



SOJITZ IR DAY 2016

Lifestyle Commodities & Materials Division

January 13, 2017

Sojitz Corporation

Tadahiro Kinoshita

Chief Operating Officer

**Lifestyle Commodities &
Materials Division**



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Caution regarding Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.

The company will provide timely disclosure of any material changes, events, or other relevant issues.



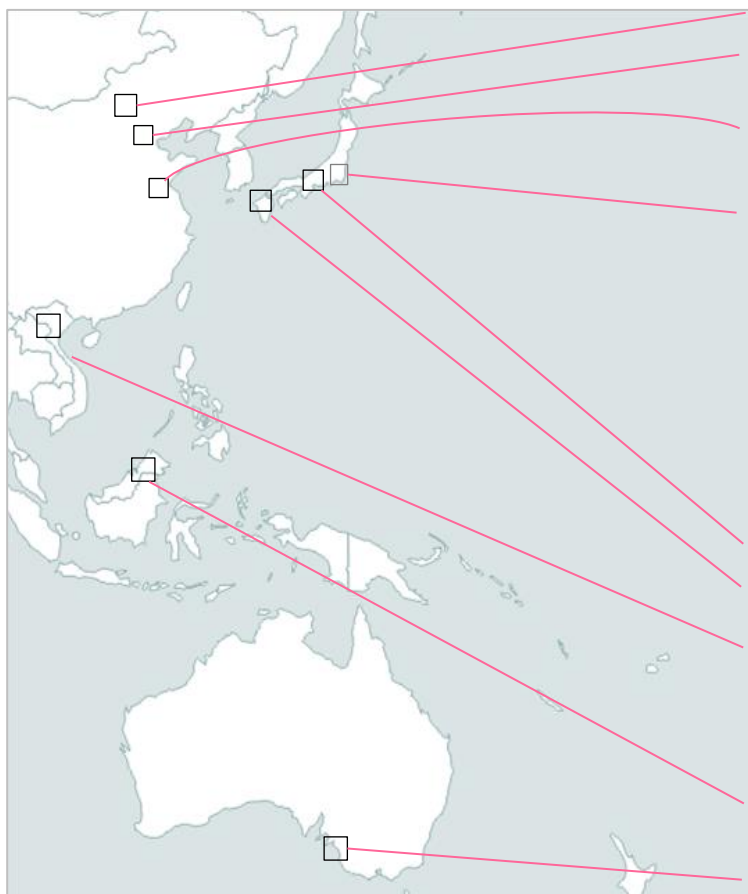
Division Overview



Division Overview

Existing Businesses - Major Group Companies

- Forest Products Dept.
- Textile Business Dept.
- General Commodities & Lifestyle Dept.
- Directly managed



Number of operating companies 26 ※1
Number of employees 1,400 ※2

<p>Beijing ■ Beijing Sanyuan Sojitz Foods & Logistics Co., Ltd.</p> <p>Qingdao ■ Qingdao Sojitz-Cherry Garments Co., Ltd ■ Qingdao Sojitz-Jifa Garments Ltd</p> <p>Shanghai ■ Sojitz Textile (Shanghai) Co., Ltd. ■ Sojitz Vancet (Shanghai) Trading Co., Ltd</p> <p>Tokyo Sojitz Building Materials Corporation</p> <p>■ Sojitz Yoshimoto Ringyo Corporation</p> <p>■ Nissho Iwai Paper & Pulp Corporation</p> <p>■ Quy Nhon Plantation Company</p> <p>■ Sojitz Promotion Co., Ltd.</p> <p>■ JALUX Inc.</p> <p>Osaka ■ Sojitz Fashion Co., Ltd.</p> <p>Kumamoto ■ Daiichibo Co., Ltd.</p> <p>Vietnam ■ VIJACHIP Cai Lan Corp. ■ VIJACHIP Corp. (Danang) ■ VIJACHIP Vung Ang Corp. ■ VIJACHIP Dung Quat Corp.</p> <p>Kota Kinabalu ■ Sojitz Forest Products(EM) Sdn Bhd.</p> <p>Victoria State ■ Green Triangle Plantation Forest Company of Australia</p>	<p>Foodstuff logistics</p> <p>Manufacture of jeans</p> <p>Manufacture and sales of shirts</p> <p>Manufacture and sales of textiles for clothing</p> <p>Processing and wholesale of textiles / fabrics</p> <p>Trading company specializing in construction materials, lumber, and housing equipment</p> <p>Sales of wood products and plywood</p> <p>Sales of pulp, conventional paper, and paperboard products</p> <p>Afforestation and woodchip operations in Vietnam</p> <p>Wholesale and retail of tobacco products</p> <p>Trading company specializing in airline, airport terminal, and customer service fields</p> <p>Processing and wholesale of dress fabrics</p> <p>Manufacture and sales of textiles</p> <p>Manufacture of woodchips for papermaking and afforestation</p> <p>Sales of timber products and plywood</p> <p>Afforestation</p>
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※1 Number of operating companies represents the number of consolidated subsidiaries as of September 30, 2016

