

Financial Results for the First Quarter
Ended June 30, 2017 (Reference)

August 2, 2017
Sojitz Corporation

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Caution regarding forward-looking statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.

The company will provide timely disclosure of any material changes, events, or other relevant issues.

I. Financial Results for the First Quarter
and Full-Year Forecast of Fiscal Year Ending
March 31, 2018

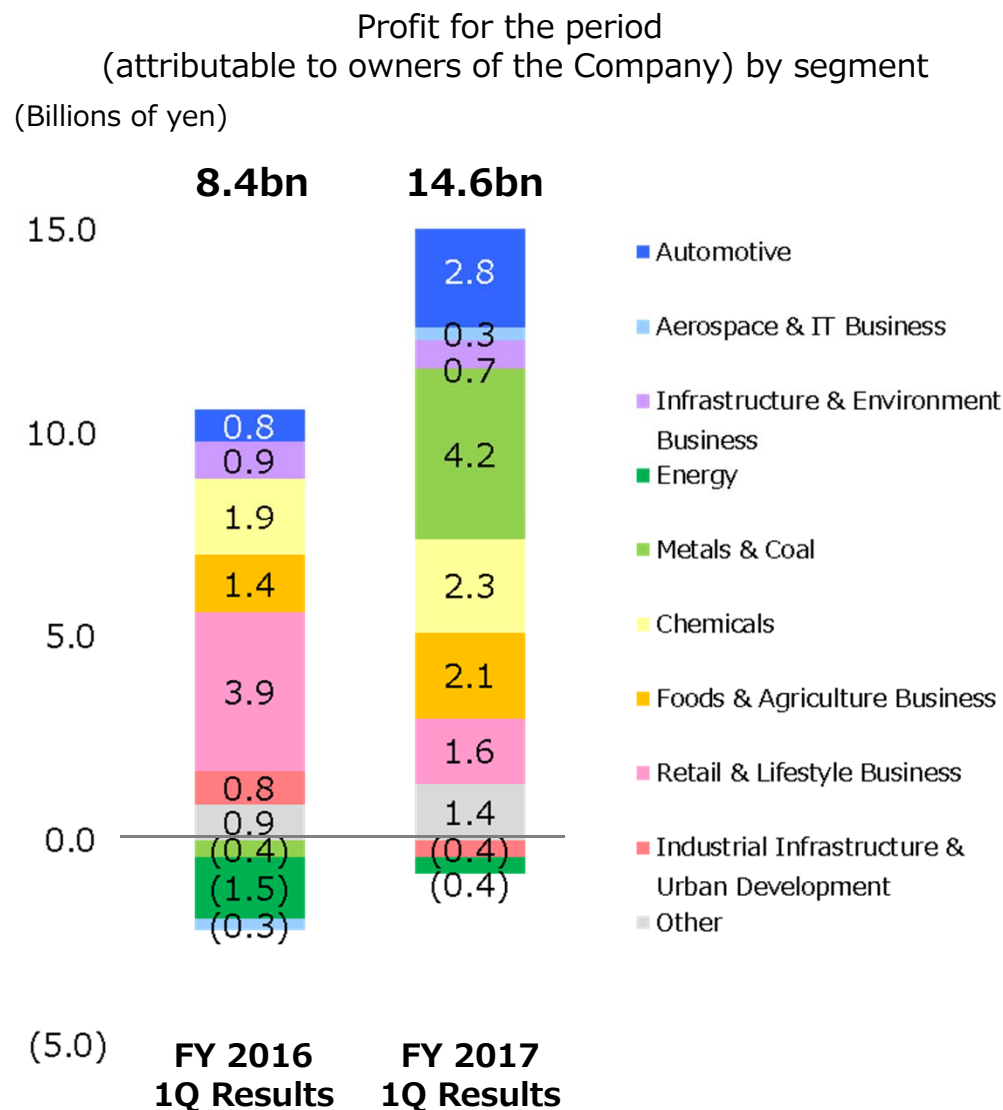


Summary of Profit or Loss

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results	Difference	FY2017 Forecast	Achieved
Net Sales (JGAAP)	896.3	1,000.7	+104.4	4,100.0	24%
Gross Profit	46.8	51.6	+4.8	222.0	23%
Operating Profit	8.6	14.1	+5.5	55.0	26%
Share of profit (loss) of investments accounted for using the equity method	2.6	5.9	+3.3	21.0	28%
Profit before tax	9.6	19.1	+9.5	69.0	28%
Profit for the period attributable to owners of the Company	8.4	14.6	+6.2	50.0	29%
Core Earnings	10.2	17.9	+7.7	70.0	26%

Summary of Profit or Loss

Profit for the period by segment



Factors behind year on year change in earnings

- Automotive ¥ 2.8 billion (up ¥ 2.0 billion YoY)**
 Increased due to higher automobile sales volumes in overseas automobile assembly and wholesale businesses
- Aerospace & IT business ¥ 0.3 billion (up ¥ 0.6 billion YoY)**
 Improved due to absence of impairment losses on Company-owned ships recorded during the 1Q of FY2016
- Infrastructure & Environment Business ¥ 0.7 billion (down ¥ (0.2) billion YoY)**
 As budgeted; relatively unchanged year on year
- Energy ¥ (0.4) billion (up ¥ 1.1 billion YoY)**
 Loss decreased due to higher crude oil and gas prices as well as sales of certain upstream interests conducted in conjunction with restructuring of asset portfolio
- Metals & Coal ¥ 4.2 billion (up ¥ 4.6 billion YoY)**
 Increased due to higher prices of coal and other resources and recovery of steel market conditions
- Chemicals ¥ 2.3 billion (up ¥ 0.4 billion YoY)**
 Increased due to new acquisition of a European chemical distributor and marketing company and higher volume of resin transactions
- Foods & Agriculture Business ¥ 2.1 billion (up ¥ 0.7 billion YoY)**
 Increased due to firm performance of overseas fertilizer businesses
- Retail & Lifestyle Business ¥ 1.6 billion (down ¥ (2.3) billion YoY)**
 Decreased due to absence of gain on sales of shopping centers in Japan recorded in the 1Q of FY2016
- Industrial Infrastructure & Urban Development ¥ (0.4) billion (down ¥ (1.2) billion YoY)**
 Decreased due to fewer real estate transactions

FY2017 Forecast

Profit for the year by segment

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

(Billions of yen)	FY2017 1Q Results	FY2017 Forecast	Achieved
Automotive	2.8	4.0	70%
Aerospace & IT Business	0.3	5.0	6%
Infrastructure & Environment Business	0.7	5.0	14%
Energy	(0.4)	1.0	—
Metals & Coal	4.2	13.0	32%
Chemicals	2.3	8.0	29%
Foods & Agriculture Business	2.1	5.0	42%
Retail & Lifestyle Business	1.6	5.0	32%
Industrial Infrastructure & Urban Development	(0.4)	2.0	—
Other	1.4	2.0	70%
Total	14.6	50.0	29%

