FOR IMMEDIATE RELEASE

Toyota Tsusho Corporation Reports Earnings for the Six Months Ended September 30, 2017

Nagoya, Japan; October 31, 2017 — Toyota Tsusho Corporation (TSE: 8015) reported consolidated revenue of 3,131.6 billion yen and profit for the period (attributable to owners of the parent) of 73.4 billion yen, or 208.69 yen per share, for the six months ended September 30, 2017.

Consolidated Results of Operations

In the first six months of the fiscal year (April 1, 2017 – September 30, 2017), the global economy as a whole continued to regain momentum as emerging market economies gradually recovered while the U.S. and European economies held firm.

The U.S. economic recovery remained intact, fueled largely by improvement in the employment and income environments, robust personal consumption and growth in capital investment. The European economic outlook was clouded by a slowdown in the UK economy but, overall, Europe remained in a mild economic recovery driven by growth in both domestic demand and exports, together with improvement in the employment environment. The Chinese economy remained in a lull. Although supported by solid domestic demand bolstered by government policies, including expansionary fiscal policy, the Chinese economy was weighed down by corporate deleveraging and efforts to reduce excess production capacity. Emerging market economies gradually recovered as local economic sentiment improved, largely in response to resurgent resource prices.

Against such a backdrop, the Japanese economy continued to gradually recover despite a slowdown in exports to Asia as domestic demand held up well by virtue of brisk capital investment and consumption growth ensuing from improvement in the employment environment.

Amid such an environment, the Toyota Tsusho Group's consolidated revenue for the six-month period ended September 30 increased 386.9 billion yen (14.1%) year on year to 3,131.6 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 19.0 billion yen (25.1%) to 94.8 billion yen from 75.8 billion yen in the year-earlier period, boosted largely by gross profit growth stemming from revenue growth. As a result of this operating growth coupled with a gain on partial divestment of shareholdings in a subsidiary, consolidated profit for the period (attributable to owners of the parent) increased 22.9 billion yen (45.3%) to 73.4 billion yen from 50.5 billion yen in the year-earlier period.

Segment Information

Effective April 1, 2017, product divisions’ African operations were consolidated into the newly established Africa Division.

Metals

Profit for the period (attributable to owners of the parent) increased 3.3 billion yen (27.5%) year on year to 15.2 billion yen, largely as a result of higher metal prices.

In India, TT Steel Service India Private Ltd., a sheet-steel importer, warehouser and processer that recently commissioned a new branch plant into operation, plans to commence operation of TT Recycling Management India Private Ltd. by year-end to recycle metal waste generated at its plants.

Global Parts & Logistics

Profit for the period (attributable to owners of the parent) grew 2.5 billion yen (29.4%) year on year to 10.7 billion yen, driven largely by growth in auto parts trading volume.
In Kenya, Bolloré NYK Auto Logistics Limited, a newly established completed vehicle logistics company co-owned by the Group, Bolloré Transport & Logistics Kenya Limited and NYK Line, commenced operations.

Automotive

Profit for the period (attributable to owners of the parent) grew 1.4 billion yen (18.1%) year on year to 8.9 billion yen, driven largely by growth in both the parent company's exports and overseas auto dealer subsidiaries' unit sales.
In August 2017, the Group acquired an equity stake in Grab Inc., Southeast Asia's largest ride-hailing service provider, in the aim of collaborating in new mobility service domains. The acquisition was the new Next Technology Fund's first investment. The Group established the fund to cultivate markets for innovative technologies, products and services.

Machinery, Energy & Projects

Profit for the period (attributable to owners of the parent) increased 6.9 billion yen (78.4%) year on year to 15.6 billion yen, largely as a result of wind and solar power subsidiaries' profit growth and nonrecurrence of year-earlier losses on gas projects.
The Group launched Jukies, an online platform that facilitates construction machinery rentals between machinery owners and users, the first of its kind in Japan. The Jukies website went live in July 2017.

