.6	7.9	24.8	38.7
Venezuela	0.0	0.0	0.0	9.4	9.6	11.6	30.6	30.6
Argentina	0.5	0.0	0.0	3.1	0.1	1.8	5.5	3.2
Russia	1.0	0.0	0.0	24.4	4.8	0.4	30.6	29.0
Total	36.1	1.4	0.5	130.8	37.3	50.9	257.0	271.1

(Reference)

### Exposure (As of March 31, 2012)

(Billions of Yen )

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	1.4	0.0	0.0	24.3	10.2	6.0	41.9	46.6
Malaysia	0.7	0.0	0.0	4.1	0.3	1.2	6.3	4.9
Indonesia	3.2	0.1	0.0	9.0	4.6	17.0	33.9	42.3
Philippines	12.9	0.5	0.0	11.5	0.8	1.4	27.1	21.1
China (include Hong Kong)	11.0	0.9	0.6	38.6	7.0	5.0	63.1	61.4
(China)	9.7	0.4	0.5	28.7	5.1	1.5	45.9	51.1
(Hong Kong)	1.3	0.5	0.1	9.9	1.9	3.5	17.2	10.3
Brazil	9.6	0.5	0.2	8.8	2.9	8.3	30.3	49.3
Venezuela	0.0	0.0	0.0	12.3	7.1	11.4	30.8	30.9
Argentina	0.5	0.0	0.0	3.7	0.0	1.9	6.1	3.2
Russia	0.3	0.0	0.0	19.8	4.7	0.4	25.2	26.5
Total	39.6	2.0	0.8	132.1	37.6	52.6	264.7	286.2

## ◆ Real Estate (Consolidated)

### Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2012		As of September 30, 2012		Change	
	Book Value	(unrealized profits)	Book Value	(unrealized profits)	Book Value	(unrealized profits)
Company	20.5	2.1	17.3	1.4	(3.2)	(0.7)
Consolidated subsidiaries	27.2	0.2	30.6	0.6	3.4	0.4
Consolidated Total	47.7	2.3	47.9	2.0	0.2	(0.3)

### Book value of real estate (land, building and structure) in property

(Billions of Yen)

	As of March 31, 2012	As of September 30, 2012	Change
Company	18.9	17.9	(1.0)
Consolidated subsidiaries	93.2	93.2	0.0
Consolidated Total	112.1	111.1	(1.0)

### Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2012	As of September 30, 2012	Change
Company	27.1	27.0	(0.1)
Consolidated subsidiaries	4.8	4.7	(0.1)
Consolidated Total	31.9	31.7	(0.2)

## ◆ Number of Employee by Business Segment

(Number of Employee)

	As of March 31, 2012			As of September 30, 2012			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Machinery	282	5,456	5,738	304	5,365	5,669	22	(91)	(69)
Energy & Metal	245	1,202	1,447	261	1,206	1,467	16	4	20
Chemicals	219	1,658	1,877	241	1,653	1,894	22	(5)	17
Consumer Lifestyle Business	271	5,316	5,587	280	4,762	5,042	9	(554)	(545)
Other	733	1,657	2,390	702	1,693	2,395	(31)	36	5
Total	1,750	15,289	17,039	1,788	14,679	16,467	38	(610)	(572)

Note

1. Employee headcounts above indicate personnel employed by Sojitz and its subsidiaries including employees seconded by Sojitz Corporation.

2. Effective the first quarter ended June 30, 2012, the domestic real estate business was reclassified from the Consumer Lifestyle Business Division to the Other segment to improve earning base and strengthen its function.

The number of employee as of March 31, 2012 is stated based on the business divisions after the change was made.

(Reference)

Employee headcount for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows: end-March 2012: 2,256; end-September 2012: 2,292

◆ News Releases for the First Half Fiscal Year Ending September 30, 2012  
(April ~ September)

Segment	Date	Title
<b>Machinery</b>		
	May 23, 2012	Toshiba and Sojitz Win Order for Coal Thermal Power Plant Project
	May 25, 2012	Sojitz and Meidensha received Two Orders for Power Supply Equipment for the New Lines of MTR Corporation
	July 6, 2012	Sojitz Acquires Preferential Negotiating Rights for Coal-Fired IPP Project in Mongolia Project to Supply Half of Ulan Bator's Electric Power
	August 22, 2012	Sojitz Receives Order from Vietnam Electricity for Coal Thermal Power Plant Construction Project - Project Expected to Contribute to Stable Electric Power Supply in Vietnam
	September 19, 2012	Boeing and Sojitz to Pursue Cybersecurity Business in Japan - Agreement targets government, civil and commercial markets -
<b>Energy &amp; Metal</b>		
	June 18, 2012	Sojitz Invests in Mongolian Resource Company in China Establishing the original Mongolian Coal Supply Chain
<b>Chemicals</b>		
	July 5, 2012	Sojitz Acquires Asian Sales Rights for Plant-Based Resin from Braskem of Brazil CO2 Emission is 70% Lower than Oil-Based Resins Sojitz Accelerates Green Chemical Business Initiatives
	July 6, 2012	Sojitz Cosmetics Launches Naturecia + Products under Naturecia Brand of Cosmetics
	July 13, 2012	Sojitz Invests in One of World's Largest Barite Mines in Mexico - Demand Rising for Use in Oil and Gas Drilling Fluid -
	September 12, 2012	Sojitz Cosmetics Launches New naturecia + Series - Natural Aging Care Series Supports the Skin Water Moisture Cycle and Tone
<b>Consumer Lifestyle Business</b>		
	April 3, 2012	Sojitz and KOKUBU Make Joint Investment in Leading Vietnamese Food Wholesale Company Sojitz Making Major Inroads into Asian Food Wholesaling Business
	April 6, 2012	Sojitz Support Expansion in Asia by Local Middle-Tier and Small Businesses Information Provided to Regional Banks
	May 21, 2012	Sojitz to Spin Off Domestic Condominium Business
	June 11, 2012	Sojitz GMC Signs Agreement to Sell EASTPAK Casual Bags The Bags, Loved Around the World, Convey Sense of Authenticity
	June 20, 2012	Sojitz Enters Shrimp Farming and Processing Business in Indonesia High-Quality Shrimp to be Supplied in Response to Growing Global Demand
<b>Other</b>		
	May 8, 2012	Announcement of Financial Results (Year Ended March 31, 2012)
	June 27, 2012	Notice of Relocation of Head Office
	July 4, 2012	Sojitz Logistics Establishes Logistics Company in Vietnam - Responding to Growing Logistics Demand in the Mekong Region -

◆ Forecast for the Year Ending March 31, 2013

Full-Year Forecast

(Billions of Yen)

	Fiscal Year Ended March 31, 2012  Results	Fiscal Year Ending March 31, 2013			
		1st Half Results A	Initial Full - Year Forecast	Revised Full - Year Forecast B	Achieved A/B
Net sale	4,494.2	1,952.6	4,300.0	4,100.0	48%
Gross Profit	231.6	94.8	217.0	194.0	49%
Selling, general and administrative expenses	(167.1)	(78.0)	(165.0)	(158.0)	49%
Operating income	64.5	16.8	52.0	36.0	47%
Interest expenses - net	(18.2)	(8.3)	(19.5)	(17.0)	-
Dividends income	5.0	1.7	4.0	3.5	
Equity in earnings of affiliates	12.6	4.3	16.0	11.0	-
Other income and expenses - net	(1.7)	1.3	(2.5)	(1.5)	-
Non operating income / losses - net	(2.3)	(1.0)	(2.0)	(4.0)	-
Ordinary income	62.2	15.8	50.0	32.0	49%
Extraordinary income / losses - net	(0.7)	(6.3)	(10.0)	(8.0)	-
Income before income taxes and minority interests	61.5	9.5	40.0	24.0	40%
Income before minority interests	(0.9)	5.4	23.0	13.5	40%
Net income	(3.6)	3.0	20.0	10.0	30%

Gross profit Forecast by Industry Segment

(Billions of Yen)

	Fiscal Year Ended March 31, 2012  Results	Fiscal Year Ending March 31, 2013			
		1st Half Results A	Initial Full - Year Forecast	Revised Full - Year Forecast B	Achieved A/B
Machinery	75.9	32.1	71.0	65.0	49%
Energy & Metal	57.8	16.3	49.0	32.0	51%
Chemicals	41.7	17.1	37.0	37.0	46%
Consumer Lifestyle Business	50.6	25.6	54.5	54.5	47%
Other	5.6	3.7	5.5	5.5	67%
Total	231.6	94.8	217.0	194.0	49%

Ordinary income Forecast by Industry Segment

(Billions of Yen)

	Fiscal Year Ended March 31, 2012  Results	Fiscal Year Ending March 31, 2013			
		1st Half Results A	Initial Full - Year Forecast	Revised Full - Year Forecast B	Achieved A/B
Machinery	12.4	2.0	8.0	5.0	40%
Energy & Metal	32.6	3.1	27.0	8.0	39%
Chemicals	9.8	3.6	7.0	8.0	45%
Consumer Lifestyle Business	9.1	5.6	9.0	11.0	51%
Other	(1.7)	1.5	(1.0)	0.0	-
Total	62.2	15.8	50.0	32.0	49%

Net income Forecast by Industry Segment

(Billions of Yen)

	Fiscal Year Ended March 31, 2012  Results	Fiscal Year Ending March 31, 2013			
		1st Half Results A	Initial Full - Year Forecast	Revised Full - Year Forecast B	Achieved A/B
Machinery	8.1	1.2	4.0	3.0	40%
Energy & Metal	27.3	(0.7)	20.5	3.0	-
Chemicals	5.7	2.6	4.0	4.5	58%
Consumer Lifestyle Business	4.0	2.9	4.5	6.0	48%
Other	(48.7)	(3.0)	(13.0)	(6.5)	-
Total	(3.6)	3.0	20.0	10.0	30%

