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Outline of Consolidated Results for Third Quarter of FY2018

(Year Ending March 31, 2019)

February 1st, 2019

 **TOYOTA TSUSHO CORPORATION**

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for Third Quarter of FY2018** **P.3**
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1. Outline of Consolidated Results for Third Quarter of FY2018

Outline of Consolidated Results

(Unit: Billion yen)

	Nine months ended Dec. 31, 2017	Nine months ended Dec. 31, 2018	Y o Y Change	FY2018 Forecast	Progress
Gross Profit	454.2	479.7	+25.5	633.0	76%
Operating Profit	147.8	165.1	+17.3	213.0	78%
Profit before income taxes	178.7	180.2	+1.5	232.0	78%
Profit (attributable to owners of the parent)	113.9	109.8	-4.1	140.0	78%
Toyota Automotive Production (Unit: Ten thousands)	Japan 236 Overseas 432	Japan 230 Overseas 434		TOTAL 928	

Profit Analysis

(Unit: Billion yen)

< Foreign Exchange Rate >

	FY2017_3Q	FY2018_3Q	Variance
USD	112yen	111yen	-1yen
EUR	129yen	129yen	+0yen

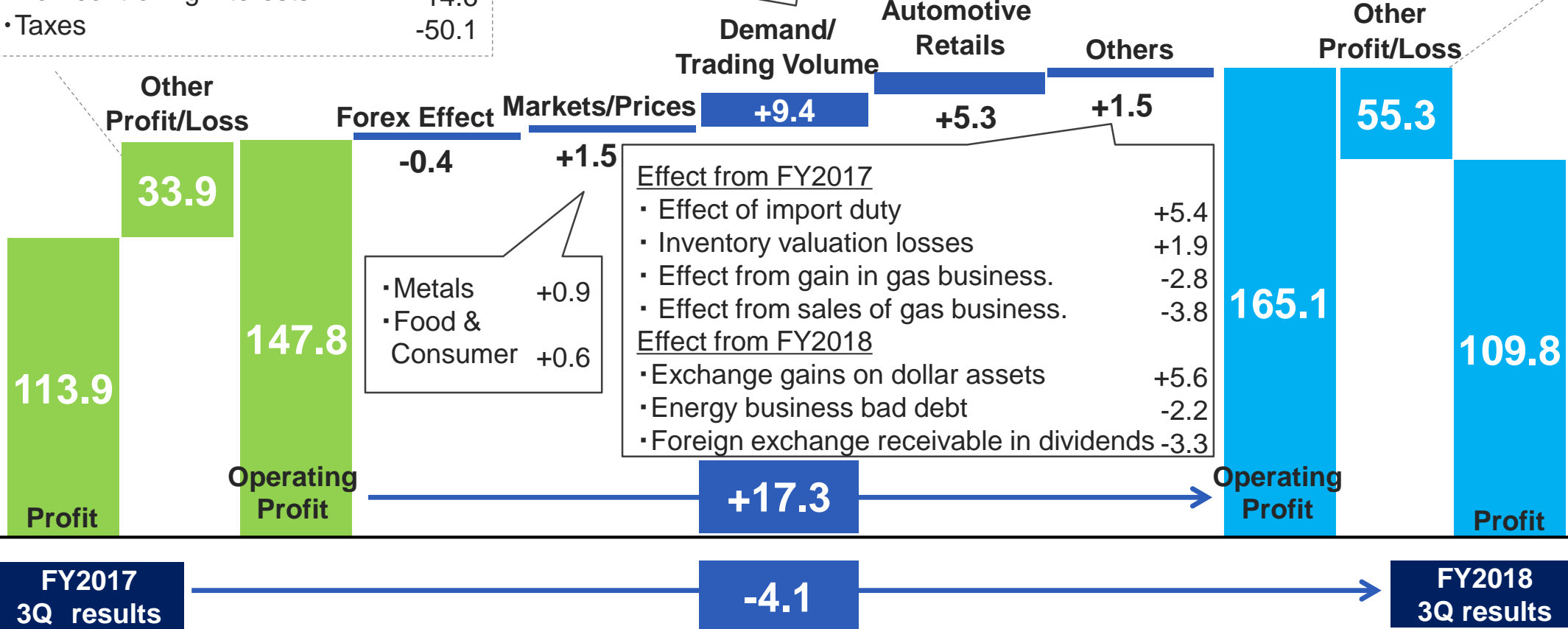
• Finance income and costs	+18.8
• Equity method	+12.0
• Non-controlling interests	-14.6
• Taxes	-50.1

• Metals	+1.4
• Global Parts	+3.2
• Machinery	+4.2
• Chemical & Ele.	+1.7
• Food & Consumer	+0.4
• Africa	-1.5

※ "Profit attributable to owners of the parents" is presented as "Profit" in the following pages

• Automotive	+3.5
• Africa	+1.8

• Finance income and costs	+10.2
• Equity method	+4.8
• Non-controlling interests	-16.4
• Taxes	-54.0



