

Summary of Consolidated Financial Results for the First Quarter Ended June 30, 2021 (IFRS)

August 3, 2021

Sojitz Corporation

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

Listed stock exchange: The first section of Tokyo

Security code: 2768

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Scheduled date of delivery of dividends: -

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Quarter Ended June 30, 2021 (April 1, 2021 - June 30, 2021)

(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, 2021 | 492,842 | 41.1 | 23,213 | 801.5 | 18,008 | 559.6 | 16,924 | 610.1 | 37,681 | 766.6 |
| June 30, 2020 | 349,280 | (20.2) | 2,574 | (85.8) | 2,730 | (82.2) | 2,383 | (83.3) | 4,348 | - |

| | Basic earnings per share | Diluted earnings per share |
|-----------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| For the first quarter ended | | |
| June 30, 2021 | 14.18 | 14.18 |
| June 30, 2020 | 1.98 | 1.98 |

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

(2) Consolidated Financial Position

| | Total assets | Total equity | Total equity attributable to owners of the Company | Total equity attributable to owners of the Company ratio |
|----------------|-----------------|-----------------|--|--|
| | Millions of Yen | Millions of Yen | Millions of Yen | % |
| As of | | | | |
| June 30, 2021 | 2,449,380 | 679,792 | 645,161 | 26.3 |
| March 31, 2021 | 2,300,115 | 654,639 | 619,111 | 26.9 |

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, 2021 | - | 5.00 | - | 5.00 | 10.00 |
| March 31, 2022 | - | | | | |
| March 31, 2022 (forecast) | | 7.00 | - | 7.00 | 14.00 |

Note :

- Changes in cash dividend forecast : No
- The Company intends a one-for-five reverse stock split affecting shares of common stock to be conducted with an effective date of October 1, 2021. Accounting for the impacts of this share consolidation, the Company plans to issue a year-end dividend of ¥ 35.00 per share.

3. Consolidated Earnings Forecast for the Year Ending March 31, 2022 (April 1, 2021 - March 31, 2022)

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, 2022 | | | |
| Full-year | 53,000 | 96.3 | 44.20 |

Note:

- Changes in full-year earnings forecast : No
- Basic earnings per share is calculated based on Profit attributable to owners of the Company.
- Basic earnings per share is without taking into consideration the impacts of reverse stock split with an effective date of October 1, 2021.

4. Others

(1) Changes in major subsidiaries during the period
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : No
2. Changes due to other reasons : No
3. Accounting estimate change : No

(3) Number of outstanding shares at the end of the periods (Common Stock):

1. Number of outstanding shares at the end of the periods (Including treasury shares):

As of June 30, 2021: 1,251,499,501 As of March 31, 2021: 1,251,499,501

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

As of June 30, 2021 : 68,855,773 As of March 31, 2021 : 52,404,470

3. Average number of outstanding shares during the periods:

For the first quarter ended June 30, 2021 (accumulative): 1,193,580,908

For the first quarter ended June 30, 2020 (accumulative): 1,201,772,967

Note: 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; 1,538,215 stocks in the first quarter ended June 30, 2021 and 1,547,972 stocks in the financial year ended March 2021.

* 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, 2021

Economic Environment

In the three-month period ended June 30, 2021, economic recovery was seen in certain regions as a result of efforts for responding to the COVID-19 pandemic, including vaccine rollouts, substantial financial easing measures, and the expansion of public finance and other government measures seen centered developed countries. At the same time, there is a need for ongoing caution with regard to growing credit costs and the deterioration of performance at companies in tourism, service, and other industries.

Economic activity in the United States showed a smooth recovery due to the benefits of COVID-19 vaccine rollouts and large-scale economic stimulus measures. However, rises in cases of infection by the COVID-19 Delta variant present the risk that future trends in the pandemic may slow the pace of economic recovery. Meanwhile, there are signs that inflation may accelerate as a result of the sharp increases in demand for general consumer goods, resources, and energy. Accordingly, the cancelation of the Federal Reserve Board's monetary easing measures will likely be dependent upon the recovery of the labor market.

In Europe, economic recovery trends are being witnessed as activity restrictions are alleviated. However, differences in job markets and wage conditions are being seen between European Union countries. Also, it is likely that the European Central Bank will maintain its stance toward monetary easing even after the conclusion of its pandemic emergency purchase programme. Meanwhile, companies have been accumulating debt amid the COVID-19 pandemic, creating a risk of companies exhibiting reluctance to conduct capital investments or otherwise showing diminished productivity.

China succeeded in quickly getting the COVID-19 pandemic under control, and the country has thus become a driving force behind the recovery of the Asian economy. At the same time, there has been a substantial increase in investment as part of China's Belt and Road Initiative for investing in countries along overland distribution routes in comparison to the depressed state seen in 2020. Conversely, anti-China pressure from Western countries is growing. Examples of this pressure include export and investment restrictions placed on several Chinese companies by the United States. This pressure indicates a need to monitor risks pertaining to businesses serving China.

