

## Summary of Consolidated Financial Results for the Third Quarter Ended December 31, 2022 (IFRS)

February 2, 2023

### Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

Company representative: Masayoshi Fujimoto, President & CEO

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

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Scheduled date of delivery of dividends : -

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

### 1. Consolidated Financial Results for the Third Quarter Ended December 31, 2022 (April 1, 2022 - December 31, 2022)

#### (1) Consolidated Operating Results

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

	Revenue		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Company		Total comprehensive income for the period	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
For the third quarter ended December 31, 2022	1,925,323	24.3	145,453	71.2	112,820	73.3	108,731	75.3	157,465	68.8
December 31, 2021	1,548,579	33.5	84,975	252.7	65,087	247.2	62,023	271.0	93,258	313.0

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the third quarter ended December 31, 2022	471.04	471.04
December 31, 2021	264.69	264.69

Note1: Basic earnings per share and Diluted earnings per share are calculated based on Profit for the period attributable to owners of the Company.

Note2: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021. Basic earnings per share for the the third quarter ended December 31, 2021 and Diluted earnings per share for the third quarter ended December 31, 2021 have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

#### (2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company ratio
	Millions of Yen	Millions of Yen	Millions of Yen	%
As of December 31, 2022	2,855,566	890,743	849,162	29.7
March 31, 2022	2,661,680	763,878	728,012	27.4

#### 2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended March 31, 2022	Yen -	Yen 9.00	Yen -	Yen 61.00	Yen -
March 31, 2023	-	65.00	-	-	-
March 31, 2023 (forecast)	-	-	-	65.00	130.00

Note1: Changes in cash dividend forecast : No

Note2: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021.

No figure is displayed for the annual dividend for the year ended March 31, 2022, as an appropriate figure cannot be arrived at through simple addition. If the share consolidation is accounted for, the interim dividend for the year ended March 31, 2022, would be ¥45.00 and annual dividend for the year ended March 31, 2022 would be ¥106.00.

### 3. Consolidated Earnings Forecast for the Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

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, 2023 Full-year	110,000	33.6	476.53

Note1: Changes in full-year earnings forecast : No

Note2: 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) : No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS : No

2. Changes due to other reasons : No

3. Accounting estimate change : No

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

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

As of December 31, 2022 : 250,299,900 As of March 31, 2022: 250,299,900

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

As of December 31, 2022 : 19,472,830 As of March 31, 2022 : 19,470,556

3. Average number of outstanding shares during the periods:

For the third quarter ended December 31, 2022 (accumulative): 230,833,163

For the third quarter ended December 31, 2021 (accumulative): 234,323,167

Note1: The Company conducted a five-for-one share consolidation of shares of common stock effective October 1, 2021. Average number of issued shares during the periods for third quarter ended December 31, 2021 (accumulative) have been calculated based on the assumption that the share consolidation had been conducted on April 1, 2021.

Note2: The Company established the Executive Compensation Board Incentive Plan Trust. The trust account associated with this trust holds shares of the Company's stock, which are treated as treasury shares; 953,699 stocks in the third quarter ended December 31, 2022 and 1,003,203 stocks in the financial year ended March 2022.

\* This summary of consolidated financial results is not subject to quarterly reviews.

\* Important Note Concerning the Appropriate Use of Business Forecasts and other

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

• The company will hold an IR meeting on financial results for the third quarter ended December 31, 2022 for analysts and institutional investors on February 2, 2023. Supplementary materials on financial results, Contents (audio) of the meeting and condensed transcript of Q&A session will be posted on the company's web site immediately after the meeting.

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## 1. Analysis of Business Results

### (1) Overview of the Nine-Month Period Ended December 31, 2022

#### Economic Environment

In the nine-month period ended December 31, 2022, increasingly strong downward pressure was placed on the global economy by factors including Russia's ongoing military invasion of Ukraine, the economic sanctions placed on Russia in response to this act, high inflation, monetary tightening measures instituted on a global scale to address inflation, and the opaque outlook for the Chinese economy. Accordingly, there is a need to carefully monitor factors with the potential to trigger future economic recession, despite the dissipation of the impacts of the COVID-19 pandemic, which is being seen in various countries, with the exception of countries like China.

