

Consolidated Financial Results for the Fiscal Year ended March 31, 2015 (From April 1, 2014 to March 31, 2015)

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Consolidated Statements of Cash Flows
for the Year Ended March 31, 2015

(Millions of Yen)

	For the Year Ended March 31, 2014 (From April 1, 2013 to March 31, 2014)	For the Year Ended March 31, 2015 (From April 1, 2014 to March 31, 2015)
<u>Cash flows from operating activities</u>		
Profit for the period	32,083	37,650
Depreciation and amortization	36,100	31,683
Impairment loss of fixed assets	19,461	17,446
Financial (income) costs	10,641	9,579
Share of (profit) loss of investments accounted for using the equity method	(30,979)	(28,613)
(Gain) loss on sale of fixed assets	(6,132)	(1,058)
Income tax expenses	11,949	14,933
(Increase) decrease in trade and other receivables	4,226	(18,583)
(Increase) decrease in inventories	(6,151)	31,396
Increase (decrease) in trade and other payables	(10,640)	(27,908)
Increase (decrease) in retirement benefits liabilities	390	674
Others	(1,451)	(19,792)
Subtotal	59,498	47,408
Interests earned	5,225	4,709
Dividends received	16,424	18,439
Interests paid	(20,308)	(19,261)
Income taxes paid	(13,842)	(12,186)
<u>Net cash provided (used) by/in operating activities</u>	46,997	39,109
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(23,579)	(31,258)
Proceeds from sale of property, plant and equipment	13,578	767
Purchase of intangible assets	(4,522)	(3,566)
(Increase) decrease in short-term loans receivable	(1,706)	2,470
Payment for long-term loans receivable	(3,423)	(4,174)
Collection of long-term loans receivable	5,202	1,165
Purchase of subsidiaries	(7,024)	(5,222)
Proceeds from (payments for) sale of subsidiaries	232	10
Purchase of investments	(23,658)	(8,455)
Proceeds from sale of investments	7,910	10,681
Others	12,521	23,791
<u>Net cash provided (used) by/in investing activities</u>	(24,469)	(13,792)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term borrowings and commercial papers	(14,714)	(29,012)
Proceeds from long-term borrowings	170,858	163,996
Repayment of long-term borrowings	(178,687)	(179,780)
Proceeds from issuance of bonds	29,862	29,820
Redemption of bonds	(30,000)	(20,000)
Payment for acquisition of subsidiaries' interests from non-controlling interest holders	(0)	(129)
Proceeds from non-controlling interest holders	104	3,209
Purchase of treasury stock	(11)	(2)
Dividends paid	(4,378)	(5,629)
Dividends paid to non-controlling interest holders	(1,805)	(2,320)
Others	(2,160)	(2,752)
<u>Net cash provided (used) by/in financing activities</u>	(30,931)	(42,600)
Net increase (decrease) in cash and cash equivalents	(8,403)	(17,282)
Cash and cash equivalents at the beginning of the year	424,371	420,658
Effect of exchange rate changes on cash and cash equivalents	4,690	372
Cash and cash equivalents at the end of the period	420,658	403,748

Consolidated Statements of Cash Flows
for the Year Ended March 31, 2015 (Supplementary)

FY 2014

Details

<u>① Net cash provided from operating activities</u>	(Billions of Yen)	
1. Profit for the year before tax and depreciation and amortization	84.3	
2. Excluding profits/losses that do not affect cash flow	27.0	Impairment loss on fixed assets, Financial income/costs
3. Adjustment of profits/losses related to investment activities	(29.7)	Share of profit of investments accounted for using the equity method, Gain (loss) on sale and disposal of fixed assets
4. Other	(42.5)	Decrease in trade and other payables, etc.
Total	39.1	

② Net cash provided (used) by/in investing activities

1. Noncurrent assets		
Purchase of property, plant and equipment	(31.3)	Solar power generation in Japan, Automobile dealership in the U.S.
Purchase of intangible assets	(3.6)	
Proceeds from sale of property, plant and equipment	0.8	
Sub-total	(34.1)	
2. Investments		
Purchase of investments	(8.5)	Acquisition of a domestic real estate investment trust company, etc.
Proceeds from sale of investments	10.7	Sale of overseas businesses, etc.
Sub-total	2.2	
3. Loans receivable		
Decrease (increase) in short-term loans receivable	2.5	
Payments of long-term loans receivable	(4.2)	
Collection of long-term loans receivable	1.2	
Sub-total	(0.5)	
4. Other	18.6	Sale of real estate held for investment, etc.
Total	(13.8)	

Free cash flow (①+②)	25.3
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③ Net cash provided (used) by/in financing activities

1. Decrease (increase) in short-term borrowings and commercial paper:	(29.0)	
2. Long-term loans payable		
Proceeds from long-term loans payable	164.0	
Repayment of long-term loans payable	(179.8)	
Sub-total	(15.8)	
3. Bonds		
Proceeds from issuance of bonds	29.8	
Redemption of bonds	(20.0)	
Sub-total	9.8	
4. Cash dividends paid	(5.6)	
5. Other	(2.0)	
Total	(42.6)	

Segment Information

For the year ended March 31, 2014 (April 1, 2013 – March 31, 2014)

(In millions of Yen)

	Reportable segments					Others	Reconciliations	Consolidated
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Total			
Revenue								
External revenue	354,340	468,316	383,356	516,927	1,722,941	80,163	—	1,803,104
Inter-segment revenue	1,598	—	8	3	1,611	405	(2,016)	—
Total revenue	355,939	468,316	383,364	516,931	1,724,552	80,568	(2,016)	1,803,104
Segment profit (loss)	(2,304)	4,456	7,888	17,205	27,245	3,623	(3,618)	27,250
Others:								
Interest income	1,050	1,816	414	867	4,148	2,134	(923)	5,359
Interest expenses	(6,248)	(8,020)	(3,412)	(4,718)	(22,399)	1,621	923	(19,855)
Depreciation and amortization	(7,887)	(18,391)	(2,547)	(2,967)	(31,794)	(4,306)	—	(36,100)
Gain (loss) on sale of fixed assets, net	981	5,267	(12)	(37)	6,198	(65)	—	6,132
Impairment loss on fixed assets	(56)	(18,248)	—	(62)	(18,368)	(1,093)	—	(19,461)
Gain on sale of subsidiaries/associates	1,300	51	314	—	1,666	—	—	1,666
Loss from valuation of subsidiaries/associates	(1,620)	(1)	(190)	(317)	(2,129)	(558)	2	(2,684)
Share of profit (loss) of investments accounted for using the equity method	3,395	16,224	599	10,427	30,646	332	—	30,979
Income tax expenses	(3,480)	4,736	(3,672)	(3,745)	(6,161)	(1,791)	(3,995)	(11,949)
Segment assets	444,066	590,783	280,271	478,435	1,793,557	211,416	215,263	2,220,236
Others:								
Investment accounted for using the equity method	25,653	250,408	11,846	45,444	333,352	3,481	(72)	336,761
Capital expenditure	8,708	11,374	903	4,464	25,451	2,409	—	27,861

Net sales (Note)								
External	988,430	777,084	643,805	1,554,057	3,963,377	83,199	—	4,046,577

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

Reconciliation of segment loss of (3,618) 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 (3,995) million yen, and unallocated dividend income and others of 377 million yen.

