

**Summary of Consolidated Financial Results
for the Third Quarter Ended December 31, 2020 (IFRS)**

February 3, 2021

Sojitz Corporation

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

Listed stock exchange: The first section of Tokyo

Security code: 2768

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Scheduled date of delivery of dividends: -

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 Third Quarter Ended December 31, 2020 (April 1, 2020 - December 31, 2020)

(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 third quarter ended December 31, 2021	1,159,653	(12.1)	24,092	(48.5)	18,749	(54.1)	16,718	(55.4)	22,579	7.6
December 31, 2020	1,318,598	(6.5)	46,798	(37.0)	40,805	(29.2)	37,487	(30.2)	20,988	(39.0)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the third quarter ended December 31, 2021	13.93	13.93
December 31, 2020	30.03	30.03

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

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company ratio
	Millions of Yen	Millions of Yen	Millions of Yen	%
As of December 31, 2020	2,203,439	617,581	578,683	26.3
March 31, 2020	2,230,285	621,898	579,123	26.0

2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2020	-	8.50	-	8.50	17.00
March 31, 2021	-	5.00	-	-	-
March 31, 2021 (forecast)	-	-	-	5.00	10.00

Note : Changes in cash dividend forecast : No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2021(April 1, 2020 - March 31, 2021)

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, 2021 Full-year	30,000	(50.7)	25.01

Note 1 : Changes in cash dividend forecast No

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

4. Others

(1) Changes in major subsidiaries during the period

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

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : 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 December 31, 2020: 1,251,499,501 As of March 31, 2020: 1,251,499,501

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

As of December 31, 2020 : 52,403,245 As of March 31, 2020 : 32,204,257

3. Average number of outstanding shares during the periods:

For the third quarter ended December 31, 2020 (accumulative): 1,199,977,890

For the third quarter ended December 31, 2019 (accumulative): 1,248,513,020

Note: The Company established the Executive Compensation Board Incentive Plan Trust in the six-month period ended September 30, 2018. The trust account associated with this trust holds shares of the Company's stock, which are treated as treasury shares; 1,547,972 stocks in the third quarter ended December 31, 2020 and 1,667,211 stocks in the financial year ended March 2020.

* 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.

1. Analysis of Business Results

(1) Overview of the Nine-Month Period Ended December 31, 2020

Economic Environment

In the nine-month period ended December 31, 2020, an economic recovery trend emerged in the summer, but the pace of recovery in the global economy later slowed during the third quarter as restrictions were placed on economic activities in areas such as the United States and Europe as COVID-19 case numbers once again began to rise. There is hope that future rollouts of COVID-19 vaccines and treatments could spark economic recovery, but the ongoing rise in case numbers in the United States and Europe coupled with the emergence of new strains of the COVID-19 virus has resulted in an ongoing sense of uncertainty with regard to the economy.

The pace of economic recovery is proving slow in the United States as certain states restrict economic activities in the face of rising COVID-19 case numbers while the government gradually shrinks the scale of economic stimulus measures. Accordingly, there is a need to carefully monitor the economic implications of the COVID-19 vaccine rollout, the administrative and economic stimulus measures instituted under newly elected U.S. President Joseph Biden amid an increasingly fractured social climate, and the ever more intense clashes between the United States and China.

In Europe, upward trends in COVID-19 case numbers have resumed in various countries, leading to the institution of stay-at-home orders and other measures, which are beginning to slow economic activities once again. Caution is thus warranted with regard to the potential deterioration of the job market and the reduction of income levels as a result of the COVID-19 pandemic as well as the economic impacts of trade agreements between the United Kingdom and the European Union and of the climate change response measures of these parties.

China enjoyed economic recovery centered on infrastructure investment due to the benefits of efforts to contain the COVID-19 pandemic and of massive economic stimulus and fiscal measures. Conversely, there is a need for ongoing vigilance with regard to China's response to the excessive investment seen in real estate and other markets, the intensification of conflicts between the United States and China, and the issues surrounding Taiwan and Hong Kong.

New COVID-19 cases are on a decline in Asia, but certain countries have been reinstating restrictions in response to case resurgences, slowing economic recovery.

In Japan, there are signs that exports might be picking up and that consumer spending may be recovering thanks to economic stimulus measures, but the rise in COVID-19 cases seen in the winter has been placing increasing pressure on the economy. Going forward, it will be important to monitor the contraction of internal and external demand as a result of the COVID-19 pandemic along with the impacts on the global economy of the conflicts between the United States and China.

