

# Financial Results

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

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

October 31, 2023

**Sojitz Corporation**

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

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

The company will provide timely disclosure of any material changes, events, or other relevant issues.

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This document is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.

### Notes

- **“Profit for the period / year attributable to owners of the Company”** is described as **“Profit for the period / year.”**
- **“Total equity”** refers to **“Total equity attributable to owners of the Company”** and is used as the denominator when calculating **“Net D/E ratio”** and the numerator when calculating **“Equity ratio”**.
- **“Selling, general and administrative expenses”** is referred to as **“SG&A expenses.”**
- **“Core earnings”** = Gross profit + Selling, general and administrative expenses (before provision of allowance for doubtful accounts and write-offs) + Net interest expenses + Dividends received + Share of profit (loss) of investments accounted for using the equity method.
- **“Medium-term Management Plan 2023.”** is referred to as **“MTP2023”**. The same applies to **“MTP2020”** and **“MTP2017”**.
- **“Core operating cash flow”** = Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes
- **“Core cash flow”** = Core operating cash flow + Post-adjustment, net cash provided by (used in) investing activities – Dividends paid – Purchase of treasury stock  
(Post-adjustment, net cash provided by (used in) investing activities are net cash provided by (used in) investing activities after adjustment for changes in long-term operating assets, etc.)
- **“Shareholder Returns”** = include acquisitions of treasury stock.

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

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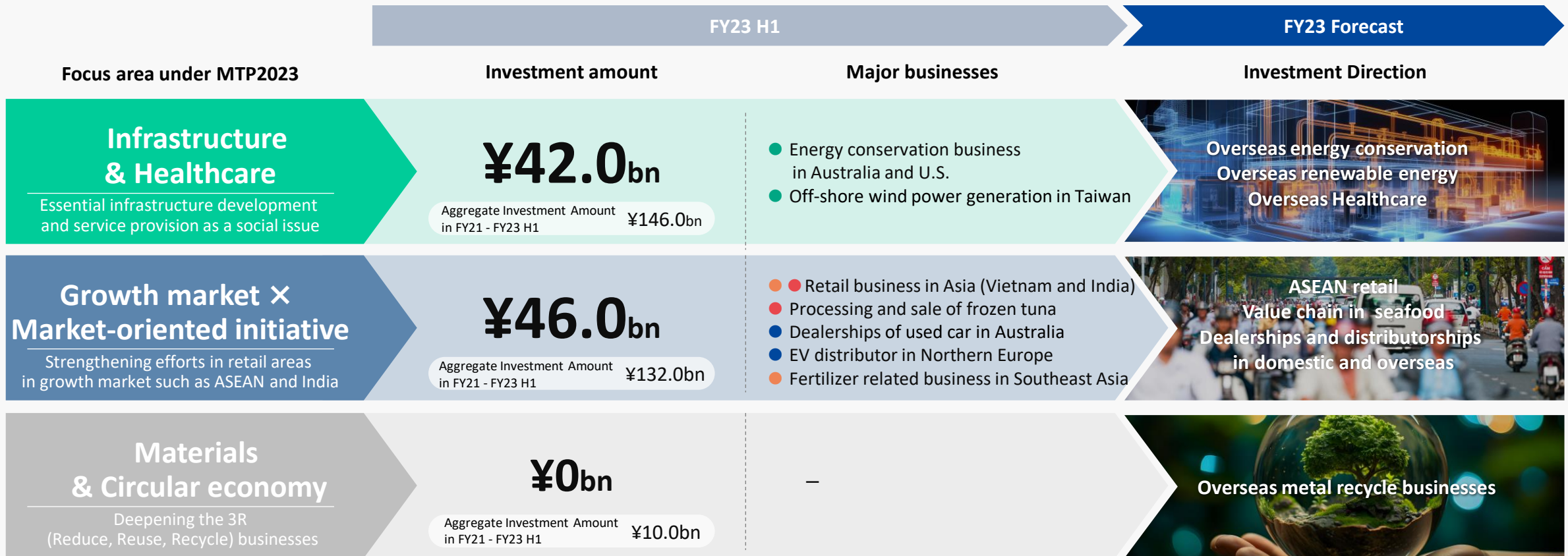
# **Progress of Medium-Term Management Plan 2023 - Start of the Next Decade -**

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

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

# Investment for Growth Strategy and Focus areas

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

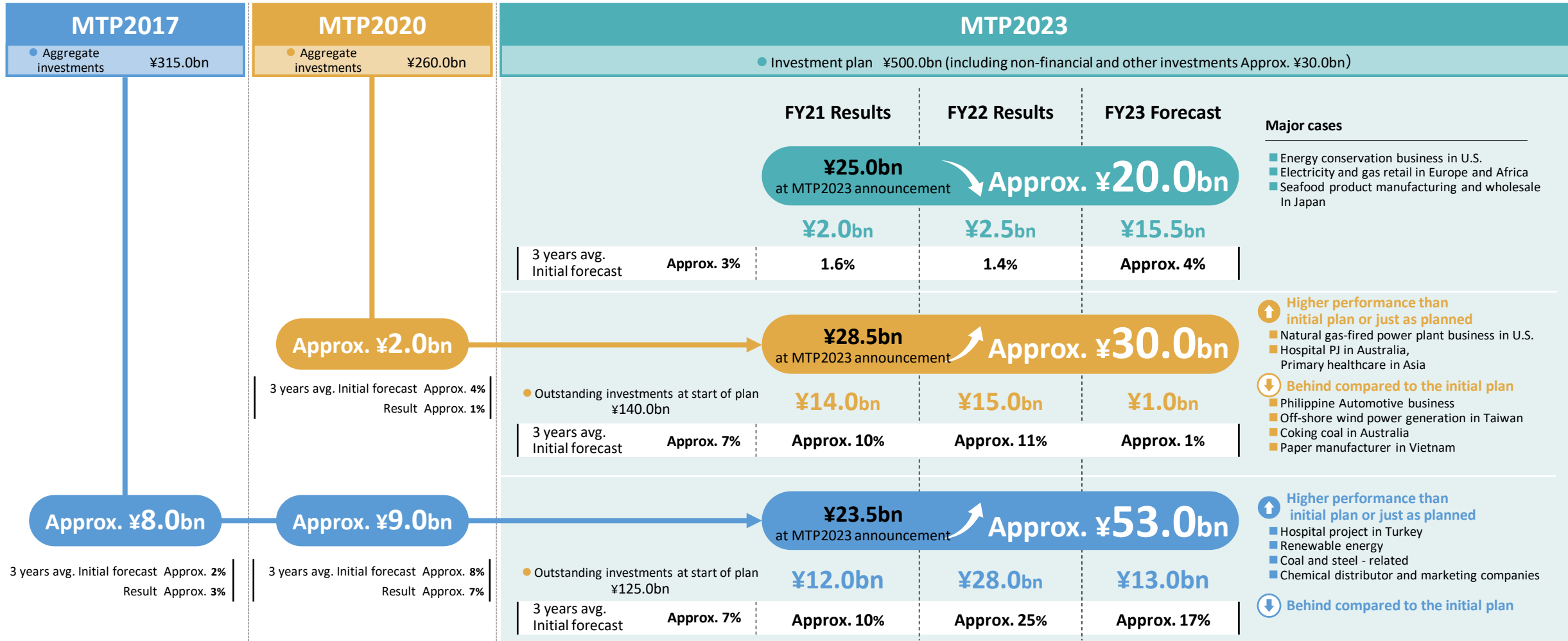


**Aggregate Investment Amount under MTP2023 including non-financial and other investments**
**¥341.0bn**
**MTP2023 Investment Plan**
**¥500.0bn**

