

Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2011

November 1, 2011
Sojitz Corporation

Results Highlights

Consolidated Statements of Income

(Billions of yen)

	FY2011 1st half			FY2010 1st half		FY2011 Forecast	
	Results a	1st quarter	2nd quarter	Results b	Change a - b	Reasons for change	Percentage achieved a/c
Net sales	2,195.7	1,109.6	1,086.1	1,965.2	(230.5)	Consumer Lifestyle Business +163.6 Machinery +28.7 Energy & Metal +22.2	50%
Gross profit	102.2	50.7	51.5	93.7	8.5	Machinery +5.7 Energy & Metal +3.9 Chemicals & Functional Materials +0.8	48%
Gross profit margin	4.65%	4.57%	4.74%	4.77%	(0.12%)		
Personnel expenses	(40.1)	(20.1)	(20.0)	(39.6)	(0.5)		
Non-personnel expenses	(31.7)	(15.4)	(16.3)	(31.4)	(0.3)		
Depreciation	(2.9)	(1.4)	(1.5)	(2.6)	(0.3)		
Subtotal	(74.7)	(36.9)	(37.8)	(73.6)	(1.1)		
Provision of allowance for doubtful accounts	(2.1)	(1.4)	(0.7)	(0.1)	(2.0)		
Amortization of goodwill	(2.7)	(1.4)	(1.3)	(2.6)	(0.1)		
Total selling, general and administrative expenses	(79.5)	(39.7)	(39.8)	(76.3)	(3.2)		48%
Operating income	22.7	11.0	11.7	17.4	5.3		45%
Operating income margin	1.03%	0.99%	1.08%	0.89%	0.14%		
Interest income	2.3	1.1	1.2	2.0	0.3		
Interest expenses	(11.7)	(6.0)	(5.7)	(12.3)	0.6		
Interest expenses - net	(9.4)	(4.9)	(4.5)	(10.3)	0.9		
Dividends income	1.7	1.4	0.3	1.6	0.1		
Net financial revenue	(7.7)	(3.5)	(4.2)	(8.7)	1.0		
Equity in earnings of affiliates	8.1	4.1	4.0	11.2	(3.1)	Bioethanol production company (4.3)	
Other income and expenses - net	0.7	(0.4)	1.1	2.3	(1.6)		
Non operating income/losses - net	1.1	0.2	0.9	4.8	(3.7)		
Ordinary income	23.8	11.2	12.6	22.2	1.6		52%
Gain on sales of noncurrent assets	2.3	1.7	0.6			Gain on sales of owned ships, etc.	
Gain on sales of investment securities	3.2	2.8	0.4			Gains on sales of overseas steel-related shareholdings etc.,	
Total extraordinary income	5.5	4.5	1.0	3.5	2.0		
Impairment loss	(0.5)	0.0	(0.5)				
Loss on revaluation of investment securities	(2.6)	(0.1)	(2.5)			Loss on listed stock due to a decline in stock prices	
Loss on change in equity	(0.2)	(0.1)	(0.1)				
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	(2.2)	(0.3)	(1.9)				
Other extraordinary losses	(0.3)	(0.1)	(0.2)				
Total extraordinary losses	(5.8)	(0.6)	(5.2)	(9.8)	4.0		
(Extraordinary income/losses - net)	(0.3)	3.9	(4.2)	(6.3)	6.0		
Income before income taxes and minority interests	23.5	15.1	8.4	15.9	7.6		51%
Income taxes: Current	(6.4)	(3.5)	(2.9)	(5.0)	(1.4)		
Deferred	(5.0)	(4.2)	(0.8)	(0.3)	(4.7)		
Total income taxes	(11.4)	(7.7)	(3.7)	(5.3)	(6.1)		
Income before minority interests	12.1	7.4	4.7	10.6	1.5		62%
Minority interests in income	(1.8)	(0.5)	(1.3)	(1.5)	(0.3)		
Net income	10.3	6.9	3.4	9.1	1.2		64%
Core earnings	25.2	13.0	12.2	20.0	5.2		

Consolidated Statements of Comprehensive Income

(Billions of yen)

	FY2011 1st Half			FY2010 (1st Half) Results
	Result	1st Quarter	2nd Quarter	
Income before minority interests	12.1	7.4	4.7	10.6
Other comprehensive income	(17.4)	7.1	(24.5)	(29.4)
Comprehensive income	(5.3)	14.5	(19.8)	(18.8)
(Comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	(7.0)	13.6	(20.6)	(19.7)
Comprehensive income attributable to minority interests	1.7	0.9	0.8	0.9

Notes:

1. From this term, part of the retail property development business belonging to the Lifestyle Business division has been changed to Other. In the above-mentioned Consolidated Statements of Profit and Loss, each segment's amount increase or decrease is based on calculations performed after changes to the business segments.

2. Core earnings

Core earnings = Operating income (before provision of allowance for doubtful accounts and write-offs) + Interest expenses-net + Dividends income + Equity in earnings of affiliates

3. Caution regarding Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Actual results and other outcomes may differ substantially from those expressed or implied by forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements. The Company will provide timely disclosure of any material changes, events, or other relevant issues.

Consolidated Balance Sheets and Principal Management Indices

(Billions of yen, except ratio data)

	Sep. 30	Mar. 31	Change d - e	Reasons for change
	2011 d	2011 e		
Current assets	1,297.0	1,266.7	30.3	
Cash and deposits	399.5	415.7	(16.2)	Increase in funds used, etc.
Notes and accounts receivable - trade	489.9	478.9	11.0	Increase in lumber-related trading volumes
Short-term investment securities	9.5	5.4	4.1	
Inventories	274.5	243.2	31.3	Increase in cigarettes and fertilizers
Short-term loans receivable	5.6	8.5	(2.9)	
Deferred tax assets	18.9	15.4	3.5	
Other	105.5	106.9	(1.4)	
Allowance for doubtful accounts	(6.4)	(7.3)	0.9	
Noncurrent assets	841.4	850.0	(8.6)	
Property, plant and equipment	223.9	215.8	8.1	Increase in investments and loans in operating companies, etc.
Goodwill	49.4	51.5	(2.1)	
Intangible assets	85.7	81.1	4.6	
Investment securities	305.7	333.0	(27.3)	Decrease due to decline in stock prices, etc.
Long-term loans receivable	18.7	13.4	5.3	
Bad debts	82.7	80.0	2.7	
Deferred tax assets	48.9	52.9	(4.0)	
Real estate for investment	33.8	34.0	(0.2)	
Other	50.0	48.1	1.9	
Allowance for doubtful accounts	(57.4)	(59.8)	2.4	
Deferred assets	0.3	0.3	0.0	
Total assets	2,138.7	2,117.0	21.7	
Liabilities	977.7	890.6	87.1	
Notes and accounts payable - trade	423.8	415.0	8.8	Increase in cigarettes and fertilizer transaction volume
Short-term loans payable	306.9	247.7	59.2	Increase due to reclassification of current portion and decrease due to repayment
Commercial paper	2.0	2.0	-	
Current portion of bonds	75.0	60.0	15.0	Increase due to reclassification of current portion +35.0, bond redemption (20.0)
Other	170.0	165.9	4.1	
Noncurrent liabilities	810.9	870.9	(60.0)	
Bonds payable	70.0	82.7	(12.7)	Reclassification of current portion (35.0), redemption (7.7), issuance +30.0
Long-term loans payable	673.5	723.9	(50.4)	Decrease due to reclassification of current portion and increase due to raising of long-term funds
Provision for retirement benefits	13.4	13.1	0.3	
Other	54.0	51.2	2.8	
Total liabilities	1,788.6	1,761.5	27.1	
Capital stock	160.3	160.3	-	
Capital surplus	152.2	152.2	-	
Retained earnings	167.7	159.4	8.3	Net income +10.3, dividends (1.9)
Treasury stock	(0.2)	(0.2)	0.0	
Total shareholders' equity	480.0	471.7	8.3	
Valuation difference on available-for-sale securities	(1.4)	12.3	(13.7)	Decrease due to decline in stock prices, etc.
Deferred gains or losses on hedges	2.6	3.0	(0.4)	
Revaluation reserve for land	(2.3)	(2.3)	-	
Foreign currency translation adjustment	(157.2)	(154.0)	(3.2)	Decrease due to change in currency
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(0.7)	(0.7)	0.0	
Total other comprehensive income	(159.0)	(141.7)	(17.3)	
Minority interests	29.1	25.5	3.6	
Total net assets	350.1	355.5	(5.4)	
Total liabilities and net assets	2,138.7	2,117.0	21.7	

Gross interest-bearing debt	1,127.4	1,116.3	11.1
Net interest-bearing debt	727.9	700.6	27.3
Net debt/equity ratio (times)	* 2.27	* 2.12	0.15
Shareholders' equity ratio	* 15.0%	* 15.6%	(0.6%)
Current ratio	132.7%	142.2%	(9.5%)
Long-term debt ratio	65.9%	72.3%	(6.4%)

*The figure for equity used as the denominator in the debt/equity ratio and the numerator in the shareholders' equity ratio excludes minority interests.

Highlights of Consolidated Financial Results for the Second Quarter Ended September 30, 2011 - Supplementary Material

November 1, 2011
Sojitz Corporation

(Billions of yen)

P/L

	FY2011 Apr.-Sep. Results	FY2010 Apr.-Sep. Results	Change	FY2011 Initial Full-year Forecast	Achieved	FY2011 Revised Full-year Forecast
Net sales	2,195.7	1,965.2	230.5	4,380.0	50.1%	4,380.0
Gross profit	102.2	93.7	8.5	214.0	47.8%	214.0
Gross profit margin	4.65%	4.77%	(0.12%)	4.89%		4.89%
Machinery	33.1	27.4	5.7	68.0	48.7%	68.0
Energy & Metal	23.1	19.2	3.9	48.0	48.1%	48.0
Chemicals & Functional Materials	19.3	18.5	0.8	37.5	51.5%	39.5
Consumer Lifestyle Business	25.6	25.8	(0.2)	54.5	47.0%	54.5
Other	1.1	2.8	(1.7)	6.0	18.3%	4.0
Selling, general and administrative expenses	(79.5)	(76.3)	(3.2)	(164.0)	48.5%	(164.0)
Operating income	22.7	17.4	5.3	50.0	45.4%	50.0
Operating income margin	1.03%	0.89%	0.14%	1.14%		1.14%
Non-operating income/expenses - net	1.1	4.8	(3.7)	(4.0)	-	(4.0)
Ordinary income¹	23.8	22.2	1.6	46.0	51.7%	46.0
Ordinary income margin	1.08%	1.13%	(0.05%)	1.05%		1.05%
Machinery	3.3	0.6	2.7	7.5	44.0%	8.5
Energy & Metal	11.0	13.2	(2.2)	29.5	37.3%	27.0
Chemicals & Functional Materials	4.8	3.7	1.1	6.0	80.0%	8.5
Consumer Lifestyle Business	4.3	2.7	1.6	4.5	95.6%	4.5
Other	0.4	2.0	(1.6)	(1.5)	-	(2.5)
Extraordinary income/losses - net	(0.3)	(6.3)	6.0	0.0	-	0.0
Income before income taxes and minority interests	23.5	15.9	7.6	46.0	51.1%	46.0
Income before minority interests	12.1	10.6	1.5	19.5	62.1%	19.5
Net income	10.3	9.1	1.2	16.0	64.4%	16.0
Machinery	1.6	0.6	1.0	3.0	53.3%	3.5
Energy & Metal	9.9	9.9	0.0	22.0	45.0%	20.5
Chemicals & Functional Materials	3.0	2.0	1.0	3.0	100.0%	4.5
Consumer Lifestyle Business	3.1	0.8	2.3	1.0	310.0%	1.0
Other	(7.3)	(4.2)	(3.1)	(13.0)	-	(13.5)
Core earnings²	25.2	20.0	5.2	54.5		54.5

¹ Effective this fiscal year ending March 31, 2012, a portion of retail property development business was reclassified from the Consumer Lifestyle Business Division to the Other segment. The results for the FY2010 Apr.-Sep. Results is stated based on the business divisions and expense allocation method after the changes were made.

² Core earnings = Operating income (before provision of allowance for doubtful receivables and write-offs) + Net interest expenses + Dividends income + Equity in earnings of affiliates

(Billions of yen)

B/S

	September 30, 2011	March 31, 2011	Change	March 31, 2012 Initial Full-year Forecast	March 31, 2012 Revised Full-year Forecast
Total assets	2,138.7	2,117.0	21.7	2,070.0	2,070.0
Shareholders' equity³	321.0	330.0	(9.0)	340.0	320.0
Total net assets	350.1	355.5	(5.4)	-	-
Shareholders' equity ratio (%)	15.0%	15.6%	(0.6%)	16.4%	15.5%
Net interest-bearing debt	727.9	700.6	27.3	730.0	720.0
Net D/E ratio (times)	2.27	2.12	0.15	2.15	2.25
Net D/E ratio based on total net assets (times)	2.08	1.97	0.11	-	-
Risk assets	300.0	310.0	(10.0)	-	-
Ratio of risk assets to shareholder's equity (times)	0.9	0.9	0.0	-	-

³ Shareholders' Equity = Total net assets - Minority interests

⁴ Forward-looking Statements

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Main factors behind changes

Machinery Division

- Earnings increased due to the increased number of automobiles sold by automotive businesses in the Russia/NIS region and Central and South America.

Energy & Metal Division

- Gross profit increased due to higher oil and coal prices and increased production volumes.

- Equity in earnings of affiliates attributable to a bioethanol production company, which booked a one-time gain during the previous fiscal year, and a steel-business company affected by the decrease in demand for steel products decreased, contributing to a decrease in ordinary income. Despite this, net income was the same as the corresponding period a year earlier due to gain on sales of investment securities.

Chemicals & Functional Materials Division

- Earnings increased due to increases in trading volumes and sales prices resulting from increased demand, mainly in Asia.

Consumer Lifestyle Business Division

- Despite increases in trading volumes of lumber-related businesses, gross profit decreased because overseas fertilizer businesses were affected by price regulations in Thailand

- Ordinary income and net income increased due to improvement in selling, general and administrative expenses and non operating income/losses - net

Other

- Decrease due to loss on revaluation of listed stocks and real estate

FY2011 current position and outlook

Machinery Division

There is an upward revision in the full-year outlook due to the solid business performance of automotive subsidiaries in the Russia/NIS region and Central and South America.

Energy & Metal Division

There is a downward revision in the full-year outlook due to a decline in market conditions for some commodities and the impact of exchange rates, despite the solid performance in energy-related business and an overall recovery.

Chemicals & Functional Materials Division

There is an upward revision in the full-year outlook considering the increases in trading volumes and sales prices in the first half of this fiscal year, which triggered by increased demand in the entire Asian region.

Consumer Lifestyle Business Division

Despite solid performance in tobacco and forest products trading, the full-year outlook has been maintained in anticipation of the adverse impact of flooding in Thailand on the overseas fertilizer businesses and a reversal in the increased demand for forest products trading.

Other

There is a downward revision in the full-year outlook due to booking of revaluation losses on listed stocks and real estate in the first half of this fiscal year.

Commodity Prices and Exchange Rates

	FY2010 Average	FY2011 Initial forecast	2011 Results		
			Jan. - Jun. '11 Avg.	Jul. -Sep. '11 Avg.	Jan. -Sep. '11 Avg.
Crude oil (Brent)**1 (\$/bbl)	\$79.5/bbl	\$90/bbl	\$111.2/bbl	\$113.5/bbl	\$111.9/bbl
Thermal Coal**2 (\$/t)	\$99.0/t	\$120/t	\$124.1/t	\$121.8/t	\$123.3/t
Molybdenum (\$/lb)	\$15.7/lb	\$18.5/lb	\$17.0/lb	\$14.6/lb	\$16.2/lb
Nickel (\$/lb)	\$9.9/lb	\$11/lb	\$11.6/lb	\$10.0/lb	\$11.1/lb
Exchange rate**3 (\$/¥)	Dec. year-end ¥87.3/\$ Mar. year-end ¥85.2/\$	¥80/\$	¥81.8/\$	¥77.1/\$	¥80.2/\$

**1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters ordinary income by approx. ¥0.2 billion.

**2 Prices for the majority of the thermal coal traded by Sojitz are fixed by annual contracts during the previous fiscal year. The effect of the most recent spot prices is negligible. Market averages in the above table differ from our sales prices.

**3 Impact of fluctuations in the exchange rate on earnings: A ¥1/US\$ change alters net sales by approx. ¥5.0 billion, ordinary income by approx. ¥0.2 billion, and shareholders' equity by approx. ¥1.2 billion.

