

Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2022 (IFRS)

August 2, 2022

Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

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Scheduled date of delivery of dividends: -

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 Quarter Ended June 30, 2022 (April 1, 2022 - June 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 quarter ended										
June 30, 2022	618,511	25.5	60,538	160.8	46,030	155.6	45,150	166.8	92,686	146.0
June 30, 2021	492,842	41.1	23,213	801.5	18,008	559.6	16,924	610.1	37,681	766.6

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the first quarter ended		
June 30, 2022	195.61	195.61
June 30, 2021	70.90	70.90

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 quarter ended June 30, 2021 and Diluted earnings per share for the first quarter ended June 30, 2021 have been calculated based on the assumption that the share consolidation had been conducted on October 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				
June 30, 2022	2,841,927	840,982	801,365	28.2
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	-	-	-	-	-
March 31, 2023 (forecast)	-	56.00	-	56.00	112.00

Note1: Changes in cash dividend forecast : No

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	85,000	3.2	368.24

Note1 : Changes in full-year earnings forecast : No

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

※Note

(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 issued shares at the end of the periods (Including treasury shares):

As of June 30, 2022:	250,299,900	As of March 31, 2022:	250,299,900
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2. Number of treasury stock at the end of the periods:

As of June 30, 2022 :	19,475,184	As of March 31, 2022 :	19,470,556
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3. Average number of issued shares during the periods:

For the first quarter ended June 30, 2022 (accumulative): 230,821,799

For the first quarter ended June 30, 2021 (accumulative): 238,716,216

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 quarter ended June 30, 2021 (accumulative) have been calculated based on the assumption that the share consolidation had been conducted on October 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; 988,099 stocks in the first quarter ended June 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.

1. Analysis of Business Results

(1) Overview of the Three-Month Period Ended June 30, 2022

Economic Environment

In the three-month period ended June 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, and the lockdowns instituted in cities in China associated with the COVID-19 spread. Ongoing need to monitor impact factors such as resumed increase in COVID-19 cases and concern for economic recession due to reduced demand stemming from monetary tightening of central banks worldwide and continuously high inflation.

In the United States, the Federal Reserve Board is accelerating interest rate hikes in response to rising inflation, and it is projected that an interest increase of 1.75 percentage points will be announced at the Federal Open Market Committee scheduled after July 2022. These rapid interest rate hikes, instituted over a short period of time, have led to a "reverse yield" situation under which short-term interest rates surpass long-term interest rates. This situation is creating concern for a potential recession in the second half of the year ending March 31, 2023, and this trend must be monitored carefully.

In Europe, the European Central Bank is taking a proactive stance in its response toward inflation. It is also expected that additional interest rates hikes will be instituted in September 2022, adding to those hikes scheduled for implementation in July. Meanwhile, 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 three-month period ended June 30, 2022. However, lockdowns are currently being canceled, and economic activities have resumed along with massive improvements in economic indicators like the Purchasing Managers Index of China. Regardless, ongoing caution is required in relation to risks of economic downturns that might result from the potential reinstatement of lockdowns in major Chinese cities. At the same time, careful attention is warranted with regard to the economic stimulus measures including infrastructure investments and tax breaks for small and medium-sized enterprises to be implemented leading up to the meeting of the National Congress of the Chinese Communist Party scheduled for November 2022.

In Asia, production and exports continue to recover with the resumption of economic activities, but the pace of economic recovery is slow. Under the situation, inflation is not expected to significantly surpass the targets of the central banks of Asian countries, and the levels of inflation of these Asian countries currently differ from certain resource-producing countries. ASEAN countries, with the exception of Thailand, are expected to raise interest rates at least once leading up to December 31, 2022.

Production and exports in Japan were heavily impacted by the lockdowns instituted in China over the period from April to May 2022, but a recovery trend was seen emerging in June. However, the Bank of Japan has decided that it will continue its prior monetary easing measures, even amid the global monetary tightening trend. Accordingly, there is concern that further yen depreciation may continue due to the ongoing widening of the gap in interest widening rates between the United States and Japan. Caution is warranted with regard to this trend.

Financial Performance

Sojitz Corporation's consolidated business results for the first quarter ended June 30, 2022, are presented below.

