

# Financial Results for the Year Ended March 31, 2019

**May 8, 2019**  
**Sojitz Corporation**

# Index

## FY2019 Financial Results and Progress of Medium-Term Management Plan 2020 ~Commitment to Growth~

### 【Supplemental Data】

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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.

FY2019 Financial Results and Progress of  
Medium-Term Management Plan 2020  
~Commitment to Growth~



# FY2018 Summary

- **Substantial increase in earnings due to favorable market conditions for coal and other commodities**  
**Steady earnings contributions from new investments and loans centered on non-resource sector**

	FY2017	FY2018	Difference	FY2018 Revised Forecast	Achieved
Profit for the period (attributable to owners of the Company)	¥56.8bn	¥70.4bn	+¥13.6bn	¥70.0bn	101%
ROA	2.5%	3.0%	+0.5%	3.0%	—
ROE	10.0%	11.7%	+1.7%	11.7%	—

## <Operating Environment>

- ✓ Consistently high coal and other resource prices
- ✓ Impacts of falling commodity prices stemming from U.S.-China trade friction and conditions in emerging economies arising during second half of fiscal year
- ✓ Signs of slowdown in the global economy previously supported by strong consumption

	FY2017	FY2018	Difference
Total Asset	¥2,350.4bn	¥2,297.1bn	¥(53.3)bn
Total Equity	¥586.4bn	¥618.2bn	+¥31.8bn
Net D/E Ratio(times)	1.03	0.95	(0.08)
Investment and Loans	¥158.0bn	¥91.0bn	
Dividend	¥11	¥17	

- **Annual dividend raised from ¥15 per share to ¥17 per share**  
**As a result, payout ratio comes to 30.2%**

# Progress of Medium-Term Management Plan 2020 (Earning Contributions from Investments and Loans)

Reinforce stable earnings foundations through investments and loans and steady earnings contributions centered on non-resource sectors

## Medium-Term Management Plan 2017 (FY2020 Forecast)

The amount of the investments and Loans over MTP2017 period **¥315.0bn**

Outstanding investments and loans **¥160.0bn**

ROI **Approx. 7.5%**

Earnings contributions **More than ¥12.0bn**

## Medium-Term Management Plan 2020 (FY2020 Forecast)

The amount of the investments and Loans over MTP2020 period **Approx. ¥300.0bn**

Outstanding investments and loans **¥230.0bn**

ROI **Approx. 4.3%**

Earnings contributions **More than ¥10.0bn**

### FY2018 Results

Earnings contributions from investments and loans conducted under MTP2017 **...About ¥6.0bn**

Main businesses

- Renewable energy businesses
- Automobile dealership businesses
- Hospital project in the Republic of Turkey
- European chemical distributor and marketing company
- Automotive parts quality inspection businesses

Outstanding investments and loans **¥180.0bn**

### FY2019 Forecast

**About ¥8.0bn**

Outstanding investments and loans **¥170.0bn**

### FY2020 Forecast

**About ¥12.0bn**

### FY2018 Results

Earnings contributions from investments and loans conducted under MTP2020 **...About ¥2.0bn**

Main businesses

- IPP business in the United States
- Paper manufacturer in Vietnam

Outstanding investments and loans **¥85.0bn**

### FY2019 Forecast

**About ¥6.0bn**

Outstanding investments and loans **¥175.0bn**

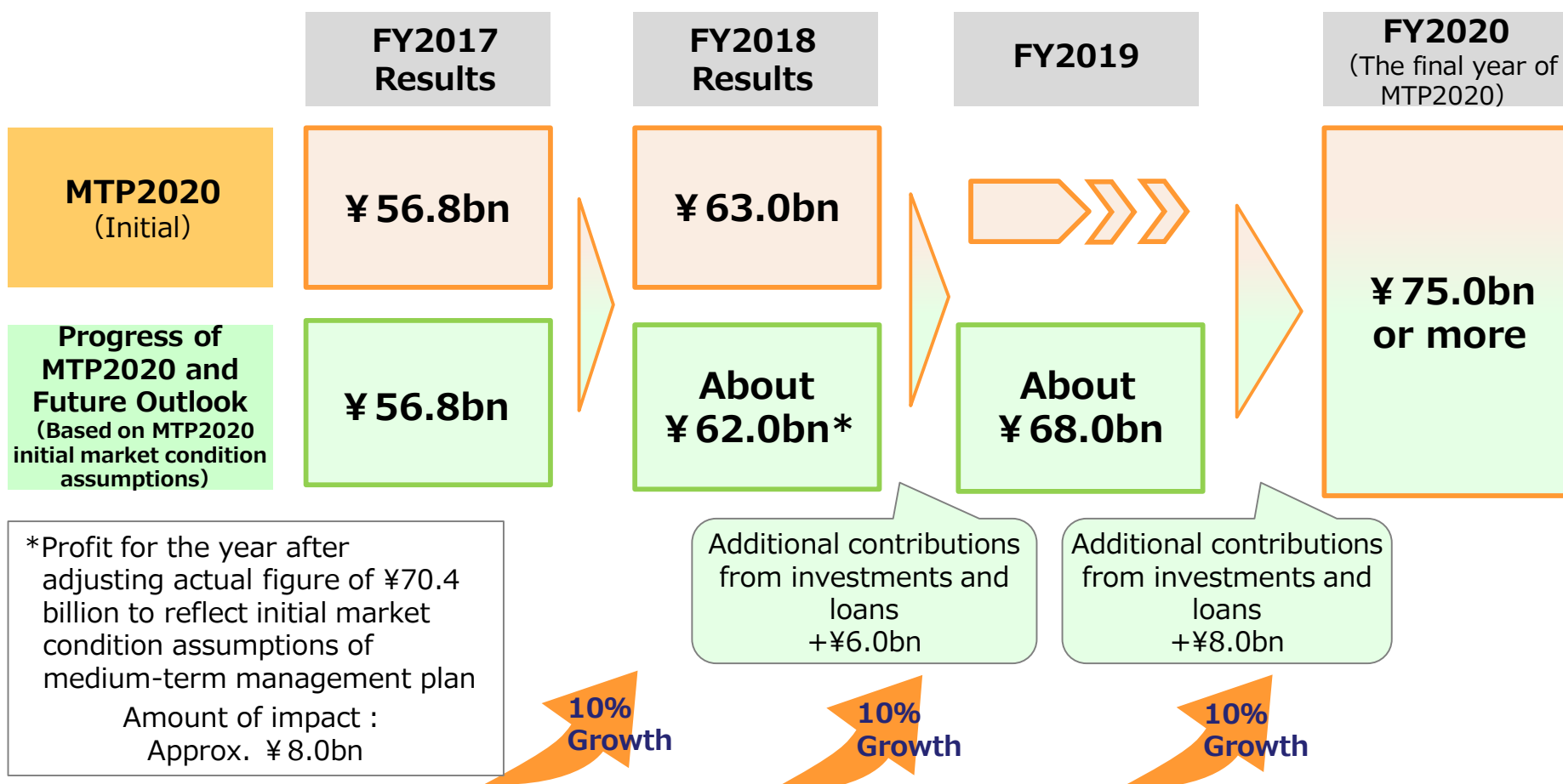
### FY2020 Forecast

**About ¥10.0bn**

# Progress of Medium-Term Management Plan 2020 (Earnings Growth Leading)

Note : Profit for the year attributable to owners of the Company

Steady progress toward targets for final year of medium-term management plan anticipated even based on initial market condition assumptions



# FY2019 Forecast ①

- Opaque outlook for global economy amid rising international relations tensions associated with U.S. trade policies
- Conservative outlook for resource prices incorporated into FY2019 forecasts, but earnings contributions from investments and loans and growth in existing businesses anticipated

	FY2018 Results	FY2019 Forecast	Difference
Profit for the year*	¥70.4bn	¥72.0bn	+¥1.6bn
ROA	3.0%	3.1%	+0.1%
ROE	11.7%	11.3%	(0.4)%
Dividend	¥17	¥17	

(\*) Profit attributable to owners of the Company

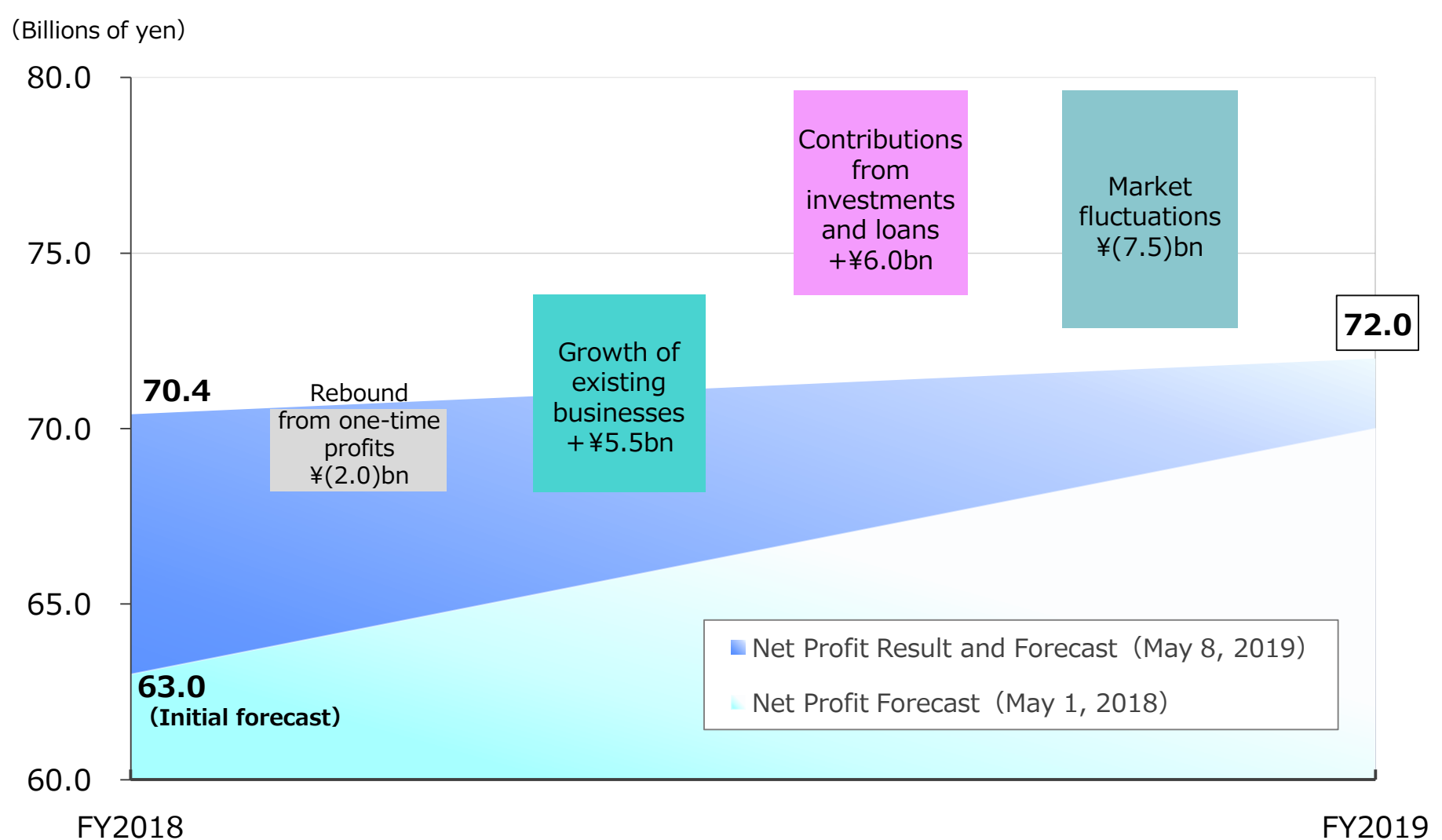
	FY2018 Results	FY2019 Forecast
Exchange rate	¥111.1/US\$	¥110.0/US\$
Thermal coal	US\$105.8/t	US\$80.0/t
Interest rate (Tibor)	0.07%	0.10%

