



# Financial Results for the Year Ended March 31, 2022 (Supplemental Data)

**May 2, 2022**  
**Sojitz Corporation**

## Caution regarding Forward-looking Statements and Original Language

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.

The Company has no responsibility for any possible damages arising from the use of information on this material, nor does the Company have any obligation to update these statements.

This document is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

### Notes

- “Total equity attributable to owners of the Company” is recognized as “Total equity” and is also used in the denominator of the “Net DER” and the numerator of the “Equity ratio”.
- “SG&A expenses” is referred to as “selling, general and administrative expenses”.
- “MTP2023” is referred to as “Medium-term Management Plan 2023.” The same applies to “MTP2020” and “MTP2017”.
- “Core operating cash flow” = Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes
- “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.)

## **【Supplemental Data】**

# **I . Financial Results for the Year Ended March 31, 2022 Forecast of Fiscal Year Ending March 31, 2023**

# Summary of Profit or Loss

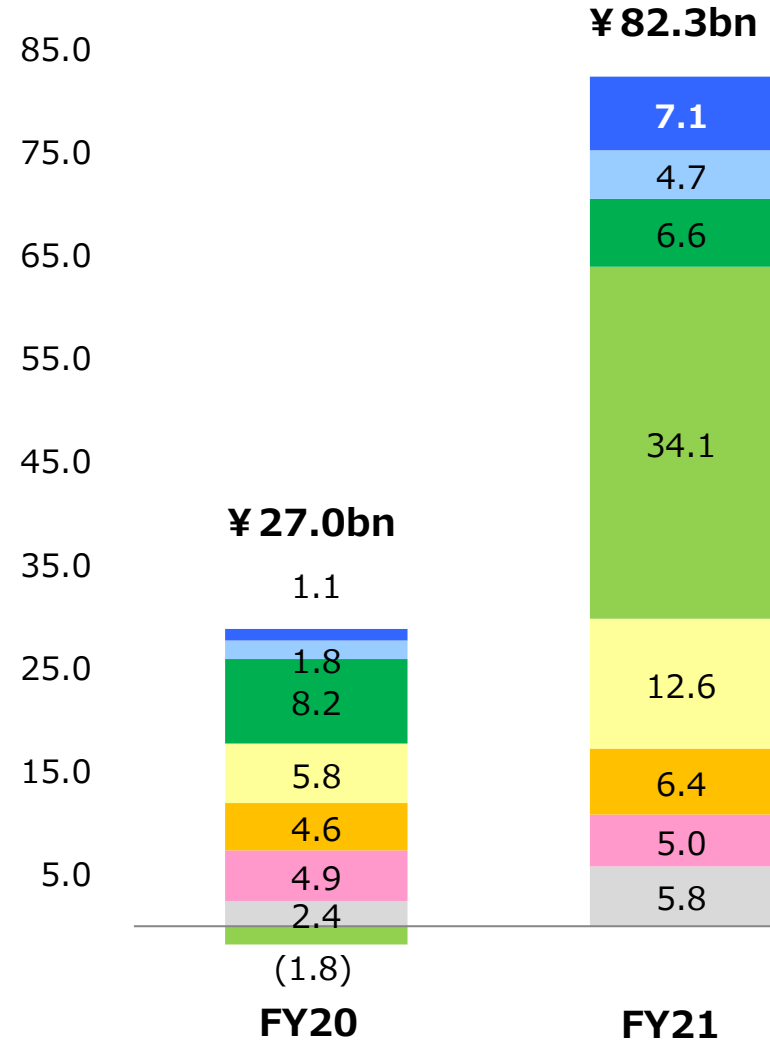
(BN JPY)	FY20	FY21	Difference	FY21 forecast (Feb. 2, 2022)	Percentage achieved against revised forecast	FY22 forecast
Revenue	1,602.5	2,100.8	+ 498.3	-	-	-
Gross profit	188.1	271.3	+ 83.2	260.0	104%	300.0
SG & A expenses	(161.1)	(180.3)	(19.2)	(180.0)	-	(210.0)
Share of profit (loss) of investments accounted for using the equity method	14.8	38.0	+ 23.2	34.0	112%	35.0
Profit before tax	37.4	117.3	+ 79.9	108.0	109%	120.0
Profit for the period / year	27.0	82.3	+ 55.3	80.0	103%	85.0
Core earnings	38.4	131.3	+ 92.9	115.0	-	120.0

# Summary of Profit or Loss

## Profit for the Year by Segment

### Profit for the year

(BN JPY)



### Main factors behind difference

■ <b>Automotive</b>	<b>¥7.1 bn (+¥6.0 bn)</b>
Increased due to higher sales volumes in overseas automotive operations	
■ <b>Aerospace &amp; Transportation Project</b>	<b>¥4.7 bn (+¥2.9 bn)</b>
Increased due to higher transaction volumes in aircraft- and marine vessel-related businesses	
■ <b>Infrastructure &amp; Healthcare</b>	<b>¥6.6 bn (-¥1.6 bn)</b>
Decreased due to impairment loss on telecommunication infrastructure business in Myanmar despite steady profit from healthcare-related businesses and power generation businesses in Japan and overseas	
■ <b>Metals, Mineral Resources &amp; Recycling</b>	<b>¥34.1 bn (+¥35.9 bn)</b>
Increased due to higher profits from a rise in coal market conditions and higher profits from steel operating company thanks to recovery of steel demand, despite provision recorded for thermal coal interests based on decarbonization target	
■ <b>Chemicals</b>	<b>¥12.6 bn (+¥6.8 bn)</b>
Increased due to recovery of methanol prices and higher transaction volumes of plastic resin	
■ <b>Consumer Industry &amp; Agriculture Business</b>	<b>¥6.4 bn (+¥1.8 bn)</b>
Increased due to a rise in market conditions of imported plywood despite higher production costs due to increase in raw material prices in fertilizer businesses	
■ <b>Retail &amp; Consumer Service</b>	<b>¥5.0 bn (+¥0.1 bn)</b>
Relatively unchanged year on year due to absence of gains from sale of shopping mall recorded in the previous year despite higher sales volumes of food-related company	
■ <b>Others</b>	<b>¥5.8 bn (+¥3.4 bn)</b>
Increased due to sales of assets	

# FY22 Forecast

## Profit for the Year by Segment

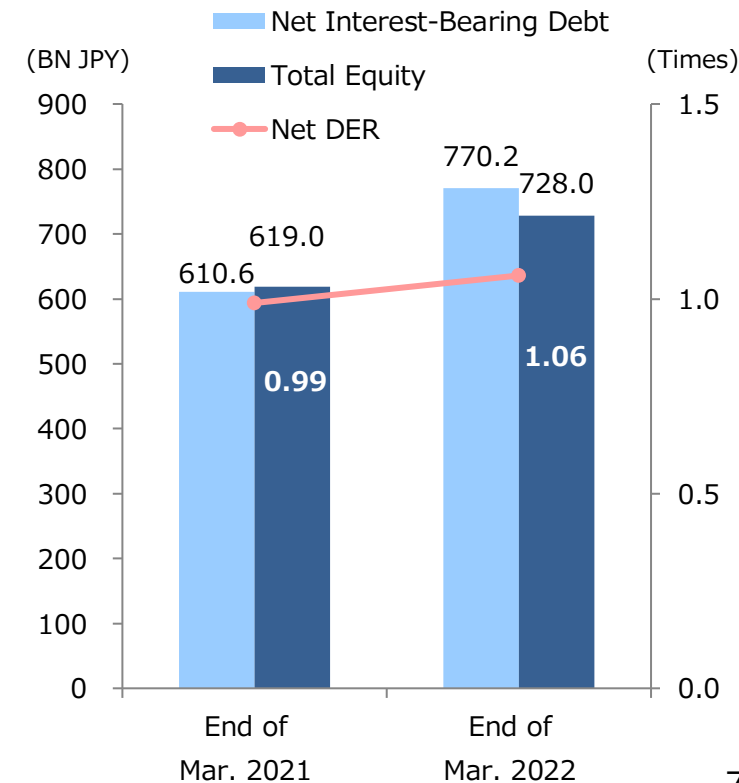
(BN JPY)	FY21 results	FY22 forecast	FY22 overview
■ <b>Automotive</b>	7.1	6.0	<p>■ <b>Automotive</b> Earnings expected to decrease due to influence from Russia-related businesses, despite growing earnings from investments in emerging countries and steady profit from principal overseas businesses anticipated</p>
■ <b>Aerospace &amp; Transportation Project</b>	4.7	4.5	<p>■ <b>Aerospace &amp; Transportation Project</b> Earnings contributions expected to remain around the same level considering an increase in aircraft-related transactions and a decrease in transaction volumes of marine vessel-related businesses compared with FY2021</p>
■ <b>Infrastructure &amp; Healthcare</b>	6.6	9.0	<p>■ <b>Infrastructure &amp; Healthcare</b> Steady profit from healthcare-related businesses and power generation businesses in Japan and overseas, and accumulation of earnings from new investments</p>
■ <b>Metals, Mineral Resources &amp; Recycling</b>	34.1	51.0	<p>■ <b>Metals, Mineral Resources &amp; Recycling</b> Earnings expected to increase following coal market conditions and absence of structural reform expenses recorded in the previous fiscal year</p>
■ <b>Chemicals</b>	12.6	12.5	<p>■ <b>Chemicals</b> Steady profit expected from methanol businesses and plastic resin businesses</p>
■ <b>Consumer Industry &amp; Agriculture Business</b>	6.4	3.0	<p>■ <b>Consumer Industry &amp; Agriculture Business</b> Earnings expected to decrease due to higher production costs stemming from an increase in raw material prices in fertilizer businesses</p>
■ <b>Retail &amp; Consumer Service</b>	5.0	5.0	<p>■ <b>Retail &amp; Consumer Service</b> Steady profit expected from food-related company</p>
■ <b>Others</b>	5.8	(6.0)	<p>■ <b>Others</b> Incorporation into forecasts of rebound from asset sales conducted in previous fiscal year and impacts of rising cost, inflation due to higher USD interest rates, and other causes of opaqueness</p>
<b>Total</b>	<b>82.3</b>	<b>85.0</b>	