Financial Performance

Sojitz Corporation's consolidated business results for the third quarter ended December 31, 2020 are presented below.

Revenue	Revenue was down 12.1% year on year, to ¥1,159,653 million. Despite the recent recovery in the price of methanol, the lingering impacts of the sluggish prices for this commodity seen in the first quarter continued to depress the revenue. Other factors behind the decrease in revenue include reduced revenue in the Chemicals Division, a result of lower plastic resin transactions in the Chemical Division; in the Automotive Division, a result of decreases in sales units in overseas automobile operations; and in the Retail & Lifestyle Business Division, a result of lower lumber transactions.
Gross profit	Gross profit decreased ¥26,970 million year on year, to ¥132,473 million, due to reduced revenue in the Metals & Mineral Resources Division, as a decline in coal prices and sold a part of coal interests recorded at the end of the previous fiscal year; in the Automotive Division, a result of decreases in sales units in overseas automobile operations; and in the Chemicals Division, a result of falling methanol prices and lower plastic resin transactions.
Profit before tax	Profit before tax decreased ¥227,06 million year on year, to ¥24,092 million, as a result of declines in gross profit and share of profit of investments accounted for using the equity method. The impact of these declines could not be offset by benefits of reductions in non-personnel expenses and other selling, general and administrative expenses and an improved balance of other income and expenses due to the sale of a shopping mall, the acquisition of an additional stake in a solar power generation business company, and the partial sale of a natural gas-fired power project company.
Profit for the period	After deducting income tax expenses of ¥5,343 million from profit before tax of ¥24,092 million, profit for the period amounted to ¥18,749 million, down ¥22,056 million year on year. Profit for the period (attributable to owners of the Company) decreased ¥20,769 million year on year, to ¥16,718 million.
Comprehensive income for the period	Comprehensive income for the period of ¥22,579 million was recorded, compared with comprehensive profit for the period of ¥20,988 million in the previous equivalent period, 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) of ¥20,630 million was recorded, compared with comprehensive profit for the period of ¥17,501 million in the previous equivalent period.

Results for the nine-month period ended December 31, 2020 are summarized by segment below.

Automotive

Revenue was down 25.6% year on year, to ¥131,984 million, as a result of decreases in sales units in overseas automobile operations as a result of the global COVID-19 pandemic. Loss for the period (attributable to owners of the Company) increased ¥1,753 million, to ¥444 million, as a result of a decline in gross profit.

Aerospace & Transportation Project

Revenue was down 32.3% year on year, to ¥17,192 million, due to decreases in aircraft transactions. Loss for the period (attributable to owners of the Company) increased ¥1,255 million, to ¥107 million, as a result of lower gross profit along with a decline in share of profit of investments accounted for using the equity method.

Machinery & Medical Infrastructure

Revenue was down 8.2% year on year, to ¥80,037 million, due to decreases in industrial machinery transactions. Profit for the period (attributable to owners of the Company) increased ¥814 million, to 3,432 million as an increase in share of profit of investments accounted for using the equity method counteracted the impacts of a decline in gross profit.

Energy & Social Infrastructure

Revenue was down 31.5% year on year, to ¥37,363 million, as a decrease in income from overseas natural gas-fired power generation businesses and lower trading volume of LNG. Profit for the period (attributable to owners of the Company) decreased ¥1,661 million, to ¥2,155 million. Other income and expenses improved due to the acquisition of an additional stake in a solar power generation business company and gain on the partial sale of a natural gas-fired power project company, but that was outweighed by the impacts of a decline in gross profit.

Metals & Mineral Resources

Revenue was down 5.6% year on year, to ¥254,424 million, as a decline in coal prices and sold a part of coal interests recorded at the end of the previous fiscal year. Loss for the period (attributable to owners of the Company) of ¥2,433 million was recorded, compared with profit for the period (attributable to owners of the Company) of ¥11,968 million in the previous equivalent period, as a result of a decline in gross profit as well as decrease in share of profit of investments accounted for using the equity method associated with lower profit of steel operating company.

Chemicals

Revenue was down 13.8% year on year, to ¥288,553 million, as a result of lower transaction volumes of plastic resins stemming from the global COVID-19 pandemic and declines in the price of methanol. Profit for the period (attributable to owners of the Company) decreased ¥2,406 million, to ¥3,717 million as a result of a decline in gross profit.

