

**Toyota Tsusho Corporation**  
**Financial Highlights**  
**for the Three Months Ended June 30, 2019**  
**[IFRS basis] (Consolidated)**

July 31, 2019

Listings	Tokyo Stock Exchange (the first section), Nagoya Stock Exchange	
Security code	8015	
URL	<a href="https://www.toyota-tsusho.com/english/">https://www.toyota-tsusho.com/english/</a>	
Representative	Ichiro Kashitani, President & CEO	
Contact	Yasushi Aida General manager, Accounting Department	
Telephone	+81 52-584-5482	
Scheduled dates:		
Submission of quarterly securities report	August 14, 2019	
Dividend payout	-	
Supplementary materials to the quarterly results	Available	
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, 2019 (April 1, 2019 to June 30, 2019)**

(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, 2019	1,689,853	2.4	55,659	(1.5)	81,561	18.7	62,154	16.4	55,612	19.2	37,048	264.6
June 30, 2018	1,650,063	4.8	56,481	15.1	68,740	14.4	53,375	22.2	46,673	26.0	10,160	(83.6)

	Basic earnings per share	Diluted earnings per share
Three Months ended June 30, 2019	yen 158.05	yen -
June 30, 2018	yen 132.64	yen -

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, 2019	4,535,302	1,380,259	1,213,404	26.8
March 31, 2019	4,441,464	1,389,616	1,195,826	26.9

**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, 2019	-	50.00	-	50.00	100.00
Year ending March 31, 2020	-	-	-	-	-
Year ending March 31, 2020 (forecast)	-	60.00	-	60.00	120.00

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

**3. Forecast of Consolidated Earnings for the Fiscal Year ending March 31, 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	%	yen
Full year	150,000	13.1	426.27

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: 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 13.

(3) Number of issued shares (common stock)

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

June 30, 2019: 354,056,516 shares

March 31, 2019: 354,056,516 shares

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

June 30, 2019: 2,198,991 shares

March 31, 2019: 2,169,331 shares

3) Average number of shares outstanding during the period:

Three Months Ended June 30, 2019: 351,874,903 shares

Three Months Ended June 30, 2018: 351,885,835 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 Wednesday, July 31, 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 first three months of the fiscal year (April 1, 2019 – June 30, 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 continued to recover, buoyed by a dovish monetary policy pivot by the Federal Reserve 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 in addition to 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 United States. 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 environment and various policy measures' stimulus effects, despite continued weakness in exports and production due largely to a drop in Asian demand for Japanese exports amid the Chinese economic slowdown. Meanwhile, recession concerns intensified in response to trade tensions and sluggishness in the European, Chinese, and other overseas economies.

#### (2) Business Activities by Segment

##### (I) Metals

The Group, together with Australian lithium miner Orocobre Limited, established Toyotsu Lithium Corporation, in Naraha-machi, Futaba District, Fukushima Prefecture, with the aim of building a lithium hydroxide supply chain inclusive of production operations. In June 2019, the Group and Orocobre entered into a siting agreement with the town of Naraha-machi as a step toward commencing production.

##### (II) Global Parts & Logistics

The Company and its subsidiary Toyotsu Logistics Service Co., Ltd., developed a warehouse inbound/outbound and stocktaking system comprising RFID (radio frequency identification) tag readers and automatic guided vehicles to manage global auto parts supply chains more efficiently. The system was deployed on a pilot basis in April 2019.

##### (III) Automotive

In June 2019, to further establish the Toyota brand in Myanmar and contribute to the country's economy, the Group acquired an equity stake in Toyota Myanmar Co., Ltd., a vehicle production company established by Toyota Motor Corporation.

##### (IV) Machinery, Energy & Projects

For a second consecutive year, the Group and Chubu Electric Power Co., Inc., were selected by Japan's Ministry of Economy, Trade and Industry to run a V2G (vehicle-to-grid) aggregator demonstration project involving supplying electricity stored in electric vehicles' batteries to the electricity grid with the aim of further popularizing renewable energy and enhancing the added value of electric vehicles. The project commenced in May 2019.

##### (V) Chemicals & Electronics

The Group acquired an equity stake in and formed a business alliance with Smart Holdings Inc. in May 2019 to strengthen its development of onboard control systems for next-generation mobility.

