Highlights of Consolidated Financial Results for the Year Ended March 31, 2013

May 8, 2013
Sojitz Corporation

Results Highlights

1. In the fiscal year 2012 (the fiscal year ended March 31, 2013), the first year of Medium-Term Management Plan 2014: Change for Challenge, the Japanese economy embarked on a recovery trend in the wake of yen depreciation and an equity market rally sparked by the inauguration of a new government in December 2012. However, economic conditions remained adverse in Europe, China and emerging markets.
Net sales, gross profit and ordinary income in the fiscal year 2012, all declined year on year largely as a result of lower prices and reduced demand for commodities in which Sojitz trades. Another contributing factor is that earnings in the fiscal year 2011 (the fiscal year ended March 31, 2012) included 15 months of major overseas subsidiaries' earnings as a result of a change in their fiscal year-end from December to March. Net income increased year on year as a result of non-recurrence of a reversal of deferred tax assets in response to tax reforms.
(Figures in brackets represent year-over-year changes).

Net sales: 3,955.9 billion yen (-538.3 billion yen / -12.0%)
- Decrease in net sales in the Consumer Lifestyle Business due to lower trading volumes of cigarettes and marine products
- Decrease in net sales in the Energy & Metal due to decline in resource prices and trading volumes
- Decrease in net sales in the Chemicals due to decline in demand in Europe, China and other parts of Asia

Gross profit: 192.1 billion yen (-39.5 billion yen / -17.1%)
- Decrease in gross profit in the Energy & Metal due to decline in resource prices and trading volumes
- Decrease in gross profit in the Machinery due to decrease in the number of vehicles sold by overseas automotive businesses

Ordinary income: 34.5 billion yen (-27.7 billion yen / -44.6%)
- Operating income decreased due to decrease in gross profit

Net income: 14.3 billion yen (+17.9 billion yen / -)
- In spite of a decrease in ordinary income, net income increased due to the non-recurrence of the year-earlier reversal of deferred tax assets.

2. Cash dividends
Cash dividends per share of common stock for the fiscal year ended March 31, 2013

Year-end: 1.50 yen per share
Full year: 3.00 yen per share

3. Earnings forecast for the fiscal year ending March 31, 2014 (IFRS)

Net sales (JGAAP)	4,280 billion yen
Operating income	38 billion yen
Profit before tax	45 billion yen
Profit attributable to owners of the parent	25 billion yen

Initial assumptions:
- Exchange rate (annual average: JPY/US$) = 95
- Crude oil price (US$/BBL) = 105 (Brent)

*Sojitz will report its consolidated financial results in compliance with International Financial Reporting Standards (IFRS) from the first quarter of fiscal 2013 (the fiscal year ending March 31, 2014). Sojitz has accordingly prepared its earnings forecast based on IFRS.

4. Cash dividends per share of common stock for the fiscal year ending March 31, 2014
Interim: 2.00 yen per share (forecast)
Year-end: 2.00 yen per share (forecast)

Notes:
1. From this fiscal year, the domestic real estate business was reclassified from the Consumer Lifestyle Business division to the Other segment. In addition, the former Chemicals and Functional Materials division was changed to the Chemicals division. In the above-mentioned Consolidated Statements of Income, each segment's amount increase or decrease is based on calculations performed after changes to the business segments.

2.Core earnings
Core earnings = Operating income (before provision of allowance for doubtful accounts and write-offs) + Interest expenses-net + Dividend income + Equity in earnings of affiliates

3.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.

Consolidated Statements of Income

(Billions of yen)

	FY2012 Results a	FY2011 Results b	Change a - b	Reasons for change		FY2012 Forecast c	Percentage achieved a/c
				Net sales			
Net sales	3,955.9	4,494.2	-538.3	Consumer Lifestyle Business	(178.7)	4,100.0	96%
				Energy & Metal	(162.7)		
				Chemicals	(116.7)		
				Machinery	(81.9)		
				Gross profit			
Gross profit	192.1	231.6	-39.5	Energy & Metal	(26.5)	194.0	99%
Gross profit margin	4.86%	5.15%	(0.29%)	Machinery	(9.1)	4.73%	
				Chemicals	(7.1)		
				Consumer Lifestyle Business	+2.0		
Personnel expenses	(82.1)	(84.5)	2.4				
Non-personnel expenses	(64.9)	(69.5)	4.6				
Depreciation	(6.5)	(6.4)	(0.1)				
Subtotal	(153.5)	(160.4)	6.9				
Provision for allowance for doubtful accounts	0.0	(1.1)	1.1				
Amortization of goodwill	(5.3)	(5.6)	0.3				
Total selling, general and administrative expenses	(158.8)	(167.1)	8.3			(158.0)	101%
Operating income	33.3	64.5	(31.2)			36.0	93%
Operating income margin	0.84%	1.44%	-0.60%			0.88%	
Interest income	4.9	6.0	(1.1)				
Interest expenses	(21.0)	(24.2)	3.2				
Interest expenses - net	(16.1)	(18.2)	2.1				
Dividend income	2.6	5.0	(2.4)				
Net financial revenue	(13.5)	(13.2)	(0.3)				
Equity in earnings of affiliates	15.6	12.6	3.0	LNG-related company +3.4 Steel-related company +2.7 Bioethanol production company (1.3) Nickel refinery company (1.0)			
Other income and expenses - net	(0.9)	(1.7)	0.8				
Non operating income/expenses - net	1.2	(2.3)	3.5			(4.0)	-
Ordinary income	34.5	62.2	(27.7)			32.0	108%
Gain on sales of noncurrent assets	3.4						
Gain on sales of investment securities	10.3			Gains on sales of overseas investment etc.			
Total extraordinary income	13.7	14.2	(0.5)				
Impairment loss	(11.9)			Loss from oil and gas filed interests and investments in real estate			
Loss on revaluation of investment securities	(1.5)						
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	(1.7)						
Other extraordinary losses	(1.4)						
Total extraordinary losses	(16.5)	(14.9)	(1.6)				
(Extraordinary income/losses - net)	(2.8)	(0.7)	(2.1)			(8.0)	-
Income before income taxes and minority interests	31.7	61.5	(29.8)			24.0	132%
Income taxes: Current	(11.4)	(18.6)	7.2				
Deferred	(2.0)	(43.8)	41.8	Reversal of deferred tax assets in FY2011 owing to revision of Japan's corporate tax law			
Total income taxes	(13.4)	(62.4)	49.0				
Income before minority interests	18.3	(0.9)	19.2			13.5	136%
Minority interests in income	(4.0)	(2.7)	(1.3)				
Net income (loss)	14.3	(3.6)	17.9			10.0	143%

Core earnings	35.4	65.0	(29.6)

Consolidated Statements of Comprehensive Income

(Billions of yen)

	FY2012 Results	FY2011 Results
Income before minority interests	18.3	(0.9)
Other comprehensive income	38.6	(16.7)
Comprehensive income	56.9	(17.6)
(Breakdown)		
Comprehensive income attributable to owners of the parent	50.0	(20.2)
Comprehensive income attributable to minority interests	6.9	2.6

Consolidated Statements of Cash Flows

(Billions of yen)

	FY2012 Results	FY2011 Results
Cash Flows from Operating Activities	51.5	91.6
Cash Flows from Investing Activities	(13.6)	(42.3)
(Free Cash Flows)	37.9	49.3
Cash Flows from Financial Activities	(52.7)	(36.4)
Cash and Cash Equivalents at the End of the Year	424.4	427.3

Consolidated Balance Sheets and Principal Management Indices

(Billions of yen, except ratio data)

	Mar. 31, 2013 d	Mar. 31, 2012 e	Change d - e	Reasons for change
Current assets	1,264.3	1,298.1	(33.8)	
Cash and deposits	433.6	442.7	(9.1)	
Notes and accounts receivable - trade	456.5	490.7	(34.2)	Sale of petroleum products sales subsidiary and decrease in chemicals-related business, etc.
Short-term investment securities	0.1	1.3	(1.2)	
Inventories	292.1	270.6	21.5	Increase in cigarettes and fertilizer, etc.
Short-term loans receivable	2.2	5.7	(3.5)	
Deferred tax assets	4.1	4.6	(0.5)	
Other	79.1	88.1	(9.0)	
Allowance for doubtful accounts	(3.4)	(5.6)	2.2	
Noncurrent assets	821.9	822.2	(0.3)	
Property, plant and equipment	228.3	233.3	(5.0)	
Goodwill	39.9	44.6	(4.7)	
Intangible assets	86.2	79.9	6.3	
Investment securities	338.8	313.9	24.9	Increase due to changes in foreign exchange rate and stock prices, etc.
Long-term loans receivable	31.3	22.4	8.9	
Bad debts	59.7	68.2	(8.5)	
Deferred tax assets	13.7	22.4	(8.7)	
Real estate for investment	26.6	31.9	(5.3)	
Other	43.8	52.8	(9.0)	
Allowance for doubtful accounts	(46.4)	(47.2)	0.8	
Deferred assets	0.2	0.3	(0.1)	
Total assets	2,086.4	2,120.6	(34.2)	
Liabilities	859.0	947.4	(88.4)	
Notes and accounts payable - trade	436.7	461.8	(25.1)	Decrease due to the sale of petroleum products sales subsidiary, etc.
Short-term loans payable	242.3	282.5	(40.2)	Increase due to reclassification of current portion and decrease in loan repayments
Commercial paper	2.0	2.0	-	
Current portion of bonds	30.0	35.0	(5.0)	Reclassification of current portion +30.0, redemption (35.0)
Other	148.0	166.1	(18.1)	Decrease due to decrease in advances received from customers
Noncurrent liabilities	844.9	842.7	2.2	
Bonds payable	60.0	80.0	(20.0)	Reclassification of current portion (30.0), issuance +10.0
Long-term loans payable	715.5	691.0	24.5	Decrease due to reclassification of current portion and increased raising of long-term funds
Provision for retirement benefits	15.0	14.2	0.8	
Other	54.4	57.5	(3.1)	
Total liabilities	1,703.9	1,790.1	(86.2)	
Capital stock	160.3	160.3	-	
Capital surplus	152.2	152.2	-	
Retained earnings	158.5	151.7	6.8	Net income +14.3, dividends (3.8)
Treasury stock	(0.2)	(0.2)	0.0	
Total shareholders' equity	470.8	464.0	6.8	
Valuation difference on available-for-sale securities	13.7	7.6	6.1	Increase due to change in stock prices, etc.
Deferred gains or losses on hedges	(0.1)	0.9	(1.0)	
Revaluation reserve for land	0.0	(2.1)	2.1	
Foreign currency translation adjustment	(129.5)	(163.6)	34.1	Increase due to change in foreign exchange rate
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(1.4)	(0.9)	(0.5)	
Total other comprehensive income	(117.3)	(158.1)	40.8	
Minority interests	29.0	24.6	4.4	
Total net assets	382.5	330.5	52.0	
Total liabilities and net assets	2,086.4	2,120.6	(34.2)	

Gross interest-bearing debt	1,049.8	1,090.5	(40.7)	
Net interest-bearing debt	616.2	647.8	(31.6)	
Net debt/equity ratio (times)	1.74	2.12	(0.38)	*The figure for equity used as the denominator in the debt/equity ratio and the numerator in the equity ratio excludes minority interests.
Equity ratio	16.9%	14.4%	2.5%	
Current ratio	147.2%	137.0%	10.2%	
Long-term debt ratio	73.9%	70.7%	3.2%	

Highlights of Consolidated Financial Results for the Year Ended March 31, 2013 - Supplementary Material (1) ー Based on JGAAP ー

May 8, 2013

Sojitz Corporation

(Billions of Yen)

P/L

	FY2012 Results a	FY2011 Results b	Change a-b	FY2012 Full-year Forecast (Nov 2, 2012)	% Achieved Vs. Full-year Forecast	*2 <Reference> FY2011 Results (12-month basis) c	*2 <Reference> Change (12-month basis) a-c
Net sales	**3,955.9**	**4,494.2**	(538.3)	**4,100.0**	96.5%	**4,322.2**	(366.3)
Gross profit	**192.1**	**231.6**	(39.5)	**194.0**	99.0%	**214.9**	(22.8)
Gross profit margin	4.86%	5.15%	(0.29%)	4.73%		4.97%	(0.11%)
Machinery	66.8	75.9	(9.1)	65.0	102.8%	68.8	(2.0)
Energy & Metal	31.3	57.8	(26.5)	32.0	97.8%	52.0	(20.7)
Chemicals	34.6	41.7	(7.1)	37.0	93.5%	39.0	(4.4)
Consumer Lifestyle Business	52.6	50.6	2.0	54.5	96.5%	49.5	3.1
Other	6.8	5.6	1.2	5.5	123.6%	5.6	1.2
Selling, general and administrative expenses	(158.8)	(167.1)	8.3	(158.0)	100.5%	(157.0)	(1.8)
Operating income	**33.3**	**64.5**	(31.2)	**36.0**	92.5%	**57.9**	(24.6)
Operating income margin	0.84%	1.44%	(0.60%)	(0.88%)		1.34%	(0.50%)
Non-operating income/expenses - net	1.2	(2.3)	3.5	(4.0)	-	(3.7)	4.9
Ordinary income	**34.5**	**62.2**	(27.7)	**32.0**	107.8%	**54.2**	(19.7)
Ordinary income margin	0.87%	1.38%	(0.51%)	0.78%		1.25%	(0.38%)
Machinery	3.8	12.4	(8.6)	5.0	76.0%	9.9	(6.1)
Energy & Metal	9.7	32.6	(22.9)	8.0	121.3%	28.0	(18.3)
Chemicals	5.8	9.8	(4.0)	8.0	72.5%	9.0	(3.2)
Consumer Lifestyle Business	12.3	9.1	3.2	11.0	111.8%	8.8	3.5
Other	2.9	(1.7)	4.6	0.0	-	(1.5)	4.4
Extraordinary income/losses - net	**(2.8)**	**(0.7)**	(2.1)	**(8.0)**	-	**(0.5)**	(2.3)
Income before income taxes and minority interests	**31.7**	**61.5**	(29.8)	**24.0**	132.1%	**53.7**	(22.0)
Income before minority interests	**18.3**	**(0.9)**	19.2	**13.5**	135.6%	**(7.1)**	25.4
Net income	**14.3**	**(3.6)**	17.9	**10.0**	143.0%	**(9.8)**	24.1
Machinery	2.0	8.1	(6.1)	3.0	66.7%	6.8	(4.8)
Energy & Metal	16.2	27.3	(11.1)	3.0	540.0%	23.2	(7.0)
Chemicals	2.0	5.7	(3.7)	4.5	44.4%	5.1	(3.1)
Consumer Lifestyle Business	6.9	4.0	2.9	6.0	115.0%	3.7	3.2
Other	(12.8)	(48.7)	35.9	(6.5)	-	(48.6)	35.8
Core earnings *3	35.4	65.0	(29.6)	33.5		58.4	(23.0)

Main factors behind changes	Main factors behind differences between results and Full-year Forecast
Machinery Division -Earnings declined due to factors including a decrease in the number of vehicles sold by overseas automotive businesses.	**Machinery Division** - Despite a strong showing in the automotive business in some overseas regions, ordinary income and net income underperformed the full-year forecast due to low trading volumes in plant-related and IT-related businesses.
Energy & Metal Division - Earnings decreased due to factors including declines in the prices of mineral resources, and a decrease in production volume for certain interests and concessions.	**Energy & Metal Division** - Ordinary income exceeded the full-year forecast on strong result from LNG-related company and one-time profit from steel-related company, despite the impact of factors including a slump in mineral resource prices. - Net income substantially exceeded the full-year forecast as the parent company recorded internal income taxes for its loss on revaluation of investment securities at a bioethanol production company and a concessions subsidiary.
Chemicals Division - Earnings decreased due to a decline in sales prices and a decrease in trading volumes arising from a decline in demand mainly in Europe, China, and other parts of Asia.	**Chemicals Division** - Although the methanol business developed favorably, results underperformed the full-year forecast due to lower transaction volumes accompanying a slowdown of the economy in China and Europe.
Consumer Lifestyle Business Division - Earnings increased due to increases in trading volumes in the overseas fertilizer businesses and sales contributions of the overseas industrial park-related businesses.	**Consumer Lifestyle Business Division** - Both ordinary income and net income exceeded the full-year forecast thanks mainly to strong results in overseas fertilizer businesses and the overseas industrial park-related businesses.
Other - Earnings improved due to the non-recurrence of the year-earlier real-estate related valuation losses and reversal of deferred tax assets.	**Other** - Although ordinary income surpassed the full-year forecast thanks to improvement in areas including selling, general, and administrative expenses and non-operating income/expenses, net loss was higher than the full-year forecast due to a difference in actual tax expense for the entire company and internal income tax allocated to the business segments using the prescribed calculation method.

*1 From 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 the Chemicals division. The results for FY2011 are stated based on the business divisions after the change was made.

*2 In FY 2011, Sojitz Group adopted a uniform fiscal year-end date for its major overseas consolidated subsidiaries that hitherto had a date different from that of the Sojitz parent company by applying a fifteen-month accounting period. Since the above change in business segments had only a minor impact on companies whose fiscal year-end date changed, twelve-month results simply calculated by subtracting the amount attributable to the change in fiscal year-end date under the previous business segmentation from the fiscal 2011 results for the revised business segments have been provided for reference purposes only.

*3 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

	March 31, 2013	March 31, 2012	Change	March 31, 2013 Full-year Forecast (Feb 5, 2013)
Total assets	**2,086.4**	**2,120.6**	(34.2)	**2,060.0**
Total equity *4	**353.5**	**305.9**	47.6	**315.0**
Total net assets	382.5	330.5	52.0	-
Equity ratio (%)	**16.9%**	**14.4%**	2.5%	**15.3%**
Net interest-bearing debt	**616.2**	**647.8**	(31.6)	**640.0**
Net D/E ratio (times)	**1.74**	**2.12**	(0.38)	**2.0**
Net D/E ratio based on total net assets (times)	(1.61)	(1.96)	(0.35)	-
Risk assets	**300.0**	**300.0**	0	-
Ratio of risk assets to equity (times)	**0.8**	**1.0**	(0.2)	-

*4 Total equity = Total net assets – Minority interests

*5 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.

Commodity Prices and Exchange Rates

	FY2012 Assumption (Annual Average)	FY2012 Results (Annual Average)	2013 Results (Jan.- Mar. Avg.)
Crude oil (Brent)1** ($/bbl)	$110/bbl	$110.1/bbl	$112.5/bbl
Thermal coal **2 ($/t)	$115/t	$93.2/t	$97.0/t
Molybdenum ($/lb)	$17.5/lb	$/12.1lb	$11.4/lb
Nickel **3 ($/lb)	$10/lb	$8.0/lb	$7.9/lb
Copper **3 ($/t)	$7,690/t	$7,962/t	$7,950/t
Exchange rates (¥/$)	¥80.0/$	¥83.3/$	¥92.6/$

**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 results in the above table are cited from the Global Coal Index and differ from our sales prices.

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

Highlights of Consolidated Financial Results for the Year Ended March 31, 2013 - Supplementary Material (2)
- Forecast for the Year Ending March 31, 2014 based on IFRS -

May 8, 2013
Sojitz Corporation

IFRS

(Billions of Yen)

P/L

	FY 2013 Forecast
Net sales (JGAAP)	**4,280.0**
Gross profit	**209.0**
Machinery	79.0
Energy & Metal	28.5
Chemicals	37.5
Consumer Lifestyle Business	56.0
Others	8.0
Selling, general and administrative expenses	(163.0)
Other income (expenses)	(8.0)
Operating profit	**38.0**
Finance income/costs	(16.0)
Share of profit (loss) of investments accounted for using the equity method	23.0
Profit before tax	**45.0**
Profit for the year	**29.0**
(Breakdown)	
Profit attributable to owners of the Company	**25.0**
Machinery	5.5
Energy & Metal	16.0
Chemicals	5.5
Consumer Lifestyle Business	8.5
Others	(10.5)
Profit attributable to non-controlling interests	4.0
Core earnings *2	53.0

JGAAP (for reference)

(Billions of Yen)

P/L

	FY 2013 Forecast	FY 2012 Results
Net sales	**4,280.0**	**3,955.9**
Gross profit	**209.0**	**192.1**
Machinery	79.0	66.8
Energy & Metal	28.5	31.3
Chemicals	37.5	34.6
Consumer Lifestyle Business	56.0	52.6
Others	8.0	6.8
Selling, general and administrative expenses	(167.0)	(158.8)
Operating income	**42.0**	**33.3**
Non-operating income/expenses- net	4.0	1.2
Ordinary income	**46.0**	**34.5**
Extraordinary income/losses- net	**(5.0)**	**(2.8)**
Income before income taxes and minority interests	**41.0**	**31.7**
Income before minority interests	**25.0**	**18.3**
Net income	**21.0**	**14.3**
Machinery	4.5	2.0
Energy & Metal	15.0	16.2
Chemicals	4.5	2.0
Consumer Lifestyle Business	8.0	6.9
Others	(11.0)	(12.8)
Core earnings *3	49.0	35.4

*1 Sojitz will report its consolidated financial results in compliance with International Financial Reporting Standards (IFRS) from the first quarter of fiscal 2013 (the fiscal year ending March 31, 2014). Sojitz has accordingly prepared its earnings forecast based on IFRS.

*2 Core earnings = Gross profit + Selling, general and administrative expenses - Doubtful accounts + Net interest expenses + Dividends received + Share of profit (loss) of investments accounted for using the equity method

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

FY2013 current position and outlook

Machinery Division

- We envisage a recovery in the performance of some overseas automotive businesses that were sluggish in the previous fiscal year.

Energy & Metal Division

- We foresee an improvement in earnings as a result of the partial resumption of production of oil and gas interests and exclusion from equity method accounting of a bioethanol production company, among other factors.
- However, we anticipate that net income will remain at the prior-year level due to the impact of the recording of internal income taxes in the previous fiscal year and the sale of a petroleum products sales subsidiary.

Chemicals Division

- We expect to see a contribution to earnings from overseas businesses, mainly in Asia.

Consumer Lifestyle Business Division

- We anticipate a continuation of the strong overseas fertilizer businesses and an earnings improvement in the food resources business and forest products trading.

Other

- Extraordinary losses and deferment of income taxes have been allowed for.

(For reference)

Highlights of differences between IFRS and JGAAP

◆ Revenue (net sales) Impact: P/L only

JGAAP Net sales are ordinarily calculated using total transaction amount.

IFRS For risk-free transactions (agent transactions), only the commission income portion is recorded as revenue.

Note: Even after the application of IFRS, net sales will continued to be disclosed using Japanese accounting practices. Also, in the consolidated earnings forecast of the summary of consolidated financial results and the forecasts in the supplementary materials, net sales will be presented using such practices and not by IFRS based revenue.

◆ Goodwill amortization Impact: P/L, B/S

JGAAP Straight-line method of amortization is used. An impairment test is applied only when there are indications of impairment.

IFRS Goodwill is not amortized but is subject to an impairment test each reporting period.

◆ Asset impairment Impact: P/L, B/S

JGAAP Impairment loss is recorded in the following cases:
The non-discounted future cash flows < carrying amount

IFRS Impairment loss is recorded in the following cases:
The discounted future cash flows < carrying amount

Note: The amount of loss when the impairment loss is recorded is the difference between the recoverable value (discounted future cash flows) and the carrying amount both in JGAAP and IFRS.

◆ Discounted notes Impact: B/S only

JGAAP Notes receivable are removed from the B/S when discounted.

IFRS Notes receivable remain on the B/S even after discounting.

◆ Short-term investment securities (excluding shares of subsidiaries and affiliates) Impact: P/L, B/S, OCI

JGAAP Recording of gain or loss on sale/ loss on revaluation in P/L

IFRS Even when there is a sale or marked impairment, it will not be recorded in the P/L but rather in the other comprehensive income as a change in fair value.

◆ Unlisted stocks (excluding shares of subsidiaries and affiliates) Impact: B/S, OCI

JGAAP Recorded in B/S at acquisition amount

IFRS Fair value is measured and recorded in B/S
(Change in fair value is recorded in other comprehensive income.)

Note: OCI: Other Comprehensive Income

Special Treatment in First Time Adoption of IFRS

◆ Deemed cost

・ Fair value of noncurrent assets, etc. on the date of transition to IFRS is used as the carrying amount at the transition date.

◆ Foreign exchange adjustment account (cumulative translation differences)

・ The balance of the foreign exchange adjustment account at the transition date is transferred to retained earnings, and cumulative translation differences at the transition date are deemed to be zero.

Note: The transition date is the first day of the comparative period (previous accounting period) at the time IFRS financial statements are first prepared and disclosed.(For Sojitz, the transition date is April 1, 2011.)

IFRS B/S

(Billions of Yen)

B/S

	March 31, 2014 Forecast
Total assets	**2,210.0**
Total equity *4	**410.0**
Total net assets	
Equity ratio (%)	**18.6%**
Net interest-bearing debt	**695.0**
Net D/E ratio (times)	**1.70**

JGAAP B/S

(Billions of Yen)

B/S

	March 31, 2014 Forecast	March 31, 2013
Total assets	**2,150.0**	**2,086.4**
Total equity *4	**375.0**	**353.5**
Total net assets	–	382.5
Equity ratio (%)	**17.4%**	**16.9%**
Net interest-bearing debt	**670.0**	**616.2**
Net D/E ratio (times)	**1.79**	**1.74**
Net D/E ratio based on total net assets (times)	–	(1.61)

*4 Total equity = Total net assets – Minority interests

*5 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.

Commodity Prices and Exchange Rates

	FY 2012 Assumption (Annual Average)	FY 2012 latest data (as of April 30, 2013)
Crude oil (Brent) **1 ($/bbl)	$105/bbl	$102.4/bbl
Thermal coal **2 ($/t)	$95/t	$86.6/t
Molybdenum ($/lb)	$12.5/lb	$11.3/lb
Nickel **3 ($/lb)	$8.0/lb	$7.1/lb
Copper **3 ($/t)	$8,000/t	$7,055/t
Exchange rates **4 (¥/$)	¥95.0/$	¥97.9/$

**1 Impact of fluctuations in the crude oil price on earnings: A $1/bbl change alters profit attributable to owners of the parent company by approx. ¥0.1 billion.

**2 The latest data (as of April 30, 2013) is cited from the Global Coal Index and differs from our sales prices.

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

**4 Impact of fluctuations in the exchange rate on earnings: A ¥1/US$ change alters gross profit by approx. ¥0.4billion, profit attributable to the owner of the parent by approx. ¥0.2billion, and total equity by approx. ¥1.5billion.

Summary of Consolidated Financial Results
for the Year Ended March 31, 2013 (JGAAP)

May 8, 2013

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 date of Ordinary General Shareholders' Meeting: June 25, 2013
Scheduled filing date of financial report: June 25, 2013
Scheduled date of delivery of dividends: June 26, 2013
Supplementary materials for the financial results: Yes
Investor conference for the financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for theYear Ended March 31, 2013 (April 1, 2012 - March 31, 2013)

(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	
For the year ended	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
March 31, 2013	3,955,907	(12.0)	33,305	(48.4)	34,478	(44.6)	14,263	-
March 31, 2012	4,494,237	11.9	64,522	72.0	62,228	37.3	(3,649)	-

Note. Comprehensive Income for the year ended March 31, 2013: 56,851 (-%) 2012: (17,622) (-%)

	Net Income per Share (EPS)	Adjusted EPS	ROE	ROA	Operating income Ratio
For the year ended	Yen	Yen	%	%	%
March 31, 2013	11.40	11.40	4.3	1.6	0.8
March 31, 2012	(2.92)	-	(1.1)	2.9	1.4

Notes:（1）Equity in earnings of unconsolidated subsidiaries and affiliates for the year ended March 31, 2013 : 15,588 2012 : 12,566
（2）Return on Assets（ROA）=Ordinary Income/Total Assets

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio	Net Assets per Share
As of	Millions of Yen	Millions of Yen	%	Yen
March 31, 2013	2,086,410	382,537	16.9	282.60
March 31, 2012	2,120,596	330,471	14.4	244.52

(Millions of Yen)

Notes: Total Equity As of March 31, 2013 : 353,536 As of March 31, 2012 : 305,905

(3) Consolidated Statements of Cash Flows

	Operating Activities	Investing Activities	Financing Activities	Cash & Cash Equivalents at the end of the Period
For the year ended	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
March 31, 2013	51,524	(13,580)	(52,737)	424,371
March 31, 2012	91,600	(42,287)	(36,376)	427,274

2.Cash Dividends

	Cash Divided per Share					Total Ammout of Cash Dividends (annual)	Consolidated Payout ratio	Dividend to net assets (consolidated)
For the year ended	First Quarter	Second Quarter	Third Quarter	Year Ended	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2012	-	1.50	-	1.50	3.00	3,753	-	1.2
March 31, 2013	-	1.50	-	1.50	3.00	3,753	26.3	1.1
March 31, 2014 (forecast)	-	2.00	-	2.00	4.00		20.0	

3. Consolidated Earnings Forecast for the Year Ending March 31, 2014(April 1, 2013 - March 31, 2014)

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

	Net Sales		Operating Income		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
For the Year Ending March 31, 2014	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
Full-year	4,280,000	-	38,000	-	45,000	-	25,000	-	19.98

(Note) The Company will voluntarily adopt IFRS for its consolidated financial statements starting from the statutory financial report for the fiscal year ended March 31, 2013.
Accordingly, the consolidated earnings forecast for the fiscal year ending March 31, 2014 is prepared based on IFRS; income from operating activities is reported as “operating income” in the consolidated statements of income, and “basic earnings per share” was calculated based on “profit attributable to owners of the parent.”
“Net sales” are presented in a manner customarily used in Japan solely for Japanese investors’ purposes and represent the gross transaction volume of trading activities for which the Sojitz Group companies act as principal or as agent.

4. Others

(1) Changes in major subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Changes in accounting policy, procedures or presentation method for preparing 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

(3) 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 March 31, 2013: 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 March 31, 2013 : 481,472 As of March 31, 2012 : 475,587
3. Average number of outstanding shares during the periods:
   For the Year ended March 31, 2013(accumulative): 1,251,021,103
   For the Year ended March 31, 2012(accumulative): 1,251,031,107

* Disclosure Regarding Auditing Procedure for Financial Statements

The Company will voluntarily adopt IFRS for its consolidated financial statements starting from the statutory financial report for the fiscal year ended March 31, 2013. As in the past, the financial statements presented in this earnings report were prepared based on Japanese GAAP. 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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Analysis of business results

1. Overview of Fiscal 2012 (April 1, 2012 – March 31, 2013)

Economic environment
Fiscal 2012 (the fiscal year ended March 31, 2013) got off to a gloomy start amid a downbeat outlook for Japanese, US and European economic recovery and decline in emerging market economies' exports and investment inflows.

US economic conditions subsequently improved, largely by virtue of monetary easing and the shale gas revolution. In the fiscal second-half, US personal consumption picked up, the unemployment rate improved, and capital investment rebounded. However, with the US yet to fundamentally resolve its fiscal challenges, economic conditions remained inherently unstable.

Europe appeared to have emerged from its sovereign debt crisis, but fresh turmoil periodically flared up, including a bailout in Cyprus. European economies consequently continued to contract.

China's economic growth rate declined to its lowest level since 1999 in the wake of cutbacks in public investment and a slump in exports to Europe, but the Chinese economy nonetheless continued to grow robustly.

