

Financial Results for the Second Quarter Ended September 30, 2014

November 5, 2014
Sojitz Corporation

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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 such forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.

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

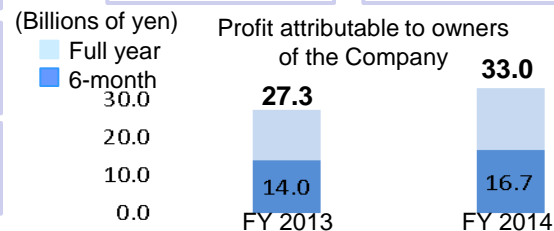
I. Financial Results for the Second Quarter and Full Year Forecast of Fiscal Year Ending March 31, 2015



■ Summary of Profit or Loss

Despite a decline in gross profit, profit for the period was up due to an increase in share of profit of investments accounted for using the equity method. Progress is impressive in comparison to full-year forecasts with 51% of full-year forecasts being accomplished.

(Billions of Yen)	FY2013 6-month Results	FY2014 6-month Results	Difference	FY2014 Forecast	Achieved
Net sales (JGAAP)	2,002.2	1,944.8	(57.4)	4,230.0	46.0%
Gross profit	99.5	96.2	(3.3)	206.0	46.7%
Operating profit	21.3	18.9	(2.4)	40.0	47.3%
Share of profit (loss) of investments accounted for using the equity method	10.7	15.0	+4.3	26.5	56.6%
Profit before tax	26.3	28.3	+2.0	55.0	51.5%
Profit for the period attributable to owners of the Company	14.0	16.7	+2.7	33.0	50.6%
Comprehensive income attributable to owners of the Company	43.0	39.1	(3.9)		
Core earnings	29.1	28.5	(0.6)		



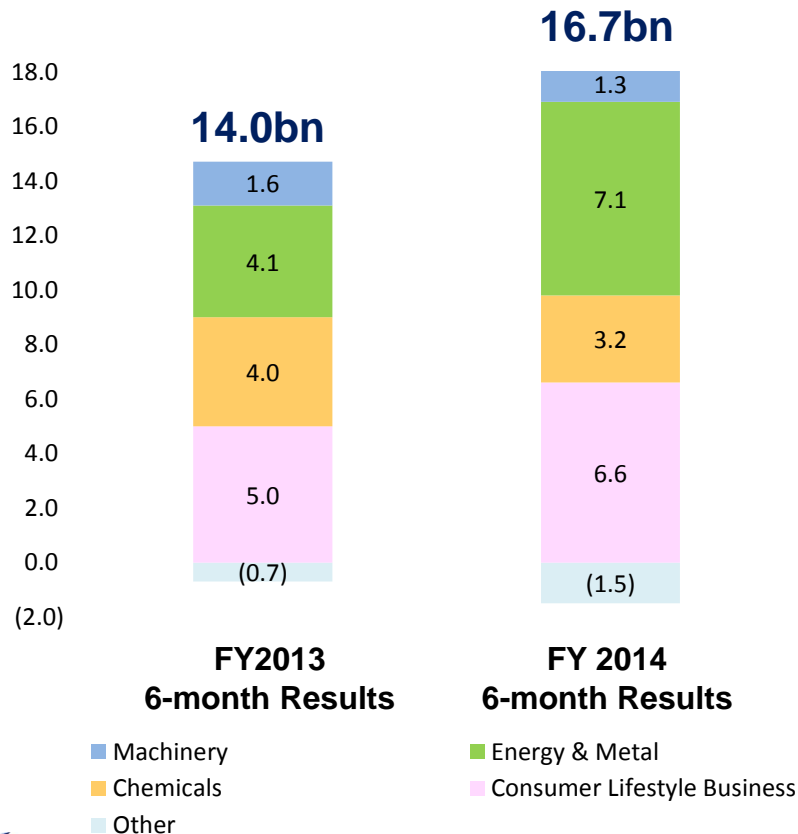
Summary of Profit or Loss

Profit for the period by segment

Overall profit for the period increased because the rise in profit in the Energy & Metal Division and the Consumer Lifestyle Business Division offset the declines in the Machinery Division and the Chemicals Division

Profit for the period by segment

(Billions of Yen) attributable to owners of the Company



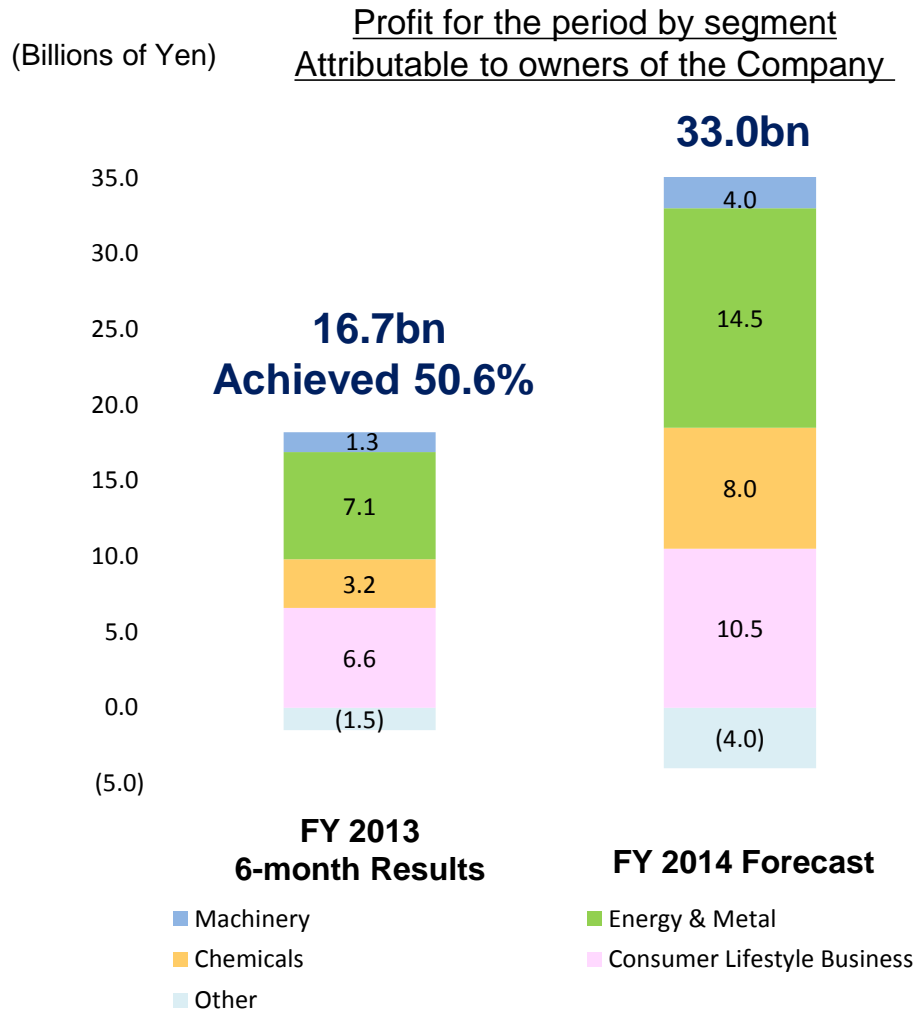
Factor behind year on year change in earnings

- Machinery ¥1.3billion (down 18.8% YoY)
Profit for the period decreased following lower vehicle sales by overseas automotive business subsidiaries.
- Energy & Metal ¥7.1billion (up 73.2% YoY)
Gross profit was up as the benefits of recovered conditions in certain ferroalloy markets outweighed the impacts of lower coal prices. Profit for the period was up due to an increase in share of profit of investments accounted for using the equity method.
- Chemicals ¥3.2billion (down 20.0% YoY)
Gross profit increased following higher transaction volumes for plastic resins. However, profit for the period was down as a result of upfront expenses associated with new projects.
- Consumer Lifestyle Business ¥6.6billion (up 32.0% YoY)
The strong performance of overseas industrial park businesses drove an increase in profit for the period.
- Others ¥ (1.5)billion (- YoY)
Profit for the period was down due to the absence of the gain on sale of assets that was recorded in the first half ended September 30, 2013, in association with asset replacement efforts.

FY2014 Forecast

Profit for the year by segment

Progress is impressive in comparison to forecasts



Future Outlook

- Machinery ¥1.3billion (Achieved 32.5%)
In the second half of the fiscal year, performance is expected to be firm in plant-related operations, and increase in Central and South American automobile production is anticipated.
- Energy & Metal ¥7.1billion (Achieved 49.0%)
Progress is impressive in comparison to forecasts.
- Chemicals ¥3.2billion (Achieved 40.0%)
Despite the negative impacts of fluctuations in market prices in methanol businesses, performance is generally in line with projections because of solid transactions in plastic resin operations centered on Asia.
- Consumer Lifestyle Business ¥6.6billion (Achieved 62.9%)
Progress is impressive in comparison to full-year forecasts due to the solid first-half performance of overseas fertilizer and overseas industrial park businesses.
- Others ¥ (1.5)billion (Achieved -)
Progress is generally in line with projections.

