

**Summary of Consolidated Financial Results
for the First Half Ended September 30, 2013 (IFRS)**

November 6, 2013

Sojitz Corporation

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

Listed stock exchange: The first sections of Tokyo

Security code: 2768

Company representative: Yoji Sato, President & CEO

Contact information: Tsutomu Suehara, GM, Public Relations Dept. TEL +81-3-6871-3404

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Scheduled date of delivery of dividends: December 3, 2013

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Half Ended September 30, 2013 (April 1, 2013 - September 30, 2013)

(1) Consolidated Operating Results

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

	Net sales		Operating profit		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Company		Total comprehensive income for the period	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the first half ended September 30, 2013	2,002,158	2.2	21,320	9.8	26,301	35.7	16,879	12.5	13,994	12.9	46,276	-
September 30, 2012	1,959,827	-	19,420	-	19,386	-	15,007	-	12,390	-	(10,936)	-

	Basic earnings per share	Diluted earnings per share
For the first half ended September 30, 2013	Yen 11.19	Yen 11.18
September 30, 2012	9.90	9.90

Note 1: Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as a transaction agent.

Note 2: Basic earnings per share and Diluted earnings per share are calculated based on Profit for the period attributable to owners of the Company

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company ratio
As of	Millions of Yen	Millions of Yen	Millions of Yen	%
September 30, 2013	2,165,469	459,118	427,668	19.7
March 31, 2013	2,150,050	411,298	382,589	17.8

2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year ended	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2013	-	1.50	-	1.50	3.00
March 31, 2014	-	2.00	-	-	-
March 31, 2014 (forecast)	-	-	-	2.00	4.00

Note : Changes in cash dividend forecast : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2014 (April 1, 2013 - March 31, 2014)

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

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of the Company		Basic earnings per share
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Yen
For the Year Ending March 31, 2014 Full-year	4,280,000	8.8	38,000	49.1	45,000	60.4	25,000	85.9	19.98

Note 1: Changes in consolidated earnings forecast for the year ending March 31, 2014 : No

Note 2: Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as a transaction agent.

Note 3: Basic earnings per share is calculated based on profit attributable to owners of the Company.

4. Others

(1) Changes in major subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : Yes

2. Changes due to other reasons : No

3. Accounting estimate change : No

(3) Number of outstanding shares at the end of the periods (Common Stock):

1. Number of outstanding shares at the end of the periods (Including treasury shares):

As of September 30, 2013: 1,251,499,501 As of March 31, 2013: 1,251,499,501

2. Number of treasury shares at the end of the periods:

As of September 30, 2013 : 422,670 As of March 31, 2013 : 417,652

3. Average number of outstanding shares during the periods:

For the second quarter ended September 30, 2013(accumulative): 1,251,079,253

For the second quarter ended September 30, 2012(accumulative): 1,251,086,678

* Disclosure Regarding Auditing Procedure for Financial Statements

As of the date of disclosure of this earnings results, auditing procedures for financial statements in accordance with the Financial Instruments and Exchange Act are in the process of being implemented.

* Important note concerning the appropriate use of business forecasts and other

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.

1. Analysis of business results

(1) Overview of the First Half of Fiscal 2013 (April 1 – September 30, 2013)

Economic environment

In the first half of fiscal 2013 (April–September 2013) the economic environment was plagued by unclear economic conditions in emerging and resource-rich countries. Nevertheless, conditions in developed countries proved relatively firm.

In the United States, there was concern that the limited annual spending and tax hikes in response to the debt-ceiling crisis would result in economic slowdown. Regardless, economic indicators, such as automobile production and housing starts, held firm. Similarly, the job market saw improvements arising from increased employment opportunities. Accordingly, the US economy continued to show a gradual growth trend.

In Europe, there was significant fear for the possibility of a credit crunch stemming from the high unemployment rate and the poor state of government finances. Nonetheless, there were signs of possible future recovery. Most noteworthy was the positive growth in the GDP of euro-using countries during the first quarter of the fiscal year (April 1–June 30), which the first time such growth had been achieved in seven quarters. This growth was largely supported by conditions in Germany.