In Asia, COVID-19 cases are rising in countries such as Vietnam, which had previously been enjoying an economic recovery trend driven by exports. Accordingly, the International Monetary Fund has greatly downgraded its 2021 growth forecast for ASEAN and other emerging Asian countries. At the same time, trade with China continues to increase, even amid the COVID-19 pandemic, and the Regional Comprehensive Economic Partnership agreement expected to be concluded within 2021 is anticipated to stimulate trade within Asia.

Any improvements seen in the Japanese economy were quickly undone by the impacts of the COVID-19 pandemic, causing a clear divide between the strong-performing manufacturing industry and the weak consumer service industry. It is projected that the Japanese economy will continue to be supported by exports to recovering overseas markets for the foreseeable future. However, there is some hope that consumer spending will pick up when the Japanese

population becomes widely vaccinated.

Financial Performance

Sojitz Corporation's consolidated business results for the first quarter ended June 30, 2021 are presented below.

| | |
|-------------------------------------|--|
| Revenue | Revenue was up 41.1% year on year, to ¥492,842 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal and precious metals as well as growth in precious metal transactions; in the Chemicals Division, a result of higher methanol prices and growth in plastic resin transactions; and in the Automotive Division, a result of increased sales volumes in overseas automotive businesses. |
| Gross profit | Gross profit was up ¥17,491 million year on year, to ¥56,446 million, due to higher revenue in the Automotive Division, a result of increased sales volumes in overseas automotive businesses; in the Chemicals Division, a result of higher methanol prices and growth in plastic resin transactions; and in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal. |
| Profit before tax | Profit before tax was up ¥20,639 million year on year, to ¥23,213 million, as a result of increases in gross profit and share of profit of investments accounted for using the equity method. |
| Profit for the period | After deducting income tax expenses of ¥5,204 million from profit before tax of ¥23,213 million, profit for the period amounted to ¥18,008 million, up ¥15,278 million year on year. Profit for the period (attributable to owners of the Company) increased ¥14,541 million year on year, to ¥16,924 million. |
| Comprehensive income for the period | Comprehensive income for the period of ¥37,681 million was recorded, up ¥33,333 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. Comprehensive income for the period (attributable to owners of the Company) was ¥36,541 million, an increase of ¥33,324 million. |

Results for the three-month period ended June 30, 2021, are summarized by segment below.

Effective April 1, 2021, the Machinery & Medical Infrastructure Division, Energy & Social Infrastructure Division, and part of the Industrial Infrastructure & Urban Development Division were reorganized into the Infrastructure & Healthcare Division.

The Foods & Agriculture Business Division, Retail & Lifestyle Business Division, and part of the Industrial Infrastructure & Urban Development Division were reorganized into the Consumer Industry & Agriculture Business Division and the Retail & Consumer Service Division.

The Metals & Mineral Resources Division was renamed the Metals, Mineral Resources & Recycling Division.

In addition, the car and motorcycle parts, ship equipment, industrial machinery, forefront industry business, bearing, and nuclear power-related equipment businesses previously included in the Automotive Division, the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division were transferred to the Others segment .

Automotive

Revenue was up 145.1% year on year, to ¥56,877 million, due to higher sales volumes in overseas automobile transactions. Profit for the period (attributable to owners of the Company) rose ¥2,877 million, to ¥1,113 million, as a result of an increase in gross profit.

Aerospace & Transportation Project

Revenue was up 62.4% year on year, to ¥6,324 million, due to the acquisition of railcar leasing business in North America. Profit for the period (attributable to owners of the Company) increased ¥448 million, to ¥146 million, as a result of an increase in gross profit.

Infrastructure & Healthcare

Revenue was up 5.5% year on year, to ¥14,976 million, due to higher earnings at IT system subsidiaries. Profit for the period (attributable to owners of the Company) decreased ¥1,400 million, to ¥818 million, despite an increase in gross profit, as other income was down due to the absence of a gain on a partial sale of a natural gas-fired power project company recorded in the previous equivalent period.

Metals, Mineral Resources & Recycling

Revenue was up 57.0% year on year, to ¥124,119 million, due to higher prices for coal and precious metals as well as growth in precious metal transactions. Profit for the period (attributable to owners of the Company) increased ¥7,942 million, to ¥5,972 million, as a result of an increase in gross profit as well as increase in share of profit of investments accounted for using the equity method associated with higher profit of steel operating company.

Chemicals

Revenue was up 45.9% year on year, to ¥133,651 million, due to higher methanol prices and growth in plastic resin transactions. Profit for the period (attributable to owners of the Company) increased ¥3,985 million, to ¥4,009 million, as a result of an increase in gross profit.

