



January 29, 2009
Company name Sojitz Corporation
President and CEO Yutaka Kase
Stock code 2768
 First Section, TSE and OSE
Inquiries Takashi Inada
 General Manager
 Public Relations Department
Tel +81 3-5520-3404

Sojitz Corporation's Subsidiary Revises its Full-year Earnings Forecasts

Sojitz Corporation announces that subsidiary Nissho Electronics Corporation (NELCO) (Tokyo Stock Exchange: 9865) has revised its full-year earnings forecasts for the fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009), previously released on October 29, 2008. Details of the revision appear in the attachment.

Sojitz expects the impact of the revision on its full-year consolidated business results for the fiscal year ending March 31, 2009, to be negligible.

Attachment: Nissho Electronics Corporation's disclosure

January 29, 2009
 Company name Nissho Electronics Corporation
 President and CEO Takao Tsuji
 Stock code 9865
 Inquiries Toshinobu Horie
 Executive Officer
 Tel +81 3-3544-3780

Nissho Electronics Corporation Revises Its Full-year Earnings Forecasts

Nissho Electronics Corporation (NELCO) announces that, in light of recent performance, it has revised the full-year earnings forecast which was released on October 29, 2009. Details follow.

Revised full-year consolidated forecast for the fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)
 (millions of yen except net income per share and percent changes)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	53,000	2,600	2,740	1,200	44.56
Revised forecast (B)	50,000	1,700	2,100	400	15.17
Value change (B-A)	(3,000)	(900)	(640)	(800)	–
Percent change (%)	(5.7)	(34.6)	(23.4)	(66.7)	–
For reference: Fiscal year ended March 31, 2008 (result)	54,406	2,324	2,468	(1,753)	(63.53)

Revised full-year non-consolidated forecast for the fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)
 (millions of yen except net income per share and percent changes)

	Net sales	Operating income	Recurring profit	Net income	Net income per share (yen)
Previous forecast (A)	48,000	2,600	2,700	1,200	44.56
Revised forecast (B)	45,000	2,100	2,300	500	18.96
Value change (B-A)	(3,000)	(500)	(400)	(700)	–
Percent change (%)	(6.3)	(19.2)	(14.8)	(58.3)	–
For reference: Fiscal year ended March 31, 2008 (result)	49,028	2,533	2,648	(1,920)	(69.59)

(2) Reasons for Revision

(Revision of full-year consolidated earnings forecasts)

The Japanese economy has slowed significantly in the wake of the global financial crisis stemming from the U.S. subprime mortgage meltdown.

NELCO faces an extremely challenging environment in the information and telecommunications sector, in which it operates. Information technology spending by telecommunications carriers remains solid, but the overall sector trend is clearly toward postponing information technology spending and substantially cutting budgets or suspending investment projects.

Net sales, operating income, and recurring profit were largely in line with forecasts until the third quarter. However, the fiscal fourth quarter will be even tougher given the severe backtracking in information technology spending mentioned above. We therefore expect full-year net sales of ¥50,000 million, a 5.7% decrease from the previous forecast. Due to the lower sales forecast, we now expect operating income of ¥1,700 million, a 34.6% decrease from the previous forecast, and recurring profit of ¥2,100 million, a 23.4% decrease.

We incurred valuation losses of ¥970 million on the impairment of investment securities due to sharp stock market declines and deteriorating performance at companies in which we are invested, as disclosed in a press release dated January 9, 2009, titled "NELCO announced Write-down on Investments in Securities as of December 31, 2008" (currently available in Japanese only). As a result, we expect full-year consolidated net income of ¥400 million, a 66.7% decrease from the previous forecast.

We face a more challenging business environment every day, but we are working to shore up sales by focusing on customer needs in executing and developing our business and striving to enhance customer satisfaction and customer trust. At the same time, we will focus on businesses that serve telecommunication carriers as well as maintenance services overall, areas that have thus far delivered high performance, and we will continue boosting operational efficiency, by cutting expenses and so forth, to shore up earnings.

(Revision of full-year non-consolidated earnings forecast)

In light of the above, we expect full-year non-consolidated net sales of ¥45,000 million, a 6.3% decrease from the previous forecast. Due to the lower sales forecast, we now expect operating income of ¥2,100 million, a 19.2% decrease from the previous forecast, and recurring profit of ¥2,300 million, a 14.8% decrease.

We have incurred valuation losses of ¥773 million on the impairment of investment securities due to sharp stock market declines and deteriorating performance at companies in which we are invested, as disclosed in a press release dated January 9, 2009, titled "NELCO announced Write-down on Investments in Securities as of December 31, 2008" (currently available in Japanese only). As a result, we expect full-year non-consolidated net income of ¥500 million, a 58.3% decrease from the previous forecast.

Notes:

1. The quarterly impairment loss on investment securities is accounted for with the lower-of-cost-or-market method. Therefore, depending on market prices on the closing date of the fiscal year ending March 31, 2009, we may incur additional impairment losses or reverse the loss on valuation of investment securities, which may materially impact full-year net income.
2. The above forecasts and other forward-looking statements are based on information

available as of the date of this document, and actual results may differ materially from those expressed or implied by such forward-looking statements due to various factors.