

# Financial Results for the First Half Ended September 30, 2018

## **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.

**November 1, 2018**  
**Sojitz Corporation**

# FY2018 2Q Summary

- Profit for the period steadily progressed**  
**Upward revision to forecasts to reflect favorable market conditions for coal and other resources**

	FY2017 2Q Results	FY2018 2Q Results	Difference	FY2018 Initial Forecast	FY2018 Revised Forecast	Achieved
Profit for the period (attributable to owners of the Company)	¥27.2bn	¥37.1bn	+¥9.9bn	¥63.0bn	¥70.0bn	53%
ROA	—	—	—	2.7%	2.9%	—
ROE	—	—	—	10.4%	11.5%	—

- ✓ Ongoing modest growth trend and strong global economy supported by stable consumption in developed and emerging countries
  - ✓ Consistently high coal and other resource prices
  - ✓ Ongoing caution necessary with regard to the potential impacts of U.S. trade friction, foreign exchange rates, and commodity prices on emerging economies
- Realization of earnings contributions mainly from non-resource investment and loans under previous medium-term management plan**

# Summary of Profit or Loss

## - Profit for the period by segment -

- Achieved 59% of initial forecast for the year
- Revisions to full-year forecasts for Metals & Mineral Resources Division and Foods & Agriculture Business Division

(Billions of yen)	FY2018 2Q Results	FY2018 Initial Forecast	Achieved	FY2018 Revised Forecast	Achieved
<b>Profit for the period</b> (attributable to owners of the Company)	<b>37.1</b>	63.0	<b>59%</b>	<b>70.0</b>	<b>53%</b>
Automotive	3.6	5.5	65%	5.5	
Aerospace & Transportation Project	1.9	4.0	48%	4.0	
Machinery & Medical Infrastructure	0.7	3.0	23%	3.0	
Energy & Social Infrastructure	2.7	4.5	60%	4.5	
Metals & Mineral Resources	16.2	20.5	79%	28.5	57%
Chemicals	4.8	10.5	46%	10.5	
Foods & Agriculture Business	2.1	4.5	47%	3.5	60%
Retail & Lifestyle Business	3.3	5.5	60%	5.5	
Industrial Infrastructure & Urban Development	▲0.1	1.5	—	1.5	

# Earnings Contributions from Previously Executed Investments and Loans

- Earnings contributions from investments and loans conducted under Medium-Term Management Plan 2017 realized on schedule
- Disciplined investment and steady realization of earnings contributions to be pursued under Medium-Term Management Plan 2020

## Medium-Term Management Plan 2017

### FY2017 Results

Outstanding investments and loans ¥290.0bn

ROI 3.3%

### FY2020 (May 1, 2018)

Outstanding investments and loans ¥160.0bn

ROI Forecast Approx. 7.5%

Earnings contributions More than ¥12.0bn



## Medium-Term Management Plan 2020

### FY2020 (May 1, 2018)

The amount of the investments and loans over MTP2020 period Approx. ¥300.0bn

Outstanding investments and loans ¥230.0bn

ROI Forecast Approx. 4.3%

Earnings contributions More than ¥10.0bn

## Main progress in the first half of FY2018

Earnings contributions from investments and loans conducted under MTP2017

...About ¥3.0bn

FY2018 Earnings Contributions

Approx. ¥6.0bn

### Main businesses

- Renewable energy businesses
- Automobile dealership businesses
- Hospital project in the Republic of Turkey
- European chemical distributor and marketing company
- Automotive parts quality inspection business

Earning contributions from investments and loans conducted under MTP2020

Full-fledged earnings contributions anticipated in the second half of fiscal year

Approx. ¥2.0bn

The amount of new investments and loans

...About ¥48.0bn

# Attempts in the First Year of Medium-Term Management Plan 2020 (1)

Link past initiatives to growth, broaden scope of existing operations, and advance initiatives targeting further growth

(Initiative themes)

## Automotive

- ◆ Expanding dealership and automotive parts quality inspection operations
- ◆ Strengthen its functions and accumulate assets to facilitate future growth
- ◆ Replace and enhance existing businesses

(Progress in the first half of FY2018)

- Developed stable earnings foundations through expansion of dealership operations and achievement of profitability in automotive parts quality inspection operations
- Advanced connected car initiatives



## Aerospace & Transportation Project

- ◆ Leveraging its strengths in the aerospace industry to more swiftly broaden its aircraft lease, part-out, business jet, and other operations
- ◆ Developing transportation infrastructure businesses in emerging countries and airport-related businesses around the world

- Commenced business jet chartering
- Entered airport management business pertaining to Shimojishima Airport
- Made progress in Indian freight railway construction project



## Machinery & Medical Infrastructure

- ◆ Growing its PPP hospital operation business, creating medical institution-related businesses
- ◆ Expanding existing industrial machinery and bearing trading operations

- Made smooth progress in Turkish hospital construction project
- Invested in an engineering company in Thailand



# Attempts in the First Year of Medium-Term Management Plan 2020 (2)

(Initiative themes)

## Energy & Social Infrastructure

- ◆ Growing its energy supply, power generation, and other service operations
- ◆ Enhancing social infrastructure, including digital-related infrastructure

## Metals & Mineral Resources

- ◆ Addressing new social needs, such as those pertaining to the environment, recycling, and the spread of electric vehicles
- ◆ Optimizing its asset portfolio through the replacement of upstream interests

## Chemicals

- ◆ Investing in expanding its value chain
- ◆ Targeting at new business fields such as the environment, mobility, and composite materials

(Progress in the first half of FY2018)

- Started 2nd gas-fired thermal power plant project in the United States
- Achieved earnings contributions from on-shore wind farm in Ireland and new solar power generation project in Japan



- Participated in next-generation EV battery material development project
- Reached agreement regarding acquisition of Australian coking coal interest



- Established Project Development Office to accelerate new businesses



# Attempts in the First Year of Medium-Term Management Plan 2020 (3)

(Initiative themes)

(Progress in the first half of FY2018)

## Foods & Agriculture Business

- ◆ Enhancing its fertilizer operations in Southeast Asia while also expanding into the surrounding countries and into related fields
- ◆ Constructing value chains encompassing production, processing, and sales in its food and marine product operations

- Commenced strategic alliance with major Vietnamese food company PAN



## Retail & Lifestyle Business

- ◆ Expanding and diversifying its commercial facility, food distribution, and other retail operations
- ◆ Developing new businesses in Japan and Asia

