

Toyota Tsusho Corporation
Financial Highlights
for the Fiscal Year Ended March 31, 2019
[IFRS basis](Consolidated)

April 26, 2019

Listings	Tokyo Stock Exchange (the first section), Nagoya Stock Exchange		
Security code	8015		
URL	https://www.toyota-tsusho.com/english/		
Representative	Ichiro Kashitani, President & CEO		
Contact	Yasushi Aida General manager, Accounting Department		
Telephone	+81 52-584-5482		
Scheduled dates:			
Ordinary General Meeting of Shareholders	June 25, 2019		
Dividend payout:	June 26, 2019		
Submission of annual securities report	June 25, 2019		
Supplementary materials to the annual results	Available		
Annual financial results briefings	Yes (targeted at institutional investors and analysts)		

(Amounts rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(1) Operating Results

(Percentage figures represent year-on-year changes)

Fiscal Year ended	Revenue		Operating profit		Profit (loss) 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	%
March 31, 2019	6,762,702	4.2	215,197	17.8	229,193	9.3	154,753	2.9	132,622	1.8	70,897	(59.9)
March 31, 2018	6,491,035	12.0	182,696	36.7	209,749	48.9	150,390	17.2	130,228	20.7	176,666	19.1

Fiscal Year ended	Basic earnings (losses) per share	Diluted earnings per share	Return on Equity	Return on assets
	yen	yen	%	%
March 31, 2019	376.89	—	11.2	5.2
March 31, 2018	370.08	—	11.7	4.9

Reference: Share of (profit) loss of entities accounted for using equity method

Fiscal year ended March 31, 2019: 4,336 million yen Fiscal year ended March 31, 2018: 11,368 million yen

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

(2) Financial Position

As of	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total asset	Equity per share attributable to owners of the parent
	million yen	million yen	million yen	%	yen
March 31, 2019	4,441,464	1,389,616	1,195,826	26.9	3,398.32
March 31, 2018	4,310,043	1,362,187	1,174,718	27.3	3,338.35

(3) Consolidated Cash Flow Position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	million yen	million yen	million yen	million yen
Year ended March 31, 2019	210,796	(137,546)	(24,909)	465,861
Year ended March 31, 2018	215,098	(92,498)	(128,741)	423,426

2. Dividends

Record date or period	Dividend per share					Total dividends paid (total)	Dividend payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of the parent company (consolidated)
	End-first quarter	End-second quarter	End-third quarter	Fiscal year-end	Annual total			
	yen	yen	yen	yen	yen	million yen	%	%
Year ended March 31, 2018	—	45.00	—	49.00	94.00	33,098	25.4	3.0
Year ended March 31, 2019	—	50.00	—	50.00	100.00	35,210	26.5	3.0
Year ending March 31, 2020 (forecast)	—	60.00	—	60.00	120.00		28.2	

3. Forecast of Consolidated Earnings for the Fiscal Year ending March 31, 2020 (April 1, 2019 to March 31, 2020)

(Percentage figures represent year-on-year changes)

	Profit attributable to owners of the parent		Basic earnings per share
	million yen	%	
Full year	150,000	13.1	yen 426.27

*Notes

(1) Changes affecting the consolidation status of significant subsidiaries (changes in specified subsidiary resulting in change in scope of consolidations) during the period: Yes

Newly consolidated: one (Name) PT. Toyota Tsusho Real Estate Cikarang

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

1) Changes in accounting policy required by IFRS: Yes

2) Changes other than the above 1): None

3) Changes in accounting estimates: None

Note: For details, please refer to (Changes in Accounting Policy) on page 15.

(3) Number of issued shares (common stock)

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

March 31, 2019: 354,056,516 shares

March 31, 2018: 354,056,516 shares

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

March 31, 2019: 2,169,311 shares

March 31, 2018: 2,170,022 shares

3) Average Number of shares outstanding during the period:

Year ended March 31, 2019: 351,885,732 shares

Year ended March 31, 2018: 351,889,453 shares

(Reference) Non-consolidated Financial Results

Fiscal Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(1) Non-consolidated Operating Results

(Percentage figures represent year-on-year changes)

Fiscal Year ended	Revenue		Operating profit		Ordinary income		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
March 31, 2019	3,535,670	(7.4)	(7,986)	—	86,235	3.1	58,684	(17.4)
March 31, 2018	3,818,390	9.8	(8,128)	—	83,641	19.4	71,027	4.0

Fiscal Year ended	Earnings per share	Earnings per share, fully diluted
	yen	yen
March 31, 2019	166.67	—
March 31, 2018	201.72	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	million yen	million yen	%	yen
March 31, 2019	2,186,983	559,453	25.6	1,588.90
March 31, 2018	2,138,634	545,417	25.5	1,549.01

Total equity: As of March 31, 2019: 559,453 million yen As of March 31, 2018: 545,417 million yen

***Audit Status**

This report is exempt from the audit 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 an annual earnings briefing for institutional investors and analysts on Wednesday, May 8, 2019. 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 fiscal year ended March 31, 2019, the overall global economy slowed, largely in response to European and Chinese economic slowdowns, even as the U.S. economy held firm.

