

## Summary of Consolidated Financial Results for the First Half Ended September 30, 2022 (IFRS)

November 1, 2022

### Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

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Scheduled date of delivery of dividends : December 1, 2022

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

### 1. Consolidated Financial Results for the First Half Ended September 30, 2022 (April 1, 2022 - September 30, 2022)

#### (1) Consolidated Operating Results

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

	Revenue		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Company		Total comprehensive income for the period	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the first half ended										
September 30, 2022	1,273,322	27.2	106,547	103.1	81,611	96.8	78,876	99.9	156,690	158.1
September 30, 2021	1,000,694	34.4	52,455	337.2	41,464	296.6	39,449	331.2	60,699	811.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the first half ended		
September 30, 2022	341.70	341.70
September 30, 2021	167.12	167.12

Note1: Basic earnings per share and Diluted earnings per share are calculated based on Profit for the period attributable to owners of the Company.

Note2: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021. Basic earnings per share for the first half ended September 30, 2021 and Diluted earnings per share for the first half ended September 30, 2021 have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

#### (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
	Millions of Yen	Millions of Yen	Millions of Yen	%
As of				
September 30, 2022	2,933,438	905,275	862,329	29.4
March 31, 2022	2,661,680	763,878	728,012	27.4

#### 2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2022	-	9.00	-	61.00	-
March 31, 2023	-	65.00	-	-	-
March 31, 2023 (forecast)	-	-	-	65.00	130.00

Note1: Changes in cash dividend forecast : Yes

Note2: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021.

No figure is displayed for the annual dividend for the year ended March 31, 2022, as an appropriate figure cannot be arrived at through simple addition. If the share consolidation is accounted for, the interim dividend for the year ended March 31, 2022, would be ¥45.00 and annual dividend for the year ended March 31, 2022 would be ¥106.00.

#### 3. Consolidated Earnings Forecast for the Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

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, 2023			
Full-year	110,000	33.6	476.53

Note1: Changes in full-year earnings forecast : Yes

Note2: Basic earnings per share is calculated based on Profit attributable to owners of the Company.

#### 4. Others

(1) Changes in major subsidiaries during the period  
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : No
2. Changes due to other reasons : No
3. Accounting estimate change : No

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

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

As of September 30, 2022 : 250,299,900 As of March 31, 2022: 250,299,900

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

As of September 30, 2022 : 19,459,119 As of March 31, 2022 : 19,470,556

3. Average number of outstanding shares during the periods:

For the first half ended September 30, 2022 (accumulative): 230,832,587

For the first half ended September 30, 2021 (accumulative): 236,057,609

Note1: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021. Average number of issued shares during the periods for the first half ended September 30, 2021 (accumulative) have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

Note2: The Company established the Executive Compensation Board Incentive Plan Trust. The trust account associated with this trust holds shares of the Company's stock, which are treated as treasury shares; 953,699 stocks in the second quarter ended September 30, 2022 and 1,003,203 stocks in the financial year ended March 2022.

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

\* 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.
- Supplementary materials on financial results can be found on the Company's web site. The company will hold an IR meeting on financial results for the first half ended September 30, 2022 for analysts and institutional investors on November 2, 2022. Contents (materials and videos) of the meeting and condensed transcript of Q&A session will be posted on the company's web site immediately after the meeting.

## 1. Analysis of Business Results

### (1) Overview of the Six-Month Period Ended September 30, 2022

#### Economic Environment

In the six-month period ended September 30, 2022, increasingly strong downward pressure was placed on the global economy by factors including Russia's military invasion of Ukraine, the economic sanctions placed on Russia in response to this act, high inflation, monetary tightening measures instituted on a global scale to address inflation, and the opaque outlook for the Chinese economy. Accordingly, there is a need to carefully monitor factors with the potential to trigger future economic recession, despite the dissipation of the impacts of the COVID-19 pandemic.