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

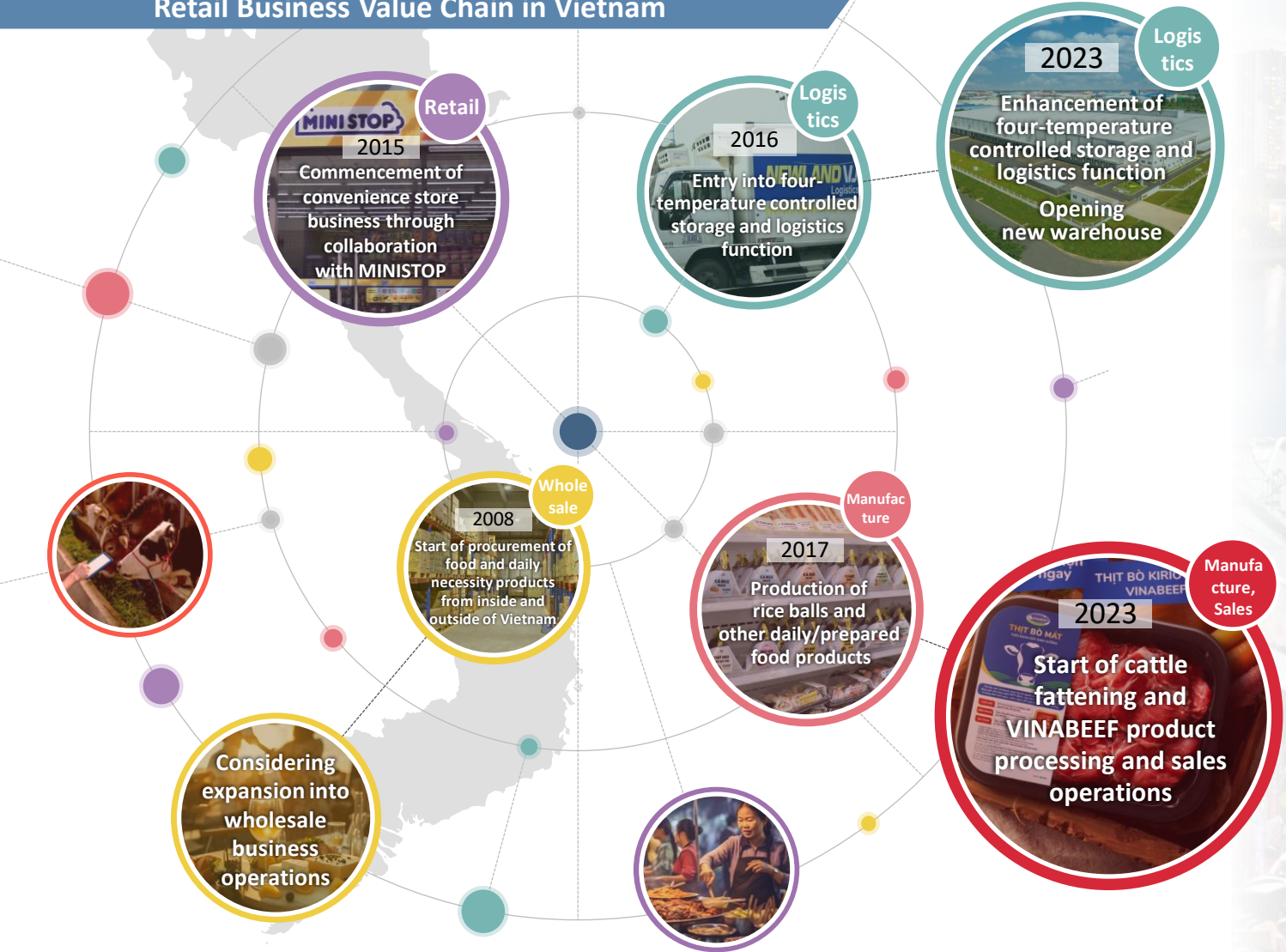
# Investment Progress MTP2017, MTP2020, MTP2023

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



# Example of Investment for Growth Strategy and Focus areas

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



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

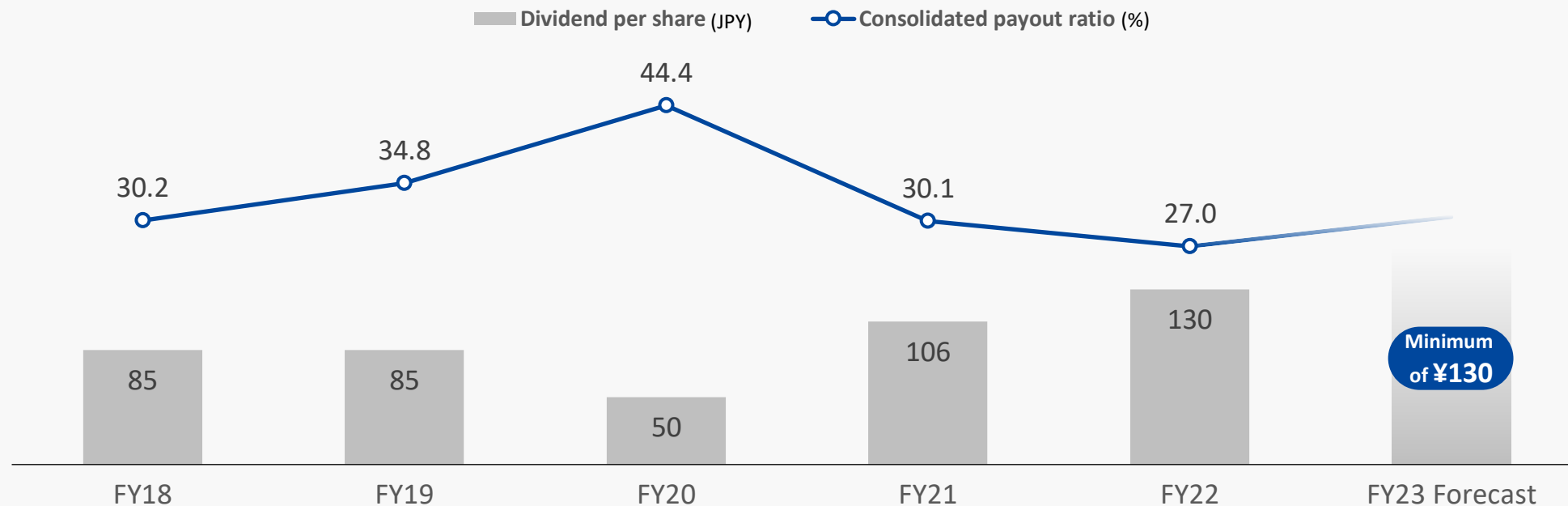


# Shareholder Returns Policy

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

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

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

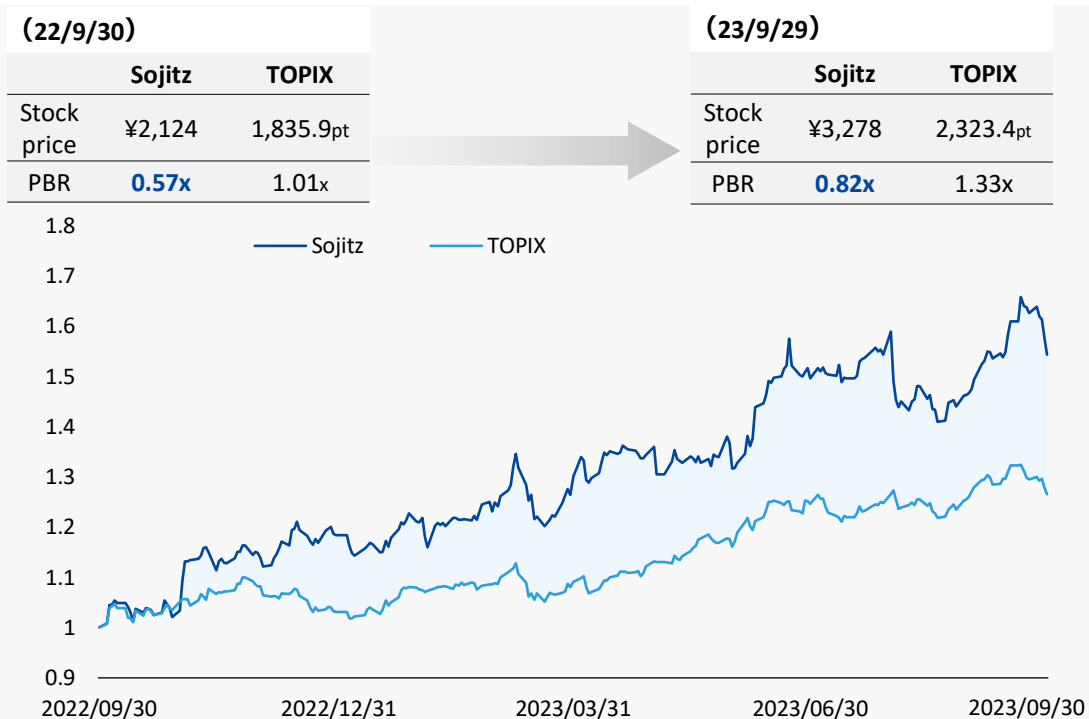


	Medium-term Management Plan 2020 Commitment to Growth			Medium-term Management Plan 2023 Start of the Next Decade		
	(BN JPY)					
Profit for the year	70.4	60.8	27.0	82.3	111.2	95.0
Total amount of share repurchase	0.0	10.1	5.0	15.0	0.0	30.0