Chemicals & Electronics

Profit for the period (attributable to owners of the parent) increased 11.8 billion yen (147.8%) year on year to 19.7 billion yen, boosted largely by 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 Thailand, the Company signed an agreement with the Group's subsidiary Sanyo Chemical Industries, Ltd. and PTT Global Chemical Public Company Limited in August 2017 to form a joint venture to manufacture and sell urethane raw materials. The joint venture is slated to commence commercial operation from 2020.

Food & Consumer Services

Profit for the period (attributable to owners of the parent) decreased 1.6 billion yen (56.6%) year on year to 1.2 billion yen. The decrease was largely due to deterioration in equity-method investees' operating performance and costs incurred in restructuring food operations.
A hotel and all 49 retail shops at Global Gate, a new mixed-use development in Nagoya's Sasashima Live 24 district, opened for business in early October 2017, roughly six months after the first tenants began occupying the complex's office space in April 2017.

Africa

Profit for the period (attributable to owners of the parent) decreased 2.7 billion yen (47.5%) year on year to 2.9 billion yen, largely because of a reduction in net gain on sales and disposals of non-current assets and deterioration in the beverage business's earnings.
In Morocco, CFAO SAS subsidiary Eurapharma S.A.acquired a majority equity stake in Maphar S.A., previously a subsidiary of major drug maker Sanofi, as an upstream strategy in the pharmaceutical business, and has entered into manufacturing and selling pharmaceutical products.

Consolidated Financial Condition

At September 30, 2017, consolidated assets totaled 4,470.9 billion yen, an increase of 258.9 billion yen from March 31, 2017. Their increase was largely attributable to an 83.7 billion yen increase in inventories and 59.2 billion yen increase in trade and other receivables. Consolidated equity at September 30 totaled 1,335.7 billion yen, an increase of 112.2 billion yen from March 31. Its growth was mostly attributable to a 59.3 billion yen increase in retained earnings from profit for the period (attributable to owners of the parent).

Outlook for Fiscal Year Ending March 31, 2018

For the fiscal year ending March 31, 2018, the Group has revised its consolidated earnings forecast issued on April 28, 2017, to reflect its financial results in the six months ended September 30, 2017, the outlook for the remainder of the fiscal year and revision of exchange rate and other assumptions in response to changes in economic conditions. Its revised forecast of consolidated profit for the year attributable to owners of parent is 125 billion yen, 15 billion yen (13.6%) above its previous forecast (110 billion yen).

2. Condensed Consolidated Financial Statements

(1) Condensed Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of March 31, 2017	As of September 30, 2017
Assets		
Current assets		
Cash and cash equivalents	426,208	478,539
Trade and other receivables	1,323,165	1,383,341
Other financial assets	69,948	54,351
Inventories	603,891	687,574
Other current assets	108,591	117,232
Subtotal	2,531,805	2,721,038
Assets held for sale	14,208	-
Total current assets	2,546,014	2,721,038
Non-current assets		
Investments accounted for using the equity method	218,679	248,238
Other investments	505,350	544,759
Trade and other receivables	35,690	34,751
Other financial assets	44,997	42,996
Property, plant and equipment	595,516	605,066
Intangible assets	190,047	199,467
Investment property	22,116	21,863
Deferred tax assets	26,473	26,401
Other non-current assets	27,177	26,375
Total non-current assets	1,666,050	1,749,921
Total assets	4,212,064	4,470,960

(Unit: Millions of yen)

