

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

November 1, 2022  
Sojitz Corporation

## Results Highlights

◆ 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, and the opaque outlook for the Chinese economy. Despite the dissipation of the impacts of the COVID-19 pandemic, there is a need to carefully monitor factors with the potential to trigger future economic recession, such as high inflation and possible reductions to demand due to the monetary tightening measures of central banks around the world.

Revenue in the six-month period ended September 30, 2022, was up year on year following increases in 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 Division, a result of higher lumber and fertilizer prices. Profit for the period (attributable to owners of the Company) was up year on year, despite a rise in SG&A expenses associated with the acquisition of new consolidated subsidiaries, following higher gross profit.

(Figures in parentheses are YoY changes)

Revenue 1,273.3 bn yen (+272.6 bn yen / +27.2%)

- Increase in the Metals, Mineral Resources & Recycling Div. due to higher coal prices
- Increase in the Chemicals Div. due to higher transaction volumes of plastic resin and a price increase in methanol
- Increase in the Consumer Industry & Agriculture Business Div. due to higher lumber and fertilizer prices

Gross profit 182.2 bn yen (+64.5 bn yen / +54.8%)

- Increase in the Metals, Mineral Resources & Recycling Div. due to the increase in coal prices
- Increase in the Chemicals Div. due to the higher price of methanol and higher transaction volumes of plastic resin
- Increase in the Automotive Div. due to improvement in foreign exchange rates and profitability improvement in overseas automobile operations

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

78.9 bn yen (+39.5 bn yen / +99.9%)

- Increase in gross profit
- Increase in share of profit of investments accounted for using the equity method

### Earnings forecast for the year ending March 31, 2023

Full-year earnings forecasts were revised as follows.

	Initial Forecast	Revised Forecast (Nov. 1, 2022)
Gross profit	300.0 bn yen	⇒ 340.0 bn yen
Profit before tax	120.0 bn yen	⇒ 150.0 bn yen
Profit for the year (attributable to owners of the Company)	85.0 bn yen	⇒ 110.0 bn yen

Revised Assumptions (Nov. 1, 2022)

Exchange rate (H2) (¥/US\$) : 140

### Cash dividends per share for the year ending March 31, 2023

Cash dividends forecast per share were revised as follows.

	Initial Forecast	Revised Forecast (Nov. 1, 2022)
Interim (result)	56.00 yen per share	⇒ 65.00 yen per share
Year-end (forecast)	56.00 yen per share	⇒ 65.00 yen per share
Full year (forecast)	112.00 yen per share	⇒ 130.00 yen per share

\*1 Core earnings = Gross profit + SG&A 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 - Purchase of treasury stock (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 outcomes, which may differ materially based on 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

	FY2022 H1		FY2021 H1		Factors Affecting Circled Figures	FY2022 (Revised)		
	Results	Q1	Q2	Results		Difference	Full-year Forecast	Percentage Achieved
	a			b		a-b	c	a/c
<b>Revenue</b>	1,273.3	618.5	654.8	1,000.7	272.6			
<b>Gross profit</b>	182.2	96.9	85.3	117.7	64.5	340.0	54%	
<b>SG&amp;A expenses</b>								
Personnel expenses	(57.6)	(28.5)	(29.1)	(47.7)	(9.9)			
Non-personnel expenses	(36.1)	(17.4)	(18.7)	(26.3)	(9.8)			
Depreciation	(11.4)	(5.6)	(5.8)	(9.1)	(2.3)			
Provision of allowance for doubtful accounts	(0.5)	0.0	(0.5)	(0.7)	0.2			
<b>(Total SG&amp;A expenses)</b>	<b>(105.6)</b>	<b>(51.5)</b>	<b>(54.1)</b>	<b>(83.8)</b>	<b>(21.8)</b>	<b>(230.0)</b>		
<b>Other income/expenses</b>								
Gain/loss on sale and disposal of fixed assets, net	0.3	0.1	0.2	0.1	0.2			
Impairment loss on fixed assets	(0.2)	(0.2)	0.0	(0.2)	0.0			
Gain on reorganization of subsidiaries/associates	4.8	4.6	0.2	2.3	2.5	Overseas telecommunications tower operating company		
Loss on reorganization of subsidiaries/associates	(0.7)	0.0	(0.7)	(0.7)	0.0			
Other operating income/expenses	(0.4)	(1.2)	0.8	0.4	(0.8)			
<b>(Total other income/expenses)</b>	<b>3.8</b>	<b>3.3</b>	<b>0.5</b>	<b>1.9</b>	<b>1.9</b>	<b>2.0</b>		
<b>Financial income/costs</b>								
Interest earned	5.9	2.6	3.3	3.2	2.7			
Interest expenses	(7.9)	(3.6)	(4.3)	(5.5)	(2.4)			
<b>(Interest expenses, net)</b>	<b>(2.0)</b>	<b>(1.0)</b>	<b>(1.0)</b>	<b>(2.3)</b>	<b>0.3</b>			
Dividends received	2.3	1.6	0.7	1.9	0.4			
Other financial income/costs	0.9	0.6	0.3	0.2	0.7			
<b>(Financial income/costs, net)</b>	<b>1.2</b>	<b>1.2</b>	<b>0.0</b>	<b>(0.2)</b>	<b>1.4</b>	<b>(5.0)</b>		
<b>Share of profit (loss) of investments accounted for using the equity method</b>	<b>24.9</b>	<b>10.6</b>	<b>14.3</b>	<b>16.9</b>	<b>8.0</b>	<b>43.0</b>		
<b>Profit before tax</b>	<b>106.5</b>	<b>60.5</b>	<b>46.0</b>	<b>52.5</b>	<b>54.0</b>	<b>150.0</b>	<b>71%</b>	
<b>Income tax expenses</b>	<b>(24.9)</b>	<b>(14.5)</b>	<b>(10.4)</b>	<b>(11.0)</b>	<b>(13.9)</b>	<b>(35.0)</b>		
<b>Profit for the period</b>	<b>81.6</b>	<b>46.0</b>	<b>35.6</b>	<b>41.5</b>	<b>40.1</b>	<b>115.0</b>	<b>71%</b>	
<b>(Profit attributable to)</b>								
<b>Owners of the Company</b>	<b>78.9</b>	<b>45.2</b>	<b>33.7</b>	<b>39.4</b>	<b>39.5</b>	<b>110.0</b>	<b>72%</b>	
Non-controlling interests	2.7	0.8	1.9	2.1	0.6	5.0		
<b>Core earnings *1</b>	<b>102.3</b>	<b>56.6</b>	<b>45.7</b>	<b>51.1</b>	<b>51.2</b>	<b>148.0</b>		

## Comprehensive Income

	FY2022 H1		FY2021 H1		Difference
	Results	Q1	Q2	Results	
	a			b	
<b>Profit for the period</b>	81.6	46.0	35.6	41.5	40.1
<b>Other comprehensive income</b>	75.1	46.7	28.4	19.2	55.9
<b>Total comprehensive income for the period</b>	<b>156.7</b>	<b>92.7</b>	<b>64.0</b>	<b>60.7</b>	<b>96.0</b>
<b>Comprehensive income attributable to:</b>					
<b>Owners of the Company</b>	<b>148.6</b>	<b>87.6</b>	<b>61.0</b>	<b>58.3</b>	<b>90.3</b>
Non-controlling interests	8.1	5.1	3.0	2.4	5.7

## Cash Flows

	FY2022 H1		FY2021 H1		Factors Affecting Circled Figures
	Results	Q1	Q2	Results	
	a			b	
<b>Cash flows from operating activities</b>	82.2	29.6	52.6	29.6	Inflows from business earnings and dividend income
<b>Cash flows from investing activities</b>	(44.2)	(67.1)	22.9	(67.1)	Outflows due to aircraft-related businesses and investments
<b>FCF</b>	<b>38.0</b>	<b>(37.5)</b>	<b>75.5</b>	<b>(37.5)</b>	
<b>Cash flows from financing activities</b>	(51.3)	5.2	(56.5)	5.2	Outflows for repayment of borrowings and dividends paid
<b>Core operating cash flow*2</b>	<b>90.3</b>	<b>49.3</b>	<b>41.0</b>	<b>49.3</b>	
<b>Core cash flow*3</b>	<b>58.2</b>	<b>(2.6)</b>	<b>60.8</b>	<b>(2.6)</b>	

## Consolidated Statements of Financial Position

	Sep. 30,		Mar. 31,		Difference	Factors Affecting Circled Figures
	2022	2022	2022	2022		
	d	e	d	e		
<b>Current assets</b>	<b>1,581.8</b>	<b>1,394.2</b>	<b>187.6</b>			
Cash and cash equivalents	269.3	271.7	(2.4)			
Time deposits	4.7	10.8	(6.1)			
Trade and other receivables	892.7	791.5	101.2	Increase in aircraft-related, coal, and building materials		
Inventories	318.5	232.8	85.7	Increase in aircraft, coal, and fertilizer		
Other current assets	96.6	87.4	9.2			
<b>Non-current assets</b>	<b>1,351.6</b>	<b>1,267.5</b>	<b>84.1</b>			
Property, plant and equipment	219.7	201.5	18.2			
Lease assets (usage rights assets)	68.0	69.7	(1.7)			
Goodwill	90.7	82.5	8.2			
Intangible assets	94.8	85.0	9.8			
Investment property	13.5	13.3	0.2			
Investments accounted for using the equity method	744.7	673.6	71.1	Increase due to new acquisition and accumulation of share of profit of investments accounted for using the equity method		
Other non-current assets	120.2	141.9	(21.7)			
<b>Total assets</b>	<b>2,933.4</b>	<b>2,661.7</b>	<b>271.7</b>			
<b>Current liabilities</b>	<b>941.4</b>	<b>897.6</b>	<b>43.8</b>			
Trade and other payables	622.0	546.0	76.0	Increase in coal, tobacco, and building materials		
Lease liabilities	17.3	17.4	(0.1)			
Bonds and borrowings	192.2	231.2	(39.0)			
Other current liabilities	109.9	103.0	6.9			
<b>Non-current liabilities</b>	<b>1,086.7</b>	<b>1,000.2</b>	<b>86.5</b>			
Lease liabilities	56.2	57.8	(1.6)			
Bonds and borrowings	901.1	821.5	79.6	Increase due to new borrowings and change in foreign exchange rates		
Retirement benefit liabilities	25.0	23.9	1.1			
Other non-current liabilities	104.4	97.0	7.4			
<b>Total liabilities</b>	<b>2,028.1</b>	<b>1,897.8</b>	<b>130.3</b>			
Share capital	160.3	160.3	-			
Capital surplus	147.0	147.0	0.0			
Treasury stock	(31.0)	(31.0)	0.0			
Other components of equity	203.4	136.8	66.6	Increase due to changes in foreign exchange rates		
Retained earnings	382.6	314.9	67.7	Profit for the period +78.9		
<b>Total equity attributable to owners of the Company</b>	<b>862.3</b>	<b>728.0</b>	<b>134.3</b>	Dividends paid (14.1)		
Non-controlling interests	43.0	35.9	7.1			
<b>Total equity</b>	<b>905.3</b>	<b>763.9</b>	<b>141.4</b>			
<b>Total liabilities and equity</b>	<b>2,933.4</b>	<b>2,661.7</b>	<b>271.7</b>			
Gross interest-bearing debt*	1,093.3	1,052.7	+40.6			
Net interest-bearing debt*	819.3	770.2	+49.1			
Net debt/equity ratio (times)**	0.95	1.06	(0.11)			
Equity ratio**	29.4%	27.4%	+2.0%			
Current ratio	168.0%	155.3%	+12.7%			
Long-term debt ratio	82.4%	78.0%	+4.4%			

\* Lease liabilities (under current liabilities and non-current liabilities) have been excluded from the calculations of gross interest-bearing debt and net interest-bearing debt.