The Chinese economy continued to grow, but the growth rate declined slightly due to the influences of government measures for advancing economic structural adjustments through monetary tightening.

In emerging Asian economies, there was a significant outflow of capital during late August, which was a response to the US's plans to relax quantitative easing. The impacts of this trend were particularly heavy for countries suffering from structural issues, such as having government finances in the red on the ordinary level. Such countries faced concern arising from the substantial depreciation of their currency and the threat of import-driven inflation and stagnant internal demand.

The Japanese economy recorded solid growth supported by higher internal consumption, yen depreciation, and stock price increases resulted from the influences of government measures, such as the considerable monetary easing by the Bank of Japan. Accordingly, the country was able to continue making strides toward escaping the impacts of deflation.

Financial Performance

Sojitz Corporation's consolidated business results for the first half ended September 30, 2013, are presented below.

Net sales (JGAAP)

Consolidated net sales grew 2.2% year on year, to ¥2,002,158 million. This increase was due in part to higher revenues in the Machinery Division associated with completed overseas orders for large-scale steelmaking facilities as well as with the benefits of yen depreciation in overseas automotive businesses. Another contributing factor was sales growth in the Consumer Lifestyle Business Division, which was a product of increased wheat trading volumes and the benefits of yen depreciation in overseas fertilizer businesses. These factors counteracted the impacts of the divestment of a petroleum product sales subsidiary in the previous fiscal year.

Gross profit

Consolidated gross profit increased ¥4,396 million year on year, to ¥99,466 million. This was due to higher revenues in the Machinery Division, a result of increased sales in overseas automotive business, as well as in the Consumer Lifestyle Business Division, which can be attributed to improved sales in overseas fertilizer businesses.

Operating profit

Consolidated operating profit increased ¥1,900 million year on year, to ¥21,320 million, as a result of gross profit growth.

Profit before tax

Consolidated profit before tax grew ¥6,915 million year on year, to ¥26,301 million, lifted by a rise in share of profit of investments accounted for using the equity method in addition to operating profit growth.

Profit for the period

Consolidated profit for the period was ¥16,879 million after deduction of ¥9,422 million in income tax expenses from the ¥26,301 million in consolidated profit before tax. Profit for the period (attributable to owners of the Company) increased ¥1,604 million year on year, to ¥13,994 million.

Comprehensive income for the period

Consolidated comprehensive income for the period was ¥46,276 million, representing a year-on-year improvement of ¥57,212 million from the equivalent period of the previous fiscal year. This was largely attributable to improvement in foreign-currency translation differences for foreign operations in the wake of the yen depreciation, in addition to growth in profit for the period. Consolidated comprehensive income for the period (attributable to owners of the Company) totaled ¥42,984 million, representing a year-on-year improvement of ¥55,977 million from the equivalent period of the previous fiscal year.

(Note)

Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as an transaction agent.

Fiscal 2013 first-half results are summarized by business segment below.

Machinery

Net sales (JGAAP) increased 12.1% year on year, to ¥481,343 million, due to contributions from completed overseas orders for large-scale steelmaking facilities and the benefits of yen depreciation in overseas automotive businesses. As a result, the segment recorded profit for the period (attributable to owners of the Company) of ¥1,643 million, representing an improvement of ¥1,971 million when compared with a loss for the period of ¥328 million a year earlier.

Energy & Metal

Net sales (JGAAP) fell 19.4% year on year, to ¥378,828 million, largely due to divestment of a petroleum product sales subsidiary in the previous fiscal year. Following a decrease in share of loss of investments accounted for using the equity method, profit for the period (attributable to owners of the Company) increased ¥1,094 million, to ¥4,137 million.

Chemicals

Net sales (JGAAP) grew 9.6% year on year, to ¥310,549 million, largely as a result of growth in overseas subsidiaries' sales in the wake of the yen depreciation. Profit for the period (attributable to owners of the Company) was up ¥637 million year on year, to ¥4,007 million.