ASEAN economies performed relatively well despite a decrease in exports in response to the European, US and Chinese economic slowdowns. The decline in exports was offset by buoyant domestic demand which limited ASEAN growth rates' downshift.

The Japanese economy appeared to have lapsed into recession last autumn as a result of the overseas economic slowdown coupled with yen appreciation. From year-end, however, the yen began to depreciate and the equity market embarked on a rally in response to optimism surrounding the new government. Economic policies since unveiled by the Abe Administration have fueled widespread expectations of economic recovery. Overall, fiscal 2012 was a year distinguished by sluggish global economic growth.

Financial Performance

Sojitz Corporation’s consolidated business results for fiscal 2012 are presented below.

Net sales
Consolidated net sales declined 12.0% year on year to ¥3,955,907 million, broken down by type as follows.

(millions of yen)

	Fiscal 2011 (year ended March 31, 2012)		Fiscal 2012 (year ended March 31, 2013)	
Type of sales		% of total		% of total
Export	541,688	12.0	483,458	12.2
Import	946,884	21.1	807,924	20.4
Domestic	2,032,318	45.2	1,804,707	45.7
Offshore	973,346	21.7	859,818	21.7
Total	4,494,237	100.0	3,955,907	100.0

Relative to fiscal 2011, fiscal 2012 export sales decreased 10.7%, largely as a result of a decline in plant-related export sales. Import sales were down 14.7%, largely due to a decrease in aircraft-related sales. Domestic sales declined 11.2%, largely owing to a decline in energy and metal sales. Offshore sales decreased 11.7%, likewise largely due to reduced energy and metal sales.

By segment, consolidated net sales grew 3.1% in the "Other" segment but declined across all other segments, down 8.0% in the Machinery Division, 15.5% in the Energy & Metal Division, 17.0% in the Chemicals Division, and 10.7% in the Consumer Lifestyle Business Division, all on a year-on-year basis.

Gross profit

Consolidated gross profit declined ¥39,502 million year on year to ¥192,064 million, largely as a result of a decrease in the Energy & Metal Division's profits due largely to lower sales prices and reduced trading volumes.

Operating income

Despite a reduction in general, selling and administrative (SG&A) expenses, consolidated operating income decreased ¥31,217 million year on year to ¥33,305 million due to the decline in gross profit.

Ordinary income

Consolidated ordinary income was down ¥27,750 million year on year to ¥34,478 million as growth in equity in the earnings of affiliates failed to offset the decline in operating income.

Extraordinary income and losses

Extraordinary income totaled ¥13,739 million, including a ¥6,802 million gain on sales of investment securities, ¥3,497 million gain on sales of equity interests, and ¥3,402 million gain on noncurrent asset sales. Extraordinary losses totaled ¥16,498 million, including ¥11,893 million in asset impairment losses, ¥1,672 million in losses, and provisions for losses, on liquidation of subsidiaries and affiliates, and a ¥1,530 million loss on revaluation of investment securities. Extraordinary income and losses netted to an extraordinary loss of ¥2,759 million.

Net income

Consolidated income before income taxes and minority interests was ¥31,719 million, and with current income tax expense of ¥11,441 million and deferred income taxes of ¥2,012 million, consolidated net income amounted to ¥18,265 million before adjustment for minority interests. After deduction of ¥4,002 million of minority interests in consolidated subsidiaries' net income, consolidated net income for the year ended March 31, 2013 was ¥14,263 million, a ¥17,912 million improvement from the previous fiscal year.

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 2012 results are summarized by business segment below.

Machinery

Net sales declined 8.0% year on year to ¥948,578 million largely due to decreases in aerospace- and ship-related sales. Net income also decreased ¥6,122 million year on year to ¥1,963 million.

Energy & Metal

Net sales decreased 15.5% year on year to ¥888,017 million, largely as a result of price declines and reduced trading volumes. Net income decreased ¥11,061 million year on year to ¥16,214 million due to a decline in operating income.

Chemicals

Net sales declined 17.0% year on year to ¥571,204 million, largely due to reduced European, Chinese, and Asian demand. Net income decreased ¥3,374 million year on year to ¥1,978 million.

Consumer Lifestyle Business

Net sales decreased 10.7% year on year to ¥1,490,849 million, largely as a result of reduced cigarette and marine-product trading volumes. Net income increased ¥2,849 million year on year to ¥6,884 million, boosted by growth in profits from overseas fertilizer operations and overseas industrial park projects.

Other
Net sales grew 3.1% year on year to ¥57,258 million. Net loss was largely unchanged year on year at ¥2,790 million, a ¥152 million improvement from fiscal 2011.

(2) Fiscal 2013 Outlook

Current earnings forecast for fiscal 2013 are as follows.
Sojitz will report its consolidated financial results in compliance with International Financial Reporting Standards (IFRS) from the first quarter of fiscal 2013 (the fiscal year ending March 31, 2014). It was judged that constructing financial statements based on international standards will enable stakeholders to more conveniently compare the disclosure documents of Sojitz and other companies that introduce the same standards. It will also allow all of the Group’s accounting procedures to be performed in a uniform manner. Sojitz has accordingly prepared its earnings forecast based on IFRS.

(Consolidated)	
Net sales	¥4,280 billion
Operating income	¥38 billion
Profit before tax	¥45 billion
Net income (profit attributable to owners of the parent)	¥25 billion

The above forecasts assume a yen/dollar rate of ¥95/US$ and crude oil price of US$105/bbl (Brent).

Caution Regarding Forward-looking Statements
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2. Financial Position

Consolidated Balance Sheet
At March 31, 2013, consolidated assets totaled ¥2,086,410 million, a ¥34,186 million decrease from March 31, 2012. Notable changes in asset accounts included a ¥24,847 million increase in investment securities due to exchange rate and equity price movements; a ¥21,460 million increase in inventories, mainly cigarette and fertilizer inventories; a ¥34,253 million decrease in notes and accounts receivable largely due to the divestment of a petroleum product sales company and reduction in chemical-related sales; and a ¥9,122 million decrease in cash and deposits due largely to redemption of bonds.

Consolidated liabilities at March 31, 2013, totaled ¥1,703,872 million, a decrease of ¥86,253 million from March 31, 2012. The decrease was attributable to a reduction in interest-bearing debt due largely to redemption of bonds and loan repayments and a ¥25,103 million decrease in trade notes and accounts payable largely due to the divestment of a petroleum product sales company.

With regard to net assets, the foreign currency translation adjustment account balance increased relative to March 31, 2012 by ¥34,190 million due to exchange rate movements, retained earnings increased ¥6,782 million due largely to net income earned in fiscal 2012, and net unrealized gains on available-for-sale securities increased ¥6,084 million due largely to equity price movements. As a result, total net assets inclusive of minority interests increased ¥52,066 million to ¥382,537 million over the course of fiscal 2012.

Sojitz consequently ended fiscal 2012 with a current ratio of 147% and a long-term debt ratio of 74%. Net interest-bearing debt (total interest-bearing debt less cash and deposits) at March 31, 2013, totaled ¥616,161 million, a ¥31,675 million decrease from March 31, 2012, resulting in a net interest bearing debt ratio of 1.70 at March 31, 2013.

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 straight bonds in the amount of ¥10 billion in July 2012 and another ¥10 billion in April 2013. 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 a US$300 million multicurrency line, as supplemental sources of precautionary liquidity.

Consolidated cash flows

In fiscal 2012, operating activities provided net cash of ¥51,524 million, investing activities used net cash of ¥13,580 million, and financing activities used net cash of ¥52,737 million. Sojitz ended fiscal 2012 with cash and cash equivalents of ¥424,371 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(1) Cash flows from operating activities
Fiscal 2012 operating activities provided net cash of ¥51,524 million, a ¥40,076 million decrease from the previous fiscal year. Operating cash inflows, sources of which included income before income taxes and minority interests and a reduction in accounts receivable, exceeded operating cash outflows, uses of which included reduction of accounts payable.

(2) Cash flows from investing activities
Fiscal 2012 investing activities used net cash of ¥13,580 million, a ¥28,707 million decrease from the previous fiscal year. Investment outlays included capital expenditures related to resource concessions and ship purchases exceeded investment inflows, sources of which included sales of investment securities and aircraft.

(3) Cash flows from financing activities
Fiscal 2012 financing activities used net cash of ¥52,737 million, a ¥16,361 million increase from the previous fiscal year, as cash outlays to repay long-term loans and redeem bonds exceeded cash inflows from bond issuance and new borrowings.

3. Dividend Policy and Fiscal 2012-13 Dividends

In addition to paying stable dividends to shareholders on an ongoing basis, Sojitz is also committed to enhancing shareholder value and improving its competitiveness by accumulating and effectively utilizing retained earnings as a top management priority. Under its *Medium-term Management Plan 2014*, Sojitz has adopted a basic policy of maintaining a consolidated dividend payout ratio of around 20%.

In light of its fiscal 2012 results, the adequacy of its total equity, and funding requirements for investments in pursuit of growth, Sojitz has decided to pay a fiscal 2012 year-end dividend as follows.

(1) Type of property to be distributed as dividend
Cash

(2) Total value of dividend distribution and its allocation among shareholders
¥1.5 per share of Sojitz common stock, ¥1,876 million in total

Including the interim dividend of ¥1.5 per share paid on December 4, 2012, fiscal 2012 dividends will total ¥3 per share or ¥3,753 million in aggregate.

For fiscal 2013, Sojitz plans to pay annual common dividends of ¥4 per share (¥2 interim dividend plus ¥2 year-end dividend) based on its earnings forecast and comprehensive consideration of other relevant factors in accord with the aforementioned basic policy. Based on forecasted profit attributable to owners of the parent company, planned fiscal 2013 dividends equate to a (projected) dividend payout ratio of 20.0%.

Note: From fiscal 2013, Sojitz will conduct business performance management based on International Financial Reporting Standards (IFRS).

Caution regarding Forward-looking Statements

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4. Business and Other Risks

1) Business risks

As a general trading company, the Sojitz Group is engaged in a wide range of businesses globally, including buying, selling, importing, and exporting goods, manufacturing and selling products, providing services, and planning and coordinating projects, in Japan and overseas. The Group also invests in various sectors and conducts financing activities. These operations are inherently exposed to various risks. The Group defines and classifies risks and manages them in accord with their nature. For quantifiable risks (market risk, credit risk, business investment risk, and country risk), the Group conducts comprehensive risk management, measuring risks and monitoring them based on risk asset scores derived from risk measurements. Although the group is strengthening and enhancing its risk management to deal with various risks, it cannot completely avoid these risks. In specific terms, the Group faces risks such as those described below.

(1) Risk of changes in the macroeconomic environment

As a general trading company with global operations, the Group operates a wide range of businesses in Japan and overseas, including Machinery, Energy & Metals, Chemicals and Consumer Lifestyle Businesses. The Group's earnings are influenced by economic conditions in Japan and other countries and the overall global economy. A global or regional economic slowdown could adversely affect the Group's operating performance and/or financial condition.

(2) Market risks

The Group is exposed to market risks, including exchange rate risk associated with transactions denominated in foreign currencies in connection with international trade or business investments; interest rate risk associated with debt financing and portfolio investment； commodity price risk associated with purchase and sale agreements and commodity inventories incidental to operating activities； and market price risk associated with ownership of listed securities and other such assets. The Group pursues a basic policy of minimizing these market risks through such means as matching assets and liabilities (e.g., long and short commodity exposures) and hedging with forward exchange contracts, commodity futures, forward commodity contracts, and interest rate swaps.

(a) Currency risk

The Group engages in import and export transactions, and offshore transactions, denominated in foreign currencies as a principal business activity. Whereas the revenues and expenditures associated with such transactions are mainly paid in foreign currencies, the Group's consolidated reporting currency is the Japanese yen. The Group is therefore exposed to the risk of fluctuations in the yen's value against foreign currencies. To prevent or limit losses stemming from this currency risk, the Group hedges its foreign currency exposure with forward exchange contracts. Even with such hedging, however, there is no assurance that the Group can completely avoid currency risk. The Group's operating performance and/or financial condition could be adversely affected by unanticipated market movements. Additionally, the Group's dividend income from overseas group companies and the profits and losses of overseas consolidated subsidiaries and equity method affiliates are largely denominated in foreign currencies. Their conversion into yen entails currency risk. The group also owns many foreign subsidiaries and operating companies. When these companies' financial statements are converted into yen terms, exchange rate movements could impair the Group's shareholders' equity through the foreign currency translation adjustment account.

(b) Interest rate risk

The Group raises funds by borrowing from financial institutions or issuing bonds to acquire fixed assets, invest in securities, and extend credit (e.g., through trade receivables). An increase in funding costs due to a sharp rise in interest rates could adversely affect the Group's operating performance and/or financial condition through income derived from and expenses incurred on assets and liabilities on the Group's balance sheet.

(c) Commodity price risk

As a general trading company, the Group deals in a wide range of commodities in its various businesses. It is consequently exposed to the risk of commodity price fluctuations. For market-traded commodities, the Group manages exposures and controls losses by setting (long and short) position limits and stop-loss levels for each of its organizational units. The Group also imposes and enforces stop-loss rules (i.e., rule that mandates prompt liquidation of losing positions and prohibits new trades in the same trading instrument for the remainder of the fiscal year if losses, including unrealized losses, reach a predetermined stop-loss level). Even with these controls, however, there is no assurance that the Group can completely avoid commodity price risk. The Group's operating performance and/or financial condition could be adversely affected by unanticipated market movements. The Group also monitors commodity inventories by business unit on a monthly basis to control inventory levels.

(d) Listed securities price risk

The Group has large holdings of marketable securities. Although the Group periodically reviews its rationale for owning its listed equity holdings in particular, a major decline in stock market could prejudice the Group's investment portfolio and, in turn, adversely affect the Group's operating performance and/or financial condition.

(3) Credit risk

The Group assumes credit risk by extending credit to many domestic and foreign customers through a variety of commercial transactions. To mitigate such credit risk, the Group assigns credit ratings to the customers, to which it extends credit, using an 11-grade rating scale and objective rating criteria. The Group also controls credit risk by setting rating-based credit limits on a customer-by-customer basis and enforcing the credit limits thus set. The Group also employs other safeguards (e.g., collateral and guarantees) as warranted by the customer’s creditworthiness. Additionally, the Group implements a system for assessing receivables. The Group screens the customers to which it has extended trade credit to identify those that meet certain criteria. It then reassesses the selected customers’ creditworthiness and the status of the Group’s claims against the customer. Through this approach, the Group is endeavoring to more rigorously ascertain credit risk and estimate provisions to allowance for doubtful accounts for individual receivables. For credit risk associated with deferred payments, loans, and credit guarantees, the Group periodically assesses whether profitability is commensurate with credit risk on a case-by-case-basis. For transactions that do not generate risk-commensurate returns, the Group takes steps to improve profitability or limit credit risk.

However, even with such credit management procedures, there is no assurance that the Group can completely avoid credit risk. If, for example, receivables are rendered uncollectible by a customer’s bankruptcy, the Group’s operating performance and/or financial condition could be adversely affected.

(4) Business investment risk

The Group invests in a wide range of businesses as one of its principal business activities. In doing so, it assumes the risk of fluctuations in the value of investments in businesses, interests and other investments. Because in many cases investments are relatively illiquid, the Group is also at risk of not recouping its investment as profitably as initially anticipated.

In the aim of preventing and limiting losses from business investments, the Group has established standards for rigorously prescreening prospective business investments and monitoring and withdrawing from investments.
In screening prospective investments, the Group analyzes business plans, including cash flow projections, and rigorously assesses the businesses' prospects. It has also established procedures, including an IRR (internal rate of return) hurdle rate screen, to enable it to identify investments with the potential to generate returns commensurate with risk.
Once the Group has invested in a business venture, it closely monitors the business through such means as periodic reassessment of the business's prospects to minimize losses through early identification of problems. To identify problems with business investments at an early stage and minimize losses on divestiture or liquidation, the Group sets exit conditions and acts decisively to opportunely exit investments that have failed to generate risk-commensurate returns.
Even with such procedures for screening prospective investments and monitoring existing investments, the Group cannot completely avoid the risk of investment returns falling short of expectations or business activities themselves turning out to be not executable as planned. The Group could incur losses when exiting business ventures or may be precluded from exiting business ventures as intended due to circumstances such as relationships with partners in the ventures. In such an event, the Group's operating performance and/or financial condition could be adversely affected.

(5) Country risk

To minimize losses from realization of country risk, the Group recognizes that it must avoid concentrated exposure to any single country or region. In conducting business in countries that pose substantial country risk, the Group generally hedges against country risk on a transaction-by-transaction basis through such means as purchasing trade insurance.
In managing country risk, the Group assigns country-risk ratings to individual countries and regions and sets net exposure (gross exposure less trade insurance coverage and/or other country-risk hedges) limits based on the country's size and assigned rating. The Group limits its net exposure to individual countries to no more than the net exposure limit. However, even with these risk controls and hedges, the Group cannot completely eliminate the risk of losses or not being able to conduct business activities as planned due to changes in political, economic, and societal conditions in the countries in which the Group conducts business activities or countries in which the Group's customers are located. In the event of such losses, the Group's operating performance and/or financial condition could be adversely affected.

(6) Fixed asset impairment risk

The Group is exposed to the risk of impairment of the value of its non-current assets, including real estate holdings and other property and equipment, as well as leased assets. The Group uses asset impairment accounting and books necessary impairment losses at the end of the fiscal year in which the impairment occurred. However, if assets subject to asset impairment accounting decline materially in value due to a decline in their market prices, recognition of necessary impairment losses could adversely affect the Group’s operating performance and/or financial condition.

(7) Financing risk

The Group largely funds its operations by issuing bonds and borrowing funds from financial institutions. Accordingly, in the event of a disruption of the financial system or financial or capital markets, or a major downgrade of the Group's credit rating by a rating agency, the Group's operating performance and/or financial condition could be adversely affected by funding constraints and/or increased financing costs.

(8) Environmental risk

The Group regards environmental preservation as an important management consideration. The Group has prescribed environmental policies and is proactively addressing environmental problems through such means as complying with environmental laws and regulations and assessing the environmental impact of prospective investments and development projects. Despite such measures, the Group's business activities could still pollute the environment. In such an event, the Group could incur costs due to project suspension, environmental remediation and purification, and/or litigation.

(9) Compliance risk

The Group conducts diverse business activities subject to a broad range of laws and regulations, including corporation laws, tax laws, anti-bribery and other anti-corruption laws, antitrust laws, foreign exchange laws and other trade-related laws, and various industry-specific laws, including chemical regulations.

To ensure compliance with these laws and regulations, the Group has formulated a compliance program, established compliance committees, and promotes rigorous regulatory compliance on a Group-wide basis.

However, such measures cannot completely eliminate the compliance risk entailed by the Group's business activities. Additionally, the Group's operating performance and/or financial condition could be adversely affected by major statutory or regulatory revisions or application of an unanticipated interpretation of existing laws or regulations.

(10) Litigation risk

Litigation or other legal proceedings (e.g., arbitration) may be initiated in Japan or overseas against the Group or certain of its assets in connection with the Group's business activities. Due to the uncertain nature of litigation and other legal proceedings, it is not possible to predict the effect that such risks might have on the Group at the current point in time. Nevertheless, such risks could have an adverse impact on the Group's operating performance and financial position.

(11) Information system and information security risks

The Group has prescribed regulations and established oversight entities, mainly internal committees, to appropriately protect and manage information assets. The Group also has implemented safeguards (e.g., installation of redundant hardware) against failure of key information systems and network infrastructure. Additionally, the group is endeavoring to strengthen its safeguards against information leaks through such means as installing firewalls to prevent unauthorized access by outsiders, implementing antivirus measures, and utilizing encryption technologies.

While the Group is endeavoring to strengthen overall information security and prevent system failures, it cannot completely eliminate the risk of important information assets, including personal information, being leaked or damaged by an unknown computer virus or unauthorized access to its computer systems. Nor can the Group eliminate the risk of its information and communication systems being rendered inoperable by an unforeseeable natural disaster or system failure. In such an event, the Group's operating performance and/or financial condition could be adversely affected, depending on the extent of the damage.

(12) Natural disaster risk

The Group could be directly or indirectly affected in the event of an earthquake, flood, storm, or other natural disaster that damages offices or other facilities or injures employees. The Group has prepared disaster response manuals, conducts disaster response drills, has established an employee safety confirmation system, and has formulated a business continuity plan, but it cannot completely avoid the risk of damage from natural disasters. The Group's operating performance and/or financial condition could be adversely affected by natural disasters.

2) Risks related to the current Medium-Term Management Plan 2014 ’Change for Challenge’,

As noted in “Management Policies,” the Group engages in the medium-term management plan 2014, ’Change for Challenge’, for fiscal 2012-14.

Despite the Group's efforts, there is no assurance that all of the medium-term management plan 2014’s targets will be achieved. Initiatives directed at achieving the targets may not progress as planned or may not be as successful as anticipated.

Group Business Operations

Sojitz Group is engaged in a wide range of businesses on a global basis as a general trading company or sogo-shosha. Our main businesses are trading, import, and export of products, domestic and overseas manufacture and sale of a diverse array of products, provision of domestic and overseas services, planning and organizing of various projects, investment in diversified business areas, and financial activities.
The Group consists of 470companies, including 446 consolidated subsidiaries and affiliates, of which 335 are subsidiaries and 135 are affiliates.
The following table lists our products, services, and main subsidiaries and affiliates by industry segment.

As of March 31, 2013

Segment	Main products and services	Main subsidiaries and affiliates (Main business; Status within consolidated group)
Machinery	Automobiles and automotive components; automobile-related equipment; construction equipment; ships; vehicles; aircraft and aerospace-related equipment; communication infrastructure equipment; equipment for electronics industries; general plant equipment for steel manufacturing, cement plants, chemical plants, etc.; electric power; electronics-related equipment (equipment for power generation, conversion, transmission, etc.); infrastructure business; bearings; industrial generators; various types of industrial machineries; machinery for the processing of metals and related equipment; IT-related business; information processing; computer software development; etc.	-Sojitz Machinery Corporation (Trading and sale of general industrial machinery; Subsidiary) - Sojitz Aerospace Corporation (Import, export and domestic sale of aerospace-related and defense-related equipment; Subsidiary) - Sojitz Marine & Engineering Corporation (Sale, purchase and charter brokerage, ship operation management, domestic sale and import/export of marine-related equipment and materials; Subsidiary) - Nissho Electronics Corporation (IT systems, network services; Subsidiary) - SAKURA Internet Inc. (Internet data center operator; Subsidiary) - MMC Automotoriz, S.A (Import, assembly and sale of automobiles; Subsidiary) - Subaru Motor LLC (Import and exclusive distribution of Subaru automobiles in Russia; Subsidiary) - Densan Co., Ltd., (Information processing, communication service, software development, system provisioning service; Affiliate) Number of subsidiaries: 99 (Domestic: 24, Overseas: 75) Number of affiliates: 40 (Domestic:6, Overseas: 34)
Energy & Metal	Oil and gas; petroleum products; coke; carbon products; nuclear fuels; nuclear power-related equipment and machinery; coal; iron ore; ferroalloys (nickel, molybdenum, vanadium, other rare metals); ores; alumina; aluminum; copper; zinc; tin; precious metals; ceramics and minerals; floating production strage and offloading unit; infrastructure; energy and chemicals-related projects; LNG-related business; steel-related business;environmental business; etc.	- Sojitz Ject Corporation (Coke, carbon products, trading in various minerals; Subsidiary) - Tokyo Yuso Co., Ltd. (Stockpiling of petroleum products etc., storage, logistics; Subsidiary) - Sojitz Coal Resources Pty ltc. (Investment in coal mines; Subsidiary) - Sojitz Moly Resources, Inc. (Investment in molybdenum mine; Subsidiary) - Sojitz Energy Venture Inc. (Oil and gas development; Subsidiary) - Metal One Corporation (Import, export, and sale of, and domestic and foreign trading in, steel-related products; Affiliate) - LNG Japan Corporation (LNG business and related investments and loans; Affiliate) - Coral Bay Nickel Corporation (Manufacture and sale of nickel and cobalt mixed sulfide; Affiliate) - Japan Alumina Associates (Australia) Pty. Ltd. (Manufacture of alumina; Affiliate) Number of subsidiaries: 44 (Domestic: 8, Overseas: 36) Number of affiliates: 21 (Domestic: 7, Overseas: 14)
Chemicals	Organic chemicals; inorganic chemicals; functional chemicals; fine chemicals; industrial salt; cosmetics; foodstuff additives; rare earths; commodity resins; raw materials for plastics including engineering plastics; film sheets for industry, packaging, and foodstuffs; plastic molding machines; other plastic products; electronics materials including liquid crystals and electrolytic copper foil; fiber materials for use in industrial supplies; etc.	-Sojitz Pla-Net-Holdings, Inc (Holdings company for plastics businesses; Subsidiary) - Sojitz Pla-Net Corporation (Trading and sale of plastics and related products; Subsidiary) - Pla Matels Corporation (Trading and sale of plastics and related products; Subsidiary) - Sojitz Cosmetics Corporation (Development, product planning and sale of cosmetics; Subsidiary) - P.T. Kaltim Methanol Industri (Manufacture and sale of methanol; Subsidiary) - Metton America, Inc. (Manufacture and sales of metton resins); Subsidiary) - P.T. Moriuchi Indonesia (Manufacture of industrial fabrics; Affiliate) Number of subsidiaries: 31 (Domestic: 12, Overseas: 19) Number of affiliates: 22 (Domestic: 7, Overseas: 15)
Consumer Lifestyle Business	Grains; flour; oils and fats; oilstuff; feed materials; marine products; processed seafood; fruits and vegetables; frozen vegetables; frozen foods; sweets; raw ingredients for sweets; coffee beans; sugar; other foodstuffs and raw ingredients; chemical fertilizers; cotton and synthetic fabrics; non-woven fabrics; knitted fabrics and products; raw materials for textiles; clothing; interior accessories; bedclothes and home fashion-related products; nursery items; general commodities; construction materials; imported timber; timber products such as lumber, plywood, and laminated lumber; building materials; afforestation; manufacture and sale of wood chips; industrial park; etc.	- Sojitz Building Materials Corporation (Sale of construction materials; Subsidiary) - Sojitz Foods Corporation (Sale of sugar, dairy products, farmed and marine products, processed foods, and other foodstuffs; Subsidiary) - Daiichibo Co., Ltd. (Manufacture and sale of textiles, storage distribution, shopping center management; Subsidiary) - Sojitz Infinity Inc. (Planning, manufacture, and sale of apparel; Subsidiary) - Sojitz General Merchandise Corporation (Import, export and domestic wholesale of general commodities; Subsidiary) - Sojitz Fashion Co., Ltd. (Processing and sale of fabrics; Subsidiary) - Sojitz Yoshimoto Ringyo Co., Ltd. (Sale of lumber, plywood, etc.; Subsidiary) - Thai Central Chemical Public Co., Ltd (Manufacture and sale of chemical fertilizers; sale of imported fertilizer products; Subsidiary) - Vietnam Japan Chip Vung Ang Corporation (Afforestation; manufacture and sale of wood chips; Subsidiary) - Sojitz Now Apparel Ltd. (Garment agent and trader; Subsidiary) - JALUX Inc. (Logistics and services in the in-flight, airport retail, lifestyle-related, and customer service business fields; Affiliate) - Fuji Nihon Seito Corporation (Manufacture, refining, processing and sale of sugar; Affiliate) - Yamazaki-Nabisco Co., Ltd. (Manufacture of sweets; Affiliate) - Nissho Iwai Paper & Pulp Corporation (Sales of pulp and recycled paper as well as paper and paperboard products; Affiliates) - Tachikawa Forest Products (N.Z.) Ltd. (Saw milling; Affiliate) Number of subsidiaries: 50 (Domestic: 17, Overseas: 33) Number of affiliates: 28 (Domestic: 10, Overseas: 18)
Other	Administration, domestic branches, logistics and insurance services, aircraft leasing, real estate-related business (investment, dealing, leasing, management etc.), administration of commecial facilities; etc.	- Sojitz Kyushu Corporation (Domestic regional operating company; Subsidiary) - Sojitz Logistics Corporation (Logistic services; land, sea and air cargo handling; international non vessel operating common carrier (NVOCC) transportation; Subsidiary) - Sojitz Insurance Agency Corporation (Accident insurance and life insurance agency services; Subsidiary) - Sojitz Shared Service Corporation (Shared services and consulting regarding HR, accounting and finance; temporary staffing services; Subsidiary) - Sojitz General Property Management Corporation (Condominium and office building management, real estate agency services : Subsidiary) - Sojitz New Urban Development Corporation (Consignment sales of newly constructed sales of condominiums, real estate brokerage, leasing and administration of buidings and retail property; Subsidiary) - Sojitz Commerce Development Corporation (Development, construction, operation and lease of retail property) - Sojitz Aircraft Leasing B. V. (Aircraft operating lease; Subsidiary) Number of subsidiaries: 61 (Domestic: 35, Overseas: 26) Number of affiliates: 9 (Domestic: 2, Overseas: 7)
Overseas	We are engaged in wide range of activities as a general trading company, trading in thousands of products overseas.	- Sojitz Corporation of America (Subsidiary) - Sojitz Europe plc (Subsidiary) - Sojitz Asia Pte. Ltd (Subsidiary) - Sojitz (Hong Kong) Ltd. (Subsidiary) - Sojitz (China) Co., Ltd. (Subsidiary) Number of subsidiaries: 50 (Overseas: 50) Number of affiliates: 15 (Overseas: 15)

Note 1: The following five companies are listed in the Japanese stock market as of March 31, 2013:Densan Co., Ltd., JALUX Inc. (TSE 1st section), Fuji Nihon Seito Corporation (TSE 2nd section), SAKURA Internet Inc. (Mothers), and Pla Matels Corporation (JASDAQ).

Note 2: From September 1st, 2012, Sojitz Realnet Corporation changed its name to Sojitz New Urban Development Corporation.

Management Policies

(1) Fundamental Policy

Sojitz is endeavoring to enhance its corporate value by realizing its Management Vision of the company it aspires to become and the common principles it embraces in accord with the Sojitz Group Statement below.

Sojitz Group Statement

The Sojitz Group produces new sources of wealth by connecting the world's economies, cultures and people in a spirit of integrity.

Sojitz Group Slogan

New way, New value

Sojitz Group Management Vision

Unrelentingly enhance the Group's trading company functions, as demanded by clients, by fully grasping and anticipating clients' diverse needs (Function-oriented trading company)

Take advantage of changes and continuously develop new business fields (Innovating trading company)

Become a company in which each and every employee can work with pride and pursue challenges and explore opportunities to realize his or her own personal goals and ambitions (Open and flexible company)

Seek to harmonize the Group's corporate activities with society and the environment by consistently putting the Group's statement into practice (Socially contributive company)

(2) Medium- to Long-term Business Strategy and Prospective Challenges

Under its new three-year management plan launched in April 2012 and entitled *Medium-Term Management Plan 2014: Change for Challenge* , the Group aims to increase its corporate value based on the theme "implementing reforms in pursuit of growth initiatives."