Progress Overview

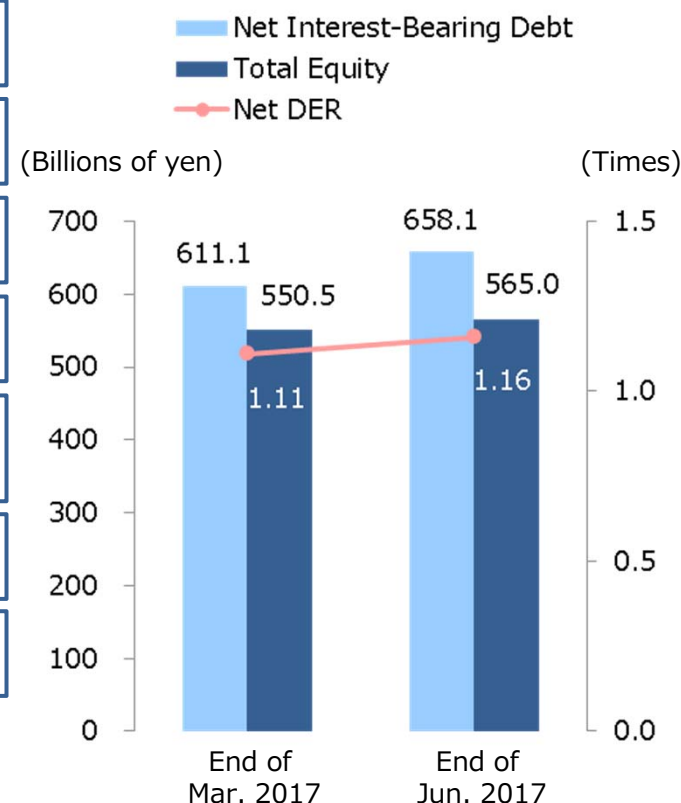
- **Automotive ¥ 2.8 billion**
Favorable performance in major businesses
- **Aerospace & IT Business ¥ 0.3 billion**
Earnings contributions from aircraft-related transactions and IT industry-related business anticipated in 2nd half of fiscal year
- **Infrastructure & Environment Business ¥ 0.7 billion**
Tail-heavy budget; earnings contributions from infrastructure-related businesses anticipated
- **Energy ¥ (0.4) billion**
Earnings contributions from investments accounted for using the equity method anticipated in 2nd half of fiscal year
- **Metals & Coal ¥ 4.2 billion**
Performance generally as budgeted
- **Chemicals ¥ 2.3 billion**
Performance generally as budgeted
- **Foods & Agriculture Business ¥ 2.1 billion**
Performance generally as budgeted
- **Retail & Lifestyle Business ¥ 1.6 billion**
Performance generally as budgeted
- **Industrial Infrastructure & Urban Development ¥ (0.4) billion**
Earnings contributions from overseas industrial park businesses anticipated in 2nd half of fiscal year

Summary of Balance Sheets

(Billions of yen)	End of Mar. 2017	End of Jun. 2017	Difference	End of Mar. 2018 (Forecast)
Total Assets	2,138.5	2,190.6	+52.1	2,260.0
Total Equity*	550.5	565.0	+14.5	580.0
Equity Ratio	25.7%	25.8%	+0.1%	25.7%
Net Interest-Bearing Debt	611.1	658.1	+47.0	650.0
Net DER (Times)	1.11	1.16	+0.05	1.12
Risk Assets vs. Total Equity	320.0 0.6 times	300.0 0.5times	(20.0) (0.1)times	—
Current Ratio	171.3%	175.8%	+4.5%	—
Long-term Debt Ratio	82.9%	82.6%	(0.3)%	—

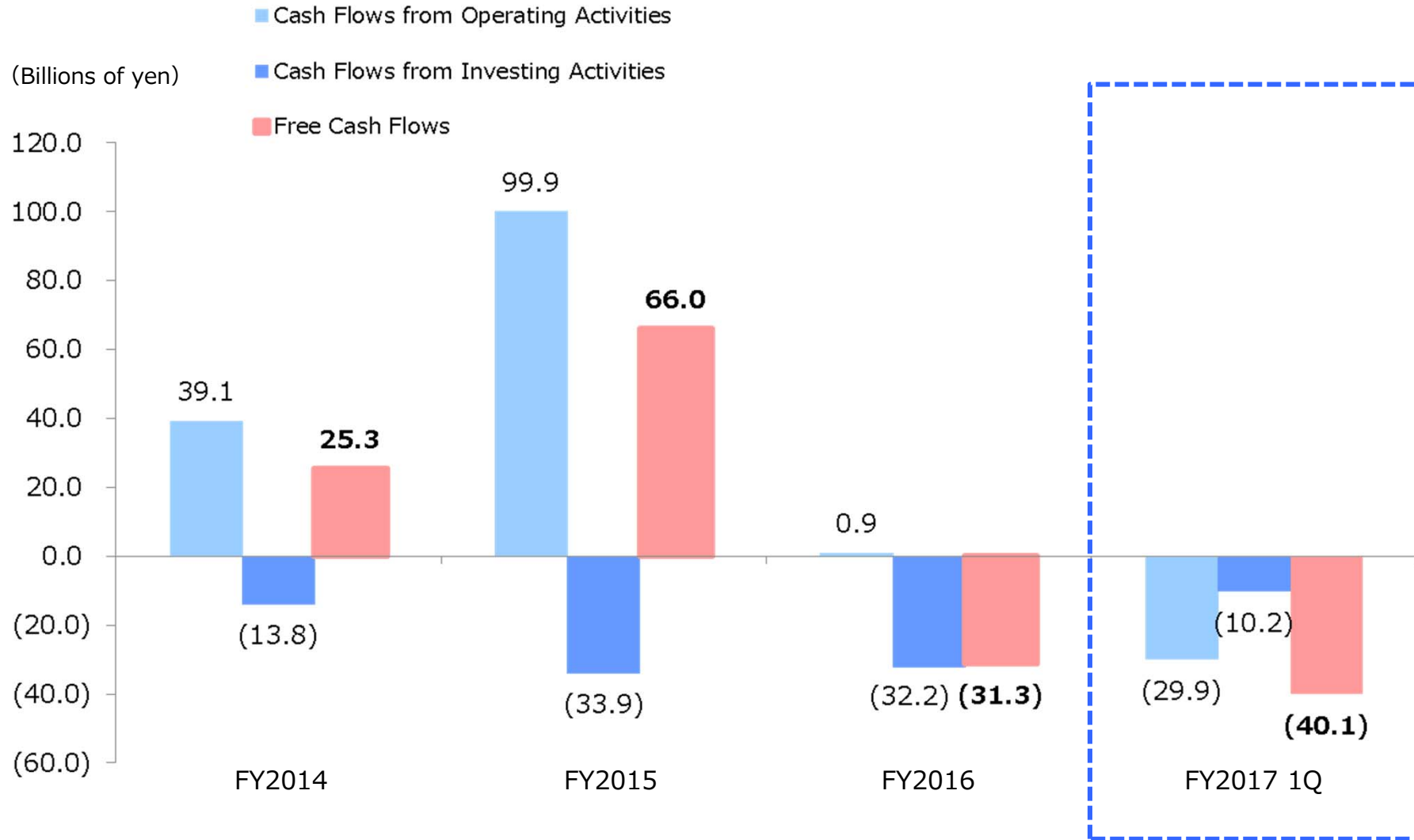
Changes in Total Equity (End of Mar. 2017 vs. End of Jun. 2017, Breakdown)

- Profit for the period ¥ 14.6 billion
- Dividends paid ¥ (5.0) billion



(*) "Total Equity" above refers to "total equity attributable to owners of the Company" and is used as the denominator when calculating "Net DER" and numerator when calculating the "Equity Ratio."

