

Toyota Tsusho Corporation
Financial Highlights
for the Three Months Ended June 30, 2022
[IFRS basis] (Consolidated)

July 29, 2022

| | | |
|--|---|--|
| Listings | Tokyo Stock Exchange (Prime), Nagoya Stock Exchange(Premier) | |
| Security code | 8015 | |
| URL | https://www.toyota-tsusho.com/english/ | |
| Representative | Ichiro Kashitani, President & CEO | |
| Contact | Tutomu Sato | |
| Telephone | +81 52-584-5482 | |
| Scheduled dates: | | |
| Submission of quarterly securities report | August 10, 2022 | |
| Dividend payout | — | |
| Supplementary materials to the quarterly results | Yes | |
| Quarterly financial results briefings | Yes (targeted at institutional investors and analysts) | |

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months ended June 30, 2022 (April 1, 2022 to June 30, 2022)

(1) Operating Results

(Percentage figures represent year-on-year changes)

| | Revenue | | Operating profit | | Profit before income taxes | | Profit | | Profit attributable to owners of the parent | | Total comprehensive income | |
|----------------------------------|-------------|------|------------------|-------|----------------------------|-------|-------------|-------|---|-------|----------------------------|-------|
| | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % | million yen | % |
| Three Months ended June 30, 2022 | 2,375,630 | 26.9 | 102,334 | 34.7 | 120,612 | 36.9 | 86,936 | 34.8 | 74,834 | 32.0 | 203,794 | 173.7 |
| June 30, 2021 | 1,872,127 | 56.8 | 75,979 | 297.0 | 88,089 | 238.9 | 64,515 | 293.7 | 56,707 | 323.4 | 74,469 | 111.8 |

| | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
| Three Months ended June 30, 2022 | yen 212.69 | yen — |
| June 30, 2021 | 161.18 | — |

Note: “Basic earnings per share” is calculated based on “Profit attributable to owners of the parent.”

(2) Financial Position

| | Total assets | Total equity | Equity attributable to owners of the parent | Ratio of equity attributable to owners of the parent to total assets |
|----------------|--------------|--------------|---|--|
| As of | million yen | million yen | million yen | % |
| June 30, 2022 | 6,564,911 | 2,105,222 | 1,880,070 | 28.6 |
| March 31, 2022 | 6,143,125 | 1,942,860 | 1,735,011 | 28.2 |

2. Dividends

| Record date or period | Dividend per share | | | | |
|---------------------------------------|--------------------|--------------------|-------------------|-----------------|--------------|
| | End-first quarter | End-second quarter | End-third quarter | Fiscal year-end | Annual total |
| | yen | yen | yen | yen | yen |
| Year ended March 31, 2022 | — | 70.00 | — | 90.00 | 160.00 |
| Year ending March 31, 2023 | — | — | — | — | — |
| Year ending March 31, 2023 (forecast) | — | 81.00 | — | 81.00 | 162.00 |

Note: No changes were made to the latest release of dividend forecasts.

3. Forecast of Consolidated Earnings for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(Percentage figures represent year-on-year changes)

| | Profit attributable to owners of the parent | | Basic earnings per share |
|-----------|---|-------|--------------------------|
| | million yen | % | yen |
| Full year | 210,000 | (5.5) | 596.85 |

Note: No changes were made to the latest release of earnings forecasts.

*Notes

(1) Changes affecting the consolidation status of significant subsidiaries (changes in specified subsidiary resulting in change in scope of consolidations) during the period: None

(2) Changes in accounting policy and changes in accounting estimates:

- 1) Changes in accounting policy required by IFRS: None
- 2) Changes other than the above 1): None
- 3) Changes in accounting estimates: None

(3) Number of issued shares (common stock)

1) Number of issued shares at end of period (Treasury shares included):

June 30, 2022: 354,056,516 shares

March 31, 2022: 354,056,516 shares

2) Number of shares held in treasury at end of period:

June 30, 2022: 2,210,419 shares

March 31, 2022: 2,210,755 shares

3) Average Number of shares outstanding during the period:

Three Months ended June 30, 2022: 351,846,434 shares

Three Months ended June 30, 2021: 351,836,904 shares

*Quarterly review status

This report is exempt from the quarterly review by certified public accountant or audit firm.

