

Notice of the 10th Ordinary General Shareholders' Meeting

**To be held at 10:00 a.m. on Tuesday, June 25, 2013
at ANA InterContinental Tokyo**

**Deadline for Exercising Voting Rights by Postal Mail or Internet:
To arrive no later than 5:30 p.m. on Monday, June 24, 2013 (JST)**



New way, New value

Sojitz Corporation

(Securities code 2768)

The following is an English translation of Notice of the 10th Ordinary General Shareholders' Meeting of Sojitz Corporation ("Sojitz" or the "Company") to be held on June 25, 2013. Sojitz provides this translation for your reference and convenience only. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Sojitz hereby disclaims all representations and warranties with respect to this translation, whether express or implied, including, but not limited to, any representations and warranties with respect to accuracy, reliability or completeness of this translation. In no event shall Sojitz be liable for any damages or any kind of nature, including, but not limited to, direct, indirect, special, punitive, consequential or incidental damages arising from or in connection with this translation. Also, this document was created for the purpose of providing information to our shareholders that will help them make informed decisions. It was not created to solicit investors to buy or sell Sojitz's stock. The final decision and responsibility for investments rests solely with the reader of this document.

Table of Contents

Notice of the 10th Ordinary General Shareholders' Meeting	1
Guidance for Exercising Voting Rights	3
Reference Documents for the General Shareholders' Meeting	5
Proposal No. 1 Dividends from Surplus (Year-End Dividends for the 10th Fiscal Year)	5
Proposal No. 2 Election of Seven (7) Directors	6
Proposal No. 3 Election of Three (3) Audit & Supervisory Board Members	11
(Attachment to the Notice of the 10th Ordinary General Shareholders' Meeting)	
Business Report	15
Consolidated Financial Statements	55
Non-consolidated Financial Statements	65
Audit Reports	69
Guide Map	Last page

Please visit our website at <http://www.sojitz.com/en/ir/stkholder/general/index.html> to view the messages to shareholders by the candidates for Directors and Audit & Supervisory Board Members.

June 4, 2013

To Our Shareholders:

Yoji Sato
Representative Director, President & CEO
1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo
Sojitz Corporation

Notice of the 10th Ordinary General Shareholders' Meeting

You are cordially invited to attend the 10th Ordinary General Shareholders' Meeting of Sojitz Corporation to be held as described below. We look forward to greeting as many of our shareholders as possible at the meeting.

Date and Time	<u>10:00 a.m.</u>, Tuesday, June 25, 2013
Place	Prominence Ball Room (BF1) at ANA InterContinental Tokyo 12-33, Akasaka 1-chome, Minato-ku, Tokyo (please refer to the Guide Map attached at the end)

If you are unable to attend the meeting in person, please read the attached Reference Documents for the General Shareholders' Meeting, and exercise your voting rights by postal mail or Electronic Method by no later than 5:30 p.m. on Monday, June 24, 2013 (JST).

Please note that in case you duplicate your voting right by exercising it via postal mail and via the Internet, your vote via the Internet will be treated as valid.

Purposes of the Meeting

Matters to be reported:	<p>(1) The 10th Fiscal Year (from April 1, 2012 to March 31, 2013) business report, consolidated financial statements, and the audit reports concerning the consolidated financial statements by the accounting auditors and the Audit & Supervisory Board</p> <p>(2) The 10th Fiscal Year (from April 1, 2012 to March 31, 2013) non-consolidated financial statements</p>
Matters to be resolved:	<p>Proposal No. 1 Dividends from Surplus (Year-End Dividends for the 10th Fiscal Year)</p> <p>Proposal No. 2 Election of Seven (7) Directors</p> <p>Proposal No. 3 Election of Three (3) Audit & Supervisory Board Members</p>

- If you exercise your voting rights at the meeting by proxy, you must appoint only one proxy who is a shareholder with voting rights in the Company, in accordance with the Articles of Incorporation of the Company. In this case, the proxy will be requested to present your letter of proxy, together with your Voting Right Exercise Form at the reception desk upon arrival at the meeting.
- In accordance with the applicable laws and regulations and the Articles of Incorporation of the Company, we publish Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements on our website at <http://www.sojitz.com/en/ir/stkholder/general/index.html>.
- In the event of any revisions to the Reference Documents for the General Shareholders' Meeting, or the business report, consolidated or non-consolidated financial statements, we will publish the amendments on our website at <http://www.sojitz.com/en/ir/stkholder/general/index.html>.
- The Notice of Resolutions for the 10th Ordinary General Shareholders' Meeting will be published on our website at <http://www.sojitz.com/en/ir/stkholder/general/index.html> after the General Shareholders' Meeting.

Please exercise your “voting rights,” which are the rights to participate in the management of the Company.

Guidance for Exercising Voting Rights

There are several methods for exercising voting rights. Please read the attached Reference Documents for the General Shareholders’ Meeting, and exercise your voting rights through either of the following methods:

<Exercising voting rights at the General Shareholders’ Meeting>

When you attend the meeting, you are requested to present the enclosed Voting Right Exercise Form at the reception desk upon arrival at the meeting. You are also requested to bring this document “Notice of the 10th Ordinary General Shareholders’ Meeting” with you to the meeting.

Date and Time: 10:00 a.m., Tuesday June 25, 2013

If you are unable to attend the meeting in person, you can exercise your voting rights by postal mail or Electronic Method.

<Exercising Voting Rights by Postal Mail>

Please indicate your approval or disapproval on each proposal on the enclosed Voting Right Exercise Form, and return it by postal mail.

In the event we receive the form which has no indication of either approval or disapproval on any of the proposals made by the Company, we will regard such proposals as being approved.

Deadline for Exercising Voting Rights: To arrive no later than 5:30 p.m. on Monday, June 24, 2013 (JST)

<Exercising Voting Rights by Electronic Method (Internet)>

Please access the website designated by the Company for exercising voting rights which is at <http://www.evotep.jp/> through your computer, smartphone or mobile phone by using the login ID and temporary password indicated on the enclosed Voting Right Exercise Form, and enter your vote for each proposal according to the instructions on the screen. Please see page 4 for details.

Deadline for Exercising Voting Rights: No later than 5:30 p.m. on Monday, June 24, 2013 (JST)

<Electronic Voting Platform>

Nominal shareholders such as trust banks (including standing proxies) who apply in advance to use the Electronic Voting Platform for Foreign and Institutional Investors operated by ICJ, Inc., a joint venture established by Tokyo Stock Exchange, Inc., etc. may use the platform to exercise their voting rights, in addition to the exercising of voting rights via the Internet as explained above.

Instructions for exercising voting rights by Electronic Method (Internet)

If you are exercising your voting rights via the Internet, etc., please take note of the following points before doing so.

The exercise of voting rights via the Internet is possible only by accessing the website designated by the Company for exercising voting rights (<http://www.evotep.jp/>) through your computer, smartphone, or mobile phone (i-mode, EZweb, and Yahoo! Keitai service ^(Note)). (unavailable between 2:00 a.m. and 5:00 a.m. everyday)

<Website designated by the Company for exercising voting rights>

To exercise your voting rights via the Internet, please access the website designated by the Company for this purpose (<http://www.evotep.jp/>) through your computer, smartphone or mobile phone. Once you have accessed the site, please use the login ID and temporary password indicated on the enclosed Voting Right Exercise Form, and enter your vote for each proposal according to the instructions on the screen.

A new login ID and temporary password will be issued and notified to shareholders each time a General Shareholders' Meeting is convened.

Deadline for Exercising Voting Rights: No later than 5:30 p.m. on Monday, June 24, 2013 (JST)

For computers and smartphones

The exercise of voting rights through computer or smartphone depends on the Internet connection environment. You may not be able to exercise voting rights through computer or smartphone, for example, if the firewall is set for the Internet connection, any anti-virus software is installed, or the proxy server is used.

For mobile phones

If you exercise your voting rights through a mobile phone, please use either i-mode, EZweb, or Yahoo! Keitai service. Please note that, for security reasons, the voting system only supports a model with the encryption (SSL) communication function and capable of sending the mobile phone information.

Precautions to observe

To prevent illegal access to the voting system by a person other than the shareholder (impersonation) as well as to avoid falsification of voting data, you will be asked to change your temporary password on the site for exercising voting rights.

Handling of voting rights exercised in duplicate

- If you duplicate your voting right by exercising it via postal mail and via the Internet, your vote via the Internet will be treated as valid.
- If you exercise your voting rights more than once via the Internet, or both through a computer, a smartphone and a mobile phone, only your last vote will be treated as valid.

Costs incurred for the access to the website for exercising voting rights

The costs incurred for the access to the website designated by the Company for exercising voting rights (such as Internet connection charge and phone charge) shall be borne by the shareholder. The packet communication and other fees are charged for the usage of smartphone or mobile phone, which shall also be borne by the shareholder.

(Note) i-mode, EZweb, and Yahoo! are trademarks or registered trademarks of NTT DOCOMO, Inc., KDDI CORPORATION and Yahoo! Inc. (U.S.A.), respectively.

For technical inquiries, please contact:

Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Division (Help Desk)
Tel: 0120-173-027 (Business hours: 9:00 a.m. to 9:00 p.m.; toll free, within Japan only)

Reference Documents for the General Shareholders' Meeting

Proposals and Reference Matters

Proposal No. 1: Dividends from Surplus (Year-End Dividends for the 10th Fiscal Year)

We recognize that the stable, continuous payment of dividends is an important management issue, together with enhancing corporate competitiveness and shareholders' value by increasing retained earnings and using them effectively.

Taking into account matters such as the status of shareholders' equity and capital demand resulting from investments for growth and other matters, we hereby propose year-end dividends for this fiscal year as follows.

(1) Type of Dividend Property

Cash

(2) Allocation of Dividend Property to Shareholders, and the Total Amount

1.50 yen per share in common stock of the Company, and 1,876,622,774 yen in total

We paid an interim dividend of 1.50 yen per share on December 4, 2012. Therefore, an annual dividend per share will be 3 yen and the total amount of annual dividends is 3,753,250,313 yen.

(3) Effective Date of Dividends from Surplus


June 26, 2013

Proposal No. 2: Election of Seven (7) Directors

The Board of Directors of the Company currently consists of seven (7) Directors including two (2) Outside Directors, all of whose tenures terminate as of the conclusion of this General Shareholders' Meeting. Accordingly, we hereby propose the election of seven (7) Directors including two (2) Outside Directors.

Candidates for Directors are as follows. Prior to the nomination of the candidates, we have received a report from the Nomination Committee, an advisory body of the Board of Directors of the Company, stating that each candidate satisfies the criteria for Directors formulated by the Nomination Committee.

There is no special interest between any of these Director candidates and the Company.

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
1	 Yutaka Kase (February 19, 1947) <Reappointment>	May 1970 Joined Nissho Iwai Corporation November 1992 President, Nissho Iwai New Zealand, and General Manager, Auckland Branch April 1995 General Manager, Wood Products Dept., Nissho Iwai Corporation June 1997 General Manager, Portland Branch, Nissho Iwai American Corporation January 1999 Group Executive, Consumer Life & Resources Business Group June 2001 Executive Officer, Nissho Iwai Corporation Executive Vice President, Nissho Iwai American Corporation October 2001 Senior Vice President, Chemicals, Forest Products & General Merchandise Company, Nissho Iwai Corporation April 2002 President, Chemicals & Forest Products Company April 2003 Director, Managing Executive Officer April 2004 The corporate name was changed to Sojitz Corporation due to the merger of Nichimen Corporation and Nissho Iwai Corporation Representative Director, Senior Managing Executive Officer August 2004 Representative Director, Executive Vice President October 2005 The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation and Sojitz Corporation Representative Director, Executive Vice President April 2007 Representative Director, President & CEO April 2012 Representative Director and Chairman (current position)	169,800

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
2	 Takashi Hara (August 24, 1951) <Reappointment>	<p>April 1975 Joined The Sanwa Bank Ltd.</p> <p>November 1993 General Manager, Mita Branch</p> <p>May 1999 General Manager, Public Relations Division</p> <p>January 2002 Executive Officer, General Manager, Public Relations Division, UFJ Holdings, Inc. The corporate name was changed to UFJ Bank Ltd. due to the merger of The Sanwa Bank Ltd. and The Tokai Bank Ltd. Executive Officer, General Manager, Public Relations Division</p> <p>March 2003 Executive Officer, General Manager, Kyoto Corporate Banking Office, and General Manager, Kyoto Branch</p> <p>July 2004 Executive Officer, General Manager, Human Resources Division</p> <p>May 2005 Managing Executive Officer, General Manager, Human Resources Division</p> <p>January 2006 The corporate name was changed to The Bank of Tokyo-Mitsubishi UFJ Ltd. due to the merger of The Bank of Tokyo-Mitsubishi, Ltd. and UFJ Bank Ltd. Managing Executive Officer</p> <p>June 2008 Managing Director</p> <p>May 2009 Senior Managing Director</p> <p>May 2010 Deputy President</p> <p>June 2012 Representative Director and Vice Chairman, Sojitz Corporation (current position)</p>	20,500
3	 Yoji Sato (July 14, 1949) <Reappointment>	<p>April 1973 Joined Nissho Iwai Corporation</p> <p>January 1999 General Manager, Finance and Management, Accounting and Affiliate Administration, Nissho Iwai American Corporation</p> <p>January 2003 Planning Unit Leader, Nissho Iwai Corporation</p> <p>April 2003 Executive Officer</p> <p>April 2004 The corporate name was changed to Sojitz Corporation due to the merger of Nichimen Corporation and Nissho Iwai Corporation Managing Executive Officer</p> <p>April 2005 Director, Managing Executive Officer, CFO</p> <p>October 2005 The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation and Sojitz Corporation Director, Managing Executive Officer, CFO</p> <p>April 2006 Director, Senior Managing Executive Officer, CFO</p> <p>April 2008 Representative Director and Executive Vice President, Corporate Management, and CFO</p> <p>April 2012 Representative Director, President & CEO (current position)</p>	162,200

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
4	 Shigeki Dantani (September 9, 1948) <Reappointment>	April 1971 Joined Nissho Iwai Corporation September 1998 General Manager, Coal Department July 2002 Senior Vice President, Energy and Metal Resources Company, and General Manager, Coal Department March 2005 General Manager, Non-Ferrous Metals Department, Sojitz Corporation (The corporate name was changed to Sojitz Corporation due to the merger of Nichimen Corporation and Nissho Iwai Corporation in April 2004) October 2005 The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation and Sojitz Corporation General Manager, Non-Ferrous Metals Department January 2006 Executive Officer, and General Manager, Non-Ferrous Metals Department April 2006 President & CEO for Asia January 2007 President & CEO for Asia & Oceania April 2008 Managing Executive Officer May 2010 President, Energy & Metal Division April 2011 Senior Managing Executive Officer April 2012 Executive Vice President, Business Group June 2012 Representative Director and Executive Vice President, Business Group (current position)	39,300
5	 Yoshio Mogi (April 10, 1952) <Reappointment>	April 1975 Joined Nichimen Company, Limited January 2000 General Manager, Foreign Exchange and Securities Department, Nichimen Corporation (name changed from Nichimen Company, Limited in June 1982) April 2002 General Manager, Financial Enterprise Department April 2003 General Manager, Legal and Risk Management Department April 2004 The corporate name was changed to Sojitz Corporation due to the merger of Nichimen Corporation and Nissho Iwai Corporation General Manager, Risk Management Department, and General Manager, Risk Management Department, Nissho Iwai - Nichimen Holdings Corporation October 2005 The corporate name was changed to Sojitz Corporation due to the merger of Sojitz Holdings Corporation (name changed from Nissho Iwai - Nichimen Holdings Corporation in July 2004) and Sojitz Corporation General Manager, Risk Management Department April 2006 Executive Officer April 2008 Managing Executive Officer April 2012 Senior Managing Executive Officer, CFO, and Finance & Accounting, Risk Management June 2012 Representative Director and Senior Managing Executive Officer, CFO, and Finance & Accounting, Risk Management (current position)	24,254

No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
6	 Yoshikazu Sashida (February 13, 1940) <Reappointment> <Outside Director> <Independent Officer> Status of attendance to Board of Directors meetings: 15/15 (100%)	April 1963 Joined Nisshin Spinning Co., Ltd. June 1993 Deputy General Manager, Human Resources Division June 1994 Director, General Manager, Human Resources Division June 1999 Executive Director, General Manager, Human Resources Division, and General Manager, Business Planning Office June 2000 Representative Director, President June 2006 Director, Chairman April 2009 Director, Chairman, Nisshinbo Holdings Inc. June 2009 Advisor June 2012 Counselor, Nisshinbo Holdings Inc. (current position) [Significant concurrent occupations or positions at other organizations] Counselor, Nisshinbo Holdings Inc. Outside Director, NSK Ltd. Outside Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company	0
7	 Toru Nagashima (January 2, 1943) <Reappointment> <Outside Director> <Independent Officer> Status of attendance to Board of Directors meetings: 15/15 (100%)	April 1965 Joined Teijin Limited April 1999 General Manager, Functional Fibers Business Group June 1999 Corporate Officer April 2000 CESH (Chief Environment, Safety and Health Officer), and General Manager, Functional Fibers Business Group June 2000 Director April 2001 CMO (Chief Marketing Officer), and General Manager, Corporate Strategy & Planning Office June 2001 Managing Director November 2001 President & Representative Director, COO June 2002 President & Representative Director, CEO June 2008 Chairman of the Board June 2009 Director, Sojitz Corporation (current position) April 2013 Senior Advisor, Member of the Board, Teijin Limited (current position) [Significant concurrent occupations or positions at other organizations] Senior Advisor, Member of the Board, Teijin Limited Outside Director, SEKISUI CHEMICAL CO., LTD. Outside Director, Kao Corporation	0

- (Notes) 1. Mr. Yoshikazu Sashida and Mr. Toru Nagashima are candidates for the office of Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
2. Mr. Yoshikazu Sashida and Mr. Toru Nagashima currently hold the position of Outside Directors of the Company and will have held the said position for the duration of four years as of the conclusion of this General Shareholders' Meeting.