Consumer Lifestyle Business

Net sales (JGAAP) increased 4.2% year on year, to ¥782,435 million, due to higher wheat trading volumes as well as to the benefits of yen depreciation in overseas fertilizer businesses. Profit for the period (attributable to owners of the Company) increased ¥1,509 million year on year, to ¥5,010 million.

Other

Net sales (JGAAP) grew 86.1% year on year, to ¥49,001 million, as a result of the sale of real estate held for resale. Profit for the period (attributable to owners of the Company) grew ¥1,578 million year on year, to ¥2,965 million.

(2) Financial Position

Consolidated Balance Sheet

At September 30, 2013, consolidated assets totaled ¥2,165,469 million, a ¥15,419 million increase from March 31, 2013. This increase was due to a rise in other investments stemming from changes in stock prices, which offset a decrease in trade and other receivables (under current assets) resulted from the end of the previous fiscal year being a holiday for financial institutions.

Consolidated liabilities at September 30, 2013, totaled ¥1,706,350 million, a ¥32,401 million decrease from March 31, 2013. This decline was due to a decrease in trade and other payables (under current assets) resulted from the end of the previous fiscal year being a holiday for financial institutions as well as lower borrowings following their repayment.

Total equity attributable to owners of the Company ended the first half quarter at ¥427,668 million, a ¥45,079 increase from March 31, 2013. The increase was largely due to profit for the period attributable to owners of the Company and an increase in other components of equity resulting largely from exchange rate movements and equity price gains.

Sojitz consequently ended the first half with a current ratio of 163.6%, long-term debt ratio of 80.2%, and equity ratio* of 19.7%. Net interest-bearing debt (total interest-bearing debt less cash, cash equivalents and time deposits) totaled ¥616,336 million at September 30, 2013, a ¥26,987 million decrease from March 31, 2013. The decrease reduced the Company's net debt equity ratio to 1.4 times at September 30, 2013.

*Equity ratio is calculated based on equity attributable to owners of the Company.

In terms of funding, Sojitz remains committed to a basic financial strategy of maintaining and enhancing the stability of its capital structure under its *Medium-term Management Plan 2014*. Sojitz is endeavoring to maintain the current stable financial foundation by holding sufficient liquidity as a buffer against changes in the economic or financial environment and building a stable funding structure by maintaining a sound long-term debt ratio as a target carried over from its previous medium-term plan.

As one source of long-term funding, Sojitz issued straight bonds in the amount of ¥10 billion in April 2013 and another ¥10 billion in May 2013. In addition, in October 2013, Sojitz issued bonds in the amount of ¥10 billion with a maturity period of seven years, the longest bond maturity period to date for the Company. Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional issues whenever the timing and costs associated with such issues prove advantageous.

Additionally, Sojitz maintains two committed credit lines, a ¥100 billion yen line and a US\$300 million multicurrency line, as supplemental sources of precautionary liquidity.

Consolidated cash flows

In the first half of fiscal 2013, operating activities provided net cash of ¥41,793 million, investing activities used net cash of ¥12,343 million, and financing activities used net cash of ¥29,359 million. Sojitz ended the first half with cash and cash equivalents of ¥428,050 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(1) Cash flows from operating activities

First-half operating activities provided net cash of ¥41,793 million, a ¥5,735 million decrease from the year-earlier half. Operating cash inflows, sources of which included profit for the period, an decrease in trade and other receivables exceeded operating cash outflows, uses of which included an decrease in trade and other payables.

(2) Cash flows from investing activities

First-half investing activities used net cash of ¥12,343 million, a ¥7,383 million decrease from the year-earlier half. Investment outlays included capital expenditures related to resource concessions as well as payments to acquire investment securities. These outlays exceeded investment inflows, sources of which included sales of investment securities and collection of long-term loans receivable.

(3) Cash flows from financing activities

First-half financing activities used net cash of ¥29,359 million, an ¥22,456 million decrease from the year-earlier half, as cash outlays to repay long-term loans and redeem bonds exceeded cash inflows from bond issuance and new borrowings.

