

Summary of Consolidated Financial Results for the First Half Fiscal Year Ending March 31, 2012 (Japanese accounting standard)

November 1, 2011

Sojitz Corporation

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

Listed stock exchange: The first sections of Tokyo and Osaka

Security code: 2768

Company representative: Yutaka Kase, President & CEO

Contact information: Shinji Harada, GM, Public Relations Dept. TEL +81-3-5520-3404

Scheduled filing date of quarterly financial report: November 11, 2011

Scheduled date of delivery of dividends: December 2, 2011

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Half Fiscal Year Ending March 31, 2012 (April 1, 2011 - September 30, 2011)

(1) Consolidated Operating Results

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the 1st Half								
FY2011	2,195,704	11.7	22,723	30.8	23,776	7.3	10,281	12.8
FY2010	1,965,179	4.2	17,378	221.8	22,161	—	9,119	(54.4)

	Net Income per Share (EPS)	Adjusted EPS
	Yen	Yen
For the 1st Half		
FY2011	8.22	8.21
FY2010	7.29	7.28

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio
	Millions of Yen	Millions of Yen	%
As of			
September 30, 2011	2,138,717	350,154	15.0
March 31, 2011	2,116,960	355,510	15.6

(Millions of Yen)

Notes: Shareholders' Equity

As of September 30, 2011 : 321,098

As of March 31, 2011 : 330,028

2. Cash Dividends

	Cash Divided per Share				
	First Quarter	Second Quarter	Third Quarter	Year Ended	Annual
For the Year Ended	Yen	Yen	Yen	Yen	Yen
March 31, 2011	-	1.50	-	1.50	3.00
March 31, 2012	-	1.50	-	-	-
March 31, 2012 (forecast)	-	-	-	1.50	3.00

Note. Change in cash dividends forecast announced on April 28, 2011 : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2012 (April 1, 2011 - March 31, 2012)

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

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the Year Ending									
March 31, 2012									
Full year	4,380,000	9.1	50,000	33.3	46,000	1.5	16,000	0.1	12.79

Note. Changes in Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2012 : No

4.Others

- (1) Changes in major subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No
- (2) Use of exceptional accounting procedure :No
- (3) Changes in accounting policy, procedures or presentation method for preparing quarterly consolidated financial statements
 1. Changes due to amendment of accounting standards : No
 2. Changes due to other reasons : No
 3. Accounting estimate change : No
 4. Retrospective restatement : No
- (4) Number of outstanding shares at the end of the periods (Common Stock):
 1. Number of outstanding shares at the end of the periods (Including treasury shares):
As of September 30, 2011: 1,251,499,501 As of March 31, 2011: 1,251,499,501
 2. Number of treasury shares at the end of the periods:
As of September 30, 2011 : 471,764 As of March 31, 2011 : 416,962
 3. Average number of outstanding shares during the periods:
For the 2nd Quarter ended September 30, 2011(accumulative): 1,251,036,327
For the 2nd Quarter ended September 30, 2010(accumulative): 1,251,089,586

* Disclosure Regarding Quarterly Review Procedure

As of date of disclosure of these financial results, a review of the financial statements is being carried out in accordance with the Financial Instruments of Exchange Act

* Important Note Concerning the Appropriate Use of Business Forecasts

This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document and certain assumptions thought to be reasonable. Actual results may therefore differ from those expressed or implied by such forward-looking statements due to various factors including, but not limited to, changes in economic conditions in key markets, in Japan and overseas, and exchange rates.

Analysis of business results

1. Overview of First Half of Fiscal 2011 (April 1 – September 30, 2011)

Economic environment

The first half of fiscal 2011 (April–September 2011) began with the global economy in a gradual recovery spearheaded by growth in emerging market economies. From mid-July, however, anxieties about the economic outlook emerged and rapidly escalated amid an economic slowdown coupled with European and US fiscal concerns. Meanwhile, international financial markets turned increasingly risk averse as disarray surrounding efforts to bail out Greece gave rise to strong concerns about contagion to surrounding countries, including Italy and Spain, and potential repercussions vis-à-vis German and French financial institutions. A major flight to safety ensued, with equity markets selling off globally, resource prices and emerging market currencies also falling, and the yen strengthening further.

The Japanese economy embarked on a solid recovery from its downshift following the March 11 earthquake and tsunami. Production activity rebounded to the vicinity of its pre-earthquake level, consumer spending and corporate earnings improved, and exports grew robustly. However, prospects for sustained domestic economic recovery against a backdrop of growing reconstruction demand are clouded by prolonged yen appreciation and sluggishness in external demand due to the global economic slowdown.

Emerging market economies maintained brisk growth rates, led by China and other Asian countries, but concerns about the risk of international capital flight and its impact on their real economies have prompted certain countries to adopt currency stability measures.