The U.S. economy encountered headwinds, including a partial government shutdown and transient deterioration in consumer sentiment, but nonetheless continued to recover, buoyed by a Federal Reserve pivot to interest rate increases in addition to robust employment and income environments and growth in capital investment. The European economy slowed mildly, largely in response to a downshift in exports, softness in domestic demand and a UK economic slowdown. Additionally, the European economic outlook turned murkier, clouded in part by fraught Brexit negotiations between the UK and EU. The Chinese economy continued to slow in the wake of deterioration in consumer sentiment and stagnant infrastructure investment despite government efforts to bolster the economy with stimulus measures, including tax cuts and subsidies. China is in the midst of rebalancing its economy from investment-led to consumption-led growth while shifting its growth strategy from a quantitative to a qualitative focus. It also faces an uncertain economic outlook due to escalation of trade tensions between itself and the U.S. Emerging market economies underwent a mild slowdown, largely as a result of declines in exports and resource prices in response to China's economic slowdown.

Against such a backdrop, the Japanese economy continued to gradually recover, buoyed by improvement in the employment and income environments and various policy measures' stimulus effects, although exports and production exhibited weakness in certain sectors due largely to reduced Asian demand for Japanese exports amid the Chinese economic slowdown. Meanwhile, recession concerns intensified in response to an economic downshift triggered by trade tensions and sluggishness in the European, Chinese and other overseas economies.

(2) Business Activities by Segment

(I) Metals

The Group acquired an equity stake in FUKUTA ELEC. & MACH. CO., LTD., a Taiwanese automotive motor manufacturer, in March 2019 to gain entry into the EV motor manufacturing business.

(II) Global Parts & Logistics

The Group acquired an equity stake in Kyusyu Nanotec Optics Co., Ltd., through a February 2019 third-party share allotment with the aim of utilizing high-performance liquid crystal light control film for next-generation mobility applications.

(III) Automotive

The Group established Toyota Laos Co., Ltd., the first Toyota importer/distributor in Laos, to further establish the Toyota brand in Laos and contribute to Laotian economic development. Toyota Laos began importing and wholesaling Toyota vehicles from January 2019.

(IV) Machinery, Energy & Projects

The Machinery, Energy & Projects Division, together with Sumitomo Corporation and the Japan Overseas Infrastructure Investment Corporation for Transport & Urban Development, agreed in January 2019 to jointly acquire an equity stake in THILAWA MULTIPURPOSE INTERNATIONAL TERMINAL CO., LTD., a port terminal operator in Myanmar, to enter the port terminal operation business in the country.

(V) Chemicals & Electronics

The Group, Toyota Motor Corporation, and Denso Corporation jointly acquired an equity stake in Airbiquity Inc., a U.S. developer of OTA (over the air) reprogramming systems, through a February 2019 third-party share allotment with the aim of collaborating with Airbiquity in developing and commercializing OTA reprogramming systems for control software installed in next-generation connected vehicles.

(VI) Food & Consumer Services

Toyota Tsusho All Life Corporation opened its second AViC THE PHYSIO STUDIO location, in Nihonbashi, Tokyo, in February 2019. AViC THE PHYSIO STUDIO is a rehabilitation facility that provides customized treatment programs for privately paying patients.

(VII) Africa

The Group entered into a comprehensive Namibe Bay development agreement with the Angolan Ministry of Transport in January 2019 to support economic revitalization and industrial diversification in the Republic of Angola.

(3) Revenue, Profits and Total Assets

(Unit: billions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019	Change
Revenue	6,491.0	6,762.7	271.7
Gross profit	606.2	638.4	32.2
Operating profit	182.6	215.1	32.5
Profit (attributable to owners of the parent)	130.2	132.6	2.4
Total assets	4,310.0	4,441.4	131.4

(4) Operating Results

The Toyota Tsusho Group's consolidated revenue for the fiscal year ended March 31, 2019, increased 271.7 billion yen (4.2%) year on year to 6,762.7 billion yen, largely as a result of growth in trading volumes related to auto production.

Consolidated operating profit increased 32.5 billion yen (17.8%) year on year to 215.1 billion yen, boosted by gross profit growth and improvement in other income (expenses), which offset increases in selling, general and administrative expenses. Consolidated profit for the year (attributable to owners of the parent) increased 2.4 billion yen (1.8%) year on year to a third consecutive all-time annual record of 132.6 billion yen, largely as a result of operating profit growth, which offset the effects of one-time gains/losses in the Chemicals & Electronics Division and the Machinery, Energy & Project Division.

Segment Information

(I) Metals

Profit for the year (attributable to owners of the parent) increased 7.5 billion yen (26.6%) year on year to 35.3 billion yen, largely as a result of higher metal prices, demand growth, and non-recurrence of a year-earlier one-time loss.

