

Highlights of Consolidated Financial Results for the First Quarter Ended June 30, 2007

July 30, 2006
Sojitz Corporation

Results Highlights for the First Quarter Ended June 30, 2007

1. Recurring profit and net income made steady gains in line with the target of the current medium-term management plan (figures in brackets represent year-on-year changes)

Net sales: 1,377.3 billion yen (+149.7 billion yen/+12.2%)
 - Increase in trading volume in cigarettes
 - Increase in trading volume of automobiles overseas
 - Increase in trading volume of energy and mineral resources

Gross trading profit: 65.2 billion yen (+6.6 billion yen/+11.2%)
 - Strong performance in chemicals and fertilizer
 - Strong performance in automobiles overseas
 - Strong performance in energy and mineral resources

Recurring profit: 28.4 billion yen (+6.6 billion yen/+30.4%)
 - Improvement in interest income and interest expense
 - Increase in equity in earnings of unconsolidated subsidiaries and affiliates

Net income: 27.1 billion yen (+8.4 billion yen/+44.6%)
 - Increase in income before income taxes and minority interests after extraordinary income/loss-net

2. Sojitz has completed the reorganization of its capital structure

300.0 billion yen of convertible bonds (CB) issued (May 25, 2006)
 - Repurchase of preferred shares in an amount corresponding to the amount of capital raised by the conversion of bonds to common stock
 - 285.0 billion yen of CB converted to common stock as of June 30, 2007
 - CB of remaining amount 15.0 billion yen converted into common stock on July 3, 2007 and all CB completely converted into common stock.

Repurchase and cancellation of preferred shares
 - Of the outstanding balance of preferred shares stood at 560.4 billion yen which Sojitz intended to repurchase, repurchase and cancellation of 451.5 billion yen (total of repurchase amount was 296.1 billion yen) was completed by the end of June, 2007.
 - Regarding the balance of the outstanding 108.9 billion yen, Sojitz today determined the repurchase and cancellation of the remaining preferred shares will be implemented on September 28, 2007.

=> The reorganization of the capital structure will be completed by the elimination of the preferred shares allocated for repurchase.

3. Forecast for fiscal 2007, ending March 31, 2008

	Interim	Full year
Net sales	2,740.0 billion yen	5,580.0 billion yen
Operating income	40.0 billion yen	86.0 billion yen
Recurring profit	45.0 billion yen	92.0 billion yen
Net income	30.0 billion yen	60.0 billion yen

<Assumptions>

- Exchange rate (Yen/US\$) = 110
- Crude oil price (US\$/BBL) = 55 (Brent crude)

Cash dividend per share for fiscal 2007 ending March 31, 2008 (expected)
 interim: 3.5yen per share
 Yea-end: 3.5yen per share