- Entered into papermaking business in Vietnam



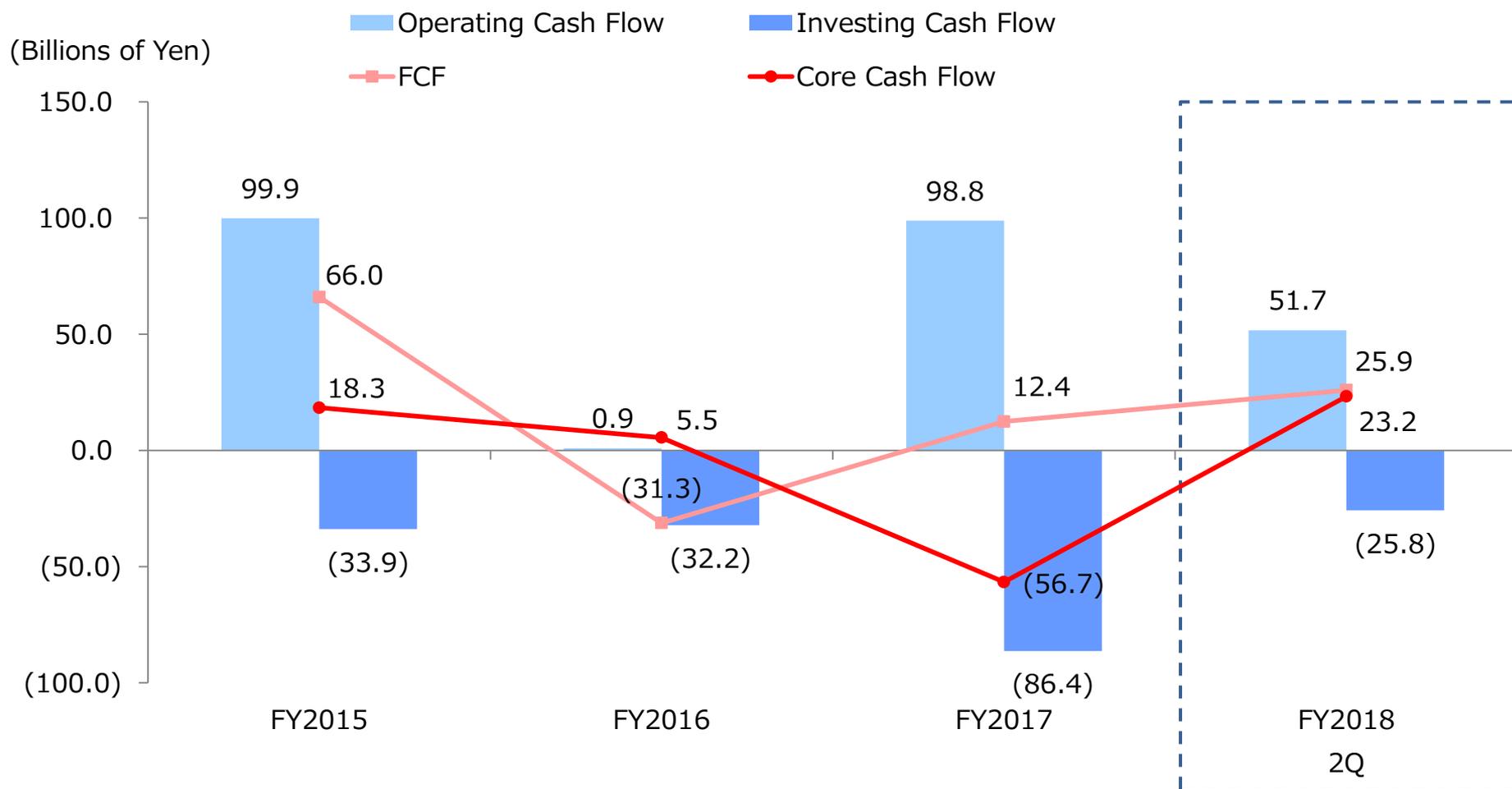
## Industrial Infrastructure & Urban Development

- ◆ Enhancement of its development functions for real estate businesses and boosting earnings capacity in the REIT business
- ◆ Taking part in industrial park development projects as well as in smart city and other urban infrastructure development projects

- Procured, sold, and developed carefully selected land and properties



# Summary of Free Cash Flows



\*Core cash flow = Core operating cash flow + Post-adjustment net cash provided by (used in) investing activities – Dividends paid  
 (Post-adjustment net cash provided by (used in) investing activities is net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)

# ESG Rating

- ✓ Newly inclusion in FTSE and DJSI, which are global ESG indexes
- ✓ Announced endorsement of TCFD\*

## ■ Inclusion in Major Domestic and Overseas Indexes and Evaluations by ESG Rating Institutions

### ● September, 2018



In the Dow Jones Sustainability Index (DJSI) series of globally recognized socially responsible investment indexes, Sojitz was selected for inclusion in DJSI World and DJSI Asia Pacific.

### ● February, 2018



Sojitz was selected for "Bronze Class" award and "industry Mover" award in corporate sustainability ratings by RobecoSAM.

### ● June, 2018



Sojitz was selected as a constituent of the FTSE4Good Index Series and FTSE Blossom Japan Index provided by FTSE Russell.



Sojitz received a leadership level upper rating of A- with regards to climate change from CDP.



Sojitz was selected as a constituent of the MSCI Japan Empowering Women Index (WIN) in 2017 and 2018.



Sojitz was selected as a Nadeshiko Brand company for two consecutive years, in recognition for its efforts to empower women in the workplace.

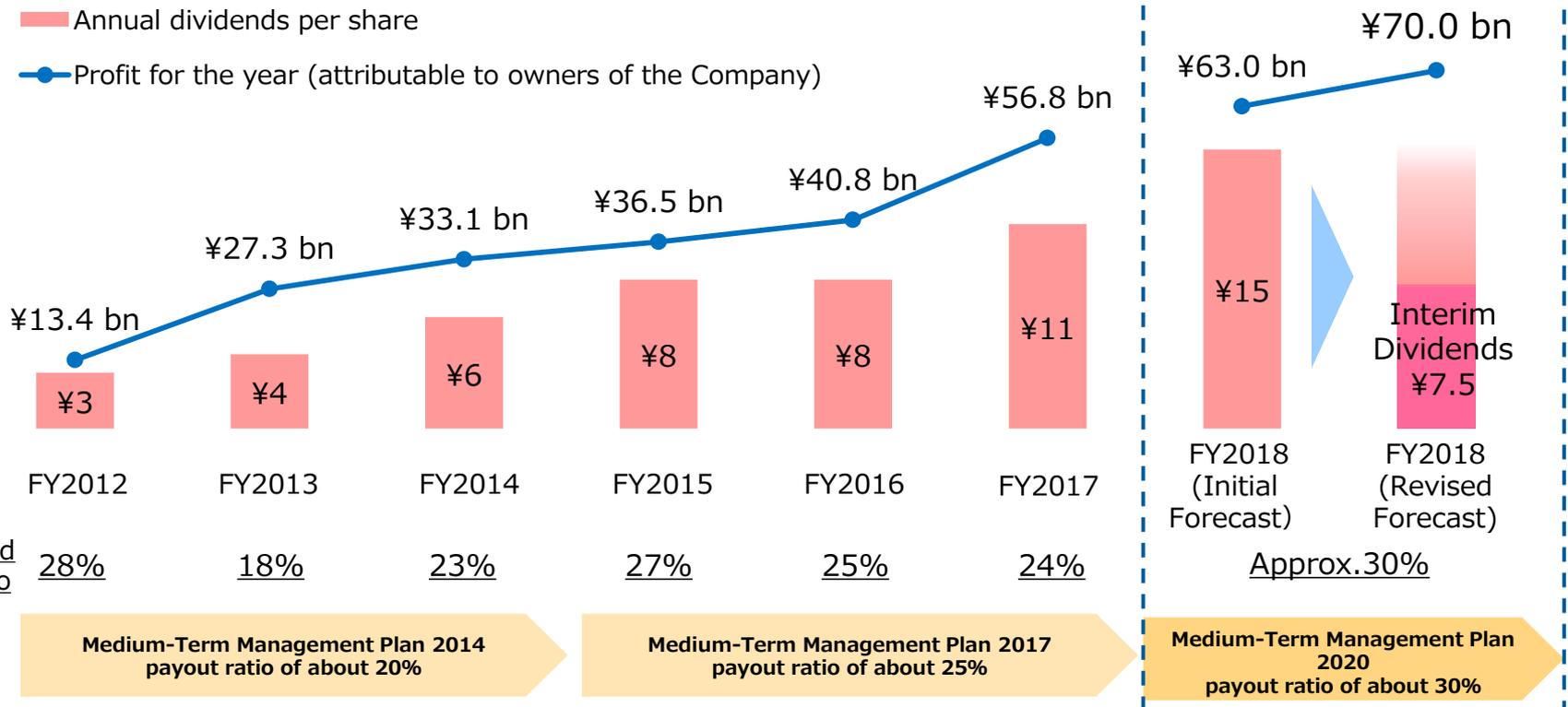
\* The Task Force on Climate-related Financial Disclosures (TCFD) was established under the guidance of the G20 Financial Stability Board. In June 2017, the TCFD announced a recommended voluntary disclosure framework for promoting disclosure of corporate information pertaining to climate change.

# Dividend Policy

## ■ Basic Dividend Policy

Sojitz recognizes that paying stable, continuous dividends is a management priority, together with enhancing shareholder value and boosting competitiveness through the accumulation and effective use of retained earnings.

Under Medium-Term Management Plan 2020, our basis policy will be to target a consolidated payout ratio of 30%.



