

Outline of Consolidated Results for the Six Months ended September 30, 2016
(April 1, 2016 to September 30, 2016)

1. Operating Results

(Unit: Billions of yen)

	Consolidated			
	Six Months ended September 30, 2016	Six Months ended September 30, 2015	Year-on-year change	
			Amount	%
Net sales	3,669.3	4,284.0	(614.7)	(14.3)
Gross profit	270.1	305.0	(34.9)	(11.4)
SG & A expenses	210.8	238.6	(27.8)	-
Operating income	59.2	66.4	(7.2)	(10.7)
Interest income and expense	(9.3)	(10.6)	1.3	-
Dividend income	12.3	14.4	(2.1)	-
Share of profit (loss) of entities accounted for using equity method	10.9	1.0	9.9	-
Other income (expenses)	9.3	(4.7)	14.0	-
Ordinary income	82.5	66.4	16.1	24.1
Extraordinary income (losses)	(3.8)	(15.1)	11.3	-
Profit before income taxes	78.7	51.3	27.4	53.3
Income taxes	27.4	17.9	9.5	-
Profit (loss)	51.2	33.3	17.9	53.5
Profit (loss) attributable to non- controlling interests	9.2	9.6	(0.4)	-
Profit (loss) attributable to owners of the parent	42.0	23.7	18.3	76.6

Main factors behind year-on-year changes

- Net sales -614.7 billion yen:
 - Decrease mainly in the Machinery, Energy & Project division due to stronger yen and lower market price
- SG & A expenses -27.8 billion yen:
 - Decrease due mainly to stronger yen and decrease in amortization of goodwill
- Share of profit (loss) of entities accounted for using equity method +9.9 billion yen:
 - Increase mainly in the Metals division
- Other income/expenses +14.0 billion yen:
 - Increase due mainly to improvement in foreign exchange gain/loss
- Extraordinary income (losses) +11.3 billion yen:
 - Increase due mainly to the effect of loss on cancellation of contract recorded in the six months ended September 30, 2015, and the decrease in loss on valuation of investment securities and investments in capital

For reference:

Billions of yen

Quarterly changes	1st quarter	2nd quarter
Net sales	1,862.8	1,806.4
Operating income	30.0	29.2
Ordinary income	43.3	39.1
Profit (loss) attributable to owners of the parent	21.3	20.6

2. Financial Position

(Unit: Billions of yen)

	Consolidated			
	As of September 30, 2016	As of March 31, 2016	Change versus March 31, 2016	
			Amount	%
Total assets	3,672.3	3,952.1	(279.8)	(7.1)
Current assets	2,259.1	2,425.8	(166.7)	(6.9)
Investment securities and investments in capital	508.5	530.9	(22.4)	(4.2)
Other non-current assets	904.6	995.2	(90.6)	(9.1)
Net assets	961.2	1,055.7	(94.5)	(9.0)
Net interest-bearing debt	1,006.1	1,102.7	(96.6)	(8.8)
Debt-equity ratio (times)	1.2	1.2	(0.0)	

Main factors behind year-on-year changes

- Current assets -166.7 billion yen:
 - Notes and accounts receivable - trade decreased 91.8 billion yen
 - Inventories decreased 37.7 billion yen
- Investment securities and investments in capital -22.4 billion yen:
 - Decrease due mainly to equity method
- Other non-current assets -90.6 billion yen:
 - Property, plant and equipment decreased 34.3 billion yen
 - Intangible assets decreased 44.2 billion yen
- Net assets -94.5 billion yen:
 - Retained earnings increased 30.7 billion yen (profit attributable to owners of the parent of 42.0 billion yen less 10.9 billion yen dividends, etc.)
 - Foreign currency translation adjustment decreased 106.7 billion yen
 - Non-controlling interests decreased 18.8 billion yen

3. Cash Flow Position

(Unit: Billions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2015	Major factors behind year-on-year changes
1. Cash flows from operating activities	109.5	73.0	Profit for the six months ended September 30, 2016
2. Cash flows from investing activities	(40.3)	(94.1)	Purchase of property, plant and equipment
1-2: Free cash flow	69.2	(21.1)	
Cash flows from financing activities	(62.5)	(14.8)	Repayment of interest-bearing debt

4. Consolidated Net Sales and Operating Income by Segment

*The top row for each segment indicates net sales; the bottom row indicates operating income.

