

Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2008

October 29, 2008
Sojitz Corporation

Results Highlights

1. Net sales, Gross trading profit, Recurring profit and Net income were higher year on year due to steady progress
(Figures in brackets represent year-on-year changes)

Net sales: 2,905.1 billion yen (+102.6 billion yen/+3.7%)
-Increase in trading volume in energy and mineral resources
-Increase in trading volume in food business
-Decrease in Overseas segment

Gross trading profit: 143.7 billion yen (+9.4 billion yen/+7.0%)
-Strong performance in energy and mineral resources
-Strong performance in fertilizer overseas
-Decrease in real estate development due to slowdown in real estate market conditions

Recurring profit: 55.5 billion yen (+2.3 billion yen/+4.3%)
-Improvement in Net financial revenue due to improve interest expense-net and increase of dividends
-Decrease in equity in earnings of unconsolidated subsidiaries and affiliates

Net income: 35.9 billion yen (+0.5 billion yen/+1.4%)
-Increase in income before income taxes and minority interests

2. Set up 100 billion long-term commitment line
Sojitz contracted 'Revolving Credit Facilities by syndicate' due to strengthening stability of its financing structure on September 2008.

3. Forecast for fiscal 2008, ending March 31, 2009

Sojitz has revised its full-year forecast as follows

| | as of April 30 | as of October 29 |
|------------------|---------------------|-----------------------|
| Net sales | 5,800.0 billion yen | ⇒ 5,800.0 billion yen |
| Operating income | 95.0 billion yen | ⇒ 90.0 billion yen |
| Recurring profit | 100.0 billion yen | ⇒ 95.0 billion yen |
| Net income | 60.0 billion yen | ⇒ 60.0 billion yen |

<Assumptions>

- Exchange rate (Yen/US\$) = 100
- Crude oil price (US\$/BBL) = 90 (Brent)

Cash dividend per common stock for fiscal 2008 ending March 31, 2009
Interim: 4.5 yen per share
Year-end (expected): 4.5 yen per share

Consolidated Statements of Income

| | FY2008 2nd quarter | | | FY2007 2nd quarter | | Reasons for changes | Forecast FY2008 | |
|--|--------------------|-----------------|-----------------|--------------------|----------------|---|------------------|---------------------|
| | Results a | 1st quarter | 2nd quarter | Results b | Change a-b | | c | Percentage achieved |
| | | | | | | | | a/c |
| Net sales | 2,905.1 | 1,407.2 | 1,497.9 | 2,802.5 | 102.6 | Energy & Mineral Resources +170.4 Consumer Lifestyle +45.7 Overseas -128.3 | 5,800.0 | 50% |
| Gross trading profit (Gross trading profit ratio) | 143.7 (4.95%) | 68.5 (4.87%) | 75.2 (5.02%) | 134.3 (4.79%) | 9.4 (0.15%) | Energy & Mineral Resources +9.7 Machinery & Aerospace +4.9 Real Estate Development & Forest Products -4.7 | 280.0 (4.83%) | 51% |
| Personnel expenses | -44.0 | -21.6 | -22.4 | -42.5 | -1.5 | | | |
| Non-personnel expenses | -40.5 | -19.5 | -21.0 | -38.7 | -1.8 | | | |
| Depreciation expenses | -2.8 | -1.3 | -1.5 | -3.7 | 0.9 | | | |
| (Subtotal) | (-87.3) | (-42.4) | (-44.9) | (-84.9) | (-2.4) | | | |
| Allowance for doubtful receivables and write-offs | -3.8 | -1.2 | -2.6 | -1.2 | -2.6 | | | |
| Goodwill amortization | -2.6 | -1.3 | -1.3 | -2.5 | -0.1 | | | |
| (Selling, general and administrative expenses) | (-93.7) | (-44.9) | (-48.8) | (-88.6) | (-5.1) | | -190.0 | 49% |
| Operating income | 50.0 | 23.6 | 26.4 | 45.7 | 4.3 | | 90 | 56% |
| (Operating income ratio) | 1.72% | 1.68% | 1.76% | 1.63% | | | (1.55%) | |
| Interest income | 5.7 | 3.0 | 2.7 | 7.3 | -1.6 | | | |
| Interest expense | -14.6 | -7.4 | -7.2 | -17.1 | 2.5 | | | |
| (Interest expense-net) | (-8.9) | (-4.4) | (-4.5) | (-9.8) | (0.9) | | | |
| Dividends | 4.2 | 2.2 | 2.0 | 2.4 | 1.8 | | | |
| (Net financial revenue) | (-4.7) | (-2.2) | (-2.5) | (-7.4) | (2.7) | Decrease (-1.8) due to nickel manufacturing company performance and decrease (-1.6) due to sale of an agricultural-chemical-related company | | |
| Equity in earnings of unconsolidated subsidiaries and affiliates | 11.8 | 6.7 | 5.1 | 16.6 | (-4.8) | | | |
| Other income-expenses net | -1.6 | 0.4 | -2.0 | -1.7 | 0.1 | | | |
| (Others-net) | (5.5) | (4.9) | (0.6) | (7.5) | (-2.0) | | 5.0 | — |
| Recurring profit | 55.5 | 28.5 | 27.0 | 53.2 | 2.3 | | 95.0 | 58% |
| Gain on sale of fixed assets | 4.3 | 0.0 | 4.3 | | | Gain on sale of oil and gas | | |
| Gain on sale of investment securities | 4.4 | 0.5 | 3.9 | | | Gain on sale of subsidiaries and listed overseas securities | | |
| Gain on reversal of allowance for doubtful accounts | 0.9 | 0.3 | 0.6 | | | | | |
| Gain on bad debt recovered | 0.1 | 0.1 | 0.0 | | | | | |
| Gain on dissolution of subsidiaries and affiliates | 1.2 | - | 1.2 | | | | | |
| (Extraordinary income) | (10.9) | (0.9) | (10.0) | (10.2) | (0.7) | | | |
| Loss on sale and disposal of properties | -0.3 | -0.1 | -0.2 | | | | | |
| Impairment losses on fixed assets | -2.1 | 0.0 | -2.1 | | | | | |
| Loss on revaluation of investment securities | -2.2 | -0.2 | -2.0 | | | | | |
| Loss, and provision for loss on dissolution of subsidiaries and affiliates | -3.2 | -1.4 | -1.8 | | | | | |
| Restructuring loss | -0.1 | - | -0.1 | | | | | |
| Loss on valuation of inventories | (-5.4) | -5.4 | - | | | Loss on valuation of inventories (condominiums, etc.) due to changes in accounting standards at beginning of this period | | |
| (Extraordinary losses) | (-13.3) | (-7.1) | (-6.2) | (-11.2) | (-2.1) | | | |
| (Extraordinary income/losses-net) | (-2.4) | (-6.2) | (3.8) | (-1.0) | (-1.4) | | -5.0 | — |
| Income before income taxes and minority interests | 53.1 | 22.3 | 30.8 | 52.2 | 0.9 | | 90.0 | 59% |
| Income taxes: Current | -13.0 | -5.4 | -7.6 | -10.0 | -3.0 | | | |
| Deferred | -0.3 | 0.9 | -1.2 | -3.9 | 3.6 | | | |
| Minority interests | -3.9 | -1.5 | -2.4 | -2.9 | -1.0 | | | |
| Net income | 35.9 | 16.3 | 19.6 | 35.4 | 0.5 | | 60.0 | 60% |
| Core earnings | 60.9 | 29.3 | 31.6 | 56.1 | 4.8 | | | |