Summary of Free Cash Flows



Investments and Loans / Asset Reduction for FY2017 1Q

FY 2017 1Q Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none">■ Aircraft related business■ IPP businesses in the United States■ Overseas solar power businesses■ ASEAN retail businesses■ Shopping centers in Japan■ Capital expenditure for resource businesses
Investments and Loans Total	¥50.0 bn
Asset Reduction Total	¥3.0 bn

Commodity Prices, Foreign Exchange, and Interest Rate

	FY2016 Results (Apr.-Jun. Avg.)	FY2017 Assumptions (Annual Avg.)	FY2017 Results (Apr.-Jun. Avg.)	Latest Data (As of July 28, 2017)
Crude Oil (Brent)*1	US\$47.0/bbl	US\$50.0/bbl	US\$50.8/bbl	US\$52.5/bbl
Thermal Coal *2	US\$51.5/t	US\$77.5/t	US\$79.8/t	US\$92.3/t
Exchange Rate *3	¥107.9/US\$	¥110.0/US\$	¥111.4/US\$	¥111.1/US\$
Interest Rate (TIBOR)	0.07%	0.06%	0.06%	0.06%

- *1 Impact of fluctuations in the crude oil price on earnings: A US\$1/bbl change alters profit for the year (attributable to owners of the Company) by approx. ¥20 million annually.
- *2 The results in the above table are cited from the GlobalCOAL NEWC Index and differ from our sales prices.
- *3 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.4 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.1 billion annually, and total equity by approx. ¥1.7 billion.

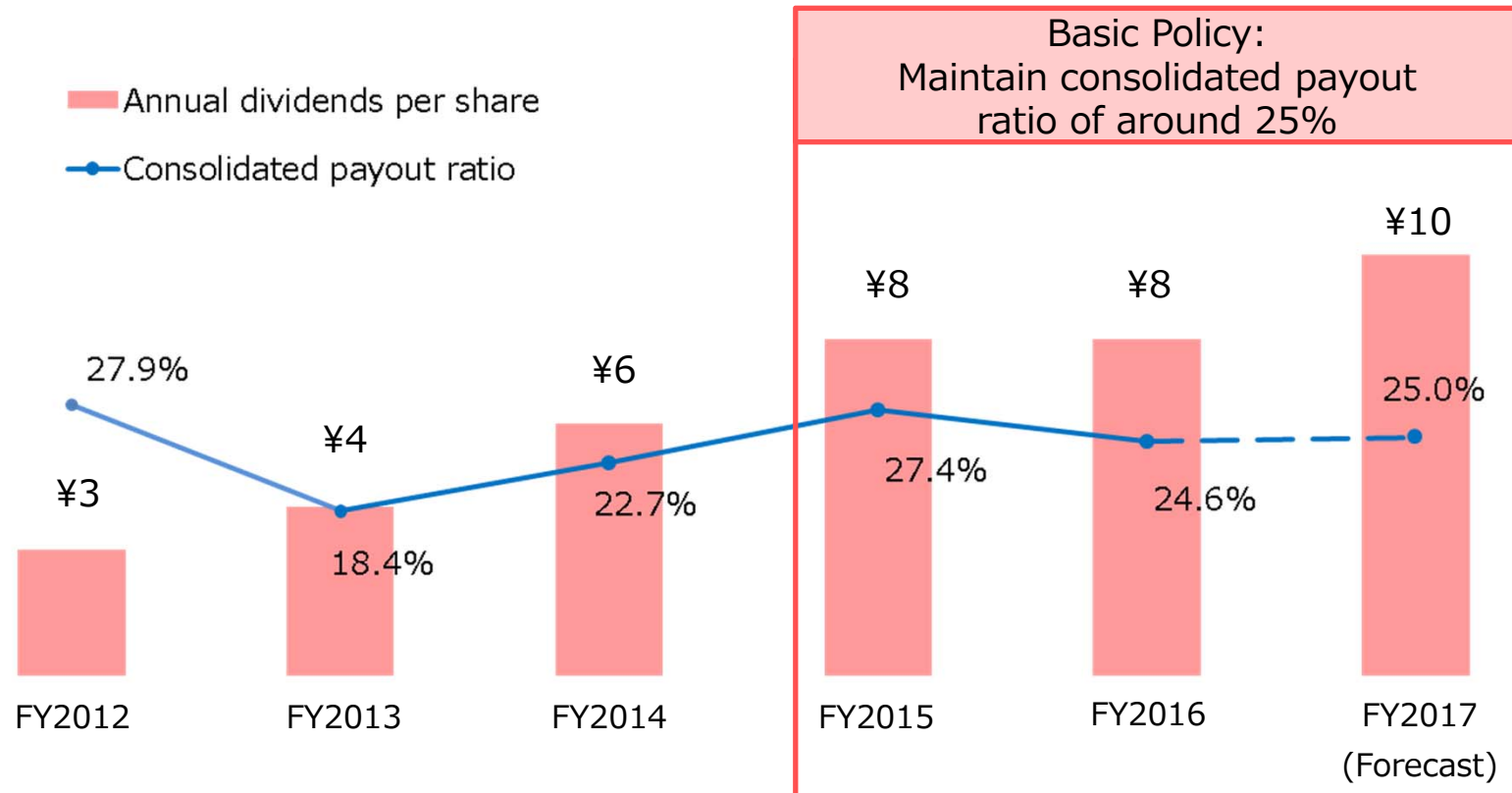
II. Dividends



Dividends

Basic Dividend Policy

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



【Supplemental Data】

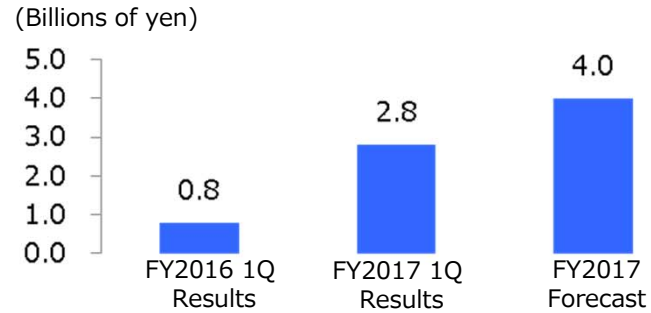
I . Segment Information



Automotive

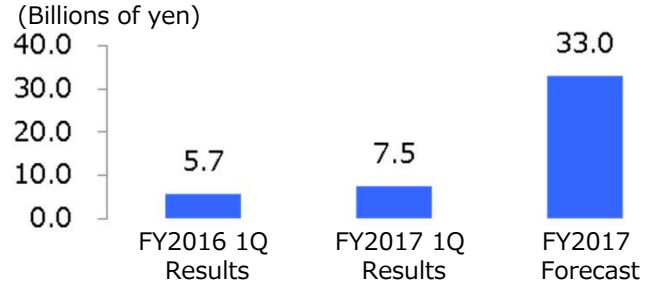


Profit for the Period (attributable to owners of the Company)

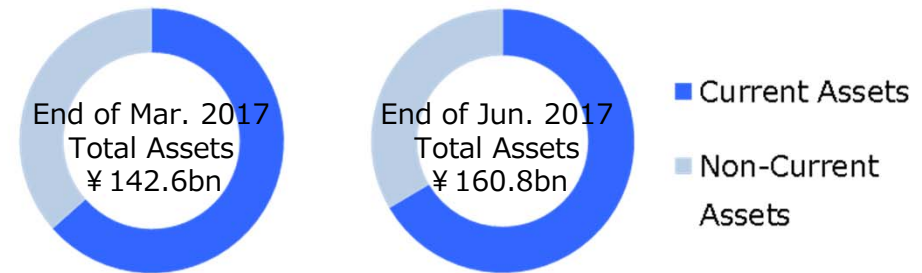


【Progress Overview】
Favorable performance in major businesses

Gross Profit



Asset Structure



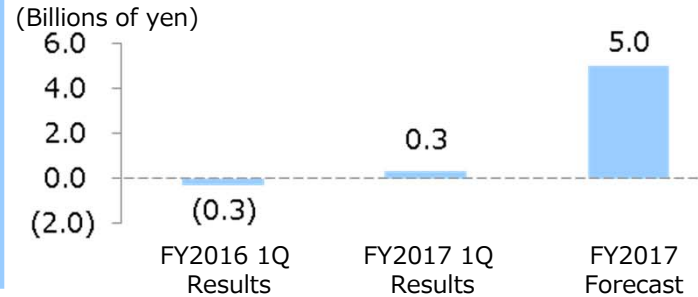
FY 2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	5.7	7.5
Operating profit	1.1	3.1
Share of profit of investments accounted for using the equity method	0.3	0.9
Profit for the period (attributable to owners of the Company)	0.8	2.8
	End of Mar. 2017	End of Jun. 2017
Total assets	142.6	160.8