Consolidated Statements of Income

	FY2007 (1st quarter)		FY2006 (1st quarter)		Reasons for changes	Forecast FY2007 (1st-half)	
	Results a	Results b	Change a-b	Results c		Percentage achieved a/c	
Net sales	1,377.3	1,227.6	149.7		Consumer Lifestyle Business +60.4	2,740.0	50%
Gross trading profit (Gross trading profit ratio)	65.2 (4.73%)	58.6 (4.78%)	6.6 (-0.05%)		Energy & Mineral Resources +54.4 Machinery & Aerospace +43.8	132.0 (4.82%)	49%
Personnel expenses	-20.9	-21.2	0.3		Chemicals & Plastics +4.5 Machinery & Aerospace +3.9		
Non-personnel expenses	-19.1	-16.9	-2.2				
Depreciation expenses	-1.7	-1.7	0.0				
(Subtotal)	(-41.7)	(-39.8)	(-1.9)				
Allowance for doubtful receivables and write-off	-0.4	0	-0.4				
Goodwill amortization	-1.2	-1.0	-0.2				
(Selling, general and administrative expenses)	(-43.3)	(-40.8)	(-2.5)			-92.0	47%
Operating income (Operating income ratio)	21.9 (1.59%)	17.8 (1.45%)	4.1			40.0 (1.46%)	55%
Interest income	3.9	3.2	0.7				
Interest expense (Interest expense-net)	-8.9 (-5.0)	-9.9 (-6.7)	1.0 (1.7)		Improvement in interest expense-net due to reduction in interest-bearing debt and improvement in funding conditions		
Dividends (Net financial revenue)	1.7 (-3.3)	2.2 (-4.5)	-0.5 (1.2)				
Equity in earnings of unconsolidated subsidiaries and affiliates	7.8	6.5	1.3		Nickel manufacturing company +1.1		
Other income	4.3	5.4	-1.1				
Other expenses (Others-net)	-2.3 (6.5)	-3.4 (4.0)	1.1 (2.5)			5.0	130%
Recurring profit	28.4	21.8	6.6			45.0	63%
Gain on sale and disposal of properties	0.6						
Gain on sale of investment securities	5.4				Gain on sale of agricultural chemical company, etc		
Reversal of allowance for doubtful accounts	0.7						
Gain on bad debt written-off	0.1						
(Extraordinary income)	(6.8)	(2.6)	(4.2)				
Loss on sale and disposal of properties	-0.2						
Loss, and provision for loss, on dissolution of subsidiaries and affiliates (Extraordinary loss)	-0.2 (-0.4)						
(Extraordinary income/loss-net)	(6.4)	(2.0)	(4.4)			-2.0	-
Income before income taxes and minority interests	34.8	23.8	11.0			43.0	81%
Income taxes: Current	-5.3	-4.7	-0.6				
Deferred	-1.1	-0.2	-0.9				
Minority interests	-1.3	-0.2	-1.1				
Net income	27.1	18.7	8.4			30.0	90%
Core earnings	26.8	19.8	7.0				

NOTES

1. Core earnings = Operating income (Before allowance for doubtful receivables and write-offs) + Interest expense-net + Dividends received + Equity in earnings of unconsolidated subsidiaries and affiliates

2. Forward-looking Statements

This document contains forward-looking statements regarding the Company's business plans and initiatives based on information available to management at the time of disclosure. Accordingly, such statements contain inherent risks and uncertainties. Readers are advised that actual results may differ from forward-looking statements due to a wide variety of factors, including, but not limited to, changes in economic conditions in key markets in Japan and overseas and exchange rates. The Company will provide timely disclosure of any material changes or related issues.