■ Summary of Balance Sheets

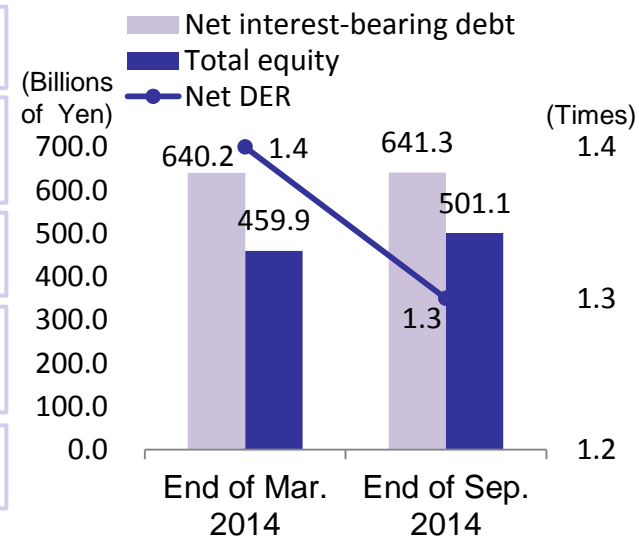
Total equity showed steady improvement, climbing above ¥500.0 billion.

(Billions of Yen)	End of Mar. 2014	End of Sep. 2014	Difference	End of Mar. 2015 Forecast (Nov. 5, 2014)
Total assets	2,220.2	2,269.4	+49.2	2,260.0
Total equity	459.9	501.1	+41.2	500.0
Risk assets vs. Total equity	350.0 0.8 times	320.0 0.6 times	(30.0) (0.2) times	—
Current ratio	162.8%	169.4%	+6.6%	—
Long-term debt ratio	78.7%	80.0%	+1.3%	—
Equity ratio	20.7%	22.1%	+1.4%	22.1%
Net interest-bearing debt	640.2	641.3	+1.1	660.0
Net DER (Times)	1.4	1.3	(0.1)	1.3

Changes in total equity

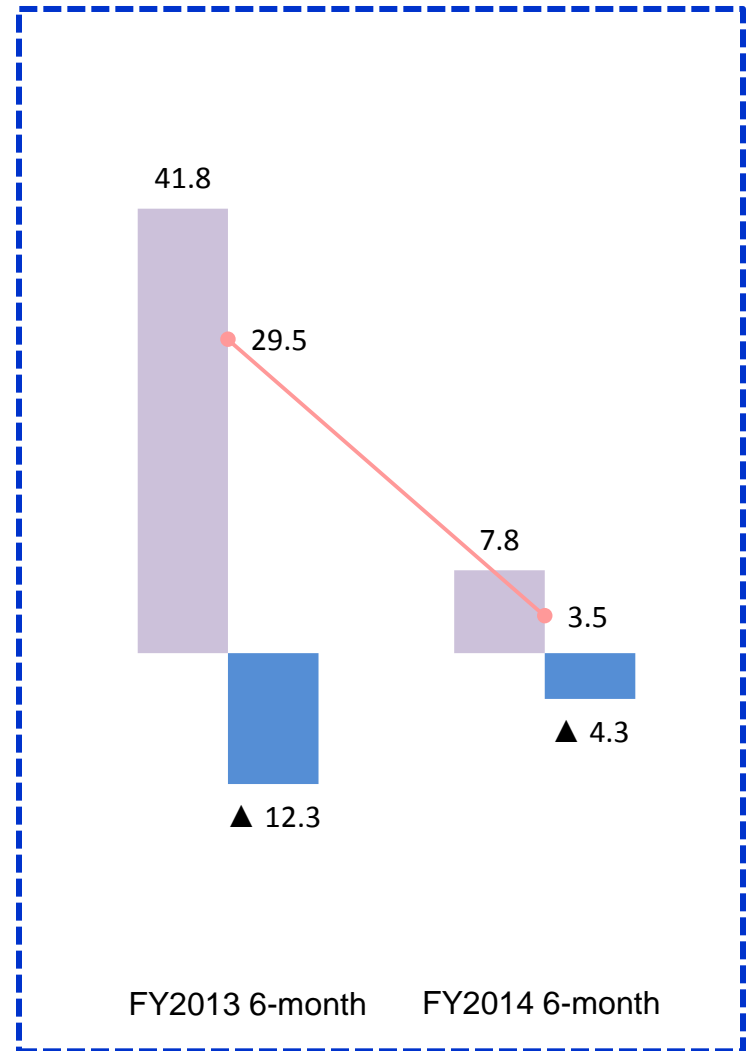
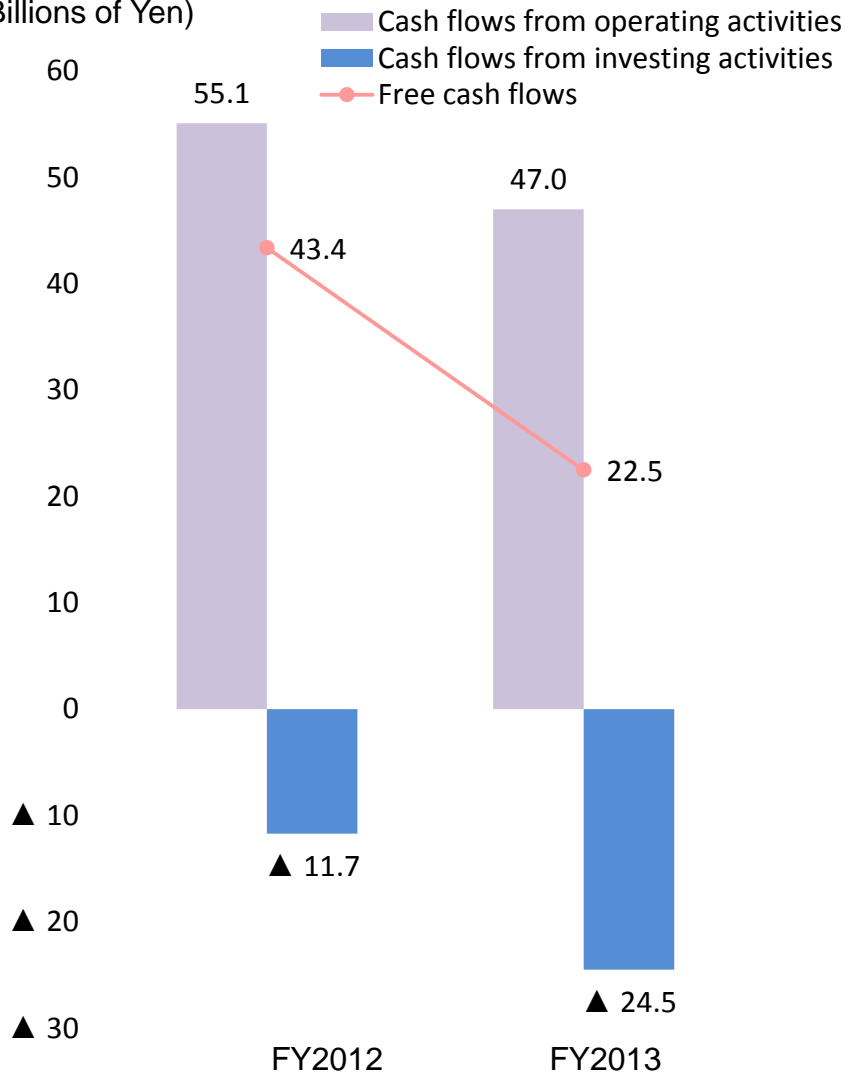
(End of Mar. 2014 vs. end of Sep. 2014, breakdown)

- Profit for the period attributable to owners of the Company ¥16.7 billion
- Dividends paid ¥(2.5) billion
- Changes due to fluctuations in stock prices and foreign exchange rates ¥22.4 billion



Summary of Free Cash Flows

(Billions of Yen)



■ Commodity Prices, Foreign Exchange, and Interest Rate

	FY2013 Results (Annual Average)	FY2014 Assumptions (Annual Average)	FY2014 6-month Results (Apr.-Sep. Avg.)	Latest (As of Oct. 31)
Crude oil (Brent)*1	\$107.5/bbl	\$100/bbl	\$105.8/bbl	\$85.9/bbl
Thermal Coal *2	\$89.5/t	\$82/t	\$75.1/t	\$73.5/t
Molybdenum	\$10.0/lb	\$10/lb	\$13.2/lb	\$9.4/lb
Nickel *3	\$6.8/lb	\$7/lb	Jan.- Jun. Avg. \$7.5/lb	\$7.2/lb
Exchange rate*4	¥100.5/\$	¥100/\$	¥103.6/\$	¥111.2/\$ (pm 5:00, Tokyo)
Interest rate (TIBOR)	0.23%	0.22%	0.21%	0.19%

*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion annually.

*2 Actual thermal coal prices are the general trading prices based on market data.

