



Be the **Right ONE**

Outline of Consolidated Results for FY2017 & Forecasts for FY 2018

May 2, 2017
Toyota Tsusho Corporation



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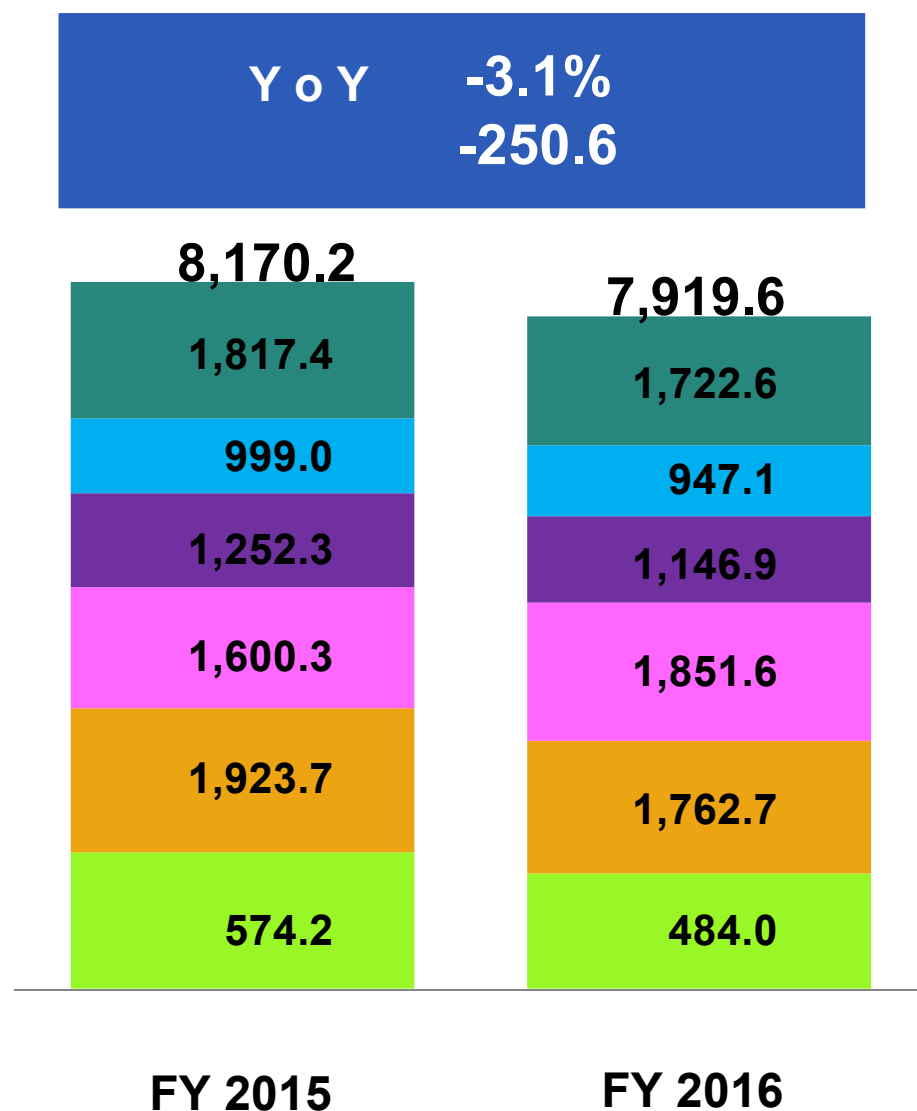
1. Outline of Consolidated Results for FY 2017

Outline of Consolidated Results for FY2016

(Net Sales)

(Billion yen)

※ Effective April 1, 2016, the Food & Agribusiness Division and the Consumer Products & Services Division have been integrated in the Food & Consumer Services Division..



< Reasons for Y o Y Changes in Net Sales >

| Division | Amounts affected by exchange rates | Y o Y change excluding amount affected by exchange rates | Primary Reason |
|-----------------------------|------------------------------------|--|--|
| Metals | (102.3) | 7.5 | increase in automotive production which offset the effects of lower market price |
| Global Parts & Logistics | (101.0) | 49.1 | Due to increase in automotive components handled overseas |
| Automotive | (102.5) | (2.9) | Due to decrease in trading volume handled by overseas auto dealer |
| Machinery, Energy & Project | (68.0) | 319.3 | Increase in trading volume of petroleum products |
| Chemicals & Electronics | (98.1) | (62.9) | Due to decrease in trading volume of electronics-related products |
| Food & Consumer Services | (25.6) | (64.6) | Due to decrease in trading volume of grain imported or handled overseas |
| Total | (497.8) | 247.2 | |

- Metals
- Global Parts & Logistics
- Automotive
- Machinery, Energy & Project
- Chemicals & Electronics
- Food & Consumer Services

< Exchange Rate >

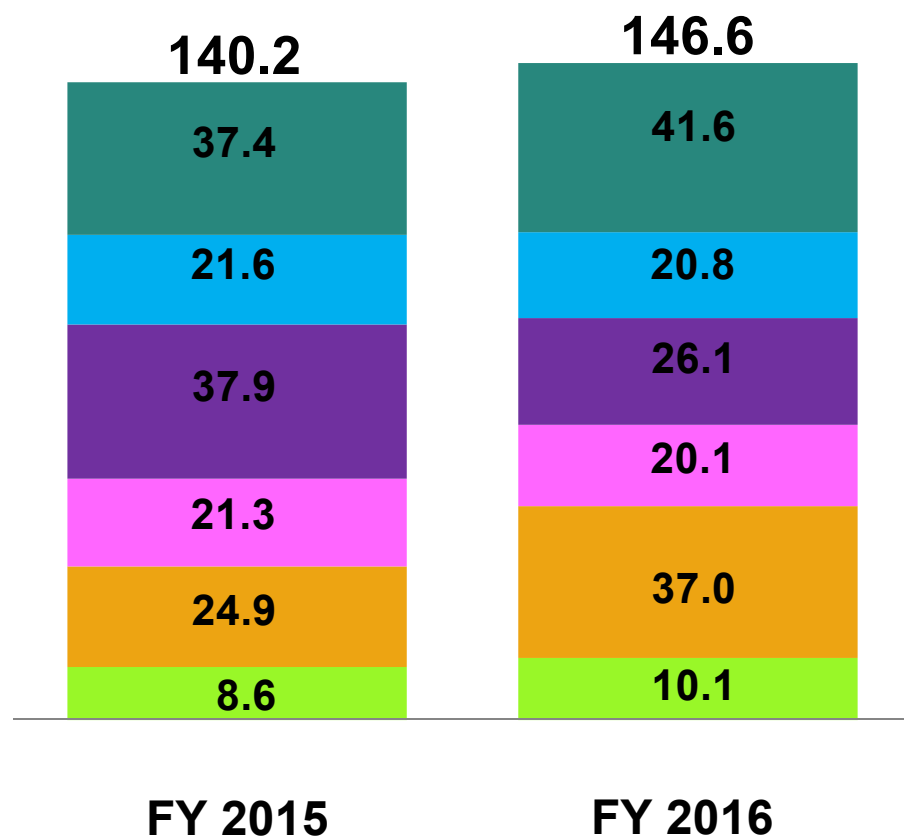
| | FY 2015 | FY 2016 |
|---------|---------|---------|
| YEN/USD | 120 | 108 |
| YEN/EUR | 133 | 119 |

