

# Consolidated Financial Results for the Year Ended March 31, 2024 (IFRS)

May 1, 2024

## Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

Company representative: Masayoshi Fujimoto, Chairman & CEO

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

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Scheduled filing date of financial report : June 18, 2024

Scheduled date of delivery of dividends : June 19, 2024

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 Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

### (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 year		Profit attributable to owners of the Company		Total comprehensive income for the year	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the year ended March 31, 2024	2,414,649	(2.6)	125,498	(19.1)	103,060	(11.0)	100,765	(9.4)	173,283	18.8
March 31, 2023	2,479,840	18.0	155,036	32.2	115,824	35.5	111,247	35.1	145,803	(1.9)

	Basic earnings per share	Diluted earnings per share	Profit Ratio to equity attributable to owners of the company	Profit before tax ratio to total assets
	Yen	Yen	%	%
For the year ended March 31, 2024	450.97	450.97	11.4	4.5
March 31, 2023	481.94	-	14.2	5.8

(Reference) : Share of profit (loss) of investments accounted for using the equity method.

March 31, 2024 : 43,615 millions of yen      March 31, 2023 : 27,282 millions of yen

Note: Basic earnings per share and diluted earnings per share are calculated based on profit 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	Total equity Per share attributable to owners of the company
	Millions of Yen	Millions of Yen	Millions of Yen	%	Yen
As of March 31, 2024	2,886,873	955,627	924,076	32.0	4,238.81
March 31, 2023	2,660,843	876,576	837,713	31.5	3,629.34

### (3) Consolidated Statement of Cash Flows

	Operating activities	Investing activities	Financing activities	Cash & cash equivalents at the end of the year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
For the year ended March 31, 2024	112,187	12,429	(186,523)	196,275
March 31, 2023	171,639	29,157	(230,367)	247,286

## 2. Cash Dividends

	Cash dividend per share					Total amount of cash dividends (annual)	Consolidated payout ratio	Dividend on total equity attributable to owners of the company (consolidated)
	First quarter	Second quarter	Third quarter	Year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
For the year ended March 31, 2023	-	65.00	-	65.00	130.00	30,131	27.0	3.8
March 31, 2024	-	65.00	-	70.00	135.00	29,761	29.9	3.4
March 31, 2025 (forecast)	-	75.00	-	75.00	150.00		29.6	

Note 1: Changes in cash dividend forecast : No

Note2: At its Board of Directors meeting held today, our company resolved Cash Dividends (Ordinary general shareholder's meeting of the proposed year-end dividend for the fiscal year ending March 2024 and an interim dividend for the fiscal year ending March 2025).

For details, please refer to "Notice Concerning Cash Dividends (Year-End Dividend Proposal for the Fiscal Year Ending March 2024 and Interim Dividend for the Fiscal Year Ending March 2025)" announced today. Please refer to the press release.

## 3. Consolidated Earnings Forecast for the Year Ending March 31, 2025 (April 1, 2024 - March 31, 2025)

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, 2025 Full-year	110,000	506.37
		%
		9.2

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

#### 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 : Yes

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 March 31, 2024 : 225,000,000 As of March 31, 2023: 250,299,900

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

As of March 31, 2024 : 6,996,191 As of March 31, 2023: 19,482,980

3. Average number of outstanding shares during the periods:

For the year ended March 31, 2024 : 223,441,431

For the year ended March 31, 2023 : 230,830,451

Note1: For information on the number of shares used to calculate consolidated earnings per share, please refer to "(Earnings per share)" under "5. Consolidated Financial Statements" of this document.

Note2: The above figures for treasury shares do not include shares held as part of mutual holdings with investments accounted for using the equity method.

Note3: 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 fiscal year ended March 31, 2024 and 953,699 stocks in the fiscal year ended March 31, 2023.

Note4: 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.

#### (Reference) Non-consolidated Financial Results

Fiscal Year Ended March 31, 2024 (April 1, 2023 - March 31, 2024)

##### (1) Non-consolidated Operating Results

Description of % is indicated as the change rate compared with the last year.

	Revenue		Operating profit		Ordinary income		Profit	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the year ended March 31, 2024	568,742	(25.5)	(8,650)	-	77,155	(16.0)	80,888	(1.3)
March 31, 2023	763,373	12.5	(10,547)	-	91,799	65.3	81,927	62.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
For the year ended March 31, 2024	362.01	-
March 31, 2023	354.92	-

##### (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
For the year ended March 31, 2024	1,688,744	493,734	29.2	2,264.80
March 31, 2023	1,588,873	481,583	30.3	2,086.43

(Reference) Total equity: As of March 31, 2024: 493,734 million yen As of March 31, 2023: 481,583 million yen

\* This summary of consolidated financial results is not subject to audits by certified public accountants or the accounting auditor.

\* 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. The company makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by forward-looking statements due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements. The Company will provide timely disclosure of any material changes, events, or other relevant issues.

• Supplementary materials on financial results can be found on the Company's web site. The company will hold an IR meeting on financial results for the year ended March 31, 2024 for analysts and institutional investors on May 1, 2024. Contents (materials and a video) of the meeting and condensed transcript of Q&A session will be posted on our the company's site immediately after the meeting.

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# 1. Analysis of Business Results

## (1) Overview of Fiscal Year 2023 (April 1, 2023 — March 31, 2024)

### Economic Environment

In the year ended March 31, 2024, increased consumption of services and robust employment following the resumption of economic activity from the COVID-19 shock led to solid economic recovery. However, continuous observation of the uncertain effects such as the prolongation of Russia's military invasion of Ukraine, heightened geopolitical risks including escalating tensions in the Middle East, deteriorating property market and weak demand in China, persistent inflation and the monetary tightening measures implemented by central banks in developed countries are needed.

In the United States, the Federal Reserve Board raised interest rates from March 2022 to July 2023 in an effort to curb inflation. From September 2023 to March 2024, the Federal Reserve Board held interest rates steady for 5 consecutive meetings, and the policy interest rate stands at 5.25-5.50%. A soft landing is becoming the main scenario due to slowing inflation and strong employment and consumption in the U.S. economy in 2024.

In EU economic area, the ECB decided to hold its policy rate unchanged for 5 consecutive meetings in April 2024. Consumer price inflation in March slowed to 2.4% year on year. ECB suggests the possibility of a rate cut at the next meeting in June. The EU economy's fourth-quarter GDP is stagnant from the previous year which is +0.2%.

In China, Consumer Price Index (CPI) increased by 0.7% year on year in six months. Nevertheless, caution is required for the upcoming CPI. Even though there are some major economic indicators have improved in January-February 2024, the area of home sales declined by 31.6% from the same period last year, and the real estate market is still stagnant.

In Asia, exports of goods have been on an upward trend since 2023, when external demand, particularly in Europe and the United States, turned to a recovery trend. In the latter half of 2024, Asian countries followed the monetary policies of the United States and other countries in consideration of the impact on foreign exchange rates; therefore, reduction in interest rates are expected.

In Japan, GDP grew at a sluggish pace of 0.1% in October-December 2023. The Bank of Japan decided to raise interest rates for the first time in 17 years by lifting large-scale monetary easing policies such as negative interest rates in March 2024. The yen continues to weaken as the interest rate gap remains open. Total cash salaries, which represent nominal wages, are rising. However, domestic consumption has remained stagnant amid a prolonged decline in real wages.

## Financial Performance

Sojitz Corporation's consolidated business results for the year ended March 31, 2024 are presented below.

Revenue	Revenue was down (2.6)% year on year, to ¥2,414,649 million, due to reduced revenue in the Metals, Mineral Resources & Recycling Division, a result of declines in prices for coal; and in the Chemicals Division, a result of declines in transactions volumes for chemical products.
Gross profit	Gross profit was decreased ¥(11,612) million year on year, to ¥325,955 million, due to reduced revenue in the Metals, Mineral Resources & Recycling Division, a result of declines in prices and rising costs 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 ¥(29,538) million year on year, to ¥125,498 million, as a result of declines in gross profit, and increases in other selling, general and administrative expenses due to new acquisition of consolidated subsidiaries
Profit for the year	After deducting income tax expenses of ¥(22,437) million from profit before tax of ¥125,498 million, profit for the year amounted to ¥103,060 million, down ¥(12,764) million year on year. Profit for the year (attributable to owners of the Company) declined ¥(10,482) million year on year, to ¥100,765 million.
Comprehensive income for the year	Comprehensive income for the year of ¥173,283 million was recorded, up ¥27,480 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 year (attributable to owners of the Company) was ¥168,317 million, an increase of ¥29,883 million year on year.

(In Millions of Yen)

	Fiscal Year 2023 Results(A)	Fiscal Year 2022 Results (B)	Difference (A)-(B)	Percentage change (%)
Revenue	2,414,649	2,479,840	(65,191)	(2.6)
Gross profit	325,955	337,567	(11,612)	(3.4)
Profit before tax	125,498	155,036	(29,538)	(19.1)
Profit for the year	103,060	115,824	(12,764)	(11.0)
Profit for the year attributable to owners of the Company	100,765	111,247	(10,482)	(9.4)
Comprehensive income for the year	173,283	145,803	27,480	18.8

Results for the year ended March 31, 2024, 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 (8) Segment information (page 20).

Segment	Fiscal Year 2023 Results(A)	Fiscal Year 2022 Results (B)	Difference (A)-(B)	Main factors of change
Automotive	2,281	6,016	(3,735)	Profit decreased due to sluggish automobile sales business in the Philippines and withdrawal from distributor business in Thailand.
Aerospace& Transportation Project	4,316	6,960	(2,644)	Decrease in profit due to decrease in aircraft-related transactions
Infrastructure& Healthcare	15,851	7,644	8,207	Profits increased due to the reaction to losses recorded due to the asset valuation review of the Taiwan Offshore Wind Power Project in the previous fiscal year.
Metals,Mineral Resources& Recycling	43,492	62,704	(19,212)	Decreased profit due to declines in market prices and increased costs in the coal.
Chemicals	14,773	18,610	(3,837)	Profit decreased due to weak demand for chemicals including synthetic resins and one-time losses in the first half of the year.
Consumer Industry & Agriculture Business	7,464	6,294	1,170	Profits increased due to improved profit margins and increased sales volume in the fertilizer business in Thailand.
Retail &Consumer Service	13,108	6,831	6,277	Profit increase due to recovery of domestic retail business, sales of commercial facilities and negative goodwill associated with new investments.

## (2) Financial Position

### Consolidated Balance Sheet

Total assets on March 31, 2024, were ¥2,886,873 million, up ¥226,030 million from March 31, 2023, following the impact of the depreciation of the yen and the acquisition of new consolidated subsidiaries.

Total liabilities on March 31, 2024, amounted to ¥1,931,245 million, up ¥146,979 million from March 31, 2023, as results of the impact of the depreciation of the yen, new acquisitions of consolidated subsidiaries and an increase in trade and other payable due to the holiday at the end of the fiscal year.

Total equity attributable to owners of the Company was ¥924,076 million on March 31, 2024, up ¥86,363million 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 year (attributable to owners of the Company), and an increase in other components of equity resulted primarily from foreign exchange rate.

Consequently, on March 31, 2024, the current ratio was 150.2%, the long-term debt ratio was 81.9%, and the equity ratio\* was 32.0%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥697,290 million on March 31, 2024, up ¥67,864 million from March 31, 2023. This resulted in the Company's net debt equity ratio\* equaling 0.75 times on March 31, 2024.

(\*) 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 year period ended March 31, 2024, 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\$0.6 billion has been used).

### (3) Consolidated Cash Flows

For the year ended March 31, 2024, operating activities provided net cash flow of 112,187million, investing activities provided net cash flow of ¥12,429 million, and financing activities used net cash flow of ¥(186,523) million. Sojitz ended the period with cash and cash equivalents of ¥196,275 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 ¥112,187 million, a decline of ¥(59,452) 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 ¥12,429 million, a decline of ¥(16,728) million year on year, mainly due to collections from aircraft-related transactions and proceeds from sales of natural gas-fired power plant business in the United States, despite investments in Panama Automobile Dealers and Vietnam Commercial Food Wholesalers.

(Cash flows from financing activities)

Net cash used in financing activities totaled ¥(186,523) million, down ¥43,844 million year on year, mainly as a result of repayment of borrowings, purchase of treasury stock and payment of dividends.

### (4) Consolidated Earnings Forecast

Current forecast for the year ending March 31, 2025 is as follows.

Gross profit	¥ 360 billion
Profit before tax	¥ 140 billion
Profit for the year	¥ 115 billion
Profit for the year (attributable to owners of the Company)	¥ 110 billion

The above forecast assumes a yen/dollar rate of 140/US\$

\*Caution regarding Forward-looking Statements

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. Actual results may differ materially based on various factors including the changes in economic conditions in key markets, both in and outside Japan; and exchange rate movements. The company will provide timely disclosure of any material changes, events, or other relevant issues.



## (5) Dividend Policy and Fiscal 2023-2024 Dividends

Sojitz's basic dividend policy and top management priority is to pay stable dividends to shareholders on an ongoing basis, and to commit to enhancing shareholder value and improving its competitiveness by accumulating and effectively utilizing earnings.

Under the Medium-Term Management Plan 2023, the basic dividend policy is to maintain a consolidated payout ratio of around 30%. Lower limit for dividends is set as representing market price-based DOE (\*1) of 4% until PBR reaches 1.0 times and book value-based DOE (\*2) of 4% after PBR reaches 1.0 times.

(\*1) Market price-based DOE = Dividend per share / Stock price (Average closing share price for fiscal year)

(\*2) Book value-based DOE = Dividend per share / Total equity per share attributable to owners of the Company (At the end of fiscal year)

### •Year-End Dividend

The year-end dividend for the year ended March 31, 2024, is to be decided as follows based on a comprehensive evaluation business results, total equity, and other factors.

#### 1) Type of property to be distributed as dividends

Cash

#### 2) Total value of dividend distribution and its allocation among shareholders

¥70 per share of Sojitz common stock, ¥15,322 million in total

For the year ended March 31, 2024, Sojitz will issue annual dividend payments of ¥135 per share, when including the interim dividend of ¥65 per share made on December 1, 2023. This will make for total dividend payments of ¥29,761 million and a consolidated dividend payout ratio of 29.9% along with a market price-based dividend on equity of 4.2%, surpassing the defined minimum level of 4%.

#### 3) Effective date of dividends from surplus

June 19, 2024

### •FY2024 Dividends

The Medium-Term Management Plan 2026 sets a progressive dividend policy based on a DOE of 4.5% (\*) for stable and continuous dividends.

(\*)Shareholders Equity is after deducting other components of equity(Foreign Currency Translation Reserve, Other valuation difference, Deferred gains or losses on hedges) from total equity at the end of the previous fiscal year.

(\*)Shareholder Equity DOE: Dividend /Shareholders Equity

In the year ending March 31, 2025, Sojitz plans to pay an annual dividend of ¥150 per share (interim dividend of ¥75 plus year-end dividend of ¥75) based on its basic policy and earnings forecast.

This amount will equate to a consolidated payout ratio of 29.6% of the forecast for profit for the year (attributable to owners of the Company)

At a meeting of the Board of Directors held today, May 1, the Company resolved that the interim dividend for the fiscal year ending March 2025 will be ¥75 per share for common shares outstanding as of September 30, 2024, the record date for dividends. The total amount of the interim dividend is expected to be ¥16,358 million (effective date: December 1, 2024).

For details, please refer to the "Notice Concerning Cash Dividends (Year-End Dividend Proposal for the Fiscal Year Ending March 2024 and Interim Dividend for the Fiscal Year Ending March 2025)" announced today.

## 2.Group Business Operations

Sojitz Group is engaged in a wide range of businesses on a global basis as a general trading company. Our main businesses are trading, import, and export of products, domestic and overseas manufacture and sale of a diverse array of products, provision of services in Japan and overseas, planning and organizing of various projects, investment in diversified business areas, and financial activities.

The Group consists of 433 consolidated subsidiaries and equity method associates, including 307 consolidated subsidiaries and 126 equity method associates. (Of these, the Company directly performs consolidation accounting for a total of 254 companies consisting of 178 consolidated subsidiaries and 76 equity method associates.)

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.

The following table lists our products, services, and main subsidiaries and affiliates by industry segment.

As of March 31, 2024

Segment	Main products and services	Main subsidiaries and associates (Main business; Status within consolidated group)
Automotive  Number of consolidated subsidiaries : 45 Number of equity method associates : 5	Trading of completed automobiles; Assembly and sales; Retail; Quality inspection operations; Financing; Sales and service operations incorporating digital technologies	- Sojitz Auto Group Japan Inc. (automobile retail sales; Subsidiary) - Albert Automobile Holdings Pty Ltd (sales business of used cars in Australia; Subsidiary) - Sojitz de Puerto Rico Corporation (import and sales of automobiles in Puerto Rico; Subsidiary) - Silaba Motors S.A. (import and sales of automobiles in Panama; Subsidiary)
Aerospace & Transportation Project      Number of consolidated subsidiaries : 35 Number of equity method associates : 11	Aero business (commercial aircraft, defense and related equipment agency and sales, business jets, used aircraft and part-out business); Transportation and social infrastructure projects (transportation projects, airport, port, and other social infrastructure projects); Marine business (new building, second-hand ships, purchase and charter of new and used vessels, ship chartering, ship owning)	- Sojitz Aerospace Corporation (import, export and sale of aero-related and defense-related equipment; Subsidiary) - Japcon Inc. (jet sales, aircraft operation management, maintenance and air transportation; Subsidiary)
Infrastructure & Healthcare      Number of consolidated subsidiaries : 51 Number of equity method associates : 40	Infrastructure & environment (renewable energy IPP infrastructure investment, renewable energy-related service project); Power Infrastructure-solution projects(IWPP, energy management, power plant EPC business); Energy conservation business; Energy (Oil and gas, petroleum products, LNG and LNG-related business); Nuclear power related business(nuclear fuels and related equipment); ICT infrastructure projects (telecommunications tower, fiber etc.); Industrial and urban infrastructure (industrial park, housing, office, smart cities, data center); Cloud services and managed services; Healthcare project(hospital PPP, medical-related service, healthcare new technology); Industrial Machinery; Bearings; Automobile and motorcycle parts; Automotive Process; Marine business; Power, energy and plant business	- Orchid Wind Power GmbH (shareholding of Starwind; Subsidiary) - Starwind Offshore GmbH (loan in ocean wind power generation business; Subsidiary) - Sojitz Global Investment B.V. (investment in power generation projects; Subsidiary) - Ellis Air Group Pty Ltd. (energy conservation business; Subsidiary) - LNG Japan Corporation (LNG business and related investments and loans; Equity method associate) - SAKURA Internet Inc. (cloud services and internet data center operator; Equity method associate) *1 - PT. Puradelta Lestari Tbk (new city development including development and management of industrial park; Equity method associate) - Sojitz Hospital PPP Investment B.V. (investment in hospital PPP business; Subsidiary) - SOJITZ HEALTHCARE AUSTRALIA PTY LTD. (investment in hospital PPP business; Subsidiary) - Qualitas Medical Limited (clinic Chains; Equity method associate) - Sojitz Machinery Corporation (general industrial machinery, bearing, automobile and motorcycle components, sales and purchase of marine equipments ; Subsidiary)
Metals, Mineral Resources & Recycling      Number of consolidated subsidiaries : 22 Number of equity method associates : 15	Coal; Iron ore; Ferroalloys (nickel, chromium, Niobium), Ores; Alumina; Aluminum; Copper; Zinc; Precious metals; Ceramics and minerals; Coke; Carbon products; Infrastructure businesses; Steel-related business; Resource recycling business	- Sojitz Ject Corporation ( trading in coke, carbon products and various minerals; Subsidiary) - Sojitz Development Pty Ltd. (investment in coal mines; Subsidiary) - Sojitz Resources (Australia) Pty. Ltd. (production of alumina; Subsidiary) - Sojitz Moly Resources, Inc. (investment in molybdenum mines; Subsidiary) *2 - Metal One Corporation (import, export, and sale of, and domestic and foreign trading in, steel-related products; Equity method associate) - Japan Alumina Associates (Australia) Pty. Ltd. (production of alumina; Equity method associate)
Chemicals      Number of consolidated subsidiaries : 23 Number of equity method associates : 11	Organic chemicals; Inorganic chemicals; Functional chemicals; Fine chemicals; Industrial salt; Healthcare and natural products; Rare earths; Commodity resins; Advanced resins; Environmentally friendly resins; Packaging materials for industry and foodstuffs; Advanced film; Plastic molding machines; Other plastic products; Electronics materials including liquid crystals, electrolytic copper foil, printed circuit board electronics materials; Fiber materials and products for use in industrial supplies	- Sojitz Pla-Net Corporation (trading and sale of plastics raw materials and products; Subsidiary) - Pla Matels Corporation (trading and sale of plastics raw materials and products; Subsidiary) - P.T. Kaltim Methanol Industri (manufacture and sale of methanol; Subsidiary ) - Sojitz SOLVADIS GmbH (trading and sale of chemical products ; Subsidiary ) *3

Segment	Main products and services	Main subsidiaries and associates (Main business; Status within consolidated group)
Consumer Industry & Agriculture Business  Number of consolidated subsidiaries : 25 Number of equity method associates : 12	Grains; Wheat flour; Oils and fats; Oil stuff; Feed materials; Sweets; Raw ingredients for sweets; Other foodstuffs and raw ingredients; Compound chemical fertilizers; Construction materials; Imported timber; Timber products such as lumber, Plywood and laminated lumber; Housing materials; Manufacture and sale of wood chips; Papermaking; Decarbonization(biomass, carbon credit); Agriculture; Regional revitalization	- Sojitz Building Materials Corporation (sale of construction materials, construction planning, research, design, supervision and contracting; Subsidiary) - Thai Central Chemical Public Co., Ltd (manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary) - Saigon Paper Corporation (manufacture and sale of household and industrial paper and other paper products; Subsidiary) - Atlas Fertilizer Corporation (manufacture and sale of compound chemical fertilizers; sale of imported fertilizer products; Subsidiary)
Retail & Consumer Service  Number of consolidated subsidiaries : 30 Number of equity method associates : 24	Food and consumer goods distribution businesses; Convenience store business; Food service business; Shopping center management; Real estate development; Consignment sales; Rent; Administration and management businesses (housing, office, etc.); Sugar; Saccharified products; Wheat flour; Grain; Oils and fats; Starch flour; Dairy products; Crop processors and indigent; Livestock products and livestock-related processed products; Processed marine products and marine products; Other foodstuffs and raw ingredients; Imported tobacco; Cotton and synthetic fabrics; Knitted fabrics and products; Clothing; Bedclothes and home fashion-related products; General commodities; Medical materials	- Sojitz Foods Corporation (sale of sugar, dairy products, farmed and marine products, processed foods, and other foodstuffs; Subsidiary) - The Marine Foods Corporation (manufacture and sale of processed marine food products, import and sale of marine product raw materials; Subsidiary) - TRY Inc. (sale and processing of tuna; Subsidiary) - DaiTanViet Joint Stock Company (Daily ingredients and commercial food wholesale business; Subsidiary) - Sojitz Fashion Co., Ltd. (processing and sale of fabrics; Subsidiary) - Sojitz Infinity Inc. (planning, manufacture, and sale of apparel; Subsidiary) - Sojitz LifeOne Corporation (condominium and office building management, real estate agency services; Subsidiary) - Sojitz Royal In-flight Catering Co., Ltd. (preparation, sale, and loading of in-flight meals; food sales; bonded warehouse business; Subsidiary) - ROYAL HOLDINGS Co., Ltd. (restaurant, Hotels, Contract, Food manufacturing; Equity method associate) *1 - JALUX Inc. (logistics and services in the in-flight, airport retail, lifestyle-related, customer service; Equity method associate) - SJ Future Holdings Corporation (shareholding of JALUX Inc. ; Equity method associate) - Fuji Nihon Seito Corporation (manufacture, refining, processing and sale of sugar; Equity method associate) *1
Other  Number of consolidated subsidiaries : 22 Number of equity method associates : 2	Administration; Domestic branches; Logistics and insurance services; Network services	- Sojitz Kyushu Corporation (domestic regional operating company; Subsidiary) - Sojitz Logistics Corporation (logistic services, land, sea and air cargo handling, international non vessel operating, common carrier (NVOCC) transportation; Subsidiary) - Sojitz Insurance Agency Corporation (insurance agency services; Subsidiary) - Sojitz Tourist Corporation (travel agency; Subsidiary) - Sojitz Shared Service Corporation (shared services and consulting regarding HR, accounting and finance, temporary staffing services; Subsidiary) - Sojitz Research Institute (Research and consulting; Subsidiary) - Nissho Electronics Corporation (IT systems, network services; Subsidiary)
Overseas branches  Number of consolidated subsidiaries : 54 Number of equity method associates : 6	We are engaged in wide range of activities as a general trading company, trading in thousands of products overseas.  In the segment information, the business segments are included based on the similarity of the products handled.	- Sojitz Corporation of America (Subsidiary) - Sojitz Corporation of Europe B.V. (Subsidiary) - Sojitz Europe Trade Holdings GmbH(Subsidiary) - Sojitz Asia Pte. Ltd (Subsidiary) - Sojitz (Hong Kong) Ltd. (Subsidiary) - Sojitz (China) Co., Ltd. (Subsidiary)

(\*1) The following companies are listed in the Japanese stock market as of March 31, 2024:

- SAKURA Internet Inc. (TSE Prime market)
- ROYAL HOLDINGS Co., Ltd.(TSE Prime market, Fukuoka stock exchange)
- Fuji Nihon Seito Corporation (TSE Standard market)

(\*2) Sojitz Moly resources, Inc is scheduled to sale in the fiscal year of 2024.

(\*3) Effective December 1, 2023, undertaken involving a merger between solvadis deutschland gmbh (including its four subsidiaries) and Sojitz Europe GmbH (surviving company), after which the name of the surviving company was changed to Sojitz SOLVADIS GmbH.

(\*) Of the subsidiaries not included in the above table, Sojitz Energy Services LLC is a specified subsidiary company.

### 3. Management Policies

#### (1) Fundamental Policy

In accordance with the Sojitz Group Statement and the Sojitz Group Slogan, to create prosperity as in our corporate statement, the Sojitz Group is committed to maximizing two types of value – “value for Sojitz” and “value for society”. “Value for Sojitz” refers to enhancements to its business foundation contributions and to sustained growth. “Value for society” pertains to contributions to the development of local economies, respect for human rights, and environmental preservation.