【Supplemental Data】

I . Financial Results for the First Half  
and Full Year Forecast of Fiscal Year Ending  
March 31, 2019



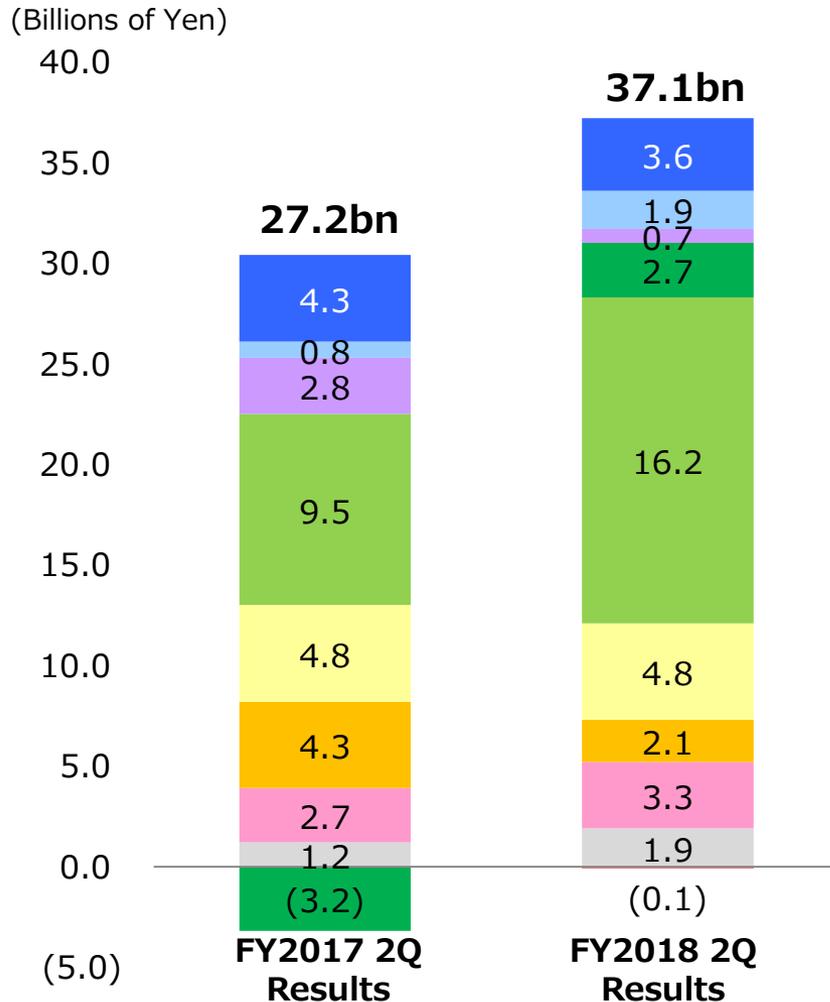
# Summary of Profit or Loss

(Billions of yen)	FY2017 2Q results	FY2018 2Q Results	Difference	FY2018 Initial Forecast	FY2018 Forecast (Nov.1,2018)	Achieved
<b>Revenue</b>	884.0	941.8	+57.8	–	–	–
<b>Gross profit</b>	111.5	120.9	+9.4	240.0	240.0	50%
<b>Share of profit (loss) of investments accounted for using the equity method</b>	10.9	11.9	+1.0	26.0	27.0	44%
<b>Profit before tax</b>	37.9	51.5	+13.6	86.0	95.0	54%
<b>Profit for the Year attributable to Owners of the Company</b>	27.2	37.1	+9.9	63.0	70.0	53%
<b>Core earnings</b>	40.8	45.9	+5.1	86.0	89.0	52%

# Summary of Profit or Loss

## Profit for the Year by segment

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



### Main Factors Behind Difference

- Automotive ¥ 3.6 billion (down ¥(0.7) billion YoY)**  
 Despite earnings contributions from newly consolidated subsidiaries, decreased due to higher tax expenses following sale of investments accounted for using the equity method
- Aerospace & Transportation Project ¥ 1.9 billion (up ¥ 1.1 billion YoY)**  
 Increased due to gains on sales of aircraft and earnings contributions accompanying progress in railroad projects
- Machinery & Medical Infrastructure ¥ 0.7 billion (down ¥(2.1) billion YoY)**  
 Decreased due to absence of revenue associated with infrastructure projects recorded in the previous equivalent period
- Energy & Social Infrastructure ¥ 2.7 billion (UP ¥ 5.9 billion YoY)**  
 Increased due to absence of one-time loss on oil and gas interests recorded in the previous equivalent period and a gain on the sale of an overseas solar power business operating company
- Metals & Mineral Resources ¥ 16.2 billion (up ¥ 6.7 billion YoY)**  
 Increased due to higher prices and transaction volumes of coal and other resources
- Chemicals ¥ 4.8 billion (relatively unchanged YoY)**  
 Unchanged year on year
- Foods & Agriculture Business ¥ 2.1 billion (down ¥ (2.2) billion YoY)**  
 Decreased due to higher material costs and lower sales volumes in overseas fertilizer businesses
- Retail & Lifestyle Business ¥ 3.3 billion (up ¥ 0.6 billion YoY)**  
 Increased due to strong performance in all businesses
- Industrial Infrastructure & Urban Development ¥ (0.1) billion (down ¥(0.1) billion YoY)**  
 Unchanged year on year
- Other ¥ 1.9 billion (up ¥ 0.7 billion YoY)**

# FY2018 Forecast

## Profit for the Year by Segment

Profit for the year (attributable to Owners of the Company) by segment

(Billions of Yen)	FY2018 2Q Results	FY2018 Forecast	FY2018 Revised Forecast
Automotive	3.6	5.5	5.5
Aerospace & Transportation Project	1.9	4.0	4.0
Machinery & Medical Infrastructure	0.7	3.0	3.0
Energy & Social Infrastructure	2.7	4.5	4.5
Metals & Mineral Resources	16.2	20.5	28.5
Chemicals	4.8	10.5	10.5
Foods & Agriculture Business	2.1	4.5	3.5
Retail & Lifestyle Business	3.3	5.5	5.5
Industrial Infrastructure & Urban Development	(0.1)	1.5	1.5
Other	1.9	3.5	3.5
<b>Total</b>	<b>37.1</b>	<b>63.0</b>	<b>70.0</b>

### Progress Overview

- **Automotive ¥ 3.6 billion**  
Performance generally as forecast
- **Aerospace & Transportation Project ¥ 1.9 billion**  
Performance generally as forecast
- **Machinery & Medical Infrastructure ¥ 0.7 billion**  
Earnings from industrial machinery- and infrastructure-related transactions anticipated in the second half of the fiscal year, performance generally in line with forecasts
- **Energy & Social Infrastructure ¥ 2.7 billion**  
Performance generally as forecast
- **Metals & Mineral Resources ¥ 16.2 billion**  
Upward revision to forecasts to reflect higher prices and transaction volumes for coal and other resources in the first half FY2018
- **Chemicals ¥ 4.8 billion**  
Performance generally as forecast
- **Foods & Agriculture Business ¥ 2.1 billion**  
Downward revision to forecasts to account for sluggish first half FY2018 sales in overseas fertilizer businesses
- **Retail & Lifestyle Business ¥ 3.3 billion**  
Performance generally as forecast
- **Industrial Infrastructure & Urban Development ¥ (0.1) billion**  
Earning contributions from real estate held for sale in Japan and overseas industrial park businesses anticipated in the second half of the fiscal year

# Summary of Balance Sheets

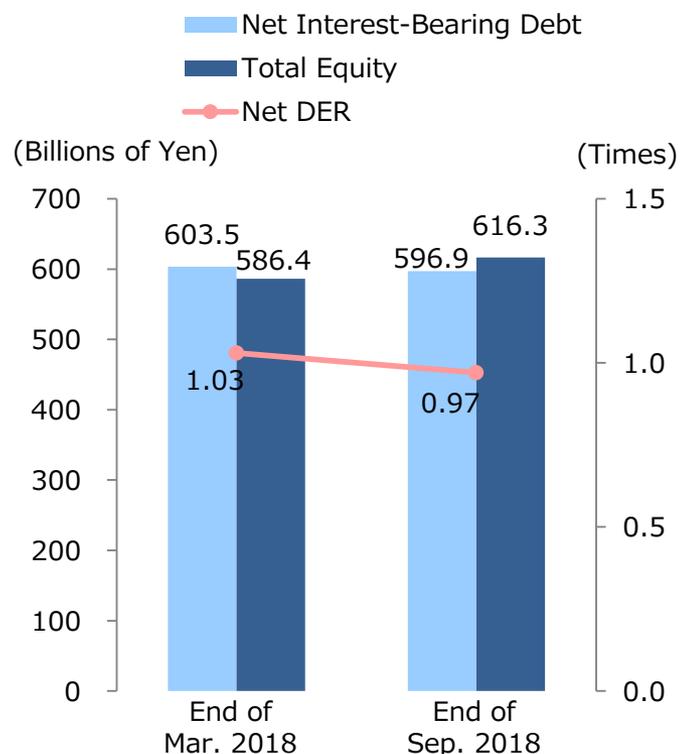
(Billions of Yen)	End of Mar. 2018	End of Sep. 2018	Difference	End of Mar. 2019 (Forecast)
<b>Total Assets</b>	2,350.4	2,341.4	(9.0)	2,400.0
<b>Total equity*1</b>	586.4	616.3	+29.9	630.0
<b>Equity Ratio</b>	25.0%	26.3%	+1.3%	26.3%
<b>Net interest-bearing debt</b>	603.5	596.9	(6.6)	650.0
<b>Net DER (Times)</b>	1.03	0.97	(0.06)	1.0
<b>Risk Assets*2 vs. Total equity</b>	350.0 0.6 times	360.0 0.6 times	+10.0 ±0times	—
<b>Current Ratio</b>	162.7%	161.7%	(1.0)%	—
<b>Long-term debt ratio</b>	87.5%	84.9%	(2.6)%	—

