

# Highlights of Consolidated Financial Results for the Year ended March 31, 2015 (IFRS)

May 7, 2015  
Sojitz Corporation

## Results Highlights

◆ In the year ended March 31, 2015, the final year of Medium-term Management Plan 2014: Change for Challenge, we witnessed political unrest in certain countries and regions, and factors such as this caused concern for the possibility of an economic downturn. However, the global economy on the whole experienced a modest recovery trend focused on the United States. Sojitz's net sales (JGAAP) for the year ended March 31, 2015, were up due to a rise in revenues in the Machinery Division following an increase in plant- and aircraft-related transactions. This increase outweighed the decline in revenues in the Consumer Lifestyle Business Division that stemmed from lower transaction volumes for tobacco.

Gross profit was down as a result of lower earnings from the Consumer Lifestyle Business Division due in a part to a decline in the profits from overseas fertilizer businesses. However, profit for the year attributable to owners of the Company rose because of an improvement in the balance of other income and expenses.

(Figures in parentheses are year-on-year changes)

Net sales (JGAAP) 4,105.3 billion yen (+58.7 billion yen / +1.5%)

- Increase in net sales in the Machinery Division due to higher plant- and aircraft-related transactions

- Decrease in net sales in the Consumer Lifestyle Business Division due to lower transaction volumes for tobacco

Gross profit 197.7 billion yen ((0.5) billion yen / (0.3%))

- Decrease in gross profit in the Consumer Lifestyle Business Division due to lower profits from overseas fertilizer businesses

- Increase in gross profit in the Machinery Division due to the acquisition of a U.S. automobile dealership business and higher aircraft-related transactions

Operating profit 33.6 billion yen (+9.9 billion yen / +41.6%)

- Increase in operating profit for the year because the improved balance of other income and expenses offset the decline in gross profit

Profit for the year (attributable to owners of the Company)

33.1 billion yen (+5.8 billion yen / +21.4%)

- Increase in operating profit

◆ Cash dividend per share for the fiscal year ended March 31, 2015

Year-end 3.50 yen per share

Full year 6.00 yen per share

◆ Earnings forecast for the fiscal year ending March 31, 2016

Net sales (JGAAP) 4,400.0 billion yen

Operating profit 40.5 billion yen

Profit before tax 58.5 billion yen

Profit for the year (attributable to owners of the Company) 40.0 billion yen

(Assumptions)

Exchange rate (annual average: JPY/US\$) : 120

Crude oil price (US\$/BBL) : 60 (Brent)

◆ Cash dividend per share for the fiscal year ending March 31, 2016

Interim 4.00 yen per share (forecast)

Year-end 4.00 yen per share (forecast)

\*1 Net sales (JGAAP) 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 or agent. It is not to be construed as equivalent to, or a substitute for, revenues under IFRS.

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

\*3 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.

## Consolidated Statements of Profit or Loss

				(Billions of Yen)			
	FY2014 Results a	FY2013 Results b	Difference a-b	Reasons for the difference	FY2014 Forecast c	Percentage Achieved a/c	FY2015 Forecast
<b>Net sales (JGAAP) *1</b>	4,105.3	4,046.6	58.7	Net sales (JGAAP): change in segment Machinery +125.7 Energy & Metal (4.7) Chemicals +31.4 Consumer Lifestyle Business (76.7)	4,230.0	97%	4,400.0
<b>Gross profit</b>	197.7	198.2	-0.5	Gross profit: change in segment Machinery +1.8 Energy & Metal (1.4) Chemicals +0.7 Consumer Lifestyle Business (2.5)	206.0	96%	215.0
Gross profit margin	4.82%	4.90%	(0.08)%		(4.87%)		(4.89%)
<b>Selling, general and administrative expenses</b>							
Personnel expenses	(81.6)	(79.5)	(2.1)				
Non-personnel expenses	(62.7)	(64.7)	2.0				
Depreciation	(6.0)	(6.3)	0.3				
Provision of allowance for doubtful accounts	0.5	(1.1)	1.6				
(Total selling, general and administrative expenses)	(149.8)	(151.6)	1.8		(156.0)		(167.0)
<b>Other income/expenses</b>							
Gain/loss on sale and disposal of fixed assets, net	1.1	6.1	(5.0)				
Impairment loss on fixed assets	(17.4)	(19.5)	2.1	Impairment of ferroalloy and oil field interests			
Gain on sale of subsidiaries/associates	1.8	1.7	0.1				
Loss on reorganization of subsidiaries/associates	(2.1)	(2.7)	0.6				
Other operating income/expenses	2.3	(8.5)	10.8	Decreases in losses regard to overseas automotive subsidiary			
(Total other income/expenses)	(14.3)	(22.9)	8.6		(10.0)		(7.5)
<b>Operating profit</b>	33.6	23.7	9.9		40.0	84%	40.5
<b>Financial income/costs</b>							
Interest earned	4.8	5.4	(0.6)				
Interest expenses	(19.0)	(19.9)	0.9				
(Interest expenses, net)	(14.2)	(14.5)	0.3				
Dividends received	4.5	3.8	0.7				
Other financial income/costs	0.1	0.0	0.1				
(Financial income/costs, net)	(9.6)	(10.7)	1.1		(11.5)		(10.0)
Share of profit (loss) of investments accounted for using the equity method	28.6	31.0	(2.4)		26.5		28.0
<b>Profit before tax</b>	52.6	44.0	8.6		55.0	96%	58.5
<b>Income tax expenses</b>	(14.9)	(11.9)	(3.0)		(17.5)		(14.0)
<b>Profit for the year</b>	37.7	32.1	5.6		37.5	101%	44.5
<b>(Profit attributable to)</b>							
Owners of the Company	33.1	27.3	5.8		33.0	100%	40.0
Non-controlling interests	4.6	4.8	(0.2)		4.5		4.5
<b>Revenue</b>	1,809.7	1,803.1	6.6				
<b>Core earnings *2</b>	66.3	68.0	(1.7)		65.0		66.0

## Comprehensive Income

	(Billions of Yen)		
	FY2014 Results a	FY2013 Results b	Difference a-b
<b>Profit for the year</b>	37.7	32.1	5.6
<b>Other comprehensive income</b>	77.3	56.4	20.9
Total comprehensive income for the year	115.0	88.5	26.5
<b>Comprehensive income attributable to:</b>			
Owners of the Company	107.4	82.2	25.2
Non-controlling interests	7.6	6.3	1.3

## Cash Flows

	(Billions of Yen)	
	FY2014 Results	FY2013 Results
<b>Cash flows from operating activities</b>	39.1	47.0
<b>Cash flows from investing activities</b>	(13.8)	(24.5)
<b>Free cash flows</b>	25.3	22.5
<b>Cash flows from financing activities</b>	(42.6)	(30.9)
<b>Cash and cash equivalents at the end of the year</b>	403.7	420.7

## Consolidated Statements of Financial Position

	(Billions of Yen)			Reasons for the difference
	Mar. 31, 2015 d	Mar. 31, 2014 e	Difference d-e	
<b>Current assets</b>	1323.5	1321.8	1.7	
Cash and cash equivalents	403.7	420.7	(17.0)	
Time deposits	5.5	4.4	1.1	
Trade and other receivables	559.3	524.8	34.5	Increase due to higher transactions for automobiles and soybeans
Inventories	270.3	302.0	(31.7)	Decrease due to lower procurement volume of tobacco
Other current assets	84.7	69.9	14.8	
<b>Non-current assets</b>	973.9	898.4	75.5	
Property, plant and equipment	217.9	213.9	4.0	Increase due to rise in assets for domestic solar power generation businesses
Goodwill	50.2	46.3	3.9	
Intangible assets	53.9	61.0	(7.1)	Decrease following impairment losses related to ferroalloy interests
Investment property	19.5	25.3	(5.8)	
Investments accounted for using the equity method	568.9	470.4	98.5	Increase due to rise in share of profit of investments accounted for using the equity method and change in stock prices
Other non-current assets	63.5	81.5	(18.0)	
<b>Total assets</b>	2,297.4	2,220.2	77.2	
<b>Current liabilities</b>	780.7	811.8	(31.1)	
Trade and other payables	490.9	514.6	(23.7)	Decrease due to lower procurement volume of tobacco
Bonds and borrowings	208.4	227.2	(18.8)	Decrease due to repayment
Other current liabilities	81.4	70.0	11.4	
<b>Non-current liabilities</b>	926.1	915.4	10.7	
Bonds and borrowings	830.4	838.1	(7.7)	Decrease due to transference of certain bonds and borrowings to current liabilities
Retirement benefits liabilities	17.9	16.9	1.0	
Other non-current liabilities	77.8	60.4	17.4	
<b>Total liabilities</b>	1,706.8	1,727.2	(20.4)	
Share capital	160.3	160.3	-	
Capital surplus	146.5	146.5	0.0	
Treasury stock	(0.2)	(0.1)	(0.1)	
Other components of equity	194.6	119.6	75.0	Increase due to change in stock prices and foreign exchange rates
Retained earnings	49.7	33.6	16.1	Profit for the year +33.1, Hyperinflation (11.8), dividends (5.6)
Total equity attributable to owners of the Company	550.9	459.9	91.0	
Non-controlling interests	39.7	33.1	6.6	
<b>Total equity</b>	590.6	493.0	97.6	
<b>Total liabilities and equity</b>	2,297.4	2,220.2	77.2	

Gross interest-bearing debt	1,038.8	1,065.3	(26.5)
Net interest-bearing debt	629.6	640.2	(10.6)
Net debt/equity ratio (times)*	1.14	1.39	(0.25)
Equity ratio *	24.0%	20.7%	3.3%
Current ratio	169.5%	162.8%	6.7%
Long-term debt ratio	79.9%	78.7%	1.2%

\* "Total equity attributable to owners of the Company" is as recognized as "Total equity", and is also used in the denominator of "Net debt/equity ratio" and the numerator of "Equity ratio".



# Highlights of Consolidated Financial Results for the Year Ended March 31, 2015 (IFRS) - Supplementary Material (1)

May 7, 2015  
Sojitz Corporation

(Billions of Yen)

## Operating Results

	FY 2014 Results	FY 2013 Results	Difference	FY 2014 Forecast (Feb. 5, 2015)	Percentage Achieved (vs Forecast)
<b>Net sales (JGAAP) *1</b>	<b>4,105.3</b>	<b>4,046.6</b>	+ 58.7	<b>4,230.0</b>	97.1%
<b>Gross profit</b>	<b>197.7</b>	<b>198.2</b>	( 0.5)	<b>206.0</b>	96.0%
Gross profit margin	(4.82%)	(4.90%)	((0.08)%)	(4.87%)	
Machinery	72.4	70.6	+ 1.8	77.0	94.0%
Energy & Metal	22.3	23.7	( 1.4)	22.0	101.4%
Chemicals	39.1	38.4	+ 0.7	39.0	100.3%
Consumer Lifestyle Business	53.8	56.3	( 2.5)	58.0	92.8%
Other	10.1	9.2	+ 0.9	10.0	101.0%
Selling, general and administrative expenses	(149.8)	(151.6)	+ 1.8	(156.0)	
Other income/expenses	(14.3)	(22.9)	+ 8.6	(10.0)	
<b>Operating profit</b>	<b>33.6</b>	<b>23.7</b>	+ 9.9	<b>40.0</b>	84.0%
Financial income/costs	(9.6)	(10.7)	+ 1.1	(11.5)	
Shares of profit (loss) of investments accounted for using the equity method	28.6	31.0	( 2.4)	26.5	
<b>Profit before tax</b>	<b>52.6</b>	<b>44.0</b>	+ 8.6	<b>55.0</b>	95.6%
<b>Profit for the year</b>	<b>37.7</b>	<b>32.1</b>	+ 5.6	<b>37.5</b>	100.5%
<b>Attributable to owners of the company</b>	<b>33.1</b>	<b>27.3</b>	+ 5.8	<b>33.0</b>	100.3%
Machinery	10.3	(2.3)	+ 12.6	5.0	206.0%
Energy & Metal	0.8	4.5	( 3.7)	14.5	5.5%
Chemicals	6.3	7.9	( 1.6)	7.0	90.0%
Consumer Lifestyle Business	6.8	17.2	( 10.4)	8.5	80.0%
Other	8.9	0.0	+ 8.9	(2.0)	-
Non-controlling interests	4.6	4.8	( 0.2)	4.5	
Core earnings *2	66.3	68.0	( 1.7)	65.0	
Revenue	1,809.7	1,803.1	+ 6.6		
Comprehensive income attributable to owners of the Company	107.4	82.2	+ 25.2		

\*1 Net sales (JGAAP) 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 or agent. It is not to be construed as equivalent to, or a substitute for, revenues under IFRS.

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

(Billions of Yen)

## Financial Position

	Mar. 31, 2015	Mar. 31, 2014	Difference	FY 2014 Forecast (Feb. 5, 2015)
<b>Total assets</b>	<b>2,297.4</b>	<b>2,220.2</b>	+ 77.2	<b>2,350.0</b>
<b>Total equity *3</b>	<b>550.9</b>	<b>459.9</b>	+ 91.0	<b>550.0</b>
<b>Equity ratio</b>	<b>24.0%</b>	<b>20.7%</b>	+ 3.3%	<b>23.4%</b>
<b>Net interest-bearing debt</b>	<b>629.6</b>	<b>640.2</b>	( 10.6)	<b>620.0</b>
<b>Net D/E ratio (times)</b>	<b>1.14</b>	<b>1.39</b>	( 0.25)	<b>1.13</b>
<b>Risk assets</b>	<b>320.0</b>	<b>350.0</b>	( 30.0)	-
<b>Ratio of risk assets to equity (times)</b>	<b>0.6</b>	<b>0.8</b>	( 0.2)	-

\*3 The "Total equity attributable to owners of the Company" is recognized as the "Total equity" in bold letters above, and is also used in the denominator of the "Net D/E ratio" and the numerator of the "Equity ratio".

\*4 Caution regarding forward-looking statements

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## Main Factors Behind Year on Year Changes

### ● Machinery Division

Gross profit rose as plant-related and used aircraft sales and other aircraft-related transactions increased. Profit for the year showed a substantial increase due to the absence of losses recorded in the Central and South American automotive business in the previous fiscal year.

### ● Energy & Metal Division

Gross profit decreased due to the negative impacts of the drop in prices for crude oil and coal. Profit for the year was also down as a result of recording impairment losses with regard to ferroalloy and oil interests.

### ● Chemicals Division

Gross profit increased as a result of higher transaction volumes for plastic resins and the benefits of the depreciated yen. However, profit for the year was down as a result of loss recorded in relation to withdrawing from an unprofitable business.

### ● Consumer Lifestyle Business Division

Gross profit was down due to lower lumber-related transaction volumes, and profit for the year decreased due in part to a decline in share of profit of investments accounted for using the equity method.

### ● Other

Gross profit increased due to contributions from real estate related businesses including real estate investment trust operations. Profit for the year showed substantial growth due to a one-time income related to a liquidation of an affiliated company.

## Main Factors Behind Differences between Results and Forecast for FY2014

### ● Machinery Division

Profit for the year greatly exceeded full-year forecasts due in part to the large quantity of plant-related and used aircraft sales and other aircraft-related transactions. Another contribution came from the fact that the loss incurred in the Central and South American automotive business was less than initially expected.

### ● Energy & Metal Division

Despite the strong performance of a steel product-related affiliate and an LNG-related affiliate in the first half of the fiscal year, profit for the year fell significantly below full-year forecasts as a result of recording impairment losses in the fourth quarter with regard to ferroalloy and oil interests, due to a drop in prices of crude oil, coal and ferroalloys in the second half of the fiscal year.

### ● Chemicals Division

Gross profit increased as a result of higher transaction volumes for chemicals and plastic resins in Asia. However, profit for the year fell below full-year forecasts as a result of the impact of recording a loss in relation to withdrawing from an unprofitable business.