Implement reforms in pursuit of growth initiatives

- Strengthen earnings capacity by improving the quality of assets
- Continue investing for growth (Strategic allocation to business focus areas)
- Build up a structure and organization that enables its business to be creative, efficient, and highly capable of managing risk
- Foster human resources that are able to go the distance even in a business environment typified by accelerating globalization

Enhance the financial foundation through the accumulation of shareholders' equity

Improving corporate value and pursuing greater achievements

(3) Targeted Performance Indicators

The targeted performance indicators in Medium-term Management Plan 2014:'Change for Challenge' are as follows:

Performance indicator	Target
Net D/E ratio	2.0 times or lower
ROA	2% or higher
Dividend payout ratio	approximately 20%

(4) Progress of the Medium-term Management Plan and issues to be addressed

One of the measures that we are thoroughly implementing as we work to achieve the quantitative targets of the Medium-term Management Plan 2014 is the improvement of the quality and efficiency of assets. We will continue investing for growth and replace businesses and assets that would not be very meaningful to hold onto or that have little relation to our existing businesses as we strive to improve the quality of assets and strengthen our earnings capacity.
During the fiscal year under review, we sold off petroleum products marketing business assets and real estate-related assets while we conducted investments and loans for future growth in fields such as coal interests and IPPs (independent power producers) in the Middle East that constitute business strengths.
From the fiscal year ending March 31, 2014, we will continue to improve the quality of our assets while working to accelerate the building of an earnings base through investments and loans for future growth.
Meanwhile, in terms of our organization and structure, we are implementing key measures aimed at building up a structure and organization that enables us to conduct business that is supported by advanced risk management capabilities so that we can respond flexibly to changes in the operating environment. During the fiscal year under review, we established a Controller Office in the Energy & Metal Division for the purpose of front-line risk management and the improvement and strengthening of balance sheet and cash flow management. In addition to the opening of a new Controller Office in the Consumer Lifestyle Business Division in April 2013, controller offices are to be gradually established in other divisions to strengthen risk management capabilities, project development capabilities, and business operational capabilities as part of our efforts to promptly build up high-quality assets.

The Company will adopt IFRS, disclosing its financial statements in compliance with International Financial Reporting Standards. By doing so, we aim to enable stakeholders to more conveniently compare disclosure documents of Sojitz and Group companies, and ensure standardization of accounting treatment within the Group. Accordingly, from the fiscal year ending March 31, 2014, Sojitz will conduct business performance management based on International Financial Reporting Standards.

Caution Regarding Forward-looking Statements

The forecasts appearing above constitute forward-looking statements. They are 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.

Consolidated Balance Sheets
As of March 31, 2013 and 2012

(Millions of Yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	442,706	433,584
Notes and accounts receivable-trade	490,708	456,455
Securities	1,297	100
Inventories	270,645	292,105
Short-term loans receivable	5,667	2,222
Deferred tax assets	4,577	4,132
Other	88,132	79,120
Allowance for doubtful accounts	(5,583)	(3,449)
Total current assets	1,298,151	1,264,271
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	116,084	117,969
Accumulated depreciation	(57,457)	(55,420)
Buildings and structures, net	58,626	62,549
Machinery, equipment and vehicles	168,030	191,706
Accumulated depreciation	(81,810)	(86,292)
Machinery, equipment and vehicles, net	86,220	105,414
Land	53,429	44,163
Construction in progress	26,169	5,873
Other	22,431	24,669
Accumulated depreciation	(13,616)	(14,337)
Other, net	8,814	10,331
Total property, plant and equipment	233,260	228,332
Intangible assets		
Goodwill	44,612	39,865
Other	79,884	86,248
Total intangible assets	124,497	126,114
Investments and other assets		
Investment securities	313,897	338,744
Long-term loans receivable	22,415	31,311
Bad debts	68,164	59,670
Deferred tax assets	22,442	13,710
Real estate for investment	31,934	26,608
Other	52,788	43,830
Allowance for doubtful accounts	(47,223)	(46,375)
Total investments and other assets	464,419	467,500
Total noncurrent assets	822,177	821,947
Deferred assets		
Other	266	190
Total deffered assets	266	190
Total assets	2,120,596	2,086,410

Consolidated Balance Sheets
As of March 31, 2013 and 2012

(Millions of Yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Notes and accounts payable-trade	461,799	436,696
Short-term loans payable	282,524	242,267
Commercial papers	2,000	2,000
Current portion of bonds	35,000	30,000
Income taxes payable	8,850	5,407
Deferred tax liabilities	87	245
Provision for bonuses	6,254	6,154
Other	150,906	136,238
Total current liabilities	947,422	859,010
Noncurrent liabilities		
Bonds payable	80,000	60,000
Long-term loans payable	691,018	715,478
Deferred tax liabilities	20,596	19,509
Deferred tax liabilities for land revaluation	696	–
Provision for retirement benefits	14,232	14,998
Provision for directors' retirement benefits	648	630
Other	35,509	34,244
Total noncurrent liabilities	842,702	844,862
Total liabilities	1,790,125	1,703,872
Net assets		
Shareholders' equity		
Capital stock	160,339	160,339
Capital surplus	152,160	152,160
Retained earnings	151,706	158,488
Treasury stock	(179)	(179)
Total shareholders' equity	464,026	470,808
Accumulated Other Comprehensive Income		
Valuation difference on available-for-sale securities	7,626	13,710
Deferred gains or losses on hedges	935	(104)
Revaluation reserve for land	(2,120)	3
Foreign currency translation adjustment	(163,686)	(129,496)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(875)	(1,385)
Total Accumulated Other Comprehensive Income	(158,121)	(117,272)
Minority interests	24,565	29,000
Total net assets	330,471	382,537
Total liabilities and net assets	2,120,596	2,086,410

Consolidated Statement of Profit and Loss
for the Year Ended March 31, 2013 and 2012

Millions of Yen

	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013
Net sales	4,494,237	3,955,907
Cost of sales	4,262,671	3,763,842
Gross profit	231,566	192,064
Selling, general and administrative expenses	167,044	158,759
Operating income	64,522	33,305
Non-operating income		
Interest income	5,994	4,924
Dividends income	4,978	2,587
Equity in earnings of affiliates	12,566	15,588
Foreign exchange gains	—	5,408
Other	13,603	11,443
Total non-operating income	37,142	39,952
Non-operating expenses		
Interest expenses	24,212	21,021
Interest on commercial papers	5	4
Foreign exchange losses	145	—
Loss on valuation of derivatives	3,307	10,568
Other	11,765	7,185
Total non-operating expenses	39,436	38,779
Ordinary Income	62,228	34,478
Extraordinary income		
Gain on sales of noncurrent assets	3,217	3,402
Gain on sales of investment securities	9,039	6,802
Gain on sales of equity investment without stock	556	3,497
Gain on change in equity	24	5
Gain on negative goodwill	1,207	31
Gain on step acquisitions	194	—
Total extraordinary income	14,239	13,739
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	824	770
Loss on sales of real estate for investment	18	—
Impairment loss	6,101	11,893
Loss on sales of investment securities	122	31
Loss on sales of equity investment without stock	5	—
Loss on revaluation of securities	2,640	1,530
Loss on change in equity	205	18
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	2,648	1,672
Loss on litigation	2,348	582
Retirement benefit expenses	99	—
Total extraordinary losses	15,014	16,498
Income before income taxes and minority interests	61,454	31,719
Income taxes-current	18,482	11,441
Income taxes-deferred	43,821	2,012
Total income taxes	62,304	13,453
Income before minority interests	(850)	18,265
Minority interests in income	2,799	4,002
Net income	(3,649)	14,263

Consolidated Statement of Comprehensive Income
for the Year Ended March 31, 2013 and 2012

Millions of Yen

	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013
Income before minority interests	(850)	18,265
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,802)	5,216
Deferred gains or losses on hedges	(1,899)	1,277
Revaluation reserve for land	77	—
Foreign currency translation adjustment	(1,302)	20,417
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(184)	(201)
Share of other comprehensive income of associates accounted for using equity mettod	(10,660)	11,875
Total Other comprehensive income	(16,772)	38,585
Comprehensive income	(17,622)	56,851
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(20,212)	49,939
Comprehensive income attributable to minority interests	2,589	6,911

Consolidated Statements of Cash Flows
for the Year Ended March 31, 2013 and 2012

(Millions of Yen)

	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	61,454	31,719
Depreciation and amortization	33,289	30,944
Impairment loss	6,101	11,893
Loss on valuation of investment securities	2,640	1,530
Amortization of goodwill	4,998	4,774
Increase (decrease) in allowance for doubtful accounts	(15,162)	(3,590)
Increase (decrease) in provision for retirement benefits	1,130	1,744
Interest and dividends income	(10,972)	(7,512)
Interest expenses	24,217	21,026
Foreign exchange losses (gains)	445	(9,447)
Equity in (earnings) losses of affiliates	(12,566)	(15,588)
Loss (gain) on sales of investment securities	(9,286)	(10,255)
Loss (gain) on sales and retirement of noncurrent assets	(2,393)	(2,632)
Loss (gain) on step acquisitions	(194)	–
Decrease (increase) in notes and accounts receivable-trade	(19,910)	35,621
Decrease (increase) in inventories	(25,494)	(13,210)
Increase (decrease) in notes and accounts payable-trade	47,570	(21,792)
Other, net	27,277	17,224
Subtotal	113,145	72,448
Interest and dividends income received	18,933	18,757
Interest expenses paid	(23,883)	(21,588)
Payments for loss on litigation	—	(3,082)
Income taxes paid	(16,593)	(15,011)
Net cash provided by (used in) operating activities	91,600	51,524
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposits	(11,048)	7,790
Decrease (increase) in short-term investment securities	623	37
Purchase of property, plant and equipment	(35,745)	(26,886)
Proceeds from sales of property, plant and equipment	13,419	15,306
Purchase of intangible assets	(8,698)	(11,802)
Purchase of investment securities	(10,025)	(3,085)
Proceeds from sales and redemption of investment securities	19,402	18,484
Decrease (increase) in short-term loans receivable	3,745	3,453
Payments of long-term loans receivable	(13,548)	(11,697)
Collection of long-term loans receivable	1,489	2,412
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,340)	(5,624)
Net decrease from sale of consolidated subsidiaries	(707)	1,530
Other, net	1,144	(3,500)
Net cash provided by (used in) investing activities	(42,287)	(13,580)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	3,433	(9,419)
Proceeds from long-term loans payable	128,061	236,109
Repayment of long-term loans payable	(133,646)	(247,581)
Proceeds from issuance of bonds	39,800	9,953
Redemption of bonds	(67,719)	(35,000)
Proceeds from stock issuance to minority shareholders	66	68
Purchase of treasury stock	(9)	(0)
Cash dividends paid	(3,753)	(3,753)
Cash dividends paid to minority shareholders	(1,416)	(1,382)
Other, net	(1,193)	(1,732)
Net cash provided by (used in) financing activities	(36,376)	(52,737)
Effect of exchange rate change on cash and cash equivalents	(923)	11,890
Net increase (decrease) in cash and cash equivalents	12,012	(2,902)
Cash and cash equivalents at beginning of period	415,261	427,274
Cash and cash equivalents at end of period	427,274	424,371

◆Segment Information

1. Overview of reportable segment

The Company's reportable segments are components of the Company about which separate financial information is available.
These segments are subject to periodic examinations to enable the Company's board of directors to decide how to allocate resources and assess performance.
The Company's business divisions at head office are delineated based on goods and service categories.
Each of the divisions is engaged in a wide range of businesses globally (in Japan and overseas), including buying, selling, importing, and exporting goods, manufacturing and selling products, providing services, planning and coordinating projects, investing in various sectors, and conducting financing activities.
The Company's operations are therefore segmented based on the goods and services handled by each of the divisions.
The Company's four reportable segments are the Machinery segment, the Energy & Metal segment, the Chemicals segment, and the Consumer Lifestyle Business segment.
The Company's main products and series in each reportable segment are described in "Group Business Operations"

2. Calculation of net sales by segment, segment income/loss, segment assets, and other amounts

Accounting procedures adopted for reportable business segments, except those for tax expenses, largely correspond to those used to prepare the company's consolidated financial statements.
Amounts for inter-segment transactions are based on market prices or prices applying to transactions with third parties.

3. Net sales by segment, segment income/loss, segment assets, and other amounts

For the year ended March 31, 2012 (April 1, 2011 – March 31, 2012)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated 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	1,030,555	1,050,725	687,890	1,669,504	4,438,675	55,561	4,494,237	-	4,494,237
(2) Inter-segment	2,486	1,383	5,347	3,023	12,240	4,126	16,366	(16,366)	-
Total	1,033,041	1,052,108	693,238	1,672,527	4,450,915	59,688	4,510,604	(16,366)	4,494,237
Segment income (loss)	8,085	27,275	5,752	4,035	45,149	(2,942)	42,206	(45,855)	(3,649)
Segment assets	392,172	541,152	272,268	393,547	1,599,140	252,754	1,851,895	268,701	2,120,596
Other									
Depreciation and amortization	6,757	15,878	2,752	2,421	27,809	5,305	33,115	174	33,289
Amortization of goodwill	1,344	822	1,448	833	4,448	550	4,998	-	4,998
Interest income	944	2,565	317	739	4,567	1,651	6,219	(224)	5,994
Interest expenses	6,107	9,916	3,643	5,643	25,310	(868)	24,442	(224)	24,217
Equity in earnings (losses) of affiliates	2,778	7,765	853	952	12,349	212	12,562	4	12,566
Extraordinary income	5,996	6,118	211	680	13,007	1,232	14,239	-	14,239
Gain on sales of noncurrent assets	1,848	406	0	21	2,276	940	3,217	-	3,217
Gain on sales of investment securities	2,557	5,708	211	443	8,921	117	9,039	-	9,039
Extraordinary loss	2,385	1,674	433	2,912	7,404	5,513	12,918	2,095	15,014
Impairment loss	258	1,176	9	204	1,648	4,452	6,101	-	6,101
Loss of revaluation securities	361	132	8	18	520	24	544	2,095	2,640
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	1,516	55	116	120	1,809	839	2,648	-	2,648
Tax expenses	6,422	9,988	3,589	1,608	21,607	(3,474)	18,132	44,171	62,304
Amount invested in equity-method affiliates	21,161	163,455	10,593	18,329	213,538	4,594	218,133	(473)	217,659
Property, plant and equipment and Intangible assets increase	15,721	22,168	750	2,444	41,084	3,359	44,443	-	44,443

Notes:

1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, aircraft leasing, real estate and other investment, and retail property development.
2. The (45,855) million yen adjustment for segment income (loss) includes the (44,171) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated using internally-defined methods and allocated to each segment.
It also includesand 411 million yen, for dividend income and (2,095) million yen, comprising loss on revaluation of investment securities, associated with unallocated shared corporate assets.
The 268,701 million yen adjustment for segment assets includes (43,530) million yen in inter-segment eliminations and 312,232 million yen in unallocated shared corporate assets, mainly comprising (a) surplus funds invested in cash, deposits and other financial instruments and (b) investment securities.
Adjustments for other items listed, namely depreciation and amortization, interest income, interest expenses, equity in earnings of affiliates, and amount invested in equity-method affiliates, mainly comprise inter-segment eliminations.
3. Segment income (loss) adjustments are based on the net income reported in the consolidated statement of profit and loss for the corresponding period.

For the year ended March 31, 2013 (April 1, 2012 – March 31, 2013)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated 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	948,578	888,017	571,204	1,490,849	3,898,648	57,258	3,955,907	-	3,955,907
(2) Inter-segment	1,750	962	4,298	3,848	10,859	4,477	15,336	(15,336)	-
Total	950,328	888,979	575,503	1,494,697	3,909,508	61,735	3,971,244	(15,336)	3,955,907
Segment income (loss)	1,963	16,214	1,978	6,884	27,041	(2,790)	24,250	(9,987)	14,263
Segment assets	383,513	520,087	265,907	416,705	1,586,213	259,837	1,846,050	240,359	2,086,410
Other									
Depreciation and amortization	7,549	13,286	2,385	2,557	25,778	5,165	30,944	-	30,944
Amortization of goodwill	1,273	871	1,447	888	4,481	292	4,774	-	4,774
Interest income	820	2,228	369	615	4,035	1,358	5,393	(469)	4,924
Interest expenses	5,947	8,892	3,322	5,215	23,377	(1,881)	21,495	(469)	21,026
Equity in earnings (losses) of affiliates	3,677	9,855	(83)	2,410	15,859	(282)	15,577	10	15,588
Extraordinary income	6,210	4,663	1,504	637	13,015	370	13,386	353	13,739
Gain on sales of noncurrent assets	870	1,152	801	285	3,110	292	3,402	-	3,402
Gain on sales of investment securities	1,829	3,510	691	346	6,377	71	6,449	353	6,802
Extraordinary loss	3,533	5,798	1,276	320	10,928	5,419	16,347	150	16,498
Impairment loss	1,434	4,814	287	212	6,749	5,143	11,893	-	11,893
Loss of revaluation securities	1,017	282	29	2	1,332	47	1,379	150	1,530
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	810	(9)	791	41	1,633	39	1,672	(0)	1,672
Tax expenses	3,671	(7,584)	3,716	2,821	2,624	329	2,953	10,500	13,453
Amount invested in equity-method affiliates	24,885	182,483	11,285	21,244	239,899	3,599	243,499	(466)	243,032
Property, plant and equipment and Intangible assets increase	10,159	19,785	867	4,304	35,116	3,572	38,688	-	38,688

Notes:

1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, aircraft leasing, real estate and other investment, and retail property development.
2. The (9,987) million yen adjustment for segment income (loss) includes the (10,500) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated using internally-defined methods and allocated to each segment.
   It also includesand 513 million yen for dividend income associated with unallocated shared corporate assets.
   The 240,359 million yen adjustment for segment assets includes (63,448) million yen in inter-segment eliminations and 303,807 million yen in unallocated shared corporate assets, mainly comprising (a) surplus funds invested in cash, deposits and other financial instruments and (b) investment securities.
   Adjustments for other items listed, namely interest income, interest expenses, equity in earnings (losses) of affiliates, and amount invested in equity-method affiliates, mainly comprise inter-segment eliminations.
3. Segment income (loss) adjustments are based on the net income reported in the consolidated statement of profit and loss for the corresponding period.

Changes in segmentation

Effective the fiscal year ended March 31, 2013, the domestic real estate business previously belonging to the Lifestyle Business division was reclassified as Other in an aim to strengthen the asset management base and functionality.

In addition, former Chemicals and Functional Materials division changed to Chemicals division.

Results for the fiscal year ended March 31, 2012 in the Segment information are stated in the business division after the change was made.

Consolidated Financial Results
for the Year Ended March 31, 2013

Contents

◆Consolidated Statements of Cash Flows for the Year Ended March 31, 2013

（Milions of Yen）

		For the Year Ended March 31, 2012 (From April 1, 2011 to March 31, 2012)	For the Year Ended March 31, 2013 (From April 1, 2012 to September 31, 2013)
1	Net cash provided by (used in) operating activities		
2	Income before income taxes and minority interests	61,454	31,719
3	Depreciation and amortization	33,289	30,944
4	Impairment loss	6,101	11,893
5	Loss on valuation of investment securities	2,640	1,530
6	Amortization of goodwill	4,998	4,774
7	Increase (decrease) in allowance for doubtful accounts	(15,162)	(3,590)
8	Increase (decrease) in provision for retirement benefits	1,130	1,744
9	Interest and dividends income	(10,972)	(7,512)
10	Interest expenses	24,217	21,026
11	Foreign exchange losses (gains)	445	(9,447)
12	Equity in (earnings) losses of affiliates	(12,566)	(15,588)
13	Loss (gain) on sales of investment securities	(9,286)	(10,255)
14	Loss (gain) on sales and retirement of noncurrent assets	(2,393)	(2,632)
16	Loss (gain) on step acquisitions	(194)	-
17	Decrease (increase) in notes and accounts receivable-trade	(19,910)	35,621
18	Decrease (increase) in inventories	(25,494)	(13,210)
19	Increase (decrease) in notes and accounts payable-trade	47,570	(21,792)
20	Other, net	27,277	17,224
21	Subtotal	113,145	72,448
22	Interest and dividends income received	18,933	18,757
23	Interest expenses paid	(23,883)	(21,588)
24	Payments for loss on litigation	-	(3,082)
25	Income taxes paid	(16,593)	(15,011)
26	**Net cash provided by (used in) operating activities**	**91,600**	**51,524**
27			
28	Net cash provided by (used in) investing activities		
29	Decrease (increase) in time deposits	(11,048)	7,790
30	Decrease (increase) in short-term investment securities	623	37
32	Purchase of property, plant and equipment	(35,745)	(26,886)
33	Proceeds from sales of property, plant and equipment	13,419	15,306
34	Purchase of intangible assets	(8,698)	(11,802)
35	Purchase of investment securities	(10,025)	(3,085)
36	Proceeds from sales and redemption of investment securities	19,402	18,484
37	Decrease (increase) in short-term loans receivable	3,745	3,453
38	Payments of long-term loans receivable	(13,548)	(11,697)
39	Collection of long-term loans receivable	1,489	2,412
40	Purchase of investments in subsidiaries resulting in change in scope of consolidation	(2,340)	(5,624)
41	Net decrease from sale of consolidated subsidiaries	(707)	1,530
42	Other, net	1,144	(3,500)
43	**Net cash provided by (used in) investing activities**	**(42,287)**	**(13,580)**
44			
45	Net cash provided by (used in) financing activities		
46	Net increase (decrease) in short-term loans payable	3,433	(9,419)
47	Proceeds from long-term loans payable	128,061	236,109
49	Repayment of long-term loans payable	(133,646)	(247,581)
50	Proceeds from issuance of bonds	39,800	9,953
51	Redemption of bonds	(67,719)	(35,000)
52	Proceeds from stock issuance to minority shareholders	66	68
53	Purchase of treasury stock	(9)	(0)
54	Cash dividends paid	(3,753)	(3,753)
55	Cash dividends paid to minority shareholders	(1,416)	(1,382)
56	Other, net	(1,193)	(1,732)
57	**Net cash provided by (used in) financing activities**	**(36,376)**	**(52,737)**
58			
59	Effect of exchange rate change on cash and cash equivalents	(923)	11,890
60	Net increase (decrease) in cash and cash equivalents	12,012	(2,902)
61	Cash and cash equivalents at beginning of period	415,261	427,274
62	Cash and cash equivalents at end of period	427,274	424,371
63			

◆Consolidated Statements of Cash Flows
for the Year Ended March 31, 2013 (Supplementary)

	FY2012	Details
① Net cash provided by operating activities		(Billions of Yen)
1. Income before income taxes and depreciation	62.7	
2. Excluding profits/losses that do not affect cash flow	16.0	Impairment loss; interest and dividend income; interest expenses; and foreign exchange losses (gains)
3. Adjustment of profits/losses related to investment activities	(22.2)	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	(5.0)	Expenditures from decrease in accounts payable etc.
Total	51.5	
② Net cash provided by (used in) investing activites		
1. Decrease (increase) in time deposits	7.8	
2. Noncurrent assets		
Purchase of property, plant and equipment	(26.9)	Oil-related equipmet, ships
Purchase of intangible assets	(11.8)	Coal, iron ore, oil and gas interests
Proceeds from sales of property, plant and equipment	15.3	Aircraft, ships, coal interests, real estate
Sub-total	(23.4)	
3. Short-term investment Securities, Investment securities		
Purchase of investment securities	(3.1)	Purchase of overseas business company stock
Proceeds from sales of investment securities, etc.	18.5	Sales of overseas business company stock
Sub-total	15.4	
4. Loans receivable		
Decrease (increase) in short-term loans receivable	3.5	
Payments of long-term loans receivable	(11.7)	Loans to equity-method affiliates
Collection of long-term loans receivable	2.4	
Sub-total	(5.8)	
5. Other	(7.6)	Payments for sales of subsidiaries' stock resulting from change in scope of consolidation
Total	(13.6)	
Free cash flow (① + ②)	37.9	
③ Net cash provided by (used in) financing activities		
1. Increase (decrease) in short-term loans payable	(9.4)	
2. Long-term loans payable		
Proceeds from long-term loans payable	236.1	
Repayment of long-term loans payable	(247.6)	
Sub-total	(11.5)	
3. Bonds		
Proceeds from issuance of bonds	10.0	
Redemption of bonds	(35.0)	
Sub-total	(25.0)	
4. Cash dividends paid	(3.8)	
5. Other	(3.0)	
Total	(52.7)	

◆Segment Information

For the year ended March 31, 2012 (April 1, 2011 – March 31, 2012)

(Millions of Yen)

	Reportable Segment								
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal	Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated statement of profit and loss (note 3)
Net sales and segment income (loss)									
Net sales									
(1) Customers	1,030,555	1,050,725	687,890	1,669,504	4,438,675	55,561	4,494,237	-	4,494,237
(2) Inter-segment	2,486	1,383	5,347	3,023	12,240	4,126	16,366	(16,366)	-
Total	1,033,041	1,052,108	693,238	1,672,527	4,450,915	59,688	4,510,604	(16,366)	4,494,237
Segment income (loss)	8,085	27,275	5,752	4,035	45,149	(2,942)	42,206	(45,855)	(3,649)
Segment assets	392,172	541,152	272,268	393,547	1,599,140	252,754	1,851,895	268,701	2,120,596
Other									
Depreciation and amortization	6,757	15,878	2,752	2,421	27,809	5,305	33,115	174	33,289
Amortization of goodwill	1,344	822	1,448	833	4,448	550	4,998	-	4,998
Interest income	944	2,565	317	739	4,567	1,651	6,219	(224)	5,994
Interest expenses	6,107	9,916	3,643	5,643	25,310	(868)	24,442	(224)	24,217
Equity in earnings (losses) of affiliates	2,778	7,765	853	952	12,349	212	12,562	4	12,566
Extraordinary income	5,996	6,118	211	680	13,007	1,232	14,239	-	14,239
Gain on sales of noncurrent assets	1,848	406	0	21	2,276	940	3,217	-	3,217
Gain on sales of investment securities	2,557	5,708	211	443	8,921	117	9,039	-	9,039
Extraordinary loss	2,385	1,674	433	2,912	7,404	5,513	12,918	2,095	15,014
Impairment loss	258	1,176	9	204	1,648	4,452	6,101	-	6,101
Loss on valuation of investment securities	361	132	8	18	520	24	544	2,095	2,640
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	1,516	55	116	120	1,809	839	2,648	-	2,648
Tax expenses	6,422	9,988	3,589	1,608	21,607	(3,474)	18,132	44,171	62,304
Amount invested in equity-method affiliates	21,161	163,455	10,593	18,329	213,538	4,594	218,133	(473)	217,659
Property, plant and equipment and Intangible assets increase	15,721	22,168	750	2,444	41,084	3,359	44,443	-	44,443

Notes:

1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, aircraft leasing, real estate-related buisness (investment, dealing, leasing, management) and administration of commercial facilities.
2. The (45,855) million yen adjustment for segment income (loss) includes the (44,171) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated using internally-defined methods and allocated to each segment.
It also includes 411 million yen, for dividend income and (2,095) million yen, comprising loss on revaluation of investment securities, associated with unallocated shared corporate assets.
The 268,701 million yen adjustment for segment assets includes (43,530) million yen in inter-segment eliminations and 312,232 million yen in unallocated shared corporate assets, mainly comprising (a) surplus funds invested in cash, deposits and other financial instruments and (b) investment securities.
Adjustments for other items listed, namely depreciation and amortization, interest income, interest expenses, equity in earnings of affiliates, and amount invested in equity-method affiliates, mainly comprise inter-segment eliminations.
3. Segment income (loss) adjustments are based on the net income reported in the consolidated statement of profit and loss for the corresponding period.

For the year ended March 31, 2013 (April 1, 2012 – March 31, 2013)

(Millions of Yen)

	Reportable Segment								
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal	Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated statement of profit and loss (note 3)
Net sales and segment income (loss)									
Net sales									
(1) Customers	948,578	888,017	571,204	1,490,849	3,898,648	57,258	3,955,907	-	3,955,907
(2) Inter-segment	1,750	962	4,298	3,848	10,859	4,477	15,336	(15,336)	-
Total	950,328	888,979	575,503	1,494,697	3,909,508	61,735	3,971,244	(15,336)	3,955,907
Segment income (loss)	1,963	16,214	1,978	6,884	27,041	(2,790)	24,250	(9,987)	14,263
Segment assets	383,513	520,087	265,907	416,705	1,586,213	259,837	1,846,050	240,359	2,086,410
Other									
Depreciation and amortization	7,549	13,286	2,385	2,557	25,778	5,165	30,944	-	30,944
Amortization of goodwill	1,273	871	1,447	888	4,481	292	4,774	-	4,774
Interest income	820	2,228	369	615	4,035	1,358	5,393	(469)	4,924
Interest expenses	5,947	8,892	3,322	5,215	23,377	(1,881)	21,495	(469)	21,026
Equity in earnings (losses) of affiliates	3,677	9,855	(83)	2,410	15,859	(282)	15,577	10	15,588
Extraordinary income	6,210	4,663	1,504	637	13,015	370	13,386	353	13,739
Gain on sales of noncurrent assets	870	1,152	801	285	3,110	292	3,402	-	3,402
Gain on sales of investment securities	1,829	3,510	691	346	6,377	71	6,449	353	6,802
Extraordinary loss	3,533	5,798	1,276	320	10,928	5,419	16,347	150	16,498
Impairment loss	1,434	4,814	287	212	6,749	5,143	11,893	-	11,893
Loss on valuation of investment securities	1,017	282	29	2	1,332	47	1,379	150	1,530
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	810	(9)	791	41	1,633	39	1,672	(0)	1,672
Tax expenses	3,671	(7,584)	3,716	2,821	2,624	329	2,953	10,500	13,453
Amount invested in equity-method affiliates	24,885	182,483	11,285	21,244	239,899	3,599	243,499	(466)	243,032
Property, plant and equipment and Intangible assets increase	10,159	19,785	867	4,304	35,116	3,572	38,688	-	38,688

Notes:

1. "Other" includes functional services, regional companies in Japan, logistics and insurance services, aircraft leasing, real estate-related buisness (investment, dealing, leasing, management) and administration of commercial facilities.
2. The (9,987) million yen adjustment for segment income (loss) includes the (10,500) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated using internally-defined methods and allocated to each segment.
It also includes 513 million yen, comprising dividend income and other factors, associated with unallocated shared corporate assets.
The 240,359 million yen adjustment for segment assets includes (63,448) million yen in inter-segment eliminations and 303,807 million yen in unallocated shared corporate assets, mainly comprising (a) surplus funds invested in cash, deposits and other financial instruments and (b) investment securities.
Adjustments for other items listed, namely interest income, interest expenses, equity in earnings (losses) of affiliates, and amount invested in equity-method affiliates, mainly comprise inter-segment eliminations.
3. Segment income (loss) adjustments are based on the net income reported in the consolidated statement of profit and loss for the corresponding period.

Changes in segmentation

From this fiscal year, the domestic real estate business was reclassified from the Consumer Lifestyle Business division to the Other segment.
In addition, the former Chemicals and Functional Materials division was changed to the Chemicals division.
In the results for the fiscal year ended March 31, 2012 the segment information are stated in the business division after the change was made.