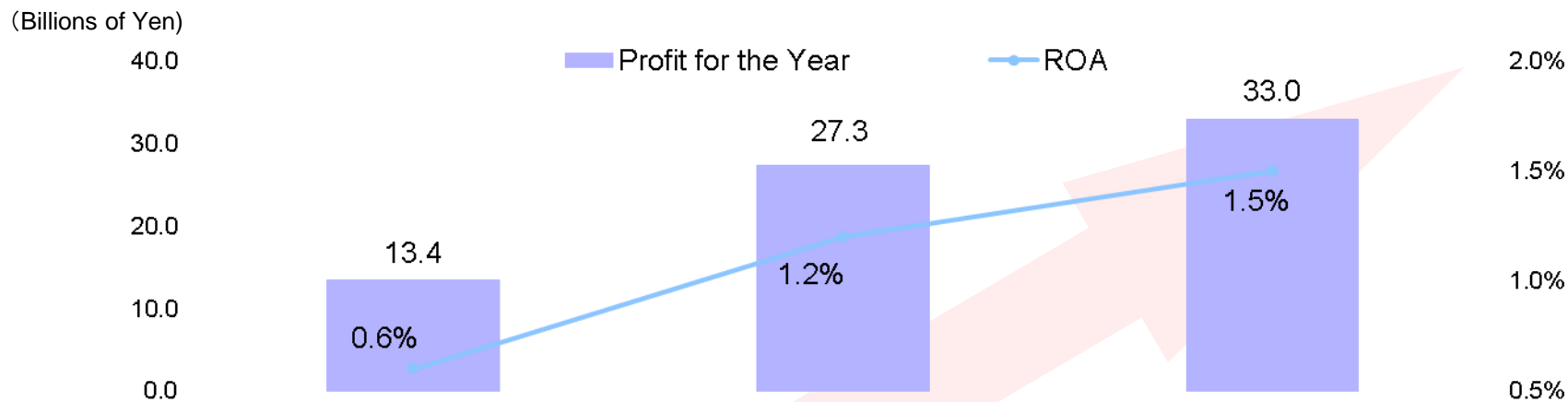
*3 The price assumptions of nickel is based on the annual average from Jan. to Dec.

*4 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.4 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.2 billion annually, and total equity by approx. ¥2.0 billion.

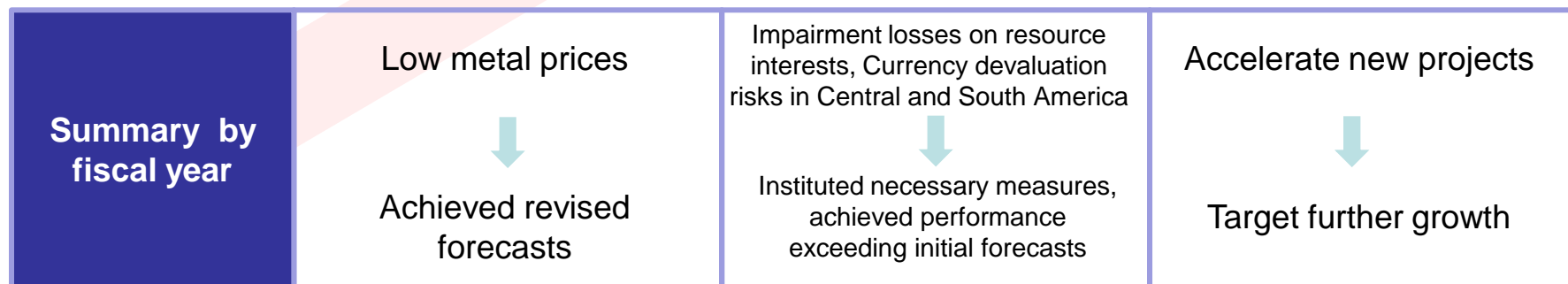
II. Progress of Medium-term Management Plan 2014

■ Progress of Mid-term Management Plan 2014

- Overview -



	FY 2012	FY 2013	FY 2014 (forecast)
Profit for the Year (attributable to owners of the Company)	¥ 13.4 bn	¥ 27.3 bn	¥ 33.0 bn
ROA	0.6%	1.2%	1.5%
ROE	3.8%	6.5%	6.9%
Net DER	1.7 times	1.4 times	1.3 times
Total Asset	¥ 2,150.1 bn	¥ 2,220.2 bn	¥ 2,260.0 bn



■ Progress of Mid-term Management Plan 2014 - Asset Replacement -

Improve asset quality to strengthen earnings capacity

Asset Replacement Results (FY 2012 – FY 2014 2Q)

	FY2012 Results	FY2013 Results	FY2014 2Q Results	Total
Investment & Loan	44.0bn	54.0bn	30.0bn	128.0bn
Asset Reduction	81.0bn	49.0bn	31.0bn	161.0bn
Collection of Funds	47.0bn	55.0bn	32.0bn	134.0bn

FY2014 Investment & Loan Plan ¥85.0bn

Mid-term Management Plan 2014
Investment & Loan plan ¥180.0bn

Asset reduction: ¥161.0bn
(FY 2012 – FY 2014 2Q total)

Machinery

- ✓ Sale of stock holdings related to overseas machinery companies
- ✓ Sale of ship holdings
- ✓ Sale of aircraft held for leasing purposes

Energy & Metal

- ✓ Divestment of petroleum product sales subsidiary
- ✓ Sale of portion of Australian coal interests
- ✓ Exclusion of bioethanol production company from consolidation

Other

- ✓ Sale of unprofitable real estate in Japan (Shopping centers, office buildings, etc.)

Stock holdings

Ship and aircraft holdings

Real estate in Japan

Resource-related interests

Other

Machinery

Energy & Metal

Chemicals

Consumer Lifestyle Business

Other

Investments and loans: ¥128.0bn
(FY 2012 – FY 2014 2Q total)

Machinery

- ✓ Middle Eastern IPP projects
- ✓ African desalination businesses
- ✓ Domestic solar power generation businesses
- ✓ Acquisition of U.S. automobile dealer

Energy & Metal

- ✓ Acquisition of new coal interests in Indonesia
- ✓ Expansion of resource interests

Chemicals

- ✓ Acquisition of new barite interests in Mexico
- ✓ Indian industrial salt business

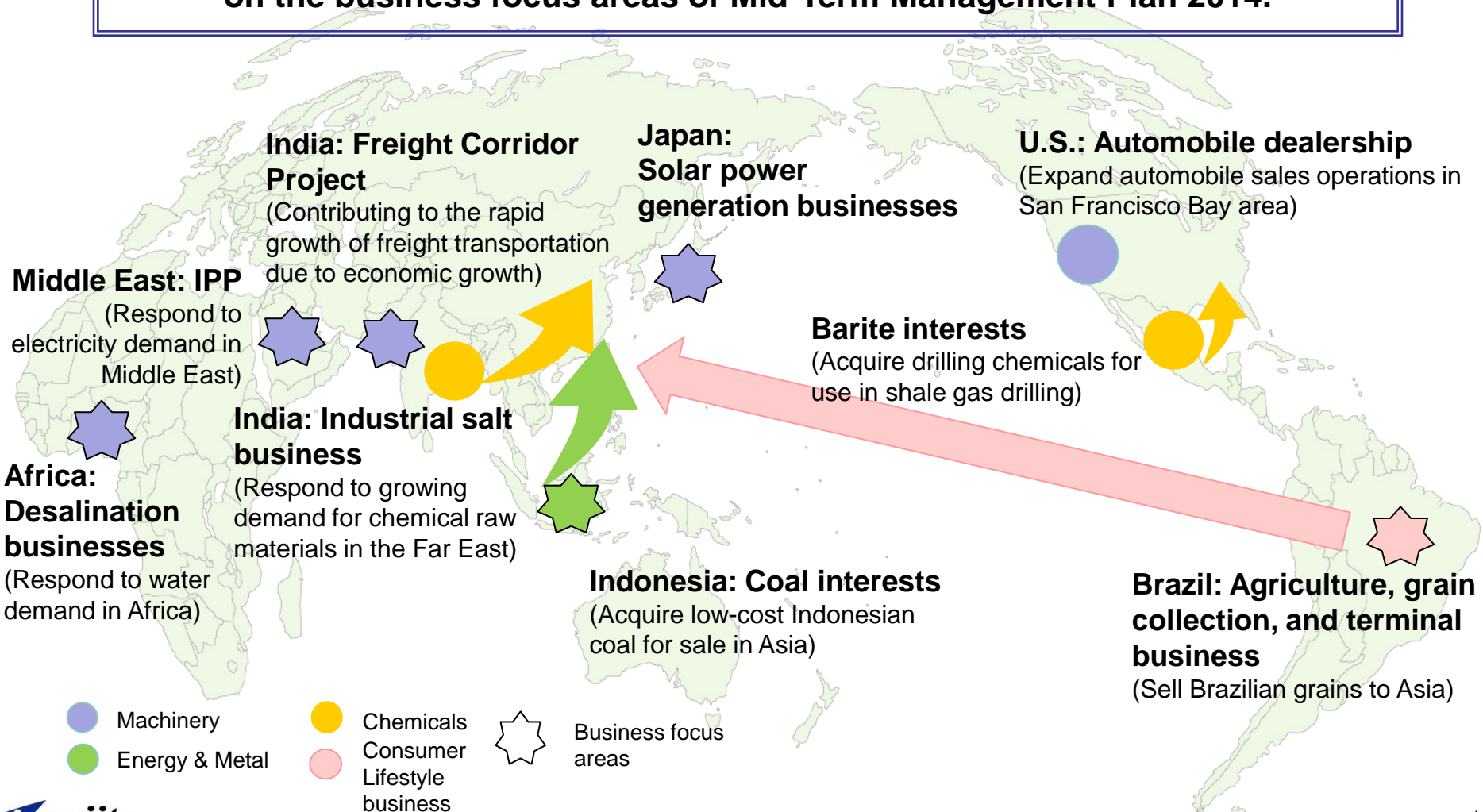
Consumer Lifestyle Business

- ✓ Agriculture, grain collection, and terminal business in Brazil

■ Progress of Mid-term Management Plan 2014

- New Projects by Region -

We undertake new projects in future growth fields with a particular focus on the business focus areas of Mid-Term Management Plan 2014.