##### (VI) Food & Consumer Services

To meet a growing Japanese expat population's demand for high-quality housing in Indonesia, the Group established PT. Toyota Tsusho Real Estate Cikarang in March 2019 to develop and operate serviced apartments for families. The new company is preparing to commence construction.

##### (VII) Africa

Japanese Vehicle Service Centre in Nairobi, Kenya, co-owned by the Company and Toyotsu Auto Mart Kenya Limited, was certified in June 2019 as Africa's first Team Toyota-affiliated service center, with the aim of improving services for owners of used Toyota vehicles in Africa and efforts are being made to increase the number of such service centers.

### (3) Operating Results

The Toyota Tsusho Group's consolidated revenue for the three months ended June 30, 2019, increased 39.8 billion yen (2.4%) year on year to 1,689.8 billion yen, largely by virtue of growth in the Africa Division's auto sales. Consolidated operating profit decreased 0.8 billion yen (1.5%) year on year to 55.6 billion yen, largely because growth in selling, general and administrative expenses outweighed gross profit growth. Despite the decrease in operating profit, consolidated profit (attributable to owners of the parent) increased 9.0 billion yen (19.2%) year on year to 55.6 billion yen, largely as a result of a gain on sale of shares in an affiliate in the Machinery, Energy & Project Division.

#### *Segment Information*

##### (I) Metals

Profit for the period (attributable to owners of the parent) was roughly unchanged year on year, up 0.1 billion yen (1.2%) to 9.6 billion yen.

##### (II) Global Parts & Logistics

Profit for the period (attributable to owners of the parent) decreased 0.4 billion yen (5.6%) year on year to 7.3 billion yen, largely as a result of a decrease in dividend income.

##### (III) Automotive

Profit for the period (attributable to owners of the parent) decreased 2.3 billion yen (38.0%) year on year to 3.7 billion yen, largely in response to a decline in overseas auto dealerships' sales volumes.

##### (IV) Machinery, Energy & Projects

Profit for the period (attributable to owners of the parent) increased 13.0 billion yen (170.9%) year on year to 20.5 billion yen, boosted largely by a gain on sale of shares in an affiliate in the electric power business.

##### (V) Chemicals & Electronics

Profit for the period (attributable to owners of the parent) decreased 1.3 billion yen (19.3%) year on year to 5.2 billion yen largely due to profit margin shrinkage in the electronics business.

##### (VI) Food & Consumer Services

Profit for the period (attributable to owners of the parent) grew 1.4 billion yen (172.7%) year on year to 2.1 billion yen, driven largely by an increase in volume handled by the Food Department.

##### (VII) Africa

Profit for the period (attributable to owners of the parent) decreased 0.3 billion yen (6.7%) year on year to 3.2 billion yen, largely as a result of year-earlier exchange rates' negative base effect and increased tax expenses, the combination of which offset incremental profit stemming from auto sales growth.

### (2) Consolidated Financial Condition

At June 30, 2019, consolidated assets totaled 4,535.3 billion yen, a 93.9 billion yen increase from March 31, 2019. The biggest contributor to the increase was a 96.3 billion yen increase in property, plant and equipment.

Consolidated equity at June 30 totaled 1,380.2 billion yen, a 9.4 billion yen decrease from March 31, 2019 despite a 38.2 billion yen increase in retained earnings due mainly to profit for the period (attributable to owners of the parent). The decrease was mostly attributable to a 26.9 billion yen reduction in non-controlling interests.

### (3) Outlook for Fiscal Year Ending March 31, 2020

The consolidated earnings forecast issued on April 26, 2019, remains unchanged.

## 2. Consolidated Financial Statements

### (1) Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and cash equivalents	465,861	492,790
Trade and other receivables	1,397,937	1,330,366
Other financial assets	60,525	69,634
Inventories	745,157	769,470
Other current assets	133,764	149,641
Total current assets	2,803,246	2,811,903
Non-current assets		
Investments accounted for using the equity method	285,074	286,215
Other investments	454,647	448,062
Trade and other receivables	27,264	24,985
Other financial assets	40,796	37,299
Property, plant and equipment	612,587	708,896
Intangible assets	157,278	158,140
Investment property	18,628	17,823
Deferred tax assets	15,973	15,968
Other non-current assets	25,967	26,007
Total non-current assets	1,638,217	1,723,398
Total assets	4,441,464	4,535,302