Summary of Consolidated Financial Results for the First Half Fiscal Year Ending March 31, 2012 (Japanese accounting standard)

November 1, 2011

Sojitz Corporation

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

Listed stock exchange: The first sections of Tokyo and Osaka

Security code: 2768

Company representative: Yutaka Kase, President & CEO

Contact information: Shinji Harada, GM, Public Relations Dept. TEL +81-3-5520-3404

Scheduled filing date of quarterly financial report: November 11, 2011

Scheduled date of delivery of dividends: December 2, 2011

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Half Fiscal Year Ending March 31, 2012 (April 1, 2011 - September 30, 2011)

(1) Consolidated Operating Results

Description of % is indicated as the change rate compared with the same period last year.

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the 1st Half								
FY2011	2,195,704	11.7	22,723	30.8	23,776	7.3	10,281	12.8
FY2010	1,965,179	4.2	17,378	221.8	22,161	—	9,119	(54.4)

	Net Income per Share (EPS)	Adjusted EPS
	Yen	Yen
For the 1st Half		
FY2011	8.22	8.21
FY2010	7.29	7.28

(2) Consolidated Financial Position

	Total Assets	Total Net Assets	Equity Ratio
	Millions of Yen	Millions of Yen	%
As of			
September 30, 2011	2,138,717	350,154	15.0
March 31, 2011	2,116,960	355,510	15.6

(Millions of Yen)

Notes: Shareholders' Equity

As of September 30, 2011 : 321,098

As of March 31, 2011 : 330,028

2. Cash Dividends

	Cash Divided per Share				
	First Quarter	Second Quarter	Third Quarter	Year Ended	Annual
For the Year Ended	Yen	Yen	Yen	Yen	Yen
March 31, 2011	-	1.50	-	1.50	3.00
March 31, 2012	-	1.50	-	-	-
March 31, 2012 (forecast)	-	-	-	1.50	3.00

Note. Change in cash dividends forecast announced on April 28, 2011 : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2012 (April 1, 2011 - March 31, 2012)

Description of % is indicated as the change rate compared with the same period last year.

	Net Sales		Operating Income		Ordinary Income		Net Income		EPS
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the Year Ending									
March 31, 2012									
Full year	4,380,000	9.1	50,000	33.3	46,000	1.5	16,000	0.1	12.79

Note. Changes in Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2012 : No

4.Others

- (1) Changes in major subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No
- (2) Use of exceptional accounting procedure :No
- (3) Changes in accounting policy, procedures or presentation method for preparing quarterly consolidated financial statements
 1. Changes due to amendment of accounting standards : No
 2. Changes due to other reasons : No
 3. Accounting estimate change : No
 4. Retrospective restatement : No
- (4) Number of outstanding shares at the end of the periods (Common Stock):
 1. Number of outstanding shares at the end of the periods (Including treasury shares):
As of September 30, 2011: 1,251,499,501 As of March 31, 2011: 1,251,499,501
 2. Number of treasury shares at the end of the periods:
As of September 30, 2011 : 471,764 As of March 31, 2011 : 416,962
 3. Average number of outstanding shares during the periods:
For the 2nd Quarter ended September 30, 2011(accumulative): 1,251,036,327
For the 2nd Quarter ended September 30, 2010(accumulative): 1,251,089,586

* Disclosure Regarding Quarterly Review Procedure

As of date of disclosure of these financial results, a review of the financial statements is being carried out in accordance with the Financial Instruments of Exchange Act

* Important Note Concerning the Appropriate Use of Business Forecasts

This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document and certain assumptions thought to be reasonable. Actual results may therefore differ from those expressed or implied by such forward-looking statements due to various factors including, but not limited to, changes in economic conditions in key markets, in Japan and overseas, and exchange rates.

Analysis of business results

1. Overview of First Half of Fiscal 2011 (April 1 – September 30, 2011)

Economic environment

The first half of fiscal 2011 (April–September 2011) began with the global economy in a gradual recovery spearheaded by growth in emerging market economies. From mid-July, however, anxieties about the economic outlook emerged and rapidly escalated amid an economic slowdown coupled with European and US fiscal concerns. Meanwhile, international financial markets turned increasingly risk averse as disarray surrounding efforts to bail out Greece gave rise to strong concerns about contagion to surrounding countries, including Italy and Spain, and potential repercussions vis-à-vis German and French financial institutions. A major flight to safety ensued, with equity markets selling off globally, resource prices and emerging market currencies also falling, and the yen strengthening further.

The Japanese economy embarked on a solid recovery from its downshift following the March 11 earthquake and tsunami. Production activity rebounded to the vicinity of its pre-earthquake level, consumer spending and corporate earnings improved, and exports grew robustly. However, prospects for sustained domestic economic recovery against a backdrop of growing reconstruction demand are clouded by prolonged yen appreciation and sluggishness in external demand due to the global economic slowdown.

Emerging market economies maintained brisk growth rates, led by China and other Asian countries, but concerns about the risk of international capital flight and its impact on their real economies have prompted certain countries to adopt currency stability measures.

Financial Performance

Sojitz Corporation's consolidated business results for the first half of fiscal 2011 are presented below.

Net sales

Consolidated net sales grew 11.7% year on year to ¥2,195,704 million, chiefly by virtue of three divisions: Consumer Lifestyle Business, Machinery, and Energy & Metal. The Consumer Lifestyle Business Division benefited from growth in domestic lumber demand, increased wheat unit-sales and prices, and cigarette sales growth driven by price increases. The Machinery Division's sales growth was largely attributable to increased plant exports. The Energy & Metal Division's sales growth was driven mainly by increased oil and coal production and prices.

Gross profit

Consolidated gross profit increased ¥8,539 million year on year to ¥102,208 million, mainly as a result of profit growth in the Machinery and Energy & Metal Divisions. These two divisions' gross profit growth was driven largely by overseas automobile unit-sales growth and increased oil and coal production and prices, respectively.

Operating income

As a result of gross profit growth, consolidated operating income increased ¥5,345 million year on year to ¥22,723 million despite increase in general, selling and administrative (SG&A) expenses.

Ordinary income

Consolidated ordinary income increased ¥16,15 million year on year to ¥23,776 million as operating income growth more than offset a decline in equity in the earnings of affiliates, including a bioethanol producer.

Extraordinary income and losses

Extraordinary income totaled ¥5,455 million, including a ¥3,151 million gain on sales of investment securities and ¥2,297 million gain on noncurrent asset sales. Extraordinary losses totaled ¥5,715 million, including a ¥2,567 million valuation loss on investment securities and

¥2,193 million in losses, and provisions for losses, on liquidation of subsidiaries and affiliates. Extraordinary income and losses netted to an extraordinary loss of ¥260 million.

Net income

Consolidated income before income taxes and minority interests was ¥23,516 million. After deduction of income tax expense of ¥6,364 million and deferred income taxes of ¥5,024 million, consolidated net income before adjustment for minority interests was ¥12,128 million. After deduction of ¥1,846 million of minority interests in consolidated subsidiaries' net income, first-half consolidated net income was ¥10,281 million, an increase of ¥1,162 million from the year-earlier period.

Effective from the first quarter of fiscal 2011, Sojitz revised its business segmentation, reclassifying part of its commercial property development operations from the Consumer Lifestyle Business Division to the "Other" segment.

Fiscal first-half results are summarized by business segment below.

Machinery

Net sales grew 6.3% year on year to ¥481,515 million as growth in plant exports and other sales offset a decrease in automobile export sales. Net income also increased year on year, up ¥953 million to ¥1,535 million, buoyed by strong earnings from Latin American and European auto operations.

Energy & Metal

Net sales rose 4.6% year on year to ¥507,589 million, largely reflecting increased oil and coal production and prices. Net income was roughly flat year on year at ¥9,934 million as a decrease in equity in the earnings of affiliates, including a bioethanol producer, was offset by an extraordinary gain on the sale of investment securities in an overseas steel-related company.

Chemicals & Functional Materials

Net sales grew 6.3% year on year to ¥319,845 million, largely by virtue of increased unit sales and a rise in the price of chemicals and synthetic resins, mainly in Asia. Net income also rose by ¥956 million year on year to ¥2,964 million.

Consumer Lifestyle Business

Net sales grew 23.4% year on year to ¥863,869 million while net income was up ¥2,324 million year on year to ¥3,135 million as a result of cigarette sales growth from increased prices, increased wheat unit-sales and prices, and growth in domestic demand for lumber.

Other

Net sales decreased 10.9% year on year to ¥22,883 million, but net loss shrank to ¥1,306 million, a ¥2,192 million improvement from the year-earlier period as restructuring charges were booked in the year-earlier period.

2. Financial Position

Consolidated Balance Sheet

At September 30, 2011, consolidated assets totaled ¥2,138,717 million, a ¥21,757 million increase from March 31, 2011. Among individual asset accounts that contributed to this increase, trade notes and accounts receivable increased ¥10,936 million over the same timeframe, largely as a result of growth in lumber-related sales; inventories increased ¥31,270 million, mainly due to increases to cigarette and fertilizer inventories; property, plant and equipment increased ¥8,098 million, largely as a result of capital expenditures by operating companies; and long-term loans receivable increased ¥5,350 million. These increases were partially offset by a ¥16,219 million reduction in cash and deposits due largely to increased cash outlays, and a ¥27,280 million reduction in investment securities holdings due largely to adverse equity price movements.

Consolidated liabilities totaled ¥1,788,562 million at September 30, 2011, a ¥27,113 million increase from March 31, 2011. The increase was attributable to growth in interest-bearing debt, mainly in the form of newly-issued bonds, coupled with a ¥8,782 million increase in trade notes and accounts payable resulting largely from growth in cigarette and fertilizer sales. Among shareholders' equity accounts, retained earnings increased ¥8,314 million from March 31 as a result of first-half net income, but net unrealized gains on available-for-sale securities decreased ¥13,682 million over the same timeframe, largely as a result of adverse equity price movements. Additionally, the foreign currency translation adjustment account's balance decreased ¥3,210 million. As a result, total net assets inclusive of minority interests were reduced by ¥5,356 million to ¥350,154 million between March 31 and September 30, 2011. Sojitz consequently ended the fiscal first half with a current ratio of 133% and long-term debt ratio of 66%. Net interest-bearing debt (total interest-bearing debt less cash and deposits) at September 30, 2011, totaled ¥727,900 million, a ¥27,293 million increase from March 31, 2011, resulting in a net interest bearing debt ratio of 2.3 at September 30. In terms of funding, Sojitz remains committed to a basic financial strategy of maintaining and enhancing the stability of its capital structure under its *Shine 2011* medium-term management plan. Specifically, Sojitz is endeavoring to maintain a stable financial foundation by holding sufficient liquidity as a buffer against changes in the economic or financial environment and continuing to build a stable funding structure by maintaining a sound long-term debt ratio as a priority target. As one source of long-term funding, Sojitz issued ¥30 billion in straight bonds in the fiscal first half, including a ¥10 billion issue in June and a ¥20 billion issue in September. Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional bond issues whenever advantageous opportunities to do so arise. As supplemental sources of precautionary liquidity, Sojitz maintains two committed credit lines: a ¥100 billion yen line and US\$300 million multicurrency line.

3. Consolidated Earnings Forecast

Sojitz's fiscal 2011 consolidated earnings forecast is based on the following assumptions.

Exchange rate (annual average JPY/USD rate): ¥80

Crude oil price (Brent) (annual average): US\$90/bbl

Forward-looking statements are based on information in management's possession at the time of disclosure and assumptions deemed reasonable by management. Actual results may differ materially from outcomes expressed or implied by forward-looking statements due to various factors, including but not limited to exchange rate movements and changes in economic conditions in key domestic and/or foreign markets.

Consolidated Balance Sheets

As of September 30, 2011 and March 31, 2011

(Millions of Yen)

	As of March 31, 2011	As of September 30, 2011
Assets		
Current assets		
Cash and deposits	415,694	399,475
Notes and accounts receivable-trade	478,880	489,816
Short-term investment securities	5,437	9,465
Inventories	243,210	274,480
Short-term loans receivable	8,518	5,642
Deferred tax assets	15,402	18,930
Other	106,832	105,542
Allowance for doubtful accounts	(7,347)	(6,393)
Total current assets	1,266,629	1,296,959
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	111,537	109,765
Accumulated depreciation	(54,799)	(55,181)
Buildings and structures, net	56,738	54,583
Machinery, equipment and vehicles	158,458	165,728
Accumulated depreciation	(81,978)	(83,955)
Machinery, equipment and vehicles, net	76,480	81,772
Land	55,114	54,156
Construction in progress	19,177	24,713
Other	20,728	21,802
Accumulated depreciation	(12,463)	(13,155)
Other, net	8,264	8,646
Total property, plant and equipment	215,774	223,872
Intangible assets		
Goodwill	51,474	49,383
Other	81,120	85,724
Total intangible assets	132,595	135,107
Investments and other assets		
Investment securities	333,050	305,770
Long-term loans receivable	13,370	18,720
Bad debts	79,971	82,742
Deferred tax assets	52,881	48,886
Real estate for investment	33,993	33,776
Other	48,168	49,962
Allowance for doubtful accounts	(59,758)	(57,374)
Total investments and other assets	501,678	482,485
Total noncurrent assets	850,049	841,465
Deferred assets	281	291
Total assets	2,116,960	2,138,717

Consolidated Balance Sheets
As of September 30, 2011 and March 31, 2011

(Millions of Yen)

	As of March 31, 2011	As of September 30, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	414,984	423,766
Short-term loans payable	247,656	306,876
Commercial papers	2,000	2,000
Current portion of bonds	60,000	75,000
Income taxes payable	6,591	4,963
Deferred tax liabilities	146	122
Provision for bonuses	5,845	6,080
Other	153,321	158,812
Total current liabilities	890,544	977,622
Noncurrent liabilities		
Bonds payable	82,719	70,000
Long-term loans payable	723,926	673,499
Deferred tax liabilities	19,009	21,197
Deferred tax liabilities for land revaluation	774	774
Provision for retirement benefits	13,136	13,405
Provision for directors' retirement benefits	833	642
Other	30,505	31,421
Total noncurrent liabilities	870,905	810,940
Total liabilities	1,761,449	1,788,562
Net assets		
Shareholders' equity		
Capital stock	160,339	160,339
Capital surplus	152,160	152,160
Retained earnings	159,358	167,672
Treasury stock	(170)	(178)
Total shareholders' equity	471,688	479,993
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,310	(1,372)
Deferred gains or losses on hedges	3,022	2,665
Revaluation reserve for land	(2,302)	(2,302)
Foreign currency translation adjustment	(153,984)	(157,194)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(706)	(690)
Total accumulated other comprehensive income	(141,659)	(158,895)
Minority interests	25,481	29,056
Total net assets	355,510	350,154
Total liabilities and net assets	2,116,960	2,138,717

Consolidated Statement of Profit and Loss
for the First Half Fiscal Year Ending March 31, 2012

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)
Net sales	1,965,179	2,195,704
Cost of sales	1,871,509	2,093,495
Gross profit	93,669	102,208
Selling, general and administrative expenses	76,291	79,484
Operating income	17,378	22,723
Non-operating income		
Interest income	2,010	2,319
Dividends income	1,553	1,729
Equity in earnings of affiliates	11,173	8,118
Other	10,231	9,162
Total non-operating income	24,968	21,329
Non-operating expenses		
Interest expenses	12,235	11,715
Interest on commercial papers	15	2
Foreign exchange losses	3,842	4,969
Other	4,093	3,587
Total non-operating expenses	20,186	20,276
Ordinary Income	22,161	23,776
Extraordinary income		
Gain on sales of noncurrent assets	1,809	2,297
Gain on sales of investment securities	479	3,151
Gain on change in equity	116	6
Gain on negative goodwill	286	—
Reversal of allowance for doubtful accounts	828	—
Gain on bad debts recovered	7	—
Total extraordinary income	3,527	5,455
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	348	205
Impairment loss	1,284	539
Loss on sales of investment securities	35	28
Loss on sales of equity investment without stock	—	5
Loss on revaluation of securities	405	2,567
Loss on change in equity	671	176
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	1,082	2,193
Restructuring losses	5,045	—
Loss on adjustment for changes of accounting standard for asset retirement obligation	960	—
Total extraordinary losses	9,833	5,715
Income before income taxes and minority interests	15,855	23,516
Income taxes-current	5,011	6,364
Income taxes-deferred	270	5,024
Total income taxes	5,281	11,388
Income before minority interests	10,574	12,128
Minority interests in income	1,455	1,846
Net income	9,119	10,281

**Consolidated Statement of Comprehensive Income
for the First Half Fiscal Year Ending March 31, 2012**

Millions of Yen

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)
Income before minority interests	10,574	12,128
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,371)	(9,490)
Deferred gains or losses on hedges	(834)	(376)
Foreign currency translation adjustment	(15,481)	5,530
Unfunded retirement benefit obligation with respect to foreign consolidated companies	—	11
Share of other comprehensive income of associates accounted for using equity method	(8,691)	(13,054)
Total Other comprehensive income	(29,380)	(17,380)
Comprehensive income	(18,805)	(5,251)
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	(19,718)	(6,953)
Comprehensive income attributable to minority interests	912	1,701

Notes on the Going-concern Assumption

For the first half fiscal year ending March 31, 2012 (April 1, 2011 - September 30, 2011)

Not applicable

Segment Information

For the first half fiscal year ended March 31, 2011 (April 1, 2010 - September 30, 2010)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	452,770	485,393	301,030	700,312	1,939,507	25,671	1,965,179	-	1,965,179
(2) Inter-segment	1,828	794	2,035	2,003	6,662	2,035	8,698	(8,698)	-
Total	454,599	486,187	303,066	702,316	1,946,170	27,707	1,973,877	(8,698)	1,965,179
Segment income (loss)	582	9,901	2,008	811	13,302	(3,498)	9,804	(685)	9,119

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (685) million yen adjustment for segment income (loss) includes the (863) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes 211 million yen, comprising dividend income and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

For the first half fiscal year ending March 31, 2012 (April 1, 2011 - September 30, 2011)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	481,515	507,589	319,845	863,869	2,172,820	22,883	2,195,704	-	2,195,704
(2) Inter-segment	1,508	761	2,106	1,886	6,262	1,655	7,917	(7,917)	-
Total	483,023	508,351	321,951	865,755	2,179,082	24,539	2,203,622	(7,917)	2,195,704
Segment income (loss)	1,535	9,934	2,964	3,135	17,569	(1,306)	16,263	(5,981)	10,281

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (5,981) million yen adjustment for segment income includes the (5,278) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (718) million yen, comprising revaluation of investment securities and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

Changes in segmentation

*From this fiscal year ending March 31, 2012, a portion of the retail property development business previously belonging to the Lifestyle Business division was reclassified as Other in an aim to strengthen the asset management base and functionality. In the above-mentioned Consolidated Statements of Profit and Loss, the amounts of increases or decreases for each segment are based on calculations performed after changes to the business segments.