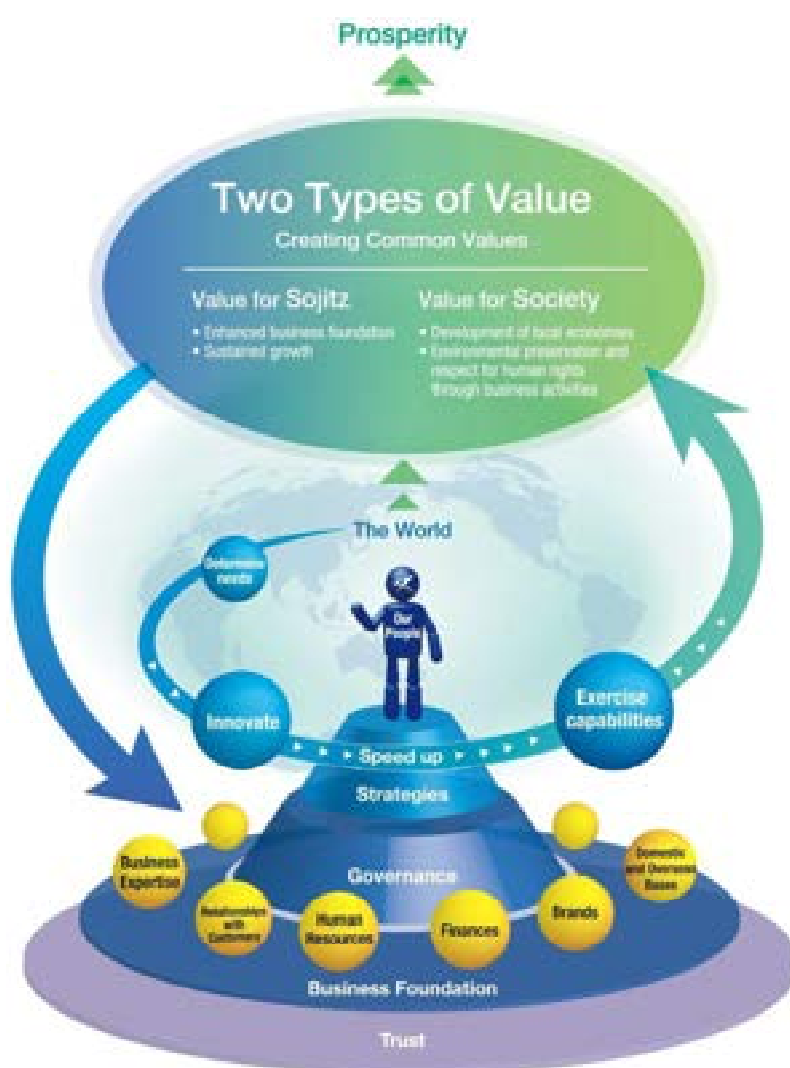
(Sojitz Group Statement)

The Sojitz Group creates value and prosperity by  
connecting the world with a spirit of integrity.

(Sojitz Group Slogan)

***New way, New value***

(Sojitz's Value Creation Model)



In order to create a prosperity and two types of values, Sojitz considers human resources to be our most important management resource, which Sojitz describes as "human assets", and place them at the center of our value creation model. The source of Sojitz's value creation is to understand the needs of the world and to enhance our human resource capabilities to create value.

Based on highly effective strategies and robust corporate governance systems, always guided by new ideas, Sojitz exercises our capabilities through trading, investments in interests, and business investments as we quickly expand our business while managing risk based on the uncertainty seen in the operating environment.

Moreover, Sojitz's sustained growth is supported by the solid operating foundation, it has built over the years. This foundation is comprised of our global network of operating bases and partners and the trusting relationships with customers and strong brand image we have fostered over the years in the regions Sojitz serves.

As Sojitz creates "value for society", Sojitz earns the trust of our stakeholders. Meanwhile, the value we create enhances our business foundation through the development of human resources and the accumulation of business expertise as "Value for Sojitz", thereby bolstering our competitiveness and granting us access to a wider range of business opportunities.

Based on this corporate statement, we have defined our "vision of Sojitz in 2030" as being a general trading company that constantly cultivates new businesses and human capital, and to pursue this vision, we will continue to fulfill our mission as a general trading company: delivering goods and services where necessary. At the same time, we will seek to increase corporate value by creating business and human resource value that responds to market needs and social issues.

## (2) Outlook and Medium- to Long-term Business Strategy

Reference is made to Medium-Term Management Plan 2026 ~Set for Next Stage~ released today.

(Please refer to our company website for details. <https://www.sojitz.com/jp/ir/>)

#### **4. Basic Policy Regarding Selection of Accounting Standards**

Sojitz Corporation has adopted International Financial Reporting Standards (IFRS) to improve the convenience and international comparability of its financial information and to standardize accounting treatments within the Group.

## 5. Consolidated Financial Statements

### (1) Consolidated Statements of Financial Position

(In Millions of Yen)

	FY 2022 (As of March 31, 2023)	FY 2023 (As of March 31, 2024)
<b>Assets</b>		
Current assets		
Cash and cash equivalent	247,286	196,275
Time deposits	6,991	13,139
Trade and other receivables	794,898	826,972
Derivatives	4,642	5,444
Inventories	280,982	288,302
Income tax receivables	11,002	11,403
Other current assets	59,991	104,736
Subtotal	1,405,796	1,446,273
Assets held for sale	38,743	16,248
Total current assets	1,444,540	1,462,521
Non-current assets		
Property, plant and equipment	195,414	234,340
Usage rights assets	65,603	97,547
Goodwill	85,731	132,597
Intangible assets	70,834	92,170
Investment property	8,116	9,982
Investments accounted for using the equity method	559,939	616,145
Trade and other receivables	86,293	87,955
Other investments	129,781	130,905
Derivatives	1,328	1,223
Other non-current assets	6,650	10,003
Deferred tax assets	6,609	11,478
Total non-current assets	1,216,303	1,424,351
Total assets	2,660,843	2,886,873
<b>Liabilities and equity</b>		
Liabilities		
Current liabilities		
Trade and other payables	579,252	663,135
Lease liabilities	17,305	19,340
Bonds and borrowings	167,775	164,138
Derivatives	5,480	4,682
Income tax payables	20,633	8,900
Provisions	2,437	3,955
Other current liabilities	79,676	104,482
Subtotal	872,560	968,635
Liabilities directly related to assets held for sale	19,260	4,815
Total current liabilities	891,821	973,450
Non-current liabilities		
Lease liabilities	54,104	85,749
Bonds and borrowings	715,929	742,566
Trade and other payables	9,234	9,671
Derivatives	38	555
Retirement benefits liabilities	22,713	24,114
Provisions	48,962	44,599
Other non-current liabilities	15,421	12,445
Deferred tax liabilities	26,042	38,093
Total non-current liabilities	892,445	957,795
Total liabilities	1,784,266	1,931,245
Equity		
Share capital	160,339	160,339
Capital surplus	147,601	96,448
Treasury stock	(31,058)	(21,915)
Other components of equity	138,638	199,190
Retained earnings	422,193	490,013
Total equity attributable to owners of the Company	837,713	924,076
Non-controlling interests	38,863	31,550
Total equity	876,576	955,627
Total liabilities and equity	2,660,843	2,886,873

## (2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	FY 2022 (From April 1, 2022 to March 31, 2023)	FY 2023 (From April 1, 2023 to March 31, 2024)
Revenue		
Sale of goods	2,368,500	2,299,715
Sales of service and others	111,339	114,933
Total revenue	2,479,840	2,414,649
Cost of sales	(2,142,272)	(2,088,694)
Gross profit	337,567	325,955
Selling, general and administrative expenses	(222,771)	(241,464)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	2,197	2,077
Impairment loss of fixed assets	(14,338)	(4,983)
Gain on reorganization of subsidiaries/associates	30,776	8,073
Loss on reorganization of subsidiaries/associates	(8,604)	(3,980)
Other operating income	11,040	14,379
Other operating expenses	(8,301)	(12,327)
Total other income/expenses	12,770	3,240
Financial income		
Interests earned	12,802	11,928
Dividends received	6,732	5,545
Other financial income	—	684
Total financial income	19,534	18,158
Financial costs		
Interest expenses	(18,537)	(24,006)
Other financial costs	(808)	-
Total financial cost	(19,345)	(24,006)
Share of profit(loss) of investments accounted for using the equity method	27,282	43,615
Profit before tax	155,036	125,498
Income tax expenses	(39,211)	(22,437)
Profit for the year	115,824	103,060
Profit attributable to:		
Owners of the Company	111,247	100,765
Non-controlling interests	4,577	2,294
Total	115,824	103,060



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

(In Millions of Yen)

	FY 2022 (From April 1, 2022 to March 31, 2023)	FY 2023 (From April 1, 2023 to March 31, 2024)
Profit for the year	115,824	103,060
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	(11,064)	17,619
Remeasurements of defined benefit pension plans	1,138	152
Share of other comprehensive income of investments accounted for using the equity method	1,328	485
Total items that will not be reclassified to profit or loss	(8,597)	18,257
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	18,745	39,232
Cash flow hedges	(3,178)	(627)
Share of other comprehensive income of investments accounted for using the equity method	23,009	13,359
Total items that may be reclassified subsequently to profit or loss	38,575	51,964
Other comprehensive income for the year, net of tax	29,978	70,222
Total comprehensive income for the year	145,803	173,283
Total comprehensive income attributable to:		
Owners of the Company	138,434	168,317
Non-controlling interests	7,369	4,965
Total	145,803	173,283

## (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				23,244	(9,438)	12,439
Total comprehensive income for the period	-	-	-	23,244	(9,438)	12,439
Purchase of treasury stock		(2)	(139)			
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					(24,354)	
Share remuneration payment transaction		672				
Other changes						
Total contributions by and distributions to owners of the Company	-	573	(43)	-	(24,354)	-
Balance as of March 31, 2023	160,339	147,601	(31,058)	54,559	70,939	13,139

	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			111,247	111,247	4,577	115,824
Other comprehensive income	941	27,186		27,186	2,791	29,978
Total comprehensive income for the period	941	27,186	111,247	138,434	7,369	145,803
Purchase of treasury stock				(142)		(142)
Disposal of treasury stock				–		–
Dividends			(29,208)	(29,208)	(4,415)	(33,624)
Change in ownership interests in subsidiaries without loss/acquisition of control				–	(722)	(722)
Purchase commitments for non-controlling interests' shares			(28)	(28)		(28)
Reclassification from other components of equity to retained earnings	(941)	(25,296)	25,296	–		–
Share remuneration payment transaction				672		672
Other changes			(26)	(26)	765	739
Total contributions by and distributions to owners of the Company	(941)	(25,296)	(3,967)	(28,733)	(4,372)	(33,105)
Balance as of March 31, 2023	–	138,638	422,193	837,713	38,863	876,576

(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				50,394	17,995	(1,262)
Total comprehensive income for the period	-	-	-	50,394	17,995	(1,262)
Purchase of treasury stock		(14)	(42,725)			
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				2,786		
Purchase commitments for non-controlling interests' shares						
Reclassification from other components of equity to retained earnings					(9,361)	
Share remuneration payment transaction		735				
Other changes						
Total contributions by and distributions to owners of the Company	-	(51,152)	9,143	2,786	(9,361)	-
Balance as of March 31, 2024	160,339	96,448	(21,915)	107,740	79,573	11,876

	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			100,765	100,765	2,294	103,060
Other comprehensive income	424	67,551		67,551	2,671	70,222
Total comprehensive income for the period	424	67,551	100,765	168,317	4,965	173,283
Purchase of treasury stock				(42,739)		(42,739)
Disposal of treasury stock				(5)		(5)
Cancellation of treasury stock				-		-
Dividends			(29,504)	(29,504)	(3,017)	(32,521)
Change in ownership interests in subsidiaries without loss/acquisition of control		2,786	(14,683)	(11,896)	(9,843)	(21,739)
Purchase commitments for non-controlling interests' shares			1,472	1,472		1,472
Reclassification from other components of equity to retained earnings	(424)	(9,786)	9,786	-		-
Share remuneration payment transaction				735		735
Other changes			(15)	(15)	581	566
Total contributions by and distributions to owners of the Company	(424)	(6,999)	(32,945)	(81,953)	(12,278)	(94,232)
Balance as of March 31, 2024	-	199,190	490,013	924,076	31,550	955,627

## (5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2022 (From April 1, 2022 to March 31, 2023)	FY 2023 (From April 1, 2023 to March 31, 2024)
Cash flows from operating activities		
Profit for the year	115,824	103,060
Depreciation and amortization	39,907	42,034
Impairment loss of fixed assets	14,338	4,983
Finance (income) costs	(188)	5,848
Share of (profit)loss of investments accounted for using the equity method	(27,282)	(43,615)
(Gain) loss on sale of fixed assets, net	(2,197)	(2,077)
Income tax expenses	39,211	22,437
(Increase) decrease in trade and other receivables	22,129	(57,489)
(Increase) decrease in inventories	(41,710)	48,044
Increase (decrease) in trade and other payables	26,246	36,020
Changes in other assets and liabilities	21,684	(22,434)
Increase (decrease) in retirement benefits liabilities	(515)	7
Others	(20,343)	(9,378)
Subtotal	187,105	127,440
Interests earned	13,142	11,053
Dividends received	37,965	40,759
Interests paid	(18,495)	(26,092)
Income taxes paid	(48,078)	(40,973)
Net cash provided (used) by/in operating activities	171,639	112,187
Cash flows from investing activities		
Purchase of property, plant and equipment	(25,684)	(27,093)
Proceeds from sale of property, plant and equipment	6,785	4,327
Purchase of intangible assets	(12,579)	(4,122)
(Increase) decrease in short-term loans receivable	146	1,071
Payment for long-term loans receivable	(688)	(9,812)
Collection of long-term loans receivable	1,635	5,239
Proceeds from (payments for) acquisition of subsidiaries	(1,991)	(37,632)
Proceeds from (payments for) sale of subsidiaries	12,207	26,088
Purchase of investments	(47,139)	(62,681)
Proceeds from sale of investments	76,849	37,022
Others	19,616	80,022
Net cash provided (used) by/in investing activities	29,157	12,429
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	(64,360)	(21,243)
Proceeds from long-term borrowings	166,826	291,528
Repayment of long-term borrowings	(271,685)	(332,428)
Redemption of bonds	(10,000)	(10,000)
Repayment of lease liabilities	(16,929)	(17,769)
Payment for acquisition of subsidiary's interests from non-controlling interest holders	(3)	(22,020)
Proceeds from non-controlling interest holders	1,564	991
Sales of treasury stock	29	65
Purchase of treasury stock	(139)	(42,675)
Dividends paid	(29,208)	(29,504)
Dividends paid to non-controlling interest holders	(5,047)	(3,127)
Others	(1,411)	(340)
Net cash provided (used) by/in financing activities	(230,367)	(186,523)
Net increase (decrease) in cash and cash equivalents	(29,570)	(61,907)
Cash and cash equivalents at the beginning of the year	271,651	247,286
Effect of exchange rate changes on cash and cash equivalents	5,260	10,895
Decrease in cash and cash equivalents resulting from change in scope of consolidation	(54)	-
Cash and cash equivalents at the end of the year	247,286	196,275

(6) Assumption for Going Concern

For the year ended March 31, 2024 (April 1, 2023 - March 31, 2024)  
: None

(7) Accounting policy changes and accounting estimate changes

The accounting policies applied by our group in the consolidated financial statements are the same as those applied in the consolidated financial statements for the previous fiscal year, except for the following major statements, which have been applied as early as the end of the current fiscal year.

Reference document	Reference Name	Outline of new construction and revision
IAS 1	Presentation of financial statements (revised July 2020)	Clarification of classification of liabilities as current or non-current

As a result of the adoption of the revision, "Bonds and borrowings" (current) decreased by 26.5 billion yen and "Bonds and borrowings" (non-current) increased by the same amount in the consolidated statement of financial position at the end of the current fiscal year. The impact on the consolidated financial statements in the previous fiscal year is not material.

## (8) Note to Consolidated Financial Statements

(Segment information)

Information regarding reportable segments

Main products and services of reportable segments are in 2.Group Business Operations.

The accounting method for the reported business segments are basically consistent with those used in the Consolidated Financial Statements, except with respect to the calculation of income tax expenses.

Prices for intersegment transactions are determined in the same way as general transactions and with reference to market prices.

For the year ended March 31, 2023 (April 1, 2022 – March 31, 2023)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportaion Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recyclig	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	298,801	65,133	142,562	645,668	636,396	326,577
Inter-segment revenue	0	11	18	–	4	1
Total revenue	298,802	65,144	142,581	645,668	636,400	326,579
Gross profit	55,430	18,976	28,243	83,350	62,518	29,395
Share of profit (loss) of investments accounted for using the equity method	1,471	350	522	22,671	47	1,047
Profit attributable to owners of the Company	6,016	6,960	7,644	62,704	18,610	6,294
Segment assets	182,691	201,354	516,454	531,874	322,189	238,907
Others:						
Investment accounted for using the equity method	7,278	12,101	222,300	238,801	13,198	17,123
Capital expenditure	4,663	9,584	1,806	10,302	1,772	3,602

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer service	Total			
Revenue					
External revenue	310,866	2,426,007	53,832	–	2,479,840
Inter-segment revenue	368	405	175	(580)	–
Total revenue	311,234	2,426,412	54,008	(580)	2,479,840
Gross profit	45,076	322,990	14,866	(288)	337,567
Share of profit (loss) of investments accounted for using the equity method	881	26,993	291	(2)	27,282
Profit attributable to owners of the Company	6,831	115,063	1,526	(5,342)	111,247
Segment assets	419,917	2,413,388	282,260	(34,085)	2,660,843
Others:					
Investment accounted for using the equity method	45,736	556,540	3,408	(8)	559,939
Capital expenditure	3,490	35,222	11,184	–	46,407

Reconciliation of segment profit of (5,342) 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 (3,679) million yen, and unallocated financial costs and others of (1,663) million yen.

The reconciliation amount of segment assets of (34,805) million yen includes elimination of inter-segment transactions or the like amounting to (183,073) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 148,268 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to usage rights assets.

	Reportable segments					
	Automotive	Aerospace & Transportation Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	403,734	45,833	169,617	484,215	599,916	267,828
Inter-segment revenue	–	16	0	1	4	1
Total revenue	403,734	45,850	169,617	484,217	559,920	267,830
Gross profit	60,215	19,278	33,393	48,288	59,681	34,076
Share of profit (loss) of investments accounted for using the equity method	1,060	1,410	19,260	19,148	(249)	916
Profit attributable to owners of the Company	2,281	4,316	16,816	43,492	14,773	7,464
Segment assets	290,675	204,334	548,639	533,366	324,872	258,339
Others:						
Investment accounted for using the equity method	8,787	21,507	244,316	252,309	12,215	19,276
Capital expenditure	8,796	2,580	4,005	12,395	3,378	3,288

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer service	Total			
Revenue					
External revenue	428,578	2,359,724	54,925	–	2,414,649
Inter-segment revenue	378	404	164	(568)	–
Total revenue	428,957	2,360,128	55,089	(568)	2,414,649
Gross profit	57,306	312,241	14,274	(560)	325,955
Share of profit (loss) of investments accounted for using the equity method	1,970	43,516	81	17	43,615
Profit attributable to owners of the Company	13,108	101,286	(553)	33	100,765
Segment assets	533,567	2,692,790	299,484	(105,400)	2,886,873
Others:					
Investment accounted for using the equity method	54,345	612,757	3,463	(75)	616,145
Capital expenditure	8,432	42,796	33,257	–	76,234

Reconciliation of segment loss of 33 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 (810) million yen, and unallocated dividend income and others of 843 million yen.

The reconciliation amount of segment assets of (105,400) million yen includes elimination of inter-segment transactions or the like amounting to (210,136) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 104,735 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Capital expenditure includes amount related to usage rights assets.

#### (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 year ended March 31, 2023, has been restated to reflect the change in reportable segments.

(Earnings per share)

(1) Basic earnings per share and diluted earnings per share

	FY 2022 (From April 1, 2022 to March 31, 2023)	FY 2023 (From April 1, 2023 to March 31, 2024)
Basic earnings per share (yen)	481.94	450.97
Diluted earnings per share (yen)	–	450.97

(2) Bases for calculation of basic earnings per share and diluted earnings per share

	FY 2022 (From April 1, 2022 to March 31, 2023)	FY 2023 (From April 1, 2023 to March 31, 2024)
Profit used to calculate basic and diluted earnings per share		
Profit for the year, attributable to owners of the Company (In millions of yen)	111,247	100,765
Amount not attributable to the ordinary shareholders of the Company (In millions of yen)	–	–
Profit used to calculate basic earnings per share (In millions of yen)	111,247	100,765
Profit adjustment amount		
Adjustment amount concerning share options to be issued by associates (In millions of yen)	–	–
Profit used to calculate diluted earnings per share (In millions of yen)	–	100,765
Weighted average number of ordinary shares to be used to calculate basic and diluted earnings per share		
Weighted average number of ordinary shares to be used to calculate basic earnings per share (In thousands of shares)	230,830	223,441
Effects of dilutive latent ordinary shares (In thousands of shares)	–	–
Weighted average number of ordinary shares used to calculate diluted earnings per share (In thousands of shares)	–	223,441

Note: Diluted earnings per share is not displayed for the year ended March 31, 2023, as there were no potential shares with dilutive effect.

(Subsequent Event)

Not applicable



# Presentation Materials for Financial Results for the Year Ended March 31, 2024 [IFRS]

May 1, 2024

**Sojitz Corporation**

- 1. Financial Results for the Year Ended March 31, 2024 and Full Year Forecast of Fiscal Year Ending March 31, 2025 [IFRS]**
- 2. Segment Information**
- 3. Supplemental Information**

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# **Financial Results for the Year Ended March 31, 2024 and Full Year Forecast of Fiscal Year Ending March 31, 2025 [IFRS]**

# FY23 Summary



- Profit for the year of ¥100.8bn in FY23, achieved full-year forecast of ¥100.0 bn by 101%; Generation of profits accompanied by cash with solid core operating cash flow
- PBR of over 1.0 times achieved on March 21, 2024; PBR of 0.94 times on March 31, 2024; PBR consistently above 1.0 times to be targeted
- Profit for the year of ¥110.0bn forecast in FY24 along with annual dividend payments of ¥150 per share based on shareholder return policy of MTP2026

(BN JPY)	FY22	FY23	Difference	FY23 Forecast (Feb. 2, 2024)	FY24 Forecast
Profit for the period/year	111.2	100.8 <small>Achieved against revised forecast 101%</small>	(10.4)	100.0	110.0
Core operating cash flow	145.2	109.2	(36.0)	120.0	130.0
Core cash flow	135.6	(62.8)	(198.4)	(50.0)	(55.0)
PBR (Times)	0.76 <small>Stock price ¥2,763 as of Mar. 31, 2023</small>	0.94 <small>Stock price ¥3,987 as of Mar. 29, 2024</small>	+0.18	<u>KPI</u> □ <u>1.0 or above</u>	-
ROE (%)	14.2	11.4	(2.8)	11.4	11.7
ROA (%)	4.2	3.6	(0.6)	3.7	3.7
Dividends (Yen)	130	135 <small>Interim ¥65 / Year-end ¥70</small>	+ 5	135	150

# Summary of Profit or Loss



	FY22	FY23	Difference	Main Factors	FY23 Forecast (Feb. 2, 2024)	Achieved	FY24 Forecast	Difference
(BN JPY)								
Revenue	2,479.8	2,414.6	(65.2)	Metals, Mineral Resources & Recycling (161.5), Chemicals (76.5) ,Retail & Consumer service +117.7, Automotive +104.9	-	-	-	-
Gross profit	337.6	326.0	(11.6)	Metals, Mineral Resources & Recycling (35.1) Retail & Consumer service +12.2, Automotive +4.8, Consumer Industry & Agriculture +4.7	330.0	99%	360.0	+34.0
SG&A expenses	(222.8)	(241.5)	(18.7)	Increased due to acquisition of new consolidated subsidiaries, etc.	(240.0)	101%	(260.0)	(18.5)
Other income/expenses	12.7	3.2	(9.5)	FY23 : Gain on acquires of processing and sale of frozen tuna company and sale of domestic solar power generation company, etc. FY22 : Gain on sale of real estate investment trust operation subsidiary and loss in system-related assets, etc.	5.0	64%	0.0	(3.2)
Financial income/costs	0.2	(5.8)	(6.0)	Rising U.S. dollar interest rates	(10.0)	58%	(10.0)	(4.2)
Share of profit (loss) of investments accounted for using the equity method	27.3	43.6	+16.3	FY22: Loss on revaluation of offshore wind power generation assets in Taiwan, etc.	45.0	97%	50.0	+6.4
Profit before tax	155.0	125.5	(29.5)		130.0	97%	140.0	+14.5
Profit for the period/year	111.2	100.8	(10.4)		100.0	101%	110.0	+9.2
Core earnings	145.1	121.7	(23.4)		125.0	97%	140.0	+18.3
Major One-time Gain/Loss	(22.1)	(2.5)	+19.6					
Non-Resource	(17.5)	(2.9)	+14.6	FY23 : Loss in chemical trading, etc				
Resource	(4.6)	0.4	+5.0	FY22 : Loss on revaluation of offshore wind power generation assets in Taiwan etc. FY22 : Loss on reorganization of subsidiaries/associates, copper mine interests company				

\* The amount for doubtful accounts provision and write-offs included in SG&A: YoY change ¥1.8 bn ( (2.0) to (0.2) )

# Summary of Balance Sheet – 1.

(BN JPY)	Mar. 31, 2023	Mar. 31, 2024	Difference
<b>Assets(current/non-current)</b>	<b>2,660.8</b>	<b>2,886.9</b>	<b>+226.1</b>
Cash and cash equivalents	247.3	<b>196.3</b>	(51.0)
Trade and other receivables	794.9	<b>827.0</b>	+32.1
Inventories	281.0	<b>288.3</b>	+7.3
Goodwill	85.7	<b>132.6</b>	+46.9
Tangible fixed assets/Intangible assets/Investment property	274.3	<b>336.5</b>	+62.2
Investments accounted for using the equity method	689.7	<b>747.0</b>	+57.3
Other current/non-current assets	287.9	<b>359.2</b>	+71.3
<b>Liabilities(current/non-current)</b>	<b>1,784.2</b>	<b>1,931.3</b>	<b>+147.1</b>
Trade and other payables	579.3	<b>663.1</b>	+83.8
Bonds and borrowings	883.7	<b>906.7</b>	+23.0
Other current/non-current liabilities	321.2	<b>361.5</b>	+40.3
<b>Total equity</b>	<b>876.6</b>	<b>955.6</b>	<b>+79.0</b>
Total equity attributable to owners of the Company	837.7	<b>924.1</b>	+86.4

## Main Factors

### Trade and other receivables

- Increased due to acquisition of new consolidated subsidiaries, etc.

### Goodwill

- Increased due to acquisition of new consolidated subsidiaries

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

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

### Investments accounted for using the equity method

- Increased following new acquisitions of investments accounted for using the equity method

### Other current/non-current assets

- Increased in leased assets of head office building, etc.