In the United States, the Federal Reserve Board continues to implement large interest rate hikes, and the latest projections, issued at the December 2022 Federal Open Market Committee meeting, forecast a further increase of 0.75 percentage points to be instituted in 2023. This outlook points to the strong possibility of ongoing interest hikes throughout the first half of 2023. As for the second half of the year, opinions are divided as to whether or not interest rates will be lowered. Meanwhile, slowdown centered on housing and capital investment is causing concern for the possibility of an economic recession occurring during 2023.

In Europe, the European Central Bank is maintaining its policy of aggressive interest rate hikes to stabilize commodity prices, which it has defined as a priority issue, and interest rate increases are expected to continue throughout the first half of 2023. This region also faces concern for negative impacts on a wide range value of chains including the manufacturing industries stemming from adverse conditions in the energy market that are a result of high dependence on crude oil and gas from Russia as this country faces increasingly strict sanctions from the European Union.

The real GDP of China grew by 3.9% year on year in the second quarter of the year ending March 31, 2023, indicating a recovery from the first quarter, when lockdowns resulted in growth of only 0.4%. However, purchasing managers' indexes, key indicators of economic trends, remained below 50. Amid these conditions, the Chinese government announced the relaxation of its zero-COVID strategy on December 7, 2022. However, the later spike in new COVID-19 cases disrupted the economy, and real GDP growth slowed to 2.9% year on year in the third quarter. Nevertheless, it is possible that upward revisions may be instituted to 2023 forecasts should case numbers decline.

In Asia, production and exports continue to recover in conjunction with the resumption of economic activities. At the same time, however, the central banks of Asian countries began raising interest rates in May 2022 to combat the growing costs of imported goods stemming from currency depreciation and the capital outfluxes resulted from interest rate hikes in the United States. These trends are expected to continue in the first half of 2023.

Japan experienced negative growth in its real GDP in the second quarter due to rapid increases in imports and decreases in inventories. The Japanese economy, however, remains firm following a recovery in capital investment. Meanwhile, the Bank of Japan has decided that it will continue its prior monetary easing measures, even amid the global monetary tightening trend. In December 2022, the Bank of Japan implemented measures to expand variability ranges through manipulation of short- and long-term interest rates, thereby succeeding in halting the depreciation of the Japanese yen against the U.S. dollar. Regardless, ongoing caution is required given the potential for the Bank of Japan's measures for transiting away from monetary easing to cause massive fluctuations in dollar-yen exchange rates.

## Financial Performance

Sojitz Corporation's consolidated business results for the nine-month period ended December 31, 2022 are presented below.

Revenue	Revenue was up 24.3% year on year, to ¥1,925,323 million, due to higher revenue in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Chemicals Division, a result of growth in plastic resin transactions; and in the Retail & Consumer Service Division, a result of acquisition of aquaculture food product manufacturing and processing company.
Gross profit	Gross profit was up ¥72,760 million year on year, to ¥263,415 million, due to higher profit in the Metals, Mineral Resources & Recycling Division, a result of higher prices for coal; in the Retail & Consumer Service Division, a result of acquisition of aquaculture food product manufacturing and processing company; in the Chemicals Division, a result of growth in plastic resin transactions.
Profit before tax	Profit before tax was up ¥60,478 million year on year, to ¥145,453 million, as a result of increases in gross profit, despite an increase in selling, general and administrative expenses associated with the acquisition of new consolidated subsidiaries.
Profit for the period	After deducting income tax expenses of ¥32,633 million from profit before tax of ¥145,453 million, profit for the period amounted to ¥112,820 million, up ¥47,733 million year on year. Profit for the period (attributable to owners of the Company) increased ¥46,708 million year on year, to ¥108,731 million.
Comprehensive income for the period	Comprehensive income for the period of ¥157,465 million was recorded, up ¥64,207 million year on year, following an increase in financial assets at fair value through other comprehensive income along with more beneficial foreign currency translation differences for foreign operations. Comprehensive income for the period (attributable to owners of the Company) was ¥150,405 million, an increase of ¥61,492 million year on year.