3. Mr. Yoshikazu Sashida has been providing appropriate and significant counsel from an external independent viewpoint concerning the operations of the Company. We propose the election of the candidate as Outside Director at this General Shareholders' Meeting predicated on our judgment that the candidate will continue to provide appropriate counsel based on his deep insight and wide-ranging knowledge of corporate management acquired throughout his career in important positions including as Representative Director, President of Nisshin Spinning Co., Ltd. Although Nisshinbo Holdings Inc. has a business relationship with the Company, the amount of transactions with Nisshinbo Holdings Inc. accounts for less than 0.1% of the consolidated net sales and less than 0.1% of the consolidated cost of sales of the Company for the current fiscal year. Therefore, we believe Mr. Sashida has sufficient independence from the Company.
4. Mr. Toru Nagashima has been providing appropriate and significant counsel from an external independent viewpoint concerning the operations of the Company. We propose the election of the candidate as Outside Director at this General Shareholders' Meeting predicated on our judgment that the candidate will continue to provide appropriate counsel based on his deep insight and wide-ranging knowledge of corporate management acquired throughout his career in important positions including as President & Representative Director, CEO of Teijin Limited. Although Teijin Limited has a business relationship with the Company, the amount of transactions with Teijin Limited accounts for less than 0.1% of the consolidated net sales and less than 0.1% of the consolidated cost of sales of the Company for the current fiscal year. Therefore, we believe Mr. Nagashima has sufficient independence from the Company.
5. The Company has entered into limited liability agreements with Mr. Yoshikazu Sashida and Mr. Toru Nagashima, limiting their respective liabilities to the higher of 10 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If the candidates are elected, it is planned to continue the limited liability agreements referred to above. In addition, the Company plans to designate the candidates as independent officers of the Company pursuant to the rules of Tokyo Stock Exchange, Inc.
6. Mr. Yoshikazu Sashida was appointed outside director of NSK Ltd. in June 2009 and he continues in this position to present. In February 2013, the said company and the executives and employees of the said company were handed a fine and a sentence of imprisonment (with the execution of the sentence suspended), respectively at the Tokyo District Court for a violation of Japan's Antimonopoly Act regarding transactions of the said company's bearing products. In addition, in March 2013 as a result of the said breach of Japan's Antimonopoly Act, the said company received a cease and desist order and a surcharge payment order from Japan Fair Trade Commission. In addition, overseas, in November 2011, the said company's subsidiary in Germany received an on-site inspection by the European Commission under suspicion of violating EU Competition Law regarding transactions of bearing products, and the said company's subsidiary in the U.S. received a subpoena from the U.S. Department of Justice requesting information regarding transactions of bearing products. Furthermore in July 2012, the said company's subsidiary in South Korea, and in February 2013, the said company's subsidiary in Singapore both received on-site inspection by the relative authorities under suspicion of violating the competition rules of the respective countries. Mr. Sashida had provided advice and called for attention from the standpoint of compliance to laws and regulations on a daily basis. After the revelation of above violation of Japan's Antimonopoly Act and other suspected violations of competition laws, he has been executing his duties in a proper manner through such methods as investigating the circumstances surrounding these facts and seeking the further enhancement and thoroughness of compliance and the implementation of proper measures to prevent a recurrence of such events at the board of directors of the said company and other occasions.

Proposal No. 3: Election of Three (3) Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members Mr. Takashi Tsukada, Mr. Kazuhiko Tokita and Mr. Mitsuaki Yuasa, among the five (5) current Audit & Supervisory Board Members, will expire as of the conclusion of this General Shareholders' Meeting. For further enhancement of the auditing and supervising system, we hereby propose the election of three (3) Audit & Supervisory Board Members.

Candidates for Audit & Supervisory Board Members are as follows and the submission of the proposal for their election as Audit & Supervisory Board Members to this General Shareholders' Meeting was approved by the Audit & Supervisory Board.

There is no special interest between any of these Audit & Supervisory Board Member candidates and the Company.

No.	Name (Date of Birth)	Career Summary, Position at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
1	 Yoichi Ojima (April 20, 1950) <New> <Outside Audit & Supervisory Board Member> <Independent Officer>	April 1974 Joined The Sanwa Bank Ltd. August 1994 General Manager, Kichijoji Branch May 1997 General Manager, Tokyo Sales Division 4 February 1999 General Manager, Corporate Department 1 April 2001 General Manager, Toranomom Branch, and General Manager, Toranomom Corporate Department 1 January 2002 The corporate name was changed to UFJ Bank Ltd. due to the merger of The Sanwa Bank Ltd. and The Tokai Bank Ltd. General Manager, Toranomom Branch, and General Manager, Toranomom Corporate Department 1 May 2002 Executive Officer, in charge of Internal Audit Department, and General Manager, Internal Audit Department June 2002 Director, Executive Officer, in charge of Internal Audit Department, and General Manager, Internal Audit Department June 2004 Full-time Audit & Supervisory Board Member, Nippon Shinpan Co., Ltd. June 2005 Managing Executive Officer October 2005 The corporate name was changed to UFJ NICOS Co., Ltd. due to the merger of Nippon Shinpan Co., Ltd. and UFJ Card Co., Ltd. Managing Executive Officer June 2006 Director and Managing Executive Officer April 2007 The corporate name was changed to Mitsubishi UFJ NICOS Co., Ltd. due to the merger of UFJ NICOS Co., Ltd. and DC Card Co., Ltd. Director and Managing Executive Officer November 2007 Director and Senior Managing Executive Officer June 2012 Chairman, Card Staff Service Co., Ltd. (current position) *The candidate is scheduled to retire from the position of Chairman, Card Staff Service Co., Ltd. on June 24, 2013.	0

No.	Name (Date of Birth)	Career Summary, Position at the Company, and Significant Concurrent Occupations or Positions at Other Organizations	Number of Shares of Common Stock of the Company Owned
2	 Miki Seko (April 26, 1948) <New> <Outside Audit & Supervisory Board Member> <Independent Officer>	April 1978 Assistant, Nihon University, College of Economics April 1981 Assistant Professor, Nihon University, College of Economics April 1985 Associate Professor, Nihon University, College of Economics April 1990 Professor, Nihon University, College of Economics April 1998 Professor, Keio University, Faculty of Economics April 2013 Professor Emeritus, Keio University (current position) Professor, Musashino University, Faculty of Political Science and Economics (current position) [Significant concurrent occupations or positions at other organizations] Professor, Musashino University, Faculty of Political Science and Economics	0
3	 Tadao Tsuya (July 9, 1948) <New> <Outside Audit & Supervisory Board Member> <Independent Officer>	October 1973 Joined Arthur Andersen LLP September 1988 Partner September 1990 Established certified public accountant and tax accountant office Tsuya Accounting Office February 1997 Joined Amway Japan March 2001 Joined DENSEI-LAMBDA K.K. June 2001 Director, General Manager, Finance Division July 2004 Joined ORIX Corporation February 2005 Executive Officer January 2009 Corporate Senior Vice President June 2009 Outside Director, The Fuji Fire and Marine Insurance Company, Limited January 2010 Advisor, ORIX Corporation (current position) April 2010 Advisor, The Fuji Fire and Marine Insurance Company, Limited June 2011 Outside Audit & Supervisory Board Member, Hitachi Tool Engineering, Ltd. (current position) [Significant concurrent occupations or positions at other organizations] Advisor, ORIX Corporation (scheduled to retire on July 31, 2013) Outside Audit & Supervisory Board Member, Hitachi Tool Engineering, Ltd.	0

- (Notes) 1. Mr. Yoichi Ojima, Ms. Miki Seko and Mr. Tadao Tsuya are candidates for the office of Outside Audit & Supervisory Board Member pursuant to Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
2. Mr. Yoichi Ojima was selected as a candidate for Outside Audit & Supervisory Board Member because of his experience in a variety of important positions in the financial industry and his personal qualities and insight. Therefore, we judge that he is qualified to successfully perform the duties of an Audit & Supervisory Board Member.

Although UFJ Bank Ltd. (now The Bank of Tokyo-Mitsubishi UFJ Ltd.), at which Mr. Ojima served as an Executive Officer until June 2004, has a business relationship with the Company, because approximately nine years have passed since he retired from the position of Executive Officer at the bank, we believe that he has sufficient independence from the Company.

3. Ms. Miki Seko was selected as a candidate for Outside Audit & Supervisory Board Member because of her long years of experience and abundant knowledge as a professor of Economics at various universities and her personal qualities and insight. Therefore, we judge that she is qualified to successfully perform the duties of an Audit & Supervisory Board Member. Although Ms. Seko does not have past experience of involvement in company management, we judge that she is qualified to perform the duties of an Outside Audit & Supervisory Board Member for the above-mentioned reasons.
4. Mr. Tadao Tsuya was selected as a candidate for Outside Audit & Supervisory Board Member because of his expert knowledge as a certified public accountant, as well as his personal qualities and insight partly on the basis of his experience in a variety of important positions at such companies as ORIX Corporation and The Fuji Fire and Marine Insurance Company, Limited. Therefore, we judge that he is qualified to successfully perform the duties of an Audit & Supervisory Board Member.

Although Arthur Andersen LLP, at which Mr. Tsuya previously worked, had a business alliance with KPMG AZSA LLC, which is the accounting auditor of the Company, from 1993 to 2002, Mr. Tsuya retired from Arthur Andersen LLP before the business alliance. In addition, although ORIX Corporation, at which Mr. Tsuya served as an Executive Officer from February 2005 to December 2009, has a business relationship with the Company, the amount of transactions with ORIX Corporation accounts for less than 0.1% of the consolidated net sales and less than 0.1% of the consolidated cost of sales of the Company for the current fiscal year. Therefore, we believe Mr. Tsuya has sufficient independence from the Company.

5. If the candidates Mr. Yoichi Ojima, Ms. Miki Seko and Mr. Tadao Tsuya are elected, the Company plans to enter into limited liability agreements with them, limiting their respective liabilities to the higher of 10 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. In addition, the Company plans to designate the candidates as independent officers of the Company pursuant to the rules of Tokyo Stock Exchange, Inc.

(Attachment to the Notice of the 10th Ordinary General Shareholders' Meeting)

Business Report

(From April 1, 2012 to March 31, 2013)

1. Current Circumstances of the Sojitz Group

(1) Review of Progress and Performance in Operations

The global economy in the fiscal year under review (FY2012) started amid uncertainty as there were no clear prospects for economic recovery in Japan, the U.S. and Europe and emerging economies were also affected by the slowdown in exports to developed countries and investment capital inflow despite expectations for growth from growing domestic demand.

In the U.S., supported partly by the monetary easing and reaping the benefits from the shale gas revolution, personal consumption firmed up in the second half of the year with a declining unemployment rate and recovery in capital investment. On the other hand, the fiscal problem was not fundamentally resolved and the fiscal instability lingered.

Although financial crisis in Europe seemed to have subsided, new dislocations such as the debt payoff in Cyprus surfaced here and there in Europe. As a result the European economy continued to contract.

In China, the economic growth dropped to the lowest level since 1999 due to the restraint on public investment and sluggish exports to Europe, although it was still high given the global economic conditions.

The ASEAN economy was relatively healthy with a small decline in the growth rate as the solid domestic demand compensated for the decrease in exports reflecting the slowdown in the U.S., European, and Chinese economies.

The Japanese economy was generally affected by the slower growth in the global economy on a full-year basis, although the market trend had changed to weaker yen coupled with higher stock prices on the back of the expectation for the new administration since the end of last year and the economic policy announced by the Abe administration fostered the expectation for economic recovery.

Sojitz Group Performance

In FY2012, the Group performed as outlined below.

Net sales In FY2012, consolidated net sales totaled ¥3,955,907 million, down 12.0% year on year. By transaction type, export transactions fell 10.7% year on year, owing mainly to a decrease in plant-related transactions. Import sales fell 14.7%, mainly reflecting lower aircraft-related transactions. Domestic sales fell 11.2%, mainly due to a decrease in transactions related to energy and metals. Offshore sales fell 11.7%, primarily due to a decrease in transactions related to energy and metals.

By business segment, sales fell 8.0% year on year in the Machinery Division, 15.5% in the Energy & Metal Division, 17.0% in the Chemicals Division, and 10.7% in the Consumer Lifestyle Business Division, but increased 3.1% in Other Businesses.

Gross profit Gross profit decreased ¥39,502 million year on year to ¥192,064 million primarily due to lower profits in the Energy & Metal Division mainly from the decreasing trading volume and lower prices.

Operating income Operating income decreased ¥31,217 million year on year to ¥33,305 million due to lower gross profit despite lower selling, general and administrative

	expenses.
Ordinary income	Ordinary income decreased ¥27,750 million year on year to ¥34,478 million owing to lower operating income, although equity in earnings of affiliates increased.
Extraordinary income and losses	<p>The Group recorded extraordinary income totaling ¥13,739 million, which included ¥6,802 million in gain on sales of investment securities, ¥3,497 million in gain on sales of equity investment without stock and ¥3,402 million in gain on sales of noncurrent assets. On the other hand, the Group recorded extraordinary loss totaling ¥16,498 million, which included ¥11,893 million in impairment loss, ¥1,672 million in loss, and provision for loss, on dissolution of subsidiaries and affiliates, and ¥1,530 million in loss on revaluation of securities. As a result, the Group recorded a net extraordinary loss of ¥2,759 million.</p>
Net income	<p>Income before income taxes and minority interests totaled ¥31,719 million. After deduction of ¥11,441 million in income taxes-current and ¥2,012 million in income taxes-deferred, income before minority interests was ¥18,265 million. After deduction of ¥40,02 million of minority interests in income, net income totaled ¥14,263 million, which represents an increase of ¥17,912 million from net income for the previous fiscal year.</p>

Sojitz Group Segment Performance and Business Overview

The Group's operating performance and overview of business conditions by business segment are as follows.

Effective from FY2012, the domestic real estate business, previously categorized in Consumer Lifestyle Business Division, is reclassified in Other Businesses. Additionally, the former Chemicals and Functional Materials Division was changed to the Chemicals Division.

Machinery Division

Operating performance

Net sales decreased 8.0% year on year to ¥948,578 million mainly due to lower aircraft-related transactions and vessel-related transactions. Net income also decreased ¥6,122 million year on year to ¥1,963 million.

Overview of business conditions

In the automotive field, demand for automobiles is increasing on a global basis as the U.S. economy is recovering albeit moderately. Our trading volume increased steadily in Southeast Asia and Latin America, but it fell short of our sales plan in certain regions. As a result, the Group's revenue for FY2012 decreased from the previous fiscal year. We will continue to strengthen our business in the rapidly growing markets in Southeast Asia and Latin America and continue to create new values for the Group's growth.

In the fields of infrastructure projects and industrial machinery, we have been steadily accumulating our backlog orders on hand particularly in emerging economies such as Vietnam and Russia in which the Group has a strong business foundation. We also invested in the large-scale IPP (independent power producer) projects, in Saudi Arabia and Oman in FY2010, which have started operations,

and acquired preferential negotiations rights for IPP projects in Asia, aiming to establish a medium- to long-term and stable revenue base. In addition, we will contribute to the development of emerging economies. For example, we will participate in a desalination project in Ghana to be the first Japanese company to participate in this type of project in Africa.

In the marine and aerospace fields, we strive to improve profitability by replacing ships that we own with more competitive ones. In the commercial aircraft business, we delivered a total of 31 aircrafts to Japanese airlines as the Japan sales consultant for The Boeing Company in the U.S. and a total of four commercial aircrafts to the private sector as the Japan sales agent for commuter airplanes manufactured by Bombardier Inc. in Canada. We also entered into an alliance with The Boeing Company for the expansion of the cyber security business in the Japanese market.



Local Hyundai shop in Thailand



“Barka 3,” an IPP project in Oman

Energy & Metal Division

Operating performance

Net sales decreased 15.5% year on year to ¥888,017 million mainly due to declines in trading volume and prices. Net income also decreased ¥11,061 million year on year to ¥16,214 million driven by the decrease in operating income.

Overview of business conditions

In the energy field, production volume declined temporarily due partly to facility breakdowns in some of the oil and gas interests in which the Company has invested. These breakdowns are being repaired and production volume will be restored in FY2013. We are also focusing our efforts on LNG projects to cater for global energy demand through the evaluation of procurement of LNG from North America and Africa and participation in LNG projects in these areas.

In the coal field, coal prices fell mainly due to the slowdown in the Chinese and other emerging economies. However, our production continues to be stable, including the consecutive twelve-month accident-free operations of a coal mine in Australia in which the Company hold 96% interest.

We will further fortify the foundation of our coal business. We expanded the Mongolian coal logistics business through investment in a Chinese trading company carrying out a coal business. We will aim to establish a supply chain from development to sales in the future in Mongolia.

In the steel and mineral resources fields, although prices were down similar to coals, we completed the expansion works for the copper mine in Canada following the completion of the expansion works for the molybdenum mine in Canada and the alumina refining business in Australia. In the future, we will strive to achieve full operations of these projects, thereby enhancing resilience to price changes, securing stable supply of resources and improving the profitability. We are also preparing for the establishment of a revenue base in our iron ore interests as well as the iron ore supply platform through the development of iron ore mines. In addition, strengthening the cooperation with our affiliate Metal One Corporation will create a robust business platform that integrates the whole process from ferrous materials to sales of the final steel products.



Minerva coal mine in Australia



Gibraltar copper mine in Canada

Chemicals Division

Operating performance

Net sales decreased 17.0% year on year to ¥571,204 million mainly due to weak demand in Europe, China, and other Asian countries. Net income also decreased ¥3,774 million year on year to ¥1,978 million.

