

Highlights of Consolidated Financial Results for the Year Ended March 31, 2021 (IFRS) – Supplementary Materials (1)

April 30, 2021  
Sojitz Corporation

(Billions of yen)						(Billions of yen)									
Operating Results						Segment Performance [Gross Profit]				Segment Performance [Profit for the Year (Attributable to Owners of the Company)]					
	FY2020 Results	FY2019 Results	Difference	FY2020 Revised Forecast (Feb. 3, 2021)	Percentage Achieved		FY2020	FY2019	Difference	FY2020	FY2019	Difference	Main Factors Behind Difference	FY2020 Revised Forecast (Feb. 3, 2021)	Main Factors Behind Differences between Results and Revised Forecast for FY2020
Revenue	1,602.5	1,754.8	(152.3)	—	—										
Gross profit	188.1	220.5	(32.4)	200.0	94%	Automotive	34.3	41.2	(6.9)	1.2	2.4	(1.2)	Decreased due to reduced automobile sales as a result of the global COVID-19 pandemic	1.0	Performance in line with forecast
Selling, general and administrative expenses	(161.1)	(173.2)	+12.1	(164.0)		Aerospace & Transportation Project	13.6	15.7	(2.1)	1.8	1.8	+0.0	Relatively unchanged year on year	5.0	Lower performance than forecast due to reduced aircraft-related transactions and failure to execute planned projects
Other income/expenses	(1.1)	7.5	(8.6)	(1.0)		Machinery & Medical Infrastructure	13.4	14.7	(1.3)	4.0	4.6	(0.6)	Decreased due to impairment losses based on structural reform policies although profits increased in medical infrastructure business	5.0	Lower performance than forecast because of recording impairment loss in industrial machinery-related business based on structural reform policies
Financial income/costs	(3.3)	(4.2)	+0.9	(5.0)		Energy & Social Infrastructure	17.8	25.7	(7.9)	3.6	9.6	(6.0)	Decreased due to impairment loss on oil interests recorded based on structural reform policies and the rebound in sales of power generation businesses recorded in the previous equivalent period, despite the asset replacement in power generation businesses	4.5	Lower performance than forecast because of recording impairment loss with regards to a certain oil interests based on structural reform policies
Share of profit (loss) of investments accounted for using the equity method	14.8	24.9	(10.1)	13.0		Metals & Mineral Resources	12.4	20.4	(8.0)	(1.7)	20.1	(21.8)	Decreased due to rebound from sales of thermal coal interests in the previous year, impairment loss in overseas coal business based on structural reform policies, sluggish coal market, and decreased profits from steel operating company	1.0	Lower performance than forecast because of recording impairment loss for the earlier withdrawal from a portion of thermal coal interests based on structural reform policies
Profit before tax	37.4	75.5	(38.1)	43.0	87%	Chemicals	37.3	43.2	(5.9)	5.8	9.3	(3.5)	Decreased due to impacts from the drop in methanol prices in the first quarter as a result of the global COVID-19 pandemic	5.5	Performance in line with forecast
Profit for the year (Profit attributable to)	29.4	64.6	(35.2)	32.0	92%	Foods & Agriculture Business	18.8	14.2	+4.6	5.1	1.4	+3.7	Increased due to higher performance in overseas fertilizer businesses thanks to lower production costs and higher sales volumes	4.5	Performance in line with forecast
Owners of the Company	27.0	60.8	(33.8)	30.0	90%	Retail & Lifestyle Business	31.8	35.5	(3.7)	4.5	6.0	(1.5)	Decreased due to sluggish domestic consumption stemming from the global COVID-19 pandemic despite gains on sale of a shopping mall	4.0	Performance in line with forecast
Non-controlling interests	2.4	3.8	(1.4)	2.0		Industrial Infrastructure & Urban Development	6.0	6.0	+0.0	1.1	1.5	(0.4)	Relatively unchanged year on year	0.5	Performance in line with forecast
Core earnings*1	38.4	68.4	(30.0)	44.0		Other	2.7	3.9	(1.2)	1.6	4.1	(2.5)		(1.0)	
Comprehensive income attributable to owners of the Company	59.1	(4.2)	+63.3												
*1 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						Total	188.1	220.5	(32.4)	27.0	60.8	(33.8)		30.0	