### Trade and other payables

- Increased due to settlement following on holiday and acquisition of new consolidated subsidiaries

### Bonds and borrowings

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

### Total Equity attributable to owners of the Company

- Profit for the year +100.8
- Share repurchase (42.6)
- Dividends paid (29.5)
- Increased due to foreign exchange rates

## Summary of Balance Sheet – 2.

	Mar. 31, 2023	Mar. 31, 2024	Difference	FY23 Forecast (Feb. 2, 2024)	FY24 Forecast	Difference
(BN JPY)						
Total Assets	2,660.8	<b>2,886.9</b>	+226.1	2,800.0	<b>3,100.0</b>	+213.1
Total Equity	837.7	<b>924.1</b>	+86.4	920.0	<b>960.0</b>	+35.9
Shareholder Equity	699.0	<b>724.9</b>	+25.9	-	-	-
Equity Ratio	31.5%	<b>32.0%</b>	+0.5ppt	32.9%	<b>31.0%</b>	(1.0)ppt
Gross interest-bearing debt	883.7	<b>906.7</b>	+23.0	-	-	-
Net interest-bearing debt	629.4	<b>697.3</b>	+67.9	620.0	<b>850.0</b>	+152.7
NET DER(Times)	0.75	<b>0.75</b>	-	Approx. 0.7	<b>Approx. 0.9</b>	-
ROE	14.2%	<b>11.4%</b>	(2.8)ppt	11.4%	<b>11.7%</b>	+0.3ppt
ROA	4.2%	<b>3.6%</b>	(0.6)ppt	3.7%	<b>3.7%</b>	+0.1ppt
Risk Assets	490.0	<b>580.0</b>	90.0			
(vs. Total equity, times)	0.6	<b>0.6</b>	-			
Current ratio	162.0%	<b>150.2%</b>	(11.8)ppt			
Long-term debt ratio	81.0%	<b>81.9%</b>	+0.9ppt			

# Summary of Cash Flow

(BN JPY)	FY22	FY23	Difference
CF from operating activities	171.6	112.2	(59.4)
CF from investing activities	29.2	12.4	(16.8)
FCF	200.8	124.6	(76.2)
CF from financing activities	(230.4)	(186.5)	+43.9
Core operating CF	145.2	109.2	(36.0)
Core CF	135.6	(62.8)	(198.4)

## Main Factors

### CF from operating activities

- Inflows from business earnings
- Dividend received from Equity-method associates  
FY22 :¥31.0bn FY23 : ¥35.2bn

### CF from investing activities

- Inflows from aircraft-related transactions and sale of natural gas-fired power plant business in U.S
- Outflows for new acquisition of the automotive distribution and retail business in Panama and commercial food wholesale business in Vietnam.

### CF from financing activities

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



# Cash Flow Management



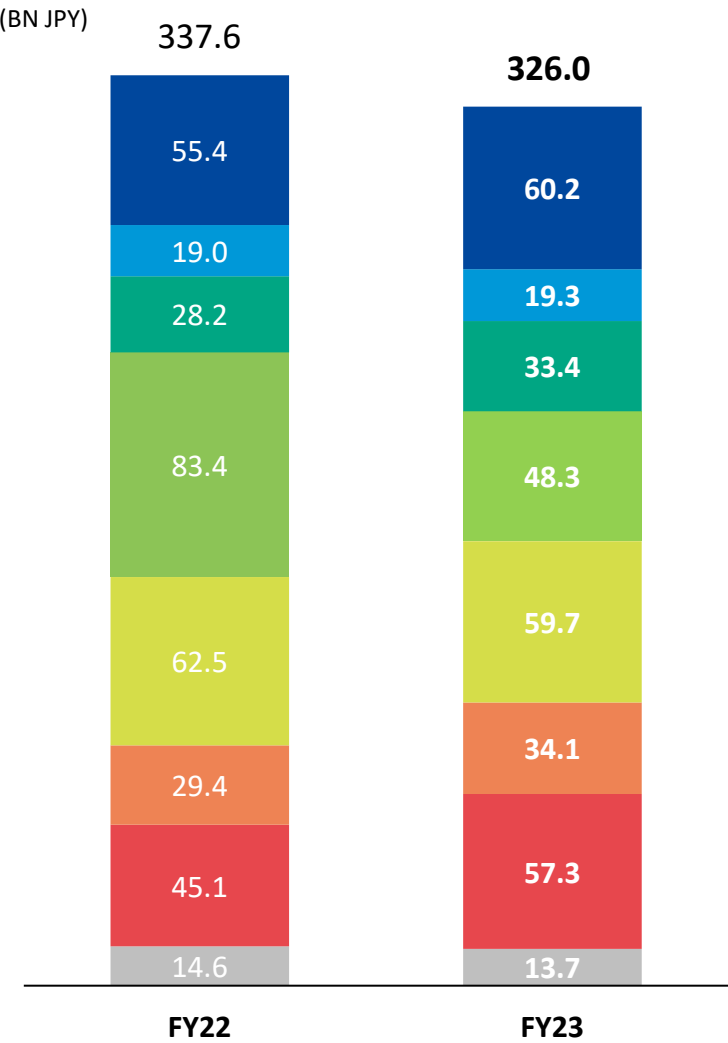
- Significant increase in cash outflows resulted from new investments for further growth and expanded shareholders returns. On the other hand, strong profit growth accompanied by effective cash management and continuous asset replacements led to a substantial positive core cash flow over the six-year.
- Maintain positive core cash flow along with positive aggregate core cash flow from FY18-23, the first year of the MTP2026

	MTP2020 3-Year Aggregate Results (FY18 - FY20)	MTP2023 3-Year Aggregate Results (FY21 - FY23)	FY23	MTP2023 3-Year Aggregate Forecast (FY21 - FY23)	Achievement rate for 3years	FY24 Forecast
(BN JPY)						
Core operating CF	219.0	383.0	109.0	Approx. 390.0	98%	130.0
Asset Replacement (Investment recovery)	170.0	281.0	106.0	Approx. 280.0	100%	50.0
New Investments and others	(262.0)	(447.5)	(206.0)	Approx. (450.0)	99%	(200.0)
Shareholder Returens	(71.0)	(133.0)	(72.0)	Approx. (120.0)	111%	(35.0)
Core CF	56.0	83.5	(63.0)	Six-year aggregate Positive	Six-year aggregate Positive	(55.0)
FCF	108.0	281.5	125.0	Approx. 250.0	113%	(140.0)

# Investments and Asset Replacement

Total Investments	¥206.0bn		
Major Cases	Infrastructure & Healthcare	¥66.5bn	<ul style="list-style-type: none"><li>● Energy conservation business in Australia and U.S.</li><li>● LNG business in Australia</li><li>● Off-shore wind power generation in Taiwan etc.</li></ul>
	Growth market × Market-oriented initiative	¥105.0bn	<ul style="list-style-type: none"><li>● Commercial food wholesale business in Vietnam</li><li>● Retail business in Asia</li><li>● Processing and sale of frozen tuna</li><li>● Fertilizer related business in Southeast Asia</li><li>● Automotive distribution and retail business in Panama</li><li>● Dealerships of used car in Australia etc.</li></ul>
	Materials & Circular economy	¥0bn	—
	Others	¥34.5bn	<ul style="list-style-type: none"><li>● Non-financial investment</li><li>● Innovation investment</li><li>● Others</li></ul>
Total Asset Replacement	¥106.0bn		
Major Cases	<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><li>● Sale of cross-shareholdings etc.</li></ul>		
Aggregate Investment Amount under MTP2023	¥447.5bn	MTP2023 Investment Plan	Approx. ¥450.0bn

# Summary of Gross Profit by Segment

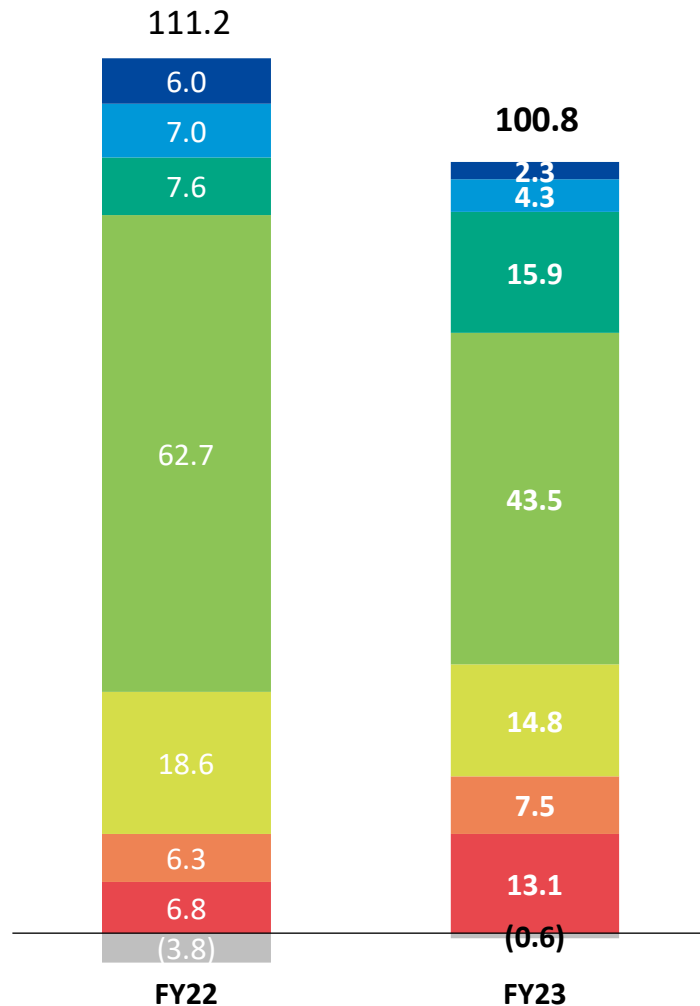


	FY22	FY23	Difference	FY23 Forecast (Feb. 2, 2024)	Achieved
(BN JPY)					
Automotive	55.4	60.2	+4.8	57.0	106%
Aerospace & Transportaion Project	19.0	19.3	+0.3	22.0	88%
Infrastructure & Healthcare	28.2	33.4	+5.2	30.0	111%
Metals, Mineral Resources & Recycling	83.4	48.3	(35.1)	51.0	95%
Chemicals	62.5	59.7	(2.8)	59.0	101%
Consumer Industry & Agriculture Business	29.4	34.1	+4.7	33.0	103%
Retail & Consumer Service	45.1	57.3	+12.2	63.0	91%
Others	14.6	13.7	(0.9)	15.0	91%
Total	337.6	326.0	(11.6)	330.0	99%

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

# Summary of Profit by Segment

(BN JPY)



	(BN JPY)	FY22	FY23	Difference	Main Factors
Automotive		6.0	2.3	(3.7)	Lower profit due to sluggish performance in the automotive sales business in the Philippines and withdrawal from Thai distributorship business
Aerospace & Transportation Project		7.0	4.3	(2.7)	Decreased due to lower aircraft-related transactions etc.
Infrastructure & Healthcare		7.6	15.9	+8.3	Increased due to absence of impairment losses recorded in previous year following revaluation of offshore wind power generation assets in Taiwan
Metals, Mineral Resources & Recycling		62.7	43.5	(19.2)	Decreased due to the decline in the market prices and increased costs in coal business
Chemicals		18.6	14.8	(3.8)	Decreased due to slowdown in demand of chemical products including plastic resins and one-time losses recorded in H1
Consumer Industry & Agriculture Business		6.3	7.5	+1.2	Higher profit following improvements in profit margins and increases in sales volumes in Thai fertilizer businesses
Retail & Consumer Service		6.8	13.1	+6.3	Increased due to recovery in domestic retail business and sales of a shopping mall in addition to negative goodwill recorded in association with a new investment
Others		(3.8)	(0.6)	+3.2	FY22 : Impairment losses on system-related assets recorded etc. FY23 : Recorded deferred tax liabilities related equity in affiliates etc.
<b>Total</b>		<b>111.2</b>	<b>100.8</b>	<b>(10.4)</b>	

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

# FY24 Forecast Gross Profit and Profit for the Year by Segment



	Gross Profit		Profit for the Year		
	FY23	FY24 Forecast	FY23	FY24 Forecast	Outlook
(BN JPY)					
Automotive	60.2	75.0	2.3	7.0	Profit to increase due to earnings contributions from investments conducted under previous medium-term management plan and recovery of used car business in Australia
Aerospace, Transportaion & Infrastructure *	21.4	25.0	6.1	9.0	Profit to increase as a result of aircraft-related transactions
Energy Solution & Healthcare *	31.3	40.0	14.0	17.0	Profit to increase due to growth anticipated in energy saving service and other existing businesses
Metals, Mineral Resources & Recycling	48.3	45.0	43.5	35.0	Profit projected to decrease given current coal market conditions
Chemicals	59.7	60.0	14.8	16.0	Profit to increase, despite declines stemming from contract condition revisions in overseas methanol businesses, due to absence of one-time losses recorded in FY23 and recovery of plastic resin demand
Consumer Industry & Agriculture Business	34.1	40.0	7.5	8.0	Solid earnings contributions expected from overseas fertilizer businesses
Retail & Consumer Service	57.3	65.0	13.1	11.0	Profit to decrease, regardless of earnings growth in seafood product businesses and earnings contributions from overseas retail businesses, due to absence of gains on sales of real estate recorded in FY23
Others *	13.7	10.0	(0.5)	7.0	
Total	326.0	360.0	100.8	110.0	

\* FY2023 figures for Aerospace,Transportation & Infrastructure, Energy Solution & Healthcare and Others were calculated by using figures for the former organizations and adjusting them based on the organizational reforms.  
As a result, these figures may differ from those disclosed in the future.

# Cash Return on Investment Capital (CROIC) by Segment

	FY23	Avg. CROIC Over MTP2023	Value Creation Guideline Figures of MTP2023	
<b>Automotive</b>	<b>5.5%</b>	<b>8.0%</b>	<b>7.0%</b>	<ul style="list-style-type: none"> <li>The three-year average for earnings contributions from existing businesses surpasses the value creation guideline figure.</li> <li>Division CROIC declined in FY23, as a result of asset replacement measures for shifting toward businesses with high capital efficiency and delays in earnings contributions from new investments.</li> </ul>
<b>Aerospace &amp; Transportation Project</b>	<b>4.6%</b>	<b>4.7%</b>	<b>5.0%</b>	<ul style="list-style-type: none"> <li>Division CROIC fell slightly below the value creation guideline figure as the recovery from the impacts of the COVID-19 pandemic on the aviation industry was slow.</li> </ul>
<b>Infrastructure &amp; Healthcare</b>	<b>2.9%</b>	<b>2.6%</b>	<b>3.0%</b>	<ul style="list-style-type: none"> <li>New investments and asset replacement measures progressed more or less as planned.</li> <li>However, CROIC fell below the value creation guideline figure as a result of declines in capital efficiency stemming from construction and earnings contribution delays attributable to the impacts of the COVID-19 pandemic.</li> </ul>
<b>Metals, Mineral Resources &amp; Recycling</b>	<b>14.3%</b>	<b>15.1%</b>	<b>5.0%</b>	<ul style="list-style-type: none"> <li>Division CROIC greatly surpassed the value creation guideline figure due to improvements in market conditions.</li> </ul>
<b>Chemicals</b>	<b>10.3%</b>	<b>10.6%</b>	<b>7.5%</b>	<ul style="list-style-type: none"> <li>Despite lower-than-anticipated progress in investments, CROIC exceeded the value creation guideline figure as capital efficiency improved in relation to existing trading businesses and business investments.</li> </ul>
<b>Consumer Industry &amp; Agriculture Business</b>	<b>8.9%</b>	<b>8.9%</b>	<b>6.0%</b>	<ul style="list-style-type: none"> <li>CROIC was higher than the value creation guideline figure as the strong performance of overseas fertilizer businesses counteracted the impacts of lower-than-anticipated progress in investments.</li> </ul>
<b>Retail &amp; Consumer Service</b>	<b>4.5%</b>	<b>3.1%</b>	<b>5.0%</b>	<ul style="list-style-type: none"> <li>Progress was made in replacing assets with low capital efficiency and substantive new investments were conducted in domestic and overseas retail businesses.</li> <li>In FY23, capital efficiency improvements were seen centered on domestic retail businesses, despite the effects of the sluggish consumption seen in emerging countries as a result of rapid inflation as well as the impacts of the COVID-19 pandemic, which were felt in the first two years of MTP2023.</li> </ul>

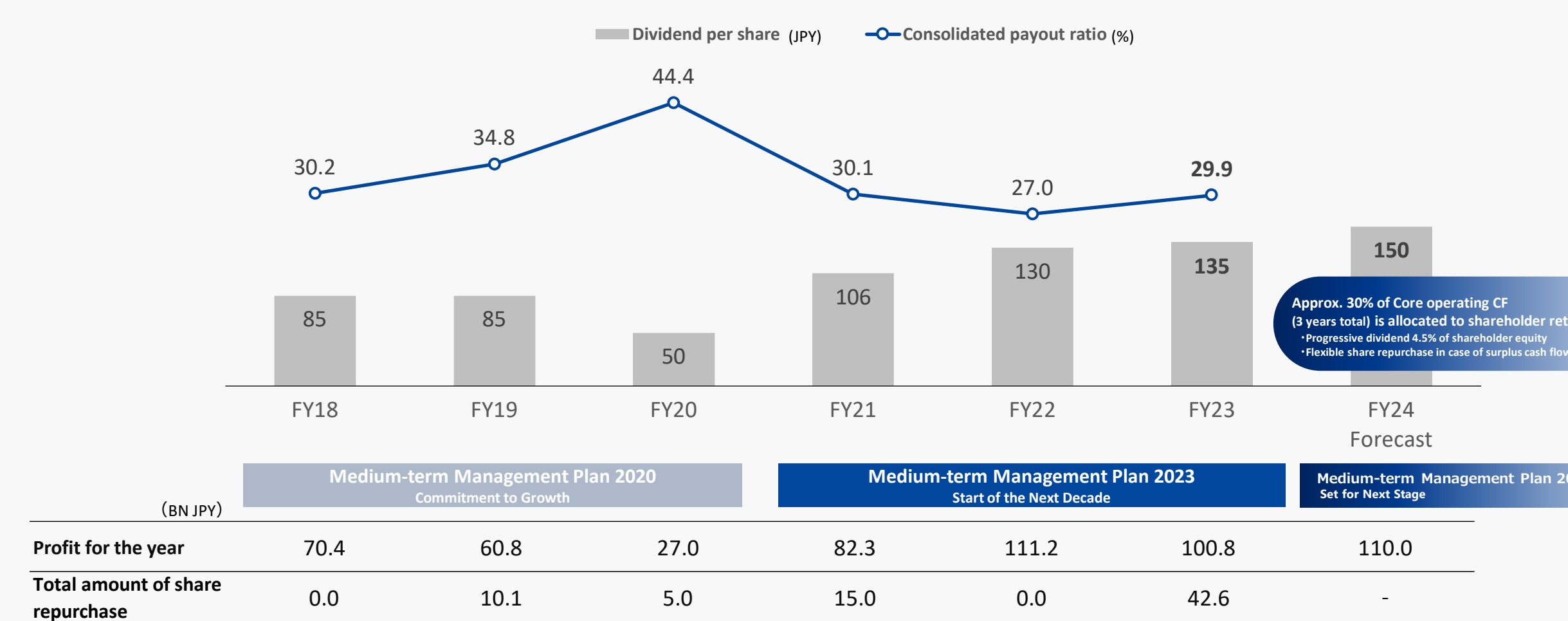
\* Cash return on invested capital (CROIC) is an indicator used for measuring and evaluating value creation introduced as part of MTP2023. CROIC = Core operating cash flow / Invested capital

Value creation guideline figures have been set under MTP 2023 indicating the minimum level of the three-year average CROIC that each division needs to achieve in order for us to accomplish our Companywide target of ROE of 10% or above.

# Shareholder Returns Policy



- In MTP 2023, we executed significant share buybacks driven by a substantial upside in underlying core operating cash flow. Maintaining a baseline consolidated dividend payout ratio of 30%, while achieving annual dividend increases.
- Dividend payments of ¥135 per share decided for FY23 based on PBR of 0.94 times on March 31, 2024, and policy of targeting market price-based DOE of 4% (average closing price in FY23: ¥3,249)
- Based on a shareholder equity DOE of 4.5% and a shareholder equity of ¥724.9 bn at the end of FY23, the expected dividend per share for FY24 is ¥150.



\* 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

\* Shareholder's equity is after deducting other components of equity from total equity

# Commodity Prices, Foreign Exchange, and Interest Rate



	FY22 Results (Annual Avg.)	FY23 Results (Annual Avg.)	FY24 Assumption (Annual Avg.)	MTP2026 Period Assumption (3-year Avg.)	Latest data (As of Apr. 24, 2024)
Coking coal *1	US\$328/t	US\$287/t	US\$230/t	US\$230/t	US\$240/t
Thermal coal *1	US\$356/t	US\$142/t	US\$125/t	US\$125/t	US\$135/t
Crude oil (Brent)	US\$95.1/bbl	US\$82.1/bbl	US\$85.0/bbl	US\$75.0/bbl	US\$88.0/bbl
Exchange rate *2	¥136.0/US\$	¥145.3/US\$	¥140.0/US\$	¥135.0/US\$	¥154.9/US\$
Interest Rate (TIBOR)	0.07%	0.08%	0.40%	0.60%	0.26%

\*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. ¥0.2 billion annually, and total equity by approx. ¥2.0 billion annually.

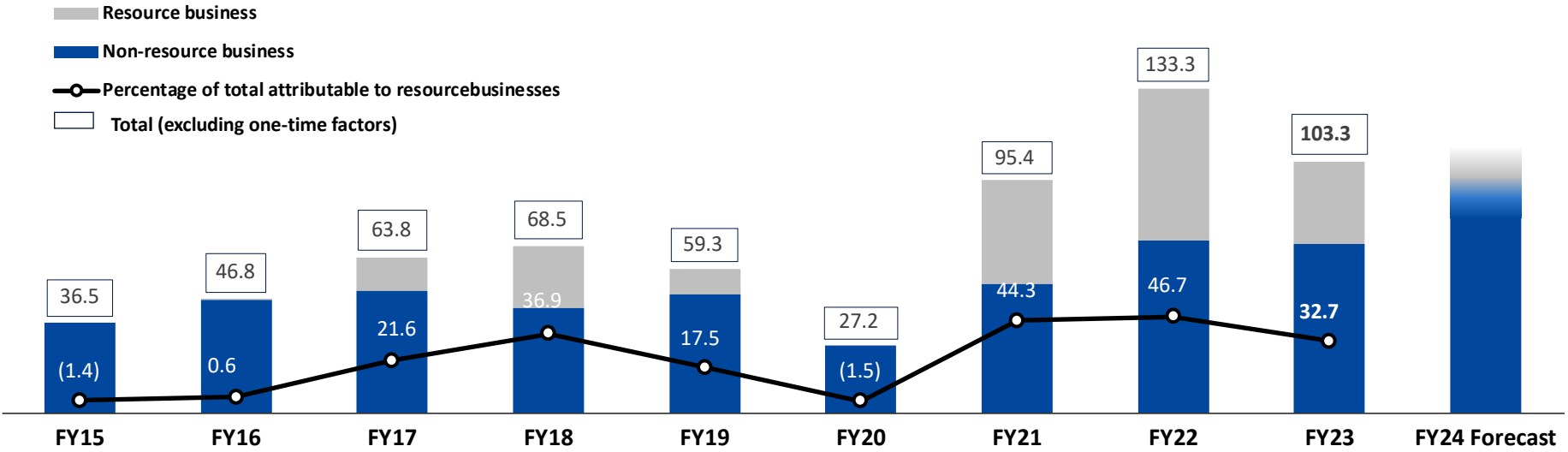


# Appendix

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

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

(BN JPY)

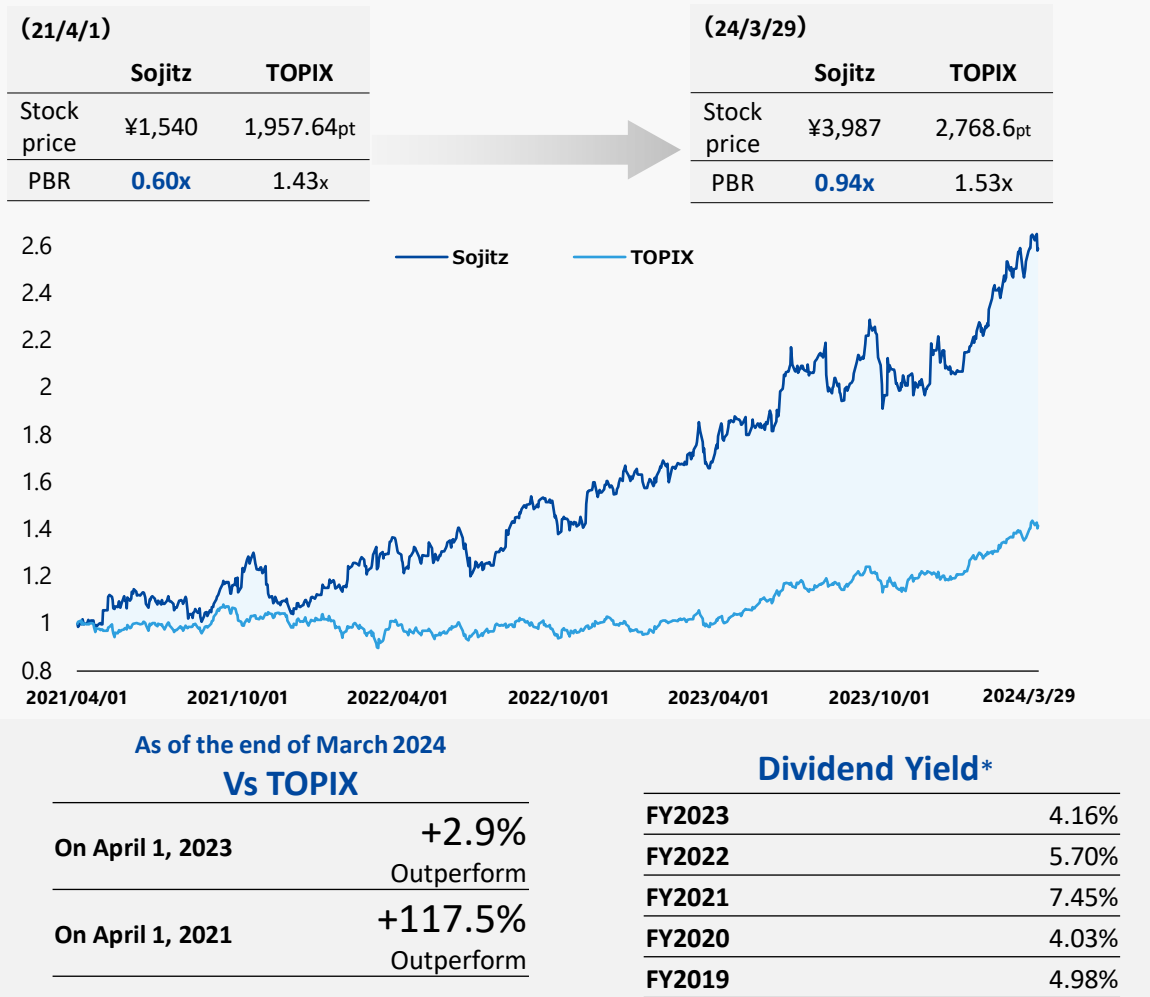


Resource business	(0.5)	0.3	13.8	25.3	10.4	(0.4)	42.3	62.3	33.8	30.0
Coal	(7.5)	4.1	11.4	13.6	5.8	(1.8)	30.9	44.1	18.5	-
LNG	3.6	1.6	2.3	4.0	3.9	1.7	3.5	9.1	8.0	-
Non-resource business	37.0	46.5	50.0	43.2	48.9	27.6	53.1	71.0	69.5	80.0
One-time gain / loss	0.0	(6.0)	(7.0)	1.9	1.5	(0.2)	(13.1)	(22.1)	(2.5)	-