### ● Consumer Lifestyle Business Division

Despite the brisk performance of food-related businesses and overseas fertilizer businesses, profit for the year was lower than projected in full-year forecasts as a result of a slump in lumber-related transactions

### ● Other

Profit for the year greatly exceeded full-year forecasts due to higher real estate-related revenues coupled with a one-time income related to the liquidation of an affiliated company.

## Commodity Prices and Exchange Rates

	FY 2013 Results (Annual Avg.)	FY 2014 Results (Annual Avg.)	FY 2014 Results (Jan.-Mar. '15 Avg.)
<b>Crude oil (Brent) **1</b>	\$107.5/bbl	\$85.5/bbl	\$53.9/bbl
<b>Thermal coal **2</b>	\$89.5/t	\$72.3/t	\$65.6/t
<b>Molybdenum</b>	\$10.0/lb	\$11.0/lb	\$8.5/lb
<b>Nickel **3</b>	\$6.8/lb	\$7.7/lb	\$7.2/lb
<b>Exchange rate **4</b>	¥100.5/\$	¥110.6/\$	¥119.2/\$

\*\*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion.

\*\*2 Actual thermal coal prices are the general trading price based on market data.

\*\*3 The price assumptions of nickel is based on the annual average from Jan. to Dec.

\*\*4 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.4 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.2 billion annually, and total equity by approx. ¥2.0 billion annually.



# Highlights of Consolidated Financial Results for the Year Ended March 31, 2015 (IFRS) - Supplementary Material (2)

May 7, 2015  
Sojitz Corporation

## Business Performance

(Billions of Yen)

	FY 2014 Results	FY 2015 Forecast	Difference
<b>Net sales (JGAAP) *1</b>	<b>4,105.3</b>	<b>4,400.0</b>	+ 294.7
<b>Gross profit</b>	<b>197.7</b>	<b>215.0</b>	+ 17.3
Gross profit margin	(4.82%)	(4.89%)	(+0.07%)
Selling, general and administrative expenses	(149.8)	(167.0)	(17.2)
Other income/expenses	(14.3)	(7.5)	+ 6.8
<b>Operating profit</b>	<b>33.6</b>	<b>40.5</b>	+ 6.9
Financial 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)
<b>Profit before tax</b>	<b>52.6</b>	<b>58.5</b>	+ 5.9
<b>Profit for the year</b>	<b>37.7</b>	<b>44.5</b>	+ 6.8
<b>Attributable to owners of the Company</b>	<b>33.1</b>	<b>40.0</b>	+ 6.9
Non-controlling interests	4.6	4.5	(0.1)
Core earnings *2	66.3	66.0	(0.3)

\*1 Net sales (JGAAP) 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 or agent. It is not to be construed as equivalent to, or a substitute for, revenues under IFRS.

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

## Segment Information

(Billions of Yen)

Current Segment <Nine Divisions>	Profit for the year*4	Profit for the year*4
	FY 2014 Results *5	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)
<b>Total</b>	<b>33.1</b>	<b>40.0</b>

\*4 Profit attributable to owners of the Company

\*5 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.

## FY 2015 Current Position and Outlook

<b>Automotive</b>	• Losses in Central and South American automotive business are expected to decline while new investments and loans generate increased profits.
<b>Aerospace &amp; IT Business</b>	• Transactions in new aircraft-related businesses are forecast to increase.
<b>Infrastructure &amp; Environment Business</b>	• New businesses, such as renewable energy-related businesses and transportation and infrastructure-related businesses, are expected to generate increased profits. In addition, new investments and loans are forecast to be implemented.
<b>Energy</b>	• The impairment losses recorded with regard to certain oil interests in the year ended March 31, 2015 will be absent, but the performance of an LNG-related affiliate will be impacted by the drop in crude oil prices.
<b>Metals &amp; Coal</b>	• The impairment losses recorded with regard to ferroalloy interests in the year ended March 31, 2015 will be absent, and certain nonferrous metal interests will see improved performance.
<b>Chemicals</b>	• Higher chemical and plastic resin transactions in Asia and the Americas are expected along with increased profits from previously implemented investments and loans.
<b>Foods &amp; Agriculture Business</b>	• Profits are forecast to increase due to improvements in the performance of grain businesses.
<b>Lifestyle Commodities &amp; Materials</b>	• Lumber-related transactions and other existing businesses are forecast to recover from the slump experienced in the year ended March 31, 2015.
<b>Retail</b>	• Food-related businesses are expected to see increased profits, but performance will be impacted by the rebound from the gain on sale of investment property recorded in the year ended March 31, 2015.
<b>Other</b>	• Costs related to asset replacement are expected.

## Financial Position

(Billions of Yen)

	Mar. 31, 2015	Mar. 31, 2016 Forecast	Difference
<b>Total assets</b>	<b>2,297.4</b>	<b>2,400.0</b>	+ 102.6
<b>Total equity *3</b>	<b>550.9</b>	<b>580.0</b>	+ 29.1
<b>Equity ratio</b>	<b>24.0%</b>	<b>24.2%</b>	+ 0.2%
<b>Net interest-bearing debt</b>	<b>629.6</b>	<b>680.0</b>	+ 50.4
<b>Net D/E ratio (times)</b>	<b>1.14</b>	<b>1.20</b>	+ 0.06
<b>Risk assets</b>	<b>320.0</b>	-	-
<b>Ratio of risk assets to equity (times)</b>	<b>0.6</b>	-	-

\*3 The "Total equity attributable to owners of the Company" is recognized as the "Total equity" in bold letters above, and is also used in the denominator of the "Net D/E ratio" and the numerator of the "Equity ratio".

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## Commodity Prices and Exchange Rates

	FY 2015 Initial Assumption (Annual Avg.)	Latest (As of Apr. 30, 2015)
<b>Crude oil (Brent) **1</b>	\$60/bbl	\$66.8/bbl
<b>Thermal coal **2</b>	\$68/t	\$67.8/t
<b>Molybdenum</b>	\$8.5/lb	\$7.6/lb
<b>Nickel **3</b>	\$7.0/lb	\$6.3/lb
<b>Exchange rate **4</b>	¥120/\$	¥119.0/\$

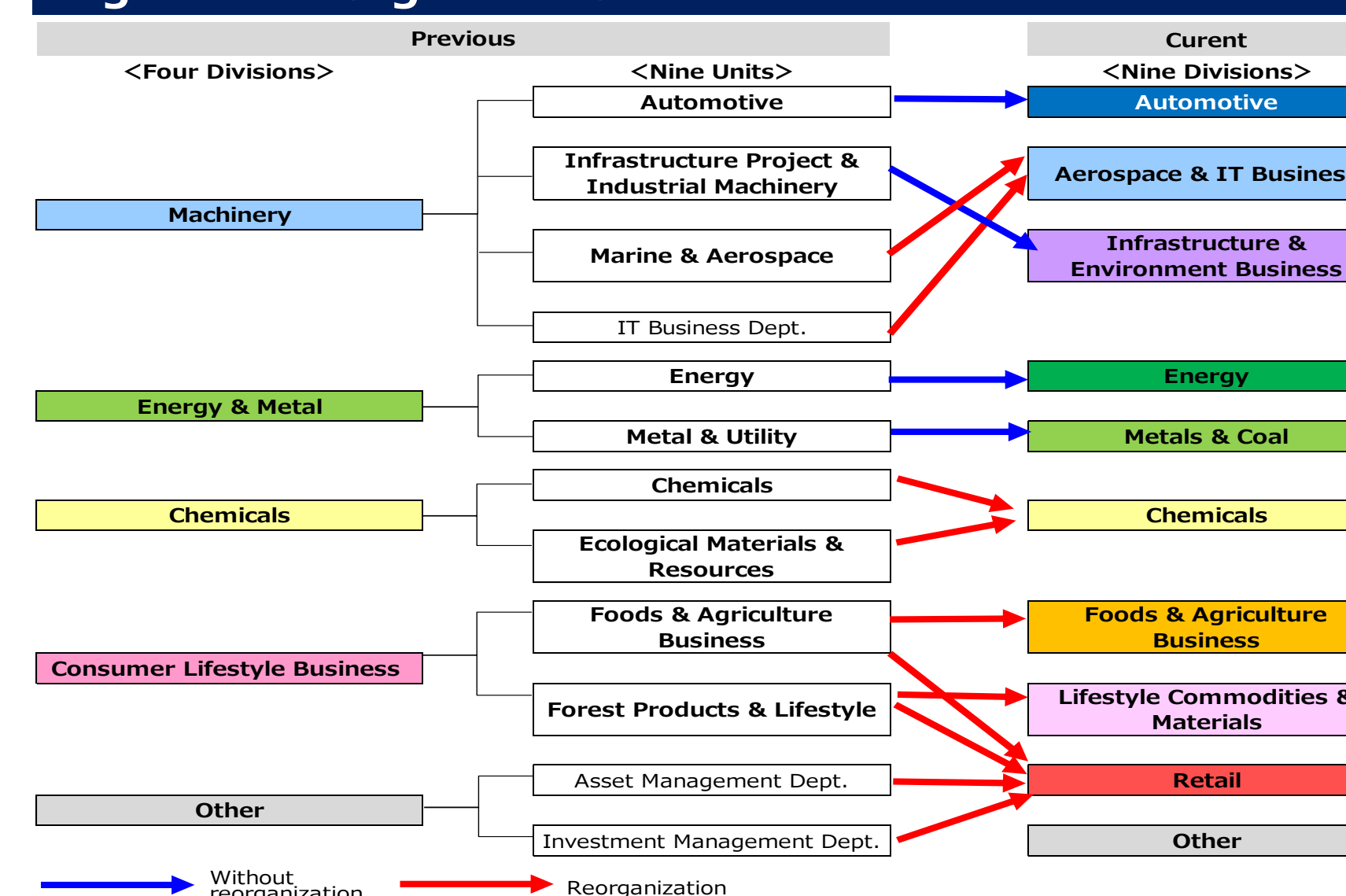
\*\*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion.

\*\*2 Actual thermal coal prices are the general trading price based on market data.

\*\*3 The price assumptions of nickel is based on the annual average from Jan. to Dec.

\*\*4 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.4 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.2 billion annually, and total equity by approx. ¥2.0 billion annually.

## Segment Reorganization



\* The above changes reflect major organizational reforms

## Summary of Consolidated Financial Results for the Year Ended March 31, 2015 (IFRS)

May 7, 2015

### Sojitz Corporation

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

Listed stock exchange: The first section of Tokyo

Security code: 2768

Company representative: Yoji Sato, President & CEO

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

Scheduled date of Ordinary General Shareholders' Meeting: June 23, 2015

Scheduled filing date of financial report: June 23, 2015

Supplementary materials for the financial results: Yes

Investor conference for the financial results: Yes

(Rounded down to millions of Japanese Yen)

### 1. Consolidated Financial Results for the Year Ended March 31, 2015 (April 1, 2014 - March 31, 2015)

#### (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 year		Profit attributable to owners of the Company		Total comprehensive income for the year	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the year ended												
March 31, 2015	4,105,295	1.5	33,550	41.6	52,584	19.4	37,650	17.4	33,075	21.4	114,919	29.9
March 31, 2014	4,046,577	2.8	23,694	(7.1)	44,033	57.0	32,083	88.8	27,250	102.6	88,487	43.3

	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of the Company	Profit before tax ratio to total assets	Operating profit ratio to net sales
	Yen	Yen	%	%	%
For the year ended					
March 31, 2015	26.44	26.44	6.5	2.3	0.8
March 31, 2014	21.78	21.78	6.5	2.0	0.6

Reference: Share of profit (loss) of investments accounted for using the equity method for the year ended March 31, 2015: 28,613 million yen, and 2014:30,979 million yen.

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 year 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	Total equity per share attributable to owners of the Company
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
As of					
March 31, 2015	2,297,358	590,656	550,983	24.0	440.43
March 31, 2014	2,220,236	492,959	459,853	20.7	367.58

#### (3) Consolidated Statements of Cash Flows

	Operating activities	Investing activities	Financing activities	Cash & cash equivalents at the end of the year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the year ended				
March 31, 2015	39,109	(13,792)	(42,600)	403,748
March 31, 2014	46,997	(24,469)	(30,931)	420,658

### 2. Cash Dividends

	Cash divided per share					Total amount of cash dividends (annual)	Consolidated payout ratio	Dividend on total equity attributable to owners of the Company (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
For the year ended								
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2014	-	2.00	-	2.00	4.00	5,004	18.4	1.2
March 31, 2015	-	2.50	-	3.50	6.00	7,506	22.7	1.5
March 31, 2016 (forecast)	-	4.00	-	4.00	8.00		25.0	

Note : Changes in cash dividend forecast : Yes

### 3. Consolidated Earnings Forecast for the Year Ending March 31, 2016 (April 1, 2015 - March 31, 2016)

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, 2016									
Full-year	4,400,000	7.2	40,500	20.7	58,500	11.3	40,000	20.9	31.97

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 is calculated based on Profit for the period 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) Changes in accounting policy, procedures or estimate method for preparing consolidated financial statements

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 March 31, 2015: 1,251,499,501      As of March 31, 2014: 1,251,499,501
  2. Number of treasury shares at the end of the periods:  
As of March 31, 2015 : 477,089                      As of March 31, 2014 : 467,298
  3. Average number of outstanding shares during the periods:  
For the Year ended March 31, 2015 (accumulative): 1,251,027,247  
For the Year ended March 31, 2014 (accumulative): 1,251,066,949

Note: Above treasury shares do not include shares mutually held by equity-method affiliates.

\* 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.

\* 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 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 financial results

1) Overview of Fiscal 2014 (April 1, 2014 – March 31, 2015)

### Economic Environment

In the year ended March 31, 2015, we witnessed political unrest in certain countries and regions, which caused concern for the possibility of a downturn in economic growth. However, the global economy on the whole experienced a modest recovery trend focused on the United States.

In the United States, the number of people finding employment steadily increased, and consumer spending held firm. While the country maintained its effective zero interest-rate policy, in October 2014, the decision was made to end quantitative easing in light of the improvement seen in the job market. In this manner, the U.S. economy continued to display a modest recovery trend.

In Europe, threats of economic downturn lingered in the form of the residual impacts of the economic sanctions placed on Russia as well as the deceleration of the Chinese economy, and concern for the state of the Greek economy remained. However, economic conditions in Germany held firm, supported by euro depreciation among other factors. Driven by the strong German economy, the European economy experienced a recovery trend, as evidenced by the ceased increase of the unemployment rate and other favorable developments.

The Chinese economy suffered from the negative impacts of the poor real estate market and the slump in capital investment that resulted from excessive production adjustment.

Government-spearheaded infrastructure investment and monetary easing measures were instituted as an attempt to prevent these trends from detracting from economic growth, but growth rates remained sluggish nonetheless.

Asia, meanwhile, was adversely affected by a decline in exports destined for Europe and China, and there was a lingering concern for the potential impacts of the end of the United States' quantitative easing. Nonetheless, internal demand in the region rose due to the economic recovery in principal developed nations and the benefits of dropping prices for crude oil, and conditions in the Asian economy held relatively firm as a result.

The Japanese economy initially suffered from a temporary drop in consumer spending following the consumption tax hike. However, corporate performance improved due to the benefits of the Bank of Japan's significant "Quantitative and Qualitative Monetary Easing" policy and the economic stimulus measures instituted by the government administration headed by Prime Minister Shinzo Abe. The resulting improvements in the job market and wages supported a modest economic recovery trend.

### Financial Performances

Sojitz Corporation's consolidated business results for fiscal 2014 are presented below.

Net sales (*)	Net sales increased 1.5% year on year, to ¥4,105,295 million, as the increase in plant- and aircraft-related transactions counteracted the decline in transaction volumes for tobacco.
Gross profit	Gross profit decreased ¥533 million, to ¥197,688 million, as a result of a decline in the profits from overseas fertilizer businesses. This decline offset the profit increases stemming from the acquisition of a U.S.

automobile dealership business and higher aircraft-related transactions.

