

## Summary of Consolidated Financial Results for the First Half Ended September 30, 2023 (IFRS)

October 31, 2023

### Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

Company representative: Masayoshi Fujimoto, President & CEO

Contact information: Nahoyoshi Tomita, GM, Public Relations Dept. TEL +81-3-6871-3404

Scheduled filing date of quarterly financial report : November 9, 2023

Scheduled date of delivery of dividends : December 1, 2023

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 Half Ended September 30, 2023 (April 1, 2023 - September 30, 2023)

#### (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 half ended September 30, 2023	1,187,268	(6.8)	64,509	(39.5)	49,440	(39.4)	47,934	(39.2)	109,660	(30.0)
September 30, 2022	1,273,322	27.2	106,547	103.1	81,611	96.8	78,876	99.9	156,690	158.1

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the first half ended September 30, 2023	212.06	212.06
September 30, 2022	341.70	341.70

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 September 30, 2023	2,774,724	921,864	888,504	32.0
March 31, 2023	2,660,843	876,576	837,713	31.5

### 2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended March 31, 2023	Yen -	Yen 65.00	Yen -	Yen 65.00	Yen 130.00
March 31, 2024	-	65.00	-	65.00	130.00
March 31, 2024 (forecast)	-	-	-	65.00	130.00

Note: Changes in cash dividend forecast : No

### 3. Consolidated Earnings Forecast for the Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

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, 2024 Full-year	95,000	(14.6)	425.21

Note1: Changes in full-year earnings forecast : No

Note2: Basic earnings per share is calculated based on Profit attributable to owners of the Company.

In addition, the effect of share repurchase, which was resolved at the Board of Directors meeting on March 31, 2023, was taken into consideration at the beginning of the fiscal year.

#### 4. Others

(1) Changes in major subsidiaries during the period

(Changes in specified subsidiaries accompanying changes in scope of consolidation) : Yes

New company : 2 Orchid Wind Power GmbH

Starwind Offshore GmbH

(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 stock):

As of September 30, 2023 : 225,000,000 As of March 31, 2023: 250,299,900

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

As of September 30, 2023 : 3,738,892 As of March 31, 2023: 19,482,980

3. Average number of outstanding shares during the periods:

For the first half ended September 30, 2023 (accumulative): 226,041,152

For the first half ended September 30, 2022 (accumulative): 230,832,587

Note1: 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 stock; 886,140 stocks in the first half ended September 30, 2023 and 953,699 stocks in the fiscal year ended March 31, 2023.

Note2: The number of outstanding shares decreased by 25,299,900 shares due to the cancellation of treasury stock on April 7 and September 29, 2023.

\* 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 hold an IR meeting on financial results for the first half ended September 30, 2023 for analysts and institutional investors on October 31, 2023. Materials on financial results, Contents (materials and videos) of the meeting and condensed transcript of Q&A session will be posted on the company's web site immediately after the meeting.

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## 1. Analysis of Business Results

### (1) Overview of the First Half Ended September 30, 2023

#### Economic Environment

For the first half ended September 30, 2023, economic recovery is expected due to the increase in global economic activity as the economy emerges from the COVID-19 shock. However, there is an ongoing need to monitor causes of concern for future economic recessions in light of the growing downward pressure on the global economy from factors such as the heightened geopolitical risks such as the prolongation of Russia's military invasion of Ukraine and escalating tensions in the Middle East, and the monetary tightening measures implemented by central banks in developed countries in response to persistent inflation.

In the United States, the Federal Reserve Board implemented interest rates hikes at 10 consecutive meetings of the Federal Open Market Committee over the period from March 2022 to May 2023. Aimed at combating inflation, these hikes have culminated in a total increase of 5.00% in interest rates. In addition, interest rates increased by 0.25% at the July meeting, with the policy interest rate stands at 5.25-5.50% as a result. The concern for a recession remains, but the impacts of such a recession are not anticipated to be particularly severe based on the decelerated pace of inflation and the brisk consumption seen in the U.S. market.

In Europe, the European Central Bank (ECB) decided to raise interest rates for the 10 consecutive meetings at the September meeting. Market participants say the ECB is likely to take a wait-and-see approach, but the central bank has left open the possibility that future rate hikes will depend on data. Low inflation rates and stable job markets are a source of optimism with regard to the European economy. However, the currently low levels of consumption, along with other factors, are slowing GDP growth.

China was expected to witness a full-fledged recovery in economic activity given the emphasis on reform and openness at the 20 National Congress of the Chinese Communist Party in October 2022, and the country's abandonment of its zero-COVID policy in December. However, the outlook for economic activity needs to be carefully monitored, as recovery in business sentiment has been slow with two interest rate cuts this fiscal year due to a decline in exports and a slump in consumer spending and the real estate market.

In Asia, the growth rate has been decelerating due to the slump in external demand, particularly in Western markets. Although domestic demand is driving many countries, there are concerns about high prices and high interest rates due to the prolonged situation in Ukraine. While inflation is peaking out in some countries, currency depreciation caused by the difference in interest rates with the United States has limited the number of countries that will cut interest rates.

In Japan, the recovery of inbound travel to Japan contributed recoveries of the lodging and restaurant industries. In addition, automotive production and sales have improved following the elimination of semiconductor supply constraints. On the other hand, although total cash salaries, which represent nominal wages, have increased, domestic consumption has remained stagnant as real wages continue to decline due to the effects of rising prices. The Bank of Japan has maintained its conventional accommodative monetary policy. This situation has sparked yen depreciation as a result of differences in interest rates between the United States and Japan. Going forward, it will be important to exercise caution with regard to the potential for rapid fluctuations in exchange rates stemming from changes in Japanese financial policy.

## Financial Performance

Sojitz Corporation's consolidated business results for the first half ended September 30, 2023 are presented below.

Revenue	Revenue was down 6.8% year on year, to ¥1,187,268 million, due to reduced revenue in the Metals, Mineral Resources & Recycling Division, a result of declines in prices and transactions volumes for coal; and in the Chemicals Division, a result of declines in transactions volumes for chemical products.
Gross profit	Gross profit was decreased ¥24,848 million year on year, to ¥157,395 million, due to reduced revenue in the Metals, Mineral Resources & Recycling Division, a result of declines in prices and transactions volumes for coal; and in the Chemicals Division, a result of declines in transactions volumes for chemical products.
Profit before tax	Profit before tax was down ¥42,038 million year on year, to ¥64,509 million, as a result of declines in gross profit, and increases other selling, general and administrative expenses as a result of increases in non-personnel expenses.
Profit for the period	After deducting income tax expenses of ¥15,068 million from profit before tax of ¥64,509 million, profit for the period amounted to ¥49,440 million, down ¥32,171 million year on year. Profit for the period (attributable to owners of the Company) declined ¥30,942 million year on year, to ¥47,934 million.
Comprehensive income for the period	Comprehensive income for the period of ¥109,660 million was recorded, down ¥47,030 million year on year, following a decrease 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 ¥105,416 million, a decrease of ¥43,167 million year on year.

(In Millions of Yen)

	Fiscal Year 2023 H1 Results(A)	Fiscal Year 2022 H1 Results (B)	Difference (A)-(B)	Percentage change (%)
Revenue	1,187,268	1,273,322	(86,054)	(6.8)
Gross profit	157,395	182,243	(24,848)	(13.6)
Profit before tax	64,509	106,547	(42,038)	(39.5)
Profit for the period	49,440	81,611	(32,171)	(39.4)
Profit for the period attributable to owners of the Company	47,934	78,876	(30,942)	(39.2)
Comprehensive income for the period	109,660	156,690	(47,030)	(30.0)

Results for the first half ended September 30, 2023, are summarized by segment below. Effective April 1, 2023, the Company has changed the classification method for some of its reporting segments, as described in (7) Segment information (page 14).

#### Automotive

Revenue was up 33.3% year on year, to ¥201,501 million, mainly due to the acquisition of overseas used car sales business. Profit for the period (attributable to owners of the Company) decreased ¥1,818 million year on year, to ¥2,665 million, as a result of an increase in selling, general and administrative expenses associated with the acquisition of overseas used car sales business, and an increase in financing costs due to higher foreign currency interest rates despite an increase in gross profit.

#### Aerospace & Transportation Project

Revenue was up 5.4% year on year, to ¥18,375 million, mainly due to the acquisition of an aircraft operation and maintenance company. Profit for the period (attributable to owners of the Company) decreased ¥871 million year on year, as a result of decrease in financial income from aircraft-related transactions to ¥1,502 million, despite an increase in gross profit.

#### Infrastructure & Healthcare

Revenue was up 12.4% year on year, to ¥71,902 million, mainly due to the increase in revenue from industrial machinery trading company. Profit for the period (attributable to owners of the Company) decreased ¥4,279 million year on year, to ¥5,470 million, due to a decrease in share of profit (loss) of investments accounted for using the equity method from sales of thermal power generation business in the United States, despite an increase in gross profit.

#### Metals, Mineral Resources & Recycling

Revenue was down 29.9% year on year, to ¥245,257 million, mainly due to declines in prices and transactions volumes for coal. Profit for the period (attributable to owners of the Company) decreased ¥23,257 million year on year, to ¥18,537 million, as a result of a decline in gross profit.

#### Chemicals

Revenue was down 16.0% year on year, to ¥277,811 million, mainly due to declines in transactions volumes for chemical products. Profit for the period (attributable to owners of the Company) decreased ¥4,663 million year on year, to ¥6,758 million, as a result of a decline in gross profit.

#### Consumer Industry & Agriculture Business

Revenue was down 22.8% year on year, to ¥143,025 million, mainly due to declines in transactions volumes for lumber. Profit for the period (attributable to owners of the Company) decreased ¥2,356 million year on year, to ¥3,450 million, as a result of a decline in gross profit.

#### Retail & Consumer Service

Revenue was up 35.1% year on year, to ¥203,602 million, mainly due to the sale of shopping center. Profit for the period (attributable to owners of the Company) increased ¥8,078 million year on year, to ¥9,124 million, due to an increase in other income and expenses as a result of negative goodwill recorded in accordance with the acquisition of processing and sale of frozen tuna company.

## (2) Financial Position

### Consolidated Balance Sheet

Total assets on September 30, 2023, were ¥2,774,724 million, up ¥113,881 million from March 31, 2023, following the impact of the depreciation of the yen and the acquisition of new consolidated subsidiaries.

Total liabilities on September 30, 2023, amounted to ¥1,852,859 million, up ¥68,593 million from March 31, 2023, as results of the impact of the depreciation of the yen and an increase in trade and other payable due to the holiday at the end of the first half of the fiscal year.

Total equity attributable to owners of the Company was ¥888,504 million on September 30, 2023, up ¥50,791 million from March 31, 2023 despite the purchase of treasury stock and payment of dividends. 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.

Consequently, on September 30, 2023, the current ratio was 151.8%, the long-term debt ratio was 80.0%, and the equity ratio\* was 32.0%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥642,154 million on September 30, 2023, up ¥12,728 million from March 31, 2023. This resulted in the Company's net debt equity ratio\* equaling 0.7 times on September 30, 2023.

(\*) 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 been endeavored to maintain a stable financial foundation by keeping the long-term debt ratio at a certain level and by holding sufficient liquidity as a buffer against changes in the economic or financial environment.

Even though Sojitz did not issue straight bonds, as one source of long-term funding, in the first half ended September 30, 2023, 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 ¥100.0 billion long-term yen commitment line (which remains unused) and long-term commitment line totaling US\$2.575 billion (of which US\$0.415 billion has been used).

### Consolidated Cash Flows

For the first half ended September 30, 2023, operating activities provided net cash flow of ¥85,224 million, investing activities provided net cash flow of ¥46,209 million, and financing activities used net cash flow of ¥161,202 million. Sojitz ended the period with cash and cash equivalents of ¥226,186 million, reflecting foreign currency translation adjustments related to cash and cash equivalents.

#### (Cash flows from operating activities)

Net cash provided in operating activities amounted to ¥85,224 million, an increase of ¥2,970 million year on year, mainly as a result of business earnings and dividends received.

#### (Cash flows from investing activities)

Net cash provided in investing activities totaled ¥46,209 million, an increase of ¥90,440 million year on year, mainly as a result of mainly due to proceeds from sales of strategic equity holdings and collections from aircraft-related transactions, despite investments in the processing and sale of frozen tuna company and an energy conservation business in Australia.

#### (Cash flows from financing activities)

Net cash used in financing activities totaled ¥161,202 million, up ¥109,870 million year on year, mainly as a result of repayment of borrowings, purchase of treasury stock and payment of dividends.

### **(3) Consolidated Earnings Forecast**

#### Consolidated Earnings Forecast

Current forecast for fiscal year 2023 is as follow.

Gross profit	¥ 320 billion
Profit before tax	¥ 125 billion
Profit for the year	¥ 100 billion
Profit for the year (Attributable to owners of the Company)	¥ 95 billion

Even though above forecast assumes a yen/dollar rate of ¥140/US\$ for the second half of the fiscal year, the impact is insignificant.

#### \*Caution regarding Forward-looking Statements

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

### **(4) Interim Dividend**

On October 31, 2023, the Board of Directors of the Company resolved to pay an interim dividend of 65 yen per share on common shares outstanding as of September 30, 2023, the record date for dividends. The total amount of the interim dividend will be 14,439 million yen (effectivity date of December 1, 2023).



## 2. Consolidated Financial Statements

### (1) Consolidated Statements of Financial Position

(In Millions of Yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of September 30, 2023)
<b>Assets</b>		
Current assets		
Cash and cash equivalent	247,286	226,186
Time deposits	6,991	9,898
Trade and other receivables	794,898	774,806
Derivatives	4,642	5,145
Inventories	280,982	289,043
Income tax receivables	11,002	5,902
Other current assets	59,991	68,190
Subtotal	1,405,796	1,379,172
Assets held for sale	38,743	69,716
Total current assets	1,444,540	1,448,889
Non-current assets		
Property, plant and equipment	195,414	221,277
Usage rights assets	65,603	73,122
Goodwill	85,731	108,172
Intangible assets	70,834	80,528
Investment property	8,116	9,793
Investments accounted for using the equity method	559,939	580,819
Trade and other receivables	86,293	104,743
Other investments	129,781	129,817
Derivatives	1,328	1,347
Other non-current assets	6,650	7,448
Deferred tax assets	6,609	8,764
Total non-current assets	1,216,303	1,325,835
Total assets	2,660,843	2,774,724
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Trade and other payables	579,252	634,867
Lease liabilities	17,305	18,867
Bonds and borrowings	167,775	175,397
Derivatives	5,480	8,470
Income tax payables	20,633	8,368
Provisions	2,437	1,777
Other current liabilities	79,676	85,489
Subtotal	872,560	933,238
Liabilities directly related to assets held for sale	19,260	21,348
Total current liabilities	891,821	954,586
Non-current liabilities		
Lease liabilities	54,104	60,541
Bonds and borrowings	715,929	702,841
Trade and other payables	9,234	9,646
Derivatives	38	88
Retirement benefits liabilities	22,713	24,084
Provisions	48,962	53,736
Other non-current liabilities	15,421	12,082
Deferred tax liabilities	26,042	35,252
Total non-current liabilities	892,445	898,273
Total liabilities	1,784,266	1,852,859
Equity		
Share capital	160,339	160,339
Capital surplus	147,601	95,975
Treasury stock	(31,058)	(9,215)
Other components of equity	138,638	194,099
Retained earnings	422,193	447,305
Total equity attributable to owners of the Company	837,713	888,504
Non-controlling interests	38,863	33,360
Total equity	876,576	921,864
Total liabilities and equity	2,660,843	2,774,724