Change of Consolidated Balance Sheets

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012 1st Half
<b>Current assets</b>										
Cash and deposits	435,671	426,082	521,937	471,570	380,195	421,629	455,728	415,694	442,706	412,402
Notes and accounts receivable-trade	708,982	618,086	613,513	672,658	691,492	522,397	462,233	478,880	490,708	447,517
Short-term investment securities	17,705	7,150	6,471	7,251	9,180	2,123	6,131	5,437	1,297	768
Inventories	239,499	194,694	214,163	315,885	422,158	382,899	248,629	243,210	270,645	285,008
Short-term loans receivable	188,002	41,000	44,237	23,182	11,609	9,375	7,943	8,518	5,667	5,173
Deferred tax assets	13,346	7,482	8,886	8,591	19,179	15,821	13,484	15,402	4,577	6,389
Other	171,637	139,590	116,416	130,636	156,000	129,237	100,216	106,832	88,132	79,759
Allowance for doubtful accounts	(39,926)	(10,957)	(15,172)	(14,695)	(13,869)	(10,312)	(9,089)	(7,347)	(5,583)	(3,390)
<b>Total current assets</b>	<b>1,734,918</b>	<b>1,423,129</b>	<b>1,510,454</b>	<b>1,615,081</b>	<b>1,675,946</b>	<b>1,473,172</b>	<b>1,285,277</b>	<b>1,266,629</b>	<b>1,298,151</b>	<b>1,233,630</b>
<b>Property, plant and equipment</b>	<b>493,163</b>	<b>246,652</b>	<b>246,665</b>	<b>229,966</b>	<b>232,018</b>	<b>209,720</b>	<b>222,665</b>	<b>215,774</b>	<b>233,260</b>	<b>228,127</b>
<b>Intangible assets</b>	<b>66,228</b>	<b>103,850</b>	<b>100,131</b>	<b>99,127</b>	<b>133,343</b>	<b>114,855</b>	<b>114,445</b>	<b>132,595</b>	<b>124,497</b>	<b>117,569</b>
Goodwill	41,375	79,989	76,897	69,925	65,466	60,685	54,305	51,474	44,612	42,155
Other	24,852	23,860	23,233	29,202	67,876	54,170	60,139	81,120	79,884	75,414
<b>Investments and other assets</b>	<b>781,335</b>	<b>673,924</b>	<b>663,403</b>	<b>671,857</b>	<b>625,514</b>	<b>513,798</b>	<b>538,093</b>	<b>501,678</b>	<b>464,419</b>	<b>426,938</b>
Investment securities	410,531	409,307	488,291	518,615	480,993	351,466	327,869	333,050	313,897	285,298
Long-term loans receivable	182,093	102,142	38,867	39,304	36,961	27,908	25,113	13,370	22,415	22,639
Bad debts	-	286,934	176,527	162,305	109,440	92,378	88,358	79,971	68,164	61,669
Deferred tax assets	97,507	58,051	23,880	19,754	31,053	64,137	61,432	52,881	22,442	21,900
Real estate for investment	-	-	-	-	-	-	53,261	33,993	31,934	31,735
Other	234,988	54,820	58,793	49,916	44,400	39,435	39,264	48,168	52,788	48,616
Allowance for doubtful accounts	(143,786)	(237,332)	(122,956)	(118,039)	(77,335)	(61,526)	(57,207)	(59,758)	(47,223)	(44,921)
<b>Total noncurrent assets</b>	<b>1,340,726</b>	<b>1,024,427</b>	<b>1,010,200</b>	<b>1,000,951</b>	<b>990,875</b>	<b>838,375</b>	<b>875,204</b>	<b>850,049</b>	<b>822,177</b>	<b>772,635</b>
Deferred assets	1,377	921	1,024	3,475	2,529	1,410	436	281	266	247
<b>Total assets</b>	<b>3,077,022</b>	<b>2,448,478</b>	<b>2,521,679</b>	<b>2,619,507</b>	<b>2,669,352</b>	<b>2,312,958</b>	<b>2,160,918</b>	<b>2,116,960</b>	<b>2,120,596</b>	<b>2,006,513</b>
<b>Current liabilities</b>										
Notes and accounts payable-trade	479,264	472,513	451,438	531,508	578,995	418,811	377,468	414,984	461,799	438,969
Short-term loans payable	1,320,861	933,100	775,555	501,055	497,208	351,841	256,652	247,656	282,524	306,424
Commercial papers	141,200	139,200	29,200	10,000	25,000	35,000	10,000	2,000	2,000	2,000
Current portion of bonds	38,858	43,050	9,358	896	75,100	42,136	40,120	60,000	35,000	20,000
Income taxes payable	7,788	7,644	7,774	8,811	8,246	7,230	5,949	6,591	8,850	7,009
Deferred tax liabilities	257	422	41	34	53	597	44	146	87	34
Provision for bonuses	3,108	4,234	5,148	7,412	7,686	5,503	5,497	5,845	6,254	6,287
Other	220,979	154,515	138,198	159,778	191,161	178,734	145,801	153,321	150,906	129,530
<b>Total current liabilities</b>	<b>2,212,318</b>	<b>1,754,681</b>	<b>1,416,716</b>	<b>1,219,497</b>	<b>1,383,451</b>	<b>1,039,857</b>	<b>841,533</b>	<b>890,544</b>	<b>947,422</b>	<b>910,255</b>
<b>Noncurrent liabilities</b>										
Bonds payable	61,167	16,048	99,036	245,540	141,496	155,120	123,647	82,719	80,000	70,000
Long-term loans payable	430,640	296,927	473,109	560,187	560,281	702,861	763,098	723,926	691,018	643,339
Deferred tax liabilities	10,463	7,544	13,553	13,078	16,685	15,528	14,743	19,009	20,596	18,430
Deferred tax liabilities for land revaluation	-	-	445	1,238	1,193	1,045	944	774	696	672
Provision for retirement benefits	7,928	29,046	25,558	22,526	19,410	16,174	13,280	13,136	14,232	14,484
Provision for directors' retirement benefits	-	-	-	1,394	958	872	931	833	648	571
Other	26,259	30,639	29,185	24,409	25,548	25,994	25,336	30,505	35,509	32,611
<b>Total noncurrent liabilities</b>	<b>536,459</b>	<b>380,206</b>	<b>640,887</b>	<b>868,374</b>	<b>765,572</b>	<b>917,597</b>	<b>941,981</b>	<b>870,905</b>	<b>842,702</b>	<b>780,110</b>
<b>Total liabilities</b>	<b>2,748,778</b>	<b>2,134,887</b>	<b>2,057,603</b>	<b>2,087,872</b>	<b>2,149,024</b>	<b>1,957,454</b>	<b>1,783,514</b>	<b>1,761,449</b>	<b>1,790,125</b>	<b>1,690,366</b>
<b>Shareholders' equity</b>	<b>392,391</b>	<b>331,674</b>	<b>389,677</b>	<b>428,464</b>	<b>451,619</b>	<b>454,491</b>	<b>458,819</b>	<b>471,688</b>	<b>464,026</b>	<b>465,440</b>
Capital stock	150,606	336,122	130,549	122,790	160,339	160,339	160,339	160,339	160,339	160,339
Capital surplus	346,619	487,686	166,754	158,593	152,160	152,160	152,160	152,160	152,160	152,160
Retained earnings	(104,802)	(492,048)	92,487	147,206	139,264	142,157	146,489	159,358	151,706	153,119
Treasury stock	(32)	(86)	(113)	(126)	(145)	(166)	(169)	(170)	(179)	(179)
<b>Accumulated Other Comprehensive Income</b>	<b>(76,156)</b>	<b>(51,433)</b>	<b>37,273</b>	<b>60,122</b>	<b>24,412</b>	<b>(135,500)</b>	<b>(106,402)</b>	<b>(141,659)</b>	<b>(158,121)</b>	<b>(175,233)</b>
Valuation difference on available-for-sale securities	16,692	32,629	90,547	94,316	60,280	6,236	14,845	12,310	7,626	2,851
Deferred gains or losses on hedges	-	-	-	623	1,345	1,510	2,357	3,022	935	1,869
Revaluation reserve for land	(5,469)	(4,869)	(2,619)	(1,935)	(2,530)	(1,907)	(2,055)	(2,302)	(2,120)	(2,161)
Foreign currency translation adjustment	(87,379)	(79,193)	(50,655)	(32,882)	(34,684)	(141,340)	(121,550)	(153,984)	(163,686)	(176,960)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	-	-	-	-	-	-	-	(706)	(875)	(832)
<b>Minority interests</b>	<b>12,009</b>	<b>33,349</b>	<b>37,125</b>	<b>43,048</b>	<b>44,296</b>	<b>36,512</b>	<b>24,987</b>	<b>25,481</b>	<b>24,565</b>	<b>25,940</b>
<b>Total net assets</b>	<b>328,244</b>	<b>313,590</b>	<b>464,076</b>	<b>531,635</b>	<b>520,327</b>	<b>355,503</b>	<b>377,404</b>	<b>355,510</b>	<b>330,471</b>	<b>316,147</b>
<b>Total liabilities and net assets</b>	<b>3,077,022</b>	<b>2,448,478</b>	<b>2,521,679</b>	<b>2,619,507</b>	<b>2,669,352</b>	<b>2,312,958</b>	<b>2,160,918</b>	<b>2,116,960</b>	<b>2,120,596</b>	<b>2,006,513</b>

**Change of Consolidated Statements of Income**

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012 1st Half
<b>Net sales</b>	<b>5,861,737</b>	<b>4,675,903</b>	<b>4,972,059</b>	<b>5,218,153</b>	<b>5,771,028</b>	<b>5,166,182</b>	<b>3,844,418</b>	<b>4,014,639</b>	<b>4,494,237</b>	<b>1,952,570</b>
<b>Cost of sales</b>	<b>(5,612,714)</b>	<b>(4,431,656)</b>	<b>(4,729,892)</b>	<b>(4,963,686)</b>	<b>(5,493,296)</b>	<b>(4,930,564)</b>	<b>(3,666,215)</b>	<b>(3,821,914)</b>	<b>(4,262,671)</b>	<b>(1,857,736)</b>
<b>Gross profit</b>	<b>249,022</b>	<b>244,247</b>	<b>242,166</b>	<b>254,466</b>	<b>277,732</b>	<b>235,618</b>	<b>178,203</b>	<b>192,725</b>	<b>231,566</b>	<b>94,834</b>
Selling, general and administrative expenses	(189,074)	(178,725)	(165,964)	(176,533)	(185,368)	(183,611)	(162,074)	(155,205)	(167,044)	(78,022)
<b>Operating income</b>	<b>59,948</b>	<b>65,521</b>	<b>76,202</b>	<b>77,932</b>	<b>92,363</b>	<b>52,006</b>	<b>16,128</b>	<b>37,519</b>	<b>64,522</b>	<b>16,812</b>
Interest income	24,572	18,431	13,213	14,995	13,715	9,597	4,632	4,308	5,994	2,528
Dividends income	4,543	3,653	6,816	6,052	5,004	8,349	5,040	4,081	4,978	1,667
Equity in earnings of affiliates	5,929	10,741	19,149	23,752	28,911	2,455	9,179	19,297	12,566	4,261
Gain on sales of investment securities	6,231	2,382	2,042	1,872	61	-	-	-	-	-
Penalty income	-	-	-	-	-	-	3,802	-	-	-
Other	16,992	16,439	18,496	15,357	13,402	9,574	14,591	16,285	13,603	5,828
<b>Total non-operating income</b>	<b>58,269</b>	<b>51,648</b>	<b>59,718</b>	<b>62,030</b>	<b>61,095</b>	<b>29,977</b>	<b>37,245</b>	<b>43,973</b>	<b>37,142</b>	<b>14,285</b>
Interest expenses	(53,590)	(45,833)	(38,571)	(38,332)	(33,101)	(29,145)	(25,808)	(23,917)	(24,212)	(10,815)
Interest on commercial papers	(2,085)	(2,920)	(1,572)	(89)	(183)	(306)	(178)	(18)	(5)	(2)
Foreign exchange losses	-	-	-	-	(5,664)	(5,243)	-	(2,848)	(145)	(1,078)
Other	(14,081)	(10,328)	(17,003)	(12,005)	(13,030)	(13,651)	(13,685)	(9,392)	(15,072)	(3,419)
<b>Total non-operating expenses</b>	<b>(69,757)</b>	<b>(59,082)</b>	<b>(57,147)</b>	<b>(50,427)</b>	<b>(51,979)</b>	<b>(48,347)</b>	<b>(39,672)</b>	<b>(36,176)</b>	<b>(39,436)</b>	<b>(15,315)</b>
<b>Ordinary Income</b>	<b>48,461</b>	<b>58,088</b>	<b>78,773</b>	<b>89,535</b>	<b>101,480</b>	<b>33,636</b>	<b>13,702</b>	<b>45,316</b>	<b>62,228</b>	<b>15,781</b>
Extraordinary income/losses - net	(90,563)	(438,167)	(9,358)	(1,449)	(13,135)	3,434	5,192	(6,004)	(775)	(6,273)
<b>Income before income taxes and minority interests</b>	<b>(42,101)</b>	<b>(380,079)</b>	<b>69,414</b>	<b>88,085</b>	<b>88,344</b>	<b>37,070</b>	<b>18,894</b>	<b>39,312</b>	<b>61,454</b>	<b>9,508</b>
Income taxes-current	(12,282)	(11,331)	(16,484)	(18,841)	(20,118)	(19,229)	(8,562)	(11,400)	(18,482)	(5,684)
Income taxes-deferred	23,058	(18,287)	(5,840)	(4,971)	(2,062)	2,490	294	(9,103)	(43,821)	1,561
<b>Income before minority interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,808</b>	<b>(850)</b>	<b>5,384</b>
Minority interests in income	(2,282)	(2,778)	(3,383)	(5,506)	(3,469)	(1,330)	(1,832)	(2,826)	(2,799)	(2,369)
<b>Net income</b>	<b>(33,609)</b>	<b>(412,475)</b>	<b>43,706</b>	<b>58,766</b>	<b>62,693</b>	<b>19,001</b>	<b>8,794</b>	<b>15,981</b>	<b>(3,649)</b>	<b>3,015</b>
										(Billions of yen)
<b>Core earnings</b>	<b>41.9</b>	<b>51.4</b>	<b>78.5</b>	<b>89.8</b>	<b>110.7</b>	<b>48.3</b>	<b>14.4</b>	<b>41.9</b>	<b>65.0</b>	<b>14.1</b>