Details of Industry Segments

【Net sales】 (Billions of Yen)

	FY2011	FY2012	Change	Reasons for change
Machinery	1,030.5	948.6	(81.9)	Decrease due to lower trading volumes in aircraft-related and ship-related businesses
Energy & Metal	1,050.7	888.0	(162.7)	Decrease due to lower trading volumes and prices
Chemicals	687.9	571.2	(116.7)	Decrease due to decline in demand in Europe, China and other parts of Asia
Consumer Lifestyle Business	1,669.5	1,490.8	(178.7)	Decrease due to lower trading volumes of cigarettes and marine products
Other	55.6	57.3	1.7	Increase due to increase in sales by some domestic subsidiaries
Consolidated	4,494.2	3,955.9	(538.3)	

【Net income】 (Billions of Yen)

	FY2011	FY2012	Change	Reasons for change
Machinery	8.1	2.0	(6.1)	Earnings declined due to factors including a decrease in the number of vehicles sold by overseas automotive businesses.
Energy & Metal	27.3	16.2	(11.1)	Earnings decreased due to factors including declines in the prices of mineral resources, and a decrease in production volume for certain interests and concessions.
Chemicals	5.7	2.0	(3.7)	Earnings decreased due to a decline in sales prices and a decrease in trading volumes arising from a decline in demand mainly in Europe, China, and other parts of Asia.
Consumer Lifestyle Business	4.0	6.9	2.9	Earnings increased due to increases in trading volumes in the overseas fertilizer businesses and sales contributions of the overseas industrial park-related business.
Elimination & Unallocate	(48.7)	(12.8)	35.9	Earnings improved due to the reversal of deferred tax assets in the previous fiscal year.
Consolidated	(3.6)	14.3	17.9	

【Assets】 (Billions of Yen)

	As of March 31, 2012	As of March 31, 2013	Change	Reasons for change
Machinery	392.2	383.5	(8.7)	Decrease due to decrease in advance payments in plant-related and ship-related businesses
Energy & Metal	541.1	520.1	(21.0)	Decrease due to the divestment of a petroluem product sales company
Chemicals	272.3	265.9	(6.4)	Decrease due to decrease in notes and accounts receivable due to a decline in demand in Europe, China and other parts of Asia
Consumer Lifestyle Business	393.5	416.7	23.2	Increase due to increase in cigarettes and fertilizer inventories
Elimination & Unallocate	521.5	500.2	(21.3)	Decrease due to decrease in cash and deposits as a result of redemption of bonds
Consolidated	2,120.6	2,086.4	(34.2)	

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

Changes in the number of consolidated subsidiaries and affiliates（April 1, 2012 - March 31, 2013）

(Number of Companies)

	As of March 31, 2012	As of March 31, 2013	Changes
Subsidiaries	323	317	(6)
Equity-method Affiliates	139	129	(10)
Total	462	446	(16)

Changes in major subsidiaries（April 1, 2012 - March 31, 2013）

○ **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 Mineria 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)
Energy & Metals	Sojitz Energy Corporation (*1)	Sale of petroleum products

Equity-method affiliates

(Segment)	(Company name)	(Main business)
Energy & Metals	ETH Investimentos S.A. (*2)	Investment in sugar, ethanol and electriciy production (Brazil)
Chemicals	Nemoto Portugal Quimica Fina Lda.	Manufacture and sale of special paint (Portugal)

（*1）Sojitz Energy Corporation has changes its name to Sogo Energy Corporation.
（*2）ETH Investimentos S.A. has changed its name to Odebrecht Agroindustrial Investimentos S.A.

Impact on the Profit due to Increase and Decrease of Conslidated Subsidiaries(compared with the year - earlier period)
（※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

Decrease

(Billions of Yen)

	Net Sales	Gross Profit	Ordinary Income	Net Income
Consolidated subsidiaries	(8.0)	(1.0)	0.0	0.7

◆Performance at Consolidated Subisiaries and Affiliates

(1)Number of Consolidated Subsidiaries and Affiliates

(Number of Companies)

		As of March 31, 2012			As of March 31, 2013			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	53	37	90	60	31	91	7	(6)	1
	Overseas	148	85	233	143	83	226	(5)	(2)	(7)
	Total	201	122	323	203	114	317	2	(8)	(6)
	% of total	62.2%	37.8%	100.0%	64.0%	36.0%	100.0%			
Affiliates	Domestic	33	4	37	28	4	32	(5)	0	(5)
	Overseas	75	27	102	75	22	97	0	(5)	(5)
	Total	108	31	139	103	26	129	(5)	(5)	(10)
	% of total	77.7%	22.3%	100.0%	79.8%	20.2%	100.0%			
Total	Domestic	86	41	127	88	35	123	2	(6)	(4)
	Overseas	223	112	335	218	105	323	(5)	(7)	(12)
	Total	309	153	462	306	140	446	(3)	(13)	(16)
	% of total	66.9%	33.1%	100.0%	68.6%	31.4%	100.0%			

(2)Earnings of Consolidated Subsidiaries and Affiliates

(Billions of Yen)

		Year Ended March 31, 2012 (From Apr. 1, 2011 to Mar. 31, 2012)			Year Ended March 31, 2013 (From Apr. 1, 2012 to Mar. 31, 2013)			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	9.2	(5.8)	3.4	8.8	(3.6)	5.2	(0.4)	2.2	1.8
	Overseas	49.1	(8.6)	40.5	21.7	(12.1)	9.6	(27.4)	(3.5)	(30.9)
	Total	58.3	(14.4)	43.9	30.5	(15.7)	14.8	(27.8)	(1.3)	(29.1)
Affiliates	Domestic	10.8	(0.0)	10.8	17.4	(1.0)	16.4	6.6	(1.0)	5.6
	Overseas	6.5	(6.1)	0.4	8.0	(7.5)	0.5	1.5	(1.4)	0.1
	Total	17.3	(6.1)	11.2	25.4	(8.5)	16.9	8.1	(2.4)	5.7
Total	Domestic	20.0	(5.8)	14.2	26.2	(4.6)	21.6	6.2	1.2	7.4
	Overseas	55.6	(14.7)	40.9	29.7	(19.6)	10.1	(25.9)	(4.9)	(30.8)
	Total	75.6	(20.5)	55.1	55.9	(24.2)	31.7	(19.7)	(3.7)	(23.4)

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 overseas consolidated subsidiaries' fiscal 2011 results.

Performance at Principal Subsidiaries and Affiliates

○ Profit

(Billions of Yen)

Company	Ownership	Equity in earnings			Main business
		FY2011	FY2012	Changes	
(Consolidated subsidiaries)					
Sojitz Coal Resources Pty Ltd.	100.00%	12.9	2.7	(10.2)	Investment in coal mines (Australia)
Sojitz Energy Venture Inc	100.00%	6.3	1.5	(4.8)	Oil and gas development (America)
Sojitz de Puerto Rico Corporation	100.00%	0.6	1.1	0.5	Import and distribution of automobiles (Puerto Rico)
MMC Automotriz, S.A.	100.00%	3.7	0.4	(3.3)	Assembly and sales of automobiles (Venezuela)
Sojitz Commerce Development Corporation	100.00%	(1.9)	0.0	1.9	Development, construction, operation and lease of retail property
(Equity-method affiliates)					
Metal One Corporation	40.00%	5.9	8.7	2.8	Export and import as well as domestic and offshore trade of steel-related products
LNG Japan Corporation	50.00%	1.8	5.2	3.4	LNG business and related investments
Mitsubishi Motors Philippines Corporation	49.00%	1.3	1.8	0.5	Import, assembly and sale of Mitsubishi automobiles (Philippines)
Nisshin France S.A.	20.00%	0.1	0.8	0.7	Investment in ferronickel manufacturers (France)
Coral Bay Nickel Corporation	18.00%	1.7	0.7	(1.0)	Manufacture and sale of nickel cobalt mixed sulfide (Philippines)

○ Loss

(Billions of Yen)

Company	Ownership	Equity in earnings			Main business
		FY2011	FY2012	Changes	
(Consolidated subsidiaries)					
Sojitz Resources(Australia) Pty Ltd.	100.00%	(0.2)	(4.7)	(4.5)	Investment in alumina refinery (Australia)
Sojitz Moly Resources, Inc.	100.00%	(0.3)	(1.4)	(1.1)	Investment in molybdenum mine (Canada)
Subaru Motor LLC	89.00%	2.5	(0.5)	(3.0)	Import and exclusive distribution of Subaru automobiles (Russia)
(Equity-method affiliates)					
Japan Alumina Associates (Australia) Pty. Ltd.	50.00%	0.0	(0.5)	(0.5)	Investment in alumina refinery business (Australia)

◆ Major consolidated subsidiaries and affiliates

( )% is the share as of March 31, 2013

Consolidated subsidiaries

(Millions of Yen)

Domestic

Sojitz Machinery Corporation (100.00%)	11/3	12/3	13/3
Net sales	61,674	62,812	65,672
Gross profit	4,354	4,612	4,487
Net income	720	806	817
Equity in earnings	720	806	817

Sojitz Marine & Engineering Corporation (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	77,758	85,439	59,469
Gross profit	4,364	4,231	3,152
Net income	1,007	1,119	236
Equity in earnings	1,007	1,119	236

Nissho Electronics Corporation (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	46,390	39,817	36,336
Gross profit	12,089	10,521	9,740
Net income	368	(1,213)	(680)
Equity in earnings	286	(1,213)	(680)

SAKURA Internet Inc (40.29%)	11/3	12/3	13/3
Net sales	8,584	9,164	9,482
Gross profit	2,816	2,513	2,589
Net income	572	556	479
Equity in earnings	230	224	192

Sojitz Aerospace Corporation (100.00%)	11/3	12/3	13/3
Net sales	97,805	112,349	122,939
Gross profit	2,665	2,885	3,294
Net income	198	381	479
Equity in earnings	198	381	479

Sojitz Energy Corporation (Consolidated) (97.08%)	11/3	12/3	13/3*
Net sales	165,154	198,678	153,373
Gross profit	4,983	5,111	3,660
Net income	(155)	53	95
Equity in earnings	(150)	52	92

*Reflects results for nine-month period (April through December) due to divestment in January 2013
*Figures in brackets represent percentages at time of sale

Pla Matels Corporation (Consolidated) (46.55%)	11/3	12/3*	13/3
Net sales	55,762	58,022	55,610
Gross profit	3,236	3,187	3,108
Net income	500	533	420
Equity in earnings	233	248	195

Consolidated to Sojitz Pla-Net Holdings, Inc.
*Applied retroactively due to changes in accounting policies

Sojitz Pla-Net Holdings, Inc. (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	234,152	228,514	206,983
Gross profit	11,659	11,004	10,029
Net income	6	(21)	(1,072)
Equity in earnings	6	(21)	(1,072)

Sojitz Building Materials Corporation (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	144,676	160,627	159,109
Gross profit	5,519	6,703	6,159
Net income	(1,223)	1,670	829
Equity in earnings	(1,223)	1,670	829

Sojitz Foods Corporation (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	146,808	150,764	147,799
Gross profit	5,825	6,147	5,943
Net income	499	(484)	832
Equity in earnings	499	(484)	832

Sojitz General Merchandise Corporation (100.00%)	11/3	12/3	13/3
Net sales	6,113	8,441	8,358
Gross profit	1,055	1,277	1,239
Net income	153	217	161
Equity in earnings	153	217	161

Sojitz Infinity Inc. (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	6,929	7,578	8,112
Gross profit	3,470	3,957	4,253
Net income	(1,739)	303	13
Equity in earnings	(1,739)	303	13

Consolidated subsidiaries

(Millions of Yen)

Overseas

MMC Automotriz, S.A. (100.00%)	11/3	12/3	13/3
Net sales	18,612	50,407	42,011
Gross profit	1,131	11,598	8,543
Net income	(3,715)	4,058	391
Equity in earnings	(3,430)	3,746	391

Sojitz Coal Resources Pty Ltd. (Consolidated) (100.00%)	11/3	12/3	13/3
Net sales	29,438	58,677	40,328
Gross profit	10,420	17,184	5,380
Net income	13,163	12,876	2,719
Equity in earnings	13,163	12,876	2,719

Consolidated subsidiaries

Sojitz Energy Venture (Consolidated)			(100.00%)
	11/3	12/3	13/3
Net sales	5,164	17,955	9,909
Gross profit	1,478	10,082	2,700
Net income	646	6,303	1,501
Equity in earnings	646	6,303	1,501

Sojitz Moly Resources, Inc.			(100.00%)
	11/3	12/3	13/3
Net sales	3,282	3,393	2,081
Gross profit	1,128	(136)	(1,507)
Net income	907	(346)	(1,422)
Equity in earnings	907	(346)	(1,422)

P.T. Kaltim Methanol Industri			(85.00%)
	11/3	12/3	13/3
Net sales	11,354	18,658	17,080
Gross profit	1,541	2,398	2,400
Net income	673	835	830
Equity in earnings	572	710	706

Sojitz Corporation of America (Consolidated)			(100.00%)
	11/3	12/3	13/3
Net sales	55,781	58,490	31,535
Gross profit	8,404	10,607	7,345
Net income	1,795	1,822	657
Equity in earnings	1,795	1,822	657

Sojitz Europe Plc (Consolidated)			(100.00%)
	11/3	12/3	13/3
Net sales	92,635	77,061	55,884
Gross profit	3,762	4,566	3,107
Net income	512	537	(123)
Equity in earnings	512	537	(123)

Sojitz Asia Pte. Ltd. (Consolidated)			(100.00%)
	11/3	12/3	13/3
Net sales	133,480	193,953	150,911
Gross profit	4,389	4,950	4,516
Net income	752	913	939
Equity in earnings	752	913	939

Sojitz（Hong Kong）Ltd. (Consolidated)			(100.00%)
	11/3	12/3	13/3
Net sales	48,529	83,407	69,037
Gross profit	751	818	571
Net income	827	492	352
Equity in earnings	827	492	352

Equity-method affiliates

Domestic

LNG Japan Corporation (Consolidated)			(50.00%)
	11/3	12/3	13/3
Net sales	567,381	533,416	440,864
Gross profit	4,924	10,691	12,640
Net income	2,668	3,635	10,342
Equity in earnings	1,334	1,817	5,171

Metal One Corporation (Consolidated)			(40.00%)
	11/3	12/3	13/3
Net sales	2,523,462	2,473,001	2,305,696
Gross profit	116,064	109,486	107,704
Net income	18,780	14,668	21,858
Equity in earnings	7,512	5,867	8,743

JALUX Inc. (Conoslidated)			(22.00%)
	11/3	12/3	13/3
Net sales	95,541	89,082	85,937
Gross profit	20,570	18,819	18,992
Net income	492	693	779
Equity in earnings	148	153	173

Overseas

Coral Bay Nickel Corporation			(18.00%)
	11/3	12/3	13/3
Net sales	30,793	30,363	25,995
Gross profit	12,999	10,102	4,318
Net income	12,207	9,326	3,732
Equity in earnings	2,197	1,678	671

Cariboo Copper Corp.			(50.00%)
	11/3	12/3	13/3
Net sales	5,462	6,910	6,700
Gross profit	2,723	2,321	1,168
Net income	1,206	1,260	499
Equity in earnings	603	630	249

Japan Alumina Associates (Australia) Pty. Ltd.			(50.00%)
	11/3	12/3	13/3
Net sales	10,646	9,911	10,003
Gross profit	2,305	560	(884)
Net income	1,136	23	(1,009)
Equity in earnings	568	11	(504)

(Notes)
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

Exposure（As of March 31, 2013）

(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.
- Substancial country risk: Exposure is adjusted based on the substantial country of risk, regardless of counterparties’ country of domicile.

（Billions of Yen ）

	Investments	Loans	Gurantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substancial country risk
Thailand	1.5	0.0	0.0	40.0	11.5	8.2	61.2	64.3
Malaysia	0.4	0.0	0.0	3.8	0.5	1.2	5.9	4.7
Indonesia	6.4	0.1	0.0	13.4	5.2	15.2	40.3	52.6
Philippines	16.3	0.4	0.0	16.0	0.7	1.6	35.0	24.1
China（include Hong Kong）	11.5	0.3	0.3	40.0	6.3	4.4	62.8	60.0
(China)	10.1	0.3	0.3	30.8	4.4	1.2	47.1	49.8
（Hong Kong）	1.4	0.0	0.0	9.2	1.9	3.2	15.7	10.2
Brazil	2.6	0.5	0.2	9.6	3.1	9.5	25.5	45.1
Venezuela	0.0	0.0	0.0	6.6	7.1	13.3	27.0	27.0
Argentina	0.4	0.0	0.0	3.5	0.1	1.9	5.9	3.7
Russia	0.4	0.0	0.0	21.4	4.9	0.3	27.0	27.3
Total	39.5	1.3	0.5	154.3	39.4	55.6	290.6	308.8

（Reference）

Exposure（As of September 30, 2012）

（Billions of Yen ）

	Investments	Loans	Gurantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substancial 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

◆ Real Estate（Consolidated）

Book value and unrealized profits of real estate for sale

（Billions of Yen）

	As of March 31, 2012		As of March 31, 2013		Change	
	Book Value	(unrealized profits)	Book Value	(unrealized profits)	Book Value	(unrealized profits)
Company	20.5	2.1	18.0	1.3	(2.5)	(0.8)
Consolidated subsidiaries	27.2	0.2	31.0	1.3	3.8	1.1
Consolidated Total	47.7	2.3	49.0	2.6	1.3	0.3

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

（Billions of Yen）

	As of March 31, 2012	As of March 31, 2013	Change
Company	18.9	17.7	(1.2)
Consolidated subsidiaries	93.2	89.0	(4.2)
Consolidated Total	112.1	106.7	(5.4)

Book value of real estate for investment

（Billions of Yen）

	As of March 31, 2012	As of March 31, 2013	Change
Company	27.1	22.0	(5.1)
Consolidated subsidiaries	4.8	4.6	(0.2)
Consolidated Total	31.9	26.6	(5.3)

◆Number of Employees by Business Segment

(Number of Employees)

	As of March 31, 2012			As of March 31, 2013			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Machinery	282	5,456	5,738	285	5,355	5,640	3	(101)	(98)
Energy & Metal	245	1,202	1,447	247	848	1,095	2	(354)	(352)
Chemicals	219	1,658	1,877	233	1,437	1,670	14	(221)	(207)
Consumer Lifestyle Business	271	5,316	5,587	278	4,914	5,192	7	(402)	(395)
Other	733	1,657	2,390	683	1,683	2,366	(50)	26	(24)
Total	1,750	15,289	17,039	1,726	14,237	15,963	(24)	(1052)	(1076)

Notes

1. Employee headcounts above indicate personnel employed by Sojitz and its subsidiaries including employees seconded by Sojitz Corporation.
2. Effective this fiscal year, the domestic real estate business was reclassified from the Consumer Lifestyle Business Division to the Other segment.
   Number of employees as of March 31, 2012 are counted based on the reclassified segment.

(Reference)

Employee headcounts for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows: end-March 2012: 2,256; end-March 2013: 2,240

◆ News Releases for the year Ended March 31, 2013

Segment	Date	Title
Machinery		
	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 -
	October 29, 2012	Sojitz Joins Desalination Project in Republic of Ghana - First-ever Project in Sub-Saharan Africa Contributes to Stable Supply of Safe Water for 500,000 People -
	December 18, 2012	MHI and Sojitz Receive Order for New Acrylic Acid Plant Construction From Gazprom Group Company of Russian Republic of Bashkortostan, Jointly with Renaissance Construction
Energy & Metal		
	June 18, 2012	Sojitz Invests in Mongolian Resource Company in China Establishing the original Mongolian Coal Supply Chain
	November 5, 2012	Sojitz Corporation to Transfer Sojitz Energy Shares
Chemicals		
	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 -
Consumer Lifestyle Business		
	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
	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
	November 15, 2012	Sojitz, Toshin Sea Foods Launch Traveling Farmed Bluefin Tuna Cutting Show Service - Providing Safe, Delicious, and Fun Bluefin Tuna -
	December 14, 2012	"Delicious Bluefin Tuna Festival" to be held in Nagasaki - Nagasaki, Japan's Top Source of Farmed Tuna, to Hold Major PR Event -
	December 18, 2012	Sojitz Begins Study on Entering Broiler Business in Vietnam - Japanese Technology and Expertise to Be Employed in Responding to Growing Demand -
	January 18, 2013	Daiichibo Becomes First Japanese Textile Manufacturer to Acquire Fair Trade Certification and License - Cotton From Senegal to be Used in Various Cotton Products -
Other		
	May 8, 2012	Sojitz Corporation Announced Differences between Full-year Forecast and Results for the Fiscal Year Ended March 31, 2012
	May 8, 2012	Notice Regarding Change of Representative Directors
	May 21, 2012	Sojitz to Spin Off Domestic Condominium Business
	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 -
	October 5, 2012	Notice Regarding Loss on Revaluation of Securities in the 2nd Quarter of the Fiscal Year ending March 31, 2013
	November 2, 2012	Sojitz Corporation Revises Full-year Earnings Forecast
	November 13, 2012	Relief Aid for Victims of Hurricane Sandy
	December 17, 2012	Nay Pyi Taw Office Opens
	February 28, 2013	Sojitz Corporation Announces Organizational Reforms, Executive Changes, and Appointments to the New Position of Corporate Officer
	March 14, 2013	Sojitz Begins Accepting Applications for Third Group of Scholarship Recipients from Sojitz Reconstruction and Education Fund
	March 28, 2013	Sojitz Corporation Announces Voluntary Adoption of IFRS

◆ Forcast for the Year Ending March 31, 2014

Full-Year Forecast

JGAAP (Billions of Yen)

	Year Ended March 31, 2013 Results	(Reference) Year Ending March 31, 2014,
Net sales	3,955.9	4,280.0
Gross profit	192.1	209.0
Selling, general and administrative expenses	(158.8)	(167.0)
Operating income	33.3	42.0
Interest expenses - net	(16.1)	(17.5)
Dividends income	2.6	2.5
Equity in earnings of affilliates	15.6	22.0
Other income and expenses - net	(0.9)	(3.0)
Non operating income / losses - net	1.2	4.0
Ordinary income	34.5	46.0
Extraordinary income / losses - net	(2.8)	(5.0)
Income before income taxes and minority interests	31.7	41.0
Income before minority interests	18.3	25.0
Net income	14.3	21.0

IFRS (Billions of Yen)

	Year Ending March 31, 2014 Forecast
Revenue	—
Gross profit	209.0
Selling, general and administrative expenses	(163.0)
Other income (expenses)	(8.0)
Operating profit	38.0
Finance income/costs	(16.0)
Interest expenses - net	(17.5)
Devidends received	1.5
Share of profit (loss) of investments accounted for using the equity method	23.0
Profit before tax	45.0
Profit attributable to owners of the Company	25.0
(Reference, JGAAP) Total trading transactions	4,280.0

Gross profit forecast by industry segment

JGAAP (Billions of Yen)

	Year Ended March 31, 2013 Results	(Reference) Year Ending March 31, 2014,
Machinery	66.8	79.0
Energy & Metal	31.3	28.5
Chemicals	34.6	37.5
Consumer Lifestyle Business	52.6	56.0
Other	6.8	8.0
Total	192.1	209.0

IFRS (Billions of Yen)

	Year Ending March 31, 2014 Forecast
Machinery	79.0
Energy & Metal	28.5
Chemicals	37.5
Consumer Lifestyle Business	56.0
Other	8.0
Total	209.0

Ordinary income forecast by industry segment

JGAAP (Billions of Yen)

	Year Ended March 31, 2013 Results	(Reference) Year Ending March 31, 2014,
Machinery	3.8	7.5
Energy & Metal	9.7	16.0
Chemicals	5.8	7.5
Consumer Lifestyle Business	12.3	13.0
Other	2.9	2.0
Total	34.5	46.0

Net income forecast by industry segment

JGAAP (Billions of Yen)

	Year Ended March 31, 2013 Results	(Reference) Year Ending March 31, 2014,
Machinery	2.0	4.5
Energy & Metal	16.2	15.0
Chemicals	2.0	4.5
Consumer Lifestyle Business	6.9	8.0
Other	(12.8)	(11.0)
Total	14.3	21.0

IFRS (Billions of Yen)

Profit attributable to owners of the Company	Year Ending March 31, 2014 Forecast
Machinery	5.5
Energy & Metal	16.0
Chemicals	5.5
Consumer Lifestyle Business	8.5
Other	(10.5)
Total	25.0

Note: Sojitz will report its consolidated financial results in compliance with International Financial Reporting Standards (IFRS) from the first quarter of fiscal 2013 (the fiscal year ending March 31, 2014). Sojitz has accordingly prepared its earnings forecast based on IFRS.

Change of Consolidated Balance Sheets

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Current assets										
Cash and deposits	435,671	426,082	521,937	471,570	380,195	421,629	455,728	415,694	442,706	433,584
Notes and accounts receivable-trade	708,982	618,086	613,513	672,658	691,492	522,397	462,233	478,880	490,708	456,455
Short-term investment securities	17,705	7,150	6,471	7,251	9,180	2,123	6,131	5,437	1,297	100
Inventories	239,499	194,694	214,163	315,885	422,158	382,899	248,629	243,210	270,645	292,105
Short-term loans receivable	188,002	41,000	44,237	23,182	11,609	9,375	7,943	8,518	5,667	2,222
Deferred tax assets	13,346	7,482	8,886	8,591	19,179	15,821	13,484	15,402	4,577	4,132
Other	171,637	139,590	116,416	130,636	156,000	129,237	100,216	106,832	88,132	79,120
Allowance for doubtful accounts	(39,926)	(10,957)	(15,172)	(14,695)	(13,869)	(10,312)	(9,089)	(7,347)	(5,583)	(3,449)
Total current assets	**1,734,918**	**1,423,129**	**1,510,454**	**1,615,081**	**1,675,946**	**1,473,172**	**1,285,277**	**1,266,629**	**1,298,151**	**1,264,271**
Property, plant and equipment	**493,163**	**246,652**	**246,665**	**229,966**	**232,018**	**209,720**	**222,665**	**215,774**	**233,260**	**228,332**
Intangible assets	**66,228**	**103,850**	**100,131**	**99,127**	**133,343**	**114,855**	**114,445**	**132,595**	**124,497**	**126,114**
Goodwill	41,375	79,989	76,897	69,925	65,466	60,685	54,305	51,474	44,612	39,865
Other	24,852	23,860	23,233	29,202	67,876	54,170	60,139	81,120	79,884	86,248
Investments and other assets	**781,335**	**673,924**	**663,403**	**671,857**	**625,514**	**513,798**	**538,093**	**501,678**	**464,419**	**467,500**
Investment securities	410,531	409,307	488,291	518,615	480,993	351,466	327,869	333,050	313,897	338,744
Long-term loans receivable	182,093	102,142	38,867	39,304	36,961	27,908	25,113	13,370	22,415	31,311
Bad debts	-	286,934	176,527	162,305	109,440	92,378	88,358	79,971	68,164	59,670
Deferred tax assets	97,507	58,051	23,880	19,754	31,053	64,137	61,432	52,881	22,442	13,710
Real estate for investment	-	-	-	-	-	-	53,261	33,993	31,934	26,608
Other	234,988	54,820	58,793	49,916	44,400	39,435	39,264	48,168	52,788	43,830
Allowance for doubtful accounts	(143,786)	(237,332)	(122,956)	(118,039)	(77,335)	(61,526)	(57,207)	(59,758)	(47,223)	(46,375)
Total noncurrent assets	**1,340,726**	**1,024,427**	**1,010,200**	**1,000,951**	**990,875**	**838,375**	**875,204**	**850,049**	**822,177**	**821,947**
Deferred assets	1,377	921	1,024	3,475	2,529	1,410	436	281	266	190
Total assets	**3,077,022**	**2,448,478**	**2,521,679**	**2,619,507**	**2,669,352**	**2,312,958**	**2,160,918**	**2,116,960**	**2,120,596**	**2,086,410**
Current liabilities										
Notes and accounts payable-trade	479,264	472,513	451,438	531,508	578,995	418,811	377,468	414,984	461,799	436,696
Short-term loans payable	1,320,861	933,100	775,555	501,055	497,208	351,841	256,652	247,656	282,524	242,267
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	30,000
Income taxes payable	7,788	7,644	7,774	8,811	8,246	7,230	5,949	6,591	8,850	5,407
Deferred tax liabilities	257	422	41	34	53	597	44	146	87	245
Provision for bonuses	3,108	4,234	5,148	7,412	7,686	5,503	5,497	5,845	6,254	6,154
Other	220,979	154,515	138,198	159,778	191,161	178,734	145,801	153,321	150,906	136,238
Total current liabilities	**2,212,318**	**1,754,681**	**1,416,716**	**1,219,497**	**1,383,451**	**1,039,857**	**841,533**	**890,544**	**947,422**	**859,010**
Noncurrent liabilities										
Bonds payable	61,167	16,048	99,036	245,540	141,496	155,120	123,647	82,719	80,000	60,000
Long-term loans payable	430,640	296,927	473,109	560,187	560,281	702,861	763,098	723,926	691,018	715,478
Deferred tax liabilities	10,463	7,544	13,553	13,078	16,685	15,528	14,743	19,009	20,596	19,509
Deferred tax liabilities for land revaluation	-	-	445	1,238	1,193	1,045	944	774	696	-
Provision for retirement benefits	7,928	29,046	25,558	22,526	19,410	16,174	13,280	13,136	14,232	14,998
Provision for directors' retirement benefits	-	-	-	1,394	958	872	931	833	648	630
Other	26,259	30,639	29,185	24,409	25,548	25,994	25,336	30,505	35,509	34,244
Total noncurrent liabilities	**536,459**	**380,206**	**640,887**	**868,374**	**765,572**	**917,597**	**941,981**	**870,905**	**842,702**	**844,862**
Total liabilities	**2,748,778**	**2,134,887**	**2,057,603**	**2,087,872**	**2,149,024**	**1,957,454**	**1,783,514**	**1,761,449**	**1,790,125**	**1,703,872**
Shareholders' equity	**392,391**	**331,674**	**389,677**	**428,464**	**451,619**	**454,491**	**458,819**	**471,688**	**464,026**	**470,808**
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	158,488
Treasury stock	(32)	(86)	(113)	(126)	(145)	(166)	(169)	(170)	(179)	(179)
Accumulated Other Comprehensive Income	**(76,156)**	**(51,433)**	**37,273**	**60,122**	**24,412**	**(135,500)**	**(106,402)**	**(141,659)**	**(158,121)**	**(117,272)**
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	13,710
Deferred gains or losses on hedges	-	-	-	623	1,345	1,510	2,357	3,022	935	(104)
Revaluation reserve for land	(5,469)	(4,869)	(2,619)	(1,935)	(2,530)	(1,907)	(2,055)	(2,302)	(2,120)	3
Foreign currency translation adjustment	(87,379)	(79,193)	(50,655)	(32,882)	(34,684)	(141,340)	(121,550)	(153,984)	(163,686)	(129,496)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	-	-	-	-	-	-	-	(706)	(875)	(1,385)
Minority interests	**12,009**	**33,349**	**37,125**	**43,048**	**44,296**	**36,512**	**24,987**	**25,481**	**24,565**	**29,000**
Total net assets	**328,244**	**313,590**	**464,076**	**531,635**	**520,327**	**355,503**	**377,404**	**355,510**	**330,471**	**382,537**
Total liabilities and net assets	**3,077,022**	**2,448,478**	**2,521,679**	**2,619,507**	**2,669,352**	**2,312,958**	**2,160,918**	**2,116,960**	**2,120,596**	**2,086,410**

