

Consolidated Financial Results

for the First Quarter Ended June 30, 2025 (IFRS Accounting Standards)

July 30, 2025

Sojitz Corporation

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

Listed stock exchange: Prime section of Tokyo

Security code: 2768

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Scheduled date of delivery of dividends: -

Supplementary materials for the quarterly financial results: Yes

Investor conference for the quarterly financial results: Yes

(Rounded down to millions of Japanese Yen)

1. Consolidated Financial Results for the First Quarter Ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) Consolidated Operating Results

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

	Revenue		Profit before tax		Profit for the period		Profit for the period attributable to owners of the Company		Total comprehensive income for the period	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the first quarter ended June 30, 2025	598,901	(4.0)	24,946	(21.6)	21,954	(8.1)	21,079	(8.5)	4,302	(93.7)
June 30, 2024	623,802	12.2	31,822	6.5	23,890	5.0	23,044	4.1	68,015	11.7

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the first quarter ended June 30, 2025	100.30	100.30
June 30, 2024	106.08	106.08

Note: Basic earnings per share and diluted earnings per share are calculated based on profit attributable to owners of the Company.

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Total equity attributable to owners of the Company ratio
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2025	3,174,040	986,509	941,828	29.7
March 31, 2025	3,087,252	1,007,616	968,956	31.4

2. Cash Dividends

	Cash dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Annual
For the year ended March 31, 2025	Yen —	Yen 75.00	Yen —	Yen 75.00	Yen 150.00
March 31, 2026	—	—	—	—	—
March 31, 2026 (forecast)	—	82.50	—	82.50	165.00

Note: Changes in cash dividend forecast: No

3. Consolidated Earnings Forecast for the Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

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

	Profit attributable to owners of the Company		Basic earnings per share
	Millions of yen	%	Yen
For the year ending March 31, 2026 Full-year	115,000	3.9	551.23

Note1: Changes in full-year earnings forecast: No

Note2: Basic earnings per share is calculated based on profit attributable to owners of the company.

Note3: The Company decided that, at a meeting of its Board of Directors held on May 1, 2025, it has authorized the purchase of treasury stock. The basic earnings per share in the consolidated earnings forecast for the year ending March 31, 2026 takes into account the effect of such purchase of treasury stock.

4. Others

(1) Changes in major subsidiaries during the period: No

(2) Accounting policy changes and accounting estimate changes

1. Changes in accounting policies required by IFRS Accounting Standards: No

2. Changes due to other reasons: Yes

3. Accounting estimate change: No

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

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

As of June 30, 2025: 225,000,000 As of March 31, 2025: 225,000,000

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

As of June 30, 2025: 16,064,181 As of March 31, 2025: 14,170,715

3. Average number of outstanding shares during the periods:

For the first quarter ended June 30, 2025 (accumulative): 210,162,271

For the first quarter ended June 30, 2024 (accumulative): 217,247,584

Note: The Company established the Executive Compensation Board Incentive Plan Trust. The trust account associated with this trust holds shares of the Company's stock, which are treated as treasury stock; 1,309,896 stocks in the first quarter ended June 30, 2025 and 1,320,504 stocks in the fiscal year ended March 31, 2025.

* Review by certified public accountants or the accounting auditor of the attached quarterly consolidated financial statements: No

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

- 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 due to various factors including changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements.
- The company will hold an IR meeting on financial results for the first quarter ended June 30, 2025 for analysts and institutional investors today on July 30, 2025. Materials on the financial results, contents (audio) of the meeting, and a condensed transcript of the Q&A session will be posted on the company's web site immediately after the meeting.

