

October 18, 2007

Sojitz Corporation

## **Sojitz Signs Memorandum of Understanding with Vietnam National Chemical Corporation on Strategic Partnership**

Sojitz Corporation today signed a memorandum of understanding on a strategic partnership with state-owned Vietnam National Chemical Corporation (Head office: Hanoi, Vietnam; hereafter abbreviated as VINACHEM), which plays a central role in the Vietnamese chemical industry.

Sojitz and VINACHEM will hold periodic consultative meetings, and share information on the market in the Vietnam chemical industry, the economy, the investment environment and various law and taxation systems. In Vietnam, demand for chemical materials and products is increasing along with the rapid development of light and heavy industries, and with the advancement of the high-tech and IT industries. In addition, it is expected that the Vietnamese chemical industry will grow even further, as evidenced by the technical innovation and expansion of manufacturing scale of the existing chemical manufacturers.

Through the alliance, Sojitz will work together with VINACHEM to promote new projects, such as development and investments in Vietnam. Sojitz positions Vietnam as one of the countries it has prioritized for its overseas strategy. The company aims to develop new businesses based on its network and on the longstanding and abundant achievements and experience it has gained in Vietnam. In line with Vietnamese government policy, it is planned for VINACHEM to be privatized in 2010. The company will strengthen its group structure and improve its corporate value through its cooperative relationship with Sojitz.

In 1995, Sojitz and VINACHEM established Japan Vietnam Fertilizer Company (Head office: Ho Chi Minh City, Vietnam), which company undertakes the production and sale of high-analysis compound fertilizer. Further, in 2006, the two companies signed a basic agreement on a joint promotion of a project to produce aluminum hydroxide in Vietnam. Sojitz and VINACHEM have thus been building good relations based on trust.

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