Operating profit	Operating profit increased ¥9,856 million, to ¥33,550 million. While gross profit decreased, this was outweighed by an improvement in the balance of other income and expenses stemming from a year-on-year decrease in losses recorded in Central and South American automotive business.
Profit before tax	Profit before tax rose ¥8,551 million, to ¥52,584 million, due to the increase in operating profit.
Profit for the year	Consolidated profit for the year was ¥37,650 million after deduction of ¥14,933 million in income tax expenses from the ¥52,584 million in profit before tax. Profit for the year (attributable to owners of the Company) increased ¥5,825 million year on year, to ¥33,075 million.
Comprehensive income for the year	Comprehensive income for the year was ¥114,919 million, representing a year-on-year increase of ¥26,432 million. This was largely attributable to the growth in profit for the year as well as a rise in financial assets measured at fair value through other comprehensive income following changes in stock prices. Comprehensive income for the year (attributable to owners of the Company) totaled ¥107,347 million, an increase of ¥25,126 million year on year.

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

Results for fiscal 2014 are summarized by segment below.

Effective April 1, 2014, the aircraft leasing business, previously included in Other, was transferred to the Machinery Division. The purpose of this reorganization is to consolidate aircraft-related operations in order to strengthen these businesses and expand the range of opportunities they face. In addition, the internally decided method for calculating income tax expenses was revised, and figures for each segment from the year ended March 31, 2014, have been restated in accordance with this change.

#### Machinery

Net sales (JGAAP) increased 12.7% year on year, to ¥1,114,078 million, due to an increase in plant- and aircraft-related transactions. Profit for the year (attributable to owners of the Company) amounted to ¥10,338 million, compared with loss for the year (attributable to owners of the Company) of ¥2,304 million. This improvement was a result of higher gross profit combined with an improved balance of other income and expenses stemming from a year-on-year decrease in losses recorded in the Central and South American automotive business.

#### Energy & Metal

Net sales (JGAAP) decreased 0.6% year on year, to ¥772,437 million, as the decline in oil transactions outweighed the increase in ferroalloy transactions. Profit for the year (attributable to owners of the Company) decreased ¥3,658 million, to ¥798 million.

#### Chemicals

Net sales (JGAAP) grew 4.9% year on year, to ¥675,230 million, largely as a result of increased transactions for chemicals and plastic resins in Asia. Profit for the year (attributable to owners of the Company) decreased ¥1,616 million year on year, to ¥6,272 million, as a result of increase of selling, general and administrative expenses and a worse balance of other income and expenses.

#### Consumer Lifestyle Business

Net sales (JGAAP) decreased 4.9% year on year, to ¥1,477,358 million, as a result of lower transaction volumes for tobacco and wheat. Profit for the year (attributable to the owners of the Company) decreased ¥10,387 million year on year, to ¥6,818 million, due to a decline in share of profit of investments accounted for using the equity method.

#### Other

Net sales (JGAAP) decreased 20.4% year on year, to ¥66,190 million, due to the rebound from the sale of real estate held for resale during the year ended March 31, 2014. Profit for the year (attributable to owners of the Company) increased ¥5,004 million year on year, to ¥8,627 million, following the improvement of the balance of other income and expenses.

## 2) Fiscal 2015 Outlook

Current earnings forecast for fiscal 2015 are as follows.

Net sales (*)	¥4,400 billion
Operating income	¥40.5 billion
Profit before tax	¥58.5 billion
Profit for the year (Attributable to owners of the Company)	¥40.0 billion

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

The above forecasts assume a yen/dollar rate of ¥120/US\$ and crude oil price of US\$60/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 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) Financial Position**

### Consolidated Balance Sheet

At March 31, 2015, total assets amounted to ¥2,297,358 million, a ¥77,122 million increase from March 31, 2014. Trade and other receivables (under current assets) rose, and property, plant and equipment was up following the investment of domestic solar power generation businesses and the acquisition of a U.S. automobile dealership business. In addition, investments accounted for using the equity method grew. Furthermore, other investments increased as a result of changes in stock prices.

Total liabilities at March 31, 2015, came to ¥1,706,702 million, down ¥20,575 million from March 31, 2014. This was because of a decrease in interest-bearing debt following the repayment of borrowings as well as a decline in trade and other payables (under current assets).

Total equity attributable to the owners of the Company was ¥550,983 million on March 31, 2015, up ¥91,130 million from March 31, 2014. This was largely due to the accumulation of profit for the year as well as an increase in certain components of equity resulted primarily from stock price gains and exchange rate movements.

Sojitz consequently ended the fiscal year with a current ratio of 169.5%, long-term debt ratio of 79.9% and an equity ratio (\*) of 24.0%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥629,557 million at March 31, 2015, a ¥10,699 million decrease from March 31, 2014. The decrease resulted in the Company's net debt equity ratio (\*) equaling 1.1 times at March 31, 2015.

(\*) The equity ratio and net debt equity ratio are calculated based on total equity attributable to owners of the Company.

Under Medium-term Management Plan 2014, which came to an end with the year ended March 31, 2015, the Company continued to implement a basic financial strategy of maintaining and enhancing the stability of its capital structure. Specifically, Sojitz endeavored to maintain a stable financial foundation by holding sufficient liquidity as a buffer against changes in the economic or financial environment and by keeping the long-term debt ratio at its current level.

As one source of long-term funding, Sojitz issued straight bonds in the amount of ¥10 billion in April, June, and September 2014. The issuance in June was with a maturity period of ten 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 advantageous opportunities to do so arise.

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 year ended March 31, 2015, operating activities provided net cash flow of ¥39,109 million, investing activities used net cash of ¥13,792 million, and financing activities used net cash of ¥42,600 million. Sojitz ended the year with cash and cash equivalents of ¥403,748 million, adjusted

to reflect foreign currency translation adjustments related to cash and cash equivalents.

(Cash flows from operating activities)

Operating activities during the year provided net cash of ¥39,109 million, a ¥7,888 million decrease from the previous year. Operating cash outflows included a decrease in trade and other payables, but outflows were outweighed by inflows including profit for the year and decrease in inventories.

(Cash flows from investing activities)

Net cash used by investing activities totaled ¥13,792 million, a ¥10,677 million decrease from the previous year. Investment outlays of payments for the capital expenditures related to solar power generation businesses as well as acquisition of a U.S. automotive dealership business outweighed the investment inflows from sales of investment property.

(Cash flows from financing activities)

Net cash used in financing activities was ¥42,600, a ¥11,669 billion million increase from the previous year. Cash outlays to repay debt exceeded cash inflows from new borrowings and bond issuance.

### **(3) Dividend Policy and Fiscal 2014-15 Dividends**

In addition to paying stable dividends to shareholders on an ongoing basis, Sojitz is also committed to enhancing shareholder value and improving its competitiveness by accumulating and effectively utilizing retained earnings as a basic policy and a top management priority. Under its Medium-term Management plan 2014, which ended with the year ended March 31, 2015, the basic dividend policy is to maintain a consolidated payout ratio of around 20%. For the year ended March 31, 2015, in light of its fiscal 2014 results and the adequacy of its total equity, Sojitz has decided to revise the year-end dividend forecast to 3.5 yen per share, which will be a 1 yen per share increase from the 2.5 yen per share previously announced in May 8, 2014. As a result, the full-year dividend per share will be 6.0 yen per share, with the consolidated payout ratio based on profit for the year attributable to owners of the Company of 22.7%.

1) Type of property to be distributed as dividend

Cash

2) Total value of dividend distribution and its allocation among shareholders

¥3.5 per share of Sojitz common stock, ¥4,378 million in total

Including the interim dividend of ¥2.5 per share on December 2, 2014, fiscal 2014 dividends will total ¥6.0 per share or ¥7,506 million in aggregate.

3) Effective date of dividends from surplus

June 24, 2015

Under the new medium-term management plan 2017 released today, Sojitz follows the basic policy above, with a consolidated payout ratio of around 25%. For fiscal 2015, Sojitz plans to pay annual common dividends of ¥8.0 yen per share (¥4.0 interim dividend plus ¥4.0 year-end dividend) based on its basic policy and earnings forecast. Based on forecasted profit attributable to owners of the Company, planned fiscal 2015 dividends equate to a projected consolidated dividend payout ratio of 25.0%.

#### 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 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.



## **(4) Business and Other Risks**

### 1) Business Risks

As a general trading company, the Sojitz Group is engaged in a wide range of businesses globally, including buying, selling, importing, and exporting goods, manufacturing and selling products, providing services, and planning and coordinating projects, in Japan and overseas. The Group also invests in various sectors and conducts financing activities. These operations are inherently exposed to various risks. In compliance with its Basic Code of Corporate Risk Management, the Sojitz Group defines and classifies risks and manages them in accord with their nature. For quantifiable risks (market risk, credit risk, business investment risk, and country risk), the Group conducts comprehensive risk management, measuring risks and monitoring them based on a calculation of risk assets derived from risk measurements. Although the group is maintaining its risk management required to deal with various risks, it cannot completely avoid these risks.

In specific terms, the Group faces risks such as those described below.

#### (1) Risk of changes in the macroeconomic environment

As a general trading company with global operations, the Group operates a wide range of businesses in Japan and overseas, including Machinery, Energy & Metals, Chemicals and Consumer Lifestyle Businesses. The Group's earnings are influenced by political and economic conditions in Japan and other countries and the overall global economy. A global or regional economic slowdown could adversely affect the Group's operating performance and/or financial condition.

#### (2) Market risks

The Group is exposed to market risks, including exchange rate risk associated with transactions denominated in foreign currencies in connection with international trade or business investments; interest rate risk associated with debt financing and portfolio investment; commodity price risk associated with purchase and sale agreements and commodity inventories incidental to operating activities; and market price risk associated with ownership of listed securities and other such assets. The Group pursues a basic policy of minimizing these market risks through such means as matching assets and liabilities (e.g., long and short commodity exposures) and hedging with forward exchange contracts, commodity futures, forward commodity contracts, and interest rate swaps.

##### (a) Currency risk

The Group engages in import and export transactions, and offshore transactions, denominated in foreign currencies as a principal business activity. Whereas the revenues and expenditures associated with such transactions are mainly paid in foreign currencies, the Group's consolidated reporting currency is the Japanese yen. The Group is therefore exposed to the risk of fluctuations in the yen's value against foreign currencies. To prevent or limit losses stemming from this currency risk, the Group hedges its foreign currency exposure with forward exchange contracts. Even with such hedging, however, there is no assurance that the Group can completely avoid currency risk. The Group's operating performance and/or financial condition could be adversely affected by unanticipated market movements. Additionally, the Group's dividend income from

overseas group companies and the profits and losses of overseas consolidated subsidiaries and equity method affiliates are largely denominated in foreign currencies. Their conversion into yen entails currency risk. The group also owns many foreign subsidiaries and operating companies. When these companies' financial statements are converted into yen terms, exchange rate movements could adversely affect the Group's operating performance and/or financial condition.

(b) Interest rate risk

The Group raises funds by borrowing from financial institutions or issuing bonds to acquire fixed assets, invest in securities, and extend credit (e.g., through trade receivables). Asset and liability items are categorized based on whether or not they are sensitive to interest rate changes, with the difference between the value of sensitive assets and sensitive liabilities used to determine an interest rate mismatch value. Based on this amount, the ratios of funds procured from fixed-rate sources and variable-rate sources are adjusted to better manage interest rate fluctuation risks. However, it is impossible to completely avoid interest rate fluctuation risks, and it is possible that an increase in funding costs due to a sharp rise in interest rates could adversely affect the Group's operating performance and/or financial condition.

(c) Commodity price risk

As a general trading company, the Group deals in a wide range of commodities in its various businesses. It is consequently exposed to the risk of commodity price fluctuations. For market-traded commodities, the Group manages exposures and controls losses by setting (long and short) position limits and stop-loss levels for each of its organizational units. The Group also imposes and enforces stop-loss rules (i.e., rule that mandates prompt liquidation of losing positions and prohibits new trades in the same trading instrument for the remainder of the fiscal year if losses, including unrealized losses, reach a predetermined stop-loss level). Even with these controls, however, there is no assurance that the Group can completely avoid commodity price risk. The Group's operating performance and/or financial condition could be adversely affected by unanticipated market movements. The Group also monitors commodity inventories by business unit on a monthly basis to control inventory levels.

(d) Listed securities price risk

The Group has holdings of marketable securities. Although the Group periodically reviews its rationale for owning its listed equity holdings in particular, a major decline in stock market could prejudice the Group's investment portfolio and, in turn, adversely affect the Group's operating performance and/or financial condition.

(3) Credit risk

The Group assumes credit risk by extending credit to many domestic and foreign customers through a variety of commercial transactions. The Group mitigates such credit risk by objectively assigning credit ratings to the customers to which it extends credit based on an 11-grade rating scale. The Group also controls credit risk by setting rating-based credit limits on a customer-by-customer basis and enforcing the credit limits thus set. The Group also employs other safeguards (e.g., collateral and guarantees) as warranted by the customer's creditworthiness. Additionally, the Group implements a system for assessing receivables. The Group screens the customers to which it has

extended trade credit to identify those that meet certain criteria. It then reassesses the selected customers' creditworthiness and the status of the Group's claims against the customer. Through this approach, the Group is endeavoring to more rigorously ascertain credit risk and estimate provisions to allowance for doubtful accounts for individual receivables. For credit risk associated with deferred payments, loans, and credit guarantees, the Group periodically assesses whether profitability is commensurate with credit risk on a case-by-case-basis. For transactions that do not generate risk-commensurate returns, the Group takes steps to improve profitability or limit credit risk. However, even with such credit management procedures, there is no assurance that the Group can completely avoid credit risk. If, for example, receivables are rendered uncollectible by a customer's bankruptcy, the Group's operating performance and/or financial condition could be adversely affected.

#### (4) Business investment risk

The Group invests in a wide range of businesses as one of its principal business activities. In doing so, it assumes the risk of fluctuations in the value of investments in businesses, interests and other investments. Because in many cases investments are relatively illiquid, the Group is also at risk of not recouping its investment as profitably as initially anticipated.

In the aim of preventing and limiting losses from business investments, the Group has established standards for rigorously prescreening prospective business investments and monitoring and withdrawing from investments.

In screening prospective investments, the Group analyzes business plans, including cash flow projections, and rigorously assessing the businesses' prospects. It has also established procedures, including an IRR (internal rate of return) hurdle rate screen, to enable it to identify investments with the potential to generate returns commensurate with risk.

Once the Group has invested in a business venture, it closely monitors the business through such means as periodic reassessment of the business's prospects to minimize losses through early identification of problems. To identify problems with business investments at an early stage and minimize losses on divestiture or liquidation, the Group sets exit conditions and acts decisively to opportunely exit investments that have failed to generate risk-commensurate returns.

Even with such procedures for screening prospective investments and monitoring existing investments, the Group cannot completely avoid the risk of investment returns falling short of expectations or business activities themselves turning out to be not executable as planned.

The Group could incur losses when exiting business ventures or may be precluded from exiting business ventures as intended due to circumstances such as relationships with partners in the ventures. In such an event, the Group's operating performance and/or financial condition could be adversely affected.

#### (5) Country risk

To minimize losses from realization of country risk, the Group recognizes that it must avoid concentrated exposure to any single country or region. In conducting business in countries that pose substantial country risk, the Group generally hedges against country risk on a transaction-by-transaction basis through such means as purchasing trade insurance.

In managing country risk, the Group assigns country risk ratings to individual countries and regions, with ratings of 1 through 9 being assigned based on an objective evaluation process, and sets net

exposure (gross exposure less trade insurance coverage and/or other country-risk hedges) limits based on the country's size and assigned rating. The Group limits its net exposure to individual countries to no more than the net exposure limit.