In the United States, the Federal Reserve Board continues to implement large interest rate hikes, and the latest projections, issued at the September 2022 Federal Open Market Committee meeting, forecast a further increase of 1.25 percentage points to be instituted at the two remaining meetings to be held within the year. Moreover, housing and capital investment is slowing, creating concern for a potential recession leading up to 2023.

In Europe, the European Central Bank has put forth a policy of aggressive interest rate hikes to stabilize prices, which it has defined as a priority issue. As for energy, European countries are instituting increasingly harsh sanctions on Russia. At the same time, however, these countries are also highly dependent on crude oil and gas produced in Russia, a situation that is expected to have an adverse impact on the value chains of the manufacturing industry and a wide range of other industries.

China's zero-COVID strategy placed great pressure on economic activities during the first quarter. Economic activities were resumed in the second quarter, but the economy continued to be weak, with real GDP growth of only 3.9% year on year in the period from July to September 2022 and no consistent improvements seen in the Purchasing Managers' Index or in other economic indicators. Moreover, caution is required with regard to the economic figures to be announced going forward and trends related to the ongoing implementation of the zero-COVID strategy.

In Asia, production and exports continue to recover in conjunction with the resumption of economic activities. At the same time, however, the central banks of Asian countries began raising interest rates in May 2022 to combat the growing costs of imported goods stemming from currency depreciation and the capital outfluxes resulted from interest rate hikes in the United States.

Production and exports in Japan were heavily impacted by the lockdowns instituted in China during the first quarter, but a recovery trend has continued since second quarter. However, the Bank of Japan has decided that it will continue its prior monetary easing measures, even amid the global monetary tightening trend. The ability of the Bank of Japan and the Ministry of Finance to intervene in foreign exchange market is limited. Accordingly, caution is warranted with regard to the potential economic impacts of yen depreciation resulted from the further widening of the gap in interest rates between the United States and Japan.

## Financial Performance

Sojitz Corporation's consolidated business results for the six-month period ended September 30, 2022 are presented below.

Revenue	Revenue was up 27.2% year on year, to ¥1,273,322 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Chemicals Division, a result of growth in plastic resin transactions and higher methanol prices; and in the Consumer Industry & Agriculture Business, a result of higher prices for lumber and fertilizer.
Gross profit	Gross profit was up ¥64,527 million year on year, to ¥182,243 million, due to higher profit in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Chemicals Division, a result of higher methanol prices and growth in plastic resin transactions; and in the Automotive Division, a result of improvement in foreign exchange rate and profitability in overseas automobile operations.
Profit before tax	Profit before tax was up ¥54,092 million year on year, to ¥106,547 million, as a result of increases in gross profit, despite an increase in selling, general and administrative expenses associated with the acquisition of new consolidated subsidiaries.
Profit for the period	After deducting income tax expenses of ¥24,936 million from profit before tax of ¥106,547 million, profit for the period amounted to ¥81,611 million, up ¥40,147 million year on year. Profit for the period (attributable to owners of the Company) increased ¥39,427 million year on year, to ¥78,876 million.
Comprehensive income for the period	Comprehensive income for the period of ¥156,690 million was recorded, up ¥95,991 million year on year, following an increase in financial assets at fair value through other comprehensive income along with more beneficial foreign currency translation differences for foreign operations. Comprehensive income for the period (attributable to owners of the Company) was ¥148,583 million, an increase of ¥90,236 million year on year.

(In Millions of Yen)

	Fiscal Year 2022 H1 Results(A)	Fiscal Year 2021 H1 Results (B)	Difference (A)-(B)	Percentage change (%)
Revenue	1,273,322	1,000,694	272,628	27.2
Gross profit	182,243	117,716	64,527	54.8
Profit before tax	106,547	52,455	54,092	103.1
Profit for the period	81,611	41,464	40,147	96.8
Profit for the period attributable to owners of the Company	78,876	39,449	39,427	99.9
Comprehensive income for the period	156,690	60,699	95,991	158.1

Results for the six-month period ended September 30, 2022, are summarized by segment below. Effective April 1, 2022, the Company reorganized its Consumer Industry & Agriculture Business and Retail & Consumer Service segments and changed its reporting segment classification method.

