

Highlights of Consolidated Financial Results for the Third Quarter Ended December 31, 2007

January 30, 2008

Sojitz Corporation

Results Highlights

- Recurring profit and net income made steady gains (Figures in brackets represent year-on-year changes)
- Net sales: 4,240.8 billion yen (+386.1 billion yen/+10.0%)
- Increase in transaction volume in cigarettes
- Increase in trading volume in energy and mineral resources
- Increase in trading volume in automobiles overseas

- Gross trading profit: 201.1 billion yen (+15.9 billion yen/+8.6%)
- Strong performance in automobiles overseas
- Strong performance in methanol and fertilizer
- Decrease in forest products due to decline of demand for plywood in domestic market

- Recurring profit: 77.6 billion yen (+9.1 billion yen/+13.2%)
- Improvement in interest income and interest expense
- Increase in equity in earnings of unconsolidated subsidiaries and affiliates.

- Net income: 53.6 billion yen (+6.0 billion yen/+12.4%)
- Increase in income before income taxes and minority interests after extraordinary income/loss-net

- Sojitz has completed the reorganization of its capital structure

- 300.0 billion yen of convertible bonds were fully converted into common stock on July 3, 2007
- 300.0 billion yen of convertible bonds for the repurchase and cancellation of preferred shares were fully converted into common stock.

- Completion of repurchase and cancellation of preferred shares on September 28, 2007
- The repurchase and cancellation of relevant preferred shares was fully completed

(Issued amount: 560.4 billion yen, repurchase amount: 342.9 billion yen)

====>Sojitz's capital reorganization has been completed due to elimination of all preferred shares allocated for repurchase and cancellation

- Improved credit ratings due to completion of capital reorganization and more stable earnings base

R&I
Issuer rating: BB+ → BBB

S&P(Long-term corporate credit rating: BB+), JCR (Long-term rating : BBB) remain on CreditWatch
(Rating Outlook: Stable → Positive)

- Forecast for fiscal 2007, ending March 31, 2008

Announced with interim result, Sojitz raised its full-year forecasts

	Before revision	After revision
Net sales	5,580.0 billion yen	⇒ 5,650.0 billion yen
Operating income	86.0 billion yen	⇒ 92.0 billion yen
Recurring profit	92.0 billion yen	⇒ 100.0 billion yen
Net income	60.0 billion yen	⇒ 65.0 billion yen

<Assumptions>

-Exchange rate (Yen/US\$) = 115

-Crude oil price (US\$/BBL) = 65 (Brent crude)