	As of March 31, 2017	As of September 30, 2017
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other payables	1,053,646	1,142,030
Bonds and borrowings	536,120	663,122
Other financial liabilities	21,483	22,700
Income taxes payable	26,011	26,944
Provisions	4,565	4,678
Other current liabilities	117,997	124,376
Subtotal	1,759,825	1,983,852
Liabilities directly associated with assets held for sale	9,645	—
Total current liabilities	1,769,471	1,983,852
Non-current liabilities:		
Bonds and borrowings	1,032,038	948,797
Trade and other payables	3,238	3,327
Other financial liabilities	19,732	17,301
Retirement benefits liabilities	37,916	40,098
Provisions	21,792	23,181
Deferred tax liabilities	86,930	102,544
Other non-current liabilities	17,432	16,144
Total non-current liabilities	1,219,080	1,151,395
Total liabilities	2,988,551	3,135,248
Equity		
Share capital	64,936	64,936
Capital surplus	150,494	150,503
Treasury shares	(3,540)	(3,558)
Other components of equity	111,084	160,504
Retained earnings	727,644	786,989
Total equity attributable to owners of the parent	1,050,619	1,159,375
Non-controlling interests	172,893	176,336
Total equity	1,223,513	1,335,712
Total liabilities and equity	4,212,064	4,470,960

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

Condensed Consolidated Statements of Profit or Loss

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Revenue		
Sales of goods	2,708,945	3,088,148
Sales of services and others	35,798	43,515
Total revenue	2,744,744	3,131,664
Cost of sales	(2,480,792)	(2,834,116)
Gross profit	263,951	297,548
Selling, general and administrative expenses	(198,618)	(202,430)
Other income (expenses)		
Gain (loss) on sale and disposals of non-current assets, net	1,164	494
Impairment losses on non-current assets	(33)	(149)
Other, net	9,340	(639)
Total other income (expense)	10,470	(294)
Operating profit	75,803	94,822
Finance income (costs)		
Interest income	3,212	4,141
Interest expenses	(12,213)	(13,396)
Dividend income	12,381	13,012
Other, net	(2,965)	13,670
Total finance income (costs)	415	17,426
Share of profit of investments accounted for using the equity method	10,656	7,892
Profit before income taxes	86,875	120,141
Income tax expense	(27,202)	(34,873)
Profit for the period	59,673	85,267
Profit for the period attributable to:		
Owners of the parent	50,546	73,436
Non-controlling interests	9,127	11,830
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	143.65	208.69
Diluted earnings per share (yen)	143.64	-

Condensed Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Profit for the period	59,673	85,267
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit pension plans	231	122
Financial assets measured at fair value through other comprehensive income	(11,109)	29,227
Share of other comprehensive income of investments accounted for using the equity method	(213)	423
Items that may be reclassified to profit or loss:		
Cash flow hedges	1,817	372
Exchange differences on translation of foreign operations	(96,473)	21,982
Share of other comprehensive income of investments accounted for using the equity method	(15,439)	894
Other comprehensive income for the period, net of tax	(121,188)	53,022
Total comprehensive income for the period	(61,515)	138,290
Total comprehensive income for the period attributable to:		
Owners of the parent	(55,830)	122,497
Non-controlling interests	(5,684)	15,792

(3) Consolidated Statements of Changes in Equity

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Equity		
Share capital - Common stock		
Balance at the beginning of the period	64,936	64,936
Balance at the end of the period	64,936	64,936
Capital surplus		
Balance at the beginning of the period	153,751	150,494
Acquisition (disposal) of non-controlling interests	369	8
Disposal of treasury shares	(32)	0
Balance at the end of the period	154,088	150,503
Treasury shares		
Balance at the beginning of the period	(3,623)	(3,540)
Acquisition (disposal) of treasury shares	101	(17)
Balance at the end of the period	(3,521)	(3,558)
Other components of equity		
Remeasurements of defined benefit pension plans		
Balance at the beginning of the period	-	-
Increase (decrease) during the period	275	57
Reclassification to retained earnings	(275)	(57)
Balance at the end of the period	-	-
Financial assets measured at fair value through other comprehensive income		
Balance at the beginning of the period	205,971	232,692
Increase (decrease) during the period	(12,014)	29,700
Reclassification to retained earnings	(119)	417
Balance at the end of the period	193,836	262,810
Cash flow hedges		
Balance at the beginning of the period	(26,738)	(14,402)
Increase (decrease) during the period	1,735	601
Balance at the end of the period	(25,002)	(13,800)
Exchange differences on translation of foreign operations		
Balance at the beginning of the period	(78,603)	(107,206)
Increase (decrease) during the period	(96,372)	18,701
Balance at the end of the period	(174,976)	(88,504)