#### Automotive

Revenue was up 27.0% year on year, to ¥151,185 million, due to improvement in foreign exchange rate and profitability in overseas automobile operations. Profit for the period (attributable to owners of the Company) rose ¥1,051 million year on year, to ¥4,482 million, as a result of an increase in gross profit.

#### Aerospace & Transportation Project

Revenue was down 40.5% year on year, to ¥18,709 million, due to the lower revenue in aircraft-related transactions. Profit for the period (attributable to owners of the Company) increased ¥617 million year on year, to ¥2,001 million, as a result of an increase in gross profit, due to the acquisition of in-flight catering business.

#### Infrastructure & Healthcare

Revenue was up 68.3% year on year, to ¥47,311 million, due to the acquisition of energy conservation business in the U.S. Profit for the period (attributable to owners of the Company) increased ¥7,744 million year on year, to ¥8,981 million, due to an increase in gross profit, share of profit of investments accounted for using the equity method in LNG businesses and in other income (expenses) by a partial sale of an overseas telecommunications tower operating company.

#### Metals, Mineral Resources & Recycling

Revenue was up 35.2% year on year, to ¥349,881 million, due to higher prices for coal. Profit for the period (attributable to owners of the Company) increased ¥25,580 million year on year, to ¥41,794 million, as a result of an increase in gross profit.

#### Chemicals

Revenue was up 24.1% year on year, to ¥323,479 million, due to growth in plastic resin transactions and higher methanol prices. Profit for the period (attributable to owners of the Company) increased ¥4,583 million year on year, to ¥11,340 million, as a result of an increase in gross profit.

#### Consumer Industry & Agriculture Business

Revenue was up 35.8% year on year, to ¥192,632 million, due to higher prices in lumber and fertilizer. Profit for the period (attributable to owners of the Company) increased ¥1,142 million year on year, to ¥5,887 million, as a result of an increase in gross profit.

#### Retail & Consumer Service

Revenue was up 45.4% year on year, to ¥149,444 million, due to the acquisition of aquaculture food product manufacturing and processing company. Profit for the period (attributable to owners of the Company) decreased ¥479 million year on year, to ¥1,418 million, despite an increase in gross profit, as a result of an increase of selling, general and administrative expenses, due to the acquisition of aquaculture food product manufacturing and processing company.

## (2) Financial Position

### Consolidated Balance Sheet

Total assets on September 30, 2022, were ¥ 2,933,438 million, up ¥271,758 million from March 31, 2022, following the increase in trade and other receivables under current assets associated with aircraft-related transactions and coal, an increase in inventories of aircraft and fertilizer and an increase in investments accounted for using the equity method following new acquisition and accumulation of share of profit of investments accounted for using the equity method in addition to the impact of yen depreciation.

Total liabilities on September 30, 2022, amounted to ¥2,028,163 million, up ¥130,361 million from March 31, 2022, as results of the increase in trade and other payables under current liabilities associated with coal and tobacco in addition to the impact of yen depreciation.

Total equity attributable to owners of the Company was ¥862,329 million on September 30, 2022, up ¥134,317 million from March 31, 2022. This increase was due to the accumulation of profit for the period (attributable to owners of the Company), and an increase in other components of equity resulted primarily from foreign exchange rate.

Consequently, on September 30, 2022, the current ratio was 168.0%, the long-term debt ratio was 82.4%, and the equity ratio\* was 29.4%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥819,338 million on September 30, 2022, up ¥49,047 million from March 31, 2022. This resulted in the Company's net debt equity ratio\* equaling 0.95 times on September 30, 2022.

(\*) The equity ratio and net debt equity ratio are calculated based on total equity attributable to owners of the Company. Lease liabilities have been excluded from aforementioned total interest-bearing debt.

Under Medium-Term Management Plan 2023, the Sojitz Group continues 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 a certain level.