Revenue	Revenue was up 25.5% year on year, to ¥618,511 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Consumer Industry & Agriculture Business Division, a result of higher lumber prices as well as growth in its transactions; and in the Chemicals Division, a result of higher methanol prices, etc.
Gross profit	Gross profit was up ¥40,442 million year on year, to ¥96,888 million, due to higher profit in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Automotive Division, a result of increased sales volumes in overseas automotive operations; in the Chemicals Division, a result of higher methanol prices, etc.
Profit before tax	Profit before tax was up ¥37,325 million year on year, to ¥60,538 million, as a result of increases in gross profit and share of profit of investments accounted for using the equity method, etc. despite an increase of selling, general and administrative expenses of the acquisition of consolidated subsidiaries.
Profit for the period	After deducting income tax expenses of ¥14,508 million from profit before tax of ¥60,538 million, profit for the period amounted to ¥46,030 million, up ¥28,022 million year on year. Profit for the period (attributable to owners of the Company) increased ¥28,226 million year on year, to ¥45,150 million.
Comprehensive income for the period	Comprehensive income for the period of ¥92,686 million was recorded, up ¥55,005 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, etc. Comprehensive income for the period (attributable to owners of the Company) was ¥87,584 million, an increase of ¥51,043 million.

(In Millions of Yen)

	Fiscal Year 2022 Q1 Results(A)	Fiscal Year 2021 Q1 Results (B)	Difference (A)-(B)	Percentage difference (%)
Revenue	618,511	492,842	125,669	25.5
Gross profit	96,888	56,446	40,442	71.6
Profit before tax	60,538	23,213	37,325	160.8
Profit for the period	46,030	18,008	28,022	155.6
Profit for the period attributable to owners of the Company	45,150	16,924	28,226	166.8
Comprehensive income for the period	92,696	37,681	55,005	146.0

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

Automotive

Revenue was up 29.4% year on year, to ¥73,584 million, due to higher sales volumes in overseas automobile operations, etc. Profit for the period (attributable to owners of the Company) rose ¥860 million, to ¥1,973 million, as a result of an increase in gross profit, etc.

Aerospace & Transportation Project

Revenue was up 52.9% year on year, to ¥9,671 million, due to the increase of transactions related to defense systems and the acquisition of in-flight catering business, etc. Profit for the period (attributable to owners of the Company) increased ¥618 million, to ¥764 million, as a result of an increase in gross profit, etc.

Infrastructure & Healthcare

Revenue was up 44.7% year on year, to ¥21,665 million, due to the acquisition of energy conservation business in the U.S., etc. Profit for the period (attributable to owners of the Company) increased ¥5,380 million, to ¥6,198 million, as a result of an increase in gross profit, an increase in share of profit of investments accounted for using the equity method in overseas wind power generation businesses and an increase in other income (expenses) by a partial sale of an overseas telecommunications tower operating company, etc.

Metals, Mineral Resources & Recycling

Revenue was up 34.4% year on year, to ¥166,868 million, due to higher prices for coal, etc. Profit for the period (attributable to owners of the Company) increased ¥18,701 million, to ¥24,673 million, as a result of an increase in gross profit, etc.

Chemicals

Revenue was up 17.2% year on year, to ¥156,585 million, due to higher methanol prices, etc. Profit for the period (attributable to owners of the Company) increased ¥1,590 million, to ¥5,599 million, as a result of an increase in gross profit, etc.

Consumer Industry & Agriculture Business

Revenue was up 37.5% year on year, to ¥96,737 million, due to the higher prices and sales volumes in lumber transactions. Profit for the period (attributable to owners of the Company) increased ¥232 million, to ¥3,246 million, as a result of an increase in gross profit.

Retail & Consumer Service

Revenue was up 36.4% year on year, to ¥71,989 million, due to the acquisition of aquaculture food product manufacturing and processing company, etc. Profit for the period (attributable to owners of the Company) decreased ¥128 million, to ¥453 million, despite an increase in gross profit, as an increase of selling, general and administrative expenses of aquaculture food product manufacturing and processing company and a decrease of share of profit of investments accounted for using the equity method, etc.

(2) Financial Position

Consolidated Balance Sheet

Total assets on June 30, 2022, were ¥2,841,927 million, up ¥180,247 million from March 31, 2022, following the increase in trade and other receivables under current assets associated with coal and building materials, an increase in inventories associated with coal 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, etc.

Total liabilities on June 30, 2022, amounted to ¥2,000,945 million, up ¥103,143 million from March 31, 2022, as results of the increase in trade and other payables under current liabilities associated with coal and building materials, etc.

Total equity attributable to owners of the Company was ¥801,365 million on June 30, 2022, up ¥73,353 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 fluctuations, etc.