Consumer Industry & Agriculture Business

Revenue was up 16.9% year on year, to ¥71,384 million, due to higher sales volumes in overseas fertilizer businesses. Profit for the period (attributable to owners of the Company) increased ¥910 million, to ¥2,984 million, as a result of an increase in gross profit.

Retail & Consumer Service

Revenue was up 13.3% year on year, to ¥51,743 million, due to higher sales volumes in meat transaction. Profit for the period (attributable to owners of the Company) increased ¥483 million, to ¥611 million, as a result of an increase in gross profit.

(2) Financial Position

Consolidated Balance Sheet

Total assets on June 30, 2021, were ¥2,449,380 million, up ¥149,265 million from March 31, 2021, following the increase in trade and other receivables under current assets associated with wheat and iron ore and the increase in inventories associated with aircraft and real estate for sale.

Total liabilities on June 30, 2021, amounted to ¥1,769,587 million, up ¥124,111 million from March 31, 2021, as results of the increase in trade and other payables under current liabilities associated

with wheat and iron ore and the increase in interest-bearing debt attributable to new borrowings.

Total equity attributable to owners of the Company was ¥645,161 million on June 30, 2021, up ¥26,050 million from March 31, 2021. 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 and stock price fluctuations.

Consequently, on June 30, 2021, the current ratio was 158.3%, the long-term debt ratio was 81.2%, and the equity ratio* was 26.3%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥693,498 million on June 30, 2021, ¥82,821 million increase from March 31, 2021. This resulted in the Company's net debt equity ratio* equaling 1.08 times at June 30, 2021.

(*) 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 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.

As one source of long-term funding, Sojitz issued ¥10 billion straight bonds in May 2021. 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 ¥120 billion long-term commitment line (which remains unused) and a long-term commitment line totaling US\$1.8 billion (of which US\$1.02 billion has been used).

Consolidated Cash Flows

In the three-month period ended June 30, 2021, operating activities provided net cash flow of ¥18,796 million, investing activities provided net cash flow of ¥42,518 million, and financing activities provided net cash flow of ¥56,138 million. Sojitz ended the period with cash and cash equivalents of ¥282,534 million, adjusted to reflect foreign currency translation adjustments related to cash and cash equivalents.

(Cash flows from operating activities)

Net cash used in operating activities amounted to ¥18,796 million, an increase of ¥34,494 million year on year, mainly as a result of increase in inventories, etc.

(Cash flows from investing activities)

Net cash used in investing activities totaled ¥42,518 million, up ¥45,450 million year on year, mainly as a result of aircraft transactions and investment for natural gas-fired power and desalination.

(Cash flows from financing activities)

Net cash provided by financing activities totaled ¥56,138 million, up ¥46,646 million year on year. This outcome was primarily a result of proceeds from borrowings, which offset outflows for

dividends paid and acquisition of treasury stock.

(3) Consolidated Earnings Forecast

Current forecast for fiscal year 2021 is as follow.

| | |
|---|---------------|
| Profit for the year (Attributable to owners of the Company) | ¥53.0 billion |
|---|---------------|

The above forecast assumes a yen/dollar rate of ¥108/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. Group Business Operations

Sojitz Group is engaged in a wide range of businesses on a global basis as a general trading company. Our main businesses are trading, import, and export of products, domestic and overseas manufacture and sale of a diverse array of products, provision of services in Japan and overseas, planning and organizing of various projects, investment in diversified business areas, and financial activities. The Group consists of 427 consolidated subsidiaries and equity method associates, including 297 consolidated subsidiaries and 130 equity method associates. (Of these, the Company directly performs consolidation accounting for a total of 259 companies consisting of 178 consolidated subsidiaries and 81 equity method associates.) Due to the reorganization effective April 1, 2021, the Machinery & Medical Infrastructure Division, the Energy & Social Infrastructure Division, and the Industrial Infrastructure & Urban Development were reorganized to the Infrastructure & Healthcare Division. The Foods & Agriculture Business Division, and the Retail & Lifestyle Business Division were reorganized to the Consumer Industry & Agriculture Business Division, and the Retail & Consumer Service Division. The Metals & Mineral Resources Division was renamed the Metals, Mineral Resources & Recycling Division. In addition, the car and motorcycle parts, ship equipment, industrial machinery/machine tools, advanced industrial equipment, bearing, and nuclear power-related equipment businesses previously included in the Automotive Division, the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division were transferred to the Others segment. The following table lists our products, services, and main subsidiaries and affiliates by industry segment.