# Summary of Balance Sheets

(BN JPY)	End of Mar. 2021	End of Mar. 2022	Difference
Total Assets	2,300.1	2,661.7	+361.6
Total Equity	619.0	728.0	+109.0
Equity Ratio	26.9%	27.4%	+ 0.5%
Net Interest-Bearing Debt	610.6	770.2	+ 159.6
Net DER (Times)	0.99	1.06	+ 0.07
Risk Assets vs. Total Equity (Times)	390.0 (0.6)	450.0 (0.6)	+60.0 (-)
Current Ratio	162.7%	155.3%	(7.4)%
Long-term Debt Ratio	82.5%	78.0%	(4.5)%

### Changes in total equity (end of Mar. 2021 vs. end of Mar. 2022, breakdown)

- Profit for the year attributable to owners of the Company ¥+82.3bn
- Change in foreign exchange rates and stock price ¥+59.0bn
- Dividends paid ¥(16.4)bn
- Acquisitions of treasury stock ¥(15.1)bn



\* "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."

# Assets Breakdown

## ■ Resource businesses

Decreased mainly thermal coal-related assets due to recording of provisions to address potential future stranded asset risks as part of decarbonization initiatives

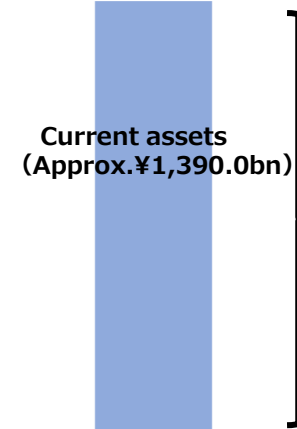
## ■ Non-Resource businesses

Accumulation of assets such as energy conservation business in the U.S. and aquaculture food product manufacturing, processing, and sales business through growth investments conducted in the first year of MTP2023

End of Mar.2022

Total assets

Approx. ¥2,660.0bn



The trade receivables and other credits (Approx.¥790.0bn)  
Inventory (Approx.¥230.0bn)  
Cash equivalent and others (Approx.¥370.0bn)

Non-current assets (Approx. ¥1,270.0bn)

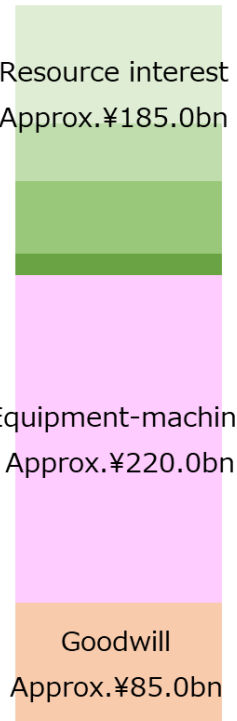
Approx. ¥490.0bn (Resource interest /Fixed assets /Goodwill)

Approx. ¥780.0bn (interest investment※ lease assets etc.)

※Except resource interest

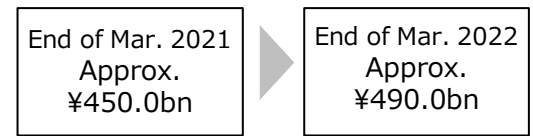
Main breakdown

Total assets  
Approx. ¥490.0bn



	End of Mar. 2021 Approx. ¥450.0bn	End of Mar. 2022 Approx. ¥490.0bn
Ferroalloys and non-ferrous metals	(¥80.0bn)	(¥80.0bn)
Coal	(¥40.0bn)	(¥40.0bn)
LNG	(¥55.0bn)	(¥50.0bn)
Oil and Gas	(¥15.0bn)	(¥15.0bn)
Equipment, Machinery	(¥190.0bn)	(¥220.0bn)
Goodwill	(¥70.0bn)	(¥85.0bn)

## Fixed assets/Goodwill balance





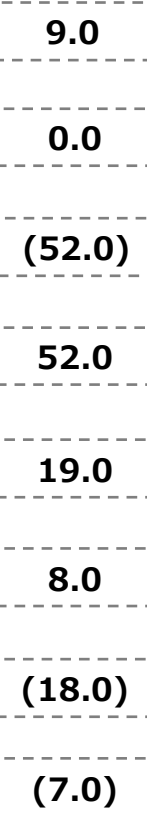
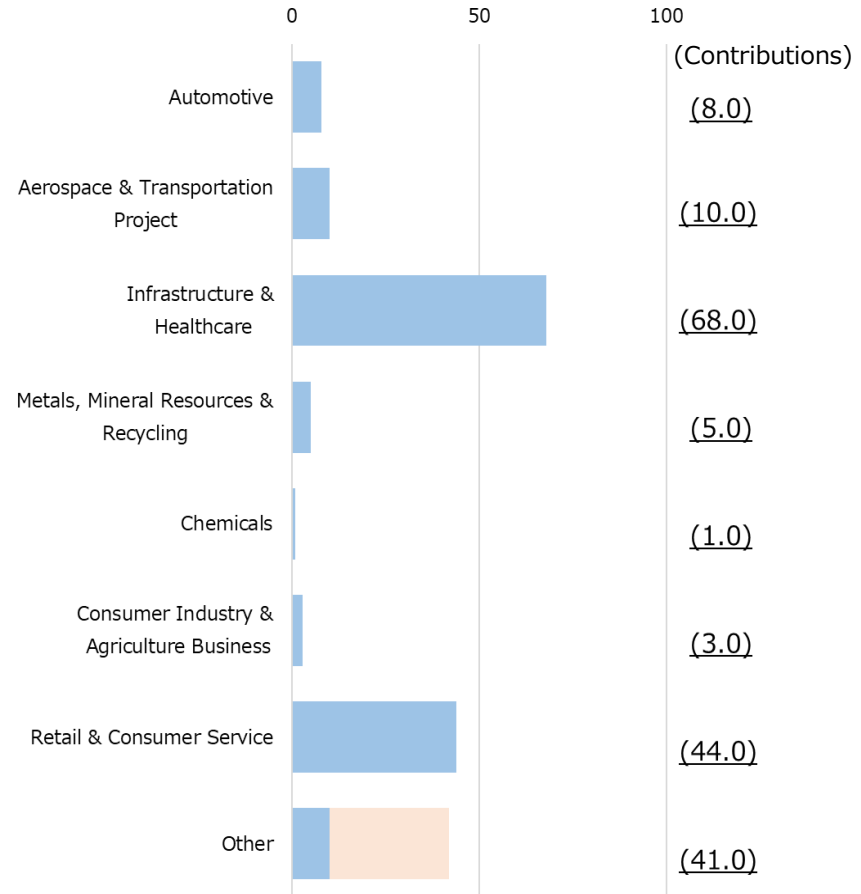
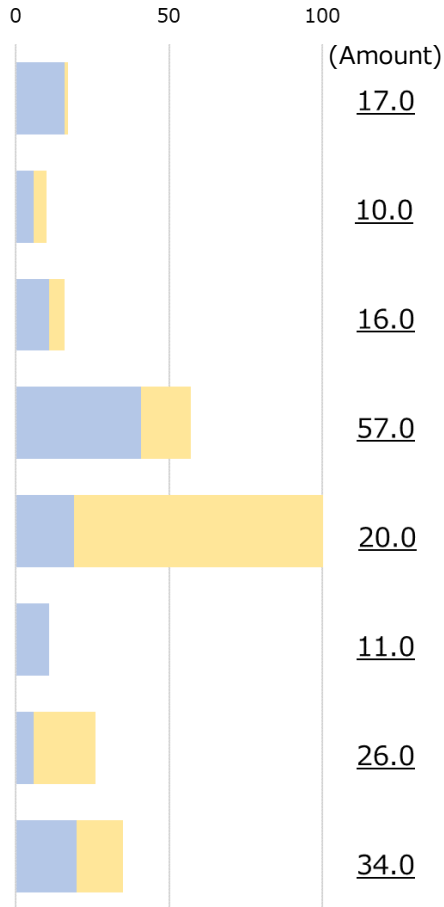
# Balance Sheet and Cash Flow Management

