

December 9, 2010  
Sojitz Corporation

**Sojitz to Supply Russian Veneer Products for Plywood to Japanese Market**  
**Sojitz and Hashimoto Denki Receive Order for the Russian Far East's Largest Wood**  
**Processing Plant Line Equipment**  
**Seihoku to Provide Technical Support for Veneer Products Supply to Japan**

Sojitz Corporation will provide stable supplies of Russian veneer products for plywood to Japanese markets starting in 2012. The veneer will be manufactured by Russian Forest Products Group (RFPG) at a wood processing plant located in Amursk, Khabarovsk in Russia's Far East. Sojitz will supply 300,000 cubic meters of veneer (worth approximately 10 billion yen) annually.

Sojitz and Hashimoto Denki Co., Ltd., a major wood processing machinery manufacturer, received an order worth approximately 5.0 billion yen for the veneer production line equipment from RFPG. Also, Seihoku Corporation, Japan's largest plywood manufacturer, will provide technical support for manufacturing of Russian wood veneer products at the RFPG plant for Japanese market. Khabarovsk region has vast amount of Russian larch, which is used for the manufacture of plywood. This is the first time that veneer products will be manufactured and sold in that region.



Russian Larch

The Russian government is currently working to increase the value of resources, expand employment, and contribute to the development of the local economy through advanced processing of forestry resources. Russia is a forest product producing

country and currently has 25% of the world's forestry resources. Sojitz currently sells 300,000 cubic meters of Russian round logs in Japan and other countries. Russian larch is an important material used for plywood and lumber, and it is highly valued when used in Japanese structural plywood for its high strength and flatness, and as a result, demand is expected to remain stable in the future. Sojitz is participating in this veneer product processing project in Russia's Far East to contribute to the development of the local economy and to meet market needs in Asia.

Through the tie-up with RFPG, which owns about 20% of forests in the Russian Far East (approximately 6.4 million hectares), Sojitz will input and process approximately 500,000 cubic meters of Russian round logs to produce 300,000 cubic meters of veneer products annually for stable supply to Japanese markets. The Russian government is actively promoting forestry material processing, and as a result, in addition to the veneer products covered by the current project, Sojitz will explore lumber processing at the same plant as well as entering the medium-density fiber board and pulp businesses in the future.

Sojitz is a leading player in the forestry products business, handling 1.5 million cubic meters of round logs from Russia, South Sea, North America, New Zealand, and other regions annually (800,000 cubic meters for Japan and 700,000 cubic meters for other countries). In addition to the Japanese market, Sojitz is working to expand business in high-growth markets such as China and the ASEAN countries and is actively securing forestry resources.

● Overview of the RFPG Processing Plant

(1) Location: Amursk, Khabarovsk, Russian Federation

(2) Site area: 97 ha

(3) Map:



●Overview of Hashimoto Denki

- (1) Company name: Hashimoto Denki Co., Ltd.
- (2) Location: 5-1-17 Nitta-cho, Takahama-shi, Aichi Pref.
- (3) Representative: Yasunori Hashimoto
- (4) Business activities: Design and manufacture of industrial machinery

●Overview of SEIHOKU

- (1) Company name: SEIHOKU CORPORATION
- (2) Location: 1-25-5 Hongo, Bunkyo-ku, Tokyo
- (3) Representative: Atsuhiko Inoue
- (4) Business Activities: Manufacture and sale of plywood, laminated veneer lumber, particle board, and medium-density fiberboard

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