Core earnings = Operating income (before allowance for doubtful receivables and write-offs) + Interest expense-net + Dividends received + Equity in earnings of affiliates

**Change of Consolidated Statements of Comprehensive Income**

(Millions of Yen)

	FY2009	FY2010	FY2011	FY2012 1st Half
<b>Income before minority interests</b>	<b>10,626</b>	<b>18,808</b>	<b>(850)</b>	<b>5,384</b>
<b>Other comprehensive income</b>	<b>29,563</b>	<b>(35,462)</b>	<b>(16,772)</b>	<b>(16,946)</b>
Valuation difference on available-for-sale securities	3,786	(1,557)	(2,802)	(1,714)
Deferred gains or losses on hedges	641	1,165	(1,899)	860
Revaluation reserve for land	-	-	77	-
Foreign currency translation adjustment	14,217	(26,545)	(1,302)	(8,347)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	63	129	(184)	45
Share of other comprehensive income of associates accounted for using equity	10,854	(8,654)	(10,660)	(7,791)
<b>comprehensive income</b>	<b>40,189</b>	<b>(16,653)</b>	<b>(17,622)</b>	<b>(11,561)</b>
(comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	37,869	(18,317)	(20,212)	(13,925)
Comprehensive income attributable to minority interests	2,319	1,663	2,589	2,363







# Financial Results for the Second Quarter Ended September 30, 2012

**November 2, 2012**  
**Sojitz Corporation**

## ■ Index

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- I. Financial Results for the Second Quarter Ended September 30, 2012 (Japanese accounting standard)
- II. Progress of Medium-term Management Plan 2014
- III. Dividends

### 【Supplemental Data】

- I. Earnings Forecast by Business Segment
- II. Energy & Mineral Resources
- III. Summary of Financial Results

#### Caution regarding Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.

The Company will provide timely disclosure of any material changes, events, or other relevant issues.

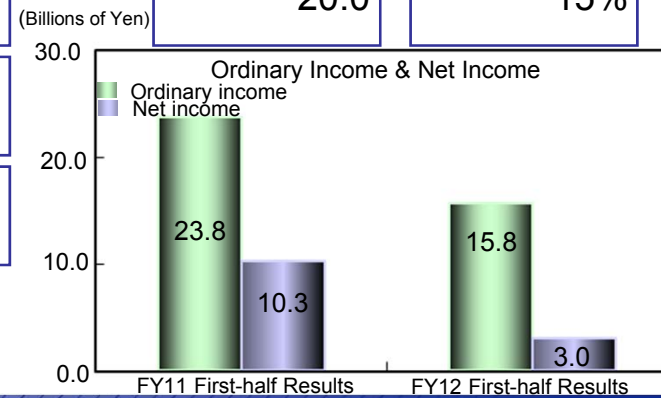
I. Financial Results for the Second Quarter Ended September 30,  
2012 (Japanese accounting standard)



## ■ Summary of P/L Statement

Earnings decreased year on year due to factors including declines in prices of mineral resources accompanying the global economic slowdown

(Billions of Yen)	First half FY11 Results	First half FY12 Results	Change	FY2012 Initial Plan	Achieved
Net sales	2,195.7	1,952.6	-243.1	4,300.0	45%
Gross profit	102.2	94.8	-7.4	217.0	44%
Operating income	22.7	16.8	-5.9	52.0	32%
Ordinary income	23.8	15.8	-8.0	50.0	32%
Net income	10.3	3.0	-7.3	20.0	15%
Comprehensive income	-5.3	-11.6	-6.3		
Core earnings	25.2	14.1	-11.1		

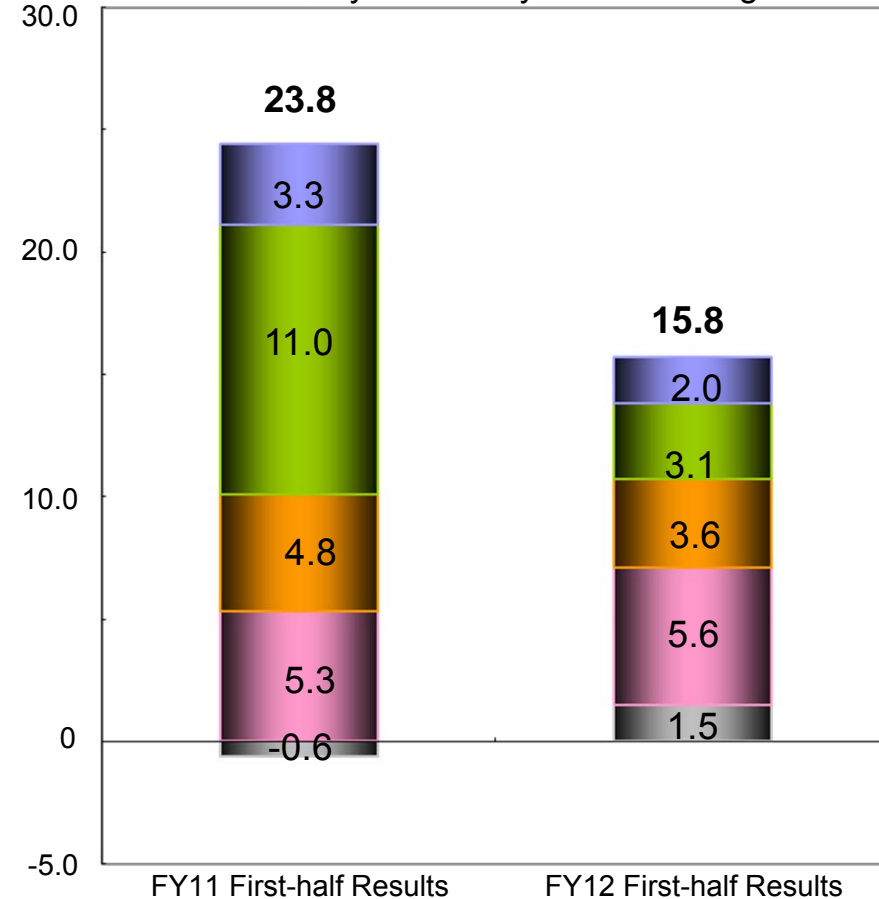


# Summary of P/L Statements

## Ordinary Income by Business segment

Earnings decreased year on year due to factors including declines in prices of mineral resources

(Billions of Yen) Ordinary Income by Business Segment



### Main factors behind the changes

- Machinery** (down 39% year-on-year)  
 Despite an increased number of vehicles sold by some overseas automobile businesses, earnings decreased due to an increase in SG&A expenses and a decrease in trading volumes in plant and shipping-related businesses
- Energy & Metal** (down 72% year-on-year)  
 Earnings decreased due to declines in the prices of mineral resources, energy-related production volumes, and equity in earnings of affiliates
- Chemicals** (down 25% year-on-year)  
 Despite solid performance in some businesses, earnings decreased due to a decrease in trading volumes due to a decline in demand in Europe, China, and other parts of Asia
- Consumer Lifestyle Business** (up 6% year-on-year)  
 Earnings increased due to increases in trading volumes in the overseas fertilizer businesses and increases in sales from a new project in overseas industrial park-related business
- Other** ( — )  
 Real-estate related valuation losses posted during the same period of the previous fiscal year

## ■ Summary of Balance Sheets

### Financial Soundness Maintained

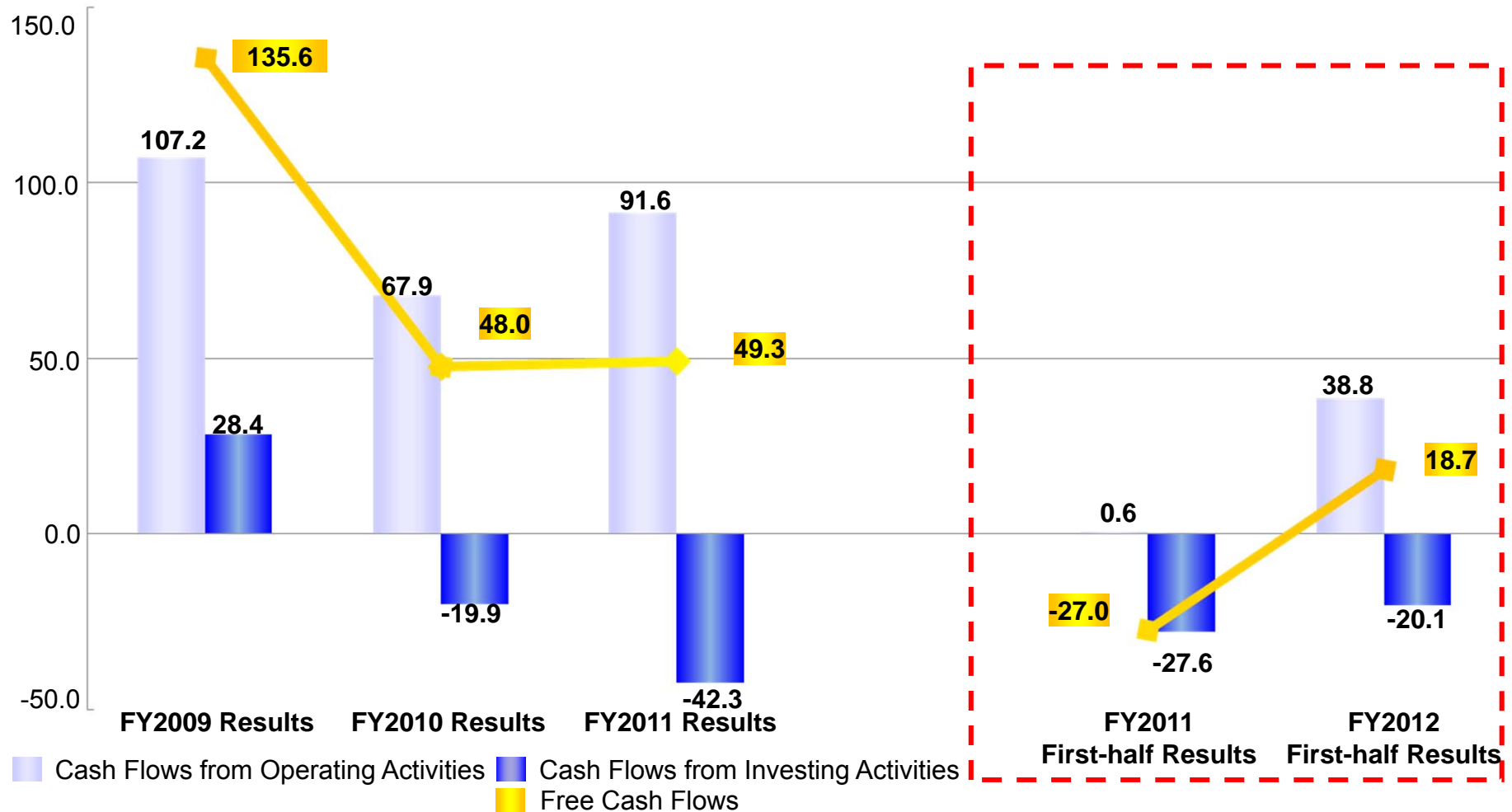
(Billions of Yen)