(II) Global Parts & Logistics

Profit for the year (attributable to owners of the parent) increased 0.9 billion yen (4.0%) year on year to 23.7 billion yen, driven largely by growth in auto parts trading volumes.

(III) Automotive

Profit for the year (attributable to owners of the parent) increased 4.4 billion yen (24.2%) year on year to 22.7 billion yen, boosted mainly by growth in overseas auto dealerships' sales volumes.

(IV) Machinery, Energy & Projects

Profit for the year (attributable to owners of the parent) decreased 13.3 billion yen (41.4%) year on year to 18.7 billion yen, largely as a result of accrual of an allowance for doubtful accounts in the energy business, deterioration in returns from investments accounted for using the equity method in the electric power business, and non-recurrence of a year-earlier one-time gain.

(V) Chemicals & Electronics

Profit for the year (attributable to owners of the parent) decreased 10.6 billion yen (36.6%) year on year to 18.4 billion yen, largely as a result of non-recurrence of a year-earlier gain on partial divestment of equity holdings in a subsidiary.

(VI) Food & Consumer Services

Profit for the year (attributable to owners of the parent) decreased 0.6 billion yen (26.4%) year on year to 1.7 billion yen, largely as a result of deterioration in returns from investments accounted for using the equity method in the food business.

(VII) Africa

Profit for the year (attributable to owners of the parent) was 10.1 billion yen, a 13.3 billion yen year-on-year improvement due largely to non-recurrence of a year-earlier one-time loss.

Outlook for Fiscal Year Ending March 31, 2020

For the fiscal year ending March 31, 2020, the Company is forecasting 150.0 billion yen of profit (attributable to owners of the parent).

(2) Consolidated Financial Condition

At March 31, 2019, consolidated assets totaled 4,441.4 billion yen, a 131.4 billion yen increase from March 31, 2018. The increase was mostly due to an 89.0 billion yen increase in inventories. Consolidated equity at March 31, 2019, totaled 1,389.6 billion yen, a 27.5 billion yen increase from March 31, 2018. The most notable contributor to its increase was a 100.7 billion yen increase in retained earnings attributable mainly to profit for the year (attributable to owners of the parent).

The Group consequently ended the fiscal year with a ratio of equity (attributable to owners of the parent) to total assets (equity ratio) of 26.9% and a net debt/equity ratio of 0.8.

(3) Cash Flows

Cash and cash equivalents (“cash”) at March 31, 2019, totaled 465.8 billion yen, a 42.4 billion yen increase from March 31, 2018. The increase, which was 54.4 billion yen larger than the previous fiscal year’s increase in cash, was attributable to positive cash flow from operating activities, partially offset by negative cash flows from investing and financing activities. The main factors that contributed to and detracted from the increase in cash were as follows.

Cash flows from operating activities

Operating activities provided net cash of 210.7 billion yen, mostly in the form of profit before income taxes. They provided 4.3 billion yen less net cash than in the previous fiscal year. Among the most notable year-on-year changes in operating cash flows, 74.5 billion yen less cash was used to settle trade and other payables than in the previous fiscal year while 54.0 billion yen more cash was used to purchase inventories.

Cash flows from investing activities

Investing activities used net cash of 137.5 billion yen, mainly for purchase of investments and property, plant and equipment. They used 45.1 billion yen more net cash than in the previous fiscal year, primarily because of a 23.0 billion yen increase in cash spent to acquire property, plant and equipment.

Cash flows from operating and investing activities netted to positive free cash flow of 73.2 billion yen, 49.4 billion yen less than in the previous fiscal year.

Cash flows from financing activities

Financing activities used net cash of 24.9 billion yen, largely to pay dividends. They used 103.8 billion yen less net cash than in the previous fiscal year, mainly because of a 110.4 billion yen increase in cash due to the issuance of bonds and a reduction of repayment of borrowings.

Dividends

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% or more.

For the fiscal year ended March 31, 2019, the Company plans to pay a year-end dividend of 50 yen per share.

Including the previously paid interim dividend of 50 yen per share, dividends for the fiscal year ended March 31, 2019, will total 100 yen per share, an increase of 6 yen per share from the previous fiscal year.

To meet shareholders’ expectations with respect to dividends, the Company will endeavor continue to pay stable dividends and increase its dividend per share in the fiscal year ending March 31, 2020, and beyond, maintaining a basic policy of paying dividends equivalent to a consolidated dividend payout ratio of at least 25%.

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.

2. Basic Approach to Selection of Accounting Standards

The Group has voluntarily adopted International Financial Reporting Standards (IFRS), to enhance its financial information’s international comparability in capital markets.