Outline of Consolidated Results for FY2016

(Operating Income)

(Billion yen)

Y o Y **+4.5%**
+6.4



< Reasons for Y o Y Changes in Operating Income >

| Division | Amounts affected by exchange rate | Y o Y Change excluding amount affected by exchange rates | Primary Reason |
|-----------------------------|-----------------------------------|--|---|
| Metals | (3.0) | 7.2 | Due to increase in automobile production which offset the effects of lower market demand |
| Global Parts & Logistics | (2.0) | 1.2 | Due to increase in automotive components handled overseas |
| Automotive | (3.8) | (8.0) | Due to decrease in export by Toyota Tsusho and trading volume handled by overseas auto dealership |
| Machinery, Energy & Project | (0.3) | (0.9) | Decreased due to an offset to foreign exchange loss included in non-operating profit |
| Chemicals & Electronics | (1.9) | 14.0 | Due to stop of amortization of Tomen goodwill and the effect of loss on valuation of inventories recorded in FY2015 |
| Food & Consumer Services | (0.8) | 2.3 | Due to stop of amortization of Tomen goodwill |
| TOTAL | (10.6) | 17.0 | |

- Metals
- Global Parts & Logistics
- Automotive
- Machinery, Energy & Project
- Chemicals & Electronics
- Food & Consumer Services

Reasons for Changes in FY2016 Operating Income

(Billion yen)

Toyota Motor's Automobile Production

| (Units: thousands) | FY 2015 | FY 2016 | Changes |
|-----------------------|--------------|--------------|------------|
| Japan | 3,172 | 3,188 | 16 |
| Overseas | 5,759 | 5,890 | 131 |
| TOTAL | 8,931 | 9,078 | 147 |

Fully depreciated
of Tomen Goodwill

Demand/Trading
Volume, Others

+14.4

-10.0

Non-recurring
Factors

Forex Effect

140.2

-10.1

+12.1

146.6

Forex Effect

- Forex translation effect -10.6
- Offsetting forex losses +0.5

Non-recurring Factors

- Loss on valuation of inventories from pre. fiscal year +7.0
- Decrease in allowance for doubtful receivables in Venezuela +2.6
- Aluminum premium +1.8
- Change of functional Currency +0.7

Fully depreciated of Tomen Goodwill

- Influence of Tomen goodwill from previous fiscal year +14.4

Demand/Trading Volume, Others

- CFAO's automotive sales -7.9
- Electric related subsidiaries -3.8
- Toyota Tsusho's automobile sales in Africa -2.7
- Renewable Energy +3.9

FY 2015

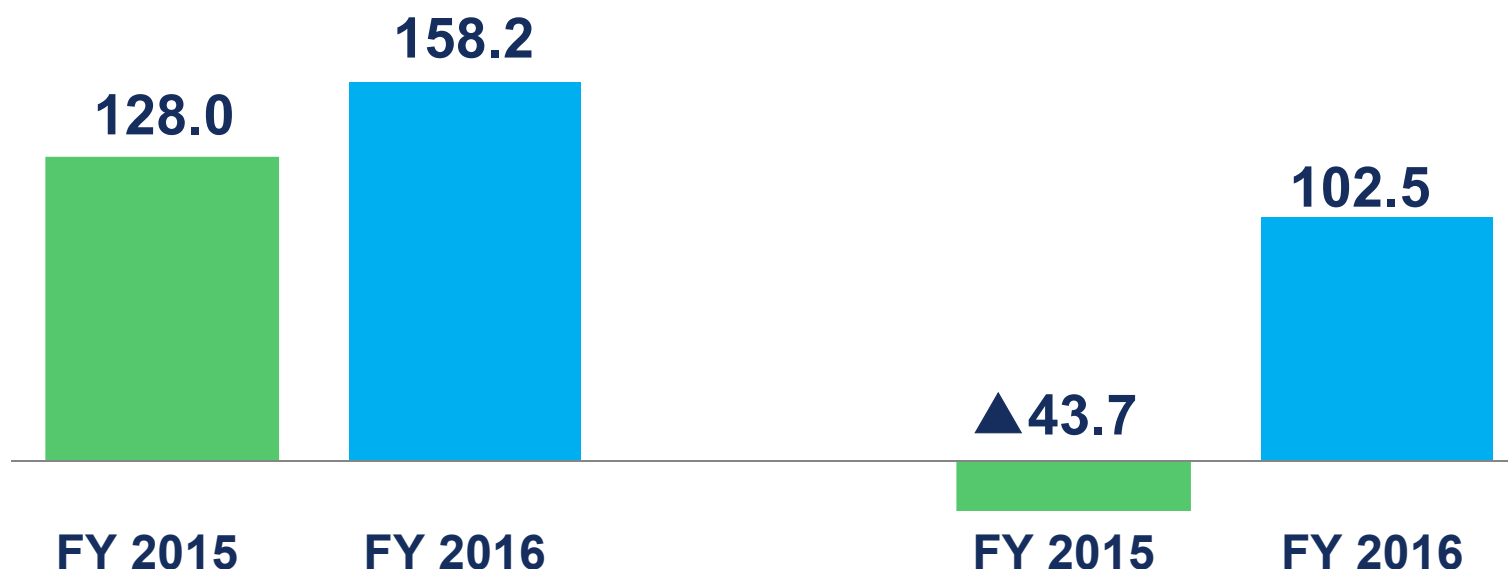
+6.4

FY 2016



Outline of Consolidated Results for FY2016

(Ordinary Income and Net Income Attributable to Owners of the Parent) (Billion yen)



Ordinary Income

Net Income
(Attributable to owners of the parent)

Balance Sheets

(Billion yen)