Effect from FY2017

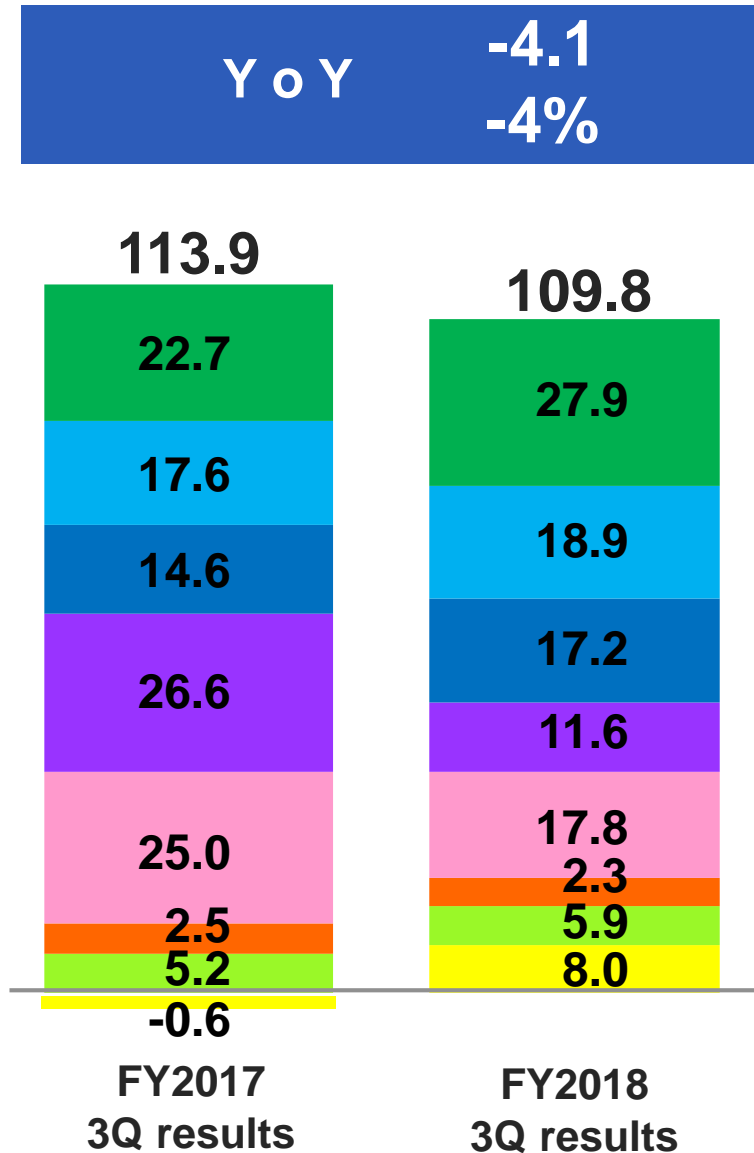
• Effect of import duty	+5.4
• Inventory valuation losses	+1.9
• Effect from gain in gas business.	-2.8
• Effect from sales of gas business.	-3.8

Effect from FY2018

• Exchange gains on dollar assets	+5.6
• Energy business bad debt	-2.2
• Foreign exchange receivable in dividends	-3.3

Summary of Division Profits

(Unit: Billion yen)



<Reasons for Changes in Profit>

Division	Change	Main factors of changes
Metals	+5.2	Increased largely driven by the effect of one-time loss recorded in the previous fiscal year
Global Parts & Logistics	+1.3	Increased largely driven by higher trading volume of automotive parts
Automotive	+2.6	Increased largely driven by growing sales volume handled by overseas auto dealerships
Machinery, Energy & Project	(15.0)	Decreased largely due to worsening of equity method in the electric power business as well as the effect of one-time gain recognized in the previous fiscal year
Chemicals & Electronics	(7.2)	Decreased largely due to effect of the gain on partial divestment of equity in a subsidiary in the previous fiscal year
Food & Consumer Services	(0.2)	Decreased largely due to worsening of equity method in the food business
Africa	+0.7	Increased largely driven by the effect of currency translation
Others	+8.6	Difference in tax due to withdrawal of resource-related business
Total	(4.1)	

Consolidated Financial Position

(Unit: Billion yen)

Mar.31,2018		Dec.31,2018	
Current Assets 2,616.9	Current Liabilities 1,824.7	Current Assets 2,811.4	Current Liabilities 1,939.3
	Non-Current Liabilities 1,123.0		Non-Current Liabilities 1,125.0
Non-Current Assets 1,693.0	Net Assets 1,362.1	Non-Current Assets 1,604.1	Net Assets 1,351.2

	Mar. 31, 2018	Dec. 31, 2018	Changes
Total assets	4,310.0	4,415.6	+105.6
Net worth	1,174.7	1,161.9	(12.8)
Net worth ratio (%)	27	26	(1)
Net interest-bearing debt	1,006.9	1,054.1	+47.2
Net DER (times)	0.9	0.9	+0.0
Current ratio (%)	143	145	+2

Consolidated Cash Flows

(Unit: Billion yen)

FY2017 3Q

Cash flows from operating activities 81.0

Profit before income taxes	178.7
Depreciation and amortization	59.7
Working capital	-80.5
Income taxes paid	-48.2

81.0

47.9

-33.1

Cash flows from investing activities -33.1

< Investments >	-86.9
Mobility	-37.5
Resources & Environment	-32.1
Life & Community	-17.3
< Others >	+53.8
Cash from the sale of assets, Increase cash from subsidiaries acquisition, etc.	