(\*1) "Total equity attributable to owners of the Company" is recognized as "Total equity" above, and is also used in the denominator of the "Net DER" and the numerator of the "Equity ratio".

(\*2) The method of measuring risk assets mainly for goodwill was revised in the three-month period ended June 30, 2018. Figures for the year ended March 31, 2018, have been restated to reflect this change.

## Changes in Total Equity (End of Mar. 2018 vs. End of Sep. 2018, Breakdown)

- Profit for the period attributable to owners of the Company ¥ 37.1 billion
- Dividends paid ¥ (7.5) billion



# Investments and Loans for the First Half Ended September 30, 2018

FY2018 2Q Results	Main Businesses
Investments and Loans	<ul style="list-style-type: none"> <li>■ Automobile dealership business in Russia</li> <li>■ Aircraft-related business</li> <li>■ Engineering company in Thailand</li> <li>■ IPP business in the United States</li> <li>■ Domestic and overseas solar power generation business</li> <li>■ Foods-related company in Vietnam</li> <li>■ Papermaking company in Vietnam</li> </ul> <p style="text-align: right;">etc.</p>
Investments and Loans Results	Approx. ¥48.0bn
Asset Reduction	<ul style="list-style-type: none"> <li>■ Sales of an automotive-related company</li> <li>■ Sales of aircraft</li> <li>■ Sales of solar power generation business company</li> <li>■ Sales of oil and gas interests</li> <li>■ Sales of securities held by the company</li> </ul> <p style="text-align: right;">etc.</p>
Asset Reduction Results	Approx. ¥49.0bn

# Major One-time Gain/Loss for the First Half Ended September 30, 2018

	FY2017 2Q Results		FY2018 2Q Results	
Non-Resource	¥ 5.6 billion	<ul style="list-style-type: none"> <li>•Automobile parts business</li> <li>•Infrastructure-related earnings</li> </ul> <p>etc.</p>	¥ 3.6 billion	<ul style="list-style-type: none"> <li>•Sale of automobile-related companies</li> <li>•Sale of aircraft</li> </ul> <p>etc.</p>
Resource	¥ (3.5) billion	<ul style="list-style-type: none"> <li>•Oil and gas interests</li> </ul>	¥ 0.9 billion	<ul style="list-style-type: none"> <li>•Sale of oil and gas interests</li> </ul> <p>etc.</p>
Total (After income tax expenses)	¥ 2.1 billion		¥ 4.5 billion	

# Growth of Resource and Non-Resource Profit

(Billions of yen)	FY2017 2Q Results	FY2018 2Q Results	Difference	Medium-Term Management Plan 2017		
				FY2015 Results	FY2016 Results	FY2017 Results
① Profit for the year (attributable to Owners of the Company)	27.2	37.1	+9.9	36.5	40.8	56.8
(② Total one-time income movements)	2.1	4.5	+2.4	0.0	(6.0)	(7.0)
① - ② Profit for the year [(attributable to owners of the Company)] (Excluding one-time income movements)	25.1	32.6	+7.5	36.5	46.8	63.8
Resource	5.2	12.4	+7.2	(0.5)	0.3	13.8
Non-Resource	19.9	20.2	+0.3	37.0	46.5	50.0

# Commodity Prices, Foreign Exchange, and Interest Rate

	FY2017 Results (Apr.-Sep. Avg.)	FY2018 Initial Assumptions (Annual Avg.)	FY2018 Results (Apr.-Sep. Avg.)	Latest Data (As of October 26, 2018)
Crude oil (Brent)	US\$51.5/bbl	US\$60.0/bbl	US\$75.4/bbl	US\$77.6/bbl
Thermal Coal *1	US\$86.1/t	US\$85.0/t	US\$111.5/t	US\$108.2/t
Exchange rate *2	¥111.3/US\$	¥105.0/US\$	¥110.7/US\$	¥112.5/US\$
Interest rate (TIBOR)	0.06%	0.06%	0.07%	0.07%

\*1 The results in the above table are cited from the GlobalCOAL NEWC Index and differ from our sales prices.

\*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.5 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.25 billion annually, and total equity by approx. ¥2.0 billion.

【Supplemental Data】  
II . Segment Information

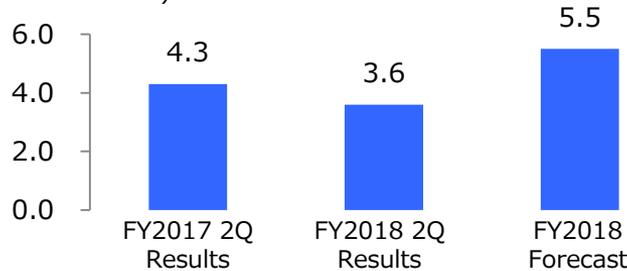
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# Automotive



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

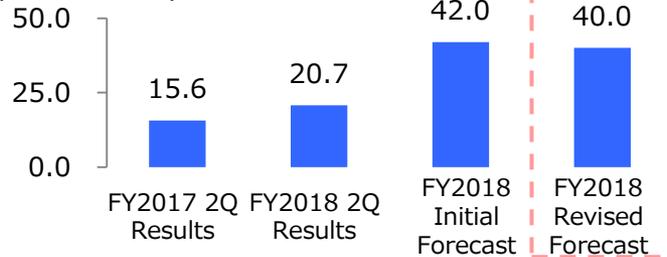


### 【Progress Overview】

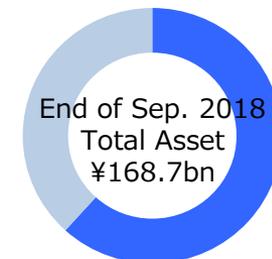
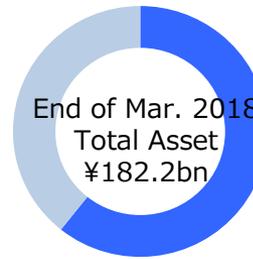
Performance generally as forecast

## Gross profit

(Billions of Yen)



## Asset Structure



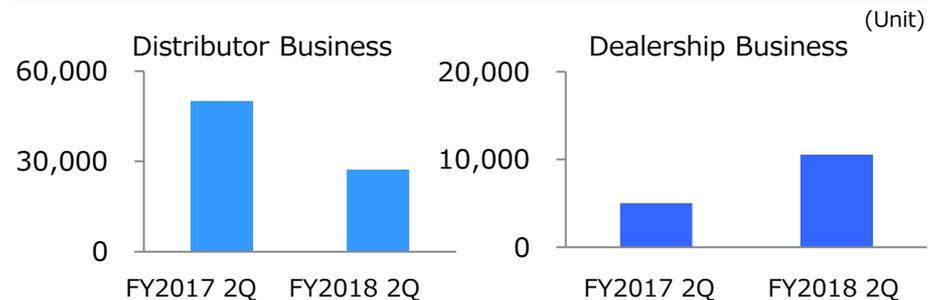
■ Current Assets  
■ Non-Current Assets

## FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	15.6	20.7
Share of profit of investments accounted for using the equity method	1.5	0.4
Profit for the period (attributable to owners of the Company)	4.3	3.6
	End of Mar. 2018	End of Sep. 2018
Total assets	182.2	168.7