(Unit: Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	1,199,839	1,200,761
Bonds and borrowings	509,924	496,429
Other financial liabilities	15,679	20,606
Income taxes payable	24,627	25,079
Provisions	6,224	5,709
Other current liabilities	133,762	163,786
Total current liabilities	1,890,057	1,912,374
Non-current liabilities		
Bonds and borrowings	993,122	987,365
Trade and other payables	2,302	71,746
Other financial liabilities	20,964	25,884
Retirement benefits liabilities	41,752	42,364
Provisions	26,208	26,449
Deferred tax liabilities	63,661	61,704
Other non-current liabilities	13,779	27,152
Total non-current liabilities	1,161,790	1,242,668
Total liabilities	3,051,847	3,155,043
Equity		
Share capital	64,936	64,936
Capital surplus	150,933	151,894
Treasury shares	(3,596)	(3,693)
Other components of equity	50,394	28,951
Retained earnings	933,159	971,315
Total equity attributable to owners of the parent	1,195,826	1,213,404
Non-controlling interests	193,789	166,854
Total equity	1,389,616	1,380,259
Total liabilities and equity	4,441,464	4,535,302

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

(Unit: Millions of yen)

	Three Months ended June 30, 2018	Three Months ended June 30, 2019
Revenue		
Sales of goods	1,623,889	1,662,687
Sales of services and others	26,173	27,165
Total revenue	1,650,063	1,689,853
Cost of sales	(1,492,727)	(1,531,181)
Gross profit	157,335	158,672
Selling, general and administrative expenses	(102,285)	(104,625)
Other income (expenses)		
Gain (loss) on sale and disposals of non-current assets, net	384	378
Impairment losses on non-current assets	(66)	-
Other, net	1,113	1,234
Total other income (expenses)	1,431	1,612
Operating profit	56,481	55,659
Finance income (costs)		
Interest income	2,257	3,342
Interest expenses	(6,369)	(7,441)
Dividend income	11,155	9,537
Other, net	(84)	13,583
Total finance income (costs)	6,959	19,022
Share of profit (loss) of investments accounted for using the equity method	5,298	6,879
Profit before income taxes	68,740	81,561
Income tax expense	(15,364)	(19,406)
Profit for the period	53,375	62,154
Profit (loss) for the period attributable to:		
Owners of the parent	46,673	55,612
Non-controlling interests	6,701	6,542
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	132.64	158.05
Diluted earnings per share (yen)	-	-

## Consolidated Statement of Comprehensive Income

(Unit: Millions of yen)

	Three Months ended June 30, 2018	Three Months ended June 30, 2019
Profit for the period	53,375	62,154
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit pension plans	(213)	146
Financial assets measured at fair value through other comprehensive income	(26,388)	(3,729)
Share of other comprehensive income of investments accounted for using the equity method	(29)	(109)
Items that may be reclassified to profit or loss:		
Cash flow hedges	(70)	(1,245)
Exchange differences on translation of foreign operations	(12,042)	(23,308)
Share of other comprehensive income of investments accounted for using the equity method	(4,471)	3,140
Other comprehensive income for the period, net of tax	(43,214)	(25,105)
Total comprehensive income for the period	10,160	37,048
Total comprehensive income for the period attributable to:		
Owners of the parent	6,413	34,318
Non-controlling interests	3,747	2,729



### (3) Consolidated Statement of Changes in Equity

Three Months ended June 30, 2018 (April 1, 2018 to June 30, 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 period	64,936	150,921	(3,578)	-	248,425	(12,961)	(105,520)	129,943
Comprehensive income for the period								
Profit for the period								
Other comprehensive income								
Remeasurements of defined benefit pension plans				(240)				(240)
Financial assets measured at FVTOCI*					(25,710)			(25,710)
Cash flow hedges						120		120
Exchange differences on translation of foreign operations							(14,428)	(14,428)
Total comprehensive income for the period	-	-	-	(240)	(25,710)	120	(14,428)	(40,260)
Transactions with owners								
Dividends								
Acquisition (disposal) of treasury shares		0	(5)					
Acquisition (disposal) of non-controlling interests		183						
Reclassification to retained earnings				240	2			243
Other								
Total transactions with owners	-	183	(5)	240	2	-	-	243
Balance at the end of the period	64,936	151,105	(3,583)	-	222,717	(12,840)	(119,949)	89,926

