

**Toyota Tsusho Corporation Reports Earnings for
the Fiscal Year Ended March 31, 2017
[IFRS basis]**

1. Financial Statement

(1) Consolidated Statement of Financial Position

(Unit: Millions of yen)

| | Transition date As of April 1, 2015 | As of March 31, 2016 | As of March 31, 2017 |
|---|--|----------------------|----------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 495,536 | 392,247 | 426,208 |
| Trade and other receivables | 1,420,166 | 1,243,547 | 1,323,165 |
| Other financial assets | 19,284 | 28,852 | 69,948 |
| Inventories | 701,896 | 607,085 | 603,891 |
| Other current assets | 109,020 | 130,800 | 108,591 |
| Subtotal | 2,745,904 | 2,402,533 | 2,531,805 |
| Assets held for sale | — | — | 14,208 |
| Total current assets | 2,745,904 | 2,402,533 | 2,546,014 |
| Non-current assets | | | |
| Investments accounted for using equity method | 235,882 | 222,789 | 218,679 |
| Other investments | 575,621 | 477,476 | 505,350 |
| Trade and other receivables | 33,538 | 34,453 | 35,690 |
| Other financial assets | 60,265 | 43,185 | 44,997 |
| Property, plant and equipment | 546,657 | 566,757 | 595,516 |
| Intangible assets | 299,346 | 229,109 | 190,047 |
| Investment property | 32,523 | 21,971 | 22,116 |
| Deferred tax assets | 24,663 | 30,920 | 26,473 |
| Other non-current assets | 35,123 | 24,194 | 27,177 |
| Total non-current assets | 1,843,622 | 1,650,858 | 1,666,050 |
| Total assets | 4,589,526 | 4,053,391 | 4,212,064 |

(Unit: Millions of yen)

| | Transition date As of April 1, 2015 | As of March 31, 2016 | As of March 31, 2017 |
|---|--|----------------------|----------------------|
| Liabilities and equity | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 1,086,936 | 989,223 | 1,053,646 |
| Bonds and borrowings | 773,162 | 537,876 | 536,120 |
| Other financial liabilities | 20,582 | 15,820 | 21,483 |
| Income taxes payable | 26,985 | 24,994 | 26,011 |
| Provisions | 4,372 | 4,831 | 4,565 |
| Other current liabilities | 133,950 | 139,574 | 117,997 |
| Subtotal | 2,045,988 | 1,712,319 | 1,759,825 |
| Liabilities directly related to assets held for sale | — | — | 9,645 |
| Total current liabilities | 2,045,988 | 1,712,319 | 1,769,471 |
| Non-current liabilities | | | |
| Bonds and borrowings | 979,352 | 979,212 | 1,032,038 |
| Trade and other payables | 3,249 | 2,851 | 3,238 |
| Other financial liabilities | 9,903 | 25,578 | 19,732 |
| Retirement benefits liabilities | 31,890 | 36,777 | 37,916 |
| Provisions | 21,441 | 21,244 | 21,792 |
| Deferred tax liabilities | 135,716 | 140,226 | 86,930 |
| Other non-current liabilities | 30,745 | 19,194 | 17,432 |
| Total non-current liabilities | 1,212,300 | 1,225,087 | 1,219,080 |
| Total liabilities | 3,258,289 | 2,937,406 | 2,988,551 |
| Equity | | | |
| Share capital | 64,936 | 64,936 | 64,936 |
| Capital surplus | 155,148 | 153,751 | 150,494 |
| Treasury shares | (3,858) | (3,623) | (3,540) |
| Other components of equity | 243,216 | 100,629 | 111,084 |
| Retained earnings | 690,725 | 630,964 | 727,644 |
| Total equity attributable to owners of the parent | 1,150,169 | 946,658 | 1,050,619 |
| Non-controlling interests | 181,067 | 169,326 | 172,893 |
| Total equity | 1,331,236 | 1,115,984 | 1,223,513 |
| Total liabilities and equity | 4,589,526 | 4,053,391 | 4,212,064 |

(2) Consolidated Statement of Profit & loss and consolidated statement of Comprehensive Income

