

February 1, 2011

Sojitz Corporation
Sojitz Machinery Corporation
Sojitz Pla-Net Corporation
Japan Climate Exchange Corporation

Japan Climate Exchange Corporation is certified for Official Domestic Credit Certification Support Agency for Domestic Emissions Trading from METI

Synergy Effects with Sojitz Group to be Leveraged to Invigorate Emissions Trading

Sojitz Corporation is cooperating with group companies including Japan Climate Exchange Corporation (JCX), Sojitz Machinery Corporation, and Sojitz Pla-Net Corporation to support the efforts of local governments and small and medium enterprises that create greenhouse gas emissions credits from the sale of environmentally-friendly equipment and trade those credits.



A Sojitz Machinery Biomass Boiler and Sojitz Pla-Net LEDs and Solar Panels

JCX acquired certification as an official support agency under the Japan Clean Development (JCD) Mechanism Program for Domestic Emissions Reduction Certification Scheme (Support Program for Small and Medium Enterprises to Promote the Domestic Clean Development Mechanism) with the aim of invigorating the domestic emissions trading scheme being promoted by the Ministry of Economy, Trade and Industry. JCX will assist small and medium enterprises that acquire or are considering acquisition of domestic credits to prepare emissions reduction plans and report the results.

In addition, Sojitz Machinery and Sojitz Pla-Net will encourage the installation of environmentally-friendly equipment nationwide, and JCX will support the preparation of emissions credit creation through the introduction of such equipment and support the preparation of reports, reviews, and so on. In this way, Sojitz group companies will support environmental measures by small and medium enterprises.

For example, 140 tons of greenhouse gas can be reduced by a enterprise installing one biomass boiler sold by Sojitz Machinery, 80 tons by installing solar panels (1,000 panels for one plant), or 20 tons by installing environmentally-friendly lighting (1,000 units for one plant), both handled by Sojitz Pla-Net. The government, acting through a corporate body, will purchase the credits created by the installation of such equipment at a price of 3,000 yen per ton, approximately double the average price for domestic credits. This is expected to raise incentives to small and medium enterprises, and it is anticipated that domestic credits for 500,000 tons will be created in two years.

The Domestic Clean Development Mechanism certifies the greenhouse gas emissions reductions implemented by small and medium enterprises using technology and capital provided by large enterprises. The Mechanism can be used to carry out voluntary action plans and achieve the trial emissions credit trading scheme target. The Mechanism was included in the Kyoto Protocol Target Achievement Plan and was launched in October 2008 as a government-wide initiative.

Large enterprises in Japan participating in voluntary action plans are currently planning to install environmentally-friendly equipment and facilities and to raise energy efficiency with the aim of achieving greenhouse gas reduction targets, but approximately 12.6% of all domestic greenhouse gas emissions are accounted for by small and medium enterprises (as of FY 2007), and consequently, measures by small and medium businesses are also important.

Sojitz established the Environment and New Energy Business Development Committee as a cross-division organization and is now active in the emissions credit business. Through these initiatives, the Sojitz Group is encouraging low-carbon investment by small and medium enterprises in the environment and energy fields and is working to create sustainable businesses that achieve harmony among corporate activities, society, and the environment.