

Highlights of Consolidated Financial Results for the Year Ended March 31, 2019 (IFRS)

May 8, 2019
Sojitz Corporation

Results Highlights

◆ In the year ended March 31, 2019, the first year of Medium-Term Management Plan 2020—Commitment to Growth, the deceleration of the Chinese economy and trade friction between the United States and China created signs of slowdown in the global economy, which had previously been supported by strong consumption. In this environment, the Company's revenue for the year ended March 31, 2019, was up year on year due to increased sales in the Metals & Mineral Resources Division, a result of rises in prices and transaction 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 year (attributable to owners of the Company) rose year on year, thanks to higher gross profit and an increase in share of profit (loss) of investments accounted for using the equity method due to higher profit at an LNG operating company.

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

Revenue 1,856.2 billion yen (+ 39.7 billion yen / +2.2%)
Gross profit 241.0 billion yen (+ 8.6 billion yen / +3.7%)

- 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 domestic and overseas automobile dealership businesses

Profit for the year (attributable to owners of the Company) 70.4 billion yen (+ 13.6 billion yen / +23.9%)

- Increase in gross profit
- Increase in share of profit (loss) of investments accounted for using the equity method due to higher profit at an LNG operating company

(Reference)

- Effective from the fiscal year ended 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.

◆ Cash dividend per share for the fiscal year ended March 31, 2019

Year-end	9.50 yen per share
Full year	17.00 yen per share

◆ Earnings forecast for the fiscal year ending March 31, 2020

Profit for the year (attributable to owners of the Company)	72.0 billion yen
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(Assumptions)

Exchange rate (annual average: JPY/US\$)	110
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◆ Cash dividend per share for the fiscal year ending March 31, 2020

Interim	8.50 yen per share (forecast)
Year-end	8.50 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

	(Billions of yen)			Reasons for the Difference	FY2018 Forecast c	Percentage Achieved a/c
	FY2018 Results a	FY2017 Results b	Difference a-b			
Revenue	1,856.2	1,816.5	39.7	Revenue: change in segment Metals & Mineral Resources +59.1 Automotive +54.4 Energy & Social Infrastructure (41.3)		
Gross profit	241.0	232.4	8.6	Gross profit: change in segment Metals & Mineral Resources +8.1 Automotive +7.0 Machinery & Medical Infrastructure (4.4)	240.0	100%
Selling, general and administrative expenses						
Personnel expenses	(96.7)	(89.9)	(6.8)			
Non-personnel expenses	(69.3)	(65.8)	(3.5)			
Depreciation	(6.6)	(6.6)	0.0			
Provision of allowance for doubtful accounts	(0.8)	(0.4)	(0.4)			
<u>(Total selling, general and administrative expenses)</u>	<u>(173.4)</u>	<u>(162.7)</u>	<u>(10.7)</u>	Increase due to acquisition of new consolidated subsidiaries	(172.0)	
Other income/expenses						
Gain/loss on sale and disposal of fixed assets, net	1.8	(0.3)	2.1			
Impairment loss on fixed assets	(0.5)	(4.4)	3.9			
Gain on reorganization of subsidiaries/associates	8.0	7.5	0.5	Sales of an automotive-related company and a solar power generation business company		
Loss on reorganization of subsidiaries/associates	(3.1)	(11.8)	8.7			
Other operating income/expenses	(3.8)	(0.9)	(2.9)			
<u>(Total other income/expenses)</u>	<u>2.4</u>	<u>(9.9)</u>	<u>12.3</u>		4.0	
Financial income/costs						
Interest earned	7.1	5.7	1.4			
Interest expenses	(15.3)	(14.7)	(0.6)			
<u>(Interest expenses, net)</u>	<u>(8.2)</u>	<u>(9.0)</u>	<u>0.8</u>			
Dividends received	5.2	4.6	0.6			
Other financial income/costs	0.1	(0.2)	0.3			
<u>(Financial income/costs, net)</u>	<u>(2.9)</u>	<u>(4.6)</u>	<u>1.7</u>		(4.0)	
Share of profit (loss) of investments accounted for using the equity method	27.8	25.1	2.7	Higher profit at an LNG operating company	27.0	
Profit before tax	94.9	80.3	14.6		95.0	100%
Income tax expenses	(19.7)	(18.6)	(1.1)		(20.5)	
Profit for the year	75.2	61.7	13.5		74.5	101%
(Profit attributable to)						
Owners of the Company	70.4	56.8	13.6		70.0	101%
Non-controlling interests	4.8	4.9	(0.1)		4.5	
Core earnings*1	93.2	90.8	2.4		91.0	

Comprehensive Income

	(Billions of yen)		
	FY2018 Results a	FY2017 Results b	Difference a-b
Profit for the period	75.2	61.7	13.5
Other comprehensive income	(20.2)	(10.4)	(9.8)
Total comprehensive income for the period	55.0	51.3	3.7
Comprehensive income attributable to:			
Owners of the Company	51.0	47.4	3.6
Non-controlling interests	4.0	3.9	0.1

Cash Flows

	(Billions of yen)		
	FY2018 Results a	FY2017 Results b	Difference a-b
Cash flows from operating activities	96.5	98.8	(2.3)
Cash flows from investing activities	(42.2)	(86.4)	44.2
Free cash flows	54.3	12.4	41.9
Cash flows from financing activities	(74.9)	(13.1)	(61.8)
Core operating cash flow*2	79.1	82.9	(3.8)
Core cash flow*3	63.1	(56.7)	119.8

Consolidated Statements of Financial Position

	(Billions of yen)			Reasons for the Difference
	Mar. 31, 2019 d	Mar. 31, 2018 e	Difference d-e	
Current assets	1,267.7	1,376.3	(108.6)	
Cash and cash equivalents	285.7	305.2	(19.5)	
Time deposits	2.9	2.8	0.1	
Trade and other receivables	690.7	549.9	140.8	Change in account item resulted from application of new IFRS standard
Inventories	220.6	396.0	(175.4)	
Other current assets	67.8	122.4	(54.6)	Decrease associated with aircraft-related businesses
Non-current assets	1,029.4	974.1	55.3	
Property, plant and equipment	192.9	172.1	20.8	Increase due to acquisition of overseas paper manufacturer
Goodwill	66.2	65.8	0.4	
Intangible assets	49.1	44.1	5.0	
Investment property	20.9	24.5	(3.6)	
Investments accounted for using the equity method	597.3	590.2	7.1	
Other non-current assets	103.0	77.4	25.6	
Total assets	2,297.1	2,350.4	(53.3)	
Current liabilities	807.2	846.0	(38.8)	
Trade and other payables	582.4	654.2	(71.8)	Decrease in tobacco business
Bonds and borrowings	149.7	113.5	36.2	Increase due to transfer of non-current liabilities to current liabilities
Other current liabilities	75.1	78.3	(3.2)	
Non-current liabilities	828.4	879.3	(50.9)	
Bonds and borrowings	723.6	798.0	(74.4)	Decrease due to transfer of non-current liabilities to current liabilities
Retirement benefit liabilities	22.1	22.0	0.1	
Other non-current liabilities	82.7	59.3	23.4	
Total liabilities	1,635.6	1,725.3	(89.7)	
Share capital	160.3	160.3	-	
Capital surplus	146.6	146.5	0.1	
Treasury stock	(0.9)	(0.2)	(0.7)	Decrease due to change in foreign exchange rates and stock prices
Other components of equity	107.6	124.3	(16.7)	
Retained earnings	204.6	155.5	49.1	Profit for the year +70.4 Dividends (16.9)
<u>Total equity attributable to owners of the Company</u>	<u>618.2</u>	<u>586.4</u>	<u>31.8</u>	
Non-controlling interests	43.3	38.7	4.6	
Total equity	661.5	625.1	36.4	
Total liabilities and equity	2,297.1	2,350.4	(53.3)	
Gross interest-bearing debt	873.3	911.5	(38.2)	
Net interest-bearing debt	584.7	603.5	(18.8)	
Net debt/equity ratio (times)*	0.95	1.03	(0.08)	
Equity ratio*	26.9%	25.0%	+1.9%	
Current ratio	157.1%	162.7%	(5.6)%	
Long-term debt ratio	82.9%	87.5%	(4.6)%	

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

Factors Affecting Circled Figures

Cash flows from operating activities	96.5	98.8	(2.3)	Higher revenue due to increased business earnings
Cash flows from investing activities	(42.2)	(86.4)	44.2	Outflows due to investment in U.S. gas-fired thermal power generation business and acquisition of Australian coking coal mine interests
Free cash flows	54.3	12.4	41.9	
Cash flows from financing activities	(74.9)	(13.1)	(61.8)	Outflows due to repayment of borrowings

Highlights of Consolidated Financial Results for the Year Ended March 31, 2019 (IFRS) — Supplementary Materials (1)

May 8, 2019
Sojitz Corporation

Operating Results <small>(Billions of yen)</small>					Segment Performance [Gross Profit]			Segment Performance [Profit for the Year (Attributable to Owners of the Company)]				FY2018 Revised Forecast <small>(Feb. 5, 2019)</small>				
	FY2018	FY2017	Difference	FY2018 Revised Forecast <small>(Feb. 5, 2019)</small>	Percentage Achieved		FY2018	FY2017	Difference		FY2018	FY2017	Difference	Main Factors Behind Differences	FY2018 Revised Forecast <small>(Feb. 5, 2019)</small>	Main Factors Behind Differences between Results and Revised Forecast for FY2018
Revenue	1,856.2	1,816.5	+39.7	—	—	Auto-	42.3	35.3	+7.0	6.4	6.5	(0.1)	Relatively unchanged year on year	5.5	Performance exceeded full-year forecasts due to lower SG&A expenses by suppressing sales promotion expenses in overseas wholesale operations and continuation of reconstruction demand in Puerto Rico	
Gross profit	241.0	232.4	+8.6	240.0	100%	Aerospace & Transportation Project	15.5	15.7	(0.2)	4.0	3.3	+0.7	Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects	4.0	Performance as forecast	
Selling, general and administrative expenses	(173.4)	(162.7)	(10.7)	(172.0)		Machinery & Medical Infrastructure	13.6	18.0	(4.4)	2.8	5.7	(2.9)	Decreased due to absence of revenue associated with infrastructure projects recorded in the previous fiscal year	3.0	Performance generally as forecast	
Other income/expenses	2.4	(9.9)	+12.3	4.0		Energy & Social Infrastructure	18.7	21.1	(2.4)	5.8	(5.8)	+11.6	Increased due to rebound from one-time losses on oil and gas interests recorded in the previous fiscal year as well as to higher prices in LNG operations	4.5	Performance exceeded full-year forecasts following higher prices primarily in LNG operations and increased earnings at subsidiaries	
Financial income/costs	(2.9)	(4.6)	+1.7	(4.0)		Metals & Mineral Resources	37.6	29.5	+8.1	30.5	21.9	+8.6	Increased due to higher prices and transaction volumes of coal and other resources	29.5	Performance exceeded full-year forecasts thanks to favorable coal market conditions	
Share of profit (loss) of investments accounted for using the equity method	27.8	25.1	+2.7	27.0		Chemicals	46.4	45.0	+1.4	9.0	8.7	+0.3	Relatively unchanged year on year, despite strong performance in methanol operations, as a result of one-time losses in overseas operations and economic slowdown stemming from trade friction between the United States and China	9.5	Performance generally as forecast	
Profit before tax	94.9	80.3	+14.6	95.0	100%	Foods & Agriculture Business	16.4	19.4	(3.0)	2.3	4.0	(1.7)	Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses	3.5	Performance fell below full-year forecasts as a result of lower sales volumes and profitability by regulating sales prices in overseas fertilizer operations	
Profit for the year (Profit attributable to)	75.2	61.7	+13.5	74.5	101%	Retail & Lifestyle Business	38.7	35.2	+3.5	5.7	5.6	+0.1	Despite earnings contributions from newly consolidated subsidiaries, relatively unchanged year on year because of lower profit at lumber-related subsidiaries	5.5	Performance generally as forecast	
Owners of the Company	70.4	56.8	+13.6	70.0	101%	Industrial Infrastructure & Urban Development	7.0	8.2	(1.2)	1.1	2.1	(1.0)	Decreased due to poor sales in domestic real estate operations	1.5	Performance fell below full-year forecasts due to poor sales in domestic real estate operations	
Non-controlling interests	4.8	4.9	(0.1)	4.5		Other	4.8	5.0	(0.2)	2.8	4.8	(2.0)		3.5		
Core earnings*1	93.2	90.8	+2.4	91.0		Total	241.0	232.4	+8.6	70.4	56.8	+13.6		70.0		
Comprehensive income attributable to owners of the Company	51.0	47.4	+3.6													

*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

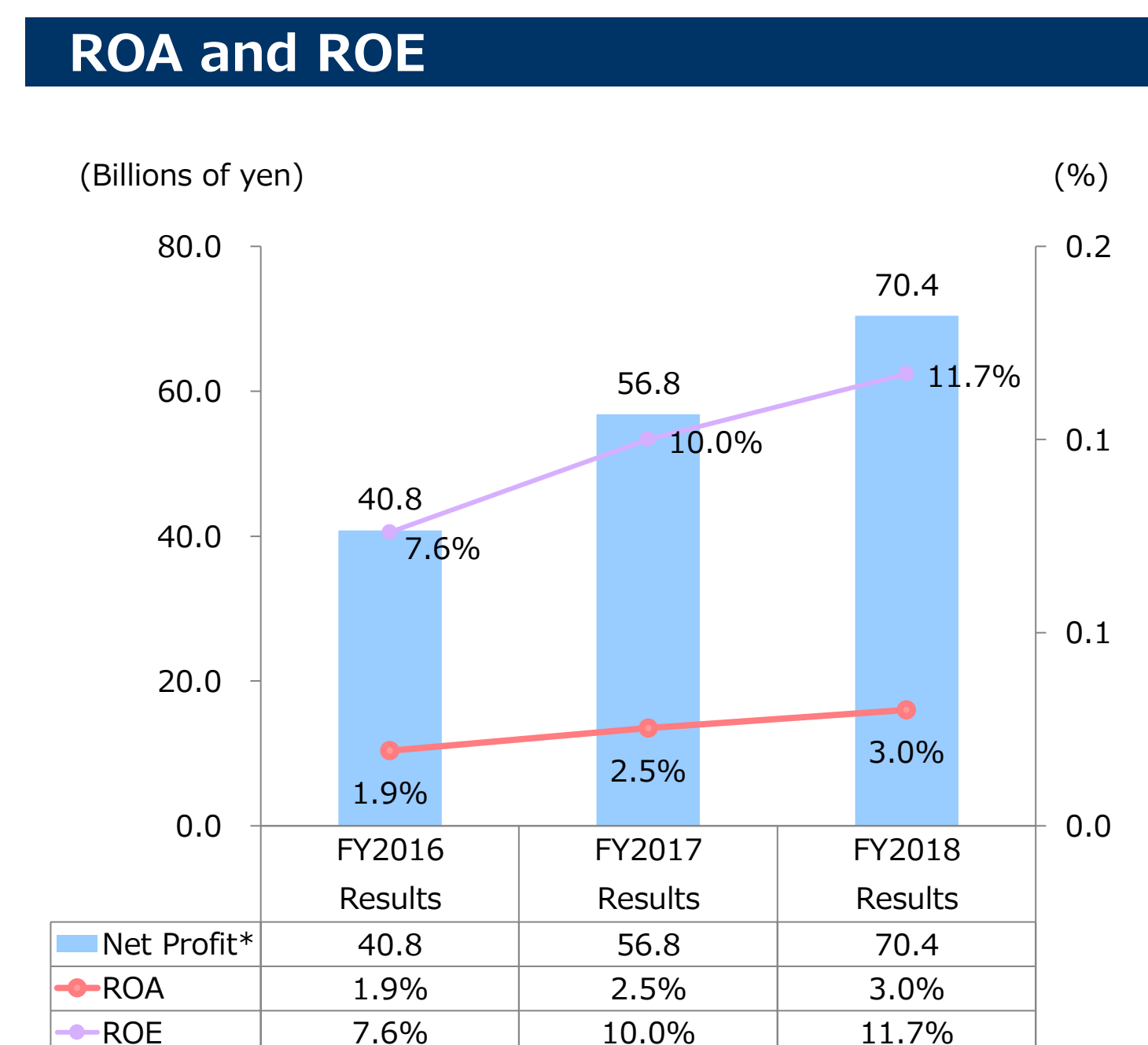
Financial Position <small>(Billions of yen)</small>			
	Mar. 31, 2019	Mar. 31, 2018	Difference
Total assets	2,297.1	2,350.4	(53.3)
Total equity*2	618.2	586.4	+31.8
Equity ratio	26.9%	25.0%	+ 1.9%
Net interest-bearing debt	584.7	603.5	(18.8)
Net interest-bearing debt does not include	0.95	1.03	(0.08)
Risk assets*3	360.0	350.0	+10.0
Ratio of risk assets to equity (times)	0.6	0.6	-

*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."

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

Commodity Prices and Exchange Rates				
	FY2017 Results <small>(Annual Avg.)</small>	FY2018 Assumption <small>(Annual Avg.)</small>	FY2018 Results <small>(Annual Avg.)</small>	FY2018 Results <small>(Jan.-Mar. Avg.)</small>
Crude oil (Brent)	US\$57.9/bbl	US\$60.0/bbl	US\$70.8/bbl	US\$63.8/bbl
Thermal coal **1	US\$93.9/t	US\$85.0/t	US\$105.8/t	US\$95.8/t
Exchange rate	¥110.7/US\$	¥105.0/US\$	¥111.1/US\$	¥110.3/US\$

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



*Profit for the year (attributable to owners of the company)

Highlights of Consolidated Financial Results for the Year Ended March 31, 2019 (IFRS) — Supplementary Materials (2)

May 8, 2019
Sojitz Corporation

Operating Results

(Billions of yen)

	FY2018	FY2019 Forecast	Difference
Revenue	1,856.2	—	
Gross profit	241.0	260.0	+19.0
Selling, general and administrative expenses	(173.4)	(182.5)	(9.1)
Other income/expenses	2.4	0.0	(2.4)
Financial income/costs	(2.9)	(8.5)	(5.6)
Share of profit (loss) of investments accounted for using the equity method	27.8	28.0	+0.2
Profit before tax	94.9	97.0	+2.1
Profit for the year (Profit attributable to)	75.2	77.0	+1.8
Owners of the Company	70.4	72.0	+1.6
Non-controlling interests	4.8	5.0	+0.2
Core earnings*1	93.2	97.0	+3.8

*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

Segment Performance [Profit for the Year]

(Billions of yen)

<9 Business Divisions>	FY2018 Results	FY2019 Forecast
Automotive	6.4	5.5
Aerospace & Transportation Project	4.0	5.0
Machinery & Medical Infrastructure	2.8	4.5
Energy & Social Infrastructure	5.8	5.5
Metals & Mineral Resources	30.5	25.0
Chemicals	9.0	11.0
Foods & Agriculture Business	2.3	4.5
Retail & Lifestyle Business	5.7	7.5
Industrial Infrastructure & Urban Development	1.1	1.0
Other	2.8	2.5
Total	70.4	72.0

FY2019 Current Position and Outlook

Automotive	In spite of the absence of earnings from an automobile-related company sold in the previous fiscal year, earnings from existing and new consolidated subsidiaries anticipated
Aerospace & Transportation Project	Higher earnings anticipated in conjunction with growth in aircraft-related businesses and railway projects
Machinery & Medical Infrastructure	Higher profit from medical infrastructure-related businesses anticipated
Energy & Social Infrastructure	Earnings from existing and new development projects anticipated
Metals & Mineral Resources	Conservative outlook for resource prices in the second half of the fiscal year incorporated into forecasts
Chemicals	Rebound from one-time occurrences in the previous fiscal year and growth in existing businesses anticipated
Foods & Agriculture Business	Higher earnings anticipated due to reconsideration of sales methods in overseas fertilizer operations and improved profits from new projects
Retail & Lifestyle Business	Improved profits from overseas retail operations and earnings contributions from new investments and loans anticipated
Industrial Infrastructure & Urban Development	Earnings from overseas industrial park operations anticipated

Financial Position

(Billions of yen)

	Mar. 31, 2019	Mar. 31, 2020 Forecast	Difference
Total assets*1	2,297.1	2,400.0	+102.9
Total equity*2	618.2	660.0	+41.8
Equity ratio	26.9%	27.5%	+ 0.6%
Net interest-bearing debt*3	584.7	640.0	+55.3
Net D/E ratio (times)	0.95	1.0	—
Risk assets	360.0	—	—
Ratio of risk assets to equity (times)	0.6	—	—

*1 The forecast figure for March 31, 2020, includes the impact of the adoption of IFRS 16 "Leases" on total assets.

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

*3 Net interest-bearing debt does not include impact of lease liability.

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Commodity Prices and Exchange Rates

	FY2019 Assumption (Annual Avg.)	Latest Data (As of Apr. 23, 2019)
Crude oil (Brent)	US\$60.0/bbl	US\$74.5/bbl
Thermal coal*1	US\$80.0/t	US\$88.9/t
Exchange rate*2	¥110.0/US\$	¥111.9/US\$

*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.