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

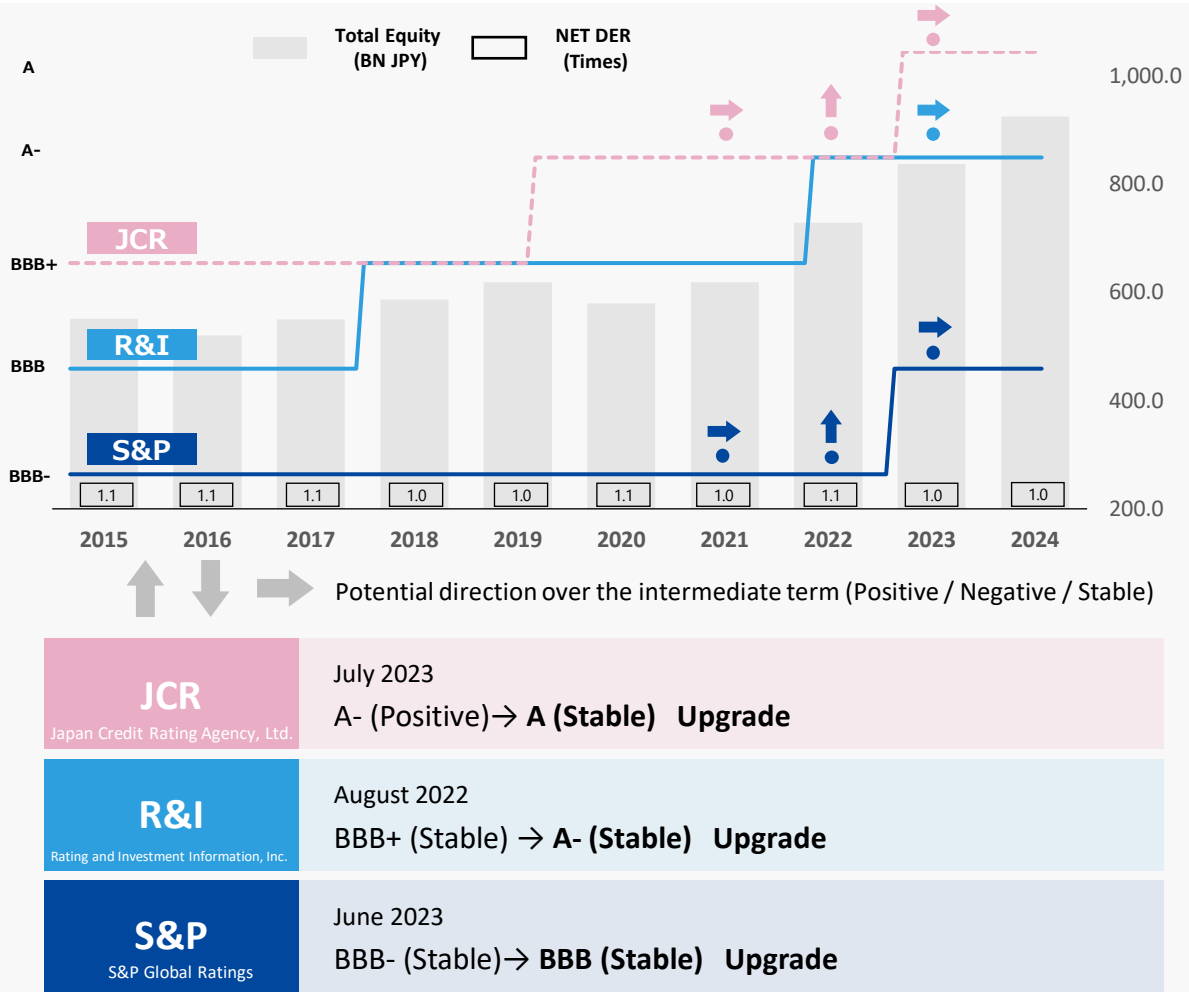
# Stock Price, PBR Trend, and Credit Ratings

- Sojitz stock price outperforming TOPIX



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

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



## ESG Evaluation

The 1st Place in General Trading Firms



Leadership “A- score”



The 2nd Time



The 5th Time



From 2010



Sojitz was awarded Platinum Kurumin Plus certification

Highest Prize




The 1st time




## ESG Index

6 consecutive years



ESG Index selected by GPIF



7 consecutive years

2023 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

The 1st time

2023 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

## External Evaluations of disclosure

Award for Excellence at NIKKEI Integrated Report Award 2023

2021 - Grand Prize, 2022 – Award for Excellence, 2023 – Award for Excellence



Nomination from 4 external asset managers

「Most-improved Integrated Report」 by GPIF’s Domestic Equity Managers

8 consecutive years



3 consecutive years



## Segment Information

Note: Based on organizational changes, figures for Aerospace, Transportation & Infrastructure, Energy Solution & Healthcare and Other segments have been arrived at through a simple conversion of figures for the previous organizational structure to reflect the new organizational structure. Accordingly, it is possible that these figures may differ from those disclosed later.

Summary

(BN JPY)	FY23	FY24	Difference
Gross profit	55.4	60.2	+4.8
SG&A expenses	(41.7)	(50.2)	(8.5)
Share of profit (loss) of investments accounted for using the equity method	1.5	1.1	(0.4)
Profit for the year	6.0	2.3	(3.7)
Total asset	182.7	290.7	+108.0
Core operating cash flow	12.2	7.0	(5.2)
ROA	3.3%	1.0%	(2.3)ppt

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

(Profit for the year)

FY23 Results: ¥2.3bn  
(Achieved 77% towards forecast of ¥3.0bn)

- Lower profit due to withdrawal from Thai distributorship business
- Losses recognized due to sluggish sales and on disposal of high value inventory of distributorship business in the Philippines etc.
- Delays in earnings contributions in comparison to initial expectations in used car business in Australia due to drops in selling prices of secondhand vehicles

FY24 Outlook      Forecast : ¥7.0bn

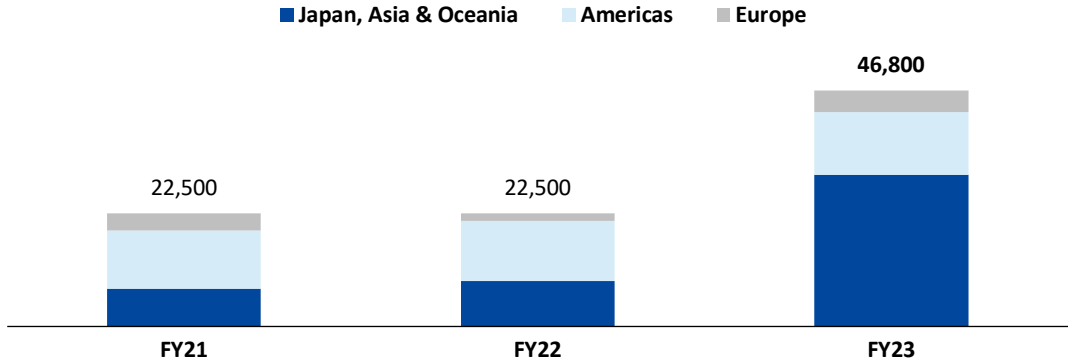
Profit projected to surpass FY23 level

- New earnings contributions from newly acquired business in Panama
- Recovery in and earnings contributions from used car business in Australia

Vehicle Sales

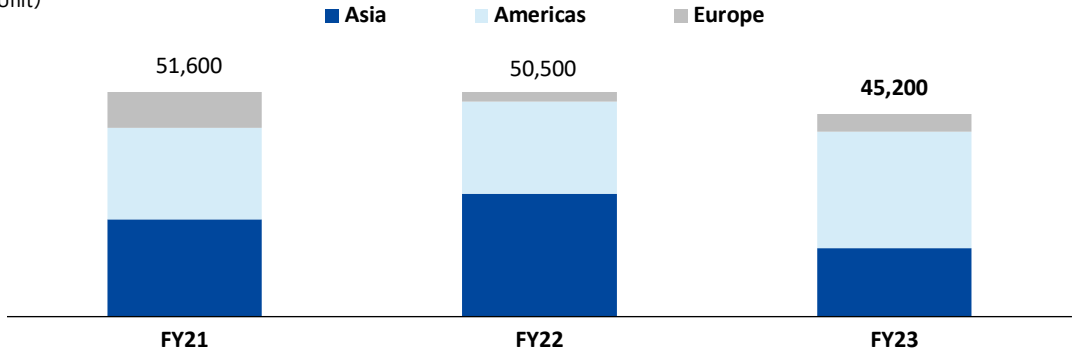
Dealership Business

(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
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total		
Sales of automobiles by Region												
-Japan and Asia Pacific	0.7	1.3	0.6	(0.1)	2.5	(0.2)	(0.8)	(0.5)	(1.3)	(2.8)	(5.3)	Japan, Australia, the Phillipines, Pakistan etc.
-the Americas	1.4	1.2	0.9	1.6	5.1	1.7	1.5	0.9	1.1	5.2	+0.1	United States, Puerto Rico, Panama, Brazil, Argentina etc.
-Europe	0.7	0.0	0.0	(0.2)	0.5	0.1	0.3	0.0	0.0	0.4	(0.1)	Norway, Ukraine etc.
(one-time gain and loss)	0.0	0.5	1.0	(1.5)	0.0	0.0	(0.5)	0.5	(0.5)	(0.5)	(0.5)	

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

Summary

	FY23	FY24	Difference
(BN JPY)			
Gross profit	19.0	19.3	+0.3
SG&A expenses	(12.2)	(13.0)	(0.8)
Share of profit (loss) of investments accounted for using the equity method	0.4	1.4	+1.0
Profit for the year	7.0	4.3	(2.7)
Total asset	201.4	204.3	+2.9
Core operationg cash flow	6.5	5.4	(1.1)
ROA	3.5%	2.1%	(1.4)ppt

(Profit for the year)

**FY23 Results: ¥4.3bn**  
**(Achieved 86% towards forecast of ¥5.0bn)**

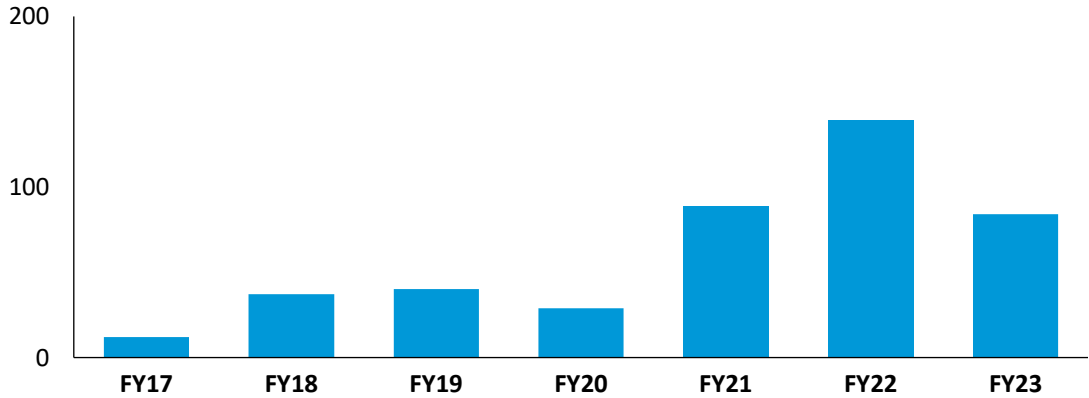
- Lower profit, despite fourth-quarter gain on sales of ships and earnings contributions from strong-performing JALUX, due to decrease in aircraft-related transactions

**FY24 Outlook    Forecast : 9.0bn**

- Expecting revenue from aircraft-related transactions and aircraft lease business, etc.

Business Jet charter sales

(Operations)



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



Main Subsidiaries and Associates (Excluding one-time factors)

(BN JPY)	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total				
Aircraft, Marine vessel asset businesses														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)	0.0	0.0	(0.1)	(0.1)	(0.1)	Aircraft part-out business and marine vessel-related business	Mar
Aviation businesses														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	0.5	0.4	1.2	+0.3			—
Transportation, Airport infrastructure businesses														North American railcar (MRO/Railcar leasing), EPC businesses in railcar field in Asia	
-Sojitz Transit & Railway Canada Inc.	100%	(0.1)	0.1	0.1	0.1	0.2	0.0	0.0	0.1	0.1	0.2	+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	0.1	0.3	(0.1)		Railcar leasing business	Mar
Sojitz Aerospace Corporation	100%	0.0	0.4	0.4	0.5	1.3	0.3	0.5	0.4	0.4	1.6	+0.2		Import/export and sales of aerospace and defense-related equipment, components and materials	Mar
(One-time gain and loss)	—	0.0	0.0	0.0	0.5	0.5	0.0	0.0	0.0	(2.0)	(2.0)	(2.5)			

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations  
\* The equity ownership is as of the end of March 2024.

Summary

	FY23	FY24	Difference
(BN JPY)			
Gross profit	28.2	33.4	+5.2
SG&A expenses	(31.6)	(33.5)	(1.9)
Share of profit (loss) of investments accounted for using the equity method	0.5	19.3	+18.8
Profit for the year	7.6	15.9	+8.3
Total asset	516.5	547.6	+31.1
Core operating cash flow	8.9	4.5	(4.4)
ROA	1.5%	3.0%	+1.5ppt

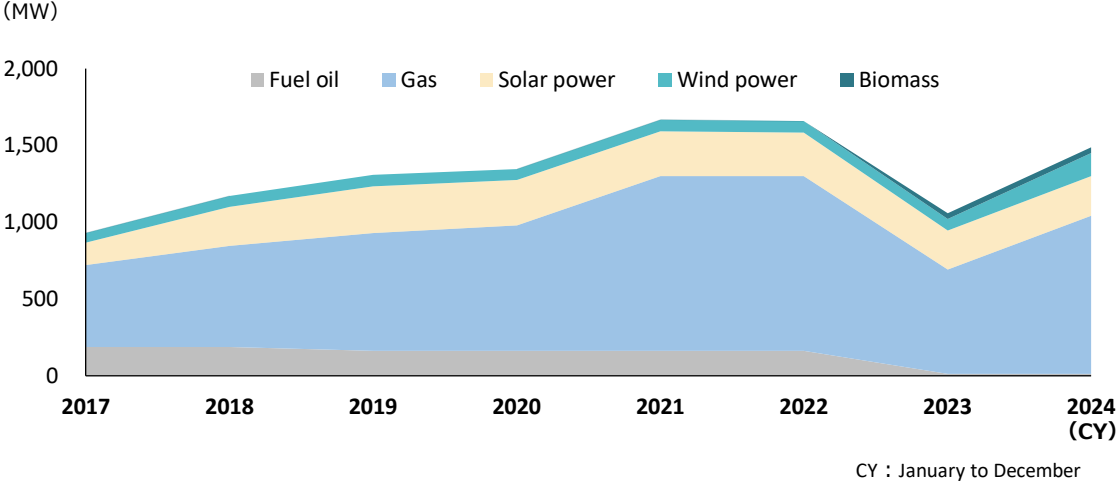
(Profit for the year)  
**FY23 Results: ¥15.9bn**  
**(Achieved 99% towards forecast of ¥16.0bn)**

- Higher profit due to earnings contributions from energy saving service businesses and absence of impairment losses recorded in previous equivalent period due to revaluation of offshore wind power generation assets in Taiwan

**FY24 Outlook    Forecast : 17.0bn**

- Profit to increase as a result of earnings contributions from investments in energy saving service businesses

Net Power-Generation Capacity



	CY2017	CY2020	CY2023
Solar power	140	290	260
Wind power	70	70	70
Gas	540	820	680
Fuel oil	180	160	10
Biomass	-	-	40
Total	930	1,340	1,060

As of end of Mar. 2024, information on the net power-generation capacity is as follows.  
By Region : Asia 68%, Americas 21%, Japan 6%, Europe 5%  
By Contract Forms : Long-term contract 94%, Spot contract 6%

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

Main Subsidiaries and Associates (Excluding one-time factors)

		FY2022					FY2023					Difference	Business Description	Accounting Period
(BN JPY)	Equity ownership	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total			
Energy related, Natural gas-fired power plant business														
	50%	0.6	1.0	1.6	5.9	9.1	1.6	0.9	1.6	3.9	8.0	(1.1)	LNG project and investment in LNG related business	Mar
	25%	-	0.2	0.1	0.3	0.6	0.2	0.0	0.3	0.2	0.7	+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	0.3	(0.1)	0.8	(2.8)	In U.S., Middle east etc.	—
Renewable energy, Decarbonate business														
ES	—	1.3	0.7	0.8	0.4	3.2	0.4	0.1	0.1	0.2	0.8	(2.4)	Renewable energy business in Japan and overseas	—
-Energy conservation businesses	—	(0.2)	0.3	0.9	0.0	1.0	0.1	0.6	1.7	0.5	2.9	+1.9	Overseas energy conservation businesses	—
	31.4%	0.0	0.0	0.2	0.1	0.3	0.2	0.1	0.1	0.2	0.6	+0.3	Electricity and gas retail; market representation; solar power generation in Spain	Dec
Social Infrastructure, PPP business														
-Sojitz Hospital PPP Investment B.V.	100%	0.5	0.8	0.7	1.3	3.3	0.6	0.7	0.5	2.1	3.9	+0.6	Investment in hospital project	Dec
	25%	0.8	0.6	0.3	1.0	2.7	0.3	1.1	0.0	1.4	2.8	+0.1	Development of infrastructure for comprehensive urban infrastructure and industrial parks	Dec
	n 100%	0.6	0.5	1.0	0.8	2.9	0.6	0.7	0.7	1.4	3.4	+0.5	Import/export and sales of general industrial machinery	Mar
(One-time gain and loss)		3.0	(0.5)	(0.5)	(12.0)	(10.0)	0.0	1.0	0.0	(2.5)	(1.5)	+8.5		

\* 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 March 2024.

Summary

	FY23	FY24	Difference
(BN JPY)			
Gross profit	83.4	48.3	(35.1)
SG&A expenses	(16.7)	(15.4)	+1.3
Share of profit (loss) of investments accounted for using the equity method	22.7	19.1	(3.6)
Profit for the year	62.7	43.5	(19.2)
Total asset	531.9	533.4	+1.5
Core operationg cash flow	70.1	48.6	(21.5)
ROA	11.8%	8.2%	(3.6)ppt

(Profit for the year)

**FY23 Results: ¥43.5bn**  
(Achieved 109% towards forecast of ¥40.0bn)

- Decreased due to decline of market prices and rising costs in coal businesses

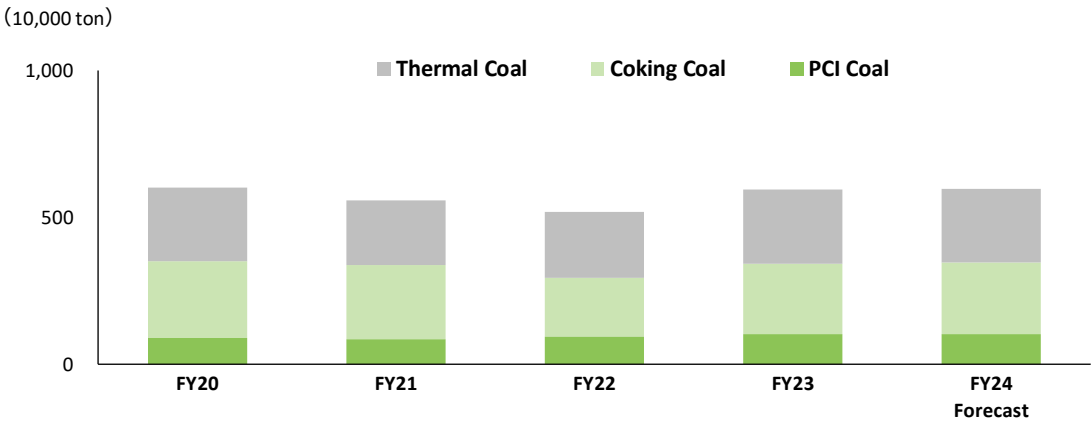
Profit Impacts of Coal Businesses:  
Market conditions, foreign exchange rates, and other external factors      ¥(19.5) bn  
Sales volumes, costs, and other internal factors      ¥(6.5) bn

**FY24 Outlook      Forecast : 35.0bn**

- Target of stable production volume of 2 million MT/year through open cut mining and underground mining at Gregory Crinum coal mine
- New mining areas to be developed in FY2027 and beyond
- Profit to decline in coal business, despite reductions in costs following increases in production from underground mining at Gregory Crinum coal mine, as a result of declines in coal prices

\* 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
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total			
(BN JPY)														
Sojitz Development Pty. Ltd.	100%	19.4	9.6	7.9	7.3	44.2	4.8	3.7	5.1	4.9	18.5	(25.7)	Investment in coal mines	Mar
Metal One Corporation	40%	4.5	4.5	3.8	3.8	16.6	3.3	3.6	3.4	3.7	14.0	(2.6)	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	0.0	0.3	0.1	(0.6)	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	3.0	3.0	+8.5		

\*Adjusted net profit : excluding one-time gains or losses from main subsidiaries and businesses operations  
\* The equity ownership is as of the end of March 2024.

Summary

	FY23	FY24	Difference
(BN JPY)			
Gross profit	62.5	59.7	(2.8)
SG&A expenses	(32.7)	(33.9)	(1.2)
Share of profit (loss) of investments accounted for using the equity method	0.0	(0.2)	(0.2)
Profit for the year	18.6	14.8	(3.8)
Total asset	322.2	324.9	+2.7
Core operationg cash flow	23.9	18.7	(5.2)
ROA	5.8%	4.6%	(1.2)ppt

(Profit for the year)

**FY23 Results: ¥14.8bn**  
(Achieved 106% towards forecast of ¥14.0bn)

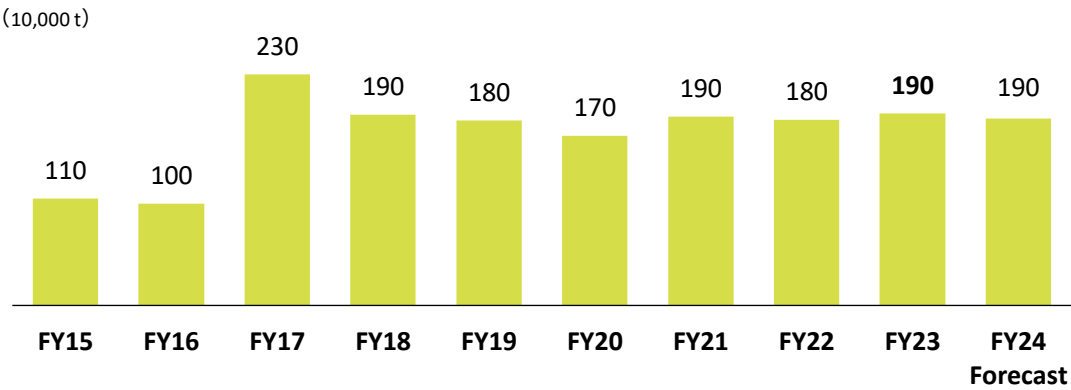
- Strong performance in non-consolidated trading businesses following efforts to improve profitability
- Decreased due to one-time losses recognized in FY23 and sluggish demand for plastic resins and other chemical products

**FY24 Outlook    Forecast : 16.0bn**

- Profit to increase due to general recovery of chemical product demand and absence of one-time losses recorded in previous fiscal year
- Forecasts incorporating decline in profit from revision of raw material procurement contract conditions in overseas methanol businesses
- Aiming to build up revenue by continuing to increase profitability by improving operational efficiency and reducing costs

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

Sales Volume for Methanol



Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total			
(BN JPY)														
PT. Kaltim Methanol Industri	85%	1.5	2.2	1.3	0.9	5.9	1.4	1.5	1.7	0.1	4.7	(1.2)	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	0.3	0.3	1.0	(0.9)	Trading and sale of plastics and related products	Mar
Sojitz solvadis gmbh	100%	0.8	0.7	0.4	0.5	2.4	0.3	0.3	0.3	0.8	1.7	(0.7)	Trading and sale of chemical products in Europe	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	2.2	1.2	5.9	+1.2	Industrial salts, rare earth, aromatics, phenol,phenol resins, functional materials etc.	—
Trading business in overseas branches		0.8	0.7	0.8	0.5	2.8	0.2	0.3	0.6	0.6	1.7	(1.1)	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	0.0	(1.0)	(2.5)	(1.5)		

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

\* Equity ownership is as of the end of March 2024.

\* In FY23 Q3, a reorganization was undertaken involving a merger between solvadis deutschland gmbh (including its four subsidiaries) and Sojitz Europe GmbH (surviving company), after which the name of the surviving company was changed to Sojitz SOLVADIS GmbH. Performance figures for FY2022 and FY2023 represent the sum of figures for the former solvadis deutschland gmbh and Sojitz Europe GmbH.

\* Performance figures for FY2022 and FY2023 of trading business in overseas branches on a non-consolidated basis are presented after deducting the former Sojitz Europe GmbH.

Summary

(BN JPY)	FY23	FY24	Difference
Gross profit	29.4	34.1	+4.7
SG&A expenses	(22.8)	(25.0)	(2.2)
Share of profit (loss) of investments accounted for using the equity method	1.0	0.9	(0.1)
Profit for the year	6.3	7.5	+1.2
Total asset	238.9	258.3	+19.4
Core operationg cash flow	8.6	10.6	+2.0
ROA	2.6%	3.0%	+0.4ppt

(Profit for the year)

**FY23 Results: ¥7.5bn**  
(Achieved 107% towards forecast of ¥7.0bn)

- Higher profit, despite dissipation of benefits from higher wood prices in building material businesses, due to improved profit margins and increased sales volumes in overseas fertilizer businesses
- Profit for the year posted by paper manufacturer company in Vietnam

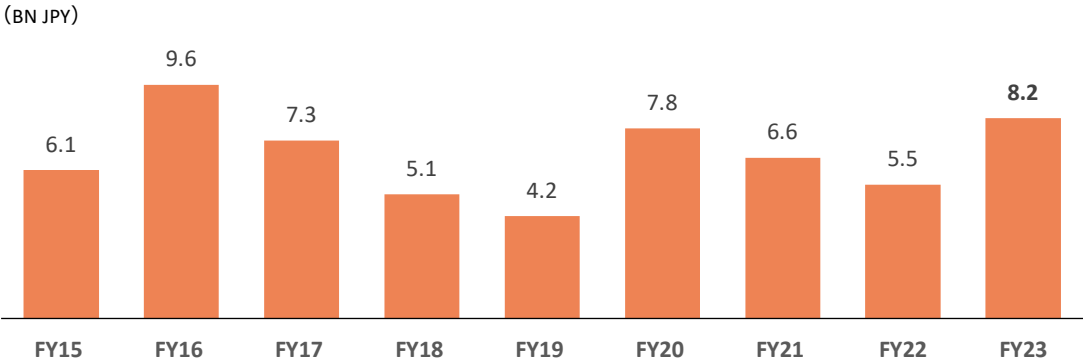
**FY24 Outlook    Forecast : ¥8.0bn**

- Overseas fertilizer business is expected to continue to move smoothly.
- Stable revenue contribution is expected from biomass trade on a non-consolidated basis

\* 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.