*Appropriate use of earnings forecasts and other important information

1. The above forecasts, which constitute forward-looking statements, are based on information available to the Company as of the date of the release of this document. Actual results may differ materially from the above forecasts due to a range of factors.
2. The Company is scheduled to hold a quarterly earnings briefing for institutional investors and analysts on Friday, July 29, 2022. The presentation materials for the earnings briefing will be posted on its website promptly following the earnings announcement.

*This is an abridged translation of the original Japanese document and is provided for informational purposes only. If there are any discrepancies between this and the original, the original Japanese document prevails.

1. Consolidated Results of Operations

(1) Overview of Operating Performance

1) Business Environment

In the first three months of the fiscal year (April 1, 2022 – June 30, 2022), even though COVID-19 vaccinations continued to be rolled out and economic activity resumed in earnest, supply chains were thrown into a state of confusion and the recovery of the global economy was hobbled mainly because supply was constrained by distribution holdups due to the impact of city-wide lockdowns in China under the government's zero COVID-19 policy. Furthermore, there was no change in the uncertainty of the future outlook with commodity prices surging higher and global inflation running rampant as the Ukraine conflict dragged on.

The U.S. economy made progress towards economic normalization with business activity rebounding thanks to a rising vaccination rate and full-fledged economic stimulus measures. On the other hand, the Federal Reserve Board moved to raise interest rates significantly in an effort to contain inflation fueled by skyrocketing resource prices and supply constraints. Meanwhile, the European economy was heavily impacted by the war in Ukraine. Economic activity slowed as rising energy prices and supply constraints only grew worse with the EU unveiling a plan to end its reliance on energy from Russia. The Chinese economy decelerated in response to sluggish consumer spending, along with the Chinese government's zero-COVID-19 policy and a sharp downturn in property sales sparked by a resurgence in infections. In emerging market economies, business sentiment improved on the resumption of economic activity driven by rising vaccination rates. However, the pace of economic recovery slowed due to skyrocketing commodity prices as a direct result of the war in Ukraine.

In this environment, even though consumer spending headed for a recovery because pandemic restrictions had been lifted, improvement in the Japanese economy was limited by stagnation in the manufacturing sector due to the impact of supply constraints stemming from China's zero-COVID-19 policy. The prolonged war in Ukraine, higher resource prices, and steep depreciation in the yen also meant the future outlook grew increasingly uncertain.

2) Business Activities by Segment

(I) Metals

With the aim of contributing to a more sustainable society, in January 2022 we teamed up with the University of Tokyo's Institute of Industrial Science, Prime Planet Energy & Solutions, Inc., and Panasonic Energy Co., Ltd. to start undertaking joint research into battery resources and recycling. The partnership will seek to ensure a more stable supply of lithium-ion batteries in an increasingly expanding market, work to reduce CO₂ emissions over the entire product life cycle, and lower costs.

(II) Global Parts & Logistics

With the goal of building a renewable energy value chain, in March 2022 we formed a capital and business tie-up with Rera Tech Inc., a provider of wind condition measurement and consulting services for wind power generation projects, including offshore wind farms. We aim to become a provider of solutions that support offshore wind power generation and contribute to growth in a market that we think will continue to expand in the future.

(III) Automotive

With the objective of increasing vaccination rates in developing countries by improving vaccine transportation, in November 2021 we made our first delivery of 10 refrigerated vaccine transportation vehicles to the Ministry of Health in the Republic of Ghana. The vehicles have been accredited with the World Health Organization's medical equipment PQS (Performance, Quality, and Safety) certification. In this way, we hope to contribute to improving global health by supplying refrigerated vaccine transportation vehicles.

(IV) Machinery, Energy & Projects

In order to expand our renewable energy business, in May 2022 we decided to acquire 40% of the shares of Eurus Energy Holdings Corporation from Tokyo Electric Power Company Holdings, Inc., thereby making it a wholly owned subsidiary. By pushing ahead with carbon neutrality initiatives, we seek to contribute to the transition to a carbon-free society.