Consequently, on June 30, 2022, the current ratio was 157.8%, the long-term debt ratio was 79.0%, and the equity ratio* was 28.2%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥800,426 million on June 30, 2022, ¥30,135 million increase from March 31, 2022. This resulted in the Company's net debt equity ratio* equaling 1.00 times as of June 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 three-month period ended June 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\$2.025 billion (of which US\$1.2 billion has been used).

Consolidated Cash Flows

In the three-month period ended June 30, 2022, operating activities provided net cash flow of ¥38,134 million, investing activities used net cash flow of ¥21,434 million, and financing activities used net cash flow of ¥43,712 million. Sojitz ended the period with cash and cash equivalents of ¥252,869 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(Cash flows from operating activities)

Net cash provided in operating activities amounted to ¥38,134 million, up ¥56,930 million year on year, mainly as a result of increase in business earnings and dividends received, etc.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥21,434 million, down ¥21,084 million year on year, mainly as a result of cash out for office building development project in Philippines, etc.

(Cash flows from financing activities)

Net cash used in financing activities totaled ¥43,712 million, up ¥99,850 million year on year, mainly as a result of repayment of borrowings and dividends paid, etc.

(3) Consolidated Earnings Forecast

Current forecast for fiscal year 2022 is as follow.

Profit for the year (Attributable to owners of the Company)	¥85.0 billion
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The above forecast assumes a yen/dollar rate of ¥115/US\$.

*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 2021 (As of March 31, 2022)	FY 2022 (As of June 30, 2022)
Assets		
Current assets		
Cash and cash equivalent	271,651	252,869
Time deposits	10,782	16,954
Trade and other receivables	791,466	864,078
Derivatives	10,743	14,027
Inventories	232,788	296,731
Income tax receivables	1,051	5,716
Other current assets	68,382	75,021
Subtotal	1,386,867	1,525,399
Assets as held for sale	7,352	7,066
Total current assets	1,394,220	1,532,465
Non-current assets		
Property, plant and equipment	201,516	216,014
Usage rights assets	69,661	69,408
Goodwill	82,522	88,985
Intangible assets	85,031	91,167
Investment property	13,261	13,413
Investments accounted for using the equity method	490,320	534,003
Trade and other receivables	118,273	92,732
Other investments	183,310	177,657
Derivatives	1,943	3,049
Other non-current assets	13,012	14,261
Deferred tax assets	8,607	8,767
Total non-current assets	1,267,460	1,309,461
Total assets	2,661,680	2,841,927
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	545,963	612,153
Lease liabilities	17,427	17,599
Bonds and borrowings	231,216	224,675
Derivatives	8,614	14,851
Income tax payables	19,007	25,633
Provisions	4,137	3,691
Other current liabilities	71,259	72,643
Total current liabilities	897,627	971,248
Non-current liabilities		
Lease liabilities	57,836	57,494
Bonds and borrowings	821,508	845,574
Trade and other payables	8,203	8,718
Derivatives	117	248
Retirement benefits liabilities	23,930	24,492
Provisions	47,951	50,535
Other non-current liabilities	8,891	9,501
Deferred tax liabilities	31,734	33,130
Total non-current liabilities	1,000,174	1,029,696
Total liabilities	1,897,802	2,000,945
Equity		
Share capital	160,339	160,339
Capital surplus	147,027	147,053
Treasury stock	(31,015)	(31,025)
Other components of equity	136,747	178,697
Retained earnings	314,913	346,300
Total equity attributable to owners of the Company	728,012	801,365
Non-controlling interests	35,866	39,617
Total equity	763,878	840,982
Total liabilities and equity	2,661,680	2,841,927

(2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	FY 2021 First Quarter (From April 1, 2021 To June 30, 2021)	FY 2022 First Quarter (From April 1, 2022 To June 30, 2022)
Revenue		
Sale of goods	468,880	593,348
Sales of service and others	23,962	25,162
Total revenue	492,842	618,511
Cost of sales	(436,396)	(521,622)
Gross profit	56,446	96,888
Selling, general and administrative expenses	(41,785)	(51,459)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	26	142
Impairment loss on fixed assets	—	(207)
Gain on reorganization of subsidiaries/associates	75	4,640
Loss on reorganization of subsidiaries/associates	(113)	(29)
Other operating income	2,113	2,247
Other operating expenses	(1,073)	(3,567)
Total other income/expenses	1,028	3,225
Financial income		
Interests earned	1,420	2,556
Dividends received	1,213	1,609
Other financial income	47	613
Total financial income	2,681	4,779
Financial costs		
Interest expenses	(2,679)	(3,543)
Total financial cost	(2,679)	(3,543)
Share of profit(loss) of investments accounted for using the equity method	7,522	10,647
Profit before tax	23,213	60,538
Income tax expenses	(5,204)	(14,508)
Profit for the period	18,008	46,030
Profit attributable to:		
Owners of the Company	16,924	45,150
Non-controlling interests	1,084	879
Total	18,008	46,030