Aerospace & IT Business



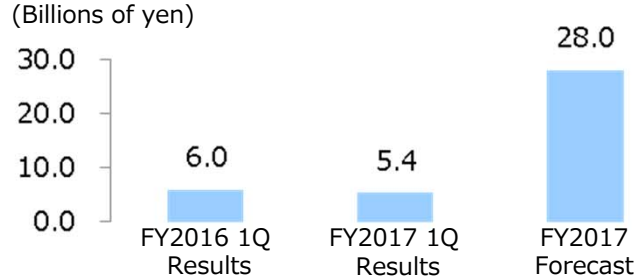
Profit for the Period (attributable to owners of the Company)



【Progress Overview】

Earnings contributions from aircraft-related transactions and IT industry-related business anticipated in 2nd half of fiscal year

Gross Profit



Asset Structure



FY2017 1Q Results

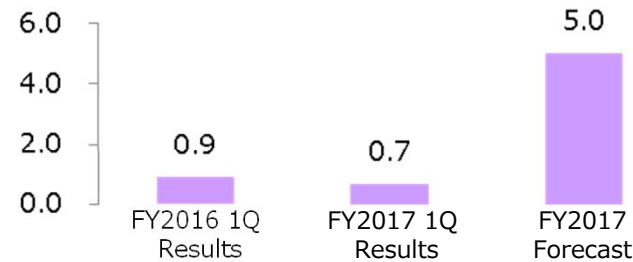
(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	6.0	5.4
Operating profit	0.2	0.7
Share of profit of investments accounted for using the equity method	0.1	0.1
Profit for the period (attributable to owners of the Company)	(0.3)	0.3
	End of Mar. 2017	End of Jun. 2017
Total assets	162.2	185.8

Infrastructure & Environment Business



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

(Billions of yen)

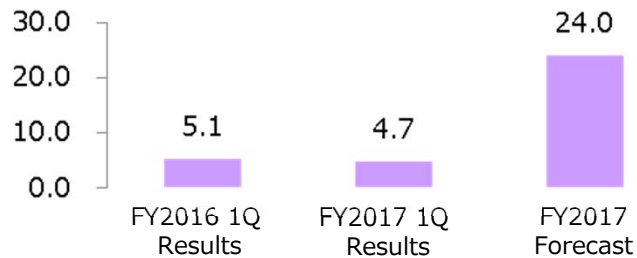


【Progress Overview】

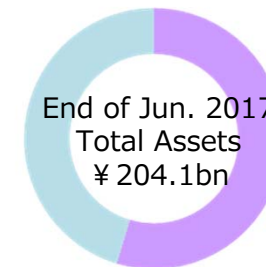
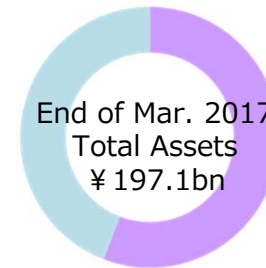
Tail-heavy budget; earnings contributions from infrastructure-related businesses anticipated

Gross Profit

(Billions of yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

FY2017 1Q Results

(Billions of yen)

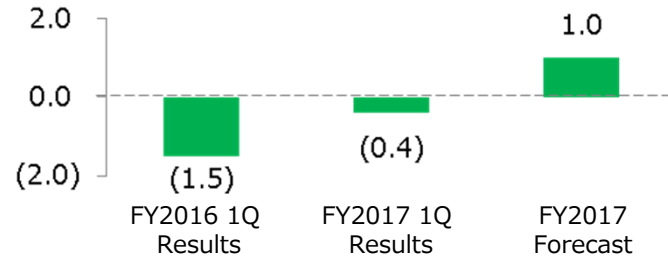
	FY2016 1Q Results	FY2017 1Q Results
Gross profit	5.1	4.7
Operating profit	1.1	1.0
Share of profit of investments accounted for using the equity method	0.4	0.2
Profit for the period (attributable to owners of the Company)	0.9	0.7
	End of Mar. 2017	End of Jun. 2017
Total assets	197.1	204.1

Energy



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

(Billions of yen)

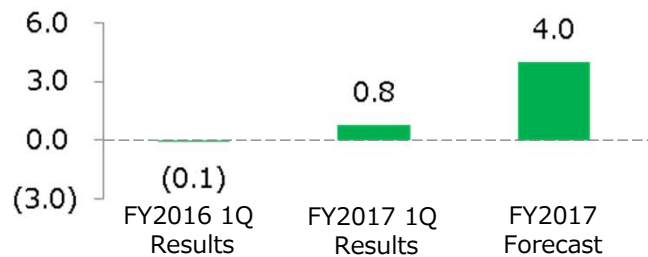


【Progress Overview】

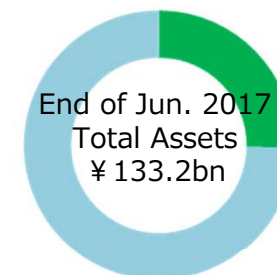
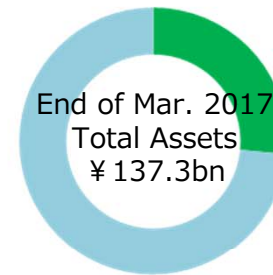
Earnings contributions from investments accounted for using the equity method anticipated in 2nd half of fiscal year

Gross Profit

(Billions of yen)



Asset Structure

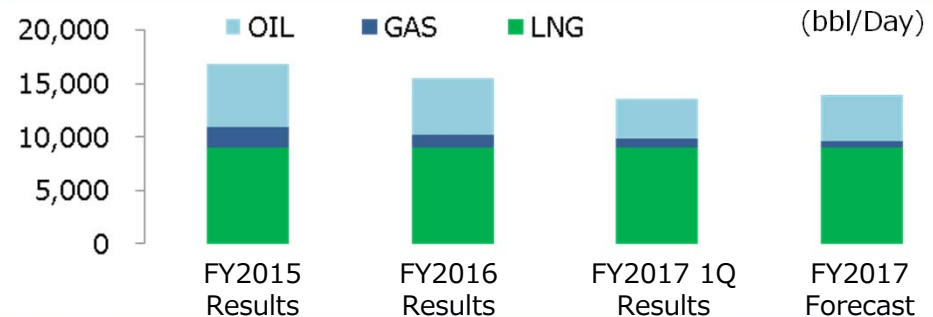


■ Current Assets
■ Non-Current Assets

FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	(0.1)	0.8
Operating profit (loss)	(1.7)	(0.5)
Share of profit of investments accounted for using the equity method	(0.1)	0.1
Profit (loss) for the period (attributable to owners of the Company)	(1.5)	(0.4)
	End of Mar. 2017	End of Jun. 2017
Total assets	137.3	133.2

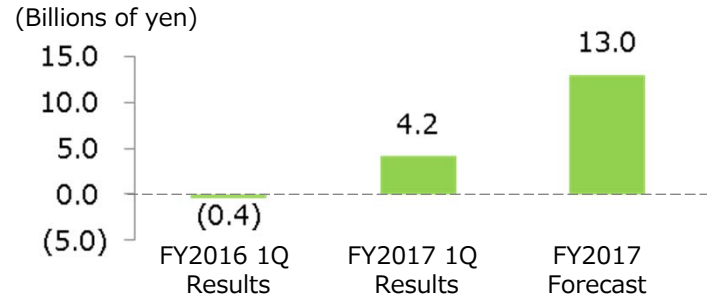
Share of Production Volume for Oil, Gas and LNG