NOTES

1. Core earnings

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

| | Sep. 30 | | | Reasons for changes |
|---|----------------|----------------|--------------|---|
| | 2008 d | 2008 e | Change d-e | |
| | | | | |
| Current assets | 1,770.2 | 1,676.0 | 94.2 | |
| Cash and deposits | 416.6 | 380.2 | 36.4 | |
| Trade notes and trade accounts receivable | 710.1 | 691.5 | 18.6 | Increase due to higher sales for oil and mineral resources |
| Securities | 6.7 | 9.2 | -2.5 | |
| Inventories | 452.0 | 422.2 | 29.8 | Increase due to higher volumes for fertilizer and oil |
| Short-term loans receivable | 13.1 | 11.6 | 1.5 | |
| Deferred tax assets-current | 21.4 | 19.2 | 2.2 | |
| Other current assets | 164.1 | 156.0 | 8.1 | |
| Allowance for doubtful receivables | -13.8 | -13.9 | 0.1 | |
| Fixed assets | 968.2 | 990.9 | -22.7 | |
| Tangible assets | 223.3 | 232.0 | -8.7 | |
| Goodwill | 63.7 | 65.5 | -1.8 | |
| Other intangible assets | 79.1 | 67.9 | 11.2 | Increase due to oil concessions, etc. |
| Investment securities | 452.9 | 481.0 | -28.1 | Decrease due to decline of stock market |
| Long-term loans receivable | 33.1 | 37.0 | -3.9 | |
| Non-performing receivables | 103.2 | 109.4 | -6.2 | |
| Deferred tax assets-non-current | 37.1 | 31.0 | 6.1 | |
| Others | 45.8 | 44.4 | 1.4 | |
| Allowance for doubtful receivables | -70.0 | -77.3 | 7.3 | |
| Deferred assets | 2.1 | 2.5 | -0.4 | |
| Total assets | 2,740.5 | 2,669.4 | 71.1 | |
| Liabilities | 1,294.4 | 1,383.5 | -89.1 | |
| Trade notes and trade accounts payable | 601.4 | 579.0 | 22.4 | Increase due to higher sales of fertilizer and oil |
| Short-term loans payable | 387.9 | 497.2 | (-109.3) | Decrease due to shift to long-term funding |
| Commercial paper | 36.0 | 25.0 | 11.0 | |
| Bonds with redemption in one year | 26.4 | 75.1 | -48.7 | |
| Other current liabilities | 242.7 | 207.2 | 35.5 | |
| Non-current liabilities | 945.7 | 765.6 | 180.1 | |
| Bonds, less current portion | 165.1 | 141.5 | 23.6 | Increase due to issuance of bonds (+40.0), 1-year-rule (-16.4) |
| Long-term loans payable | 717.7 | 560.3 | 157.4 | Increase due to shift to long-term funding |
| Allowance for retirement benefits | 17.2 | 19.4 | -2.2 | |
| Other non-current liabilities | 45.7 | 44.4 | 1.3 | |
| Total liabilities | 2,240.1 | 2,149.1 | 91.0 | |
| Common and preferred shares | 160.3 | 160.3 | - | |
| Capital surplus | 152.2 | 152.2 | - | |
| Retained earnings | 165.7 | 139.2 | 26.5 | Net income (+35.9); payment of dividends (-5.6) Effect from changes in accounting standards (-3.7) |
| Treasury stock | -0.1 | -0.1 | 0.0 | |
| (Total shareholders' equity) | (478.1) | (451.6) | (-26.5) | |
| Net unrealized gains on available-for-sale securities | 44.2 | 60.3 | (-16.1) | Decrease due to decline of stock market |
| Loss (gain) on deferred hedges | -2.1 | 1.3 | -3.4 | |
| Land revaluation difference | -2.5 | -2.5 | - | |
| Foreign currency translation adjustments | -62.1 | -34.7 | (-27.4) | Translation adjustments at overseas subsidiaries (with Dec. 31 fiscal year) resulting from the yen's appreciation |
| (Total valuation and translation adjustments) | (-22.5) | (24.4) | (-46.9) | |
| Minority interests | 44.8 | 44.3 | 0.5 | |
| Total net assets | 500.4 | 520.3 | -19.9 | |
| Total liabilities and net assets | 2,740.5 | 2,669.4 | 71.1 | |

| | | | |
|-------------------------------|---------|---------|-------|
| Gross interest-bearing debt | 1,333.1 | 1,299.1 | 34.0 |
| Net interest-bearing debt | 916.5 | 918.9 | -2.4 |
| Net debt/equity ratio (Times) | * 2.01 | * 1.93 | 0.08 |
| Shareholders' equity ratio | * 16.6% | * 17.8% | -1.2% |

The denominator for the net debt/equity ratio and the numerator of the shareholders' equity ratio have been calculated after excluding

Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2008 Supplementary Materials (1) -Gross Trading Profit and Recurring Profit (by Industry Segment)-

