

Financial Results for the Third Quarter Ended December 31, 2015 (Reference)

February 3, 2016
Sojitz Corporation

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Caution regarding Forward-looking Statements

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

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

I. Financial Results for the Third Quarter and Full Year Forecast of Fiscal Year Ending March 31, 2016



Summary of Profit or Loss

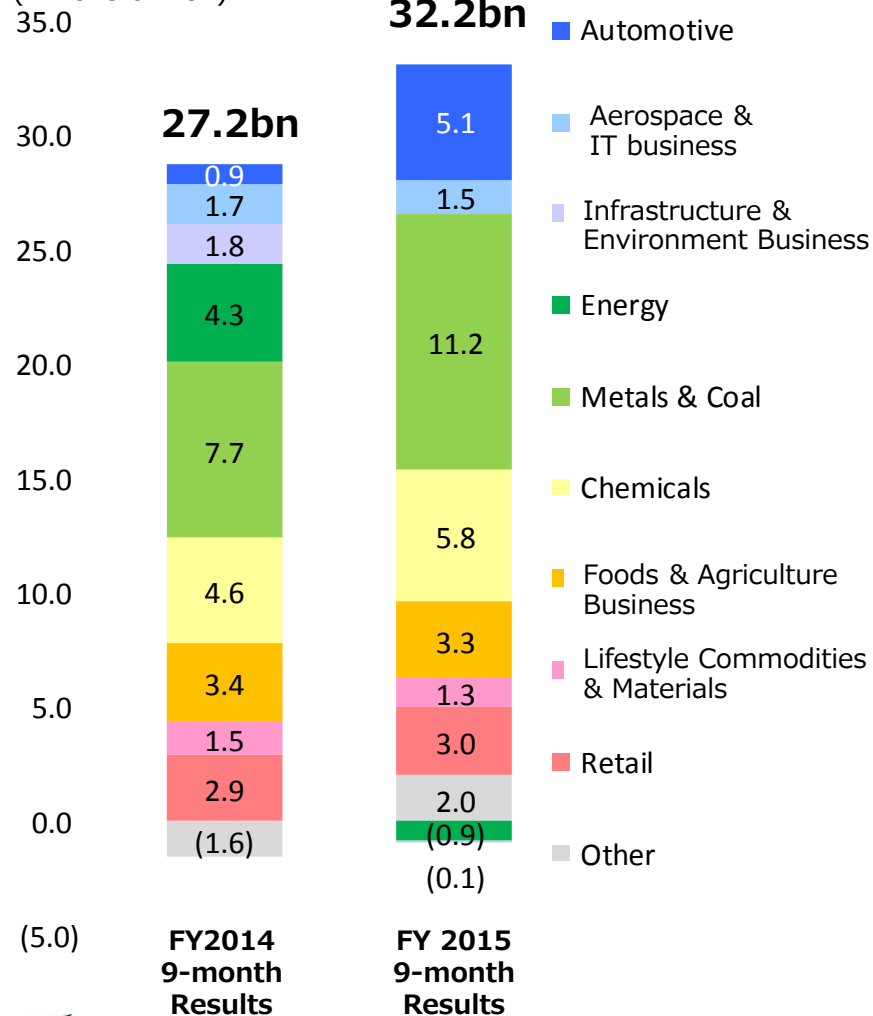
(Billions of Yen)	FY2014 9-month Results	FY2015 9-month Results	Difference	FY2015 Forecast (Nov. 5, '15)	Achieved
Net sales (JGAAP)	3,013.6	3,024.4	+10.8	4,250.0	71%
Gross profit	148.4	133.2	(15.2)	205.0	65%
Operating profit	30.0	27.2	(2.8)	40.5	67%
Share of profit (loss) of investments accounted for using the equity method	22.5	19.3	(3.2)	28.0	69%
Profit before tax	44.7	40.4	(4.3)	58.5	69%
Income tax expenses	(13.7)	(6.8)	+6.9	(14.0)	—
Profit for the period attributable to owners of the Company	27.2	32.2	+5.0	40.0	81%
Core earnings	45.6	30.5	(15.1)	66.0	—

Summary of Profit or Loss

Profit for the period by segment

Profit for the period
(attributable to owners of the Company) by segment

(Billions of Yen)



Factor behind year on year change in earnings

- Automotive ¥5.1 billion (up 467% YoY)**
 Increased as strong performance of automobile business in the Philippines offset the impacts of decreased automobile sales in Russia.
- Aerospace & IT Business ¥1.5 billion (down 12% YoY)**
 Decreased due to rebound from aircraft sales recorded in the previous equivalent period.
- Infrastructure & Environment Business ¥(0.1) billion (- YoY)**
 Decreased due to impairment losses on iron ore interests held jointly with the Metals & Coal Division.
- Energy ¥(0.9) billion (- YoY)**
 Decreased due to the impacts of a decline in the oil price.
- Metals & Coal ¥11.2 billion (up 45% YoY)**
 Despite impairment losses on iron ore interests, increased due to recording of gains on revaluation of coal business assets due to change in holding purpose.
- Chemicals ¥5.8 billion (up 26% YoY)**
 Increased due to higher transaction volumes of plastic resins in Asia and petroleum resins in the Americas.
- Foods & Agriculture Business ¥3.3 billion (down 3% YoY)**
 Decreased due to lower sales volumes in overseas fertilizer businesses as a result of unfavorable weather.
- Lifestyle Commodities & Materials ¥1.3 billion (down 13% YoY)**
 Despite steady performance of textile businesses, decreased due to loss recorded in overseas woodchip manufacturing businesses.
- Retail ¥3.0 billion (up 3% YoY)**
 Increased due to strong performance of industrial park businesses.
- Other ¥2.0 billion (- YoY)**
 Decrease in income tax expenses.

FY2015 Forecast

Profit for the year by segment

Profit for the period
(attributable to owners of the Company) by segment

(Billions of Yen)	FY2015 9-month Results	FY2015 Forecast (Nov. 5, '15)	Achieved
Automotive	5.1	5.5	93%
Aerospace & IT Business	1.5	4.0	38%
Infrastructure & Environment Business	(0.1)	4.0	—
Energy	(0.9)	1.0	—
Metals & Coal	11.2	5.5	204%
Chemicals	5.8	9.0	64%
Foods & Agriculture Business	3.3	4.0	83%
Lifestyle Commodities & Materials	1.3	2.5	52%
Retail	3.0	4.5	67%
Other	2.0	0.0	—
Total	32.2	40.0	81%