Consolidated Statements of Profit & loss

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Revenue | | |
| Sales of goods | 6,155,014 | 5,717,358 |
| Sales of services and others | 91,089 | 80,004 |
| Total revenue | 6,246,103 | 5,797,362 |
| Cost of sales | (5,633,564) | (5,226,490) |
| Gross profit | 612,539 | 570,872 |
| Selling, general and administrative expenses | (438,422) | (411,235) |
| Other income (expenses) | | |
| Gain (loss) on disposal of fixed assets | 1,450 | 1,742 |
| Impairment loss on fixed assets | (71,993) | (26,287) |
| Other | (20,584) | (1,422) |
| Total other income (expenses) | (91,127) | (25,967) |
| Operating Profit | 82,988 | 133,669 |
| Financial income (cost) | | |
| Interest income | 8,079 | 7,508 |
| Interest expenses | (28,309) | (26,058) |
| Dividend income | 19,854 | 18,752 |
| Other | (2,446) | (3,454) |
| Total financial income (cost) | (2,821) | (3,251) |
| Share of profit (loss) of investment accounted for using equity method | (3,397) | 10,476 |
| Profit (loss) before income tax | 76,769 | 140,895 |
| Income tax expense | (77,552) | (12,560) |
| Profit (loss) for the year | (782) | 128,334 |
| Profit (loss) for the year attributable to: | | |
| Owners of the parent | (19,280) | 107,903 |
| Non-controlling interests | 18,497 | 20,431 |
| Earnings per share attributable to owners of the parent | | |
| Basic earnings (loss) per share (yen) | (54.80) | 306.64 |
| Diluted earnings (loss) per share (yen) | (54.80) | 306.63 |

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Profit (loss) for the year | (782) | 128,334 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Remeasurement of defined benefit pension plans | (8,545) | 1,083 |
| Financial assets measured at FVTOCI | (59,190) | 37,019 |
| Share of other comprehensive income of investments accounted for using the equity method | (580) | 715 |
| Items that may be reclassified to profit or loss | | |
| Cash flow hedges | (16,542) | 12,744 |
| Exchange differences on translation of foreign operations | (84,235) | (24,368) |
| Share of other comprehensive income of investments accounted for using the equity method | (7,406) | (7,137) |
| Other comprehensive income for the year, net of tax | (176,501) | 20,057 |
| Total comprehensive income for the year | (177,283) | 148,391 |
| Total comprehensive income for the year attributable to: | | |
| Owners of the parent | (181,581) | 128,964 |
| Non-controlling interests | 4,297 | 19,427 |

(3) Consolidated Statement of Changes in Equity

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|---|------------------------------|------------------------------|
| Equity | | |
| Share capital – common shares | | |
| Balance at the beginning of the year | 64,936 | 64,936 |
| Balance at the end of the year | 64,936 | 64,936 |
| Capital surplus | | |
| Balance at the beginning of the year | 155,148 | 153,751 |
| Acquisition (disposal) of non-controlling interests | (1,385) | (3,224) |
| Acquisition (disposal) of treasury shares | (11) | (32) |
| Balance at end of the year | 153,751 | 150,494 |
| Treasury shares | | |
| Balance at the beginning of the year | (3,858) | (3,623) |
| Acquisition (disposal) of treasury shares | 234 | 82 |
| Balance at the end of the year | (3,623) | (3,540) |
| Other components of equity | | |
| Remeasurement of defined benefit pension plans | | |
| Balance at the beginning of the year | — | — |
| Increase (decrease) during the year | (8,501) | 1,082 |
| Transfer to retained earnings | 8,501 | (1,082) |
| Balance at end of the year | — | — |
| Financial assets measured at FVTOCI | | |
| Balance at the beginning of the year | 254,470 | 205,971 |
| Increase (decrease) during the year | (59,711) | 36,245 |
| Transfer to retained earnings | 11,212 | (9,524) |
| Balance at the end of the year | 205,971 | 232,692 |
| Cash flow hedges | | |
| Balance at the beginning of the year | (11,253) | (26,738) |
| Increase (decrease) during the year | (15,484) | 12,335 |
| Balance at the end of the year | (26,738) | (14,402) |

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Exchange differences on translation of foreign operations | | |
| Balance at the beginning of the year | — | (78,603) |
| Increase (decrease) during the year | (78,603) | (28,602) |
| Balance at the end of the year | (78,603) | (107,206) |
| Retained earnings | | |
| Balance at the beginning of the year | 690,725 | 630,964 |
| Transfer from other components of equity | (19,713) | 10,607 |
| Profit for the year attributable to owners of the parent | (19,280) | 107,903 |
| Dividends | (20,767) | (21,829) |
| Balance at the end of the year | 630,964 | 727,644 |
| Total equity attributable to owners of the parent | 946,658 | 1,050,619 |
| Non-controlling interests | | |
| Balance at the beginning of the year | 181,067 | 169,326 |
| Dividends paid to non-controlling interests | (16,133) | (14,623) |
| Acquisition (disposal) of non-controlling interests | (454) | (2,778) |
| Profit for the year attributable to non-controlling interests | 18,497 | 20,431 |
| Other comprehensive income attributable to non-controlling interests | | |
| Remeasurement of defined benefit pension plans | (65) | (23) |
| Financial assets measured at FVTOCI | (39) | 1,513 |
| Cash flow hedges | (2,095) | 775 |
| Exchange differences on translation of foreign operations | (12,000) | (3,270) |
| Other | 549 | 1,542 |
| Balance at the end of the year | 169,326 | 172,893 |
| Total equity | 1,115,984 | 1,223,513 |
| Total comprehensive income attributable to: | | |
| Owners of the parent | (181,581) | 128,964 |
| Non-controlling interests | 4,297 | 19,427 |
| Total comprehensive income for the year | (177,283) | 148,391 |