FY2018 3Q

Cash flows from operating activities 85.8

Profit before income taxes	180.2
Depreciation and amortization	57.2
Working Capital	-89.6
Income taxes paid	-56.6




85.8

18.8

-67.0

Cash flows from investing activities -67.0

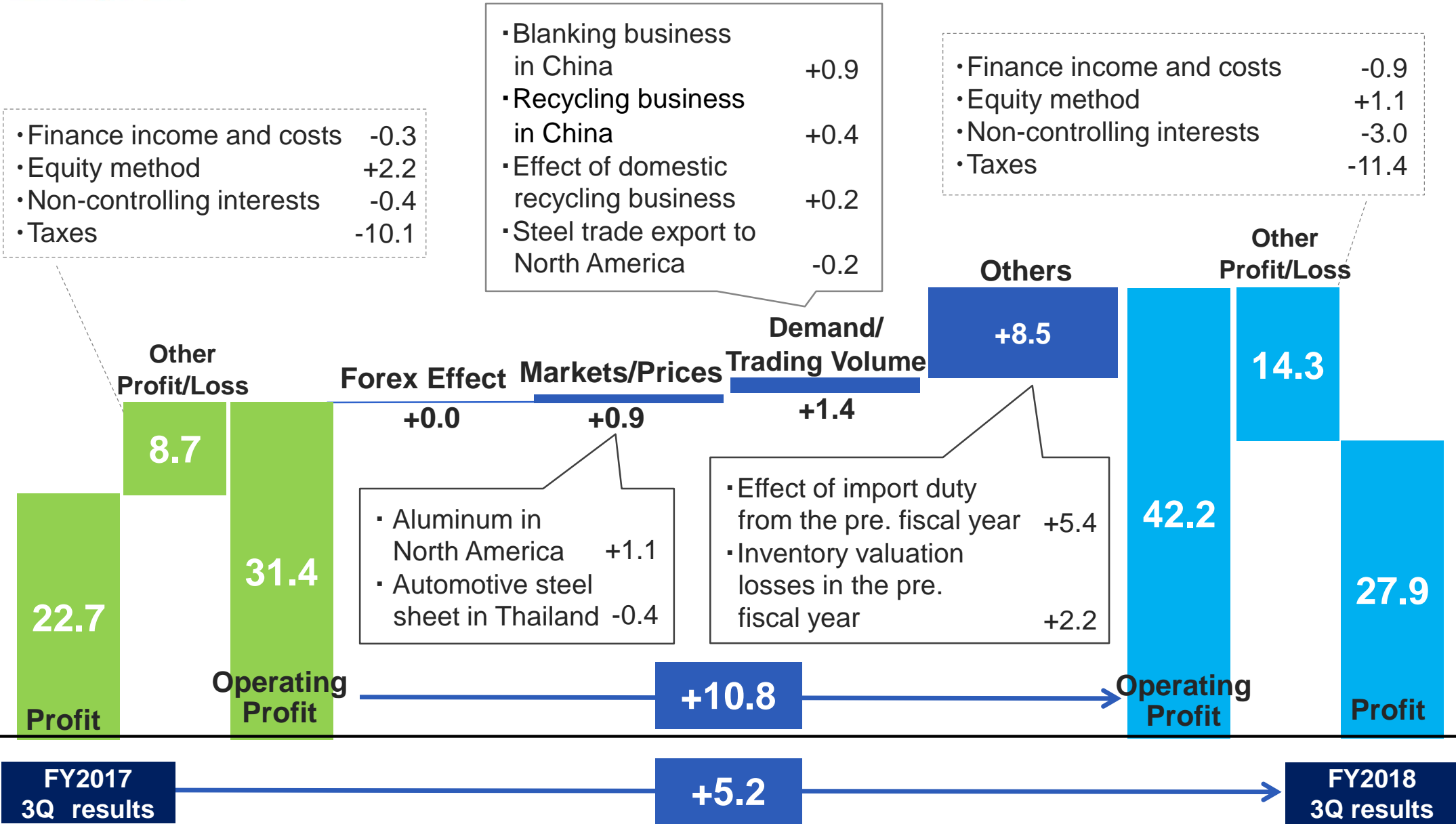
< Investments >	-96.0
Mobility	-34.2
Resources & Environment	-39.3
Life & Community	-22.5
< Others >	+29.0
Cash from the sale of assets, etc.	