Even though Sojitz did not issue straight bonds, as one source of long-term funding, in the six-month period ended September 30, 2022, 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 ¥100.0 billion long-term yen commitment line (which remains unused) and long-term commitment line totaling US\$2.125 billion (of which US\$1.36 billion has been used).

### Consolidated Cash Flows

In the six-month period ended September 30, 2022, operating activities provided net cash flow of ¥82,254 million, investing activities used net cash flow of ¥44,231 million, and financing activities used net cash flow of ¥51,332 million. Sojitz ended the period with cash and cash equivalents of ¥269,274 million, reflecting foreign currency translation adjustments related to cash and cash equivalents.

#### (Cash flows from operating activities)

Net cash provided in operating activities amounted to ¥82,254 million, an increase of ¥52,667 million year on year, mainly as a result of business earnings and dividends received.

#### (Cash flows from investing activities)

Net cash used in investing activities totaled ¥44,231 million, down ¥22,830 million year on year, mainly as a result of aircraft-related transactions and office building development project in the Philippines.

#### (Cash flows from financing activities)

Net cash used in financing activities totaled ¥51,332 million, up ¥56,526 million year on year, mainly as a result of repayment of borrowings and dividends paid.

### **(3) Consolidated Earnings Forecast**

#### Consolidated Earnings Forecast

An upward revision was instituted to the forecasts for consolidated performance in year ending March 31, 2023, in reflection of the strong performance being seen in each segment and the projected benefits to performance of current coal market conditions and foreign exchange rates.

Profit for the year (Attributable  
to owners of the Company)           ¥110.0 billion  
(¥25.0 billion (29.4%) higher than initial forecast)

The above forecast assumes a yen/dollar rate of ¥140/US\$.

#### Dividend Policy and Fiscal 2022 Dividends

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

Under the Medium-term Management plan 2023, the basic dividend policy is to maintain a consolidated payout ratio of around 30%. Lower limit for dividends is set as representing market price-based DOE (\*1) of 4% until PBR reaches 1.0 times and book value-based DOE (\*2) of 4% after PBR reaches 1.0 times.

(\*1) Market price-based DOE = Dividend per share / Stock price (Average closing share price for fiscal year)

(\*2) Book value-based DOE = Dividend per share / Total equity per share attributable to owners of the Company (At the end of fiscal year)

Based on the Company's performance in the six-month period ended September 30, 2022, the newly announced forecasts for consolidated performance in the year ending March 31, 2023, and the outlook for the operating environment, the Company has raised its forecast for the annual dividend payment to ¥130 per share, an increase of ¥18 from the prior forecast of ¥112 per share, which will make for a payout ratio of 27.3% of profit for the year (attributable to owners of the Company).

At a meeting of the Board of Directors held on November 1, 2022, it was decided that the interim dividend for the year ending March 31, 2023, will be ¥65 per share, half the amount of the annual dividend payment, which will represent an increase of ¥9 per share from the previously announced amount of ¥56 per share.

#### **\*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.

**2. Summary information (other)**

**(1) Changes in major subsidiaries during the period**

None



### 3. Consolidated Financial Statements

#### (1) Consolidated Statements of Financial Position

(In Millions of Yen)