However, even with these risk controls and hedges, the Group cannot completely eliminate the risk of losses or not being able to conduct business activities as planned due to changes in political, economic, and societal conditions in the countries in which the Group conducts business activities or countries in which the Group's customers are located. In the event of such losses, the Group's operating performance and/or financial condition could be adversely affected.

In particular, Venezuela is facing progressive inflation and the resulting installation of price controls. In addition, the country has instituted rigid systems for monitoring foreign exchange, placing limitations on issuing foreign currency and creating fluctuations in exchange rates. These changes in the regulatory environment and the country's volatile economic climate present the risk of impeding the progress of the Group's business plans in this country.

Through wholly owned subsidiary MMC Automotriz S.A. (MAV), the Company operates automobile assembly and sales businesses in Venezuela. MAV recently became subject to restrictions on transferences of foreign currency, which impeded the ability for this company to be operated in a stable manner. In consideration of this development, the Company evaluated the situation from a conservative standpoint, assessing the likelihood of recovering its investment in MAV and of being able to collect receivables attributed to this company. It was determined that a certain portion of this investment and these receivables may be difficult to recover. With regard to this portion, loss and provision for loss on dissolution of subsidiaries and affiliates (consisting of allowance for doubtful receivables and impairment on investments) of ¥20.1 billion was recorded on the Company's non-consolidated financial statements. However, the impact of this loss on consolidated performance was minimal as this loss had been recognized in previous fiscal years when incorporating MAV's financial statements into the Company's consolidated financial statements.

In addition, the Company translated MAV's financial statements for the year ended March 31, 2015, in accordance with Simadi, which is a foreign exchange marginal system introduced by the Venezuelan government in February 2015. This resulted in the amount of total assets associated with MAV on the Company's consolidated financial statements decreasing by ¥30.0 billion year on year, to ¥3.9 billion, and the total amount of capital dropping ¥11.4 billion, to ¥1.7 billion.

#### (6) Fixed asset impairment risk

The Group is exposed to the risk of impairment of the value of its non-current assets, including real estate holdings and other property, machinery, transportation and other equipment, goodwill, and mining rights, as well as its leased assets. The Group uses asset impairment accounting and books necessary impairment losses at the end of the fiscal year in which the impairment occurred. However, if assets subject to asset impairment accounting decline materially in value due to a decline in their market prices, recognition of necessary impairment losses could adversely affect the Group's operating performance and/or financial condition.

#### (7) Financing risk

The Group largely funds its operations by issuing bonds and borrowing funds from financial institutions. Steps are taken to ensure a stable supply of funds available, such as maintaining good



business relationships with financial institutions and keeping the long-term debt ratio at a certain level. However, in the event of a disruption of the financial system or financial or capital markets, or a major downgrade of the Group's credit rating by a rating agency, the Group's operating performance and/or financial condition could be adversely affected by funding constraints and/or increased financing costs.

(8) Environmental and human rights risk

It is possible that environmental, occupational health and safety, or human rights issues may arise in the course of the Group's business activities or in some area of the Group's supply chain. It is also possible that an environmental or human rights group or some other member of society could accuse the Group of creating environmental, occupational health and safety, or human rights issues. Should such an event occur, the Group may be forced to temporarily or permanently cease operations or to conduct decontamination or purification procedures. Expenses related to litigations or compensating impacted parties may also be incurred, and the reputation of the Group may be damaged. Such developments could adversely affect the Group's operating performance and/or financial condition

(9) Compliance risk

The Group conducts diverse business activities subject to a broad range of laws and regulations, including corporation laws, tax laws, anti-bribery and other anti-corruption laws, antitrust laws, foreign exchange laws and other trade-related laws, and various industry-specific laws, including chemical regulations. To ensure compliance with these laws and regulations, the Group has formulated a compliance program, established compliance committees, and promotes rigorous regulatory compliance on a Group-wide basis. However, such measures cannot completely eliminate the compliance risk entailed by the Group's business activities. Additionally, the Group's operating performance and/or financial condition could be adversely affected by major statutory or regulatory revisions or application of an unanticipated interpretation of existing laws or regulations.

(10) Litigation risk

Litigation or other legal proceedings (e.g., arbitration) may be initiated in Japan or overseas against the Group or certain of its assets in connection with the Group's business activities. Due to the uncertain nature of litigation and other legal proceedings, it is not possible to predict the effect that such risks might have on the Group at the current point in time. Nevertheless, such risks could have an adverse impact on the Group's operating performance and financial position.

(11) Information system and information security risk

The Group has prescribed regulations and established oversight entities, mainly internal committees, to appropriately protect and manage information assets. The Group also has implemented safeguards (e.g., installation of redundant hardware) against failure of key information systems and network infrastructure. Additionally, the group is endeavoring to strengthen its safeguards against information leaks through such means as installing firewalls to prevent unauthorized access by outsiders, implementing antivirus measures, and utilizing encryption technologies. While the Group is endeavoring to strengthen overall information security and prevent system failures, it cannot completely eliminate the risk of important information assets, including personal information, being

leaked or damaged by an unknown computer virus or unauthorized access to its computer systems. Nor can the Group eliminate the risk of its information and communication systems being rendered inoperable by an unforeseeable natural disaster or system failure. In such an event, the Group's operating performance and/or financial condition could be adversely affected, depending on the extent of the damage.

(12) Natural disaster risk

The Group could be directly or indirectly affected in the event of an earthquake, flood, storm, or other natural disaster that damages offices or other facilities or injures employees and its families. The Group has prepared disaster response manuals, conducts disaster response drills, has established an employee safety confirmation system, and has formulated a business continuity plan, but it cannot completely avoid the risk of damage from natural disasters. The Group's operating performance and/or financial condition could be adversely affected by natural disasters.

2) Risks related to the Medium-Term Management Plan 2017

As noted in "Management Policies," the Group engages in the medium-term management plan 2017, for fiscal 2015-17. The plan was formulated in accordance with information and forecasts regarding factors such as economic conditions and industry trends that were available to management at the time of the plan's disclosure and were deemed to be appropriate. However, it is possible that a sudden change in the operating environment or some other occurrence could impede the progress of measures geared toward accomplishing the plan's goals or lead to the results of these measures deviating from expectations.

## 2. Group Business Operations

Sojitz Group is engaged in a wide range of businesses on a global basis as a general trading company or sogo-shosha. Our main businesses are trading, import, and export of products, domestic and overseas manufacture and sale of a diverse array of products, provision of domestic and overseas services, planning and organizing of various projects, investment in diversified business areas, and financial activities.

The Group consists of 410 consolidated subsidiaries and equity method associates, including 302 consolidated subsidiaries and 108 equity method associates.

The following table lists our products, services, and main subsidiaries and affiliates by industry segment.

As of March 31, 2015

Segment	Main products and services	Main subsidiaries and associates (Main business; Status within consolidated group)
Machinery	Automobiles and automotive components; automobile-related equipment; construction equipment; ships; vehicles; aircraft and aerospace-related equipment; communication infrastructure equipment; equipment for electronic industries; general plant equipment for steel manufacturing, cement plants, chemical plants, etc.; electric power; electronics-related equipment (equipment for power generation, conversion, transmission, etc.); infrastructure business; bearings; industrial generators; various types of industrial machineries; machinery for the processing of metals and related equipment; IT-related business; information processing; computer software development; etc.	<ul style="list-style-type: none"> <li>- Sojitz Machinery Corporation (Trading and sale of general industrial machinery; Subsidiary)</li> <li>- Sojitz Aerospace Corporation (Import, export and sale of aerospace-related and defense-related equipment; Subsidiary)</li> <li>- Sojitz Marine &amp; Engineering Corporation (Sale, purchase and charter brokerage, ship operation management, domestic sale and import/export of marine-related equipment and materials; Subsidiary)</li> <li>- Nissho Electronics Corporation (IT systems, network services; Subsidiary)</li> <li>- SAKURA Internet Inc. (Internet data center operator; Subsidiary) *1</li> <li>- MMC Automotriz, S.A (Assembly and sale of automobiles; Subsidiary)</li> <li>- Subaru Motor LLC (Import and exclusive distribution of Subaru automobiles in Russia; Subsidiary)</li> <li>- Mitsubishi Motors Philippines Corporation (Import, assembly and sale of Mitsubishi automobiles; Equity method associate)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries : 104 Number of equity method associates: 26</p>
Energy & Metal	Oil and gas; petroleum products; coke; carbon products; nuclear fuels; nuclear power-related equipment and machinery; coal; iron ore; ferroalloys (nickel, molybdenum, vanadium, other rare metals); ores; alumina; aluminum; copper; zinc; tin; precious metals; ceramics and minerals; floating production storage and offloading unit; infrastructure; energy and chemicals-related projects; LNG-related business; steel-related business; etc.	<ul style="list-style-type: none"> <li>- Sojitz Ject Corporation (Coke, carbon products, trading in various minerals; Subsidiary)</li> <li>- Tokyo Yuso Co., Ltd. (Stockpiling of petroleum products etc., storage, logistics; Subsidiary)</li> <li>- Sojitz Coal Resources Pty Ltd. (Investment in coal mines; Subsidiary)</li> <li>- Sojitz Moly Resources, Inc. (Investment in molybdenum mine; Subsidiary)</li> <li>- Sojitz Energy Venture Inc. (Oil and gas development; Subsidiary)</li> <li>- Metal One Corporation (Import, export, and sale of, and domestic and foreign trading in, steel-related products; Equity method associate)</li> <li>- LNG Japan Corporation (LNG business and related investments and loans; Equity method associate)</li> <li>- Coral Bay Nickel Corporation (Manufacture and sale of nickel and cobalt mixed sulfide; Equity method associate)</li> <li>- Japan Alumina Associates (Australia) Pty. Ltd. (Manufacture of alumina; Equity method associate)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries: 42 Number of equity method associates: 23</p>
Chemicals	Organic chemicals; inorganic chemicals; functional chemicals; fine chemicals; industrial salt; cosmetics; foodstuff additives; rare earths; commodity resins; raw materials for plastics including engineering plastics; film sheets for industry, packaging, and foodstuffs; plastic molding machines; other plastic products; electronics materials including liquid crystals and electrolytic copper foil; fiber materials for use in industrial supplies; etc.;	<ul style="list-style-type: none"> <li>- Sojitz Pla-Net Holdings, Inc. (Holdings company for plastics businesses; Subsidiary) *2</li> <li>- Sojitz Pla-Net Corporation (Trading and sale of plastics and related products; Subsidiary)</li> <li>- Pla Matels Corporation (Trading and sale of plastics and related products; Subsidiary) *1</li> <li>- Sojitz Cosmetics Corporation (Development, product planning and sale of cosmetics; Subsidiary)</li> <li>- P.T. Kaltim Methanol Industri (Manufacture and sale of methanol; Subsidiary)</li> <li>- Metton America, Inc. (Manufacture and sales of metton resins; Subsidiary)</li> <li>- P.T. Moriuchi Indonesia (Manufacture of industrial fabrics; Equity method associate)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries: 30 Number of equity method associates: 15</p>
Consumer Lifestyle Business	Grains; flour; oils and fats; oil stuff; feed materials; marine products; processed seafood; fruits and vegetables; frozen vegetables; frozen foods; sweets; raw ingredients for sweets; coffee beans; sugar; other foodstuffs and raw ingredients; chemical fertilizers; cotton and synthetic fabrics; non-woven fabrics; knitted fabrics and products; raw materials for textiles; clothing; interior accessories; bedclothes and home fashion-related products; nursery items; general commodities; construction materials; imported timber; timber products such as lumber, plywood, and laminated lumber; building materials; afforestation; manufacture and sale of wood chips; industrial park; etc.	<ul style="list-style-type: none"> <li>- Sojitz Building Materials Corporation (Sale of construction materials; Subsidiary)</li> <li>- Sojitz Foods Corporation (Sale of sugar, dairy products, farmed and marine products, processed foods, and other foodstuffs; Subsidiary)</li> <li>- Daiichibo Co., Ltd. (Manufacture and sale of textiles, storage distribution, shopping center management; Subsidiary)</li> <li>- Sojitz Infinity Inc. (Planning, manufacture, and sale of apparel; Subsidiary)</li> <li>- Sojitz General Merchandise Corporation (Import, export and domestic wholesale of general commodities; Subsidiary)</li> <li>- Sojitz Fashion Co., Ltd. (Processing and sale of fabrics; Subsidiary)</li> <li>- Sojitz Yoshimoto Ringyo Co., Ltd. (Sale of lumber, plywood, etc.; Subsidiary)</li> <li>- Thai Central Chemical Public Co., Ltd (Manufacture and sale of chemical fertilizers; sale of imported fertilizer products; Subsidiary)</li> <li>- Vietnam Japan Chip Vung Ang Corporation (Afforestation; manufacture and sale of wood chips; Subsidiary)</li> <li>- JALUX Inc. (Logistics and services in the in-flight, airport retail, lifestyle-related, and customer service business fields; Equity method associate) *1</li> <li>- Fuji Nihon Seito Corporation (Manufacture, refining, processing and sale of sugar; Equity method associate) *1</li> <li>- Yamazaki-Nabisco Co., Ltd. (Manufacture of sweets; Equity method associate)</li> <li>- Nissho Iwai Paper &amp; Pulp Corporation (Sale of pulp and recycled paper as well as paper and paperboard products; Equity method associate)</li> <li>- Tachikawa Forest Products (N.Z.) Ltd. (Saw milling; Equity method associate)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries: 48 Number of equity method associates: 26</p>
Other	Administration, domestic branches, logistics and insurance services, real estate-related business (investment, dealing, leasing, management etc.), administration of commercial facilities; etc.	<ul style="list-style-type: none"> <li>- Sojitz Kyushu Corporation (Domestic regional operating company; Subsidiary)</li> <li>- Sojitz Logistics Corporation (Logistic services; land, sea and air cargo handling; international non vessel operating common carrier (NVOCC) transportation; Subsidiary)</li> <li>- Sojitz Insurance Agency Corporation (Accident insurance and life insurance agency services; Subsidiary)</li> <li>- Sojitz Shared Service Corporation (Shared services and consulting regarding HR, accounting and finance; temporary staffing services; Subsidiary)</li> <li>- Sojitz General Property Management Corporation (Condominium and office building management, real estate agency services : Subsidiary)</li> <li>- Sojitz New Urban Development Corporation (Development and consignment sales of newly constructed condominiums, real estate brokerage, development and ownership of rental apartments, sale of residential-related products ; Subsidiary)</li> <li>- Sojitz Commerce Development Corporation (Development, construction, ownership, management, consulting of retail property; Subsidiary)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries: 25 Number of equity method associates: 5</p>
Overseas	We are engaged in wide range of activities as a general trading company, trading in thousands of products overseas.	<ul style="list-style-type: none"> <li>- Sojitz Corporation of America (Subsidiary)</li> <li>- Sojitz Europe plc (Subsidiary)</li> <li>- Sojitz Asia Pte. Ltd (Subsidiary)</li> <li>- Sojitz (Hong Kong) Ltd. (Subsidiary)</li> <li>- Sojitz (China) Co., Ltd. (Subsidiary)</li> </ul> <p style="text-align: center;">Number of consolidated subsidiaries: 53 Number of equity method associates: 13</p>

(\*1) The following four companies are listed in the Japanese stock market as of March 31, 2015: JALUX Inc. (TSE 1st section), Fuji Nihon Seito Corporation (TSE 2nd section), SAKURA Internet Inc. (Mothers), and Pla Matels Corporation (JASDAQ).

(\*2) Sojitz Corporation merged Sojitz Pla-Net Holdings, Inc. as of April 1, 2015.

### 3. Management Policies

#### (1) Fundamental Policy

Sojitz Group is committed to raising corporate value while acting in accordance with the philosophy embodied in the Sojitz Group Statement described below.

#### Sojitz Group Statement

The Sojitz Group creates value and prosperity by  
connecting the world with a spirit of integrity.