FY 2015

| | |
|----------------------------------|---|
| Current Assets 2,425.8 | Current Liabilities 1,737.1 |
| | Long-Term Liabilities 1,159.1 |
| Fixed Assets 1,526.2 | Net Assets 1,055.7 |

FY 2016

| | |
|----------------------------------|---|
| Current Assets 2,533.9 | Current Liabilities 1,745.1 |
| | Long-Term Liabilities 1,199.6 |
| Fixed Assets 1,562.8 | Net Assets 1,151.9 |

| | FY 2015 | FY 2016 | Change |
|---------------------------|---------|---------|--------|
| Total Assets | 3,952.1 | 4,096.8 | +144.7 |
| Net Worth | 888.6 | 983.2 | +94.6 |
| Net Worth Ratio (%) | 22 | 24 | +2 |
| Net Interest-Bearing Debt | 1,102.7 | 1,050.2 | (52.5) |
| Net DER (times) | 1.24 | 1.07 | (0.17) |
| Current Ratio (%) | 140 | 145 | +5 |

Cash Flows

(Billion yen)

FY 2015

FY 2016

308.3

Net Cash provided by operating activities 308.3

| | |
|----------------------|-------|
| IBIT + DA | 46.5 |
| Amortization Expense | 117.3 |
| Working Capital | 106.1 |

137.5

Net Cash provided by operating activities 193.7

| | |
|----------------------|-------|
| IBIT + DA | 148.0 |
| Amortization Expense | 96.0 |
| Working Capital | -7.9 |

193.7

63.3

Time deposit to ensure liquidity -37.2

-130.4

-170.8

Net Cash used in Investing Activities -170.8

| | |
|-------------------------|-------|
| Automotive Business | -61.5 |
| Electric Power Business | -40.0 |
| Grain Business | -27.5 |
| Africa Business | -10.0 |

Net Cash used in Investing Activities -93.2

| | |
|-------------------------|-------|
| Automotive Business | -46.5 |
| Electric Power Business | -35.0 |
| Africa Business | -10.0 |

- Net cash provided by operating activities
- Net Cash used in Investing Activities
- Free Cash Flow



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2. Consolidated Earnings Forecast for FY 2018

Forecast for FY 2017

(Billion yen)

| | <u>JGAAP</u> | <u>IFRS</u> |
|---|----------------------------|-----------------------------|
| | FY 2016 Results | FY 2017 Forecast |
| Gross Profit | 578.8 | 567.0 |
| Profit from operating Activities | - | 160.0 |
| Profit before tax | 148.0 | 182.0 |
| Profit attributable to owners of the parent | 102.5 | 110.0 |
| FY Dividend(YEN) | 70 | 78 |
| Foreign Exchange | YEN/USD 108 YEN/EUR 119 | YEN/USD 105 YEN/EUR 115 |
| Toyota Motor's Automotive Production (units: ten thousand) | 907 | 900 |

Forecast for FY 2017 by Division

(Billion yen)

| | FY 2017 | |
|--|--------------|---|
| | Gross Profit | Profit attributable to owners of the parent |
| Metals | 87.0 | 26.0 |
| Global Parts & Logistics | 67.0 | 16.0 |
| Automotive | 77.0 | 16.0 |
| Machinery, Energy & Project | 75.0 | 18.0 |
| Chemicals & Electronics | 95.0 | 25.0 |
| Food & Consumer Services | 45.0 | 5.5 |
| ※ Africa | 118.0 | 6.5 |
| TOTAL | 567.0 | 110.0 |

