

Financial Results for the First Quarter Ended June 30, 2021 (Reference)

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 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.

August 3, 2021
Sojitz Corporation

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1. Financial Results for the First Quarter and Full Year Forecast of Fiscal Year Ending March 31, 2022

Summary of Financial Results for the First Quarter Ended June 30, 2021

- Three-month performance representing progress of 32% toward full-year forecast for profit for the year due to recovery from COVID-19 pandemic impacts, despite disparity in progress by segment
- Full-fledged commencement of new investment centered on focus areas described in Medium-Term Management Plan 2023 amid economic recovery trends in certain regions

(Billions of Yen)	FY2020 1Q Results	FY2021 1Q Results	Difference	FY2021 Forecast	Percentage Achieved		FY2021 Forecast
Profit for the period attributable to owners of the Company	2.4	16.9	+ 14.5	53.0	32%		
Net DER (Times)	1.08	1.08	0.00	1.2	-	ROE	8.4%
Core operating cash flow	10.9	26.6	+15.7	70.0~75.0	-	ROA	2.2%

Summary of Profit or Loss

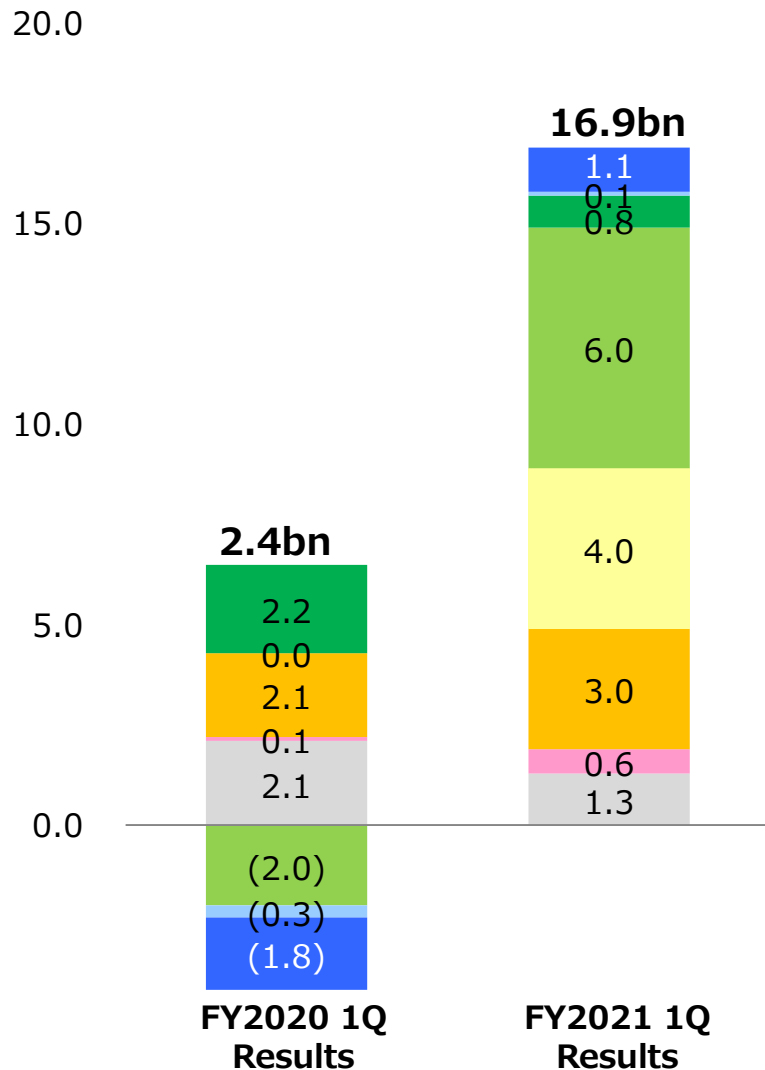
(Billions of Yen)	FY2020 1Q Results	FY2021 1Q Results	Difference	FY2021 Forecast	Achieved
Revenue	349.3	492.8	143.5	-	-
Gross profit	39.0	56.4	17.4	220.0	26%
Selling, general and administrative expenses	(38.8)	(41.8)	(3.0)	(178.0)	-
Share of profit (loss) of investments accounted for using the equity method	1.7	7.5	5.8	26.0	29%
Profit before tax	2.6	23.2	20.6	70.0	33%
Profit for the year Attributable to Owners of the Company	2.4	16.9	14.5	53.0	32%
Core earnings	0.9	22.6	21.7	66.0	34%

Summary of Profit or Loss

Profit for the period by segment

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

(Billions of Yen)



Main Factors Behind Difference

Automotive	¥1.1 billion (up ¥2.9 billion YoY)
Increased due to higher sales volumes in overseas automobile transactions	
Aerospace & Transportation Project	¥0.1 billion (up ¥0.4 billion YoY)
Recovery of shipping market conditions	
Infrastructure & Healthcare	¥0.8 billion (down ¥(1.4) billion YoY)
Decreased due to the rebound from asset replacement in power generation businesses recorded in the previous equivalent period	
Metals, Mineral Resources & Recycling	¥6.0 billion (up ¥8.0 billion YoY)
Increased due to higher profit from steel operating company with recovery of steel demand and recovery in coal market conditions	
Chemicals	¥4.0 billion (up ¥4.0 billion YoY)
Increased due to recovery from the drop in methanol prices and higher transaction volumes of plastic resins	
Consumer Industry & Agriculture Business	¥3.0 billion (up ¥0.9 billion YoY)
Increased due to higher sales volumes in overseas fertilizer businesses	
Retail & Consumer Service	¥0.6 billion (up ¥0.5 billion YoY)
Increased due to higher sales volumes in food-related company	
Other	¥1.3 billion (down ¥(0.8) billion YoY)

FY2021 Forecast

Profit for the Year by Segment

(Billions of Yen)

FY2021 1Q Results	FY2021 Forecast
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Progress Overview

■ Automotive	1.1	5.0
■ Aerospace & Transportation Project	0.1	4.5
■ Infrastructure & Healthcare	0.8	7.5
■ Metals, Mineral Resources & Recycling	6.0	12.0
■ Chemicals	4.0	10.5
■ Consumer Industry & Agriculture Business	3.0	5.0
■ Retail & Consumer Service	0.6	5.0
■ Others	1.3	3.5
Total	16.9	53.0

<p>■ Automotive Performance expected to be generally as forecast, while the effects of semiconductor shortage need monitoring</p>
<p>■ Aerospace & Transportation Project Earnings contributions from aircraft-related businesses anticipated in the 2nd half of the fiscal year</p>
<p>■ Infrastructure & Healthcare Earnings accumulation anticipated from healthcare-related businesses, domestic and overseas power generation businesses, and LNG businesses in the 4th quarter of the fiscal year</p>
<p>■ Metals, Mineral Resources & Recycling Forecast unchanged, while coal market conditions show higher performance than forecast</p>
<p>■ Chemicals Performance generally as forecast, while ongoing caution regarding the impacts of COVID-19 on Southeast Asia businesses is necessary</p>
<p>■ Consumer Industry & Agriculture Business Performance generally as forecast, with earnings contributions from overseas fertilizer businesses anticipated in the 1st half of the fiscal year</p>
<p>■ Retail & Consumer Service Steady progress in food-related business anticipated</p>

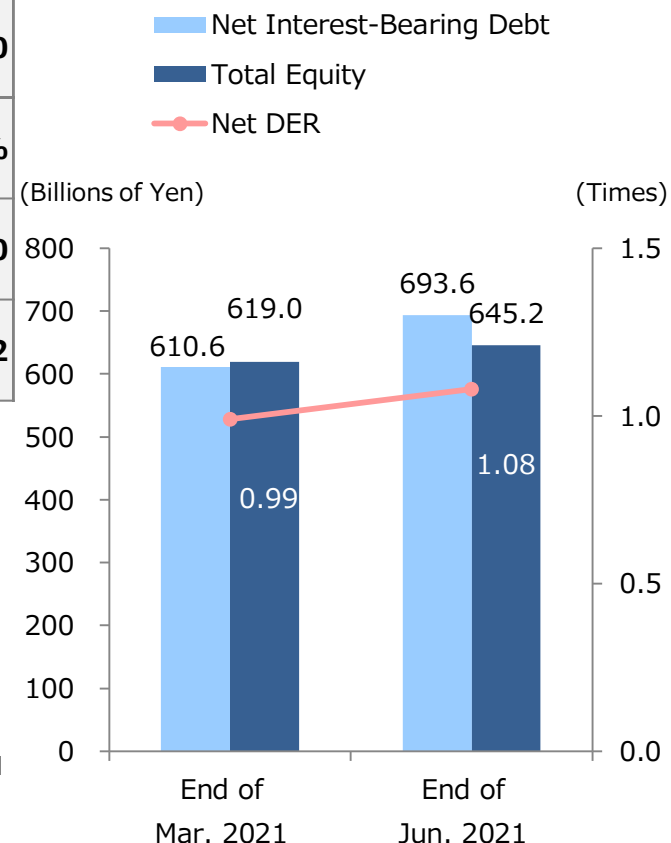
Summary of Balance Sheets

(Billions of Yen)