Consolidated Balance Sheets and Principal Management Indices

	June 30, 2007			March 31, 2007			Reasons for changes
	d	e	Change d-e	d	e	Change d-e	
Current assets	1,562.9	1,615.1	-52.2				
Cash and deposits	406.7	471.6	-64.9				Decrease due to repurchase and cancellation of preferred shares
Trade notes and trade accounts receivable	655.0	672.7	-17.7				
Securities	10.4	7.2	3.2				
Inventories	344.3	315.9	28.4				Increase due to rise in cigarette transaction volume, and higher sales at overseas automotive and fertilizer subsidiaries.
Short-term loans receivable	20.6	23.2	-2.6				
Deferred tax assets-current	7.6	8.6	-1.0				
Other current assets	132.0	130.6	1.4				
Allowance for doubtful receivables	-13.7	-14.7	1.0				
Fixed assets	1,007.6	1,000.9	6.7				
Tangible assets	241.6	230.0	11.6				Increase in assets for lease and oil-related equipment
Goodwill	70.4	69.9	0.5				
Other intangible assets	31.1	29.2	1.9				
Investment securities	518.5	518.6	-0.1				
Long-term loans receivable	39.2	39.3	-0.1				
Non-performing receivables	162.0	162.3	-0.3				
Deferred tax assets-non-current	15.2	19.7	-4.5				
Others	48.9	49.9	-1.0				
Allowance for doubtful receivables	-119.3	-118.0	-1.3				
Deferred assets	3.9	3.5	0.4				
Total assets	2,574.4	2,619.5	-45.1				
Liabilities	1,245.6	1,219.5	26.1				
Trade notes and trade accounts payable	545.2	531.5	13.7				
Short-term loans payable	472.0	501.1	-29.1				Decrease due to reduction in borrowings and transfer to long-term fund
Commercial paper	10.0	10.0	-				
Bonds with redemption in one year	45.9	0.9	45.0				
Other current liabilities	172.5	176.0	-3.5				
Non-current liabilities	763.8	868.4	-104.6				
Bonds, less current portion	150.5	245.5	-95.0				Decrease due to CB conversion (-60.0), 1Year Rule(-45.0), Increase due to issuance of bonds(+10.0)
Long-term loans payable	550.5	560.2	-9.7				
Allowance for retirement benefits	21.7	22.5	-0.8				
Other non-current liabilities	41.1	40.2	0.9				
Total liabilities	2,009.4	2,087.9	-78.5				
Common and preferred stock	152.8	122.8	30.0				Increase from conversion of CB (+30.0)
Capital surplus	144.7	158.6	-13.9				Increase from conversion of CB (+30.0) and transfer from retained earnings (+11.3) Decrease due to repurchase and cancellation of preferred shares (-55.2)
Retained earnings	155.1	147.2	7.9				Net income (+27.1); payment of dividends (-7.9); transfer to capital surplus (-11.3)
Treasury stock (Total owners' equity)	-0.1 (452.5)	-0.1 (428.5)	0.0 (24.0)				
Net unrealized gains on available-for-sale securities	102.4	94.3	8.1				
Deferred gains or losses on hedges	1.5	0.6	0.9				
Land revaluation difference	-2.6	-1.9	-0.7				
Foreign currency translation adjustments (Total valuation and translation adjustments)	-33.1 (68.2)	-32.9 (60.1)	-0.2 (8.1)				
Minority interests	44.3	43.0	1.3				
Total net assets	565.0	531.6	33.4				
Total liabilities and net assets	2,574.4	2,619.5	-45.1				
Gross interest-bearing debt	1,228.9	1,317.7	-88.8				
Net interest-bearing debt	822.2	846.1	-23.9				
Net debt/equity ratio (Times)	*1 1.58	*1 1.73	-0.15				*1 The denominator of net debt/equity ratio and the numerator of shareholders' equity ratio are calculated exclusive of minority interests.
Shareholders' equity ratio	*1 20.2%	*1 18.7%	1.5%				

**Highlights of Consolidated Financial Results for the 1st Quarter of the Year Ending March 31, 2008
Supplementary Materials (1) -Gross Trading Profit and Recurring Profit (by Industry Segment)-**

July 30, 2007
Sojitz Corporation

(Unit: Billions of yen)