(In Millions of Yen)

	Fiscal Year 2022 Q3 Results(A)	Fiscal Year 2021 Q3 Results (B)	Difference (A)-(B)	Percentage change (%)
Revenue	1,925,323	1,548,579	376,744	24.3
Gross profit	263,415	190,655	72,760	38.2
Profit before tax	145,453	84,975	60,478	71.2
Profit for the period	112,820	65,087	47,733	73.3
Profit for the period attributable to owners of the Company	108,731	62,023	46,708	75.3
Comprehensive income for the period	157,465	93,258	64,207	68.8

Results for the nine-month period ended December 31, 2022, are summarized by segment below. Effective April 1, 2022, the Company reorganized its Consumer Industry & Agriculture Business and Retail & Consumer Service segments and changed its reporting segment classification method.

#### Automotive

Revenue was up 25.8% year on year, to ¥226,473 million, mainly due to improvement in foreign exchange rate and profitability in overseas automobile operations. Profit for the period (attributable to owners of the Company) rose ¥1,029 million year on year, to ¥6,885 million, as a result of an increase in gross profit.

#### Aerospace & Transportation Project

Revenue was down 9.9% year on year, to ¥51,777 million, mainly due to the lower revenue in aircraft-related transactions. Profit for the period (attributable to owners of the Company) increased ¥2,025 million year on year, to ¥4,360 million, as a result of an increase in gross profit, due to the steady growth in business jet charter and vessels.

#### Infrastructure & Healthcare

Revenue was up 81.4% year on year, to ¥76,305 million, mainly due to the acquisition of energy conservation business in the U.S. Profit for the period (attributable to owners of the Company) increased ¥9,359 million year on year, to ¥12,157 million, due to an increase in gross profit, share of profit of investments accounted for using the equity method in LNG businesses and in other income (expenses) by a partial sale of an overseas telecommunications tower operating company.

#### Metals, Mineral Resources & Recycling

Revenue was up 25.7% year on year, to ¥518,998 million, mainly due to higher prices for coal. Profit for the period (attributable to owners of the Company) increased ¥20,070 million year on year, to ¥48,321 million, as a result of an increase in gross profit.

#### Chemicals

Revenue was up 21.0% year on year, to ¥481,061 million, mainly due to growth in plastic resin transactions. Profit for the period (attributable to owners of the Company) increased ¥3,905 million year on year, to ¥15,131 million, as a result of an increase in gross profit.

#### Consumer Industry & Agriculture Business

Revenue was up 26.2% year on year, to ¥272,629 million, mainly due to higher prices in lumber and fertilizer. Profit for the period (attributable to owners of the Company) increased ¥875 million year on year, to ¥7,438 million, as a result of an increase in gross profit.

#### Retail & Consumer Service

Revenue was up 53.3% year on year, to ¥232,886 million, mainly due to the acquisition of aquaculture food product manufacturing and processing company. Profit for the period (attributable to owners of the Company) increased ¥4,214 million year on year, to ¥7,521 million, due to an increase in gross profit and in other income (expenses) by a sale of a REIT asset management company.

## (2) Financial Position

### Consolidated Balance Sheet

Total assets on December 31, 2022, were ¥ 2,855,566 million, up ¥193,886 million from March 31, 2022, following the increase in trade and other receivables under current assets associated with aircraft-related transactions and coal, an increase in inventories of fertilizer and automobile and an increase in investments accounted for using the equity method following new acquisition and accumulation of share of profit of investments accounted for using the equity method in addition to the impact of yen depreciation.

