TOYOTA TSUSHO CORPORATION

THINK

CHALLENGE

Annual Report 2010

Year ended March 31, 2010

CHANGE


THINK


CHANGE

CHALLENGE

INTRODUCTORY FEATURE

Reaffirming the Toyota Tsusho Group Way

THINK: "Real places, real things, and reality"

Toyota Tsusho visits the actual places, sees the actual things, thinks carefully about the best possible solution grounded in reality, and then takes action. Through this process, Toyota Tsusho ensures that it provides value that satisfies its customers.

THINK

INTRODUCTORY FEATURE

Reaffirming the Toyota Tsusho Group Way

CHALLENGE: “Commercial spirit”

Toyota Tsusho anticipates trends with lofty ambitions and unfettered thinking, and always stays one step ahead to help its customers by cultivating the toughness and passion needed to persevere to the very end. With this spirit, Toyota Tsusho will boldly tackle new challenges.

CHANGE


CHALLENGE


THINK
CHANGE

CHALLENGE

INTRODUCTORY FEATURE

Reaffirming the Toyota Tsusho Group Way

CHANGE: "Team power"

Professionals well versed in various markets around the world pool their wisdom, and act in sympathy and cooperation to significantly transform the Group as a whole.

TOYOTA TSUSHO IN PROFILE
Profile

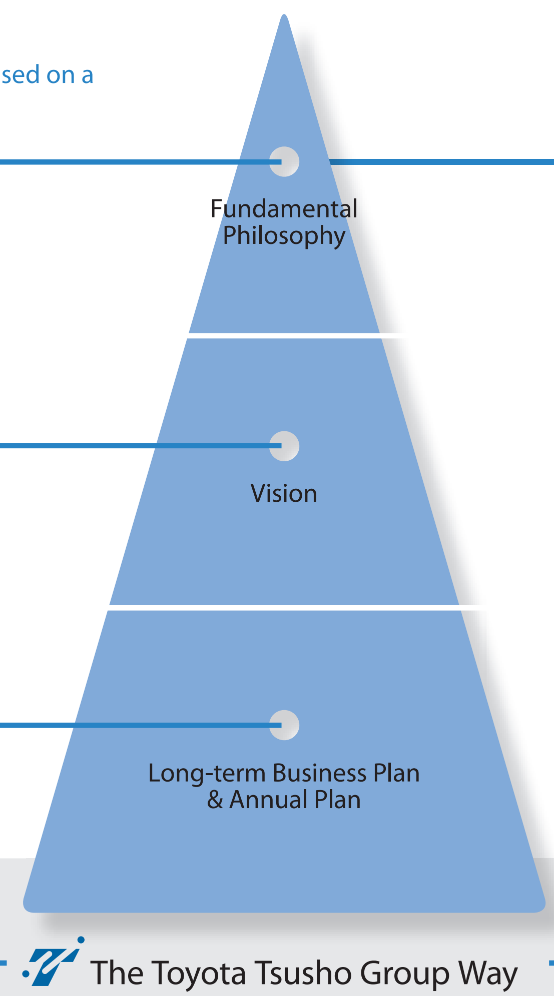
Toyota Tsusho Corporation was established in 1948 as Nisshin Tsusho Kaisha, Ltd. and was renamed Toyoda Tsusho Kaisha, Ltd. in 1956. Thereafter, the Company listed its shares on the First Section of the Tokyo Stock Exchange in 1977. In 1985, the Tokyo Branch was upgraded to the Tokyo Head Office. Together with the Nagoya Head Office, this gave the Company a dual head-office structure that continues to this day.

The current Toyota Tsusho Corporation was formed through mergers with Kasho Company, Ltd. in 2000 and Tomen Corporation in 2006.

More than 60 years have passed since Toyota Tsusho's establishment. During this period, we have contributed to society while gaining experience and knowledge. Toyota Tsusho will continue to bring together the strengths of its frontline business locations and human resources to make an even greater contribution to society going forward.

Four-tier Conceptual Hierarchy

The Toyota Tsusho Group aims to established a new era based on a four-tier conceptual hierarchy.



Fundamental Philosophy
Unchanging ideals that should be passed on to future generations

Vision
Goals and milestones that should be reached within 10 years while realizing the Basic Philosophy

Long-term Business Plan & Annual Plan
Guidelines for business activities reflecting shifts in the business environment, consisting of policies, concrete action plans, and numerical targets

The Toyota Tsusho Group Way
Values and principles of conduct to be shared by all Toyota Tsusho directors and employees to realize the Group's Basic Philosophy and Vision

G VALUE with you

"G'VALUE with you" is the Toyota Tsusho Group's slogan for realizing its Corporate Philosophy. As our "flagship message," this slogan is the embodiment of both our guiding principles and commitment to stakeholders.

The letter "G" refers to the various important keywords under which the Toyota Tsusho Group will operate.

Global Expansion of our activities on the world stage

Glowing Sustaining a healthy and glowing morale and passion

Generating Continuing to create new businesses

Corporate Philosophy

Living and prospering together with people, society, and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society.

Behavioral Guidelines

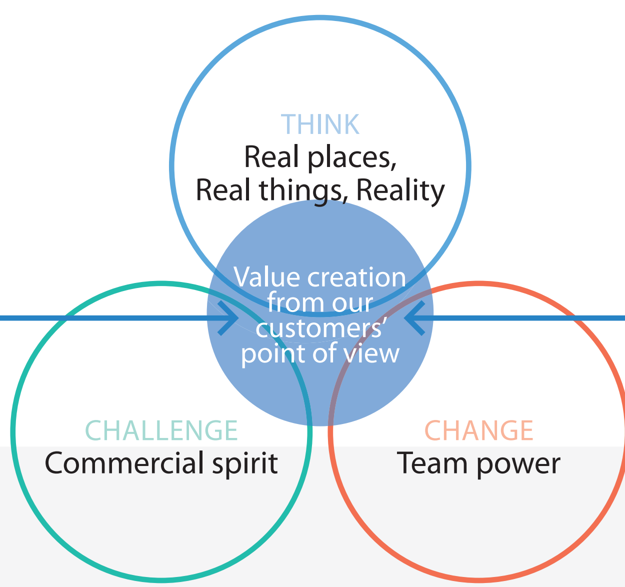
As a good corporate citizen, we will:

- Implement open and fair corporate activities
- Fulfill our social responsibilities and conserve the global environment
- Offer creativity and provide added value
- Respect people and create an active working environment filled with job satisfaction

The Toyota Tsusho Group Way

From "nothing" to "something"

With the mobilization of advanced expertise, ability to judge, information gathering ability, the ability to build human relationships, the strengths of the locations and human resources at our disposal, and through the art of joining these abilities together, we can discover and cultivate new types of business from "nothing."



From a one-dimensional point past a two-dimensional line to a three-dimensional plane

From upstream fields all the way to downstream, through the construction of a global and highly efficient value chain, we aim to combine our functions.

To Our Stakeholders

In fiscal year (FY) 2009 ended March 31, 2010, the economic environment surrounding the Toyota Tsusho Group showed the global economy emerge from its worst period following the financial crisis and gradually return to a recovery path, despite some disparity among regions and countries. Accordingly, the Toyota Tsusho Group's performance in the second to fourth quarters improved in terms of both net sales and earnings, but this was unable to compensate for the large drop in its first-quarter performance. Consequently, overall net sales and operating income for FY 2009 both declined for the second consecutive fiscal year.

However, in line with our FY 2009 management policy "Offense" and "Defense," we invested more than ¥80 billion, primarily in non-automotive fields, and steadily sowed the seeds of future growth. Through rigorous measures to reduce costs and increase business efficiency, we cut costs by more than ¥10 billion, allowing us to shift to a leaner earnings structure.

In FY 2010, the global economy remains uncertain, due to the fiscal crisis in Europe, the winding down of economic stimulus measures in various countries around the world etc. Meanwhile, society remains at a major turning point. Recent developments include the increasingly large presence taken on by emerging countries in the global economy and a sudden surge in steps to create a sustainable society.

The Toyota Tsusho Group adopted "Think," "Challenge" and "Change" as the keywords of its management policy for FY 2010. By thinking about the changes in the world ahead while working as one to embrace challenges and drive further evolution, we will approach this turning point as a prime opportunity, rather than as an obstacle.

In closing, I would like to extend my sincere thanks to all of our stakeholders for their warm support and understanding of the Toyota Tsusho Group's corporate philosophy, business values and growth strategies. I look forward to your continued support in the years ahead.

August 2010

JUNZO SHIMIZU, President

JUNZO SHIMIZU
President

Contents

A Cautionary Note on Forward-Looking Statements:
This annual report contains "forward-looking statements" about Toyota Tsusho's future plans, strategies, beliefs and performance that are not historical facts. These forward-looking statements are presented to inform stakeholders of the views of Toyota Tsusho's management but should not be relied on exclusively in making investment and other decisions.

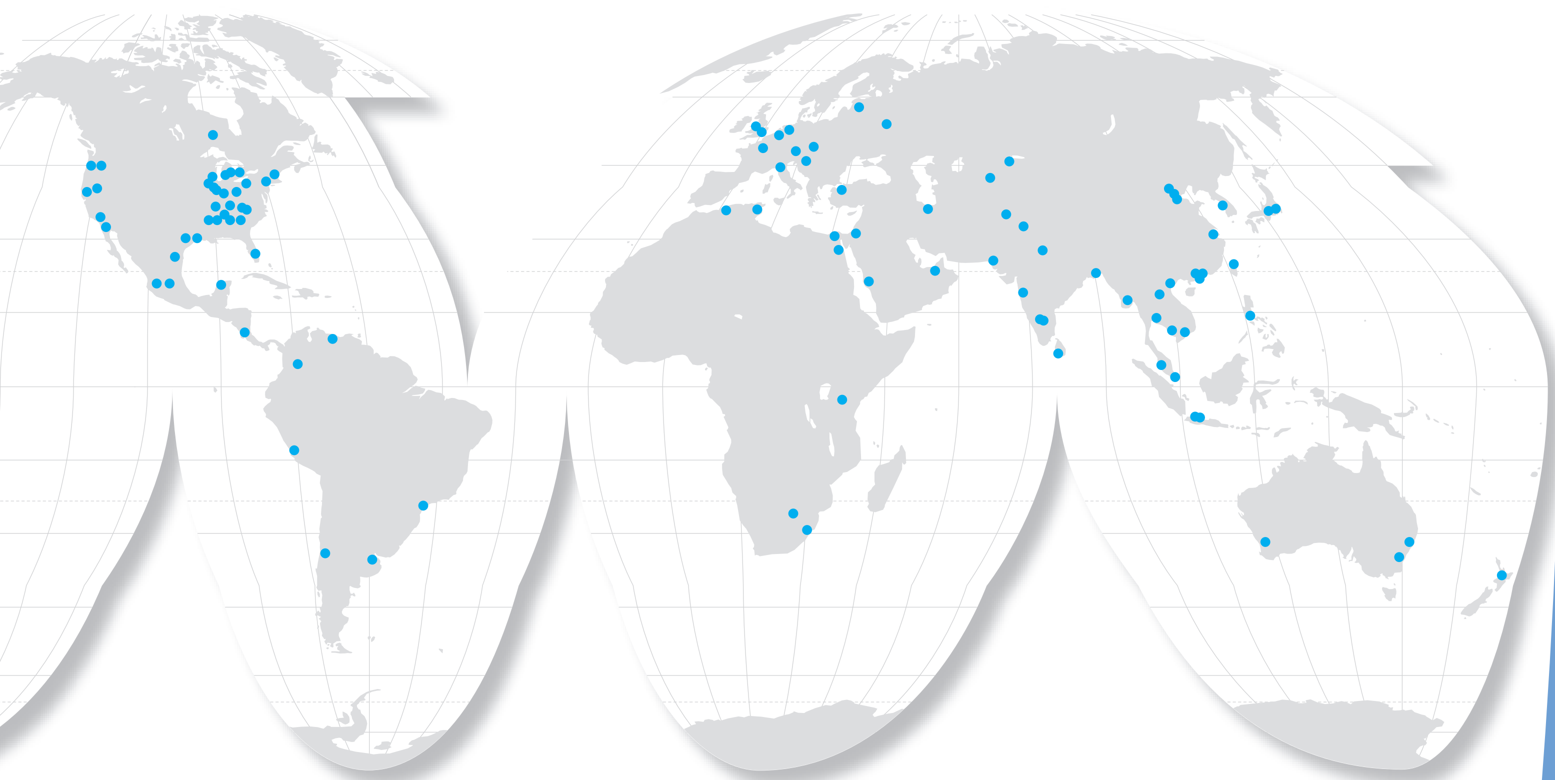
These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from the information presented here, which is based on assumptions and beliefs in light of information currently available to the management at the time of publication. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no obligation if our forward-looking statements do not reflect actual results due to new information, future events or other developments. Earnings forecasts and other projections in this annual report were formulated and announced as of May 2010.

BUSINESS OVERVIEW
Global Network

Toyota Tsusho is a general trading company that develops business together with its consolidated group companies—86 in Japan and 342 overseas—and with customers around the world, via a global network covering Japan and more than 60 other countries worldwide.

Toyota Tsusho has a divisional system made up of six divisions, namely the Metals; Machinery & Electronics; Automotive; Energy & Chemicals; Produce & Foodstuffs; and Consumer Products, Services & Materials.

With this system, the Company provides products and services in a broad range of business domains that are essential to realizing the creation of a prosperous and fulfilling society.



● Toyota Tsusho and main regional subsidiary bases

Consolidated group companies—
86 in Japan and 342 overseas (pages 68–73)

Toyota Tsusho at a Glance

Photo A Photo B Photo C Photo D

METALS DIVISION

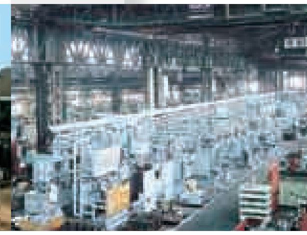



Photo A Photo B Photo C Photo D

MACHINERY & ELECTRONICS DIVISION

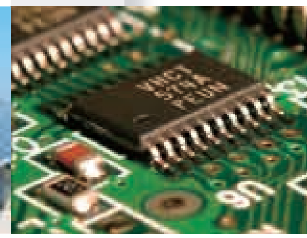



Photo A Photo B Photo C Photo D

AUTOMOTIVE DIVISION



Photo A Photo B Photo C Photo D

ENERGY & CHEMICALS DIVISION




Photo A Photo B Photo C Photo D

PRODUCE & FOODSTUFFS DIVISION




Photo A Photo B Photo C Photo D

CONSUMER PRODUCTS, SERVICES & MATERIALS DIVISION



Resources and the Environment	Processing and Manufacturing Businesses	Logistics	Product and Market Development
• Development of rare earth resources >> Photo A • Recovery and processing of scrap metal inside plants • End-of-life vehicle recycling >> Photo D	• Metal processing (sheet steel, steel bars, wire, steel pipe, aluminum, etc.) >> Photo B • Molten aluminum production >> Photo C	• Just-in-time logistics at processing centers	• Development of recycling technologies
• Environmental equipment (heat pump, etc.) >> Photo A • Solar power generation systems >> Photo A	• Equipment design and manufacture • Electronics manufacturing service >> Photo B • Development of automotive embedded software	• Delivery, assembly and maintenance of machinery and equipment, provision of consumables, etc. • Parts logistics for overseas automobile production >> Photo C • Quality control support for semiconductors, etc.	• Market identification of construction machinery and forklifts >> Photo D • IT and network solutions • 3-D printers, etc.
• Used vehicles		• Just-in-time logistics of genuine factory and general-purpose parts, and accessory parts	• Market research, marketing proposals and development of sales markets • Exports and retailing >> Photo A, B • Customer service >> Photo C, D
• Energy procurement >> Photo A • Renewable energy >> Photo B • Independent power producer • Treatment and recycling of industrial wastes	• Manufacturing of resin compounds, processing of semi-finished products • Manufacturing of petrochemical products • Manufacturing of inorganic chemicals >> Photo C • Drilling marine gas fields under contract	• Operation of chemical tanks • Supply tankers for bunker fuel >> Photo D	• Identification of plant projects • State-of-the-art chemical raw materials for electronic components and batteries • Development of clean development mechanism projects
• Agricultural production and cultivation management >> Photo A • Advanced composting process	• Processing and manufacture of foods >> Photo B • Rice milling	• Grain terminals >> Photo C • Quality and safety control	• Development of sales markets >> Photo D • Product development
• Collection and recycling of used paper • Recycling of textile products	• Garment processing >> Photo A • Dyeing processing		• Materials development • Product planning and development >> Photo B, C • Development of sales markets >> Photo D

Financial Highlights

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Fiscal year (FY) starts from April to the next March

				Millions of Yen	Thousands of U.S. Dollars (Note 1)
	FY2006	FY2007	FY2008	FY2009	FY2009
Results of Operations:					
Net Sales (Note 2)	¥6,212,726	¥7,000,353	¥6,286,996	¥5,102,261	$54,839,434
Cost of Sales	5,884,267	6,630,829	5,960,317	4,821,470	51,821,474
Commission Income (Note 2)	–	–	–	–	–
Gross Trading Profit	328,459	369,524	326,679	280,790	3,017,949
SG&A Expenses	218,456	237,853	235,661	225,199	2,420,453
Operating Income	110,003	131,671	91,017	55,591	597,495
Net Income	77,212	67,506	40,224	27,339	293,841
Financial Position at Year-End:					
Current Assets	¥1,659,437	¥1,885,496	¥1,460,128	¥1,554,301	$16,705,728
Total Assets	2,462,229	2,603,207	2,130,089	2,274,547	24,446,979
Current Liabilities	1,298,916	1,479,494	1,045,088	1,134,895	12,197,925
Total Net Assets (Note 3)	626,539	639,731	586,996	650,215	6,988,553
Cash Flows:					
Net Cash Provided by Operating Activities	¥ 44,599	¥ 104,728	¥ 123,760	¥ 100,217	$ 1,077,138
Net Cash Used in Investing Activities	(31,159)	(36,717)	(54,827)	(73,090)	(785,576)
Net Cash Provided by (Used in) Financing Activities	(46,555)	(23,058)	4,614	(107,623)	(1,156,739)
Cash and Cash Equivalents at End of Year	125,603	174,197	242,530	170,714	1,834,845

				Yen	U.S. Dollars (Note 1)
Per Share:					
Net Income:					
Basic	¥231.47	¥192.44	¥114.73	¥78.08	$0.84
Diluted	230.30	192.08	114.72	–	–
Cash Dividends for the Year	26.00	30.00	26.00	16.00	0.17
ROE	15.68%	11.59%	7.20%	4.90%	

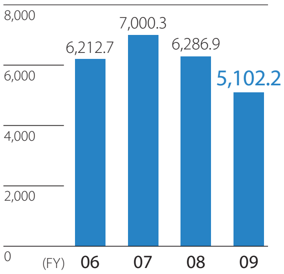
				Times
Debt Equity Ratio (Net)	1.17	1.02	1.08	0.96

				Thousands of shares
Common Stock:				
Number of Shares Outstanding at Year-End	354,057	354,057	354,056	354,056

Notes: 1. The U.S. dollar amounts have been translated from the amounts stated in yen, solely for the convenience of the readers, at the rate of ¥93.04=U.S.$1, the approximate exchange rate on March 31, 2010, which was the final business day of financial institutions in fiscal 2009.
2. Commission Income was included in Net Sales from fiscal 2006, as a result of the reconsideration of the presentation of consolidated financial statements.
3. Effective from fiscal 2006, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Presentation of Net Assets in the Balance Sheet."

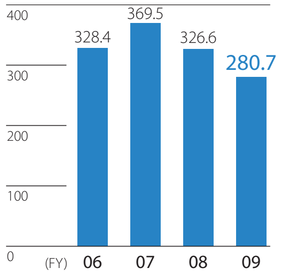
NET SALES
(¥ billion)

−1,184.7 billion yen ↓



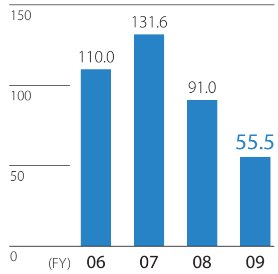
GROSS TRADING PROFIT
(¥ billion)

−45.9 billion yen ↓



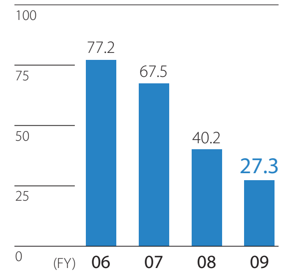
OPERATING INCOME
(¥ billion)

−35.5 billion yen ↓



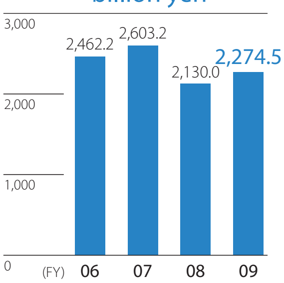
NET INCOME
(¥ billion)

−12.9 billion yen ↓



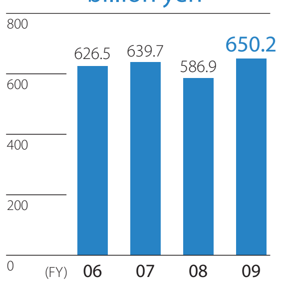
TOTAL ASSETS
(¥ billion)

+144.5 billion yen ↑



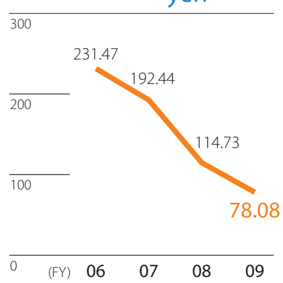
TOTAL NET ASSETS
(¥ billion)

+63.3 billion yen ↑



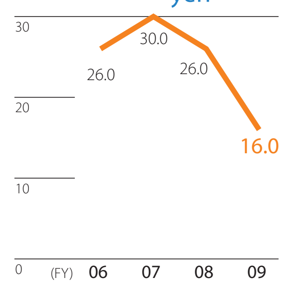
NET INCOME (BASIC) PER SHARE
(¥)

−36.65 yen ↓

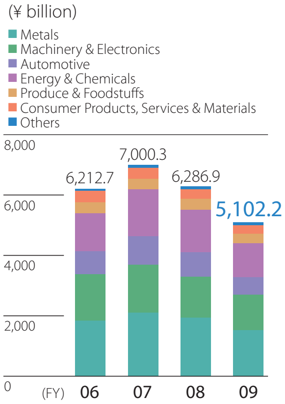


CASH DIVIDENDS PER SHARE
(¥)

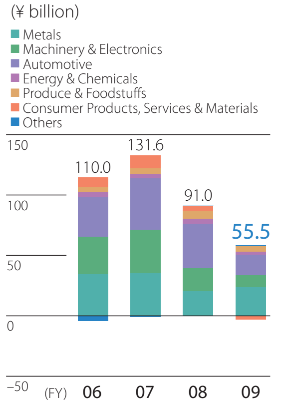
−10.0 yen ↓



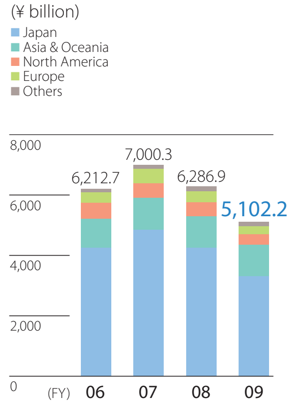
SEGMENT SALES (FY2009)
(¥ billion)



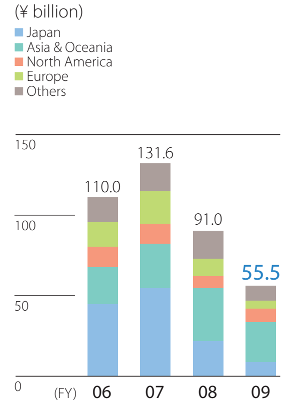
SEGMENT OPERATING INCOME (LOSS) (FY2009)
(¥ billion)



REGIONAL SALES (FY2009)
(¥ billion)



REGIONAL OPERATING INCOME (FY2009)
(¥ billion)



MAIN FEATURE

Close Up on Toyota Tsusho's Present and Future

Introduction

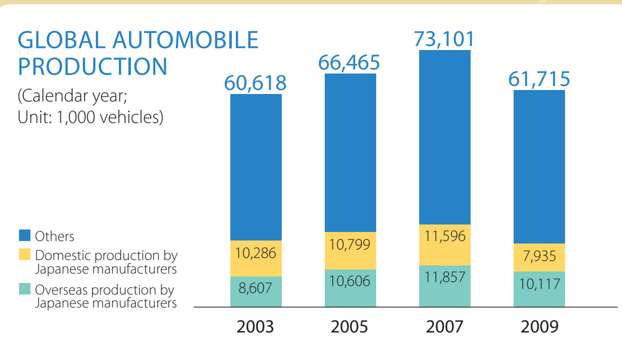
AUTOMOTIVE FIELD—

Creating New Value in the Automotive Field

Toyota Tsusho's strength in the automotive field lies in its operations—the process of examining the actual flow of goods at production sites and developing functions together with its customers, and continuously upgrading and improving this process. In logistics and sales, while maintaining efforts to further enhance and expand the value chain at the core of operations, we are working to create new functions for the purpose of solving emerging issues concerning the production of automobiles.

Changes in the Business Environment

Economic development in emerging countries and growth in demand for compact cars are the keys to the automobile market. Auto production has shifted from Japan-led development and production and overseas expansion, to a new format based on simultaneous development, production and mutual supply overseas. In conjunction with the shift to the overseas production platform, the earnings structure is now significantly affected by overseas economic trends. As a result, the Company's earnings, which had been growing steadily, declined considerably in the aftermath of the 2008 financial crisis.



Source: Organisation Internationale des Constructeurs d'Automobiles
Production by Japanese automobile manufacturers: Japan Automobile Manufacturers Association, Inc.

THINK:

Future Changes in Environment

- Increase in demand in emerging markets where motorization is under way, centered on demand for compact and low-priced cars
- Faster penetration of HV/EV into the markets to reduce environmental impact, and advancement in environmental technologies
- Increasing possibility of intensifying global competition, including entrants from other industries, and a paradigm shift in production technologies and processes.

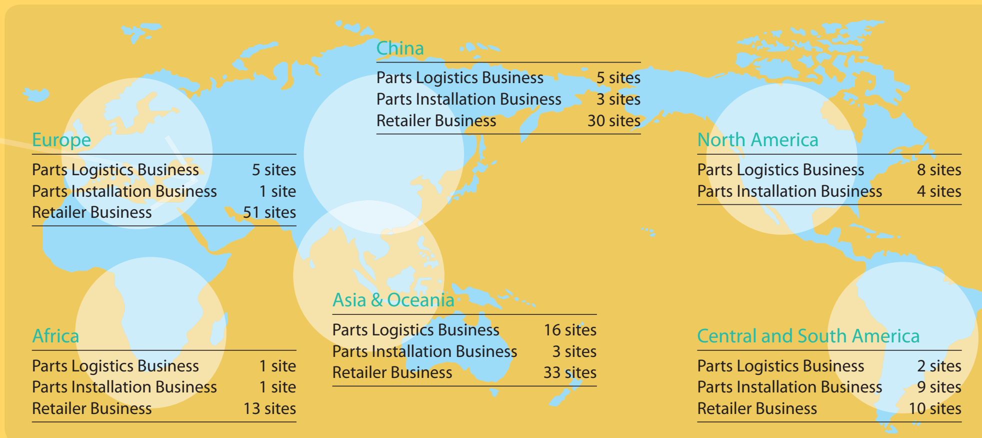
→ We are focused on….

- Cultivation of emerging countries and new markets
- Accelerate measures in the environment-related business

FUTURE MAIN INVESTMENT AREAS

- Bolster business development in emerging countries
- Efforts to supply HV/EV components
- Strengthen and expand existing functions and operating bases

STRONG OVERSEAS NETWORK GROUNDED IN "REAL THINGS, REAL PLACES"—OVERSEAS BUSINESS DEVELOPMENT



Worldwide

Parts Logistics Business	37 sites
Parts Installation Business	21 sites
Retailer Business	137 sites

Europe

Parts Logistics Business	5 sites
Parts Installation Business	1 site
Retailer Business	51 sites

China

Parts Logistics Business	5 sites
Parts Installation Business	3 sites
Retailer Business	30 sites

North America

Parts Logistics Business	8 sites
Parts Installation Business	4 sites

Africa

Parts Logistics Business	1 site
Parts Installation Business	1 site
Retailer Business	13 sites

Asia & Oceania

Parts Logistics Business	16 sites
Parts Installation Business	3 sites
Retailer Business	33 sites

Central and South America

Parts Logistics Business	2 sites
Parts Installation Business	9 sites
Retailer Business	10 sites

CHALLENGE:

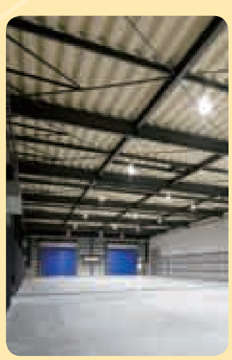
Fiscal 2009 Investments

- Production-related businesses and functions
- Bolster overseas sales and service businesses
- Enhance IT and logistics capabilities

Opening of the Toyotsu Logistics Service Co., Ltd.'s Makinohara Center in April 2009

Toyotsu Logistics Service newly established a logistics center in Shizuoka Prefecture. This center will provide high value-added services such as simple assembly and methodical delivery based on the Toyota Production System, and aims to enhance and expand the logistics services.

Leveraging its strengths, which are its easy access and the nearby port, the Makinohara Center will work to enhance its competitiveness by raising customer satisfaction.



CHANGE:

Maintain and Enhance Core Earnings

- Reduce costs
- Increase sales at existing retailers

Future Contribution to Earnings From Existing Investments

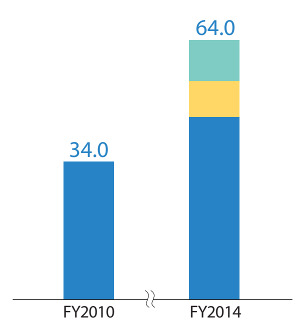
- Increase the number of retailers
- Expand business to other automakers

Expected Earnings From New Investments

- Procurement and manufacturing of HV/EV components

NET INCOME
(¥ billion)

FY2010 (Forecast) ¥34.0 billion
FY2014 (Target) ¥64.0 billion



Introduction

NON-AUTOMOTIVE FIELDS—
Creating New Value in Non-Automotive Fields

Toyota Tsusho's non-automotive businesses have built a diverse portfolio and produced many outstanding personnel through repeated changes and challenges. In addition, Toyota Tsusho has leveraged its strong frontier spirit and self-reliant approach to build a strong network and solid business track record both in Japan and overseas. This includes the plant business and procurement of crude oil and petroleum products in North Africa and the Middle East, the energy business and chemicals business in Asia, and food procurement from North America and Australia, in addition to projects in Japan.

THINK:

Changes in the Business Environment

Supply-demand dynamics for resources, energy and food have become increasingly tight due to economic growth in emerging countries. Other developments include industry consolidation, over-concentration of supply in specific regions, and intensified competition among countries. These factors have triggered soaring prices and dramatic swings in market conditions.

Meanwhile, environmental problems have become increasingly serious, leading to an increase in society's needs for renewable energy and environmental technologies such as eco-friendly materials. These changes in the business environment are giving rise to an expanding range of new business opportunities.

COMMODITY PRICES

	FY2009	FY2010 (Estimate)
Hot-rolled steel sheets (¥/ton)	87,000	95,000
Dubai crude (USD/bbl)	69	80
Australian thermal coal (USD/ton)	78	90
Chicago corn (Cents/bushel)	372	370

Future Changes in Environment

- Expansion in demand for resources and food, as well as demand for social infrastructure such as electricity and transportation, in line with economic expansion and population growth in emerging countries
- Progress with the transition to a low-carbon society and lifestyle through greater use of electric energy and ongoing diversification of power generation, including renewable energy.

We are focused on….

- Expanding the resource and energy, and produce and foodstuffs businesses
- Expanding the environment-related materials and electric power businesses

FUTURE MAIN INVESTMENT AREAS

- Resources-related upstream business in resource-rich countries
- Strengthen the electric power business, including renewable energy
- Enhance and expand the recycling business

STEADY PROGRESS IN NON-AUTOMOTIVE BUSINESSES

Converted Fukuske Corporation into a subsidiary through an acquisition of additional shares

Aim to further expand the work apparel business

Increased capital of Eurus Energy Holdings Corporation through shareholder allotment

Increased capital of Eurus Energy, Japan's largest and the world's 10th biggest wind power company

CHALLENGE:

Fiscal 2009 Investments

- Expanded the energy and electric power business
- Strengthened the metals resources and chemicals businesses
- Bolstered the food and lifestyle-related businesses

Participation in the Goreway Power Plant Project in Canada

Participated in the Goreway Power Plant Project jointly with Chubu Electric Power. Going forward, we will actively engage in overseas power generation businesses that are expected to produce stable earnings over the long term.

CHANGE:

Maintain and Enhance Core Earnings

- Expand existing trading operations
- Cultivate new customers

Future Contribution to Earnings From Existing Investments

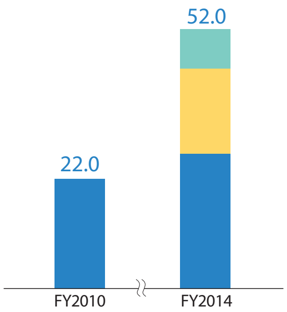
- Electric power (natural gas, wind power), and chemicals businesses
- Metals (non-automotive, resources, recycling), etc.

Expected Earnings From New Investments

- Expansion of upstream areas (metals resources, natural gas, petroleum-related), etc.
- Bolstering food procurement function
- Overseas development of lifestyle-related businesses

NET INCOME
(¥ billion)

FY2010 (Forecast) ¥22.0 billion
FY2014 (Target) ¥52.0 billion



Interview With the President

In fiscal 2009, the year ended March 31, 2010, the global economy staged a gradual recovery, but the outlook still remains uncertain. Under these conditions, our goal remains to achieve our long-term vision for a 50:50 earnings ratio for our automotive and non-automotive businesses. To this end, we will continue to implement the Toyota Tsusho Group Way, while managing and executing business operations based on the keywords of "Think," "Challenge" and "Change."

BUSINESS ENVIRONMENT AND PERFORMANCE ASSESSMENT

Full-year net sales and operating income declined year on year. However, business performance steadily improved on a quarterly basis, and we made steady progress on various initiatives.

>> Q1 >> P.21

LONG-TERM BUSINESS PLAN

We see changes in the business environment as opportunities. Targeting net income of ¥100 billion for fiscal 2014, we will manage and execute operations under the keywords "Think," "Challenge" and "Change."

>> Q2, 3, 4 >> P.23

INVESTMENT PLANS AND FINANCIAL STRATEGY

Over a two-year period, we plan to invest a total of approximately ¥200 billion, primarily in non-automotive businesses. Risk asset management will be further strengthened with emphasis on ROE and net DER. As for dividends, we will continue to target a consolidated dividend payout ratio of 20%.

>> Q5, 6 >> P.27

CSR

CSR is inseparable from management governing corporate activities. We want to create new businesses that accurately address society's changing needs and provide unprecedented added value.

>> Q7 >> P.30

SUMMARY

Every director and employee will peer into the likely future, think things through, and take action. Through this process, we will strive to make Toyota Tsusho truly essential to our customers, business partners and society at large.

>> Q8 >> P.31

BUSINESS ENVIRONMENT AND PERFORMANCE ASSESSMENT

Q1.
What is your general assessment of Toyota Tsusho's business environment, performance and initiatives in fiscal 2009?

A1.
With only a gradual economic recovery, full-year net sales and earnings declined year on year. However, our business performance steadily improved on a quarterly basis, and we made steady progress on various initiatives.

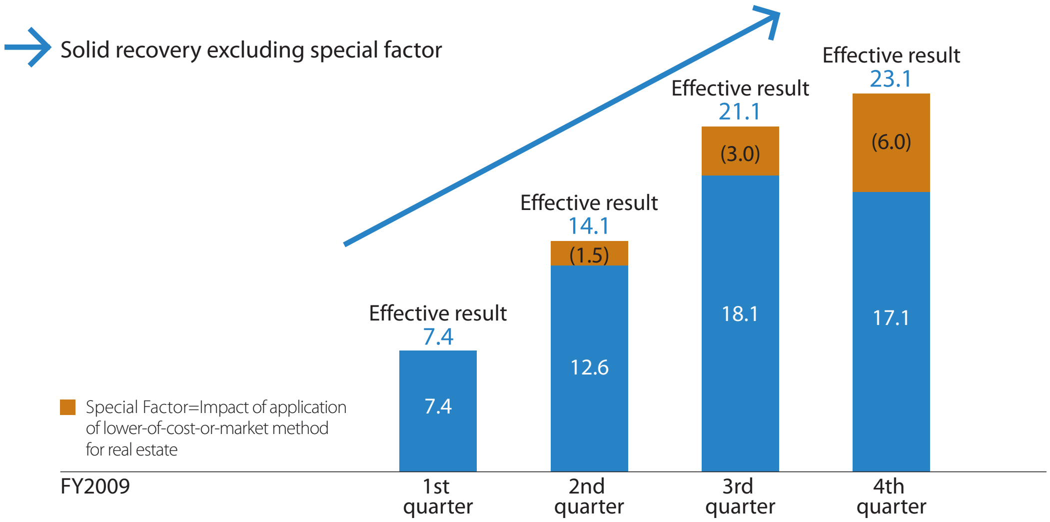
In fiscal 2009, the global economy started off amid a global financial crisis and economic downturn due to the impact of the Lehman Brothers shock in the fall of 2008. Subsequently, as the aggressive economic stimulus measures enacted in Asia's emerging economies, particularly China, began to yield results, on the whole the economy bottomed out and began a mild recovery. However, in the U.S. and Europe, concerns lingered, including fears of a return to financial instability and the emergence of fiscal problems in Southern European countries. In addition, Japan failed to stage a self-sustained recovery.

Reflecting this business environment, despite bottoming out in the first quarter, we were unable to achieve a sharp turnaround in business performance. This was because our automobile sales business was impacted by the slow pace of recovery in certain countries where we generate earnings. As a result, both net sales and operating income declined for the second straight fiscal year. Excluding the negative impact of applying the lower-of-cost-or-market method to real estate from the second to fourth quarters of the fiscal year, however, business performance has been steadily improving on a quarterly basis in terms of increases in both net sales and operating income.

FINANCIAL HIGHLIGHTS
(¥ billion; FY ended next March 31)

	FY2009	FY2008	Year-on-year change
Net Sales	¥5,102.2	¥6,286.9	(1,184.7)
Operating Income	55.5	91.0	(35.5)
Net Income	27.3	40.2	(12.9)
Total Assets	2,274.5	2,130.0	144.5
Total Net Assets	650.2	586.9	63.3
ROE	4.9%	7.2%	(2.3 points)
Net DER	1.0	1.1	(0.1 of a point)

QUARTERLY CHANGES IN OPERATING INCOME (excluding Special Factor)
(¥ billion)



Turning to the balance sheet, total assets, net assets, and shareholders' equity increased compared with a year earlier. Consolidated ROE fell 2.3 percentage points year on year, to 4.9%, in tandem with the decline in net income. On the other hand, Net DER* was 1.0, improving 0.1 of a point year on year. This improvement was due to the decline in interest-bearing debt along with the increase in shareholders' equity resulting from the recording of net income.

In accordance with our policy of targeting a payout ratio of 20%, our dividend for the fiscal year was ¥16 per share (resulting in a payout ratio of 20.5%) in line with the decline in net income.

Meanwhile, we took initiatives on both the offensive and defensive fronts, as set forth in our management policy for fiscal 2009. On the offensive front, we invested ¥61 billion in non-automotive fields, centered on energy and electric power-related areas. Meanwhile, we invested ¥22 billion in the automotive field, mainly in production-related areas. With these investments, I believe we have sowed the seeds that will help us realize future earnings and make our vision a reality. On the defensive front, we worked to reduce costs and improve operating efficiency at all Group companies, and reduced costs by more than ¥10 billion. As a result, we posted net income of ¥27.3 billion, which is roughly 20% higher than our initial forecast, which represents our commitment to stakeholders, and shifted to a leaner earnings structure.

* Net DER (Debt Equity Ratio) = (Interest-bearing debt – cash and deposits) ÷ (Shareholders' equity as of fiscal year end)

LONG-TERM BUSINESS PLAN

Q2.
Please discuss the key aspects of the long-term business plan you announced in May 2010.

A2.
We did not make any changes to our management vision, upon which the long-term business plan is based. We view the changes in the business environment as an opportunity, and will aim to achieve net income of ¥100 billion in fiscal 2014.

We have established "VISION 2015—LEAD THE NEXT" as our management vision. Guided by this vision, we intend to create next-generation businesses in our six business domains—namely, our six operating divisions*[1]—and achieve a 50:50 earnings ratio for our automotive and non-automotive businesses with a view to ensuring a healthy balance of future business profits. Our ideal situation is to continue driving growth in both the automotive and non-automotive fields as we work to realize this vision.

Unfortunately, impacted by significant negative factors in conjunction with the downturn in domestic real estate market conditions, in fiscal 2009 the ratio of earnings from the automotive business versus non-automotive businesses actually increased to 70:30, as compared to a ratio of 65:35 in the previous year. However, I believe there is no need to change the overall direction of our management vision or our long-term business strategy. This is because our current management vision and long-term business plan are aimed at shifting our earnings structure from its over-concentration on the automotive field to a more well-balanced earnings structure, based on expectations of major changes that could happen in the automotive field, such as a possible downturn in the automobile market. As you are well aware, the global automobile market suffered

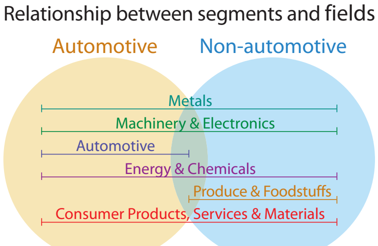
VISION 2015
—LEAD THE NEXT—

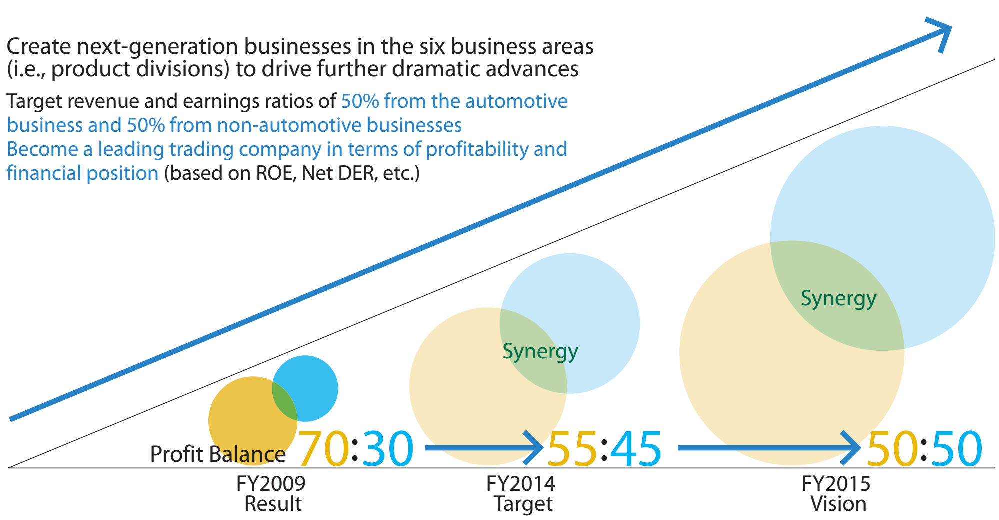
Create next-generation businesses in the six business areas (i.e., product divisions) to drive further dramatic advances

Target revenue and earnings ratios of 50% from the automotive business and 50% from non-automotive businesses

Become a leading trading company in terms of profitability and financial position (based on ROE, Net DER, etc.)