(Unit: Billions of yen)

	Six Months ended September 30, 2016	Six Months ended September 30, 2015	Year-on-year change	Amounts affected by exchange rates	Year-on-year change excluding amount affected by exchange rates	
					Amount	%
Metals	819.3	943.1	(123.8)	(71.0)	(52.8)	(6.1)
	14.2	19.7	(5.5)	(2.0)	(3.5)	(19.3)
Global Parts & Logistics	459.7	498.8	(39.1)	(70.6)	31.5	7.4
	7.7	11.2	(3.5)	(1.5)	(2.0)	(20.9)
Automotive	561.8	646.1	(84.3)	(64.2)	(20.1)	(3.5)
	12.0	15.7	(3.7)	(2.5)	(1.2)	(9.0)
Machinery, Energy & Project	752.9	914.2	(161.3)	(52.5)	(108.8)	(12.6)
	7.8	10.1	(2.3)	(0.2)	(2.1)	(20.3)
Chemicals & Electronics	844.6	991.1	(146.5)	(58.5)	(88.0)	(9.4)
	16.6	11.2	5.4	(1.0)	6.4	62.9
*Food & Consumer Services	229.1	288.9	(59.8)	(16.4)	(43.4)	(16.0)
	4.4	4.1	0.3	(0.3)	0.6	16.4
Total	3,669.3	4,284.0	(614.7)	(333.5)	(281.2)	(7.1)
	59.2	66.4	(7.2)	(6.9)	(0.3)	(0.3)

Main factors behind year-on-year changes

- Metals
 - Net sales:
 - Decreased due to lower market price
 - Operating income:
 - Lower market price and offsetting foreign exchange gain/loss included in non-operating category
- Global Parts & Logistics
 - Net sales:
 - Increased due to increase in automotive components handled overseas
 - Operating income:
 - Offsetting foreign exchange gain/loss included in non-operating category
- Automotive
 - Net sales and operating income:
 - Both decreased due to decrease in export by Toyota Tsusho Corporation as well as decrease in trading volume handled by overseas auto dealership
- Machinery, Energy & Project
 - Net sales and operating income:
 - Both decreased due to lower market price of petroleum products and decrease in trading volume of automotive related facilities
- Chemicals & Electronics
 - Net sales:
 - Decreased due to decrease in trading volume of electronics-related products
 - Operating income:
 - Increased due to effect of loss on valuation of inventories recorded in the six months ended September 30, 2015
- Food & Consumer Services
 - Net sales:
 - Decreased due to decrease in trading volume of grain handled overseas

Operating income:

Increased due to decrease in amortization of goodwill

* Effective April 1, 2016, the Food & Agribusiness Division and the Consumer Products & Services Division have been integrated into the Food & Consumer Services Division. In line with this, net sales and operating income for the six months ended September 30, 2015 have been recast to reflect this change.

5. Consolidated Financial Results Forecasts for the Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

*The top row for each segment indicates net sales; the bottom row indicates operating income.

	Year ending March 31, 2017 (revised forecast)	Year ended March 31, 2016 (results)	Year-on-year change		Billions of yen (Reference) Year ending March 31, 2017 (previous forecast released on April 28)
			Amount	%	
Metals	1,670.0	1,817.4	(147.4)	(8.1)	1,800.0
	33.5	37.4	(3.9)	(10.5)	40.0
Global Parts & Logistics	950.0	999.0	(49.0)	(4.9)	1,000.0
	17.5	21.6	(4.1)	(19.3)	20.0
Automotive	1,050.0	1,252.3	(202.3)	(16.2)	1,100.0
	21.0	37.9	(16.9)	(44.7)	26.0
Machinery, Energy & Project	1,400.0	1,600.3	(200.3)	(12.5)	1,050.0
	19.0	21.3	(2.3)	(11.1)	23.0
Chemicals & Electronics	1,720.0	1,923.7	(203.7)	(10.6)	1,800.0
	35.0	24.9	10.1	40.3	35.0
Food & Consumer Services	510.0	574.2	(64.2)	(11.2)	550.0
	9.0	8.6	0.4	4.0	10.0
Total					
Net sales	7,300.0	8,170.2	(870.2)	(10.7)	7,300.0
Operating income	130.0	140.2	(10.2)	(7.3)	144.0
Ordinary income	150.0	128.0	22.0	17.1	150.0
Profit (loss) attributable to owners of the parent	70.0	(43.7)	113.7	-	70.0

6. Dividend per share

	Year ending March 31, 2017 (forecast)	Year ended March 31, 2016
Interim	31.0 yen	31.0 yen
Full year	62.0 yen	62.0 yen
Payout ratio (consolidated) <i>Before amortization of goodwill</i>	23.9%	-

7. Changes in Major Indexes

		Six Months ended September 30, 2016	Six Months ended September 30, 2015 (or as of March 31, 2016)
Exchange rate (yen / US dollar)	Average during the period	105	122
	End of period	101	(113)
Interest rate	Yen TIBOR 3M average	0.07%	0.17%
	US dollar LIBOR 3M average	0.72%	0.30%
Dubai oil (US dollars / bbl)		43	56
Corn futures (cents / bushel)		361	374