Financial Results for the Year Ended March 31, 2019

May 8, 2019
Sojitz Corporation

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FY2019 Financial Results and Progress of Medium-Term Management Plan 2020 ~Commitment to Growth~

【Supplemental Data】

- I . Financial Results for the Year Ended March 31,2019
- II . Segment Information
- III . Summary of Financial Results

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FY2019 Financial Results and Progress of
Medium-Term Management Plan 2020
~Commitment to Growth~



FY2018 Summary

- **Substantial increase in earnings due to favorable market conditions for coal and other commodities**
Steady earnings contributions from new investments and loans centered on non-resource sector

	FY2017	FY2018	Difference	FY2018 Revised Forecast	Achieved
Profit for the period (attributable to owners of the Company)	¥56.8bn	¥70.4bn	+¥13.6bn	¥70.0bn	101%
ROA	2.5%	3.0%	+0.5%	3.0%	—
ROE	10.0%	11.7%	+1.7%	11.7%	—

<Operating Environment>

- ✓ Consistently high coal and other resource prices
- ✓ Impacts of falling commodity prices stemming from U.S.-China trade friction and conditions in emerging economies arising during second half of fiscal year
- ✓ Signs of slowdown in the global economy previously supported by strong consumption

	FY2017	FY2018	Difference
Total Asset	¥2,350.4bn	¥2,297.1bn	¥(53.3)bn
Total Equity	¥586.4bn	¥618.2bn	+¥31.8bn
Net D/E Ratio(times)	1.03	0.95	(0.08)
Investment and Loans	¥158.0bn	¥91.0bn	
Dividend	¥11	¥17	

- **Annual dividend raised from ¥15 per share to ¥17 per share**
As a result, payout ratio comes to 30.2%

Progress of Medium-Term Management Plan 2020 (Earning Contributions from Investments and Loans)

Reinforce stable earnings foundations through investments and loans and steady earnings contributions centered on non-resource sectors

Medium-Term Management Plan 2017 (FY2020 Forecast)

The amount of the investments and Loans over MTP2017 period **¥315.0bn**

Outstanding investments and loans **¥160.0bn**

ROI **Approx. 7.5%**

Earnings contributions **More than ¥12.0bn**

Medium-Term Management Plan 2020 (FY2020 Forecast)

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

Outstanding investments and loans **¥230.0bn**

ROI **Approx. 4.3%**

Earnings contributions **More than ¥10.0bn**

FY2018 Results

Earnings contributions from investments and loans conducted under MTP2017 **...About ¥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 businesses

Outstanding investments and loans **¥180.0bn**

FY2019 Forecast

About ¥8.0bn

Outstanding investments and loans **¥170.0bn**

FY2020 Forecast

About ¥12.0bn

FY2018 Results

Earnings contributions from investments and loans conducted under MTP2020 **...About ¥2.0bn**

Main businesses

- IPP business in the United States
- Papermaking company in Vietnam

Outstanding investments and loans **¥85.0bn**

FY2019 Forecast

About ¥6.0bn

Outstanding investments and loans **¥175.0bn**

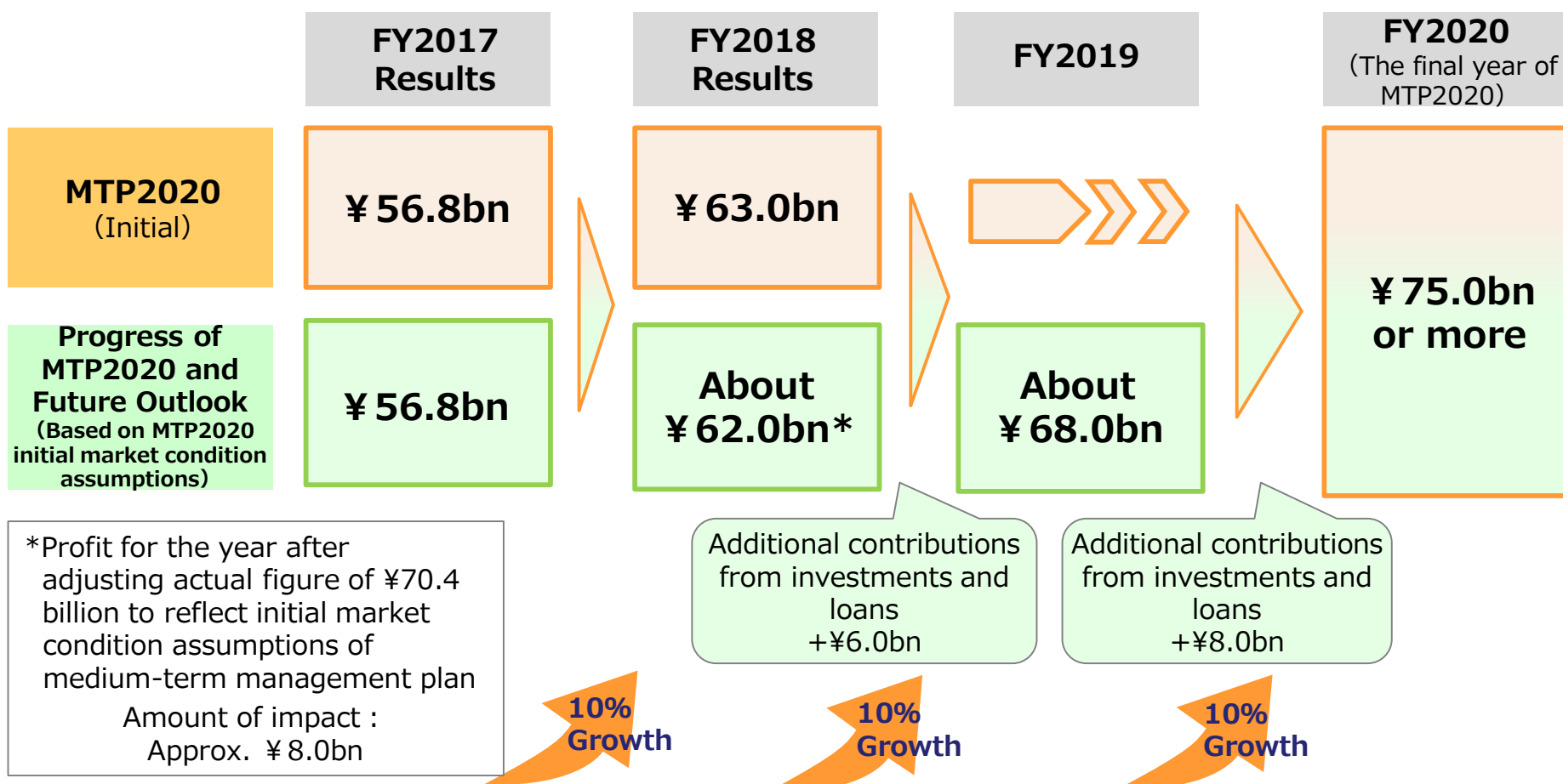
FY2020 Forecast

About ¥10.0bn

Progress of Medium-Term Management Plan 2020 (Earnings Growth Leading)

Note : Profit for the year attributable to owners of the Company

Steady progress toward targets for final year of medium-term management plan anticipated even based on initial market condition assumptions



FY2019 Forecast ①

- Opaque outlook for global economy amid rising international relations tensions associated with U.S. trade policies
- Conservative outlook for resource prices incorporated into FY2019 forecasts, but earnings contributions from investments and loans and growth in existing businesses anticipated

	FY2018 Results	FY2019 Forecast	Difference
Profit for the year*	¥70.4bn	¥72.0bn	+¥1.6bn
ROA	3.0%	3.1%	+0.1%
ROE	11.7%	11.3%	(0.4)%
Dividend	¥17	¥17	

(*)Profit attributable to owners of the Company

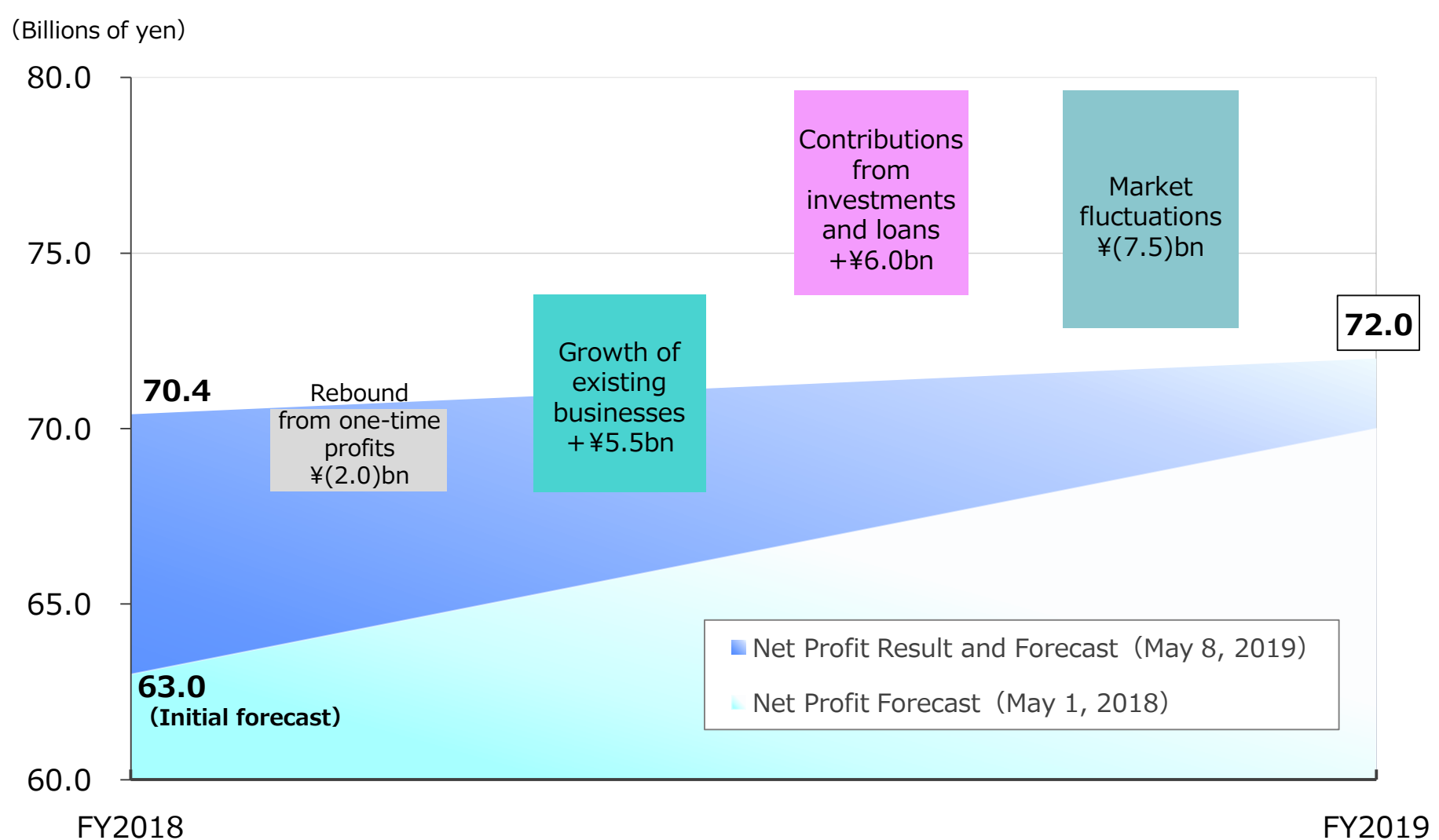
	FY2018 Results	FY2019 Forecast
Exchange rate	¥111.1/US\$	¥110.0/US\$
Thermal coal	US\$105.8/t	US\$80.0/t
Interest rate (Tibor)	0.07%	0.10%

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

(Billions of Yen)	FY2018 Results	FY2019 Forecast
Automotive	6.4	5.5
Aerospace & Transportation Project	4.0	5.0
Machinery & Medical Infrastructure	2.8	4.5
Energy & Social Infrastructure	5.8	5.5
Metals & Mineral Resources	30.5	25.0
Chemicals	9.0	11.0
Foods & Agriculture Business	2.3	4.5
Retail & Lifestyle Business	5.7	7.5
Industrial Infrastructure & Urban Development	1.1	1.0
Other	2.8	2.5
Total	70.4	72.0

FY2019 Forecast ②

Note : Profit for the year attributable to owners of the Company



Cash Flow Management

Positive FCF and core cash flow attributable to strong core operating cash flow and smooth asset replacement

	FY 2018 Results	Medium-Term Management Plan 2020 3-year total (FY2018–FY2020)
Core operating cash flow (※1)	¥ 79.0bn	About ¥ 210.0bn
Asset Replacement (Investment recovery)	¥ 92.0bn	¥ 120.0bn~¥ 150.0bn
New investments and loans	¥ (91.0)bn	¥(270.0)~¥(300.0)bn
Shareholder returns (※2)	¥ (17.0)bn	About¥(60.0)bn
Core cash flow (※3)	¥ 63.0bn	¥0.0bn~
Free cash flow	¥ 54.0bn	¥0.0bn~

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

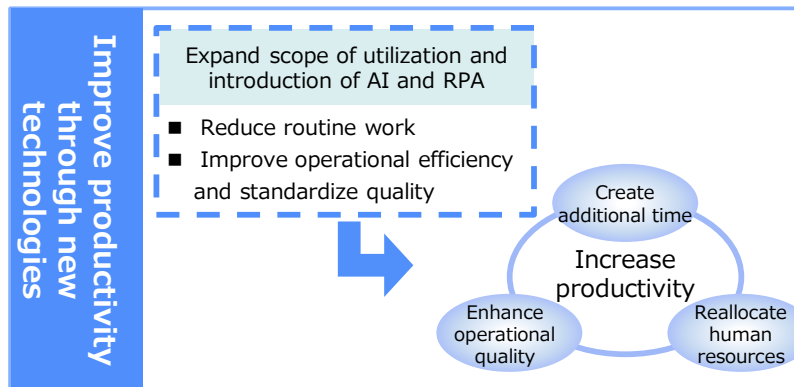
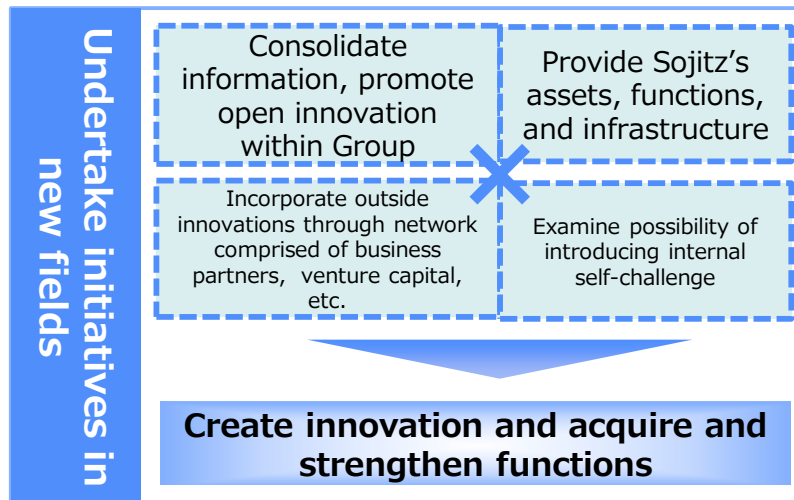
*2. 3-year total calculated based on target for profit for the year of ¥75.0 or more set for final year of medium-term management plan

*3. Core cash flow = Core operating cash flow (excluding changes in working capital) + Investing cash flow (including asset replacement) – Dividends paid

Initiatives for Innovation

Accelerate Companywide improvements to productivity in existing businesses and exploration of new fields to address business model changes stemming from digital transformations and technological progress

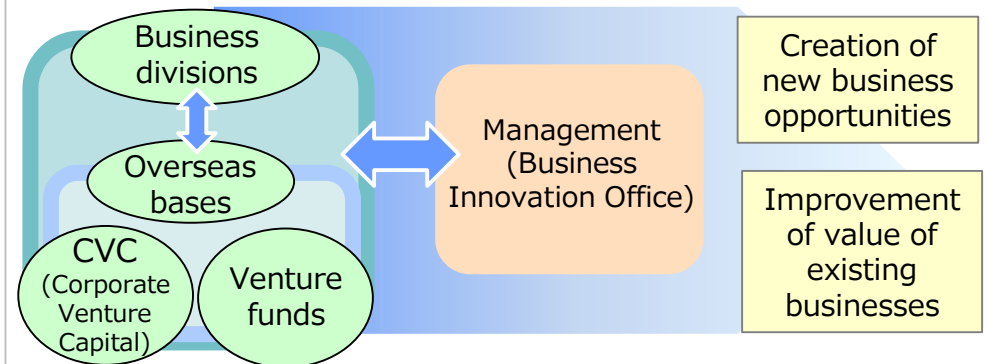
Initiative Policies for Period after the Medium-Term Management Plan



Progress in First Year of Medium-Term Management Plan 2020

① Establishment of system for encouraging exploration of new fields

- ✓ Institution of innovation-related investment budget
- ✓ Establishment of U.S. CVCs, investment in Indian venture funds
- ✓ Dispatches of personnel to U.S. and Indian bases



② Implementation of productivity improvement initiatives

- ✓ Promotion of RPA utilization and response to digital technologies

Initiatives for Sustainability

Promote sustainability-oriented management led by CEO
Declare support for TCFD and organize initiative policies for coal-fired thermal power generation projects and thermal coal interests

Sojitz's Sustainability Management Initiatives

Further incorporate concept of sustainability* into management and better integrate resolution of environmental and social issues into Sojitz's business in order to accomplish the goals of the Sojitz Group Statement and achieve ongoing growth

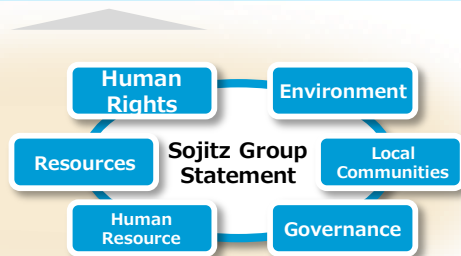
* Maximize value for Sojitz and value for society and promote initiatives based on 6 key issues

Long-Term Vision : Sustainability Challenges

We aim to create sustainable growth for both Sojitz and society by working to help achieve a decarbonized society through our business activities, and by responding to human rights issues, including those within our supply chains.

Position Medium-Term Management Plan 2020 as a period for preparing to address sustainability challenges and grow business to contribute to the realization of a low-carbon society over the next decade while stepping up initiatives to guarantee human rights are always respected

Key Sustainability Issues (Materiality)



Progress in First Year of Medium-Term Management Plan 2020

Establishment of sustainability promotion system centered on senior management

- ✓ Discussion of medium- to long-term risks and opportunities pertaining to sustainable growth at each business division
- ✓ Establishment of organization-specific targets based on Key Sustainability Issues and monitoring of progress
- ✓ Confirmation of meaningfulness of investments from sustainability perspective during screening

Initiatives for Realizing a Low-Carbon/ Carbon-Free Society

- ✓ Announcement of endorsement of TCFD (August 2018)
- ✓ Power generation sector scenario analyses utilizing TCFD framework



[Initiative Policies for Coal-Fired Thermal Power Generation Projects and Thermal Coal Interests]

- ✓ Refrain from newly engaging in coal-fired thermal power generation projects (currently no projects under operation)
- ✓ Reduce thermal coal interests by more than 50% by 2030 (In principle, do not acquire new thermal coal interests)

ESG Rating

New inclusion in FTSE and DJSI, global ESG indexes Selection for inclusion in ESG indexes utilized by GPIF

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

● September, 2018

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM

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.

● March, 2019



**Sustainability Award
Industry mover 2019**

Selected for "Silver Class" award, one rank higher than in 2018, and "Industry Mover" award, for second consecutive year, in corporate sustainability ratings by RobecoSAM



**Sustainability Award
Silver Class 2019**

● June, 2018



FTSE4Good

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



FTSE Blossom
Japan

ESG indexes Utilized by GPIF

MSCI



2018 Constituent
MSCI Japan Empowering
Women Index (WIN)

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



In 2017, Sojitz received an upper rating of B in "Management" with regards to climate change.

**First Trading Company
to be Selected for 3 Consecutive Year**



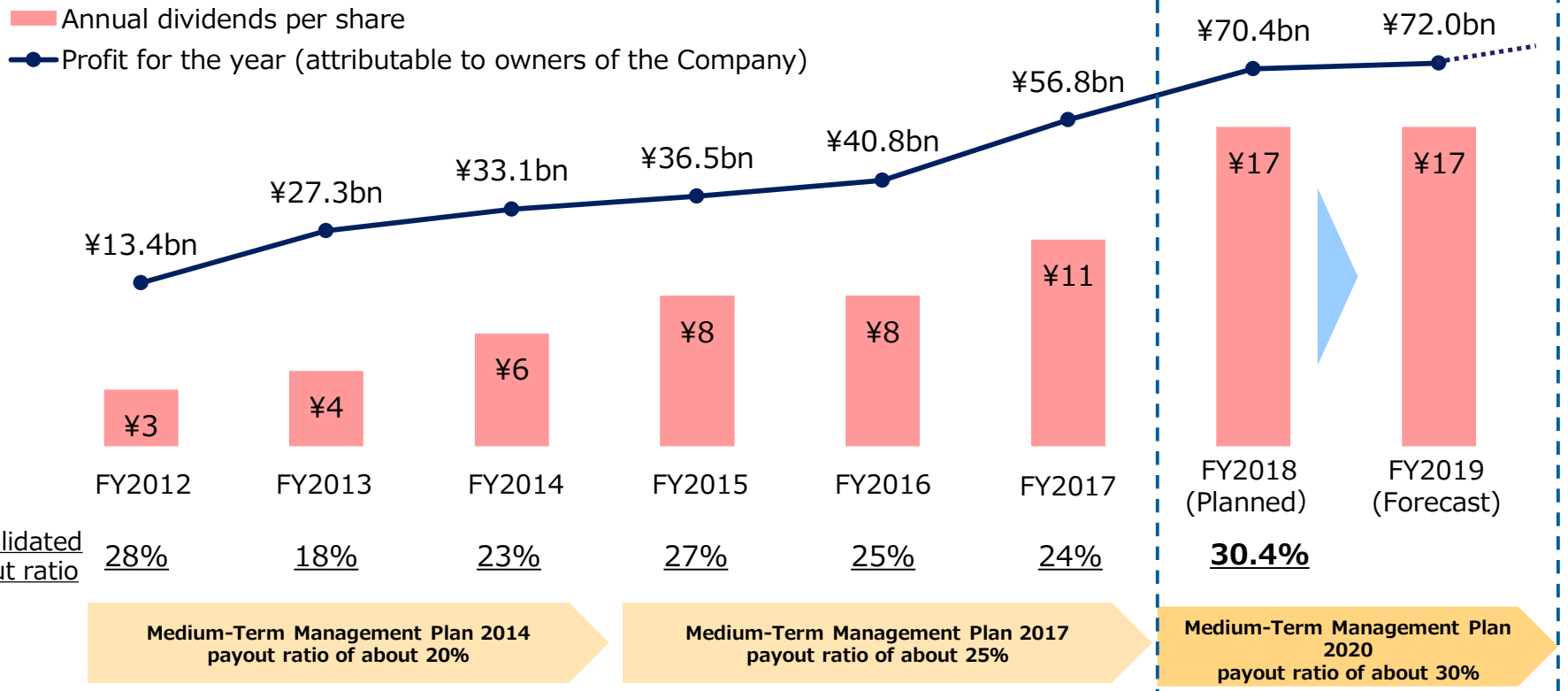
Sojitz was selected as a Nadeshiko Brand company for three consecutive years, in recognition for its efforts to empower women in the workplace.