The reconciliation amount of segment assets of 215,263 million yen includes elimination of inter-segment transactions or the like amounting to (55,347) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 270,610 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

For the year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

(In millions of Yen)

	Reportable segments					Others	Reconciliations	Consolidated
	Machinery	Energy & Metal	Chemicals	Consumer Lifestyle Business	Total			
Revenue								
External revenue	342,810	446,078	427,258	531,356	1,747,504	62,197	—	1,809,701
Inter-segment revenue	1,533	—	8	6	1,548	362	(1,910)	—
Total revenue	344,343	446,078	427,267	531,363	1,749,052	62,559	(1,910)	1,809,701
Segment profit (loss)	10,338	798	6,272	6,818	24,228	8,627	220	33,075
Others:								
Interest income	1,212	1,480	397	870	3,961	1,957	(1,059)	4,860
Interest expenses	(6,749)	(8,207)	(3,309)	(4,175)	(22,441)	2,407	1,059	(18,975)
Depreciation and amortization	(8,407)	(14,714)	(2,862)	(3,045)	(29,029)	(2,653)	—	(31,683)
Gain (loss) on sale of fixed assets, net	(3)	7	26	(36)	(6)	1,065	—	1,058
Impairment loss on fixed assets	(341)	(16,271)	(234)	(153)	(17,000)	(446)	—	(17,446)
Gain on sale of subsidiaries/associates	530	737	64	246	1,578	179	—	1,758
Loss from valuation of subsidiaries/associates	(553)	(0)	(464)	(818)	(1,837)	(242)	—	(2,080)
Share of profit (loss) of investments accounted for using the equity method	3,942	21,431	588	2,557	28,519	54	39	28,613
Income tax expenses	(4,998)	2,274	(3,309)	(3,505)	(9,539)	(4,451)	(942)	(14,933)
Segment assets	460,505	622,986	290,087	491,275	1,864,855	227,811	204,690	2,297,358
Others:								
Investment accounted for using the equity method	28,540	299,985	12,475	48,218	389,220	4,867	(32)	394,055
Capital expenditure	17,609	14,167	702	2,141	34,620	2,089	—	36,710

Net sales (Note)								
External	1,114,078	772,437	675,230	1,477,358	4,039,105	66,190	—	4,105,295

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

Reconciliation of segment profit of 220 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 (942) million yen, and unallocated dividend income and others of 1,162 million yen.

The reconciliation amount of segment assets of 204,690 million yen includes elimination of inter-segment transactions or the like amounting to (76,298) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 280,988 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

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

Details of Industry Segments

【Net sales】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY 2013</u>	<u>FY 2014</u>	<u>Change</u>	
Machinery	988.4	1,114.1	125.7	Net sales increased as a result of increased plant-related and aircraft-related transactions.
Energy & Metal	777.1	772.4	(4.7)	Net sales decreased due to a decline in oil transactions.
Chemicals	643.8	675.2	31.4	Net sales increased due to higher transaction volumes for chemicals and plastic resins in Asia.
Consumer Lifestyle Business	1,554.1	1,477.4	(76.7)	Net sales declined as a result of lower trading volumes for tobacco and wheat.
Other	83.2	66.2	(17.0)	Net sales decreased due to the rebound from the sale of real estate held for resale during the year ended March 31, 2014.
Consolidated	4,046.6	4,105.3	58.7	
【Profit for the period】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY 2013</u>	<u>FY 2014</u>	<u>Change</u>	
Machinery	(2.3)	10.3	12.6	Profit increased due to an increase of plant-related and aircraft-related transactions as well as the absence of losses recorded in the previous fiscal year.
Energy & Metal	4.5	0.8	(3.7)	Profit was down due to the negative impacts of the drop in prices for crude oil and coal as well as impairment losses with regard to ferroalloy and oil interests.
Chemicals	7.9	6.3	(1.6)	Profit decreased as a result of loss recorded in relation to withdrawing from an unprofitable business.
Consumer Lifestyle Business	17.2	6.8	(10.4)	Profit was down due to lower lumber-related transaction volumes, and from a decline in share of profit of investments accounted for using the equity method.
Elimination & Unallocated	0.0	8.9	8.9	Profit increased due to a one-time income related to a liquidation of an affiliated company.
Consolidated	27.3	33.1	5.8	
【Assets】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY 2013</u>	<u>FY 2014</u>	<u>Change</u>	
Machinery	444.1	460.5	16.4	Increase due to increase of property, plant and investment as a result of new investments.
Energy & Metal	590.8	623.0	32.2	Increase of Investments accounted for using the equity method.
Chemicals	280.3	290.1	9.8	Increase of cash and cash equivalents.
Consumer Lifestyle Business	478.4	491.3	12.9	Increase due to increase of trade and other receivables resulting from increase of higher trading volumes for wheat and, increase of other investments as a result of changes in stock prices.
Elimination & Unallocated	426.6	432.5	5.9	Increase of other investments as a result of changes in stock prices.
Consolidated	2,220.2	2,297.4	77.2	

Increase/Decrease in the Number of
Consolidated Subsidiaries and Associates

Changes in the number of consolidated subsidiaries and associates during FY 2014
(April 1, 2014 - March 31, 2015)

(Number of Companies)	As of March 31, 2014	As of March 31, 2015	Changes
Subsidiaries	318	302	(16)
Equity-method Associates	121	108	(13)
Total	439	410	(29)

Changes in major subsidiaries during FY 2014 (April 1, 2014 - March 31, 2015)

○ **Major new subsidiaries**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Machinery	Mirai Power (Matsuzaka Ureshino) Corporation	Solar power generation project
Machinery	Import Motors, Inc.	Certified dealer of BMW and MINI brand automobiles (U.S.)
Consumer Lifestyle Business	My Vegetable Corporation	Production, processing, and sales of agricultural products

Equity-method associates

(Segment)	(Company name)	(Main business)
Overseas Group Company	GTS Majes S.A.C.	Solar power generation project in Peru
Overseas Group Company	GTS Reparticion S.A.C.	Solar power generation project in Peru

○ **Major companies excluded from consolidation**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Machinery	Fuji Machine Philippines Inc.	Sales and service of Fuji Machine surface-mounted technology equipment (The Philippines)
Consumer Lifestyle Business	Sojitz Buenas Tierras del Sur S.A.	Agriculture (Argentina)
Consumer Lifestyle Business	Sojitz Now Apparel Ltd.	Production management and sales of end use textile products in Hong Kong

Equity-method associates

(Segment)	(Company name)	(Main business)
Other	NM life Corporation	Ownership and operation of a private nursing home

Impact on the Profit due to
Increase and Decrease of Consolidated Subsidiaries
(compared with the year - earlier period)

Increase

(Billions of Yen)

	Net Sales	Gross Profit	Profit for the period
Consolidated subsidiaries	33.6	5.8	0.6

Decrease

(Billions of Yen)

	Net Sales	Gross Profit	Profit for the period
Consolidated subsidiaries	(21.6)	(1.0)	(0.8)

(Note)

In general, figures in the above tables are based on the financial statements prepared by each company.

Performance at Consolidated Subsidiaries and Associates

(1) Number of Consolidated Subsidiaries and Associates

(Number of Companies)

		As of March 31, 2014			As of March 31, 2015			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	45	27	72	53	19	72	8	(8)	0
	Overseas	91	29	120	83	28	111	(8)	(1)	(9)
	Total	136	56	192	136	47	183	0	(9)	(9)
	% of total	70.8%	29.2%	100.0%	74.3%	25.7%	100.0%			
Associates	Domestic	21	4	25	18	3	21	(3)	(1)	(4)
	Overseas	33	17	50	29	17	46	(4)	0	(4)
	Total	54	21	75	47	20	67	(7)	(1)	(8)
	% of total	72.0%	28.0%	100.0%	70.1%	29.9%	100.0%			
Total	Domestic	66	31	97	71	22	93	5	(9)	(4)
	Overseas	124	46	170	112	45	157	(12)	(1)	(13)
	Total	190	77	267	183	67	250	(7)	(10)	(17)
	% of total	71.2%	28.8%	100.0%	73.2%	26.8%	100.0%			

(2) Earnings of Consolidated Subsidiaries and Associates

(Billions of Yen)