	End of Mar. 2021	End of June. 2021	Difference	FY2021 Forecast
Total Assets	2,300.1	2,449.4	+149.3	2,450.0
Total Equity*	619.0	645.2	+26.2	640.0
Equity Ratio	26.9%	26.3%	(0.6)%	26.1%
Net interest-bearing debt	610.6	693.6	+ 83.0	780.0
Net DER (Times)	0.99	1.08	+ 0.09	1.2
Risk Assets vs. Total Equity	390.0 (0.6x)	400.0 (0.6x)	+10.0 (-)	
Current Ratio	162.7%	158.3%	(4.4)%	
Long-term debt ratio	82.5%	81.2%	(1.3)%	

Changes in Total Equity (End of Mar. 2021 vs. End of June. 2021, Breakdown)

- Profit for the period attributable to owners of the Company ¥ 16.9billion
- Dividends paid ¥(6.0) billion
- Acquisitions of treasury stock ¥(5.6) billion
- Change in foreign exchange rates and stock price ¥19.1billion



*"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".

Cash Flow Management

Maintain positive six-year aggregate core cash flow during MTP2023*

*MTP2023: Referred to as Medium-term Management Plan 2023

	MTP 2020 3-year cumulative results (FY2018–FY2020)	FY2021 1Q Results	MTP 2023 3-year cumulative forecast (FY2021–FY2023)
Core operating cash flow (*1)	¥219.0 bn	¥27.0 bn	Approx. ¥240.0 - ¥250.0 bn
Asset Replacement (Investment recovery)	¥170.0 bn	¥2.0 bn	Approx. ¥100.0 bn
New investments and others	¥(262.0) bn	¥(28.0) bn	Approx. ¥(330.0) bn
Shareholder Returns (*2)	¥(71.0) bn	¥(12.0) bn	Approx. ¥(70.0) bn
Core cash flow (*3)	¥56.0 bn	¥(11.0) bn	Positive (MTP2020 and MTP2023 6 year period)
Free cash flow	¥108.0 bn	¥(61.0) bn	

*1. Core operating cash flow = Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes

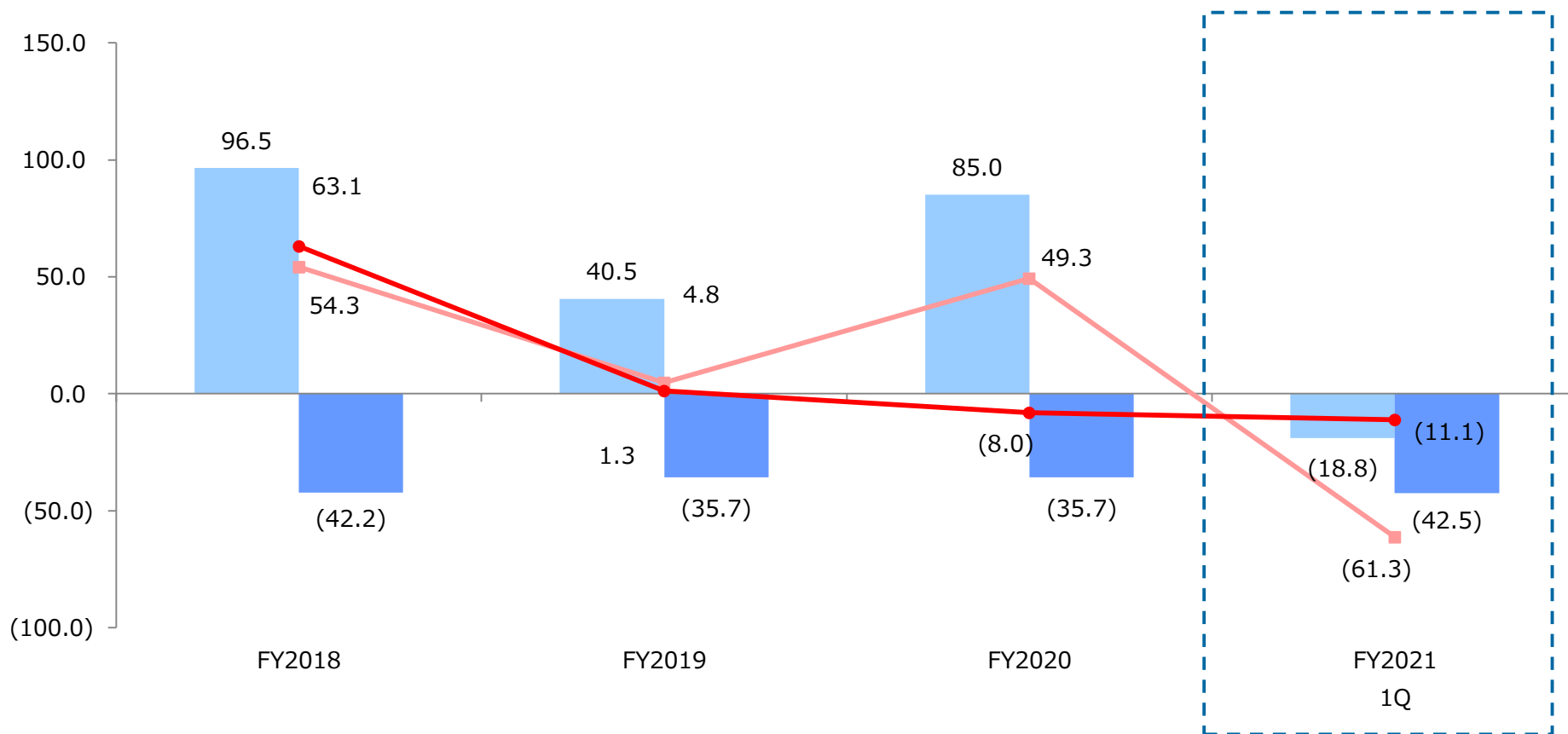
*2. Includes acquisitions of treasury stock

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

Summary of Free Cash Flows

(Billions of Yen)

Operating Cash Flow Investing Cash Flow FCF Core Cash Flow



※Core cash flow = Core operating cash flow + Post-adjustment, net cash provided by (used in) investing activities – Dividends paid – Purchase of treasury stock (Post-adjustment, net cash provided by (used in) investing activities are net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

Investments and Asset Replacement

Investments Total	¥28.0bn		
Investment Breakdown	<u>Infrastructure & Healthcare</u>	¥11.0bn	<ul style="list-style-type: none"> ■ Fired IPP and Desalination Project in Middle East ■ Renewable energy businesses in Australia and the U.S. ■ EV Infrastructure Businesses etc.
	<u>Growth market × Market-oriented initiative</u>	¥13.5bn	<ul style="list-style-type: none"> ■ Domestic shopping malls ■ Domestic real estate business ■ Retail business in Southeast Asia etc.
	<u>Materials & Circular economy</u>	¥0.5bn	<ul style="list-style-type: none"> ■ Carbon materials-related ■ Biochemical-related etc.
	<u>Other</u>	¥3.0bn	<ul style="list-style-type: none"> ■ Non-financial investment etc.
Asset Replacement Total	¥2.0bn		
Asset Replacement Breakdown	Domestic and overseas renewable energy business, Sale of cross-shareholdings		

Major One-time Gain/Loss

	FY2020 1Q Results		FY2021 1Q Results	
Non-Resource	¥0.5 bn	—	¥(0.1) bn	—
Resource	¥0.8 bn	•Sales of oil interests etc.	—	—
Total (After income tax expenses)	¥1.3bn		¥(0.1)bn	

Breakdown of Resource and Non-Resource Profit

	FY2020 1Q Results	FY2021 1Q Results	Difference	FY2018 Results	FY2019 Results	FY2020 Results
(Billions of yen)						
A. Profit for the year (attributable to Owners of the Company)	2.4	16.9	+14.5	70.4	60.8	27.0
(B. Total one-time income movements)	1.3	(0.1)	(1.4)	1.9	1.5	(0.2)
A. – B. Profit for the year [(attributable to owners of the Company)] (Excluding one-time income movements)	1.1	17.0	+15.9	68.5	59.3	27.2
Resource	(1.1)	2.4	+3.5	25.3	10.4	(0.4)
Non-Resource	2.2	14.6	+12.4	43.2	48.9	27.6