	Gross Trading Profit				Recurring Profit			
	Apr to Jun, 2007	Apr to Jun, 2006	Change	Main factors for change	Apr to Jun, 2007	Apr to Jun, 2006	Change	Main factors for change
	Results	Results			Results	Results		
Machinery & Aerospace	15.5	11.6	3.9	<ul style="list-style-type: none"> Automobiles: increase (+2.9) due to growth in Central and South America, Russia and NIS, and higher transaction volume at Sojitz Corporation in the Middle East. Ships: overall increase (+0.7) due to strong performance from charter vessel owing business and marine-related equipment transactions. 	5.0	3.4	1.6	<ul style="list-style-type: none"> Automobiles: increase due to growth in Central and South America, Russia and NIS, and higher transaction volume at Sojitz Corporation in the Middle East. Ships: overall increase due to strong performance from charter vessel owing business and marine-related equipment transaction.
Energy & Mineral Resources	10.5	10.3	0.2	<ul style="list-style-type: none"> Mineral Resources: overall increase (+0.2) due to year-on-year higher prices of ferroalloy. 	10.2	8.1	2.1	<ul style="list-style-type: none"> Mineral Resources: overall increase due to year-on-year higher prices for the products of ferroalloy related operations including the nickel manufacturing company.
Chemicals & Plastics	14.8	10.3	4.5	<ul style="list-style-type: none"> Chemicals: increase (+4.4) due to expanded sales volume of fertilizer in overseas subsidiaries and higher sales due to higher price of methanol compared with the 1Q of last year. Plastic: increase reflecting stronger sales of liquid crystal to Taiwan. 	5.7	2.0	3.7	<ul style="list-style-type: none"> Chemicals: increase due to sales growth at fertilizer subsidiaries and higher sales due to higher price of methanol compared with the 1Q of last year. Plastic: increase reflecting increased sales of liquid crystal to Taiwan
Real Estate Development & Forest Products	5.0	6.0	(1.0)	<ul style="list-style-type: none"> Real Estate Development: decrease (-0.2) reflecting delays relating to condominium handovers and other factors. Forest Products: decrease (-0.9) due to decline of demand for plywood in domestic market. 	1.0	2.3	(1.3)	<ul style="list-style-type: none"> Decrease in Gross Trading Profits in both Real Estate Development & Forest Products
Consumer Lifestyle Business	8.2	9.6	(1.4)	<ul style="list-style-type: none"> Textiles, General Commodities: decrease (-0.6) reflecting sluggish sales of spring & summer items at apparel subsidiaries for this period. Foods: decrease (-0.7) due to difficulty in raising sales prices to make up for higher procurement costs of some raw materials. 	(0.5)	0.8	(1.3)	<ul style="list-style-type: none"> Decrease in Gross Trading Profits in both Textiles, General Commodities and Foods
Overseas Subsidiaries	6.5	6.4	0.1	<ul style="list-style-type: none"> Generally level with previous fiscal year in all regions. 	3.4	3.0	0.4	<ul style="list-style-type: none"> Increase in Americas
Other	4.7	4.4	0.3	<ul style="list-style-type: none"> Nissho Electronics Corporation: increase (+0.5) mainly attributable to an increase in transactions of high-margin computer-related equipment (CPU) and a strongly performance of maintenance services business. 	3.6	2.2	1.4	<ul style="list-style-type: none"> Increase due to influence of foreign exchange market and improvement of funding cost.
Total	65.2	58.6	6.6		28.4	21.8	6.6	

Highlights of Consolidated Financial Results for the 1Q of Year Ending March 31, 2008

Supplementary Materials (2) -FY2007 Full-year Forecast-

July 30, 2007
Sojitz Corporation

(Unit: Billions of yen)

P/L

	First Quarter FY2007	First Quarter FY2006	Change	FY2007 Forecast (announced on April 27, 2007)	Progress
Net Sales	1,377.3	1,227.6	+149.7	5,580.0	24.7%
Gross trading profit	65.2	58.6	+6.6	274.0	23.8%
[Gross trading profit ratio]	[4.73%]	[4.78%]		[4.91%]	
Machinery & Aerospace	15.5	11.6	+3.9	60.5	25.6%
Energy & Mineral Resources	10.5	10.3	+0.2	43.5	24.1%
Chemicals & Plastics	14.8	10.3	+4.5	46.0	32.2%
Real Estate Development & Forest Products	5.0	6.0	(1.0)	28.0	17.9%
Consumer Lifestyle Business	8.2	9.6	(1.4)	45.0	18.2%
Overseas Subsidiaries	6.5	6.4	+0.1	27.0	24.1%
Other	4.7	4.4	+0.3	24.0	19.6%
Selling, general and administrative expenses	(43.3)	(40.8)	(2.5)	(188.0)	23.0%
Operating income	21.9	17.8	+4.1	86.0	25.5%
[Operating income ratio]	[1.59%]	[1.45%]		[1.54%]	
Non-operating income/expense-net	6.5	4.0	+2.5	6.0	108.3%
Recurring profit *1	28.4	21.8	+6.6	92.0	30.9%
[Recurring profit ratio]	[2.06%]	[1.78%]		[1.65%]	
Machinery & Aerospace	5.0	3.4	+1.6	15.5	32.3%
Energy & Mineral Resources	10.2	8.1	+2.1	33.5	30.4%
Chemicals & Plastics	5.7	2.0	+3.7	8.5	67.1%
Real Estate Development & Forest Products	1.0	2.3	(1.3)	10.0	10.0%
Consumer Lifestyle Business	(0.5)	0.8	(1.3)	6.0	-
Overseas Subsidiaries	3.4	3.0	+0.4	12.5	27.2%
Other	3.6	2.2	+1.4	6.0	60.0%
Extraordinary income (loss)-net	6.4	2.0	+4.4	(5.0)	-
Income before income taxes	34.8	23.8	+11.0	87.0	40.0%
Net income	27.1	18.7	+8.4	60.0	45.2%
Core earnings *2	26.8	19.8	+7.0	90.0	29.8%