Overview of business conditions

Our business model in the chemicals business is focused on distribution. By identifying the strategic products such as industrial salt, rare earths and methanol and investing in upstream businesses, we aim to build a distribution value chain extending from the supply of raw materials to product sales to increase profitability. Given that all these products are basic raw materials, they offer good future growth prospects as the global economy develops.

In the chemicals field, our mainstay methanol business in Indonesia remained firm despite the decrease in demand in Europe, China, and other Asian countries.

In FY2012, our affiliate Sojitz Pla-Net Corporation acquired sales rights to bio-plastic resins made from sugarcane from South America's largest chemical manufacturer. The affiliate also agreed to tie-up with a resin manufacturer in Netherlands to market heat-resistant bio-resins in Japan and other Asian countries. In view of the future demand growth potential for the Group, we will continue to focus on the "green chemicals" business and contribute to the establishment of a sustainable society.

In the ecological materials and resources field, we invested in a project in Mexico for the manufacturing and sales of barite, which is used as a raw material for barium and also used for the excavation of shale gas and oil.

The rare earth development project in Australia, in which we participated as an equity and debt partner in FY2010, started commercial operations in February 2013.

We also work to achieve stable supply of raw materials for chemicals through, for example, the development of industrial salt in India.

In the life science field, our subsidiary Sojitz Cosmetics Corporation, which is promoting the development of own-brand cosmetics products, has expanded the product line including the launches of new "naturecia" brand products on after another.



Green chemicals business in Brazil



Barite ore in Mexico

Consumer Lifestyle Business Division

Operating performance

Net sales decreased 10.7% year on year to ¥1,490,849 million mainly due to lower trading volumes of tobacco and marine products. However, net income increased ¥2,849 million year on year to ¥6,884 million driven by the increase in earnings of overseas fertilizer and industrial park projects.

Overview of business conditions

In the food resources field, Kyodo Sojitz Feed Company Ltd., which has a unique assorted feed technology, started the production of feed in Vietnam. The Group also started the planning for the entrance in the broiler business in cooperation with Koyushokucho Co., Ltd., the largest broiler integrator in Japan, as part of our efforts to establish a livestock feed supply chain by utilizing the grain port, one of the largest grain ports in ASEAN and held by Interflour Vietnam Ltd. in which the Company has an equity stake, as a logistics center.

In the agriculture and forest resources field, the business of manufacturing and selling advanced chemical fertilizers, which is one of the largest of the kind in Southeast Asia, delivered a solid performance driving the revenue of the Group in the field. The building materials business, which has competitiveness in the area of plywood, also remained firm supported by the increase in demand in anticipation of reconstruction demand following the Great East Japan Earthquake and a consumption tax increase.

In the consumer services field, in the consumer goods distribution business, the Group is promoting the modernization of distribution in Vietnam by making one of the largest food wholesale companies in the country Huong Thuy Manufacture Service Trading Corporation, in which the Group invested jointly with KOKUBU & Co., Ltd., the Group's new consolidated subsidiary. In the textile business, our affiliate Daiichibo Co., Ltd. was registered as a manufacturer of fairtrade certified products, aiming at the sales expansion of such products. In addition, in the development construction field, in our overseas industrial park business, we successfully started the sale of industrial sites in the Long Duc Industrial Park in Vietnam.



Ceremony for celebrating the first shipment by
Kyodo Sojitz Feed Company, Ltd.



Construction works in the Long Duc Industrial Park

Other Businesses

Net sales increased 3.1% year on year to ¥57,258 million, while net loss decreased slightly by ¥152 million year on year to ¥2,790 million.

Net Sales by Transaction Type

(Millions of yen)

	FY2011 (Apr. 2011 to Mar. 2012)		FY2012 (Apr. 2012 to Mar. 2013)		Year-on-year	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Change	Rate of change (%)
Export	541,688	12.0	483,458	12.2	(58,230)	(10.7)
Import	946,884	21.1	807,924	20.4	(138,960)	(14.7)
Domestic	2,032,318	45.2	1,804,707	45.7	(227,611)	(11.2)
Offshore	973,346	21.7	859,818	21.7	(113,528)	(11.7)
Total	4,494,237	100.0	3,955,907	100.0	(538,330)	(12.0)

(Note) Fractions less than one million yen are rounded down.

Net Sales by Business Segment

(Millions of yen)

	FY2011 (Apr. 2011 to Mar. 2012)		FY2012 (Apr. 2012 to Mar. 2013)		Year-on-year	
	Amount	Composition ratio (%)	Amount	Composition ratio (%)	Change	Rate of change (%)
Machinery	1,030,555	22.9	948,578	24.0	(81,977)	(8.0)
Energy & Metal	1,050,725	23.4	888,017	22.4	(162,708)	(15.5)
Chemicals	687,890	15.3	571,204	14.4	(116,686)	(17.0)
Consumer Lifestyle Business	1,669,504	37.1	1,490,849	37.7	(178,655)	(10.7)
Other	55,561	1.3	57,258	1.5	1,697	3.1
Total	4,494,237	100.0	3,955,907	100.0	(538,330)	(12.0)

(Notes) 1. Fractions less than one million yen are rounded down.

2. For further information on the major products and services of each business segment, please refer to “(5) Major Business Segments of the Sojitz Group.”

3. Change of reportable segment:

Effective from FY2012, the domestic real estate business, previously categorized in Consumer Lifestyle Business Division, is reclassified in Other Businesses, due to reorganization aiming at improving revenue base and strengthen its function.

Additionally, the former Chemicals and Functional Materials Division was changed to the Chemicals Division.

Figures of net sales for FY2011 reflect the segment division after the change.

(2) Funding, etc.

Funding

As before, the fundamental policy of the Sojitz Group's financial strategy laid out in the Medium-term Management Plan 2014 is to maintain and improve the stability of the funding structure. The Group continues to maintain the long-term debt ratio at target levels, thereby creating a stable funding structure. At the same time, by securing sufficient liquidity on hand to be prepared for changes in the economic and financial environments, the Group works to maintain a stable financial base.

With regard to straight-bond issuance, an alternative measure for raising long-term funds, the Group issued ¥10 billion in July 2012 and ¥10 billion again in April 2013. The Group will continue to look for opportunities for such issuance at an appropriate timing and cost by carefully monitoring interest rates and market trends.

In order to enhance mobility in fund raising activities and supplemental measures for securing liquidity, the Group has signed a US\$300 million multi-currency commitment line agreement in addition to a ¥100 billion commitment line agreement.

(3) Assets, Profits and Losses

(a) The Group's Assets, Profits and Losses

The Group's assets, profits and losses in FY2012 and over the past three fiscal years are as outlined below.

(Millions of yen, otherwise specified)

Item \ FY	FY2009 7th Fiscal Year	FY2010 8th Fiscal Year	FY2011 9th Fiscal Year	FY2012 10th Fiscal Year (fiscal year under review)
Net sales	3,844,418	4,014,639	4,494,237	3,955,907
Ordinary income	13,702	45,316	62,228	34,478
Net income (loss)	8,794	15,981	(3,649)	14,263
Net income per share (loss) (yen)	7.08	12.77	(2.92)	11.40
Total assets	2,160,918	2,116,960	2,120,596	2,086,410
Net assets	377,404	355,510	330,471	382,537
Net assets per share (yen)	281.69	263.79	244.52	282.60
Consolidated subsidiaries	329 companies	320 companies	323 companies	317 companies
Affiliates accounted for by equity method	161 companies	155 companies	139 companies	129 companies

(Note) Fractions less than one million yen are rounded down.

(b) The Company's Assets, Profits and Losses

The Company's assets, profits and losses in FY2012 and over the past three fiscal years on a non-consolidated basis are as outlined below.

(Millions of yen, otherwise specified)

Item \ FY	FY2009 7th Fiscal Year	FY2010 8th Fiscal Year	FY2011 9th Fiscal Year	FY2012 10th Fiscal Year (fiscal year under review)
Net sales	2,389,381	2,466,861	2,667,616	2,436,466
Ordinary income	11,407	33,702	23,418	11,249
Net income (loss)	7,469	1,498	(23,128)	(14,965)
Net income per share (loss) (yen)	6.01	1.20	(18.49)	(11.96)
Total assets	1,699,043	1,660,993	1,616,067	1,572,957
Net assets	395,769	393,720	362,919	340,613
Net assets per share (yen)	316.32	314.69	290.08	272.26

(Note) Fractions less than one million yen are rounded down.

(4) Business Outlook and Issues to Be Addressed

Under the new plan called Medium-Term Management Plan 2014 - Change for Challenge, for new reforms for the 3-year period starting in April 2012, the Group will aim to increase corporate value, upholding the theme of “implement reforms in pursuit of growth initiatives.”

Implement reforms in pursuit of growth initiatives

- Strengthen earnings capacity by improving the quality of assets
- Continue investing for growth (Strategic allocation to business focus areas)
- Build up a structure and organization that enables its business to be creative, efficient, and highly capable of managing risk
- Foster human resources that are able to go the distance even in a business environment typified by accelerating globalization

▼
Enhance the financial foundation through the accumulation of shareholders' equity

▼
Improving corporate value and pursuing greater achievements

Our target financial ratios under the Medium-Term Management Plan 2014 are as follows:

Management benchmark	Targets
Net DER	2 times or less
ROA	2% or more
Dividend payout ratio	Approximately 20%

One of the measures we will focus on toward the achievement of the quantitative targets set forth in the Medium-term Management Plan 2014 is the improvement of asset quality and efficiency. We will improve the asset quality and strengthen the earnings capacity by replacing businesses and assets whose holding purpose can no longer be justified or that are not closely related to existing businesses, while continuing investments for future growth.

In the fiscal year under review, we sold the business of selling oil and other products and assets related to real estate and other businesses, while undertaking investments and loans in selected fields in which the Group has competitiveness, including coal interests and IPP (independent power producer) in Middle East.

In the future fiscal years, we will continue to work on the improvement of asset quality, and at the same time accelerate the efforts to establish new revenue bases through the execution of investments and loans for growth.

With regard to the Group's organization and systems, we focus on the establishment of an organization and systems that enable the Group to expand business with sophisticated risk management in order to respond quickly to changes in the environment. In the fiscal year under review, we established a Controller Office in the Energy & Metal Division for the purpose of sophistication and improvement of front-line risk management and balance sheet and cash flow management. Controller Offices will also be established in other divisions starting from the Consumer Lifestyle Business Division scheduled for April 2013. Under this new organization, we will quickly build high quality assets by strengthening the project development capability and the business operation capability in addition to the improvement of the risk management capability.

The full-year operating forecasts for FY2013, the second year of the Medium-Term Management Plan 2014, are as follows:

The Group elected to voluntarily apply the International Financial Reporting Standards (IFRS) in the preparation of consolidated financial statements starting from those included in the annual securities report for the fiscal year ended March 2013 (10th fiscal year) in lieu of the previously-applied Japanese GAAP from the perspective of the improvement of comparability and convenience achieved through the disclosure of financial statements under the international standard as well as of the unification of accounting treatments within the Group. Therefore, the operating forecasts for the fiscal year ended March 2014 were prepared based on IFRS.

(Consolidated)

Net sales <under Japanese GAAP>	¥4,280.0 billion
Operating income	¥38.0 billion
Profit before tax	¥45.0 billion
Net income (profit attributable to owners of the parent)	¥25.0 billion

(5) Major Business Segments of the Sojitz Group

Sojitz Group is a general trading company engaged in globally diversified business activities, including domestic and global trading of commodities, as well as manufacturing and selling of a broad range of products and providing services in Japan and abroad. It also involves other areas of services such as project planning and coordination, investments in various business and financial activities.

The Group consists of 470 companies which carry out above business activities, including 335 subsidiaries and 135 affiliates (of which, 446 are consolidated companies).

The following table shows a summary of each business segment of the Group, briefly explaining their major products, services, subsidiaries and affiliates.

(As of March 31, 2013)

Segment	Major products/services	Major subsidiaries and affiliates (Main business; Status within consolidated group)
Machinery	Automobiles and automotive components; automobile manufacturing facilities and equipment; construction equipment; ships; rolling stock; aircraft and aerospace-related equipment; telecommunication infrastructure equipment; equipment for electronic industry; general plant equipment for steel manufacturing, cement, chemical and other industries; power generation; power-related equipment and facilities (generation, transformation and distribution facilities); infrastructure business; bearings; industrial power generator; various type of industrial machinery; metal processing machinery and related equipment; IT-related business; data processing; computer software development; etc.	<ul style="list-style-type: none"> • Sojitz Machinery Corporation (import/export and sales of general industrial machinery; subsidiary) • Sojitz Aerospace Corporation (import/export and sales of aerospace- and defense-related equipment; subsidiary) • Sojitz Marine & Engineering Corporation (sales, purchase, charter and brokerage of ships; import/export and domestic sales of marine-related equipment and materials; subsidiary) • Nissho Electronics Corporation (IT systems and network services; subsidiary) • SAKURA Internet Inc. (Internet data center operator; subsidiary) (*1) • MMC Automotriz, S.A. (sales and assembly of automobiles; subsidiary) • Subaru Motor LLC (import and exclusive distribution of Subaru automobiles in Russia; subsidiary) • Densan Co., Ltd. (data information processing, communication services; software development and system provision services; affiliate) (*1) <p style="text-align: right; margin-right: 20px;">99 subsidiaries (24 domestic, 75 overseas) 40 affiliates (6 domestic, 34 overseas)</p>

Segment	Major products/services	Major subsidiaries and affiliates (Main business; Status within consolidated group)
Energy & Metal	Oil and gas; petroleum products; coke; carbon products; nuclear fuel; nuclear power-related equipment and machinery; coal; iron ore; ferroalloys (nickel, molybdenum, vanadium and other rare metals) and ore; alumina; aluminum; copper; zinc; tin; precious metals; ceramic and minerals; machinery and equipment for offshore oil production; infrastructure business; energy and chemical-related projects; LNG-related business; steel-related business; environmental business; etc.	<ul style="list-style-type: none"> • Sojitz Ject Corporation (trading of coke, carbon products and various minerals; subsidiary) • Tokyo Yuso Co., Ltd. (storage, warehousing and transportation of petrochemical products; subsidiary) • Sojitz Coal Resources Pty. Ltd. (investments in coal mines; subsidiary) • Sojitz Moly Resources, Inc. (investments in molybdenum mine; subsidiary) • Sojitz Energy Venture Inc. (oil and gas development; subsidiary) • Metal One Corporation (import/export and domestic and offshore sales of steel-related products; affiliate) • LNG Japan Corporation (LNG business and related investments; affiliate) • Coral Bay Nickel Corporation (manufacturing and sales of nickel and cobalt mixed sulfide; affiliate) • Japan Alumina Associates (Australia) Pty. Ltd. (alumina production; affiliate) <p style="text-align: right;">44 subsidiaries (8 domestic, 36 overseas) 21 affiliates (7 domestic, 14 overseas)</p>
Chemicals	Organic chemicals; inorganic chemicals; specialty chemicals; fine chemicals; industrial salt; cosmetics; foodstuff additives; rare earths; general-purpose resins; raw materials for plastics such as engineering plastics; films and sheets for industrial, packaging and foodstuff; plastic molding machinery; other plastics products; electronic materials such as liquid crystal and electrolytic copper foil; fiber material for industrial supplies and related products; etc.	<ul style="list-style-type: none"> • Sojitz Pla-Net Holdings, Inc. (holding company for plastic business; subsidiary) • Sojitz Pla-Net Corporation (trading and sales of plastic raw materials and products; subsidiary) • Pla Matels Corporation (trading and sales of plastic raw materials and products; subsidiary) (*1) • Sojitz Cosmetics Corporation (development, product planning and sales of cosmetics; subsidiary) • P.T. Kaltim Methanol Industri (manufacturing and sales of methanol; subsidiary) • Metton America, Inc. (manufacturing and sales of metton resins, POLY-DCPD; subsidiary) • P.T. Moriuchi Indonesia (manufacture of industrial fabrics; affiliate) <p style="text-align: right;">31 subsidiaries (12 domestic, 19 overseas) 22 affiliates (7 domestic, 15 overseas)</p>

Segment	Major products/services	Major subsidiaries and affiliates (Main business; Status within consolidated group)
Consumer Lifestyle Business	Grain; wheat flour; oils and fats; oilcake and material for feed; stock farm products and marine products; processed foodstuffs from stock farm products and marine products; fruit and vegetables; frozen vegetables; frozen food; sweets; ingredients for sweets; coffee beans; sugar; other foodstuff and ingredients; chemical fertilizers; cotton and synthetic fabrics; non-woven fabrics; knitted fabrics and products; raw material for textiles; clothing; interior accessory; bedclothes, bedding and home fashion-related products; nursery items; general merchandise; construction materials; imported timber; timber products such as lumber, plywood and laminated lumber; building materials; afforestation and woodchip business; industrial park business, etc.	<ul style="list-style-type: none"> • Sojitz Building Materials Corporation (sales of building materials; subsidiary) • Sojitz Foods Corporation (sales of sugar; glycated products; dairy products; farm, livestock and marine products; processed foodstuffs; and other foodstuff; subsidiary) • Daiichibo Co., Ltd. (manufacturing and sales of textiles; storage and distribution; shopping center management; subsidiary) • Sojitz Infinity Inc. (planning, manufacturing and sales of men's, women's and children's clothing; subsidiary) • Sojitz General Merchandise Corporation (import/export and sales of general merchandise; subsidiary) • Sojitz Fashion Co., Ltd. (cotton and synthetic fabrics printing; planning, processing and wholesaling of plain and yarn-dyed textiles; subsidiary) • Sojitz Yoshimoto Ringyo Co., Ltd. (sales of lumber, plywood, etc.; subsidiary) • Thai Central Chemical Public Co., Ltd. (manufacturing and sales of chemical fertilizers; sales of imported fertilizers; subsidiary) • Vietnam Japan Chip Vung Ang Corporation (manufacturing and sales of woodchips; afforestation; subsidiary) • Sojitz Now Apparel Ltd. (production management and sales of secondary textiles; subsidiary) • JALUX Inc. (logistics and services operations related to airlines and airport retail, lifestyle and customer service sectors; affiliate) (*1) • Fuji Nihon Seito Corporation (manufacturing, refining, processing and sales of sugar; affiliate) (*1) • Yamazaki-Nabisco Co., Ltd. (manufacturing of sweets; affiliate) • Nissho Iwai Paper & Pulp Corporation (sales of paper boards, paper, industrial paper, papermaking raw materials and wrapping materials; affiliate) • Tachikawa Forest Products (N.Z.) Ltd. (sawmilling and sales of lumber products; affiliate) <p style="text-align: right; margin-right: 20px;">50 subsidiaries (17 domestic, 33 overseas) 28 affiliates (10 domestic, 18 overseas)</p>