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

(Billions of Yen)	FY2018 Results	FY2019 Forecast
Automotive	6.4	5.5
Aerospace & Transportation Project	4.0	5.0
Machinery & Medical Infrastructure	2.8	4.5
Energy & Social Infrastructure	5.8	5.5
Metals & Mineral Resources	30.5	25.0
Chemicals	9.0	11.0
Foods & Agriculture Business	2.3	4.5
Retail & Lifestyle Business	5.7	7.5
Industrial Infrastructure & Urban Development	1.1	1.0
Other	2.8	2.5
<b>Total</b>	<b>70.4</b>	<b>72.0</b>

# FY2019 Forecast ②

Note : Profit for the year attributable to owners of the Company





# Cash Flow Management

**Positive FCF and core cash flow attributable to strong core operating cash flow and smooth asset replacement**

	FY 2018 Results	Medium-Term Management Plan 2020 3-year total (FY2018–FY2020)
Core operating cash flow (※1)	¥ 79.0bn	About ¥ 210.0bn
Asset Replacement (Investment recovery)	¥ 92.0bn	¥ 120.0bn~¥ 150.0bn
New investments and loans	¥ (91.0)bn	¥(270.0)~¥(300.0)bn
Shareholder returns (※2)	¥ (17.0)bn	About¥(60.0)bn
Core cash flow (※3)	¥ 63.0bn	¥0.0bn~
Free cash flow	¥ 54.0bn	¥0.0bn~

\*1. Core operating cash flow = Net cash provided by (used in) operating activities – Changes in working capital

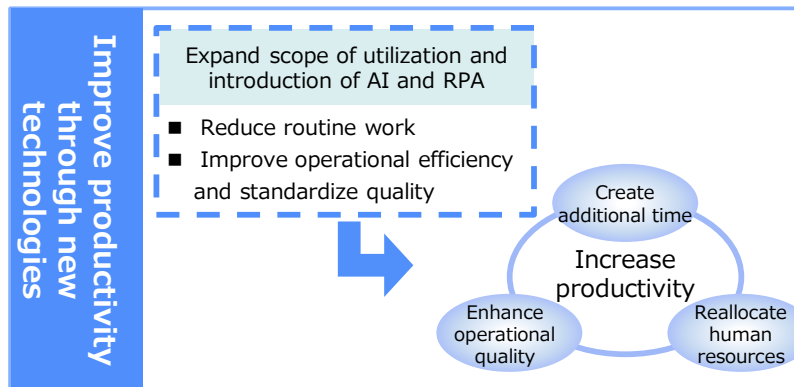
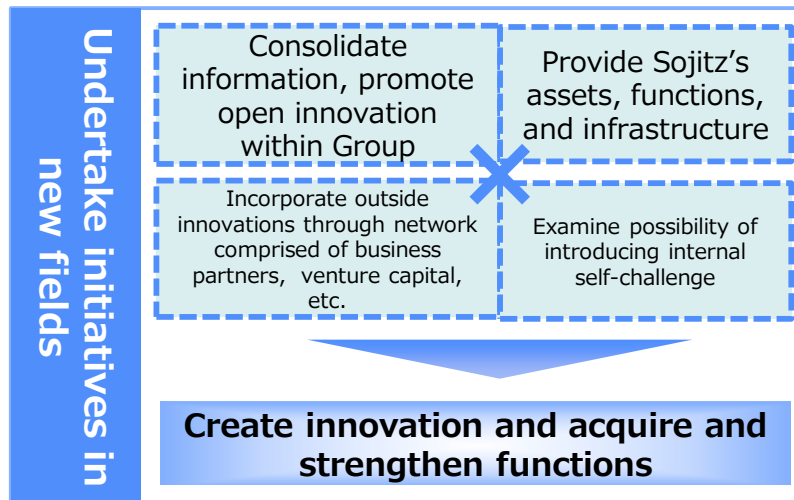
\*2. 3-year total calculated based on target for profit for the year of ¥75.0 or more set for final year of medium-term management plan

\*3. Core cash flow = Core operating cash flow (excluding changes in working capital) + Investing cash flow (including asset replacement) – Dividends paid

# Initiatives for Innovation

**Accelerate Companywide improvements to productivity in existing businesses and exploration of new fields to address business model changes stemming from digital transformations and technological progress**

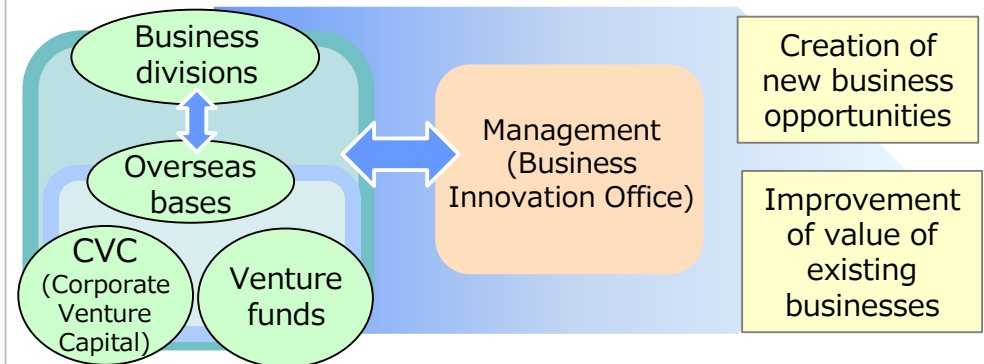
## Initiative Policies for Period after the Medium-Term Management Plan



## Progress in First Year of Medium-Term Management Plan 2020

### ① Establishment of system for encouraging exploration of new fields

- ✓ Institution of innovation-related investment budget
- ✓ Establishment of U.S. CVCs, investment in Indian venture funds
- ✓ Dispatches of personnel to U.S. and Indian bases



### ② Implementation of productivity improvement initiatives

- ✓ Promotion of RPA utilization and response to digital technologies

# Initiatives for Sustainability

**Promote sustainability-oriented management led by CEO**  
**Declare support for TCFD and organize initiative policies for coal-fired thermal power generation projects and thermal coal interests**

## Sojitz's Sustainability Management Initiatives

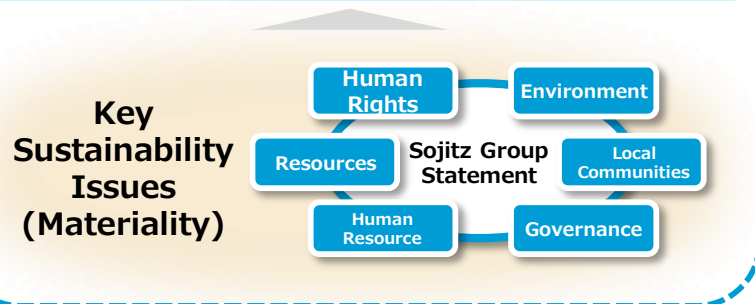
Further incorporate concept of sustainability\* into management and better integrate resolution of environmental and social issues into Sojitz's business in order to accomplish the goals of the Sojitz Group Statement and achieve ongoing growth

\* Maximize value for Sojitz and value for society and promote initiatives based on 6 key issues

## Long-Term Vision : Sustainability Challenges

We aim to create sustainable growth for both Sojitz and society by working to help achieve a decarbonized society through our business activities, and by responding to human rights issues, including those within our supply chains.

Position Medium-Term Management Plan 2020 as a period for preparing to address sustainability challenges and grow business to contribute to the realization of a low-carbon society over the next decade while stepping up initiatives to guarantee human rights are always respected



## Progress in First Year of Medium-Term Management Plan 2020

### Establishment of sustainability promotion system centered on senior management

- ✓ Discussion of medium- to long-term risks and opportunities pertaining to sustainable growth at each business division
- ✓ Establishment of organization-specific targets based on Key Sustainability Issues and monitoring of progress
- ✓ Confirmation of meaningfulness of investments from sustainability perspective during screening

## Initiatives for Realizing a Low-Carbon/ Carbon-Free Society

- ✓ Announcement of endorsement of TCFD (August 2018)
- ✓ Power generation sector scenario analyses utilizing TCFD framework



### [Initiative Policies for Coal-Fired Thermal Power Generation Projects and Thermal Coal Interests]

- ✓ Refrain from newly engaging in coal-fired thermal power generation projects (currently no projects under operation)
- ✓ Reduce thermal coal interests by more than 50% by 2030 (In principle, do not acquire new thermal coal interests)

# ESG Rating

## New inclusion in FTSE and DJSI, global ESG indexes Selection for inclusion in ESG indexes utilized by GPIF

### ■ Inclusion in Major Domestic and Overseas Indexes and Evaluations by ESG Rating Institutions

#### ● September, 2018

MEMBER OF

**Dow Jones  
Sustainability Indices**

In Collaboration with RobecoSAM

In the Dow Jones Sustainability Index (DJSI) series of globally recognized socially responsible investment indexes, Sojitz was selected for inclusion in DJSI World and DJSI Asia Pacific.

#### ● March, 2019



**Sustainability Award  
Industry mover 2019**

Selected for "Silver Class" award, one rank higher than in 2018, and "Industry Mover" award, for second consecutive year, in corporate sustainability ratings by RobecoSAM



**Sustainability Award  
Silver Class 2019**

#### ● June, 2018



FTSE4Good

Sojitz was selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index provided by FTSE Russell



FTSE Blossom  
Japan

### ESG indexes Utilized by GPIF



2018 Constituent  
MSCI Japan Empowering  
Women Index (WIN)

Sojitz was selected as a constituent of the MSCI Japan Empowering Women Index (WIN) in 2017 and 2018.



In 2017, Sojitz received an upper rating of B in "Management" with regards to climate change.