As of June 30, 2021

| Segment | Main products and services | Main subsidiaries and associates (Main business; Status within consolidated group) |
|--|--|--|
| Automotive Number of consolidated subsidiaries : 25 Number of equity method associates: 4 | Trading of completed automobiles; assembly and sales; retail; quality inspection operations; financing; sales and service operations incorporating digital technologies | - Subaru Motor LLC (Import and exclusive distribution of Subaru automobiles in Russia; Subsidiary) |
| Aerospace & Transportation Project Number of consolidated subsidiaries : 38 Number of equity method associates: 11 | Aero business (Commercial aircraft, defense and related equipment agency and sales, business jets, used aircraft and part-out business); Transportation and social infrastructure projects (transportation projects; airport, port, and other social infrastructure projects) Marine business (New building, second-hand ships, purchase and charter of new and used vessels, ship chartering, ship owning) | - Sojitz Aerospace Corporation (Import, export and sale of aero-related and defense-related equipment; Subsidiary) - Royal In-flight Catering Co., Ltd. (Preparation, sale, and loading of in-flight meals, food sales, bonded warehouse business; Subsidiary) |
| Infrastructure & Healthcare Number of consolidated subsidiaries : 48 Number of equity method associates: 38 | Infrastructure & Environment (Renewable energy IPP infrastructure investment, Renewable energy-related service project); power infrastructure projects (WPP energy management, power plant EPC business); energy (Oil and gas; petroleum products; LNG and LNG-related business); nuclear power related business (nuclear fuels); social infrastructure projects (telecommunications infrastructure projects, energy management, next-generation infrastructure projects utilizing IoT, AI, and big data; smart cities project, sales and maintenance of communications and IT equipment; systems integration, software development and sales, cloud services, and managed services); healthcare project (Hospital PPP, Medical-related service, healthcare new technology); urban infrastructure (Industrial park, housing, office, etc.) | - Nissho Electronics Corporation (IT systems, network services; Subsidiary) - Tokyo Yuso Co., Ltd. (Tank storage operations of petroleum and chemical products etc., storage, logistics; Subsidiary) - Sojitz Hospital PPP Investment B.V. (Investment in hospital PPP business; Subsidiary) - Sojitz Global Investment B.V. (Investment in power generation projects; Subsidiary) - Blue Horizon Power International Ltd. (Investment in power generation projects; Subsidiary) - Sojitz Healthcare Australia Ltd. (Investment in hospital PPP business; Subsidiary) - LNG Japan Corporation (LNG business and related investments and loans; Equity method associate) - SAKURA Internet Inc. (cloud services and internet data center operator; Equity method associate) *1 - PT. Puradelta Lestari Tbk (New city development including development and management of industrial park; Equity method associate) - Qualitas Medical Limited (Clinic Chains; Equity method associate) |
| Metals, Mineral Resources & Recycling Number of consolidated subsidiaries : 28 Number of equity method associates: 17 | Coal; iron ore; ferroalloys (nickel, chromium, Niobium), ores, alumina, aluminum, copper, zinc, tin, precious metals, ceramics and minerals; coke; carbon products; infrastructure businesses; steel-related business | - Sojitz Ject Corporation (Coke, carbon products, trading in various minerals; Subsidiary) - Sojitz Development Pty Ltd. (Investment in coal mines; Subsidiary) - Sojitz Resources (Australia) Pty. Ltd. (Production of alumina; Subsidiary) - Sojitz Moly Resources, Inc. (Investment in molybdenum mines; Subsidiary) - Metal One Corporation (Import, export, and sale of, and domestic and foreign trading in, steel-related products; Equity method associate) - Coral Bay Nickel Corporation (Production and sale of nickel and cobalt mixed sulfide; Equity method associate) - Japan Alumina Associates (Australia) Pty. Ltd. (Production of alumina; Equity method associate) - Cariboo Copper Corporation (Investment in copper mine; Equity method associate) |
| Chemicals Number of consolidated subsidiaries : 30 Number of equity method associates: 13 | Organic chemicals; inorganic chemicals; functional chemicals; fine chemicals; industrial salt; healthcare and natural products; rare earths; commodity resins; advanced resins; environmentally friendly resins; packaging materials for industry and foodstuffs; advanced film; plastic molding machines; other plastic products; electronics materials including liquid crystals and electrolytic copper foil; printed circuit board electronics materials; fiber materials and products for use in industrial | - Sojitz Pla-Net Corporation (Trading and sale of plastics raw materials and products; Subsidiary) - Pla Mats Corporation (Trading and sale of plastics raw materials and products; Subsidiary) - P. T. Kaltim Methanol Industri (Manufacture and sale of methanol; Subsidiary) - solvadis deutschland gmbh (Trading and sale of chemical products; Subsidiary) |