Segment	Major products/services	Major subsidiaries and affiliates (Main business; Status within consolidated group)
Other	Administration; domestic regional company; logistic and insurance agency services; aircraft operating leasing; real estate business (investment, buying and selling, leasing, management); retail property development; etc.	<ul style="list-style-type: none"> • Sojitz Kyushu Corporation (domestic regional company; subsidiary) • Sojitz Logistics Corporation (logistic services business; land, sea, and air cargo; international non vessel operating common carrier (NVOCC) transportation; subsidiary) • Sojitz Insurance Agency Corporation (insurance agency services; subsidiary) • Sojitz Shared Service Corporation (administration services; subsidiary) • Sojitz General Property Management Corporation (management of building, condominium, retail property and other real estate; subsidiary) • Sojitz New Urban Development Corporation (sales of condominiums, real estate brokerage, leasing and administration of buildings and retail property; subsidiary) (*2) • Sojitz Commerce Development Corporation (ownership and management of retail property; subsidiary) • Sojitz Aircraft Leasing B.V. (aircraft operating leasing; subsidiary) <p style="text-align: right;">61 subsidiaries (35 domestic, 26 overseas) 9 affiliates (2 domestic, 7 overseas)</p>
Overseas Subsidiaries	<p>As a general trading company dealing with various products, Sojitz has principal operating bases in major cities around the world, conducting a wide variety of activities.</p> <ul style="list-style-type: none"> • In the “Business Segment Information”, operations of overseas subsidiaries are included in each business segment according to the similarity in lines of business. 	<ul style="list-style-type: none"> • Sojitz Corporation of America (subsidiary) • Sojitz Europe plc (subsidiary) • Sojitz Asia Pte. Ltd. (subsidiary) • Sojitz (Hong Kong) Ltd. (subsidiary) • Sojitz (China) Co., Ltd. (subsidiary) <p style="text-align: right;">50 subsidiaries (all overseas) 15 affiliates (all overseas)</p>

*1. Of the subsidiaries and affiliates, the following 5 companies are listed as of March 31, 2013: Densan Co., Ltd. and JALUX Inc. listed on the first section of the Tokyo Stock Exchange; Fuji Nihon Seito Corporation listed on the second section of the Tokyo Stock Exchange; SAKURA Internet Inc. listed on the Mothers; and Pla Matels Corporation listed on JASDAQ.

*2. As of September 1, 2012, Sojitz Realnet Corporation changed its company name to Sojitz New Urban Development Corporation.

(6) Business Locations of Sojitz Group and the Number of Employees (As of March 31, 2013)

(a) Business Locations of Sojitz Group

(i) Sojitz Corporation

Domestic: HQ	Tokyo
Branches	Sapporo, Sendai, Nagoya, and Fukuoka
Overseas: Branches	Singapore, the Philippines, Malaysia, Myanmar, Pakistan, Saudi Arabia, and Republic of South Africa

(ii) Subsidiaries

Domestic: Regional Company	Fukuoka
Overseas: Overseas Subsidiaries	25 countries and areas including the US, UK, Singapore, China, Taiwan, Australia, the Republic of Korea, Russia, New Zealand, Thailand, India, Indonesia, Brazil, Vietnam, the Philippines, Malaysia, the UAE, Mexico, Nigeria, Canada, Argentina, and Venezuela

(b) Number of Employees

Segment	Number of employees
Machinery	5,640
Energy & Metal	1,095
Chemicals	1,670
Consumer Lifestyle Business	5,192
Others	2,366
Total	15,963

(c) Employees of the Company

Number of employees	Change from the previous year	Average age	Average service years
2,240	(16)	41.8 years old	14.9 years

- (Notes) 1. The above figures do not include 137 local employees overseas.
 2. The average service years are calculated including the length of service at the former Nichimen Corporation and Nissho Iwai Corporation.

(7) Major Subsidiaries (As of March 31, 2013)

(a) Major Subsidiaries and Affiliates

Subsidiaries

(Millions of yen, otherwise specified)

Company	Capital	Controlling share (%)	Major business activities
Sojitz Corporation of America	US\$336,083,868	100.00	Trading business
Sojitz Europe plc	13,240 ST£73,117,500	100.00	Trading business
Sojitz Asia Pte. Ltd.	US\$136,507,474	100.00	Trading business
Sojitz (Hong Kong) Ltd.	US\$90,440,212	100.00	Trading business
Sojitz Aerospace Corporation	1,410	100.00	Import/export and sales of aerospace- and defense-related equipment
Sojitz Machinery Corporation	1,500	100.00	Import/export and sales of general industrial machinery
Sojitz Marine & Engineering Corporation	800	100.00	Sales, purchase, charter, and brokerage of ships; import/export and domestic sales of marine-related equipment and materials
Nissho Electronics Corporation	14,336	100.00	IT systems and network services
Sojitz Ject Corporation	460	100.00	Trading of coke, carbon products and various minerals
Sojitz Pla-Net Holdings, Inc.	6,164	100.00	Holding company for plastic business
Sojitz Pla-Net Corporation	3,000	100.00 (Note 1)	Trading and sales of plastic raw materials and products
Pla Matels Corporation	793	46.55 (Note 2)	Trading and sales of plastic raw materials and products
Sojitz Building Materials Corporation	1,039	100.00	Sales of building materials
Sojitz Foods Corporation	412	100.00	Sales of sugar; glycated products; dairy products; farm, livestock and marine products; processed foodstuffs; and other foodstuff
Sojitz Kyushu Corporation	500	100.00	Domestic regional company

(Notes) 1. Sojitz Pla-Net Corporation is a wholly owned subsidiary of Sojitz Pla-Net Holdings, Inc.

2. Pla Matels Corporation is a 46.55%-owned subsidiary of Sojitz Pla-Net Corporation.

Affiliates

(Millions of yen, otherwise specified)

Company	Capital	Controlling share (%)	Main business activities
Metal One Corporation	100,000	40.00	Import/export and domestic and offshore sales of steel-related products
LNG Japan Corporation	8,002	50.00	LNG business and related investments
JALUX Inc.	2,558	22.00	Logistics and services operations related to airlines and airport retail, lifestyle and customer service sectors

(b) Changes in Business Combinations

On November 5, 2012, the Company entered into an agreement with Cosmo Oil Co., Ltd. for the transfer of shares in our consolidated subsidiary Sojitz Energy Corporation. The transfer completed on January 31, 2013.

(c) Result of Mergers

1. The Group now has 317 consolidated subsidiaries and 129 affiliates accounted for by equity method.
2. For the business performance of the Group in FY2012, please refer to “(1) Review of Progress and Performance in Operations.”

(8) Major Creditors and Borrowed Amounts (As of March 31, 2013)

(Billions of yen)

Creditor	Amount outstanding
The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Note 3)	123.2
Mizuho Corporate Bank, Ltd. (Note 3)	85.1
Sumitomo Mitsui Trust Bank, Limited (Note 3)	77.0
Development Bank of Japan Inc. (Note 3)	70.3
The Norinchukin Bank	55.9
Sumitomo Mitsui Banking Corporation (Note 3)	46.9
Mitsubishi UFJ Trust and Banking Corporation	37.3
Shinkin Central Bank	32.3
Resona Bank, Ltd. (Note 3)	31.6
Aozora Bank, Ltd.	28.0

- (Notes)
1. Amounts are rounded down to the first decimal place.
 2. The above amounts are on a non-consolidated basis.
 3. Sojitz accepts that these loans may be assigned in part or in whole upon request by the lender.

2. The Company's Shares (As of March 31, 2013)

(1) Total Number of Shares Authorized to Be Issued

Common stock 2,500,000,000 (end of FY2011: 2,500,000,000)

(2) Total Number of Outstanding Shares

Common stock 1,251,499,501 (end of FY2011: 1,251,499,501)

(Note) The total number of outstanding shares of common stock includes the number of treasury stock (end of FY2012: 417,652 shares).

(3) Number of Shareholders

Common stock 188,886

(4) Major Shareholders

Common Stock

Shareholder	Investment in the Company	
	Shares held (in thousands)	Shares Outstanding (%)
Japan Trustee Services Bank, Ltd. (Note 2)	134,653	10.76
The Master Trust Bank of Japan, Ltd. (Note 3)	35,473	2.84
State Street Bank and Trust Company 505225	16,635	1.33
Trust & Custody Services Bank, Ltd. (Note 4)	15,899	1.27
Melon Bank, N. A. As Agent For Its Client Melon Omnibus US Pension	15,242	1.22
State Street Bank and Trust Client Omnibus Account OM02	13,270	1.06
SSBT OD05 Omnibus Account – Treaty Clients	13,247	1.06
Nomura Singapore Limited Customer Segregated A/C FJ-1309	11,492	0.92
State Street Bank and Trust Company	10,811	0.86
The Chase Manhattan Bank, N.A. London Secs Lending Omnibus Account	9,984	0.80

- (Notes) 1. The number of shares less than 1,000 is rounded down and the figures of shares outstanding are rounded to the nearest second decimal place.
2. The number of shares held by Japan Trustee Services Bank, Ltd. includes 126,646 thousand shares held in trust accounts.
3. The number of shares held by The Master Trust Bank of Japan, Ltd. includes 31,577 thousand shares held in trust accounts.
4. The number of shares held by Trust & Custody Services Bank, Ltd. includes 14,049 thousand shares held in trust accounts.
5. The shares outstanding are calculated excluding the number of shares of treasury stock.

3. The Company's Directors and Audit & Supervisory Board Members

(1) List of Directors and Audit & Supervisory Board Members (As of March 31, 2013)

Name	Position	Responsibilities	Important concurrent position
Yutaka Kase	Representative Director and Chairman		
Takashi Hara	Representative Director and Vice Chairman		
Yoji Sato	Representative Director and President	CEO	
Shigeki Dantani	Representative Director and Executive Vice President	Business Group	
Yoshio Mogi	Representative Director and Senior Managing Executive	Senior Management of Finance & Accounting, Risk Management, CFO	
Yoshikazu Sashida	Part-time Director		Counselor, Nisshinbo Holdings Inc. Outside Director, NSK Ltd. Outside Audit & Supervisory Board Member, Fukoku Mutual Life Insurance Company
Toru Nagashima	Part-time Director		Chairman of the Board, Teijin Limited Outside Director, SEKISUI CHEMICAL CO., LTD. Outside Director, Kao Corporation
Takashi Tsukada	Audit & Supervisory Board Member		
Jun Matsumoto	Audit & Supervisory Board Member		
Kazuhiko Tokita	Audit & Supervisory Board Member		
Yukio Machida	Part-time Audit & Supervisory Board Member		Outside Audit & Supervisory Board Member, Asahi Mutual Life Insurance Co. Outside Audit & Supervisory Board Member, ASKUL Corporation
Mitsuaki Yuasa	Part-time Audit & Supervisory Board Member		Outside Audit & Supervisory Board Member, Yodogawa Steel Works, Ltd.

- (Notes) 1. Mr. Yoshikazu Sashida and Mr. Toru Nagashima are Outside Directors as stipulated in Article 2, Item 15 of the Companies Act.
2. Mr. Kazuhiko Tokita, Mr. Yukio Machida and Mr. Mitsuaki Yuasa are Outside Audit & Supervisory Board Members as stipulated in Article 2, Item 16 of the Companies Act.

3. Mr. Mitsuaki Yuasa is a licensed certified public accountant and has a substantial knowledge of finance and accounting.
4. The Company has appointed Mr. Yukio Machida as an independent director, and submitted a notification of his appointment to the Tokyo Stock Exchange.
5. Mr. Toru Nagashima resigned as a Chairman of the Board and took office as a Senior Advisor, Member of the Board of Teijin Limited as of April 1, 2013.

(2) Remuneration of Directors and Audit & Supervisory Board Members

(Millions of yen)

Classification	Directors		Audit & Supervisory Board Members		Total		Remarks
	Number of persons to be paid	Amount	Number of persons to be paid	Amount	Number of persons to be paid	Amount	
Remuneration pursuant to resolution of General Shareholders' Meeting	9	348	6	131	15	480	(*1), (*2)
Internal	7	324	3	73	10	398	
External	2	24	3	58	5	82	

*1. Directors' maximum remuneration resolved at the Ordinary General Shareholders' Meeting held on June 27, 2007

Directors 550 million yen per year (excluding the salary as for being employees)
 Outside Directors 50 million yen per year

*2. Audit & Supervisory Board Members' maximum remuneration resolved at the Ordinary General Shareholders' Meeting held on June 27, 2007

Audit & Supervisory Board Members 150 million yen per year

(Note) Fractions less than one million yen are rounded down.

(3) Concurrent Positions of Outside Directors and Audit & Supervisory Board Members

Name	Position	Other organization	Concurrent position
Yoshikazu Sashida	Outside Director	Nisshinbo Holdings Inc.	Counselor
		NSK Ltd.	Outside Director
		Fukoku Mutual Life Insurance Company	Outside Audit & Supervisory Board Member
Toru Nagashima	Outside Director	Teijin Limited	Chairman of the Board
		SEKISUI CHEMICAL CO., LTD.	Outside Director
		Kao Corporation	Outside Director
Yukio Machida	Outside Audit & Supervisory Board Member	Asahi Mutual Life Insurance Co.	Outside Audit & Supervisory Board Member
		ASKUL Corporation	Outside Audit & Supervisory Board Member
Mitsuaki Yuasa	Outside Audit & Supervisory Board Member	Yodogawa Steel Works, Ltd.	Outside Audit & Supervisory Board Member

(Notes) 1. Nisshinbo Holdings Inc., NSK Ltd., Fukoku Mutual Life Insurance Company, Teijin Limited, SEKISUI CHEMICAL CO., LTD., Kao Corporation, Asahi Mutual Life Insurance Co., ASKUL Corporation, and Yodogawa Steel Works, Ltd. where the Outside Directors and the Outside Audit & Supervisory Board Members have concurrent positions are the Company's business partners, however, there are no special relationships with the Company (such as business operators having a specified relationship).

Although Nisshinbo Holdings Inc. for which Mr. Yoshikazu Sashida served as representative director is a business partner of the Company, the amount of transactions with the company accounts for less than 0.1% of the consolidated net sales and the consolidated cost of sales of the Company for the current fiscal year.

Although Teijin Limited for which Mr. Toru Nagashima served as representative director is a business partner of the Company, the amount of transactions with the company accounts for less than 0.1% of the consolidated net sales and the consolidated cost of sales of the Company for the current fiscal year.

2. Mr. Toru Nagashima resigned as a Chairman of the Board and took office as a Senior Advisor, Member of the Board of Teijin Limited as of April 1, 2013.

(4) Main Activities of Outside Directors and Outside Audit & Supervisory Board Members

Name	Position	Main activities
Yoshikazu Sashida	Outside Director	Mr. Sashida has attended all 15 meetings of the Board of Directors held in FY2012. He provides necessary advice based on his wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through his experiences in key positions in the business industry.
Toru Nagashima	Outside Director	Mr. Nagashima has attended all 15 meetings of the Boards of Directors held in FY2012. He provides necessary advice based on his wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through his experiences in key positions in the business industry.
Kazuhiko Tokita	Outside Audit & Supervisory Board Member	Mr. Tokita has attended all 15 meetings of the Board of Directors held in FY2012, and all 15 meetings of the Audit & Supervisory Board held in the same fiscal year. He provides necessary advice based on his wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through his experiences in key positions in the finance industry.
Yukio Machida	Outside Audit & Supervisory Board Member	Mr. Machida has attended all 15 meetings of the Board of Directors held in FY2012, and all 15 meetings of the Audit & Supervisory Board held in the same fiscal year. He provides necessary advice based on his wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through his experiences in key positions in the legal and business industries.
Mitsuaki Yuasa	Outside Audit & Supervisory Board Member	Mr. Yuasa attended all 15 meetings of the Board of Directors held in FY2012, and all 15 meetings of the Audit & Supervisory Board held in the same fiscal year. He provides necessary advice based on his wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through his experiences in key positions at the audit firms.

(5) Limited Liability Agreements with Outside Directors and Outside Audit & Supervisory Board Members

We have concluded an agreement with Outside Directors Yoshikazu Sashida and Toru Nagashima and Outside Audit & Supervisory Board Members Kazuhiko Tokita, Yukio Machida and Mitsuaki Yuasa, respectively, to limit their liability to either 10 million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher.