Financial Performance

Sojitz Corporation's consolidated business results for the first half of fiscal 2011 are presented below.

Net sales

Consolidated net sales grew 11.7% year on year to ¥2,195,704 million, chiefly by virtue of three divisions: Consumer Lifestyle Business, Machinery, and Energy & Metal. The Consumer Lifestyle Business Division benefited from growth in domestic lumber demand, increased wheat unit-sales and prices, and cigarette sales growth driven by price increases. The Machinery Division's sales growth was largely attributable to increased plant exports. The Energy & Metal Division's sales growth was driven mainly by increased oil and coal production and prices.

Gross profit

Consolidated gross profit increased ¥8,539 million year on year to ¥102,208 million, mainly as a result of profit growth in the Machinery and Energy & Metal Divisions. These two divisions' gross profit growth was driven largely by overseas automobile unit-sales growth and increased oil and coal production and prices, respectively.

Operating income

As a result of gross profit growth, consolidated operating income increased ¥5,345 million year on year to ¥22,723 million despite increase in general, selling and administrative (SG&A) expenses.

Ordinary income

Consolidated ordinary income increased ¥16,15 million year on year to ¥23,776 million as operating income growth more than offset a decline in equity in the earnings of affiliates, including a bioethanol producer.

Extraordinary income and losses

Extraordinary income totaled ¥5,455 million, including a ¥3,151 million gain on sales of investment securities and ¥2,297 million gain on noncurrent asset sales. Extraordinary losses totaled ¥5,715 million, including a ¥2,567 million valuation loss on investment securities and

¥2,193 million in losses, and provisions for losses, on liquidation of subsidiaries and affiliates. Extraordinary income and losses netted to an extraordinary loss of ¥260 million.

Net income

Consolidated income before income taxes and minority interests was ¥23,516 million. After deduction of income tax expense of ¥6,364 million and deferred income taxes of ¥5,024 million, consolidated net income before adjustment for minority interests was ¥12,128 million. After deduction of ¥1,846 million of minority interests in consolidated subsidiaries' net income, first-half consolidated net income was ¥10,281 million, an increase of ¥1,162 million from the year-earlier period.

Effective from the first quarter of fiscal 2011, Sojitz revised its business segmentation, reclassifying part of its commercial property development operations from the Consumer Lifestyle Business Division to the "Other" segment.

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

Machinery

Net sales grew 6.3% year on year to ¥481,515 million as growth in plant exports and other sales offset a decrease in automobile export sales. Net income also increased year on year, up ¥953 million to ¥1,535 million, buoyed by strong earnings from Latin American and European auto operations.

Energy & Metal

Net sales rose 4.6% year on year to ¥507,589 million, largely reflecting increased oil and coal production and prices. Net income was roughly flat year on year at ¥9,934 million as a decrease in equity in the earnings of affiliates, including a bioethanol producer, was offset by an extraordinary gain on the sale of investment securities in an overseas steel-related company.

Chemicals & Functional Materials

Net sales grew 6.3% year on year to ¥319,845 million, largely by virtue of increased unit sales and a rise in the price of chemicals and synthetic resins, mainly in Asia. Net income also rose by ¥956 million year on year to ¥2,964 million.

Consumer Lifestyle Business

Net sales grew 23.4% year on year to ¥863,869 million while net income was up ¥2,324 million year on year to ¥3,135 million as a result of cigarette sales growth from increased prices, increased wheat unit-sales and prices, and growth in domestic demand for lumber.

Other

Net sales decreased 10.9% year on year to ¥22,883 million, but net loss shrank to ¥1,306 million, a ¥2,192 million improvement from the year-earlier period as restructuring charges were booked in the year-earlier period.

2. Financial Position

Consolidated Balance Sheet

At September 30, 2011, consolidated assets totaled ¥2,138,717 million, a ¥21,757 million increase from March 31, 2011. Among individual asset accounts that contributed to this increase, trade notes and accounts receivable increased ¥10,936 million over the same timeframe, largely as a result of growth in lumber-related sales; inventories increased ¥31,270 million, mainly due to increases to cigarette and fertilizer inventories; property, plant and equipment increased ¥8,098 million, largely as a result of capital expenditures by operating companies; and long-term loans receivable increased ¥5,350 million. These increases were partially offset by a ¥16,219 million reduction in cash and deposits due largely to increased cash outlays, and a ¥27,280 million reduction in investment securities holdings due largely to adverse equity price movements.