	FY 2021 (As of March 31, 2022)	FY 2022 (As of September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and cash equivalent	271,651	269,274
Time deposits	10,782	4,725
Trade and other receivables	791,466	892,680
Derivatives	10,743	13,060
Inventories	232,788	318,517
Income tax receivables	1,051	4,460
Other current assets	68,382	66,020
Subtotal	1,386,867	1,568,738
Assets as held for sale	7,352	13,055
Total current assets	1,394,220	1,581,794
Non-current assets		
Property, plant and equipment	201,516	219,743
Usage rights assets	69,661	68,036
Goodwill	82,522	90,679
Intangible assets	85,031	94,786
Investment property	13,261	13,540
Investments accounted for using the equity method	490,320	574,204
Trade and other receivables	118,273	96,173
Other investments	183,310	170,498
Derivatives	1,943	1,703
Other non-current assets	13,012	13,322
Deferred tax assets	8,607	8,954
Total non-current assets	1,267,460	1,351,643
Total assets	2,661,680	2,933,438
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Trade and other payables	545,963	622,037
Lease liabilities	17,427	17,347
Bonds and borrowings	231,216	192,190
Derivatives	8,614	15,744
Income tax payables	19,007	19,260
Provisions	4,137	2,300
Other current liabilities	71,259	72,539
Total current liabilities	897,627	941,421
Non-current liabilities		
Lease liabilities	57,836	56,223
Bonds and borrowings	821,508	901,147
Trade and other payables	8,203	9,002
Derivatives	117	306
Retirement benefits liabilities	23,930	25,032
Provisions	47,951	52,051
Other non-current liabilities	8,891	9,158
Deferred tax liabilities	31,734	33,819
Total non-current liabilities	1,000,174	1,086,741
Total liabilities	1,897,802	2,028,163
Equity		
Share capital	160,339	160,339
Capital surplus	147,027	147,041
Treasury stock	(31,015)	(30,999)
Other components of equity	136,747	203,313
Retained earnings	314,913	382,634
Total equity attributable to owners of the Company	728,012	862,329
Non-controlling interests	35,866	42,945
Total equity	763,878	905,275
Total liabilities and equity	2,661,680	2,933,438

## (2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	For the 1st Half Ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	For the 1st Half Ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Revenue		
Sale of goods	952,381	1,219,882
Sales of service and others	48,312	53,439
Total revenue	1,000,694	1,273,322
Cost of sales	(882,977)	(1,091,078)
Gross profit	117,716	182,243
Selling, general and administrative expenses	(83,807)	(105,565)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	51	285
Impairment loss on fixed assets	(165)	(234)
Gain on reorganization of subsidiaries/associates	2,336	4,810
Loss on reorganization of subsidiaries/associates	(715)	(729)
Other operating income	3,326	4,664
Other operating expenses	(2,999)	(4,978)
Total other income/expenses	1,834	3,818
Financial income		
Interests earned	3,228	5,902
Dividends received	1,936	2,272
Other financial income	200	949
Total financial income	5,365	9,125
Financial costs		
Interest expenses	(5,538)	(7,938)
Total financial cost	(5,538)	(7,938)
Share of profit(loss) of investments accounted for using the equity method	16,884	24,864
Profit before tax	52,455	106,547
Income tax expenses	(10,990)	(24,936)
Profit for the period	41,464	81,611
Profit attributable to:		
Owners of the Company	39,449	78,876
Non-controlling interests	2,015	2,734
Total	41,464	81,611

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

(In Millions of Yen)

	For the 1st Half Ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	For the 1st Half Ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Profit for the period	41,464	81,611
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	15,898	(9,646)
Remeasurements of defined benefit pension plans	(15)	(440)
Share of other comprehensive income of investments accounted for using the equity method	(4,383)	4,805
Total items that will not be reclassified to profit or loss	11,500	(5,282)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	4,505	51,732
Cash flow hedges	(2,046)	(1,998)
Share of other comprehensive income of investments accounted for using the equity method	5,275	30,628
Total items that may be reclassified subsequently to profit or loss	7,734	80,362
Other comprehensive income for the year, net of tax	19,234	75,079
Total comprehensive income for the period	60,699	156,690
Total comprehensive income attributable to:		
Owners of the Company	58,347	148,583
Non-controlling interests	2,351	8,107
Total	60,699	156,690

## (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 at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2021	160,339	146,814	(15,854)	(16,018)	97,920	(4,129)
Profit for the period						
Other comprehensive income				8,762	11,133	(945)
Total comprehensive income for the period	-	-	-	8,762	11,133	(945)
Purchase of treasury stock		(4)	(15,000)			
Disposition of treasury stock		(12)	12			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(454)		
Reclassification from other components of equity to retained earnings					33	
Share remuneration payment transaction		136				
Other changes						
Total contributions by and distributions to owners of the Company	-	119	(14,987)	(454)	33	-
Balance as of September 30, 2021	160,339	146,934	(30,842)	(7,710)	109,087	(5,075)