Foods & Agriculture Business

Revenue was up 3.9% year on year, to ¥95,196 million, as a result of the increase in transaction volumes in overseas fertilizer businesses. Profit for the period (attributable to owners of the Company) increased 2,889 million, to ¥4,320 million, as a result of higher gross profit.

Retail & Lifestyle Business

Revenue was down 9.0% year on year, to ¥211,505 million, as a result of lower lumber and meat transactions as well as decreased revenue from textile businesses due to the global COVID-19 pandemic. Profit for the period (attributable to owners of the Company) decreased ¥498 million, to ¥4,194 million as a result of a decline in gross profit, which offset an increase in other income and expenses attributable to gains on sales of a shopping mall.

Industrial Infrastructure & Urban Development

Revenue was up 2.4% year on year, to ¥23,634 million, as a result of increase in income from ownership of for-lease condominiums. Loss for the year (attributable to owners of the Company) increased ¥808 million, to ¥605 million, as a result of decline in share of profit of investments accounted for using the equity method, which offset an increase in gross profit.

(2) Financial Position

1. Consolidated Balance Sheet

Total assets on December 31, 2020, were ¥2,203,439 million, down ¥26,846 million from March 31, 2020, following decrease in inventories of automotive and coal business.

Total liabilities on December 31, 2020, stood at ¥1,585,857 million, down ¥22,530 million from March 31, 2020, as a result of declines in repayment of borrowings.

Total equity attributable to owners of the Company was ¥578,683 million on December 31, 2020, down ¥440 million from March 31, 2020. This decline was largely due to dividends paid and acquisition of treasury stock, which counteracted the increase in the accumulation of profit for the period (attributable to owners of the Company).

Consequently, on December 31, 2020, the current ratio was 163.1%, the long-term debt ratio was 83.6%, and the equity ratio was 26.3%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥576,597 million on December 31, 2020, ¥36,577 million decrease from March 31, 2020. This resulted in the Company's net debt equity ratio equaling 1.00 times at December 31, 2020.

(*) 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 2020, 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 its current level.

As one source of long-term funding, Sojitz issued ¥10 billion straight bonds in September 2020. However, Sojitz will continue to closely monitor interest rates and market conditions and will consider floating additional issues whenever the timing and associated costs prove advantageous.

As supplemental sources of procurement flexibility and precautionary liquidity, Sojitz maintains a ¥100 billion long-term yen commitment line (which remains unused) and a long-term commitment line totaling US\$1.8 billion (of which US\$0.24 billion has been used). The amount of the U.S. dollar-denominated commitment line was increased by US\$0.2 billion in the six-month period ended September 30, 2020.

2. Consolidated Cash Flows

In the nine-month period ended December 31, 2020, operating activities provided net cash flow of ¥81,519 million, investing activities provided net cash flow of ¥20,172 million, and financing activities provided net cash flow of ¥69,582 million. Sojitz ended the period with cash and cash equivalents of ¥265,662 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(Cash flows from operating activities)

Net cash provided by operating activities in the nine-month period ended December 31, 2020, was ¥81,519 million, consisted of reductions in working capital and business earnings, etc. it was rose ¥27,021 million year on year.

(Cash flows from investing activities)

Net cash provided by investing activities in the nine-month period ended December 31, 2020, was ¥20,172 million, mainly as a result of acquisition of fixed assets counteracted the impacts of the sale of a shopping mall and partial sale of a natural gas-fired power project company. It was down ¥15,028 million year on year.

(Cash flows from financing activities)

Net cash provided by financing activities in the nine-month period ended December 31, 2020, was ¥69,582 million, up ¥39,030 million year on year. This outflow was primarily a result of dividends paid and repayment of borrowings.

(3) Consolidated Earnings Forecast

There has been no change to the consolidated earnings forecast announced together with financial results for the three-month period ended August 4, 2020.

*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. Actual results may differ materially based on various factors including the timing at which the COVID-19 pandemic ends; changes in economic conditions in key markets, both in and outside of Japan; and exchange rate movements. The Company will provide timely disclosure of any material changes, events, or other relevant issues.