| Consumer Industry & Agriculture Business Number of consolidated subsidiaries : 26 Number of equity method associates: 11 | Grains; flour; oils and fats; oil stuff; feed materials; marine products; processed seafood; sweets; raw ingredients for sweets; other foodstuffs and raw ingredients; compound chemical fertilizers; construction materials; imported timber; timber products such as lumber, plywood, and laminated lumber; housing materials; manufacture and sale of wood chips; household- and industrial-use paper | - Sojitz Building Materials Corporation (Sale of construction materials; Subsidiary, construction planning, research, design, supervision and contracting) - Thai Central Chemical Public Co., Ltd (Manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary) - Saigon Paper Corporation (Manufacture and sale of household and industrial paper and other paper products; Subsidiary) - Atlas Fertilizer Corporation (Manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary) |
| Retail & Consumer Service Number of consolidated subsidiaries : 20 Number of equity method associates: 13 | Cotton and synthetic fabrics; knitted fabrics and products; clothing; medical material; imported tobacco; livestock and aquaculture products; processed livestock and aquaculture products; fruits and vegetables; frozen vegetables; frozen foods; sweets; raw ingredients for sweets; sugar; other foodstuffs and raw ingredients; administration of shopping centers; bedclothes and home fashion-related products; general commodities; processing and production of prepared food; wholesale food; convenience store business; foodservice business; real estate development, consignment sales, rent, administration and management businesses (housing, office, etc.) | - Sojitz Foods Corporation (Sale of sugar, dairy products, farmed and marine products, processed foods, and other foodstuffs; Subsidiary) - Daiichibo Co., Ltd. (Manufacture and sale of textiles, storage distribution; Subsidiary) - Sojitz Fashion Co., Ltd. (Processing and sale of fabrics; Subsidiary) - Sojitz Infinity Inc. (Planning, manufacture, and sale of apparel; Subsidiary) - Sojitz New Urban Development Corporation (Development and consignment sales of newly constructed condominiums, real estate brokerage, development and ownership of rental apartments, sale of residential-related products; Subsidiary) - Sojitz LifeOne Corporation (Condominium and office building management, real estate agency services; Subsidiary) - Sojitz General Merchandise Corporation (Import, export and domestic wholesale of general commodities; Subsidiary) - Royal Holdings Corporation (Restaurant, Food manufacturing, Hotels, Contract and Services, In-flight Catering; Subsidiary)*1 - JALUX Inc. (Logistics and services in the in-flight, airport retail, lifestyle-related, and customer service business fields; Equity method associate) *1 - Fuji Nihon Seito Corporation (Manufacture, refining, processing and sale of sugar; Equity method associate) *1 - Tri-Stage inc. (Direct marketing support operations; Equity method associate) *1 |
| Other Number of consolidated subsidiaries : 33 Number of equity method associates: 13 | Industrial Machinery; Forefront Industry businesses; Bearings; automobile and motorcycle parts; Automotive Process; Marine business; power, energy and plant business; nuclear power-related equipment businesses; administration; domestic branches; logistics and insurance services | - Sojitz Machinery Corporation (General industrial machinery; automobile and motorcycle components; sale and purchase of ships; Subsidiary) - Sojitz Kyushu Corporation (Domestic regional operating company; Subsidiary) - Sojitz Logistics Corporation (Logistic services; land, sea and air cargo handling; international non vessel operating common carrier (NVOCC) transportation; Subsidiary) - Sojitz Insurance Agency Corporation (Insurance agency services; Subsidiary) - Sojitz Tourist Corporation (Travel agency; Subsidiary) - Sojitz Shared Service Corporation (Shared services and consulting regarding HR, accounting and finance; temporary staffing services; Subsidiary) - Sojitz Research Institute (Research and consulting; Subsidiary) - First Technology China Ltd. (Sales and service of surface-mounting machines and semiconductor-related equipment; Subsidiary) |
| Overseas branches Number of consolidated subsidiaries : 49 Number of equity method associates: 10 | We are engaged in wide range of activities as a general trading company, trading in thousands of products overseas. | - Sojitz Corporation of America (Subsidiary) - Sojitz Europe plc (Subsidiary) - Sojitz Asia Pte. Ltd (Subsidiary) - Sojitz (Hong Kong) Ltd. (Subsidiary) - Sojitz (China) Co., Ltd. (Subsidiary) |