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

## Highlights of Consolidated Financial Results for the First Half of the Year Ended September 30, 2022 (IFRS) — Supplementary Materials

November 1, 2022  
Sojitz Corporation

Operating Results (BN JPY)					Segment Performance [Gross Profit]				Segment Performance [Profit for the Period (Attributable to Owners of the Company)] (BN JPY)								
	FY2022 H1	FY2021 H1	Difference	FY2022 Revised Forecast (Nov. 1, 2022)	Percentage Achieved (against revised forecast)		FY2022 H1	FY2021 H1	Difference	FY2022 Revised Forecast (Nov. 1, 2022)	FY2022 H1	FY2021 H1	Difference	Main Factors Behind Difference	FY2022 Revised Forecast (Nov. 1, 2022)	Progress Overview	FY2022 Initial Forecast
<b>Revenue</b>	<b>1,273.3</b>	<b>1,000.7</b>	+272.6	-	-												
<b>Gross profit</b>	<b>182.2</b>	<b>117.7</b>	+64.5	<b>340.0</b>	54%	<b>Automotive</b>	<b>28.3</b>	21.6	+6.7	<b>50.0</b>	<b>4.5</b>	3.4	+1.1	Increased due to yen depreciation in overseas automobile businesses	<b>6.0</b>	Performance generally as forecast	<b>6.0</b>
SG&A expenses	(105.6)	(83.8)	(21.8)	(230.0)	-	<b>Aerospace &amp; Transportation Project</b>	<b>9.0</b>	6.7	+2.3	<b>20.0</b>	<b>2.0</b>	1.4	+0.6	Increased due to earnings from aircraft-related businesses	<b>5.0</b>	Performance generally as forecast	<b>4.5</b>
Other income/expenses	3.8	1.9	+1.9	2.0	-	<b>Infrastructure &amp; Healthcare</b>	<b>11.3</b>	8.3	+3.0	<b>25.0</b>	<b>9.0</b>	1.2	+7.8	Increased due to gain on partial sale of equity in overseas telecommunications tower operating business as well as earnings from domestic and overseas power generation and LNG businesses	<b>12.0</b>	Upward revision to forecast to reflect one-time factor seen in six-month period and strong performance in domestic and overseas power generation businesses	<b>9.0</b>
Financial income/costs	1.2	(0.2)	+1.4	(5.0)	-	<b>Metals, Mineral Resources &amp; Recycling</b>	<b>54.6</b>	15.3	+39.3	<b>90.0</b>	<b>41.8</b>	16.2	+25.6	Increased due to higher selling prices in coal businesses	<b>65.0</b>	Upward revision to forecast to account for strong six-month performance and solid conditions seen in coal market and at a steel trading company	<b>51.0</b>
Share of profit (loss) of investments accounted for using the equity method	24.9	16.9	+8.0	43.0	-	<b>Chemicals</b>	<b>32.7</b>	25.4	+7.3	<b>60.0</b>	<b>11.3</b>	6.8	+4.5	Increased due to higher prices of various chemical products and improved profitability	<b>17.0</b>	Upward revision to forecast based on strong conditions for chemical businesses	<b>12.5</b>
<b>Profit before tax</b>	<b>106.5</b>	<b>52.5</b>	+54.0	<b>150.0</b>	71%	<b>Consumer Industry &amp; Agriculture Business</b>	<b>18.3</b>	16.5	+1.8	<b>30.0</b>	<b>5.9</b>	4.7	+1.2	Increased due to improved profitability in fertilizer businesses and higher selling prices in lumber-related businesses	<b>6.0</b>	Upward revision to forecast to account for steady six-month performance for fertilizer businesses	<b>3.0</b>
<b>Profit for the period (Profit attributable to)</b>	<b>81.6</b>	<b>41.5</b>	+40.1	<b>115.0</b>	71%	<b>Retail &amp; Consumer Service</b>	<b>21.4</b>	15.3	+6.1	<b>50.0</b>	<b>1.4</b>	1.9	(0.5)	Decreased due to reduced profitability for imported food products as a result of yen depreciation	<b>7.0</b>	Upward revision to forecast due to gain from asset replacement activities scheduled for second half of fiscal year	<b>5.0</b>
<b>Owners of the Company</b>	<b>78.9</b>	<b>39.4</b>	+39.5	<b>110.0</b>	72%	<b>Others</b>	<b>6.6</b>	8.6	(2.0)	<b>15.0</b>	<b>3.0</b>	3.8	(0.8)		<b>(8.0)</b>		<b>(6.0)</b>
Non-controlling interests	2.7	2.1	+0.6	5.0	-												
Core earnings*1	102.3	51.1	+51.2	148.0	-												
Comprehensive income attributable to owners of the Company	148.6	58.3	+90.3														
						<b>Total</b>	<b>182.2</b>	117.7	+64.5	<b>340.0</b>	<b>78.9</b>	39.4	+39.5		<b>110.0</b>		<b>85.0</b>

\*1 Core earnings = Gross profit + SG&A 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

Note: Effective April 1, 2022, Sojitz Group reorganized the Consumer Industry & Agriculture Business and the Retail & Consumer Service segments and changed its reporting figures for FY2021 Q1.

Financial Position (BN JPY)				
	Sep. 30, 2022	Mar. 31, 2022	Difference	Mar. 31, 2023 Revised Forecast (Nov. 1, 2022)
<b>Total assets</b>	<b>2,933.4</b>	<b>2,661.7</b>	+271.7	<b>3,000.0</b>
<b>Total equity*2</b>	<b>862.3</b>	<b>728.0</b>	+134.3	<b>870.0</b>
<b>Equity ratio</b>	<b>29.4%</b>	<b>27.4%</b>	+2.0%	<b>29.0%</b>
<b>Net interest-bearing debt*3</b>	<b>819.3</b>	<b>770.2</b>	+49.1	<b>870.0</b>
<b>Net D/E ratio (Times)</b>	<b>0.95</b>	<b>1.06</b>	(0.11)	<b>1.0</b>
<b>Risk assets</b>	<b>540.0</b>	<b>450.0</b>	+90.0	-
<b>Ratio of risk assets to equity (Times)</b>	<b>0.6</b>	<b>0.6</b>	0.0	-

\*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 Lease liabilities (under current liabilities and non-current liabilities) have been excluded from calculations of net interest-bearing debt.

Cash Flows (BN JPY)				
	MTP* 2020 3-year Results (Aggregate)	FY21 Results	FY22 H1 Results	MTP 2023 3-year Initial Target (Aggregate)
Core operating cash flow	219.0	128.7	90.3	Approx. 240.0-250.0
Core cash flow	56.0	10.5	58.2	Positive over the six-year period of MTP 2020 and MTP 2023
FCF	108.0	(73.7)	38.0	-

\* Medium-Term Management Plan

Note: As of the end of September 30, 2022, in addition to cash in bank of ¥274.0 bn, Sojitz maintains a ¥100.0 bn long-term commitment line (which remains unused) and a US\$2.125 bn long-term commitment line (of which US\$1.36 bn has been used).

Commodity Prices and Exchange Rates				
	FY21 Results (Apr.-Sep. '21 Avg.)	FY22 Initial Assumption ⇒ FY22 H2 Assumption (Nov. 1)	FY22 Results (Apr.-Sep. '22 Avg.)	Latest Data (As of Oct. 26, 2022)
<b>Coking coal**1</b>	US\$199.5/t	US\$280.0/t [H1 : US\$340.0/t] [H2 : US\$220.0/t]	US\$345.3/t	US\$306.8/t
<b>Thermal coal**1</b>	US\$138.3/t	US\$160.0/t ⇒US\$330.0/t (H2)	US\$401.3/t	US\$379.3/t
<b>Crude oil (Brent)</b>	US\$71.2/bbl	US\$90.0/bbl	US\$104.8/bbl	US\$95.7/bbl
<b>Exchange rate**2</b>	¥110.1/US\$	¥115.0/US\$ ⇒¥140.0/US\$ (H2)	¥135.3/US\$	¥148.2/US\$

\*\*1 Coal prices are based on standard market prices and therefore differ from the Company's selling prices.

\*\*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.75 bn annually, profit for the year (attributable to owners of the Company) by approx. ¥0.3 bn annually, and total equity by approx. ¥1.5 bn annually.

November 16, 2022  
Correction

A double underlined item is corrected  
(Page7)



# Financial Results for the First Half Ended September 30, 2022

Progress of MTP2023– Start of the Next Decade –

**November 1, 2022**  
**Sojitz Corporation**

# FY2022 H1 Summary

- Significant YoY increase in profit due to higher product and coal prices, and stable growth of non-resource businesses
- Generation of profits accompanied by cash with solid core operating cash flow
- Upward revision to FY2022 forecast for profit for the year, to ¥110.0 bn, and increase of annual dividend payments, to ¥130 per share, in reflection of strong performance

	FY21 H1	<b>FY22 H1</b>	Difference	FY22 Initial Forecast	<b>FY22 Revised Forecast</b>	Achieved *vs Revised Forecast
Profit for the period/year	39.4	<b>78.9</b>	+39.5	85.0	<b>110.0</b>	<b>72%</b>
Core operating CF	49.3	<b>90.3</b>	+41.0	113.0	<b>140.0</b>	
NET DER (times)	1.04	<b>0.95</b>	(0.09)	1.1	<b>1.0</b>	
<b>FY22 Commodity Prices and Exchange Rates</b> (Revised forecast for H2 announced on Nov. 1, 2022)				<b>ROE</b>	11.4%	<b>13.8%</b>
Coking Coal Full Year US\$280.0/t (FY22 H1:US\$340.0/t, FY22 H2:US\$220.0/t)				<b>ROA</b>	3.2%	<b>3.9%</b>
Thermal Coal US\$160.0/t ⇒US\$330.0/t (FY22 H2)				<b>Dividends</b>	¥112	<b>¥130</b>
Crude Oil (Brent) US\$90.0/bbl						
USD/JPY ¥115.0/US\$ ⇒ ¥140.0/US\$ (FY22 H2)						Difference YoY <b>¥24 up</b>
(Interim ¥65/Year-end ¥65)						

# Summary of Profit or Loss and Forecast for Profit for the Year

- Automotive
- Aerospace & Transportation Project
- Infrastructure & Healthcare
- Metals, Mineral Resources & Recycling
- Chemicals
- Consumer Industry & Agriculture Business
- Retail & Consumer Service

Performance generally as forecast

Performance generally as forecast

Upward revision to forecast to reflect one-time factors seen in six-month period and strong performance in domestic and overseas power generation businesses

Upward revision to forecast to account for strong six-month performance and solid conditions seen in coal market and at a steel trading company

Upward revision to forecast based on strong conditions for chemical businesses

Upward revision to forecast in reflection of six-month performance for fertilizer businesses

Upward revision to forecast due to gain from asset replacement activities scheduled for 2<sup>nd</sup> half of FY

(BN JPY)	FY22 H1	FY22 Initial Forecast	Achieved (Against initial forecast)	FY22 Revised Forecast	Revised Amount	Achieved (Against revised forecast)
<b>Profit for the period/year</b>	<b>78.9</b>	85.0	<u>93%</u>	<b>110.0</b>	<b>+25.0</b>	<u>72%</u>
■ Automotive	<b>4.5</b>	6.0	75%	<b>6.0</b>	-	<b>75%</b>
■ Aerospace & Transportation Project	<b>2.0</b>	4.5	44%	<b>5.0</b>	<b>+0.5</b>	<b>40%</b>
■ Infrastructure & Healthcare	<b>9.0</b>	9.0	100%	<b>12.0</b>	<b>+3.0</b>	<b>75%</b>
■ Metals, Mineral Resources & Recycling	<b>41.8</b>	51.0	82%	<b>65.0</b>	<b>+14.0</b>	<b>64%</b>
■ Chemicals	<b>11.3</b>	12.5	90%	<b>17.0</b>	<b>+4.5</b>	<b>66%</b>
■ Consumer Industry & Agriculture Business	<b>5.9</b>	3.0	197%	<b>6.0</b>	<b>+3.0</b>	<b>98%</b>
■ Retail & Consumer Service	<b>1.4</b>	5.0	28%	<b>7.0</b>	<b>+2.0</b>	<b>20%</b>
■ Others	<b>3.0</b>	(0.6)	-	<b>(8.0)</b>	<b>(2.0)</b>	-

# Cash Flow Management

- Actively share buybacks to be conducted in final year of MTP2023 while being mindful of cash allocation
- Maintain positive six-year aggregate core cash flow during MTP2023

	FY21	FY22 H1	FY21 + FY22 H1	MTP2023 Initial 3-Year Target (Aggregate) (FY21–FY23)
Core operating cash flow	¥129.0 bn	¥90.0 bn	¥219.0 bn	¥240.0 - ¥250.0 bn
Asset Replacement (Investment recovery)	¥62.0 bn	¥19.0 bn	¥81.0 bn	¥100.0 bn
New investments and others	¥(148.5) bn	¥(37.0) bn	¥(185.5) bn	¥(330.0) bn
Shareholder Returns *1	¥(32.0) bn	¥(14.0) bn	¥(46.0) bn	¥(70.0) bn
Core cash flow	¥10.5 bn	¥58.0 bn	¥68.5 bn	Positive MTP2020 and MTP2023 6-year period
Free cash flow	¥(74.0) bn	¥38.0 bn	¥(36.0) bn	

\*1 Includes acquisitions of treasury stock

# Shareholder Returns Policy

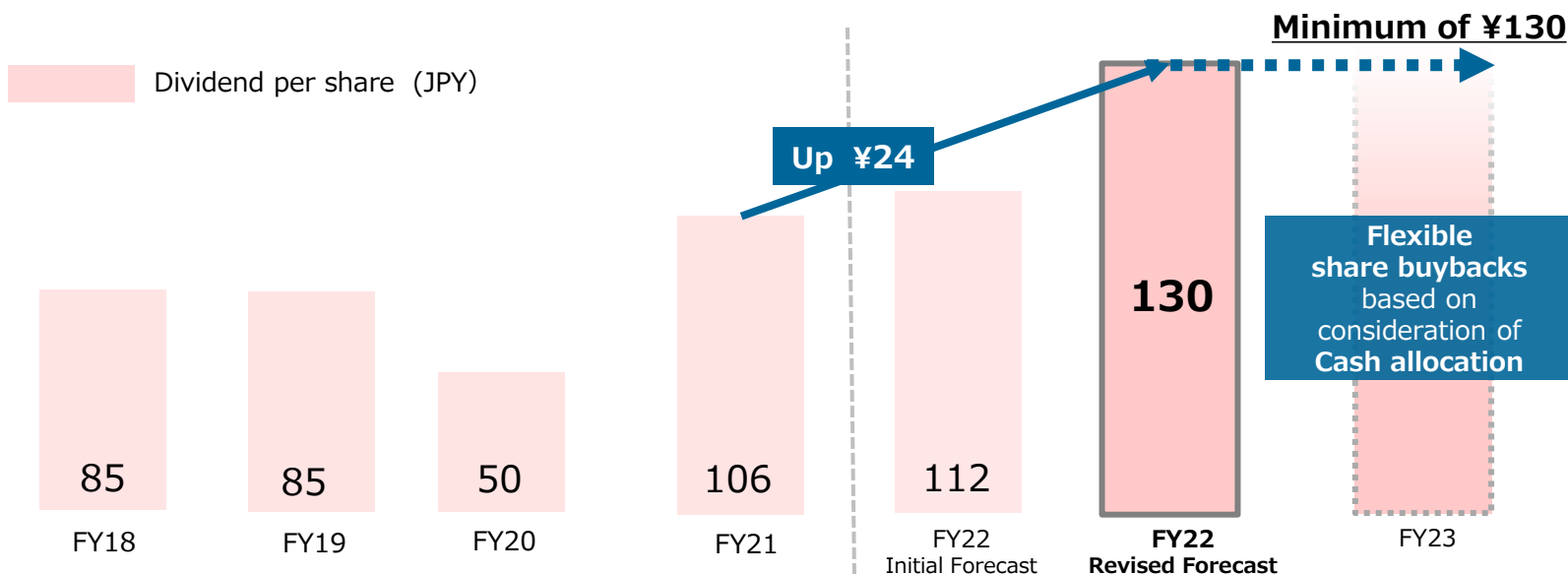
- Sojitz recognizes that paying stable and continuous dividends while enhancing shareholder value through the accumulation and effective use of retained earnings
- Our basic policy is to target a consolidated payout ratio of about 30%

## FY2022 Dividend Forecast

Annual dividend per share increased by ¥24 from FY2021 to **¥130 per share**

## FY2023 Returns Plan

- **Minimum of ¥130 per share for annual dividend payments**
- **Execution of share buybacks in FY2023**



MTP2020 -Commitment to Growth- Consolidated payout ratio of about 30%

MTP2023 -Start of the Next Decade- Consolidated payout ratio of about 30%

	FY18	FY19	FY20	FY21	May. 2, 2022	Nov. 1, 2022
Profit for the year	¥70.4bn	¥60.8bn	¥27.0bn	¥82.3bn	¥85.0bn	¥110.0bn
Consolidated payout ratio	30.2%	34.8%	44.4%	30.1%		27.3%

Note: The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. The dividend figures for FY18 to FY21 have been restated to reflect the share consolidation.