(V) Chemicals & Electronics

For the purpose of accelerating business development of chemical calculation programs for quantum computers, in May 2022 we entered into a capital and business alliance with QunaSys Inc. We will look to further develop the field of quantum computing applications with a view to solving the challenges faced by our customers.

(VI) Food & Consumer Services

With the aim of improving convenience for medical institutions and healthcare professionals and to contribute to more efficient medical treatment, in May 2022 we concluded a business collaboration agreement with FINDEX Inc. Through sales of FINDEX's medical systems and equipment, we will contribute to improving access to medical care, promoting digital transformation in the healthcare industry, and developing preventative medicine.

(VII) Africa

With the objective of providing a safe and stable supply of water, in June 2022 we secured an order from the national water authority of Senegal to build, and then maintain for two years, that country's first seawater desalination plant. Scheduled for completion in 2025, the plant will have the capacity to supply the citizens of Dakar, the country's capital, with 50,000 tons of drinking water per day, which is enough to meet demand from approximately 700,000 people. We aim to resolve the problem of water shortages that have arisen as a result of economic growth and population growth, help improve the lives of the Senegalese people, and contribute to the country's sustainable economic development.

3) Operating Results

The Toyota Tsusho Group's consolidated revenue for the three months ended June 30, 2022 increased 503.5 billion yen (26.9%) year on year to 2,375.6 billion yen as a result of growth in automotive sales volume, increases in metal market prices, and rising electricity prices in Europe.

Consolidated operating profit increased 26.4 billion yen (34.7%) year on year to 102.3 billion yen due to an increase in gross profit, which outweighed higher selling, general and administrative expenses. Profit for the period (attributable to owners of the parent) increased 18.1 billion yen (32.0%) year on year to 74.8 billion yen, largely owing to an increase in profit from operating activities, as well as higher dividend income and an increase in share of profit (loss) of investments accounted for using the equity method.

Segment Information

(I) Metals

Profit for the period (attributable to owners of the parent) increased 6.3 billion yen (40.8%) year on year to 21.6 billion yen, largely as a result of higher market prices and an increase in trading volume of automobile production-related products in Asia / Oceania.

(II) Global Parts & Logistics

Profit for the period (attributable to owners of the parent) increased 0.4 billion yen (5.2%) year on year to 8.0 billion yen, largely as a result of an increase in trading volume of automotive parts in Asia / Oceania.

(III) Automotive

Profit for the period (attributable to owners of the parent) increased 7.3 billion yen (143.1%) year on year to 12.3 billion yen, largely due to an increase in sales volume handled by overseas auto dealerships mainly in Asia / Oceania.

(IV) Machinery, Energy & Projects

Profit for the period (attributable to owners of the parent) increased 4.2 billion yen (72.5%) year on year to 10.0 billion yen, largely as a result of rising electricity prices in Europe.

(V) Chemicals & Electronics

Profit for the period (attributable to owners of the parent) decreased 0.4 billion yen (3.0%) year on year to 12.3 billion yen, largely due to a decrease in trading volume in the electronics business and chemical business as a result of lower automobile production volume in Japan and North America.

(VI) Food & Consumer Services

Profit for the period (attributable to owners of the parent) decreased 2.6 billion yen (92.5%) year on year to 0.2 billion yen, largely due to higher transportation costs in the South American food business.

(VII) Africa

Profit for the period (attributable to owners of the parent) increased 1.4 billion yen (21.4%) year on year to 7.8 billion yen, largely as a result of automotive sales growth.

(2) Consolidated Financial Condition

At June 30, 2022, consolidated assets totaled 6,564.9 billion yen, a 421.8 billion yen increase from March 31, 2022. The increase is attributable in part to a 178.2 billion yen increase in inventories, a 78.4 billion yen increase in cash and cash equivalents, and a 62.9 billion yen increase in property, plant and equipment. Consolidated equity at June 30, 2022 totaled 2,105.2 billion yen, a 162.4 billion yen increase from March 31, 2022. The increase is attributable in part to a 102.8 billion yen increase in other components of equity and a 42.3 billion yen increase in retained earnings accruing

from consolidated profit for the period (attributable to owners of the parent).