	End of Mar. 2012	End of Sep. 2012	Change		End of Mar. 2012	End of Sep. 2012	Change
<b>Current assets</b>	1,298.1	1,233.7	-64.4	<b>Interest-bearing debt</b>			
<b>Investment and Other assets</b>	822.5	772.8	-49.7	<b>Short-term</b>	319.5	328.4	+8.9
<b>Total assets</b>	2,120.6	2,006.5	-114.1	<b>Long-term</b>	771.0	713.3	-57.7
				<b>Other liabilities</b>	699.6	648.7	-50.9
				<b>Total equity *1 (Total net assets)</b>	305.9 (330.5)	290.2 (316.1)	-15.7 (-14.4)
				<b>Total liabilities and net assets</b>	2,120.6	2,006.5	-114.1
<b>Risk assets vs. equity</b>	300.0 (1.0times)	280.0 (1.0times)	-20.0 (0.0times)	<b>Equity ratio(%)</b>	14.4%	14.5%	+0.1%
<b>Current ratio(%)</b>	137%	136%	-1%	<b>Net interest-bearing debt</b>	647.8	629.3	-18.5
<b>Long-term debt ratio(%)</b>	71%	69%	-2%	<b>Net DER (times)</b>	2.1	2.2	+0.1
				<b>Net D/E ratio based on total net assets</b>	(2.0)	(2.0)	(0.0)

(\*1) Total equity = Total net assets – Minority interests

# Summary of Cash Flows

(Billions of Yen)





## II. Progress of Medium-term Management Plan 2014



# Business Environment and Earnings Forecast

## External environment

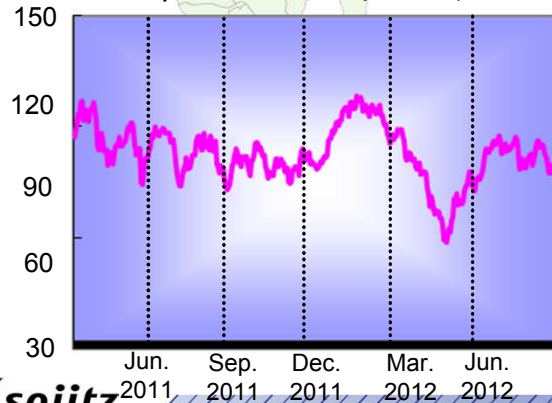
- European sovereign debt crisis remains serious
- Economic slowdown in China and other emerging market economies exceeding expectations
- Slowdown in Japan's economic recovery
- High yen and low stock prices
- Decline and slump in the prices of mineral resources

## Impact on the Group's performance

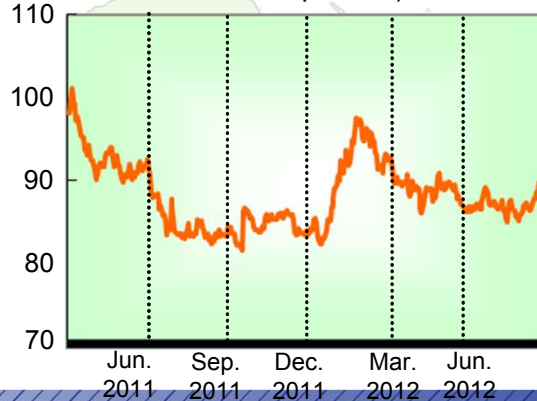
- Economic slowdown in China and other emerging economies exceeding expectations has caused drop and slump in the prices of mineral resources, and as a result a significant decline in profits in the mineral resources-related businesses is expected
- Valuation loss recorded on investment securities due to a decline in Japanese stock prices
- Impact of currency exchange rates

## Downward Revision of full-year earnings forecast

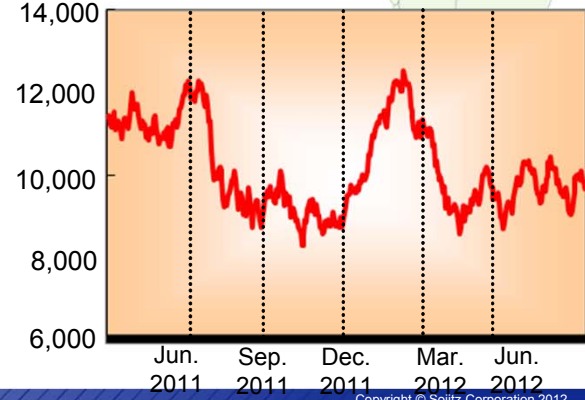
Crude oil price (2011/4 – present) (US\$/bbl)



¥/USD (2011/4 – present) (Yen)



The Nikkei Stock Average (2011/4 – present) (Yen)

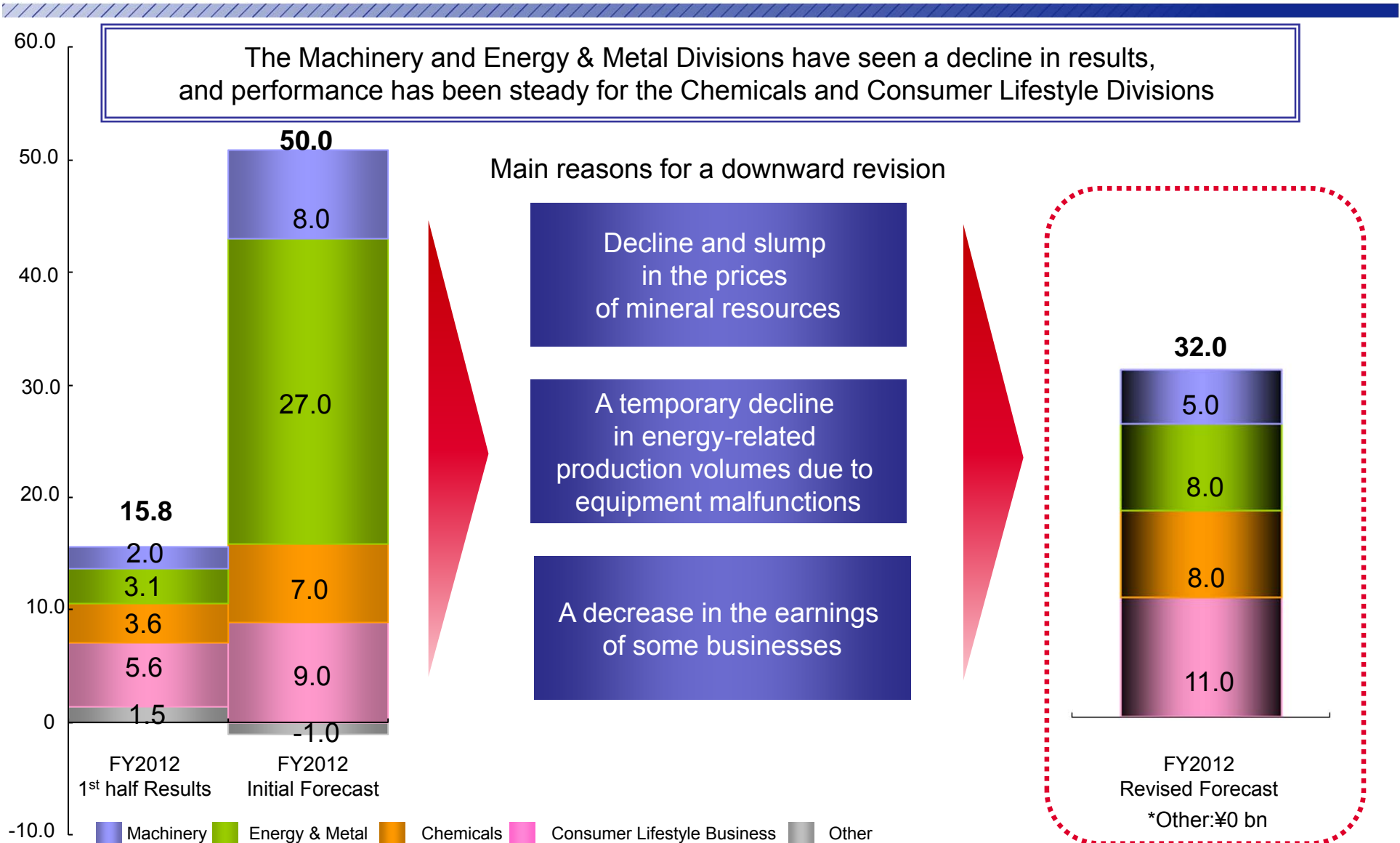


## ■ Revised Forecast for the Fiscal Year Ending March 31, 2013

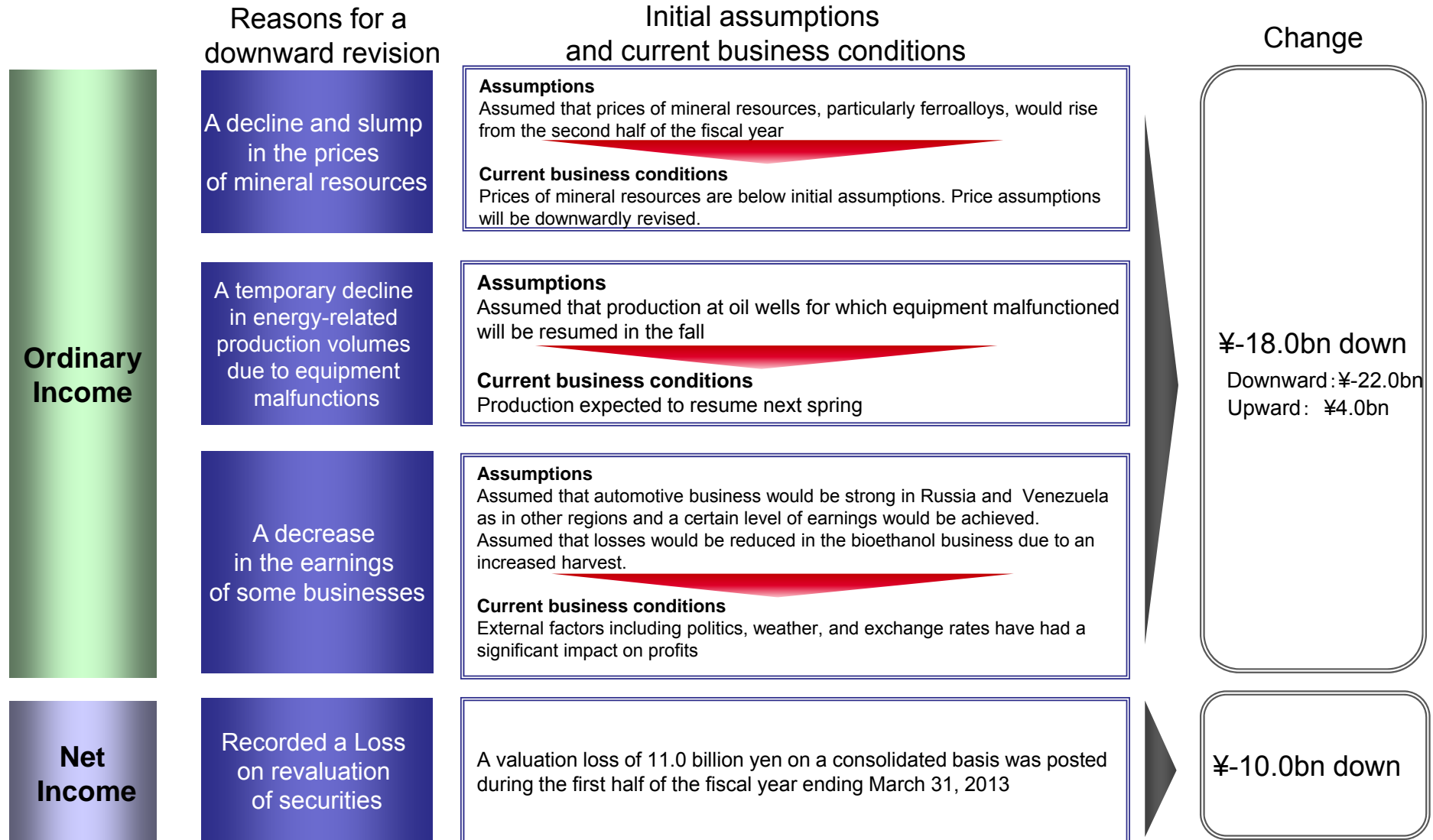
Downward revision of full-year earnings forecasts  
in consideration of the first half results and current business conditions

