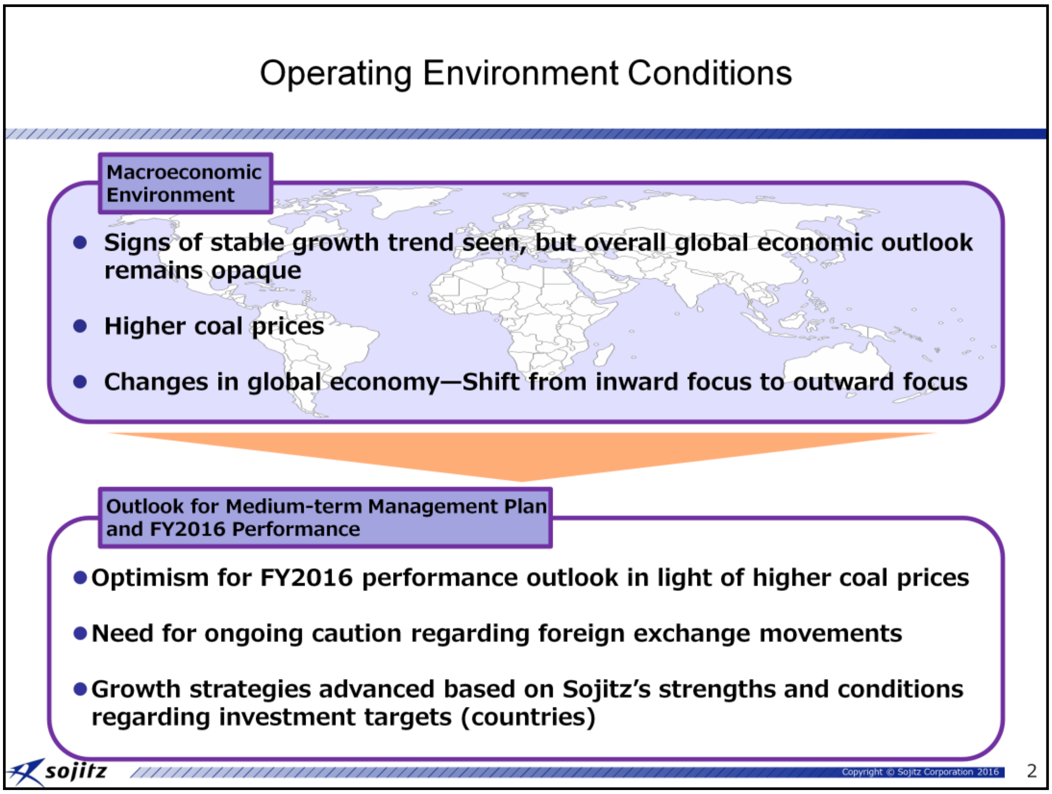
sojitz
New way, New value

Financial Results for the Second Quarter Ended September 30, 2016

November 2, 2016

Sojitz Corporation



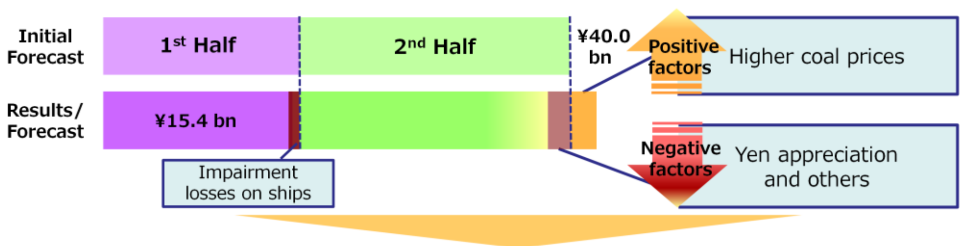
- Looking at the global economy, attempts to create free trade zones via arrangements such as the European Union, Trans-Pacific Partnership, and Regional Comprehensive Economic Partnership have been slow moving. This situation is largely due to the recent trend toward major developed countries prioritizing internal issues each time an election occurs, stifling the advance of borderless global trade.
- The catalyst for this trend includes various issues, such the refugee issue, that are unlikely to be resolved in the short time. This situation is resulting in an increasingly opaque outlook for the global economy.
- Accordingly, even in the Company's focus region of Asia, there is a need formulate measures that furnish more fine-tuned responses to the specific economic and political issues of individual countries, rather than focusing entirely on initiatives that address Asia as a whole.