*1 Figures for recurring profit by business segment are internal figures for reference only

*2 Core earnings = Operating income (Before allowance for doubtful receivables and write-offs) + Net interest income and expenses + Dividends received + Equity in earnings of unconsolidated subsidiaries and affiliates

B/S

	June 30, 2007	March 31, 2007	Change	March 31, 2008 Forecast (announced on April 27, 2007)
Total assets	2,574.4	2,619.5	(45.1)	2,620.0
Shareholders' Equity *3	520.7	488.6	+32.1	490.0
[Total net assets]	[565.0]	[531.6]	[+33.4]	-
Shareholders' Equity ratio (%)	20.2%	18.7%	+1.5%	18.7%
Net interest-bearing debt	822.2	846.1	(23.9)	950.0
Net DER (Times)	1.6	1.7	(0.1)	1.9
[Net DER (times) based on total net assets]	[1.5]	[1.6]	[(0.1)]	-

*3 Shareholders' Equity = total net assets - minority interests

Recurring Profit Performance

Overall progress towards reaching FY2007 forecast has been steady, being as much as 30%. Performance by industry segment is as follows.

Machinery & Aerospace

- Automobiles: expected to exceed forecast due to strong performance at operating companies in Central and South America, Russia and NIS, and higher transaction volume in the Middle East.
- Information & Industrial Machinery: generally progress is according to schedule.
- Aerospace: generally progress is according to schedule.
- Ships: expected to exceed forecast due to growth of charter vessel owing business and favorable marine-related equipment transactions caused by buoyant ship market.

Energy & Mineral Resources

- Oil, Gas and LNG: despite the current sluggish conditions, especially in gas business, the higher production in the second half of the year, the high-demand season, is expected to provide a recovery.
- Coal: possibility of falling short of full-year targets due to ship congestion at Australian ports and other factors.
- Mineral Resources: expected to exceed forecast due to higher-than-expected ferroalloy prices.
- Power & Industrial Plants: generally progress is according to schedule.
- Metal One Corporation: generally progress is according to schedule.

Chemicals & Plastics

- Chemicals: continuing to perform solidly, especially in the business of electronic materials such as lithium and metton resin business.
- Plastics: generally progress is according to schedule.
- Fertilizer: generally progress is according to schedule despite concerns about passing on high raw materials price to sales price.
- Methanol: generally progress is according to schedule after taking into account the high price tendency of the first quarter and the expected decline of prices towards the year-end.

Real Estate Development & Forest Products

- Real Estate Development: generally in line with plan considering the seasonal tendency of higher earnings in the second half.
- Forest Products: generally level as planned taking into account a decline of domestic demand for plywood.

Consumer Lifestyle Business

- Textiles & General Commodities: expected to fall short of forecast due to sluggish sales of spring & summer items for this period.
- Foods: generally progress is according to schedule as profitability is expected to be regained in the 2Q or later despite lackluster performance in the 1Q because higher procurement costs by rising price of some raw materials could not be reflected in the sales price.

