

# **Financial Results for the Third Quarter Ended December 31, 2022 (Reference)**

**February 2, 2023**

**Sojitz Corporation**

### 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 timing at which 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

- **“Profit for the period / year attributable to owners of the Company”** is described as **“Profit for the period / year.”**
- **“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.)
- **“Shareholder Returns”** = include acquisitions of treasury stock.

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# **1. Financial Results for the Third Quarter and Full Year Forecast of Fiscal Year Ending March 31, 2023**

# FY22 Q3 Summary

- Massive increase in income, setting new record, following rises in product and coal prices and steady growth of non-resource businesses
- Generation of profits accompanied by cash with solid core operating cash flow
- No revision to full-year forecasts to reflect costs associated with revising asset assessments

	FY21 Q3	FY22 Q3	Difference	FY22 Revised Forecast (Feb.2, 2023)	Achieved vs Revised Forecast	* For reference FY22 Revised Forecast (Nov.1, 2022)	
(BN JPY)							
Profit for the period/year	62.0	<b>108.7</b> ★	+46.7	<b>110.0</b>	<b>99%</b>	<b>110.0</b>	
Core operating CF	81.3	<b>115.6</b>	+34.3	<b>150.0</b>		<b>140.0</b>	
NET DER (times)	1.08	<b>0.88</b>	(0.20)	<b>0.7</b>		<b>1.0</b>	
				<b>ROE</b>		<b>14.1%</b>	<b>13.8%</b>
				<b>ROA</b>		<b>4.1%</b>	<b>3.9%</b>
				<b>Dividends</b>		<b>¥130</b>	<b>¥130</b>

Difference YoY  
¥24 up

(Interim ¥65/Year-end ¥65)

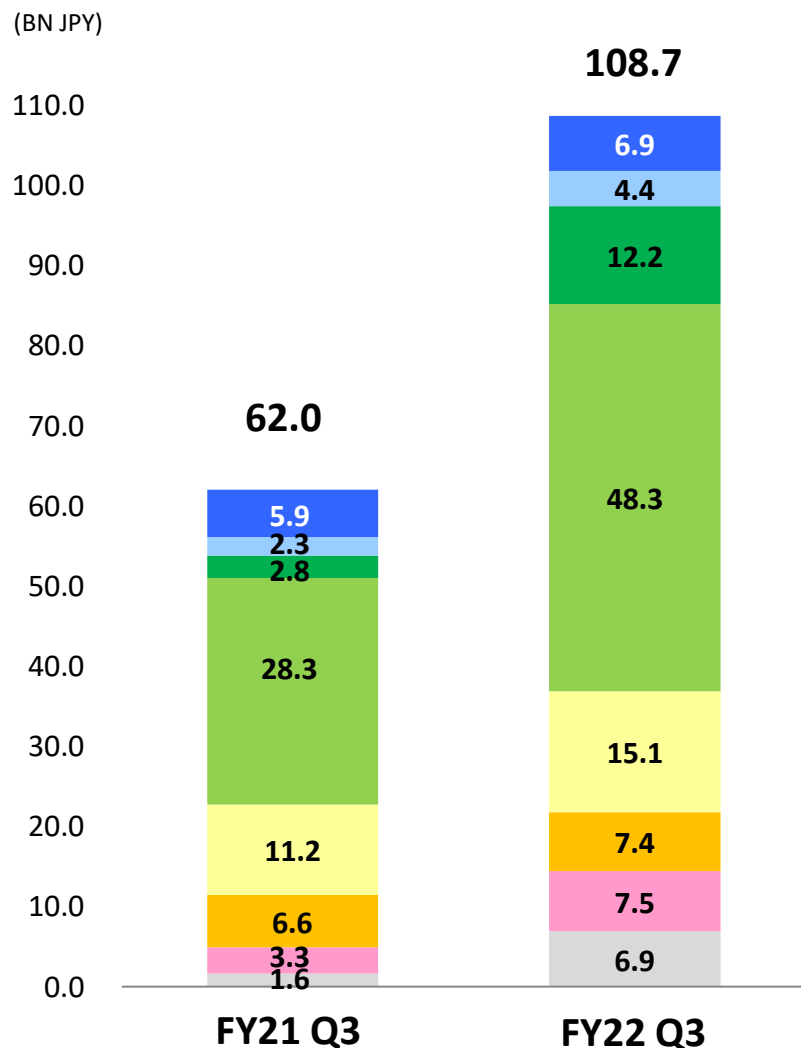
# Summary of Profit or Loss

(BN JPY)	FY21 Q3	FY22 Q3	Difference	FY22 Revised Forecast (Nov. 1, 2022)	FY22 Revised Forecast (Feb. 2, 2023)	Achieved Against Revised Forecast
Revenue	1,548.6	1,925.3	+ 376.7	-	-	-
Gross profit	190.7	263.4	+ 72.7	340.0	345.0	76%
SG & A expenses	(130.1)	(162.0)	(31.9)	(230.0)	(225.0)	-
Share of profit (loss) of investments accounted for using the equity method	25.4	37.1	+ 11.7	43.0	49.0	76%
Profit before tax	85.0	145.5	+ 60.5	150.0	150.0	97%
Profit for the period/year	62.0	108.7	+ 46.7	110.0	110.0	99%
Core earnings	87.9	138.9	+ 51.0	148.0	168.0	-

# Summary of Profit or Loss

## Profit for the period by segment

### Profit for the period



### Main Factors Behind Difference

<b>Automotive</b>	¥6.9 bn (+¥1.0 bn)
Increased due to yen depreciation in overseas automobile businesses	
<b>Aerospace &amp; Transportation Project</b>	¥4.4 bn (+¥2.1 bn)
Increased due to earnings from aircraft-related businesses	
<b>Infrastructure &amp; Healthcare</b>	¥12.2 bn (+¥9.4 bn)
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>Metals, Mineral Resources &amp; Recycling</b>	¥48.3 bn (+¥20.0bn)
Increased due to higher selling prices in coal businesses	
<b>Chemicals</b>	¥15.1 bn (+¥3.9 bn)
Increased due to higher prices of various chemical products and improved profitability	
<b>Consumer Industry &amp; Agriculture Business</b>	¥7.4 bn (+¥0.8 bn)
Unchanged year on year	
<b>Retail &amp; Consumer Service</b>	¥7.5 bn (+¥4.2 bn)
Increased due to impacts of asset replacement	
<b>Others</b>	¥6.9 bn (+¥5.3 bn)

# FY22 Forecast Profit for the Year by Segment

(BN JPY)

FY22 Q3	FY22 Revised Forecast (Nov.1, 2022)	FY22 Revised Forecast (Feb.2, 2023)
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## Progress Overview

■ Automotive	6.9	6.0	8.0
■ Aerospace & Transportation Project	4.4	5.0	5.0
■ Infrastructure & Healthcare	12.2	12.0	17.0
■ Metals, Mineral Resources & Recycling	48.3	65.0	60.0
■ Chemicals	15.1	17.0	17.0
■ Consumer Industry & Agriculture Business	7.4	6.0	7.5
■ Retail & Consumer Service	7.5	7.0	7.5
■ Others	6.9	(8.0)	(12.0)
<b>Total</b>	<b>108.7</b>	<b>110.0</b>	<b>110.0</b>

### ■ Automotive

Upward revision based on steady progress up to Q3

### ■ Aerospace & Transportation Project

Performance generally as forecast

### ■ Infrastructure & Healthcare

Upward revision from earning contributions anticipated from LNG-related businesses

### ■ Metals, Mineral Resources & Recycling

Downward revision to forecasts, despite strong coal market, to account for impacts of asset replacement and of lower production volumes stemming from heavy rains

### ■ Chemicals

Earning contributions anticipated from strong conditions for chemical businesses

### ■ Consumer Industry & Agriculture Business

Upward revision based on steady progress up to Q3

### ■ Retail & Consumer Service

Upward revision based on steady progress up to Q3

### ■ Others

Incorporation of asset assessment revision costs



# Summary of Balance Sheets

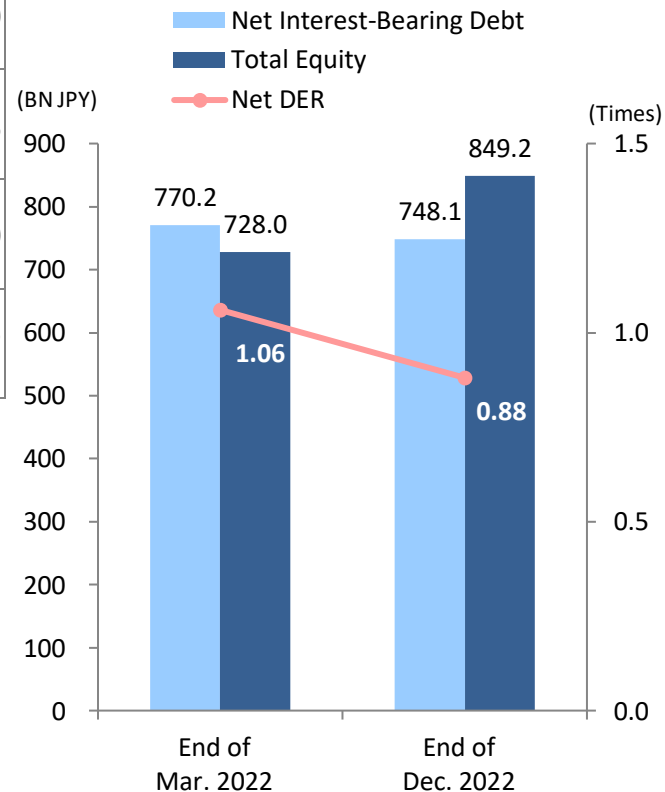
(BN JPY)