Summary of Financial Results for the Second Quarter Ended September 30, 2016

Progress toward full-year targets generally in line with forecasts
Segment forecasts revised

(Billions of Yen)	FY2015 2Q Results	FY2016 2Q Results	Difference	FY2016 Initial Forecast	FY2016 Revised Forecast	Achieved
Gross Profit	91.7	91.8	+0.1	210.0	200.0	46%
Profit for the period attributable to owners of the Company	20.6	15.4	(5.2)	40.0	40.0	39%

Progress toward Target for Profit for the Year



Revision of Full-Year Segment Forecasts

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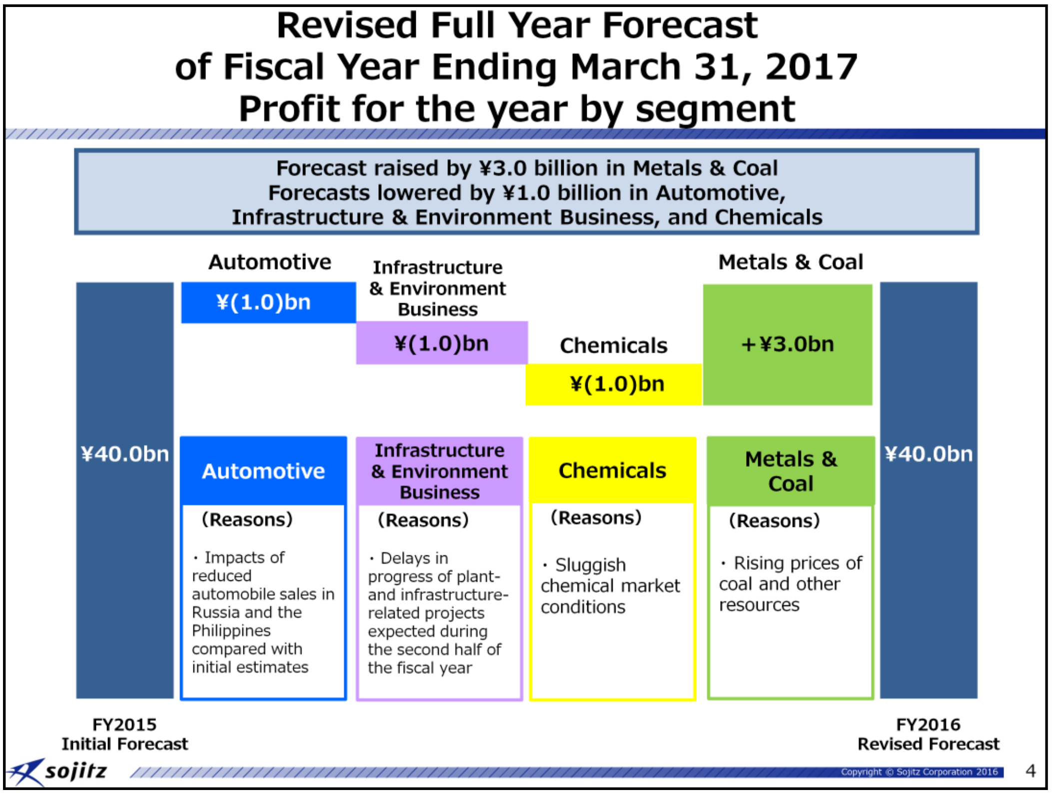
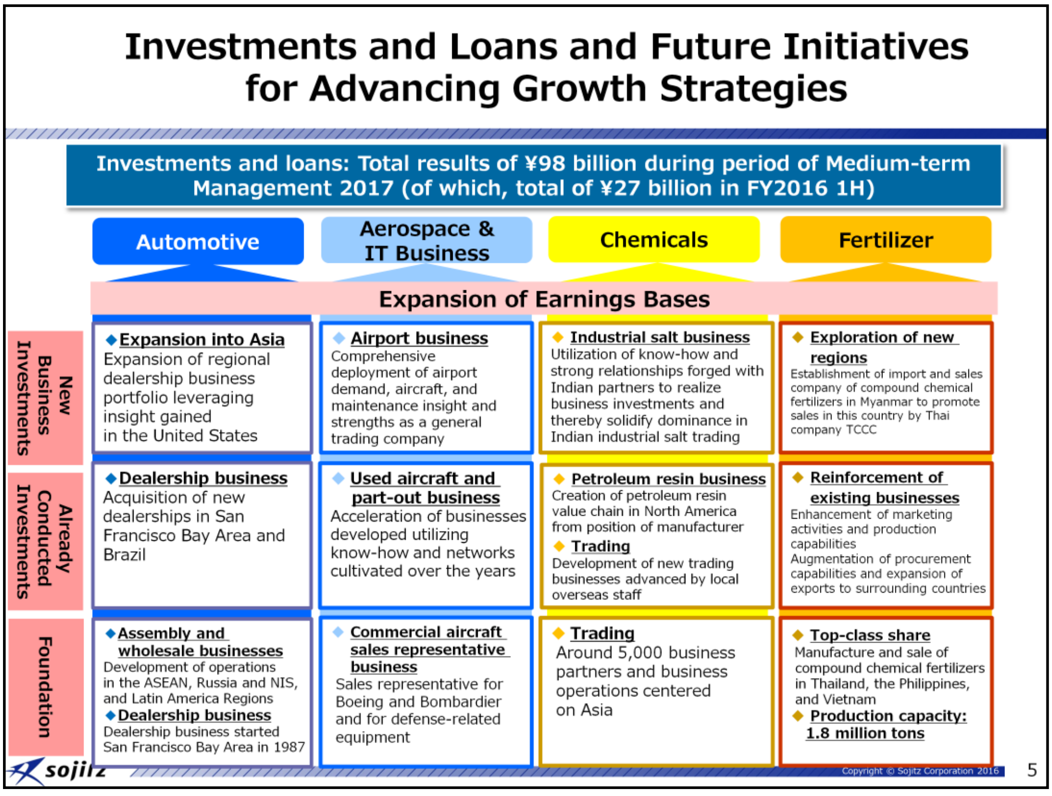
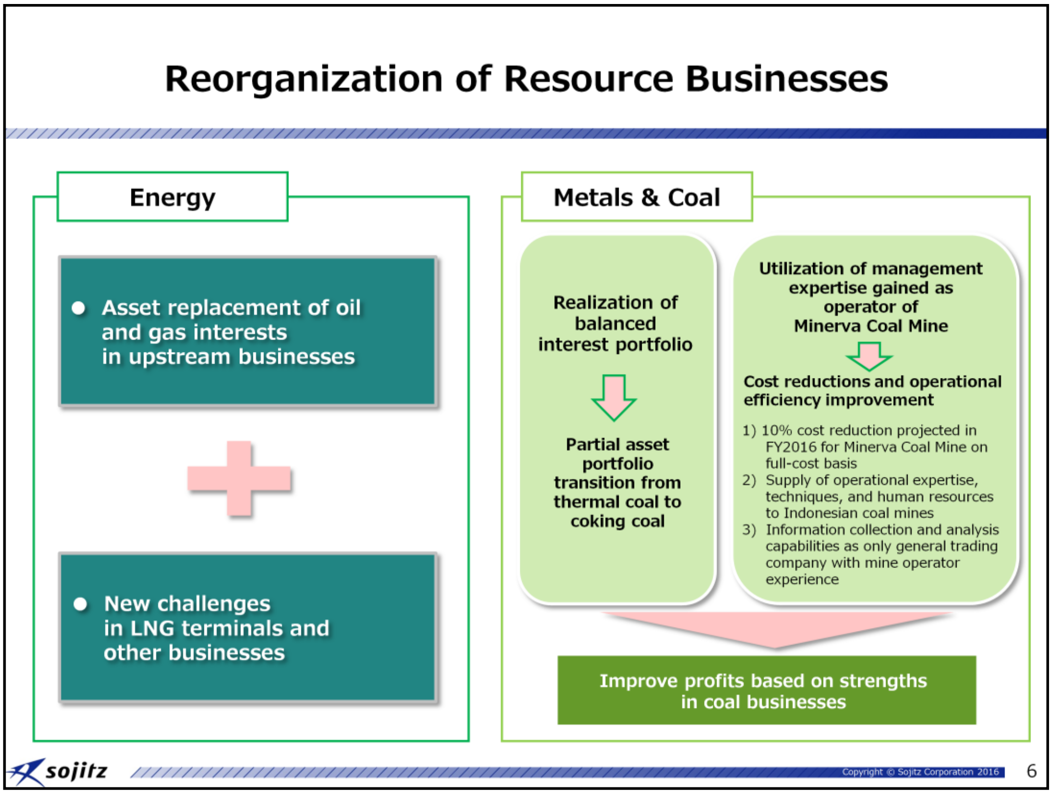
- Gross profit was relatively unchanged year on year. Profit for the period attributable to owners of the Company, however, was down ¥5.2 billion, to ¥15.4 billion. This outcome was a result of the rebound from extraordinary income recorded by investments accounted for using the equity method during the previous six-month period ended September 30, 2015. However, as our targets were originally based on the assumption that a larger portion of earnings would be generated during the second half of the fiscal year, progress toward full-year targets was generally in line with forecasts.
- By segment, performance was strong in the Foods & Agriculture Business Division, Lifestyle Commodities & Materials Division, and Retail Division. Conversely, automobile sales volumes in Russian automobile operations were down in comparison to our initial forecasts, chemical market conditions were sluggish, and impairment losses were recorded on ships.
- We revised forecasts for the second half of the fiscal year based on the progress seen to date in each business and our current assumptions for foreign exchange rates and market conditions. The revised forecasts incorporate positive factors, such as higher coals prices, as well as negative factors, such as the impacts of yen appreciation.
- We thus believe that we will be able to achieve our full-year forecast of ¥40.0 billion for profit for the year attributable to owners of the Company.