(3) Consolidated Earnings Forecast

The Company's consolidated earnings forecast is based on the following assumptions.

Exchange rate (annual average JPY/USD rate): ¥95

Crude oil price (annual average): US\$105/bbl (Brent).

Caution Regarding Forward-looking Statements

The forecasts appearing above constitute forward-looking statements. They are 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.

2. Summary information (other)

(1) Changes in major subsidiaries during the period

None

(2) Accounting policy changes, accounting estimate changes, and restatements

(Change in accounting policies as mandated by IFRS)

Effective from the first quarter of fiscal 2013, the Company mandatorily adopted the following accounting standards and interpretations.

IFRSs	Title	Summaries of new IFRSs/amendments
IFRS 7	Financial Instruments: Disclosure	Disclosures regarding offsets of financial assets and financial liabilities
IFRS 10	Consolidated Financial Statements	Regulations of control as single basis for consolidation (Replacement for IAS 27 and SIC 12)
IFRS 11	Joint Control Arrangements	Categorization of joint control arrangements and requirement for application of the equity method (Replacement for IAS 31 and SIC 13)
IFRS 12	Disclosure of Interests in Other Entities	Disclosure requirements for forms of interests in other entities, including subsidiaries, joint control arrangements, associates and unconsolidated structured entities (Replacement of appropriate parts of IAS 27 and IAS 28)
IFRS 13	Fair Value Measurements	Establishment of framework for fair value measurements and disclosure requirements regarding fair value
IAS 19	Employee Benefits	Recognition of actuarial differences and past service costs, and presentation and disclosure of post-employment benefits
IAS 28	Investments in Associates and Joint Ventures	Amendments based on public disclosure of IFRSs 10, 11 and 12
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	Accounting for stripping costs in the production phase of a surface mine

The Company has adopted the above accounting standards and interpretations in compliance with their transitions.

As a result of adoption of IFRS 11, "Joint Control Arrangements," property, plant and equipment increased by ¥8,644 million on the Company's March 31, 2013, consolidated statement of financial position and by ¥8,274 million on its September 30, 2013, consolidated statement of financial position, while intangible assets decreased by ¥8,644 million on its March 31, 2013, consolidated statement of financial position and by ¥8,274 million on its September 30, 2013, consolidated statement of financial position.

As a result of adoption of IFRIC 20, "Stripping Costs in the Production Phase of a Surface Mine," inventories increased by ¥5,540 million on the Company's March 31, 2013, consolidated statement of financial position and by ¥5,221 million on its September 30, 2013, consolidated statement of financial position, while other current assets decreased by ¥5,540 million on its March 31, 2013, consolidated statement of financial position and by ¥5,221 million on its September 30, 2013, consolidated statement of financial position.

Adoption of the other accounting standards and interpretations had no material effect on the Group.

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position as of September 31, 2013 and March 31, 2013

(In millions of yen)

	As of March 31, 2013	As of September 30, 2013
Assets		
Current Assets		
Cash and cash equivalents	424,371	428,050
Time deposits	9,313	10,659
Trade and other receivables	508,690	491,316
Derivatives	4,100	5,575
Inventories	297,389	298,654
Income tax receivables	4,778	4,066
Other current assets	41,231	44,231
Subtotal	1,289,875	1,282,555
Assets as held for sale	1,303	4,182
Total current assets	1,291,178	1,286,737
Non-current assets		
Property, plant and equipment	231,840	230,325
Goodwill	45,725	45,971
Intangible assets	63,207	58,469
Investment property	40,055	35,966
Investments accounted for using the equity method	279,815	297,385
Trade and other receivables	62,963	61,028
Other investments	114,596	131,026
Derivatives	229	74
Other non-current assets	10,976	10,076
Deferred tax assets	9,461	8,407
Total non-current assets	858,871	878,732
Total assets	2,150,050	2,165,469
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	515,989	506,744
Bonds and borrowings	258,375	209,041
Derivatives	15,952	11,291
Income tax payables	7,038	5,651
Provisions	1,419	2,699
Other current liabilities	50,150	51,066
Total liabilities	848,926	786,495
Non-current liabilities		
Bonds and borrowings	818,632	846,004
Trade and other payables	9,816	9,090
Derivatives	1,884	1,506
Retirement benefits liabilities	16,158	16,652
Provisions	18,892	19,884
Other non-current liabilities	7,313	7,403
Deferred tax liabilities	17,127	19,312
Total non-current liabilities	889,824	919,855
Total liabilities	1,738,751	1,706,350
Equity		
Share capital	160,339	160,339
Capital surplus	146,518	146,517
Treasury stock	(148)	(149)
Other components of equity	62,826	91,202
Retained earnings	13,053	29,758
Total equity attributable to owners of the Company	382,589	427,668
Non-controlling interests	28,709	31,450
Total equity	411,298	459,118
Total liabilities and equity	2,150,050	2,165,469

