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To Our Cherished Shareholders

Toyota Tsusho is always obliged to all of you for your continued kindness and encouragement.

Having assumed the office of president and CEO on April 1, I look forward to your support and guidance.

For its financial results for the year ended March 31, 2018, the Toyota Tsusho Group recorded a gross profit of 606.2 billion yen and an operating profit of 182.6 billion yen. Also, its profit attributable to owners of the parent came to 130.2 billion yen, allowing us to set an earnings record for two consecutive years.

Regarding dividends, I look forward to announcing at our Ordinary General Meeting of Shareholders in June a year-end dividend of 49 yen per share. Including the previously paid interim dividend of 45 yen per share, dividends for the fiscal year ended March 31, 2018, will total 94 yen per share, an increase of 24 yen per share from the previous fiscal year.

The Toyota Tsusho Group views the changes in the business environments of our various fields of operations as bringing both risk and opportunity. Via new ideas and an ability to take action, we aim to leverage this situation for the birth of new business models that better meet the needs of society. At the same time, without forgetting what it is that makes us Toyota Tsusho, all of our employees will unite, create new value, and aim to make our company a business entity that contributes to the making of a prosperous society.

I would like to express my deepest appreciation to our shareholders, who offer us their understanding and support, and I would like to request your continued support going forward.

Sincerely yours,

Ichiro Kashitani
President & CEO
May 2018

-Global Vision -for the Next 10 years established in 2016-

Our Global Vision sets the direction of the Toyota Tsusho Group's continued evolution as a true global company over the next 10 years. It sets forth guidelines to which our entire global workforce should aspire.

Global Vision — Ideal Image

For the next 10 years, the TTC Group will evoke our ideal as



Be the **Right ONE**

The Right ONE for you

The best assurance of safety, quality, and reliability
— based on your needs (Genba)

The Right ONE for us

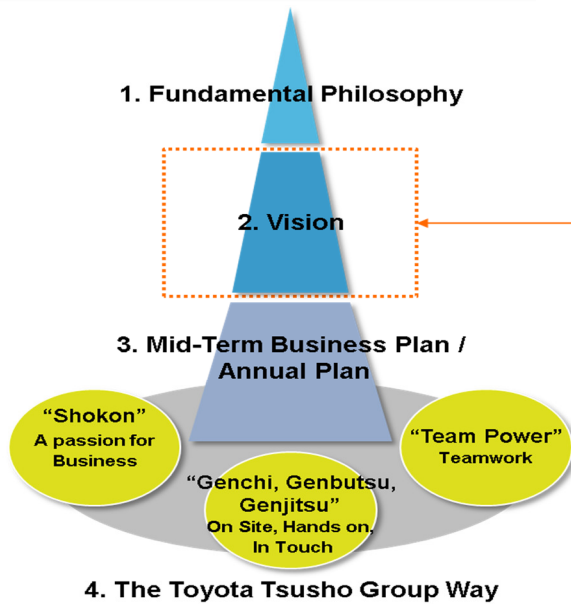
Maximization of individual capabilities, global
networks and diversity to create synergistic strengths

The Right ONE for future

Unique insights and capabilities to explore
new possibilities for future and sustainable society

The Toyota Tsusho Group's philosophy system

The Toyota Tsusho Group's Four-tier Conceptual Hierarchy



The Toyota Tsusho Group's philosophy system is comprised of four levels.

1. Fundamental Philosophy

Unchanging ideals that should be passed on to the future.

2. Vision

Guidelines and signposts that we should reach within 10 years as we continue pursuing and realizing our fundamental philosophy

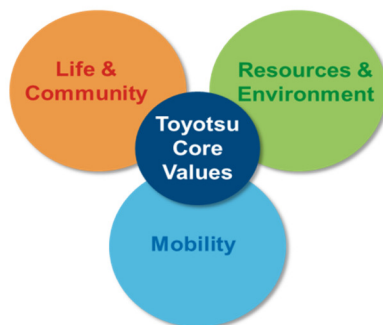
3. Mid-Term and Annual Plans

Strategies for business activities reflecting shifts in the business environment, consisting of policies, concrete action plans and numerical targets

4. The Toyota Tsusho Group Way

The bedrock principles that all Toyota Tsusho Group employees should share and the values that should be embodied in their actions to realize our fundamental philosophy and achieve our vision

Global Vision — Toyotsu Core Values



Under our Global Vision, we have made a more explicit commitment to emphasize the importance of an environmental consciousness, and our contributions to a convenient, comfortable, healthy and sustainable society.

Mobility

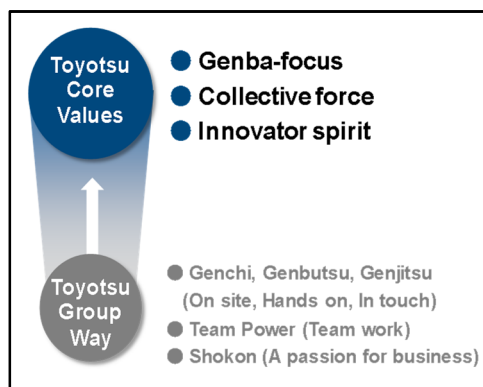
A focused field that contributes to future convenient society

Life & Community

A focused field that contributes to comfortable & healthy society

Resources & Environment

A focused field that contributes to sustainable society



Initiatives to realize Global Vision

Recent initiatives embodying Toyotsu Core Values

Investment in aircraft engine parts maker AeroEdge

Contributing to improving the Japanese aircraft engine industry's international competitiveness

The Company has acquired an equity stake in AeroEdge Co., Ltd., a manufacturer and distributor of aircraft engine parts, through a third-party share allocation.

AeroEdge's strengths include expertise in processing, and designing processes for, various hard-to-machine materials (e.g., titanium aluminide) that have been garnering attention as new materials in recent years. Lightweight and exceptionally hard, titanium aluminide is used for a growing range of applications not limited to the aerospace sector. From a machinability standpoint, however, it is an extremely challenging material. Consequently, few manufacturers in the world today are capable of machining it. Within the aircraft industry, where establishing and maintaining stringent quality control standards is imperative, AeroEdge has established an integrated subcontracting model that encompasses every step from development to manufacturing and quality assurance.

The Company's involvement in aircraft parts manufacturing also includes Asahi Aero Malaysia SDN BHD, an aircraft part surface treatment contractor in Kuala Lumpur, Malaysia, that it co-founded in 2015 with aircraft parts manufacturer Asahi Kinzoku Kogyo Co., Ltd. Additionally, the Company is a partner in ventures that operate the Wattay International Airport in Laos and Sendai International Airport in Japan. The Company is expanding its aerospace business domain.

Going forward, the Company will continue to contribute to vitalizing Japan's aerospace industry by utilizing its production and logistics management expertise and overseas network cultivated in production support businesses in other sectors, particularly the auto sector.

Involvement in Egypt's first wind IPP project

Contributing to diversifying Egypt's energy mix and rectifying its power shortages

In the Arab Republic of Egypt, demand for electric power is expected to continue to steadily grow. Power plant construction and expansion projects are underway to meet such booming demand. To better balance its power source mix, which has historically been heavily weighted toward thermal power generation, Egypt has been embracing renewable energy. The Egyptian government has adopted a goal of increasing renewable energy's share of total power generation to 20% by 2022. The Company and its affiliate Eurus Energy Holdings Corporation have invested in an IPP (independent power producer) venture that was awarded a contract to build, own and operate a 262.5MW wind power plant in Egypt. The venture will operate the power plant and sell its power output for 20 years from the plant's completion. Construction commenced in late 2017 and is scheduled to be completed in late 2019. The power plant is slated to commence commercial operation in December 2019. It will be Egypt's first wind-powered IPP project.

In addition to the Company and Eurus Energy, the other companies involved in the project are Engie S.A., a French IPP, and Orascom Construction SAE, an Egyptian construction company. The four partners have jointly established Ras Ghareb Wind Energy SAE, an operating company through which they will carry out the project.

The Company will further develop and expand its operations in the high-demand renewable energy sector in collaboration with Eurus Energy, which owns and operates wind and solar power generation projects globally.

Business Report from April 1, 2017 to March 31, 2018

I . Outlook of Associated Companies

1. Progress and Achievement in Operation

In the fiscal year ended March 31, 2018, the overall global economy remained in a recovery trend as emerging market economies continued to improve while the U.S. and European economies held firm despite deterioration in forward visibility due to protectionist U.S. trade policies, the Xi Regime's growing power in China and a volatile North Korean situation.