	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, 2021	-	77,772	250,039	619,111	35,527	654,639
Profit for the period			39,449	39,449	2,015	41,464
Other comprehensive income	(51)	18,898		18,898	335	19,234
Total comprehensive income for the period	(51)	18,898	39,449	58,347	2,351	60,699
Purchase of treasury stock				(15,005)		(15,005)
Disposal of treasury stock				-		-
Dividends			(6,003)	(6,003)	(2,910)	(8,913)
Change in ownership interests in subsidiaries without loss/acquisition of control		(454)	1,401	947	(1,440)	(493)
Reclassification from other components of equity to retained earnings	51	85	(85)	-		-
Share remuneration payment transaction				136		136
Other changes			95	95	(47)	48
Total contributions by and distributions to owners of the Company	51	(369)	(4,590)	(19,828)	(4,398)	(24,226)
Balance as of September 30, 2021	-	96,301	284,897	657,631	33,480	691,111

(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 at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2022	160,339	147,027	(31,015)	31,314	104,732	699
Profit for the period						
Other comprehensive income				60,601	(4,749)	14,291
Total comprehensive income for the period	-	-	-	60,601	(4,749)	14,291
Purchase of treasury stock		(1)	(80)			
Disposition of treasury stock		(96)	96			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Purchase commitments for non-controlling interests' shares						
Reclassification from other components of equity to retained earnings					(3,576)	
Share remuneration payment transaction		111				
Other changes						
Total contributions by and distributions to owners of the Company	-	13	15	-	(3,576)	-
Balance as of September 30, 2022	160,339	147,041	(30,999)	91,916	96,406	14,991

	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, 2022	-	136,747	314,913	728,012	35,866	763,878
Profit for the period			78,876	78,876	2,734	81,611
Other comprehensive income	(435)	69,707		69,707	5,372	75,079
Total comprehensive income for the period	(435)	69,707	78,876	148,583	8,107	156,690
Purchase of treasury stock				(82)		(82)
Disposal of treasury stock				-		-
Dividends			(14,141)	(14,141)	(1,713)	(15,854)
Change in ownership interests in subsidiaries without loss/acquisition of control				-	687	687
Purchase commitments for non-controlling interests' shares			(102)	(102)		(102)
Reclassification from other components of equity to retained earnings	435	(3,140)	3,140	-		-
Share remuneration payment transaction				111		111
Other changes			(50)	(50)	(2)	(53)
Total contributions by and distributions to owners of the Company	435	(3,140)	(11,154)	(14,266)	(1,028)	(15,294)
Balance as of September 30, 2022	-	203,313	382,634	862,329	42,945	905,275