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 Year Ended March 31,2019



Summary of Profit or Loss

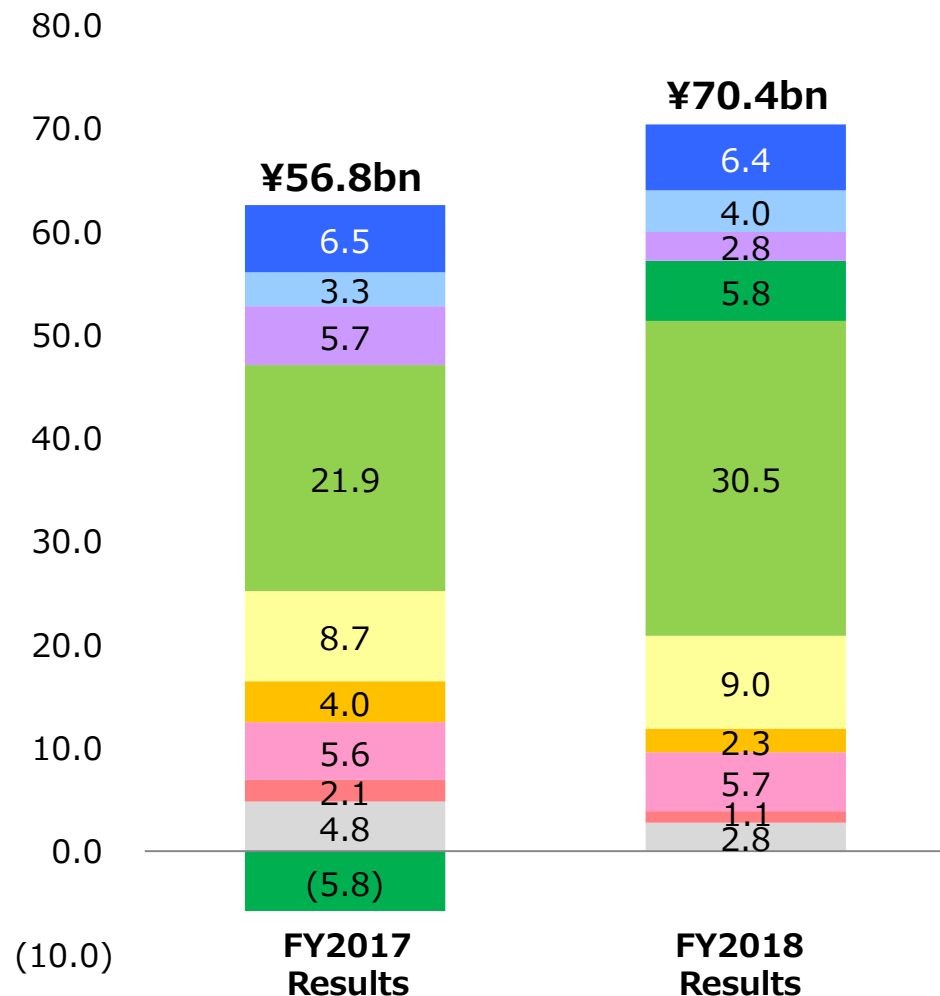
(Billions of Yen)	FY2017 Results	FY2018 Results	Difference	FY2018 Revised Forecast (Feb. 5, 2019)	Achieved	FY2019 Forecast
Revenue	1,816.5	1,856.2	+39.7	—	—	—
Gross profit	232.4	241.0	+8.6	240.0	100%	260.0
Share of profit (loss) of investments accounted for using the equity method	25.1	27.8	+2.7	27.0	103%	28.0
Profit before tax	80.3	94.9	+14.6	95.0	100%	97.0
Profit for the year attributable to owners of the Company	56.8	70.4	+13.6	70.0	101%	72.0
Core earnings	90.8	93.2	+2.4	91.0	102%	97.0

Summary of Profit or Loss

Profit for the Year by Segment

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

(Billions of Yen)



Factor behind year on year change in earnings

- **Automotive** ¥ 6.4 billion (down ¥(0.1) billion YoY)
 Relatively unchanged year on year
- **Aerospace & Transportation Project** ¥ 4.0 billion (up ¥ 0.7 billion YoY)
 Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
- **Machinery & Medical Infrastructure** ¥ 2.8 billion (down ¥(2.9) billion YoY)
 Decreased due to absence of revenue associated with infrastructure projects recorded in the previous fiscal year
- **Energy & Social Infrastructure** ¥ 5.8 billion (up ¥ 11.6 billion YoY)
 Increased due to rebound from one-time losses on oil and gas interests recorded in the previous fiscal year as well as to higher prices in LNG operations
- **Metals & Mineral Resource** ¥ 30.5 billion (up ¥ 8.6 billion YoY)
 Increased due to higher prices and transaction volumes of coal and other resources
- **Chemicals** ¥ 9.0 billion (up ¥ 0.3 billion YoY)
 Relatively unchanged year on year, despite strong performance in methanol operations, as a result of one-time losses in overseas operations and economic slowdown stemming from trade friction between the United States and China
- **Foods & Agriculture Business** ¥ 2.3 billion (down ¥(1.7) billion YoY)
 Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
- **Retail & Lifestyle Business** ¥ 5.7 billion (up ¥ 0.1 billion YoY)
 Despite earnings contributions from newly consolidated subsidiaries, relatively unchanged year on year because of lower profit at lumber-related subsidiaries
- **Industrial Infrastructure & Urban Development** ¥ 1.1 billion (down ¥(1.0) billion YoY)
 Decreased due to poor sales in domestic real estate operations
- **Other** ¥ 2.8 billion (down ¥(2.0) billion YoY)

FY2019 Forecast

Profit for the Year by Segment

(Billions of Yen)	FY2018 Results	FY2019 Forecast
Automotive	6.4	5.5
Aerospace & Transportation Project	4.0	5.0
Machinery & Medical Infrastructure	2.8	4.5
Energy & Social Infrastructure	5.8	5.5
Metals & Mineral Resource	30.5	25.0
Chemicals	9.0	11.0
Foods & Agriculture Business	2.3	4.5
Retail & Lifestyle Business	5.7	7.5
Industrial Infrastructure & Urban Development	1.1	1.0
Other	2.8	2.5
Total	70.4	72.0

Progress Overview

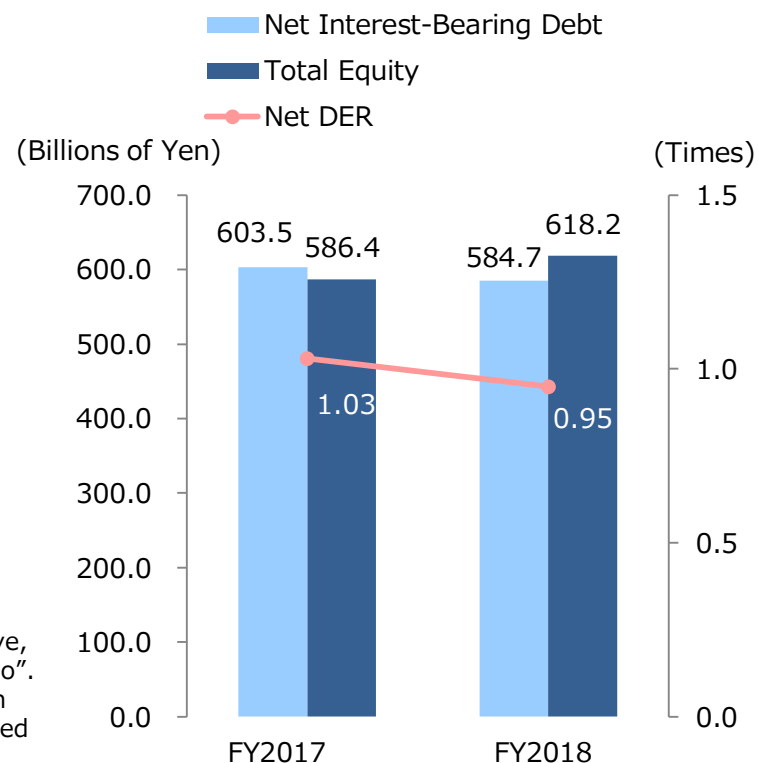
- Automotive ¥ 5.5 billion**
 In spite of the absence of earnings from an automobile-related company sold in the previous fiscal year, earnings from existing and new consolidated subsidiaries anticipated
- Aerospace & Transportation Project ¥ 5.0 billion**
 Higher earnings anticipated in conjunction with progress in aircraft-related business and railway projects
- Machinery & Medical Infrastructure ¥ 4.5 billion**
 Higher profit from medical infrastructure-related businesses anticipated
- Energy & Social Infrastructure ¥ 5.5 billion**
 Earnings from existing and new development projects anticipated
- Metals & Mineral Resource ¥ 25.0 billion**
 Conservative outlook for resource prices in the second half of the fiscal year incorporated into forecasts
- Chemicals ¥ 11.0 billion**
 Rebound from one-time occurrences in the previous fiscal year and growth in existing businesses anticipated
- Foods & Agriculture Business ¥ 4.5 billion**
 Higher earnings anticipated due to reconsideration of sales methods in overseas fertilizer operations and improved profits from new projects
- Retail & Lifestyle Business ¥ 7.5 billion**
 Improved profits from overseas retail operations and earnings contributions from new investments and loans anticipated
- Industrial Infrastructure & Urban Development ¥ 1.0 billion**
 Earnings from overseas industrial park operations anticipated

Summary of Balance Sheets

(Billions of Yen)	End of Mar. 2018	End of Mar. 2019	Difference
Total Assets	2,350.4	2,297.1	(53.3)
Total equity*1	586.4	618.2	+31.8
Equity Ratio	25.0%	26.9%	+1.9%
Net interest-bearing debt	603.5	584.7	(18.8)
Net DER (Times)	1.03	0.95	(0.08)
Risk Assets*2 vs. Total equity	350.0 0.6 times	360.0 0.6 times	+10.0 (-)
Current Ratio	162.7%	157.1%	(5.6)%
Long-term debt ratio	87.5%	82.9%	(4.6)%

Changes in Total Equity (End of Mar. 2018 vs. End of Mar. 2019, Breakdown)

- Profit for the year attributable to owners of the Company ¥ 70.4 billion
- Dividends paid ¥ (16.9) billion



(*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.

Investments and Loans and Asset Replacement for FY2018

FY2018 Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none"> ■ Automobile dealership business in Russia ■ Engineering company in Thailand ■ IPP business in the United States ■ Domestic and overseas solar power generation business ■ Coking coal business in Australia ■ Investment in and operation of shopping centers in Japan ■ Foods-related company in Vietnam ■ Paper manufacturer in Vietnam etc.
Investments and Loans Results	Approx. ¥ 91.0 billion
Asset Replacement	<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 etc.
Asset Replacement Results	Approx. ¥ 92.0 billion

Summary of Investments and Loans by segment

(Billions of Yen)	FY2018 Results	Achievements	MTP 2020 Forecast	Main Businesses・Fields
Automotive	5.0	<ul style="list-style-type: none"> Automobile dealership business in Russia Automobile wholesale business in Pakistan 	30.0	<ul style="list-style-type: none"> Dealerships
Aerospace & Transportation Project	12.0	<ul style="list-style-type: none"> Aircraft-related business Marine-related business 	40.0	<ul style="list-style-type: none"> Broadening of aerospace operations Transportation and airport infrastructure
Machinery & Medical Infrastructure	3.0	<ul style="list-style-type: none"> Engineering company in Thailand 	15.0	<ul style="list-style-type: none"> Hospital operation and medical field businesses
Energy & Social Infrastructure	30.0	<ul style="list-style-type: none"> IPP business in the United States Domestic and overseas solar power generation business 	50.0	<ul style="list-style-type: none"> Power generation and other energy-related operations Digital social infrastructure
Metals & Mineral Resources	14.5	<ul style="list-style-type: none"> Coking coal business in Australia CAPEX 	35.0	<ul style="list-style-type: none"> Upstream interests (asset replacement) and CAPEX
Chemicals	5.5	<ul style="list-style-type: none"> Industrial salt business in India CAPEX 	30.0	<ul style="list-style-type: none"> Gas- and chemical-related operations Overseas sales companies
Foods & Agriculture Business	7.0	<ul style="list-style-type: none"> Foods-related company in Vietnam CAPEX 	20.0	<ul style="list-style-type: none"> Construction of business foundations in Southeast Asia
Retail & Lifestyle Business	8.5	<ul style="list-style-type: none"> Paper manufacturer in Vietnam Domestic investment in and operation of shopping centers 	30.0	<ul style="list-style-type: none"> ASEAN Industrial material operations Retail related businesses
Industrial Infrastructure & Urban Development	5.5	<ul style="list-style-type: none"> Industrial park businesses in Indonesia Domestic real estate business 	20.0	<ul style="list-style-type: none"> Overseas industrial parks and urban infrastructure Domestic real estate businesses
Total	91.0			

Major One-time Gain/Loss for the Year

	FY2017 Results		FY2018 Results	
Non-Resource	¥ 2.8 billion	<ul style="list-style-type: none"> •Automobile parts business •Infrastructure-related earnings etc.	¥ 1.5 billion	<ul style="list-style-type: none"> •Sale of automobile-related companies •Sales of aircraft etc.
Resource	¥ (9.8) billion	<ul style="list-style-type: none"> •Oil and gas interests 	¥ 0.4 billion	<ul style="list-style-type: none"> •Sale of oil and gas interests etc.
Total (After income tax expenses)	¥ (7.0) billion		¥ 1.9 billion	

Growth of Resource and Non-Resource Profit

(Billions of yen)				Medium-Term Management Plan 2017		
	FY2017 Results	FY2018 Results	Difference	FY2015 Results	FY2016 Results	FY2017 Results
① Profit for the year (attributable to Owners of the Company)	56.8	70.4	+13.6	36.5	40.8	56.8
(② Total one-time income movements)	(7.0)	1.9	+8.9	0.0	(6.0)	(7.0)
① - ② Profit for the year [(attributable to owners of the Company)] (Excluding one-time income movements)	63.8	68.5	+4.7	36.5	46.8	63.8
Resource	13.8	25.3	+11.3	(0.5)	0.3	13.8
Non-Resource	50.0	43.2	(6.8)*	37.0	46.5	50.0

* (2.0)billions of Other included

Commodity Prices, Foreign Exchange, and Interest Rate

	FY2017 Results (Annual Avg.)	FY2018 Results (Annual Avg.)	FY2019 Initial Assumptions (Annual Avg.)	Latest Data (As of April 23, 2019)
Crude oil (Brent)	US\$57.9/bbl	US\$70.8/bbl	US\$60.0/bbl	US\$74.5/bbl
Thermal Coal *1	US\$93.9/t	US\$105.8/t	US\$80.0/t	US\$88.9/t
Exchange rate *2	¥110.7/US\$	¥111.1/US\$	¥110.0/US\$	¥111.9/US\$
Interest rate (TIBOR)	0.06%	0.07%	0.10%	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】

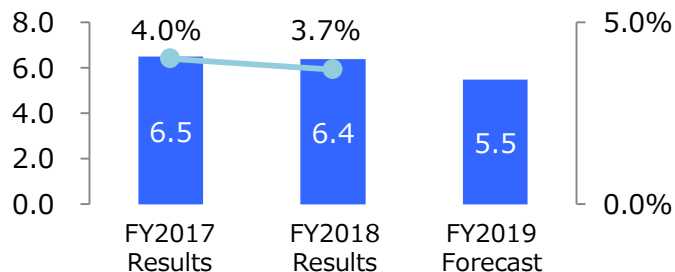
Ⅱ . Segment Information

Automotive



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

(Billions of Yen)

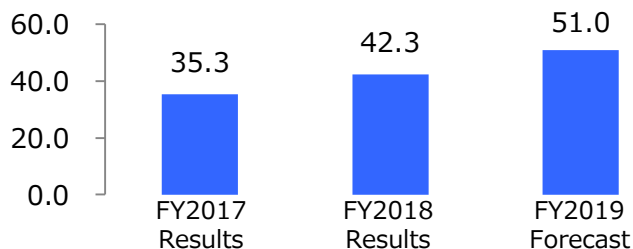


【FY2019 Outlook】

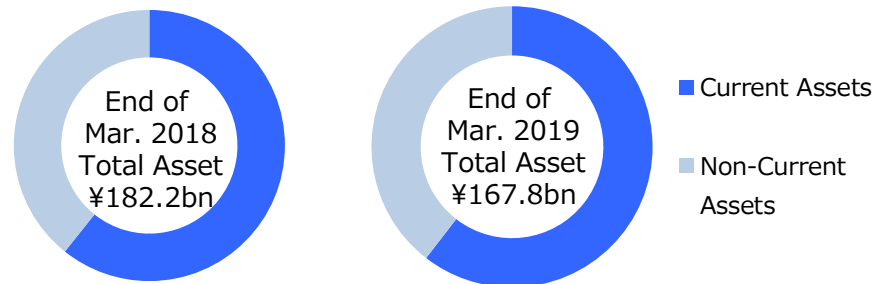
In spite of the absence of earnings from an automobile-related company sold in the previous fiscal year, earnings from existing and new consolidated subsidiaries anticipated

Gross profit

(Billions of Yen)



Asset Structure



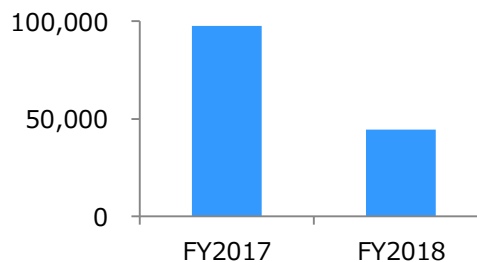
FY2018 Results

(Billions of Yen)

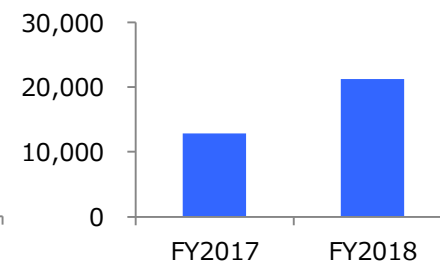
	FY2017 Results	FY2018 Results
Gross profit	35.3	42.3
Share of profit of investments accounted for using the equity method	1.8	0.3
Profit for the period (attributable to owners of the Company)	6.5	6.4
	End of Mar. 2018	End of Mar. 2019
Total assets	182.2	167.8

Vehicle Sales

Distributor Business



Dealership Business (Unit)

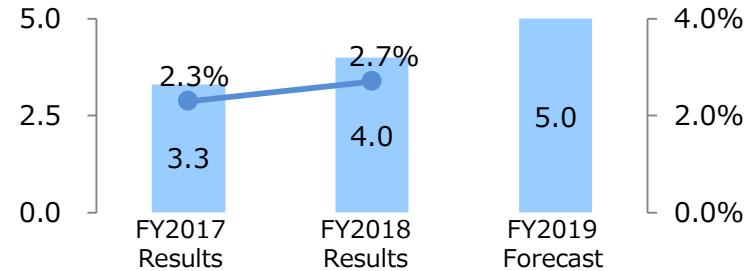


Aerospace & Transportation Project



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

(Billions of Yen)

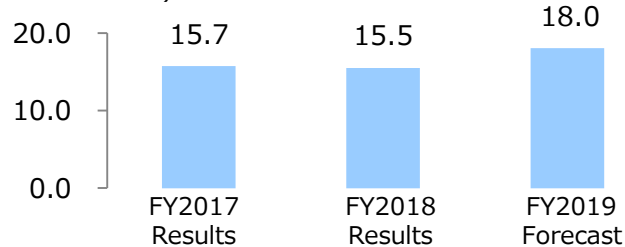


【FY2019 Outlook】

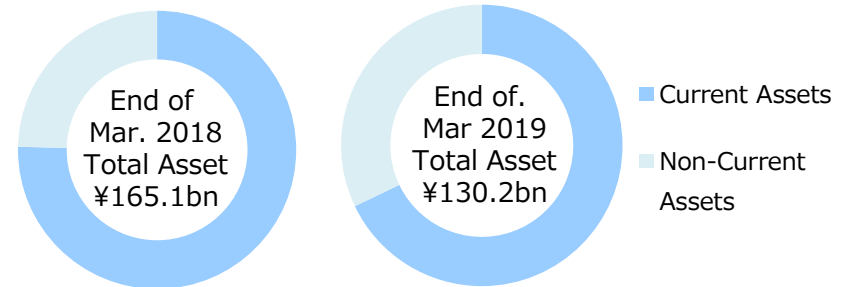
Higher earnings anticipated in conjunction with progress in aircraft-related business and railway projects

Gross profit

(Billions of Yen)



Asset Structure



FY2018 Results

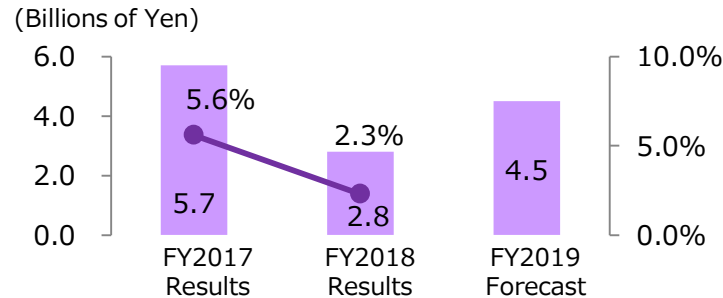
(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	15.7	15.5
Share of profit of investments accounted for using the equity method	0.4	1.0
Profit for the period (attributable to owners of the Company)	3.3	4.0
	End of Mar. 2018	End of Mar. 2019
Total assets	165.1	130.2

Machinery & Medical Infrastructure



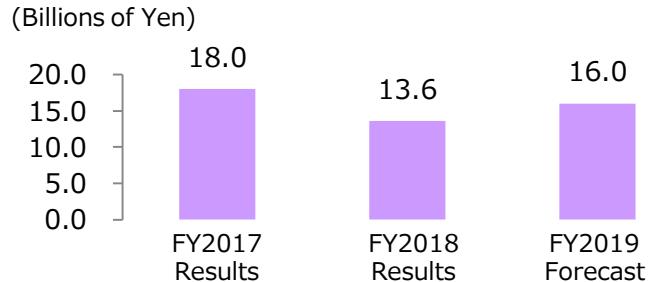
Profit for the year (attributable to owners of the Company)/ROA



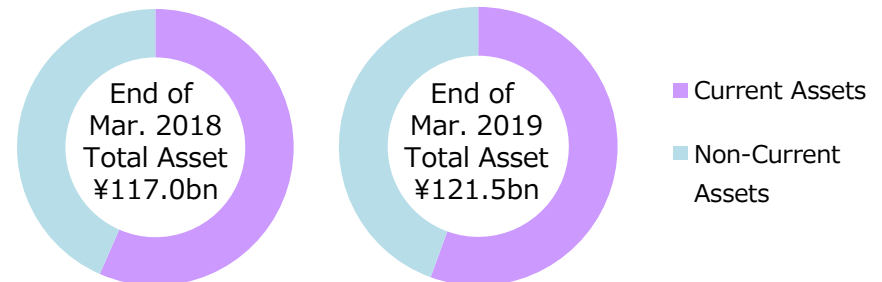
【FY2019 Outlook】

Higher profit from medical infrastructure-related businesses anticipated

Gross profit



Asset Structure



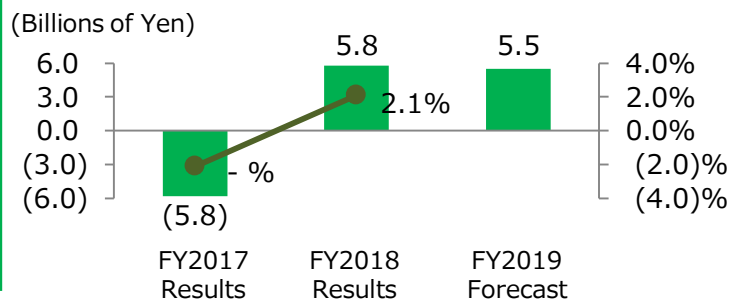
FY2018 Results

(Billions of Yen)	FY2017 Results	FY2018 Results
Gross profit	18.0	13.6
Share of profit of investments accounted for using the equity method	0.6	0.9
Profit for the period (attributable to owners of the Company)	5.7	2.8
	End of Mar. 2018	End of Mar. 2019
Total assets	117.0	121.5