(4) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|--|------------------------------|------------------------------|
| Cash flows from operating activities: | | |
| Profit before income tax | 76,769 | 140,895 |
| Depreciation and amortization expense | 81,229 | 76,065 |
| Impairment loss on property, plant and equipment s | 71,993 | 26,287 |
| Financial cost (income) | 2,821 | 3,251 |
| Share of (profit) loss of investments accounted for using the equity method | 3,397 | (10,476) |
| (Gain) loss on disposal of property, plant and equipment t | (1,450) | (1,742) |
| (Increase) decrease in trade and other receivables | 98,373 | (110,633) |
| (Increase) decrease in inventories | 68,683 | (5,585) |
| Increase (decrease) in trade and other payables | (53,215) | 80,472 |
| Other | 15,481 | (2,685) |
| Subtotal | 364,084 | 195,848 |
| Interest received | 7,027 | 7,321 |
| Dividends received | 38,922 | 33,077 |
| Interest paid | (27,877) | (25,477) |
| Income taxes paid | (61,826) | (50,998) |
| Net cash provided by operating activities | 320,330 | 159,770 |
| Cash flows from investing activities: | | |
| Increase in time deposits | (8,747) | (37,299) |
| Purchase of property, plant and equipment | (105,813) | (74,460) |
| Proceeds from sale of property, plant and equipment | 22,192 | 13,990 |
| Purchase of intangible assets | (17,336) | (10,929) |
| Purchase of investment | (27,393) | (22,177) |
| Proceeds from sale of investment | 8,398 | 7,893 |
| Payments for acquisition of subsidiaries | (32,029) | (9,290) |
| Proceeds from sale of subsidiaries | 350 | 25 |
| Payments for loans receivable | (26,145) | (14,779) |
| Collection of loans receivable | 17,738 | 19,829 |
| Other | 6,009 | (327) |
| Net cash used in investing activities | (162,777) | (127,525) |

(Unit: Millions of yen)

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|---|------------------------------|------------------------------|
| Cash flows from financing activities: | | |
| Decrease in short-term borrowings, net | (228,660) | (971) |
| Proceeds from long-term borrowings | 162,852 | 142,170 |
| Repayment of long-term borrowings | (142,430) | (105,724) |
| Proceeds from issuance of bonds | 19,900 | 39,774 |
| Redemption of bonds | (10,000) | (25,992) |
| Purchase of treasury shares | (38) | (25) |
| Dividends paid | (20,767) | (21,829) |
| Dividends paid to non-controlling interests | (16,164) | (14,623) |
| Proceeds from non-controlling interests | 509 | 1,685 |
| Payments for acquisition of subsidiaries' interest from non-controlling interests | (5,197) | (5,897) |
| Other | (5,637) | (2,908) |
| Net cash provided by (used in) financing activities | (245,634) | 5,656 |
| Net increase (decrease) in cash and cash equivalents | (88,081) | 37,901 |
| Cash and cash equivalents at the beginning of the year | 495,536 | 392,247 |
| Effect of exchange rate change on cash and cash equivalents | (15,207) | (3,940) |
| Cash and cash equivalents at the end of the year | 392,247 | 426,208 |

(5) Notes on the Consolidated Financial Statements

(Segment information)

Transition date (As of April 1, 2015)

(Unit: Millions of yen)

| | Reportable segment | | | | | | | Other *1 | Adjustments *2 | Amounts on the consolidated financial statements |
|---|--------------------|--------------------------|------------|-----------------------------|-------------------------|--------------------------|-----------|----------|----------------|--|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Consumer Services | Total | | | |
| Segment assets | 907,250 | 373,005 | 667,450 | 757,954 | 828,768 | 321,658 | 3,856,088 | 876,276 | (142,837) | 4,589,526 |
| Other items | | | | | | | | | | |
| Investments accounted for using equity method | 27,935 | 23,628 | 27,147 | 57,593 | 59,295 | 23,880 | 219,481 | 16,400 | — | 235,882 |