	End of Mar. 2022	End of Dec. 2022	Difference	FY22 Initial Forecast	FY22 Revised Forecast (Feb 2, 2023)
<b>Total Assets</b>	<b>2,661.7</b>	<b>2,855.6</b>	<b>+193.9</b>	<b>2,700.0</b>	<b>2,750.0</b>
<b>Total Equity</b>	<b>728.0</b>	<b>849.2</b>	<b>+121.2</b>	<b>760.0</b>	<b>830.0</b>
<b>Equity Ratio</b>	<b>27.4%</b>	<b>29.7%</b>	<b>+2.3ppt</b>	<b>28.1%</b>	<b>30.2%</b>
<b>Net Interest-Bearing Debt</b>	<b>770.2</b>	<b>748.1</b>	<b>(22.1)</b>	<b>800.0</b>	<b>600.0</b>
<b>Net DER (Times)</b>	<b>1.06</b>	<b>0.88</b>	<b>(0.18)</b>	<b>1.1</b>	<b>0.7</b>
<b>Risk Assets vs. Total Equity (Times)</b>	<b>450.0 (0.6)</b>	-	-		
<b>Current Ratio</b>	<b>155.3%</b>	<b>165.1%</b>	<b>+9.8ppt</b>		
<b>Long-term Debt Ratio</b>	<b>78.0%</b>	<b>84.2%</b>	<b>+6.2ppt</b>		

**Changes in Total Equity (End of Mar. 2022 vs. End of Dec. 2022, Breakdown)**

- Increased due to foreign exchange rates +28.5
- Profit for the period +108.7
- Dividends paid (29.2)

(BN JPY)



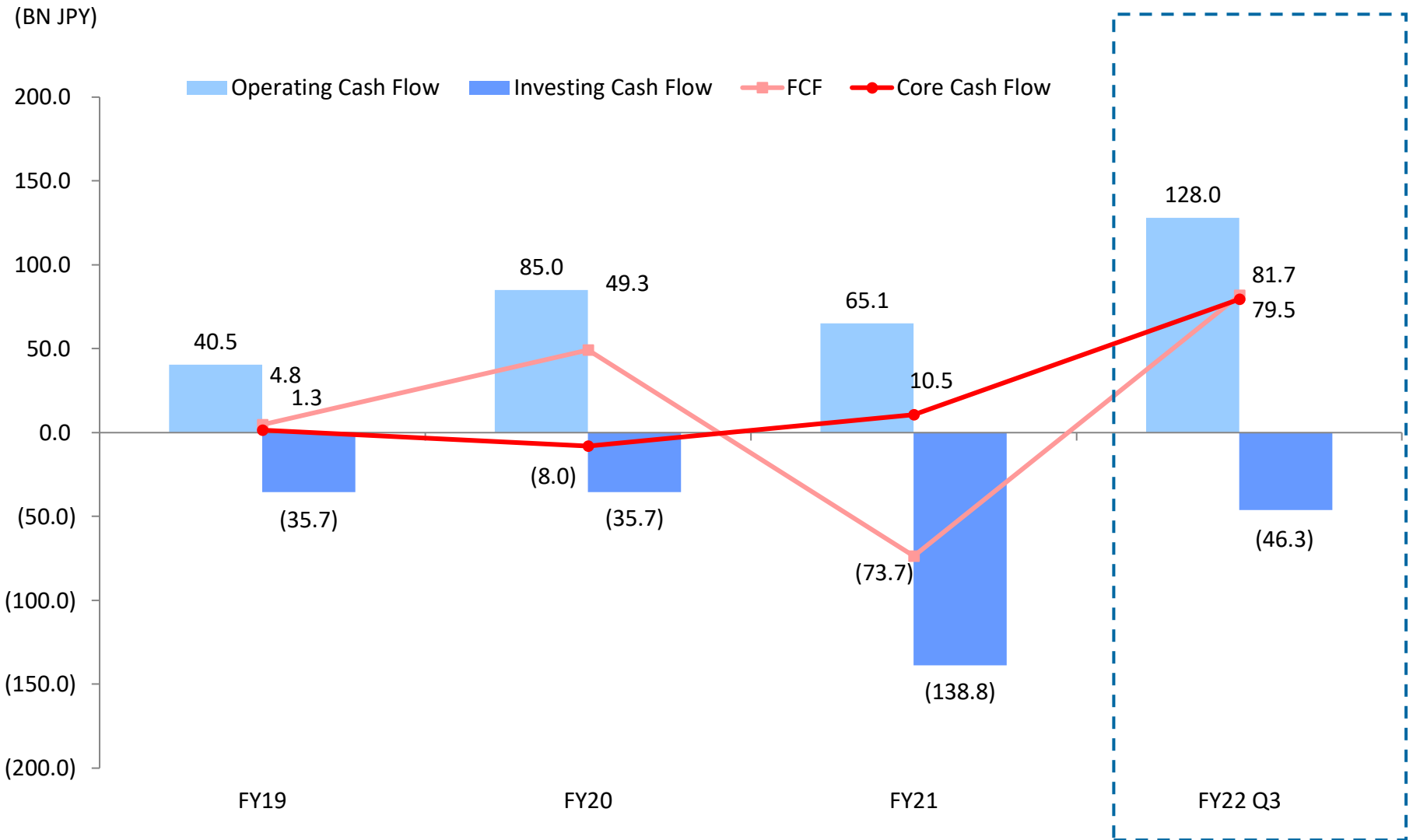
# Cash Flow Management

- 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

(BN JPY)	FY21	FY22 Q3	FY21 + FY22 9month	MTP2023 Initial 3-Year Target (Aggregate) (FY21–FY23)
Core operating cash flow	129.0	116.0	245.0	Approx. 240.0 - 250.0
Asset Replacement (Investment recovery)	62.0	60.0	122.0	Approx. 100.0
New investments and others	(148.5)	(67.5)	(216.0)	Approx. (330.0)
Shareholder Returns *1	(32.0)	(29.0)	(61.0)	Approx. (70.0)
Core cash flow	10.5	79.5	90.0	Positive MTP2020 and MTP2023 6-year period
Free cash flow	(74.0)	82.0	8.0	

\*1 Includes acquisitions of treasury stock

# Summary of CF



# Investments and Asset Replacement

<p><b>Total Investments</b></p>	<p><b>¥67.0bn</b></p>	
<p><b>Main Breakdown</b></p>	<p><b>Infrastructure &amp; Healthcare</b></p>	<p><b>¥29.0bn</b></p> <ul style="list-style-type: none"> <li>■ Telecommunications tower operating business in the Philippines</li> <li>■ Off-shore wind power businesses in Taiwan</li> <li>■ Railcar Leasing business in U.S.</li> <li>■ Office Building Development Project in the Philippines</li> <li>■ Primary healthcare businesses in Asia</li> <li>■ Biomass power generation business in Japan etc.</li> </ul>
	<p><b>Growth market × Market-oriented initiative</b></p>	<p><b>¥19.0bn</b></p> <ul style="list-style-type: none"> <li>■ Rental Residential value add Business</li> <li>■ Automotive businesses in Asia</li> <li>■ ASEAN retail businesses</li> <li>■ Domestic retail businesses</li> <li>■ Business jet operation and maintenance etc.</li> </ul>
	<p><b>Materials &amp; Circular economy</b></p>	<p><b>¥1.0bn</b></p> <ul style="list-style-type: none"> <li>■ BioMEG business etc.</li> </ul>
	<p><b>Other</b></p>	<p><b>¥18.0bn</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>¥60.0bn</b></p>	
<p><b>Main Breakdown</b></p>	<p>Sale of cross-shareholdings, J-REIT management business, Domestic shopping mall, Renewable energy businesses in Domestic and overseas, Overseas power generation project etc.</p>	

# Major One-time Gain/Loss

(BN JPY)