Relationship between segments and fields





a major downturn with the onset of the financial crisis. Guided by our vision, we have rapidly begun enhancing our non-automotive businesses at an early stage.

However, the speed and magnitude of changes in the business environment are not constant. While we have made no changes to our intended direction, our roadmap for reaching this goal must accurately reflect the current business environment and contain detailed, numerical targets. This is what the long-term business plan we announced in May represents. For fiscal 2014 (the fiscal year ending March 2015), we are targeting net income*[2] of ¥100 billion. We expect to achieve a 55:45 earnings ratio for our automotive and non-automotive fields.

*[1] Metals, Machinery & Electronics, Automotive, Energy & Chemicals, Produce & Foodstuffs, Consumer Products, Services & Materials
*[2] Effective from fiscal 2010, Toyota Tsusho will switch the basis for its numerical targets from operating income, which was used previously, to net income.

Background: Net income has been adopted as a numerical target because we expect a greater proportion of earnings to be derived from equity method income than before. In addition to the current earnings structure centered on operations in the automotive business, we are projecting an increase in equity method income five years from now from resource development, electric power and other businesses, as the likelihood of executing investments in non-automotive fields increases.

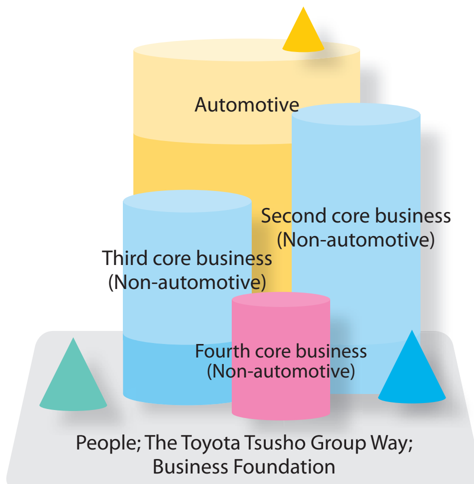
Q3.
What led to the formulation of the long-term business plan? What is your policy for fiscal 2010 (fiscal year ending March 31, 2011) that will help to bring the Group closer to its ideals?

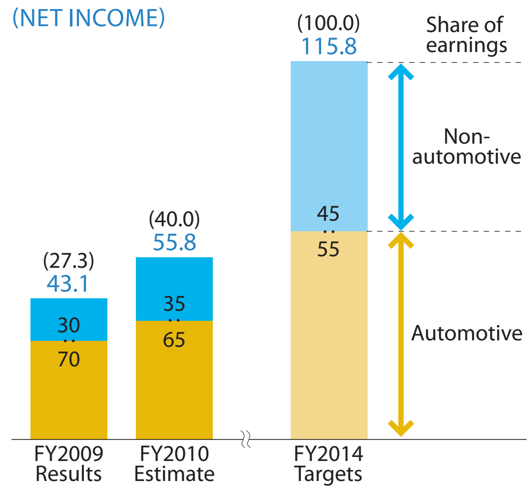
A3.
In response to paradigm shifts in the automobile industry and trading companies, we will manage and execute business operations under the keywords of “Think,” “Challenge” and “Change.”

There are two changes in the business environment facing the Company that led to the formulation of the long-term business plan. The first change is a paradigm shift in the automobile industry. In the automobile industry, changes are taking place in the ways that people own and use automobiles. Such changes include car sharing and the use of rental cars. In automobiles for emerging markets, there is a polarization of market needs for price-conscious models, and luxury cars on the forefront of the evolution of automobiles featuring cutting-edge specifications. Business models are shifting from tangibles to intangibles, as seen in the building of operation systems. These changes must be addressed urgently. The second change is a changing paradigm for trading companies. This includes upstream inflation and downstream deflation, as well as increasingly borderless operations. Faced with these changes in the business environment, we must strengthen the foundation of our core automotive business, while at the same time achieving horizontal expansion of the capabilities and know-how that we have developed in the automotive field to create synergies with the automotive field and develop second and third core businesses.

LONG-TERM BUSINESS PLAN FOR FISCAL YEARS TO MARCH 2015—IDEAL SITUATION AND LONG-TERM NUMERICAL TARGETS

(¥ billion)





* Totals are effective net income excluding amortization of goodwill related to the merger with Tomen Corporation in April 2006 (¥15.8 billion). Figures in parentheses above the totals are net income including amortization of goodwill.

Our strategy for bringing the Toyota Tsusho Group closer to its ideals is to manage and execute operations under the keywords "Think," "Challenge" and "Change."

While "thinking" is obvious, what I am referring to here is "thinking through" issues to the very end. As the paradigm shifts I just discussed take place, we must approach these changes positively and think about how we can respond. We must also embrace "challenge" by repeatedly acting on what we have thought about. Finally, we must "change" in order to flexibly conform to further changes in the business environment that we see in the course of executing these measures.

Q4.
Of the three keywords you mentioned, "Challenge" seems to be the most important one. Can you explain this in detail?

A4.
The key aspects of this "Challenge" will be developing business in emerging countries and new markets along with efforts in the environmental business.

Our efforts in the "Challenge" area, which is one of our key strategies, will be centered on developing business in emerging countries and new markets, as well as the environmental business. In doing so, we will focus on the countries, regions and markets where we should be on the offensive, and concentrate our management resources in these areas.

In terms of our initiatives to develop business in emerging countries and new markets, BRICS, VISTA* countries and other emerging countries have rapidly developed into production centers for supplying goods to the huge markets in industrialized countries. Now, these emerging countries are becoming large markets in their own right. On the other hand, per capita purchasing power is still low, so in order to develop businesses targeting consumers in these markets, we must keep prices low while providing a high level of quality by way of thorough measures to reduce costs and improve efficiency. We view this situation as a business opportunity, and are first rolling out businesses that are unique to Toyota Tsusho in countries and regions where we already have a strong position. For example, we aim to build up both our automotive and non-automotive businesses in Middle Eastern countries such as Iraq and Egypt, where we have been building personal networks with government officials and others for a long time, in Africa where we have built a track record in automobile sales, as well as in Russia and Eastern Europe. Specifically, business activities in these regions include the social infrastructure business (such as electric power), acquiring interests and investing in upstream businesses in resource-rich countries, bolstering our foodstuff procurement capabilities and expanding our distribution networks, as well as developing downstream businesses (such as retailing and services).

With respect to environmental business initiatives, there are a number of business areas which are expected to grow going forward, including businesses related to global warming and the infrastructure business for resources such as crude oil and coal accompanying growth and expansion of consumption in emerging countries, and this is an area where demand throughout the world is increasing rapidly. The environmental business field also represents an area in which we can quickly and effectively utilize our existing management and business assets such as our experience, track record and knowledge cultivated over the years through businesses such as the metals recycling business and the wind power generation business. In the current fiscal year we will focus in particular on this area, and speed up our process of selecting and realizing business projects.

In carrying out these initiatives, we would like to become even better known as a strategic partner that can help various customers and business partners by proposing and delivering solutions that will help them to reduce costs and boost their profits. Specifically, we can help others improve their processing and manufacturing processes by leveraging our strengths as a company that has long been involved in manufacturing, our ability to conserve resources, and our strengths in distribution efficiency. Much like us, our customers and business partners possess a variety of businesses and technologies. As the times change significantly, there are a number of areas in which our capabilities are lacking, limiting what we can do on our own. Going forward, it will be important to strengthen our ties with others as a strategic partner, and continue to grow together by complementing one another and compensating for those weaknesses.

* Vietnam, Indonesia, South Africa, Turkey, Argentina

INVESTMENT PLANS AND FINANCIAL STRATEGY

Q5.
Please discuss in detail your recent investments and the scale and plans for future investments.

A5.
Over the past four years we have invested approximately ¥113 billion in non-automotive businesses. Over the next two years we plan to invest primarily in non-automotive businesses a total of approximately ¥200 billion.

If you look at our investment amounts over the past few years, you will notice a change. During the four-year period from fiscal 2006 through fiscal 2009, investments in non-automotive businesses increased to approximately ¥113 billion, but most of this activity took place over the past two years. After announcing our new vision in 2006, we positioned this as a period to sow the seeds of the future. Our steady accumulation of investments in non-automotive businesses has begun to yield results, and this has led to an increase in our presence in the industry.

We have become involved in a large number of business projects, partnering with leading companies in a variety of sectors, and the likelihood of executing investments has increased along with the number of projects. To support our investment process, we have created a Cross Functional Team, made up of employees from our finance and legal departments, to provide support in the business plan development process, and have introduced an Investment Strategy Meeting at which senior executives meet to quickly debate and identify issues with large and important projects and find solutions in a timely manner. These efforts have helped us to execute investments faster than before. Consequently, in fiscal 2009 we invested ¥61 billion in non-automotive

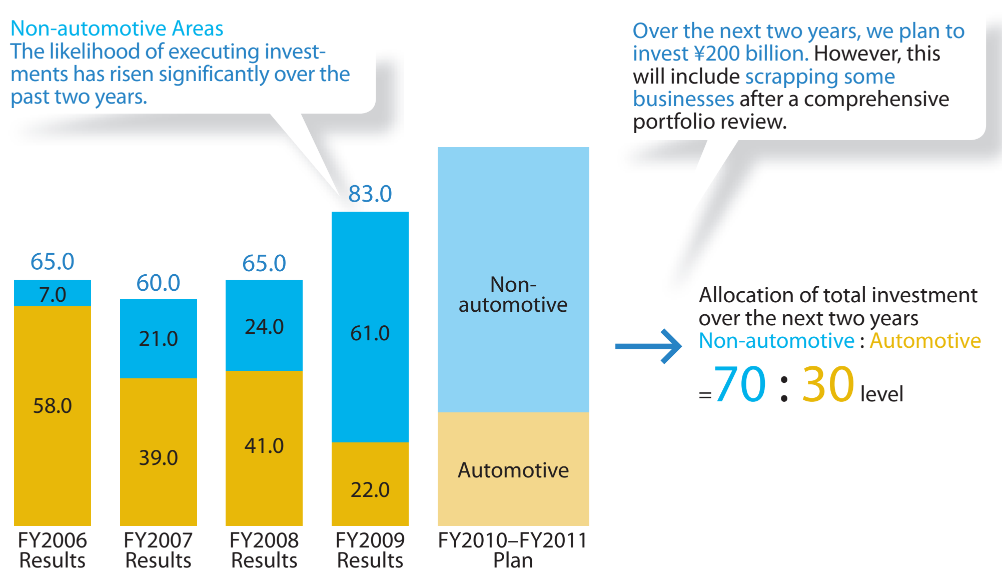
PAST INVESTMENT & FUTURE INVESTMENT SCALE

(¥ billion)

Major Investments in FY2009

Non-automotive	Total 61.0
• Energy & power generation	33.0
• Lifestyle	6.0
• Metals & chemicals	7.5
• Foodstuffs	7.0
• Others	7.5

Automotive	Total 22.0
• Production-related	14.5
• Sales-related	7.5



INVESTMENT OVER THE NEXT TWO YEARS

Non-automotive	Emerging countries	• Diversification of grain sellers and suppliers • Petroleum-related upstream businesses in crude oil-producing countries, etc.	Subtotal ¥65 billion
	New markets	• Non-automotive businesses (home electronics, aircraft, precision machinery, etc.) • Upstream gas businesses (development, liquefaction, logistics) in resource-rich countries, etc.	
	Environment	• Renewable energy generation businesses (wind, solar and thermal power) • End-of-life vehicle and waste recycling businesses, etc.	Subtotal ¥40 billion
	Other	• Gas-fired power generation business, development & manufacture of inorganic chemical products • Work apparel and nursing care-related businesses, etc.	Subtotal ¥40 billion
			(Total) ¥145 billion
Automotive	Emerging countries	• Metal processing and plastic compounding in India, Brazil and elsewhere • Dealer network in Russia, Africa, Brazil and elsewhere, etc.	Subtotal ¥20 billion
	New markets	• Production-related businesses for automobile companies other than Toyota • Automotive multimedia businesses, etc.	
	Environment	• Development and manufacture of components for HV/EV (including SiC wafers), etc.	Subtotal ¥2 billion
	Other	• Improving after-sales service for car dealers • Enhancing processing and logistics functions in regions we already serve, etc.	Subtotal ¥33 billion
			(Total) ¥55 billion

businesses, primarily in energy and electric power-related areas, and ¥22 billion in the automotive business, primarily in production-related areas.

In addition, over the next two years, we plan to invest approximately ¥200 billion (please refer to the chart above). This plan includes high-priority projects that were selected following careful examination from among the nearly ¥400 billion in projects proposed by each business division. Going forward, after closely examining the details of each project, we plan to make ¥55 billion in investments in the automotive business and ¥145 billion in non-automotive businesses, for a 30:70 ratio of investments in the automotive business versus non-automotive businesses. The greatest investment will be in non-automotive businesses in emerging countries and new markets, followed by the environmental business and other investments.

While we expand our investments in these businesses, in order to effectively utilize our management resources it is also important to scrap inefficient businesses and those businesses for which we do not expect future growth. We scrapped investments of roughly ¥10 billion in fiscal 2009, and will continue to progress with such scrapping. Part of this will involve an effort, following a comprehensive check of our business portfolio, to identify inefficient businesses and restructure specialized operating companies that have functioned efficiently under the former business environment to conform to the current business environment.

Q6.
Please discuss your financial targets and your dividend policy.

A6.
We are emphasizing ROE and net DER as benchmarks for further enhancing our risk asset management. In terms of dividends, we will continue to aim for a consolidated payout ratio of 20%.

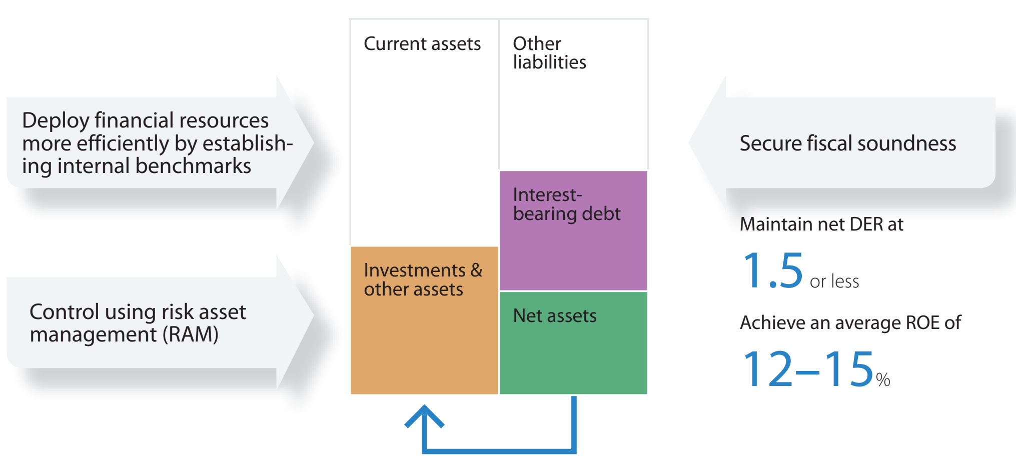
In carrying out the aforementioned investment plan, we will aim to grow by achieving a balance of growth potential, efficiency and soundness, made possible by thorough financial risk management.

To begin with, with respect to current assets, we will continue to use TVA*, an internal benchmark, to deploy financial resources efficiently and to curb the increase in current assets. We will also enhance our risk asset management with respect to investments and other fixed assets. Meanwhile, on the liabilities side, we plan to ensure financial soundness by emphasizing ROE and net DER. Aiming for net income to exceed the cost of shareholders' equity, keeping consistency with internal benchmarks, and taking historical performance into consideration, the long-term business plan calls for us to achieve an average ROE of 12–15% over the medium-to-long term, and to maintain net DER (excluding goodwill) at 1.5 or less.

* TVA (Toyotsu Value Achievement) = After-tax Ordinary Income / Funds Used (Operating Capital + Fixed Assets)
An internal management benchmark measuring profitability against financial resources used.

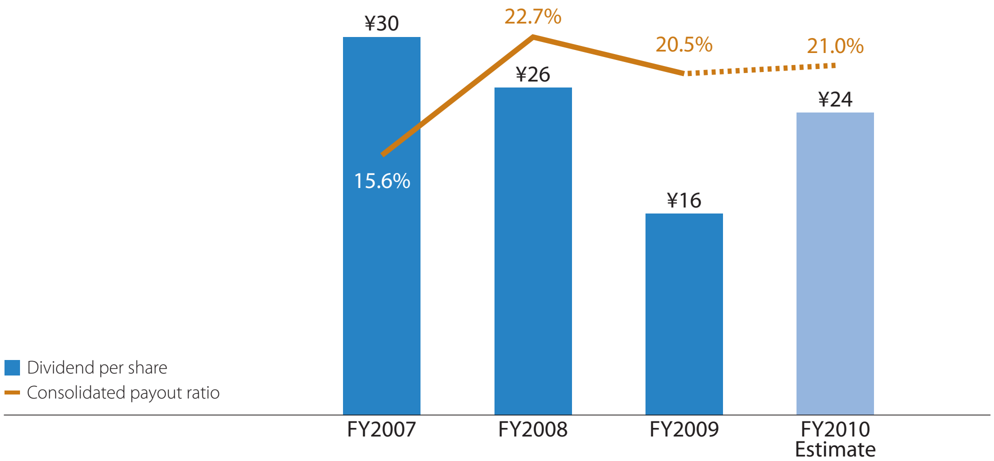
FINANCIAL RISK MANAGEMENT FOR EXECUTING INVESTMENTS

Aiming to grow while balancing growth potential, efficiency and soundness



By carefully choosing and building up strategic investments, ensure strong growth potential and raise investment efficiency.

DIVIDEND PER SHARE AND CONSOLIDATED PAYOUT RATIO
(Years ended March 31)



The basic policy on risk asset management calls for us to continue to secure earnings that justify the risk taken and to keep the total amount of risk within a sustainable range.

We will continue to link dividends to consolidated net income, targeting a consolidated payout ratio of 20%. For fiscal 2010, we should therefore pay an annual dividend of ¥24 per share provided that we achieve full-year consolidated net income of ¥40 billion as we are currently forecasting.

CSR

Q7.
Please discuss your thoughts on CSR.

A7.
CSR is inseparable from management governing corporate activities. We want to create new businesses that accurately address the changing needs of society and provide the added value that is needed by society.

Rather than viewing CSR as a special undertaking, we see it as being inseparable from the management of all corporate activities. Toyota Tsusho's mission is to continually address society's changing needs, create new business models, and deliver new value to markets and society. We are also continuing efforts to build a company that is trusted by all of its stakeholders and to increase corporate value.

Based on this viewpoint, the Toyota Tsusho Group established a Basic Philosophy as follows: "Living and prospering together with people, society, and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." The Group has established "Behavioral Guidelines" as a fundamental code of conduct for realizing this philosophy.

Furthermore, pursuant to this Basic Philosophy, we have also established the "Basic Policies on Establishing Internal Control Systems." By putting in place systems for ensuring proper operations throughout the Company, we seek to pass on a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs, and daily principles of conduct.

Guided by these Basic Policies, we are actively working to further raise management efficiency, enhance transparency, enforce rigorous compliance, and establish a sounder financial position.

We are also working to enhance our public relations and investor relations activities to enable our stakeholders to understand our initiatives.

SUMMARY

Q8.
In closing, please tell us what you personally see as the most important keys to realizing "VISION 2015."

A8.
It is extremely important for each director and employee to peer into the future, think about what they can do, and then take action. We will strive to be a company that is essential to our customers, business partners and society as a whole.

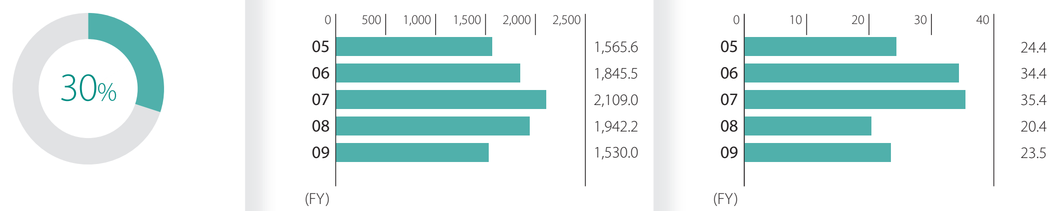
The financial crisis triggered significant changes in the global economy. Although the scale of the overall economy is in the process of slowly recovering to its state before the crisis, I believe that the world in five years will be completely different to how it has been until this point.

I am always telling the people in the Toyota Tsusho Group that we cannot survive in a new era by simply living on an extension of the past. I tell them to peer into the likely future, think things through to the very end, and take action (challenge). I mentioned this before, but if each and every person in the Toyota Tsusho Group seriously works at this, and we deliver added value to our customers and business partners, we can earn high marks and become a company that is truly essential, or in other words a strategic partner. I will personally do all that I can to ensure that the Toyota Tsusho Group continues to be admired by our customers and all other stakeholders.

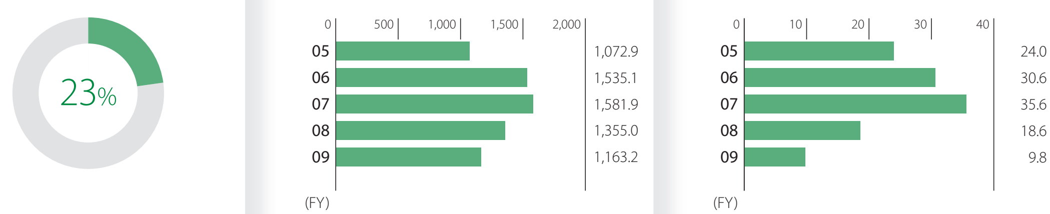
PERFORMANCE IN REVIEW
Business Highlights

Segment Sales* | Net Sales (¥ billion) | Operating Income (Loss) (¥ billion)

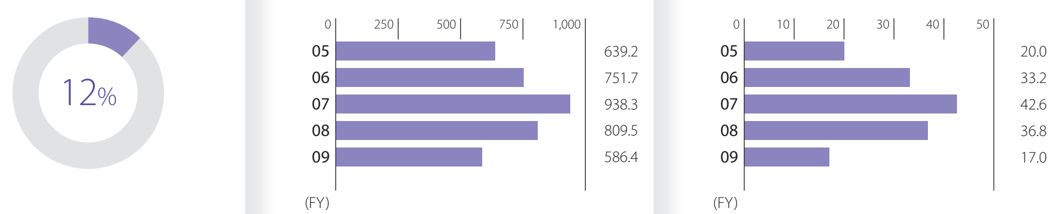
Metals Division



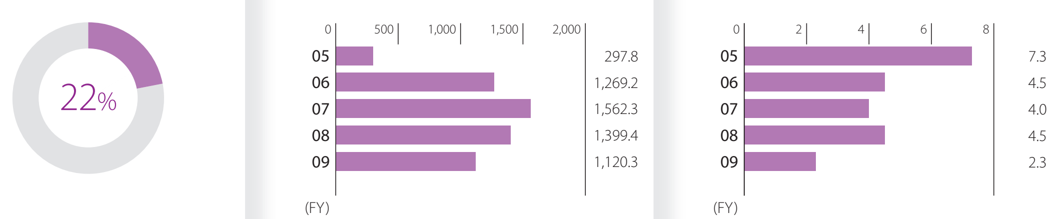
Machinery & Electronics Division



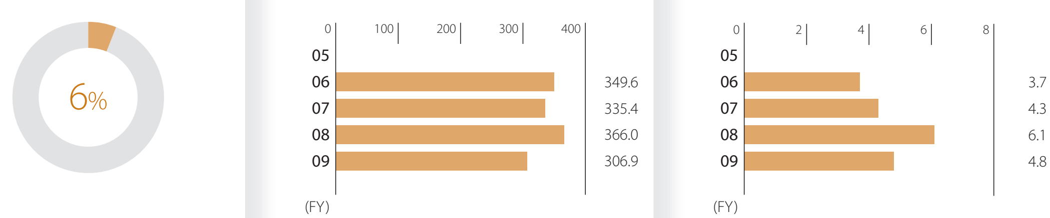
Automotive Division



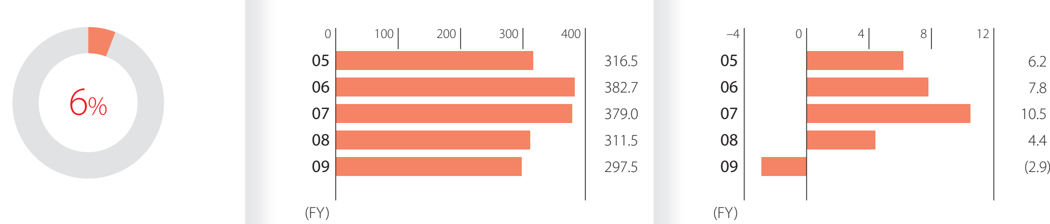
Energy & Chemicals Division



Produce & Foodstuffs Division

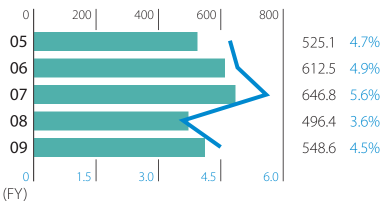


Consumer Products, Services & Materials Division



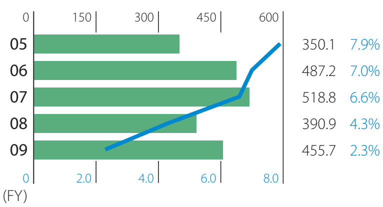
* Not including Others segment

Total Assets (¥ billion)/ROA (%)	Fiscal 2009 Results	Main Products and Services



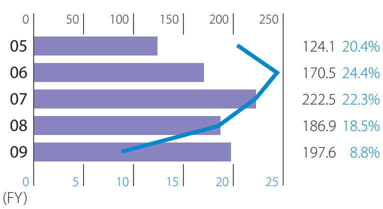
Net sales declined 21% year on year, due to falling metals prices and reduced demand. However, operating income increased 15% compared with the previous year, when the Company posted losses associated with a sharp drop in market prices.

- Ordinary and special steel products, steel construction materials
- Unwrought nonferrous and precious metals
- Rolled light metal products, copper, and copper alloy products
- Scrap iron and scrap nonferrous metals
- Ferro-alloy products, and wrought iron
- End-of-life vehicle (ELV) recycling and disposable catalysts



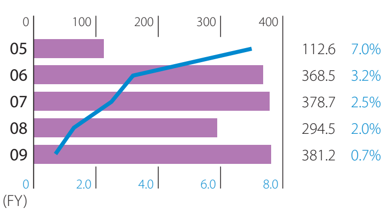
Net sales and operating income declined 14% and 47% year on year, respectively. This was mainly the result of a sharp drop in machinery and equipment handling volume in response to large cuts in corporate capital investment as the economy worsened.

- Machine tools, industrial machinery and textile machinery
- Testing and measuring instruments
- Environmental equipment
- IT devices and equipment
- Electronic devices and semiconductors
- Automotive embedded software development
- Electronic equipment
- Network integration and support
- PCs, PC peripherals and software
- Component parts for automobile production
- Industrial vehicles and construction machinery
- Intelligent Transport System (ITS) equipment
- Mobile phones



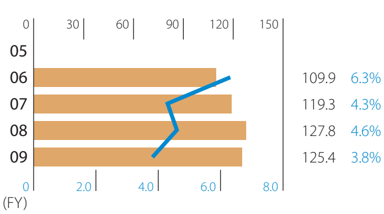
Net sales and operating income were down 28% and 54% year on year, respectively. This was due to large decreases in both automobile export volume and automobile sales volume in the Russian and Eastern European markets, and in Western European and African markets.

- Passenger vehicles
- Commercial vehicles
- Light vehicles
- Motorcycles
- Trucks and buses
- Automotive parts



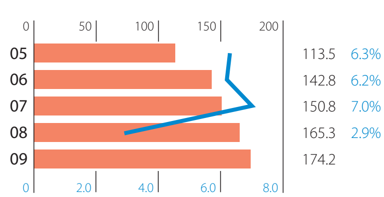
Net sales and operating income decreased 20% and 49% year on year, respectively, due to major falls in prices of energy-related products such as crude oil and coal, as well as a decline in handling volume. Other factors included a drop in demand for chemical products.

- Petroleum products and liquefied petroleum gas (LPG)
- Coal
- Crude oil
- Petrochemical and natural gas products
- Energy and electric power supply business
- Plant project
- Organic chemicals
- Fine and inorganic chemicals
- Highly functional specialty chemicals
- Fat and oil products
- Synthetic resins and chemical additives
- Battery and battery materials



Net sales and operating income slipped 16% and 21% year on year, respectively, due mainly to slumping markets for livestock feed, such as corn and milo, and other agricultural produce, together with falling demand for wheat and foodstuffs.

- Feed and oilseeds
- Grains
- Processed foods
- Food ingredients
- Agriculture, marine and livestock products
- Alcoholic beverages



Net sales declined 5% year on year. Operating profitability worsened 166% year on year to an operating loss. This stemmed mainly from decreased handling volumes of paper, pulp and other housing materials, as well as textile-related products. Other factors included lower sales due to a deteriorating real estate market.

- Condominiums and commercial buildings
- Construction materials, housing materials and furniture
- Textile raw materials
- Apparel
- Interior goods
- Sleepwear products
- Textile products, textile materials and jewelry
- Automotive interior parts and materials
- Packaging materials
- Paper and pulp
- Life and health insurance and property and casualty insurance
- Visible-light responsive photocatalysts
- Product sales targeting "harvest age"* markets

Notes: 1. Effective from fiscal 2006, the year ended March 31, 2007, commission income is included in net sales.
2. Effective from fiscal 2006, the Produce & Foodstuffs Division became a business segment.

* Toyota Tsusho refers to senior citizens aged 60 years or older as the "harvest age" generation.

Segment Overview
Metals Division

The Metals Division considers steel and nonferrous metals not just as simple materials, but also as products possessing unique characteristics and functions, and strives to offer products optimally suited to the requirements of each user and supplier. Moreover, we actively collaborate with our business partners in developing new materials and processing technologies, as we endeavor to promote innovative businesses that enable win-win relationships with steel manufacturers and users.

TOYOTA STEEL CENTER >>
Realizing Just-in-Time (JIT) delivery through efficient processing, storage and logistics

MOLTEN ALUMINUM PRODUCTION AND BUSINESS >>
Reducing fuel costs and environmental loads

In the steel sheet business, Toyota Tsusho deploys its domestic and overseas processing bases as the nucleus of an ordering system that utilizes cutting-edge IT and an efficient logistics structure for delivery control that ensures the most timely delivery of optimal sizes and weights matched to specific applications. Additionally, we operate a steel blanking business worldwide for processing and delivering irregular-shaped steel sheets tailored to user needs.

In the steel bars and tubes and steel construction materials business, we manufacture and sell specialty steel and steel tubes, and we sell steel construction materials required for buildings, plants and other structures.

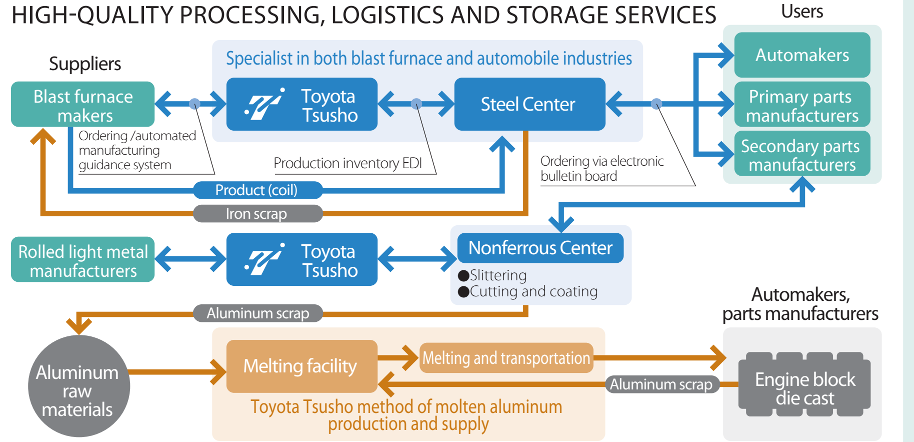
We also operate a nonferrous metals business and have built a global trading structure, centering mainly on London and Singapore, that plays a central role in reducing the risk of price fluctuations for nonferrous metals. In addition, we undertake a molten aluminum production business that contributes to lowering costs and reducing environmental loads. In this manner, we have established an optimal supply structure for nonferrous metals that is constantly attuned to conditions in each local region and that supports highly efficient production.

Our steel raw materials businesses give top consideration to the global environment. They include a scrap iron recovery and recycling business within plants as well as an end-of-life vehicle (ELV) recycling business. Today, our efforts in this field are directed at expanding the scope of these business activities to new spheres beyond metals.

Processing, Logistics and Storage Services that Simultaneously Meet User and Supplier Needs

The strongest features of Toyota Tsusho's metals business are the high-precision, high-quality operational functions offered together with manufacturing and processing companies worldwide. For example, the Steel Center, which plays a pivotal role in our steel sheets business, carries out efficient processing, storage and logistics optimally suited to each production situation by sharing information between suppliers and users. In the nonferrous metals business, Toyota Tsusho is developing a molten aluminum business in North America, Europe and Asia. The objective is to reduce energy costs and the environmental burden by switching to the supply of molten aluminum instead of the conventional supply of aluminum materials in the form of ingots.

HIGH-QUALITY PROCESSING, LOGISTICS AND STORAGE SERVICES



Recycling Business Aims to Reduce Environmental Impact

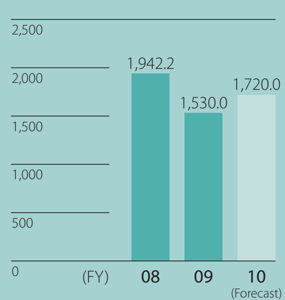
Today, resource constraints and depletion, as well as the environmental impact caused by mass production, are becoming more and more evident. To carry out sustainable manufacturing, therefore, it is necessary to build a recycling-oriented society with the aims of curbing consumption of natural resources and reducing environmental loads. The Metals Division recovers and recycles scrap iron generated by users and other metal processing plants. This business makes transparent the distribution and processing channels, as well as costs after scrap is generated, which in the past were not clearly visible to plants that created such scrap. In this way, we provide customers with a sense of reassurance. We also help secure stable supplies of resources by returning recycled metal resources to metal processing plants.

GLOBAL RECYCLING BUSINESS NETWORK

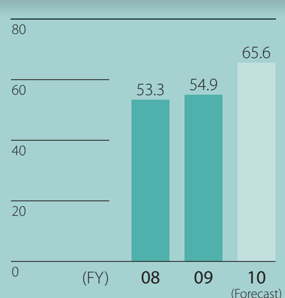
▲ Molten aluminum business (13 locations)
★ In-factory recycling business (17 locations)

MINORU HAYATA
Managing Director,
Chief Division Officer of Metals Division

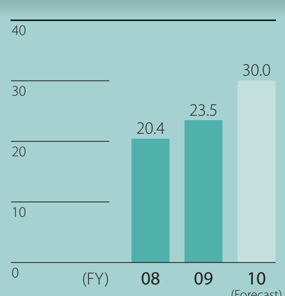
Graph A
NET SALES
(¥ billion)



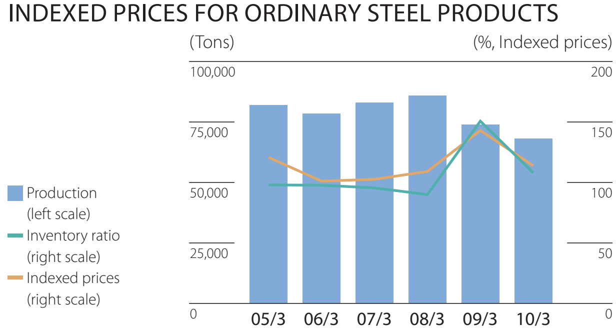
Graph B
GROSS TRADING PROFIT
(¥ billion)



Graph C
OPERATING INCOME
(¥ billion)



Graph D
JAPANESE PRODUCTION, INVENTORY RATIO AND INDEXED PRICES FOR ORDINARY STEEL PRODUCTS



* Data for April–March fiscal years
Indexed prices are calculated based on a value of 100 for calendar year 2005.
Sources: The Ministry of Economy, Trade and Industry, The Japan Iron and Steel Federation, The Bank of Japan, The Ministry of Finance

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

The Metals Division saw a recovery in handling volume in fiscal 2009, centered on the automobile-related business, which saw an upturn in production. This happened as proactive economic stimulus measures by governments around the world helped return the economy to a recovery track in Asia, particularly China, as well as in North America. Meanwhile, the environment remained challenging, as the drop in prices of raw materials such as iron ore and raw coal, as well as the increased use of inexpensive raw materials by steel manufacturers, caused both nonferrous metals and steel prices to drop significantly versus the previous fiscal year. In this context, the Division worked to reduce costs and enhance earnings by rigorously improving its operating structure. As a result, although net sales only grew by around 10% to ¥1,530 billion versus our initial forecast of ¥1,384 billion, the Division recorded operating income of ¥23.5 billion, which exceeded the initial forecast of ¥17.2 billion by more than 30%.

BASIC STRATEGIES AND LONG-TERM POLICIES

The Division's basic strategy is to provide value to customers irrespective of changes in commodity prices by adding more value to its products through the creation and enhancement of unique functions in value chains. The Division divides its business into four fields based on products handled: steel sheets; steel bars, tubes and construction materials; nonferrous metals; and steel raw materials. Guided by its basic strategy, the Division is steadily expanding operations in automotive and non-automotive domains in each field. We are achieving this by utilizing procurement capabilities that draw on our overseas networks as well as our responsiveness to customer needs, which leverages our processing and logistics functions.

The Metals Division currently has more than 40 operating locations worldwide specializing in functions such as steel sheet and aluminum processing and logistics, as well as the production of molten aluminum and recycling of scrap metal. The Division will continue to augment each specialized operating location by further strengthening its operating structure, mainly through personnel development, quality improvements and the rigorous enforcement of safety. At the same time, we will also actively utilize these specialized operating bases to cultivate new customers, both in the automotive and non-automotive fields. For example, we will begin strengthening processing and logistics functions in new specialty steel fields, such as steel bars, and other new product areas.

In addition, heightened societal needs such as reducing environmental impact, and ensuring stable supplies and procurement of resources, have become major issues against the backdrop of natural resource policies in China and other resource-producing countries. In addressing these trends, we are using rare earth businesses set up in India and Vietnam as footholds to establish stronger ties with resource-rich countries, and thereby diversify our supply sources, as well as further enhance our "urban mining" business, which includes the end-of-life vehicle recycling business and the recycling business inside plants, to create a value chain for the metals resources business.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

As the overall global economy continues to recover despite regional discrepancies, demand for metals is expected to increase, particularly in the automobile market in Asia and North America. In addition, overseas operating companies that we have strengthened through investments will be newly consolidated in fiscal 2010. As a result, we expect net sales to increase 12% year on year to ¥1,720 billion, and operating income to rise 28% to ¥30.0 billion.

In terms of business initiatives, we will work to enhance our business base, including continuing to reduce costs in the processing and logistics businesses. We will also address the growth in overseas production in the automobile sector, and cultivate businesses targeting non-automotive fields.

FISCAL 2009 BUSINESS HIGHLIGHTS

Expanding the Metals Processing Business in India

In India, which continues to experience growth in the automobile market on the back of robust economic expansion, we worked to establish our seventh steel blanking processing center in the world. We have been engaged in the metals processing business in India since 1999, and as competition among automobile manufacturers intensifies, we will leverage this new center to provide processing services and products that offer even higher added value and are highly cost competitive.

Steel blanking processing equipment
(Photo shows facility in Tianjin, China)

Launch of Business Feasibility Study for Development of Lithium Resources

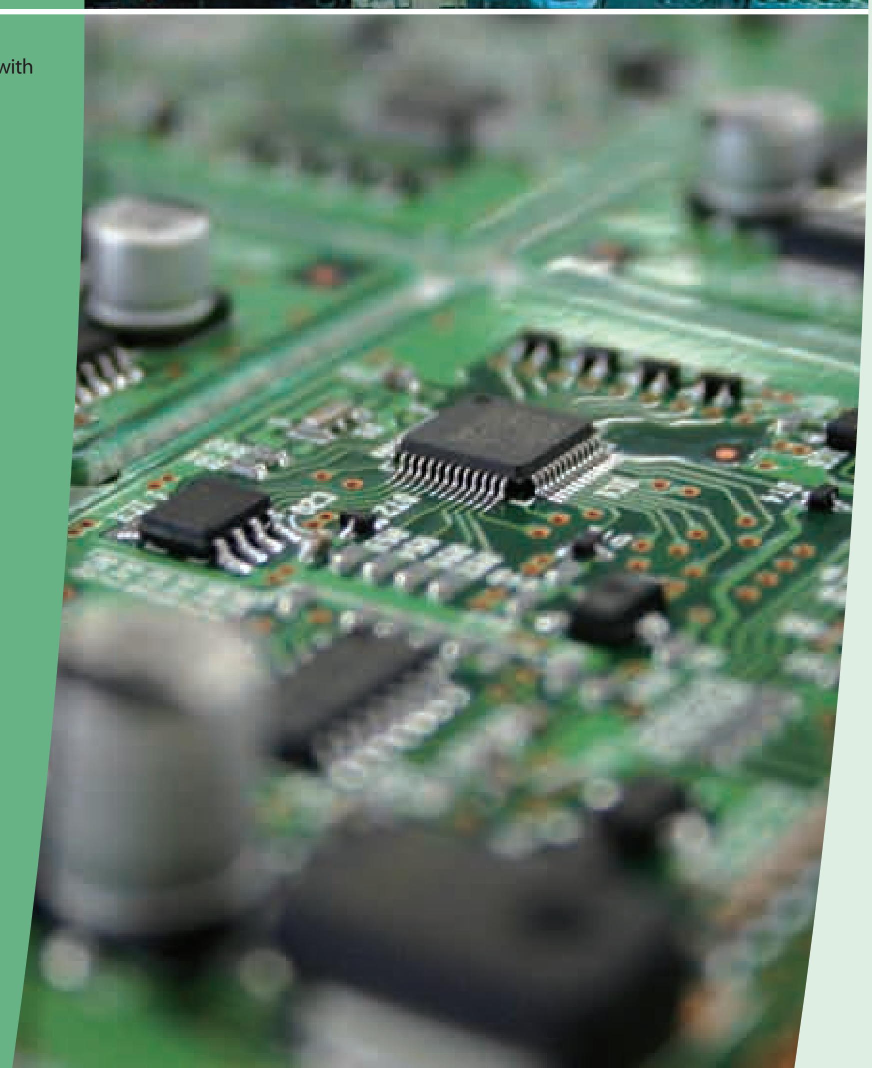
In January 2010, we concluded a memorandum of understanding concerning a business feasibility study for the development of lithium resources with Australia's Orocobre Ltd., which has a mining interest in Argentina's Olaroz salt lake. Lithium is an essential resource for hybrid and electric vehicles as well as fixed rechargeable lithium-ion batteries. Demand for lithium is expected to increase in the future, and the aim is to start production in 2012 based on the results of the business feasibility study.