	Total equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at the beginning of the period	832,495	1,174,718	187,468	1,362,187
Comprehensive income for the period				
Profit for the period	46,673	46,673	6,701	53,375
Other comprehensive income				
Remeasurements of defined benefit pension plans		(240)	0	(240)
Financial assets measured at FVTOCI*		(25,710)	(680)	(26,391)
Cash flow hedges		120	233	353
Exchange differences on translation of foreign operations		(14,428)	(2,508)	(16,936)
Total comprehensive income for the period	46,673	6,413	3,747	10,160
Transactions with owners				
Dividends	(17,253)	(17,253)	(6,443)	(23,697)
Acquisition (disposal) of treasury shares		(5)		(5)
Acquisition (disposal) of non-controlling interests		183	(80)	103
Reclassification to retained earnings	(243)	-		-
Other			(2)	(2)
Total transactions with owners	(17,496)	(17,074)	(6,527)	(23,601)
Balance at the end of the period	861,672	1,164,057	184,688	1,348,746

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

Three Months ended June 30, 2019 (April 1, 2019 to June 30, 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 period	64,936	150,933	(3,596)	-	192,460	(10,226)	(131,839)	50,394
Comprehensive income for the period								
Profit for the period								
Other comprehensive income								
Remeasurements of defined benefit pension plans				29				29
Financial assets measured at FVTOCI*					(3,645)			(3,645)
Cash flow hedges						3,367		3,367
Exchange differences on translation of foreign operations							(21,044)	(21,044)
Total comprehensive income for the period	-	-	-	29	(3,645)	3,367	(21,044)	(21,293)
Transactions with owners								
Dividends								
Acquisition (disposal) of treasury shares		0	(97)					
Acquisition (disposal) of non-controlling interests		960						
Reclassification to retained earnings				(29)	(120)			(149)
Other								
Total transactions with owners	-	961	(97)	(29)	(120)	-	-	(149)
Balance at the end of the period	64,936	151,894	(3,693)	-	188,693	(6,859)	(152,883)	28,951

	Total equity attributable to owners of the parent		Non-controlling interests	Total equity
	Retained earnings	Total		
Balance at the beginning of the period	933,159	1,195,826	193,789	1,389,616
Comprehensive income for the period				
Profit for the period	55,612	55,612	6,542	62,154
Other comprehensive income				
Remeasurements of defined benefit pension plans		29	0	29
Financial assets measured at FVTOCI*		(3,645)	(75)	(3,721)
Cash flow hedges		3,367	(1,202)	2,164
Exchange differences on translation of foreign operations		(21,044)	(2,534)	(23,578)
Total comprehensive income for the period	55,612	34,318	2,729	37,048
Transactions with owners				
Dividends	(17,605)	(17,605)	(5,980)	(23,585)
Acquisition (disposal) of treasury shares		(96)		(96)
Acquisition (disposal) of non-controlling interests		960	(23,671)	(22,711)
Reclassification to retained earnings	149	-		-
Other			(12)	(12)
Total transactions with owners	(17,455)	(16,741)	(29,664)	(46,405)
Balance at the end of the period	971,315	1,213,404	166,854	1,380,259

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

**(4) Consolidated Statement of Cash Flows**

(Unit: million yen)

	Three Months ended June 30, 2018	Three Months ended June 30, 2019
<b>Cash flows from operating activities</b>		
Profit before income taxes	68,740	81,561
Depreciation and amortization	19,548	24,662
Impairment losses on non-current assets	66	-
Finance costs (income)	(6,959)	(19,022)
Share of (profit) loss of investments accounted for using the equity method	(5,298)	(6,879)
(Gain) loss on sale and disposals of non-current assets, net	(384)	(378)
(Increase) decrease in trade and other receivables	(79,524)	56,471
(Increase) decrease in inventories	(51,251)	(32,221)
Increase (decrease) in trade and other payables	75,409	(32,178)
Other	(8,672)	5,560
<b>Subtotal</b>	<b>11,673</b>	<b>77,574</b>
Interest received	2,152	3,330
Dividends received	12,996	14,881
Interest paid	(5,245)	(6,204)
Income taxes paid	(23,901)	(23,784)
<b>Net cash provided by (used in) operating activities</b>	<b>(2,322)</b>	<b>65,798</b>
<b>Cash flows from investing activities</b>		
(Increase) decrease in time deposits	6,359	(1,435)
Purchase of property, plant and equipment	(20,005)	(23,330)
Proceeds from sale of property, plant and equipment	2,846	1,860
Purchase of intangible assets	(3,860)	(3,478)
Proceeds from sale of intangible assets	1,829	48
Proceeds from sale of investment property	4,286	760
Purchase of investments	(13,233)	(6,310)
Proceeds from sale of investment	896	18,877
Proceeds from (payment for) acquisition of subsidiary	-	(158)
Proceeds from (payment for) sale of subsidiaries	3,955	34
Payments for loans receivable	(4,059)	(1,019)
Collection of loans receivable	5,064	2,795
Subsidy income	-	9,849
Other	2,567	657
<b>Net cash used in investing activities</b>	<b>(13,353)</b>	<b>(849)</b>