※2 Number of employees represents the number of employees at Sojitz Corporation and at consolidated subsidiaries

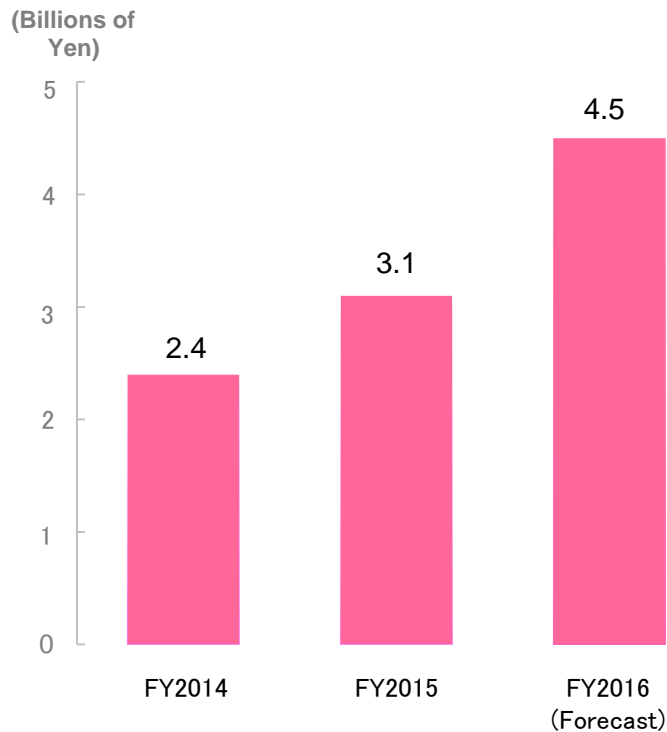


Division Policies and Performance Trends

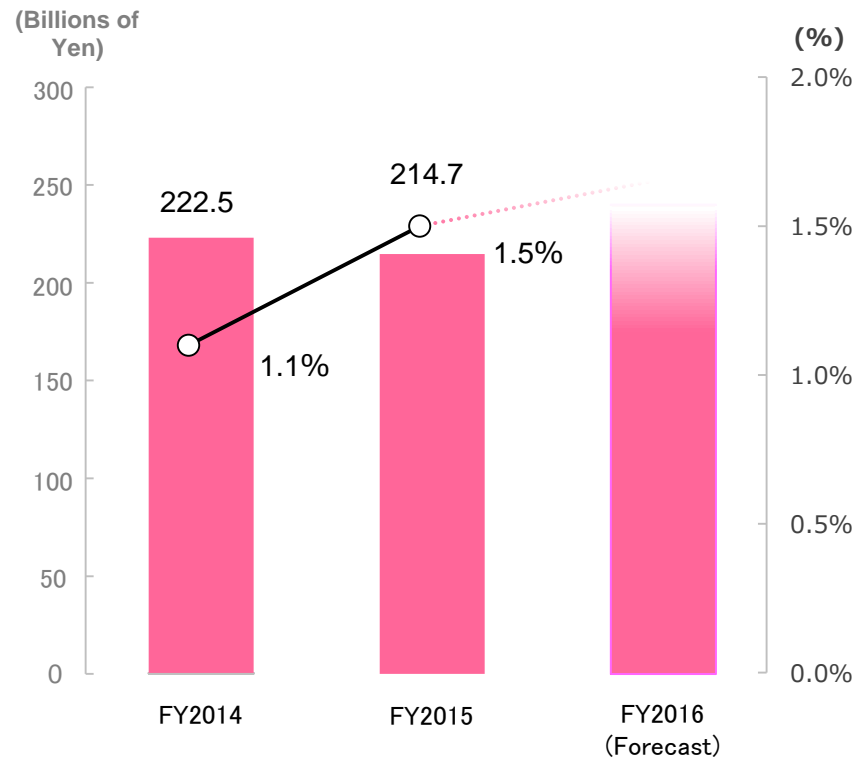
Reinforce existing trade and wholesale operations in Japan and the ASEAN region and expand stable earning foundations and assets in growth fields