Profit of Overseas Fertilizers Business

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





Main Subsidiaries and Associates (Excluding one-time factors)

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total			
(BN JPY)														
Fertilizer related business														
-Thai Central Chemical Public Company (TCCC)	95.3%	1.1	1.6	0.1	0.0	2.8	0.8	2.5	1.3	0.6	5.2	+2.4	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	0.6	0.4	1.5	(0.4)	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	0.2	0.2	0.9	+0.7	Manufacture and sales of fertilizers in Vietnam	Mar
Sojitz Building Materials Corporation	100%	1.0	0.6	0.3	(0.1)	1.8	0.1	0.2	0.2	0.2	0.7	(1.1)	Trading company specializing in sales of construction materials	Mar
Saigon Paper	97.7%	(0.1)	0.0	(0.2)	0.1	(0.2)	0.0	0.0	0.0	0.1	0.1	+0.3	Paper manufacture business in Vietnam	Dec
(One-time gain and loss)	—	0.0	0.0	1.5	0.0	1.5	0.5	(0.5)	0.0	0.5	0.5	(1.0)		

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

\* The equity ownership is as of the end of March 2024.

\* 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

	FY23	FY24	Difference
(BN JPY)			
Gross profit	45.1	57.3	+12.2
SG&A expenses	(40.5)	(44.6)	(4.1)
Share of profit (loss) of investments accounted for using the equity method	0.9	2.0	+1.1
Profit for the year	6.8	13.1	+6.3
Total asset	419.9	533.6	+113.7
Core operating cash flow	6.8	8.1	+1.3
ROA	1.6%	2.7%	+1.1ppt

(Profit for the year)

**FY23 Results: ¥13.1bn**  
(Achieved 101% towards forecast of ¥13.0bn)

- Increased due to recovery in domestic retail business, earnings contribution from new investment in overseas retail business, sales of a shopping mall and real estate and negative goodwill recorded in association with a new investment

**FY24 Outlook    Forecast : ¥11.0bn**

- Forecasts projecting higher profit that incorporate full-year earnings contributions from overseas retail business investments conducted in previous fiscal year
- Year-on-year earnings growth anticipated in marine product businesses
- Strong trends seen in domestic retail businesses in previous fiscal year projected to continue
- Overall division profit forecast to decline as a result of absence of gains on sales of commercial facilities and negative goodwill attributable to new investments recorded in previous fiscal year

\* 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
		Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total			
(BN JPY)														
Retail related business	—	(0.4)	(0.1)	0.0	0.3	(0.2)	0.3	0.2	0.6	1.1	2.2	+2.4	Manufacturing and distribution of foods, Convenience store, Operation of restaurants	—
-Overseas	—	0.0	0.0	0.0	0.2	0.2	0.0	(0.1)	(0.1)	0.7	0.5	+0.3	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	0.3	0.7	0.4	1.7	+2.1	Royal Holdings Co., Ltd, Sojitz Royal In-flight CateringCo., Ltd, JALUX Inc. etc.	—
Marine products related business	—	0.2	0.1	0.8	0.0	1.1	0.2	0.3	0.6	0.1	1.2	+0.1	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	0.6	0.4	(0.2)	1.0	+0.2	An seafood product manufacturing company	Mar
Domestic real estate business	—	0.0	0.3	0.1	1.5	1.9	0.5	3.2	0.2	0.8	4.7	+2.8	Management of shopping centers, value-add businesses etc.	—
Sojitz Foods Corporation	100%	0.9	0.5	0.6	(0.1)	1.9	0.7	0.9	0.9	0.5	3.0	+1.1	Sale of farmed and marine products, sugar, saccharified products, dairy products, processed foods, and other foodstuffs	Mar
Sojitz Fashion Co., Ltd.	100%	0.2	0.2	0.2	0.1	0.7	0.2	0.1	0.2	0.1	0.6	(0.1)	Printing of cotton and synthetic textiles, processing and wholesale of non-patterned and dyed fabrics	Mar
(One-time gain and loss)	—	0.0	0.0	4.5	0.0	4.5	0.0	0.0	0.0	0.0	0.0	(4.5)		

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

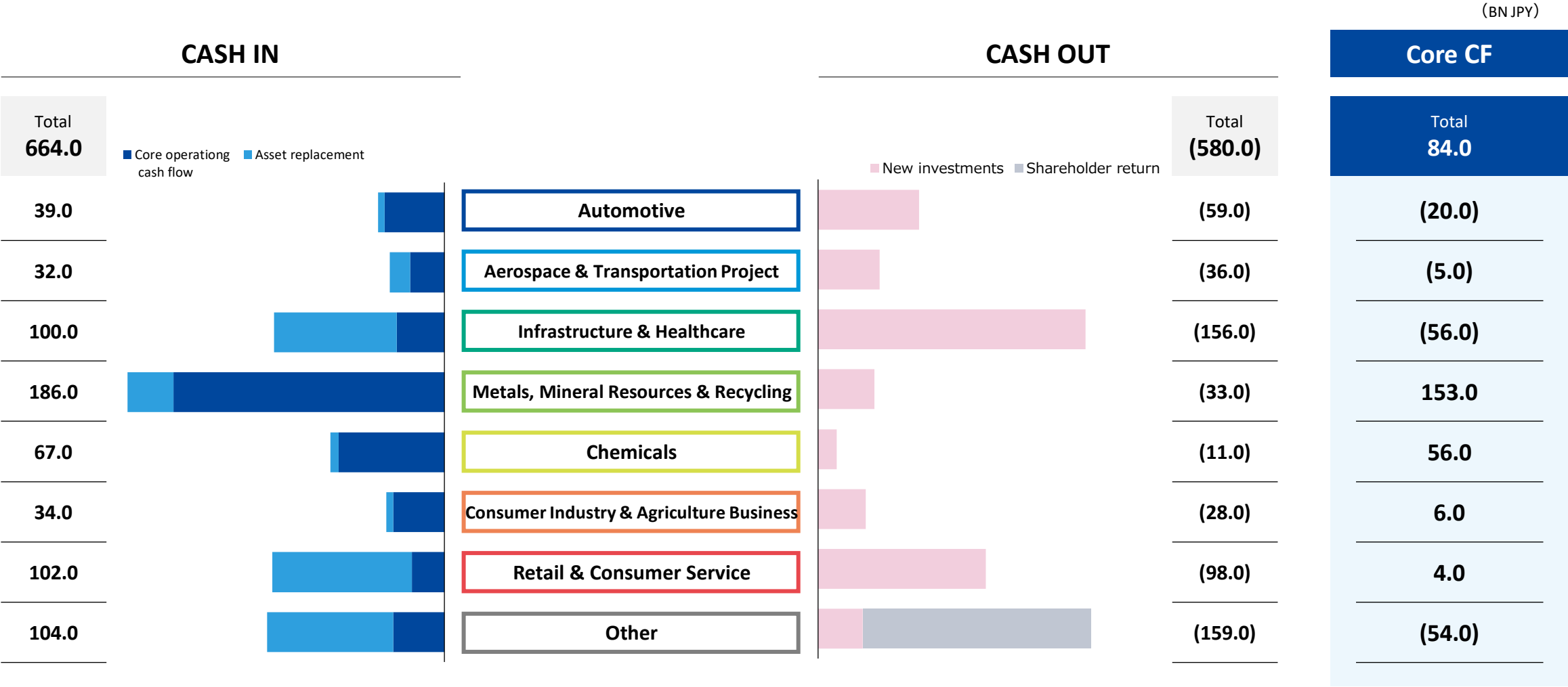
\* The equity ownership is as of the end of March 2024.

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

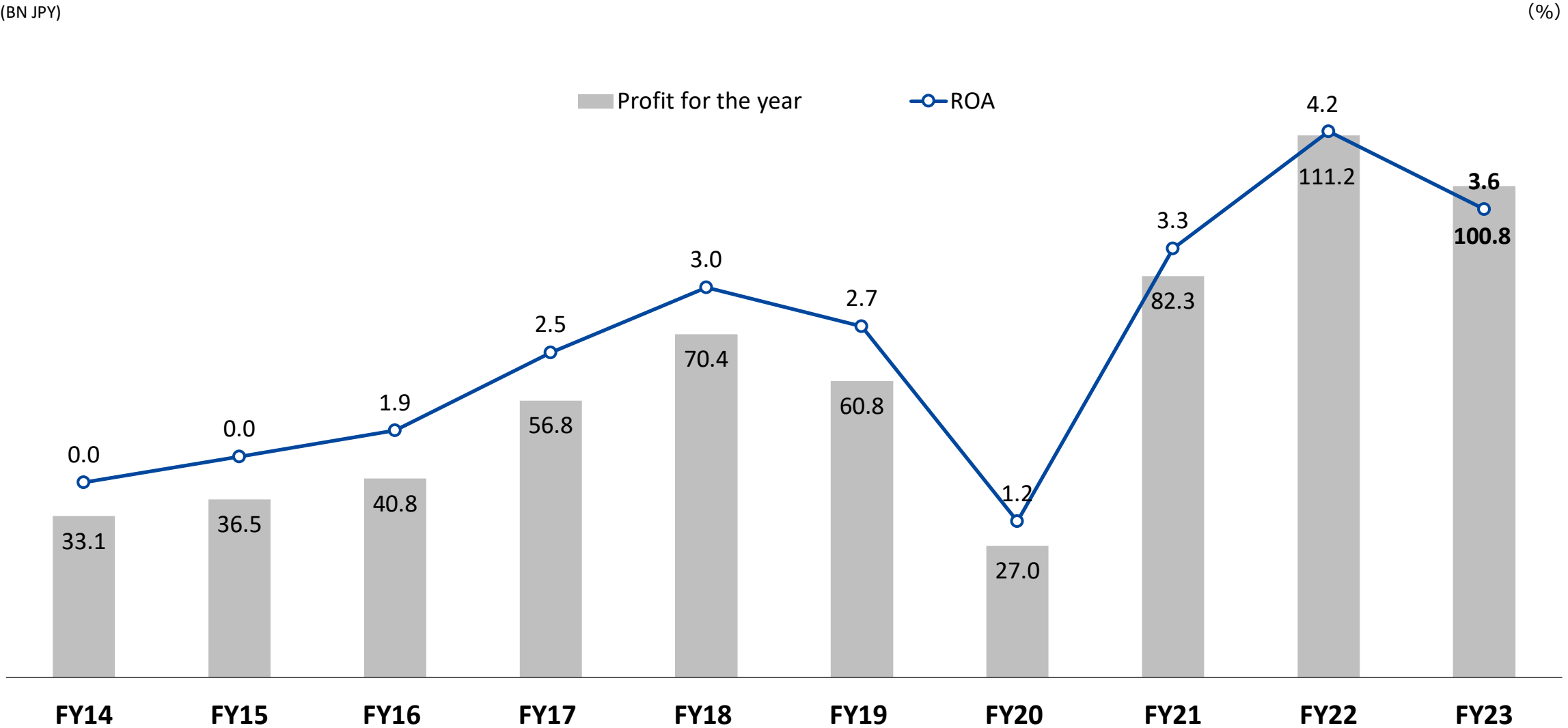
- Fuji Nihon Seito Corporation (equity-method associate) <https://www.fnsugar.co.jp/>
- ROYAL HOLDINGS Co., Ltd. (equity-method associate) <https://www.royal-holdings.co.jp/>

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## **Supplemental Information**



	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
(BN JPY)										
Net sales (JGAAP)	4,105.3	4,006.6	3,745.5	4,209.1	—	—	—	—	—	—
Revenue	1,809.7	1,658.1	1,555.3	1,816.5	1,856.2	1,754.8	1,602.5	2,100.8	2,479.8	2,414.6
Gross profit	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3	337.6	326.0
Operating profit	33.6	29.2	51.6	59.8	—	—	—	—	—	—
Share of profit (loss) of investments accounted for using the equity method	28.6	23.2	12.7	25.1	27.8	24.9	14.8	38.0	27.3	43.6
Profit before tax	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3	155.0	125.5
Profit for the year attributable to owners of the Company	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3	111.2	100.8
Core earnings	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3	145.1	121.7
ROA	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%	3.3%	3.6%
ROE	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	12.2%	12.2%	11.4%

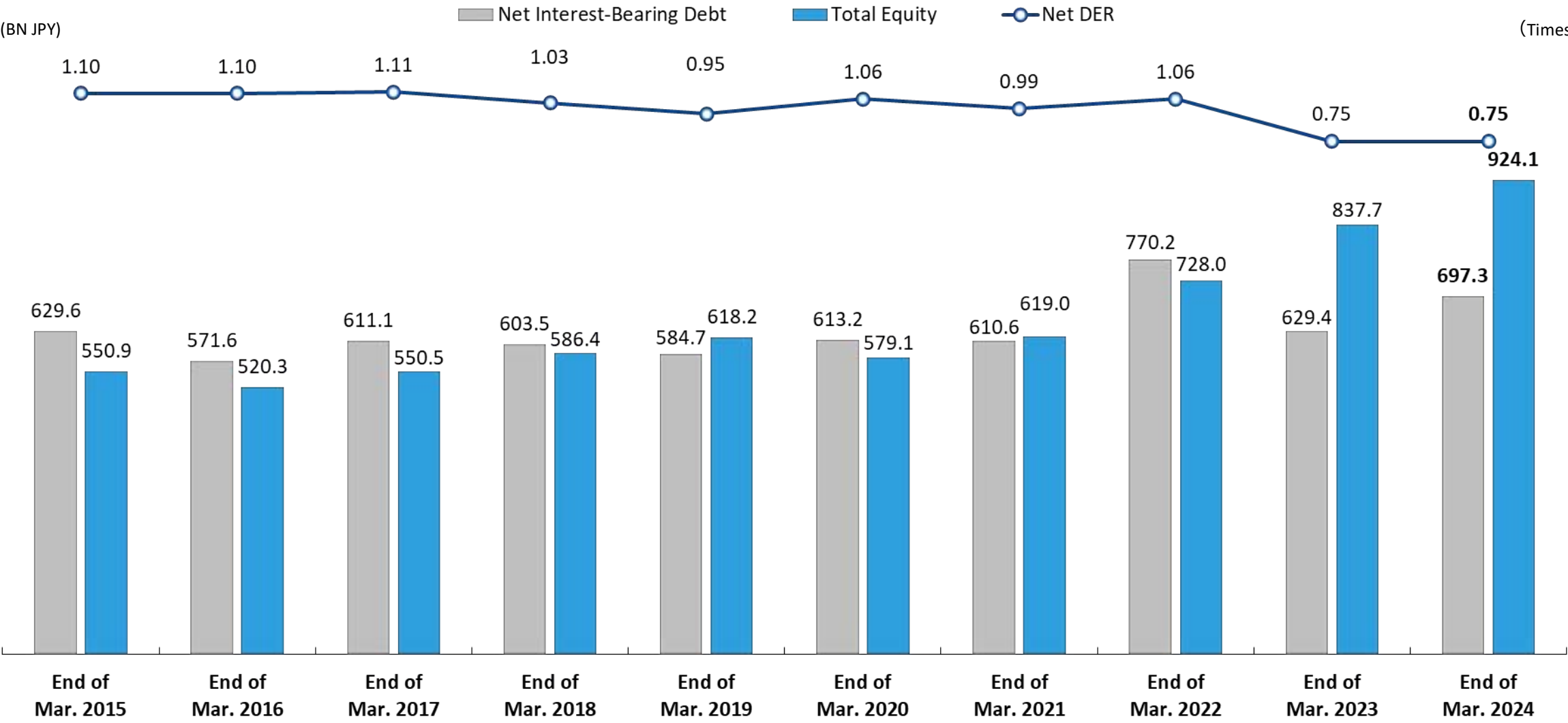


# Balance Sheets Summary

(BN JPY)	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	End of Mar. 2024
<b>Current assets</b>	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	1,462.5
Cash and cash equivalents	403.7	344.4	308.6	305.2	285.7	272.7	287.6	271.7	247.3	196.3
Time deposits	5.5	6.7	5.7	2.8	2.9	7.4	10.1	10.8	7.0	13.1
Trade and other receivables	559.3	496.2	563.5	549.9	690.7	638.1	636.2	791.5	794.9	827.0
Inventories	270.3	237.1	271.3	396.0	220.6	213.4	187.9	232.8	281.0	288.3
Other current assets	84.7	62.0	80.7	122.4	67.8	85.9	73.6	87.4	114.3	137.8
<b>Non-current assets</b>	973.9	910.3	908.7	974.1	1,029.4	1,012.8	1,104.7	1,267.5	1,216.3	1,424.4
Property, plant and equipment	217.9	187.0	172.2	172.1	192.9	158.0	191.3	201.5	195.4	234.3
Lease assets (Right-of-use assets)	-	-	-	-	-	74.1	72.8	69.7	65.6	97.5
Goodwill	50.2	53.1	57.6	65.8	66.2	66.5	67.2	82.5	85.7	132.6
Intangible assets	53.9	38.8	34.1	44.1	49.1	43.4	61.5	85.0	70.8	92.2
Investment property	19.5	18.4	21.1	24.5	20.9	18.6	11.6	13.3	8.1	10.0
Investments accounted for using the equity method	568.9	551.2	559.6	590.2	597.3	554.7	590.8	673.6	689.7	747.0
Other non-current assets	63.5	61.8	64.1	77.4	103.0	97.5	109.5	141.9	101.0	110.8
<b>Total assets</b>	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	2,886.9
<b>Current liabilities</b>	780.7	673.8	717.8	846.0	807.2	754.4	734.8	897.6	891.8	973.5
Trade and other payables	490.9	439.3	483.1	654.2	582.4	481.7	476.0	546.0	579.3	663.1
Lease liabilities	-	-	-	-	-	15.3	16.8	17.4	17.3	19.3
Bonds and borrowings	208.4	168.3	158.7	113.5	149.7	186.8	158.6	231.2	167.8	164.1
Other current liabilities	81.4	66.2	76.0	78.3	75.1	70.6	83.4	103.0	127.4	127.0
<b>Non-current liabilities</b>	926.1	833.2	842.7	879.3	828.4	854.0	910.8	1,000.2	892.4	957.8
Lease liabilities	-	-	-	-	-	63.7	60.5	57.8	54.1	85.7
Bonds and borrowings	830.4	754.4	766.7	798.0	723.6	706.5	749.7	821.5	715.9	742.6
Retirement benefit liabilities	17.9	18.7	21.4	22.0	22.1	22.1	21.9	23.9	22.7	24.1
Other non-current liabilities	77.8	60.1	54.6	59.3	82.7	61.7	78.7	97.0	99.7	105.4
<b>Total liabilities</b>	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	1,931.3
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	146.6	146.8	146.8	147.0	147.6	96.4
Treasury stock	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)	(10.9)	(15.9)	(31.0)	(31.1)	(21.8)
Other components of equity	194.6	132.4	132.7	124.3	107.6	49.8	77.8	136.8	138.7	199.2
Retained earnings	49.7	81.3	111.2	155.5	204.6	233.1	250.0	314.9	422.2	490.0
<u>Total equity attributable to owners of the Company</u>	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	837.7	924.1
Non-controlling interests	39.7	29.4	27.5	38.7	43.3	42.8	35.5	35.9	38.9	31.5
<b>Total equity</b>	590.6	549.7	578.0	625.1	661.5	621.9	654.5	763.9	876.6	955.6
<b>Total liabilities and equity</b>	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	2,886.9



# Balance Sheets Summary



	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	End of Mar. 2024
(BN JPY)										
Total assets	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	2,886.9
Total equity	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	837.7	924.1
Equity ratio	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	27.4%	31.5%	32.0%
Net interest-bearing debt	629.6	571.6	611.1	603.5	584.7	613.2	610.6	770.2	629.4	697.3
Net DER (Times)	1.14	1.10	1.11	1.03	0.95	1.06	0.99	1.06	0.75	0.75
Risk assets (vs. Total equity, times)	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	490.0 0.6	580.0 0.6
Current ratio	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	155.3%	162.0%	150.2%
Long-term debt ratio	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	78.0%	81.0%	81.9%

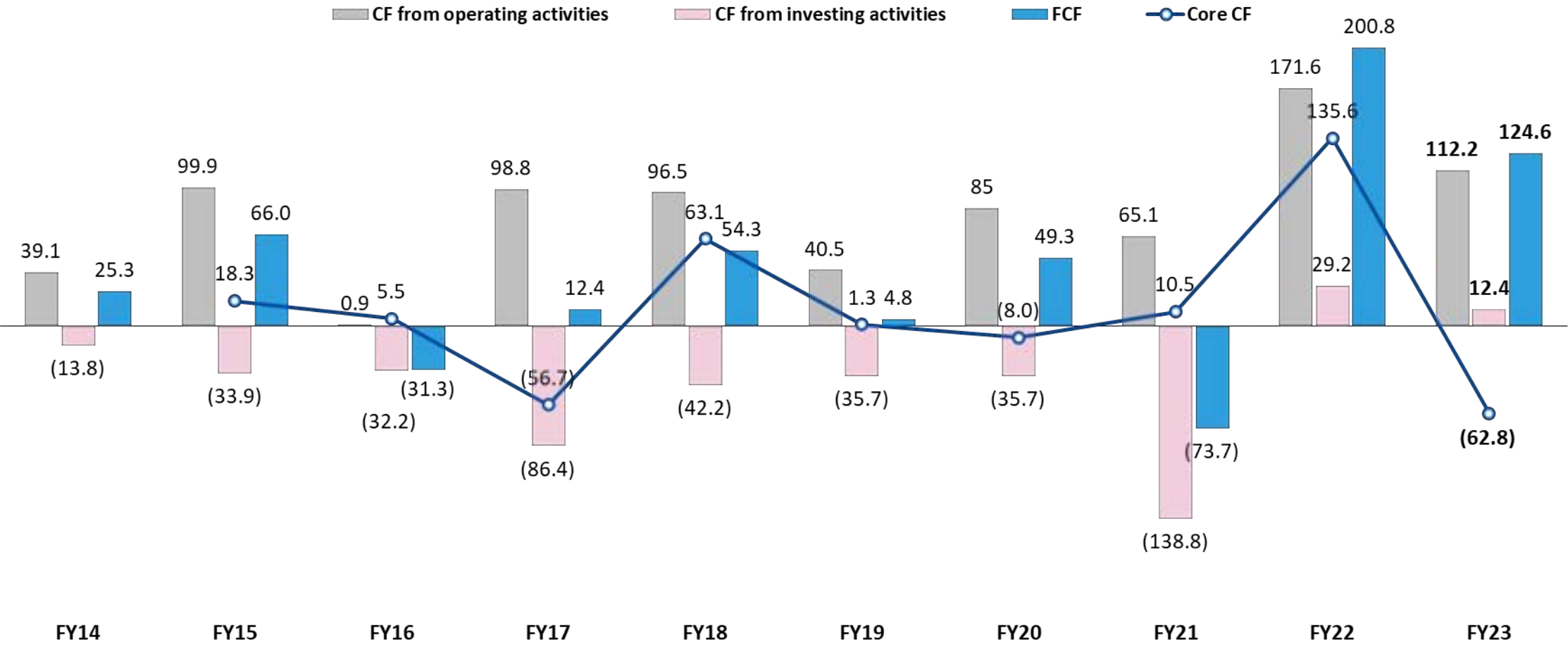
# Cash Flow Summary



	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	End of Mar. 2024
(BN JPY)										
Core CF	—	18.3	5.5	(56.7)	63.1	1.3	(8.0)	10.5	135.6	(62.8)
Free CF	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(73.7)	200.8	124.6
Core operationg CF	—	60.0	59.4	82.9	79.1	80.2	60.2	128.7	145.2	109.2
Cash flow from operatingactivities	39.1	99.9	0.9	98.8	96.5	40.5	85.0	65.1	171.6	112.2
Cash flow from investment activities	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(138.8)	29.2	12.4
Cash flow from financing activities	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	46.9	(230.4)	(186.5)
Investments	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0	93.0	206.0

# Cash Flow Summary

(BN JPY)



### 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 numerator when calculating **“Equity ratio”**, the denominator when calculating **“Net D/E ratio”**, and the denominator when calculating **“Risk assets”**.
- **“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 **“MTP2026”**, **“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.
- **“Shareholder equity”** is after deducting other components of equity from total equity
- **“Net assets per share”** used in the calculation of **PBR** is the **“Total equity per share attributable to owners of the Company”** in the consolidated financial results statement



*New way, New value*

# Medium-Term Management Plan 2026

## —Set for Next Stage—

May 1, 2024

## Sojitz Corporation

### Caution regarding Forward-looking Statements and Original Language

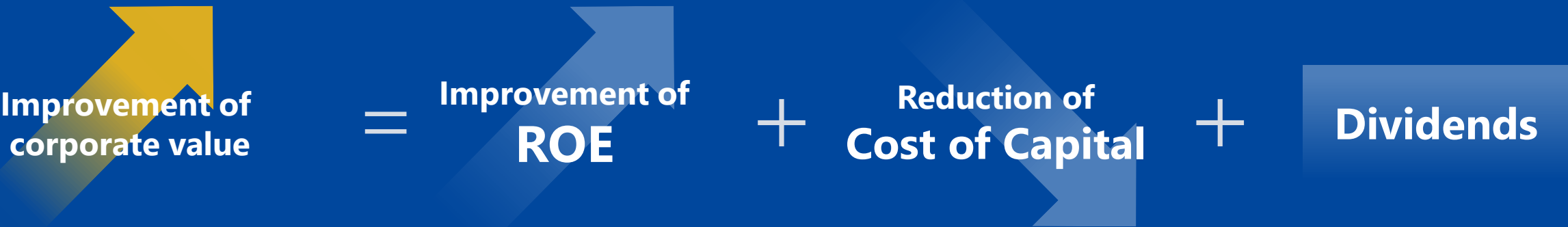
This document contains forward-looking statements based on information available to the Company at the time of disclosure and certain assumptions that management believes to be reasonable. Sojitz makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including the timing of 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 in this document, 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.

# Review of Medium-Term Management Plan (MTP) 2023



- MTP2023 was dedicated to improve our corporate value, and we therefore set  $PBR > 1.0x$  as one of the KPIs in MTP2023.
- Achieved  $PBR > 1.0x^{*1}$  by improving ROE and reducing cost of capital as well as dividends and share repurchase.

\*1 Closing share price on March 21, 2024



### Enhancement of earnings power (Core operating CF)

- Achieved the financial targets of MTP2023
- Surplus cash flow has been allocated to new investments

### Improvement in capital efficiency (CROIC)

- Set and monitored the value creation guideline (CROIC) for each Business Div.
- Sold non-core assets (cross-shareholdings, real estate and textile businesses, etc.)