Energy & Social Infrastructure

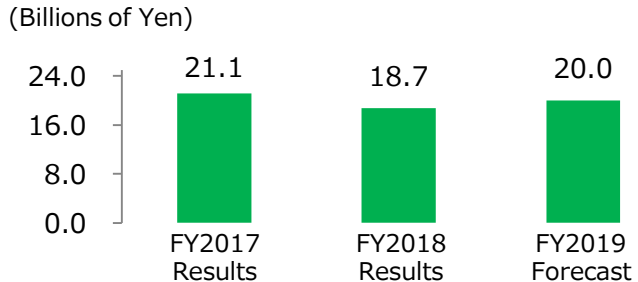


Profit for the year (attributable to owners of the Company)/ROA

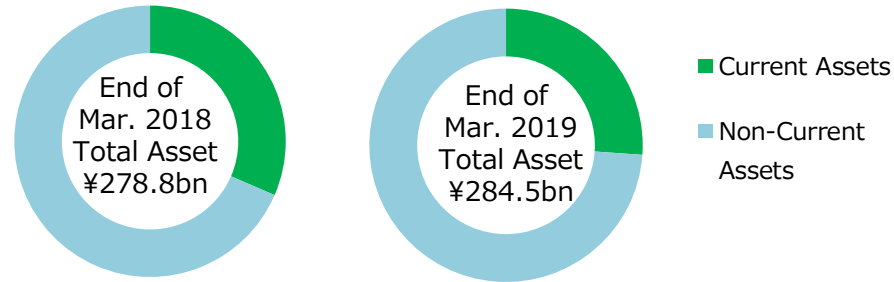


[FY2019 Outlook]
Earnings from existing and new development projects anticipated

Gross profit



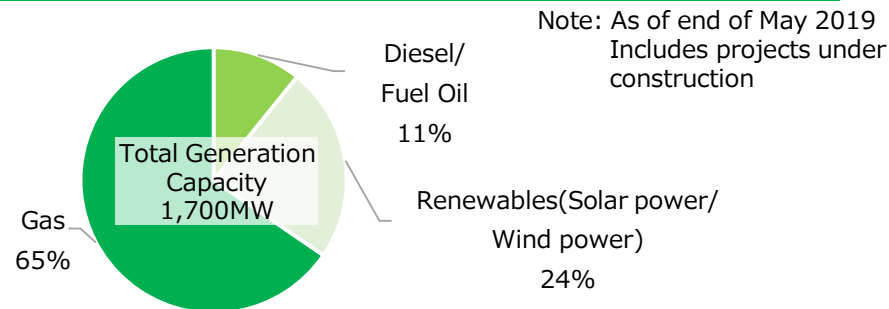
Asset Structure



FY2018 Results

(Billions of Yen)	FY2017 Results	FY2018 Results
Gross profit	21.1	18.7
Share of profit of investments accounted for using the equity method	2.9	5.7
Profit (loss) for the period (attributable to owners of the Company)	(5.8)	5.8
	End of Mar. 2018	End of Mar. 2019
Total assets	278.8	284.5

Power supply interest portfolio

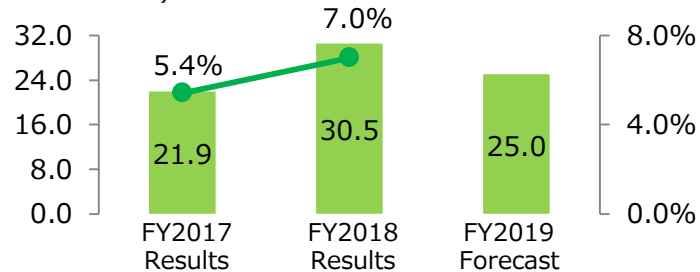


Metals & Mineral Resources



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

(Billions of Yen)

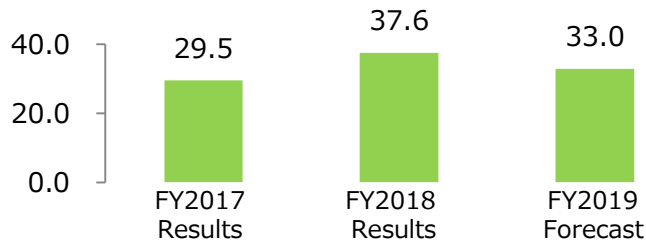


【FY2019 Outlook】

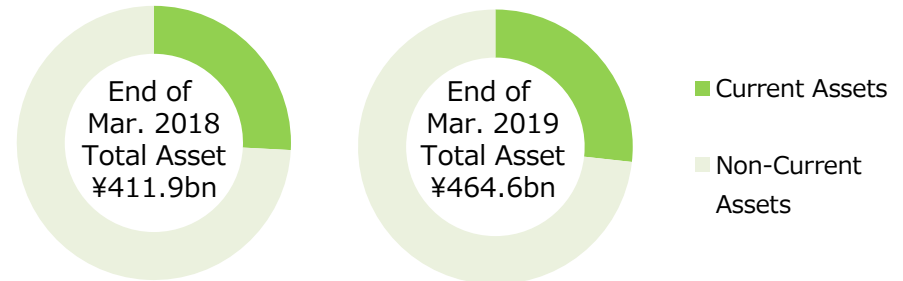
Conservative outlook for resource prices in the second half of the fiscal year incorporated into forecasts

Gross profit

(Billions of Yen)



Asset Structure

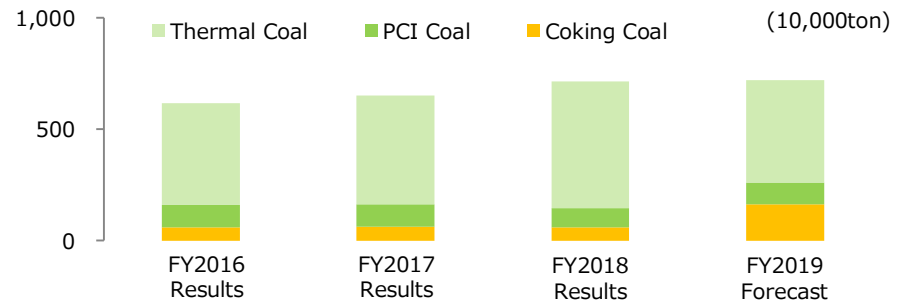


FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	29.5	37.6
Share of profit of investments accounted for using the equity method	15.7	17.7
Profit for the period (attributable to owners of the Company)	21.9	30.5
	End of Mar. 2018	End of Mar. 2019
Total assets	411.9	464.6

Sales Volume for Coal

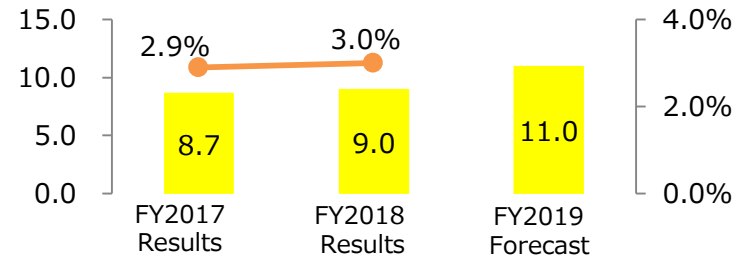


Chemicals



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

(Billions of Yen)

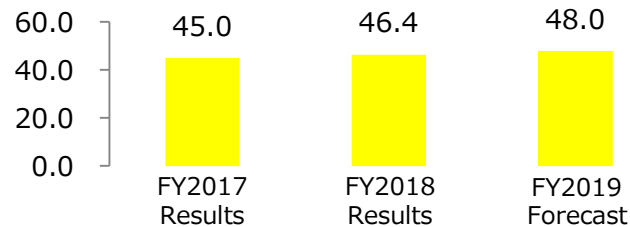


[FY2019 Outlook]

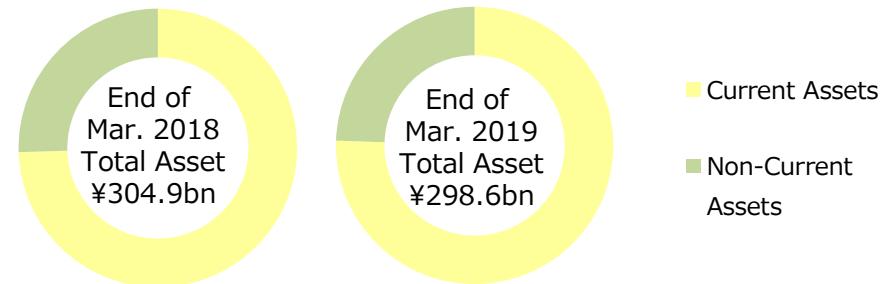
Rebound from one-time occurrences in the previous fiscal year and growth in existing businesses anticipated

Gross profit

(Billions of Yen)



Asset Structure

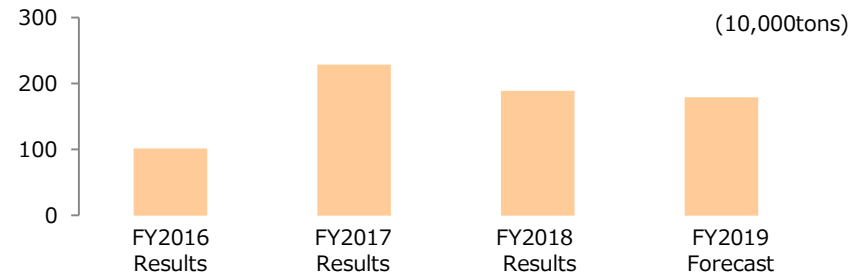


FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	45.0	46.4
Share of profit of investments accounted for using the equity method	1.3	0.9
Profit for the period (attributable to owners of the Company)	8.7	9.0
	End of Mar. 2018	End of Mar. 2019
Total assets	304.9	298.6

Sales Volume for Methanol



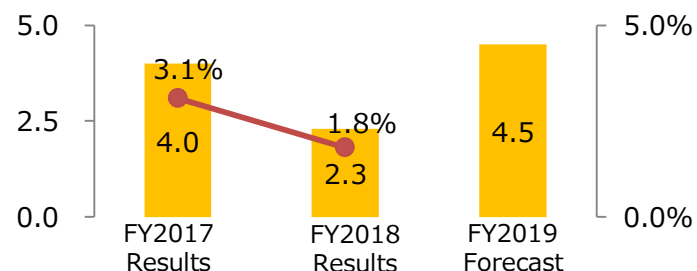
* FY2017 or later includes the sales volumes of solvadis holdings S.a.r.l.

Foods & Agriculture Business



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

(Billions of Yen)

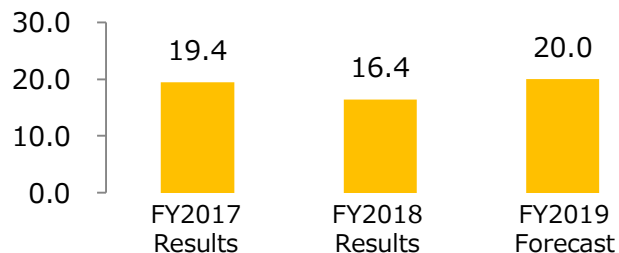


【FY2019 Outlook】

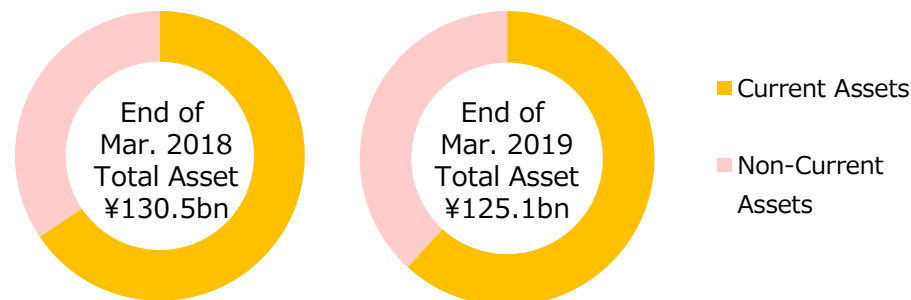
Higher earnings anticipated due to reconsideration of sales method in overseas fertilizer operations and improved profits from new projects

Gross profit

(Billions of Yen)



Asset Structure



FY2018 Results

(Billions of Yen)

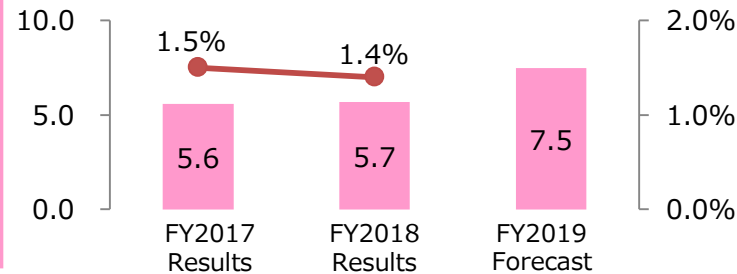
	FY2017 Results	FY2018 Results
Gross profit	19.4	16.4
Share of profit of investments accounted for using the equity method	0.6	0.2
Profit for the period (attributable to owners of the Company)	4.0	2.3
	End of Mar. 2018	End of Mar. 2019
Total assets	130.5	125.1

Retail & Lifestyle Business



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

(Billions of Yen)

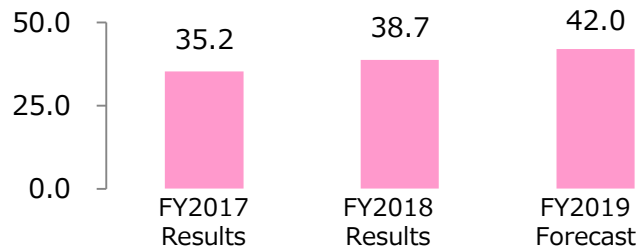


【FY2019 Outlook】

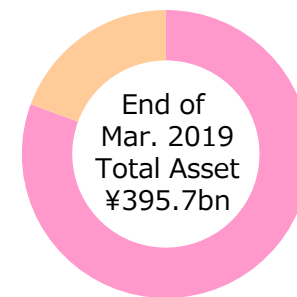
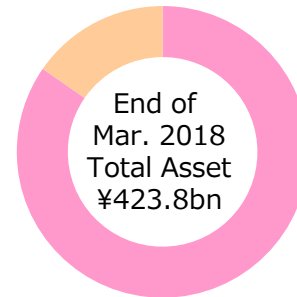
Improved profits from overseas retail operations and earnings contributions from new investments and loans anticipated

Gross profit

(Billions of Yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

FY2018 Results

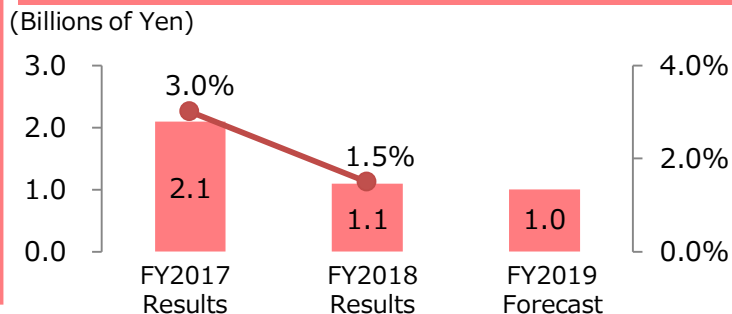
(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	35.2	38.7
Share of profit (loss) of investments accounted for using the equity method	0.3	(0.1)
Profit for the period (attributable to owners of the Company)	5.6	5.7
	End of Mar. 2018	End of Mar. 2019
Total assets	423.8	395.7

Industrial Infrastructure & Urban Development

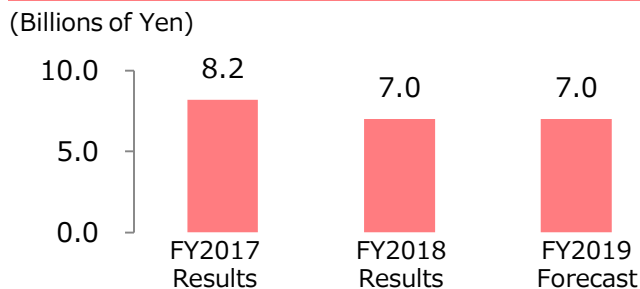


Profit for the period (attributable to owners of the Company)/ROA

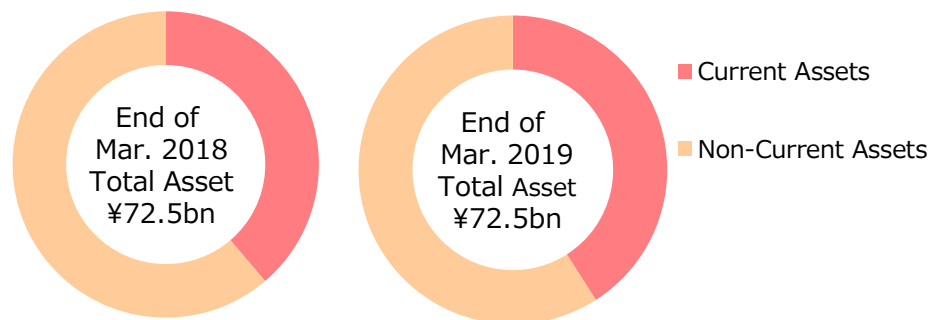


【Progress Overview】
Earnings from overseas industrial park operations anticipated

Gross profit



Asset Structure



FY2018 Results

(Billions of Yen)	FY2017 Results	FY2018 Results
Gross profit	8.2	7.0
Share of profit of investments accounted for using the equity method	1.3	0.9
Profit for the period (attributable to owners of the Company)	2.1	1.1
	End of Mar. 2018	End of Mar. 2019
Total assets	72.5	72.5

Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017	FY2018	Difference
■ Automotive	Sojitz Automotive Group	Subsidiary	1.1	1.1	0.0
■ Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	1.1	1.6	0.5
■ Automotive	Subaru Motor LLC	Subsidiary	0.5	(0.1)	(0.6)
■ Automotive	Sojitz Quality, Inc	Subsidiary	0.2	0.4	0.2
■ Aerospace & Transportation Project	Sojitz Aerospace Corporation	Subsidiary	1.1	1.0	(0.1)
■ Aerospace & Transportation Project	Sojitz Marine & Engineering Corporation	Subsidiary	0.7	0.6	(0.1)
■ Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Subsidiary	1.3	1.2	(0.1)
■ Machinery & Medical Infrastructure	Sojitz Hospital PPP Investment B.V.	Subsidiary	0.8	2.0	1.2
■ Machinery & Medical Infrastructure	First Technology China Ltd.	Subsidiary	0.5	0.5	0.0
■ Energy & Social Infrastructure	Nissho Electronics Corporation	Subsidiary	1.8	1.2	(0.6)
■ Energy & Social Infrastructure	Tokyo Yuso Corporation	Subsidiary	0.5	0.3	(0.2)
■ Energy & Social Infrastructure	LNG Japan Corporation	Associate	2.3	4.0	1.7
■ Metals & Mineral Resources	Sojitz Coal Resources Pty. Ltd.	Subsidiary	6.8	8.3	1.5
■ Metals & Mineral Resources	Sojitz Moolarben Resources Pty. Ltd.	Subsidiary	3.3	4.0	0.7
■ Metals & Mineral Resources	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	0.1	1.6	1.5
■ Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	0.6	0.6	0.0
■ Metals & Mineral Resources	Metal One Corporation	Associate	9.4	10.1	0.7

*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	FY2018	Difference
Chemicals	Sojitz Pla-Net Corporation	Subsidiary	2.0	1.4	(0.6)
Chemicals	PT. Kaltim Methanol Industri	Subsidiary	2.6	4.8	2.2
Chemicals	solvadis deutschland gmbh*	Subsidiary	0.6	0.4	(0.2)
Foods & Agriculture Business	Atlas Fertilizer Corporation	Subsidiary	0.6	0.5	(0.1)
Foods & Agriculture Business	Japan Vietnam Fertilizer Company	Subsidiary	0.7	0.4	(0.3)
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Subsidiary	0.8	0.4	(0.4)
Retail & Lifestyle Business	Sojitz Foods Corporation	Subsidiary	2.2	2.4	0.2
Retail & Lifestyle Business	Sojitz Fashion Co., Ltd.	Subsidiary	0.7	0.7	0.0
Industrial Infrastructure & Urban	Sojitz New Urban Development Corporation	Subsidiary	1.1	0.5	(0.6)

*solvadis holding S.a.r.l is merged with solvadis deutschland gmbh and changed the name of the company from November 1, 2018.

*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), Tri-Stage 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
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	1,856.2
Gross profit	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0
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	27.8
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	94.9
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	70.4
Core earnings	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2
ROA	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%
ROE	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%

(*) 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 Mar. 2019
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	2,297.1
Total equity	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	618.2
Equity ratio	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%
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	584.7
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%	157.1%
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%	82.9%

(*) 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.

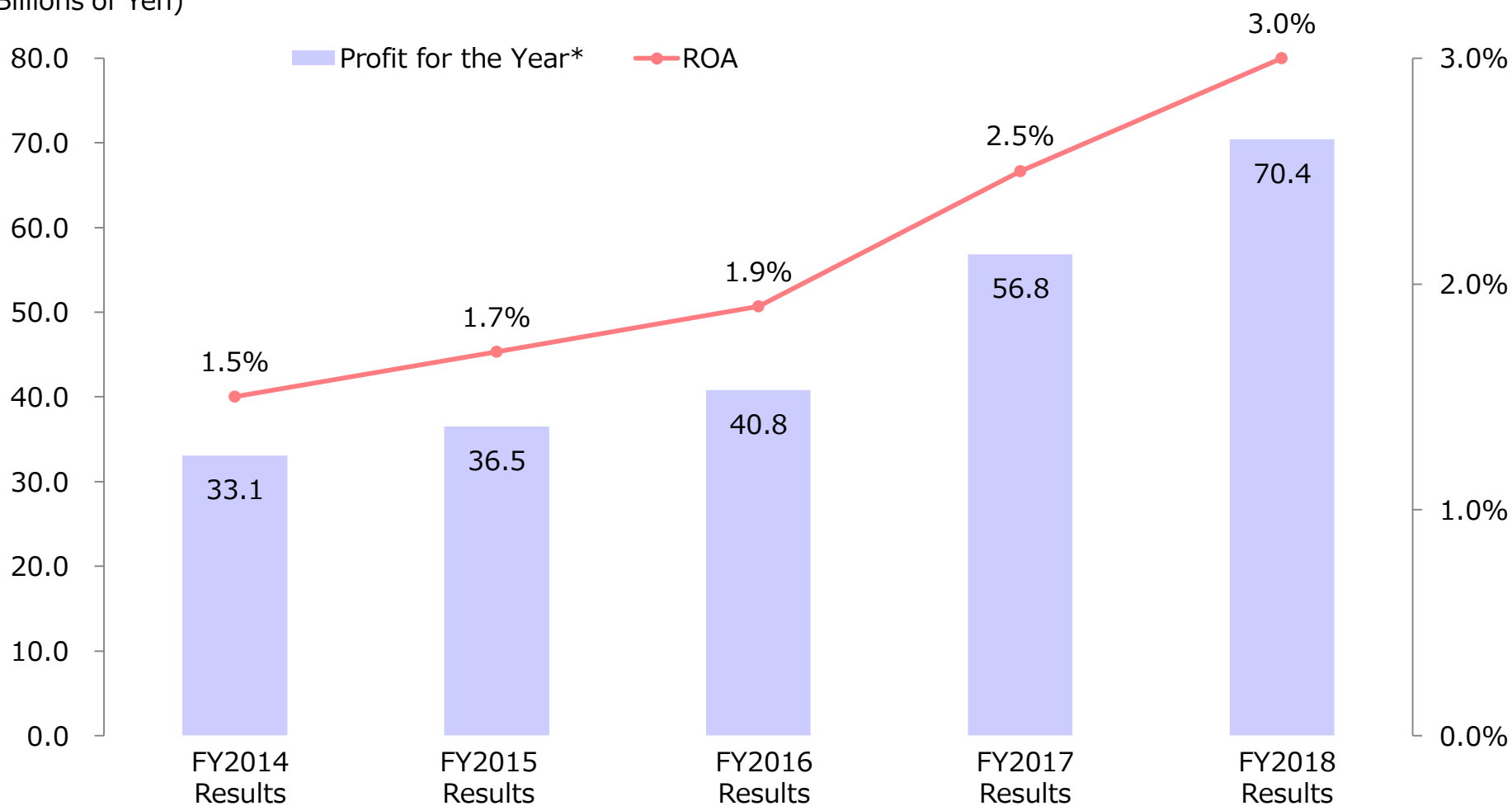
Summary of Cash Flow (Results)

(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 Mar. 2019
Core cash flow	–	–	–	–	–	–	–	–	18.3	5.5	(56.7)	63.1
Free cash flow	(33.3)	86.5	135.7	48.0	46.4	43.4	22.5	25.3	66.0	(31.3)	12.4	54.3
Core operating cash flow	–	–	–	–	–	–	–	–	60.0	59.4	82.9	79.1
Cash flow from operating activities	35.4	103.7	107.2	67.9	88.7	55.1	47.0	39.1	99.9	0.9	98.8	96.5
Cash flow from investment activities	(68.7)	(17.2)	(28.4)	(19.9)	(42.3)	(11.7)	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)
Cash flow from financing activities	(53.7)	(6.0)	(102.6)	(72.1)	(29.5)	(56.2)	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)
Investments and loans	110.0	100.0	27.0	73.0	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0

※Core cash flow = Core operating cash flow + Investing cash flow (including asset replacement) – 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.)