Change of Consolidated Statements of Income

（Millions of Yen）

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net sales	**5,861,737**	**4,675,903**	**4,972,059**	**5,218,153**	**5,771,028**	**5,166,182**	**3,844,418**	**4,014,639**	**4,494,237**	**3,955,907**
Cost of sales	**(5,612,714)**	**(4,431,656)**	**(4,729,892)**	**(4,963,686)**	**(5,493,296)**	**(4,930,564)**	**(3,666,215)**	**(3,821,914)**	**(4,262,671)**	**(3,763,842)**
Gross profit	**249,022**	**244,247**	**242,166**	**254,466**	**277,732**	**235,618**	**178,203**	**192,725**	**231,566**	**192,064**
Selling, general and administrative expenses	(189,074)	(178,725)	(165,964)	(176,533)	(185,368)	(183,611)	(162,074)	(155,205)	(167,044)	(158,759)
Operating income	**59,948**	**65,521**	**76,202**	**77,932**	**92,363**	**52,006**	**16,128**	**37,519**	**64,522**	**33,305**
Interest income	24,572	18,431	13,213	14,995	13,715	9,597	4,632	4,308	5,994	4,924
Dividends income	4,543	3,653	6,816	6,052	5,004	8,349	5,040	4,081	4,978	2,587
Equity in earnings of affiliates	5,929	10,741	19,149	23,752	28,911	2,455	9,179	19,297	12,566	15,588
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	11,443
Total non-operating income	**58,269**	**51,648**	**59,718**	**62,030**	**61,095**	**29,977**	**37,245**	**43,973**	**37,142**	**39,952**
Interest expenses	(53,590)	(45,833)	(38,571)	(38,332)	(33,101)	(29,145)	(25,808)	(23,917)	(24,212)	(21,021)
Interest on commercial papers	(2,085)	(2,920)	(1,572)	(89)	(183)	(306)	(178)	(18)	(5)	(4)
Foreign exchange losses	-	-	-	-	(5,664)	(5,243)	-	(2,848)	(145)	-
Other	(14,081)	(10,328)	(17,003)	(12,005)	(13,030)	(13,651)	(13,685)	(9,392)	(11,765)	(7,185)
Total non-operating expenses	**(69,757)**	**(59,082)**	**(57,147)**	**(50,427)**	**(51,979)**	**(48,347)**	**(39,672)**	**(36,176)**	**(39,436)**	**(38,779)**
Ordinary Income	**48,461**	**58,088**	**78,773**	**89,535**	**101,480**	**33,636**	**13,702**	**45,316**	**62,228**	**34,478**
Extraordinary income/losses - net	(90,563)	(438,167)	(9,358)	(1,449)	(13,135)	3,434	5,192	(6,004)	(775)	(2,759)
Income before income taxes and minority interests	**(42,101)**	**(380,079)**	**69,414**	**88,085**	**88,344**	**37,070**	**18,894**	**39,312**	**61,454**	**31,719**
Income taxes-current	(12,282)	(11,331)	(16,484)	(18,841)	(20,118)	(19,229)	(8,562)	(11,400)	(18,482)	(11,441)
Income taxes-deferred	23,058	(18,287)	(5,840)	(4,971)	(2,062)	2,490	294	(9,103)	(43,821)	(2,012)
Income before minority interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**18,808**	**(850)**	**18,265**
Minority interests in income	(2,282)	(2,778)	(3,383)	(5,506)	(3,469)	(1,330)	(1,832)	(2,826)	(2,799)	(4,002)
Net income	**(33,609)**	**(412,475)**	**43,706**	**58,766**	**62,693**	**19,001**	**8,794**	**15,981**	**(3,649)**	**14,263**
										（Billions of yen）
Core earnings	**41.9**	**51.4**	**78.5**	**89.8**	**110.7**	**48.3**	**14.4**	**41.9**	**65.0**	**35.4**

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
Income before minority interests	**10,626**	**18,808**	**(850)**	**18,265**
Other comprehensive income	**29,563**	**(35,462)**	**(16,772)**	**38,585**
Valuation difference on available-for-sale securities	3,786	(1,557)	(2,802)	5,216
Deferred gains or losses on hedges	641	1,165	(1,899)	1,277
Revaluation reserve for land	-	-	77	-
Foreign currency translation adjustment	14,217	(26,545)	(1,302)	20,417
Unfunded retirement benefit obligation with respect to foreign consolidated companies	63	129	(184)	(201)
Shere of other comprehensive income of associates accounted for using equity	10,854	(8,654)	(10,660)	11,875
comprehensive income	**40,189**	**(16,653)**	**(17,622)**	**56,851**
（comprehensive income attributable to）				
Comprehensive income attributable to owners of the parent	37,869	(18,317)	(20,212)	49,939
Comprehensive income attributable to minority interests	2,319	1,663	2,589	6,911

Change of Consolidated Statements of Cash Flows

（Millions of Yen）

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net cash provided by (used in) operating activities										
Income before income taxes and minority interests	(42,101)	(380,079)	69,414	88,085	88,344	37,070	18,894	39,312	61,454	31,719
Depreciation and amortization	33,557	24,784	25,958	23,928	28,844	26,698	23,196	24,096	33,289	30,944
Impairment loss	-	-	2,022	3,393	6,994	12,151	9,402	9,687	6,101	11,893
Loss on valuation of investment securities	8,998	13,415	950	3,957	6,085	15,132	16,543	801	2,640	1,530
Amortization of goodwill	-	-	-	4,016	3,564	5,119	4,443	4,548	4,998	4,774
Increase (decrease) in allowance for doubtful accounts	23,570	64,121	(110,810)	(6,148)	(41,067)	(16,127)	(3,977)	1,619	(15,162)	(3,590)
Increase (decrease) in provision for retirement benefits	-	(7,843)	(3,630)	(3,015)	(2,926)	(2,088)	(3,296)	901	1,130	1,744
Interest and dividends income	(29,116)	(22,084)	(20,030)	(21,048)	(18,719)	(17,947)	(9,672)	(8,390)	(10,972)	(7,512)
Interest expenses	55,675	48,754	40,143	38,421	33,284	29,452	25,987	23,936	24,217	21,026
Foreign exchange losses（gains）	-	(322)	320	3	5,053	5,294	(1,832)	3,907	445	(9,447)
Equity in (earnings) losses of affiliates	(5,929)	(10,741)	(19,149)	(23,752)	(28,911)	(2,455)	(9,179)	(19,297)	(12,566)	(15,588)
Loss (gain) on sales of investment securities	(21,945)	360	(4,025)	(14,787)	(9,265)	(30,217)	(32,375)	(755)	(9,286)	(10,255)
Loss (gain) on sales and retirement of noncurrent assets	4,317	95,495	(2,238)	(9,452)	285	(6,263)	(990)	(4,386)	(2,393)	(2,632)
Loss (gain) on step acquisitions	-	-	-	-	-	-	-	(10,307)	(194)	-
Decrease (increase) in notes and accounts receivable-trade	101,743	7,171	26,492	(62,697)	(26,135)	118,034	57,221	(30,328)	(19,910)	35,621
Decrease (increase) in inventories	52,938	45,102	(8,492)	(99,052)	(108,510)	10,703	80,618	(6,997)	(25,494)	(13,210)
Increase (decrease) in notes and accounts payable-trade	(49,161)	(15,770)	(34,978)	78,685	55,154	(108,118)	(46,575)	52,368	47,570	(21,792)
Other, net	(13,649)	156,538	116,555	39,759	62,223	43,779	(2,433)	8,790	27,277	17,224
Subtotal	118,898	18,905	78,502	40,296	54,297	120,218	125,972	89,506	113,145	72,448
Interest and dividends income received	39,428	22,006	21,761	22,693	34,621	30,871	18,120	13,172	18,933	18,757
Interest expenses paid	(58,914)	(49,858)	(40,673)	(37,868)	(33,408)	(29,016)	(26,379)	(24,013)	(23,883)	(21,588)
Payments for loss on litigation	-	-	-	-	-	-	-	-	-	(3,082)
Income taxes paid	(12,252)	(10,827)	(16,434)	(18,081)	(20,102)	(18,344)	(10,490)	(10,801)	(16,593)	(15,011)
Net cash provided by (used in) operating activities	**87,160**	**(19,774)**	**43,155**	**7,040**	**35,407**	**103,729**	**107,222**	**67,863**	**91,600**	**51,524**
Net cash provided by (used in) investing activities										
Decrease (increase) in time deposits	(15,090)	9,832	2,541	9,392	(268)	3,862	(301)	5,591	(11,048)	7,790
Decrease (increase) in short-term investment securities	6,687	18,111	(1,151)	84	(190)	1,420	292	(344)	623	37
Purchase of property, plant and equipment	(10,848)	(8,358)	(25,518)	(28,774)	(40,354)	(43,718)	(21,189)	(27,252)	(35,745)	(26,886)
Proceeds from sales of property, plant and equipment	3,794	77,419	16,462	38,255	7,969	16,452	5,443	6,654	13,419	15,306
Purchase of intangible assets	-	-	-	-	-	(21,821)	(7,264)	(21,195)	(8,698)	(11,802)
Purchase of investment securities	(11,590)	(17,936)	(24,380)	(35,763)	(48,013)	(35,104)	(19,098)	(20,647)	(10,025)	(3,085)
Proceeds from sales and redemption of investment securities	79,691	80,361	59,272	46,480	40,234	51,925	66,099	14,228	19,402	18,484
Decrease (increase) in short-term loans receivable	30,625	58,176	27,022	36,315	13,891	13,355	4,857	3,049	3,745	3,453
Payments of long-term loans receivable	(35,559)	(8,180)	(9,717)	(22,914)	(7,136)	(2,360)	(2,263)	(4,481)	(13,548)	(11,697)
Collection of long-term loans receivable	24,410	26,810	37,546	8,576	2,361	3,085	1,785	11,173	1,489	2,412
Net increase(decrease) from purchase of consolidated subsidiaries	(2,756)	(2,013)	(296)	(4,408)	(8,156)	(5,692)	23	2,551	(2,340)	(5,624)
Net increase(decrease) from sale of consolidated subsidiaries	(2,736)	(1,223)	937	3	(109)	65	(49)	(460)	(707)	1,530
Other, net	6,400	8,109	16,436	(4,541)	(28,951)	1,331	103	11,229	1,144	(3,500)
Net cash provided by (used in) investing activities	**73,030**	**241,109**	**99,155**	**42,706**	**(68,723)**	**(17,198)**	**28,439**	**(19,903)**	**(42,287)**	**(13,580)**
Free Cash Flow	**160,190**	**221,335**	**142,310**	**49,746**	**(33,316)**	**86,531**	**135,661**	**47,960**	**49,313**	**37,944**
Net cash provided by (used in) financing activities										
Net increase (decrease) in short-term loans payable	(189,312)	85,255	(233,618)	(201,386)	(54,258)	(57,272)	(41,620)	(49,686)	3,433	(9,419)
Net increase (decrease) in commercial papers	119,600	(2,000)	(110,000)	(19,200)	15,000	10,000	(25,000)	(8,000)	-	-
Proceeds from long-term loans payable	176,441	203,706	487,025	274,898	211,648	308,571	244,907	167,047	128,061	236,109
Repayment of long-term loans payable	(409,663)	(487,734)	(262,600)	(266,922)	(154,977)	(234,144)	(240,962)	(155,603)	(133,646)	(247,581)
Proceeds from issuance of bonds	47,225	9,998	154,872	374,626	45,905	55,686	-	19,900	39,800	9,953
Redemption of bonds	(85,794)	(40,088)	(46,030)	(12,668)	(999)	(75,212)	(33,489)	(41,047)	(67,719)	(35,000)
Proceeds from issuance of common stock/preferred stock	272,223	19,389	-	-	-	-	-	-	-	-
Repurchase of preferred stock	-	-	(44,000)	(240,920)	(102,000)	-	-	-	-	-
Proceeds from stock issuance to minority shareholders	510	155	56	474	922	522	13	463	66	68
Purchase of treasury stock	(46)	(32)	(26)	(11)	(18)	(20)	(1)	(1)	(9)	(0)
Cash dividends paid	-	-	-	-	(12,322)	(11,125)	(4,339)	(1,876)	(3,753)	(3,753)
Cash dividends paid to minority shareholders	(359)	(913)	(805)	(1,621)	(1,817)	(2,513)	(1,374)	(1,924)	(1,416)	(1,382)
Other, net	572	-	(678)	(2,744)	(806)	(450)	(730)	(1,325)	(1,193)	(1,732)
Net cash provided by (used in) financing activities	**(68,602)**	**(212,264)**	**(55,805)**	**(95,476)**	**(53,723)**	**(5,958)**	**(102,597)**	**(72,054)**	**(36,376)**	**(52,737)**
Effect of exchange rate change on cash and cash equivalents	(5,630)	(882)	11,921	3,419	(4,289)	(40,332)	6,825	(14,470)	(923)	11,890
Net increase (decrease) in cash and cash equivalents	85,958	8,188	98,426	(42,310)	(91,328)	40,241	39,890	(38,564)	12,012	(2,902)
Cash and cash equivalents at beginning of period	310,441	401,240	409,266	506,254	464,273	373,883	414,419	454,262	415,261	427,274
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	4,840	(162)	(1,438)	329	939	294	(48)	(436)	-	-
Cash and cash equivalents	**401,240**	**409,266**	**506,254**	**464,273**	**373,883**	**414,419**	**454,262**	**415,261**	**427,274**	**424,371**

(Reference)

Introduction of International Financial Reporting Standards (IFRS)

May 9, 2013

Sojitz Corporation

Contents

・Notes regarding purpose and scope

This document was constructed to facilitate understanding regarding the voluntary adoption of IFRS by Sojitz Corporation. Its scope primarily includes significant differences between JGAAP and IFRS previously used by the Company.

・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. Voluntary Adoption of IFRS

Voluntary Adoption of IFRS

・Annual securities report for FY2012 to be prepared with voluntary adoption of IFRS, consolidated financial statements released after transition date of April 1, 2011, to use IFRS (Announcement of financial results for FY2012 released on May 8, 2013, to use JGAAP)
・Starting from 1Q of FY2013, all announcement of financial results and quarterly and annual securities reports to use IFRS

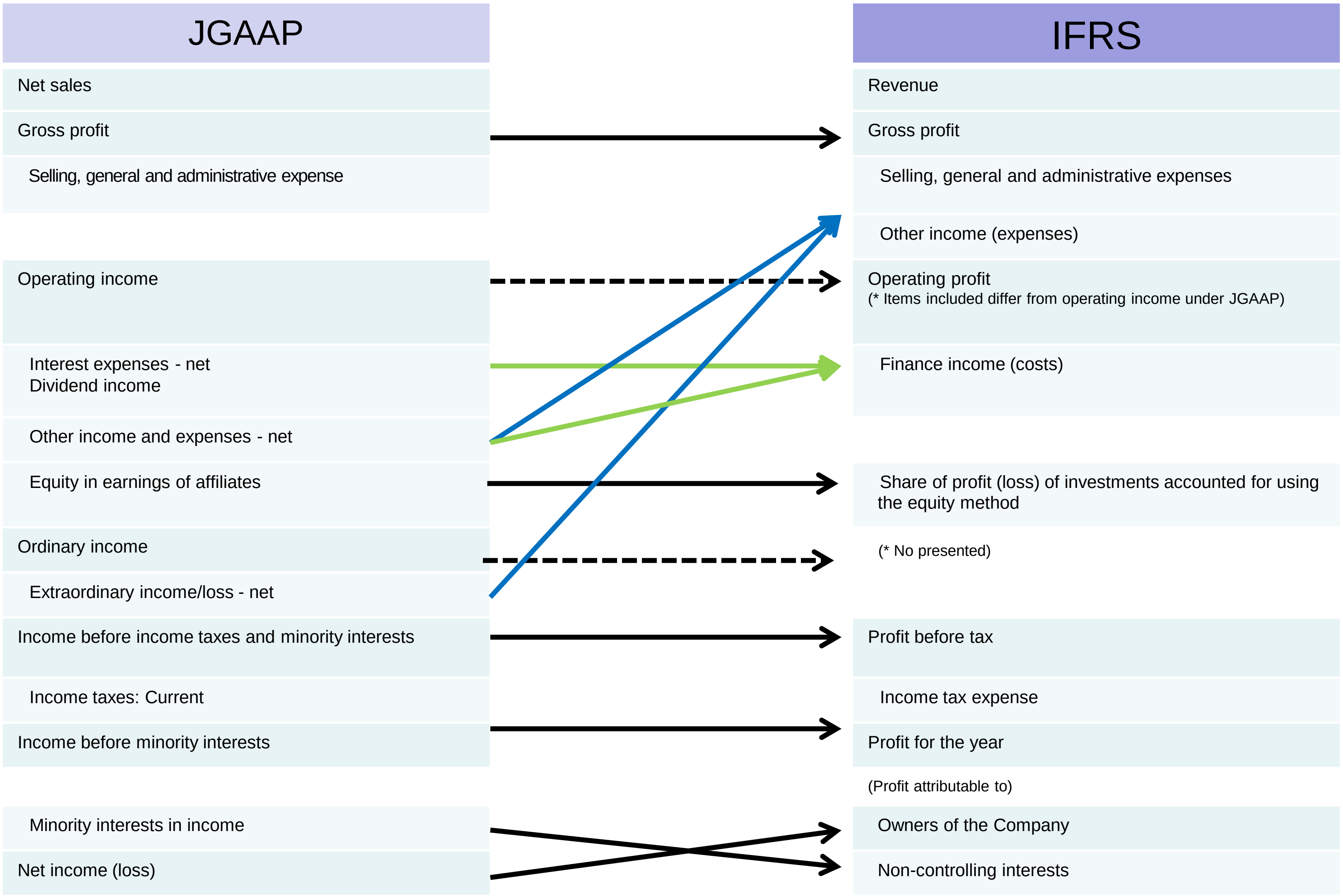
(Disclosure timing)	(Standard)	(Disclosure type)	FY2011 (Fiscal year ended March 31, 2012) April 1, 2011 (Transition date) – March 2012	FY2012 (Fiscal year ended March 31, 2013) March 2013 (Reporting date)	FY2013 (Fiscal year ending March 31, 2014) March 2014
May–June 2012	JGAAP	Announcement of financial results Annual securities report	Consolidated financial statements for FY2011 (JGAAP)		
May 8, 2013	JGAAP	Announcement of financial results	(Restate)	Consolidated financial statements for FY2012 (JGAAP) (Restate)	
June 25, 2013	IFRS	Annual securities report	Transition date BS (IFRS) Consolidated financial statements for FY2011 (IFRS)	Consolidated financial statements For FY2012 (IFRS)	
August 2013 onward	IFRS	Announcement of financial results Quarterly securities report Annual securities report			Quarterly consolidated financial statements for 1Q of FY2013 onward (IFRS)

II. Significant Differences Between JGAAP and IFRS

Significant Financial Statement Differences

Category	JGAAP	IFRS
Components of financial statements	･Consolidated Balance Sheets ･Consolidated Statement of Profit and Loss and Consolidated Statement of Comprehensive Income ･Consolidated Statement of Changes in Shareholders' Equity ･Consolidated Statements of Cash Flows ･Notes to the Consolidated Statements	･Consolidated Statement of Financial Position ･Consolidated Statements of Profit or Loss and Other Comprehensive Income ･Consolidated Statements of Changes in Equity ･Consolidated Statement of Cash Flows ･Notes to the Consolidated Statements
Presentation of various gains and losses	･Ordinary income (loss) and extraordinary income (loss) presented	･Ordinary income (loss) and extraordinary income (loss) not presented
Classification and presentation of assets/liabilities held for sale	･No standards	･Noncurrent assets held for sale classified as current assets and presented as assets as held for sale ･Assets/liabilities of subsidiaries held for sale classified as current assets/liabilities and presented as assets as held for sale/ liabilities directly related to assets as held for sale

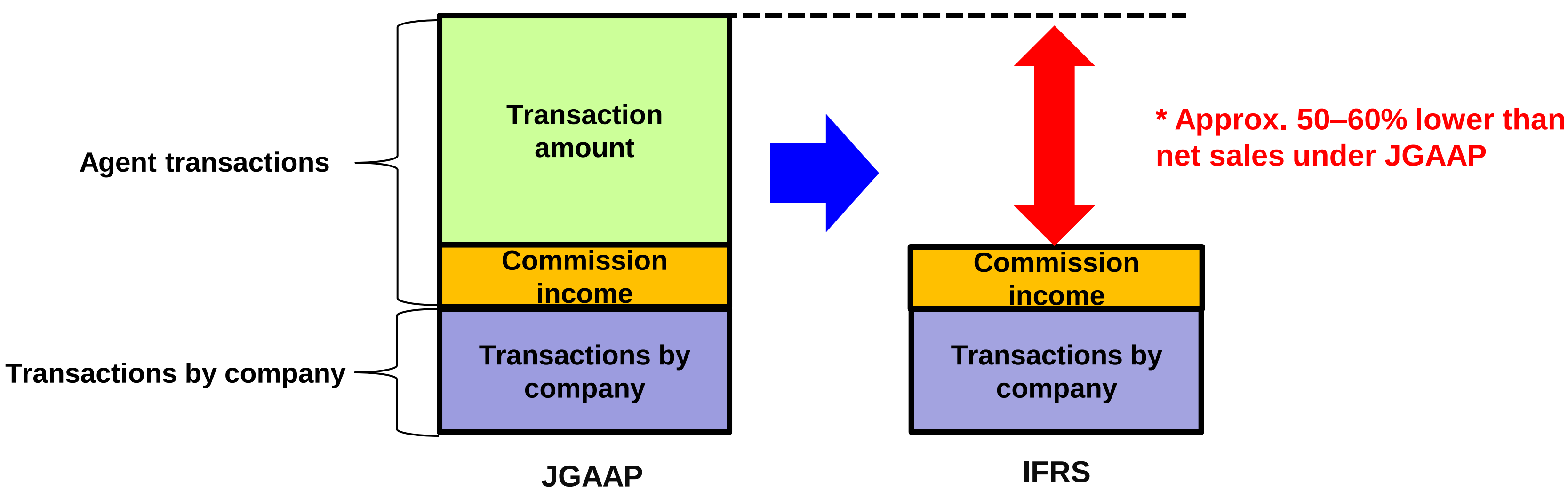
Changes in Presentation of Financial Statements (Consolidated Statements of Profit and Loss)



Presentation of Net Value of Revenue

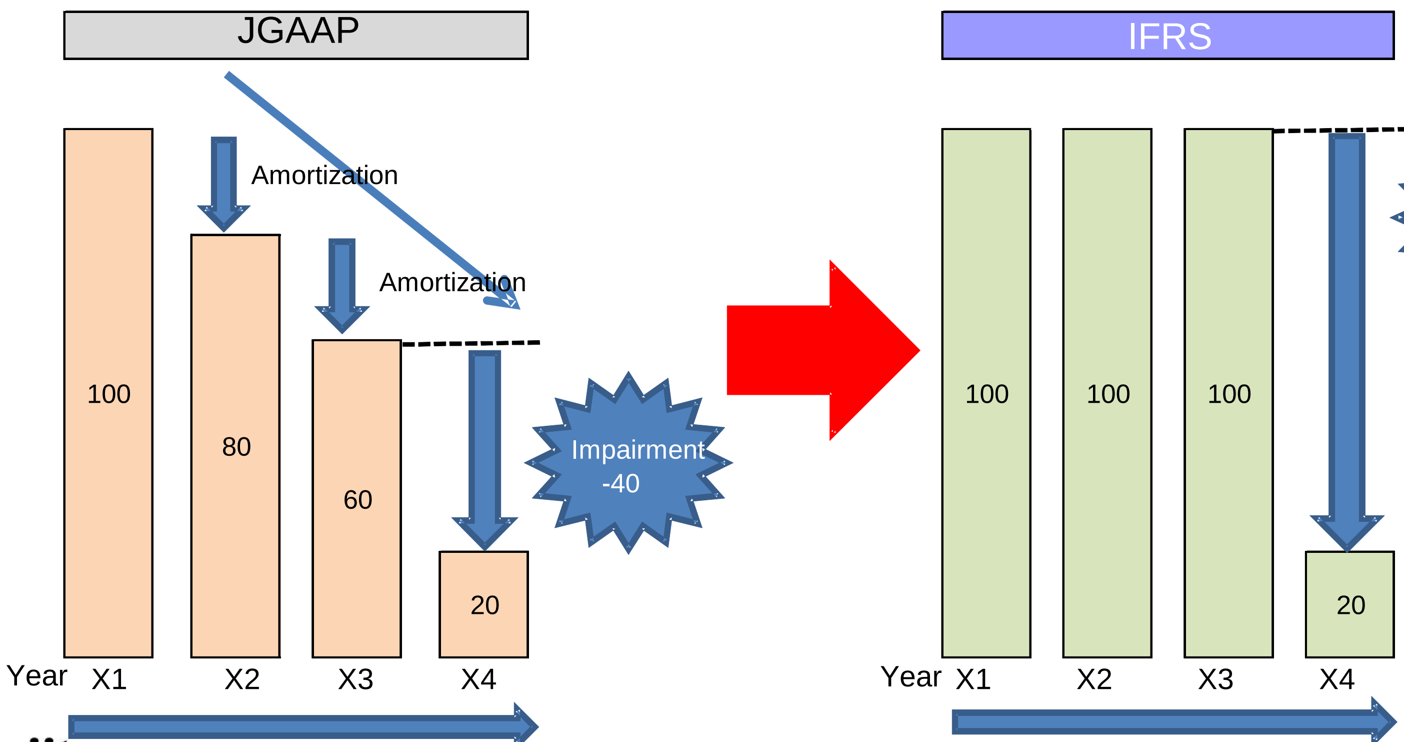
As agent transactions are presented at net value, revenue under IFRS lower than net sales under JGAAP

	JGAAP	IFRS
Presentation of net value of Revenue (net sales)	▪ Gross value of transactions generally recorded	• Only commission included in revenue for transactions not entailing exposure to inventory and price fluctuation risks



Impairment Testing and Ceasing Amortization of Goodwill

Category	JGAAP	IFRS
Impairment Testing and Ceasing Amortization of Goodwill	・Goodwill amortized within 20 years using straight line method ・Impairment testing conducted when there are indicators of impairment	・Goodwill not amortized, subject to impairment testing each reporting period ・Impairment loss recorded under profit and loss (impairment testing conducted each reporting period regardless of presence of indicators of impairment)

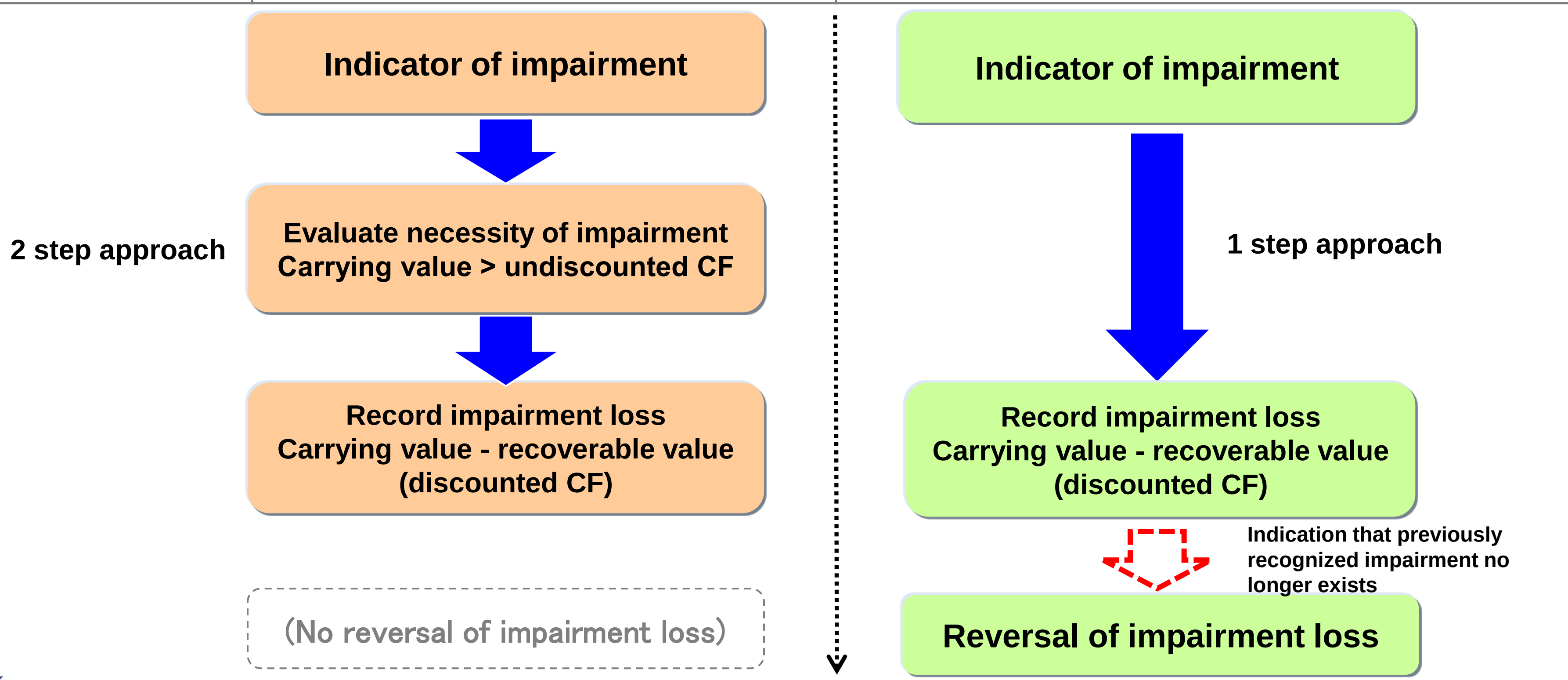


*** Amortization of goodwill not conducted, improvement of approx. ¥4.0 billion per year**
(SG&A expenses and share of profit (loss) of investments accounted for using the equity method)

*** When impairment is recognized, impairment losses larger than those recorded under JGAAP due to lack of regular amortization**

Impairment of Non-Financial Assets

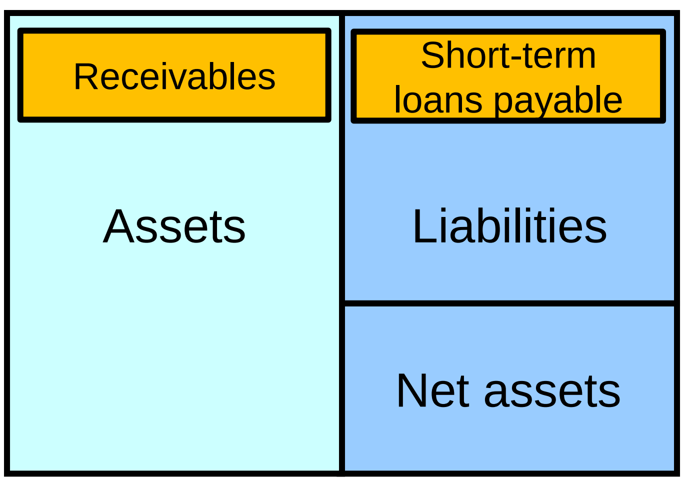
Category	JGAAP	IFRS
Impairment of Non-Financial Assets	･When there is an indicator of impairment and undiscounted cash flows are lower than carrying value, record impairment loss equal to difference between carrying value and recoverable value (discounted cash flows) (2 step approach)	･When there is an indicator of impairment and recoverable value (discounted cash flows) is lower than carrying value, record impairment loss equal to difference between carrying value and recoverable value (1 step approach) ･When there is an indication that previously recognized impairment no longer exists, reverse impairment loss except goodwill



Recording of Discounted Notes and Liquidated receivables on Balance Sheets

Under IFRS, discounted notes and liquidated receivables are recorded on BS unless all risks and rewards are transferred