Notes on major changes in shareholders' equity

For the first half fiscal year ending March 31, 2012 (April 1, 2011 - September 30, 2011)

Not applicable

Financial Results for the Second Quarter Ended September 30, 2011

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◆ **Consolidated Statement of Profit and Loss**
for the First Half Fiscal Year Ending March 31, 2012

(Millions of Yen)

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)	Change
Net sales	1,965,179	2,195,704	230,525
Cost of sales	(1,871,509)	(2,093,495)	(221,986)
Gross profit	93,669	102,208	8,539
Selling, general and administrative expenses	(76,291)	(79,484)	(3,193)
Operating income	17,378	22,723	5,345
Non-operating income			
Interest income	2,010	2,319	309
Dividends income	1,553	1,729	176
Equity in earnings of affiliates	11,173	8,118	(3,055)
Other	10,231	9,162	(1,069)
Total non-operating income	24,968	21,329	(3,639)
Non-operating expenses			
Interest expenses	(12,235)	(11,715)	520
Interest on commercial papers	(15)	(2)	13
Foreign exchange losses	(3,842)	(4,969)	(1,127)
Other	(4,093)	(3,587)	506
Total non-operating expenses	(20,186)	(20,276)	(90)
Ordinary Income	22,161	23,776	1,615
Extraordinary income/losses - net	(6,305) *	(259) *	6,046
Income before income taxes and minority interests	15,855	23,516	7,661
Income taxes-current	(5,011)	(6,364)	(1,353)
Income taxes-deferred	(270)	(5,024)	(4,754)
Income before minority interests	10,574	12,128	1,554
Minority interests in income	(1,455)	(1,846)	(391)
Net income	9,119	10,281	1,162

*Please refer to ◆Extraordinary Income and Losses.

(Millions of Yen)

	For the 1st Half Fiscal Year Ended March 31, 2011 (From April 1, 2010 to September 30, 2010)	For the 1st Half Fiscal Year Ending March 31, 2012 (From April 1, 2011 to September 30, 2011)
Income before minority interests	10,574	12,128
Total other comprehensive income	(29,380)	(17,380)
Valuation difference on available-for-sale securities	(4,371)	(9,490)
Deferred gains or losses on hedges	(834)	(376)
Foreign currency translation adjustment	(15,481)	5,530
Unfunded retirement benefit obligation with respect to foreign consolidated companies	-	11
Share of other comprehensive income of associates accounted for using equity method	(8,691)	(13,054)
Comprehensive income	(18,805)	(5,251)
Comprehensive income attributable to owners of the parent	(19,718)	(6,953)
Comprehensive income attributable to minority interests	912	1,701

Details of Consolidated Statement of Profit and Loss

(Billions of Yen)

【Gross profit】				
Segment	FY2010 1H	FY2011 1H	Change	Reasons for change
Machinery	27.4	33.1	5.7	Earnings increased due to the increased number of automobiles sold by automotive businesses in the Russia/NIS region and Central and South America
Energy & Metal	19.2	23.1	3.9	Earnings increased due to higher oil and coal prices and increase in production volumes.
Chemicals & Functional Materials	18.5	19.3	0.8	Earnings increased due to increase in trading volumes and sales prices resulting from increased demand, mainly in Asia
Consumer Lifestyle Business	25.8	25.6	(0.2)	Despite increases in trading volumes of lumber-related businesses, earnings decrease due because overseas fertilizer businesses were affected by price regulations in Thailand
Other / Adjustment	2.8	1.1	(1.7)	Earnings decreased due to revaluation of real estate-related business
Total	93.7	102.2	8.5	*From this fiscal year ending March 31, 2012, a portion of the retail property development business previously belonging to the Lifestyle Business division was reclassified as Other in an aim to strengthen the asset management base and functionality. In the above-mentioned Consolidated Statements of Profit and Loss, the amounts of increases or decreases for each segment are based on calculations performed after changes to the business segments.
【Selling, general and administrative expenses】				
	FY2010 1H	FY2011 1H	Change	Reasons for change
Personnel expenses	(39.6)	(40.1)	(0.5)	
Non-personnel expenses	(31.4)	(31.7)	(0.3)	
Depreciation	(2.6)	(2.9)	(0.3)	
Provision of allowance for doubtful accounts	(0.1)	(2.1)	(2.0)	
Amortization of goodwill	(2.6)	(2.7)	(0.1)	
Total	(76.3)	(79.5)	(3.2)	
【Net financial revenue】				
	FY2010 1H	FY2011 1H	Change	Reasons for change
Interest income	2.0	2.3	0.3	
interest expenses	(12.3)	(11.7)	0.6	
interest on commercial papers	(0.0)	(0.0)	0.0	
(Interest expenses-net)	(10.3)	(9.4)	0.9)	
Dividends income	1.6	1.7	0.1	
Total	(8.7)	(7.7)	1.0	
【Other income and expenses-net】				
	FY2010 1H	FY2011 1H	Change	Reasons for change
Equity in earnings of affiliates	11.2	8.1	(3.1)	Bioethanol production company -4.3
Foreign exchange losses	(3.8)	(4.9)	(1.1)	
Other non-operating income	10.2	9.2	(1.0)	
Other non-operating expenses	(4.1)	(3.6)	0.5	
Total	13.5	8.8	(4.7)	
【Ordinary income】				
	FY2010 1H	FY2011 1H	Change	
Ordinary income	22.2	23.8	1.6	

◆ Extraordinary Income and Losses

(Millions of Yen)

	For the 1st Half Fiscal Year Ended March 31, 2011 (a)	For the 1st Half Fiscal Year Ending March 31, 2012 (b)	Change (b)-(a)
<u>Extraordinary income</u>			
Gain on sales of noncurrent assets	1,809	2,297	488
Gain on sales of investment securities	479	3,151	2,672
Gain on change in equity	116	6	(110)
Gain on negative goodwill	286	-	(286)
Reversal of allowance for doubtful accounts	828	-	(828)
Gain on bad debts recovered	7	-	(7)
Total extraordinary income	3,527	5,455	1,928
<u>Extraordinary losses</u>			
Loss on sales and retirement of noncurrent assets	(348)	(205)	143
Impairment loss	(1,284)	(539)	745
Loss on sales of investment securities	(35)	(28)	7
Loss on sales of equity investment without stock	-	(5)	(5)
Loss on revaluation of securities	(405)	(2,567)	(2,162)
Loss on change in equity	(671)	(176)	495
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	(1,082)	(2,193)	(1,111)
Restructuring losses	(5,045)	-	5,045
Loss on adjustment for changes of accounting standard for asset retirement obligations	(960)	-	960
Total extraordinary losses	(9,833)	(5,715)	4,118
Total extraordinary income/losses-net	(6,305)	(259)	6,046
<u>Reference</u>			
Provision of allowance for doubtful accounts (Included in Selling, general and administrative expenses)	(148)	(2,099)	(1,951)

Details of Extraordinary Income and Losses

	<u>For the 1st Half Fiscal Year</u> <u>Ending March 31, 2012</u>	<u>Details</u>
	Billions of Yen	
Gain on sales of noncurrent assets	2.3	Gain on sale of owned ships etc.
Gain on sales of investment securities	3.2	Gains on sales of overseas steel-related shareholdings etc.
Gain on change in equity	0.0	
<hr/>		
(Total extraordinary income)	5.5	
Loss on sales and retirement of noncurrent assets	(0.2)	
Impairment loss	(0.5)	
Loss on sales of investment securities	(0.0)	
Loss on sales of equity investment without stock	(0.0)	
Loss on revaluation of securities	(2.6)	Loss on listed stock due to decline in stock price
Loss on change in equity	(0.2)	
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	(2.2)	Losses on revision of project evaluation of group companies etc.
<hr/>		
(Total extraordinary losses)	(5.7)	
(Total extraordinary income/losses-net)	(0.2)	

◆ Consolidated Statement of Balance Sheets as of September 30, 2011 and March 31, 2011

(Millions of Yen)

	As of March 31, 2011	As of September 30, 2011	Change
Assets			
Current assets			
Cash and deposits	415,694	399,475	(16,219)
Notes and accounts receivable-trade	478,880	489,816	10,936
Short-term investment securities	5,437	9,465	4,028
Inventories	243,210	274,480	31,270
Short-term loans receivable	8,518	5,642	(2,876)
Deferred tax assets	15,402	18,930	3,528
Other	106,832	105,542	(1,290)
Allowance for doubtful accounts	(7,347)	(6,393)	954
Total current assets	1,266,629	1,296,959	30,330
Noncurrent assets			
Property, plant and equipment	215,774	223,872	8,098
Intangible assets			
Goodwill	51,474	49,383	(2,091)
Other	81,120	85,724	4,604
Total intangible assets	132,595	135,107	2,512
Investments and other assets			
Investment securities	333,050	305,770	(27,280)
Long-term loans receivable	13,370	18,720	5,350
Bad debts	79,971	82,742	2,771
Deferred tax assets	52,881	48,886	(3,995)
Real estate for investment	33,993	33,776	(217)
Other	48,168	49,962	1,794
Allowance for doubtful accounts	(59,758)	(57,374)	2,384
Total investments and other assets	501,678	482,485	(19,193)
Total noncurrent assets	850,049	841,465	(8,584)
Deferred assets	281	291	10
Total assets	2,116,960	2,138,717	21,757

	As of March 31, 2011	As of September 30, 2011	Change
Liabilities			
Current liabilities			
Notes and accounts payable-trade	414,984	423,766	8,782
Short-term loans payable	247,656	306,876	59,220
Commercial papers	2,000	2,000	-
Current portion of bonds	60,000	75,000	15,000
Income taxes payable	6,591	4,963	(1,628)
Deferred tax liabilities	146	122	(24)
Provision for bonuses	5,845	6,080	235
Other	153,321	158,812	5,491
Total current liabilities	890,544	977,622	87,078
Noncurrent liabilities			
Bonds payable	82,719	70,000	(12,719)
Long-term loans payable	723,926	673,499	(50,427)
Deferred tax liabilities	19,009	21,197	2,188
Deferred tax liabilities for land revaluation	774	774	-
Provision for retirement benefits	13,136	13,405	269
Provision for directors' retirement benefits	833	642	(191)
Other	30,505	31,421	916
Total noncurrent liabilities	870,905	810,940	(59,965)
Total liabilities	1,761,449	1,788,562	27,113
Net assets			
Shareholders' equity			
Capital stock	160,339	160,339	-
Capital surplus	152,160	152,160	-
Retained earnings	159,358	167,672	8,314
Treasury stock	(170)	(178)	(8)
Total shareholders' equity	471,688	479,993	8,305
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	12,310	(1,372)	(13,682)
Deferred gains or losses on hedges	3,022	2,665	(357)
Revaluation reserve for land	(2,302)	(2,302)	-
Foreign currency translation adjustment	(153,984)	(157,194)	(3,210)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(706)	(690)	16
Total accumulated other comprehensive income	(141,659)	(158,895)	(17,236)
Minority interests	25,481	29,056	3,575
Total net assets	355,510	350,154	(5,356)
	2,116,960	2,138,717	21,757

Details of Consolidated Balance Sheets

	<u>As of</u> <u>March 31,</u> <u>2011</u>	<u>As of</u> <u>September 30,</u> <u>2011</u>	<u>Change</u>	
	<u>(a)</u>	<u>(b)</u>	<u>(b)-(a)</u>	<u>Reasons for change</u>
(Billions of Yen)				
(Assets)				
Cash and deposits	415.7	399.5	(16.2)	Increase in funds used, etc.
Notes and accounts receivable-trade	478.9	489.9	11.0	Increase in lumber-related trading volumes
Inventories	243.2	274.5	31.3	Increase in cigarettes and fertilizers
Short-term investment securities	5.4	9.5	4.1	
Investment securities	333.0	305.7	(27.3)	
(Total investment securities)	338.4	315.2	(23.2)) Decrease due to decline in stock prices, etc.
Short-term loans receivable	8.5	5.6	(2.9)	
Long-term loans receivable	13.4	18.7	5.3	
(Total Loans receivable)	21.9	24.3	2.4)
Property, plant and equipment	215.8	223.9	8.1	Increase in investments and loans in operating companies etc.
Intangible assets	132.6	135.1	2.5	
Real estate for investment	34.0	33.8	(0.2)	
Bad debts	80.0	82.7	2.7	
Allowance for doubtful accounts	(67.1)	(63.8)	3.3	
(Total assets)	2,117.0	2,138.7	21.7)
(Liabilities and net assets)				
Notes and accounts payable-trade	415.0	423.8	8.8	Increase in cigarettes and fertilizers
Short-term loans payable	247.7	306.9	59.2	Increase due to reclassification of current portion and decrease due to repayment
Commercial papers	2.0	2.0	-	
Current portion of bonds	60.0	75.0	15.0	Decrease due to bond redemptions (20.0), reclassification of current portion +35.0
Bonds payable	82.7	70.0	(12.7)	Reclassification of current portion (35.0), bond redemptions (7.7) and issuance +30.0
Long-term loans payable	723.9	673.5	(50.4)	Decrease due to reclassification of current portion and increase due to raising of long-term funds
(GROSS interest-bearing debt)	1,116.3	1,127.4	11.1)
(Total Liabilities)	1,761.5	1,788.6	27.1)
Capital stock	160.3	160.3	-	
Capital surplus	152.2	152.2	-	
Retained earnings	159.4	167.7	8.3	Net income +10.3, Dividends (1.9)
Treasury stock	(0.2)	(0.2)	(0.0)	
(Total shareholders' equity)	471.7	480.0	8.3)
Valuation difference on available-for-sale securities	12.3	(1.4)	(13.7)	Decrease due to decline in stock prices, etc.
Deferred gains or losses on hedges	3.0	2.6	(0.4)	
Revaluation reserve for land	(2.3)	(2.3)	-	
Foreign currency translation adjustment	(154.0)	(157.2)	(3.2)	Decrease due to change in currency
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(0.7)	(0.7)	0.0	
(Total accumulated other comprehensive income)	(141.7)	(159.0)	(17.3))
Minority interests	25.5	29.1	3.6	
(Total net assets)	355.5	350.1	(5.4))
NET interest-bearing debt	700.6	727.9	27.3	
NET Debt Equity Ratio (times)	*	*	0.15	*The figure for equity used as the denominator in the debt/equity ratio and the numerator in the shareholders' equity ratio excludes minority interests.
Shareholders' equity ratio	*	*	(0.6%)	
Current ratio	142.2%	132.7%	(9.5%)	
Long-term debt ratio	72.3%	65.9%	(6.4%)	

◆ Segment Information

For the first half fiscal year ended March 31, 2011 (April 1, 2010 - September 30, 2010)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	452,770	485,393	301,030	700,312	1,939,507	25,671	1,965,179	-	1,965,179
(2) Inter-segment	1,828	794	2,035	2,003	6,662	2,035	8,698	(8,698)	-
Total	454,599	486,187	303,066	702,316	1,946,170	27,707	1,973,877	(8,698)	1,965,179
Segment income (loss)	582	9,901	2,008	811	13,302	(3,498)	9,804	(685)	9,119

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (685) million yen adjustment for segment income (loss) includes the (863) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes 211 million yen, comprising dividend income and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

For the first half fiscal year ended March 31, 2012 (April 1, 2011 - September 30, 2011)

(Millions of Yen)

	Reportable Segment					Other (note 1)	Total	Adjustment (note 2)	Amounts on the consolidated quarterly statement of profit and loss (note 3)
	Machinery	Energy & Metal	Chemicals & Functional Materials	Consumer Lifestyle Business	Subtotal				
Net sales and segment income (loss)									
Net sales									
(1) Customers	481,515	507,589	319,845	863,869	2,172,820	22,883	2,195,704	-	2,195,704
(2) Inter-segment	1,508	761	2,106	1,886	6,262	1,655	7,917	(7,917)	-
Total	483,023	508,351	321,951	865,755	2,179,082	24,539	2,203,622	(7,917)	2,195,704
Segment income (loss)	1,535	9,934	2,964	3,135	17,569	(1,306)	16,263	(5,981)	10,281

Notes:

- "Other" includes functional services, regional companies in Japan, logistics and insurance services, venture capital, aircraft leasing, real estate and other investment, real estate leasing, and part of the retail property development business.
- The (5,981) million yen adjustment for segment income includes the (5,278) million yen difference between (a) actual tax expenses incurred by the Company and (b) tax expenses calculated with internally defined methods and allocated to each segment. It also includes (718) million yen, comprising revaluation of investment securities and other factors, associated with unallocated shared corporate assets.
- Segment income (loss) adjustments are based on the net income reported in the quarterly consolidated statement of profit and loss for the corresponding period.