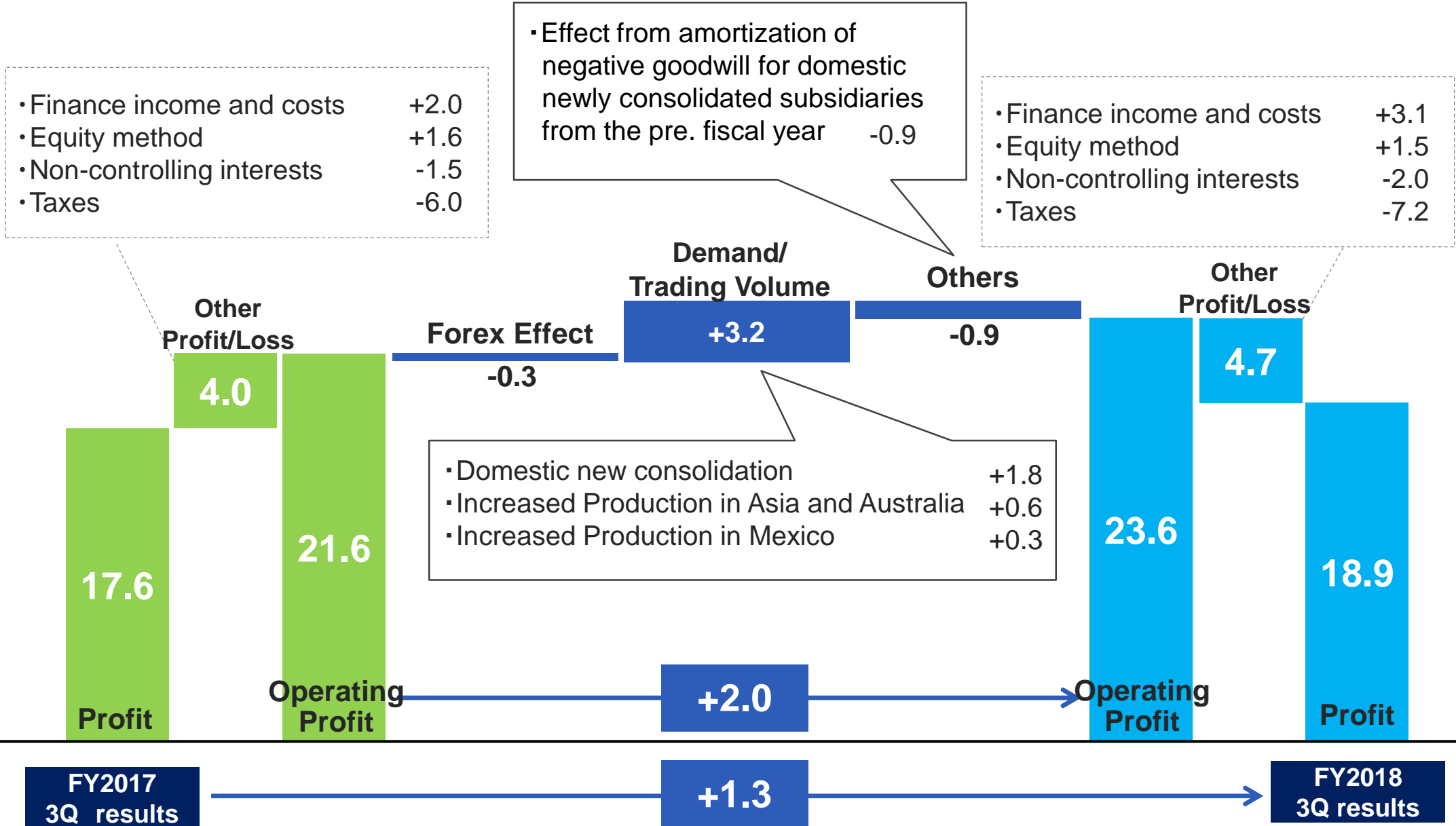
 Cash flows from operating activities
 Cash flows from investing activities
 Free cash flow

