

Highlights of Consolidated Financial Results for the First Half Ended September 30, 2018 (IFRS)

November 1, 2018
Sojitz Corporation

Results Highlights

◆ In the six-month period ended September 30, 2018, conditions in the global economy proved firm due to the support of growth in developed countries witnessing strong consumption as well as in emerging countries. Resource prices were likewise solid. Meanwhile, caution is warranted going forward with regard to the potential impact of U.S. interest rate hike and trade negotiations and Middle Eastern instability on foreign exchange rates, commodity prices, and emerging economies. The Company's revenue for the six-month period ended September 30, 2018, was up year on year due to increased sales in the Metals & Mineral Resources Division, a result of rises in prices and transactions volumes for coal and other resources, and in the Automotive Division, a result of the acquisition of new domestic and overseas automotive dealership and other businesses. Profit for the period (attributable to owners of the Company) rose year on year thanks to higher gross profit and gains on sales of automobile-related companies.

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

Revenue 941.8 billion yen (+57.8 billion yen / +6.5%)

Gross profit 120.9 billion yen (+9.4 billion yen / +8.5%)

- Increase in revenue and gross profit in the Metals & Mineral Resources Division due to higher prices and transaction volumes for coal and other resources

- Increase in revenue and gross profit in the Automotive Division due to the new acquisition of a domestic and overseas automotive dealership businesses

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

37.1 billion yen (+9.9 billion yen / +36.4%)

- Increase in gross profit
- Increase in other income due to gains on a sale of automobile-related company

(Reference)

- Effective from the fiscal year ending March 31, 2019, inventories associated with transactions in which the Company acts as a transaction agent will be recorded under trade and other receivables in conjunction with the application of IFRS 15—Revenue from Contracts with Customers.

- In addition, core operating cash flow and core cash flow have been adopted under cash flows from the fiscal year ending March 31, 2019.

◆ Earnings forecast for the fiscal year ending March 31, 2019

Full-year earnings forecasts were revised as follows.

	FY2018 Initial Forecast	FY2018 Revised Forecast
		(November 1, 2018)

Profit for the year	63.0 billion yen	⇒	70.0 billion yen
	(attributable to owners of the Company)		

(Assumptions)

Exchange rate (annual average: ¥/US\$)	:	105
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◆ Cash dividends per share for the fiscal year ending March 31, 2019

Interim	7.50 yen per share
Year-end	7.50 yen per share (forecast)

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

*2 Core operating cash flow = Net cash provided by (used in) operating activities – Changes in working capital

*3 Core cash flow = Core operating cash flow + Post-adjustment net cash provided by (used in) investing activities – Dividends paid (Post-adjustment net cash provided by (used in) investing activities is net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

* 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

	FY2018 1st Half			FY2017 1st Half		Reasons for the Difference	FY2018 Forecast c	Percentage Achieved a/c
	Results a	1Q Results	2Q Results	Results b	Difference a-b			
Revenue	941.8	467.9	473.9	884.0	57.8			
Gross profit	120.9	59.9	61.0	111.5	9.4		240.0	50%
Selling, general and administrative expenses								
Personnel expenses	(48.1)	(24.1)	(24.0)	(43.6)	(4.5)			
Non-personnel expenses	(33.9)	(16.9)	(17.0)	(32.3)	(1.6)			
Depreciation	(3.3)	(1.7)	(1.6)	(2.8)	(0.5)			
Provision of allowance for doubtful accounts	(0.3)	0.0	(0.3)	0.2	(0.5)			
(Total selling, general and administrative expenses)	(85.6)	(42.7)	(42.9)	(78.5)	(7.1)		(173.0)	
Other income/expenses								
Gain/loss on sale and disposal of fixed assets, net	0.9	0.4	0.5	0.0	0.9			
Impairment loss on fixed assets	(0.1)	(0.1)	0.0	0.0	(0.1)			
Gain on reorganization of subsidiaries/associates	8.0	6.1	1.9	1.6	6.4			
Loss on reorganization of subsidiaries/associates	(2.4)	(0.9)	(1.5)	(4.3)	1.9			
Other operating income/expenses	(0.8)	(0.6)	(0.2)	(0.4)	(0.4)			
(Total other income/expenses)	5.6	4.9	0.7	(3.1)	8.7		6.0	
Financial income/costs								
Interest earned	3.6	1.7	1.9	2.4	1.2			
Interest expenses	(7.8)	(4.2)	(3.6)	(7.4)	(0.4)			
(Interest expenses, net)	(4.2)	(2.5)	(1.7)	(5.0)	0.8			
Dividends received	2.6	1.9	0.7	2.1	0.5			
Other financial income/costs	0.3	0.2	0.1	0.0	0.3			
(Financial income/costs, net)	(1.3)	(0.4)	(0.9)	(2.9)	1.6		(5.0)	
Share of profit (loss) of investments accounted for using the equity method	11.9	5.6	6.3	10.9	1.0		27.0	
Profit before tax	51.5	27.3	24.2	37.9	13.6		95.0	54%
Income tax expenses	(11.5)	(5.9)	(5.6)	(7.6)	(3.9)		(20.5)	
Profit for the period (Profit attributable to)	40.0	21.4	18.6	30.3	9.7		74.5	54%
Owners of the Company	37.1	19.8	17.3	27.2	9.9		70.0	53%
Non-controlling interests	2.9	1.6	1.3	3.1	(0.2)		4.5	
Core earnings*1	45.9	22.2	23.7	40.8	5.1		89.0	

Consolidated Statements of Financial Position

	Sep. 30, 2018			Mar. 31, 2018		Reasons for the Difference
	d	e	Difference d-e			
Current assets	1,333.0	1,376.3	(43.3)			
Cash and cash equivalents	306.1	305.2	0.9			
Time deposits	2.8	2.8	0.0			
Trade and other receivables	747.8	549.9	197.9			Change in account item resulted from application of new IFRS standard
Inventories	206.9	396.0	(189.1)			Decrease associated with aircraft-related businesses
Other current assets	69.4	122.4	(53.0)			
Non-current assets	1,008.4	974.1	34.3			
Property, plant and equipment	188.7	172.1	16.6			Increase due to acquisition of overseas papermaking company
Goodwill	66.3	65.8	0.5			
Intangible assets	48.1	44.1	4.0			
Investment property	24.7	24.5	0.2			
Investments accounted for using the equity method	604.3	590.2	14.1			Increase due to new investments
Other non-current assets	76.3	77.4	(1.1)			
Total assets	2,341.4	2,350.4	(9.0)			
Current liabilities	824.3	846.0	(21.7)			
Trade and other payables	610.4	654.2	(43.8)			Decrease in tobacco and machinery-related business
Bonds and borrowings	136.9	113.5	23.4			Increase due to transference of non-current liabilities to current liabilities
Other current liabilities	77.0	78.3	(1.3)			
Non-current liabilities	857.2	879.3	(22.1)			
Bonds and borrowings	768.9	798.0	(29.1)			Decrease due to transference of non-current liabilities to current liabilities
Retirement benefits liabilities	22.3	22.0	0.3			
Other non-current liabilities	66.0	59.3	6.7			
Total liabilities	1,681.5	1,725.3	(43.8)			
Share capital	160.3	160.3	-			
Capital surplus	146.6	146.5	0.1			
Treasury stock	(0.9)	(0.2)	(0.7)			
Other components of equity	126.3	124.3	2.0			
Retained earnings	184.0	155.5	28.5			Profit for the period +37.1 Dividends (7.5)
<i>Total equity attributable to owners of the Company</i>	<i>616.3</i>	<i>586.4</i>	<i>29.9</i>			
Non-controlling interests	43.6	38.7	4.9			
Total equity	659.9	625.1	34.8			
Total liabilities and equity	2,341.4	2,350.4	(9.0)			
Gross interest-bearing debt	905.8	911.5	(5.7)			
Net interest-bearing debt	596.9	603.5	(6.6)			
Net debt/equity ratio (times)*	0.97	1.03	(0.06)			
Equity ratio*	26.3%	25.0%	+1.3%			
Current ratio	161.7%	162.7%	(1.0)%			
Long-term debt ratio	84.9%	87.5%	(2.6)%			

* "Total equity attributable to owners of the Company" is used as the denominator when calculating "Net DER" and the numerator when calculating "Equity ratio."

Comprehensive Income

	FY2018 1st Half			FY2017 1st Half	
	Results a	1Q Results	2Q Results	Results b	Difference a-b
Profit for the period	40.0	21.4	18.6	30.3	9.7
Other comprehensive income	2.6	(8.8)	11.4	6.5	(3.9)
Total comprehensive income for the period	42.6	12.6	30.0	36.8	5.8
Comprehensive income attributable to:					
Owners of the Company	39.5	11.2	28.3	33.6	5.9
Non-controlling interests	3.1	1.4	1.7	3.2	(0.1)

Cash Flows

	FY2018 1st Half			FY2017 1st Half		Factors Affecting Circled Figures
	Results a	Results b	Difference a-b	Results	Difference a-b	
Cash flows from operating activities	51.7	(15.8)	67.5			Higher revenue due to increased business earnings
Cash flows from investing activities	(25.8)	(37.6)	11.8			Outflows due to investment in U.S. gas-fired thermal power generation business
Free cash flows	25.9	(53.4)	79.3			
Cash flows from financing activities	(27.8)	52.0	(79.8)			Outflows due to repayment of borrowings and dividends paid
Core operating cash flow*2	39.7	36.6	3.1			
Core cash flow*3	23.2	(43.6)	66.8			

Highlights of Consolidated Financial Results for the First Half Ended September 30, 2018 (IFRS) – Supplementary Material

November 1, 2018
Sojitz Corporation

(Billions of yen)

(Billions of yen)

Operating Results

	FY2018 1H Results	FY2017 1H Results	Difference	FY2018 Revised Forecast (Nov. 1, 2018)	Percentage Achieved
Revenue	941.8	884.0	+57.8	-	-
Gross profit	120.9	111.5	+9.4	240.0	50%
Selling, general and administrative expenses	(85.6)	(78.5)	(7.1)	(173.0)	
Other income/expenses	5.6	(3.1)	+8.7	6.0	
Financial income/costs	(1.3)	(2.9)	+1.6	(5.0)	
Share of profit (loss) of investments accounted for using the equity method	11.9	10.9	+1.0	27.0	
Profit before tax	51.5	37.9	+13.6	95.0	54%
Profit for the period (Profit attributable to)	40.0	30.3	+9.7	74.5	54%
Owners of the Company	37.1	27.2	+9.9	70.0	53%
Non-controlling interests	2.9	3.1	(0.2)	4.5	
Core earnings*1	45.9	40.8	+5.1	89.0	
Comprehensive income attributable to owners of the Company	39.5	33.6	+5.9		

Segment Performance [Gross Profit]

	FY2018 1H	FY2017 1H	Difference	FY2018 Revised Forecast	FY2018 Initial Forecast
Automotive	20.7	15.6	+5.1	40.0	42.0
Aerospace & Transportation Project	7.1	6.6	+0.5	17.0	17.0
Machinery & Medical Infrastructure	5.8	9.5	(3.7)	13.0	14.0
Energy & Social Infrastructure	8.9	9.3	(0.4)	21.0	21.0
Metals & Mineral Resources	19.8	12.7	+7.1	31.0	26.0
Chemicals	23.6	22.8	+0.8	47.0	47.0
Foods & Agriculture Business	10.2	11.9	(1.7)	19.0	20.0
Retail & Lifestyle Business	19.4	17.2	+2.2	39.0	39.0
Industrial Infrastructure & Urban Development	2.9	3.4	(0.5)	8.0	8.0
Other	2.5	2.5	+0.0	5.0	6.0

Segment Performance [Profit for the Period (Attributable to Owners of the Company)]

	FY2018 1H	FY2017 1H	Difference	Main Factors Behind Difference	FY2018 Revised Forecast	FY2018 Initial Forecast	Progress Overview	(Reference) FY2017 Results
Automotive	3.6	4.3	(0.7)	Despite earnings contributions from newly consolidated subsidiaries, decreased due to higher tax expenses following sale of investments accounted for using the equity method	5.5	5.5	Performance generally as forecast	6.5
Aerospace & Transportation Project	1.9	0.8	+1.1	Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects	4.0	4.0	Performance generally as forecast	3.3
Machinery & Medical Infrastructure	0.7	2.8	(2.1)	Decreased due to absence of revenue associated with infrastructure projects recorded in the previous equivalent period	3.0	3.0	Earnings from industrial machinery- and infrastructure-related transactions anticipated in the second half of the fiscal year, performance generally in line with forecasts	5.7
Energy & Social Infrastructure	2.7	(3.2)	+5.9	Increased due to absence of one-time loss on oil and gas interests recorded in the previous equivalent period and a gain on the sale of an overseas solar power business operating company	4.5	4.5	Performance generally as forecast	(5.8)
Metals & Mineral Resources	16.2	9.5	+6.7	Increased due to higher prices and transaction volumes of coal and other resources	28.5	20.5	Upward revision to forecasts to reflect higher prices and transaction volumes for coal and other resources in the first half FY2018	21.9
Chemicals	4.8	4.8	0	Unchanged year on year	10.5	10.5	Performance generally as forecast	8.7
Foods & Agriculture Business	2.1	4.3	(2.2)	Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses	3.5	4.5	Downward revision to forecasts to account for sluggish first half FY2018 sales in overseas fertilizer businesses	4.0
Retail & Lifestyle Business	3.3	2.7	+0.6	Increased due to strong performance in all businesses	5.5	5.5	Performance generally as forecast	5.6
Industrial Infrastructure & Urban Development	(0.1)	0.0	(0.1)	Unchanged year on year	1.5	1.5	Earning contributions from real estate held for sale in Japan and overseas industrial park businesses anticipated in the second half of the fiscal year	2.1
Other	1.9	1.2	+0.7		3.5	3.5		4.8

Total	120.9	111.5	+9.4	240.0	240.0	37.1	27.2	+9.9
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70.0	63.0	56.8
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Financial Position

	Sep. 30, 2018	Mar. 31, 2018	Difference	Mar. 31, 2019 Forecast
Total assets	2,341.4	2,350.4	(9.0)	2,400.0
Total equity*2	616.3	586.4	+29.9	630.0
Equity ratio	26.3%	25.0%	+1.3%	26.3%
Net interest-bearing debt	596.9	603.5	(6.6)	650.0
Net D/E ratio (times)	0.97	1.03	(0.06)	1.0
Risk assets*3	360.0	350.0	10.0	-
Ratio of risk assets to equity (times)	0.6	0.6	0.0	-

Commodity Prices and Exchange Rates

	FY2017 Results (Apr.-Sep. '17 Avg.)	FY2018 Assumption (Annual Avg.)	FY2018 Results (Apr.-Sep. '18 Avg.)	Latest Data (as of Oct. 26, 2018)
Crude oil (Brent)	US\$51.5/bbl	US\$60.0/bbl	US\$75.4/bbl	US\$77.6/bbl
Thermal coal**1	US\$86.1/t	US\$85.0/t	US\$111.5/t	US\$108.2/t
Exchange rate**2	¥111.3/US\$	¥105.0/US\$	¥110.7/US\$	¥112.5/US\$

(Reference) Effective April 1, 2018, the Company underwent the following changes in divisions as part of a structural reorganization. Figures for FY2017 1H and FY2017 have been restated to reflect these changes.

Overview of Structural Reorganization Conducted Effective April 1, 2018
 •The Aerospace & IT Business Division, the Infrastructure & Environment Business Division, and the Energy Division were reorganized to form the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division.
 •The name of the Metals & Coal Division has been changed to the Metals & Mineral Resources Division.

**1 The results in the above table are cited from the GlobalCOAL NEWC Index and differ from our sales prices.

**2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.5 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.25 billion annually, and total equity by approx. ¥2.0 billion annually.

*1 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)

*2 "Total equity" above refers to "Total equity attributable to owners of the Company" and is used as the denominator when calculating "Net D/E ratio" and the numerator when calculating "Equity ratio."
 The method of measuring risk assets mainly for goodwill was revised in the three-month period ended June 30, 2018.
 *3 Figures for the fiscal year ended March 31, 2018, have been restated to reflect this change.

Caution regarding forward-looking statements

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Summary of Consolidated Financial Results for the First Half Ended September 30, 2018 (IFRS)

November 1, 2018

Sojitz Corporation

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

Listed stock exchange: The first section of Tokyo

Security code: 2768

Company representative: Masayoshi Fujimoto, President & CEO

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

Scheduled filing date of quarterly financial report: November 12, 2018

Scheduled date of delivery of dividends: December 3, 2018

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Half Ended September 30, 2018 (April 1, 2018 - September 30, 2018)

(1) Consolidated Operating Results

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

	Revenue		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Company		Total comprehensive income for the period	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the first half ended September 30, 2018	941,783	6.5	51,500	35.8	39,999	32.1	37,147	36.4	42,590	15.8
September 30, 2017	884,044	20.3	37,915	94.3	30,272	80.6	27,241	77.4	36,764	-

	Basic earnings per share	Diluted earnings per share
For the first half ended September 30, 2018	Yen 29.71	Yen 29.71
September 30, 2017	21.78	21.77

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

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company ratio
As of	Millions of Yen	Millions of Yen	Millions of Yen	%
September 30, 2018	2,341,413	659,943	616,295	26.3
March 31, 2018	2,350,351	625,124	586,464	25.0

2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2018	-	5.00	-	6.00	11.00
March 31, 2019	-	7.50	-	-	-
March 31, 2019 (forecast)	-	-	-	7.50	15.00

Note : Changes in cash dividend forecast : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2019 (April 1, 2018 - March 31, 2019)

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

	Profit attributable to owners of the Company	Basic earnings per share
For the Year Ending March 31, 2019 Full-year	Millions of Yen 70,000	Yen 56.01
	% 23.1	

Note 1 : Changes in cash dividend forecast : Yes

Note 2 : Basic earnings per share is calculated based on Profit attributable to owners of the Company.

4. Others

(1) Changes in major subsidiaries during the period

(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : Yes

2. Changes due to other reasons : No

3. Accounting estimate change : No

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

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

As of September 30, 2018: 1,251,499,501 As of March 31, 2018: 1,251,499,501

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

As of September 30, 2018 : 2,258,191 As of March 31, 2018 : 528,747

3. Average number of outstanding shares during the periods:

For the first half ended September 30, 2018 (accumulative): 1,250,450,713

For the first half ended September 30, 2017 (accumulative): 1,250,977,863

The Company established the Executive Compensation Board Incentive Plan Trust in the six-month period ended September 30, 2018. The trust account associated with this trust holds 1,727,600 shares of the Company's stock, which are treated as treasury stock.

* This summary of consolidated financial results is not subject to quarterly reviews.

* Important Note Concerning the Appropriate Use of Business Forecasts and other

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1. Analysis of Business Results

(1) Overview of the Six-Month Period Ended September 30, 2018

Economic Environment

In the six-month period ended September 30, 2018, conditions in the global economy proved firm due to the support of growth in developed countries witnessing strong consumption as well as in emerging countries. Resource prices were likewise solid. Meanwhile, caution is warranted going forward with regard to the potential impact of U.S. interest rate hikes and trade negotiations and Middle Eastern instability on foreign exchange rates, commodity prices, and emerging economies.