Quantitative Performance and Forecasts

Profit for the Year (Attributable to Owners of the Company)







Total Assets / ROA





Business Division

- ◆ Develops operations in a wide range of areas of the clothing and housing fields, including textile materials and products, forest products, pulp & paper and consumer goods
- ◆ Builds platforms for supplying consumer goods and industrial materials matching to diversified lifestyles

Clothing	Textile Business Dept.	Apparel and textile products		Textile products for clothing
Housing	Forest Products Dept.	Forest products and building materials		Soft wood and hard wood timber (US and tropical wood) Veneers (Russian wood) Other forest products
		Raw Materials for Papermaking		Soft wood and hard wood woodchips Pulp for papermaking Biomass-related products
	General Commodities & Lifestyle Dept.	Consumer goods		Nike products and other consumer goods

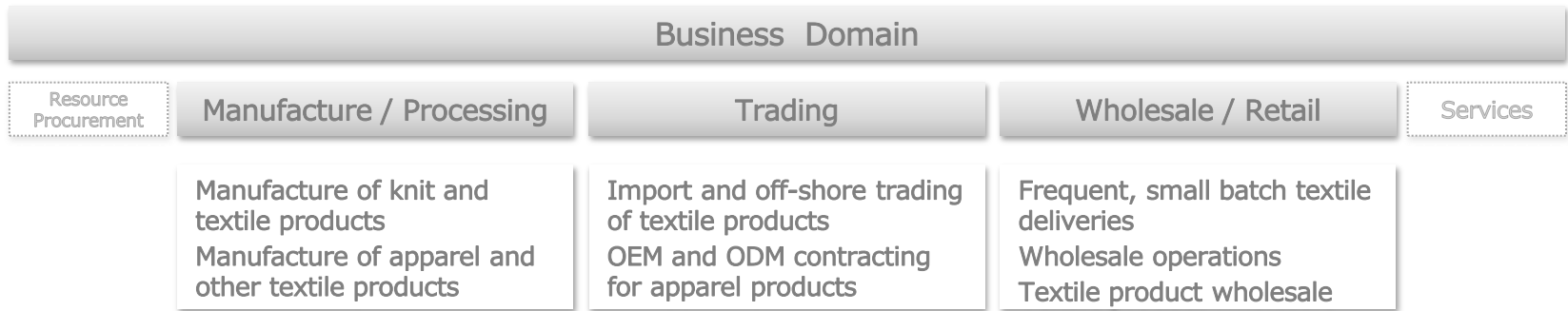


Major Businesses



Textile Business

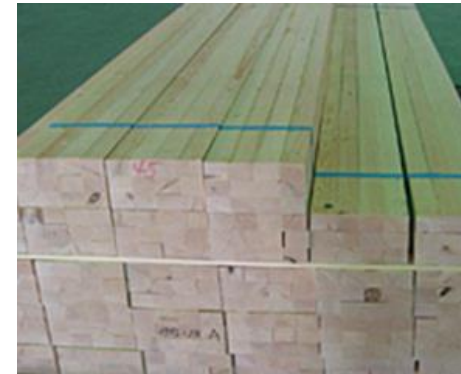
- ◆ Strong relationship with leading Japanese retailer built through apparel OEM contracts dating back to this company's inception
- ◆ Manufacturing contracted from Vietnam, Cambodia, Indonesia, and other countries performed primarily at joint-venture textile factories in China and planning proposals encompassing materials and everything else made through coordination with consolidated subsidiaries