#### Sojitz Group Slogan

***New way, New value***

#### (2) Medium- to Long-term Business Strategy and Targeted Performance Indicators

##### Medium-term Management Plan 2014

Under its three-year management plan launched in April 2012 and entitled Medium-term Management Plan 2014 – Change for Challenge, the Group worked to increase its corporate value based on the theme “implementing reforms in pursuit of growth initiatives.”

Under Medium-term Management Plan 2014, the improvement of asset portfolio quality through asset replacement progressed steadily, and a certain level of success was achieved with regard to enhancing Sojitz’s financial foundation and reinforcing systems to facilitate future growth. Although the reinforcement of our earnings foundation and of new investments and loans in regard to strengthening earnings capacity progressed, we failed to meet the targets defined for the final year of the plan: profit for the year (attributable to owners of the Company) of ¥45.0 billion and return on assets (ROA) of 2.0% or higher. This failure was largely attributable to a slump in the performance of energy- and resource-related businesses due to low commodity prices.

##### Medium-term Management Plan 2017

In April 2015, Sojitz launched its new three-year plan: Medium-term Management Plan 2017 – Challenge for Growth. This plan was formulated in consideration of the outcomes and issues encountered in former Medium-term Management Plan 2014, and were designed to guide Sojitz in poising itself to implement growth initiatives targeting further development. Under this new plan, we will pursue improved corporate value by exercising trust and speed in tackling new challenges on the path toward future growth and creating a set of benefits unique to Sojitz.



# Medium-Term Management Plan 2017

## ~ Challenge for Growth ~

Finish solidifying foundations through steady reforms, and poise Sojitz to implement growth initiatives targeting further development to tackle new challenges from a forward-looking standpoint emphasizing trust and speed

### □ Expand foundations for generating stable earnings

- Construct earnings foundations that are resilient to operating environment changes and can continually support Sojitz in tackling new challenges on the path toward future growth
- Continue improving asset portfolio quality

### □ Create function-based value to intrinsically link business field

- Improve and fully leverage Company strengths, expertise, and functions
- Create new business fields that respond to changes in growth markets and industry structures and address related needs, and take advantage of opportunities in these fields

Financial  
Strategies

Investment  
Strategies

Risk  
Management  
Strategies

Human  
Resource

Conduct portfolio management that  
contributes to sustainable growth

Create a set of benefits unique to Sojitz

Leverage

Create new value and prosperity through  
unrelenting progress

The targeted performance indicators in Medium-term Management Plan 2017 are as follows.

<b>Performance Indicator</b>	<b>Target</b>
ROA	2% or higher
ROE	8% or higher
Net D/E ratio	1.5 times or lower
Dividend payout ratio	Approximately 25%

Going forward, the Sojiz Group will advance function-based initiatives, and pursue growth through trading in addition to investments and loans. Accordingly, we have earmarked approximately ¥300.0 billion to fund investments and loans over the three-year period of Medium-term Management Plan 2017. Through these investments and loans as well as trading operations, we aim to construct earnings foundations capable of stably generating profit for the year (attributable to owners of the Company) of more than ¥50.0 billion, and will target profit for the year (attributable to owners of the Company) of more than ¥60.0 billion in the year ending March 31, 2018, the final year of the plan.

(For more information regarding Medium-term Management Plan 2017 – Challenge for Growth, please refer to Sojitz Corporation’s corporate website.)

#### 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 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.

#### **4. Basic Policy Regarding Selection of Accounting Standards**

As a general trading company, Sojitz Corporation conducts a wide range of businesses on a global basis. These include trading transactions, manufacture and sale of products, provision of services, and investment in various business fields. For this reason, the Company chose to adopt International Financial Reporting Standards (IFRS). This decision was based on the judgment that constructing financial statements in accordance with these international standards would not only improve convenience and make it easier for investors to compare the Company to other companies, but would also allow accounting procedures to be standardized for all Group companies.

## 5. Consolidated Financial Statements

### (1) Consolidated Statements of Financial Position

(In millions of Yen)

	FY 2013 (As of March 31, 2014)	FY 2014 (As of March 31, 2015)
<b>Assets</b>		
Current assets		
Cash and cash equivalent	420,658	403,748
Time deposits	4,362	5,464
Trade and other receivables	524,826	559,291
Derivatives	5,185	6,977
Inventories	301,979	270,274
Income tax receivables	4,907	3,712
Other current assets	46,759	63,122
Subtotal	1,308,680	1,312,591
Assets as held for sale	13,143	10,905
Total current assets	1,321,824	1,323,497
Non-current assets		
Property, plant and equipment	213,934	217,912
Goodwill	46,264	50,164
Intangible assets	60,958	53,882
Investment property	25,334	19,459
Investments accounted for using the equity method	336,761	394,055
Trade and other receivables	60,310	45,017
Other investments	133,625	174,791
Derivatives	209	1,865
Other non-current assets	9,683	7,483
Deferred tax assets	11,329	9,227
Total non-current assets	898,411	973,860
Total assets	2,220,236	2,297,358
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Trade and other payables	514,585	490,865
Bonds and borrowings	227,216	208,360
Derivatives	6,400	8,803
Income tax payables	8,038	7,570
Provisions	1,207	4,271
Other current liabilities	54,402	53,807
Subtotal	811,850	773,678
Liabilities directly related to assets as held for sale	—	6,860
Total current liabilities	811,850	780,538
Non-current liabilities		
Bonds and borrowings	838,060	830,409
Trade and other payables	10,463	9,545
Derivatives	1,721	2,942
Retirement benefits liabilities	16,917	17,943
Provisions	20,798	25,098
Other non-current liabilities	7,321	7,591
Deferred tax liabilities	20,143	32,631
Total non-current liabilities	915,426	926,163
Total liabilities	1,727,277	1,706,702
Equity		
Share capital	160,339	160,339
Capital surplus	146,515	146,515
Treasury stock	(157)	(159)
Other components of equity	119,617	194,557
Retained earnings	33,538	49,731
Total equity attributable to owners of the Company	459,853	550,983
Non-controlling interests	33,105	39,672
Total equity	492,959	590,656
Total liabilities and equity	2,220,236	2,297,358

## (2) Consolidated Statements of Profit or Loss

(In millions of Yen)

	FY 2013 (From April 1, 2013 to March 31, 2014)	FY 2014 (From April 1, 2014 to March 31, 2015)
Revenue		
Sale of goods	1,714,176	1,718,165
Sales of service and others	88,928	91,535
Total revenue	1,803,104	1,809,701
Cost of sales	(1,604,882)	(1,612,013)
Gross profit	198,221	197,688
Selling, general and administrative expenses	(151,628)	(149,739)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	6,132	1,058
Impairment loss on fixed assets	(19,461)	(17,446)
Gain on sale of subsidiaries/associates	1,666	1,758
Loss on reorganization of subsidiaries/associates	(2,684)	(2,080)
Other operating income	10,429	17,193
Other operating expenses	(18,980)	(14,882)
Total other income/expenses	(22,898)	(14,398)
Operating profit	23,694	33,550
Financial income		
Interests earned	5,359	4,860
Dividends received	3,810	4,456
Other financial income	43	78
Total financial income	9,213	9,395
Financial costs		
Interest expenses	(19,855)	(18,975)
Total financial cost	(19,855)	(18,975)
Share of profit(loss) of investments accounted for using the equity method	30,979	28,613
Profit before tax	44,033	52,584
Income tax expenses	(11,949)	(14,933)
Profit for the year	32,083	37,650
Profit attributable to:		
Owners of the Company	27,250	33,075
Non-controlling interests	4,833	4,575
Total	32,083	37,650
Net sales *	4,046,577	4,105,295

\* 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

(In millions of Yen)

	FY 2013 (From April 1, 2013 to March 31, 2014)	FY 2014 (From April 1, 2014 to March 31, 2015)
Profit for the year	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	15,065	46,787
Remeasurements of defined benefit pension plans	(425)	(925)
Total items that will not be reclassified to profit or loss	14,639	45,862
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	40,578	34,811
Cash flow hedges	1,184	(3,405)
Total items that may be reclassified subsequently to profit or loss	41,763	31,405
Other comprehensive income for the year, net of tax	56,403	77,268
Total comprehensive income for the year	88,487	114,919
Total comprehensive income attributable to:		
Owners of the Company	82,221	107,347
Non-controlling interests	6,265	7,571
Total	88,487	114,919

## (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, 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 year									27,250	27,250	4,833	32,083
Other comprehensive income				39,335	14,954	1,100	(418)	54,971		54,971	1,432	56,403
Total comprehensive income for the year	—	—	—	39,335	14,954	1,100	(418)	54,971	27,250	82,221	6,265	88,487
Purchase of treasury stock		(2)	(9)							(11)		(11)
Dividends									(4,378)	(4,378)	(1,805)	(6,184)
Change in ownership interests in subsidiaries without loss/acquisition									2	2	(25)	(23)
Reclassification from other components of equity to retained earnings					1,400		418	1,819	(1,819)	—		—
Other changes									(569)	(569)	(38)	(607)
Total contributions by and distributions to owners of the Company	—	(2)	(9)	—	1,400	—	418	1,819	(6,765)	(4,957)	(1,869)	(6,827)
Balance as of March 31, 2014	160,339	146,515	(157)	59,373	60,687	(443)	—	119,617	33,538	459,853	33,105	492,959
Profit for the year									33,075	33,075	4,575	37,650
Other comprehensive income				31,687	46,603	(3,115)	(903)	74,271		74,271	2,996	77,268
Total comprehensive income for the year	—	—	—	31,687	46,603	(3,115)	(903)	74,271	33,075	107,347	7,571	114,919
Purchase of treasury stock		(0)	(1)							(2)		(2)
Dividends									(5,629)	(5,629)	(2,320)	(7,950)
Change in ownership interests in subsidiaries without loss/acquisition				479		(27)		451	652	1,103	1,808	2,912
Reclassification from other components of equity to retained earnings					(687)		903	216	(216)	—		—
Other changes									(11,688)	(11,688)	(493)	(12,182)
Total contributions by and distributions to owners of the Company	—	(0)	(1)	479	(687)	(27)	903	668	(16,883)	(16,216)	(1,005)	(17,222)
Balance as of March 31, 2015	160,339	146,515	(159)	91,540	106,604	(3,586)	—	194,557	49,731	550,983	39,672	590,656



(6) Change in accounting policies as mandated by IFRS

Effective from this fiscal year, the Group mandatorily adopted the following accounting standards.

IFRSs	Title	Summaries of new IFRSs/amendments
IAS 32	Financial Instruments: Presentation	Offsetting Financial Assets and Financial Liabilities

The above standard is applied in accordance with transitional treatment measures and its adoption will have no material impact on the Company's consolidated performance.

## (7) Segment information

## Information regarding reportable segments

Effective April 1, 2014, the aircraft leasing business, previously included in Other, was transferred to the Machinery Division.

The accounting method for the reported business segments are basically consistent with those used in the Consolidated Financial Statements, except with respect to the calculation of income tax expenses. Effective April 1, 2014, the internally decided method for calculating income tax expenses was revised, and figures for each segment from the year ended March 31, 2014, have been restated in accordance with these changes.

Transactions between segments are determined at market price or at arms length price.

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.

(Earnings per share)

(1) Basic earnings per share and diluted earnings per share

	FY 2013 (From April 1, 2013 to March 31, 2014)	FY 2014 (From April 1, 2014 to March 31, 2015)
Basic earnings per share (yen)	21.78	26.44
Diluted earnings per share (yen)	21.78	26.44

(2) Bases for calculation of basic earnings per share and diluted earnings per share

	FY 2013 (From April 1, 2013 to March 31, 2014)	FY 2014 (From April 1, 2014 to March 31, 2015)
Profit used to calculate basic and diluted earnings per share		
Profit for the year, attributable to owners of the Company (In millions of yen)	27,250	33,075
Amount not attributable to the ordinary shareholders of the Company (In millions of yen)	—	—
Profit used to calculate basic earnings per share (In millions of yen)	27,250	33,075
Profit adjustment amount		
Adjustment amount concerning share options to be issued by associates (In millions of yen)	(1)	(2)
Profit used to calculate diluted earnings per share (In millions of yen)	27,249	33,073
Weighted average number of ordinary shares to be used to calculate basic and diluted earnings per share		
Weighted average number of ordinary shares to be used to calculate basic earnings per share (In thousands of shares)	1,251,066	1,251,027
Effects of dilutive latent ordinary shares (In thousands of shares)	—	—
Weighted average number of ordinary shares used to calculate diluted earnings per share (In thousands of shares)	1,251,066	1,251,027

# Financial Results for the Year Ended March 31, 2015 (Reference)

**May 7, 2015**  
**Sojitz Corporation**

## ■ Index

- I. Financial Results for the Year ended March 31, 2015
- II. Full Year Forecast of Fiscal Year Ending March 31, 2016

### 【Supplemental Data】

- I. Segment Information
- II. Energy & Mineral Resources
- III. Summary of Financial Results

#### 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.

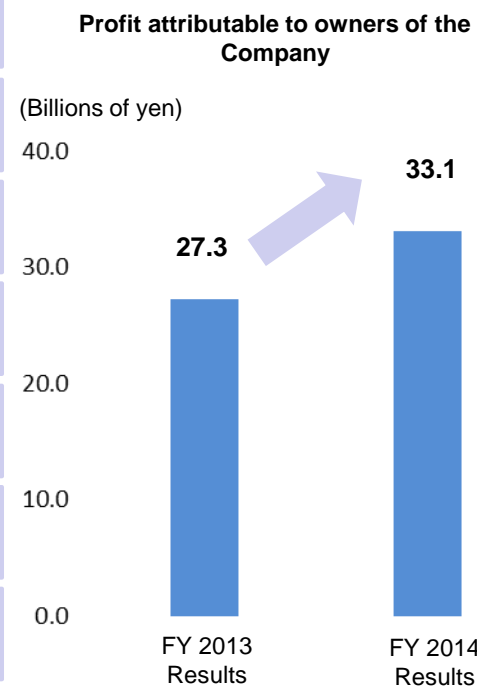
## I. Financial Results for the Year ended March 31, 2015

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## ■ Summary of Profit or Loss

**Profit for the year target achieved, despite impairment losses recorded in ferroalloy and oil interests and, conducting fundamental measures against the foreign currency and inflation in the Central and South American automotive business**

(Billions of Yen)	FY 2013 Results	FY 2014 Results	Difference	Achieved (vs. forecast)
<b>Net sales (JGAAP)</b>	4,046.6	4,105.3	+58.7	97.1%
<b>Gross profit</b>	198.2	197.7	(0.5)	96.0%
<b>Operating profit</b>	23.7	33.6	+9.9	84.0%
<b>Share of profit (loss) of investments accounted for using the equity method</b>	31.0	28.6	(2.4)	107.9%
<b>Profit before tax</b>	44.0	52.6	+8.6	95.6%
<b>Profit for the year attributable to owners of the Company</b>	27.3	33.1	+5.8	100.3%
<b>Comprehensive income attributable to owners of the Company</b>	82.2	107.4	+25.2	—
<b>Core earnings</b>	68.0	66.3	(1.7)	102.0%





## ■ Major Accounting Treatments in the Year Ended March 31, 2015

	Amount	Details	Impacted area
Ferroalloy and nonferrous metal interests	(12.0) Billion yen	Impairment losses	PL
Oil interests	(4.8) Billion yen	Impairment losses	PL
Central and South American Automotive Business*	(11.4) Billion yen	Decrease in translated equity of the subsidiary due to change in the exchange rate	BS