4. Accounting Auditor

(1) Name of Accounting Auditor

KPMG AZSA LLC

(2) Amount of Remuneration, etc. for Accounting Auditor in FY2012

(Millions of yen)

	Amount paid
	KPMG AZSA LLC
Remuneration, etc. payable by the Company in FY2012	
Remuneration, etc. for services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	552
Remuneration, etc. for services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act	205
Total	758
Total amount of money and other financial benefits payable by the Company and its subsidiaries to the Accounting Auditor	1,142

- (Notes)
- The audit agreement between the Company and the Accounting Auditor does not and cannot practically distinguish between remunerations for audits in accordance with the Companies Act and those in accordance with the Financial Instruments and Exchange Act. For this reason, the above figures include the remuneration for audits under the Financial Instruments and Exchange Act.
 - Of major subsidiaries of the Company, Sojitz Corporation of America, Sojitz Europe plc, Sojitz Asia Pte. Ltd., and Sojitz (Hong Kong) Ltd. are audited (limited to audits stipulated in the Companies Act or Financial Instruments and Exchange Act (including equivalent laws and regulations of the relevant overseas country)) by CPAs or audit firms (including those who hold equivalent qualifications of the relevant overseas country) other than KPMG AZSA LLC.
 - Fractions less than one million yen are rounded down.

(3) Non-audit Services

We entrust our Accounting Auditor to provide advisory services pertaining to the adoption of the International Financial Reporting Standards (IFRS) that are services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act (non-audit services).

(4) Policy for Determining Dismissal or Non-reappointment of Accounting Auditor

In the event that the Audit & Supervisory Board deems that any Accounting Auditor falls under any of the items of Article 340, Paragraph 1 of the Companies Act, or that any situation occurs that may cause material hindrance to the audit activities of the Company, the Accounting Auditor shall be dismissed.

In addition to the above, Directors shall, upon approval of or request by the Audit & Supervisory Board, submit a proposal to General Shareholders' Meeting, for dismissal or non-reappointment of the Accounting Auditor, and election of another audit firm suitable for Accounting Auditor.

5. A System for Ensuring Appropriate Execution of Business Operations

(1) Basic Concept

We, recognizing the maintenance and improvement of the effectiveness of corporate governance as a key management challenge, strive to clarify the accountability of the management to our shareholders and other stakeholders, establish a highly transparent management system, and improve the monitoring and supervisory functions. We implement various measures designed to improve profitability of the Group as a whole and maximize our corporate value.

The current governance structure is employed for the following reasons:

(a) To separate management functions from executive functions

To promote a clear separation of management functions from executive functions, our Board of Directors is chaired by the Representative Director and Chairman. As the highest decision-making body, the Board of Directors reviews and resolves fundamental policies and critical issues concerning the management of the Group. We also employ an executive officer system, with the aim of, through the separation of managerial decision-making from business execution, clarifying authority and responsibilities, and ensuring a smooth and swift execution of business.

(b) To reinforce monitoring functions on management

We appoint Outside Directors in order to further reinforce monitoring functions on business execution from an independent perspective. Outside Directors provide objective, appropriate advice and proposals on the management of the Company within and outside the Board of Directors. As a company with an Audit & Supervisory Board, we also have Audit & Supervisory Board Members who independently audit the business operations executed by Directors. In addition, we have set up the Nomination Committee and the Remuneration Committee as advisory bodies to the Board of Directors chaired by Outside Directors to ensure adequacy and transparency of appointment of and remuneration for our Directors.

(c) To strengthen supervisory functions on business execution

We have established two committees as a supervisory body of business execution: the Management Committee responsible for the review and resolution of important managerial agendas and the Finance & Investment Deliberation Council for the review and resolution of major investments and loans. We also have internal committees acting as an executing body directly reporting to the President. They handle issues to be addressed from cross-organizational perspectives.

(2) Management Framework regarding Management-related Decision-making, Execution and Supervision, and Other Corporate Governance Matters

(a) Corporate Governance Organization

i) Structure

We are a company with an Audit & Supervisory Board.

ii) Directors and Executive Officers

As of March 31, 2013, our Board of Directors is currently comprised of seven Directors, including two Outside Directors. As the highest decision-making body, the Board of Directors reviews and resolves fundamental policies and critical issues concerning the management of the Group. To enhance corporate governance by promoting a clear separation of management functions from executive functions, the Board is chaired by the Representative Director and Chairman. The Chairman works together with the Vice Chairman and Outside Directors to

reinforce the supervisory function over Executive Directors as well as the Company's overall system of business execution. They also provide their opinions and advice on the Company's corporate governance, including the Board of Directors and the Management Committee.

We employ an executive officer system, with the aim of, through the separation of managerial decision-making from business execution, clarifying authority and responsibilities, and ensuring swift decision-making and execution. The term of office of Directors and Executive Officers is one year, in order to clarify their responsibilities to management and allow them to swiftly and appropriately respond to rapid changes in the business environment.

We have appointed Mr. Yoshikazu Sashida and Mr. Toru Nagashima as Outside Directors of the Company and concluded a limited liability agreement with them. Both of them were selected because of their capabilities of providing appropriate advice on Sojitz's business, based on their wide range of knowledge with highly specialized expertise in corporate management and operations, which have been accumulated through their experiences in key positions in the business industry. Directors Sashida and Nagashima have attended all 15 meetings of the Board of Directors held in FY2012. Since they have proactively given their appropriate advice from independent perspectives at the meetings of the Board of Directors or on other occasions during their term, we believe that they have fulfilled their duties as Outside Directors.

iii) Functions and Roles of Outside Directors in Corporate Governance

Mr. Yoshikazu Sashida, besides being Outside Director of the Company, serves as Counselor at Nisshinbo Holdings Inc. He gives appropriate and useful advice on the operation of the Company from an independent perspective, based on his valuable knowledge and experience earned through executive positions he has assumed including that of Representative Director, President at Nisshinbo Industries Inc. Taking into account that Nisshinbo Holdings Inc. is not a major business partner of the Company, we believe Mr. Sashida maintains his independence.

Mr. Toru Nagashima, besides being Outside Director of the Company, serves as Chairman of the Board at Teijin Limited. He gives appropriate and useful advice on the operation of the Company from an independent perspective, based on his valuable knowledge and experience earned through executive positions he has assumed including that of President at Teijin Limited. Taking into account that Teijin Limited is not a major business partner of the Company, we believe Mr. Nagashima maintains his independence.

iv) Audit & Supervisory Board Members

As of March 31, 2013, our Audit & Supervisory Board is currently comprised of five Audit & Supervisory Board Members (including three Outside Audit & Supervisory Board Members), three of whom are serving full-time. The Audit & Supervisory Board Members are independent from the Board of Directors, and audit the Directors' execution of their duties.

We have appointed Mr. Kazuhiko Tokita, Mr. Yukio Machida and Mr. Mitsuaki Yuasa as Outside Audit & Supervisory Board Members of the Company and concluded a limited liability agreement with them. They have a wide range of knowledge and highly specialized expertise in corporate management and operations, which have been accumulated through their experiences in key positions in financial, business, and legal communities, or at auditing firms. Main activities of these Outside Audit & Supervisory Board Members are as follows:

Audit & Supervisory Board Member Tokita: Attended all 15 meetings of the Board of Directors held in FY2012.

Audit & Supervisory Board Member Machida: Attended all 15 meetings of the Board of

Directors held in FY2012.

Audit & Supervisory Board Member Yuasa: Attended all 15 meetings of the Board of Directors held in FY2012.

v) Functions and Roles of Outside Audit & Supervisory Board Members in Corporate Governance

Mr. Kazuhiko Tokita, being Outside Audit & Supervisory Board Member of the Company, has extensive insight and expertise not only in finance but also in compliance, as he has served as General Manager of Compliance Administration Department in addition to numerous executive positions he assumed in the financial industry. He assumed the office of Outside Audit & Supervisory Board Member after being selected from among professionals having wide knowledge and experience in compliance. Mr. Tokita once served as an executive officer at UFJ Bank Limited (current The Bank of Tokyo-Mitsubishi UFJ, Ltd.). However, about ten years have already passed since his retirement from the post, and he has properly fulfilled his responsibilities after assuming the position of Outside Audit & Supervisory Board Member, by providing appropriate advice and proposals within and outside the Board of Directors, from a position independent from the Company and financial institutions he has served in the past. For these reasons, we believe that Mr. Tokita maintains his independence.

Mr. Yukio Machida, besides being Outside Audit & Supervisory Board Member of the Company, currently practices the law, after handling criminal cases mainly as a prosecutor for over 30 years and taking senior posts at the Public Prosecutors Office. Since Mr. Machida has properly fulfilled his responsibilities by supervising the management of the Company and providing appropriate advice and proposals within and outside the Board of Directors, from an independent and objective viewpoint as Outside Audit & Supervisory Board Member, we believe he maintains his independence. In addition, we have designated and registered Mr. Machida as an independent officer specified in the Securities Listing Regulations.

Mr. Mitsuaki Yuasa, being Outside Audit & Supervisory Board Member of the Company, has an extensive insight since he also serves as an Outside Audit & Supervisory Board Member at other companies, in addition to his knowledge and experience in auditing as a certified public accountant. He is also an expert at the International Financial Reporting Standards, which the Group will elect to voluntarily apply in the preparation of consolidated financial statements starting from those included in the annual securities report for the fiscal year ended March 2013. We have appointed Mr. Yuasa, who has considerable knowledge of finance and accounting, in order to receive appropriate and objective supervision, advice and proposals on the management of the Company based on his expertise. Since Mr. Yuasa has properly fulfilled his responsibilities by providing appropriate advice and proposals within and outside the Board of Directors, from an independent and objective viewpoint as Outside Audit & Supervisory Board Member, we believe that he maintains his independence.

As stated above, we have established and maintain appropriate corporate governance with Outside Audit & Supervisory Board Members who have considerable expertise in respective fields of finance, compliance, legal and accounting, in order to exert the oversight function to maintain the legality of the Company's business execution in every aspect.

vi) The Standard or Policy Concerning the Independence of Candidates for the Appointment of Outside Directors or Outside Audit & Supervisory Board Members

We do not have any quantitative standard to determine the independence of candidates for the appointment of Outside Directors or Outside Audit & Supervisory Board Members. However, in order to reflect advice and recommendations from an objective perspective and independent standpoint in the decision making by the Company, we have always appointed as Outside Directors several persons who have extensive management knowledge and insight developed through extensive business experience, such as those who have management experience in business corporations. In appointing Outside Audit & Supervisory Board Members, we ensure the independence of candidates as well as the diversity of their background from the perspective of reflecting the viewpoint of a variety of stakeholders in audit of business activities.

vii) Support for Outside Directors and Audit & Supervisory Board Members

We provide Outside Directors with support such as the provision of information on relevant matters and reports regarding the meetings of the Board of Directors, including prior explanation about meeting agendas.

For Outside Audit & Supervisory Board Members, we provide support such as the provision of information on relevant matters and reports through the staff members of Audit & Supervisory Board Members Office, a dedicated support body of the Audit & Supervisory Board.

(b) Business Execution, Auditing, Supervision, Nomination and Remuneration Decisions

i) Business Execution

We have the following executing bodies.

- Management Committee (held semimonthly)

The committee is comprised of Executive Directors and the heads of business divisions and corporate departments, and discusses and resolves important issues pertaining to the management of the Company.

- Finance & Investment Deliberation Council (held semimonthly)

The council is comprised of Executive Directors and the heads of corporate departments, and discusses and resolves issues pertaining to important investment and loan opportunities.

- Internal committees (held quarterly)

In order to address management issues at the Group, we have established and manage internal committees acting as an executing body under the direct supervision of the President.

Currently, there are three committees: the Internal Control Committee (monitoring progress and operation status of establishing the internal control structure and formulating policies related to financial reporting), the Compliance Committee (examining and formulating basic policies on compliance of the Group), and the CSR Committee (examining and formulating basic policies and measures to promote CSR). Each internal committee reports regularly to the Management Committee on its activities.

ii) Selection of Directors and Executive Officers and Decision on Remuneration of Directors, Executive Officers and Audit & Supervisory Board Members

We have the following advisory bodies to the Board of Directors to help select Directors and

Executive Officers and determine their remuneration.

- Nomination Committee

Chaired by Outside Director, the committee discusses and proposes criteria and methods for selecting Director and Executive Officer candidates, as well as discusses candidate proposals.

- Remuneration Committee

Chaired by Outside Director, the committee discusses and proposes the remuneration level for Directors and Executive Officers and various systems related to evaluation and remuneration.

Directors' remuneration is decided at the meeting of the Board of Directors by comprehensively taking into account the performance of the Company based on the deliberations at the Remuneration Committee. Audit & Supervisory Board Members' remuneration is decided, in principle, at the meeting of the Audit & Supervisory Board based on its deliberations.

In both cases, remunerations are determined within the maximum remuneration amount resolved at the Ordinary General Shareholders' Meeting of the Company.

iii) Corporate Audit, Accounting Audit and Internal Audit

- Corporate Audit

Organization: Audit & Supervisory Board

Members: Five Audit & Supervisory Board Members, including three Outside Audit & Supervisory Board Members. Of the five, three are full-time and two are part-time, and one of the Outside Audit & Supervisory Board Members is full-time.

Procedures: Pursuant to the Corporate Audit Standards established by the Audit & Supervisory Board and in line with audit plans and task assignments, Audit & Supervisory Board Members attend the meetings of the Board of Directors and other important meetings such as those of the Management Committee and Finance & Investment Deliberation Council. Audit & Supervisory Board Members oversee and audit the operations of the Group by performing audits through interview with Directors to discuss about their performance of duties, reviewing important board resolution documents and checking business reports submitted from consolidated subsidiaries. In addition, to enhance this auditing function of Audit & Supervisory Board Members, we have set up the Audit & Supervisory Board Members Office, a dedicated support team of three staff members for the Audit & Supervisory Board.

Audit & Supervisory Board Members receive explanation of audit plans and regular audit reports from the Accounting Auditor, and share information with each other to conduct an effective audit. At the same time, they monitor the independence of the Accounting Auditor. In addition, they also exchange information with the Audit Department on a daily basis. For example, they receive explanation of audit plans from the Audit Department, receive reports on the status of audit at meetings of the Audit & Supervisory Board semiannually, and submit their opinion statements on audit results by the Audit Department. In addition, Full-time Audit & Supervisory Board Members attend audit review meetings held by the Audit Department to express their opinions.

Accounting Audit

Our Accounting Auditor is KPMG AZSA LLC which conducts accounting audits in accordance with the Companies Act, as well as financial statement audits, quarterly reviews and internal control audits in accordance with the Financial Instruments and Exchange Act. Details of their executive officers and assistant staff working for Sojitz in FY2012 are as follows:

Name of CPAs, etc.		Audit Firm
Designated Limited Liability Partners	Masami Hashimoto	KPMG AZSA LLC
Engagement Partners	Iwao Hirano	
	Takemitsu Nemoto	

Their assistant staff working for the Company includes 26 CPAs and 25 assistant CPAs.

Details on their service years are omitted, as all of the CPAs who audited the Company have served for less than seven years.

- Internal Audit

Organization: Audit Department

Staff: 36 employees including General Manager (As of March 31, 2013)

Procedures: Based on an audit plan approved by the Board of Directors at the beginning of each fiscal year, the Audit Department conducts an audit on the business divisions, corporate departments, and consolidated subsidiaries including major overseas subsidiaries. Placing emphasis on compliance, reliability of financial reporting, status of risk management and investment and loan management, the Audit Department closely monitors audited divisions and departments to ensure that internal control systems and governance are functioning effectively. The Department also investigates and assesses the existence of major management risks in the operation of these units, then reports to the President and gives practical advice on improvement plans for the workplace.

After the audit is completed, the Department holds an audit review meeting for the audited departments, President of lead divisions, Officers responsible for corporate departments and Audit & Supervisory Board Members, and also reports the audit results based on the recorded documents to the frontline operations.

The Department submits a summarized audit report to the President and provides explanation to the Chairman, Vice Chairman, President and Executive Vice President, and Senior Managing Executive who are also Directors on a monthly basis and takes necessary measures. In order to ensure a swift response of audited divisions and departments towards improvement of their problem areas identified in audits, the Department requests them to submit an improvement progress report for the three- and six-month periods after the audits, thus conducts a follow-up assessment to check their progress.

In addition, the Department has introduced a Self-inspection System by business division and Group company, under which checks are performed semiannually based on check items prepared by the Audit Department and each business division or Group company to follow up the implementation status of remediation measures. Under this system, the business divisions endeavor to identify and handle transaction risks in a timely and accurate manner. Carrying out the repetitive self check will help them identify frontline operation problems in the early stages, improve the operational efficiency, prevent the occurrence of losses, and raise awareness on risk management.

As stated above, our Audit & Supervisory Board Members, Accounting Auditor, and the Audit Department perform their respective duties on audits, while conducting interactive communications and sharing information in order to develop cooperation in a mutually complementary manner and achieve better efficiency, thereby establishing a highly effective audit function.

(3) Measures regarding Shareholders and Other Stakeholders

(a) Efforts to Ensure a Well-facilitated, Active General Shareholders' Meeting and Smooth Exercise of Voting Rights

We take the following measures:

- Deliver a convocation notice of General Shareholders' Meeting as early as possible
- Avoid dates which other companies are likely to choose for their meetings
- Introduce the exercise of voting rights by electronic method
- WEB delivery of messages to shareholders from candidates for Directors and Audit & Supervisory Board Members
- Publish the Shareholders Magazine for shareholders
- Establish a webpage for individual shareholders
- Host briefing sessions for shareholders (Osaka and Nagoya)

(b) Investor Relations Activities

The Investor Relations Office, which is a specialized department for the Company's investor relations activities, organizes seminars for analysts and institutional investors upon announcement of our second-quarter and full-year financial results twice a year, and also holds conferences over the Internet to announce first- and third-quarter financial results. In addition, the IR Office conducts individual interviews with institutional investors in Japan and provides such interviews on a regular basis to foreign institutional investors at their premises in areas such as the U.S., Europe and Asia. The Office plans to continue these IR activities for the years ahead. Furthermore, the Office issues annual reports and provides the audio and video clips of IR seminars and seminar materials on the Company's website, in order to deliver more information to investors.