## (2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	FY 2022 6-month (From April 1, 2022 To September 30, 2022)	FY 2023 6-month (From April 1, 2023 To September 30, 2023)
Revenue		
Sale of goods	1,219,882	1,132,343
Sales of service and others	53,439	54,924
Total revenue	1,273,322	1,187,268
Cost of sales	(1,091,078)	(1,029,872)
Gross profit	182,243	157,395
Selling, general and administrative expenses	(105,565)	(115,222)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	285	1,155
Impairment loss of fixed assets	(234)	(366)
Gain on reorganization of subsidiaries/associates	4,810	4,371
Loss on reorganization of subsidiaries/associates	(729)	(2,746)
Other operating income	4,664	9,441
Other operating expenses	(4,978)	(4,900)
Total other income/expenses	3,818	6,954
Financial income		
Interests earned	5,902	6,285
Dividends received	2,272	1,925
Other financial income	949	345
Total financial income	9,125	8,557
Financial costs		
Interest expenses	(7,938)	(11,445)
Total financial cost	(7,938)	(11,445)
Share of profit(loss) of investments accounted for using the equity method	24,864	18,269
Profit before tax	106,547	64,509
Income tax expenses	(24,936)	(15,068)
Profit for the period	81,611	49,440
Profit attributable to:		
Owners of the Company	78,876	47,934
Non-controlling interests	2,734	1,506
Total	81,611	49,440

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

(In Millions of Yen)

	FY 2022 6-month (From April 1, 2022 To September 30, 2022)	FY 2023 6-month (From April 1, 2023 To September 30, 2023)
Profit for the period	81,611	49,440
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	(9,646)	8,464
Remeasurements of defined benefit pension plans	(440)	(192)
Share of other comprehensive income of investments accounted for using the equity method	4,805	1,557
Total items that will not be reclassified to profit or loss	(5,282)	9,828
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	51,732	38,196
Cash flow hedges	(1,998)	(1,008)
Share of other comprehensive income of investments accounted for using the equity method	30,628	13,202
Total items that may be reclassified subsequently to profit or loss	80,362	50,390
Other comprehensive income for the year, net of tax	75,079	60,219
Total comprehensive income for the period	156,690	109,660
Total comprehensive income attributable to:		
Owners of the Company	148,583	105,416
Non-controlling interests	8,107	4,244
Total	156,690	109,660

## (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, 2022	160,339	147,027	(31,015)	31,314	104,732	699
Profit for the period						
Other comprehensive income				60,601	(4,749)	14,291
Total comprehensive income for the period	-	-	-	60,601	(4,749)	14,291
Purchase of treasury stock		(1)	(80)			
Disposal of treasury stock		(96)	96			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Purchase commitments for non-controlling interests' shares						
Reclassification from other components of equity to retained earnings					(3,576)	
Share remuneration payment transaction		111				
Other changes						
Total contributions by and distributions to owners of the Company	-	13	15	-	(3,576)	-
Balance as of September 30, 2022	160,339	147,041	(30,999)	91,916	96,406	14,991

	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, 2022	-	136,747	314,913	728,012	35,866	763,878
Profit for the period			78,876	78,876	2,734	81,611
Other comprehensive income	(435)	69,707		69,707	5,372	75,079
Total comprehensive income for the period	(435)	69,707	78,876	148,583	8,107	156,690
Purchase of treasury stock				(82)		(82)
Disposal of treasury stock				-		-
Dividends			(14,141)	(14,141)	(1,713)	(15,854)
Change in ownership interests in subsidiaries without loss/acquisition of control				-	687	687
Purchase commitments for non-controlling interests' shares			(102)	(102)		(102)
Reclassification from other components of equity to retained earnings	435	(3,140)	3,140	-		-
Share remuneration payment transaction				111		111
Other changes			(50)	(50)	(2)	(53)
Total contributions by and distributions to owners of the Company	435	(3,140)	(11,154)	(14,266)	(1,028)	(15,294)
Balance as of September 30, 2022	-	203,313	382,634	862,329	42,945	905,275

(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, 2023	160,339	147,601	(31,058)	54,559	70,939	13,139
Profit for the period						
Other comprehensive income				49,050	10,024	(1,403)
Total comprehensive income for the period	-	-	-	49,050	10,024	(1,403)
Purchase of treasury stock		(10)	(30,026)			
Disposal of treasury stock		(478)	473			
Cancellation of treasury stock		(51,396)	51,396			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				1,927		
Purchase commitments for non-controlling interests' shares						
Reclassification from other components of equity to retained earnings					(4,138)	
Share remuneration payment transaction		258				
Other changes						
Total contributions by and distributions to owners of the Company	-	(51,625)	21,842	1,927	(4,138)	-
Balance as of September 30, 2023	160,339	95,975	(9,215)	105,537	76,825	11,735

	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, 2023	-	138,638	422,193	837,713	38,863	876,576
Profit for the period			47,934	47,934	1,506	49,440
Other comprehensive income	(189)	57,482		57,482	2,737	60,219
Total comprehensive income for the period	(189)	57,482	47,934	105,416	4,244	109,660
Purchase of treasury stock				(30,036)		(30,036)
Disposal of treasury stock				(5)		(5)
Cancellation of treasury stock				-		-
Dividends			(15,065)	(15,065)	(2,675)	(17,740)
Change in ownership interests in subsidiaries without loss/acquisition of control		1,927	(12,844)	(10,916)	(7,442)	(18,359)
Purchase commitments for non-controlling interests' shares			1,645	1,645		1,645
Reclassification from other components of equity to retained earnings	189	(3,948)	3,948	-		-
Share remuneration payment transaction				258		258
Other changes			(506)	(506)	371	(135)
Total contributions by and distributions to owners of the Company	189	(2,021)	(22,821)	(54,625)	(9,747)	(64,372)
Balance as of September 30, 2023	-	194,099	447,305	888,504	33,360	921,864

## (5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2022 6-month (From April 1, 2022 To September 30, 2022)	FY 2023 6-month (From April 1, 2023 To September 30, 2023)
Cash flows from operating activities		
Profit for the period	81,611	49,440
Depreciation and amortization	19,928	19,557
Impairment loss of fixed assets	234	366
Finance (income) costs	(1,187)	2,887
Share of (profit)loss of investments accounted for using the equity method	(24,864)	(18,269)
(Gain) loss on sale of fixed assets, net	(285)	(1,155)
Income tax expenses	24,936	15,068
(Increase) decrease in trade and other receivables	(13,274)	(16,275)
(Increase) decrease in inventories	(71,512)	29,066
Increase (decrease) in trade and other payables	58,688	21,655
Changes in other assets and liabilities	18,381	(6,709)
Increase (decrease) in retirement benefits liabilities	(311)	(225)
Others	1,579	(7,309)
Subtotal	93,926	88,099
Interests earned	4,456	6,342
Dividends received	20,097	26,731
Interests paid	(9,211)	(12,177)
Income taxes paid	(27,013)	(23,771)
Net cash provided (used) by/in operating activities	82,254	85,224
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,782)	(12,779)
Proceeds from sale of property, plant and equipment	1,349	570
Purchase of intangible assets	(5,189)	(1,853)
(Increase) decrease in short-term loans receivable	98	875
Payment for long-term loans receivable	(548)	(7,003)
Collection of long-term loans receivable	947	4,138
Proceeds from (payments for) acquisition of subsidiaries	(553)	8,952
Proceeds from (payments for) sale of subsidiaries	(399)	4,511
Purchase of investments	(17,034)	(31,120)
Proceeds from sale of investments	9,577	16,979
Others	(22,696)	62,938
Net cash provided (used) by/in investing activities	(44,231)	46,209
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(54,294)	(41,285)
Proceeds from long-term borrowings	132,514	119,932
Repayment of long-term borrowings	(95,160)	(166,237)
Redemption of bonds	(10,000)	-
Repayment of lease liabilities	(8,405)	(8,471)
Payment for acquisition of subsidiary's interests from non-controlling interest holders	(3)	(18,186)
Proceeds from non-controlling interest holders	711	365
Sales of treasury stock	29	65
Purchase of treasury stock	(80)	(30,026)
Dividends paid	(14,141)	(15,065)
Dividends paid to non-controlling interest holders	(2,500)	(2,293)
Others	(0)	-
Net cash provided (used) by/in financing activities	(51,332)	(161,202)
Net increase (decrease) in cash and cash equivalents	(13,309)	(29,767)
Cash and cash equivalents at the beginning of the year	271,651	247,286
Effect of exchange rate changes on cash and cash equivalents	10,931	8,667
Cash and cash equivalents at the end of the period	269,274	226,186

(6) Assumption for Going Concern

For the first half ended September 30, 2023 (April 1, 2023 - September 30, 2023)  
: None

## (7) Segment information

For the first half ended September 30, 2022 (April 1, 2022 – September 30, 2022)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	151,185	17,429	63,987	349,881	330,843	185,269
Inter-segment revenue	0	5	77	-	2	0
Total revenue	151,185	17,435	64,064	349,881	330,845	185,270
Segment profit attributable to owners of the Company	4,483	2,373	9,749	41,794	11,421	5,806

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	150,723	1,249,319	24,002	-	1,273,322
Inter-segment revenue	191	277	70	(348)	-
Total revenue	150,914	1,249,597	24,073	(348)	1,273,322
Segment profit attributable to owners of the Company	1,046	76,676	376	1,823	78,876

Reconciliation of segment profit(loss) of 1,823 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 1,101 million yen, and unallocated dividend income and others of 722 million yen.

For the first half ended September 30, 2023 (April 1, 2023 – September 30, 2023)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	201,501	18,375	71,902	245,257	277,811	143,025
Inter-segment revenue	-	8	0	0	2	0
Total revenue	201,501	18,383	71,902	245,258	277,813	143,026
Segment profit attributable to owners of the Company	2,665	1,502	5,470	18,537	6,758	3,450

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	203,602	1,161,475	25,792	-	1,187,268
Inter-segment revenue	179	191	53	(245)	-
Total revenue	203,782	1,161,667	25,845	(245)	1,187,268
Segment profit attributable to owners of the Company	9,124	47,510	1,096	(672)	47,934

Reconciliation of segment profit(loss) of (672) 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 (1,097) million yen, and unallocated dividend income and others of 425 million yen.

## (Changes in Reportable Segments)

Effective April 1, 2023, the Company reorganized its Aerospace & Transportation Project, Infrastructure & Healthcare, Chemicals, Consumer Industry & Agriculture Business, Retail & Consumer Service and Other segments and changed its reporting segment classification method. Segment information for the first half ended September 30, 2022, has been restated to reflect the change in reportable segments.



November 30, 2023  
Correction

A double underlined item is corrected  
(Page 22)

# Financial Results

## for the First Half Ended September 30, 2023 [IFRS]

Progress of Medium-Term Management Plan 2023 - Start of the Next Decade -

October 31, 2023

**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 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

- **“Profit for the period / year attributable to owners of the Company”** is described as **“Profit for the period / year.”**
- **“Total equity”** refers to **“Total equity attributable to owners of the Company”** and is used as the denominator when calculating **“Net D/E ratio”** and the numerator when calculating **“Equity ratio”**.
- **“Selling, general and administrative expenses”** is referred to as **“SG&A expenses.”**
- **“Core earnings”** = Gross profit + Selling, general and administrative expenses (before provision of allowance for doubtful accounts and write-offs) + Net interest expenses + Dividends received + Share of profit (loss) of investments accounted for using the equity method.
- **“Medium-term Management Plan 2023.”** is referred to as **“MTP2023”**. 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.)
- **“Shareholder Returns”** = include acquisitions of treasury stock.

- 1. Progress of Medium-Term Management Plan 2023  
- Start of the Next Decade -**
- 2. Financial Results for the First Half Ended September 30, 2023  
and Full Year Forecast of Fiscal Year Ending March 31, 2024 [IFRS]**
- 3. Segment Information**
- 4. Appendix**

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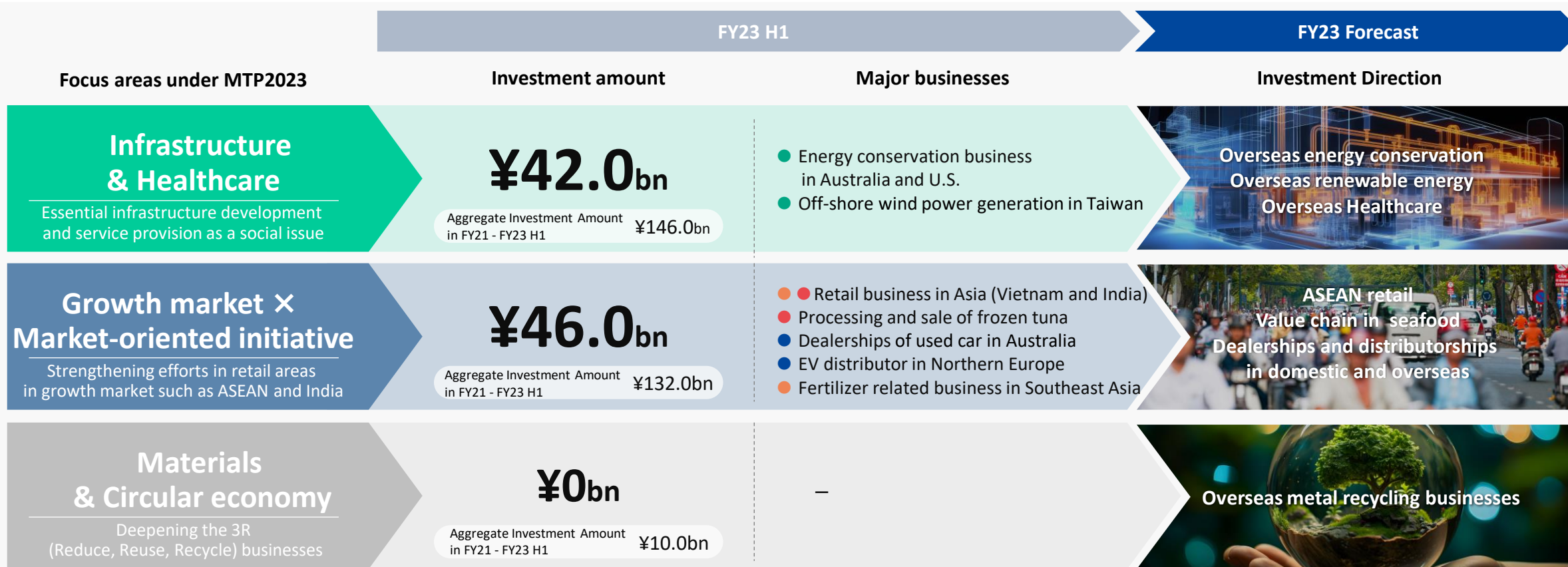
# **Progress of Medium-Term Management Plan 2023 - Start of the Next Decade -**

- Profit for the period of ¥47.9 billion in FY2023 H1, representing progress of 50% toward full-year forecast of ¥95.0 billion
- Generation of profits accompanied by cash with solid core operating cash flow
- No change to full-year forecast, despite revisions to segment forecasts

(BN JPY)	FY22 H1	FY23 H1	Difference	FY23 Forecast
<b>Profit for the period/year</b>	78.9	<b>47.9</b> <small>Achieved against forecast 50%</small>	(31.0)	<b>95.0</b>
<b>Core operation cash flow</b>	90.3	<b>57.7</b>	(32.6)	<b>115.0</b>
<b>Core cash flow</b>	58.2	<b>(41.6)</b>	(99.8)	<b>(75.0)</b>
<b>PBR (Times)</b>	0.57	<b>0.82</b>	+0.25	<b><u>KPI</u> 1.0 or above</b>
	<small>Stock price ¥2,124 as of Sep. 30, 2022</small>	<small>Stock price ¥3,278 as of Sep. 29, 2023</small>		
			<b>ROE</b>	<b>10.9%</b>
			<b>ROA</b>	<b>3.5%</b>
			<b>Dividends</b>	<b>¥130</b> <small>Interim ¥65 / Year-end ¥65</small>