## (5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	For the 1st Half Ended September 30, 2021 (From April 1, 2021 to September 30, 2021)	For the 1st Half Ended September 30, 2022 (From April 1, 2022 to September 30, 2022)
Cash flows from operating activities		
Profit for the period	41,464	81,611
Depreciation and amortization	16,536	19,928
Impairment loss of fixed assets	165	234
Finance (income) costs	172	(1,187)
Share of (profit)loss of investments accounted for using the equity method	(16,884)	(24,864)
(Gain) loss on sale of fixed assets, net	(51)	(285)
Income tax expenses	10,990	24,936
(Increase) decrease in trade and other receivables	(66,573)	(13,274)
(Increase) decrease in inventories	(37,405)	(71,512)
Increase (decrease) in trade and other payables	71,211	58,688
Changes in other assets and liabilities	13,059	18,381
Increase (decrease) in retirement benefits liabilities	(70)	(311)
Others	(1,314)	1,579
Subtotal	31,300	93,926
Interests earned	4,930	4,456
Dividends received	8,108	20,097
Interests paid	(5,576)	(9,211)
Income taxes paid	(9,175)	(27,013)
Net cash provided (used) by/in operating activities	29,587	82,254
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,799)	(9,782)
Proceeds from sale of property, plant and equipment	337	1,349
Purchase of intangible assets	(4,375)	(5,189)
(Increase) decrease in short-term loans receivable	(290)	98
Payment for long-term loans receivable	(795)	(548)
Collection of long-term loans receivable	506	947
Proceeds from (payments for) acquisition of subsidiaries	(453)	(553)
Proceeds from (payments for) sale of subsidiaries	1,128	(399)
Purchase of investments	(14,276)	(17,034)
Proceeds from sale of investments	7,498	9,577
Others	(48,542)	(22,696)
Net cash provided (used) by/in investing activities	(67,061)	(44,231)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	5,225	(54,294)
Proceeds from long-term borrowings	108,090	132,514
Repayment of long-term borrowings	(64,516)	(95,160)
Proceeds from issuance of bonds	9,940	-
Redemption of bonds	(20,003)	(10,000)
Repayment of lease liabilities	(7,725)	(8,405)
Payment for acquisition of subsidiary's interests from non-controlling interest holders	(1,070)	(3)
Proceeds from non-controlling interest holders	45	711
Sales of treasury stock	3	29
Purchase of treasury stock	(15,000)	(80)
Dividends paid	(6,003)	(14,141)
Dividends paid to non-controlling interest holders	(3,730)	(2,500)
Others	(61)	(0)
Net cash provided (used) by/in financing activities	5,194	(51,332)
Net increase (decrease) in cash and cash equivalents	(32,279)	(13,309)
Cash and cash equivalents at the beginning of the year	287,597	271,651
Effect of exchange rate changes on cash and cash equivalents	(1,107)	10,931
Cash and cash equivalents at the end of the period	254,210	269,274

## (6) Assumption for Going Concern

For the first half ended September 30, 2022 (April 1, 2022 – September 30, 2022)  
:None

## (7) Segment information

For the first half ended September 30, 2021 (April 1, 2021 – September 30, 2021)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	119,057	31,449	28,105	258,752	260,608	144,861
Inter-segment revenue	-	3	1,586	-	1	7
Total revenue	119,057	31,453	29,691	258,752	260,610	141,869
Segment profit attributable to owners of the Company	3,431	1,384	1,237	16,214	6,757	4,745

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	102,799	942,634	58,059	-	1,000,694
Inter-segment revenue	180	1,780	80	(1,860)	-
Total revenue	102,980	944,414	58,140	(1,860)	1,000,694
Segment profit attributable to owners of the Company	1,897	35,667	1,748	2,033	39,449

Reconciliation of segment profit of 2,033 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,759 million yen, and unallocated dividend income and others of 273 million yen.

For the first half ended September 30, 2022 (April 1, 2022 – September 30, 2022)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	151,185	18,709	47,311	349,881	323,479	192,632
Inter-segment revenue	0	5	2,139	-	2	0
Total revenue	151,185	18,714	49,450	349,881	323,482	192,633
Segment profit attributable to owners of the Company	4,482	2,001	8,981	41,794	11,340	5,887

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	149,444	1,232,643	40,678	-	1,273,322
Inter-segment revenue	191	2,339	71	(2,410)	-
Total revenue	149,635	1,234,983	40,749	(2,410)	1,273,322
Segment profit attributable to owners of the Company	1,418	75,907	1,170	1,798	78,876

Reconciliation of segment profit of 1,798 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,109 million yen, and unallocated dividend income and others of 688 million yen.

## (Changes in Reportable Segments)

Effective April 1, 2022, Sojitz Group reorganized its the Consumer Industry & Agriculture Business and the Retail & Consumer Service segments and changed its reporting segment classification method. Segment information for the six-month period ended September 30, 2022, has been restated to reflect the change in reportable segments.