Commodity Prices, Foreign Exchange, and Interest Rate

(Billions of Yen)	FY2020 Results (Apr.-Jun. Avg.)	FY2021 Assumptions (Annual Avg.)	FY2021 Results (Apr.-Jun. Avg.)	Latest Date (As of July 28, 2021)
Coking Coal*1	US\$119.0/t	US\$127.5/t	US\$139.1/t	US\$216.0/t
Thermal Coal*1	US\$54.4/t	US\$80.0/t	US\$109.0/t	US\$159.2/t
Crude Oil (Brent)	US\$33.4/bbl	US\$50.0/bbl	US\$69.1/bbl	US\$74.7/bbl
Exchange Rate*2	¥107.4/US\$	¥108.0/US\$	¥109.8/US\$	¥109.9/US\$
Interest Rate (TIBOR)	0.07%	0.08%	0.07%	0.06%

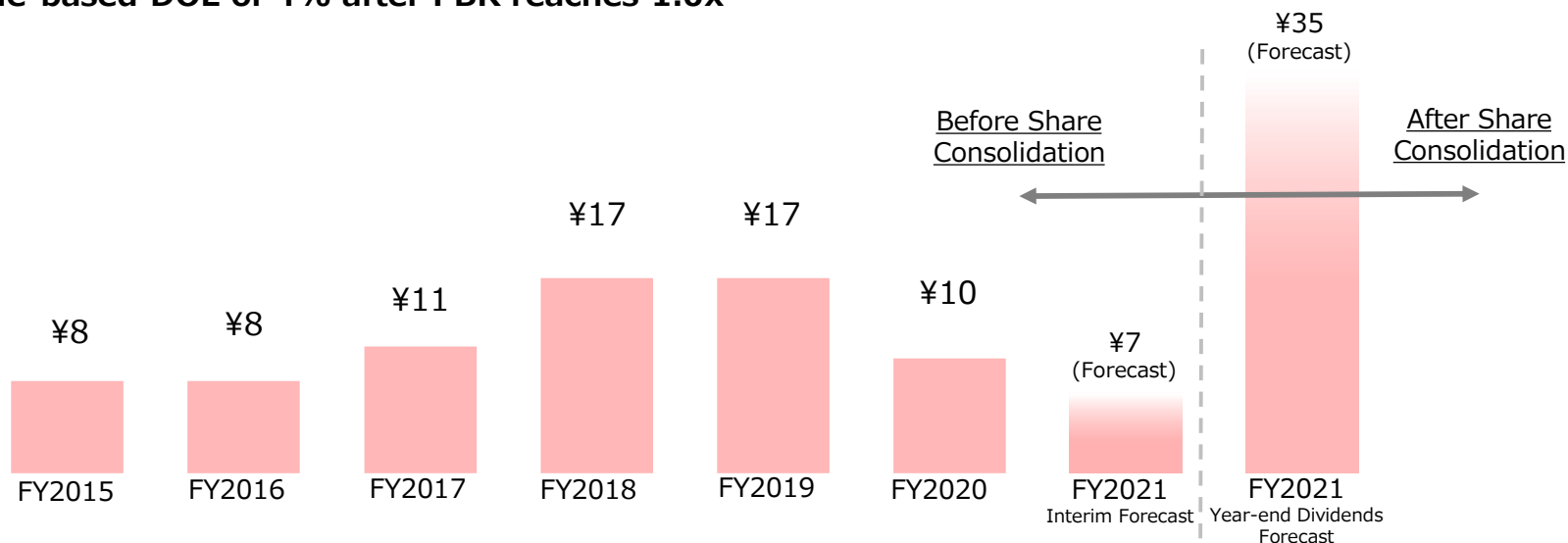
*1 Coal prices are based on standard market prices and therefore differ from the Company's selling prices.

*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. ¥1.5 billion annually.

2. Dividends

Dividend Policy

- Sojitz recognizes that paying stable and continuous dividends is a management priority, together with enhancing shareholder value through the accumulation and effective use of retained earnings.
- Our basic policy will be to target a consolidated payout ratio of about 30%.
- Lower limit for dividends set as representing market price-based DOE of 4% until PBR reaches 1.0x and book value-based DOE of 4% after PBR reaches 1.0x



Profit for the year (attributable to owners of the Company)	36.5bn	40.8bn	56.8bn	70.4bn	60.8bn	27.0bn	53.0bn
Consolidated payout ratio	27.4%	24.6%	24.2%	30.2%	34.8%	44.4%	About 30%

MTP 2017
payout ratio of about 25%

MTP 2020
payout ratio of about 30%

MTP2023

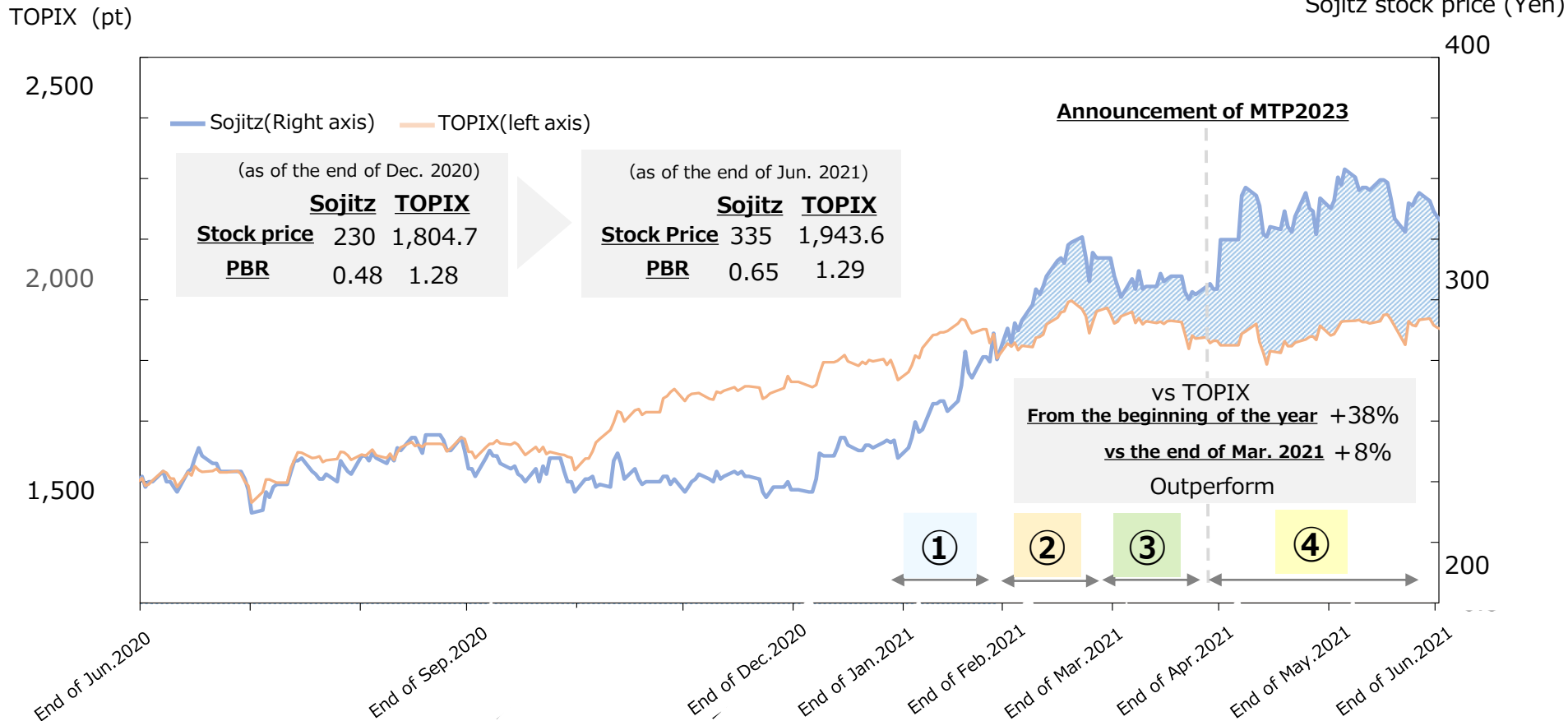
(*1) At the General Shareholders' Meeting held on June 18, 2021, it was resolved that the Company will perform a one-for-five share consolidation with an effective date of October 1, 2021. When calculated on a post-share consolidation basis, the year-end dividend forecast comes to ¥35 per share.

(*2) Market price-based DOE = Total dividends paid ÷ (Average annual closing share price × Total shares issued at fiscal year-end)

Book value-based DOE = Total dividends paid ÷ Total equity at fiscal year-end (book value)

The decision of whether to use market price-based DOE or book value-based DOE will be made based on the PBR at the end of Mar. 2022.