Forest Products Business

- ◆ Leading position in domestic market for sales of forest products, imported plywood, and woodchips for papermaking
- ◆ Wide-ranging business centered around Asia handling everything from resource procurement to services



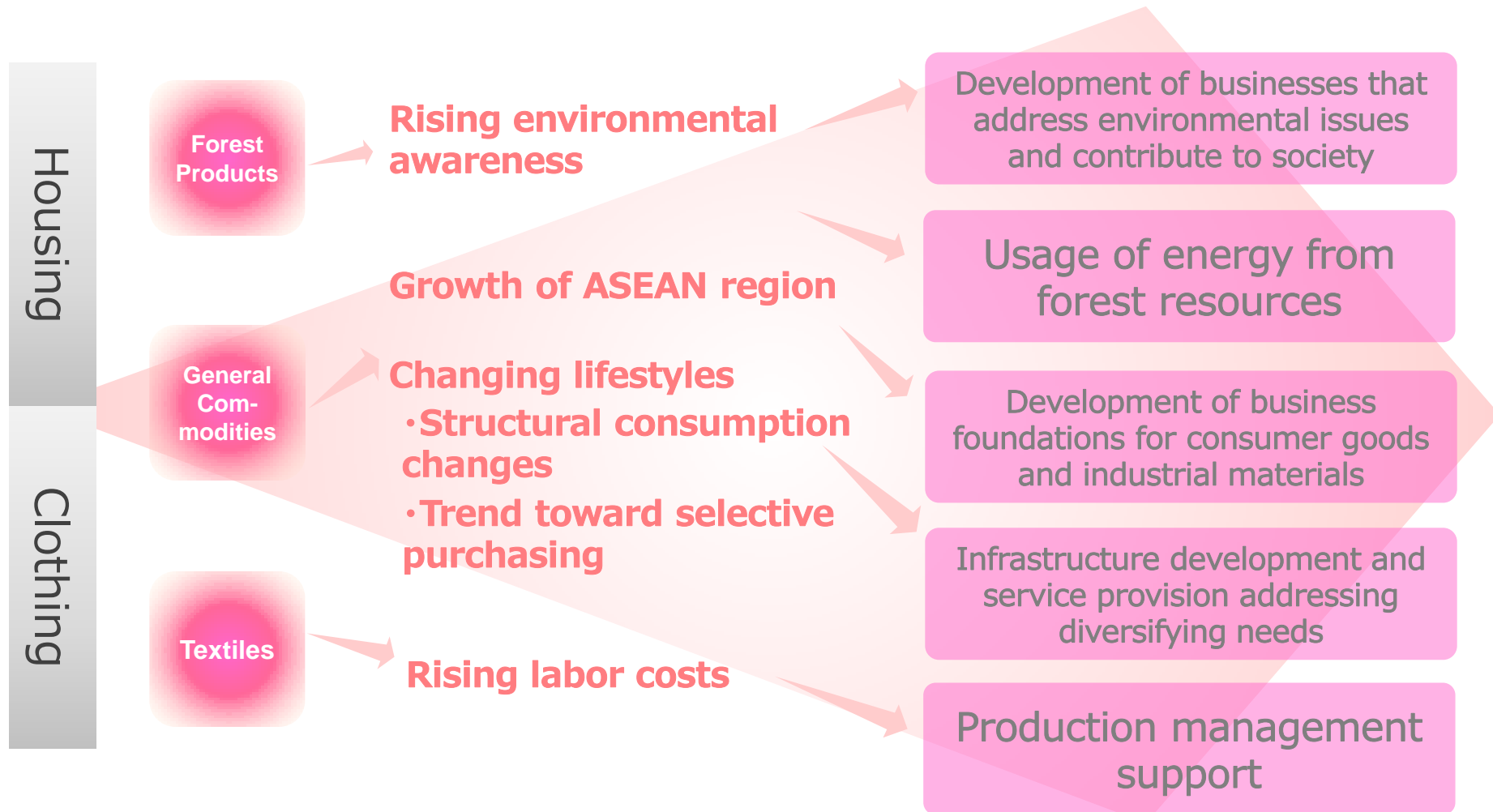


Strategies for Sustained Growth



Concept for Growth Strategies

Target sustained growth by strengthening existing businesses and developing new businesses that address environmental issues and contribute to society





Development of Businesses That Address Environmental Issues and Contribute to Society

◆ The Sojitz Group's Goal

Realize usage of 100% traceable procured forest products by FY2020