Table of Contents

1. Analysis of Business Results	2
(1) Consolidated Operating Results.....	2
(2) Consolidated Financial Position	4
(3) Consolidated Cash Flows.....	5
(4) Consolidated Earnings Forecast	5
(5) Profit Distribution Policy	6
2. Consolidated Financial Statements	7
(1) Consolidated Statements of Financial Position	7
(2) Consolidated Statements of Profit or Loss	8
(3) Consolidated Statements of Profit or Loss and Other Comprehensive Income.....	9
(4) Consolidated Statements of Changes in Equity	10
(5) Consolidated Statements of Cash Flows	12
(6) Assumption for Going Concern	13
(7) Accounting Policy Changes	13
(8) Changes in Presentation	13
(9) Segment Information.....	14

1. Analysis of Business Results

(1) Consolidated Operating Results

Sojitz Corporation's consolidated business results for the three-month period ended June 30, 2025, are presented below.

Revenue	Revenue was down 4.0% year-on-year to ¥598,901 million due to profit decline in Metals, Mineral Resources & Recycling segment resulting from a decline in market prices in coal business and a profit decline in Automotive segment resulting from a decline in sales volume in overseas automotive business.
Gross profit	Gross profit decreased ¥2,649 million year-on-year to ¥82,242 million due to decreased revenue.
Profit before tax	Profit before tax was down ¥6,876 million year-on-year to ¥24,946 million, reflecting lower gross profit and an increase in selling, general and administrative expenses including new acquisitions of consolidated subsidiaries.
Profit for the period	After deducting income tax expenses of ¥2,991 million from profit before tax of ¥24,946 million, profit for the period amounted to ¥21,954 million, down ¥1,936 million year-on-year. Profit for the period (attributable to owners of the Company) decreased ¥1,965 million year-on-year to ¥21,079 million.
Total comprehensive income for the period	Total comprehensive income for the period of ¥4,302 million was recorded, down ¥63,713 million year-on-year, due to a decrease in financial assets measured at FVTOCI and foreign currency translation differences for foreign operations. Total comprehensive income for the period (attributable to owners of the Company) was ¥4,314 million, a decrease of ¥61,475 million year-on-year.

(In Millions of Yen)

	FY 2025 Q1 Results (A)	FY 2024 Q1 Results (B)	Difference (A)-(B)	Percentage change (%)
Revenue	598,901	623,802	(24,901)	(4.0)
Gross profit	82,242	84,891	(2,649)	(3.1)
Profit before tax	24,946	31,822	(6,876)	(21.6)
Profit for the period	21,954	23,890	(1,936)	(8.1)
Profit for the period attributable to owners of the Company	21,079	23,044	(1,965)	(8.5)
Total comprehensive income for the period	4,302	68,015	(63,713)	(93.7)
Total comprehensive income for the period attributable to owners of the Company	4,314	65,789	(61,475)	(93.4)

Results for the three-month period ended June 30, 2025, are summarized by segment below.

Effective April 1, 2025, the Company has changed the classification method for certain reportable segments, and segment results for the three-month period ended June 30, 2024, have been restated to reflect the change in reportable segments.

Details are described in (9) Segment information.

(In Millions of Yen)

Segment	FY 2025 Q1 Results (A)	FY 2024 Q1 Results (B)	Difference (A)-(B)	Main factors of change
Automotive	(449)	(65)	(384)	Profit declined in the Puerto Rico automobile sales business due to the impact of U.S. tariffs.
Aerospace, Transportation & Infrastructure	3,068	3,073	(5)	Relatively unchanged year on year.
Energy Solutions & Healthcare	4,047	1,998	2,049	Profit increased due to the new consolidation and transaction growth in the energy-saving service businesses, asset replacement in solar power generation business, and profit contributions from an LNG operating company.
Metals, Mineral Resources & Recycling	3,455	5,505	(2,050)	Profit decreased due to a decline in market prices in coal business.
Chemicals	5,474	4,961	513	Progressed steadily.
Consumer Industry & Agriculture Business	2,771	2,247	524	Profit increased due to sales volume growth in overseas fertilizer businesses.
Retail & Consumer Service	2,062	2,126	(64)	Relatively unchanged year on year.

(2) Consolidated Financial Position

Total assets on June 30, 2025, were ¥3,174,040 million, up ¥86,788 million from March 31, 2025, due to factors including new acquisitions of consolidated subsidiaries.