October 29, 2008
Sojitz Corporation

(Unit: Billions of yen)

| | Gross Trading Profit | | | | Recurring Profit | | | |
|--|----------------------|------------------|--------|---|------------------|------------------|--------|---|
| | Apr to Sep, 2008 | Apr to Sep, 2007 | Change | Main factors for change | Apr to Sep, 2008 | Apr to Sep, 2007 | Change | Main factors for change |
| | Results | Results | | | Results | Results | | |
| Machinery & Aerospace | 39.1 | 34.2 | 4.9 | - Automobiles: increase (+4.2) as a net result of strong performance in the Central and South America region and the Russia and NIS region, and higher transaction volume at Sojitz Corporation in the Middle East. - Information and Industrial Machinery: increase (+2.0) due to growth in plant-related equipment transactions. - Ships: increase (+1.3) due to overall growth in ship-owning business and marine-related equipment transactions. - Aircraft: decrease (-1.3) due to reduced sales in Boeing-related transaction. | 12.9 | 10.6 | 2.3 | - Automobiles: increase as a net result of strong performance in the Central and South America region and the Russia and NIS region, and higher transaction volume at Sojitz Corporation in the Middle East. - Information and Industrial Machinery: increase due to growth in plant-related equipment transactions. - Ships: increase due to overall growth in ship-owning business and marine-related equipment transactions. - Aircraft: decrease due to reduced sales in Boeing-related transaction. |
| Energy & Mineral Resources | 29.8 | 20.1 | 9.7 | - Overall increase due to soaring market prices: Oil and Gas (+5.8) Coal (+3.7) Mineral Resources (+1.1) | 24.9 | 19.0 | 5.9 | -Overall increase due to high market prices, despite decrease of investment profit on equity method due to a drop in nickel prices. |
| Chemicals & Plastics | 32.0 | 28.4 | 3.6 | - Fertilizer: increase (+6.2) due to strong sales. - Methanol: decrease (-1.9) due to a reduction in sales volume during scheduled plant maintenance work although market prices were high. | 13.8 | 10.7 | 3.1 | - Increase in gross trading profit. |
| Real Estate Development & Forest Products | 4.3 | 9.0 | (4.7) | - Real Estate Development: significantly decrease (-6.3) mainly due to the worsening of the real estate market. - Forest Products: increase (+1.6) reflecting improved gross profit margin mainly due to the restructuring and consolidation of subsidiaries. | (6.4) | 0.2 | (6.6) | - Real Estate Development: decrease in gross trading profit. - Forest Products: increase in gross trading profit. |
| Consumer Lifestyle Business | 16.1 | 18.8 | (2.7) | - Textiles: decrease (-3.7) due to the withdrawal from businesses accompanying the restructuring of the textiles business. - Foods: increase (+1.0) due to soaring market prices of wheat and other grains. | (3.9) | 0.4 | (4.3) | - Textiles: decrease due to the withdrawal from businesses accompanying the restructuring of the textiles business. |
| Overseas Subsidiaries | 13.2 | 13.9 | (0.7) | - Americas: decrease (-0.7) due to the appreciation of the yen despite steady transaction volumes in businesses related to machinery and mineral resources. | 5.9 | 6.6 | (0.7) | - Decrease in gross trading profit, primarily in the Americas. |
| Other | 9.2 | 9.9 | (0.7) | - Decrease (-0.4) due to the withdrawal from some businesses by IT Business Group. | 8.3 | 5.7 | 2.6 | - Increase due to gains on foreign currency translations, primarily in corporate divisions. |
| Total | 143.7 | 134.3 | 9.4 | | 55.5 | 53.2 | 2.3 | |

Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2008

Supplementary Materials (2) -FY2008 Full-year Forecast-

October 29, 2008
Sojitz Corporation

(Unit: Billions of yen)

P/L

| | Interim FY2008 Results | Interim FY2007 Results | Change | FY2008 Full-year Forecast (Announced on April 30, 2008) | Percentage achieved |
|---|---------------------------|---------------------------|--------------|---|------------------------|
| Net Sales | 2,905.1 | 2,802.5 | +102.6 | 5,800.0 | 50.1% |
| Gross trading profit | 143.7 | 134.3 | +9.4 | 285.0 | 50.4% |
| [Gross trading profit ratio] | [4.95%] | [4.79%] | | [4.91%] | |
| Machinery & Aerospace | 39.1 | 34.2 | +4.9 | 75.0 | 52.1% |
| Energy & Mineral Resources | 29.8 | 20.1 | +9.7 | 48.0 | 62.1% |
| Chemicals & Plastics | 32.0 | 28.4 | +3.6 | 51.0 | 62.7% |
| Real Estate Development & Forest Products | 4.3 | 9.0 | (4.7) | 23.5 | 18.3% |
| Consumer Lifestyle Business | 16.1 | 18.8 | (2.7) | 40.0 | 40.3% |
| Overseas Subsidiaries | 13.2 | 13.9 | (0.7) | 26.0 | 50.8% |
| Other | 9.2 | 9.9 | (0.7) | 21.5 | 42.8% |
| Selling, general and administrative expenses | (93.7) | (88.6) | (5.1) | (190.0) | 49.3% |
| Operating income | 50.0 | 45.7 | +4.3 | 95.0 | 52.6% |
| [Operating income ratio] | [1.72%] | [1.63%] | | [1.64%] | |
| Non-operating income/expense-net | 5.5 | 7.5 | (2.0) | 5.0 | 110.0% |
| Recurring profit *1 | 55.5 | 53.2 | +2.3 | 100.0 | 55.5% |
| [Recurring profit ratio] | [1.91%] | [1.90%] | | [1.72%] | |
| Machinery & Aerospace | 12.9 | 10.6 | +2.3 | 24.5 | 52.7% |
| Energy & Mineral Resources | 24.9 | 19.0 | +5.9 | 37.0 | 67.3% |
| Chemicals & Plastics | 13.8 | 10.7 | +3.1 | 13.5 | 102.2% |
| Real Estate Development & Forest Products | (6.4) | 0.2 | (6.6) | 11.0 | - |
| Consumer Lifestyle Business | (3.9) | 0.4 | (4.3) | 2.5 | - |
| Overseas Subsidiaries | 5.9 | 6.6 | (0.7) | 9.0 | 65.6% |
| Other | 8.3 | 5.7 | +2.6 | 2.5 | 332.0% |
| Extraordinary income (loss)-net | (2.4) | (1.0) | (1.4) | (10.0) | - |
| Income before income taxes | 53.1 | 52.2 | +0.9 | 90.0 | 59.0% |
| Net income | 35.9 | 35.4 | +0.5 | 60.0 | 59.8% |
| Core earnings *2 | 60.9 | 56.1 | +4.8 | 100.0 | 60.9% |