(Unit: million yen)

	Three Months ended June 30, 2018	Three Months ended June 30, 2019
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings, net	24,737	7,975
Proceeds from long-term borrowings	6,800	10,423
Repayment of long-term borrowings	(4,421)	(24,247)
Purchase of treasury shares	(5)	(97)
Dividends paid	(17,253)	(17,605)
Dividends paid to non-controlling interests	(6,443)	(5,980)
Proceeds from non-controlling interests	212	787
Payments for acquisition of subsidiaries' interest from non-controlling interests	(1,766)	(555)
Proceeds from sale of subsidiaries' interest to non-controlling interests	95	263
Other	(942)	(4,727)
<b>Net cash provided by (used in) financing activities</b>	<b>1,014</b>	<b>(33,763)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(14,662)</b>	<b>31,185</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>423,426</b>	<b>465,861</b>
Effect of exchange rate changes on cash and cash equivalents	(1,894)	(4,255)
<b>Cash and cash equivalents at the end of the period</b>	<b>406,870</b>	<b>492,790</b>

## (5) Notes on Consolidated Financial Statements

(Notes on the Going-Concern Assumption)

Not applicable

(Changes in Accounting Policy)

(Leases)

Effective from the first quarter of the fiscal year ending March 31, 2020, the Group has adopted IFRS 16 *Leases* (published January 2016).

IFRS 16 requires lessees to apply a single model of accounting to recognize all leases on the consolidated statement of financial position. At the commencement date of the lease, the lessee recognizes assets representing the right to use the underlying asset (the right-of-use assets) during the lease term and the obligations relating to the lease payments (lease liabilities). Then, the lessee recognizes a depreciation charge for the right-of-use asset and interest on the lease liability separately.

With the adoption of IFRS 16, the following transitional measures and expedients have been applied.

- The Group has elected a method to recognize the cumulative effect of initially applying IFRS 16 at the date of initial application.
- For leases that were entered into on or before the date of initial application, IFRS 16 is applied to the leases that were previously identified as leases applying IAS 17 and IFRIC 4.
- For short-term leases and low-value leases, the right-of-use assets and the lease liabilities are not recognized.
- On initial application, hindsight is used in determining the lease term.

The weighted average of the lessee's incremental borrowing rate applied to lease liabilities recognized in the statement of financial position at the date of initial application is 2.2%.

In addition, the difference between a) the total of minimum lease payments that are related to non-cancellable operating lease contracts and disclosed applying IAS 17 as of March 31, 2019, and b) lease liabilities recognized on initial application of IFRS 16, is 13,375 million yen. The amount mainly reflects the effects of reviewing the lease term in conjunction with the application of IFRS 16.

Due to this, compared with what it would have been under the previous accounting standards, at the beginning of the period, the right-of-use asset included in property, plant and equipment increased 92,878 million yen, and lease liabilities included in other financial liabilities increased 93,004 million yen.

## (Segment Information)

## Revenue, Profit/loss and Assets by Reportable Segment

Three Months ended June 30, 2018 (April 1, 2018 to June 30, 2018)

(Unit: million yen)

	Reportable segment					
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services
Revenue						
External	442,956	222,749	156,709	221,024	360,492	104,160
Inter-segment	503	5,306	5,872	690	2,955	100
Total	443,459	228,056	162,582	221,715	363,447	104,260
Gross profit	25,863	19,305	21,241	22,322	26,640	10,006
Profit (loss) for the period attributable to owners of the parent	9,577	7,794	6,018	7,593	6,548	797
Segment assets	921,382	394,653	293,841	775,961	719,065	288,504

	Reportable segment		Other *1	Adjustments *2	Consolidated
	Africa	Total			
Revenue					
External	141,371	1,649,465	598	-	1,650,063
Inter-segment	6,214	21,643	213	(21,856)	-
Total	147,586	1,671,108	811	(21,856)	1,650,063
Gross profit	33,167	158,547	566	(1,778)	157,335
Profit (loss) for the period attributable to owners of the parent	3,520	41,850	4,388	434	46,673
Segment assets	540,657	3,934,066	757,784	(292,598)	4,399,251

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.