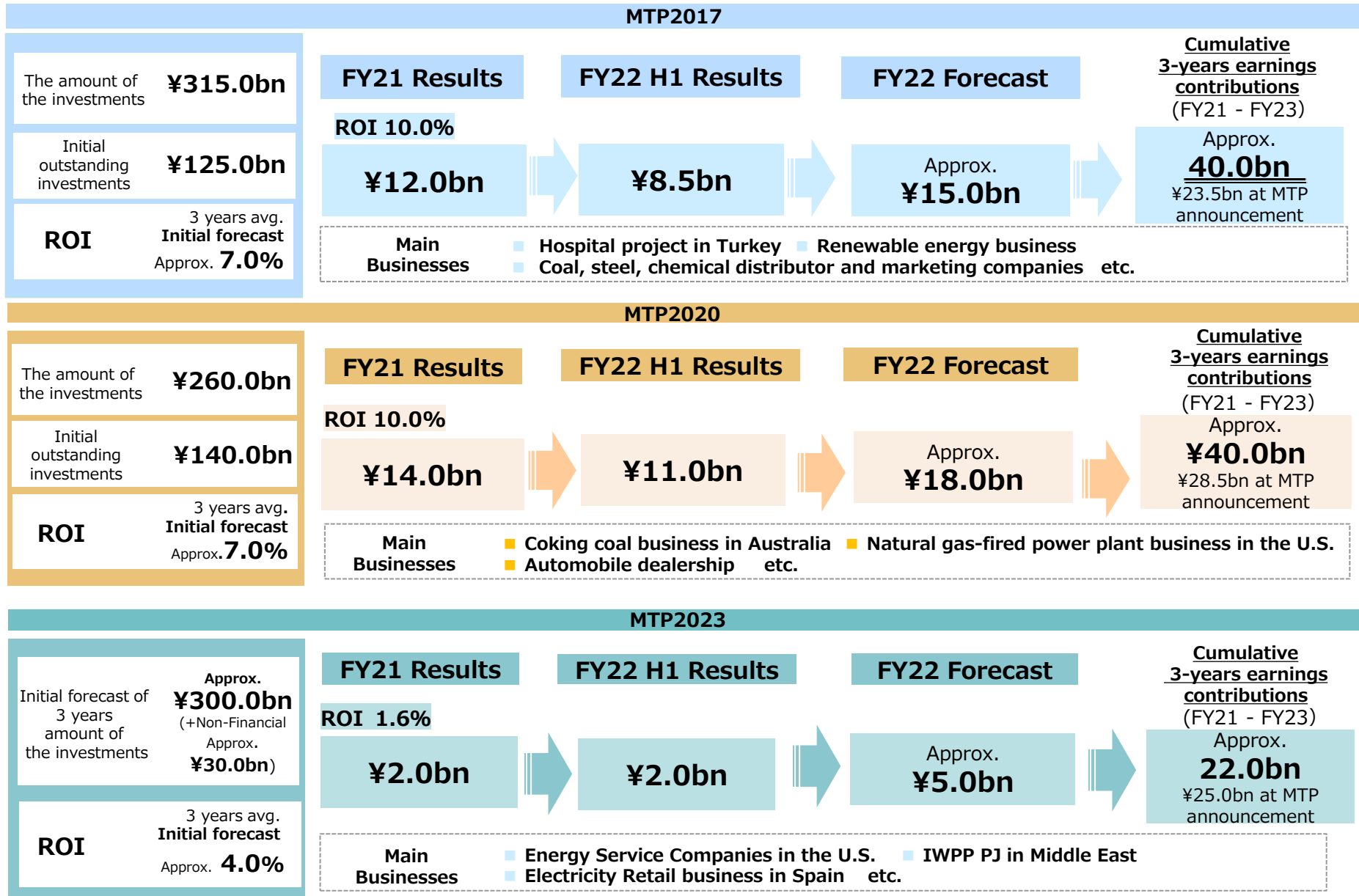
# Investment for Growth Strategy and Focus areas

Focus area under MTP2023	Investment in FY21-22 H1	Major cases
<p>Current steady growth</p> <p><b>Infrastructure &amp; Healthcare</b></p> <p>Essential infrastructure development and service provision as a social issue</p>	<p><b>FY21</b> ¥70.0bn</p> <p><b>FY22 H1</b> ¥17.0bn</p>	<ul style="list-style-type: none"> <li>■ Energy Saving services Co. in the U.S.</li> <li>■ IWPP project in Middle East</li> <li>■ Gas retail business in Nigeria, Africa</li> <li>■ Electricity retail in Spain, Europe</li> <li>■ Solar power business in Australia</li> <li>■ Hospital PJ in Australia</li> <li>■ Overseas telecommunications tower operating business</li> <li>■ Office building development PJ in the Philippines</li> <li>■ Biomass power generation business in Japan</li> <li>■ Primary healthcare business in Asia</li> </ul>
<p>Capture growth from a growing market</p> <p><b>Growth market × Market-oriented initiative</b></p> <p>Strengthening efforts in retail areas in growth market such as ASEAN and India</p>	<p><b>FY21</b> ¥62.0bn</p> <p><b>FY22 H1</b> ¥8.0bn</p>	<ul style="list-style-type: none"> <li>■ Acquires full ownership of the Marine Foods Co.</li> <li>■ Collaborate with Vinamilk , a major Co. in Vietnam (Established a sales Company for Beef Products)</li> <li>■ Initiatives with Royal Holdings</li> <li>■ Tender offer for shares of JALUX</li> <li>■ Established new JV in rental residential value add business with Goldman Sachs</li> </ul>
<p>Reformation of conventional business model</p> <p><b>Materials &amp; Circular economy</b></p> <p>Deepening the 3R (Reduce, Reuse, Recycle) businesses</p>	<p><b>FY22 H1</b> ¥1.0bn</p>	<ul style="list-style-type: none"> <li>■ Established JV with Braskem in Brazil for purpose of creating plastic materials entirely from biomass</li> <li>■ Development of competitive businesses matched to social needs in conjunction with chemical recycling initiatives in Japan</li> </ul>

\*No investment in FY21



# Investment Progress – MTP2017, MTP2020, and MTP2023



# Establish Strong Business Base and Transformation

- Advancement of sophisticated strategies in focus areas based on growth strategies, improvement of earnings capacity and competitiveness of executed investments
- Drastic transformation of earnings structure through exhaustive emphasis on market-oriented initiatives in existing businesses

## Continuously make New investments

### - Exploration of new business fields

- Value raising through co-creation with partners

JALUX

Royal Holdings

Marine Foods Co.

- Broadening of U.S. energy service company business (McClure) to include energy solutions and expansion of functions
- Expansion of private-sector healthcare business in Asia-Pacific region

### Growth Strategy × Focus Areas

Infrastructure & Healthcare

Growth market × Market-oriented initiative

Materials & Circular economy

Sale of Shares in Sojitz REIT Advisors K.K.

Energy solution & Retail

Establish new joint venture in rental residential value add business with Goldman Sachs

- Transformation of business portfolio and asset replacement

## Transformation of Business portfolio

### - Capital efficiency and value improvement cycle

## Enhancement of earnings power and Strong earnings foundations

### - Expansion of existing businesses by building on strengths

- Expansion of functionality and improvement of margins by reviewing existing transactions
- Enhancement of earnings capacity by bolstering and broadening operations in areas of global strength

Automotive

Chemical Trading

Vietnamese retail operations

food processing and wholesale, distribution, retail

New way, New value

Pursue Competitiveness and Growth market

Local market-oriented initiatives Collaboration Strive for Speed

## Improvement of profitability of operating companies

Achievement of profitability at underperforming companies

Improvements seen at **23** of 60 companies applicable as of March 31, 2021

Tuna Farm Takashima ×DX

Agriculture ×DX

Fertilizer businesses in Southeast Asia

- Identification of customer needs through thoroughly market-oriented approach

## Creation of New Value to raise overall value

## Organization and Human Resources Transformation

DX

# DX Strategy for Accelerating Value Creation

- Driving the “Business model Transformation” and “DX HR Development” based on DX Strategy

## Business model Transformation

- ✓ Resolution of issues based on understanding of customer needs from market-oriented initiatives in Sojitz’s wide-ranging business field
- ✓ Acceleration of data and technology utilization in existing businesses
- ✓ Creation of new businesses and improvement of business value prefaced on digital technology utilization

DX of secondhand vehicle sales (digital twins)



Tuna farming using IoT and AI (feeding optimization)



For Farmer - RicultF



Data Management

Risk Mitigation

Predictive Analytics

Crop Traceability

For Enterprise/M/IL - RicultX



Digital farming platform using digital technology

## DX HR Development

### Data Analysis

- ✓ Guiding hypothesis verification with data analysis
- ✓ Planning and proposals for resolving businesses issues

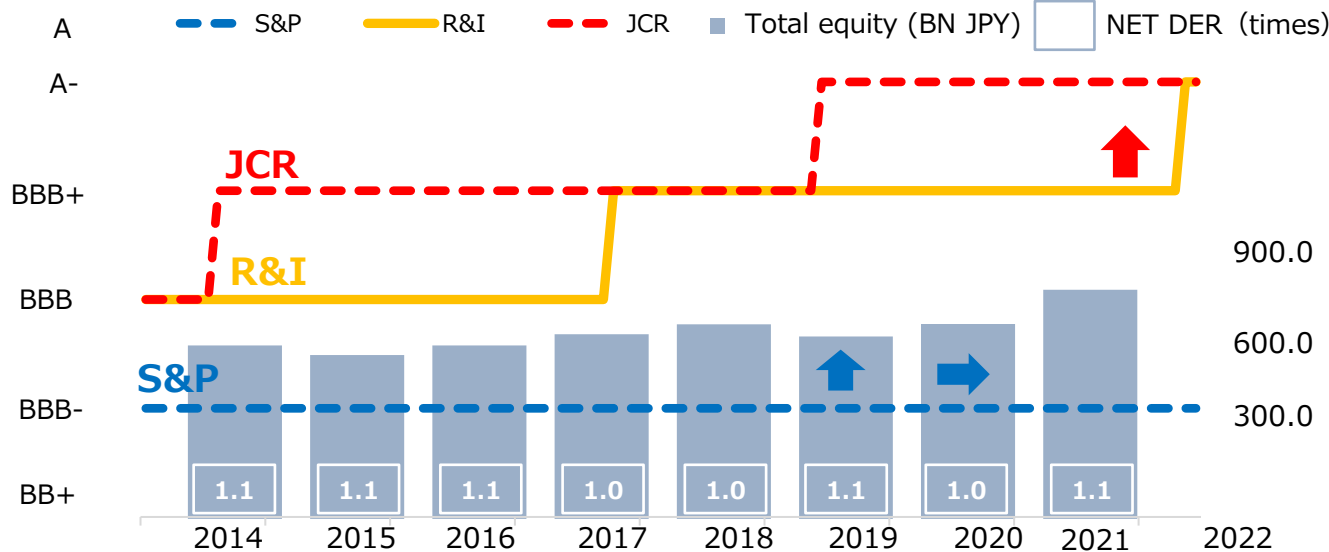
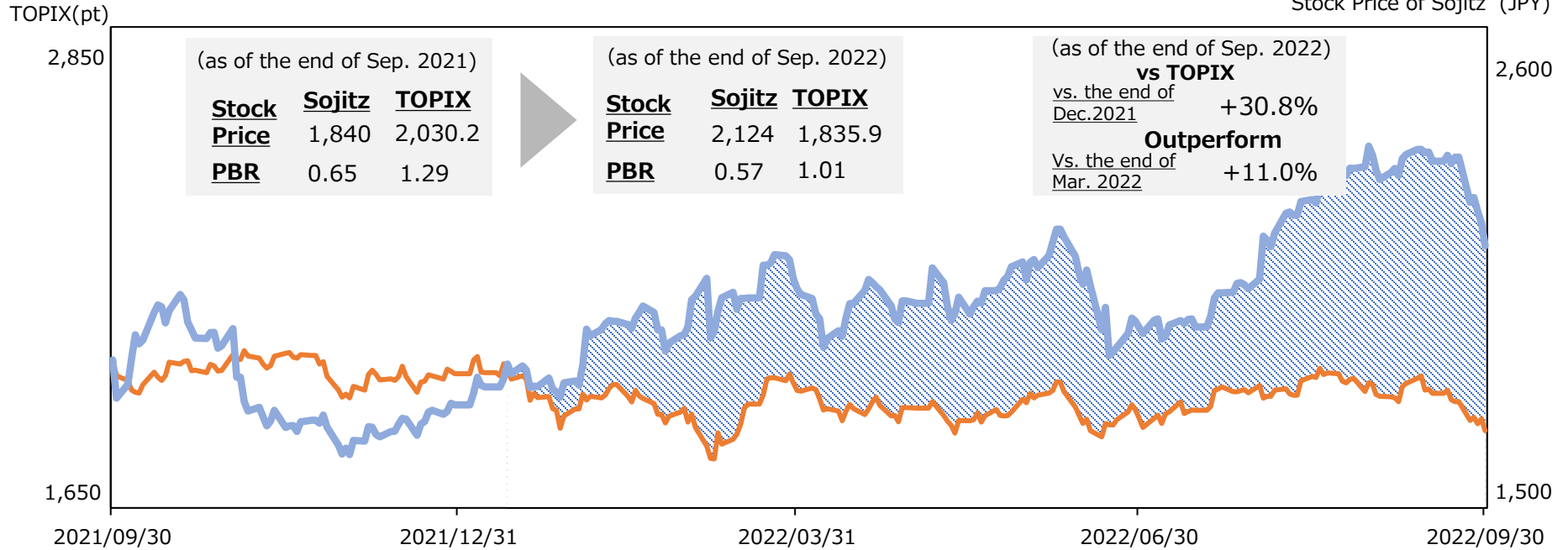
### Business Design