Meanwhile, the IR Office also make efforts in promoting shareholder relations (SR) focusing on individual shareholders, by holding shareholder seminars and conducting shareholder surveys as an opportunity for individual shareholders to have direct conversations with our management, as well as by publishing the "Shareholders Magazine" as an information transmission tool.

(c) Respect the Rights of Stakeholders

- Establishing standards to protect the rights of stakeholders

We have established the Sojitz Group Compliance Code of Conduct and Ethics and stipulated core values (ways of thinking to ensure compliance that constitute the core of the Code of Conduct) in the Code as a guideline for conducting our corporate philosophy. In accordance with these core values, we stipulate the standards of conduct that must be adhered in our daily business activities for the sake of our stakeholders and to earn their trust. Furthermore, we proactively disclose information required by laws and regulations and even information not required by them also, in order to promote appropriate understanding and trust of our stakeholders.

- Efforts on CSR and environmental protection activities

The Group believes that CSR is the steady practice of its corporate philosophy. We hope to build a relationship of trust with all stakeholders aiming at achieving mutual prosperity of both the society and the environment through our corporate activities.

In promoting CSR through our corporate activities, we set forth the following high priority themes in consideration of the "expectation and interest of stakeholders" as well as the "importance to the Group."

“Promotion of CSR in supply chains”

“Promotion of businesses which contribute to the prevention of climate change”

“Promotion of businesses which contribute to the development of developing and emerging countries”

“Improvement of systems and environments to enable every employee to fulfill their potential”

In addition, every employee of the Group makes an effort to reduce environmental impact by implementing measures such as energy and resource conservation, waste reduction, recycling and green procurement. Moreover, our social contribution activities include the provision of educational support and restoration support for the affected areas by the Great East Japan Earthquake.

(4) Basic Concept and Implementation of Internal Control System

(a) Basic Concept

We have been working on to implement and maintain our internal control systems in terms of regulations, organization and systems. The following basic policies have been resolved regarding the establishment of “System for Ensuring Appropriate Execution of Business Operations.”

i) Compliance by Directors and Employees

The Company shall establish the Sojitz Group Compliance Code of Conduct and Ethics and the Sojitz Group Compliance Program to ensure that directors and employees comply with laws and regulations, the Articles of Incorporation, and internal rules.

The Compliance Committee shall lead the reinforcement and improvement of the legal compliance system. Also, the Company shall make clear the responsibility of each department so that any amendment of laws and regulations relating to the Company's operations will be closely followed and fully observed.

The Company shall ensure that the Sojitz Group does not enter into any business or other relationship with antisocial forces, and shall resolutely reject any improper request with legal measures if necessary.

With regard to important laws and regulations such as security export control and insider trading, the Company shall establish respective internal rules to ensure strict compliance.

ii) Retention of Information relating to the Execution of Directors' Duties

With respect to important documents relating to the execution of directors' duties such as the minutes of the Board of Directors meetings and approval documents, the Company shall prescribe in the Board of Directors rules and the internal rules for document retention a retention period that is equal to, or longer than, that required by the relevant law or regulation. The Company shall also designate the department in charge of such retention and documents shall be made available as review or examination becomes necessary.

iii) Regulations regarding Management of Loss Risks; Other Systems

In order to prevent, or when impossible to prevent, to minimize, economic losses, the Company shall analyze and categorize potential risks for economic losses both inside and outside its operations. It shall establish internal rules or manuals, and assign a department for managing the risks in each category.

Credit risk and business investment risk shall be assessed and appropriately handled in accordance with the internal rules for risk management. Market risk shall be controlled to ensure that it is minimized in accordance with applicable internal rules. The Company shall prepare for natural disasters by establishing internal rules and drawing up disaster manuals.

The Company shall periodically review the effectiveness of internal rules and handling procedures, and revise them if required. Further, in the event that a new type of risk emerges due to changes in the business environment, the Company shall promptly appoint a person and/or department in charge, and prescribe appropriate internal rules with regard to the new risk.

iv) Efficiency in Execution of Directors' Duties

The Company shall make clear the responsible fields or departments of each director and executive officer and the responsibility of each department, as well as chains of command, scopes of authority and decision making rules.

The Company shall clearly prescribe in the Board of Directors rules important matters requiring Board resolutions, and shall convene the Management Committee and other committees to deliberate and decide other important matters. Also, matters to be reported to the Board of Directors shall be set forth in the Board of Directors rules.

Top management policy shall be promptly announced to all directors and employees of the Company through the Management Committee or Corporate Planning Department, and through other oral or written methods or via the intranet.

v) Proper and Ethical Business Operations in the Sojitz Group

The Company shall establish a department to oversee the management structure of Sojitz Group companies, ensuring the sound management of each Group company. The Company shall enhance its Audit Department to audit Group companies, ensuring the proper and ethical conduct of their business operations.

The Sojitz Group Compliance Code of Conduct and Ethics and the Sojitz Group Compliance Program shall apply to all Group companies and shall be fully observed by their directors and employees.

The Company shall review and develop the business processes of each Group company in the light of internal controls relating to consolidated financial reporting.

vi) Employees Assisting Audit & Supervisory Board Members and Their Independence from Directors

The Company shall establish the Audit & Supervisory Board Members Office to assist Audit & Supervisory Board Members and assign the necessary employees. These employees shall work under the direction of Audit & Supervisory Board Members, and their performance evaluations and personnel changes shall require the consent of Audit & Supervisory Board Members.

vii) Reports to Audit & Supervisory Board Members

The Board of Directors rules shall include a rule that requires any director to immediately report to Audit & Supervisory Board Members when he/she learns of a fact that may cause significant damage to the Company. The Audit Department shall provide Audit & Supervisory Board Members with a copy of the internal audit report upon completion of each internal audit.

The Audit & Supervisory Board shall be entitled to request a report from an Accounting Auditor, director or other person, as it deems necessary.

viii) Other Arrangements to Ensure Efficient Auditing by the Audit & Supervisory Board Members

One or more of the Audit & Supervisory Board Members shall attend every meeting of the Board of Directors and express opinions as necessary. They may also attend the Management Committee and other important meetings, directly observing the discussions and reporting on important matters.

Representative directors shall regularly meet with Audit & Supervisory Board Members and

exchange opinions on key issues for the Company, as well as on the conditions of, and important issues relating to, audits by Audit & Supervisory Board Members.

(b) Progress of Improvement

i) Overview

With respect to the status of establishing internal control systems of the Company and Group companies, in addition to inspections and improvements to the legal compliance systems, led by the Compliance Committee, and inspections and improvements to the risk management methods, led by the Risk Management Planning Department, we establish, improve and operate overall internal control systems while promoting “Assessment of Internal Controls Regarding Financial Reporting” under the Financial Instruments and Exchange Act, led by the Internal Control Committee.

Audit & Supervisory Board Members including Outside Audit & Supervisory Board Members review the establishment and operation status of internal controls for which the Internal Control Committee or other units related to internal controls are responsible, by attending meetings of the Board of Directors, Management Committee by fulltime Audit & Supervisory Board Members and other important meetings. Furthermore, they are monitoring the overall internal control systems of the Company and providing advice on more efficient operations of the systems through an interactive exchange of information with the Accounting Auditor and units related to internal controls such as the Internal Control Administration Department and the Audit Department when necessary.

ii) Compliance

Our efforts to enhance compliance are as follows:

We provide compliance training on a regular basis in order to ensure that directors and employees of the Company and Group companies are fully aware of the Sojitz Group Code of Conduct and Ethics and raise their awareness of compliance issues.

We ensure that the Compliance Committee is properly informed at an early stage and the compliance status is thoroughly reviewed on a group-wide basis for the purpose of prevention, early detection and appropriate handling of a violation of laws and regulations. We have also implemented a whistleblower program for reports to the Chief Compliance Officer, the external legal counsel, etc., a multilingual Sojitz ethics hotline service available on a 24-hour, 365-day basis, and a consultation contact with the Legal Department.

In response to the trend toward stricter oversight on corruptions such as illicit gift giving and entertainment to government officials, we have established a dedicated team within the Legal Department to strengthen the efforts to prevent such wrongdoings.

With respect to measures against antisocial forces, we have clearly stipulated the elimination of relationships with antisocial forces in the Sojitz Group Code of Conduct and Ethics and Manual for Handling Antisocial Forces, to ensure full awareness and thorough implementation by all employees and directors of the Group. In addition, we set up contact and consultation desks internally.

The Audit Department conducts compliance-centric audits on all companies of the Sojitz Group, strictly focusing on compliance audits in accordance with laws and regulations, the Articles of Incorporation, and internal regulations, and reviewing if appropriate measures have been taken from CSR perspectives.

iii) Risk Management

Our efforts to enhance risk management are as follows:

We try to minimize market risks, in principle, by adopting the asset/liability matching model for product transaction balances, etc., and the hedge transactions such as forward exchange contracts, commodity futures trading and forward commodity contracts, and interest rate swaps.

Credit risks are controlled through the use of an internal credit rating system for each business partner.

Country risks are controlled with the use of a country rating system, which determines a maximum exposure limit for each country.

Business investment risks are controlled based on our strict criteria, designed for assessing risks of new projects, taking into account partner risks and their business features, and setting a standard for IRRs (internal rates of return). We conduct follow-up checks on a regular basis, maintaining strict criteria for withdrawal.

Our basic policy is to identify and manage the overall level of risk assets using our integrated risk management system including those mentioned above and keeping the ratio of risk assets to shareholders' equity within 1.0 time. The businesses of the Group are by their natures exposed to various kinds of risks, therefore we first classify and define each risk by items including those quantifiable as mentioned above, and manage these risks according to their characteristics.

iv) Management of Group Companies

The Corporate Planning Department adopts and promotes a management system for the Group companies' business operations. Meanwhile, the Audit Department conducts audits on the Group companies and strives to strengthen its oversight function over them, identify problems in the early stages, and prevent the occurrence of loss to the Company. In addition, the Audit Department endeavors to further enhance the Self-inspection System, to raise awareness towards operational improvements in frontline operations. Furthermore, Audit & Supervisory Board Members and the Audit Department are working on to build a good cooperation with Audit & Supervisory Board Members of major Group companies through the exchange of information, thereby implementing efficient monitoring that corresponds to the Group management.

v) Efforts for Ensuring the Reliability of Financial Reporting

The Internal Control Committee plays a central role in practically maintaining and improving the internal control systems relating to the financial reporting of the entire Group, in order to secure the reliability of financial reporting, with an aim to ensure a qualitative progress of those internal control systems. We have carried out the assessment on the effectiveness of internal controls in accordance with the "Assessment, Reporting and Auditing of Internal Controls over Financial Reporting." Further, to remind the entire Group of the importance of securing the reliability of financial reporting, as well as the importance of internal control activities for that purpose, the Board of Directors adopted a resolution regarding the following "Basic Policy to Ensure Appropriate Financial Reporting," and we have been making every attempt to keep all employees informed and involved.

<Basic Policy to Ensure Appropriate Financial Reporting>

To maintain and earn higher social credibility of the Company, we believe one of the most important goals is to ensure appropriate financial reporting. Subsequently, we have established the following basic policy in accordance with the “Internal Control Reporting System” as prescribed in Article 24-4-4 of the Financial Instruments and Exchange Act.

1. Basic Principle for Ensuring Appropriate Financial Reporting

- Sojitz Group always applies appropriate accounting principles and adopts them as its own principles. Therefore, all directors and employees of the Group shall be informed and understood of this policy, and carry out accounting processing in accordance with these principles.
- All directors and employees shall understand that any false representations arising from fraud, willful act, negligence, or improper understanding of accounting standards may damage the reliability of financial reporting of the Group. This could be disastrous and harm the credibility of the entire Group. Should such a situation occur, the Company will take disciplinary actions against any individuals found to be accountable.

2. Establishment of Systems and Procedures for Ensuring Appropriate Financial Reporting

- The Board of Directors shall understand and perform its responsibilities for proper supervision and monitoring over management, with respect to financial reporting as well as internal controls over the financial reporting.
- In order to ensure appropriate financial reporting, a proper organizational framework shall be established that is optimal for the features of the Group’s businesses. Duties and responsibilities involved in financial reporting shall be clarified, and authorities and obligations shall be appropriately allocated.
- Potential risks of significant false representations shall be identified and analyzed. To minimize such risks, effective internal controls shall be established and implemented in good faith.
- A system to routinely monitor internal controls over financial reporting shall be established. Any problems detected by the constant monitoring shall be reported in a timely and appropriate manner, and a system for this process shall be established.
- Any material information on internal controls over financial reporting shall be communicated between the levels of management, managers, and responsible staff in a timely and appropriate manner, and a system for this process shall be maintained and established.

3. Use of IT for Internal Controls over Financial Reporting

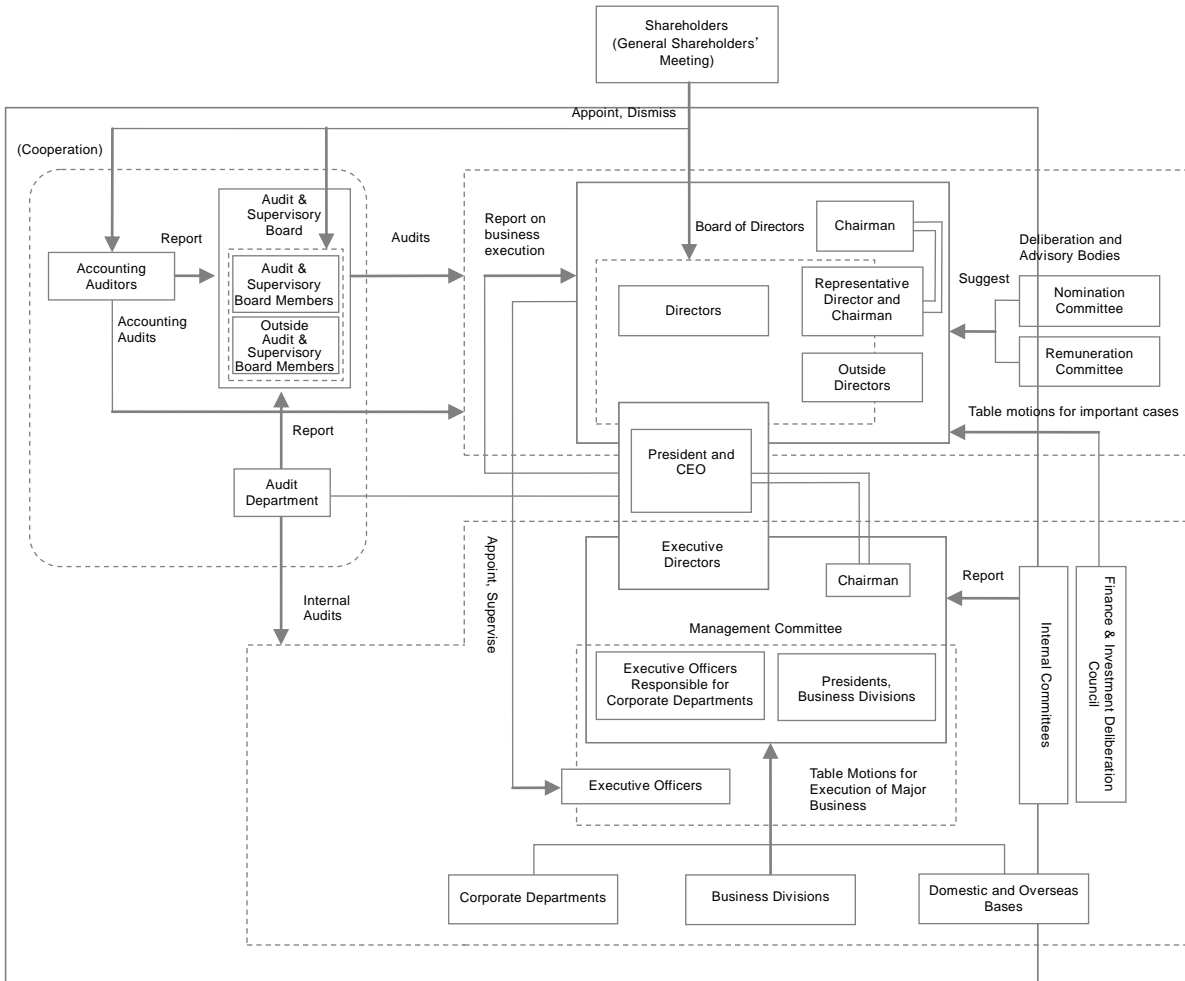
- All directors and employees of the Group shall understand the importance of IT infrastructures in relation to internal controls over financial reporting and appropriately understand its associated risks. These risks shall be minimized to the possible extent, and IT controls shall be effectively used for the efficient internal controls.

4. Implementation of “Assessment and Reporting of Internal Controls over Financial Reporting” Pursuant to the Financial Instruments and Exchange Act

- All directors and employees of the Group shall faithfully carry out its practice standards and procedures for the “Assessment and Reporting of Internal Controls over Financial Reporting by Management” established pursuant to the Financial Instruments and Exchange Act. Detailed guidelines and plans shall be separately determined as necessary.
- Any insufficiency or material defects in internal controls of the Group identified in the course of implementing “Assessment and Reporting of Internal Controls over Financial Reporting by Management” shall be corrected immediately.

Regarding the corporate governance framework, please refer to the chart on the next page.