Wood Procurement Policy

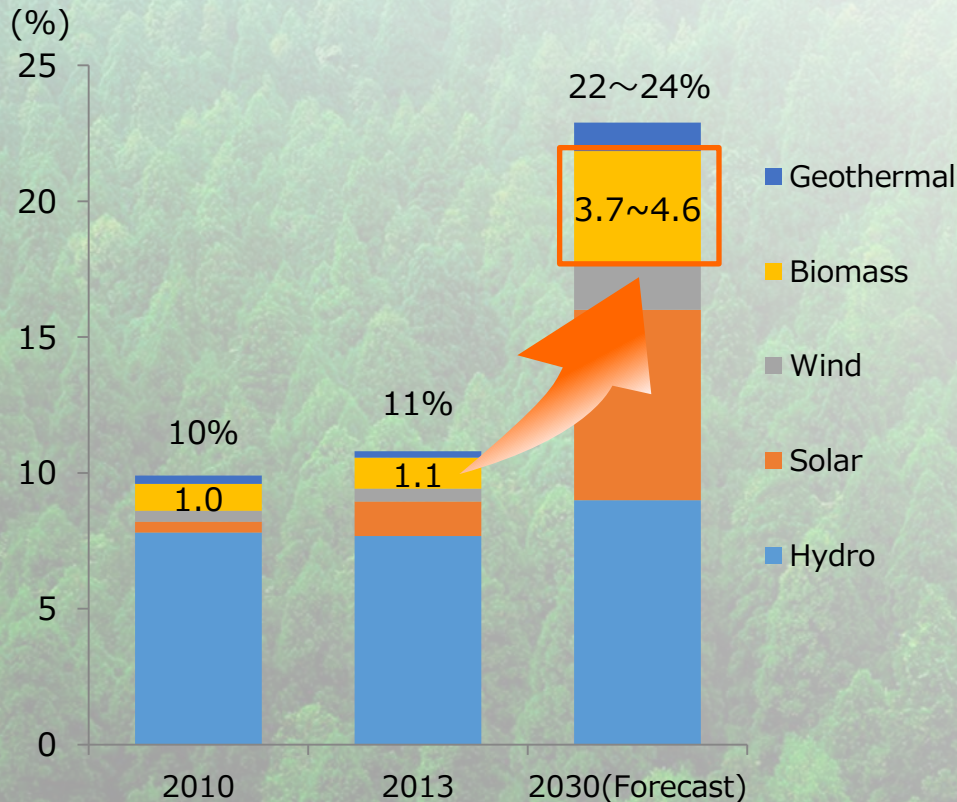
			FY2016	FY2020	Future Target
Scope	Sojitz Corporation and consolidated subsidiaries	Level A	42%		100%
Applicable products	Timber, forest products, papermaking materials, product products, and wood biomass	Level B	17%	100%	
Policy	Legal compliance Eco-friendliness Social responsibility	Level C	20%		0%
		Level D	21%	0%	



Usage of Energy from Forest Resources

- ◆ Focus on power source mix targeted by the government in 2030 and society's demands for environmental measures
- ◆ Examine possibility of expanding business scope to include growth area of wood biomass