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Retained earnings		
Balance at the beginning of the period	630,964	727,644
Reclassification from other components of equity	395	(359)
Profit for the period attributable to owners of the parent	50,546	73,436
Dividends	(10,913)	(13,732)
Balance at the end of the period	670,992	786,989
Total equity attributable to owners of the parent	880,352	1,159,375
Non-controlling interests		
Balance at the beginning of the period	169,326	172,893
Dividends paid to non-controlling interests	(11,652)	(11,420)
Acquisition (disposal) of non-controlling interests	(380)	(914)
Profit for the period attributable to non-controlling interests	9,127	11,830
Other comprehensive income attributable to non-controlling interests		
Remeasurements of defined benefit pension plans	(62)	2
Financial assets measured at fair value through other comprehensive income	709	13
Cash flow hedges	(641)	197
Exchange differences on translation of foreign operations	(14,816)	3,748
Other	160	(14)
Balance at the end of the period	151,769	176,336
Total equity	1,032,121	1,335,712
Comprehensive income for the period attributable to:		
Owners of the parent	(55,830)	122,497
Non-controlling interests	(5,684)	15,792
Total comprehensive income for the period	(61,515)	138,290

(4) Condensed Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Cash flows from operating activities		
Profit before income taxes	86,875	120,141
Depreciation and amortization	37,181	39,841
Impairment losses on non-current assets	33	149
Finance costs (income)	(415)	(17,426)
Share of (profit) loss of investments accounted for using the equity method	(10,656)	(7,892)
(Gain) loss on sale and disposals of non-current assets, net	(1,164)	(494)
(Increase) decrease in trade and other receivables	1,806	(31,170)
(Increase) decrease in inventories	(13,700)	(61,563)
Increase (decrease) in trade and other payables	29,058	61,063
Other	(15,547)	(6,051)
Subtotal	113,471	96,596
Interest received	3,063	3,738
Dividends received	20,271	20,110
Interest paid	(12,207)	(13,057)
Income taxes paid	(26,506)	(33,098)
Net cash provided by operating activities	98,092	74,291
Cash flows from investing activities		
(Increase) decrease in time deposits	3,464	9,686
Purchase of property, plant and equipment	(34,545)	(30,003)
Proceeds from sale of property, plant and equipment	5,525	4,095
Purchase of intangible assets	(4,703)	(4,451)
Proceeds from sale of intangible assets	928	158
Purchase of investments	(10,497)	(13,155)
Proceeds from sale of investment	2,058	2,090
Proceeds from (payment for) acquisition of subsidiary	-	(3,277)
Proceeds from (payment for) sale of subsidiaries	53	1,332
Payments for loans receivable	(9,559)	(4,734)
Collection of loans receivable	12,174	6,956
Other	(2,250)	1,733
Net cash provided by (used in) investing activities	(37,351)	(29,568)

(Unit: Millions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2017
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings, net	(14,023)	116,845
Proceeds from long-term borrowings	36,498	55,894
Repayment of long-term borrowings	(54,022)	(157,075)
Proceeds from issuance of bonds	19,886	9,941
Redemption of bonds	(15,992)	-
Purchase of treasury shares	(6)	(17)
Dividends paid	(10,913)	(13,732)
Dividends paid to non-controlling interests	(11,652)	(11,420)
Proceeds from non-controlling interests	319	1,233
Payments for acquisition of subsidiaries' interest from non-controlling interests	(346)	(153)
Proceeds from sale of subsidiaries' interest to non-controlling interests	-	26
Other	(1,405)	(906)
Net cash provided by (used in) financing activities	(51,659)	634
Net increase (decrease) in cash and cash equivalents	9,081	45,357
Cash and cash equivalents at the beginning of the period	392,247	426,208
Effect of exchange rate changes on cash and cash equivalents	(21,708)	6,973
Cash and cash equivalents at the end of the period	379,620	478,539