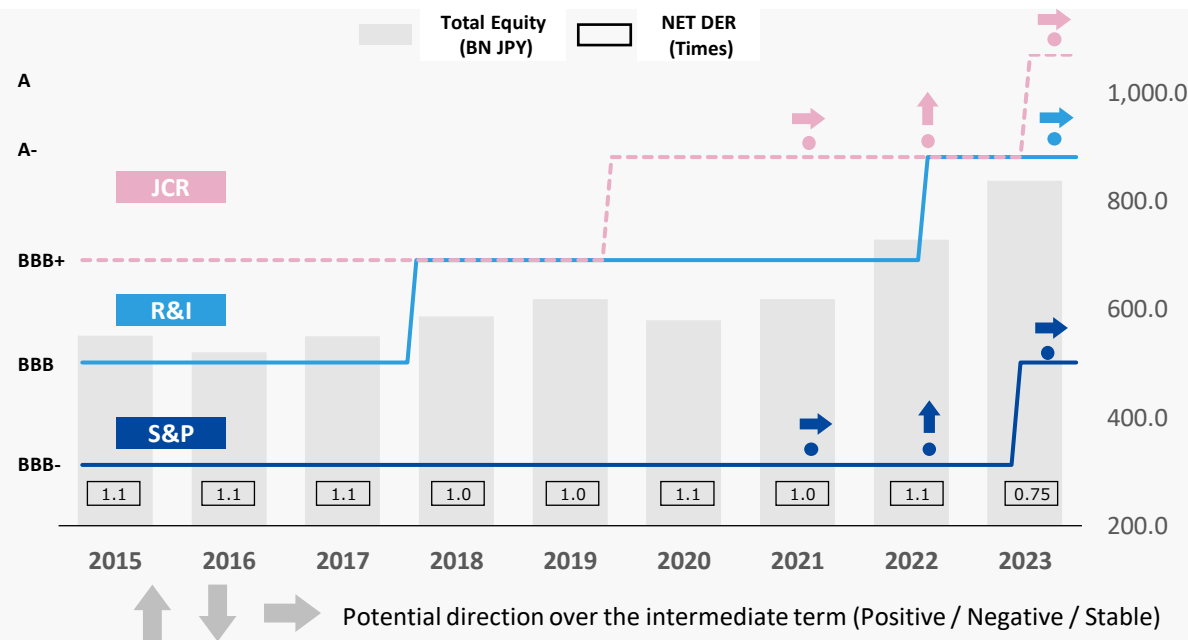
\* The Company conducted a five-for-one share consolidation of common shares of stock effective October 1, 2021. The dividend figures for FY18 to FY21 have been restated to reflect the share consolidation

# Stock Price, PBR Trend, and Credit Ratings

## ● Sojitz stock price greatly outperforming TOPIX



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



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

As of the end of September 2023 vs TOPIX		Dividend Yield*	
vs the beginning of the year 2023	+8.5%	FY2022	5.70%
	Outperform	FY2021	7.45%
vs the end of September 2022	+27.8%	FY2020	4.03%
	Outperform	FY2019	4.98%

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

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

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

## Summary of Profit or Loss

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

# Summary of Balance Sheet -1.

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

## Main Factors

### Trade and other receivables

- Decreased due to aircraft-related transactions

### Goodwill

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

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

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

### Others

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

### Trade and other payables

- Increase due to settlement following on holiday

### Total Equity attributable to owners of the Company

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

# Summary of Balance Sheet -2.

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

# Summary of Cash Flow

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

## Main Factors

### CF from operating activities

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

### CF from investing activities

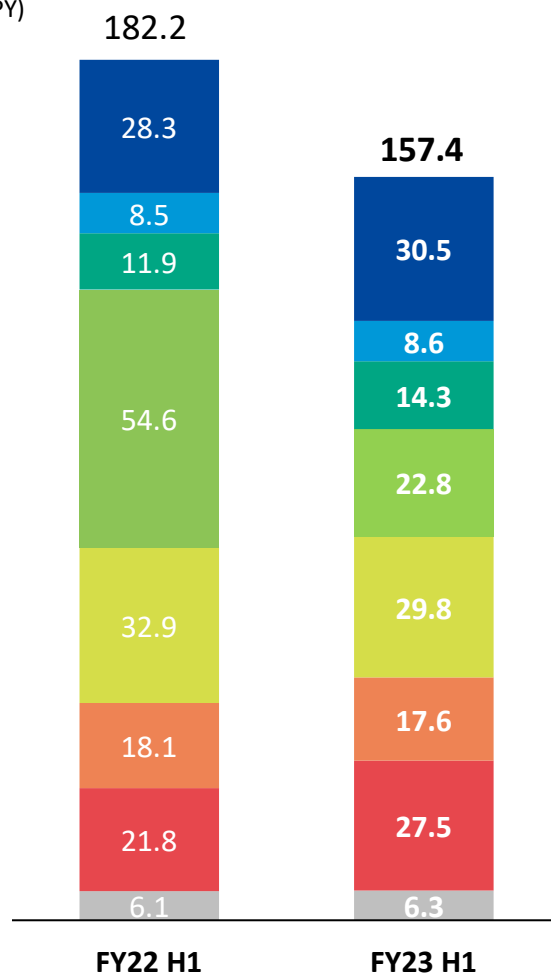
- Inflows from aircraft-related transactions and sales of cross - shareholdings
- Outflows for new acquisition of the processing and sale of frozen tuna company and energy conservation business in Australia

### CF from financing activities

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

# Summary of Gross Profit by segment

(BN JPY)



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

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



# Summary of Profit by segment

(BN JPY)

			FY22 H1	FY23 H1	Difference	Main Factors
	78.9					
	4.5					
	2.4					
	9.7					
	41.8					
	11.4					
	5.8					
	1.0					
	2.3					
<b>FY22 H1</b>						
	47.9					
	2.7					
	1.5					
	5.5					
	18.5					
	6.8					
	3.5					
	9.1					
	0.3					
<b>FY23 H1</b>						
<b>Automotive</b>			4.5	2.7	(1.8)	Decreased due to withdrawal from distributorship businesses in Thailand
<b>Aerospace &amp; Transportaion Project</b>			2.4	1.5	(0.9)	Decreased due to lower aircraft-related transactions
<b>Infrastructure &amp; Healthcare</b>			9.7	5.5	(4.2)	Decreased due to absence of gain on partial sale of equity in telecommunications tower operating business in the previous year
<b>Metals, Mineral Resources &amp; Recycling</b>			41.8	18.5	(23.3)	Decreased due to decreases in prices and transaction volumes for coal and increases cost
<b>Chemicals</b>			11.4	6.8	(4.6)	Decreased due to slowdown in demand of chemical products including plastic resins and one-time losses
<b>Consumer Industry &amp; Agriculture Business</b>			5.8	3.5	(2.3)	Decreased due to decreases in sales prices of fertilizer business in the Philippines and building material business
<b>Retail &amp; Consumer Service</b>			1.0	9.1	+8.1	Increased due to sales of a shopping mall and recovery in domestic retail business and negative goodwill recorded in association with a new investment
<b>Others</b>			2.3	0.3	(2.0)	
<b>Total</b>			78.9	47.9	(31.0)	