Corporate Governance Framework



Financial Statements
Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

Items	As of Mar. 31, 2013	(Reference) As of Mar. 31, 2012	Items	As of Mar. 31, 2013	(Reference) As of Mar. 31, 2012
Assets			Liabilities		
<u>Current assets</u>	1,264,271	1,298,151	<u>Current liabilities</u>	859,010	947,422
Cash and deposits	433,584	442,706	Notes and accounts payable-trade	436,696	461,799
Notes and accounts receivable-trade	456,455	490,708	Short-term loans payable	242,267	282,524
Securities	100	1,297	Commercial papers	2,000	2,000
Inventories	292,105	270,645	Current portion of bonds	30,000	35,000
Short-term loans receivable	2,222	5,667	Income taxes payable	5,407	8,850
Deferred tax assets	4,132	4,577	Deferred tax liabilities	245	87
Other	79,120	88,132	Provision for bonuses	6,154	6,254
Allowance for doubtful accounts	(3,449)	(5,583)	Other	136,238	150,906
			<u>Noncurrent liabilities</u>	844,862	842,702
<u>Noncurrent assets</u>	821,947	822,177	Bonds payable	60,000	80,000
<u>Property, plant and equipment</u>	228,332	233,260	Long-term loans payable	715,478	691,018
Buildings and structures	62,549	58,626	Deferred tax liabilities	19,509	20,596
Machinery, equipment and vehicles	105,414	86,220	Deferred tax liabilities for land revaluation	—	696
Land	44,163	53,429	Provision for retirement benefits	14,998	14,232
Construction in progress	5,873	26,169	Provision for directors' retirement benefits	630	648
Other	10,331	8,814	Other	34,244	35,509
			<u>Total liabilities</u>	1,703,872	1,790,125
<u>Intangible assets</u>	126,114	124,497	Net assets		
Goodwill	39,865	44,612	<u>Shareholders' equity</u>	470,808	464,026
Other	86,248	79,884	Capital stock	160,339	160,339
			Capital surplus	152,160	152,160
<u>Investments and other assets</u>	467,500	464,419	Retained earnings	158,488	151,706
Investment securities	338,744	313,897	Treasury stock	(179)	(179)
Long-term loans receivable	31,311	22,415	<u>Accumulated other comprehensive income</u>	(117,272)	(158,121)
Bad debts	59,670	68,164	Valuation difference on available-for-sale securities	13,710	7,626
Deferred tax assets	13,710	22,442	Deferred gains or losses on hedges	(104)	935
Real estate for investment	26,608	31,934	Revaluation reserve for land	3	(2,120)
Other	43,830	52,788	Foreign currency translation adjustment	(129,496)	(163,686)
Allowance for doubtful accounts	(46,375)	(47,223)	Unfunded retirement benefit obligation with respect to foreign consolidated companies	(1,385)	(875)
<u>Deferred assets</u>	190	266	<u>Minority interests</u>	29,000	24,565
Stock issuance cost	—	0	<u>Total net assets</u>	382,537	330,471
Bond issuance cost	190	266	<u>Total liabilities and net assets</u>	2,086,410	2,120,596
<u>Total assets</u>	2,086,410	2,120,596			

(Fractions less than one million yen are rounded down)

Consolidated Statements of Income

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)		(Reference) FY2011 (From April 1, 2011 to March 31, 2012)	
Net sales		3,955,907		4,494,237
Cost of sales		3,763,842		4,262,671
Gross profit		192,064		231,566
Selling, general and administrative expenses		158,759		167,044
Operating income		33,305		64,522
Non-operating income		39,952		37,142
Interest income	4,924		5,994	
Dividends income	2,587		4,978	
Equity in earnings of affiliates	15,588		12,566	
Foreign exchange gains	5,408		—	
Other	11,443		13,603	
Non-operating expenses		38,779		39,436
Interest expenses	21,021		24,212	
Interest on commercial papers	4		5	
Foreign exchange losses	—		145	
Loss on valuation of derivatives	10,568		3,307	
Other	7,185		11,765	
Ordinary income		34,478		62,228
Extraordinary income		13,739		14,239
Gain on sales of noncurrent assets	3,402		3,217	
Gain on sales of investment securities	6,802		9,039	
Gain on sales of equity investment without stock	3,497		556	
Gain on change in equity	5		24	
Gain on negative goodwill	31		1,207	
Gain on step acquisitions	—		194	
Extraordinary loss		16,498		15,014
Loss on sales and retirement of noncurrent assets	770		824	
Loss on sales of real estate for investment	—		18	
Impairment loss	11,893		6,101	
Loss on sales of investment securities	31		122	
Loss on sales of equity investment without stock	—		5	
Loss on revaluation of securities	1,530		2,640	
Loss on change in equity	18		205	
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	1,672		2,648	
Loss on litigation	582		2,348	
Retirement benefit expenses	—		99	
Income before income taxes and minority interests		31,719		61,454
Income taxes-current		11,441		18,482
Income taxes-deferred		2,012		43,821
Income (loss) before minority interests		18,265		(850)
Minority interests in income		4,002		2,799
Net income (loss)		14,263		(3,649)

(Fractions less than one million yen are rounded down)

Consolidated Statements of Changes in Net Assets

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	160,339	160,339
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	160,339	160,339
Capital surplus		
Balance at the beginning of current period	152,160	152,160
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	152,160	152,160
Retained earnings		
Balance at the beginning of current period	151,706	159,358
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net income (loss)	14,263	(3,649)
Reversal of revaluation reserve for land	(2,124)	(103)
Effect from changes of consolidated subsidiaries and affiliates accounted for under the equity method	(2,510)	(146)
Other	907	—
Total changes of items during the period	6,782	(7,652)
Balance at the end of current period	158,488	151,706
Treasury stock		
Balance at the beginning of current period	(179)	(170)
Changes of items during the period		
Purchase of treasury stock	(0)	(9)
Change in equity in affiliates accounted for by equity method - treasury stock	0	0
Total changes of items during the period	(0)	(9)
Balance at the end of current period	(179)	(179)

(Fractions less than one million yen are rounded down)

Consolidated Statements of Changes in Net Assets (continued)

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Total shareholders' equity		
Balance at the beginning of current period	464,026	471,688
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net income (loss)	14,263	(3,649)
Reversal of revaluation reserve for land	(2,124)	(103)
Effect from changes of consolidated subsidiaries and affiliates accounted for under the equity method	(2,510)	(146)
Purchase of treasury stock	(0)	(9)
Change in equity in affiliates accounted for by equity method - treasury stock	0	0
Other	907	—
Total changes of items during the period	6,782	(7,662)
Balance at the end of current period	470,808	464,026
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	7,626	12,310
Changes of items during the period		
Net changes of items other than shareholders' equity	6,084	(4,684)
Total changes of items during the period	6,084	(4,684)
Balance at the end of current period	13,710	7,626
Deferred gains or losses on hedges		
Balance at the beginning of current period	935	3,022
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,040)	(2,087)
Total changes of items during the period	(1,040)	(2,087)
Balance at the end of current period	(104)	935
Revaluation reserve for land		
Balance at the beginning of current period	(2,120)	(2,302)
Changes of items during the period		
Net changes of items other than shareholders' equity	2,124	182
Total changes of items during the period	2,124	182
Balance at the end of current period	3	(2,120)
Foreign currency translation adjustment		
Balance at the beginning of current period	(163,686)	(153,984)
Changes of items during the period		
Net changes of items other than shareholders' equity	34,189	(9,702)
Total changes of items during the period	34,189	(9,702)
Balance at the end of current period	(129,496)	(163,686)

(Fractions less than one million yen are rounded down)

Consolidated Statements of Changes in Net Assets (continued)

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Unfunded retirement benefit obligation with respect to foreign consolidated companies		
Balance at the beginning of current period	(875)	(706)
Changes of items during the period		
Net changes of items other than shareholders' equity	(509)	(169)
Total changes of items during the period	(509)	(169)
Balance at the end of current period	(1,385)	(875)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(158,121)	(141,659)
Changes of items during the period		
Net changes of items other than shareholders' equity	40,848	(16,461)
Total changes of items during the period	40,848	(16,461)
Balance at the end of current period	(117,272)	(158,121)
Minority interests		
Balance at the beginning of current period	24,565	25,481
Changes of items during the period		
Net changes of items other than shareholders' equity	4,434	(915)
Total changes of items during the period	4,434	(915)
Balance at the end of current period	29,000	24,565
Total net assets		
Balance at the beginning of current period	330,471	355,510
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net income (loss)	14,263	(3,649)
Reversal of revaluation reserve for land	(2,124)	(103)
Effect from changes of consolidated subsidiaries and affiliates accounted for under the equity method	(2,510)	(146)
Purchase of treasury stock	(0)	(9)
Change in equity in affiliates accounted for by equity method -treasury stock	0	0
Other	907	—
Net changes of items other than shareholders' equity	45,283	(17,377)
Total changes of items during the period	52,065	(25,039)
Balance at the end of current period	382,537	330,471

(Fractions less than one million yen are rounded down)

(Reference) Consolidated Statements of Comprehensive Income

(Millions of yen)

Items	FY2012 (April 1, 2012 to March 31, 2013)	FY2011 (April 1, 2011 to March 31, 2012)
Income (loss) before minority interests	18,265	(850)
Other comprehensive income		
Valuation difference on available-for-sale securities	5,216	(2,802)
Deferred gains or losses on hedges	1,277	(1,899)
Revaluation reserve for land	—	77
Foreign currency translation adjustment	20,417	(1,302)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	(201)	(184)
Share of other comprehensive income of associates accounted for using equity method	11,875	(10,660)
Total other comprehensive income	38,585	(16,772)
Comprehensive income	56,851	(17,622)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	49,939	(20,212)
Comprehensive income attributable to minority interests	6,911	2,589

(Fractions less than one million yen are rounded down)

(Reference) Consolidated Statements of Cash Flows

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	31,719	61,454
Depreciation and amortization	30,944	33,289
Impairment loss	11,893	6,101
Loss on valuation of investment securities	1,530	2,640
Amortization of goodwill	4,774	4,998
Increase (decrease) in allowance for doubtful accounts	(3,590)	(15,162)
Increase (decrease) in provision for retirement benefits	1,744	1,130
Interest and dividends income	(7,512)	(10,972)
Interest expenses	21,026	24,217
Foreign exchange losses (gains)	(9,447)	445
Equity in (earnings) losses of affiliates	(15,588)	(12,566)
Loss (gain) on sales of investment securities	(10,255)	(9,286)
Loss (gain) on sales and retirement of noncurrent assets	(2,632)	(2,393)
Loss (gain) on step acquisitions	—	(194)
Decrease (increase) in notes and accounts receivable-trade	35,621	(19,910)
Decrease (increase) in inventories	(13,210)	(25,494)
Increase (decrease) in notes and accounts payable-trade	(21,792)	47,570
Other, net	17,224	27,277
Subtotal	72,448	113,145
Interest and dividends income received	18,757	18,933
Interest expenses paid	(21,588)	(23,883)
Payments for loss on litigation	(3,082)	—
Income taxes paid	(15,011)	(16,593)
Net cash provided by (used in) operating activities	51,524	91,600
Net cash provided by (used in) investing activities		
Decrease (increase) in time deposit	7,790	(11,048)
Decrease (increase) in short-term investment securities	37	623
Purchase of property, plant and equipment	(26,886)	(35,745)
Proceeds from sales of property, plant and equipment	15,306	13,419
Purchase of intangible assets	(11,802)	(8,698)
Purchase of investment securities	(3,085)	(10,025)
Proceeds from sales and redemption of investment securities	18,484	19,402
Decrease (increase) in short-term loans receivable	3,453	3,745
Payments of long-term loans receivable	(11,697)	(13,548)
Collection of long-term loans receivable	2,412	1,489
Net increase (decrease) from purchase of consolidated subsidiaries	(5,624)	(2,340)
Net decrease from sale of consolidated subsidiaries	1,530	(707)
Other, net	(3,500)	1,144
Net cash provided by (used in) investing activities	(13,580)	(42,287)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(9,419)	3,433
Proceeds from long-term loans payable	236,109	128,061
Repayment of long-term loans payable	(247,581)	(133,646)
Proceeds from issuance of bonds	9,953	39,800
Redemption of bonds	(35,000)	(67,719)
Proceeds from stock issuance to minority shareholders	68	66
Purchase of treasury stock	(0)	(9)
Cash dividends paid	(3,753)	(3,753)
Cash dividends paid to minority shareholders	(1,382)	(1,416)
Other, net	(1,732)	(1,193)
Net cash provided by (used in) financing activities	(52,737)	(36,376)
Effect of exchange rate change on cash and cash equivalents	11,890	(923)
Net increase (decrease) in cash and cash equivalents	(2,902)	12,012
Cash and cash equivalents at the beginning of period	427,274	415,261
Cash and cash equivalents at the end of period	424,371	427,274

(Fractions less than one million yen are rounded down)

(Reference) Business Segment Information

FY2012 (From April 1, 2012 to March 31, 2013)

(Millions of yen)

	Segments to be reported					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated financial statements (Note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales									
(1) Sales to outside customers	948,578	888,017	571,204	1,490,849	3,898,648	57,258	3,955,907	—	3,955,907
(2) Internal sales or transfers between segments	1,750	962	4,298	3,848	10,859	4,477	15,336	(15,336)	—
Total	950,328	888,979	575,503	1,494,697	3,909,508	61,735	3,971,244	(15,336)	3,955,907
Segment income (loss)	1,963	16,214	1,978	6,884	27,041	(2,790)	24,250	(9,987)	14,263
Segment assets	383,513	520,087	265,907	416,705	1,586,213	259,837	1,846,050	240,359	2,086,410
Other items									
Depreciation and amortization	7,549	13,286	2,385	2,557	25,778	5,165	30,944	—	30,944
Amortization of goodwill	1,273	871	1,447	888	4,481	292	4,774	—	4,774
Interest income	820	2,228	369	615	4,035	1,358	5,393	(469)	4,924
Interest expenses	5,947	8,892	3,322	5,215	23,377	(1,881)	21,495	(469)	21,026
Equity in earnings (losses) of affiliates	3,677	9,855	(83)	2,410	15,859	(282)	15,577	10	15,588
Extraordinary income	6,210	4,663	1,504	637	13,015	370	13,386	353	13,739
(Gain on sales of noncurrent assets)	870	1,152	801	285	3,110	292	3,402	—	3,402
(Gain on sales of investment securities)	1,829	3,510	691	346	6,377	71	6,449	353	6,802
Extraordinary loss	3,533	5,798	1,276	320	10,928	5,419	16,347	150	16,498
(Impairment loss)	1,434	4,814	287	212	6,749	5,143	11,893	—	11,893
(Loss on revaluation of securities)	1,017	282	29	2	1,332	47	1,379	150	1,530
(Loss, and provision for loss, on dissolution of subsidiaries and affiliates)	810	(9)	791	41	1,633	39	1,672	(0)	1,672
Tax expenses	3,671	(7,584)	3,716	2,821	2,624	329	2,953	10,500	13,453
Amount invested in equity-method affiliates	24,885	182,483	11,285	21,244	239,899	3,599	243,499	(466)	243,032
Property, plant and equipment and intangible assets increase	10,159	19,785	867	4,304	35,116	3,572	38,688	—	38,688

(Notes) 1. *Other* includes administration, domestic regional company, logistic and insurance agency services, aircraft leasing, various types of real estate business (investment, transactions, leasing, administration, etc.), and management of retail property.

2. The adjustment of -9,987 million yen under *Segment income (loss)* includes a difference of -10,500 million yen between actual tax expenses to be incurred in the Group and the tax expenses allocated to segments based on the calculation method internally established, and 513 million yen of dividends income, etc. from the Group-wide assets not allocated to segments.

The adjustment of 240,359 million yen under *Segment assets* contains -63,448 million yen of inter-segment elimination, etc. and 303,807 million yen of the Group-wide assets not allocated to segments. Those assets are mainly in the form of surplus investments such as cash and deposits and investment securities.

The adjustments of interest income, interest expenses, equity in earnings (losses) of affiliates, and amount invested in equity-method affiliates under *Other items* are mainly attributed to inter-segment elimination.

3. *Segment income (loss)* is adjusted based on net income in the Consolidated Statements of Income.

<Change of reportable segment>

Effective from the consolidated fiscal year ended March 31, 2013, the domestic real estate business, which was previously categorized in *Consumer Lifestyle Business*, is reclassified in *Other Business* reflecting the restructuring undertaken for the purpose of enhancing profitability and strengthening functions.

In addition, *Chemicals and Functional Materials* was reclassified as *Chemicals*.

Figures of the business segment information for the previous consolidated fiscal year reflect the changed classification.