The United States continued to experience stable economic growth due to strong capital investment and consumer spending stimulated by the recent tax reform measures. Based on this situation, this country implemented its third policy interest rate hike this year in September 2018.

Europe also enjoyed strong capital investment and consumer spending accompanied by ongoing economic growth centered on Germany and France. However, there was a growing sense of opaqueness in light of factors such as concern regarding the United Kingdom's consensus-lacking withdrawal from the European Union and the government finance issues in Italy.

Despite sluggish infrastructure investment, overall economic conditions in China proved firm due to support from monetary easing and beneficial consumption and export trends. Nonetheless, ongoing caution is required with regard to the potential impacts of the increasingly more serious trade disputes with the United States.

Despite the currency depreciation stemming from the interest rate hike in the United States, Asia continued to experience overall stable economic growth. Factors contributing to this growth included increased exports and favorable consumption trends stimulated by the recovery of the global economy.

In Japan, relatively stable economic growth was achieved as the strong consumer spending and capital investment trends outweighed the temporary impacts of typhoons, earthquakes, and other natural disasters.

Financial Performance

Sojitz Corporation's consolidated business results for the second quarter ended September 30, 2018 are presented below.

Revenue	Revenue was up 6.5% year on year, to ¥941,783 million, due to increased sales in the Metals & Mineral Resources Division, a result of rises in prices and transactions volumes for coal and other resources; in the Automotive Division, a result of the acquisition of new domestic and overseas automotive dealership and other businesses.
Gross profit	Gross profit increased ¥9,433 million year on year, to ¥120,893 million, as a result of the rise in revenue.
Profit before tax	Profit before tax increased ¥13,585 million year on year, to ¥51,500 million, as a result of higher gross profit combined with a rise in other income associated with gains on a sale of automobile-related company.

Profit for the period	After deducting income tax expenses of ¥11,501 million from profit before tax of ¥51,500 million, profit for the period amounted to ¥39,999 million, up ¥9,727 million year on year. Profit for the period (attributable to owners of the Company) increased ¥9,906 million year on year, to ¥37,147 million.
Comprehensive income for the period	Although foreign currency translation differences for foreign operations placed downward pressure on income, comprehensive income for the period increased ¥5,826 million year on year, to ¥42,590 million. Comprehensive income for the period (attributable to owners of the Company) was up ¥5,908 million year on year, to ¥39,517 million.

Results for the six-month period ended September 30, 2018, are summarized by segment below.

Effective April 1, 2018, the Aerospace & IT Business Division, Infrastructure & Environment Business Division, and the Energy Division were reorganized to the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division. In addition, the name of the Metals & Coal Division was changed to the Metals & Mineral Resources Division.

Automotive

Revenue was up 42.2% year on year, to ¥115,349 million, due to the acquisition of new domestic and overseas automotive dealership and other businesses. Profit for the period (attributable to owners of the Company) decreased ¥672 million, to ¥3,631 million, as a decline in share of profit of investments accounted for using the equity method counteracted the benefits of a rise in other income associated with a gain on the sale of an automobile-related company.

Aerospace & Transportation Project

Revenue was down 27.8% year on year, to ¥13,996 million, due to the absence of gains on new ship turnovers recorded in the previous equivalent period. Despite a decrease in gross profit, profit for the period (attributable to owners of the Company) rose ¥1,112 million, to ¥1,889 million, due to an increase in other income associated with gains on sales of aircraft.

Machinery & Medical Infrastructure

Revenue was down 11.8% year on year, to ¥46,631 million, as a result of a decline in industrial machinery transactions. Profit for the period (attributable to owners of the Company) decreased ¥2,139 million, to ¥654 million, due to the rebound from earnings contributions from infrastructure-related projects recorded in the previous equivalent period.

Energy & Social Infrastructure

Revenue was down 33.6%, to ¥33,675 million, as a result of lower petroleum product transactions. Profit for the period (attributable to owners of the Company) of ¥2,661 million was recorded, in comparison with loss for the period (attributable to owners of the Company) of ¥3,208 million in the six-month period ended September 30, 2017, because of a gain on the sales of an overseas solar power business operating company.

Metals & Mineral Resources

Revenue was up 28.6%, to ¥210,672 million, as a result of higher prices and transactions volumes for coal and other resources. Profit for the period (attributable to owners of the Company) rose ¥6,731 million, to

¥16,240 million, due to higher gross profit and an increase in share of profit of investments accounted for using the equity method.

Chemicals

Revenue was up 2.5% year on year, to ¥257,391 million, as a result of a rise in the price of methanol. Profit for the period (attributable to owners of the Company) decreased ¥7 million, to ¥4,807 million, despite an increase in gross profit due to lower share of profit of investments accounted for using the equity method.

Foods & Agriculture Business

Revenue was down 18.9%, to ¥70,622 million, following lower feed material transactions. Profit for the period (attributable to owners of the Company) decreased ¥2,203 million, to ¥2,093 million, as a result of a decline in the profit of overseas fertilizer businesses.

Retail & Lifestyle Business

Revenue was up 11.3% year on year, to ¥160,672 million, as a result of higher beef transactions following the lifting of safeguard. Profit for the period (attributable to owners of the Company) increased ¥659 million, to ¥3,326 million.

Industrial Infrastructure & Urban Development

Revenue was down 0.1% year on year, to ¥14,138 million, because of lower real estate transactions. Loss for the period (attributable to owners of the Company) of ¥111 million was recorded, in comparison with profit for the period (attributable to owners of the Company) of ¥32 million in the six-month period ended September 30, 2017.

(2) Financial Position

Consolidated Balance Sheet

Total assets on September 30, 2018, stood at ¥2,341,413 million, down ¥8,938 million from March 31, 2018. This decrease was largely a result of other current assets that were decreased in aircraft-related business.

Total liabilities at September 30, 2018, amounted to ¥1,681,470 million, down ¥43,757 million from March 31, 2018. This decrease was largely due to decrease in trade and other payables associated with tobacco- and machinery-related transactions under current liabilities.

Total equity attributable to owners of the Company was ¥616,295 million on September 30, 2018, up ¥29,831 million from March 31, 2018. This increase was largely due to accumulation of profit for the period (attributable to owners of the Company).

Sojitz consequently, on September 30, 2018, the current ratio was 161.7%, the long-term debt ratio was 84.9%, and the equity ratio* was 26.3%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥596,823 million on September 30, 2018, ¥6,627 million decrease from March 31, 2018. This resulted in the Company's net debt equity ratio* equaling 0.97 times at September 30, 2018.

(*) 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 2020, which began in the year ending March 31, 2019, the Sojitz Group continued to advance financial strategies in accordance with the basic policy of maintaining and enhancing the stability of its capital structure. In addition, Sojitz has been 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 did not issue straight bonds in the six-month period ended September 30, 2018. However, Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional issues whenever the timing and associated costs prove advantageous.

As supplemental sources of procurement flexibility and precautionary liquidity, Sojitz maintains a ¥100 billion long-term yen commitment line (which remains unused) and long-term commitment line totaling US\$1.9 billion (of which US\$0.45 billion has been used).

Consolidated Cash Flows

In the six-month period ended September 30, 2018, operating activities provided net cash flow of ¥51,695 million, investing activities used net cash of ¥25,770 million, and financing activities provided net cash of ¥27,782 million. Sojitz ended the period with cash and cash equivalents of ¥306,092 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥51,695 million, compared with net cash used in operating activities of ¥15,771 million in the previous equivalent period. Major factors increasing cash included business earnings, dividends received, and a decrease in working capital.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥25,770 million, down ¥11,841 million year on year. Investment outflows for investment in a U.S. gas-fired thermal power generation business and a solar power generation business exceeded inflows from the sale of investments.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥27,782 million, compared with net cash provided by financing activities amounted to ¥52,034 million. Major factors decreasing cash included repayment of borrowings.

(3) Consolidated Earnings Forecast

Forecasts for consolidated performance in the fiscal year ending March 31, 2019, have been revised as follows to reflect the higher-than-anticipated prices of resources, among other factors.

Profit for the year (Attributable to owners of the Company)	¥70.0 billion (increased ¥7.0 billion (11.1%) compared to initial forecast)
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*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. Summary information (other)

(1) Changes in major subsidiaries during the period

None

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In millions of Yen)

	FY 2017 (As of March 31, 2018)	FY 2018 (As of September 30, 2018)
Assets		
Current assets		
Cash and cash equivalent	305,241	306,092
Time deposits	2,788	2,844
Trade and other receivables	549,789	747,737
Derivatives	2,703	3,376
Inventories	396,020	206,944
Income tax receivables	5,094	5,357
Other current assets	106,234	60,045
Subtotal	1,367,872	1,332,396
Assets as held for sale	8,425	629
Total current assets	1,376,297	1,333,026
Non-current assets		
Property, plant and equipment	172,135	188,749
Goodwill	65,842	66,250
Intangible assets	44,057	48,128
Investment property	24,486	24,676
Investments accounted for using the equity method	407,284	413,585
Trade and other receivables	63,824	62,747
Other investments	182,949	190,748
Derivatives	49	76
Other non-current assets	8,794	8,633
Deferred tax assets	4,630	4,790
Total non-current assets	974,053	1,008,387
Total assets	2,350,351	2,341,413
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	654,138	610,359
Bonds and borrowings	113,497	136,906
Derivatives	3,394	5,382
Income tax payables	13,632	7,613
Provisions	2,069	1,058
Other current liabilities	55,004	62,689
Subtotal	841,735	824,008
Liabilities directly related to assets as held for sale	4,182	240
Total current liabilities	845,918	824,249
Non-current liabilities		
Bonds and borrowings	797,982	768,853
Trade and other payables	4,759	4,862
Derivatives	2,634	2,366
Retirement benefits liabilities	22,016	22,260
Provisions	21,000	23,618
Other non-current liabilities	9,968	11,293
Deferred tax liabilities	20,946	23,966
Total non-current liabilities	879,308	857,221
Total liabilities	1,725,227	1,681,470
Equity		
Share capital	160,339	160,339
Capital surplus	146,512	146,564
Treasury stock	(174)	(864)
Other components of equity	124,348	126,314
Retained earnings	155,437	183,942
Total equity attributable to owners of the Company	586,464	616,295
Non-controlling interests	38,659	43,647
Total equity	625,124	659,943
Total liabilities and equity	2,350,351	2,341,413

(2) Consolidated Statements of Profit or Loss

(In millions of Yen)

	For the 1st Half Ended September 30, 2017 (From April 1, 2017 to September 30, 2017)	For the 1st Half Ended September 30, 2018 (From April 1, 2018 to September 30, 2018)
Revenue		
Sale of goods	839,901	889,268
Sales of service and others	44,142	52,515
Total revenue	884,044	941,783
Cost of sales	(772,583)	(820,889)
Gross profit	111,460	120,893
Selling, general and administrative expenses	(78,516)	(85,644)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	(2)	856
Impairment loss on fixed assets	(21)	(65)
Gain on reorganization of subsidiaries/associates	1,628	8,006
Loss on reorganization of subsidiaries/associates	(4,315)	(2,401)
Other operating income	3,446	2,816
Other operating expenses	(3,772)	(3,522)
Total other income/expenses	(3,038)	5,689
Financial income		
Interests earned	2,385	3,605
Dividends received	2,054	2,631
Other financial income	43	217
Total financial income	4,482	6,454
Financial costs		
Interest expenses	(7,371)	(7,783)
Total financial cost	(7,371)	(7,783)
Share of profit(loss) of investments accounted for using the equity method	10,898	11,890
Profit before tax	37,915	51,500
Income tax expenses	(7,643)	(11,501)
Profit for the period	30,272	39,999
Profit for the period attributable to:		
Owners of the Company	27,241	37,147
Non-controlling interests	3,030	2,851
Total	30,272	39,999

(3) Consolidated Statements of Profit or Loss and other Comprehensive Income

(In millions of Yen)

	For the 1st Half Ended September 30, 2017 (From April 1, 2017 to September 30, 2017)	For the 1st Half Ended September 30, 2018 (From April 1, 2018 to September 30, 2018)
Profit for the period	30,272	39,999
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,197	1,399
Remeasurements of defined benefit pension plans	(33)	(128)
Share of other comprehensive income of investments accounted for using the equity method	(1,374)	6,513
Total items that will not be reclassified to profit or loss	2,789	7,784
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	1,964	(957)
Cash flow hedges	706	(567)
Share of other comprehensive income of investments accounted for using the equity method	1,032	(3,667)
Total items that may be reclassified subsequently to profit or loss	3,702	(5,193)
Other comprehensive income for the year, net of tax	6,492	2,591
Total comprehensive income for the period	36,764	42,590
Total comprehensive income for the period attributable to:		
Owners of the Company	33,609	39,517
Non-controlling interests	3,155	3,072
Total	36,764	42,590

(4) Consolidated Statements of Changes in Equity

(In millions of Yen)

	Attributable to owners of the Company					
	Share capital	Capital surplus	Treasury stock	Other components of equity		
				Foreign currency translation differences for foreign operations	Financial assets measured at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2017	160,339	146,513	(170)	31,537	106,268	(5,124)
Profit for the period						
Other comprehensive income				3,284	2,663	442
Total comprehensive income for the period	—	—	—	3,284	2,663	442
Purchase of treasury stock		(0)	(2)			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(1)		
Reclassification from other components of equity to retained earnings					(1,677)	
Other changes						
Total contributions by and distributions to owners of the Company	—	(0)	(2)	(1)	(1,677)	—
Balance as of September 30, 2017	160,339	146,512	(172)	34,821	107,254	(4,681)
Balance as of April 1, 2018	160,339	146,512	(174)	17,709	111,072	(4,432)
Impact of change in accounting policies						
Balance as of April 1, 2018	160,339	146,512	(174)	17,709	111,072	(4,432)
Profit for the period						
Other comprehensive income				(5,350)	7,871	(35)
Total comprehensive income for the period	—	—	—	(5,350)	7,871	(35)
Purchase of treasury stock		(0)	(690)			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Reclassification from other components of equity to retained earnings					(519)	
Share remuneration transactions		51				
Other changes						
Total contributions by and distributions to owners of the Company	—	51	(690)	—	(519)	—
Balance as of September 30, 2018	160,339	146,564	(864)	12,358	118,424	(4,468)

(In millions of Yen)

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2017	—	132,682	111,149	550,513	27,457	577,970
Profit for the period			27,241	27,241	3,030	30,272
Other comprehensive income	(23)	6,367		6,367	124	6,492
Total comprehensive income for the period	(23)	6,367	27,241	33,609	3,155	36,764
Purchase of treasury stock				(2)		(2)
Dividends			(5,003)	(5,003)	(755)	(5,759)
Change in ownership interests in subsidiaries without loss/acquisition of control		(1)	0	(1)	0	(0)
Reclassification from other components of equity to retained earnings	23	(1,653)	1,653	—		—
Other changes			8	8	2,683	2,691
Total contributions by and distributions to owners of the Company	23	(1,655)	(3,341)	(4,999)	1,927	(3,071)
Balance as of September 30, 2017	—	137,394	135,049	579,123	32,540	611,664

Balance as of April 1, 2018	—	124,348	155,437	586,464	38,659	625,124
Impact of change in accounting policies			(444)	(444)		(444)
Balance as of April 1, 2018	—	124,348	154,993	586,020	38,659	624,679
Profit for the period			37,147	37,147	2,851	39,999
Other comprehensive income	(114)	2,370		2,370	221	2,591
Total comprehensive income for the period	(114)	2,370	37,147	39,517	3,072	42,590
Purchase of treasury stock				(690)		(690)
Dividends			(7,505)	(7,505)	(1,648)	(9,153)
Change in ownership interests in subsidiaries without loss/acquisition of control			18	18	2,249	2,268
Reclassification from other components of equity to retained earnings	114	(404)	404	—		—
Share remuneration transactions				51		51
Other changes			(1,115)	(1,115)	1,313	198
Total contributions by and distributions to owners of the Company	114	(404)	(8,198)	(9,242)	1,915	(7,326)
Balance as of September 30, 2018	—	126,314	183,942	616,295	43,647	659,943

(6) Changes in Accounting Policies Based on Requirements of International Financial Reporting Standards

With the exception of the following policies, the accounting policies applied to the consolidated financial statements for the three-month period ended September 30, 2018, are the same as those applied to consolidated financial statements for the year ended March 31, 2018.

Effective April 1, 2018, the Company has applied the following mandatory standards.

Standard	Name	New / revised policies
IFRS 15	Revenue from Contracts with Customers	Revision of accounting treatment and disclosure method pertaining to recognition of revenue
IFRS 9	Financial Instruments (2014 version)	Revision to methods of classifying and measuring financial instruments, revision to hedge accounting methods, and revision to provisions for impairment of financial assets based on expected credit loss model

1) IFRS 15—Revenue from Contracts with Customers

Effective April 1, 2018, the Company applied IFRS 15—Revenue from Contracts with Customers. As a transitional measure for the application of this standard, the standard has been applied retroactively to previous periods and the balance of retaining earnings on April 1, 2018, has been adjusted to reflect the cumulative effect amount of this retroactive application.

In conjunction with the application of IFRS 15—Revenue from Contracts with Customers, the Company has adopted an approach of recognizing the amount of profit to which the Company is expected to be entitled due to the transfer of goods or services to customers based on the following five-step model.

Step 1. Identify the contract(s) with a customer

Step 2. Identify the performance obligations in the contract

Step 3. Determine the transaction price

Step 4. Allocate the transaction price to the performance obligations in the contract

Step 5. Recognize revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15—Revenue from Contracts, the Company will be viewed as the main transacting entity if the goods or services to be provided to the customer are in the Company's control prior to their provision and will be viewed as an agent if the goods or services are not in its control prior to provision.

Previously, the Company has recognized inventory assets for transactions for which the Company recognized profit at net value as an agent (agent transaction) in cases when the goods or services to be provided were temporarily in the legal possession of the Group.

Under IFRS 15—Revenue from Contracts, however, the Group is judged not be in control of inventories during agent transactions, and said inventories are therefore recognized under trade and other receivables.

As a result of the application of this standard, inventories on the consolidated statements of financial position for the six-month period ended September 30, 2018, were reduced by ¥165,686 million, and trade and other receivables were increased by the same amount.

The impact of this change on revenue and other income items on the consolidated statements of profit or loss for the six-month period ended September 30, 2018, was minimal.

2) IFRS 9—Financial Instruments (2014 version)

Effective April 1, 2018, the Company applied IFRS 9—Financial Instruments (2014 version).

As a transitional measure for the application of this standard, the standard has been applied retroactively to previous periods and the balance of retaining earnings on April 1, 2018, has been adjusted to reflect the cumulative effect of this retroactive application. Some exceptions to this retroactive application do exist.

The application of IFRS 9—Financial Instruments (2014 version) did not have a material impact on the consolidated financial statements of the Company.

(a) Classifications of Financial Assets

Under the previously applied IFRS 9—Financial Instruments (2010 version), financial assets of a liability nature were classified as either financial assets measured at amortized cost or financial assets measured at fair value through profit or loss. In IFRS 9—Financial Instruments (2014 version), a new classification for financial assets of a liability nature was created: financial assets measured at fair value through other comprehensive income. When the following conditions are fulfilled, the Company will classify financial assets of a liability nature as financial assets measured at fair value through other comprehensive income.