- Notes:
1. "Other" comprises businesses that are not included in reportable segments, such as functional services which provide operation support to the whole Group.
 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, 2016 (April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

| | Reportable segment | | | | | | | Other *1 | Adjustments *2 | Amounts on the consolidated financial statements |
|---|--------------------|--------------------------|------------|-----------------------------|-------------------------|--------------------------|-----------|----------|----------------|--|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Consumer Services | Total | | | |
| Revenue | | | | | | | | | | |
| External | 1,467,710 | 819,939 | 965,999 | 788,534 | 1,686,406 | 515,359 | 6,243,950 | 2,153 | — | 6,246,103 |
| Inter-segment | 215 | 1,727 | 20 | 2,487 | 4,844 | 874 | 10,169 | 735 | (10,904) | — |
| Total | 1,467,926 | 821,667 | 966,019 | 791,021 | 1,691,251 | 516,233 | 6,254,119 | 2,888 | (10,904) | 6,246,103 |
| Gross profit | 85,765 | 69,652 | 184,900 | 69,945 | 139,809 | 65,843 | 615,916 | 2,196 | (5,574) | 612,539 |
| Profit (loss) attributable to owners of the year | 12,370 | 13,306 | 23,747 | (48,252) | 9,759 | 771 | 11,702 | (30,991) | 9 | (19,280) |
| Segment assets | 775,510 | 347,624 | 621,260 | 695,070 | 748,995 | 326,165 | 3,514,626 | 690,675 | (151,910) | 4,053,391 |
| Other items | | | | | | | | | | |
| (1)Investments accounted for using equity method | 15,343 | 19,510 | 27,809 | 55,827 | 60,758 | 26,466 | 205,715 | 17,073 | — | 222,789 |
| (2)Share of profit (loss) of entities accounted for using equity method | (6,329) | 2,186 | 3,590 | 3,220 | (4,499) | (2,837) | (4,669) | 1,284 | (12) | (3,397) |
| (3)Depreciation and amortization expense | 11,676 | 6,981 | 23,473 | 20,141 | 6,550 | 6,111 | 74,935 | 6,294 | — | 81,229 |
| (4)Impairment loss recognized in non-current assets | 4,760 | 993 | 1,036 | 59,868 | 77 | 5,258 | 71,993 | — | — | 71,993 |
| (5)Capital expenditure | 12,929 | 4,929 | 29,821 | 47,855 | 7,880 | 10,442 | 113,858 | 6,511 | — | 120,370 |

- Notes:
1. "Other" comprises businesses that are not included in reportable segments, such as 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. "Profit (loss) attributable to owners of the parent" mainly represents change in recoverability of deferred tax assets recognized in each 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, 2017 (April 1, 2016 to March 31, 2017)

(Unit: Millions of yen)

| | Reportable segment | | | | | | | Other *1 | Adjustments *2 | Amounts on the consolidated financial statements |
|---|--------------------|--------------------------|------------|-----------------------------|-------------------------|--------------------------|-----------|----------|----------------|--|
| | Metals | Global Parts & Logistics | Automotive | Machinery, Energy & Project | Chemicals & Electronics | Food & Consumer Services | Total | | | |
| Revenue | | | | | | | | | | |
| External | 1,394,382 | 780,609 | 877,604 | 724,264 | 1,586,223 | 431,206 | 5,794,291 | 3,071 | — | 5,797,362 |
| Inter-segment | 186 | 1,941 | 35 | 2,557 | 5,879 | 1,142 | 11,743 | 893 | (12,636) | — |
| Total | 1,394,569 | 782,551 | 877,640 | 726,822 | 1,592,103 | 432,348 | 5,806,035 | 3,964 | (12,636) | 5,797,362 |
| Gross profit | 85,347 | 65,590 | 159,860 | 66,818 | 140,241 | 57,624 | 575,483 | 2,171 | (6,782) | 570,872 |
| Profit (loss) attributable to owners of the year | 25,405 | 16,986 | 18,633 | 15,939 | 13,686 | (7,726) | 82,924 | 24,967 | 10 | 107,903 |
| Segment assets | 806,023 | 375,726 | 604,442 | 755,207 | 753,207 | 318,844 | 3,613,451 | 791,274 | (192,661) | 4,212,064 |
| Other items | | | | | | | | | | |
| (1)Investments accounted for using equity method | 16,418 | 16,338 | 28,995 | 51,924 | 60,136 | 32,947 | 206,761 | 11,918 | — | 218,679 |
| (2)Share of profit (loss) of entities accounted for using equity method | 961 | 1,787 | 1,643 | 4,227 | 1,403 | (2) | 10,020 | 456 | (0) | 10,476 |
| (3)Depreciation and amortization expense | 10,904 | 5,663 | 22,190 | 18,923 | 6,034 | 6,554 | 70,270 | 5,794 | — | 76,065 |
| (4)Impairment loss recognized in non-current assets | 1,686 | 388 | 189 | 33 | 8,041 | 15,932 | 26,272 | 14 | — | 26,287 |
| (5)Capital expenditure | 11,390 | 3,854 | 22,535 | 26,238 | 7,595 | 5,344 | 76,959 | 11,724 | — | 88,683 |

