**FOR IMMEDIATE RELEASE**

# Toyota Tsusho Corporation Reports Earnings for the Nine Months Ended December 31, 2014

Nagoya, Japan; February 3, 2015 — Toyota Tsusho Corporation (TSE: 8015) reported consolidated net sales of 6,584.093 billion yen and net income of 64.333 billion yen, or 183.03 yen per share, for the nine months ended December 31, 2014.

## Consolidated Results of Operations

In the first nine months of the fiscal year (April 1, 2014 – December 31 2014), the global economy as a whole continued to gradually recover, as developed countries performed strongly in general, while economic growth slowed in emerging countries. The U.S. economy continued its steady growth with a recovery in automobile sales in addition to improvements in the employment and housing market. The European economy continued with sluggish growth given the nonperforming loan problems and deflation concerns. In the emerging economies, the pace of economic expansion in China slowed down due to the less active fixed-asset investments and cooling down of the heated real estate market. Among ASEAN countries, growth slowed as political instability continued in Thailand and Indonesia restrained inflation. In India, the new administration raised expectations for structural reform such as nurturing industries. On the other hand, Russia was exposed to potential risk of negative growth due to the falling crude oil price and weak currency. In addition, concerns grew in African nations over decline in natural resource prices and the impact of Ebola hemorrhagic fever.

Against such a backdrop, the Japanese economy continued to remain standstill due to the increased cost of imports caused by the sudden decline in yen and stagnating consumption following the increase in the consumption tax rate.

Amid such an environment, the Toyota Tsusho Group's consolidated net sales increased 880.0 billion yen (15.4%) year on year to 6,584.0 billion yen in the nine months ended December 31, 2014, partly due to the impact of an increase in trading volume of petroleum and other products and influence of the weaker yen. Consolidated operating income totaled 123.837 billion yen, a rise of 4.360 billion yen (3.6%) compared with the same period of the previous fiscal year (119.477 billion), as net sales increased. Consolidated ordinary income, however, declined 3.063 billion yen (2.5%) to

120.748 billion yen from the same period of the previous fiscal year (123.811 billion yen) due to decrease in equity in the earnings of unconsolidated subsidiaries and affiliates. On the other hand, consolidated net income after taxes increased 6.753 billion yen (11.7%) to 64.333 billion yen from 57.580 billion yen in the same period of the previous fiscal year due to gain on bargain purchase.

*Segment Information*

The Group carried out a reorganization of some of its businesses from April 1, 2014 and the name of the Global Production Parts & Logistics Division was changed to the Global Parts & Logistics Division.

**Metals**

Net sales increased 122.1 billion yen (9.0%) year on year to 1,482.6 billion yen as a result of the influence of the weaker yen and the impact of increased automobile production in North America.

In the steel business, the Group worked on expanding its capacity to cater to increased overseas automobile production. In the nonferrous metals business, Sales de Jujuy S.A., an Argentine lithium development company in which the Group has a stake, started full-scale production of lithium at Salar de Olaroz, Jujuy Province. In the steel raw materials business, in auto recycling business in China, the Group continued to pursue an effort to expand its local network, following the earlier investment in Beijing Borui liantong Auto Recycling Tech Co., Ltd.

**Global Parts & Logistics**

Net sales rose 35.6 billion yen (5.4%) year on year to 697.4 billion yen due to the influence of the weaker yen and the impact of unification of accounting periods.

The Group presented an interim report to involved agencies regarding the feasibility study for cooperation in construction and operation of the new Dholera International Airport in Gujarat, India, commissioned by the Japan International Cooperation Agency. In addition, it gifted energy-saving, ultra large ceiling fans made by Big Ass Solutions of the U.S. to Spa Resort Hawaiians, operated by Joban Kosan Co., Ltd. and promoted the collaborative demonstration project to cultivate a new energy-saving market.

### Automotive

Net sales increased 10.8 billion yen (1.1%) year on year to 984.8 billion yen due to the impact of unification of accounting periods.

In the automotive business, the Group established a sales finance company in Cambodia in a joint venture with Kong Nuon Group Co., Ltd., a local partner of an import and sales agent for Toyota vehicles in which Toyota Tsusho has a stake, and started a financing business in the country. Further, in Kenya, the Group set up Toyota Kenya Business Park and centralized the operation of the logistics center for completed vehicles, parts warehouses and used car business. It also opened a human resource development center by enhancing the existing training center. In Nigeria, CFAO S.A., in which the Group holds a stake, signed an agreement to establish a joint venture to manufacture and distribute motorcycles with Yamaha Motor Co., Ltd.