Three Months Ended June 30, 2019 (April 1, 2019 to June 30, 2019)

(Unit: million yen)

	Reportable segment					
	Metals	Global Parts & Logistics	Automotive	Machinery, Energy & Project	Chemicals & Electronics	Food & Consumer Services
Revenue						
External	440,750	228,241	159,068	193,385	362,895	107,118
Inter-segment	486	6,960	661	1,245	1,267	156
Total	441,236	235,202	159,730	194,630	364,162	107,275
Gross profit	24,612	19,492	20,785	22,021	25,278	11,617
Profit (loss) for the period attributable to owners of the parent	9,695	7,355	3,733	20,569	5,283	2,175
Segment assets	931,381	397,387	293,053	758,838	714,329	302,975

	Reportable segment		Other *1	Adjustments *2	Consolidated
	Africa	Total			
Revenue					
External	196,941	1,688,401	1,451	-	1,689,853
Inter-segment	5	10,783	432	(11,215)	-
Total	196,946	1,699,184	1,884	(11,215)	1,689,853
Gross profit	35,537	159,346	204	(877)	158,672
Profit (loss) for the period attributable to owners of the parent	3,284	52,098	3,509	3	55,612
Segment assets	569,605	3,967,571	867,459	(299,728)	4,535,302

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.

Outline of Consolidated Results  
for the Three Months ended June 30, 2019 (IFRS)

July 31, 2019  
Toyota Tsusho Corporation  
(Unit: Billion yen)

Consolidated Operating Results	Three Months ended June 30, 2018	Three Months ended June 30, 2019	Year-on-year change	
			Amount	%
Revenue	1,650.0	1,689.8	39.8	2.4%
Gross profit	157.3	158.6	1.3	0.8%
SG&A expenses	(102.2)	(104.6)	(2.4)	—
Other income (expenses)	1.4	1.6	0.2	—
Operating profit	56.4	55.6	(0.8)	(1.5%)
Interest income (expenses)	(4.1)	(4.0)	0.1	—
Dividend income	11.1	9.5	(1.6)	—
Other finance income (costs)	(0.0)	13.5	13.5	—
Share of profit of investments accounted for using the equity method	5.2	6.8	1.6	—
Profit before income taxes	68.7	81.5	12.8	18.7%
Income tax expense	(15.3)	(19.4)	(4.1)	—
Profit for the period	53.3	62.1	8.8	16.4%
Profit attributable to owners of the parent	46.6	55.6	9.0	19.2%
Total comprehensive income (attributable to owners of the parent)	6.4	34.3	27.9	435.1%

Main factors behind year-on-year changes
<p><b>【Gross profit】 +1.3 billion yen</b> Increased largely driven by growth in automobile sales volume in the Africa Division.</p> <p><b>【Operating profit】 -0.8 billion yen</b> Despite the increase in gross profit, operating profit decreased largely due to increase in SG&amp;A expenses.</p> <p><b>【Profit attributable to owners of the parent】 +9.0 billion yen</b> Increased largely driven by gain on sale of affiliate in the Machinery, Energy &amp; Project Division, which offset decrease in operating profit.</p>

Consolidated Financial Position	As of March 31, 2019	As of June 30, 2019	Change over the end of the previous fiscal year	
			Amount	%
Total assets	4,441.4	4,535.3	93.9	2.1%
(Current assets)	2,803.2	2,811.9	8.7	0.3%
(Non-current assets)	1,638.2	1,723.3	85.1	5.2%
Total equity	1,389.6	1,380.2	(9.4)	(0.7%)
Net interest-bearing debt	988.4	1,030.7	42.3	4.3%
Debt-equity ratio (times)	0.8	0.8	0.0	—