(3) Outlook for Fiscal Year Ending March 31, 2023

The consolidated earnings forecast issued on April 28, 2022 remains unchanged.

2. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Unit: Millions of yen)

| | As of March 31, 2022 | As of June 30, 2022 |
|---|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 653,013 | 731,471 |
| Trade and other receivables | 1,797,084 | 1,779,899 |
| Other financial assets | 154,700 | 177,659 |
| Inventories | 1,161,022 | 1,339,259 |
| Other current assets | 188,289 | 209,180 |
| Subtotal | 3,954,111 | 4,237,469 |
| Assets held for sale | 4,276 | 4,776 |
| Total current assets | 3,958,387 | 4,242,245 |
| Non-current assets | | |
| Investments accounted for using the equity method | 273,993 | 295,841 |
| Other investments | 622,537 | 645,151 |
| Trade and other receivables | 40,195 | 44,489 |
| Other financial assets | 37,213 | 54,689 |
| Property, plant and equipment | 941,880 | 1,004,741 |
| Intangible assets | 182,155 | 187,823 |
| Investment property | 18,854 | 18,856 |
| Deferred tax assets | 27,073 | 29,121 |
| Other non-current assets | 40,833 | 41,950 |
| Total non-current assets | 2,184,737 | 2,322,665 |
| Total assets | 6,143,125 | 6,564,911 |

(Unit: Millions of yen)

| | As of March 31, 2022 | As of June 30, 2022 |
|---|----------------------|---------------------|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities: | | |
| Trade and other payables | 1,704,376 | 1,697,501 |
| Bonds and borrowings | 740,936 | 876,673 |
| Other financial liabilities | 69,504 | 88,508 |
| Income taxes payable | 31,551 | 38,852 |
| Provisions | 6,831 | 7,064 |
| Other current liabilities | 173,082 | 207,468 |
| Total current liabilities | 2,726,283 | 2,916,069 |
| Non-current liabilities: | | |
| Bonds and borrowings | 1,115,728 | 1,167,801 |
| Trade and other payables | 86,088 | 89,853 |
| Other financial liabilities | 16,784 | 10,718 |
| Retirement benefits liabilities | 44,361 | 45,700 |
| Provisions | 46,810 | 46,920 |
| Deferred tax liabilities | 113,279 | 121,765 |
| Other non-current liabilities | 50,928 | 60,858 |
| Total non-current liabilities | 1,473,981 | 1,543,619 |
| Total liabilities | 4,200,265 | 4,459,689 |
| Equity | | |
| Share capital | 64,936 | 64,936 |
| Capital surplus | 156,047 | 156,047 |
| Treasury shares | (3,769) | (3,771) |
| Other components of equity | 217,444 | 320,214 |
| Retained earnings | 1,300,352 | 1,342,643 |
| Total equity attributable to owners of the parent | 1,735,011 | 1,880,070 |
| Non-controlling interests | 207,848 | 225,151 |
| Total equity | 1,942,860 | 2,105,222 |
| Total liabilities and equity | 6,143,125 | 6,564,911 |

(2) Consolidated Statements of Profit or Loss and Comprehensive Income**Consolidated Statements of Profit or Loss**

(Unit: Millions of yen)

| | Three Months ended June 30, 2021 | Three Months ended June 30, 2022 |
|---|-------------------------------------|-------------------------------------|
| Revenue | | |
| Sales of goods | 1,833,073 | 2,329,126 |
| Sales of services and others | 39,054 | 46,504 |
| Total revenue | 1,872,127 | 2,375,630 |
| Cost of sales | (1,688,055) | (2,136,548) |
| Gross profit | 184,071 | 239,081 |
| Selling, general and administrative expenses | (107,982) | (126,085) |
| Other income (expenses) | | |
| Gain (loss) on sale and disposals of non-current assets, net | (44) | 242 |
| Other, net | (65) | (10,905) |
| Total other income (expenses) | (109) | (10,662) |
| Operating profit | 75,979 | 102,334 |
| Finance income (costs) | | |
| Interest income | 1,964 | 3,521 |
| Interest expenses | (5,914) | (8,569) |
| Dividend income | 8,677 | 12,186 |
| Other, net | (164) | 189 |
| Total finance income (costs) | 4,562 | 7,328 |
| Share of profit (loss) of investments accounted for using the equity method | 7,547 | 10,949 |
| Profit before income taxes | 88,089 | 120,612 |
| Income tax expense | (23,574) | (33,675) |
| Profit for the period | 64,515 | 86,936 |
| Profit for the period attributable to: | | |
| Owners of the parent | 56,707 | 74,834 |
| Non-controlling interests | 7,807 | 12,101 |
| Earnings per share attributable to owners of the parent | | |
| Basic earnings per share (yen) | 161.18 | 212.69 |
| Diluted earnings per share (yen) | - | - |