Stock Price, PBR trend



Main News Releases

*Click each link for the relevant news release.

- | | | | |
|---|---|--|---|
| <p>① February, 2021</p> <ul style="list-style-type: none"> ● Sojitz Acquires Stake in Royal Holdings Co., Ltd. with Capital and Business Tie-up | <p>② March, 2021</p> <ul style="list-style-type: none"> ● Sojitz Group Policies for Realizing a Decarbonized Society ● Sojitz Announces Shareholding Policy Calling for Reduction of Cross-Shareholdings ● Sojitz Announces New Initiatives to Support Diverse Career Paths and Working Styles
(Support for Entrepreneurs and Independent Businesses) ● Sojitz Joins Hospital Project in Australia | <p>③ April, 2021</p> <ul style="list-style-type: none"> ● Notice Regarding Share Repurchase of Treasury Stock
(Up to 50,000,000 shares & ¥ 15bn) ● Notice Regarding Share Consolidation
(5 shares⇒1share, Effective date: Oct. 1st, 2021) | <p>④ May, 2021~</p> <ul style="list-style-type: none"> ● Sojitz Enters Natural Gas-fired Power and Desalination Project in the UAE ● Sojitz Begins Construction on one of the Largest-scale Solar Farms by Japanese companies in Australia |
|---|---|--|---|

【Supplemental Data】

I . Segment Information

*Figures for gross profit, SG&A expenses, share of profit of investments accounted for using the equity method, and profit for the period for the third-month period ended June 30, 2020, and for total assets for the year ended March 31, 2021, have been restated to reflect the organizational restructuring undertaken in April 2021.

Automotive

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	4.4	10.0	5.6
Selling, general and administrative expenses	(6.1)	(7.6)	(1.5)
Share of profit (loss) of investments accounted for using the equity method	(0.2)	0.0	0.2
Profit for the period (attributable to owners of the Company)	(1.8)	1.1	2.9

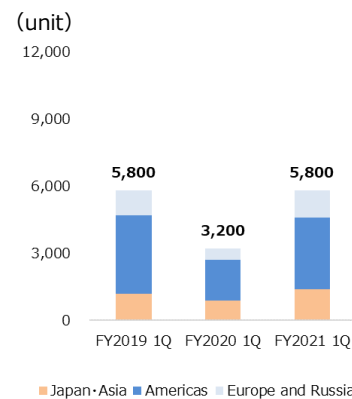
	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	151.4	171.3	19.9

Main Factors Behind Difference

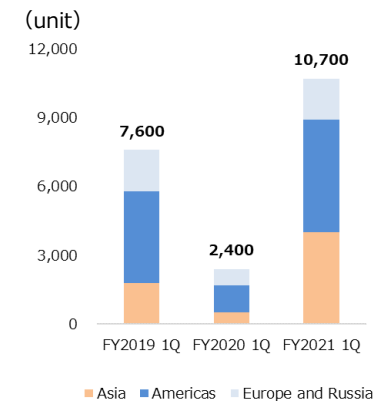
[Profit for the period]
Increased due to higher sales volumes in overseas automobile transactions

Vehicle Sales

Dealership Business



Distributor Business



Major Subsidiaries and Associates

(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Automotive Group, Inc	100%	(0.1)	0.3	0.4	Automobile dealership
Sojitz de Puerto Rico Corporation	100%	(0.2)	0.4	0.6	Import and sales of automobiles
Subaru Motor LLC	66%	0.1	0.2	0.1	Import and sales of automobiles
Sojitz Quality, Inc	100%	(0.2)	0.1	0.3	Automotive parts quality inspection services
Total		(0.4)	1.0	1.4	

*1 The equity ownership is as of the end of June, 2021.

*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.

Aerospace & Transportation Project

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	2.1	2.7	0.6
Selling, general and administrative expenses	(2.1)	(2.4)	(0.3)
Share of profit (loss) of investments accounted for using the equity method	0.0	(0.1)	(0.1)
Profit for the period (attributable to owners of the Company)	(0.3)	0.1	0.4
	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	153.0	202.0	49.0

Main Factors Behind Difference

[Profit for the period]
Recovery of shipping market conditions

Railway Business in North America



■ Conversion of North American freight railcar leaser, Southwest Rail Industries Inc, into consolidated subsidiary in March, 2021

■ Advancement of initiatives for generating synergies with comprehensive railroad maintenance operations in Canada

Major Subsidiaries and Associates

(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Aerospace Corporation	100%	0.0	0.0	0.0	Import/export and sales of aerospace and defense-related equipment, components and materials
Sojitz Aircraft Leasing B.V.	100%	0.0	0.0	0.0	Aircraft part-out business
SJ Aviation Capital Pte. Ltd.	100%	0.0	0.0	0.0	Aircraft leasing business
Sojitz Transit & Railway Canada Inc.	74.9%	0.0	(0.1)	(0.1)	General repair and remanufacturing of railway rolling
Total		0.0	(0.1)	(0.1)	

*1 The equity ownership is as of the end of June, 2021

*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.

Infrastructure & Healthcare

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	3.6	4.2	0.6
Selling, general and administrative expenses	(5.3)	(5.4)	(0.1)
Share of profit (loss) of investments accounted for using the equity method	2.2	2.0	(0.2)
Profit for the period (attributable to owners of the Company)	2.2	0.8	(1.4)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	337.2	347.4	10.2

Main Factors Behind Difference

【 Profit for the period 】
Decreased due to the rebound from asset replacement in power generation businesses recorded in the previous equivalent period

Major Subsidiaries and Associates

(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Nissho Electronics Corporation	100%	(0.3)	0.1	0.4	Providing leading-edge IT solutions and network services
Tokyo Yuso Corporation	100%	0.1	0.2	0.1	Tank storage operations for petroleum and chemical products
Renewable Energy Business	-	0.6	0.6	0.0	Renewable Energy Business in the country and overseas
LNG Japan Corporation	50%	0.3	0.0	(0.3)	LNG business and related investments
Sojitz Hospital PPP Investment B.V.	100%	1.1	0.7	(0.4)	Investment in hospital project
Total		1.8	1.6	(0.2)	

*1 The equity ownership is as of the end of June, 2021

*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.

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

SAKURA Internet Inc. (equity-method associate) <https://www.sakura.ad.jp/>

PT. Puradelta Lestari Tbk (equity-method associate) <https://www.kota-deltamas.com/>

Infrastructure-related initiative

Start of construction of Edenvale Solar Park in Australia



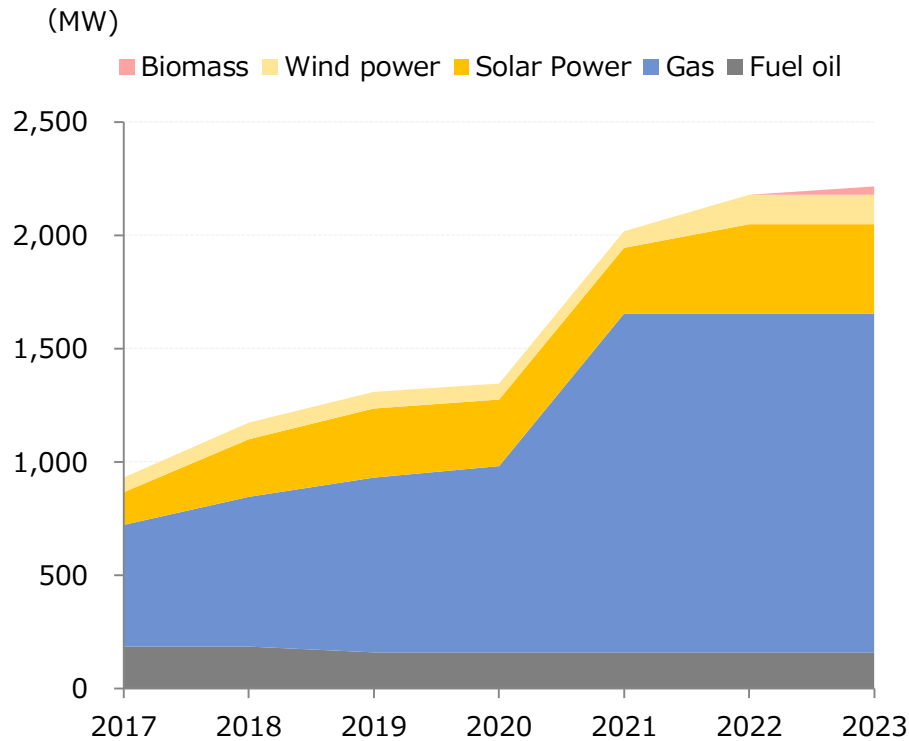
- Among largest projects by a Japanese company in Australia (204 MW)
Scheduled to commence operation in late FY2022
- Efforts led by Sojitz, in capacity as lead developer, regarding building management, power buyer recruitment, and project financing advanced together with ENEOS
- Portion of generated power to be supplied to Sojitz's Gregory Crinum coking coal mine to reduce Scope 1 and 2 emissions based on Sojitz's CO₂ emissions reduction policies