### First Trading Company to be Selected for 3 Consecutive Year



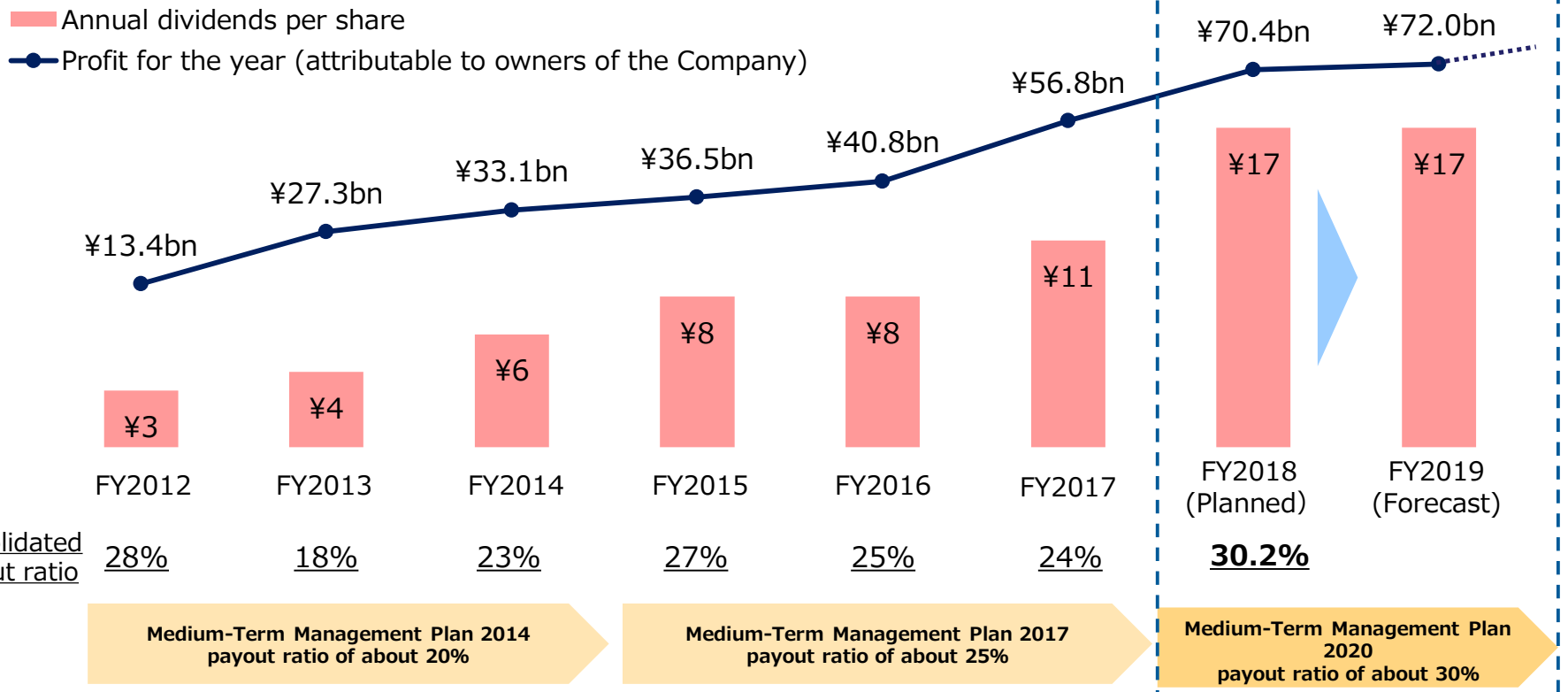
Sojitz was selected as a Nadeshiko Brand company for three consecutive years, in recognition for its efforts to empower women in the workplace.

# Dividend Policy

## 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.

Under Medium-Term Management Plan 2020, our basis policy will be to target a consolidated payout ratio of 30%.



【Supplemental Data】

I . Financial Results for the Year Ended March 31,2019



# Summary of Profit or Loss

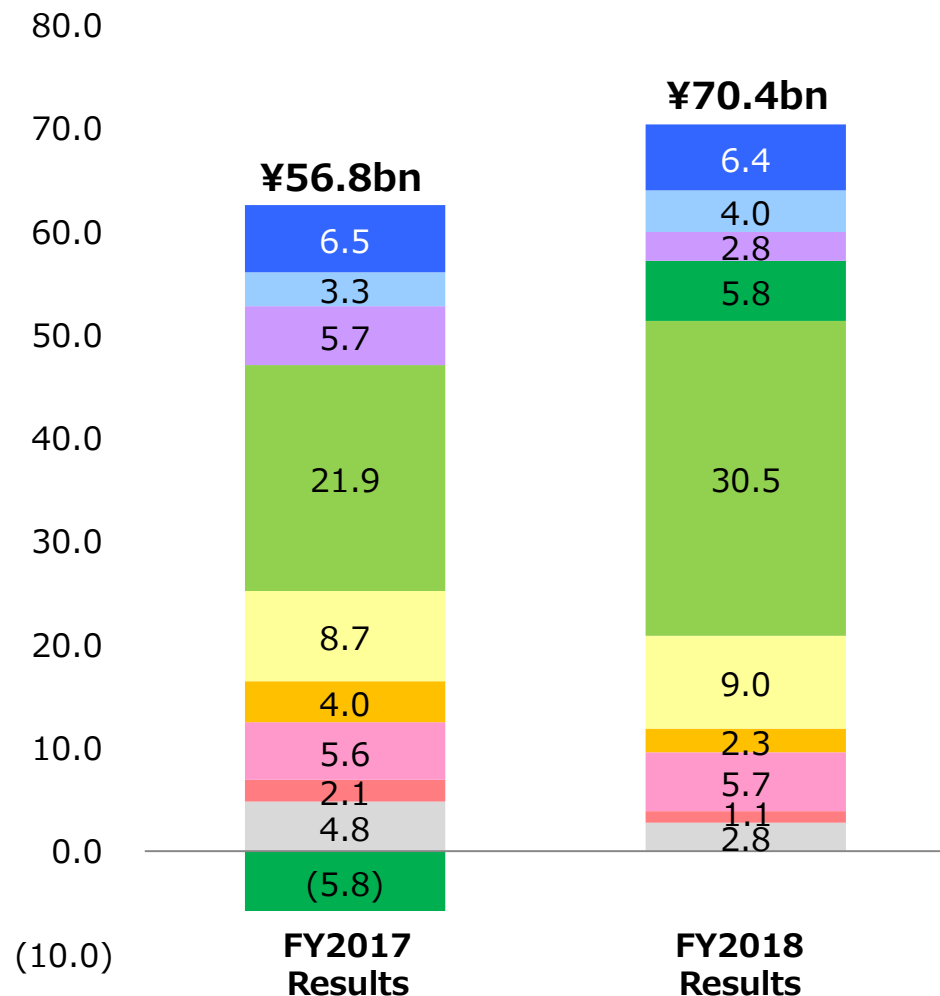
(Billions of Yen)	FY2017 Results	FY2018 Results	Difference	FY2018 Revised Forecast (Feb. 5, 2019)	Achieved	FY2019 Forecast
Revenue	1,816.5	1,856.2	+39.7	—	—	—
Gross profit	232.4	241.0	+8.6	240.0	100%	260.0
Share of profit (loss) of investments accounted for using the equity method	25.1	27.8	+2.7	27.0	103%	28.0
Profit before tax	80.3	94.9	+14.6	95.0	100%	97.0
Profit for the year attributable to owners of the Company	56.8	70.4	+13.6	70.0	101%	72.0
Core earnings	90.8	93.2	+2.4	91.0	102%	97.0

# Summary of Profit or Loss

## Profit for the Year by Segment

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

(Billions of Yen)



### Factor behind year on year change in earnings

- Automotive ¥ 6.4 billion (down ¥(0.1) billion YoY)**  
 Relatively unchanged year on year
- Aerospace & Transportation Project ¥ 4.0 billion (up ¥ 0.7 billion YoY)**  
 Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
- Machinery & Medical Infrastructure ¥ 2.8 billion (down ¥(2.9) billion YoY)**  
 Decreased due to absence of revenue associated with infrastructure projects recorded in the previous fiscal year
- Energy & Social Infrastructure ¥ 5.8 billion (up ¥ 11.6 billion YoY)**  
 Increased due to rebound from one-time losses on oil and gas interests recorded in the previous fiscal year as well as to higher prices in LNG operations
- Metals & Mineral Resource ¥ 30.5 billion (up ¥ 8.6 billion YoY)**  
 Increased due to higher prices and transaction volumes of coal and other resources
- Chemicals ¥ 9.0 billion (up ¥ 0.3 billion YoY)**  
 Relatively unchanged year on year, despite strong performance in methanol operations, as a result of one-time losses in overseas operations and economic slowdown stemming from trade friction between the United States and China
- Foods & Agriculture Business ¥ 2.3 billion (down ¥(1.7) billion YoY)**  
 Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
- Retail & Lifestyle Business ¥ 5.7 billion (up ¥ 0.1 billion YoY)**  
 Despite earnings contributions from newly consolidated subsidiaries, relatively unchanged year on year because of lower profit at lumber-related subsidiaries
- Industrial Infrastructure & Urban Development ¥ 1.1 billion (down ¥(1.0) billion YoY)**  
 Decreased due to poor sales in domestic real estate operations
- Other ¥ 2.8 billion (down ¥(2.0) billion YoY)**



# FY2019 Forecast

## Profit for the Year by Segment

(Billions of Yen)	FY2018 Results	FY2019 Forecast
Automotive	6.4	5.5
Aerospace & Transportation Project	4.0	5.0
Machinery & Medical Infrastructure	2.8	4.5
Energy & Social Infrastructure	5.8	5.5
Metals & Mineral Resource	30.5	25.0
Chemicals	9.0	11.0
Foods & Agriculture Business	2.3	4.5
Retail & Lifestyle Business	5.7	7.5
Industrial Infrastructure & Urban Development	1.1	1.0
Other	2.8	2.5
<b>Total</b>	<b>70.4</b>	<b>72.0</b>