※ From April 1, 2017. African business in 6 divisions were consolidated

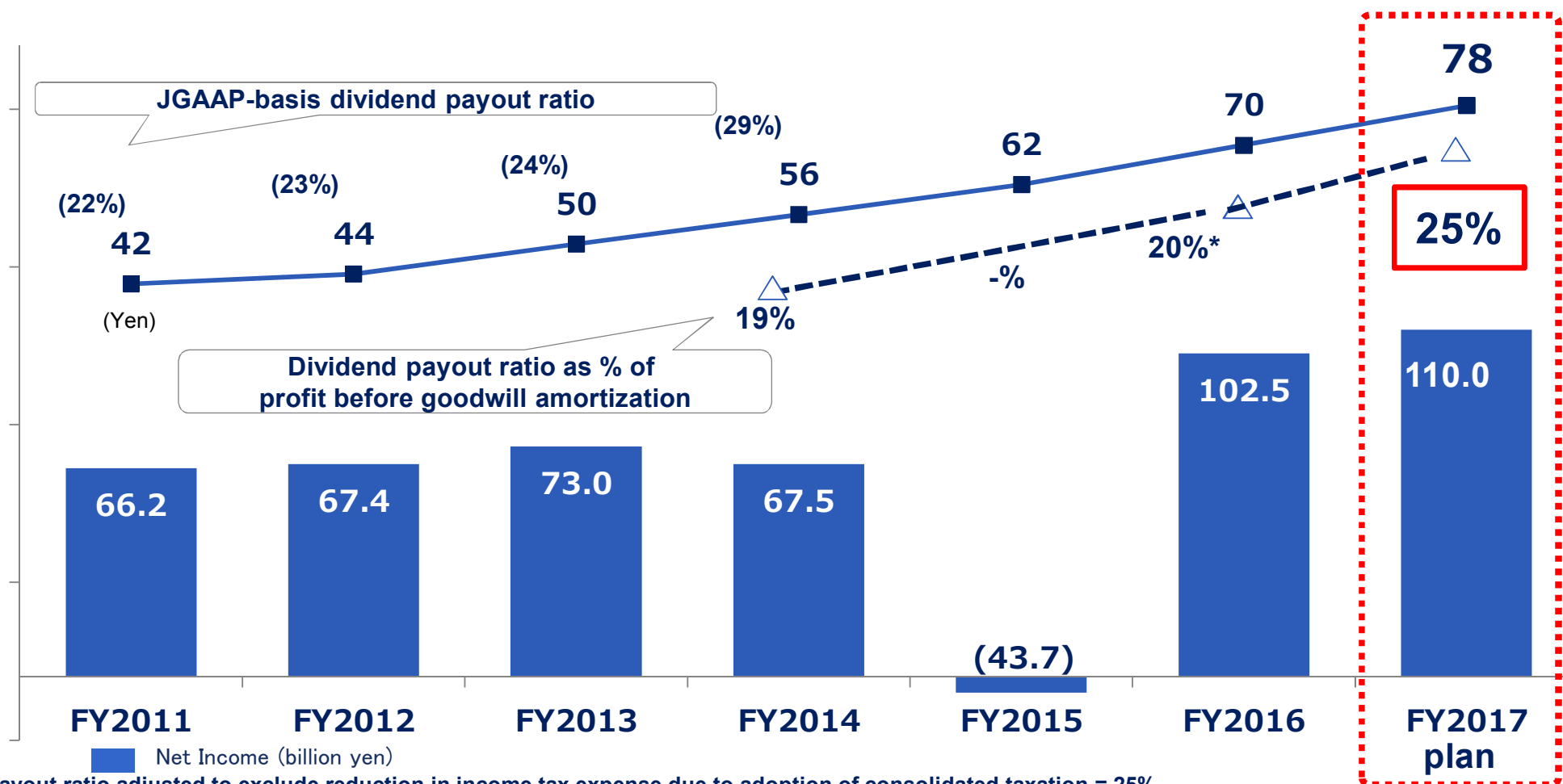
New Dividend Policy

Past policy

We aimed to pay dividends equal to 25% of consolidated profit before goodwill amortization

New Dividend policy

We will endeavor to maintain a stable dividend and increase dividend per share, targeting a consolidated dividend payout ratio of more than 25%





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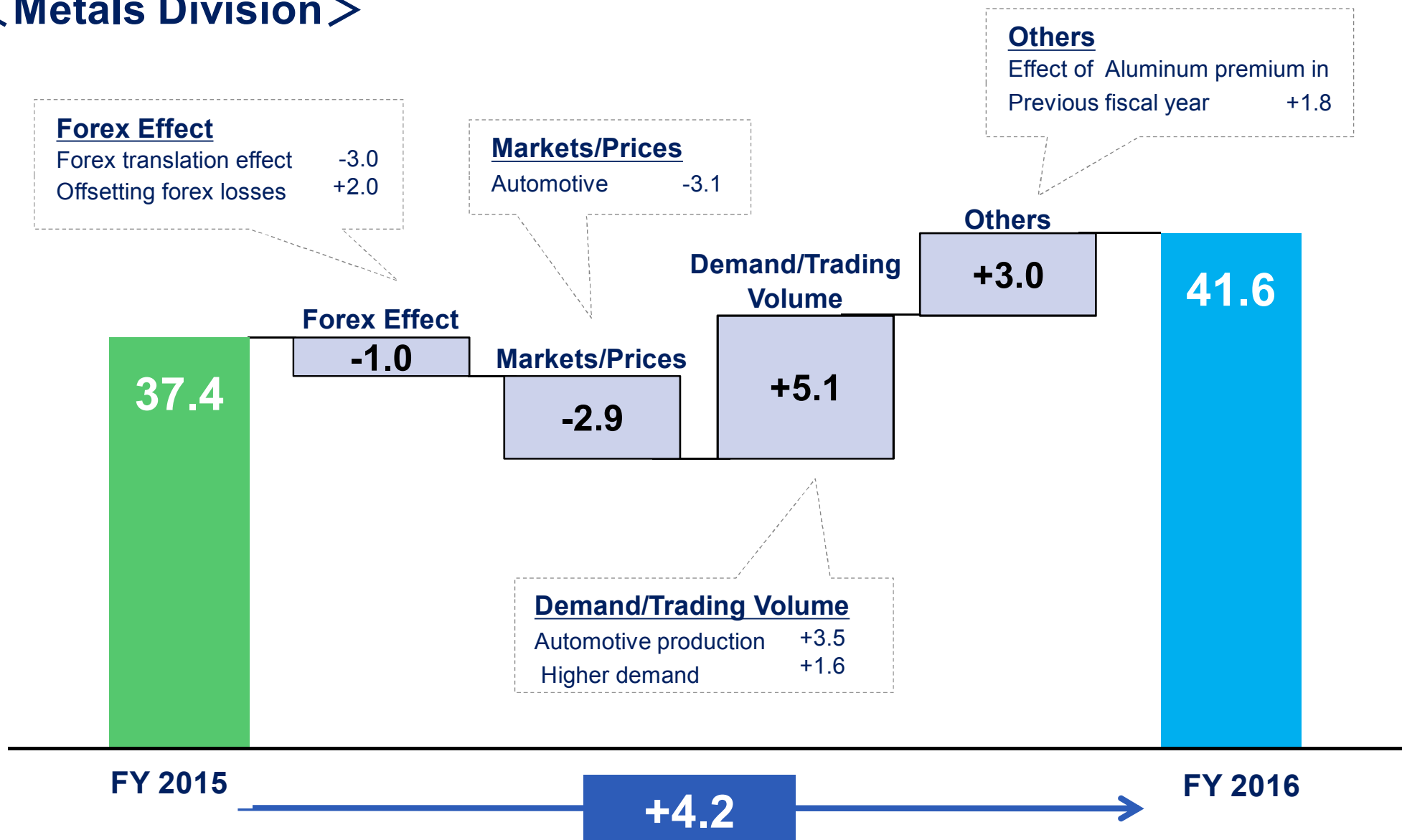
3. Supplementary Materials on Financial Results



Results and Reasons of Changes for FY2016

(Billion yen)