Olaroz salt lake located in Argentina's Puna region

Machinery & Electronics Division

The Machinery & Electronics Division has the machinery business, which covers machinery, facilities, industrial vehicles and construction machinery; the electronics-related business, encompassing electronic devices and IT networks; and a business that supplies parts for automobile production. The Division not only procures and sells goods, but also provides comprehensive support services covering planning and recommendations, as well as technological development, quality control and efficient logistics that make important contributions to the building of customers' production systems.

WELDING LINE OF AN AUTOMAKER >>
Providing integrated support functions ranging from procurement to logistics, installation and after-sales services



ELECTRONIC DEVICE BUSINESS>>
Offering various products together with group companies

The machinery business provides integrated support functions across a broad spectrum of industrial sectors, ranging from assistance with production preparation and production facilities to procurement, logistics, installation and after-sales services. We also engage in environmental protection activities, including the sale of solar power generation systems. In addition, the machinery business focuses on expanding sales of industrial vehicles and construction and textile machinery in emerging markets.

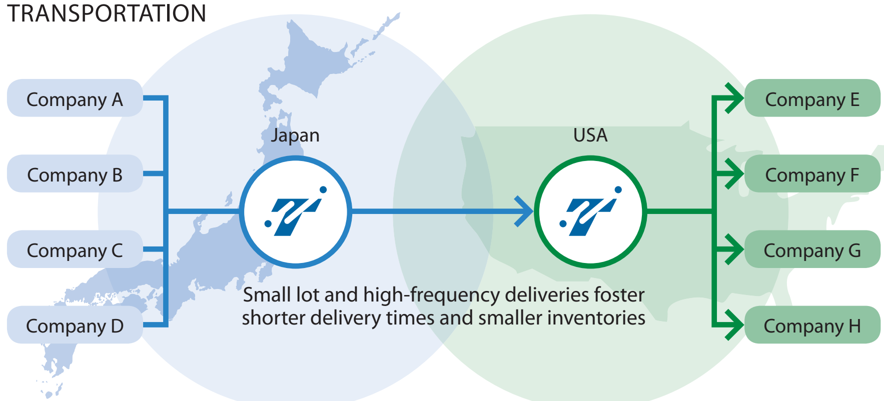
In the electronics field, our electronic device business engages in making development and technology proposals for domestic and overseas semiconductor and electronic parts manufacturers. It undertakes related global procurement and makes proposals for systems, including the development of embedded software. We also have a network business that builds networks for Japanese companies with established overseas operations and provides global systems support.

In our business of supplying parts for automobile production, we have leveraged our global logistics network to establish a global supply chain management system. The system enables optimal integrated logistics ranging from the collection of parts from manufacturers to making deliveries to overseas business units, thereby contributing to the stable supply of parts.

Vendor-to-Vendor Integrated Logistics for Overseas Production

Toyota Tsusho adopts the Just-in-Time system to ensure the stable supply of parts to overseas business units. Under the system, we use a "milk-run" procedure (parts collection rounds) to collect parts supplied by parts manufacturers for use in production at overseas sites. This is followed by packaging, marine container transport, and storage at overseas warehouses. The transportation of mixed shipments of parts made by multiple manufacturers permits frequent small-lot deliveries. The system also enables us to achieve low transportation costs, shorten delivery periods and reduce inventories. We meet the additional needs of manufacturers by offering functions that include ordering, inventory management and production management.

LOGISTICS SYSTEM BASED ON BUNDLED COLLECTION AND CENTRALIZED TRANSPORTATION

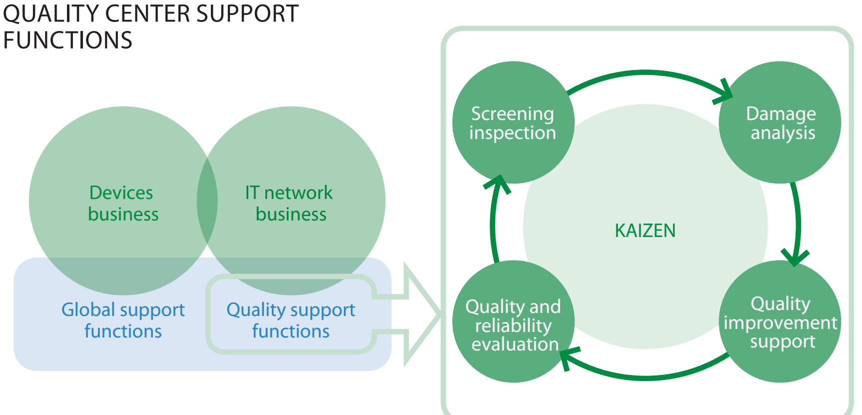


Targeting Expansion of the Electronics Business

Deploying the respective functions of the Company's domestic and overseas facilities—sales offices and logistics centers, quality control centers and embedded software development centers—we supply semiconductor devices and electronic components on a global basis. At the same time, we offer technological and solutions-related proposals aimed at meeting the diversified needs of customers.

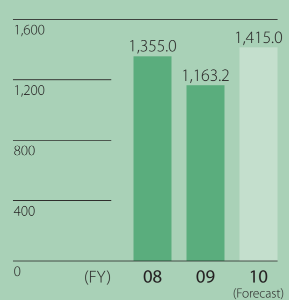
For example, the Quality Center takes immediate action to prevent the spread of problems when they occur, no matter how minor the issue. After identifying the cause through defect analysis, the Center provides feedback to manufacturing processes and implements countermeasures, and confirms the effect of such measures and checks for any inconsistencies.

QUALITY CENTER SUPPORT FUNCTIONS

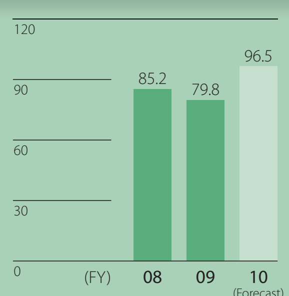


HISASHI YAMAMOTO
Senior Managing Director,
Chief Division Officer of
Machinery & Electronics Division

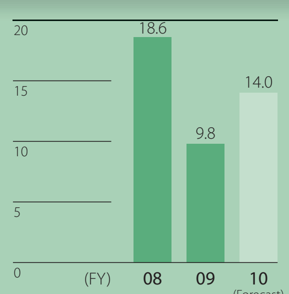
Graph A
NET SALES
(¥ billion)



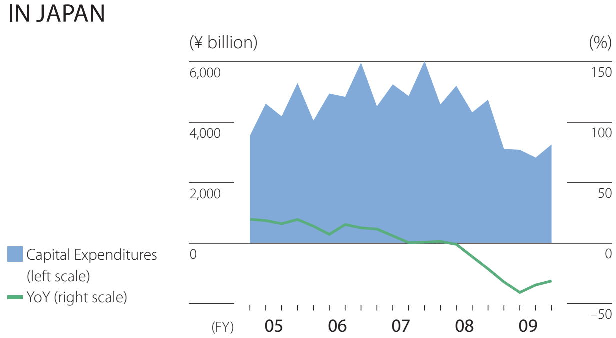
Graph B
GROSS TRADING PROFIT
(¥ billion)



Graph C
OPERATING INCOME
(¥ billion)



Graph D
CAPITAL EXPENDITURES IN THE AUTOMOBILE INDUSTRY IN JAPAN



* Data for April–March fiscal years
Source: Ministry of Finance

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

The Machinery & Electronics Division has expanded its operations by supporting the efficient establishment of production bases and optimal global production for automakers against the backdrop of rising capital expenditures and moves by automakers to establish optimal global production and supply networks, driven by rapid economic growth in China and other Asian nations, and by steady economic expansion in the U.S. and Europe. For example, the Division has strengthened global procurement and engineering capabilities for machinery and equipment. In addition, working in close collaboration with automakers, the Division has established a network of logistics bases for supplying parts for automobile production in various countries that is planned and designed to accommodate global logistics between multiple countries.

However, in recent years the business environment has remained challenging due to the global economic downturn and the resulting drop in both capital investment and production in the automobile industry and the manufacturing sector as a whole. Although capital investment levels remained low in fiscal 2009 in various industries, a number of bright signs emerged. Examples included a gradual upturn in the automobile market, primarily in Asia and North America, thanks to economic stimulus measures by various countries, while in the electronics sector, semiconductor prices began to recover thanks to a rebound in digital home electronics and increased demand for new mobile handsets and video game consoles. Furthermore, we worked to reduce costs by improving distribution efficiency and through other measures. Consequently, while net sales amounted to ¥1,163.2 billion, which was close to our initial forecast of ¥1,130 billion, operating income was ¥9.8 billion, more than 40% above our initial forecast of ¥6.8 billion.

BASIC STRATEGIES AND LONG-TERM POLICIES

The Division broadly divides its business into four fields. Three of these fields are based on products handled: machinery, electronics and parts for automobile production. The fourth field, newly added in fiscal 2010, is the logistics and overseas business. In each of these fields, the basic strategy is to cultivate business in emerging markets, tackle the challenge of creating new businesses and capabilities, such as environment-related businesses, and to strengthen the foundations that will make this possible, which means bolstering existing capabilities and reducing costs. Although the global economy experienced a sharp downturn due to the financial crisis, we believe that over the medium- to long-term there will continue to be economic growth in emerging countries such as China, India and Brazil.

In the context of this business environment, in the machinery business we will work to enhance our profitability, including reorganizing and raising the efficiency of our operating companies, and expand sales in growing markets, such as emerging and resource-rich countries. In the electronics business, we anticipate growth in the market for hybrid and electric vehicles, as well as increased sophistication, higher capacity and diversification in the digital society. We will therefore develop semiconductors and embedded software, as well as enhance our in-vehicle multimedia and mobile-related businesses. The parts for automobile production business and the logistics and overseas business will put efforts to enhance their global networks and pursue further low cost operations to good use in winning new customers.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

With the global economy in a recovery phase overall, we expect production by manufacturers to further improve, both in the automotive and non-automotive fields, and expect an increase in demand for parts and semiconductors in turn. We also foresee a gradual upturn in capital investment activity. In addition, we will see the impact of the reclassification of the logistics business and the parts installment business overseas, which was previously grouped in the Others segment. As a result, we expect net sales to increase 22% year on year to ¥1,415.0 billion and operating income to rise 43% year on year to ¥14.0 billion.

In fiscal 2010, we will bolster the regular stock parts business, such as repair parts for machinery and equipment, and expand the overseas sales base network for construction machinery and forklifts.

FISCAL 2009 BUSINESS HIGHLIGHTS

Forklift Sales Company Starts Operations in Thailand

Toyota Tsusho Forklift (Thailand) Co., Ltd., created through a joint venture with Toyota L&F Chubu Inc., commenced business operations in April 2009. With the completion of the new company building in July, the sales division and the parts and services division were integrated, enhancing the overall strength of the sales, parts and services functions. All 243 employees will work as one to increase the market share, aiming to become the leading sales company in Southeast Asia.

Opening ceremony for the new company building completed in Thailand's Chonburi Province

Entry Into The Digital Content Distribution Business

With the spread of next-generation communications networks, the amount of large-volume digital content distributed over networks is forecast to further increase. Aiming to enter the digital content distribution business, we acquired ISAO Corporation, which possesses an information distribution platform with billing, authorization and settlement capabilities, all of which are necessary for distributing digital data.

Digital content distribution platform (iPEGASaaS) (image)

Automotive Division

The Automotive Division exports passenger cars, trucks and their parts, manufactured in Japan by the Toyota Group and other companies, to more than 150 countries worldwide. The Division also exports automobiles made by manufacturers overseas to third-party countries, and engages in retail sales of automobiles overseas.

A LEXUS DEALER IN RUSSIA >>
Providing integrated services combining new car sales, spare parts and after-sales services

TECHNICAL SERVICE STAFF >>
Enhancing training of technical service staff to increase customer satisfaction

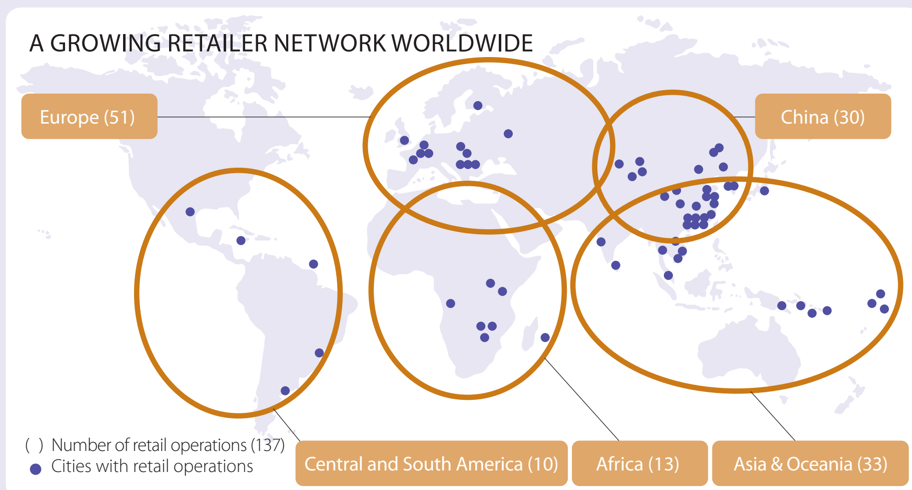
At present, we are focusing on developing our overseas retail business. Amid increasing business globalization that has seen Japanese vehicle manufacturers relocate development and production activities to overseas sites, Toyota Tsusho focuses not only on export-related activities, but is also taking steps to boost retail activities firmly rooted in local markets. We will continue expanding our retail network of more than 170 sales outlets worldwide.

We provide integrated services combining new car sales, spare parts and after-sales services to our distributors in various countries. In addition to guidance on marketing and sales, the Division provides comprehensive support that includes the training of technical service staff, the supply of both genuine-factory and general-purpose parts and accessories, and business support, including financing and investment.

The Automotive Division also leverages Toyota Tsusho's role as a general trading company to fulfill a vital information-gathering function. We do this by drawing on our close ties with business locations in each country to obtain market information on risks, local market trends and customer needs in a timely manner. We then use this information as feedback to plan and develop overseas production and marketing strategies for automakers.

Integrated Trilateral Structure Supports Vehicle Exports Worldwide

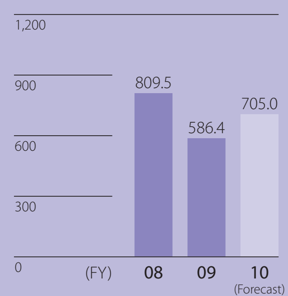
Toyota Tsusho has established a trilateral structure that integrates new car sales, spare parts and after-sales services to support the sales of vehicles with varying specifications and also match the conditions of each country to which the vehicles are exported. While providing integrated support ranging from ordering to delivery, we also actively nurture staff for the purpose of enhancing services and technologies.



We develop our operations by grouping automobile retailers throughout the world according to region and adopting optimal policies that meet the specific needs of each region. Our regional headquarters—responsible for operations in each area, such as Africa and the South Pacific—adopt region-wide marketing and sales strategies. In the key regions of China, Asia and Europe, our efforts are directed at expanding our retailer network.

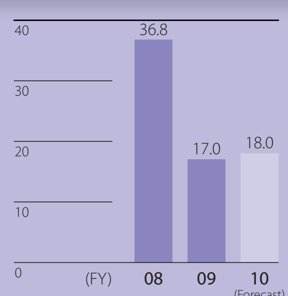
YASUHIKO YOKOI
Senior Managing Director,
Chief Division Officer of
Automotive Division

Graph A
NET SALES
(¥ billion)

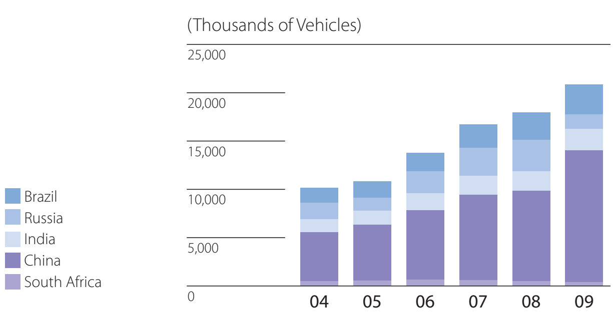


Graph B
GROSS TRADING PROFIT
(¥ billion)

Graph C
OPERATING INCOME
(¥ billion)



Graph D
AUTOMOBILE SALES VOLUME IN THE BRICS REGIONS



* Data are for calendar years from January to December.
Sources: Japan Automobile Manufacturers Association, Inc., and various other automobile associations around the world

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

The global automobile market previously experienced steady expansion against a backdrop of economic growth in emerging countries and regions, leading to the formation of a new market surpassing 14 million units during the five-year period from 2002 to 2007. However, the business environment then deteriorated sharply, mainly due to the global recession; contraction in auto loans extended by financial institutions to individuals in conjunction with the credit crunch; and other factors, all of which were triggered by the onset of the financial crisis in 2008. In this environment, the Division worked to further enhance its existing capabilities (product introduction, pricing, supply-demand management, timely and appropriate monitoring of markets, etc.). With respect to the national distributors and sales outlets that Toyota Tsusho has invested in, we worked to raise the quality of sales activities so as to boost customer satisfaction. Efforts to accomplish this involved enhancing our services by ensuring that all employees of overseas businesses embrace the Division's customer-first policy, as well as organizing a department focusing on this. We also worked to bolster management quality, which included efforts to strengthen the financial position of each location.

However, the business environment remained challenging, particularly for Japanese automakers. Consequently, the Division posted net sales of ¥586.4 billion and operating income of ¥17.0 billion, both of which fell short of our initial forecasts of ¥615.0 billion and ¥19.1 billion, respectively.

BASIC STRATEGIES AND LONG-TERM POLICIES

The Automotive Division has established six strategic priorities aimed at boosting sales by bolstering its presence in regions and markets and by expanding value chains for small-lot overseas production and business logistics. These include the five strategic regions of the Americas, Europe, China, Asia & Oceania, the Middle East, and Africa. In each overseas region, we will formulate and execute optimal strategies in line with local characteristics and needs. The sixth strategic priority is promoting new business with non-Toyota brand automakers, such as Daihatsu, Hino and Fuji Heavy Industries (Subaru).

Revolving around the above six strategic priorities, our basic policy is to focus on developing our two primary overseas sales functions—our core Distributor business, which is responsible for operations ranging from market surveys to formulating and executing sales strategies in each country, and the core Retailer business, which is responsible for selling vehicles to general users and for after-sales service—with an emphasis on the BRICS countries and other emerging and resource-rich countries whose markets promise significant future growth. Meanwhile, aiming to create new growth opportunities, we plan to aggressively invest to develop new peripheral retail businesses, such as participating in the overseas small-lot production business and related product logistics, as well as sales finance and used car operations. On the other hand, business sites that have seen profits deteriorate in response to upheaval in the business environment will be rebuilt following close examination of current operating conditions and the future business environment. At the same time, business sites for which growth is not expected will be realigned as part of a scrap-and-build program to enable the effective utilization of management resources.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

Based on expectations for a continued recovery in the global automobile market as a whole, particularly in China and other parts of Asia, as well as Central and South America, the Division anticipates a recovery in exports to these markets. On the other hand, the sales business is expected to continue to face difficult conditions in Europe, which remains beset by fiscal problems, as well as in Eastern Europe and Africa, all of which are significantly impacted by the European economy. As a result, for fiscal 2010, the Division expects net sales to increase 20% year on year, to ¥705 billion, while operating income is expected to increase only 6% year on year, to ¥18.0 billion.

In terms of business initiatives, the Division will continue to bolster its existing business sites in China, Russia, Africa and other areas where medium- to long-term growth is expected, as well as develop businesses in countries and regions that Toyota Tsusho has yet to enter.

FISCAL 2009 BUSINESS HIGHLIGHTS

Bus Manufacturing Joint Venture in Pakistan Announces Prototype of Bus Model for Export

In May 2009, Hinopak Motors Ltd., a truck and bus manufacturer located in Pakistan and Toyota Tsusho business investee, held an event to showcase a new model for the domestic market as well as a prototype bus model for export. This was the first time for Hinopak Motors to publicly exhibit a bus prototype that will be exported to various Middle Eastern and African countries. Pakistan regards the development of its export industries as an important national policy, and there are high expectations for Hinopak Motors given that the company holds the leading share of automobile sales in Pakistan.

The new domestic model for Pakistan and a prototype of the export model on display

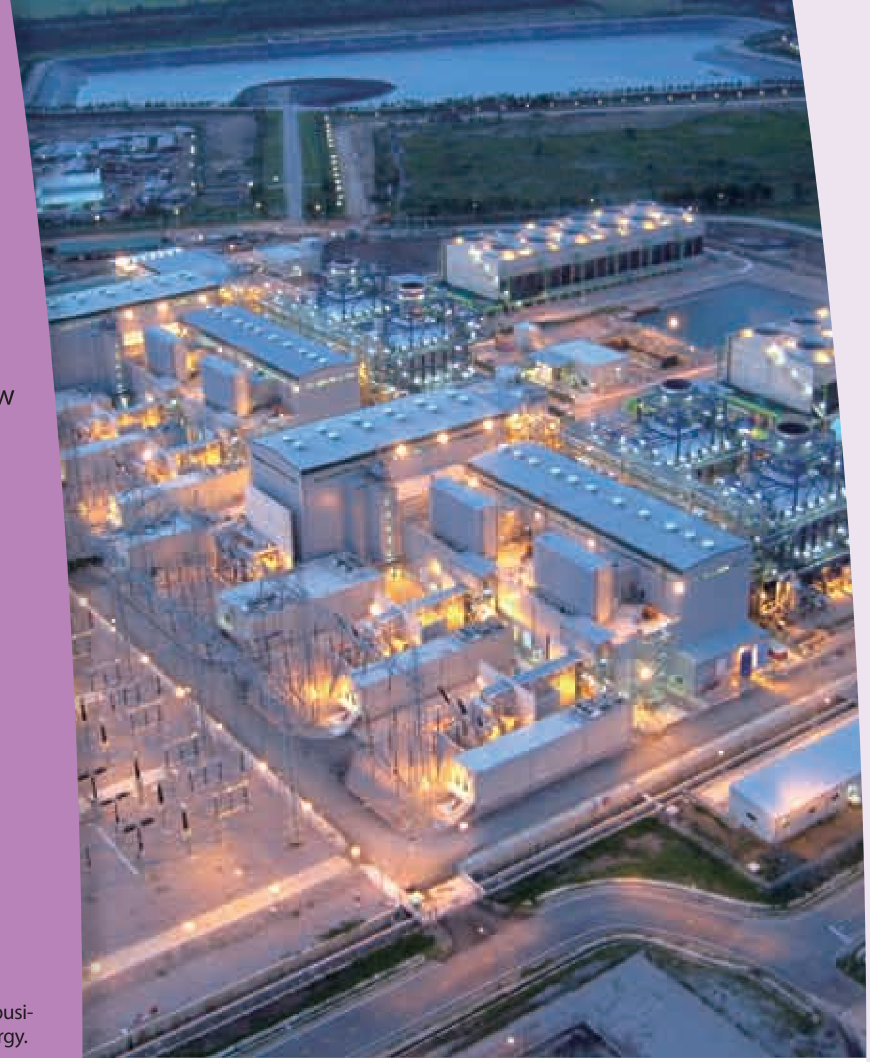
South Korean Automobile Sales Company (a Toyota Tsusho Business Investee) Launches Operations

In October 2009, D&T Toyota Corporation, a Toyota Tsusho business investee in South Korea, commenced business operations. The company's Toyota Kangnam outlet, located in central Seoul, covers 4,000 square meters in a five-story building, and features a service pit in the first basement floor. This marks the first opening in South Korea of an official dealership adopting the Toyota brand. The dealership aims to become the leading dealership in Korea in terms of both sales and service.

Toyota Kangnam outlet located in central Seoul

Energy & Chemicals Division

The Energy & Chemicals Division procures chemical products, synthetic resins and other raw and elemental materials, as well as such basic energy resources as crude oil and natural gas, from sources worldwide. The Division supplies these products in accordance with the needs of customers in a wide variety of industries spanning upstream to downstream sectors.



RATCHABURI IPP PROJECT (THAILAND) >>
We are actively developing this IPP business, which includes renewable energy.

CHEMICAL PRODUCTS PLANT >>
We are working to secure and stably supply inorganic chemicals and other resources, as well as energy.

We are developing the chemicals business by leveraging our overseas network, strengthening our storage tank operations in China and Southeast Asia, and securing first-rate supply sources.

In the synthetic resins and electronic materials fields, we are pursuing an array of initiatives to enhance added value. These include global development of chemical compounds used in automotive and home electronics components, as well as new efforts involving electronics and fuel cell materials and component materials for hybrid vehicles.

In the resources, energy and plant field, we are working in three main areas from the standpoint of securing stable energy supplies over the long term. The first area is long-term contracts for importing Middle Eastern crude oil and Southeast Asian heavy oil. The second is the gas production business in North Africa, Australia and North America. The third is the coal production business in Australia. In the power generation field, where we boast a track record of around 20 years, we are globally developing not just the traditional thermal power generation business, but also renewable power generation businesses including wind, solar and other sources of energy. In addition, we are contributing to the development of energy infrastructure in emerging nations through an integrated business model spanning a range of operations from business proposals to EPC (Engineering, Procurement and Construction), fund procurement and plant operation.

Building a Global Value Chain

In the chemicals field, we have storage tank facilities in Indonesia, Thailand and the Philippines that serve as logistics centers. One of the Division's strengths is its solid sales of various chemical products drawing on these production and logistics bases.

We have established a value chain that includes manufacturing functions through collaboration with a chemical manufacturer (a Toyota Tsusho Group company) and aim to achieve further growth in this field.

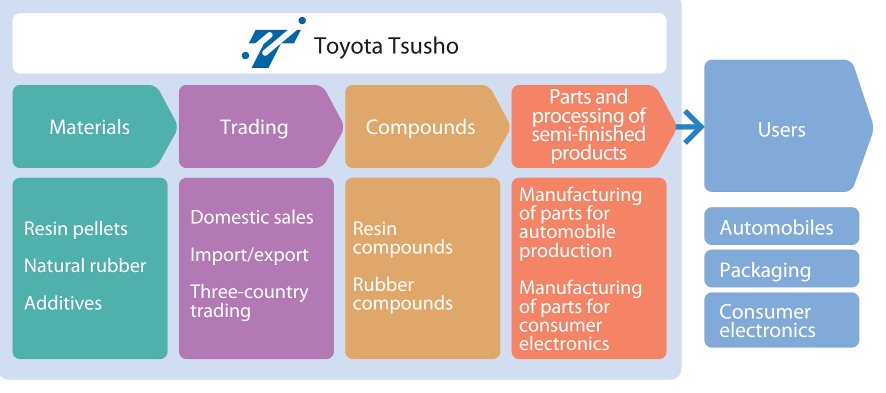
PROCUREMENT, DEVELOPMENT AND MANUFACTURING OF VARIOUS RAW MATERIALS FOR PETROCHEMICAL PRODUCTS SUPPORTING ENRICHED LIFESTYLES

Synthetic fiber raw materials →	Chemical fibers, dyes, PET bottles
Detergent raw materials →	Detergent, edible oil, alcohol
High-water-absorbent polymers →	Diapers, personal hygiene products
Organic solvents and resins →	Paints, adhesives, electronic appliance housings
Inorganic chemical products →	Fertilizers, medical/agricultural chemicals, quartz glass
Urethane materials →	Sofas, car seats, heat insulation materials

Establishing a Global Supply Structure

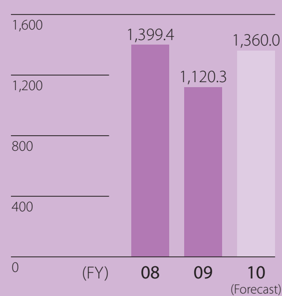
To support overseas production by our chemical and synthetic resin customers, we provide integrated functions that include the optimal procurement of raw materials, preparation for production, processing and materials testing, as well as local sales, storage and logistics functions. In the resin compound business, we have production bases in China and Southeast Asia, and we will continue expanding this business, including in Eastern Europe.

A GLOBAL NETWORK RANGING FROM RAW MATERIALS TRADING TO COMPOUNDS AND SEMI-FINISHED PRODUCT PROCESSING BUSINESSES

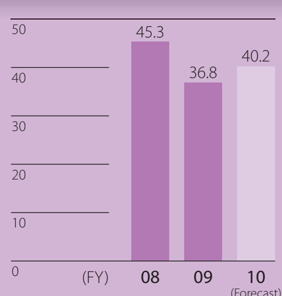


TAMIO SHINOZAKI
Managing Director, Chief Division Officer of Energy & Chemicals Division

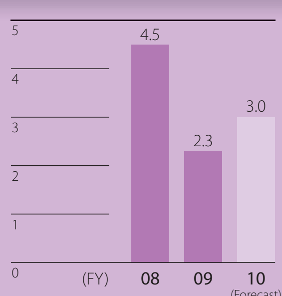
Graph A
NET SALES
(¥ billion)



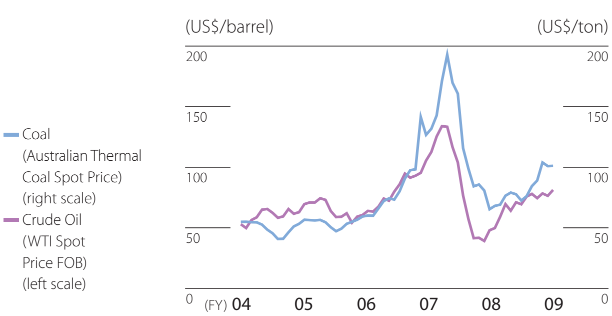
Graph B
GROSS TRADING PROFIT
(¥ billion)



Graph C
OPERATING INCOME
(¥ billion)



Graph D
CRUDE OIL AND COAL PRICES



* Monthly data
Source: IMF Primary Commodity Prices

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

Until recently, global demand in the chemicals and resources, energy and plant fields had been growing at a high rate. This growth in demand was due to a number of factors, including expanding investment in social infrastructure in emerging countries, such as China, in conjunction with economic growth, increased investment in developing natural resources in association with growth in demand for energy and resources as well as rising market prices, and increased consumption of items such as automobiles and flat-screen televisions. However, when the global economy went into a tailspin in the second half of 2008, both demand for energy and chemicals as well as prices declined significantly. Fiscal 2009 got underway amid a continued difficult business environment, as prices of crude oil, petroleum products and coal fell considerably, and demand for these products declined in response to increasing use of fuel-efficient vehicles and a switch to natural gas and electricity as energy sources. Furthermore, demand for automobiles, as well as chemicals and synthetic resin materials for home electric appliances, fell due to weak personal consumption.

However, the Division's operating performance turned upwards with each passing quarter during fiscal 2009. This was the result of the gradual recovery trend in the Asian economy, led by growth in China and India, the pickup in personal consumption due to governments' economic policies in Japan and throughout the world, as well as our winning an order for a new, long-term plant project in the Middle East. As a result, although net sales in fiscal 2009 were ¥1,120.3 billion, roughly in line with our initial forecast of ¥1,103.0 billion due to the impact of lower market prices, operating income was ¥2.3 billion versus our initial forecast of ¥100 million.

BASIC STRATEGIES AND LONG-TERM POLICIES

The Energy & Chemicals Division broadly divides its business into three fields based on products handled: chemicals, synthetic resins, resources, energy and plant. In each field, the Division's basic policy is to reinforce ties with strategic partners and transform the emphasis of business models from trading activities to business profits by boldly reallocating management resources to growth fields.

In the resources, energy and plant field, the Division is working to fortify the current earnings base, while at the same time proactively developing resources, centered on natural gas. Specifically, the Division will expand the electric power business, including wind power and other forms of renewable energy, work on plant projects in emerging resource producing countries which continue to carry out infrastructure projects, and enhance value chains in the petroleum-related business by growing the production and transportation business, which will include storage facilities.

In the chemicals and synthetic resins fields, the Division will further enhance efforts to market the core products of its earnings base, such as hygienic materials, urethane, and resin compounds, in emerging countries. In addition, the Division will work to secure inorganic resources and enhance its efforts in the eco-friendly products sector, which includes bio-chemicals and bio-plastics.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

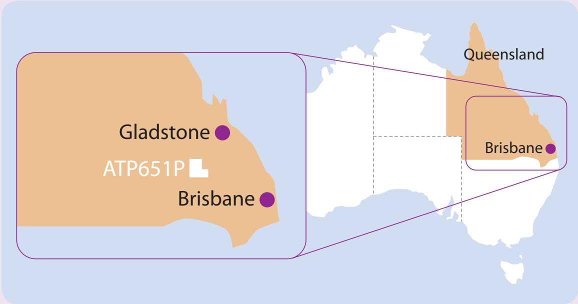
With the global economy on a recovery course, the Division expects resource and energy prices, including crude oil and coal, to increase, along with higher demand for chemicals and resin materials on the back of higher levels of production by automobile, home electronics and other manufacturers. As a result, we are forecasting net sales to increase 21% year on year, to ¥1,360 billion, and operating income to increase 30% year on year, to ¥3.0 billion, despite the fact that we will incur upfront expenses related to investigations in advance of plant projects.

In terms of business initiatives, we will continue to invest in power generation projects, including renewable energy projects. In addition, we will engage in natural gas business development, including prospecting and coal bed methane development already underway in Australia, as well as continue to make steady progress on manufacturing projects for resins and chemicals.

FISCAL 2009 BUSINESS HIGHLIGHTS

Participation in Coal Bed Methane Supply Project

Through its subsidiary, Toyota Tsusho CBM Queensland Pty Ltd., Toyota Tsusho concluded an agreement in December 2009 to acquire a 15% equity interest in the coal bed methane block ATP651P. The block is one of the supply sources for the project being implemented in Gladstone, Queensland, by the BG Group of the U.K. The project aims to produce liquefied natural gas (LNG) from the coal bed methane, and development is underway with an aim of starting LNG production in 2014.



Location of coal bed methane block

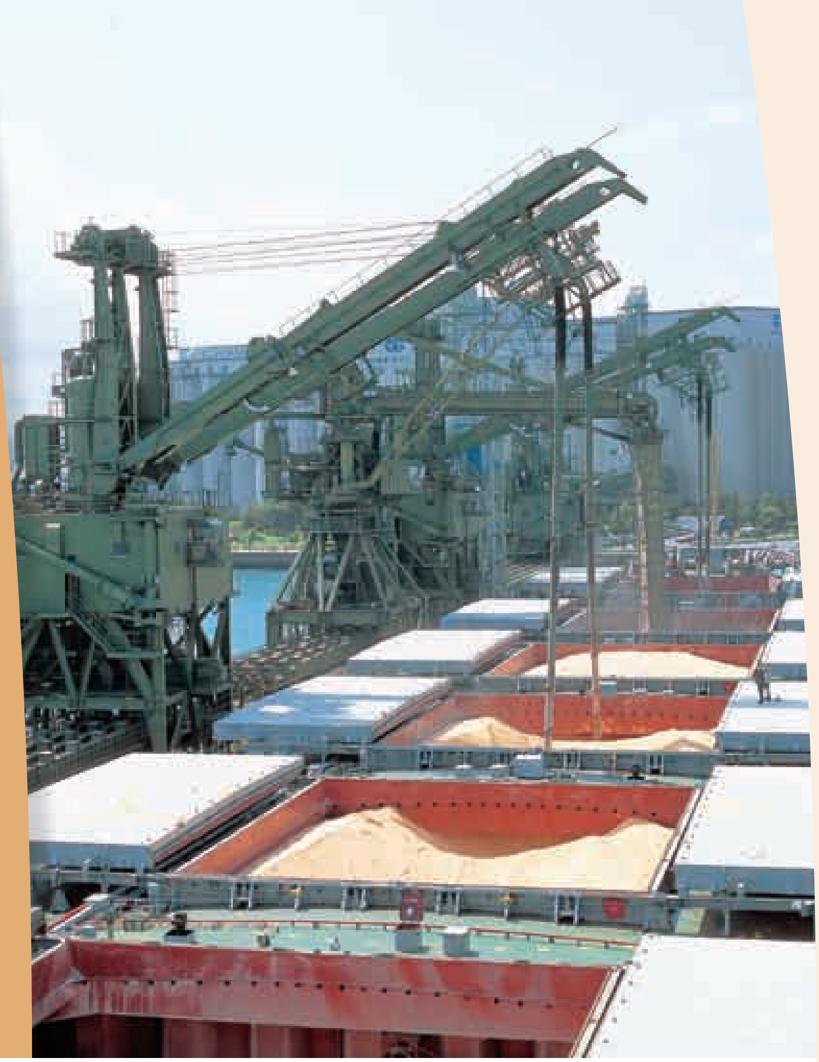
Construction of Plant Commences at Resin Compound Manufacturing Joint Venture in the U.S., Operations Scheduled to Start in January 2011

Premium Composite Technology North America, 50% owned by Toyota Tsusho and 30% owned by Toyota Tsusho America, Inc., started construction of its plant in the state of Indiana in the U.S. The company, established in February 2009 as a joint venture between the Toyota Tsusho Group and Sanyo Kako Co., Ltd., will conduct the compounding of high-performance plastics for automobile parts. By receiving outsourcing of manufacturing and processing from synthetic resin manufacturers, the company will meet the need for local procurement of high-performance plastics.

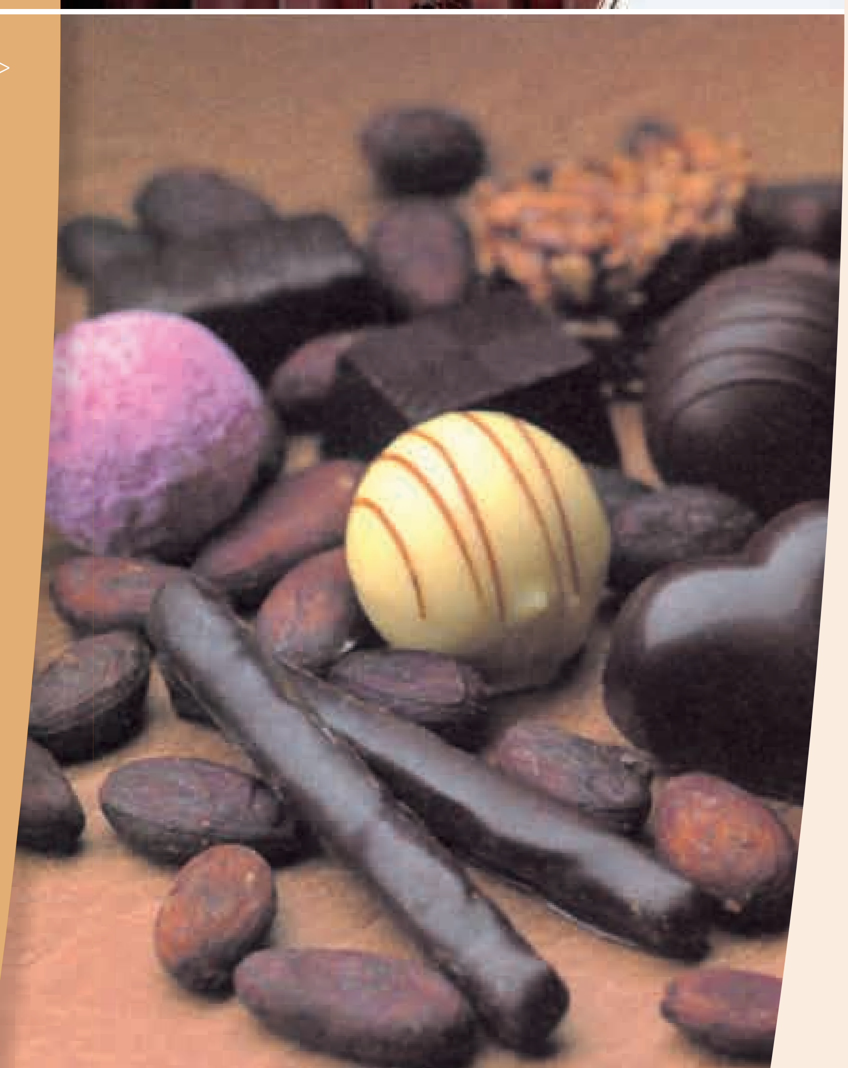
Exterior view of resin compound plant

Produce & Foodstuffs Division

The Produce & Foodstuffs Division conducts various businesses in two fields. One is the grains business, which handles livestock feed, oil seeds, rice, wheat and raw sugar. The other is the foodstuffs business, which handles food ingredients, prepared frozen foods and other general foodstuffs.



GRAIN TERMINAL >>
Our grain silo business boasts one of Japan's largest storage capacities.



FOOD MANUFACTURING, PROCESSING AND SALES BUSINESS >>
We supply safe, high-quality food products to improve the diet of our customers.

The main strength of our grain business lies in our feed processing complexes, centering on four grain silos in Japan. We supply grains via a dedicated pipeline, which extends from these silos with piers for the docking of large vessels to blended feed makers located further inland. We are one of the leading handlers of feed grain in Japan.

We have established a comprehensive value chain through which we import wheat from the U.S. and other countries and sell flour to China and Southeast Asia using our efficient proprietary sales network.

In the foodstuffs area, we meet diversifying needs through our various food processing businesses, which draw on processing bases in Japan and overseas.

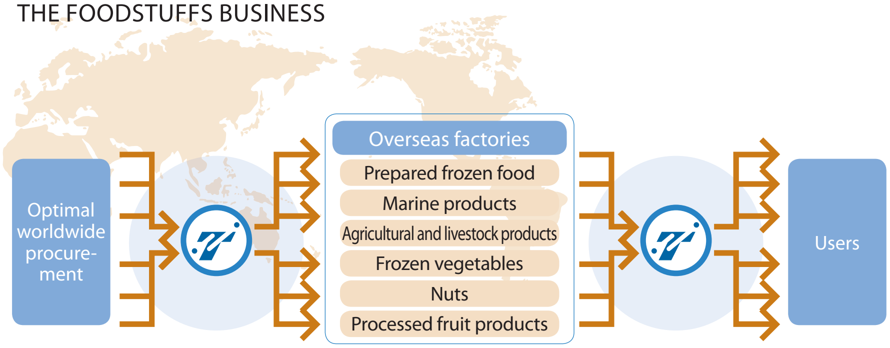
We will harness our strengths to actively expand sales routes in Japan and overseas markets.

At the same time, we are strengthening our food safety management systems. For example, we established a Food Safety Promotion Office within the Division to strengthen traceability and other important safety management functions.

Strengthening the Processing and Manufacturing Functions of the Foodstuffs Business

In addition to the optimal procurement of safe, high-quality foodstuffs from producing regions from around the world, Toyota Tsusho meets diversifying needs through its various overseas food processing businesses. In the foodstuffs business, we are striving to reinforce our foodstuff processing and manufacturing capabilities in China by working together with local companies. We are expanding businesses in that country with a view to selling in the local market in the future. For example, we have established a sesame processing business in Qingdao, a processed and frozen prepared food business in Dalian, prepared frozen food businesses in Laiyang and Guangzhou, and a business that makes bread in Beijing.