The U.S. economic recovery remained intact, fueled by tax cuts' stimulus effect, robust employment and income environments and growth in personal consumption and capital investment. Europe as a whole remained in a mild economic recovery driven by solid domestic demand, improvement in the employment environment and export growth even as its economic outlook was clouded by emergent populism in Italy and a UK economic slowdown due largely to fraught Brexit negotiations between the UK and EU. In China, domestic demand held up well by virtue of government policies, including public works investment, and upbeat economic sentiment among both households and businesses. Nonetheless, the Chinese economy continued to gradually decelerate in response to corporate deleveraging and efforts to reduce excess production capacity. Emerging market economies embarked on a stable growth trajectory against a backdrop of low inflation, low interest rates and improvement in local economic sentiment, largely in response to resurgent resource prices.

Against such a global backdrop, the Japanese economy continued to gradually recover, driven by solid capital investment and export growth in addition to consumption growth in the wake of improvement in the employment environment.

Amid such an environment, the Toyota Tsusho Group's consolidated revenue for the fiscal year ended March 31, 2018, increased 693.7 billion yen (12.0%) year on year to 6,491.0 billion yen, largely as a result of growth in trading volumes related to auto production and yen depreciation's impact on overseas revenues' yen-equivalent value.

Consolidated operating profit increased 49.0 billion yen (36.7%) year on year to 182.6 billion yen, boosted by gross profit growth stemming from revenue growth. Consolidated profit for the year (attributable to owners of the parent) increased 22.3 billion yen (20.7%) year on year to 130.2 billion yen, largely as a net result of operating profit growth and non-recurrence of a year-earlier reduction in income tax expense due to an accounting treatment predicated on application of consolidated taxation system.

Segment Information

Profit (loss) attributable to owners of the parent by Segment

(Unit: Billions of yen)

	FY2017		FY2016		Year-on-year change	
	Amount	Composition Ratio (%)	Amount	Composition Ratio (%)	Amount	Composition Ratio (%)
Metals	27.8	21.4	25.3	23.5	2.5	9.9
Global Parts & Logistics	22.8	17.6	16.0	14.9	6.8	42.6
Automotive	18.3	14.1	15.0	13.9	3.3	21.9
Machinery, Energy & Project	32.0	24.6	16.1	14.9	15.9	98.7
Chemicals & Electronics	29.0	22.3	10.2	9.5	18.8	183.9
Food & Consumer Products	2.3	1.8	(9.0)	(8.4)	11.3	-
Africa	(3.2)	(2.5)	5.7	5.4	(8.9)	-
Others	0.9	0.7	28.4	26.3	(27.5)	(96.7)
Total	130.2	100.0	107.9	100.0	22.3	20.7

Note: 1. Effective from its 97th fiscal year, the Company is preparing its consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) pursuant to Article 120(1) of the Companies Act's Regulations for Corporate Accounting. For reference, financial data for the 96th fiscal years are likewise presented on an IFRS basis.

2. From April 1, 2017, product divisions' African operations were consolidated into the newly established Africa Division.

Metals

Profit for the year (attributable to owners of the parent) increased 2.5 billion yen (9.9%) year on year to 27.8 billion yen, largely as a result of higher metal prices.

In January 2018, the Group decided to acquire an equity stake in Orocobre Limited, an Australian lithium mining company, through a private placement offering and to participate in Orocobre's public accelerated entitlement share offering in the aim of gaining stable supplies of lithium, demand for which is expected to grow, and strengthening its partnership with Orocobre. The Group has since acquired a 15% equity stake in Orocobre.

Global Parts & Logistics

Profit for the year (attributable to owners of the parent) grew 6.8 billion yen (42.6%) year on year to 22.8 billion yen, driven largely by growth in auto parts trading volume.

To strengthen its aircraft parts business, the Group acquired an equity stake in AeroEdge Co., Ltd., a manufacturer and distributor of aircraft engine parts, through a March 2018 third-party share allocation.

Automotive

Profit for the year (attributable to owners of the parent) increased 3.3 billion yen (21.9%) year on year to 18.3

billion yen, boosted largely by growth in overseas auto dealer subsidiaries' unit sales.

The Group acquired an equity stake in Grab Inc., Southeast Asia's biggest ride-hailing service platform, in August 2017 in the aim of partnering with Grab in a new mobility service sector.

Machinery, Energy & Projects

Profit for the year (attributable to owners of the parent) rose 15.9 billion yen (98.7%) year on year to 32.0 billion yen, lifted largely by a gain on divestment of gas projects and non-recurrence of year-earlier losses on gas projects.

In November 2017, the Group acquired an equity stake in Nuvve Corporation, a U.S. start-up company that operates a vehicle-to-grid power business that utilizes automotive batteries as a power source, to promote expansion of virtual power plant business that utilizes EVs and PHVs.

Chemicals & Electronics

Profit for the year (attributable to owners of the parent) increased 18.8 billion yen (183.9%) year on year to 29.0 billion yen, largely as a result of a gain on partial divestment of shareholdings in a subsidiary, growth in electronics-related trading volume and non-recurrence of a year-earlier one-time loss.

In January 2018, the Group conducted the world's first manned platooning test on a public highway with trucks developed by four Japanese manufacturers. The test was part of an advanced autonomous driving systems R&D and demonstration program funded by Ministry of Economy, Trade and Industry to prepare for social implementation of truck platooning.

Food & Consumer Services

Profit for the year (attributable to owners of the parent) was 2.3 billion yen, a year-on-year improvement of 11.3 billion yen largely attributable to non-recurrence of a year-earlier impairment loss on non-current assets. A hotel and 49 retail shops at Global Gate, a mixed-use development in Nagoya's Sasashima Live 24 district, opened for business in October 2017, some six months after occupancy of the complex's office space commenced in April 2017.

Africa

Loss for the year (attributable to owners of the parent) was 3.2 billion yen, 8.9 billion yen below the previous fiscal year's profit. The loss was largely due to an impairment loss on non-current assets.

CFAO SAS launched a shopping center business in Cameroon and opened Carrefour Market Bonamoussadi in Douala, the country's economically largest city, in December 2017.

(2) Financing

The Company raises debt financing from various sources including loans from financial institutions and issuance of both commercial paper and bonds in accord with a basic policy of tailoring financing to assets' attributes. In doing so, the Company takes into account interest rate risk and refinancing risk while endeavoring to maintain adequate liquidity and financial stability.

In the fiscal year ended March 31, 2018, the Company issued 20 billion yen of bonds in the form of its 25th and 26th issues of unsecured domestic straight bonds, each in the amount of 10 billion yen.

To ensure access to funding even in the event of financial market turmoil or other unforeseen circumstances, the Company has arranged a 50 billion yen equivalent multicurrency revolving credit facility and 200 million US dollar long-term tiered-rate revolving credit facility with major domestic and foreign banks as of March 31, 2018. Both facilities were undrawn at March 31, 2018.

Some consolidated subsidiaries have arranged committed lines of credit with financial institutions to ensure immediate availability and stability of funding. The subsidiaries' undrawn credit lines at March 31, 2018 were as follows.

Total committed credit lines: 400 million euro

Drawn balances: 170 million euro

Undrawn balances: 230 million euro

(3) Capital investment

The Company and its consolidated subsidiaries invested a total of 67,482 million yen in property plant and equipment, mainly wind power generation facilities, and in car sales facilities in the fiscal year ended March 2018.

2. Management priorities

The Group will focus on the following priorities in the aim of realizing its Global Vision.

In the Mobility business domain, the Group will expand its transactions with customers both inside and outside the Toyota Group along three dimensions: regions, partners and functions (e.g., logistics, assembly) cultivated within the Toyota Group. The Group will focus its efforts on businesses that contribute to the realization of a highly convenient society, such as the Next Mobility business exemplified by self-driving vehicle technology.

In the Life & Community business domain, the Group will focus on businesses that contribute to a comfortable and healthy society, including medical and consumer goods businesses. In the Resources & Environment business domain, the Group will focus on renewable energy, lithium resources mining project and other businesses that contribute to a sustainable society.

In particular, the Group will accelerate initiatives related to its Next Mobility Strategy, a key priority in terms of attaining its 3 years management business plan's targets, mainly in Japan, North America, Europe and China. In the process, the Group will build alliances, branch into new technological spheres and augment its functions in CASE* domains. Under its Africa Strategy, another key priority, the Group will expand Toyota Motor and Suzuki Motor's sales networks, expedite development of the renewable energy sector and extend retailing operations throughout Africa with CFAO SAS functioning as a regional headquarters.