### Enhancement of financial disclosure

- Improved transparency and predictability through enhanced disclosure

### Enhancement of non-financial initiatives and disclosure

- Ratio of Outside Directors > 50%
- Selected as "DX Stocks 2023" \*2
- Won "NIKKEI Integrated Report Awards"

### Stable and continuous dividends

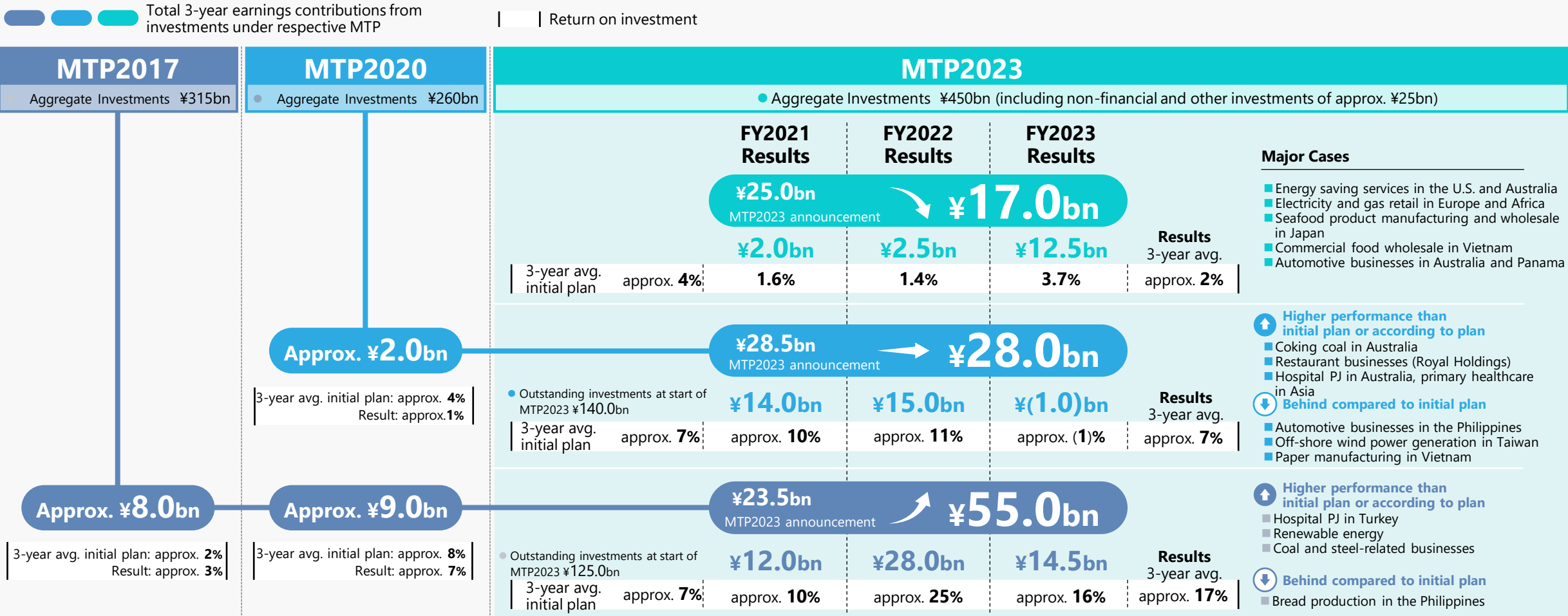
- Achieved stable and continuous dividends based on a consolidated payout ratio of approx. 30%
- Set minimum limit for dividends in FY2023
- Repurchased its shares by utilizing surplus cash flow

\*2 DX Stock selection program is organized jointly by METI, the Tokyo Stock Exchange, and the IPA

- **Achieved all the quantitative targets of MTP2023** through enhanced earnings power and improved capital efficiency.

		Results	Initial Plan
<b>Profit for the year</b>	Avg.	<b>¥98.1bn</b>	¥65.0bn
<b>Core operating CF</b>	Avg.	<b>¥127.7bn</b>	¥80.0bn
<b>Core CF</b>	Total	<b>¥83.3bn</b>	Positive
<b>Investments</b>	Total	<b>¥447.7bn</b>	¥330.0bn
<b>Consolidated payout ratio</b>	Avg.	<b>29.0%</b>	approx. 30%
<b>Share repurchase</b>	-	<b>¥58.0bn</b>	—
<b>Net DER</b>	Final Year	<b>0.75</b>	approx. 1.0
<b>ROE</b>	Avg.	<b>12.6%</b>	10% or above
<b>ROA</b>	Final Year	<b>3.6%</b>	3% or above
<b>PBR</b>	Final Year	<b>Achieved</b> (Closing share price on March 21, 2024)	1.0x or above

- **Achieved the financial targets** of the investments made in MTP2017/2020 due to favorable market conditions, the sale of assets, and the value-up initiatives of our invested projects.
- **The profitability** of the investments made in MTP2023 **has improved in FY2023**, while there were delays in investments and in generating expected profits due to the COVID-19 pandemic. Further improvements are anticipated under MTP2026.



# MTP2026

—Set for Next Stage—

Vision for 2030

Next  
Stage

Net profit: ¥200.0bn  
ROE: 15%  
Market cap: ¥2 trillion

“Becoming a company that constantly cultivates business and human capital”

Create our corporate value by meeting market needs and  
providing solutions to social issues

Sojitz Group Statement

The Sojitz Group creates  
value and prosperity by  
connecting the world  
with a spirit of integrity.

MTP  
2026

## Creating the “Sojitz Growth Story” - Set for Next Stage -

To reach Next Stage (Market cap “2.0x Growth”),

- Connect dots of our businesses to form “Katamari”\* to accelerate growth
- Proactive investments in and development of human capital

Reinforcing  
Base of  
Growth

Enhancing  
Human  
Capital

MTP  
2023

Continuing  
growth

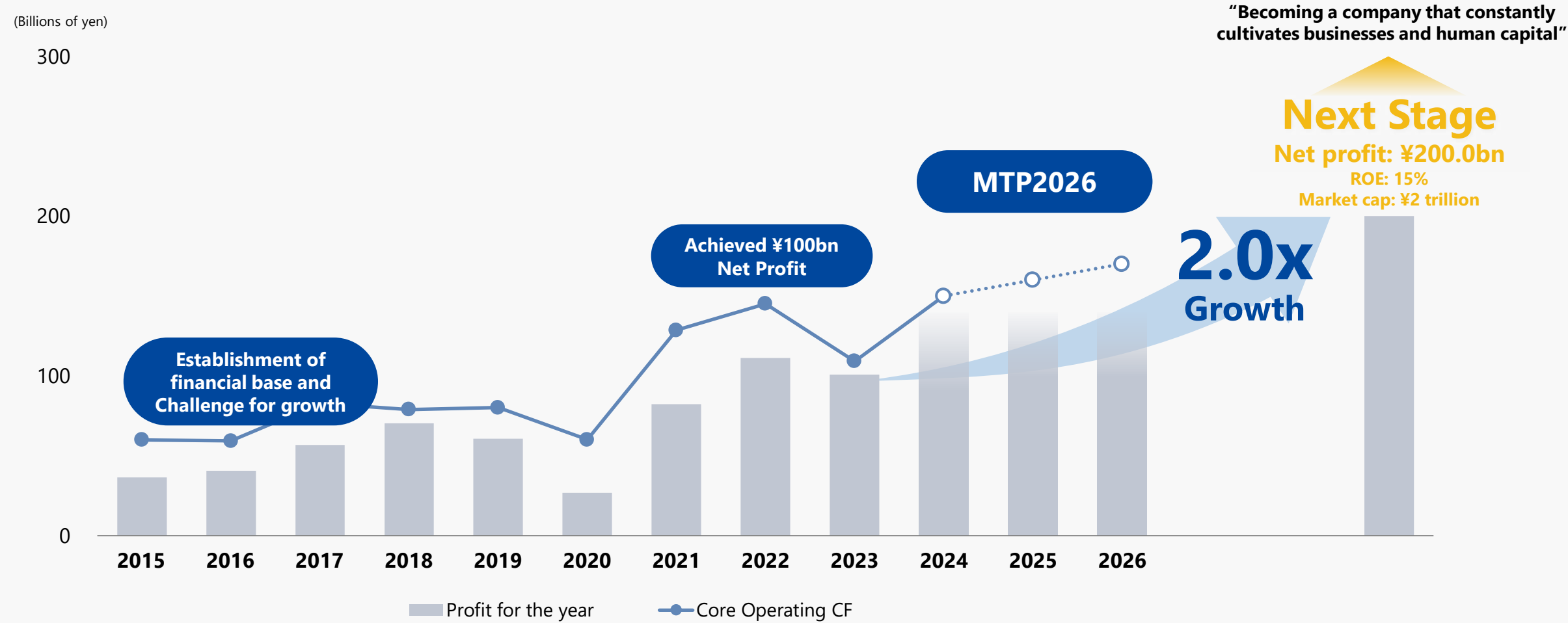
## - Start of the Next Decade -

Transformation of business portfolio for sustainable value creation, and  
challenges for “New way and New value”

\* “**Katamari**” is the Japanese word for business cluster. In this context, it refers to a business (or business cluster) generating a significant profit. Sojitz aims to form many “Katamari”, each of which comprises a large portion of the Sojitz Group portfolio.

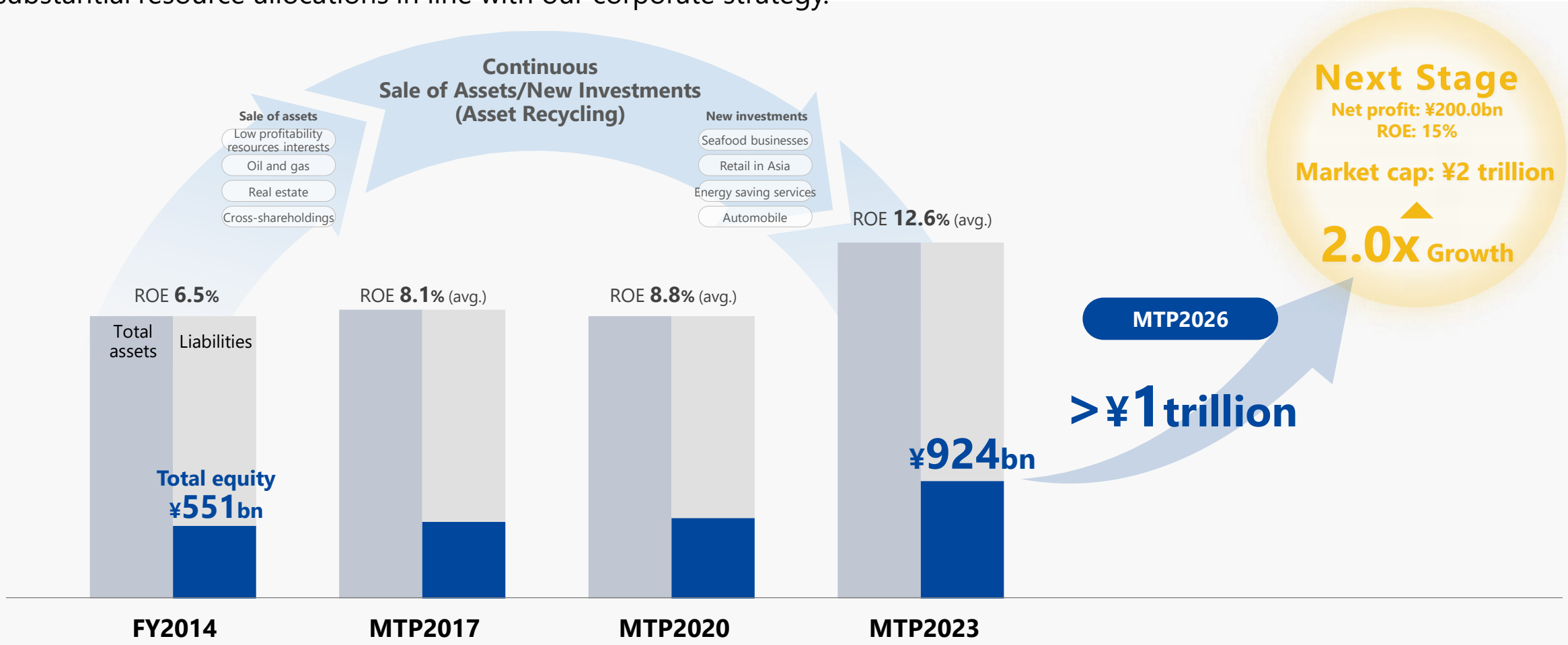
# Positioning of MTP2026 (Set for Next Stage)

- Profitability has steadily improved except during the COVID-19 pandemic period. We have enhanced our value creation and value-up capabilities and are making new investments to drive further growth.
- Aiming to form many “**Katamari**” under MTP2026 by enhancing existing businesses and continuously making new investments.



# Positioning of MTP2026 (Set for Next Stage)

- Achieve improvement in ROE and quality of equity capital by focusing on balance sheet optimization, without a significant expansion of total assets up to MTP2023.
- Aim to **double corporate value** by continuing efforts in asset recycling and profitability improvement, and by making substantial resource allocations in line with our corporate strategy.



Investment and  
Financial Discipline

Investment plan  
**> ¥600.0bn**

with maintaining  
financial discipline

Financial Targets  
(3-year avg.)

**ROE > 12%**  
**Net profit**  
**> ¥120.0bn**

Shareholder Returns

Approx. **30%** of  
**Core operating CF (3-year total)**  
is allocated to shareholder returns

- **Progressive dividend**  
4.5% of **Shareholder's equity**
- **Flexible Share repurchase**  
in case of surplus cash flow

➡ MTP2023 EPS: ¥428/share (3-year avg.)    ➡➡➡ **MTP2026 EPS: ¥570/share** (3 years avg.)

vs. MTP2023 **Annualized rate: +10% growth**



## MTP2026

We will realize the **Sojitz Growth Story** by leveraging our unique strengths and competitive edge.

**Maximize earnings power by refining existing businesses**

**Form “Katamari” to connect the dots of our businesses under our growth strategy**

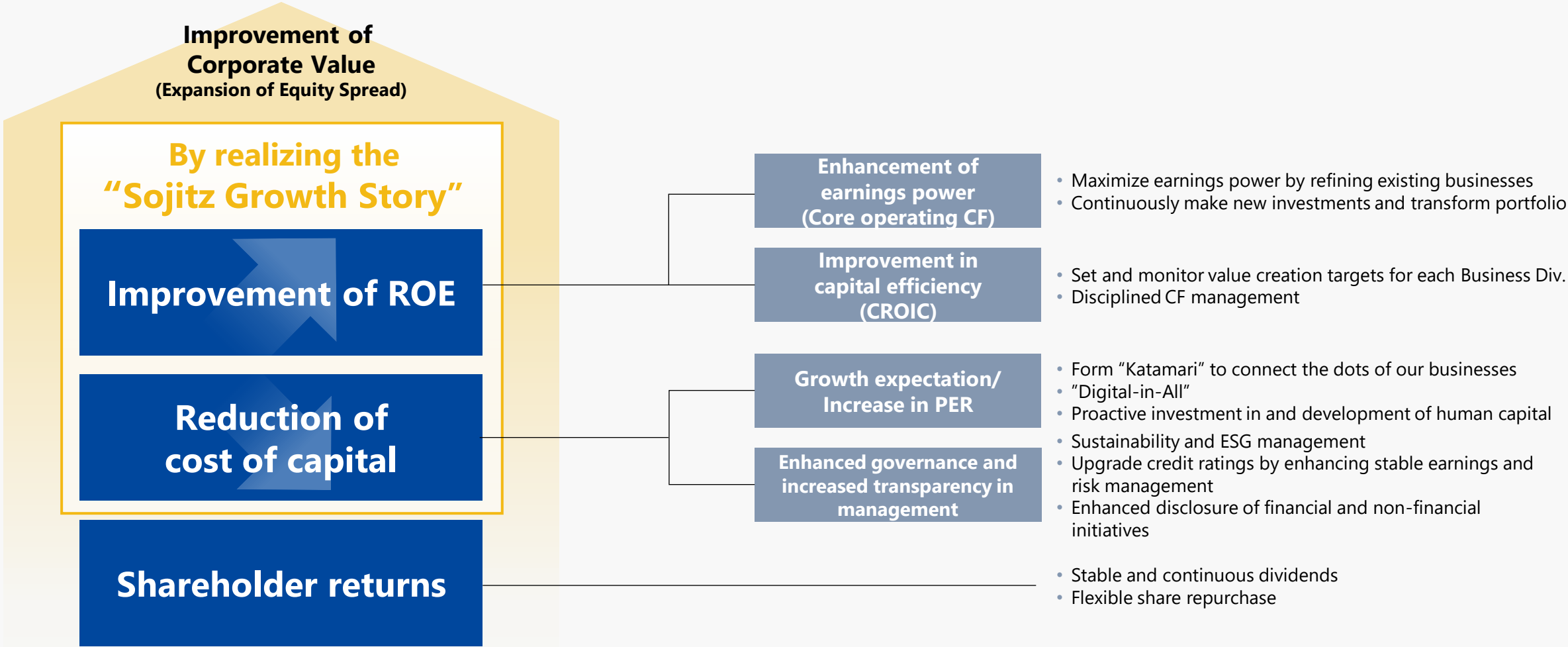
**Proactive investment in and development of human capital  
(value creation and value-up capabilities)**

**Value creation through the power of digital technologies (“Digital-in-All”)**

**Sustainability and ESG management**

**Continuing MTP2023**

- Continuing MTP2026 to commit to improve our corporate value with aim to **increase PER** by realizing the “Sojitz Growth Story.” Consequently, PBR will be consistently maintained above 1.0x and further improvement will be achieved.



Sojitz's business creation DNA has been passed down for generations.

Future  
Forecasting

Innovative  
Transformation

Challenge-taking  
Spirit

Delivering goods and services where there is a need

2004  
Sojitz  
Est.

Foundation / Industrial revolution period in Japan

Post-war reconstruction - Rapid economic growth period in Japan

Acceleration of globalization

- ▶ Led Japan's largest industry, the textile industry
- ▶ Founded various manufacturing businesses
- ▶ Recorded sales equivalent to 10% of Japan's GNP

- ▶ Pioneer in importing iron ore from Brazil
- ▶ Supported the growth of NIKE Inc.
- ▶ Japan's largest LNG introduction project
- ▶ Founded Orient Leasing (now ORIX)

- ▶ Japanese agent of Boeing's commercial aircraft
- ▶ First liaison office in Vietnam for Japanese company
- ▶ Founded NIFTY in the early days of IT
- ▶ Became No.1 publicly owned fertilizer group in Asia

- ▶ First Japanese hospital PPP PJ in Turkey
- ▶ Received orders of Western DFC PJ in India
- ▶ Expansion of domestic retail business (Royal HD/JALUX)
- ▶ Became coal mining operator

# Our Competitiveness – Sojitz’s Unique Identity

- Redefine Sojitz’s unique capabilities, strengths, and competitive edge and continue MTP2023’s “Market-in Approach,” “Co-creation and Sharing,” “Leveraging Speed,” and “Corporate and Employee Transformation.”
- Achieve sustainable growth by constantly evolving the unique capabilities and strengths derived from Sojitz’s DNA.

## Sojitz’s DNA

Future Forecasting

Innovative Transformation

Challenge-taking Spirit

### Leveraging Speed

- ▶ Flat org-structure, well-connected teams and decision-making speed
- ▶ Power of future forecasting and innovative transformation

### Co-creation & Sharing

- ▶ Alignment through shared Group Statement, philosophy, and a culture of an "All-for-One Company"
- ▶ Ability to think beyond regions, industries, and organizations

### Market-in Approach “Glocal”

- ▶ Business expansion based on needs: "Think Globally, Act Locally"
- ▶ Global network of bases and access to a wide range of industries/sectors

### Partnerships

- ▶ Ability of business development with the best partners
- ▶ Relationships with partners built up through many years of business activities

### Human Capital

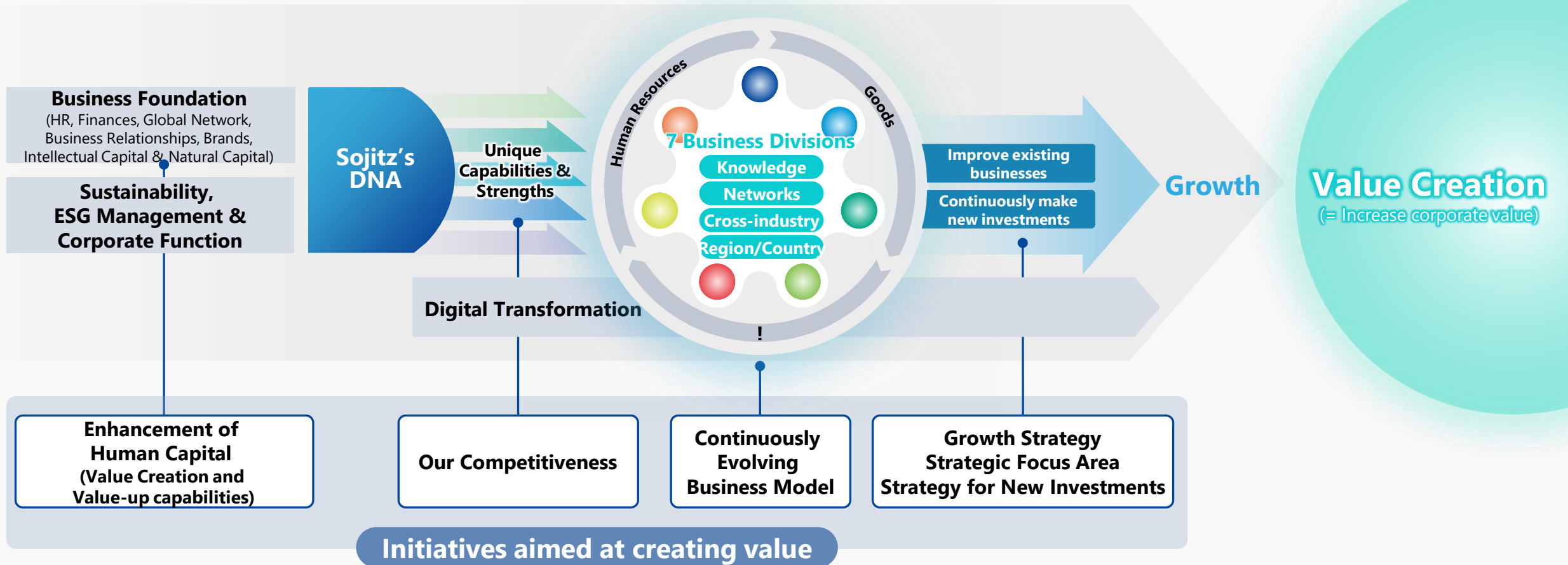
- ▶ Self-directed talent with diverse skills and experiences
- ▶ Organization and culture that maximize the potential of each individual
- ▶ Corporate and Employee Transformation

## Sojitz’s Unique Identity

# Value Creation Process

- Achieving our mission of “Delivering goods and services where there is a need,” by integrating human resources, goods, and ideas (“!”) across regions/countries, industries, and company organization based on our business foundation.
- Realizing value creation by responding to market needs and social issues.

## Delivering goods and services where there is a need



# "KATI" Model – Growth Strategy

- The **"KATI" model** is a concept/shared tool to execute advanced growth strategies while pursuing competitive advantages and unique capabilities.
- We strive to prioritize enhancing existing businesses in the following "K," "A" and "T" dimensions, focusing on building business **"Katamari"** under MTP2026.

## "KATI" Model

K

atamari

A

ddition

T

ransformation

I

nnovation

"Katamari"

Strengthening existing businesses/markets in which we have knowledge and a demonstrated track record to form "Katamari"

Addition

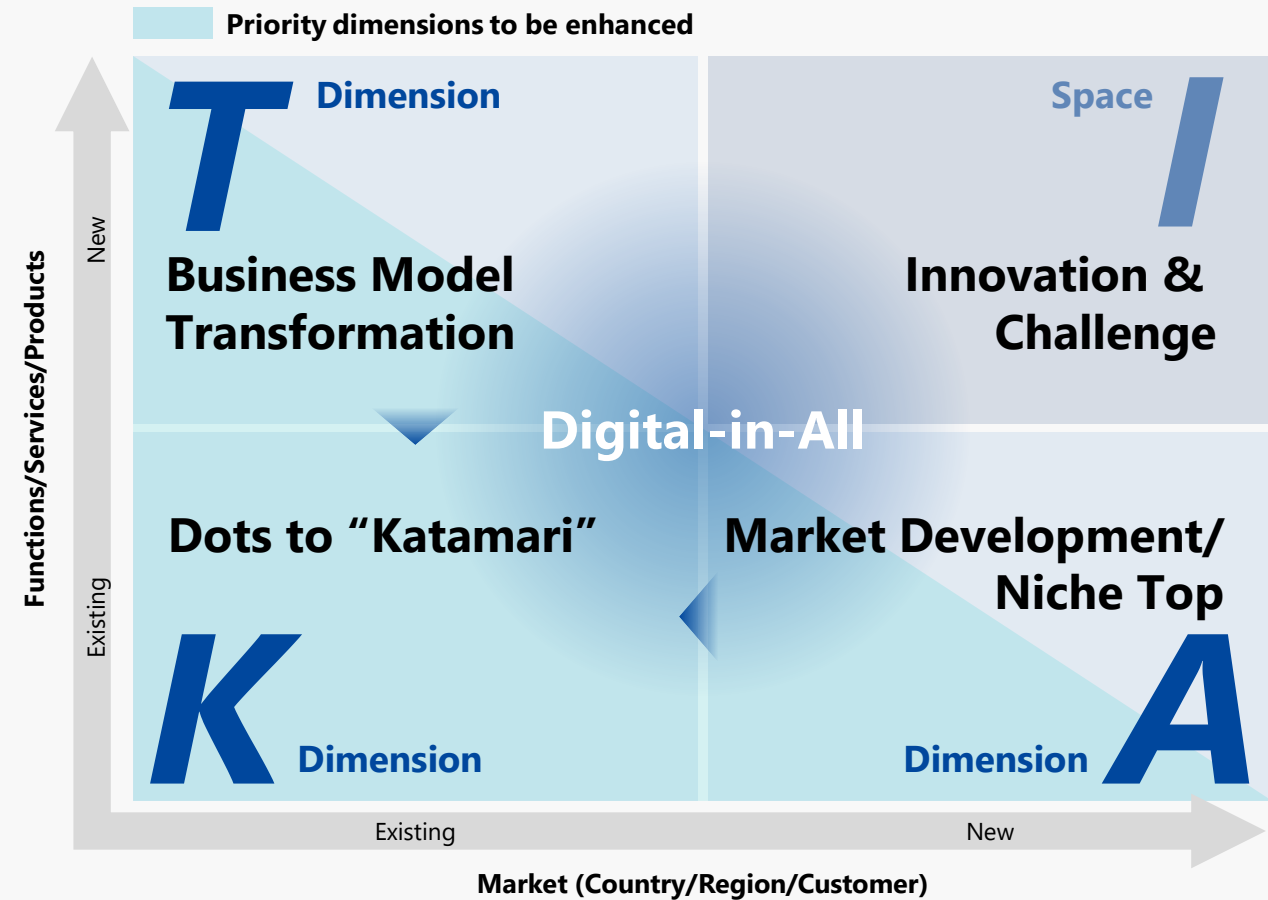
Expanding into new markets by leveraging knowledge from existing businesses