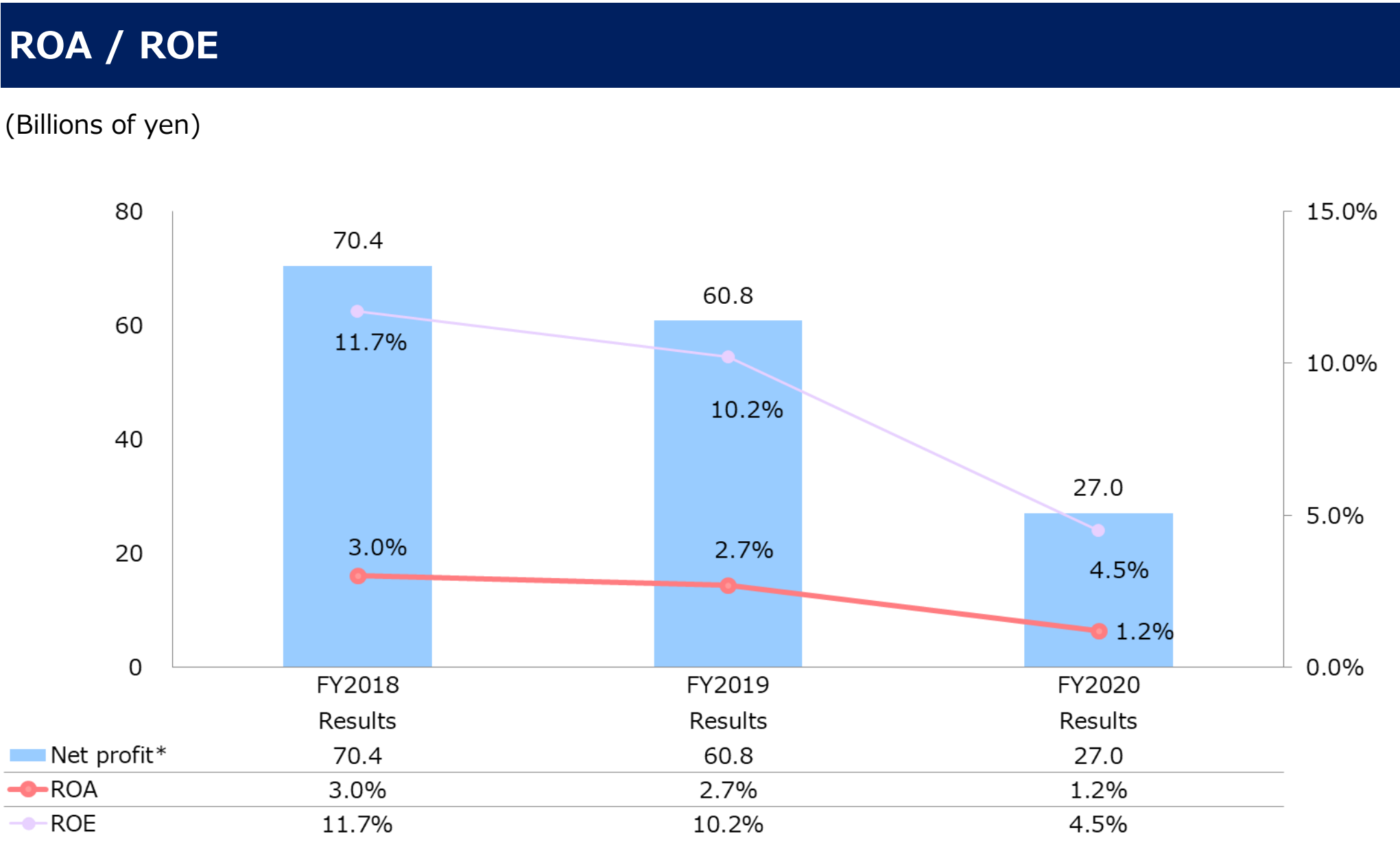
(Billions of yen)			
Financial Position			
	Mar. 31, 2021	Mar. 31, 2020	Difference
Total assets	2,300.1	2,230.3	+69.8
Total equity*2	619.0	579.1	+39.9
Equity ratio	26.9%	26.0%	+0.9%
Net interest-bearing debt*3	610.6	613.2	(2.6)
Net D/E ratio (times)	0.99	1.06	(0.07)
Risk assets	390.0	380.0	+10.0
Ratio of risk assets to equity (times)	0.6	0.7	(0.1)