Total liabilities on December 31, 2022, amounted to ¥1,964,822 million, up ¥67,020 million from March 31, 2022, as results of the increase in trade and other payables under current liabilities associated with tobacco and coal in addition to the impact of yen depreciation.

Total equity attributable to owners of the Company was ¥849,162 million on December 31, 2022, up ¥121,150 million from March 31, 2022. This increase was due to the accumulation of profit for the period (attributable to owners of the Company), and an increase in other components of equity resulted primarily from foreign exchange rate.

Consequently, on December 31, 2022, the current ratio was 165.1%, the long-term debt ratio was 84.2%, and the equity ratio\* was 29.7%. Net interest-bearing debt (total interest-bearing debt less cash and cash equivalents and time deposits) totaled ¥747,970 million on December 31, 2022, down ¥22,321 million from March 31, 2022. This resulted in the Company's net debt equity ratio\* equaling 0.88 times on December 31, 2022.

(\*) 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 nine-month period ended December 31, 2022, 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\$2.275 billion (of which US\$1.079 billion has been used).

### Consolidated Cash Flows

In the nine-month period ended December 31, 2022, operating activities provided net cash flow of ¥127,994 million, investing activities used net cash flow of ¥46,266 million, and financing activities used net cash flow of ¥132,378 million. Sojitz ended the period with cash and cash equivalents of ¥225,642 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 ¥127,994 million, an increase of ¥85,811 million year on year, mainly as a result of business earnings and dividends received.

#### (Cash flows from investing activities)

Net cash used in investing activities totaled ¥46,266 million, down ¥57,937 million year on year, mainly as a result of aircraft-related transactions and office building development project in the Philippines.

#### (Cash flows from financing activities)

Net cash used in financing activities totaled ¥132,378 million, up ¥138,692 million year on year, mainly as a result of repayment of borrowings and dividends paid.

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

#### Consolidated Earnings Forecast

There has been no change to the consolidated earnings forecast announced together with financial results for the six-month period ended September 30, 2022.

Current forecast for fiscal year 2022 is as follow.

Profit for the year (Attributable to owners of the Company) ¥110.0 billion

Even though the above forecast assumes a yen/dollar rate of ¥130/US\$ for fourth quarter, the impact is insignificant.

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

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



## **2. Summary information (other)**

### **(1) Changes in major subsidiaries during the period**

None

### 3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In Millions of Yen)

	FY 2021 (As of March 31, 2022)	FY 2022 (As of December 31, 2022)
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalent	271,651	225,642
Time deposits	10,782	17,248
Trade and other receivables	791,466	921,890
Derivatives	10,743	9,288
Inventories	232,788	299,782
Income tax receivables	1,051	9,190
Other current assets	68,382	61,598
Subtotal	1,386,867	1,544,641
Assets as held for sale	7,352	29,454
Total current assets	1,394,220	1,574,095
<b>Non-current assets</b>		
Property, plant and equipment	201,516	201,090
Usage rights assets	69,661	63,726
Goodwill	82,522	85,589
Intangible assets	85,031	92,151
Investment property	13,261	9,689
Investments accounted for using the equity method	490,320	578,697
Trade and other receivables	118,273	86,021
Other investments	183,310	144,067
Derivatives	1,943	1,524
Other non-current assets	13,012	10,137
Deferred tax assets	8,607	8,774
Total non-current assets	1,267,460	1,281,470
Total assets	2,661,680	2,855,566
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	545,963	676,219
Lease liabilities	17,427	16,094
Bonds and borrowings	231,216	156,561
Derivatives	8,614	8,478
Income tax payables	19,007	19,092
Provisions	4,137	1,576
Other current liabilities	71,259	70,464
Subtotal	897,627	948,486
Liabilities directly related to assets held for sale	—	4,876
Total current liabilities	897,627	953,363
<b>Non-current liabilities</b>		
Lease liabilities	57,836	52,509
Bonds and borrowings	821,508	834,299
Trade and other payables	8,203	8,641
Derivatives	117	146
Retirement benefits liabilities	23,930	24,597
Provisions	47,951	50,705
Other non-current liabilities	8,891	9,091
Deferred tax liabilities	31,734	31,468
Total non-current liabilities	1,000,174	1,011,459
Total liabilities	1,897,802	1,964,822
<b>Equity</b>		
Share capital	160,339	160,339
Capital surplus	147,027	147,096
Treasury stock	(31,015)	(31,032)
Other components of equity	136,747	165,288
Retained earnings	314,913	407,470
Total equity attributable to owners of the Company	728,012	849,162
Non-controlling interests	35,866	41,581
Total equity	763,878	890,743
Total liabilities and equity	2,661,680	2,855,566