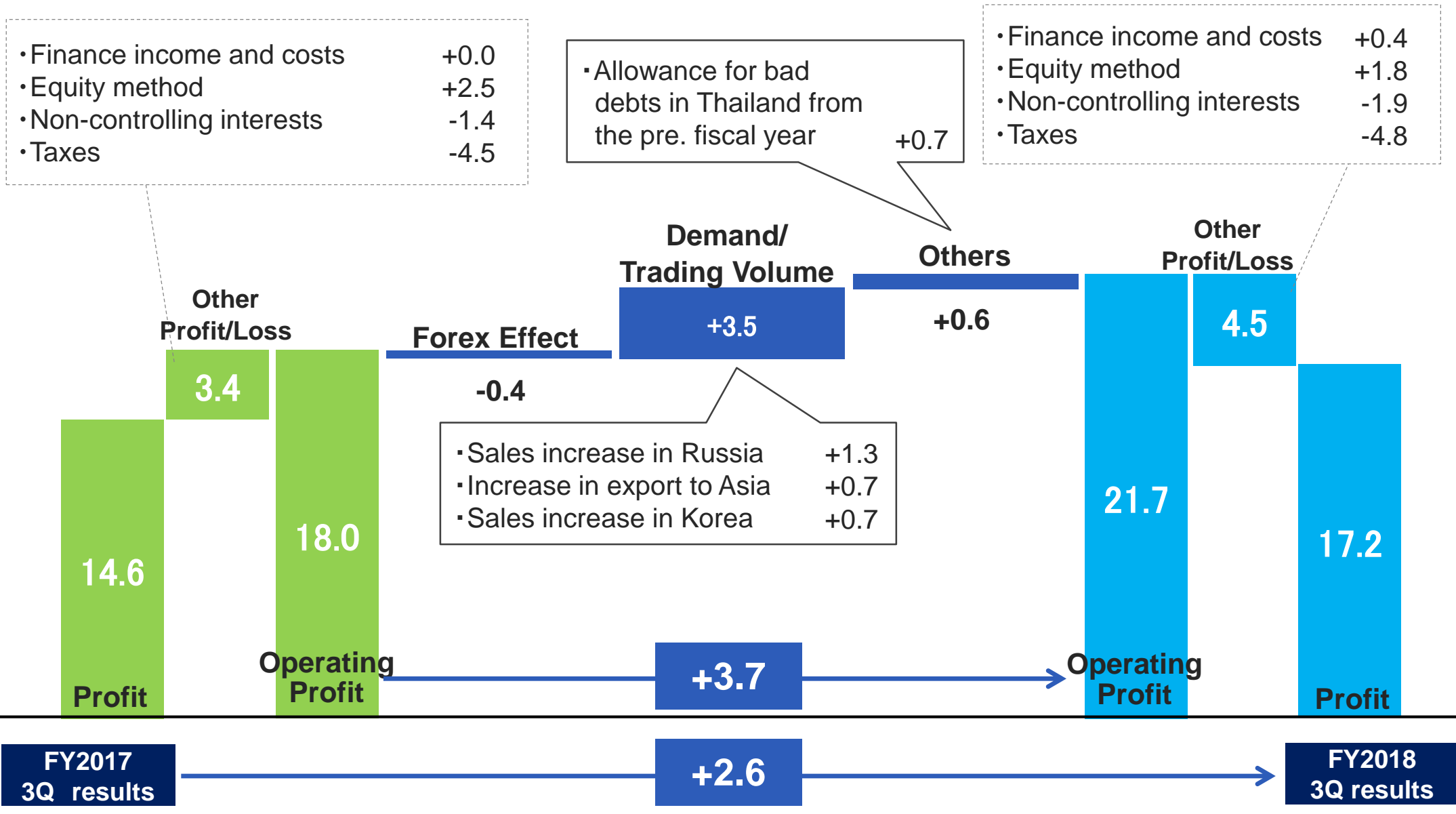


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2. Supplementary Materials on Financial Results