In doing so, the Group will endeavor to strengthen its management systems to appropriately allocate management resources and reliably capture investment returns. To remain financially sound, the Group intends to continue to manage its operations with a focus on its ROE, which is highly correlated with cost of equity capital; net debt/equity ratio, a measure of financial stability; and cash flows.

Additionally, to realize sustainable growth globally, the Group will deepen its commitment to diversity and inclusion as one key management strategy in the aim of creating value that leverages diversity based on a recognition that human resources are valuable assets.

We sincerely hope that our shareholders will continue to extend their patronage and support to us.

*An acronym for Connected, Autonomous, Shared&Services, Electric

3. Consolidated Financial Summary

(1) Japanese Accounting Standards(JGAAP)

(Yen in millions unless otherwise stated)

	FY 2014	FY 2015	FY2016	FY2017
Net Sales	8,663,460	8,170,237	7,919,663	-
Ordinary income	156,267	128,095	158,279	-
Profit(loss) attributable to owners of the parent	67,571	(43,714)	102,597	-
Earnings per share attributable to owners of the parent(yen)	192.23	(124.26)	291.56	-
Total Assets	4,533,693	3,952,100	4,096,843	-
Total Net assets	1,304,483	1,055,777	1,151,969	-

(2) International Financial Reporting Standards (IFRS) (Yen in millions unless otherwise stated)

	April 1, 2015 Transition Date	FY 2015	FY2016	FY2017
Total Revenue	-	6,246,103	5,797,362	6,491,035
Profit before income taxes	-	76,769	140,895	209,749
Profit for the year attributable to Owners of the parent	-	(19,280)	107,903	130,228
Earnings per share attributable to owners of the parent(yen)	-	(54.80)	306.64	370.08
Total Assets	4,589,526	4,0532,391	4,212,064	4,310,043
Total equity attributable to owners of the parent	1,150,169	946,658	1,050,619	1,174,718

Note: Effective from its 97th fiscal year, the Company is preparing its consolidated financial statements in conformity with International Financial Reporting Standards (IFRS) pursuant to Article 120(1) of the Companies Act's Regulations for Corporate Accounting. For reference, financial data for the 96th fiscal years are likewise presented on an IFRS basis.

4. Major Subsidiaries and Affiliated Companies

(1) Major consolidated subsidiaries

Company Name	Capital stock	Voting Rights	Main Business
Toyota Steel Center Co., Ltd.	1,500 Million Yen	90.0%	Processing and warehousing of steel sheets
Toyotsu Material Incorporated	500 Million Yen	100.0	Sales of nonferrous metal products, nonferrous scrap and iron scrap
Toyotsu Tekkou Hanbai Corporation	310 Million Yen	100.0	Import and export of steel products and Sales
Eurus Energy Holdings Corporation	18,199 Million Yen	60.0	Operation and management of wind /solar power generation projects worldwide
Toyotsu Machinery Corporation	325 Million Yen	100.0	Manufacture, sales, and maintenance of mechanical equipment
Toyotsu Energy Corporation	310 Million Yen	100.0	Sales of liquefied petroleum gas (LPG) and other substances
NEXTY Electronics Corporation	5,284 Million Yen	100.0	Marketing and sales of semiconductors, integrated circuits, electronic components, and computer-related equipment
Elematec Corporation	2,142 Million Yen	58.6	Sales, import / export, and processing of electrical materials, electronic components, optical parts, and

			materials
Tomen Devices Corporation	2,054 Million Yen	50.1 ※	Sales of semiconductors and electronic components
Toyotsu Chemiplas Corporation	670 Million Yen	100.0	Domestic sales, import / export, and third-company transactions involving chemicals, compound resins, and other items
Toyota Tsusho Insurance Partners Corporation	10 Million Yen	100.0	Insurance agencies and insurance services
TT AUTOMOTIVE STEEL(THAILAND)CO.,LTD.	700,000 Thousand THB	100.0 ※	Processing and warehousing of steel sheets
Toyota Tsusho South Pacific Holdings Pty. Ltd.	74,865 Thousand AUD	100.0	Holding company
Business Car Co., Ltd.	700,826 Thousand RUB	92.1	Retail of vehicles and spare parts and after-sales service
Toyota Tsusho Petroleum Pte. Ltd.	2,000 Thousand SGD	100.0	Sales of bunker oil and petroleum products
CFAO SAS	12,167 Thousand EUR	100.0	Retail of vehicle and pharmaceutical Wholesale
Toyota Tsusho America, Inc.	90,000 Thousand USD	100.0	Trade business and wholesale trade
Toyota Tsusho Europe S.A.	19,656 Thousand EUR	100.0	//
Toyota Tsusho(Thailand) Co., Ltd.	60,000 Thousand THB	49.0	//
Toyota Tsusho Asia Pacific Pte. Ltd.	2,000 Thousand SGD	100.0	Trade business, wholesale trade, and Asia and Oceania Region strategy and management
PT Toyota Tsusho Indonesia	3,350 Thousand USD	100.0	Trade business and wholesale trade
Toyota Tsusho(Shanghai) Co., Ltd.	33,178 Thousand RMB	100.0※	//
Toyota Tsusho(Guangzhou) Co., Ltd.	9,934 Thousand RMB	100.0※	//
Toyota Tsusho(Tianjin) Co., Ltd.	16,557 Thousand RMB	100.0※	//
Toyota Tsusho(Taiwan) Co., Ltd.	142,485 Thousand TWD	79.9	//

Note: ※Indicates that the ownership interest includes such ratio of the subsidiaries.

Note: ※Toyota Tsusho Electronics merged Tomen Electronics Corporation. on April 1, 2017, and the company name changed to NEXTY Electronics Corporation.

(2) Other material matters

Toyota Motor Corporation (capital stock: 635,401 million yen) owns 21.8% of the Company's voting stock. Toyota Motor Corporation's consolidated subsidiaries own an additional 0.3% of the Company's voting stock. Sales to Toyota Motor Corporation account for 6.8% of the Company's total net sales.

5. Major Businesses

The Toyota Tsusho Group comprises 955 subsidiaries and affiliates in addition to the Company, a trading company. With the Company as its nucleus, the Group engages in a wide range of domestic and overseas trading businesses, including Metals; Global Parts & Logistics; Automotive; Machinery, Energy & Projects; Chemicals & Electronics; Food & Consumer Services; Africa related business. Additionally, the Group also operates a broad range of businesses that manufacture, assemble and/or sell products, business investments and/or provide services.

The Group's main products and businesses are listed above under.

1. Progress and Achievement in Operation (1) Overview of Operations

6. Office Network of the Toyota Tsusho Corporation Group

(1) Toyota Tsusho Corporation

Domestic	Head Office	9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan
	Tokyo Head Office	3-13, Konan 2-chome, Minato-ku, Tokyo 108-8208, Japan
Overseas	Branches	Hokkaido, Tohoku, Niigata, Hokuriku, Hamamatsu, Toyota, Osaka, Hiroshima, Kyushu
		Notes: In addition to above, there are two sub-branches, two offices.
	Branch	Manila(Philippines), Baghdad(Iraq)
	Representative Office	20 Offices, including Yangon (Myanmar), Cairo(Egypt)

(2) Consolidated Subsidiaries

Domestic	116 Companies, including Toyota Steel Center Co., Ltd. (Aichi), NEXTY Electronics Corporation (Tokyo), Elematec Corporation (Tokyo), Tomen Devices Corporation (Tokyo)
Overseas	601 Companies, including Toyota Tsusho America, Inc. (U.S.A.), Toyota Tsusho Europe S.A. (Belgium), Toyota Tsusho (Thailand) Co., Ltd. (Thailand), CFAO SAS(France)

7. Number of Employees

56,827 (Decrease from end of FY 2016 1,161)

Notes: Number of employees is the number of persons in employment (excludes individuals seconded from the Toyota Tsusho Group to outside the Group, but includes individuals seconded to the Toyota Tsusho Group from outside the Group.)

8. Major Lenders

Name of lenders	Loans payable (Million yen)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	421,866
Sumitomo Mitsui Banking Corporation	132,507
Mizuho Bank, Ltd.	67,221

Note: The Bank of Tokyo-Mitsubishi UFJ has been renamed The Bank of Mitsubishi UFJ Bank as of April 1, 2018.