Overseas Subsidiaries

- Generally progress is according to schedule.

Other

- Influence of foreign exchange due to yen depreciation and improvement of funding cost.

Highlights of Consolidated Financial Results for the 1st Quarter of Year Ending March 31, 2008

Supplementary Materials (3) -New Stage 2008: Progress in 2nd year-

July 30, 2007
Sojitz Corporation

Capital Strategies

Completion of Reorganization of Capital Structure
(Elimination of Preferred Shares allocated for repurchase)

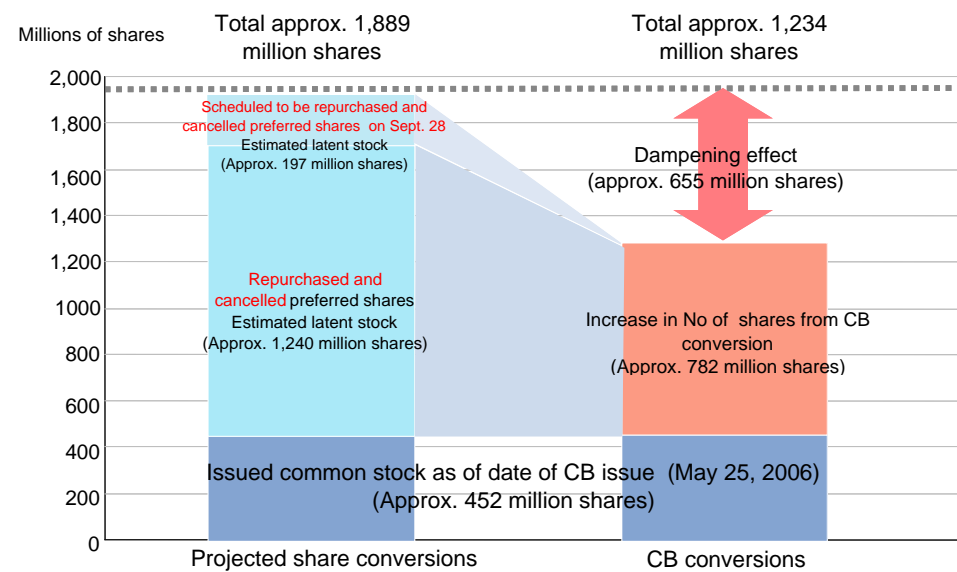
Capital strategies

- Convertible bond (CB): conversion of ¥300 billion has been completed (July 3, 2007)
- Preferred shares:
 - March 30 repurchased and cancelled 2nd Series Class I, 3rd Series Class I, 4th Series Class I, 1st Series Class II, 2nd Series Class V.
(repurchased amount: ¥240.9 billion; issue amount: ¥230.4 billion)
 - June 22 repurchased and cancelled all of 1st Series Class IV and part of 1st Series Class V.
(repurchased amount: ¥55.2 billion; issue amount: ¥221.1 billion)
 - Sept. 28 resolution passed to repurchase and cancel all of the remaining 1st Series Class V (plan) by the meeting of Board of Directors held on July 30, 2007.
(repurchasing amount: ¥46.8 billion; issue amount: ¥108.9 billion)

=> The reorganization of the capital structure will be completed by the elimination of the entire ¥560.4 billion amount of the preferred shares that were allocated for repurchase in April 2006.