*From this year a portion of the retail property development business previously belonging to the Lifestyle Business division was reclassified as Other in an aim to strengthen the asset management base and functionality. In the above-mentioned Consolidated Statements of Profit and Loss, the amounts of increases or decreases for each segment are based on calculations performed after changes to the business segments.

Details of Industry Segments

【Net sales】

	<u>FY2010 1st Half</u>	<u>FY2011 1st Half</u>	(Billions of Yen) <u>Change</u>	<u>Reasons for change</u>
Machinery	452.8	481.5	28.7	Increase due to increase in plant-related business
Energy & Metal	485.4	507.6	22.2	Increase due to higher prices and increase in production volumes in oil and coal
Chemicals & Functional Materials	301.0	319.8	18.8	Increase in trading volumes and sales prices resulting from increased demand, mainly in Asia
Consumer Lifestyle Business	700.3	863.9	163.6	Increase due to increase in trading volumes of cigarett, wheat and lumber-related business
Other	25.7	22.9	(2.8)	
Consolidated	1,965.2	2,195.7	230.5	

*Each segment net sales included inter-segment.

【Net income】

	<u>FY2010 1st Half</u>	<u>FY2011 1st Half</u>	<u>Change</u>	<u>Reasons for change</u>
Machinery	0.6	1.6	1.0	Increase due to the increased number of automobiles sold by automotive businesses in the Russia/NIS region and Central and South America
Energy & Metal	9.9	9.9	0.0	Despite decrease in equity in earnings of affiliates, net income is approximately same year on year due to increase in higher prices and increase in production volumes in oil and coal
Chemicals & Functional Materials	2.0	3.0	1.0	Due to increase in trading volumes and sales prices resulting from increased demand, mainly in Asia
Consumer Lifestyle Business	0.8	3.1	2.3	Despite decrease in gross profit, net income increased due to improvement in selling, general and administrative expenses and non-operating income
Other/Adjustment	(4.2)	(7.3)	(3.1)	Decrease due to loss on revaluation of listed stocks and real estate
Consolidated	9.1	10.3	1.2	

◆ Increase/Decrease in the Number of Consolidated Subsidiaries and Affiliates

Changes in the number of subsidiaries (April 1, 2011 - September 30, 2011)

	(Number of Companies)		
	As of March 31, 2011	As of September 30, 2011	Changes
Subsidiaries	320	324	4
Affiliates	155	148	(7)
Total	475	472	(3)

Changes in major subsidiaries (April 1, 2011 - September 30, 2011)

○ Major new subsidiaries

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Consumer Lifestyle Business	Long Duc Investment Co., LTD.	Development and lot sale of industrial park (Vietnam)

Equity-method affiliates

(Segment)	(Company name)	(Main business)
Energy & Metal	Sunlime Limited	Tenure of limestone miner and manufacture and sale of lime products

○ Major eliminated companies

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Consumer Lifestyle Business	Singapore Co., Ltd.	Planning, manufacture and sale of clothing

Equity-method affiliates

(Segment)	(Company name)	(Main business)
Machinery	TechMatrix Corporation	IT system consulting

Impact on the Profit due to increase and decrease of consolidated subsidiaries(compared with the year earlier period)
(※Exclude the impact due to goodwill amortization charges)

Increase

(Billions of yen)

	Net Sales	Gross Profit	Ordinary income	Net income
Consolidated subsidiaries	0.0	0.0	(0.0)	(0.0)

Decrease

(Billions of yen)

	Net Sales	Gross Profit	Ordinary income	Net income
Consolidated subsidiaries	(1.6)	(0.1)	0.6	0.3

◆ Performance at Consolidated Subsidiaries and Affiliates

(1) Number of Consolidated Subsidiaries and Affiliates

(Number of Companies)

		As of September 30, 2010			As of September 30, 2011			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	52	41	93	46	48	94	(6)	7	1
	Overseas	153	79	232	148	82	230	(5)	3	(2)
	Total	205	120	325	194	130	324	(11)	10	(1)
	% of total	63.1%	36.9%	100.0%	59.9%	40.1%	100.0%			
Affiliates	Domestic	34	9	43	32	6	38	(2)	(3)	(5)
	Overseas	90	31	121	84	26	110	(6)	(5)	(11)
	Total	124	40	164	116	32	148	(8)	(8)	(16)
	% of total	75.6%	24.4%	100.0%	78.4%	21.6%	100.0%			
Total	Domestic	86	50	136	78	54	132	(8)	4	(4)
	Overseas	243	110	353	232	108	340	(11)	(2)	(13)
	Total	329	160	489	310	162	472	(19)	2	(17)
	% of total	67.3%	32.7%	100.0%	65.7%	34.3%	100.0%			

(2) Earnings of Consolidated Subsidiaries and Affiliates

(Billions of Yen)

		For the 1st Half Fiscal Year Ended March 31, 2011 (From Apr. 1, 2010 to Sep. 30, 2010)			For the 1st Half Fiscal Year Ending March 31, 2012 (From Apr. 1, 2011 to Sep. 30, 2011)			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	3.5	(2.6)	0.9	6.1	(3.7)	2.4	2.6	(1.1)	1.5
	Overseas	16.1	(7.6)	8.5	21.9	(4.4)	17.5	5.8	3.2	9.0
	Total	19.6	(10.2)	9.4	28.0	(8.1)	19.9	8.4	2.1	10.5
Affiliates	Domestic	6.5	(0.3)	6.2	5.9	(0.1)	5.8	(0.6)	0.2	(0.4)
	Overseas	7.3	(0.8)	6.5	3.9	(2.4)	1.5	(3.4)	(1.6)	(5.0)
	Total	13.8	(1.1)	12.7	9.8	(2.5)	7.3	(4.0)	(1.4)	(5.4)
Total	Domestic	10.0	(2.9)	7.1	12.0	(3.8)	8.2	2.0	(0.9)	1.1
	Overseas	23.4	(8.4)	15.0	25.8	(6.8)	19.0	2.4	1.6	4.0
	Total	33.4	(11.3)	22.1	37.8	(10.6)	27.2	4.4	0.7	5.1

Performance at Principal Subsidiaries and Affiliates

○ Profit

(Billions of Yen)

Company	Owner ship	Equity in earnings			Main business
		FY2010 1H	FY2011 1H	Changes	
(Consolidated subsidiaries)					
Sojitz Coal Resources Pty Ltd.	100.00%	2.8	4.0	1.2	Investment in coal mines (Australia)
MMC Automotriz, S.A.	92.31%	(2.4)	2.0	4.4	Import, assembly and sales of Mitsubishi and Hyundai automobiles (Venezuela)
Sojitz Energy Venture Inc.	100.00%	(0.1)	1.7	1.8	Oil and gas development (U.S.A.)
Sojitz Building Materials Corporation	100.00%	0.0	1.6	1.6	Trading of construction materials and related products including lumber
Sojitz Corporation of America	100.00%	1.2	1.0	(0.2)	Overseas group company
(Equity-method affiliates)					
Metal One Corporation	40.00%	4.5	2.9	(1.6)	Integrated steel trading company
LNG Japan Corporation	50.00%	0.5	1.0	0.5	LNG business and related investments
Coral Bay Nickel Corporation	18.00%	0.8	1.0	0.2	Manufacturing and sales of nickel cobalt mixture sulfide (Philippines)
Mitsubishi Motors Philippines Corporation	49.00%	0.8	0.5	(0.3)	Import, assembly and sale of Mitsubishi automobiles (Philippines)

○ Loss

(Billions of Yen)

Company	Owner ship	Equity in earnings			Main business
		FY2010 1H	FY2011 1H	Changes	
(Consolidated subsidiaries)					
Sojitz Commerce Development Corporation	100.00%	(0.2)	(2.1)	(1.9)	Development, construction, operation and lease of retail property
Sojitz Energy Project Limited	100.00%	0.6	(0.9)	(1.5)	Oil and gas development (U.K.)
Sojitz Energy Australia Pty Ltd.	100.00%	(0.3)	(0.5)	(0.2)	Oil and gas development (Australia)
(Equity-method affiliates)					
ETH Investimentos S.A.	18.91%	2.1	(2.1)	(4.2)	Investment in sugar, ethanol and electricity production

◆ Major Consolidated Subsidiaries and Affiliates

()% is the group ownership as of September 30, 2011

Consolidated subsidiaries

(Millions of Yen)

Domestic

Sojitz Machinery Corporation	(100.00%)		
	10/9	11/3	11/9
Net sales	29,401	61,674	25,436
Gross profit	1,942	4,354	1,825
Net income	218	720	204
Equity in earnings	218	720	204

Sojitz Marine & Engineering Corporation (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	42,612	77,758	39,140
Gross profit	2,382	4,364	2,069
Net income	625	1,007	407
Equity in earnings	625	1,007	407

Sojitz Aerospace Corporation	(100.00%)		
	10/9	11/3	11/9
Net sales	47,394	97,805	53,364
Gross profit	1,098	2,665	1,213
Net income	44	198	109
Equity in earnings	44	198	109

Nissho Electronics Corporation (Consolidated)	(77.78%)		
	10/9	11/3	11/9
Net sales	19,302	46,390	18,484
Gross profit	5,115	12,089	4,758
Net income	(213)	368	(12)
Equity in earnings	(166)	286	(10)

Sojitz Energy Corporation (Consolidated)	(97.08%)		
	10/9	11/3	11/9
Net sales	77,426	165,154	90,019
Gross profit	2,405	4,983	2,439
Net income	(66)	(155)	31
Equity in earnings	(64)	(150)	31

Sojitz Pla-Net Holdings, Inc. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	115,610	234,152	115,152
Gross profit	5,859	11,659	5,472
Net income	(30)	6	(110)
Equity in earnings	(30)	6	(110)

Pla Matels Corporation (Consolidated)	(46.55%)		
	10/9	11/3	11/9
Net sales	27,403	55,762	28,463
Gross profit	1,609	3,236	1,606
Net income	233	500	228
Equity in earnings	108	233	106

Consolidated to Sojitz Pla-Net Holdings, Inc.

Sojitz General Property Management Corporation	(100.00%)		
	10/9	11/3	11/9
Net sales	2,750	6,019	2,478
Gross profit	415	948	417
Net income	132	316	130
Equity in earnings	132	316	130

Sojitz Building Materials Corporation (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	69,555	144,676	79,670
Gross profit	2,602	5,519	3,631
Net income	28	(1,223)	1,577
Equity in earnings	28	(1,223)	1,577

Sojitz Foods Corporation (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	73,138	146,808	77,462
Gross profit	2,955	5,825	3,161
Net income	474	499	551
Equity in earnings	474	499	551

Sojitz General Merchandise Corporation	(100.00%)		
	10/9	11/3	11/9
Net sales	2,713	6,113	3,526
Gross profit	517	1,055	565
Net income	75	153	72
Equity in earnings	75	153	72

Sojitz Infinity Inc. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	3,212	6,929	3,206
Gross profit	1,583	3,470	1,725
Net income	(804)	(1,739)	(158)
Equity in earnings	(804)	(1,739)	(158)

Daiichibo Co.,Ltd. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	3,109	6,400	3,210
Gross profit	802	1,699	936
Net income	(42)	(242)	25
Equity in earnings	(42)	(242)	25

Consolidated subsidiaries

(Millions of Yen)

Overseas

MMC Automotriz, S.A.	(92.31%)		
	10/9	11/3	11/9
Net sales	6,820	18,612	17,093
Gross profit	268	1,131	4,858
Net income	(2,554)	(3,715)	2,120
Equity in earnings	(2,358)	(3,430)	1,957

Sojitz Coal Resources Pty Ltd. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	13,109	29,438	20,318
Gross profit	4,095	10,420	5,834
Net income	2,816	13,163	4,014
Equity in earnings	2,816	13,163	4,014

Sojitz Moly Resources, Inc.	(100.00%)		
	10/9	11/3	11/9
Net sales	1,859	3,282	1,598
Gross profit	738	1,128	194
Net income	419	907	2
Equity in earnings	419	907	2

P.T. Kaltim Methanol Industri	(85.00%)		
	10/9	11/3	11/9
Net sales	6,756	11,354	7,439
Gross profit	1,345	1,541	1,015
Net income	789	673	603
Equity in earnings	671	572	513

Sojitz Corporation of America (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	30,937	55,781	23,026
Gross profit	4,365	8,404	4,206
Net income	1,170	1,795	951
Equity in earnings	1,170	1,795	951

Sojitz Europe Plc (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	44,886	92,635	34,022
Gross profit	1,692	3,762	1,945
Net income	228	512	405
Equity in earnings	228	512	405

Sojitz Asia Pte. Ltd. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	64,533	133,480	82,651
Gross profit	2,069	4,389	2,177
Net income	363	752	459
Equity in earnings	363	752	459

Sojitz (Hong Kong) Ltd. (Consolidated)	(100.00%)		
	10/9	11/3	11/9
Net sales	23,983	48,529	31,414
Gross profit	356	751	342
Net income	258	827	166
Equity in earnings	258	827	166

Equity-method affiliates

Domestic

LNG Japan Corporation (Consolidated)	(50.00%)		
	10/9	11/3	11/9
Net sales	280,024	567,381	248,169
Gross profit	2,614	4,924	3,028
Net income	1,082	2,668	2,092
Equity in earnings	541	1,334	1,046

Metal One Corporation (Consolidated)	(40.00%)		
	10/9	11/3	11/9
Net sales	1,230,812	2,523,462	1,223,427
Gross profit	58,438	116,064	54,511
Net income	11,298	18,780	7,163
Equity in earnings	4,519	7,512	2,865

JALUX Inc. (Consolidated)	(22.00%)		
	10/9	11/3	11/9
Net sales	47,238	95,541	41,918
Gross profit	10,572	20,570	9,039
Net income	431	492	193
Equity in earnings	130	148	42

Overseas

Coral Bay Nickel Corporation	(18.00%)		
	10/9	11/3	11/9
Net sales	13,665	30,793	14,324
Gross profit	4,672	12,999	5,731
Net income	4,316	12,207	5,549
Equity in earnings	776	2,197	998

Japan Alumina Associates (Australia) Pty. Ltd.	(50.00%)		
	10/9	11/3	11/9
Net sales	5,537	10,646	5,091
Gross profit	1,408	2,305	438
Net income	683	1,136	181
Equity in earnings	341	568	90

(Note)

In general, figures in the above tables are based on the financial statements prepared by each company. "Equity in earnings" is calculated by multiplying the respective company's net income by our percentage of ownership in that company as of the end of the respective fiscal period. Changes in ownership during the fiscal period are not taken into account.

◆ Country Risk Exposure

Exposure (As of September 30,2011)

Based on consolidated Sojitz group

(Domestic: as of September 30, Overseas: as of June 30)

(Note)

We calculate exposure for the consolidated Sojitz Group by tallying assets that are exposed country risk.