Portions of Total Electricity Generated in Japan from Renewable Sources



Wood Biomass Business

Access to forest resources

Environmental measure insight cultivated over years

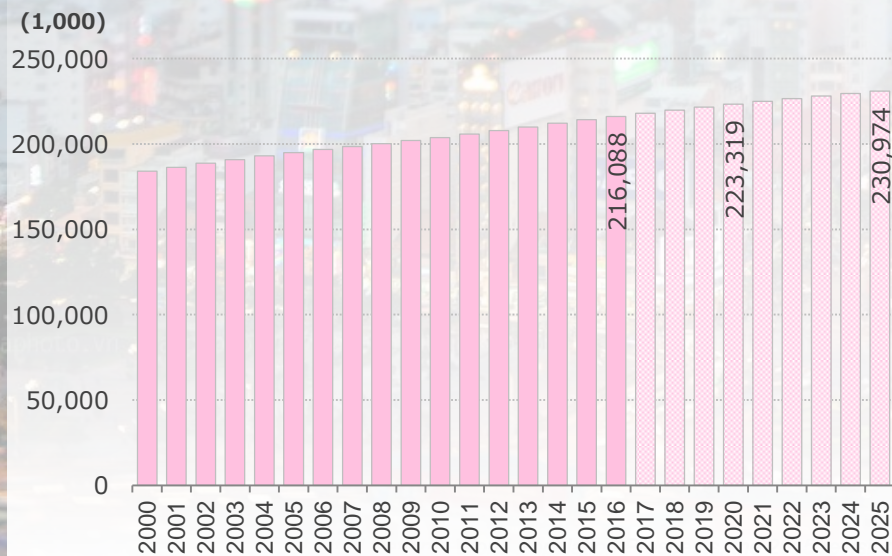
Expand sustainable, eco-friendly businesses that contribute to CO2 emission reductions



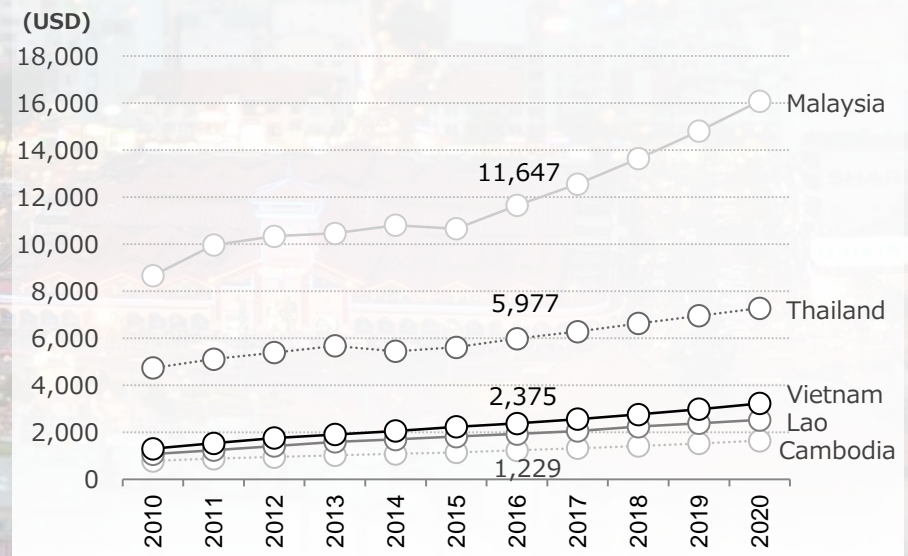
Development of Business Foundations for Consumer Goods and Industrial Materials

- ◆ Focus on rapidly growing Asia, particularly ASEAN region in which consumption is brisk among large youth population
- ◆ Leverage and create businesses that respond to growing demand for consumer goods and related materials

Population of Indochina Region



Per Capita GDPs of Indochina Region





Infrastructure Development and Service Provision Addressing Diversifying Needs

Provide safe and reliable products at reasonable prices while planning and designing products and services that meet individuals' needs



Importance of Domestic Market

Changes in family structure and lifestyles



New business opportunities

Rise of selective consumption



New businesses and partnerships



sojitz

New way, New value