(Billions of Yen)	First half FY12 Results	FY2012 Initial Plan	FY2012 Revised Forecast	change
<b>Net Sales</b>	1,952.6	4,300.0	4,100.0	-200.0
<b>Gross profit</b>	94.8	217.0	194.0	-23.0
<b>Operating income</b>	16.8	52.0	36.0	-16.0
<b>Ordinary income</b>	15.8	50.0	32.0	-18.0
<b>Extraordinary income/losses</b>	-6.3	-10.0	-8.0	+2.0
<b>Net income</b>	3.0	20.0	10.0	-10.0

# FY2012 Revised Forecast (Ordinary Income by Business Segment)

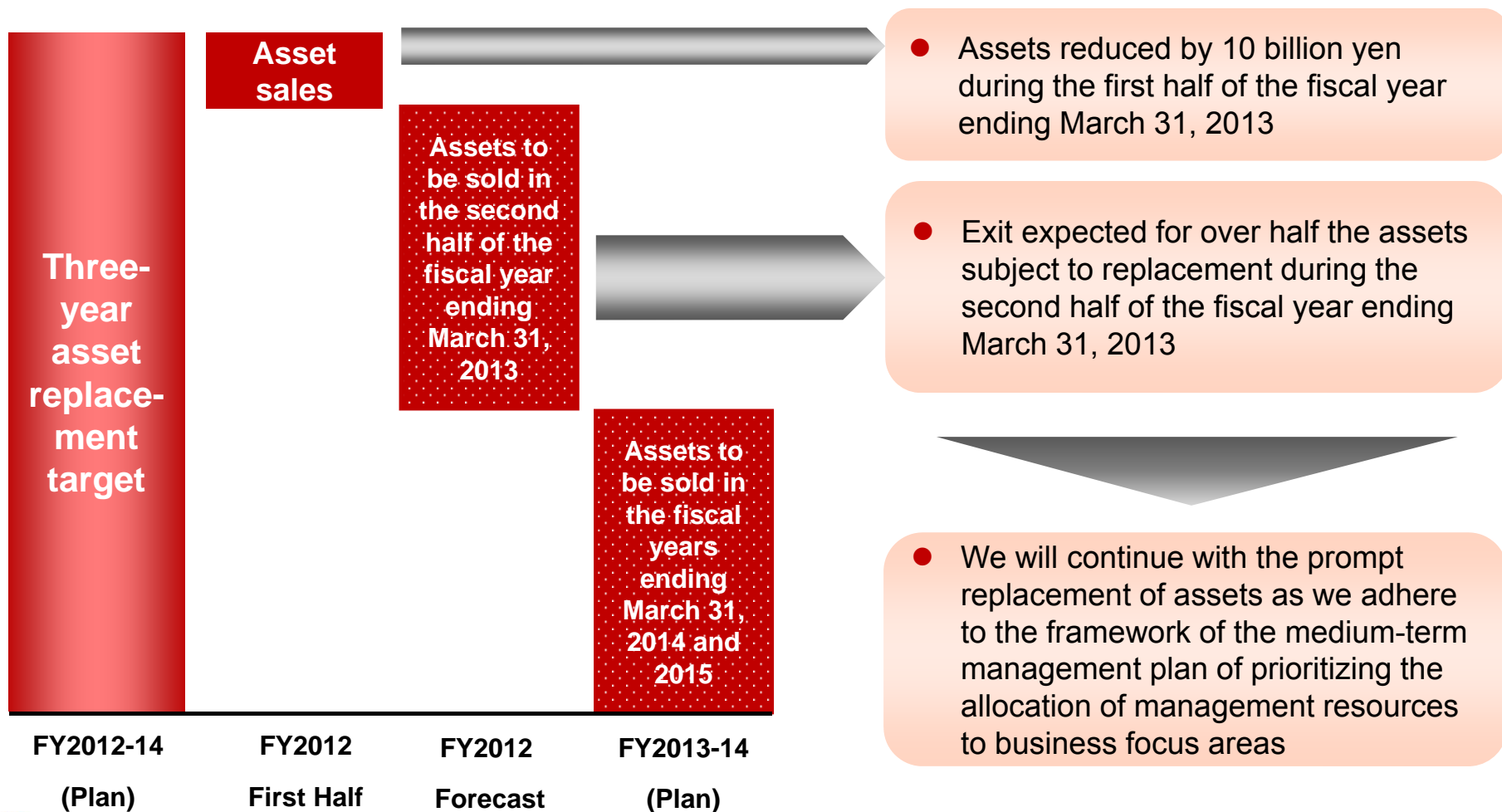


# Reasons for a Downward Revision of Full-year Earnings Forecasts FY2012



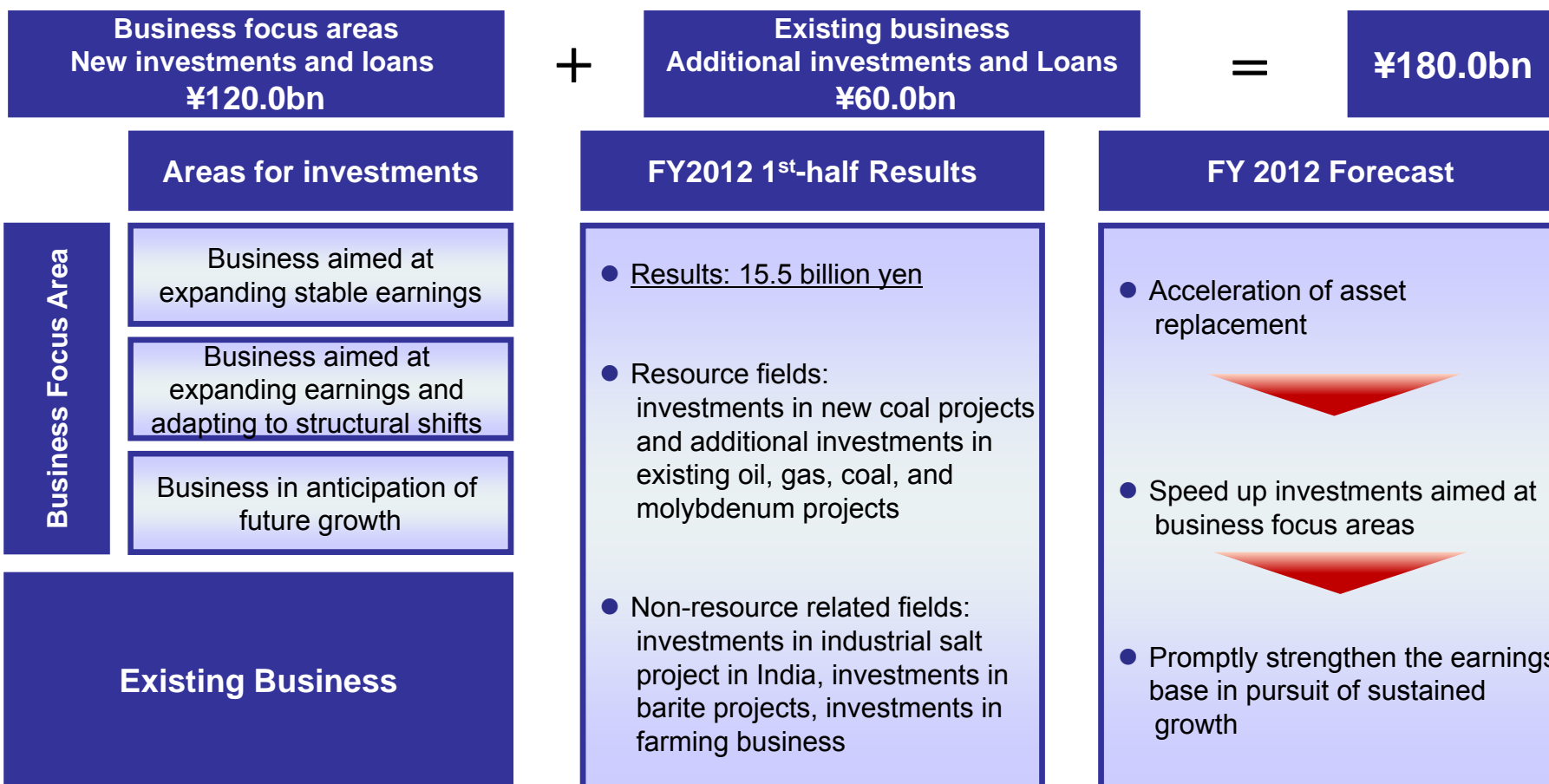
# ■ Progress of the Mid-term Management Plan 2014 – Current Status of Asset Replacement –

Strengthen earnings capacity by improving the quality of assets



# ■ Progress of the Mid-term Management Plan 2014 — Investment and Loan Plans —

- Create capital for investments through replacement of assets, and prioritize allocation of management resources to business focus areas
- Investments and loans of ¥180.0bn planned for emerging economies, focusing on Asia, Africa, and South America



## ■ Commodity Prices, Foreign Exchange, and Interest Rate

	2011 Results (Jan.-Dec. Avg.)	FY2012 Initial Assumption	FY2012 Revised Assumption	2012 Results (Apr.-Sep. Avg.)
Crude Oil (Brent)*1	\$111.3/bbl	\$110/bbl	\$110/bbl	\$109.0/bbl
Coal Thermal Coal	\$121.3/t	\$115/t	\$96.5/t	\$93.1/t
Molybdenum	\$15.5/lb	\$17.5/lb	\$13.8/lb	\$12.9/lb
Nickel*2	\$10.4/lb	\$10/lb	\$8.0/lb	\$8.3/lb
Copper*2	\$8,821/t	\$7,690/t	\$7,690/t	\$8,090/t
Exchange rate*3	¥79.5/\$	¥80.0/\$	¥79.0/\$	¥79.0/\$
Interest rate (TIBOR)*4	0.34%	0.4%	0.4%	0.34%

\*1 Sensitivity to crude oil prices: Every US\$1/bbl movement in crude oil price equates to an approximately ¥0.2bn change in ordinary income.

\*2 The price assumptions of Nickel and Copper are based on the annual average from Jan. to Dec.

\*3 Exchange rate sensitivity: Every ¥1 movement in JPY/USD rate equates to approximately ¥5bn change in sales, ¥0.2bn change in ordinary income, and ¥1.2bn change in shareholders' equity.

\*4 Interest rate sensitivity: Every 100 basis point movement in interest rates equates to approximately ¥2.0bn per year.



### III. Dividends



# ■ Dividend Policy

## Basic dividend policy

Sojitz recognizes that paying stable, continuous dividends is an important management priority, together with enhancing shareholder value and boosting competitiveness by accumulating and effectively utilizing retained earnings.