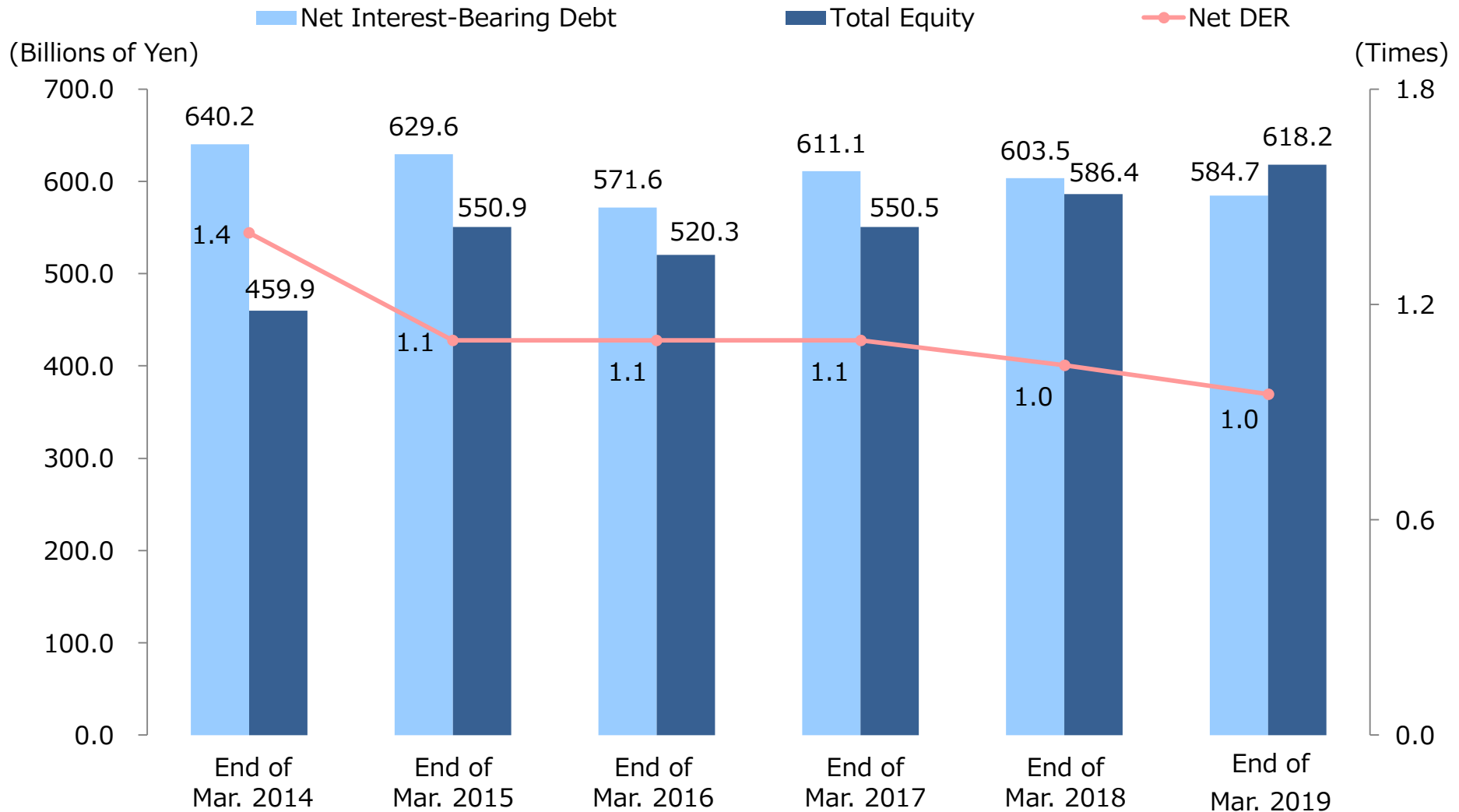
Summary of Profit or Loss

(Billions of Yen)

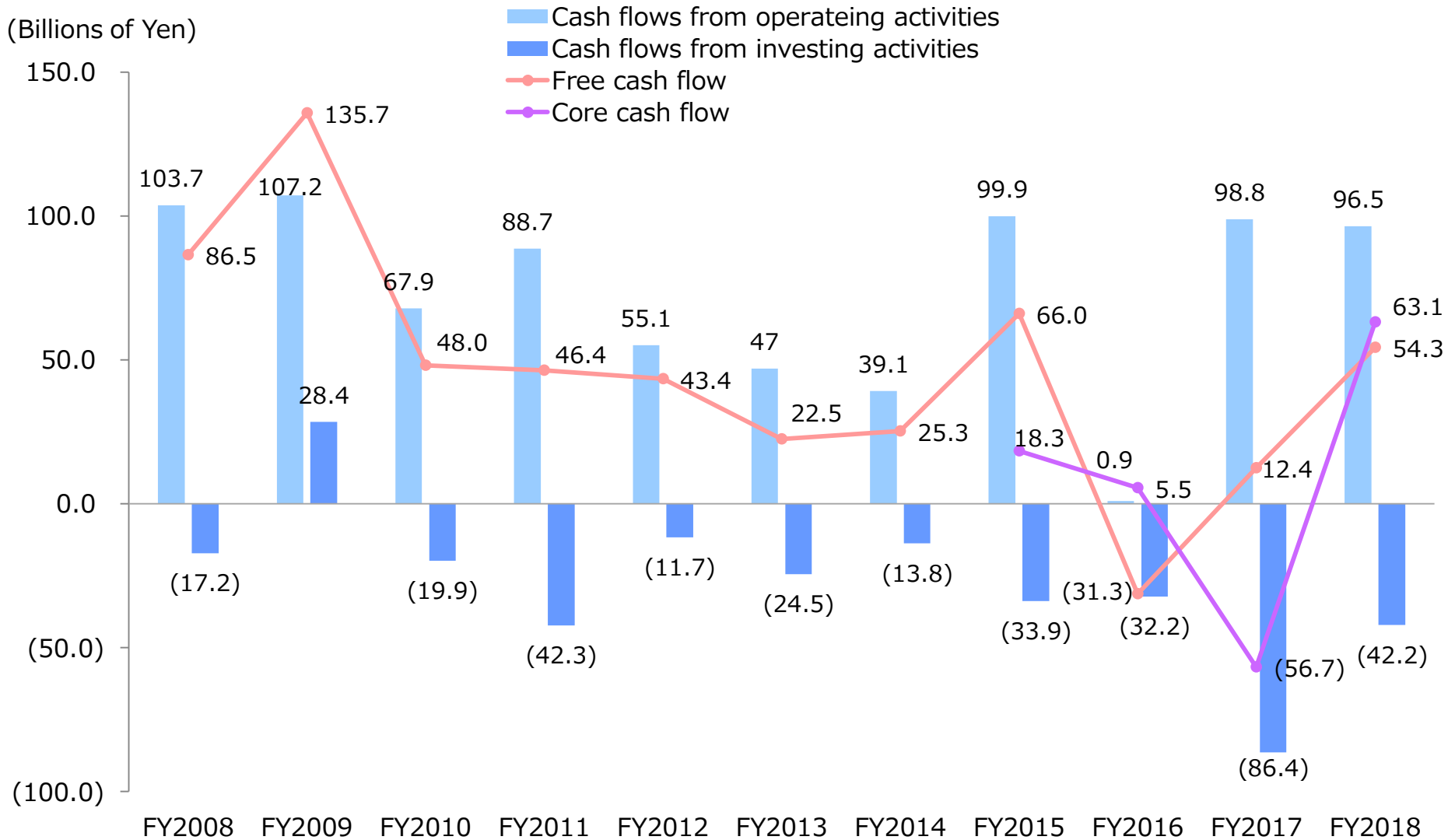


* Attributable to owners of the Company

Summary of Balance Sheets



Summary of Cash Flow





sojitz

New way, New value

Summary of Consolidated Financial Results for the Year Ended March 31, 2019 (IFRS)

May 8, 2019

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: Yoichi Yanagisawa , GM, Public Relations Dept. TEL +81-3-6871-3404

Scheduled date of Ordinary General Shareholders' Meeting: June 20, 2019

Scheduled filing date of financial report: June 20, 2019

Scheduled date of delivery of dividends: June 21, 2019

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 Year Ended March 31, 2019 (April 1, 2018 - March 31, 2019)

(1) Consolidated Operating Results

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

	Revenue		Profit before tax		Profit for the year		Profit attributable to owners of the Company		Total comprehensive income for the year	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the year ended										
March 31, 2019	1,856,190	2.2	94,882	18.1	75,219	21.9	70,419	23.9	54,948	7.1
March 31, 2018	1,816,459	16.8	80,343	38.6	61,694	40.0	56,842	39.5	51,326	16.3

	Basic earnings per share	Diluted earnings per share	Profit ratio to equity attributable to owners of the Company	Profit before tax ratio to total assets
	Yen	Yen	%	%
For the year ended				
March 31, 2019	56.34	56.34	11.7	4.1
March 31, 2018	45.44	45.43	10.0	3.6

Note : Share of profit (loss) of investments accounted for using the equity method

March 31, 2019 : 27,779 millions of yen March 31, 2018 : 25,057 millions of yen

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	Total equity per share attributable to owners of the Company
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
As of					
March 31, 2019	2,297,059	661,607	618,295	26.9	494.94
March 31, 2018	2,350,351	625,124	586,464	25.0	468.81

(3) Consolidated Statements of Cash Flows

	Operating activities	Investing activities	Financing activities	Cash & cash equivalents at the end of the year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the year ended				
March 31, 2019	96,476	(42,200)	(74,907)	285,687
March 31, 2018	98,812	(86,407)	(13,052)	305,241

2. Cash Dividends

	Cash divided per share					Total amount of cash dividends (annual)	Consolidated payout ratio	Dividend on total equity attributable to owners of the Company (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
For the year ended	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
March 31, 2018	-	5.00	-	6.00	11.00	13,760	24.2	2.4
March 31, 2019	-	7.50	-	9.50	17.00	21,266	30.2	3.5
March 31, 2020(forecast)	-	8.50	-	8.50	17.00		29.5	

Note : Changes in cash dividend forecast : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2020 (April 1, 2019 - March 31, 2020)

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
	Millions of Yen	%	Yen
For the Year Ending			
March 31, 2020			
Full-year	72,000	2.2	57.60

Note : 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

Scheduled 1. Changes in accounting policies required by IFRS : Yes

2. Changes due to other reasons : No

Scheduled 3. Accounting estimate change : No

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

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

As of March 31, 2019: 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 March 31, 2019 : 2,260,444 As of March 31, 2018 : 528,747

3. Average number of outstanding shares during the periods:

For the Year ended March 31, 2019 (accumulative): 1,249,847,151

For the Year ended March 31, 2018 (accumulative): 1,250,975,218

Notes: For information on the number of shares used to calculate consolidated earnings per share, please refer to "(Earnings per share)" under "5. Consolidated Financial Statements" of this document.

The above figures for treasury shares do not include shares held as part of mutual holdings with investments accounted for using the equity method

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 shares.

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

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

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

1. Analysis of Business Results

(1) Overview of Fiscal 2018 (April 1, 2018 — March 31, 2019)

Economic Environment

In the year ended March 31, 2019, the deceleration of the Chinese economy and the trade friction between the United States and China created signs of slowdown in the global economy, which had previously been supported by strong consumption.

In the United States, the stock market suffered a temporary decline as a result of the uncertainty arising from the trade friction between the United States and China and debt issues stemming from the House of Representatives and the Senate being controlled by different political parties. Nonetheless, the U.S. economy proved firm as the country shifted toward quantitative easing and other flexible financial policies, tax reforms and other measures contributed to solid trends in personal and capital investment, and corporate performance remained stable overall. Conversely, the United States had adverse impacts on the global economy and commodity prices through its trade friction with China, its institution of stronger sanctions on Iran, and other aspects of its foreign policy.

Overall economic growth in Europe was sluggish, with the most notable stagnancy being seen in Germany. Factors behind this situation included poor growth in exports attributable to trade friction between the United States and China and the European Union and economic slowdown in China. There is also a rising sense of uncertainty in this region amid concern for the potential impacts of trade negotiations between the United States and Germany as well as for the United Kingdom's consensus-lacking withdrawal from the European Union.

China saw the implementation of economic policies pertaining to infrastructure investment and tax reductions. Meanwhile, there was concern for further economic slowdown. The potential intensification and medium- to long-term impacts of trade friction with the United States are also matters warranting attention going forward.

Asia enjoyed a stable economy due to relatively solid internal demand. Conditions were stable regardless of the impacts of economic slowdown in China as well as the fact that there was a trend toward people buying back the currencies of Asian countries as projections that the United States would be instituting an interest rate hike were retracted.

In Japan, relatively stable economic growth was achieved as the benefits of the solid trends in consumer spending and capital investment outweighed the impacts of the deceleration of the Chinese economy and trade friction between the United States and China.

Financial Performance

Sojitz Corporation's consolidated business results for the year ended March 31, 2019 are presented below.

Revenue	Revenue was up 2.19% year on year, to ¥1,856,190 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.
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Gross profit	Gross profit increased ¥8,576 million year on year, to ¥240,956 million, as a result of the rise in revenue.
Profit before tax	Profit before tax increased ¥14,539 million year on year, to ¥94,882 million, as a result of higher gross profit and an increase in share of profit (loss) of investments accounted for using the equity method due to higher profit at an LNG operation company.
Profit for the year	After deducting income tax expenses of ¥19,662 million from profit before tax of ¥94,882 million, profit for the period amounted to ¥75,219 million, up ¥13,525 million year on year. Profit for the period (attributable to owners of the Company) increased ¥13,577 million year on year, to ¥70,419 million.
Comprehensive income for the year	Regardless of the fact that foreign currency translation differences for foreign operations placed downward pressure on income and financial assets measured at fair value through other comprehensive income were down, comprehensive income for the year increased ¥3,622 million year on year, to ¥54,948 million, because of higher profit for the year. Comprehensive income for the year (attributable to owners of the Company) was up ¥3,508 million year on year, to ¥50,938 million.

Results for the year ended March 31, 2019, 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 28.9% year on year, to ¥242,499 million, due to the acquisition of new domestic and overseas automotive dealership and other businesses. Profit for the year (attributable to owners of the Company) decreased ¥106 million, to ¥6,409 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 19.0% year on year, to ¥27,811 million, due to the absence of gains on new ship turnovers recorded in the previous equivalent period. Profit for the year (attributable to owners of the Company) rose ¥684 million, to ¥3,962 million, due to an increase in other income associated with gains on sales of aircraft.

Machinery & Medical Infrastructure

Revenue was down 8.0% year on year, to ¥107,010 million, as a result of a decline in industrial machinery transactions. Profit for the year (attributable to owners of the Company) decreased ¥2,908 million, to ¥2,763 million, due to the rebound from earnings contributions from infrastructure-related projects recorded in the previous equivalent period.

Energy & Social Infrastructure

Revenue was down 35.6%, to ¥74,791 million, as a result of lower petroleum product transactions.

Profit for the year (attributable to owners of the Company) of ¥5,786 million was recorded, in comparison with loss for the period (attributable to owners of the Company) of ¥5,822 million in the year ended March 31, 2018. Main factors occurred in the year ended March 31, 2019 are a rise in other income associated with a gain on the sales of an overseas solar power business operating company and an increase in share of profit of investments accounted for using the equity method associated with higher profit of LNG operating company.

Metals & Mineral Resources

Revenue was up 18.2%, to ¥383,170 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 ¥8,581 million, to ¥30,463 million, due to higher gross profit and an increase in share of profit of investments accounted for using the equity method.

Chemicals

Revenue was down 2.0% year on year, to ¥505,101 million, following the Company's withdrawal from low-profit transactions. Profit for the period (attributable to owners of the Company) increased ¥282 million, to ¥8,984 million, as a result of an increase in gross profit stemming from a rise in the price of methanol.

Foods & Agriculture Business

Revenue was down 10.5%, to ¥128,293 million, following lower feed material transactions. Profit for the period (attributable to owners of the Company) decreased ¥1,749 million, to ¥2,280 million, as a result of a decline in the profit of overseas fertilizer businesses.

Retail & Lifestyle Business

Revenue was up 8.5% year on year, to ¥317,373 million, as a result of the acquisition of an overseas paper manufacturer and higher beef transactions. Profit for the period (attributable to owners of the Company) increased ¥85 million, to ¥5,724 million.

Industrial Infrastructure & Urban Development

Revenue was down 27.5% year on year, to ¥33,267 million, because of lower real estate transactions. Profit for the period (attributable to owners of the Company) decreased ¥1,052 million, to ¥1,087 million.

(2) Financial Position

Consolidated Balance Sheet

Total assets on March 31, 2019, stood at ¥2,297,059 million, down ¥53,292 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 March 31, 2019, amounted to ¥1,635,451 million, down ¥89,776 million from March 31, 2018. This decrease was largely due to decrease in trade and other payables associated with tobacco-related transactions under current liabilities.

Total equity attributable to owners of the Company was ¥618,295 million on March 31, 2019, up ¥31,831 million from March 31, 2018. This increase was largely due to accumulation of profit for the year (attributable to owners of the Company) in spite of decrease in other components of equity due to fluctuation of forex and stock prices.

Sojitz consequently, on March 31, 2019, the current ratio was 157.1%, the long-term debt ratio was 82.9%, and the equity ratio* was 26.9%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥584,711 million on March 31, 2019, ¥18,739 million decrease from March 31, 2018. This resulted in the Company's net debt equity ratio* equaling 0.95 times at March 31, 2019.

(*) 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 first 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 year ended March 31, 2019. 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\$0.31 billion has been used).

(3) Consolidated Cash Flows

In the year ended March 31, 2019, operating activities provided net cash flow of ¥96,476 million, investing activities used net cash of ¥42,200 million, and financing activities used net cash of ¥74,907 million. Sojitz ended the year with cash and cash equivalents of ¥285,687 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 ¥96,476 million, consisted of business earnings and dividends received, etc. It was down ¥2,336 million year on year.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥42,200 million, down ¥44,207 million year on year. Investment outflows for investment in a U.S. gas-fired thermal power generation business and for the acquisition of Australian coal interests exceeded inflows from the sale of investments.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥74,907 million, largely as a result of the repayment of borrowings. It was up ¥61,855 million year on year.

(4) Consolidated Earnings Forecast

Current forecast for fiscal 2019 is as follow.

Profit for the year (Attributable to owners of the Company)	¥72.0 billion
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The above forecast assumes a yen/dollar rate of ¥110/US\$

***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.

(5) Dividend Policy and Fiscal 2018-19 Dividends

In addition to paying stable dividends to shareholders on an ongoing basis, Sojitz is also committed to enhancing shareholder value and improving its competitiveness by accumulating and effectively utilizing retained earnings. This endeavor has positioned as a basic policy and a top management priority. In accordance with this basic policy, the Company will target a consolidated payout ratio of around 30% under Medium-term Management Plan 2020. The year-end dividend for the year ended March 31, 2019, to be decided as follows based on a comprehensive evaluation business results, total equity, and other factors.

1) Type of property to be distributed as dividend

Cash

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

¥9.5 per share of Sojitz common stock, ¥11,884 million in total

Including the interim dividend of ¥7.5 per share on December 3, 2018, fiscal 2018 dividends will total ¥17 per share or ¥21,266 million in aggregate.

3) Effective date of dividends from surplus

June 21, 2019

In the year ending March 31, 2020, Sojitz plans to pay an annual dividend of ¥17 per share (interim dividend of ¥8.5 plus year-end dividend of ¥8.5) based on its basic policy and earnings forecast. This amount will equate to a consolidated payout ratio of 29.5% of the forecast for profit for the year (attributable to owners of the Company).

2. Group Business Operations

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

The Group consists of 432 consolidated subsidiaries and equity method associates, including 305 consolidated subsidiaries and 127 equity method associates. (Of these, the Company directly performs consolidation accounting for a total of 266 companies consisting of 189 consolidated subsidiaries and 77 equity method associates.)