Future Outlook

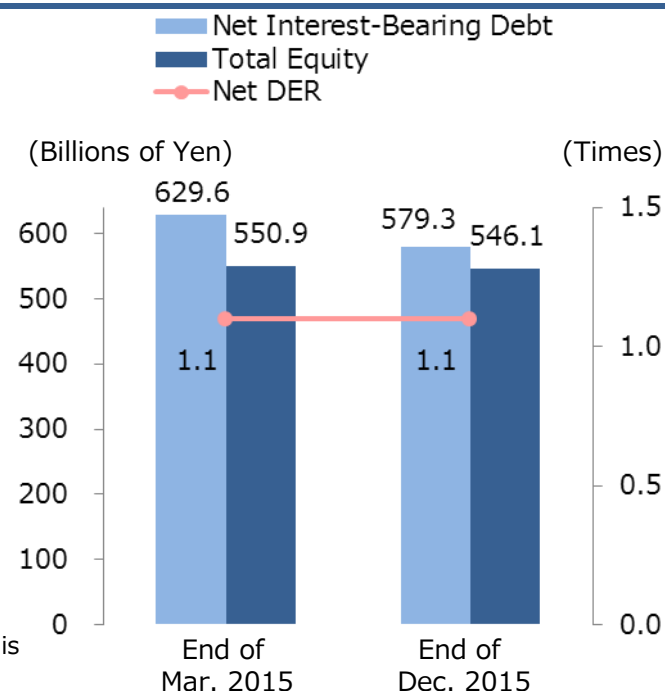
- Automotive ¥5.1 billion**
 Progress toward targets is strong, but performance will likely be adversely impacted by the decline in automobile sales in Russia.
- Aerospace & IT Business ¥1.5 billion**
 Performance in aircraft-related operations is steady, and earnings are expected to be recorded in IT-related operations.
- Infrastructure & Environment Business ¥(0.1) billion**
 Although plant-related earnings are expected to be recorded during the fourth quarter, current progress suggests challenges in achieving full-year targets.
- Energy ¥(0.9) billion**
 Investments accounted for using the equity method are expected to produce profit on the fourth quarter, but crude oil price trends warrant caution.
- Metals & Coal ¥11.2 billion**
 Performance will be impacted by sluggish conditions in markets for handled products.
- Chemicals ¥5.8 billion**
 While performance in the Americas will be strong, the impacts of economic slowdown in Asia will need to be carefully monitored.
- Foods & Agriculture Business ¥3.3 billion**
 The impacts of unseasonable weather on overseas fertilizer businesses will continue needing to be monitored.
- Lifestyle Commodities & Materials ¥1.3 billion**
 Performance will be robust in textile businesses.
- Retail ¥3.0 billion**
 Industrial park turn-overs and solid transactions of real estate held for sales in Japan to be seen during fourth quarter.
- Other ¥2.0 billion**
 Asset replacement costs to be recorded during the fourth quarter.

Summary of Balance Sheets

(Billions of Yen)	End of Mar. 2015	End of Dec. 2015	Difference	End of Mar. 2016 Forecast (Nov. 5, '15)
Total assets	2,297.4	2,173.4	(124.0)	2,300.0
Total equity*	550.9	546.1	(4.8)	560.0
Equity ratio	24.0%	25.1%	+1.1%	24.3%
Net interest-bearing debt	629.6	579.3	(50.3)	650.0
Net DER (Times)	1.1	1.1	—	1.2
Risk assets vs. Total equity	320.0 0.6 times	330.0 0.6 times	+10.0 ±0times	—
Current ratio	169.5%	158.6%	(10.9)%	—
Long-term debt ratio	79.9%	80.4%	+0.5%	—

Changes in Total Equity (End of Mar. 2015 vs. End of Dec. 2015, Breakdown)

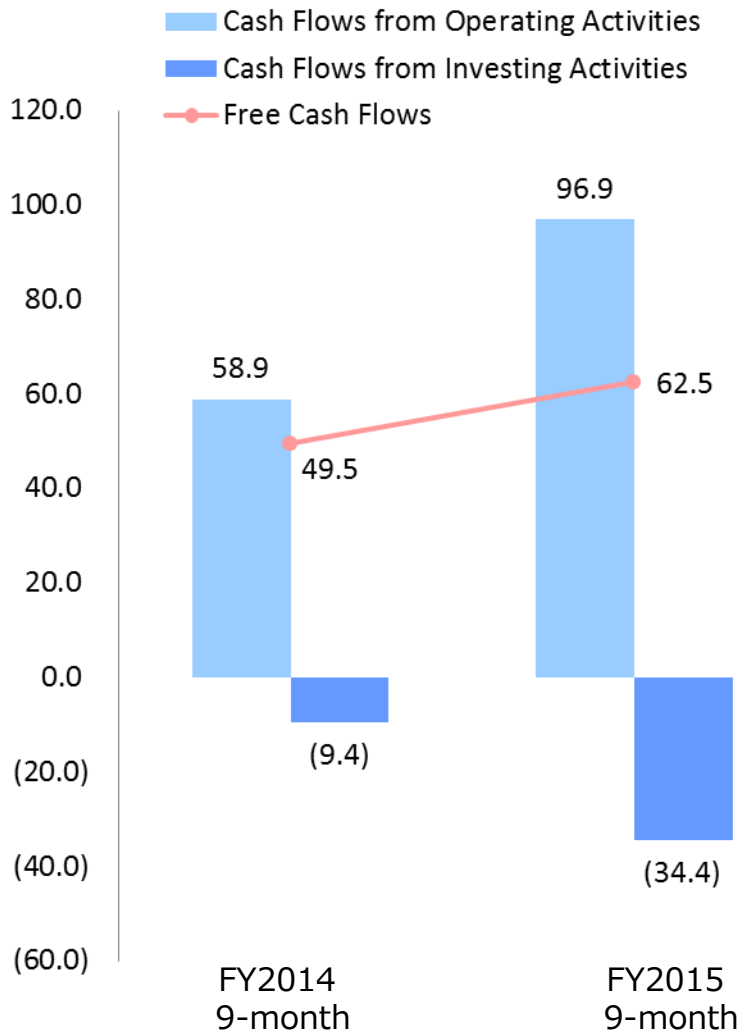
- Profit for the period attributable to owners of the Company ¥32.2 billion
- Dividends paid ¥(9.4) billion
- Changes due to fluctuations in foreign exchange rates and others ¥(28.3) billion



(*) "Total equity attributable to owners of the Company" is recognized as "Total equity" above, and is also used in the denominator of the "Net DER" and the numerator of the "Equity ratio".

Summary of Cash Flows

(Billions of Yen)



Cash Flows from Operating Activities

Net cash provided by operating activities ¥96.9 billion reflecting operating revenues and dividends received as well as delays in the settlement of trade payables in the Lifestyle Commodities & Materials Division

Cash Flows from Investing Activities

Net cash used in investing activities ¥34.4 billion as outlays for investments and loans outweighed inflows from asset replacement

(Investments & Loans)

- Automobile Dealership in the U.S.A. and Brazil
- Domestic Solar Power Generation Business
- Comprehensive transportation infrastructure business in North America Etc.

Free Cash Flows

Free cash flow positive ¥+62.5 billion
Up ¥13.0 billion YoY due to rise in net cash provided by operating activities

Commodity Prices, Foreign Exchange, and Interest Rate

	FY2014 Results (Annual Avg.)	FY2015 Initial Assumptions (Annual Avg.)	FY2015 9-month Results (Apr.-Dec. Avg.)	Latest Data (As of February 1, 2016)
Crude oil (Brent)*1	\$85.5/bbl	\$60/bbl	\$53.2/bbl	\$34.2/bbl
Thermal Coal *2	\$72.3/t	\$68/t	\$63.8/t	\$47.3/t
Exchange rate *3	¥110.6/US\$	¥120/US\$	¥121.6/US\$	¥121.2/US\$
Interest rate (TIBOR)	0.20%	0.20%	0.17%	0.15%

*1 Impact of fluctuations in the crude oil price on earnings: A US\$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 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.3 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion annually, and total equity by approx. ¥2.0 billion.