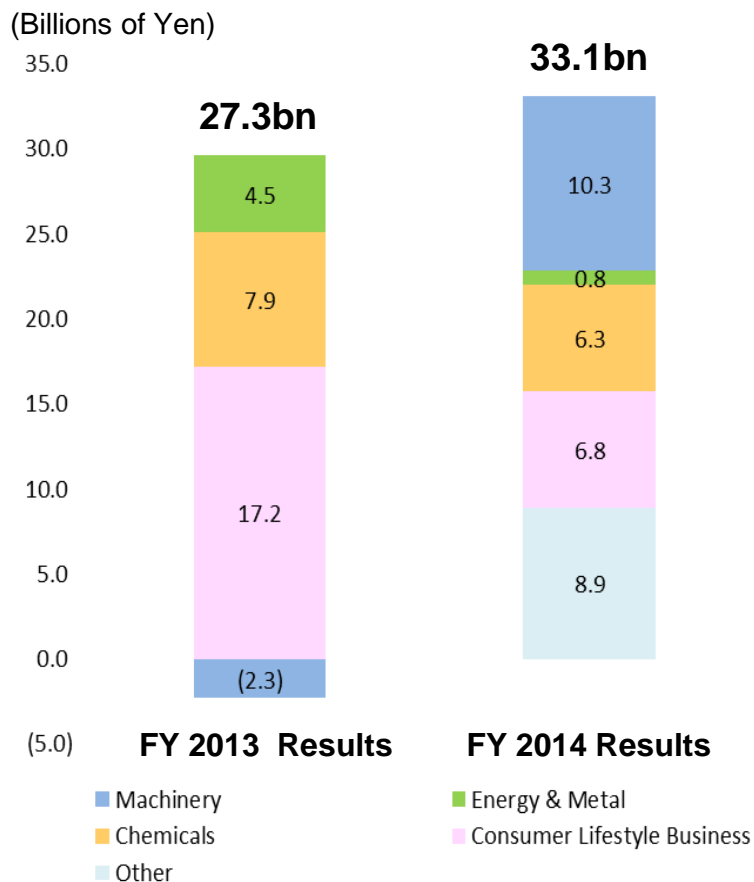
(\*) Loss and provision for loss on dissolution of subsidiaries and affiliates (consisting of allowance for doubtful receivables and impairment on investments) of ¥20.1 billion was recorded on the Company's non-consolidated financial statements

# Summary of Profit or Loss

## Profit for the year by segment

**Increase in overall profit for the year primarily attributable to higher Machinery Division earnings**

Profit for the year by segment attributable to owners of the Company



### Factor behind year on year change in earnings

- **Machinery ¥10.3 billion (- YoY)**

Gross profit rose as plant-related and used aircraft sales and other aircraft-related transactions increased. Profit for the year showed a substantial increase due to the absence of losses recorded in the Central and South American automotive business in the previous fiscal year.

- **Energy & Metal ¥0.8 billion (down 82.2% YoY)**

Gross profit decreased due to the negative impacts of the drop in prices for crude oil and coal. Profit for the year was also down as a result of recording impairment losses with regard to ferroalloy and oil interests.

- **Chemicals ¥6.3 billion (down 20.3% YoY)**

Gross profit increased as a result of higher transaction volumes for plastic resins and the benefits of the depreciated yen. However, profit for the year was down as a result of loss recorded in relation to withdrawing from an unprofitable business.

- **Consumer Lifestyle Business ¥6.8 billion (down 60.5% YoY)**

Gross profit was down due to lower lumber-related transaction volumes, and profit for the year decreased due in part to a decline in share of profit of investments accounted for using the equity method.

- **Other ¥8.9 billion (- YoY)**

Gross profit increased due to contributions from real estate related businesses including real estate investment trust operations. Profit for the year showed substantial growth due to a one-time income related to a liquidation of an affiliated company.

## ■ Summary of Balance Sheets

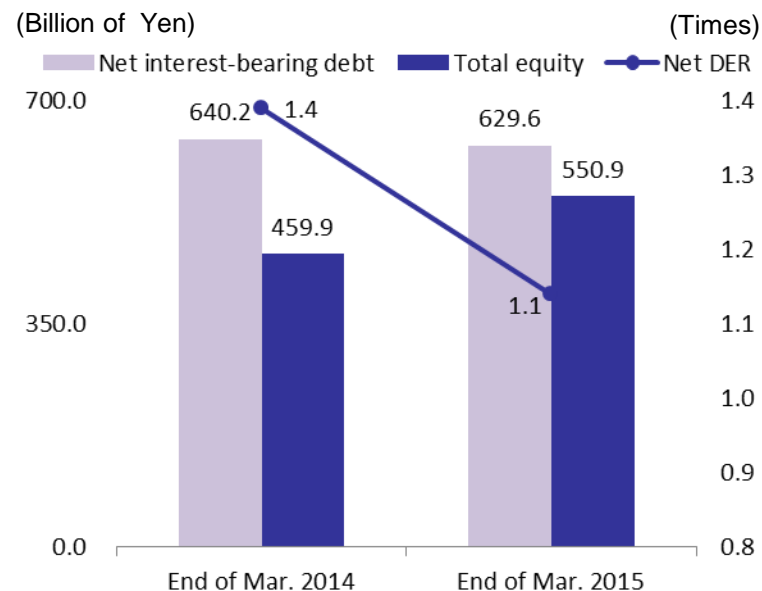
### Total equity showed steady improvement

(Billions of Yen)	End of Mar. 2014	End of Mar. 2015	Difference
<b>Total assets</b>	2,220.2	2,297.4	+ 77.2
<b>Total equity</b>	459.9	550.9	+91.0
<b>Risk assets vs. Total equity</b>	350.0 0.8 times	320.0 0.6 times	(30.0) (0.2) times
<b>Current ratio</b>	162.8%	169.5%	+6.7%
<b>Long-term debt ratio</b>	78.7%	79.9%	+1.2%
<b>Equity ratio</b>	20.7%	24.0%	+3.3%
<b>Net interest-bearing debt</b>	640.2	629.6	(10.6)
<b>Net DER (Times)</b>	1.4	1.1	(0.3)

### Changes in total equity

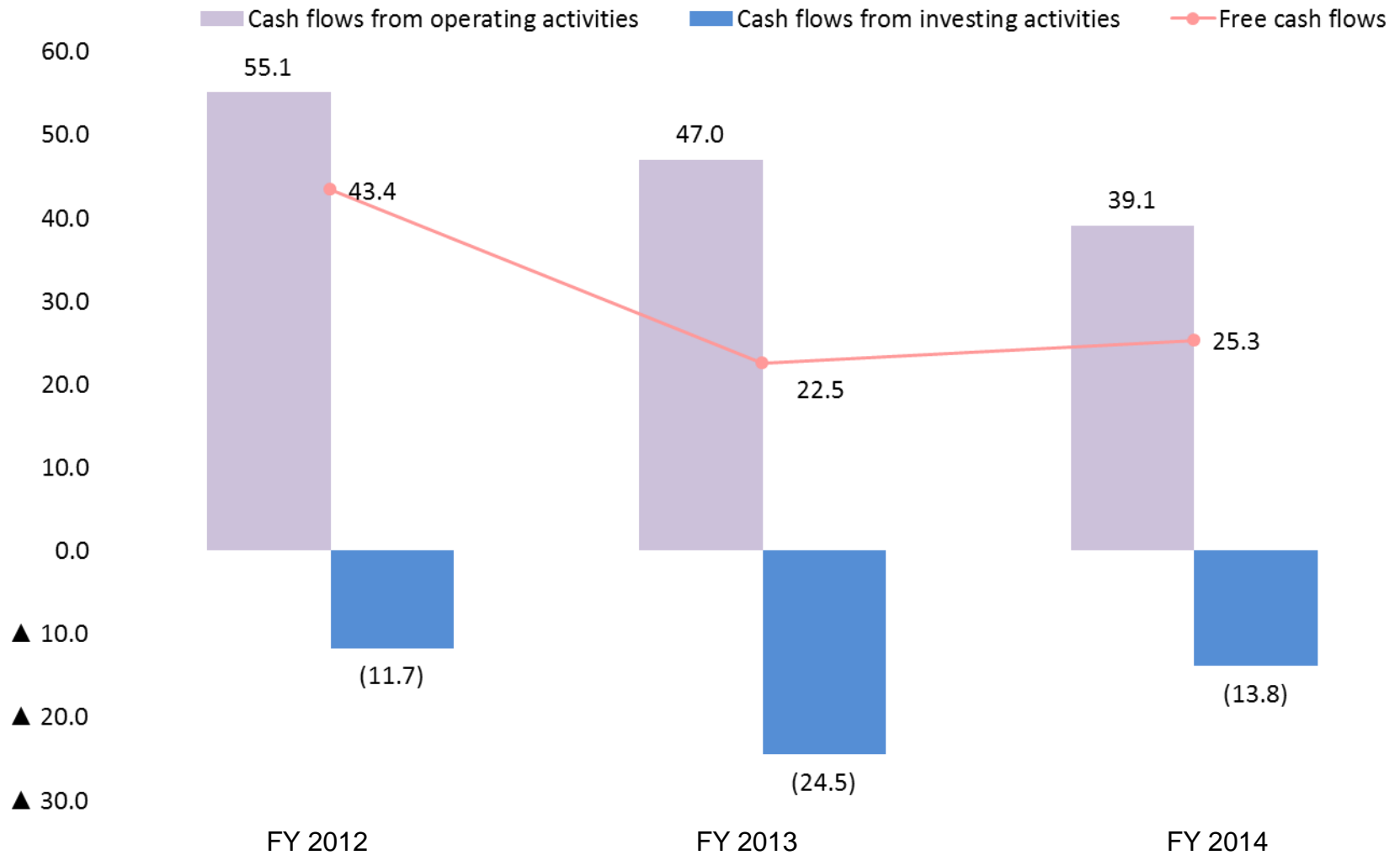
(End of Mar. 2014 vs. end of Mar. 2015, breakdown)

- Profit for the year attributable to owners of the Company ¥33.1 billion
- Dividends paid ¥(5.6) billion, etc.
- Changes due to fluctuations in stock prices and foreign exchange rates ¥75.0 billion



# ■ Summary of Free Cash Flows

(Billions of Yen)



# ■ Mid-term Management Plan 2014 - Asset Replacement -

## Improve asset quality to strengthen earnings capacity

### Asset Replacement Results (FY 2012 – FY 2014)

	FY2012 Results	FY2013 Results	FY2014 Results	Total
Investment & Loan	¥44.0bn	¥54.0bn	¥57.0bn	¥155.0bn
Asset Reduction	¥81.0bn	¥49.0bn	¥48.0bn	¥178.0bn
Collection of Funds	¥47.0bn	¥55.0bn	¥51.0bn	¥153.0bn

#### Asset reduction: ¥178.0bn (FY 2012 – FY 2014 total)

##### Machinery

- ✓ Sale of stock holdings related to overseas machinery companies
- ✓ Sale of ship holdings
- ✓ Sale of aircraft held for leasing purposes

##### Energy & Metal

- ✓ Divestment of petroleum product sales subsidiary
- ✓ Sale of portion of Australian coal interests
- ✓ Exclusion of bioethanol production company from consolidation

##### Other

- ✓ Sale of real estate in Japan (Shopping centers, office buildings, etc.)

#### Stock holdings

##### Ship and aircraft holdings

##### Real estate in Japan

##### Resource-related interests

##### Other

##### Machinery

##### Energy & Metal

##### Chemicals

##### Consumer Lifestyle Business

##### Other

#### Investments and loans: ¥155.0bn (FY 2012 – FY 2014 total)

##### Machinery

- ✓ Middle Eastern IPP projects
- ✓ African desalination business
- ✓ Domestic solar power generation businesses
- ✓ Acquisition of U.S. automobile dealer

##### Energy & Metal

- ✓ Acquisition of new coal interests in Indonesia
- ✓ Expansion of resource interests

##### Chemicals

- ✓ Acquisition of new barite interests in Mexico
- ✓ Indian industrial salt business

##### Consumer Lifestyle Business

- ✓ Agriculture, grain collection, and terminal business in Brazil

## II. Full Year Forecast of Fiscal Year Ending March 31, 2016

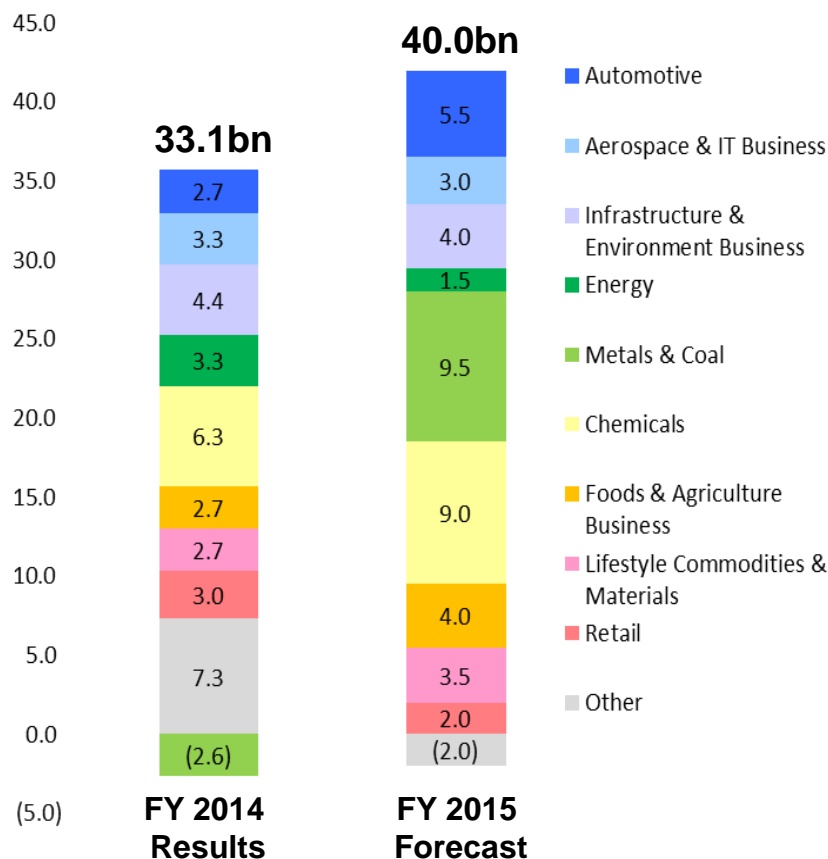
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# FY2015 Forecast

## Profit for the year by Divisions

Profit for the year by Divisions  
attributable to owners of the Company

(Billions of Yen)



(\*) 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.

## FY 2015 Outlook

### ● Automotive ¥5.5bn

Losses in Central and South American automotive business are expected to decline while new investments and loans generate increased profits.

### ● Aerospace & IT Business ¥3.0bn

Transactions in new aircraft-related businesses are forecast to increase.

### ● Infrastructure & Environment ¥4.0bn

New businesses, such as renewable energy-related businesses and transportation and infrastructure-related businesses, are expected to generate increased profits. In addition, new investments and loans are forecast to be implemented.

### ● Energy ¥1.5bn

The impairment losses recorded with regard to certain oil interests in the year ended March 31, 2015 will be absent, but the performance of an LNG-related affiliate will be impacted by the drop in crude oil prices.

### ● Metals & Coal ¥9.5bn

The impairment losses recorded with regard to ferroalloy interests in the year ended March 31, 2015 will be absent, and certain nonferrous metal interests will see improved performance.

### ● Chemicals ¥9.0bn

Higher chemical and plastic resin transactions in Asia and the Americas are expected along with increased profits from previously implemented investments and loans.

### ● Foods & Agriculture Business ¥4.0bn

Profits are forecast to increase due to improvements in the performance of grain businesses.

### ● Lifestyle Commodities & Materials ¥3.5bn

Lumber-related transactions and other existing businesses are forecast to recover from the slump experienced in the year ended March 31, 2015.

### ● Retail ¥2.0bn

Food-related businesses are expected to see increased profits, but performance will be impacted by the rebound from the gain on sale of investment property recorded in the year ended March 31, 2015.

### ● Other ¥(2.0)bn

Costs related to asset replacement are expected.