# Investment for Growth Strategy and Focus Areas

- Progress in line with initial forecast toward target of ¥500.0 bn for investments over three-year period of MTP2023, total of ¥100.0 billion in non-financial and other investments conducted in FY2023 H1
- Timely and appropriate assessment of risks and opportunities to be conducted while maintaining financial discipline

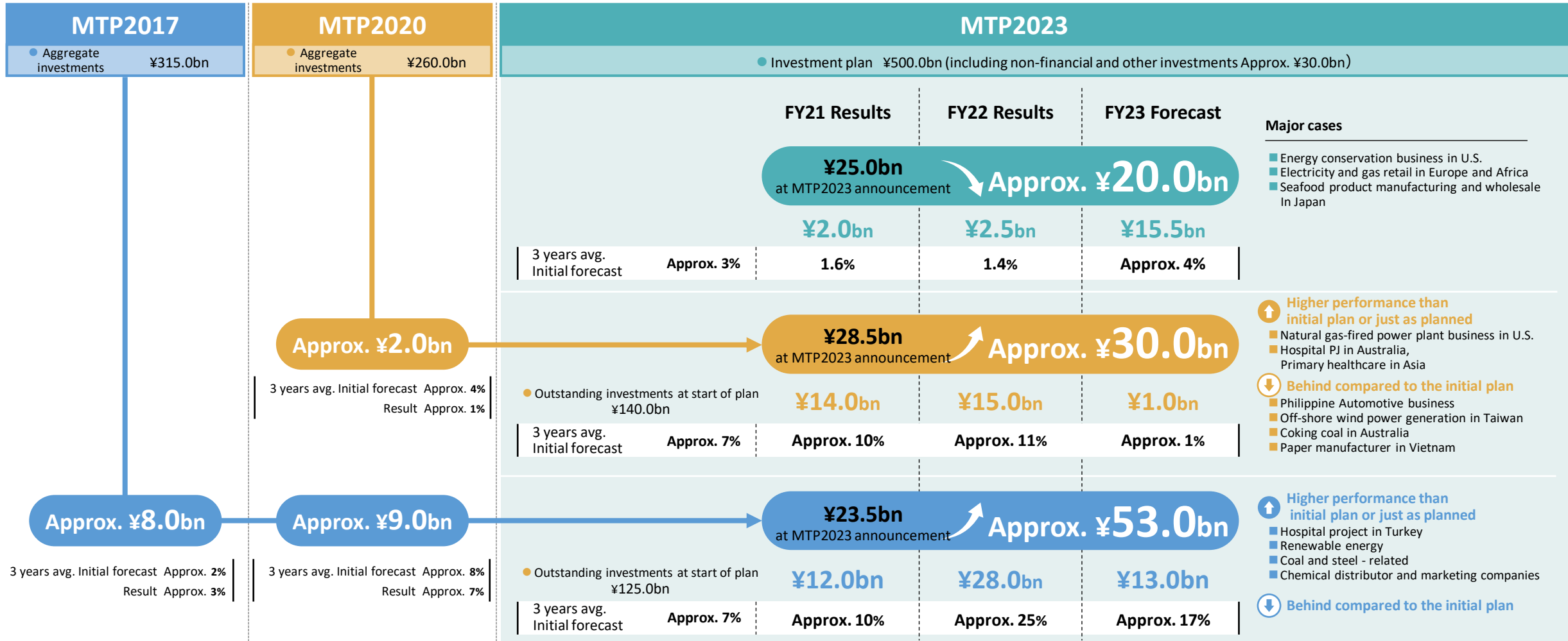


**Aggregate Investment Amount under MTP2023 including non-financial and other investments**
**¥341.0bn**
**MTP2023 Investment Plan**
**¥500.0bn**

- Automotive
- Aerospace & Transportation Project
- Infrastructure & Healthcare
- Metals, Mineral Resources & Recycling
- Chemicals
- Consumer Industry & Agriculture Business
- Retail & Consumer Service
- Others

# Investment Progress MTP2017, MTP2020, MTP2023

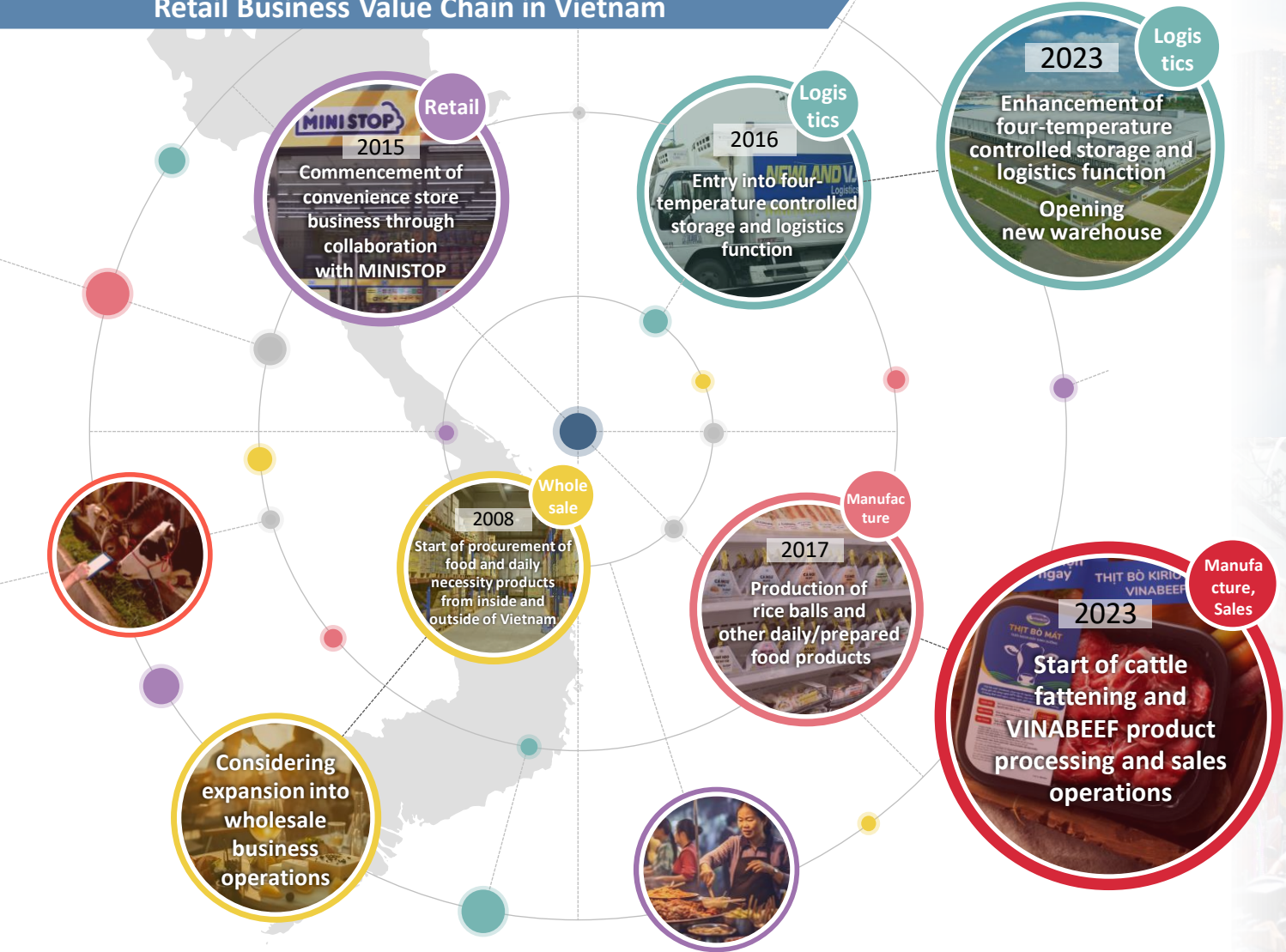
● Total three-year earnings contributions from investments under respective MTP | 
 ● Return on Investment





# Example of Investment for Growth Strategy and Focus areas

## Growth Market to be Approached through Market-Oriented Retail Business Value Chain in Vietnam



- Investigation of markets and preemptively respond to trends
- Taking a big picture perspective to broaden and build upon our operations and thereby achieve further growth

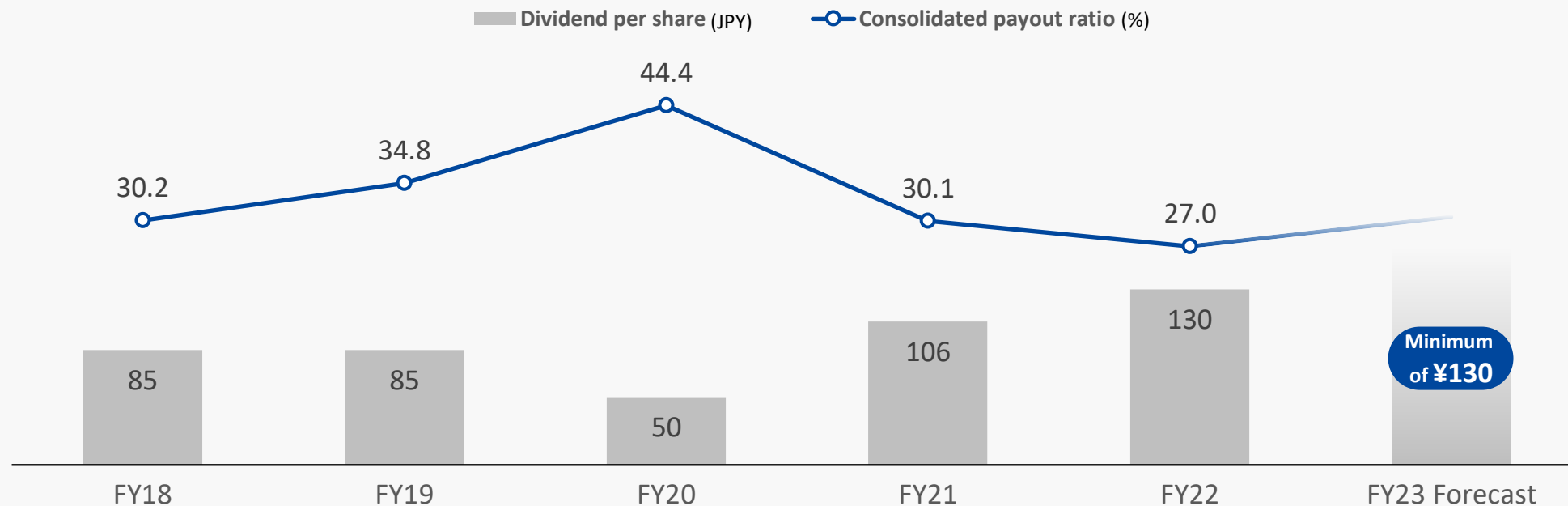


# Shareholder Returns Policy

- Targeting a consolidated payout ratio of approx. 30% and paying stable, continuous dividends while enhancing shareholder value through the accumulation and effective use of retained earnings
- We conducted the acquisition and cancellation of treasury stock with the aim of returning a portion of surplus generated from core cash flow to shareholders, and improving capital efficiency

Accumulated Total of the Share Repurchase in 2023 H1: Approx. ¥30.0 bn, approx. 9.79 million shares

Cancellation of Treasury Stocks in 2023 H1 : Approx. 25.3 million shares

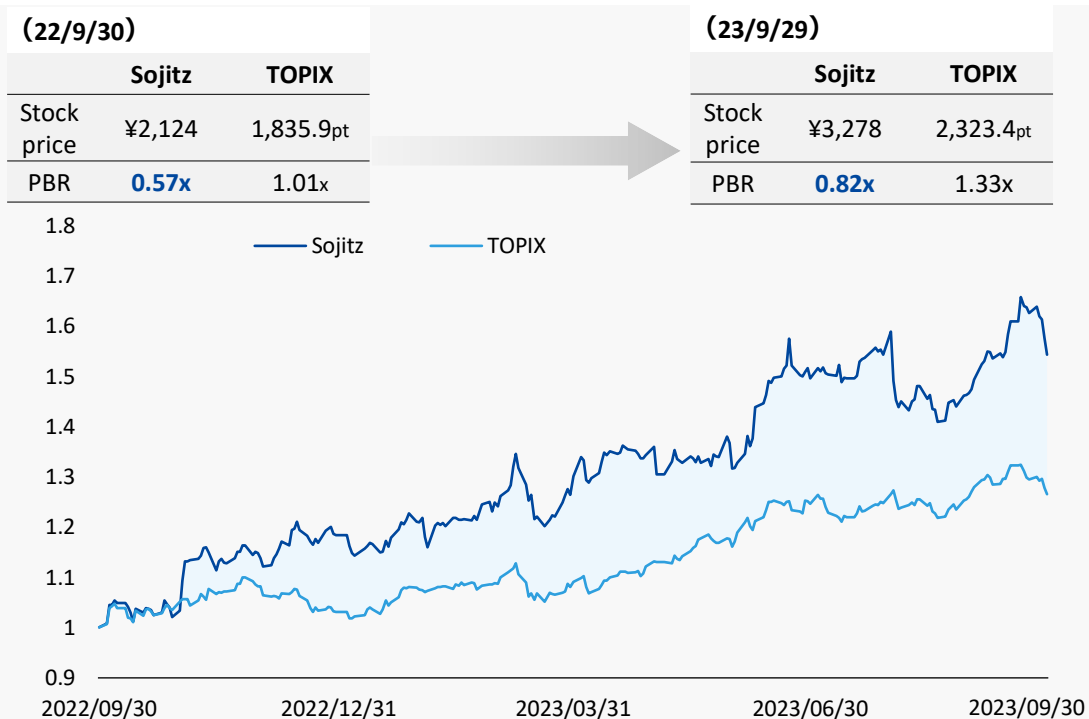


	Medium-term Management Plan 2020 Commitment to Growth			Medium-term Management Plan 2023 Start of the Next Decade		
	(BN JPY)					
Profit for the year	70.4	60.8	27.0	82.3	111.2	95.0
Total amount of share repurchase	0.0	10.1	5.0	15.0	0.0	30.0

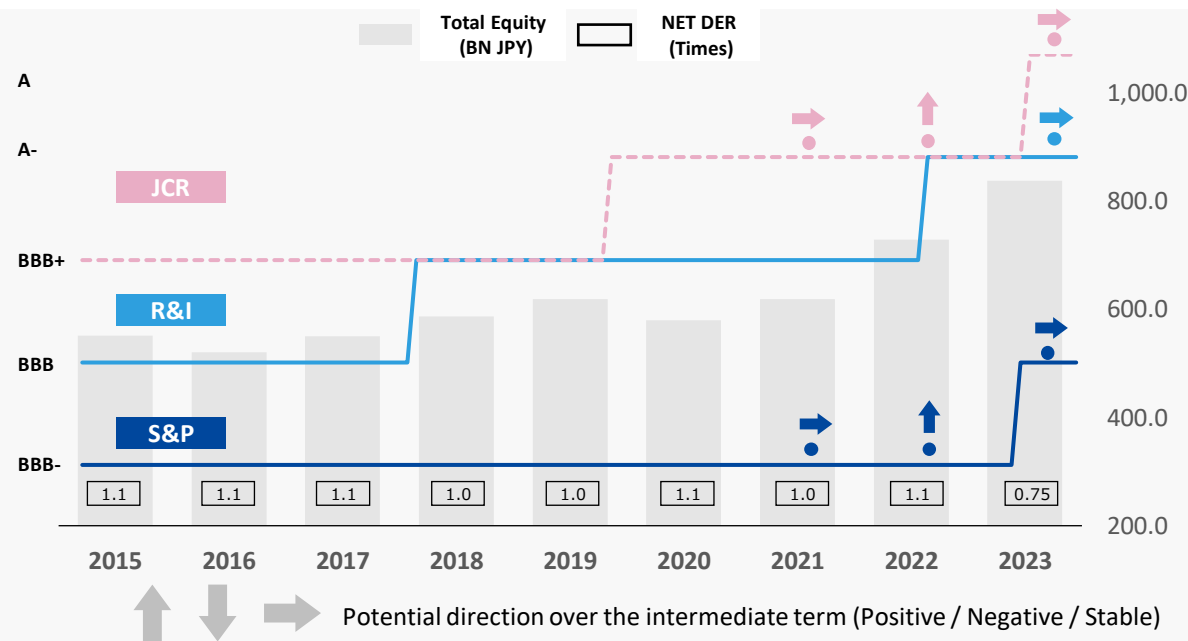
\* The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. The dividend figures for FY18 to FY21 have been restated to reflect the share consolidation

# Stock Price, PBR Trend, and Credit Ratings

## ● Sojitz stock price greatly outperforming TOPIX



## ● Improvement in ratings from S&P and JCR in FY2023 in reflection of Sojitz's ability to maintain financial health and increase earnings level



<b>JCR</b> <small>Japan Credit Rating Agency, Ltd.</small>	July 2023 A- (Positive) → <b>A (Stable) Upgrade</b>
<b>R&amp;I</b> <small>Rating and Investment Information, Inc.</small>	August 2022 BBB+ (Stable) → <b>A- (Stable) Upgrade</b>
<b>S&amp;P</b> <small>S&amp;P Global Ratings</small>	June 2023 BBB- (Stable) → <b>BBB (Stable) Upgrade</b>

### As of the end of September 2023 vs TOPIX

vs the beginning of the year 2023	+8.5%
	Outperform
vs the end of September 2022	+27.8%
	Outperform

### Dividend Yield\*

FY2022	5.70%
FY2021	7.45%
FY2020	4.03%
FY2019	4.98%

\* Dividend yield calculated by dividing dividends per share by average share price from respective fiscal year

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# **Financial Results for the First Half Ended September 30, 2023 and Full Year Forecast of Fiscal Year Ending March 31, 2024 [IFRS]**

Note: Effective April 1, 2023, Sojitz Group reorganized several segments and changed its reporting figures for FY2022 H1.