		For the Fiscal Year Ended March 31, 2014 (From Apr.1, 2013 to Mar. 31, 2014)			For the Fiscal Year Ended March 31, 2015 (From Apr.1, 2014 to Mar. 31, 2015)			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated subsidiaries	Domestic	9.2	(0.8)	8.4	11.7	(1.2)	10.5	2.5	(0.4)	2.1
	Overseas	25.9	(22.2)	3.7	22.3	(24.0)	(1.7)	(3.6)	(1.8)	(5.4)
	Total	35.1	(23.0)	12.1	34.0	(25.2)	8.8	(1.1)	(2.2)	(3.3)
Associates	Domestic	17.3	(0.7)	16.6	23.2	(0.7)	22.5	5.9	0.0	5.9
	Overseas	14.8	(1.8)	13.0	6.4	(2.5)	3.9	(8.4)	(0.7)	(9.1)
	Total	32.1	(2.5)	29.6	29.6	(3.2)	26.4	(2.5)	(0.7)	(3.2)
Total	Domestic	26.5	(1.5)	25.0	34.9	(1.9)	33.0	8.4	(0.4)	8.0
	Overseas	40.7	(24.0)	16.7	28.7	(26.5)	2.2	(12.0)	(2.5)	(14.5)
	Total	67.2	(25.5)	41.7	63.6	(28.4)	35.2	(3.6)	(2.9)	(6.5)

Note: Companies included in the scope of consolidation are those for which the Company directly performs consolidation accounting.

◆ Major Consolidated Subsidiaries and Affiliates (Major Consolidated Subsidiaries)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2012	FY2013	FY2014
Machinery	Sojitz Machinery Corporation	Import/export and sales of general machinery	100.0%	Gross Profit	4.9	3.8	4.4
				Profit for the Year	0.9	0.4	0.7
	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	Gross Profit	9.7	9.2	8.9
				Profit for the Year	(0.6)	(0.2)	0.3
	Sojitz Aerospace Corporation	Import/export and sales of aerospace-related equipment, components and materials	100.0%	Gross Profit	3.3	3.7	3.7
				Profit for the Year	0.5	0.4	0.9
	MMC Automotriz, S.A.	Distribution and sales of automobiles	100.0%	Gross Profit	6.9	6.7	0.6
				Profit for the Year	0.3	(7.0)	(1.6)
	Sojitz Marine & Engineering Corporation	Sales, purchase and charter brokerage of new and used vessels, ship operation management, sales and import/export of marine-related equipment and materials	100.0%	Gross Profit	3.1	3.0	3.4
				Profit for the Year	0.3	0.6	0.8
	SAKURA Internet Inc	Internet-related services	40.3%	Gross Profit	2.5	2.5	2.7
				Profit for the Year	0.4	0.4	0.4
	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%	Gross Profit	3.0	2.8	2.4
				Profit for the Year	1.1	0.7	0.3
Energy & Metal	Sojitz Energy Venture, Inc.	Oil and natural gas development	100.0%	Gross Profit	0.6	0.2	1.4
				Profit for the Year	0.1	(0.6)	(0.2)
	Sojitz Coal Resources Pty Ltd.	Investment in coal mines	100.0%	Gross Profit	5.4	2.7	0.9
				Profit for the Year	2.7	1.2	(0.2)
	Sojitz Moly Resources, Inc.	Investment in a molybdenum mine	100.0%	Gross Profit	(1.5)	(1.5)	(0.6)
				Profit for the Year	(1.4)	(10.2)	(7.0)
	Sojitz Energy Project Ltd.	Oil and natural gas development	100.0%	Gross Profit	(1.6)	1.1	0.4
				Profit for the Year	(0.5)	1.6	(4.9)
	Sojitz Moolarben Resources, Pty. Ltd.	Investment in coal mine	100.0%	Gross Profit	1.2	1.3	0.9
				Profit for the Year	0.9	1.0	0.7
Sojitz Ject Corporation	International and domestic trade and sales of coke, carbon products and materials, etc.	100.0%	Gross Profit	1.6	1.7	1.5	
			Profit for the Year	0.2	0.3	0.2	
Sojitz Resources (Australia) Pty. Ltd.	Investment in an alumina refinery	100.0%	Gross Profit	(0.9)	(0.6)	(0.3)	
			Profit for the Year	(4.7)	(1.4)	(0.9)	
Chemicals	Sojitz Pla-Net Holdings, Inc.	Sales of plastic raw materials, products	100.0%	Gross Profit	10.0	9.8	10.3
				Profit for the Year	0.2	0.5	1.3
	PT. Kaltim Methanol Industri	Manufacture and sales of methanol	85.0%	Gross Profit	2.4	4.0	3.2
				Profit for the Year	(0.8)	2.8	1.6
Pla Matels Corporation	Sales of plastic raw materials, products	46.6%	Gross Profit	3.1	3.3	3.2	
			Profit for the Year	0.4	0.3	0.5	
Consumer Lifestyle Business	Sojitz Foods Corporation	Sales of sugar, agricultural, livestock and marine products, various raw ingredients, processed foods, dairy products and other foodstuffs	100.0%	Gross Profit	5.7	4.6	6.6
				Profit for the Year	0.9	0.8	1.5
	Sojitz Infinity Inc.	Manufacture and sales of total casual wear for men, women and children	100.0%	Gross Profit	4.3	4.4	4.3
				Profit for the Year	0.1	0.0	(0.3)
	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%	Gross Profit	5.7	5.9	5.4
				Profit for the Year	1.0	1.0	0.5
	Sojitz General Merchandise Corporation	Import/export and domestic wholesale	100.0%	Gross Profit	1.2	1.2	1.1
				Profit for the Year	0.2	0.1	0.1

*The above figures were prepared by the Company after each company's switch to IFRS, and may therefore differ from past figures released by these companies.

◆ Major Consolidated Subsidiaries and affiliates (Major Consolidated Affiliates)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2012	FY2013	FY2014
Machinery	Asia Power (Private) Ltd.	Power generation business	48.5%	Equity in Earnings	0.8	0.2	0.2
Energy & Metal	LNG Japan Corporation	LNG business and related investments	50.0%	Equity in Earnings	5.5	5.2	9.5
	Cariboo Copper Corp.	Investment in copper mine	50.0%	Equity in Earnings	0.2	0.4	(1.0)
	Japan Alumina Associates (Australia) Pty. Ltd.	Investment in an alumina refinery	50.0%	Equity in Earnings	(0.5)	(1.0)	(1.3)
	Metal One Corporation	Integrated steel trading company	40.0%	Equity in Earnings	8.8	7.8	10.0
Consumer Lifestyle Business	JALUX Inc.	Logistics and service provision in the in-flight, airport retail, lifestyle-related, and customer service business fields	22.0%	Equity in Earnings	0.2	0.2	0.3
	Fuji Nihon Seito Corporation	Manufacture, refining, processing and sales of sugar	32.0%	Equity in Earnings	0.3	0.2	0.2

*The above figures were prepared by the Company after each company's switch to IFRS, and may therefore differ from past figures released by these companies.

Country Risk Exposure (Consolidated)

Exposure (As of March 31, 2015)

(Note)

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

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

Exposure is tallied on the following bases:

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

The balance for substantial country risk did not previously reflect the trade insurance applied to assets of consolidated subsidiaries to hedge country risks. This insurance is reflected from the fiscal year ended March 31, 2014.