### Progress Overview

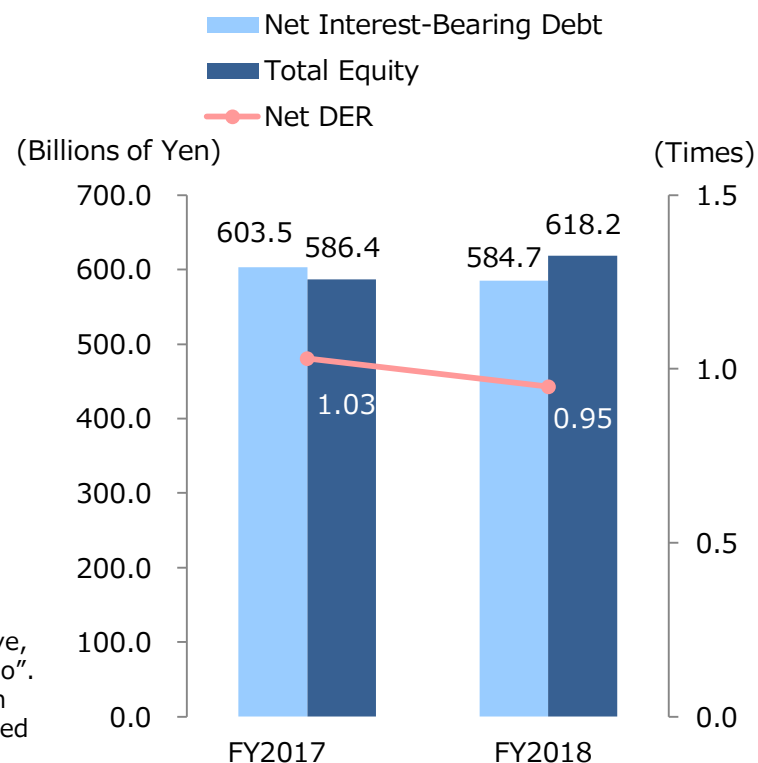
- Automotive ¥ 5.5 billion**  
 In spite of the absence of earnings from an automobile-related company sold in the previous fiscal year, earnings from existing and new consolidated subsidiaries anticipated
- Aerospace & Transportation Project ¥ 5.0 billion**  
 Higher earnings anticipated in conjunction with progress in aircraft-related business and railway projects
- Machinery & Medical Infrastructure ¥ 4.5 billion**  
 Higher profit from medical infrastructure-related businesses anticipated
- Energy & Social Infrastructure ¥ 5.5 billion**  
 Earnings from existing and new development projects anticipated
- Metals & Mineral Resource ¥ 25.0 billion**  
 Conservative outlook for resource prices in the second half of the fiscal year incorporated into forecasts
- Chemicals ¥ 11.0 billion**  
 Rebound from one-time occurrences in the previous fiscal year and growth in existing businesses anticipated
- Foods & Agriculture Business ¥ 4.5 billion**  
 Higher earnings anticipated due to reconsideration of sales methods in overseas fertilizer operations and improved profits from new projects
- Retail & Lifestyle Business ¥ 7.5 billion**  
 Improved profits from overseas retail operations and earnings contributions from new investments and loans anticipated
- Industrial Infrastructure & Urban Development ¥ 1.0 billion**  
 Earnings from overseas industrial park operations anticipated

# Summary of Balance Sheets

(Billions of Yen)	End of Mar. 2018	End of Mar. 2019	Difference
<b>Total Assets</b>	2,350.4	2,297.1	(53.3)
<b>Total equity*1</b>	586.4	618.2	+31.8
<b>Equity Ratio</b>	25.0%	26.9%	+1.9%
<b>Net interest-bearing debt</b>	603.5	584.7	(18.8)
<b>Net DER (Times)</b>	1.03	0.95	(0.08)
<b>Risk Assets*2 vs. Total equity</b>	350.0 0.6 times	360.0 0.6 times	+10.0 ( - )
<b>Current Ratio</b>	162.7%	157.1%	(5.6)%
<b>Long-term debt ratio</b>	87.5%	82.9%	(4.6)%

## Changes in Total Equity (End of Mar. 2018 vs. End of Mar. 2019, Breakdown)

- Profit for the year attributable to owners of the Company ¥ 70.4 billion
- Dividends paid ¥ (16.9) billion



(\*1) "Total equity attributable to owners of the Company" is recognized as "Total equity" above, and is also used in the denominator of the "Net DER" and the numerator of the "Equity ratio".

(\*2) The method of measuring risk assets mainly for goodwill was revised in the three-month period ended June 30, 2018. Figures for the year ended March 31, 2018, have been restated to reflect this change.

# Investments and Loans and Asset Replacement for FY2018

FY2018 Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none"> <li>■ Automobile dealership business in Russia</li> <li>■ Engineering company in Thailand</li> <li>■ IPP business in the United States</li> <li>■ Domestic and overseas solar power generation business</li> <li>■ Coking coal business in Australia</li> <li>■ Investment in and operation of shopping centers in Japan</li> <li>■ Foods-related company in Vietnam</li> <li>■ Paper manufacturer in Vietnam etc.</li> </ul>
Investments and Loans Results	Approx. ¥ 91.0 billion
Asset Replacement	<ul style="list-style-type: none"> <li>■ Sales of an automotive-related company</li> <li>■ Sales of aircraft</li> <li>■ Sales of solar power generation business company</li> <li>■ Sales of oil and gas interests</li> <li>■ Sales of securities held by the company etc.</li> </ul>
Asset Replacement Results	Approx. ¥ 92.0 billion

# Summary of Investments and Loans by segment

(Billions of Yen)	FY2018 Results	Achievements	MTP 2020 Forecast	Main Businesses・Fields
<b>Automotive</b>	<b>5.0</b>	<ul style="list-style-type: none"> <li>Automobile dealership business in Russia</li> <li>Automobile wholesale business in Pakistan</li> </ul>	<b>30.0</b>	<ul style="list-style-type: none"> <li>Dealerships</li> </ul>
<b>Aerospace &amp; Transportation Project</b>	<b>12.0</b>	<ul style="list-style-type: none"> <li>Aircraft-related business</li> <li>Marine-related business</li> </ul>	<b>40.0</b>	<ul style="list-style-type: none"> <li>Broadening of aerospace operations</li> <li>Transportation and airport infrastructure</li> </ul>
<b>Machinery &amp; Medical Infrastructure</b>	<b>3.0</b>	<ul style="list-style-type: none"> <li>Engineering company in Thailand</li> </ul>	<b>15.0</b>	<ul style="list-style-type: none"> <li>Hospital operation and medical field businesses</li> </ul>
<b>Energy &amp; Social Infrastructure</b>	<b>30.0</b>	<ul style="list-style-type: none"> <li>IPP business in the United States</li> <li>Domestic and overseas solar power generation business</li> </ul>	<b>50.0</b>	<ul style="list-style-type: none"> <li>Power generation and other energy-related operations</li> <li>Digital social infrastructure</li> </ul>
<b>Metals &amp; Mineral Resources</b>	<b>14.5</b>	<ul style="list-style-type: none"> <li>Coking coal business in Australia</li> <li>CAPEX</li> </ul>	<b>35.0</b>	<ul style="list-style-type: none"> <li>Upstream interests (asset replacement) and CAPEX</li> </ul>
<b>Chemicals</b>	<b>5.5</b>	<ul style="list-style-type: none"> <li>Industrial salt business in India</li> <li>CAPEX</li> </ul>	<b>30.0</b>	<ul style="list-style-type: none"> <li>Gas- and chemical-related operations</li> <li>Overseas sales companies</li> </ul>
<b>Foods &amp; Agriculture Business</b>	<b>7.0</b>	<ul style="list-style-type: none"> <li>Foods-related company in Vietnam</li> <li>CAPEX</li> </ul>	<b>20.0</b>	<ul style="list-style-type: none"> <li>Construction of business foundations in Southeast Asia</li> </ul>
<b>Retail &amp; Lifestyle Business</b>	<b>8.5</b>	<ul style="list-style-type: none"> <li>Paper manufacturer in Vietnam</li> <li>Domestic investment in and operation of shopping centers</li> </ul>	<b>30.0</b>	<ul style="list-style-type: none"> <li>ASEAN Industrial material operations</li> <li>Retail related businesses</li> </ul>
<b>Industrial Infrastructure &amp; Urban Development</b>	<b>5.5</b>	<ul style="list-style-type: none"> <li>Industrial park businesses in Indonesia</li> <li>Domestic real estate business</li> </ul>	<b>20.0</b>	<ul style="list-style-type: none"> <li>Overseas industrial parks and urban infrastructure</li> <li>Domestic real estate businesses</li> </ul>
<b>Total</b>	<b>91.0</b>			

# Major One-time Gain/Loss for the Year

	FY2017 Results		FY2018 Results	
Non-Resource	¥ 2.8 billion	<ul style="list-style-type: none"> <li>• Automobile parts business</li> <li>• Infrastructure-related earnings</li> </ul> etc.	¥ 1.5 billion	<ul style="list-style-type: none"> <li>• Sale of automobile-related companies</li> <li>• Sales of aircraft</li> </ul> etc.
Resource	¥ (9.8) billion	<ul style="list-style-type: none"> <li>• Oil and gas interests</li> </ul>	¥ 0.4 billion	<ul style="list-style-type: none"> <li>• Sale of oil and gas interests</li> </ul> etc.
Total (After income tax expenses)	¥ (7.0) billion		¥ 1.9 billion	

# Growth of Resource and Non-Resource Profit

(Billions of yen)				Medium-Term Management Plan 2017		
	FY2017 Results	FY2018 Results	Difference	FY2015 Results	FY2016 Results	FY2017 Results
① Profit for the year (attributable to Owners of the Company)	56.8	70.4	+13.6	36.5	40.8	56.8
(② Total one-time income movements)	(7.0)	1.9	+8.9	0.0	(6.0)	(7.0)
① - ② Profit for the year [(attributable to owners of the Company)] (Excluding one-time income movements)	63.8	68.5	+4.7	36.5	46.8	63.8
Resource	13.8	25.3	+11.3	(0.5)	0.3	13.8
Non-Resource	50.0	43.2	(6.8)*	37.0	46.5	50.0

\* (2.0)billions of  
Other included

# Commodity Prices, Foreign Exchange, and Interest Rate

	FY2017 Results (Annual Avg.)	FY2018 Results (Annual Avg.)	FY2019 Initial Assumptions (Annual Avg.)	Latest Data (As of April 23, 2019)
Crude oil (Brent)	US\$57.9/bbl	US\$70.8/bbl	US\$60.0/bbl	US\$74.5/bbl
Thermal Coal *1	US\$93.9/t	US\$105.8/t	US\$80.0/t	US\$88.9/t
Exchange rate *2	¥110.7/US\$	¥111.1/US\$	¥110.0/US\$	¥111.9/US\$
Interest rate (TIBOR)	0.06%	0.07%	0.10%	0.07%

\*1 The results in the above table are cited from the GlobalCOAL NEWC Index and differ from our sales prices.

\*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.5 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.25 billion annually, and total equity by approx. ¥2.0 billion.