## Vehicle Sales

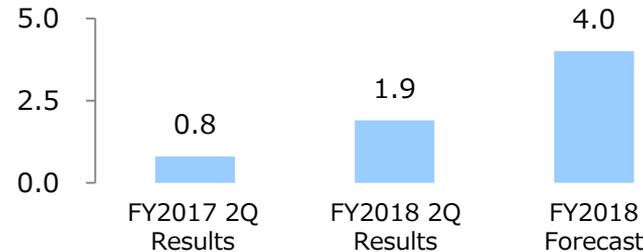


# Aerospace & Transportation Project



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

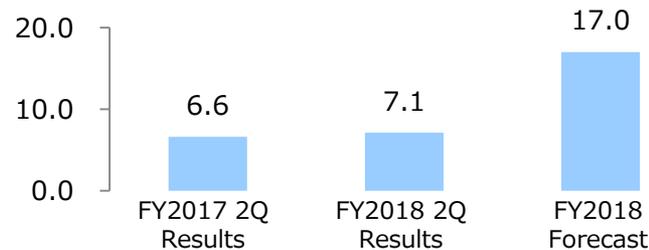


## 【Progress Overview】

Performance generally as forecast

## Gross profit

(Billions of Yen)



## Asset Structure



■ Current Assets  
■ Non-Current Assets

## FY2018 2Q Results

(Billions of Yen)

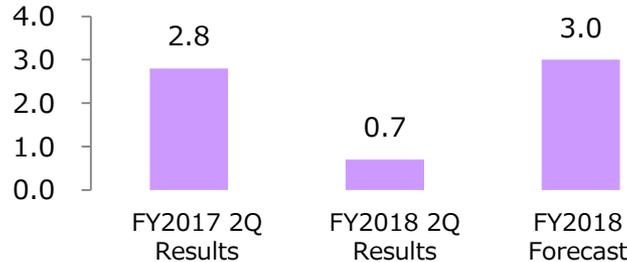
	FY2017 2Q Results	FY2018 2Q Results
Gross profit	6.6	7.1
Share of profit of investments accounted for using the equity method	0.2	0.5
Profit for the period (attributable to owners of the Company)	0.8	1.9
	End of Mar. 2018	End of Sep. 2018
Total assets	165.1	146.2

# Machinery & Medical Infrastructure



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

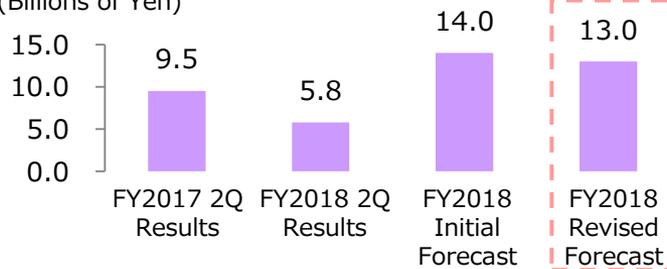


## 【Progress Overview】

Earnings from industrial machinery- and infrastructure-related transactions anticipated in the second half of the fiscal year, performance generally in line with forecasts

## Gross profit

(Billions of Yen)



## Asset Structure



■ Current Assets  
■ Non-Current Assets

## FY2018 2Q Results

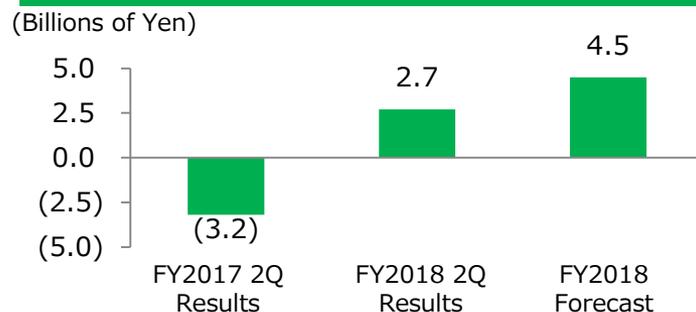
(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	9.5	5.8
Share of profit of investments accounted for using the equity method	0.3	0.3
Profit for the period (attributable to owners of the Company)	2.8	0.7
	End of Mar. 2018	End of Sep. 2018
Total assets	117.0	112.6

# Energy & Social Infrastructure

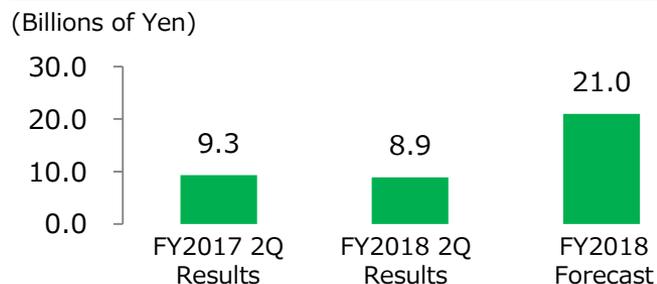


## Profit for the period (attributable to owners of the Company)

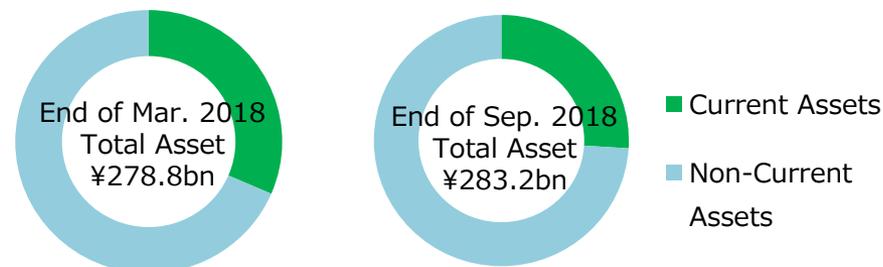


**【Progress Overview】**  
Performance generally as forecast

## Gross profit



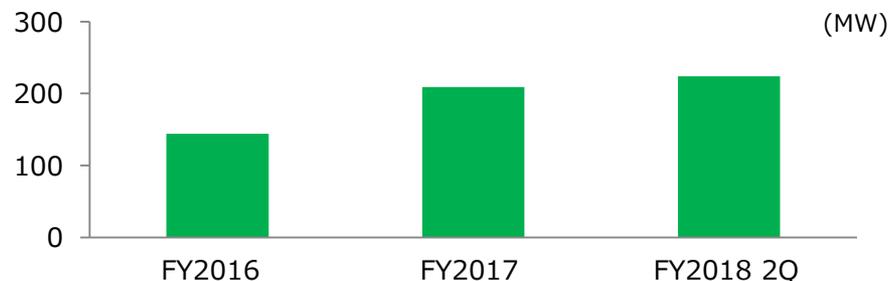
## Asset Structure



## FY2018 2Q Results

(Billions of Yen)	FY2017 2Q Results	FY2018 2Q Results
Gross profit	9.3	8.9
Share of profit of investments accounted for using the equity method	0.5	1.1
Profit (loss) for the period (attributable to owners of the Company)	(3.2)	2.7
	End of Mar. 2018	End of Sep. 2018
Total assets	278.8	283.2

## Sojitz's Share of Renewable Energy Generation

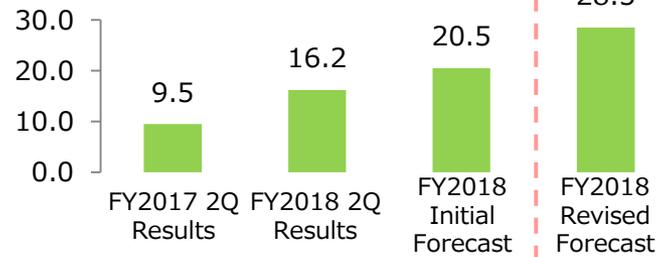


# Metals & Mineral Resources



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

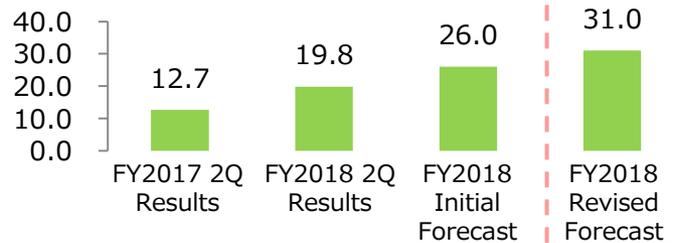


### 【Progress Overview】

Upward revision to forecasts to reflect higher prices and transaction volumes for coal and other resources in the first half