# ■ Commodity Prices, Foreign Exchange, and Interest Rate

	FY 2013 Results (Annual Avg.)	FY 2014 Results (Annual Avg.)	FY 2015 Initial Assumption (Annual Avg.)	Latest (As of April 30, 2015)
<b>Crude oil (Brent)*1</b>	\$107.5/bbl	\$85.5/bbl	\$60/bbl	\$66.8/bbl
<b>Thermal Coal *2</b>	\$89.5/t	\$72.3/t	\$68/t	\$67.8/t
<b>Molybdenum</b>	\$10.0/lb	\$11.0/lb	\$8.5/lb	\$7.6/lb
<b>Nickel *3</b>	\$6.8/lb	\$7.7/lb	\$7.0/lb	\$6.3/lb
<b>Exchange rate*4</b>	¥100.5/\$	¥110.6/\$	¥120/\$	¥119.0/\$
<b>Interest rate (TIBOR)</b>	0.23%	0.20%	0.20%	0.17%

\*1 Impact of fluctuations in the crude oil price on earnings: A \$1/bbl change alters profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion annually.

\*2 Actual thermal coal prices are the general trading prices based on market data.

\*3 The price assumptions of nickel is based on the annual average from Jan. to Dec.

\*4 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.4 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.2 billion annually, and total equity by approx. ¥2.0 billion.

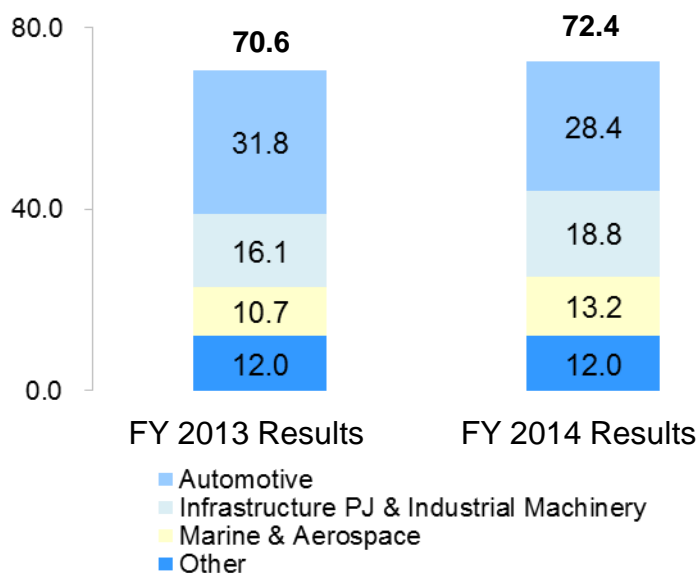
## 【Supplemental Data I.】 Segment Information

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# Machinery

(Billions of Yen)

## Gross profit by Unit



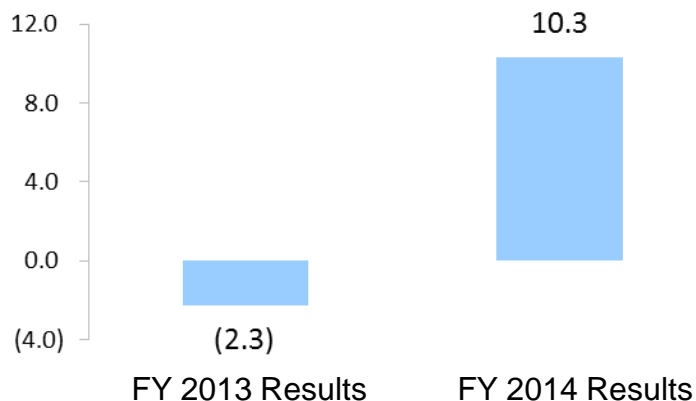
## FY 2014 Results (Supplements)

### Profit for the Year\* ¥10.3bn

- **Automotive Unit**  
Profit for the year increased due to the absence of losses recorded in the Central and South American automotive business during the previous fiscal year.
- **Infrastructure Project & Industrial Machinery Unit**  
Profit for the year was up due to higher plant-related transactions.
- **Marine & Aerospace Unit**  
Profit for the year was up following higher aircraft-related transactions such as used aircraft sales.

(Billions of Yen)

## Profit for the Year\*

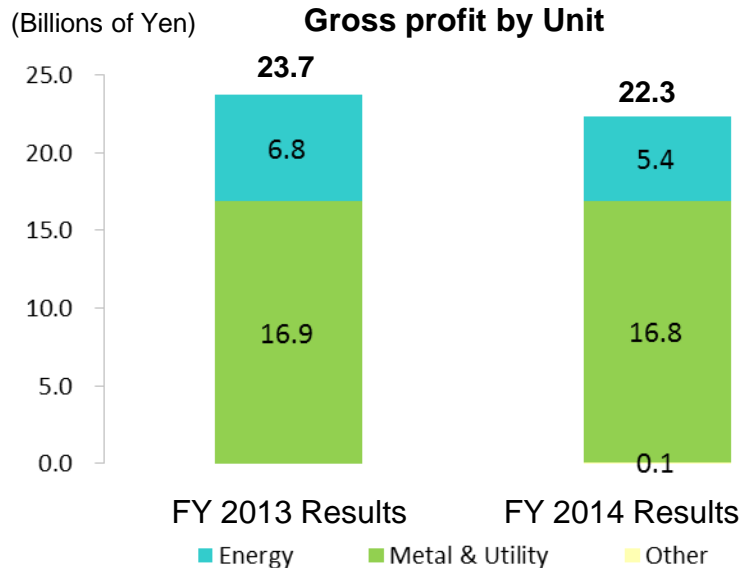


(Billions of Yen)

	FY 2013 Results	FY 2014 Results
Gross profit	70.6	72.4
Operating income	2.9	17.0
Share of profit of investments accounted for using the equity method	3.4	3.9
Profit for the year*	(2.3)	10.3
Total assets	444.1	460.5

(\*) Profit attributable to owners of the Company

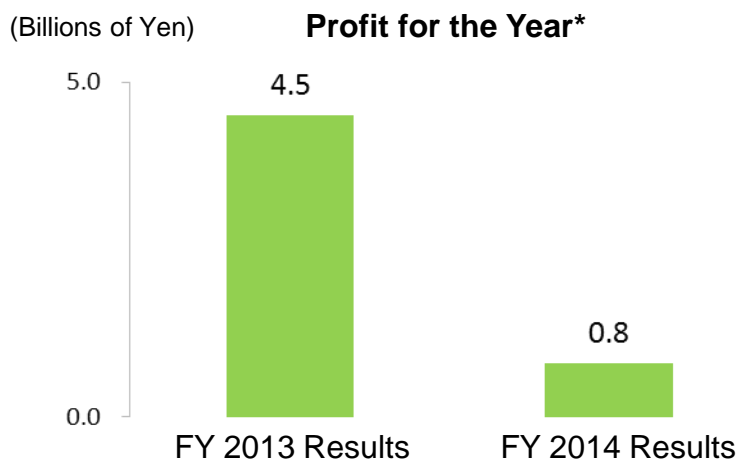
# Energy & Metal



## FY 2014 Results (Supplements)

### Profit for the Year\* ¥0.8bn

- Energy Unit  
Profit for the year was down due to the impairment losses recorded with regard to oil fields following the impacts of the drop in crude oil prices.
- Metal & Utility Unit  
Profit for the year was down due to the drop in coal prices and impairment losses recorded with regard to certain ferroalloy interests.



(Billions of Yen)

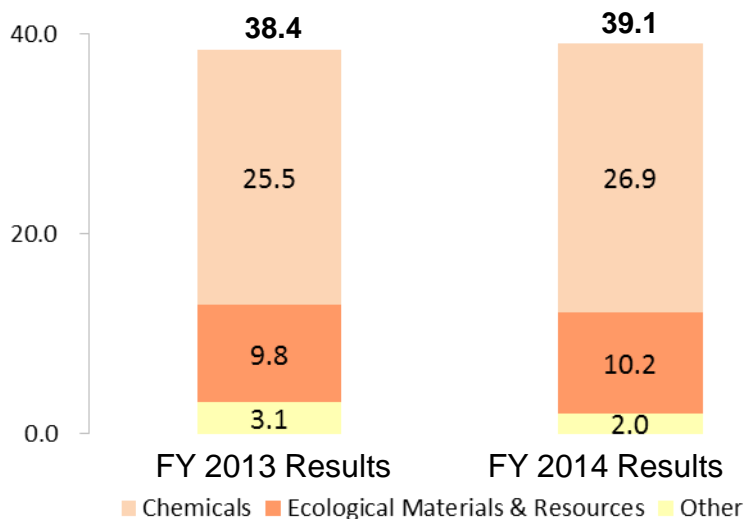
	FY 2013 Results	FY 2014 Results
Gross profit	23.7	22.3
Operating income	(11.2)	(17.9)
Share of profit of investments accounted for using the equity method	16.2	21.4
Profit for the year*	4.5	0.8
Total assets	590.8	623.0

(\*) Profit attributable to owners of the Company

# Chemicals

(Billions of Yen)

## Gross profit by Unit



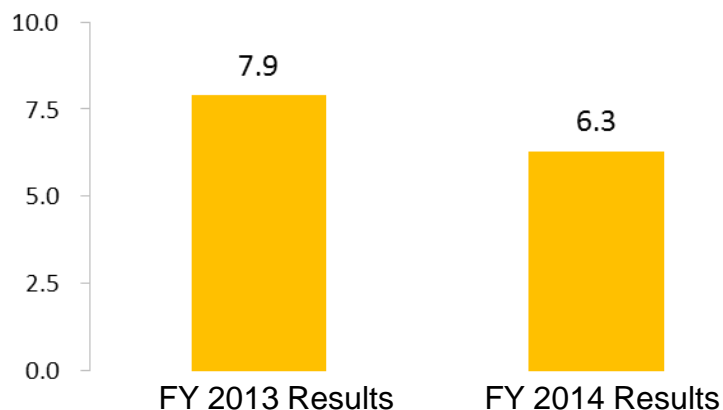
## FY 2014 Results (Supplements)

### Profit for the Year\* ¥6.3bn

- Chemicals Unit  
Profit for the year was relatively unchanged year on year by the solid performance of chemicals and plastic resins in Asia.
- Ecological Materials & Resources Unit  
Profit for the year was down as a result of losses recorded related to the withdrawal from a business with low profitability.

(Billions of Yen)

## Profit for the Year\*



(Billions of Yen)

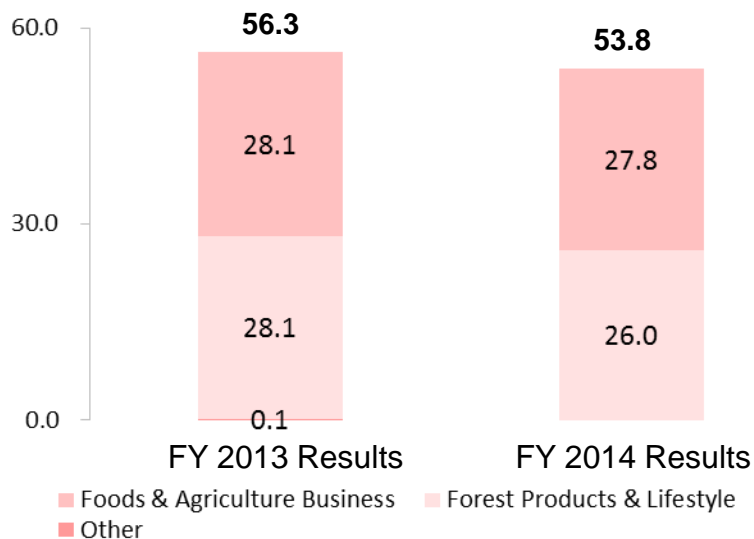
	FY 2013 Results	FY 2014 Results
Gross profit	38.4	39.1
Operating income	14.0	11.9
Share of profit of investments accounted for using the equity method	0.6	0.6
Profit for the year*	7.9	6.3
Total assets	280.3	290.1

(\*) Profit attributable to owners of the Company

# Consumer Lifestyle Business

(Billions of Yen)

## Gross profit by Unit



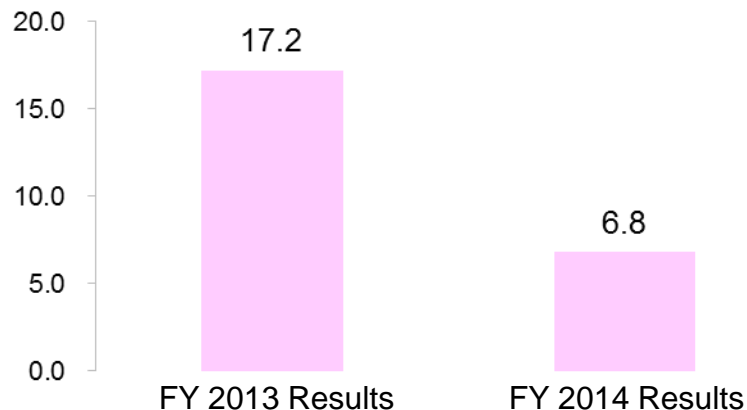
## FY 2014 Results (Supplements)

### Profit for the Year\* ¥6.8bn

- Foods & Agriculture Business Unit  
Profit for the year decreased as the brisk performance of food-related businesses was outweighed by the impacts of the rebound from the impressive performance seen in overseas fertilizer businesses during the previous fiscal year.
- Forest Product & Lifestyle Unit  
Profit for the year was down following lower lumber-related transaction volumes and a decline in share of profit of investments accounted for using the equity method.