# 【Supplemental Data】

## Ⅱ . Segment Information

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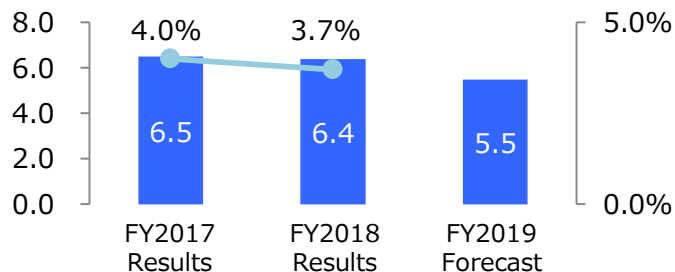


# Automotive



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

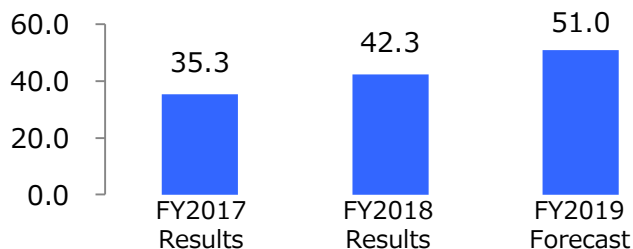


### 【FY2019 Outlook】

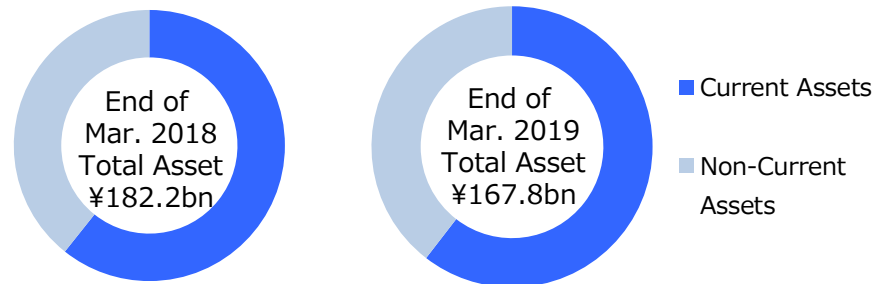
In spite of the absence of earnings from an automobile-related company sold in the previous fiscal year, earnings from existing and new consolidated subsidiaries anticipated

## Gross profit

(Billions of Yen)



## Asset Structure



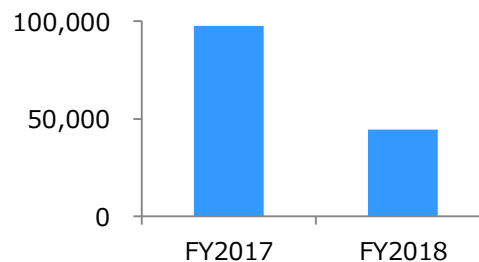
## FY2018 Results

(Billions of Yen)

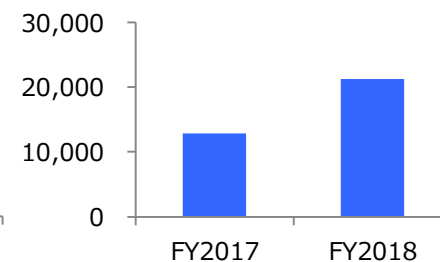
	FY2017 Results	FY2018 Results
Gross profit	35.3	42.3
Share of profit of investments accounted for using the equity method	1.8	0.3
Profit for the period (attributable to owners of the Company)	6.5	6.4
	End of Mar. 2018	End of Mar. 2019
Total assets	182.2	167.8

## Vehicle Sales

Distributor Business



Dealership Business (Unit)

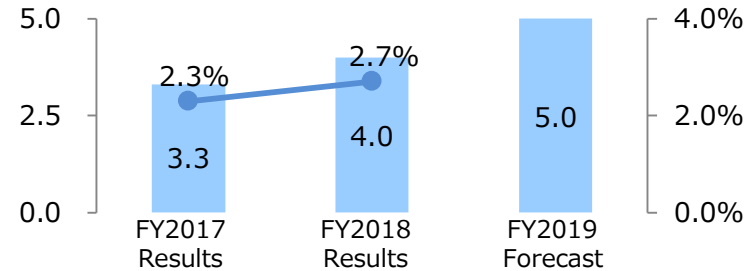


# Aerospace & Transportation Project



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

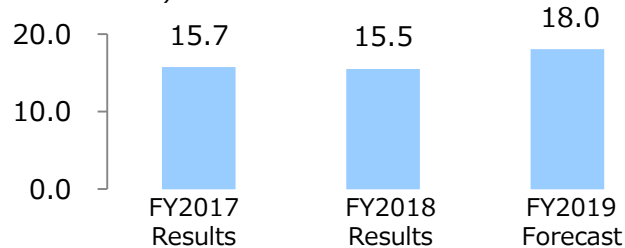


### 【FY2019 Outlook】

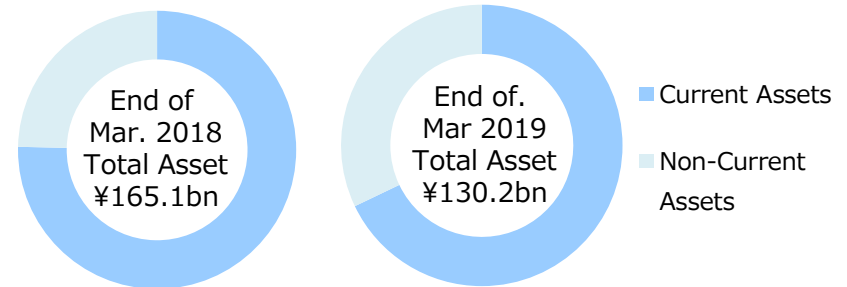
Higher earnings anticipated in conjunction with progress in aircraft-related business and railway projects

## Gross profit

(Billions of Yen)



## Asset Structure



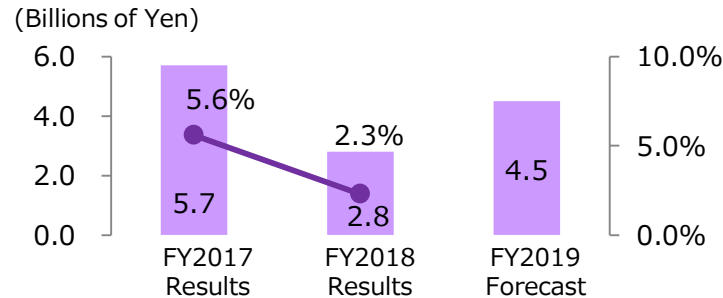
## FY2018 Results

(Billions of Yen)	FY2017 Results	FY2018 Results
Gross profit	15.7	15.5
Share of profit of investments accounted for using the equity method	0.4	1.0
Profit for the period (attributable to owners of the Company)	3.3	4.0
	End of Mar. 2018	End of Mar. 2019
Total assets	165.1	130.2

# Machinery & Medical Infrastructure



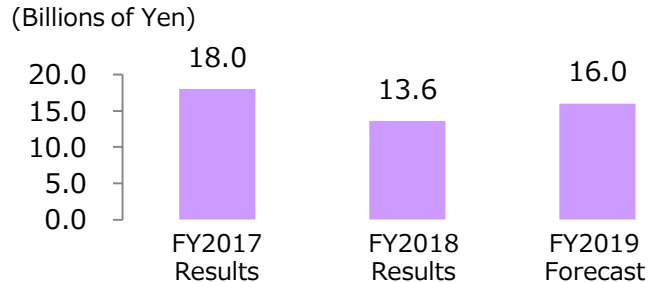
## Profit for the year (attributable to owners of the Company)/ROA



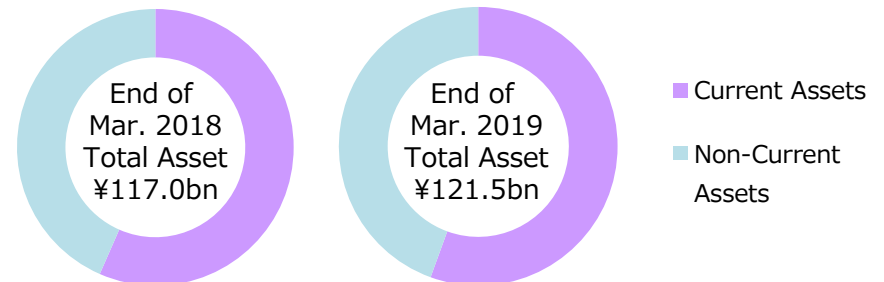
### 【FY2019 Outlook】

Higher profit from medical infrastructure-related businesses anticipated

## Gross profit



## Asset Structure



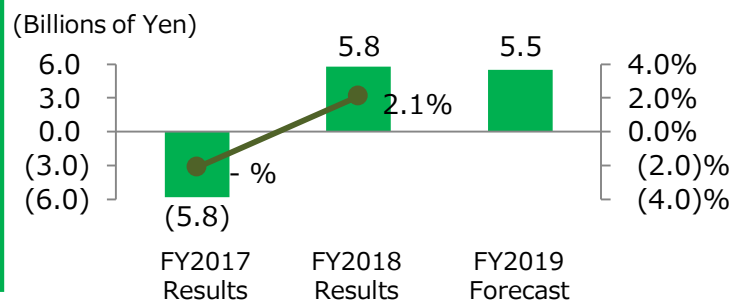
## FY2018 Results

(Billions of Yen)	FY2017 Results	FY2018 Results
Gross profit	18.0	13.6
Share of profit of investments accounted for using the equity method	0.6	0.9
Profit for the period (attributable to owners of the Company)	5.7	2.8
	End of Mar. 2018	End of Mar. 2019
Total assets	117.0	121.5

# Energy & Social Infrastructure



## Profit for the year (attributable to owners of the Company)/ROA

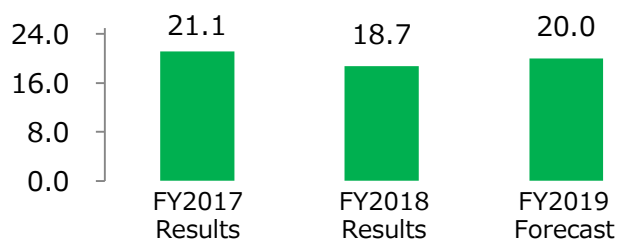


### 【FY2019 Outlook】

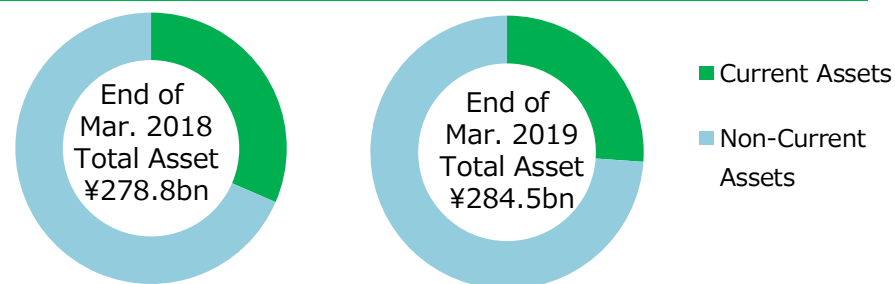
Earnings from existing and new development projects anticipated

## Gross profit

(Billions of Yen)