	FY21 Q3		FY22 Q3	
<b>Non-Resource</b>	<b>0.0</b>	<ul style="list-style-type: none"> <li>• Gain on sales of surface-mounting machines related business</li> <li>• Loss on sales of surface-mounting machines related business</li> </ul> <p style="text-align: right;">etc.</p>	<b>9.6</b>	<ul style="list-style-type: none"> <li>• Sale of a J-REIT management company</li> <li>• Sale of a telecommunications tower operating business in the Philippines</li> </ul> <p style="text-align: right;">etc.</p>
<b>Resource</b>	<b>(2.7)</b>	<ul style="list-style-type: none"> <li>• Loss on restructuring of non-ferrous smelting and refining company</li> </ul> <p style="text-align: right;">etc.</p>	<b>(5.8)</b>	<ul style="list-style-type: none"> <li>• Loss on copper mine interests</li> </ul> <p style="text-align: right;">etc.</p>
<b>Total</b> (After income tax expenses)	<b>(2.7)</b>		<b>3.8</b>	

# Breakdown of Resource and Non-Resource Profit *Hassojitz*

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	FY19	FY20	FY21
A. Profit for the period / year	62.0	<b>108.7</b>	+46.7	60.8	27.0	82.3
B. Total one-time Gain and loss	(2.7)	<b>3.8</b>	+6.5	1.5	(0.2)	(13.1)
A. – B. Profit for the period / year (Excluding one-time gain / loss)	64.7	<b>104.9</b>	+40.2	59.3	27.2	95.4
Resource	22.7	<b>46.4</b>	+23.7	10.4	(0.4)	42.3
Non-Resource	42.0	<b>58.5</b>	+16.5	48.9	27.6	53.1

# Commodity Prices, Foreign Exchange, and Interest Rate

	FY21 (Apr.-Dec. avg.)	FY22 Results (Apr.-Dec. avg.)	Latest data (as of Jan. 27, 2023)
Coking coal *1	US\$278.0/t	US\$322.8/t	US\$329.5/t
Thermal coal *1	US\$163.9/t	US\$394.5/t	US\$301.0/t
Crude oil (Brent)	US\$74.0/bbl	US\$99.4/bbl	US\$86.7/bbl
Exchange rate *2	¥111.5/US\$	¥136.9/US\$	¥129.6/US\$
Interest Rate (TIBOR)	0.06%	0.06%	0.07%

\*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. ¥2.0 billion annually.

## 2. Dividends



# Shareholder Returns Policy

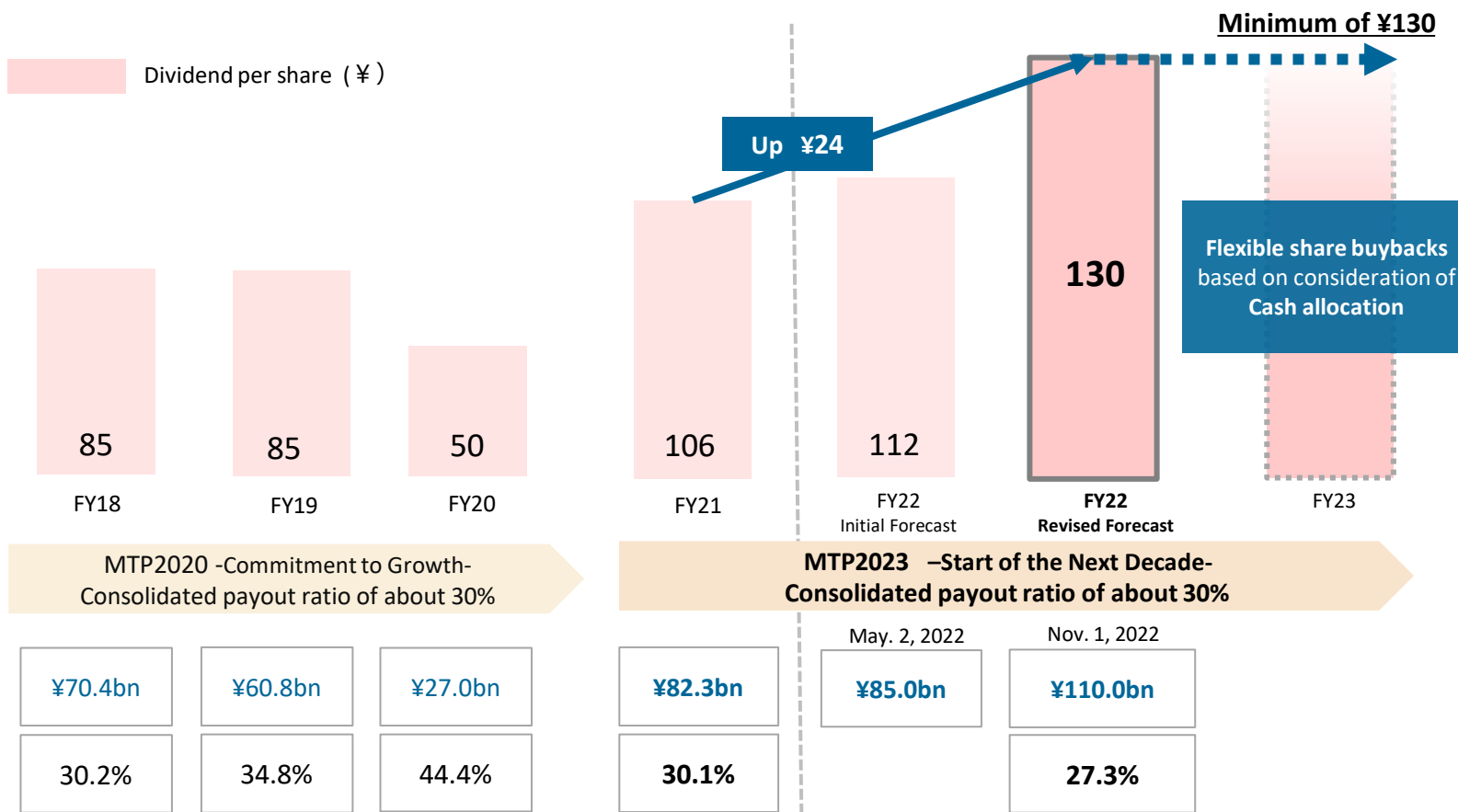
- Sojitz recognizes that paying stable and continuous dividends while enhancing shareholder value through the accumulation and effective use of retained earnings
- Our basic policy is to target a consolidated payout ratio of about 30%

## 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



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.

# Stock Price, PBR Trend, and Credit Ratings

(as of the end of Dec. 2021)