(Note) Crude oil price assumption for the second half for the year ending March 31, 2016 is US\$50/bbl.

Investments and Loans for the Third Quarter Ended December 31, 2015

FY2015 1-3Q Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none"> ■ Automobile Dealership in the U.S.A. ■ Automobile Dealership in Brazil ■ Solar Power Generation Business in Japan ■ Comprehensive transportation infrastructure business in North America ■ Convenience store business in Vietnam ■ Logistic business in the U.S.A. ■ Capital Expenditure for resource businesses
Investments and Loans Results	Approx. ¥44.0bn
Asset Reduction	<ul style="list-style-type: none"> ■ Sale of Aircraft for Lease ■ Sale of Real Estate in Japan
Asset Reduction Results	Approx. ¥27.0bn

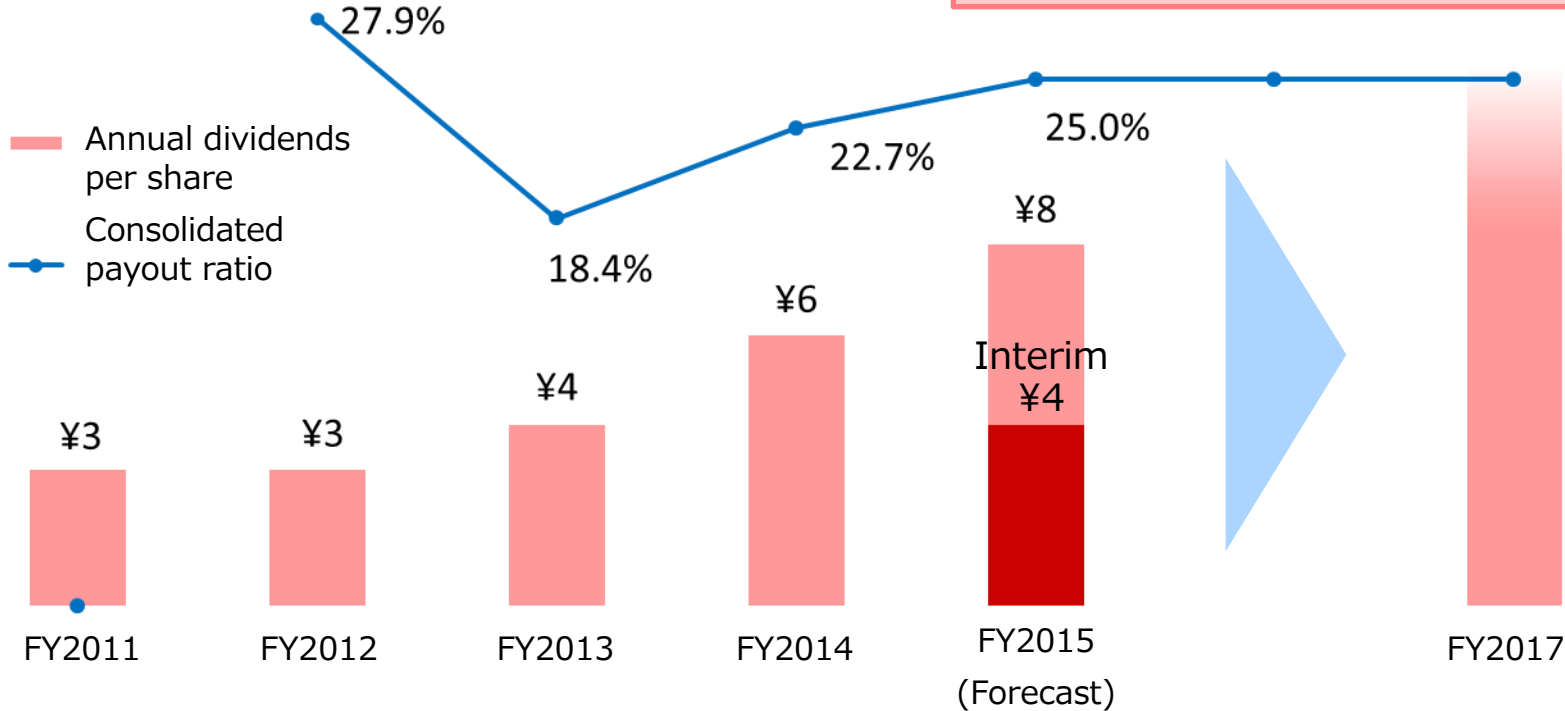
II. Dividends

Dividends

Basic Dividend Policy

Sojitz recognizes that paying stable, continuous dividends is a management priority, together with enhancing shareholder value and boosting competitiveness through the accumulation and effective use of retained earnings.

Basic Policy:
Maintain consolidated payout ratio of around 25%



【Supplemental Data】

I. Segment Information

Automotive

FY2015 Current Position and Outlook

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

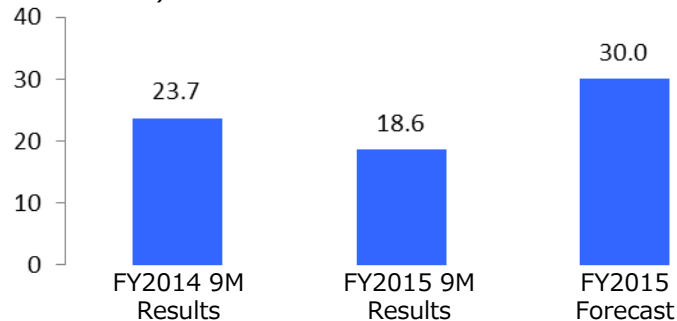
FY2015 9M Results ¥5.1billion (FY2015 Forecast ¥5.5 billion, Achieved 93%)

Progress toward targets is strong, but performance will likely be adversely impacted by the decline in automobile sales in Russia.