## Asset Structure

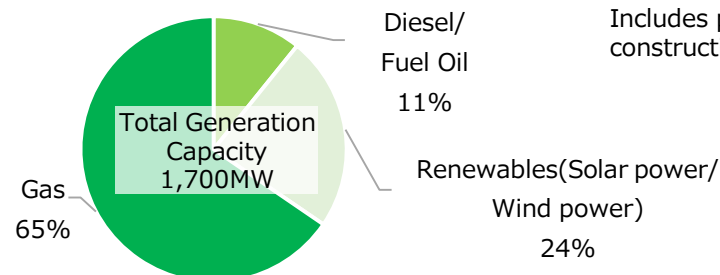


## FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	21.1	18.7
Share of profit of investments accounted for using the equity method	2.9	5.7
Profit (loss) for the period (attributable to owners of the Company)	(5.8)	5.8
	End of Mar. 2018	End of Mar. 2019
Total assets	278.8	284.5

## Power supply interest portfolio



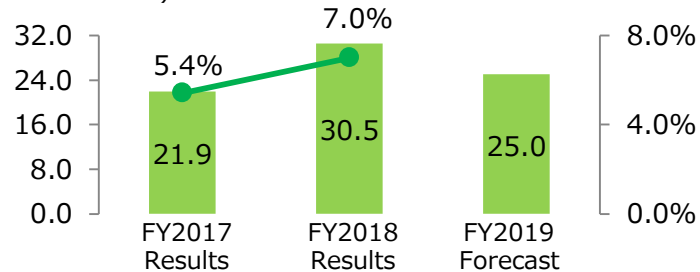
Note: As of end of May 2019  
Includes projects under construction

# Metals & Mineral Resources



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

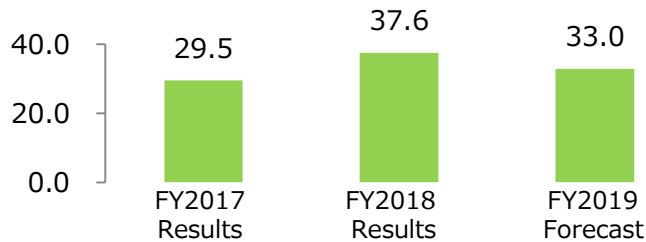


### 【FY2019 Outlook】

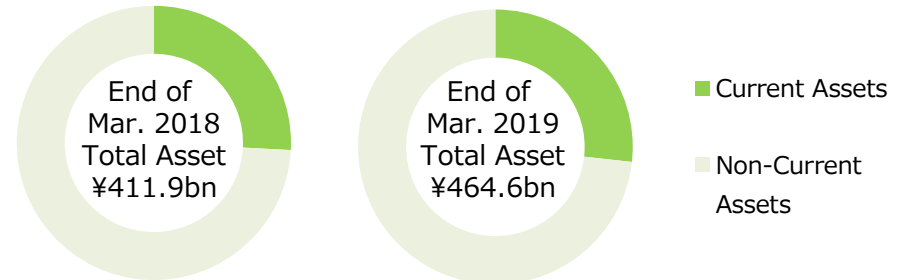
Conservative outlook for resource prices in the second half of the fiscal year incorporated into forecasts

## Gross profit

(Billions of Yen)



## Asset Structure

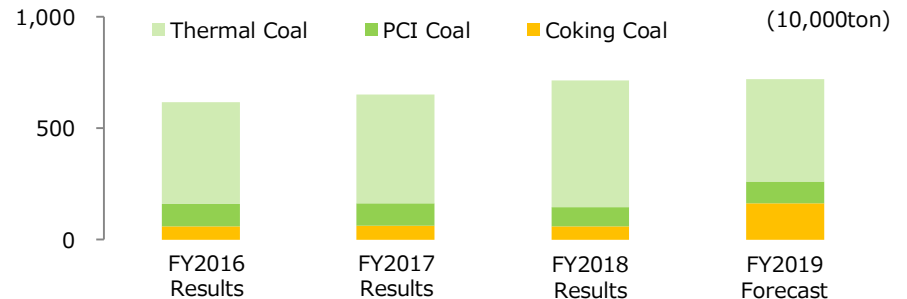


## FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	29.5	37.6
Share of profit of investments accounted for using the equity method	15.7	17.7
Profit for the period (attributable to owners of the Company)	21.9	30.5
	End of Mar. 2018	End of Mar. 2019
Total assets	411.9	464.6

## Sales Volume for Coal

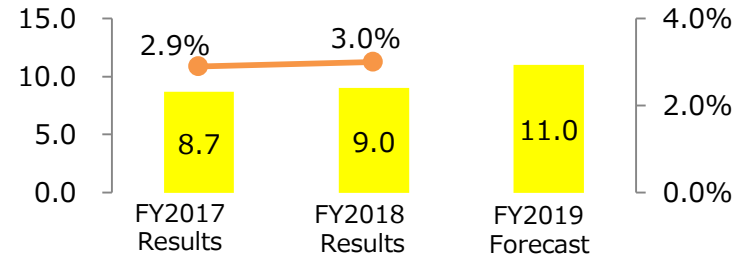


# Chemicals



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

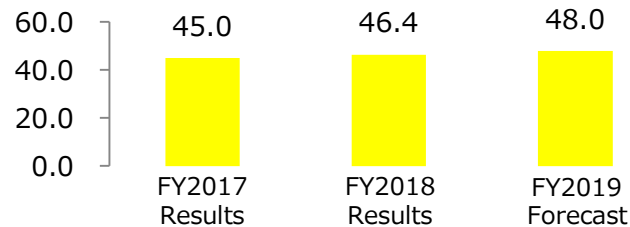


### **[FY2019 Outlook]**

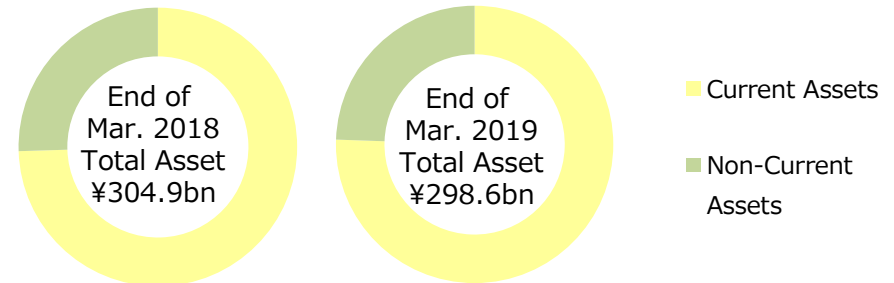
Rebound from one-time occurrences in the previous fiscal year and growth in existing businesses anticipated

## Gross profit

(Billions of Yen)



## Asset Structure

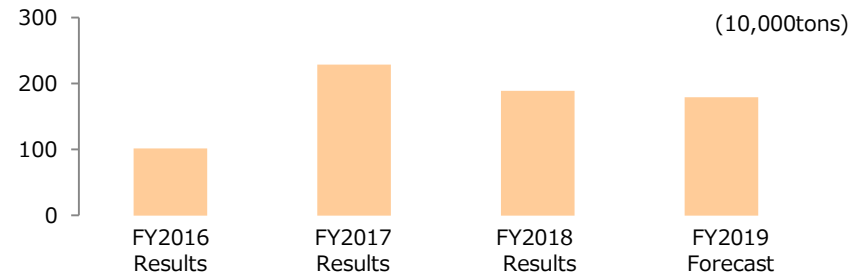


## FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	45.0	46.4
Share of profit of investments accounted for using the equity method	1.3	0.9
Profit for the period (attributable to owners of the Company)	8.7	9.0
	End of Mar. 2018	End of Mar. 2019
Total assets	304.9	298.6

## Sales Volume for Methanol



\* FY2017 or later includes the sales volumes of solvadis holdings S.a.r.l.

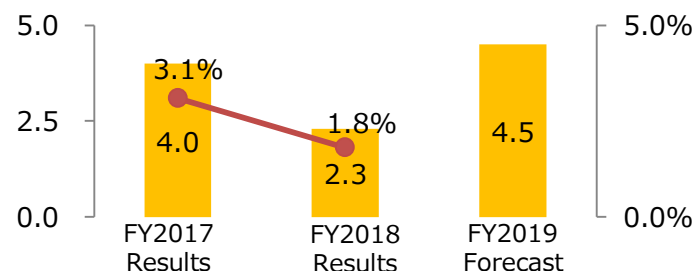


# Foods & Agriculture Business



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

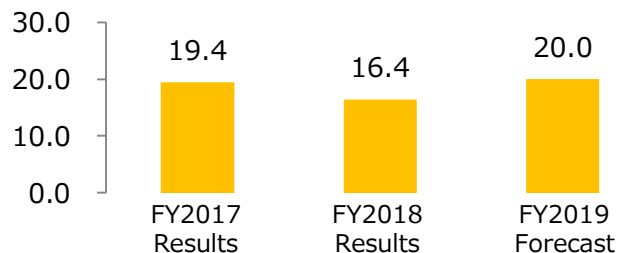


### 【FY2019 Outlook】

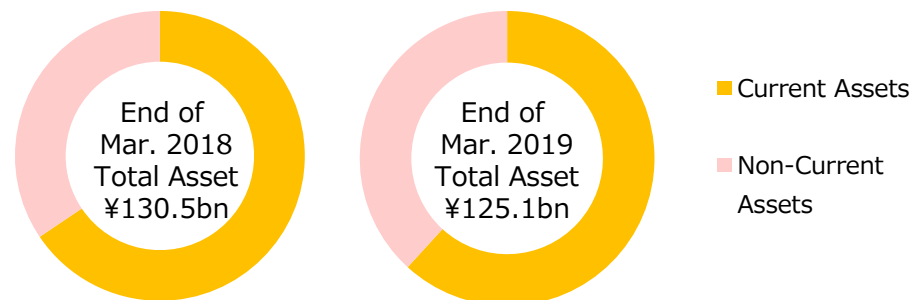
Higher earnings anticipated due to reconsideration of sales method in overseas fertilizer operations and improved profits from new projects

## Gross profit

(Billions of Yen)



## Asset Structure



## FY2018 Results

(Billions of Yen)

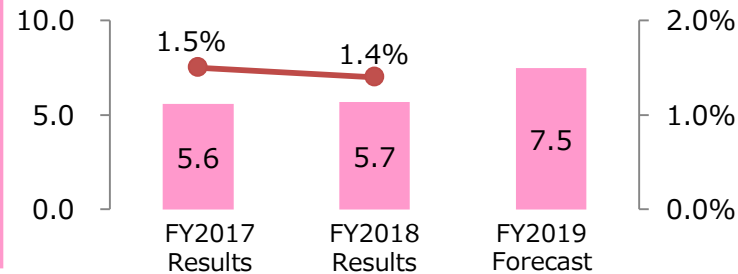
	FY2017 Results	FY2018 Results
Gross profit	19.4	16.4
Share of profit of investments accounted for using the equity method	0.6	0.2
Profit for the period (attributable to owners of the Company)	4.0	2.3
	End of Mar. 2018	End of Mar. 2019
Total assets	130.5	125.1

# Retail & Lifestyle Business



## Profit for the year (attributable to owners of the Company)/ROA

(Billions of Yen)