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

| | Three Months ended June 30, 2021 | Three Months ended June 30, 2022 |
|--|-------------------------------------|-------------------------------------|
| Profit for the period | 64,515 | 86,936 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss: | | |
| Remeasurements of defined benefit pension plans | 115 | 116 |
| Financial assets measured at fair value through other comprehensive income | (9,993) | 15,858 |
| Share of other comprehensive income of investments accounted for using the equity method | 577 | (526) |
| Items that may be reclassified to profit or loss: | | |
| Cash flow hedges | 2,361 | 5,510 |
| Exchange differences on translation of foreign operations | 11,523 | 87,175 |
| Share of other comprehensive income of investments accounted for using the equity method | 5,368 | 8,724 |
| Other comprehensive income for the period, net of tax | 9,954 | 116,858 |
| Total comprehensive income for the period | 74,469 | 203,794 |
| Total comprehensive income for the period attributable to: | | |
| Owners of the parent | 65,269 | 176,747 |
| Non-controlling interests | 9,199 | 27,047 |

(3) Consolidated Statement of Changes in Equity

Three Months ended June 30, 2021 (April 1, 2021 to June 30, 2021)

(Unit: Millions of yen)

| | Total equity attributable to owners of the parent | | | | | | | | |
|---|---|-----------------|-----------------|---|--------------------------------------|------------------|---|---------|-------|
| | Share capital | Capital surplus | Treasury shares | Other components of equity | | | | | Total |
| | | | | Remeasurements of defined benefit pension plans | Financial assets measured at FVTOCI* | Cash flow hedges | Exchange differences on translation of foreign operations | | |
| Balance at the beginning of the period | 64,936 | 147,128 | (3,760) | - | 291,447 | (3,283) | (152,137) | 136,026 | |
| Profit for the period | | | | | | | | | |
| Other comprehensive income | | | | | | | | | |
| Remeasurements of defined benefit pension plans | | | | 273 | | | | 273 | |
| Financial assets measured at FVTOCI* | | | | | (9,636) | | | (9,636) | |
| Cash flow hedges | | | | | | 3,064 | | 3,064 | |
| Exchange differences on translation of foreign operations | | | | | | | 14,860 | 14,860 | |
| Total comprehensive income for the period | - | - | - | 273 | (9,636) | 3,064 | 14,860 | 8,561 | |
| Dividends | | | | | | | | | |
| Acquisition (disposal) of treasury shares | | 0 | (10) | | | | | | |
| Acquisition (disposal) of non-controlling interests | | 8,022 | | | | | | | |
| Reclassification to retained earnings | | | | (273) | 1,748 | | | 1,474 | |
| Other | | | | | | | | | |
| Total transactions with owners | - | 8,022 | (10) | (273) | 1,748 | - | - | 1,474 | |
| Balance at the end of the period | 64,936 | 155,151 | (3,770) | - | 283,559 | (218) | (137,277) | 146,063 | |