<Metals Division>



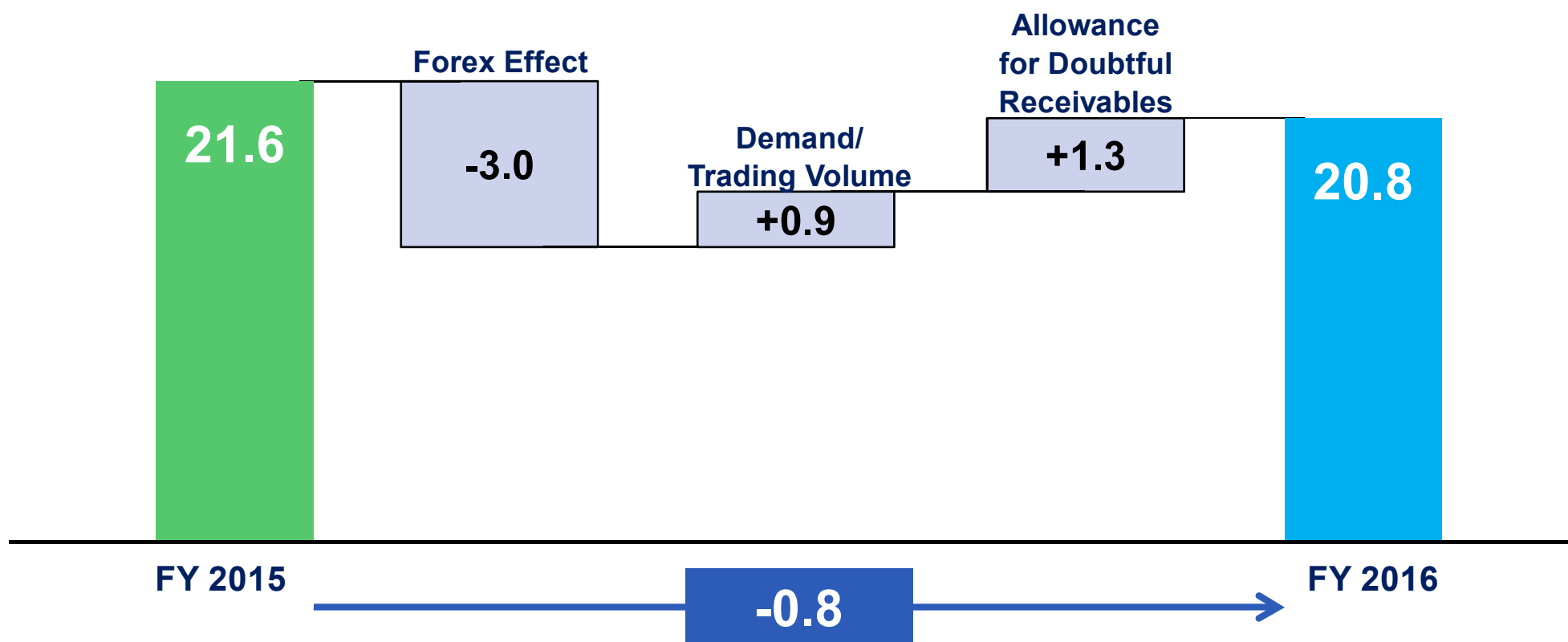
<Global Parts & Logistics Division>

Forex Effect

| | |
|--------------------------|------|
| Forex translation effect | -2.0 |
| Offsetting forex losses | -1.0 |

Allowance for Doubtful Receivables

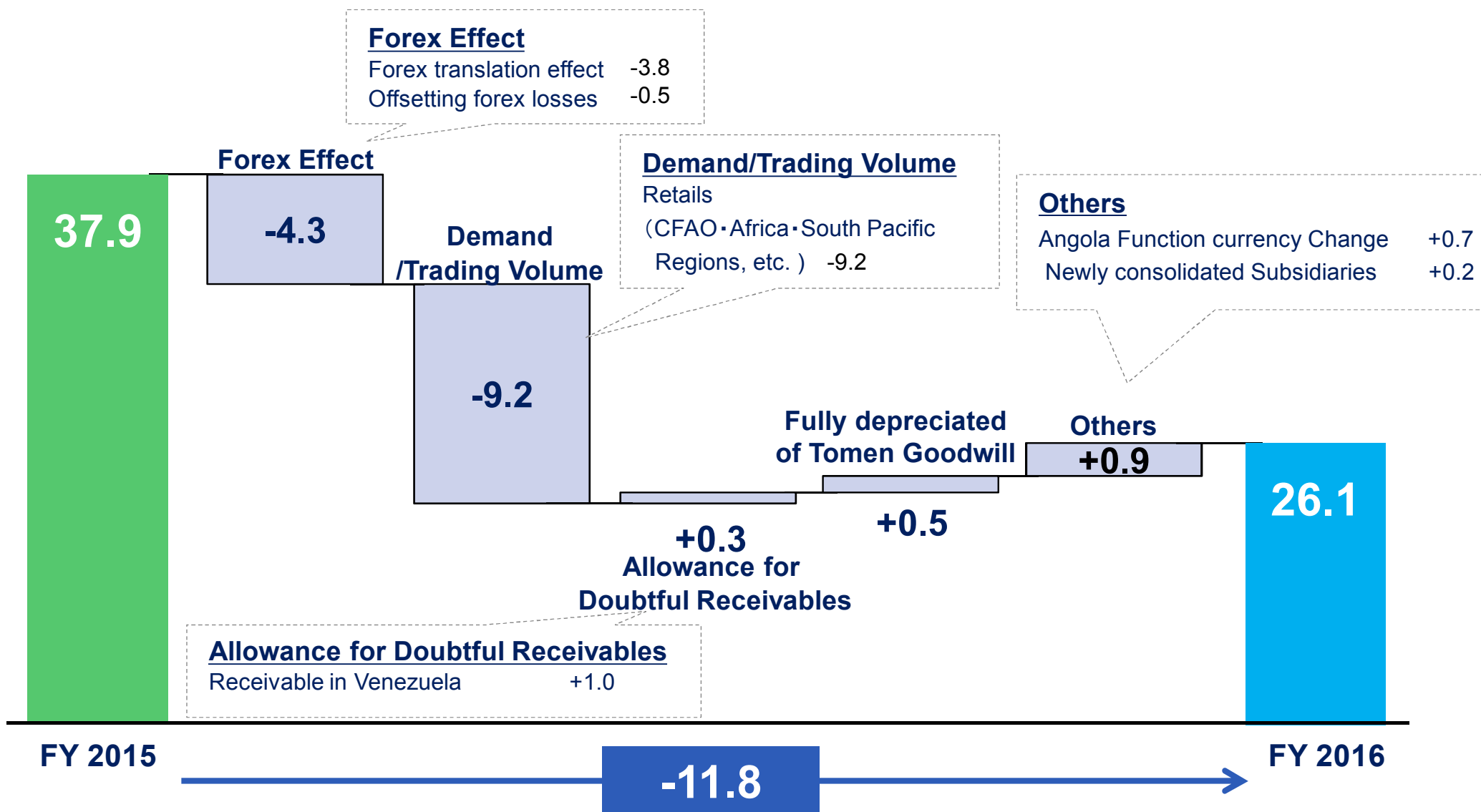
| | |
|-------------------------|------|
| Receivable in Venezuela | +1.5 |
|-------------------------|------|



Results and Reasons of Changes for FY2016

(Billion yen)