## (2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	FY 2021 9-month (From April 1, 2021 To December 31, 2021)	FY 2022 9-month (From April 1, 2022 To December 31, 2022)
Revenue		
Sale of goods	1,475,122	1,844,809
Sales of service and others	73,457	80,514
Total revenue	1,548,579	1,925,323
Cost of sales	(1,357,924)	(1,661,908)
Gross profit	190,655	263,415
Selling, general and administrative expenses	(130,059)	(161,966)
Other income(expenses)		
Gain(loss) on sale and disposal of fixed assets, net	61	517
Impairment loss on fixed assets	(1,363)	(2,359)
Gain on reorganization of subsidiaries/associates	2,435	14,136
Loss on reorganization of subsidiaries/associates	(3,617)	(8,334)
Other operating income	5,746	8,084
Other operating expenses	(5,869)	(4,851)
Total other income/expenses	(2,606)	7,192
Financial income		
Interests earned	5,288	9,238
Dividends received	4,077	3,456
Other financial income	438	-
Total financial income	9,804	12,695
Financial costs		
Interest expenses	(8,261)	(12,818)
Other financial costs	-	(160)
Total financial cost	(8,261)	(12,979)
Share of profit(loss) of investments accounted for using the equity method	25,443	37,096
Profit before tax	84,975	145,453
Income tax expenses	(19,887)	(32,633)
Profit for the period	65,087	112,820
Profit attributable to:		
Owners of the Company	62,023	108,731
Non-controlling interests	3,064	4,088
Total	65,087	112,820

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

(In Millions of Yen)

	FY 2021 9-month (From April 1, 2021 To December 31, 2021)	FY 2022 9-month (From April 1, 2022 To December 31, 2022)
Profit for the period	65,087	112,820
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets at fair value through other comprehensive income	13,985	(12,305)
Remeasurements of defined benefit pension plans	(83)	(392)
Share of other comprehensive income of investments accounted for using the equity method	(3,153)	3,315
Total items that will not be reclassified to profit or loss	10,748	(9,382)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	11,686	30,066
Cash flow hedges	(1,316)	(2,968)
Share of other comprehensive income of investments accounted for using the equity method	7,052	26,929
Total items that may be reclassified subsequently to profit or loss	17,422	54,027
Other comprehensive income for the year, net of tax	28,170	44,645
Total comprehensive income for the period	93,258	157,465
Total comprehensive income attributable to:		
Owners of the Company	88,913	150,405
Non-controlling interests	4,344	7,059
Total	93,258	157,465

## (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, 2021	160,339	146,814	(15,854)	(16,018)	97,920	(4,129)
Profit for the period						
Other comprehensive income				15,641	10,483	896
Total comprehensive income for the period	-	-	-	15,641	10,483	896
Purchase of treasury stock		(8)	(15,122)			
Disposition of treasury stock		(12)	12			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control				(712)		
Purchase commitments for non-controlling interests' shares						
Reclassification from other components of equity to retained earnings					(1,072)	
Share remuneration payment transaction		185				
Other changes						
Total contributions by and distributions to owners of the Company	-	163	(15,110)	(712)	(1,072)	-
Balance as of December 31, 2021	160,339	146,978	(30,964)	(1,089)	107,331	(3,233)