(2) Consolidated Statements of Profit or Loss
for the First Half ended September 30, 2013 and 2012

(In millions of yen)

	For the 1st Half Fiscal Year Ended March 31, 2013 (From April 1, 2012 to September 30, 2012)	For the 1st Half Fiscal Year Ending March 31, 2014 (From April 1, 2013 to September 30, 2013)
Revenue		
Sales of goods	862,466	862,549
Sales of service and others	41,046	41,459
Total revenue	903,512	904,008
Cost of sales	(808,442)	(804,541)
Gross profit	95,070	99,466
Selling, general and administrative expenses	(75,478)	(76,640)
Other income(expenses)		
Gain(loss)on sale and disposal of fixed assets, net	933	(72)
Impairment loss on fixed assets	(819)	(298)
Gain on sale of subsidiaries/associates	93	516
Loss on reorganization of subsidiaries/associates	(380)	(235)
Other operating income	5,524	4,587
Other operating expenses	(5,522)	(6,002)
Total other income(expenses)	(170)	(1,505)
Operating profit	19,420	21,320
Financial income		
Interests earned	2,484	2,703
Dividends received	1,699	1,761
Other financial income	177	7
Total financial income	4,361	4,471
Financial costs		
Interest expenses	(10,949)	(10,194)
Total financial costs	(10,949)	(10,194)
Share of profit(loss)of investments accounted for using the equity method	6,554	10,703
Profit before tax	19,386	26,301
Income tax expenses	(4,378)	(9,422)
Profit for the period	15,007	16,879
Profit for the period attributable to:		
Owners of the Company	12,390	13,994
Non-controlling interests	2,617	2,885
Total	15,007	16,879
Net sales*	1,959,827	2,002,158

* Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as an transaction agent.

(3) Consolidated Statements of Profit or Loss and Other Comprehensive Income
for the First Half Ended September 30, 2013 and 2012

(In millions of yen)

	For the 1st Half Fiscal Year Ended March 31, 2013 (From April 1, 2012 to September 30, 2012)	For the 1st Half Fiscal Year Ending March 31, 2014 (From April 1, 2013 to September 30, 2013)
Profit for the period	15,007	16,879
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(12,967)	13,585
Remeasurements of defined benefit pension plans	49	(14)
Total items that will not be reclassified to profit or loss	(12,917)	13,570
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	(14,803)	16,503
Cash flow hedges	1,776	(677)
Total items that may be reclassified subsequently to profit or loss	(13,026)	15,826
Other comprehensive income for the period, net of tax	(25,944)	29,396
Total comprehensive income for the period	(10,936)	46,276
Total comprehensive income for the period attributable to:		
Owners of the Company	(12,993)	42,984
Non-controlling interests	2,056	3,291
Total	(10,936)	46,276

(4) Consolidated Statements of Change in Equity

(In millions of yen)