(BN JPY)

## Cash in

## Cash out

## Core CF



■ Core operating cash flow ■ Asset replacement

■ New investments ■ Shareholder return

**191.0**

**(180.0)**

**11.0**

\*MTP2023: FY21 results


# Investments and Asset Replacement

<b>Total Investments</b>	<b>¥150.0bn</b>	
<b>Breakdown</b>	<b>Infrastructure &amp; Healthcare</b>	<b>¥70.0bn</b> <ul style="list-style-type: none"> <li>■ Energy conservation business in the U.S.</li> <li>■ Gas-Fired Power Generation Project in Indonesia</li> <li>■ Gas distributor business in Nigeria</li> <li>■ IWPP and Desalination Project in Middle East</li> <li>■ Renewable energy businesses in Australia</li> <li>■ Electricity retail business in Spain etc.</li> </ul>
	<b>Growth market × Market-oriented initiative</b>	<b>¥62.0bn</b> <ul style="list-style-type: none"> <li>■ Aquaculture food product manufacturing, processing, and sales business</li> <li>■ Domestic retail business</li> <li>■ Domestic shopping malls</li> <li>■ Domestic real estate business</li> <li>■ Dealership business in the U.S.</li> <li>■ Retail business in Southeast Asia</li> </ul>
	<b>Materials &amp; Circular economy</b>	<b>¥0.0bn</b> <p style="text-align: center;">—</p>
	<b>Other</b>	<b>¥18.0bn</b> <ul style="list-style-type: none"> <li>■ Non-financial investment</li> <li>■ Innovation investment etc.</li> </ul>
<b>Total Asset Replacement</b>	<b>¥62.0bn</b>	
<b>Breakdown</b>	<b>Domestic real estate business, Sale of cross-shareholdings, Non-ferrous smelting and refining company, Thermal coal interest, Surface-mounting machines related business, and Overseas office building</b>	

# Major One-time Gain/Loss

	FY20		FY21	
Non-Resource	¥3.6 bn	<ul style="list-style-type: none"> <li>Gain on sales of domestic shopping mall</li> <li>Gain on sales of domestic real estate</li> <li>Impairment loss in industrial machinery related business</li> </ul> <p>etc.</p>	¥2.5 bn	<ul style="list-style-type: none"> <li>Gain on sales of overseas office building</li> <li>Impairment loss on telecommunication infrastructure business</li> </ul> <p>etc.</p>
Resource	¥(3.8) bn	<ul style="list-style-type: none"> <li>Impairment loss on thermal coal</li> <li>Sales of oil and gas interests</li> <li>Impairment loss on oil and gas interests</li> </ul> <p>etc.</p>	¥(15.6) bn	<ul style="list-style-type: none"> <li>Impairment loss on thermal coal interests</li> <li>Loss on withdrawal from metallic raw material interests</li> </ul> <p>etc.</p>
Total (After income tax expenses)	¥(0.2)bn		¥(13.1)bn	

# Breakdown of Resource and Non-Resource Profit

		FY19	FY20	FY21	Difference
(BN JPY)					
<b>A. Profit for the year</b> (attributable to owners of the Company)		60.8	27.0	<b>82.3</b>	55.3
<b>(B. Total one-time income movements)</b>		1.5	(0.2)	<b>(13.1)</b>	(12.9)
<b>A. – B. Profit for the year</b> [(attributable to owners of the Company)] (Excluding one-time income movements)		59.3	27.2	<b>95.4</b>	68.2
	<b>Resource</b>	10.4	(0.4)	<b>42.3</b>	42.7
	<b>Non-Resource</b>	48.9	27.6	<b>53.1</b>	25.5

# Commodity Prices, Foreign Exchange, and Interest Rate

	FY20 (annual Avg.)	FY21 (annual avg.)	FY22 assumption (annual avg.)	Latest data (as of Apr. 25, 2022)
Coking coal *1	US\$117.9/t	US\$317.5/t	US\$280.0/t	US\$465.0/t
Thermal coal *1	US\$65.6/t	US\$181.7/t	US\$160.0/t	US\$372.5/t
Crude oil (Brent)	US\$45.8/bbl	US\$80.0/bbl	US\$90.0/bbl	US\$102.3/bbl
Exchange rate *2	¥105.9/US\$	¥113.04/US\$	¥115.0/US\$	¥128.8/US\$
Interest Rate (TIBOR)	0.07%	0.06%	0.06%	0.07%

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

\*2 Assumption of crude oil (brent) for the second half of FY2021 incorporates mainly hedged prices.

\*3 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.5 bn annually, profit for the year (attributable to owners of the Company) by approx. ¥0.3 bn annually, and total equity by approx. ¥1.5 bn annually.

# **【Supplemental Data】**

## **II. Segment Information**

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

# Automotive

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	32.5	45.6	13.1
SG&A expenses	(27.4)	(33.0)	(5.6)
Share of profit (loss) of investments accounted for using the equity method	(0.9)	0.8	1.7
Profit for the period	1.1	7.1	6.0
Total Asset	151.4	191.8	40.4
Core operating cash flow	6.0	15.5	9.5
ROA	0.7%	4.1%	3.4%

### Main Factors Behind Difference

**(Profit for the year)**  
Increased due to higher sales volumes in overseas automotive operations

CROIC  
FY21

9.7%

Value creation  
guideline figures

7.0%

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Sojitz Automotive Group, Inc	100%	1.1	1.7	0.6	Automobile dealership
Sojitz de Puerto Rico Corporation	100%	1.0	2.1	1.1	Import and sales of automobiles
Subaru Motor LLC	66%	0.1	0.5	0.4	Import and sales of automobiles
Sojitz Quality, Inc	100%	0.0	0.2	0.2	Investment in Automotive parts quality inspection services
Total		2.2	4.5	2.3	

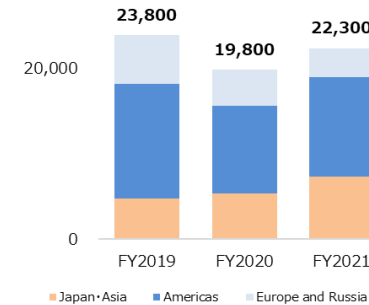
\*1 The equity ownership is as of the end of March 2022.