- Notes:
1. "Other" comprises businesses that are not included in reportable segments, such as 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. "Profit (loss) attributable to owners of the parent" mainly represents change in recoverability of deferred tax assets recognized in each 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/diluted earnings per share attributable to owners of the parent are as follows.

| | Year ended March 31, 2016 | Year ended March 31, 2017 |
|---|------------------------------|------------------------------|
| Profit (loss) attributable to owners of the parent <i>(million yen)</i> | (19,280) | 107,903 |
| Weighted average number of common shares | | |
| Basic weighted average number of common shares <i>(thousand shares)</i> | 351,804 | 351,884 |
| Dilutive effects: stock option <i>(thousand shares)</i> | — | 11 |
| Diluted weighted average number of common shares <i>(thousand shares)</i> | 351,804 | 351,896 |
| Earnings per share attributable to owners of the parent | | |
| Basic earnings per share <i>(yen)</i> | (54.80) | 306.64 |
| Diluted earnings per share <i>(yen)</i> | (54.80) | 306.63 |

For the fiscal year ended March 31, 2016, residual securities did not have dilutive effect because the exercise of stock option would decrease loss per share attributable to owners of the parent.

(Material Subsequent Events)

Not applicable.

2. Disclosure of information on transition from JGAAP to IFRS

In principle, IFRSs require that first-time adopters apply IFRSs retrospectively. However, IFRS 1 sets out rules under which first-time adopters are exempted or prohibited from retrospective application of some of the standards required by IFRSs. The effects from these rules have been adjusted by retained earnings or other components of equity as of the transition date (April 1, 2015).

(1) Exemptions in IFRS 1

The major exemptions applied by the Group are as follows:

1) Business combination

The Group elected not to apply IFRS 3 "Business Combinations" retrospectively to business combinations that occurred before the transition to IFRSs. As a result, the amounts of goodwill arising from business combinations that occurred before the transition to IFRSs were recognized based on their book value under JGAAP. For reference, at the transition date, an impairment test was implemented for such goodwill with or without evidence that indicates impairment loss.

2) Exchange differences on translation of foreign operations

The cumulative exchange differences on translation of foreign operations was deemed to be zero at the transition date.

3) Deemed cost

For certain property, plant and equipment items and investment property items, the Group applied the exemption that permits the first-time adopter to use the fair value of as of the transition date as deemed cost as of the transition date.

4) Designation of financial instruments

The Group applied the exemption that permits the first-time adopter to designate investments in equity instruments as measured at fair value through other comprehensive income based on facts and circumstances that existed as of the date of transition to IFRSs.

(2) Mandatory exceptions in IFRS 1

IFRS1 sets out mandatory exceptions to retrospective application of IFRSs including "accounting estimates," "derecognition of financial assets and financial liabilities," "hedge accounting," "non-controlling interests," "classification and measurement of financial assets." These items have been applied on and after the transition date.

(3) Disclosure of information on transition from JGAAP to IFRS

In preparation of consolidated financial statements based on IFRS, amounts in the consolidated financial statements based on JGAAP have been adjusted. The effects are provided below.

1) Reconciliations of equity

Transition date (As of April 1, 2015)