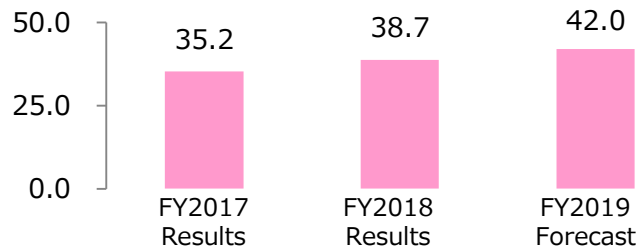


### 【FY2019 Outlook】

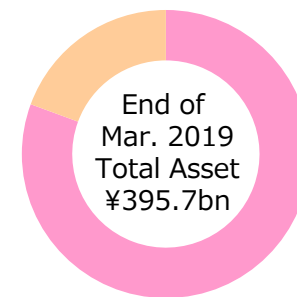
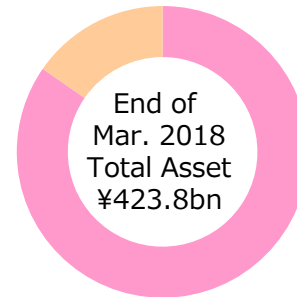
Improved profits from overseas retail operations and earnings contributions from new investments and loans anticipated

## Gross profit

(Billions of Yen)



## Asset Structure



■ Current Assets  
■ Non-Current Assets

## FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	35.2	38.7
Share of profit (loss) of investments accounted for using the equity method	0.3	(0.1)
Profit for the period (attributable to owners of the Company)	5.6	5.7
	End of Mar. 2018	End of Mar. 2019
Total assets	423.8	395.7

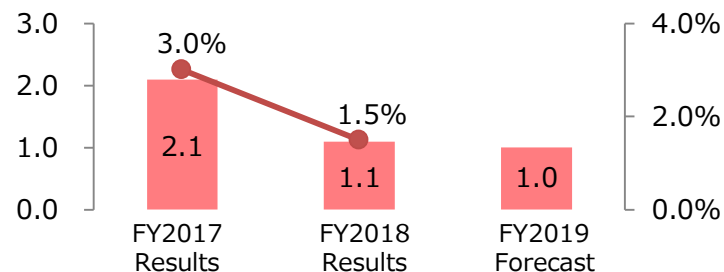


# Industrial Infrastructure & Urban Development



## Profit for the period (attributable to owners of the Company)/ROA

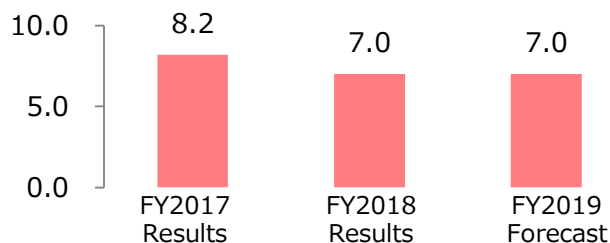
(Billions of Yen)



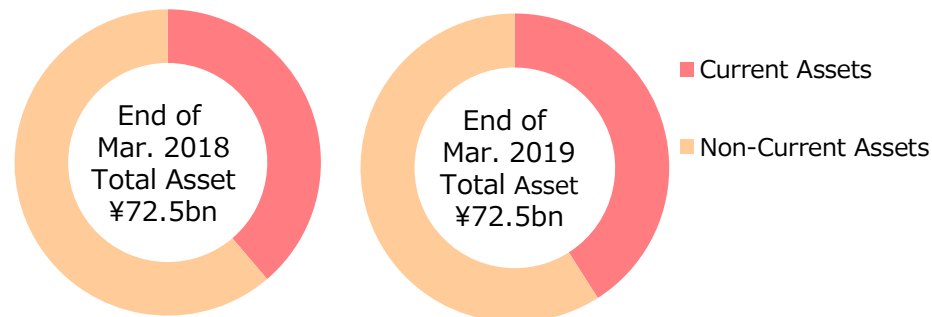
**【Progress Overview】**  
Earnings from overseas industrial park operations anticipated

## Gross profit

(Billions of Yen)



## Asset Structure



## FY2018 Results

(Billions of Yen)

	FY2017 Results	FY2018 Results
Gross profit	8.2	7.0
Share of profit of investments accounted for using the equity method	1.3	0.9
Profit for the period (attributable to owners of the Company)	2.1	1.1
	End of Mar. 2018	End of Mar. 2019
Total assets	72.5	72.5

# Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017	FY2018	Difference
■ Automotive	Sojitz Automotive Group	Subsidiary	1.1	1.1	0.0
■ Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	1.1	1.6	0.5
■ Automotive	Subaru Motor LLC	Subsidiary	0.5	(0.1)	(0.6)
■ Automotive	Sojitz Quality, Inc	Subsidiary	0.2	0.4	0.2
■ Aerospace & Transportation Project	Sojitz Aerospace Corporation	Subsidiary	1.1	1.0	(0.1)
■ Aerospace & Transportation Project	Sojitz Marine & Engineering Corporation	Subsidiary	0.7	0.6	(0.1)
■ Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Subsidiary	1.3	1.2	(0.1)
■ Machinery & Medical Infrastructure	Sojitz Hospital PPP Investment B.V.	Subsidiary	0.8	2.0	1.2
■ Machinery & Medical Infrastructure	First Technology China Ltd.	Subsidiary	0.5	0.5	0.0
■ Energy & Social Infrastructure	Nissho Electronics Corporation	Subsidiary	1.8	1.2	(0.6)
■ Energy & Social Infrastructure	Tokyo Yuso Corporation	Subsidiary	0.5	0.3	(0.2)
■ Energy & Social Infrastructure	LNG Japan Corporation	Associate	2.3	4.0	1.7
■ Metals & Mineral Resources	Sojitz Coal Resources Pty. Ltd.	Subsidiary	6.8	8.3	1.5
■ Metals & Mineral Resources	Sojitz Moolarben Resources Pty. Ltd.	Subsidiary	3.3	4.0	0.7
■ Metals & Mineral Resources	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	0.1	1.6	1.5
■ Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	0.6	0.6	0.0
■ Metals & Mineral Resources	Metal One Corporation	Associate	9.4	10.1	0.7

\*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	FY2017	FY2018	Difference
Chemicals	Sojitz Pla-Net Corporation	Subsidiary	2.0	1.4	(0.6)
Chemicals	PT. Kaltim Methanol Industri	Subsidiary	2.6	4.8	2.2
Chemicals	solvadis deutschland gmbh*	Subsidiary	0.6	0.4	(0.2)
Foods & Agriculture Business	Atlas Fertilizer Corporation	Subsidiary	0.6	0.5	(0.1)
Foods & Agriculture Business	Japan Vietnam Fertilizer Company	Subsidiary	0.7	0.4	(0.3)
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Subsidiary	0.8	0.4	(0.4)
Retail & Lifestyle Business	Sojitz Foods Corporation	Subsidiary	2.2	2.4	0.2
Retail & Lifestyle Business	Sojitz Fashion Co., Ltd.	Subsidiary	0.7	0.7	0.0
Industrial Infrastructure & Urban	Sojitz New Urban Development Corporation	Subsidiary	1.1	0.5	(0.6)

\*solvadis holding S.a.r.l is merged with solvadis deutschland gmbh and changed the name of the company from November 1, 2018.

\*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.

For information on the following listed companies, please refer to their respective corporate websites.

Energy & Social Infrastructure Division: SAKURA Internet Inc. (equity-method associate)

Chemicals Division: Pla Matels Corporation (consolidated subsidiary)

Foods & Agriculture Business Division: Fuji Nihon Seito Corporation (equity-method associate), Thai Central Chemical Public Company Limited (consolidated subsidiary)

Retail & Lifestyle Business Division: JALUX Inc. (equity-method associate), Tri-Stage inc. (equity-method associate)

Industrial Infrastructure & Urban Development Division: PT. Puradelta Lestari. Tbk (equity-method associate)

【Supplemental Data】

Ⅲ. Summary of Financial Results

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# Summary of Profit or Loss (Results)

(Billions of Yen)	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
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	4,209.1	–
Revenue	–	–	–	–	2,006.6	1,747.8	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	1,856.2
Gross profit	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0
Operating profit	92.4	52.0	16.1	37.5	57.5	25.5	23.7	33.6	29.2	51.6	59.8	–
Share of profit (loss) of investments accounted for using the equity method	28.9	2.5	9.2	19.3	16.3	15.8	31.0	28.6	23.2	12.7	25.1	27.8
Profit before tax	88.4	37.1	18.9	39.3	58.5	28.1	44.0	52.6	44.3	58.0	80.3	94.9
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	56.8	70.4
Core earnings	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2
ROA	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%
ROE	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%

(\*) 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 Mar. 2018	End of Mar. 2019
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	2,350.4	2,297.1
Total equity	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	618.2
Equity ratio	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%
Net interest-bearing debt	918.9	865.3	737.8	700.6	676.4	643.3	640.2	629.6	571.6	611.1	603.5	584.7
Net DER (times)	1.9	2.7	2.1	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0
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	350.0 0.6	360.0 0.6
Current ratio	121.1%	141.7%	152.7%	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%
Long-term debt ratio	54.0%	66.7%	74.3%	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%

(\*) 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.