(5) Note on the Condensed Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Notes on Significant Changes in Shareholders’ Equity)

Not applicable

(Segment and Other Information)

Segment Information

1. Revenue, Profit/loss and Assets by Reportable Segment

Six Months ended September 30, 2016 (April 1, 2016 to September 30, 2016)

(Unit: Millions of yen)

	Reportable segment								Other *1	Adjustments *2	Consolidated
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services	Africa	Total			
Revenue											
External	663,886	361,463	276,493	328,155	675,196	190,371	248,245	2,743,813	930	-	2,744,744
Inter-segment	492	11,709	1,262	1,679	4,176	743	6,742	26,807	365	(27,172)	-
Total	664,378	373,173	277,756	329,834	679,373	191,115	254,987	2,770,620	1,296	(27,172)	2,744,744
Gross profit	35,664	28,460	37,141	29,249	51,851	21,247	63,658	267,271	868	(4,188)	263,951
Profit attributable to owners of the parent	11,943	8,277	7,576	8,753	7,966	2,812	5,643	52,973	(2,439)	11	50,546
Segment assets	742,769	332,068	293,546	646,577	613,468	265,768	491,624	3,385,824	600,296	(188,864)	3,797,255

Six Months ended September 30, 2017 (April 1, 2017 to September 30, 2017)

(Unit: Millions of yen)

	Reportable segment								Other *1	Adjustments *2	Consolidated
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services	Africa	Total			
Revenue											
External	791,000	400,400	306,443	408,970	760,062	192,882	270,742	3,130,501	1,162	-	3,131,664
Inter-segment	387	12,087	2,228	1,704	5,599	424	7,075	29,507	455	(29,963)	-
Total	791,387	412,487	308,671	410,675	765,661	193,307	277,818	3,160,009	1,618	(29,963)	3,131,664
Gross profit	46,572	35,187	41,358	35,621	55,614	21,069	63,889	299,311	1,307	(3,071)	297,548
Profit attributable to owners of the parent	15,227	10,710	8,949	15,618	19,739	1,219	2,960	74,427	(1,259)	269	73,436
Segment assets	866,873	386,455	317,528	821,216	681,068	261,816	558,502	3,893,461	812,099	(234,601)	4,470,960

Notes:
1. "Other" comprises businesses that are not included in reportable segments, such as 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.

2. Change in Reportable Segment

From the first three months of the fiscal year ending March 31, 2018, each division's African operations were consolidated into the newly established Africa Division. In line with this, the segment information for the six months ended September 30, 2016 (April 1, 2016 to September 30, 2016) has been recast to reflect this change.

The Africa division conducts manufacturing, sales, and services, mainly in the automobile, healthcare, consumer goods & retail businesses. It is also developing new businesses designed to solve Africa's social issues, including energy & infrastructure, agriculture, and ICT.

(For reference)

Quarterly changes	1Q	2Q
Gross profit	150.8	146.6
Operating profit	49.0	45.7
Profit attributable to owners of the parent	37.0	36.4

Outline of Consolidated Results for the Six Months ended September 30, 2017 (IFRS)

October 31, 2017

Toyota Tsusho Corporation

(Unit: Billion yen)