2. Summary information (other)

(1) Changes in major subsidiaries during the period

None

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In millions of Yen)

	FY 2019 (As of March 31, 2020)	FY 2020 (As of December 31, 2020)
Assets		
Current assets		
Cash and cash equivalent	272,651	265,662
Time deposits	7,433	18,090
Trade and other receivables	638,207	632,097
Derivatives	5,055	2,822
Inventories	213,385	176,295
Income tax receivables	3,956	4,978
Other current assets	64,455	67,187
Subtotal	1,205,145	1,167,133
Assets as held for sale	12,318	—
Total current assets	1,217,464	1,167,133
Non-current assets		
Property, plant and equipment	157,995	176,600
Usage rights assets	74,136	69,635
Goodwill	66,496	66,946
Intangible assets	43,366	59,440
Investment property	18,602	11,664
Investments accounted for using the equity method	413,740	401,852
Trade and other receivables	78,352	80,400
Other investments	140,975	153,257
Derivatives	173	0
Other non-current assets	11,680	11,483
Deferred tax assets	7,300	5,023
Total non-current assets	1,012,821	1,036,305
Total assets	2,230,285	2,203,439
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	481,768	482,709
Lease liabilities	15,317	15,189
Bonds and borrowings	186,767	140,822
Derivatives	5,257	4,112
Income tax payables	6,572	4,728
Provisions	1,956	2,467
Other current liabilities	56,716	65,663
Subtotal	754,354	715,691
Liabilities directly related to assets as held for sale	1	—
Total current liabilities	754,356	715,691
Non-current liabilities		
Lease liabilities	63,666	58,704
Bonds and borrowings	706,491	719,527
Trade and other payables	9,738	8,415
Derivatives	763	756
Retirement benefits liabilities	22,077	22,532
Provisions	31,102	34,150
Other non-current liabilities	8,943	10,263
Deferred tax liabilities	11,247	15,817
Total non-current liabilities	854,030	870,165
Total liabilities	1,608,387	1,585,857
Equity		
Share capital	160,339	160,339
Capital surplus	146,756	146,790
Treasury stock	(10,901)	(15,853)
Other components of equity	49,777	52,164
Retained earnings	233,151	235,243
Total equity attributable to owners of the Company	579,123	578,683
Non-controlling interests	42,774	38,898
Total equity	621,898	617,581
Total liabilities and equity	2,230,285	2,203,439

(2) Consolidated Statements of Profit or Loss

(In millions of Yen)

	FY 2019 9-month (From April 1, 2019 To December 31, 2019)	FY 2020 9-month (From April 1, 2020 To December 31, 2020)
Revenue		
Sale of goods	1,243,648	1,096,010
Sales of service and others	74,949	63,643
Total revenue	1,318,598	1,159,653
Cost of sales	(1,159,155)	(1,027,180)
Gross profit	159,443	132,473
Selling, general and administrative expenses	(129,915)	(119,495)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	2,701	2,896
Impairment loss on fixed assets	(492)	(19)
Gain on reorganization of subsidiaries/associates	945	3,851
Loss on reorganization of subsidiaries/associates	(206)	(258)
Other operating income	4,219	4,625
Other operating expenses	(5,827)	(5,148)
Total other income/expenses	1,339	5,945
Financial income		
Interests earned	5,050	4,233
Dividends received	3,574	2,348
Total financial income	8,625	6,581
Financial costs		
Interest expenses	(11,190)	(9,084)
Other financial costs	(49)	(185)
Total financial cost	(11,240)	(9,269)
Share of profit(loss) of investments accounted for using the equity method	18,546	7,855
Profit before tax	46,798	24,092
Income tax expenses	(5,992)	(5,343)
Profit for the period	40,805	18,749
Profit attributable to:		
Owners of the Company	37,487	16,718
Non-controlling interests	3,318	2,030
Total	40,805	18,749

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

(In millions of Yen)

	FY 2019 9-month (From April 1, 2019 To December 31, 2019)	FY 2020 9-month (From April 1, 2020 To December 31, 2020)
Profit for the period	40,805	18,749
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(2,041)	8,040
Remeasurements of defined benefit pension plans	82	108
Share of other comprehensive income of investments accounted for using the equity method	(6,946)	(2,008)
Total items that will not be reclassified to profit or loss	(8,905)	6,140
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	(6,340)	906
Cash flow hedges	(309)	4,083
Share of other comprehensive income of investments accounted for using the equity method	(4,260)	(7,299)
Total items that may be reclassified subsequently to profit or loss	(10,911)	(2,310)
Other comprehensive income for the year, net of tax	(19,816)	3,830
Total comprehensive income for the period	20,988	22,579
Total comprehensive income for the period attributable to:		
Owners of the Company	17,501	20,630
Non-controlling interests	3,487	1,948
Total	20,988	22,579