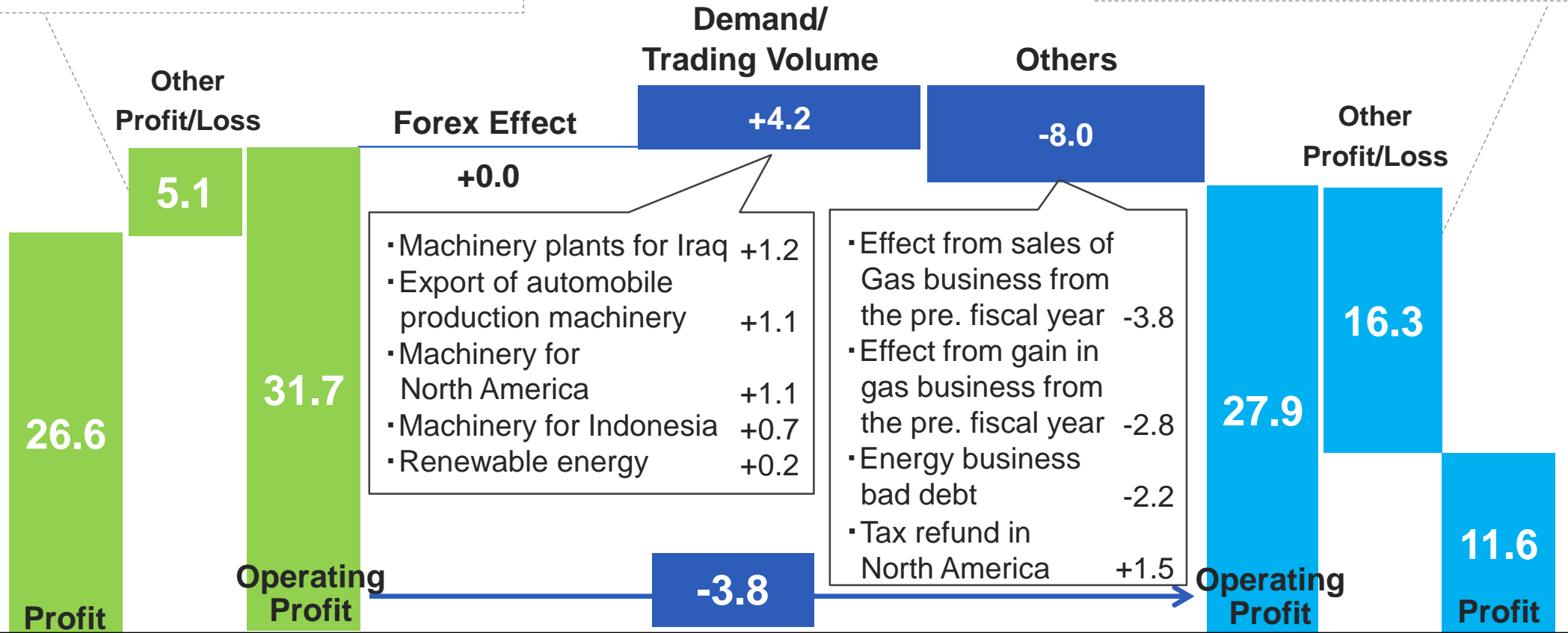


Machinery, Energy & Project Division

(Unit: Billion yen)

• Finance income and costs	-0.4
• Equity method	+4.1
• Non-controlling interests	-5.6
• Taxes	-3.1

• Finance income and costs	-0.8
• Equity method	+1.5
• Non-controlling interests	-4.3
• Taxes	-12.6



FY2017
3Q results

-15.0

FY2018
3Q results



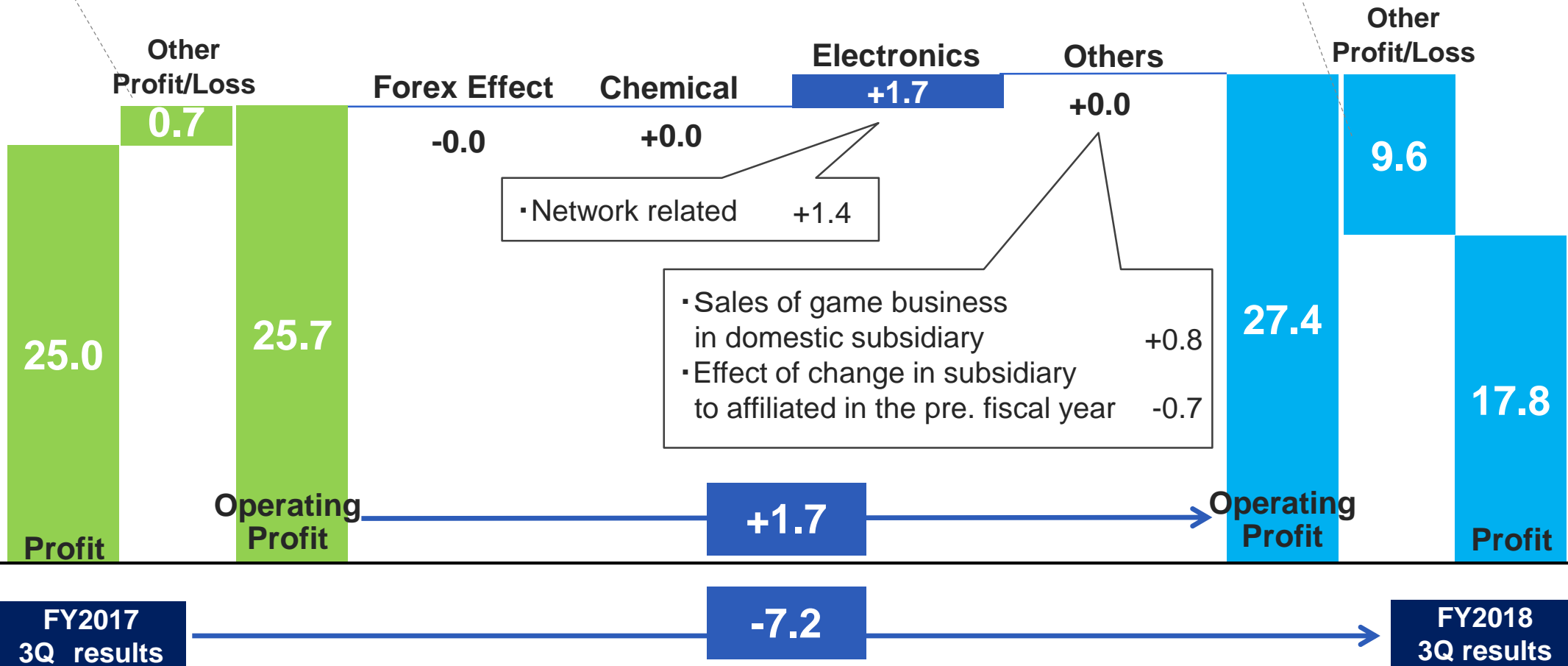
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Chemicals & Electronics Division

(Unit: Billion yen)

- Finance income and costs* +11.6
*including the gain on sale of cell phone company
- Equity method +1.5
- Non-controlling interests -3.1
- Taxes -10.6

- Finance income and costs -1.2
- Equity method +2.5
- Non-controlling interests -3.1
- Taxes -7.7