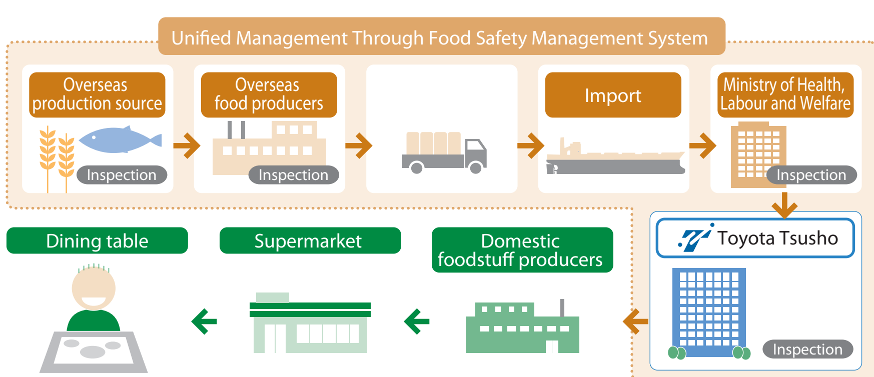
STRENGTHENING THE PROCESSING AND MANUFACTURING FUNCTIONS OF THE FOODSTUFFS BUSINESS



Food Safety Management Initiatives

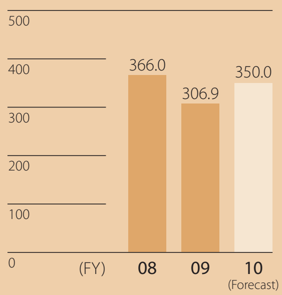
Toyota Tsusho has established its own food safety management system to ensure food safety. In addition to rigorous selection of suppliers and reinforcement of local supplier management criteria, we are strengthening local and border inspections carried out mainly by the Food Safety Promotion Office in conjunction with specialist external organizations. In these ways, we aim to be a general trading company with an unsurpassed safety management system.

TOYOTA TSUSHO'S DISTINCTIVE FOOD SAFETY MANAGEMENT SYSTEM

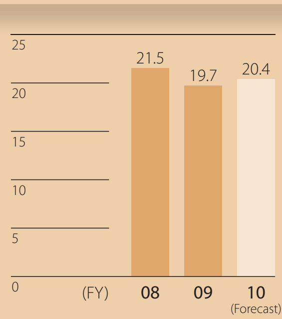


MAKOTO HYODO
Managing Director, Chief Division Officer of Produce & Foodstuffs Division

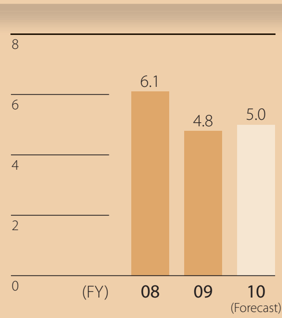
Graph A
NET SALES
(¥ billion)



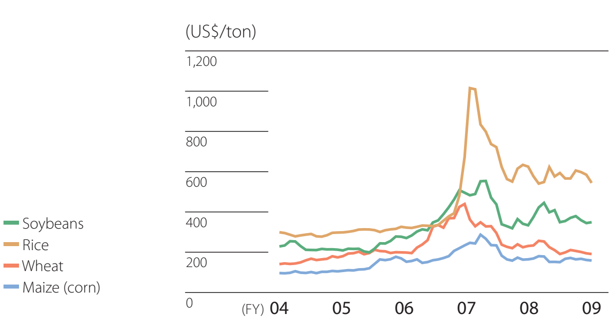
Graph B
GROSS TRADING PROFIT
(¥ billion)



Graph C
OPERATING INCOME
(¥ billion)



Graph D
MAJOR INTERNATIONAL GRAIN PRICES



* Monthly data
Source: IMF Primary Commodity Prices

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

Japan relies on imports for most of its supplies of grains such as wheat, corn and soybeans, as well as oil-producing plant seeds. Countries and regions like the U.S. and South America are increasingly dominating the supply of these food materials, but with more demand from China and Southeast Asian countries in step with their economic expansion, a race for food ingredients has begun to emerge at times depending on the status of production in supplying countries. Meanwhile, demand for food reliability and safety continues to rise in Japan and other industrialized countries, as well as in China and other emerging countries. In light of this business environment, the Division has been making the most of the networks it has built throughout the world over many years, while putting in place a system for gathering and analyzing information from producing countries and regions such as the U.S., Australia, and South America by stationing people in these key places. These efforts are being made to ensure reliable supplies of food materials from the right place and at the right time. In response to stronger calls for food reliability and safety, the Division has been developing traceability functions to provide product history information from all stages, including cultivation, production, processing, distribution and sales, including data on buyers and sellers, as well as cultivation, production and processing procedures.

However, in fiscal 2009, the business environment was extremely challenging due to such factors as the prolonged slump in the prices of livestock products and foodstuffs reflecting ongoing deflation in the domestic market, as well as a shift in government support policies following the change in administration. As a result, there was a series of price declines in the livestock feed business, which is one of our core businesses in the grain field, accompanied by a decline in demand for wheat and other products. Consequently, the division posted net sales of ¥306.9 billion and operating income of ¥4.8 billion, both of which fell short of our initial forecasts of ¥337.0 billion and ¥6.3 billion, respectively.

BASIC STRATEGIES AND LONG-TERM POLICIES

In both the grain and foodstuffs fields, our two basic strategies are to develop overseas markets and ensure the stable procurement of domestic and overseas food resources, and we aim to expand our business worldwide in cooperation with strategic partners in various fields and regions which possess excellent product and technological capabilities.

In the grain business, which is one of the Division's key businesses, as demand for agricultural resources expands and diversifies, and as Japan looks to increase its food self-sufficiency rate, the Division will enhance its domestic production business by expanding upstream operations, and it plans to utilize this know-how to expand overseas operations over the medium term. The Division will also work to establish a comprehensive value chain directly linked to Japanese and overseas markets. This will entail strengthening relationships with strategic partners throughout the world to enhance resource procurement in North America, South America and Asia, and to bolster its collection and storage facilities functions, as well as investing management resources in manufacturing and sales operations in order to secure stable downstream demand.

In the foodstuffs business, the Division aims to bolster its food manufacturing capabilities, with the view to strategically develop businesses targeting local markets in emerging countries.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

We expect the business environment to remain challenging in fiscal 2010. It is difficult to foresee a significant recovery in demand in the domestic grain business, particularly for raw materials for animal feed, due to the prolonged slump in the livestock industry. In the foodstuffs business, although we anticipate firm demand in association with the domestic preference for preparing and eating meals at home, the war of attrition caused by intensifying price competition will continue. However, we plan to make up for this by expanding overseas sales of products such as wheat and sugar. Based on this, we aim to achieve net sales of ¥350 billion, a 14% year on year increase, and operating income of ¥5.0 billion, a 4% increase.

In terms of business initiatives, we will continue to enhance the value chain for grains overseas and expand the foodstuffs processing and manufacturing business.

FISCAL 2009 BUSINESS HIGHLIGHTS

Establishment of Company in Malaysia to Sell Raw Materials for Animal Feed to Accelerate the Grain Business Targeting Emerging Countries

Toyota Tsusho jointly established a company in Malaysia with Malayan Flour Mills Bhd (MFM), a leading local food company, to sell raw materials for animal feed. Toyota Tsusho intends to integrate its grain procurement capabilities, considered to be one of its strengths, with the distribution facilities and sales capabilities of MFM, and lift the new company's market share in terms of sales of raw materials for animal feed to the top level in Malaysia.

Malayan Flour Mills's silo for animal feed material

Establishment of Joint Venture in the Philippines to Manufacture Xylose

Toyota Tsusho established CJ Toyota Tsusho Philippines Inc., a joint venture that will be the first in the world to extract xylose, which is used as a raw material to produce xylitol, from coconut shells. The company was established jointly with CJ Cheiljedang Corp., South Korea's largest general food processing company, and plans to produce and sell 15,000 tons of xylose per year.

Groundbreaking ceremony for CJ Toyota Tsusho Philippines Inc.

Consumer Products, Services & Materials Division

This Division provides various products and services to support people's lives, including lifestyle, lifestyle materials, insurance, textile products, urban development and automotive interior materials, based on the principles of "reassurance," "safety" and "comfort."

AUTOMOTIVE INTERIOR MATERIALS BUSINESS >>
We are making the most of our functions as a comprehensive supplier of various products.

LIFESTYLE BUSINESS >>
We aim to create new value in fields close to daily life.

INSURANCE CUSTOMER CENTER >>
We provide optimal insurance services through direct communication.

In the lifestyle-related field, we have a nursing care business, health services business, medical-related business, and an office and living environment business. We sell and rent nursing care equipment, such as wheelchairs, and recently established a business offering veterinary medical services for pets. We also sell office furniture and home interior products. In the consumer materials field, we have a textile materials business and used paper recycling business.

In the insurance business, we have a proven track record in Japan as an agency that offers a diverse array of products, such as automobile insurance as well as group insurance for our business partner companies. We also provide insurance-related consulting and plan to expand the spheres of our business domains to overseas markets.

In textile products, we handle a variety of apparel products underpinned by our strengths in functional materials and our extensive production network. At the same time, we utilize our capabilities as a comprehensive supplier in areas ranging from development to sales and delivery. We are also focusing on forming alliances with domestic apparel manufacturers to strengthen our retail business.

The urban development business engages in the construction of condominiums that integrate a host of functions to offer more comfortable living environments, with the aim of providing support for healthy urban lifestyles. We are also focusing on the development of multipurpose commercial facilities.

In the automotive interior materials field, we engage in businesses spanning the development and sale of automotive interior materials and parts, including airbags, wood grain panels, aluminum wheels and floor mats.

Applying Toyota Production System Expertise to Textile Product Manufacturing and Logistics

Toyota Tsusho is building a value chain that extends from raw materials to retail operations. We are doing this by developing functional materials and other value-added products, undertaking production and logistics at domestic and overseas garment weaving factories that have incorporated the Toyota Production System (TPS), and marketing and sales functions that draw on information networks.

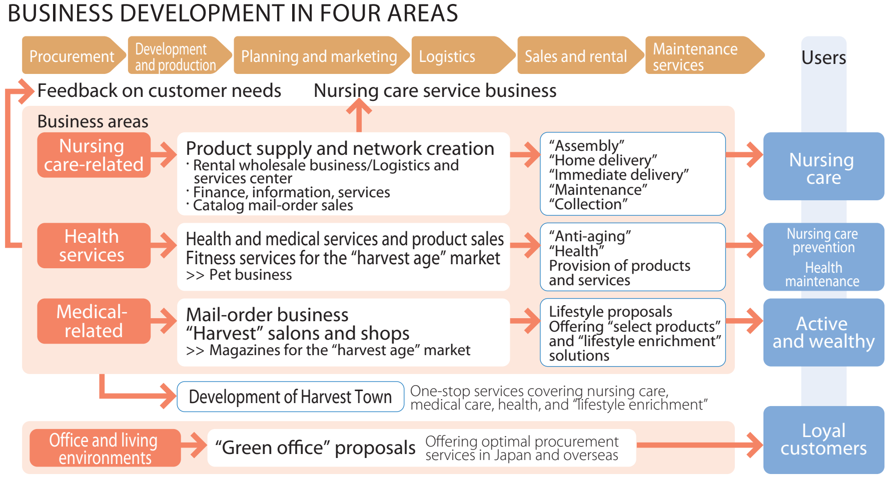
INTEGRATED FUNCTIONS FROM PLANNING TO WEAVING

Four Lifestyle-Related Businesses— Nursing Care, Health Services, Medical-related, and Office and Living Environments

Toyota Tsusho sells and rents nursing care products and provides associated services throughout Japan.

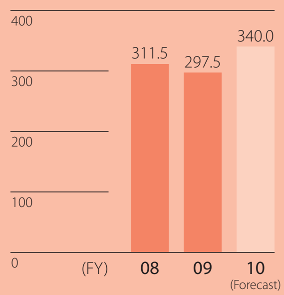
Our health services and medical-related businesses share the aim of providing ample lifestyle support for the elderly. Through our office and living environment business, we seek to help create comfortable office and living environments.

BUSINESS DEVELOPMENT IN FOUR AREAS

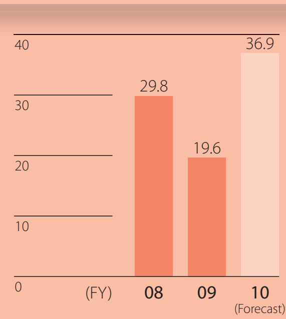


JUN NAKAYAMA
Managing Director, Chief Division Officer of Consumer Products, Services & Materials Division

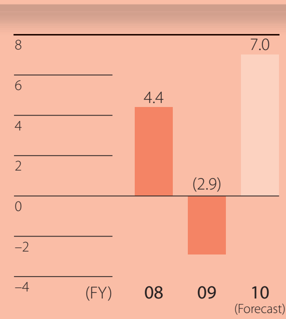
Graph A
NET SALES
(¥ billion)



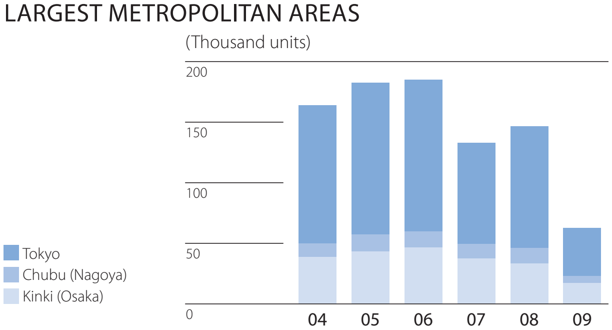
Graph B
GROSS TRADING PROFIT
(¥ billion)



Graph C
OPERATING INCOME (LOSS)
(¥ billion)



Graph D
NO. OF NEW CONDOMINIUM STARTS IN JAPAN'S THREE LARGEST METROPOLITAN AREAS



* Data are for calendar years from January to December
Source: Ministry of Land, Infrastructure, Transport and Tourism

CHANGES IN THE BUSINESS ENVIRONMENT AND FISCAL 2009 RESULTS

>> See Graph D

In fiscal 2009, the global economy entered a mild recovery phase, buoyed by economic stimulus measures enacted in countries around the world. In particular, China and other Asian countries saw steady economic recoveries driven by domestic demand. However, the Japanese market, in which the Division earns most of its profits, was plagued by the prolonged deflationary environment, along with employment concerns and a decline in income in conjunction with the economic downturn. As a result, with the exception of the automobile industry, the home electronic appliance industry, and other sectors for which demand was encouraged by aggressive policy measures by the government, the Division faced a challenging business environment. In this climate, the Division's automotive materials business saw a gradual rebound in business in response to increased production by automakers. However, in the lifestyle materials, textile products and real estate businesses, the only bright spot was that the downturn in market conditions finally came to an end. As a result of the above factors, for fiscal 2009, net sales totaled ¥297.5 billion, which fell short of our initial forecast of ¥342.0 billion by 13%. In terms of operating profitability, the Division worked to reduce selling, general and administrative expenses, and focused on selling existing condominiums, but ended up posting a ¥2.9 billion operating loss due to a full-year ¥10.5 billion charge resulting from the application of the lower-of-cost-or-market method to real estate for sale.

BASIC STRATEGIES AND LONG-TERM POLICIES

The Division broadly divides its business into six fields based on products handled: lifestyle, lifestyle materials, insurance, textile products, urban development and automotive interior materials. In each field, we have positioned two themes as main strategic pillars: narrowing down operations so as to develop businesses with even higher profitability, and making business investments that create opportunities for new earnings streams.

For example, in the automotive interior materials field, we are expanding our business operations with an aim to be the leading supplier of every product. Our efforts involve planning and making proposals, including the development of automotive supplies, and enhancing our manufacturing capabilities, including airbag production. Meanwhile, in textile products, we are transitioning to more profitable products and a business model with more value-added operations. Specifically, we are working to develop brand-name apparel and collaborate with companies boasting top-class product strengths in the industry, and we have launched an overseas retail business which has begun supplying Japanese apparel brands.

In the insurance field, which is becoming increasingly important as society itself becomes more and more complex, the Division is working to enhance its comprehensive insurance-related consulting services. Efforts include developing products that accurately reflect changing needs, expanding the Call Center and the overseas network, and establishing a captive insurance company with the aim of enhancing risk control.

OUTLOOK FOR FISCAL 2010

>> See Graphs A, B, C

While the economy is expected to continue its modest recovery both in Japan and overseas, we expect the challenging business environment to remain in place in fiscal 2010, as the domestic consumer goods market contracts on the whole and competition intensifies even further for developing high-performance and high value-added products. However, we expect to convert Fukuske Corporation into a consolidated subsidiary and do not anticipate losses from the application of the lower-of-cost-or-market method to real estate following those of the previous fiscal year. Based on this, for fiscal 2010, the Division is targeting net sales of ¥340 billion, an increase of 14% year on year. For fiscal 2010, the Division is also forecasting operating income of ¥7 billion, an improvement of ¥10 billion from the operating loss in fiscal 2009.

In terms of future business initiatives, we will steadily press ahead with the integration of the transportation equipment interior materials businesses that we have been working on in the automotive materials field. We will also make further progress with the development of comprehensive consulting services in the field of insurance. In the textile products field, we will continue to develop brands and collaborate with companies boasting top-class product strength in the industry.

FISCAL 2009 BUSINESS HIGHLIGHTS

Establishment of TB Kawashima Together With Toyota Boshoku and Kawashima Selkon Textiles

In December 2009, Toyota Tsusho concluded a formal agreement with Toyota Boshoku Corporation and Kawashima Selkon Textiles Co., Ltd. to establish TB Kawashima Co., Ltd. The new company will merge the transportation equipment interior materials businesses of each company, which handle products for the automobile, railroad and other industries. Going forward, the new company will look to globalize further and enhance functionality and design as it aims to leverage the strengths of all three former companies and become a leading global supplier in the industry, in which competition is expected to intensify in the future.

Opening of Large Select Shop in Hong Kong

JFT Holdings Limited, a joint venture established in January 2009 with Hong Kong-based Symphony Holdings Limited with the aim to advance the retail business for textile products, opened its first directly-owned flagship store in Hong Kong's Causeway Bay in August 2009. The opening of the store attracted a lot of attention, and was attended by members of the local media and many other prominent figures. Plans call for opening stores in mainland China going forward.

Opening day for the large JFT flagship store in Hong Kong

COMMITMENT TO SOCIETY
CSR Activities

Basic Approach to CSR

For the Toyota Tsusho Group, CSR, rather than a special undertaking, is seen as being inseparable from managing all corporate activities. Through its wide-ranging business activities, Toyota Tsusho is closely involved in the lives of people around the world, and has a major role and responsibility to fulfill in terms of building a sustainable society for the future. Mindful of its relationships with stakeholders around the world, Toyota Tsusho is determined to conduct sincere business activities in compliance with laws and regulations in Japan and overseas, based on the themes of strengthening businesses and functions, protecting the environment and coexisting with society. These principles embody the Toyota Tsusho Group's approach to CSR as we work to help build a sustainable society for the future.

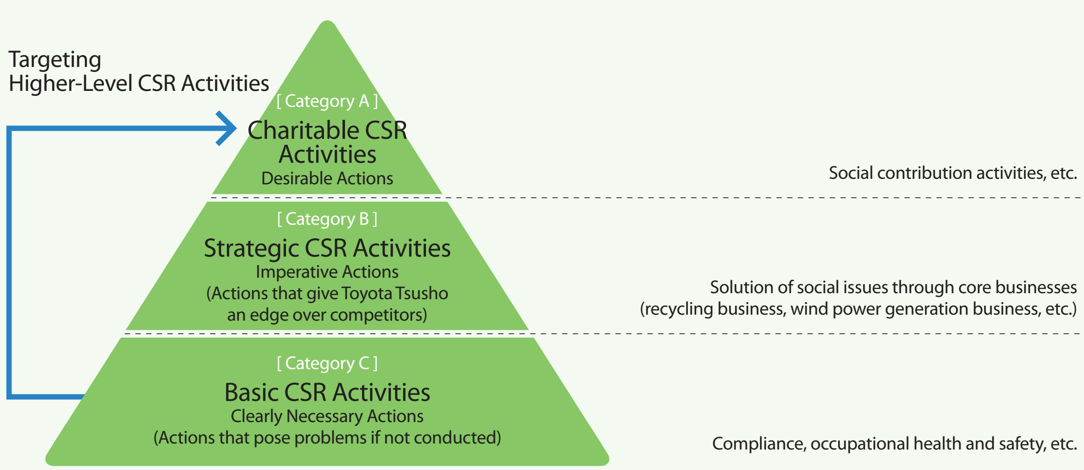
CSR Structure

In January 2005, we reorganized the Corporate Ethics Committee and renamed it the CSR Committee (Chair: the president), to serve as the central organization for promoting CSR throughout the Toyota Tsusho Group, with committee meetings held twice a year. In these meetings, from a Company-wide perspective, general managers of each product division's planning department and general managers of the Administration Division and Global Strategic Integration Division report to participating committee members (management) on a range of issues, including results of activities, issues, and future measures, and in turn receive guidance on future directions and measures to be implemented. In June 2009, we reorganized the organizations under the CSR Committee into the Specified Import & Export Control Committee, the Conference on the Global Environment and the Safety Management Enhancement Committee, and built a structure enabling us to proactively conduct a wide range of CSR activities. The CSR Committee was formed to actively discuss not only matters related to Basic CSR Activities (see chart below) such as compliance and occupational health and safety, but also strengthening activities in Strategic and Charitable CSR Activities to meet growing societal expectations. Going forward, we will fulfill our obligation to contribute to society by implementing unique activities befitting Toyota Tsusho on a global basis.

Creating a Safety-oriented Corporate Culture

For the Toyota Tsusho Group, which is expanding globally in a quest to provide its customers with added value, ensuring safety is the presumption of business continuity. With many business sites (i.e., affiliates) creating value-added services such as processing and logistics in wide-ranging business fields, Toyota Tsusho strives to conduct unified safety management encompassing these affiliates and its suppliers. We also work to ensure safety awareness among all Toyota Tsusho Group employees. Measures include sharing information on accidents and disasters through the Safety Committee, holding Safety Conventions for "Zero Workplace Accident Promoters" in each product division, and convening Safety Committee meetings with Group companies. At the same time, Toyota Tsusho is actively engaged in human resources development using "Practical Safety Workshops" and a safety education DVD, with the aim of training personnel to anticipate potential hazards.

TOYOTA TSUSHO'S CSR HIERARCHY



In addition, Toyota Tsusho is building a safety management system by changing the mindset of management and developing facilities that exclude potential hazards, based on plant safety diagnoses and risk assessments at production sites worldwide. Furthermore, we verify safety management systems and methods for construction work and facilities when preparing plans for new business project proposals in order to ensure safety from the project development stage. Through these safety activities, we intend to create a corporate culture in which employees act voluntarily to ensure "Zero Workplace Accidents" and accident prevention in all Toyota Tsusho Group business operations.

Creating Value through Diverse Human Resources

Energetic employees are the driving force behind a business. The Toyota Tsusho Group promotes diversity in its human resources that "aims for the creation of new value through an organization where everybody is empowered regardless of gender or age, nationality or culture." The Toyota Tsusho Group does business through more than 400 group companies in approximately 60 nations around the world, with overseas bases accounting for approximately 70% of operating income. To achieve the Toyota Tsusho Group's corporate vision, it is essential to have a national staff that is highly knowledgeable about laws, business conditions, culture and other aspects of a given nation. We have established a global personnel strategy and are training employees responsible for managing operations overseas based on the basic stance of respecting the world's diverse values.

Additionally, we support a healthy work-life balance for all employees to create an environment that enables them to reach their full potential as individuals. In May 2007, we substantially revised our internal guidelines related to childcare and have been conducting programs aimed at creating an environment that is genuinely supportive of both work and home life. By vigorously promoting these programs, we are confident of creating relationships among employees worldwide that allow each employee to sharpen skills and knowledge, while working together under the shared vision of the Toyota Tsusho Group Way, which is encapsulated in the key phrases "real places, real things, reality," "commercial spirit," and "team power."

A Stronger Approach to the Environment

The Toyota Tsusho Group is closely involved with manufacturing activities, primarily in the auto industry, and views the environment as the foundation of manufacturing activities. We believe that our environmental activities can help to realize a recycling-oriented society, a low-carbon society, and a society in harmony with nature, while fulfilling our social responsibilities. At the same time, environmental activities will help to drive growth at the Toyota Tsusho Group. In addition to reducing CO_2 emissions and waste through its own efforts, the Toyota Tsusho Group aspires to step up business activities that help to achieve the above three kinds of society, while expanding these activities worldwide.

Examples of actual activities include the recycling of metals, automobiles, home appliances, paper and other materials in order to help realize a recycling-oriented society. We have also started recycling batteries and mobile phones, which contain valuable scarce resources.

To realize a low-carbon society, we are promoting renewable power generation businesses in various locations around the world, including a wind power generation business. On a global basis, we are also engaged in the supply of wind power and solar power generation systems and solar power plants; the recovery of biogas from wastewater released from starch plants; and the emissions rights business through Clean Development Mechanism projects, among other initiatives.

To realize a society in harmony with nature, we implement environmental risk assessments to prevent pollution, in addition to enforcing compliance with environmental laws and regulations. Other priorities include participation in reforestation activities in Japan and overseas, and in-house environmental education.

Social Contribution Activities

The Toyota Tsusho Group adheres to the guiding principle of contributing to society as a good corporate citizen. Accordingly, the Group interacts directly with local communities while actively participating in an array of activities to find solutions to issues facing society and promoting initiatives aimed at ensuring people's happiness and well-being. Moreover, we promote activities in which people can see our "corporate face" by encouraging employee participation in volunteer activities to provide direct personal support. We position people (education), society (welfare), and the Earth (environment) as key themes in light of our Corporate Philosophy. By electing the well-balanced pursuit of three approaches, consisting of 1) contributing financially, coupled with planning and implementing voluntary programs as a company; 2) creating a culture and systems that support participation/contribution through volunteering by directors and employees; and 3) contributing to a recycling-oriented society and reducing the burden on the Earth's environment through business activities, we are able to address our social responsibility of "creating a more prosperous society" through activities that are unique to the Toyota Tsusho Group.

Corporate Governance and Internal Control Systems

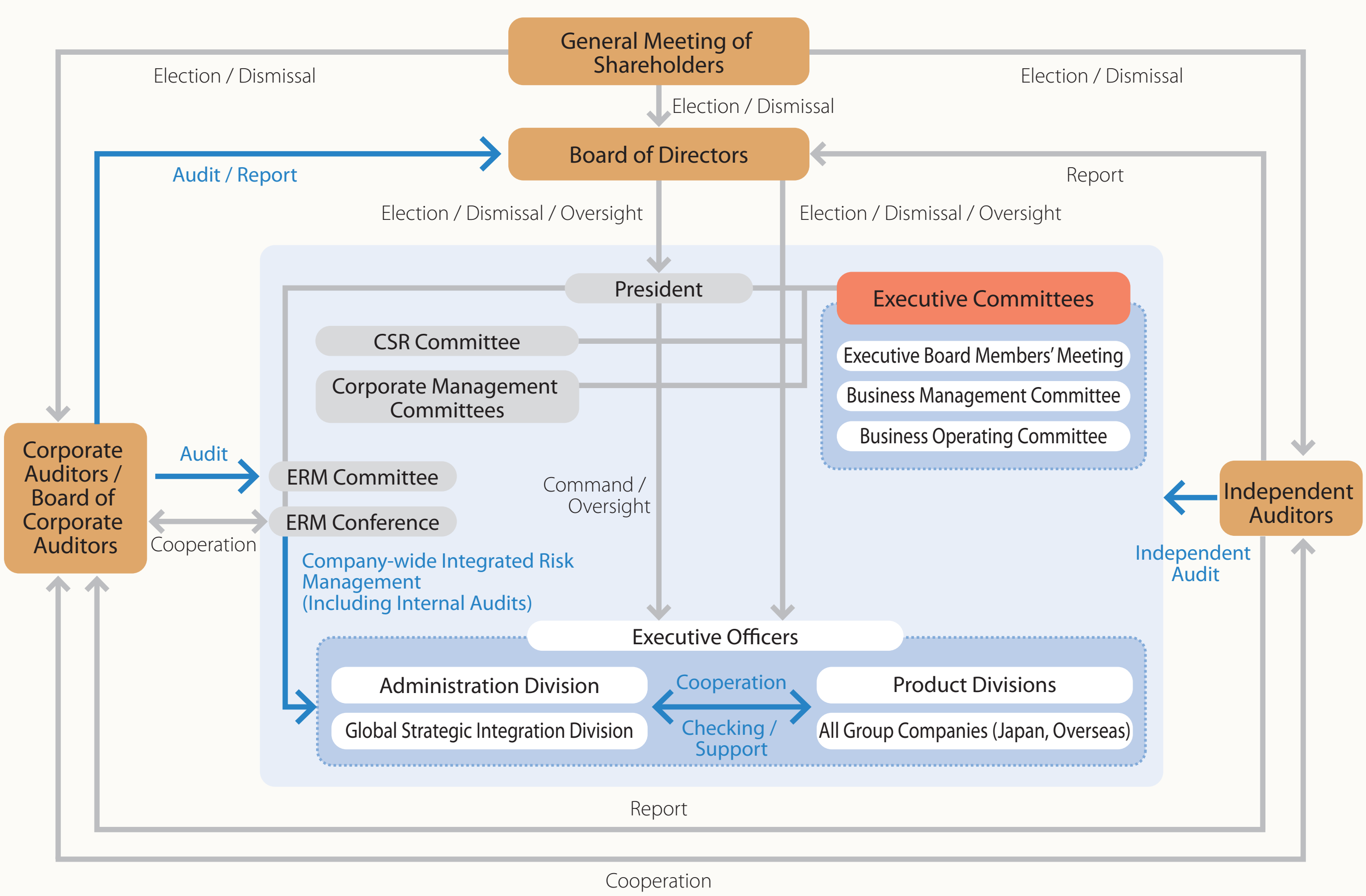
Corporate Governance

Basic Approach to Corporate Governance

The Toyota Tsusho Group has established the following corporate philosophy: "Living and prospering together with people, society, and the globe, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." The Group has established "Behavioral Guidelines" as a fundamental code of conduct for realizing this philosophy in a legal and appropriate manner as a good corporate citizen. In accordance with its corporate philosophy, in May 2006, the Board of Directors approved the "Basic Policies on Establishing Internal Control Systems." By putting in place systems for ensuring proper operations throughout the Company, we seek to pass on to younger employees a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs, and daily principles of conduct.

The overriding goal is to fulfill the Group's mission by creating value from the customer's perspective. Guided by these Basic Policies, we are actively working to further raise management efficiency, enhance transparency, enforce rigorous compliance, and establish a sounder financial position. We also disclose information through our corporate website and various publications in order to broaden public understanding of the Toyota Tsusho Group. In addition, we are working to enhance our public relations and investor relations activities by holding company presentations for the general public in various locations, and having management communicate with the news media on a regular basis.

CORPORATE GOVERNANCE STRUCTURE
(As of June 2010)



Corporate Governance Structure

Toyota Tsusho conducts Group-wide management based on the divisional system. Currently, the Company has a total of eight divisions: six product divisions, the Administration Division and the Global Strategic Integration Division. Each division is led by a director appointed as Chief Division Officer. The duties of these directors encompass management at both the corporate and divisional levels. In April 2006, Toyota Tsusho introduced an Executive Officer System with the aims of raising management efficiency and reinforcing internal control. This move has expedited decision-making and enhanced management efficiency by streamlining the Board of Directors so that directors and executive officers can focus on corporate and divisional management, respectively, with the latter serving as Deputy Chief Division Officers.

Directors and executive officers report, exchange information, and hold meetings on matters related to their mutual business execution and provide mutual oversight and checks through participation in the Business Management Committee and Business Operating Committee (both held monthly), as well as the ERM (Enterprise Risk Management) Committee (held twice a year) and the CSR Committee (held once a year) and the Corporate Management Committees* (each held at least twice a year).

Toyota Tsusho has adopted the corporate auditor model of corporate governance to audit the duties of directors. Five corporate auditors, who are elected at the general meeting of shareholders, conduct audits of and provide checks over the duties of directors through attendance in meetings of the Board of Directors and the Board of Corporate Auditors, both of which are held at least once a month. The corporate auditors also gather information needed to audit the status of business execution at product divisions. Toyota Tsusho has introduced a stock option system to grant stock options to directors and certain employees of the Company, as well as to directors of Group companies and other personnel, with the aim of boosting motivation, raising group awareness, and promoting Group-wide management. In fiscal 2009, the total number of stock options granted was 10,300 (equivalent to 1,030,000 shares of common stock). The number of treasury shares purchased in conjunction with these stock options was 124,700, and the acquisition value was ¥186,573,800. The corporate auditors attend meetings of the Stock Option Committee, which monitors the implementation status of the stock option system and discusses planned stock-option issuances, in order to provide checks over initiatives related to providing additional incentive for directors.

Three of the five corporate auditors are outside corporate auditors. The main activities of the outside corporate auditors and the relationships between the companies where they hold primary concurrent positions and Toyota Tsusho for fiscal 2009 are outlined in the table on the following page. Toyota Tsusho believes that the corporate auditors appropriately and effectively conducted audits and provided checks of directors' duties based on their broad knowledge of the Company's

* Description and Objectives of the Corporate Management Committees

• HUMAN RESOURCES ENHANCEMENT COMMITTEE:	Discuss recruitment of personnel; human resources development, including local overseas staff; promoting the employment of female staff, and facilitating the employment of persons with disabilities.
• CORPORATE BUSINESS PROMOTION COMMITTEE:	Discuss policies and budgets for specific new business projects involving the entire company.
• OVERSEAS REGIONAL STRATEGY COMMITTEE:	Planning and promotion of strategies for key overseas markets (Asia/Oceania, China, Europe, North and Central America) as well as for emerging nations and resource-rich countries.
• COST REDUCTION AND KAIZEN PROMOTION COMMITTEE:	Promote cost reductions across the company by increasing the transparency of costs related to logistics, IT and other business infrastructure.
• IT STRATEGY COMMITTEE:	Discuss Company-wide policies on IT strategies.

industries and deep understanding of its businesses, as well as from the perspective of shareholders. The Company has also assigned dedicated staff to assist with the duties of corporate auditors, including outside corporate auditors. Toyota Tsusho's senior management and the outside corporate auditors hold meetings around twice a year to exchange opinions on various issues.

At the Ordinary General Meeting of Shareholders held on June 25, 2010, Certified Public Accountant Kazunori Tajima was elected as an outside corporate auditor and was designated as an independent officer as stipulated by the Tokyo Stock Exchange. Going forward, Toyota Tsusho will continue working to strengthen the functions of the corporate auditors, with the view to establishing a more sound corporate governance system.

In addition, the ERM Department of Toyota Tsusho conducts Company-wide integrated risk management as an internal audit division. In accordance with internal audit rules, and audit policies and plans approved by the president, the ERM Department conducts audits of Toyota Tsusho and Group companies. The ERM Department also meets with the corporate auditors of Toyota Tsusho every month to report on audit findings and exchange opinions, with the view to raising audit efficiency and quality.

Additionally, Toyota Tsusho has established the Corporate Management Committees, as shown in the table on page 61, to enable directors and executive officers to discuss measures to resolve management issues from a Company-wide perspective, and consult the Board of Directors as necessary. Under this framework, the committees have identified five Company-wide issues for fiscal 2010: human resources enhancement, corporate business promotion, overseas regional strategies, cost reduction and Kaizen promotion, and IT strategies.

Internal Control System

We believe that the purpose of establishing an internal control system is to put in place systems for ensuring proper operations throughout the Toyota Tsusho Group based on our corporate philosophy. The overriding goal is to fulfill the Group's mission as a good corporate citizen by creating value from the customer's perspective as we pass on to younger employees a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs and daily principles of conduct. To establish such a system, in May 2006 the Board of Directors approved the "Basic Policies on Establishing Internal Control Systems." With this move, we have clarified the duties of directors and established a system that enables

STATUS OF OUTSIDE CORPORATE AUDITORS IN FISCAL 2009

	Main activities in fiscal 2009	Relationships between companies where concurrent positions are held and Toyota Tsusho
TETSURO TOYODA	Mr. Toyoda attended 13 out of 17 meetings of the Board of Directors and 13 out of 13 meetings of the Board of Corporate Auditors held in fiscal 2009, and expressed opinions needed to discuss agenda matters and other issues as appropriate.	Mr. Toyoda is president of Toyota Industries Corporation. Toyota Industries is a major shareholder of Toyota Tsusho and holds 39,365 thousand shares of the Company. Toyota Tsusho conducts procurement, sales and other transactions related to products and raw materials with Toyota Industries.
KYOJI SASAZU	Since assuming his post on June 24, 2009, Mr. Sasazu has attended 9 out of 13 meetings of the Board of Directors and 9 out of 9 meetings of the Board of Corporate Auditors held in fiscal 2009, and expressed opinions needed to discuss agenda matters and other issues as appropriate.	Mr. Sasazu is an outside corporate auditor of Kanto Auto Works, Ltd. Toyota Tsusho conducts sales and other transactions related to raw materials with Kanto Auto Works.
YUKITOSHI FUNO	Since assuming his post on June 24, 2009, Mr. Funo has attended 10 out of 13 meetings of the Board of Directors and 7 out of 9 meetings of the Board of Corporate Auditors held in fiscal 2009, and expressed opinions needed to discuss agenda matters and other issues as appropriate.	Mr Funo is an executive vice president and representative director of Toyota Motor Corporation. Toyota is a major shareholder of Toyota Tsusho and holds 76,368 thousand shares of the Company. Toyota Tsusho conducts procurement, sales and other transactions related to products and raw materials with Toyota.

us to confirm in a timely and appropriate manner the status of our systems for ensuring appropriate operations. We also revise these basic policies in accordance with changes in the environment.

Compliance Structure

Toyota Tsusho works hard to ensure that directors and employees perform their duties in accordance with laws, regulations, and the Company's Articles of Incorporation. For example, the Company has distributed its Code of Ethics, including digests, to all directors and employees; formed the CSR Committee (see page 58), which is chaired by the president; and established information sharing systems and checks and balances at the divisional level through the Business Management Committee, Business Operating Committee, and other forums. Additionally, the ERM Department, which is responsible for Company-wide integrated risk management, carries out the evaluation, management, checking and monitoring of business execution in business processes. Other duties of the ERM Department include creating systems for ensuring the reliability of financial reporting, establishing internal reporting systems and conducting internal audits. Furthermore, with the aim of fundamentally preventing misconduct, the Company offers a unique educational program in addition to conventional internal examinations and training courses. This program examines and explains the psychological aspects of the chain of events that could trigger misconduct. In this manner, the Company has put in place a system so that all directors and employees can conduct self-checks of their own activities.

Risk Management System

Having established rules and other systems concerning the management of the risk of future losses, Toyota Tsusho formulates management rules for various risks, conducts training programs, distributes manuals and takes other actions. The Company appropriately recognizes and manages risks encountered in the course of the Group's business activities, including the quantification of risk assets, by formulating guidelines and management rules for risks requiring particular caution in Toyota Tsusho's business activities, namely investment and financing, credit, market, occupational health & safety, and environmental risks. In addition, appropriate risk management systems have been established by the relevant departments in charge of other areas, such as information security and crisis management. Furthermore, the ERM Committee and ERM Conference seek to understand risks on a Company-wide basis and identify issues.

Information Management System

Toyota Tsusho has formulated regulations and standards for information storage and management and has clarified departmental responsibility and storage periods for each type of document.

System for Ensuring Appropriate Operations of Group Companies Comprising Toyota Tsusho and its Subsidiaries

To ensure appropriate operations throughout the Group, Toyota Tsusho holds meetings of Group-wide management committees to entrench Group policies and share information. In addition, Toyota Tsusho has clarified the decision-making authority of subsidiaries in each company's rules. While putting emphasis on the autonomy and independence of each company, Toyota Tsusho strives to ascertain and manage important matters relating to the Toyota Tsusho Group. In regard to the development and operation of subsidiaries' systems, the division in charge cooperates with the relevant departments to provide support, while dispatching directors and corporate auditors to supervise and audit operations as necessary. Furthermore, internal audits are conducted by Toyota Tsusho's ERM Department.

System for Eliminating Anti-social Forces

Toyota Tsusho has established a system for eliminating anti-social forces in cooperation with specialized institutions outside the Company such as the National Center for the Elimination of Boryokudan* and the National Police Agency's Organized Crime Countermeasures Bureau. Toyota Tsusho's Nagoya Head Office, Tokyo Head Office and Osaka Head Office are members of the Aichi Prefecture Corporate Defense Council, the NPA (National Police Agency) Special Violence Prevention Council, and the Osaka Corporate Defense Alliance Council, respectively. As members, each Head Office receives guidance while working to share information with relevant parties. In the event that an illegitimate request is received from anti-social forces, the General Administration Department, as the designated department responsible for responding to such cases, resolutely stands up to such requests in cooperation with relevant agencies such as the police and lawyers.