Cash dividend per share for fiscal 2007 ending March 31, 2008

Year-end (expected): 3.5 yen per share

Consolidated Statements of Income

	FY2007			FY 2006	Change	Reasons for main changes	Forecast FY2007	
	Cumulative (nine months) a	Interim (six months) b	Third quarter (three months) c	(nine months) d			e	Percentage achieved a/c
Net sales	4,240.8	2,802.5	1,438.3	3,854.7	386.1		5,650.0	75%
Gross trading profit (Gross trading profit ratio)	201.1 (4.74%)	134.3 (4.79%)	66.8 (4.64%)	185.2 (4.80%)	15.9 (-0.06%)		277.0 (4.90%)	73%
Personnel expenses	-63.8	-42.5	-21.3	-61.6	-2.2			
Non-personnel expenses	-58.4	-38.7	-19.7	-54.0	-4.4			
Depreciation expenses (Subtotal)	-5.5 (-127.7)	-3.7 (-84.9)	-1.8 (-42.8)	-5.0 (-120.6)	-0.5 (-7.1)			
Provision for doubtful receivables and write-off	-1.5	-1.2	-0.3	-0.7	-0.8			
Amortization of goodwill (Selling, general and administrative expenses)	-3.7 (-132.9)	-2.5 (-88.6)	-1.2 (-44.3)	-4.2 (-125.5)	0.5 (-7.4)		-185.0	72%
Operating income (Operating income ratio)	68.2 (1.61%)	45.7 (1.63%)	22.5 (1.56%)	59.7 (1.55%)	8.5		92.0 (1.63%)	74%
Interest income	10.2	7.3	2.9	10.8	-0.6			
Interest expense (Interest expense-net)	-25.5 (-15.3)	-17.1 (-9.8)	-8.4 (-5.5)	-28.8 (-18.0)	3.3 (2.7)			
Dividends (Net financial revenue)	3.8 (-11.5)	2.4 (-7.4)	1.4 (-4.1)	4.5 (-13.5)	-0.7 (2.0)			
Equity in earnings of unconsolidated subsidiaries and affiliates	23.5	16.6	6.9	17.7	5.8			
Other income (Others-net)	7.9 (9.4)	6.7 (7.5)	1.2 (1.9)	11.9 (8.8)	-4.0 (0.6)			
Recurring profit	77.6	53.2	24.4	68.5	9.1		100.0	78%
Gain on sale and disposal of properties	0.8	0.8	0.0					
Gain on sale of investment securities	8.6	7.6	1.0					
Gain on sale of investments in partners	0.1	0.1	0.0					
Dilution gain from changes in equity interest	0.1		0.1					
Reversal of allowance for doubtful accounts	2.3	1.6	0.7					
Gain on bad debt written-off (Extraordinary income)	0.1 (12.0)	0.1 (10.2)	0.0 (1.8)	0.0 (9.7)	-2.3 (2.3)			
Loss on sale and disposal of properties	-0.8	-0.7	-0.1					
Impairment losses on fixed assets	-0.5	-0.5	0.0					
Loss on sales of investment securities	-0.3	-0.3	0.0					
Loss on devaluation of investment securities	-3.4	-2.8	-0.6					
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	-4.6	-2.3	-2.3					
Restructuring losses (Extraordinary loss)	-4.6 (-14.2)	-4.6 (-11.2)	0.0 (-3.0)	0.0 (-12.9)	-1.3 (-1.3)			
(Extraordinary income/loss-net)	(-2.2)	(-1.0)	(-1.2)	(-3.2)	(1.0)		-5.0	-
Income before income taxes and minority interests	75.4	52.2	23.2	65.3	10.1		95.0	79%
Income taxes: Current	-14.4	-10.0	-4.4	-13.5	-0.9			
Deferred	-4.6	-3.9	-0.7	-1.4	-3.2			
Minority interests	-2.8	-2.9	0.1	-2.8	0.0			
Net income	53.6	35.4	18.2	47.6	6.0		65.0	82%
Core earnings	81.7	56.1	25.6	64.6	17.1			

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

(Unit: Billions of yen)