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	2.3	0.0	0.0	34.6	17.7	19.2	73.8	77.6
Malaysia	0.4	0.0	0.0	4.3	0.3	1.2	6.2	6.2
Indonesia	24.3	1.9	0.0	20.9	11.8	8.4	67.3	81.4
Philippines	21.6	0.2	0.0	28.4	1.8	2.2	54.2	32.1
China (include Hong Kong)	16.2	0.0	0.6	61.8	8.5	4.7	91.8	92.4
(China)	14.5	0.0	0.6	39.1	5.3	1.0	60.5	68.9
(Hong Kong)	1.7	0.0	0.0	22.7	3.2	3.7	31.3	23.5
Brazil	18.2	0.4	0.2	7.3	3.1	11.6	40.8	74.2
Venezuela	0.0	0.0	0.0	1.2	1.8	13.0	16.0	2.5
Argentina	0.3	0.0	0.0	6.1	0.1	1.6	8.1	0.8
Russia	0.1	0.0	0.0	6.7	6.4	0.3	13.5	8.4
Total	83.4	2.5	0.8	171.3	51.5	62.2	371.7	375.6

(Reference)

Exposure (As of September 30, 2014)

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	2.1	0.0	0.0	33.0	23.6	9.6	68.3	70.9
Malaysia	0.4	0.0	0.0	5.0	0.6	1.2	7.2	6.2
Indonesia	21.2	2.8	0.0	15.5	9.5	8.6	57.6	68.8
Philippines	19.6	0.2	0.0	17.2	2.0	1.9	40.9	27.7
China (include Hong Kong)	14.8	0.3	0.6	50.5	7.3	4.4	77.9	75.1
(China)	13.0	0.3	0.6	39.2	4.4	0.9	58.4	62.3
(Hong Kong)	1.8	0.0	0.0	11.3	2.9	3.5	19.5	12.8
Brazil	20.2	0.5	0.2	5.3	3.1	10.7	40.0	63.5
Venezuela	0.0	0.0	0.0	8.0	9.3	17.0	34.3	20.5
Argentina	0.4	0.0	0.0	5.0	0.1	1.9	7.4	2.3
Russia	0.5	0.0	0.0	18.1	9.7	0.4	28.7	16.8
Total	79.2	3.8	0.8	157.6	65.2	55.7	362.3	351.8

Real Estate (Consolidated)

Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2014		As of March 31, 2015		Change	
	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>
Company	14.2	<u>0.3</u>	4.0	<u>0.1</u>	(10.2)	<u>(0.2)</u>
Consolidated subsidiaries	11.7	<u>0.7</u>	19.2	<u>1.3</u>	7.5	<u>0.6</u>
Consolidated Total	25.9	<u>1.0</u>	23.2	<u>1.4</u>	(2.7)	<u>0.4</u>

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

(Billions of Yen)

	As of March 31, 2014	As of March 31, 2015	Change
Company	14.5	14.2	(0.3)
Consolidated subsidiaries	79.9	75.3	(4.6)
Consolidated Total	94.4	89.5	(4.9)

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2014	As of March 31, 2015	Change
Company	8.6	3.2	(5.4)
Consolidated subsidiaries	16.7	16.3	(0.4)
Consolidated Total	25.3	19.5	(5.8) *

* Decreases due to transference to assets as held for sale are accounted for.

Number of Employees by Business Segment

(Number of Employees)

	As of March 31, 2014			As of March 31, 2015			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Machinery	277	5,142	5,419	285	5,220	5,505	8	78	86
Energy & Metal	252	852	1,104	243	827	1,070	(9)	(25)	(34)
Chemicals	235	1,429	1,664	243	1,456	1,699	8	27	35
Consumer Lifestyle Business	279	5,083	5,362	277	4,957	5,234	(2)	(126)	(128)
Other	663	1,703	2,366	658	1,770	2,428	(5)	67	62
Total	1,706	14,209	15,915	1,706	14,230	15,936	0	21	21

Notes

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

(Reference)

Employee headcounts for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows: as of end of March 2014: 2,229; as of end of March 2015: 2,246

◆ News Releases for the Fiscal Year Ended March 31, 2015

Segment	Date	Title
Machinery		
	2014/04/30	Sojitz to Expand Automobile Sales in the USA - Shares of BMW and MINI Dealerships Acquired-
	2014/10/02	Commercial Operations Commence at 1st Domestic Solar Power Plant in Hokkaido
	2014/10/17	Sojitz and Kawasaki Heavy Industries Complete Largest Fertilizer Plant in Turkmenistan
	2014/10/23	Sojitz Systems Launches AppZero, a Migration Tool for Windows Server® Applications
	2014/11/17	NCI and NISSHO ELECTRONICS to Participate in Cyber Security Business with Sojitz
	2014/11/19	Sojitz Wins Contract for Electrification Works on Western Dedicated Freight Corridor Project in India
	2014/12/11	Sojitz Completes and Commences Commercial Operation of Solar Power Plant in Nishikimachi, Kuma-gun, Kumamoto Prefecture
Chemicals		
	2015/01/27	Announcement regarding Short-form Merger of Sojitz Group Subsidiary
Consumer Lifestyle Business		
	2014/04/30	Sojitz Building Materials Signs Outsourcing Agreement for Solar Power Project with ENERES -Project will Contribute to the Spread of PPS Using Renewable Energy -
	2014/05/07	Sojitz Establishes My Vegetable Corporation, an Agricultural Business - New Company will Contribute to Stable Supply of Fresh Vegetables Using Raised-Bed Sand Culture -
	2014/11/06	Sojitz Building Materials Becomes General Distributor for Galid Wall a Safe and Stable Construction Method Which Shortens Construction Time, Lowers Construction Costs
	2015/01/29	Admiral Brand Flagship Store Opened in Taiwan
	2015/03/02	Sojitz General Merchandise Launches Admiral Brand in South Korea and Hong Kong
Other		
	2014/04/24	NIPPON REIT Investment Corporation Shares Listed
	2014/05/08	Notice Regarding Loss Recorded on Non-Consolidated Financial Statements for the Fiscal Year Ended March 31, 2014
	2014/05/08	Notice Regarding Differences Between Forecasts and Actual Financial Results
	2014/08/08	Sojitz Provides Assistance for Earthquake Stricken Areas in Yunnan Province, China
	2014/08/15	Sojitz Insurance Agency to Sell Sunbrella® for Photovoltaic Power Generation Operators -Entering the Market with Solutions Plan to Support Photovoltaic Power Generation Businesses-
	2014/10/01	"IMPREST Okurayama" wins 2014 Good Design Award
	2015/01/26	Sojitz New Urban Development Launches Home Delivery Service for their "SAPUA" Brand Kumamoto Water
	2015/01/27	Announcement regarding Changes to Representative Directors
	2015/01/27	Sojitz Corporation Announces Organizational Reforms and Executive Appointments
	2015/02/27	Sojitz Launches Regular Consolidated Land Transportation Service Linking Cambodia and Thailand

Forecast for the Year Ending March 31, 2016

(Billions of Yen)

	FY 2014 Results	FY 2015 Forecast	Change
Net sales *	4,105.3	4,400.0	294.7
Gross profit	197.7	215.0	17.3
Selling, general and administrative expenses	(149.8)	(167.0)	(17.2)
Other income (expenses)	(14.3)	(7.5)	6.8
Operating profit	33.6	40.5	6.9
Finance income/costs	(9.6)	(10.0)	(0.4)
Share of profit (loss) of investments accounted for using the equity method	28.6	28.0	(0.6)
Profit before tax	52.6	58.5	5.9
Profit for the year (Attributable to owners of the Company)	33.1	40.0	6.9

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

Profit for the year (attributable to owners of the Company) forecast by industry segment

Current Organization < 9-Division & Other >

(Billions of Yen)

	FY 2014 Results**	FY 2015 Forecast
Automotive	2.7	5.5
Aerospace & IT Business	3.3	3.0
Infrastructure & Environment Business	4.4	4.0
Energy	3.3	1.5
Metals & Coal	(2.6)	9.5
Chemicals	6.3	9.0
Foods & Agriculture Business	2.7	4.0
Lifestyle Commodities & Materials	2.7	3.5
Retail	3.0	2.0
Other	7.3	(2.0)
Total	33.1	40.0

** Figures for FY2014 use performance figures from the former organizational structure (4 divisions and Other) that have been restated to match the new organizational structure (9 divisions and Other) using simple calculations, and may therefore differ from figures disclosed in the future.