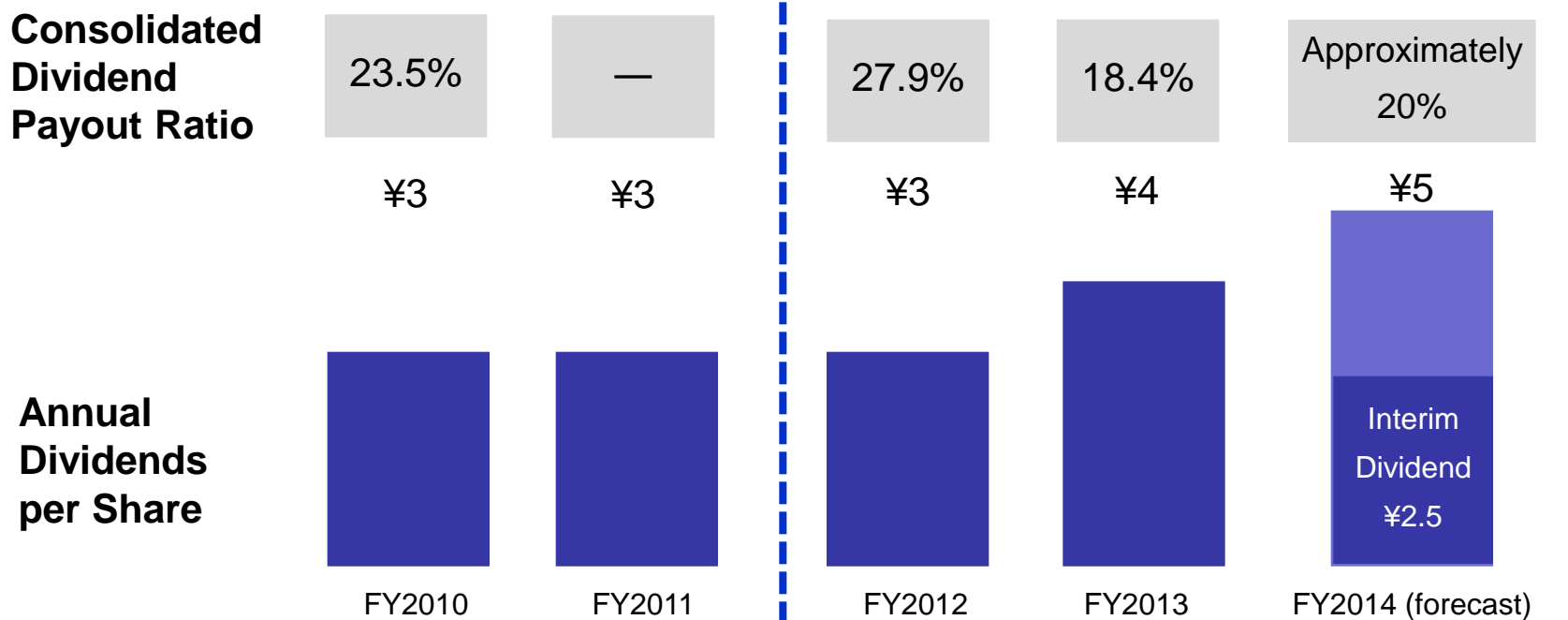


III. Dividends

■ Dividend Policy

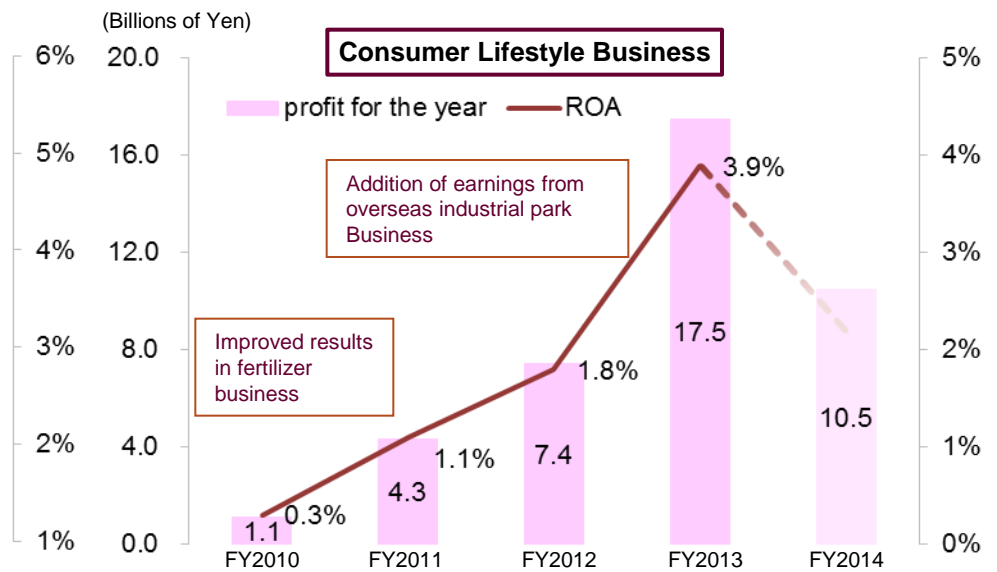
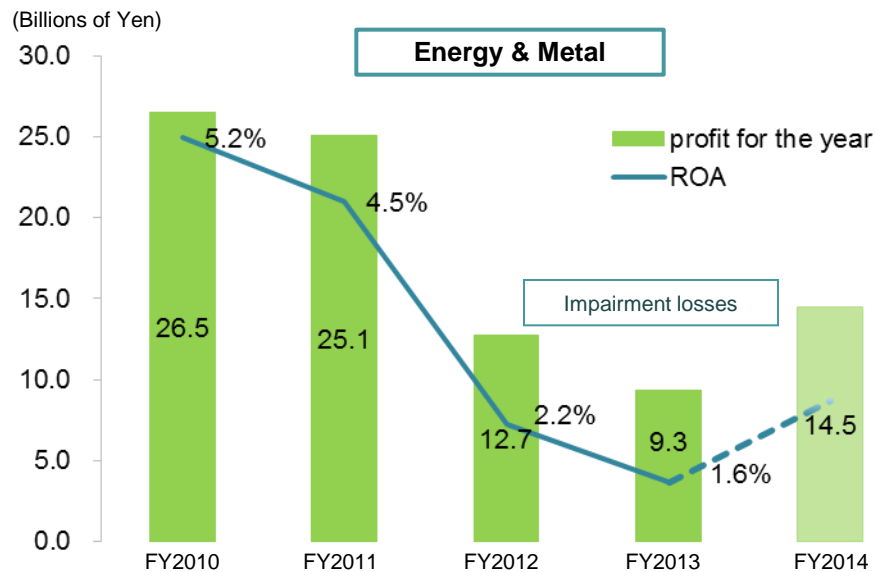
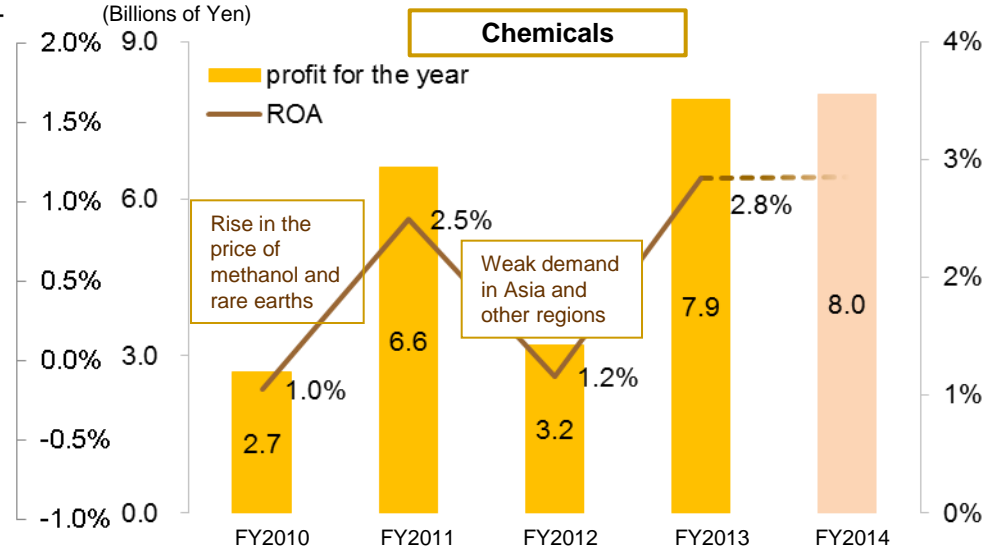
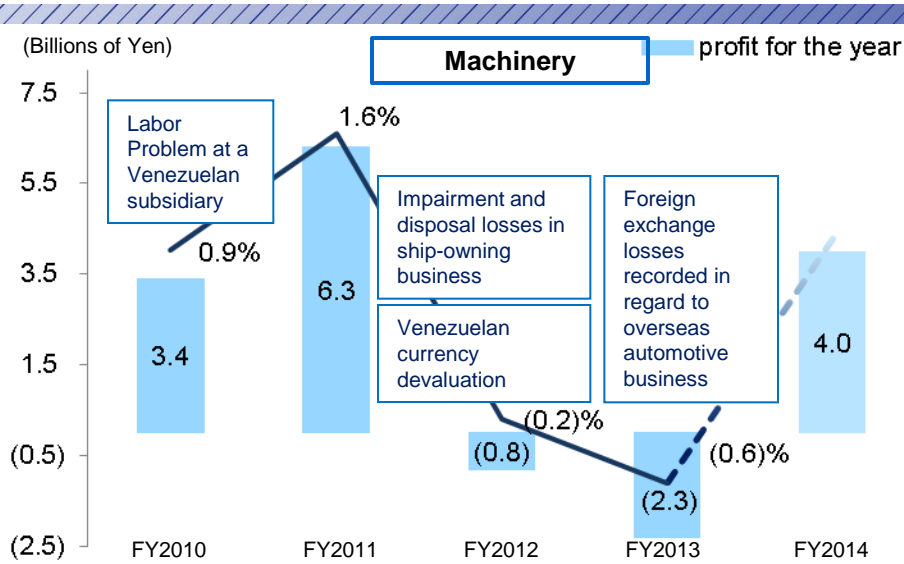
Basic dividend policy