	Sojitz	TOPIX
<b>Stock Price</b>	1,728	1992.3
<b>PBR</b>	0.59	1.27

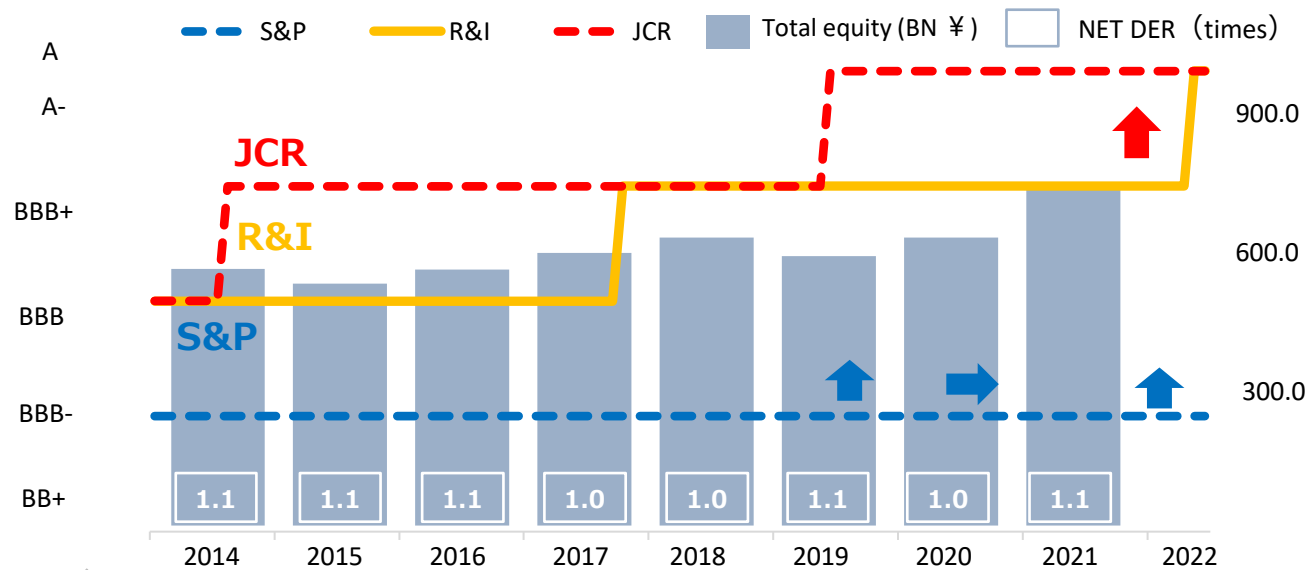
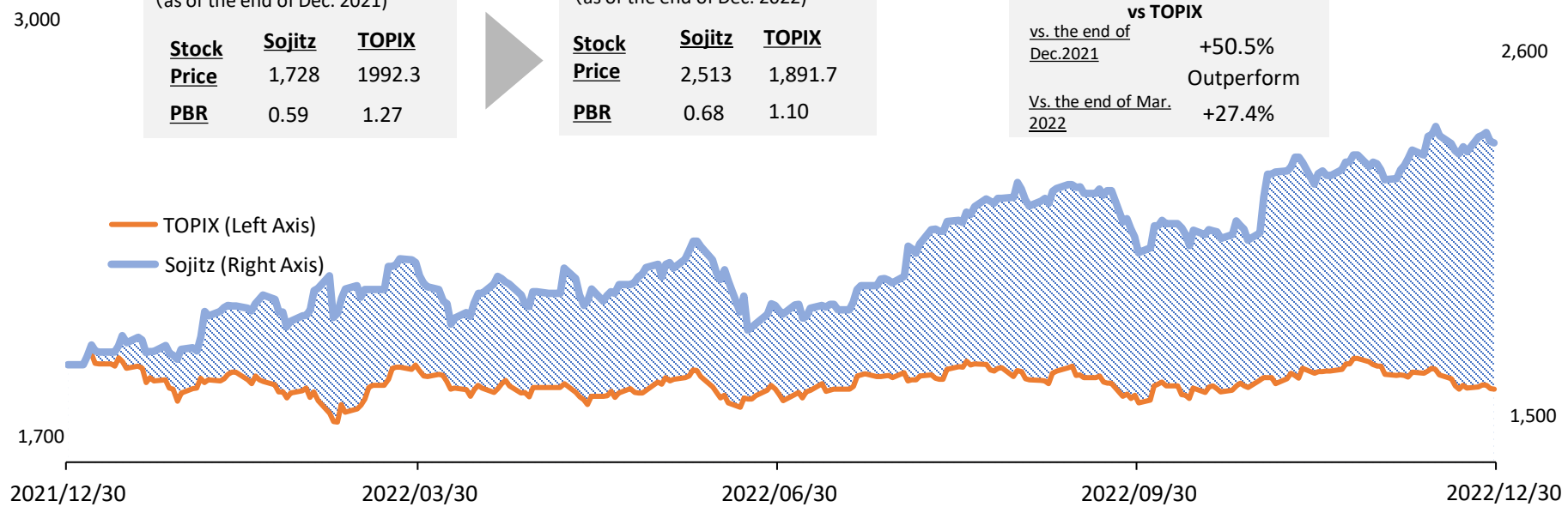
(as of the end of Dec. 2022)

	Sojitz	TOPIX
<b>Stock Price</b>	2,513	1,891.7
<b>PBR</b>	0.68	1.10

(as of the end of Dec. 2022)  
**vs TOPIX**

vs. the end of Dec.2021	+50.5%
	Outperform
Vs. the end of Mar. 2022	+27.4%

Stock Price of Sojitz ( ¥ )



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

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

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



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

# 【Supplemental Data】

## I . 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 Q3.

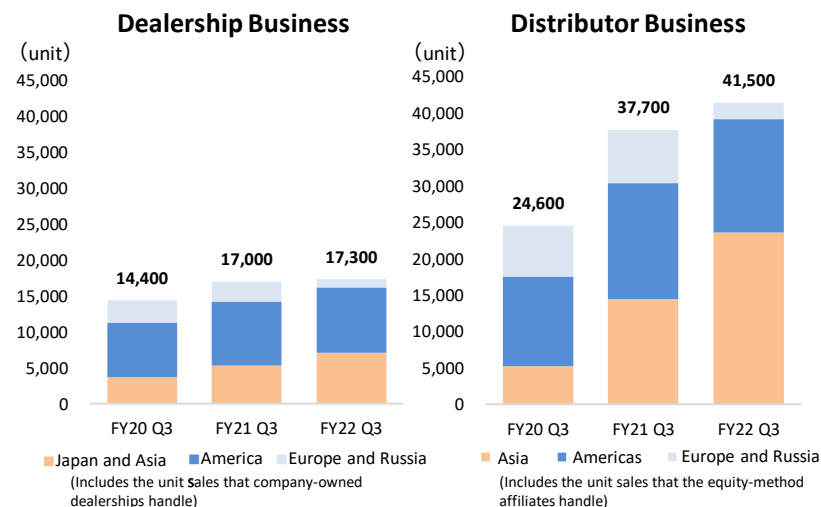
# Automotive

## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	<b>Main Factors Behind Difference</b>  【 Profit for the period 】 Increased due to yen depreciation in overseas automobile businesses
Gross profit	33.1	41.6	8.5	
SG&A expenses	(23.2)	(30.6)	(7.4)	
Share of profit (loss) of investments accounted for using the equity method	0.5	1.3	0.8	
<b>Profit for the period</b>	<b>5.9</b>	<b>6.9</b>	<b>1.0</b>	
	FY21	FY22 Q3	Difference	
Total Asset	191.8	183.1	(8.7)	

## Vehicle Sales



## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Automotive Group, Inc	100%	1.1	1.4	0.3	Automobile dealership
Sojitz de Puerto Rico Corporation	100%	1.6	1.5	(0.1)	Import and sales of automobiles
Subaru Motor LLC	65.6%	0.5	0.4	(0.1)	Import and sales of automobiles
Sojitz Quality, Inc	100%	0.2	0.2	0.0	Investment in Automotive parts quality inspection services
<b>Total</b>		<b>3.4</b>	<b>3.5</b>	<b>0.1</b>	

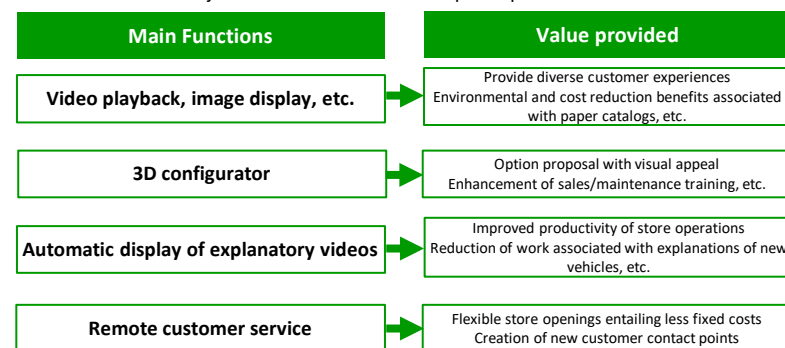
\*1 The equity ownership is as of the end of December 2022.

\*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.

## Digital transformation in the car distribution industry

### Launch of Auto VR New Vehicle Sales Support System

Establishment of joint venture with infiniteloop and provision of VR solutions



# Aerospace & Transportation Project

## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	<b>Main Factors Behind Difference</b>  【 Profit for the period 】 Increased due to earnings from aircraft-related businesses
Gross profit	10.7	14.6	3.9	
SG&A expenses	(8.3)	(10.6)	(2.3)	
Share of profit (loss) of investments accounted for using the equity method	(0.1)	0.6	0.7	
Profit for the period	2.3	4.4	2.1	

	FY21	FY22 Q3	Difference
Total Asset	218.0	246.1	28.1

## Transportation-related initiative

### Sojitz Receives Order for Construction of a Rail Maintenance Depot in India for a High-speed Rail Project

- Sojitz has received an order for joint construction work on the Sabarmati depot as part of Mumbai-Ahmedabad High Speed Rail being undertaken by India's National High Speed Rail Corporation Limited. (Amount of the order: JPY 63 bn)
- Construction will involve the development of the only comprehensive rail depot in Sabarmati, which is located northwest of Ahmedabad, the largest city in the state of Gujarat. Construction has begun since 5<sup>th</sup> January 2023 with completion expected in 2028.
- Ongoing contributions to India through development of freight and passenger railroad infrastructure following Western DFC railroad project