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

# FY23 Forecast Profit for the Year by Segment

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

# Cash Flow Management

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

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

# Investments and Asset Replacement

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

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

## Commodity Prices, Foreign Exchange, and Interest Rate

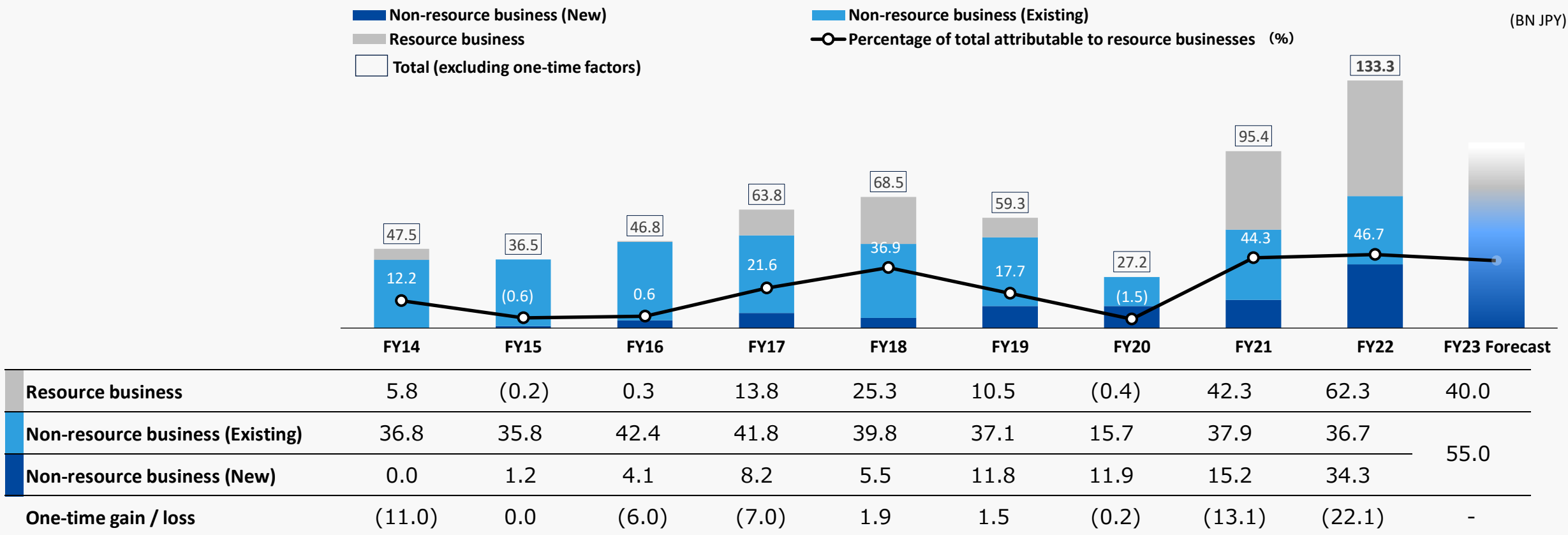
	FY22 Results (Apr. - Sep. Avg.)	FY23 Initial Assumptions → FY23 H2 Assumption	FY23 Results (Apr. - Sep. Avg.)	Latest data (As of Oct. 25, 2023)
<b>Coking coal *1</b>	US\$345/t	US\$230.0/t → US\$250/t (H2)	US\$254/t	<b>US\$349/t</b>
<b>Thermal coal *1</b>	US\$401/t	US\$160.0/t → US\$130/t (H2)	US\$154/t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

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

\*2 Impact of fluctuations in the exchange rate on earnings: ¥1/US\$ change alters gross profit by approx. ¥0.7 billion annually, profit for the year by approx. ¥0.3 billion annually, and total equity by approx. ¥2.0 billion annually.

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

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



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

# Establish Strong Business Base and Transformation

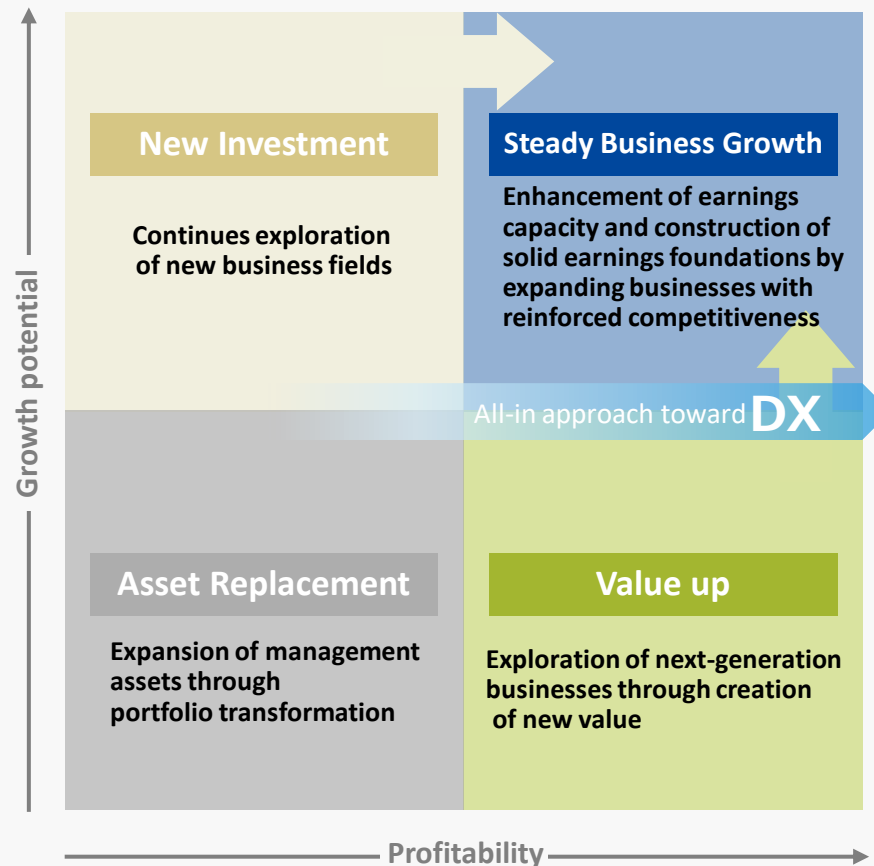
- Advancement of sophisticated strategies in focus areas based on growth strategies under MTP2023, improvement of earnings capacity and competitiveness of executed investments
- Drastic transformation of earnings structure through exhaustive emphasis on market-oriented initiatives in existing businesses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

## New Investment

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

## Asset Replacement

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



## Steady Business Growth

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

## Value up

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

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## **Segment Information**

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



## Summary

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

## Main Factors of Difference in Profit for the Period

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

Progress Overview  
Revised Forecast ¥5.0bn Achieved 54%

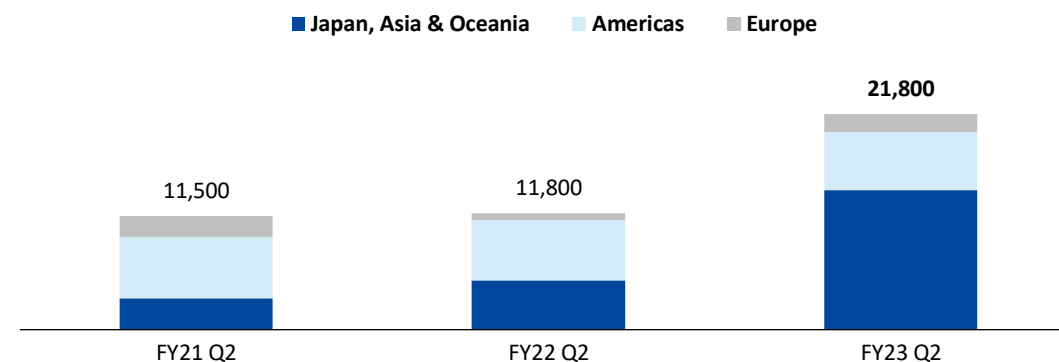
- Downward revision to ¥5.0 bn from initial forecast of ¥7.0 bn
- Continuation of strong performance anticipated in automobile sales businesses in the Americas
- Pursuit of new earnings from projects invested in during FY2023
- Downward revision to initial forecasts based on six-month performance