	December 31, 2007	March 31, 2007	Change	Reasons for main changes
	d	e	d-e	
Current assets	1,688.3	1,615.1	73.2	
Cash and deposits	392.3	471.6	-79.3	Decrease due to repurchase and cancellation of preferred shares
Trade notes and trade accounts receivable	723.5	672.7	50.8	Increase due to higher sales of foods, chemicals and automobiles
Securities	9.3	7.2	2.1	Increase due to higher sales of overseas automobile and fertilizer subsidiaries
Inventories	388.8	315.9	72.9	Rise in real estate for future sale
Short-term loans receivable	14.3	23.2	-8.9	
Deferred tax assets-current	6.8	8.6	-1.8	
Other current assets	167.1	130.6	36.5	
Allowance for doubtful receivables	-13.8	-14.7	0.9	
Fixed assets	1,002.6	1,000.9	1.7	
Tangible assets	241.4	230.0	11.4	Increase in oil-related equipment
Goodwill	69.0	69.9	-0.9	
Other intangible assets	47.7	29.2	18.5	Increase due to acquisition of resources-related rights
Investment securities	497.6	518.6	-21.0	Decrease due to decline of stock prices, etc.
Long-term loans receivable	36.0	39.3	-3.3	
Non-performing receivables	150.5	162.3	-11.8	
Deferred tax assets-non-current	30.0	19.7	10.3	
Others	47.0	49.9	-2.9	
Allowance for doubtful receivables	-116.6	-118.0	1.4	
Deferred assets	3.0	3.5	-0.5	
Total assets	2,693.9	2,619.5	74.4	
Liabilities	1,387.5	1,219.5	168.0	
Trade notes and trade accounts payable	581.3	531.5	49.8	Increase due to higher transaction volume in cigarettes and chemicals, etc.
Short-term loans payable	519.3	501.1	18.2	
Commercial paper	24.5	10.0	14.5	
Bonds with redemption in one year	65.5	0.9	64.6	
Other current liabilities	196.9	176.0	20.9	
Non-current liabilities	767.8	868.4	-100.6	Decrease due to CB conversion (-75.0) 1 year rule (-65.2)
Bonds, less current portion	151.5	245.5	-94.0	Increase due to issuance of bonds (+46.2)
Long-term loans payable	557.0	560.2	-3.2	
Allowance for retirement benefits	19.7	22.5	-2.8	
Other non-current liabilities	39.6	40.2	-0.6	
Total liabilities	2,155.3	2,087.9	67.4	
Common and preferred stock	160.3	122.8	37.5	Increase from conversion of convertible bonds (+37.5)
Capital surplus	152.2	158.6	-6.4	Increase from conversion of convertible bonds (+37.5); transfer from retained earnings (+58.1); decrease due to repurchase and cancellation of preferred shares (-102.0)
Retained earnings	130.3	147.2	-16.9	Net income (+53.6); payment of dividends (-12.3) transfer to capital surplus (-58.1)
Treasury stock	-0.1	-0.1	0.0	
(Total shareholders' equity)	(442.7)	(428.5)	(14.2)	
Net unrealized gains on available-for-sale securities	86.0	94.3	-8.3	
Deferred gains or losses on hedges	1.3	0.6	0.7	
Land revaluation difference	-2.6	-1.9	-0.7	
Foreign currency translation adjustments	-33.3	-32.9	-0.4	
(Total valuation and translation adjustments)	(51.4)	(60.1)	(-8.7)	
Minority interests	44.5	43.0	1.5	
Total net assets	538.6	531.6	7.0	
Total liabilities and net assets	2,693.9	2,619.5	74.4	
Gross interest-bearing debt	1,317.8	1,317.7	0.1	
Net interest-bearing debt	925.5	846.1	79.4	
Net debt/equity ratio (Times)	1.87	1.73	0.14	The denominator for the net debt/equity ratio and the numerator of the shareholders' equity ratio have been calculated after excluding minority interests.
Shareholders' equity ratio	18.3%	18.7%	-0.4%	

Highlights of Consolidated Financial Results for the Third Quarter Ended December 31, 2007 Supplementary Materials (1) -Gross Trading Profit and Recurring Profit (by Industry Segment)-

January 30, 2008
Sojitz Corporation

(Unit: Billions of yen)