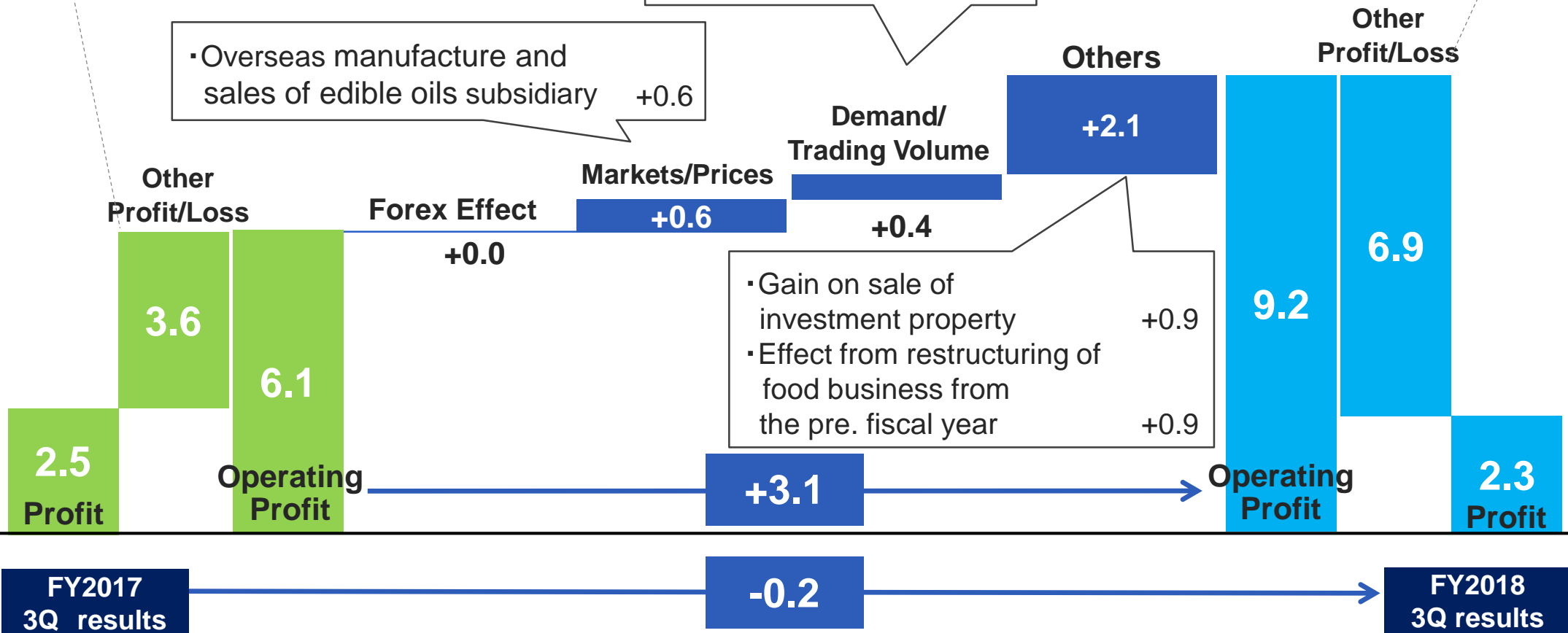


- Finance income and costs -0.8
- Equity method -0.8
- Non-controlling interests -0.2
- Taxes -1.6

- Overseas grain subsidiary +1.4
- Food business, others -1.1

- Finance income and costs -1.1
- Equity method -2.7
- Non-controlling interests -0.3
- Taxes -2.6