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

## Vehicle Sales

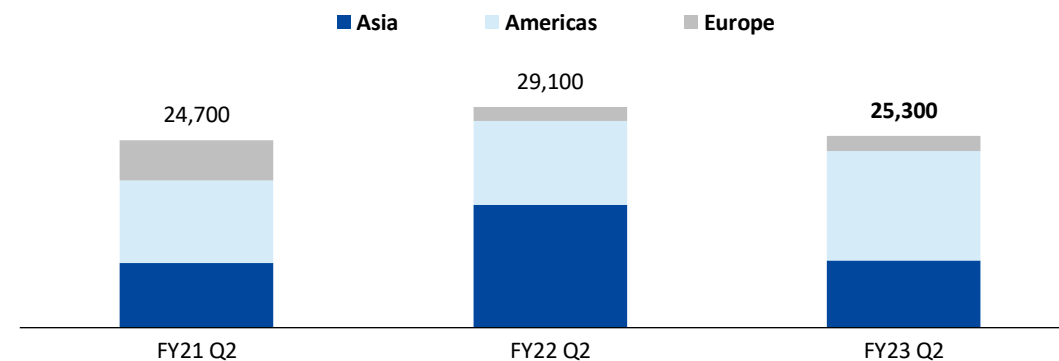
## Dealership Business

(Unit)



## Distributor Business

(Unit)



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

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

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

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

## Summary

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

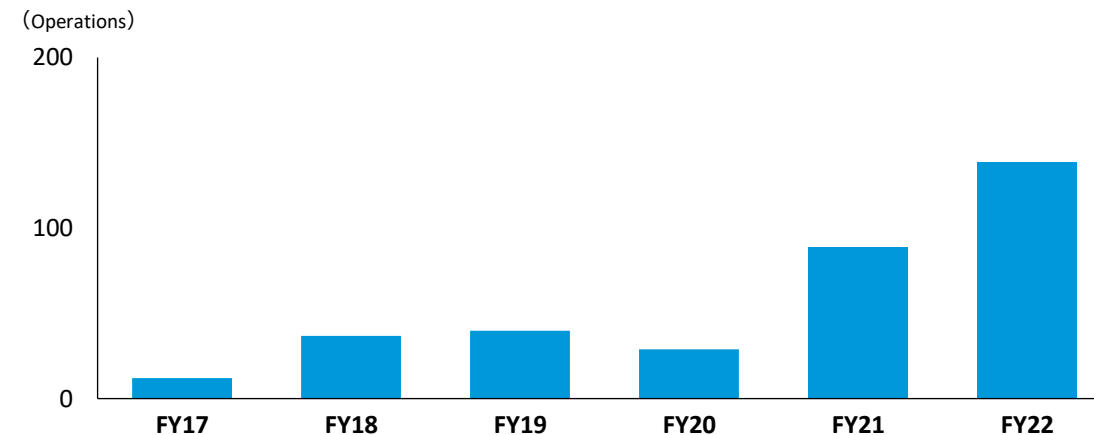
## Main Factors of Difference in Profit for the Period

- Decreased due to lower aircraft-related transactions

Progress Overview  
Forecast ¥4.0bn Achieved 38%

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

## Business Jet charter sales



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

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

	Equity ownership	FY2022					FY2023					Difference	Business Description	Accounting Period	
		1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total				
(BN JPY)															
<b>Aircraft, Marine vessel asset businesses</b>														Aircraft sales representative, Aircraft lease Aircraft part-out etc.	
-Sojitz Aviation and Marine B.V.	100%	0.0	0.0	0.0	0.0	0.0	0.0	(0.1)	—	—	(0.1)	(0.1)	(0.1)	Aircraft part-out business and marine vessel-related business	Mar
<b>Aviation businesses</b>														Dependence system-related, Business Jet services, Aircraft sales representative	
-Business Jet services	100%	0.3	0.3	0.4	(0.1)	0.9	0.0	0.3	—	—	0.3	(0.3)	(0.3)		—
<b>Transportation, Airport infrastructure businesses</b>														North American railcar (MRO, Railcar lease), EPC businesses in railcar filed in Asia	
-Sojitz Transit & Railway Canada Inc.	74.9%	(0.1)	0.1	0.1	0.1	0.2	0.0	0.0	—	—	0.0	0.0	0.0	General repair and remanufacturing of railway rolling stocks	Mar
-Southwest Rail Industries Inc.	100%	0.1	0.2	0.1	0.0	0.4	0.0	0.1	—	—	0.1	(0.2)	(0.2)	Railcar leasing business	Mar
<b>Sojitz Aerospace Corporation</b>	100%	0.0	0.4	0.4	0.5	1.3	0.5	0.5	—	—	1.0	+0.6	+0.6	Import/export and sales of aerospace and defense-related equipment, components and materials	Mar
<b>(One-time gain and loss)</b>	—	0.0	0.0	0.0	0.5	0.5	0.0	0.0	—	—	0.0	0.0	0.0		

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

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

## Summary

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

## Main Factors of Difference in Profit for the Period

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

Main Factors Decreasing Profit:

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

Main Factors Increasing Profit:

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

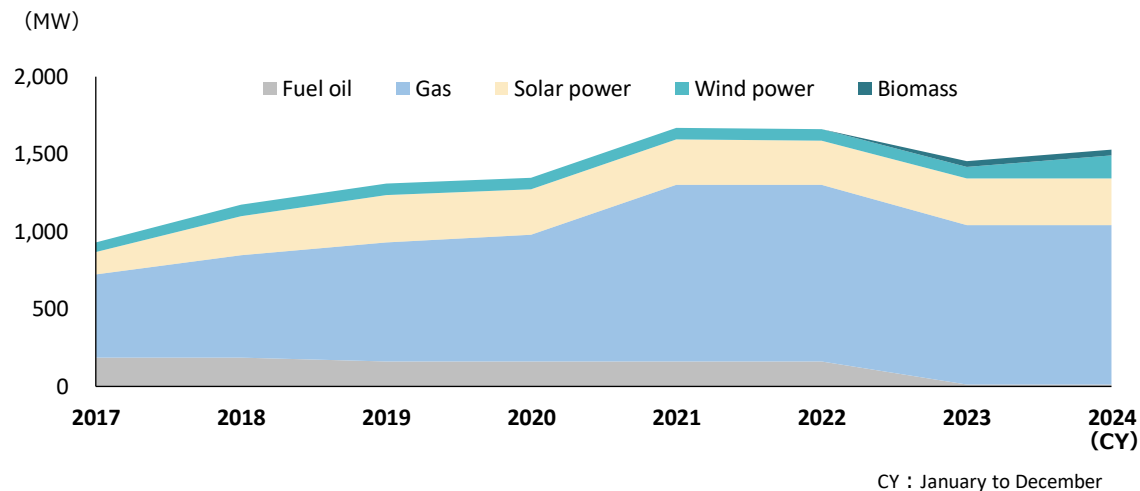
## Progress Overview

## Forecast ¥16.0bn Achieved 34%

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

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

## Net Power-Generation Capacity



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

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

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

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

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

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

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

\* 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

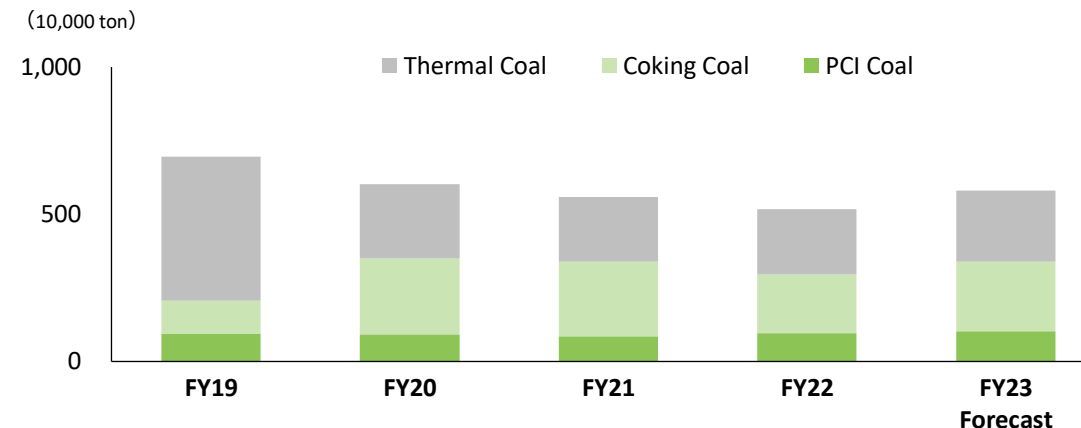
\* The equity ownership is as of the end of September 2023.