- ✓ Creation of new businesses with digital technologies
- ✓ Improvement of value of existing businesses

Skill Level		Expected Role / Position
Practical Application	Level 5: Thought Leader	Guidance and oversight of experts and leadership in transforming organizations and businesses with data and digital technologies
	Level 4: Expert	Resolution of issues, creation of businesses, and improvement of value as leaders in the use of data and digital technologies
	Level 3: Experienced	Support for analyzing data and developing applications under the guidance of experts
Level 2: Basic		Examination of application of IT to business activities using basic knowledge (IT literacy, digital marketing, data science, information security)
Level 1: Entry		Action based on the entry-level knowledge required of all employees that deal with IT (acquisition of national IT Passport certification)
Practical Application-Level Skill Areas	Data Analysis	Resolution of issues through data analysis
	Business Design	Improvement of value of existing businesses and creation of new businesses through use of digital technologies

# Stock Price, PBR Trend, and Credit Ratings

Stock Price of Sojitz (JPY)



**R&I**  
Aug. 2022  
BBB+ → A- (Stable)  
**Upgrade**

**JCR**  
Aug. 2022  
A- (Stable)  
→ **A- (Positive)**

**S&P**  
Aug. 2022  
BBB- (Stable)  
→ **BBB- (Stable)**

↑ ↓ → Potential direction over the intermediate term (Positive/Negative/Stable)

## Caution regarding Forward-looking Statements and Original Language

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 the 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.

The Company has no responsibility for any possible damages arising from the use of information on this material, nor does the Company have any obligation to update these statements

This document is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

## Notes

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- **“Total equity attributable to owners of the Company”** is recognized as **“Total equity”** and is also used in the denominator of the **“Net DER”** and the numerator of the **“Equity ratio”**.
- **“Selling, general and administrative expenses”** is referred to as **“SG&A expenses.”**
- **“Medium-term Management Plan 2023.”** is referred to as **“MTP2023”**. The same applies to “MTP2020” and “MTP2017”.
- **“Core operating cash flow”** = Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes
- **“Core cash flow”** = Core operating cash flow + Post-adjustment, net cash provided by (used in) investing activities – Dividends paid – Purchase of treasury stock  
(Post-adjustment, net cash provided by (used in) investing activities are net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)



# **Appendix**

## **Supplementary Information on Financial Results for the First Half Ended September 30, 2022**

**November 1, 2022  
Sojitz Corporation**

## Caution regarding Forward-looking Statements and Original Language

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(Post-adjustment, net cash provided by (used in) investing activities are net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)
- **“Shareholder Returns”** = include acquisitions of treasury stock.



## **【Supplemental Data】**

# **I . Financial Results for the First Half Ended September 30, 2022 and Full Year Forecast of Fiscal Year Ending March 31, 2023**

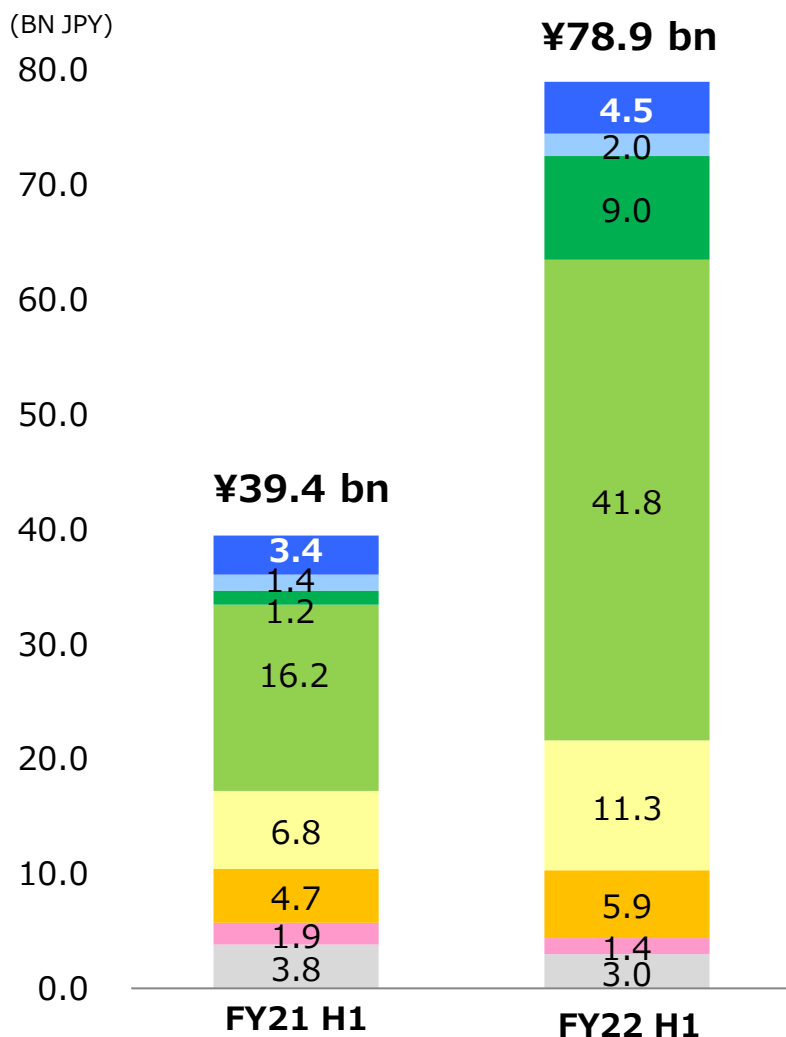
# Summary of Profit or Loss

(BN JPY)	FY21 H1	FY22 H1	Difference	FY22 Initial Forecast	FY22 Revised Forecast (Nov. 1, 2022)	Achieved Against Revised Forecast
Revenue	1,000.7	1,273.3	+ 272.6	-	-	-
Gross profit	117.7	182.2	+ 64.5	300.0	340.0	54%
SG & A expenses	(83.8)	(105.6)	(21.8)	(210.0)	(230.0)	-
Share of profit (loss) of investments accounted for using the equity method	16.9	24.9	+ 8.0	35.0	43.0	58%
Profit before tax	52.5	106.5	+ 54.0	120.0	150.0	71%
Profit for the period / year	39.4	78.9	+ 39.5	85.0	110.0	72%
Core earnings	51.1	102.3	+ 51.2	120.0	148.0	-

# Summary of Profit or Loss

## Profit for the period by segment

### Profit for the period



### Main Factors Behind Difference

<ul style="list-style-type: none"> <li><b>Automotive</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to yen depreciation in overseas automobile businesses</li> </ul>	<ul style="list-style-type: none"> <li>¥4.5 bn (+¥1.1 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Aerospace &amp; Transportation Project</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to earnings from aircraft-related businesses</li> </ul>	<ul style="list-style-type: none"> <li>¥2.0 bn (+¥0.6 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Infrastructure &amp; Healthcare</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to gain on partial sale of equity in overseas telecommunications tower operating business as well as earnings from domestic and overseas power generation and LNG businesses</li> </ul>	<ul style="list-style-type: none"> <li>¥9.0 bn (+¥7.8 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Metals, Mineral Resources &amp; Recycling</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to higher selling prices in coal businesses</li> </ul>	<ul style="list-style-type: none"> <li>¥41.8 bn (+¥25.6 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Chemicals</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to higher prices of various chemical products and and improved profitability</li> </ul>	<ul style="list-style-type: none"> <li>¥11.3 bn (+¥4.5 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Consumer Industry &amp; Agriculture Business</b></li> </ul>	<ul style="list-style-type: none"> <li>Increased due to improved profitability in fertilizer businesses and higher selling prices in lumber-related businesses</li> </ul>	<ul style="list-style-type: none"> <li>¥5.9 bn (+¥1.2 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Retail &amp; Consumer Service</b></li> </ul>	<ul style="list-style-type: none"> <li>Decreased due to reduced profitability for imported food products as a result of yen depreciation</li> </ul>	<ul style="list-style-type: none"> <li>¥1.4 bn (-¥0.5 bn)</li> </ul>
<ul style="list-style-type: none"> <li><b>Others</b></li> </ul>		<ul style="list-style-type: none"> <li>¥3.0 bn (-¥0.8 bn)</li> </ul>

(※) Effective April 1, 2022, Sojitz Group reorganized the Consumer Industry & Agriculture Business and the Retail & Consumer Service segments and changed its reporting figures for FY2021 H1.

# FY22 Forecast Profit for the Year by Segment

(BN JPY)

FY22 H1	FY22 Initial Forecast	FY22 Revised Forecast (Nov.1, 2022)
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## Progress Overview

	FY22 H1	FY22 Initial Forecast	FY22 Revised Forecast (Nov.1, 2022)	
■ Automotive	4.5	6.0	6.0	<b>■ Automotive</b> Performance generally as forecast
■ Aerospace & Transportation Project	2.0	4.5	5.0	<b>■ Aerospace &amp; Transportation Project</b> Performance generally as forecast
■ Infrastructure & Healthcare	9.0	9.0	12.0	<b>■ Infrastructure &amp; Healthcare</b> Upward revision to forecast to reflect one-time factor seen in six-month period and strong performance in domestic and overseas power generation businesses
■ Metals, Mineral Resources & Recycling	41.8	51.0	65.0	<b>■ Metals, Mineral Resources &amp; Recycling</b> Upward revision to forecast to account for strong six-month performance and solid conditions seen in coal market and at a steel trading company
■ Chemicals	11.3	12.5	17.0	<b>■ Chemicals</b> Upward revision to forecast based on steady conditions for chemical businesses
■ Consumer Industry & Agriculture Business	5.9	3.0	6.0	<b>■ Consumer Industry &amp; Agriculture Business</b> Upward revision to forecast to account for strong six-month performance for fertilizer businesses
■ Retail & Consumer Service	1.4	5.0	7.0	<b>■ Retail &amp; Consumer Service</b> Upward revision to forecast due to gain from asset replacement activities scheduled for second half of fiscal year
■ Others	3.0	(6.0)	(8.0)	
<b>Total</b>	<b>78.9</b>	<b>85.0</b>	<b>110.0</b>	

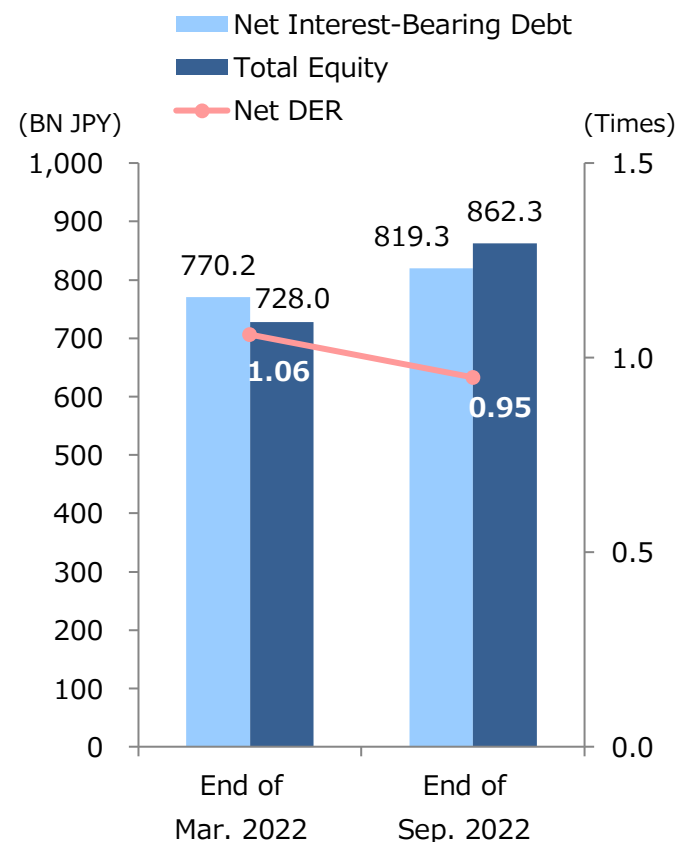
# Summary of Balance Sheets

(BN JPY)