3. Consolidated Financial Statements

(1) Consolidated Statements of Financial Position

(Unit: Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Assets		
Current assets		
Cash and cash equivalents	423,426	465,861
Trade and other receivables	1,342,038	1,397,937
Other financial assets	67,919	60,525
Inventories	656,149	745,157
Other current assets	115,010	133,764
Subtotal	2,604,545	2,803,246
Assets held for sale	12,440	—
Total current assets	2,616,986	2,803,246
Non-current assets		
Investments accounted for using the equity method	278,597	285,074
Other investments	529,739	454,647
Trade and other receivables	31,848	27,264
Other financial assets	27,561	40,796
Property, plant and equipment	590,324	612,587
Intangible assets	166,694	157,278
Investment property	18,782	18,628
Deferred tax assets	24,559	15,973
Other non-current assets	24,949	25,967
Total non-current assets	1,693,057	1,638,217
Total assets	4,310,043	4,441,464

(Unit: Millions of yen)

	As of March 31, 2018	As of March 31, 2019
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade and other payables	1,098,589	1,199,839
Bonds and borrowings	543,406	509,924
Other financial liabilities	15,729	15,679
Income taxes payable	30,102	24,627
Provisions	5,141	6,224
Other current liabilities	128,816	133,762
Subtotal	1,821,786	1,890,057
Liabilities directly associated with assets held for sale	3,004	—
Total current liabilities	1,824,790	1,890,057
Non-current liabilities:		
Bonds and borrowings	927,373	993,122
Trade and other payables	3,700	2,302
Other financial liabilities	21,566	20,964
Retirement benefits liabilities	40,628	41,752
Provisions	22,960	26,208
Deferred tax liabilities	92,846	63,661
Other non-current liabilities	13,989	13,779
Total non-current liabilities	1,123,065	1,161,790
Total liabilities	2,947,856	3,051,847
Equity		
Share capital	64,936	64,936
Capital surplus	150,921	150,933
Treasury shares	(3,578)	(3,596)
Other components of equity	129,943	50,394
Retained earnings	832,495	933,159
Total equity attributable to owners of the parent	1,174,718	1,195,826
Non-controlling interests	187,468	193,789
Total equity	1,362,187	1,389,616
Total liabilities and equity	4,310,043	4,441,464

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

Consolidated Statements of Profit or Loss

(Unit: Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Revenue		
Sale of goods	6,388,901	6,668,113
Sales of services and others	102,134	94,588
Total revenue	6,491,035	6,762,702
Cost of sales	(5,884,753)	(6,124,273)
Gross profit	606,282	638,428
Selling, general and administrative expenses	(414,042)	(420,657)
Other income (expenses)		
Gain (loss) on sale and disposals of non-current assets, net	8,107	401
Impairment losses on non-current assets	(23,427)	(4,521)
Other, net	5,777	1,546
Total other income (expenses)	(9,543)	(2,573)
Operating profit	182,696	215,197
Finance income (costs)		
Interest income	8,494	10,943
Interest expenses	(26,709)	(27,033)
Dividend income	20,790	24,024
Other, net	13,109	1,724
Total finance income (costs)	15,684	9,658
Share of profit (loss) of investments accounted for using the equity method	11,368	4,336
Profit before income taxes	209,749	229,193
Income tax expense	(59,359)	(74,440)
Profit for the year	150,390	154,753
Profit for the year attributable to:		
Owners of the parent	130,228	132,622
Non-controlling interests	20,162	22,130
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	370.08	376.89
Diluted earnings per share (yen)	-	-

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Profit for the year	150,390	154,753
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit pension plans	1,144	(1,699)
Financial assets measured at fair value through other comprehensive income	18,260	(55,377)
Share of other comprehensive income of investments accounted for using the equity method	914	(1,317)
Items that may be reclassified to profit or loss:		
Cash flow hedges	920	2,396
Exchange differences on translation of foreign operations	898	(24,637)
Share of other comprehensive income of investments accounted for using the equity method	4,136	(3,220)
Other comprehensive income for the year, net of tax	26,275	(83,855)
Total comprehensive income for the year	176,666	70,897
Total comprehensive income for the year attributable to:		
Owners of the parent	153,287	51,862
Non-controlling interests	23,378	19,034

(3) Consolidated Statement of Changes in Equity

Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(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 year	64,936	150,494	(3,540)	-	232,692	(14,402)	(107,206)	111,084	
Profit for the year									
Other comprehensive income									
Remeasurements of defined benefit pension plans				1,088				1,088	
Financial assets measured at FVTOCI*					18,844			18,844	
Cash flow hedges						1,440		1,440	
Exchange differences on translation of foreign operations							1,685	1,685	
Total comprehensive income for the year	—	—	—	1,088	18,844	1,440	1,685	23,059	
Dividends									
Acquisition (disposal) of treasury shares		0	(37)						
Acquisition (disposal) of non-controlling interests		426							
Reclassification to retained earnings				(1,088)	(3,111)			(4,199)	
Other									
Transactions with owners	—	427	(37)	(1,088)	(3,111)	—	—	(4,199)	
Balance at the end of the year	64,936	150,921	(3,578)	—	248,425	(12,961)	(105,520)	129,943	