* Japanese crime syndicates

Management

(As of July 1, 2010)

Board of Directors

Chairman of the Board
MITSUO KINOSHITA

Vice Chairman
KATSUNORI TAKAHASHI

President
JUNZO SHIMIZU

Executive Vice President
KOJI OSHIGE

Executive Vice President
KENJI TAKANASHI

Senior Managing Director
MIKIO ASANO
Chief Division Officer of Administrative Division

Senior Managing Director
HISASHI YAMAMOTO
Chief Division Officer of Machinery & Electronics Division

Senior Managing Director
YASUHIKO YOKOI
Chief Division Officer of Automotive Division

Board of Directors & Corporate Auditors

Chairman of the Board	MITSUO KINOSHITA	
Vice Chairman	KATSUNORI TAKAHASHI	
President	JUNZO SHIMIZU	
Executive Vice Presidents	KOJI OSHIGE	
	KENJI TAKANASHI	
Senior Managing Directors	MIKIO ASANO	Chief Division Officer of Administrative Division
	HISASHI YAMAMOTO	Chief Division Officer of Machinery & Electronics Division
	YASUHIKO YOKOI	Chief Division Officer of Automotive Division
Managing Directors	MAKOTO HYODO	Chief Division Officer of Produce & Foodstuffs Division
	MINORU HAYATA	Chief Division Officer of Metals Division
	JUN NAKAYAMA	Chief Division Officer of Consumer Products, Services & Materials Division
	TAMIO SHINOZAKI	Chief Division Officer of Energy & Chemicals Division
	TAKUMI SHIRAI	Chief Division Officer of Global Strategic Integration Division
Corporate Auditors	MAHITO KAGEYAMA	
	TATSUYA KUGO	
	TETSURO TOYODA	
	KYOJI SASAZU	
	KAZUNORI TAJIMA	

Managing Director
MAKOTO HYODO
Chief Division Officer of Produce & Foodstuffs Division

Managing Director
MINORU HAYATA
Chief Division Officer of Metals Division

Managing Director
JUN NAKAYAMA
Chief Division Officer of Consumer Products, Services & Materials Division

Managing Director
TAMIO SHINOZAKI
Chief Division Officer of Energy & Chemicals Division

Managing Director
TAKUMI SHIRAI
Chief Division Officer of Global Strategic Integration Division

Corporate Auditors

Corporate Auditor
MAHITO KAGEYAMA

Corporate Auditor
TATSUYA KUGO

Corporate Auditor
TETSURO TOYODA

Corporate Auditor
KYOJI SASAZU

Corporate Auditor
KAZUNORI TAJIMA

Executive Officers

Managing Executive Officers

MASANORI YAMASE	President of Toyota Tsusho America, Inc.
SEIICHIRO ADACHI	President of Toyota Tsusho Europe S.A. President of Toyota Tsusho U.K. Ltd.
MAKOTO ITO	Deputy Chief Division Officer of Automotive Division
JUN KARUBE	Deputy Chief Division Officer of Machinery & Electronics Division
HIROSHI TAKANO	President of Toyota Tsusho (Thailand) Co., Ltd.
HIROKI SAWAYAMA	Chief Executive Officer for Domestic Strategy & Coordination
AKIMASA YOKOI	Chief Representative for China
KUNIAKI YAMAGIWA	Deputy Chief Division Officer of Administrative Division
SOICHIRO MATSUDAIRA	Deputy Chief Division Officer of Machinery & Electronics Division

Executive Officers

TETSURO HIRAI	Deputy Chief Division Officer of Global Strategic Integration Division
YUICHI OI	Deputy Chief Division Officer of Global Strategic Integration Division Deputy Chief Division Officer of Machinery & Electronics Division
TAKASHI HATTORI	Deputy Chief Division Officer of Automotive Division
NOBUYUKI MINOWA	Executive Vice President of Toyota Tsusho America, Inc.
MINORU MURATA	Deputy Chief Division Officer of Metals Division
YOSHIFUMI ARAKI	Deputy Chief Division Officer of Consumer Products, Services & Materials Division
HIROFUMI SATO	Deputy Chief Division Officer of Administrative Division
YOSHIKI MIURA	Deputy Chief Division Officer of Produce & Foodstuffs Division
MASANORI SHIMADA	Deputy Chief Division Officer of Consumer Products, Services & Materials Division
KAZUYUKI MUTO	Deputy Chief Division Officer of Automotive Division
YASUSHI OKAMOTO	Deputy Chief Division Officer of Machinery & Electronics Division
SHIZUKA HAYASHI	Deputy Chief Division Officer of Metals Division
TAKESHI MATSUSHITA	Deputy Chief Division Officer of Energy & Chemicals Division and Machinery & Electronics Division
HIDEKI YANASE	Deputy Chief Division Officer of Energy & Chemicals Division
TAKAHIRO KONDO	Deputy Chief Division Officer of Machinery & Electronics Division
HIDEKI KONDO	Deputy Chief Division Officer of Metals Division
HIDEKI KANATANI	Deputy Chief Division Officer of Energy & Chemicals Division
SHIGEKI TANI	Deputy Chief Division Officer of Administrative Division
NORIHIRO HAYASHI	Deputy Chief Division Officer of Produce & Foodstuffs Division
KIYOSHI YAMAKAWA	Executive Vice President of Toyota Tsusho Europe S.A.

Note: Company names and titles are as of July 1, 2010.

GROUP & FINANCIAL INFORMATION
Network

(As of July 1, 2010)

Organizational Chart

- General Meeting of Shareholders
  - Corporate Auditors
  - Board of Corporate Auditors
- Executive Board Members' Meeting
- President
  - ERM Committee
  - Executive Vice Presidents' Meeting
  - Business Management Committee
  - Business Operating Committee
  - CSR Committee
  - Corporate Management Committees
  - Safety & Global Environment Management Dept.

Administration Division
- Secretarial Dept.
- Corporate Planning Dept.
- Marketing Research Dept.
- Human Resources Dept.
- General Administration Dept.
- Corporate Accounting Planning Dept.
- Business Accounting Dept.
- Financial Planning Dept.
- Enterprise Risk Management Dept.
- Credit & Trade Control Dept.
- Legal Dept.
- Affiliate Planning & Administration Dept.
- Global IT Dept.

Global Strategic Integration Division
- Global Project Planning Dept.
- Business Development Dept.
- Production & Logistics Kaizen Dept.
- Global Logistics Planning Dept.
- Global Logistics Operation Dept.

- Toyota Coordination Dept.
- Regional Strategy & Coordination Dept.
- Domestic Offices: 15
- Overseas Offices: 25
- Overseas Trading Subsidiaries: 28

Metals Division
- Metal Planning Dept.
- Steel Sheet & Plate Sales Dept. 1
- Steel Sheet & Plate Sales Dept. 2
- Steel Export Dept.
- Hamamatsu Metals Dept.
- Kyushu Metals Dept.
- Steel Bar, Wire Rod, Pipe & Construction Material Dept.
- Tokyo Metals Dept.
- Osaka Metals Dept.
- Non-Ferrous Metals Dept.
- Metal & Mineral Resources Dept.
- Iron & Steel Raw Material Dept.

Machinery & Electronics Division
- Machinery & Electronics Planning Dept.
- Automotive & Industrial Units Machinery Dept.
- Automotive Body Machinery Dept.
- Machinery Service & Parts Dept.
- Global Machinery Parts & Tools Supply Dept.
- Eco & Plant Dept.
- Global Industrial Machinery Dept.
- Material Handling & Construction Machinery Dept.
- Electronics Dept.
- Information Technology Business Dept.
- Global Production Parts Dept. 1
- Global Production Parts Dept. 2
- Global Production Parts Dept. 3
- Global Production Parts Strategic Integration Dept.
- Global Production Parts Business Development Dept.
- Global Strategic Logistics Dept.
- Global Project Integration Dept.

Automotive Division
- Automotive Planning Dept.
- S-Team Dept. (Sales Quality Enhancement)
- The Americas Automotive Dept.
- Europe Automotive Dept.
- China Automotive Dept.
- Asia & Oceania Automotive Dept.
- Middle East & Pakistan Automotive Dept.
- Africa Automotive Dept.
- Tokyo Automotive Dept.
- Osaka Automotive Dept.
- Automotive Customer Service Dept.
- Automotive Business Development Dept.

Energy & Chemicals Division
- Energy & Chemicals Planning Dept.
- Organic Chemicals Dept.
- Industrial Chemicals Dept.
- Fine Chemicals Dept.
- Plastics Dept.
- Automotive Materials Dept. 1
- Automotive Materials Dept. 2
- Electronics Materials Dept.
- Composite Plastics Business Dept.
- Energy Dept.
- Energy & Infrastructure Projects Dept.
- Power Project Development Dept.
- Energy Projects Development Dept.

Produce & Foodstuffs Division
- Produce & Foodstuffs Planning Dept.
- Produce & Foodstuffs Business Development Dept.
- Feed & Oilseeds Dept.
- Produce Dept.
- Foodstuffs Dept.
- Osaka Produce & Foodstuffs Dept.

Consumer Products, Services & Materials Division
- Consumer Products, Services & Materials Planning Dept.
- Living Materials & Products Dept.
- Life Style Business Dept.
- Insurance Dept. 1
- Insurance Dept. 2
- Textile Products Dept.
- Estate Development Dept.
- Automotive Parts & Materials Dept. 1
- Automotive Parts & Materials Dept. 2

Japan

TOYOTA TSUSHO CORPORATION

Nagoya Head Office: 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

Tokyo Head Office: 8-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-8320, Japan

(Relocation planned for December 2010)
3-13, Konan 2-chome, Minato-ku, Tokyo 108-8208, Japan

Osaka, Hamamatsu, Toyota, Hokkaido, Tohoku, Niigata, Hokuriku, Hiroshima, Kyushu, Matsumoto, Mishima, Fukuyama, Takamatsu

North America

TOYOTA TSUSHO AMERICA, INC.

Head Office: 700 Triport Rd., Georgetown, KY 40324, U.S.A.

Ann Arbor, Arkansas, Battle Creek, Boston, Chicago, Cincinnati, Columbus, Dania Beach, Detroit, Fremont, Houston, Huntsville, Jackson, Lafayette, Los Angeles, Miami, Missouri, New York, Ontario, Portland, Princeton, San Antonio, San Diego, San Francisco, Tennessee, Tupelo, West Virginia, Woodstock

Central & South America

TOYOTA TSUSHO CORPORATION

Santiago, Lima

TOYOTA TSUSHO AMERICA, INC.

Monterrey, San Jose (Costa Rica)

TOYOTA TSUSHO DE VENEZUELA, C.A.

Av. Francisco de Miranda con Av. Arturo Uslar Pietri, Edificio Torre Metalica, Piso 14, Urb. Chacao, Sector Chacao, Municipio Chacao Estado Milanda, Caracas, Venezuela

S.C. TOYOTA TSUSHO DO BRASIL LTDA.

Edificio Parque Cultural Paulista
Avenida Paulista 37-5 andar,
CEP 01311-902, Bairro, Paraiso, Sao Paulo, SP, Brazil

TOYOTA TSUSHO ARGENTINA S.A.

Ruta Panamericana Km.29.4 (B1618EZE), El Talar, Provincia de Buenos Aires, Argentina

C.I. TOYOTA TSUSHO DE COLOMBIA S.A.

Calle 113 No. 7-21 Oficina 607 Torre A Teleport Business Park, Colombia

Europe

TOYOTA TSUSHO EUROPE S.A.

Belgicastraat 13, 1930 Zaventem, Belgium

Budapest, Dusseldorf, Liberec, Milan, Paris, Prague, Valenciennes, Walbrzych

TOYOTA TSUSHO U.K. LTD.

5th Floor, 63 Queen Victoria Street, London EC4N 4UA, United Kingdom

Derby

Russia & the CIS

TOYOTA TSUSHO CORPORATION

Almaty, Moscow, Tashkent

TOYOTA TSUSHO MACHINERY RUSSIA, LLC

Sofiyskaya ul., 66, Lit B, St. Petersburg, 192289, Russia

Africa

TOYOTA TSUSHO CORPORATION

Alexandria, Alger, Cairo, Tunis

TOYOTA TSUSHO AFRICA PTY. LTD.

5th Floor, 138 West St., Sandown, Sandton 2146, South Africa

Durban, Nairobi

Middle East

TOYOTA TSUSHO CORPORATION

Amman, Dubai, Jeddah, Sharjah

TOYOTA TSUSHO EUROPE S.A.

Kocaeli

TOMEN IRAN LIMITED LIABILITY COMPANY

No. 27 Shahid Naghdi St., Ostad Motahari Avenue, Tehran, 1576643535, Iran

Asia

TOYOTA TSUSHO CORPORATION

Makati, Beijing, Vientiane, Jakarta, Yangon, Dhaka, Colombo, Islamabad, Lahore, Karachi, Phnom Penh, Hanoi, Ho Chi Minh

TOYOTA TSUSHO KOREA CORPORATION

Rm. No. 1809, Kukudong Bldg., 60-1, 3 Ka, Chungmuro, Chung-gu, Seoul, Korea

TOYOTA TSUSHO PHILIPPINES CORPORATION

Block 4, Lot 2, Main Road 3, Calamba Premiere International Park, Calamba Laguna, Philippines

Makati

TOYOTA TSUSHO (CHINA) CO., LTD.

Rm. No. 220 Beijing Fortune Bldg. No. 5, Dong San Huan Bei Lu Chaoyang District, Beijing, China

TOYOTA TSUSHO (DALIAN) CO., LTD.

7F Senmao Bldg., 147 Zhongshan Rd., Dalian, China

Harbin

TOYOTA TSUSHO (TIANJIN) CO., LTD.

32nd Floor, the Exchange Office Tower, 189 Nanjing Rd., Heping District, Tianjin, China

Beijin, Changchun, Shengyang

TOYOTA TSUSHO (SHANGHAI) CO., LTD.

12th Floor, JIAHUA CENTER, 1010 Huaihai Zhong Rd., Xuhuiqu, Shanghai, China

Chengdu, Chongqing, Hangzhou, Nanjing, Nantong, Qingdao, Wuxi, Yantai

TOYOTA TSUSHO (GUANGZHOU) CO., LTD.

Rm. No. 5503, Citic Plaza, 233 Tian He North Rd., Guangzhou, China

Nansha

TOYOTA TSUSHO (H.K.) CORPORATION LTD.

Rm. No. 2702, Block 1, 27th Floor, Admiralty Centre, 18 Harcourt Rd., Hong Kong, China

Xiamen, Dongguan

TOYOTA TSUSHO (TAIWAN) CO., LTD.

5th Floor., No. 101 Songren Rd., Sinyi District, Taipei City, Taiwan

TOYOTA TSUSHO (THAILAND) CO., LTD.

607 Asoke-Dindaeng Rd., Kwaeng Dindaeng, Khet Dindaeng, Bangkok 10400, Thailand

TOYOTA TSUSHO (MALAYSIA) SDN. BHD.

Rm. No. 1404, Wisma Lim Foo Yong, No. 86 Jalan Raja Chulan, 50718 Kuala Lumpur, Malaysia

TOYOTA TSUSHO (SINGAPORE) PTE. LTD.

600 North Bridge Rd. No. 19-01 Parkview Square, Singapore 188778

P.T. TOYOTA TSUSHO INDONESIA

Mid Plaza 2 Bldg. 10th Floor, Jl. Jend. Sudirman kav. 10-11 Jakarta 10220, Indonesia

Bandung, Cibitung

MYANMAR TOYOTA TSUSHO CO., LTD.

Sedona Business Suite No. 03-12 No. 1, Kaba Aye Pagoda Rd., Yankin Township, Yangon, Myanmar

TOYOTA TSUSHO INDIA PVT. LTD.

Bldg. No. 4, Plot No. 20, Toyota Techno Park, Bidadi Ind. Area, Ramanagar Taluk, Bangalore (Rural) District, 562 109 India

Bangalore, Mumbai, New Delhi, Chennai

TOYOTA TSUSHO VIETNAM CO., LTD.

Sun Red River Building, Room 608, 23 Phan Chu Trinh, Phan Chu Trinh Street, Hoan Kiem District, Hanoi, Vietnam

Ho Chi Minh

Oceania

TOYOTA TSUSHO (AUSTRALASIA) PTY. LTD.

231-233 Boundary Rd., Laverton North, VIC 3026, Australia

Sydney, Perth

TOYOTA TSUSHO (N.Z.) LTD.

Level 16, Westpac Tower, 120 Albert St., Auckland 0600, New Zealand

Principal Consolidated Subsidiaries and Affiliates by Equity Method

(As of March 31, 2010)

Main Regional Subsidiaries

Company Name	Country	Shareholding	Main Business
Toyota Tsusho (China) Co., Ltd.	China	100.00	Trading and investment
Toyota Tsusho (Dalian) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Tianjin) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Shanghai) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Guangzhou) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (H.K.) Corporation Limited	China	100.00	Trading and investment
Toyota Tsusho Korea Corporation	Korea	100.00	Trading
Toyota Tsusho Philippines Corporation	Philippines	100.00	Trading
Toyota Tsusho (Singapore) Pte. Ltd.	Singapore	100.00	Trading
P.T. Toyota Tsusho Indonesia	Indonesia	100.00	Trading and investment
Toyota Tsusho Vietnam Co., Ltd.	Vietnam	100.00	Trading
Toyota Tsusho (Australasia) Pty. Ltd.	Australia	100.00	Trading and investment
Toyota Tsusho (N.Z.) Ltd.	New Zealand	100.00	Trading
Tomen Iran Ltd.	Iran	100.00	Trading and investment
Toyota Tsusho Europe S.A.	Belgium	100.00	Trading and investment
Toyota Tsusho U.K. Ltd.	U.K.	100.00	Trading and investment
Toyota Tsusho Machinery Russia, LLC	Russia	100.00	Trading
Toyota Tsusho (Africa) Pty. Ltd.	South Africa	100.00	Trading and investment
Toyota Tsusho America, Inc.	U.S.A.	100.00	Trading and investment
Toyota Tsusho de Venezuela, C.A.	Venezuela	100.00	Trading
S.C. Toyota Tsusho do Brasil Ltda.	Brazil	100.00	Trading and investment
Toyota Tsusho Argentina S.A.	Argentina	100.00	Trading and investment
Toyota Tsusho India Pvt. Ltd.	India	95.40	Trading and investment
C.I. Toyota Tsusho de Colombia S.A.	Colombia	95.00	Trading
Toyota Tsusho (Taiwan) Co., Ltd.	Taiwan	74.77	Trading and investment
Toyota Tsusho (Malaysia) Sdn. Bhd.	Malaysia	51.00	Trading and investment
Toyota Tsusho (Thailand) Co., Ltd.	Thailand	49.00	Trading and investment

Metals Division

Company Name	Country	Shareholding	Main Business
Aichi Kokan Industries, Ltd.	Japan	100.00	Processing and sales of steel pipes
Kanto Coil Center Co., Ltd.	Japan	100.00	Processing and sales of steel sheets
Oriental Steel Co., Ltd.	Japan	100.00	Processing and sales of steel sheets
Toyotsu Material Corporation	Japan	100.00	Sales of metal products
Ecoline Corporation	Japan	100.00	Development and sales of software, hardware and communication services
Toyotsu Tekkou Hanbai Co., Ltd.	Japan	99.00	Sales and processing of steel sheets
Toyotsu Recycle Corporation	Japan	97.02	Collection and sales of nonferrous metals and used automotive parts
Toyotsu Hitetsu Center Corporation	Japan	65.00	Processing and sales of aluminum and sheets
Pro Steel Co., Ltd.	Japan	61.30	Processing and sales of special steel sheets
Toyota Steel Center Co., Ltd.	Japan	90.00	Processing and warehousing of steel sheets
Toyota Metal Co., Ltd.	Japan	50.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Green Metals Hokuriku Inc.	Japan	100.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Kyushu Smelting Technology Corporation	Japan	100.00	Manufacture and sales of molten secondary aluminum alloy
T-ST Corporation	Japan	67.00	Manufacture and sales of molten secondary aluminum alloy

Company Name	Country	Shareholding	Main Business
Toyota Tsusho Nonferrous, Inc.	U.S.A.	100.00	Manufacture and sales of wrought aluminum parts for vehicles
Toyota Tsusho Steel Inc.	U.S.A.	100.00	Processing and sales of steel sheets
Techno Steel Processing De Mexico S.A.	Mexico	95.71	Processing and sales of special steel sheets
Toyota Tsusho Metals Ltd.	U.K.	100.00	Metal dealer and broker
P.T. Indonesia Smelting Technology	Indonesia	100.00	Manufacture and sales of molten secondary aluminum alloy
Toyota Tsusho Technopark (M) Sdn. Bhd.	Malaysia	95.10	Management of industrial park
Poland Smelting Technologies Sp. z.o.o.	Poland	85.10	Manufacture and sales of molten secondary aluminum alloy
Hanshin Kogyo Co., Ltd.	Japan	25.00	Manufacture and sales of steel pipes
Tianjin Fengtian Steel Process Co., Ltd.	China	70.00	Processing and sales of steel sheets
Tianjin Toyota Tsusho Steel Co., Ltd.	China	100.00	Processing and sales of steel sheets
Guangqi Toyotsu Steel Processing Co., Ltd.	China	70.00	Processing and sales of steel sheets
Tianjin Toyotsu Resource Management Co., Ltd.	China	100.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Guangzhou Guanqi Toyotsu Resource Management Co., Ltd.	China	60.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
LTM (Suzhou) Co., Ltd.	China	100.00	Manufacture of magnesium diecast products
Guangzhou Aluminium Smelting Technology Co., Ltd.	China	66.70	Manufacture and sales of molten secondary aluminum alloy
Guangzhou Fengzhong Aluminium Smelting Technology Co., Ltd.	China	100.00	Manufacture and sales of molten secondary aluminum alloy
Tianjin Toyotsu Aluminium Smelting Technology Co., Ltd.	China	100.00	Manufacture and sales of molten secondary aluminum alloy
Changchun Tong Li Aluminum Smelting Technology Co., Ltd.	China	70.00	Manufacture and sales of molten secondary aluminum alloy
Tianjin Toyotsu Aluminium Processing Technology Co., Ltd.	China	93.00	Processing and sales of aluminum and sheets
Siam Hi-Tech Steel Center Co., Ltd.	Thailand	47.84	Processing and sales of steel sheets
Top Tube Manufacturing Co., Ltd.	Thailand	18.98	Manufacture and sales of high precision small dimension steel tube
TT Steel Processing (Thailand) Co., Ltd.	Thailand	94.90	Processing and sales of steel sheets
P.T. Steel Center Indonesia	Indonesia	50.00	Processing and sales of steel sheets
Alpha Industries Bhd.	Malaysia	29.92	Manufacture and sales of copper products, wires and wire products
O.Y.L. Steel Center Sdn. Bhd.	Malaysia	20.10	Processing and sales of steel sheets
Nanjing Yunhai Magnesium	China	20.00	Manufacture and sales of magnesium alloy
Tovecan Corporation Ltd.	Vietnam	26.36	Manufacture and sales of tin cans, marketing of printed tinplate sheets
CFT Vina Copper Co., Ltd.	Vietnam	31.00	Manufacture and sales of copper wire rod

Machinery & Electronics Division

Company Name	Country	Shareholding	Main Business
Toyotsu Machinery Corporation	Japan	100.00	Sales, mediation and maintenance of machinery and equipment
TEMCO Corporation	Japan	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Toyotsu S.K. Co., Ltd.	Japan	100.00	Sales of textile, food processing and precision machinery and equipment
Wind Tech Corporation	Japan	100.00	Wind power generation
Toyotsu Syscom Corporation	Japan	100.00	Mobile communications services and handsets, other communication services and equipment
Toyota Tsusho Electronics Corporation	Japan	100.00	Development and sales of semiconductors and electronic components
Tomuki Corporation	Japan	100.00	Marketing and sales of such electronic components as passive components and electronic components for semiconductors
DICO Co., Ltd.	Japan	85.00	Sales and maintenance of 3D printer machines, 3D scanner machines and 3D software
Ene Vision Corporation	Japan	60.87	Design, construction and maintenance for co-generation facilities

Company Name	Country	Shareholding	Main Business
Vestech Japan Co., Ltd.	Japan	92.00	Import and engineering support for wind power generators
Tomen Electronics Corporation	Japan	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
PPL Corporation	Japan	40.16	Agency of central procurement for semiconductors and electronic components
Tomen Devices Corporation	Japan	50.13	Sales of semiconductor memories and other electronic components
TD Mobile Corporation	Japan	51.00	Sales agent for mobile phone, fixed-line telephone and other services, as well as content development and distribution for mobile phones
Toyota Tsusho Corporation de Mexico S.A. de C.V.	Mexico	100.00	Dealer of Toyota industrial equipment and genuine parts
Tomen Electronics (Shanghai) Co., Ltd.	China	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Devices (Shanghai) Ltd.	China	36.07	Sales of semiconductor memories and other electronic components
Tomen Electronics (Hong Kong) Limited	China	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tianjin Toyotsu Automotive Equipment Manufacturing Co., Ltd.	China	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Guangzhou Guangqi Toyotsu Automobile Equipment Co., Ltd.	China	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Toyota Tsusho ID System GmbH	Germany	100.00	Marketing and sales of barcode handheld terminals and scanners
P.T. Toyota Tsusho Mechanical & Engineering Service Indonesia	Indonesia	100.00	Engineering services
Industrial Tech Services Vietnam Co., Ltd.	Vietnam	94.00	Engineering services
TT Network Integration Asia Pte. Ltd.	Singapore	72.80	Telecommunications network connection construction, monitoring and support of communications network systems and system integration
Industrial Tech Services, Inc.	U.S.A.	51.00	Engineering services
Tomen Electronics America, Inc.	U.S.A.	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen (Singapore) Electronics Pte. Ltd.	Singapore	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Electronics (Thailand) Co., Ltd.	Thailand	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Shanghai Hong Ri International Electronics Co., Ltd.	China	25.66	Marketing and sales of semiconductors, integrated circuits and electronic components

Automotive Division

Company Name	Country	Shareholding	Main Business
Toyotsu Auto Service, Inc.	Japan	100.00	Sales and repair of automotive parts and machinery
Toyota Lanka (PVT) Ltd.	Sri Lanka	100.00	Import, retail and services of Toyota vehicles and genuine parts
Toyota Tsusho South Pacific Holdings Pty. Ltd.	Australia	100.00	Holding company
TTAF Management Ltd.	U.K.	100.00	Management services
Establishment Florden S.A.	Anguilla	100.00	Holding company
Toyota Tsusho Auto Valenciennes S.A.R.L.	France	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Automobiles Bordeaux S.A.S.	France	100.00	Retail and services of Toyota vehicles and genuine parts
LMI Holdings B.V.	Netherlands	100.00	Holding company
Toyota Tsusho Praha spol. s.r.o.	Czech Republic	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Adria, podjetje za izvoz in promet z vozili, d.o.o.	Slovenia	100.00	Wholesale of Toyota vehicles and genuine parts
Toyotsu Auto (Middle East) FZE	U.A.E.	100.00	Trading of automotive parts
Toyota Tsusho Vostok Auto Co., Ltd.	Russia	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota de Angola, S.A.	Angola	100.00	Import and distribution of Toyota vehicles and genuine parts
Toyota Zambia Ltd.	Zambia	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota East Africa Ltd.	Kenya	100.00	Import and distribution of Toyota vehicles and genuine parts
Toyota Malawi Ltd.	Malawi	100.00	Import and distribution of Toyota vehicles and genuine parts

Company Name	Country	Shareholding	Main Business
Toyota Zimbabwe (Private) Ltd.	Zimbabwe	100.00	Retail and services of Toyota vehicles and genuine parts
LMI Ltd.	Zimbabwe	100.00	Holding company
Comercio de Veiculos Toyota Tsusho Ltda.	Brazil	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Trinidad & Tobago Ltd.	Trinidad and Tobago	100.00	Retail and services of Toyota vehicles and genuine parts
TTC Auto Argentina S.A.	Argentina	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Automobile London Holdings Limited	U.K.	100.00	Holding company
Toyota Lakozy Auto Private Ltd.	India	93.16	Retail and services of Toyota vehicles and genuine parts
JV "Business Car" Co. Ltd.	Russia	92.08	Wholesale, retail and services of Toyota vehicles, forklifts, and genuine parts
Daihatsu Italia S.R.L.	Italy	80.00	Wholesale of Daihatsu vehicles and genuine parts
Toyota Jamaica Ltd.	Jamaica	80.00	Retail and services of Toyota vehicles and genuine parts
T.T.H.K. Co., Ltd.	Cambodia	75.50	Retail and services of Toyota vehicles and genuine parts
T.T.A.S. Co., Ltd.	Myanmar	75.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Saigon Motor Service Corporation	Vietnam	62.36	Retail and services of Toyota vehicles and genuine parts
Toyota TC Hanoi Car Service Corporation	Vietnam	50.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Euroleasing Hungary KFT	Hungary	51.00	Retail and services of Toyota vehicles and genuine parts
D&T Motors Corporation	Korea	46.55	Retail and services of Toyota vehicles and genuine parts
Jiangmen Huatong Toyota Motor Sales & Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Harbin Huatong Toyota Motor Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Shenyang Huatong Toyota Motor Sales & Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Xian Huatong Toyota Motor Sales & Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Wulumuqi Huatong Toyota Motor Sales & Service Co., Ltd.	China	40.00	Retail and services of Toyota vehicles and genuine parts
Guangzhou Huatong Toyota Motor Sales & Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Kunshan Tonghe Toyota Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Hangzhou Longtong Toyota Service Co., Ltd.	China	40.00	Retail and services of Toyota vehicles and genuine parts
Wenzhou Huatong Toyota Service Co., Ltd.	China	33.00	Retail and services of Toyota vehicles and genuine parts
P.T. Astra Auto Finance	Indonesia	30.00	Automobile consumer finance
Hinopak Motors Ltd.	Pakistan	29.67	Manufacture and sales of truck, bus and automotive parts
Toyota Motor Hungary KFT	Hungary	50.00	Distribution of Toyota products
Toyotoshi S.A.	Paraguay	23.00	Retail and services of Toyota vehicles and genuine parts

Energy & Chemicals Division

Company Name	Country	Shareholding	Main Business
Toyotsu Chemiplas Corporation	Japan	100.00	Export, import and wholesale of various chemical and plastic products
Daiichi Sekken Co., Ltd.	Japan	100.00	Manufacture and sales of synthetic detergents and soaps
Toyota Chemical Engineering Co., Ltd.	Japan	100.00	Disposal of industrial waste, manufacture and sales of recycled paper & plastic fuel
Toyotsu Energy Corporation	Japan	100.00	Sales and warehousing of LPG and petroleum products
Daitoh Kasei Co., Ltd.	Japan	100.00	Plastic molding
Tomen Power Samukawa Corporation	Japan	70.00	Electricity wholesale trade
Toyotsu Petrotex Corporation	Japan	65.30	Sales of petroleum products
Deepwater Chemicals, Inc.	U.S.A.	100.00	Manufacture and sales of iodides
Dewey Chemical Inc.	U.S.A.	100.00	Manufacture and sales of iodine
Toyota Tsusho Mining (Australia) Pty. Ltd.	Australia	100.00	Investment and management for Camberwell coal project
Toyota Tsusho Investment (Australia) Pty. Ltd.	Australia	100.00	Financing for coal project
Tomen Toyota Tsusho Petroleum (S) Pte. Ltd.	Singapore	100.00	Export and offshore trading of crude oil, petroleum products and bunker oil
Tomen Power (Singapore) Pte. Ltd.	Singapore	100.00	Operation and management of wind power generation projects

Company Name	Country	Shareholding	Main Business
Tomen Power Corporation	U.S.A.	100.00	Holding company
Tomen Panama Asset Management S.A.	Panama	100.00	Financing for coal project
Kwarta Maritime S.A.	Panama	100.00	Marine shipping business
Thai Chemical Terminal Co., Ltd.	Thailand	83.64	Sales of solvents
Cassava Waste to Energy Co., Ltd.	Thailand	60.32	Generation and sales of biogas for power generation and carbon emission reduction
Tomen Telecommunications (Malaysia) Sdn. Bhd.	Malaysia	80.00	Sales of IT communications equipment, etc.
Sanyo Chemical Industries, Ltd.	Japan	19.45	Manufacture and sales of chemicals, primarily surface active agents for textile and industrial use
Nihon Mistron Co., Ltd.	Japan	34.00	Processing of talc and sales of talcum products
Nihon Tennen Gas Co., Ltd.	Japan	39.02	Production and sales of natural gas, iodine, industrial chemicals and pharmaceuticals
Nihon Detergent Mfg. Co., Ltd.	Japan	35.63	Manufacture and sales of household and industrial detergent
Eurus Energy Holdings Corporation	Japan	40.00	Operation and management of wind power generation projects worldwide
KPC Holdings Corporation	Korea	32.90	Holding company
Korea Fine Chemical Co., Ltd.	Korea	10.05	Manufacture and sales of isocyanate and amino acids
Korea Polyol Co., Ltd.	Korea	10.05	Manufacture and sales of polypropylene products
P.T. Kaltim Pasifik Amoniak	Indonesia	25.00	Manufacture and sales of ammonia
Wuxi Advanced Kayaku Chemical Co., Ltd.	China	20.00	Manufacture and sales of dyes
Philippine Prosperity Chemicals, Inc.	Philippines	45.00	Distribution of solvents
Toyoda Gosei U.K. Ltd.	U.K.	20.00	Manufacture and sales of resin and rubber products

Produce & Foodstuffs Division

Company Name	Country	Shareholding	Main Business
Chubu Syokuryo Kaisha, Ltd.	Japan	100.00	Sales of rice and special rice grain, wholesale marketing of frozen foods and other food products
Toyota Tsusho Foods Corporation	Japan	100.00	Import and distribution of foodstuffs, marine products and liquors
Toyo Grain Terminal Co., Ltd.	Japan	99.00	Management of storage silos for feed grain, harbor transport, customs clearance functions
Higashi-Nada Tomen Silo Co., Ltd.	Japan	97.51	Management of storage silos for feed grain, harbor transport, customs clearance functions
Yamakichi Co., Ltd.	Japan	100.00	Wholesale of commercial foodstuffs
Tohoku Grain Terminal Co., Ltd.	Japan	88.78	Management of storage silos for feed grain, harbor transport, customs clearance functions
Grand Place Corporation	Japan	97.50	Production and sales of chocolate
Tohoku Godo Warehouse Co., Ltd.	Japan	63.75	Warehousing and transport of animal feed
Kanto Grain Terminal Co., Ltd.	Japan	59.82	Management of storage silos for feed grain, harbor transport, customs clearance functions
Oleos "MENU" Industria e Comercio Ltda.	Brazil	100.00	Manufacture and sales of cottonseed oil products
Qingdao Toyowa Food Co., Ltd.	China	41.73	Processing and sales of sesame products
Langfang Fengfu Food Co., Ltd.	China	50.00	Processing and sales of rice products
Cradle Foods Co., Ltd.	Japan	45.23	Production and sales of canned products of processed farm produce
Banshuu Choumiryou Co., Ltd.	Japan	50.00	Production and sales of amino acid seasoning
K&T Foods Co., Ltd.	China	50.00	Manufacture and sales of frozen foods and operation of take-out lunch outlets
Yantai Sun Glory Foods Co., Ltd.	China	45.00	Sorting and processing of nuts

Consumer Products, Services & Materials Division

Company Name	Country	Shareholding	Main Business
Toyotsu Life-Mac Corporation	Japan	100.00	Sales of office furniture and equipment, home nursing care goods
Toyotsu Fashion Express Co., Ltd.	Japan	100.00	Design, manufacture and sales of apparel
Toyo Tateami Kaisha, Ltd.	Japan	100.00	Manufacture and sales of knit fabrics
Toyo Cotton (Japan) Co.	Japan	100.00	Import, export and sales of raw cotton
Toyotsu Family Life Corporation	Japan	100.00	Insurance agency
Toyotsu Insurance Management Corporation	Japan	100.00	Insurance broker
Toyotsu Lumber, Pulp and Paper Corporation	Japan	100.00	Import, processing and sales of wood products for trucks and houses, export and sales of recycled waste-paper, import and sales of pulp
Toyotsu Hoken Customer Center Corporation	Japan	100.00	Consulting and customer service call center for insurance
Toyotsu-Living Co., Ltd.	Japan	100.00	Management and construction of condominiums and agency services
Toyotsu Vehitecs Co., Ltd.	Japan	80.00	Manufacture of textile goods
Renown Uniforms Corporation	Japan	80.00	Planning and marketing of uniforms and related products
Toyotsu New Pack Co., Ltd.	Japan	75.00	Manufacture and sales of packing supplies
Tatsumura Textile AI Co., Ltd.	Japan	70.02	Development, manufacture, processing and sales of fabric for automotive industries
Care Port Japan Corporation	Japan	75.00	Purchase of nursing care benefit claims
P.T. Tomenbo Indonesia	Indonesia	100.00	Manufacture of synthetic yarn
Toyota Tsusho Hoken Agency (M) Sdn. Bhd.	Malaysia	75.99	Insurance agent
Pinghu Towa Co., Ltd.	China	82.70	Manufacture of automotive air-bags
Shinatomo Co., Ltd.	Japan	20.00	Domestic sales, import and export of various textile materials and products
Fukuske Corporation	Japan	23.18	Manufacture, processing and sales of apparel
Biscaye Holdings Co., Ltd.	Japan	36.46	Holding company
Shanghai Ever Green Textile Co., Ltd.	China	22.30	Sizing, weaving, dyeing, finishing and sales of acetate lining fabrics
Fujian Daguan Stone Co., Ltd.	China	20.00	Manufacture and sales of stone products
Ningbo Araco Co., Ltd.	China	20.00	Manufacture, processing and sales of fabric for automotive industries
Shanghai Fenghu Tufted Carpet Co., Ltd.	China	40.00	Manufacture and sales of tufted carpet

Corporate Staff Divisions

Company Name	Country	Shareholding	Main Business
Toyotsu Logistics Service Co., Ltd.	Japan	100.00	Warehousing and logistics services
Hot-Line International Transport Ltd.	Japan	100.00	Non-vessel operating common carrier and returnable container business
Toyotsu Business Service Corporation	Japan	100.00	Accounting services and factoring
Toyotsu Office Service Corporation	Japan	100.00	Shared service provider
Toyotsu Human Resources Corporation	Japan	100.00	General temporary staffing, special outsourcing, fee-based recruiting and consulting services
Fong Yu Investment Co., Ltd.	Taiwan	100.00	Investment
Hot-Line International Transport (H.K.) Limited	China	100.00	Non-vessel operating common carrier and returnable container business
Hot-Line International Transport (China) Limited	China	100.00	Non-vessel operating common carrier and returnable container business
Tianjin Fengtian International Logistics Co., Ltd.	China	36.19	Warehousing and logistics services
Tomen America Inc.	U.S.A.	100.00	Trading
P.T. Toyota Tsusho Logistic Center	Indonesia	97.91	Warehousing and logistics services

Corporate Information

(As of March 31, 2010)

NAME: TOYOTA TSUSHO CORPORATION

HEAD OFFICE: 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

ESTABLISHED: July 1, 1948

NUMBER OF EMPLOYEES: Parent company 2,548
Consolidated 29,832

PAID-IN CAPITAL: ¥64,936,432,888

COMMON STOCK: Authorized 1,000,000,000
Issued 354,056,516

NUMBER OF SHAREHOLDERS: 72,724

MAJOR SHAREHOLDERS:

	Number of shares (thousands)	Shareholding (%)
Toyota Motor Corporation	76,368	21.57
Toyota Industries Corporation	39,365	11.12
The Master Trust Bank of Japan, Ltd.	13,532	3.82
Japan Trustee Services Bank, Ltd.	12,538	3.54
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	11,698	3.30
Mitsui Sumitomo Insurance Co., Ltd.	10,000	2.82
Aioi Insurance Co., Ltd.	6,813	1.92
Tokio Marine & Nichido Fire Insurance Co., Ltd.	6,746	1.91
Sumitomo Mitsui Banking Corporation	4,249	1.20
Nippon Life Insurance Company	4,049	1.14

STOCK LISTINGS: Tokyo, Nagoya (Ticker code 8015)

INDEPENDENT AUDITORS: PricewaterhouseCoopers Aarata
(Date of Engagement: July 25, 2006)

TRANSFER AGENT FOR SHARES

SPECIAL MANAGEMENT OF ACCOUNTS:

Mitsubishi UFJ Trust and Banking Corporation

Address of Office: Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212

Mailing Address: Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
7-10-11, Higashisuna, Koto-ku, Tokyo 137-8081
Phone: 0120-232-711 (free dial within Japan)

Handling Offices: All branches nationwide of Mitsubishi UFJ Trust and Banking Corporation
All branches nationwide of Nomura Securities Co., Ltd.

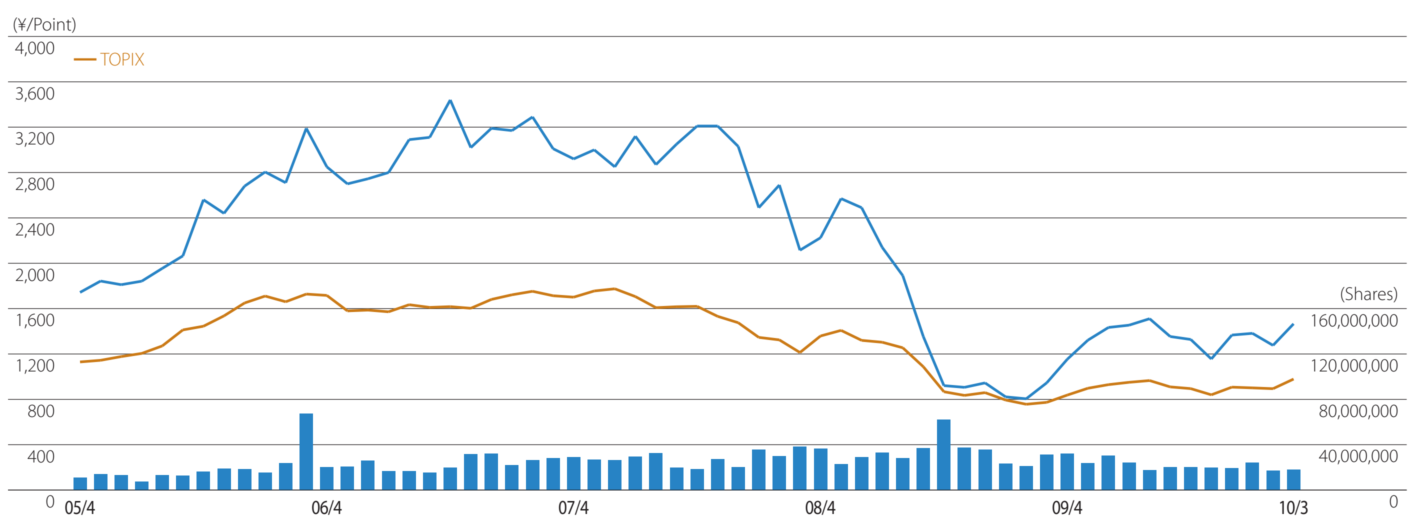
Phone (free dial within Japan):
0120-244-479
(Headquarters Stock Transfer Agency Department)
0120-684-479
(Osaka Stock Transfer Agency Department)

CONTACT: Corporate Communications Office,
Toyota Tsusho Corporation
8-1, Marunouchi 3-chome,
Chiyoda-ku, Tokyo 100-8320,
Japan*
Phone: +81-3-5288-2081*
Facsimile: +81-3-5288-9063*

* Relocation planned for December 2010
3-13, Konan 2-chome, Minato-ku, Tokyo
108-8208, Japan
Phone: +81-3-4306-8200
Facsimile: +81-3-4306-8801

(Nagoya Office)
9-8, Meieki 4-chome, Nakamura-ku, Nagoya
450-8575, Japan
Phone: +81-52-584-5011
Facsimile: +81-52-584-5659
URL: http://www.toyota-tsusho.com/english/

STOCK PRICE RANGE AND TRADING VOLUME:

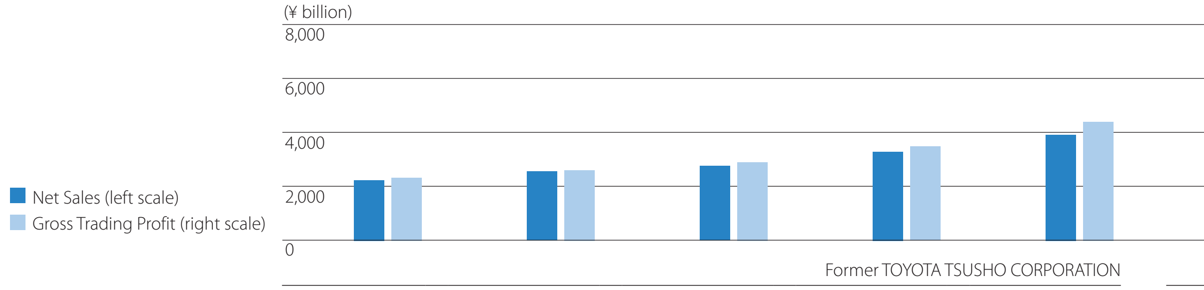


Financial Section

Contents

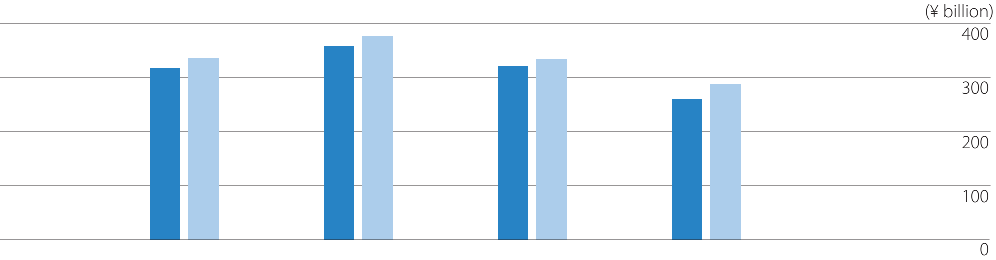
Nine-year Financial Summary

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years Ended March 31



	Former TOYOTA TSUSHO CORPORATION				
	2002	2003	2004	2005	2006
Results of Operations:					
Net Sales (Note 3)	¥2,255,698	¥2,576,453	¥2,787,794	¥3,315,831	¥3,945,319
Cost of Sales	2,153,454	2,462,173	2,658,589	3,161,069	3,751,042
Commission Income (Note 3)	15,048	17,039	17,223	20,921	27,316
Gross Trading Profit	117,292	131,319	146,428	175,683	221,593
SG&A Expenses	91,040	100,252	109,407	119,368	141,536
Operating Income	26,252	31,067	37,021	56,315	80,057
Net Income	8,781	18,829	20,663	37,522	45,733
Financial Position at Year-End:					
Current Assets	¥ 670,309	¥ 706,440	¥ 742,328	¥ 862,477	¥1,106,984
Total Assets	922,054	960,399	1,032,602	1,198,394	1,602,702
Current Liabilities	620,171	640,222	671,155	749,252	1,019,217
Total Net Assets (Note 4)	150,680	159,492	188,785	237,132	314,319
Cash Flows:					
Net Cash Provided by Operating Activities	¥ 47,461	¥ 19,092	¥ 62,660	¥ 17,836	¥ 33,089
Net Cash Used in Investing Activities	(11,745)	(20,095)	(38,220)	(29,410)	(119,379)
Net Cash Provided by (Used in) Financing Activities	(21,615)	5,874	(18,111)	12,027	90,453
Cash and Cash Equivalents at End of Year	56,674	61,666	67,704	69,548	75,032
Per Share:					
Net Income:					
Basic	¥31.31	¥66.06	¥72.75	¥132.98	¥161.88
Diluted	–	66.01	72.35	132.11	160.75
Cash Dividends for the Year	7.50	7.75	8.00	12.00	18.00
ROE	5.88%	12.14%	11.87%	17.62%	16.59%
Debt Equity Ratio (Net)	2.15	2.06	1.61	1.35	1.37
Common Stock:					
Number of Shares Outstanding at Year-End	282,867	282,867	282,867	282,867	282,867

Notes: 1. TOYOTA TSUSHO CORPORATION merged with TOMEN CORPORATION on April 1, 2006. The figures for fiscal 2006 and before were based on the former TOYOTA TSUSHO CORPORATION.
2. The U.S. dollar amounts have been translated from the amounts stated in yen, solely for the convenience of the readers, at the rate of ¥93.04=U.S.$1, the approximate exchange rate on March 31, 2010, which was the final business day of financial institutions in fiscal 2010.
3. Commission Income was included in Net Sales from the fiscal year ended March 31, 2007 as a result of the reconsideration of the presentation of consolidated financial statements.
4. Effective from the fiscal year ended March 31, 2007, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Presentation of Net Assets in the Balance Sheet."