We disclose exposure for the entire Sojitz Group and for the following assets: investments, loans, guarantees, and operating receivables and inventories (grouped as "operating receivables"); cash and deposits and financial assets (grouped as "cash and deposits, etc."); Bad debts, noncurrent assets, etc. (grouped as "other assets").

Exposure is tallied on the following bases:

- Country risk: Exposure is calculated based on the country in which credit counterparties, etc., are present.
- Substantial country risk: Exposure is adjusted based on the substantial country of risk, regardless of counterparties' country of domicile.

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	1.5	0.1	0.0	30.3	10.3	6.3	48.5	54.8
Malaysia	0.8	0.0	0.0	5.4	0.5	0.7	7.4	6.1
Indonesia	3.9	0.0	0.0	6.3	3.3	29.4	42.9	55.2
Philippines	13.0	0.6	0.0	9.3	0.5	1.3	24.7	19.6
China (include Hong Kong)	11.2	0.9	0.6	44.2	7.3	6.0	70.2	68.3
(China)	10.0	0.4	0.5	33.6	5.1	2.2	51.8	57.3
(Hong Kong)	1.2	0.5	0.1	10.6	2.2	3.8	18.4	11.0
Brazil	11.4	0.6	0.2	6.6	2.9	8.0	29.7	46.1
Venezuela	0.0	0.0	0.0	10.9	5.6	8.2	24.7	24.7
Argentina	0.6	0.0	0.0	5.0	0.1	1.9	7.6	3.5
Russia	0.3	0.0	0.0	16.8	3.5	1.0	21.6	23.5
Total	42.7	2.2	0.8	134.8	34.0	62.8	277.3	301.8

(Reference)

Exposure (As of March 31, 2011)

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	1.6	0.1	0.0	23.9	13.0	6.4	45.0	51.8
Malaysia	0.9	0.0	0.0	4.8	0.5	0.7	6.9	5.8
Indonesia	3.6	0.1	0.0	14.6	5.0	30.2	53.5	55.0
Philippines	13.1	0.7	0.0	7.7	0.8	1.4	23.7	18.2
China (include Hong Kong)	11.1	0.9	0.7	41.7	8.5	6.4	69.3	69.6
(China)	10.3	0.4	0.6	28.8	6.2	2.3	48.6	56.7
(Hong Kong)	0.8	0.5	0.1	12.9	2.3	4.1	20.7	12.9
Brazil	16.9	0.6	0.2	4.0	3.2	8.5	33.4	58.9
Venezuela	0.0	0.0	0.0	10.2	5.5	6.5	22.2	22.2
Argentina	0.4	0.0	0.0	3.5	0.1	2.0	6.0	3.3
Russia	0.3	0.0	0.0	14.0	2.5	1.0	17.8	19.1
Total	47.9	2.4	0.9	124.4	39.1	63.1	277.8	303.9

◆ Real Estate(Consolidated)

Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2011		As of September 30, 2011		Change	
	Book value	(unrealized profits)	Book value	(unrealized profits)	Book value	(unrealized profits)
Company	21.1	1.9	21.7	2.3	0.6	0.4
Consolidated subsidiaries	26.1	0.6	27.3	0.4	1.2	(0.2)
Consolidated Total	47.2	2.5	49.0	2.7	1.8	0.2

Book value of real estate (land, building and structure) in property, plant and equipment

(Billions of Yen)

	As of March 31, 2011	As of September 30, 2011	Change
Company	19.2	18.8	(0.4)
Consolidated subsidiaries	92.7	89.9	(2.8)
Consolidated Total	111.9	108.7	(3.2)

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2011	As of September 30, 2011	Change
Company	27.3	27.2	(0.1)
Consolidated subsidiaries	6.7	6.6	(0.1)
Consolidated Total	34.0	33.8	(0.2)

◆ Number of Employee by Industry Segment

(Number of Employee)

	As of March 31, 2011			As of September 30, 2011			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Machinery	271	5,651	5,922	291	5,633	5,924	20	(18)	2
Energy & Metal	232	1,076	1,308	240	1,082	1,322	8	6	14
Chemicals & Functional Materials	226	1,737	1,963	224	1,749	1,973	(2)	12	10
Consumer Lifestyle Business	295	5,081	5,376	298	4,820	5,118	3	(261)	(258)
Other	707	1,180	1,887	727	1,176	1,903	20	(4)	16
Total	1,731	14,725	16,456	1,780	14,460	16,240	49	(265)	(216)

(Note)

Employee headcounts above indicate personnel employed by Sojitz and its subsidiaries including employees seconded by Sojitz Corporation.

(Reference)

Employee headcounts for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows:
 end-March 2011: 2,254; end-September 2011: 2,289.

◆ Information regarding per share

Net Income Per Share and Net Income Per Share adjusted residual securities

(Yen)

	For the 1st Half of Fiscal Year Ended March 31, 2011	For the 1st Half of Fiscal Year Ending March 31, 2012
Earnings Per Share	7.29	8.22
Earnings Per Share is based on following calculation		
Net income (Millions of Yen)	9,119	10,281
Amount not attributable to common stock (Millions of Yen)	–	–
Net income for common stock (Millions of yen)	9,119	10,281
Number of average common stocks during the fiscal year (thousands)	1,251,089	1,251,036
Earnings per share adjusted residual securities	7.28	8.21
Earnings per share adjusted residual securities is based on following calculation		
Adjusted net income (Millions of yen)	(6)	(6)
(of which, adjustments due to issuance of residual shares by subsidiaries and affiliates)	(6)	(6)
Number of increasing common stock (thousands)	–	–
Summary of residual shares not included in the calculation of diluted net income per share due to said residual shares not having a dilutive effect	–	On June 27, 2011, the rights execution period expired for the new share subscription rights (316 common shares) issued by a consolidated subsidiary. The rights were not included in the calculation of diluted net income per share due to not having a dilutive effect at the end of the previous consolidated financial year.

(Note)

Net income per share is calculated in accord with the Accounting Standard on Net Income per Share (Accounting Standards Board of Japan (ASBJ) Statement No. 2) and its accompanying Guidance on the Accounting Standard on Net Income per Share (ASBJ Guidance No. 4).

○Earnings Per Share	$\frac{\text{Net income for common stock}}{\text{Number of average Common stocks during the period}}$
○Earnings Per Share (Forecast)	$\frac{\text{Net income for common stock (Forecast)}}{\text{Number of Common stocks during the fiscal year (Forecast)}}$

◆ Full-Year Forecast for the Fiscal Year Ending March 31, 2012

Full-Year Forecast

(Billions of yen)

	Fiscal Year Ended March 31, 2011 Results	Fiscal Year Ending March 31, 2012			
		1st Half Results	Initial Full - Year Forecast	Revised Full - Year Forecast	Achieved
		A		B	A/B
Net sale	4,014.6	2,195.7	4,380.0	4,380.0	50%
Gross profit	192.7	102.2	214.0	214.0	48%
Selling, general and administrative expenses	(155.2)	(79.5)	(164.0)	(164.0)	48%
Operating income	37.5	22.7	50.0	50.0	45%
Interest expenses-net	(19.6)	(9.4)	(22.5)	(20.5)	-
Equity in earnings of affiliates	19.3	8.1	19.0	17.0	-
Other income and expenses - net	8.1	2.4	(0.5)	(0.5)	-
Non operating income/losses - net	7.8	1.1	(4.0)	(4.0)	-
Ordinary income	45.3	23.8	46.0	46.0	52%
Extraordinary income/losses - net	(6.0)	(0.3)	0.0	0.0	-
Income before income taxes and minority interests	39.3	23.5	46.0	46.0	51%
Income before income taxes and minority interests	18.8	12.1	19.5	19.5	62%
Net income	16.0	10.3	16.0	16.0	64%

Gross profit Forecast by Industry Segment

(Billions of yen)

	Fiscal Year Ended March 31, 2011 Results	Fiscal Year Ending March 31, 2012			
		1st Half Results	Initial Full - Year Forecast	Revised Full - Year Forecast	Achieved
		A		B	A/B
Machinery	56.1	33.1	68.0	68.0	49%
Energy & Metal	41.7	23.1	48.0	48.0	48%
Chemicals & Functional Materials	36.3	19.3	37.5	39.5	49%
Consumer Lifestyle Business	53.0	25.6	54.5	54.5	47%
Other	5.6	1.1	6.0	4.0	28%
Total	192.7	102.2	214.0	214.0	48%

Ordinary income Forecast by Industry Segment

(Billions of yen)

	Fiscal Year Ended March 31, 2011 Results	Fiscal Year Ending March 31, 2012			
		1st Half Results	Initial Full - Year Forecast	Revised Full - Year Forecast	Achieved
		A		B	A/B
Machinery	2.0	3.3	7.5	8.5	39%
Energy & Metal	28.7	11.0	29.5	27.0	41%
Chemicals & Functional Materials	6.8	4.8	6.0	8.5	56%
Consumer Lifestyle Business	6.3	4.3	4.5	4.5	96%
Other	1.5	0.4	(1.5)	(2.5)	-
Total	45.3	23.8	46.0	46.0	52%

Net income Forecast by Industry Segment

(Billions of yen)

	Fiscal Year Ended March 31, 2011 Results	Fiscal Year Ending March 31, 2012			
		1st Half Results	Initial Full - Year Forecast	Revised Full - Year Forecast	Achieved
		A		B	A/B
Machinery	3.4	1.6	3.0	3.5	46%
Energy & Metal	26.5	9.9	22.0	20.5	48%
Chemicals & Functional Materials	2.7	3.0	3.0	4.5	67%
Consumer Lifestyle Business	2.3	3.1	1.0	1.0	310%
Other	(18.9)	(7.3)	(13.0)	(13.5)	-
Total	16.0	10.3	16.0	16.0	64%

◆ News Releases for the First half Fiscal Year Ending September 30, 2012

Segment	Date	Title
Machinery		
	June 8, 2011	Sojitz Receives Order for 5.5 MTPA Hot Strip Mill for Kalinganagar Project, Orissa from TATA Steel
	June 9, 2011	Sojitz Group's Nissho Electronics Moves into Cloud Services for the Care Industry - Timely Management of Transport Vehicle Driving Images, and Promotion of Safe and Ecological Driving = Connecting People and Communities Using ICT to Help Enrich Society -
Energy & Metal		
	May 16, 2011	Sojitz, Marubeni, JFE Shoji Trade and Nippon Steel Trading Acquire Interests in Australia's Codrilla Deposit - Ownership of Low Volatile Pulverized Coal Injection (LV PCI) Product Will Contribute to Stable Supplies -
	May 19, 2011	Sojitz Succeeds in Developing A-Structure South Oil Field, Block 1SE Offshore Qatar
	May 20, 2011	Japan Climate Exchange Corporation Acquires Certification from Toshima Ward, Tokyo as Support Agency under the Domestic Emissions Reduction Certification Scheme <u>Certification Will Encourage Local Emissions Trading and Contribute to Reducing Global Warming</u>
	August 17, 2011	Sojitz and Ube Material Industries Invest in Lime Business in China - Aim is to Acquire High-Quality Limestone Sources and Capture the Top Share of the Rapidly-Growing Asian Market -
	August 31, 2011	Sojitz, Tsukishima Kikai Launch Project to Promote Greenhouse Gas Reducing Technologies - NEDO Selects Proposal for Promoting Technologies to Prevent Global Warming -
Chemicals & Functional Materials		
	April 13, 2011	Sojitz Signs Long-Term Butadiene Purchase Agreement with Brazil's Braskem, South America's Largest Petrochemical Company
	September 28, 2011	Sojitz Cosmetics, Kanebo Cosmillion Launch Authentic Anti-Aging Cosmetics "Chronorest" Jointly Planned, Launch Ser for November
Consumer Lifestyle Business		
	May 17, 2011	Exclusive Distribution Rights Acquired for French Suitcase Brand DorDrops - Customizable Coloring for Your Own Original Design -
	July 1, 2011	Sojitz Enters Woodchip Manufacturing Business in Africa Woodchip Export Base to be Constructed in Mozambique, Production and Exports to Begin this Fiscal Year
	August 3, 2011	Japan Airport Terminal, Sojitz and JALUX Form Alliance in Airport Retail Business
	August 27, 2011	Sojitz, Daiwa House Industry and Kobelco Eco-Solutions to Develop Industrial Park in Outskirts of Ho Chi Minh City - Park Will Offer Outstanding Land, Marine and Air Transport Access -
	September 5, 2011	Sojitz, Kyodo Shiryō Enter Compound Feed Production and Sales Business in Vietnam - Responding to Rapid Growth of Demand for Compound Feed for Livestock -
Other		
	May 27, 2011	Sojitz Sets up "Sojitz Reconstruction and Education Fund" to Support Victims of the Great East Japan Earthquake
	July 11, 2011	Sojitz Implements Summer Time Working - Promoting Work-Life Balance & Energy Saving Measures for the Summer -
	July 13, 2011	Sojitz Launches Overland International Logistics Service in the Indochinese Regions of Vietnam, Cambodia and Thailand Developing a through transit land and sea service using the Second East-West Economic Corridor
	September 20, 2011	Sojitz to Expand Industrial Park in Indonesia - Response to Increase in Companies Establishing Operations in Rapidly-Growth Emerging Market Countries

Financial Results for the Second Quarter
Ended September 30, 2011

Shine  **2011**

November 1, 2011
Sojitz Corporation

■ Index

- Financial Results for the Second Quarter ended September 30, 2011 (Japanese accounting standard)
- Shine 2011 Progress
- Dividends

【Supplemental Data】

- Earnings Forecast by Business Segment
- Summary of Financial Results

Forward-looking Statements

This document contains forecasts of business performance and other forward-looking statement. All such forward-looking statements are based on currently available information and certain assumptions that the Company believes to be reasonable. Therefore, actual results may differ materially from those expressed or implied by the above forecasts due to economic conditions in major domestic and overseas markets, foreign exchange rate movements, and other factors.

**I. Financial Results for the Second Quarter Ended
September 30, 2011 (Japanese accounting standard)**



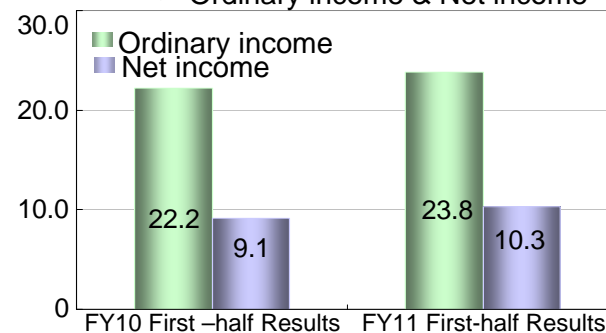
■ Summary of P/L Statements

Business performance has been solid, marking a year-on-year improvement

(Billions of Yen)	First-half FY10 Results	First-half FY11 Results	Change
Net sales	1,965.2	2,195.7	+230.5
Gross profit	93.7	102.2	+8.5
Operating income	17.4	22.7	+5.3
Ordinary income	22.2	23.8	+1.6
Net income	9.1	10.3	+1.2
Comprehensive income	-18.8	-5.3	+13.5
Core earnings	20.0	25.2	+5.2

FY2011 Forecast	Achieved
4,380.0	50%
214.0	48%
50.0	45%
46.0	52%
16.0	64%

(Billions of Yen) Ordinary income & Net income



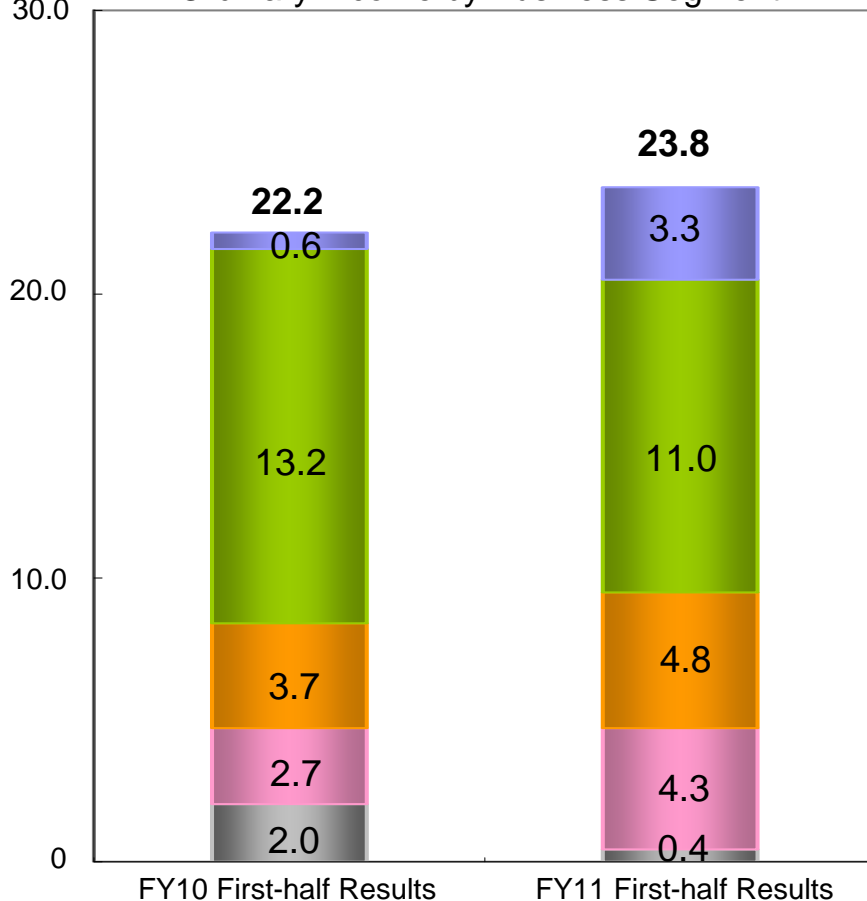
Summary of P/L Statements

Ordinary Income by Business Segment

Earnings up year-on-year in non-resource related fields

(Billions of Yen)