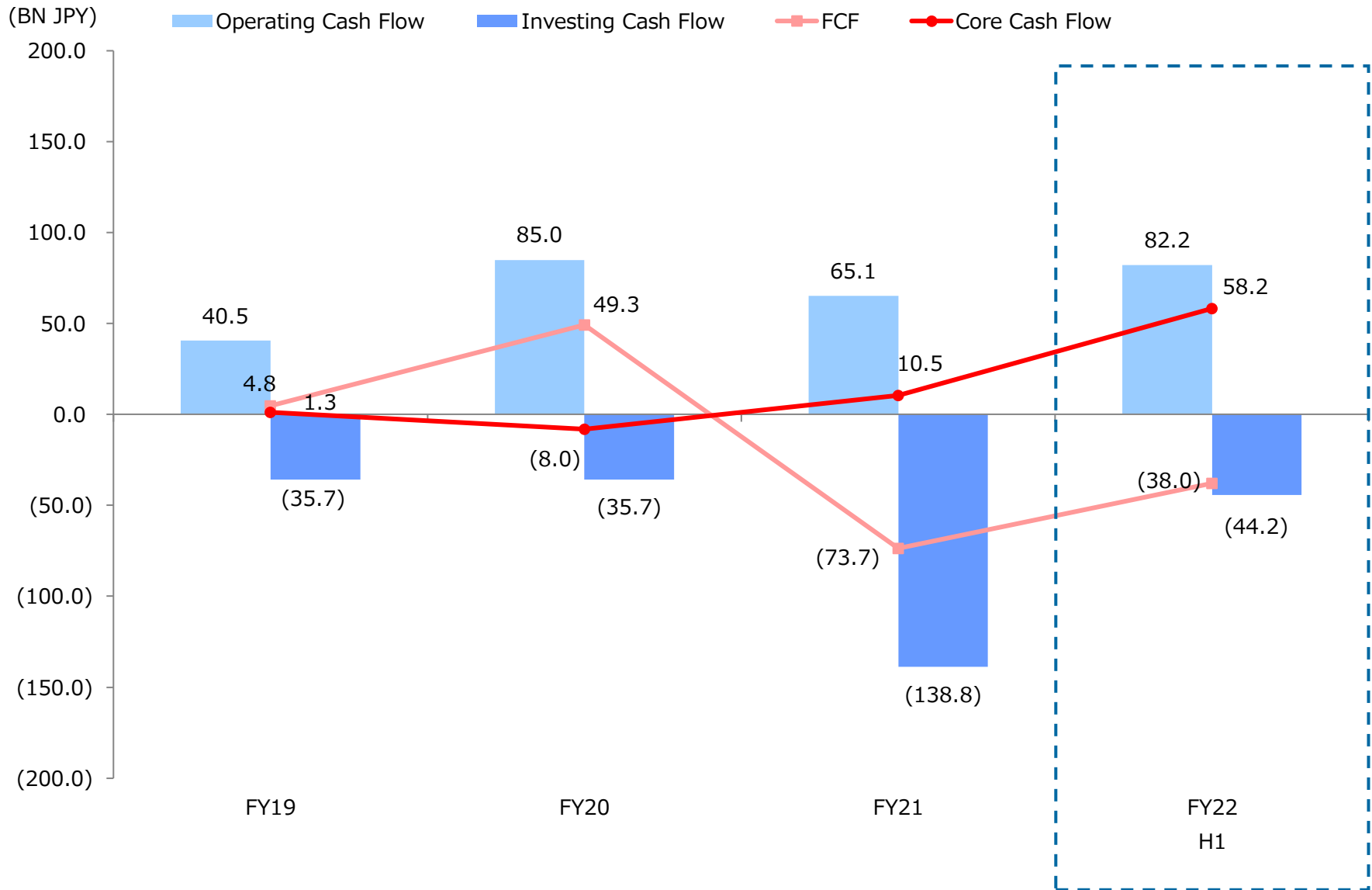
	End of Mar. 2022	End of Sep. 2022	Difference	FY22 Initial Forecast	FY22 Revised Forecast (Nov. 1, 2022)
<b>Total Assets</b>	<b>2,661.7</b>	<b>2,933.4</b>	<b>+271.7</b>	<b>2,700.0</b>	<b>3,000.0</b>
<b>Total Equity</b>	<b>728.0</b>	<b>862.3</b>	<b>+134.3</b>	<b>760.0</b>	<b>870.0</b>
<b>Equity Ratio</b>	<b>27.4%</b>	<b>29.4%</b>	<b>+2.0%</b>	<b>28.1%</b>	<b>29.0%</b>
<b>Net Interest-Bearing Debt</b>	<b>770.2</b>	<b>819.3</b>	<b>+49.1</b>	<b>800.0</b>	<b>870.0</b>
<b>Net DER (Times)</b>	<b>1.06</b>	<b>0.95</b>	<b>(0.11)</b>	<b>1.1</b>	<b>1.0</b>
<b>Risk Assets vs. Total Equity (Times)</b>	<b>450.0 (0.6)</b>	<b>540.0 (0.6)</b>	<b>+90.0 (0.0)</b>		
<b>Current Ratio</b>	<b>155.3%</b>	<b>168.0%</b>	<b>+12.7%</b>		
<b>Long-term Debt Ratio</b>	<b>78.0%</b>	<b>82.4%</b>	<b>+4.4%</b>		

## Changes in Total Equity (End of Mar. 2022 vs. End of Sep. 2022, Breakdown)

- Increase due to Yen depreciation    ¥ +60.6bn
- Profit for the period                    ¥ +78.9 bn
- Dividends paid                            ¥ (14.1) bn



# Summary of FCF



# Investments and Asset Replacement


<p><b>Total Investments</b></p>	<p><b>¥37.0bn</b></p>	
<p><b>Main Breakdown</b></p>	<p><b><u>Infrastructure &amp; Healthcare</u></b></p>	<p><b>¥17.0bn</b></p> <ul style="list-style-type: none"> <li>■ Office Building Development Project in the Philippines</li> <li>■ Off-shore wind power businesses in Taiwan</li> <li>■ Primary healthcare businesses in Asia</li> <li>■ Biomass power generation business in Japan</li> <li>■ Railcar Leasing business in U.S.</li> <li>■ Overseas power generation project</li> </ul>
	<p><b><u>Growth market × Market-oriented initiative</u></b></p>	<p><b>¥8.0bn</b></p> <ul style="list-style-type: none"> <li>■ Domestic real estate etc.</li> <li>■ Royal Holdings</li> <li>■ Domestic business jet operation and Maintenance etc.</li> </ul>
	<p><b><u>Materials &amp; Circular economy</u></b></p>	<p><b>¥1.0bn</b></p> <ul style="list-style-type: none"> <li>■ Biochemical-related business etc.</li> </ul>
	<p><b><u>Other</u></b></p>	<p><b>¥11.0bn</b></p> <ul style="list-style-type: none"> <li>■ Non-financial investment</li> <li>■ Innovation investment</li> <li>■ Others</li> </ul>
<p><b>Total Asset Replacement</b></p>	<p><b>¥19.0bn</b></p>	
<p><b>Main Breakdown</b></p>	<p>Sale of cross-shareholdings, Domestic real estate, Domestic shopping mall, Renewable energy businesses in Domestic and overseas, Overseas power generation project etc.</p>	

# Major One-time Gain/Loss

	FY21 H1		FY22 H1	
Non-Resource	¥0.5bn	<ul style="list-style-type: none"> <li>• Sale of surface-mounting machines related business</li> </ul> <p style="text-align: right;">etc.</p>	¥4.8bn	<ul style="list-style-type: none"> <li>• Sale of an overseas telecommunications tower operating business</li> </ul> <p style="text-align: right;">etc.</p>
Resource	¥0.1bn	—	¥0.2bn	—
Total (After income tax expenses)	¥0.6 bn		¥5.0bn	



# Breakdown of Resource and Non-Resource Profit

(BN JPY)		FY21 H1	FY22 H1	Difference	FY19	FY20	FY21
		<b>A. Profit for the period / year</b>	39.4	<b>78.9</b>	+39.5	60.8	27.0
<b>(B. Total one-time Gain and loss)</b>	0.6	<b>5.0</b>	+4.4	1.5	(0.2)	(13.1)	
<b>A. – B. B. Profit for the period / year</b> (Excluding one-time gain / loss)	38.8	<b>73.9</b>	+35.1	59.3	27.2	95.4	
 <b>Resource</b>	9.2	<b>35.6</b>	+26.4	10.4	(0.4)	42.3	
<b>Non-Resource</b>	29.6	<b>38.3</b>	+8.7	48.9	27.6	53.1	

# Commodity Prices, Foreign Exchange, *Hassojitz* and Interest Rate

	FY21 (Apr.-Sep. avg.)	FY22 Initial Assumption ⇒FY22 H2 Assumption (Nov 1. 2022)	FY22 Results (Apr.-Sep.avg.)	Latest data (as of Oct 26, 2022)
Coking coal *1	US\$199.5/t	US\$280.0/t [ H1:US\$340.0/t H2:US\$220.0/t ]	US\$345.3/t	US\$306.8/t
Thermal coal *1	US\$138.3/t	US\$160.0/t ⇒US\$330.0/t (H2)	US\$401.3/t	US\$379.3/t
Crude oil (Brent)	US\$71.2/bbl	US\$90.0/bbl	US\$104.8/bbl	US\$95.7/bbl
Exchange rate *2	¥110.1/US\$	¥115.0/US\$ ⇒¥140.0/US\$ (H2)	¥135.3/US\$	¥148.2/US\$
Interest Rate (TIBOR)	0.06%	0.06%	0.07%	0.05%

\*1 Coal prices are based on standard market prices and therefore differ from the Company's selling prices.

\*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.75 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.3 billion annually, and total equity by approx. ¥1.5 billion annually.

# 【Supplemental Data】

## Ⅱ. Segment Information

※ Effective April 1, 2022, Sojitz Group reorganized the Consumer Industry & Agriculture Business and the Retail & Consumer Service segments and changed its reporting figures for FY21 H1.

# Automotive

## FY22 H1 Summary

(BN JPY)

### Main Factors Behind Difference

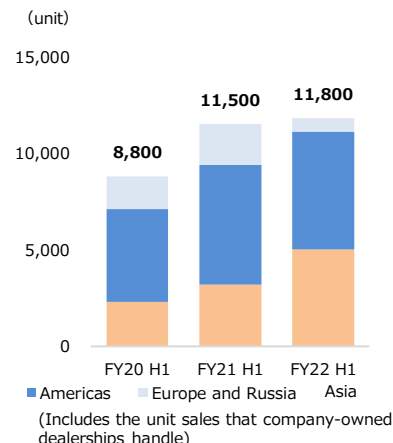
**【 Profit for the period 】**  
Increased due to yen depreciation in overseas automobile businesses

	FY21 H1	FY22 H1	Difference
Gross profit	21.6	28.3	6.7
SG&A expenses	(15.4)	(20.0)	(4.6)
Share of profit (loss) of investments accounted for using the equity method	0.1	0.6	0.5
Profit for the period	3.4	4.5	1.1

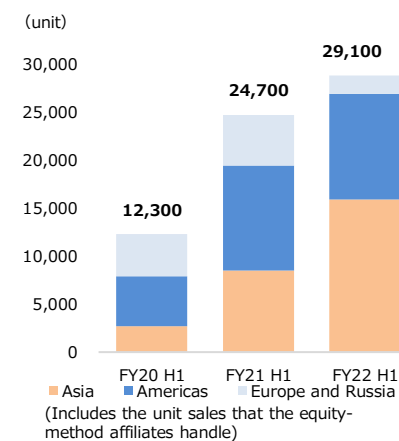
	FY21	FY22 H1	Difference
Total Asset	191.8	189.3	(2.5)

## Vehicle Sales

### Dealership Business



### Distributor Business



## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Sojitz Automotive Group, Inc	100%	0.6	1.0	0.4	Automobile dealership
Sojitz de Puerto Rico Corporation	100%	1.1	1.1	0.0	Import and sales of automobiles
Subaru Motor LLC	66%	0.4	0.4	0.0	Import and sales of automobiles
Sojitz Quality, Inc	100%	0.1	0.1	0.0	Investment in Automotive parts quality inspection services
Total		2.2	2.6	0.4	

## Entry into Camper Manufacturing and Sales Business

- Sojitz has acquired full ownership of K Access Corporation, a company engaged in the manufacture and sale of campers.
- Robust demand for campers and vehicles that can function as remote offices expected grow going forward
- Expansion of new product development, supply, and sales systems in response to market needs
- Contribution to regional community vitalization through use of vehicles for disaster preparedness purposes and at roadside rest stops



\*1 The equity ownership is as of the end of September 2022

\*2 The above figures are profit 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.