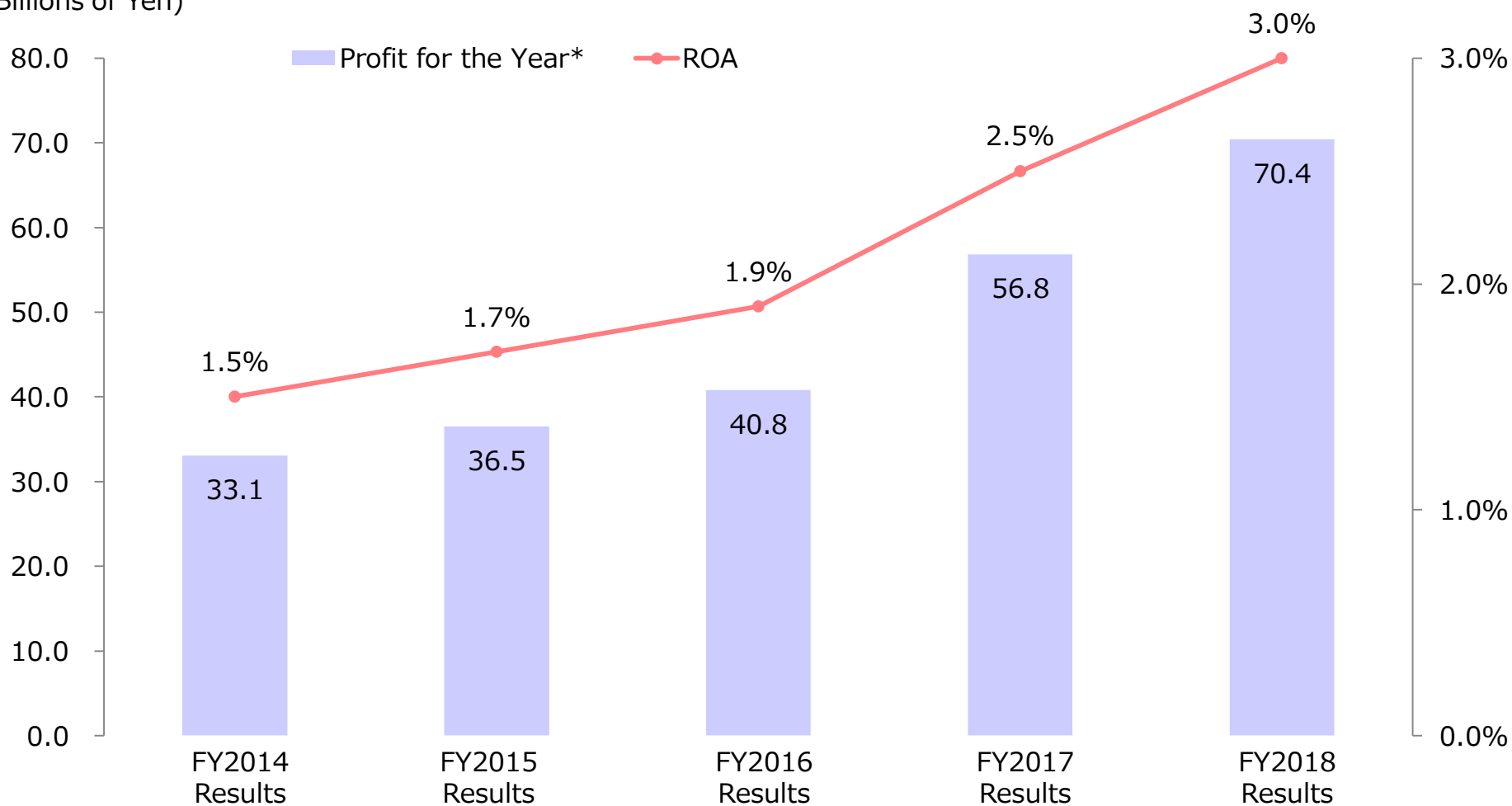
# Summary of Cash Flow (Results)

(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 Mar. 2018	End of Mar. 2019
Core cash flow	-	-	-	-	-	-	-	-	18.3	5.5	(56.7)	63.1
Free cash flow	(33.3)	86.5	135.7	48.0	46.4	43.4	22.5	25.3	66.0	(31.3)	12.4	54.3
Core operating cash flow	-	-	-	-	-	-	-	-	60.0	59.4	82.9	79.1
Cash flow from operating activities	35.4	103.7	107.2	67.9	88.7	55.1	47.0	39.1	99.9	0.9	98.8	96.5
Cash flow from investment activities	(68.7)	(17.2)	(28.4)	(19.9)	(42.3)	(11.7)	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)
Cash flow from financing activities	(53.7)	(6.0)	(102.6)	(72.1)	(29.5)	(56.2)	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)
Investments and loans	110.0	100.0	27.0	73.0	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0

※Core cash flow = Core operating cash flow + Investing cash flow (including asset replacement) – Dividends paid  
 (Post-adjustment net cash provided by (used in) investing activities is net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

# Summary of Profit or Loss

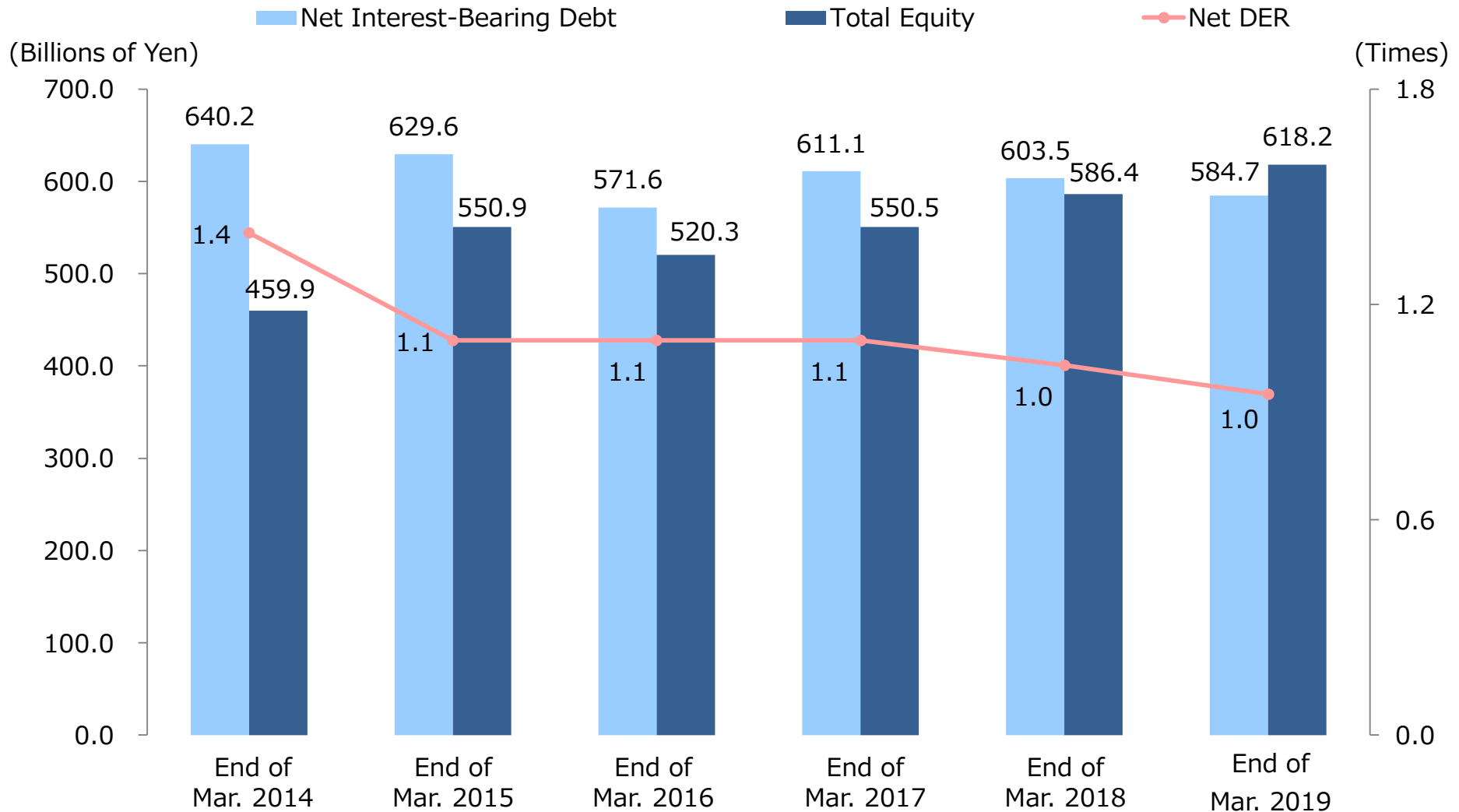
(Billions of Yen)



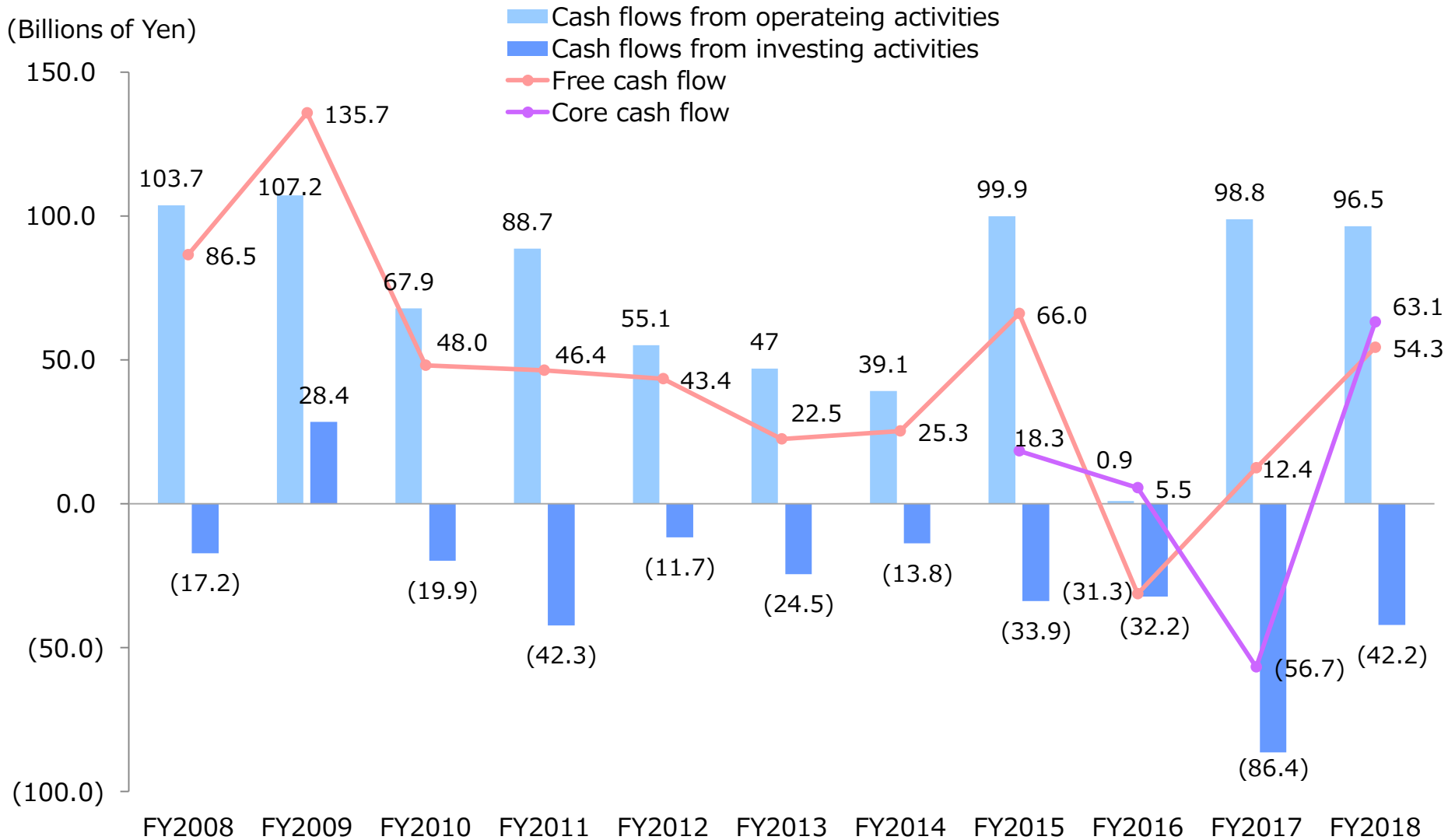
\* Attributable to owners of the Company



# Summary of Balance Sheets



# Summary of Cash Flow





***sojitz***

***New way, New value***