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

As of March 31, 2019

Segment	Main products and services	Main subsidiaries and associates (Main business; Status within consolidated group)
Automotive Number of consolidated subsidiaries : 27 Number of equity method associates: 5	Trading of completed automobiles, assembly and sales, retail, automobile and motorcycle parts, simply parts assembly, supply chain management, automotive parts quality inspection operations, financing, services merging IoT and FinTech	- Sojitz Autrans Corporation. (automobile and motorcycle components; tire sales; Subsidiary) - Subaru Motor LLC (Import and exclusive distribution of Subaru automobiles in Russia; Subsidiary)
Aerospace & Transportation Project Number of consolidated subsidiaries : 40 Number of equity method associates: 12	Aero business (Commercial aircraft, defense and related equipment agency and sales, business jets, used aircraft and part-out business, airport business); Transformation and social infrastructure projects (transformation projects; port, airport, and other social infrastructure projects); Marine business (New building, second-hand ships, ship chartering, ship equipment, ship owning)	- Sojitz Aerospace Corporation (Import, export and sale of aero-related and defense-related equipment; Subsidiary) - Sojitz Marine & Engineering Corporation (Sale, purchase and charter brokerage of ships, ship operation management, domestic sale and import/export of marine-related equipment and materials; Subsidiary)
Machinery & Medical Infrastructure Number of consolidated subsidiaries : 14 Number of equity method associates: 12	Plant Projects (Fertilizer & chemical, energy, infrastructure and environmental projects); Industrial Machinery (Industrial machinery, surface-mounting machines, start-ups); Bearings; Medical Infrastructure (Hospital PPP, Medical-related service, Medical platforms)	- Sojitz Machinery Corporation (Trading and sale of general industrial machinery; Subsidiary) - Sojitz Hospital PPP Investment B.V. (Investment in hospital PPP business; Subsidiary) - First Technology China Ltd. (Sales and service of surface-mounting machines and semiconductor-related equipment; Subsidiary)
Energy & Social Infrastructure Number of consolidated subsidiaries : 43 Number of equity method associates: 27	Infrastructure & Environment (Renewable energy, IPP projects); Power-related projects (IPP and IWPP projects, power plant EPC business); Nuclear power & energy (Oil and gas; petroleum products; LNG; nuclear fuels; nuclear power-related equipment and machinery and LNG-related business); Social infrastructure projects (telecommunications platform projects; energy management; next-generation infrastructure projects utilizing IoT, AI, and big data); Sales and maintenance of communications and IT equipment; systems integration, software development and sales, data centers, cloud services, and managed services, Business Process Outsourcing (BPO)	- Nissho Electronics Corporation (IT systems, network services; Subsidiary) - Mirai Power (Kamikita Rokkasho) Corporation (Solar power generation project; Subsidiary) - Tokyo Yuso Co., Ltd. (Stockpiling of petroleum products etc., storage, logistics; Subsidiary) - Blue Horizon Power International Ltd. (Investment in power generation projects; Subsidiary) - Sojitz Global Investment B. V. (Investment in power generation projects; Subsidiary) - LNG Japan Corporation (LNG business and related investments and loans; Equity method associate) - SAKURA Internet Inc. (cloud services and internet data center operator; Equity method associate) *1
Metals & Mineral Resources Number of consolidated subsidiaries : 28 Number of equity method associates: 15	Coal; iron ore; ferroalloys (nickel, chromium, nickel), ores, alumina, aluminum, copper, zinc, tin, precious metals, ceramics and minerals; coke; carbon products; infrastructure businesses; steel-related business	- Sojitz Ject Corporation (Coke, carbon products, trading in various minerals; Subsidiary) - Sojitz Coal Resources Pty Ltd. (Investment in coal mines; Subsidiary) - Sojitz Resources (Australia) Pty. Ltd. (Production of alumina; Subsidiary) - Sojitz Moolarben Resources, Pty. Ltd. (Investment in coal mines; Subsidiary) - Sojitz Moly Resources, Inc. (Investment in molybdenum mines; Subsidiary) - Metal One Corporation (Import, export, and sale of, and domestic and foreign trading in, steel-related products; Equity method associate) - Coral Bay Nickel Corporation (Production and sale of nickel and cobalt mixed sulfide; Equity method associate) - Japan Alumina Associates (Australia) Pty. Ltd. (Production of alumina; Equity method associate) - Cariboo Copper Corporation (Investment in copper mine; Equity method associate)
Chemicals Number of consolidated subsidiaries : 34 Number of equity method associates: 13	Organic chemicals; inorganic chemicals; functional chemicals; fine chemicals; industrial salt; foodstuff additives; rare earths; commodity resins; raw materials for plastics including engineering plastics; films and sheets for industry, packaging, and foodstuffs; plastic molding machines; other plastic products; electronics materials including liquid crystals and electrolytic copper foil; fiber materials and products for use in industrial supplies	- Sojitz Pla-Net Corporation (Trading and sale of plastics and related products; Subsidiary) - Pla Matels Corporation (Trading and sale of plastics and related products; Subsidiary) *1 - P. T. Kaltim Methanol Industri (Manufacture and sale of methanol; Subsidiary) - solvadis deutschland gmbh (Trading and sale of chemical products ; Subsidiary)
Foods & Agriculture Business Number of consolidated subsidiaries : 18 Number of equity method associates: 9	Grains; flour; oils and fats; oil stuff; feed materials; marine products; processed seafood; sweets; raw ingredients for sweets; coffee beans; sugar; other foodstuffs and raw ingredients; compound chemical fertilizers	- Thai Central Chemical Public Co., Ltd (Manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary) - Atlas Fertilizer Corporation (Manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary) - Fuji Nihon Seito Corporation (Manufacture, refining, processing and sale of sugar; Equity method associate) *1
Retail & Lifestyle Business Number of consolidated subsidiaries : 29 Number of equity method associates: 17	Cotton and synthetic fabrics; non-woven fabrics; knitted fabrics and products; raw materials for textiles; clothing; construction materials; imported timber; timber products such as lumber, plywood, and laminated lumber; manufacture and sale of wood chips; imported tobacco; Aquaculture products; processed aquaculture products; fruits and vegetables; frozen vegetables; frozen foods; sweets; raw ingredients for sweets; sugar; other foodstuffs and raw ingredients; real estate-related businesses (investment, dealing, leasing, management, etc.); administration of shopping centers; interior accessories; bedclothes and home fashion-related products; nursery items; general commodities; Household- and industrial-use paper	- Sojitz Building Materials Corporation (Sale of construction materials; Subsidiary) - Sojitz Foods Corporation (Sale of sugar, dairy products, farmed and marine products, processed foods, and other foodstuffs; Subsidiary) - Daiichibo Co., Ltd. (Manufacture and sale of textiles, storage distribution, shopping center management; Subsidiary) - Sojitz Fashion Co., Ltd. (Processing and sale of fabrics; Subsidiary) - Sojitz Infinity Inc. (Planning, manufacture, and sale of apparel; Subsidiary) - Sojitz General Merchandise Corporation (Import, export and domestic wholesale of general commodities; Subsidiary) - Saigon Paper Corporation (Manufacture and sale of household and industrial paper and other paper products; Subsidiary) - JALUX Inc. (Logistics and services in the in-flight, airport retail, lifestyle-related, and customer service business fields; Equity method associate) *1 - Tri-Stage inc. (Direct marketing support operations; Equity method associate) *1
Industrial Infrastructure & Urban Development Number of consolidated subsidiaries : 12 Number of equity method associates: 3	Overseas industrial park businesses; real estate-related businesses (investment, dealing, leasing, management, etc.)	- Sojitz New Urban Development Corporation (Development and consignment sales of newly constructed condominiums, real estate brokerage, development and ownership of rental apartments, sale of residential-related products ; Subsidiary) - Sojitz General Property Management Corporation (Condominium and office building management, real estate agency services ; Subsidiary) - PT. Puradelta Lestari Tbk (New city development including industrial parks; Equity method associate)
Other Number of consolidated subsidiaries : 17 Number of equity method associates: 2	Administration, domestic branches, logistics and insurance services	- Sojitz Kyushu Corporation (Domestic regional operating company; Subsidiary) - Sojitz Logistics Corporation (Logistic services; land, sea and air cargo handling; international non vessel operating common carrier (NVOCC) transportation; Subsidiary) - Sojitz Insurance Agency Corporation (Insurance agency services; Subsidiary) - Sojitz Tourist Corporation (Travel agency; Subsidiary) - Sojitz Shared Service Corporation (Shared services and consulting regarding HR, accounting and finance; temporary staffing services; Subsidiary) - Sojitz Research Institute (Research and consulting; Subsidiary)
Overseas branches Number of consolidated subsidiaries : 43 Number of equity method associates: 12	We are engaged in wide range of activities as a general trading company, trading in thousands of products overseas.	- Sojitz Corporation of America (Subsidiary) - Sojitz Europe plc (Subsidiary) - Sojitz Asia Pte. Ltd (Subsidiary) - Sojitz (Hong Kong) Ltd. (Subsidiary) - Sojitz (China) Co., Ltd. (Subsidiary)

(*1) The following five companies are listed in the Japanese stock market as of March 31, 2019: SAKURA Internet Inc. (TSE 1st section), JALUX Inc. (TSE 1st section), Fuji Nihon Seito Corporation (TSE 2nd section), Tri-Stage inc. (Mothers) and Pla Matels Corporation (JASDAQ).

3. Management Policies

(1) Fundamental Policy

Based on the articles of Sojitz Group Statement and the Sojitz Group Slogan, the Sojitz Group is committed to maximizing two types of value: “value for Sojitz,” which contributes to the fortification of our business foundation and to ongoing growth, and “value for society,” which contributes to economic development on regional and national scales and to human rights and environmental awareness.

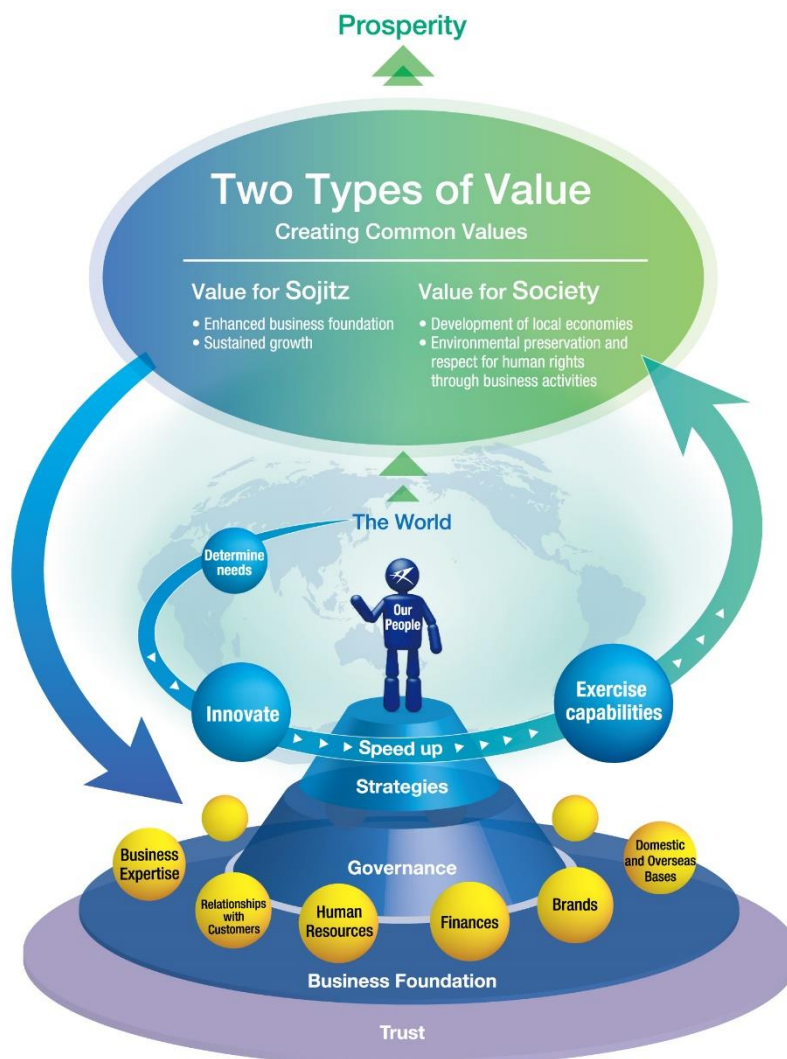
Sojitz Group Statement

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

Sojitz Group Slogan

New way, New value

Sojitz's Value Creation Model



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

Medium-Term Management Plan 2020

Medium-Term Management Plan 2020—Commitment to Growth—is the three-year plan established by the Sojitz Group started in April 2018. Initiatives are currently being implemented to accomplish the goals of this plan.

Under this plan, the Sojitz Group will pursue steady growth by increasing the value of its assets while managing cash flows to continue conducting disciplined investments and loans (total of ¥300.0 billion over the three-year period of the medium-term management plan).

Our target for profit for the year (attributable to owners of the Company) in the final year of the plan will be ¥75.0 billion or more, which is to be achieved through average annual growth of approx.10% over the plan period from the previous year. More information on Medium-Term Management Plan 2020 can be found on Sojitz's corporate website (<https://www.sojitz.com/en/>).

The targeted performance indicators in Medium-Term Management Plan 2020 are as follows.

Performance Indicator	Target
ROA	3% or above
ROE	10% or above
Net D/E ratio	1.5 times or lower
Dividend payout ratio	Approximately 30%

Based on the Company's shareholders equity costs of approximately 7% to 8%, targets for the management indicator of return on equity (ROE) have been set. In addition, Companywide targets have been formulated for return on assets (ROA) along with segment ROA targets for the final year of the medium-term management plan to facilitate efforts to achieve the ROE targets.

In the year ended March 31, 2019, the first year of Medium-Term Management Plan, the deceleration of the Chinese economy and trade friction between the United States and China created signs of slowdown in the global economy, which had previously been supported by strong consumption. In this environment, profit for the year (attributable to owners of the Company) of ¥70.4 billion was recorded. Factors contributing to this outcome included increased sales in the Metals & Mineral Resources Division, a result of rises in prices and transactions volumes for coal and other resources; the profits realized from new investments and loans executed under the period of the previous and current medium-term management plans; and an

improved balance of other income and expenses stemming from increase of a gain from LNG operating company.

In order to achieve the sustainable growth described in Medium-Term Management Plan 2020, the Sojitz Group will continue to adhere to its policy of conducting approximately 300.0 billion of new investments and loans. By enacting this policy, we will accumulate quality assets to accomplish the disclosed target of contributions to profit for the year [(attributable to owners of the Company)] of ¥10.0 billion or more from investments and loans in the year ending March 31, 2021. Investments and loans in the year ended March 31, 2019, amounted to around ¥90.0 billion. Specific investment targets included automotive, power, and other infrastructure projects and coking coal interests, areas in which the Sojitz Group has prior investment experience, and papermaking and containerboard operations in Vietnam, a country in which the Group boasts strengths.

Furthermore, the Sojitz Group is advancing initiatives targeting future growth. For example, a corporate venture capital fund was established to invest in start-ups in countries around the world and measures are being implemented to create innovation and acquire and reinforce functions.

Through the implementation of the Medium-Term Management Plan, the Company seeks to accomplish the goals of the Sojitz Group Statement and achieve ongoing growth. To this end, we are increasing our focus on sustainability in management and furnishing foundations and systems based on our six Key Sustainability Issues (Materiality) and on our policy of incorporating the resolution of environmental and social issues into Sojitz's business. In addition, sustainability challenges have been established as a long-term vision to define the Sojitz Group's stance toward long-term initiatives for addressing climate change, human rights, and other global social issues.

In the year ending March 31, 2020, the Sojitz Group will accelerate the strategies described in Medium-Term Management Plan 2020. At the same time, we will endeavor to boost the value of businesses and assets in which investment has already been conducted even in the current economic climate, which is characterized by high volatility in commodity prices and other conditions, while proactively accumulating quality assets for fueling ongoing growth with emphasis placed on cash flow management. These efforts will be made to ensure the accomplishment of steady growth.

The Company forecasts consolidated profit for the year [(attributable to owners of the Company)] of ¥72.0 billion in the year ending March 31, 2020.

Medium-Term Management Plan 2020

~ Commitment to Growth ~

Under Medium-Term Management Plan 2020, we will endeavor to link prior initiatives to growth while engaging in ambitious undertakings to achieve steady growth going forward.

Achieve steady growth

- Continue investing in future growth
- Realize earnings contributions from previously executed investments and loans
- Improve business and asset value and reinforce business management capabilities

Challenge for future growth

- Reinforce functions for growth
- Enhance strategies and implementation capabilities
- Challenge for new initiatives

Disciplined Balance Sheet and Cash Flow Management

Maximization of human resources capabilities

Risk Management Strategies

Corporate Governance

Improvement of procurement quality

Exercise comprehensive strength and strengthen competitiveness

Achievement of continuous growth

Establishment of sustainable growth

Establish business domains and foundations of strength

Further growth and challenge

4. Basic Policy Regarding Selection of Accounting Standards

Sojitz Corporation has adopted International Financial Reporting Standards (IFRS) to improve the convenience and international comparability of its financial information and to standardize accounting treatments within the Group.

5. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In millions of Yen)

	FY 2017 (As of March 31, 2018)	FY 2018 (As of March 31, 2019)
Assets		
Current assets		
Cash and cash equivalent	305,241	285,687
Time deposits	2,788	2,922
Trade and other receivables	549,789	690,678
Derivatives	2,703	2,060
Inventories	396,020	220,621
Income tax receivables	5,094	6,714
Other current assets	106,234	58,965
Subtotal	1,367,872	1,267,650
Assets as held for sale	8,425	—
Total current assets	1,376,297	1,267,650
Non-current assets		
Property, plant and equipment	172,135	192,902
Goodwill	65,842	66,198
Intangible assets	44,057	49,145
Investment property	24,486	20,875
Investments accounted for using the equity method	407,284	424,152
Trade and other receivables	63,824	84,145
Other investments	182,949	173,066
Derivatives	49	46
Other non-current assets	8,794	12,683
Deferred tax assets	4,630	6,192
Total non-current assets	974,053	1,029,409
Total assets	2,350,351	2,297,059
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	654,138	582,296
Bonds and borrowings	113,497	149,695
Derivatives	3,394	2,511
Income tax payables	13,632	10,775
Provisions	2,069	1,026
Other current liabilities	55,004	60,793
Subtotal	841,735	807,098
Liabilities directly related to assets as held for sale	4,182	—
Total current liabilities	845,918	807,098
Non-current liabilities		
Bonds and borrowings	797,982	723,625
Trade and other payables	4,759	12,563
Derivatives	2,634	2,693
Retirement benefits liabilities	22,016	22,139
Provisions	21,000	36,292
Other non-current liabilities	9,968	11,235
Deferred tax liabilities	20,946	19,802
Total non-current liabilities	879,308	828,353
Total liabilities	1,725,227	1,635,451
Equity		
Share capital	160,339	160,339
Capital surplus	146,512	146,645
Treasury stock	(174)	(865)
Other components of equity	124,348	107,576
Retained earnings	155,437	204,600
Total equity attributable to owners of the Company	586,464	618,295
Non-controlling interests	38,659	43,312
Total equity	625,124	661,607
Total liabilities and equity	2,350,351	2,297,059

(2) Consolidated Statements of Profit or Loss

(In millions of Yen)

	FY 2017 (From April 1, 2017 to March 31, 2018)	FY 2018 (From April 1, 2018 to March 31, 2019)
Revenue		
Sale of goods	1,716,670	1,749,319
Sales of service and others	99,788	106,870
Total revenue	1,816,459	1,856,190
Cost of sales	(1,584,078)	(1,615,233)
Gross profit	232,380	240,956
Selling, general and administrative expenses	(162,662)	(173,433)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	(324)	1,764
Impairment loss on fixed assets	(4,402)	(509)
Gain on sale of subsidiaries/associates	7,517	8,039
Loss on reorganization of subsidiaries/associates	(11,847)	(3,099)
Other operating income	6,763	5,113
Other operating expenses	(7,584)	(8,832)
Total other income/expenses	(9,878)	2,476
Financial income		
Interests earned	5,682	7,084
Dividends received	4,639	5,167
Other financial income	—	143
Total financial income	10,321	12,395
Financial costs		
Interest expenses	(14,746)	(15,290)
Other financial costs	(128)	—
Total financial cost	(14,874)	(15,290)
Share of profit(loss) of investments accounted for using the equity method	25,057	27,779
Profit before tax	80,343	94,882
Income tax expenses	(18,648)	(19,662)
Profit for the year	61,694	75,219
Profit attributable to:		
Owners of the Company	56,842	70,419
Non-controlling interests	4,852	4,799
Total	61,694	75,219

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

(In millions of Yen)

	FY 2017 (From April 1, 2017 to March 31, 2018)	FY 2018 (From April 1, 2018 to March 31, 2019)
Profit for the year	61,694	75,219
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(575)	(10,751)
Remeasurements of defined benefit pension plans	(275)	(365)
Share of other comprehensive income of investments accounted for using the equity method	4,778	4,391
Total items that will not be reclassified to profit or loss	3,927	(6,725)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	(12,244)	(8,975)
Cash flow hedges	1,024	(189)
Share of other comprehensive income of investments accounted for using the equity method	(3,075)	(4,380)
Total items that may be reclassified subsequently to profit or loss	(14,295)	(13,545)
Other comprehensive income for the year, net of tax	(10,368)	(20,270)
Total comprehensive income for the year	51,326	54,948
Total comprehensive income attributable to:		
Owners of the Company	47,430	50,938
Non-controlling interests	3,896	4,010
Total	51,326	54,948

(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 year						
Other comprehensive income				(13,827)	3,976	691
Total comprehensive income for the year	—	—	—	(13,827)	3,976	691
Purchase of treasury stock		(0)	(3)			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(1)		0
Reclassification from other components of equity to retained earnings					828	
Other changes						
Total contributions by and distributions to owners of the Company	—	(0)	(3)	(1)	828	0
Balance as of March 31, 2018	160,339	146,512	(174)	17,709	111,072	(4,432)
Impact due to changes of account policy						
Balance as of April 1, 2018	160,339	146,512	(174)	17,709	111,072	(4,432)
Profit for the year						
Other comprehensive income				(12,847)	(6,167)	(79)
Total comprehensive income for the year	—	—	—	(12,847)	(6,167)	(79)
Purchase of treasury stock		(0)	(691)			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Reclassification from other components of equity to retained earnings					2,321	
Share remuneration transaction		132				
Other changes						
Total contributions by and distributions to owners of the Company	—	132	(691)	—	2,321	—
Balance as of March 31, 2019	160,339	146,645	(865)	4,861	107,226	(4,512)

(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 year			56,842	56,842	4,852	61,694
Other comprehensive income	(252)	(9,412)		(9,412)	(955)	(10,368)
Total comprehensive income for the year	(252)	(9,412)	56,842	47,430	3,896	51,326
Purchase of treasury stock				(4)		(4)
Dividends			(11,258)	(11,258)	(2,622)	(13,881)
Change in ownership interests in subsidiaries without loss/acquisition of control		(1)	5	4	(3)	1
Reclassification from other components of equity to retained earnings	252	1,080	(1,080)	—		—
Other changes			(220)	(220)	9,931	9,711
Total contributions by and distributions to owners of the Company	252	1,079	(12,554)	(11,479)	7,305	(4,173)
Balance as of March 31, 2018	—	124,348	154,437	586,464	38,659	625,124
Impact due to changes of account policy			(444)	(444)		(444)
Balance as of April 1, 2018	—	124,348	154,993	586,020	38,659	624,679
Profit for the year			70,419	70,419	4,799	75,219
Other comprehensive income	(386)	(19,481)		(19,481)	(789)	(20,270)
Total comprehensive income for the year	(386)	(19,481)	70,419	50,938	4,010	54,948
Purchase of treasury stock				(691)		(691)
Dividends			(16,888)	(16,888)	(3,381)	(20,269)
Change in ownership interests in subsidiaries without loss/acquisition of control			(62)	(62)	2,871	2,808
Reclassification from other components of equity to retained earnings	386	2,708	(2,708)	—		—
Share remuneration transaction				132		132
Other changes			(1,153)	(1,153)	1,152	(0)
Total contributions by and distributions to owners of the Company	386	2,708	(20,812)	(18,663)	643	(18,020)
Balance as of March 31, 2019	—	107,576	204,600	618,295	43,312	661,607

(5) Consolidated Statements of Cash Flows

(In millions of Yen)

	FY 2017 (From April 1, 2017 to March 31, 2018)	FY 2018 (From April 1, 2018 to March 31, 2019)
Cash flows from operating activities		
Profit for the year	61,694	75,219
Depreciation and amortization	23,067	21,297
Impairment loss of fixed assets	4,402	509
Finance (income) costs	4,552	2,895
Share of (profit)loss of investments accounted for using the equity method	(25,057)	(27,779)
(Gain) loss on sale of fixed assets, net	324	(1,764)
Income tax expenses	18,648	19,662
(Increase)decrease in trade and other receivables	7,980	77,093
(Increase)decrease in inventories	(118,303)	(39,968)
Increase (decrease) in trade and other payables	166,218	(74,708)
Changes in other assets and liabilities	(39,979)	54,962
Increase (decrease) in retirement benefits liabilities	430	(179)
Others	3,597	(543)
Subtotal	107,578	106,696
Interests earned	4,248	5,163
Dividends received	17,735	23,951
Interests paid	(14,814)	(15,138)
Income taxes paid	(15,935)	(24,197)
Net cash provided (used) by/in operating activities	98,812	96,476
Cash flows from investing activities		
Purchase of property, plant and equipment	(29,590)	(30,832)
Proceeds from sale of property, plant and equipment	590	5,963
Purchase of intangible assets	(2,310)	(7,113)
(Increase)decrease in short-term loans receivable	2,115	5,899
Payment for long-term loans receivable	(32,312)	(7,802)
Collection of long-term loans receivable	10,826	7,740
Proceeds from (payments for) acquisition of subsidiaries	(20,227)	(3,753)
Proceeds from (payments for) sale of subsidiaries	5,411	1,468
Purchase of investments	(26,260)	(32,721)
Proceeds from sale of investments	13,074	17,393
Others	(7,725)	1,556
Net cash provided (used) by/in investing activities	(86,407)	(42,200)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(21,723)	24,999
Proceeds from long-term borrowings	128,716	82,636
Repayment of long-term borrowings	(122,702)	(162,353)
Proceeds from issuance of bonds	19,881	—
Redemption of bonds	(10,061)	(42)
Acquisition of subsidiaries and equity method associates from non- controlling interest holders	—	(1,195)
Proceeds from non-controlling interest holders	7,389	3,873
Purchase of treasury stock	(4)	(691)
Dividends paid	(11,258)	(16,888)
Dividends paid to non-controlling interest holders	(2,622)	(3,139)
Others	(666)	(2,106)
Net cash provided (used) by/in financing activities	(13,052)	(74,907)
Net increase (decrease) in cash and cash equivalents	(648)	(20,631)
Cash and cash equivalents at the beginning of the year	308,632	305,241
Effect of exchange rate changes on cash and cash equivalents	(2,742)	1,076
Cash and cash equivalents at the end of the year	305,241	285,687

(6) Changes in Accounting Policies and Accounting Estimates 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 year ended March 31, 2019, 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 year ended March 31, 2019, were reduced by ¥161,418 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 year ended March 31, 2019, 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

Information regarding reportable segments

Main products and services of reportable segments are in 2.Group Business Operations.