## Gross profit

(Billions of Yen)



## Asset Structure

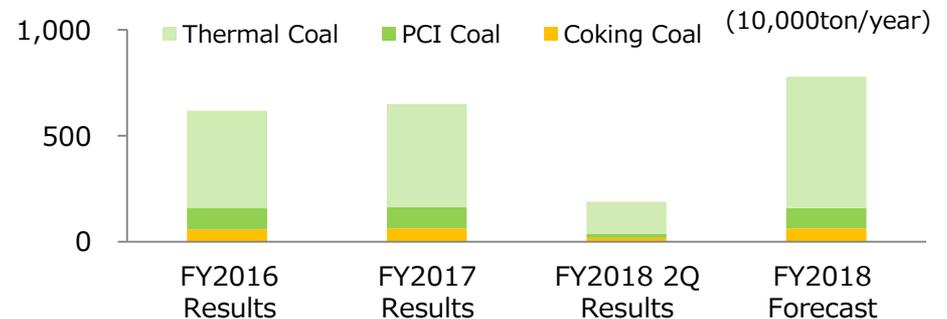


## FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	12.7	19.8
Share of profit of investments accounted for using the equity method	7.3	9.2
Profit for the period (attributable to owners of the Company)	9.5	16.2
	End of Mar. 2018	End of Sep. 2018
Total assets	411.9	435.7

## Sales Volume for Coal

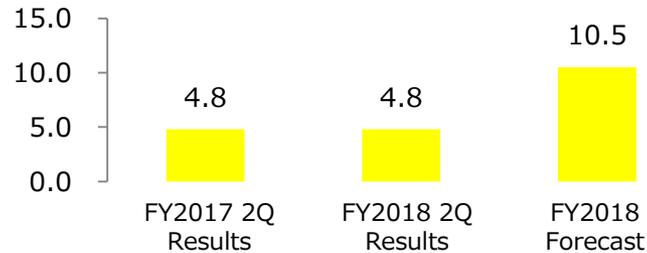


# Chemicals



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

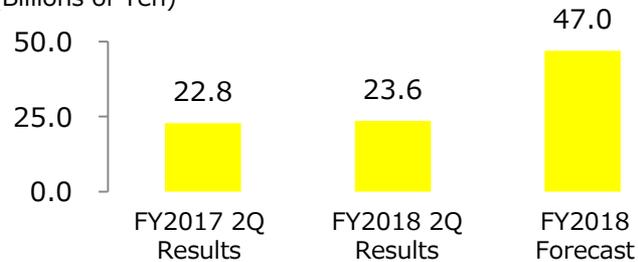


## 【Progress Overview】

Performance generally as forecast

## Gross profit

(Billions of Yen)



## Asset Structure

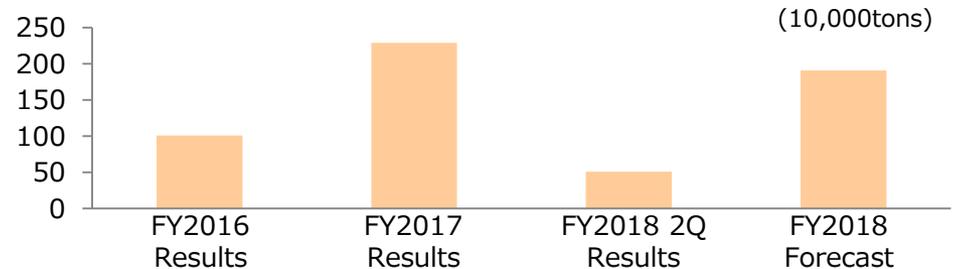


## FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	22.8	23.6
Share of profit of investments accounted for using the equity method	0.6	0.5
Profit for the period (attributable to owners of the Company)	4.8	4.8
	End of Mar. 2018	End of Sep. 2018
Total assets	304.9	310.0

## Sales Volume for Methanol

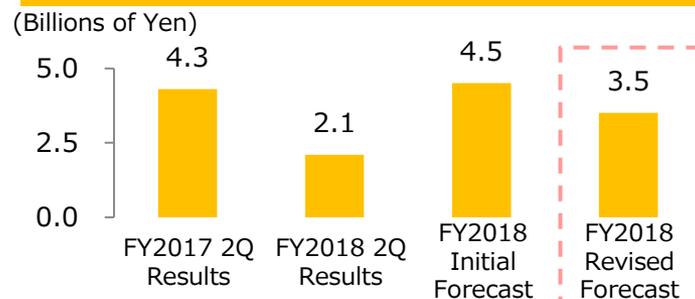


\* FY2017 or later includes the sales volumes of solvadis holdings S.a.r.l.

# Foods & Agriculture Business



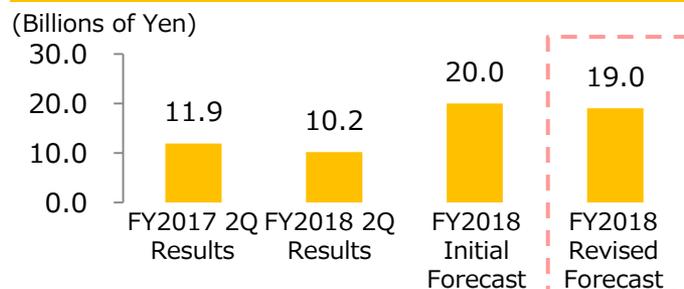
## Profit for the period (attributable to owners of the Company)



### 【Progress Overview】

Downward revision to forecasts to account for sluggish first half sales in overseas fertilizer businesses

## Gross profit



## Asset Structure



## FY2018 2Q Results

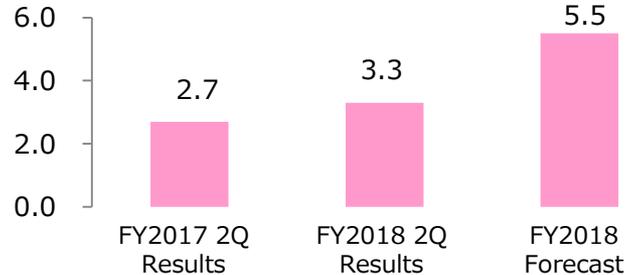
(Billions of Yen)	FY2017 2Q Results	FY2018 2Q Results
Gross profit	11.9	10.2
Share of profit (loss) of investments accounted for using the equity method	0.5	(0.1)
Profit for the period (attributable to owners of the Company)	4.3	2.1
	End of Mar. 2018	End of Sep. 2018
Total assets	130.5	138.2

# Retail & Lifestyle Business



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

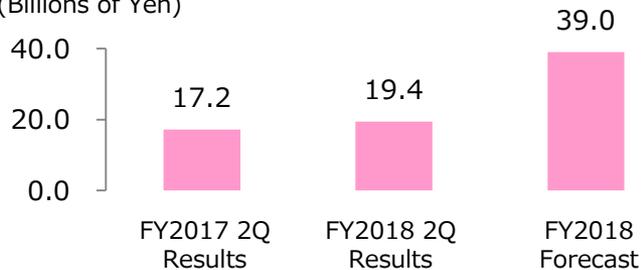


## 【Progress Overview】

Performance generally as forecast

## Gross profit

(Billions of Yen)



## Asset Structure



Current Assets  
Non-Current Assets

## FY2018 2Q Results

(Billions of Yen)

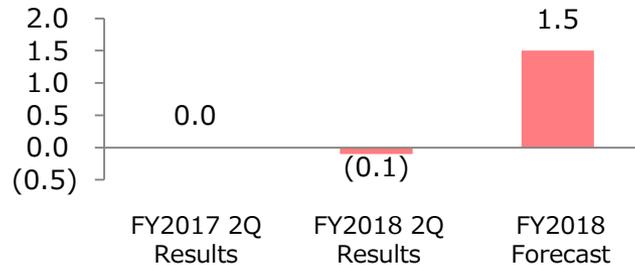
	FY2017 2Q Results	FY2018 2Q Results
Gross profit	17.2	19.4
Share of profit of investments accounted for using the equity method	0.0	(0.2)
Profit for the period (attributable to owners of the Company)	2.7	3.3
	End of Mar. 2018	End of Sep. 2018
Total assets	423.8	407.9

# Industrial Infrastructure & Urban Development



## Profit for the period (attributable to owners of the Company)

(Billions of Yen)