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year-end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|---------------------------------------|------------------|--------------------------------|-------------------|-------------------------------|------------------|---|
| Assets | | | | | | Assets |
| Current assets | | | | | | Current assets |
| Cash and deposits | 499,190 | (3,621) | (32) | — | 495,536 | Cash and cash equivalents |
| Notes and accounts receivable - trade | 1,346,461 | (6,030) | 93,204 | (13,469) | 1,420,166 | Trade and other receivables |
| Inventories | 683,392 | (16,629) | (1,568) | 36,701 | 701,896 | Inventories |
| Deferred tax assets | 15,739 | — | (15,739) | — | — | |
| Other | 253,594 | (3,578) | (143,314) | 2,319 | 109,020 | Other current assets |
| Allowance for doubtful accounts | (29,169) | 1,765 | 27,404 | — | — | |
| | | — | 22,738 | (3,454) | 19,284 | Other financial assets |
| Total current assets | 2,769,209 | (28,094) | (17,307) | 22,097 | 2,745,904 | Total current assets |
| Non-current assets | | | | | | Non-current assets |
| Property, plant and equipment | 583,819 | (3,568) | (32,014) | (1,580) | 546,657 | Property, plant and equipment |
| | | — | 33,964 | (1,441) | 32,523 | Investment property |
| Intangible assets | | | | | | |
| Goodwill | 170,647 | (19,342) | (151,305) | — | — | |
| Other | 229,745 | (13,923) | 151,305 | (67,782) | 299,346 | Intangible assets |
| Investments and other assets | | | | | | |
| Investment securities | 572,927 | (1,874) | (571,053) | — | — | |
| Investments in capital | 60,069 | — | (60,069) | — | — | |
| | | — | 231,209 | 4,673 | 235,882 | Investments accounted for using equity method |
| | | — | 399,913 | 175,708 | 575,621 | Other investments |
| Long-term loans receivable | 30,342 | (464) | 2,615 | 1,045 | 33,538 | Trade and other receivables |
| Deferred tax assets | 19,533 | (279) | 15,739 | (10,331) | 24,663 | Deferred tax assets |
| Net defined benefit asset | 17,223 | — | (17,223) | — | — | |
| Other | 100,268 | (14) | (65,889) | 759 | 35,123 | Other non-current assets |
| Allowance for doubtful accounts | (20,091) | 242 | 19,849 | — | — | |
| | | — | 60,265 | — | 60,265 | Other financial assets |
| Total non-current assets | 1,764,484 | (39,223) | 17,307 | 101,052 | 1,843,622 | Total non-current assets |
| Total assets | 4,533,693 | (67,317) | — | 123,149 | 4,589,526 | Total assets |

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year- end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|---|-----------|---------------------------------------|-------------------|-------------------------------------|-----------|---------------------------------|
| Liabilities | | | | | | Liabilities and equity |
| Current liabilities | | | | | | Liabilities |
| Notes and accounts payable - trade | 969,099 | (16,531) | 133,044 | 1,324 | 1,086,936 | Current liabilities |
| Lease obligations | 4,750 | — | (4,750) | — | | Trade and other payables |
| Short-term loans payable | 608,661 | (6,589) | 145,000 | 26,090 | 773,162 | Bonds and borrowings |
| Commercial papers | 135,000 | — | (135,000) | — | | |
| Current portion of bonds | 10,000 | — | (10,000) | — | | |
| Income taxes payable | 26,806 | 12 | — | 167 | 26,985 | Income taxes payable |
| Deferred tax liabilities | 6,591 | — | (6,591) | — | | |
| Reserve for directors' bonuses | 748 | — | (748) | — | | |
| Provision for loss on litigation | 1,007 | (322) | (685) | — | | |
| | | — | 2,547 | 1,825 | 4,372 | Provisions |
| Other | 299,062 | (10,305) | (149,990) | (4,817) | 133,950 | Other current liabilities |
| | | — | 20,582 | — | 20,582 | Other financial liabilities |
| Total current liabilities | 2,061,727 | (33,737) | (6,591) | 24,589 | 2,045,988 | Total current liabilities |
| Non-current liabilities | | | | | | Non-current liabilities |
| Bonds payable | 116,161 | — | 864,128 | (937) | 979,352 | Bonds and borrowings |
| Long-term loans payable | 854,927 | 9,201 | (864,128) | — | | |
| Lease obligations | 3,249 | — | — | — | 3,249 | Trade and other payables |
| Deferred tax liabilities | 101,102 | (4,138) | 6,591 | 32,160 | 135,716 | Deferred tax liabilities |
| Retirement benefits liabilities | 32,355 | (614) | — | 150 | 31,890 | Retirement benefits liabilities |
| Directors' retirement benefit liabilities | 528 | — | (528) | — | | |
| Provision for loss on guarantees | 756 | — | (756) | — | | |
| Provision for loss on allowance for liquidation of affiliated companies | 3,104 | — | (3,104) | — | | |
| Provision for contract loss | 1,941 | — | (1,941) | — | | |
| Provision for loss on litigation | 727 | (361) | (366) | — | | |
| | | — | 20,320 | 1,121 | 21,441 | Provisions |
| Other | 52,627 | — | (21,796) | (86) | 30,745 | Other non-current liabilities |
| | | — | 8,173 | 1,730 | 9,903 | Other financial liabilities |