	JGAAP	IFRS
Derecognition of financial assets (Discounted notes and Liquidated receivables)	･Discounted or endorsed notes not recorded on BS ･Non subordinated portion of liquidated receivables not recorded on BS	･Discounted or endorsed notes recorded on BS ･Liquidated receivables with subordinate portion recorded on BS in entirety unless all risks are transferred



IFRS

Not recorded on BS under JGAAP, but recorded under IFRS

*** Increases in notes receivable and loans payable of approx. ¥20.0–¥30.0 billion**

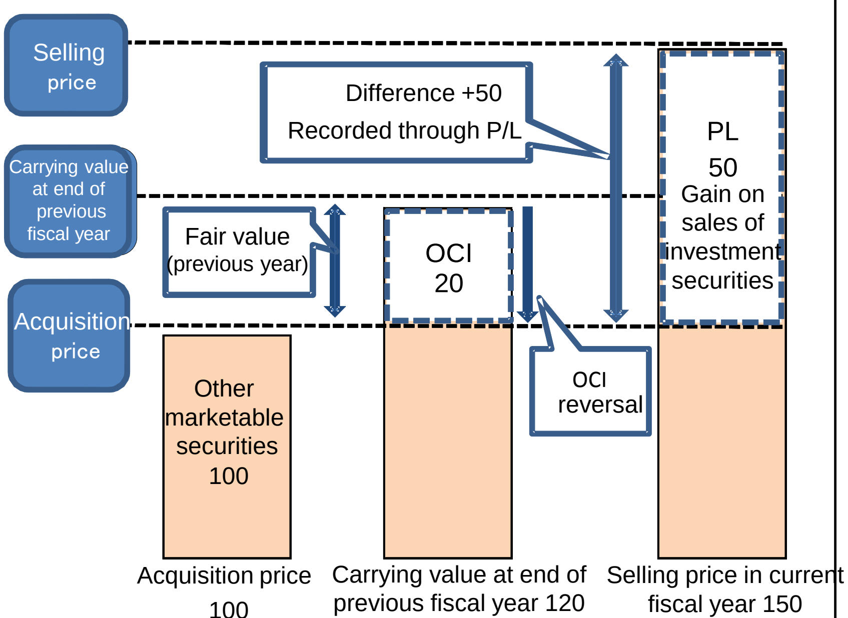
*** Not applicable at the transition date in accordance with IFRS regulations**

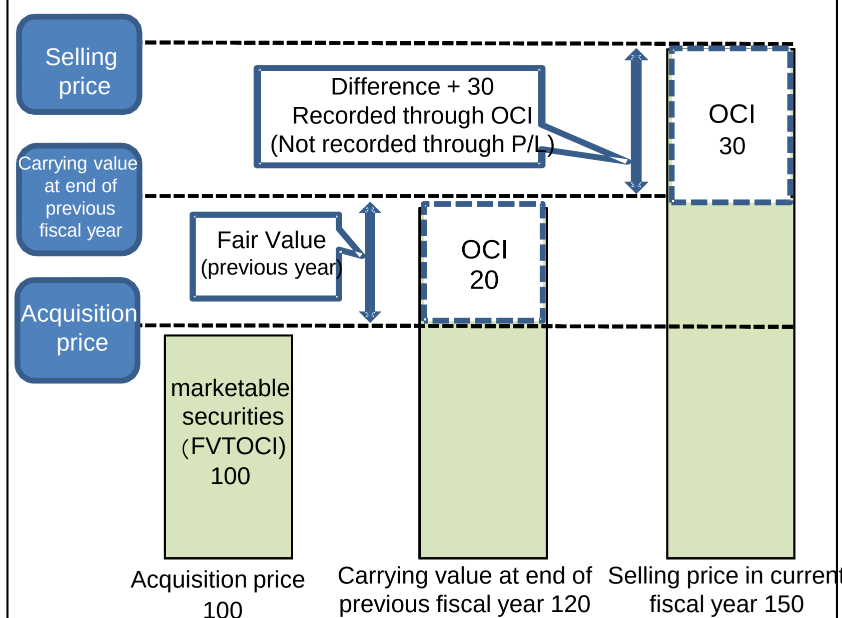
Evaluation of Marketable Securities

Sales gains and losses, revaluation losses related to FVTOCI*/other marketable securities not recorded under profit and loss in IFRS

* Fair value through other comprehensive income: financial assets for which fair value is measured through other comprehensive income
* Fair value fluctuations and gains or losses on sales of certain market securities (held for sale, etc.) recorded under profit and loss as in Japanese standards (fair value through profit or loss (FVTPL))

JGAAP	IFRS
･Fair value adjustments taken to other comprehensive income (OCI) ･When sold or impaired, revaluation losses or gains and losses from sales recorded through P/L (recycled) ･Acquisition price of unlisted stock used for carrying value	･Fair value adjustments taken to OCI ･When sold or impaired, fair value taken to OCI and not recorded through P/L (not recycled) ･Fair value of unlisted stock taken to OCI

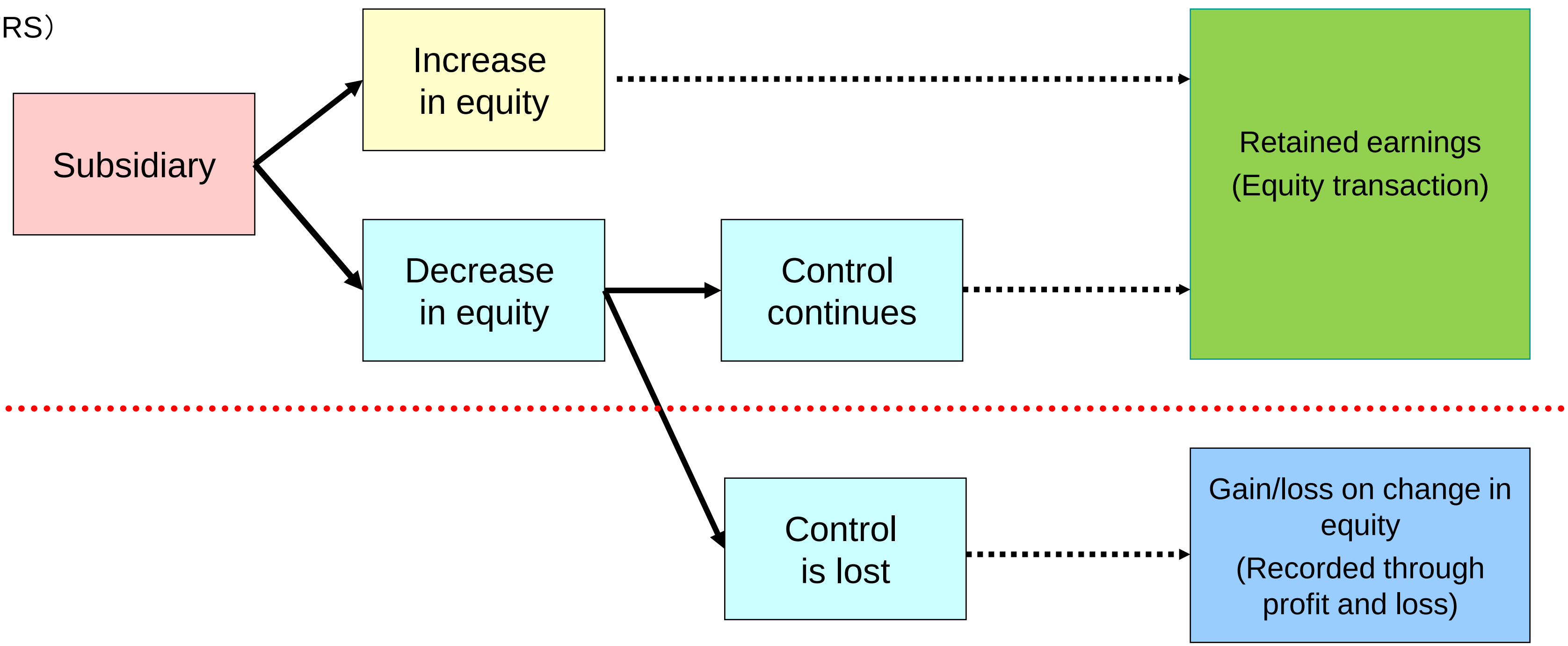




Changes in Equity in Subsidiaries for Which Control Continues

JGAAP	IFRS
・Additional acquisition of equity → Difference between newly acquired equity and investment recorded as goodwill (or negative goodwill) ・Selling of equity → Difference between decrease in equity and decrease in investment recorded as gain or loss	・When control continues → Recorded as retained earnings (equity transaction) ・When control is lost → Recorded as gain/loss on change in equity (recorded in profit and loss)

（IFRS）



Other Significant Changes in Accounting Standards

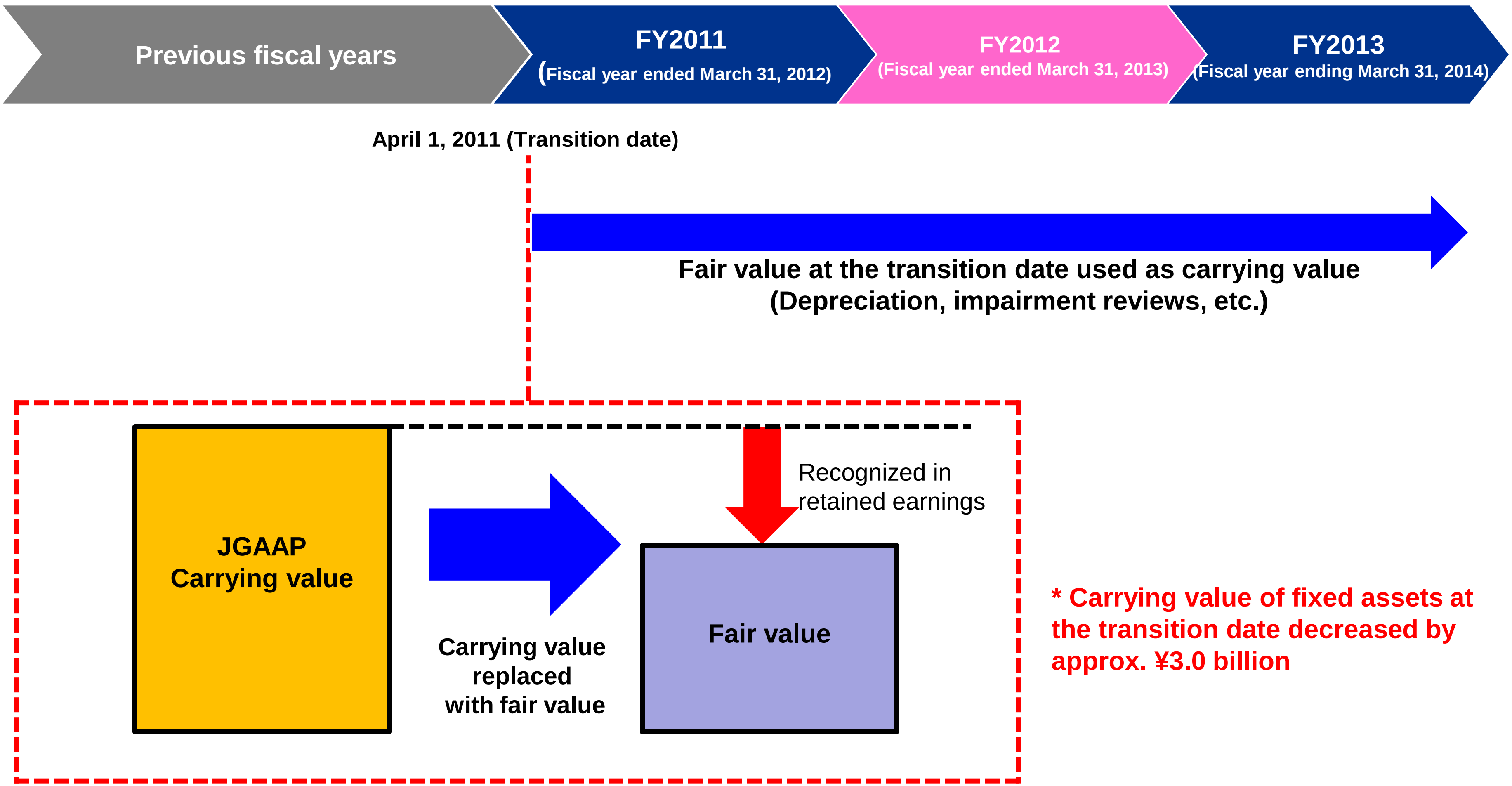
Category	JGAAP	IFRS
Scope of application of the Equity method	・Inclusion based on concrete criteria including the voting power of the investee and other quantitative standards, regarding to significant influence	・Company included based on judgment of significant influence, regardless of the voting power of the investee
Classification of short-term and long-term loans payable based on Loan commitment contracts	・Generally classified as either short-term or long-term based on scheduled repayment date	・If borrowing can be renewed or rolled over or such measures are planned, classified as long-term loans payable in noncurrent liabilities even if scheduled repayment date is within one year

Special Treatment in First Time Adoption of IFRS

Significant measures applied	Special treatment in first time adoption of IFRS
Application of deemed cost for fixed assets	･Fair value for individual fixed assets and investment properties on transition date measured and used for carrying value on transition date (deemed cost)
Transference of cumulative translation differences* to retained earnings	･Balance of cumulative translation differences on transition date transferred to retained earnings, cumulative translation differences on transition date deemed as zero *Cumulative translation differences: Equivalent to foreign currency translation adjustment under JGAAP

First Time Adoption: Application of Deemed Cost for Fixed Assets

Fair value for certain fixed assets at the transition date measured and used as deemed value for carrying value

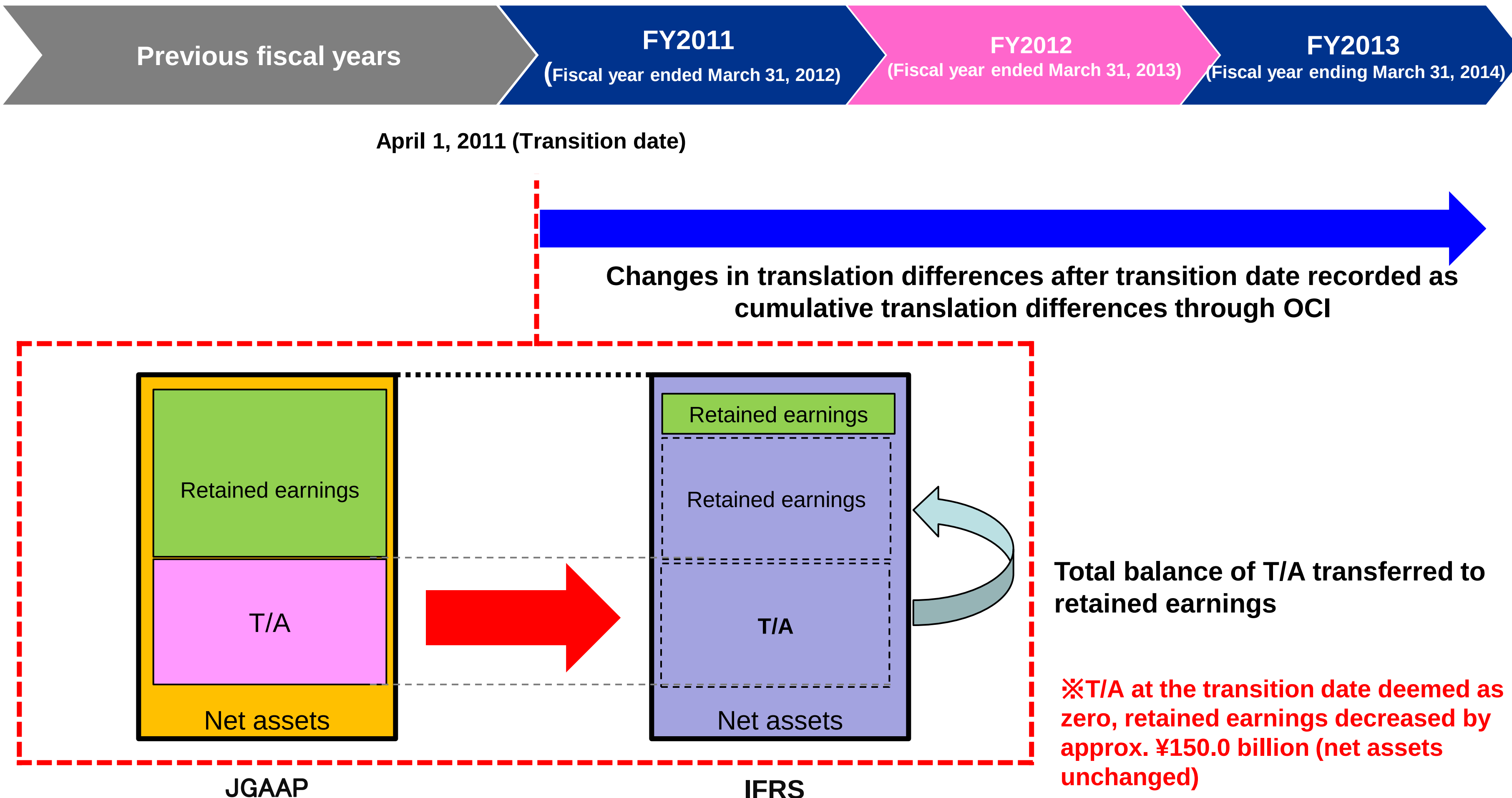


*** Carrying value of fixed assets at the transition date decreased by approx. ¥3.0 billion**

First Time Adoption: Transference of Cumulative Translation Differences to Retained Earnings

Balance of cumulative translation differences* at the transition date transferred to retained earnings, cumulative T/A at the transition date deemed as zero

*Cumulative translation differences: T/A (Translation Adjustment) in accordance with JGAAP



III. Impact of IFRS Introduction on Consolidated Financial Statements

Impact of IFRS introduction on FY2013 forecast

(Billions of Yen)

< P/L >

	<JGAAP> FY2013 Forecast (Reference)		<IFRS> FY2013 Forecast	Major differences
Net Sales	4,280.0	Net Sales (JGAAP)	4,280.0	✓ Ceasing amortization goodwill (Decrease in SG&A)
Gross profit	209.0	Gross profit	209.0	
Operating income	42.0	Operating profit	38.0	
Ordinary income	46.0	Profit before tax	45.0	
Extraordinary income/loss	-5.0			
Net income	21.0	Profit for the year attributable to owners of the Company	25.0	

< B/S >

	<JGAAP> FY2013 Forecast (Reference)		<IFRS> FY2013 Forecast	Major differences
Total assets	2,150.0	Total assets	2,210.0	✓ Discounted notes recorded on B/S ✓ Fair value measurement of unlisted stock
Shareholders' equity(*)	375.0	Total equity (attributable to owners of the Company)	410.0	✓ Fair value measurement of unlisted stock

(*) Net assets – Minority interests

sojitz

New way, New value

Financial Results for the Year Ended March 31, 2013

May 8, 2013

Sojitz Corporation

Index

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.

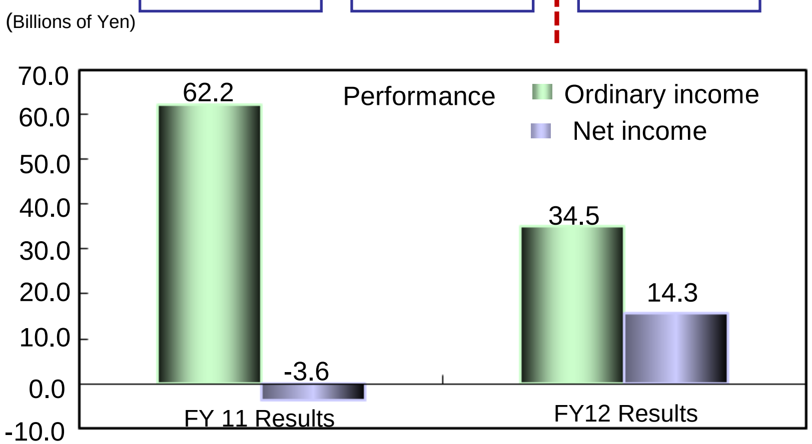
I. Financial Results for the Year Ended March 31, 2013

Summary of P/L Statement

Declining demand and prices has led to a decrease in year-on-year revenues and profits apart from net income increased due to the non-recurrence of the year-earlier reversal of deferred tax assets

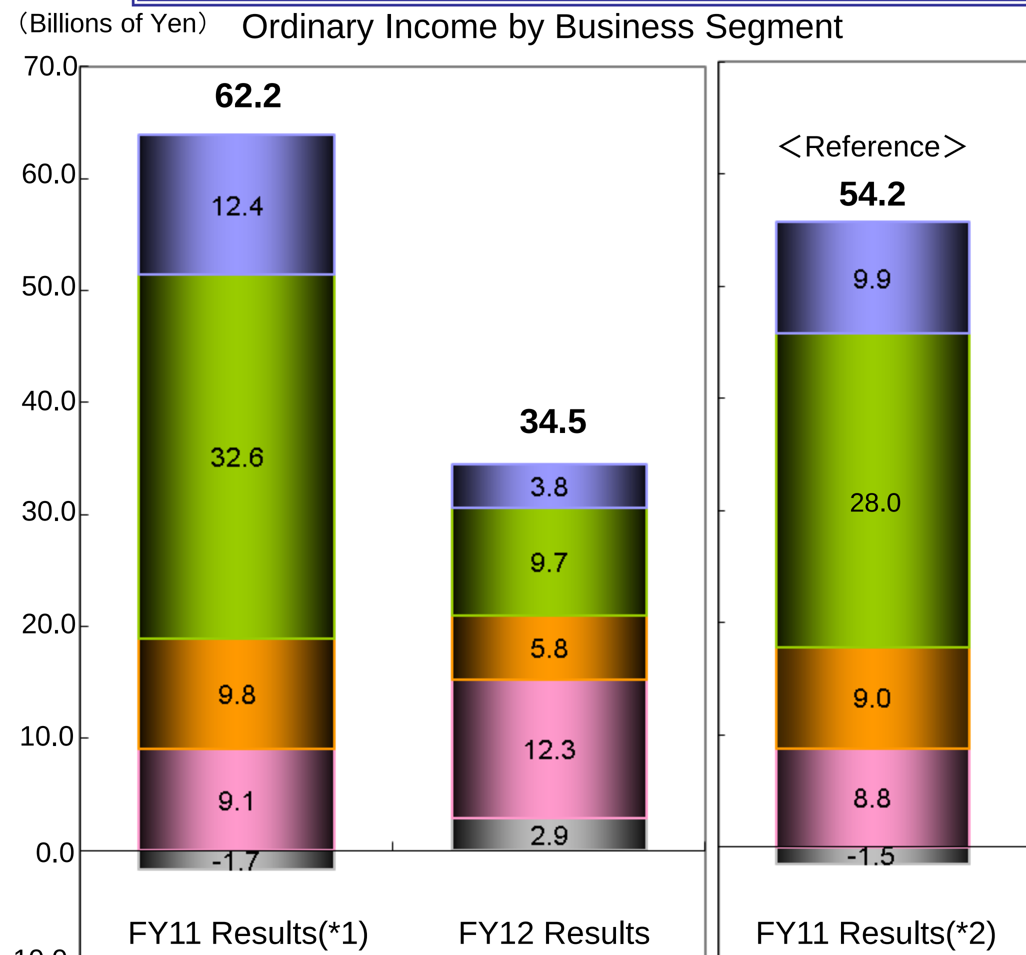
(Billions of Yen)	FY11 Results (*1)	FY12 Results	Change	FY12 Forecast	Achieved	FY11 Results(*2)
Net sales	4,494.2	3,955.9	-538.3	4,100.0	96%	4,322.2
Gross profit	231.6	192.1	-39.5	194.0	99%	214.9
Operating income	64.5	33.3	-31.2	36.0	93%	57.9
Ordinary income	62.2	34.5	-27.7	32.0	108%	54.2
Net income	-3.6	14.3	+17.9	10.0	143%	-9.8
Comprehensive income	-17.6	56.9	+74.5			
Core earnings	65.0	35.4	-29.6			

(*1) In fiscal 2011 (the fiscal year ended March 31, 2012), Sojitz Group adopted a uniform fiscal year-end date for its major overseas consolidated subsidiaries that hitherto had a date different from that of the Sojitz parent company by applying a fifteen-month accounting period.
(*2) As mentioned above, 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 P/L Statements
Ordinary Income by Business segment

All operating segments apart from the Consumer Lifestyle Business Division experienced a year-on-year decrease in earnings



Main factors behind the changes

Machinery ¥3.8billion（YoY -¥8.6billion）
Earnings declined due to the decrease in the number of vehicles sold by the overseas automotive businesses.

Energy & Metals ¥9.7billion (YoY -¥22.9billion)
Earnings decreased due to declines in the prices of mineral resources and a decrease in production volumes for certain interests and concessions .

Chemicals ¥5.8billion（YoY -¥4.0billion）
Earnings decreased due to decrease in trading volumes arising from a decline in demand in Europe, China and other parts of Asia despite the steady performance of certain businesses.

Consumer Lifestyle Business ¥12.3billion（YoY +¥3.2billion）
Earnings increased due to high performances in the overseas industrial park-related business and the overseas fertilizer businesses.

Other ¥2.9billion（YoY +¥4.6billion）
Earnings improved due to the non-recurrence of the real-estate related valuation losses in the previous year.

(*1) In fiscal 2011 (the fiscal year ended March 31, 2012), Sojitz Group adopted a uniform fiscal year-end date for its major overseas consolidated subsidiaries that hitherto had a date different from that of the Sojitz parent company by applying a fifteen-month accounting period.

(*2) As mentioned above, 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 Balance Sheets

Increase in the shareholders' equity resulting from income accumulation and recovery trend in the wake of yen depreciation and equity market

(Billions of Yen)

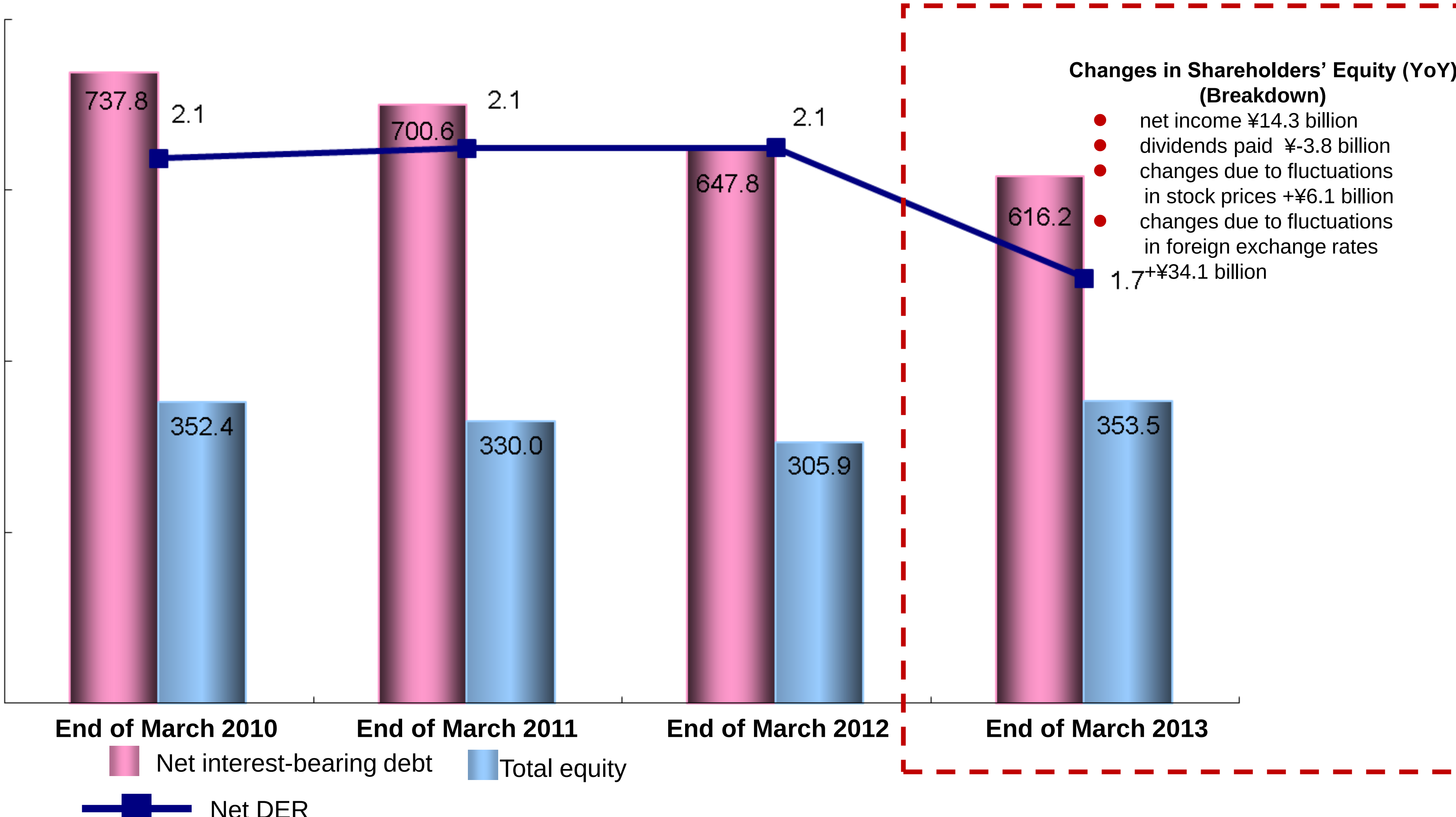
	End of Mar. 12	End of Mar. 13	Change
Current assets	1,298.1	1,264.3	-33.8
Investment and Other assets	822.5	822.1	-0.4
Total assets	2,120.6	2,086.4	-34.2
Risk assets vs. equity	300.0 (1.0times)	300.0 (0.8times)	+0.0 (-0.2times)
Current ratio (%)	137%	147%	+10%
Long-term debt ratio (%)	71%	74%	+3%

		End of Mar. 12	End of Mar. 13	Change
Interest Bearing Debt	Short-term	319.5	274.3	-45.2
	Long-term	771.0	775.5	+4.5
Other liabilities		699.6	654.1	-45.5
Total equity (*) (Total net assets)		305.9 (330.5)	353.5 (382.5)	+47.6 (+52.0)
Total liabilities and net assets		2,120.6	2,086.4	-34.2
Equity ratio (%)		14.4%	16.9%	+2.5%
Net interest-bearing debt		647.8	616.2	-31.6
Net DER (times) Net D/E ratio based on total net assets		2.1 (2.0)	1.7 (1.6)	-0.4 (-0.4)