\*2 “Total equity” above refers to “Total equity attributable to owners of the Company” and is used as the denominator when calculating “Net D/E ratio” and the numerator when calculating “Equity ratio.”

\*3 Lease liabilities (under current liabilities and non-current liabilities) have been excluded from calculations of net interest-bearing debt.

Commodity Prices and Exchange Rates				
	FY2019 Results (Annual Avg.)	FY2020 Initial Assumption (Annual Avg.)	FY2020 Results (Annual Avg.)	FY2020 Results (Jan.-Mar. Avg.)
Crude oil (Brent)	US\$60.9/bbl	US\$25.0/bbl (1H) US\$35.0/bbl (2H)	US\$45.8/bbl	US\$61.3/bbl
Thermal coal**1	US\$70.7/t	US\$63.8/t	US\$65.6/t	US\$89.4/t
Coking coal**1	US\$163.6/t	US\$135.0/t	US\$117.9/t	US\$127.9/t
Exchange rate	¥108.9/US\$	¥108.0/US\$	¥105.9/US\$	¥107.2/US\$

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



\*Profit for the year (attributable to owners of the Company)



Highlights of Consolidated Financial Results for the Year Ended March 31, 2021 (IFRS) — Supplementary Materials (2)

April 30, 2021  
Sojitz Corporation

(Billions of yen)  
Operating Results

	FY2020 Results	FY2021 Forecast	Difference
Revenue	1,602.5	—	—
Gross profit	188.1	220.0	+ 31.9
Selling, general and administrative expenses	(161.1)	(178.0)	(16.9)
Other income/expenses	(1.1)	4.0	+5.1
Financial income/costs	(3.3)	(2.0)	+1.3
Share of profit (loss) of investments accounted for using the equity method	14.8	26.0	+11.2
Profit before tax	37.4	70.0	+32.6
Profit for the year (Profit attributable to)	29.4	56.0	+26.6
Owners of the Company	27.0	53.0	+26.0
Non-controlling interests	2.4	3.0	+0.6
Core earnings*1	38.4	66.0	+27.6

\*1 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

(Billions of yen)  
Financial Position

	Mar. 31, 2021	Mar. 31, 2022 Forecast	Difference
Total assets	2,300.1	2,450.0	+149.9
Total equity*1	619.0	640.0	+21.0
Equity ratio	26.9%	26.1%	(0.8)%
Net interest-bearing debt*2	610.6	780.0	+169.4
Net D/E ratio (times)	0.99	1.2	—
Risk assets	390.0	-	—
Ratio of risk assets to equity (times)	0.6	-	—

\*1 “Total equity” above refers to “Total equity attributable to owners of the Company” and is used as the denominator when calculating “Net D/E ratio” and the numerator when calculating “Equity ratio.”

\*2 Lease liabilities (under current liabilities and non-current liabilities) have been excluded from calculations of net interest-bearing debt.