	Total equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at the beginning of the year	727,644	1,050,619	172,893	1,223,513
Profit for the year	130,228	130,228	20,162	150,390
Other comprehensive income				
Remeasurements of defined benefit pension plans		1,088	37	1,125
Financial assets measured at FVTOCI*		18,844	350	19,194
Cash flow hedges		1,440	215	1,655
Exchange differences on translation of foreign operations		1,685	2,614	4,299
Total comprehensive income for the year	130,228	153,287	23,378	176,666
Dividends	(29,577)	(29,577)	(13,453)	(43,030)
Acquisition (disposal) of treasury shares		(36)		(36)
Acquisition (disposal) of non-controlling interests		426	4,652	5,078
Reclassification to retained earnings	4,199	—		—
Other			(3)	(3)
Transactions with owners	(25,377)	(29,188)	(8,804)	(37,992)
Balance at the end of the year	832,495	1,174,718	187,468	1,362,187

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

Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(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 year	64,936	150,921	(3,578)	—	248,425	(12,961)	(105,520)	129,943	
Profit for the year									
Other comprehensive income									
Remeasurements of defined benefit pension plans				(1,671)				(1,671)	
Financial assets measured at FVTOCI*					(55,504)			(55,504)	
Cash flow hedges						2,734		2,734	
Exchange differences on translation of foreign operations							(26,318)	(26,318)	
Total comprehensive income for the year	—	—	—	(1,671)	(55,504)	2,734	(26,318)	(80,760)	
Dividends									
Acquisition (disposal) of treasury shares		0	(18)						
Acquisition (disposal) of non-controlling interests		11							
Reclassification to retained earnings				1,671	(460)			1,210	
Other									
Transactions with owners	—	11	(18)	1,671	(460)	—	—	1,210	
Balance at the end of the year	64,936	150,933	(3,596)	—	192,460	(10,226)	(131,839)	50,394	

	Total equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at the beginning of the year	832,495	1,174,718	187,468	1,362,187
Profit for the year	132,622	132,622	22,130	154,753
Other comprehensive income				
Remeasurements of defined benefit pension plans		(1,671)	(36)	(1,707)
Financial assets measured at FVTOCI*		(55,504)	(1,181)	(56,686)
Cash flow hedges		2,734	(124)	2,610
Exchange differences on translation of foreign operations		(26,318)	(1,753)	(28,071)
Total comprehensive income for the year	132,622	51,862	19,034	70,897
Dividends	(34,858)	(34,858)	(14,480)	(49,339)
Acquisition (disposal) of treasury shares		(18)		(18)
Acquisition (disposal) of non-controlling interests		11	1,750	1,762
Reclassification to retained earnings	(1,210)	—		—
Other	4,110	4,110	16	4,127
Transactions with owners	(31,958)	(30,754)	(12,713)	(43,468)
Balance at the end of the year	933,159	1,195,826	193,789	1,389,616

* “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)

	Year ended March 31, 2018	Year ended March 31, 2019
Cash flows from operating activities		
Profit before income taxes	209,749	229,193
Depreciation and amortization	80,192	76,005
Impairment losses on non-current assets	23,427	4,521
Finance costs (income)	(15,684)	(9,658)
Share of (profit) loss of investments accounted for using the equity method	(11,368)	(4,336)
(Gain) loss on sale and disposals of non-current assets, net	(8,107)	(401)
(Increase) decrease in trade and other receivables	(1,739)	(52,505)
(Increase) decrease in inventories	(40,876)	(94,824)
Increase (decrease) in trade and other payables	26,219	100,756
Other	(11,307)	(5,438)
Subtotal	250,505	243,312
Interest received	7,774	10,365
Dividends received	37,576	46,597
Interest paid	(25,872)	(26,049)
Income taxes paid	(54,885)	(63,428)
Net cash provided by operating activities	215,098	210,796
Cash flows from investing activities		
(Increase) decrease in time deposits	(3,650)	(5,461)
Purchase of property, plant and equipment	(63,987)	(86,970)
Proceeds from sale of property, plant and equipment	9,959	9,920
Purchase of intangible assets	(10,754)	(14,197)
Proceeds from sale of intangible assets	11,543	2,067
Proceeds from sale of investment property	-	4,286
Purchase of investments	(52,355)	(47,831)
Proceeds from sale of investment	10,222	2,235
Proceeds from (payment for) acquisition of subsidiary	3,294	(6,204)
Proceeds from (payment for) sale of subsidiaries	1,247	3,965
Payments of loans receivable	(9,807)	(11,021)
Collection of loans receivable	11,855	12,522
Other	(65)	(857)
Net cash used in investing activities	(92,498)	(137,546)

(Unit: Millions of yen)

	Year ended March 31, 2018	Year ended March 31, 2019
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	54,431	(28,052)
Proceeds from long-term borrowings	135,321	156,860
Repayment of long-term borrowings	(290,799)	(165,648)
Proceeds from issuance of bonds	19,941	66,143
Purchase of treasury shares	(43)	(26)
Dividends paid	(29,577)	(34,858)
Dividends paid to non-controlling interests	(13,453)	(14,480)
Proceeds from non-controlling interests	1,697	2,575
Payments for acquisition of subsidiaries' interest from non-controlling interests	(5,114)	(2,233)
Proceeds from sale of subsidiaries' interest to non-controlling interests	2,426	137
Other	(3,571)	(5,326)
Net cash provided by (used in) financing activities	(128,741)	(24,909)
Net increase (decrease) in cash and cash equivalents	(6,141)	48,340
Cash and cash equivalents at the beginning of the year	426,208	423,426
Effect of exchange rate changes on cash and cash equivalents	3,360	(5,905)
Cash and cash equivalents at end of the year	423,426	465,861