	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury stock	Other components of equity					Retained earnings	Total equity attributable to owners of the Company		
				Foreign currency translation differences for foreign operations	Financial assets measured at fair value through other comprehensive income	Cash flow hedge	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2012	160,339	146,518	(147)	(12,543)	37,083	(960)	—	23,580	(327)	329,962	25,218	355,180
Profit for the period									12,390	12,390	2,617	15,007
Other comprehensive income				(14,218)	(12,924)	1,709	49	(25,384)		(25,384)	(560)	(25,944)
Total comprehensive income for the period	—	—	—	(14,218)	(12,924)	1,709	49	(25,384)	12,390	(12,993)	2,056	(10,936)
Purchase of treasury stock		(0)	(0)							(0)		(0)
Dividends									(1,876)	(1,876)	(268)	(2,144)
Change in ownership interests in subsidiaries without loss/acquisition of control									(36)	(36)	65	29
Reclassification from other components of equity to retained earnings					8,280		(49)	8,231	(8,231)	—		—
Other changes									121	121	(690)	(568)
Total contributions by and distributions to owners of the Company	—	(0)	(0)	—	8,280	—	(49)	8,231	(10,022)	(1,791)	(892)	(2,683)
Balance as of September 30, 2012	160,339	146,518	(148)	(26,761)	32,439	748	—	6,427	2,041	315,178	26,382	341,560
Balance as of April 1, 2013	160,339	146,518	(148)	20,038	44,332	(1,543)	—	62,826	13,053	382,589	28,709	411,298
Profit for the period									13,994	13,994	2,885	16,879
Other comprehensive income				16,158	13,526	(679)	(14)	28,990		28,990	406	29,396
Total comprehensive income for the period	—	—	—	16,158	13,526	(679)	(14)	28,990	13,994	42,984	3,291	46,276
Purchase of treasury stock		(0)	(0)							(1)		(1)
Dividends									(1,876)	(1,876)	(305)	(2,181)
Change in ownership interests in subsidiaries without loss/acquisition of control									2	2	(2)	(0)
Reclassification from other components of equity to retained earnings					(629)		14	(615)	615	—		—
Other changes									3,969	3,969	(242)	3,727
Total contributions by and distributions to owners of the Company	—	(0)	(0)	—	(629)	—	14	(615)	2,710	2,094	(550)	1,544
Balance as of September 30, 2013	160,339	146,517	(149)	36,196	57,228	(2,222)	—	91,202	29,758	427,668	31,450	459,118

(5) Consolidated Statements of Cash Flows
for the First Half Ended September 30, 2013 and 2012

(In millions of yen)

	For the 1st Half Fiscal Year Ended March 31, 2013 (From April 1, 2012 to September 30, 2012)	For the 1st Half Fiscal Year Ending March 31, 2014 (From April 1, 2013 to September 30, 2013)
Cash flows from operating activities		
Profit for the period	15,007	16,879
Depreciation and amortization	15,120	19,698
Impairment loss of fixed assets	819	298
Finance (income) costs	6,588	5,723
Share of (profit) loss of investments accounted for using the equity method	(6,554)	(10,703)
(Gain) loss on sale of fixed assets	(933)	72
Income tax expenses	4,378	9,422
(Increase) decrease in trade and other receivables	47,283	26,924
(Increase) decrease in inventories	(3,295)	(130)
Increase (decrease) in trade and other payables	(21,069)	(14,973)
Increase (decrease) in retirement benefits	92	344
Others	(3,888)	(3,198)
Subtotal	53,550	50,356
Interests earned	2,414	2,478
Dividends received	10,098	8,743
Interests paid	(11,123)	(10,596)
Income taxes paid	(7,411)	(9,189)
Net cash provided (used) by/in operating activities	47,528	41,793
Cash flows from investing activities		
Purchase of property, plant and equipment	(15,991)	(12,976)
Proceeds from sale of property, plant and equipment	4,919	1,703
Purchase of intangible assets	(4,861)	(1,477)
(Increase) decrease in short-term loans receivable	(82)	(1,165)
Payment for long-term loans receivable	(2,961)	(1,817)
Collection of long-term loans receivable	519	2,490
Purchase of subsidiaries	—	10
Proceeds from (payments for) sale of subsidiaries	(4,309)	194
Purchase of investments	(1,693)	(6,729)
Proceeds from sale of investments	4,443	2,620
Others	291	4,803
Net cash provided (used) by/in investing activities	(19,726)	(12,343)
Cash flows from financing activities		
Increase (decrease) in short-term debts and commercial papers	(15,018)	(3,266)
Proceeds from long-term debts	84,821	82,093
Repayment of long-term debts	(94,074)	(105,090)
Proceeds from issuance of bonds	9,953	19,927
Redemption of bonds	(35,000)	(20,000)
Payment for acquisition of subsidiaries interests from non-controlling interest holders	(40)	(0)
Proceeds from non-controlling interest holders	71	48
Purchase of treasury stock	(0)	(1)
Dividends paid	(1,876)	(1,876)
Dividends paid to non-controlling interest holders	(268)	(305)
Others	(383)	(889)
Net cash provided (used) by/in financing activities	(51,815)	(29,359)
Net increase (decrease) in cash and cash equivalents	(24,012)	90
Cash and cash equivalents at the beginning of the period	425,595	424,371
Effect of exchange rate changes on cash and cash equivalents	(5,400)	3,588
Cash and cash equivalents at the end of the period	396,182	428,050