Total liabilities on June 30, 2025, amounted to ¥2,187,530 million, up ¥107,894 million from March 31, 2025, due to factors including an increase in interest-bearing liabilities resulting from new borrowings.

Total equity attributable to owners of the Company was ¥941,828 million on June 30, 2025, down ¥27,128 million from March 31, 2025. This decrease was due to a decrease in other components of equity resulted primarily from foreign exchange rate fluctuations, the payment of dividends, and the acquisition of treasury stock, despite the accumulation of profit for the period (attributable to owners of the Company).

Consequently, on June 30, 2025, the current ratio was 157.9%, the long-term debt ratio was 78.5%, and the equity ratio was 29.7%. Net interest-bearing liabilities (total interest-bearing liabilities less cash and cash equivalents and time deposits) totaled ¥978,138 million on June 30, 2025, up ¥90,848 million from March 31, 2025. This resulted in the Company's net debt equity ratio equaling 1.04 times on June 30, 2025.

* The equity ratio and net interest-bearing liabilities ratio are calculated based on total equity attributable to owners of the Company. Lease liabilities have been excluded from the aforementioned total interest-bearing liabilities.

The Sojitz Group continues to advance financial strategies in accordance with the basic policy of maintaining and enhancing the stability of its capital structure. In addition, Sojitz has endeavored to maintain a stable financial foundation by keeping the long-term debt ratio at a certain level and by holding sufficient liquidity as a buffer against changes in the economic or financial environment.

As supplemental sources of procurement flexibility and precautionary liquidity, Sojitz has long-term commitment line agreements totaling ¥100.0 billion (unused) and US\$2.575 billion (of which US\$1.160 billion has been used).

(3) Consolidated Cash Flows

In the three-month period ended June 30, 2025, net cash used in operating activities was ¥726 million, net cash used in investing activities was ¥54,433 million, and net cash provided by financing activities was ¥59,238 million. Sojitz ended the period with cash and cash equivalents of ¥195,364 million, reflecting the effect of exchange rate changes on cash and cash equivalents.

(Cash flows from operating activities)

Net cash used in operating activities amounted to ¥726 million, a decrease in outflows of ¥6,460 million year-on-year, as a result of increased working capital, despite business earnings and dividends received.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥54,433 million, an increase in outflows of ¥18,170 million year-on-year, mainly due to investments in an Australia's infrastructure developer and manufacturing, sales and R&D businesses of SBR latexes and ABS resins.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to ¥59,238 million, up ¥11,078 million year-on-year, mainly as a result of procurement through borrowings despite payment of dividends and purchase of treasury stock.

(4) Consolidated Earnings Forecast

Current forecast for the year ending March 31, 2026, is as follows:

Gross profit	¥400 billion
Profit before tax	¥145 billion
Profit for the year	¥120 billion
Profit for the year	¥115 billion
(Attributable to owners of the Company)	

The above forecast assumes a yen/dollar rate of ¥145/US\$.

(5) Profit Distribution Policy

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

Based on the basic dividend policy, under the Medium-Term Management Plan 2026, approximately 30% of the Core operating cash flows (Note 1) over the cumulative three-year period of the plan will be allocated to shareholder returns. In addition, the plan sets a progressive dividend policy based on a shareholder's equity DOE (Note 2) of 4.5%.

Notes 1: Core operating cash flow: Cash flow after deducting changes in working capital from operating cash flows calculated for accounting purposes

2: Shareholder's equity DOE: Dividend paid / Shareholder's equity

3: Shareholder's equity: After deducting other components of equity from total equity at the end of the previous fiscal year.

In the year ending March 31, 2026, Sojitz plans to pay an annual dividend of ¥165 per share (interim dividend of ¥82.50 plus year-end dividend of ¥82.50) based on its basic policy.

At a meeting of the Board of Directors held on May 1, 2025, the Company resolved that the interim dividend for the fiscal year ending March 31, 2026, will be ¥82.50 per share for common shares outstanding as of September 30, 2025, the record date for the dividend.