Consolidated liabilities totaled ¥1,788,562 million at September 30, 2011, a ¥27,113 million increase from March 31, 2011. The increase was attributable to growth in interest-bearing debt, mainly in the form of newly-issued bonds, coupled with a ¥8,782 million increase in trade notes and accounts payable resulting largely from growth in cigarette and fertilizer sales. Among shareholders' equity accounts, retained earnings increased ¥8,314 million from March 31 as a result of first-half net income, but net unrealized gains on available-for-sale securities decreased ¥13,682 million over the same timeframe, largely as a result of adverse equity price movements. Additionally, the foreign currency translation adjustment account's balance decreased ¥3,210 million. As a result, total net assets inclusive of minority interests were reduced by ¥5,356 million to ¥350,154 million between March 31 and September 30, 2011. Sojitz consequently ended the fiscal first half with a current ratio of 133% and long-term debt ratio of 66%. Net interest-bearing debt (total interest-bearing debt less cash and deposits) at September 30, 2011, totaled ¥727,900 million, a ¥27,293 million increase from March 31, 2011, resulting in a net interest bearing debt ratio of 2.3 at September 30. In terms of funding, Sojitz remains committed to a basic financial strategy of maintaining and enhancing the stability of its capital structure under its *Shine 2011* medium-term management plan. Specifically, 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 continuing to build a stable funding structure by maintaining a sound long-term debt ratio as a priority target. As one source of long-term funding, Sojitz issued ¥30 billion in straight bonds in the fiscal first half, including a ¥10 billion issue in June and a ¥20 billion issue in September. Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional bond issues whenever advantageous opportunities to do so arise. As supplemental sources of precautionary liquidity, Sojitz maintains two committed credit lines: a ¥100 billion yen line and US\$300 million multicurrency line.

3. Consolidated Earnings Forecast

Sojitz's fiscal 2011 consolidated earnings forecast is based on the following assumptions.

Exchange rate (annual average JPY/USD rate): ¥80

Crude oil price (Brent) (annual average): US\$90/bbl

Forward-looking statements are based on information in management's possession at the time of disclosure and assumptions deemed reasonable by management. Actual results may differ materially from outcomes expressed or implied by forward-looking statements due to various factors, including but not limited to exchange rate movements and changes in economic conditions in key domestic and/or foreign markets.

Consolidated Balance Sheets

As of September 30, 2011 and March 31, 2011

(Millions of Yen)

	As of March 31, 2011	As of September 30, 2011
Assets		
Current assets		
Cash and deposits	415,694	399,475
Notes and accounts receivable-trade	478,880	489,816
Short-term investment securities	5,437	9,465
Inventories	243,210	274,480
Short-term loans receivable	8,518	5,642
Deferred tax assets	15,402	18,930
Other	106,832	105,542
Allowance for doubtful accounts	(7,347)	(6,393)
Total current assets	1,266,629	1,296,959
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	111,537	109,765
Accumulated depreciation	(54,799)	(55,181)
Buildings and structures, net	56,738	54,583
Machinery, equipment and vehicles	158,458	165,728
Accumulated depreciation	(81,978)	(83,955)
Machinery, equipment and vehicles, net	76,480	81,772
Land	55,114	54,156
Construction in progress	19,177	24,713
Other	20,728	21,802
Accumulated depreciation	(12,463)	(13,155)
Other, net	8,264	8,646
Total property, plant and equipment	215,774	223,872
Intangible assets		
Goodwill	51,474	49,383
Other	81,120	85,724
Total intangible assets	132,595	135,107
Investments and other assets		
Investment securities	333,050	305,770
Long-term loans receivable	13,370	18,720
Bad debts	79,971	82,742
Deferred tax assets	52,881	48,886
Real estate for investment	33,993	33,776
Other	48,168	49,962
Allowance for doubtful accounts	(59,758)	(57,374)
Total investments and other assets	501,678	482,485
Total noncurrent assets	850,049	841,465
Deferred assets	281	291
Total assets	2,116,960	2,138,717

Consolidated Balance Sheets
As of September 30, 2011 and March 31, 2011

(Millions of Yen)

	As of March 31, 2011	As of September 30, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	414,984	423,766
Short-term loans payable	247,656	306,876
Commercial papers	2,000	2,000
Current portion of bonds	60,000	75,000
Income taxes payable	6,591	4,963
Deferred tax liabilities	146	122
Provision for bonuses	5,845	6,080
Other	153,321	158,812
Total current liabilities	890,544	977,622
Noncurrent liabilities		
Bonds payable	82,719	70,000
Long-term loans payable	723,926	673,499
Deferred tax liabilities	19,009	21,197
Deferred tax liabilities for land revaluation	774	774
Provision for retirement benefits	13,136	13,405
Provision for directors' retirement benefits	833	642
Other	30,505	31,421
Total noncurrent liabilities	870,905	810,940
Total liabilities	1,761,449	1,788,562
Net assets		
Shareholders' equity		
Capital stock	160,339	160,339
Capital surplus	152,160	152,160
Retained earnings	159,358	167,672
Treasury stock	(170)	(178)
Total shareholders' equity	471,688	479,993
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,310	(1,372)
Deferred gains or losses on hedges	3,022	2,665
Revaluation reserve for land	(2,302)	(2,302)
Foreign currency translation adjustment	(153,984)	(157,194)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(706)	(690)
Total accumulated other comprehensive income	(141,659)	(158,895)
Minority interests	25,481	29,056
Total net assets	355,510	350,154
Total liabilities and net assets	2,116,960	2,138,717