- When the financial asset is held for a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- When the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Judgements regarding business models were made based on the status of businesses and the circumstances surrounding these businesses as of the date of application.

(b) Impairment of Financial Assets

Previously, impairment of financial assets was performed based on the loss model described in IAS 39—Financial Instruments: Recognition and Measurement. In conjunction with the application of IFRS 9—Financial Instruments (2014 version), impairment will be recognized based on an expected credit loss model. The expected credit loss model will be applied to financial assets measured at amortized cost.

(c) Hedge Accounting

Previously, hedge accounting was performed in accordance with IAS 39—Financial Instruments: Recognition and Measurement. With the application of IFRS 9—Financial Instruments (2014 version), hedge accounting will be performed based on the new general hedge accounting model. The new general hedge accounting model requires that the hedging relationship be integrated with the risk management objective and strategy for undertaking the hedge. In addition, an approach to evaluating hedging effectiveness based on more qualitative projections is required. Hedging relationship designations assigned in accordance with IAS 39—Financial Instruments: Recognition and Measurement on March 31, 2018, were reevaluated as of the application date for IFRS 9—Financial Instruments

(2014 version). As these relationships were found to meet all of the requirements for hedge accounting, the hedging relationships are ongoing.

(7) Segment information

For the first half ended September 30, 2017 (April 1, 2017 – September 30, 2017)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportation Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	81,124	19,383	52,862	50,748	163,875	251,157	87,122
Inter-segment revenue	1	623	7	929	—	7	6
Total revenue	81,125	20,007	52,869	51,678	163,875	251,165	87,128
Segment profit (loss)	4,303	777	2,793	(3,208)	9,509	4,814	4,296

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	144,384	14,150	864,809	19,234	—	884,044
Inter-segment revenue	31	227	1,833	160	(1,993)	—
Total revenue	144,415	14,377	866,642	19,395	(1,993)	884,044
Segment profit (loss)	2,667	32	25,986	(383)	1,638	27,241

Reconciliation of segment profit of 1,638 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,706 million yen, and unallocated dividend income and others of (67) million yen.

For the first half ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportation Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	115,349	13,996	46,631	33,675	210,672	257,391	70,622
Inter-segment revenue	—	—	65	928	—	6	5
Total revenue	115,349	13,996	46,697	34,604	210,672	257,397	70,628
Segment profit (loss)	3,631	1,889	654	2,661	16,240	4,807	2,093

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	160,672	14,138	923,150	18,632	—	941,783
Inter-segment revenue	27	172	1,206	143	(1,350)	—
Total revenue	160,700	14,311	924,357	18,776	(1,350)	941,783
Segment profit (loss)	3,326	(111)	35,192	258	1,696	37,147

Reconciliation of segment profit of 1,696 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 247 million yen, and unallocated dividend income and others of 1,449 million yen.

Changes in Reportable Segments

Effective April 1, 2018, the Aerospace & IT Business Division, the Infrastructure & Environment Business Division and Energy Division were reorganized to the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division and the Energy & Social Infrastructure Division. The name of the Metals & Coal Division has been changed to the Metals & Mineral Resources Division. These reorganizations have resulted in changes to reportable segments. Segment information for the six-month period ended September 30, 2017, has been restated to reflect these changes.

Financial Results for the First Half Ended September 30, 2018

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.

November 1, 2018
Sojitz Corporation

FY2018 2Q Summary

- Profit for the period steadily progressed**
Upward revision to forecasts to reflect favorable market conditions for coal and other resources

	FY2017 2Q Results	FY2018 2Q Results	Difference	FY2018 Initial Forecast	FY2018 Revised Forecast	Achieved
Profit for the period (attributable to owners of the Company)	¥27.2bn	¥37.1bn	+¥9.9bn	¥63.0bn	¥70.0bn	53%
ROA	—	—	—	2.7%	2.9%	—
ROE	—	—	—	10.4%	11.5%	—

- ✓ Ongoing modest growth trend and strong global economy supported by stable consumption in developed and emerging countries
 - ✓ Consistently high coal and other resource prices
 - ✓ Ongoing caution necessary with regard to the potential impacts of U.S. trade friction, foreign exchange rates, and commodity prices on emerging economies
- Realization of earnings contributions mainly from non-resource investment and loans under previous medium-term management plan**

Summary of Profit or Loss

- Profit for the period by segment -

- Achieved 59% of initial forecast for the year
- Revisions to full-year forecasts for Metals & Mineral Resources Division and Foods & Agriculture Business Division

(Billions of yen)	FY2018 2Q Results	FY2018 Initial Forecast	Achieved	FY2018 Revised Forecast	Achieved
Profit for the period (attributable to owners of the Company)	37.1	63.0	59%	70.0	53%
Automotive	3.6	5.5	65%	5.5	
Aerospace & Transportation Project	1.9	4.0	48%	4.0	
Machinery & Medical Infrastructure	0.7	3.0	23%	3.0	
Energy & Social Infrastructure	2.7	4.5	60%	4.5	
Metals & Mineral Resources	16.2	20.5	79%	28.5	57%
Chemicals	4.8	10.5	46%	10.5	
Foods & Agriculture Business	2.1	4.5	47%	3.5	60%
Retail & Lifestyle Business	3.3	5.5	60%	5.5	
Industrial Infrastructure & Urban Development	▲0.1	1.5	—	1.5	

Earnings Contributions from Previously Executed Investments and Loans

- Earnings contributions from investments and loans conducted under Medium-Term Management Plan 2017 realized on schedule
- Disciplined investment and steady realization of earnings contributions to be pursued under Medium-Term Management Plan 2020

Medium-Term Management Plan 2017

FY2017 Results

Outstanding investments and loans
¥290.0bn

ROI 3.3%

FY2020 (May 1, 2018)

Outstanding investments and loans
¥160.0bn

ROI Forecast Approx. 7.5%

Earnings contributions More than ¥12.0bn



Medium-Term Management Plan 2020

FY2020 (May 1, 2018)

The amount of the investments and loans over MTP2020 period
Approx. ¥300.0bn

Outstanding investments and loans
¥230.0bn

ROI Forecast Approx. 4.3%

Earnings contributions More than ¥10.0bn

Main progress in the first half of FY2018

Earnings contributions from investments and loans conducted under MTP2017

...About ¥3.0bn

FY2018 Earnings Contributions

Approx. ¥6.0bn

Main businesses

- Renewable energy businesses
- Automobile dealership businesses
- Hospital project in the Republic of Turkey
- European chemical distributor and marketing company
- Automotive parts quality inspection business

Earning contributions from investments and loans conducted under MTP2020

Full-fledged earnings contributions anticipated in the second half of fiscal year

Approx. ¥2.0bn

The amount of new investments and loans

...About ¥48.0bn

Attempts in the First Year of Medium-Term Management Plan 2020 (1)

Link past initiatives to growth, broaden scope of existing operations, and advance initiatives targeting further growth

(Initiative themes)

(Progress in the first half of FY2018)

Automotive

- ◆ Expanding dealership and automotive parts quality inspection operations
- ◆ Strengthen its functions and accumulate assets to facilitate future growth
- ◆ Replace and enhance existing businesses

- ▶ Developed stable earnings foundations through expansion of dealership operations and achievement of profitability in automotive parts quality inspection operations
- ▶ Advanced connected car initiatives



Aerospace & Transportation Project

- ◆ Leveraging its strengths in the aerospace industry to more swiftly broaden its aircraft lease, part-out, business jet, and other operations
- ◆ Developing transportation infrastructure businesses in emerging countries and airport-related businesses around the world

- ▶ Commenced business jet chartering
- ▶ Entered airport management business pertaining to Shimojishima Airport
- ▶ Made progress in Indian freight railway construction project



Machinery & Medical Infrastructure

- ◆ Growing its PPP hospital operation business, creating medical institution-related businesses
- ◆ Expanding existing industrial machinery and bearing trading operations

- ▶ Made smooth progress in Turkish hospital construction project
- ▶ Invested in an engineering company in Thailand



Attempts in the First Year of Medium-Term Management Plan 2020 (2)

(Initiative themes)

Energy & Social Infrastructure

- ◆ Growing its energy supply, power generation, and other service operations
- ◆ Enhancing social infrastructure, including digital-related infrastructure

Metals & Mineral Resources

- ◆ Addressing new social needs, such as those pertaining to the environment, recycling, and the spread of electric vehicles
- ◆ Optimizing its asset portfolio through the replacement of upstream interests

Chemicals

- ◆ Investing in expanding its value chain
- ◆ Targeting at new business fields such as the environment, mobility, and composite materials

(Progress in the first half of FY2018)

- Started 2nd gas-fired thermal power plant project in the United States
- Achieved earnings contributions from on-shore wind farm in Ireland and new solar power generation project in Japan



- Participated in next-generation EV battery material development project
- Reached agreement regarding acquisition of Australian coking coal interest



- Established Project Development Office to accelerate new businesses



Attempts in the First Year of Medium-Term Management Plan 2020 (3)

(Initiative themes)

Foods & Agriculture Business

- ◆ Enhancing its fertilizer operations in Southeast Asia while also expanding into the surrounding countries and into related fields
- ◆ Constructing value chains encompassing production, processing, and sales in its food and marine product operations



(Progress in the first half of FY2018)

- Commenced strategic alliance with major Vietnamese food company PAN



Retail & Lifestyle Business

- ◆ Expanding and diversifying its commercial facility, food distribution, and other retail operations
- ◆ Developing new businesses in Japan and Asia



- Entered into papermaking business in Vietnam



Industrial Infrastructure & Urban Development

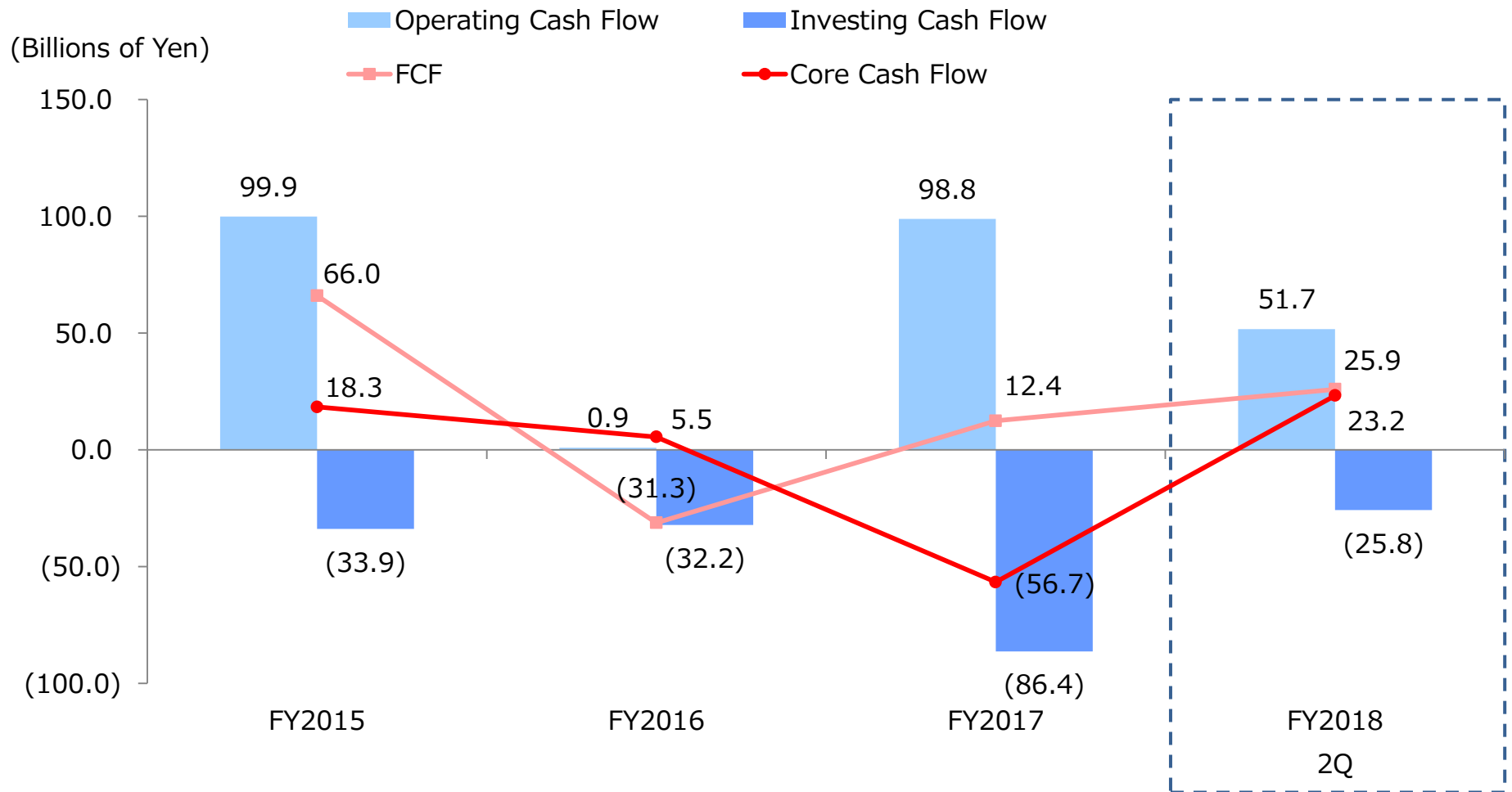
- ◆ Enhancement of its development functions for real estate businesses and boosting earnings capacity in the REIT business
- ◆ Taking part in industrial park development projects as well as in smart city and other urban infrastructure development projects



- Procured, sold, and developed carefully selected land and properties



Summary of Free Cash Flows



*Core cash flow = Core operating cash flow + Post-adjustment net cash provided by (used in) investing activities – Dividends paid
 (Post-adjustment net cash provided by (used in) investing activities is net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

ESG Rating

- ✓ Newly inclusion in FTSE and DJSI, which are global ESG indexes
- ✓ Announced endorsement of TCFD*

■ Inclusion in Major Domestic and Overseas Indexes and Evaluations by ESG Rating Institutions

● September, 2018



In the Dow Jones Sustainability Index (DJSI) series of globally recognized socially responsible investment indexes, Sojitz was selected for inclusion in DJSI World and DJSI Asia Pacific.

● February, 2018



Sojitz was selected for "Bronze Class" award and "industry Mover" award in corporate sustainability ratings by RobecoSAM.

● June, 2018



Sojitz was selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index provided by FTSE Russell.



Sojitz received a leadership level upper rating of A- with regards to climate change from CDP.



Sojitz was selected as a constituent of the MSCI Japan Empowering Women Index (WIN) in 2017 and 2018.



Sojitz was selected as a Nadeshiko Brand company for two consecutive years, in recognition for its efforts to empower women in the workplace.

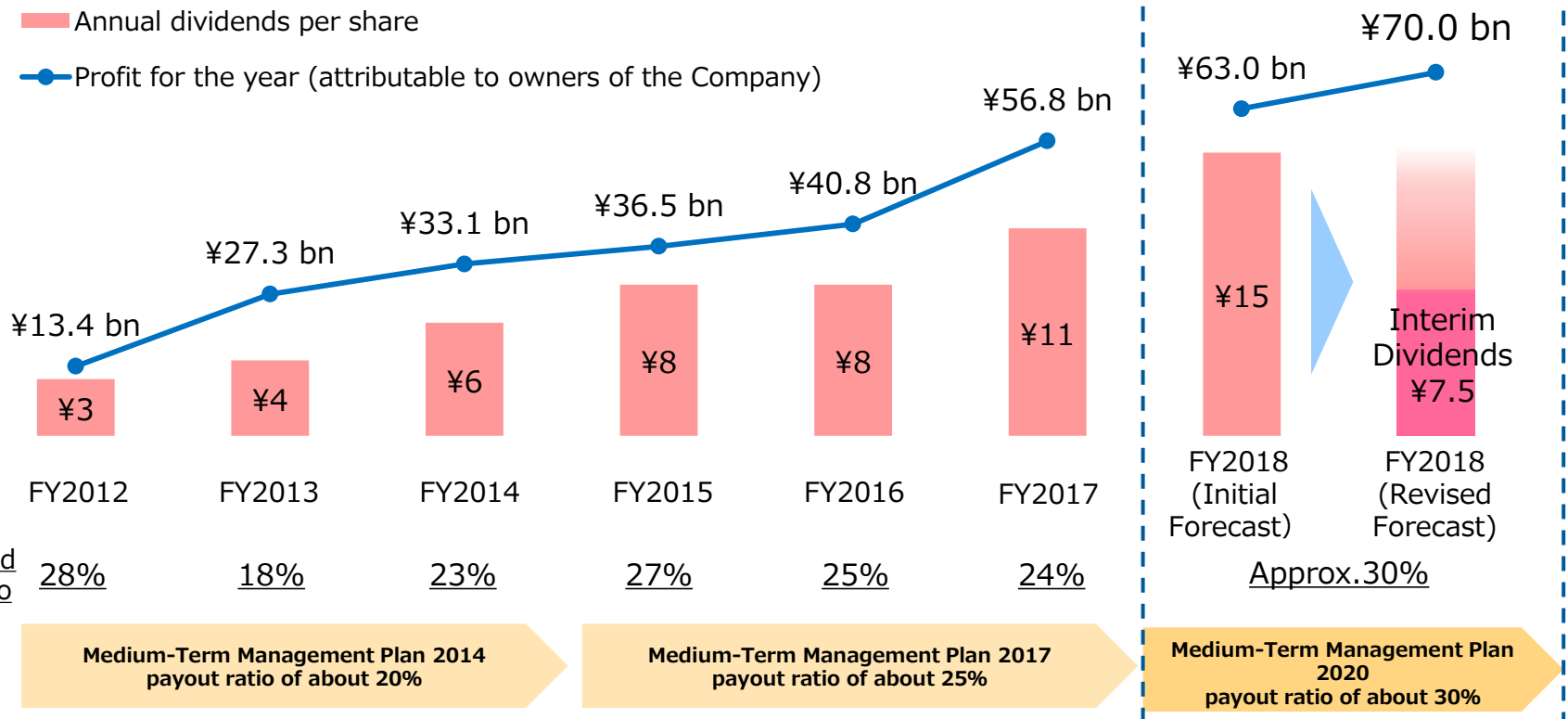
* The Task Force on Climate-related Financial Disclosures (TCFD) was established under the guidance of the G20 Financial Stability Board. In June 2017, the TCFD announced a recommended voluntary disclosure framework for promoting disclosure of corporate information pertaining to climate change.

Dividend Policy

■ 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.

Under Medium-Term Management Plan 2020, our basis policy will be to target a consolidated payout ratio of 30%.