| | Total equity attributable to owners of the parent | | Non-controlling interests | Total equity |
|---|---|-----------|---------------------------|--------------|
| | Retained earnings | Total | | |
| Balance at the beginning of the period | 1,125,326 | 1,469,657 | 188,358 | 1,658,015 |
| Profit for the period | 56,707 | 56,707 | 7,807 | 64,515 |
| Other comprehensive income | | | | |
| Remeasurements of defined benefit pension plans | | 273 | (0) | 273 |
| Financial assets measured at FVTOCI* | | (9,636) | 63 | (9,572) |
| Cash flow hedges | | 3,064 | (438) | 2,626 |
| Exchange differences on translation of foreign operations | | 14,860 | 1,767 | 16,627 |
| Total comprehensive income for the period | 56,707 | 65,269 | 9,199 | 74,469 |
| Dividends | (21,827) | (21,827) | (7,976) | (29,803) |
| Acquisition (disposal) of treasury shares | | (9) | | (9) |
| Acquisition (disposal) of non-controlling interests | | 8,022 | (7,486) | 535 |
| Reclassification to retained earnings | (1,474) | - | | - |
| Other | | | 3 | 3 |
| Total transactions with owners | (23,302) | (13,814) | (15,459) | (29,273) |
| Balance at the end of the period | 1,158,732 | 1,521,112 | 182,098 | 1,703,211 |

* "Financial assets measured at FVTOCI" represents "Financial assets measured at fair Value through Other Comprehensive Income."

Three Months ended June 30, 2022 (April 1, 2022 to June 30, 2022)

(Unit: Millions of yen)

| | Total equity attributable to owners of the parent | | | | | | | |
|---|---|-----------------|-----------------|---|--------------------------------------|------------------|---|---------|
| | Share capital | Capital surplus | Treasury shares | Other components of equity | | | | Total |
| | | | | Remeasurements of defined benefit pension plans | Financial assets measured at FVTOCI* | Cash flow hedges | Exchange differences on translation of foreign operations | |
| Balance at the beginning of the period | 64,936 | 156,047 | (3,769) | — | 280,549 | 2,084 | (65,190) | 217,444 |
| Profit for the period | | | | | | | | |
| Other comprehensive income | | | | | | | | |
| Remeasurements of defined benefit pension plans | | | | 70 | | | | 70 |
| Financial assets measured at FVTOCI* | | | | | 15,533 | | | 15,533 |
| Cash flow hedges | | | | | | 3,943 | | 3,943 |
| Exchange differences on translation of foreign operations | | | | | | | 82,365 | 82,365 |
| Total comprehensive income for the period | — | — | — | 70 | 15,533 | 3,943 | 82,365 | 101,912 |
| Dividends | | | | | | | | |
| Acquisition (disposal) of treasury shares | | | (2) | | | | | |
| Acquisition (disposal) of non-controlling interests | | | | | | | | |
| Reclassification to retained earnings | | | | (70) | 928 | | | 858 |
| Other | | | | | | | | |
| Total transactions with owners | — | — | (2) | (70) | 928 | — | — | 858 |
| Balance at the end of the period | 64,936 | 156,047 | (3,771) | — | 297,011 | 6,027 | 17,175 | 320,214 |

| | Total equity attributable to owners of the parent | | Non-controlling interests | Total equity |
|---|---|-----------|---------------------------|--------------|
| | Retained earnings | Total | | |
| Balance at the beginning of the period | 1,300,352 | 1,735,011 | 207,848 | 1,942,860 |
| Profit for the period | 74,834 | 74,834 | 12,101 | 86,936 |
| Other comprehensive income | | | | |
| Remeasurements of defined benefit pension plans | | 70 | (1) | 68 |
| Financial assets measured at FVTOCI* | | 15,533 | (153) | 15,379 |
| Cash flow hedges | | 3,943 | 2,740 | 6,683 |
| Exchange differences on translation of foreign operations | | 82,365 | 12,360 | 94,726 |
| Total comprehensive income for the period | 74,834 | 176,747 | 27,047 | 203,794 |
| Dividends | (31,685) | (31,685) | (9,836) | (41,522) |
| Acquisition (disposal) of treasury shares | | (2) | | (2) |
| Acquisition (disposal) of non-controlling interests | | | 408 | 408 |
| Reclassification to retained earnings | (858) | — | | — |
| Other | | | (315) | (315) |
| Total transactions with owners | (32,543) | (31,687) | (9,743) | (41,431) |
| Balance at the end of the period | 1,342,643 | 1,880,070 | 225,151 | 2,105,222 |

* "Financial assets measured at FVTOCI" represents "Financial assets measured at fair Value through Other Comprehensive Income."