Main factors behind year-on-year changes
<p><b>【Current assets】 +8.7 billion yen</b> •Cash and cash equivalents: +26.9 billion yen •Inventories: +24.3 billion yen •Trade and other receivables: -67.6 billion yen</p> <p><b>【Non-current assets】 +85.1 billion yen</b> •Property, plant and equipment: +96.3 billion yen •Other investments: -6.6 billion yen</p> <p><b>【Total equity】 -9.4 billion yen</b> •Retained earnings: +38.2 billion yen •Exchange differences on translation of foreign operations: -21.0 billion yen •Non-controlling interests: -26.9 billion yen</p>

Consolidated Cash Flow Position	Three Months ended June 30, 2018	Three Months ended June 30, 2019	Year-on-year change
1. Cash flows from operating activities	(2.3)	65.7	68.0
2. Cash flows from investing activities	(13.3)	(0.8)	12.5
1-2: Free cash flow	(15.6)	64.9	80.5
Cash flows from financing activities	1.0	(33.7)	(34.7)

Main factors behind year-on-year changes
<p><b>【Cash flows from operating activities】</b> Profit for the three months ended June 30, 2019</p> <p><b>【Cash flows from investing activities】</b> Purchase of property, plant and equipment as well as proceeds from sale of investment</p> <p><b>【Cash flows from financing activities】</b> Dividends paid</p>

Divisions	Three Months ended June 30, 2018	Three Months ended June 30, 2019	Year-on-year change	
			Amount	%
Metals	25.8	24.6	(1.2)	(4.8%)
Global Parts & Logistics	19.3	19.4	0.1	1.0%
Automotive	21.2	20.7	(0.5)	(2.1%)
Machinery, Energy & Project	22.3	22.0	(0.3)	(1.3%)
Chemicals & Electronics	26.6	25.2	(1.4)	(5.1%)
Food & Consumer Services	10.0	11.6	1.6	16.1%
Africa	33.1	35.5	2.4	7.1%
Total	157.3	158.6	1.3	0.8%

Main factors behind year-on-year changes in profit attributable to owners of the parent
Remained almost unchanged from the same period in the previous fiscal year.
Decreased largely due to decrease in dividend income.
Decreased largely due to decrease in sales volume handled by overseas auto dealerships.
Increased largely due to the gain on sale of shares in affiliate in the electric power business.
Decreased largely due to lower profit margin of the electronics business.
Increased largely driven by increase in volume handled in the Food Department.
Decreased largely due to the effect of currency translation recognized in the previous fiscal year and increase in tax expenses, which offset increase in profit driven by growth in automobile sales volume.

Consolidated Financial Results Forecasts	Year ended March 31, 2019	Year ending March 31, 2020	Year-on-year change		
			Amount	%	
D i v i s i o n s	Metals	99.8	102.0	2.2	2.1%
	Global Parts & Logistics	35.3	36.0	0.7	2.0%
	Automotive	75.3	77.0	1.7	2.2%
	Machinery, Energy & Project	23.7	24.0	0.3	0.8%
	Chemicals & Electronics	88.7	92.0	3.3	3.7%
	Food & Consumer Services	22.7	24.0	1.3	5.5%
	Africa	89.8	93.0	3.2	3.5%
	Gross profit	18.7	27.0	8.3	43.8%
	Operating profit	107.5	110.0	2.5	2.3%
	Profit before income taxes	18.4	23.0	4.6	24.7%
C o r p o r a t e	Profit	43.9	48.0	4.1	9.3%
	Profit attributable to owners of the parent	1.7	5.0	3.3	183.7%
	Profit	137.1	141.0	3.9	2.8%
	Profit	10.1	11.0	0.9	8.7%
	Profit attributable to owners of the parent	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
Interim	45 yen	50 yen	60 yen (forecast)
Full year	94 yen	100 yen	120 yen (forecast)
Payout ratio (consolidated)	25.4%	26.5%	28.2% (forecast)

Changes in Major Indexes	Three Months ended June 30, 2018 (As of March 31, 2019)		Three Months ended June 30, 2019	
	Exchange rate	Yen / US dollar	109	110
	Yen / Euro	(111)	108	
Interest rate	Yen TIBOR 3M average	130	123	
	US dollar LIBOR 3M average	(125)	122	
	Dubai oil (US dollars / bbl.)	0.07%	0.07%	
	Corn futures (cents / bushel)	2.34%	2.51%	
		71	67	
		383	391	

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

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