(4) Consolidated Statements of Changes in Equity

(In millions of Yen)

	Attributable to owners of the Company					
	Share capital	Capital surplus	Treasury stock	Other components of equity		
				Foreign currency translation differences for foreign operations	Financial assets measured at fair value through other comprehensive income	Cash flow hedges
Balance as of April 1, 2019	160,339	146,645	(865)	4,861	107,226	(4,512)
Impact of change in accounting policies						
Balance as of April 1, 2019 (Revised)	160,339	146,645	(865)	4,861	107,226	(4,512)
Profit for the period						
Other comprehensive income				(9,290)	(9,088)	(1,736)
Total comprehensive income for the period	—	—	—	(9,290)	(9,088)	(1,736)
Purchase of treasury stock		(1)	(3,116)			
Disposal of treasury stock		(24)	24			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				0		0
Reclassification from other components of equity to retained earnings					166	
Share remuneration transactions		114				
Other changes						
Total contributions by and distributions to owners of the Company	—	88	(3,091)	0	166	0
Balance as of December 31, 2019	160,339	146,733	(3,957)	(4,428)	98,304	(6,248)
Balance as of April 1, 2020	160,339	146,756	(10,901)	(29,975)	86,513	(6,760)
Profit for the period						
Other comprehensive income				(1,773)	5,845	(284)
Total comprehensive income for the period	—	—	—	(1,773)	5,845	(284)
Purchase of treasury stock		(1)	(5,000)			
Disposal of treasury stock		(47)	47			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Reclassification from other components of equity to retained earnings					(1,400)	
Share remuneration transactions		83				
Other changes						
Total contributions by and distributions to owners of the Company	—	34	(4,952)	—	(1,400)	—
Balance as of December 31, 2020	160,339	146,790	(15,853)	(31,749)	90,958	(7,044)

(In millions of Yen)

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2019	—	107,576	204,600	618,295	43,312	661,607
Impact of change in accounting policies			(2,402)	(2,402)		(2,402)
Balance as of April 1, 2019 (Revised)	—	107,576	202,197	615,892	43,312	659,205
Profit for the period			37,487	37,487	3,318	40,805
Other comprehensive income	128	(19,986)		(19,986)	169	(19,816)
Total comprehensive income for the period	128	(19,986)	37,487	17,501	3,487	20,988
Purchase of treasury stock				(3,117)		(3,117)
Disposal of treasury stock				—		—
Dividends			(22,517)	(22,517)	(3,356)	(25,873)
Change in ownership interests in subsidiaries without loss/acquisition of control		0	(216)	(215)	803	587
Reclassification from other components of equity to Share remuneration transactions	(128)	37	(37)	—		—
				114		114
Other changes			127	127	628	755
Total contributions by and distributions to owners of the Company	(128)	37	(22,643)	(25,608)	(1,924)	(27,533)
Balance as of December 31, 2019	—	87,627	217,041	607,784	44,875	652,660

Balance as of April 1, 2020	—	49,777	233,151	579,123	42,774	621,898
Profit for the period			16,718	16,718	2,030	18,749
Other comprehensive income	125	3,912		3,912	(82)	3,830
Total comprehensive income for the period	125	3,912	16,718	20,630	1,948	22,579
Purchase of treasury stock				(5,001)		(5,001)
Disposal of treasury stock				—		—
Dividends			(16,381)	(16,381)	(2,329)	(18,710)
Change in ownership interests in subsidiaries without loss/acquisition of control			79	79	76	155
Reclassification from other components of equity to retained earnings	(125)	(1,525)	1,525	—		—
Share remuneration transactions				83		83
Other changes			149	149	(3,572)	(3,422)
Total contributions by and distributions to owners of the Company	(125)	(1,525)	(14,626)	(21,070)	(5,825)	(26,896)
Balance as of December 31, 2020	—	52,164	235,243	578,683	38,898	617,581