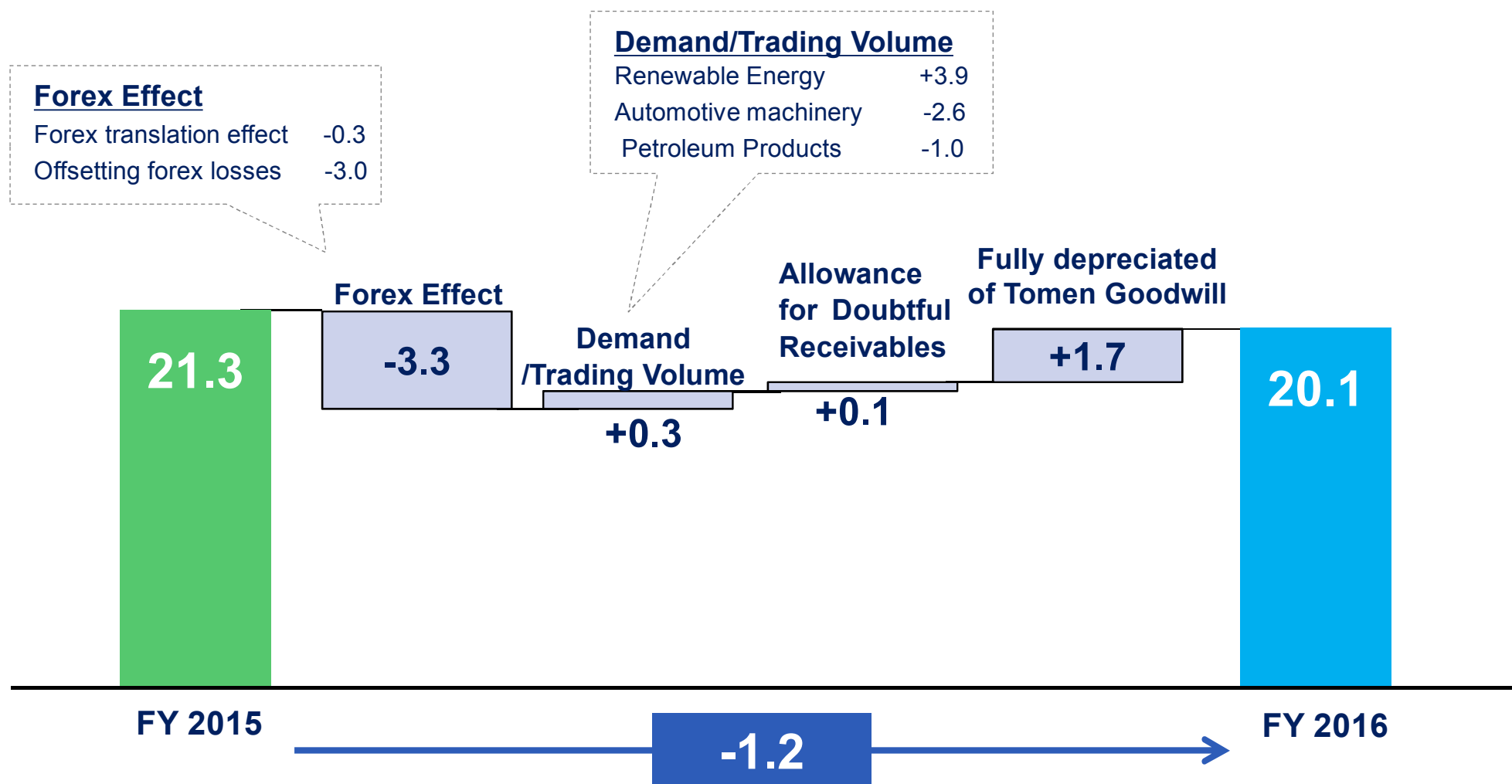
<Automotive Division>



Results and Reasons of Changes for FY2016

(Billion yen)

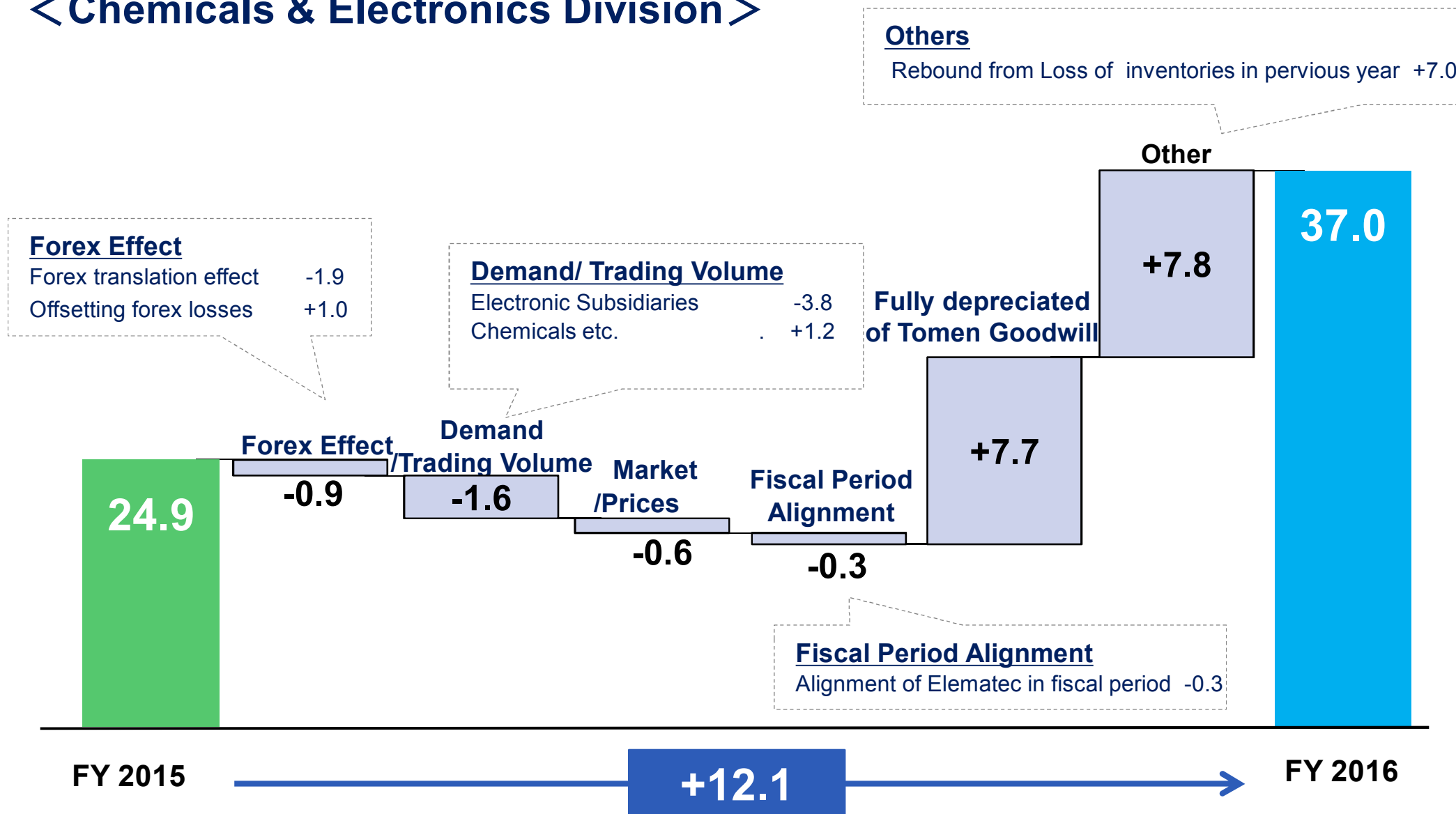
<Machinery, Energy & Project Division>



Results and Reasons of Changes for FY2016

(Billion yen)