	Gross Trading Profit				Recurring Profit			
	Fiscal 2007 3Q	Fiscal 2006 3Q	Change	Main factors for change	Fiscal 2007 3Q	Fiscal 2006 3Q	Change	Main factors for change
	Results	Results			Results	Results		
Machinery & Aerospace	54.1	38.3	15.8	<ul style="list-style-type: none"> •Automobiles: increase (+10.1) due to growth in overseas automobile business •Information & Industrial Machinery: increase (+2.1) due to firm performance from a machinery-related subsidiary •Aircraft: increase (+1.2) due to healthy transaction volume in aircraft-related equipment •Ships: increase (+2.2) due to overall strength, particularly from the charter vessel owning business and marine-related equipment transaction volume 	17.8	9.3	8.5	<ul style="list-style-type: none"> •Increased due to growth in gross trading profit from Automobiles, Information & Industrial Machinery, Aircraft, and Ships
Energy & Mineral Resources	30.5	31.2	(0.7)	<ul style="list-style-type: none"> •Oil and Gas: decrease (-0.3) due to lower production volume accompanying lackluster gas prices •Coal: decrease (-2.5) due mainly to rise in demurrage and other costs •Mineral Resources: increase (+1.3) due to firm production and price performance 	27.2	25.5	1.7	<ul style="list-style-type: none"> •Increased due to solid performance by a nickel manufacturing company and other equity-method affiliates, which more than offset the decrease in gross trading profit
Chemicals & Plastics	40.8	36.4	4.4	<ul style="list-style-type: none"> •Chemicals: increase (+4.7) due to improved fertilizer sales volume and higher prices for methanol 	14.1	6.4	7.7	<ul style="list-style-type: none"> •Increased sharply due to growth in gross trading profit, as well as improved earnings from an equity-method affiliate involved in agricultural chemicals
Real Estate Development & Forest Products	12.3	16.2	(3.9)	<ul style="list-style-type: none"> •Real Estate Development: virtually unchanged (+0.1) as earnings on sales of wholesale buildings were largely offset by a decline in the number of condominiums handovers •Forest Products: decrease (-4.0) due to lower sales volume reflecting lackluster domestic demand as well as a sharp downturn in the domestic plywood market 	(0.4)	4.1	(4.5)	<ul style="list-style-type: none"> •Decreased due to a slump in the domestic plywood market and lackluster demand
Consumer Lifestyle Business	28.5	29.0	(0.5)	<ul style="list-style-type: none"> •Textiles: decrease (-0.6) due to a slump in retail apparel sales •General Commodities: increase (+0.9) due to higher transaction volumes for cigarettes and woodchips for manufacturing paper •Foods: decrease (-0.8) due mainly to lower profitability for livestock feed blends, reflecting sharply higher grain prices 	0.7	2.1	(1.4)	<ul style="list-style-type: none"> •Decreased due to a slump in retail apparel sales
Overseas Subsidiaries	20.6	19.8	0.8	<ul style="list-style-type: none"> •Americas: increase (+0.7) due to firm machinery and metal resource-related transaction volumes •Europe: increase (+0.2) due to strong plastic-related transaction volume 	9.7	10.2	(0.5)	<ul style="list-style-type: none"> •Decreased due to rise in SG&A expenses stemming from addition of personnel overseas
Other	14.3	14.3	0	<ul style="list-style-type: none"> •Overall unchanged 	8.5	10.9	(2.4)	<ul style="list-style-type: none"> •Decreased because the positive factors enjoyed by the IT Business Development Group in the previous period (e.g., earnings from the sale of shares of an investment in incubation company) did not recur
Total	201.1	185.2	15.9		77.6	68.5	9.1	

Highlights of Consolidated Financial Results for the Third Quarter Ended December 31, 2007
Supplementary Materials (2) -FY2007 Full-year Forecast-

January 30, 2008
 Sojitz Corporation

(Unit: Billions of yen)

P/L

	Third Quarter FY 2007	Third Quarter FY2006	Change	FY2007 Full-year Forecast (Announced on October 30, 2007)	Percentage achieved
Net Sales	4,240.8	3,854.7	+386.1	5,650.0	75.1%
Gross trading profit	201.1	185.2	+15.9	277.0	72.6%
[Gross trading profit ratio]	[4.74%]	[4.80%]		(4.90%)	
Machinery & Aerospace	54.1	38.3	+15.8	70.0	77.3%
Energy & Mineral Resources	30.5	31.2	(0.7)	43.5	70.1%
Chemicals & Plastics	40.8	36.4	+4.4	50.0	81.6%
Real Estate Development & Forest Products	12.3	16.2	(3.9)	23.0	53.5%
Consumer Lifestyle Business	28.5	29.0	(0.5)	41.0	69.5%
Overseas Subsidiaries	20.6	19.8	+0.8	27.0	76.3%
Other	14.3	14.3	+0.0	22.5	63.6%
Selling, general and administrative expenses	(132.9)	(125.5)	(7.4)	(185.0)	71.8%
Operating income	68.2	59.7	+8.5	92.0	74.1%
[Operating income ratio]	[1.61%]	[1.55%]		(1.63%)	
Non-operating income/expense-net	9.4	8.8	+0.6	8.0	117.5%
Recurring profit *1	77.6	68.5	+9.1	100.0	77.6%
[Recurring profit ratio]	[1.83%]	[1.78%]		(1.77%)	
Machinery & Aerospace	17.8	9.3	+8.5	19.0	93.7%
Energy & Mineral Resources	27.2	25.5	+1.7	36.0	75.6%
Chemicals & Plastics	14.1	6.4	+7.7	14.0	100.7%
Real Estate Development & Forest Products	(0.4)	4.1	(4.5)	6.5	-
Consumer Lifestyle Business	0.7	2.1	(1.4)	3.0	23.3%
Overseas Subsidiaries	9.7	10.2	(0.5)	12.5	77.6%
Other	8.5	10.9	(2.4)	9.0	94.4%
Extraordinary income/(loss)-net	(2.2)	(3.2)	+1.0	(5.0)	-
Income before income taxes	75.4	65.3	+10.1	95.0	79.4%
Net income	53.6	47.6	+6.0	65.0	82.5%
Core earnings *2	81.7	64.6	+17.1	103.0	79.3%

