

October 3, 2008

Sojitz Corporation

**Sojitz to Make Investment in US-based Membrane Product Manufacturer  
- Strengthening its functional materials business -**

Sojitz Corporation will take a stake in Sepro Membranes, Inc. (Head office: California, U.S.), a US-based manufacturer of sheet membranes, and will expand its business to the manufacture and sales of membrane filters. Sojitz will acquire 50 percent of the issued and outstanding shares of Sepro Membranes, for approximately 500 million yen, thereby strengthening its functional materials related business.

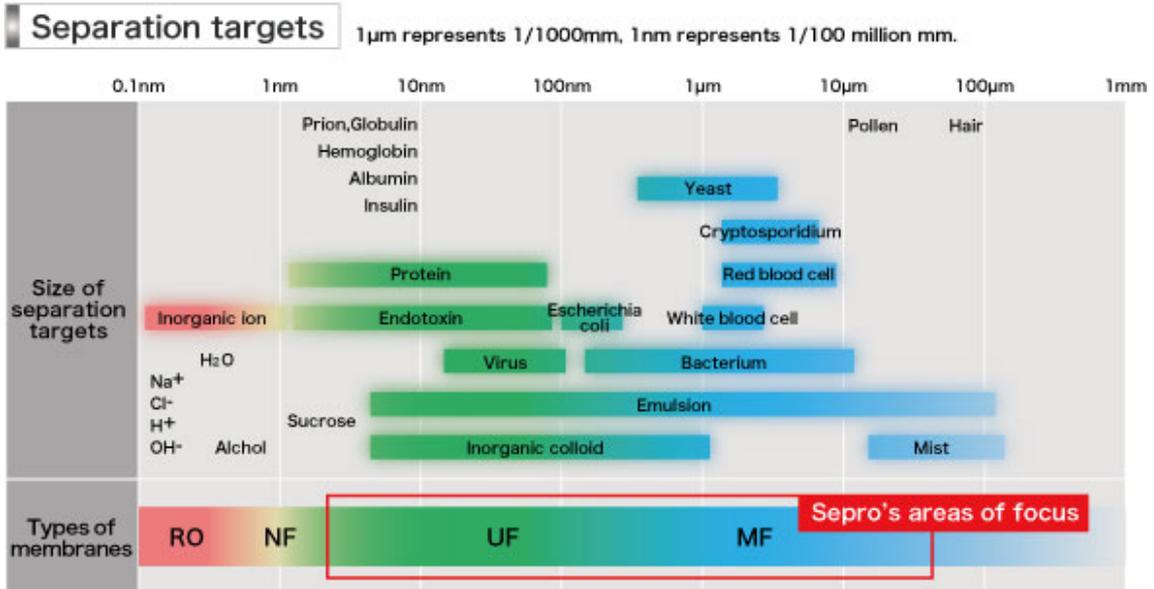
Membranes are suitable for capturing microorganisms and particulates and removing unwanted components, and are used in a variety of applications, including those in leading-edge manufacturing industries, and those such as water supply and sewerage systems, seawater desalination, food manufacturing and medicine, all of which applications support daily life. The surfaces of membranes are made up of ultrafine pores, ranging in size from 0.001 to about 1 micrometer (micro represents one millionth), through which liquids or gases are transported to separate and remove impurities.

Membranes fall into two major categories; reverse osmosis (RO) membranes, which are used for the desalination of seawater, and microfiltration (MF) membranes, which are used to remove bacteria and particulate matter from water. While leading textile and chemical manufacturers are focusing their efforts on the production of RO membranes, for which mass production is required by the exploding market, Sepro will mainly focus on the production of MF membranes, for which there is a market for many product variations, taking advantage of their unique technological development capability and their impetus to respond to detailed customer needs such as specific applications and the quantities required.

Sojitz positions the functional material segment of textile business as an area of focus. Through this capital investment in Sepro, Sojitz aims to increase profits with its membrane-related business as a pillar of the business development.

## Outline of Sepro Membranes, Inc.

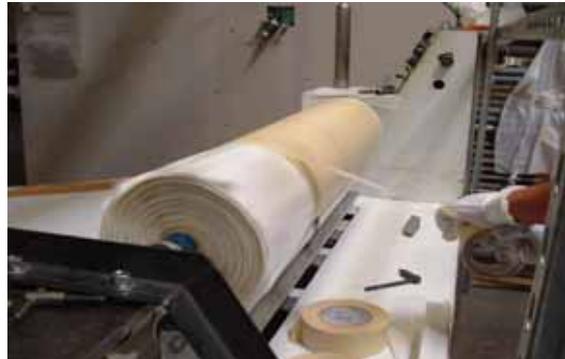
- Company name: Sepro Membranes, Inc.
- Representative: William Light
- Head office: Oceanside, California
- Capital: US\$3.5 million (Sojitz: 50%; Rochem AG: 50%)
- Business description: Manufacture and sales of various membranes and membrane separation filters



Positioning of membrane separation process and separation targets



Resin coated membranes



Filtration membranes



Membrane filter

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