# Aerospace & Transportation Project

## FY22 H1 Summary

(BN JPY)

	FY21 H1	FY22 H1	Difference
Gross profit	6.7	9.0	2.3
SG&A expenses	(5.2)	(6.7)	(1.5)
Share of profit (loss) of investments accounted for using the equity method	0.0	0.1	0.1
Profit for the period	1.4	2.0	0.6

	FY21	FY22 H1	Difference
Total Asset	218.0	275.7	57.7

### Main Factors Behind Difference

**【 Profit for the period 】**  
Increased due to earnings from aircraft-related businesses

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Sojitz Aerospace Corporation	100%	0.3	0.4	0.1	Import/export and sales of aerospace and defense-related equipment, components and materials
Sojitz Aviation and Marine B.V.	100%	0.0	0.0	0.0	Aircraft part-out business and marine vessel-related business
SJ Aviation Capital Pte. Ltd.	100%	0.1	0.0	(0.1)	Aircraft leasing business
Sojitz Transit & Railway Canada Inc.	74.9%	(0.1)	0.0	0.1	General repair and remanufacturing of railway rolling stocks
Southwest Rail Industries Inc.	100%	-	0.3	0.3	Railcar leasing business
Total		0.3	0.7	0.4	

\*1 The equity ownership is as of the end of September 2022.

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

\*3 Sojitz Aircraft Leasing B.V. changed the name of the company to Sojitz Aviation and Marine B.V. effective from August 16, 2021.

## Sojitz and Boeing Conclude a Memorandum for Promoting Sustainability in the Aviation Industry and Future Air Mobility

– Building a Partnership Towards Achieving Carbon Neutrality in 2050 –

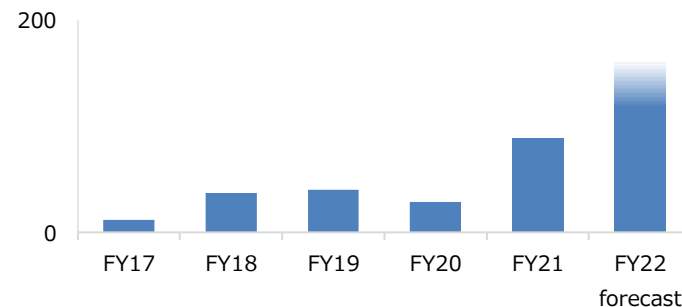


- Sojitz and Boeing have signed a memorandum to jointly realize sustainability in the aviation industry and to promote next-generation air mobility in Aug. 2022
- Both companies will work towards expanding the use of sustainable aviation fuel (SAF)\*4 as well as studying advanced sustainability technologies, such as electric, hybrid, hydrogen and other novel propulsion systems in order to accelerate the spread of energy sources with a lower environmental burden

\*4 Sustainable aviation fuel is a replacement for fossil jet fuel that was developed to curb carbon emissions

### (Supplemental Data) Business Jet charter sales

(Operations)



# Infrastructure & Healthcare

## FY22 H1 Summary

(BN JPY)

	FY21 H1	FY22 H1	Difference
Gross profit	8.3	11.3	3.0
SG&A expenses	(10.9)	(14.8)	(3.9)
Share of profit (loss) of investments accounted for using the equity method	3.9	10.4	6.5
Profit for the period	1.2	9.0	7.8

	FY21	FY22 H1	Difference
Total Asset	421.1	520.0	98.9

### Main Factors Behind Difference

#### 【 Profit for the period 】

Increased due to gain on partial sale of equity in overseas telecommunications tower operating business as well as earnings from domestic and overseas power generation and LNG businesses

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Nissho Electronics Corporation	100%	0.3	0.5	0.2	Providing leading-edge IT solutions and network services
Tokyo Yuso Corporation	100%	0.2	0.3	0.1	Tank storage operations for petroleum and chemical products
Renewable Energy Businesses*4	-	0.7	2.0	1.3	Renewable energy business in Japan and overseas
LNG Japan Corporation	50%	0.2	1.6	1.4	LNG business and related investments
Sojitz Hospital PPP Investment B.V.	100%	1.5	1.3	(0.2)	Investment in hospital project
Total		2.9	5.7	2.8	

\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are profit 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.

\*3 For information on the following companies, please refer to their respective corporate websites.

・SAKURA Internet Inc. (equity-method associate) <https://www.sakura.ad.jp/>

・PT. Puradelta Lestari Tbk (equity-method associate) <https://www.kota-deltamas.com/>

\*4 These figures are obtained by calculating profit of the major renewable energy related subsidiaries and associates.

## Infrastructure-related initiative

### Expansion of Solar Power Business with McClure of United States

- Sojitz, through Sojitz Corporation of America, has acquired a majority stake in McClure Company (“McClure”), one of the largest mechanical, contracting, and energy services firms in Pennsylvania.
- Expansion of solar power generation business positioned as a measure for improving value
- Utilization of strong customer base of McClure centered on schools in response to growth in solar power generation market anticipated in conjunction with accelerated environmental measures following passage of U.S. Inflation Reduction Act calling for investment of U.S.\$369.0 billion
- Ongoing business growth to be pursued by combining McClure’s business operation capabilities with Sojitz’s power generation business development and operation insight



### Conclusion of New Energy and Infrastructure Memorandum with Sembcorp Based on Theme of Decarbonization



MOU Signing Ceremony held in October 2022

(Left)

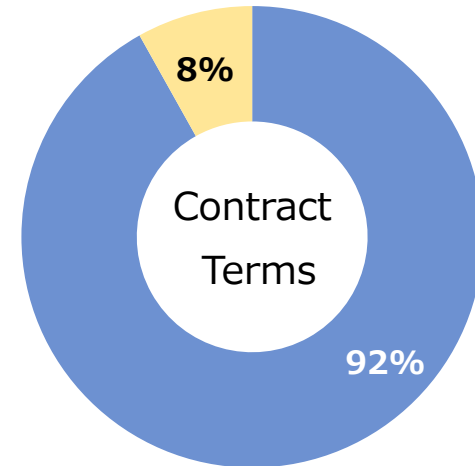
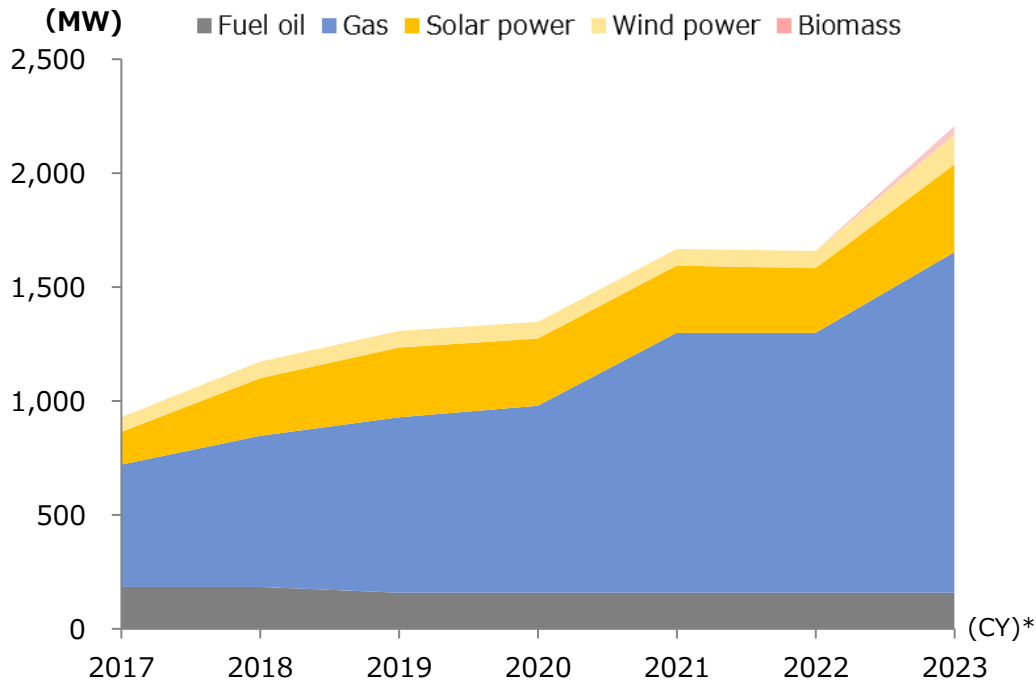
Kim Yin Wong, Sembcorp Group President & CEO

(Right)

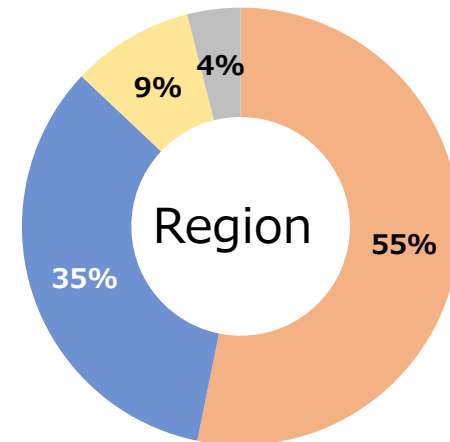
Masayoshi Fujimoto, Sojitz President & CEO

- Conclusion of memorandum with Singapore’s Sembcorp in October 2022 regarding strategic alliance in wide ranging new energy and infrastructure fields based on theme of decarbonization
- Position of Sembcorp as leading company in Singapore advancing power and water supply and industrial park and urban development businesses in Asia-Pacific region and other areas of the world
- Joint advancement of decarbonization projects and renewable energy, energy storage system, green hydrogen, and industrial park development initiatives in Asia-Pacific region based on memorandum

# Net Power-Generation Capacity, Region, and Contract Terms



■ Long-term contract ■ Spot contract  
※As of Sep. 30, 2022



■ Asia ■ Americas ■ Japan ■ Europe  
※As of Sep. 30, 2022

## Results and Forecast of Net Power-Generation Capacity

	CY2017	CY2020	CY2023
Solar power	140	290	390
Wind power	70	70	130
Gas	540	820	1,490
Oil	180	160	160
Biomass	—	—	40
TTL	930	1,340	2,210

(MW)

\*CY: January - December

# Metals, Mineral Resources & Recycling

## FY22 H1 Summary

(BN JPY)

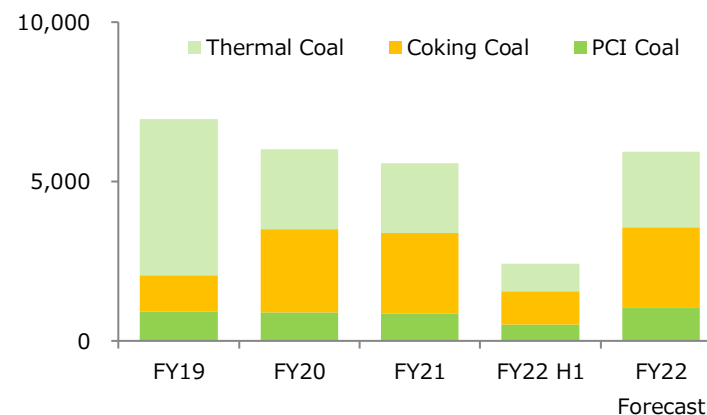
	FY21 H1	FY22 H1	Difference
Gross profit	15.3	54.6	39.3
SG&A expenses	(6.6)	(8.2)	(1.6)
Share of profit (loss) of investments accounted for using the equity method	11.5	12.4	0.9
Profit for the period	16.2	41.8	25.6
	FY21	FY22 H1	Difference
Total Asset	511.5	572.1	60.6

### Main Factors Behind Difference

**【 Profit for the period 】**  
Increased due to higher selling prices in coal businesses

## Change in Coal Sales Volume

(1,000 ton)



## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Sojitz Development Pty. Ltd.	100%	3.8	29.0	25.2	Investment in coal mines
Sojitz Resources (Australia) Pty. Ltd.	100%	0.2	0.3	0.1	Production of alumina
Japan Alumina Associates(Australia) Pty. Ltd.	50%	0.8	0.4	(0.4)	Investment in an alumina refinery
Metal One Corporation	40%	7.8	9.0	1.2	Import, export, and sale of, and domestic and foreign trading in, steel-related products
Total		12.6	38.7	26.1	

\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are 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.