II Status of Company

1. Status of Shares (As of March 31,2018)

(1)Number of shares authorized for issuance	1,000,000,000 shares
(2)Shares of common stock issued	352,107,671 shares (Except treasury stocks 1,948,845 shares)

(3)Numbers of shareholders 40,589

(4)Principal Shareholders(TOP10)

Name of Shareholders	Number of shares (Thousands shares)	Percentage of Shareholding(%)
TOYOTA MOTOR CORPORATION	76,368	21.69
TOYOTA INDUSTRIES CORPORATION	39,365	11.18
The Master Trust Bank of Japan, Ltd. (Trust Account)	28,092	7.98
Japan Trustee Services Bank, Ltd. (Trust Account)	15,733	4.47
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,098	2.30
Mitsui Sumitomo Insurance Company, Limited	4,800	1.36
Sumitomo Mitsui Banking Corporation	4,249	1.21
Japan Trustee Services Bank, Ltd. (Trust Account 5)	4,200	1.19
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,049	1.15
STATE STREET BANK WEST CLIENT-TREATY 505234	3,979	1.13

Note: The percentage of shareholding is computed excluding 1,948,845 shares of treasury stock

Note: The Bank of Tokyo-Mitsubishi UFJ has been renamed The Bank of Mitsubishi UFJ Bank as of April 1, 2018.

2. Matters relating to company officers

(1) Status of directors and Audit & Supervisory Board members

Name	Position in the company
Satoshi Ozawa	* Chairman of the Board
Jun Karube	*Member of the Board, President & Chief Executive Officer
Yasuhiko Yokoi	*Member of the Board, Executive Vice President
Kuniaki Yamagiwa	*Member of the Board, Executive Vice President
Soichiro Matsudaira	*Member of the Board, Executive Vice President
Yuichi Oi	*Member of the Board, Executive Vice President
Yasuhiro Nagai	Member of the Board, Managing Executive Officer
Hiroshi Tominaga	Member of the Board, Managing Executive Officer
Hideyuki Iwamoto	Member of the Board, Managing Executive Officer
Jiro Takahashi	Member of the Board
Yoriko Kawaguchi	Member of the Board
Kumi Fujisawa	Member of the Board
Yoshihiro Shiji	Audit & Supervisory Board member (Full-Time)
Yasushi Shiozaki	Audit & Supervisory Board member (Full-Time)
Tetsuro Toyoda	Audit & Supervisory Board member
Kazunori Tajima	Audit & Supervisory Board member
Yuichiro Kuwano	Audit & Supervisory Board member

Notes:

1. An asterisk designates a representative director.
2. Members of the board Messrs. Jiro Takahashi, Yoriko Kawaguchi, and Kumi Fujisawa are outside directors as stipulated in Article 2, Paragraph 15 of the Companies Act. Further, the Company has designated them as independent officers in accordance with the rules of the Tokyo Stock Exchange.
3. Audit & Supervisory Board member Messrs. Tetsuro Toyoda, Kazunori Tajima and Yuichiro Kuwano are outside Audit & Supervisory Board member as stipulated in Article 2, Item 16 of the Companies Act. Further, the Company has designated Mr. Tajima and Yuichiro Kuwano as an independent officer in accordance with the rules of the Tokyo Stock Exchange.
4. Audit & Supervisory Board member Mr. Tajima has qualifications as a certified public accountant and certified tax accountant, and has considerable knowledge of finance and accounting.
5. Audit & Supervisory Board member Mr. Yuichiro Kuwano has qualification as Lawyer, and has considerable knowledge of corporate law and compliance.

(2) Outline of contracts for limitation of liability

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company and the outside directors and outside Audit & Supervisory Board members have entered into contracts to limit the liability for damages under Article 423, Paragraph 1 of said Act. The maximum amount of liability under said contracts is the amount set forth in Article 425, Paragraph 1 of said Act.

(3) Total amount of remuneration, etc. of directors and Audit & Supervisory Board members

Classification	Number of personnel	Amount of remuneration, etc.
Members of the board(of which, outside directors)	19 persons (3)	847 million yen (41)
Audit & Supervisory Board members (of which, outside Audit & Supervisory Board members)	5 (3)	124 (41)
Total	24	972

Notes:

1. There are no employees serving concurrently as Directors.
2. The above includes 7 Directors who retired at the 96th Ordinary General Meeting of Shareholders held on June 23, 2017.
3. The remuneration limit for Directors was resolved at the 86th Ordinary General Meeting of Shareholders on June 26, 2007 to be 90 million yen a month.
4. The remuneration limit for a member of Audit & Supervisory Board was resolved at the 93rd Ordinary General Meeting of Shareholders held on June 20, 2014 to be 16 million yen a month.
5. Total remuneration includes director bonuses in the following amount, subject to shareholder approval at the 97th Ordinary General Meeting of Shareholders on June 21, 2018.
366 million yen to be paid to 9 directors

(4) Matters relating to outside directors and Audit & Supervisory Board member

- ① Relationship between important entities that outside directors concurrently serve at and the Company
- Member of the board Mr. Jiro Takahashi serves as Chairman of the Board at Meiko Trans Co., Ltd. There is a business relationship between Meiko Trans Co., Ltd. and the Company regarding the transportation and storage of products and raw materials
 - Member of the board Ms. Yoriko Kawaguchi is outside director at Japan Petroleum Exploration Co., Ltd. There is no special relationship between Japan Petroleum Exploration Co., Ltd. and the Company
 - Member of the board Ms. Kumi Fujisawa is outside director at The Shizuoka Bank and at CREEK & RIVER Co., Ltd.. There is a business relationship of borrowing between The Shizuoka Bank and the Company. There is no special relationship between CREEK & RIVER Co., Ltd. and the Company.
 - Audit & Supervisory Board member Mr. Tetsuro Toyoda is Chairman of the Board at Toyota Industries Corporation, outside corporate auditor at Aichi Steel Corporation, and Chairman at Chubu Economic Federation. Toyota Industries Corporation is a major shareholder of the Company, and holds 39,365 thousand shares in it. There is a business relationship between it and the Company regarding the purchase and sale of products and raw materials. There is a business relationship between Aichi Steel Corporation and the Company regarding the purchase and sale of products and raw materials. There is no special relationship between Chubu Economic Federation and the Company.
 - Audit & Supervisory Board member Mr. Kazunori Tajima is Head of Kazunori Tajima Certified Public Accounting Office, outside director at Nihon Decoluxe Co., Ltd., and outside corporate auditor at SHINWA Co., Ltd., Daikoku Denki Co. Ltd. There is a business relationship between SHINWA Co., Ltd. and the Company regarding the purchase and sale of products and raw materials. There is no special relationship between Kazunori Tajima Certified Public Accounting Office, Daikoku Denki Co. Ltd., Nihon Decoluxe Co., Ltd., and the Company.
 - Audit & Supervisory Board member Mr. Yuichiro Kuwano is outside director at Shobunsha Publications, Inc. . There is no special relationship between Shobunsha Publications, Inc. and the Company.

② Status of major activities during the fiscal year under review

Classification	Name	Main activities
Member of the Board	Jiro Takahashi	He attended 12 out of 13 meetings of the Board of Directors held during the fiscal year under review, and made appropriate remarks using his wealth of experience and broad-based knowledge as a manager.
Member of the board	Yoriko Kawaguchi	She attended 11 out of 13 meetings of the Board of Directors held during the fiscal year under review, and made appropriate remarks using her advanced professional insight on environmental issues and international trends of a political and economic nature.
Member of the Board	Kumi Fujisawa	She attended 13 out of 13 meetings of the Board of Directors held during the fiscal year under review, and made appropriate remarks using her wealth of experience and broad-based knowledge in the financial and economic fields.
Audit & Supervisory Board member	Tetsuro Toyoda	He attended 12 out of 13 meetings of the Board of Directors and 12 out of 14 Audit & Supervisory Board meetings held during the fiscal year under review, and made appropriate remarks using his wealth of experience and broad-based knowledge as a manager.
Audit & Supervisory Board member	Kazunori Tajima	He attended 13 out of 13 meetings of the Board of Directors and 14 out of 14 Audit & Supervisory Board meetings held during the fiscal year under review, and made appropriate remarks using his expertise and experience as a certified public accountant and tax accountant.
Audit & Supervisory Board member	Yuichiro Kuwano	He attended 13 out of 13 meetings of the Board of Directors and 14 out of 14 Audit & Supervisory Board meetings held during the fiscal year under review, and made appropriate remarks using his expertise and experience as a certified public accountant and tax accountant.

3. Matters relating to Independent Auditors

(1) Name of Independent Auditor: PricewaterhouseCoopers Aarata LLC

(2) Amount of remuneration, etc.