(5) Notes on the Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Changes in Accounting Policy)

(Revenue from Contracts with Customers)

Effective from the first quarter of the fiscal year ended March 31, 2019, the Group has adopted IFRS 15, “Revenue from Contracts with Customers” (published May 2014) and “Clarifications to IFRS 15” (published April 2016), (hereinafter collectively referred to as IFRS 15). In doing so, the Group has elected to recognize the cumulative effect of applying IFRS 15 at the date of initial application.

The revenue recognition criteria associated with application of IFRS 15 are as follows.

(1) Basis of revenue recognition and measurement

Revenue is recognized and measured based on the following five-step approach.

Step 1: Identify the contract(s) with a customer

Step 2: Identify performance obligations in each contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

(2) Timing of revenue recognition

Based on the above five-step approach, the Group recognizes revenue when it has satisfied contracts’ performance obligations.

The Group sells commodities and other products, including metals, vehicles, automotive components, machinery, chemicals and food. For sales of such goods, contracts’ performance obligations are satisfied at the point in time when control of the goods passes to the customer. Specifically, the Group recognizes revenue from the sale of goods at the point in time when the goods have been delivered to the delivery location specified in the contract with the customer or the goods have passed the customer’s acceptance inspection, the Group has a right to payment for the goods, and legal title to and physical possession of the goods and the significant risks and rewards related to ownership of the goods have all been transferred to the customer.

The Group also provides services, performs construction contracting and develops made-to-order software. For these transactions, contracts’ performance obligations are satisfied over a certain time period in accord with the contract. The Group recognizes revenue based on its progress toward complete satisfaction of performance obligations by measuring such progress to depict its performance in transferring control of the goods and/or services being provided. As a general rule, the Group uses an input method to measure progress toward complete satisfaction of performance obligations, but it considers the terms of individual transactions’ contracts and the nature of the goods or services in question in determining an appropriate measurement method.

(3) Gross presentation and net presentation of revenue

For revenue from the sale of goods and provision of services, the Group presents revenue on a gross basis when it engages in the transaction as a principal and on a net basis when it engages in the transaction as an agent.

When determining whether it is a principal or an agent, the Group makes a comprehensive determination based on the following three indicators.

- Does the Group have inventory risk before and/or after it received the customer’s order, including while the shipment is in transit or when goods are returned?
- Does the Group have discretion in setting the value of the goods or services of another party to the transaction? Is the benefit that the Group can receive from the good or service in question restricted?
- Is the Group primarily responsible for the performance of the contract?

The impact of IFRS 15’s application is immaterial.

(Segment Information)

Revenue, Profit/loss and Assets and Other Items by Reportable Segment
Year ended March 31, 2018 (April 1, 2017 to March 31, 2018)

(Unit: Millions of yen)

	Reportable segment					
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services
Revenue						
External	1,643,959	830,513	627,470	938,072	1,480,498	405,537
Inter-segment	904	24,294	5,037	4,399	11,034	1,014
Total	1,644,864	854,807	632,507	942,471	1,491,532	406,552
Gross profit	86,659	72,615	85,097	81,674	109,073	42,772
Profit (loss) for the year attributable to owners of the parent	27,895	22,881	18,320	32,027	29,069	2,396
Segment assets	899,106	405,183	302,378	738,831	663,813	268,299
Other items						
(1) Investments accounted for using the equity method	46,723	17,178	24,002	64,117	70,739	30,726
(2) Share of profit (loss) of investments accounted for using the equity method	3,205	2,098	2,670	4,452	(362)	(1,359)
(3) Depreciation and amortization	11,625	5,830	9,360	18,869	2,896	3,949
(4) Impairment losses on non-current assets	727	22	138	4,189	118	2,146
(5) Capital expenditure	10,589	5,393	12,606	18,921	4,417	2,273

	Reportable segment		Other *1	Adjustments *2	Consolidated
	Africa	Total			
Revenue					
External	562,720	6,488,772	2,263	-	6,491,035
Inter-segment	16,250	62,935	953	(63,888)	-
Total	578,971	6,551,708	3,216	(63,888)	6,491,035
Gross profit	132,115	610,008	2,684	(6,410)	606,282
Profit (loss) for the year attributable to owners of the parent	(3,291)	129,298	671	257	130,228
Segment assets	533,313	3,810,925	753,766	(254,648)	4,310,043
Other items					
(1) Investments accounted for using the equity method	7,583	261,073	17,524	-	278,597
(2) Share of profit (loss) of investments accounted for using the equity method	(244)	10,460	897	9	11,368
(3) Depreciation and amortization	21,720	74,251	5,940	-	80,192
(4) Impairment losses on non-current assets	13,843	21,186	2,240	-	23,427
(5) Capital expenditure	14,699	68,901	5,840	-	74,741

- 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.