Consolidated  
Dividend  
Payout Ratio

35.6%

23.5%

—

Medium-term Management Plan  
Approximately 20%

Annual  
Dividends per  
Share

¥2.5

¥3

¥3

¥3

Interim  
(¥1.5)

FY2009

FY2010


FY2011

FY2012 (Forecast)

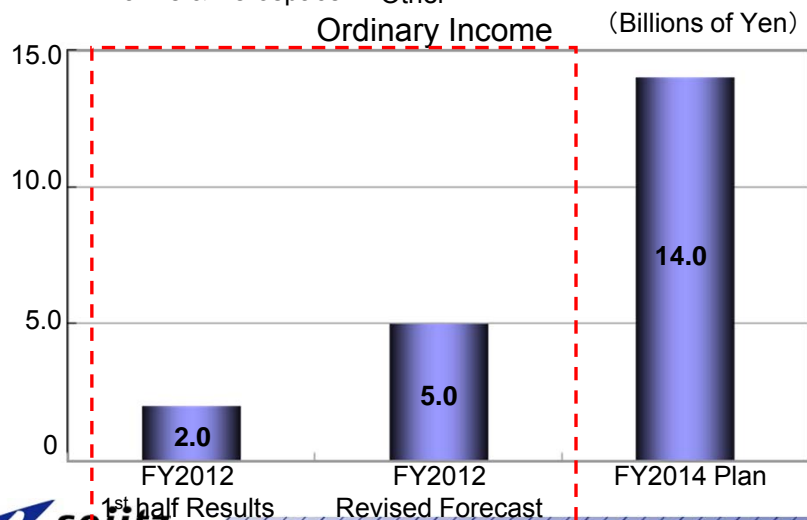
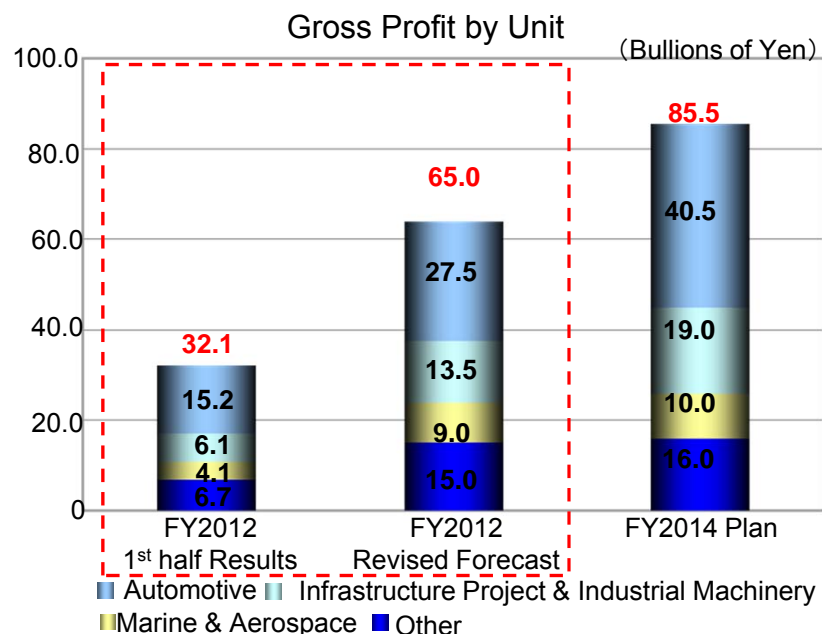
FY2014

Note: Consolidated dividend payout ratios were calculated based on common shares outstanding at fiscal year-end.

Supplemental Data I.  
Earnings Forecast by Business Segment



# ■ Machinery Segment



## Future Outlook

**Ordinary Income 1<sup>st</sup> half Results ¥2.0bn (Initial ¥8.0bn⇒Revised Forecast¥5.0bn)**

### ➤ Automotive

Downward revision of the initial forecast due to a decline in the number of vehicles sold by some overseas automobile businesses compared with the initial forecast

### ➤ Infrastructure Project & Industrial Machinery

Performance expected to be largely in line with the forecast, as profits are expected to be recorded on plant-related business during the second half of the fiscal year

### ➤ Marine & Aerospace

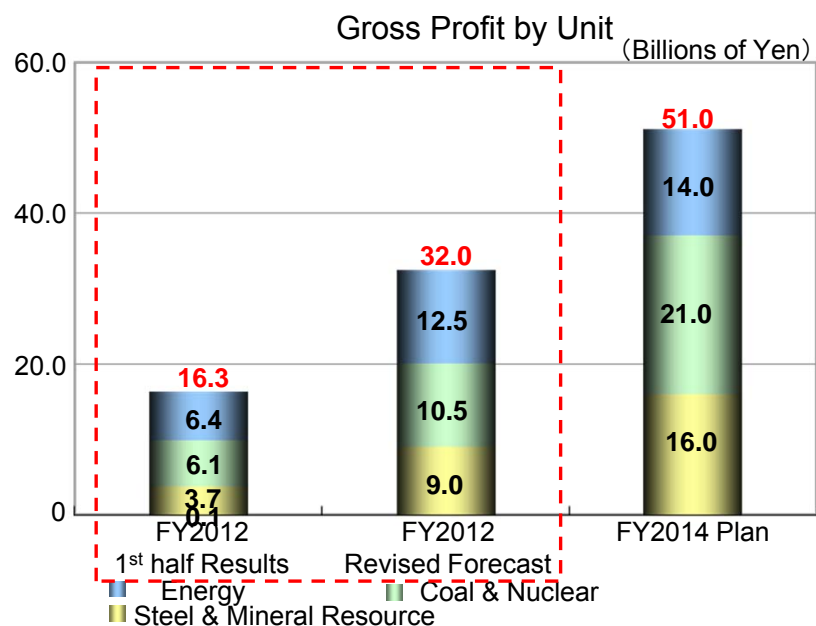
Initial forecast revised downward due to sluggish shipping-related trading, despite the fact that the aircraft-related business is expected to be largely in line with the initial forecast

## FY2012 1<sup>st</sup> half Results (Supplements)

(Billions of Yen)

	FY2011 1st half Results	FY2012 1st half Results	FY2012 Revised Full-year Forecast
Gross profit	33.1	32.1	65.0
Operating income	2.9	2.5	—
Equity in earnings of affiliates	1.4	1.2	—
Ordinary income	3.3	2.0	5.0
Net income	1.6	1.2	2.5
Total assets	—	362.8	—

# ■ Energy & Metal Segment



## Future Outlook

**Ordinary Income 1<sup>st</sup> half Results ¥3.1bn (Initial ¥27.0bn⇒Revised Forecast¥8.0bn)**

### ➤ Energy

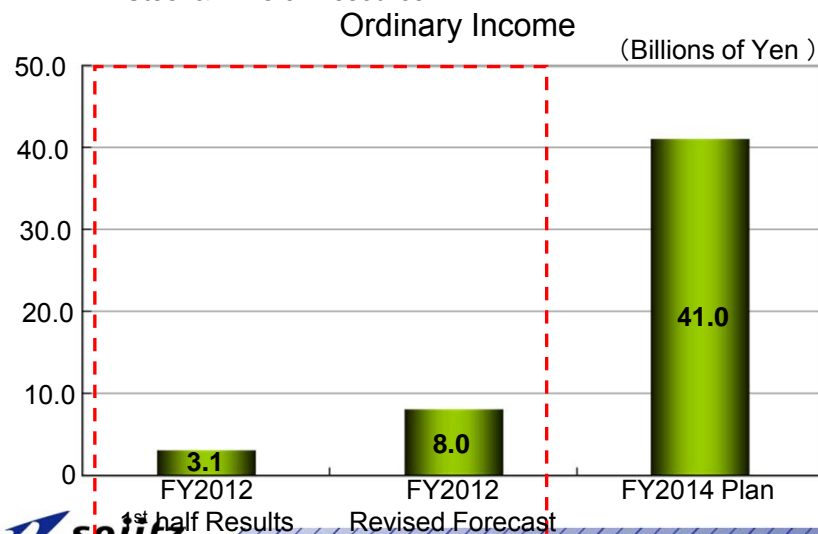
Downward revision of the initial forecast due to a decrease in production volume for certain interests and concessions and the adverse affects caused by unfavorable weather conditions and exchange rates on the bioethanol production company

### ➤ Coal & Nuclear

Initial forecast revised downward due to the decline in prices

### ➤ Steel & Mineral Resources

Downward revision due to the decline and slump in prices

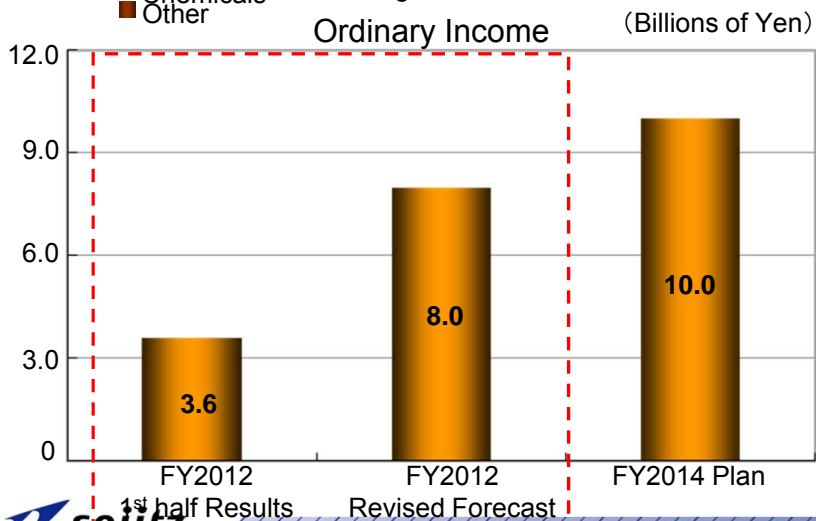
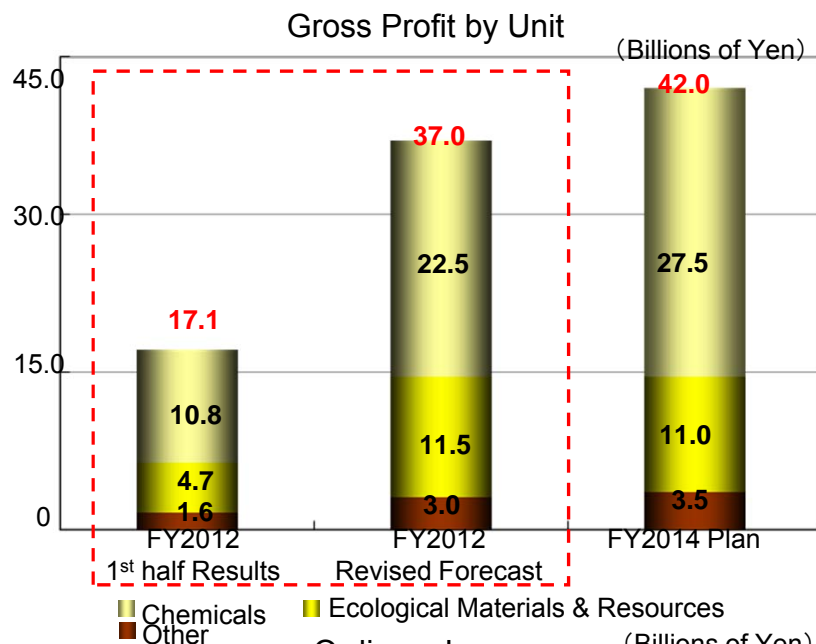


## FY2012 1<sup>st</sup> half Results (Supplements)

(Billions of Yen)

	FY2011 1st half Results	FY2012 1st half Results	FY2012 Revised Full-year Forecast
Gross profit	23.1	16.3	32.0
Operating income	10.3	4.1	—
Equity in earnings of affiliates	4.4	1.9	—
Ordinary income	11.0	3.1	8.0
Net income	9.9	-0.7	3.0
Total assets	—	511.0	—