### Machinery, Energy & Projects

Net sales increased 461.7 billion yen (42.3%) year on year to 1,553.5 billion yen, as the trading volume of petroleum and other products rose.

In Maryland, the U.S., the Group took part in the construction and operation of natural gas-fired St. Charles thermal power plant, as it positioned North America as an important market in the electric power business. In Kenya, one of the Africa's largest geothermal power plant Olkaria 4, whose construction the Group undertook, started operations.

### Chemicals & Electronics

Net sales rose 214.0 billion yen (17.2%) year on year to 1,460.6 billion yen primarily reflecting the impact of a new consolidated subsidiary and influence of the weaker yen.

In the chemical and synthetic resin business, the Group in Kenya signed a memorandum of understanding with the Ministry of Agriculture, Livestock and Fisheries regarding promotion of the fertilizer business to start fertilizer production business in the country. In the electronics business, the Group moved ahead with the process to acquire Tomen Electronics Corporation as a wholly owned subsidiary with the aim of bolstering efforts to expand into new businesses and enhancing customer satisfaction.

### Food & Agribusiness

Net sales increased 48.7 billion yen (20.2%) year on year to 289.5 billion yen, as the trading volume of grains abroad expanded.

In the agriculture and aquaculture business, the Group signed a memorandum of understanding regarding promotion of the fisheries business with Kinki University to further enhance the collaboration and established Tuna Dream Goto Fish Nursery Center in Goto-shi, Nagasaki Prefecture with the aim of stable production and supply of Bluefin tuna hatchling production. In the food business, Toyota Tsusho America, Inc. of Toyota Tsusho Group and Sapporo International Inc., of Sapporo Group decided to add Country Pure Foods, Inc., a major U.S. foodservice juice manufacturer, to their groups through Silver Springs Citrus, Inc., a joint venture between the two companies.

**Consumer Products & Services**

Net sales decreased 12.6 billion yen (10.0%) year on year to 113.5 billion yen due mainly to the impact of the sale of a property held for sale in the previous fiscal year.

In the living & healthcare business, the construction of AXIA SOUTH CIKARANG, a hotel residence targeting long-term residents and those on business trips, built jointly with local partner Lippo Group, etc., was completed and the hotel started operations in Indonesia. The Group also held the groundbreaking ceremony of a complex housing offices, a hotel, a conference center and commercial facilities Global Gate in Sasashima Live 24 in Nagoya. In the insurance business, Toyota Tsusho Insurance Partners Corporation, in cooperation with Lifenet Insurance Company, started offering insurance products for freelance professionals via an Intranet webpage, available only to the members, to acquire new customers.

**Consolidated Financial Condition**

At December 31, 2014, consolidated assets totaled 4,483.7 billion yen, an increase of 411.0 billion yen from March 31, 2014. The increase was chiefly attributable to a 125.2 billion yen increase in accounts receivable, an 81.5 billion yen increase in investment securities and a 72.3 billion yen increase in inventories. Consolidated net assets rose 92.7 billion yen to 1,248.7 billion yen, as retained earnings rose 43.1 billion yen and net unrealized gains on available-for-sales securities increased by 39.4 billion yen.

**Outlook for Fiscal Year Ending March 31, 2015**

For the fiscal year ending March 31, 2015, the Group has not made any changes to its consolidated earnings forecast issued on October 31, 2014.

**Other Information**

(1) Changes affecting the status of material subsidiaries (scope of consolidation) during the period

Not applicable

(2) Accounting procedures specific to preparation of quarterly consolidated financial statements

The Group calculates tax liabilities by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to income before income taxes and minority interests for the fiscal year, which encompasses the nine months ended December 31, 2014, and then multiplying income before income taxes and minority interests by this estimated effective tax rate.

(3) Changes in accounting principles, changes in accounting estimates and retrospective restatements

*Changes in accounting principles*

(Accounting Standard for Retirement Benefits)

Effective the first three months for the fiscal year ending March 31, 2015, the Company adopted the main clause of paragraph 35 of *Accounting Standard for Retirement Benefits* (ASBJ Statement No. 26, May 17, 2012, hereinafter, "*Accounting Standard*") and the main clause of paragraph 67 of *Guidance on Accounting Standard for Retirement Benefits* (ASBJ Guidance No. 25, May 17, 2012, hereinafter "*Guidance on Retirement Benefits*"). In accordance with this, calculation method for retirement benefit obligations and service cost were reviewed, and the method for attributing expected pension benefits to periods of employee service was changed from the straight-line attribution to the benefit formula. In addition, a new method of determining the discount rate was adopted where a single weighted average discount rate is applied in calculating the present value of obligations based on expected period of benefit payments and amount of payment for each period.