Metals & Coal

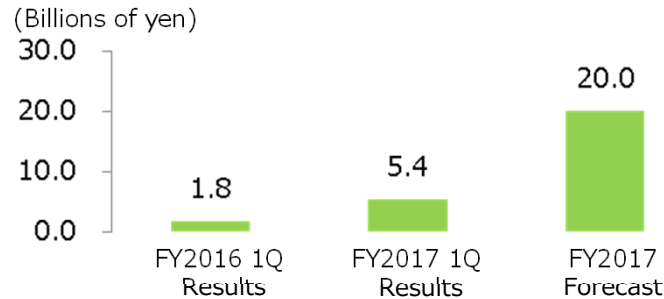


Profit for the Period (attributable to owners of the Company)

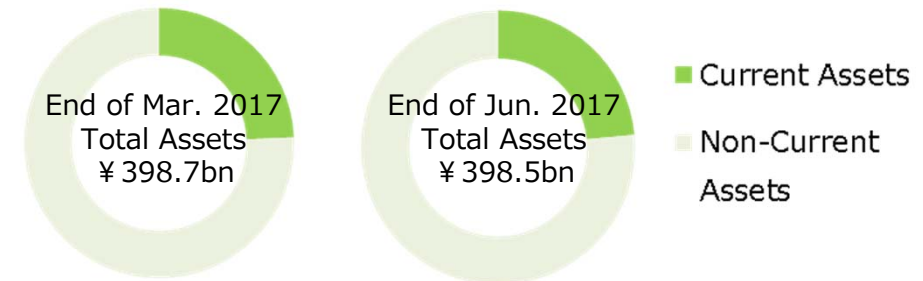


【Progress Overview】
Performance generally as budgeted

Gross Profit



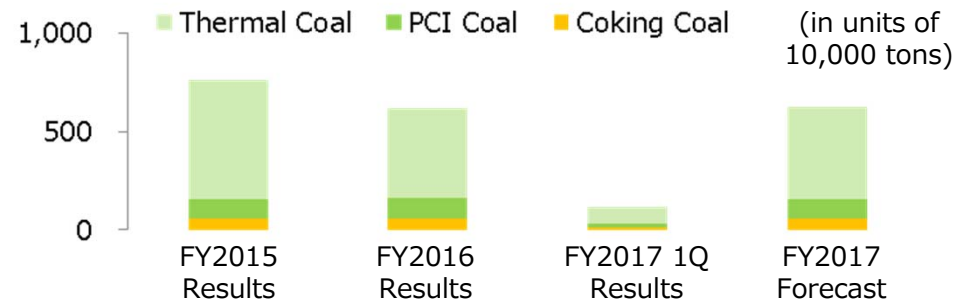
Asset Structure



FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	1.8	5.4
Operating profit (loss)	(0.9)	2.1
Share of profit of investments accounted for using the equity method	1.2	3.8
Profit for the period (attributable to owners of the Company)	(0.4)	4.2
	End of Mar. 2017	End of Jun. 2017
Total assets	398.7	398.5

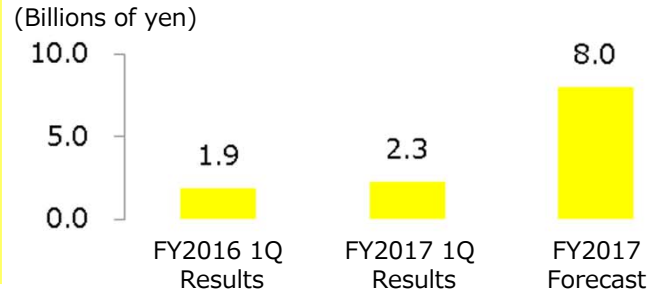
Sales Volume for Coal



Chemicals

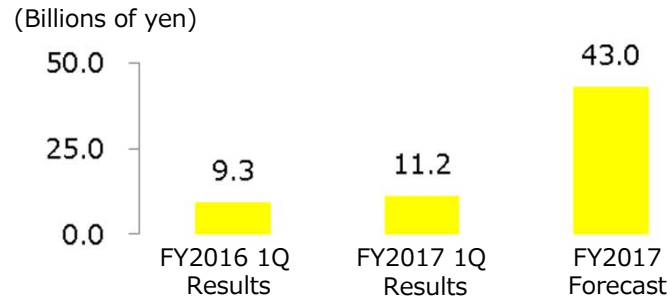


Profit for the Period (attributable to owners of the Company)



【Progress Overview】
Performance generally as budgeted

Gross Profit



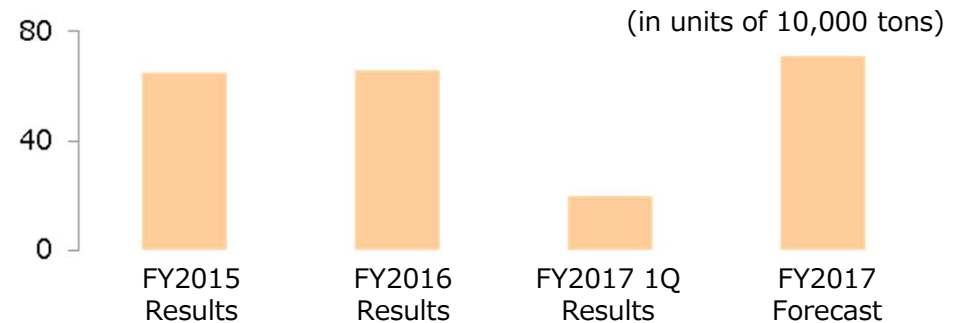
Asset Structure



FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	9.3	11.2
Operating profit	2.5	3.6
Share of profit of investments accounted for using the equity method	0.3	0.3
Profit for the period (attributable to owners of the Company)	1.9	2.3
	End of Mar. 2017	End of Jun. 2017
Total assets	292.6	292.0

Sales Volume for Methanol (PT. Kaltim Methanol Industri)

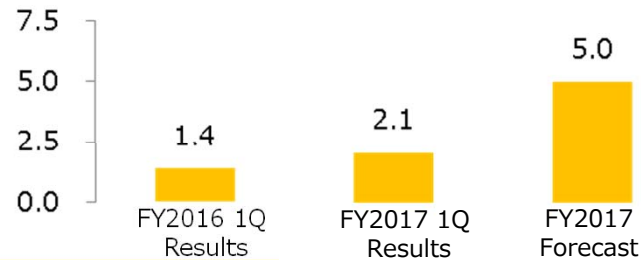


Foods & Agriculture Business



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

(Billions of yen)

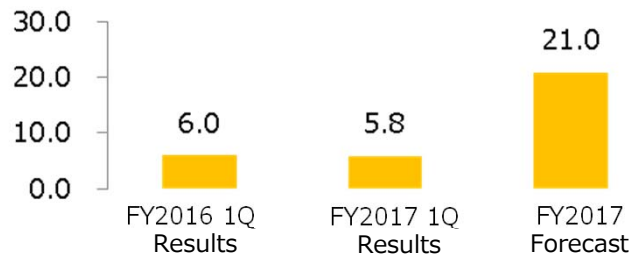


【Progress Overview】

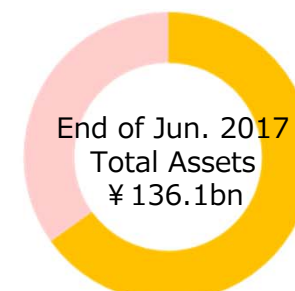
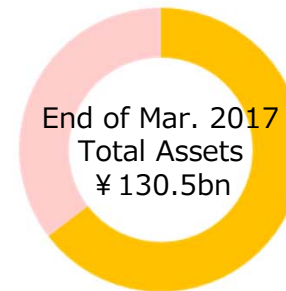
Performance generally as budgeted