## Summary of Profit or Loss

	(BN JPY)	FY22 H1	FY23 H1		Difference	Main Factors	FY23 Forecast	Achieved	
			Q1	Q2					
<b>Revenue</b>		1,273.3	<b>1,187.3</b>	556.0	631.3	(86.0)	Metals, Mineral Resources & Recycling (104.6) Chemicals (53.0) Retail & Consumer service +52.9	-	-
<b>Gross profit</b>		182.2	<b>157.4</b>	72.7	84.7	(24.8)	Metals, Mineral Resources & Recycling (31.8) Chemicals (3.1) Retail & Consumer service +5.7	<b>320.0</b>	<b>49%</b>
<b>SG&amp;A expenses</b>		(105.6)	<b>(115.2)</b>	(55.5)	(59.7)	(9.6)	Increased due to acquisition of new consolidated subsidiaries, etc. Provision of allowance for doubtful accounts and write-offs +0.4 (0.5) → (0.1)	<b>(230.0)</b>	-
<b>Other income/expenses</b>		3.8	<b>6.9</b>	4.8	2.1	+3.1	FY22 H1 : Sale of Telecommunications tower operating business FY23 H1 : Acquires of processing and sale of frozen tuna company and sale of domestic solar power generation company	<b>5.0</b>	-
<b>Financial income/costs</b>		1.2	<b>(2.9)</b>	(0.7)	(2.2)	(4.1)		<b>(15.0)</b>	-
<b>Share of profit (loss) of investments accounted for using the equity method</b>		24.9	<b>18.3</b>	8.6	9.7	(6.6)	Steel trading company, etc.	<b>45.0</b>	-
<b>Profit before tax</b>		106.5	<b>64.5</b>	29.9	34.6	(42.0)		<b>125.0</b>	<b>52%</b>
<b>Profit for the period/year</b>		78.9	<b>47.9</b>	22.1	25.8	(31.0)		<b>95.0</b>	<b>50%</b>
<b>Core earnings</b>		102.3	<b>57.3</b>	24.7	32.6	(45.0)		<b>120.0</b>	-
<b>Major One-time Gain/Loss</b>		2.2	<b>(0.8)</b>	(1.5)	0.7	(3.0)			
Non-Resource		2.5	(0.8)	(1.5)	0.7	(3.3)	FY22 H1 : Gain on sales of telecommunications tower operating business FY23 H1 : Loss in chemical trading, etc		
Resource		(0.3)	0.0	0.0	0.0	+0.3			

# Summary of Balance Sheet -1.

(BN JPY)	Mar. 31, 2023	Sep. 30, 2023	Difference
<b>Assets(current/non-current)</b>	<b>2,660.8</b>	<b>2,774.7</b>	+113.9
Cash and cash equivalents	247.3	<b>226.2</b>	(21.1)
Trade and other receivables	794.9	<b>774.8</b>	(20.1)
Inventories	281.0	<b>289.0</b>	+8.0
Goodwill	85.7	<b>108.2</b>	+22.5
Tangible fixed assets/Intangible assets/Investment property	274.3	<b>311.6</b>	+37.3
Investments accounted for using the equity method	689.7	<b>710.6</b>	+20.9
Other current/non-current assets	287.9	<b>354.3</b>	+66.4
<b>Liabilities(current/non-current)</b>	<b>1,784.2</b>	<b>1,852.8</b>	+68.6
Trade and other payables	579.3	<b>634.9</b>	+55.6
Bonds and borrowings	883.7	<b>878.2</b>	(5.5)
Other current/non-current liabilities	321.2	<b>339.7</b>	+18.5
<b>Total equity</b>	<b>876.6</b>	<b>921.9</b>	+45.3
Total equity attributable to owners of the Company	837.7	<b>888.5</b>	+50.8

## Main Factors

### Trade and other receivables

- Decreased due to aircraft-related transactions

### Goodwill

- Increased due to acquisition of new consolidated subsidiaries and foreign exchange rates

### Tangible fixed assets / Intangible assets / Investment property

- Increased due to acquisition of new consolidated subsidiaries and foreign exchange rates

### Others

- Increase due to acquisition of new consolidated subsidiaries and reclassification of assets as assets held for sale

### Trade and other payables

- Increase due to settlement following on holiday

### Total Equity attributable to owners of the Company

- Profit for the period +47.9
- Share repurchase (30.0)
- Dividends paid (15.1)
- Increased due to foreign exchange rates

# Summary of Balance Sheet -2.

	Mar. 31, 2023	Sep. 30, 2023	Difference	FY23 Initial Forecast	FY23 Revised Forecast
(BN JPY)					
Total Assets	2,660.8	<b>2,774.7</b>	+113.9	2,750.0	<b>2,800.0</b>
Total Equity	837.7	<b>888.5</b>	+50.8	870.0	<b>900.0</b>
Equity Ratio	31.5%	<b>32.0%</b>	+0.5%	31.6%	<b>32.1%</b>
Gross interest-bearing debt	883.7	<b>878.2</b>	(5.5)	-	-
Net interest-bearing debt	629.4	<b>642.1</b>	+12.7	650.0	<b>670.0</b>
NET DER(Times)	0.75	<b>0.72</b>	(0.03)	0.75	<b>0.74</b>
ROE	14.2%	-	-	11.1%	<b>10.9%</b>
ROA	4.2%	-	-	3.5%	<b>3.5%</b>
Risk Assets	490.0	<b>530.0</b>	+40.0		
(vs. Total Equity, Times)	(0.6)	<b>(0.6)</b>	-		
Current ratio	162.0%	<b>151.8%</b>	(10.2) %		
Long-term debt ratio	81.0%	<b>80.0%</b>	(1.0) %		

# Summary of Cash Flow

(BN JPY)	FY22 H1	FY23 H1	Difference
<b>CF from operating activities</b>	82.2	85.2	+3.0
<b>CF from investing activities</b>	(44.2)	46.2	+90.4
<b>FCF</b>	38.0	131.4	+93.4
<b>CF from financing activities</b>	(51.3)	(161.2)	(109.9)
<b>Core operating CF</b>	90.3	57.7	(32.6)
<b>Core CF</b>	58.2	(41.6)	(99.8)

## Main Factors

### CF from operating activities

- Inflows from business earnings
- Dividends received  
Dividends received from Equity-method associates  
FY22 H1 : ¥17.3bn FY23 H1 : ¥24.4bn

### CF from investing activities

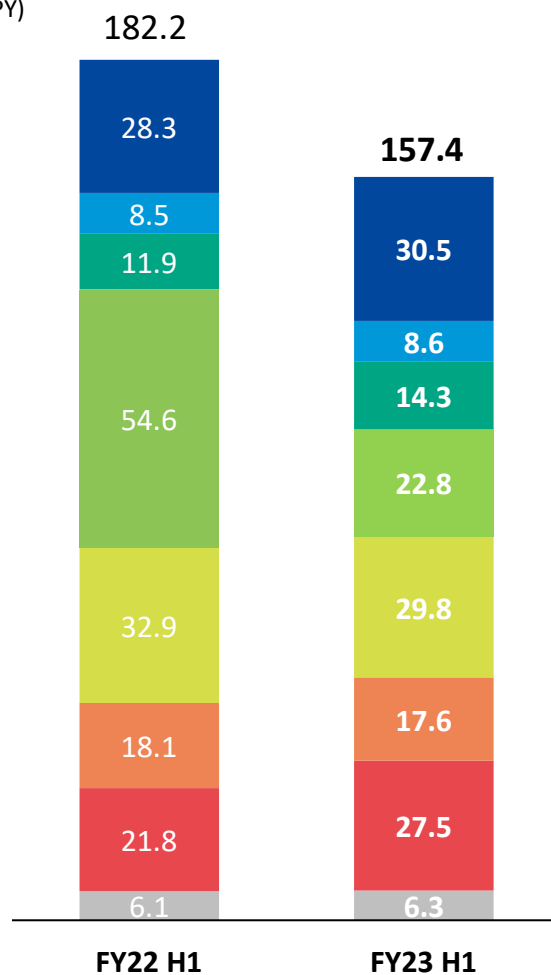
- Inflows from aircraft-related transactions and sales of cross-shareholdings
- Outflows for new acquisition of the processing and sale of frozen tuna company and energy conservation business in Australia

### CF from financing activities

- Outflows for repayment of borrowings
- Outflows for share repurchase and payment of dividends

# Summary of Gross Profit by segment

(BN JPY)



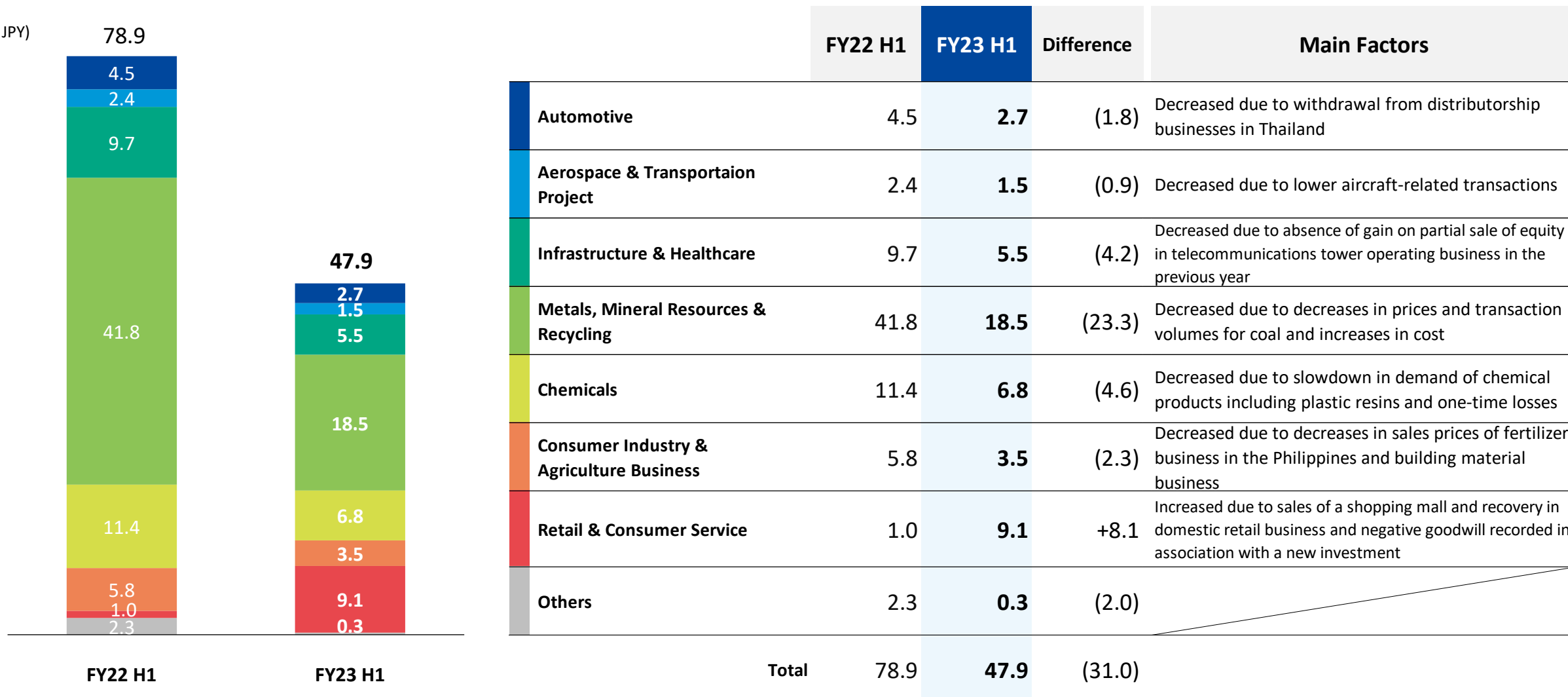
	(BN JPY)	FY22 H1	FY23 H1	Difference	FY23 Initial Forecast	FY23 Revised Forecast	Achieved vs. revised forecast
Automotive		28.3	30.5	+2.2	60.0	57.0	54%
Aerospace & Transportation Project		8.5	8.6	+0.1	20.0	20.0	43%
Infrastructure & Healthcare		11.9	14.3	+2.4	30.0	30.0	48%
Metals, Mineral Resources & Recycling		54.6	22.8	(31.8)	40.0	46.0	50%
Chemicals		32.9	29.8	(3.1)	60.0	56.0	53%
Consumer Industry & Agriculture Business		18.1	17.6	(0.5)	35.0	33.0	53%
Retail & Consumer Service		21.8	27.5	+5.7	60.0	63.0	44%
Others		6.1	6.3	+0.2	15.0	15.0	42%
<b>Total</b>		<b>182.2</b>	<b>157.4</b>	<b>(24.8)</b>	<b>320.0</b>	<b>320.0</b>	<b>49%</b>

Note: Effective April 1, 2023, Sojitz Group reorganized several segments and changed its reporting figures for FY2022 H1.



# Summary of Profit by segment

(BN JPY)



Note: Effective April 1, 2023, Sojitz Group reorganized several segments and changed its reporting figures for FY2022 H1.