The accounting method for the reported business segments are basically consistent with those used in the Consolidated Financial Statements, except with respect to the calculation of income tax expenses.

Prices for intersegment transactions are determined in the same way as general transactions and with reference to market prices.

For the year ended March 31, 2018 (April 1, 2017 – March 31, 2018)

(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	188,118	34,335	116,359	116,061	324,081	515,601	143,283
Inter-segment revenue	2	1,304	17	1,881	—	13	11
Total revenue	188,121	35,639	116,376	117,943	324,081	515,615	143,295
Gross profit	35,305	15,699	17,987	21,085	29,526	44,979	19,445
Share of profit (loss) of investments accounted for using the equity method	1,840	448	589	2,913	15,659	1,331	605
Profit attributable to owners of the Company	6,515	3,278	5,671	(5,822)	21,882	8,702	4,029
Segment assets	182,222	165,108	116,969	278,799	411,920	304,875	130,477
Others:							
Investment accounted for using the equity method	11,790	6,170	11,281	82,442	233,820	11,324	12,001
Capital expenditure	1,864	441	183	15,479	6,946	1,233	3,288

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	292,463	45,884	1,776,188	40,270	—	1,816,459
Inter-segment revenue	61	399	3,692	349	(4,042)	—
Total revenue	292,525	46,283	1,779,881	40,620	(4,042)	1,816,459
Gross profit	35,158	8,175	227,363	6,312	(1,294)	232,380
Share of profit (loss) of investments accounted for using the equity method	306	1,263	24,956	100	0	25,057
Profit attributable to owners of the Company	5,639	2,139	52,036	401	4,404	56,842
Segment assets	423,823	72,508	2,086,707	144,903	118,741	2,350,351
Others:						
Investment accounted for using the equity method	17,419	16,790	403,041	4,356	(113)	407,284
Capital expenditure	1,393	4,601	35,433	2,098	—	37,532

Reconciliation of segment profit of 4,404 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 4,780 million yen, and unallocated dividend income and others of (376) million yen.

The reconciliation amount of segment assets of 118,741 million yen includes elimination of inter-segment transactions or the like amounting to (100,325) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 219,067 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

	Reportable segments						
	Automotive	Aerospace & Transportation Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	242,499	27,811	107,010	74,791	383,170	505,101	128,293
Inter-segment revenue	—	0	131	1,944	—	11	11
Total revenue	242,499	27,812	107,142	76,736	383,170	505,112	128,305
Gross profit	42,330	15,463	13,642	18,681	37,638	46,366	16,404
Share of profit (loss) of investments accounted for using the equity method	298	1,016	904	5,694	17,680	931	243
Profit attributable to owners of the Company	6,409	3,962	2,763	5,786	30,463	8,984	2,280
Segment assets	167,777	130,181	121,496	284,473	464,565	298,574	125,116
Others:							
Investment accounted for using the equity method	4,450	9,193	9,437	101,469	239,828	11,367	11,594
Capital expenditure	2,391	2,173	126	7,950	14,194	1,597	2,537

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	317,373	33,267	1,819,319	36,871	—	1,856,190
Inter-segment revenue	55	368	2,524	314	(2,838)	—
Total revenue	317,428	33,636	1,821,843	37,185	(2,838)	1,856,190
Gross profit	38,661	6,957	236,145	5,427	(616)	240,956
Share of profit (loss) of investments accounted for using the equity method	(74)	889	27,584	195	(0)	27,779
Profit attributable to owners of the Company	5,724	1,087	67,462	440	2,517	70,419
Segment assets	395,738	72,543	2,060,467	144,710	91,881	2,297,059
Others:						
Investment accounted for using the equity method	17,303	15,575	420,219	4,046	(114)	424,152
Capital expenditure	923	2,577	34,471	1,453	—	35,925

Reconciliation of segment profit of 2,517 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 (698) million yen, and unallocated dividend income and others of 1,819 million yen.

The reconciliation amount of segment assets of 91,881 million yen includes elimination of inter-segment transactions or the like amounting to (130,375) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 222,256 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Changes in Reportable Segments

Effective April 1, 2018, the Aerospace & IT Business Division, the 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. These reorganizations have resulted in changes to reportable segments. Segment information for the year ended March 31, 2018, has been restated to reflect these changes.

(Earnings per share)

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

	FY 2017 (From April 1, 2017 to March 31, 2018)	FY 2018 (From April 1, 2018 to March 31, 2019)
Basic earnings per share (yen)	45.44	56.34
Diluted earnings per share (yen)	45.43	56.34

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

	FY 2017 (From April 1, 2017 to March 31, 2018)	FY 2018 (From April 1, 2018 to March 31, 2019)
Profit used to calculate basic and diluted earnings per share		
Profit for the year, attributable to owners of the Company (In millions of yen)	56,842	70,419
Amount not attributable to the ordinary shareholders of the Company (In millions of yen)	—	—
Profit used to calculate basic earnings per share (In millions of yen)	56,842	70,419
Profit adjustment amount		
Adjustment amount concerning share options to be issued by associates (In millions of yen)	(5)	—
Profit used to calculate diluted earnings per share (In millions of yen)	56,837	70,419
Weighted average number of ordinary shares to be used to calculate basic and diluted earnings per share		
Weighted average number of ordinary shares to be used to calculate basic earnings per share (In thousands of shares)	1,250,975	1,249,847
Effects of dilutive latent ordinary shares (In thousands of shares)	—	—
Weighted average number of ordinary shares used to calculate diluted earnings per share (In thousands of shares)	1,250,975	1,249,847

Consolidated Financial Results for the Year ended March 31, 2019 (From April 1, 2018 to March 31, 2019)

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Consolidated Statements of Cash Flows
for the Year Ended March 31, 2019

(Millions of Yen)

	For the Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)	For the Year Ended March 31, 2019 (From April 1, 2018 to March 31, 2019)
Cash flows from operating activities		
Profit for the year	61,694	75,219
Depreciation and amortization	23,067	21,297
Impairment loss of fixed assets	4,402	509
Financial (income) costs	4,552	2,895
Share of (profit) loss of investments accounted for using the equity method	(25,057)	(27,779)
(Gain) loss on sale of fixed assets, net	324	(1,764)
Income tax expenses	18,648	19,662
(Increase) decrease in trade and other receivables	7,980	77,093
(Increase) decrease in inventories	(118,303)	(39,968)
Increase (decrease) in trade and other payables	166,218	(74,708)
Changes in other assets and liabilities	(39,979)	54,962
Increase (decrease) in retirement benefits liabilities	430	(179)
Others	3,597	(543)
Subtotal	107,578	106,696
Interests earned	4,248	5,163
Dividends received	17,735	23,951
Interests paid	(14,814)	(15,138)
Income taxes paid	(15,935)	(24,197)
Net cash provided (used) by/in operating activities	98,812	96,476
Cash flows from investing activities		
Purchase of property, plant and equipment	(29,590)	(30,832)
Proceeds from sale of property, plant and equipment	590	5,963
Purchase of intangible assets	(2,310)	(7,113)
(Increase) decrease in short-term loans receivable	2,115	5,899
Payment for long-term loans receivable	(32,312)	(7,802)
Collection of long-term loans receivable	10,826	7,740
Proceeds from (payments for) acquisition of subsidiaries	(20,227)	(3,753)
Proceeds from (payments for) sale of subsidiaries	5,411	1,468
Purchase of investments	(26,260)	(32,721)
Proceeds from sale of investments	13,074	17,393
Others	(7,725)	1,556
Net cash provided (used) by/in investing activities	(86,407)	(42,200)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(21,723)	24,999
Proceeds from long-term borrowings	128,716	82,636
Repayment of long-term borrowings	(122,702)	(162,353)
Proceeds from issuance of bonds	19,881	—
Redemption of bonds	(10,061)	(42)
Acquisition of subsidiaries and equity method associates from non-controlling interest holders	—	(1,195)
Proceeds from non-controlling interest holders	7,389	3,873
Purchase of treasury stock	(4)	(691)
Dividends paid	(11,258)	(16,888)
Dividends paid to non-controlling interest holders	(2,622)	(3,139)
Others	(666)	(2,106)
Net cash provided (used) by/in financing activities	(13,052)	(74,907)
Net increase (decrease) in cash and cash equivalents	(648)	(20,631)
Cash and cash equivalents at the beginning of the year	308,632	305,241
Effect of exchange rate changes on cash and cash equivalents	(2,742)	1,076
Cash and cash equivalents at the end of the year	305,241	285,687

Consolidated Statements of Cash Flows
for the Year Ended March 31, 2019 (Supplementary)

	FY 2018	Details
① Net cash provided from operating activities		
	(Billions of Yen)	
1. Profit for the year before tax and depreciation and amortization	116.2	
2. Excluding profits/losses that do not affect cash flow	3.4	Impairment loss of fixed assets, Financial (income) costs
3. Adjustment of profits/losses related to investment activities	(29.5)	Share of profit of investments accounted for using the equity method Gain (loss) on sale and disposal of fixed assets
4. Other	6.4	Decrease in trade and other receivables, etc.
Total	96.5	
② Net cash provided (used) by/in investing activities		
1. Non-current assets		
Purchase of property, plant and equipment	(30.8)	Solar power generation business in overseas, Acquisition of Australian coking coal interest, etc.
Purchase of intangible assets	(7.1)	Acquisition of Australian coking coal interest, etc.
Proceeds from sale of property, plant and equipment	6.0	Sale of an aircrafts
Sub-total	(31.9)	
2. Investments		
Payment for acquisition of subsidiaries and investments	(36.5)	Investments of gas-fired thermal power plant project in the United States
Proceeds from sale of subsidiaries and investments	18.9	Sale of an automotive-related company, etc.
Sub-total	(17.6)	
3. Loans receivable		
(Increase) decrease in short-term loans receivable	5.9	
Payment for long-term loans receivable	(7.8)	
Collection of long-term loans receivable	7.7	
Sub-total	5.8	
4. Other	1.6	
Total	(42.2)	
Free cash flow (①+②)	54.3	
③ Net cash provided (used) by/in financing activities		
1. Increase (decrease) in short-term borrowings and commercial papers	25.0	
2. Long-term loans payable		
Proceeds from long-term borrowings	82.6	
Repayment of long-term borrowings	(162.4)	
Sub-total	(79.8)	
3. Bonds		
Proceeds from issuance of bonds	0.0	
Redemption of bonds	0.0	
Sub-total	0.0	
4. Dividends paid	(16.9)	
5. Other	(3.3)	
Total	(74.9)	

Segment information

For the year ended March 31, 2018 (April 1, 2017 - March 31, 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	188,118	34,335	116,359	116,061	324,081	515,601	143,283
Inter-segment revenue	2	1,304	17	1,881	—	13	11
Total revenue	188,121	35,639	116,376	117,943	324,081	515,615	143,295
Gross profit	35,305	15,699	17,987	21,085	29,526	44,979	19,445
Share of profit (loss) of investments accounted for using the equity method	1,840	448	589	2,913	15,659	1,331	605
Profit attributable to owners of the Company	6,515	3,278	5,671	(5,822)	21,882	8,702	4,029
Segment assets	182,222	165,108	116,969	278,799	411,920	304,875	130,477
Others:							
Investment accounted for using the equity method	11,790	6,170	11,281	82,442	233,820	11,324	12,001
Capital expenditure	1,864	441	183	15,479	6,946	1,233	3,288

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	292,463	45,884	1,776,188	40,270	—	1,816,459
Inter-segment revenue	61	399	3,692	349	(4,042)	—
Total revenue	292,525	46,283	1,779,881	40,620	(4,042)	1,816,459
Gross profit	35,158	8,175	227,363	6,312	(1,294)	232,380
Share of profit (loss) of investments accounted for using the equity method	306	1,263	24,956	100	0	25,057
Profit attributable to owners of the Company	5,639	2,139	52,036	401	4,404	56,842
Segment assets	423,823	72,508	2,086,707	144,903	118,741	2,350,351
Others:						
Investment accounted for using the equity method	17,419	16,790	403,041	4,356	(113)	407,284
Capital expenditure	1,393	4,601	35,433	2,098	—	37,532

Reconciliation of segment profit of 4,404 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 4,780 million yen, and unallocated dividend income and others of (376) million yen. The reconciliation amount of segment assets of 118,741 million yen includes elimination of inter-segment transactions or the like amounting to (100,325) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 219,067 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

For the year ended March 31, 2019 (April 1, 2018 – March 31, 2019)

(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	242,499	27,811	107,010	74,791	383,170	505,101	128,293
Inter-segment revenue	0	0	131	1,944	0	11	11
Total revenue	242,499	27,812	107,142	76,736	383,170	505,112	128,305
Gross profit	42,330	15,463	13,642	18,681	37,638	46,366	16,404
Share of profit (loss) of investments accounted for using the equity method	298	1,016	904	5,694	17,680	931	243
Profit attributable to owners of the Company	6,409	3,962	2,763	5,786	30,463	8,984	2,280
Segment assets	167,777	130,181	121,496	284,473	464,565	298,574	125,116
Others:							
Investment accounted for using the equity method	4,450	9,193	9,437	101,469	239,828	11,367	11,594
Capital expenditure	2,391	2,173	126	7,950	14,194	1,597	2,537

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	317,373	33,267	1,819,319	36,871	0	1,856,190
Inter-segment revenue	55	368	2,524	314	(2,838)	0
Total revenue	317,428	33,636	1,821,843	37,185	(2,838)	1,856,190
Gross profit	38,661	6,957	236,145	5,427	(616)	240,956
Share of profit (loss) of investments accounted for using the equity method	(74)	889	27,584	195	△ 0	27,779
Profit attributable to owners of the Company	5,724	1,087	67,462	440	2,517	70,419
Segment assets	395,738	72,543	2,060,467	144,710	91,881	2,297,059
Others:						
Investment accounted for using the equity method	17,303	15,575	420,219	4,046	(114)	424,152
Capital expenditure	923	2,577	34,471	1,453	0	35,925

Reconciliation of segment profit of 2,517 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 698 million yen, and unallocated dividend income and others of 1,819 million yen. The reconciliation amount of segment assets of 91,881 million yen includes elimination of inter-segment transactions or the like amounting to (130,375) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 222,256 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

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 year ended March 31, 2018, has been restated to reflect these changes.

Details of Industry Segments

【Revenue】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2017</u>	<u>FY2018</u>	<u>Change</u>	
Automotive	35.3	42.3	7.0	Increased due to earnings contributions from newly consolidated subsidiaries
Aerospace & Transportation Project	15.7	15.5	(0.2)	Relatively unchanged year on year
Machinery & Medical Infrastructure	18.0	13.6	(4.4)	Decreased due to rebound from infrastructure-related earnings recorded in previous fiscal year
Energy & Social Infrastructure	21.1	18.7	(2.4)	Decreased due to lower earnings from domestic solar power generation businesses
Metals & Mineral Resources	29.5	37.6	8.1	Increased due to higher commodity prices and transactions volumes
Chemicals	45.0	46.4	1.4	Increased due to higher methanol prices
Foods & Agriculture Business	19.4	16.4	(3.0)	Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
Retail & Lifestyle Business	35.2	38.7	3.5	Increased due to earnings contributions from newly consolidated subsidiaries and higher beef transactions at food-related subsidiaries
Industrial Infrastructure & Urban Development	8.2	7.0	(1.2)	Decreased due to poor sales in domestic real estate operations
Other	5.0	4.8	(0.2)	
Consolidated	232.4	241.0	8.6	

【Profit for the year】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2017</u>	<u>FY2018</u>	<u>Change</u>	
Automotive	6.5	6.4	(0.1)	Relatively unchanged year on year
Aerospace & Transportation Project	3.3	4.0	0.7	Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
Machinery & Medical Infrastructure	5.7	2.8	(2.9)	Decreased due to absence of revenue associated with infrastructure projects recorded in the previous fiscal year
Energy & Social Infrastructure	(5.8)	5.8	11.6	Increased due to rebound from one-time losses on oil and gas interests recorded in the previous fiscal year as well as to higher prices in LNG operations
Metals & Mineral Resources	21.9	30.5	8.6	Increased due to higher prices and transaction volumes of coal and other resources
Chemicals	8.7	9.0	0.3	Relatively unchanged year on year, despite strong performance in methanol operations, as a result of one-time losses in overseas operations and economic slowdown stemming from trade friction between the United States and China
Foods & Agriculture Business	4.0	2.3	(1.7)	Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
Retail & Lifestyle Business	5.6	5.7	0.1	Despite earnings contributions from newly consolidated subsidiaries,relatively unchanged year on year because of lower profit at lumber-related subsidiaries
Industrial Infrastructure & Urban Development	2.1	1.1	(1.0)	Decreased due to poor sales in domestic real estate operations
Other	4.8	2.8	(2.0)	
Consolidated	56.8	70.4	13.6	

【Assets】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2017</u>	<u>FY2018</u>	<u>Change</u>	
Automotive	182.2	167.8	(14.4)	Decreased due to sale of automobile manufacturing company in the Philippines
Aerospace & IT Business	165.1	130.2	(34.9)	Decreased due to efforts to recover aircraft- and railway-related receivables
Infrastructure & Environment Business	117.0	121.5	4.5	Increased due to higher industrial machinery-related transactions
Energy	278.8	284.5	5.7	Increased following acquisitions of new power generation projects through investments and loans
Metals & Coal	411.9	464.6	52.7	Increased due to higher commodity prices, transaction volumes and acquisitions of new projects thorough investments and loans
Chemicals	304.9	298.6	(6.3)	Decreased due to lower chemical and plastic resin transactions in certain overseas regions
Foods & Agriculture Business	130.5	125.1	(5.4)	Decreased due to lower sales volumes in fertilizer businesses
Retail & Lifestyle Business	423.8	395.7	(28.1)	Decreased due to reductions in heat-not-burn cigarette inventories
Industrial Infrastructure & Urban Development	72.5	72.5	0.0	Unchanged year on year
Other	263.7	236.6	(27.1)	Decreased due to repayment of borrowings
Consolidated	2,350.4	2,297.1	(53.3)	

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

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2016	FY2017	FY2018
Automotive	Sojitz Automotive Group, Inc.	Automobile dealership	100.0%	Gross Profit	8.4	9.9	11.1
				Profit for the Year	0.8	1.1	1.1
	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%	Gross Profit	3.7	3.8	5.2
				Profit for the Year	1.0	1.1	1.6
	Subaru Motor LLC	Import and exclusive distribution of automobiles	65.6%	Gross Profit	0.8	2.6	1.5
				Profit for the Year	(0.0)	0.5	(0.1)
	Sojitz Quality, Inc	Investment in automotive parts quality inspection services	100.0%	Gross Profit	-	3.0	4.2
				Profit for the Year	-	0.2	0.4
Aerospace & Transportation Project	Sojitz Aerospace Corporation	Import/export and sales of aerospace-related equipment, components and materials	100.0%	Gross Profit	4.1	3.9	3.9
				Profit for the Year	1.1	1.1	1.0
	Sojitz Marine & Engineering Corporation	Sales, purchase and charter brokerage of new and used vessels, ship operation management, sales and import/export of marine-related equipment and materials	100.0%	Gross Profit	3.2	3.3	3.1
				Profit for the Year	0.7	0.7	0.6
Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Import/export and sales of general machinery	100.0%	Gross Profit	5.0	5.6	5.8
				Profit for the Year	1.0	1.3	1.2
	Sojitz Hospital PPP Investment B.V.	Investment management of hospital project in Turkey	100.0%	Gross Profit	-	0.0	0.0
				Profit for the Year	-	0.8	2.0
First Technology China Ltd.	Sales and service of surface-mounting machines and semiconductor-related equipment	100.0%	Gross Profit	1.6	1.9	2.1	
			Profit for the Year	0.3	0.5	0.5	
Energy & Social Infrastructure	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	Gross Profit	10.6	10.1	10.7
				Profit for the Year	1.5	1.8	1.2
	Tokyo Yuso Corporation	Tank storage operations for petroleum and chemical products	100.0%	Gross Profit	0.9	0.9	0.9
				Profit for the Year	0.3	0.5	0.3
Metals & Mineral Resources	Sojitz Coal Resources Pty Ltd.	Investment in coal mines	100.0%	Gross Profit	6.4	10.9	12.6
				Profit for the Year	3.5	6.8	8.3
	Sojitz Moolarben Resources, Pty. Ltd.	Investment in a coal mine	100.0%	Gross Profit	2.2	5.2	6.0
				Profit for the Year	1.3	3.3	4.0
	Sojitz Resources (Australia) Pty. Ltd.	Investment in an alumina refinery	100.0%	Gross Profit	0.1	0.8	2.4
				Profit for the Year	(0.2)	0.1	1.6
Chemicals	Sojitz Pla-Net Corporation	Trading and sale of plastics and related products	100.0%	Gross Profit	10.2	11.6	11.4
				Profit for the Year	1.5	2.0	1.4
	PT. Kaltim Methanol Industri	Manufacture and sale of methanol	85.0%	Gross Profit	2.9	3.9	6.6
				Profit for the Year	1.9	2.6	4.8
	solvadis deutschland gmbh	Trading and sale of chemical products	100.0%	Gross Profit	0.0	4.7	4.7
				Profit for the Year	0.0	0.6	0.4
Foods & Agriculture Business	Atlas Fertilizer Corporation	Manufacture and sales of fertilizers, sales of imported fertilizer products	100.0%	Gross Profit	3.3	2.5	2.2
				Profit for the Year	1.1	0.6	0.5
	Japan Vietnam Fertilizer Company	Manufacture and sales of fertilizers	75.0%	Gross Profit	2.6	2.4	1.9
				Profit for the Year	0.7	0.7	0.4
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%	Gross Profit	5.8	5.7	5.2
				Profit for the Year	1.0	0.8	0.4
	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	6.6	6.9	7.6
				Profit for the Year	1.8	2.2	2.4
	Sojitz Fashion Co., Ltd.	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics	100.0%	Gross Profit	2.8	2.9	3.0
				Profit for the Year	0.7	0.7	0.7
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	3.4	4.1	2.9
				Profit for the Year	0.9	1.1	0.5

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

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2016	FY2017	FY2018
Energy & Social Infrastructure	LNG Japan Corporation	LNG business and related investments	50.0%	Equity in Earnings	1.6	2.3	4.0
Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Production of alumina	50.0%	Equity in Earnings	(0.3)	0.6	0.6
	Metal One Corporation	Integrated steel trading company	40.0%	Equity in Earnings	7.2	9.4	10.1

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

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

Changes in the number of consolidated subsidiaries and equity-method associates during FY 2018
(April 1, 2018 - March 31, 2019)

(Number of Companies)	As of March 31, 2018	As of March 31, 2019	Changes
Subsidiaries	311	305	(6)
Equity-method Associates	125	127	2
Total	436	432	(4)