【Supplemental Data】

I . Financial Results for the First Half
and Full Year Forecast of Fiscal Year Ending
March 31, 2019



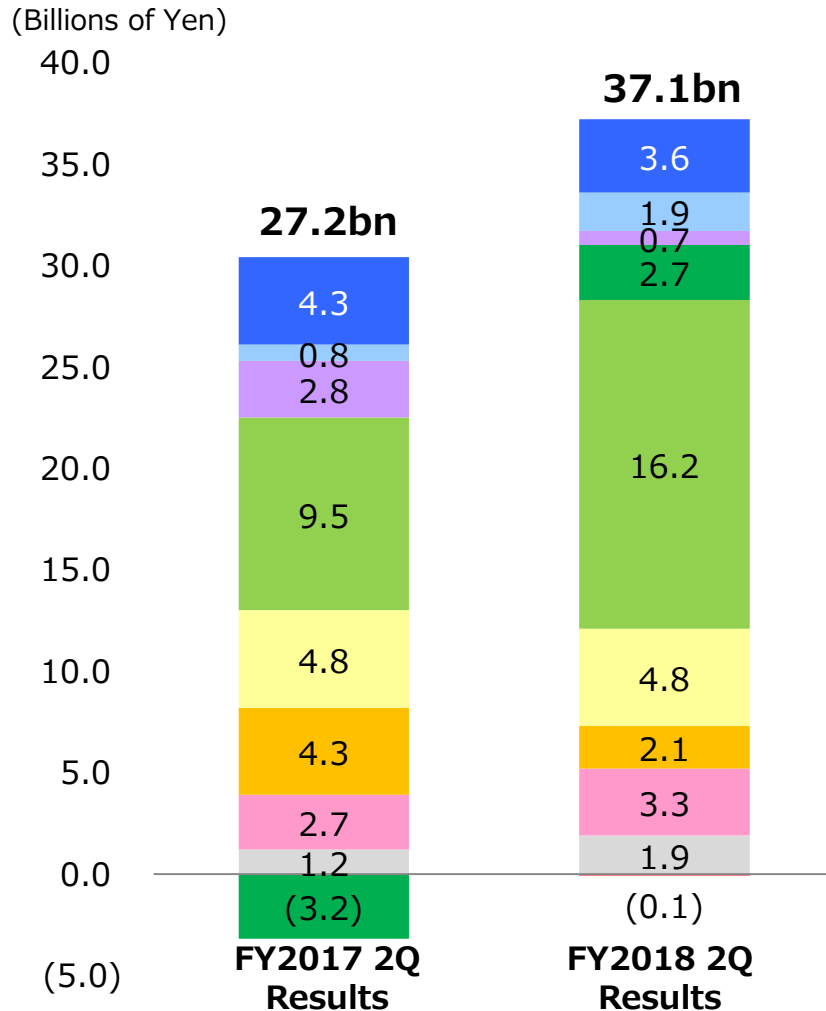
Summary of Profit or Loss

(Billions of yen)	FY2017 2Q results	FY2018 2Q Results	Difference	FY2018 Initial Forecast	FY2018 Forecast (Nov.1,2018)	Achieved
Revenue	884.0	941.8	+57.8	–	–	–
Gross profit	111.5	120.9	+9.4	240.0	240.0	50%
Share of profit (loss) of investments accounted for using the equity method	10.9	11.9	+1.0	26.0	27.0	44%
Profit before tax	37.9	51.5	+13.6	86.0	95.0	54%
Profit for the Year attributable to Owners of the Company	27.2	37.1	+9.9	63.0	70.0	53%
Core earnings	40.8	45.9	+5.1	86.0	89.0	52%

Summary of Profit or Loss

Profit for the Year by segment

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



Main Factors Behind Difference

- **Automotive ¥ 3.6 billion (down ¥(0.7) billion YoY)**
 Despite earnings contributions from newly consolidated subsidiaries, decreased due to higher tax expenses following sale of investments accounted for using the equity method
- **Aerospace & Transportation Project ¥ 1.9 billion (up ¥ 1.1 billion YoY)**
 Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
- **Machinery & Medical Infrastructure ¥ 0.7 billion (down ¥(2.1) billion YoY)**
 Decreased due to absence of revenue associated with infrastructure projects recorded in the previous equivalent period
- **Energy & Social Infrastructure ¥ 2.7 billion (UP ¥ 5.9 billion YoY)**
 Increased due to absence of one-time loss on oil and gas interests recorded in the previous equivalent period and a gain on the sale of an overseas solar power business operating company
- **Metals & Mineral Resources ¥ 16.2 billion (up ¥ 6.7 billion YoY)**
 Increased due to higher prices and transaction volumes of coal and other resources
- **Chemicals ¥ 4.8 billion (relatively unchanged YoY)**
 Unchanged year on year
- **Foods & Agriculture Business ¥ 2.1 billion (down ¥ (2.2) billion YoY)**
 Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
- **Retail & Lifestyle Business ¥ 3.3 billion (up ¥ 0.6 billion YoY)**
 Increased due to strong performance in all businesses
- **Industrial Infrastructure & Urban Development ¥ (0.1) billion (down ¥(0.1) billion YoY)**
 Unchanged year on year
- **Other ¥ 1.9 billion (up ¥ 0.7 billion YoY)**

FY2018 Forecast

Profit for the Year by Segment

Profit for the year (attributable to Owners of the Company) by segment

(Billions of Yen)	FY2018 2Q Results	FY2018 Forecast	FY2018 Revised Forecast
Automotive	3.6	5.5	5.5
Aerospace & Transportation Project	1.9	4.0	4.0
Machinery & Medical Infrastructure	0.7	3.0	3.0
Energy & Social Infrastructure	2.7	4.5	4.5
Metals & Mineral Resources	16.2	20.5	28.5
Chemicals	4.8	10.5	10.5
Foods & Agriculture Business	2.1	4.5	3.5
Retail & Lifestyle Business	3.3	5.5	5.5
Industrial Infrastructure & Urban Development	(0.1)	1.5	1.5
Other	1.9	3.5	3.5
Total	37.1	63.0	70.0

Progress Overview

- **Automotive ¥ 3.6 billion**
Performance generally as forecast
- **Aerospace & Transportation Project ¥ 1.9 billion**
Performance generally as forecast
- **Machinery & Medical Infrastructure ¥ 0.7 billion**
Earnings from industrial machinery- and infrastructure-related transactions anticipated in the second half of the fiscal year, performance generally in line with forecasts
- **Energy & Social Infrastructure ¥ 2.7 billion**
Performance generally as forecast
- **Metals & Mineral Resources ¥ 16.2 billion**
Upward revision to forecasts to reflect higher prices and transaction volumes for coal and other resources in the first half FY2018
- **Chemicals ¥ 4.8 billion**
Performance generally as forecast
- **Foods & Agriculture Business ¥ 2.1 billion**
Downward revision to forecasts to account for sluggish first half FY2018 sales in overseas fertilizer businesses
- **Retail & Lifestyle Business ¥ 3.3 billion**
Performance generally as forecast
- **Industrial Infrastructure & Urban Development ¥ (0.1) billion**
Earning contributions from real estate held for sale in Japan and overseas industrial park businesses anticipated in the second half of the fiscal year

Summary of Balance Sheets

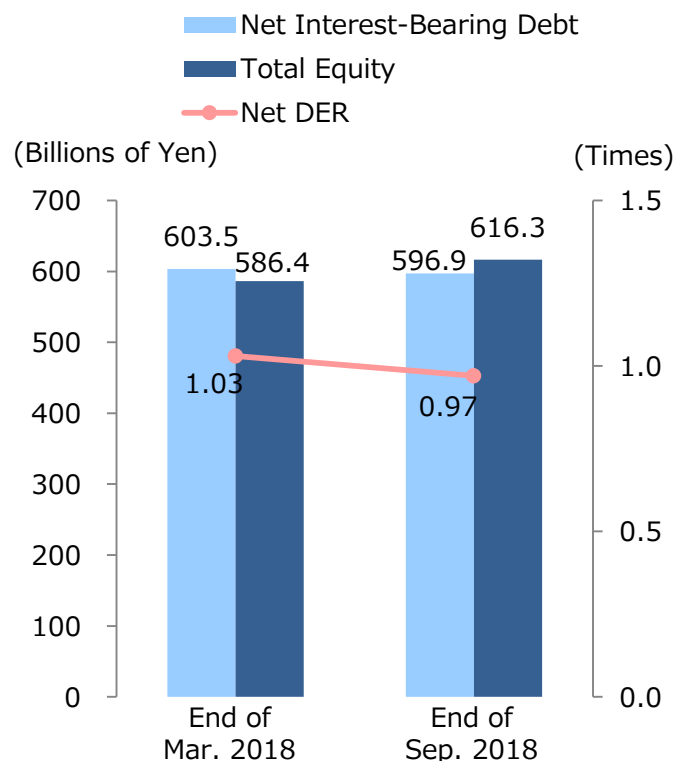
(Billions of Yen)	End of Mar. 2018	End of Sep. 2018	Difference	End of Mar. 2019 (Forecast)
Total Assets	2,350.4	2,341.4	(9.0)	2,400.0
Total equity*1	586.4	616.3	+29.9	630.0
Equity Ratio	25.0%	26.3%	+1.3%	26.3%
Net interest-bearing debt	603.5	596.9	(6.6)	650.0
Net DER (Times)	1.03	0.97	(0.06)	1.0
Risk Assets*2 vs. Total equity	350.0 0.6 times	360.0 0.6 times	+10.0 ±0times	—
Current Ratio	162.7%	161.7%	(1.0)%	—
Long-term debt ratio	87.5%	84.9%	(2.6)%	—

(*1) "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".

(*2) The method of measuring risk assets mainly for goodwill was revised in the three-month period ended June 30, 2018. Figures for the year ended March 31, 2018, have been restated to reflect this change.

Changes in Total Equity (End of Mar. 2018 vs. End of Sep. 2018, Breakdown)

- Profit for the period attributable to owners of the Company ¥ 37.1 billion
- Dividends paid ¥ (7.5) billion



Investments and Loans for the First Half Ended September 30, 2018

FY2018 2Q Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none"> ■ Automobile dealership business in Russia ■ Aircraft-related business ■ Engineering company in Thailand ■ IPP business in the United States ■ Domestic and overseas solar power generation business ■ Foods-related company in Vietnam ■ Papermaking company in Vietnam <p style="text-align: right;">etc.</p>
Investments and Loans Results	Approx. ¥48.0bn
Asset Reduction	<ul style="list-style-type: none"> ■ Sales of an automotive-related company ■ Sales of aircraft ■ Sales of solar power generation business company ■ Sales of oil and gas interests ■ Sales of securities held by the company <p style="text-align: right;">etc.</p>
Asset Reduction Results	Approx. ¥49.0bn

Major One-time Gain/Loss for the First Half Ended September 30, 2018

	FY2017 2Q Results		FY2018 2Q Results	
Non-Resource	¥ 5.6 billion	<ul style="list-style-type: none"> •Automobile parts business •Infrastructure-related earnings <p>etc.</p>	¥ 3.6 billion	<ul style="list-style-type: none"> •Sale of automobile-related companies •Sale of aircraft <p>etc.</p>
Resource	¥ (3.5) billion	<ul style="list-style-type: none"> •Oil and gas interests 	¥ 0.9 billion	<ul style="list-style-type: none"> •Sale of oil and gas interests <p>etc.</p>
Total (After income tax expenses)	¥ 2.1 billion		¥ 4.5 billion	

Growth of Resource and Non-Resource Profit

(Billions of yen)	FY2017 2Q Results	FY2018 2Q Results	Difference	Medium-Term Management Plan 2017		
				FY2015 Results	FY2016 Results	FY2017 Results
① Profit for the year (attributable to Owners of the Company)	27.2	37.1	+9.9	36.5	40.8	56.8
(② Total one-time income movements)	2.1	4.5	+2.4	0.0	(6.0)	(7.0)
① - ② Profit for the year [(attributable to owners of the Company)] (Excluding one-time income movements)	25.1	32.6	+7.5	36.5	46.8	63.8
Resource	5.2	12.4	+7.2	(0.5)	0.3	13.8
Non-Resource	19.9	20.2	+0.3	37.0	46.5	50.0

Commodity Prices, Foreign Exchange, and Interest Rate

	FY2017 Results (Apr.-Sep. Avg.)	FY2018 Initial Assumptions (Annual Avg.)	FY2018 Results (Apr.-Sep. Avg.)	Latest Data (As of October 26, 2018)
Crude oil (Brent)	US\$51.5/bbl	US\$60.0/bbl	US\$75.4/bbl	US\$77.6/bbl
Thermal Coal *1	US\$86.1/t	US\$85.0/t	US\$111.5/t	US\$108.2/t
Exchange rate *2	¥111.3/US\$	¥105.0/US\$	¥110.7/US\$	¥112.5/US\$
Interest rate (TIBOR)	0.06%	0.06%	0.07%	0.07%

*1 The results in the above table are cited from the GlobalCOAL NEWC Index and differ from our sales prices.

*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.5 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.25 billion annually, and total equity by approx. ¥2.0 billion.

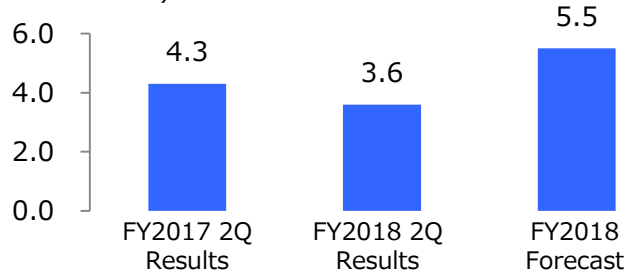
【Supplemental Data】
II . Segment Information

Automotive



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

(Billions of Yen)

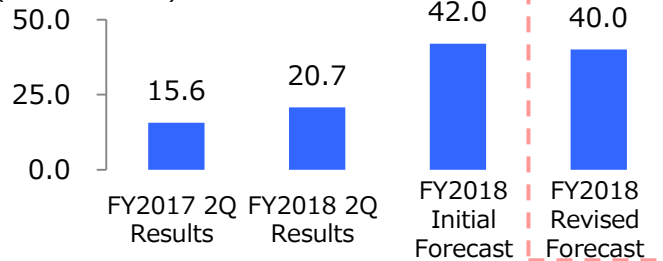


【Progress Overview】

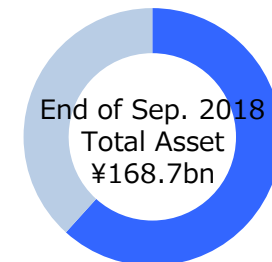
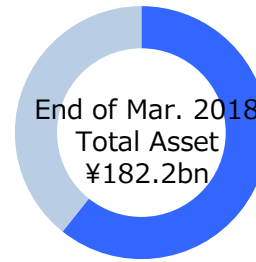
Performance generally as forecast

Gross profit

(Billions of Yen)



Asset Structure



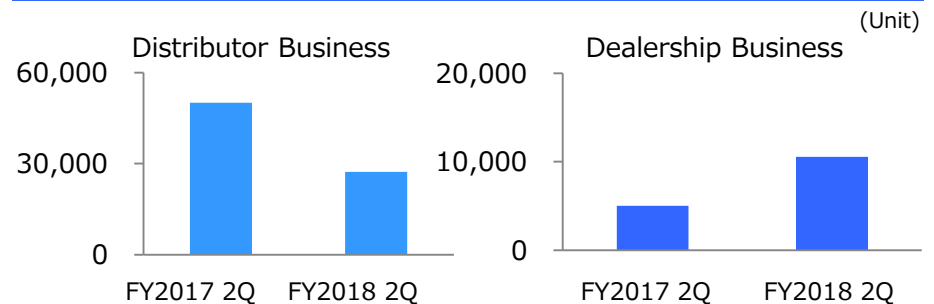
■ Current Assets
■ Non-Current Assets

FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	15.6	20.7
Share of profit of investments accounted for using the equity method	1.5	0.4
Profit for the period (attributable to owners of the Company)	4.3	3.6
	End of Mar. 2018	End of Sep. 2018
Total assets	182.2	168.7

Vehicle Sales

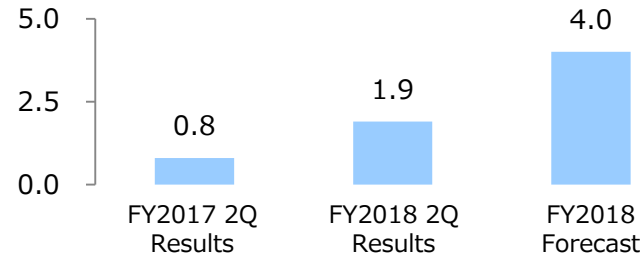


Aerospace & Transportation Project



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

(Billions of Yen)

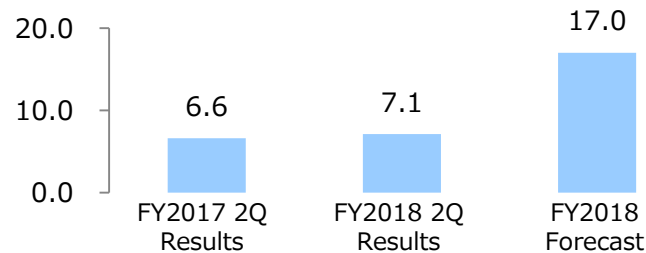


【Progress Overview】

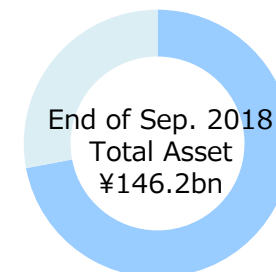
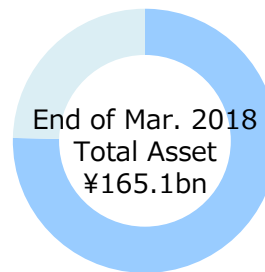
Performance generally as forecast

Gross profit

(Billions of Yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

FY2018 2Q Results

(Billions of Yen)

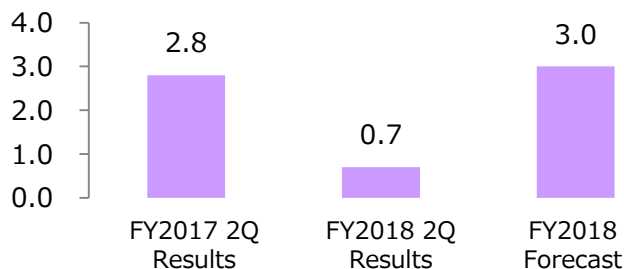
	FY2017 2Q Results	FY2018 2Q Results
Gross profit	6.6	7.1
Share of profit of investments accounted for using the equity method	0.2	0.5
Profit for the period (attributable to owners of the Company)	0.8	1.9
	End of Mar. 2018	End of Sep. 2018
Total assets	165.1	146.2

Machinery & Medical Infrastructure



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

(Billions of Yen)

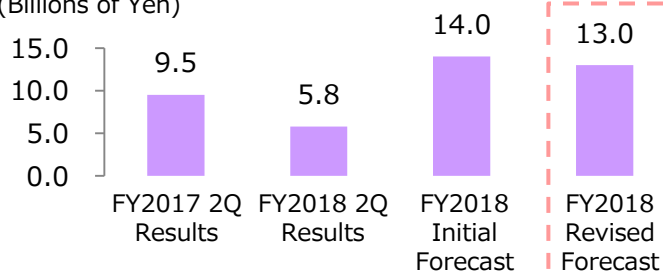


【Progress Overview】

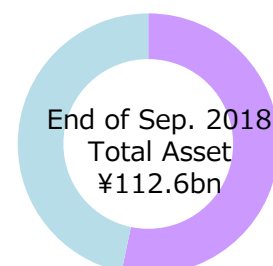
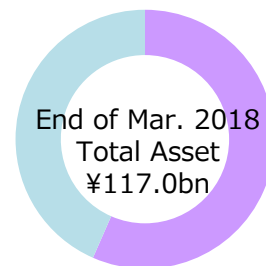
Earnings from industrial machinery- and infrastructure-related transactions anticipated in the second half of the fiscal year, performance generally in line with forecasts