New TOYOTA TSUSHO CORPORATION (Note 1)

			Millions of Yen	Thousands of U.S. Dollars (Note 2)
2007	2008	2009	2010	2010
¥6,212,726	¥7,000,353	¥6,286,996	¥5,102,261	$54,839,434
5,884,267	6,630,829	5,960,317	4,821,470	51,821,474
–	–	–	–	–
328,459	369,524	326,679	280,790	3,017,949
218,456	237,853	235,661	225,199	2,420,453
110,003	131,671	91,017	55,591	597,495
77,212	67,506	40,224	27,339	293,841
¥1,659,437	¥1,885,496	¥1,460,128	¥1,554,301	$16,705,728
2,462,229	2,603,207	2,130,089	2,274,547	24,446,979
1,298,916	1,479,494	1,045,088	1,134,895	12,197,925
626,539	639,731	586,996	650,215	6,988,553
¥ 44,599	¥ 104,728	¥ 123,760	¥ 100,217	$ 1,077,138
(31,159)	(36,717)	(54,827)	(73,090)	(785,576)
(46,555)	(23,058)	4,614	(107,623)	(1,156,739)
125,603	174,197	242,530	170,714	1,834,845
			Yen	U.S. Dollars (Note 2)
¥231.47	¥192.44	¥114.73	¥78.08	$0.84
230.30	192.08	114.72	–	–
26.00	30.00	26.00	16.00	0.17
15.68%	11.59%	7.20%	4.90%	
			Times	
1.17	1.02	1.08	0.96	
			Thousands of shares	
354,057	354,057	354,056	354,056	

<< SG&A Expenses

Effective from the fiscal year ended March 31, 2007, the Company has recorded amortization of goodwill of ¥14.5 billion related to the merger with TOMEN CORPORATION as SG&A expenses. The Company plans to record the same amount every year until the fiscal year ending March 31, 2016.

<< Total Net Assets

Total net assets decreased from March 31, 2008 to March 31, 2009 mainly due to a drop of ¥38.2 billion in net unrealized gains on available-for-sale securities, net of taxes, and a worsening of ¥36.7 billion in foreign currency translation adjustments due to the yen's appreciation.

<< Dividends

From the fiscal year ended March 31, 2009, the Company has changed its dividend policy to one linking dividends to its consolidated earnings performance every fiscal year. Based on this policy, the Company has distributed earnings targeting a consolidated dividend payout ratio of 20%.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Operating Environment and Toyota Tsusho Business Outline

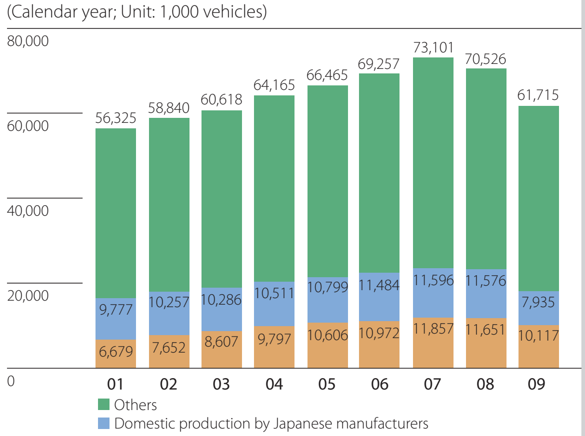
General Operating Environment

During the opening period of the fiscal year ended March 31, 2010, the overall global economy continued to deteriorate in the wake of the sharp economic slowdown in the U.S. triggered by the shock of the Lehman Brothers collapse in the second half of the previous fiscal year, and the ensuing global financial crisis. However, fueled by expanding demand in emerging nations and economic stimulus measures implemented by countries around the world, even the advanced economies bottomed out during the latter part of the fiscal year, and the global economy began to move in the direction of a recovery. In particular, the economies of the Asian emerging nations led by China drove the global economy by continuing to demonstrate firm growth against a backdrop of expanding demand for durable goods based on growth in their middle classes and demand-creation based on wide-ranging infrastructure construction. In contrast, the industrialized Western countries depended on monetary and fiscal measures and the direction of their economies remained a concern as financial anxiety heated up again and fiscal troubles emerged in nations in southern Europe.

>>Diagram 1

GLOBAL AUTOMOBILE PRODUCTION

(Calendar year; Unit: 1,000 vehicles)



Source: Organisation Internationale des Constructeurs d'Automobiles
Production by Japanese automobile manufacturers: Japan Automobile Manufacturers Association, Inc.

Under these conditions, Japan's economy started to show signs of recovery due to a rebound in personal consumption of automobiles and household electronics supported by the government's economic stimulus measures and due to the steady resurgence in exports to Asia. However, these positive factors did not translate into a self-sustaining economic recovery as deflation began to rear its head under conditions of insufficient domestic demand and excess supply, poor capital investment sentiment in the private sector, and continued harsh employment conditions. Moreover, the large-scale recall issue faced by Toyota Motor Corporation in the second half of the fiscal year raised concerns of a double-dip economic recession in Japan. On the other hand, it was a year in which the Japanese public's heightened awareness of environmental issues took a tangible form, with Toyota's hybrid model, Prius, taking the No. 1 spot in sales of new cars for the full fiscal year.

Trends in the Automotive Industry and Toyota Group

The fiscal year ended March 31, 2010 proved to be another dramatic year for the automobile industry, one of our primary sources of earnings. Under the impact of the "once in a century" global economic downturn in 2008, the automobile industry fell precipitously from the heights of record high sales for six consecutive years into the depths. Overall, global automobile production in 2009 decreased 12.5% year on year to 61,715 thousand units, plummeting by about nine million units from 2008 to the production levels of 2003. >>Diagram 1

In almost all countries, production and sales declined in the second half of the fiscal year ended March 31, 2009, with most of the drop concentrated in the fourth quarter. Consequently, the worst impact of these decreases hit in 2009. These circumstances produced new excess production capacity, and the world's automobile manufacturers were forced to reduce their production capacity by 30 to 50%, including both the previous capacity excess and their previous plans to expand capacity because of the booming market.

Amid the sharp decline in automobile production and sales on a global basis, automobile manufacturers worldwide took measures to revise their production systems beginning in late 2008 by reducing capacity utilization to cut retail inventories, by suspending production capacity increases, by closing factories, and by reducing workers. Even so, the sudden drop in market conditions caused fixed costs to soar and forced manufacturers with less sound financial positions and product power into crises. Some of these companies were taken over by the governments of their countries as the industry underwent a shakeout on a global scale.

Nevertheless, the markets in such emerging nations as China and India continued to expand and as the demand stimulus measures in advanced countries began to bear fruit, the global market entered a recovery phase despite the progressive shift in market composition to compact and low cost models.

In this context, the Group's primary customers, namely Toyota Motor Corporation and other Japanese automobile manufacturers, labored to maintain their competitiveness by achieving deep cuts in their fixed and other costs to lower their breakeven points. In addition, the recall issue that Toyota Motor faced mainly in the United States in the second half of 2009 had a negative impact on sales and production in all countries to some extent. However, Toyota Motor was able to minimize its impact by aggressively introducing new models and making strong sales efforts in Japan, while making up for the sales volume decreases in Europe with sales volume growth in Asia. As a result, the Toyota Group's worldwide production increased 2.5% year on year, to 7,280 thousand units.

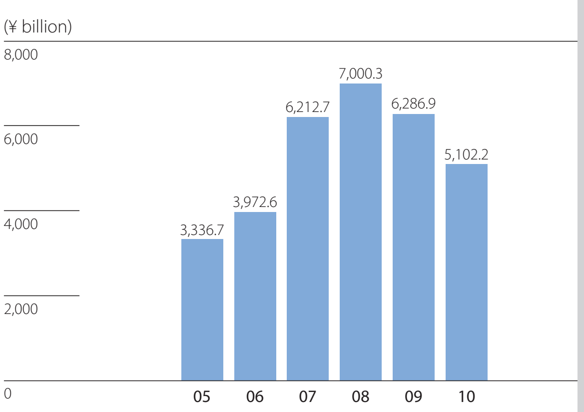
Business Performance of Toyota Tsusho Corporation

In this business environment, all operating divisions posted declines in sales in step with deterioration in market conditions and the decrease in automobile sales volumes. In the fiscal year ended March 31, 2010, the Toyota Tsusho Group's consolidated net sales amounted to ¥5,102.2 billion, falling ¥1,184.7 billion, or 18.8%, from the previous year. This represents the lowest level of net sales in the past four years. >>Diagram 2

Profits were also down, with earnings declining in all operating divisions except the Metals Division, which rebounded from the impact of last year's substantial fall in steel scrap prices. Among operating segments, the Consumer Products, Services & Materials Division posted a loss at the operating income level because of the impact of the application of the lower-of-cost-or-market method to real estate. As a result, consolidated operating income for the fiscal year ended March 31, 2010 decreased ¥35.5 billion, or 39.0%, year on year, to ¥55.5 billion. >>Diagram 3

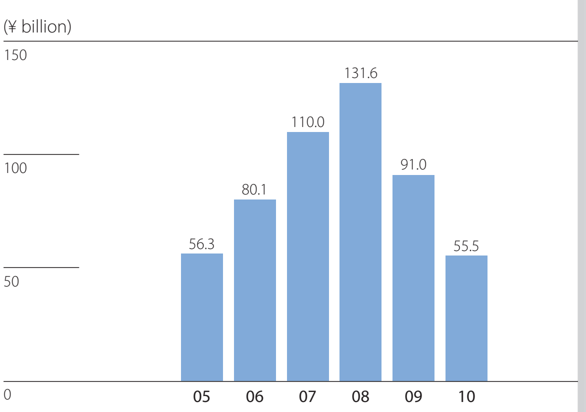
>>Diagram 2

NET SALES



>>Diagram 3

OPERATING INCOME



Note: TOYOTA TSUSHO CORPORATION merged with TOMEN CORPORATION on April 1, 2006. The figures for 2007 and before were based on the former TOYOTA TSUSHO CORPORATION.

Segment Information for the Fiscal Year Ended March 31, 2010

Results of Operations by Operating Segment

>>Diagram 4, Diagram 5, Diagram 6

Metals Division

(Net Sales ¥1,530.0 Billion; Down 21.2%)

In the steel sheet, bars and tubes field, handling volume of the Metals Division began to rebound in line with the recovery in automobile production prompted by economic stimulus measures in Japan and overseas. In nonferrous metals, the Division continued its emphasis on natural resource development, particularly rare metals. In the steel raw materials field, prices were weak in the first half, but gradually improved in the second half.

Net sales in the Metals Division decreased ¥412.2 billion, or 21.2%, year on year, to ¥1,530.0 billion primarily because of falling prices. Despite the decline in net sales, the Division's operating income rose ¥3.1 billion, or 15.2%, to ¥23.5 billion, reversing the decrease in operating income recorded in the fiscal year ended March 31, 2009 because of the large drop in the steel scrap prices in the fiscal year ended March 31, 2008.

Machinery & Electronics Division

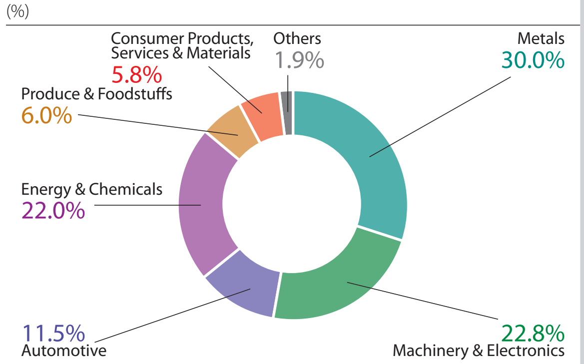
(Net Sales ¥1,163.2 Billion; Down 14.2%)

In the machinery business, the Machinery & Electronics Division established Toyotsu Machinery Corporation, to strengthen its sales capabilities. Moreover, the Division set up a specialized business unit to strengthen its efforts in hybrid/electric vehicles, a future growth market. In the information and electronics field, sales of electronic parts were brisk due to a recovery in semiconductor prices. In the field of automotive production parts, sales started improving, mainly in the Chinese and Asian markets.

Net sales in the Machinery & Electronics Division fell ¥191.8 billion, or 14.2%, from the previous fiscal year to ¥1,163.2 billion, partly reflecting the drop in machinery and equipment transaction volume. Operating income dropped ¥8.8 billion, or 47.3%, to ¥9.8 billion, in line with lower net sales.

>>Diagram 4

SALES COMPOSITION BY BUSINESS SEGMENT



>>Diagram 5

NET SALES BY BUSINESS SEGMENT
(¥ billion)

	2007	2008	2009	2010
Metals	1,845.5	2,109.0	1,942.2	1,530.0
Machinery & Electronics	1,535.1	1,581.9	1,355.0	1,163.2
Automotive	751.7	938.3	809.5	586.4
Energy & Chemicals	1,269.2	1,562.3	1,399.4	1,120.3
Produce & Foodstuffs	349.6	335.4	366.0	306.9
Consumer Products, Services & Materials	382.7	379.0	311.5	297.5
Others	78.6	94.1	103.0	97.7

>>Diagram 6

OPERATING INCOME (LOSS) BY BUSINESS SEGMENT
(¥ billion)

	2007	2008	2009	2010
Metals	34.4	35.4	20.4	23.5
Machinery & Electronics	30.6	35.6	18.6	9.8
Automotive	33.2	42.6	36.8	17.0
Energy & Chemicals	4.5	4.0	4.5	2.3
Produce & Foodstuffs	3.7	4.3	6.1	4.8
Consumer Products, Services & Materials	7.8	10.5	4.4	(2.9)
Others	(4.4)	(0.9)	(0.0)	0.6

Automotive Division

(Net Sales ¥586.4 Billion; Down 27.6%)

The Automotive Division worked to expand its agency and dealership network, while also endeavoring to improve management and sales quality, including the quality of service and customer engagement, at existing dealerships worldwide.

Despite these efforts, net sales declined ¥223.1 billion, or 27.6%, year on year to ¥586.4 billion reflecting a drop in the number of automobile export units and other factors. Operating income fell ¥19.8 billion, or 53.8%, to ¥17.0 billion because of the decrease in the number of automobile export units and in overseas automobile sales volume.

Energy & Chemicals Division

(Net Sales ¥1,120.3 Billion; Down 19.9%)

In the energy and plant business, the Iraqi Ministry of Electricity awarded the Group a contract to supply portable transformers, the first such export contract financed by a Japanese ODA loan. In the wind power generation business, Eurus Energy Holdings Corporation raised additional capital for business expansion through an equity offering to existing shareholders. In the chemical and synthetic resin field, the Division commenced construction of a U.S. compound manufacturing plant to localize sourcing of highly functional plastics.

Overall, net sales decreased ¥279.1 billion, or 19.9%, year on year to ¥1,120.3 billion, impacted by falling crude oil and other prices. Operating income fell ¥2.2 billion, or 48.9%, to ¥2.3 billion primarily due to reduced earnings from an Australian coal project and lower crude oil and other commodity sales.

Produce & Foodstuffs Division

(Net Sales ¥306.9 Billion; Down 16.1%)

Aiming to expand the value chains in both the feed grain and foodstuffs businesses, the Produce & Foodstuffs Division increased its equity stake in, and strengthened its operational alliance with, First Baking Co., Ltd. In the feed grain business, the Division established an animal feed raw material sales business in Malaysia as a joint venture with a major local food company. In the foodstuffs business, the Division branched into xylose manufacturing and sales by establishing a joint venture with South Korea's largest general food company.

Net sales declined ¥59.1 billion, or 16.1%, year on year to ¥306.9 billion, mainly due to the drop in animal feed and other prices. Operating income decreased ¥1.3 billion, or 21.3%, to ¥4.8 billion, reflecting lower net sales in line with falling prices.

Consumer Products, Services & Materials Division

(Net Sales ¥297.5 Billion; Down 4.5%)

In lifestyle-related businesses, the Consumer Products, Services & Materials Division expanded its business domain by increasing its nursing care product sales and rental operations and branching into e-commerce activities. In the textile business, the Division acquired an additional equity stake in Fukuske Corporation to gain control of it as a subsidiary in the aim of expanding further in the work apparel market.

Because of lower housing material and textile-related handling volume, net sales decreased ¥14.0 billion, or 4.5%, year on year to ¥297.5 billion. Operating income fell ¥7.3 billion to an operating loss of ¥2.9 billion, because of the impact of applying the lower-of-cost-or-market method to real estate.

Results of Operations by Geographic Segment

>>Diagram 7, Diagram 8, Diagram 9

Japan

(Net Sales ¥3,317.5 Billion; Down 21.9%)

In the fiscal year ended March 31, 2010, net sales in Japan declined ¥928.4 billion, or 21.9%, year on year to ¥3,317.5 billion mainly due to lower transaction volume in the Metals Division, Machinery & Electronics Division, and Energy & Chemicals Division. Operating income decreased ¥12.9 billion, or 59.4%, to ¥8.8 billion due to lower sales volumes and the impact of applying the lower-of-cost-or-market method to for-sale real estate assets.

Asia & Oceania

(Net Sales ¥1,026.5 Billion; Down 2.3%)

Net sales in Asia & Oceania decreased ¥24.5 billion, or 2.3%, year on year to ¥1,026.5 billion, mainly reflecting lower transaction volume at local subsidiaries in Asia. Operating income declined ¥8.4 billion, or 25.6%, to ¥24.4 billion, chiefly due to lower earnings from an Australian coal project.

North America

(Net Sales ¥357.5 Billion; Down 21.4%)

Net sales in North America decreased ¥97.6 billion, or 21.4%, year on year to ¥357.5 billion, primarily due to a decrease in metal transaction volume at U.S. subsidiaries. Operating income increased ¥1.1 billion, or 16.3%, to ¥8.4 billion. The increase in profits despite a drop in sales was attributable to the recovery of earnings in consumer products, services and materials and others fields at U.S. subsidiaries.

Europe

(Net Sales ¥264.8 Billion; Down 28.8%)

Net sales in Europe declined ¥107.1 billion, or 28.8%, year on year to ¥264.8 billion, principally due to lower transaction volume at automobile sales subsidiaries in Europe. Operating income decreased ¥5.8 billion, or 53.0%, to ¥5.1 billion, mainly due to a drop in earnings in line with lower net sales.

Others

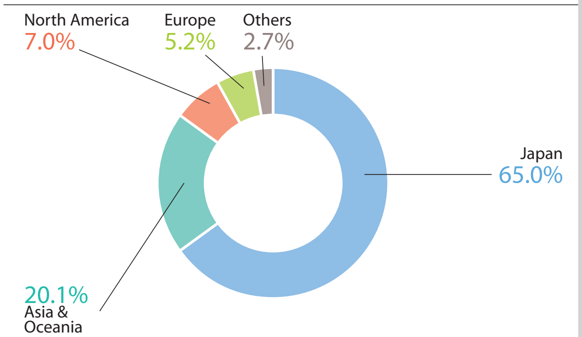
(Net Sales ¥135.7 Billion; Down 16.6%)

In the fiscal year ended March 31, 2010, net sales in other regions decreased ¥27.1 billion, or 16.6% to ¥135.7 billion, owing largely to lower transaction volume at automobile sales subsidiaries in Africa. Operating income declined ¥8.0 billion, or 46.5%, to ¥9.2 billion, mainly due to a drop in earnings in line with lower net sales.

>>Diagram 7

NET SALES COMPOSITION BY GEOGRAPHIC SEGMENT

(%)



>>Diagram 8

NET SALES BY GEOGRAPHIC SEGMENT

(¥ billion)

	2007	2008	2009	2010
Japan	4,253.4	4,840.8	4,245.9	3,317.5
Asia & Oceania	949.7	1,071.2	1,051.0	1,026.5
North America	537.3	473.2	455.1	357.5
Europe	340.9	469.5	371.9	264.8
Others	131.2	145.4	162.8	135.7

>>Diagram 9

OPERATING INCOME BY GEOGRAPHIC SEGMENT

(¥ billion)

	2007	2008	2009	2010
Japan	44.6	54.4	21.7	8.8
Asia & Oceania	22.9	27.8	32.8	24.4
North America	12.9	12.3	7.2	8.4
Europe	14.8	20.3	11.0	5.1
Others	15.7	17.3	17.2	9.2

Assets, Liabilities and Equity as of March 31, 2010

>>Diagram 10

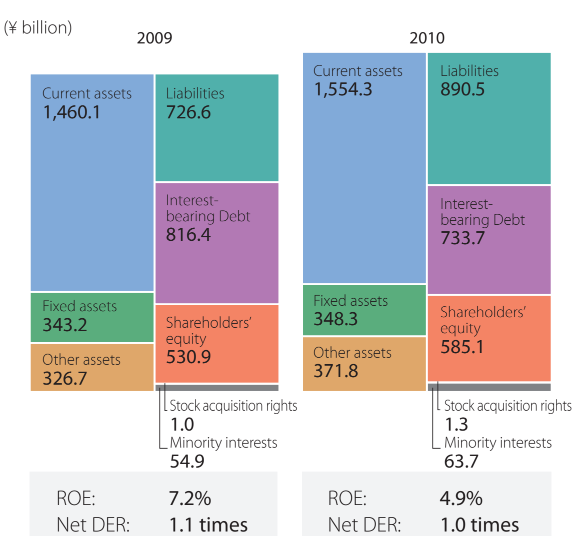
As of March 31, 2010, total assets were ¥2,274.5 billion, increasing ¥144.5 billion from a year earlier. The main reasons were a ¥195.8 billion increase in trade notes and accounts receivable and a ¥59.7 billion increase in investment securities. These increases were partly offset by a ¥71.8 billion decrease in cash and deposits and a ¥40.3 billion decrease in inventories.

In terms of liabilities, total liabilities were ¥1,624.3 billion, an increase of ¥81.3 billion from March 31, 2009. This mainly reflected an increase of ¥188.8 billion in trade notes and accounts payable, despite an ¥82.6 billion decrease in interest-bearing debt.

Net assets rose ¥63.3 billion from a year earlier to ¥650.2 billion. The main contributors to this increase were a ¥20.9 billion increase in retained earnings due to higher net income and other earnings; a ¥19.0 billion increase in net unrealized gains on available-for-sale securities, net of taxes; an ¥8.2 billion increase in net deferred profits on hedges, net of taxes; and a ¥8.8 billion increase in minority interests in consolidated subsidiaries.

>>Diagram 10

BALANCE SHEET TRENDS



Cash Flow in the Fiscal Year Ended March 31, 2010

Cash and cash equivalents as of March 31, 2010 stood at ¥170.7 billion, a decrease of ¥71.8 billion from a year earlier. The decrease primarily reflected net cash used in investing and financing activities, which was partly offset by net cash provided by operating activities.

(Cash flows from operating activities)

In the fiscal year ended March 31, 2010, operating activities provided net cash of ¥100.2 billion, ¥23.5 billion less than in fiscal 2009. The main components were income before income taxes and minority interests and a net change in inventories.

(Cash flows from investing activities)

In the fiscal year ended March 31, 2010, investing activities used net cash of ¥73.0 billion, ¥18.2 billion more than in the previous fiscal year. Cash was mainly used for payments for payments of investment securities and property and equipment.

(Cash flows from financing activities)

In the fiscal year ended March 31, 2010, financing activities used net cash of ¥107.6 billion, a ¥112.2 billion change from net cash provided in fiscal 2009. The change mainly reflects the repayment of interest-bearing debt.

The Financial Strategy of the Company

The financial strategy of the Company and its consolidated subsidiaries is focused on the efficient use of assets and fund procurement commensurate with its asset base. The goal is to achieve stable growth throughout the Group and to maintain a sound financial position.

Aiming to "generate maximum profit with minimum funds," we strive to use funds more efficiently through the efficient use of working capital through such means as collecting sales receivables earlier and reducing inventories, as well as by reducing idle, inefficient fixed assets. We aim both to enhance corporate value and improve our financial position by directing funds generated by the above measures to investments in businesses with high growth potential and the repayment of interest-bearing debt.

We are also focused on conducting fund procurement commensurate with our asset base. In principle, the Group will finance fixed assets with long-term loans and shareholders' equity, while financing working capital with short-term borrowings. At the same time, we also have adopted a policy of funding the less liquid portion of working capital with long-term debt.

In regard to the fund management system on a consolidated basis, we are shifting to a unified group financing system by the parent company in Japan. At the same time, in regard to the fund procurement of overseas subsidiaries, we will conduct group financing utilizing a cash management system for concentrating fund procurement at specific overseas subsidiaries in Asia, Europe and the U.S. and for supplying funds to other subsidiaries. In this manner, we will strive to raise funding efficiency on a consolidated basis, as we work to further enhance our fund management system.

In addition, we have established a multi-currency revolving credit facility that allows us to respond to unexpected events and safely meet the funding requirements of overseas subsidiaries.

Looking ahead, we will strive to enhance the efficient use of assets and secure funding, taking into consideration cash flows generated from operating activities, the condition of assets, economic conditions and the financial environment.

As of March 31, 2010, the current ratio was 137%, meaning that the Company has maintained financial soundness in terms of liquidity. In addition, the Company and its consolidated subsidiaries have established an adequate liquidity buffer mainly through cash and deposits and the aforementioned credit facility.

Outlook for the Toyota Tsusho Group

The Toyota Tsusho Group has formulated "VISION 2015—LEAD THE NEXT" in its quest to become a value-generating company. Guided by this vision, our strategic intentions are to create next-generation businesses in our six business domains—namely, our six operating divisions*—and achieve a 50:50 earnings ratio for our automotive and non-automotive businesses with a view to ensuring a healthy balance of future business profits.

* Six operating divisions: Metals, Machinery & Electronics, Automotive, Energy & Chemicals, Produce & Foodstuffs, and Consumer Products, Services & Materials.

With the automotive field as our core source of earnings, we will seize growth opportunities while targeting renewed expansion by creating new functions and comprehensively honing our strengths.

In non-automotive fields, we will seek to achieve a cross-fertilization of functionality and knowledge gained in the automotive business, to generate synergies with the automotive field and thus establish and nurture second and third pillars of earnings for the Group.

While conducting rigorous risk management, we will actively allocate management resources to projects deemed worthy of investment, as we work to develop businesses designed to unlock new growth potential.

The economic outlook calls for the continued expansion of emerging markets driven by a paradigm shift in global economic trends, as well as intensified global competition fueled by changes in the industrial structure.

Toyota Tsusho sees this period of change as a business opportunity. Guided by the keywords of "Think," "Challenge" and "Change," we will establish a strong management foundation while embracing the challenge of achieving new growth.

We will tackle challenges in three main areas, namely developing business in emerging markets, where strong growth is anticipated; entering new businesses based on the theme of the environment; and accelerating cost reductions.

We are determined to change the entire Toyota Tsusho Group, beginning with the transformation of the individual. Through this process, we aim to enhance the Group's collective capabilities from a long-term perspective.

Outlook for the Current Fiscal Year

>>Diagram 11

For the fiscal year ending March 31, 2011, Toyota Tsusho projects higher sales and earnings based on a gradual improvement in real economies, in addition to the positive impact of the recording of an impairment loss of approximately ¥10.5 billion in the previous fiscal year as a result of the application of the lower-of-cost-or-market method to real estate. For the fiscal year ending March 31, 2011, we are forecasting net sales of ¥5,900 billion, an increase of approximately ¥800 billion, or 15.6%, year on year. Net income is projected at ¥40 billion, an increase of ¥12.7 billion, or 46.5%, year on year.

Net Sales Forecasts by Business Segment

In the fiscal year ending March 31, 2011, the Metals Division is forecasting an increase in net sales due to a projected increase in prices and demand growth.

The Machinery & Electronics Division anticipates sales growth based on projected expansion in transaction volumes for machinery equipment and electronic parts as well as projected higher automobile output.

The Automotive Division anticipates higher net sales based on a projected increase in the number of automobile export units and in overseas automobile unit sales.

The Energy & Chemicals Division is projecting higher net sales due to projected increases in crude oil prices and higher handling volume of mainly chemicals and synthetic resins.

The Produce & Foodstuffs Division is forecasting higher net sales based on projected growth in transaction volumes for wheat and other grains.

The Consumer Products, Services & Materials Division anticipates higher net sales based on projected increases in transaction volumes for textile products and other products, services, and materials.

Operating Income Forecasts by Business Segment

The Metals Division anticipates higher operating income in line with a projected increase in net sales.

The Machinery & Electronics Division is predicting higher operating income in line with a projected increase in net sales.

The Automotive Division is forecasting growth in operating income in line with a projected increase in net sales at overseas automobile sales subsidiaries.

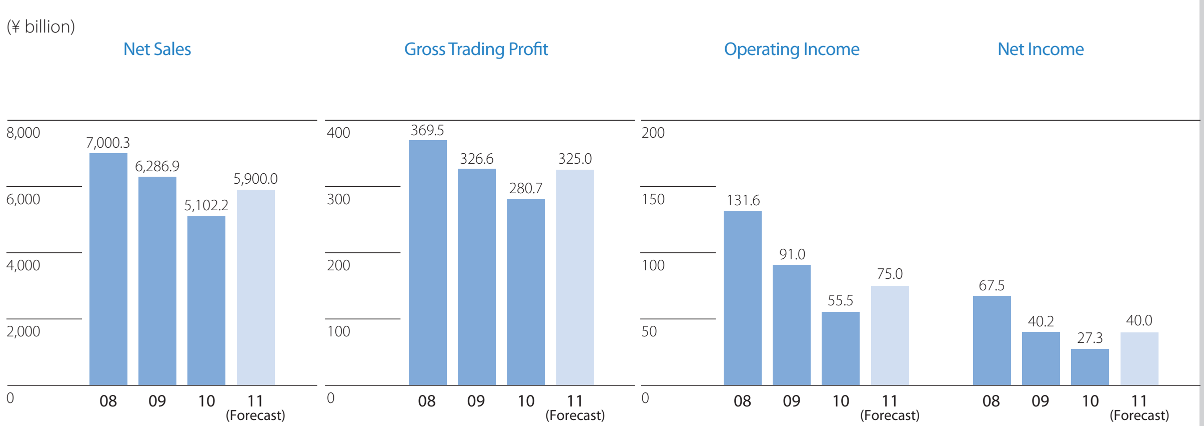
The Energy & Chemicals Division estimates higher operating income in line with a projected increase in net sales as well as in earnings from an Australian coal project.

The Produce & Foodstuffs Division expects operating income to remain mostly on a par with the fiscal year ended March 31, 2010.

The Consumer Products, Services & Materials Division foresees growth in operating income based on the positive impact of the application of the lower-of-cost-or-market method to real estate in the fiscal year ended March 31, 2010.

>>Diagram 11

THE FISCAL YEAR ENDING MARCH 31, 2011 FORECASTS



Business Risks and Uncertainties

The Company and its consolidated subsidiaries (the "Group") believe that the following risks and accounting policies may have a material impact on the decision-making of investors with regard to data contained in this annual report. Forward-looking statements contained in this report are based on the judgment of the Group as of the date of publication.

1. Risk Associated With Operating Activities

Dependence on Specific Customers

The Group consists of the Company, its 368 subsidiaries, and 191 affiliates. The main business line of the Group is the sale of automotive-related and other products in the domestic and overseas markets. In the fiscal year ended March 31, 2010 the Company's sales to the Toyota Group* accounted for 14.6% of net sales, with sales to Toyota Motor Corporation representing 6.8% of net sales. Therefore, trends in the automobile output of Toyota Motor Corporation may affect the operating results of the Company.

* Toyota Motor Corporation, Toyota Industries Corporation, Aichi Steel Corporation, JTEKT Corporation, Toyota Auto Body Co., Ltd., Aisin Seiki Co., Ltd., Denso Corporation, Toyota Boshoku Corporation, Kanto Auto Works, Ltd., Toyoda Gosei Co., Ltd., Hino Motors, Ltd., Daihatsu Motor Co., Ltd.

Risk Associated With Customers' Credit

The Group faces a degree of risk arising from the collection of loans and receivables associated with commercial transactions of our domestic and overseas business customers. While the Group retains an allowance for doubtful accounts based on certain assumptions and estimates concerning customers' creditability, value of pledge and general economic situation, until customers complete the fulfillment of their obligations, there is no guarantee that customers will repay the debts owed to the Group or that customers will be in a sound financial condition to repay debts owed by each due date.

Risk Associated With Commodities

Commodities the Group deals with in its businesses, such as nonferrous metals, crude oil, petroleum products, rubber, food and textiles, are vulnerable to uncertainties arising from price fluctuations. While the Group takes various measures to reduce such risks, it may not be possible to completely avoid them.

Risk Associated With Business Investment

The Group intends to grow existing businesses, enhance functions and take on new business through strengthening of current partnerships or establishment of new partnerships with companies within or outside the Group. Therefore, the Group has established new ventures in partnership with other companies and has also invested in existing companies, and may continue to conduct such investing activities.

However, the Group may lose all or part of such investments or be obliged to provide additional funds in the event of a decline in the corporate worth or market value of the shares of invested companies. In such cases, the financial condition and/or results of the business operations of the Group may be adversely affected.

Risk Associated With Fluctuations in Interest Rates

A portion of interest-bearing debt of the Group is based on variable interest rates. For a considerable portion of such debt, we are able to absorb the effect of changes in interest rates within working capital. However, a certain portion of interest-bearing debt cannot be hedged against the risk of market fluctuations. Thus, we are susceptible to risk associated with fluctuations in interest rates. The results of the business operations of the Group may therefore be affected by changes in future interest rates.

Risk Associated With Exchange Rates

Of the product sales, investment and other business activities conducted by the Group, transactions denominated in U.S. dollars or other foreign currencies may be affected by changes in exchange rates. While the Group takes measures to constrain the impact of such risks, we may be unable to completely avoid them.

Risk Associated With Countries

The Group deals with many overseas counterparts in the trade of foreign products or investment. Therefore, the Group is exposed to risks arising from the manufacturing and purchase of foreign products, such as regulations imposed by foreign governments, political uncertainties, and fund transfer restraints, as well as loss on investment or reduced asset value.

Furthermore, export and import activities of the Group are generally affected by competitive conditions arising from international trade barriers, trade conflicts, free trade agreements and multilateral agreements. While the Group endeavors to avoid the concentration of our business on specific regions or countries, there is the possibility that future losses incurred in specific regions or countries may impact the overall performance of the Group.

Competition in Export and International Trade

Major export and other international trade of the Group is conducted in a fiercely competitive environment. The Group competes with domestic and overseas manufacturers and trading companies operating in international markets on a global level. Some of these competitors possess merchandise, technologies and experience superior to that of the Group. Thus, there is no guarantee that the Group will maintain a competitive edge.

Environment-related Risks

The Group is engaged in businesses in Japan and overseas that are exposed to a broad range of environment-related risks. To mitigate these risks, the Group conducts risk management throughout its supply chain. Specific activities include promoting traceability in the food domain, and enforcing compliance with laws and regulations concerning the handling of hazardous chemical substances in the chemical products domain.

Furthermore, the Group's businesses in Japan and overseas are susceptible to various environmental risks associated with waste disposal and other factors. The Group could conceivably incur additional costs in these businesses, due to changes in environmental regulations, environmental pollution caused by natural disasters, or other factors. These and other factors may affect the Group's business performance.

2. Effect of Natural Disasters and Other Events

The Group conducts sufficient reviews and training regarding the establishment and management of disaster response agencies, in order to safely and rapidly deal with natural disasters such as fires and earthquakes. For example, as an initiative to minimize the impact of earthquakes and other events on the Group's business operations, the Group conducts inspections and surveys of the seismic structure of its facilities and takes other appropriate measures as necessary.

However, a major, large-scale earthquake in the Tokai region or similar disaster may still have an impact on the Group's business operations.

Significant Accounting Policies and Estimates

The consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles and practices in Japan. In producing these consolidated financial statements, the Company recognizes the following critical accounting policies can significantly affect important judgments and estimates the Company has employed to produce the consolidated financial statements of the Group. Forward-looking statements contained in this report are based on the judgment of the Company and its consolidated subsidiaries (the "Group") as of March 31, 2010.

Allowance for Doubtful Accounts

The Group records an allowance for doubtful accounts to cover estimated credit losses resulting from the inability of customers to make required payments. Additional provisions may be required in the event a customer's financial position worsens, thereby weakening repayment ability.

Inventories

The Group records as write-offs an amount equal to the difference between cost and estimated fair value based on projected future demand and market conditions. The Group may be required to book additional write-offs in the event that declines in future demand and market conditions exceed its projections.

Impairment of Tangible and Intangible Fixed Assets

The Group owns tangible and intangible fixed assets in order to enhance its operational capabilities and expand business. Calculation of the impairment of fixed assets is based on reasonable and supportable assumptions and projections of the grouping of assets, total undiscounted cash flows and recoverable value, with due consideration for the specific condition of each company. Additional write-offs may be required should losses or an uncollectible amount of book value beyond that reflected in the present book value arise due to a reduction in land prices, the impairment of assets or other causes.

Impairment of Marketable Securities

The Group owns the stock of specific customers and financial institutions in order to ensure continued business. Such stock includes listed stock with highly volatile prices and stock of non-listed companies for which it is difficult to determine fair market value.

For listed stock, an impairment loss is recorded when the stock market price at our closing date falls 30% or more below book value and such decline is deemed to be other than temporary. For the stock of non-listed companies, an impairment loss is recorded when the value of our investment as measured by the non-listed company's net assets declines by 50% or more below book value. In addition, additional write-offs may be necessary should losses or an uncollectible amount of book value beyond that reflected in present estimates arise due to market decline or poor performance by the invested company.

Deferred Tax Assets

The Group records valuation allowances in order to reduce deferred tax assets to realizable values. Future taxable income and prudent, achievable and sustainable tax payment schedules are considered in determining the appropriate valuation allowances. An adjusted amount for deferred income tax assets is recorded as a cost in the fiscal year in which it is deemed more likely than not that some portion or all of the deferred tax assets will not be realized. Conversely, in the event tax assets exceeding the net values as recorded in the financial statements are expected to be realized, an adjustment in deferred tax assets is recorded as income in the fiscal year in which the tax assets are expected to be realized.

Employee Retirement Benefits

Calculation of costs and obligations from employee retirement benefits is based on actuarial assumptions. These assumptions include discount rates, future levels of compensation, retirement ratios as well as mortality rates using recent statistical data and long-term returns on pension assets. In the pension system applied to the parent company and its domestic subsidiaries, discount rates are calculated by adjusting the market yield of Japanese government bonds by the number of years during which existing employees receive the pension. The expected return on assets is calculated using the weighted average of the expected long-term return on each category of assets in which the pension assets are invested. The extent to which actual results differ from the assumptions, or the extent to which assumptions are revised, will generally affect recognized expenses or recorded obligations in future periods, since such effects are accumulated and regularly recognized in the future. The amortization of the unrecognized actuarial difference comprising a portion of pension expenses is a regularly recognized expense of the effect of the change in assumptions and the impact of the difference between assumptions and actual results.