Change of Consolidated Statements of Financial Position (IFRS)

(Millions of Yen)

	2011/04/01 (the date of transition)	FY 2011	FY 2012	FY 2013	FY2014
Current assets					
Cash and cash equivalents	411,632	425,595	424,371	420,658	403,748
Time deposits	7,043	16,114	9,313	4,362	5,464
Trade and other receivables	515,633	544,525	508,690	524,826	559,291
Other investments	1,346	697	-	-	-
Derivatives	3,796	3,676	4,100	5,185	6,977
Inventories	265,794	284,038	297,389	301,979	270,274
Income tax receivables	2,646	2,725	4,778	4,907	3,712
Other current assets	69,277	57,124	41,231	46,759	63,122
Assets as held for sale	8,894	4,098	1,303	13,143	10,905
Total current assets	1,286,066	1,338,596	1,291,178	1,321,824	1,323,497
Non-current assets					
Property, plant and equipment	206,863	219,581	231,840	213,934	217,912
Goodwill	45,400	46,390	45,725	46,264	50,164
Intangible assets	71,111	71,922	63,207	60,958	53,882
Investment property	50,435	46,359	40,055	25,334	19,459
Investments accounted for using the equity method	261,834	257,379	279,815	336,761	394,055
Trade and other receivables	55,940	65,498	62,963	60,310	45,017
Other investments	128,301	113,222	114,596	133,625	174,791
Derivatives	805	115	229	209	1,865
Other non-current assets	11,323	16,293	10,976	9,683	7,483
Deferred tax assets	52,063	15,332	9,461	11,329	9,227
Total non-current assets	884,079	852,095	858,871	898,411	973,860
Total assets	2,170,145	2,190,692	2,150,050	2,220,236	2,297,358
Current liabilities					
Trade and other payables	521,682	557,198	515,989	514,585	490,865
Bonds and borrowings	256,228	298,455	258,375	227,216	208,360
Derivatives	4,640	8,989	15,952	6,400	8,803
Income tax payables	8,151	9,065	7,038	8,038	7,570
Provisions	1,680	4,074	1,419	1,207	4,271
Other current liabilities	70,288	60,314	50,150	54,402	53,807
Liabilities directly related to assets as held for sale	2,627	1,221	-	-	6,860
Total current liabilities	865,299	939,317	848,926	811,850	780,538
Non-current liabilities					
Bonds and borrowings	859,594	819,591	818,632	838,060	830,409
Trade and other payables	14,841	13,050	9,816	10,463	9,545
Derivatives	5,209	3,042	1,884	1,721	2,942
Retirement benefits liabilities	14,311	15,674	16,158	16,917	17,943
Provisions	12,162	14,378	18,892	20,798	25,098
Other non-current liabilities	6,533	10,619	7,313	7,321	7,591
Deferred tax liabilities	18,969	19,834	17,127	20,143	32,631
Total non-current liabilities	931,622	896,193	889,824	915,426	926,163
Total liabilities	1,796,922	1,835,511	1,738,751	1,727,277	1,706,702
Equity					
Share capital	160,339	160,339	160,339	160,339	160,339
Capital surplus	146,520	146,518	146,518	146,515	146,515
Treasury stock	(138)	(147)	(148)	(157)	(159)
Other components of equity	40,885	23,580	62,826	119,617	194,557
Retained earnings	(1,320)	(327)	13,053	33,538	49,731
Total equity attributable to owners of the Company	346,285	329,962	382,589	459,853	550,983
Non-controlling interests	26,937	25,218	28,709	33,105	39,672
Total equity	373,223	355,180	411,298	492,959	590,656
Total liabilities and equity	2,170,145	2,190,692	2,150,050	2,220,236	2,297,358

Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

Consolidated Statements of Profit or Loss (IFRS)

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014
Revenue				
Sales of goods	1,915,992	1,659,233	1,714,176	1,718,165
Sales of services and others	90,657	88,517	88,928	91,535
Total revenue	2,006,649	1,747,750	1,803,104	1,809,701
Cost of sales	(1,789,582)	(1,560,504)	(1,604,882)	(1,612,013)
Gross profit	217,066	187,245	198,221	197,688
Selling, general and administrative expenses	(153,663)	(151,091)	(151,628)	(149,739)
Other income (expenses)				
Gain (loss) on sale and disposal of fixed assets, net	1,839	2,209	6,132	1,058
Impairment loss on fixed assets	(3,190)	(11,549)	(19,461)	(17,446)
Gain on sale of subsidiaries/associates	957	2,138	1,666	1,758
Loss on reorganization of subsidiaries/associates	(1,728)	(3,525)	(2,684)	(2,080)
Other operating income	11,705	10,702	10,429	17,193
Other operating expenses	(15,513)	(10,636)	(18,980)	(14,882)
Operating profit	57,472	25,493	23,694	33,550
Total Financial income	8,875	8,022	9,213	9,395
Interests earned	5,552	4,984	5,359	4,860
Dividends received	3,283	2,761	3,810	4,456
Other financial income	39	276	43	78
Total Financial costs	(24,186)	(21,247)	(19,855)	(18,975)
Interest expenses	(23,848)	(21,247)	(19,855)	(18,975)
Other financial costs	(338)	-	-	-
Share of profit (loss) of investments accounted for using the equity method	16,296	15,784	30,979	28,613
Profit before tax	58,457	28,052	44,033	52,584
Income tax expenses	(56,735)	(11,058)	(11,949)	(14,933)
Profit for the period	1,722	16,993	32,083	37,650
Profit attributable to:				
Owners of the Company	(1,040)	13,448	27,250	33,075
Non-controlling interests	2,762	3,544	4,833	4,575
Net sales ^{*1}	4,321,734	3,934,456	4,046,577	4,105,295
				(Billions of yen)
Core earnings ^{*2}	65.8	38.5	68.0	66.3

Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

*1 Net sales is a measure generally used by Japanese general trading companies and represents the aggregate value of the transactions for which the Group acts as a principal

*2 Core earnings = Gross Profit + Selling, general and administrative expenses (before provision of allowance for doubtful accounts and write-offs)
+ Interest expense-net + Dividends received + Share of profit (loss) of investments accounted for using the equity method

Consolidated Statements of Profit or Loss and Other Comprehensive Income (IFRS)

(Millions of Yen)

	FY2011	FY2012	FY 2013	FY2014
Profit for the period	1,722	16,993	32,083	37,650
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Financial assets measured at fair value through other comprehensive income	(1,010)	11,172	15,065	46,787
Remeasurements of defined benefit pension plans	(872)	(398)	(425)	(925)
Total items that will not be reclassified to profit or loss	(1,883)	10,774	14,639	45,862
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	(12,505)	34,509	40,578	34,811
Cash flow hedges	(945)	(528)	1,184	(3,405)
Total items that may be reclassified subsequently to profit or loss	(13,450)	33,980	41,763	31,405
Other comprehensive income for the period, net of tax	(15,334)	44,754	56,403	77,268
Total comprehensive income for the period	(13,611)	61,748	88,487	114,919
Total comprehensive income attributable to:				
Owners of the Company	(16,177)	56,171	82,221	107,347
Non-controlling interests	2,565	5,576	6,265	7,571
Total	(13,611)	61,748	88,487	114,919

Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

Change of Consolidated Statements of Cash Flows (IFRS)