- Amount of remuneration for the fiscal year under review
314 million yen
- Total amount of cash and other financial profit that the Company and its subsidiaries pay Independent Auditors
634 million yen

Notes:

1. The Audit & Supervisory Board members perform the necessary verification to determine whether or not the contents of the Independent Auditor's audit plan, status of Independent Auditor's performance of its duties and basis for calculating estimates of its remuneration are appropriate. Following this, the members decided to consent to the decision about the amount of remuneration of the Independent Auditor.
2. In the audit contract between the Company and the Independent Auditor there is no distinction between the remuneration for the audit based on Companies Act and that for the audit based on the Financial Instruments and Exchange Law and it is not practically possible to distinguish them. Hence, the above amounts are the total of these two amounts.

(3) Contents of the non-audit services

The Company has commissioned the Independent Auditor to provide advisory services concerning a new domestic core IT system architecture project, in addition to the services stated in the Certified Public Accountant Law Article 2, Paragraph 1.

(4) Policy on dismissal or non-reappointment of the Independent Auditor

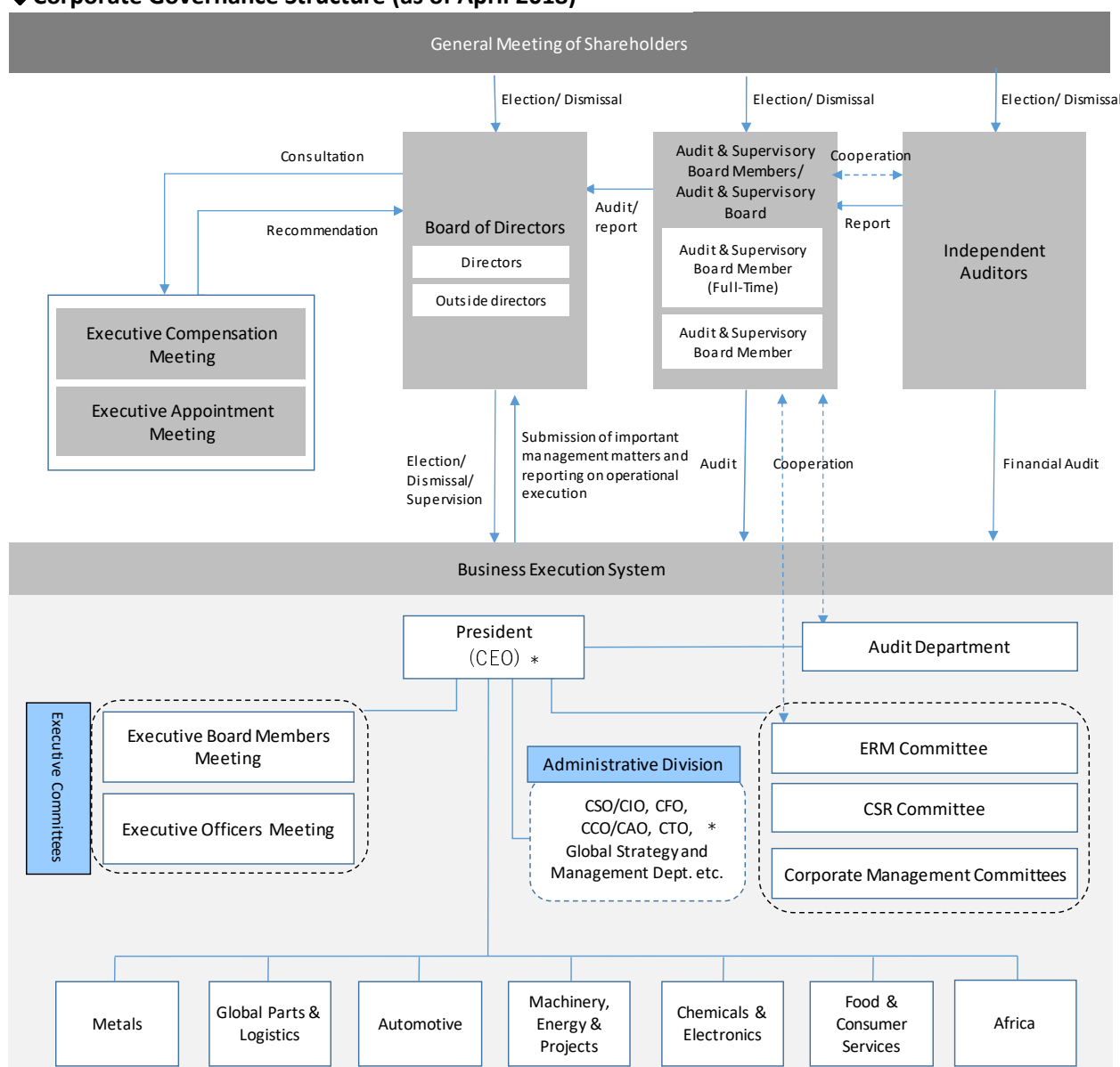
If the Independent Auditor is deemed to correspond to the items set forth in Article 340, Paragraph 1 of the Companies Act, the Company shall dismiss the Independent Auditor, and in addition, if it is determined that there is a need to dismiss the Independent Auditor due to a hindrance to the Independent Auditor's performance of its duties, the members of the Audit & Supervisory Board will determine the contents of an agenda item regarding dismissal or non-reappointment of the Independent Auditor to be submitted to the Ordinary General Meeting of Shareholders.

(5) Independent Auditors in subsidiaries

Of the major subsidiaries of the Company, some of the domestic subsidiaries and overseas subsidiaries are subject to a statutory audit by an audit firm other than the Independent Auditor of the Company (including a person with a qualification equivalent to those qualifications in foreign countries).

III. Company's Systems and Policies

◆Corporate Governance Structure (as of April 2018)



※ CEO : Chief Executive Officer CSO : Chief Strategy Officer CIO : Chief Information Officer CFO : Chief Financial Officer
CCO : Chief Compliance Officer CAO : Chief Administrative Officer CTO : Chief Technology Officer

Corporate Governance Structure (as of April 2018)

1. Systems to ensure the propriety of business operations

(1) System to ensure that Members of the Board of Directors execute their responsibilities in compliance with relevant laws and regulations and the Articles of Incorporation.

- Directors ensure that compliance with laws, regulations, and social ethics is the basis for business activities by repeatedly communicating to officers and employees the spirit of the Toyota Tsusho Group's Fundamental Philosophy through documents and through their words and actions.
- The Company appoints multiple outside directors with objective, expert perspectives and appropriately makes decisions through its Board of Directors.
- The Company appoints a Chief Strategy Officer/Chief Information Officer, Chief Financial Officer, Chief Compliance Officer/Chief Administrative Officer and Chief Technology Officer, all of whom appropriately participate in the Board of Directors' decision-making and perform subsequent operation as directors with expert perspectives.
- For its company-wide CSR program, the Company forms a CSR Committee chaired by the president and CEO, established a company-wide CSR activities policy and inculcate it among all officers and employees, and establish a CSR promotion structure.
- The Company promotes information sharing and mutual checks and balances among officers and established a structure that enables decision-making that exercises company-wide control by means of various committees and other cross-

organizational deliberative bodies in addition to the executive deliberative bodies consisting of the Board of Directors, Executive Board Members' Meeting, and Executive Officers' Meeting.

- By practicing their segregated duties, involved departments evaluate, control, check, and monitor business execution in business processes and endeavor to improve management systems by means such as collecting and enlightening the latest information on compliance and identifying and rectifying problems.

- The Company is upgrading its systems to ensure the reliability of financial reporting under the direction of the Chief Financial Officer.

- The Company has systems in place to enable evaluation of and reporting on the effectiveness of internal controls over financial reporting while its Enterprise Risk Management (ERM) Department, which engages in company-wide integrated risk management, is responsible for establishing compliance systems, under the direction of the Chief Compliance Officer.

- The Audit Department regularly conducts internal audits of departments and business sites and advised officers in charge of the audit results at audit review meetings, submitting recommendations for improvement and correction of problems, after reporting to the vice president/executive officer in charge of the Audit Department. The Audit Department has persons in charge at audited departments report on the status of improvement in response to audit findings and confirm in follow-up audits the status of improvement of any matters the general manager of the Audit Department considers necessary.

- While maintaining a framework for smooth reporting, communication, and consultation through the corporate organization, the Company sets up the anonymous internal reporting system separate from and complementary to corporate organization reporting channels to handle reports from both domestic and foreign parties and endeavors to gather information through the ERM Department or an external professional. The ERM Department or involved departments formulate recurrence prevention measures as warranted by the importance of reported information.

- To support these measures, the Company conducts awareness activities and training as needed from the perspectives of compliance assurance and motivation and is further cultivating an environment in which employees are able to self-check their personal conduct at any time in their day-to-day activities by posting on an electromagnetic medium or distributing the Global Code of Conduct & Ethics and a portable version thereof.