The *Accounting Standard* and the *Guidance on Retirement Benefits* are applied with transitional treatments stipulated in paragraph 37 of the *Accounting Standard*. As of the beginning of the first nine months of the fiscal year ending March 31, 2015 (April 1, 2014), impact of the change in calculation method was reflected in retained earnings.

As a result, retained earnings as of the beginning of the first nine months of the fiscal year ending March 31, 2015 (April 1, 2014) was 1,563 million yen lower. The impact of this change on operating income, ordinary income, and income before income taxes and minority interests for the nine months ended December 31, 2014 was minor.

(4) Additional information

The fiscal year-end date for some of the Company's consolidated subsidiaries, including Business Car and Toyota Tsusho (Shanghai) Co., Ltd. is December 31, which is different from the consolidated year-end date. With respect to those subsidiaries, financial statements as of their year-end date were previously used for preparation of consolidated financial statements after necessary adjustments for consolidation were performed on important transactions that took place between the last year-end date of those companies and the consolidated year-end date. Effective the first three months of the fiscal year ending March 31, 2015, however, in order to further increase the quality of financial reporting, preparation method for consolidated financial statements were changed to a new method under which the financial statements of Business Car, Toyota Tsusho (Shanghai) Co., Ltd. and other four consolidated subsidiaries are provisionally closed at the consolidated fiscal year-end date for consolidation. In line with this change, the consolidated financial statements for the nine months ended December 31, 2014 include financial statements of these companies for twelve months (January 1 through December 31, 2014) with adjustments made through consolidated income statements.

As a result, for the first nine months for the fiscal year ending March 31, 2015, net sales was 119,330 million yen higher, gross profit was 6,969 million yen higher, operating income was 2,559 million yen higher, ordinary income was 2,223 million yen higher, income before income taxes and minority interests was 2,243 million yen higher.

## Financial Statements
### (1) Consolidated Balance Sheets

| | As of March 31, 2014 | As of December 31, 2014 |
|---|---|---|
| | Amount | Amount |
| **Assets** | | |
| **Current assets:** | | |
| Cash and cash equivalents | 412,089 | 453,471 |
| Trade notes and accounts receivable | 1,268,331 | 1,393,519 |
| Inventories | 628,758 | 701,072 |
| Other current assets | 232,928 | 264,033 |
| Less: allowance for doubtful receivables | (21,222) | (26,232) |
| Total current assets | 2,520,885 | 2,785,865 |
| **Fixed assets:** | | |
| Property and equipment | 504,104 | 551,370 |
| Intangible assets: | | |
| Goodwill | 202,858 | 171,291 |
| Other | 226,641 | 224,747 |
| Total intangible assets | 429,500 | 396,039 |
| Investments and other assets: | | |
| Investment securities | 471,818 | 553,375 |
| Other | 162,290 | 214,115 |
| Less: allowance for doubtful receivables | (15,870) | (16,988) |
| Total investments and other assets | 618,238 | 750,502 |
| Total fixed assets | 1,551,843 | 1,697,912 |
| **Total assets** | 4,072,728 | 4,483,777 |