*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)

+ Interest expense-net + Dividends received + Equity in earnings of unconsolidated subsidiaries and affiliates

Recurring Profit Performance

◎ **Strong recurring profit of 77.6 billion yen for the first nine months of fiscal 2007, representing 77.6% of full-year target**

Machinery & Aerospace	•Results likely to exceed forecasts thanks to strong performance particularly in Automobiles and Ships
Energy & Mineral Resources	•Performance expected to be largely in line with forecasts
Chemicals & Plastics	•Results likely to exceed forecasts, reflecting higher methanol prices, an anticipated increase in sales volume for fertilizer, and the passing of higher raw material costs on to customers
Real Estate Development & Forest Products	•Real Estate Development's results should be largely in line with forecasts, with condominium handovers scheduled for the fourth quarter •Forest Products's results should be largely in line with forecasts, reflecting an improved supply-demand balance thanks to progress in reducing inventories as well as signs of a modest market recovery
Consumer Lifestyle Business	•Results will likely be lower than expected due to a slump in retail apparel sales
Overseas Subsidiaries	•Results should be largely in line with forecasts
Other	•Results should be better than expected thanks to lower funding costs

B/S

	December 31, 2007	March 31, 2007	Change	March 31, 2008 Forecast
Total assets	2,693.9	2,619.5	+74.4	2,675.0
Shareholders' Equity *3	494.1	488.6	+5.5	500.0
[Total net assets]	[538.6]	[531.6]	[+7.0]	-
Shareholders' Equity ratio (%)	18.3%	18.7%	(0.4%)	18.7%
Net interest-bearing debt	925.5	846.1	+79.4	940.0
Net DER (Times)	1.9	1.7	+0.2	1.9
[Net DER (times) based on total net assets]	[1.7]	[1.6]	[0.1]	-