(2) System to retain and manage information relating to the execution of the duties of Members of the Board of Directors

- The Company has retained and managed in documents or electromagnetic media information concerning the execution of duties by directors in accordance with laws, regulations, and the Document Regulations. The department responsible for retention, retention period, etc. for each document shall comply with the Handling Protocols for Management and Storage of Documents

- The Company has established Regulations for Confidential Information and Personal Information, Regulations for Management of Personal Identification Numbers and Specific Personal Information with respect to the management of confidential information and ensured the appropriate and effective use of confidential information and personal information.

(3) Rules and systems related to the management of risk of loss

- The Company has formulated a Risk Management Policy and related regulations with respect to risks surrounding the Company. Departments responsible for risks conduct risk assessments and monitoring, striving for early detection and prevention of risks.

- In light of the importance of risk identification, assessment, monitoring, and management, the Company is upgrading its framework for identification and management in business processes of the following risks requiring particular diligence in the Company's business execution.

1) The Company has assessed in the Investment and Loan Meeting and Investment and Loan Committee risks relating to investments and loans from perspectives such as profitability, strategic value, safety, and viability in accordance with the investment guidelines and endeavors to appropriately respond to risks and reduce risk

2) For credit risks, the Company has established Transaction Management Regulations and endeavor to prevent the occurrence of bad debt and other unforeseen losses. For market risks, the Company has established necessary regulations for each type of risk in accordance with the Basic Policies on Market Risk Management and identifying and managing risks appropriately

3) For risks relating to occupational safety and environmental conservation, the Global Safety and Environmental Promotion Department provides guidance and education for the entire Group and strives to prevent disasters, accidents, and pollution.

4) For risks related to occupational health, the Global Human Resources and General Affairs Department endeavors to maintain and improve employees' health through Group-wide guidance and education.

- In addition, the Company appropriately manages prevention of operational risks in areas such as information security and the management system in emergency situations on a department-by-department basis.

- The Company has formed an ERM Committee as a cross-organizational management body and established a structure that contributes to enhancement of corporate value by endeavoring to identify risks and discover problems on a companywide basis and implementing necessary countermeasures.

(4) System to ensure that members of Board of Directors exercise their duties efficiently

- In accordance with the Regulations of Board of Directors, the Board of Directors meeting is held once a month, in principle, and also held extraordinary meetings as necessary. The Board of Directors confers in advance with appropriate separately established institutions about important management policies, business plans, etc.

- The Company has introduced an Executive Officer System for executing the directors duties. The executive officers are appointed by the Board of Directors.
 - The Board of Directors assigns responsibilities to executive officers based on Board-authorized institutional design and segregation of duties and monitors operational execution status.
 - For every matter for which operational executive-making authority has been delegated to executive officers, the Company ensures appropriate and efficient operational execution by explicitly delineating operational authority, designating a party responsible for the matter, defining the party's responsibilities through the Administrative Authority Regulations, the Regulations for Approval of Important Matters and other internal regulations, and establishing clearly defined decision-making processes, including deliberative bodies.
 - The Company shares with outside directors the details of deliberations in meetings and committees to enable outside directors to engage in appropriate decision-making at meetings of the Board of Directors.
 - The Company organizes its business under operating divisions based on products or geographic regions. Each division is headed by an executive officer. The division heads practice expeditious management in close contact with frontline personnel.
 - The Board of Directors approves the Global Vision, which sets the Group's long-term direction, and is sharing it throughout the Group.
 - The Board of Directors approves mid-term business plan with a frontline-centric orientation and shares its throughout the Group.
 - The Board of Directors approves effective annual policies and plans that include specific targets, resource allocations and risk factor analyses in the aim of achieving medium-term business plan targets.
 - The Board of Directors receives monthly reports in the form of timely accounting data on progress toward attainment of annual plan targets.
 - Annual plan progress is reviewed quarterly in addition to monthly. In the event of a major deviation from a target, the cause of the deviation is analyzed, remedial measures are devised and the outlook is revised if necessary. Revised outlook are approved by the Board of Directors.
- (5) System to ensure the propriety of business operations of the corporate group consisting of the Company and its subsidiaries
- In the Toyota Tsusho Group, in accordance with policies on divisional consolidated management, a consolidated business plan including subsidiaries has been formulated, and the Board of Directors supervises the information ascertained and managed about the financial details and important matters of business execution in accordance with management policies aligned with the systems and other characteristics of each subsidiary.
 - Each subsidiary establishes Board of Directors Regulations and determined the execution of duties of each director and key employee.
 - Each subsidiary establishes regulations for approval of important matters, administrative authority, etc., clearly define responsibilities and the decision-making process, established a structure in which duties are executed properly and efficiently.
 - The Company clearly defines approval authority in subsidiaries in the regulations of each subsidiary, exercised shareholder rights at the General Meeting of Shareholders of each subsidiary while placing importance on the autonomy and independence of subsidiaries, and required advance consultation or reporting on important matters pertaining to the Toyota Tsusho Group.
 - The divisions responsible in cooperation with involved departments, provides necessary support for the development and operation of systems to ensure the propriety of business operations of subsidiaries. If necessary depending on the systems and other characteristics of subsidiaries, the Company dispatches directors and corporate auditor to oversee and audit business operations and conducts internal audits at the Company's Audit Department.
 - In accordance with the Basic Policy for Risk Management, the Company engages in necessary examination and monitoring of business processes of subsidiaries and strives for early detection and prevention of risks.
 - The Company and Group companies share the spirit of the Toyota Tsusho Group's Fundamental Philosophy and ensure compliance with laws, regulations, and social ethics. The Company sets up and operates group wide management committees for mutually sharing information among subsidiaries.
- (6) Matters relating to employees requested by Audit & Supervisory Board members to assist in their duties and matters relating to ensuring the independence of such employees from Members of the Board and the effectiveness of instructions given to such employees
- The Company assigns one or more employees to assist in the duties of Audit & Supervisory Board members (assistants).
 - Transfers and disciplinary actions relating to assistants require the advance consent of Audit & Supervisory Board members.
 - Audit & Supervisory Board members perform job performance evaluation of assistants in order to ensure the effectiveness of instructions given to assistants by Audit & Supervisory Board members.
 - In addition to the above, the Company respects the opinions of Audit & Supervisory Board members with respect to the number, rank, and other matters relating to assistants and determined these matters through sufficient consultation with Audit & Supervisory Board members.

(7) System for Members of the Board and employees of the Company and directors, corporate auditors, and employees of subsidiaries to report to the Company's Audit & Supervisory Board members, other system for reporting to the Company's Audit & Supervisory Board members, and system to ensure that persons who make reports are not treated disadvantageously because of such reporting

- Members of the Board and employees of the Company promptly report to Audit & Supervisory Board members matters prescribed by law, matters with material implications for the Company or the Toyota Tsusho Group, the implementation status of internal audits, and information reported or notified via the internal reporting system.

- Members of the Board and employees of subsidiaries promptly report to Audit & Supervisory Board members of the Company matters prescribed by law, matters with material implications for the Company or the Toyota Tsusho Group, including important matters of subsidiaries, and the implementation status of internal audits.

Audit & Supervisory Board members of subsidiaries promptly report to Audit & Supervisory Board members of the Company the details of audits they have performed in accordance with the prescribed audit purview.

- Members of the Board and employees of the Company and directors, corporate auditors, and employees of subsidiaries report to Audit & Supervisory Board members of the Company prescribed matters relating to business operations periodically, as needed, or at the request of Audit & Supervisory Board members.

- Members of the Board of the Company and directors of subsidiaries put in place a framework to ensure that persons reporting to Audit & Supervisory Board members are not treated disadvantageously because of such reporting.

(8) Matters relating to procedures for prepayment or reimbursement of expenses incurred in the performance of duties by Audit & Supervisory Board members and policies pertaining to processing of other expenses or debts incurred in the performance of said duties

- If an Audit & Supervisory Board member has incurred expenses in the execution of duties or requests prepayment of such expenses, the Company promptly processes such expenses or debts.

(9) Other systems to ensure that auditing by Audit & Supervisory Board members is conducted effectively

- Representative director periodically and as needed endeavors to communicate with Audit & Supervisory Board members by holding meetings to exchange opinions about company management.

- The Company puts in place a framework to enable the Audit & Supervisory Board members to attend important meetings of executive deliberative bodies, examine important documents, and conduct research at departments, business sites, and subsidiaries in order to audit the status of business execution by directors and the status of development and operation of the internal control system.

- The Company puts in place a framework to ensure appropriate cooperation between the Audit & Supervisory Board members, independent auditors and Administrative supporting division departments, including the Audit and ERM Departments.