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014
Cash flows from operating activities				
Profit for the period	1,722	16,993	32,083	37,650
Depreciation and amortization	29,529	31,047	36,100	31,683
Impairment loss on fixed assets	3,190	11,549	19,461	17,446
Finance (income) costs	15,311	13,225	10,641	9,579
Share of (profit) loss of investments accounted for using the equity method	(16,296)	(15,784)	(30,979)	(28,613)
(Gain) loss on sale of fixed assets, net	(1,839)	(2,209)	(6,132)	(1,058)
Income tax expense	56,735	11,058	11,949	14,933
(Increase) decrease in trade and other receivables	(8,089)	40,625	4,226	(18,583)
(Increase) decrease in inventories	(16,765)	(709)	(6,151)	31,396
Increase (decrease) in trade and other payables	35,373	(30,116)	(10,640)	(27,908)
Increase (decrease) in retirement benefits liabilities	455	985	390	674
Others	11,224	(1,839)	(1,451)	(19,792)
Subtotal	110,550	74,825	59,498	47,408
Interests earned	5,583	5,082	5,225	4,709
Dividends received	12,457	13,777	16,424	18,439
Interests paid	(24,217)	(21,840)	(20,308)	(19,261)
Income taxes paid	(15,650)	(16,722)	(13,842)	(12,186)
Net cash provided (used) by/in operating activities	88,723	55,124	46,997	39,109
Cash flows from investing activities				
Purchase of property, plant and equipment	(34,101)	(29,473)	(23,579)	(31,258)
Proceeds from sale of property, plant and equipment	12,655	14,384	13,578	767
Purchase of intangible assets	(6,978)	(8,310)	(4,522)	(3,566)
(Increase) decrease in short-term loans receivable	2,646	3,400	(1,706)	2,470
Payment for long-term loans receivable	(13,492)	(11,704)	(3,423)	(4,174)
Collection of long-term loans receivable	969	2,399	5,202	1,165
Proceeds from (payments for) acquisition of subsidiaries	(2,340)	(5,624)	(7,024)	(5,222)
Proceeds from (payments for) sale of subsidiaries	(707)	1,530	232	10
Purchase of investments	(4,144)	(2,646)	(23,658)	(8,455)
Proceeds from sale of investments	10,311	17,831	7,910	10,681
Others	(7,098)	6,559	12,521	23,791
Net cash provided (used) by/in investing activities	(42,280)	(11,652)	(24,469)	(13,792)
Free Cash Flow	46,443	43,472	22,528	25,317
Cash flows from financing activities				
Increase (decrease) in short-term borrowings and commercial papers	8,797	(10,928)	(14,714)	(29,012)
Proceeds from long-term borrowings	127,338	236,109	170,858	163,996
Repayment of long-term borrowings	(134,014)	(248,449)	(178,687)	(179,780)
Proceeds from issuance of bonds	39,800	9,953	29,862	29,820
Redemption of bonds	(67,719)	(35,000)	(30,000)	(20,000)
Proceeds from sale of subsidiaries' interests to non-controlling interest holders	7,249	-	-	-
Payment for acquisition of subsidiaries' interests from non-controlling interest holders	(5,756)	(468)	(0)	(129)
Proceeds from non-controlling interest holders	1,261	71	104	3,209
Purchase of treasury stock	(11)	(1)	(11)	(2)
Dividends paid	(3,753)	(3,753)	(4,378)	(5,629)
Dividends paid to non-controlling interest holders	(1,801)	(1,659)	(1,805)	(2,320)
Others	(922)	(2,050)	(2,160)	(2,752)
Net cash provided (used) by/in financing activities	(29,530)	(56,177)	(30,931)	(42,600)
Net increase (decrease) in cash and cash equivalents	16,913	(12,706)	(8,403)	(17,282)
Cash and cash equivalents at the beginning of the period	411,632	425,595	424,371	420,658
Effect of exchange rate changes on cash and cash equivalents	(2,950)	11,481	4,690	372
Cash and cash equivalents at the end of the period	425,595	424,371	420,658	403,748

Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013.
The date of transition to IFRSs was April 1, 2011.

Change of Consolidated Balance Sheets (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Current assets										
Cash and deposits	435,671	426,082	521,937	471,570	380,195	421,629	455,728	415,694	442,706	433,584
Notes and accounts receivable-trade	708,982	618,086	613,513	672,658	691,492	522,397	462,233	478,880	490,708	456,455
Short-term investment securities	17,705	7,150	6,471	7,251	9,180	2,123	6,131	5,437	1,297	100
Inventories	239,499	194,694	214,163	315,885	422,158	382,899	248,629	243,210	270,645	292,105
Short-term loans receivable	188,002	41,000	44,237	23,182	11,609	9,375	7,943	8,518	5,667	2,222
Deferred tax assets	13,346	7,482	8,886	8,591	19,179	15,821	13,484	15,402	4,577	4,132
Other	171,637	139,590	116,416	130,636	156,000	129,237	100,216	106,832	88,132	79,120
Allowance for doubtful accounts	(39,926)	(10,957)	(15,172)	(14,695)	(13,869)	(10,312)	(9,089)	(7,347)	(5,583)	(3,449)
Total current assets	1,734,918	1,423,129	1,510,454	1,615,081	1,675,946	1,473,172	1,285,277	1,266,629	1,298,151	1,264,271
Property, plant and equipment	493,163	246,652	246,665	229,966	232,018	209,720	222,665	215,774	233,260	228,332
Intangible assets	66,228	103,850	100,131	99,127	133,343	114,855	114,445	132,595	124,497	126,114
Goodwill	41,375	79,989	76,897	69,925	65,466	60,685	54,305	51,474	44,612	39,865
Other	24,852	23,860	23,233	29,202	67,876	54,170	60,139	81,120	79,884	86,248
Investments and other assets	781,335	673,924	663,403	671,857	625,514	513,798	538,093	501,678	464,419	467,500
Investment securities	410,531	409,307	488,291	518,615	480,993	351,466	327,869	333,050	313,897	338,744
Long-term loans receivable	182,093	102,142	38,867	39,304	36,961	27,908	25,113	13,370	22,415	31,311
Bad debts	-	286,934	176,527	162,305	109,440	92,378	88,358	79,971	68,164	59,670
Deferred tax assets	97,507	58,051	23,880	19,754	31,053	64,137	61,432	52,881	22,442	13,710
Real estate for investment	-	-	-	-	-	-	53,261	33,993	31,934	26,608
Other	234,988	54,820	58,793	49,916	44,400	39,435	39,264	48,168	52,788	43,830
Allowance for doubtful accounts	(143,786)	(237,332)	(122,956)	(118,039)	(77,335)	(61,526)	(57,207)	(59,758)	(47,223)	(46,375)
Total noncurrent assets	1,340,726	1,024,427	1,010,200	1,000,951	990,875	838,375	875,204	850,049	822,177	821,947
Deferred assets	1,377	921	1,024	3,475	2,529	1,410	436	281	266	190
Total assets	3,077,022	2,448,478	2,521,679	2,619,507	2,669,352	2,312,958	2,160,918	2,116,960	2,120,596	2,086,410
Current liabilities										
Notes and accounts payable-trade	479,264	472,513	451,438	531,508	578,995	418,811	377,468	414,984	461,799	436,696
Short-term loans payable	1,320,861	933,100	775,555	501,055	497,208	351,841	256,652	247,656	282,524	242,267
Commercial papers	141,200	139,200	29,200	10,000	25,000	35,000	10,000	2,000	2,000	2,000
Current portion of bonds	38,858	43,050	9,358	896	75,100	42,136	40,120	60,000	35,000	30,000
Income taxes payable	7,788	7,644	7,774	8,811	8,246	7,230	5,949	6,591	8,850	5,407
Deferred tax liabilities	257	422	41	34	53	597	44	146	87	245
Provision for bonuses	3,108	4,234	5,148	7,412	7,686	5,503	5,497	5,845	6,254	6,154
Other	220,979	154,515	138,198	159,778	191,161	178,734	145,801	153,321	150,906	136,238
Total current liabilities	2,212,318	1,754,681	1,416,716	1,219,497	1,383,451	1,039,857	841,533	890,544	947,422	859,010
Noncurrent liabilities										
Bonds payable	61,167	16,048	99,036	245,540	141,496	155,120	123,647	82,719	80,000	60,000
Long-term loans payable	430,640	296,927	473,109	560,187	560,281	702,861	763,098	723,926	691,018	715,478
Deferred tax liabilities	10,463	7,544	13,553	13,078	16,685	15,528	14,743	19,009	20,596	19,509
Deferred tax liabilities for land revaluation	-	-	445	1,238	1,193	1,045	944	774	696	-
Provision for retirement benefits	7,928	29,046	25,558	22,526	19,410	16,174	13,280	13,136	14,232	14,998
Provision for directors' retirement benefits	-	-	-	1,394	958	872	931	833	648	630
Other	26,259	30,639	29,185	24,409	25,548	25,994	25,336	30,505	35,509	34,244
Total noncurrent liabilities	536,459	380,206	640,887	868,374	765,572	917,597	941,981	870,905	842,702	844,862
Total liabilities	2,748,778	2,134,887	2,057,603	2,087,872	2,149,024	1,957,454	1,783,514	1,761,449	1,790,125	1,703,872
Shareholders' equity	392,391	331,674	389,677	428,464	451,619	454,491	458,819	471,688	464,026	470,808
Capital stock	150,606	336,122	130,549	122,790	160,339	160,339	160,339	160,339	160,339	160,339
Capital surplus	346,619	487,686	166,754	158,593	152,160	152,160	152,160	152,160	152,160	152,160
Retained earnings	(104,802)	(492,048)	92,487	147,206	139,264	142,157	146,489	159,358	151,706	158,488
Treasury stock	(32)	(86)	(113)	(126)	(145)	(166)	(169)	(170)	(179)	(179)
Accumulated Other Comprehensive Income	(76,156)	(51,433)	37,273	60,122	24,412	(135,500)	(106,402)	(141,659)	(158,121)	(117,272)
Valuation difference on available-for-sale securities	16,692	32,629	90,547	94,316	60,280	6,236	14,845	12,310	7,626	13,710
Deferred gains or losses on hedges	-	-	-	623	1,345	1,510	2,357	3,022	935	(104)
Revaluation reserve for land	(5,469)	(4,869)	(2,619)	(1,935)	(2,530)	(1,907)	(2,055)	(2,302)	(2,120)	3
Foreign currency translation adjustment	(87,379)	(79,193)	(50,655)	(32,882)	(34,684)	(141,340)	(121,550)	(153,984)	(163,686)	(129,496)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	-	-	-	-	-	-	-	(706)	(875)	(1,385)
Minority interests	12,009	33,349	37,125	43,048	44,296	36,512	24,987	25,481	24,565	29,000
Total net assets	328,244	313,590	464,076	531,635	520,327	355,503	377,404	355,510	330,471	382,537
Total liabilities and net assets	3,077,022	2,448,478	2,521,679	2,619,507	2,669,352	2,312,958	2,160,918	2,116,960	2,120,596	2,086,410