(5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2019 9-month (From April 1, 2019 to December 31, 2019)	FY 2020 9-month (From April 1, 2020 to December 31, 2020)
Cash flows from operating activities		
Profit for the period	40,805	18,749
Depreciation and amortization	24,460	23,462
Impairment loss of fixed assets	492	19
Finance (income) costs	2,615	2,687
Share of (profit)loss of investments accounted for using the equity method	(18,546)	(7,855)
(Gain) loss on sale of fixed assets, net	(2,701)	(2,896)
Income tax expenses	5,992	5,343
(Increase) decrease in trade and other receivables	22,659	(1,884)
(Increase) decrease in inventories	(545)	37,337
Increase (decrease) in trade and other payables	(18,508)	4,605
Changes in other assets and liabilities	(7,963)	2,288
Increase (decrease) in retirement benefits liabilities	43	381
Others	32	(2,542)
Subtotal	48,837	79,695
Interests earned	3,654	2,659
Dividends received	21,451	15,285
Interests paid	(10,761)	(8,889)
Income taxes paid	(8,682)	(7,231)
Net cash provided (used) by/in operating activities	54,498	81,519
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,394)	(20,049)
Proceeds from sale of property, plant and equipment	4,452	7,314
Purchase of intangible assets	(5,177)	(6,262)
(Increase) decrease in short-term loans receivable	127	281
Payment for long-term loans receivable	(51)	—
Collection of long-term loans receivable	1,896	848
Proceeds from (payments for) acquisition of subsidiaries	(1,128)	(1,557)
Proceeds from (payments for) sale of subsidiaries	—	5,963
Purchase of investments	(18,490)	(14,622)
Proceeds from sale of investments	8,388	4,624
Others	(7,824)	3,287
Net cash provided (used) by/in investing activities	(35,200)	(20,172)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	16,720	(44,141)
Proceeds from long-term borrowings	74,533	97,018
Repayment of long-term borrowings	(84,636)	(87,599)
Proceeds from issuance of bonds	9,940	9,940
Redemption of bonds	(10,011)	(10,007)
Repayment of lease liabilities	(9,328)	(10,654)
Payment for acquisition of subsidiary's interests from non-controlling interests	(99)	(52)
Proceeds from non-controlling interest holders	1,243	208
Sales of treasury stock	6	8
Purchase of treasury stock	(3,116)	(5,000)
Dividends paid	(22,517)	(16,381)
Dividends paid to non-controlling interest holders	(3,376)	(2,857)
Others	89	(62)
Net cash provided (used) by/in financing activities	(30,552)	(69,582)
Net increase (decrease) in cash and cash equivalents	(11,254)	(8,235)
Cash and cash equivalents at the beginning of the year	285,687	272,651
Effect of exchange rate changes on cash and cash equivalents	(391)	1,246
Cash and cash equivalents at the end of the period	274,041	265,662

(6) Segment information

For the third quarter ended December 31, 2019 (April 1, 2019 – December 31, 2019)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportaion Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	177,372	25,376	87,172	54,581	269,419	334,780	91,647
Inter-segment revenue	—	17	43	1,349	—	12	8
Total revenue	177,372	25,394	87,216	55,930	269,419	334,793	91,656
Segment profit (loss)	1,309	1,148	2,618	3,816	11,968	6,123	1,431

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	232,415	23,088	1,295,854	22,743	—	1,318,598
Inter-segment revenue	40	277	1,749	121	(1,870)	—
Total revenue	232,456	23,365	1,297,604	22,864	(1,870)	1,318,598
Segment profit (loss)	4,692	203	33,312	485	3,689	37,487

Reconciliation of segment profit of 3,689 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 2,981 million yen, and unallocated dividend income and others of 709 million yen.

For the third quarter ended December 31, 2020 (April 1, 2020 – December 31, 2020)

(In Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & Transportaion Project	Machinery & Medical Infrastructure	Energy & Social Infrastructure	Metals & Mineral Resources	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	131,984	17,192	80,037	37,363	254,424	288,553	95,196
Inter-segment revenue	—	—	56	2,004	—	0	7
Total revenue	131,984	17,192	80,094	39,368	254,424	288,554	95,204
Segment profit (loss)	(444)	(107)	3,432	2,155	(2,433)	3,717	4,320

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	211,505	23,634	1,139,892	19,761	—	1,159,653
Inter-segment revenue	5	510	2,586	94	(2,680)	—
Total revenue	211,511	24,145	1,142,479	19,855	(2,680)	1,159,653
Segment profit (loss)	4,194	(605)	14,231	812	1,674	16,718

Reconciliation of segment profit (loss) of 1,674 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 1,292 million yen, and unallocated dividend income and others of 382 million yen.