Ordinary Income by Business Segment



Main factors behind the changes

- Machinery** (up 450% year-on-year)
 Earnings increased due to the increased number of cars sold by automotive subsidiaries in the Russia/NIS region and in Central and South America.
- Energy & Metal** (down 17% year-on-year)
 Earnings decreased due to a decrease in equity in earnings of affiliates
- Chemicals & Functional Materials**
 (up 30% year-on-year)
 Earnings increased due to increases in trading volumes and sales prices resulting from increased demand in Asia
- Consumer Lifestyle Business**
 (up 59% year-on-year)
 Earnings increased from increases in trading volumes of forest products
- Other** (down 80% year-on-year)
 Earnings decreased due to the recording of real-estate related revaluation losses

■ Machinery
 ■ Energy & Metal
 ■ Chemicals & Functional Materials
 ■ Consumer Lifestyle Business
 ■ Other

Summary of Balance Sheets

Financial Soundness Maintained

(Billions of Yen)

	End of Sep. 2011	End of Mar. 2011	Change		End of Sep. 2011	End of Mar. 2011	Change
Current assets	1,297.0	1,266.7	+30.3	Interest-bearing debt			
				Short-term	383.9	309.7	+74.2
				Long-term	743.5	806.6	-63.1
Investment and Other assets	841.7	850.3	-8.6	Other liabilities	661.2	645.2	+16.0
Total assets	2,138.7	2,117.0	+21.7	Shareholders' equity *1	321.0	330.0	-9.0
				Total net assets	(350.1)	(355.5)	(-5.4)
				Total liabilities and net assets	2,138.7	2,117.0	+21.7
Risk assets Vs. shareholders' equity	300.0 (0.9times)	310.0 (0.9times)	0 (0.0times)	Shareholders' equity ratio(%)	15.0%	15.6%	-0.6%
Current ratio(%)	133%	142%	-9%	Net interest- bearing debt	727.9	700.6	+27.3
Long-term debt ratio(%)	66%	72%	-6%	Net DER (times)	2.3	2.1	+0.2
				Net D/E ratio based on total net assets	(2.1)	(2.0)	(+0.1)

*1. Shareholders' equity = Total net assets – Minority interests

■ Commodity Prices, Foreign Exchange, and Interest Rate

	FY2011 Assumption	2011 Results (Jan.-Jun. Avg.)	2011 Results (Jul.-Sep. Avg.)	2011 Results (Jan.- Sep. Avg.)	2011 Results (As of Oct. 28)
Crude oil (Brent)*1	\$90/bbl	\$111.2/bbl	\$113.5/bbl	\$111.9/bbl	\$111.8/bbl
Coal (Thermal Coal)*2	\$120/t	\$124.1/t	\$121.8/t	\$123.3/t	\$117.9/t
Molybdenum	\$18.5/lb	\$17.0/lb	\$14.6/lb	\$16.2/lb	\$12.9/lb
Nickel	\$11/lb	\$11.6/lb	\$10.0/lb	\$11.1/lb	\$9.0/lb
Exchange rate*3	¥80/\$	¥81.8/\$	¥77.1/\$	¥80.2/\$	¥75.8/\$
Interest rate (TIBOR)*4	0.5%	0.34%	0.34%	0.34%	0.34%

*1 Sensitivity to crude oil prices: Every US\$1/bbl movement in crude oil price equates to an approximately ¥0.2bn change in ordinary income.

*2 Coal (thermal) sales are generally priced by annual contract. Coal sales prices are therefore not affected by spot price movements.

The above coal price differs from Sojitz's sales price.

*3 Exchange rate sensitivity: Every ¥1 movement in JPY/USD rate equates to approximately ¥5bn change in sales, ¥0.2bn change in ordinary income, and ¥1.2bn change in shareholders' equity.

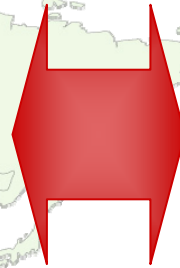
*4 Interest rate sensitivity: Every 100 basis point movement in interest rates equates to approximately ¥1.5-2.0bn per year.

II. Shine 2011 Progress

Business Environment & Earnings Forecast

External environment

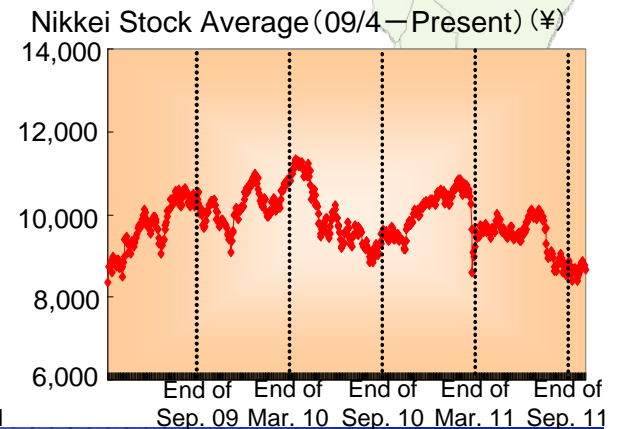
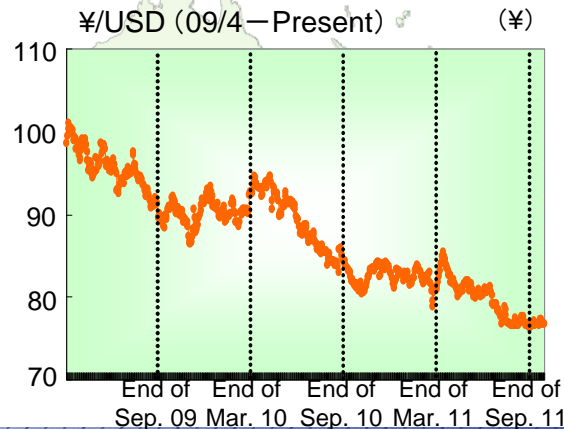
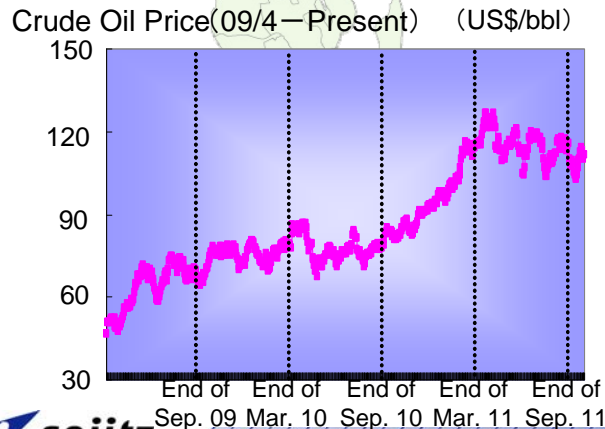
- Although economic growth rates will remain solid in the emerging countries, they are expected to decelerate somewhat
 - ✓ Impact of the flood in Thailand
- Concerns over a global economic recession centered on the developed countries
 - ✓ Uncertainty towards the future of the US economy
 - ✓ Fiscal problems in Europe
- High yen and low stock prices
- Declines in the commodities markets



Sojitz

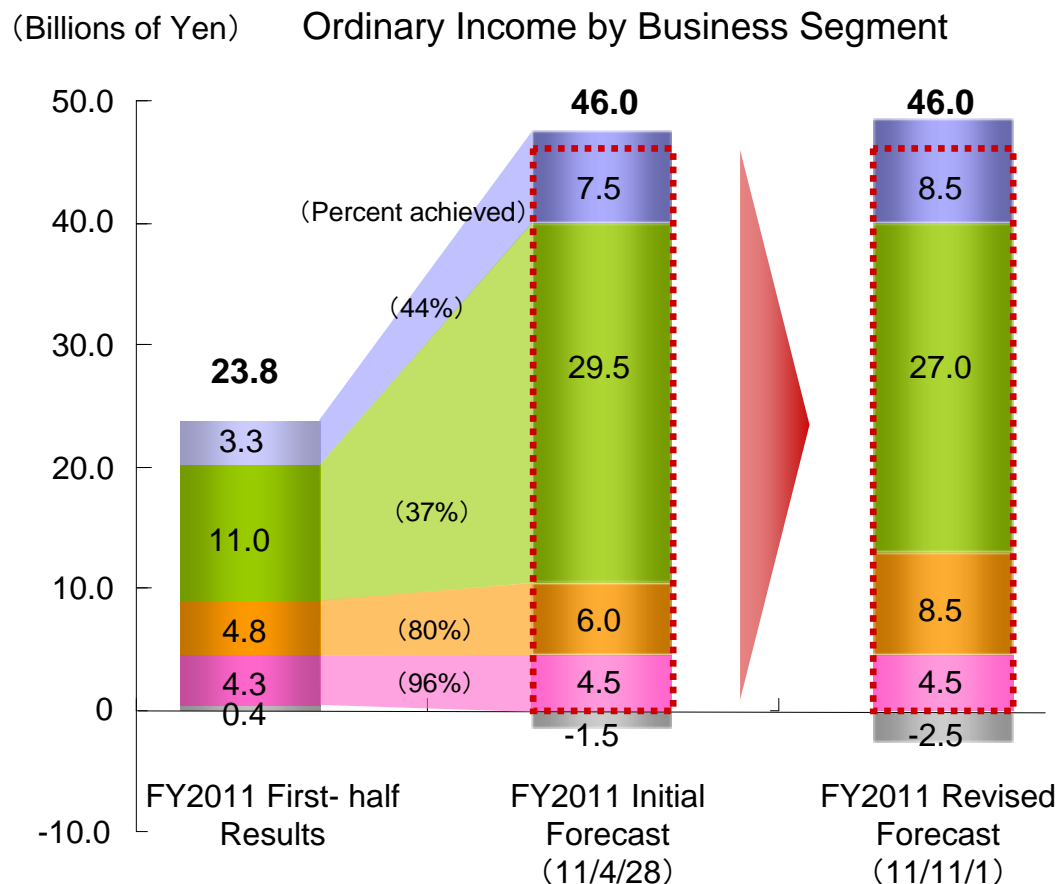
- Although automobiles and chemicals have outperformed expectations in the first half due to the strong demand in the emerging nations, the developments in the second half will need to be watched
- With the decline in market conditions for commodities, a decline in profits in the metals and resources related sectors is anticipated
- The impact of the flood in Thailand on some businesses will need to be watched
- Impact of the exchange rate (high yen)

A forecast of ordinary income of ¥46 billion and net income of ¥16 billion is maintained



FY2011 Ordinary Income Forecast by Business Segment

The full-year forecast for the business segments has been revised to reflect recent business conditions



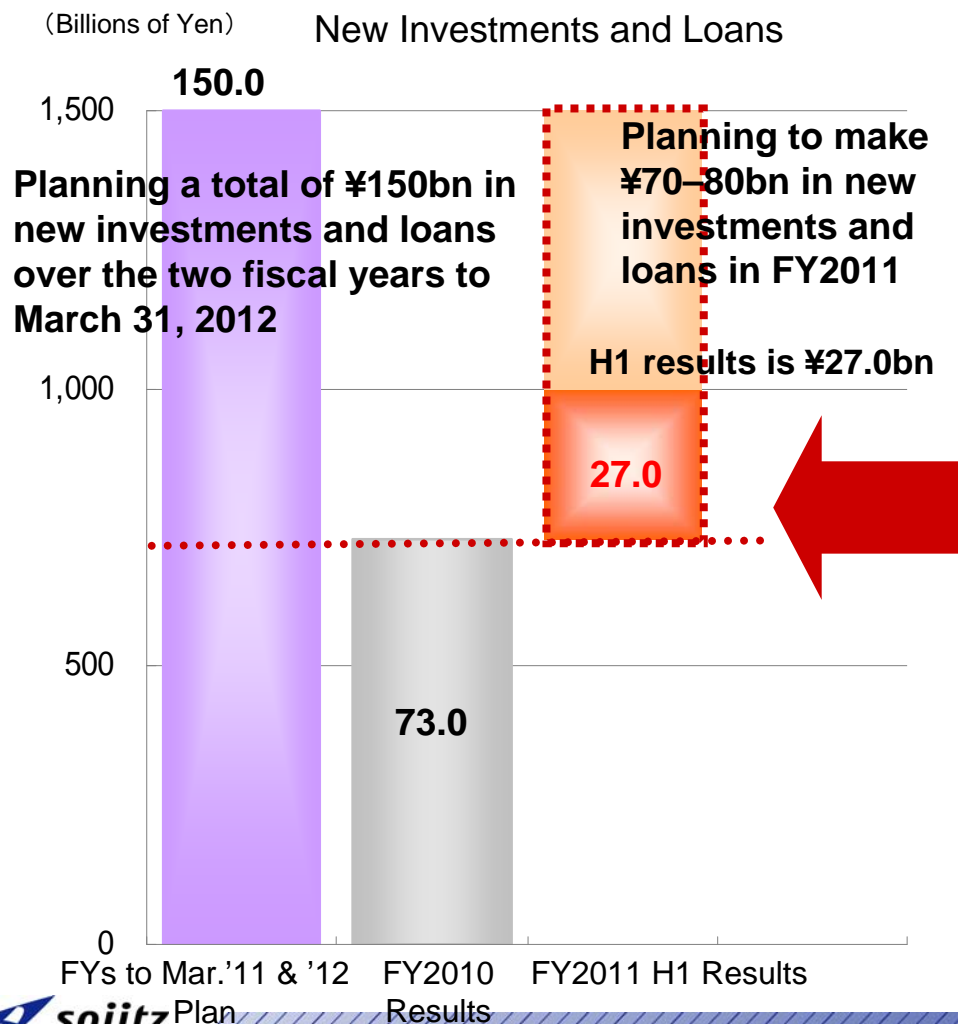
Main factors behind the revisions

- Machinery** (upwards revisions of ¥1 billion yen)
 Revised upwards as the business performance of automotive subsidiaries in the Russia/NIS region and in Central and South America during the first half outperformed expectations
- Energy & Metal**
 (downward revision of ¥2.5 billion yen)
 Revised downwards due to a decrease in equity in earnings of affiliates and a decline in the market
- Chemicals & Functional Materials**
 (upward revision of ¥2.5 billion yen)
 Revised upwards due to increases in trading volumes and sales prices resulting from increased demand in Asia
- Consumer Lifestyle Business** (no change)
 Flooding is expected to impact fertilizer businesses in Thailand during the second half and a rebound in the strong performance of forest products is anticipated
- Other** (downward revision of ¥1 billion yen)
 Revised downwards due to the recording of real-estate related revaluation losses during the first half

■ Machinery
 ■ Energy & Metal
 ■ Chemicals & Functional Materials
 ■ Consumer Lifestyle Business
 ■ Other

■ New Investments and Loans

Continuously strengthening earnings base
in pursuit of sustained growth



- Planning to make ¥70–80bn in new investments and loans in FY2011
- Investment will be focused in non-resource businesses (e.g., machinery, chemicals, foodstuffs, agribusiness) in addition to resource-related businesses