Change of Consolidated Statements of Income (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net sales	5,861,737	4,675,903	4,972,059	5,218,153	5,771,028	5,166,182	3,844,418	4,014,639	4,494,237	3,955,907
Cost of sales	(5,612,714)	(4,431,656)	(4,729,892)	(4,963,686)	(5,493,296)	(4,930,564)	(3,666,215)	(3,821,914)	(4,262,671)	(3,763,842)
Gross profit	249,022	244,247	242,166	254,466	277,732	235,618	178,203	192,725	231,566	192,064
Selling, general and administrative expenses	(189,074)	(178,725)	(165,964)	(176,533)	(185,368)	(183,611)	(162,074)	(155,205)	(167,044)	(158,759)
Operating income	59,948	65,521	76,202	77,932	92,363	52,006	16,128	37,519	64,522	33,305
Interest income	24,572	18,431	13,213	14,995	13,715	9,597	4,632	4,308	5,994	4,924
Dividends income	4,543	3,653	6,816	6,052	5,004	8,349	5,040	4,081	4,978	2,587
Equity in earnings of affiliates	5,929	10,741	19,149	23,752	28,911	2,455	9,179	19,297	12,566	15,588
Gain on sales of investment securities	6,231	2,382	2,042	1,872	61	-	-	-	-	-
Penalty income	-	-	-	-	-	-	3,802	-	-	-
Other	16,992	16,439	18,496	15,357	13,402	9,574	14,591	16,285	13,603	11,443
Total non-operating income	58,269	51,648	59,718	62,030	61,095	29,977	37,245	43,973	37,142	39,952
Interest expenses	(53,590)	(45,833)	(38,571)	(38,332)	(33,101)	(29,145)	(25,808)	(23,917)	(24,212)	(21,021)
Interest on commercial papers	(2,085)	(2,920)	(1,572)	(89)	(183)	(306)	(178)	(18)	(5)	(4)
Foreign exchange losses	-	-	-	-	(5,664)	(5,243)	-	(2,848)	(145)	-
Other	(14,081)	(10,328)	(17,003)	(12,005)	(13,030)	(13,651)	(13,685)	(9,392)	(11,765)	(7,185)
Total non-operating expenses	(69,757)	(59,082)	(57,147)	(50,427)	(51,979)	(48,347)	(39,672)	(36,176)	(39,436)	(38,779)
Ordinary Income	48,461	58,088	78,773	89,535	101,480	33,636	13,702	45,316	62,228	34,478
Extraordinary income/losses - net	(90,563)	(438,167)	(9,358)	(1,449)	(13,135)	3,434	5,192	(6,004)	(775)	(2,759)
Income before income taxes and minority interests	(42,101)	(380,079)	69,414	88,085	88,344	37,070	18,894	39,312	61,454	31,719
Income taxes-current	(12,282)	(11,331)	(16,484)	(18,841)	(20,118)	(19,229)	(8,562)	(11,400)	(18,482)	(11,441)
Income taxes-deferred	23,058	(18,287)	(5,840)	(4,971)	(2,062)	2,490	294	(9,103)	(43,821)	(2,012)
Income before minority interests	-	-	-	-	-	-	-	18,808	(850)	18,265
Minority interests in income	(2,282)	(2,778)	(3,383)	(5,506)	(3,469)	(1,330)	(1,832)	(2,826)	(2,799)	(4,002)
Net income	(33,609)	(412,475)	43,706	58,766	62,693	19,001	8,794	15,981	(3,649)	14,263
										(Billions of yen)
Core earnings	41.9	51.4	78.5	89.8	110.7	48.3	14.4	41.9	65.0	35.4

Core earnings = Operating income (before allowance for doubtful receivables and write-offs) + Interest expense-net + Dividends received + Equity in earnings of affiliates

Change of Consolidated Statements of Comprehensive Income (JGAAP)

(Millions of Yen)

	FY2009	FY2010	FY2011	FY2012
Income before minority interests	10,626	18,808	(850)	18,265
Other comprehensive income	29,563	(35,462)	(16,772)	38,585
Valuation difference on available-for-sale securities	3,786	(1,557)	(2,802)	5,216
Deferred gains or losses on hedges	641	1,165	(1,899)	1,277
Revaluation reserve for land	-	-	77	-
Foreign currency translation adjustment	14,217	(26,545)	(1,302)	20,417
Unfunded retirement benefit obligation with respect to foreign consolidated companies	63	129	(184)	(201)
Share of other comprehensive income of associates accounted for using equity	10,854	(8,654)	(10,660)	11,875
comprehensive income	40,189	(16,653)	(17,622)	56,851
(comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	37,869	(18,317)	(20,212)	49,939
Comprehensive income attributable to minority interests	2,319	1,663	2,589	6,911