*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

| | September 30, 2008 | March 31, 2008 | Change | March 31, 2009 Forecast (Announced on October 29, 2008) |
|---|-----------------------|----------------|---------|---|
| Total assets | 2,740.5 | 2,669.4 | +71.1 | 2,700.0 |
| Shareholders' Equity *3 | 455.6 | 476.0 | (20.4) | 450.0 |
| [Total net assets] | [500] | [520] | [-19.9] | - |
| Shareholders' Equity ratio (%) | 16.6% | 17.8% | (0.0) | 16.7% |
| Net interest-bearing debt | 916.5 | 918.9 | (2.4) | 950.0 |
| Net DER (Times) | 2.0 | 1.9 | +0.1 | 2.1 |
| [Net DER (times) based on total net assets] | (1.8) | (1.8) | - | - |

*3 Equity = total net assets – stock acquisition rights – minority interests (same meaning as "shareholders' equity" as used previously)

Recurring Profit Performance

⊙ **Steady progress achieved with recurring profit of ¥55.5 billion for the second quarters of FY2008 (cumulative), but the full-year FY2008 forecast has been revised downwards to reflect the impact of worsening economic conditions.**

Machinery & Aerospace
- In the first half of the year, a strong performance centered on Automobiles, Information and Industrial Machinery and Ships; in the second half, a decrease is expected due to the impact of worsening economic conditions in emerging nations.

Energy & Mineral Resources
Market conditions are weakening, but performance is expected to exceed initial forecasts due to high market prices throughout the first half of the year.

Chemicals & Plastics
The fertilizer business is expected to slow down in the second half of the year mainly due to seasonal factors, but performance is expected to exceed initial forecasts due to strong sales throughout the first half.

Real Estate Development & Forest Products
Expected to significantly decrease due to the impact of profit deterioration with the worsening of the real estate market.

Consumer Lifestyle Business
Expected to significantly decrease due to the impact of the withdrawal from businesses accompanying the restructuring of the textiles business.

Overseas Subsidiaries
Expected to perform in line with forecasts overall.

Other
Improvements in funding costs.

| FY2008 Full-year Forecast (Announced on October 29, 2008) |
|---|
| 5,800.0 |
| 280.0 |
| [4.83%] |
| 76.0 |
| 53.0 |
| 52.0 |
| 15.0 |
| 36.0 |
| 26.0 |
| 22.0 |
| (190.0) |
| 90.0 |
| [1.55%] |
| 5.0 |
| 95.0 |
| [1.64%] |
| 22.0 |
| 43.0 |
| 18.0 |
| (8.0) |
| (3.0) |
| 9.0 |
| 14.0 |
| (5.0) |
| 90.0 |
| 60.0 |
| 104.0 |

Summary of Consolidated Financial Results for the Second Quarter ended September 30, 2008

29, October 2008

Sojitz Corporation

(URL <http://www.sojitz.com>)

Listed stock exchange: The first sections of Tokyo and Osaka

Securities Code: 2768

Company Representative: Yutaka Kase, President & CEO

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Scheduled filing date second period financial report: November 14, 2008

Adopting of US GAAP : No

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the Second Quarter Ended September 30, 2008 and 2007

(1) Consolidated Operating Results (Accumulated) Description of % is indicated as the change rate compared with the same period last year.

| | Net Sales | | Operating Income | | Recurring Profit | | Net Income | |
|--|-----------------|------|------------------|------|------------------|------|-----------------|------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % |
| For the second quarter ended September 30, 2008 | 2,905,109 | - | 50,001 | - | 55,502 | - | 35,912 | - |
| September 30, 2007 | 2,802,456 | 10.8 | 45,701 | 16.2 | 53,243 | 14.8 | 35,444 | 13.0 |

| | EPS | Adjusted EPS |
|---|-------|--------------|
| | Yen | Yen |
| For the first quarter ended September 30, 2008 | 29.10 | 28.94 |
| September 30, 2007 | 30.08 | 28.54 |

(2) Financial Position (Consolidated)

| | Total Assets | Total Net Assets | Equity Ratio | Net Assets per Share |
|-----------------------------|-----------------|------------------|--------------|----------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| As of September 30, 2008 | 2,740,488 | 500,405 | 16.6 | 366.86 |
| March 31, 2008 | 2,669,352 | 520,327 | 17.8 | 383.46 |

Notes: (Millions of Yen)

Shareholders' Equity

As of September 30, 2008: 455,551

As of March 31, 2008: 476,031

2. Cash Dividends

| | Cash Divided per Share(Yen) | | | | |
|---------------------------|-----------------------------|----------------|---------------|----------|--------|
| | First Quarter | Second Quarter | Third Quarter | Year-end | Annual |
| For the year ended | Yen | Yen | Yen | Yen | Yen |
| March 31, 2008 | - | 3.50 | - | 4.50 | 8.00 |
| March 31, 2009 | - | 4.50 | - | - | - |
| March 31, 2009 (expected) | - | - | - | 4.50 | 9.00 |

Note. 1. Change in Cash Dividends in the Second Period : No

2. The above "Cash Dividends" refers to common stock. For details on the payment of dividends for other (unlisted) classified stocks that have rights different from those of common stock issued by the Company, please refer to "Dividends on Preferred Shares" (page 3).

3. Consolidated Earnings Forecast for the Year Ending March 31, 2009 (April 1, 2008-March 31, 2009)

| | Net Sales | | Operating Income | | Recurring Profit | | Net Income | | EPS |
|---------------------------------------|-----------------|-----|------------------|-------|------------------|-------|-----------------|-------|-------|
| | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Millions of Yen | % | Yen |
| For the year ending March 31, 2009 | | | | | | | | | |
| Full year | 5,800,000 | 0.5 | 90,000 | (2.6) | 95,000 | (6.4) | 60,000 | (4.3) | 48.62 |

Note. Changes in consolidated earnings forecast for the fiscal year ending March 31, 2009 : Yes

4.Others

- (1) Changes in major subsidiaries during the fiscal year (changes in specified subsidiaries accompanying changes in scope of consolidation). :No
- (2) Use of simplified accounting procedure :Yes
- (3) Changes in accounting policy, procedures or method of presentation for preparing quarterly consolidated financial statements
 1. Changes due to amendment of accounting standards : Yes
 2. Change due to other reasons : No
- (4) Number of outstanding shares at the end of the period (Common Stock):
 1. Number of outstanding shares at the end of the period (Include treasury shares):
As of September 30, 2008: 1,233,852,443 As of March 31, 2008: 1,233,852,443
 2. Number of treasury shares at the end of the period:
As of September 30, 2008: 307,401 As of March 31, 2008: 290,099
 3. Average number of outstanding shares during period:
For the 2nd Quarter ended September 30, 2008: 1,233,554,77 For the 2nd Quarter ended September 30, 2007: 1,177,823,664

*** Important Note Concerning the Appropriate Use of Business Forecast**

The aforementioned forecasts are based on certain assumptions that Company has deemed relevant and appropriate as of the date of publication. Actual results may differ substantially from these forecasts due to variety of important factors. For details on matters of caution concerning the appropriate use of business forecasts.