Changes in major subsidiaries during FY2018 (April 1, 2018 - March 31, 2019)

○ **Major new subsidiaries**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Metals & mineral Resources	Sojitz Gregory Mining Pty Ltd	Coal mine operation (Australia)
Retail & Lifestyle Business	Saigon Paper Corporation	Manufacture and sale of household paper products and industrial paper products
Industrial Infrastructure & Urban Development	PT. SDI Properties Indonesia	Development and operation of service apartments for Japanese individuals (Indonesia)

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)
Chemicals	CPC Sojitz Minería, S. De R. L. De C. V.	Excavation, processing, and sales of barite (Mexico)

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	48.1	8.4	0.8

Decrease

(Billions of Yen)

	Revenue	Gross Profit	Profit for the period
Consolidated subsidiaries	(1.8)	(0.3)	(1.0)

(Note)

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

Performances at Consolidated Subsidiaries and Equity-method Associates

(1) Number of Consolidated Subsidiaries and Equity-method Associates

(Number of Companies)

Divisions	As of March 31, 2018			As of March 31, 2019			Change		
	Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Automotive	17	4	21	15	9	24	(2)	5	3
Aerospace & Transportation Project	30	8	38	29	9	38	(1)	1	0
Machinery & Medical Infrastructure	14	2	16	15	1	16	1	(1)	0
Energy & Social Infrastructure	28	22	50	30	16	46	2	(6)	(4)
Metals & Mineral Resources	17	5	22	14	5	19	(3)	0	(3)
Chemicals	11	3	14	9	2	11	(2)	(1)	(3)
Foods & Agriculture Business	15	5	20	12	8	20	(3)	3	0
Retail & Lifestyle Business	28	8	36	26	10	36	(2)	2	0
Industrial Infrastructure & Urban Development	9	1	10	9	3	12	0	2	2
Corporate	22	4	26	25	1	26	3	(3)	0
Total	191	62	253	184	64	248	(7)	2	(5)
Ratio of profitable companies	75%			74%			(1)%		

(2) Earnings of Consolidated Subsidiaries and Associates

(Billions of Yen)

Divisions	As of March 31, 2018			As of March 31, 2019			Change		
	Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Automotive	7.5	(0.1)	7.4	6.3	(0.5)	5.9	(1.2)	(0.4)	(1.6)
Aerospace & Transportation Project	3.4	(0.3)	3.1	4.7	(0.5)	4.2	1.3	(0.2)	1.1
Machinery & Medical Infrastructure	4.3	0.0	4.3	5.5	0.0	5.5	1.2	0.0	1.2
Energy & Social Infrastructure	10.6	(14.3)	(3.7)	11.4	(1.4)	9.9	0.8	12.9	13.7
Metals & Mineral Resources	26.5	(1.9)	24.6	32.2	(0.4)	31.9	5.7	1.5	7.2
Chemicals	8.5	(0.9)	7.6	8.4	(0.8)	7.5	(0.1)	0.1	0.0
Foods & Agriculture Business	8.4	(0.7)	7.7	5.1	(0.7)	4.4	(3.3)	0.0	(3.3)
Retail & Lifestyle Business	6.6	(0.9)	5.7	6.7	(1.1)	5.6	0.1	(0.2)	(0.1)
Industrial Infrastructure & Urban Development	4.2	0.0	4.2	3.2	0.0	3.2	(1.0)	0.0	(1.0)
Corporate	0.9	(0.9)	0.0	2.2	(0.7)	1.5	1.3	0.2	1.5
Total	80.9	(20.1)	60.8	85.7	(6.1)	79.5	4.8	13.9	18.7

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

*2 Earnings of consolidated subsidiaries and associates related to two segments are acknowledged in each segment and they do not correspond to Number of Consolidated Subsidiaries and Equity-method Associates disclosed as above.

*3 Effective April 1, 2018, the Aerospace & IT Business Division, the 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. These reorganizations have resulted in changes to reportable segments. Segment information for the year ended March 31, 2018, has been restated to reflect these changes.

Country Risk Exposure (Consolidated)

Exposure (As of March 31, 2019)

(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	4.8	0.0	0.0	30.1	22.7	10.5	68.1	71.9
Indonesia	17.3	0.1	9.4	10.8	6.6	1.5	45.7	59.1
Philippines	13.7	0.1	0.0	7.6	2.2	4.4	28.0	24.9
China (include Hong Kong)	11.2	0.0	0.4	53.2	8.7	5.2	78.7	77.8
(China)	10.2	0.0	0.4	35.6	4.2	2.0	52.4	59.9
(Hong Kong)	1.0	0.0	0.0	17.6	4.5	3.2	26.3	17.9
Brazil	7.0	0.3	0.2	6.5	1.5	13.4	28.9	56.6
Argentina	0.2	0.0	0.0	2.3	0.0	1.7	4.2	0.8
Russia	1.7	0.0	0.0	20.4	2.3	7.0	31.4	25.6
India	12.8	0.0	0.4	38.2	0.2	3.8	55.4	45.0
Vietnam	9.1	0.2	0.2	14.7	5.1	19.8	49.1	30.7
Turkey	0.0	0.0	0.0	1.7	0.2	0.1	1.9	6.4
Total	77.8	0.7	10.6	185.5	49.5	67.4	391.4	398.8

(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 March 31, 2019		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>	21.3	<u>1.6</u>	3.5	<u>(0.6)</u>
Consolidated Total	22.1	<u>3.0</u>	25.6	<u>2.3</u>	3.4	<u>(0.7)</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 March 31, 2019	Change
Company	5.2	5.3	0.1
Consolidated subsidiaries	67.3	73.5	6.2
Consolidated Total	72.5	78.8	6.3

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2018	As of March 31, 2019	Change
Company	1.4	1.3	(0.1)
Consolidated subsidiaries	23.1	19.6	(3.5)
Consolidated Total	24.5	20.9	(3.6)

Number of Employees by Business Segment (Consolidated)

(Number of Employees)

	As of March 31, 2018			As of March 31, 2019			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Automotive	92	4,777	4,869	94	4,350	4,444	2	(427)	(425)
Aerospace & Transportation Project	96	332	428	98	305	403	2	(27)	(25)
Machinery & Medical Infrastructure	78	757	835	87	833	920	9	76	85
Energy & Social Infrastructure	177	1,266	1,443	156	1,199	1,355	(21)	(67)	(88)
Metals & mineral Resources	159	376	535	171	421	592	12	45	57
Chemicals	255	1,443	1,698	261	1,442	1,703	6	(1)	5
Foods & Agriculture Business	110	1,966	2,076	109	2,043	2,152	(1)	77	76
Retail & Lifestyle Business	169	2,845	3,014	168	3,733	3,901	(1)	888	887
Industrial Infrastructure & Urban Development	58	1,014	1,072	64	1,152	1,216	6	138	144
Other	686	1,261	1,947	711	1,237	1,948	25	(24)	1
Total	1,880	16,037	17,917	1,919	16,715	18,634	39	678	717

(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 March 31, 2019: 2,410

News Releases for the Year Ended March 31, 2019

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
	2018/11/22	Sojitz Establishes Import Distributor for Mitsubishi Fuso-brand Vehicles in the Philippines
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
	2018/10/17	ANA Business Jet and JTB Form Business Alliance to Develop Business Jet Demand in Japan
	2018/12/18	Shareholders' Agreement Signed for Participation in Construction and Operation of New Terminal at Khabarovsk International Airport
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.
	2018/12/7	Sojitz Concludes Financing Agreement and Starts Construction on the Jawa 1 Gas-to-Power Project in Indonesia
Metal & Mineral Resources		
	2018/5/30	Sojitz Acquires Full Interest in Australia's Gregory Crinum Coal Mine
	2019/3/11	Sojitz Divests Interest in Thermal Coal Assets, BAU Coal Mine, in Indonesia
	2019/3/27	Sojitz Completes Acquisition of Australia's Gregory Crinum 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 Changes to Personnel
	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
Industrial Infrastructure & Urban Development		
	2019/3/5	Sojitz Concludes Agreement with Kobe City and the Hyogo Economic Development Center
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 Ibari Earthquake
	2018/9/14	Sojitz Selected as Constituent of CSR Investment-Focused Stock Price Indices DJSI World and DJSI Asia Pacific
	2018/10/16	Sojitz joins "IkuBoss Corporate Alliance"
	2018/10/25	Aid for the Sulawesi Earthquake and Tsunami
	2018/11/1	Sojitz Sponsors Japan Blind Football Association to Support Paraspports
	2019/1/24	Sojitz Corporation Announces Organizational Reforms and Executive Appointments
	2019/1/29	Sojitz Establishes Corporate Venture Capital Fund
	2019/1/29	Sojitz Acquires Stake in Indian Venture Fund and Establishes Sojitz Bengaluru Office
	2019/2/5	Announcement Regarding Revision of Dividend Forecast for the Fiscal Year 2018
	2019/2/27	Sojitz Recognized as a "White 500" Company
	2019/3/25	Sojitz Selected for "Nadeshiko Brand 2019"

Forecast for the Year Ending March 31, 2020

(Billions of Yen)

	FY 2018 Results	FY 2019 Forecast	Change
Revenue	1,856.2	-	-
Gross profit	241.0	260.0	+19.0
Selling, general and administrative expenses	(173.4)	(182.5)	(9.1)
Other income (expenses)	2.4	0.0	(2.4)
Finance income/costs	(2.9)	(8.5)	(5.6)
Share of profit (loss) of investments accounted for using the equity method	27.8	28.0	+0.2
Profit before tax	94.9	97.0	+2.1
Profit for the year (Attributable to owners of the Company)	70.4	72.0	+1.6

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

(Billions of Yen)

	FY 2018 Results	FY 2019 Forecast	Change
Automotive	6.4	5.5	(0.9)
Aerospace & Transportation Project	4.0	5.0	+1.0
Machinery & Medical Infrastructure	2.8	4.5	+1.7
Energy & Social Infrastructure	5.8	5.5	(0.3)
Metals & Mineral Resources	30.5	25.0	(5.5)
Chemicals	9.0	11.0	2.0
Foods & Agriculture Business	2.3	4.5	+2.2
Retail & Lifestyle Business	5.7	7.5	+1.8
Industrial Infrastructure & Urban Development	1.1	1.0	(0.1)
Other	2.8	2.5	(0.3)
Total	70.4	72.0	+1.6

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
Current assets									
Cash and cash equivalents	411,632	425,595	424,371	420,658	403,748	344,414	308,632	305,241	285,687
Time deposits	7,043	16,114	9,313	4,362	5,464	6,657	5,728	2,788	2,922
Trade and other receivables	515,633	544,525	508,690	524,826	559,291	496,156	563,458	549,789	690,678
Other investments	1,346	697	-	-	-	-	-	-	-
Derivatives	3,796	3,676	4,100	5,185	6,977	6,593	3,919	2,703	2,060
Inventories	265,794	284,038	297,389	301,979	270,274	237,111	271,327	396,020	220,621
Income tax receivables	2,646	2,725	4,778	4,907	3,712	6,068	3,647	5,094	6,714
Other current assets	69,277	57,124	41,231	46,759	63,122	49,017	72,417	106,234	58,965
Assets as held for sale	8,894	4,098	1,303	13,143	10,905	326	616	8,425	-
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	1,267,650
Non-current assets									
Property, plant and equipment	206,863	219,581	231,840	213,934	217,912	186,957	172,201	172,135	192,902
Goodwill	45,400	46,390	45,725	46,264	50,164	53,055	57,594	65,842	66,198
Intangible assets	71,111	71,922	63,207	60,958	53,882	38,829	34,148	44,057	49,145
Investment property	50,435	46,359	40,055	25,334	19,459	18,369	21,100	24,486	20,875
Investments accounted for using the equity method	261,834	257,379	279,815	336,761	394,055	377,597	386,740	407,284	424,152
Trade and other receivables	55,940	65,498	62,963	60,310	45,017	44,558	45,485	63,824	84,145
Other investments	128,301	113,222	114,596	133,625	174,791	173,618	172,944	182,949	173,066
Derivatives	805	115	229	209	1,865	163	36	49	46
Other non-current assets	11,323	16,293	10,976	9,683	7,483	9,668	9,815	8,794	12,683
Deferred tax assets	52,063	15,332	9,461	11,329	9,227	7,507	8,650	4,630	6,192
Total non-current assets	884,079	852,095	858,871	898,411	973,860	910,325	908,719	974,053	1,029,409
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	2,297,059
Current liabilities									
Trade and other payables	521,682	557,198	515,989	514,585	490,865	439,245	483,049	654,138	582,296
Bonds and borrowings	256,228	298,455	258,375	227,216	208,360	168,264	158,698	113,497	149,695
Derivatives	4,640	8,989	15,952	6,400	8,803	3,728	3,669	3,394	2,511
Income tax payables	8,151	9,065	7,038	8,038	7,570	6,630	9,190	13,632	10,775
Provisions	1,680	4,074	1,419	1,207	4,271	2,525	2,124	2,069	1,026
Other current liabilities	70,288	60,314	50,150	54,402	53,807	53,294	60,912	55,004	60,793
Liabilities directly related to assets as held for sale	2,627	1,221	-	-	6,860	88	101	4,182	-
Total current liabilities	865,299	939,317	848,926	811,850	780,538	673,776	717,748	845,918	807,098
Non-current liabilities									
Bonds and borrowings	859,594	819,591	818,632	838,060	830,409	754,434	766,669	797,982	723,625
Trade and other payables	14,841	13,050	9,816	10,463	9,545	9,696	3,709	4,759	12,563
Derivatives	5,209	3,042	1,884	1,721	2,942	5,001	4,004	2,634	2,693
Retirement benefits liabilities	14,311	15,674	16,158	16,917	17,943	18,727	21,381	22,016	22,139
Provisions	12,162	14,378	18,892	20,798	25,098	18,949	20,792	21,000	36,292
Other non-current liabilities	6,533	10,619	7,313	7,321	7,591	7,475	6,490	9,968	11,235
Deferred tax liabilities	18,969	19,834	17,127	20,143	32,631	18,891	19,698	20,946	19,802
Total non-current liabilities	931,622	896,193	889,824	915,426	926,163	833,176	842,747	879,308	828,353
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	1,635,451
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	146,645
Treasury stock	(138)	(147)	(148)	(157)	(159)	(161)	(170)	(174)	(865)
Other components of equity	40,885	23,580	62,826	119,617	194,557	132,415	132,682	124,348	107,576
Retained earnings	(1,320)	(327)	13,053	33,538	49,731	81,245	111,149	155,437	204,600
Total equity attributable to owners of the Company	346,285	329,962	382,589	459,853	550,983	520,353	550,513	586,464	618,295
Non-controlling interests	26,937	25,218	28,709	33,105	39,672	29,363	27,547	38,659	43,312
Total equity	373,223	355,180	411,298	492,959	590,656	549,716	577,970	625,124	661,607
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	2,297,059

(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
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	1,749,319
Sales of services and others	90,657	88,517	88,928	91,535	91,233	91,813	99,788	106,870
Total revenue	2,006,649	1,747,750	1,803,104	1,809,701	1,658,072	1,555,349	1,816,459	1,856,190
Cost of sales	(1,789,582)	(1,560,504)	(1,604,882)	(1,612,013)	(1,477,333)	(1,354,664)	(1,584,078)	(1,615,233)
Gross profit	217,066	187,245	198,221	197,688	180,739	200,685	232,380	240,956
Selling, general and administrative expenses	(153,663)	(151,091)	(151,628)	(149,739)	(154,416)	(153,038)	(162,662)	(173,433)
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)	1,764
Impairment loss on fixed assets	(3,190)	(11,549)	(19,461)	(17,446)	(24,051)	(4,618)	(4,402)	(509)
Gain on reorganization of subsidiaries/associates *1	957	2,138	1,666	1,758	12,909	10,358	7,517	8,039
Loss on reorganization of subsidiaries/associates	(1,728)	(3,525)	(2,684)	(2,080)	(1,349)	(8,174)	(11,847)	(3,099)
Other operating income	11,705	10,702	10,429	17,193	20,646	9,566	6,763	5,113
Other operating expenses	(15,513)	(10,636)	(18,980)	(14,882)	(6,733)	(7,958)	(7,584)	(8,832)
Total Financial income	8,875	8,022	9,213	9,395	8,242	8,068	10,321	12,395
Interests earned	5,552	4,984	5,359	4,860	3,893	3,903	5,682	7,084
Dividends received	3,283	2,761	3,810	4,456	4,349	4,165	4,639	5,167
Other financial income	39	276	43	78	-	-	-	143
Total Financial costs	(24,186)	(21,247)	(19,855)	(18,975)	(16,379)	(14,405)	(14,874)	(15,290)
Interest expenses	(23,848)	(21,247)	(19,855)	(18,975)	(16,316)	(14,382)	(14,746)	(15,290)
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	27,779
Profit before tax	58,457	28,052	44,033	52,584	44,269	57,955	80,343	94,882
Income tax expenses	(56,735)	(11,058)	(11,949)	(14,933)	(7,782)	(13,879)	(18,648)	(19,662)
Profit for the year	1,722	16,993	32,083	37,650	36,486	44,075	61,694	75,219
Profit attributable to:								
Owners of the Company	(1,040)	13,448	27,250	33,075	36,526	40,760	56,842	70,419
Non-controlling interests	2,762	3,544	4,833	4,575	(39)	3,314	4,852	4,799
								(Billions of Yen)
Core earnings *2	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2

(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
Profit for the year	1,722	16,993	32,083	37,650	36,486	44,075	61,694	75,219
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)	(10,751)
Remeasurements of defined benefit pension plans	(872)	(398)	(425)	(925)	(725)	478	(275)	(365)
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(4,868)	(3,686)	4,778	4,391
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	(6,725)
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)	(8,975)
Cash flow hedges	(945)	(528)	1,184	(3,405)	(2,709)	693	1,024	(189)
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(10,993)	554	(3,075)	(4,380)
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)	(13,545)
Other comprehensive income for the period, net of tax	(15,334)	44,754	56,403	77,268	(64,892)	57	(10,368)	(20,270)
Total comprehensive income for the year	(13,611)	61,748	88,487	114,919	(28,405)	44,133	51,326	54,948
Total comprehensive income attributable to:								
Owners of the Company	(16,177)	56,171	82,221	107,347	(25,379)	40,289	47,430	50,938
Non-controlling interests	2,565	5,576	6,265	7,571	(3,025)	3,843	3,896	4,010
Total	(13,611)	61,748	88,487	114,919	(28,405)	44,133	51,326	54,948

(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
Cash flows from operating activities								
Profit for the period	1,722	16,993	32,083	37,650	36,486	44,075	61,694	75,219
Depreciation and amortization	29,529	31,047	36,100	31,683	30,059	23,442	23,067	21,297
Impairment loss on fixed assets	3,190	11,549	19,461	17,446	24,051	4,618	4,402	509
Finance (income) costs	15,311	13,225	10,641	9,579	8,136	6,337	4,552	2,895
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)	(27,779)
(Gain) loss on sale of fixed assets, net	(1,839)	(2,209)	(6,132)	(1,058)	(1,498)	(4,797)	324	(1,764)
Income tax expense	56,735	11,058	11,949	14,933	7,782	13,879	18,648	19,662
(Increase) decrease in trade and other receivables	(8,089)	40,625	4,226	(18,583)	55,835	(60,463)	7,980	77,093
(Increase) decrease in inventories	(16,765)	(709)	(6,151)	31,396	28,270	(31,853)	(118,303)	(39,968)
Increase (decrease) in trade and other payables	35,373	(30,116)	(10,640)	(27,908)	(43,767)	40,158	166,218	(74,708)
Changes in other assets and liabilities	-	-	-	-	-	-	-	54,962
Increase (decrease) in retirement benefits liabilities	455	985	390	674	320	(1,409)	430	(179)
Others	11,224	(1,839)	(1,451)	(19,792)	(15,528)	(7,611)	(36,381)	(543)
Subtotal	110,550	74,825	59,498	47,408	106,986	13,702	107,578	106,696
Interests earned	5,583	5,082	5,225	4,709	3,785	3,496	4,248	5,163
Dividends received	12,457	13,777	16,424	18,439	20,326	12,818	17,735	23,951
Interests paid	(24,217)	(21,840)	(20,308)	(19,261)	(16,746)	(14,872)	(14,814)	(15,138)
Income taxes paid	(15,650)	(16,722)	(13,842)	(12,186)	(14,412)	(14,287)	(15,935)	(24,197)
Net cash provided (used) by/in operating activities	88,723	55,124	46,997	39,109	99,939	857	98,812	96,476
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)	(30,832)
Proceeds from sale of property, plant and equipment	12,655	14,384	13,578	767	11,846	8,340	590	5,963
Purchase of intangible assets	(6,978)	(8,310)	(4,522)	(3,566)	(3,061)	(2,219)	(2,310)	(7,113)
(Increase) decrease in short-term loans receivable	2,646	3,400	(1,706)	2,470	1,083	(4,408)	2,115	5,899
Payment for long-term loans receivable	(13,492)	(11,704)	(3,423)	(4,174)	(4,157)	(3,867)	(32,312)	(7,802)
Collection of long-term loans receivable	969	2,399	5,202	1,165	1,919	1,232	10,826	7,740
Proceeds from (payments for) acquisition of subsidiaries	(2,340)	(5,624)	(7,024)	(5,222)	(9,100)	(5,408)	(20,227)	(3,753)
Proceeds from (payments for) sale of subsidiaries	(707)	1,530	232	10	(467)	(51)	5,411	1,468
Purchase of investments	(4,144)	(2,646)	(23,658)	(8,455)	(6,315)	(16,263)	(26,260)	(32,721)
Proceeds from sale of investments	10,311	17,831	7,910	10,681	6,731	16,473	13,074	17,393
Others	(7,098)	6,559	12,521	23,791	(445)	5,822	(7,725)	1,556
Net cash provided (used) by/in investing activities	(42,280)	(11,652)	(24,469)	(13,792)	(33,910)	(32,179)	(86,407)	(42,200)
Free Cash Flow	46,443	43,472	22,528	25,317	66,029	(31,322)	12,405	54,276
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)	24,999
Proceeds from long-term borrowings	127,338	236,109	170,858	163,996	122,767	160,331	128,716	82,636
Repayment of long-term borrowings	(134,014)	(248,449)	(178,687)	(179,780)	(173,948)	(164,596)	(122,702)	(162,353)
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)	(42)
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)	-	-	(1,195)
Proceeds from non-controlling interest holders	1,261	71	104	3,209	323	771	7,389	3,873
Purchase of treasury stock	(11)	(1)	(11)	(2)	(2)	(10)	(4)	(691)
Dividends paid	(3,753)	(3,753)	(4,378)	(5,629)	(9,382)	(10,008)	(11,258)	(16,888)
Dividends paid to non-controlling interest holders	(1,801)	(1,659)	(1,805)	(2,320)	(1,763)	(2,563)	(2,622)	(3,139)
Others	(922)	(2,050)	(2,160)	(2,752)	(2,292)	(2,507)	(666)	(2,106)
Net cash provided (used) by/in financing activities	(29,530)	(56,177)	(30,931)	(42,600)	(114,695)	(4,029)	(13,052)	(74,907)
Net increase (decrease) in cash and cash equivalents	16,913	(12,706)	(8,403)	(17,282)	(48,666)	(35,350)	(648)	(20,631)
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)	1,076
Cash and cash equivalents at the end of the period	425,595	424,371	420,658	403,748	344,414	308,632	305,241	285,687

(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 method	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