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## Vehicle Sales

### Dealership Business

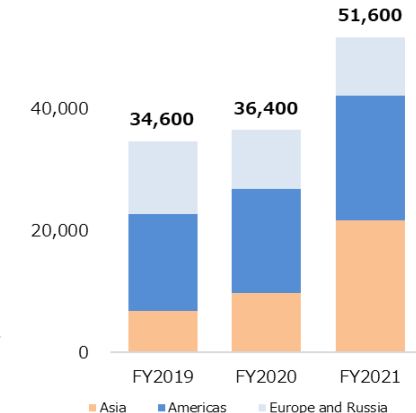
(unit)  
40,000



(Includes the unit sales that company-owned dealerships handle)

### Distributor Business

(unit)  
60,000



(Includes the unit sales that the equity-method affiliates handle)

## Digital transformation in the car distribution industry

### Scanning



### Generating a digital twin of the vehicle and AI identifies of damages & Tagging



- Sojitz has acquired stake in Twinner GmbH ("Twiner"), a German car autoscanner developer which developed a scanner system, "Twiner Space," which generates a digital twin of the vehicle within five minutes utilizing AI cloud technology to provide a 360-degree panoramic scan of the vehicle's interior and exterior. With this agreement, Sojitz has obtained distribution rights for Twinner in Japan.
- Development of data service business utilizing digital twin system to target automobile distributors in Japan
- Contribution to digital transformation of secondhand automobile distribution as part of efforts to increase traceability of vehicle data and develop online automobile distribution platform

# Aerospace & Transportation Project

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	12.5	16.2	3.7
SG&A expenses	(9.4)	(11.9)	(2.5)
Share of profit (loss) of investments accounted for using the equity method	(0.2)	(0.4)	(0.2)
Profit for the period	1.8	4.7	2.9
Total Asset	153.0	218.0	65.0
Core operating cash flow	3.5	6.3	2.8
ROA	1.2%	2.5%	1.3%

### Main Factors Behind Difference

#### 【 Profit for the year】

Increased due to higher transaction volumes in aircraft- and marine vessel-related businesses

CROIC  
FY21

4.6%

Value creation  
guideline figures

5.0%

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Sojitz Aerospace Corporation	100%	0.8	0.8	0.0	Import/export and sales of aerospace and defense-related equipment, components and materials
Sojitz Aviation and Marine B.V.	100%	0.0	0.0	0.0	Aircraft part-out business and marine vessel-related business
SJ Aviation Capital Pte. Ltd.	100%	0.2	0.1	(0.1)	Aircraft leasing business
Sojitz Transit & Railway Canada Inc.	74.9%	0.6	(0.2)	(0.8)	General repair and remanufacturing of railway rolling stocks
Southwest Rail Industries Inc.	100.0%	-	0.5	0.5	Railcar leasing business
Total		1.6	1.2	(0.4)	

\*1 The equity ownership is as of the end of March 2022.

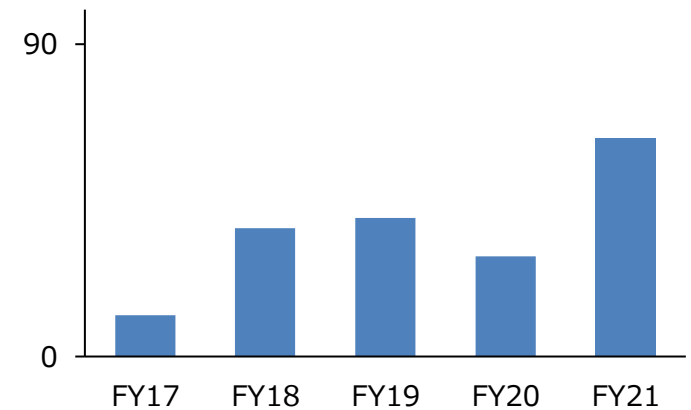
\*2 The above figures are profit (loss) for the year (attributable to owners of the Company), which is calculated in accordance with IFRS and therefore may differ from past figures released by companies.

\*3 Sojitz Aircraft Leasing B.V. changed the name of the company to Sojitz Aviation and Marine B.V. effective from August 16, 2021

## Business Jet charter sales

- Sojitz invested in Phenix Jet Group in 2017 and since then it has expanded their earnings.
- Business jet demand has remained strong, even amid COVID-19 pandemic.

(Operations)





# Infrastructure & Healthcare

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	19.4	19.0	(0.4)
SG&A expenses	(22.5)	(23.1)	(0.6)
Share of profit (loss) of investments accounted for using the equity method	9.6	13.8	4.2
Profit for the period	8.2	6.6	(1.6)
<hr/>			
Total Asset	337.2	421.1	83.9
<hr/>			
Core operating cash flow	5.9	11.1	5.2
<hr/>			
ROA	2.4%	1.7%	(1.0)%

### Main Factors Behind Difference

#### (Profit for the year)

Decreased due to impairment loss on telecommunication infrastructure business in Myanmar despite steady profit from healthcare-related businesses and power generation businesses in Japan and overseas

**CROIC  
FY21**

2.9%

**Value creation  
guideline figures**

3.0%

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Nissho Electronics Corporation	100%	1.6	1.9	0.3	Providing leading-edge IT solutions and network services
Tokyo Yuso Corporation	100%	0.4	0.4	(0.0)	Tank storage operations for petroleum and chemical products
Renewable Energy Businesses	-	3.2	1.8	(1.4)	Renewable energy business in Japan and overseas
LNG Japan Corporation	50%	1.7	3.4	1.7	LNG business and related investments
Sojitz Hospital PPP Investment B.V.	100%	4.8	3.6	(1.2)	Investment in hospital project
<b>Total</b>		<b>11.7</b>	<b>11.1</b>	<b>(0.6)</b>	

\*1 The equity ownership is as of the end of March 2022

\*2 The above figures are profit (loss) for the year (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

### Gas distribution in Nigeria by investing in Axxela

Contribution to low and decarbonized society with market-oriented initiative

- Sojitz acquired a 25% interest in Axxela, the largest private sector gas distributor in Nigeria (insurance planned to be covered by NEXI).
- Dependence on fossil fuels remains high in Nigeria, which boasts the tenth largest deposit volume of natural gas, and in other West African countries due to low levels of gas use as a result of slow infrastructure development.
- Its operations support the utilization of gas resource across West Africa and achievement of target for CO2 emissions reduction, to drive industrial growth while also contributing to the environment.
- Sojitz will provide Axxela, possessing solid customer base of over 200 industrial customers in West Africa region, of low-carbon and decarbonization energy solutions, which enables to achieve a decarbonized society together with business partners and customers.



### IPP Project in Uzbekistan

First Japanese company investing in one of Uzbekistan's largest power generation project

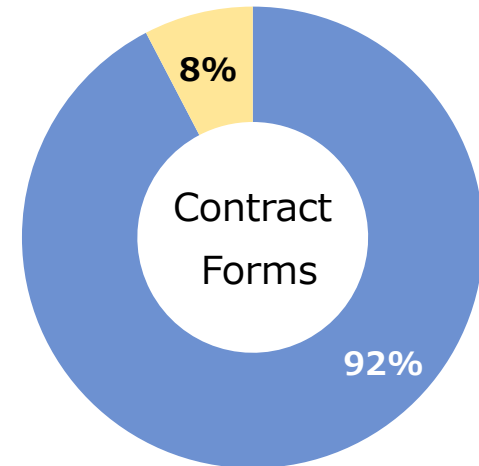
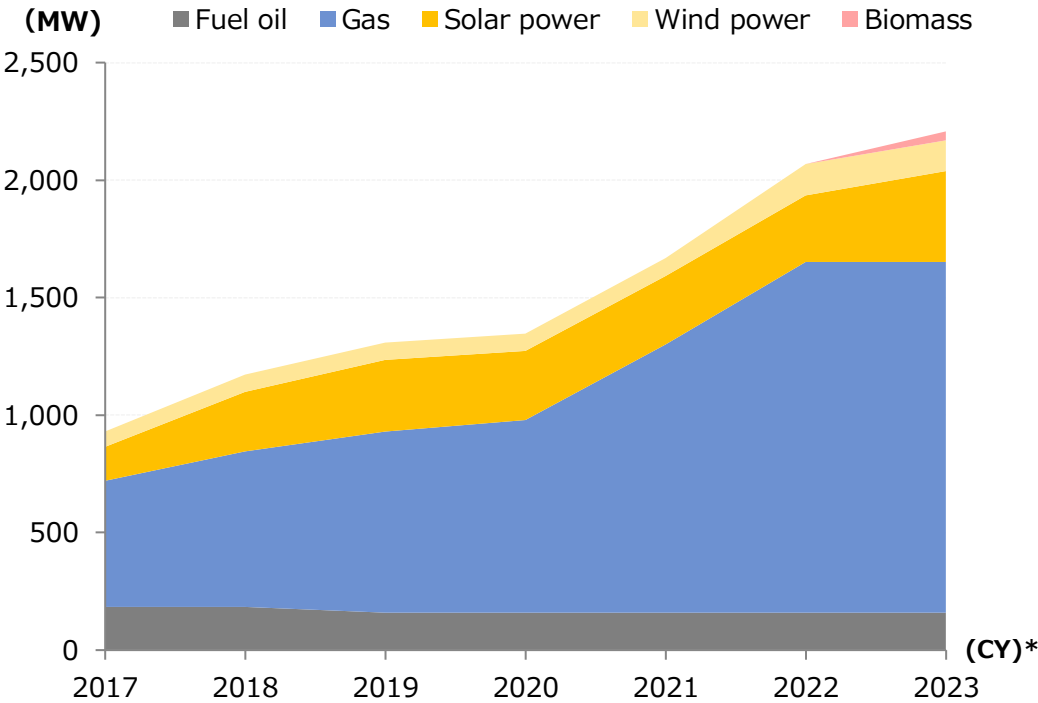
- Consortium with Sojitz, major French power company EDF (Électricité de France), Qatar power generation company Nebras Power Q.P.S.C., and Kyuden International Corporation, has participated in Syrdarya II IPP project.
- A 1,600 MW gas-fired combined cycle power plant with ultra-high efficiency will be constructed. Based on a 25-year long-term power purchase agreement between Sojitz and its partners and Uzbekistan's state-owned power transmission company, the Project will provide a stable supply of energy.