- Overseas manufacture and sales of edible oils subsidiary +0.6



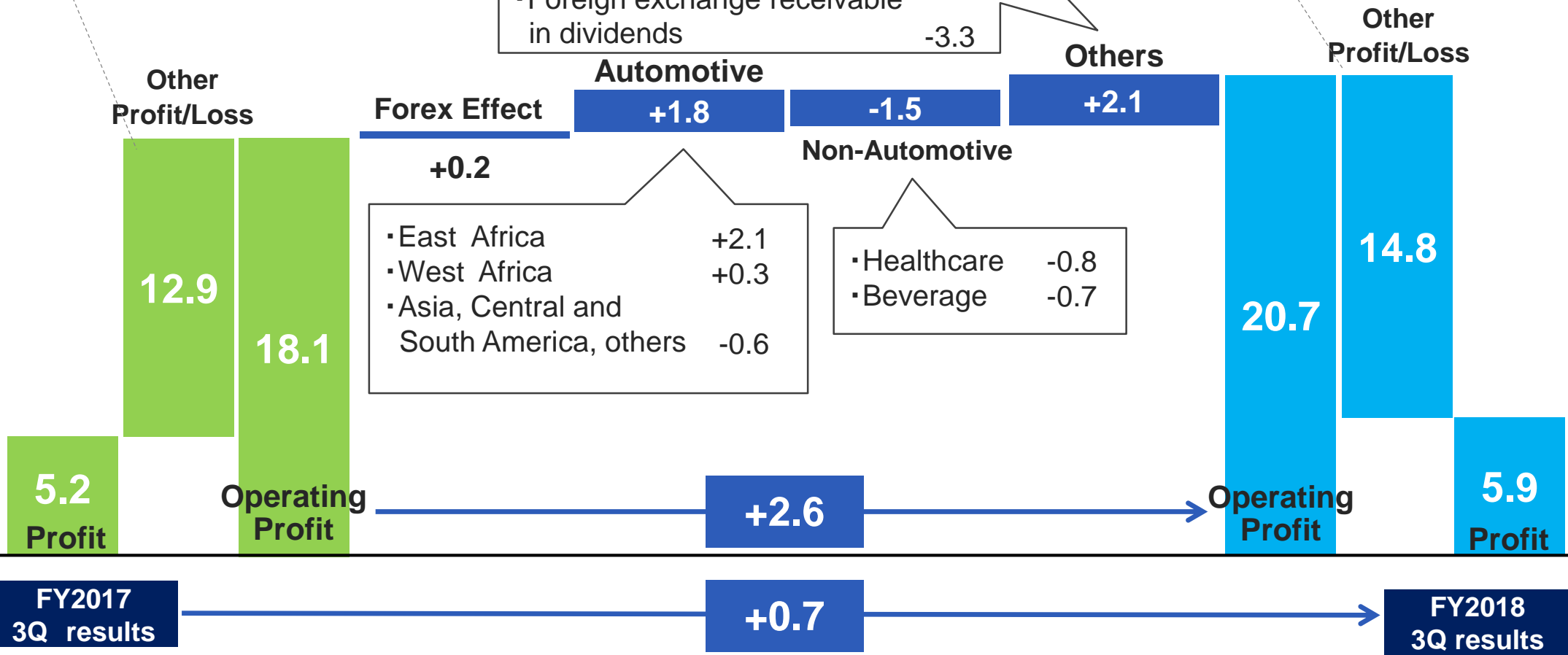
Africa Division

(Unit: Billion yen)

- Finance income and costs -5.0
- Equity method +0.0
- Non-controlling interests -2.0
- Taxes -5.9

- Exchange gains on dollar assets +5.6
- Functional currency from the pre. fiscal year +1.5
- Effect from business restructuring -1.0
- Foreign exchange receivable in dividends -3.3

- Finance income and costs -3.8
- Equity method -1.3
- Non-controlling interests -1.6
- Taxes -8.0



Investment through the Third Quarter of FY2018		
	Amount	
Mobility	<ul style="list-style-type: none"> ● Dealer Network (CFAO etc.) ● Automotive production-related facilities in North America ● Automotive parts manufacturing business 	(34.2)
	<ul style="list-style-type: none"> ● Small and medium-sized hydropower project ● Wind power business (Eurus) 	(39.3)
	<ul style="list-style-type: none"> ● Electronics business 	(22.5)
Total Amount of Investment		(96.0)
	<ul style="list-style-type: none"> ● Cash from the sale of assets ● Decrease of time deposits 	+29.0
Cash flows from investing activities		(67.0)

Car Exports and Retail Sales Volume by Key Region and Country

(Unit: units)

Note: Volume include CFAO results

Export Volume by Region			
Region	FY2017 3Q	FY2018 3Q	Change
Asia & Oceania	50,244	48,077	(2,167)
China, Hong Kong & Taiwan	48,300	37,008	(11,292)
Central & South America	26,766	39,796	13,030
Middle East & Southwest Asia	53,724	61,940	8,216
Africa ※	19,428	21,550	2,122
West Africa	937	1,917	980
East-South Africa	15,431	17,686	2,255
Maghreb	3,060	1,947	(1,113)
Russia & Europe	1,801	1,314	(487)
TOTAL	200,263	209,685	9,422
Main Export Countries			

Country	FY2017 3Q	FY2018 3Q	Change
Pakistan	47,406	54,497	7,091
Australia	43,188	37,271	(5,917)
China	36,994	27,883	(9,111)
Hong Kong	11,306	9,125	(2,181)
Ecuador	5,192	7,152	1,960

Retail Sales Volume by Region			
Region	FY2017 3Q	FY2018 3Q	Change
Asia & Oceania ※	20,600	24,886	4,286
China, Hong Kong & Taiwan	38,907	27,035	(11,872)
Central & South America ※	23,360	27,232	3,872
Middle East & Southwest Asia	6,017	5,457	(560)
Africa ※	28,038	28,402	364
West Africa	17,079	16,935	(144)
East-South Africa	9,592	10,554	962
Maghreb	1,367	913	(454)
Russia & Europe Included east Europe	30,246	34,361	4,115
TOTAL	147,168	147,373	205
Main Retail Countries			

Country	FY2017 3Q	FY2018 3Q	Change
China	38,907	27,035	(11,872)
Russia	14,885	15,136	251
Adria	4,487	5,835	1,348
U.K	5,110	5,622	512
Mexico	4,981	5,579	598

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