Dividends on Preferred Shares

The table below sets out details of dividends per share and total dividends paid for classified stock conferring rights not offered by common stock.

| | Cash Dividends per Share | | | | |
|----------------------|--------------------------|----------------|---------------|----------|--------|
| | First Quarter | Second Quarter | Third Quarter | Year-end | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| FY2007 | | | | | |
| 1st Series Class III | | 7.50 | | 7.50 | 15.00 |
| 1st Series Class IV | - | - | - | - | 0.00 |
| 1st Series Class V | - | - | - | - | 0.00) |
| FY2008 | | | | | |
| 1st Series Class III | - | 7.50 | | | |
| FY2008 (expected) | | | | | |
| 1st Series Class III | | | - | - | 15.00 |
| | | | | 7.50 | |

**Summary of consolidated Profit and Loss
for the Second Quarter ended September 30, 2008 (cumulative)**

Millions of Yen

| | 2nd Quarter (From April 1, 2008 to September 30, 2008) |
|---|--|
| Net sales | 2,905,109 |
| Cost of sales | 2,761,448 |
| Gross trading profit | 143,661 |
| Selling, general and administrative expenses | 93,660 |
| Operating income | 50,001 |
| Interest income | 5,731 |
| Dividends | 4,222 |
| Equity in earnings of unconsolidated subsidiaries and affiliates | 11,828 |
| Other income | 4,981 |
| Non-operating income | 26,763 |
| Interest expense | 14,420 |
| Interest expense on commercial papers | 151 |
| Other expenses | 6,689 |
| Non-operating expense | 21,261 |
| Recurring profit | 55,502 |
| Gain on sale and disposal of properties | 4,296 |
| Gain on sale of investment securities | 4,443 |
| Gain on change in equity | 9 |
| Reversal of allowance for doubtful accounts | 909 |
| Gain on bad debt recovered | 56 |
| Gain on dissolution of subsidiaries and affiliates | 1,169 |
| Extraordinary income | 10,884 |
| Loss on sale and disposal of properties | 241 |
| Impairment losses on fixed assets | 2,126 |
| Loss on sale of investment securities | 29 |
| Loss on devaluation of securities | 2,202 |
| Dilution loss from changes in equity-interest | 30 |
| Loss and provision for loss on dissolution of subsidiaries and affiliates | 3,145 |
| Restructuring loss | 47 |
| Loss on valuation of inventories | 5,421 |
| Extraordinary loss | 13,244 |
| Income before income taxes and minority interests | 53,142 |
| Income taxes-current | 13,016 |
| Income taxes-deferred | 305 |
| Total income taxes | 13,321 |
| Minority interests in income | 3,908 |
| Net income | 35,912 |

**Summary of Consolidated Profit and Loss
for the Second Quarter ended September 30,2008**

Millions of Yen

| | 2nd Quarter (From July 1, 2008 to September 30, 2008) |
|---|---|
| Net sales | 1,497,931 |
| Cost of sales | 1,422,736 |
| Gross trading profit | 75,194 |
| Selling, general and administrative expenses | 48,743 |
| Operating income | 26,451 |
| Interest income | 2,695 |
| Dividends | 1,971 |
| Equity in earnings of unconsolidated subsidiaries and affiliates | 5,149 |
| Other income | 2,930 |
| Non-operating income | 12,747 |
| Interest expense | 7,089 |
| Interest expense on commercial papers | 77 |
| Other expenses | 5,048 |
| Non-operating expense | 12,214 |
| Recurring profit | 26,983 |
| Gain on sale and disposal of properties | 4,277 |
| Gain on sale of investment securities | 3,995 |
| Gain on change in equity | 0 |
| Reversal of allowance for doubtful accounts | 568 |
| Gain on bad debt recovered | 10 |
| Gain on dissolution of subsidiaries and affiliates | 1,169 |
| Extraordinary income | 10,021 |
| Loss on sale and disposal of properties | 198 |
| Impairment losses on fixed assets | 2,099 |
| Loss on sale of investment securities | 17 |
| Loss on devaluation of securities | 1,986 |
| Dilution loss from changes in equity-interest | 30 |
| Loss and provision for loss on dissolution of subsidiaries and affiliates | 1,747 |
| Restructuring loss | 47 |
| Extraordinary loss | 6,126 |
| Income before income taxes and minority interests | 30,878 |
| Income taxes-current | 7,640 |
| Income taxes-deferred | 1,217 |
| Total income taxes | 8,858 |
| Minority interests in income | 2,408 |
| Net income | 19,611 |

(Ref.) For the Interim Period Ended September 30, 2007

(Millions of Yen)

| | | Second Quarter (From April 1, 2007 To September 30, 2007) |
|----|--|---|
| 1 | Net sales | 2,802,456 |
| 2 | Cost of sales | (2,668,137) |
| 3 | Gross trading profit | 134,318 |
| 4 | Selling, general and administrative expenses | (88,617) |
| 5 | Operating income | 45,701 |
| 6 | Non-operating income | 33,046 |
| 7 | Interest income | 7,303 |
| 8 | Dividends | 2,447 |
| 9 | Equity in earnings of unconsolidated subsidiaries and affiliates | 16,586 |
| 10 | Other income | 6,709 |
| 11 | Non-operating expense | (25,504) |
| 12 | Interest expense | (17,069) |
| 13 | Interest expense on commercial papers | (43) |
| 14 | Other expenses | (8,391) |
| 15 | Recurring profit | 53,243 |
| 16 | Extraordinary income/(loss)-net | (1,028) |
| 17 | Income before income taxes and minority interest | 52,215 |
| 18 | Income taxes-Current | (10,015) |
| 19 | Income taxes-Deferred | (3,898) |
| 20 | Minority interests | (2,857) |
| 21 | Net Income | 35,444 |