- The Company puts in place a framework to enable Audit & Supervisory Board members to expeditiously engage external professionals through prescribed procedures when deemed necessary in the course of conducting audits.

2. Overview of the status of operation of the internal control system

The Company confirms the efficiency and effectiveness of business operations through implementation of the aforementioned internal control system.

(1) The Board of Directors periodically monitors the system, reviews regulations and business operations as necessary, and strives to increase its effectiveness.

(2) With regard to risk management, each department periodically measures risks and assesses the response, and the ERM Committee ascertains and assesses cross-organizational risks.

(3) The status of the Company and the Toyota Tsusho Group is periodically reported to the Board of Directors, and the Company's Board of Directors makes decisions about events that have a significant impact on the Group as a whole. Internal audit of the effectiveness of internal controls is conducted based on an annual plan.

(4) In addition to conducting statutory audits of the Company and Group companies, the Audit & Supervisory Board members attend important internal meetings, including meetings of the Board of Directors, and monitor and supervise business execution and legal compliance.

Followings are the efforts and actions taken by the Company in the fiscal year ended March 31, 2018.

- The CSR Committee designated Group CSR priorities (CSR materiality) to promote businesses that should be undertaken out of a need to resolve social challenges.

- In addition to existing internal reporting systems, the Group newly installed and launched a global internal reporting system.

- For investment and loan-related risks, the Company devised and improved a new monitoring system to strengthen post-investment monitoring.

- The Company proactively practices health management to maintain and enhance employees' health. It was named a White 500 Certified Health and Productivity Management Outstanding Organization.

- The Company surveyed all members of its Board of Directors regarding the Board's effectiveness, analyzed and evaluated the survey responses and confirmed that the Board's effectiveness is improving.

3. Policy on deciding dividend payments

The Company's dividend policy is to endeavor to pay stable dividends on an ongoing basis and increase its dividend per share, targeting a consolidated dividend payout ratio of 25%.

For the fiscal year ended March 31, 2018, the Company plans to pay a year-end dividend of 49 yen per share in addition to its previously paid interim dividend (45 yen per share) to bring its annual dividends to 94 yen per share (a year-on-year increase of 24 yen).

The Company intends to use internally retained earnings to further enhance and strengthen its operational foundation and invest in business expansion to ensure future shareholder returns.

To enable the Company to flexibly distribute earnings to shareholders in the future, its Articles of Incorporation authorize it to distribute retained earnings and/or additional paid-in capital to shareholders pursuant to a Board of Directors' resolution in accordance with Article 459(1) of the Companies Act. For the time being, however, the Company plans to continue paying dividends twice a year as usual.

Consolidated Statements of Financial Position (IFRS) (As of March 31, 2018)

[Rounded down to the nearest million yen]

	As of March 31, 2018	(Reference) As of March 31, 2017
Assets		
Current assets		
Cash and cash equivalents	423,426	426,208
Trade and other receivables	1,342,038	1,323,165
Other financial assets	67,919	69,948
Inventories	656,149	603,891
Other current assets	115,010	108,591
Subtotal	2,604,545	2,531,805
Assets held for sale	12,440	14,208
Total current assets	2,616,986	2,546,014
Non-current assets		
Investments accounted for using the equity method	278,597	218,679
Other investments	529,739	505,350
Trade and other receivables	31,848	35,690
Other financial assets	27,561	44,997
Property, plant and equipment	590,324	595,516
Intangible assets	166,694	190,047
Investment property	18,782	22,116
Deferred tax assets	24,559	26,473
Other non-current assets	24,949	27,177
Total non-current assets	1,693,057	1,666,050
Total assets	4,310,043	4,212,064

[Rounded down to the nearest million yen]

	As of March 31, 2018	(Reference) As of March 31, 2017
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other payables	1,098,589	1,053,646
Bonds and borrowings	543,406	536,120
Other financial liabilities	15,729	21,483
Income taxes payable	30,102	26,011
Provisions	5,141	4,565
Other current liabilities	128,816	117,997
Subtotal	1,821,786	1,759,825
Liabilities directly associated with assets held for sale	3,004	9,645
Total current liabilities	1,824,790	1,769,471
Non-current liabilities:		
Bonds and borrowings	927,373	1,032,038
Trade and other payables	3,700	3,238
Other financial liabilities	21,566	19,732
Retirement benefits liabilities	40,628	37,916
Provisions	22,960	21,792
Deferred tax liabilities	92,846	86,930
Other non-current liabilities	13,989	17,432
Total non-current liabilities	1,123,065	1,219,080
Total liabilities	2,947,856	2,988,551
Equity		
Share capital	64,936	64,936
Capital surplus	150,921	150,494
Treasury shares	(3,578)	(3,540)
Other components of equity	129,943	111,084
Retained earnings	832,495	727,644
Total equity attributable to owners of the parent	1,174,718	1,050,619
Non-controlling interests	187,468	172,893
Total equity	1,362,187	1,223,513
Total liabilities and equity	4,310,043	4,212,064

Consolidated Statements of Profit or Loss (IFRS) (April 1, 2017 – March 31, 2018)

[Rounded down to the nearest million yen]

	Year ended March 31, 2018	(Reference) Year ended March 31, 2017
Revenue		
Sale of goods	6,388,901	5,717,358
Sales of services and other sales	102,134	80,004
Total revenue	6,491,035	5,797,362
Cost of sales	(5,884,753)	(5,226,490)
Gross profit	606,282	570,872
Selling, general and administrative expenses	(414,042)	(411,235)
Other income (expenses)		
Gain (loss) on sale and disposals of non-current assets, net	8,107	1,742
Impairment losses on non-current assets	(23,427)	(26,287)
Other, net	5,777	(1,422)
Total other income (expenses)	(9,543)	(25,967)
Operating profit	182,696	133,669
Finance income (costs)		
Interest income	8,494	7,508
Interest expenses	(26,709)	(26,058)
Dividend income	20,790	18,752
Other, net	13,109	(3,454)
Total finance income (costs)	15,684	(3,251)
Share of profit (loss) of investments accounted for using the equity method	11,368	10,476
Profit before income taxes	209,749	140,895
Income tax expense	(59,359)	(12,560)
Profit for the year	150,390	128,334
Profit for the year attributable to:		
Owners of the parent	130,228	107,903
Non-controlling interests	20,162	20,431

Non-consolidated Balance Sheet (As of March 31, 2018)

[Rounded down to the nearest million yen]

	As of March 31, 2018	(Reference) As of March 31, 2017
Assets	Millions of yen	Millions of yen
Current assets	1,030,303	1,003,787
Cash and deposits	179,759	218,295
Notes receivable - trade	57,872	46,981
Accounts receivable - trade	483,476	479,198
Merchandise and finished goods	121,181	79,161
Goods in transit	29,179	19,353
Prepaid expenses	4,193	4,627
Deferred tax assets	9,581	6,237
Account receivable - other	52,687	65,796
Short-term loans receivable	88,667	67,347
Other	24,704	28,094
Allowance for doubtful accounts	(20,999)	(11,307)
Non-current assets	1,108,330	1,089,760
Property, plant and equipment	37,143	45,752
Buildings	17,082	22,055
Structures	445	491
Machinery and equipment	104	221
Vehicles	259	224
Tools, furniture and fixtures	1,934	2,032
Land	16,829	19,738
Leased assets	346	984
Construction in progress	141	3
Intangible assets	15,795	14,268
Goodwill	-	10
Software	8,489	7,868
Leased assets	-	1
Software in progress	7,167	6,195
Other	138	192
Investments and other assets	1,055,391	1,029,739
Investment securities	263,193	246,412
Shares of subsidiaries and associates	702,463	670,661
Other investments	14,448	14,012
Investments in capital of subsidiaries and associates	40,237	41,952
Long-term loans receivable	2,833	5,034
Prepaid pension cost	13,307	13,548
Other	24,400	43,740
Allowance for doubtful accounts	(5,493)	(5,623)
Total assets	2,138,634	2,093,548