(Billions of Yen)

## Profit for the Year\*



(Billions of Yen)

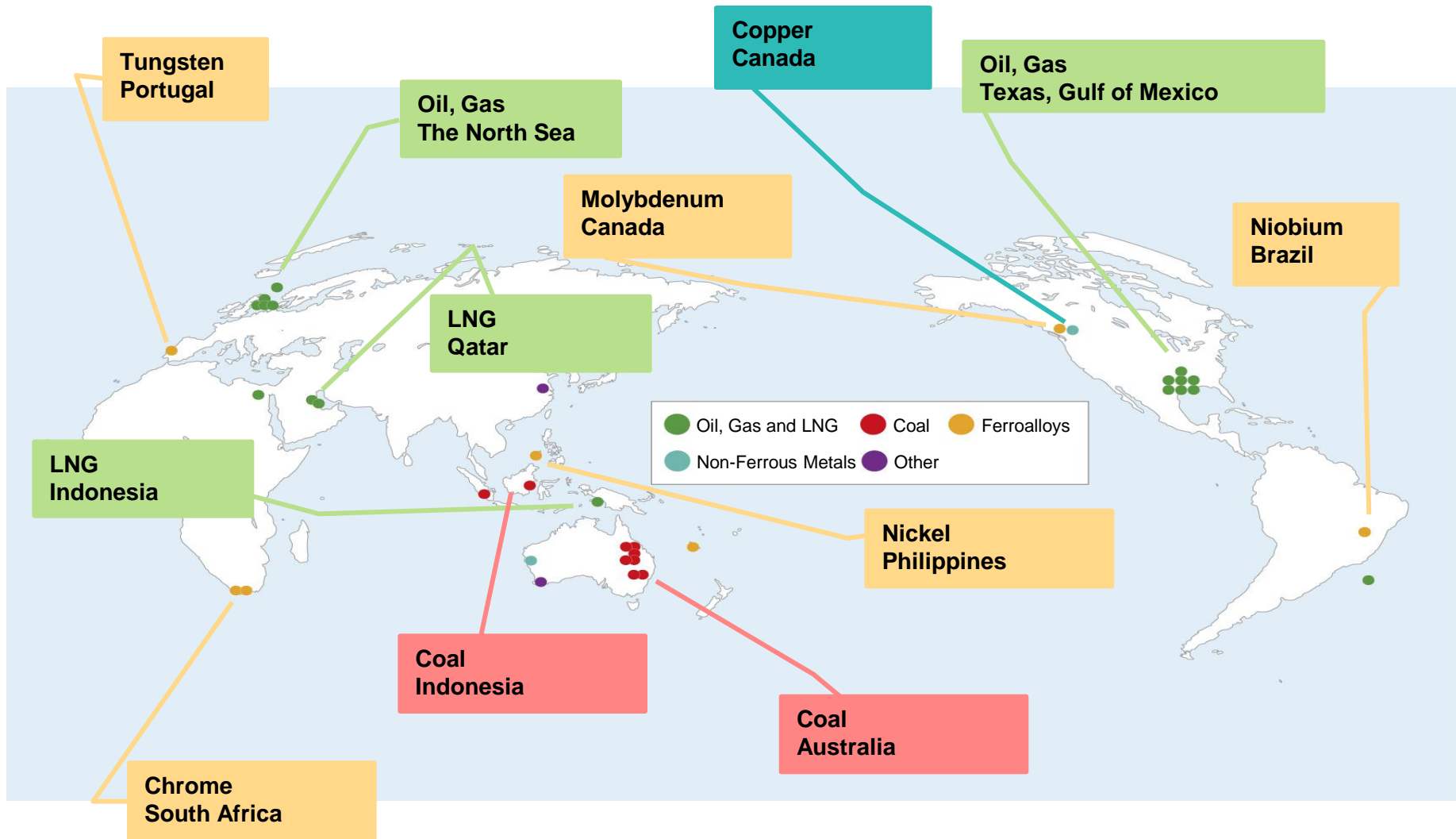
	FY 2013 Results	FY 2014 Results
Gross profit	56.3	53.8
Operating income	17.5	13.8
Share of profit of investments accounted for using the equity method	10.4	2.6
Profit for the year*	17.2	6.8
Total assets	478.4	491.3

(\*) Profit attributable to owners of the Company

## 【Supplemental Data II.】Energy & Mineral Resources

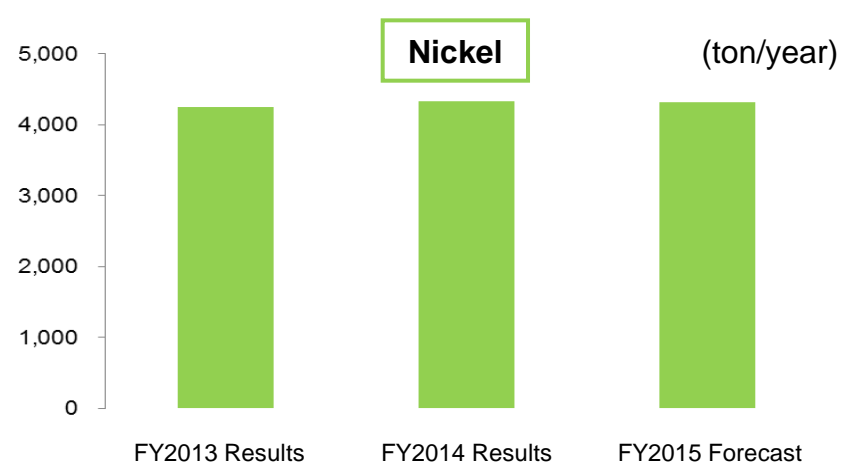
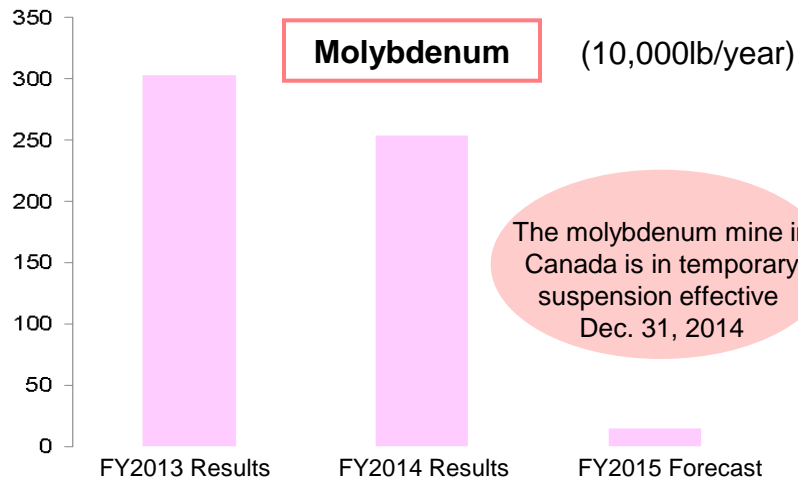
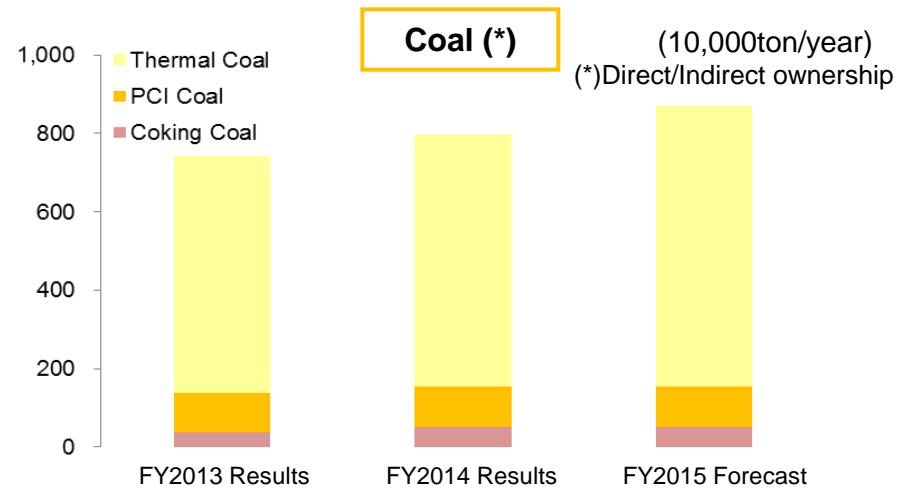
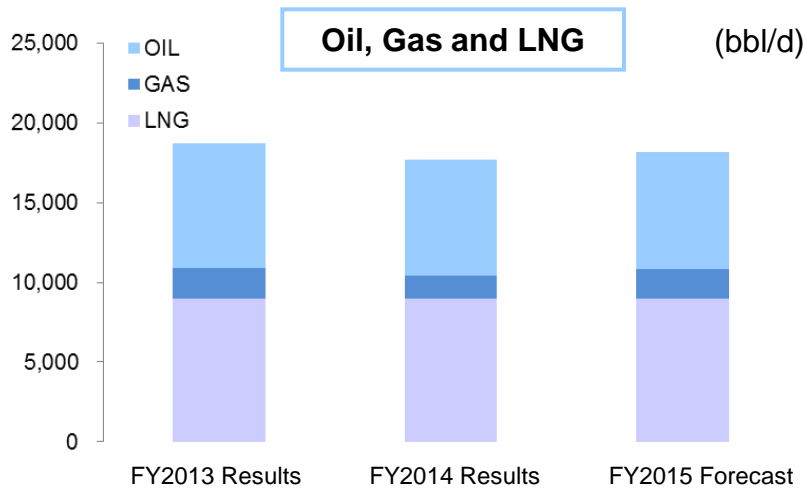
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# Overview of Major Interests





# Share of Production Volume from Major Interests



## 【Supplemental Data III.】 Summary of Financial Results

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## ■ Summary of Profit or Loss (IFRS)

(Billions of Yen)	FY2011 Results	FY2012 Results	FY2013 Results	FY2014 Results
<b>Net sales (JGAAP)</b>	4,321.7	3,934.5	4,046.6	4,105.3
<b>Gross profit</b>	217.1	187.2	198.2	197.7
<b>Operating profit</b>	57.5	25.5	23.7	33.6
Share of profit (loss) of investments accounted for using the equity method	16.3	15.8	31.0	28.6
<b>Profit before tax</b>	58.5	28.1	44.0	52.6
Profit for the year attributable to owners of the Company	(1.0)	13.4	27.3	33.1
Comprehensive income attributable to owners of the Company	(16.2)	56.1	82.2	107.4
<b>Core earnings</b>	65.8	38.5	68.0	66.3
(Reference)				
<b>ROA</b>	(0.0)%	0.6%	1.2%	1.5%
<b>ROE</b>	(0.3)%	3.8%	6.5%	6.5%

## ■ Summary of Balance Sheets (IFRS)

(Billions of Yen)	Apr. 1, 2011	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015
<b>Total assets</b>	2,170.1	2,190.7	2,150.1	2,220.2	2,297.4
<b>Total equity</b>	346.3	330.0	382.6	459.9	550.9
<b>Risk assets (vs. Total equity)</b>	330.0 1.0 times	330.0 1.0 times	340.0 0.9 times	350.0 0.8 times	320.0 0.6 times
<b>Current ratio</b>	148.6%	142.5%	152.1%	162.8%	169.5%
<b>Long-term debt ratio</b>	77.0%	73.3%	76.0%	78.7%	79.9%
<b>Equity ratio</b>	16.0%	15.1%	17.8%	20.7%	24.0%
<b>Net interest- bearing debt</b>	697.2	676.4	643.3	640.2	629.6
<b>Net DER</b>	2.0 times	2.0 times	1.7 times	1.4 times	1.1 times

## ■ Summary of Profit or Loss (JGAAP)

(Billions of Yen)	FY2007 Results	FY2008 Results	FY2009 Results	FY2010 Results	FY2011 Results(*)	FY2012 Results
<b>Net sales</b>	5,771.0	5,166.2	3,844.4	4,014.6	4,494.2	3,955.9
<b>Gross profit</b>	277.7	235.6	178.2	192.7	231.6	192.1
<b>Operating income</b>	92.4	52.0	16.1	37.5	64.5	33.3
<b>Ordinary income</b>	101.5	33.6	13.7	45.3	62.2	34.5
<b>Net income</b>	62.7	19.0	8.8	16.0	(3.6)	14.3
<b>Core earnings</b>	101.7	48.3	14.4	41.9	65.0	35.4
(Reference)						
<b>ROA</b>	2.4%	0.8%	0.4%	0.7%	(0.2)%	0.7%
<b>ROE</b>	13.0%	4.8%	2.6%	4.7%	(1.1)%	4.3%

(\*) A fifteen-month accounting period was applied for the significant overseas consolidated subsidiaries which underwent a change in their fiscal year end date

## ■ Summary of Balance Sheets (JGAAP)

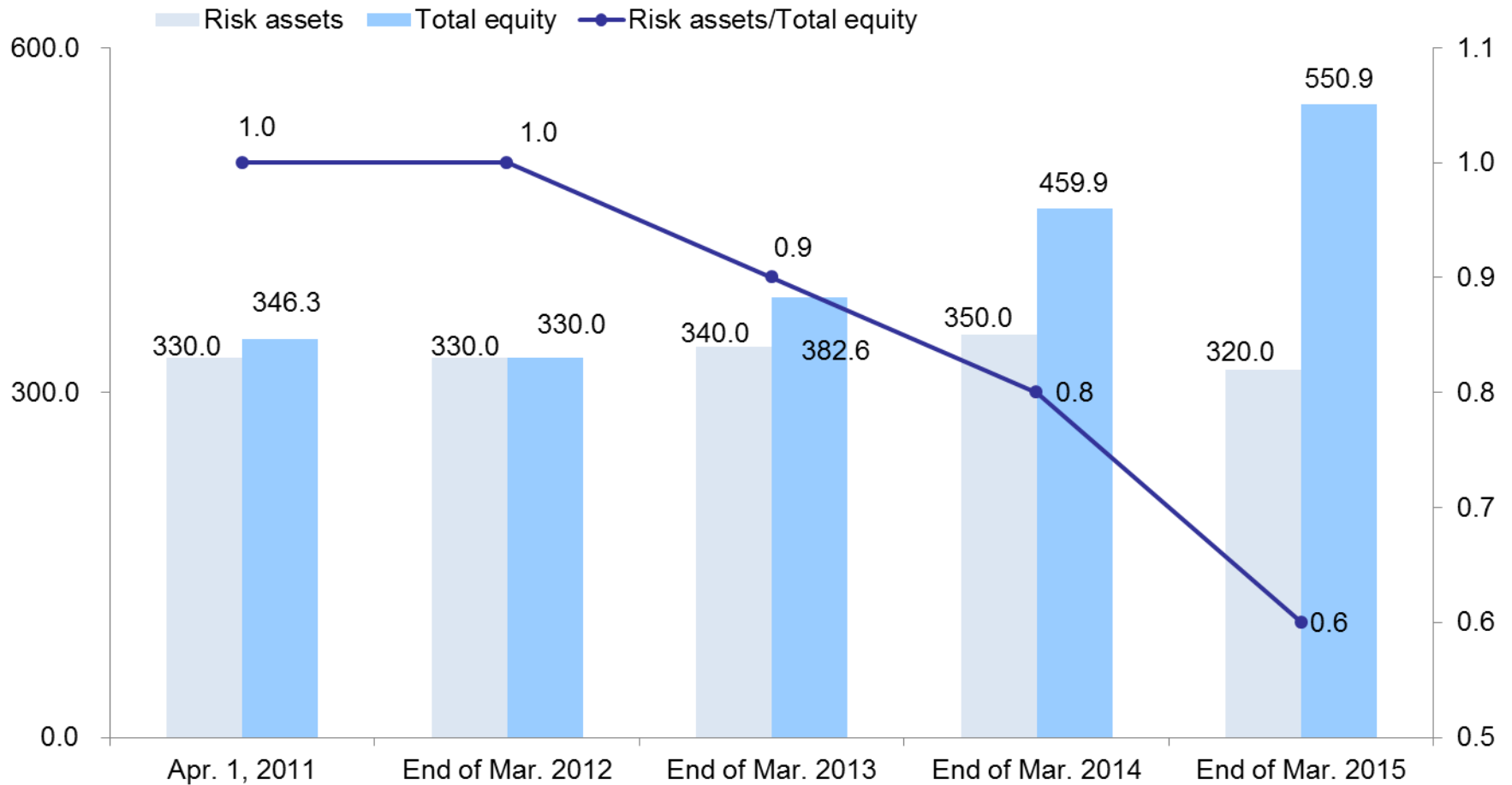
(Billions of Yen)	End of Mar. 2008	End of Mar. 2009	End of Mar. 2010	End of Mar. 2011	End of Mar. 2012	End of Mar. 2013
<b>Total assets</b>	2,669.4	2,313.0	2,160.9	2,117.0	2,120.6	2,086.4
<b>Total equity(*)</b> <b>(Total net assets)</b>	476.0 (520.3)	319.0 (355.5)	352.4 (377.4)	330.0 (355.5)	305.9 (330.5)	353.5 (382.5)
<b>Risk assets</b> <b>(vs. Equity)</b>	380.0 (0.8 times)	350.0 (1.1 times)	320.0 (0.9 times)	310.0 (0.9 times)	300.0 (1.0 times)	300.0 (0.8 times)
<b>Current ratio</b>	121.1%	141.7%	152.7%	142.2%	137.0%	147.2%
<b>Long-term debt ratio</b>	54.0%	66.7%	74.3%	72.3%	70.7%	73.9%
<b>Equity ratio</b>	17.8%	13.8%	16.3%	15.6%	14.4%	16.9%
<b>Net interest- bearing debt</b>	918.9	865.3	737.8	700.6	647.8	616.2
<b>Net DER</b> Net DE ratio based on total net assets	1.9 times (1.8 times)	2.7 times (2.4 times)	2.1 times (2.0 times)	2.1 times (2.0 times)	2.1 times (2.0 times)	1.7 times (1.6 times)

(\*) Total equity = Total net assets – Minority interests

# Risk Assets and Total Equity (IFRS)

(Billions of Yen)

(Times)





***sojitz***

***New way, New value***