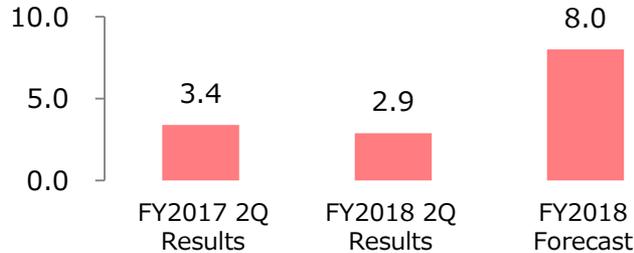


## 【Progress Overview】

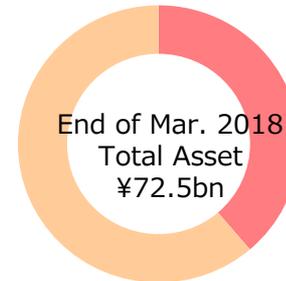
Earning contributions from real estate held for sale in Japan and overseas industrial park businesses anticipated in the second half of the fiscal year

## Gross profit

(Billions of Yen)



## Asset Structure



■ Current Assets  
■ Non-Current Assets

## FY2018 2Q Results

(Billions of Yen)

	FY2017 2Q Results	FY2018 2Q Results
Gross profit	3.4	2.9
Share of profit of investments accounted for using the equity method	0.2	0.2
Profit for the period (attributable to owners of the Company)	0.0	(0.1)
	End of Mar. 2018	End of Sep. 2018
Total assets	72.5	70.0

# Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017 2Q	FY2018 2Q	Difference
Automotive	Sojitz Automotive Group	Subsidiary	0.5	0.5	0.0
Automotive	Sojitz de Puerto Rico Corporation	Subsidiary	0.5	0.8	0.3
Automotive	Subaru Motor LLC	Subsidiary	0.4	0.1	(0.3)
Automotive	Sojitz Quality, Inc	Subsidiary	0.1	0.2	0.1
Aerospace & Transportation Project	Sojitz Aerospace Corporation	Subsidiary	0.3	0.1	(0.2)
Aerospace & Transportation Project	Sojitz Marine & Engineering Corporation	Subsidiary	0.4	0.3	(0.1)
Machinery & Medical Infrastructure	Sojitz Machinery Corporation	Subsidiary	0.3	0.2	(0.1)
Machinery & Medical Infrastructure	Sojitz Hospital PPP Investment B.V.	Subsidiary	0.2	0.8	0.6
Machinery & Medical Infrastructure	First Technology China Ltd.	Subsidiary	0.4	0.4	0.0
Energy & Social Infrastructure	Nissho Electronics Corporation	Subsidiary	0.3	0.2	(0.1)
Energy & Social Infrastructure	Tokyo Yuso Corporation	Subsidiary	0.2	0.2	0.0
Energy & Social Infrastructure	LNG Japan Corporation	Associate	0.1	0.3	0.2
Metals & Mineral Resources	Sojitz Coal Resources Pty. Ltd.	Subsidiary	2.8	4.5	1.7
Metals & Mineral Resources	Sojitz Moolarben Resources Pty. Ltd.	Subsidiary	1.2	2.4	1.2
Metals & Mineral Resources	Sojitz Resources (Australia) Pty. Ltd.	Subsidiary	(0.1)	0.8	0.9
Metals & Mineral Resources	Japan Alumina Associates (Australia) Pty. Ltd.	Associate	0.2	0.2	0.0
Metals & Mineral Resources	Metal One Corporation	Associate	4.5	4.9	0.4

\*1 Associate = Equity in earnings

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

# Profit or Loss of Major Subsidiaries and Associates

(Billions of Yen)

Segment	Company	Subsidiary/ Associate	FY2017 2Q	FY2018 2Q	Difference
Chemicals	Sojitz Pla-Net Corporation	Subsidiary	1.0	0.7	(0.3)
Chemicals	PT. Kaltim Methanol Industri	Subsidiary	1.5	2.7	1.2
Chemicals	solvadis holding S.a.r.l	Subsidiary	0.4	0.4	0.0
Foods & Agriculture Business	Atlas Fertilizer Corporation	Subsidiary	0.3	0.3	0.0
Foods & Agriculture Business	Japan Vietnam Fertilizer Company	Subsidiary	0.4	0.2	(0.2)
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Subsidiary	0.4	0.2	(0.2)
Retail & Lifestyle Business	Sojitz Foods Corporation	Subsidiary	1.2	1.4	0.2
Retail & Lifestyle Business	Sojitz Fashion Co., Ltd.	Subsidiary	0.4	0.4	0.0
Industrial Infrastructure & Urban Development	Sojitz New Urban Development Corporation	Subsidiary	(0.1)	(0.3)	(0.2)

\*1 Associate = Equity in earnings

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

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

Energy & Social Infrastructure Division: SAKURA Internet Inc. (equity-method associate)

Chemicals Division: Pla Matels Corporation (consolidated subsidiary)

Foods & Agriculture Business Division: Fuji Nihon Seito Corporation (equity-method associate), Thai Central Chemical Public Company Limited (consolidated subsidiary)

Retail & Lifestyle Business Division: JALUX Inc. (equity-method associate)

Industrial Infrastructure & Urban Development Division: PT. Puradelta Lestari. Tbk (equity-method associate)

【Supplemental Data】

## Ⅲ. Summary of Financial Results



# Summary of Profit or Loss (Results)

(Billions of Yen)	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018 2Q
Net sales (JGAAP)	5,771.0	5,166.2	3,844.4	4,014.6	4,321.7	3,934.5	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	–
Revenue	–	–	–	–	2,006.6	1,747.8	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	941.8
Gross profit	277.7	235.6	178.2	192.7	217.1	187.2	198.2	197.7	180.7	200.7	232.4	120.9
Operating profit	92.4	52.0	16.1	37.5	57.5	25.5	23.7	33.6	29.2	51.6	59.8	–
Share of profit (loss) of investments accounted for using the equity method	28.9	2.5	9.2	19.3	16.3	15.8	31.0	28.6	23.2	12.7	25.1	11.9
Profit before tax	88.4	37.1	18.9	39.3	58.5	28.1	44.0	52.6	44.3	58.0	80.3	51.5
Profit for the year attributable to owners of the Company	62.7	19.0	8.8	16.0	(1.0)	13.4	27.3	33.1	36.5	40.8	56.8	37.1
Core earnings	110.7	48.3	14.4	41.9	65.8	38.5	68.0	66.3	41.6	54.2	90.8	45.9
ROA	2.4%	0.8%	0.4%	0.7%	(0.0)%	0.6%	1.2%	1.5%	1.7%	1.9%	2.5%	–
ROE	13.0%	4.8%	2.6%	4.7%	(0.3)%	3.8%	6.5%	6.5%	6.8%	7.6%	10.0%	–

(\*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for FY2007 through FY2010.