Gross profit

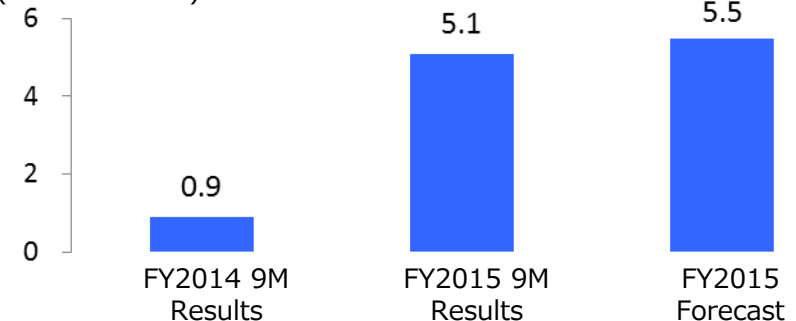
(Billions of Yen)



Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



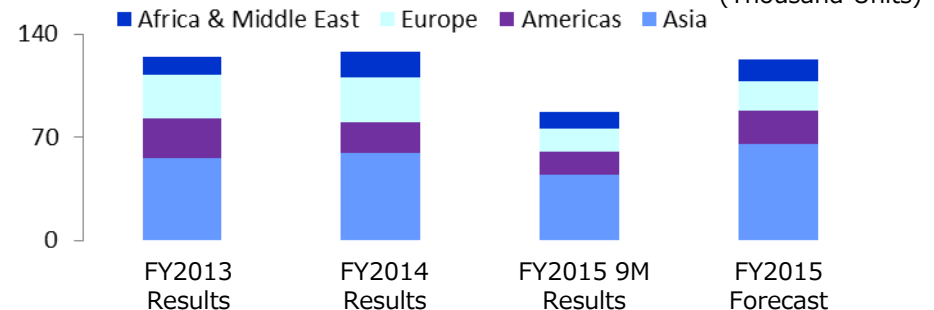
FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	23.7	18.6
Operating Income	2.9	3.1
Share of profit of investments accounted for using the equity method	1.2	4.2
Profit for the period (attributable to owners of the Company)	0.9	5.1
	End of Mar. 2015	End of Dec. 2015
Total Assets	134.3	138.6

Automobile Sales Volume

(Thousand Units)



Aerospace & IT Business

FY2015 Current Position and Outlook

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

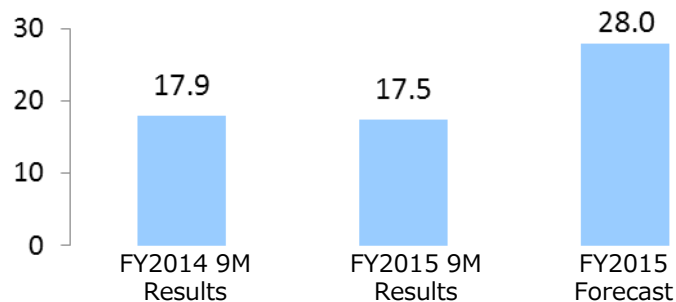
FY2015 9M Results ¥1.5billion (FY2015 Forecast ¥4.0 billion, Achieved 38%)

Performance in aircraft-related operations is steady, and earnings are expected to be recorded in IT-related operations.



Gross profit

(Billions of Yen)



FY 2015 9M Results

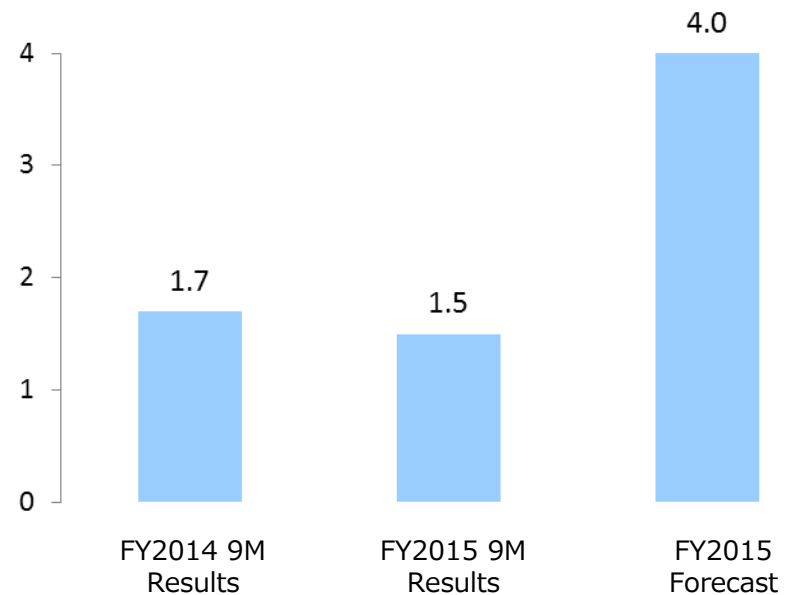
(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	17.9	17.5
Operating Income	4.1	2.9
Share of profit of investments accounted for using the equity method	0.1	0.3
Profit for the period (attributable to owners of the Company)	1.7	1.5
	End of Mar. 2015	End of Dec. 2015
Total Assets	170.4	162.6

Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



Infrastructure & Environment Business

FY2015 Current Position and Outlook

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

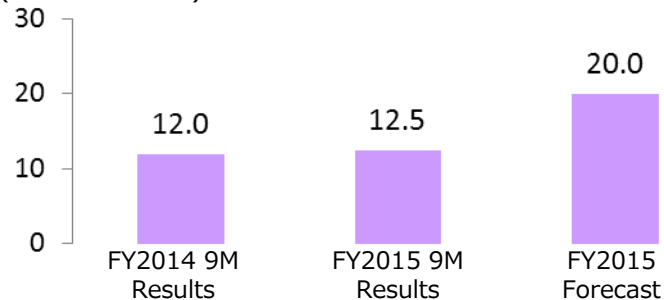
FY2015 9M Results ¥(0.1) billion (FY2015 Forecast ¥4.0 billion, Achieved –%)

Although plant-related earnings are expected to be recorded during the fourth quarter, current progress suggests challenges in achieving full-year targets.



Gross profit

(Billions of Yen)



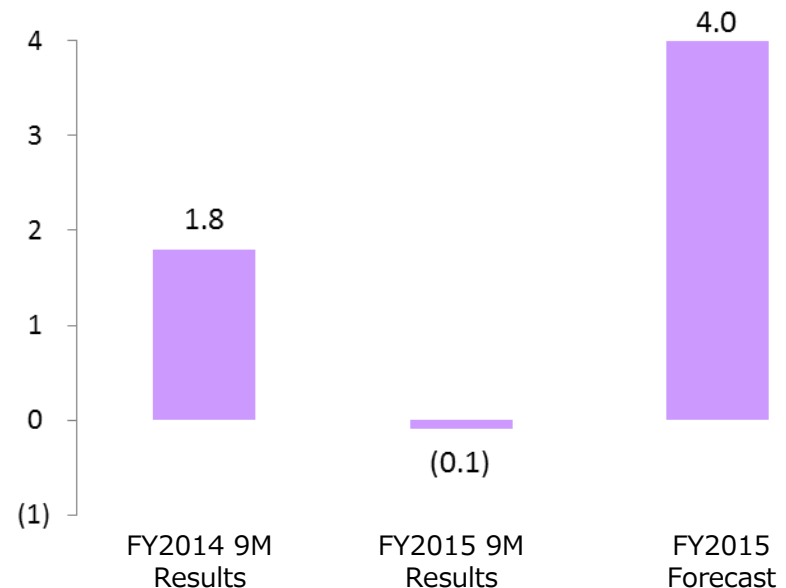
FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	12.0	12.5
Operating Income	1.9	1.2
Share of profit of investments accounted for using the equity method	1.6	0.0
Profit for the period (attributable to owners of the Company)	1.8	(0.1)
	End of Mar. 2015	End of Dec. 2015
Total Assets	156.0	159.7