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

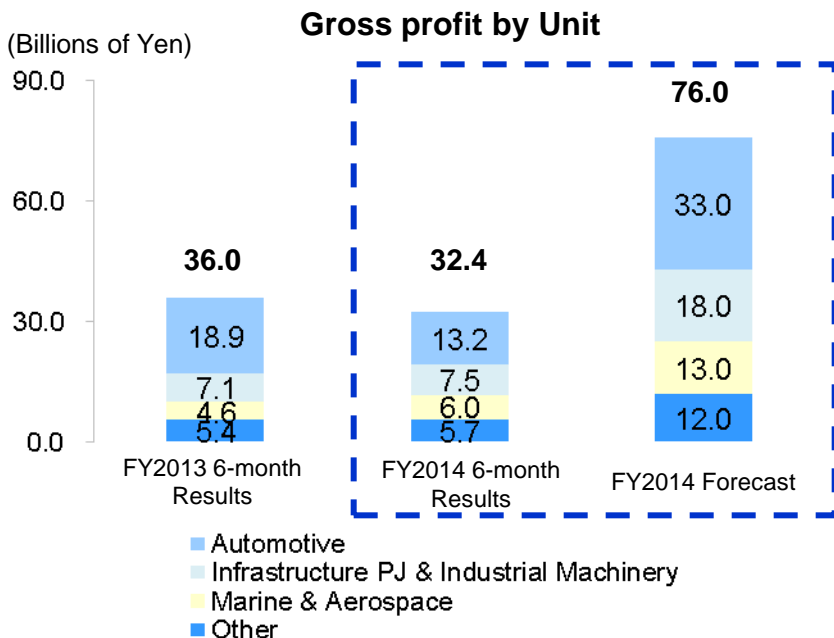


【Supplemental Data I.】 Segment Information

Profit for the year, ROA by segment



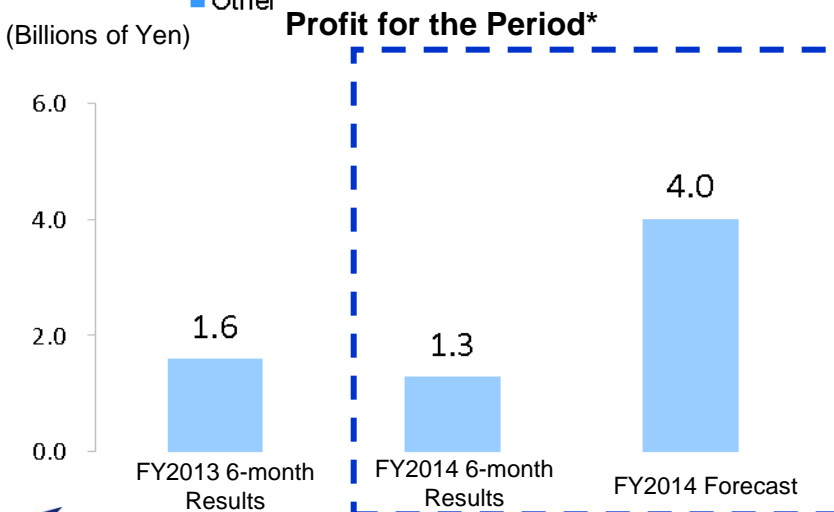
Machinery



Future Outlook

Profit for the Year* FY 2014 forecast ¥4.0bn

- Automotive Unit
Increase in Central and South American automobile production is anticipated in the second half of the fiscal year.
- Infrastructure Project & Industrial Machinery Unit
Plant orders are expected to be recorded throughout the second half of the fiscal year.
- Marine & Aerospace Unit
Aircraft-related operations are expected to see solid performance, while ship-related operations will be sluggish.



FY 2014 6-month Results (Supplements)

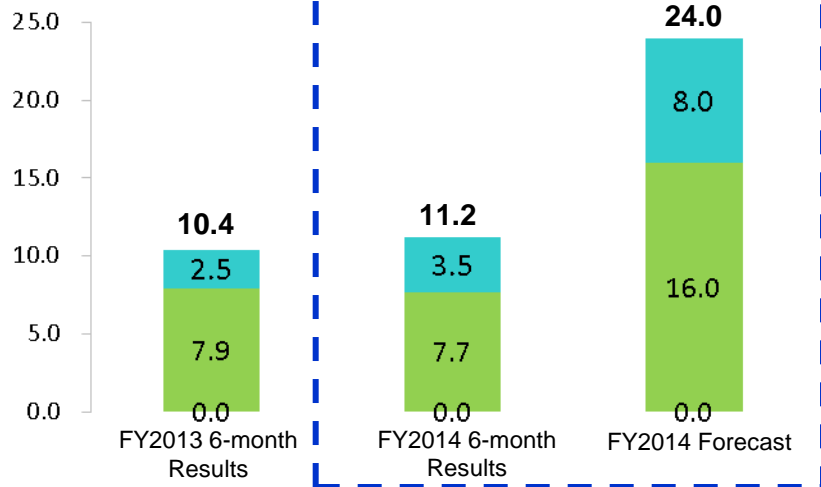
	FY 2013 6-month Results	FY 2014 6-month Results	FY 2014 Forecast
Gross profit	36.0		76.0
Operating income	4.3	3.3	-
Share of profit of investments accounted for using the equity method	1.7	2.0	-
Profit for the period*	1.6	1.3	4.0
Total assets	-	472.6	-

(*) Profit attributable to owners of the Company

Energy & Metal

(Billions of Yen)

Gross profit by Unit



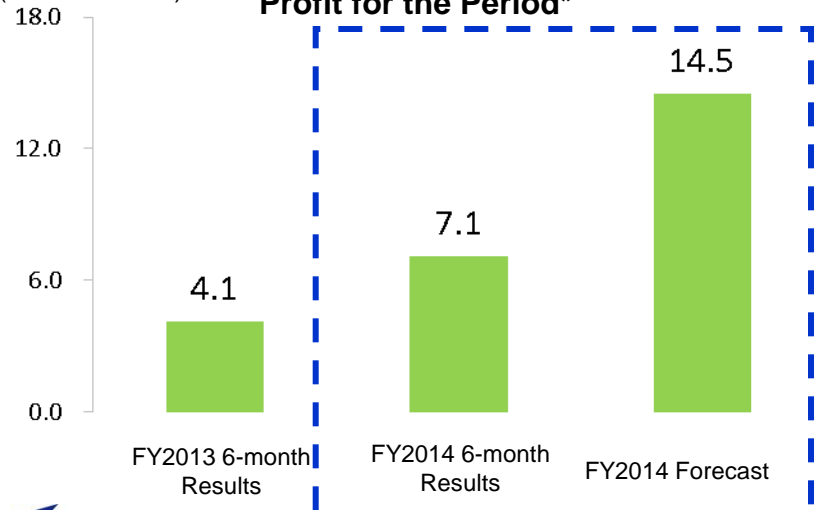
Future Outlook

Profit for the Year* FY 2014 forecast ¥14.5bn

- Energy Unit
Progress is generally in line with projections.
- Metal & Utility Unit
Performance is generally in line with projections as the higher prices of certain ferroalloys outweighed the impacts of lower coal prices.