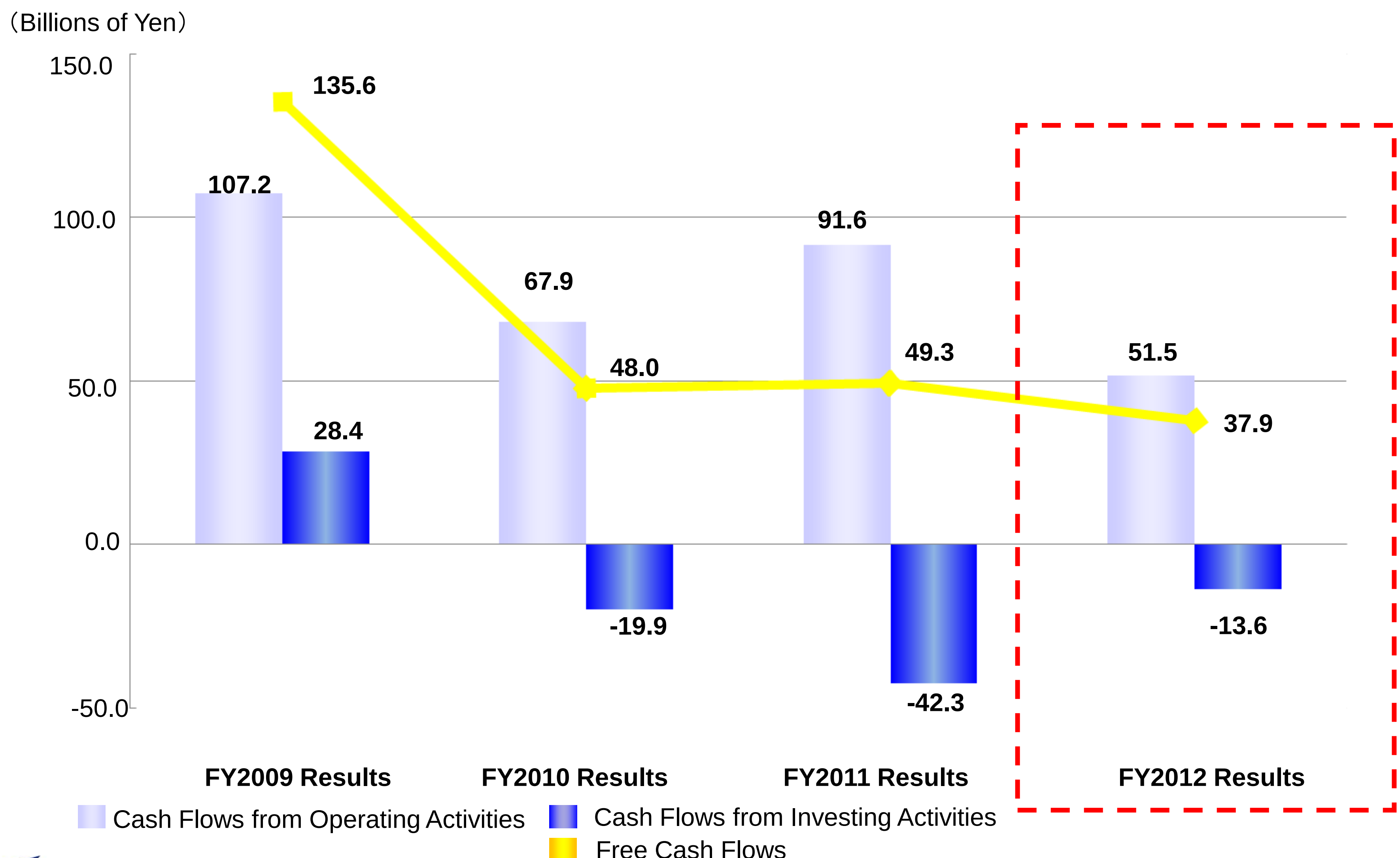
(*) Total equity＝Total net assets－Minority interests

Net interest-bearing Debt and Total Equity

(Billions of Yen)



Summary of Cash Flows



II. Progress of Medium-term Management Plan 2014

Business Environment

Business Environment

- Continuation of negative growth in Europe despite the gradual economic recovery trend in the U.S.
- The economic recovery trend in China requires close scrutiny, despite the expected stable growth fueled by higher domestic demand and other factors in emerging market economies mainly in Asia
- Positive growth is expected in Japan, where domestic economic recovery is supported by monetary easing policies
- Slump in mineral resource prices

Progress of the Med-term Management Plan 2014
— First Year Summary —

Steady implementation of reforms to chart a path to growth

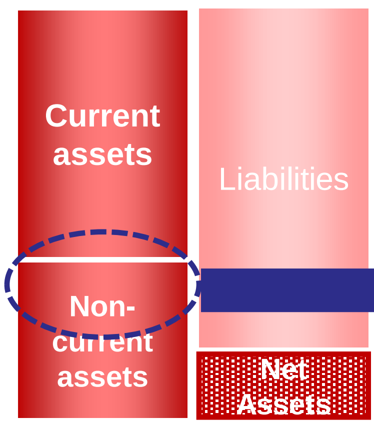
	FY2012	FY2013－FY2014
Improvement of asset quality	◆ Investment and loan plan results: ¥44.0 billion ◆ Asset reduction ¥81.0 billion (collection of funds ¥47.0 billion)	◆ Steady implementation of asset replacement while accelerating investments targeting in business focus areas
Organization and Structure	◆ Establishment of the Controller Office in the Energy & Metal Division	◆ Establishment of Controller Office in the Consumer Lifestyle Business Division (FY2013) ◆ Establishment of Controller Offices in the Machinery Division and Chemicals Division (Future)

Progress of the Medium-term Management Plan 2014
— Asset Replacement —

Improvement in the quality of assets and strengthening of earnings capacity

Total Assets as of March 31, 2012:

¥2,120.6 billion



FY2012 Results

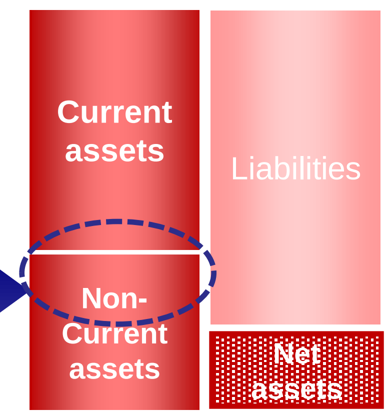
Investments and loans: ¥44.0 billion (*1)

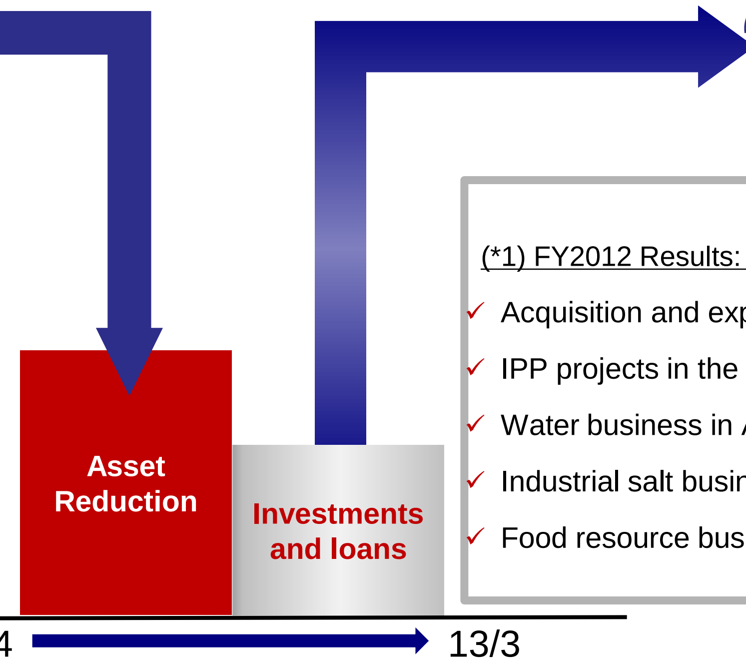
Asset reduction: ¥81.0 billion (*2)

Collection of funds: ¥47.0 billion

Total Assets as of March 31, 2013:

¥2,086.4 billion





(*2) FY2012 Results: Principal asset sales

- ✓ Sale of domestic energy-related business
- ✓ Sale of resource interests
- ✓ Sale of domestic real estate
- ✓ Sale of owned shares in overseas machinery-related business

(*1) FY2012 Results: Principal investments and loans

- ✓ Acquisition and expansion of resource interests
- ✓ IPP projects in the Middle East
- ✓ Water business in Africa
- ✓ Industrial salt business in Indi
- ✓ Food resource business in Vietnam

Progress of the Mid-term Management Plan 2014 – Future Investment and Loan Plan –

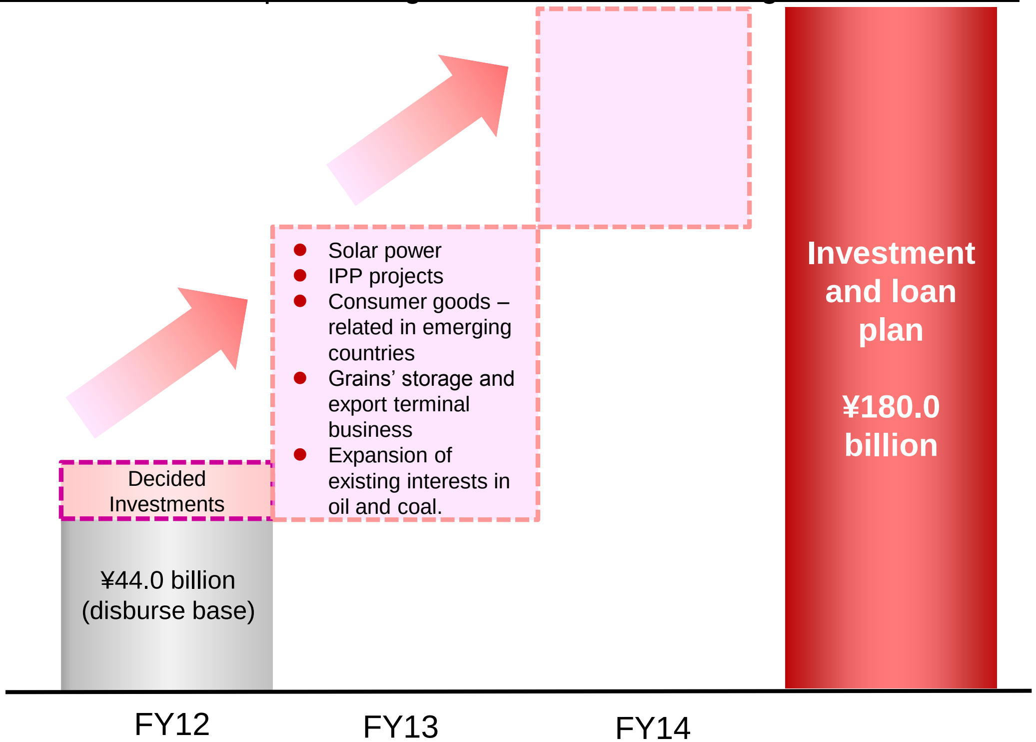
While accelerating investments and loans, improve the quality of assets by continuing with asset replacement.

- Invest in high-quality projects in emerging market economies, including Asia, Africa, and South America, mainly in business focus areas.
- Flexibly consider investments, using a structure that rapidly adjusts to environmental change.
- Accelerate income accumulation in the current Medium-term Management Plan.

Business Focus Areas

- **Business aimed at expanding stable earnings**
  (ex. Overseas IPP, coal interest and peripheral businesses, and methanol)
- **Business aimed at expanding earnings and adapting to structural shifts**
  (ex. Lithium, basic petrochemicals, fertilizer, and grains trading)
- **Business in anticipation of future growth**
  (ex. Renewable energy production, infrastructure improvement, and iron ore mining development)

Investment and loan plan during the Medium-term Management Plan 2014



Businesses and New Projects that Contribute to Stable Earnings

Accelerate income accumulation from investment and loan projects
to supplement the existing earnings base.

Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business

New projects

In addition to investments and loans in projects that will begin contributing to earnings during the current Med-term Management Plan and beyond, expand investments and loans in projects that will contribute to earnings in FY2014.

Investment and loan projects in the current Med-term Management Plan

Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business
◆ **IPP** (Saudi Arabia) Starting commercial operation in Mar. 2013 (Oman) 2 projects starting commercial operations in April 2013	◆ **Coal** Production volume increase from expansion of interests ◆ **Copper** Share of production to reach 8,000 tons in FY2014	◆ **Indian industrial salt** Start of commercial operations in 2013 ◆ **Australian rare earths** Planned increase in trading volumes for FY2014	◆ **Food resources** With a view to future domestic demand expansion, invest in food and consumer product businesses, focusing on Vietnam, Indonesia, and other markets

Earnings base

Investment and loan projects in the previous Med-term Management Plan

Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business
◆ **Automobiles** Sales of automobiles in emerging markets such as the ASEAN region, Russia and the NIS, and Central and South America	◆ **Crude oil & LNG** Participating in large scale LNG projects ◆ **Iron & steel-related** Conducting domestic and overseas sales through Japan's largest integrated steel company.	◆ **Methanol** Annual handling volume: 1 million tons ◆ **Over 1,400 items handled**	◆ **Advanced chemical fertilizer** Leading share in Thailand, the Philippines, and Vietnam ◆ **Overseas industrial Park** Business expansion in Vietnam, Indonesia, and India

Forecast for the Fiscal Year Ending March 31, 2014

IFRS will be applied to the consolidated financial statements from the 1Q FY2013

<JGAAP>

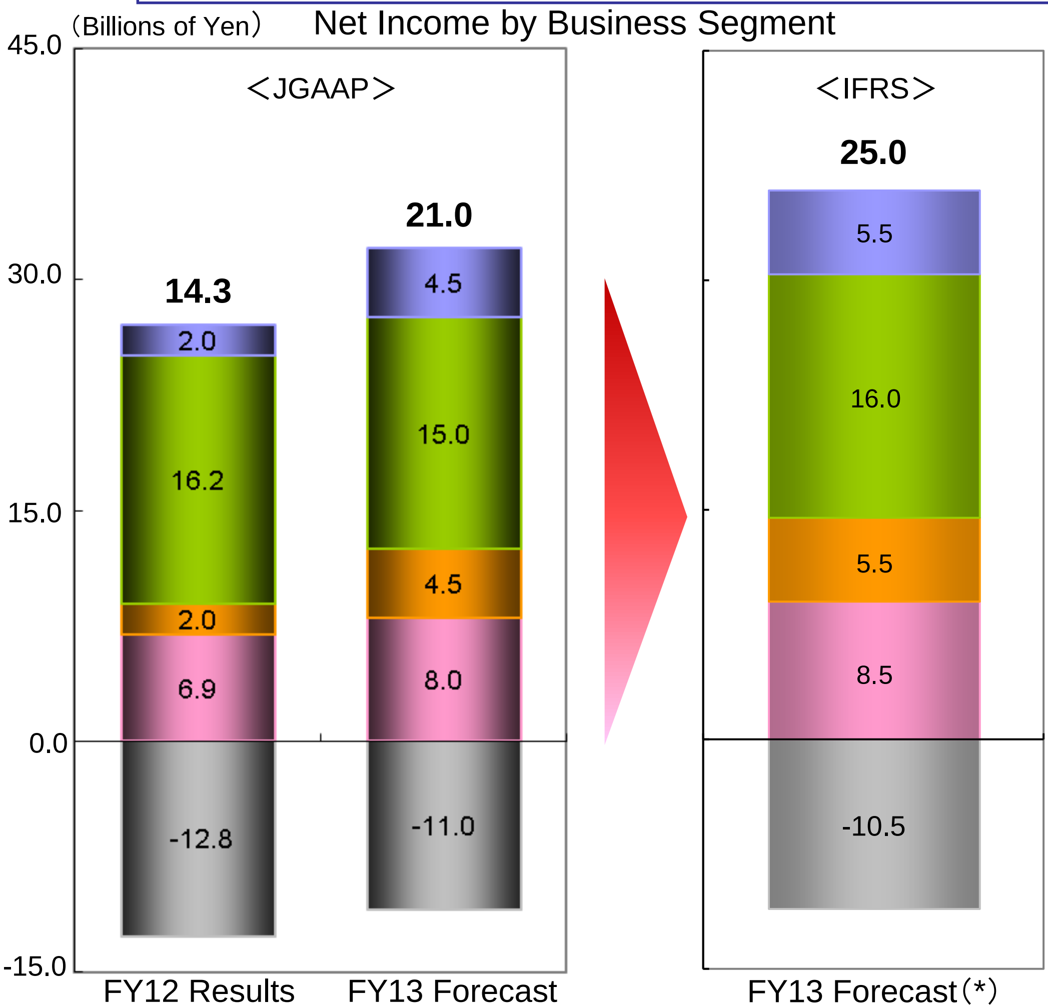
(Billions of Yen)	FY12 Results	FY13 Forecast (Reference)
Net sales	3,955.9	4,280.0
Gross profit	192.1	209.0
Operating income	33.3	42.0
Ordinary income	34.5	46.0
Extraordinary income/losses	-2.8	-5.0
Net income	14.3	21.0

<IFRS>

	FY13 Forecast
Net sales (JGAAP)	4,280.0
Gross profit	209.0
Operating profit	38.0
Profit before tax	45.0
Profit attributable to owners of the Company	25.0

FY2013 Forecast (Net Income by Business Segment)

Steady improvement in earnings, partly attributable to the current gradual economic recovery



(*)Attributable to owners of the Company

FY2013 Outlook

Machinery ¥5.5 billion

We envisage a recovery in the performance of some overseas automobile businesses that were sluggish in the previous fiscal year.

Energy & Metal ¥16.0billion

Although we foresee an earnings improvement due to the partial resumption of production of oil and gas interests and exclusion from equity method accounting of a bioethanol production company, etc., we expect net income to remain unchanged due to the impact of recording internal income taxes in FY2012 and the sale of a petroleum products sales subsidiary.

Chemicals ¥5.5billion

Contribution to earnings is expected from overseas businesses, mainly in Asia.

Consumer Lifestyle & Business ¥8.5billion

We foresee a continuation of the strong performance by our overseas fertilizer businesses and an earnings improvement in the food resources business and forest products trading.

Others -¥10.5billion

Extraordinary losses and deferment of income taxes have been allowed for.

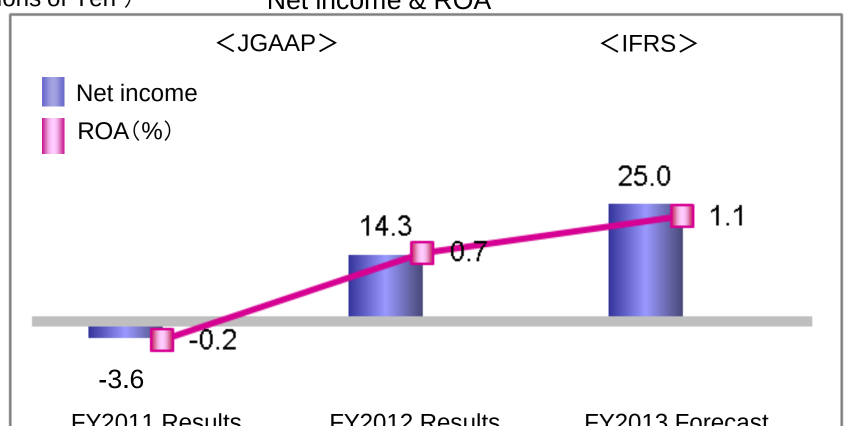
Medium-term Management Plan 2014 Quantitative Targets

(Billions of Yen)

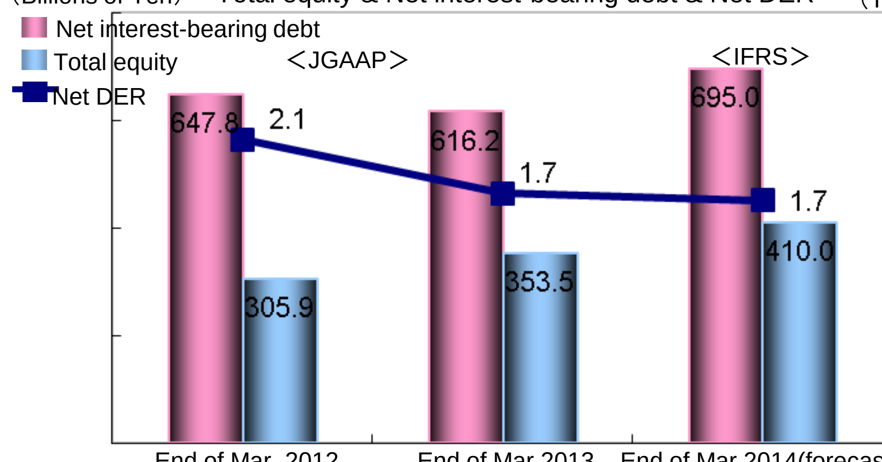
	＜IFRS＞ FY2013 Forecast	＜JGAAP(Reference)＞ FY2012 Results	＜JGAAP(Reference)＞ FY2013 Forecast	＜JGAAP(Reference)＞ FY2014 Plan
Net income	25.0	14.3	21.0	45.0
Total assets	2,210.0	2,086.4	2,150.0	2,120.0
Net interest-bearing dabt	695.0	616.2	670.0	670.0
Total equity	410.0	353.5	375.0	380.0
Net DER	1.7 Times	1.7 Times	1.8 Times	2Times or lower
ROA	1.1%	0.7%	1.0%	2.0%or higher

(*)Attributable to owners of the Company

(Billions of Yen) Net income & ROA



(Billions of Yen) Total equity & Net interest-bearing debt & Net DER (Times)



Earnings Forecast Assumptions

	FY2012 assumption	FY2012 Results (Year average)	FY2013 Assumption	Latest (as of April 30)
Crude Oil (Brent) *1	$110/bbl	$110.1/bbl	$105/bbl	$102.4/bbl
Thermal Coal *2	$115/t	$93.2/t	$95/t	$86.6/t
Molybdenum	$17.5/lb	$12.1/lb	$12.5/lb	$11.3/lb
Nickel *3	$10/lb	$8.0/lb	$8.0/lb	$7.1/lb
Copper *3	$7,690/t	$7,962/t	$8,000/t	$7,055/t
Exchange rate *4	¥80.0/$	¥83.3/$	¥95/$	¥97.9/$
Interest rate (TIBOR) *5	0.4%	0.31%	0.35%	0.23%

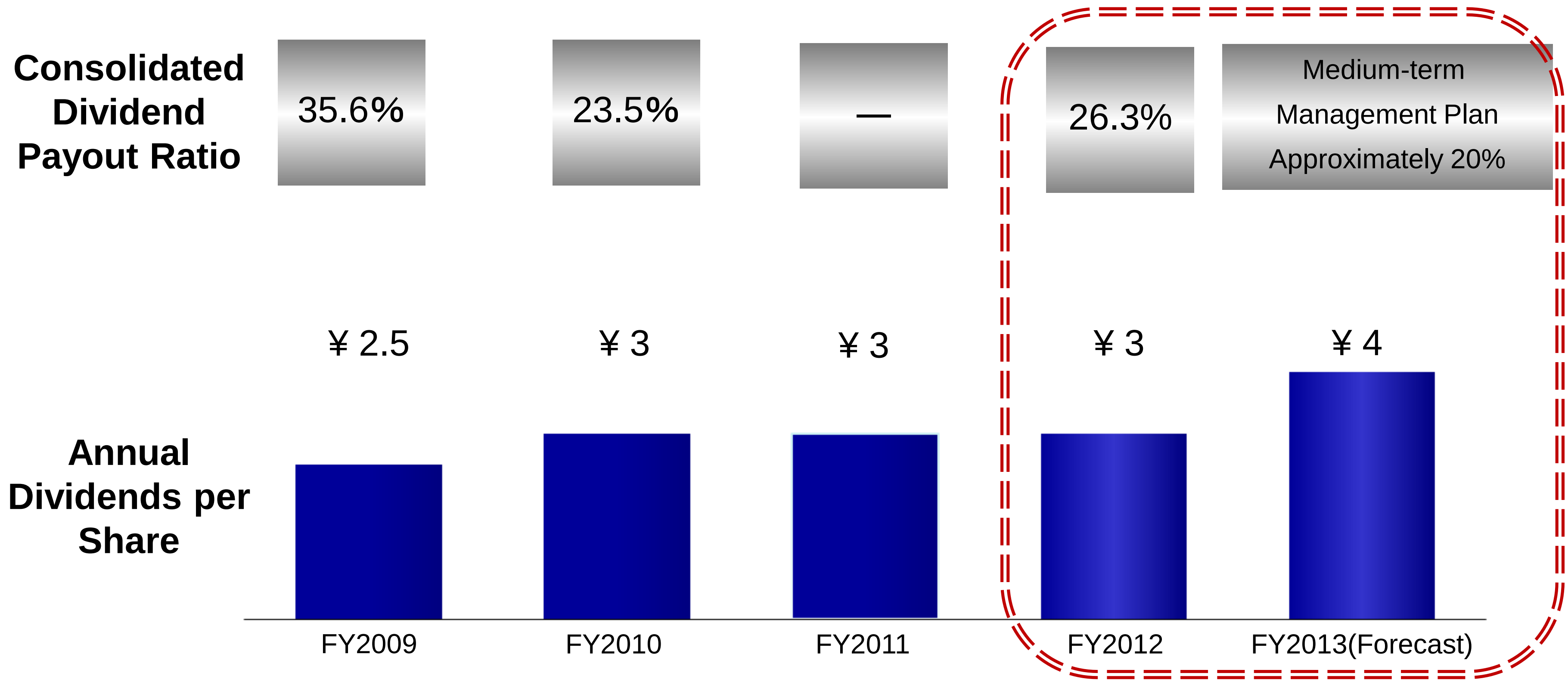
*1 Sensitivity to crude oil prices: Every US$1/bbl movement in crude oil price equates to an approximately ¥0.1bn change in profit attributable to the owners of the Company.
*2 The latest data (as of April 30, 2013) is cited from the Global Coal Index) and differs from our sales prices.
*3 The price assumptions of Nickel and Copper are based on the annual average from Jan. to Dec.
*4 Exchange rate sensitivity: Every ¥1 movement in JPY/USD rate equates to approximately ¥0.4bn change in gross profit, ¥0.2bn change in profit attributable to the owners of the Company, and ¥1.5bn change in total equity.
*5 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

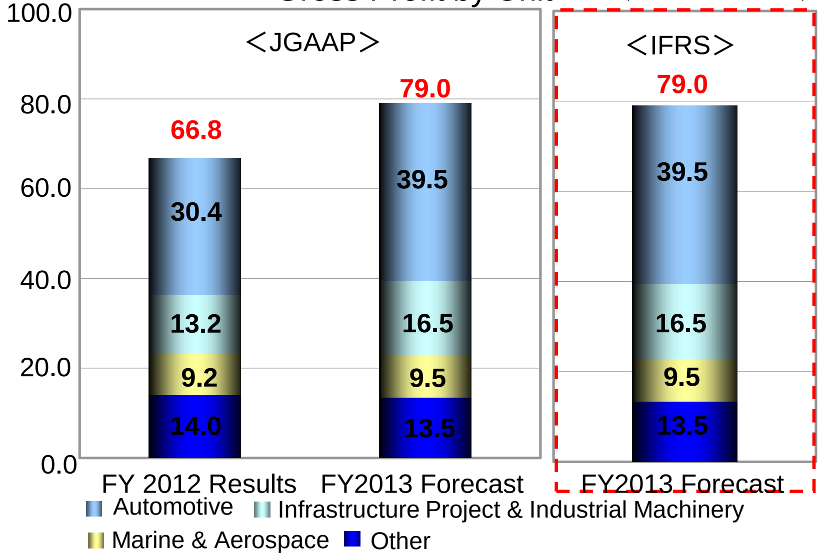


Note: Under IFRS, the consolidated payout ratio is calculated using net income for the fiscal year (profit attributable to owners of the Company) and the number of common shares outstanding at fiscal year-end.

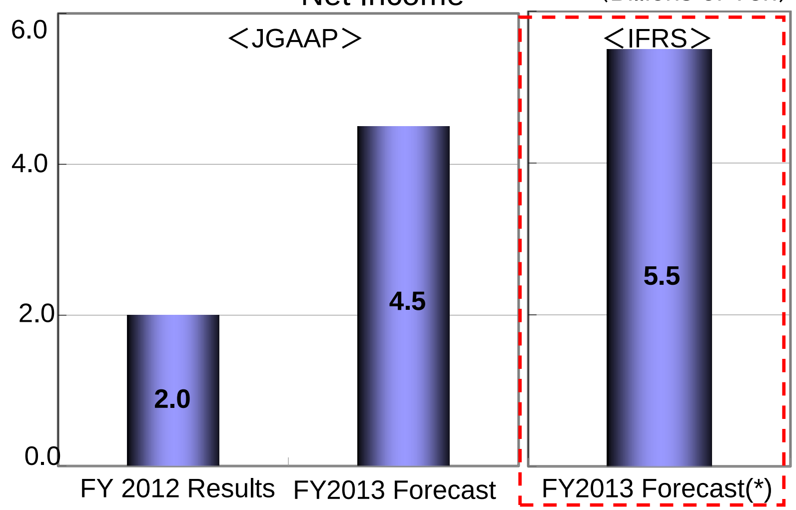
Supplemental Data I. Segment Information

Machinery Segment

Gross Profit by Unit （Billions of Yen）



Net Income （Billions of Yen）



Future Outlook

Profit attributable to owners of the Company

FY2013 Forecast ¥5.5 billion

- Automotive
  Recovery in results is expected for some overseas operating companies.

- Infrastructure Project & Industrial Machinery
  We foresee a year-on-year earnings decrease, due in part to up-front costs for new projects.

- Marine & Aerospace
  Despite indications that the aerospace unit will engage in new businesses and the market for ships is bottoming out, there are no signs of immediate improvement, and we expect the adverse business environment to continue.

FY2012 Results（Supplements）

（Billions of Yen）

＜JGAAP＞

	FY2012 Results	FY2013 Forecast
Gross profit	66.8	79.0
Operating income	5.5	—
Equity in earnings of affiliates	3.7	—
Ordinary income	3.8	7.5
Net income	2.0	4.5
Total assets	383.5	—

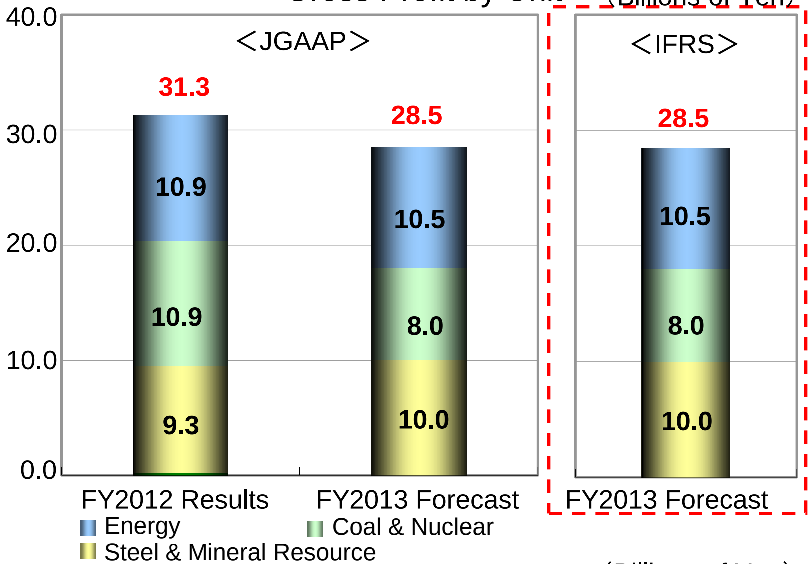
＜IFRS＞

	FY2013 Forecast
Gross profit	79.0
Operating profit	—
Share of profit of investments accounted for using the equity method	—
Profit attributable to owners of the Company	5.5
Total assets	—

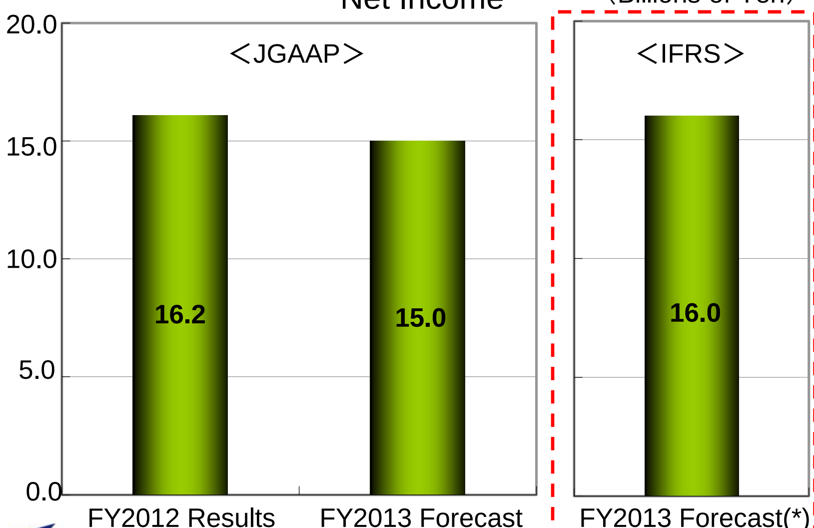
(*) Profit attributable to owners of the Company

Energy & Metal Segment

Gross Profit by Unit (Billions of Yen)



Net Income (Billions of Yen)



Future Outlook

Profit attributable to owners of the Company

FY2013 Forecast ¥16.0 billion

- Energy
  Despite the impact of the sale of a petroleum products sales subsidiary, we foresee an increase in earnings (profit attributable to owners of the parent) due to the partial resumption of production of oil and gas interests and exclusion from equity method accounting of a bioethanol production company, etc.
- Coal & Nuclear
  A year-on-year decrease in earnings is expected due to the impact of lower coal prices and other factors.
- Steel & Mineral Resources
  Despite expectations for a year-on-year improvement in mineral resources, results are expected to be around the prior-year level.