Consolidated Operating Results	Six Months ended September 30, 2016	Six Months ended September 30, 2017	Year-on-year change	
			Amount	%
Revenue	2,744.7	3,131.6	386.9	14.1%
Gross profit	263.9	297.5	33.6	12.7%
SG & A expenses	(198.6)	(202.4)	(3.8)	—
Other income (expenses)	10.4	(0.2)	(10.6)	—
Operating profit	75.8	94.8	19.0	25.1%
Interest income (expense)	(9.0)	(9.2)	(0.2)	—
Dividend income	12.3	13.0	0.7	—
Other finance income (costs)	(2.9)	13.6	16.5	—
Share of profit of investments accounted for using the equity method	10.6	7.8	(2.8)	—
Profit before income taxes	86.8	120.1	33.3	38.3%
Income tax expense	(27.2)	(34.8)	(7.6)	—
Profit for the period	59.6	85.2	25.6	42.9%
Profit attributable to owners of the parent	50.5	73.4	22.9	45.3%
Total comprehensive income (attributable to owners of the parent)	(55.8)	122.4	178.2	—

Main factors behind year-on-year changes

【Gross profit】+33.6 billion yen
Increased due to weaker yen and increase in trading volume of automobile production-related products

【SG & A 】-3.8 billion yen
Increased due to weaker yen

【Other income (expenses)】-10.6 billion yen
Decreased due to change in foreign exchange gain/loss

【Other finance income (costs)】+16.5 billion yen
Increased due to gains on sale of part of subsidiary's shares

【Income tax expense】-7.6 billion yen
Increased due to higher profit before income taxes

*The top row for each division indicates gross profit; the bottom row indicates profit attributable to owners of parent.

Divisions	Six Months ended September 30, 2016	Six Months ended September 30, 2017	Year-on-year change: Amount	Year-on-year change: %	Main factors behind year-on-year changes in profit attributable to owners of parent
Metals	35.6	46.5	10.9	30.6%	Increased due to higher market price
	11.9	15.2	3.3	27.5%	
Global Parts & Logistics	28.4	35.1	6.7	23.6%	Increased due to growth in trading volume of automotive parts handled
	8.2	10.7	2.5	29.4%	
Automotive	37.1	41.3	4.2	11.4%	Increased due to increase in sales volume handled by overseas auto dealership
	7.5	8.9	1.4	18.1%	
Machinery, Energy & Project	29.2	35.6	6.4	21.8%	Increased due to higher profit of a subsidiary operating wind and solar power businesses as well as effects from loss of gas business recorded in the previous fiscal year
	8.7	15.6	6.9	78.4%	
Chemicals & Electronics	51.8	55.6	3.8	7.3%	Increased due to gain on the sale of part of subsidiary's shares, growth in electronics-related trading volume and effect from one-time loss recorded in the previous fiscal year.
	7.9	19.7	11.8	147.8%	
Food & Consumer Services	21.2	21.0	(0.2)	(0.8%)	Decreased due to change in share of profit/loss of investments accounted for using the equity method as well as effect from restructuring of food business
	2.8	1.2	(1.6)	(56.6%)	
* Africa	63.6	63.8	0.2	0.4%	Decreased due to lower gain on sale and disposals of non-current asset as well as decrease in revenue of beverages business
	5.6	2.9	(2.7)	(47.5%)	
Total	263.9	297.5	33.6	12.7%	
	50.5	73.4	22.9	45.3%	

* Effective April 1, 2017, product divisions' African operations were consolidated into the newly established Africa Division

Consolidated Financial Position	As of March 31, 2017	As of September 30, 2017	Change over the end of the previous fiscal year	
			Amount	%
Total assets	4,212.0	4,470.9	258.9	6.1%
(Current assets)	2,546.0	2,721.0	175.0	6.9%
(Non-current assets)	1,666.0	1,749.9	83.9	5.0%
Total equity	1,223.5	1,335.7	112.2	9.2%
Net interest-bearing debt	1,101.9	1,102.1	0.2	0.0%
Debt-equity ratio (times)	1.0	1.0	(0.0)	