Gross Profit

(Billions of yen)



Asset Structure



■ Current Assets
■ Non-Current Assets

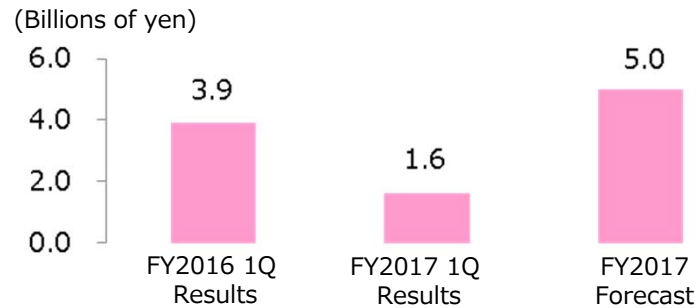
FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	6.0	5.8
Operating profit	2.7	3.0
Share of profit (loss) of investments accounted for using the equity method	(0.3)	0.2
Profit (loss) for the period (attributable to owners of the Company)	1.4	2.1
	End of Mar. 2017	End of Jun. 2017
Total assets	130.5	136.1

Retail & Lifestyle Business

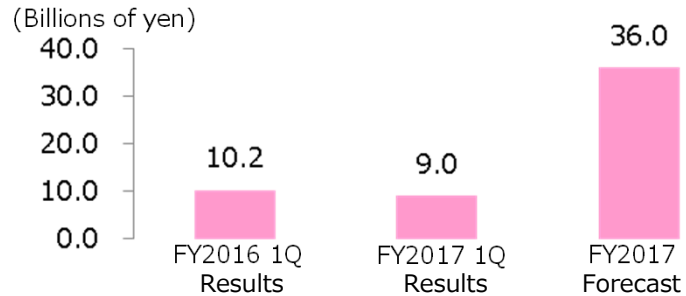


Profit for the Period (attributable to owners of the Company)

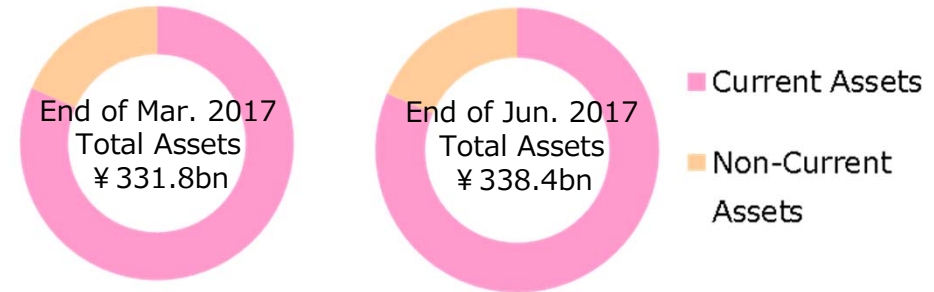


[Progress Overview]
Performance generally as budgeted

Gross Profit



Asset Structure



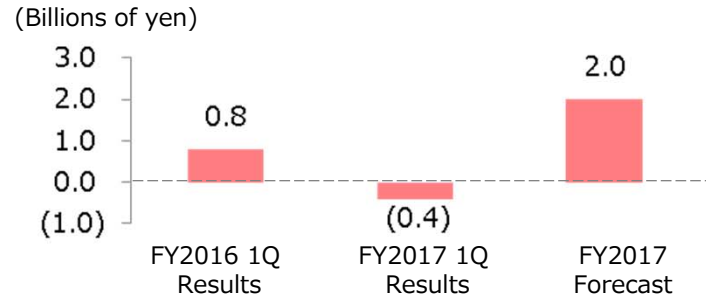
FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	10.2	9.0
Operating profit	3.9	2.5
Share of profit of investments accounted for using the equity method	0.2	0.1
Profit for the period (attributable to owners of the Company)	3.9	1.6
	End of Mar. 2017	End of Jun. 2017
Total assets	331.8	338.4

Industrial Infrastructure & Urban Development



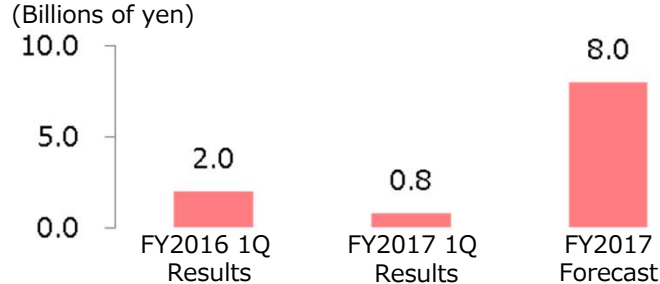
Profit for the Period (attributable to owners of the Company)



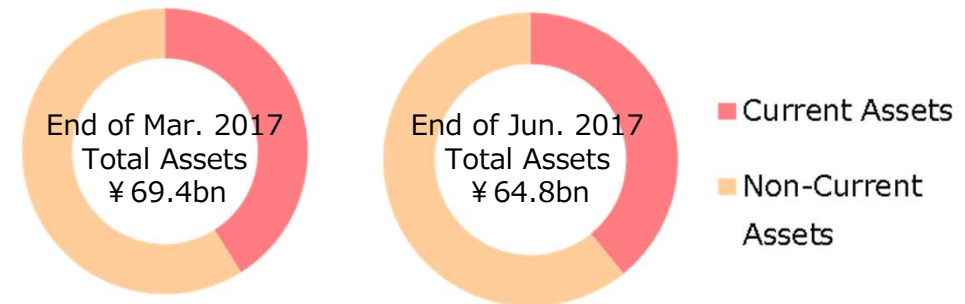
【Progress Overview】

Earnings contributions from overseas industrial park businesses anticipated in 2nd half of fiscal year

Gross Profit



Asset Structure



FY2017 1Q Results

(Billions of yen)	FY2016 1Q Results	FY2017 1Q Results
Gross profit	2.0	0.8
Operating profit (loss)	0.8	(0.3)
Share of profit of investments accounted for using the equity method	0.5	0.3
Profit (loss) for the period (attributable to owners of the Company)	0.8	(0.4)
	End of Mar. 2017	End of Jun. 2017
Total assets	69.4	64.8

Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2016 1Q	FY2017 1Q	Difference
■ Automotive	Sojitz Automotive Group	Subsidiary	0.1	0.3	0.2
■ Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	0.2	0.4	0.2
■ Aerospace & IT Business	Sojitz Aerospace Corporation	Subsidiary	0.1	0.1	0.0
■ Aerospace & IT Business	Sojitz Marine & Engineering Corporation	Subsidiary	0.1	0.1	0.0
■ Aerospace & IT Business	Nissho Electronics Corporation	Subsidiary	(0.1)	(0.1)	0.0
■ Infrastructure & Environment Business	Sojitz Machinery Corporation	Subsidiary	0.1	0.0	(0.1)
■ Energy	LNG Japan Corporation	Associate	(0.1)	0.2	0.3
■ Metals & Coal	Sojitz Coal Resources Pty. Ltd.	Subsidiary	(0.4)	1.0	1.4
■ Metals & Coal	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	(0.1)	0.0	0.1
■ Metals & Coal	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	(0.3)	0.1	0.4
■ Metals & Coal	Metal One Corporation	Associate	1.6	2.6	1.0

*1 Associate = Equity in earnings

*2 The above figures are for 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.

Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2016 1Q	FY2017 1Q	Difference
■ Chemicals	Sojitz Pla-Net Corporation	Subsidiary	0.2	0.5	0.3
■ Chemicals	PT. Kaltim Methanol Industri	Subsidiary	0.4	0.7	0.3
■ Chemicals	Pla Matels Corporation	Subsidiary	0.1	0.2	0.1
■ Retail & Lifestyle Business	Sojitz Building Materials Corporation	Subsidiary	0.2	0.1	(0.1)
■ Retail & Lifestyle Business	Sojitz Foods Corporation	Subsidiary	0.4	0.8	0.4
■ Retail & Lifestyle Business	JALUX Inc.	Associate	0.1	0.1	0.0
■ Industrial Infrastructure & Urban Development	PT. Puradelta Lestari Tbk	Associate	0.5	0.3	(0.2)
■ Other	Sojitz Corporation of America	Subsidiary	0.3	0.4	0.1
■ Other	Sojitz Europe plc	Subsidiary	0.1	(0.1)	(0.2)
■ Other	Sojitz Asia Pte. Ltd.	Subsidiary	0.1	0.7	0.6

*1 Associate = Equity in earnings

*2 The above figures are for 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.

【Supplemental Data】

II. Summary of Financial Results



Summary of Profit or Loss (Results)

(Billions of yen)	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017 1Q
Net sales (JGAAP)	5,771.0	5,166.2	3,844.4	4,014.6	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	1,000.7
Gross profit	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	180.7	200.7	51.6
Operating profit	92.4	52.0	16.1	37.5	57.5	25.5	23.7	33.6	29.2	51.6	14.1
Share of profit (loss) of investments accounted for using the equity method	28.9	2.5	9.2	19.3	16.3	15.8	31.0	28.6	23.2	12.7	5.9
Profit before tax	88.4	37.1	18.9	39.3	58.5	28.1	44.0	52.6	44.3	58.0	19.1
Profit for the year attributable to owners of the Company	62.7	19.0	8.8	16.0	(1.0)	13.4	27.3	33.1	36.5	40.8	14.6
Core earnings	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	41.6	54.2	17.9
(Reference)											
ROA	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	1.7%	1.9%	—
ROE	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	6.8%	7.6%	—

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for FY2007 through FY2010.

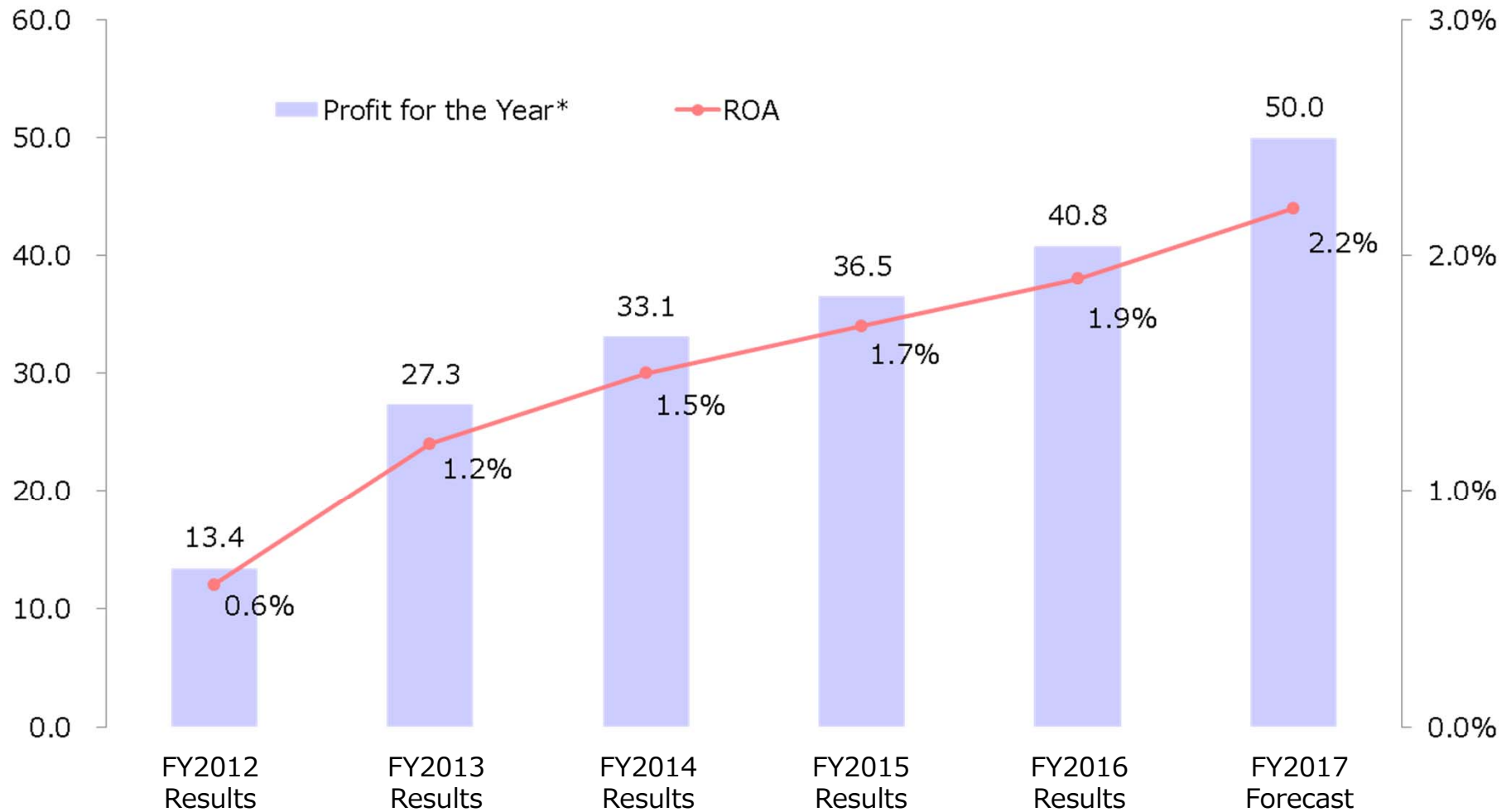
Summary of Balance Sheets (Results)

(Billions of yen)	End of Mar. 2008	End of Mar. 2009	End of Mar. 2010	End of Mar. 2011	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 Jun. 2017
Total Assets	2,669.4	2,313.0	2,160.9	2,117.0	2,190.7	2,150.1	2,220.2	2,297.4	2,056.7	2,138.5	2,190.6
Total Equity	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	520.3	550.5	565.0
Equity Ratio	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.8%
Net Interest-Bearing Debt	918.9	865.3	737.8	700.6	676.4	643.3	640.2	629.6	571.6	611.1	658.1
Net DER (Times)	1.9	2.7	2.1	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.2
Risk Assets (vs. Total Equity, Times)	380.0 0.8	350.0 1.1	320.0 0.9	310.0 0.9	330.0 1.0	340.0 0.9	350.0 0.8	320.0 0.6	330.0 0.6	320.0 0.6	300.0 0.5
Current Ratio	121.1%	141.7%	152.7%	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	175.8%
Long-term Debt Ratio	54.0%	66.7%	74.3%	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	82.6%

(*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for End of Mar. 2008 through 2011. Under JGAAP, total equity is calculated as total net assets – minority interests.