FY2012 Results (Supplements)

(Billions of Yen)

<JGAAP>

	FY2012 Results	FY2013 Forecast
Gross profit	31.3	28.5
Operating income	8.0	—
Equity in earnings of affiliates	9.9	—
Ordinary income	9.7	16.0
Net income	16.2	15.0
Total assets	520.1	—

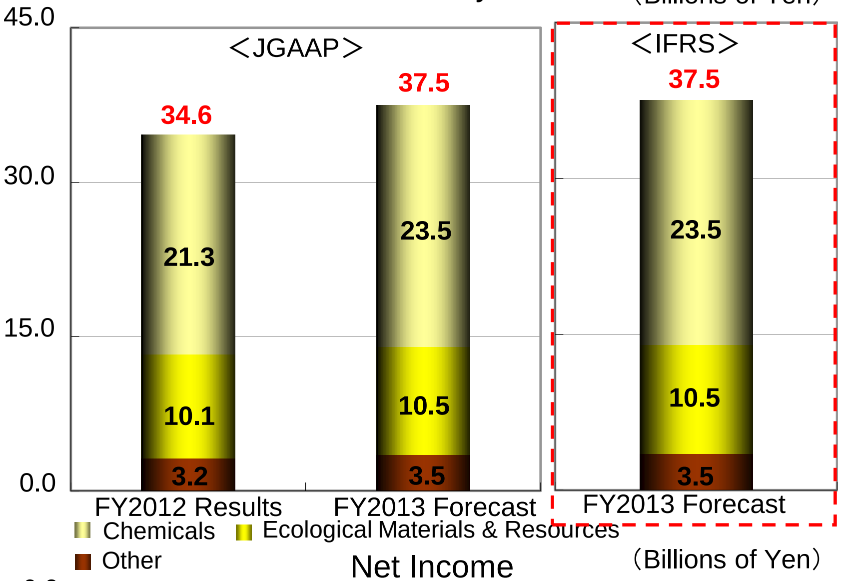
<IFRS>

	FY2013 Forecast
Gross profit	28.5
Operating profit	—
Share of profit of investments accounted for using the equity method	—
Profit attributable to owners of the Company	16.0
Total assets	—

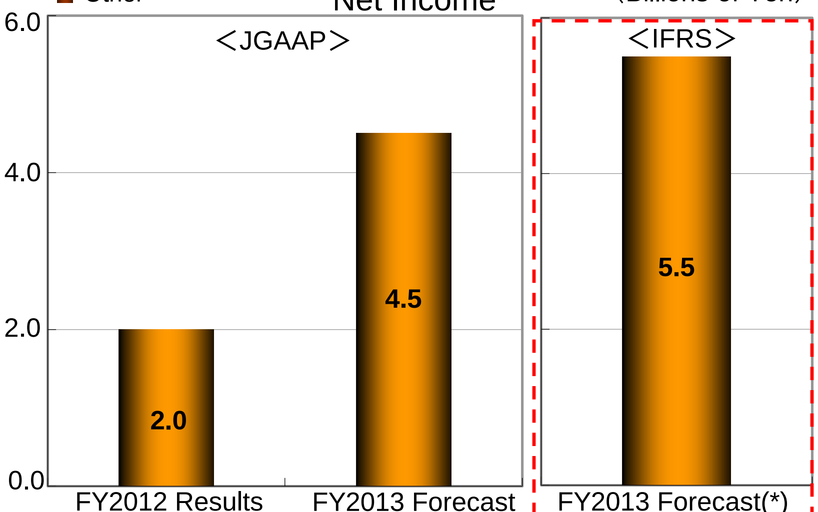
(*) Profit attributable to owners of the Company

Chemicals Segment

Gross Profit by Unit (Billions of Yen)



Net Income (Billions of Yen)



Future Outlook

<u>Profit attributable to owners of the Company</u>

<u>FY2013 Forecast ¥5.5 billion</u>

- Chemicals
  Strong performance is expected due to higher demand for products handled, particularly in Asia, and yen depreciation.

- Ecological Materials & Resources
  Despite the impact of declining prices for some products, we foresee a robust performance on the whole as a result of growth in overseas transactions, particularly in Asia, and yen depreciation.

FY2012 Results (Supplements)

(Billions of Yen)

＜JGAAP＞

	FY2012 Results	FY2013 Forecast
Gross profit	34.6	37.5
Operating income	8.8	—
Equity in earnings of affiliates	-0.1	—
Ordinary income	5.8	7.5
Net income	2.0	4.5
Total assets	265.9	—

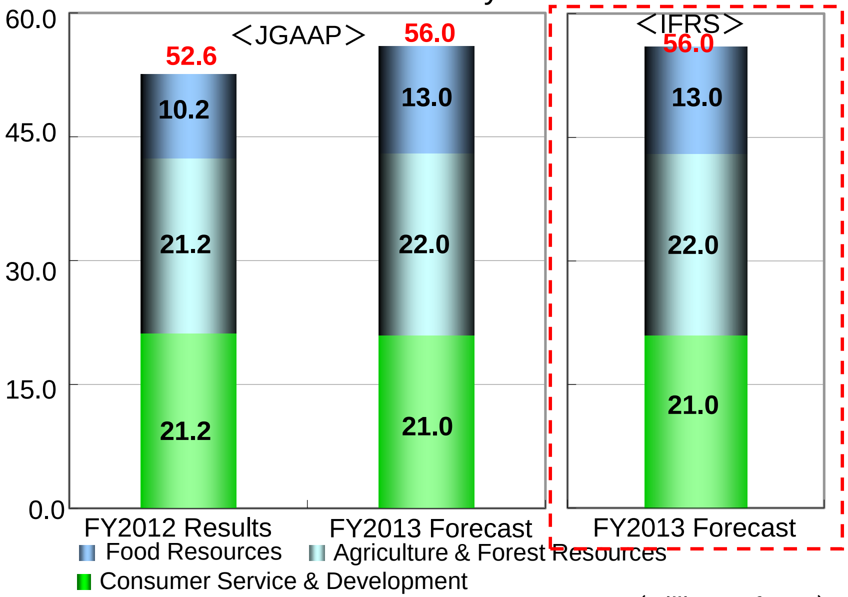
＜IFRS＞

	FY2013 Forecast
Gross profit	37.5
Operating profit	—
Share of profit of investments accounted for using the equity method	—
Profit attributable to owners of the Company	5.5
Total assets	—

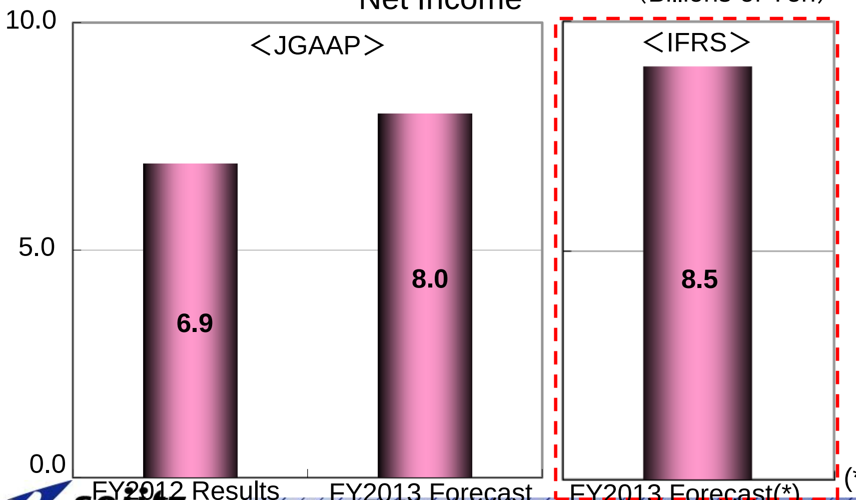
(*) Profit attributable to owners of the Company

Consumer Lifestyle Business Segment

Gross Profit by Unit (Billions of Yen)



Net Income (Billions of Yen)



Future outlook

Profit attributable to owners of the Company

FY2013 Forecast ¥8.5 billion

- Foods Resources
  Earnings improvement in the foods business is expected, mainly from the overseas trading and domestic food businesses .
- Agriculture & Forest Resources
  As well as a continuation of the strong performance by our overseas fertilizer businesses, we foresee an earnings improvement in forest products trading.
- Consumer Service & Development
  Results are expected to be around the prior-year level, reflecting factors including a robust performance from the consumer goods businesses

FY2012 Results (Supplements)

(Billions of Yen)

<JGAAP>

	FY2012 Results	FY2013 Forecast
Gross profit	52.6	56.0
Operating income	14.5	—
Equity in earnings of affiliates	2.4	—
Ordinary income	12.3	13.0
Net income	6.9	8.0
Total assets	416.7	—

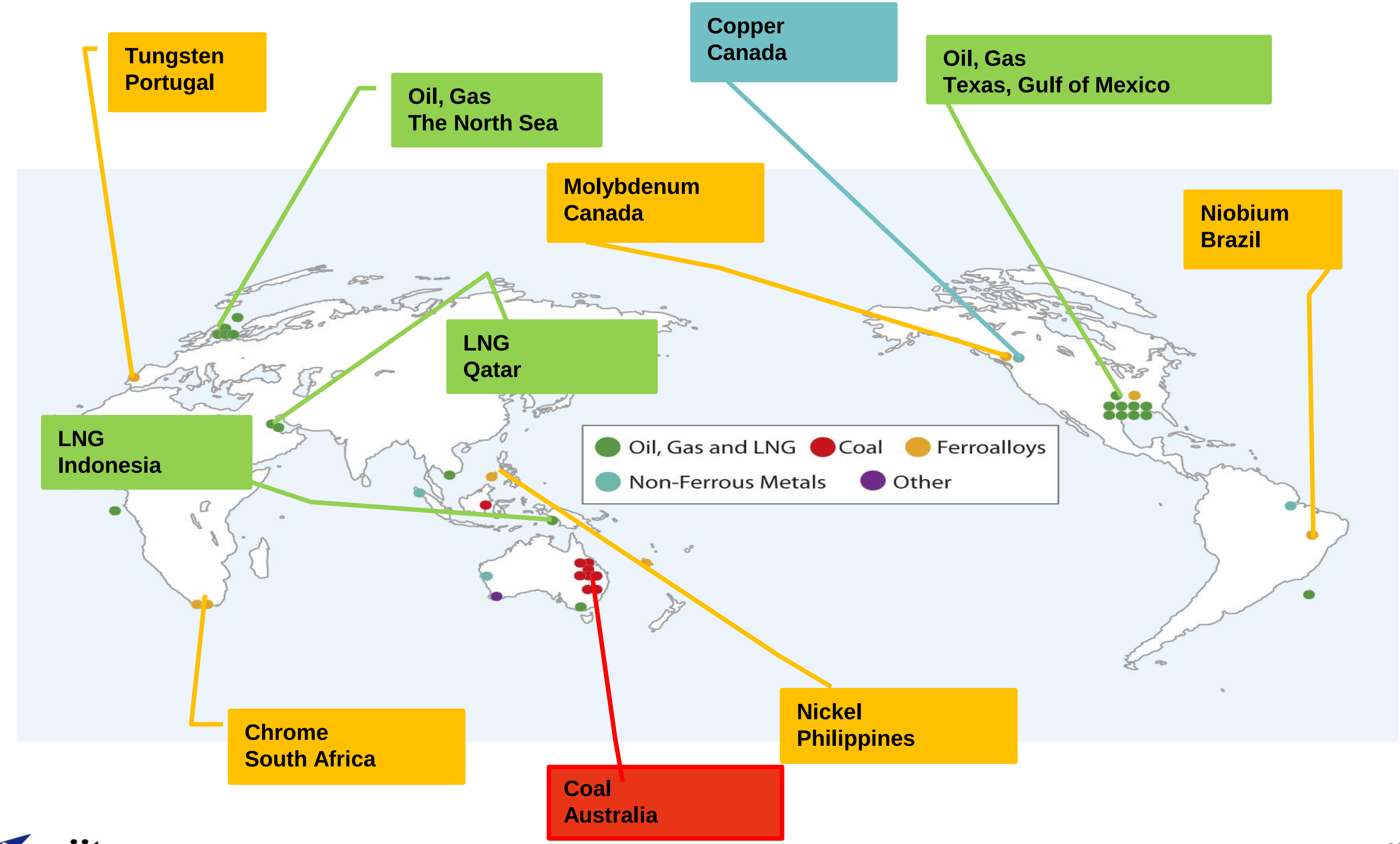
<IFRS>

	FY2013 Forecast
Gross profit	56.0
Operating profit	—
Share of profit of investments accounted for using the equity method	—
Profit attributable to owners of the Company	8.5
Total assets	—

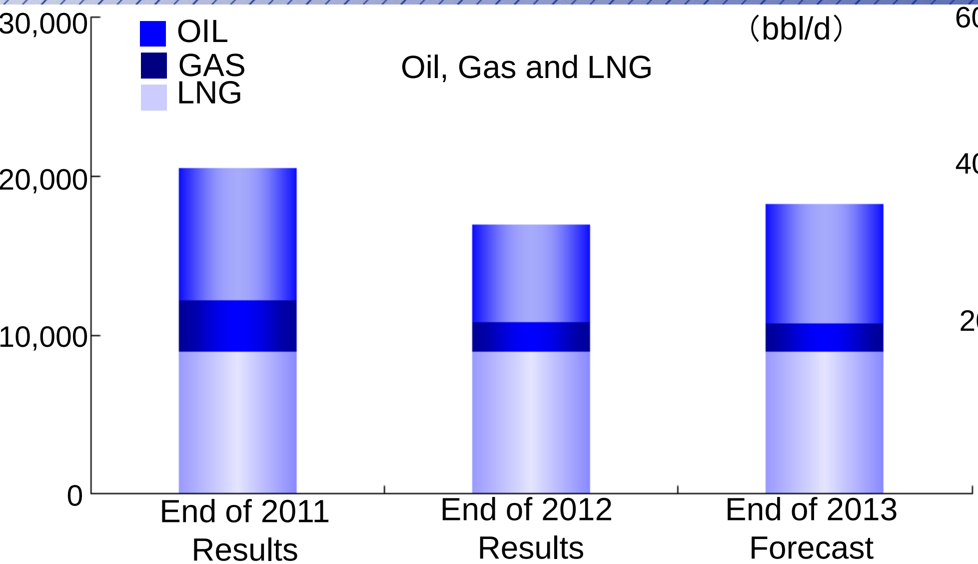
(*) Profit attributable to owners of the Company

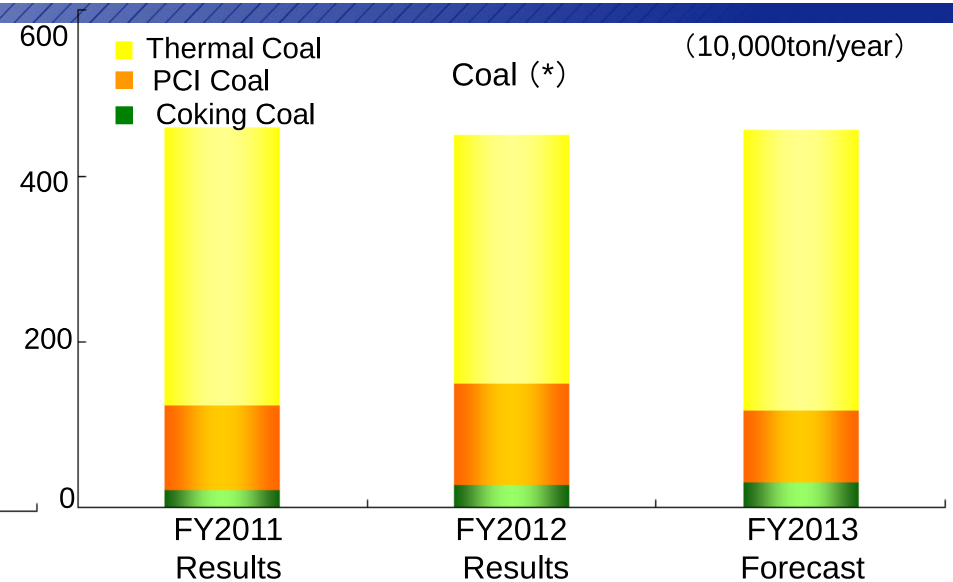
Supplemental Data II. Energy & Mineral Resources

Overview of Major Interests

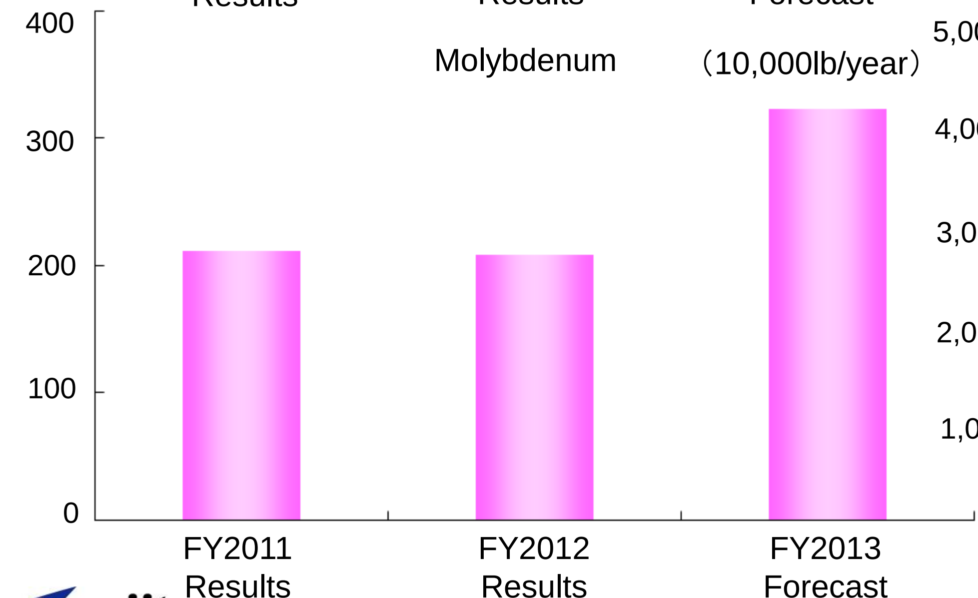


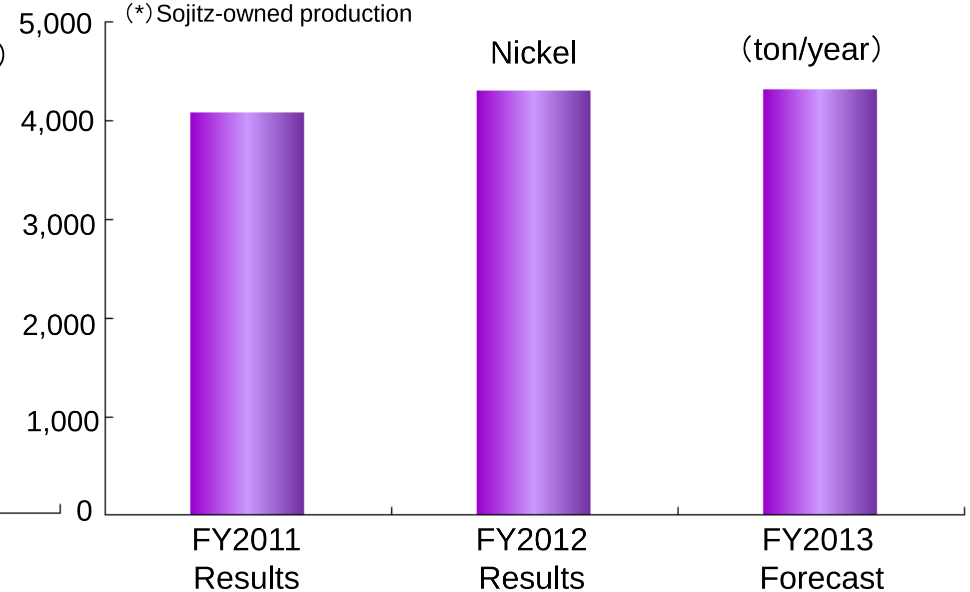
Share of Production Volume from Major Interests





(*) Sojitz-owned production





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 Results
Net sales	5,771.0	5,166.2	3,844.4	4,014.6	4,494.2	3,955.9
Gross profit	277.7	235.6	178.2	192.7	231.6	192.1
Operating income	92.4	52.0	16.1	37.5	64.5	33.3
Ordinary income	101.5	33.6	13.7	45.3	62.2	34.5
Net income	62.7	19.0	8.8	16.0	-3.6	14.3
Core earnings	101.7	48.3	14.4	41.9	65.0	35.4
(Reference)						
ROA	2.4%	0.8%	0.4%	0.7%	-0.2%	0.7%
ROE	13.0%	4.8%	2.6%	4.7%	-1.1%	4.3%

(*) 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

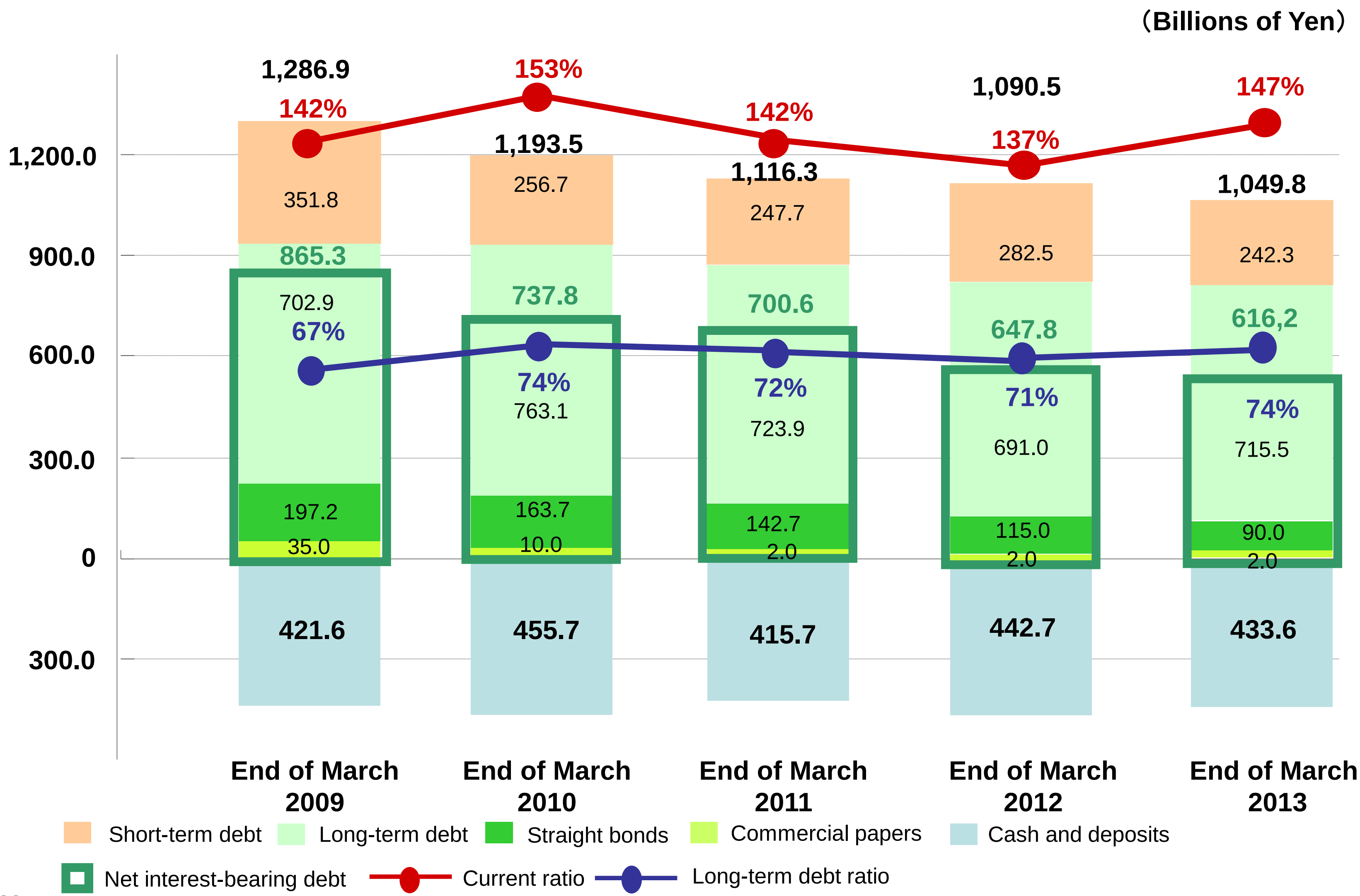
(Billions of Yen)

	March 2010	March 2011	March 2012	March 2013
Current assets	1285.3	1,266.7	1,298.1	1,264.3
Investment and Other assets	875.6	850.3	822.5	822.1
Total assets	2,160.9	2,117.0	2,120.6	2,086.4
Risk assets vs. Equity	320.0 (0.9times)	310.0 (0.9times)	300.0 (1.0times)	300.0 (0.8times)
Current ratio (%)	153%	142%	137%	147%
Long-term debt (%)	74%	72%	71%	74%

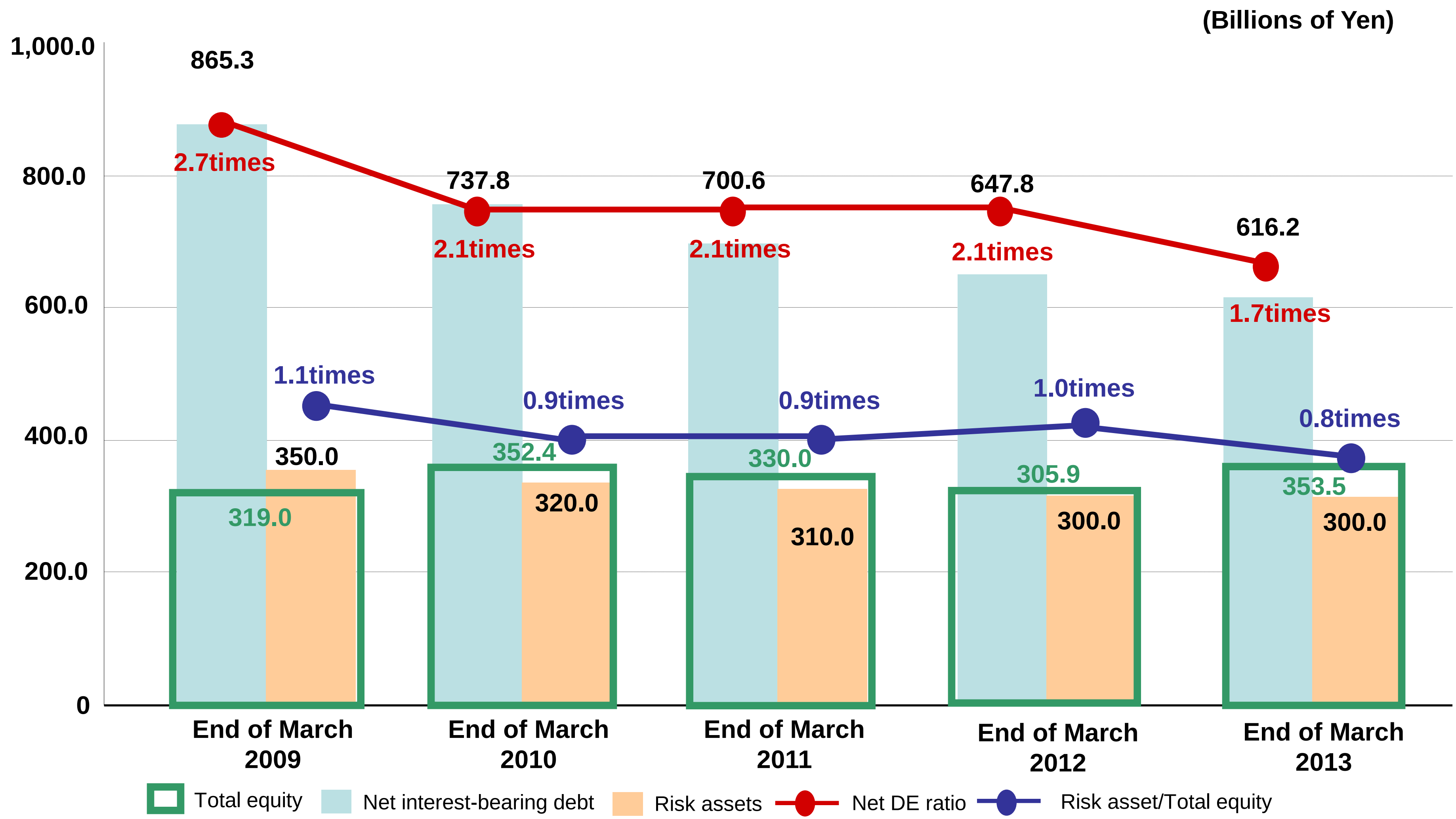
		March 2010	March 2011	March 2012	March 2013
Interest bearing debt	Short-term	306.8	309.7	319.5	274,3
	Long-term	886.7	806.6	771.0	775.5
Other liabilities		590.0	645.2	699.6	654.1
Total equity(*) (Total net assets)		352.4 (377.4)	330.0 (355.5)	305.9 (330.5)	353.5 (382.5)
Total Liabilities and Net Assets		2,160.9	2,117.0	2,120.6	2,086.4
Equity ratio(%)		16.3%	15.6%	14.4%	16.9%
Net Interest-bearing debt		737.8	700.6	647.8	616.2
Net DER(times) Net D/E ratio based on total net assets		2.1 (2.0)	2.1 (2.0)	2.1 (2.0)	1.7 (1.6)

* Total equity = Total net assets – Minority interests

Interest-bearing debt



Net interest-bearing Debt and Risk Assets



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New way, New value