(6) Segment information

For the first half fiscal year ended March 31, 2013 (April 1, 2012 - September 30, 2012)

(In millions of yen)

	Reportable segments					Others	Reconciliations	Consolidated
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Total			
Revenue								
External revenue	163,524	319,983	171,834	225,325	880,667	22,844	—	903,512
Inter-segment revenue	857	—	3	2	863	191	(1,055)	—
Total revenue	164,381	319,983	171,837	225,327	881,531	23,036	(1,055)	903,512
Segment profit (loss)	(328)	3,043	3,370	3,501	9,588	1,387	1,414	12,390
Net sales*								
External net sales	429,277	470,000	283,467	750,754	1,933,498	26,328	—	1,959,827

Segment profit (loss) is reconciled based on the profit for the period attributable to owners of the Company under the consolidated statements of profit or loss.

Reconciliation of segment profit of 1,414 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,199 million yen, and unallocated dividend income and others of 215 million yen.

For the first half fiscal year ending March 31, 2014 (April 1, 2013 - September 30, 2013)

(In millions of yen)

	Reportable segments					Others	Reconciliations	Consolidated
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Total			
Revenue								
External revenue	183,381	226,646	183,286	265,067	858,381	45,626	—	904,008
Inter-segment revenue	784	—	4	1	789	170	(960)	—
Total revenue	184,165	226,646	183,290	265,069	859,171	45,797	(960)	904,008
Segment profit (loss)	1,643	4,137	4,007	5,010	14,798	2,965	(3,770)	13,994
Net sales*								
External net sales	481,343	378,828	310,549	782,435	1,953,156	49,001	—	2,002,158

Segment profit (loss) is reconciled based on the profit for the period attributable to owners of the Company under the consolidated statements of profit or loss.

Reconciliation of segment loss of (3,770) million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to (3,952) million yen, and unallocated dividend income and others of 182 million yen.

* Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as a transaction agent.

(8) Subsequent Events

On October 18, 2013, the Company issued domestic unsecured bonds in accordance with the issue limit for straight bonds and general conditions for the year ending March 31, 2014, approved by the Board of Directors on March 28, 2013.

Details are as follows.

1) Name of bond	The 28th unsecured bond
2) Total face value of bond	¥10,000 million
3) Unit amount of bond	¥100 million
4) Total amount of bond issue	¥10,000 million
5) Issue price	¥100 per ¥100
6) Interest rate on bond	Annual rate 1.23%
7) Interest payment date	April 18 and October 18 of each year
8) Redemption of bond	a) Redemption at maturity b) Retirement by purchase
9) Redemption price	¥100 per ¥100
10) Due date of the payment	October 18, 2013
11) Date of bond issue	October 18, 2013
12) Maturity date	October 16, 2020
13) Country of bond issue	Japan
14) Method of offer	Public offering
15) Secured mortgage/guarantee	Unsecured/unguaranteed
16) Use of funds	The funds were used to repay a portion of the 15th unsecured bond for which the redemption date was October 29, 2013.