FY2011 (From April 1, 2011 to March 31, 2012)

(Millions of yen)

	Segments to be reported					Other (Note 1)	Total	Adjustment (Note 2)	Amount recorded on consolidated financial statements (Note 3)
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Subtotal				
Net sales									
(1) Sales to outside customers	1,030,555	1,050,725	687,890	1,669,504	4,438,675	55,561	4,494,237	—	4,494,237
(2) Internal sales or transfers between segments	2,486	1,383	5,347	3,023	12,240	4,126	16,366	(16,366)	—
Total	1,033,041	1,052,108	693,238	1,672,527	4,450,915	59,688	4,510,604	(16,366)	4,494,237
Segment income (loss)	8,085	27,275	5,752	4,035	45,149	(2,942)	42,206	(45,855)	(3,649)
Segment assets	392,172	541,152	272,268	393,547	1,599,140	252,754	1,851,895	268,701	2,120,596
Other items									
Depreciation and amortization	6,757	15,878	2,752	2,421	27,809	5,305	33,115	174	33,289
Amortization of goodwill	1,344	822	1,448	833	4,448	550	4,998	—	4,998
Interest income	944	2,565	317	739	4,567	1,651	6,219	(224)	5,994
Interest expenses	6,107	9,916	3,643	5,643	25,310	(868)	24,442	(224)	24,217
Equity in earnings of affiliates	2,778	7,765	853	952	12,349	212	12,562	4	12,566
Extraordinary income	5,996	6,118	211	680	13,007	1,232	14,239	—	14,239
(Gain on sales of noncurrent assets)	1,848	406	0	21	2,276	940	3,217	—	3,217
(Gain on sales of investment securities)	2,557	5,708	211	443	8,921	117	9,039	—	9,039
Extraordinary loss	2,385	1,674	433	2,912	7,404	5,513	12,918	2,095	15,014
(Impairment loss)	258	1,176	9	204	1,648	4,452	6,101	—	6,101
(Loss on revaluation of securities)	361	132	8	18	520	24	544	2,095	2,640
(Loss, and provision for loss, on dissolution of subsidiaries and affiliates)	1,516	55	116	120	1,809	839	2,648	—	2,648
Tax expenses	6,422	9,988	3,589	1,608	21,607	(3,474)	18,132	44,171	62,304
Amount invested in equity-method affiliates	21,161	163,455	10,593	18,329	213,538	4,594	218,133	(473)	217,659
Property, plant and equipment and intangible assets increase	15,721	22,168	750	2,444	41,084	3,359	44,443	—	44,443

- (Notes) 1. *Other* includes administration, domestic regional company, logistic and insurance agency services, aircraft leasing, various types of real estate business (investment, transactions, leasing, administration, etc.), and management of retail property.
2. The adjustment of -45,855 million yen under *Segment income (loss)* includes a difference of -44,171 million yen between actual tax expenses to be incurred in the Group and the tax expenses allocated to segments based on the calculation method internally established, and -2,095 million yen of loss on revaluation of securities and 411 million yen of dividends income, etc. from the Group-wide assets not allocated to segments.
- The adjustment of 268,701 million yen under *Segment assets* contains -43,530 million yen of inter-segment elimination, etc. and 312,232 million yen of the Group-wide assets not allocated to segments. Those assets are mainly in the form of surplus investments such as cash and deposits and investment securities.
- The adjustments of depreciation and amortization, interest income, interest expenses, equity in earnings of affiliates, and amount invested in equity-method affiliates under *Other items* are mainly attributed to inter-segment elimination.
3. *Segment income (loss)* is adjusted based on net loss in the Consolidated Statements of Income.
- (*) For further information on the major products and services of each business segment, please refer to “Business Report 1. Current Circumstances of the Sojitz Group, (5) Major Business Segments of the Sojitz Group.”

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of yen)

Items	As of Mar. 31, 2013	(Reference) As of Mar. 31, 2012	Items	As of Mar. 31, 2013	(Reference) As of Mar. 31, 2012
Assets			Liabilities		
Current assets	673,680	689,250	Current liabilities	500,665	539,565
Cash and deposits	270,566	281,177	Notes payable-trade	3,950	5,069
Notes receivable-trade	9,954	11,196	Notes payable-import	17,316	29,842
Accounts receivable-trade	184,080	184,670	Accounts payable-trade	212,975	199,749
Merchandise and finished goods	65,645	60,568	Short-term loans payable	120,250	158,020
Real estate for sale	18,049	20,514	Short-term loans payable to subsidiaries and affiliates	—	945
Goods in transit	58,187	55,012	Commercial papers	2,000	2,000
Advance payments-trade	9,317	10,484	Current portion of bonds	30,000	35,000
Prepaid expenses	1,648	2,401	Lease obligations	280	203
Deferred tax assets	1,400	1,703	Accounts payable-other	3,919	5,086
Short-term loans receivable	572	64	Accrued expenses	3,474	5,247
Short-term loans receivable from subsidiaries and affiliates	18,844	12,928	Income taxes payable	900	3,169
Guarantee deposits	1,820	1,794	Advances received	10,412	14,980
Accrued income	932	379	Deposits received	77,945	69,338
Accounts receivable-other	31,393	46,177	Unearned revenue	133	167
Other	2,282	2,430	Guarantee deposits received	2,472	2,334
Allowance for doubtful accounts	(1,015)	(2,253)	Provision for bonuses	2,482	2,309
Noncurrent assets	899,086	926,550	Asset retirement obligations	83	61
Property, plant and equipment	19,932	20,712	Other	12,066	6,039
Buildings	6,322	7,137	Noncurrent liabilities	731,678	713,581
Structures	261	318	Bonds payable	60,000	80,000
Machinery and equipment	213	259	Long-term loans payable	655,564	611,870
Vehicles	53	84	Long-term loans payable to subsidiaries and affiliates	3,976	8,860
Tools, furniture and fixtures	1,123	467	Lease obligations	545	446
Land	11,170	11,546	Provisions for retirement benefits	5,906	5,350
Construction in progress	—	283	Asset retirement obligations	766	768
Lease assets	788	616	Other	4,918	6,283
Intangible assets	11,844	12,799	Total liabilities	1,232,343	1,253,147
Software	3,304	3,159	Net assets		
Goodwill	8,284	9,383	Shareholders' equity	344,293	363,012
Other	256	257	Capital stock	160,339	160,339
Investments and other assets	867,308	893,038	Capital surplus	155,271	155,271
Investment securities	84,773	84,450	Legal capital surplus	152,160	152,160
Stocks of subsidiaries and affiliates	607,671	623,567	Other capital surplus	3,110	3,110
Investments in other securities of subsidiaries and affiliates	18,531	19,283	Retained earnings	28,831	47,549
Investments in capital	1,566	2,069	Other retained earnings	28,831	47,549
Investments in capital of subsidiaries and affiliates	24,246	24,899	Retained earnings brought forward	28,831	47,549
Long-term loans receivable	2,150	2,150	Treasury stock	(148)	(147)
Long-term loans receivable from employees	11	11	Valuation and translation adjustments	(3,679)	(92)
Long-term loans receivable from subsidiaries and affiliates	71,651	55,503	Valuation difference on available-for-sale securities	5,240	1,292
Bad debts	80,038	88,080	Deferred gains or losses on hedges	(8,920)	(1,385)
Long-term prepaid expenses	478	5,152	Total net assets	340,613	362,919
Deferred tax assets	5,620	6,318	Total liabilities and net assets	1,572,957	1,616,067
Real estate for investment	21,986	27,094			
Other	18,605	21,483			
Allowance for doubtful accounts	(59,820)	(53,923)			
Allowance for investment loss	(10,200)	(13,104)			
Deferred assets	190	266			
Bond issuance cost	190	266			
Total assets	1,572,957	1,616,067			

(Fractions less than one million yen are rounded down)

Non-consolidated Statements of Income

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)		(Reference) FY2011 (From April 1, 2011 to March 31, 2012)	
Net sales		2,436,466		2,667,616
Cost of sales		2,386,522		2,614,246
Gross profit		49,944		53,370
Selling, general and administrative expenses		52,891		54,965
Operating loss		(2,947)		(1,595)
Non-operating income		45,013		53,759
Interest income	4,315		4,336	
Dividends income	25,135		41,466	
Foreign exchange gains	7,621		1,225	
Other	7,941		6,730	
Non-operating expenses		30,817		28,746
Interest expenses	16,155		18,084	
Interest on commercial papers	4		5	
Loss on valuation of derivatives	10,566		3,299	
Other	4,090		7,356	
Ordinary income		11,249		23,418
Extraordinary income		8,930		9,571
Gain on sales of noncurrent assets	181		7	
Gain on sales of subsidiaries and affiliates' stocks	101		5,713	
Gain on sales of investment securities	5,041		3,269	
Gain on sales of equity investment without stock	3,504		575	
Reversal of allowance for investment loss	99		—	
Gain on transfer of business	1		—	
Gain on liquidation of subsidiaries or affiliates	—		5	
Extraordinary loss		37,409		16,981
Loss on sales of noncurrent assets	15		76	
Loss on retirement of noncurrent assets	66		4	
Impairment loss	4,958		3,232	
Loss on sales of investment securities	29		36	
Loss on sales of equity investment without stock	0		5	
Loss on valuation of investment securities	1,348		2,882	
Loss on valuation of investments in capital	6		15	
Loss, and provision for loss, on dissolution of subsidiaries and affiliates	30,403		7,039	
Provision of allowance for investment loss	—		3,688	
Loss on litigation	582		—	
Income (loss) before income taxes		(17,229)		16,008
Income taxes-current		(1,018)		739
Income taxes-deferred		(1,245)		38,397
Net income (loss)		(14,965)		(23,128)

(Fractions less than one million yen are rounded down)

Non-consolidated Statements of Changes in Net Assets

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	160,339	160,339
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	160,339	160,339
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	152,160	152,160
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	152,160	152,160
Other capital surplus		
Balance at the beginning of current period	3,110	3,110
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	3,110	3,110
Total capital surplus		
Balance at the beginning of current period	155,271	155,271
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	155,271	155,271
Retained earnings		
Other retained earnings		
Retained earnings brought forward		
Balance at the beginning of current period	47,549	74,431
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net loss	(14,965)	(23,128)
Total changes of items during the period	(18,718)	(26,881)
Balance at the end of current period	28,831	47,549
Total retained earnings		
Balance at the beginning of current period	47,549	74,431
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net loss	(14,965)	(23,128)
Total changes of items during the period	(18,718)	(26,881)
Balance at the end of current period	28,831	47,549
Treasury stock		
Balance at the beginning of current period	(147)	(138)
Changes of items during the period		
Purchase of treasury stock	(0)	(9)
Total changes of items during the period	(0)	(9)
Balance at the end of current period	(148)	(147)

(Fractions less than one million yen are rounded down)

Non-consolidated Statements of Changes in Net Assets (continued)

(Millions of yen)

Items	FY2012 (From April 1, 2012 to March 31, 2013)	(Reference) FY2011 (From April 1, 2011 to March 31, 2012)
Total shareholders' equity		
Balance at the beginning of current period	363,012	389,903
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net loss	(14,965)	(23,128)
Purchase of treasury stock	(0)	(9)
Total changes of items during the period	(18,719)	(26,890)
Balance at the end of current period	344,293	363,012
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	1,292	3,985
Changes of items during the period		
Net changes of items other than shareholders' equity	3,947	(2,692)
Total changes of items during the period	3,947	(2,692)
Balance at the end of current period	5,240	1,292
Deferred gains or losses on hedges		
Balance at the beginning of current period	(1,385)	(168)
Changes of items during the period		
Net changes of items other than shareholders' equity	(7,534)	(1,217)
Total changes of items during the period	(7,534)	(1,217)
Balance at the end of current period	(8,920)	(1,385)
Total valuation and translation adjustments		
Balance at the beginning of current period	(92)	3,816
Changes of items during the period		
Net changes of items other than shareholders' equity	(3,586)	(3,909)
Total changes of items during the period	(3,586)	(3,909)
Balance at the end of current period	(3,679)	(92)
Total net assets		
Balance at the beginning of current period	362,919	393,720
Changes of items during the period		
Dividends from surplus	(3,753)	(3,753)
Net loss	(14,965)	(23,128)
Purchase of treasury stock	(0)	(9)
Net changes of items other than shareholders' equity	(3,586)	(3,909)
Total changes of items during the period	(22,306)	(30,800)
Balance at the end of current period	340,613	362,919

(Fractions less than one million yen are rounded down)

Independent Auditors' Audit Report

May 15, 2013

To the Board of Directors,
Sojitz Corporation

KPMG AZSA LLC

Designated Limited Liability Partner	Masami Hashimoto
Engagement Partner	
Certified Public Accountant	
Designated Limited Liability Partner	Iwao Hirano
Engagement Partner	
Certified Public Accountant	
Designated Limited Liability Partner	Takemitsu Nemoto
Engagement Partner	
Certified Public Accountant	

In accordance with Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, comprising the consolidated balance sheets, consolidated statements of income, consolidated statements of changes in net assets and the notes to the consolidated financial statements of Sojitz Corporation and its subsidiaries as of March 31, 2013 and for the 10th consolidated fiscal year from April 1, 2012 to March 31, 2013.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan; this includes the implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected and applied depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements referred to above present fairly, in all material aspects, the financial position and results of operations of the Company and its subsidiaries, applicable to the consolidated fiscal year ended March 31, 2013 in conformity with accounting principles generally accepted in Japan.

Matters for Emphasis

As mentioned in Significant Subsequent Events in the Notes to the Consolidated Financial Statements, the Company issued “The 26th series of Unsecured Bonds” on April 22, 2013 based on a resolution of the Board of Directors held on March 28, 2013.

This matter has no impact on our audit opinion.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Independent Auditors' Audit Report

May 15, 2013

To the Board of Directors,
Sojitz Corporation

KPMG AZSA LLC

Designated Limited Liability Partner Engagement Partner Certified Public Accountant	Masami Hashimoto
Designated Limited Liability Partner Engagement Partner Certified Public Accountant	Iwao Hirano
Designated Limited Liability Partner Engagement Partner Certified Public Accountant	Takemitsu Nemoto

In accordance with Article 436, Paragraph 2 Item 1 of the Companies Act, we have audited the non-consolidated financial statements, comprising the non-consolidated balance sheets, non-consolidated statements of income, non-consolidated statements of changes in net assets and notes to the non-consolidated financial statements and supplementary schedules of Sojitz Corporation as of March 31, 2013 and for the 10th fiscal year from April 1, 2012 to March 31, 2013.

Management's Responsibility for the Non-consolidated Financial Statements and Others

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements and supplementary schedules in accordance with accounting principles generally accepted in Japan; this includes the implementation, and maintenance of internal control deemed necessary by management for the preparation and fair presentation of the non-consolidated financial statements and supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the non-consolidated financial statements and supplementary schedules based on our audit as independent auditor. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements and supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements and supplementary schedules. The procedures selected and applied depend on our judgement, including the assessment of the risks of material misstatement of the non-consolidated financial statements and supplementary schedules, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the non-consolidated financial statements and supplementary schedules in order to design audit procedures that are appropriate in the circumstances, while the objective of the audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the method of their application, and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements and supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these non-consolidated financial statements and supplementary schedules referred to above present fairly, in all material aspects, the financial position and results of operation of the Company, applicable to the fiscal year ended March 31, 2013 in conformity with accounting principles generally accepted in Japan.

Matters for Emphasis

As mentioned in Significant Subsequent Events in the Notes to the Non-consolidated Financial Statements, the Company issued “The 26th series of Unsecured Bonds” on April 22, 2013 based on a resolution of the Board of Directors held on March 28, 2013.

This matter has no impact on our audit opinion.

Other Matter

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Audit Report

With respect to the Directors' performance of their duties during the 10th fiscal year (from April 1, 2012 to March 31, 2013), the Audit & Supervisory Board has prepared this audit report after deliberations based on the audit reports prepared by each Audit & Supervisory Board Member, and hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board

The Audit & Supervisory Board has established the audit policies, assignment of duties, etc. and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the accounting auditors regarding the status of performance of their duties, and requested explanations as necessary.

In conformity with the Audit & Supervisory Board Members auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies and assignment of duties, etc., each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding with the Directors, the internal audit division and other employees, etc., endeavored to collect information and maintain and improve the audit environment, has attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets at the head office and other principal business locations.

Also, each Audit & Supervisory Board Member regularly received reports on the status of the system and performance from the Directors and other employees and, as necessary, requested explanations for and expressed opinions on the status of the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors' performance of their duties described in the business report complied with all laws, regulations and the articles of incorporation of the company and other systems that are set forth in Article 100, paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of a joint stock company (*kabushiki kaisha*), and the systems (internal control systems) based on such resolutions. With respect to the subsidiaries, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding and exchanged information with the Directors and Audit & Supervisory Board Members, etc. of each subsidiary and received from subsidiaries reports on their respective business as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the business report and supplementary schedules for the fiscal year under consideration.

In addition, each Audit & Supervisory Board Member monitored and verified whether the accounting auditor maintained its independence and properly conducted its audit, received a report from the accounting auditor on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the accounting auditor that it had established a "system to ensure that the performance of the duties of the accounting auditor was properly conducted" (the matters listed in the items of Article 131 of the Company Accounting Regulations), and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the non-consolidated financial statements (non-consolidated balance sheets, non-consolidated statements of income, non-consolidated statements of changes in net assets, and notes to the non-consolidated financial statements) and the supplementary schedules thereto, as well as the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statements of changes in net assets, and notes to the consolidated financial statements), for the fiscal year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

(i) We acknowledge that the Business Report and the supplementary schedules thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the articles of incorporation of the company.

(ii) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the articles of incorporation of the company was found with respect to the Directors' performance of their duties.

(iii) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the contents of the business report concerning the internal control systems and the Directors' performance of their duties.

(2) Results of Audit of the non-consolidated financial statements and their supplementary schedules
We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

(3) Results of Audit of the consolidated financial statements

We acknowledge that the methods and results of audit performed by the accounting auditor, KPMG AZSA LLC, are appropriate.

May 17, 2013

Sojitz Corporation Audit & Supervisory Board	
Audit & Supervisory Board Member (Full-time)	Takashi Tsukada
Audit & Supervisory Board Member (Full-time)	Jun Matsumoto
Outside Audit & Supervisory Board Member (Full-time)	Kazuhiko Tokita
Outside Audit & Supervisory Board Member	Yukio Machida
Outside Audit & Supervisory Board Member	Mitsuaki Yuasa

Guide Map

Date and Time:

10:00 a.m., Tuesday, June 25, 2013

Please come early to the venue as the reception area will become congested as it comes close to the starting time of the meeting. The reception is scheduled to open at 9:00 a.m.

Place:

Prominence Ball Room,
1st Basement Floor, ANA InterContinental Tokyo
12-33, Akasaka 1-chome, Minato-ku, Tokyo 107-0052
Tel: 03-3505-1111

Rail access via:

Tokyo Metro Ginza Line

- Tameike-sanno Station: 1 minute walk from Exit 13.
(5 minute walk from Tameike-sanno Station.)

Tokyo Metro Namboku Line

- Tameike-sanno Station: 1 minute walk from Exit 13.
(7 minute walk from Tameike-sanno Station.)
- Roppongi-itchoime Station: 2 minute walk from Exit 3.
(5 minute walk from Roppongi-itchoime Station.)