Year ended March 31, 2019 (April 1, 2018 to March 31, 2019)

(Unit: Millions of yen)

	Reportable segment					
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services
Revenue						
External	1,740,139	882,551	649,146	947,586	1,499,984	454,565
Inter-segment	1,919	22,203	7,861	2,961	10,571	583
Total	1,742,058	904,755	657,007	950,547	1,510,556	455,149
Gross profit	99,898	75,369	88,730	89,872	107,531	43,922
Profit (loss) for the year attributable to owners of the parent	35,309	23,799	22,757	18,780	18,441	1,762
Segment assets	933,413	402,007	291,096	771,431	701,543	286,823
Other items						
(1) Investments accounted for using the equity method	49,385	17,446	23,831	80,521	65,608	28,182
(2) Share of profit (loss) of investments accounted for using the equity method	2,210	1,960	2,276	3,410	(939)	(2,945)
(3) Depreciation and amortization	11,532	5,794	8,482	18,510	2,956	3,612
(4) Impairment losses on non-current assets	1,334	—	—	2,673	429	—
(5) Capital expenditure	11,415	6,223	16,824	33,500	4,259	2,239

	Reportable segment		Other *1	Adjustments *2	Consolidated
	Africa	Total			
Revenue					
External	586,124	6,760,097	2,604	—	6,762,702
Inter-segment	6,263	52,364	1,024	(53,389)	—
Total	592,387	6,812,462	3,628	(53,389)	6,762,702
Gross profit	137,167	642,492	2,965	(7,029)	638,428
Profit (loss) for the year attributable to owners of the parent	10,118	130,970	1,693	(41)	132,622
Segment assets	536,662	3,922,976	800,601	(282,113)	4,441,464
Other items					
(1) Investments accounted for using the equity method	2,403	267,379	17,694	—	285,074
(2) Share of profit (loss) of investments accounted for using the equity method	(2,402)	3,571	772	(7)	4,336
(3) Depreciation and amortization	19,971	70,860	5,145	—	76,005
(4) Impairment losses on non-current assets	0	4,437	84	—	4,521
(5) Capital expenditure	16,147	90,610	12,354	—	102,964

- 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.

(Per Share Information)

Calculation basis for basic earnings per share attributable to owners of the parent are as follows. Diluted earnings per share (attributable to owners of the parent) is not provided herein, as there are no residual securities.

	Year ended March 31, 2018	Year ended March 31, 2019
Profit for the year (attributable to owners of the parent) <i>(million yen)</i>	130,228	132,622
Basic weighted average number of common shares <i>(thousand shares)</i>	351,889	351,885
Basic earnings per share (attributable to owners of the parent) <i>(yen)</i>	370.08	376.89

(Material Subsequent Events)

Not applicable.

**Outline of Consolidated Results
for the Fiscal Year ended March 31, 2019 (IFRS)**

(For reference)

Quarterly changes	1Q	2Q	3Q	4Q
Gross profit	157.3	157.7	164.6	158.7
Operating profit	56.4	50.9	57.7	50.0
Profit attributable to owners of the parent	46.6	31.9	31.2	22.7

April 26, 2019
Toyota Tsusho Corporation
(Unit: Billion yen)

Consolidated Operating Results	Year ended March 31, 2018	Year ended March 31, 2019	Year-on-year change	
			Amount	%
Revenue	6,491.0	6,762.7	271.7	4.2%
Gross profit	606.2	638.4	32.2	5.3%
SG&A expenses	(414.0)	(420.6)	(6.6)	—
Other income (expenses)	(9.5)	(2.5)	7.0	—
Operating profit	182.6	215.1	32.5	17.8%
Interest income (expenses)	(18.2)	(16.0)	2.2	—
Dividend income	20.7	24.0	3.3	—
Other finance income (costs)	13.1	1.7	(11.4)	—
Share of profit of investments accounted for using the equity method	11.3	4.3	(7.0)	—
Profit before income taxes	209.7	229.1	19.4	9.3%
Income tax expense	(59.3)	(74.4)	(15.1)	—
Profit for the year	150.3	154.7	4.4	2.9%
Profit attributable to owners of the parent	130.2	132.6	2.4	1.8%
Total comprehensive income (attributable to owners of the parent)	153.2	51.8	(101.4)	(66.2%)

Main factors behind year-on-year changes

[Gross profit] +32.2 billion yen
Increased driven by growth in volume of automobile production-related products.

[Operating profit] +32.5 billion yen
Increased driven by growing gross profit and improving other income /expenses, which offset increase in SG&A expenses.