***Caution regarding Forward-looking Statements**

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

2. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(In Millions of Yen)

	FY 2024 (As of March 31, 2025)	FY 2025 (As of June 30, 2025)
Assets		
Current assets		
Cash and cash equivalent	192,299	195,364
Time deposits	6,883	5,954
Trade and other receivables	899,822	896,207
Derivative financial assets	4,014	3,577
Inventories	275,871	314,066
Income tax receivables	3,711	6,089
Other current assets	190,913	196,655
Subtotal	1,573,516	1,617,915
Assets held for sale	1,605	160
Total current assets	1,575,122	1,618,075
Non-current assets		
Property, plant and equipment	259,230	280,842
Right-of-use assets	90,729	90,841
Goodwill	151,306	169,551
Intangible assets	113,884	130,404
Investment property	8,700	8,313
Investments accounted for using the equity method	642,236	629,504
Trade and other receivables	95,742	90,859
Other investments	134,637	138,604
Derivative financial assets	364	372
Other non-current assets	5,551	6,950
Deferred tax assets	9,744	9,719
Total non-current assets	1,512,130	1,555,964
Total assets	3,087,252	3,174,040
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	596,546	585,930
Lease liabilities	19,729	20,184
Bonds and borrowings	199,725	253,270
Derivative financial liabilities	3,437	3,160
Income tax payables	8,838	7,811
Provisions	6,227	3,175
Other current liabilities	151,072	151,340
Total current liabilities	985,578	1,024,872
Non-current liabilities		
Lease liabilities	82,849	82,019
Bonds and borrowings	886,748	926,187
Trade and other payables	12,606	13,924
Derivative financial liabilities	2,828	1,438
Retirement benefits liabilities	23,279	24,373
Provisions	39,082	45,152
Other non-current liabilities	8,709	25,123
Deferred tax liabilities	37,954	44,438
Total non-current liabilities	1,094,057	1,162,657
Total liabilities	2,079,636	2,187,530
Equity		
Share capital	160,339	160,339
Capital surplus	96,782	96,986
Treasury stock	(45,701)	(52,379)
Other components of equity	190,096	172,756
Retained earnings	567,439	564,124
Total equity attributable to owners of the Company	968,956	941,828
Non-controlling interests	38,659	44,681
Total equity	1,007,616	986,509
Total liabilities and equity	3,087,252	3,174,040

(2) Consolidated Statements of Profit or Loss

(In Millions of Yen)

	FY 2024 3-month (From April 1, 2024 to June 30, 2024)	FY 2025 3-month (From April 1, 2025 to June 30, 2025)
Revenue		
Sale of goods	593,985	568,509
Sales of service and others	29,817	30,391
Total revenue	623,802	598,901
Cost of sales	(538,911)	(516,658)
Gross profit	84,891	82,242
Selling, general and administrative expenses	(64,974)	(70,233)
Other income (expenses)		
Gain (loss) on sale and disposal of fixed assets, net	(21)	(308)
Impairment loss of fixed assets	—	(2)
Gain on reorganization of subsidiaries/associates	4,652	1,805
Loss on reorganization of subsidiaries/associates	(619)	(0)
Other operating income	2,641	2,974
Other operating expenses	(2,667)	(2,264)
Total other income (expenses)	3,984	2,204
Financial income		
Interests earned	3,598	4,416
Dividends received	1,591	2,323
Other financial income	347	—
Total financial income	5,538	6,739
Financial costs		
Interest expenses	(6,239)	(6,695)
Other financial costs	—	(114)
Total financial costs	(6,239)	(6,809)
Share of profit (loss) of investments accounted for using the equity method	8,622	10,803
Profit before tax	31,822	24,946
Income tax expenses	(7,931)	(2,991)
Profit for the period	23,890	21,954
Profit attributable to:		
Owners of the Company	23,044	21,079
Non-controlling interests	845	875
Total	23,890	21,954