Enhancement of capital and business alliance with ASF



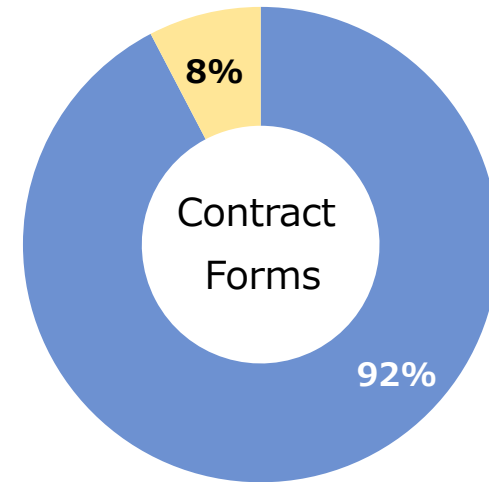
- Underwriting of new third-party allotment of shares by ASF, in which a capital and business alliance was commenced in December 2020, as lead investor
- Commencement of full-scale vehicle development for mass production of small commercial EVs by ASF through third-party allotment of shares
- Utilization of wide-ranging networks to support popularization of EVs through charging infrastructure services

Charge in Net Power-Generation Capacity

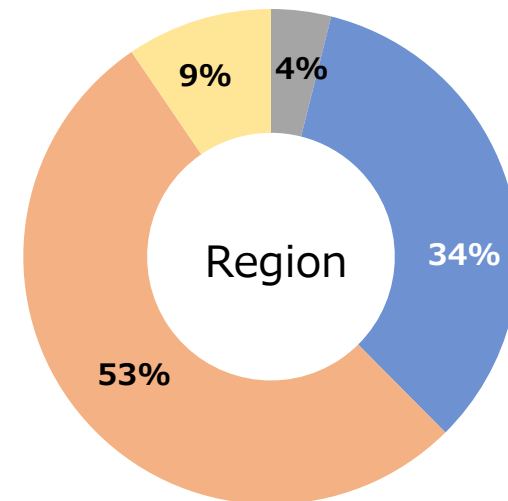


Results and Forecast of Net Power-Generation Capacity

	2017	2020	2023
Solar power	140	290	400
Wind power	70	70	130
Gas	540	820	1,490
Oil	180	160	160
Biomass	—	—	40



■ Long-term contract ■ Spot contract
※As of June 30, 2021



■ Europe ■ Americas ■ Asia ■ Japan
※As of June 30, 2021

Metals, Mineral Resources & Recycling

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	2.9	5.5	2.6
Selling, general and administrative expenses	(3.1)	(3.3)	(0.2)
Share of profit (loss) of investments accounted for using the equity method	(0.6)	4.8	5.4
Profit for the period (attributable to owners of the Company)	(2.0)	6.0	8.0

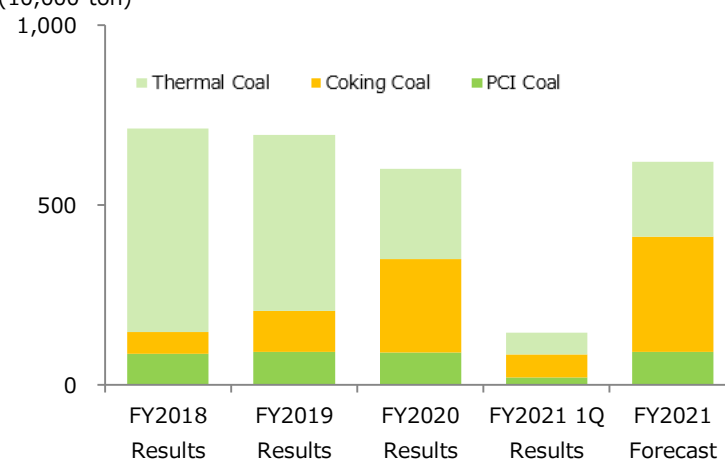
	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	476.2	478.4	2.2

Main Factors Behind Difference

[Profit for the period]
 Increased due to higher profit from steel operating company with recovery of steel demand and recovery in coal market conditions

Change in Coal Sales Volume

(10,000 ton)



Major Subsidiaries and Associates

(Billions of Yen)

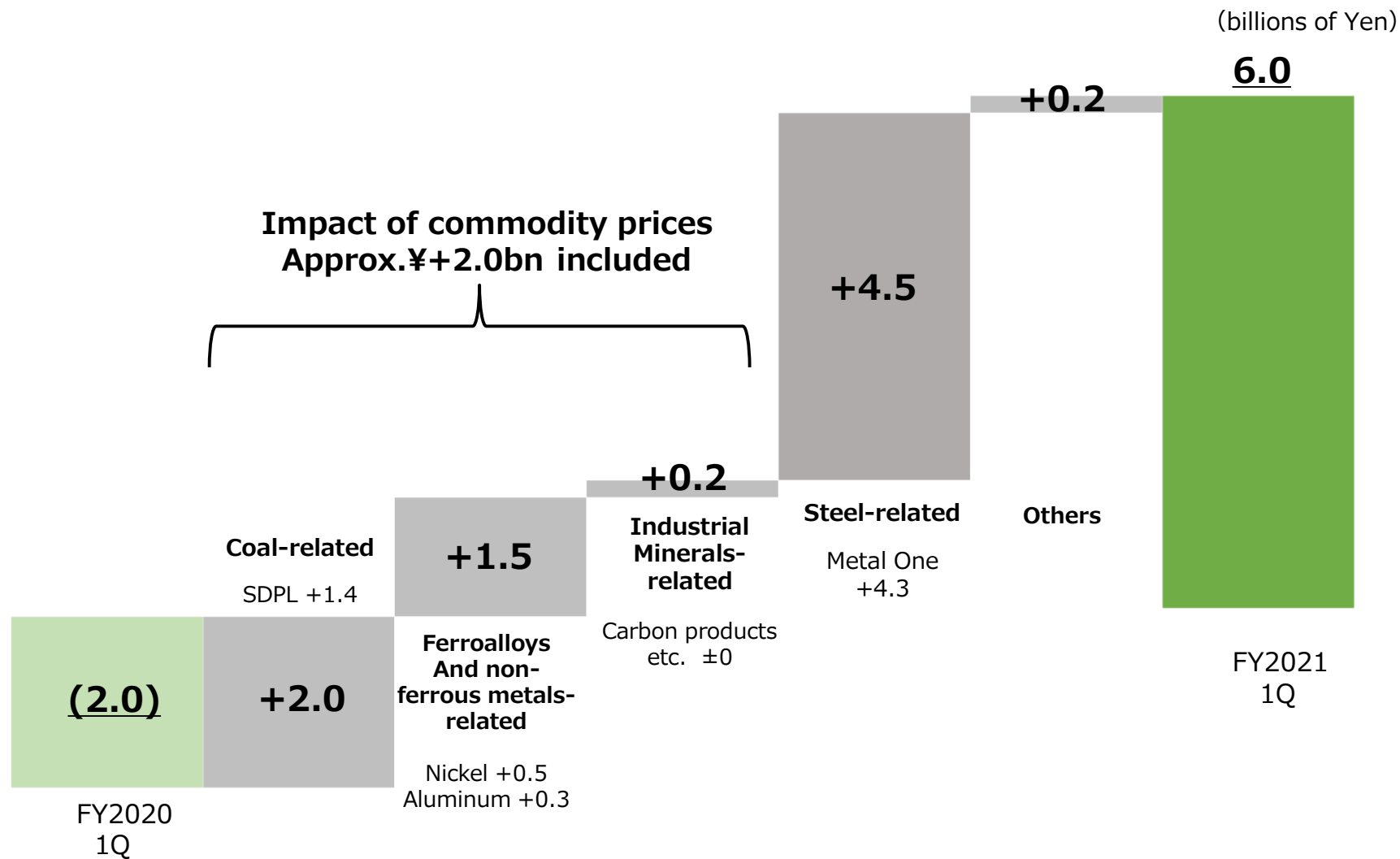
Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Development Pty. Ltd.	100%	(0.8)	0.6	1.4	Investment in coal mines
Sojitz Resources (Australia) Pty. Ltd.	100%	(0.2)	0.1	0.3	Production of alumina
Japan Alumina Associates (Australia) Pty. Ltd.	50%	0.2	0.2	0.0	Investment in an alumina refinery
Metal One Corporation	40%	(0.7)	3.6	4.3	Import, export, and sale of, and domestic and foreign trading in, steel-related products
Total		(1.5)	4.5	6.0	

*1 The equity ownership is as of the end of June, 2021

*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.