# ■ Chemicals Segment



## Future Outlook

**Ordinary Income 1st half Results ¥3.6bn (Initial ¥7.0bn⇒Revised Forecast¥8.0bn)**

### ➤ Chemicals

Initial forecast revised upward due to the strong performance of the methanol business in Indonesia, although we will need to monitor the business environment and market trends overseas

### ➤ Ecological Materials & Resources

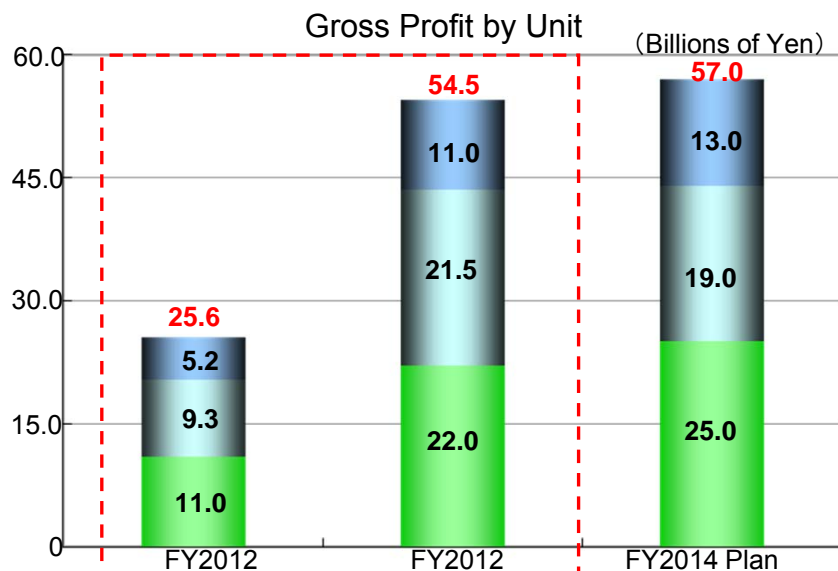
In spite of the effect of soft demand and a decrease in trading volumes, initial forecast revised upward due to expected improvements in SG&A expenses

## FY2012 1st half Results (Supplements)

(Billions of Yen)

	FY2011 1st half Results	FY2012 1st half Results	FY2012 Revised Full-year Forecast
Gross profit	19.3	17.1	37.0
Operating income	5.8	4.5	—
Equity in earnings of affiliates	0.8	0.4	—
Ordinary income	4.8	3.6	8.0
Net income	3.0	2.6	4.5
Total assets	—	254.8	—

# ■ Consumer Lifestyle Business Segment



## Future outlook

**Ordinary Income 1<sup>st</sup> half Results ¥5.6bn (Initial ¥9.0bn⇒Revised Forecast¥11.0bn)**

### ➤ Foods Resources

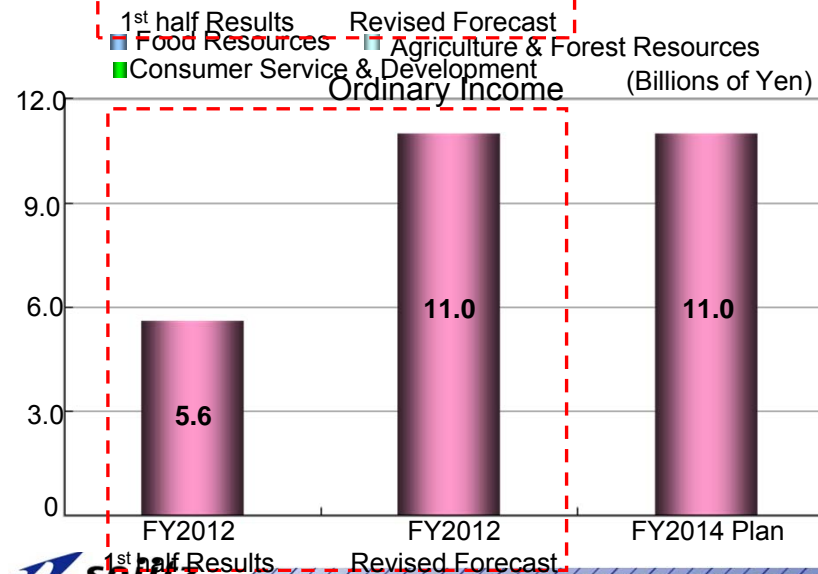
Initial forecast revised upward due to strong trading of grains and the solid performance displayed by a food resources subsidiary

### ➤ Agriculture & Forest Resources

Initial forecasts revised upward due to favorable performance in overseas fertilizer businesses

### ➤ Consumer Service & Development

Initial forecast revised upward due to favorable performance in both general commodities and overseas industrial park-related businesses



## FY2012 1<sup>st</sup> half Results (Supplements)

(Billions of Yen)

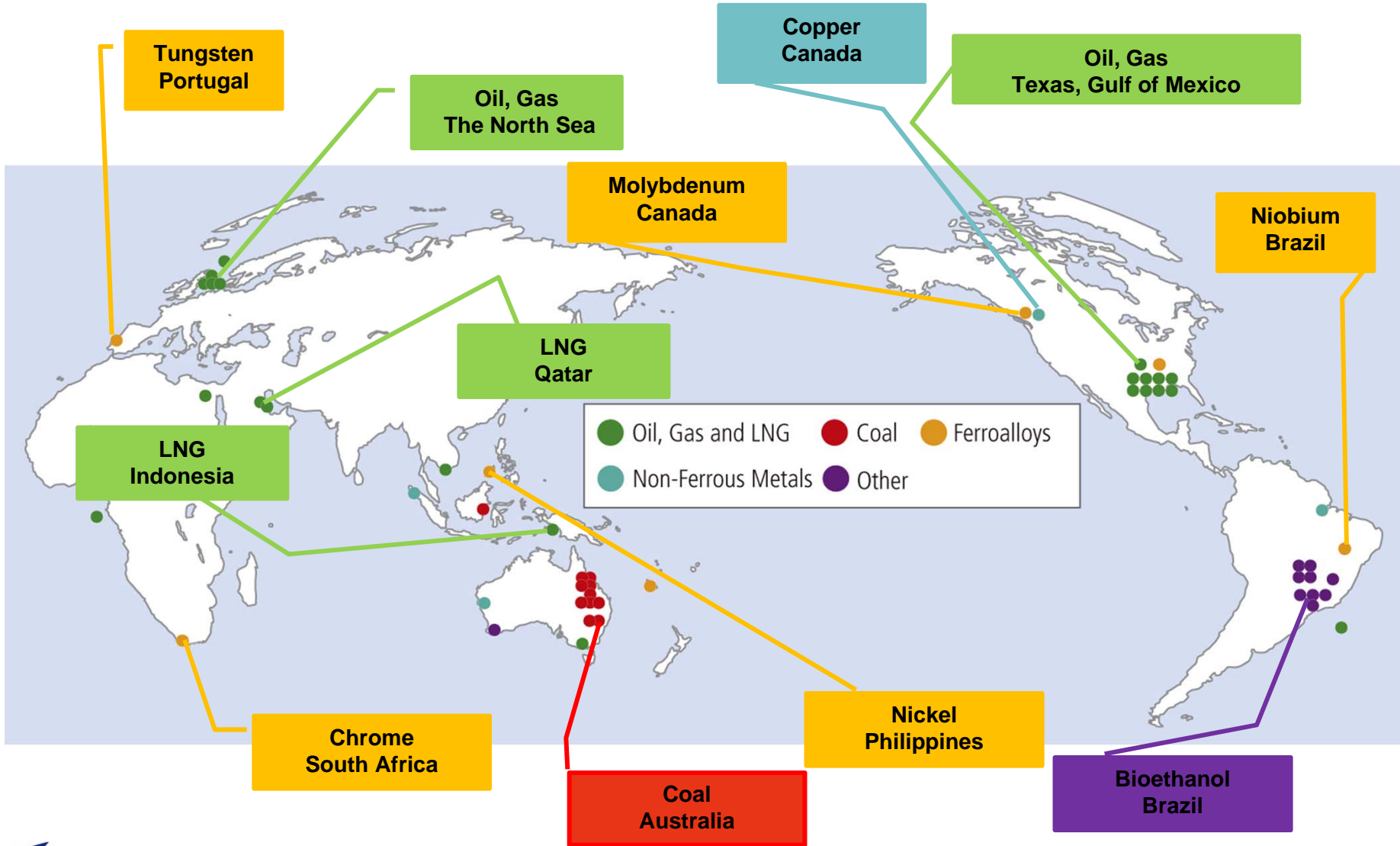
	FY2011 1st half Results	FY2012 1st half Results	FY2012 Revised Full-year Forecast
Gross profit	24.9	25.6	54.5
Operating income	6.7	7.5	—
Equity in earnings of affiliates	1.3	0.8	—
Ordinary income	5.3	5.6	11.0
Net income	3.8	2.9	6.0
Total assets	—	396.6	—

Supplemental Data II.  
Energy & Mineral Resources

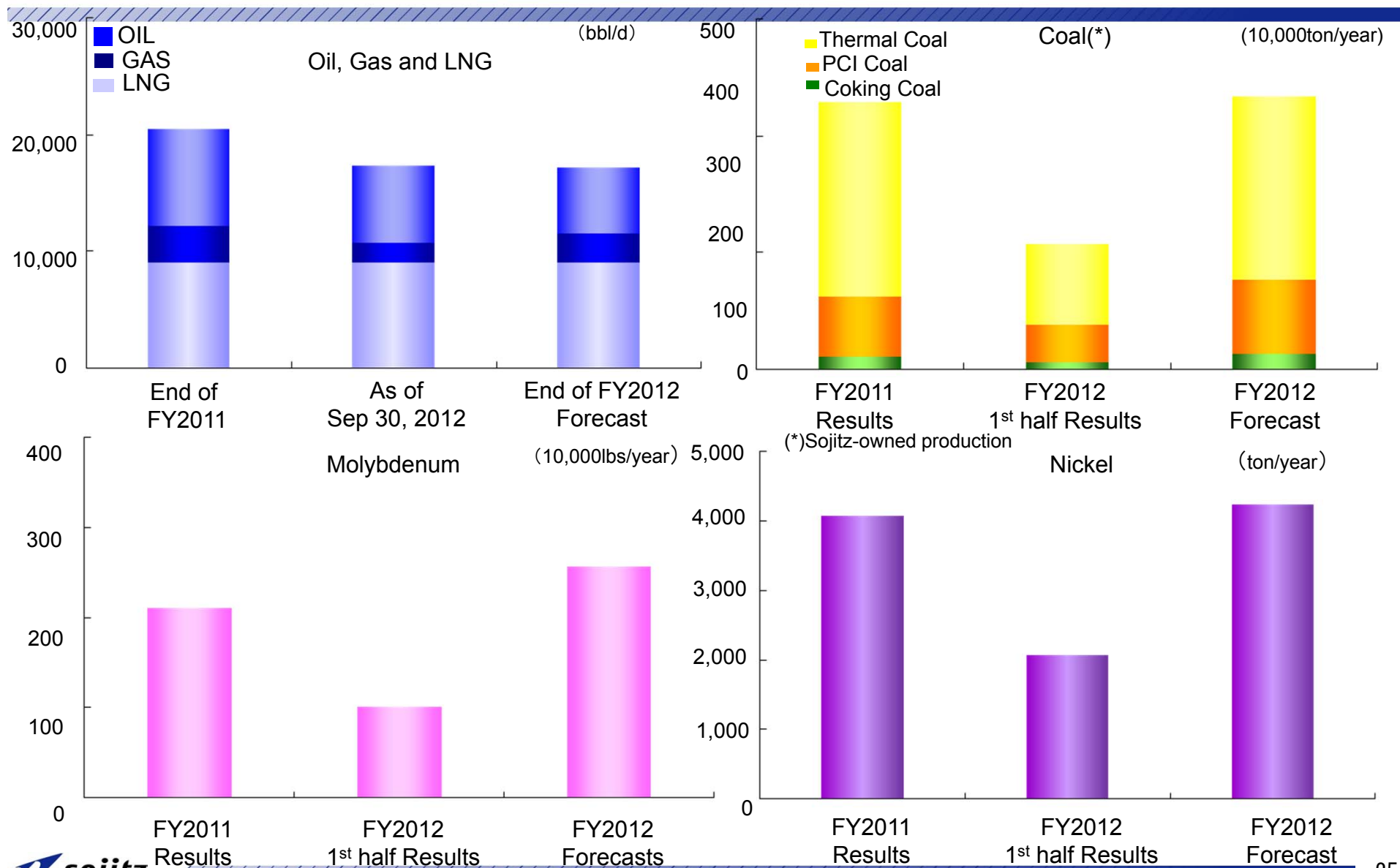




# Overview of Major Interests



# Share of Production Volume from Major Interests



Supplemental Data III.  
Summary of Financial Results



## ■ Summary of P/L Statements

(Billions of Yen)