(Billions of Yen)

Profit for the Period*



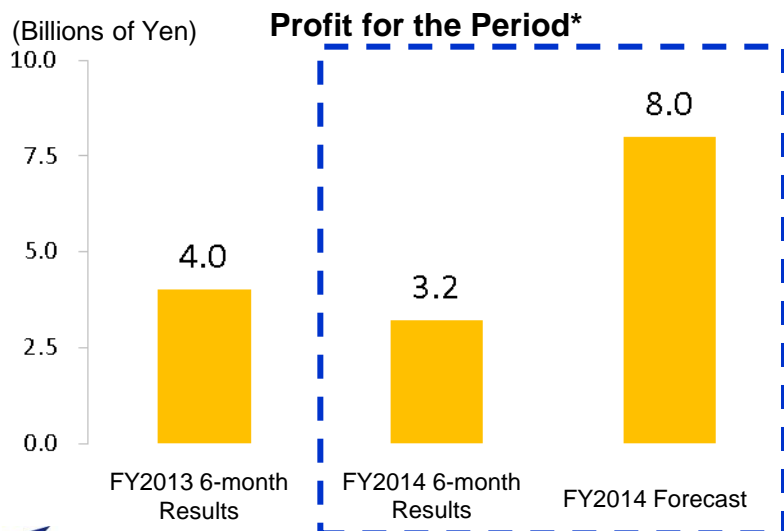
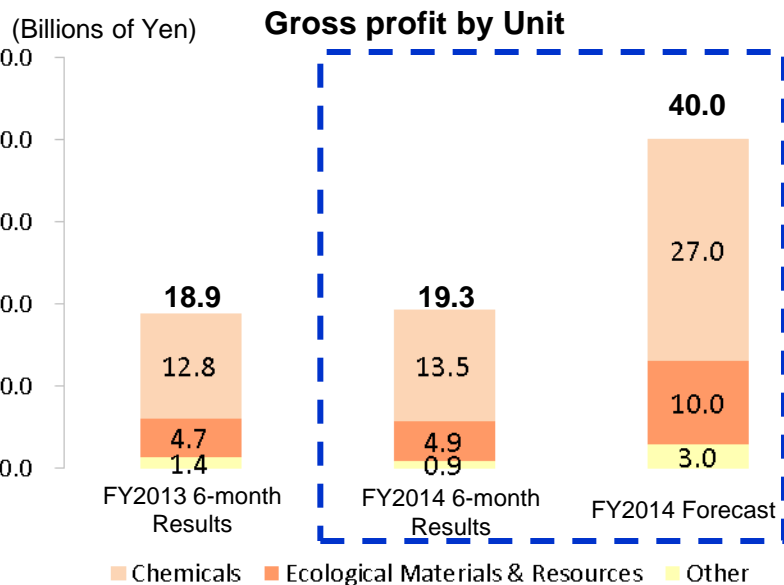
FY 2014 6-month Results (Supplements)

(Billions of Yen)

	FY 2013 6-month Results	FY 2014 6-month Results	FY 2014 Forecast
Gross profit	10.4	11.2	24.0
Operating income	(1.4)	(0.5)	-
Share of profit of investments accounted for using the equity method	6.7	9.8	-
Profit for the period*	4.1	7.1	14.5
Total assets	-	605.8	-

(*) Profit attributable to owners of the Company

Chemicals



Future Outlook

Profit for the Year* FY 2014 forecast ¥8.0bn

- Chemicals Unit
Despite the negative impacts of fluctuations in market prices in methanol businesses, performance is generally in line with projections because of solid transactions in plastic resin operations centered on Asia.
- Ecological Materials & Resources Unit
There is concern that new investment and loan projects will be delayed in achieving profitability.

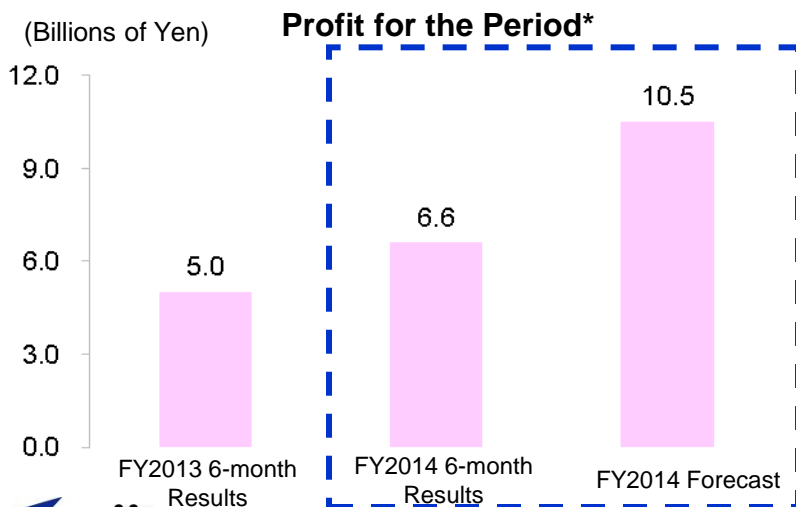
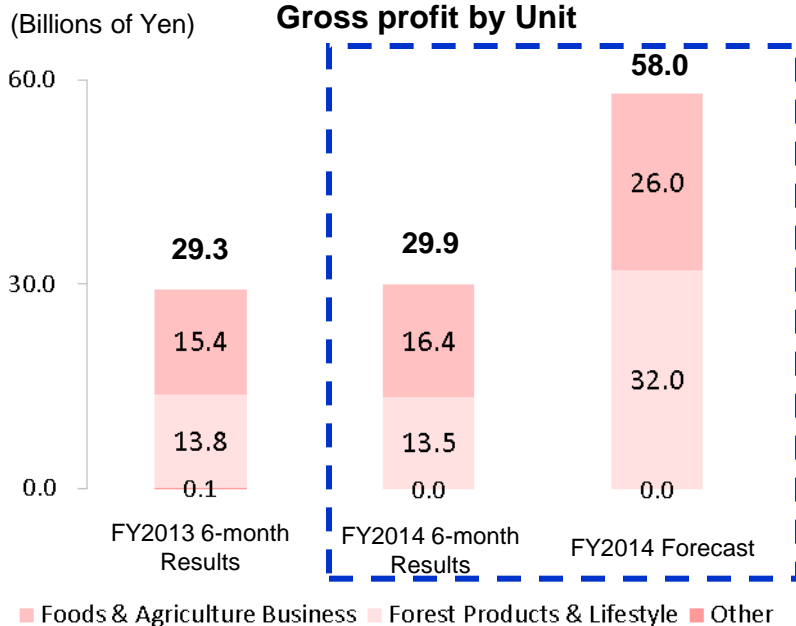
FY 2014 6-month Results (Supplements)

(Billions of Yen)

	FY 2013 6-month Results	FY 2014 6-month Results	FY 2014 Forecast
Gross profit	18.9	19.3	40.0
Operating income	7.0	6.2	-
Share of profit of investments accounted for using the equity method	0.3	0.3	-
Profit for the period*	4.0	3.2	8.0
Total assets	-	283.9	-

(*) Profit attributable to owners of the Company

Consumer Lifestyle Business



Future Outlook

Profit for the Year* FY 2014 forecast ¥10.5bn

- Foods & Agriculture Business Unit
Progress is impressive due to the strong performance of overseas fertilizer and meat import businesses.
- Forest Product & Lifestyle Unit
Performance was solid in overseas industrial park businesses, but lumber transactions were sluggish.