Consolidated Balance Sheets

As of September 30, 2008

(Millions of Yen)

| | As of September 30, 2008 | As of March 31, 2008 |
|---|--------------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 416,649 | 380,195 |
| Notes and accounts receivable-trade | 710,120 | 691,492 |
| Short-term investment securities | 6,654 | 9,180 |
| Inventories | 452,034 | 422,158 |
| Short-term loans receivable | 13,112 | 11,609 |
| Deferred tax assets | 21,438 | 19,179 |
| Other | 164,027 | 156,000 |
| Allowance for doubtful accounts | (13,829) | (13,869) |
| Total current assets | 1,770,207 | 1,675,946 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 99,154 | 112,168 |
| Accumulated depreciation | (45,781) | (48,638) |
| Buildings and structures (Net) | 53,373 | 63,529 |
| Machinery, equipment and vehicles | 180,777 | 180,726 |
| Accumulated depreciation | (81,599) | (83,943) |
| Machinery, equipment and vehicles (Net) | 99,177 | 96,783 |
| Land | 52,941 | 56,393 |
| Construction in progress | 14,663 | 7,139 |
| Other | 13,069 | 19,649 |
| Accumulated depreciation | (9,894) | (11,476) |
| Other (Net) | 3,175 | 8,172 |
| Total property, plant and equipment | 223,331 | 232,018 |
| Intangible assets | | |
| Goodwill | 63,668 | 65,466 |
| Other | 79,138 | 67,876 |
| Total intangible assets | 142,806 | 133,343 |
| Investments and other assets | | |
| Investment securities | 452,896 | 480,993 |
| Long-term loans receivable | 33,059 | 36,961 |
| Bad debts | 103,206 | 109,440 |
| Deferred tax assets | 37,148 | 31,053 |
| Other | 45,795 | 44,400 |
| Allowance for doubtful accounts | (70,049) | (77,335) |
| Total investments and other assets | 602,057 | 625,514 |
| Total noncurrent assets | 968,196 | 990,875 |
| Deferred assets | 2,084 | 2,529 |
| Total assets | 2,740,488 | 2,669,352 |

Consolidated Balance Sheets

As of September 30, 2008

(Millions of Yen)

| | As of September 30, 2008 | As of March 31, 2008 |
|---|--------------------------|----------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable-trade | 601,445 | 578,995 |
| Short-term loans payable | 387,859 | 497,208 |
| Commercial papers | 36,000 | 25,000 |
| Current portion of bonds | 26,426 | 75,100 |
| Income taxes payable | 9,290 | 8,246 |
| Deferred tax liabilities | 98 | 53 |
| Provision for bonuses | 7,904 | 7,686 |
| Other | 225,398 | 191,161 |
| <u>Total current liabilities</u> | <u>1,294,422</u> | <u>1,383,451</u> |
| Noncurrent liabilities | | |
| Bonds payable | 165,120 | 141,496 |
| Long-term loans payable | 717,712 | 560,281 |
| Deferred tax liabilities | 17,461 | 16,685 |
| Deferred tax liabilities for land revaluation | 1,193 | 1,193 |
| Provision for retirement benefits | 17,248 | 19,410 |
| Provision for directors' retirement benefits | 1,050 | 958 |
| Other | 25,874 | 25,548 |
| <u>Total noncurrent liabilities</u> | <u>945,661</u> | <u>765,572</u> |
| <u>Total liabilities</u> | <u>2,240,083</u> | <u>2,149,024</u> |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 160,339 | 160,339 |
| Capital surplus | 152,160 | 152,160 |
| Retained earnings | 165,743 | 139,264 |
| Treasury stock | (151) | (145) |
| <u>Total shareholders' equity</u> | <u>478,092</u> | <u>451,619</u> |
| Valuation and translation adjustments | | |
| Valuation difference on available-for-sale securities | 44,157 | 60,280 |
| Deferred gains or losses on hedges | (2,104) | 1,345 |
| Revaluation reserve for land | (2,530) | (2,530) |
| Foreign currency translation adjustment | (62,064) | (34,684) |
| <u>Total valuation and translation adjustments</u> | <u>(22,541)</u> | <u>24,412</u> |
| Minority interests | 44,853 | 44,296 |
| <u>Total net assets</u> | <u>500,405</u> | <u>520,327</u> |
| <u>Total liabilities and net assets</u> | <u>2,740,488</u> | <u>2,669,352</u> |

Segment Information

for the 2nd Quarter ended September 30, 2008 (cumulative)

Industry Segments

The business segment information for the Second Quarter ended September 30, 2008 and preceding interim period are as follows:

For the Second Quarter ended September 30, 2008 (cumulative)

Millions of yen

| | Machinery & Aerospace | Energy & Mineral Resources | Chemicals & Plastics | Real Estate Development & Forest Products | Consumer Lifestyle Business | Overseas Subsidiaries |
|------------------------|-----------------------|----------------------------|----------------------|---|-----------------------------|-----------------------|
| Net sales | | | | | | |
| Outside customers | 590,053 | 883,538 | 372,873 | 153,462 | 659,867 | 190,990 |
| Inter-segment | 13,175 | 6,971 | 25,323 | 499 | 7,345 | 171,613 |
| Total | 603,229 | 890,510 | 398,197 | 153,961 | 667,213 | 362,603 |
| Operating income(loss) | 15,799 | 17,564 | 16,636 | (3,044) | (626) | 1,107 |

| | Other | Total | Elimination & Unallocated | Consolidated |
|-------------------------|--------|-----------|---------------------------|--------------|
| Net sales | | | | |
| Outside customers | 54,323 | 2,905,109 | - | 2,905,109 |
| Inter-segment | 5,330 | 230,259 | (230,259) | - |
| Total | 59,654 | 3,135,369 | (230,259) | 2,905,109 |
| Operating income (loss) | 980 | 48,418 | 1,583 | 50,001 |

Notes:

1. Unallocated costs and expenses not included in "Elimination and Unallocated".

Segment Information

for the 2nd Quarter ended September 30, 2008

Industry Segments

For the Second Quarter ended September 30, 2008 (From July 1st, 2008 - Sep 30, 2008)