Dampening effect of dilution by issuing of CB

- Total outstanding common stocks: 1,233,852,443 shares (as of July 30)
- Dampening effect: approx. 655 million shares



· Conversion of preferred shares
No. of shares assuming the following:
2nd Series Class I - 1st Series Class II (total balance ¥210.4 billion): maximum conversion price of ¥262
1st Series Class IV - 2nd Series Class V (total balance ¥350 billion): ¥552 (based on closing price on June 29, 2007)
· Excluding conversion of 1st Series Class III preferred shares (total balance ¥3 billion, conversion price, ¥476)

The reorganization of the capital structure plan will be completed according to the New Stage 2008 mid-term management plan

Growth Strategies

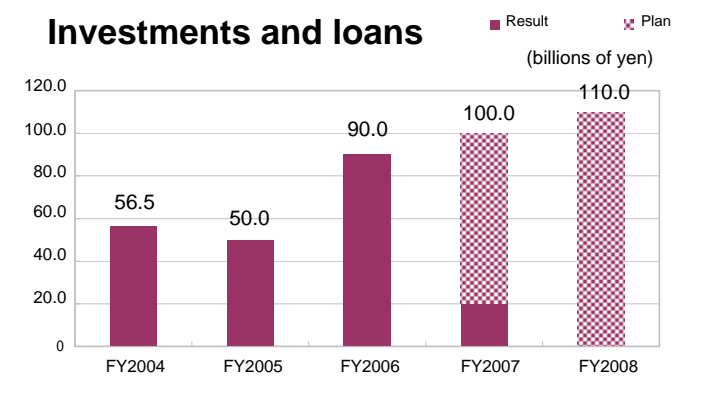
Achievement of Sustainable Growth through
"Expanding Functions" and "Increasing Business Investment"
by Utilizing the Strength of Sojitz

Progress of new investment and loan

Approx. ¥20 billion have been invested in the following areas, particularly the Energy and Mineral Resources, Machinery and Aerospace businesses.

Machinery & Aerospace Division	¥4 billion
Energy & Mineral Resources Division	¥9 billion
Chemicals & Plastics Division	¥1 billion
Real Estate Development & Forest Products Division	¥3 billion
Consumer Lifestyle Business Division	¥3 billion

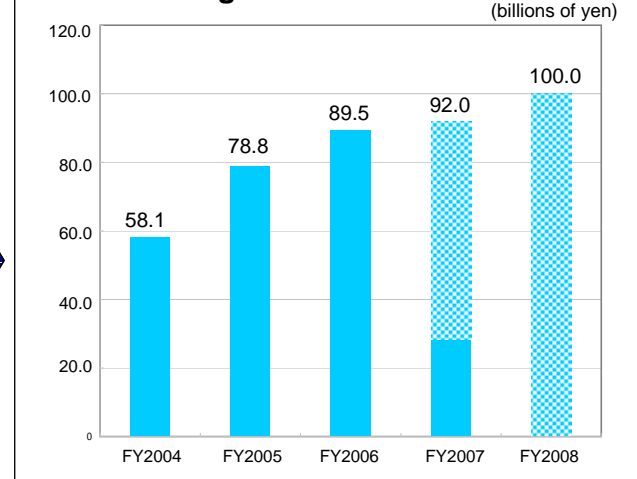
Investments and loans



FY2007 Financial Targets

Net income: ¥60 billion
Recurring Profit: ¥92 billion

Recurring Profit



Market Prices, Exchange Rates

	FY2006 Results	FY2007 Assumptions	FY2007 1Q Results ^{*1}	Most Recent
Crude oil (Brent) ^{*2} (\$/bbl)	65.9	55.0	58.6	78.0
Coal (\$/ton)	Prices based on contracts for the year, virtually unaffected by spot market prices			
Molybdenum (\$/lb)	24.4	21.3	26.1	31.5
Vanadium (\$/lb)	7.8	5.5	6.6	7.5
Exchange rates ^{*3} (\$/¥)	116.4	110	119.4	

- *1 The figures regarding FY2007 1Q results are the average from Jan. 1 to Mar. 31, 2007 based on calendar year 1Q.
*2 Impact of fluctuations in the crude oil price on earnings: A \$1/barrel change alters recurring profit by approx. ¥0.1 billion.
*3 Impact of fluctuations in the exchange rate on earnings: A ¥1/\$ change alters net sales by approx. ¥10 billion, recurring profit by approx. ¥0.2-0.3 billion and shareholders' equity by approx. ¥1.5 billion.