## Summary

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

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

## Change in Coal Sales Volume



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

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

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

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



## Summary

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

## Main Factors of Difference in Profit for the Period

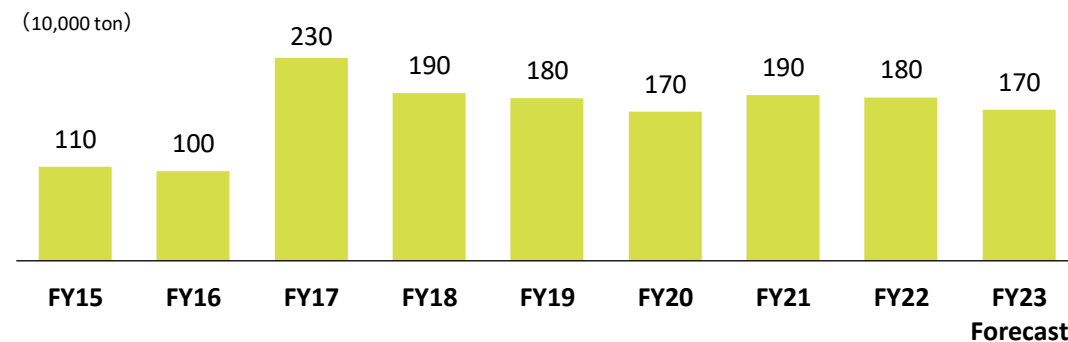
- Strong performance in non-consolidated trading businesses following efforts to improve profitability
- Profit down due to one-time first-quarter losses and sluggish demand for plastic resins and other chemical products

## Progress Overview

## Revised Forecast ¥13.0bn Achieved 52%

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

## Sales Volume for Methanol



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

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

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

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

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

## Summary

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

## Main Factors of Difference in Profit for the Period

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

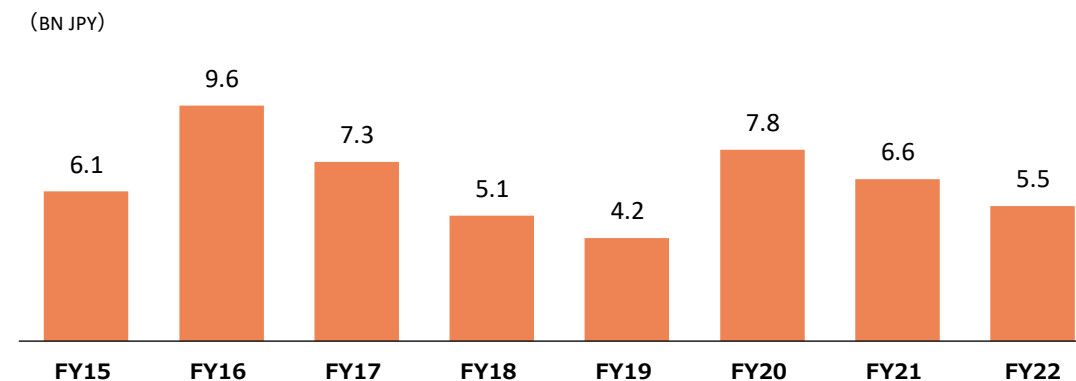
## Progress Overview

## Revised Forecast ¥7.0bn Achieved 50%

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

## Profit of Overseas Fertilizers Business

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



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

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

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

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

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

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

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

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

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

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

## Summary

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

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

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

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

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

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

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

- Fuji Nihon Seito Corporation (equity-method associate) <https://www.fnsugar.co.jp/>
- Royal Holdings (equity-method associate) <https://www.royal-holdings.co.jp/>

Infrastructure & Healthcare Division

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

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

### Project Details

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

#### Overview of Edenvale Solar Park

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

#### Renewable Energy Supply

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

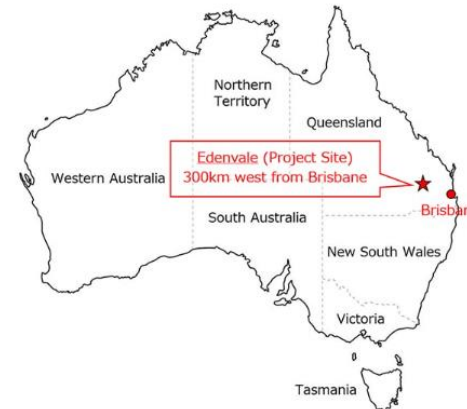
### Sustainability Challenge – Decarbonization Initiatives

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

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

#### Synergies with Other Projects in Australia

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



Completed Edenvale Solar Park in Sep. 2023

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

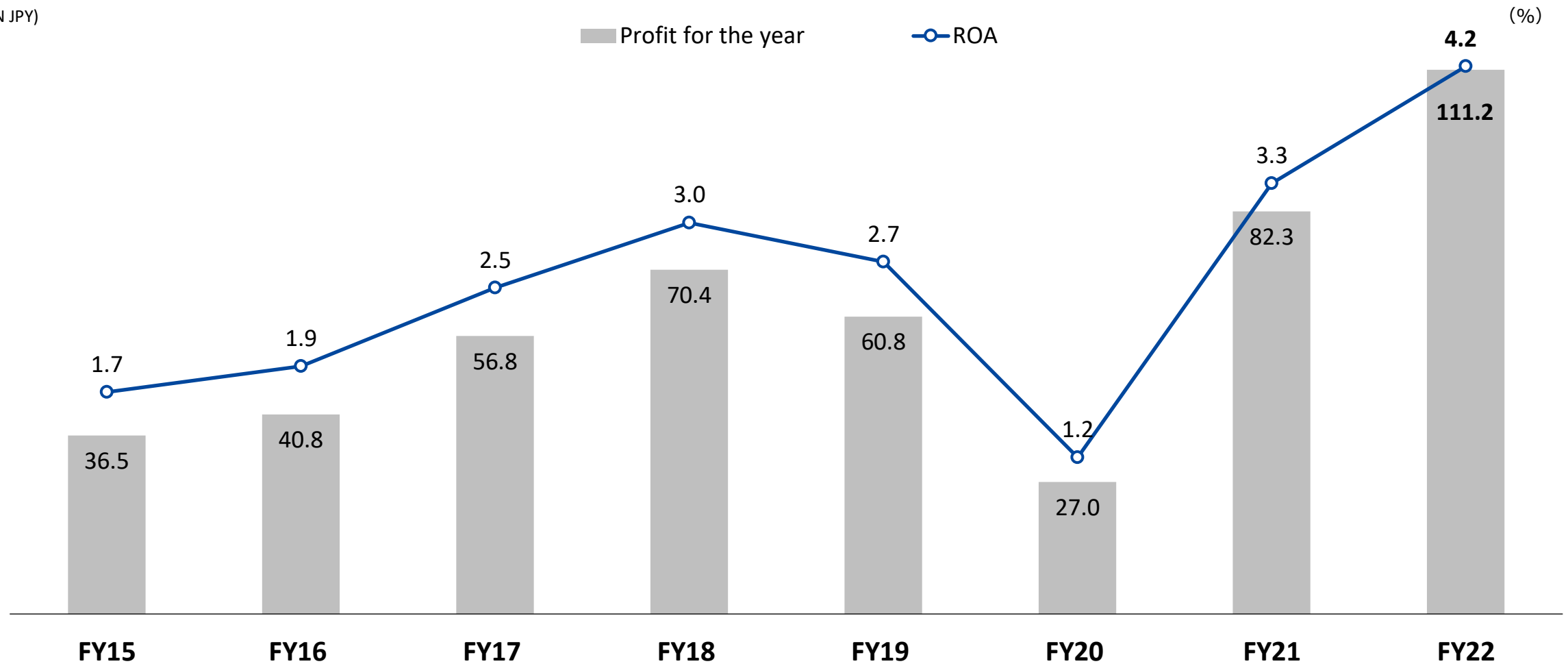
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# Appendix