(*1) The following five companies are listed in the Japanese stock market as of June 30, 2021: SAKURA Internet Inc. (TSE 1st section), JALUX Inc. (TSE 1st section), Royal Holdings Co., Ltd. (TSE 1st section, Fukuoka stock exchange), Fuji Nihon Seito Corporation (TSE 2nd section), Tri-Stage inc. (Mothers).

4. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In Millions of Yen)

| | FY 2020 (As of March 31, 2021) | FY 2021 (As of June 30, 2021) |
|---|-----------------------------------|----------------------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalent | 287,597 | 282,534 |
| Time deposits | 10,059 | 8,601 |
| Trade and other receivables | 636,186 | 683,372 |
| Derivatives | 4,734 | 3,693 |
| Inventories | 187,891 | 238,534 |
| Income tax receivables | 3,116 | 2,758 |
| Other current assets | 64,924 | 54,552 |
| Subtotal | 1,194,511 | 1,274,048 |
| Assets as held for sale | 892 | 6,910 |
| Total current assets | 1,195,403 | 1,280,959 |
| Non-current assets | | |
| Property, plant and equipment | 191,292 | 192,655 |
| Usage rights assets | 72,821 | 70,436 |
| Goodwill | 67,201 | 67,480 |
| Intangible assets | 61,498 | 61,871 |
| Investment property | 11,603 | 11,584 |
| Investments accounted for using the equity method | 433,029 | 448,443 |
| Trade and other receivables | 89,747 | 119,230 |
| Other investments | 157,817 | 177,025 |
| Derivatives | 3 | 2 |
| Other non-current assets | 11,804 | 11,635 |
| Deferred tax assets | 7,890 | 8,055 |
| Total non-current assets | 1,104,711 | 1,168,420 |
| Total assets | 2,300,115 | 2,449,380 |
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 475,978 | 520,814 |
| Lease liabilities | 16,778 | 16,644 |
| Bonds and borrowings | 158,595 | 185,182 |
| Derivatives | 6,193 | 4,657 |
| Income tax payables | 5,851 | 5,404 |
| Provisions | 3,226 | 3,922 |
| Other current liabilities | 68,130 | 67,775 |
| Subtotal | 734,754 | 804,401 |
| Liabilities directly related to assets as held for sale | — | 4,866 |
| Total current liabilities | 734,754 | 809,267 |
| Non-current liabilities | | |
| Lease liabilities | 60,460 | 57,776 |
| Bonds and borrowings | 749,739 | 799,452 |
| Trade and other payables | 6,136 | 6,179 |
| Derivatives | 656 | 757 |
| Retirement benefits liabilities | 21,896 | 21,920 |
| Provisions | 41,725 | 40,552 |
| Other non-current liabilities | 9,636 | 8,199 |
| Deferred tax liabilities | 20,470 | 25,480 |
| Total non-current liabilities | 910,722 | 960,320 |
| Total liabilities | 1,645,476 | 1,769,587 |
| Equity | | |
| Share capital | 160,339 | 160,339 |
| Capital surplus | 146,814 | 146,883 |
| Treasury stock | (15,854) | (21,458) |
| Other components of equity | 77,772 | 96,858 |
| Retained earnings | 250,039 | 262,538 |
| Total equity attributable to owners of the Company | 619,111 | 645,161 |
| Non-controlling interests | 35,527 | 34,631 |
| Total equity | 654,639 | 679,792 |
| Total liabilities and equity | 2,300,115 | 2,449,380 |

(2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

| | FY 2020 First Quarter (From April 1, 2020 To June 30, 2020) | FY 2021 First Quarter (From April 1, 2021 To June 30, 2021) |
|---|---|---|
| Revenue | | |
| Sale of goods | 330,069 | 468,880 |
| Sales of service and others | 19,210 | 23,962 |
| Total revenue | 349,280 | 492,842 |
| Cost of sales | (310,324) | (436,396) |
| Gross profit | 38,955 | 56,446 |
| Selling, general and administrative expenses | (38,818) | (41,785) |
| Other income(expenses) | | |
| Gain(loss) on sale and disposal of fixed assets, net | 34 | 26 |
| Gain on reorganization of subsidiaries/associates | 2,180 | 75 |
| Loss on reorganization of subsidiaries/associates | (4) | (113) |
| Other operating income | 1,348 | 2,113 |
| Other operating expenses | (1,888) | (1,073) |
| Total other income/expenses | 1,670 | 1,028 |
| Financial income | | |
| Interests earned | 1,232 | 1,420 |
| Dividends received | 1,120 | 1,213 |
| Other financial income | — | 47 |
| Total financial income | 2,352 | 2,681 |
| Financial costs | | |
| Interest expenses | (3,213) | (2,679) |
| Other financial costs | (39) | — |
| Total financial cost | (3,252) | (2,679) |
| Share of profit(loss) of investments accounted for using the equity method | 1,667 | 7,522 |
| Profit before tax | 2,574 | 23,213 |
| Income tax expenses | 155 | (5,204) |
| Profit for the period | 2,730 | 18,008 |
| Profit attributable to: | | |
| Owners of the Company | 2,383 | 16,924 |
| Non-controlling interests | 347 | 1,084 |
| Total | 2,730 | 18,008 |

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

(In Millions of Yen)

| | FY 2020 First Quarter (From April 1, 2020 To June 30, 2020) | FY 2021 First Quarter (From April 1, 2021 To June 30, 2021) |
|--|---|---|
| Profit for the period | 2,730 | 18,008 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets at fair value through other comprehensive income | 2,399 | 13,189 |
| Remeasurements of defined benefit pension plans | 109 | 47 |
| Share of other comprehensive income of investments accounted for using the equity method | 2,113 | (6,237) |
| Total items that will not be reclassified to profit or loss | 4,623 | 6,999 |
| Items that may be reclassified subsequently to profit or loss | | |
| Foreign currency translation differences for foreign operations | 1,385 | 6,296 |
| Cash flow hedges | 2,016 | (1,620) |
| Share of other comprehensive income of investments accounted for using the equity method | (6,407) | 7,996 |
| Total items that may be reclassified subsequently to profit or loss | (3,005) | 12,672 |
| Other comprehensive income for the year, net of tax | 1,617 | 19,672 |
| Total comprehensive income for the period | 4,348 | 37,681 |
| Total comprehensive income attributable to: | | |
| Owners of the Company | 3,217 | 36,541 |
| Non-controlling interests | 1,131 | 1,139 |
| Total | 4,348 | 37,681 |