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

(In Millions of Yen)

	FY 2024 3-month (From April 1, 2024 to June 30, 2024)	FY 2025 3-month (From April 1, 2025 to June 30, 2025)
Profit for the period	23,890	21,954
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at FVTOCI	(1,649)	3,453
Remeasurements of defined benefit pension plans	(20)	(52)
Share of other comprehensive income of investments accounted for using the equity method	3,862	(1,120)
Total items that will not be reclassified to profit or loss	2,192	2,281
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation differences for foreign operations	33,310	(14,826)
Cash flow hedges	1,242	2,159
Share of other comprehensive income of investments accounted for using the equity method	7,379	(7,265)
Total items that may be reclassified subsequently to profit or loss	41,932	(19,933)
Other comprehensive income for the period, net of tax	44,124	(17,652)
Total comprehensive income for the period	68,015	4,302
Total comprehensive income attributable to:		
Owners of the Company	65,789	4,314
Non-controlling interests	2,226	(12)
Total	68,015	4,302

(4) Consolidated Statements of Changes in Equity

(In Millions of Yen)

	Attributable to owners of the Company					
	Share capital	Capital surplus	Treasury stock	Other components of equity		
				Foreign currency translation differences for foreign operations	Financial assets measured at FVTOCI	Cash flow hedges
Balance as of April 1, 2024	160,339	96,448	(21,915)	107,740	79,573	11,876
Profit for the period						
Other comprehensive income				37,603	2,273	2,882
Total comprehensive income for the period	—	—	—	37,603	2,273	2,882
Purchase of treasury stock		(0)	(3,052)			
Disposal of treasury stock		(61)	61			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control						
Written put options and forward contracts with non-controlling shareholders						
Reclassification from other components of equity to retained earnings					(566)	
Share-based payment transaction		101				
Other changes						
Total contributions by and distributions to owners of the Company	—	39	(2,991)	—	(566)	—
Balance as of June 30, 2024	160,339	96,488	(24,906)	145,344	81,279	14,758

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2024	—	199,190	490,013	924,076	31,550	955,627
Profit for the period			23,044	23,044	845	23,890
Other comprehensive income	(14)	42,744		42,744	1,380	44,124
Total comprehensive income for the period	(14)	42,744	23,044	65,789	2,226	68,015
Purchase of treasury stock				(3,053)		(3,053)
Disposal of treasury stock				0		0
Dividends			(15,322)	(15,322)	(1,456)	(16,778)
Change in ownership interests in subsidiaries without loss/acquisition of control			(2)	(2)	488	485
Written put options and forward contracts with non-controlling shareholders			235	235		235
Reclassification from other components of equity to retained earnings	14	(551)	551	—		—
Share-based payment transaction				101		101
Other changes			(43)	(43)	(2,992)	(3,036)
Total contributions by and distributions to owners of the Company	14	(551)	(14,581)	(18,084)	(3,960)	(22,044)
Balance as of June 30, 2024	—	241,382	498,477	971,781	29,816	1,001,598

	Attributable to owners of the Company					
	Share capital	Capital surplus	Treasury stock	Other components of equity		
				Foreign currency translation differences for foreign operations	Financial assets measured at FVTOCI	Cash flow hedges
Balance as of April 1, 2025	160,339	96,782	(45,701)	105,088	74,669	10,339
Profit for the period						
Other comprehensive income				(19,367)	2,317	322
Total comprehensive income for the period	—	—	—	(19,367)	2,317	322
Purchase of treasury stock		(5)	(6,706)			
Disposal of treasury stock		(28)	28			
Dividends						
Change in ownership interests in subsidiaries without loss/acquisition of control					10	
Written put options and forward contracts with non-controlling shareholders						
Reclassification from other components of equity to retained earnings					(623)	
Share-based payment transaction		238				
Other changes						
Total contributions by and distributions to owners of the Company	—	204	(6,677)	—	(612)	—
Balance as of June 30, 2025	160,339	96,986	(52,379)	85,720	76,374	10,662