(4) Consolidated Statements of Cash Flows

(Unit: Millions of yen)

| | Three Months ended June 30 2021 | Three Months ended June 30, 2022 |
|---|------------------------------------|-------------------------------------|
| Cash flows from operating activities | | |
| Profit before income taxes | 88,089 | 120,612 |
| Depreciation and amortization | 26,164 | 30,686 |
| Finance costs (income) | (4,562) | (7,328) |
| Share of (profit) loss of investments accounted for using the equity method | (7,547) | (10,949) |
| (Gain) loss on sale and disposals of non-current assets, net | 44 | (242) |
| (Increase) decrease in trade and other receivables | 15,404 | 90,471 |
| (Increase) decrease in inventories | (71,244) | (105,644) |
| Increase (decrease) in trade and other payables | 23,030 | (75,683) |
| Other | (6,313) | 1,960 |
| Subtotal | 63,065 | 43,881 |
| Interest received | 1,697 | 2,983 |
| Dividends received | 14,323 | 17,682 |
| Interest paid | (4,408) | (5,628) |
| Income taxes paid | (35,575) | (31,986) |
| Net cash provided by operating activities | 39,102 | 26,932 |
| Cash flows from investing activities | | |
| (Increase) decrease in time deposits | 3,695 | 10,025 |
| Purchase of property, plant and equipment | (33,219) | (37,597) |
| Proceeds from sale of property, plant and equipment | 3,090 | 1,567 |
| Purchase of intangible assets | (3,357) | (3,637) |
| Proceeds from sale of intangible assets | 60 | 13 |
| Purchase of investment property | (334) | (9) |
| Purchase of investments | (12,539) | (1,879) |
| Proceeds from sale of investments | 842 | 18 |
| Proceeds from (payment for) acquisition of subsidiary | (31) | (5,779) |
| Proceeds from (payment for) sale of subsidiary | 92 | - |
| Payments of loans receivable | (1,770) | (2,008) |
| Collection of loans receivable | 1,631 | 1,201 |
| Subsidy income | 9,150 | 8,889 |
| Other | 78 | 805 |
| Net cash used in investing activities | (32,611) | (28,389) |

(Unit: Millions of yen)

| | Three Months ended June 30 2021 | Three Months ended June 30, 2022 |
|---|------------------------------------|-------------------------------------|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | (2,493) | 142,231 |
| Proceeds from long-term borrowings | 32,580 | 10,923 |
| Repayment of long-term borrowings | (21,053) | (58,670) |
| Purchase of treasury shares | (6) | (4) |
| Dividends paid | (21,827) | (31,685) |
| Dividends paid to non-controlling interests | (7,976) | (9,836) |
| Proceeds from non-controlling interests | 896 | 177 |
| Payments for acquisition of subsidiaries' interest from non-controlling interests | (420) | 0 |
| Proceeds from sale of subsidiaries' interest to non-controlling interests | 0 | - |
| Other | (6,619) | (9,185) |
| Net cash provided by (used in) financing activities | (26,919) | 43,950 |
| Net increase (decrease) in cash and cash equivalents | (20,428) | 42,492 |
| Cash and cash equivalents at the beginning of the year | 677,478 | 653,013 |
| Effect of exchange rate changes on cash and cash equivalents | 3,891 | 35,964 |
| Cash and cash equivalents at the end of the period | 660,940 | 731,471 |

(5) Notes on the Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Segment Information)