(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, 2020 | 160,339 | 146,756 | (10,901) | (29,975) | 86,513 | (6,760) |
| Profit for the period | | | | | | |
| Other comprehensive income | | | | (697) | 4,472 | (3,057) |
| Total comprehensive income for the period | — | — | — | (697) | 4,472 | (3,057) |
| Purchase of treasury stock | | (1) | (5,000) | | | |
| Disposition of treasury stock | | (14) | 14 | | | |
| Dividends | | | | | | |
| Change in ownership interests in subsidiaries without loss/acquisition of control | | | | | | |
| Reclassification from other components of equity to retained earnings | | | | | (69) | |
| Share remuneration payment transaction | | 37 | | | | |
| Other changes | | | | | | |
| Total contributions by and distributions to owners of the Company | — | 21 | (4,985) | — | (69) | — |
| Balance as of June 30, 2020 | 160,339 | 146,778 | (15,886) | (30,672) | 90,916 | (9,817) |

| | 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, 2020 | — | 49,777 | 233,151 | 579,123 | 42,774 | 621,898 |
| Profit for the period | | | 2,383 | 2,383 | 347 | 2,730 |
| Other comprehensive income | 116 | 833 | | 833 | 784 | 1,617 |
| Total comprehensive income for the period | 116 | 833 | 2,383 | 3,217 | 1,131 | 4,348 |
| Purchase of treasury stock | | | | (5,001) | | (5,001) |
| Disposal of treasury stock | | | | — | | — |
| Dividends | | | (10,378) | (10,378) | (1,909) | (12,287) |
| Change in ownership interests in subsidiaries without loss/acquisition of control | | | | — | 84 | 84 |
| Reclassification from other components of equity to retained earnings | (116) | (185) | 185 | — | | — |
| Share remuneration payment transaction | | | | 37 | | 37 |
| Other changes | | | 65 | 65 | (3,795) | (3,729) |
| Total contributions by and distributions to owners of the Company | (116) | (185) | (10,126) | (15,276) | (5,620) | (20,896) |
| Balance as of June 30, 2020 | — | 50,425 | 225,408 | 567,064 | 38,285 | 605,350 |

(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 |

(5) Consolidated Statements of Cash Flows

(In Millions of Yen)

| | FY 2020 First Quarter (From April 1, 2020 To June 30, 2020) | FY 2021 First Quarter (From April 1, 2021 To June 30, 2021) |
|---|---|---|
| Cash flows from operating activities | | |
| Profit for the period | 2,730 | 18,008 |
| Depreciation and amortization | 7,802 | 8,257 |
| Finance (income) costs | 899 | (1) |
| Share of (profit)loss of investments accounted for using the equity method | (1,667) | (7,522) |
| (Gain) loss on sale of fixed assets, net | (34) | (26) |
| Income tax expenses | (155) | 5,204 |
| (Increase) decrease in trade and other receivables | 37,468 | (50,657) |
| (Increase) decrease in inventories | 5,159 | (49,907) |
| Increase (decrease) in trade and other payables | (36,196) | 49,964 |
| Changes in other assets and liabilities | (1,640) | 5,201 |
| Increase (decrease) in retirement benefits liabilities | 133 | 30 |
| Others | (2,661) | 985 |
| Subtotal | 11,837 | (20,462) |
| Interests earned | 828 | 2,458 |
| Dividends received | 7,814 | 6,011 |
| Interests paid | (3,099) | (2,500) |
| Income taxes paid | (1,682) | (4,302) |
| Net cash provided (used) by/in operating activities | 15,698 | (18,796) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (5,322) | (4,046) |
| Proceeds from sale of property, plant and equipment | 2,522 | 132 |
| Purchase of intangible assets | (3,110) | (1,680) |
| (Increase) decrease in short-term loans receivable | 215 | 62 |
| Payment for long-term loans receivable | — | (14) |
| Collection of long-term loans receivable | 2 | 493 |
| Proceeds from (payments for) acquisition of subsidiaries | (543) | (453) |
| Proceeds from (payments for) sale of subsidiaries | 6,073 | — |
| Purchase of investments | (1,221) | (10,866) |
| Proceeds from sale of investments | 817 | 1,115 |
| Others | 3,498 | (27,261) |
| Net cash provided (used) by/in investing activities | 2,932 | (42,518) |
| Cash flows from financing activities | | |
| Increase (decrease) in short-term borrowings and commercial papers | 5,145 | 17,108 |
| Proceeds from long-term borrowings | 56,194 | 73,108 |
| Repayment of long-term borrowings | (31,858) | (15,858) |
| Proceeds from issuance of bonds | — | 9,940 |
| Redemption of bonds | — | (10,000) |
| Repayment of lease liabilities | (3,321) | (3,853) |
| Payment for acquisition of subsidiary's interests from non-controlling interest holders | — | (1,070) |
| Proceeds from non-controlling interest holders | 84 | 35 |
| Sales of treasury stock | 5 | 3 |
| Purchase of treasury stock | (5,000) | (5,607) |
| Dividends paid | (10,378) | (6,003) |
| Dividends paid to non-controlling interest holders | (1,371) | (1,613) |
| Others | (7) | (51) |
| Net cash provided (used) by/in financing activities | 9,492 | 56,138 |
| Net increase (decrease) in cash and cash equivalents | 28,123 | (5,175) |
| Cash and cash equivalents at the beginning of the year | 272,651 | 287,597 |
| Effect of exchange rate changes on cash and cash equivalents | 1,181 | 113 |
| Cash and cash equivalents at the end of the period | 301,956 | 282,534 |