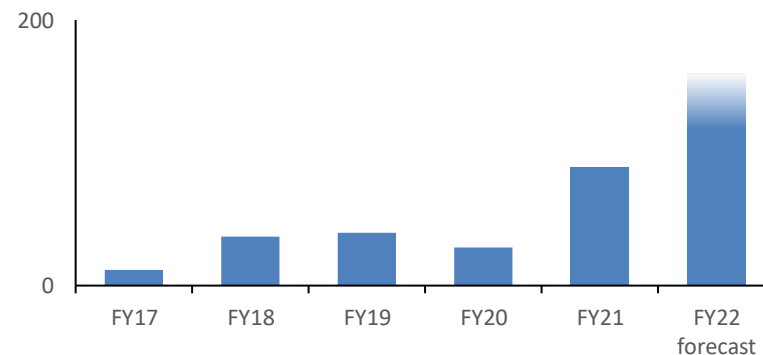
## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Aerospace Corporation	100%	0.6	0.8	0.2	Import/export and sales of aerospace and defense-related equipment, components and materials
Sojitz Aviation and Marine B.V.	100%	0.1	0.1	0.0	Aircraft part-out business and marine vessel-related business
SI Aviation Capital Pte. Ltd.	100%	0.1	(0.1)	(0.2)	Aircraft leasing business
Sojitz Transit & Railway Canada Inc.	74.9%	(0.1)	0.1	0.2	General repair and remanufacturing of railway rolling stocks
Southwest Rail Industries Inc.	100%	-	0.4	0.4	Railcar leasing business
Total		0.7	1.3	0.6	

### Supplemental Data : Business Jet charter sales

(Operations)



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

# Infrastructure & Healthcare

## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference
Gross profit	12.7	18.8	6.1
SG&A expenses	(16.8)	(22.5)	(5.7)
Share of profit (loss) of investments accounted for using the equity method	6.8	15.6	8.8
Profit for the period	2.8	12.2	9.4

	FY21	FY22 Q3	Difference
Total Asset	421.1	492.2	71.1

### 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 Q3	FY22 Q3	Difference	Business Description
Nissho Electronics Corporation	100%	0.5	0.6	0.1	Providing leading-edge IT solutions and network services
Tokyo Yuso Corporation	100%	0.3	0.4	0.1	Tank storage operations for petroleum and chemical products
Renewable Energy Businesses*4	-	0.8	2.8	2.0	Renewable energy business in Japan and overseas
LNG Japan Corporation	50%	0.7	3.2	2.5	LNG business and related investments
Sojitz Hospital PPP Investment B.V.	100%	2.3	2.0	(0.3)	Investment in hospital project
Total		4.6	9.0	4.4	

\*1 The equity ownership is as of the end of December 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 companies, please refer to their respective corporate websites.

- SAKURA Internet Inc. (equity-method associate the following) <https://www.sakura.ad.jp/>
- PT. Paradelta 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.

## Initiatives of Infrastructure-related business

### Extension of Production Sharing Contract for Tangguh LNG Project

Maximization of project value and contribution to decarbonization and recycling

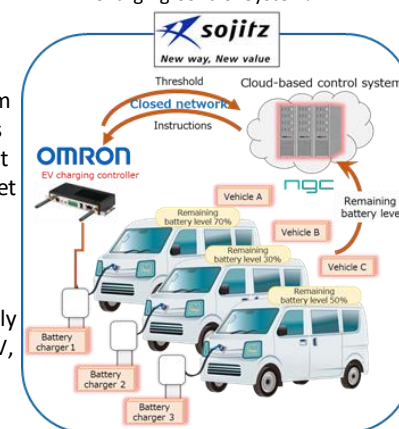
- Agreement between Government of Indonesia and Group company LNG Japan to extend, together with partners, production sharing contract for Tangguh LNG Project in Papua Barat Province by 20 years
- Reliable annual production volume of 7.6 million tons of LNG from project, increase in annual production capacity of 3.8 million tons from third LNG train currently under construction (scheduled to commence operation in 2023)
- Plans being formulated to reduce greenhouse gas emissions and improve natural gas production efficiency by capturing and storing underground CO2 emitted during natural gas production through CCUS system being examined
- Ongoing reliable supply of LNG and further reduction to CO2 emissions made possible through contract extension

### Development of Cloud-Based Battery Charging Control Service for Commercial EVs

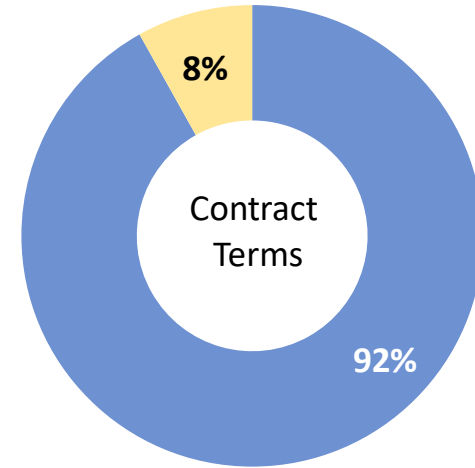
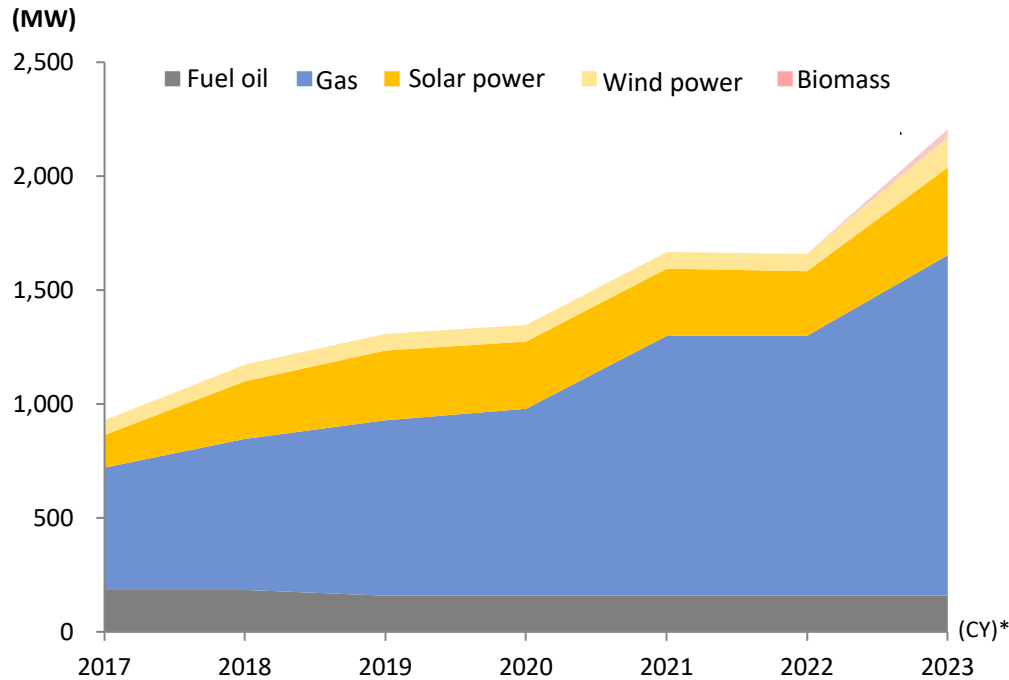
Reduced electricity purchase costs and smooth fleet operation through optimal charging of multiple EVs

- Joint development of cloud-based charging control system for commercial EVs by OMRON SOCIAL SOLUTIONS and Group company NGC Corporation
- Prevention of electricity usage spikes from simultaneous charging of commercial EVs and provision of services that provide cost benefits while contributing to smooth fleet operation through linkage of fleet operation data
- Proposal of new value to market by working with partners to create and supply solar car port, charging control system, EV, secondhand battery, and other solutions to companies proactive in reducing emissions

<Concept of the Cloud-based Charging Control System>



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



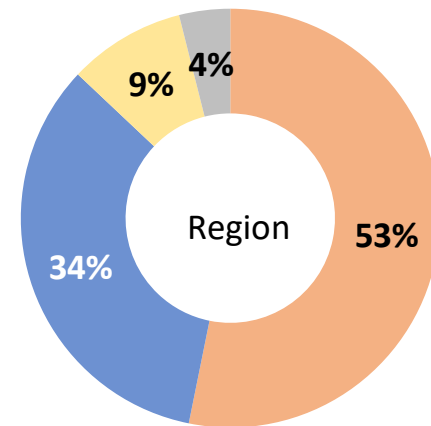
■ Long-term contract ■ Spot contract  
\*As of Dec. 31, 2022