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit pension plans	Total other components of equity				
Balance as of April 1, 2025	—	190,096	567,439	968,956	38,659	1,007,616
Profit for the period			21,079	21,079	875	21,954
Other comprehensive income	(37)	(16,764)		(16,764)	(887)	(17,652)
Total comprehensive income for the period	(37)	(16,764)	21,079	4,314	(12)	4,302
Purchase of treasury stock				(6,711)		(6,711)
Disposal of treasury stock				0		0
Dividends			(15,911)	(15,911)	(1,545)	(17,456)
Change in ownership interests in subsidiaries without loss/acquisition of control		10	(582)	(572)	(1,508)	(2,080)
Written put options and forward contracts with non-controlling shareholders			(8,419)	(8,419)		(8,419)
Reclassification from other components of equity to retained earnings	37	(585)	585	—		—
Share-based payment transaction				238		238
Other changes			(66)	(66)	9,087	9,021
Total contributions by and distributions to owners of the Company	37	(575)	(24,394)	(31,442)	6,033	(25,408)
Balance as of June 30, 2025	—	172,756	564,124	941,828	44,681	986,509

(5) Consolidated Statements of Cash Flows

(In Millions of Yen)

	FY 2024 3-month (From April 1, 2024 to June 30, 2024)	FY 2025 3-month (From April 1, 2025 to June 30, 2025)
Cash flows from operating activities		
Profit for the period	23,890	21,954
Depreciation and amortization	11,328	11,203
Impairment loss of fixed assets	—	2
Financial income (costs)	701	70
Share of (profit) loss of investments accounted for using the equity method	(8,622)	(10,803)
(Gain) loss on sale and disposal of fixed assets, net	21	308
Income tax expenses	7,931	2,991
Changes in trade and other receivables	(68,571)	17,796
Changes in inventories	(4,567)	(19,203)
Increase (decrease) in trade and other payables	35,625	(22,040)
Changes in other assets and liabilities	(10,811)	(7,667)
Increase (decrease) in retirement benefits liabilities	(519)	(412)
Others	675	(1,585)
Subtotal	(12,916)	(7,382)
Interests earned	2,581	1,963
Dividends received	18,019	19,587
Interests paid	(6,564)	(6,378)
Income taxes paid	(8,305)	(8,515)
Net cash provided (used) by/in operating activities	(7,186)	(726)
Cash flows from investing activities		
Purchase of property, plant and equipment	(9,799)	(8,672)
Proceeds from sale of property, plant and equipment	300	519
Purchase of intangible assets	(2,841)	(1,259)
(Increase) decrease in short-term loans receivable	(38)	(428)
Payment for long-term loans receivable	(4,730)	(453)
Collection of long-term loans receivable	2,504	523
Net proceeds from (payments for) acquisition of subsidiaries	(1,040)	(49,113)
Proceeds from (payments for) sale of subsidiaries	(1,944)	216
Purchase of investments	(6,647)	(1,609)
Proceeds from sale of investments	2,428	4,439
Others	(14,452)	1,403
Net cash provided (used) by/in investing activities	(36,263)	(54,433)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings and commercial papers	66,564	43,535
Proceeds from long-term borrowings	134,840	309,433
Repayment of long-term borrowings	(120,622)	(265,635)
Proceeds from issuance of bonds	—	531
Redemption of bonds	(10,000)	—
Repayment of lease liabilities	(4,279)	(4,308)
Proceeds from sale of subsidiary's interests to non-controlling interest holders	—	136
Payment for acquisition of subsidiary's interests from non-controlling interest holders	—	(804)
Proceeds from share issuance to non-controlling interest holders	498	104
Sales of treasury stock	120	38
Purchase of treasury stock	(3,052)	(6,706)
Dividends paid	(15,322)	(15,911)
Dividends paid to non-controlling interest holders	(586)	(1,176)
Net cash provided (used) by/in financing activities	48,160	59,238
Net increase (decrease) in cash and cash equivalents	4,709	4,078
Cash and cash equivalents at the beginning of the year	196,275	192,299
Effect of exchange rate changes on cash and cash equivalents	6,972	(1,013)
Cash and cash equivalents at the end of the period	207,957	195,364

(6) Assumption for Going Concern

None

(7) Accounting Policy Changes

The accounting policies applied by the Group in the Consolidated Financial Statements are the same as those applied in those for the previous fiscal year, except for the following major standards, which were newly early adopted in the first quarter ended June 30, 2025.