Transformation

Transforming business models and/or developing new services and functions

Innovation

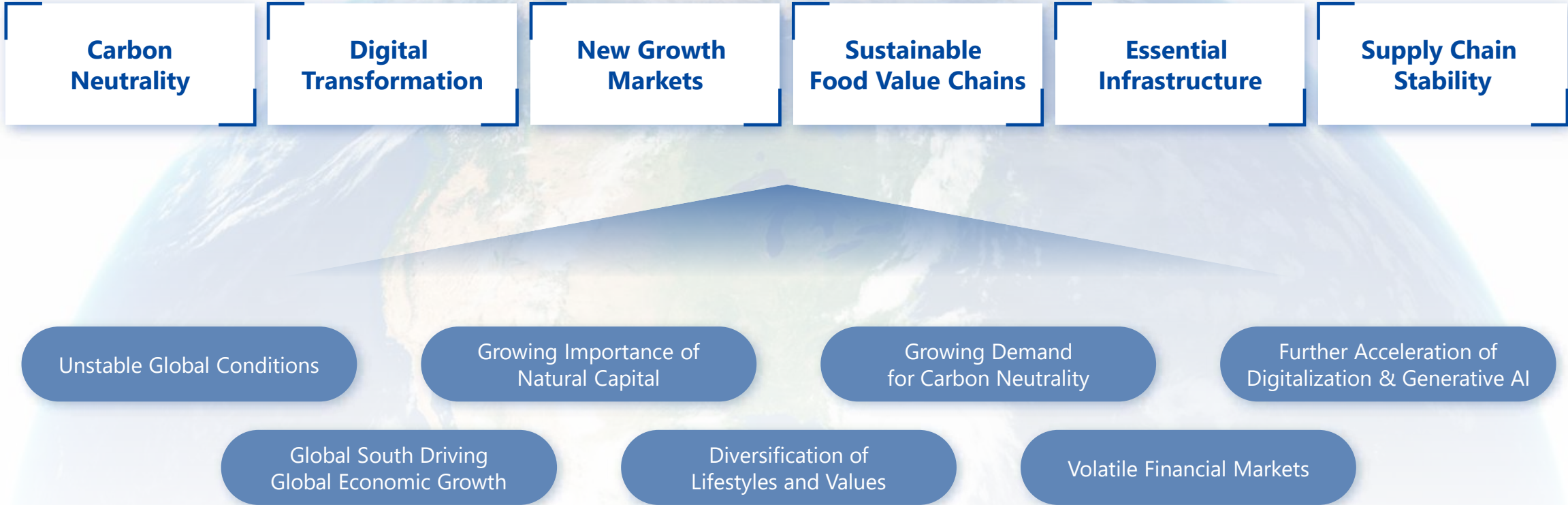
Taking on challenges to create innovative businesses for long-term growth





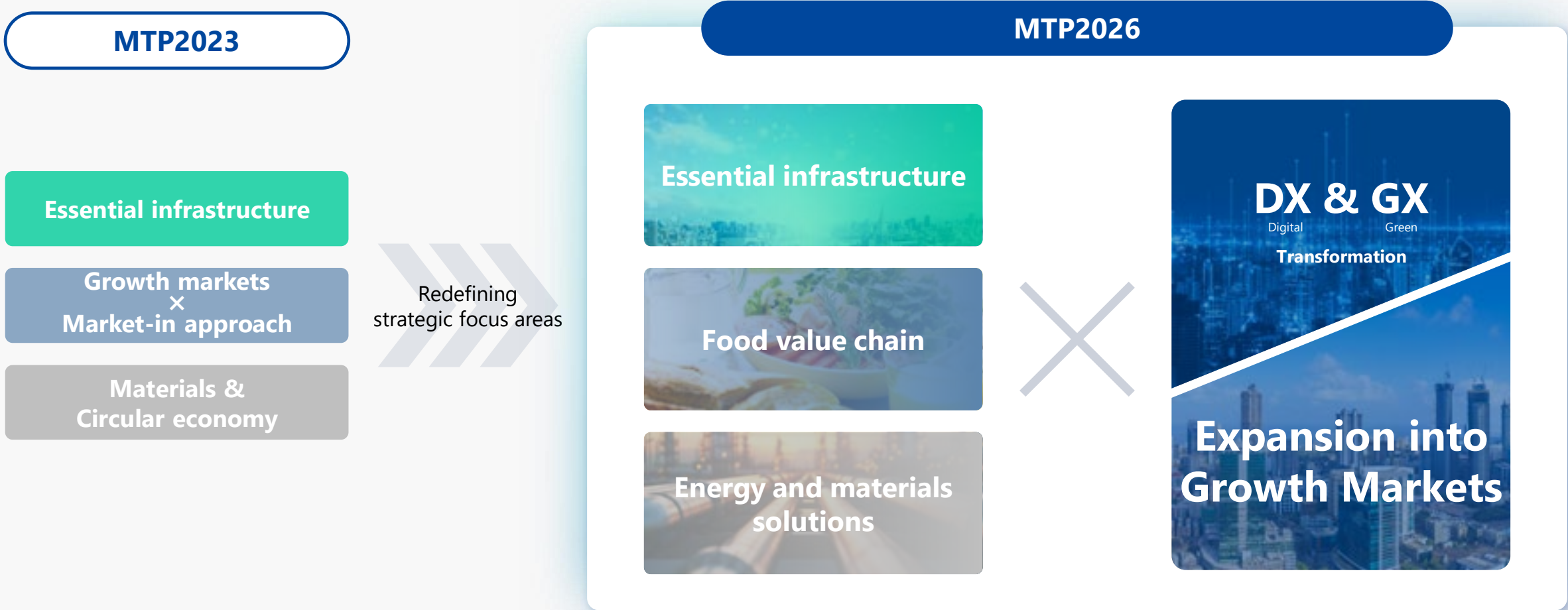
For Realizing Our Vision for 2030

# Sojitz's Business Themes



# Strategic Focus Areas

- Redefining strategic focus areas based on changes in the external environment, our corporate advantages, past performance, and progress of strategic focus areas defined in MTP2023, with the addition of DX & GX.
- Concentrating on allocating resources to fields where we can further leverage our strengths and meet market needs.

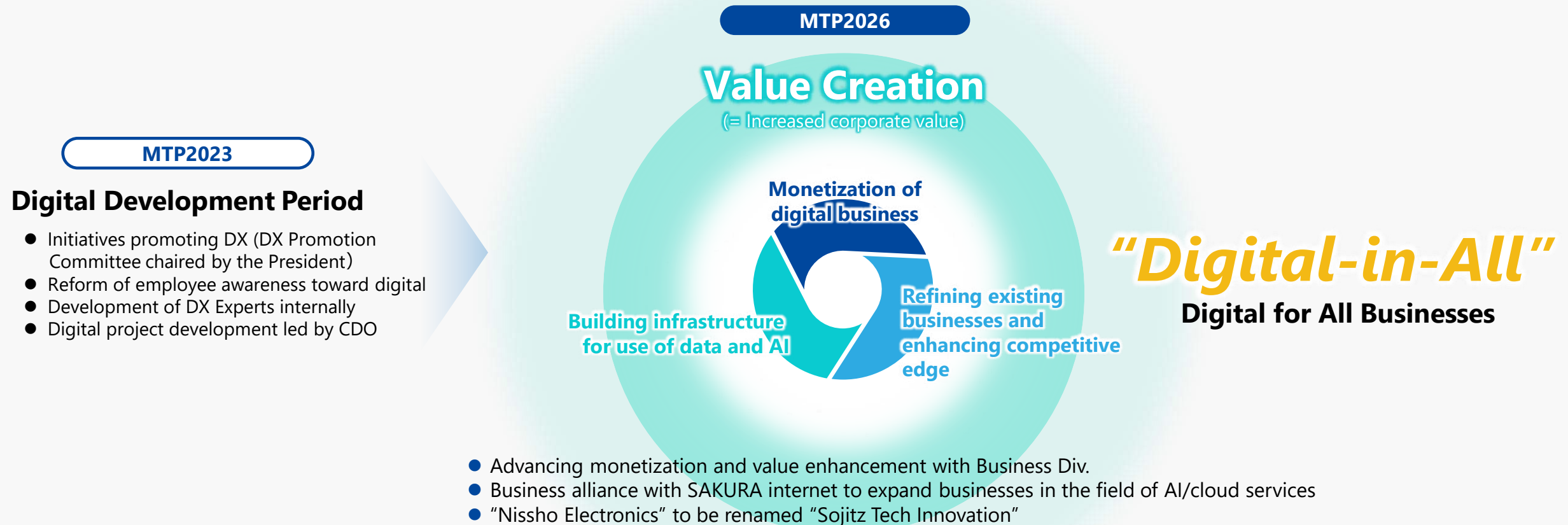




## DX (Digital Transformation)

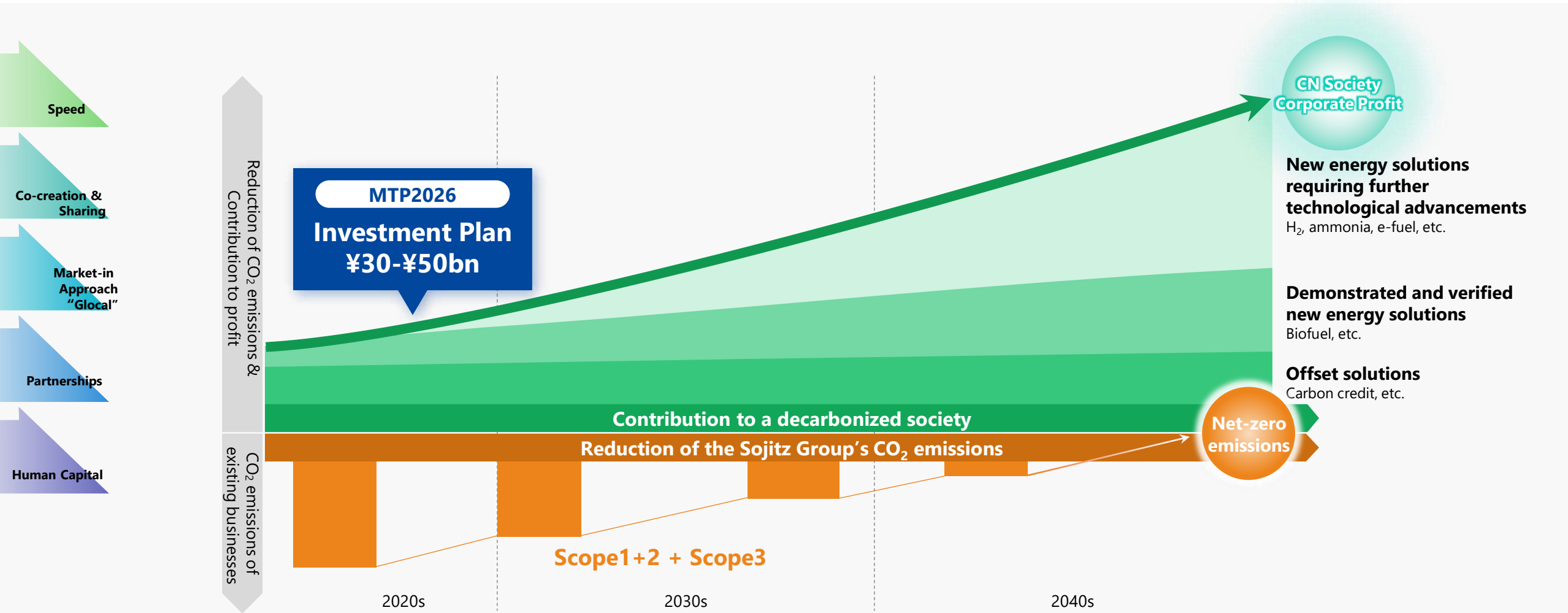
To create value through the power of digital technologies, we will realize **"Digital-in-All"** (Digital for All Businesses) under MTP2026 after the digital development period under MTP2023.

- Refining existing businesses and enhancing competitive edge through power of technologies and use of data.
- Monetization of digital businesses.



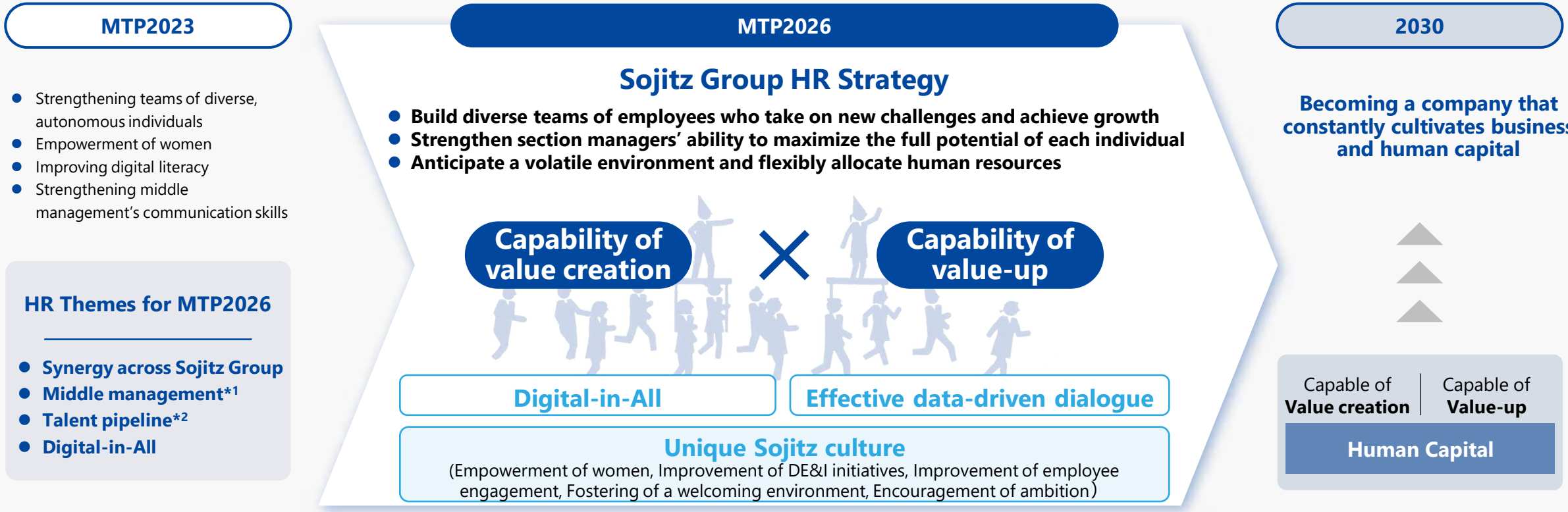
# GX (Green Transformation)

- Accelerating the initiatives toward our decarbonization goals under the “Sustainability Challenge,” our long-term vision for 2050.
- Closely monitoring technologies in the GX field and the pace of their adoption in society to achieve both a **carbon-neutral (CN) society** and **corporate profit** by providing the best solutions to each stage of the GX process.



# Human Resources Strategy - Leading Value Creation and Value-up

- Continuing to create synergy between business strategy and human resources (HR) strategy. We aim to continuously develop **talent capable of leading value creation and value-up** under MTP2026 to realize the “Sojitz Growth Story.”
- Planning to set up an incentive program in stock or cash for awarding employees upon achievement of MTP2026 to accelerate the improvement of corporate value under MTP2026.



## Sojitz' Unique Identity

\*1 "Middle management" is defined as section managers and candidates at HQ and employees in key positions at overseas bases and Group companies. Connect individual growth to company growth through dialogue.

\*2 Employees developed through strategic allocation for increasing value of existing businesses and creating new businesses.

# The Sojitz Growth Story: Capturing Growth Markets

- Capture the consumer goods value chain in Vietnam, where we have strengths, by expanding our business fields from the consumer goods distribution business to grow into the manufacturing and retail sectors.
- Beyond Vietnam, aiming to **capture other growth markets** by delivering goods and services where there is a need.



# The Sojitz Growth Story: Ever-evolving Business Models

- Contributing to securing and providing a stable supply of materials, resources, energy, and food that meet social needs through a **market-in approach**.
- Evolving our businesses in response to the social needs of the times, we have **transformed** from the upstream/heavy industry businesses to a business model providing functions geared toward the market and customer needs in each region/country.

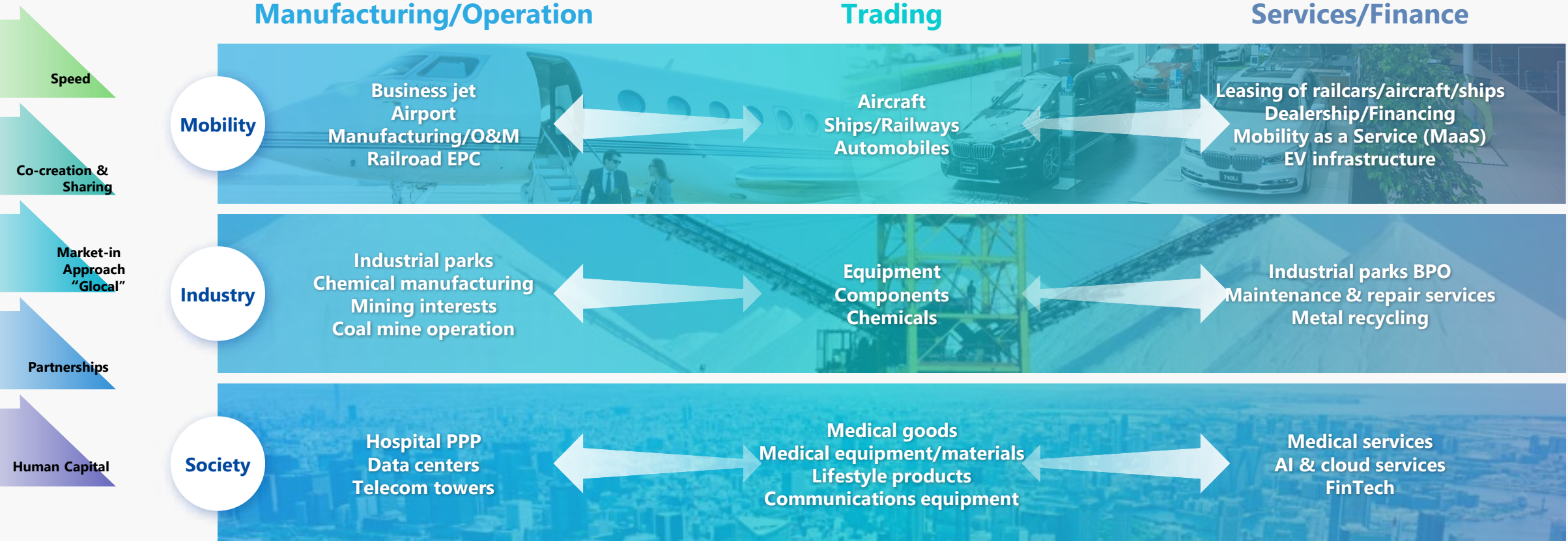


**Continuing to evolve our portfolio and solutions through future forecasting of customer and market needs**



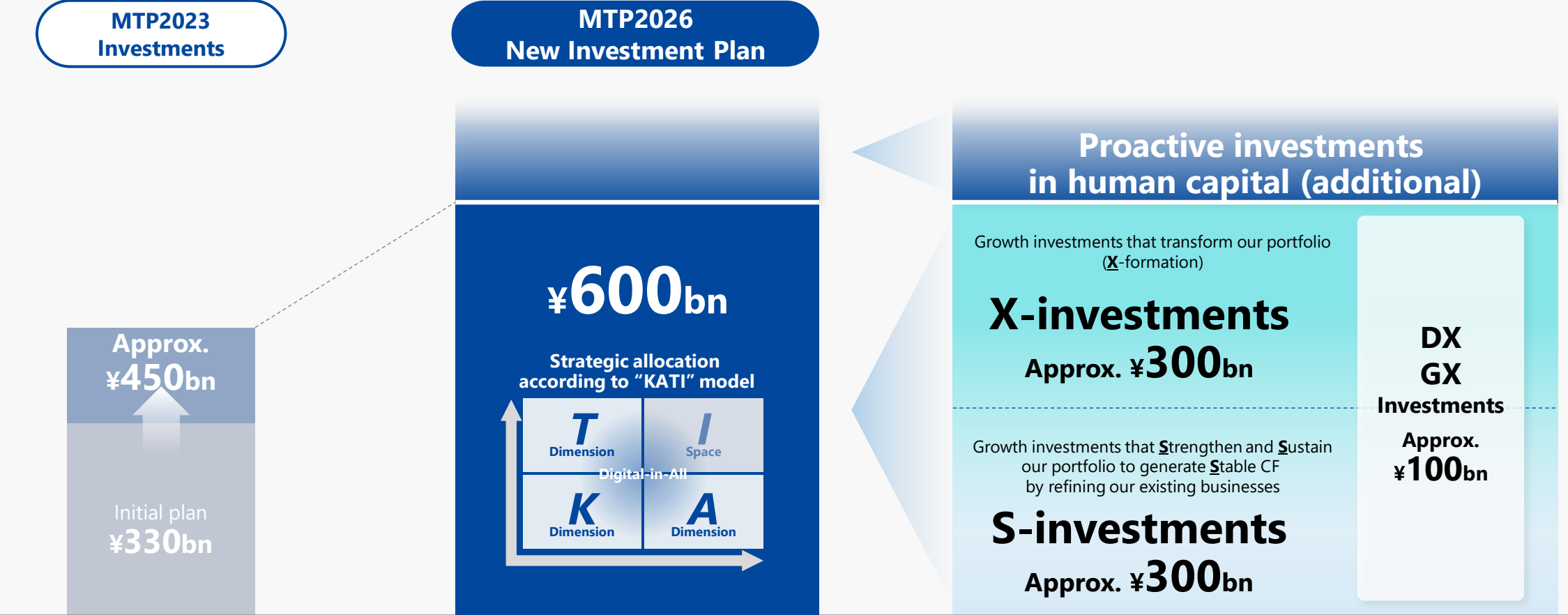
# The Sojitz Growth Story: Optimizing the Value Chain Portfolio

- The smile curve has been growing steeper, indicating a shift in the source of added value within the value chain toward the upstream and downstream segments.
- **Expanding our presence in the upstream and downstream segments** by leveraging our unique strengths and competitive edge built through core businesses.



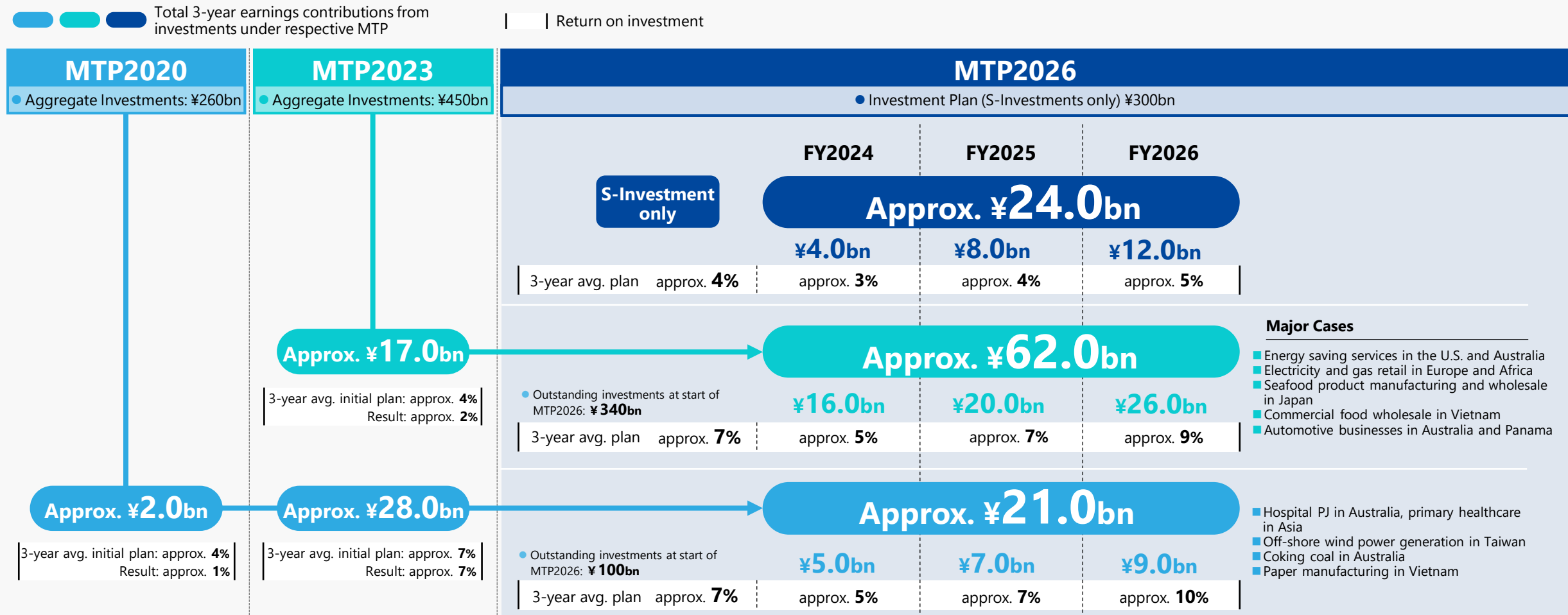
**Maximize added value by expanding our businesses beyond existing frameworks**

- Make **aggressive growth investments (¥600bn)** and **investments in human capital (additional)** to reach the Next Stage.
- Growth investments transforming our portfolio (X-investments) will be executed with a scale of **¥50bn** and sufficient profitability.



# Investment Contributions

- New investments under MTP2026 will be made according to the “KATI” model and are targeted to create earnings as follows.
- Further improvement in the profitability of the investments made under MTP2020/2023 through continued enhancement of value-up capabilities.

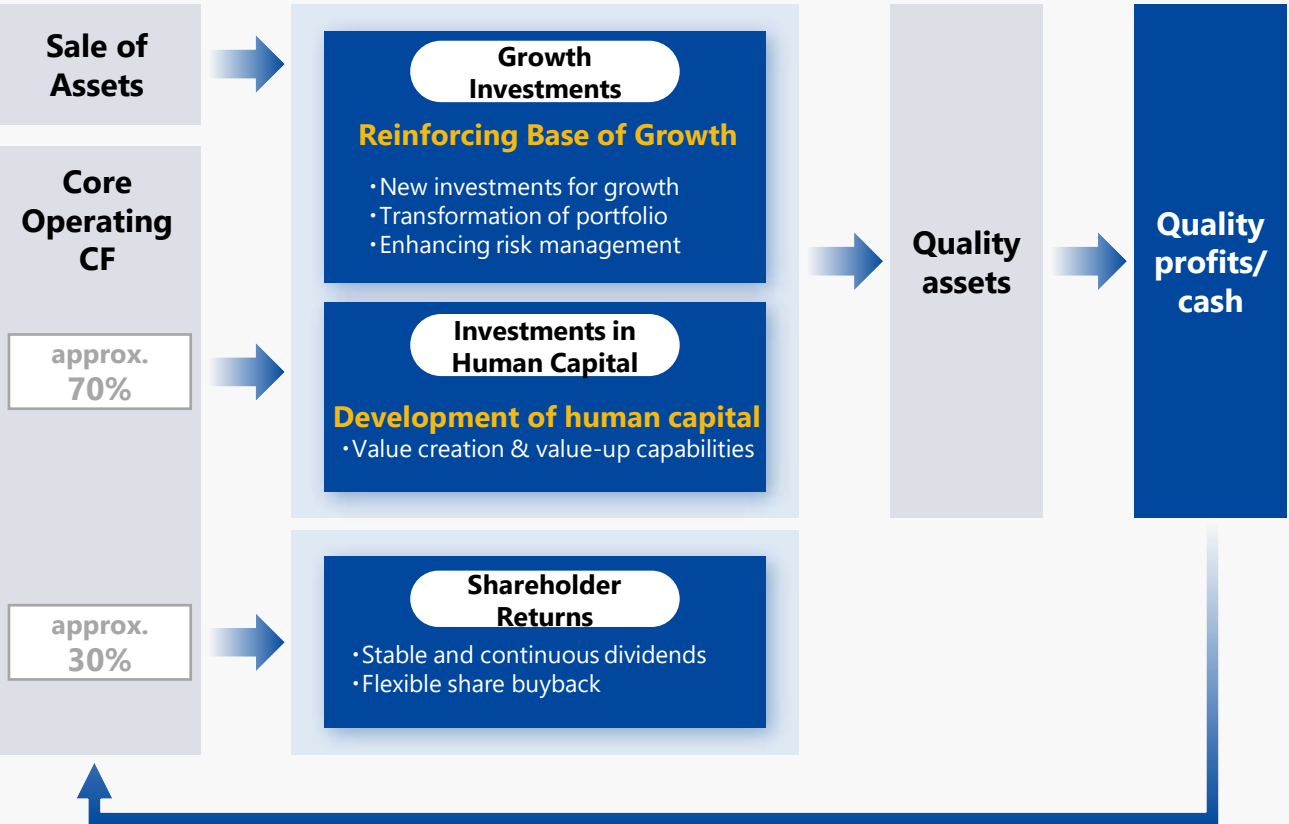




# Cash Flow Management

- Cash flow management: Implementing growth/human capital investments and shareholder returns aimed at further growth by using the cash generated from our businesses and the proceeds from sale of assets as a source of funds.
- Cash allocation policy: Allocating **approx. 70%** of the core operating CF to **growth/human capital investments** and **approx. 30%** to **shareholder returns**.