## 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



■ Asia ■ Americas ■ Japan ■ Europe

\*As of Dec. 31, 2022

# Metals, Mineral Resources & Recycling

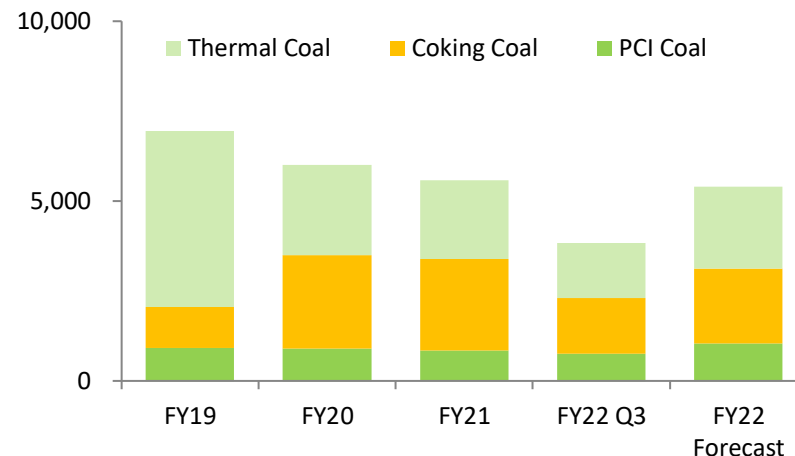
## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	<b>Main Factors Behind Difference</b>
Gross profit	35.1	70.3	35.2	
SG&A expenses	(10.3)	(12.2)	(1.9)	
Share of profit (loss) of investments accounted for using the equity method	16.2	17.5	1.3	
Profit for the period	28.3	48.3	20.0	
	FY21	FY22 Q3	Difference	
Total Asset	511.5	569.5	58.0	

## Change in Coal Sales Volume

(1,000 ton)



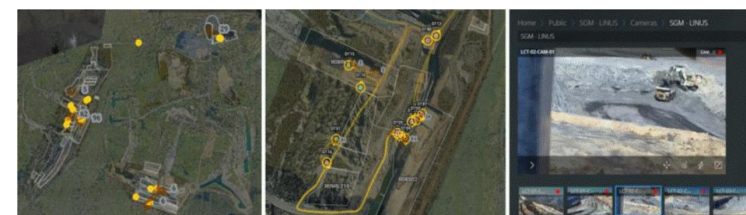
## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Development Pty. Ltd.	100%	12.6	36.9	24.3	Investment in coal mines
Sojitz Resources (Australia) Pty. Ltd.	100%	0.6	0.0	(0.6)	Production of alumina
Japan Alumina Associates(Australia) Pty. Ltd.	50%	0.7	0.4	(0.3)	Investment in an alumina refinery
Metal One Corporation	40%	9.4	12.8	3.4	Import, export, and sale of, and domestic and foreign trading in, steel-related products
Total		23.3	50.1	26.8	

## Digitalization and Broadening of Mine Development Businesses

- Sophisticated cost management and enhanced operation planning and financial forecasting made possible through tracking of operational information at Gregory Crinum coal mine operated by Sojitz**
  - Tracking and streamlining of heavy machinery operation using IoT equipment
  - Development of proprietary data warehouse and integrated data management for achieving digital transformation
- Application of accumulated mine operation know-how to Sojitz-owned and other mines to contribute to sustainable resource development by promoting efficient mine operation and rehabilitation**



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

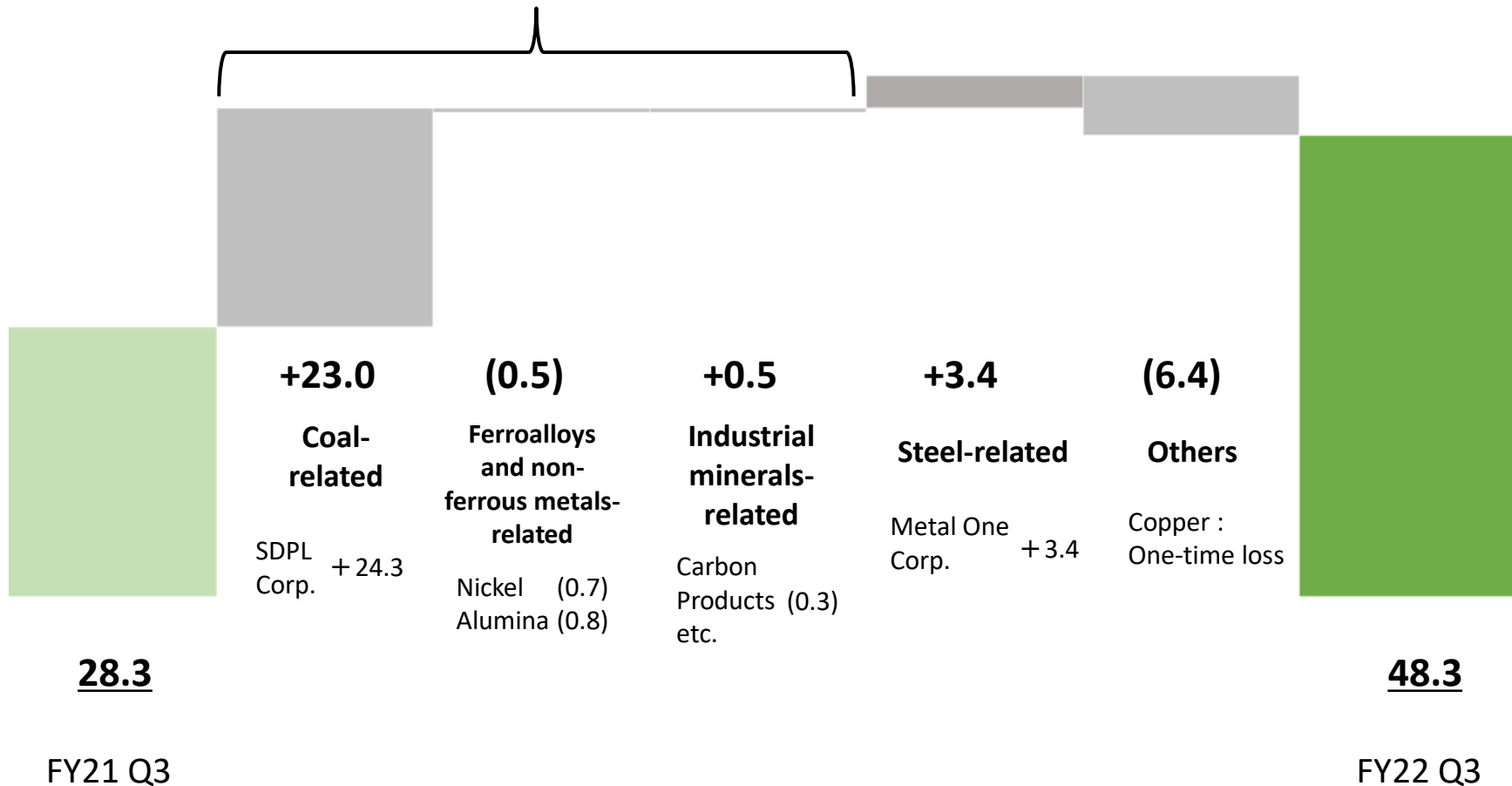


# Metals & Mineral Resources

## YoY Main Factors Behind Difference

(BN JPY)

Impact of commodity prices  
approx. +27.1 included



# Chemicals

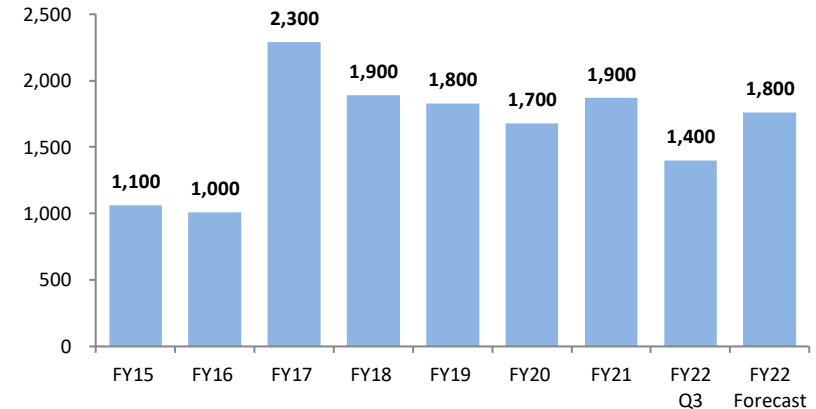
## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	<b>Main Factors Behind Difference</b>
Gross profit	38.7	48.1	9.4	
SG&A expenses	(22.5)	(24.6)	(2.1)	
Share of profit (loss) of investments accounted for using the equity method	0.6	0.1	(0.5)	
<b>Profit for the period</b>	<b>11.2</b>	<b>15.1</b>	<b>3.9</b>	
	FY21	FY22 Q3	Difference	
Total Asset	320.5	337.7	17.2	

## Sales Volume for Methanol

(1,000 ton)



## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Pla-Net Corporation	100%	1.7	0.5	(1.2)	Trading and sale of plastics and related products
PT. Kaltim Methanol Industri	85%	4.2	5.0	0.8	Manufacture and sale of methanol
solvadis deutschland gmbh	100%	0.8	1.5	0.7	Trading and sale of chemical products
Total		6.7	7.0	0.3	

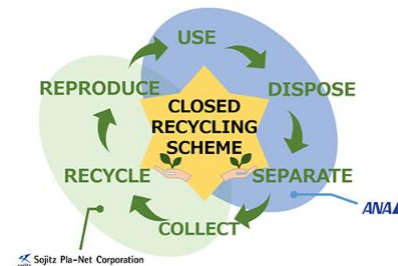
\*1 The equity ownership is as of the end of December 2022.