Consolidated Balance Sheets

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
March 31, 2010 and 2009

ASSETS	Millions of Yen 2010	2009	Thousands of U.S. Dollars (Note 1) 2010
Current Assets:			
Cash and deposits (Note 3)	¥ 170,714	¥ 242,537	$ 1,834,845
Trade notes and accounts receivable (Note 3)	886,425	690,646	9,527,353
Inventories (Notes 2 (22), 3 and 4)	386,019	426,391	4,148,957
Deferred tax assets—current (Note 8)	12,640	21,458	135,855
Other current assets (Note 3)	103,080	88,235	1,107,910
Less: allowance for doubtful accounts	(4,580)	(9,141)	(49,226)
Total current assets	1,554,301	1,460,128	16,705,728
Property and Equipment, at Cost:			
Land (Note 3)	56,954	51,111	612,145
Buildings and structures (Note 3)	168,694	152,569	1,813,134
Machinery, equipment and vehicles (Note 3)	160,587	154,197	1,725,999
Leased property (Note 2 (22))	22,506	22,323	241,895
Construction in progress	6,546	5,330	70,356
Other property and equipment	16,718	15,012	179,686
Less: accumulated depreciation (Note 2 (6))	(193,065)	(175,812)	(2,075,075)
Net property and equipment	238,941	224,733	2,568,153
Intangible Assets:			
Goodwill	90,202	103,423	969,496
Leased property (Note 2 (22))	1,020	749	10,963
Other intangible assets	18,187	14,306	195,475
Total intangible assets	109,409	118,479	1,175,935
Investments and Other Assets:			
Investment securities (Notes 3 and 15):			
Investment in unconsolidated subsidiaries and affiliates	159,762	127,326	1,717,132
Investment in third parties	166,427	140,179	1,788,768
Long-term loans:			
Loans to unconsolidated subsidiaries and affiliates	3,382	4,060	36,349
Loans to third parties	1,678	6,364	18,035
Deferred tax assets—non-current (Note 8)	13,975	26,923	150,204
Others (Note 2 (11))	47,558	41,869	511,156
Less: allowance for doubtful accounts	(20,891)	(19,975)	(224,537)
Total investments and other assets	371,894	326,747	3,997,141
Total Assets	¥2,274,547	¥2,130,089	$24,446,979

The accompanying notes are an integral part of the consolidated financial statements.

LIABILITIES AND NET ASSETS	Millions of Yen 2010	Millions of Yen 2009	Thousands of U.S. Dollars (Note 1) 2010
Current Liabilities:			
Trade notes and accounts payable (Note 3)	**¥ 681,456**	¥ 492,678	**$ 7,324,333**
Short-term loans payable and current portion of long-term debt (Notes 3 and 6)	**257,997**	331,064	**2,772,968**
Commercial paper	**20,000**	20,000	**214,961**
Lease obligations—current (Notes 2 (22) and 6)	**3,679**	4,034	**39,542**
Income taxes payable	**11,743**	12,943	**126,214**
Deferred tax liabilities—current (Note 8)	**762**	671	**8,190**
Other current liabilities (Note 2 (10))	**159,255**	183,696	**1,711,683**
Total current liabilities	**1,134,895**	1,045,088	**12,197,925**
Long-term Liabilities:			
Bonds (Note 6)	**95,000**	95,000	**1,021,066**
Long-term debt, less current portion (Notes 3 and 6)	**342,141**	350,008	**3,677,353**
Lease obligations—non-current (Notes 2 (22) and 6)	**14,963**	16,351	**160,823**
Deferred tax liabilities—non-current (Note 8)	**7,801**	7,814	**83,845**
Employee retirement benefits liability (Note 17)	**13,586**	12,406	**146,023**
Provision for liquidation of affiliated companies (Note 2 (14))	**4,155**	4,342	**44,658**
Provision for loss on compensations (Note 2 (15))	**2,333**	2,333	**25,075**
Provision for contract loss (Note 2 (16))	**430**	430	**4,621**
Other long-term liabilities (Notes 2 (12) and 2 (13))	**9,023**	9,317	**96,979**
Total long-term liabilities	**489,435**	498,004	**5,260,479**
Total Liabilities	**1,624,331**	1,543,092	**17,458,415**
Net Assets (Note 20)**:**			
Shareholders' equity (Notes 7 and 23)			
Common stock, no par value:			
Authorized: 1,000,000,000 shares			
Issued: 354,056,516 shares (Note 22)	**64,936**	64,936	**697,936**
Capital surplus	**154,367**	154,367	**1,659,146**
Retained earnings	**386,084**	365,130	**4,149,656**
Less: treasury stock, at cost — 4,030,290 shares in 2010 and 3,762,239 shares in 2009 (Note 22)	**(7,144)**	(6,749)	**(76,784)**
Total shareholders' equity	**598,244**	577,685	**6,429,965**
Difference of appreciation and conversion:			
Net unrealized gains on available-for-sale securities, net of taxes	**21,105**	2,147	**226,837**
Net deferred profits or losses on hedges, net of taxes	**5,968**	(2,300)	**64,144**
Foreign currency translation adjustments	**(40,185)**	(46,613)	**(431,911)**
Total difference of appreciation and conversion	**(13,111)**	(46,766)	**(140,917)**
Stock acquisition rights	**1,322**	1,089	**14,208**
Minority interests in consolidated subsidiaries	**63,760**	54,988	**685,296**
Total net assets	**650,215**	586,996	**6,988,553**
Total Liabilities and Net Assets	**¥2,274,547**	¥2,130,089	**$24,446,979**

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Income

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2010 and 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
Net Sales (Note 18)	¥5,102,261	¥6,286,996	$54,839,434
Cost of Sales (Notes 4 and 18)	4,821,470	5,960,317	51,821,474
Gross Trading Profit	280,790	326,679	3,017,949
Selling, General and Administrative Expenses (Notes 9 and 18)**:**			
Charges and fees	13,422	17,045	144,260
Traffic and traveling expenses	9,332	12,579	100,300
Communication expenses	2,945	3,086	31,653
Allowance for doubtful accounts	1,043	4,534	11,210
Salaries and wages	96,117	95,091	1,033,071
Retirement benefit expenses	5,357	4,682	57,577
Welfare expenses	12,824	12,290	137,833
Rental expenses	15,106	13,957	162,360
Depreciation and amortization except goodwill	13,908	13,402	149,484
Taxes other than income taxes	4,086	4,332	43,916
Amortization of goodwill	14,725	15,575	158,265
Others	36,328	39,083	390,455
	225,199	235,661	2,420,453
Operating Income (Note 18)	55,591	91,017	597,495
Other Income (Expenses):			
Interest income	3,052	4,068	32,803
Interest expenses	(14,263)	(17,312)	(153,299)
Dividend income	9,354	13,414	100,537
Share in net earnings in equity method	7,364	6,610	79,148
Foreign exchange gain, net (Note 2 (23))	3,675	–	39,499
Other, net (Notes 10 and 12)	(309)	(9,099)	(3,321)
	8,873	(2,318)	95,367
Income before Income Taxes and Minority Interests	64,465	88,698	692,874
Income Tax Expenses:			
Current	23,135	27,358	248,656
Deferred	6,603	13,992	70,969
	29,739	41,351	319,636
Minority Interests in Earnings of Consolidated Subsidiaries	7,386	7,123	79,385
Net Income	¥ 27,339	¥ 40,224	$ 293,841

	Yen		U.S. Dollars (Note 1)
Amounts per Share (Notes 21 and 23)**:**			
Net income:			
Basic	¥78.08	¥114.73	$0.84
Diluted	–	114.72	–
Cash dividends	16.00	26.00	0.17

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Changes in Net Assets

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2010 and 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
Shareholders' Equity:			
Common Stock:			
Beginning Balance	¥ 64,936	¥ 64,936	$ 697,936
Ending Balance	¥ 64,936	¥ 64,936	$ 697,936
Capital Surplus:			
Beginning Balance	¥154,367	¥154,367	$1,659,146
Ending Balance	¥154,367	¥154,367	$1,659,146
Retained Earnings:			
Beginning Balance	¥365,130	¥334,950	$3,924,441
Cash dividends paid (Note 23)	(5,606)	(11,928)	(60,253)
Net income	27,339	40,224	293,841
Loss on the disposition of treasury stock	(1)	(130)	(10)
Net increase (decrease) of consolidated subsidiaries	(1,371)	2,110	(14,735)
Net increase (decrease) of companies accounted for by the equity method	549	619	5,900
Others, net	44	(714)	472
Ending Balance	¥386,084	¥365,130	$4,149,656
Treasury Stock, at Cost:			
Beginning Balance	¥ (6,749)	¥ (5,274)	$ (72,538)
Purchase of treasury stock	(404)	(1,912)	(4,342)
Disposal of treasury stock	4	455	42
Others, net	5	(16)	53
Ending Balance	¥ (7,144)	¥ (6,749)	$ (76,784)
Total Shareholders' Equity	¥598,244	¥577,685	$6,429,965
Difference of Appreciation and Conversion:			
Net Unrealized Gains on Available-for-Sale Securities, Net of Taxes:			
Beginning Balance	¥ 2,147	¥ 40,362	$ 23,076
Change in unrealized gains	18,958	(38,214)	203,761
Ending Balance	¥ 21,105	¥ 2,147	$ 226,837
Net Deferred Profits or Losses on Hedges, Net of Taxes:			
Beginning Balance	¥ (2,300)	¥ 6,519	$ (24,720)
Change in deferred profits on hedges	8,269	(8,820)	88,875
Ending Balance	¥ 5,968	¥ (2,300)	$ 64,144
Foreign Currency Translation Adjustments:			
Beginning Balance	¥ (46,613)	¥ (9,985)	$ (500,999)
Change in foreign currency translation adjustments	6,427	(36,627)	69,077
Ending Balance	¥ (40,185)	¥ (46,613)	$ (431,911)
Total Difference of Appreciation and Conversion	¥ (13,111)	¥ (46,766)	$ (140,917)
Stock Acquisition Rights:			
Beginning Balance	¥ 1,089	¥ 581	$ 11,704
Change in stock acquisition rights	233	508	2,504
Ending Balance	¥ 1,322	¥ 1,089	$ 14,208
Minority Interests in Consolidated Subsidiaries:			
Beginning Balance	¥ 54,988	¥ 53,273	$ 591,014
Change in minority interests	8,771	1,714	94,271
Ending Balance	¥ 63,760	¥ 54,988	$ 685,296
Total Net Assets	¥650,215	¥586,996	$6,988,553

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2010 and 2009

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2010	2009	2010
Cash Flows from Operating Activities:			
Income before income taxes and minority interests	¥ 64,465	¥ 88,698	$ 692,874
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation and amortization except goodwill	29,506	28,634	317,132
Amortization of goodwill	14,725	15,575	158,265
Net change in allowance for doubtful accounts—net	894	2,290	9,608
Interest and dividend income	(12,406)	(17,483)	(133,340)
Interest expense	14,263	17,312	153,299
Share in net earnings in equity method	(7,364)	(6,610)	(79,148)
Net change in receivables	(182,957)	382,580	(1,966,433)
Net change in inventories	49,022	7,811	526,891
Net change in payables	176,453	(383,103)	1,896,528
Others, net	(27,698)	12,614	(297,699)
Subtotal	118,904	148,321	1,277,987
Interest and dividend received	18,823	23,275	202,310
Interest paid	(14,391)	(17,610)	(154,675)
Income taxes paid	(23,119)	(30,225)	(248,484)
Net cash provided by operating activities	100,217	123,760	1,077,138
Cash Flows from Investing Activities:			
Net (increase) decrease in time deposits	(0)	709	(0)
Payments for purchase of property and equipment	(26,058)	(38,806)	(280,073)
Proceeds from sale of property and equipment	3,132	8,462	33,662
Payments for purchase of intangible assets	(7,654)	(5,973)	(82,265)
Proceeds from sale of intangible assets	145	108	1,558
Payments for purchase of investment securities	(49,126)	(18,173)	(528,009)
Proceeds from sale of investment securities	7,279	5,508	78,235
Payments for sale of shares of subsidiaries excluded from the consolidation scope	–	(4)	–
Proceeds from sale of shares of subsidiaries excluded from the consolidation scope	79	–	849
Increase in loans	(8,213)	(15,245)	(88,273)
Collection of loans	7,546	12,308	81,104
Payment for purchase of shares of subsidiaries from minority shareholders	–	(2,235)	–
Others, net	(219)	(1,486)	(2,353)
Net cash used in investing activities	(73,090)	(54,827)	(785,576)
Cash Flows from Financing Activities:			
Change in short-term loans payable	(76,366)	5,780	(820,786)
Proceeds from long-term debt	44,799	49,579	481,502
Repayment of long-term debt	(62,667)	(44,393)	(673,549)
Proceeds from issuance of bonds	–	20,000	–
Payment for redemption of bonds	–	(5,400)	–
Payment for purchase of treasury stock	(404)	(1,912)	(4,342)
Dividends paid	(5,606)	(11,928)	(60,253)
Dividends paid to minority shareholders	(3,256)	(3,695)	(34,995)
Proceeds from stock issuance to minority shareholders of subsidiaries	185	454	1,988
Others, net	(4,306)	(3,869)	(46,281)
Net cash (used in) provided by financing activities	(107,623)	4,614	(1,156,739)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	2,215	(11,979)	23,806
Net (Decrease) Increase in Cash and Cash Equivalents	(78,281)	61,567	(841,369)
Cash and Cash Equivalents at Beginning of Year	242,530	174,197	2,606,728
Cash and Cash Equivalents of Newly Consolidated Subsidiaries	6,464	6,765	69,475
Cash and Cash Equivalents at End of Year	¥ 170,714	¥ 242,530	$ 1,834,845
Reconciliation Between Cash and Cash Equivalents and Cash and Deposits in the Consolidated Balance Sheets:			
Cash and deposits in the consolidated balance sheets	¥ 170,714	¥ 242,537	$ 1,834,845
Time deposits over 3 months	–	(7)	–
Cash and cash equivalents in the consolidated statements of cash flows	¥ 170,714	¥ 242,530	$ 1,834,845

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries

1. Basis of Financial Statements

The accompanying consolidated financial statements of TOYOTA TSUSHO CORPORATION ("the Company") and its consolidated subsidiaries have been prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards, and are compiled from the original consolidated financial statements in Japanese prepared by the Company as required by the Financial Instruments and Exchange Law of Japan. Certain items presented in the original consolidated financial statements in Japanese have been reclassified for the convenience of readers outside Japan. The account reclassification, however, has no effect on shareholders' equity, net sales or net income.

On the accompanying consolidated financial statements, which are stated in Japanese yen, the currency of the country in which the Company is incorporated and principally operates, amounts less than ¥1 million are rounded down, consistent with the original consolidated financial statements in Japanese. The translations of Japanese yen amounts into U.S. dollar amounts with respect to the year ended March 31, 2010 are included solely for the convenience of readers outside Japan and have been made at the rate of ¥93.04 = U.S.$1, the rate prevailing on March 31, 2010, which was the final business day of financial institutions in fiscal 2010. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

2. Summary of Significant Accounting Policies

(1) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its significant domestic and overseas subsidiaries. All significant inter-company transactions and accounts have been eliminated. Investments in principal unconsolidated subsidiaries and affiliates are accounted for by the equity method. The Company determined its unconsolidated subsidiaries and affiliates in conformity with the accounting principles and practices under the control and influence approach in addition to determination by share of ownership. The difference between the cost of investments in subsidiaries and the equity in the fair value of their net assets at dates of acquisition is amortized over periods of 20 years or less using the straight-line method, with minor exceptions.

The number of consolidated subsidiaries, unconsolidated subsidiaries and affiliates at March 31, 2010 and 2009 was as follows:

Information regarding the Company's principal consolidated subsidiaries and affiliates accounted for by the equity method is listed under "Principal Consolidated Subsidiaries and Affiliates by Equity Method."

	2010	2009
Consolidated subsidiaries	289	274
Unconsolidated subsidiaries and affiliates, accounted for by the equity method	139	135
Unconsolidated subsidiaries and affiliates, stated at cost	131	141

For the year ended March 31, 2010, 26 subsidiaries were newly added to the scope of consolidation and 11 subsidiaries were excluded from the scope of consolidation. In addition 14 unconsolidated subsidiaries and affiliates were newly added to the scope of consolidation under the equity method and 10 unconsolidated subsidiaries and affiliates were excluded from the scope of consolidation under the equity method.

Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost due to their insignificant effect on the consolidated financial statements.

Of the Company's consolidated subsidiaries, fiscal year-ends of 66 subsidiaries in 2010, and of 58 subsidiaries in 2009, are different from the Company's fiscal year-end. If the fiscal year-ends of these subsidiaries are three months or less prior to the Company's fiscal year-end, the Company uses the financial statements of the subsidiaries as of their fiscal year-ends and for the years then ended for consolidated accounting purposes and significant transactions occurring between subsidiaries' year-ends and the Company's year-end are adjusted upon consolidation. As for subsidiaries whose fiscal year-ends are three months or more prior to the Company's fiscal year-end, the Company uses the preliminary financial statements, with reasonable adjustments that would have been made to conform to financial statements as of the Company's fiscal year-end and for the year then ended, for consolidated accounting purposes.

Overseas consolidated subsidiaries adopt accounting principles generally accepted in their respective countries, but the necessary adjustments have been made to their financial statements in consolidation to conform with accounting principles generally accepted in Japan as allowed under accounting principles generally accepted in Japan.

Assets and liabilities of consolidated subsidiaries are revalued at their fair value as of the date of acquisition except the minority interest proportion stated at the pre-acquisition carrying value.

(2) Cash equivalents

The Company considers time deposits with maturity of three months or less at the time of acquisition and short-term, highly liquid investments that are readily convertible to be cash equivalents.

(3) Investments and marketable securities

The accounting standard for financial instruments requires that securities be classified into three categories: trading, held-to-maturity or available-for-sale. However, due to the fact that the Company shall not hold securities for the purpose of trading, trading is not applicable.

Held-to-maturity securities	Amortized cost method.
Available-for-sale securities	
Securities with market price	Market value based on the market price on balance sheet dates (Net unrealized gains or losses on these securities are reported as a separate item in net assets, net of applicable income taxes. Sales costs are principally determined by the moving average method).
Securities without market price	At cost, determined principally by the moving average method.

(4) Derivatives

Derivatives are mainly valued at fair value, if hedge accounting is not appropriate or where there is no hedging designation, and the gains and losses on derivatives are recognized in current earnings.

(5) Inventories

Inventories held for sale in the ordinary course of business	Principally stated at cost, determined by the moving average method (for the book value of inventories on the balance sheet, by writing the inventories down based on their decrease in profitability of assets); however, the cost of merchandise for export and import is principally determined by identified cost method.

(6) Depreciation method for depreciable assets

Property and Equipment other than leased property are principally depreciated by the declining balance method. Details of accumulated depreciation on the accompanying consolidated balance sheets are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
Buildings and structures	**¥ 68,040**	¥ 62,596	**$ 731,298**
Machinery, equipment and vehicles	**107,469**	99,966	**1,155,083**
Leased property	**6,410**	3,876	**68,895**
Other property and equipment	**11,144**	9,373	**119,776**
Total accumulated depreciation	**¥193,065**	¥175,812	**$2,075,075**

The number of years over which the asset is depreciated and the treatment of undepreciated balances are principally determined according to the same standards set out in the Corporation Tax Law of Japan. Expenditures on maintenance and repairs are charged to income as incurred. Upon the disposal of property and equipment, the cost and accumulated depreciation are removed from the related accounts and any gain or loss is recorded as income or expense.

Intangible fixed assets other than leased property are principally amortized by the straight-line method.

Leased property under the finance lease transactions without ownership transfer is depreciated over the lease term by straight-line method with no salvage value.

(7) Impairment on fixed assets

Calculation of the impairment on fixed assets is based on reasonable and supportable assumptions and projections of the grouping of assets, total undiscounted cash flows, and recoverable value, with due consideration for the specific condition of each group of assets.

The recoverable amount of assets is calculated mainly based on the appraisal or the publicly assessed value of land.

(8) Deferred charges

Bond Issue Costs Charged to income as incurred

(9) Allowance for doubtful accounts

Allowance for doubtful accounts has been provided for at the aggregate amount of estimated credit loss for doubtful or troubled receivables and a general reserve for other receivables calculated based on the historical loss experienced for a certain past period.

(10) Provision for bonuses to directors

To prepare for the payment of bonuses to directors and corporate auditors, the provision which should be attributable to this fiscal year of expectable payment amounts was recognized. Accordingly, ¥712 million ($7,652 thousand) and ¥696 million were included in other current liabilities on the accompanying consolidated balance sheets as of March 31, 2010 and 2009, respectively.

(11) Employee retirement benefits

To prepare for the payment of employee retirement benefits, projected accrued amounts recognized as having occurred during the fiscal years have been included in the accompanying consolidated financial statements based on the projected amounts for retirement benefit obligations and pension assets at the end of respective fiscal years. The employee retirement benefit liability for the Company or a part of the Company's retirement benefit plans and that for one of its consolidated subsidiaries were shown as debit balances as of March 31, 2010 and 2009, respectively. Accordingly, ¥4,436 million ($47,678 thousand) and ¥4,351 million were included in others of investments and other assets on the accompanying consolidated balance sheets as of March 31, 2010 and 2009, respectively.

Past service costs are charged to income as incurred.

The actuarial difference is amortized using the straight-line method mainly over 12 years within the average number of years remaining before retirement of the Company's and its consolidated subsidiaries' employees, and is recorded as an expense from the subsequent year in which it arises.

(12) Directors' and corporate auditors' retirement benefits

To prepare for the payment of retirement benefits for directors and corporate auditors, the provision is recognized on the accompanying consolidated balance sheets in accordance with internal rules.

The Company decided to terminate the retirement benefit plan for corporate auditors effective as of June 25, 2010 when the annual general meeting of shareholders was held. Accordingly, the annual general meeting of shareholders resolved that the Company make a final payment of retirement benefits to the corporate auditors according to the length of their service within the appropriate limit of amounts when they retire, and also the amounts and method of payment, etc. shall be left to the consultations among the corporate auditors. Accordingly, ¥752 million ($8,082 thousand) and ¥765 million were included in other long-term liabilities on the accompanying consolidated balance sheets as of March 31, 2010 and 2009, respectively.

(13) Provision for guarantees

To cover possible losses associated with acceptances and guarantees that the Company provided to third parties, the Company assesses the financial standing of each guaranteed party and records an estimated allowance for such losses based on the estimated exposure. Accordingly, ¥7 million ($75 thousand) was included in other long-term liabilities on the accompanying consolidated balance sheets as of March 31, 2010.

(14) Provision for liquidation of affiliated companies

To cover possible losses for the liquidation and the sale of its subsidiaries and affiliates, the Company records an estimated allowance for such losses.

(15) Provision for loss on compensations

To cover possible losses for the future performance of compensation for damages, the Company records an estimated allowance for such losses.

(16) Provision for contract loss

To cover possible losses for the future performance of contract, the Company records an estimated allowance for such losses.

(17) Translation of foreign currency assets and liabilities

Foreign currency assets and liabilities are translated into Japanese yen at the prevailing rate in the foreign currency market on the balance sheet dates, and the translation difference is accounted for as a gain or loss.

The assets and liabilities of overseas subsidiaries and affiliates are also translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates, shareholders' equity is translated at the historical rates and income and expenses are translated at the average exchange rates during the year. The resulting translation difference is accounted for as foreign currency translation adjustments and minority interests in consolidated subsidiaries.

(18) Accounting methods for hedges

1. Accounting method for hedges

Hedges are principally accounted for by the deferred hedge method.

2. Hedge methods and targets

Hedge methods	a.	Forward exchange contracts
	b.	Interest rate swap contracts
	c.	Commodity future and forward contracts
Hedge targets	a.	Foreign currency transactions
	b.	Interest on deposits and loans
	c.	Commodity transactions in the nonferrous metal, crude oil, petroleum products, rubber, foodstuffs, cotton, and other markets

3. Hedge policy

The implementation and management of hedge transactions are carried out to hedge risk fluctuation based on internal regulations that specify transaction limits. In addition to monthly reports on hedge transaction balances made directly to the company management, reports are also submitted to the Administration Division.

4. Method of evaluating the effectiveness of hedges

The effectiveness of a hedge is determined by comparing the movement in market prices for the hedge method and hedge target instruments and by comparing the changes in cumulative cash flow to determine the degree of correlation between the two instruments in order to qualify for such deferred hedge accounting.

5. Others

The Company believes that, due to its selection of foreign and domestic exchanges and financial institutions with high credit ratings as its counter parties in hedge transactions, there is almost no credit risk involved.

(19) Consumption tax

The consumption tax withheld by the Company and its consolidated subsidiaries on sales of goods and services is not included in the amount of net sales in the accompanying consolidated statements of income, and the consumption tax paid by the Company and its consolidated subsidiaries on purchases of goods and services, and expenses is not included in the related amount.

(20) Income taxes

Income taxes are accounted for in accordance with the accounting standard for income taxes, which requires recognizing the deferred taxes under the asset and liability method. Under the accounting standard, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases, and measured using the statutory tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

(21) Per share data

Basic net income per share is computed by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding during the respective years. Diluted net income per share is computed as if warrants or stock options were exercised at the beginning of the relevant year or (if later) on their first exercise date and as if the funds obtained thereby were used to purchase common stock at the average market price during the respective years under the treasury stock method.

Cash dividends per share shown for each fiscal year in the accompanying consolidated statements of income represent dividends declared as applicable to the respective years.

(22) Changes in accounting policies and adoption of new accounting standards

1. For the year ended March 31, 2010

Translation of foreign currency assets and liabilities

Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.

Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year.

This change was made to reflect the related income and expenses that occur throughout the accounting period in the consolidated financial statements in a more proper manner by averaging the impacts of temporary fluctuations in exchange rates with the increased materiality of the Company's foreign subsidiaries and affiliates.

As a result of the change in translation method, net sales decreased by ¥11,863 million ($127,504 thousand), operating income decreased by ¥368 million ($3,955 thousand), and income before income taxes and minority interests decreased by ¥293 million ($3,149 thousand).

2. For the year ended March 31, 2009

a. Accounting standard for measurement of inventories

Prior to the fiscal year ended March 31, 2008, inventories were accounted for in the following manner:

Raw materials, work in process, finished goods	At cost, principally determined by the periodic average method.
Merchandise (excluding exports and imports)	At cost, principally stated at the moving average method. However, the cost of certain merchandise is stated at the lower of cost or market.
Exports and imports	At cost, principally determined by the individual item method. However, the cost of certain merchandise is stated at the lower of cost or market.
Supplies	At cost, principally determined by the last purchase price method.

Effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries adopted "Accounting Standard for Measurement of Inventories" (Accounting Standards Board of Japan ("ASBJ") Statement No. 9, announced on July 5, 2006).

As a result of the adoption of this accounting standard, operating income and income before income taxes and minority interests decreased by ¥4,523 million.

b. Practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

Effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries adopted "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006). Accordingly, the Company made the necessary adjustments to the consolidated financial statements.

As a result of the adoption of this accounting standard, income before income taxes and minority interests increased by ¥379 million.

c. Accounting standard for lease transactions

Prior to the fiscal year ended March 31, 2008, finance lease transactions without ownership transfer were accounted for in a manner similar to the accounting treatment for operating lease transactions.

Effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries adopted "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, originally issued by Business Accounting Council Committee No. 1, June 17, 1993; and revised March 30, 2007) and "Guidance on Accounting Standard for Lease Transactions" (ASBJ Guidance No. 16, originally issued by Japanese Institute of Certified Public Accountants, Accounting System Committee, January 18, 1994; and revised March 30, 2007). Accordingly, these lease transactions are now accounted for as ordinary sale and purchase transactions. The impact of this change on the Consolidated Statements of Income is immaterial.

(23) Changes in presentation method of consolidated financial statements

(Consolidated Statements of Income)

"Foreign exchange gain, net" is separately presented for the fiscal year ended March 31, 2010 due to its increased materiality. The "Foreign exchange loss, net" in the amount of ¥1,563 million was included in "Other, net" for the fiscal year ended March 31, 2009.

3. Pledged Assets

Pledged assets as collateral as of March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Cash and deposits	¥ –	¥ 45	$ –
Trade notes and accounts receivable	47	1,986	505
Inventories	835	3,913	8,974
Other current assets	3	146	32
Buildings and structures	3,176	3,268	34,135
Machinery, equipment and vehicles	1,955	2,972	21,012
Land	976	1,721	10,490
Investment securities	5,629	5,894	60,500
Total	¥12,624	¥19,951	$135,683

Collateral secured obligations as of March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Trade notes and accounts payable	¥ 3	¥ 3	$ 32
Short-term loans payable and current portion of long-term debt	1,560	3,879	16,766
Long-term debt, less current portion	2,023	2,643	21,743
Total	¥3,586	¥6,526	$38,542

4. Inventories

Inventories by major classification were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Finished goods and merchandise on hand	¥370,628	¥406,575	$3,983,533
Work in progress	2,175	2,529	23,377
Raw materials and supplies	13,216	17,287	142,046
Total	¥386,019	¥426,391	$4,148,957

The book value of Inventories as of March 31, 2010 and 2009 is stated after the write-downs of inventories due to decrease in profitability of assets. The loss on write-downs of inventories of ¥10,953 million ($117,723 thousand) and ¥6,372 million was included in cost of sales for the year ended March 31, 2010 and 2009, respectively.

5. Multi-currency Revolving Facilities and Commitment Lines

The Company and its consolidated subsidiaries, such as Toyota Tsusho America, Inc., Toyota Tsusho U. K. Ltd., Toyota Tsusho Europe S.A., Dusseldorf Branch (former Neuss Branch), and Toyota Tsusho (Singapore) Pte. Ltd., maintain a line of credit in the form of multi-currency revolving facilities provided by 8 financial institutions in order to obtain required funds should unexpected events arise.

As of March 31, 2010 and 2009, the unused line of credit of the multi-currency revolving facilities was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
Maximum line of credit of the multi-currency revolving facilities	**¥20,000**	¥30,000	**$214,961**
Less, outstanding drawdown on revolving facilities	**–**	–	**–**
Balance	**¥20,000**	¥30,000	**$214,961**

In addition, certain consolidated subsidiaries enter into commitment line contracts with financial institutions for the flexibility and safety of their funding activities. The unused balances of commitment lines at March 31, 2010 and 2009 were as follows:

	Millions of Currency		Thousands of U.S. Dollars
	2010	2009	**2010**
Maximum line of credit of the commitment line contracts	**¥18,000**	¥18,000	**$193,465**
		and U.S. Dollars 350	
	and Baht 1,000	and Baht 1,000	**30,846**
Less, outstanding drawdown on commitment line contracts	**11,600**	7,300	**124,677**
		and U.S. Dollars 340	
Balance	**¥6,400**	¥10,700	**$68,787**
		and U.S. Dollars 10	
	and Baht 1,000	and Baht 1,000	**30,846**

6. Short-term Loans Payable, Long-term Debt and Lease Obligations

Short-term loans payable

The average annual interest rates applicable to short-term loans, principally from banks, outstanding at March 31, 2010 and 2009 were 1.30% and 2.09%, respectively.

Commercial paper

The average annual interest rates applicable to commercial paper, outstanding at March 31, 2010 and 2009 were 0.12% and 0.66%, respectively.

Summary of long-term debt and lease obligations

Long-term debt as of March 31, 2010 and 2009 consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
1.65% straight bonds due 2011	**¥ 30,000**	¥ 30,000	**$ 322,441**
1.55% straight bonds due 2012	**10,000**	10,000	**107,480**
1.65% straight bonds due 2014	**20,000**	20,000	**214,961**
1.09% straight bonds due 2015	**10,000**	10,000	**107,480**
2.26% straight bonds due 2016	**15,000**	15,000	**161,220**
Floating rate straight bonds due 2016 (Note 1)	**10,000**	10,000	**107,480**
Long-term debt, principally from commercial and trust banks and insurance companies, maturing serially through 2018 (Note 2)	**397,104**	411,323	**4,268,099**
Lease obligations maturing serially through 2022	**18,643**	20,385	**200,376**
Total	**510,748**	526,708	**5,489,552**
Less, current portion (Note 2)	**(58,642)**	(65,349)	**(630,288)**
	¥452,105	¥461,359	**$4,859,254**

Notes: 1. The annual rate was 2.20% for the 1st year and 20–year swap rate minus 2–year swap rate plus 0.20% for the 2nd year and after. In case the result of the above calculation is below zero, it should be zero percentage.
2. The average annual interest rates applicable to long-term debt (current portion) outstanding at March 31, 2010 and 2009 were 1.96% (2.23%) and 1.98% (2.16%), respectively.
3. The average annual interest rate of lease obligations was not presented because the lease obligations were booked on the consolidated balance sheet before deducting interest amount included in the aggregate lease payments.

The aggregate annual maturities of long-term debt and lease obligations at March 31, 2010 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Year ending March 31	2010	2010
2010	¥ 58,642	$ 630,288
2011	66,472	714,445
2012	74,821	804,180
2013	83,948	902,278
2014	50,023	537,650
2015 and thereafter	176,839	1,900,677
Total	¥510,748	$5,489,552

7. Shareholders' Equity

Under the Corporate Law of Japan, which came into force on May 1, 2006, amounts equal to at least 10% of dividends made as an appropriation of retained earnings must be set aside as a legal reserve until a total amount of additional paid-in capital and such reserve equals 25% of common stock.

In consolidation, the legal reserves of consolidated subsidiaries are accounted for as retained earnings. And, the legal reserves of the parent company are included in consolidated retained earnings in the current term in accordance with the consolidated financial statement regulations.

Dividends are approved by the shareholders at an annual general shareholders' meeting held subsequent to the fiscal year to which the dividend is applicable.

In addition, an interim dividend may be paid upon resolution of the Board of Directors, subject to limitations imposed by the Corporate Law of Japan.

8. Income Taxes

As of March 31, 2010 and 2009, tax effects of temporary differences that give rise to deferred tax assets and deferred tax liabilities were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Deferred tax assets:			
Unrealized profit	¥ 1,955	¥ 2,040	$ 21,012
Allowance for doubtful accounts	9,168	1,059	98,538
Employee retirement benefits	2,918	2,601	31,362
Directors' and corporate auditors' retirement benefits	814	863	8,748
Provision for employees' bonuses	3,847	3,424	41,347
Write-down of investment securities	10,496	16,152	112,811
Write-down of investment in subsidiaries and affiliates	6,809	7,382	73,183
Deferred losses on hedges	–	3,687	–
Net operating loss carryforward	24,847	35,879	267,057
Valuation losses of inherited assets on the merger	13,604	16,164	146,216
Others	17,177	12,168	184,619
Subtotal	91,638	101,425	984,931
Valuation allowance	(45,502)	(45,623)	(489,058)
Total deferred tax assets	46,135	55,802	495,861
Deferred tax liabilities:			
Unrealized gains on available-for-sale securities	12,429	2,958	133,587
Valuation of assets and liabilities of consolidated subsidiaries on acquisition	887	887	9,533
Depreciation of property and equipment	2,320	2,252	24,935
Deferred profits on hedges	4,313	1,754	46,356
Valuation profits of inherited assets on the merger	6,897	7,289	74,129
Others	1,235	765	13,273
Total deferred tax liabilities	28,083	15,907	301,837
Net deferred tax assets (liabilities)	¥ 18,052	¥ 39,895	$ 194,024

Reconciliation items of differences between the Japanese statutory effective tax rate and actual effective income tax rate for the years ended March 31, 2010 and 2009 were as follows:

	Percentage of pretax income	
	2010	2009
Japanese statutory effective tax rate	40.3%	40.3%
Increase (decrease) due to:		
Permanently nondeductible expenses	1.3	1.3
Equity in earnings of unconsolidated subsidiaries and affiliates	(4.2)	(2.9)
Differences of tax rates for overseas consolidated subsidiaries	(10.6)	(9.8)
Valuation allowance	6.6	10.9
Amortization of goodwill	10.1	7.4
Undistributed earnings in foreign subsidiaries	1.6	–
Others	1.0	(0.6)
Actual effective income tax rate	46.1%	46.6%

9. Research and Development Expenses

Research and development expenses included in selling, general and administrative expenses for the years ended March 31, 2010 and 2009 were ¥419 million ($4,503 thousand) and ¥305 million, respectively.

10. Other Income (Expenses)

Details of Others, net, included in Other Income (Expenses) for the years ended March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Gain on sales of fixed assets	¥ 804 (Note 1)	¥ 1,052 (Note 7)	$ 8,641
Loss on sales or disposal of fixed assets	(1,032) (Note 2)	(1,691) (Note 8)	(11,092)
Impairment loss	(1,846)	(1,354)	(19,840)
Gain on sales of investment securities	2,553	1,346	27,439
Loss on sales of investment securities	(492)	(424)	(5,288)
Write-down of investment securities	(2,889)	(5,962)	(31,051)
Gain on reversal of allowance for doubtful accounts	148	2,252	1,590
Loss on disposal of investments in and advances to subsidiaries and affiliates	(357) (Note 3)	(2,963) (Note 9)	(3,837)
Gain on reversal of allowance for liquidation of affiliated companies	112	2,509	1,203
Loss on provision for liquidation of affiliated companies	(779) (Note 4)	(1,571) (Note 10)	(8,372)
Loss on provision for compensations	–	(2,333) (Note 11)	–
Gain on change in equity	1,372 (Note 5)	–	14,746
Loss on change in equity	(664) (Note 6)	–	(7,136)
Gain on reversal of subscription rights to shares	185	–	1,988
Loss on provision for contract	–	(430) (Note 12)	–
Others, net	2,574	470	27,665
Total	¥ (309)	¥(9,099)	$ (3,321)

Notes: 1 . The Company recorded the gain on sales of vehicles, etc.
2 . The Company recorded the loss on sales or disposal of buildings, machinery & equipment, etc.
3 . The Company recorded an estimated allowance in order to cover the possible losses for the sales and liquidation of its overseas subsidiaries.
4 . The Company recorded an estimated allowance in order to cover the possible losses for the liquidation of its consolidated subsidiaries in North America, Japan and others.
5 . The Company recorded the gain on change in the equity of domestic consolidated subsidiaries and others.
6 . The Company recorded the loss on change in the equity of affiliates in Asia.
7 . The Company recorded the gain on sales of land, etc.
8 . The Company recorded the loss on sales or disposal of buildings and structures, etc.
9 . The Company recorded an estimated allowance in order to cover the possible losses for the sales of its domestic subsidiaries and others.
10. The Company recorded an estimated allowance in order to cover the possible losses for the liquidation of its consolidated subsidiaries in Asia.
11. The Company is facing a claim from a customer that we should compensate for the losses they incurred because they insist we are responsible for the losses in relation to the transactions involving us. Although we believe that we are not obliged to pay for the losses, the Company recorded an estimated allowance in order to cover the possible losses for the future performance of compensation for the losses.
12. The Company recorded an estimated allowance in order to cover the possible loss for the future performance of contract with a customer for a domestic consolidated subsidiary.

11. Contingent Liabilities

Contingent liabilities as of March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Discounted exports bills	¥24,819	¥20,473	$266,756
For guarantees of indebtedness to:			
Unconsolidated subsidiaries and affiliates	13,077 (Note 1)	25,099 (Note 2)	140,552
Others	26,723	4,960	287,220
Subtotal	39,801	30,059	427,773
Provision for guarantees	(7)	–	(75)
Total	¥39,794	¥30,059	$427,697

Notes: 1. Egyptian Offshore Drilling Company S.A.E., P.T. Astra Auto Finance, Toyota del Ecuador S.A., Toyota Tsusho Nordic Oy, Chengdu Kobelco Construction Machinery Financial Leasing Ltd., etc.
2. Toyota del Ecuador S.A., P.T. Astra Auto Finance, Toyota Tsusho Nordic Oy, P.T. Kaltim Pasifik Amoniak, Hangzhou Kobelco Construction Machinery Co., Ltd., etc.

12. Impairment Loss

In calculating impairment loss, the assets are grouped at the smallest identifiable unit that generates cash flows that are largely independent of the cash flows of other assets and liabilities.

During the year ended March 31, 2010, the Company and its consolidated subsidiaries recognized the impairment loss amounting to ¥1,846 million ($19,840 thousand) as other expense in the consolidated statements of income by devaluating the book value of the business-use assets and the common assets whose disposal was decided and the idle assets whose expected future use was considered to be unrealizable due to the deterioration of market environment to their recoverable amounts.

In measuring the loss on impairment, the Company and its consolidated subsidiaries used the net selling value for the recoverable amounts of the business-use assets, the idle assets, and the common assets mainly based on the price where the possible loss for disposal is deducted from the expected selling price.

The details of Impairment Loss for the years ended March 31, 2010 and 2009 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Domestic			
Idle assets: Land, Buildings, Machinery & equipment and Leased property, etc.	¥ 566	¥ 557	$ 6,083
Business-use and Common assets: Land, Buildings and Machinery & equipment, etc.	1,279	–	13,746
Overseas			
Idle assets: Land and Buildings	–	140	–
Business-use assets: Land, Buildings and Machinery & equipment	–	66	–
Goodwill	–	589	–
Total	¥1,846	¥1,354	$19,840

13. Lease Transactions

Noncancelable Operating Leases

Lease payments for noncancelable operating lease transactions as of March 31, 2010 and 2009 were as follows:

Lessee	Millions of Yen		Thousands of U.S. Dollars
Future minimum lease payments	2010	2009	2010
Within one year	¥ 3,163	¥ 3,556	$ 33,996
More than one year	7,798	10,062	83,813
Total	¥10,961	¥13,619	$117,809

Lessor	Millions of Yen		Thousands of U.S. Dollars
Future minimum lease payments to be received	2010	2009	2010
Within one year	¥249	¥252	$2,676
More than one year	487	677	5,234
Total	¥736	¥929	$7,910

14. Financial Instruments

For the year ended March 31, 2010

(a) Overview of financial instruments

1. Policies on financial instruments

The Company and its consolidated subsidiaries (the "Group") manage excess funds only by investing in short-term deposits, etc. and finance by debt from financial institutions such as banks, etc. The Group utilizes derivative transactions mainly to avoid adverse effects of the market risks such as foreign exchange rates fluctuation risk, interest rates fluctuation risk, and commodities prices fluctuation risk that are generated along with usual activities of the Group's business, and these derivative transactions are restrictively used to acquire earnings.

2. Description and associated risks of financial instruments and risk management

The trade receivables such as trade notes and accounts receivable are exposed to customer credit risk. Regarding the risk, in accordance with the management regulations of the Group, the Group monitors the collecting due dates and the receivable balances and checks creditability of the major customers periodically.

Although the trade receivables denominated in foreign currencies are exposed to the risk affected by fluctuation in exchange rates, the Group hedges the net position of trade receivables and trade payables by using forward exchange contract as a general rule.

The investment securities are exposed to the risk affected by fluctuation in market price which are mainly for expansion or functional enhancement of the existing business or for entry into the new business. The Group organizes to manage the fair value of the investment securities periodically.

Most of the trade notes and accounts payable are payable within one year. The trade notes and accounts payable denominated in foreign currencies, which are exposed to the risk affected by fluctuation in exchange rates, are within the range of the receivables balances denominated in foreign currencies. Short-term loans payable are mainly for fund-raising for business transactions, while long-term debt and bonds are mainly for fund-raising for capital investments or business investments. The loans based on variable interest rates are exposed to the risk associated with fluctuation in interest rates. To hedge the risk, interest rate swap contracts are utilized for some of the loans based on variable interest rates.

The Group utilizes foreign exchange contracts and foreign currency options, interest rate swap contracts and commodity-related futures, forwards, swaps and options as the derivative transactions. As the Group selects highly ranked financial institutions, exchanges and brokers as counter parties to minimize credit risk exposure associated with these derivative transactions, we believe that the credit risks are mostly avoided. Derivative transactions are mainly utilized to hedge the risk, and the market risks of the derivative transactions are offset against the market fluctuations in physical transactions whose risk is hedged by derivative transactions. Derivative transactions are entered into and managed by the Group in accordance with the internal regulations on derivative transactions that regulate the limits of transactions, etc. Under these regulations, each Business Division which enters into and executes derivative transactions and also manages the positions by itself directly reports to the Company's management and to the Administration Division which is in charge of risk management.

Regarding hedge transactions, please refer to "2. Summary of Significant Accounting Policies (18) Accounting methods for hedges."