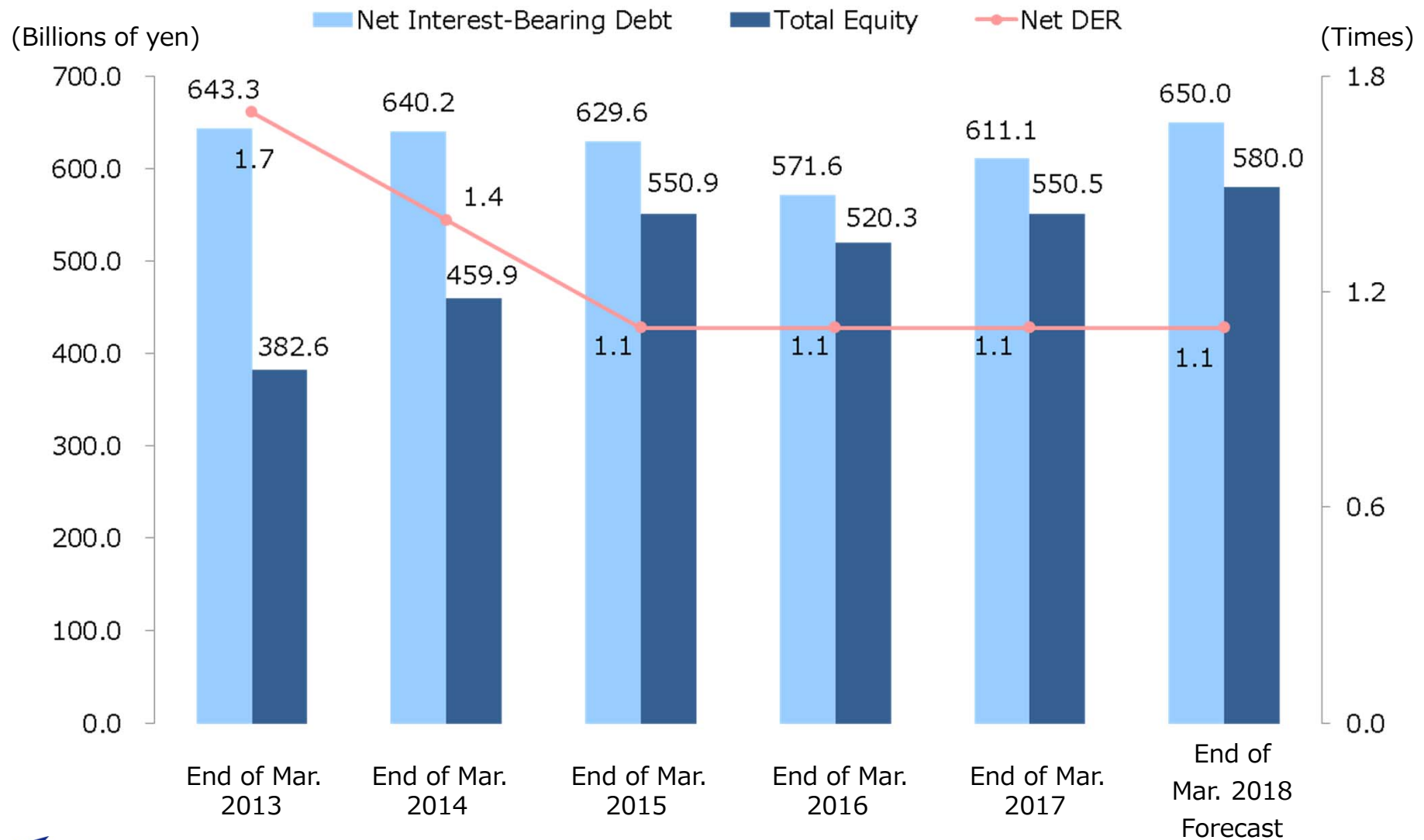
Summary of Profit or Loss

(Billions of yen)

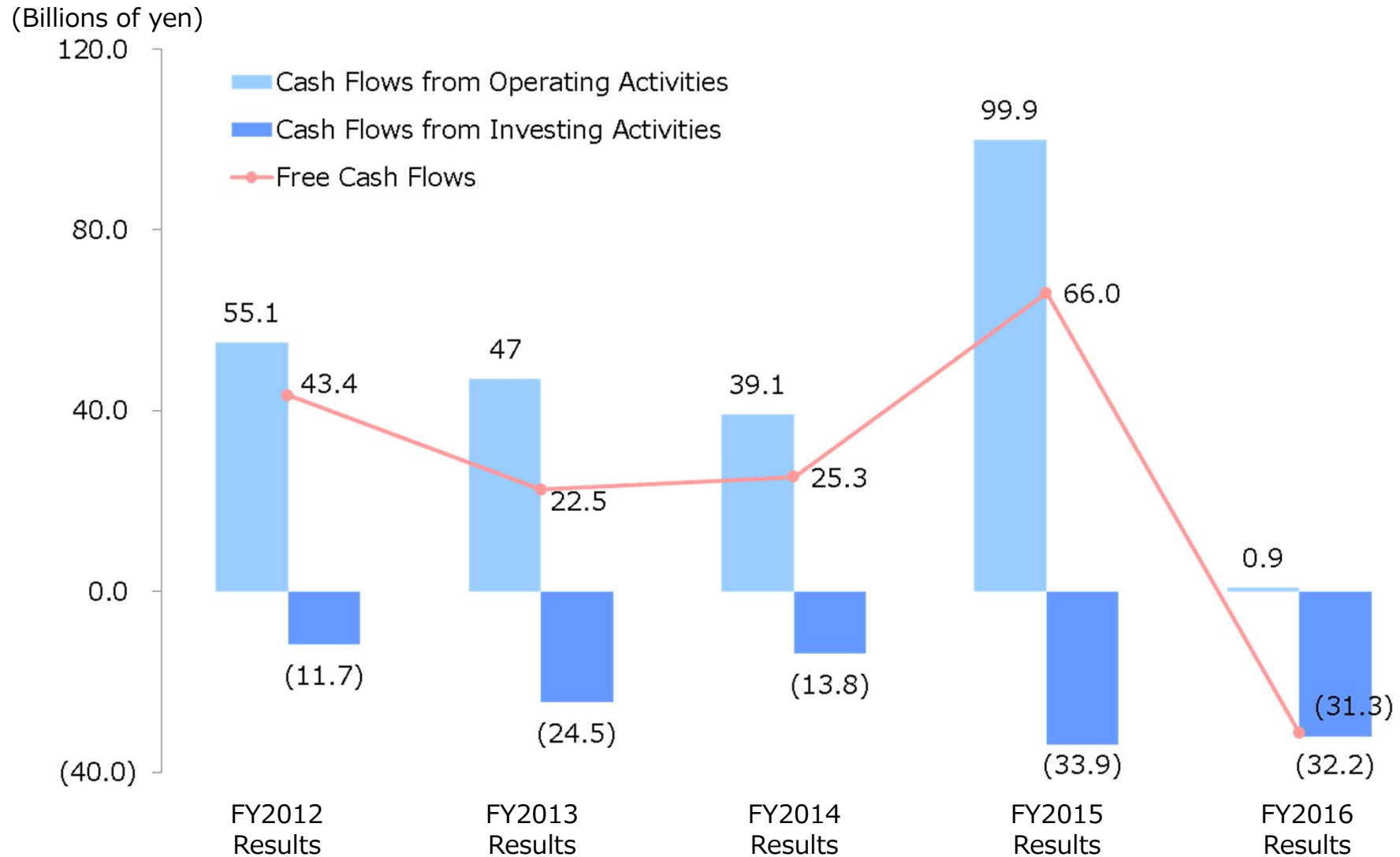


* Attributable to owners of the Company

Summary of Balance Sheets



Summary of Cash Flow





sojitz

New way, New value