[Profit attributable to owners of the parent] +2.4 billion yen
Increased driven by growing operating profit, which offset the effects of one-time profit/loss recorded in the Chemicals & Electronics Division and the Machinery, Energy & Project Division

Consolidated Financial Position	As of March 31, 2018	As of March 31, 2019	Change over the end of the previous fiscal year	
			Amount	%
Total assets	4,310.0	4,441.4	131.4	3.0%
(Current assets)	2,616.9	2,803.2	186.3	7.1%
(Non-current assets)	1,693.0	1,638.2	(54.8)	(3.2%)
Total equity	1,362.1	1,389.6	27.5	2.0%
Net interest-bearing debt	1,006.9	988.4	(18.5)	(1.8%)
Debt-equity ratio (times)	0.9	0.8	(0.1)	

Main factors behind year-on-year changes

[Current assets] +186.3 billion yen
• Inventories: +89.0 billion yen
• Trade and other receivables: +55.9 billion yen

[Non-current assets] -54.8 billion yen
• Other investments -75.1 billion yen
• Property, plant and equipment +22.2 billion yen

[Total equity] +27.5 billion yen
• Retained earnings: +100.7 billion yen
• Financial assets measured at fair value through other comprehensive income: -56.0 billion yen
• Exchange differences on translation of foreign operations: -26.3 billion yen

Divisions	Year ended March 31, 2018	Year ended March 31, 2019	Year-on-year change	
			Amount	%
Metals	86.6	99.8	13.2	15.3%
Global Parts & Logistics	72.6	75.3	2.7	3.8%
Automotive	85.0	88.7	3.7	4.3%
Machinery, Energy & Project	81.6	89.8	8.2	10.0%
Chemicals & Electronics	109.0	107.5	(1.5)	(1.4%)
Food & Consumer Services	42.7	43.9	1.2	2.7%
Africa	132.1	137.1	5.0	3.8%
Total	606.2	638.4	32.2	5.3%

Main factors behind year-on-year changes in profit attributable to owners of the parent

Metals
Increased largely due to the effect of one-time loss recorded in the previous fiscal year as well as rising market conditions and growing demand

Global Parts & Logistics
Increased largely driven by higher trading volume of automotive parts

Automotive
Increased largely driven by growing sales volume handled by overseas auto dealerships

Machinery, Energy & Project
Decreased largely due to provision of allowance for doubtful accounts in the energy business and worsening of share of profit/loss of investments accounted for using the equity method in the electric power business, as well as the effect of a one-time gain recognized in the previous fiscal year

Chemicals & Electronics
Decreased largely due to the effect of the gain on sale of part of subsidiary's shares recognized in the previous fiscal year

Food & Consumer Services
Decreased largely due to worsening of share of profit/loss of investments accounted for using the equity method in the food business

Africa
Increased due to the effect of one-time loss recorded in the previous fiscal year

Consolidated Cash Flow Position	Year ended March 31, 2018	Year ended March 31, 2019	Year-on-year change
1. Cash flows from operating activities	215.0	210.7	(4.3)
2. Cash flows from investing activities	(92.4)	(137.5)	(45.1)
1-2: Free cash flow	122.6	73.2	(49.4)
Cash flows from financing activities	(128.7)	(24.9)	103.8

Main factors behind year-on-year changes

[Cash flows from operating activities]
Profit before income taxes

[Cash flows from investing activities]
Purchase of investments and property, plant and equipment

Consolidated Financial Results Forecasts	Year ended March 31, 2019	Year ending March 31, 2020	Year-on-year change	
			Amount	%

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

D i v i s i o n s	Metals	99.8	102.0	2.2	2.1%	
	Global Parts & Logistics	75.3	77.0	1.7	2.2%	
	Automotive	88.7	92.0	3.3	3.7%	
	Machinery, Energy & Project	89.8	93.0	3.2	3.5%	
	Chemicals & Electronics	107.5	110.0	2.5	2.3%	
	Food & Consumer Services	43.9	48.0	4.1	9.3%	
	Africa	137.1	141.0	3.9	2.8%	
	C o r p o r a t e	Gross profit	638.4	663.0	24.6	3.8%
		Operating profit	215.1	237.0	21.9	10.1%
		Profit before income taxes	229.1	251.0	21.9	9.5%
Profit		154.7	176.0	21.3	13.7%	
Profit attributable to owners of the parent		132.6	150.0	17.4	13.1%	

Dividend per share	Year ended March 31, 2018	Year ended March 31, 2019	Year ending March 31, 2020
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Interim	45 yen	50 yen	60 yen
Full year	94 yen	100 (forecast)	120 yen (forecast)
Payout ratio (consolidated)	25.4%	26.5% (forecast)	28.2% (forecast)

Changes in Major Indexes	Year ended March 31, 2018 (As of March 31, 2018)	Year ended March 31, 2019 (As of March 31, 2019)
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Exchange rate	Yen / US dollar	Average during the year	111	111
		End of period	106	111
Interest rate	Yen / Euro	Average during the year	130	128
		End of period	131	125
	Yen TIBOR 3M average		0.06%	0.07%
	US dollar LIBOR 3M average		1.48%	2.50%
	Dubai oil (US dollars / bbl.)		56	69
	Corn futures (cents / bushel)		359	370