

May 20, 2011

Sojitz Corporation
Japan Climate Exchange Corporation

Japan Climate Exchange Corporation Acquires Certification from Toshima Ward, Tokyo as Support Agency under the Domestic Emissions Reduction Certification Scheme

Certification Will Encourage Local Emissions Trading and Contribute to Reducing Global Warming

Japan Climate Exchange (JCX), a subsidiary of Sojitz Corporation was recently certified as a support agency under the Metropolitan Small and Medium Credit Utilization Promotion Scheme, an emissions trading scheme supported by Toshima Ward in Tokyo. JCX also received certification as a supporting agency in January of this year under the Japan Clean Development Mechanism Program for Domestic Emissions Reduction Certification Scheme, making this the second certification that that company has obtained from a public agency.

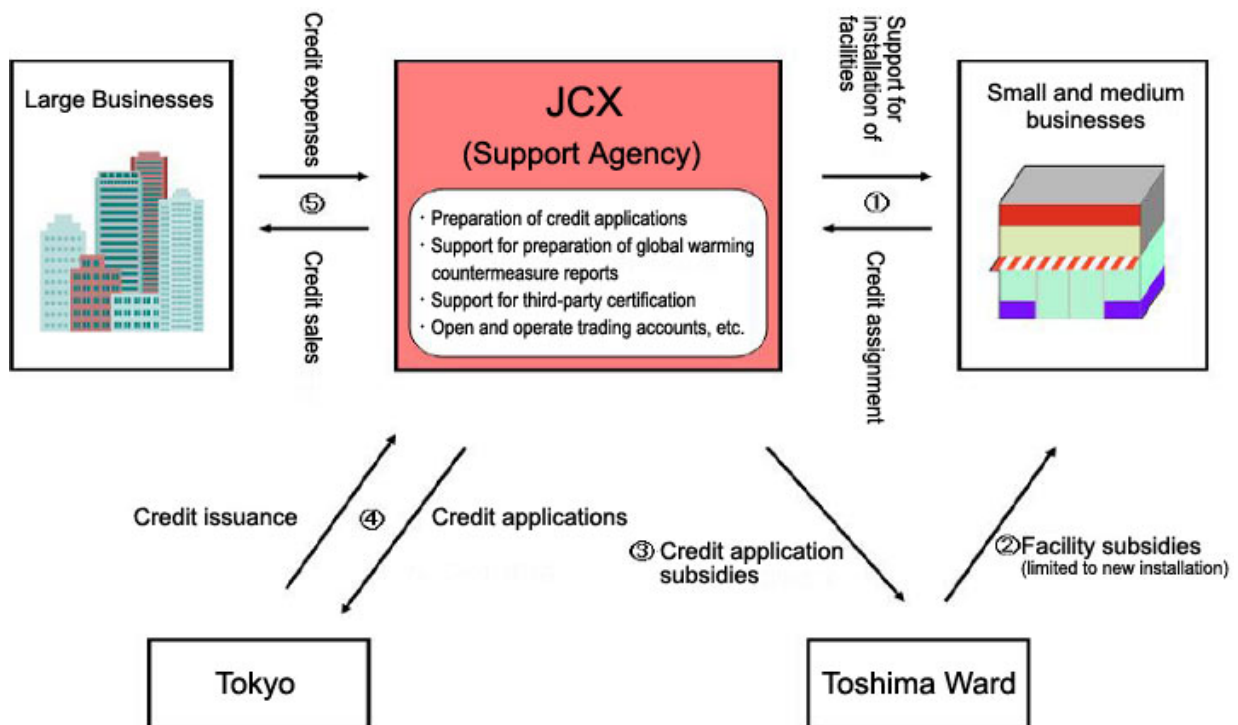


Diagram of the Scheme

The Metropolitan Small and Medium Credit Utilization Promotion Scheme supported by Toshima Ward is a project to encourage the introduction of energy-saving facilities by small and medium businesses located in the ward. In addition to granting subsidies from the Ward government to small and medium businesses* to install energy-saving facilities, the Scheme is also making use of the Tokyo Metropolitan emissions trading program to build a scheme that allows them to sell CO₂ reduction effect small-scale credits to large businesses.

As a support agency, JCX will support the installation of energy-saving facilities, prepare credit applications, submit requests to emissions certification agencies, open and operate trading accounts, support the preparation of global warming reports, and provide other assistance. It will also perform matching for sales of emissions credits to large businesses and other users.

Approximately 60% of CO₂ trading in Tokyo's industrial and commercial sectors is by small and medium businesses, and it will be essential to encourage energy-saving measures and emissions trading by small and medium businesses if the target of cutting CO₂ by 25% (compared to 2000) is to be achieved.

Following the Great Eastern Japan Earthquake in March, there has been a growing global trends towards the use of thermal energy including natural gas and coal, and concerns regarding CO₂ emissions are rising. The prices of certified emissions reductions (CER) specified by the United Nations and the Emissions Allowances (EUA) in the European Union have increased by about 10% between early March and mid-May of this year.

JCX will cooperate with local communities and local governments and promote local emissions trading, an area in which participation is expected to increase, to encourage emissions trading throughout Japan and contribute to reducing global warming.

* Businesses with annual energy consumption of less than 1500 kl of oil equivalent.

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