	FY07 Results	FY08 Results	FY09 Results	FY10 Results	FY11 Results(*)	FY12 1 <sup>st</sup> half Results	FY12 Revised Forecast
<b>Net Sales</b>	5,771.0	5,166.2	3,844.4	4,014.6	4,494.2	1,952.6	4,100.0
<b>Gross Profit</b>	277.7	235.6	178.2	192.7	231.6	94.8	194.0
<b>Operating income</b>	92.4	52.0	16.1	37.5	64.5	16.8	36.0
<b>Ordinary Income</b>	101.5	33.6	13.7	45.3	62.2	15.8	32.0
<b>Net Income</b>	62.7	19.0	8.8	16.0	(3.6)	3.0	10.0
<b>Core earnings</b>	101.7	48.3	14.4	41.9	65.0	14.1	33.5
(Reference)							
<b>ROA</b>	2.4%	0.8%	0.4%	0.7%	(0.2%)	—	0.5%
<b>ROE</b>	13.0%	4.8%	2.6%	4.7%	(1.1%)	—	3.3%

(\*) A fifteen-month accounting period was applied for the significant overseas consolidated subsidiaries which underwent a change in their fiscal year end date, results on a twelve-month basis disregarding the change in the fiscal year end date are also stated as a reference point.

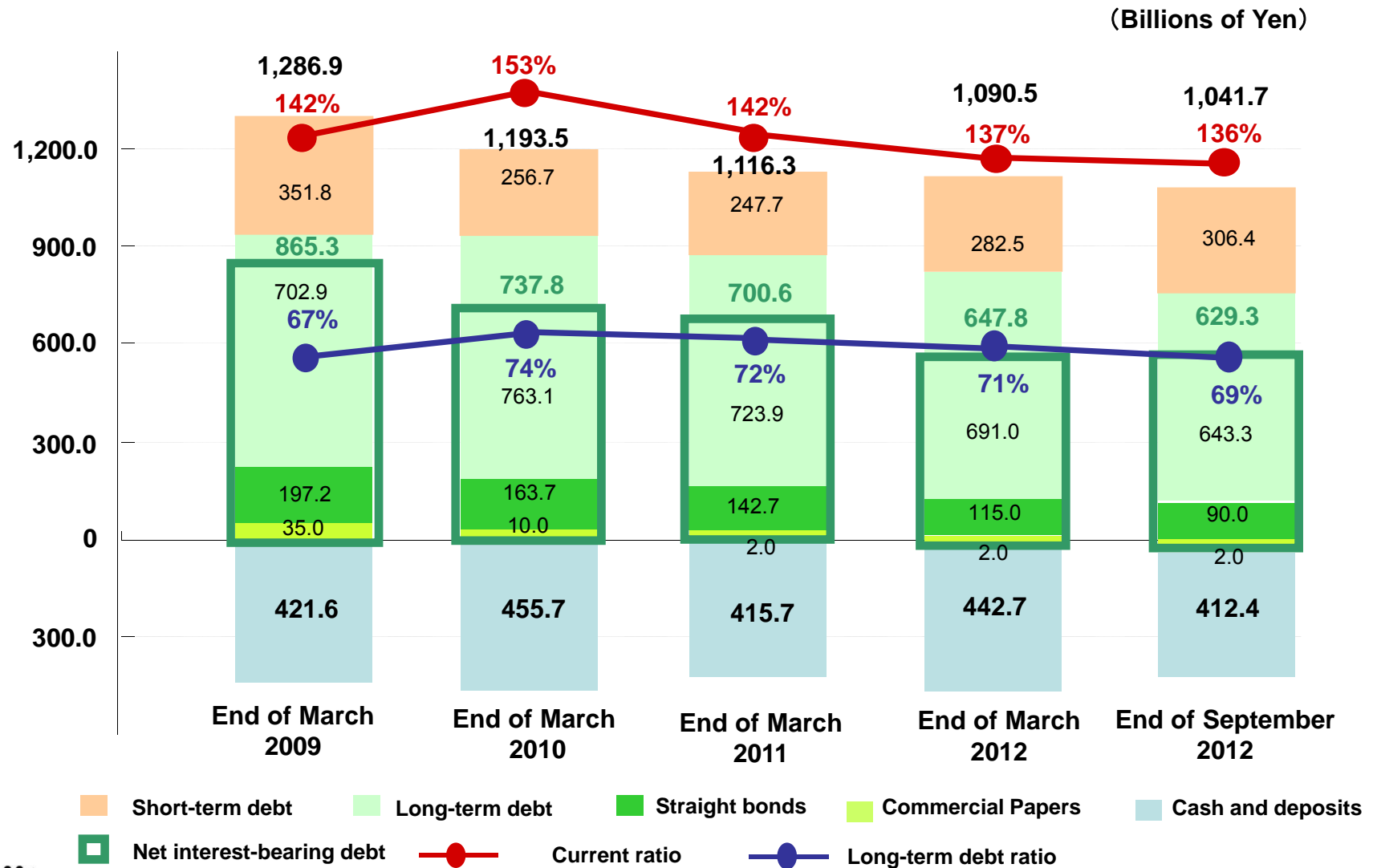
## ■ Summary of Consolidated Balance Sheets

(Billions of Yen)

	March 2010	March 2011	March 2012	September 2012		March 2010	March 2011	March 2012	September 2012
<b>Current assets</b>	1,285.3	1,266.7	1,298.1	1,233.7	<b>Interest bearing debt</b>	306.8	309.7	319.5	328.4
					<b>Short-term</b>	886.7	806.6	771.0	713.3
					<b>Long-term</b>				
<b>Investment and Other assets</b>	875.6	850.3	822.5	772.8	<b>Other liabilities</b>	590.0	645.2	699.6	648.7
<b>Total assets</b>	2,160.9	2,117.0	2,120.6	2,006.5	<b>Total Equity * (Total net assets)</b>	352.4 (377.4)	330.0 (355.5)	305.9 (330.5)	290.2 (316.1)
					<b>Total liabilities and net assets</b>	2,160.9	2,117.0	2,120.6	2,006.5
<b>Risk assets vs. equity</b>	320.0 (0.9 times)	310.0 (0.9 times)	300.0 (1.0 times)	280.0 (1.0 times)	<b>Equity ratio(%)</b>	16.3%	15.6%	14.4%	14.5%
<b>Current ratio(%)</b>	153%	142%	137%	136%	<b>Net interest-bearing debt</b>	737.8	700.6	647.8	629.3
<b>Long-term debt ratio(%)</b>	74%	72%	71%	69%	<b>Net DER(times) Net D/E ratio based on total net assets</b>	2.1 (2.0)	2.1 (2.0)	2.1 (2.0)	2.2 (2.0)

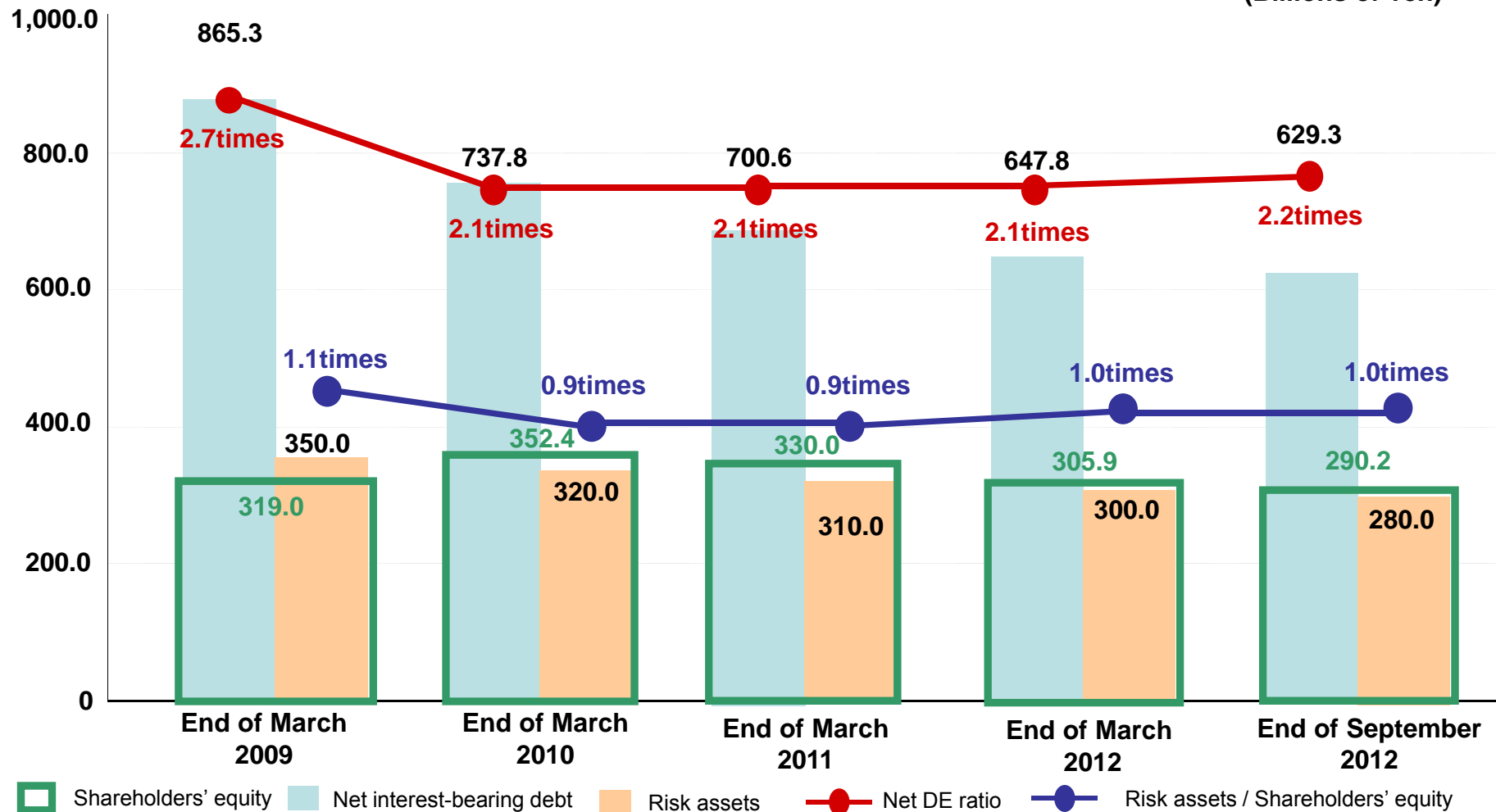
\* Total equity = Total net assets – Minority interests

# Interest-bearing Debt



# Net interest-bearing Debt and Risk Assets

(Billions of Yen)





***sojitz***

***New way, New value***