# FY23 Forecast Profit for the Year by Segment

(BN JPY)	FY23 H1	FY23 Initial Forecast	FY23 Revised Forecast	Revised Amount	Achieved vs. revised forecast	Progress Overview
<b>Profit for the period/year</b>	47.9	95.0	<b>95.0</b>	-	50%	
<b>Automotive</b>	2.7	7.0	<b>5.0</b>	(2.0)	54%	Downward revision based on lower performance in Southeast Asian automobile sales businesses
<b>Aerospace &amp; Transportaion Project</b>	1.5	4.0	<b>4.0</b>	-	38%	Performance generally as forecast
<b>Infrastructure &amp; Healthcare</b>	5.5	16.0	<b>16.0</b>	-	34%	Earnings contributions anticipated from business investments and LNG operating companies in H2
<b>Metals, Mineral Resources &amp; Recycling</b>	18.5	33.0	<b>37.0</b>	+4.0	50%	Upward revision to forecast to account for solid conditions seen in coal market
<b>Chemicals</b>	6.8	16.0	<b>13.0</b>	(3.0)	52%	Downward revision to reflect changes to raw material procurement agreements in overseas methanol businesses and one-time losses recorded in H1
<b>Consumer Industry &amp; Agriculture Business</b>	3.5	8.0	<b>7.0</b>	(1.0)	50%	Downward revision to forecast due to six-month performance for fertilizer businesses
<b>Retail &amp; Consumer Service</b>	9.1	11.0	<b>13.0</b>	+2.0	70%	Upward revision to forecast to account for steady six-month performance for domestic retail businesses
<b>Others</b>	0.3	0.0	<b>0.0</b>	-	-	

# Cash Flow Management

- New investments and asset replacements are in line with initial plan
- Maintain positive six-year aggregate core cash flow

(BN JPY)	MTP2020 3-Year Target Aggregate (FY18 - FY20)	MTP2023 3-Year Target Aggregate (FY21 - FY23)	FY21 + FY22	FY23 H1	FY23 Forecast	Achieved
<b>Core operating CF</b>	<b>219.0</b>	Approx. <b>380.0</b>	274.0	<b>58.0</b>	<b>115.0</b>	<b>50%</b>
<b>Asset Replacement (Investment recovery)</b>	<b>170.0</b>	Approx. <b>300.0</b>	175.0	<b>45.5</b>	<b>125.0</b>	<b>36%</b>
<b>New Investments and others</b>	<b>(262.0)</b>	Approx. <b>(500.0)</b>	(241.5)	<b>(100.0)</b>	<b>(255.0)</b>	-
<b>Shareholder Returns</b>	<b>(71.0)</b>	Approx. <b>(120.0)</b>	(61.0)	<b>(45.0)</b>	<b>(60.0)</b>	-
<b>Core CF</b>	<b>56.0</b>	<b>Six-year aggregate Positive</b>	146.5	<b>(41.5)</b>	<b>(75.0)</b>	<b>Six-year aggregate Positive</b>
<b>FCF</b>	<b>108.0</b>	Approx. <b>200.0</b>	127.0	<b>131.0</b>	<b>80.0</b>	<b>164%</b>

# Investments and Asset Replacement

<b>Total Investments</b>	<b>¥100.0bn</b>		
<b>Major Cases</b>	<b>Infrastructure &amp; Healthcare</b>	<b>¥42.0bn</b>	<ul style="list-style-type: none"> <li>● Energy conservation business in Australia and U.S.</li> <li>● Off-shore wind power generation in Taiwan etc.</li> </ul>
	<b>Growth market × Market-oriented initiative</b>	<b>¥46.0bn</b>	<ul style="list-style-type: none"> <li>● ● Retail business in Asia (Vietnam and India)</li> <li>● Processing and sale of frozen tuna</li> <li>● Dealerships of used car in Australia</li> <li>● EV distributor in Northern Europe</li> <li>● Fertilizer related business in Southeast Asia etc.</li> </ul>
	<b>Materials &amp; Circular economy</b>	<b>¥0bn</b>	—
	<b>Others</b>	<b>¥12.0bn</b>	<ul style="list-style-type: none"> <li>● Non-financial investment</li> <li>● Innovation investment</li> <li>● Others</li> </ul>
<b>Total Asset Replacement</b>	<b>¥45.5bn</b>		
<b>Major Cases</b>	<ul style="list-style-type: none"> <li>● Domestic real estate</li> <li>● Domestic Shopping mall</li> <li>● Power generation business in Domestic and overseas</li> </ul>	<ul style="list-style-type: none"> <li>● Sale of cross-shareholdings etc.</li> </ul>	

● Automotive ● Aerospace & Transportation Project ● Infrastructure & Healthcare ● Metals, Mineral Resources & Recycling ● Chemicals ● Consumer Industry & Agriculture Business ● Retail & Consumer Service ● Others

## Commodity Prices, Foreign Exchange, and Interest Rate

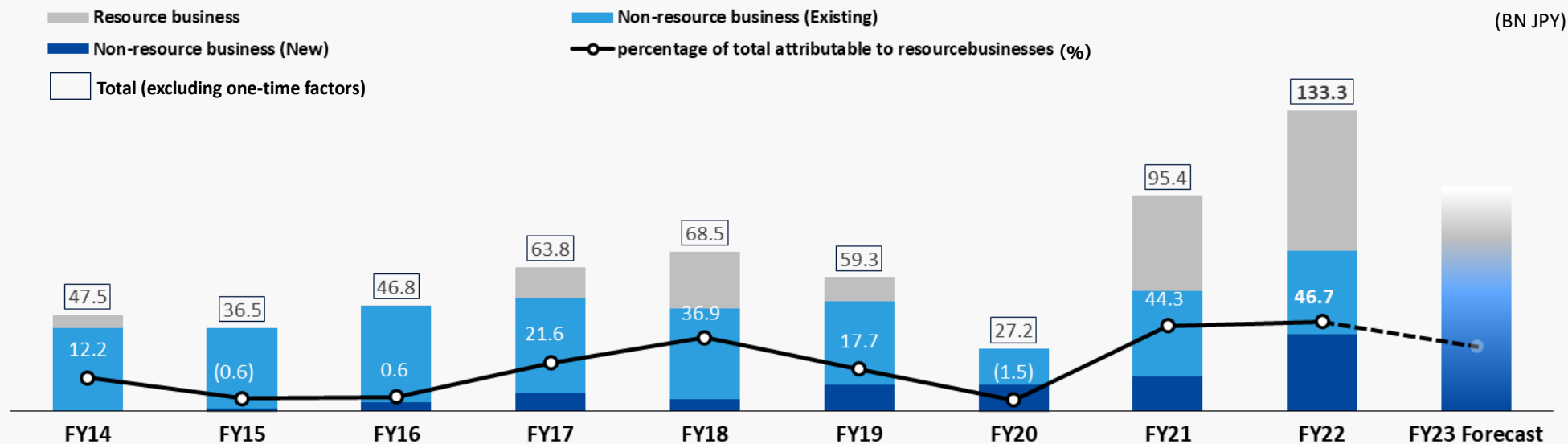
	FY22 Results (Apr. - Sep. Avg.)	FY23 Initial Assumptions → FY23 H2 Assumption	FY23 Results (Apr. - Sep. Avg.)	Latest data (As of Oct. 25, 2023)
<b>Coking coal *1</b>	US\$345/t	US\$230.0/t → US\$250/t (H2)	US\$254/t	<b>US\$349/t</b>
<b>Thermal coal *1</b>	US\$401/t	US\$160.0/t → US\$130/t (H2)	US\$154/t	<b>US\$128/t</b>
<b>Crude oil (Brent)</b>	US\$104.8/bbl	US\$80.0/bbl	US\$81.8/bbl	<b>US\$90.1/bbl</b>
<b>Exchange rate *2</b>	¥135.3/US\$	¥125.0/US\$ → ¥140.0/US\$ (H2)	¥142.6/US\$	<b>¥150.0/US\$</b>
<b>Interest Rate (TIBOR)</b>	0.07%	0.06%	0.07%	<b>0.07%</b>

\*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. ¥0.7 billion annually, profit for the year by approx. ¥0.3 billion annually, and total equity by approx. ¥2.0 billion annually.

# Changes in business Portfolio (Resource and Non-Resource businesses)

- Reinforcement of reliable earnings foundations through investments focused on non-resource businesses



Resource business	5.8	(0.2)	0.3	13.8	25.3	10.5	(0.4)	42.3	62.3	<u>30.0</u>
Non-resource business (Existing)	36.8	35.8	42.4	41.8	39.8	37.1	15.7	37.9	36.7	<u>65.0</u>
Non-resource business (New)	0.0	1.2	4.1	8.2	5.5	11.8	11.9	15.2	34.3	-
One-time gain / loss	(11.0)	0.0	(6.0)	(7.0)	1.9	1.5	(0.2)	(13.1)	(22.1)	-

\* Total (excluding one-time factors) = Profit for the year - One-time gains (loss)

# Establish Strong Business Base and Transformation

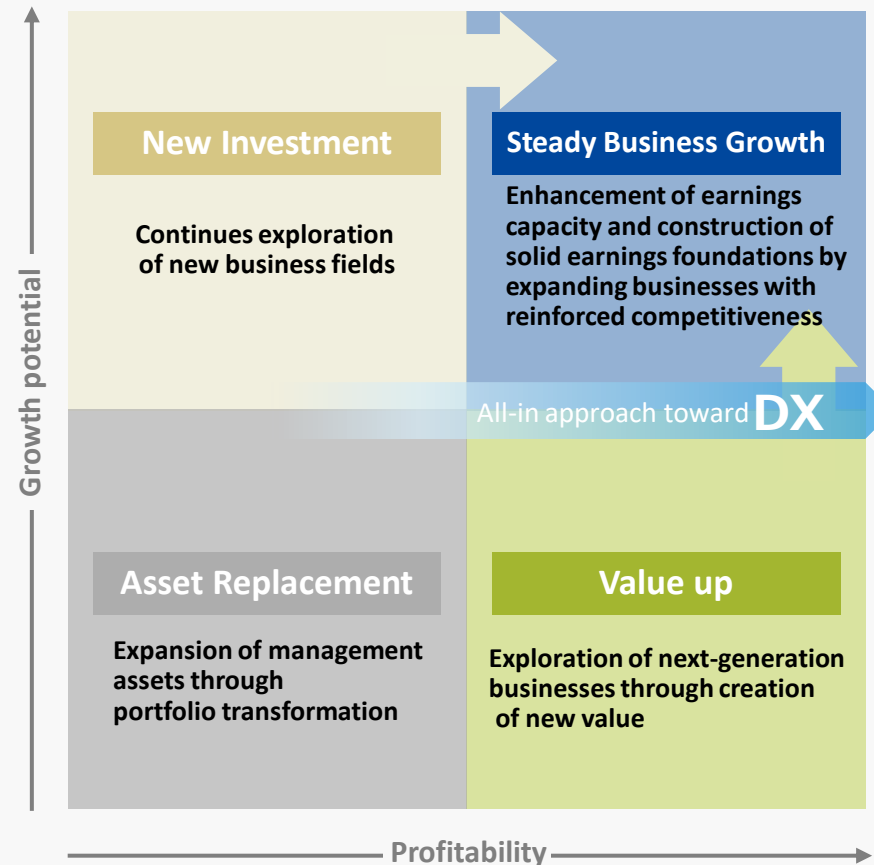
- Advancement of sophisticated strategies in focus areas based on growth strategies under MTP2023, improvement of earnings capacity and competitiveness of executed investments
- Drastic transformation of earnings structure through exhaustive emphasis on market-oriented initiatives in existing businesses
- Acceleration of value creation by constantly transforming business value while organically linking business, human resource, and digital technology insight in accordance with business phase

## New Investment

- **Infrastructure & Healthcare**
  - Energy conservation business in Australia and U.S.
  - Renewable energy business
- **Growth market X Market-oriented initiative**
  - Retail business in Asia : Vietnam and India
  - Domestic Retail: JALUX, Royal Holdings
  - Value chain in seafood processing businesses
- **Materials & Circular economy**
  - Domestic Fluorine compound business, Canada's household appliances and electronic devices recycling business
  - Securing supply of heavy rare earth to Japan in Australia

## Asset Replacement

- **Divestment from thermal coal and oil and gas interests based on decarbonization target**
- **Domestic real-estate business**
- **Exit from low profit trading business**
- **Reduction of cross-shareholdings**



## Steady Business Growth

- **Automotive business in Japan and Overseas**
- **Coking Coal Business in Australia**
- **Chemical trading business**
  - Maximum streamlining of logistics functions in trading businesses
  - Expansion of functionality and improvement of margin by reviewing existing transactions

## Value up

- **Drastic transformation of earnings structure through exhaustive emphasis on market-oriented initiatives in existing businesses**
- **Improvement of existing business's value through hands-on management approach**
  - Achieved profitability at the earnings in Paper manufacture business in Vietnam
- **Creation of better CX with Digital Technologies**

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## Segment Information

Note: Effective April 1, 2023, Sojitz Group reorganized several segments and changed its reporting figures for FY2022 H1.



## Summary

	FY22 Q2	FY23 Q2	Difference
(BN JPY)			
Gross profit	28.3	30.5	+2.2
SG&A expenses	(20.0)	(23.5)	(3.5)
Share of profit (loss) of investments accounted for using the equity method	0.6	0.8	+0.2
Profit for the period	4.5	2.7	(1.8)
	Mar. 31, 2023	Sep. 30, 2023	Difference
Total asset	182.7	241.7	+59.0

## Main Factors of Difference in Profit for the Period

- Lower profit due to withdrawal from Thai distributorship business
- Sluggish sales in Philippine distributorship business due to strong U.S. dollar
- Contributions in line with plans from strong-performing automobile sales businesses in the Americas

Progress Overview  
Revised Forecast ¥5.0bn Achieved 54%

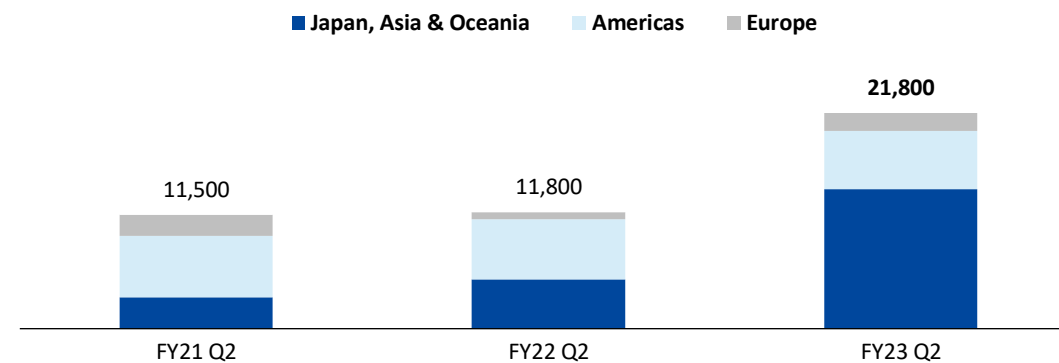
- Downward revision to ¥5.0 bn from initial forecast of ¥7.0 bn
- Continuation of strong performance anticipated in automobile sales businesses in the Americas
- Pursuit of new earnings from projects invested during FY2023
- Downward revision to initial forecasts based on six-month performance

\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Vehicle Sales

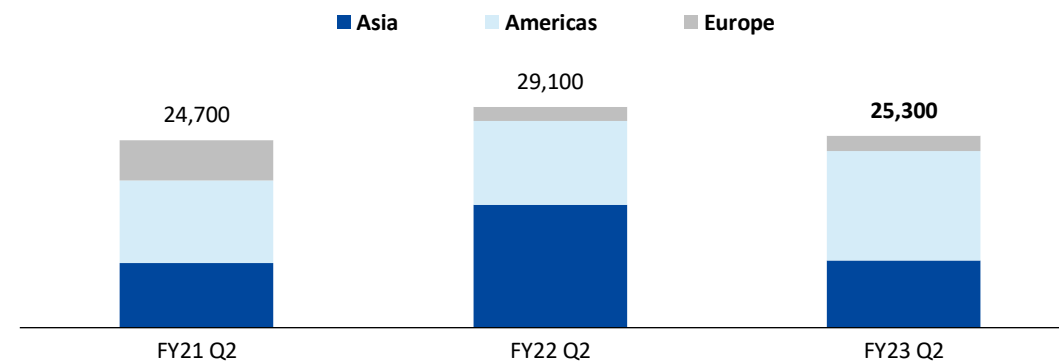
## Dealership Business

(Unit)



## Distributor Business

(Unit)



\* Includes the unit sales that company-owned dealerships handle and the equity-method affiliates handle in distributor business.