FY 2014 6-month Results (Supplements)

(Billions of Yen)

	FY 2013 6-month Results	FY 2014 6-month Results	FY 2014 Forecast
Gross profit	29.3	29.9	58.0
Operating income	9.3	9.3	-
Share of profit of investments accounted for using the equity method	1.7	2.8	-
Profit for the period*	5.0	6.6	10.5
Total assets	-	483.4	-

(*) Profit attributable to owners of the Company

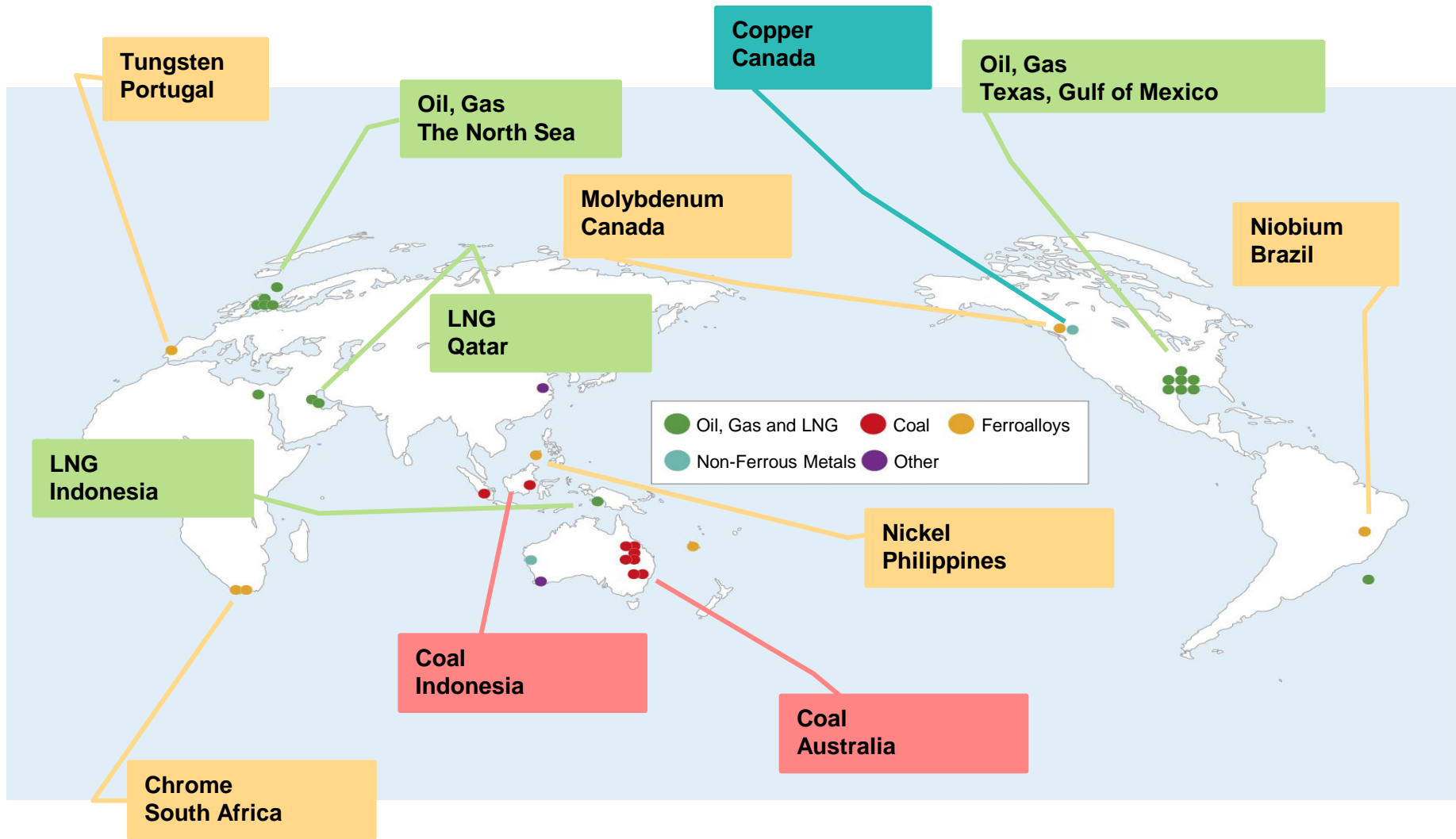
■ Profit for the period
(attributable to owners of the Company) by segment

(Billions of yen)	FY 2013 1Q	FY 2013 2Q	FY 2013 3Q	FY 2013 4Q	FY 2013	FY 2014 1Q	FY 2014 2Q
Machinery	(0.5)	2.1	3.7	(7.6)	(2.3)	0.2	1.1
Energy & Metal	0.9	3.2	(1.0)	6.2	9.3	3.5	3.6
Chemicals	2.2	1.8	1.7	2.2	7.9	1.9	1.3
Consumer Lifestyle Business	3.5	1.5	2.0	10.5	17.5	3.4	3.2
Other	1.8	(2.5)	0.5	(4.9)	(5.1)	(0.1)	(1.4)
Total	7.9	6.1	6.9	6.4	27.3	8.9	7.8

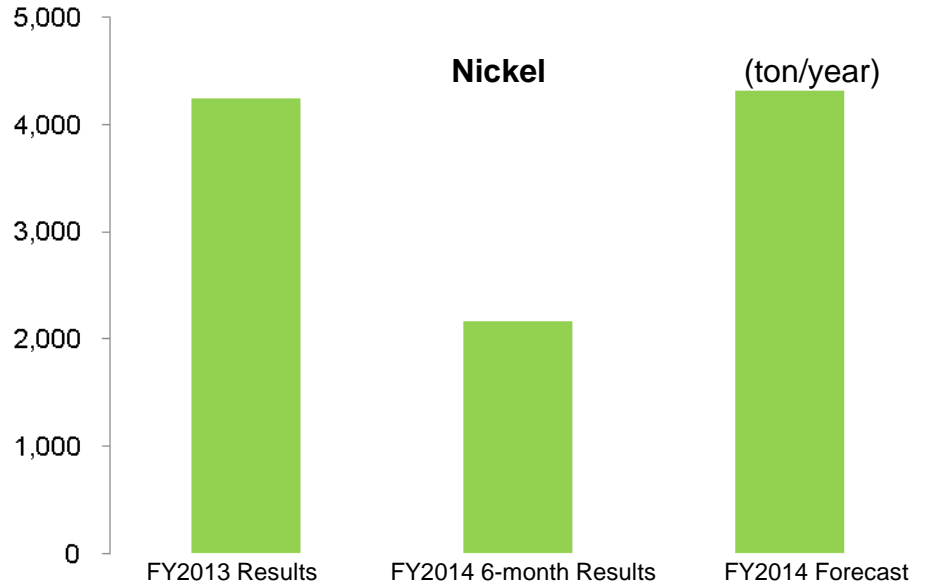
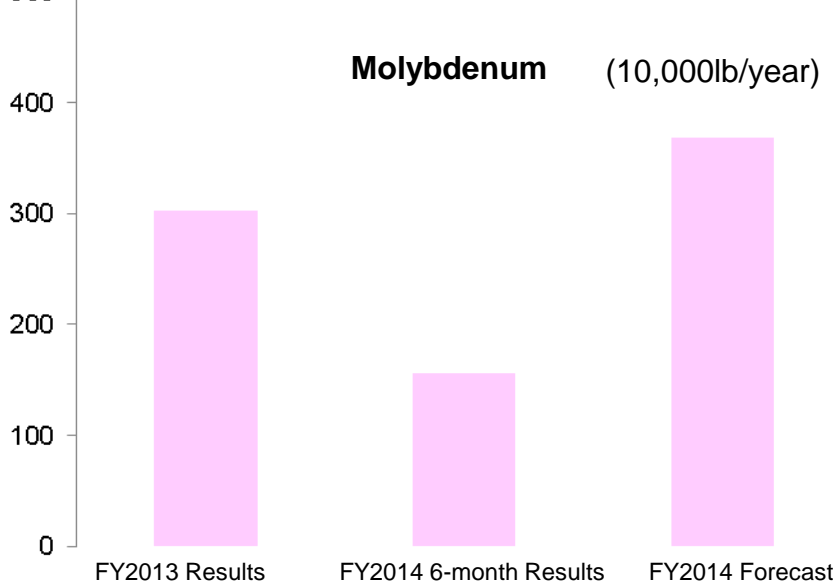
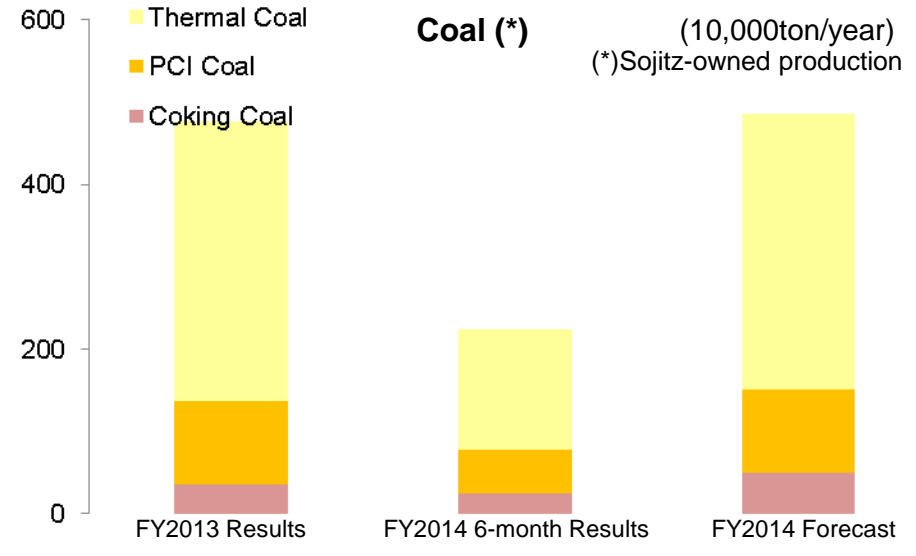
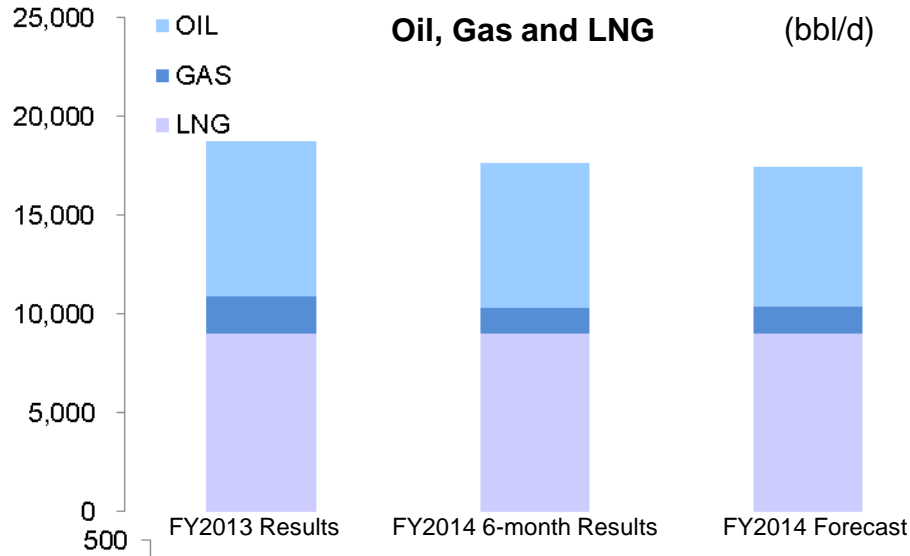
【Supplemental Data II.】 Energy & Mineral Resources