Millions of yen

| | As of March 31, 2014 | Millions of yen As of December 31, 2014 |
|---|---|---|
| | Amount | Amount |
| **Liabilities** | | |
| **Current liabilities:** | | |
| Trade notes and accounts payable | 950,852 | 1,008,168 |
| Short-term debt | 520,337 | 575,511 |
| Income taxes payable | 33,099 | 24,385 |
| Allowances | 1,538 | 1,552 |
| Other current liabilities | 429,504 | 495,031 |
| Total current liabilities | 1,935,332 | 2,104,648 |
| **Long-term liabilities:** | | |
| Bonds payable, less current portion | 95,000 | 116,159 |
| Long-term debt | 720,813 | 835,787 |
| Allowances | 6,567 | 3,889 |
| Net defined benefit liability | 30,915 | 32,817 |
| Other long-term liabilities | 128,019 | 141,755 |
| Total long-term liabilities | 981,315 | 1,130,409 |
| **Total liabilities** | 2,916,648 | 3,235,058 |
| **Net assets** | | |
| **Shareholders' equity:** | | |
| Common stock | 64,936 | 64,936 |
| Capital surplus | 154,781 | 155,000 |
| Retained earnings | 584,591 | 627,628 |
| Treasury stock | (4,508) | (4,025) |
| Total shareholders' equity | 799,801 | 843,539 |
| **Accumulated other comprehensive income:** | | |
| Net unrealized gains on available-for-sales securities, net of taxes | 78,553 | 117,961 |
| Deferred gain (loss) on futures hedge | (6,515) | (14,422) |
| Foreign currency translation adjustments | 101,926 | 131,979 |
| Remeasurements of defined benefit plans | (1,025) | (867) |
| Total accumulated other comprehensive income | 172,938 | 234,651 |
| **Stock warrants** | 371 | 177 |
| **Minority interests** | 182,968 | 170,350 |
| **Total net assets** | 1,156,080 | 1,248,719 |
| **Total liabilities and net assets** | 4,072,728 | 4,483,777 |

## (2) Consolidated Statements of Income and Comprehensive Income
### Consolidated Statements of Income

| | | Millions of yen |
|---|---|---|
| | Nine Months ended December 31, 2013 | Nine Months ended December 31, 2014 |
| | Amount | Amount |
| **Net sales** | 5,704,061 | 6,584,093 |
| Cost of sales | 5,274,431 | 6,116,672 |
| **Gross profit** | 429,630 | 467,421 |
| **Selling, general and administrative expenses** | 310,152 | 343,583 |
| **Operating income** | 119,477 | 123,837 |
| **Other income:** | | |
| Interest income | 3,106 | 4,271 |
| Dividend income | 13,442 | 15,899 |
| Equity in the earnings of unconsolidated subsidiaries and affiliates | 14,623 | 7,606 |
| Other income | 8,961 | 8,676 |
| Total other income | 40,135 | 36,454 |
| **Other expenses:** | | |
| Interest expense | 18,683 | 20,188 |
| Foreign exchange loss | 13,421 | 15,852 |
| Other expenses | 3,696 | 3,501 |
| Total other expenses | 35,801 | 39,543 |
| **Ordinary income** | 123,811 | 120,748 |
| **Extraordinary income:** | | |
| Gain on sale of fixed assets | 815 | 2,225 |
| Gain on trading of securities and investments | 1,808 | 5,180 |
| Gain on reversal of provision for loss on withdrawal from business | 12 | 30 |
| Gain on bargain purchase | - | 10,856 |
| Gain on reversal of stock warrants | 371 | 85 |
| Total extraordinary income | 3,007 | 18,378 |
| **Extraordinary losses:** | | |
| Loss on disposal of fixed assets | 533 | 625 |
| Impairment of property and intangible assets | 84 | 3,266 |
| Loss on trading of securities and investments | 87 | 122 |
| Loss on valuation of securities and investments | 1,565 | 797 |
| Loss on liquidation of subsidiaries and affiliates | 50 | 69 |
| Provision for loss on withdrawal from businesses | 709 | - |
| Provision for loss on litigation | 210 | - |
| Loss on change in equity interest | - | 247 |
| Loss on cancellation of contract | - | 580 |
| Customs duties for prior periods | - | 1,635 |
| Other extraordinary losses | 45 | 15 |
| Total extraordinary losses | 3,285 | 7,359 |
| **Income before income taxes and minority interests** | 123,533 | 131,767 |
| **Income tax expenses** | 46,429 | 47,797 |
| **Income before minority interests** | 77,104 | 83,969 |
| **Minority interests in earnings of consolidated subsidiaries and affiliates** | 19,524 | 19,635 |
| **Net income** | 57,580 | 64,333 |

## Consolidated Statements of Comprehensive Income

| | Nine Months ended December 31, 2013 | Millions of yen<br>Nine Months ended December 31, 2014 |
|---|---|---|
| | Amount | Amount |
| Income before minority interests | 77,104 | 83,969 |
| Other comprehensive income | | |
| Net unrealized gains on available-for-sales securities, net of taxes | 36,311 | 38,629 |
| Deferred gain (loss) on futures hedge | 2,710 | (8,924) |
| Foreign currency translation adjustments | 78,331 | 30,624 |
| Remeasurements of defined benefit plans | - | 128 |
| Share of other comprehensive income of unconsolidated subsidiaries and affiliates | 9,465 | 4,633 |
| Total other comprehensive income | 126,819 | 65,090 |
| Comprehensive income | 203,923 | 149,059 |
| Components: | | |
| Comprehensive income attributable to owners of the parent | 178,558 | 126,040 |
| Comprehensive income attributable to minority interests | 25,364 | 23,019 |