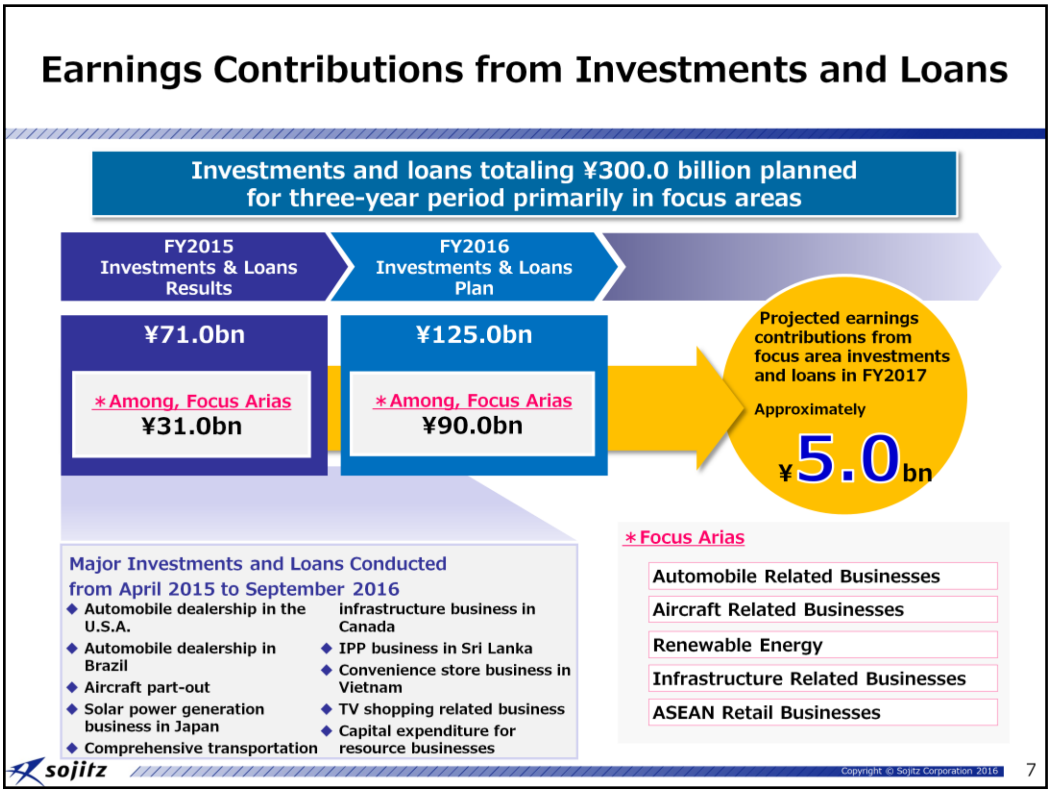
- The forecast for profit for the year in the Metals & Coal Division was increased by ¥3.0 billion to reflect the rising price of coal.
- The forecast for the Automotive Division was lowered by ¥1.0 billion due to automobile sales volumes falling below our initial forecasts in Russia and the Philippines.
- In the Infrastructure & Environment Business Division, the forecast was lowered by ¥1.0 billion as the recording of earnings seems to be concentrating in the fourth quarter, and it therefore may be possible that the receipt of project orders will be delayed until the next fiscal year.
- The profit for year forecast for the Chemicals Division was lowered by ¥1.0 billion out of consideration for sluggish conditions in the markets for methanol and other chemicals.