Change of Consolidated Statements of Cash Flows (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net cash provided by (used in) operating activities										
Income before income taxes and minority interests	(42,101)	(380,079)	69,414	88,085	88,344	37,070	18,894	39,312	61,454	31,719
Depreciation and amortization	33,557	24,784	25,958	23,928	28,844	26,698	23,196	24,096	33,289	30,944
Impairment loss	-	-	2,022	3,393	6,994	12,151	9,402	9,687	6,101	11,893
Loss on valuation of investment securities	8,998	13,415	950	3,957	6,085	15,132	16,543	801	2,640	1,530
Amortization of goodwill	-	-	-	4,016	3,564	5,119	4,443	4,548	4,998	4,774
Increase (decrease) in allowance for doubtful accounts	23,570	64,121	(110,810)	(6,148)	(41,067)	(16,127)	(3,977)	1,619	(15,162)	(3,590)
Increase (decrease) in provision for retirement benefits	-	(7,843)	(3,630)	(3,015)	(2,926)	(2,088)	(3,296)	901	1,130	1,744
Interest and dividends income	(29,116)	(22,084)	(20,030)	(21,048)	(18,719)	(17,947)	(9,672)	(8,390)	(10,972)	(7,512)
Interest expenses	55,675	48,754	40,143	38,421	33,284	29,452	25,987	23,936	24,217	21,026
Foreign exchange losses (gains)	-	(322)	320	3	5,053	5,294	(1,832)	3,907	445	(9,447)
Equity in (earnings) losses of affiliates	(5,929)	(10,741)	(19,149)	(23,752)	(28,911)	(2,455)	(9,179)	(19,297)	(12,566)	(15,588)
Loss (gain) on sales of investment securities	(21,945)	360	(4,025)	(14,787)	(9,265)	(30,217)	(32,375)	(755)	(9,286)	(10,255)
Loss (gain) on sales and retirement of noncurrent assets	4,317	95,495	(2,238)	(9,452)	285	(6,263)	(990)	(4,386)	(2,393)	(2,632)
Loss (gain) on step acquisitions	-	-	-	-	-	-	-	(10,307)	(194)	-
Decrease (increase) in notes and accounts receivable-trade	101,743	7,171	26,492	(62,697)	(26,135)	118,034	57,221	(30,328)	(19,910)	35,621
Decrease (increase) in inventories	52,938	45,102	(8,492)	(99,052)	(108,510)	10,703	80,618	(6,997)	(25,494)	(13,210)
Increase (decrease) in notes and accounts payable-trade	(49,161)	(15,770)	(34,978)	78,685	55,154	(108,118)	(46,575)	52,368	47,570	(21,792)
Other, net	(13,649)	156,538	116,555	39,759	62,223	43,779	(2,433)	8,790	27,277	17,224
Subtotal	118,898	18,905	78,502	40,296	54,297	120,218	125,972	89,506	113,145	72,448
Interest and dividends income received	39,428	22,006	21,761	22,693	34,621	30,871	18,120	13,172	18,933	18,757
Interest expenses paid	(58,914)	(49,858)	(40,673)	(37,868)	(33,408)	(29,016)	(26,379)	(24,013)	(23,883)	(21,588)
Payments for loss on litigation	-	-	-	-	-	-	-	-	-	(3,082)
Income taxes paid	(12,252)	(10,827)	(16,434)	(18,081)	(20,102)	(18,344)	(10,490)	(10,801)	(16,593)	(15,011)
Net cash provided by (used in) operating activities	87,160	(19,774)	43,155	7,040	35,407	103,729	107,222	67,863	91,600	51,524
Net cash provided by (used in) investing activities										
Decrease (increase) in time deposits	(15,090)	9,832	2,541	9,392	(268)	3,862	(301)	5,591	(11,048)	7,790
Decrease (increase) in short-term investment securities	6,687	18,111	(1,151)	84	(190)	1,420	292	(344)	623	37
Purchase of property, plant and equipment	(10,848)	(8,358)	(25,518)	(28,774)	(40,354)	(43,718)	(21,189)	(27,252)	(35,745)	(26,886)
Proceeds from sales of property, plant and equipment	3,794	77,419	16,462	38,255	7,969	16,452	5,443	6,654	13,419	15,306
Purchase of intangible assets	-	-	-	-	-	(21,821)	(7,264)	(21,195)	(8,698)	(11,802)
Purchase of investment securities	(11,590)	(17,936)	(24,380)	(35,763)	(48,013)	(35,104)	(19,098)	(20,647)	(10,025)	(3,085)
Proceeds from sales and redemption of investment securities	79,691	80,361	59,272	46,480	40,234	51,925	66,099	14,228	19,402	18,484
Decrease (increase) in short-term loans receivable	30,625	58,176	27,022	36,315	13,891	13,355	4,857	3,049	3,745	3,453
Payments of long-term loans receivable	(35,559)	(8,180)	(9,717)	(22,914)	(7,136)	(2,360)	(2,263)	(4,481)	(13,548)	(11,697)
Collection of long-term loans receivable	24,410	26,810	37,546	8,576	2,361	3,085	1,785	11,173	1,489	2,412
Net increase(decrease) from purchase of consolidated subsidiaries	(2,756)	(2,013)	(296)	(4,408)	(8,156)	(5,692)	23	2,551	(2,340)	(5,624)
Net increase(decrease) from sale of consolidated subsidiaries	(2,736)	(1,223)	937	3	(109)	65	(49)	(460)	(707)	1,530
Other, net	6,400	8,109	16,436	(4,541)	(28,951)	1,331	103	11,229	1,144	(3,500)
Net cash provided by (used in) investing activities	73,030	241,109	99,155	42,706	(68,723)	(17,198)	28,439	(19,903)	(42,287)	(13,580)
Free Cash Flow	160,190	221,335	142,310	49,746	(33,316)	86,531	135,661	47,960	49,313	37,944
Net cash provided by (used in) financing activities										
Net increase (decrease) in short-term loans payable	(189,312)	85,255	(233,618)	(201,386)	(54,258)	(57,272)	(41,620)	(49,686)	3,433	(9,419)
Net increase (decrease) in commercial papers	119,600	(2,000)	(110,000)	(19,200)	15,000	10,000	(25,000)	(8,000)	-	-
Proceeds from long-term loans payable	176,441	203,706	487,025	274,898	211,648	308,571	244,907	167,047	128,061	236,109
Repayment of long-term loans payable	(409,663)	(487,734)	(262,600)	(266,922)	(154,977)	(234,144)	(240,962)	(155,603)	(133,646)	(247,581)
Proceeds from issuance of bonds	47,225	9,998	154,872	374,626	45,905	55,686	-	19,900	39,800	9,953
Redemption of bonds	(85,794)	(40,088)	(46,030)	(12,668)	(999)	(75,212)	(33,489)	(41,047)	(67,719)	(35,000)
Proceeds from issuance of common stock/preferred stock	272,223	19,389	-	-	-	-	-	-	-	-
Repurchase of preferred stock	-	-	(44,000)	(240,920)	(102,000)	-	-	-	-	-
Proceeds from stock issuance to minority shareholders	510	155	56	474	922	522	13	463	66	68
Purchase of treasury stock	(46)	(32)	(26)	(11)	(18)	(20)	(1)	(1)	(9)	(0)
Cash dividends paid	-	-	-	-	(12,322)	(11,125)	(4,339)	(1,876)	(3,753)	(3,753)
Cash dividends paid to minority shareholders	(359)	(913)	(805)	(1,621)	(1,817)	(2,513)	(1,374)	(1,924)	(1,416)	(1,382)
Other, net	572	-	(678)	(2,744)	(806)	(450)	(730)	(1,325)	(1,193)	(1,732)
Net cash provided by (used in) financing activities	(68,602)	(212,264)	(55,805)	(95,476)	(53,723)	(5,958)	(102,597)	(72,054)	(36,376)	(52,737)
Effect of exchange rate change on cash and cash equivalents	(5,630)	(882)	11,921	3,419	(4,289)	(40,332)	6,825	(14,470)	(923)	11,890
Net increase (decrease) in cash and cash equivalents	85,958	8,188	98,426	(42,310)	(91,328)	40,241	39,890	(38,564)	12,012	(2,902)
Cash and cash equivalents at beginning of period	310,441	401,240	409,266	506,254	464,273	373,883	414,419	454,262	415,261	427,274
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	4,840	(162)	(1,438)	329	939	294	(48)	(436)	-	-
Cash and cash equivalents	401,240	409,266	506,254	464,273	373,883	414,419	454,262	415,261	427,274	424,371