(Billions of yen)  
Segment Performance [Profit for the Year]

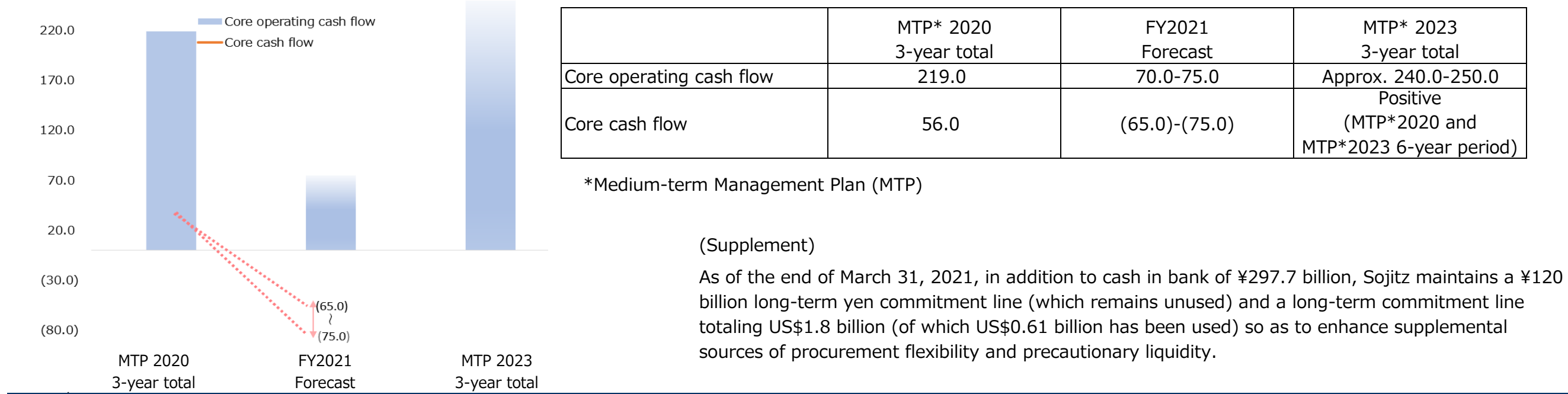
New Structure (7 segments)	FY2020 Results	FY2021 Forecast
Automotive	1.0	5.0
Aerospace & Transportation Project	1.8	4.5
Infrastructure & Healthcare	8.2	7.5
Metals, Mineral Resources & Recycling	(1.8)	12.0
Chemicals	5.8	10.5
Consumer Industry & Agriculture Business	5.1	5.0
Retail & Consumer Service	4.5	5.0
Other	2.4	3.5
Total	27.0	53.0

(Note) FY2020 figures for the Infrastructure& Healthcare Project, Consumer Industry & Agriculture Business and Retail & Consumer Service Division 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.

FY2021 Current Position and Outlook

Automotive	Earnings contributions anticipated from investments in emerging countries along with recovery in sales in principal businesses due to demand recovery
Aerospace & Transportation Project	Earnings contributions anticipated from new agreement on aircraft-related transactions which has been signed
Infrastructure & Healthcare	Stable earnings expected from healthcare-related businesses and domestic and overseas power generation businesses
Metals, Mineral Resources & Recycling	Increased sales volume and higher sales prices expected following increased steel demand and coal market recovery
Chemicals	Earnings contributions anticipated from methanol and plastic resin businesses as a result of recovery from COVID-19 impacts
Consumer Industry & Agriculture Business	Earnings from mainstay fertilizer operations anticipated along with earnings improvement in Vietnamese papermaking business
Retail & Consumer Service	Phased recovery from COVID-19 impacts in domestic demand and earnings improvement anticipated in Asean retail business
Other	Increase following integration of machinery-related companies

(Billions of yen)  
Cash Flows



Commodity Prices and Exchange Rates

	FY2021 Assumption (Annual Avg.)	Latest Data (As of Apr. 23, 2021)
Crude oil (Brent)	US\$50.0/bbl	US\$66.1/bbl
Thermal coal *1	US\$80.0/t	US\$90.9/t
Coking coal *1	US\$127.5/t	US\$110.8/t
Exchange rate *2	¥108.0/US\$	¥107.9/US\$

\*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. ¥0.5 billion annually, profit for the year (attributable to owners of the Company) by approx. ¥0.25 billion annually, and total equity by approx. ¥1.5 billion annually.

Organizational Reforms

Organizational Reforms (effective as of April 1, 2021)  
(Released on November 27, 2020)