\*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.

## Chemical related businesses Initiatives

### 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



# Consumer Industry & Agriculture Business

## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference
Gross profit	24.4	24.8	0.4
SG&A expenses	(14.7)	(17.0)	(2.3)
Share of profit (loss) of investments accounted for using the equity method	0.7	0.9	0.2
Profit for the period	6.6	7.4	0.8

	FY21	FY22 Q3	Difference
Total Asset	238.9	279.5	40.6

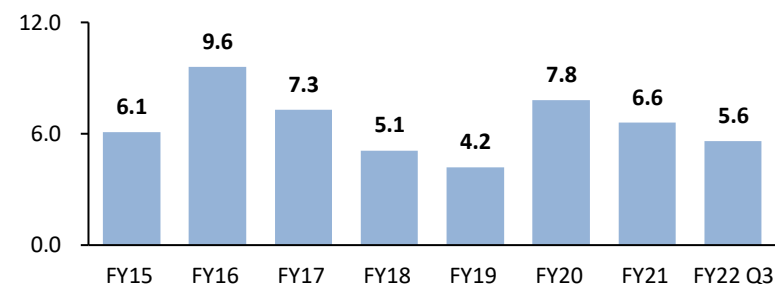
### Main Factors Behind Difference

【 Profit for the period 】  
Unchanged year on year

## 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 Q3	FY22 Q3	Difference	Business Description
Thai Central Chemical Public Company(TCCC)	81%	3.5	2.8	(0.7)	Manufacture and sales of fertilizers
Atlas Fertilizer Corporation	100%	2.0	1.9	(0.1)	Manufacture and sales of fertilizers, sales of imported fertilizer products
Japan Vietnam Fertilizer Company	75%	0.2	0.1	(0.1)	Manufacture and sales of fertilizers
Saigon Paper	96%	(0.4)	(0.4)	0.0	Papermaking business (Vietnam)
Sojitz Building Materials Corporation	100%	2.1	1.9	(0.2)	Trading company specializing in sales of construction materials
Total		7.4	6.3	(1.1)	

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

## Initiatives of Decarbonization-related businesses

### Contributions to Decarbonization through Local Production and Consumption of Biomass Energy

Greenhouse biomass boiler verification test commenced together with Miyazaki Prefecture's Kawaminami Town in November 2022

- Contributions to decarbonization by replacing heavy fuel boiler used to heat greenhouse with biomass boiler
- Cultivation of Japanese aspen trees and sorghum to be used as biomass fuel on nearby idle land

\*Japanese aspen trees: Fast-growing trees that can be converted into biomass fuel in five years

Sorghum: Poaceae family plant that grows to heights of 6 m in six months



Biomass boiler installed at banana plantation



Trial sorghum cultivation site in Ibusuki City, Kagoshima Prefecture

# Retail & Consumer Service

## FY22 Q3 Summary

(BN JPY)

	FY21 Q3	FY22 Q3	Difference	<b>Main Factors Behind Difference</b>  【 Profit for the period 】 Increased due to impacts of asset replacement
Gross profit	23.4	33.7	10.3	
SG&A expenses	(16.5)	(28.1)	(11.6)	
Share of profit (loss) of investments accounted for using the equity method	0.0	0.4	0.4	
Profit for the period	3.3	7.5	4.2	
	FY21	FY22 Q3	Difference	
Total Asset	427.1	443.5	16.4	

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Foods Corporation	100%	2.7	1.9	(0.8)	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs
Sojitz Fashion Co., Ltd.	100%	0.5	0.6	0.1	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics
Total		3.2	2.5	(0.7)	

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

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

## Business for increasing value of rental residential

### Sojitz and Goldman Sachs Establish “Sojitz Residential Partners” as a Rental Residential Value Add Business in Japan

- Improving the value of rental properties in Japan through methods that raise tenant demand via active investment and renovations.
- Approaching to environmental issues, in which it improves the value of Japanese rental residences through renovation and offering tenants with quality living spaces.



Goldman Sachs



Sojitz Residential Partners

# Others

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY21 Q3	FY22 Q3	Difference	Business Description
Sojitz Machinery Corporation	100%	1.3	2.1	0.8	Import/export and sales of general industrial machinery
Total		1.3	2.1	0.8	

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

# **【Supplemental Data】**

## **Ⅱ . Summary of Financial Results**

## Summary of Profit or Loss (Results)

(BN JPY)	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22 Q3
Net sales (JGAAP)	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	—	—	—	—	—
Revenue	2,006.6	1,747.8	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	1,856.2	1,754.8	1,602.5	2,100.8	1,925.3
Gross profit	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3	263.4
Operating profit	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	37.1
Profit before tax	58.5	28.1	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3	145.5
Profit for the year attributable to owners of the Company	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3	108.7
Core earnings	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3	138.9
ROA	(0.0%)	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%	-
ROE	(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)

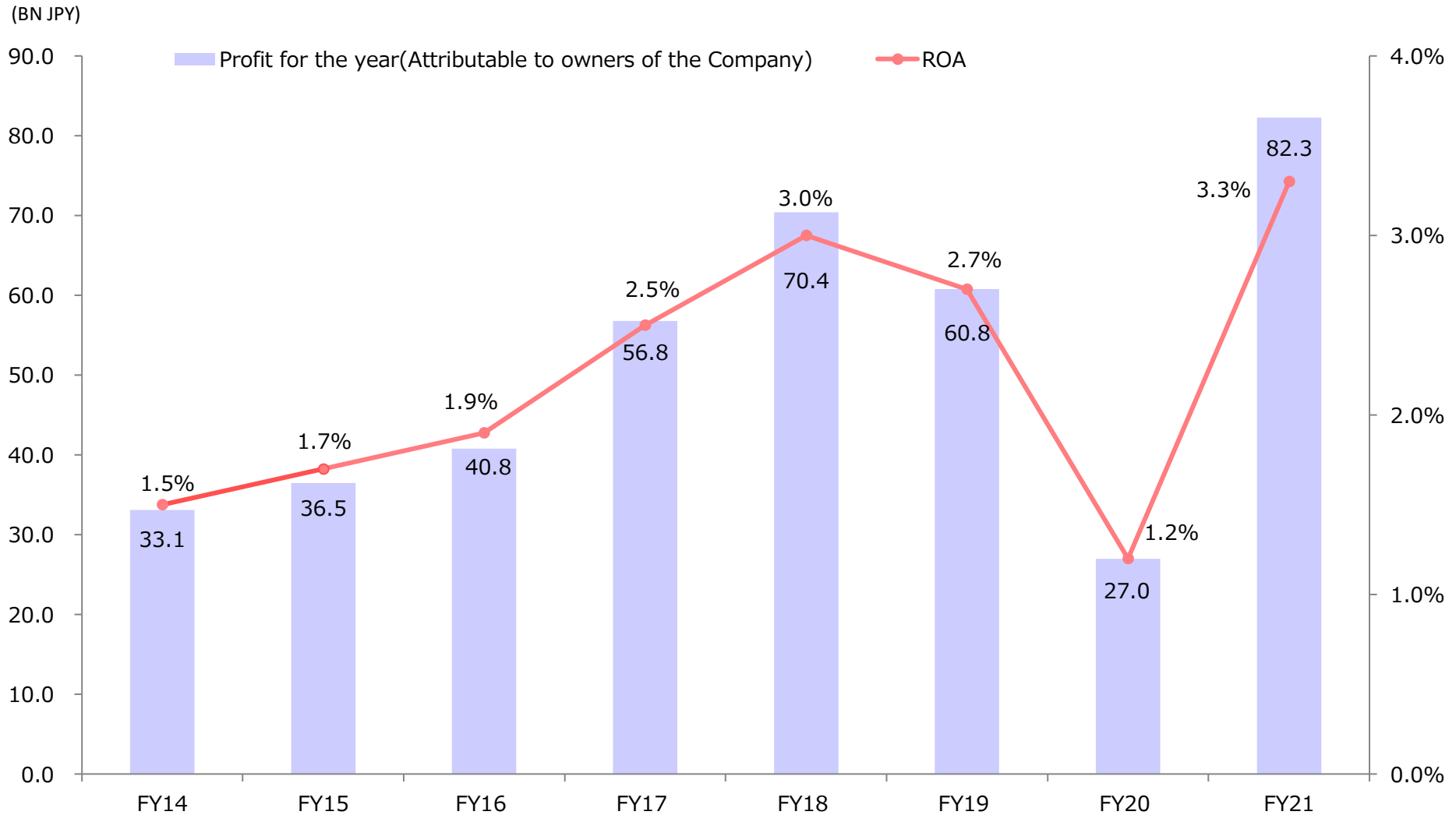
(BN JPY)	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Dec. 2022
<b>Total assets</b>	2,190.7	2,150.1	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	2,855.6
<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	849.2
<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%	29.7%
<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	748.1
<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	0.88
<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	-
<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%	165.1%
<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%	84.2%