Gross profit

(Billions of Yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

FY2018 2Q Results

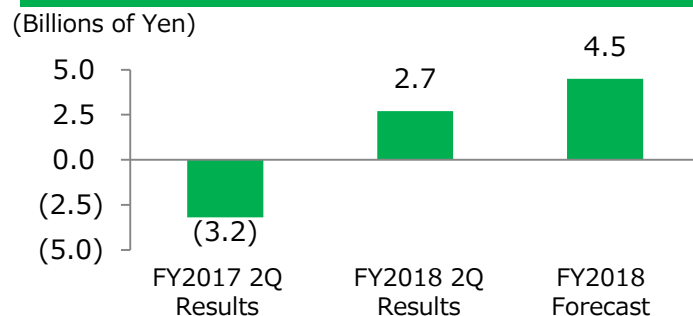
(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	9.5	5.8
Share of profit of investments accounted for using the equity method	0.3	0.3
Profit for the period (attributable to owners of the Company)	2.8	0.7
	End of Mar. 2018	End of Sep. 2018
Total assets	117.0	112.6

Energy & Social Infrastructure



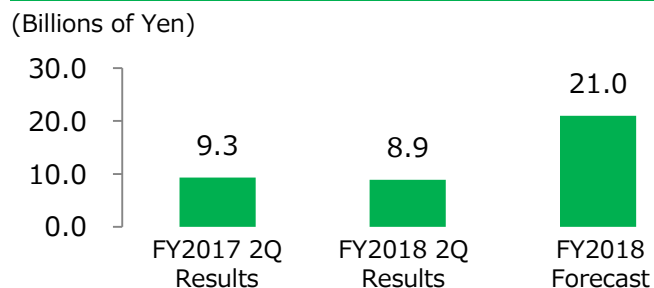
Profit for the period (attributable to owners of the Company)



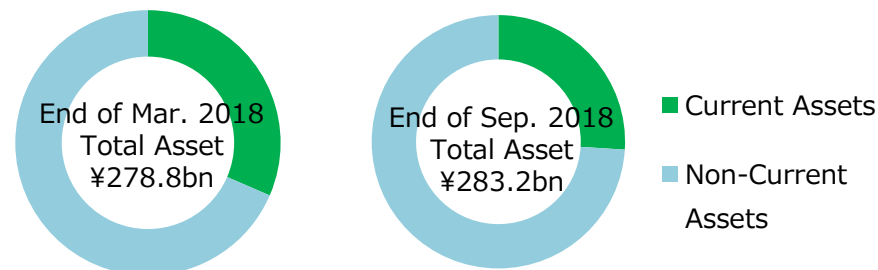
【Progress Overview】

Performance generally as forecast

Gross profit



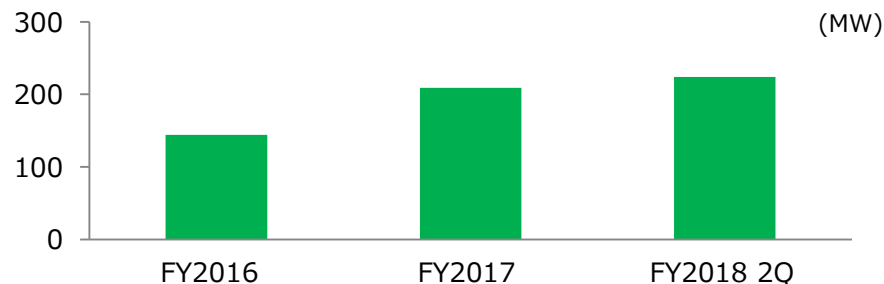
Asset Structure



FY2018 2Q Results

(Billions of Yen)	FY2017 2Q Results	FY2018 2Q Results
Gross profit	9.3	8.9
Share of profit of investments accounted for using the equity method	0.5	1.1
Profit (loss) for the period (attributable to owners of the Company)	(3.2)	2.7
	End of Mar. 2018	End of Sep. 2018
Total assets	278.8	283.2

Sojitz's Share of Renewable Energy Generation

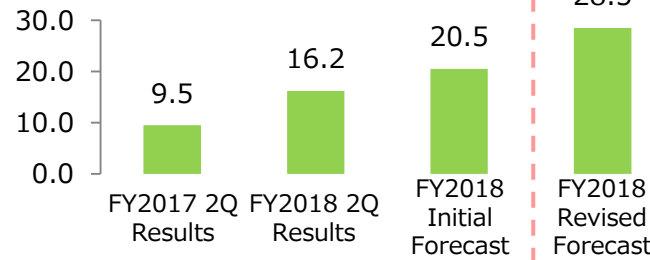


Metals & Mineral Resources



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

(Billions of Yen)

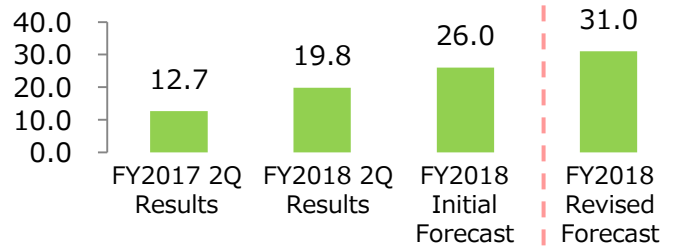


【Progress Overview】

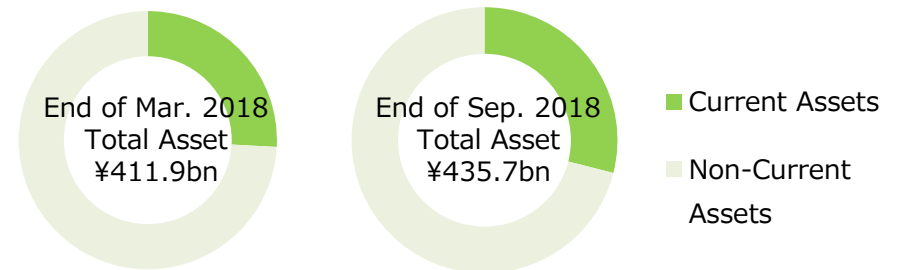
Upward revision to forecasts to reflect higher prices and transaction volumes for coal and other resources in the first half

Gross profit

(Billions of Yen)



Asset Structure

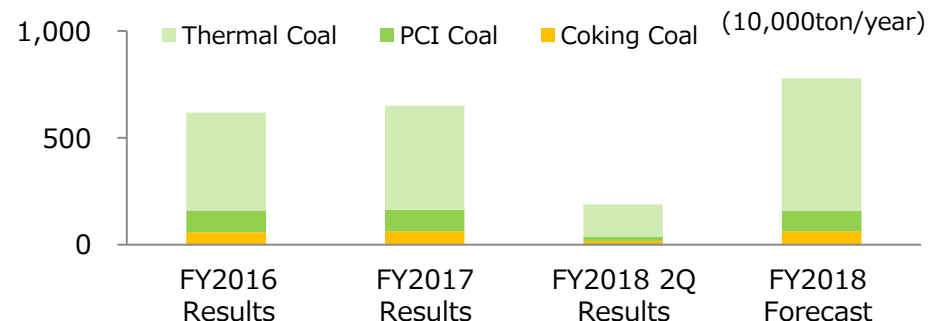


FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	12.7	19.8
Share of profit of investments accounted for using the equity method	7.3	9.2
Profit for the period (attributable to owners of the Company)	9.5	16.2
	End of Mar. 2018	End of Sep. 2018
Total assets	411.9	435.7

Sales Volume for Coal

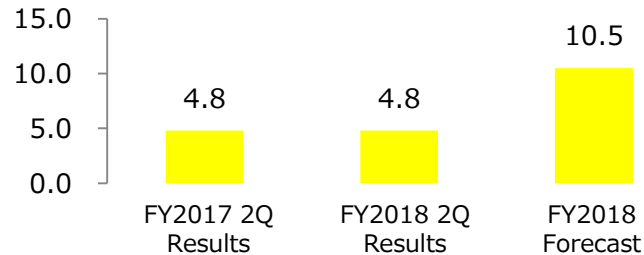


Chemicals



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

(Billions of Yen)

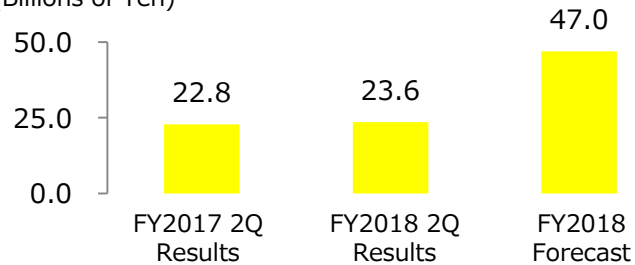


【Progress Overview】

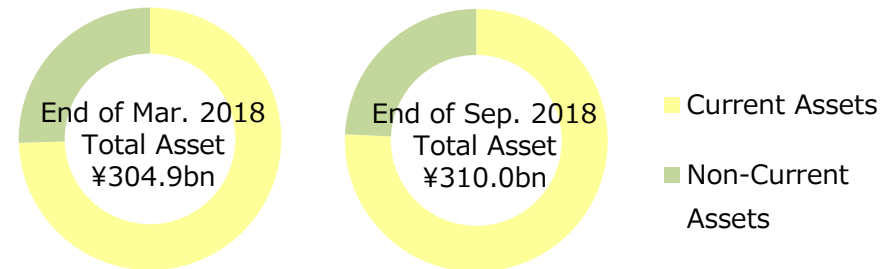
Performance generally as forecast

Gross profit

(Billions of Yen)



Asset Structure

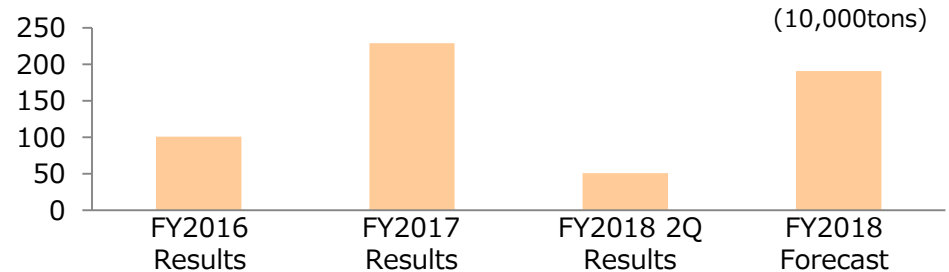


FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	22.8	23.6
Share of profit of investments accounted for using the equity method	0.6	0.5
Profit for the period (attributable to owners of the Company)	4.8	4.8
	End of Mar. 2018	End of Sep. 2018
Total assets	304.9	310.0

Sales Volume for Methanol

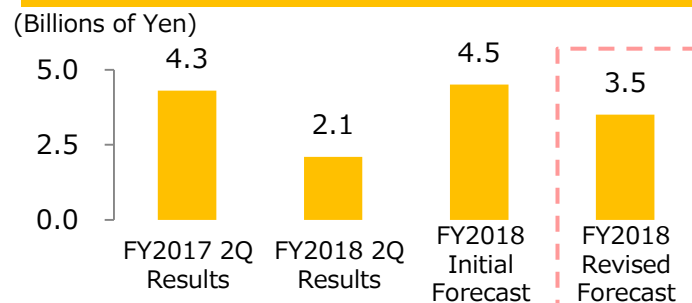


* FY2017 or later includes the sales volumes of solvadis holdings S.a.r.l.

Foods & Agriculture Business



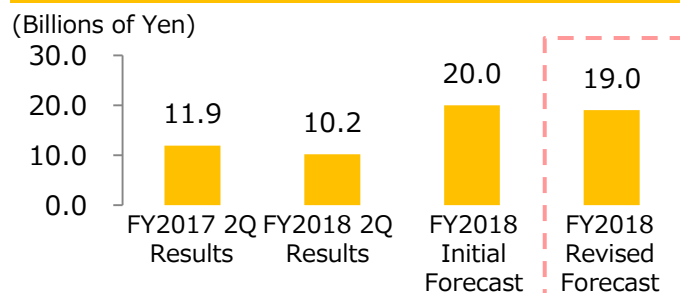
Profit for the period (attributable to owners of the Company)



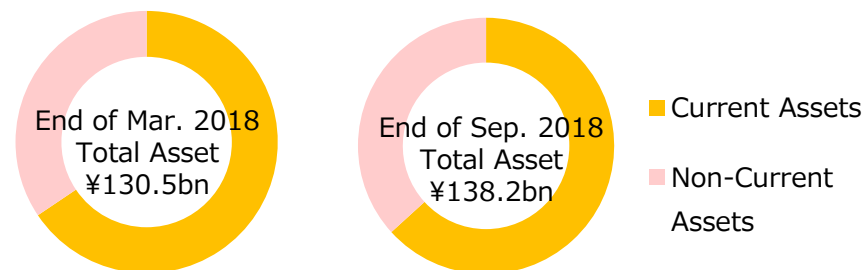
【Progress Overview】

Downward revision to forecasts to account for sluggish first half sales in overseas fertilizer businesses

Gross profit



Asset Structure



FY2018 2Q Results

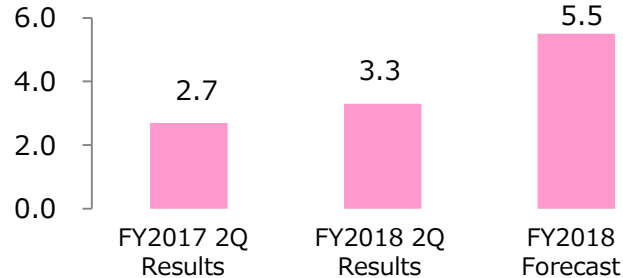
(Billions of Yen)	FY2017 2Q Results	FY2018 2Q Results
Gross profit	11.9	10.2
Share of profit (loss) of investments accounted for using the equity method	0.5	(0.1)
Profit for the period (attributable to owners of the Company)	4.3	2.1
	End of Mar. 2018	End of Sep. 2018
Total assets	130.5	138.2

Retail & Lifestyle Business



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

(Billions of Yen)

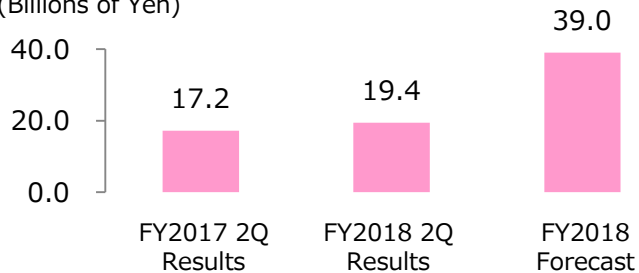


【Progress Overview】

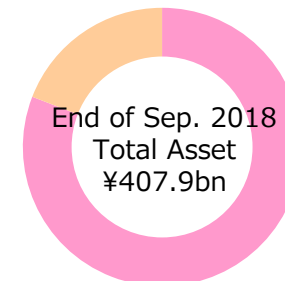
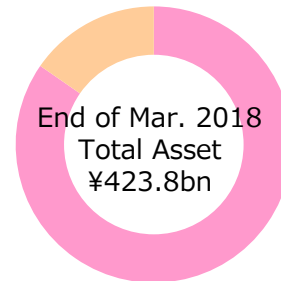
Performance generally as forecast

Gross profit

(Billions of Yen)



Asset Structure



Current Assets
Non-Current Assets

FY2018 2Q Results

(Billions of Yen)

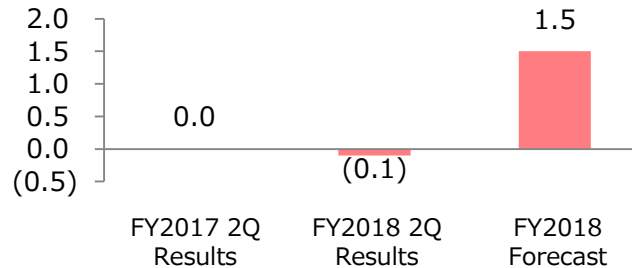
	FY2017 2Q Results	FY2018 2Q Results
Gross profit	17.2	19.4
Share of profit of investments accounted for using the equity method	0.0	(0.2)
Profit for the period (attributable to owners of the Company)	2.7	3.3
	End of Mar. 2018	End of Sep. 2018
Total assets	423.8	407.9

Industrial Infrastructure & Urban Development



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

(Billions of Yen)

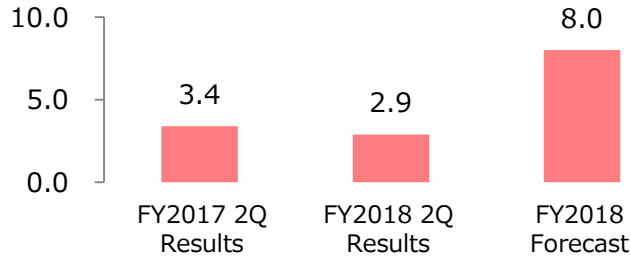


【Progress Overview】

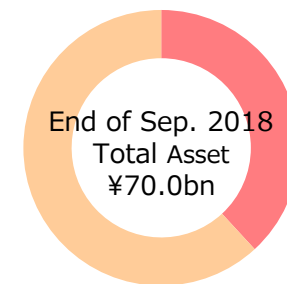
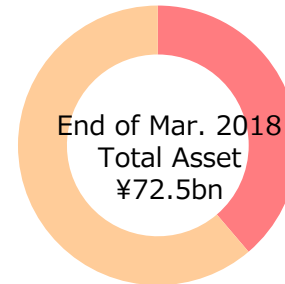
Earning contributions from real estate held for sale in Japan and overseas industrial park businesses anticipated in the second half of the fiscal year

Gross profit

(Billions of Yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	3.4	2.9
Share of profit of investments accounted for using the equity method	0.2	0.2
Profit for the period (attributable to owners of the Company)	0.0	(0.1)
	End of Mar. 2018	End of Sep. 2018
Total assets	72.5	70.0

Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017 2Q	FY2018 2Q	Difference
Automotive	Sojitz Automotive Group	Subsidiary	0.5	0.5	0.0
Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	0.5	0.8	0.3
Automotive	Subaru Motor LLC	Subsidiary	0.4	0.1	(0.3)
Automotive	Sojitz Quality, Inc	Subsidiary	0.1	0.2	0.1
Aerospace & Transportation Project	Sojitz Aerospace Corporation	Subsidiary	0.3	0.1	(0.2)
Aerospace & Transportation Project	Sojitz Marine & Engineering Corporation	Subsidiary	0.4	0.3	(0.1)
Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Subsidiary	0.3	0.2	(0.1)
Machinery & Medical Infrastructure	Sojitz Hospital PPP Investment B.V.	Subsidiary	0.2	0.8	0.6
Machinery & Medical Infrastructure	First Technology China Ltd.	Subsidiary	0.4	0.4	0.0
Energy & Social Infrastructure	Nissho Electronics Corporation	Subsidiary	0.3	0.2	(0.1)
Energy & Social Infrastructure	Tokyo Yuso Corporation	Subsidiary	0.2	0.2	0.0
Energy & Social Infrastructure	LNG Japan Corporation	Associate	0.1	0.3	0.2
Metals & Mineral Resources	Sojitz Coal Resources Pty. Ltd.	Subsidiary	2.8	4.5	1.7
Metals & Mineral Resources	Sojitz Moolarben Resources Pty. Ltd.	Subsidiary	1.2	2.4	1.2
Metals & Mineral Resources	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	(0.1)	0.8	0.9
Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	0.2	0.2	0.0
Metals & Mineral Resources	Metal One Corporation	Associate	4.5	4.9	0.4

*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 past figures released by these companies.

Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017 2Q	FY2018 2Q	Difference
Chemicals	Sojitz Pla-Net Corporation	Subsidiary	1.0	0.7	(0.3)
Chemicals	PT. Kaltim Methanol Industri	Subsidiary	1.5	2.7	1.2
Chemicals	solvadis holding S.a.r.l	Subsidiary	0.4	0.4	0.0
Foods & Agriculture Business	Atlas Fertilizer Corporation	Subsidiary	0.3	0.3	0.0
Foods & Agriculture Business	Japan Vietnam Fertilizer Company	Subsidiary	0.4	0.2	(0.2)
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Subsidiary	0.4	0.2	(0.2)
Retail & Lifestyle Business	Sojitz Foods Corporation	Subsidiary	1.2	1.4	0.2
Retail & Lifestyle Business	Sojitz Fashion Co., Ltd.	Subsidiary	0.4	0.4	0.0
Industrial Infrastructure & Urban Development	Sojitz New Urban Development Corporation	Subsidiary	(0.1)	(0.3)	(0.2)

*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 past figures released by these companies.

For information on the following listed companies, please refer to their respective corporate websites.

Energy & Social Infrastructure Division: SAKURA Internet Inc. (equity-method associate)

Chemicals Division: Pla Matels Corporation (consolidated subsidiary)

Foods & Agriculture Business Division: Fuji Nihon Seito Corporation (equity-method associate), Thai Central Chemical Public Company Limited (consolidated subsidiary)

Retail & Lifestyle Business Division: JALUX Inc. (equity-method associate)

Industrial Infrastructure & Urban Development Division: PT. Puradelta Lestari. Tbk (equity-method associate)

【Supplemental Data】

Ⅲ. Summary of Financial Results



Summary of Profit or Loss (Results)

(Billions of Yen)	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 2Q
Net sales (JGAAP)	5,771.0	5,166.2	3,844.4	4,014.6	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	–
Revenue	–	–	–	–	2,006.6	1,747.8	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	941.8
Gross profit	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	120.9
Operating profit	92.4	52.0	16.1	37.5	57.5	25.5	23.7	33.6	29.2	51.6	59.8	–
Share of profit (loss) of investments accounted for using the equity method	28.9	2.5	9.2	19.3	16.3	15.8	31.0	28.6	23.2	12.7	25.1	11.9
Profit before tax	88.4	37.1	18.9	39.3	58.5	28.1	44.0	52.6	44.3	58.0	80.3	51.5
Profit for the year attributable to owners of the Company	62.7	19.0	8.8	16.0	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	37.1
Core earnings	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	45.9
ROA	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	–
ROE	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	–

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for FY2007 through FY2010.

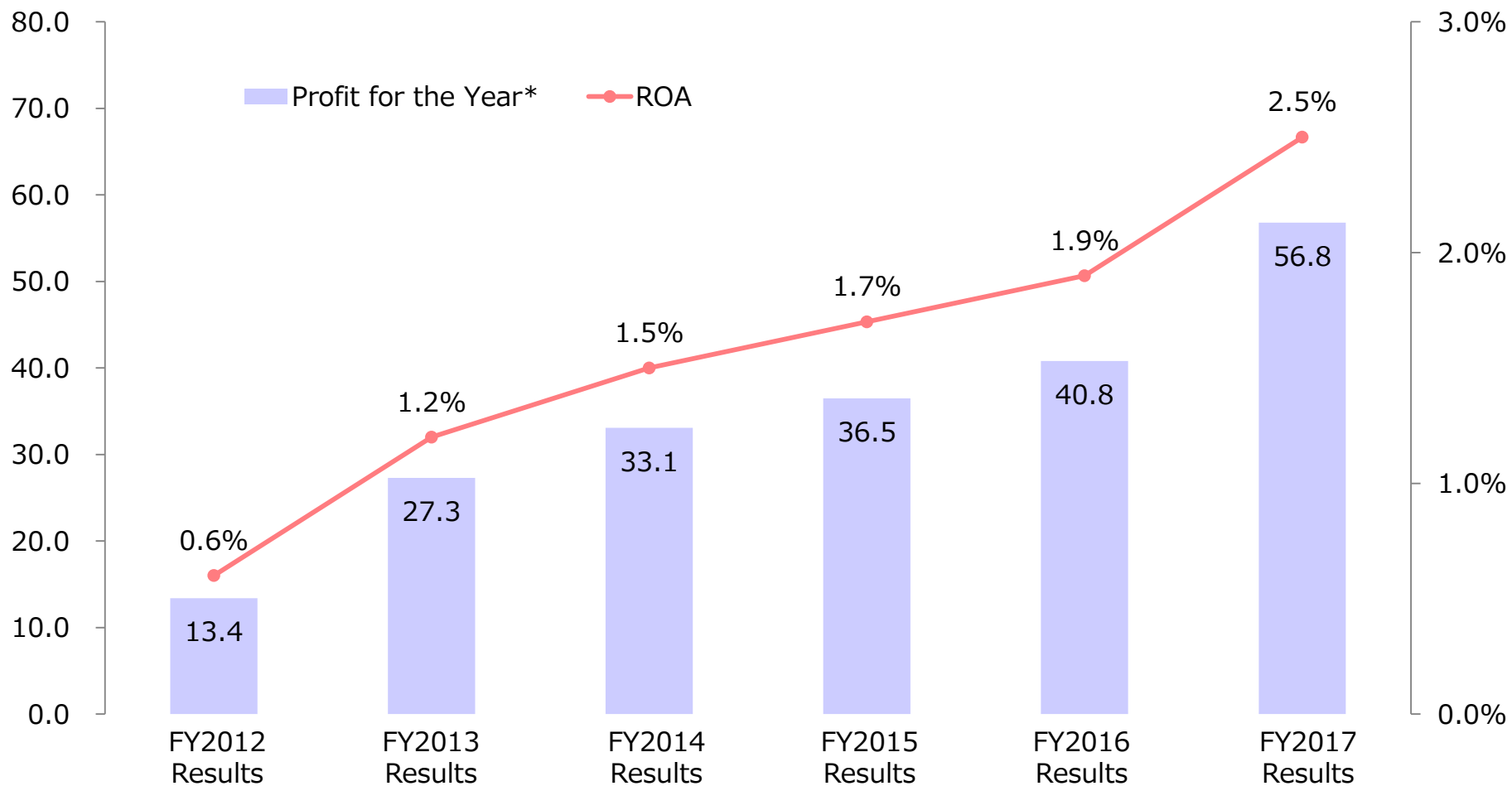
Summary of Balance Sheets (Results)

(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	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Sep. 2018
Total assets	2,669.4	2,313.0	2,160.9	2,117.0	2,190.7	2,150.1	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,341.4
Total equity	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	616.3
Equity ratio	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.3%
Net interest-bearing debt	918.9	865.3	737.8	700.6	676.4	643.3	640.2	629.6	571.6	611.1	603.5	596.9
Net DER (times)	1.9	2.7	2.1	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0
Risk assets (vs. Total equity, times)	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	320.0 0.6	350.0 0.6	360.0 0.6
Current ratio	121.1%	141.7%	152.7%	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	161.7%
Long-term debt ratio	54.0%	66.7%	74.3%	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	84.9%

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for End of Mar. 2008 through 2011. Under JGAAP, Total equity is calculated as Total net assets – Minority interests.

Summary of Profit or Loss

(Billions of Yen)



* Attributable to owners of the Company

Summary of Balance Sheets

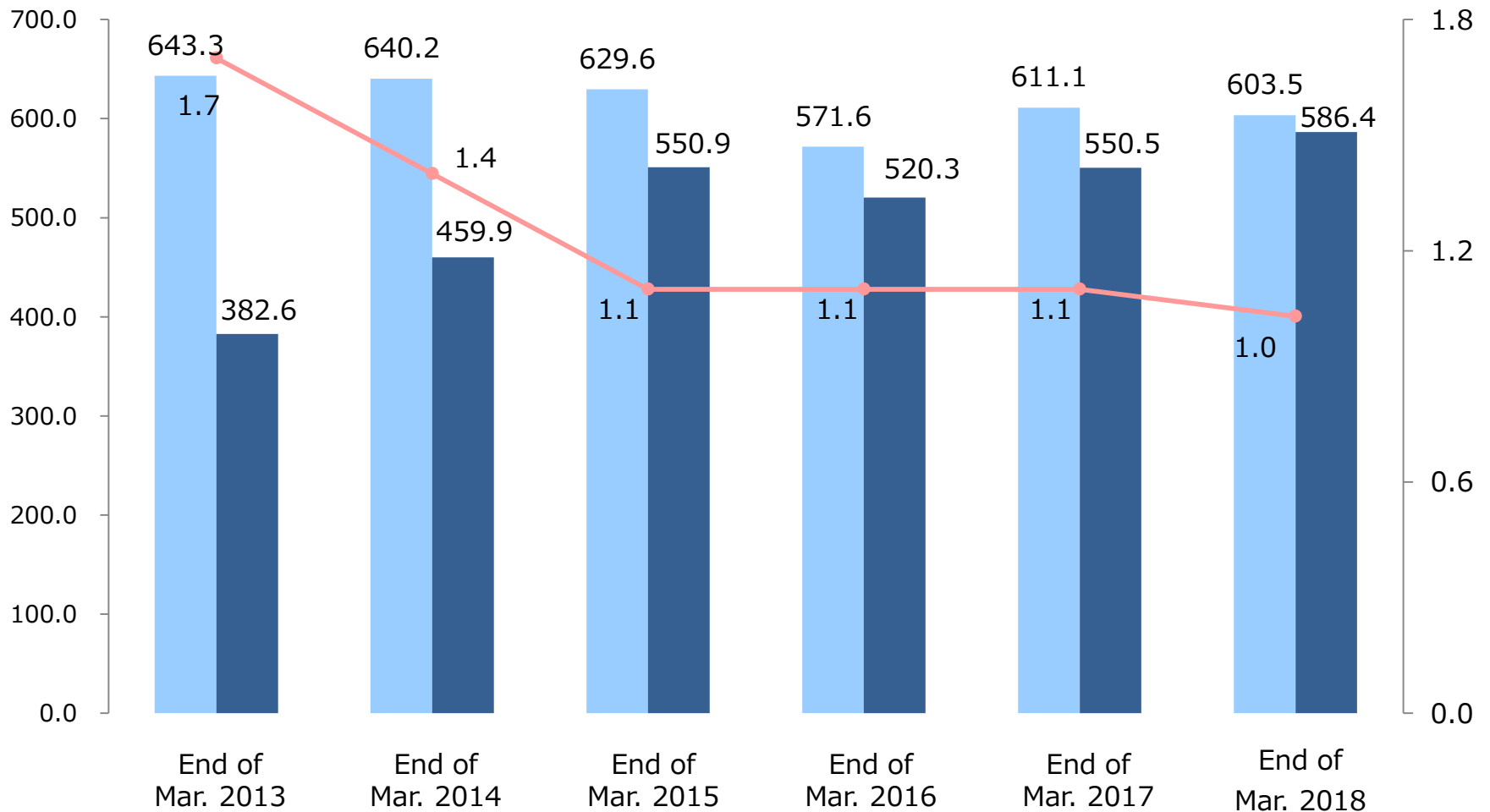
(Billions of Yen)

Net Interest-Bearing Debt

Total Equity

Net DER

(Times)





sojitz

New way, New value

Consolidated Financial Results
for the First Half ended September 30, 2018
(From April 1, 2018 to September 30, 2018)

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Consolidated Statements of Cash Flows
for the First Half Ended September 30, 2018

(Millions of Yen)

	For the 1st Half Ended September 30, 2017 (From April 1, 2017 to September 30, 2017)	For the 1st Half Ended September 30, 2018 (From April 1, 2018 to September 30, 2018)
<u>Cash flows from operating activities</u>		
Profit for the period	30,272	39,999
Depreciation and amortization	10,893	10,655
Impairment loss of fixed assets	21	65
Financial (income) costs	2,888	1,329
Share of (profit) loss of investments accounted for using the equity method	(10,898)	(11,890)
(Gain) loss on sale of fixed assets, net	2	(856)
Income tax expenses	7,643	11,501
(Increase) decrease in trade and other receivables	(32,799)	64,063
(Increase) decrease in inventories	(63,564)	(24,982)
Increase (decrease) in trade and other payables	75,814	(50,093)
Changes in other assets and liabilities	(31,797)	22,985
Increase (decrease) in retirement benefits liabilities	486	(120)
Others	(1,692)	(5,782)
Subtotal	(12,729)	56,872
Interests earned	2,128	2,591
Dividends received	11,805	16,573
Interests paid	(7,423)	(7,922)
Income taxes paid	(9,551)	(16,419)
Net cash provided (used) by/in operating activities	(15,770)	51,695
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(14,372)	(17,291)
Proceeds from sale of property, plant and equipment	581	4,568
Purchase of intangible assets	(1,513)	(2,734)
(Increase) decrease in short-term loans receivable	571	(289)
Payment for long-term loans receivable	(604)	(995)
Collection of long-term loans receivable	551	3,356
Proceeds from (payments for) acquisition of subsidiaries	(11,651)	(3,517)
Proceeds from (payments for) sale of subsidiaries	117	1,402
Purchase of investments	(11,994)	(23,151)
Proceeds from sale of investments	3,915	14,251
Others	(3,213)	(1,369)
Net cash provided (used) by/in investing activities	(37,611)	(25,770)
<u>Cash flows from financing activities</u>		
Increase (decrease) in short-term borrowings and commercial papers	11,072	20,110
Proceeds from long-term borrowings	102,747	40,679
Repayment of long-term borrowings	(57,750)	(79,923)
Proceeds from issuance of bonds	9,940	—
Redemption of bonds	(10,030)	—
Proceeds from non-controlling interest holders	2,592	2,271
Purchase of treasury stock	(2)	(690)
Dividends paid	(5,003)	(7,505)
Dividends paid to non-controlling interest holders	(755)	(1,648)
Others	(774)	(1,075)
Net cash provided (used) by/in financing activities	52,034	(27,782)
Net increase (decrease) in cash and cash equivalents	(1,347)	(1,856)
Cash and cash equivalents at the beginning of the period	308,632	305,241
Effect of exchange rate changes on cash and cash equivalents	1,118	2,706
Cash and cash equivalents at the end of the period	308,403	306,092

Consolidated Statements of Cash Flows
for the First Half Ended September 30, 2018 (Supplementary)

	FY 2018 1H	Details
① Net cash provided from operating activities		
	(Billions of Yen)	
1. Profit for the period before tax and depreciation and amortization	62.2	
2. Excluding profits/losses that do not affect cash flow	1.4	Impairment loss of fixed assets, Financial (income) costs
3. Adjustment of profits/losses related to investment activities	(12.7)	Share of profit of investments accounted for using the equity method Gain (loss) on sale and disposal of fixed assets
4. Other	0.9	Increase in trade and other receivables, etc.
Total	51.7	
② Net cash provided (used) by/in investing activities		
1. Non-current assets		
Purchase of property, plant and equipment	(17.3)	Solar power generation business, etc.
Purchase of intangible assets	(2.7)	
Proceeds from sale of property, plant and equipment	4.6	Sale of an aircrafts
Sub-total	(15.4)	
2. Investments		
Payment for acquisition of subsidiaries and investments	(26.7)	Investments of gas-fired thermal power plant project in the United States
Proceeds from sale of subsidiaries and investments	15.7	Sale of an automotive-related company, etc.
Sub-total	(11.0)	
3. Loans receivable		
(Increase) decrease in short-term loans receivable	(0.3)	
Payment for long-term loans receivable	(1.0)	
Collection of long-term loans receivable	3.4	
Sub-total	2.1	
4. Other	(1.4)	
Total	(25.8)	
Free cash flow (①+②)	25.9	
③ Net cash provided (used) by/in financing activities		
1. Increase (decrease) in short-term borrowings and commercial papers	20.1	
2. Long-term loans payable		
Proceeds from long-term borrowings	40.7	
Repayment of long-term borrowings	(79.9)	
Sub-total	(39.2)	
3. Bonds		
Proceeds from issuance of bonds	0.0	
Redemption of bonds	0.0	
Sub-total	0.0	
4. Dividends paid	(7.5)	
5. Other	(1.1)	
Total	(27.8)	

Segment information

For the first half ended September 30, 2017 (April 1, 2017 - September 30, 2017)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportation Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	81,124	19,383	52,862	50,748	163,875	251,157	87,122
Inter-segment revenue	1	623	7	929	—	7	6
Total revenue	81,125	20,007	52,869	51,678	163,875	251,165	87,128
Segment profit (loss)	4,303	777	2,793	(3,208)	9,509	4,814	4,296

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	144,384	14,150	864,809	19,234	—	884,044
Inter-segment revenue	31	227	1,833	160	(1,993)	—
Total revenue	144,415	14,377	866,642	19,395	(1,993)	884,044
Segment profit (loss)	2,667	32	25,986	(383)	1,638	27,241

Reconciliation of segment profit of 1,638 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,706 million yen, and unallocated dividend income and others of (67) million yen.

For the first half ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportation Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	115,349	13,996	46,631	33,675	210,672	257,391	70,622
Inter-segment revenue	—	—	65	928	—	6	5
Total revenue	115,349	13,996	46,697	34,604	210,672	257,397	70,628
Segment profit (loss)	3,631	1,889	654	2,661	16,240	4,807	2,093

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	160,672	14,138	923,150	18,632	—	941,783
Inter-segment revenue	27	172	1,206	143	(1,350)	—
Total revenue	160,700	14,311	924,357	18,776	(1,350)	941,783
Segment profit (loss)	3,326	(111)	35,192	258	1,696	37,147

Reconciliation of segment profit of 1,696 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 247 million yen, and unallocated dividend income and others of 1,449 million yen.

Changes in Reportable Segments

Effective April 1, 2018, the Aerospace & IT Business Division, the Infrastructure & Environment Business Division and Energy Division were reorganized to the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division and the Energy & Social Infrastructure Division. The name of the Metals & Coal Division has been changed to the Metals & Mineral Resources Division. These reorganizations have resulted in changes to reportable segments. Segment information for the six-month period ended September 30, 2018, has been restated to reflect these changes.