Metals & Mineral Resources

Year on Year Main Factors Behind Difference



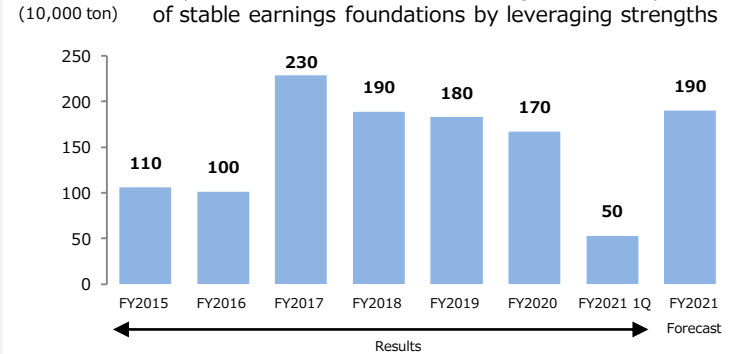
FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference	Main Factors Behind Difference
Gross profit	7.7	13.1	5.4	【 Profit for the period 】 Increased due to recovery from the drop in methanol prices and higher transaction volumes of plastic resins
Selling, general and administrative expenses	(6.9)	(7.4)	(0.5)	
Share of profit (loss) of investments accounted for using the equity method	0.1	0.3	0.2	
Profit for the period (attributable to owners of the Company)	0.0	4.0	4.0	
	FY2020 1Q Results	FY2021 1Q Results	Difference	
Total Asset	272.3	288.8	16.5	

Sales Volume for Methanol

- Massive growth in sales volume due to February 2017 acquisition of solvadis deutschland gmbh development of stable earnings foundations by leveraging strengths



Major Subsidiaries and Associates

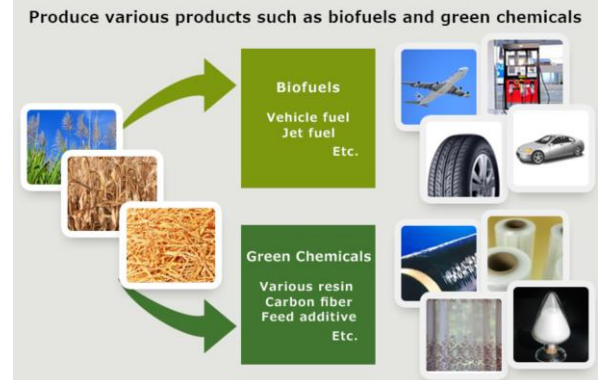
(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Pla-Net Corporation	100%	0.0	0.7	0.7	Trading and sale of plastics and related products
PT. Kaltim Methanol Industri	85%	(0.2)	0.9	1.1	Manufacture and sale of methanol
solvadis deutschland gmbh	100%	0.2	0.3	0.1	Trading and sale of chemical products
Total		0.0	1.9	1.9	

*1 The equity ownership is as of the end of June, 2021

*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.

Environmental and Life science business



- Environmental field: Promotion of recycling and transition to biomass-derived chemical products**

Investment in Green Earth Institute; commencement of development of chemical product manufacturing technologies using microbes to create biochemical business

- Life science field: Incorporation of growing demand in healthcare field**

Development of frameworks through M&A activities, etc. for generating synergies with existing businesses and incorporating growth of domestic, Asian, European, and U.S. markets

Consumer Industry & Agriculture Business **Hassoitz**

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	7.6	8.9	1.3
Selling, general and administrative expenses	(5.0)	(5.1)	(0.1)
Share of profit (loss) of investments accounted for using the equity method	0.4	0.3	(0.1)
Profit for the period (attributable to owners of the Company)	2.1	3.0	0.9

Main Factors Behind Difference

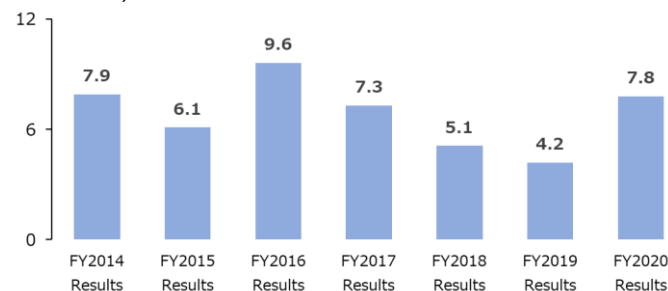
【 Profit for the period 】
Increased due to higher sales volumes in overseas fertilizer businesses

	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	210.3	225.9	15.6

Profit of overseas fertilizers business

- Development of stable earnings foundations by leveraging strength of top-class market shares in Thailand, the Philippines, and Vietnam

(Billions of Yen)



*The above figures are the total of the results of each companies which is calculated in accordance with nonconsolidated basis.

*FY 2020 results was updated on August 27, 2021.

Major Subsidiaries and Associates

(Billions of Yen)

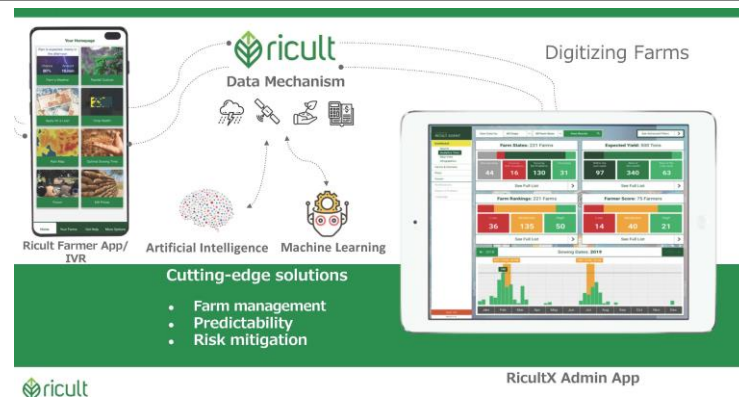
Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Thai Central Chemical Public Company(TCCC)	81%	1.6	2.1	0.5	Manufacture and sales of fertilizers ※3
Atlas Fertilizer Corporation	100%	0.5	0.4	(0.1)	Manufacture and sales of fertilizers, sales of imported fertilizer products
Japan Vietnam Fertilizer Company	75%	0.1	0.1	0.0	Manufacture and sales of fertilizers
Saigon Paper	96%	(0.1)	(0.1)	0.0	Papermaking business (Vietnam)
Sojitz Building Materials Corporation	100%	0.1	0.5	0.4	Trading company specializing in sales of construction materials
Total		2.2	3.0	0.8	

*1 The equity ownership is as of the end of June, 2021

*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.

*3 Updated on August 27, 2021.

Initiatives in fertilizer and agricultural sector



- Investment in Ricult, an agritech startup developing an AI machine learning-oriented farming platform
- Reinforcement of Sojitz's fertilizer business purchasing, manufacturing, and distribution functions through use of agricultural big data; utilization of Ricult's network to expand farming platform and to develop new agricultural businesses tailored to address issues of agricultural workers

Retail & Consumer Service

FY2021 1Q Summary

(Billions of Yen)

	FY2020 1Q Results	FY2021 1Q Results	Difference
Gross profit	6.3	7.3	1.0
Selling, general and administrative expenses	(5.0)	(5.2)	(0.2)
Share of profit (loss) of investments accounted for using the equity method	(0.2)	0.0	0.2
Profit for the period (attributable to owners of the Company)	0.1	0.6	0.5
	FY2020 1Q Results	FY2021 1Q Results	Difference
Total Asset	337.0	342.5	5.5

Main Factors Behind Difference

[Profit for the period]

Increased due to higher sales volumes in food-related company

Investment in Royal HD



- Opening of Royal Holdings' first Lucky Rocky Chicken buttermilk fried chicken specialty restaurant in May 2021, support for ongoing expansion of number of locations through procurement-side assistance for openings from Sojitz Group
- Utilization of Sojitz's network to hold events in Japanese airports and to procure ingredients and materials from Sojitz Group companies in order to expand sales channels and improve procurement efficiency

Major Subsidiaries and Associates

(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Foods Corporation	100%	0.6	0.9	0.3	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs
Sojitz Fashion Co., Ltd.	100%	0.2	0.2	0.0	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics
Sojitz New Urban Development Corporation	100%	(0.2)	(0.2)	0.0	Development and sale of condominiums, real estate brokerage, development and possession of rental apartment and sale of housing equipment
Sojitz REIT Advisors K.K.	67%	0.1	0.1	0.0	Management of real estate asset
Total		0.7	1.0	0.3	

*1 The equity ownership is as of the end of June, 2021

*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.