Syrdarya region in Uzbekistan

- Sojitz aims to contribute to the development of countries and regions in central and greater Asia by implementing projects which satisfy national and regional needs and continue to work towards building a sustainable society through its business activities.

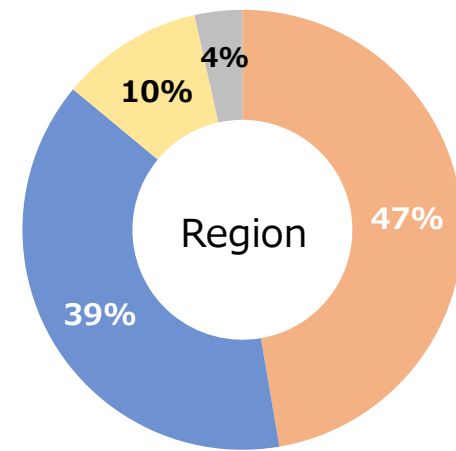
# Change in Net Power-Generation Capacity



■ Long-term contract ■ Spot contract  
 ※As of March 31, 2022

## Results and Forecast of Net Power-Generation Capacity

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



■ Asia ■ Americas ■ Japan ■ Europe  
 ※As of March 31, 2022

\*CY: January - December

# Metals, Mineral Resources & Recycling

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	12.4	60.0	47.6
SG&A expenses	(12.6)	(13.8)	(1.2)
Share of profit (loss) of investments accounted for using the equity method	4.7	21.5	16.8
Profit for the period	(1.8)	34.1	35.9
Total Asset	476.2	511.5	35.3
Core operating cash flow	7.9	40.5	32.6
ROA	(0.4)%	6.9%	7.3%

### Main Factors Behind Difference

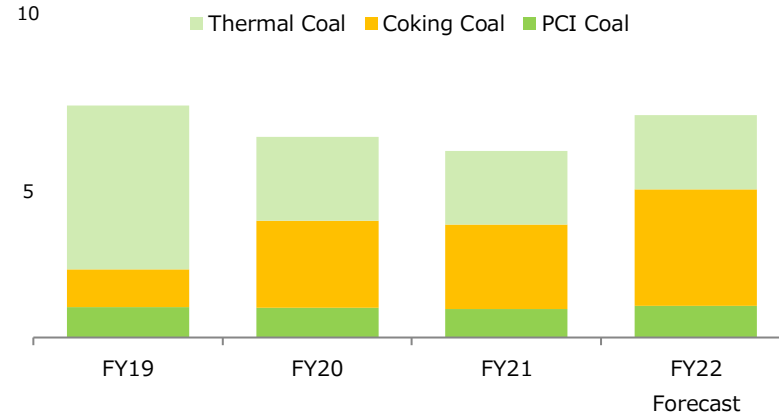
#### 【 Profit for the year 】

Increased due to higher profits from rise in coal market conditions and higher profits from steel operating company thanks to recovery of steel demand, despite provision recorded for thermal coal interests based on decarbonization target

CROIC FY21	Value creation guideline figures
10.1%	5.0%

## Change in Coal Sales Volume

(million ton)



## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Sojitz Development Pty. Ltd.	100%	(5.2)	26.4	31.6	Investment in coal mines
Sojitz Resources (Australia) Pty. Ltd.	100%	0.4	0.7	0.3	Production of alumina
Japan Alumina Associates (Australia) Pty. Ltd.	50%	0.3	1.1	0.8	Investment in an alumina refinery
Metal One Corporation	40%	2.6	11.3	8.7	Import, export, and sale of, and domestic and foreign trading in, steel-related products
Total		(1.9)	39.5	41.4	

\*1 The equity ownership is as of the end of March 2022

\*2 The above figures are profit (loss) for the year (attributable to owners of the Company), which is calculated in accordance with IFRS and therefore may differ from past figures released by these companies.

## Memorandum with Kyushu University for Implementation of Membrane-based Air Capture Technology and Related Technology Solutions to Capture Carbon Dioxide