## Main Subsidiaries and Associates (Excluding one-time factors)

(BN JPY)	FY2022					FY2023					Difference	Business Description
	1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total		
<b>Sales of automobiles by Region</b>												
-Japan and Asia Pacific	0.7	1.3	0.6	(0.1)	<b>2.5</b>	(0.2)	<b>(0.8)</b>	-	-	<b>(1.0)</b>	(3.0)	Japan, Australia, the Phillipines, Pakistan etc.
-the Americas	1.4	1.2	0.9	1.6	<b>5.1</b>	1.7	<b>1.5</b>	-	-	<b>3.2</b>	+0.6	United States, Puerto Rico, Brazil, Argentina etc.
-Europe	0.7	0.0	0.0	(0.2)	<b>0.5</b>	0.1	<b>0.3</b>	-	-	<b>0.4</b>	(0.3)	Norway, Ukraine etc.
<b>(one-time gain and loss)</b>	0.0	0.5	1.0	(1.5)	<b>0.0</b>	0.0	<b>(0.5)</b>	-	-	<b>(0.5)</b>	(1.0)	

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

## Summary

	FY22 Q2	FY23 Q2	Difference
(BN JPY)			
<b>Gross profit</b>	8.5	<b>8.6</b>	+0.1
<b>SG&amp;A expenses</b>	(5.6)	<b>(6.5)</b>	(0.9)
<b>Share of profit (loss) of investments accounted for using the equity method</b>	0.0	<b>0.4</b>	+0.4
<b>Profit for the period</b>	2.4	<b>1.5</b>	(0.9)
	<b>Mar. 31, 2023</b>	<b>Sep. 30, 2023</b>	<b>Difference</b>
<b>Total asset</b>	201.4	<b>143.6</b>	(57.8)

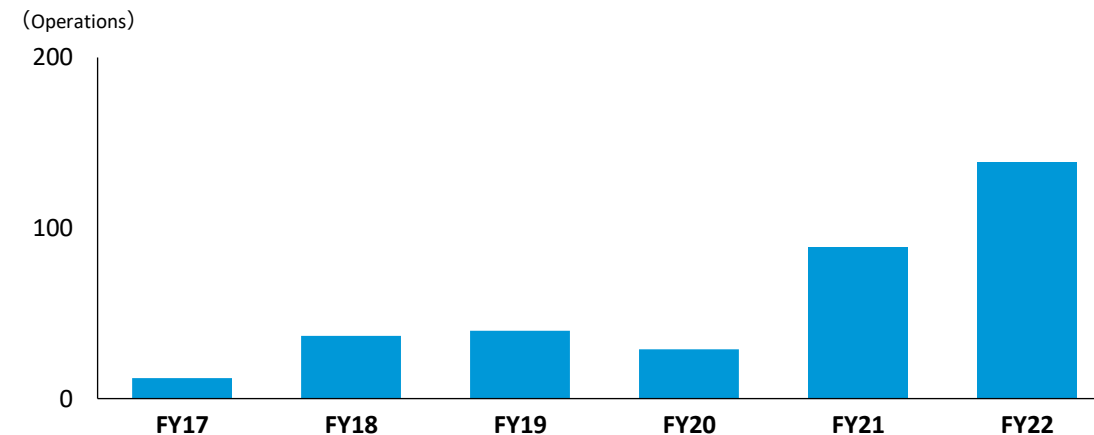
## Main Factors of Difference in Profit for the Period

- Decreased due to lower aircraft-related transactions

Progress Overview  
Forecast ¥4.0bn Achieved 38%

- Gains on sales of owned ships and earnings from sales of aircraft in business jet services and from defense system operations of Sojitz Aerospace anticipated in H2

## Business Jet charter sales



\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
<b>Aircraft, Marine vessel asset businesses</b>														Aircraft sales representative, Aircraft lease Aircraft part-out etc.	
-Sojitz Aviation and Marine B.V.	100%	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	—	—	(0.1)	(0.1)	(0.1)	Aircraft part-out business and marine vessel-related business	Mar
<b>Aviation businesses</b>														Defence system-related, Business Jet services, Aircraft sales representative	
-Business Jet services	100%	0.3	0.3	0.4	(0.1)	0.9	0.0	0.3	—	—	0.3	(0.3)	(0.3)		—
<b>Transportation, Airport infrastructure businesses</b>														North American railcar (MRO/Railcar leasing), EPC businesses in railcar field in Asia	
-Sojitz Transit & Railway Canada Inc.	74.9%	(0.1)	0.1	0.1	0.1	0.2	0.0	0.0	—	—	0.0	+0.0	+0.0	General repair and remanufacturing of railway rolling stocks	Mar
-Southwest Rail Industries Inc.	100%	0.1	0.2	0.1	0.0	0.4	0.0	0.1	—	—	0.1	(0.2)	(0.2)	Railcar leasing business	Mar
<b>Sojitz Aerospace Corporation</b>	100%	0.0	0.4	0.4	0.5	1.3	0.3	0.5	—	—	0.8	+0.4	+0.4	Import/export and sales of aerospace and defense-related equipment, components and materials	Mar
<b>(One-time gain and loss)</b>	—	0.0	0.0	0.0	0.5	0.5	0.0	0.0	—	—	0.0	0.0	0.0		

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

\* The equity ownership is as of the end of September 2023.

## Summary

	FY22 Q2	FY23 Q2	Difference
(BN JPY)			
<b>Gross profit</b>	11.9	<b>14.3</b>	+2.4
<b>SG&amp;A expenses</b>	(15.0)	<b>(15.6)</b>	(0.6)
<b>Share of profit (loss) of investments accounted for using the equity method</b>	10.9	<b>6.5</b>	(4.4)
<b>Profit for the period</b>	9.7	<b>5.5</b>	(4.2)
	<b>Mar. 31, 2023</b>	<b>Sep. 30, 2023</b>	<b>Difference</b>
<b>Total asset</b>	516.5	<b>593.5</b>	+77.0

## Main Factors of Difference in Profit for the Period

Lower profit due to rebound from gains on partial sale of equity in telecommunications tower operating business recorded in previous equivalent period

Main Factors Decreasing Profit:

- Rebound from gains on partial sale of equity in telecommunications tower operating business recorded in previous equivalent period
- Sale of U.S. natural gas-fired power plant business

Main Factors Increasing Profit:

- Gains on sales of domestic solar power generation businesses and natural gas-fired power plant businesses in the Middle East
- Higher profit at LNG operating companies due to rises in LNG prices and increases in sales volumes

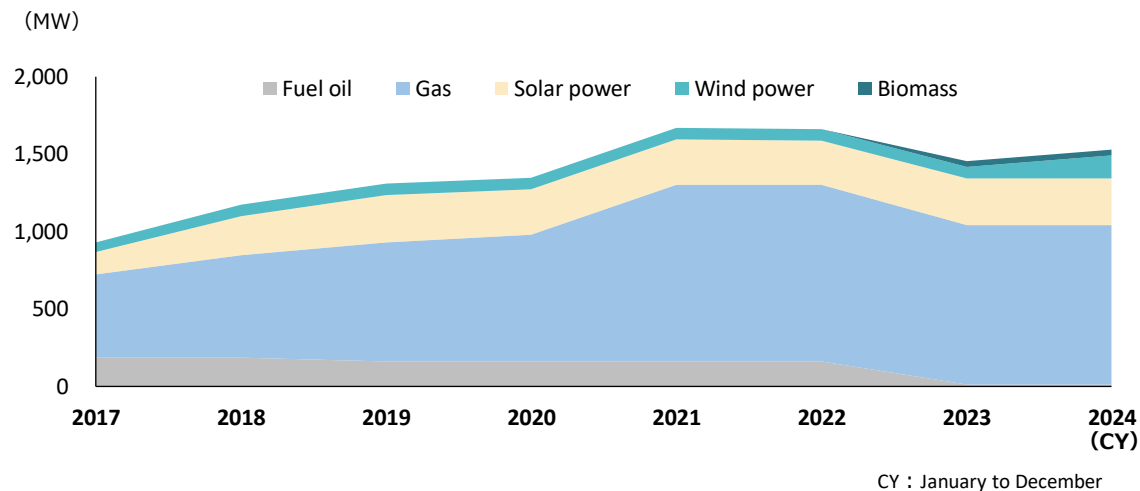
## Progress Overview

## Forecast ¥16.0bn Achieved 34%

Earnings contributions from following sources anticipated in H2 given earnings structure tending to see concentration of earnings in H2

- Overseas energy conservation businesses
- New investments in overseas power generation businesses
- Dividend earnings from LNG operating companies etc.
- Strong performance in overseas hospital projects, machinery subsidiaries, and other existing businesses

## Net Power-Generation Capacity



	CY2017	CY2020	CY2023
<b>Solar power</b>	140	290	<b>300</b>
<b>Wind power</b>	70	70	<b>70</b>
<b>Gas</b>	540	820	<b>1,030</b>
<b>Fuel oil</b>	180	160	<b>10</b>
<b>Biomass</b>	-	-	<b>40</b>
<b>Total</b>	930	1,340	<b>1,450</b>

As of Sep. 30, 2023, information on the net power-generation capacity is as follows.

By Region : Asia 64%, Americas 24%, Japan 7%, Europe 5%

By Contract Forms : Long-term contract 96%, Spot contract 4%

\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
<b>Energy related, Natural gas-fired power plant business</b>															
-LNG Japan Corporation	50%	0.6	1.0	1.6	5.9	9.1	1.6	0.9	—	—	2.5	+0.9	LNG project and investment in LNG related business	Mar	
-Glover Gas & Power B.V.	25%	-	0.2	0.1	0.3	0.6	0.2	0.1	—	—	0.3	+0.1	Investment in gas supply businesses and gas investment businesses in Nigeria	Dec	
-Natural gas-fired power plant business	—	0.6	1.3	1.2	0.5	3.6	0.6	0.0	—	—	0.6	(1.3)	In U.S., Middle east etc.	—	
<b>Renewable energy, Decarbonate business</b>															
-Renewable Energy Businesses	—	1.3	0.7	0.8	0.4	3.2	0.4	0.1	—	—	0.5	(1.5)	Renewable energy business in Japan and overseas	—	
-Energy conservation businesses	—	(0.2)	0.3	0.9	0.0	1.0	0.1	0.6	—	—	0.7	+0.6	Overseas energy conservation businesses	—	
-Nexus Energia S.A.	31.4%	0.0	0.0	0.2	0.1	0.3	0.2	0.1	—	—	0.3	+0.3	Electricity and gas retail; market representation; solar power generation in Spain	Dec	
<b>Social Infrastructure, PPP business</b>															
-Sojitz Hospital PPP Investment B.V.	100%	0.5	0.8	0.7	1.3	3.3	0.6	0.7	—	—	1.3	0.0	Investment in hospital project	Dec	
-PT. Puradelta Lestari Tbk	25%	0.8	0.6	0.3	1.0	2.7	0.3	1.1	—	—	1.4	0.0	Development of infrastructure for comprehensive urban infrastructure and industrial parks	Dec	
-Sojitz Machinery Corporation	100%	0.6	0.5	1.0	0.8	2.9	0.6	0.7	—	—	1.3	+0.2	Import/export and sales of general industrial machinery	Mar	
<b>(One-time gain and loss)</b>	<b>—</b>	<b>3.0</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>(12.0)</b>	<b>(10.0)</b>	<b>0.0</b>	<b>1.0</b>	<b>—</b>	<b>—</b>	<b>1.0</b>	<b>(1.5)</b>			

\* For information companies, please refer to their respective corporate websites.

- SAKURA Internet Inc. (equity-method associate the following) <https://www.sakura.ad.jp/>
- PT. Puradelta Lestari Tbk (equity-method associate) <https://www.kota-deltamas.com>

\* These figures are obtained by calculating profit of the major subsidiaries and associates in renewable energy, thermal power generation and energy conservation businesses.

\* Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

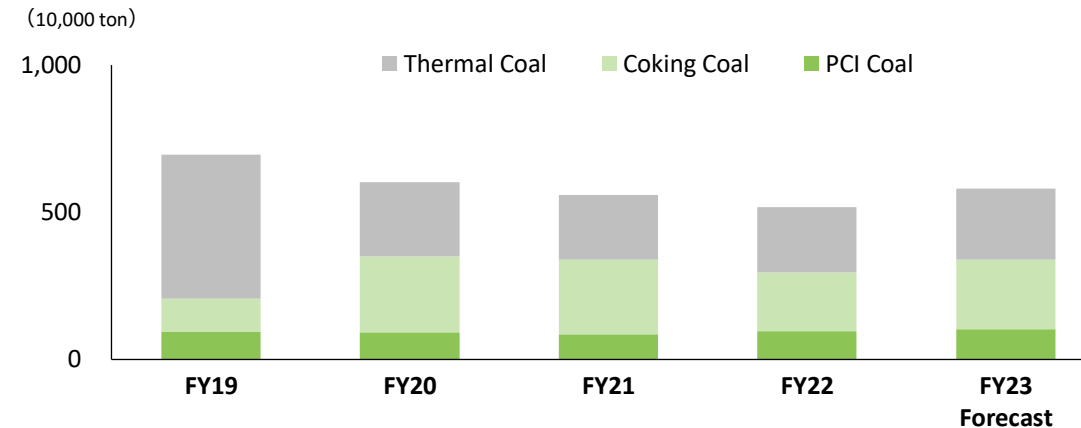
\* The equity ownership is as of the end of September 2023.

## Summary

	FY22 Q2	FY23 Q2	Difference	<b>Main Factors of Difference in Profit for the Period</b> <ul style="list-style-type: none"> <li>Decreased due to decreases in coal prices</li> </ul> Profit Impacts of Coal Businesses: Market conditions, foreign exchange rates, and other external factors    ¥(14.0) bn Sales volumes, costs, and other internal factors    ¥(6.5) bn
(BN JPY)				
<b>Gross profit</b>	54.6	22.8	(31.8)	
<b>SG&amp;A expenses</b>	(8.2)	(7.9)	+0.3	
<b>Share of profit (loss) of investments accounted for using the equity method</b>	12.4	9.4	(3.0)	
<b>Profit for the period</b>	41.8	18.5	(23.3)	
	Mar. 31, 2023	Sep. 30, 2023	Difference	<b>Progress Overview</b> <b>Revised Forecast ¥37.0bn Achieved 50%</b> <ul style="list-style-type: none"> <li>Upward revision to forecasts based on current coal market conditions</li> <li>Initiating the settlement of underground mining, we anticipate revenue contribution from the next fiscal year onwards due to the ramp-up period</li> <li>Stable production of 2 million MT/year from open cut and underground mining at Gregory Crinum coal mine to be targeted in FY2024 and beyond</li> <li>New mining areas to be developed in FY2027 and beyond</li> </ul>
<b>Total asset</b>	531.9	524.0	(7.9)	

\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Change in Coal Sales Volume



## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
Sojitz Development Pty. Ltd.	100%	19.4	9.6	7.9	7.3	44.2	4.8	3.7	—	—	8.5	(20.5)	Investment in coal mines	Mar	
Metal One Corporation	40%	4.5	4.5	3.8	3.8	16.6	3.3	3.6	—	—	6.9	(2.1)	Import, export, and sale of, and domestic and foreign trading in, steel-related products	Mar	
Nonferrous metal business (Worsley Alumina Refinery in Australia)	—	0.0	0.8	(0.3)	0.2	0.7	(0.2)	0.0	—	—	(0.2)	(1.0)	Production of alumina, Investment in an alumina refinery	—	
(One-time gain and loss)	—	0.0	(0.5)	(6.0)	1.0	(5.5)	(0.5)	0.5	—	—	0.0	+0.5			

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

\* The equity ownership is as of the end of September 2023.