	As of March 31, 2018	(Reference) As of March 31, 2017
Liabilities	Millions of yen	Millions of yen
Current liabilities	864,888	769,189
Notes payable-trade	90,457	84,092
Accounts payable-trade	314,599	321,770
Short-term loans payable	126,367	179,526
Commercial papers	138,000	-
Lease obligations	198	413
Accounts payable-other	58,237	51,452
Accrued expenses	10,763	9,198
Income taxes payable	-	583
Advances received	15,995	11,496
Deposits received	99,442	93,001
Unearned revenue	130	2,216
Reserve for directors' bonuses	366	458
Other	10,329	14,978
Non-current liabilities	728,328	837,717
Bonds payable	170,000	150,000
Long-term loans payable	476,559	618,752
Lease obligations	185	626
Deferred tax liabilities	49,296	37,904
Provision of retirement benefits	13,006	12,972
Provision for loss on guarantees	2,995	4,556
Provision for loss on allowance for liquidation of affiliated companies	514	258
Provision for contract loss	485	535
Provision for loss on litigation	210	210
Other	15,074	11,899
Total liabilities	1,593,217	1,606,907
Net assets		
Shareholders' equity	411,228	369,912
Capital stock	64,936	64,936
Capital surplus	155,059	155,059
Legal capital surplus	154,367	154,367
Other capital surplus	692	691
Retained earnings	194,572	153,214
Legal retained earnings	6,699	6,699
Other retained earnings	187,872	146,515
General reserve	100,000	100,000
Retained earnings brought forward	87,872	46,515
Treasury shares	(3,340)	(3,297)
Valuation and translation adjustments	134,189	116,728
Valuation difference on available-for-sale securities	138,465	122,390
Deferred gains or losses on hedges	(4,276)	(5,662)
Total net assets	545,417	486,641
Total liabilities and net assets	2,138,634	2,093,548

Non-consolidated Statement of Income (April 1, 2017 - March 31, 2018)

[Rounded down to the nearest million yen]

	Year ended March 31, 2018	(Reference) Year ended March 31, 2017
	Millions of yen	Millions of yen
Net sales	3,818,390	3,478,397
Cost of sales	3,743,912	3,405,539
Gross profit	74,477	72,858
Selling, general and administrative expenses	82,605	83,171
(Operating loss)	(8,128)	(10,312)
Other income	103,495	93,225
Interest income	1,795	998
Dividend income	96,406	90,576
Foreign exchange gain	2,327	-
Other income	2,967	1,650
Other expenses	11,725	12,877
Interest expense	8,218	7,997
Foreign exchange loss	-	101
Other expenses	3,507	4,778
Ordinary income	83,641	70,035
Extraordinary income	8,399	5,634
Gain on sales of non-current assets	120	901
Gain on sales of investment securities and investments in capital	3,270	3,548
Gain on sales of shares of subsidiaries and associates and investments in capital of subsidiaries and associates	4,140	350
Gain on liquidation of subsidiaries and associates	226	577
Gain on reversal of allowance for doubtful accounts	-	1
Gain on reversal of provision for loss on guarantees	642	-
Gain on reversal of allowance for liquidation of affiliated companies	-	243
Gain on reversal of subscription rights to shares	-	12

Extraordinary losses	26,077	34,362
Loss on disposal of non-current assets	246	804
Impairment of property and intangible assets	3,980	15
Loss on sales of investment securities and investments in capital	37	8
Loss on valuation of investment securities and investments in capital	609	1,796
Loss on sales of shares of subsidiaries and associates and investments in capital of subsidiaries and associates	6,052	82
Loss on valuation of shares of subsidiaries and associates and investments in capital of subsidiaries and associates	4,738	23,727
Loss on valuation of membership	7	8
Loss on liquidation of subsidiaries and associates	-	3,051
Provision of allowance for doubtful accounts	9,671	-
Provision for loss on guarantees	-	2,442
Loss on provision for liquidation of affiliated companies	459	212
Provision for loss on contracts	274	-
Special retirement expenses	-	2,214
Profit (loss) before income taxes	65,963	41,306
Income taxes - current	(5,904)	(47)
Income taxes - deferred	840	(26,952)
Profit (loss)	71,027	68,306

Independent Auditor's Report
(English Translation*)

May 10, 2018

To the Board of Directors of
Toyota Tsusho Corporation.

PricewaterhouseCoopers Aarata LLC
Tsuyoshi Saito, CPA
Designated and Engagement Partner

Masato Yamagami, CPA
Designated and Engagement Partner

Shubun Ogasawara, CPA
Designated and Engagement Partner

We have audited, pursuant to Article 444 (4) of the Companies Act of Japan, the consolidated financial statements, which consist of the consolidated statement of financial position, consolidated profit and loss statement, consolidated statement of change in equity and consolidated notes to the financial statements of Toyota Tsusho Corporation (hereinafter referred to as the "Company") for the consolidated fiscal year from April 1, 2017 to March 31, 2018.

Management's Responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the

auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the purpose of the financial statements audit is not to express an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as examining the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above, prepared with the omission of a part of disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2018, and the results of their operations for the year then ended.

Conflict of Interest

We have no interest in or relationship with the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

* The original audit report is in Japanese. This English translation is for readers' convenience and reading this translation is not a substitute for reading the original audit report in Japanese.

Auditing Report of Audit & Supervisory Board

Auditing Report

The Audit & Supervisory Board have prepared this audit report after deliberations, and report as follows regarding the performance of duties of the Directors of Toyota Tsusho Corporation in the 96th fiscal year, from April 1, 2017 to March 31, 2018, based on the auditing report created by each Audit & Supervisory Board member.

1. Method and contents of the audit by the Audit & Supervisory Board member and Audit & Supervisory Board
The Audit & Supervisory Board has stipulated this period's audit policy and audit plan and received reports from each members of the Audit & Supervisory Board on the status and results of the audit. In addition, the Audit & Supervisory Board has received reports from the Directors and Independent Auditor on the performance of their duties and sought explanations as necessary.

Each Audit & Supervisory Board member has acted in accordance with the standards of the audit stipulated by the Audit & Supervisory Board, and in accordance with the policies and audit plan for the audit of this period has communicated with the Directors, the Internal Audit division and other employees, etc. and made efforts to collect information and improve the audit environment. At the same time, they have attended the Board of Directors meetings and other important meetings, received reports from the Directors and employees, etc. on the performance of their duties, sought explanations as necessary, inspected important decision documents, etc. and examined the status of operations and assets at the Head Office and principal places of business. In addition, for the subsidiaries, each Audit & Supervisory Board member has communicated and exchanged information with the subsidiaries' directors and corporate auditors, etc. and received business reports from subsidiaries as necessary. We have monitored and verified the situation regarding a system to ensure that Directors comply with laws and regulations and the Articles of Incorporation during the performance of their duties, and examined things that are needed in order to ensure the appropriateness of business of a corporate group consisting of corporations and subsidiaries, as stipulated in Item 1 and 3 of Article 100 of the Order for Enforcement of the Companies Act, while examining the contents of the resolution of the Board of Directors concerning the development of the system and maintenance of the system (internal control system) on the basis of the resolution.

In addition, we have carried out monitoring and verification to examine whether the Independent Auditor maintained their independent position and implemented appropriate audits, and received reports on the performance of their duties from the Independent Auditor, and sought explanations as necessary. Furthermore, we have received a notice from the Independent Auditor saying that systems for ensuring the appropriate performance of duties by the Independent Auditor (listed in each item of Article 131 of the Corporate Accounting Rules) have been developed in accordance with the quality control standards concerning audit, and we sought explanations as necessary.

Based on the above methods, we examined the business reports, supplementary statements, and financial statements (balance sheet, income statement, statement of changes in net assets, and notes to individual financial statements) and their supplementary statements, along with consolidated financial statements (consolidated

statement of financial position, consolidated profit and loss statement, consolidated statement of change in equity, and consolidated notes to the financial statements) for the fiscal year under review.

2. Result of audit

(1) Result of audit on the business report, etc.

- i) The business report and its supplementary statements present fairly the status of the Company in conformity with the relevant laws and regulations or the Articles of Incorporation.
- ii) We have found no serious violation of any applicable laws and regulations or the Articles of Incorporation regarding the performance of duties by Directors.
- iii) The resolution of the Board of Directors regarding the internal control system is fair and reasonable. In addition, there are no matters to be pointed out with respect to the performance of duties by the Directors regarding the internal control system.

(2) Result of audit on the financial statements and the supplementary statements

The methods and results of Independent Auditor PricewaterhouseCoopers Aarata LLC are fair and reasonable.

(3) Results of audit on the consolidated financial statements

The methods and results of Independent Auditor PricewaterhouseCoopers Aarata LLC are fair and reasonable.

May 11, 2018

Toyota Tsusho Corporation Audit & Supervisory Board

Full-time Audit & Supervisory Board member

Yoshihiro Shiji (seal)

Full-time Audit & Supervisory Board member

Yasushi Shiozaki (seal)

Outside Audit & Supervisory Board member

Tetsuro Toyoda (seal)

Outside Audit & Supervisory Board member

Kazunori Tajima (seal)

Outside Audit & Supervisory Board member

Yuichiro Kuwano (seal)