## (3) Notes on Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Notes on Significant Changes in Shareholders' Equity)

Not applicable

(Segment and Other Information)

Segment information

1. Sales and income/loss by reportable segment

Nine Months ended December 31, 2013 (April 1, 2013 to December 31, 2013)

Millions of yen

| | Reportable segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Agribusiness | Consumer Products & Services | Total |
| **Net sales** | | | | | | | | |
| Outside customers | 1,360,563 | 661,863 | 974,025 | 1,091,801 | 1,246,697 | 240,851 | 126,162 | 5,701,964 |
| Inter-segment revenue or transfers | 506 | 2,388 | 49 | 292 | 3,934 | 87 | 539 | 7,797 |
| Total | 1,361,069 | 664,252 | 974,074 | 1,092,094 | 1,250,631 | 240,938 | 126,701 | 5,709,762 |
| Segment income (loss) | 34,302 | 16,818 | 29,891 | 16,597 | 18,501 | 4,121 | 5,489 | 125,722 |

| | Other *1 | Total | Adjustments *2 | Amounts on the quarterly consolidated statements of income *3 |
|---|---|---|---|---|
| **Net sales** | | | | |
| Outside customers | 2,096 | 5,704,061 | - | 5,704,061 |
| Inter-segment revenue or transfers | 366 | 8,163 | (8,163) | - |
| Total | 2,462 | 5,712,224 | (8,163) | 5,704,061 |
| Segment income (loss) | (6,323) | 119,399 | 78 | 119,477 |

Nine Months ended December 31, 2014 (April 1, 2014 to December 31, 2014)

Millions of yen

| | Reportable segment | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Agribusiness | Consumer Products & Services | Total |
| **Net sales** | | | | | | | | |
| Outside customers | 1,482,674 | 697,423 | 984,884 | 1,553,530 | 1,460,648 | 289,512 | 113,506 | 6,582,179 |
| Inter-segment revenue or transfers | 746 | 2,524 | 9 | 1,193 | 4,284 | 93 | 501 | 9,353 |
| Total | 1,483,421 | 699,947 | 984,893 | 1,554,724 | 1,464,932 | 289,606 | 114,007 | 6,591,533 |
| Segment income (loss) | 41,893 | 16,289 | 25,555 | 14,868 | 25,365 | 3,342 | 3,706 | 131,020 |

| | Other *1 | Total | Adjustments *2 | Amounts on the quarterly consolidated statements of income *3 |
|---|---|---|---|---|
| **Net sales** | | | | |
| Outside customers | 1,914 | 6,584,093 | - | 6,584,093 |
| Inter-segment revenue or transfers | 388 | 9,742 | (9,742) | - |
| Total | 2,303 | 6,593,836 | (9,742) | 6,584,093 |
| Segment income (loss) | (7,175) | 123,845 | (7) | 123,837 |

Notes:
1. "Other" comprises businesses that are not included in reportable segments, such as functional services which provide operation support to the whole Group.
2. Figures in "Adjustments" for the "Segment income (loss)" row represent the amounts of inter-segment transactions.
3. Segment income (loss) is adjusted based on operating income on the consolidated financial statements.
4. Effective the first three months for the fiscal year ending March 31, 2015, the Global Production Parts & Logistics segment has changed its name to the Global Parts & Logistics.