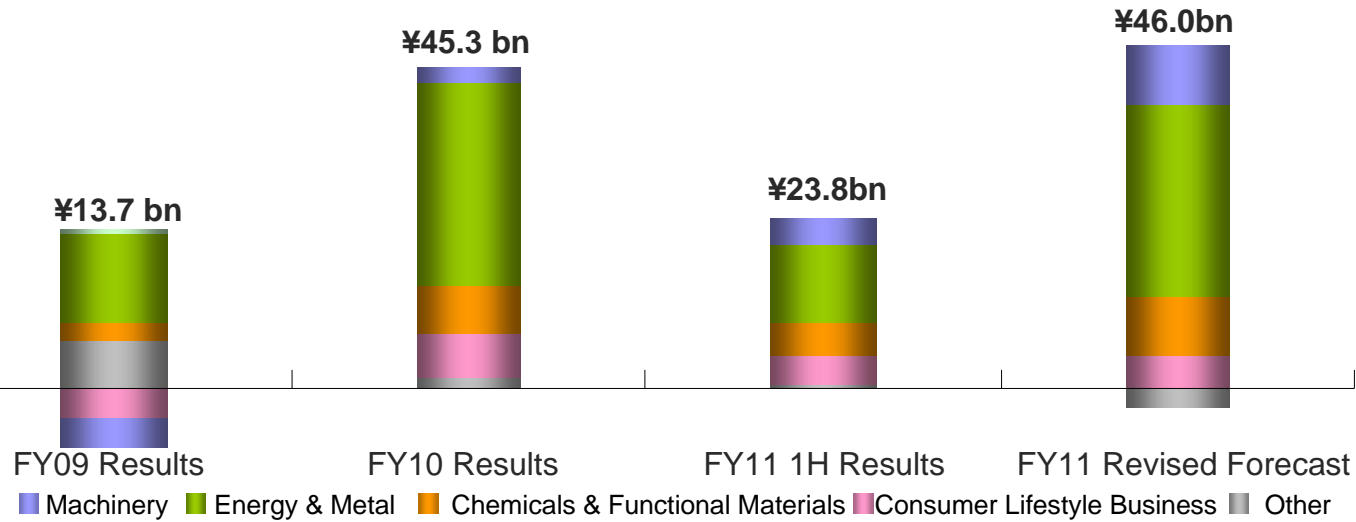
- First-half cumulative performance : ¥27.0 bn
- Resource fields: newly acquired coal interests; investment in lime production business; expansion of existing interests for oil, gas, and molybdenum
- Non-resource related fields: investments in a solar power IPP in Germany, capital increase in a milling business in Vietnam, establishment of a feedstuffs company in Vietnam, establishment of an industrial park business in Vietnam, establishment of a timber and woodchip business in Mozambique, investment in a domestic food company, and establishment of an airport retail business

Primarily through asset reallocation,
accumulate high-quality asset holdings
while maintaining a sound financial position

Shine 2011 Progress

Accumulation of high-quality businesses and assets through the asset allocation

Ordinary income



Towards sustained growth through revival of earnings capacity

Strengthen earning fundamentals

- Expanding Interest in Energy & Metal Resource**
New acquisition of coal, rare metals, and other asset-related interests and expansion of existing interests
- Strengthening Priority Businesses**
Improvements in the automotive business performance, business investments in chemical-related businesses, and expansion of IPP businesses
- Cultivating New Businesses**
Advance in environmental / new energy and agribusiness

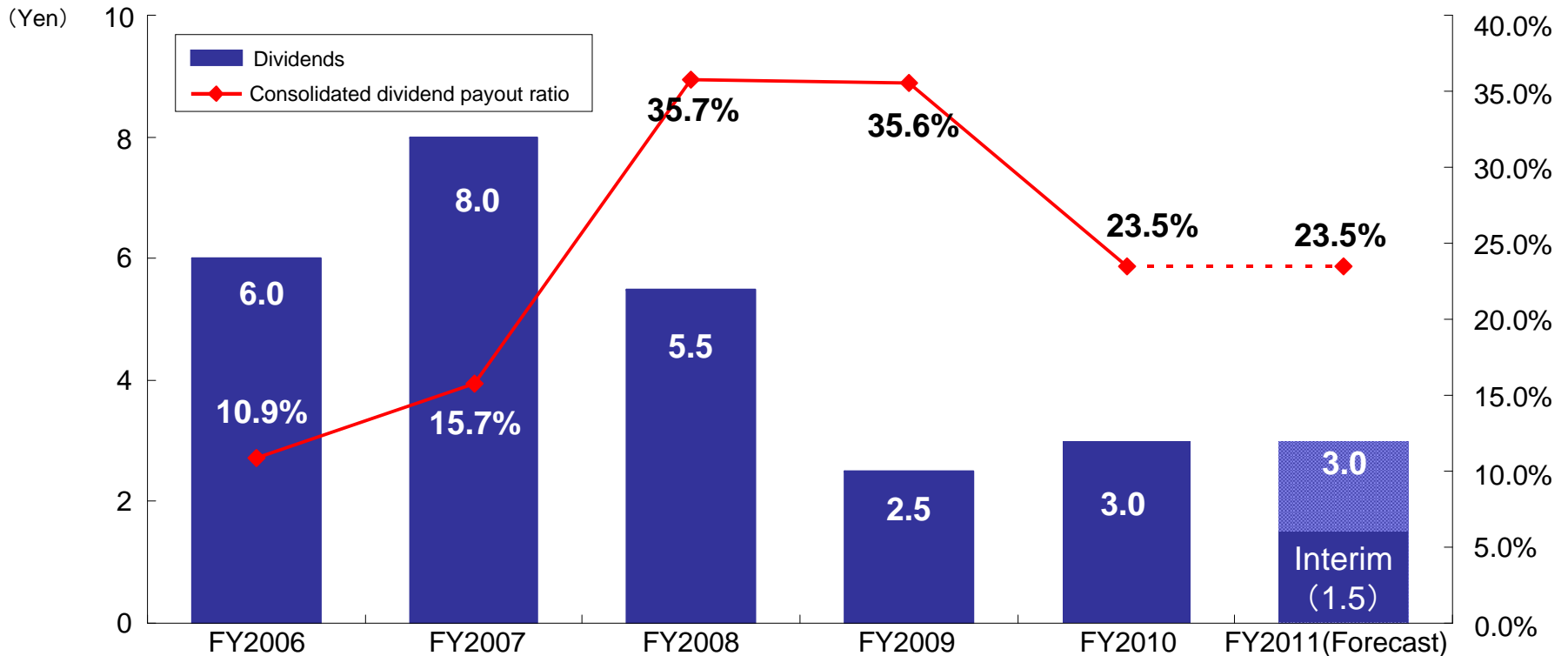
III. Dividends

■ Dividends

Annual dividends per share and consolidated payout ratio

Basic dividend policy

Sojitz recognizes that paying stable, continuous dividends is an important management priority, together with enhancing shareholder value and boosting competitiveness by accumulating and effectively utilizing retained earnings.

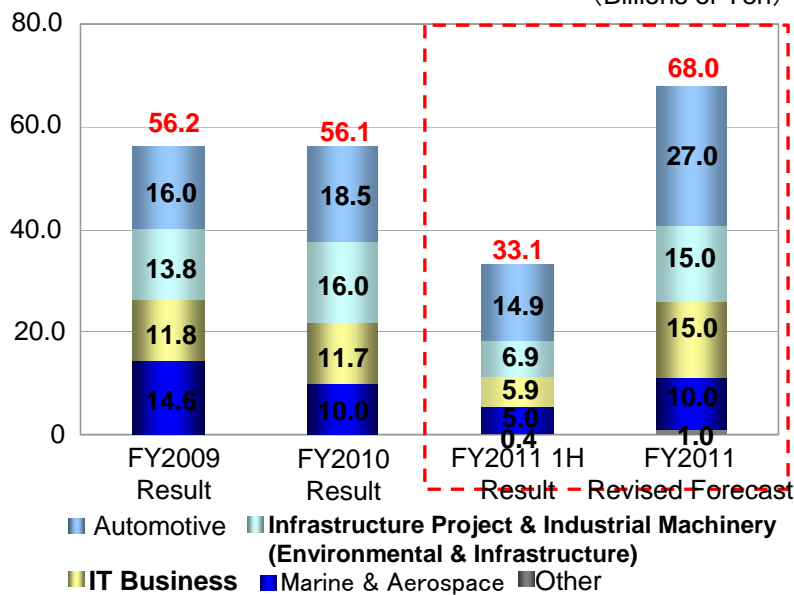


Note: Consolidated dividend payout ratios were calculated based on common shares outstanding at fiscal year-end.

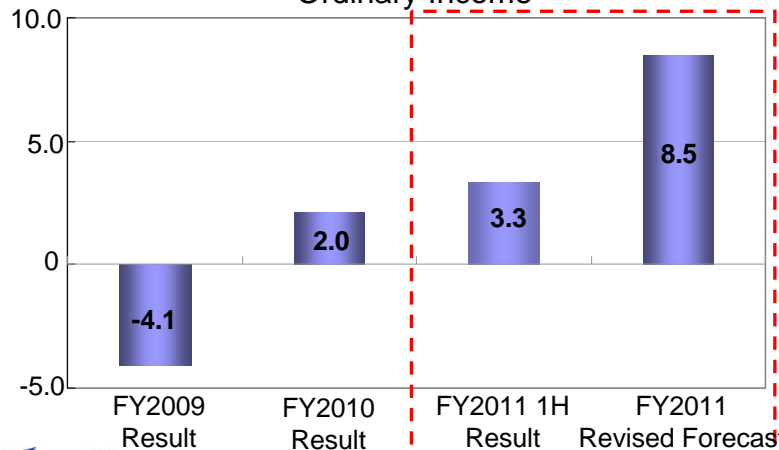
Supplemental Data I.
Earnings Forecast by Business Segment

Machinery Segment

Gross Profit by Unit (Billions of Yen)



Ordinary Income



Current position and forecast

【Ordinary income】 First-half results: ¥3.3 billion/ revised full-year FY2011 forecast: ¥8.5 billion (initial forecast : ¥7.5 billion)

- Automotive
Forecast revised upwards as the strong business performance of automotive subsidiaries in the Russia/NIS region and in Central and South America during the first half outperformed expectations
- Infrastructure Projects & Industrial Machinery (formerly Environmental & Infrastructure)
Forecast revised downwards due in part to a late start at the beginning of the year
- IT Business
Although the result was bearish throughout the first half due to an overemphasis on the second half, full-year performance is expected to be mostly in line with plan
- Marine & Aerospace
Performance is expected to be mostly in line with plans

Initiatives during *Shine2011*

【Automotive business】

- Business revival due to inventory rationalization in Russia and recovery of steady operations in assembly business in Venezuela
- Continue exposure management
- Business portfolio restructuring through means including participation in dealers and other downstream business

【Infrastructure/Plant business】

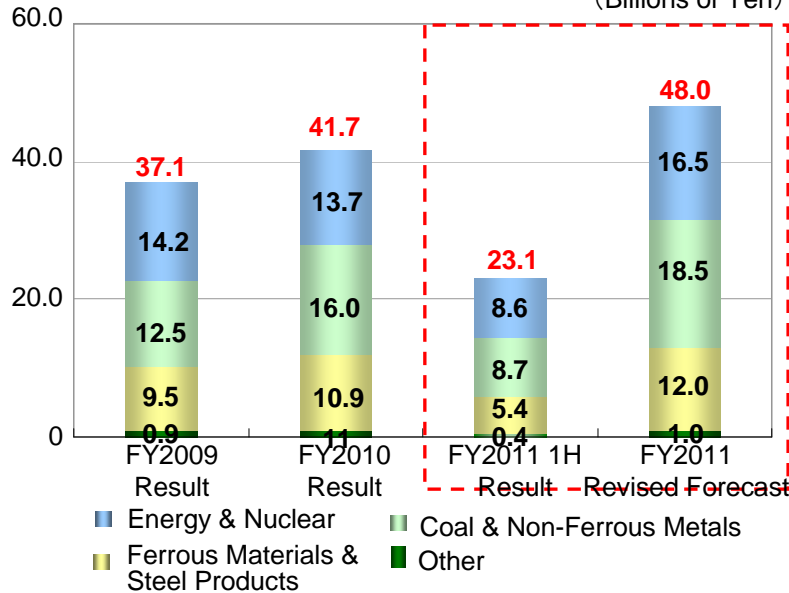
- Accumulation of plant order
- Initiative in IPP investment expected to generate middle to long term profit contributions
- Work to capture infrastructure demand in emerging countries

【IT business】

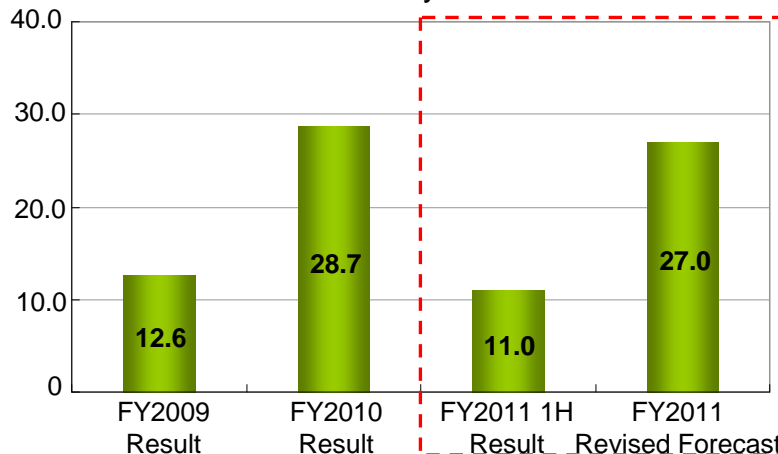
- Promote IT service business with Nissho Electronics as core
- Strengthen overseas business, such as Asia

Energy & Metal Segment

Gross Profit by Unit (Billions of Yen)



Ordinary Income

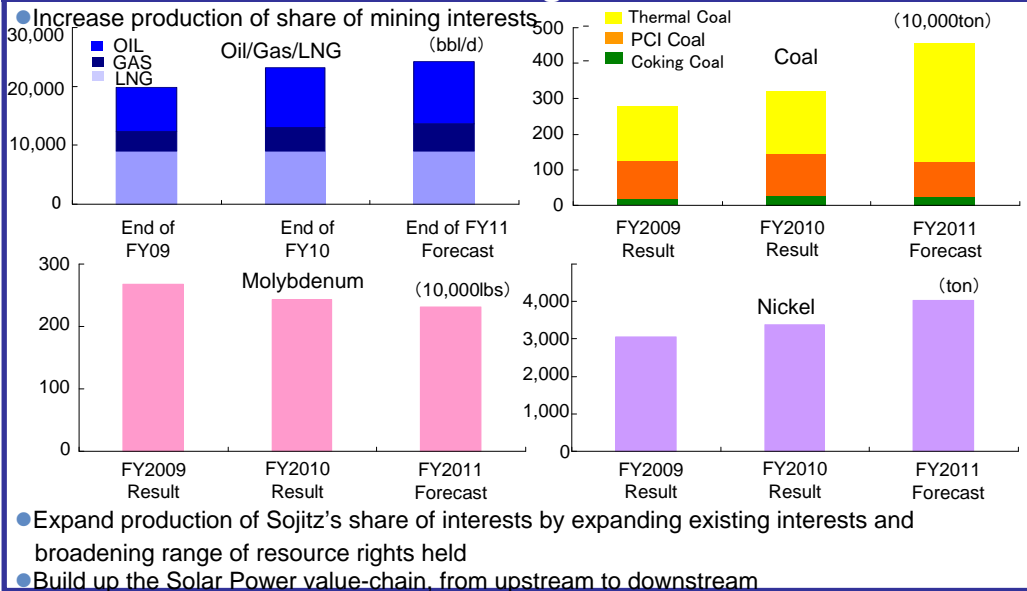


Current position and forecast

【Ordinary income】First-half results: ¥11 billion/ revised full-year FY2011 forecast: ¥27 billion (initial forecast : ¥29.5 billion)

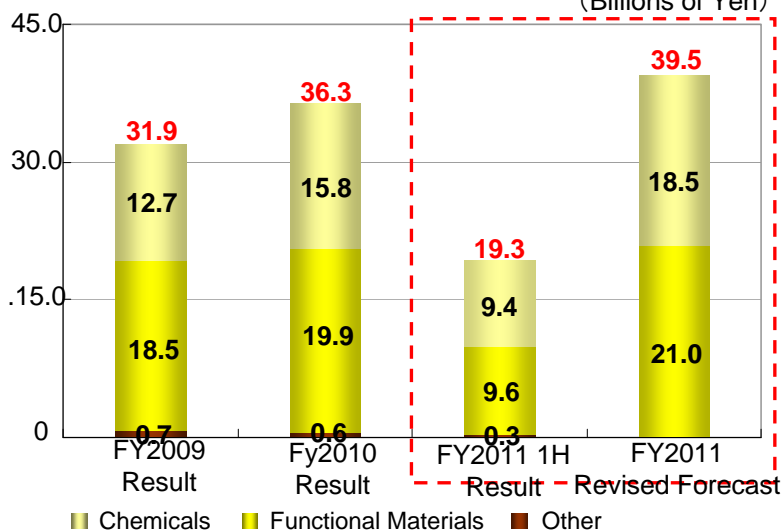
- Energy & Nuclear
Performance was strong during the first half due to overall favorable market conditions for oil and gas, largely in line with the forecast
- Coal & Non-Ferrous Metals
Although coal was impacted by heavy rains in Australia, a strong performance is expected to offset this from the second quarter onwards. Nonetheless, the full-year forecast has been revised downward due to the additional impact of the decline in copper conditions and exchange rates.
- Ferrous Materials & Steel Products
The full-year forecast has been revised downward due to a decrease in equity in earning of affiliates and a decline in market conditions