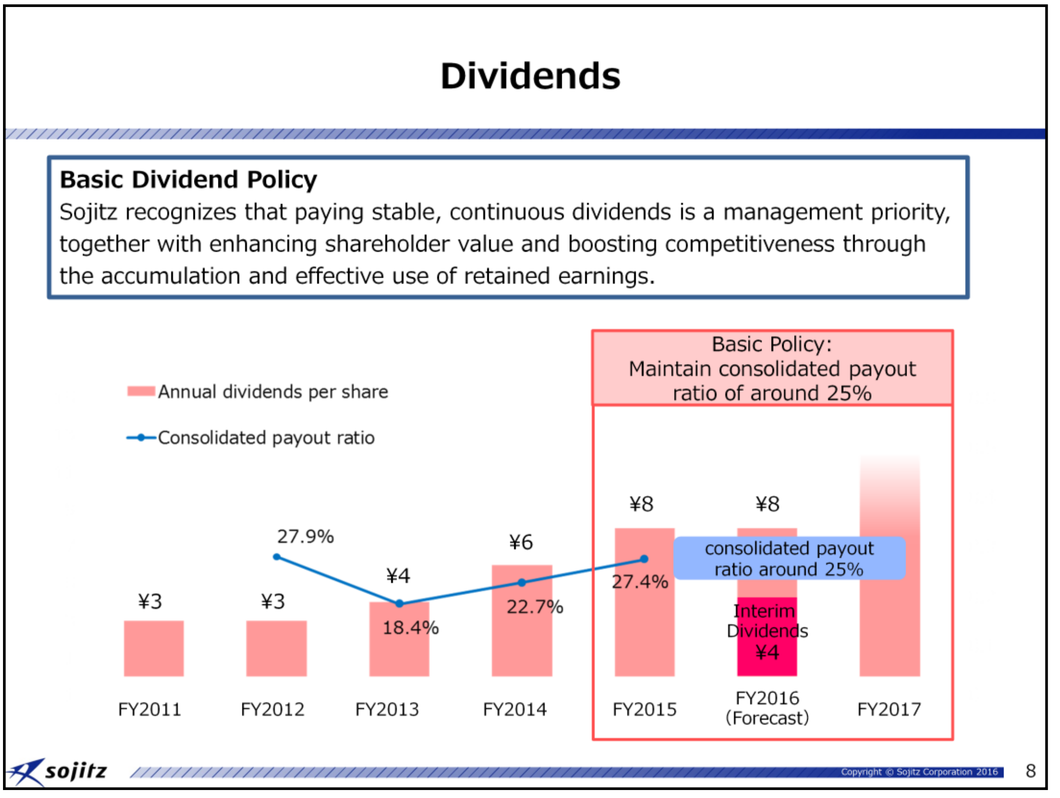
- I would now like to explain the initiatives we have advanced to strengthen earnings capacity to date and the new business developments planned for the future.
- In the Automotive Division, we continued to expand our dealership business on through the previous fiscal year. Now that we have established a sufficient earnings foundation in the United States, we will next focus our efforts on Asia and other regions in which we can anticipate future growth.
- Business developments efforts in the Aerospace & IT Business Division leveraged our strengths in areas such as the used aircraft and part-out business. In addition, we hope to establish an airport business in the near future.
- We steadily pushed forward with initiatives in the Chemicals Division, achieving a certain degree of earnings from offshore trading and the petroleum resin business. At the same time, we examined the possibility of conducting business investments to reinforce our already strong position in Indian industrial salt trading.
- In fertilizer businesses, Thai Central Chemical Public Company, Ltd., a fertilizer production company in Thailand, established an import and sales company in early October 2016 to promote sales in Myanmar. Going forward, we will continue to strengthen existing fertilizer operations while expanding these operations into new regions.