Main factors behind the changes

【Current assets】+175.0 billion yen
- Increase in inventories: +83.7 billion yen
- Increase in trade and other receivables: +60.2 billion yen

【Non-current assets】+83.9 billion yen
- Other investments: +39.4 billion yen
- Investments accounted for using the equity method: +29.6 billion yen

【Total equity】+112.2 billion yen
- Retained earnings: +59.3 billion yen
- Financial assets measured at fair value through other comprehensive income: +30.2 billion yen
- Exchange differences on translation of foreign operations: +18.7 billion yen

Consolidated Cash Flow Position	Six Months ended September 30, 2016	Six Months ended September 30, 2017	Year-on-year change	
			Amount	%
1. Cash flows from operating activities	98.0	74.2	(23.8)	(24.3%)
2. Cash flows from investing activities	(37.3)	(29.5)	7.8	(20.8%)
1-2: Free cash flow	60.7	44.7	(16.0)	(26.4%)
Cash flows from financing activities	(51.6)	0.6	52.2	—

Major factors behind year-on-year changes

【Cash flows from operating activities】
Profit for the six months ended September 30, 2017

【Cash flows from investing activities】
Purchase of property, plant and equipment

*The top row for each division indicates gross profit; the bottom row indicates profit attributable to owners of the parent

Consolidated Financial Results Forecasts		Year ended March 31, 2017 (results)	Year ending March 31, 2018 (revised forecast)	Year-on-year change: Amount	Year-on-year change: %	(Reference) Year ending March 31, 2018 (previous forecast released on Apr.28)
Divisions*	Metals	85.1	95.0	9.9	11.5%	87.0
		25.3	30.0	4.7	18.2%	26.0
	Global Parts & Logistics	64.5	70.0	5.5	8.5%	67.0
		16.0	20.0	4.0	24.6%	16.0
	Automotive	78.4	83.0	4.6	5.8%	77.0
		14.9	17.0	2.1	13.5%	16.0
	Machinery, Energy & Project	66.7	72.0	5.3	7.9%	75.0
		16.1	22.0	5.9	36.5%	18.0
	Chemicals & Electronics	112.0	109.0	(3.0)	(2.7%)	95.0
		10.2	30.0	19.8	192.9%	25.0
	Food & Consumer Services	44.2	41.0	(3.2)	(7.3%)	45.0
		(9.0)	4.0	13.0	—	5.5
	Africa	125.7	129.0	3.3	2.6%	118.0
		5.7	7.0	1.3	21.2%	6.5
Corporate	Gross profit	570.8	600.0	29.2	5.1%	567.0
	Operating profit	133.6	185.0	51.4	38.4%	160.0
	Profit before income taxes	140.8	208.0	67.2	47.6%	182.0
	Profit	128.3	145.0	16.7	13.0%	131.0
	Profit attributable to owners of the parent	107.9	125.0	17.1	15.8%	110.0

Dividend per share	Year ended March 31, 2017	Year ending March 31, 2018 (previous forecast)	Year ending March 31, 2018 (revised forecast)
Interim	31yen	39yen	45yen
Full year	70yen	78yen	90yen
Payout ratio (consolidated)	22.8%	25.0%	25.3%

Changes in Major Indexes			Six Months ended September 30, 2016 (or as of March 31, 2017)	Six Months ended September 30, 2017
Exchange rate	Yen / US dollar	Average during the period	105	111
		End of period	(112)	113
	Yen / Euro	Average during the period	118	126
		End of period	(120)	133
Interest rate	Yen TIBOR 3M average		0.07%	0.06%
	US dollar LIBOR 3M averag		0.72%	1.26%
Dubai oil (US dollars / bbl)			43	50
Corn futures (cents / bushel)			361	360

* In line with the establishment of Africa Division, results by division for the previous fiscal year (Year ended March 31, 2017) have been recast to conform to the current period presentation. In addition, the recast results for the previous fiscal year have not been audited yet, and the results might be changed going forward.