

October 16, 2006

To whom it may concern

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Subsidiary Pla Matels Revises Interim Forecasts

Sojitz Corporation today announced that its subsidiary Pla Matels Corporation (securities code: 2714) has revised its interim forecasts for the fiscal year ending March 31, 2007, which were announced on July 26, 2006. Details are provided in the attachment to this release.

Sojitz is currently finalizing consolidated business results for the first half of the fiscal year ending March 31, 2007. The revisions to Pla Matels' interim forecasts will have no impact on Sojitz's consolidated business forecasts.

(Attachment)

Pla Matels Corporation press release

October 16, 2006

To whom it may concern

Company Name: Pla Matels Corporation
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Pla Matels Announces Revisions to Interim Forecasts (Consolidated and Non-consolidated)

Pla Matels Corporation has revised its interim forecasts for the fiscal year ending March 31, 2007, which were announced in a release titled "Financial Condition and Operating Results for First Quarter of Fiscal Year Ending March 31, 2007 (Consolidated)" on July 26, 2006. Details are as follows.

1. Revision of Interim Forecasts for Fiscal Year Ending March 31, 2007

(1) Consolidated Forecasts (April 1, 2006 – September 30, 2006)

(Millions of yen; rounded down)

	Net Sales	Recurring Profit	Net Income
Previous Forecasts: A	25,000	540	270
Revised Forecasts: B	25,040	509	295
Difference: B – A	40	-31	25
Difference (%)	0.2	-5.7	9.3
(Reference) First Half of Fiscal Year Ended March 31, 2006	24,135	443	255

(2) Non-consolidated Forecasts (April 1, 2006 – September 30, 2006)

(Millions of yen; rounded down)

	Net Sales	Recurring Profit	Net Income
Previous Forecasts: A	22,000	370	210
Revised Forecasts: B	22,382	435	250
Difference: B – A	382	65	40
Difference (%)	1.7	17.6	19.0
(Reference) First Half of Fiscal Year Ended March 31, 2006	21,772	381	226

2. Reasons for Revisions

Pla Matels has revised upwards its initial interim sales and net income forecasts. In accordance with higher prices for petrochemical products due to surging crude oil prices, the Company benefited from three primary factors: rising prices for plastic raw materials, Pla Matels' key product; strong production output by core customers in line with the Japanese economic recovery; and favorable exports by core customers, partly underpinned by the weaker yen. These beneficial factors outweighed the impact of a change in accounting standards, whereby sales transactions involving compensation received for certain contract-based services included in overseas sales will be offset between net sales and cost of sales effective from the current fiscal year. Previously, these transactions were recorded separately under net sales and the cost of sales. This change had the impact of decreasing net sales and the cost of sales by ¥1,190 million each compared with the previous method of accounting. The Company has downwardly revised only its consolidated recurring profit forecast, mainly in consideration of equity-method investment losses. Despite an uncertain outlook for economic conditions, demand for petrochemicals products and other factors, Pla Matels is currently considering making only minor revisions to its full-year forecasts. These forecasts are scheduled to be announced with interim results on October 24, 2006.