CO2 separation membrane as thin as 1/300 of human hair



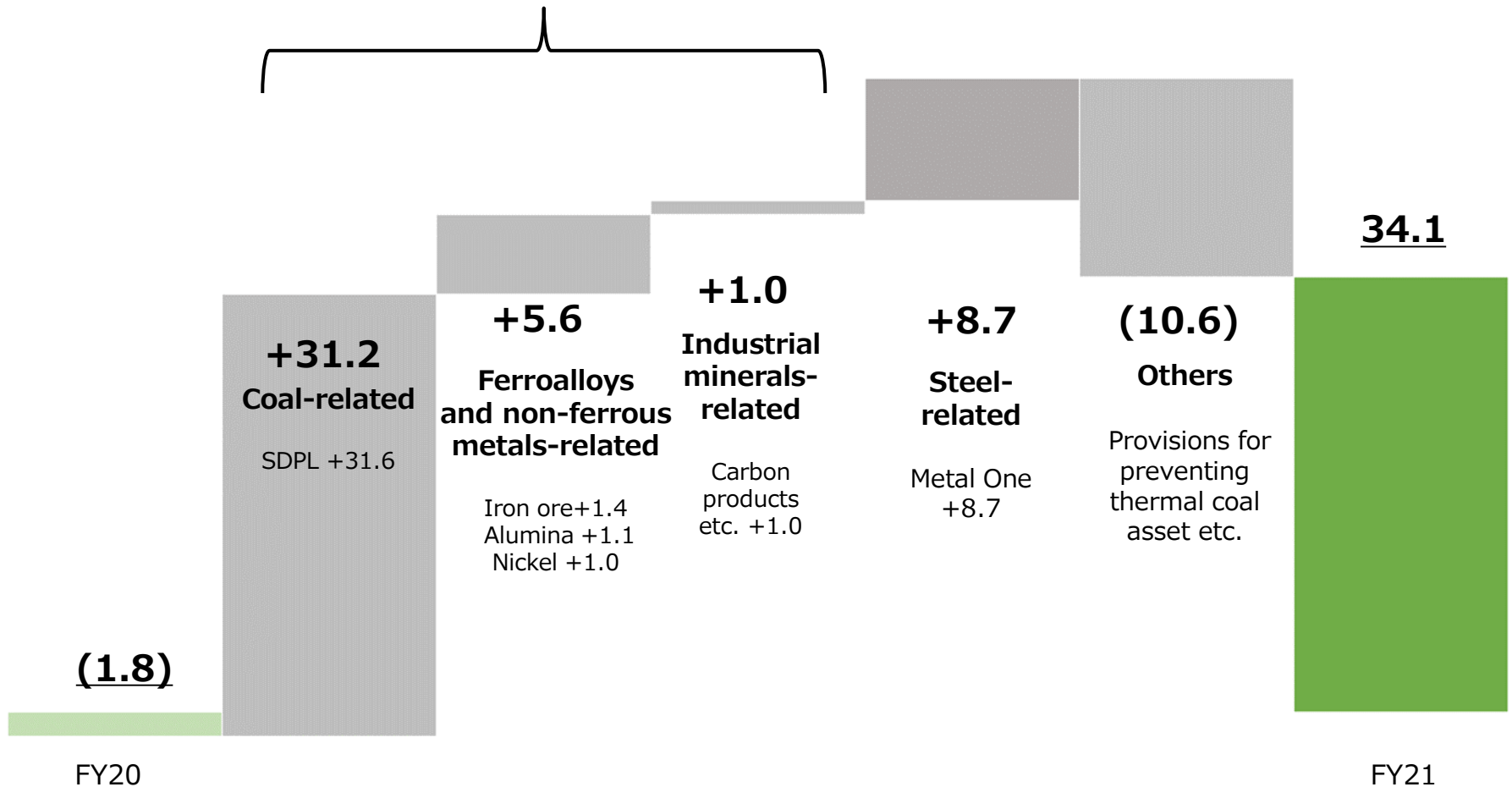
Image of DAC Utilization System

- Kyushu University and Sojitz have signed a memorandum for the purpose of promoting carbon neutral initiatives through the practical application of cutting-edge technologies towards the realization of a sustainable society
- The International Institute for Carbon-Neutral Energy Research at Kyushu University ("I<sup>2</sup>CNER") has engaged in R&D of the world's first membrane-based direct air capture ("DAC") technology, which makes it possible to capture CO<sub>2</sub> from the atmosphere through a membrane separation system
- Based on I<sup>2</sup>CNER's world-leading knowledge and conversion for achieving carbon neutrality and carbon negativity, as well as Sojitz's experience from its decarbonization initiatives, Sojitz and Kyushu University will pursue possible collaboration and cooperation for core technology to be implemented for realizing carbon neutrality and carbon negativity

# Metals & Mineral Resources YoY Main Factors Behind Difference

(BN JPY)

Impact of commodity prices  
approx. ¥+35.0bn included



# Chemicals

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	37.3	50.7	13.4
SG&A expenses	(28.2)	(30.5)	(2.3)
Share of profit (loss) of investments accounted for using the equity method	0.7	0.7	0.0
Profit for the period	5.8	12.6	6.8
Total Asset	272.3	320.5	48.2
Core operating cash flow	8.7	18.7	10.0
ROA	2.1%	4.3%	2.2%

### Main Factors Behind Difference

#### (Profit for the year)

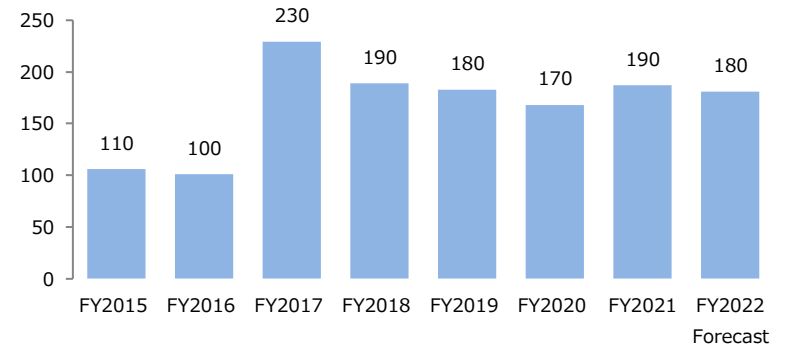
Increased due to recovery of methanol prices and higher transaction volumes of plastic resin

CROIC FY21	Value creation guideline figures
9.1%	7.5%

## 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

(10,000 ton)



## Major Subsidiaries and Associates

(BN JPY)

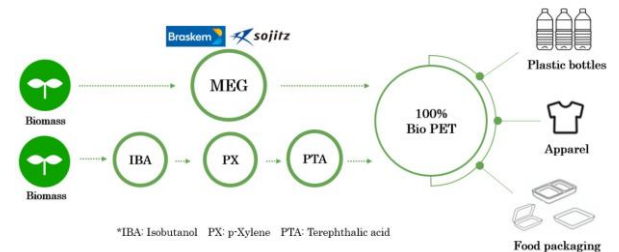
Company name	Equity ownership	FY20	FY21	Difference	Business Description
Sojitz Pla-Net Corporation	100%	1.1	2.0	0.9	Trading and sale of plastics and related products
PT. Kaltim Methanol Industri	85%	0.1	4.1	4.0	Manufacture and sale of methanol
solvadis deutschland gmbh	100%	0.9	1.2	0.3	Trading and sale of chemical products
Total		2.1	7.3	5.2	

\*1 The equity ownership is as of the end of March 2022.

\*2 The above figures are profit (loss) for the year (attributable to owners of the Company), which is calculated in accordance with IFRS and therefore may differ from past figures released by these companies.

## Sojitz promotes biomass-chemical business for circular economy

- Sojitz and Braskem have signed an agreement as of March 16th, 2022, to establish a joint venture company which will produce biomass-derived monoethylene glycol (bioMEG) and monopropylene glycol (bioMPG)
  - This project plans to construct a total of three commercial plants. We plan to start up the first commercial plant in 2025
  - Sojitz aims to manufacture 100% biomass-derived PET resin through production of bioMEG and biomass-derived purified terephthalic acid (PTA) and to manufacture bioMPG
- These activities will lead to achieving a decarbonized society and creating sustainable growth for both Sojitz and society



# Consumer Industry & Agriculture Business

## FY21 Summary

(BN JPY)

	FY20	FY21	Difference
Gross profit	27.4	31.3	3.9
SG&A expenses	(20.7)	(21.4)	(0.7)
Share of profit (loss) of investments accounted for using the equity method	0.6	0.9	0.3
Profit for the period	4.6	6.4	1.8
Total Asset	210.3	245.0	34.7
Core operating cash flow	8.1	11.1	3.0
ROA	2.2%	2.8%	0.6%

### Main Factors Behind Difference

#### 【 Profit for the year 】

Increased due to rise in market conditions of imported plywood despite higher production costs due to an increase in raw material prices in fertilizer businesses

CROIC  
FY21

9.5%

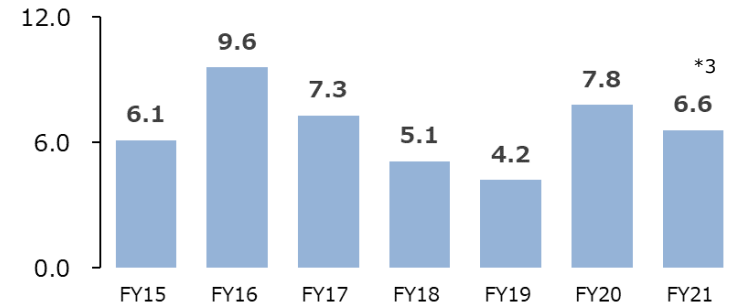
Value creation  
guideline figures

6.0%

## Profit of overseas fertilizers business

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

(BN JPY)



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

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Thai Central Chemical Public Company(TCCC)	81%	4.7	3.4	(1.3)	Manufacture and sales of fertilizers *3
Atlas Fertilizer Corporation	100%	1.8	2.1	0.3	Manufacture and sales of fertilizers, sales of imported fertilizer products
Japan Vietnam Fertilizer Company	75%	0.3	0.2	(0.1)	Manufacture and sales of fertilizers
Saigon Paper	96%	(0.9)	(0.7)	0.2	Papermaking business (Vietnam)
Sojitz Building Materials Corporation	100%	0.5	2.9	2.4	Trading company specializing in sales of construction materials
Total		6.4	7.9	1.5	

\*1 The equity ownership is as of the end of March 2022

\*2 The above figures are profit (loss) for the year (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 May 18, 2022.

## Receipt of wood construction material business from Mitsubishi Shoji Construction Materials



### Wood large panel

(The panel assembled with pillar, beam, and others beforehand.)

- Acquisition of wood building material and large panel production and sales operations of Mitsubishi Shoji Construction Materials by Sojitz Building Materials in March 2022
- Reinforcement of lumber and building material operations through incorporation of diverse customer base, products, and human resource and business insight of Mitsubishi Shoji Construction Materials
- Alleviation carpenter shortages and reformation of construction worksites by industrializing and reducing labor requirements associated with wood structures through acquired large panel operations



# Retail & Consumer Service

## FY21 Summary

## Sojitz Acquires Full Ownership of The Marine Foods Corporation

Sojitz announced that they acquires full ownership of the Marine Foods Corporation, a subsidiary of Nippon Ham on Feb.9,2022.