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

(Billions of Yen)



Energy



FY2015 Current Position and Outlook

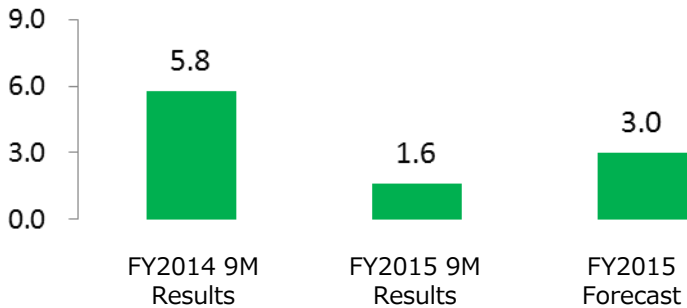
Profit for the Period (attributable to owners of the Company)

FY2015 9M Results ¥(0.9)billion (FY2015 Forecast ¥1.0 billion, Achieved – %)

Investments accounted for using the equity method are expected to produce profit on the fourth quarter, but crude oil price trends warrant caution.

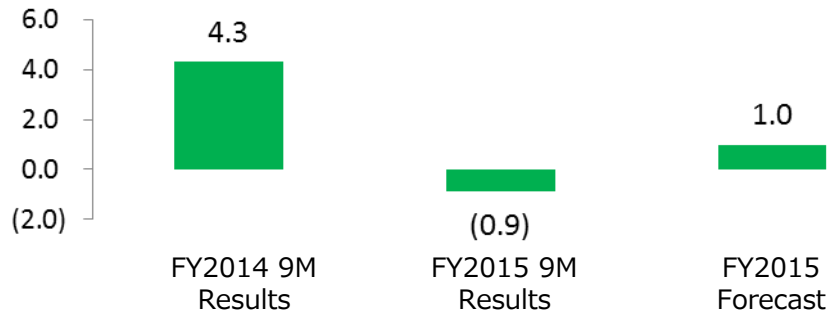
Gross profit

(Billions of Yen)



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

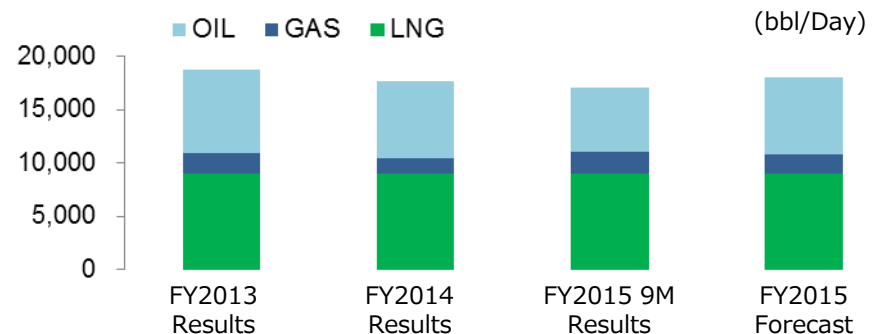
(Billions of Yen)



FY 2015 9M Results

(Billions of Yen)	FY2014 9M Results	FY2015 9M Results
Gross Profit	5.8	1.6
Operating Income	(0.2)	(2.3)
Share of profit of investments accounted for using the equity method	5.6	1.6
Profit for the period (attributable to owners of the Company)	4.3	(0.9)
	End of Mar. 2015	End of Dec. 2015
Total Assets	163.3	156.3

Share of Production Volume for Oil, Gas and LNG



Metals & Coal

FY2015 Current Position and Outlook

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

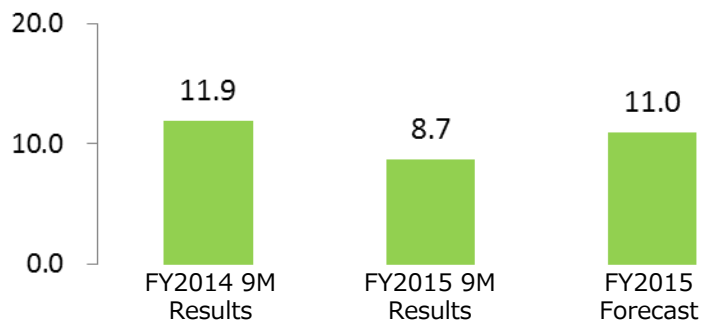
FY2015 9M Results ¥11.2billion (FY2015 Forecast ¥5.5 billion, Achieved 204%)

Performance will be impacted by sluggish conditions in markets for handled products.



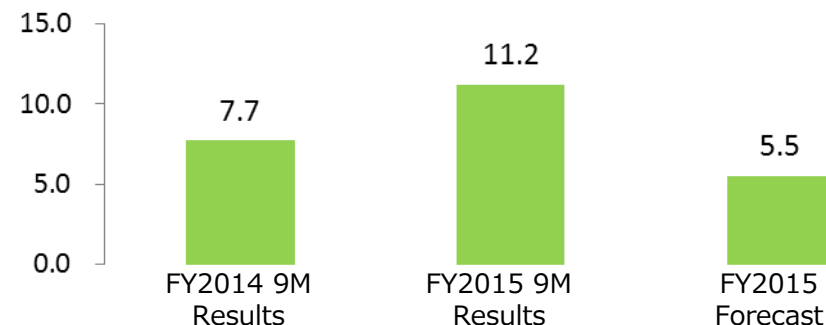
Gross profit

(Billions of Yen)



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

(Billions of Yen)



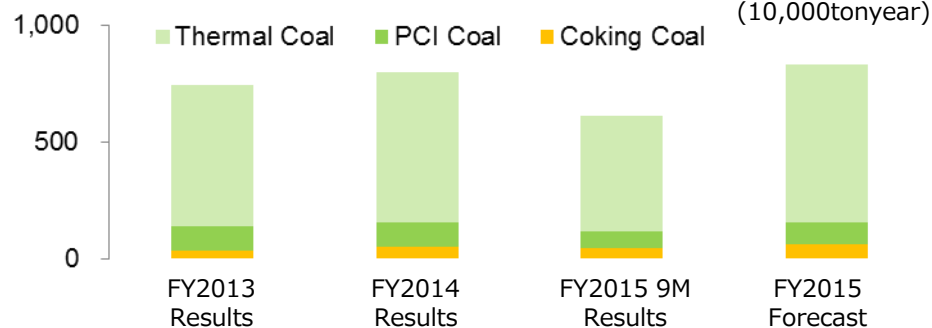
FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	11.9	8.7
Operating Income	(1.1)	4.3
Share of profit of investments accounted for using the equity method	10.8	8.4
Profit for the period (attributable to owners of the Company)	7.7	11.2
	End of Mar. 2015	End of Dec. 2015
Total Assets	459.7	431.8

Sales Volume for Coal

(10,000tonyear)



Chemicals

FY2015 Current Position and Outlook

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

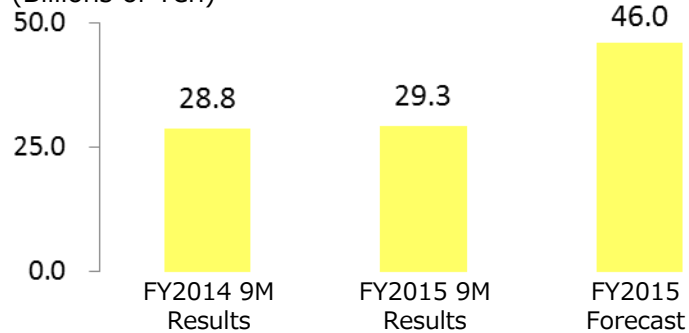
FY2015 9M Results ¥5.8billion (FY2015 Forecast ¥9.0 billion, Achieved 64%)

While performance in the Americas will be strong, the impacts of economic slowdown in Asia will need to be carefully monitored.