Details of Industry Segments

【Revenue】

	(Billions of Yen)			<u>Reasons for change</u>
	FY2017 1H	FY2018 1H	Change	
Automotive	81.1	115.3	34.2	Increased due to new acquisition of domestic and overseas dealership businesses
Aerospace & Transportation Project	19.4	14.0	(5.4)	Lower revenue due to rebound from new ship turnovers recorded in the previous equivalent period
Machinery & Medical Infrastructure	52.9	46.6	(6.3)	Decreased due to lower industrial machinery transactions
Energy & Social Infrastructure	50.7	33.7	(17.0)	Decreased due to lower petroleum product transactions
Metals & Mineral Resources	163.9	210.7	46.8	Increased due to higher prices and transaction volumes for coal and other resources
Chemicals	251.2	257.4	6.2	Increased due to higher commodity prices of methanol
Foods & Agriculture Business	87.1	70.6	(16.5)	Decreased due to lower feed material transactions
Retail & Lifestyle Business	144.4	160.7	16.3	Increased due to beef transactions following removal of safeguards
Industrial Infrastructure & Urban Development	14.2	14.1	(0.1)	Decreased due to lower real estate transactions
Other	19.1	18.7	(0.4)	
Consolidated	884.0	941.8	57.8	

【Profit for the year】

	(Billions of Yen)			<u>Reasons for change</u>
	FY2017 1H	FY2018 1H	Change	
Automotive	4.3	3.6	(0.7)	Despite earnings contributions from newly consolidated subsidiaries, decreased due to higher tax expenses following sale of investments accounted for using the equity method
Aerospace & Transportation Project	0.8	1.9	1.1	Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
Machinery & Medical Infrastructure	2.8	0.7	(2.1)	Decreased due to absence of revenue associated with infrastructure projects recorded in the previous equivalent period
Energy & Social Infrastructure	(3.2)	2.7	5.9	Increased due to absence of one-time loss on oil and gas interests recorded in the previous equivalent period and a gain on the sale of an overseas solar power business operating company
Metals & Mineral Resources	9.5	16.2	6.7	Increased due to higher prices and transaction volumes of coal and other resources
Chemicals	4.8	4.8	0.0	Unchanged year on year
Foods & Agriculture Business	4.3	2.1	(2.2)	Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
Retail & Lifestyle Business	2.7	3.3	0.6	Increased due to strong performance in all businesses
Industrial Infrastructure & Urban Development	0.0	(0.1)	(0.1)	Unchanged year on year
Other	1.2	1.9	0.7	
Consolidated	27.2	37.1	9.9	

Increase/Decrease in the Number of
Consolidated Subsidiaries and Equity-method Associates

Changes in the number of consolidated subsidiaries and equity-method associates during the first half of FY 2018
(April 1, 2018 - September 30, 2018)

(Number of Companies)	As of March 31, 2018	As of September 30, 2018	Changes
Subsidiaries	311	316	5
Equity-method Associates	125	126	1
Total	436	442	6

Changes in major subsidiaries during the first half of FY2018 (April 1, 2018 - September 30, 2018)

○ **Major new subsidiaries**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Retail & Lifestyle Business	Saigon Paper Corporation	Manufacture and sale of household paper products and industrial paper products

Equity-method associates

(Segment)	(Company name)	(Main business)
Aerospace & Transportaion Project	Shimojishima Airport Management Co., Ltd.	Airport management and operations; sales of foods, drinks, and other goods inside the airport

○ **Major companies excluded from consolidation**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Energy & Social Infrastructure	Solarpark Mixdorf GmbH & Co. KG	Solar power generation business (Germany)

(Segment)	(Company name)	(Main business)
Automotive	Mitsubishi Motors Philippines Corporation	Assembly and sale of Mitsubishi automobile (Philippines)

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

Increase

(Billions of Yen)

	Revenue	Gross Profit	Profit for the period
Consolidated subsidiaries	29.6	5.3	0.6

Decrease

(Billions of Yen)

	Revenue	Gross Profit	Profit for the period
Consolidated subsidiaries	(1.2)	(0.2)	(0.8)

Performances of Major Consolidated Subsidiaries and Equity-method Associates (Major Consolidated Subsidiaries)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2017 1H	FY2017	FY2018 1H
Automotive	Sojitz Automotive Group, Inc.	Automobile dealership	100.0%	Gross Profit	4.3	9.9	5.4
				Profit for the Year	0.5	1.1	0.5
	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%	Gross Profit	1.9	3.8	2.6
				Profit for the Year	0.5	1.1	0.8
	Subaru Motor LLC	Import and exclusive distribution of automobiles	65.6%	Gross Profit	1.3	2.6	1.0
				Profit for the Year	0.4	0.5	0.1
	Sojitz Quality, Inc	Investment in automotive parts quality inspection services	100.0%	Gross Profit	0.8	3.0	2.2
				Profit for the Year	0.1	0.2	0.2
Aerospace & Transportation Project	Sojitz Aerospace Corporation	Import/export and sales of aerospace-related equipment, components and materials	100.0%	Gross Profit	1.6	3.9	1.3
				Profit for the Year	0.3	1.1	0.1
	Sojitz Marine & Engineering Corporation	Sales, purchase and charter brokerage of new and used vessels, ship operation management, sales and import/export of marine-related equipment and materials	100.0%	Gross Profit	1.7	3.3	1.5
				Profit for the Year	0.4	0.7	0.3
Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Import/export and sales of general machinery	100.0%	Gross Profit	2.2	5.6	2.2
				Profit for the Year	0.3	1.3	0.2
	Sojitz Hospital PPP Investment B.V.	Investment management of hospital project in Turkey	100.0%	Gross Profit	0.0	0.0	0.0
				Profit for the Year	0.2	0.8	0.8
	First Technology China Ltd.	Sales and service of surface-mounting machines and semiconductor-related equipment	100.0%	Gross Profit	1.0	1.9	1.2
				Profit for the Year	0.4	0.5	0.4
Energy & Social Infrastructure	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	Gross Profit	4.2	10.1	4.9
				Profit for the Year	0.3	1.8	0.2
	Tokyo Yuso Corporation	Tank storage operations for petroleum and chemical products	100.0%	Gross Profit	0.5	0.9	0.4
				Profit for the Year	0.2	0.5	0.2
Metals & Mineral Resources	Sojitz Coal Resources Pty Ltd.	Investment in coal mines	100.0%	Gross Profit	4.6	10.9	6.7
				Profit for the Year	2.8	6.8	4.5
	Sojitz Moolarben Resources, Pty. Ltd.	Investment in a coal mine	100.0%	Gross Profit	1.9	5.2	3.6
				Profit for the Year	1.2	3.3	2.4
	Sojitz Resources (Australia) Pty. Ltd.	Investment in an alumina refinery	100.0%	Gross Profit	0.1	0.8	1.3
				Profit for the Year	(0.1)	0.1	0.8
Chemicals	Sojitz Pla-Net Corporation	Trading and sale of plastics and related products	100.0%	Gross Profit	5.8	11.6	5.7
				Profit for the Year	1.0	2.0	0.7
	PT. Kaltim Methanol Industri	Manufacture and sale of methanol	85.0%	Gross Profit	2.3	3.9	3.8
				Profit for the Year	1.5	2.6	2.7
	solvadis holding S.a.r.l.	Trading and sale of chemical products	100.0%	Gross Profit	2.5	4.7	2.6
				Profit for the Year	0.4	0.6	0.4
Foods & Agriculture Business	Atlas Fertilizer Corporation	Manufacture and sales of fertilizers, sales of imported fertilizer products	100.0%	Gross Profit	1.1	2.5	1.1
				Profit for the Year	0.3	0.6	0.3
	Japan Vietnam Fertilizer Company	Manufacture and sales of fertilizers	75.0%	Gross Profit	1.4	2.4	1.0
				Profit for the Year	0.4	0.7	0.2
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%	Gross Profit	2.8	5.7	2.7
				Profit for the Year	0.4	0.8	0.2
	Sojitz Foods Corporation	Sales of sugar, agricultural, livestock and marine products, various raw ingredients, processed foods, dairy products and other foodstuffs	100.0%	Gross Profit	3.6	6.9	4.1
				Profit for the Year	1.2	2.2	1.4
	Sojitz Fashion Co., Ltd.	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics	100.0%	Gross Profit	1.4	2.9	1.5
				Profit for the Year	0.4	0.7	0.4
Industrial Infrastructure & Urban Development	Sojitz New Urban Development Corporation	Development and sale of condominiums, real estate brokerage, development and possession of rental apartment and sale of housing equipment	100.0%	Gross Profit	1.1	4.1	1.0
				Profit for the Year	(0.1)	1.1	(0.3)

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

Performances of Major Consolidated Subsidiaries and Equity-method Associates (Major Consolidated Equity-method Associates)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2017 1H	FY2017	FY2018 1H
Energy & Social Infrastructure	LNG Japan Corporation	LNG business and related investments	50.0%	Equity in Earnings	0.1	2.3	0.3
Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Production of alumina	50.0%	Equity in Earnings	0.2	0.6	0.2
	Metal One Corporation	Integrated steel trading company	40.0%	Equity in Earnings	4.5	9.4	4.9

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

Country Risk Exposure (Consolidated)

Exposure (As of September 30, 2018)

(Note)

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

We disclose exposure for the entire Sojitz Group and for the following assets: investments, loans, guarantees, and operating receivables and inventories (grouped as “operating receivables”); cash and deposits and financial assets (grouped as “cash and deposits, etc.”); bad debts, non-current assets, etc. (grouped as “other assets”).

Exposure is tallied on the following bases:

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

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	5.3	0.0	0.0	30.5	23.6	10.7	70.1	72.9
Indonesia	17.2	0.1	0.0	12.3	5.9	0.9	36.4	60.6
Philippines	13.8	0.1	0.0	8.4	2.3	3.9	28.5	27.7
China (include Hong Kong)	11.4	0.0	0.4	61.0	6.9	5.3	85.0	95.1
(China)	10.7	0.0	0.4	40.8	4.0	2.1	58.0	79.4
(Hong Kong)	0.7	0.0	0.0	20.2	2.9	3.2	27.0	15.7
Brazil	8.3	0.3	0.2	6.2	1.7	13.7	30.4	56.7
Argentina	0.3	0.0	0.0	3.3	0.0	1.7	5.3	2.5
Russia	1.8	0.0	0.0	15.1	3.4	7.1	27.4	19.9
India	12.5	4.0	0.3	35.2	0.3	3.5	55.8	46.5
Vietnam	10.4	0.3	0.2	17.3	6.3	19.4	53.9	42.7
Turkey	0.0	0.0	0.0	4.2	0.4	0.1	4.7	8.4
Total	81.0	4.8	1.1	193.5	50.8	66.3	397.5	433.0

(Reference)

Exposure (As of March 31, 2018)

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	3.4	0.0	0.0	29.2	23.8	10.3	66.7	70.3
Indonesia	18.2	0.1	0.0	14.6	5.7	1.4	40.0	61.1
Philippines	21.2	0.0	0.0	17.2	2.1	2.1	42.6	27.0
China (include Hong Kong)	12.2	0.0	0.5	56.0	10.1	5.6	84.4	81.6
(China)	11.1	0.0	0.5	39.3	5.7	2.2	58.8	67.3
(Hong Kong)	1.1	0.0	0.0	16.7	4.4	3.4	25.6	14.3
Brazil	8.3	0.3	0.2	4.6	1.8	13.0	28.2	60.7
Argentina	0.4	0.0	0.0	5.5	0.0	1.7	7.6	1.8
Russia	1.9	0.0	0.0	14.5	6.4	7.8	30.6	22.9
India	13.1	3.7	0.2	37.9	0.3	3.5	58.7	40.4
Vietnam	3.5	0.0	0.2	10.5	4.6	5.9	24.7	23.0
Turkey	0.0	0.0	0.0	4.7	0.2	0.0	5.0	7.8
Total	82.2	4.1	1.1	194.7	55.0	51.3	388.5	396.6

Real Estate (Consolidated)

Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2018		As of September 30, 2018		Change	
	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>
Company	4.3	<u>0.7</u>	4.3	<u>0.7</u>	0.0	<u>0.0</u>
Consolidated subsidiaries	17.8	<u>2.2</u>	18.0	<u>1.2</u>	0.2	<u>(1.0)</u>
Consolidated Total	22.1	<u>3.0</u>	22.3	<u>2.0</u>	0.2	<u>(1.0)</u>

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

(Billions of Yen)

	As of March 31, 2018	As of September 30, 2018	Change
Company	5.2	5.0	(0.2)
Consolidated subsidiaries	67.3	72.4	5.1
Consolidated Total	72.5	77.4	4.9

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2018	As of September 30, 2018	Change
Company	1.4	1.4	0.0
Consolidated subsidiaries	23.1	23.3	0.2
Consolidated Total	24.5	24.7	0.2

Number of Employees by Business Segment (Consolidated)

(Number of Employees)

	As of March 31, 2018			As of September 30, 2018			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Automotive	92	4,777	4,869	104	4,464	4,568	12	(313)	(301)
Aerospace & Transportation Project	96	332	428	100	312	412	4	(20)	(16)
Machinery & Medical Infrastructure	78	757	835	91	813	904	13	56	69
Energy & Social Infrastructure	177	1,266	1,443	172	1,258	1,430	(5)	(8)	(13)
Metals & mineral Resources	159	376	535	179	424	603	20	48	68
Chemicals	255	1,443	1,698	272	1,453	1,725	17	10	27
Foods & Agriculture Business	110	1,966	2,076	111	2,012	2,123	1	46	47
Retail & Lifestyle Business	169	2,845	3,014	168	3,801	3,969	(1)	956	955
Industrial Infrastructure & Urban Development	58	1,014	1,072	62	1,102	1,164	4	88	92
Other	686	1,261	1,947	717	1,284	2,001	31	23	54
Total	1,880	16,037	17,917	1,976	16,923	18,899	96	886	982

(Notes)

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

(Reference)

Employee headcounts for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows:
as of March 31, 2018: 2,343; as of September 31, 2018: 2,451

News Releases for the First Half Ended September 30, 2018

Segment	Date	Title
Automotive		
	2018/6/1	Sojitz Divests from Mitsubishi Motors Philippines Corporation
	2018/6/6	Sojitz Enters the Assembly, Wholesale, and Retail Business for Hyundai Vehicles in Pakistan
	2018/6/7	Sojitz Forms Capital & Business Alliance with Global Mobility Service
	2018/9/19	GMO Cloud and Sojitz Form Business Alliance to Promote Connected Car Business Utilizing GMO Cloud's Automotive IoT Solutions
Aerospace & Transportation Project		
	2018/6/28	New ANA Business Jet Co., Ltd. To Begin Its Business in July
	2018/7/23	Mitsubishi Estate, Kokuba-Gumi, and Sojitz to Invest in Shimojishima Airport Management, a Passenger Terminal Management Company
Machinery & Medical Infrastructure		
	2018/8/21	Sojitz Invests in TTCL, an Engineering Company Listed on the Stock Exchange of Thailand
Energy & Social Infrastructure		
	2018/5/15	Sojitz Acquires Stake in its 2nd Gas-Fired Power Plant in the U.S.
Metal & Mineral Resources		
	2018/5/30	Sojitz Acquires Full Interest in Australia's Gregory Crinum Coal Mine
Chemicals		
	2018/6/19	Joint Research and Development Agreement on Next-Generation Lithium-Ion Battery Material
Food & Agriculture Business		
	2018/8/3	Sojitz Tuna Farm Wins Runner-Up Prize at IT Japan Award 2018
	2018/9/25	Sojitz Corporation Announces Organizational Reforms, the Establishment of the Vietnam Business Development Office, and
	2018/9/25	Sojitz Forms Strategic Business Alliance with the Pan Group, a Major Listed Food Company in Vietnam
Retail & Lifestyle Business		
	2018/6/26	Sojitz Acquires Vietnam's Largest Manufacturer of Household Paper and Industrial Paper Products
Other		
	2018/5/1	Announcement Regarding Introduction of a System of Performance - Linked Share Remuneration, etc. for Directors, etc.
	2018/5/1	Sojitz Requests Withdrawal Moody's Rating
	2018/5/8	Aid for the Earthquake in Papua New Guinea
	2018/6/1	Sojitz Opens New Office in Dhaka, Bangladesh
	2018/6/22	Sojitz Selected as Constituent of ESG Investment Stock Indexes "FTSE4Good Index Series" and "FTSE Blossom Japan Index"
	2018/7/11	Aid for Heavy Rain Damage in Western Japan
	2018/9/14	Aid for Hokkaido Eastern Iburi Earthquake
	2018/9/14	Sojitz Selected as Constituent of CSR Investment-Focused Stock Price Indices DJSI World and DJSI Asia Pacific

Forecast for the Year Ending March 31, 2019

(Billions of Yen)

	FY 2017	FY 2018		
	Results	First half period	Initial Full-Year Forecast	Revised Full-Year Forecast
Revenue	1,816.5	941.8	-	-
Gross profit	232.4	120.9	240.0	240.0
Selling, general and administrative expenses	(162.7)	(85.6)	(174.0)	(173.0)
Other income (expenses)	(9.9)	5.6	0.0	6.0
Finance income/costs	(4.6)	(1.3)	(6.0)	(5.0)
Share of profit (loss) of investments accounted for using the equity method	25.1	11.9	26.0	27.0
Profit before tax	80.3	51.5	86.0	95.0
Profit for the year (Attributable to owners of the Company)	56.8	37.1	63.0	70.0

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

(Billions of Yen)

	FY 2017	FY 2018		
	Results	First half period	Initial Full-Year Forecast	Revised Full-Year Forecast
Automotive	6.5	3.6	5.5	5.5
Aerospace & Transportation Project	3.3	1.9	4.0	4.0
Machinery & Medical Infrastructure	5.7	0.7	3.0	3.0
Energy & Social Infrastructure	(5.8)	2.7	4.5	4.5
Metals & Mineral Resources	21.9	16.2	20.5	28.5
Chemicals	8.7	4.8	10.5	10.5
Foods & Agriculture Business	4.0	2.1	4.5	3.5
Retail & Lifestyle Business	5.6	3.3	5.5	5.5
Industrial Infrastructure & Urban Development	2.1	(0.1)	1.5	1.5
Other	4.9	1.9	3.5	3.5
Total	56.8	37.1	63.0	70.0

Change of Consolidated Statements of Financial Position (IFRS)

(Millions of Yen)