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

(In Millions of Yen)

	FY 2021 First Quarter (From April 1, 2021 To June 30, 2021)	FY 2022 First Quarter (From April 1, 2022 To June 30, 2022)
Profit for the period	18,008	46,030
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	13,189	(6,217)
Remeasurements of defined benefit pension plans	47	(208)
Share of other comprehensive income of investments accounted for using the equity method	(6,237)	2,718
Total items that will not be reclassified to profit or loss	6,999	(3,706)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	6,296	35,208
Cash flow hedges	(1,620)	(657)
Share of other comprehensive income of investments accounted for using the equity method	7,996	15,812
Total items that may be reclassified subsequently to profit or loss	12,672	50,363
Other comprehensive income for the year, net of tax	19,672	46,656
Total comprehensive income for the period	37,681	92,686
Total comprehensive income attributable to:		
Owners of the Company	36,541	87,584
Non-controlling interests	1,139	5,102
Total	37,681	92,686

(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				12,351	6,930	255
Total comprehensive income for the period	—	—	—	12,351	6,930	255
Purchase of treasury stock		(2)	(5,607)			
Disposition of treasury stock		(3)	3			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(454)		
Reclassification from other components of equity to retained earnings					2	
Share remuneration payment transaction		74				
Other changes						
Total contributions by and distributions to owners of the Company	—	68	(5,603)	(454)	2	—
Balance as of June 30, 2021	160,339	146,883	(21,458)	(4,121)	104,853	(3,873)

	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			16,924	16,924	1,084	18,008
Other comprehensive income	78	19,616		19,616	55	19,672
Total comprehensive income for the period	78	19,616	16,924	36,541	1,139	37,681
Purchase of treasury stock				(5,610)		(5,610)
Disposal of treasury stock				—		—
Dividends			(6,003)	(6,003)	(721)	(6,724)
Change in ownership interests in subsidiaries without loss/acquisition of control		(454)	1,401	947	(1,450)	(503)
Reclassification from other components of equity to retained earnings	(78)	(76)	76	—		—
Share remuneration payment transaction				74		74
Other changes			99	99	137	236
Total contributions by and distributions to owners of the Company	(78)	(530)	(4,425)	(10,492)	(2,035)	(12,527)
Balance as of June 30, 2021	—	96,858	262,538	645,161	34,631	679,792

(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				38,459	(3,469)	7,649
Total comprehensive income for the period	—	—	—	38,459	(3,469)	7,649
Purchase of treasury stock		(0)	(40)			
Disposition of treasury stock		(29)	29			
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					(689)	
Share remuneration payment transaction		55				
Other changes						
Total contributions by and distributions to owners of the Company	—	25	(10)	—	(689)	—
Balance as of June 30, 2022	160,339	147,053	(31,025)	69,774	100,573	8,349

	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			45,150	45,150	879	46,030
Other comprehensive income	(206)	42,433		42,433	4,223	46,656
Total comprehensive income for the period	(206)	42,433	45,150	87,584	5,102	92,686
Purchase of treasury stock				(40)		(40)
Disposal of treasury stock				—		—
Dividends			(14,141)	(14,141)	(1,317)	(15,459)
Change in ownership interests in subsidiaries without loss/acquisition of control				—	(25)	(25)
Purchase commitments for non-controlling interests' shares			(89)	(89)		(89)
Reclassification from other components of equity to retained earnings	206	(483)	483	—		—
Share remuneration payment transaction				55		55
Other changes			(14)	(14)	(7)	(22)
Total contributions by and distributions to owners of the Company	206	(483)	(13,763)	(14,231)	(1,351)	(15,582)
Balance as of June 30, 2022	—	178,697	346,300	801,365	39,617	840,982