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

• Tri-Stage Inc. (equity-method associate)

<https://www.jalux.com/>

• JALUX Inc. (equity-method associate)

<https://www.tri-stage.jp/>

• Fuji Nihon Seito Corporation (equity-method associate)

<https://www.fnsugar.co.jp/>

• Royal Holdings (equity-method associate)

<https://www.royal-holdings.co.jp/>

Others

Major Subsidiaries and Associates

Organizational Reforms (effective as of April 1, 2021)

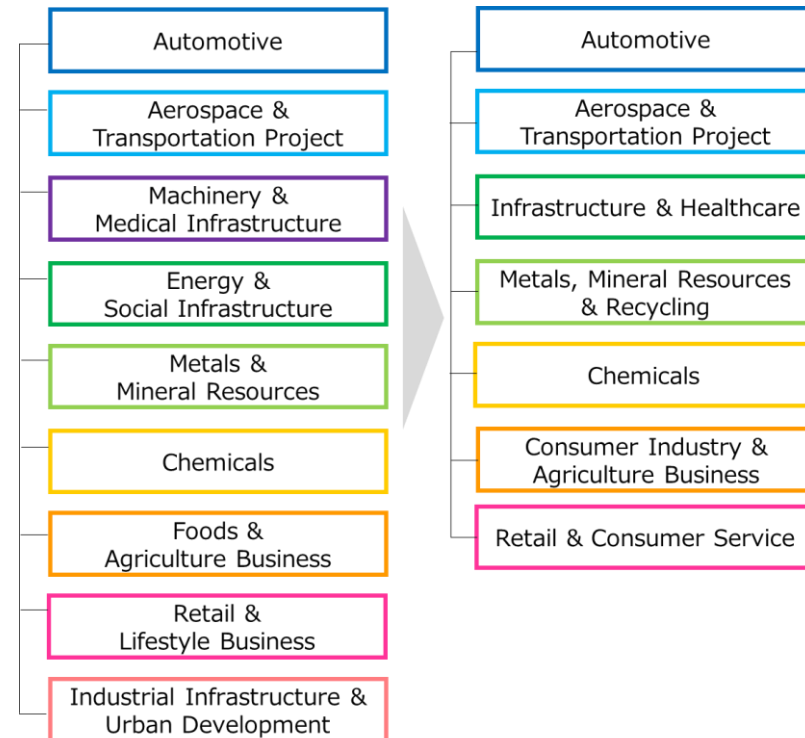
(Billions of Yen)

Company name	Equity ownership	FY2020 1Q Results	FY2021 1Q Results	Difference	Business Description
Sojitz Machinery Corporation	100%	0.2	0.6	0.4	Import/export and sales of General industrial machinery
Total		0.2	0.6	0.4	

*1 The equity ownership is as of the end of June, 2021

*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.

- Effective April 1, 2021, four machinery-related subsidiaries—Sojitz Machinery Corporation, Sojitz Autrans Corporation, e-Energy Corporation, and Sojitz Marine & Engineering Corporation—were merged. After the merger, the surviving company was placed under the control of the Portfolio Transformation (PX) Office in the Others segment.



【Supplemental Data】

II. Summary of Financial Results

Summary of Profit or Loss (Results)

(Billions of Yen)	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021 1Q
Net sales (JGAAP)	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	1,754.8	1,602.5	492.8
Gross profit	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	56.4
Operating profit	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	19.3	16.3	15.8	31.0	28.6	23.2	12.7	25.1	27.8	24.9	14.8	7.5
Profit before tax	39.3	58.5	28.1	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	23.2
Profit for the year attributable to owners of the Company	16.0	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	16.9
Core earnings	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	22.6
ROA	0.7%	(0.0%)	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	–
ROE	4.7%	(0.3%)	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	–

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

Summary of Balance Sheets (Results)

(Billions of Yen)	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	End of Mar. 2020	End of Mar. 2021	End of Jun. 2021
Total assets	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	2,230.3	2,300.1	2,449.4
Total equity	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	645.2
Equity ratio	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	26.3%
Net interest-bearing debt	700.6	676.4	643.3	640.2	629.6	571.6	611.1	603.5	584.7	613.2	610.6	693.6
Net DER (times)	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0	1.1	0.99	1.08
Risk assets (vs. Total equity, times)	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	380.0 0.7	390.0 0.6	400.0 0.6
Current ratio	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	158.3%
Long-term debt ratio	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	81.2%

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

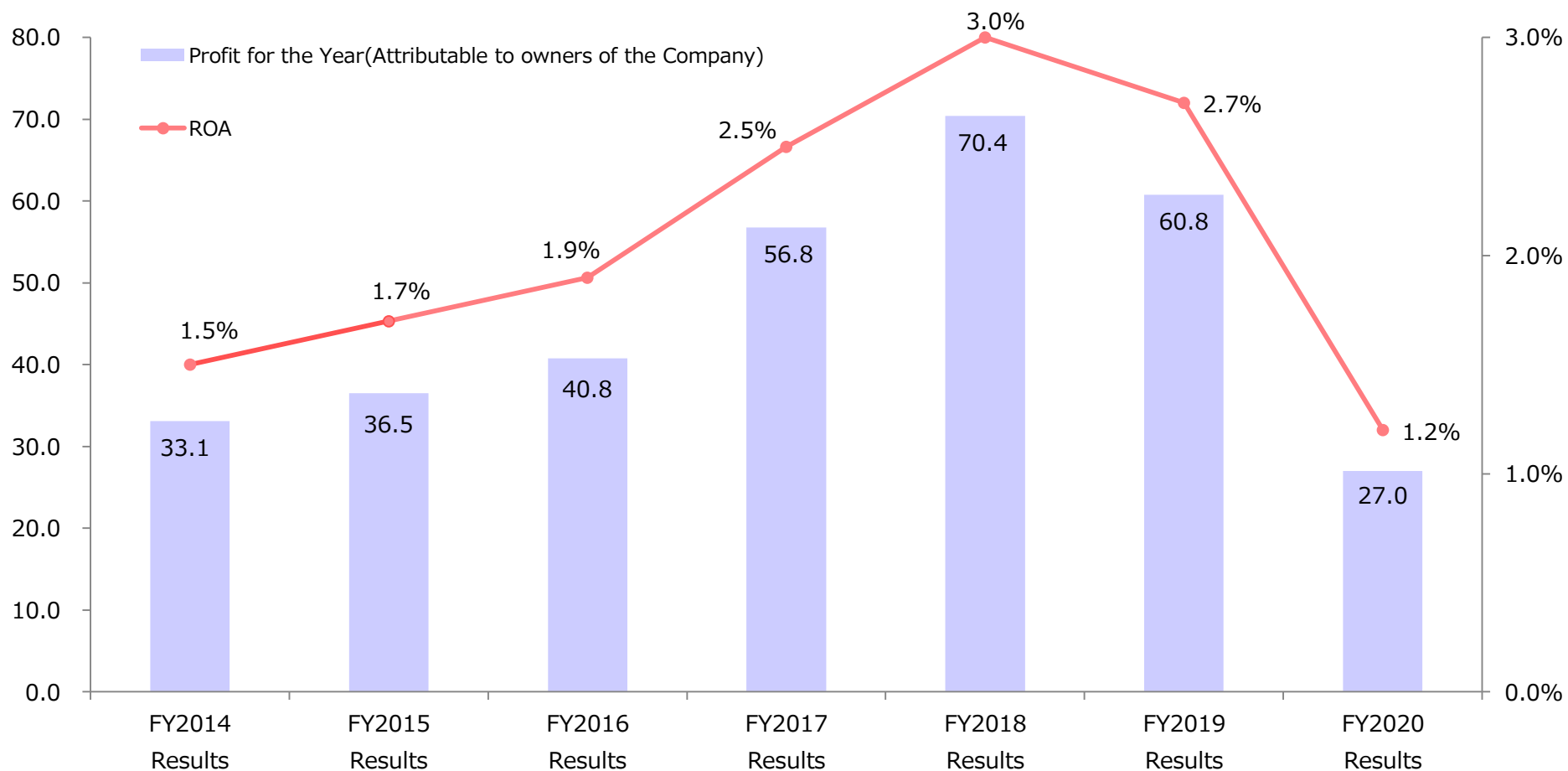
Summary of Cash Flow (Results)