## Conclusion of Exclusive Domestic Distributor Agreement for Household Electricity Storage Systems

### Entry into Domestic Household Electricity Storage System Market

Contribution to stable supplies of electricity to households

- Conclusion of exclusive domestic distributor agreement for household electricity storage systems with Formosa Bio and Energy Corp Japan sales scheduled to commence in fall 2022
- Agreement reached to examine joint initiatives for selling industrial electricity storage systems in Japan and for collecting, reusing, and recycling used lithium-ion batteries



Full-load hybrid electricity storage system

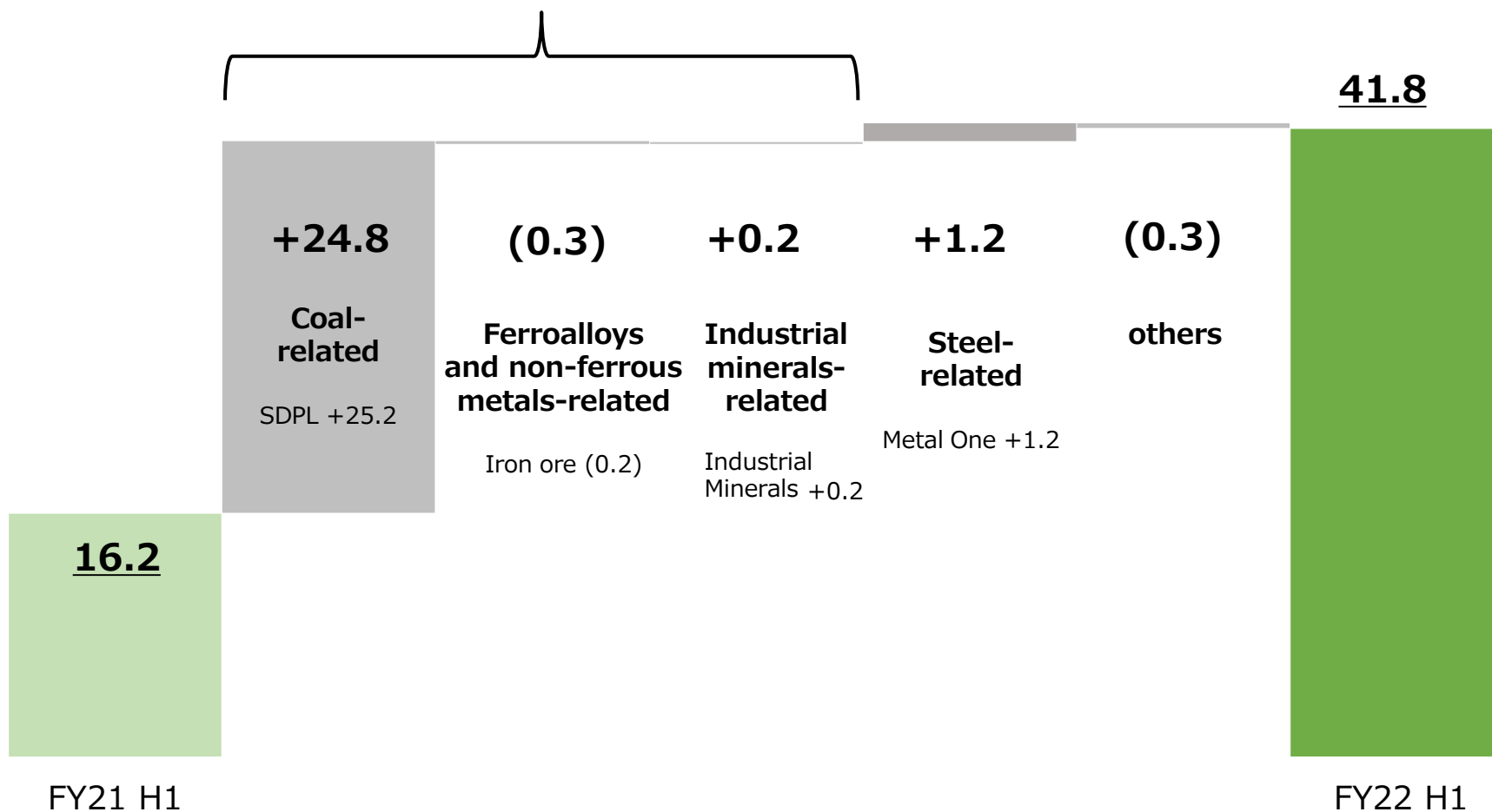
Control of both solar power system and electricity storage system with a single power conditioner



# Metals & Mineral Resources YoY Main Factors Behind Difference

Impact of commodity prices  
approx. +27.3 included

(BN JPY)



## FY22 H1 Summary

(BN JPY)

	FY21 H1	FY22 H1	Difference
Gross profit	25.4	32.7	7.3
SG&A expenses	(14.8)	(16.5)	(1.7)
Share of profit (loss) of investments accounted for using the equity method	0.5	0.1	(0.4)
Profit for the period	6.8	11.3	4.5

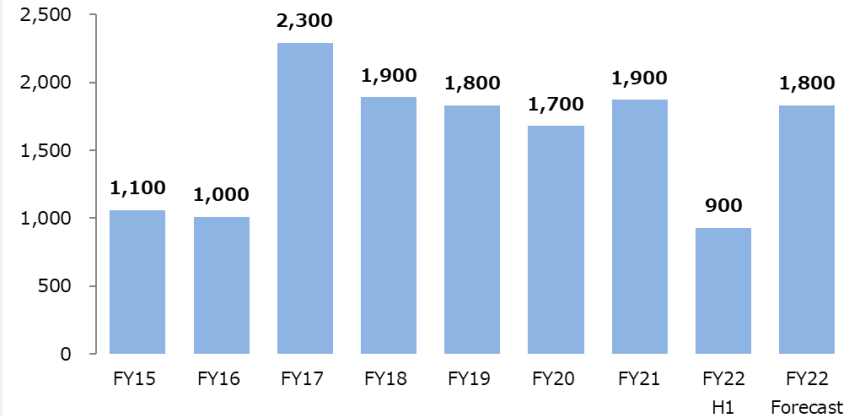
	FY21	FY22 H1	Difference
Total Asset	320.5	342.2	21.7

### Main Factors Behind Difference

**[ Profit for the period ]**  
Increased due to higher prices of various chemical products and improved profitability

## Sales Volume for Methanol

(1,000 ton)



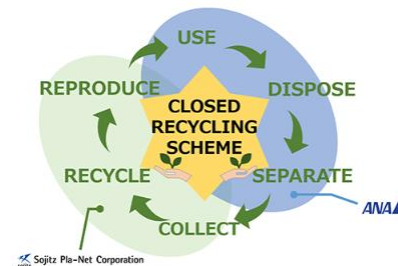
## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Sojitz Pla-Net Corporation	100%	1.2	0.9	(0.3)	Trading and sale of plastics and related products
PT. Kaltim Methanol Industri	85%	2.2	3.7	1.5	Manufacture and sale of methanol
solvadis deutschland gmbh	100%	0.6	1.2	0.6	Trading and sale of chemical products
Total		4.0	5.8	1.8	

## Development of Resource Recycling Scheme for Recycling Plastic Film Coverings for Cargo

- Joint development of resource recycling scheme by ANA HOLDINGS and Group plastics trading company Sojitz Pla-Net to prevent the production of plastic waste by collecting plastic film coverings for cargo used by ANA HOLDINGS to be recycled as plastic products for use by ANA
- Contribution to reduction of environmental impacts by developing domestic scheme for recycling used plastic in airline and non-airline industries in response to April 2022 revision to plastic recycling law



\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are profit 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.

# Consumer Industry & Agriculture Business **Hassojitz**

## FY22 H1 Summary

(BN JPY)

	FY21 H1	FY22 H1	Difference
Gross profit	16.5	18.3	1.8
SG&A expenses	(9.6)	(11.1)	(1.5)
Share of profit (loss) of investments accounted for using the equity method	0.5	0.7	0.2
Profit for the period	4.7	5.9	1.2

	FY21	FY22 H1	Difference
Total Asset	238.4	267.0	28.6

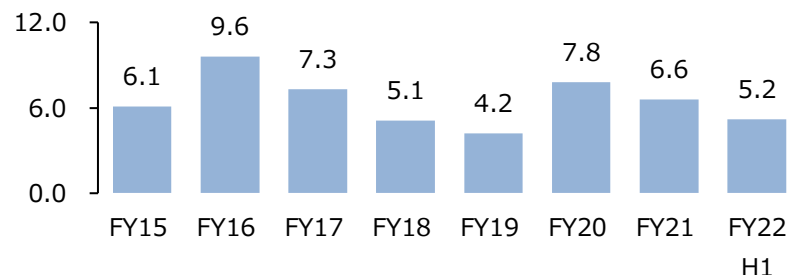
### Main Factors Behind Difference

**[ Profit for the period ]**  
Increased due to improved profitability in fertilizer businesses and higher selling prices in lumber-related businesses

## Profit of overseas fertilizers business

- Development of stable earnings foundations by leveraging strength of top-class market shares in Thailand, the Philippines, and Vietnam

(BN JPY)



※ The above figures are aggregated net profit of three companies mentioned above on stand alone basis

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Thai Central Chemical Public Company(TCCC)	81%	3.2	2.7	(0.5)	Manufacture and sales of fertilizers
Atlas Fertilizer Corporation	100%	1.0	1.8	0.8	Manufacture and sales of fertilizers, sales of imported fertilizer products
Japan Vietnam Fertilizer Company	75%	0.1	0.1	0.0	Manufacture and sales of fertilizers
Saigon Paper	96%	(0.1)	(0.1)	0.0	Papermaking business (Vietnam)
Sojitz Building Materials Corporation	100%	1.3	1.6	0.3	Trading company specializing in sales of construction materials
Total		5.5	6.1	0.6	

\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are 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.

## Regional Economic Invigoration

### Establishment of R&D Platform for Promoting Onion

- Production in Tohoku Region Year-round supply of grown-in-Japan onions produced in Tohoku region-

- Local industry development and coordination with communities to create model cases for production, processing, and distribution systems for reliably high-volume production amid need for increased supply to meet demand for safe and secure grown-in-Japan vegetables
- Target of securing onion production area of 700 ha in Tohoku region to achieve production volume of 30,000 tons (FY2025)
- Augmentation of grown-in-Japan vegetable supply capabilities and contribution to sustainable agriculture management

#### 東北タマネギ生産促進研究開発プラットフォームの設立

・東北地域の産地化による国産タマネギの周年供給に向けて



※Online press conference held in August 2022  
Establishment within Field for Knowledge Integration and Innovation operated by Ministry of Agriculture, Forestry and Fisheries to promote onion production in Tohoku Region [Field for Knowledge Integration and Innovation]



(Bottom left)  
Kazuo Kyuma, President, NARO  
(Upper right)  
Masayoshi Fujimoto, President & CEO, Sojitz  
(Bottom right)  
Toru Wakui, CEO, Mirai Kyouso Farm Akita

# Retail & Consumer Service

## FY22 H1 Summary

(BN JPY)

	FY21 H1	FY22 H1	Difference
Gross profit	15.3	21.4	6.1
SG&A expenses	(10.9)	(18.2)	(7.3)
Share of profit (loss) of investments accounted for using the equity method	0.0	0.0	0.0
Profit for the period	1.9	1.4	(0.5)

	FY21	FY22 H1	Difference
Total Asset	427.1	422.5	(4.6)

### Main Factors Behind Difference

#### 【 Profit for the period 】

Decreased due to reduced profitability for imported food products as a result of yen depreciation

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 H1	FY22 H1	Difference	Business Description
Sojitz Foods Corporation	100%	1.9	1.4	(0.5)	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs
Sojitz Fashion Co., Ltd.	100%	0.3	0.4	0.1	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics
Sojitz REIT Advisors K.K.	67%	0.2	0.2	0.0	Management of real estate asset
Total		2.4	2.0	(0.4)	

\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are profit 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.

\*3 For information on the following companies, please refer to their respective corporate websites.

- Tri-Stage Inc. (equity-method associate) <https://www.tri-stage.jp/>
- Fuji Nihon Seito Corporation (equity-method associate) <https://www.fnsugar.co.jp/>
- Royal Holdings (equity-method associate) <https://www.royal-holdings.co.jp/>

\*4 Sojitz Announces Sale of Shares in Sojitz REIT Advisors K.K.  
<https://www.sojitz.com/en/news/2022/10/20221011.php>

## Opening of First TSUTAYA BOOKS Store in ASEAN Region (Malaysia)

- Opening for BUKIT JALIL TSUTAYA BOOKS on Thursday, July 7, 2022, first TSUTAYA BOOKS store in ASEAN region, through franchise agreement between local partner and TSUTAYA BOOKS Malaysia, a joint venture established by Culture Convenience Club and Sojitz
- Enhancement of Sojitz's commercial facility and retail businesses, which have been developed overseas for more than two decades, through collaboration with Culture Convenience Club, which specializes in creating appealing atmospheres



# Others

## Major Subsidiaries and Associates

(BN JPY)

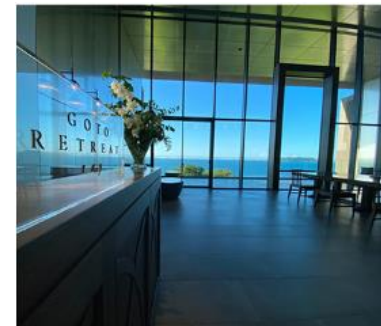
Company name	Equity ownership	FY21 Q2	FY22 Q2	Difference	Business Description
Sojitz Machinery Corporation	100%	1.0	1.1	0.1	Import/export and sales of general industrial machinery
Total		1.0	1.1	0.1	

\*1 The equity ownership is as of the end of September 2022.

\*2 The above figures are profit 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.

