

# Outline of Consolidated Results for the Year ended March 31, 2017 (Major differences between JGAAP and IFRS)

(Unit: Billions of yen)

Consolidated Operating Results (JGAAP)	*1		Consolidated Operating Results (IFRS)	*1		Difference
	Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS		Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS	
Net sales	7,919.6		Revenue	7,919.6	5,797.3	(2,122.3)
Cost of sales	(7,340.7)		Cost of sales	(7,340.7)	(5,226.4)	2,114.3
<b>Gross profit</b>	<b>578.8</b>		<b>Gross profit</b>	<b>578.8</b>	<b>570.8</b>	<b>(8.0)</b>
SG & A expenses	(432.2)		SG & A expenses	(432.2)	(411.2)	21.0
			Gain(losses) on disposal of fixed assets	1.5	1.7	0.2
			Impairment loss on fixed assets	(2.2)	(26.2)	(24.0)
			Other	(4.6)	(1.4)	3.2
<b>Operating income</b>	<b>146.6</b>		<b>Operating Profit</b>	<b>141.3</b>	<b>133.6</b>	<b>(7.7)</b>
Other income	50.9					
Other expenses	(39.2)		Financial income (cost)	(3.5)	(3.2)	0.3
<b>Ordinary income</b>	<b>158.2</b>					
Extraordinary income	10.8		Share of profit(loss) of investments accounted for using equity method	10.2	10.4	0.2
Extraordinary losses	(21.0)					
<b>Profit before income taxes</b>	<b>148.0</b>		<b>Profit before income tax</b>	<b>148.0</b>	<b>140.8</b>	<b>(7.2)</b>
Income taxes	(25.0)		Income taxes	(25.0)	(12.5)	12.5
Profit	122.9		Profit for the year	122.9	128.3	5.4
<b>Profit attributable to owners of the parent</b>	<b>102.5</b>		<b>Profit attributable to owners of the parent</b>	<b>102.5</b>	<b>107.9</b>	<b>5.4</b>
Profit attributable to non-controlling interests	20.3		Profit attributable to non-controlling interests	20.3	20.4	0.1

## Main factors behind differences

- 【Revenue /cost of sales】**
  - Net presentation of agent transactions
- 【SG & A expenses】**
  - Non-amortization of goodwill
  - Provision of allowance for doubtful accounts (reclassified from Other)
- 【Impairment loss on non-current assets】**
  - Impairment loss on iodine mining rights
  - Impairment loss on goodwill of the grain infrastructure business
- 【Other income (expenses)】**
  - Provision of allowance for doubtful accounts (transferred to selling expense)
- 【Income taxes】**
  - Revision to recoverability

Consolidated Financial Position	*2		Difference
	As of March 31, 2017 JGAAP	As of March 31, 2017 IFRS	
<b>Assets</b>	<b>4,096.8</b>	<b>4,212.0</b>	<b>115.2</b>
Current assets	2,533.9	2,546.0	12.1
Non-current assets	1,562.8	1,666.0	103.2
<b>Liabilities</b>	<b>2,944.8</b>	<b>2,988.5</b>	<b>43.7</b>
Current liabilities	1,745.1	1,769.4	24.3
Non-current liabilities	1,199.6	1,219.0	19.4
<b>Equity</b>	<b>1,151.9</b>	<b>1,223.5</b>	<b>71.6</b>
Share capital	64.9	64.9	-
Capital surplus	150.1	150.4	0.3
Treasury shares	(3.5)	(3.5)	-
Other components of equity	128.9	111.0	(17.9)
Retained earnings	642.7	727.6	84.9
Non-controlling interests	168.7	172.8	4.1

## Main factors behind differences

- 【Assets】**
  - Fair valuation of unlisted shares
  - Recording of discounted notes on the balance sheet
  - Impairment loss on non-current assets
  - Offset by deferred tax liabilities
- 【Liabilities】**
  - Recording of discounted notes on the balance sheet
  - Increase in deferred tax liabilities resulting from fair valuation of unlisted shares
  - Offset by deferred tax assets

Cash flow position	*2		Difference
	Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS	
Cash flows from operating activities	193.7	159.7	(34.0)
Cash flows from investing activities	(130.4)	(127.5)	2.9
Cash flows from financing activities	(28.3)	5.6	33.9

## Main factors behind differences

- 【Cash flows from operating activities】**
- 【Cash flows from financing activities】**
  - Increase in assets (liabilities) resulting from recording discounted notes on the balance sheet

Condensed statements of comprehensive income	*2		Difference
	Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS	
Profit	122.9	128.3	5.4
Other comprehensive income	15.9	20.0	4.1
Comprehensive income	138.9	148.3	9.4
( Comprehensive income attributable to owners of the parent )	120.3	128.9	8.6
( Comprehensive income attributable to non-controlling interests )	18.6	19.4	0.8

## Main factors behind differences

- 【Other comprehensive income】**
  - Unification of accounting period

\*1 "JGAAP" in the Consolidated Operating Results shows the results reported on April 28, based on Japanese GAAP, while "JGAAP" shows "JGAAP" reclassified based on IFRS.

\*2 "JGAAP" in the Consolidated Financial Position shows "JGAAP" reclassified based on IFRS.

By Segment	*1		Difference
	Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS	
Metals	86.9	85.3	(1.6)
Global Parts & Logistics	26.4	25.4	(1.0)
	65.5	65.5	0.0
	16.8	16.9	0.1
Automotive	161.9	159.8	(2.1)
	11.3	18.6	7.3
Machinery, Energy & Project	66.8	66.8	0.0
	12.0	15.9	3.9
Chemicals & Electronics	142.5	140.2	(2.3)
	16.8	13.6	(3.2)
Food & Consumer Services	58.5	57.6	(0.9)
	4.7	(7.7)	(12.4)
Total	578.8	570.8	(8.0)
	102.5	107.9	5.4

## Main factors behind change in profit (attributable to owners of the parent)

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

### 【Automotive】 【Machinery, Energy & Project】

### 【Chemicals & Electronics】 【Food & Consumer Services】

- Non-amortization of goodwill
- Impairment loss on non-current assets
- Non-amortization of goodwill

Consolidated performance indicators	*2		Difference
	Year ended March 31, 2017 JGAAP	Year ended March 31, 2017 IFRS	
Ratio of equity attributable to owners of the parent	24.0%	24.9%	0.9%
Ratio of profit attributable to owners of the parent	11.0%	10.8%	(0.2%)
Net interest-bearing debt	1,050.2	1,101.9	51.7
Debt-equity ratio (times)	1.1	1.0	(0.1)