(5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2021 First Quarter (From April 1, 2021 To June 30, 2021)	FY 2022 First Quarter (From April 1, 2022 To June 30, 2022)
Cash flows from operating activities		
Profit for the period	18,008	46,030
Depreciation and amortization	8,257	9,853
Impairment loss of fixed assets	—	207
Finance (income) costs	(1)	(1,235)
Share of (profit)loss of investments accounted for using the equity method	(7,522)	(10,647)
(Gain) loss on sale of fixed assets, net	(26)	(142)
Income tax expenses	5,204	14,508
(Increase) decrease in trade and other receivables	(50,657)	(29,111)
(Increase) decrease in inventories	(49,907)	(53,261)
Increase (decrease) in trade and other payables	49,964	56,165
Changes in other assets and liabilities	5,201	3,690
Increase (decrease) in retirement benefits liabilities	30	(325)
Others	985	804
Subtotal	(20,462)	36,535
Interests earned	2,458	3,158
Dividends received	6,011	15,579
Interests paid	(2,500)	(4,309)
Income taxes paid	(4,302)	(12,828)
Net cash provided (used) by/in operating activities	(18,796)	38,134
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,046)	(6,011)
Proceeds from sale of property, plant and equipment	132	1,213
Purchase of intangible assets	(1,680)	(2,742)
(Increase) decrease in short-term loans receivable	62	64
Payment for long-term loans receivable	(14)	(59)
Collection of long-term loans receivable	493	810
Proceeds from (payments for) acquisition of subsidiaries	(453)	143
Proceeds from (payments for) sale of subsidiaries	—	(326)
Purchase of investments	(10,866)	(10,341)
Proceeds from sale of investments	1,115	1,685
Others	(27,261)	(5,870)
Net cash provided (used) by/in investing activities	(42,518)	(21,434)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	17,108	(6,410)
Proceeds from long-term borrowings	73,108	60,539
Repayment of long-term borrowings	(15,858)	(68,040)
Proceeds from issuance of bonds	9,940	—
Redemption of bonds	(10,000)	(10,000)
Repayment of lease liabilities	(3,853)	(4,104)
Payment for acquisition of subsidiary's interests from non-controlling interest holders	(1,070)	(1)
Proceeds from non-controlling interest holders	35	—
Sales of treasury stock	3	29
Purchase of treasury stock	(5,607)	(40)
Dividends paid	(6,003)	(14,141)
Dividends paid to non-controlling interest holders	(1,613)	(1,515)
Others	(51)	(25)
Net cash provided (used) by/in financing activities	56,138	(43,712)
Net increase (decrease) in cash and cash equivalents	(5,175)	(27,012)
Cash and cash equivalents at the beginning of the year	287,597	271,651
Effect of exchange rate changes on cash and cash equivalents	113	8,230
Cash and cash equivalents at the end of the period	282,534	252,869

(6) Assumption for Going Concern

For the first quarter ended June 30, 2022 (April 1, 2022 – June 30, 2022)
:None

(7) Segment information

For the first quarter ended June 30, 2021 (April 1, 2021 – June 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	56,877	6,324	14,976	124,119	133,651	70,356
Inter-segment revenue	-	-	889	-	0	4
Total revenue	56,877	6,324	15,865	124,119	133,652	70,361
Segment profit (loss)	1,113	146	818	5,972	4,009	3,014

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Service	Total			
Revenue					
External revenue	52,771	459,077	33,765	-	492,842
Inter-segment revenue	90	985	63	(1,048)	-
Total revenue	52,861	460,063	33,828	(1,048)	492,842
Segment profit (loss)	581	15,656	1,140	127	16,924

Reconciliation of segment profit of 127 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 (109) million yen, and unallocated dividend income and others of 237 million yen.

For the first quarter ended June 30, 2022 (April 1, 2022 – June 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	73,584	9,671	21,665	166,868	156,585	96,737
Inter-segment revenue	-	2	968	-	1	0
Total revenue	73,584	9,674	22,634	166,868	156,586	96,738
Segment profit (loss)	1,973	764	6,198	24,673	5,599	3,246

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Service	Total			
Revenue					
External revenue	71,989	597,102	21,408	-	618,511
Inter-segment revenue	97	1,070	28	(1,098)	-
Total revenue	72,086	598,173	21,436	(1,098)	618,511
Segment profit (loss)	453	42,908	909	1,333	45,150

Reconciliation of segment profit of 1,333 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 815 million yen, and unallocated dividend income and others of 517 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 three-month period ended June 30, 2021, has been restated to reflect the change in reportable segments.