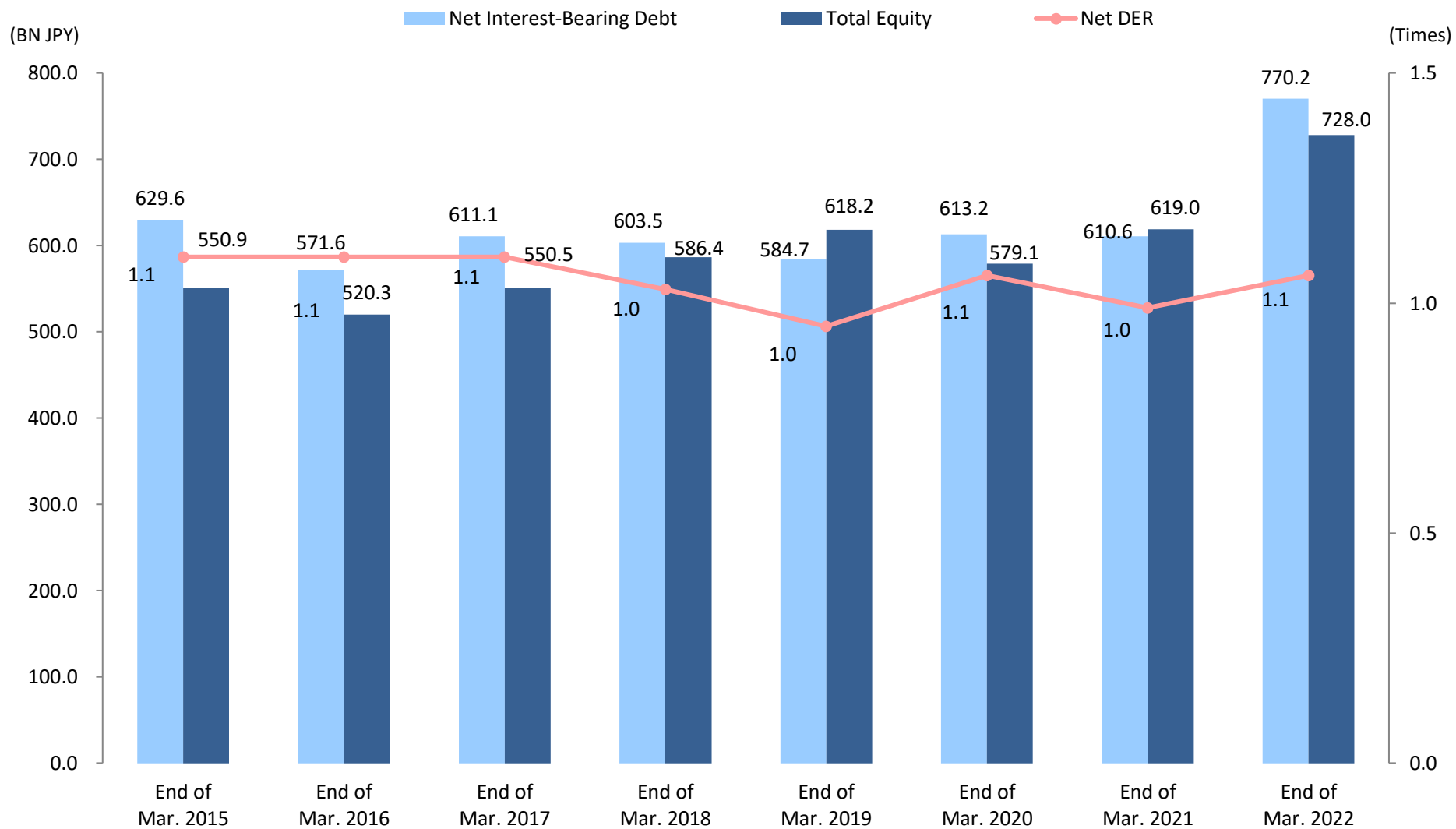
# Summary of Cash Flow (Results)

(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 Dec. 2022
Core cash flow	—	—	—	—	18.3	5.5	(56.7)	63.1	1.3	(8.0)	10.5	79.5
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)	81.7
Core operating cash flow	—	—	—	—	60.0	59.4	82.9	79.1	80.2	60.2	128.7	115.6
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	128.0
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)	(46.3)
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	(132.4)
Investments	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0	67.0

# Summary of Profit or Loss

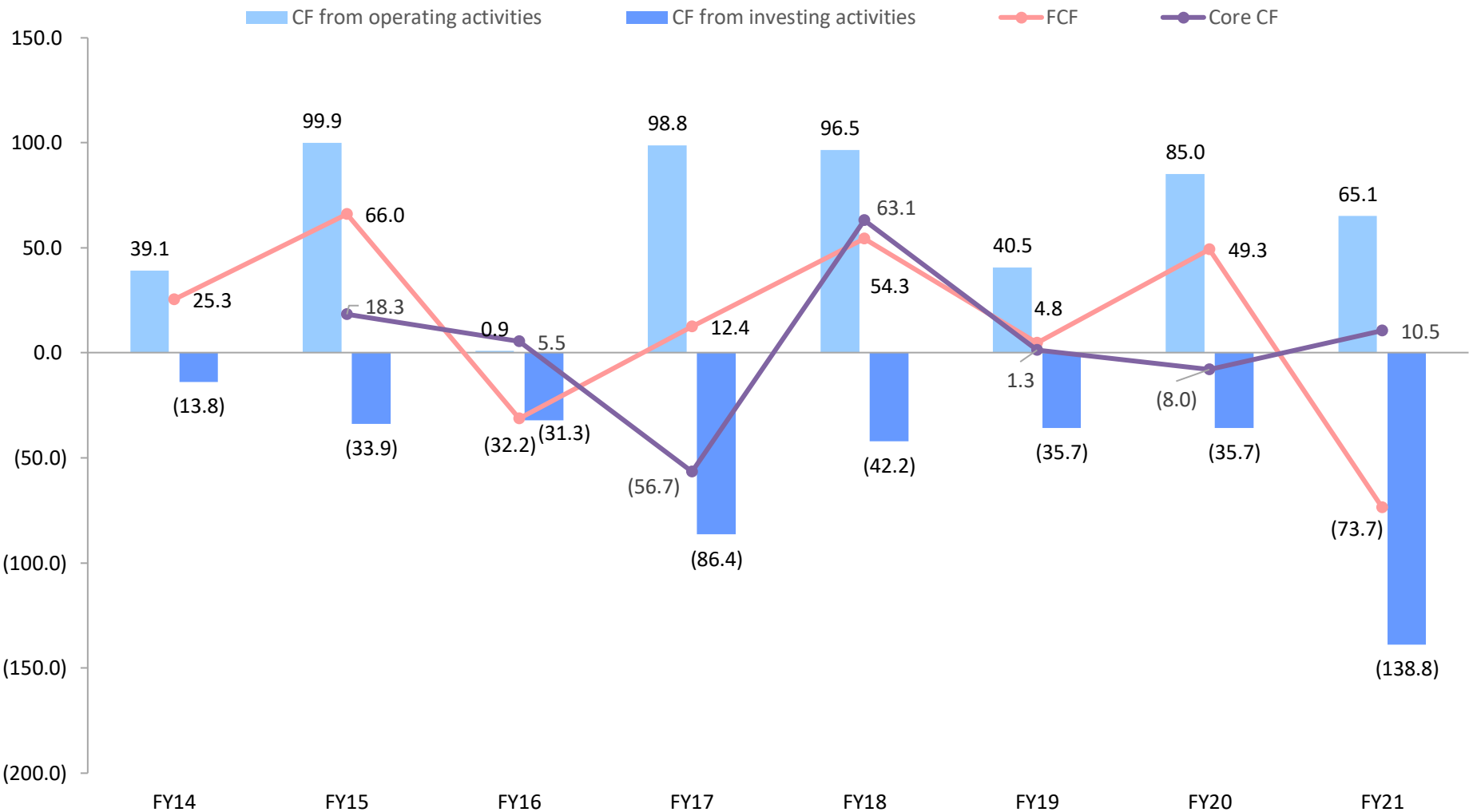


# Summary of Balance Sheets



# Summary of Cash Flow

(BN JPY)





**Hassojitz**

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Sojitz is turning ideas into reality.