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
(BN JPY)										
<b>Net sales (JGAAP)</b>	4,046.6	4,105.3	4,006.6	3,745.5	4,209.1	—	—	—	—	—
<b>Revenue</b>	1,803.1	1,809.7	1,658.1	1,555.3	1,816.5	1,856.2	1,754.8	1,602.5	2,100.8	<b>2,479.8</b>
<b>Gross profit</b>	198.2	197.7	180.7	200.7	232.4	241.0	220.5	188.1	271.3	<b>337.6</b>
<b>Operating profit</b>	23.7	33.6	29.2	51.6	59.8	—	—	—	—	—
<b>Share of profit (loss) of investments accounted for using the equity method</b>	31.0	28.6	23.2	12.7	25.1	27.8	24.9	14.8	38.0	<b>27.3</b>
<b>Profit before tax</b>	44.0	52.6	44.3	58.0	80.3	94.9	75.5	37.4	117.3	<b>155.0</b>
<b>Profit for the year attributable to owners of the Company</b>	27.3	33.1	36.5	40.8	56.8	70.4	60.8	27.0	82.3	<b>111.2</b>
<b>Core earnings</b>	68.0	66.3	41.6	54.2	90.8	93.2	68.4	38.4	131.3	<b>145.1</b>
<b>ROA</b>	1.2%	1.5%	1.7%	1.9%	2.5%	3.0%	2.7%	1.2%	3.3%	<b>4.2%</b>
<b>ROE</b>	6.5%	6.5%	6.8%	7.6%	10.0%	11.7%	10.2%	4.5%	12.2%	<b>14.2%</b>

(BN JPY)



Medium-term Management Plan2017  
Challenge for Growth

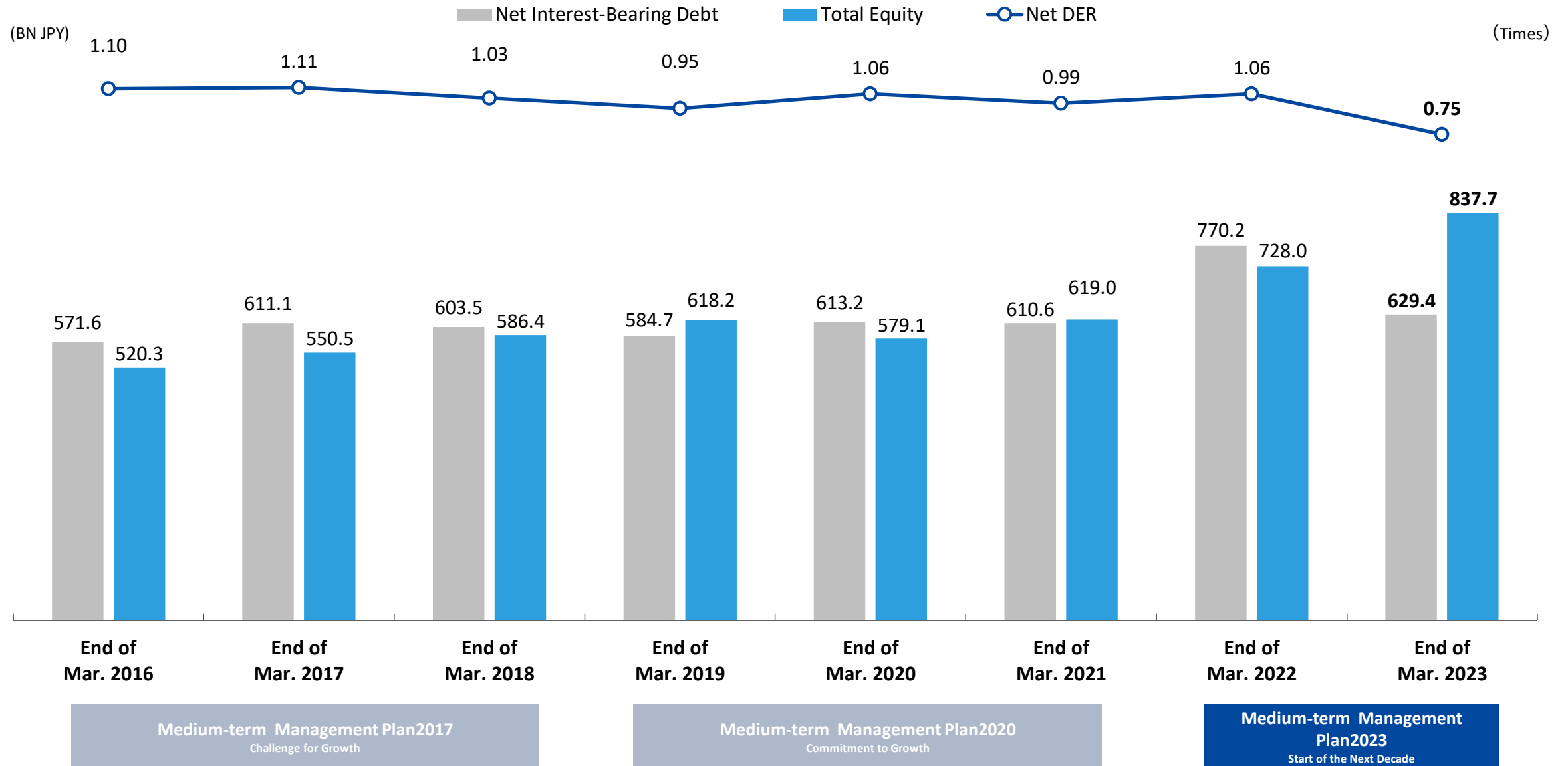
Medium-term Management Plan2020  
Commitment to Growth

Medium-term Management Plan2023  
Start of the Next Decade

# Balance Sheets Summary

(BN JPY)	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Mar. 2023
<b>Current assets</b>	1,321.8	1,323.5	1,146.4	1,229.8	1,376.3	1,267.7	1,217.5	1,195.4	1,394.2	1,444.5
Cash and cash equivalents	420.7	403.7	344.4	308.6	305.2	285.7	272.7	287.6	271.7	247.3
Time deposits	4.4	5.5	6.7	5.7	2.8	2.9	7.4	10.1	10.8	7.0
Trade and other receivables	524.8	559.3	496.2	563.5	549.9	690.7	638.1	636.2	791.5	794.9
Inventories	302.0	270.3	237.1	271.3	396.0	220.6	213.4	187.9	232.8	281.0
Other current assets	69.9	84.7	62.0	80.7	122.4	67.8	85.9	73.6	87.4	114.3
<b>Non-current assets</b>	898.4	973.9	910.3	908.7	974.1	1,029.4	1,012.8	1,104.7	1,267.5	1,216.3
Property, plant and equipment	213.9	217.9	187.0	172.2	172.1	192.9	158.0	191.3	201.5	195.4
Lease assets (Right-of-use assets)	-	-	-	-	-	-	74.1	72.8	69.7	65.6
Goodwill	46.3	50.2	53.1	57.6	65.8	66.2	66.5	67.2	82.5	85.7
Intangible assets	61.0	53.9	38.8	34.1	44.1	49.1	43.4	61.5	85.0	70.8
Investment property	25.3	19.5	18.4	21.1	24.5	20.9	18.6	11.6	13.3	8.1
Investments accounted for using the equity method	470.4	568.9	551.2	559.6	590.2	597.3	554.7	590.8	673.6	689.7
Other non-current assets	81.5	63.5	61.8	64.1	77.4	103.0	97.5	109.5	141.9	101.0
<b>Total assets</b>	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	2,660.8
<b>Current liabilities</b>	811.8	780.7	673.8	717.8	846.0	807.2	754.4	734.8	897.6	891.8
Trade and other payables	514.6	490.9	439.3	483.1	654.2	582.4	481.7	476.0	546.0	579.3
Lease liabilities	-	-	-	-	-	-	15.3	16.8	17.4	17.3
Bonds and borrowings	227.2	208.4	168.3	158.7	113.5	149.7	186.8	158.6	231.2	167.8
Other current liabilities	70.0	81.4	66.2	76.0	78.3	75.1	70.6	83.4	103.0	127.4
<b>Non-current liabilities</b>	915.4	926.1	833.2	842.7	879.3	828.4	854.0	910.8	1,000.2	892.4
Lease liabilities	-	-	-	-	-	-	63.7	60.5	57.8	54.1
Bonds and borrowings	838.1	830.4	754.4	766.7	798.0	723.6	706.5	749.7	821.5	715.9
Retirement benefit liabilities	16.9	17.9	18.7	21.4	22.0	22.1	22.1	21.9	23.9	22.7
Other non-current liabilities	60.4	77.8	60.1	54.6	59.3	82.7	61.7	78.7	97.0	99.7
<b>Total liabilities</b>	1,727.2	1,706.8	1,507.0	1,560.5	1,725.3	1,635.6	1,608.4	1,645.6	1,897.8	1,784.2
Share capital	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3	160.3
Capital surplus	146.5	146.5	146.5	146.5	146.5	146.6	146.8	146.8	147.0	147.6
Treasury stock	(0.1)	(0.2)	(0.2)	(0.2)	(0.2)	(0.9)	(10.9)	(15.9)	(31.0)	(31.1)
Other components of equity	119.6	194.6	132.4	132.7	124.3	107.6	49.8	77.8	136.8	138.7
Retained earnings	33.6	49.7	81.3	111.2	155.5	204.6	233.1	250.0	314.9	422.2
<b>Total equity attributable to owners of the Company</b>	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	837.7
Non-controlling interests	33.1	39.7	29.4	27.5	38.7	43.3	42.8	35.5	35.9	38.9
<b>Total equity</b>	493.0	590.6	549.7	578.0	625.1	661.5	621.9	654.5	763.9	876.6
<b>Total liabilities and equity</b>	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	2,660.8