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2021	-	77,772	250,039	619,111	35,527	654,639
Profit for the period			62,023	62,023	3,064	65,087
Other comprehensive income	(131)	26,890		26,890	1,280	28,170
Total comprehensive income for the period	(131)	26,890	62,023	88,913	4,344	93,258
Purchase of treasury stock				(15,131)		(15,131)
Disposal of treasury stock				-		-
Dividends			(16,408)	(16,408)	(3,126)	(19,535)
Change in ownership interests in subsidiaries without loss/acquisition of control		(712)	1,989	1,276	(2,420)	(1,143)
Purchase commitments for non-controlling interests' shares			(3,357)	(3,357)		(3,357)
Reclassification from other components of equity to retained earnings	131	(941)	941	-		-
Share remuneration payment transaction				185		185
Other changes			93	93	25	119
Total contributions by and distributions to owners of the Company	131	(1,653)	(16,741)	(33,342)	(5,521)	(38,863)
Balance as of December 31, 2021	-	103,008	295,320	674,683	34,350	709,033

(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				37,502	(8,861)	13,428
Total comprehensive income for the period	-	-	-	37,502	(8,861)	13,428
Purchase of treasury stock		(2)	(113)			
Disposition 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					(13,528)	
Share remuneration payment transaction		166				
Other changes						
Total contributions by and distributions to owners of the Company	-	68	(17)	-	(13,528)	-
Balance as of December 31, 2022	160,339	147,096	(31,032)	68,817	82,342	14,128

	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			108,731	108,731	4,088	112,820
Other comprehensive income	(395)	41,673		41,673	2,971	44,645
Total comprehensive income for the period	(395)	41,673	108,731	150,405	7,059	157,465
Purchase of treasury stock				(115)		(115)
Disposal of treasury stock				-		-
Dividends			(29,208)	(29,208)	(2,395)	(31,603)
Change in ownership interests in subsidiaries without loss/acquisition of control				-	687	687
Purchase commitments for non-controlling interests' shares			(73)	(73)		(73)
Reclassification from other components of equity to retained earnings	395	(13,132)	13,132	-		-
Share remuneration payment transaction				166		166
Other changes			(24)	(24)	363	338
Total contributions by and distributions to owners of the Company	395	(13,132)	(16,173)	(29,255)	(1,344)	(30,600)
Balance as of December 31, 2022	-	165,288	407,470	849,162	41,581	890,743