## Summary

	FY22 Q2	FY23 Q2	Difference
(BN JPY)			
Gross profit	32.9	29.8	(3.1)
SG&A expenses	(16.6)	(17.2)	(0.6)
Share of profit (loss) of investments accounted for using the equity method	0.1	(0.2)	(0.3)
Profit for the period	11.4	6.8	(4.6)
	Mar. 31, 2023	Sep. 30, 2023	Difference
Total asset	322.2	327.8	+5.6

## Main Factors of Difference in Profit for the Period

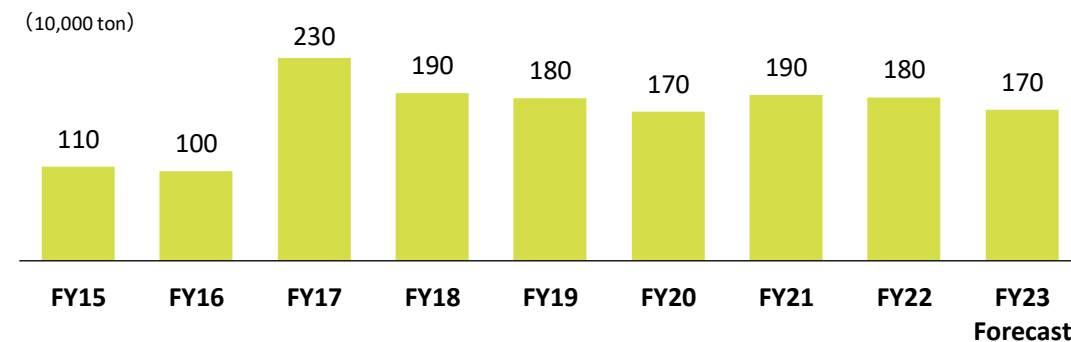
- Strong performance in non-consolidated trading businesses following efforts to improve profitability
- Profit down due to one-time first-quarter losses and sluggish demand for plastic resins and other chemical products

## Progress Overview

## Revised Forecast ¥13.0bn Achieved 52%

- Reduction of ¥3.0 bn from initial forecast of ¥16.0 bn to reflect changes to raw material procurement agreements in overseas methanol businesses and one-time losses recorded in H1
- Pursuit of increased earnings, despite continuation of sluggish demand for plastic resins and other chemical products in second half of fiscal year, by improving profitability through operational streamlining and cost reductions

## Sales Volume for Methanol



\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
PT. Kaltim Methanol Industri	85%	1.5	2.2	1.3	0.9	5.9	1.4	1.5	—	—	2.9	(0.8)	Manufacture and sale of methanol	Mar	
Sojitz Pla-Net Corporation	100%	0.4	0.5	0.4	0.6	1.9	0.2	0.2	—	—	0.4	(0.5)	Trading and sale of plastics and related products	Mar	
solvadis Deutschland gmbh	100%	0.6	0.6	0.3	0.4	1.9	0.3	0.2	—	—	0.5	(0.7)	Trading and sale of chemical products	Mar	
Trading business in Sojitz's holdings on a non-consolidated basis	—	1.3	1.1	1.3	1.0	4.7	1.5	1.0	—	—	2.5	+0.1	Industrial salts, rare earth, aromatics, phenol, phenol resins, functional materials etc.	—	
Trading business in Sojitz's holdings on a non-consolidated basis		1.2	1.0	0.9	0.7	3.8	0.3	0.4	—	—	0.7	(1.5)	Trading of chemical products and plastics in overseas subsidiaries	—	
(One-time gain and loss)	—	0.0	0.0	(1.0)	0.0	(1.0)	(1.5)	0.0	—	—	(1.5)	(1.5)			

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

\* The equity ownership is as of the end of September 2023.

## Summary

	FY22 Q2	FY23 Q2	Difference
(BN JPY)			
<b>Gross profit</b>	18.1	17.6	(0.5)
<b>SG&amp;A expenses</b>	(11.0)	(12.8)	(1.8)
<b>Share of profit (loss) of investments accounted for using the equity method</b>	0.7	0.3	(0.4)
<b>Profit for the period</b>	5.8	3.5	(2.3)
	<b>Mar. 31, 2023</b>	<b>Sep. 30, 2023</b>	<b>Difference</b>
<b>Total asset</b>	238.9	253.2	+14.3

## Main Factors of Difference in Profit for the Period

- Lower profit as a result of rebound from favorable operating conditions seen in previous equivalent period in Philippine fertilizer business, in addition, delay of rainy season, lower sales prices in fertilizer market and reduced selling prices in building material business
- Q2 progress in overseas fertilizer businesses in line with plans as a result of delay of rainy season and higher sales volumes driven by an increase in transactions in preparation for upcoming hikes to raw material prices
- Increased equity ownership in Thai fertilizer production and sales company TCCC following purchase of additional equity

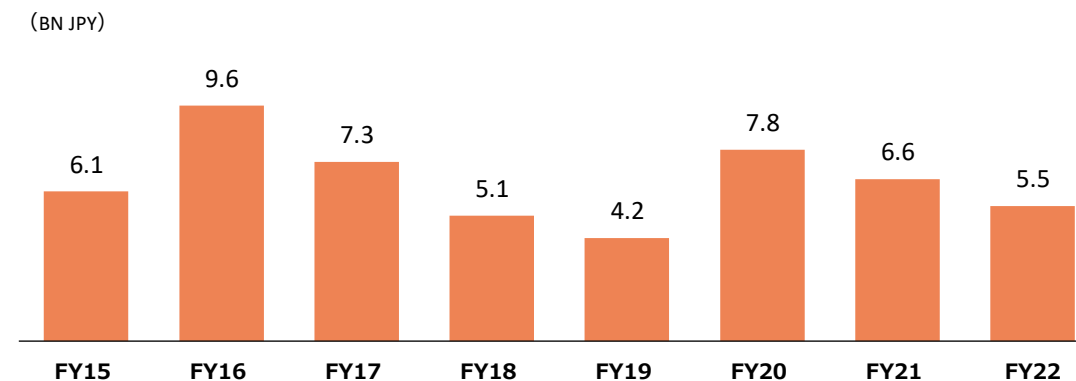
## Progress Overview

## Revised Forecast ¥7.0bn Achieved 50%

- Downward revision of ¥1.0 bn to full-year forecast in reflection of slow progress in overseas fertilizer businesses due to rain shortage as a result of El Nino phenomenon and uncertainty regarding markets prices of import plywood in construction material business
- Strong appetite for purchases of fertilizer by agricultural workers projected amid consistently high prices for major agricultural products

## Profit of Overseas Fertilizers Business

- Development of stable earnings foundations by leveraging strength of top-class market shares in Southeast Asia



\* The above figures are profit for the, which is calculated in accordance with IFRS.

\* The above figures are aggregated net profit of three companies mentioned above on stand alone basis.

## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
<b>fertilizer related business</b>															
-Thai Central Chemical Public Company (TCCC)	95.3%	1.1	1.6	0.1	0.0	2.8	0.8	2.5	—	—	3.3	+0.6	Manufacture and sales of fertilizers in Thailand	Mar	
-Atlas Fertilizer Corporation (AFC)	100%	1.2	0.6	0.1	0.0	1.9	(0.1)	0.6	—	—	0.5	(1.3)	Manufacture and sales of fertilizers, sales of imported fertilizer products in the Philippines	Mar	
-Japan Vietnam Fertilizer Company (JVF)	75%	0.1	0.0	0.0	0.1	0.2	0.2	0.3	—	—	0.5	+0.4	Manufacture and sales of fertilizers in Vietnam	Mar	
<b>Sojitz Building Materials Corporation</b>	100%	1.0	0.6	0.3	(0.1)	1.8	0.1	0.2	—	—	0.3	(1.3)	Trading company specializing in sales of construction materials	Mar	
<b>Saigon Paper</b>	97.7%	(0.1)	0.0	(0.2)	0.1	(0.2)	0.0	0.0	—	—	0.0	+0.1	Paper manufacture business in Vietnam	Dec	
<b>(One-time gain and loss)</b>	—	0.0	0.0	1.5	0.0	1.5	0.5	(0.5)	—	—	0.0	0.0			

\* Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

\* The equity ownership is as of the end of September 2023.

\* Characteristics of Sojitz's fertilizer business companies are as follows:

TCCC: Earnings concentrated in the first half of the year as rice farmers (the primary users of TCCC's fertilizer) tend to use fertilizer around the rainy season

AFC: Demand throughout the year as fertilizer is primarily used for semiannual crops like rice and corn

JVF: Demand throughout the year for fertilizer for major crops, namely rice, sugar cane, and coffee

## Summary

(BN JPY)	FY22 Q2	FY23 Q2	Difference	Main Factors of Difference in Profit for the Period
<b>Gross profit</b>	21.8	27.5	+5.7	
<b>SG&amp;A expenses</b>	(19.4)	(20.7)	(1.3)	
<b>Share of profit (loss) of investments accounted for using the equity method</b>	0.1	0.9	+0.8	<b>Progress Overview</b> <b>Revised Forecast ¥13.0bn Achieved 70%</b> <ul style="list-style-type: none"> <li>Increase of ¥2.0 bn from initial forecast of ¥11.0 bn based on six-month progress in domestic retail businesses</li> <li>Strong performance anticipated in domestic retail businesses centered on JALUX and Royal Holdings in H2</li> <li>Aimed growth in earnings to be pursued through year-end sales in seafood product businesses</li> </ul>
<b>Profit for the period</b>	1.0	9.1	+8.1	
	Mar. 31, 2023	Sep. 30, 2023	Difference	
<b>Total asset</b>	419.9	473.8	+53.9	

\* The above figures are profit for the period, which is calculated in accordance with IFRS.

## Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
<b>Retail related business</b>	–	(0.4)	(0.1)	0.0	0.3	(0.2)	0.3	<b>0.2</b>	–	–	0.5	+1.0	Manufacturing and distribution of foods, Convenience store, Operation of restaurants	–	
-Overseas	–	0.0	0.0	0.0	0.2	0.2	0.0	<b>(0.1)</b>	–	–	(0.1)	(0.1)	Ministop Vietnam, Four-temperature logistics service, Production of daily prepared foods, distribution of foods and general merchandise etc.	–	
-Domestic	–	(0.4)	(0.1)	0.0	0.1	(0.4)	0.3	<b>0.3</b>	–	–	0.6	+1.1	Royal Holdings Co., Ltd, Sojitz Royal In-flight CateringCo., Ltd, JALUX Inc. etc.	–	
<b>Marine products related business</b>	–	0.2	0.1	0.8	0.0	1.1	0.2	<b>0.3</b>	–	–	0.5	+0.2	The Marine Foods Corporation, TRY Inc., Dalian Global Food Corporation, Sojitz Tuna Farm Takashima Co., Ltd.	–	
-The Marine Foods Corporation	100%	0.2	0.1	0.6	(0.1)	0.8	0.2	<b>0.6</b>	–	–	0.8	+0.5	An seafood product manufacturing company	Mar	
<b>Domestic real estate business</b>	–	0.0	0.3	0.1	1.5	1.9	0.5	<b>3.2</b>	–	–	3.7	+3.4	Management of shopping centers, value-add businesses etc.	–	
<b>Sojitz Foods Corporation</b>	100%	0.9	0.5	0.6	(0.1)	1.9	0.7	<b>0.9</b>	–	–	1.6	+0.2	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs	Mar	
<b>Sojitz Fashion Co., Ltd.</b>	100%	0.2	0.2	0.2	0.1	0.7	0.2	<b>0.1</b>	–	–	0.3	(0.1)	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics	Mar	
<b>(One-time gain and loss)</b>	–	0.0	0.0	4.5	0.0	4.5	0.0	<b>0.0</b>	–	–	0.0	0.0			

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations

\* The equity ownership is as of the end of September 2023.

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

- Fuji Nihon Seito Corporation (equity-method associate) <https://www.fnsugar.co.jp/>
- ROYAL HOLDINGS Co., Ltd. (equity-method associate) <https://www.royal-holdings.co.jp/>

Infrastructure & Healthcare Division

## Operation at Rated Output at Australian Solar Power Generation Project

**Operation at rated output started\*** at Edenvale Solar Park, a joint solar power generation project in Queensland, Australia, that Sojitz and ENEOS commenced investment in 2021 through joint venture company Sapphire Energy

### Project Details

- **Largest solar project in Australia to be undertaken by Japanese companies** (50% ownership by ENEOS, 50% ownership by Sojitz)
- Government promotion of new investment in renewable energy using Australia’s robust natural resources with goals of raising rate of renewable energy use to more than 80% by 2030 and achieving carbon neutrality by 2050

#### Overview of Edenvale Solar Park

- **Installed capacity: Approx. 204 MW**
- **Site area: Approx. 428 ha**

#### Renewable Energy Supply

- **Generation of enough renewable energy to power 60,000 homes**
- **Reliable supply through 10-year, long-term PPA agreements**

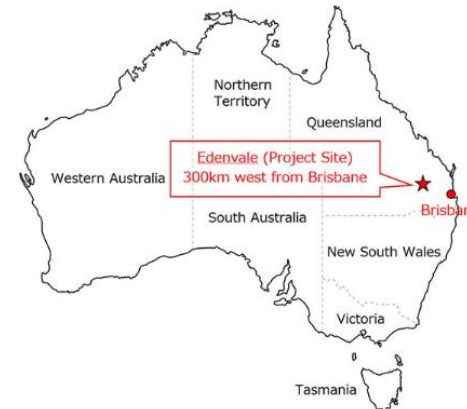
### Sustainability Challenge – Decarbonization Initiatives

#### Contribution to Reductions in Scope 1 and Scope 2 Emissions

Supply of portion of generated electricity to Gregory Crinum coking coal mine owned and operated by Sojitz in Queensland

#### Synergies with Other Projects in Australia

- Supply of electricity to Gregory Crinum coking coal mine
- Stable supply of renewable energy with competitive services through coordination with energy-saving air conditioning design and construction company Ellis Air Group invested in May 2023



Completed Edenvale Solar Park in Sep. 2023

\*Rated output: Output in conformance with design specifications anticipated after stable operation