Consolidated Statement of Profit and Loss
for the First Half Fiscal Year Ending March 31, 2012

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)
Net sales	1,965,179	2,195,704
Cost of sales	1,871,509	2,093,495
Gross profit	93,669	102,208
Selling, general and administrative expenses	76,291	79,484
Operating income	17,378	22,723
Non-operating income		
Interest income	2,010	2,319
Dividends income	1,553	1,729
Equity in earnings of affiliates	11,173	8,118
Other	10,231	9,162
Total non-operating income	24,968	21,329
Non-operating expenses		
Interest expenses	12,235	11,715
Interest on commercial papers	15	2
Foreign exchange losses	3,842	4,969
Other	4,093	3,587
Total non-operating expenses	20,186	20,276
Ordinary Income	22,161	23,776
Extraordinary income		
Gain on sales of noncurrent assets	1,809	2,297
Gain on sales of investment securities	479	3,151
Gain on change in equity	116	6
Gain on negative goodwill	286	—
Reversal of allowance for doubtful accounts	828	—
Gain on bad debts recovered	7	—
Total extraordinary income	3,527	5,455
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	348	205
Impairment loss	1,284	539
Loss on sales of investment securities	35	28
Loss on sales of equity investment without stock	—	5
Loss on revaluation of securities	405	2,567
Loss on change in equity	671	176
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	1,082	2,193
Restructuring losses	5,045	—
Loss on adjustment for changes of accounting standard for asset retirement obligation	960	—
Total extraordinary losses	9,833	5,715
Income before income taxes and minority interests	15,855	23,516
Income taxes-current	5,011	6,364
Income taxes-deferred	270	5,024
Total income taxes	5,281	11,388
Income before minority interests	10,574	12,128
Minority interests in income	1,455	1,846
Net income	9,119	10,281

**Consolidated Statement of Comprehensive Income
for the First Half Fiscal Year Ending March 31, 2012**

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)
Income before minority interests	10,574	12,128
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,371)	(9,490)
Deferred gains or losses on hedges	(834)	(376)
Foreign currency translation adjustment	(15,481)	5,530
Unfunded retirement benefit obligation with respect to foreign consolidated companies	—	11
Share of other comprehensive income of associates accounted for using equity method	(8,691)	(13,054)
Total Other comprehensive income	(29,380)	(17,380)
Comprehensive income	(18,805)	(5,251)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(19,718)	(6,953)
Comprehensive income attributable to minority interests	912	1,701

Notes on the Going-concern Assumption

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

Not applicable

Segment Information

For the first half fiscal year ended March 31, 2011 (April 1, 2010 - September 30, 2010)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	452,770	485,393	301,030	700,312	1,939,507	25,671	1,965,179	-	1,965,179
(2) Inter-segment	1,828	794	2,035	2,003	6,662	2,035	8,698	(8,698)	-
Total	454,599	486,187	303,066	702,316	1,946,170	27,707	1,973,877	(8,698)	1,965,179
Segment income (loss)	582	9,901	2,008	811	13,302	(3,498)	9,804	(685)	9,119

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (685) million yen adjustment for segment income (loss) includes the (863) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes 211 million yen, comprising dividend income and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

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

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	481,515	507,589	319,845	863,869	2,172,820	22,883	2,195,704	-	2,195,704
(2) Inter-segment	1,508	761	2,106	1,886	6,262	1,655	7,917	(7,917)	-
Total	483,023	508,351	321,951	865,755	2,179,082	24,539	2,203,622	(7,917)	2,195,704
Segment income (loss)	1,535	9,934	2,964	3,135	17,569	(1,306)	16,263	(5,981)	10,281

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (5,981) million yen adjustment for segment income includes the (5,278) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (718) million yen, comprising revaluation of investment securities and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

Changes in segmentation

*From this fiscal year ending March 31, 2012, a portion of the retail property development business previously belonging to the Lifestyle Business division was reclassified as Other in an aim to strengthen the asset management base and functionality. In the above-mentioned Consolidated Statements of Profit and Loss, the amounts of increases or decreases for each segment are based on calculations performed after changes to the business segments.

Notes on major changes in shareholders' equity

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

Not applicable