(6) Assumption for Going Concern

For the first quarter ended June 30, 2021 (April 1, 2021 – June 30, 2021)
:None

(7) Segment information

For the first quarter ended June 30, 2020 (April 1, 2020 – June 30, 2020)

(In Millions of Yen)

| | Reportable segments | | | | | |
|-----------------------|---------------------|------------------------------------|-----------------------------|---------------------------------------|-----------|--|
| | Automotive | Aerospace & Transportation Project | Infrastructure & Healthcare | Metals, Mineral Resources & Recycling | Chemicals | Consumer Industry & Agriculture Business |
| Revenue | | | | | | |
| External revenue | 23,201 | 3,895 | 14,192 | 79,054 | 91,588 | 61,079 |
| Inter-segment revenue | — | — | 479 | — | 0 | 3 |
| Total revenue | 23,201 | 3,895 | 14,671 | 79,054 | 91,588 | 61,082 |
| Segment profit (loss) | (1,764) | (302) | 2,218 | (1,970) | 24 | 2,074 |

| | Reportable segments | | Others | Reconciliations | Consolidated |
|-----------------------|----------------------------|---------|--------|-----------------|--------------|
| | Retail & Consumer Business | Total | | | |
| Revenue | | | | | |
| External revenue | 45,669 | 318,680 | 30,599 | — | 349,280 |
| Inter-segment revenue | 101 | 584 | 45 | (630) | — |
| Total revenue | 45,771 | 319,265 | 30,645 | (630) | 349,280 |
| Segment profit (loss) | 128 | 407 | 263 | 1,712 | 2,383 |

Reconciliation of segment profit of 1,712 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,504 million yen, and unallocated dividend income and others of 208 million yen.

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 | 71,384 |
| Inter-segment revenue | — | — | 889 | — | 0 | 4 |
| Total revenue | 56,877 | 6,324 | 15,865 | 124,119 | 133,652 | 72,299 |
| Segment profit (loss) | 1,113 | 146 | 818 | 5,972 | 4,009 | 2,984 |

| | Reportable segments | | Others | Reconciliations | Consolidated |
|-----------------------|----------------------------|---------|--------|-----------------|--------------|
| | Retail & Consumer Business | Total | | | |
| Revenue | | | | | |
| External revenue | 51,743 | 459,077 | 33,765 | — | 492,842 |
| Inter-segment revenue | 90 | 1,895 | 63 | (1,959) | — |
| Total revenue | 51,833 | 460,973 | 33,828 | (1,959) | 492,842 |
| Segment profit (loss) | 611 | 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.

(Changes in Reportable Segments)

Due to the reorganization effective April 1, 2021, the Machinery & Medical Infrastructure Division, the Energy & Social Infrastructure Division, and the Industrial Infrastructure & Urban Development were reorganized to the Infrastructure & Healthcare Division. The Foods & Agriculture Business Division, and the Retail & Lifestyle Business Division were reorganized to the Consumer Industry & Agriculture Business Division, and the Retail & Consumer Service Division. The Metals & Mineral Resources Division was renamed the Metals, Mineral Resources & Recycling Division. In addition, the car and motorcycle parts, ship equipment, industrial machinery, forefront industry business, bearing, and nuclear power-related equipment businesses previously included in the Automotive Division, the Aerospace & Transportation Project Division, the Machinery & Medical Infrastructure Division, and the Energy & Social Infrastructure Division were transferred to the Others segment. Segment information for the three-month period ended June 30, 2020, has been restated to reflect the change in reportable segments.