Millions of yen

| | Machinery & Aerospace | Energy & Mineral Resources | Chemicals & Plastics | Real Estate Development & Forest Products | Consumer Lifestyle Business | Overseas Subsidiaries |
|------------------------|-----------------------|----------------------------|----------------------|---|-----------------------------|-----------------------|
| Net sales | | | | | | |
| Outside customers | 309,083 | 441,205 | 197,589 | 83,367 | 333,427 | 104,255 |
| Inter-segment | 6,722 | 5,876 | 12,532 | 243 | 3,758 | 86,016 |
| Total | 315,805 | 447,081 | 210,121 | 83,610 | 337,186 | 190,272 |
| Operating income(loss) | 9,955 | 8,901 | 9,037 | (2,902) | (985) | 467 |

| | Other | Total | Elimination & Unallocated | Consolidated |
|-------------------------|---------------|------------------|---------------------------|------------------|
| Net sales | | | | |
| Outside customers | 29,002 | 1,497,931 | - | 1,497,931 |
| Inter-segment | 2,258 | 117,408 | (117,408) | - |
| Total | 31,260 | 1,615,339 | (117,408) | 1,497,931 |
| Operating income (loss) | 1,055 | 25,529 | 921 | 26,451 |

Notes:

1. Unallocated costs and expenses not included in "Elimination and Unallocated".

Segment Information

for the interim period ended September 30, 2007

Industry Segments

(Ref.) Interim Period ended September 30, 2007

Millions of yen

| | Machinery & Aerospace | Energy & Mineral Resources | Chemicals & Plastics | Real Estate Development & Forest Products | Consumer Lifestyle Business |
|-------------------|-----------------------|----------------------------|----------------------|---|-----------------------------|
| Net sales | | | | | |
| Outside customers | 579,435 | 713,151 | 350,247 | 166,953 | 614,218 |
| Inter-segment | 8,324 | 3,456 | 27,538 | 615 | 9,759 |
| Total | 587,759 | 716,608 | 377,786 | 167,569 | 623,977 |
| Operating income | 15,253 | 8,926 | 13,483 | 2,363 | 1,983 |

| | Overseas Subsidiaries | Other | Total | Elimination and Unallocated | Consolidated |
|-------------------|-----------------------|--------|-----------|-----------------------------|--------------|
| Net sales | | | | | |
| Outside customers | 319,251 | 59,198 | 2,802,456 | - | 2,802,456 |
| Inter-segment | 152,530 | 5,015 | 207,240 | (207,240) | - |
| Total | 471,781 | 64,213 | 3,009,696 | (207,240) | 2,802,456 |
| Operating income | 1,305 | 1,546 | 44,862 | 838 | 45,701 |

Notes:

1. Unallocated costs and expenses not included in "Elimination and Unallocated" .

2. Company assets included in "Elimination and Unallocated" totaled 318,111 million yen and comprised mainly managed surplus (cash and deposits and bonds, and investment securities) of the Company.

Business Results

Analysis of business results

1. Overview of first two quarters of fiscal 2008

Economic environment

During the first two quarters of fiscal 2008, the year ending March 31, 2009, the economic slowdown in the United States continued to have an impact on the global economy. Since the failure of a major U.S. securities company in September, the international financial system has continued to undergo much turmoil and extreme tension. It is apparent that the financial instability is spreading worldwide. The adverse impact of this financial crisis on real economic activity extends beyond the U.S. economy, which has entered slowdown phase. The spread of the impact to the global economy is now unavoidable. Global economic forecasts indicate a difficult phase, and include the possibility that the emerging nations may simultaneously slide into business recessions.

In the Americas, the United States is undergoing a prolonged period of credit uncertainty from the impact of the subprime loan problem, and is facing a financial crisis due to such events as the failures of major financial institutions. In response to the financial crisis, the government has passed and enacted emergency legislation to stabilize the economy, but the actual economy is still visibly sluggish in terms of incomes and employment, and is increasingly viewed as being in the first stage of an economic recession. There are also concerns that the government will be late in implementing additional measures because the country is entering the period of low political activity around the time of a presidential election. In Central and South America, economies were robust, notably in resource-rich Brazil, but the impact of the economic slowdown in the United States on the entire region is becoming clearly apparent, despite the fact that Brazil is increasing investments to drive sustained economic expansion.

In Europe, the Eurozone economy was generally strong. However, the

repercussions from the U.S. financial crisis led to the nationalization, in quick succession, of several financial institutions subject to credit uncertainty, and raised concerns that the financial crisis will have a severe impact on the actual economy.

In Asia, dealing with inflationary trends is a common issue facing each country. It appeared that the pressure of inflation had passed its peak due to the decline in crude oil prices and other factors, but the economic slowdown continued, particularly in those countries highly dependent on exports to advanced nations.

In China, domestic demand remained strong and GDP continued to show high growth. Mainly for these reasons the economy continued to expand, but concerns grew about the future and the People's Bank of China lowered the key one-year lending rate for the first time in four years. The government is shifting its key policy from suppressing inflation to introducing economic countermeasures.

The Japanese economy saw increasing concerns about economic slowdowns, mainly due to rising commodity prices and declining exports. There are fears of a long-term economic slump due to the worsening of the external environment, including economic slowdowns in Europe and the United States against the background of the financial instability that began in the United States, and a worldwide credit crunch. As the economic slowdown spreads from the United States to other regions, including emerging nations in Asia, the future of exports appears bleak and capital investments are clearly in an adjustment phase, and slumping real estate sales and other signs of an economic slowdown are apparent in Japanese industry as well. Looking ahead, there are concerns about a rising number of bankruptcies due to the impact of the credit crunch caused by the significant worsening of the financial environment.

As outlined above, the economic environment is entering a difficult phase. Nevertheless, the Sojitz Group sees this as increasing the opportunities to develop businesses in medium- and long-term growth sectors. Accordingly, we will concentrate our management resources on priority

areas to continuously implement our selection and focus initiatives, and further strengthen and advance risk management, with the overall aim of deepening our efforts to increase shareholder value.

Financial Performance

Business results for Sojitz Corporation and its consolidated subsidiaries in the first two quarters of fiscal 2008 are presented below.

Net sales

In the first two quarters of fiscal 2008, consolidated net sales amounted to ¥2,905,109 million, an increase of 3.7% from the previous fiscal year. Sales were strong in the Energy & Mineral Resources Division and the Consumer Lifestyle Business Division as a result of continuing high resource prices and food prices.

Gross trading profit

Consolidated gross trading profit amounted to ¥143,661 million, a rise of 7.0% from the previous fiscal year. Despite a decline in profits in the condominium business, reflecting a slump in the real estate market, the Energy & Mineral Resources Division performed strongly and the overseas fertilizer business also registered a favorable performance.