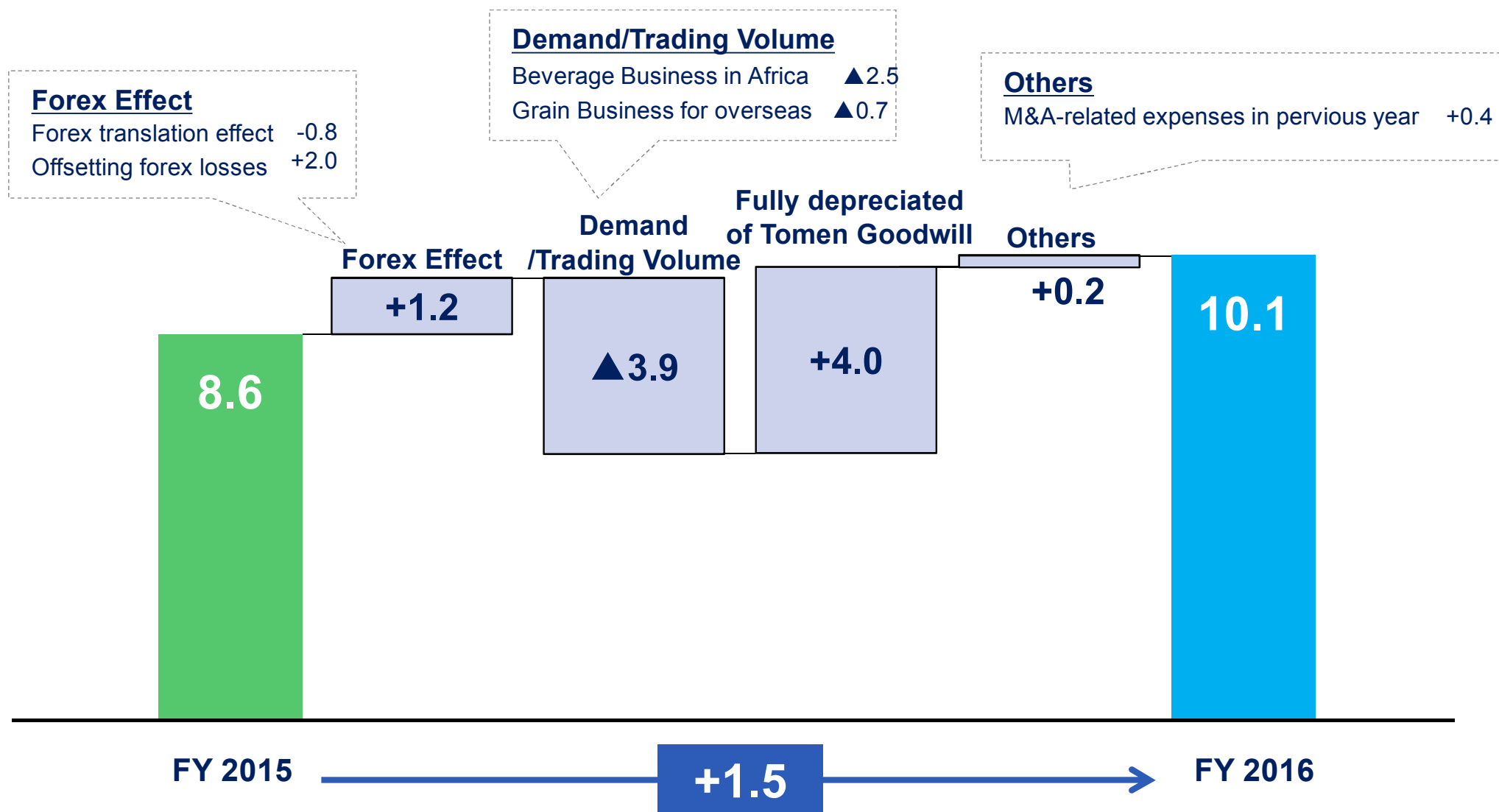
<Chemicals & Electronics Division>



Results and Reasons of Changes for FY2016

(Billion yen)

<Food & Consumer Services Division>



Automotive Production Recap and Outlook

<Automotive production>

| (Units: thousands) | FY2015 | FY2016 | YoY change | FY2017 (Forecast) |
|--------------------|--------|--------|------------|-------------------|
| Japan | 3,172 | 3,188 | 16 | 3,200 |
| Overseas | 5,759 | 5,890 | 131 | 5,800 |
| Total | 8,931 | 9,078 | 147 | 9,000 |

<Conditions in major auto-producing countries>

| (Units: thousands) | FY2015 | FY2016 | YoY change | Recap and outlook |
|--------------------|--------|--------|------------|--|
| North America | 1,958 | 1,977 | 19 | Remain favorable. Production is expected to be flat |
| China | 1,071 | 1,100 | 29 | Production demand strong due to continuation of tax breaks. |
| Thailand | 588 | 537 | -51 | frugality of consumer and reduction of export demand to Middle East. Recover gradually |

Note: Numbers were prepared by IR Group based on a research firm's data.