Gross profit

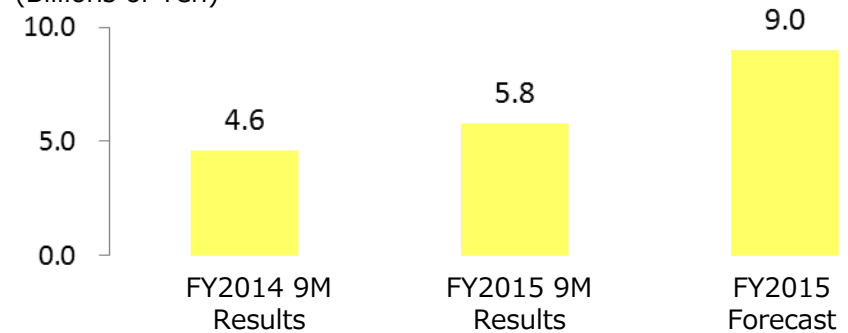
(Billions of Yen)



Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



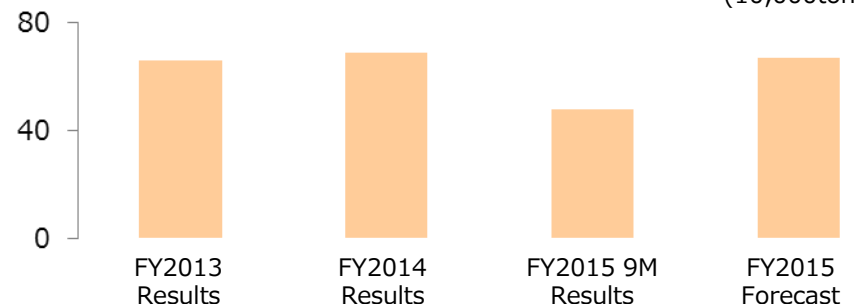
FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	28.8	29.3
Operating Income	8.6	8.5
Share of profit of investments accounted for using the equity method	0.4	0.9
Profit for the period (attributable to owners of the Company)	4.6	5.8
	End of Mar. 2015	End of Dec. 2015
Total Assets	290.1	274.6

Sales Volume for Methanol (PT. Kaltim Methanol Industri)

(10,000tons)



Foods & Agriculture Business

FY2015 Current Position and Outlook

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

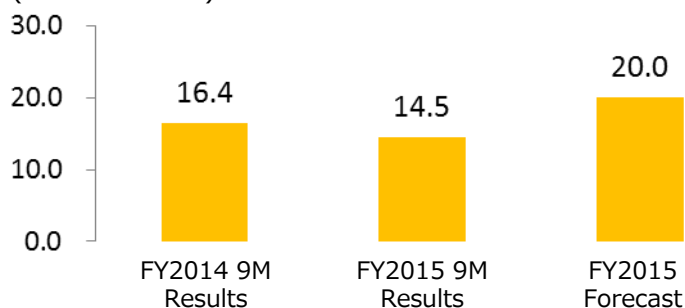
FY2015 9M Results ¥3.3billion (FY2015 Forecast ¥4.0 billion, Achieved 83%)

The impacts of unseasonable weather on overseas fertilizer businesses will continue needing to be monitored.



Gross profit

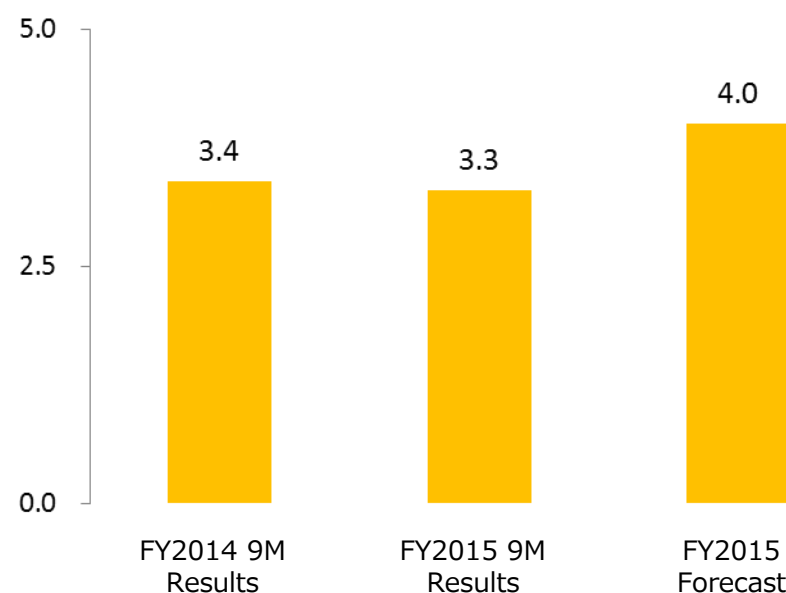
(Billions of Yen)



Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	16.4	14.5
Operating Income	7.1	6.0
Share of profit of investments accounted for using the equity method	0.5	0.6
Profit for the period (attributable to owners of the Company)	3.4	3.3
	End of Mar. 2015	End of Dec. 2015
Total Assets	162.0	143.1

Lifestyle Commodities & Materials

FY2015 Current Position and Outlook

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

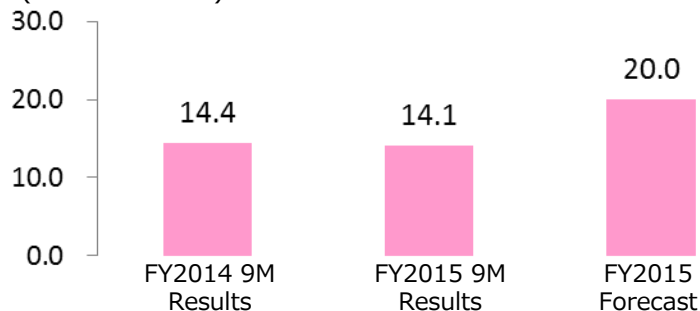
FY2015 9M Results ¥1.3billion (FY2015 Forecast ¥2.5 billion, Achieved 52%)

Performance will be robust in textile businesses.