Operating income

Consolidated operating income rose 9.4% year on year to ¥50,001 million. This reflected the rise in gross trading profit, which outweighed an increase in selling, general and administrative (SG&A) expenses resulting from an increase in non-personnel expenses arising from expanded sales activities.

Recurring profit

Consolidated recurring profit increased by 4.2% to ¥55,502 million. Although equity in earnings of unconsolidated subsidiaries and affiliates decreased because of the sale of an agricultural chemical-related company in the previous fiscal year, operating income rose and interest expenses declined due to an improvement in Sojitz's credit rating.

Extraordinary gains and losses

Extraordinary gains totaled ¥10,884 million, including gains on the sale of investment securities (¥4,443 million) and proceeds from sale of fixed assets (¥4,296 million). Extraordinary losses totaled ¥13,244 million, including devaluation losses associated with a change in accounting standards relating to inventories (¥5,421 million) and loss and provision for loss on dissolution of subsidiaries and affiliates (¥3,145 million), resulting in a net extraordinary loss of ¥2,360 million.

Net income

As a result of these and other factors, income before income taxes and minority interests for the first two quarters of the fiscal year was ¥53,142 million. After accounting for income taxes (¥13,016 million), deferred income taxes (¥305 million), and minority interests in consolidated subsidiaries (¥3,908 million), Sojitz Corporation posted cumulative net income for the two quarters of ¥35,912 million, an increase of 1.3% from the same period of the previous fiscal year.

Results by business segment are shown below.

Machinery & Aerospace

Segment net sales amounted to ¥590,053 million, an increase of 1.8% from the same period of the previous fiscal year. Although sales in the aircraft business declined, automobile-related sales were robust and sales also grew in the information and industrial machinery business. Operating income was boosted by an increase in gross trading profit and rose 3.6% from the same period of the previous fiscal year to ¥15,799 million, despite the temporary impact of restriction on importing CBU to Venezuela in the automotive business.

Energy & Mineral Resources

Reflecting continuing high resource prices, segment net sales amounted to ¥883,538 million, an increase of 23.9% from the same period of the previous fiscal year. Operating income also rose 96.8% to ¥17,564 million mainly due to an increase in gross trading profit driven by the strong

performance of the energy resources-related businesses of coal, oil and gas.

Chemicals & Plastics

Segment net sales totaled ¥372,873 million, a rise of 6.5% from the same period of the previous fiscal year, due to growth in overseas fertilizer sales. Operating income also grew 23.4% to ¥16,636 million.

Real Estate Development & Forest Products

Segment net sales declined 8.1% from the same period of the previous fiscal year to ¥153,462 million, mainly due to a contraction in low-profit transactions in the business of building materials for the home. As regards operating revenues, profitability improved in the plywood business. However, owing to deteriorating profitability in the domestic condominium business, the segment reported an operating loss of ¥3,044 million.

Consumer Lifestyle Business

Primarily reflecting growth in food-related business associated with rising prices, segment net sales increased 7.4% from the same period last year to ¥659,867 million. However, an operating loss of ¥626 million was incurred mainly due to lower gross trading profit in the textiles business.

Overseas Subsidiaries

Segment net sales totaled ¥190,990 million, falling 40.2% from the same period of the previous fiscal year. This reflected a decrease in sales stemming from a change in accounting standards, namely, the unification of accounting criteria for overseas subsidiaries. Operating income decreased 15.2% year on year to ¥1,107 million despite a decline in SG&A expenses, due to lower gross trading profit.

Other

Segment net sales dropped 8.2% to ¥54,323 million. The segment also reported an operating loss of ¥980 million, a 36.6% increase from the loss for the same period last year, reflecting slightly weaker sales at IT subsidiaries.

2. Financial position

Consolidated balance sheet

As of September 30, 2008, trade notes and trade accounts increased ¥18,628 million from the end of previous fiscal year, mainly due to rises in prices in Energy & Mineral Resources. Inventories also increased ¥29,876 million from the end of previous fiscal year, mainly due to rises in fertilizer and food prices and the continued high prices in Energy & Mineral Resources. Although investment securities decreased due to the decline of price of listed shares caused by the turmoil in the stock market and fixed tangible assets declined due to business withdrawal based on a policy of selection and focus, cash and cash equivalents increased ¥36,454 million from the end of previous fiscal year because cash reserves were stabilized. Due to these and other factors, total assets as of September 30, 2008 were ¥2,740,488 million, an increase of ¥71,136 million from the end of the previous fiscal year, March 31, 2008.

With regard to liabilities, Sojitz is working to achieve a more stable procurement structure. Specific steps include procuring new sources of long-term funding and diversifying fund procurement through the issue of straight bonds and other instruments, resulting in an improved current ratio and long- and short-term debt ratios. Sojitz's initiatives to establish a more stable and efficient funding structure involved both direct and indirect methods of financing. Direct financing initiatives included procuring funds through the bond markets by following up the public bond offerings conducted in fiscal 2007 with bond issues totaling ¥40,000 million in June and July 2008. Indirect financing initiatives included active measures to change the balance of funding from short-term to long-term, and establishing a more stable and efficient fund procurement structure.

Despite the payment of dividends and a decrease associated with the change in accounting standards, shareholders' equity increased ¥26,473 million from the end of the previous fiscal year to ¥478,092 million due to a rise in cumulative net income for the first two quarters of fiscal 2008. However, net assets, which includes minority interests, decreased ¥19,922 million from the end of the previous fiscal year to ¥500,405 million. Net

unrealized gains on available-for-sale securities in the valuation and translation adjustments section decreased by ¥16,123 million due to slumping share prices, and the foreign currency translation adjustment decreased by ¥27,380 million due to yen appreciation.

The net interest-bearing debt after subtracting cash and cash equivalents from the total interest-bearing debt amount decreased by ¥2,422 million from the end of the previous fiscal year to ¥916,468 million, resulting in a net debt-equity ratio of 2.01 times.

3. Consolidated earnings forecasts

The assumptions behind Sojitz consolidated earnings forecasts are an exchange rate of ¥100/US\$ and a crude oil price of US\$90/BBL (Brent).

Sojitz has reviewed its earnings forecasts in light of the Company's business performance in the cumulative first two quarters of fiscal 2008. As a result, we have revised our cumulative fiscal 2008 second quarter earnings forecasts and fiscal 2008 full-year consolidated earnings forecasts that we announced together with our Consolidated Financial Results Ended March 31, 2008 on April 30, 2008.

For details, please refer to the separate news release released today, Notice Regarding Revision of Earnings Forecasts.