Overview of Major Interests



Share of Production Volume from Major Interests



【Supplemental Data III.】 Summary of Financial Results

■ Summary of Profit or Loss (IFRS)

(Billions of Yen)	FY2011 Results	FY2012 Results	FY2013 Results	FY2014 6-month Results
Net sales (JGAAP)	4,321.7	3,934.5	4,046.6	1,944.8
Gross profit	217.1	187.2	198.2	96.2
Operating profit	57.5	25.5	23.7	18.9
Share of profit (loss) of investments accounted for using the equity method	16.3	15.8	31.0	15.0
Profit before tax	58.5	28.1	44.0	28.3
Profit for the year attributable to owners of the Company	(1.0)	13.4	27.3	16.7
Comprehensive income attributable to owners of the Company	(16.2)	56.1	82.2	39.1
Core earnings	65.8	38.5	68.0	28.5
(Reference)				
ROA	(0.0)%	0.6%	1.2%	—
ROE	(0.3)%	3.8%	6.5%	—

■ Summary of Balance Sheets (IFRS)

(Billions of Yen)	Apr. 1, 2011	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Sep. 2014
Total assets	2,170.1	2,190.7	2,150.1	2,220.2	2,269.4
Total equity	346.3	330.0	382.6	459.9	501.1
Risk assets (vs. Total equity)	330.0 (1.0 times)	330.0 (1.0 times)	340.0 (0.9 times)	350.0 (0.8 times)	320.0 (0.6 times)
Current ratio	148.6%	142.5%	152.1%	162.8%	169.4%
Long-term debt ratio	77.0%	73.3%	76.0%	78.7%	80.0%
Equity ratio	16.0%	15.1%	17.8%	20.7%	22.1%
Net interest- bearing debt	697.2	676.4	643.3	640.2	641.3
Net DER	2.0 times	2.0 times	1.7 times	1.4 times	1.3 times

■ Summary of Profit or Loss (JGAAP)

(Billions of Yen)	FY2007 Results	FY2008 Results	FY2009 Results	FY2010 Results	FY2011 Results(*)	FY2012 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

■ Summary of Balance Sheets (JGAAP)

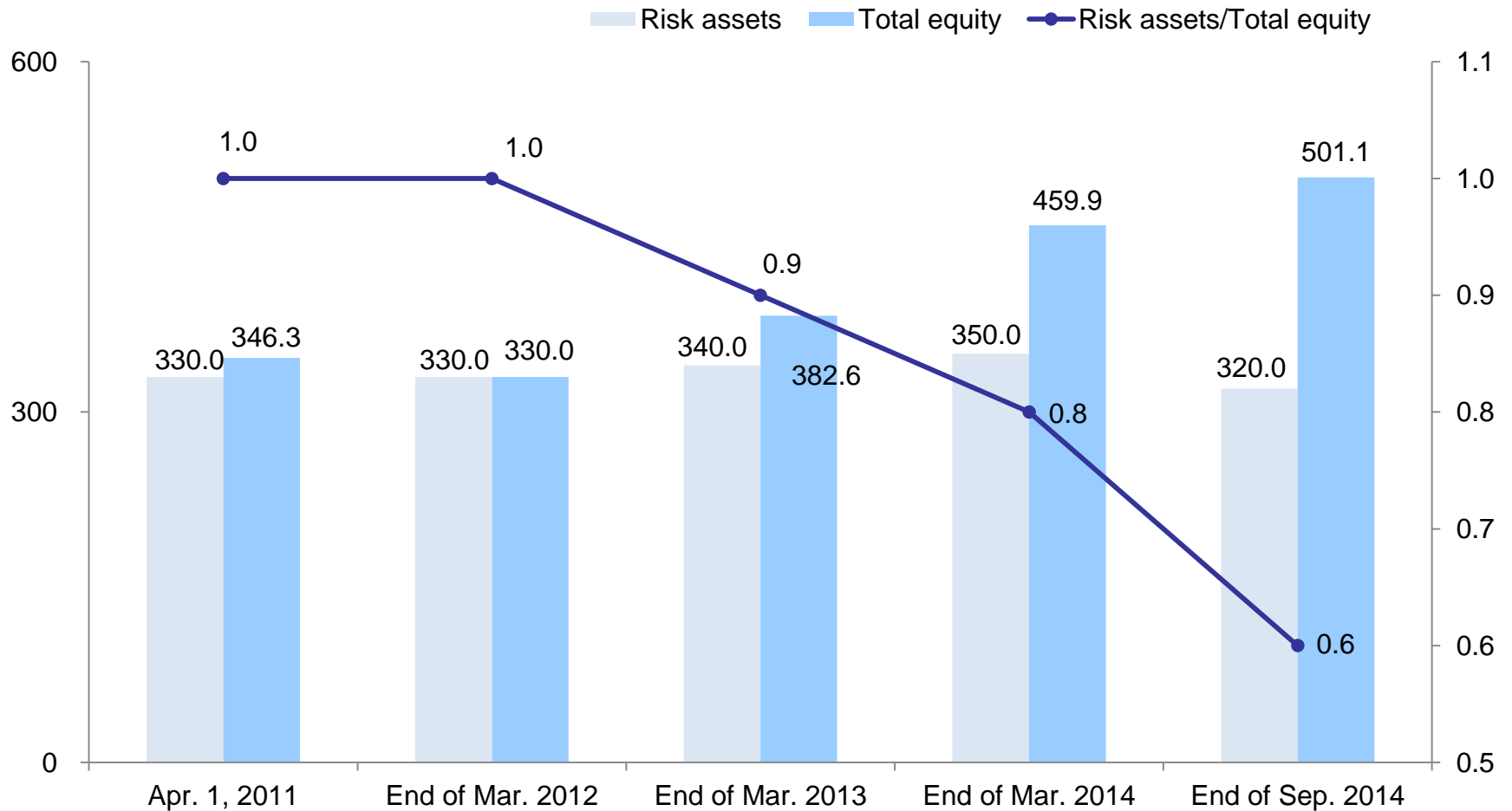
(Billions of Yen)	End of Mar. 2008	End of Mar. 2009	End of Mar. 2010	End of Mar. 2011	End of Mar. 2012	End of Mar. 2013
Total assets	2,669.4	2,313.0	2,160.9	2,117.0	2,120.6	2,086.4
Total equity(*) (Total net assets)	476.0 (520.3)	319.0 (355.5)	352.4 (377.4)	330.0 (355.5)	305.9 (330.5)	353.5 (382.5)
Risk assets (vs. Equity)	380.0 (0.8 times)	350.0 (1.1 times)	320.0 (0.9 times)	310.0 (0.9 times)	300.0 (1.0 times)	300.0 (0.8 times)
Current ratio	121.1%	141.7%	152.7%	142.2%	137.0%	147.2%
Long-term debt ratio	54.0%	66.7%	74.3%	72.3%	70.7%	73.9%
Equity ratio	17.8%	13.8%	16.3%	15.6%	14.4%	16.9%
Net interest- bearing debt	918.9	865.3	737.8	700.6	647.8	616.2
Net DER Net DE ratio based on total net assets	1.9 times (1.8 times)	2.7 times (2.4 times)	2.1 times (2.0 times)	2.1 times (2.0 times)	2.1 times (2.0 times)	1.7 times (1.6 times)

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

Risk Assets and Total Equity (IFRS)

(Billions of Yen)

(Times)





sojitz

New way, New value