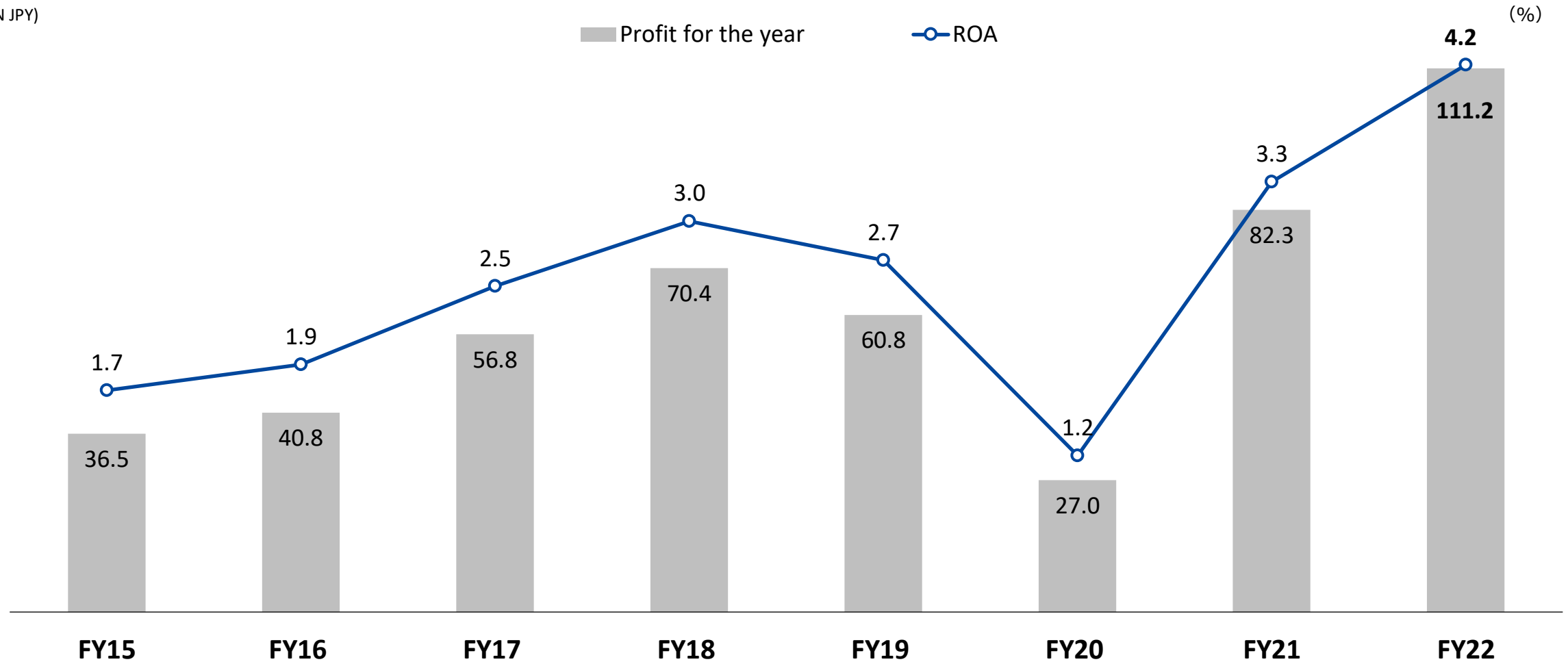
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# Appendix



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
(BN JPY)										
<b>Net sales (JGAAP)</b>	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	—	—	—	—	—
<b>Revenue</b>	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>2,479.8</b>
<b>Gross profit</b>	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3	<b>337.6</b>
<b>Operating profit</b>	23.7	33.6	29.2	51.6	59.8	—	—	—	—	—
<b>Share of profit (loss) of investments accounted for using the equity method</b>	31.0	28.6	23.2	12.7	25.1	27.8	24.9	14.8	38.0	<b>27.3</b>
<b>Profit before tax</b>	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3	<b>155.0</b>
<b>Profit for the year attributable to owners of the Company</b>	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3	<b>111.2</b>
<b>Core earnings</b>	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3	<b>145.1</b>
<b>ROA</b>	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%	<b>4.2%</b>
<b>ROE</b>	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	12.2%	<b>14.2%</b>

(BN JPY)



Medium-term Management Plan2017  
Challenge for Growth

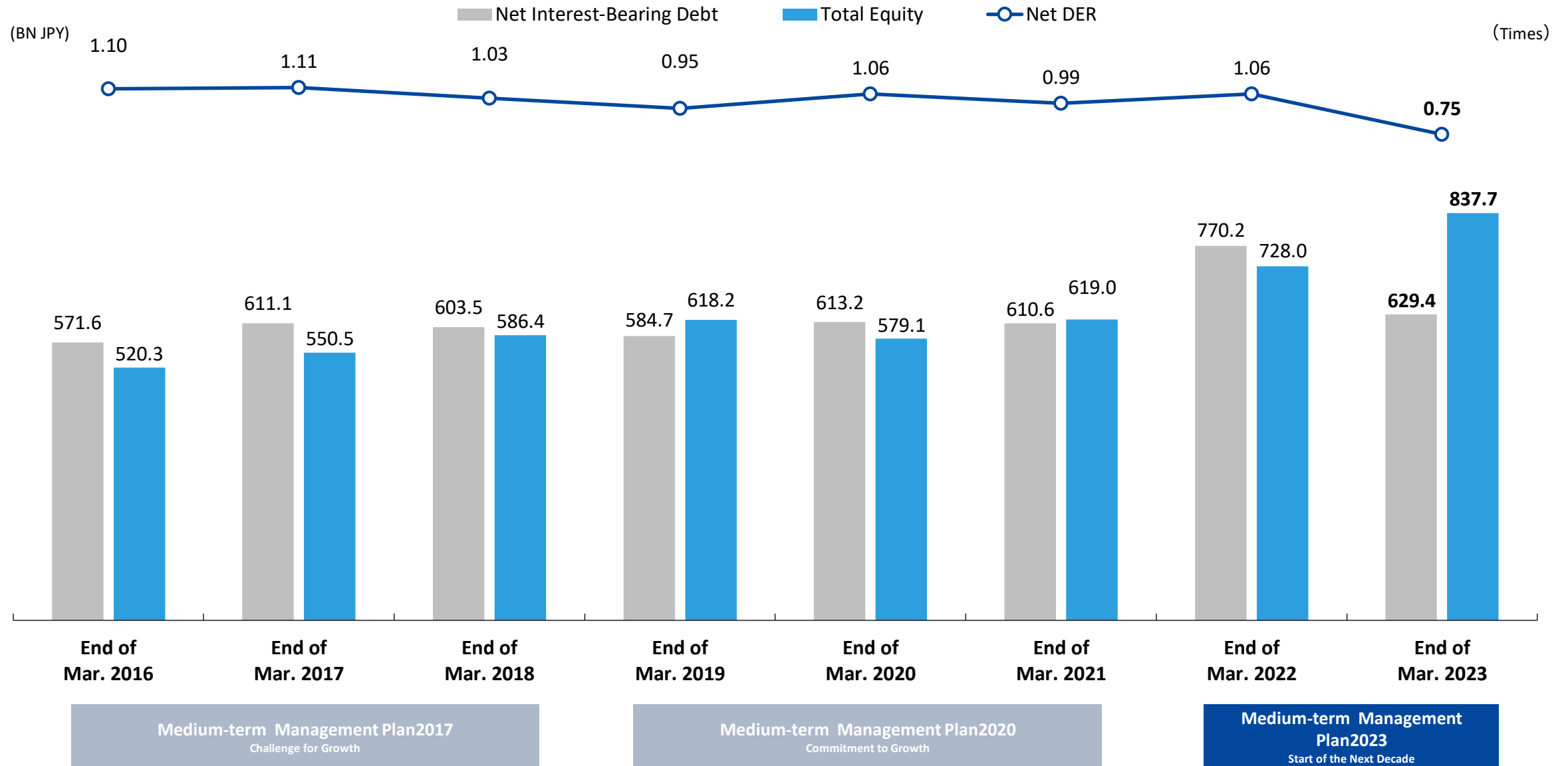
Medium-term Management Plan2020  
Commitment to Growth

Medium-term Management Plan2023  
Start of the Next Decade

# Balance Sheets Summary

(BN JPY)	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	End of Mar. 2023
<b>Current assets</b>	1,321.8	1,323.5	1,146.4	1,229.8	1,376.3	1,267.7	1,217.5	1,195.4	1,394.2	1,444.5
Cash and cash equivalents	420.7	403.7	344.4	308.6	305.2	285.7	272.7	287.6	271.7	247.3
Time deposits	4.4	5.5	6.7	5.7	2.8	2.9	7.4	10.1	10.8	7.0
Trade and other receivables	524.8	559.3	496.2	563.5	549.9	690.7	638.1	636.2	791.5	794.9
Inventories	302.0	270.3	237.1	271.3	396.0	220.6	213.4	187.9	232.8	281.0
Other current assets	69.9	84.7	62.0	80.7	122.4	67.8	85.9	73.6	87.4	114.3
<b>Non-current assets</b>	898.4	973.9	910.3	908.7	974.1	1,029.4	1,012.8	1,104.7	1,267.5	1,216.3
Property, plant and equipment	213.9	217.9	187.0	172.2	172.1	192.9	158.0	191.3	201.5	195.4
Lease assets (Right-of-use assets)	-	-	-	-	-	-	74.1	72.8	69.7	65.6
Goodwill	46.3	50.2	53.1	57.6	65.8	66.2	66.5	67.2	82.5	85.7
Intangible assets	61.0	53.9	38.8	34.1	44.1	49.1	43.4	61.5	85.0	70.8
Investment property	25.3	19.5	18.4	21.1	24.5	20.9	18.6	11.6	13.3	8.1
Investments accounted for using the equity method	470.4	568.9	551.2	559.6	590.2	597.3	554.7	590.8	673.6	689.7
Other non-current assets	81.5	63.5	61.8	64.1	77.4	103.0	97.5	109.5	141.9	101.0
<b>Total assets</b>	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	2,660.8
<b>Current liabilities</b>	811.8	780.7	673.8	717.8	846.0	807.2	754.4	734.8	897.6	891.8
Trade and other payables	514.6	490.9	439.3	483.1	654.2	582.4	481.7	476.0	546.0	579.3
Lease liabilities	-	-	-	-	-	-	15.3	16.8	17.4	17.3
Bonds and borrowings	227.2	208.4	168.3	158.7	113.5	149.7	186.8	158.6	231.2	167.8
Other current liabilities	70.0	81.4	66.2	76.0	78.3	75.1	70.6	83.4	103.0	127.4
<b>Non-current liabilities</b>	915.4	926.1	833.2	842.7	879.3	828.4	854.0	910.8	1,000.2	892.4
Lease liabilities	-	-	-	-	-	-	63.7	60.5	57.8	54.1
Bonds and borrowings	838.1	830.4	754.4	766.7	798.0	723.6	706.5	749.7	821.5	715.9
Retirement benefit liabilities	16.9	17.9	18.7	21.4	22.0	22.1	22.1	21.9	23.9	22.7
Other non-current liabilities	60.4	77.8	60.1	54.6	59.3	82.7	61.7	78.7	97.0	99.7
<b>Total liabilities</b>	1,727.2	1,706.8	1,507.0	1,560.5	1,725.3	1,635.6	1,608.4	1,645.6	1,897.8	1,784.2
Share capital	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3
Capital surplus	146.5	146.5	146.5	146.5	146.5	146.6	146.8	146.8	147.0	147.6
Treasury stock	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)	(10.9)	(15.9)	(31.0)	(31.1)
Other components of equity	119.6	194.6	132.4	132.7	124.3	107.6	49.8	77.8	136.8	138.7
Retained earnings	33.6	49.7	81.3	111.2	155.5	204.6	233.1	250.0	314.9	422.2
<b>Total equity attributable to owners of the Company</b>	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	837.7
Non-controlling interests	33.1	39.7	29.4	27.5	38.7	43.3	42.8	35.5	35.9	38.9
<b>Total equity</b>	493.0	590.6	549.7	578.0	625.1	661.5	621.9	654.5	763.9	876.6
<b>Total liabilities and equity</b>	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	2,660.8

# Balance Sheets Summary

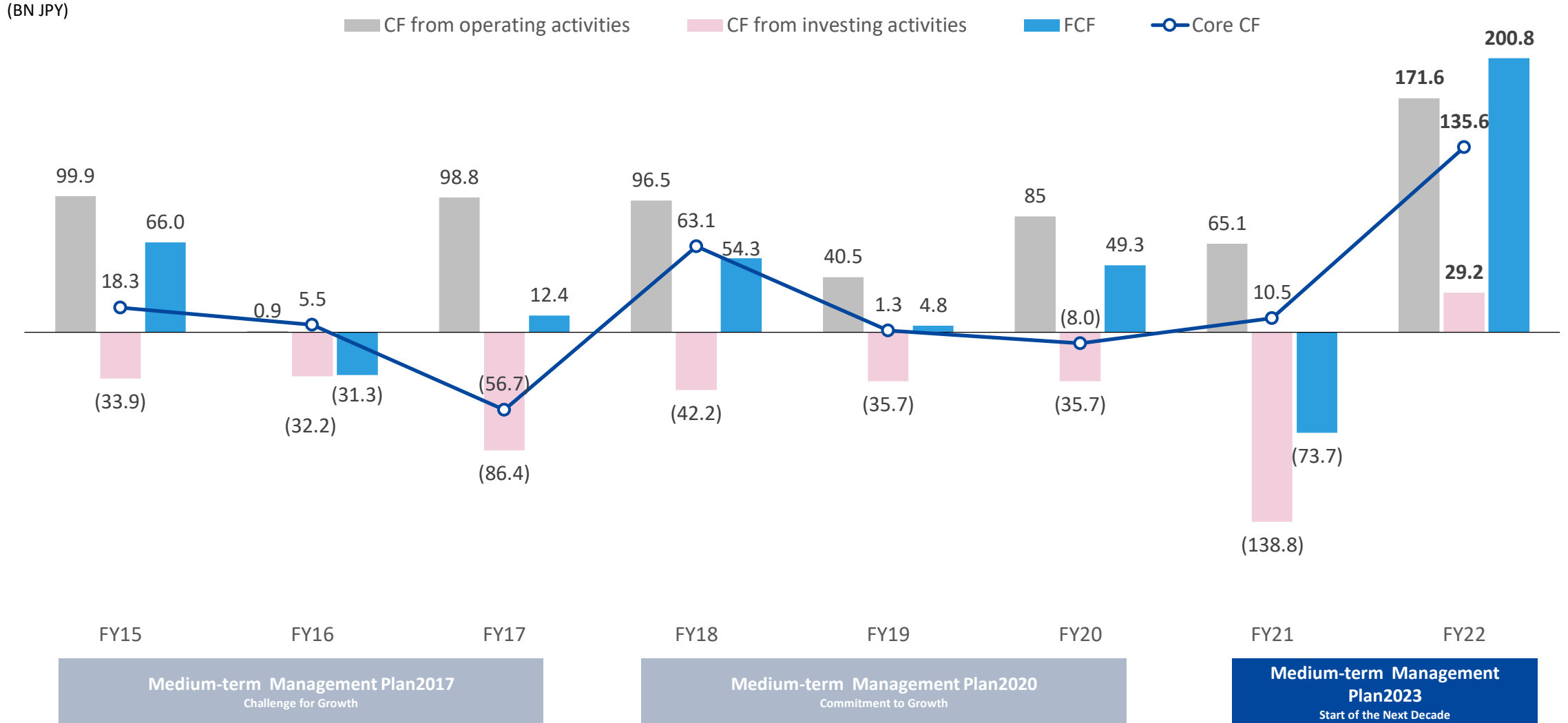


	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Mar. 2023
(BN JPY)										
<b>Total assets</b>	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	<b>2,660.8</b>
<b>Total equity</b>	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	<b>837.7</b>
<b>Equity ratio</b>	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	27.4%	<b>31.5%</b>
<b>Net interest-bearing debt</b>	640.2	629.6	571.6	611.1	603.5	584.7	613.2	610.6	770.2	<b>629.4</b>
<b>Net DER (Times)</b>	1.39	1.14	1.10	1.11	1.03	0.95	1.06	0.99	1.06	<b>0.75</b>
<b>Risk assets (vs. Total equity, times)</b>	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>490.0 0.6</b>
<b>Current ratio</b>	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	155.3%	<b>162.0%</b>
<b>Long-term debt ratio</b>	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	78.0%	<b>81.0%</b>

## Cash Flow Summary

	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	End of Mar. 2023
(BN JPY)										
<b>Core CF</b>	—	—	18.3	5.5	(56.7)	63.1	1.3	(8.0)	10.5	<b>135.6</b>
<b>Free CF</b>	22.5	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(73.7)	<b>200.8</b>
<b>Core operating CF</b>	—	—	60.0	59.4	82.9	79.1	80.2	60.2	128.7	<b>145.2</b>
<b>Cash flow from operating activities</b>	47.0	39.1	99.9	0.9	98.8	96.5	40.5	85.0	65.1	<b>171.6</b>
<b>Cash flow from investment activities</b>	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(138.8)	<b>29.2</b>
<b>Cash flow from financing activities</b>	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	46.9	<b>(230.4)</b>
<b>Investments</b>	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0	<b>93.0</b>

# Cash Flow Summary





*New way, New value*