# Balance Sheets Summary

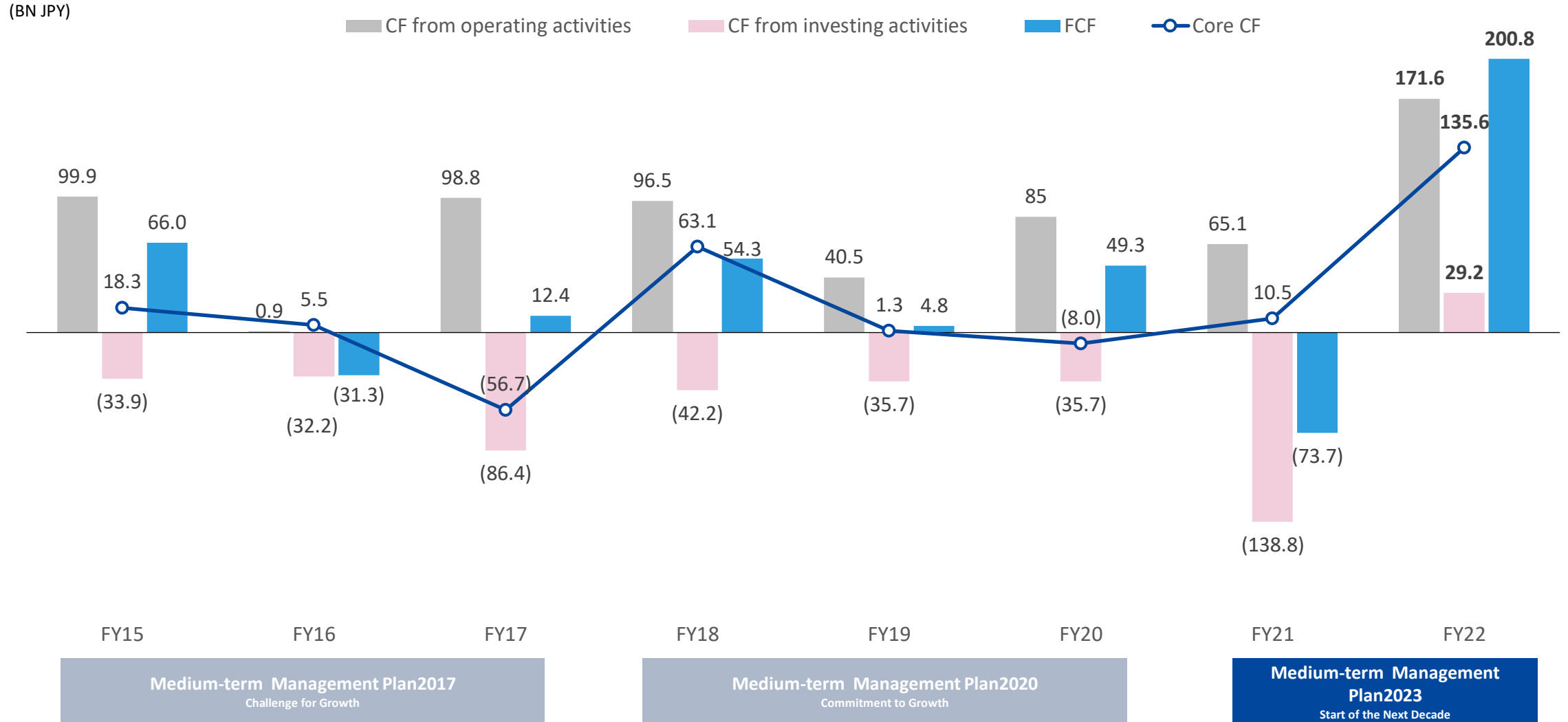


	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Mar. 2023
(BN JPY)										
<b>Total assets</b>	2,220.2	2,297.4	2,056.7	2,138.5	2,350.4	2,297.1	2,230.3	2,300.1	2,661.7	<b>2,660.8</b>
<b>Total equity</b>	459.9	550.9	520.3	550.5	586.4	618.2	579.1	619.0	728.0	<b>837.7</b>
<b>Equity ratio</b>	20.7%	24.0%	25.3%	25.7%	25.0%	26.9%	26.0%	26.9%	27.4%	<b>31.5%</b>
<b>Net interest-bearing debt</b>	640.2	629.6	571.6	611.1	603.5	584.7	613.2	610.6	770.2	<b>629.4</b>
<b>Net DER (Times)</b>	1.39	1.14	1.10	1.11	1.03	0.95	1.06	0.99	1.06	<b>0.75</b>
<b>Risk assets (vs. Total equity, times)</b>	350.0 0.8	320.0 0.6	330.0 0.6	320.0 0.6	350.0 0.6	360.0 0.6	380.0 0.7	390.0 0.6	450.0 0.6	<b>490.0 0.6</b>
<b>Current ratio</b>	162.8%	169.5%	170.1%	171.3%	162.7%	157.1%	161.4%	162.7%	155.3%	<b>162.0%</b>
<b>Long-term debt ratio</b>	78.7%	79.9%	81.8%	82.9%	87.5%	82.9%	79.1%	82.5%	78.0%	<b>81.0%</b>

# Cash Flow Summary

	End of Mar. 2014	End of Mar. 2015	End of Mar. 2016	End of Mar. 2017	End of Mar. 2018	End of Mar. 2019	End of Mar. 2020	End of Mar. 2021	End of Mar. 2022	End of Mar. 2023
(BN JPY)										
<b>Core CF</b>	—	—	18.3	5.5	(56.7)	63.1	1.3	(8.0)	10.5	<b>135.6</b>
<b>Free CF</b>	22.5	25.3	66.0	(31.3)	12.4	54.3	4.8	49.3	(73.7)	<b>200.8</b>
<b>Core operating CF</b>	—	—	60.0	59.4	82.9	79.1	80.2	60.2	128.7	<b>145.2</b>
<b>Cash flow from operating activities</b>	47.0	39.1	99.9	0.9	98.8	96.5	40.5	85.0	65.1	<b>171.6</b>
<b>Cash flow from investment activities</b>	(24.5)	(13.8)	(33.9)	(32.2)	(86.4)	(42.2)	(35.7)	(35.7)	(138.8)	<b>29.2</b>
<b>Cash flow from financing activities</b>	(30.9)	(42.6)	(114.7)	(4.0)	(13.1)	(74.9)	(12.2)	(40.6)	46.9	<b>(230.4)</b>
<b>Investments</b>	54.0	57.0	71.0	86.0	158.0	91.0	81.0	96.0	150.0	<b>93.0</b>

# Cash Flow Summary





*New way, New value*