## Outline of Consolidated Results for the Nine Months Ended December 31, 2014

**(April 1, 2014 to December 31, 2014)**

### 1. Operating Results

Billions of yen

| | Consolidated | | | |
|---|---|---|---|---|
| | Nine Months ended December 31, 2014 | Nine Months ended December 31, 2013 | Year-on-year change | |
| | | | Amount | % |
| Net sales | 6,584.0 | 5,704.0 | 880.0 | 15.4 |
| Gross profit | 467.4 | 429.6 | 37.8 | 8.8 |
| SG & A expenses | 343.5 | 310.1 | 33.4 | - |
| Operating income | 123.8 | 119.4 | 4.4 | 3.6 |
| Interest income and expense | (15.9) | (15.5) | (0.4) | - |
| Dividend income | 15.8 | 13.4 | 2.4 | - |
| Equity in the earnings (losses) of unconsolidated subsidiaries and affiliates | 7.6 | 14.6 | (7.0) | - |
| Other income (expenses) | (10.6) | (8.1) | (2.5) | - |
| Ordinary income | 120.7 | 123.8 | (3.1) | (2.5) |
| Extraordinary income (losses) | 11.0 | (0.2) | 11.2 | - |
| Income before income taxes and minority interests | 131.7 | 123.5 | 8.2 | 6.7 |
| Income tax expenses | 47.7 | 46.4 | 1.3 | - |
| Minority interests in earnings of consolidated subsidiaries and affiliates | 19.6 | 19.5 | 0.1 | - |
| Net income | 64.3 | 57.5 | 6.8 | 11.7 |

**Main factors behind year-on-year changes**

- Net sales +880.0 billion yen:
  - Increase mainly in the Machinery, Energy & Project division due to increase in volume of petroleum and other products handled and effect of weaker yen
- Operating income +4.4 billion yen:
  - Increase due to increase in net sales, and in turn gross profit, which has more than offset increases in SG & A
- Dividend income +2.4 billion yen:
  - Increase mainly in Toyota Tsusho Corporation
- Equity in the earnings (losses) of unconsolidated subsidiaries and affiliates -7.0 billion yen:
  - Decrease mainly in unconsolidated subsidiaries and affiliates in the Machinery, Energy & Project division
- Other income/expenses -2.5 billion yen:
  - Decrease due mainly to worsening in foreign exchange gains/losses
- Extraordinary income (losses) +11.2 billion yen:
  - Increase due mainly to gain on bargain purchase

**For reference:**

Billions of yen

| Quarterly changes | 1st quarter | 2nd quarter | 3rd quarter |
|---|---|---|---|
| Net sales | 2,084.0 | 2,270.7 | 2,229.2 |
| Operating income | 34.3 | 40.0 | 49.4 |
| Ordinary income | 44.9 | 37.3 | 38.4 |
| Net income | 21.3 | 18.9 | 24.0 |

## 2. Financial Position

Billions of yen

| | Consolidated | | | |
|---|---|---|---|---|
| | As of December 31, 2014 | As of March 31, 2014 | Change versus March 31, 2014 | |
| | | | Amount | % |
| Total assets | 4,483.7 | 4,072.7 | 411.0 | 10.1 |
| Current assets | 2,785.8 | 2,520.8 | 265.0 | 10.5 |
| Investment securities & other investments | 612.8 | 526.0 | 86.8 | 16.5 |
| Other fixed assets | 1,085.0 | 1,025.7 | 59.3 | 5.8 |
| Net assets | 1,248.7 | 1,156.0 | 92.7 | 8.0 |
| Net interest-bearing debt | 1,263.8 | 1,088.9 | 174.9 | 16.1 |
| Debt-equity ratio (times) | 1.2 | 1.1 | 0.1 | |

**Main factors behind year-on-year changes**

- Current assets +265.0 billion yen:
  - Trade notes and accounts receivable increased 125.2 billion yen
  - Inventories increased 72.3 billion yen
- Investment securities & other investments +86.8 billion yen:
  - Increase due mainly to higher market value and acquisition of affiliates' shares
- Other fixed assets +59.3 billion yen:
  - Property and equipment increased 47.2 billion yen
- Net assets +92.7 billion yen:
  - Retained earnings increased 43.1 billion yen (net income for the nine months ended December 31, 2014 of 64.3 billion yen less 19.3 billion yen dividends, etc.)
  - Net unrealized gains on available-for-sales securities, net of taxes increased 39.4 billion yen
  - Foreign currency translation adjustments increased 30.0 billion yen
  - Minority interests decreased 12.6 billion yen

## 3. Consolidated Net Sales and Operating Income by Segment

*The top row for each segment indicates net sales; the bottom row indicates operating income.