| | | | | | | |
|--|-----------|----------|-------|---------|-----------|---|
| Total non-current liabilities | 1,167,482 | 4,088 | 6,591 | 34,138 | 1,212,300 | Total non-current liabilities |
| Total liabilities | 3,229,210 | (29,649) | — | 58,727 | 3,258,289 | Total liabilities |
| Net assets | | | | | | Equity |
| Capital stock | 64,936 | — | — | — | 64,936 | Share capital |
| Capital surplus | 155,021 | — | 127 | — | 155,148 | Capital surplus |
| Subscription rights to shares | 127 | — | (127) | — | | |
| Treasury shares | (3,858) | — | — | — | (3,858) | Treasury shares |
| Accumulated other comprehensive income | 281,012 | (30,100) | — | (7,697) | 243,216 | Other components of equity |
| Retained earnings | 628,399 | (6,194) | — | 68,520 | 690,725 | Retained earnings |
| | | | | | 1,150,169 | Total equity attributable to owners of the parent |
| Non-controlling interests | 178,844 | (1,374) | — | 3,597 | 181,067 | Non-controlling interests |
| Total net assets | 1,304,483 | (37,668) | — | 64,421 | 1,331,236 | Total equity |
| Total liabilities and net assets | 4,533,693 | (67,317) | — | 123,149 | 4,589,526 | Total liabilities and equity |

As of March 31, 2016

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year- end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|--|------------------|---------------------------------------|-------------------|-------------------------------------|------------------|---|
| Assets | | | | | | Assets |
| Current assets | | | | | | Current assets |
| Cash and deposits | 408,310 | (6,944) | (9,119) | — | 392,247 | Cash and cash equivalents |
| Notes and accounts receivable - trade | 1,198,337 | (2,205) | 74,883 | (27,468) | 1,243,547 | Trade and other receivables |
| Inventories | 580,051 | (3,956) | (2,034) | 33,024 | 607,085 | Inventories |
| Deferred tax assets | 11,600 | — | (11,600) | — | | |
| Other | 260,679 | (2,103) | (127,122) | (654) | 130,800 | Other current assets |
| Allowance for doubtful accounts | (33,086) | 580 | 32,506 | — | | |
| | | — | 28,852 | — | 28,852 | Other financial assets |
| Total current assets | 2,425,894 | (14,629) | (13,635) | 4,902 | 2,402,533 | Total current assets |
| Non-current assets | | | | | | Non-current assets |
| Property, plant and equipment | 598,286 | (2,967) | (20,892) | (7,670) | 566,757 | Property, plant and equipment |
| | | — | 23,298 | (1,327) | 21,971 | Investment property |
| Intangible assets | | | | | | |
| Goodwill | 135,948 | (6,670) | (129,278) | — | | |
| Other | 137,849 | (4,745) | 129,278 | (33,273) | 229,109 | Intangible assets |
| Investments and other assets | | | | | | |
| Investment securities | 476,774 | (171) | (476,603) | — | | |
| Other investments | 54,165 | — | (54,165) | — | | |
| | | — | 216,706 | 6,083 | 222,789 | Investments accounted for using equity method |
| | | — | 314,062 | 163,414 | 477,476 | Other investments |
| Long-term loans receivable | 25,789 | 748 | 6,993 | 923 | 34,453 | Trade and other receivables |
| Deferred tax assets | 22,833 | (131) | 11,600 | (3,382) | 30,920 | Deferred tax assets |
| Net defined benefit asset | 9,694 | — | (9,694) | — | | |
| Other | 75,128 | (19) | (51,060) | 145 | 24,194 | Total non-current assets |
| Allowance for doubtful accounts | (10,264) | 60 | 10,204 | — | | |
| | | — | 43,185 | — | 43,185 | Other financial assets |
| Total non-current assets | 1,526,205 | (13,897) | 13,635 | 124,915 | 1,650,858 | Total non-current assets |
| Total assets | 3,952,100 | (28,527) | — | 129,818 | 4,053,391 | Total assets |