Initiatives during Shine2011

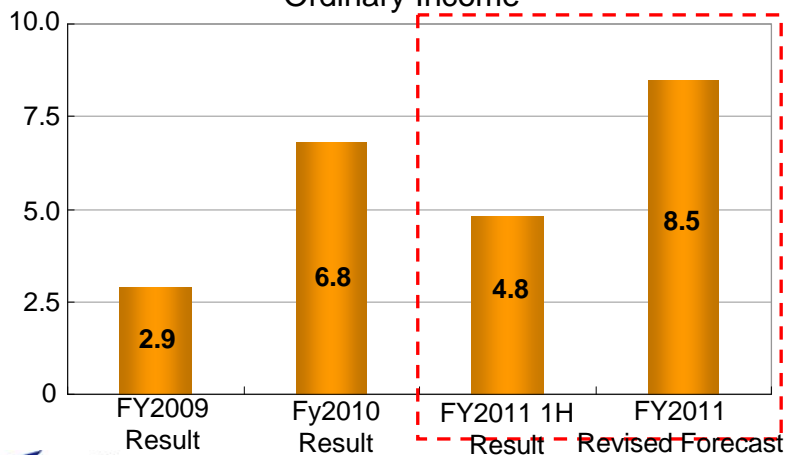


Chemicals & Functional Materials

Gross Profit by Unit (Billions of Yen)



Ordinary Income



Current position and forecast

【Ordinary income】First-half results: ¥4.8 billion/ revised full-year FY2011 forecast: ¥8.5 billion (initial forecast : ¥6 billion)

- Chemicals
The full-year forecast has been revised upward due to expected increases in trading volumes and sales prices resulting from the continuing increased demand in the entire Asian region during the first-half
- Functional Materials
Although the high yen is expected to bring a decline in export volumes, performance should be largely in line with the forecast thanks to a continued focus on Asia

Initiatives during *Shine2011*

【Chemicals business】

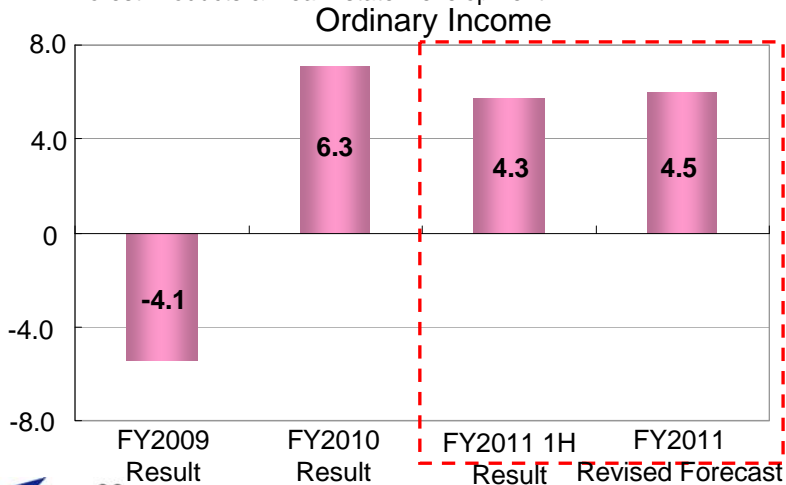
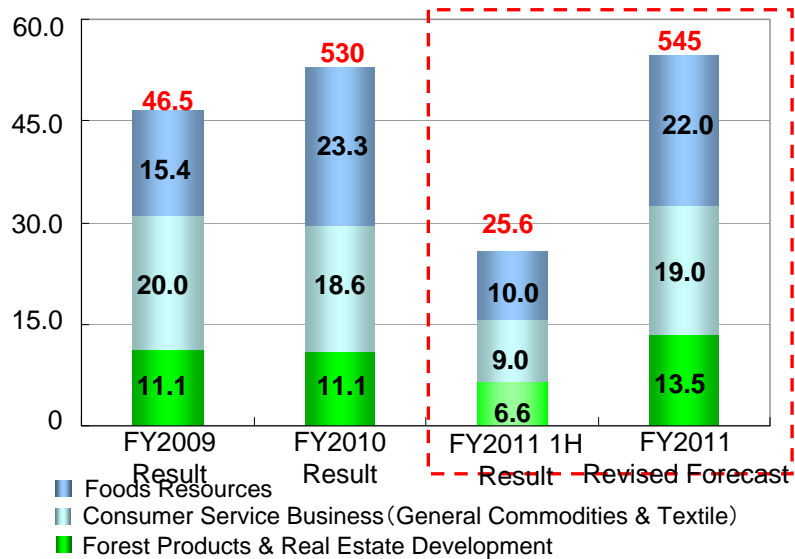
- Strengthen logistic value chain for key products
 - Strategic products : Industrial salt, Rare earth metals, Lithium, Methanol, Metton resin
 - Initiative to secure a supply sources
- Reinforce the overseas logistic business in China, Asia, and other areas

【Functional Materials business】

- Develop supply chain for logistic transactions in priority areas
 - Priority areas : Electronics, Solar power generation, High-performance monomers

Consumer Lifestyle Business Segment

Gross Profit by Unit (Billions of Yen)



Current position and forecast

【Ordinary income】 First-half results: ¥4.3 billion/ revised full-year FY2011 forecast: ¥4.5 billion (initial forecast: ¥4.5)

- Foods Resources
The full-year forecast has been revised downward in anticipation of the impact of the flooding in Thailand on the overseas fertilizer businesses
- Consumer Service Business (formerly General Commodities & Textile)
The full-year forecast has been revised upward on account of the increase in tobacco demand during the first quarter and the earthquake having less impact than was initially anticipated
- Forest Products & Real Estate Development
Although performance exceeded expectations during the first half due to growth in forest products trading following the earthquake, a recoil reduction in forest products trading is expected from the second quarter onwards and accordingly the current forecast will be maintained

Initiatives during *Shine2011*

【Food business】

- Accelerate developing business in overseas
 - Food industrial complex development business in Vietnam
 - Initiative in securing fertilizer raw materials, geographically expand business
- Initiative in securing wheat and other food resources
- Initiative in agribusiness

【Retail business】

- Business development in Vietnam, China and other Asian countries where consumption is expected to increase

Supplemental Data II.

Summary of Financial Results

■ Summary of P/L Statements

(Billions of Yen)

	FY2006 Results	FY2007 Results	FY2008 Results	FY2009 Results	FY2010 Results	FY2011 1H Results	FY2011 Forecast
Net Sales	5,218.2	5,771.0	5,166.2	3,844.4	4,014.6	2,195.7	4,380.0
Gross profit	254.5	277.7	235.6	178.2	192.7	102.2	214.0
Operating income	77.9	92.4	52.0	16.1	37.5	22.7	50.0
Ordinary income	89.5	101.5	33.6	13.7	45.3	23.8	46.0
Net income	58.8	62.7	19.0	8.8	16.0	10.3	16.0
Core earnings	89.8	110.7	48.3	14.4	41.9	25.2	54.5
(Reference)							
ROA	2.3%	2.4%	0.8%	0.4%	0.7%	—	0.8%
ROE	12.8%	13.0%	4.8%	2.6%	4.7%	—	4.9%

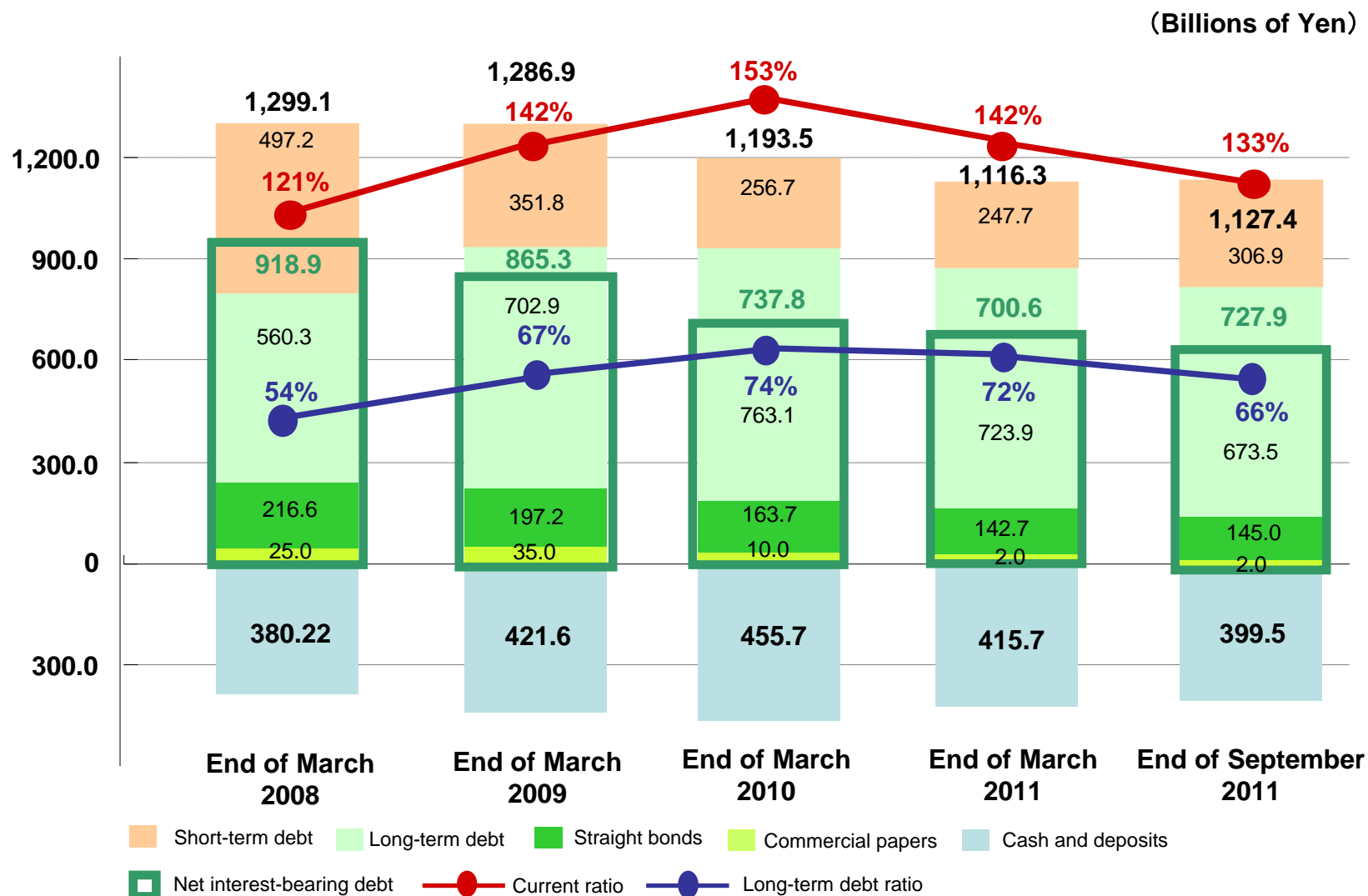
Summary of Consolidated Balance Sheets

(Billions of Yen)

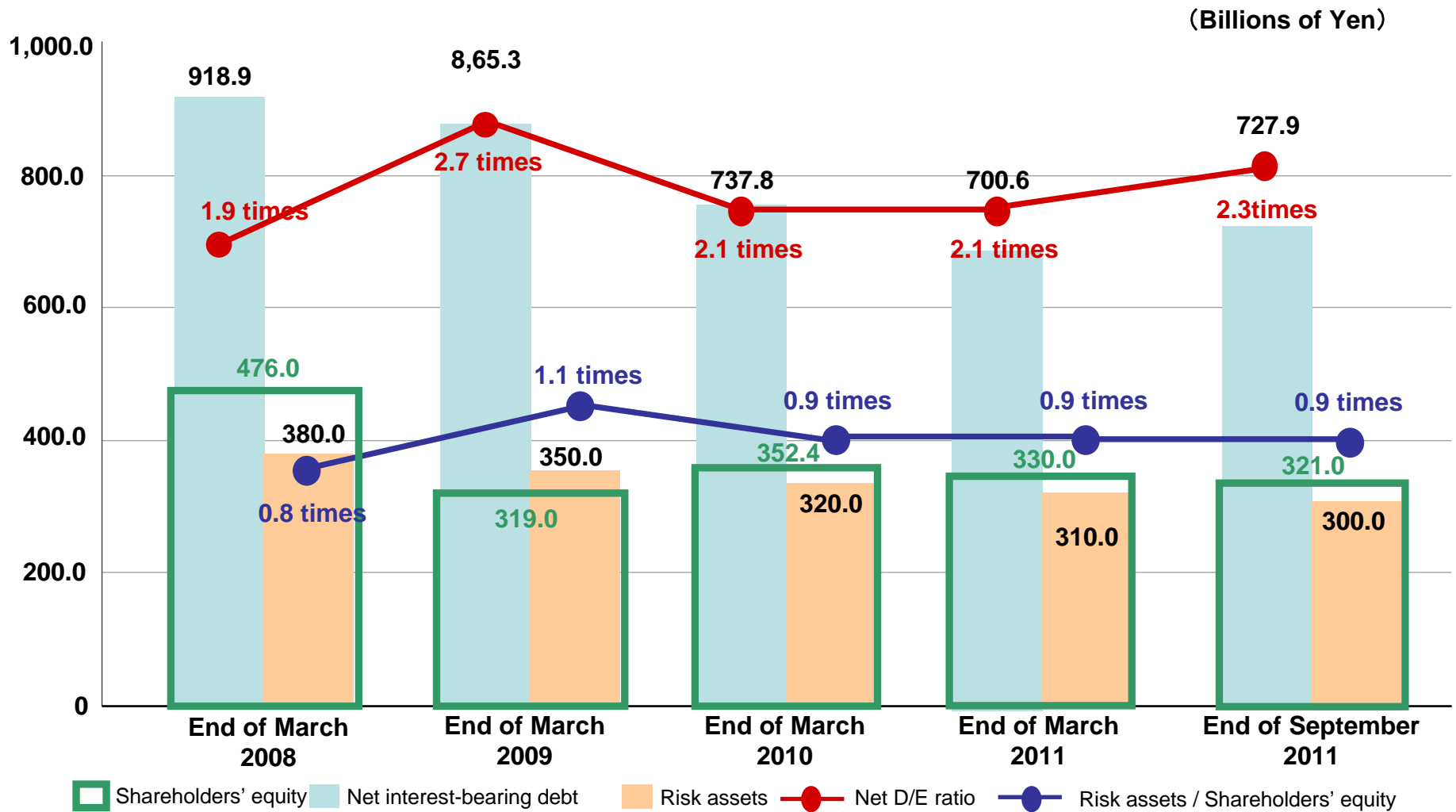
	End of March 2009	End of March 2010	End of March 2011	End of Sep. 2011	End of March 2009	End of March 2010	End of March 2011	End of Sep. 2011
Current assets	1,473.2	1,285.3	1,266.7	1,297.0				
Investment and other assets	839.8	875.6	850.3	841.7.0				
Total assets	2,313.0	2,160.9	2,117.0	2,138.7				
Risk assets vs. shareholders' equity	350.0 (1.1times)	320.0 (0.9times)	310.0 (0.9times)	300.0 (0.9times)				
Current ratio(%)	142%	153%	142%	133%				
Long-term debt ratio(%)	67%	74%	72%	66%				
Interest bearing debt								
Short-term	428.9	306.8	309.7	383.9				
Long-term	858.0	886.7	806.6	743.5				
Other liabilities	670.6	590.0	645.2	661.2				
Shareholders' equity *1	319.0	352.4	330.0	321.0				
Total net assets	(355.5)	(377.4)	(355.5)	(350.1)				
Total liabilities and net assets	2,313.0	2,160.9	2,117.0	2,138.7				
Shareholders' equity ratio(%)	13.8%	16.3%	15.6%	15.0%				
Net interest-bearing debt	865.3	737.8	700.6	727.9				
Net DER (times) Net D/E ratio based on total net assets	2.7 (2.4)	2.1 (2.0)	2.1 (2.0)	2.3 (2.1)				

*1. Shareholders' equity = Total net assets – Minority interests

Interest-bearing Debt



Net Interest-bearing and Risk Asset





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New way, New value