Billions of yen

| | Nine Months ended December 31, 2014 | Nine Months ended December 31, 2013 | Year-on-year change | Amounts affected by exchange rates | Year-on-year change excluding amount affected by exchange rates | |
|---|---|---|---|---|---|---|
| | | | | | Amount | % |
| Metals | 1,482.6 | 1,360.5 | 122.1 | 38.6 | 83.5 | 6.0 |
| | 41.8 | 34.3 | 7.5 | 1.1 | 6.4 | 18.4 |
| *Global Parts & Logistics | 697.4 | 661.8 | 35.6 | 33.6 | 2.0 | 0.3 |
| | 16.2 | 16.8 | (0.6) | 0.5 | (1.1) | (6.0) |
| Automotive | 984.8 | 974.0 | 10.8 | 33.9 | (23.1) | (2.3) |
| | 25.5 | 29.8 | (4.3) | 0.9 | (5.2) | (17.1) |
| Machinery, Energy & Project | 1,553.5 | 1,091.8 | 461.7 | 28.0 | 433.7 | 38.7 |
| | 14.8 | 16.5 | (1.7) | (0.6) | (1.1) | (7.2) |
| Chemicals & Electronics | 1,460.6 | 1,246.6 | 214.0 | 36.3 | 177.7 | 13.8 |
| | 25.3 | 18.5 | 6.8 | 0.9 | 5.9 | 30.8 |
| Food & Agribusiness | 289.5 | 240.8 | 48.7 | 8.8 | 39.9 | 16.0 |
| | 3.3 | 4.1 | (0.8) | 0.4 | (1.2) | (26.3) |
| Consumer Products & Services | 113.5 | 126.1 | (12.6) | 1.3 | (13.9) | (11.0) |
| | 3.7 | 5.4 | (1.7) | 0.0 | (1.7) | (32.6) |
| Total | 6,584.0 | 5,704.0 | 880.0 | 180.6 | 699.4 | 11.9 |
| | 123.8 | 119.4 | 4.4 | 2.7 | 1.7 | 1.3 |

**Main factors behind year-on-year changes**

- Metals
  - Net sales and operating income:
    - Both increased due to increase in automobile production in North America as well as effect of unification of accounting period
- Global Parts & Logistics
  - Net sales:
    - Increased due to effect of unification of accounting period
  - Operating income:
    - Decreased due to effect of offsetting foreign exchange losses included in non-operating category for the nine months ended December 31, 2013 as well as decrease in automobile production in Thailand
- Automotive
  - Net sales and operating income:
    - Both decreased due to decrease in export by Toyota Tsusho Corporation as well as decrease in trading volume handled by overseas auto dealership

• Machinery, Energy & Project
  Net sales:
    Increased due to increase in trading volume of petroleum products
  Operating income:
    Decreased due to effect of electric power substations handled in the nine months ended December 31, 2013
• Chemicals & Electronics
  Net sales and operating income:
    Both increased due to effect of newly consolidated subsidiaries and unification of accounting period
• Food & Agribusiness
  Net sales:
    Increased due to increase in trading volume of grain handled overseas
  Operating income:
    Decreased due to lower market prices
• Consumer Products & Services
  Net sales and operating income:
    Both decreased due to effect of sale of real estate for sale during the nine months ended December 31, 2013 as well as decrease in trading volume of textile-related products

* Effective April 1, 2014, the Global Production Parts & Logistics Division has changed its name to the Global Parts & Logistics Division.

## 4. Consolidated Financial Results Forecasts for the Year Ending March 31, 2015

**(April 1, 2014 to March 31, 2015)**

Billions of yen

| | Year ending March 31, 2015 (forecast released on October 31, 2014) | Year ended March 31, 2014 (result) | Year-on-year change | |
|---|---|---|---|---|
| | | | Amount | % |
| Net sales | 8,600.0 | 7,743.2 | 856.8 | 11.1 |
| Operating income | 162.0 | 161.3 | 0.7 | 0.4 |
| Ordinary income | 166.0 | 163.4 | 2.6 | 1.6 |
| Net income | 76.0 | 73.0 | 3.0 | 4.1 |

## 5. Changes in Major Indexes

| | | Nine Months ended December 31, 2014 | Nine Months ended December 31, 2013 (or as of March 31, 2014) |
|---|---|---|---|
| Exchange rate (yen/US dollar) | Average during the period | 107 | 99 |
| | End of period | 121 | (103) |
| Interest rate | Yen TIBOR 3M average | 0.20% | 0.23% |
| | US dollar LIBOR 3M average | 0.23% | 0.26% |
| Dubai oil (US dollars / bbl) | | 95 | 104 |
| Australian thermal coal (US dollars / ton) | | 68 | 83 |
| Corn futures (cents / bushel) | | 404 | 534 |