## Cash Flow Management



	MTP2023 3-year total (FY2021–FY2023)	MTP2026 3-year forecast total (FY2024 – FY2026)
Core operating CF	¥385.0bn	¥450.0bn
Sale of assets (investment recovery)	¥280.0bn	¥180.0bn
New investments	¥(450.0)bn	¥(600.0)bn
Capex and others	-	¥(40.0)bn
Shareholder returns	¥(130.0)bn	¥(130.0)bn
Core CF	¥85.0bn	¥(140.0)bn
Carryforward from the previous MTP	¥55.0bn	¥140.0bn
Cash balance	¥140.0bn	Positive

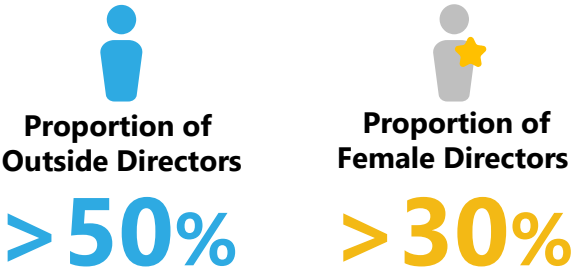
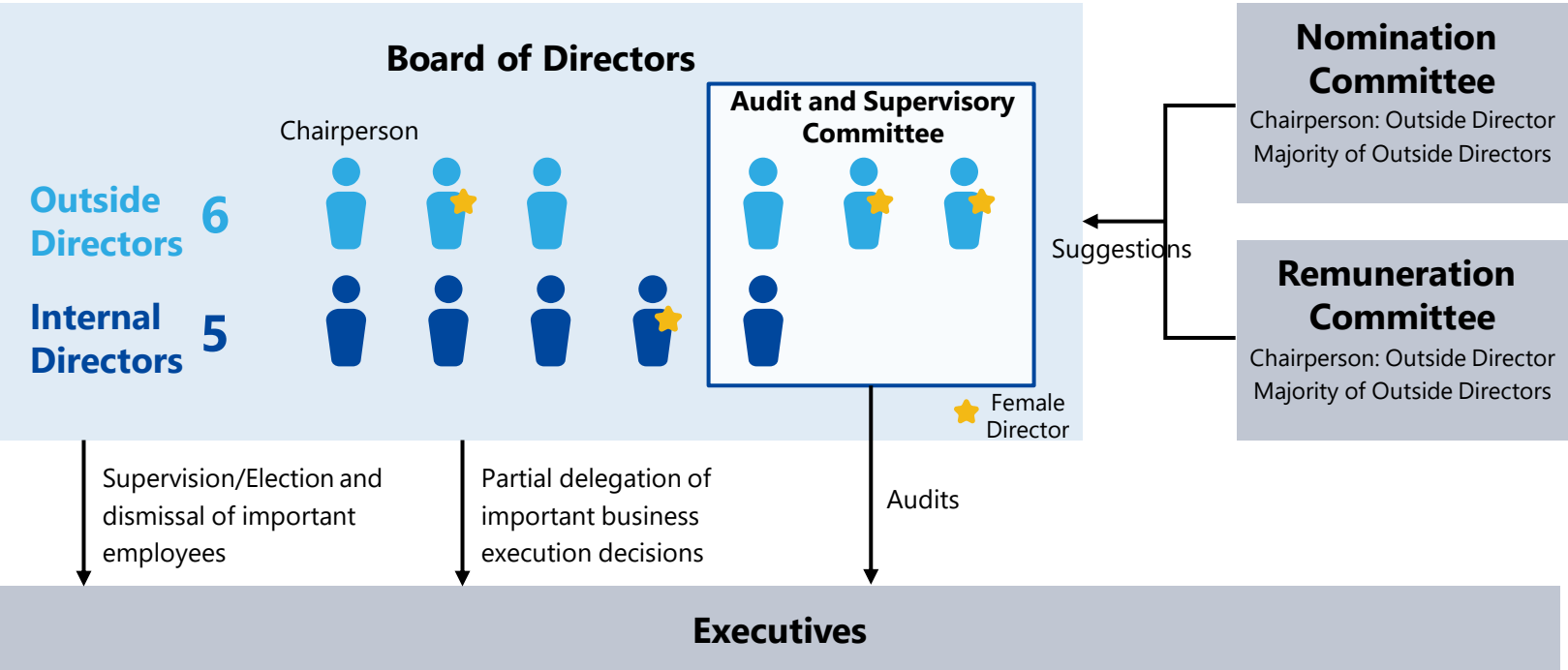
- Financial targets, including ROE, were achieved during MTP2023.
- For MTP2026, **setting CROIC value creation targets** which each division shall aim to achieve to reach the Next Stage (ROE of 15%).



CROIC for each Business Div.	MTP2026 Value creation target	MTP2023 Results 3-year avg. (Final Year)	Assumptions
Automotive	8.0%	8.0% (5.5%)	Maintaining the same level of CROIC as under MTP2023 by improving the capital efficiency of existing businesses and making new investments with high profitability.
Aerospace, Transportation & Infrastructure	6.0%	4.9% (5.4%)	Setting a slightly lower CROIC due to the temporary capital needs required from the trading business of aviation while it serves as a cash-generative business and has a low risk of capital recovery.
Energy Solution & Healthcare	4.0%	2.6% (2.8%)	Capital efficiency fluctuates significantly depending on the phase of asset recycling. MTP2026 assumes a target increase based on the continuity of new investments, improvement of capital efficiency of existing businesses, and cash generation through asset recycling.
Metals, Mineral Resources & Recycling	15.0%	15.1% (14.3%)	Factoring in the stabilized market forecast, MTP2026 aims to build market resilience and a stable revenue base by improving the capital efficiency of each business, maintaining the same level of CROIC as under MTP2023.
Chemicals	10.0%	10.6% (10.3%)	CROIC remains stably high due to capital-efficient businesses. While new investments are planned to be made under MTP2026, further improvements in existing businesses will maintain a similar CROIC as under MTP2023.
Consumer Industry & Agriculture Business	10.0%	8.9% (8.9%)	Raising the CROIC target based on the increase in profits in the overseas fertilizer business and the improvements of capital efficiency in other Southeast Asia operations.
Retail & Consumer Service	6.0%	3.1% (4.5%)	Under MTP2023, the division executed sales of assets and new investments in areas expected to grow. Under MTP2026, the CROIC target is raised based on the assumption that the capital efficiency of investments will improve, including investments in the Southeast Asia retail businesses and in the domestic retail business executed.

Strengthening the supervisory function of the Board of Directors and speeding up decision-making by promoting the delegation of authority

Achievement of sustainable growth through enhancement of the quality and speed of management decision-making



The Chairperson of the Board of Directors is an Independent Outside Director.

We maintain sound management practices and the continued enhancement of corporate value by strengthening our internal control system and risk management practices, by ensuring the effectiveness of monitoring and auditing conducted by the Board of Directors and the Audit and Supervisory Committee.

※ To be resolved at the Ordinary General Shareholders' Meeting scheduled for June 2024

Approx. **30%** of **core operating CF (3-year total)** is allocated **to shareholder returns**.

Dividend Policy

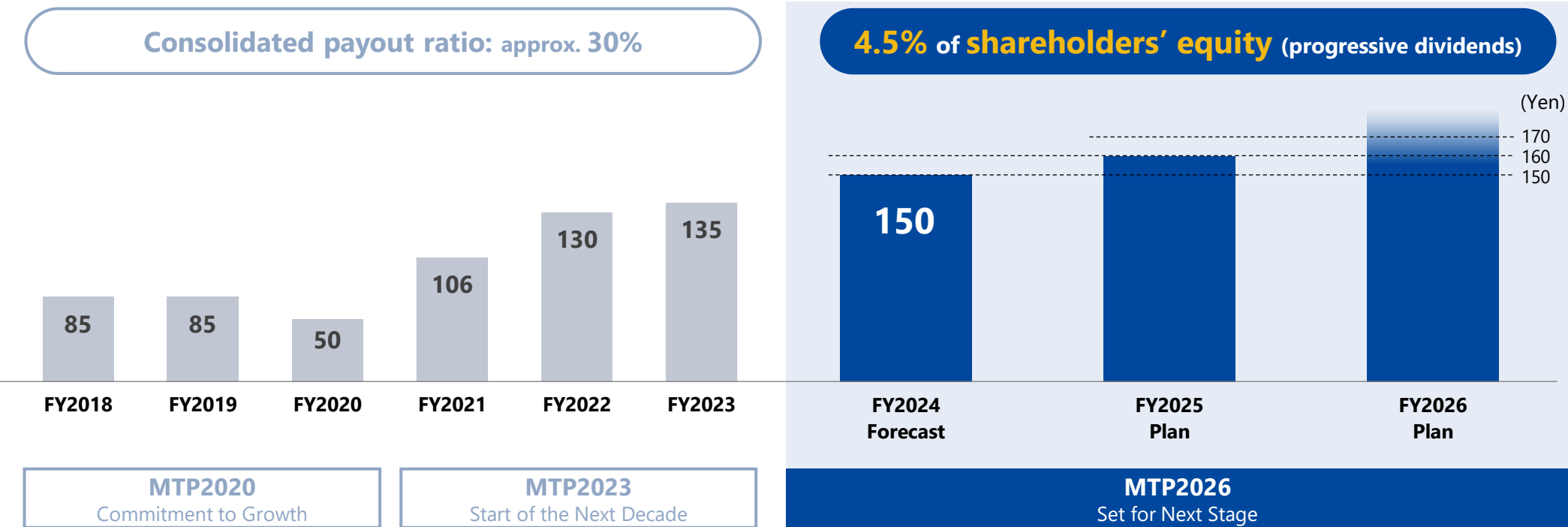
- Distributing **4.5% of shareholders' equity** to achieve stable and continuous dividends, minimizing the impact of market volatility factors.
- The framework for progressive dividends increases as long as the accumulation of shareholder equity from net profit exceeds the reduction in shareholders' equity due to shareholder returns.

Share Repurchase

- **Share repurchase** will be executed **flexibly** according to the cash flow management policy.

Dividend Amount per Share

Consolidated payout ratio: approx. 30%



Shareholders' equity: Equity capital, excluding other components of equity  
Shareholders' equity DOE: Dividend payout ratio to shareholders' equity

## Business Performance Forecast

Gross profit	¥360.0bn
Selling, general and administrative expenses	¥(260.0)bn
Share of profit (loss) of investments accounted for using the equity method	¥50.0bn
Profit before tax	¥140.0bn
Profit for the period attributable to owners of the Company	¥110.0bn
Total assets	¥3,100.0bn
Total equity	¥960.0bn
ROE	11.7%
Net DER	0.90

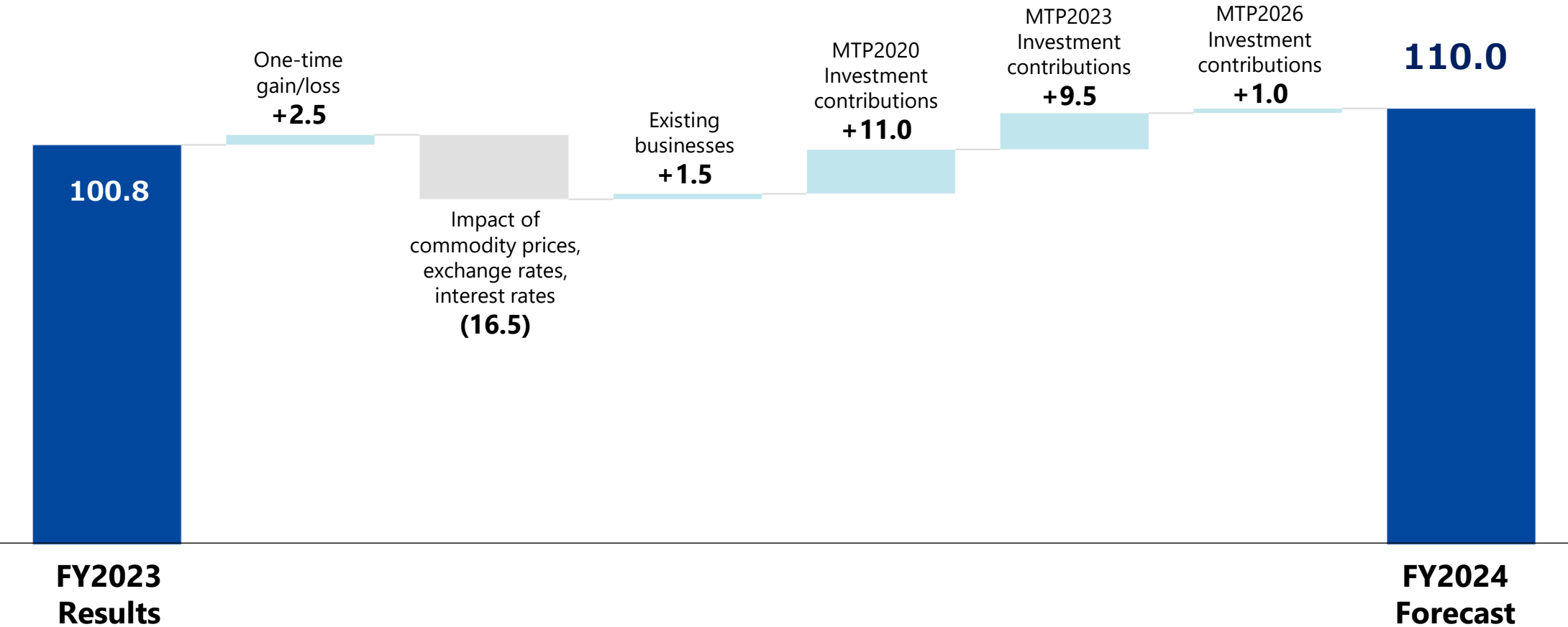
\* Including Energy Transformation Dept. and Digital Business Collaboration Dept.

## Business Divisions – Net Profit

Automotive	¥7.0bn
Aerospace, Transportation & Infrastructure	¥9.0bn
Energy Solution & Healthcare	¥17.0bn
Metals, Mineral Resources & Recycling	¥35.0bn
Chemicals	¥16.0bn
Consumer Industry & Agriculture Business	¥8.0bn
Retail & Consumer Service	¥11.0bn
Others*	¥7.0bn

Profit for the year attributable to owners of the Company

(Unit: Billions of yen)



# Appendix

Automotive

The Division will continue to expand the businesses of distributor, dealership, and auto-finance and optimize its business portfolio in mature and growth markets where the Division has unique strengths and a competitive edge. Furthermore, the Division will form several “Katamari” by strengthening the functions of sales, marketing, digital, and finance, and by creating synergies among Group companies.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥2.3bn	¥7.0bn	¥30.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	8.0%	8.0%	8.0%

Aerospace, Transportation & Infrastructure

The Division will focus on competitive areas such as aerospace, defense, and business jet operations, anticipating high market growth to form several “Katamari.” The Division will enhance the North American Railway businesses and social infrastructure businesses, including airports. In addition, the Division will work toward expanding new markets such as sustainable aviation fuel (SAF) and advanced air mobility underpinned by its business foundation.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥6.1bn	¥9.0bn	¥25.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	4.9%	6.0%	8.0%

\* CROIC value creation targets: The CROIC targets which each Business Div. shall aim to achieve to reach the Next Stage



## Energy Solution & Healthcare

The Division will expand existing businesses and make new investments swiftly based on utilizing our sharpened capability of business development and local networks in the field of essential infrastructure, such as energy and healthcare. The Division can provide optimized solutions to meet customer and market needs in order to form “Katamari” and achieve higher profitability.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥14.0bn	¥17.0bn ...	¥40.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	2.6%	4.0% ...	5.0%

## Metals, Mineral Resources & Recycling

The Division will continue to enhance profitability and market resilience by pursuing cost competitiveness in the existing mineral resources businesses. For new mineral resources businesses, the Division will acquire competitive assets by focusing on unique opportunities. Additionally, by expanding businesses that reduce environmental impact and are less influenced by market conditions, such as the recycling field, we will construct a layered business portfolio.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥43.5bn	¥35.0bn ...	¥50.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	15.1%	15.0% ...	15.0%

## Chemicals

The Division will enhance the trading businesses by forecasting dynamic future changes in the chemical industry so that the Division can create stable profits and enhance market resilience. The Division will deliver eco-friendly products, shifting away from petroleum-derived products, to respond to customer and market needs. Furthermore, the Division will focus on expanding businesses in the fields where it has a competitive edge.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥14.8bn	¥16.0bn ...	¥25.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	10.6%	10.0% ...	12.0%

\* CROIC value creation targets: The CROIC targets which each Business Div. shall aim to achieve to reach the Next Stage

## Consumer Industry & Agriculture Business

The Division will strengthen the competitive advantages and unique capabilities of the fertilizer businesses that its subsidiaries have established as the largest and privately owned companies in Asia, by improving synergy among the Group companies and through the power of digital technologies. In addition to the fertilizer business, the Division will form “Katamari” such as a food value chain to solve issues faced by local communities and society in the field of food.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥7.5bn	¥8.0bn	¥20.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	8.9%	10.0%	12.0%

## Retail & Consumer Service

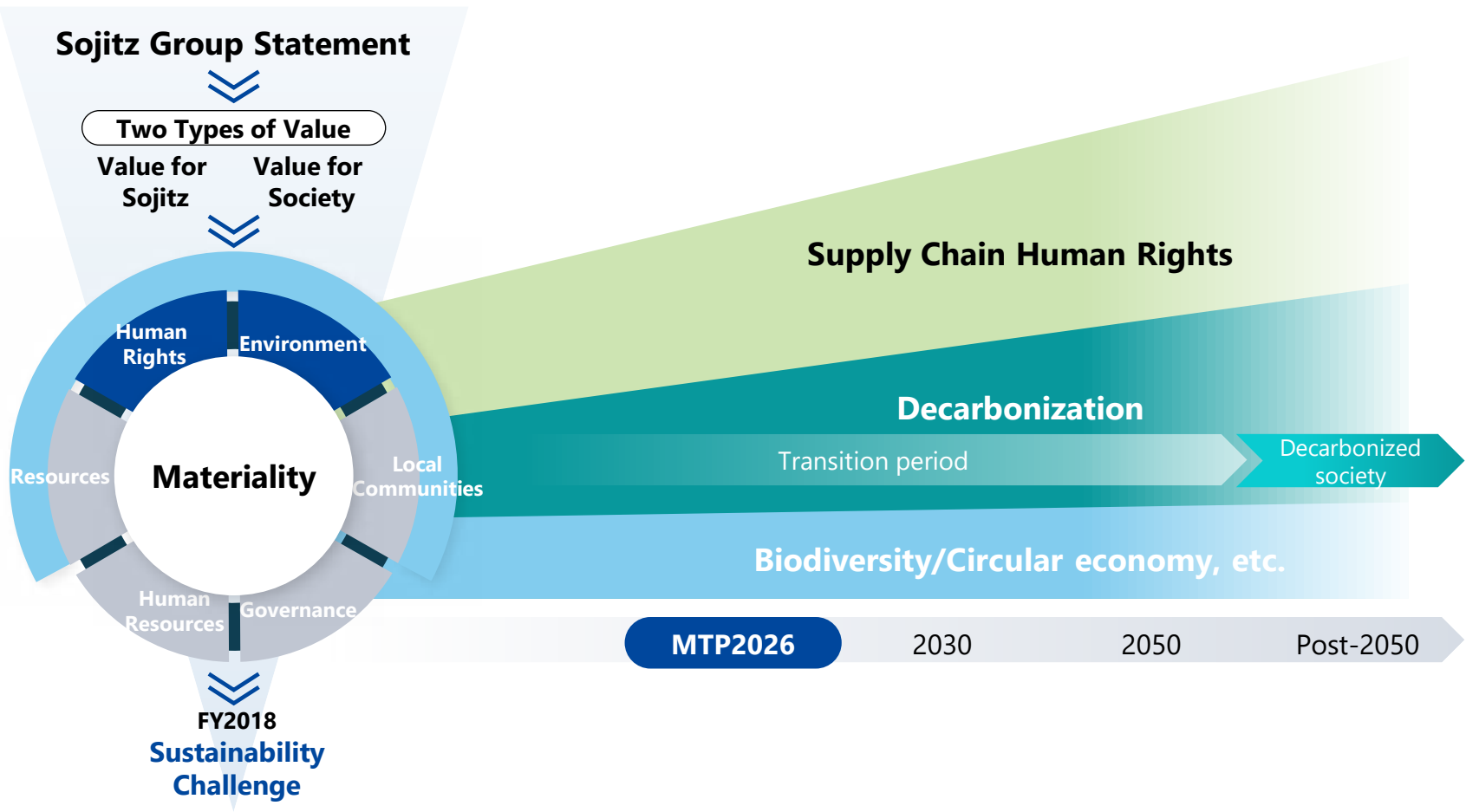
The Division will boost its “selling” and “delivery” capabilities through comprehensive implementation of a market-in approach and streamlining the supply chain. Having captured the consumer goods value chain in Vietnam, the Division will target other growth markets, such as India. Additionally, the Division will concentrate on the value-up of existing businesses including the marine product and meat product businesses.

	FY2023 Results	FY2024 Forecast	Next Stage
Net profit	¥13.1bn	¥11.0bn	¥30.0bn
	MTP2023 3-year avg.	MTP2026 Target	Next Stage
CROIC	3.1%	6.0%	8.0%

\* CROIC value creation targets: The CROIC targets which each Business Div. shall aim to achieve to reach the Next Stage

Sustainability Challenge

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



MTP2026 - Actions

- Human Rights**
- Respect for human rights in expanding business areas
  - Risk assessment of human rights (DD)

- Decarbonization**
- Continue to reduce CO<sub>2</sub> in our businesses
  - Contribute to a decarbonized society

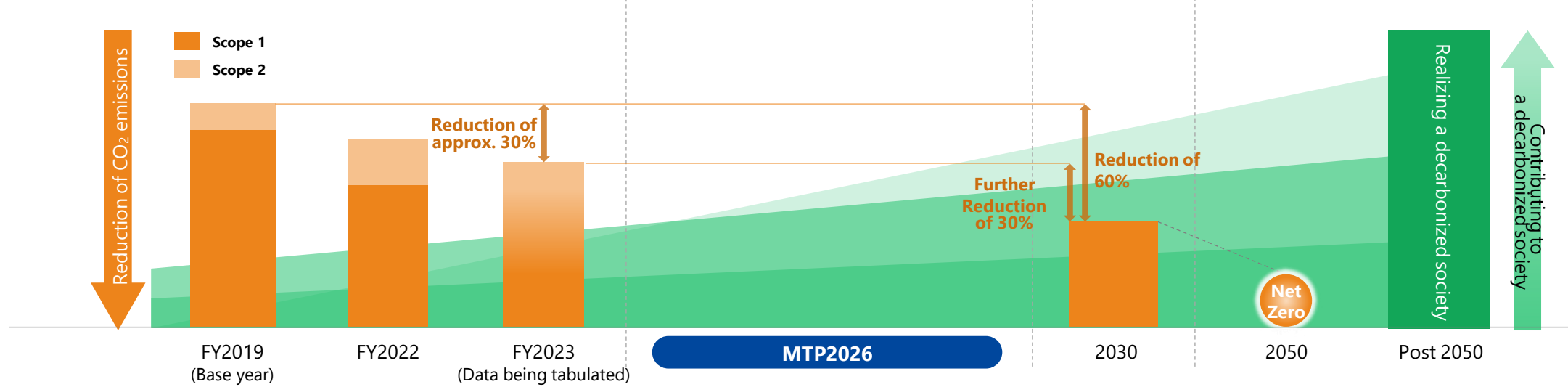
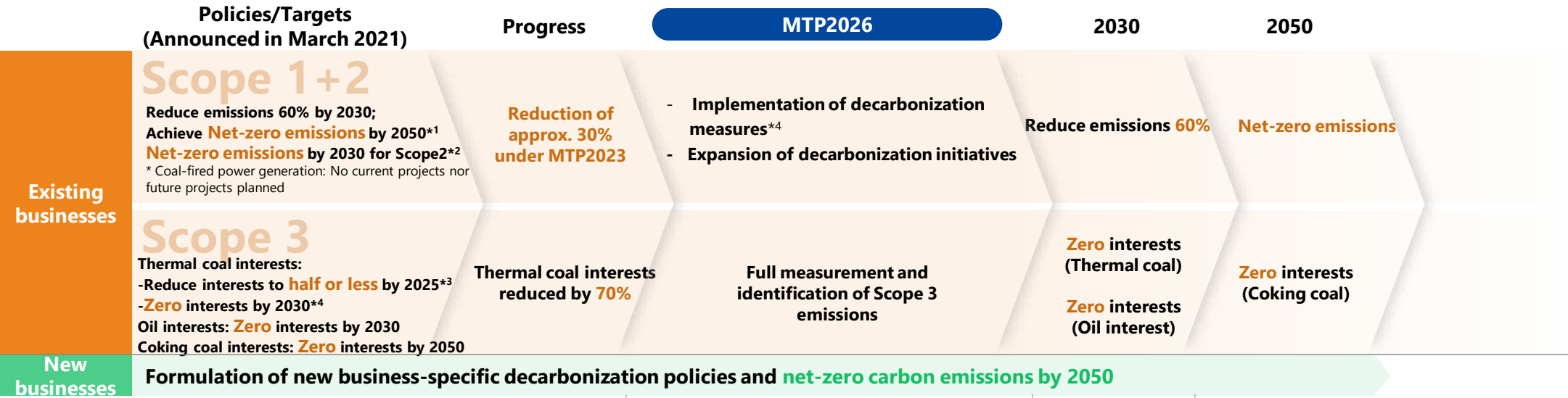
**Biodiversity/Water Risk**

Analysis of dependencies and impacts

**Global Sustainability Trends**

Monitoring and response

# Sustainability Challenge: Policies and Initiatives for Realizing a Decarbonized Society



\*1, 2 FY2019 serves as the base year, with non-consolidated and consolidated subsidiaries included within the scope

\*3 FY2018 serves as the base year, and targets are based on the book value of interest assets

\*4 Promoting decarbonization initiatives, such as renewable energy, energy saving, batteries, and EV/PHV, among Group companies