Automotive Sale's Related Business Recap and Outlook

<Automotive retails sales>

(Units: thousands)

| | FY2015 | FY2016 | YoY change | Intragroup breakdown |
|--|--------|--------|------------|---|
| Toyota Tsusho Group's dealer sales (including CFAO) | 200 | 197 | -3 | <ul style="list-style-type: none"> ▪ CFAO -7 ▪ TTC Africa -4 ▪ Others +8 |

<Market conditions>

| Main regions | FY2016 | FY2017 |
|---|--|---|
| Africa | Both Toyota Tsusho and CFAO's unit sales drop due to natural resource price. | <ul style="list-style-type: none"> ▪ Natural resource price will rise up from the bottom In FY2016 ▪ looking current sales conservatively |
| Europe/Russia (including East. Europe) | Slightly recover of dealer sales | <ul style="list-style-type: none"> ▪ Recovery trend due to resource price recovery |
| Asia/Oceania | Continue to be weak due to natural resource price | <ul style="list-style-type: none"> ▪ Market in Mekong keeps good sales ▪ Recovery trend |
| Latin America | Regional unit sales were flat YoY, even though recovery pace is different in resource producing countries and other countries. | <ul style="list-style-type: none"> ▪ Roughly same as last year |

Progress of Investment Plan

(Billion yen)

| Investment through the FY2016 | | | |
|-------------------------------|---|--------|---------------|
| | Main Projects | Amount | |
| Mobility | <ul style="list-style-type: none"> Develop dealer network (CFAO, etc.) Increase auto production-related facilities in North America | 1Q-3Q | 34.2 |
| | | 4Q | 12.3 |
| | | | 46.5 |
| Resources & Environment | <ul style="list-style-type: none"> Develop Solar and wind power business (Eurus) | 1Q-3Q | 24.6 |
| | | 4Q | 20.8 |
| | | | 45.4 |
| Life & Community | <ul style="list-style-type: none"> Expand Pharmaceutical retail business (CFAO) | 1Q-3Q | 15.4 |
| | | 4Q | 9.2 |
| | | | 24.6 |
| | | | 116.6 |
| | Time deposit to ensure liquidity | | 37.2 |
| | Others | | -23.4 |
| | Cash used for investments | | -130.4 |



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4. **Supplementary Materials on Financial Results about CFAO**

CFAO Financial and Operating Performance

(Millions EUR)

| | 2015/12 | 2016/12 | Change |
|--|----------------|----------------|----------------|
| Revenue | 3,435.7 | 3,275.3 | (160.4) |
| Gross profit | 854.5 | 807.9 | (46.6) |
| Payroll expenses | (299.7) | (302.7) | (3.0) |
| Other recurring operating income and expenses | (285.6) | (316.2) | (30.6) |
| Recurring operating income | 269.2 | 188.9 | (80.3) |
| Other non-recurring operating income and expenses | 9.8 | 25.9 | 16.1 |
| Operating income | 279.0 | 214.8 | (64.2) |
| Finance costs, net | (47.5) | (44.3) | 3.2 |
| Income before tax | 231.5 | 170.5 | (61.0) |
| Income tax | (86.6) | (76.9) | 9.7 |
| Share in earnings of associates | 0.7 | (3.8) | (4.5) |
| Net income of consolidated companies | 145.6 | 89.8 | (55.8) |
| Net income attributable to non-controlling interests | 39.0 | 29.4 | (9.7) |
| Net income attributable to owners of the parent | 106.6 | 60.4 | (46.1) |

CFAO Consolidated Statement of Financial Position and Cash Flow

(Millions EUR)

| Consolidated statement of financial position | 2015/12 | 2016/12 | Change |
|---|----------------|----------------|---------------|
| Intangible assets | 261.8 | 262.4 | 0.6 |
| Property, plant and equipment | 521.0 | 502.5 | (18.5) |
| Working capital requirement | 727.5 | 704.9 | (22.6) |
| Other assets and liabilities | 41.8 | 95.3 | 53.5 |
| Capital employed | 1,552.1 | 1,565.1 | 13.0 |
| Total equity | 1,012.2 | 1,003.3 | (8.9) |
| Net debt | 539.9 | 561.8 | 21.9 |

| Free operating cash flow | 2015/12 | 2016/12 | Change |
|---|----------------|----------------|---------------|
| Cash flow from operating activities before tax, dividends and interests | 330.8 | 266.7 | (64.1) |
| Change in working capital requirement | (41.7) | 22.5 | 64.2 |
| Income tax paid | (93.8) | (83.9) | 9.9 |
| Operating capital expenditure, net | (148.5) | (92.6) | 55.9 |
| Free operating cash flow | 46.8 | 112.7 | 65.9 |

CFAO Information by Business Units

(Millions EUR)

| 2016/12 | Equipment & Services | Healthcare | Consumer goods | Holding & Others | TOTAL |
|------------------|---------------------------------|-------------------|-----------------------|-----------------------------|--------------|
| Revenue | 1,709.5 | 1,251.9 | 313.1 | 0.0 | 3,275.3 |
| Operating income | 99.0 | 100.5 | 19.6 | (30.1) | 188.9 |
| Assets | 1,191.5 | 731.8 | 342.5 | 50.4 | 2,317.5 |
| Liabilities | 456.5 | 311.7 | 65.1 | 12.7 | 844.7 |

| 2015/12 | Equipment & Services | Healthcare | Consumer goods | Holding & Others | TOTAL |
|------------------|---------------------------------|-------------------|-----------------------|-----------------------------|--------------|
| Revenue | 1,834.1 | 1,251.5 | 350.0 | 0.1 | 3,435.7 |
| Operating income | 143.7 | 104.9 | 52.3 | (31.7) | 269.2 |
| Assets | 1,261.8 | 713.3 | 382.9 | 38.4 | 2,396.3 |
| Liabilities | 481.4 | 311.5 | 70.7 | 16.3 | 879.9 |

CFAO Operating Results (Profit from Operating Activities and Profit)

(Millions EUR)

| Business segments | 2015/12 | 2016/12 | Change | Factors behind YoY change | |
|--|--------------|--------------|---------------|--|---|
| Equipment & Services | 143.7 | 99.0 | (44.7) | Maghreb | <ul style="list-style-type: none"> • Market shrinkage, import restrictions change in Algeria • Profits increase due to restructuring |
| | | | | W. Africa | <ul style="list-style-type: none"> • Sales drop, mainly in seven oil producing countries • decrease due to West Africa's drop in profit |
| | | | | E. Africa | <ul style="list-style-type: none"> • Economic sluggishness (e.g., Kenya, Zambia) • Stagnant VW sales (slight y increase from previous year) |
| | | | | DOM-TOMS | <ul style="list-style-type: none"> • Robust overseas demand, including in Vietnam. |
| Healthcare | 104.9 | 100.5 | (4.4) | • Decrease in direct sales , due to slow down in North African | |
| Consumer goods | 52.3 | 19.6 | (32.7) | <ul style="list-style-type: none"> • Beer: Margin drop due to rise of competitor • Retail: Upfront expenses in new stores in Ivory Coast | |
| Holding | (31.7) | (30.1) | 1.6 | | |
| Operating income | 269.2 | 188.9 | (80.3) | | |
| Net income attributable to owners of the parent | 106.6 | 60.4 | (46.2) | | |



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