3. Supplementary explanation on fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, the fair value is reasonably estimated. Since various assumptions and factors are reflected in estimating the fair value, values may vary depending on the assumptions used. The contract or notional amounts of derivative instruments which are shown in "(b) Fair value of financial instruments" or "16. Derivative Instruments" do not represent the amounts of the Group's exposure to credit or market risks.

(b) Fair value of financial instruments

The carrying amount, fair value, and unrealized gain (loss) of the financial instruments at March 31, 2010 were as follows:

Financial instruments whose fair values are difficult to measure are excluded from the table below.

	Millions of Yen			Thousands of U.S. Dollars		
	2010			2010		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash and deposits	¥ 170,714	¥ 170,714	¥ –	$ 1,834,845	$ 1,834,845	$ –
(2) Trade notes and accounts receivable	886,425			9,527,353		
Less: allowance for doubtful accounts (Note 1)	(4,580)			(49,226)		
	881,845	881,845	–	9,478,127	9,478,127	–
(3) Investment securities	152,521	147,487	(5,034)	1,639,305	1,585,199	(54,105)
(4) Long-term loans	5,061			54,395		
Less: allowance for doubtful accounts (Note 1)	(406)			(4,363)		
	4,654	4,653	0	50,021	50,010	0
Total Assets	¥1,209,736	¥1,204,701	¥ (5,034)	$13,002,321	$12,948,205	$(54,105)
(1) Trade notes and accounts payable	¥ 681,456	¥ 681,456	¥ –	$ 7,324,333	$ 7,324,333	$ –
(2) Short-term loans payable and current portion of long-term debt	257,997	257,997	–	2,772,968	2,772,968	–
(3) Commercial paper	20,000	20,000	–	214,961	214,961	–
(4) Bonds	95,000	98,176	3,176	1,021,066	1,055,202	34,135
(5) Long-term debt, less current portion	342,141	347,362	5,221	3,677,353	3,733,469	56,115
Total Liabilities	¥1,396,595	¥1,404,992	¥ 8,397	$15,010,694	$15,100,945	$ 90,251
Derivative Instruments (Note 2)	¥ 9,052	¥ 9,052	¥ –	$ 97,291	$ 97,291	$ –

Notes: 1. The amount of allowance for doubtful accounts is deducted from trade notes and accounts receivable.
2. Debts and credits occurred from derivatives are presented at net price, and net debts in total is presented as ( ).

(a) A method of estimating fair value for financial instruments and information for securities and derivatives

Assets

(1) Cash and deposits, (2) Trade notes and accounts receivable

The fair value of cash, deposits, trade notes and accounts receivable approximates book value due to the short maturity of these instruments.

(3) Investment securities

The fair value of securities is estimated based on the market price at securities exchange.

For more information about securities, please refer to "15. Information of Securities."

(4) Long-term loans

The fair value of long-term loans is estimated by discounting expected future cash flows using the rates at which loans under similar conditions with same remaining years would be made as of March 31, 2010.

Liabilities

(1) Trade notes and accounts payable, (2) Short-term loans payable and current portion of long-term debt, and (3) Commercial paper

The fair value of the above approximates book value due to the short maturity of these instruments.

(4) Bonds

The fair value of bonds is estimated based on the market price on the respective balance sheet dates.

(5) Long-term debt, less current portion

The fair value of long-term debt and less current portion are estimated by discounting expected future cash flows using the rates at which loans under similar conditions with same remaining years would be made as of March 31, 2010.

Derivative instruments

Please refer to "16. Derivative Instruments."

(b) Financial instruments whose fair values are difficult to measure

	Millions of Yen	Thousands of U.S. Dollars
	2010	2010
	Carrying amount	Carrying amount
Unlisted securities and others	¥140,571	$1,510,866

Note: Unlisted securities and others above, which have no market price, are not included in "(3) Investment securities."

(c) The term of redemption for money debt and securities with maturity after March 31, 2010

	Millions of Yen				Thousands of U.S. Dollars			
	2010				2010			
	Within one year	Between one and five years	Between five and ten years	After ten years	Within one year	Between one and five years	Between five and ten years	After ten years
Cash and deposits	¥ 170,714	¥ –	¥ –	¥ –	$ 1,834,845	$ –	$ –	$ –
Trade notes and accounts receivable	886,425	–	–	–	9,527,353	–	–	–
Investment securities								
Held-to-maturity debentures								
(1) National bonds, local bonds, and others	0	–	–	–	0	–	–	–
(2) Bonds	–	–	–	–	–	–	–	–
Available-for-sale securities with maturity								
(1) Bonds	–	–	–	–	–	–	–	–
(2) Others	5	–	1	1	53	–	10	10
Long-term loans	–	3,887	662	511	–	41,777	7,115	5,492
Total	¥1,057,145	¥3,887	¥664	¥513	$11,362,263	$41,777	$7,136	$5,513

(d) Amount of repayment scheduled for long-term debt, less current portion and bonds after March 31, 2010

	Millions of Yen						Thousands of U.S. Dollars					
	2010						2010					
	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	After five years	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	After five years
Bonds	¥–	¥30,000	¥10,000	¥20,000	¥ –	¥ 35,000	$–	$322,441	$107,480	$214,961	$ –	$ 376,182
Long-term debt, less current portion	–	33,423	61,325	61,553	47,958	137,881	–	359,232	659,125	661,575	515,455	1,481,953
Total	¥–	¥63,423	¥71,325	¥81,553	¥47,958	¥172,881	$–	$681,674	$766,605	$876,536	$515,455	$1,858,136

Additional Information: Effective from the fiscal year ended March 31, 2010, the Company and its domestic consolidated subsidiaries adopted "Accounting Standards for Financial Instruments" (Accounting Standards Board of Japan ("ASBJ") Statement No.10, March 10, 2008) and "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No.19, March 10, 2008).

15. Information of Securities

(a) Securities with market price

Original cost, carrying amount and unrealized gain (loss) of available-for-sale securities with market price at March 31, 2010 and 2009 were as follows:

	Millions of Yen						Thousands of U.S. Dollars		
	2010			2009			2010		
	Carrying amount	Original cost	Unrealized gain (loss)	Carrying amount	Original cost	Unrealized gain (loss)	Carrying amount	Original cost	Unrealized gain (loss)
Market value in excess of original cost amount:									
Equity securities	¥107,729	¥66,973	¥40,755	¥52,043	¥32,425	¥19,617	$1,157,878	$719,830	$438,037
Market value less than original cost amount:									
Equity securities	12,022	14,272	(2,249)	40,694	50,070	(9,376)	129,213	153,396	(24,172)
Total	¥119,751	¥81,245	¥38,505	¥92,737	¥82,496	¥10,240	$1,287,091	$873,226	$413,854

Note: Impairment losses of ¥2,356 million ($25,322 thousand) and ¥4,811 million were recognized in the consolidated statements of income, for available-for-sale securities with market price for the years ended March 31, 2010 and 2009, respectively.

(b) Securities without market price

Book value of securities not measured at market value at March 31, 2010 and 2009 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Available-for-sale securities:			
Unlisted securities	¥35,515	¥35,946	$381,717

(c) Sale of available-for-sale securities

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	2010
Total amount sold	¥4,296	¥2,561	$46,173
Realized gains	2,467	1,308	26,515
Realized losses	(44)	(18)	(472)

16. Derivative Instruments

1. For the year ended March 31, 2010

(a) Transactions for derivative financial instruments to which hedge accounting is not applied

	Millions of Yen				Thousands of U.S. Dollars			
	2010				2010			
Commodity Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Exchange-traded								
Future contracts:								
Nonferrous Metal								
(Sell)	¥62,615	¥3,394	¥(4,148)	¥(4,148)	$ 672,990	$36,478	$(44,582)	$(44,582)
(Buy)	36,647	3,386	3,188	3,188	393,884	36,392	34,264	34,264
Produce & Foodstuffs								
(Sell)	121	–	8	8	1,300	–	85	85
Natural Rubber								
(Sell)	233	–	(31)	(31)	2,504	–	(333)	(333)
(Buy)	110	–	15	15	1,182	–	161	161
Raw Cotton								
(Sell)	2,355	–	(31)	(31)	25,311	–	(333)	(333)
Over-the-counter								
Forward contracts:								
Nonferrous Metal								
(Sell)	70,955	–	(4,316)	(4,316)	762,628	–	(46,388)	(46,388)
(Buy)	93,521	–	4,936	4,936	1,005,169	–	53,052	53,052
Produce & Foodstuffs								
(Buy)	76	–	(7)	(7)	816	–	(75)	(75)
Over-the-counter								
Commodity swap contracts:								
Petroleum Products								
Receipt–variable/Payment–fixed	40,145	–	(403)	(403)	431,481	–	(4,331)	(4,331)
Receipt–fixed/Payment–variable	27,301	–	182	182	293,432	–	1,956	1,956
Total				¥ (607)				$ (6,524)

Notes: 1 . The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange or other exchanges, or Intercontinental Exchange.
2 . The estimated fair value amounts of forward contracts for Nonferrous Metal were determined using the value calculated by major transaction partners.
3 . The estimated fair value amounts of forward contracts for Produce & Foodstuffs and commodity swap contracts were determined using quotes obtained from financial institutions.
4 . The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

Currency Related:	Millions of Yen 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Thousands of U.S. Dollars 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Over-the-counter								
Forward exchange contracts:								
Selling:								
U.S. Dollars	¥57,258	¥ –	¥(1,346)	¥(1,346)	$615,412	¥ –	$(14,466)	$(14,466)
Other currencies	7,618	9	14	14	81,878	96	150	150
Buying:								
U.S. Dollars	59,456	–	700	700	639,036	–	7,523	7,523
Other currencies	31,098	242	(637)	(637)	334,243	2,601	(6,846)	(6,846)
Over-the-counter								
Currency option contracts:								
Selling:								
Put	11,608	–	19	19	124,763	–	204	204
Call	1,339	–	(44)	(44)	14,391	–	(472)	(472)
Buying:								
Put	1,339	–	6	6	14,391	–	64	64
Call	11,671	–	(67)	(67)	125,440	–	(720)	(720)
Total				¥(1,354)				$(14,552)

Notes: 1. The estimated fair value amounts of forward exchange contracts were determined using forward exchange rate at the end of fiscal year.
2. The estimated fair value amounts of currency option contracts were determined using quotes obtained from financial institutions.
3. Option premiums are not received or paid because these currency option contracts are zero cost option contracts in which the premiums of the written options are the same as those paid for the options that are purchased.

Interest Rate Related:	Millions of Yen 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Thousands of U.S. Dollars 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Over-the-counter								
Interest rate swap contracts:								
Receipt–variable/Payment–fixed	¥2,403	¥–	¥205	¥205	$25,827	$–	$2,203	$2,203
Total				¥205				$2,203

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

(b) Transactions for derivative financial instruments to which hedge accounting is applied

	Millions of Yen			Thousands of U.S. Dollars		
	2010			2010		
Commodity Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Contract or notional	Contract or notional over one year	Estimated fair value
Deferred hedge accounting method						
Future contracts:						
Nonferrous Metal						
(Sell)	¥39,529	¥2,467	¥ (1,341)	$424,860	$26,515	$ (14,413)
(Buy)	45,033	2,946	4,411	484,017	31,663	47,409
Produce & Foodstuffs						
(Sell)	5,242	–	569	56,341	–	6,115
(Buy)	5,544	–	(212)	59,587	–	(2,278)
Natural Rubber						
(Buy)	31	–	2	333	–	21
Raw Cotton						
(Sell)	1,083	131	(26)	11,640	1,407	(279)
(Buy)	688	–	28	7,394	–	300
Commodity option contracts:						
Produce & Foodstuffs						
(Sell) a put option	0	–	(0)	0	–	
Raw Cotton						
(Sell) a put option	1,160	–	167	12,467	–	1,794
(Sell) a call option	5,855	–	(64)	62,929	–	(687)
Forward contracts:						
Nonferrous Metal						
(Sell)	7,656	–	(434)	82,287	–	(4,664)
(Buy)	11,928	–	3,108	128,202	–	33,404
Commodity swap contracts:						
Petroleum Products						
Receipt–variable/Payment–fixed	15,832	6,213	(520)	170,163	66,777	(5,588)
Receipt–fixed/Payment–variable	8,673	2,581	5,721	93,217	27,740	61,489
Total			¥11,409			$122,624

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange or other exchanges, or Intercontinental Exchange.
2. The estimated fair value amounts of commodity option contracts were determined using market information on Intercontinental Exchange.
3. The estimated fair value amounts of forward contracts were determined using the value calculated by major transaction partners.
4. The estimated fair value amounts of commodity swap contracts were determined using quotes obtained from financial institutions.
5 . The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

	Millions of Yen			Thousands of U.S. Dollars		
	2010			2010		
Currency Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Contract or notional	Contract or notional over one year	Estimated fair value
Deferred hedge accounting method						
Forward exchange contracts:						
Selling:						
U.S. Dollars	¥39,997	¥ –	¥(917)	$429,890	$ –	$(9,855)
Other currencies	7,649	9	(198)	82,211	96	(2,128)
Buying:						
U.S. Dollars	37,000	–	750	397,678	–	8,061
Other currencies	9,038	1,007	200	97,141	10,823	2,149
Replacement equivalent method for forward foreign exchange contracts						
Forward exchange contracts:						
Selling:						
U.S. Dollars	16,576	–	(420)	178,159	–	(4,514)
Total			¥(586)			$(6,298)

Note: The estimated fair value amounts of forward exchange contracts were determined using forward exchange rate at the end of fiscal year.

Interest Rate Related:	Millions of Yen 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Thousands of U.S. Dollars 2010 Contract or notional	Contract or notional over one year	Estimated fair value
Deferred hedge accounting method						
Interest rate swap contracts:						
Receipt–variable/Payment–fixed	**¥ 390**	**¥ 251**	**¥(13)**	**$ 4,191**	**$ 2,697**	**$(139)**
Exceptional accounting for interest-rate swaps						
Interest rate swap contracts:						
Receipt–variable/Payment–fixed	**¥175,960**	**¥155,960**	**–**	**$1,891,229**	**$1,676,268**	**–**
Total			**¥(13)**			**$(139)**

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The estimated fair value of the interest-rate swaps with exceptional accounting is included in the estimated fair value of the long-term loans since handled as one.
3. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

2. For the year ended March 31, 2009

The Company and its consolidated subsidiaries utilize foreign exchange contracts, interest rate swap contracts and commodity related futures, forwards, swaps and options, mainly to avoid adverse effects of fluctuations of the market risk generated along with usual activities of the Company's business, and unusually, these derivative transactions are used to acquire earnings.

To minimize credit risk exposure associated with these derivative transactions, the Company and its consolidated subsidiaries select highly ranked financial institutions, exchanges and brokers as counter parties.

In accordance with the internal regulations on derivative transactions, for managing market and credit risk of these derivative transactions, each Business Division which entered into derivative transactions directly reports to the Company's management and to the Administration Division which is responsible for managing risks.

The contract or notional amounts of derivatives which are shown in the following tables do not represent the amounts exchanged by the parties and do not measure the Group's exposure to credit or market risks.

Estimated fair value and valuation gain (loss) on the contract or notional amount of derivative instruments at March 31, 2009 were as follows:

Commodity Related	Millions of Yen 2009 Contract or notional	Estimated fair value	Valuation gain (loss)
Exchange-traded			
Future contracts:			
Nonferrous Metal			
(Sell)	¥57,862	¥51,645	¥ 6,217
(Buy)	38,160	31,339	(6,820)
Produce & Foodstuffs			
(Sell)	80	76	4
(Buy)	155	166	11
Natural Rubber			
(Sell)	400	402	(2)
(Buy)	186	210	24
Over-the-counter			
Forward contracts:			
Nonferrous Metal			
(Sell)	54,913	57,397	(2,483)
(Buy)	80,676	76,987	(3,688)
Over-the-counter			
Commodity swap contracts:			
Petroleum Products			
Receipt–variable/Payment–fixed	1,919	1,880	38
Receipt–fixed/Payment–variable	2,972	2,939	(32)
Total			¥(6,733)

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange or The Tokyo Grain Exchange or other exchanges.
2. The estimated fair value amounts of forward contracts were determined using the value calculated by major transaction partners.
3. The estimated fair value amounts of commodity swap contracts were determined using quotes obtained from financial institutions.
4. Excluding transactions for derivative financial instruments to which hedge accounting is applied.

Currency Related:	Millions of Yen 2009 Contract or notional	Estimated fair value	Valuation gain (loss)
Over-the-counter			
Forward exchange contracts:			
Selling:			
U.S. Dollars	¥39,613	¥41,107	¥(1,494)
Other currencies	4,450	4,575	(124)
Buying:			
U.S. Dollars	28,697	29,364	667
Other currencies	20,411	19,545	(865)
Over-the-counter			
Currency option contracts:			
Selling:			
Put	3,241	3,272	(30)
Call	2,151	2,154	(3)
Buying:			
Put	2,151	2,169	18
Call	3,241	3,269	27
Total			¥(1,804)

Notes: 1. The estimated fair value amounts of forward exchange contracts were determined using forward exchange rate at the end of fiscal year.
2. The estimated fair value amounts of currency option contracts were determined using quotes obtained from financial institutions.
3. Option premiums are not received or paid because these currency option contracts are zero cost option contracts in which the premiums of the written options are the same as those paid for the options that are purchased.
4. Excluding transactions for derivative financial instruments to which hedge accounting is applied.

Interest Rate Related:	Millions of Yen 2009 Contract or notional	Estimated fair value	Valuation gain (loss)
Over-the-counter			
Interest rate swap contracts:			
Receipt–variable/Payment–fixed	¥595	¥(5)	¥(5)
Total			¥(5)

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. Excluding transactions for derivative financial instruments to which hedge accounting is applied.

17. Employee Retirement Benefits

The Company and its consolidated subsidiaries have defined benefit plans, including a pension plan pursuant to the Japanese Welfare Pension Insurance Law, a qualified retirement benefits plan, and a lump-sum severance benefits plan.

Employee Retirement Benefits Liability	Millions of Yen **2010**	2009	Thousands of U.S. Dollars **2010**
Employee retirement benefits obligation	**¥(61,174)**	¥(59,093)	**$(657,502)**
Fair value of pension plan assets	**42,449**	35,647	**456,244**
Unfunded benefits obligation	**(18,724)**	(23,445)	**(201,246)**
Unrecognized actuarial difference	**9,686**	15,390	**104,105**
Unrecognized past service costs	**(111)**	–	**(1,193)**
Net amount recognized	**(9,150)**	(8,055)	**(98,344)**
Prepaid pension	**(4,436)**	(4,351)	**(47,678)**
Employee retirement benefit liability	**¥(13,586)**	¥(12,406)	**$(146,023)**

Note: Consolidated subsidiaries are accounted for mainly through the application of the simplified calculation method.

Retirement Benefit Expenses	Millions of Yen 2010	2009	Thousands of U.S. Dollars 2010
Service expenses	¥2,682	¥2,989	$28,826
Interest expenses	1,085	1,009	11,661
Expected return on pension plan assets	(737)	(815)	(7,921)
Amortization of actuarial difference	2,073	1,124	22,280
Amortization of past service costs	(4)	–	(42)
Retirement benefit expenses	5,098	4,307	54,793
Others	543	590	5,836
Total	¥5,641	¥4,897	$60,629

Note: Others represents the contributions under defined contribution plan, etc.

Basis of Calculation of Benefit Obligations	2010		2009	
Allocation of payments of expected retirement benefits	Straight-line method		Straight-line method	
Discount rate	mainly	2.0%	mainly	2.0%
Expected rate of return on pension plan assets	mainly	3.0%	mainly	3.0%
Amortization of past service costs	mainly	1 year	mainly	1 year
Amortization of actuarial difference	mainly	12 years	mainly	12 years

18. Segment Information

Industry Segments

Millions of Yen

Year ended March 31, 2010	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Others	Total	Elimination	Consolidation
Net Sales:										
External customers	¥1,530,009	¥1,163,234	¥586,422	¥1,120,327	¥306,958	¥297,520	¥ 97,788	¥5,102,261	¥ –	¥5,102,261
Inter-segment	487	8,325	22	1,482	114	2,274	8,319	21,026	(21,026)	–
Total	1,530,496	1,171,560	586,445	1,121,810	307,072	299,794	106,108	5,123,288	(21,026)	5,102,261
Cost of sales and selling, general and administrative expenses	1,506,943	1,161,734	569,372	1,119,431	302,194	302,723	105,465	5,067,865	(21,195)	5,046,670
Operating income (loss)	¥ 23,553	¥ 9,825	¥ 17,073	¥ 2,378	¥ 4,877	¥ (2,928)	¥ 642	¥ 55,422	¥ 168	¥ 55,591
Total assets	¥ 548,666	¥ 455,734	¥197,695	¥ 381,256	¥125,409	¥174,255	¥479,969	¥2,362,987	¥(88,440)	¥2,274,547
Depreciation	7,760	7,845	4,335	8,593	5,031	2,457	8,206	44,232	–	44,232
Impairment loss	–	282	–	1,384	31	–	147	1,846	–	1,846
Capital expenditure for long-lived assets	6,518	6,042	4,778	2,779	2,360	2,505	10,156	35,141	–	35,141

Thousands of U.S. Dollars

Year ended March 31, 2010	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Others	Total	Elimination	Consolidation
Net Sales:										
External customers	$16,444,636	$12,502,515	$6,302,901	$12,041,347	$3,299,204	$3,197,764	$1,051,031	$54,839,434	$ –	$54,839,434
Inter-segment	5,234	89,477	236	15,928	1,225	24,441	89,413	225,988	(225,988)	–
Total	16,449,871	12,592,003	6,303,149	12,057,287	3,300,429	3,222,205	1,140,455	55,065,434	(225,988)	54,839,434
Cost of sales and selling, general and administrative expenses	16,196,721	12,486,392	6,119,647	12,031,717	3,248,000	3,253,686	1,133,544	54,469,744	(227,805)	54,241,938
Operating income (loss)	$ 253,149	$ 105,599	$ 183,501	$ 25,558	$ 52,418	$ (31,470)	$ 6,900	$ 595,679	$ 1,805	$ 597,495
Total assets	$ 5,897,098	$ 4,898,258	$2,124,838	$ 4,097,764	$1,347,904	$1,872,904	$5,158,738	$25,397,538	$(950,558)	$24,446,979
Depreciation	83,404	84,318	46,592	92,358	54,073	26,407	88,198	475,408	–	475,408
Impairment loss	–	3,030	–	14,875	333	–	1,579	19,840	–	19,840
Capital expenditure for long-lived assets	70,055	64,939	51,354	29,868	25,365	26,923	109,157	377,697	–	377,697

Notes: 1. Industry segments are determined in accordance with the types and characteristics of their products and services.
2. Main products and services of each segment are shown in Business Highlights.

3. Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.
Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year. As a result of the change in translation method, net sales decreased by ¥3,177 million ($34,146 thousand) in Metals segment, by ¥3,418 million ($36,736 thousand) in Machinery & Electronics segment, by ¥2,064 million ($22,184 thousand) in Automotive segment, by ¥2,071 million ($22,259 thousand) in Energy & Chemicals segment, by ¥58 million ($623 thousand) in Produce & Foodstuffs segment, by ¥469 million ($5,040 thousand) in Consumer Products, Services & Materials segment, by ¥604 million ($6,491 thousand) in Others segment, respectively, and also, operating income decreased by ¥157 million ($1,687 thousand) in Metals segment, by ¥81 million ($870 thousand) in Machinery & Electronics segment, by ¥91 million ($978 thousand) in Automotive segment, by ¥16 million ($171 thousand) in Energy & Chemicals segment, by ¥10 million ($107 thousand) in Consumer Products, Services & Materials segment, by ¥17 million ($182 thousand) in Others segment, respectively, and increased by ¥6 million ($64 thousand) in Produce & Foodstuffs segment, as compared with the results under the previous accounting method.

Millions of Yen

Year ended March 31, 2009	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Others	Total	Elimination	Consolidation
Net Sales:										
External customers	¥1,942,207	¥1,355,075	¥809,533	¥1,399,443	¥366,054	¥311,591	¥103,090	¥6,286,996	¥ –	¥6,286,996
Inter-segment	409	12,963	110	1,877	110	1,821	8,224	25,516	(25,516)	–
Total	1,942,616	1,368,038	809,643	1,401,320	366,165	313,413	111,314	6,312,512	(25,516)	6,286,996
Cost of sales and selling, general and administrative expenses	1,922,117	1,349,417	772,790	1,396,790	359,978	308,952	111,353	6,221,400	(25,421)	6,195,978
Operating income (loss)	¥ 20,499	¥ 18,621	¥ 36,853	¥ 4,530	¥ 6,186	¥ 4,460	¥ (39)	¥ 91,112	¥ (94)	¥ 91,017
Total assets	¥ 496,425	¥ 390,989	¥186,995	¥ 294,562	¥127,805	¥165,371	¥564,000	¥2,226,150	¥(96,061)	¥2,130,089
Depreciation	6,365	7,831	3,768	9,229	4,970	2,805	9,239	44,210	–	44,210
Impairment loss	1	607	140	13	–	16	575	1,354	–	1,354
Capital expenditure for long-lived assets	9,181	3,993	9,651	6,143	1,644	1,646	12,234	44,495	–	44,495

Notes: 1. Industry segments are determined in accordance with the types and characteristics of their products and services.
2. Main products and services of each segment are shown in Business Highlights.
3. Effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries adopted "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, announced on July 5, 2006). As a result of the adoption of this accounting standard, operating income decreased by ¥1,240 million in Metals segment, by ¥1,121 million in Machinery & Electronics segment, by ¥394 million in Energy & Chemicals segment, by ¥259 million in Produce & Foodstuffs segment, by ¥1,507 million in Consumer Products, Service & Materials segment, respectively, as compared with the results under the previous accounting method.

Geographic Segments

Millions of Yen

Year ended March 31, 2010	Japan	Asia & Oceania	North America	Europe	Others	Total	Elimination	Consolidation
Net Sales:								
External customers	**¥3,317,510**	**¥1,026,572**	**¥357,543**	**¥264,880**	**¥135,755**	**¥5,102,261**	**¥ –**	**¥5,102,261**
Inter-segment	**467,677**	**59,397**	**98,681**	**9,342**	**2,456**	**637,555**	**(637,555)**	**–**
Total	**3,785,188**	**1,085,970**	**456,224**	**274,223**	**138,211**	**5,739,817**	**(637,555)**	**5,102,261**
Cost of sales and selling, general and administrative expenses	**3,776,338**	**1,061,481**	**447,746**	**269,043**	**128,969**	**5,683,579**	**(636,908)**	**5,046,670**
Operating income	**¥ 8,849**	**¥ 24,488**	**¥ 8,478**	**¥ 5,180**	**¥ 9,241**	**¥ 56,238**	**¥ (647)**	**¥ 55,591**
Total assets	**¥1,785,012**	**¥ 365,380**	**¥158,180**	**¥120,916**	**¥ 84,302**	**¥2,513,791**	**¥(239,244)**	**¥2,274,547**

Thousands of U.S. Dollars

Year ended March 31, 2010	Japan	Asia & Oceania	North America	Europe	Others	Total	Elimination	Consolidation
Net Sales:								
External customers	**$35,656,814**	**$11,033,662**	**$3,842,895**	**$2,846,947**	**$1,459,103**	**$54,839,434**	**$ –**	**$54,839,434**
Inter-segment	**5,026,622**	**638,402**	**1,060,629**	**100,408**	**26,397**	**6,852,482**	**(6,852,482)**	**0**
Total	**40,683,447**	**11,672,076**	**4,903,525**	**2,947,366**	**1,485,500**	**61,691,928**	**(6,852,482)**	**54,839,434**
Cost of sales and selling, general and administrative expenses	**40,588,327**	**11,408,867**	**4,812,403**	**2,891,691**	**1,386,167**	**61,087,478**	**(6,845,528)**	**54,241,938**
Operating income	**$ 95,109**	**$ 263,198**	**$ 91,122**	**$ 55,674**	**$ 99,322**	**$ 604,449**	**$ (6,953)**	**$ 597,495**
Total assets	**$19,185,425**	**$ 3,927,128**	**$1,700,128**	**$1,299,613**	**$ 906,083**	**$27,018,389**	**$(2,571,410)**	**$24,446,979**

Notes: 1. Geographic segments are divided into categories based on their geographic proximity.
2. Major countries or areas which belong to each segment except for Japan are as follows:
Asia & Oceania....China, Taiwan, Singapore, Thailand
North America.....U.S.A.
Europe....................U.K., Belgium, Russia
Others.....................Africa, Central & South America
3. Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.
Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year. As a result of the change in translation method, net sales decreased by ¥8,640 million ($92,863 thousand) in Asia & Oceania, by ¥1,318 million ($14,165 thousand) in North America, by ¥2,072 million ($22,269 thousand) in Others, respectively and increased by ¥167 million ($1,794 thousand) in Europe, and also, operating income decreased by ¥221 million ($2,375 thousand) in Asia & Oceania, by ¥89 million ($956 thousand) in North America, by ¥95 million ($1,021 thousand) in Others, respectively and increased by ¥37 million ($397 thousand) in Europe, as compared with the results under the previous accounting method.

Year ended March 31, 2009	Japan	Asia & Oceania	North America	Europe	Others	Total	Elimination	Consolidation
								Millions of Yen
Net Sales:								
External customers	¥4,245,957	¥1,051,066	¥455,154	¥371,979	¥162,838	¥6,286,996	¥ –	¥6,286,996
Inter-segment	557,367	114,708	134,121	7,312	4,080	817,590	(817,590)	–
Total	4,803,324	1,165,775	589,276	379,291	166,918	7,104,586	(817,590)	6,286,996
Cost of sales and selling, general and administrative expenses	4,781,542	1,132,967	581,986	368,262	149,649	7,014,408	(818,429)	6,195,978
Operating income	¥ 21,781	¥ 32,807	¥ 7,289	¥ 11,029	¥ 17,269	¥ 90,177	¥ 839	¥ 91,017
Total assets	¥1,650,221	¥ 278,852	¥160,429	¥140,633	¥ 93,986	¥2,324,122	¥(194,033)	¥2,130,089

Notes: 1. Geographic segments are divided into categories based on their geographic proximity.
2. Major countries or areas which belong to each segment except for Japan are as follows:
Asia & Oceania.....China, Taiwan, Singapore, Thailand
North America.....U.S.A.
Europe.....U.K., Belgium, Russia
Others.....Africa, Central & South America
3. Effective from the fiscal year ended March 31, 2009, the Company and its domestic consolidated subsidiaries adopted "Accounting Standard for Measurement of Inventories" (ASBJ Statement No. 9, announced on July 5, 2006). As a result of the adoption of this accounting standard, operating income decreased by ¥4,523 million in Japan, as compared with the results under the previous accounting method.

Overseas Trading Transactions

Year ended March 31, 2010	Asia & Oceania	North America	Europe	Others	Total
					Millions of Yen
Overseas trading transactions	**¥1,762,433**	**¥331,383**	**¥323,198**	**¥337,610**	**¥2,754,625**
Consolidation					**5,102,261**
Share of consolidated net sales	**34.6%**	**6.5%**	**6.3%**	**6.6%**	**54.0%**

Year ended March 31, 2010	Asia & Oceania	North America	Europe	Others	Total
					Thousands of U.S. Dollars
Overseas trading transactions	**$18,942,745**	**$3,561,726**	**$3,473,753**	**$3,628,654**	**$29,606,889**
Consolidation					**54,839,434**

Year ended March 31, 2009	Asia & Oceania	North America	Europe	Others	Total
					Millions of Yen
Overseas trading transactions	¥1,793,019	¥417,132	¥440,016	¥422,863	¥3,073,031
Consolidation					6,286,996
Share of consolidated net sales	28.5%	6.7%	7.0%	6.7%	48.9%

19. Related Party Transactions

During the years ended March 31, 2010 and 2009, the Company had operational transactions with Toyota Motor Corporation ("TMC"), a 22.2% shareholder of the Company as of March 31, 2009. A summary of the significant transactions with TMC for the years ended or as at March 31, 2010 and 2009, is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
For the year:			
Sales of raw materials	**¥217,352**	¥300,151	**$2,336,113**
Purchase of automobiles	**148,498**	222,780	**1,596,066**
At year-end:			
Trade accounts receivable	**¥ 34,177**	¥ 28,171	**$ 367,336**
Trade accounts payable	**13,775**	4,389	**148,054**

20. Stock-based Compensation

(1) Stock option expenses recorded in the fiscal year and class of options

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
Selling, general and administrative expenses	**¥418**	¥509	**$4,492**

(2) Stock option income recorded by forfeitures due to reversal of subscription rights

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
Gain on reversal of subscription rights to shares	**¥185**	–	**¥1,988**

(3) Stock option details, number of stock options and state of fluctuation

(a) Stock option details

	2010	2009
Position and number of grantees	Directors and Executive officers of the Company: 42 Certain eligible employees of the Company: 254 Directors of affiliated companies of the Company: 37	Directors and Executive officers of the Company: 43 Certain eligible employees of the Company: 249 Directors of affiliated companies of the Company: 34
Class and number of shares (Note)	1,030,000 shares of common stock	1,014,000 shares of common stock
Date of issue	August 7, 2009	August 7, 2008
Vesting conditions	Grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	Grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 7, 2009 to July 31, 2011	From August 7, 2008 to July 31, 2010
Exercise period	From August 1, 2011 to July 31, 2015	From August 1, 2010 to July 31, 2014

	2008	2007
Position and number of grantees	Directors and Executive officers of the Company: 42 Certain eligible employees of the Company: 248 Directors of affiliated companies of the Company: 31	Directors and Executive officers of the Company: 43 Certain eligible employees of the Company: 244 Directors of affiliated companies of the Company: 31
Class and number of shares (Note)	998,000 shares of common stock	764,000 shares of common stock
Date of issue	August 9, 2007	August 3, 2006
Vesting conditions	Grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	Grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 9, 2007 to July 31, 2009	From August 3, 2006 to July 31, 2008
Exercise period	From August 1, 2009 to July 31, 2013	From August 1, 2008 to July 31, 2010

	2006
Position and number of grantees	Directors of the Company: 33 Certain eligible employees of the Company: 164 Directors of affiliated companies of the Company: 16
Class and number of shares (Note)	970,000 shares of common stock
Date of issue	August 3, 2005
Vesting conditions	Grantee must be employed as a director, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 3, 2005 to July 31, 2007
Exercise period	From August 1, 2007 to July 31, 2009

Note: Number of options by class are listed as number of shares.

(b) Number of stock options and state of fluctuation

Stock options are those outstanding in the fiscal year and are listed as the number of shares.

(i) Number of stock options

	2010	2009	2008	2007	2006
Non-exercisable stock options					
Stock options outstanding at the end of the previous fiscal year	–	1,012,000	990,000	–	–
Stock options granted	1,030,000	–	–	–	–
Forfeitures	–	–	–	–	–
Conversion to exercisable stock options	–	–	990,000	–	–
Stock options outstanding at the end of the fiscal year	1,030,000	1,012,000	–	–	–
Exercisable stock options					
Stock options outstanding at the end of the previous fiscal year	–	–	–	654,000	542,000
Conversion from non-exercisable stock options	–	–	990,000	–	–
Stock options exercised	–	–	–	–	–
Forfeitures	–	–	132,000	82,000	542,000
Stock options outstanding at the end of the fiscal year	–	–	858,000	572,000	–

(ii) Price of options

					Exact Yen Amounts
	2010	2009	2008	2007	2006
Exercise price	¥1,492	¥2,417	¥3,148	¥2,805	¥1,915
Average market price of the stock at the time of exercise	–	–	1,363	1,343	1,303
Fair value of options on grant date	487	308	667	564	–

(4) Method for estimating fair value of stock options

The method for estimating fair value of stock options granted for fiscal 2010 is as follows:

a) Valuation method used: Black-Scholes model

b) Principal basic values and estimation methods

	2010
Share price fluctuations (Note 1)	45.07%
Projected remaining period (Note 2)	4 years
Projected dividend (Note 3)	¥16 per share
Non-risk interest rate (Note 4)	0.54%

Notes: 1. Computed based on actual share prices during a four-year period (from June 2005 to July 2009).
2. Because of a lack of accumulated data and difficulty in making rational estimates, it is assumed the stock options are exercised at the midpoint of the exercise period.
3. Based on the expected year-end dividend for the fiscal year ended March 31, 2010.
4. Yields on government bonds for the period corresponding to the projected remaining period.

(5) Method for estimating the number of confirmed stock option rights

Specifically, because of the difficulty in rationally estimating the number of expired rights in the future, a method has been adopted that reflects actual past expirations.

21. Net Income per Share

Basis of calculation for net income per share basic and net income per share diluted is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2010	2009	**2010**
Net income per share basic:			
Net income	**¥ 27,339**	¥ 40,224	**$ 293,841**
Net income not attributable to common shareholders	**–**	–	**–**
Net income attributable to common shareholders	**27,339**	40,224	**293,841**
Weighted average shares (thousand)	**350,128**	350,586	**3,763,198**
Net income per share basic (exact yen amounts)	**¥ 78.08**	¥ 114.73	**$0.83**
Net income per share diluted:			
Increase in weighted average shares for diluted computation (thousand)	**–**	32	**–**
Net income per share diluted (exact yen amounts)	**¥ 78.08**	¥ 114.72	**$0.83**

Note: As for the dilutive securities that have not been included in the calculation of net income per share diluted because they do not have any dilutive effect, the Company has the following stock options outstanding.

Fiscal 2010:
1) Stock options outstanding for 572,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 27, 2006
2) Stock options outstanding for 858,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 26, 2007
3) Stock options outstanding for 1,012,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 25, 2008
4) Stock options outstanding for 1,030,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 24, 2009

Fiscal 2009:
1) Stock options outstanding for 542,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 24, 2005
2) Stock options outstanding for 654,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 27, 2006
3) Stock options outstanding for 990,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 26, 2007
4) Stock options outstanding for 1,012,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 25, 2008

22. Number of Issued Shares and Treasury Stock

1. Number of Issued Shares

The changes in total number of issued shares for the year ended March 31, 2010 were as follows:

Balance at March 31, 2008	354,056,516 shares
Increase	– shares
Decrease	– shares
Balance at March 31, 2009	354,056,516 shares
Increase	– shares
Decrease	– shares
Balance at March 31, 2010	354,056,516 shares

2. Number of Treasury Stock

The changes in total number of treasury stock for the year ended March 31, 2010 were as follows:

Balance at March 31, 2008	3,070,690 shares
Increase due to purchases for stock options	900,000 shares
Increase due to purchases of less-than-one-unit shares from shareholders	37,208 shares
Decrease due to execution of rights of stock options	(238,000) shares
Decrease due to sales of less-than-one-unit shares to shareholders	(18,956) shares
Net increase (decrease) of the quota of the Company's stocks owned by affiliates accounted by the equity method	11,297 shares
Balance at March 31, 2009	3,762,239 shares
Increase due to purchases for stock options	257,000 shares
Increase due to purchases of less-than-one-unit shares from shareholders	15,445 shares
Decrease due to execution of rights of stock options	shares
Decrease due to sales of less-than-one-unit shares to shareholders	(2,605) shares
Net increase (decrease) of the quota of the Company's stocks owned by affiliates accounted by the equity method	(1,789) shares
Balance at March 31, 2010	4,030,290 shares

23. Change in Net Assets

Matters related to dividends

(a) Dividend payment

Approvals by an annual general shareholders' meeting held on June 25, 2008 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥5,619 million
2) Dividends per share: ¥16.00
3) Record date: March 31, 2008
4) Effective date: June 26, 2008

Approvals by the Board of Directors meeting on October 30, 2008 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥6,309 million
2) Dividends per share: ¥18.00
3) Record date: September 30, 2008
4) Effective date: November 26, 2008

Approvals by an annual general shareholders' meeting held on June 24, 2009 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,804 million ($30,137 thousand)
2) Dividends per share: ¥8.00
3) Record date: March 31, 2009
4) Effective date: June 25, 2009

Approvals by the Board of Directors meeting on October 30, 2009 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,802 million ($30,116 thousand)
2) Dividends per share: ¥8.00
3) Record date: September 30, 2009
4) Effective date: November 26, 2009

(b) Dividends whose record date is attributable to the accounting period ended March 31, 2010 but which are to be effective after the said accounting period.

Approvals by an annual general shareholders' meeting held on June 25, 2010 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,802 million ($30,116 thousand)
2) Funds for dividends: Retained earnings
3) Dividends per share: ¥8.00
4) Record date: March 31, 2010
5) Effective date: June 28, 2010

24. Quarterly Financial Summary for the Fiscal Year Ended March 31, 2010

	Millions of Yen				Thousands of U.S. Dollars			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	From April 1, 2009 to June 30, 2009	From July 1, 2009 to September 30, 2009	From October 1, 2009 to December 31, 2009	From January 1, 2010 to March 31, 2010	From April 1, 2009 to June 30, 2009	From July 1, 2009 to September 30, 2009	From October 1, 2009 to December 31, 2009	From January 1, 2010 to March 31, 2010
Net Sales	¥1,055,188	¥1,224,506	¥1,391,271	¥1,431,295	$11,341,229	$13,161,070	$14,953,471	$15,383,652
Quarterly Income before Income Taxes and Minority Interests	10,253	14,566	21,906	17,738	110,199	156,556	235,447	190,649
Quarterly Net Income	2,667	6,978	9,743	7,949	28,665	75,000	104,718	85,436
Quarterly Net Income per share basic (exact yen amounts)	¥ 7.62	¥ 19.93	¥ 27.83	¥ 22.71	$ 0.08	$ 0.21	$ 0.29	$ 0.24

Report of Independent Auditors

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers Aarata
JR Central Towers 33rd Floor
1-1-4 Meieki, Nakamura-ku
Nagoya-shi, Aichi 450-6033
Japan
Telephone : +81 (52) 588 3951
Facsimile : +81 (52) 588 3952
www.pwc.com/jp/aarata

Report of Independent Auditors

To the Board of Directors of TOYOTA TSUSHO CORPORATION

We have audited the accompanying consolidated balance sheet of TOYOTA TSUSHO CORPORATION ("the Company") and its consolidated subsidiaries as of March 31, 2010, and the related consolidated statements of income, changes in net assets and cash flows for the year then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2010, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2010 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

PricewaterhouseCoopers Aarata

August 18, 2010

For inquiries regarding this annual report and other information please contact:

Corporate Communications Office, Toyota Tsusho Corporation
8-1, Marunouchi 3-chome, Chiyoda-ku, Tokyo 100-8320, Japan

Phone: +81-3-5288-2081

Facsimile: +81-3-5288-9063

E-mail: ttc_ir@pp.toyota-tsusho.com

URL: http://www.toyota-tsusho.com/english/ir/

* Relocation planned for December 2010
3-13, Konan 2-chome, Minato-ku, Tokyo 108-8208, Japan
Phone: +81-3-4306-8200 Facsimile: +81-3-4306-8801
There will be no changes in the above e-mail address and URL for our investor relations website.

TOYOTA TSUSHO CORPORATION
9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

G VALUE
with you

PRINTED WITH SOY INK

Waterless Printing. Naturally.

This report is printed on paper made from 10% non-wood kenaf pulp to help reduce logging of natural forests, using eco-friendly, plant-based soy ink and a waterless printing method that does not generate harmful waste liquid.

Printed in Japan