Gross profit

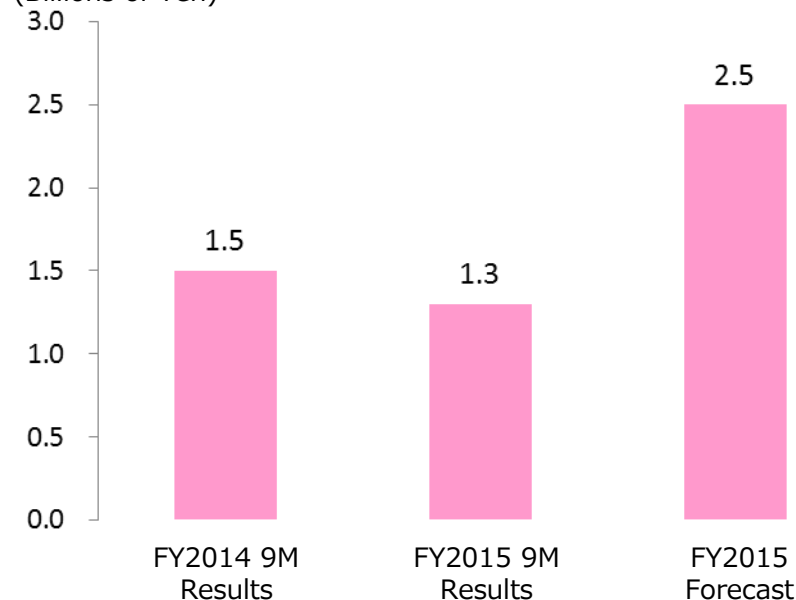
(Billions of Yen)



Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	14.4	14.1
Operating Income	3.0	2.4
Share of profit of investments accounted for using the equity method	0.3	0.8
Profit for the period (attributable to owners of the Company)	1.5	1.3
	End of Mar. 2015	End of Dec. 2015
Total Assets	222.5	231.0

Retail

FY2015 Current Position and Outlook

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

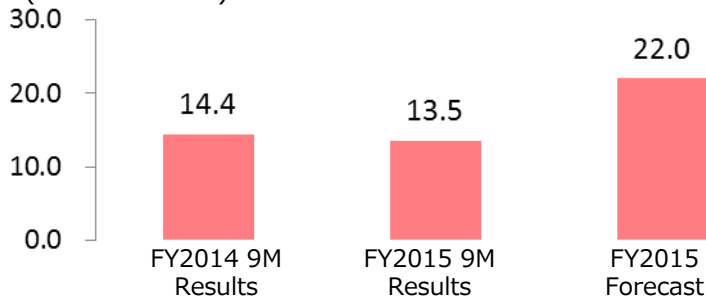
FY2015 9M Results ¥3.0billion (FY2015 Forecast ¥4.5 billion, Achieved 67%)

Industrial park turn-overs and solid transactions of real estate held for sales in Japan to be seen during fourth quarter.



Gross profit

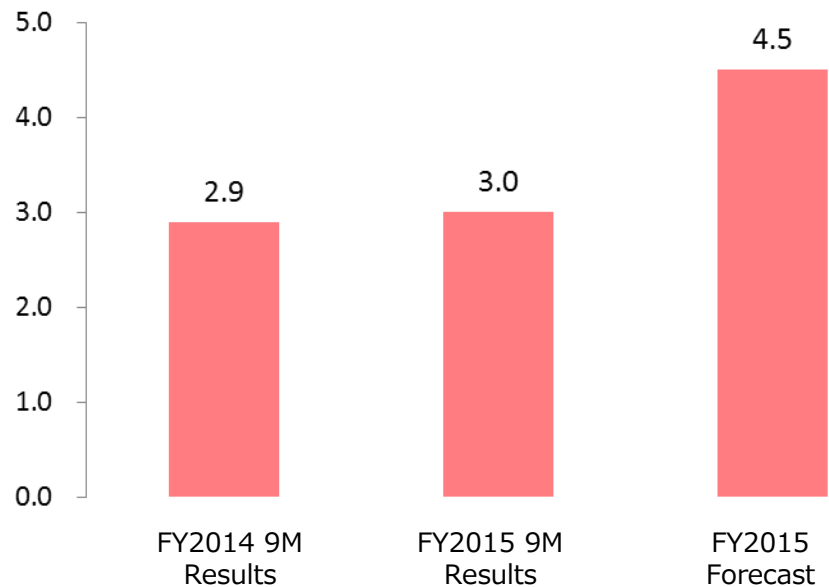
(Billions of Yen)



Profit for the Period

(attributable to owners of the Company)

(Billions of Yen)



FY 2015 9M Results

(Billions of Yen)

	FY2014 9M Results	FY2015 9M Results
Gross Profit	14.4	13.5
Operating Income	3.2	2.8
Share of profit of investments accounted for using the equity method	1.9	2.6
Profit for the period (attributable to owners of the Company)	2.9	3.0
	End of Mar. 2015	End of Dec. 2015
Total Assets	162.2	147.6

Profit and Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2014 9-month	FY2015 9-month	Difference
Automotive	Sojitz Automotive Group	Subsidiary	0.3	0.6	0.3
Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	0.3	0.6	0.3
Aerospace & IT Business	Sojitz Aerospace Corporation	Subsidiary	0.5	0.8	0.3
Aerospace & IT Business	Sojitz Marine & Engineering Corporation	Subsidiary	0.5	0.4	(0.1)
Aerospace & IT Business	SAKURA Internet Inc.	Subsidiary	0.3	0.2	(0.1)
Infrastructure & Environment Business	Sojitz Machinery Corporation	Subsidiary	0.2	0.5	0.3
Energy	LNG Japan Corporation	Associate	5.0	1.4	(3.6)
Metals & Coal	Sojitz Coal Resources Pty Ltd.	Subsidiary	0.2	(0.7)	(0.9)
Metals & Coal	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	(0.9)	0.0	0.9
Metals & Coal	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	(1.2)	0.0	1.2
Metals & Coal	Metal One Corporation	Associate	9.5	5.6	(3.9)

*1 Associate = Equity in earnings

*2 The above figures are for profit (loss) for the period (attributable to owners of the Company), which is calculated in accordance with IFRS and therefore may differ from figures released by these companies.

Profit and Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2014 9-month	FY2015 9-month	Difference
Chemicals	Sojitz Pla-Net Corporation *	Subsidiary	0.8	1.1	0.3
Chemicals	PT. Kaltim Methanol Industri	Subsidiary	1.1	1.1	0.0
Lifestyle Commodities & Materials	Sojitz Building Materials Corporation	Subsidiary	0.3	0.2	(0.1)
Lifestyle Commodities & Materials	JALUX Inc.	Associate	0.2	0.4	0.2
Retail	Sojitz Foods Corporation	Subsidiary	1.2	1.5	0.3
Retail	PT. Puradelta Lestari	Associate	1.9	2.7	0.8
Other	Sojitz Corporation of America	Subsidiary	1.1	1.5	0.4
Other	Sojitz Europe plc	Subsidiary	0.4	0.3	(0.1)
Other	Sojitz Asia Pte. Ltd.	Subsidiary	0.9	1.0	0.1

* In regard to performance for Sojitz Pla-Net Corporation, performance figures for FY2014 9-month are for Sojitz Pla-Net Holdings, Inc., while performance figures for FY2015 9-month are for Sojitz Pla-Net Corporation. Moreover, the Company absorbed Sojitz Pla-Net Holdings, Inc., on April 1, 2015, and Sojitz Pla-Net Corporation is now a direct holding of the Company as a result.

