

April 17, 2006

Sojitz Corporation

Sojitz Takes Stake in Film Distribution Company KlockWorx

Aiming to Develop a Consistent System from Content Planning & Creation, Distribution to Video/DVD Sales

In December last year, Sojitz Corporation acquired 17.94% of the issued shares of independent film distribution company KlockWorx Co., Ltd. (Head office: Shibuya-ku, Tokyo; Representative: Nobuhiko Sako), in order to enhance its content procurement and distribution functions. From April this year, an employee of the company has been dispatched to KlockWorx as an executive, and as a result, KlockWorx has become an equity-method affiliate. Through capital participation in KlockWorx, Sojitz will develop a consistent system; from content planning, creation and distribution, to sale of videos and DVDs, and aims at expanding its content business operations.

Sojitz is engaged in investments in content creation, with a focus on Japanese animation, and in export and overseas sales. The company currently handles over 100 content titles. In the business of export and overseas sales, the company also handles content other than those in which it has invested. Furthermore, Sojitz undertakes a business to turn content into videograms (production and sale of DVDs) utilizing Sojitz Group subsidiaries, and is going to work on the sale of videograms.

KlockWorx purchases copyright for and distributes overseas content, and conducts publicity campaigns for movies prior to their theater openings. The company excels in the procurement and distribution of high-quality low-cost content with a focus on Asian film pieces, the hallmark of which is 'SHAOLIN SOCCER'. KlockWorx also conducts the sale of videos and DVDs after their theater presentations.

The alliance with KlockWorx will enable Sojitz to procure a variety of high-quality content. The company will not only increase the number and categories of the content to be handled, but will also strengthen and utilize the KlockWorx video/DVD distribution channels. In addition, Sojitz and KlockWorx will realize expansion of the

content business in domestic and international distribution markets, by aggressively working on investments in domestic content production, purchases of overseas content, and on joint content production with overseas companies.

Sojitz also focuses its efforts on the acquisition and distribution of international copyright for content particular to the area of WNM (Wireless & New Media), such as cellular phones and the Internet. The company will accelerate the development of such business for global markets.

<Outline of KlockWorx Co., Ltd.>

Head office: 1-6-10 Ebisu-Minami, Shibuya-ku, Tokyo

Representative: Nobuhiko Sako

Establishment: January 24, 1997

Capital: 157.5 million yen

Business description: film distribution, release and sale of videos/DVDs, import of film-related copyrights, sale of film-related products

Major films distributed by KlockWorx: The Blair Witch Project (1999)

SHAOLIN SOCCER (2002)

CUSTOM MADE 10.30 (2005)

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