**MarineFoods**  
**Strong Customer Base,  
 Product Development Capabilities,  
 and Food Processing Functions**

×  
**Sojitz**

**Global Network, Resources,  
 and New Business Development Capabilities**

- To strengthen and expand the food globally
- To build a new customer base through strengthened e-commerce and development of new products for consumers based on market needs
- To expand the tuna processing and wholesale business

## To Establish New Joint Venture With Goldman Sachs

Sojitz announced that they established new joint venture in rental residential value add business with Goldman Sachs on 28, 2022.

**Goldman Sachs'**  
**Capability to Bring in Necessary Capital**

×  
**Sojitz's**

**Extensive Industry Networks,  
 Deep Insight in Residential Market, Expertise in  
 Improving Asset Value**

- Sojitz and Goldman Sachs aim to become key players in Japan's residential sector, and targets to provide consumers with premium living spaces and investors with a wide range of investment opportunities.
- Sojitz and Goldman Sachs target to acquire \$300 million of assets in FY2022, and then \$400-500 million annually thereafter.

(BN JPY)

	FY20	FY21	Difference
Gross profit	27.6	31.3	3.7
SG&A expenses	(20.8)	(21.5)	(0.7)
Share of profit (loss) of investments accounted for using the equity method	(0.1)	0.0	0.1
Profit for the period	4.9	5.0	0.1
Total Asset	337.0	420.5	83.5
Core operating cash flow	3.5	5.9	2.4
ROA	1.5%	1.3%	(0.1)%

### Main Factors Behind Difference

#### (Profit for the year)

Relatively unchanged year on year due to absence of gains from sale of shopping mall recorded in the previous year, despite higher sales volumes of food-related company

**CROIC  
 FY21**

**Value creation  
 guideline figures**

2.8%

5.0%

## Major Subsidiaries and Associates

(BN JPY)

Company name	Equity ownership	FY20	FY21	Difference	Business Description
Sojitz Foods Corporation	100%	2.3	3.2	0.9	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs
Sojitz Fashion Co., Ltd.	100%	0.7	0.6	(0.1)	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics
Sojitz New Urban Development Corporation	100%	(0.1)	0.9	1.0	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%	0.5	0.4	(0.1)	Management of real estate asset
Total		3.4	5.1	1.7	

\*1 The equity ownership is as of the end of March 2022

\*2 The above figures are profit (loss) for the year (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.tri-stage.jp/>

• JALUX Inc. (equity-method associate)

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

• Fuji Nihon Seito Corporation (equity-method associate)

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

• Royal Holdings (equity-method associate)

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





# **【Supplemental Data】**

## **Ⅲ. Summary of Financial Results**

# Summary of Profit or Loss

(BN JPY)	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
<b>Net sales (JGAAP)</b>	4,014.6	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	–	–	–	–
<b>Revenue</b>	–	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	2,100.8
<b>Gross profit</b>	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3
<b>Operating profit</b>	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	38.0
<b>Profit before tax</b>	39.3	58.5	28.1	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3
<b>Profit for the year attributable to owners of the Company</b>	16.0	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3
<b>Core earnings</b>	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3
<b>ROA</b>	0.7%	(0.0%)	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%
<b>ROE</b>	4.7%	(0.3%)	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	12.2%

(\*) 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

(BN JPY)	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 Mar. 2022
<b>Total assets</b>	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	2,661.7
<b>Total equity</b>	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0
<b>Equity ratio</b>	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	27.4%
<b>Net interest-bearing debt</b>	700.6	676.4	643.3	640.2	629.6	571.6	611.1	603.5	584.7	613.2	610.6	770.2
<b>Net DER (Times)</b>	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0	1.1	0.99	1.06
<b>Risk assets (vs. Total equity, times)</b>	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	450.0 0.6
<b>Current ratio</b>	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	155.3%
<b>Long-term debt ratio</b>	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	78.0%

(\*) 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.

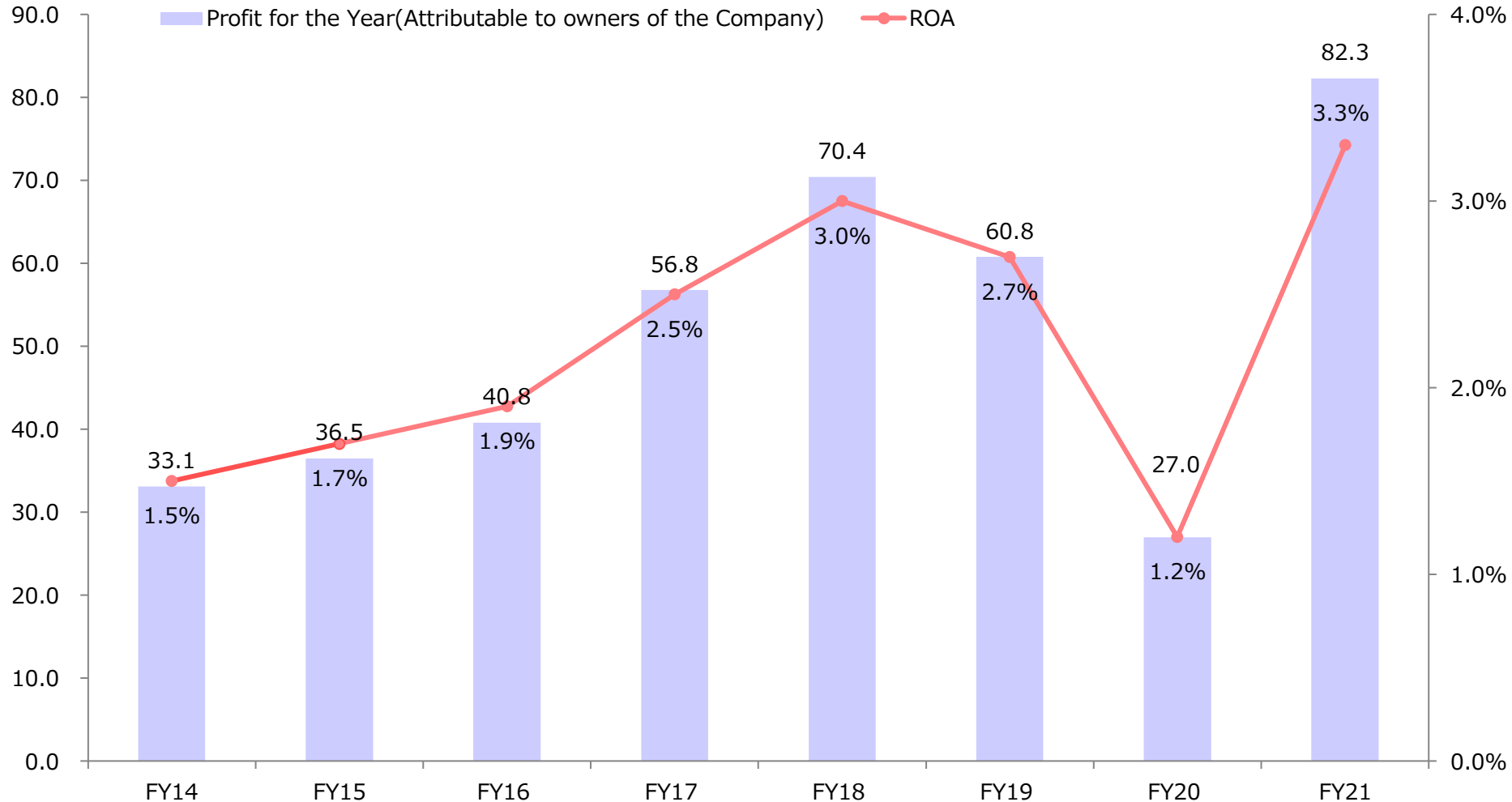
# Summary of Cash Flows

(BN JPY)	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 Mar. 2022
<b>Core cash flow</b>	–	–	–	–	–	18.3	5.5	(56.7)	63.1	1.3	(8.0)	10.5
<b>Free cash flow</b>	48.0	46.4	43.4	22.5	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(73.7)
<b>Core operating cash flow</b>	–	–	–	–	–	60.0	59.4	82.9	79.1	80.2	60.2	128.7
<b>Cash flow from operating activities</b>	67.9	88.7	55.1	47.0	39.1	99.9	0.9	98.8	96.5	40.5	85.0	65.1
<b>Cash flow from investment activities</b>	(19.9)	(42.3)	(11.7)	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(138.8)
<b>Cash flow from financing activities</b>	(72.1)	(29.5)	(56.2)	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	46.9
<b>Investments</b>	73.0	53.0	44.0	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0