- We are also moving ahead with the reorganization of resource businesses.
- In the Energy Division, we took steps to branch out from our traditional upstream-centric business model. One new initiative was to tackle challenges in the LNG terminal business. We are thereby working to build a portfolio that is not heavily influenced by market conditions.
- In the Metals & Coal Division, we aim to construct an asset portfolio that is more focused on coal, an area of strength for Sojitz.
- Over the long term, we will transition part of our asset portfolio from thermal coal to coking coal.
- In addition, we will fully utilize the management expertise that has been gained through operating the Minerva Coal Mine with our majority stake to lower costs associated with interests and improve operational efficiency. The goal of these efforts will be to increase our resilience to price declines.
- At the Minerva Coal Mine, we project a 10% year-on-year cost reduction to be achieved on a full-cost basis in the year ending March 31, 2017, which will contribute to increasing this resilience.



- If we go through with our plans for the year ending March 31, 2017, by conducting investments and loans totaling ¥125.0 billion, it will result in a two-year total of ¥196.0 billion for investments and loans when the amount for this year is combined with the amount from the previous fiscal year.
- Of this two-year total, ¥121.0 billion will be devoted to focus areas in non-resource businesses. During the period of the current medium-term management plan, these investments and loans are expected to make earnings contributions of approximately ¥5.0 billion, which will come in the year ending March 31, 2018, the plan's final year.



- As shown on this slide, the Company's basic dividend policy is to maintain a consolidated payout ratio of around 25% during the period of the current medium-term management plan.
- Based on this policy and our performance forecast for the year ending March 31, 2017, we have chosen to go forward with our previous plan of issuing annual dividends of ¥8 per share. We thus decided to pay an interim dividend of ¥4 per share.
- Looking ahead, we will continue striving to increase earnings capacity and improve corporate value by amassing quality assets through the accumulation and effective use of retained earnings. We hope that these efforts will enable us to live up to the expectations of all of our stakeholders.