## Opening of Luxury Hotel “Retreat Goto ray” on Nagasaki’s Goto Islands

- Opening of “Retreat Goto ray”, a luxury hotel on Fukue Island in Goto City, Nagasaki Prefecture, on August 30, 2022, as part of local economic development initiatives. Development of business together with community through means such as sourcing locally produced ingredients and dishes from Goto City and other parts of Nagasaki Prefecture
- Production and sales of barley and potato shochu using local ingredients through Goto Retto Shuzo
- Contributions to comprehensive community invigoration through development of various content for communicating appeal of Goto City



# **【Supplemental Data】**

## **Ⅲ. Summary of Financial Results**

# Summary of Profit or Loss (Results)

(BN JPY)	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 H1
<b>Net sales (JGAAP)</b>	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	–	–	–	–	–
<b>Revenue</b>	–	1,747.8	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	1,856.2	1,754.8	1,602.5	2,100.8	1,273.3
<b>Gross profit</b>	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3	182.2
<b>Operating profit</b>	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	16.3	15.8	31.0	28.6	23.2	12.7	25.1	27.8	24.9	14.8	38.0	24.9
<b>Profit before tax</b>	58.5	28.1	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3	106.5
<b>Profit for the year attributable to owners of the Company</b>	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3	78.9
<b>Core earnings</b>	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3	102.3
<b>ROA</b>	(0.0%)	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%	–
<b>ROE</b>	(0.3%)	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	12.2%	–

# Summary of Balance Sheets (Results)

(BN JPY)	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	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Sep. 2022
<b>Total assets</b>	2,190.7	2,150.1	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	2,933.4
<b>Total equity</b>	330.0	382.6	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	862.3
<b>Equity ratio</b>	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	27.4%	29.4%
<b>Net interest-bearing debt</b>	676.4	643.3	640.2	629.6	571.6	611.1	603.5	584.7	613.2	610.6	770.2	819.3
<b>Net DER (Times)</b>	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0	1.1	0.99	1.06	0.95
<b>Risk assets (vs. Total equity, times)</b>	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	380.0 0.7	390.0 0.6	450.0 0.6	540.0 0.6
<b>Current ratio</b>	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	155.3%	168.0%
<b>Long-term debt ratio</b>	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	78.0%	82.4%

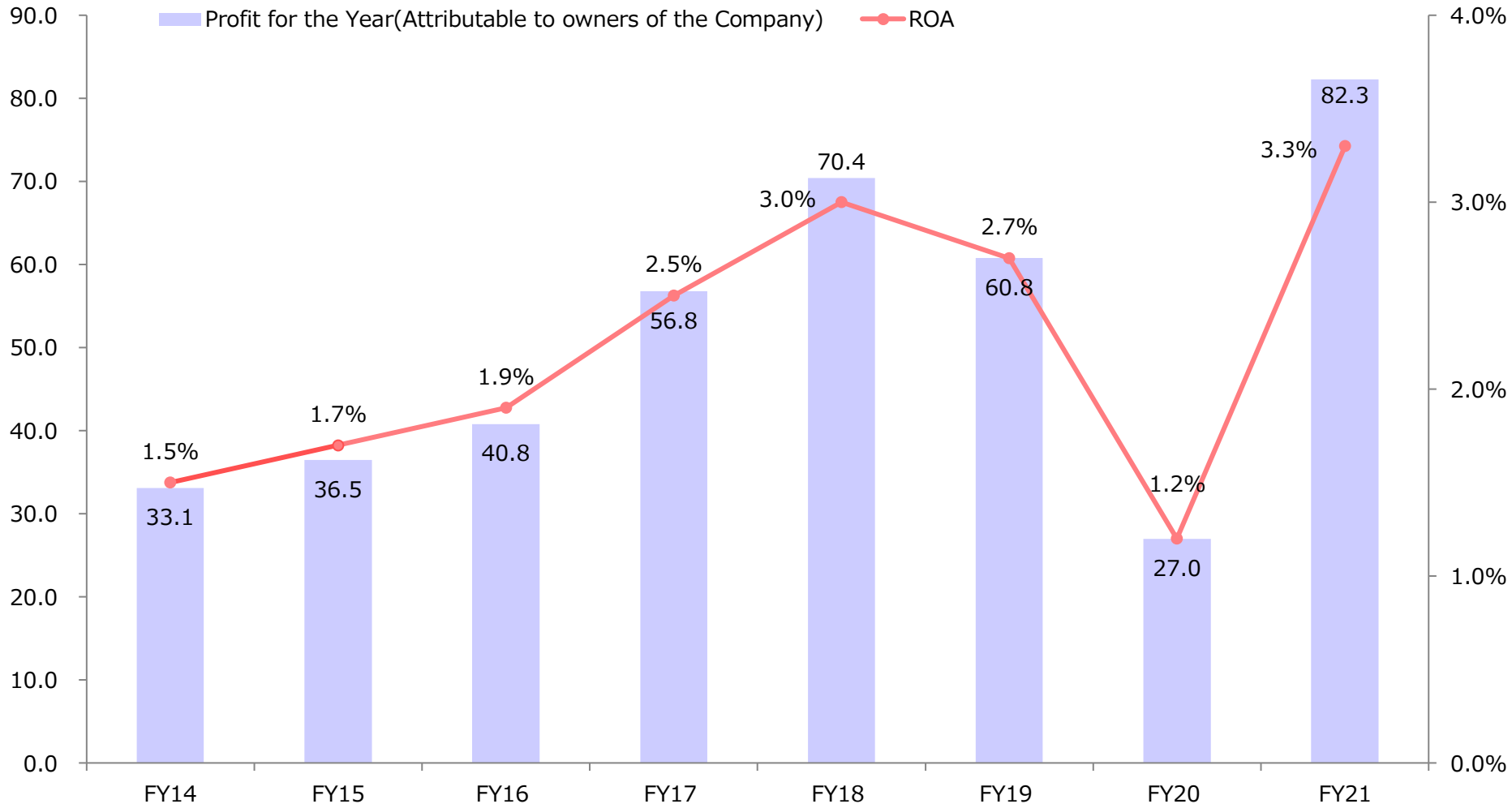


# Summary of Cash Flow (Results)

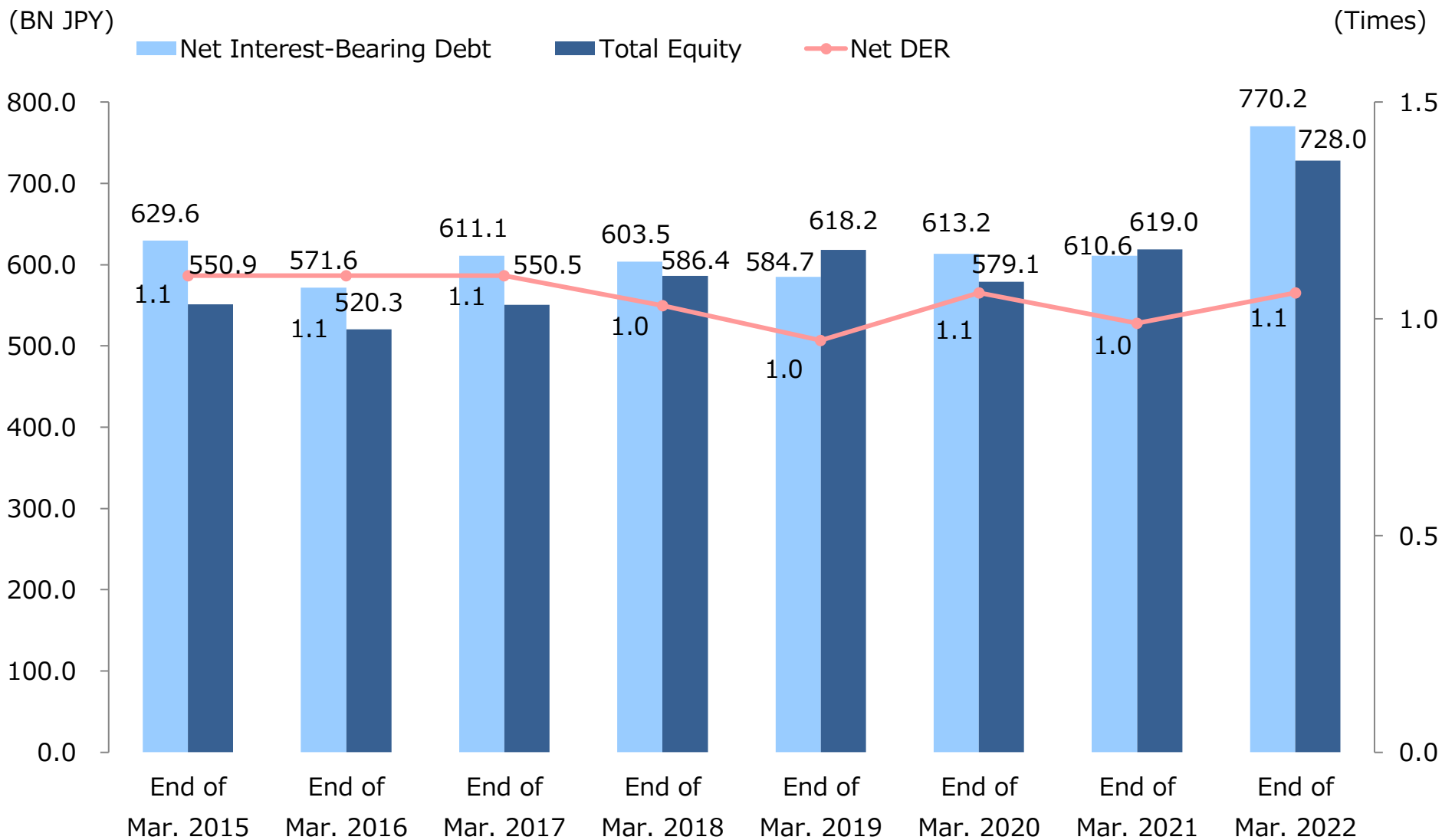
(BN JPY)	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Sep. 2022
Core cash flow	–	–	–	–	–	5.5	(56.7)	63.1	1.3	(8.0)	10.5	58.2
Free cash flow	46.4	43.4	22.5	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(73.7)	(38.0)
Core operating cash flow	–	–	–	–	–	59.4	82.9	79.1	80.2	60.2	128.7	90.3
Cash flow from operating activities	88.7	55.1	47.0	39.1	99.9	0.9	98.8	96.5	40.5	85.0	65.1	82.2
Cash flow from investment activities	(42.3)	(11.7)	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(138.8)	(44.2)
Cash flow from financing activities	(29.5)	(56.2)	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	46.9	(51.3)
Investments	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0	37.0

# Summary of Profit or Loss

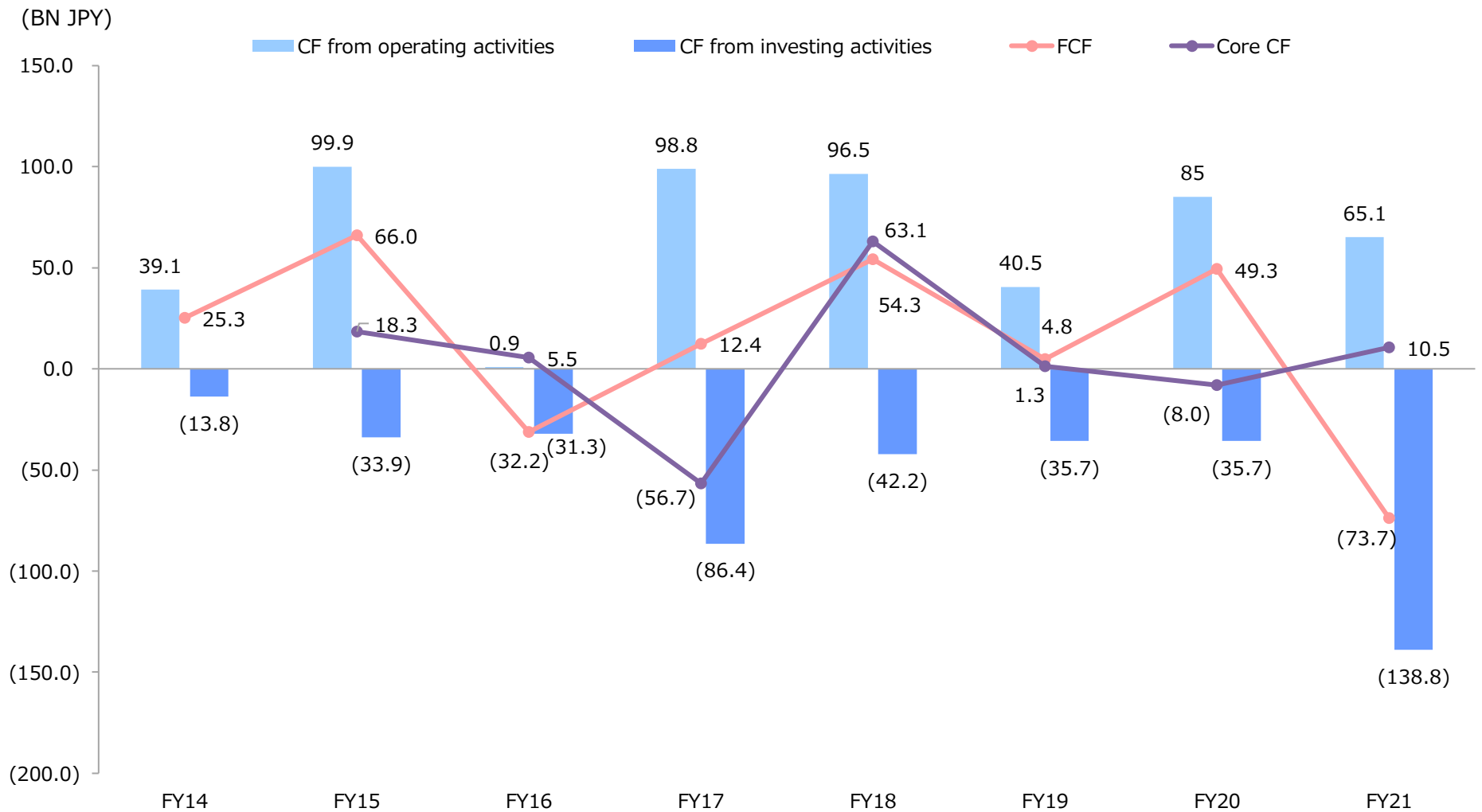
(BN JPY)



# Summary of Balance Sheets



# Summary of Cash Flow





**Hassojitz**

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Sojitz is turning ideas into reality.

## 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

Company representative: Masayoshi Fujimoto, President & CEO

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

Scheduled filing date of quarterly financial report : November 11, 2022

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.