Revenue, Profit/loss and Assets by Reportable Segment

Three Months ended June 30, 2021 (April 1, 2021 to June 30, 2021)

| | Reportable segment | | | | | |
|--|--------------------|--------------------------|------------|-----------------------------|-------------------------|--------------------------|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Consumer Services |
| Revenue | | | | | | |
| External | 488,098 | 224,335 | 154,286 | 163,025 | 436,521 | 139,162 |
| Inter-segment | 701 | 6,572 | 331 | 558 | 857 | 130 |
| Total | 488,799 | 230,907 | 154,618 | 163,584 | 437,379 | 139,293 |
| Gross profit | 31,567 | 20,274 | 20,746 | 19,903 | 34,064 | 12,799 |
| Profit for the period attributable to owners of the parent | 15,393 | 7,652 | 5,071 | 5,851 | 12,771 | 2,852 |
| Segment assets | 1,081,398 | 496,727 | 300,331 | 839,098 | 783,984 | 343,280 |

| | Reportable segment | | Other *1 | Adjustments *2 | Consolidated |
|--|--------------------|-----------|-----------|----------------|--------------|
| | Africa | Total | | | |
| Revenue | | | | | |
| External | 265,576 | 1,871,006 | 1,120 | — | 1,872,127 |
| Inter-segment | 28 | 9,180 | 893 | (10,074) | — |
| Total | 265,604 | 1,880,187 | 2,014 | (10,074) | 1,872,127 |
| Gross profit | 45,613 | 184,969 | (193) | (704) | 184,071 |
| Profit for the period attributable to owners of the parent | 6,499 | 56,094 | 571 | 42 | 56,707 |
| Segment assets | 640,727 | 4,485,547 | 1,118,495 | (281,534) | 5,322,508 |

- Notes: 1. "Other" comprises businesses that are not included in reportable segments including functional services which provide operation support to the whole Group. In addition, this column includes profit/loss that is not classified into a specific reportable segment.
2. Figures in "Adjustments" represent the amounts of inter-segment transactions.
3. Prices in inter-segment transactions are decided based on negotiation on an individual basis.
4. External revenue of the Africa segment comprises revenues from contracts with customers mainly in the automotive business (distribution and sales of vehicles and industrial machinery, and other related activities), followed by the healthcare business (manufacturing and wholesaling of pharmaceuticals, and other related activities).

Three Months ended June 30, 2022 (April 1, 2022 to June 30, 2022)

(Unit: Millions of yen)

| | Reportable segment | | | | | |
|--|--------------------|--------------------------|------------|-----------------------------|-------------------------|--------------------------|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Consumer Services |
| Revenue | | | | | | |
| External | 662,533 | 272,823 | 203,658 | 202,777 | 505,044 | 217,471 |
| Inter-segment | 1,063 | 8,745 | 377 | 1,343 | 1,197 | 107 |
| Total | 663,597 | 281,569 | 204,036 | 204,121 | 506,242 | 217,578 |
| Gross profit | 45,565 | 24,793 | 31,301 | 27,050 | 40,221 | 12,459 |
| Profit for the period attributable to owners of the parent | 21,674 | 8,052 | 12,329 | 10,096 | 12,384 | 215 |
| Segment assets | 1,536,053 | 607,840 | 405,248 | 970,870 | 983,892 | 440,157 |

| | Reportable segment | | Other *1 | Adjustments *2 | Consolidated |
|--|--------------------|-----------|-----------|----------------|--------------|
| | Africa | Total | | | |
| Revenue | | | | | |
| External | 310,111 | 2,374,420 | 1,209 | — | 2,375,630 |
| Inter-segment | 31 | 12,867 | 843 | (13,710) | — |
| Total | 310,142 | 2,387,287 | 2,053 | (13,710) | 2,375,630 |
| Gross profit | 59,095 | 240,488 | (133) | (1,272) | 239,081 |
| Profit for the period attributable to owners of the parent | 7,889 | 72,642 | 2,416 | (224) | 74,834 |
| Segment assets | 785,312 | 5,729,376 | 1,231,003 | (395,468) | 6,564,911 |

- Notes:
1. "Other" comprises businesses that are not included in reportable segments including functional services which provide operation support to the whole Group. In addition, this column includes profit/loss that is not classified into a specific reportable segment.
 2. Figures in "Adjustments" represent the amounts of inter-segment transactions.
 3. Prices in inter-segment transactions are decided based on negotiation on an individual basis.
 4. External revenue of the Africa segment comprises revenues from contracts with customers mainly in the automotive business (distribution and sales of vehicles and industrial machinery, and other related activities), followed by the healthcare business (manufacturing and wholesaling of pharmaceuticals, and other related activities).