*1 Associate = Equity in earnings

*2 The above figures are for profit (loss) for the period (attributable to owners of the Company), which is calculated in accordance with IFRS and therefore may differ from figures released by these companies.

【Supplemental Data】

II. Summary of Financial Results

Summary of Profit or Loss (Results)

(Billions of Yen)	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015 9-month
Net sales (JGAAP)	4,972.1	5,218.2	5,771.0	5,166.2	3,844.4	4,014.6	4,321.7	3,934.5	4,046.6	4,105.3	3,024.4
Gross profit	242.2	254.5	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	133.2
Operating profit	76.2	77.9	92.4	52.0	16.1	37.5	57.5	25.5	23.7	33.6	27.2
Share of profit (loss) of investments accounted for using the equity method	19.2	23.8	28.9	2.5	9.2	19.3	16.3	15.8	31.0	28.6	19.3
Profit before tax	69.4	88.1	88.4	37.1	18.9	39.3	58.5	28.1	44.0	52.6	40.4
Profit for the year attributable to owners of the Company	43.7	58.8	62.7	19.0	8.8	16.0	(1.0)	13.4	27.3	33.1	32.2
Core earnings	78.5	89.8	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	30.5
(Reference)											
ROA	1.8%	2.3%	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	–
ROE	12.4%	12.8%	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	–

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for FY2005 through FY2010.

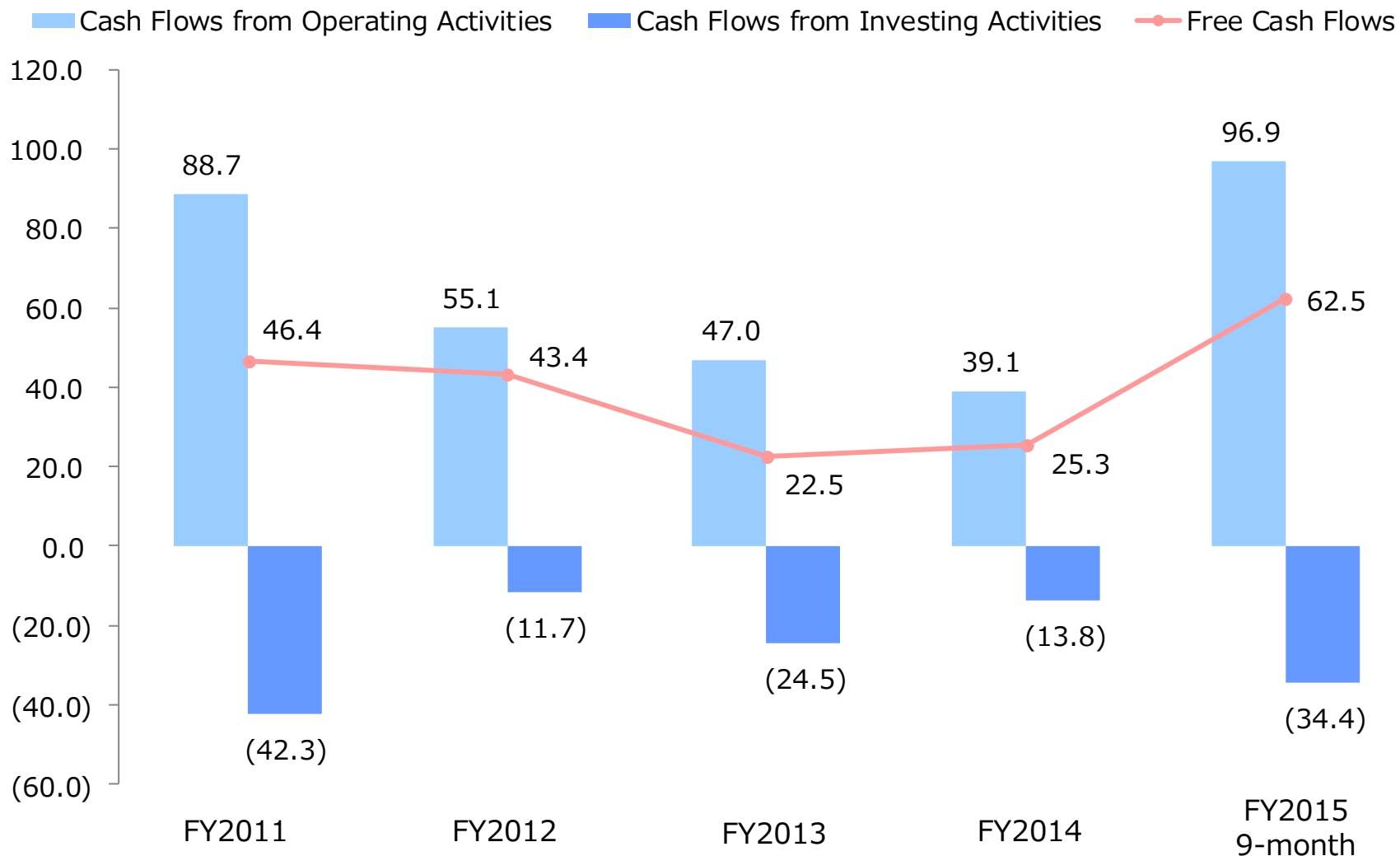
Summary of Balance Sheets (Results)

(Billions of Yen)	End of Mar. 2006	End of Mar. 2007	End of Mar. 2008	End of Mar. 2009	End of Mar. 2010	End of Mar. 2011	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Dec. 2015
Total assets	2,521.7	2,619.5	2,669.4	2,313.0	2,160.9	2,117.0	2,190.7	2,150.1	2,220.2	2,297.4	2,173.4
Total equity	427.0	488.6	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	546.1
Equity ratio	16.9%	18.7%	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.1%
Net interest-bearing debt	864.4	846.1	918.9	865.3	737.8	700.6	676.4	643.3	640.2	629.6	579.3
Net DER (times)	2.0	1.7	1.9	2.7	2.1	2.1	2.0	1.7	1.4	1.1	1.1
Risk assets (vs. Total equity, times)	290.0 0.7	280.0 0.6	380.0 0.8	350.0 1.1	320.0 0.9	310.0 0.9	330.0 1.0	340.0 0.9	350.0 0.8	320.0 0.6	330.0 0.6
Current ratio	106.6%	132.4%	121.1%	141.7%	152.7%	142.2%	142.5%	152.1%	162.8%	169.5%	158.6%
Long-term debt ratio	41.3%	61.1%	54.0%	66.7%	74.3%	72.3%	73.3%	76.0%	78.7%	79.9%	80.4%

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for End of Mar. 2006 through 2011. Under JGAAP, Total equity is calculated as Total net assets – Minority interests.

Summary of Free Cash Flows (Results)

(Billions of Yen)





sojitz

New way, New value