	2011/04/01 (the date of transition)	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016	FY2017	FY2018 1H
Current assets									
Cash and cash equivalents	411,632	425,595	424,371	420,658	403,748	344,414	308,632	305,241	306,092
Time deposits	7,043	16,114	9,313	4,362	5,464	6,657	5,728	2,788	2,844
Trade and other receivables	515,633	544,525	508,690	524,826	559,291	496,156	563,458	549,789	747,737
Other investments	1,346	697	-	-	-	-	-	-	-
Derivatives	3,796	3,676	4,100	5,185	6,977	6,593	3,919	2,703	3,376
Inventories	265,794	284,038	297,389	301,979	270,274	237,111	271,327	396,020	206,944
Income tax receivables	2,646	2,725	4,778	4,907	3,712	6,068	3,647	5,094	5,357
Other current assets	69,277	57,124	41,231	46,759	63,122	49,017	72,417	106,234	60,045
Assets as held for sale	8,894	4,098	1,303	13,143	10,905	326	616	8,425	629
Total current assets	1,286,066	1,338,596	1,291,178	1,321,824	1,323,497	1,146,344	1,229,747	1,376,297	1,333,026
Non-current assets									
Property, plant and equipment	206,863	219,581	231,840	213,934	217,912	186,957	172,201	172,135	188,749
Goodwill	45,400	46,390	45,725	46,264	50,164	53,055	57,594	65,842	66,250
Intangible assets	71,111	71,922	63,207	60,958	53,882	38,829	34,148	44,057	48,128
Investment property	50,435	46,359	40,055	25,334	19,459	18,369	21,100	24,486	24,676
Investments accounted for using the equity method	261,834	257,379	279,815	336,761	394,055	377,597	386,740	407,284	413,585
Trade and other receivables	55,940	65,498	62,963	60,310	45,017	44,558	45,485	63,824	62,747
Other investments	128,301	113,222	114,596	133,625	174,791	173,618	172,944	182,949	190,748
Derivatives	805	115	229	209	1,865	163	36	49	76
Other non-current assets	11,323	16,293	10,976	9,683	7,483	9,668	9,815	8,794	8,633
Deferred tax assets	52,063	15,332	9,461	11,329	9,227	7,507	8,650	4,630	4,790
Total non-current assets	884,079	852,095	858,871	898,411	973,860	910,325	908,719	974,053	1,008,387
Total assets	2,170,145	2,190,692	2,150,050	2,220,236	2,297,358	2,056,670	2,138,466	2,350,351	2,341,413
Current liabilities									
Trade and other payables	521,682	557,198	515,989	514,585	490,865	439,245	483,049	654,138	610,359
Bonds and borrowings	256,228	298,455	258,375	227,216	208,360	168,264	158,698	113,497	136,906
Derivatives	4,640	8,989	15,952	6,400	8,803	3,728	3,669	3,394	5,382
Income tax payables	8,151	9,065	7,038	8,038	7,570	6,630	9,190	13,632	7,613
Provisions	1,680	4,074	1,419	1,207	4,271	2,525	2,124	2,069	1,058
Other current liabilities	70,288	60,314	50,150	54,402	53,807	53,294	60,912	55,004	62,689
Liabilities directly related to assets as held for sale	2,627	1,221	-	-	6,860	88	101	4,182	240
Total current liabilities	865,299	939,317	848,926	811,850	780,538	673,776	717,748	845,918	824,249
Non-current liabilities									
Bonds and borrowings	859,594	819,591	818,632	838,060	830,409	754,434	766,669	797,982	768,853
Trade and other payables	14,841	13,050	9,816	10,463	9,545	9,696	3,709	4,759	4,862
Derivatives	5,209	3,042	1,884	1,721	2,942	5,001	4,004	2,634	2,366
Retirement benefits liabilities	14,311	15,674	16,158	16,917	17,943	18,727	21,381	22,016	22,260
Provisions	12,162	14,378	18,892	20,798	25,098	18,949	20,792	21,000	23,618
Other non-current liabilities	6,533	10,619	7,313	7,321	7,591	7,475	6,490	9,968	11,293
Deferred tax liabilities	18,969	19,834	17,127	20,143	32,631	18,891	19,698	20,946	23,966
Total non-current liabilities	931,622	896,193	889,824	915,426	926,163	833,176	842,747	879,308	857,221
Total liabilities	1,796,922	1,835,511	1,738,751	1,727,277	1,706,702	1,506,953	1,560,495	1,725,227	1,681,470
Equity									
Share capital	160,339	160,339	160,339	160,339	160,339	160,339	160,339	160,339	160,339
Capital surplus	146,520	146,518	146,518	146,515	146,515	146,514	146,513	146,512	146,564
Treasury stock	(138)	(147)	(148)	(157)	(159)	(161)	(170)	(174)	(864)
Other components of equity	40,885	23,580	62,826	119,617	194,557	132,415	132,682	124,348	126,314
Retained earnings	(1,320)	(327)	13,053	33,538	49,731	81,245	111,149	155,437	183,942
Total equity attributable to owners of the Company	346,285	329,962	382,589	459,853	550,983	520,353	550,513	586,464	616,295
Non-controlling interests	26,937	25,218	28,709	33,105	39,672	29,363	27,547	38,659	43,647
Total equity	373,223	355,180	411,298	492,959	590,656	549,716	577,970	625,124	659,943
Total liabilities and equity	2,170,145	2,190,692	2,150,050	2,220,236	2,297,358	2,056,670	2,138,466	2,350,351	2,341,413

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

Change of Consolidated Statements of Profit or Loss (IFRS)

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016	FY2017	FY2018 1H
Revenue								
Sales of goods	1,915,992	1,659,233	1,714,176	1,718,165	1,566,839	1,463,536	1,716,670	889,268
Sales of services and others	90,657	88,517	88,928	91,535	91,233	91,813	99,788	52,515
Total revenue	2,006,649	1,747,750	1,803,104	1,809,701	1,658,072	1,555,349	1,816,459	941,783
Cost of sales	(1,789,582)	(1,560,504)	(1,604,882)	(1,612,013)	(1,477,333)	(1,354,664)	(1,584,078)	(820,889)
Gross profit	217,066	187,245	198,221	197,688	180,739	200,685	232,380	120,893
Selling, general and administrative expenses	(153,663)	(151,091)	(151,628)	(149,739)	(154,416)	(153,038)	(162,662)	(85,644)
Other income (expenses)								
Gain (loss) on sale and disposal of fixed assets, net	1,839	2,209	6,132	1,058	1,498	4,797	(324)	856
Impairment loss on fixed assets	(3,190)	(11,549)	(19,461)	(17,446)	(24,051)	(4,618)	(4,402)	(65)
Gain on reorganization of subsidiaries/associates *1	957	2,138	1,666	1,758	12,909	10,358	7,517	8,006
Loss on reorganization of subsidiaries/associates	(1,728)	(3,525)	(2,684)	(2,080)	(1,349)	(8,174)	(11,847)	(2,401)
Other operating income	11,705	10,702	10,429	17,193	20,646	9,566	6,763	2,816
Other operating expenses	(15,513)	(10,636)	(18,980)	(14,882)	(6,733)	(7,958)	(7,584)	(3,522)
Total Financial income	8,875	8,022	9,213	9,395	8,242	8,068	10,321	6,454
Interests earned	5,552	4,984	5,359	4,860	3,893	3,903	5,682	3,605
Dividends received	3,283	2,761	3,810	4,456	4,349	4,165	4,639	2,631
Other financial income	39	276	43	78	-	-	-	217
Total Financial costs	(24,186)	(21,247)	(19,855)	(18,975)	(16,379)	(14,405)	(14,874)	(7,783)
Interest expenses	(23,848)	(21,247)	(19,855)	(18,975)	(16,316)	(14,382)	(14,746)	(7,783)
Other financial costs	(338)	-	-	-	(63)	(22)	(128)	-
Share of profit (loss) of investments accounted for using the equity method	16,296	15,784	30,979	28,613	23,163	12,673	25,057	11,890
Profit before tax	58,457	28,052	44,033	52,584	44,269	57,955	80,343	51,500
Income tax expenses	(56,735)	(11,058)	(11,949)	(14,933)	(7,782)	(13,879)	(18,648)	(11,501)
Profit for the year	1,722	16,993	32,083	37,650	36,486	44,075	61,694	39,999
Profit attributable to:								
Owners of the Company	(1,040)	13,448	27,250	33,075	36,526	40,760	56,842	37,147
Non-controlling interests	2,762	3,544	4,833	4,575	(39)	3,314	4,852	2,851
								(Billions of Yen)
Core earnings *2	65.8	38.5	68.0	66.3	41.6	54.2	90.8	45.9

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

*1 In regard to amounts for FY2017 or before, we show Gain on sale of subsidiaries / associates previously disclosed.

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

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

(Millions of Yen)

	FY2011	FY2012	FY 2013	FY2014	FY2015	FY2016	FY2017	FY2018 1H
Profit for the year	1,722	16,993	32,083	37,650	36,486	44,075	61,694	39,999
Other comprehensive income								
Items that will not be reclassified to profit or loss								
Financial assets measured at fair value through other comprehensive income	(1,010)	11,172	15,065	46,787	(1,232)	9,977	(575)	1,399
Remeasurements of defined benefit pension plans	(872)	(398)	(425)	(925)	(725)	478	(275)	(128)
Share of other comprehensive income of investments accounted for using the equity method					(4,868)	(3,686)	4,778	6,513
Total items that will not be reclassified to profit or loss	(1,883)	10,774	14,639	45,862	(6,826)	6,768	3,927	7,784
Items that may be reclassified subsequently to profit or loss								
Foreign currency translation differences for foreign operations	(12,505)	34,509	40,578	34,811	(44,362)	(7,958)	(12,244)	(957)
Cash flow hedges	(945)	(528)	1,184	(3,405)	(2,709)	693	1,024	(567)
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(10,993)	554	(3,075)	(3,667)
Total items that may be reclassified subsequently to profit or loss	(13,450)	33,980	41,763	31,405	(58,065)	(6,710)	(14,295)	(5,193)
Other comprehensive income for the period, net of tax	(15,334)	44,754	56,403	77,268	(64,892)	57	(10,368)	2,591
Total comprehensive income for the year	(13,611)	61,748	88,487	114,919	(28,405)	44,133	51,326	42,590
Total comprehensive income attributable to:								
Owners of the Company	(16,177)	56,171	82,221	107,347	(25,379)	40,289	47,430	39,517
Non-controlling interests	2,565	5,576	6,265	7,571	(3,025)	3,843	3,896	3,072
Total	(13,611)	61,748	88,487	114,919	(28,405)	44,133	51,326	42,590

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

Change of Consolidated Statements of Cash Flows (IFRS)

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016	FY2017	FY2018 1H
Cash flows from operating activities								
Profit for the period	1,722	16,993	32,083	37,650	36,486	44,075	61,694	39,999
Depreciation and amortization	29,529	31,047	36,100	31,683	30,059	23,442	23,067	10,655
Impairment loss on fixed assets	3,190	11,549	19,461	17,446	24,051	4,618	4,402	65
Finance (income) costs	15,311	13,225	10,641	9,579	8,136	6,337	4,552	1,329
Share of (profit) loss of investments accounted for using the equity method	(16,296)	(15,784)	(30,979)	(28,613)	(23,163)	(12,673)	(25,057)	(11,890)
(Gain) loss on sale of fixed assets, net	(1,839)	(2,209)	(6,132)	(1,058)	(1,498)	(4,797)	324	(856)
Income tax expense	56,735	11,058	11,949	14,933	7,782	13,879	18,648	11,501
(Increase) decrease in trade and other receivables	(8,089)	40,625	4,226	(18,583)	55,835	(60,463)	7,980	64,063
(Increase) decrease in inventories	(16,765)	(709)	(6,151)	31,396	28,270	(31,853)	(118,303)	(24,982)
Increase (decrease) in trade and other payables	35,373	(30,116)	(10,640)	(27,908)	(43,767)	40,158	166,218	(50,093)
Changes in other assets and liabilities	-	-	-	-	-	-	-	22,985
Increase (decrease) in retirement benefits liabilities	455	985	390	674	320	(1,409)	430	(120)
Others	11,224	(1,839)	(1,451)	(19,792)	(15,528)	(7,611)	(36,381)	(5,782)
Subtotal	110,550	74,825	59,498	47,408	106,986	13,702	107,578	56,872
Interests earned	5,583	5,082	5,225	4,709	3,785	3,496	4,248	2,591
Dividends received	12,457	13,777	16,424	18,439	20,326	12,818	17,735	16,573
Interests paid	(24,217)	(21,840)	(20,308)	(19,261)	(16,746)	(14,872)	(14,814)	(7,922)
Income taxes paid	(15,650)	(16,722)	(13,842)	(12,186)	(14,412)	(14,287)	(15,935)	(16,419)
Net cash provided (used) by/in operating activities	88,723	55,124	46,997	39,109	99,939	857	98,812	51,695
Cash flows from investing activities								
Purchase of property, plant and equipment	(34,101)	(29,473)	(23,579)	(31,258)	(31,943)	(31,830)	(29,590)	(17,291)
Proceeds from sale of property, plant and equipment	12,655	14,384	13,578	767	11,846	8,340	590	4,568
Purchase of intangible assets	(6,978)	(8,310)	(4,522)	(3,566)	(3,061)	(2,219)	(2,310)	(2,734)
(Increase) decrease in short-term loans receivable	2,646	3,400	(1,706)	2,470	1,083	(4,408)	2,115	(289)
Payment for long-term loans receivable	(13,492)	(11,704)	(3,423)	(4,174)	(4,157)	(3,867)	(32,312)	(995)
Collection of long-term loans receivable	969	2,399	5,202	1,165	1,919	1,232	10,826	3,356
Proceeds from (payments for) acquisition of subsidiaries	(2,340)	(5,624)	(7,024)	(5,222)	(9,100)	(5,408)	(20,227)	(3,517)
Proceeds from (payments for) sale of subsidiaries	(707)	1,530	232	10	(467)	(51)	5,411	1,402
Purchase of investments	(4,144)	(2,646)	(23,658)	(8,455)	(6,315)	(16,263)	(26,260)	(23,151)
Proceeds from sale of investments	10,311	17,831	7,910	10,681	6,731	16,473	13,074	14,251
Others	(7,098)	6,559	12,521	23,791	(445)	5,822	(7,725)	(1,369)
Net cash provided (used) by/in investing activities	(42,280)	(11,652)	(24,469)	(13,792)	(33,910)	(32,179)	(86,407)	(25,770)
Free Cash Flow	46,443	43,472	22,528	25,317	66,029	(31,322)	12,405	25,925
Cash flows from financing activities								
Increase (decrease) in short-term borrowings and commercial papers	8,797	(10,928)	(14,714)	(29,012)	(30,383)	14,697	(21,723)	20,110
Proceeds from long-term borrowings	127,338	236,109	170,858	163,996	122,767	160,331	128,716	40,679
Repayment of long-term borrowings	(134,014)	(248,449)	(178,687)	(179,780)	(173,948)	(164,596)	(122,702)	(79,923)
Proceeds from issuance of bonds	39,800	9,953	29,862	29,820	-	19,891	19,881	-
Redemption of bonds	(67,719)	(35,000)	(30,000)	(20,000)	(20,000)	(20,035)	(10,061)	-
Proceeds from sale of subsidiaries' interests to non-controlling interest holders	7,249	-	-	-	5	-	-	-
Payment for acquisition of subsidiaries' interests from non-controlling interest holders	(5,756)	(468)	(0)	(129)	(18)	-	-	-
Proceeds from non-controlling interest holders	1,261	71	104	3,209	323	771	7,389	2,271
Purchase of treasury stock	(11)	(1)	(11)	(2)	(2)	(10)	(4)	(690)
Dividends paid	(3,753)	(3,753)	(4,378)	(5,629)	(9,382)	(10,008)	(11,258)	(7,505)
Dividends paid to non-controlling interest holders	(1,801)	(1,659)	(1,805)	(2,320)	(1,763)	(2,563)	(2,622)	(1,648)
Others	(922)	(2,050)	(2,160)	(2,752)	(2,292)	(2,507)	(666)	(1,075)
Net cash provided (used) by/in financing activities	(29,530)	(56,177)	(30,931)	(42,600)	(114,695)	(4,029)	(13,052)	(27,782)
Net increase (decrease) in cash and cash equivalents	16,913	(12,706)	(8,403)	(17,282)	(48,666)	(35,350)	(648)	(1,856)
Cash and cash equivalents at the beginning of the period	411,632	425,595	424,371	420,658	403,748	344,414	308,632	305,241
Effect of exchange rate changes on cash and cash equivalents	(2,950)	11,481	4,690	372	(10,667)	(430)	(2,742)	2,706
Cash and cash equivalents at the end of the period	425,595	424,371	420,658	403,748	344,414	308,632	305,241	306,092

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

*1. "Changes in other assets and liabilities" under cash flows from operating activities was previously included under "others." Effective April 1, 2018, this item will be displayed separately for increased clarity.

Change of Consolidated Balance Sheets (JGAAP)

(Millions of Yen)

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

Change of Consolidated Statements of Income (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
Net sales	5,861,737	4,675,903	4,972,059	5,218,153	5,771,028	5,166,182	3,844,418	4,014,639	4,494,237	3,955,907
Cost of sales	(5,612,714)	(4,431,656)	(4,729,892)	(4,963,686)	(5,493,296)	(4,930,564)	(3,666,215)	(3,821,914)	(4,262,671)	(3,763,842)
Gross profit	249,022	244,247	242,166	254,466	277,732	235,618	178,203	192,725	231,566	192,064
Selling, general and administrative expenses	(189,074)	(178,725)	(165,964)	(176,533)	(185,368)	(183,611)	(162,074)	(155,205)	(167,044)	(158,759)
Operating income	59,948	65,521	76,202	77,932	92,363	52,006	16,128	37,519	64,522	33,305
Non-operating income	58,269	51,648	59,718	62,030	61,095	29,977	37,245	43,973	37,142	39,952
Interest income	24,572	18,431	13,213	14,995	13,715	9,597	4,632	4,308	5,994	4,924
Dividends income	4,543	3,653	6,816	6,052	5,004	8,349	5,040	4,081	4,978	2,587
Equity in earnings of affiliates	5,929	10,741	19,149	23,752	28,911	2,455	9,179	19,297	12,566	15,588
Gain on sales of investment securities	6,231	2,382	2,042	1,872	61	-	-	-	-	-
Penalty income	-	-	-	-	-	-	3,802	-	-	-
Foreign exchange profits	-	-	-	-	-	-	-	-	-	5,408
Other	16,992	16,439	18,496	15,357	13,402	9,574	14,591	16,285	13,603	11,443
Total non-operating income	▲ 69,757	▲ 59,082	▲ 57,147	(50,427)	(51,979)	(48,347)	(39,672)	(36,176)	(39,436)	(38,779)
Interest expenses	(53,590)	(45,833)	(38,571)	(38,332)	(33,101)	(29,145)	(25,808)	(23,917)	(24,212)	(21,021)
Interest on commercial papers	(2,085)	(2,920)	(1,572)	(89)	(183)	(306)	(178)	(18)	(5)	(4)
Foreign exchange losses	-	-	-	-	(5,664)	(5,243)	-	(2,848)	(145)	-
Loss on valuation of derivatives	-	-	-	-	-	-	-	-	(3,307)	(10,568)
Other	(14,081)	(10,328)	(17,003)	(12,005)	(13,030)	(13,651)	(13,685)	(9,392)	(11,765)	(7,185)
Ordinary Income	48,461	58,088	78,773	89,535	101,480	33,636	13,702	45,316	62,228	34,478
Extraordinary income/losses - net	(90,563)	(438,167)	(9,358)	(1,449)	(13,135)	3,434	5,192	(6,004)	(775)	(2,759)
Income before income taxes and minority interests	(42,101)	(380,079)	69,414	88,085	88,344	37,070	18,894	39,312	61,454	31,719
Income taxes-current	(12,282)	(11,331)	(16,484)	(18,841)	(20,118)	(19,229)	(8,562)	(11,400)	(18,482)	(11,441)
Income taxes-deferred	23,058	(18,287)	(5,840)	(4,971)	(2,062)	2,490	294	(9,103)	(43,821)	(2,012)
Income before minority interests	-	-	-	-	-	-	10,626	18,808	(850)	18,265
Minority interests in income	(2,282)	(2,778)	(3,383)	(5,506)	(3,469)	(1,330)	(1,832)	(2,826)	(2,799)	(4,002)
Net income	(33,609)	(412,475)	43,706	58,766	62,693	19,001	8,794	15,981	(3,649)	14,263
										(Billions of Yen)
Core earnings	41.9	51.4	78.5	89.8	110.7	48.3	14.4	41.9	65.0	35.4

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

Change of Consolidated Statements of Comprehensive Income (JGAAP)

(Millions of Yen)

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

Change of Consolidated Statements of Cash Flows (JGAAP)

(Millions of Yen)

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