## (5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2021 9-month (From April 1, 2021 To December 31, 2021)	FY 2022 9-month (From April 1, 2022 To December 31, 2022)
<b>Cash flows from operating activities</b>		
Profit for the period	65,087	112,820
Depreciation and amortization	24,866	30,030
Impairment loss of fixed assets	1,363	2,359
Finance (income) costs	(1,542)	284
Share of (profit)loss of investments accounted for using the equity method	(25,443)	(37,096)
(Gain) loss on sale of fixed assets, net	(61)	(517)
Income tax expenses	19,887	32,633
(Increase) decrease in trade and other receivables	(84,757)	(64,397)
(Increase) decrease in inventories	(35,621)	(61,489)
Increase (decrease) in trade and other payables	74,465	127,359
Changes in other assets and liabilities	6,842	11,166
Increase (decrease) in retirement benefits liabilities	(12)	(288)
Others	171	(7,501)
Subtotal	45,244	145,361
Interests earned	7,185	6,401
Dividends received	14,139	27,411
Interests paid	(8,262)	(12,764)
Income taxes paid	(16,123)	(38,415)
Net cash provided (used) by/in operating activities	42,183	127,994
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(11,224)	(18,000)
Proceeds from sale of property, plant and equipment	539	4,284
Purchase of intangible assets	(6,993)	(7,805)
(Increase) decrease in short-term loans receivable	791	(441)
Payment for long-term loans receivable	(6,223)	(686)
Collection of long-term loans receivable	2,384	1,625
Proceeds from (payments for) acquisition of subsidiaries	(18,023)	(1,065)
Proceeds from (payments for) sale of subsidiaries	9,237	8,750
Purchase of investments	(26,620)	(34,882)
Proceeds from sale of investments	13,042	37,749
Others	(61,114)	(35,796)
Net cash provided (used) by/in investing activities	(104,203)	(46,266)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings and commercial papers	(11,611)	(61,609)
Proceeds from long-term borrowings	204,456	146,568
Repayment of long-term borrowings	(128,472)	(163,689)
Proceeds from issuance of bonds	9,940	-
Redemption of bonds	(20,003)	(10,000)
Repayment of lease liabilities	(11,478)	(12,632)
Payment for acquisition of subsidiary's interests from non-controlling interest holders	(1,076)	(3)
Proceeds from non-controlling interest holders	124	1,479
Sales of treasury stock	3	29
Purchase of treasury stock	(15,122)	(113)
Dividends paid	(16,408)	(29,208)
Dividends paid to non-controlling interest holders	(3,965)	(3,190)
Others	(70)	(8)
Net cash provided (used) by/in financing activities	6,314	(132,378)
Net increase (decrease) in cash and cash equivalents	(55,705)	(50,651)
Cash and cash equivalents at the beginning of the year	287,597	271,651
Effect of exchange rate changes on cash and cash equivalents	1,670	4,641
Cash and cash equivalents at the end of the period	233,561	225,642

(6) Assumption for Going Concern

For the third quarter ended December 31, 2022 (April 1, 2022 – December 31, 2022)

:None



## (7) Segment information

For the third quarter ended December 31, 2021 (April 1, 2021 – December 31, 2021)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportaion Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recyclig	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	180,068	57,452	42,076	412,813	397,661	216,052
Inter-segment revenue	-	7	2,171	-	2	11
Total revenue	180,068	57,459	44,248	412,813	397,664	216,064
Segment profit(loss) attributable to owners of the Company	5,856	2,335	2,798	28,251	11,226	6,563

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	151,913	1,458,038	90,540	-	1,548,579
Inter-segment revenue	270	2,464	124	(2,588)	-
Total revenue	152,184	1,460,502	90,665	(2,588)	1,548,579
Segment profit(loss) attributable to owners of the Company	3,307	60,339	(789)	2,473	62,023

Reconciliation of segment profit(loss) of 2,473 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,729 million yen, and unallocated dividend income and others of 743 million yen.

For the third quarter ended December 31, 2022 (April 1, 2022 – December 31, 2022)

(In Millions of Yen)

	Reportable segments					
	Automotive	Aerospace & Transportaion Project	Infrastructure & Healthcare	Metals, Mineral Resources & Recyclig	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	226,473	51,777	76,305	518,998	481,061	272,629
Inter-segment revenue	0	8	3,075	-	3	1
Total revenue	226,473	51,785	79,380	518,998	481,064	272,630
Segment profit attributable to owners of the Company	6,885	4,360	12,157	48,321	15,131	7,438

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Business	Total			
Revenue					
External revenue	232,886	1,860,130	65,193	-	1,925,323
Inter-segment revenue	280	3,369	117	(3,487)	-
Total revenue	233,167	1,863,500	65,311	(3,487)	1,925,323
Segment profit attributable to owners of the Company	7,521	101,817	3,744	3,169	108,731

Reconciliation of segment profit of 3,169 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 3,953 million yen, and unallocated financial costs and others of (784) million yen.

## (Changes in Reportable Segments)

Effective April 1, 2022, Sojitz Group reorganized its the Consumer Industry & Agriculture Business and the Retail & Consumer Service segments and changed its reporting segment classification method. Segment information for the nine-month period ended December 31, 2021, has been restated to reflect the change in reportable segments.