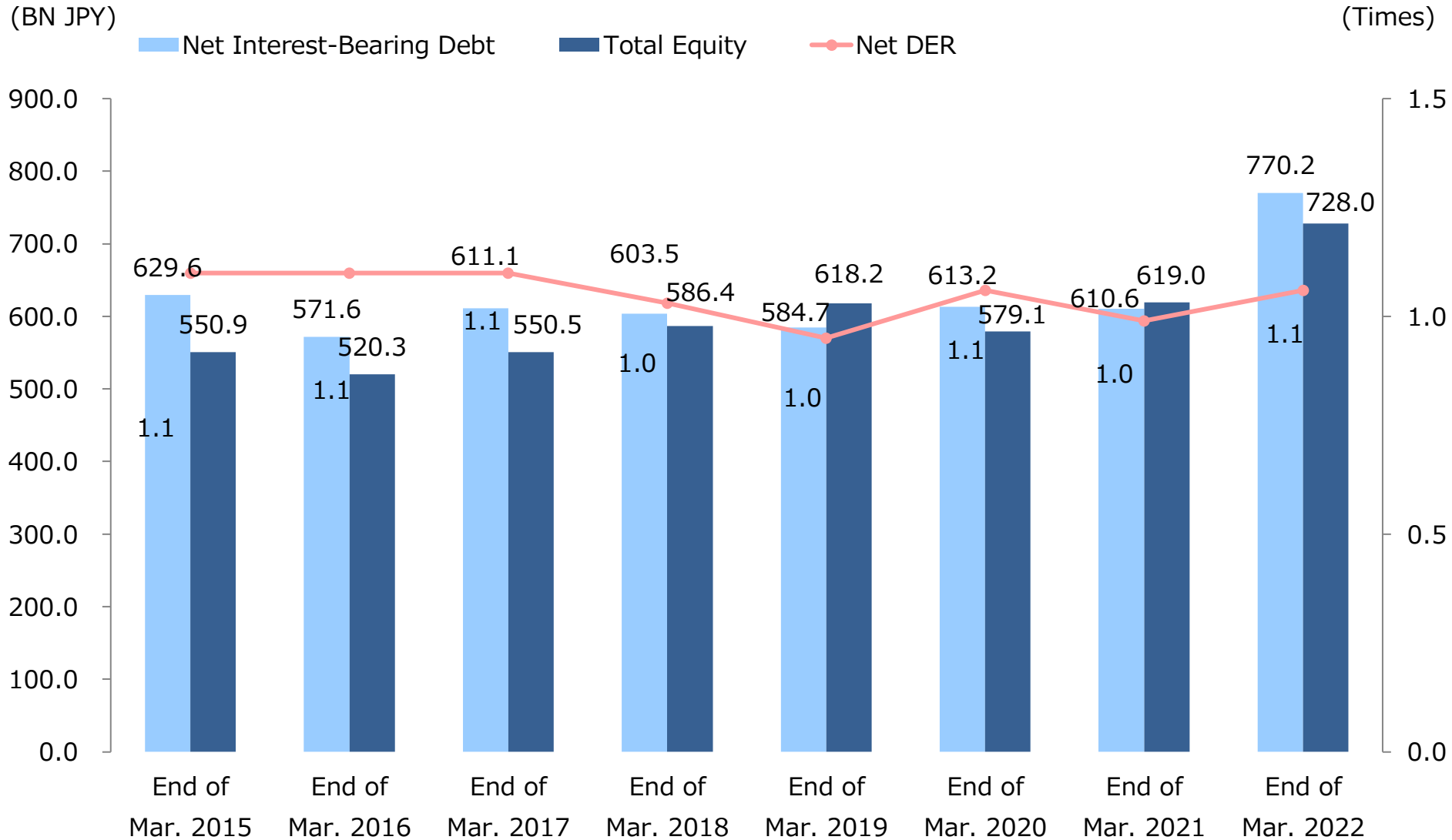
※Core cash flow = Core operating cash flow = Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes

# Summary of Profit or Loss

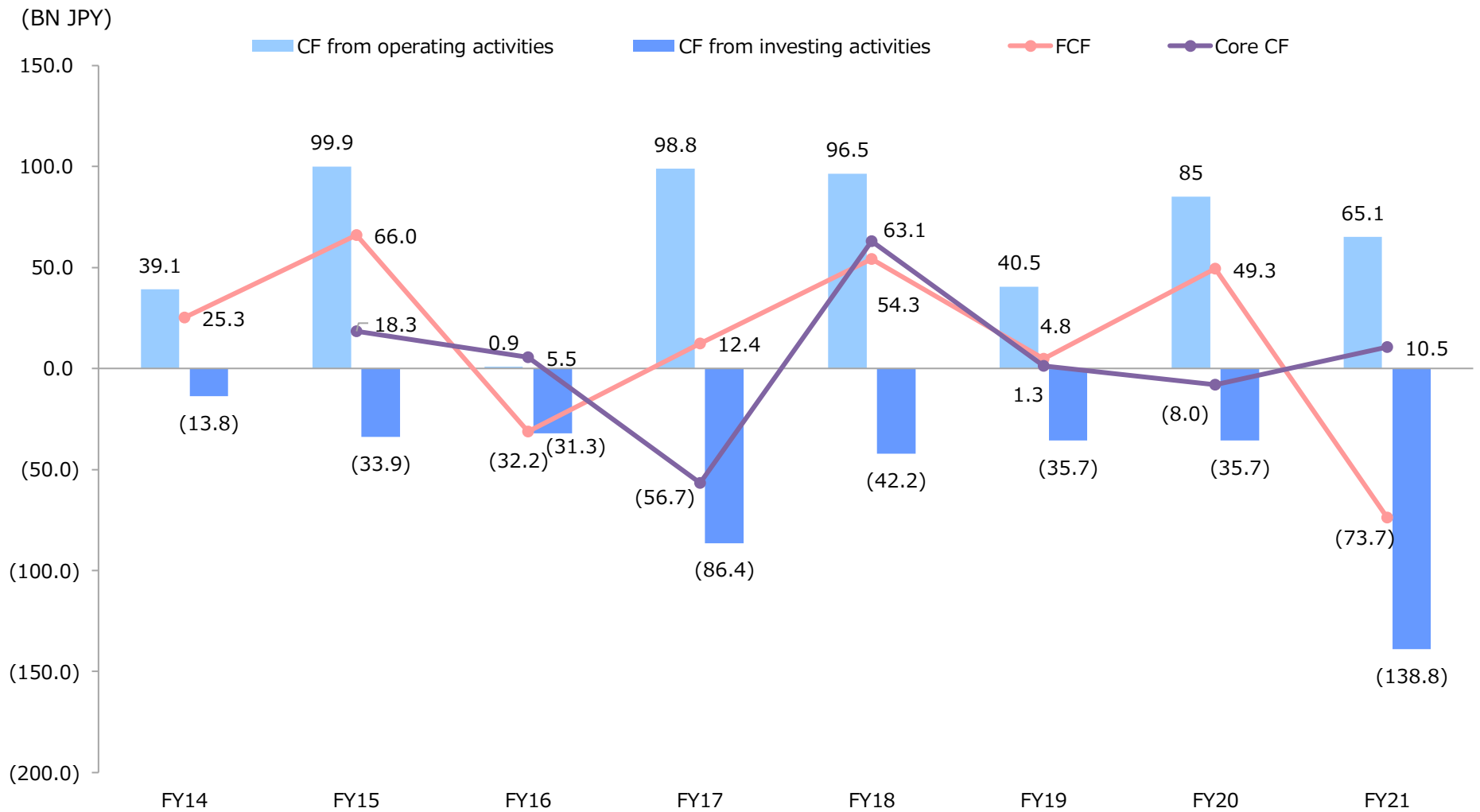
(BN JPY)



# Summary of Balance Sheets



# Summary of Cash Flow





**Hassojitz**

発想 × **sojitz**

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