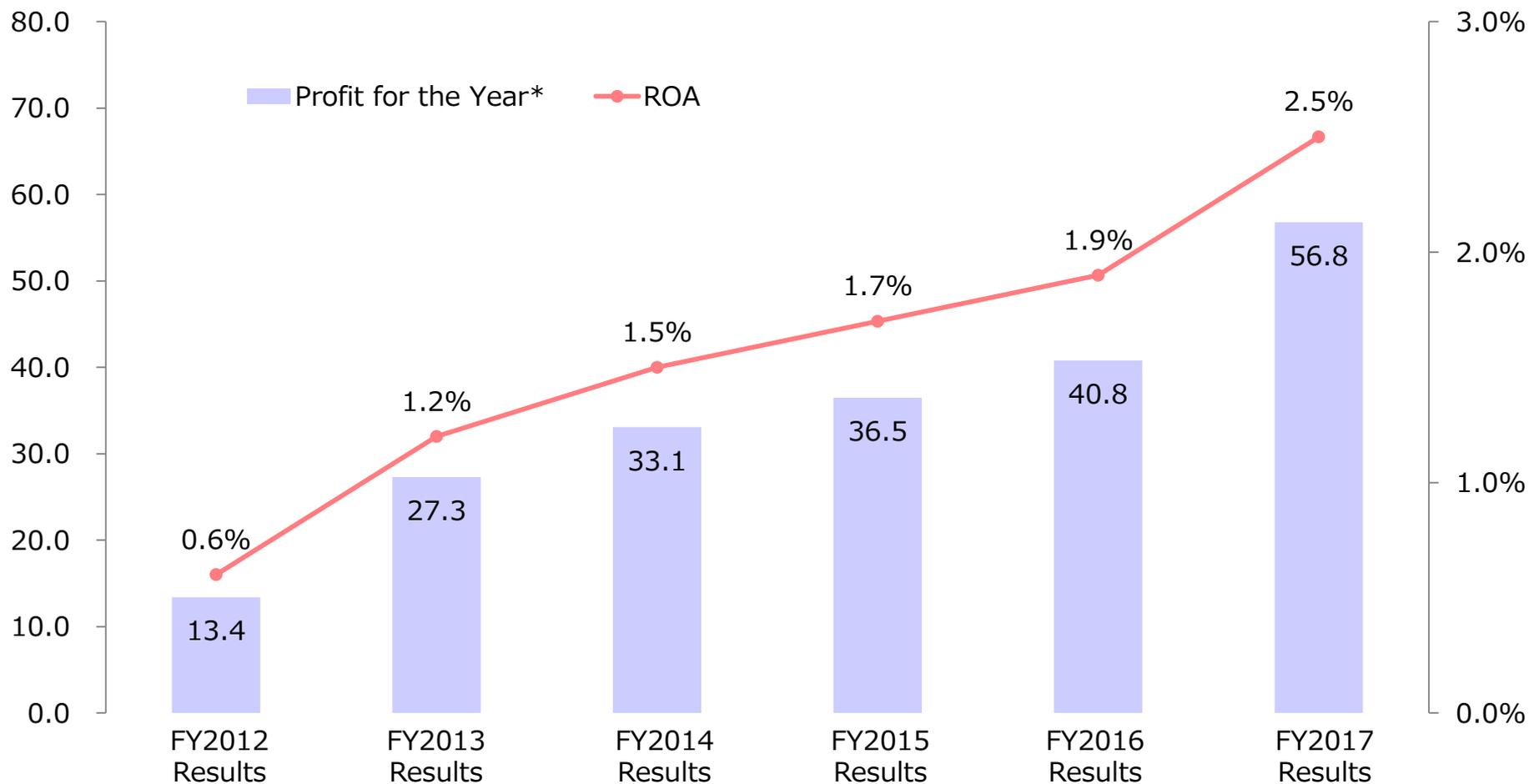
# Summary of Balance Sheets (Results)

(Billions of Yen)	End of Mar. 2008	End of Mar. 2009	End of Mar. 2010	End of Mar. 2011	End of Mar. 2012	End of Mar. 2013	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Sep. 2018
Total assets	2,669.4	2,313.0	2,160.9	2,117.0	2,190.7	2,150.1	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,341.4
Total equity	476.0	319.0	352.4	330.0	330.0	382.6	459.9	550.9	520.3	550.5	586.4	616.3
Equity ratio	17.8%	13.8%	16.3%	15.6%	15.1%	17.8%	20.7%	24.0%	25.3%	25.7%	25.0%	26.3%
Net interest-bearing debt	918.9	865.3	737.8	700.6	676.4	643.3	640.2	629.6	571.6	611.1	603.5	596.9
Net DER (times)	1.9	2.7	2.1	2.1	2.0	1.7	1.4	1.1	1.1	1.1	1.0	1.0
Risk assets (vs. Total equity, times)	380.0 0.8	350.0 1.1	320.0 0.9	310.0 0.9	330.0 1.0	340.0 0.9	350.0 0.8	320.0 0.6	330.0 0.6	320.0 0.6	350.0 0.6	360.0 0.6
Current ratio	121.1%	141.7%	152.7%	142.2%	142.5%	152.1%	162.8%	169.5%	170.1%	171.3%	162.7%	161.7%
Long-term debt ratio	54.0%	66.7%	74.3%	72.3%	73.3%	76.0%	78.7%	79.9%	81.8%	82.9%	87.5%	84.9%

(\*) The Group adopted IFRSs from the fiscal year ended March 31, 2013. The figures above are based on Japanese GAAP for End of Mar. 2008 through 2011. Under JGAAP, Total equity is calculated as Total net assets – Minority interests.

# Summary of Profit or Loss

(Billions of Yen)



\* Attributable to owners of the Company

# Summary of Balance Sheets

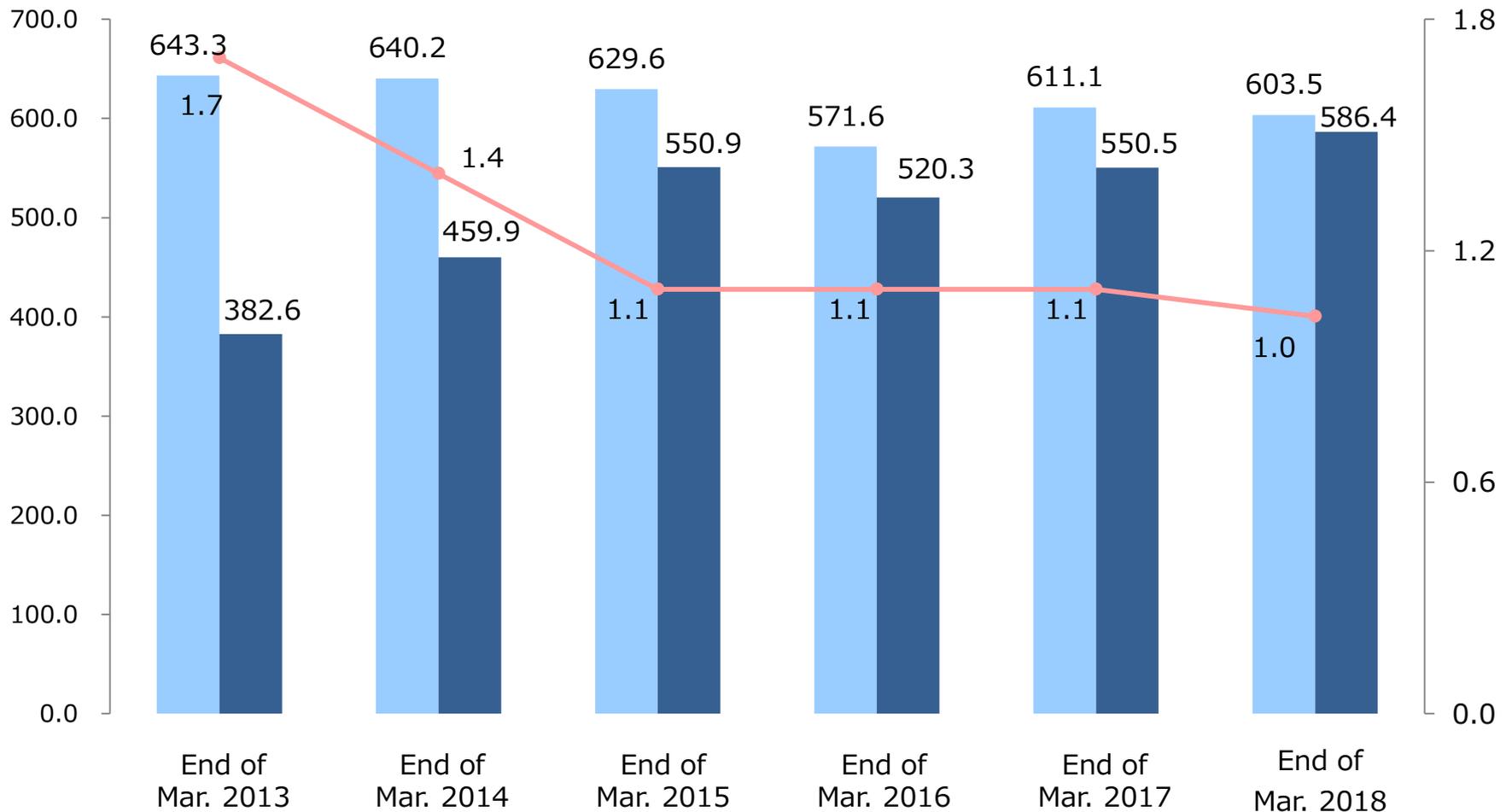
(Billions of Yen)

Net Interest-Bearing Debt

Total Equity

Net DER

(Times)





***sojitz***

***New way, New value***