IFRS	Title	Summaries of new / amended standards and interpretations
IFRS 9 IFRS 7	Financial Instruments Financial Instruments: Disclosures (amended in December 2024)	Amendments to accounting for Contracts Referencing Nature-dependent Electricity

The adoptions of new standards had no material impact on the Consolidated Financial Statements.

(8) Changes in Presentation

“Purchase commitments for non-controlling interests’ shares”, which was separately presented in the Consolidated Statements of Changes in Equity for the first quarter ended June 30, 2024, has been changed to “Written put options and forward contracts with non-controlling shareholders” for the first quarter ended June 30, 2025 in order to aggregate items with similar characteristics and provide more structured presentation.

As a result, the amount of 235 million yen which was presented in “Retained earnings” under “Purchase commitments for non-controlling interests’ shares” in the Consolidated Statements of Changes in Equity for the first quarter ended June 30, 2024, has been reclassified as “Written put options and forward contracts with non-controlling shareholders” for the first quarter ended June 30, 2025.

(9) Segment Information

For the first quarter ended June 30, 2024 (April 1, 2024 – June 30, 2024)

(In Millions of Yen)

	Reportable Segments					
	Automotive	Aerospace, Transportation & Infrastructure	Energy Solutions & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	114,805	17,565	37,953	126,188	144,967	72,256
Inter-segment revenue	–	4	–	–	1	0
Total revenue	114,805	17,570	37,953	126,188	144,969	72,256
Segment profit (loss) attributable to owners of the Company	(65)	3,073	1,998	5,505	4,961	2,247

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Service	Total			
Revenue					
External revenue	98,797	612,535	11,267	–	623,802
Inter-segment revenue	99	105	49	(154)	–
Total revenue	98,896	612,640	11,316	(154)	623,802
Segment profit (loss) attributable to owners of the Company	2,126	19,846	1,818	1,379	23,044

Reconciliation of segment profit (loss) of 1,379 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 958 million yen, and unallocated dividend income and others of 421 million yen.

For the first quarter ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(In Millions of Yen)

	Reportable Segments					
	Automotive	Aerospace, Transportation & Infrastructure	Energy Solutions & Healthcare	Metals, Mineral Resources & Recycling	Chemicals	Consumer Industry & Agriculture Business
Revenue						
External revenue	97,780	16,538	67,609	94,798	136,366	71,784
Inter-segment revenue	–	4	–	0	1	0
Total revenue	97,780	16,542	67,609	94,798	136,367	71,784
Segment profit (loss) attributable to owners of the Company	(449)	3,068	4,047	3,455	5,474	2,771

	Reportable segments		Others	Reconciliations	Consolidated
	Retail & Consumer Service	Total			
Revenue					
External revenue	102,491	587,368	11,533	–	598,901
Inter-segment revenue	104	111	54	(165)	–
Total revenue	102,596	587,479	11,587	(165)	598,901
Segment profit (loss) attributable to owners of the Company	2,062	20,430	(178)	827	21,079

Reconciliation of segment profit (loss) of 827 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 242 million yen, and unallocated dividend income and others of 585 million yen.

(Changes in Reportable Segments)

Effective April 1, 2025, the Company partially reorganized its Aerospace, Transportation & Infrastructure and Energy Solutions & Healthcare and changed its reporting segment classification method. Segment information for the three-month period ended June 30, 2024 has been restated to reflect the change in reportable segments.