(Billions of Yen)	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	End of Mar. 2020	End of Mar. 2021	End of Jun. 2021
Core cash flow	–	–	–	–	–	18.3	5.5	(56.7)	63.1	1.3	(8.0)	(11.1)
Free cash flow	48.0	46.4	43.4	22.5	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(61.3)
Core operating cash flow	–	–	–	–	–	60.0	59.4	82.9	79.1	80.2	60.2	26.6
Cash flow from operating activities	67.9	88.7	55.1	47.0	39.1	99.9	0.9	98.8	96.5	40.5	85.0	(18.8)
Cash flow from investment activities	(19.9)	(42.3)	(11.7)	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(42.5)
Cash flow from financing activities	(72.1)	(29.5)	(56.2)	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	56.1
Investments	73.0	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	28.0

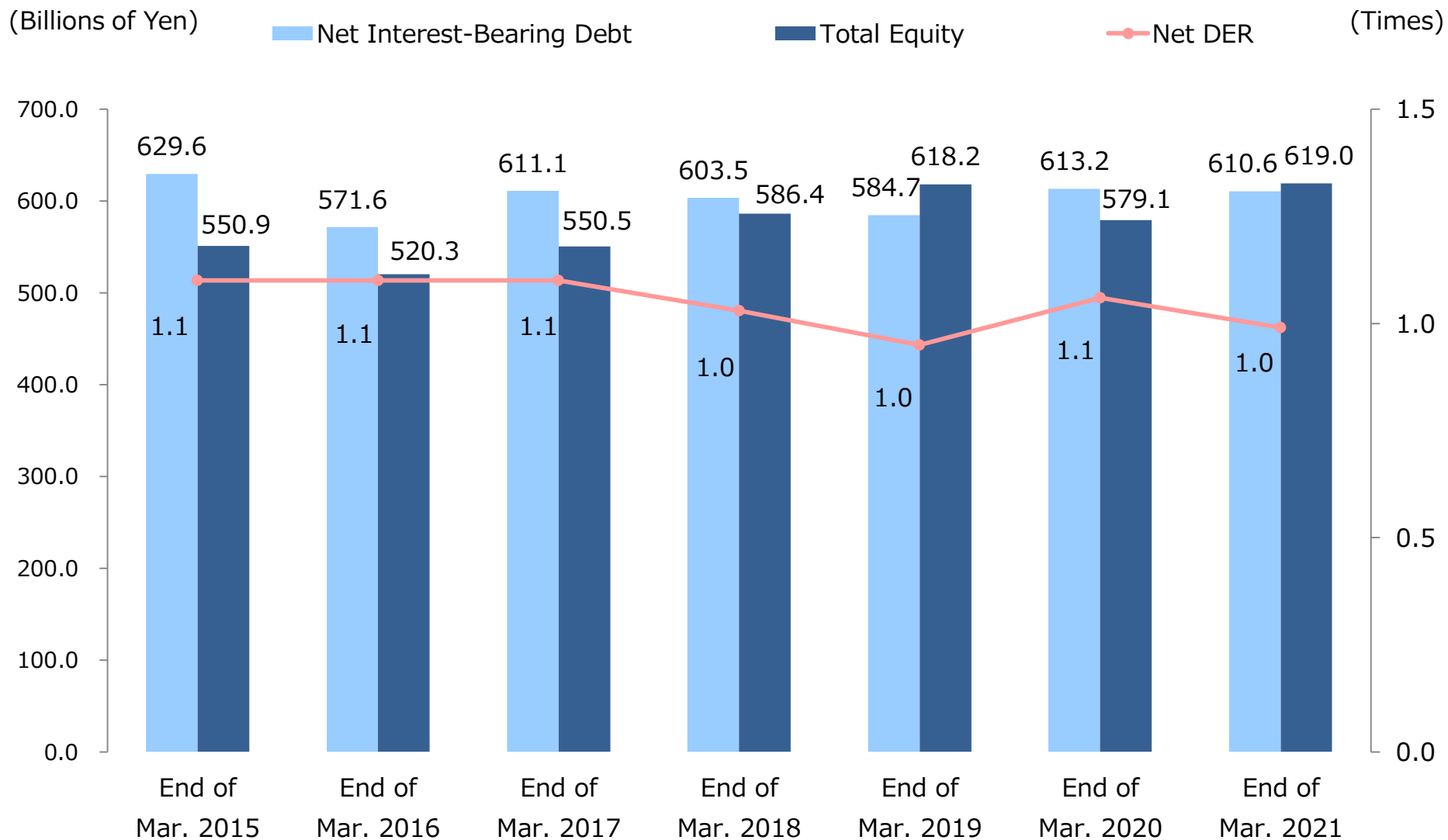
※Core cash flow = Core operating cash flow + Post-adjustment, net cash provided by (used in) investing activities – Dividends paid – Purchase of treasury stock (Post-adjustment, net cash provided by (used in) investing activities are net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

Summary of Profit or Loss

(Billions of Yen)



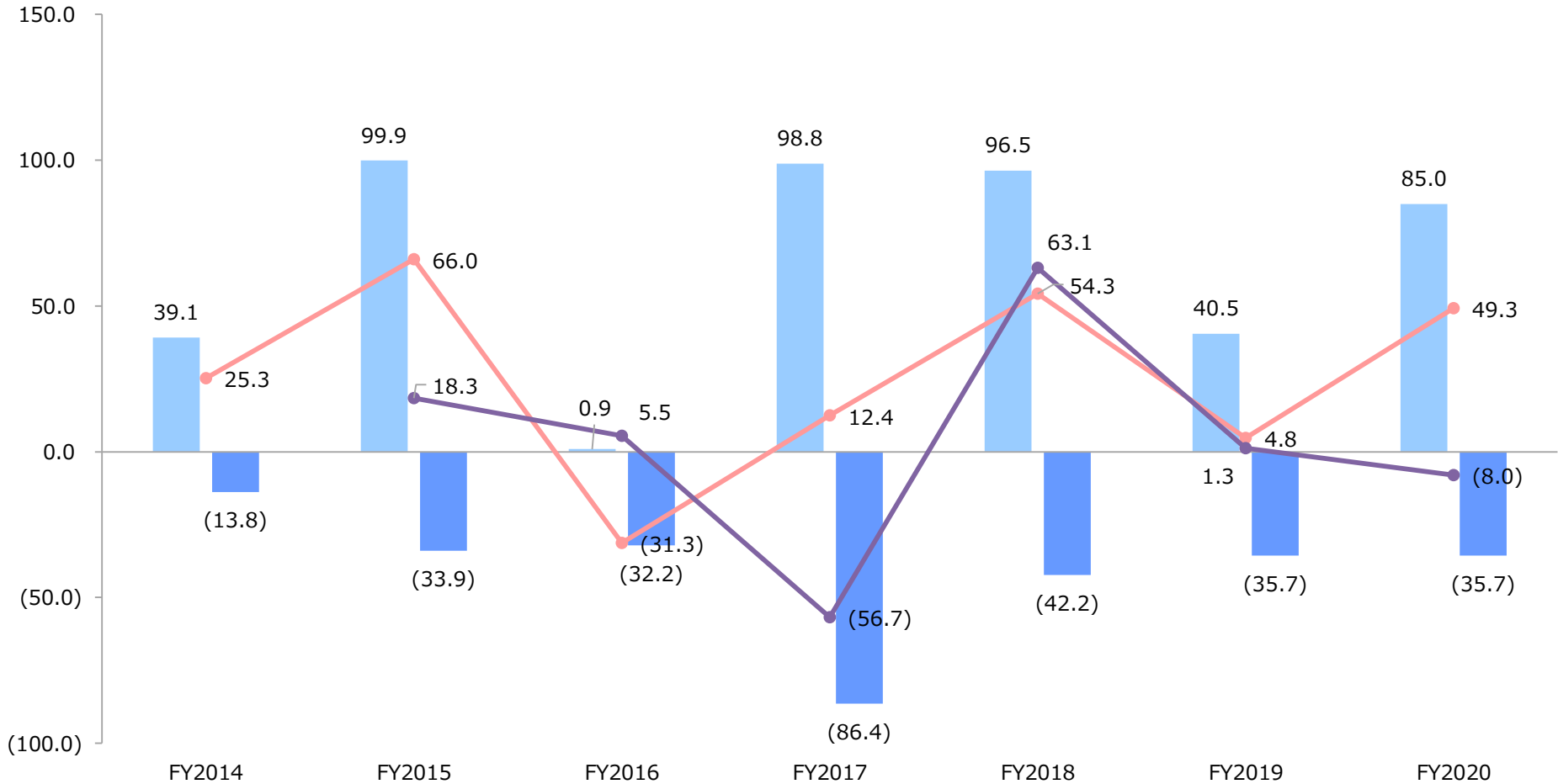
Summary of Balance Sheets



Summary of Cash Flow

(Billions of Yen)

■ Cash flows from operating activities
 ■ Cash flows from investing activities
 ● Free cash flow
 ● Core cash flow





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