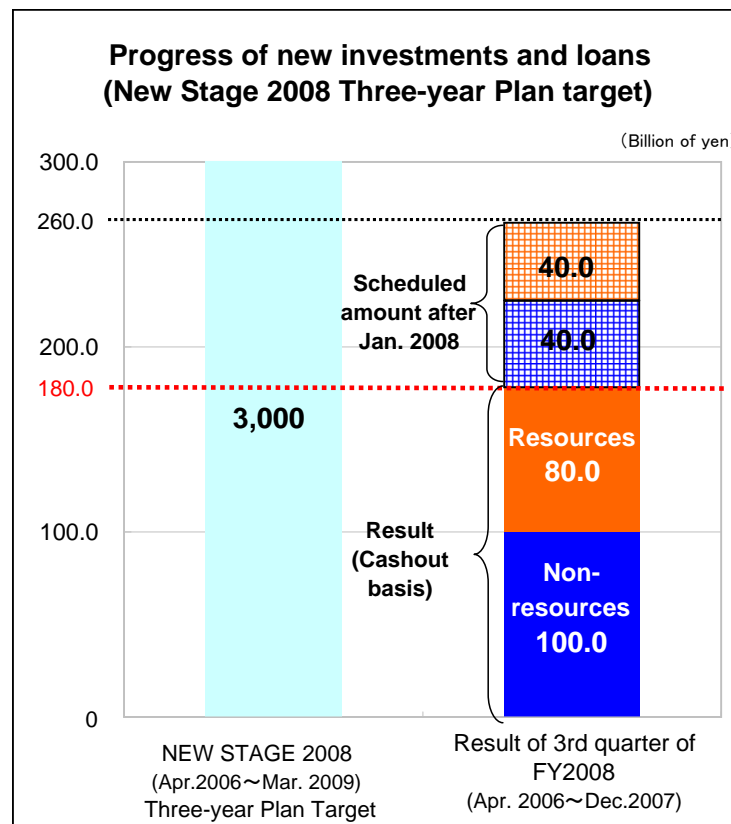
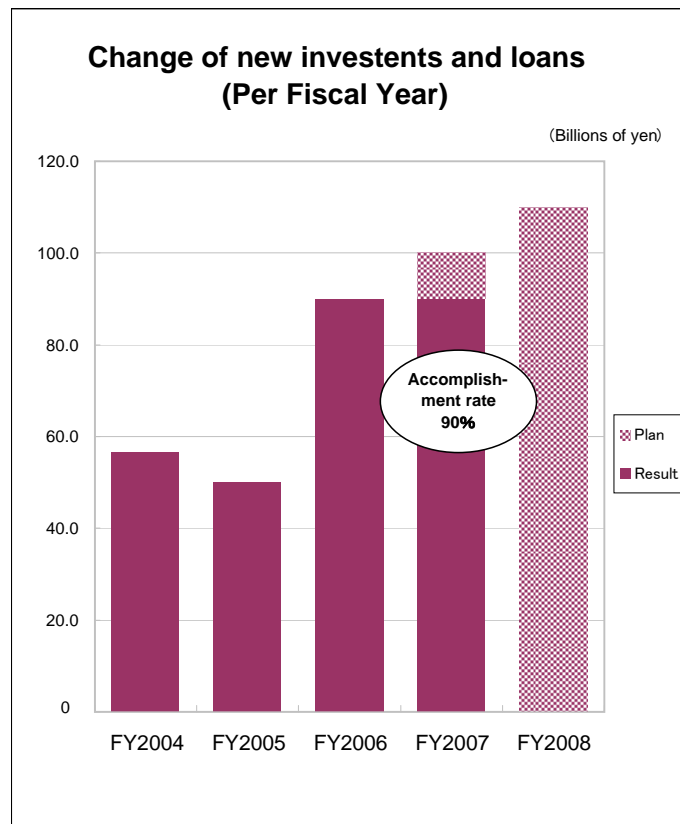
*3 Shareholders' Equity = total net assets – minority interests

New Investments and Loans

□ **Progress on New Investments and Loans**

¥180.0 billion (60% complete) of ¥300.0 billion New Stage 2008 Three-year Plan target
¥260.0 billion if combined with projects scheduled after January 2008 (87% complete)

¥90 billion of fiscal year's ¥100.0 billion target invested as of 3rd quarter (90% complete)



Major Investments and Loans Through Third Quarter of FY2008

•USA	Acquisition of onshore gas interests in Texas	¥9.6 billion
	Acquisition of deep-sea oil field interests in Gulf of Mexico	¥6.0 billion
•Canada	Purchase of tungsten production company	¥6.5 billion
•Australia	Acquisition of additional coal interests	¥6.5 billion
•Brazil	Investment in bioethanol business	¥5.7 billion
•Japan	Development of shopping center, etc.	¥8.9 billion
	Investment in rare earth-related company	¥1.0 billion

Credit Ratings

S&P Released Nov. 22	R&I Released Dec. 13	JCR Released Dec. 14
Long-term Corporate Credit Rating	Issuer Rating	Long-term Rating
BB+ (Senior unsecured debt rating BBB-)	BB+ → BBB	BBB
Stable → Positive	Stable	Stable → Positive
	Short-term (CP) Rating	Short-term (CP) Rating
	a-3 → a-2	J-2

Commodities and Exchange Rate

	Jan. to Jun. 2007 Average	FY07 Second-half Assumptions	Jul. to Dec. 2007 Average		Jan. to Dec. 2007 Average
			Jul. to Sep. 2007 Average	Oct. to Dec. 2007 Average	
Crude oil*1 (Brent) (\$/bbl)	63.8	65.0	82.6		73.2
Coal (\$/ton)	•Prices based on contracts for the year, virtually unaffected by spot market prices				
Molybdenum (\$/lb)	28.5	31.0	31.7		30.1
Vanadium (\$/lb)	7.3	6.0	7.6		7.4
Exchange rate*2 (\$/¥)	120.5	115.0	114.9		117.7

*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters recurring profit by approx.¥10 million

*2 Impact of fluctuations in exchange rates 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