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year- end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|---|-----------|---------------------------------------|-------------------|-------------------------------------|-----------|---------------------------------|
| Liabilities | | | | | | Liabilities and equity |
| Current liabilities | | | | | | Liabilities |
| Notes and accounts payable - trade | 867,302 | (7,787) | 134,388 | (4,680) | 989,223 | Current liabilities |
| Lease obligations | 2,717 | — | (2,717) | — | | Trade and other payables |
| Short-term loans payable | 468,903 | (11,973) | 66,042 | 14,904 | 537,876 | Bonds and borrowings |
| Commercial papers | 40,000 | — | (40,000) | — | | |
| Current portion of bonds | 26,042 | — | (26,042) | — | | |
| Income taxes payable | 27,210 | (2,328) | — | 112 | 24,994 | Income taxes payable |
| Deferred tax liabilities | 6,206 | — | (6,206) | — | | |
| Reserve for directors' bonuses | 328 | — | (328) | — | | |
| Provision for loss on litigation | 616 | (92) | (524) | — | | |
| | | — | 3,291 | 1,540 | 4,831 | Provisions |
| Other | 297,862 | (3,688) | (152,342) | (2,258) | 139,574 | Other current liabilities |
| | | — | 18,232 | (2,412) | 15,820 | Other financial liabilities |
| Total current liabilities | 1,737,191 | (25,870) | (6,207) | 7,205 | 1,712,319 | Total current liabilities |
| Non-current liabilities | | | | | | Non-current liabilities |
| Bonds payable | 110,000 | — | 871,170 | (1,958) | 979,212 | Bonds and borrowings |
| Long-term loans payable | 860,583 | 10,587 | (871,170) | — | | |
| Lease obligations | 2,851 | — | — | — | 2,851 | Trade and other payables |
| Deferred tax liabilities | 85,631 | (1,480) | 6,206 | 49,869 | 140,226 | Deferred tax liabilities |
| Retirement benefits liabilities | 36,917 | (178) | — | 38 | 36,777 | Retirement benefits liabilities |
| Directors' retirement benefit liabilities | 678 | — | (678) | — | | |
| Provision for loss on guarantees | 55 | — | (55) | — | | |
| Provision for loss on allowance for liquidation of affiliated companies | 523 | — | (523) | — | | |
| Provision for contract loss | 1,697 | — | (1,697) | — | | |
| Provision for loss on litigation | 380 | 65 | (445) | — | | |
| | | — | 20,114 | 1,130 | 21,244 | Provisions |
| Other | 59,810 | — | (40,561) | (55) | 19,194 | Other non-current liabilities |
| | | — | 23,848 | 1,730 | 25,578 | Other financial liabilities |

| | | | | | | |
|--|-----------|----------|-------|---------|-----------|---|
| Total non-current liabilities | 1,159,130 | 8,993 | 6,207 | 50,755 | 1,225,087 | Total non-current liabilities |
| Total liabilities | 2,896,322 | (16,876) | — | 57,960 | 2,937,406 | Total liabilities |
| Net assets | | | | | | Equity |
| Capital stock | 64,936 | — | — | — | 64,936 | Share capital |
| Capital surplus | 153,725 | (62) | 37 | 51 | 153,751 | Capital surplus |
| Subscription rights to shares | 37 | — | (37) | — | | |
| Treasury shares | (3,623) | — | — | — | (3,623) | Treasury shares |
| Accumulated other comprehensive income | 111,180 | (4,147) | — | (6,404) | 100,629 | Other components of equity |
| Retained earnings | 562,417 | (7,710) | — | 76,257 | 630,964 | Retained earnings |
| | | | | | 946,658 | Total equity attributable to owners of the parent |
| Non-controlling interests | 167,103 | 268 | — | 1,955 | 169,326 | Non-controlling interests |
| Total net assets | 1,055,777 | (11,651) | — | 71,858 | 1,115,984 | Total equity |
| Total liabilities and net assets | 3,952,100 | (28,527) | — | 129,818 | 4,053,391 | Total liabilities and equity |

2) Reconciliations of comprehensive income

Fiscal year ended March 31, 2016 (from April 1, 2015 to March 31, 2016)

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year- end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|--|-------------|---------------------------------------|-------------------|-------------------------------------|-------------|--|
| Net sales | 8,170,237 | (8,802) | (8,161,435) | — | 6,155,014 | Revenue |
| | | — | 8,060,456 | (1,905,442) | | Sale of goods |
| | | — | 100,978 | (9,889) | 91,089 | Sales of services and others |
| | 8,170,237 | (8,802) | — | (1,915,332) | 6,246,103 | Total revenue |
| Cost of sales | (7,554,195) | 7,041 | — | 1,913,590 | (5,633,564) | Cost of sales |
| Gross profit | 616,042 | (1,761) | — | (1,741) | 612,539 | Gross profit |
| Selling, general and administrative expenses | (475,742) | (2) | 158 | 37,164 | (438,422) | Selling, general and administrative expenses |
| | | — | 1,450 | — | 1,450 | Other income and expenses |
| | | — | (64,859) | (7,134) | (71,993) | Gain (losses) on disposal of fixed assets |
| | | — | (20,552) | (32) | (20,584) | Impairment loss on fixed assets |
| | | | | | (91,127) | Other |
| | | | | | | Total other income (expenses) |
| Operating income | 140,299 | (1,763) | (83,803) | 28,255 | 82,988 | Operating Profit |
| Other income | 41,766 | 142 | (41,909) | — | | |
| Other expenses | (53,970) | (551) | 54,522 | — | | |
| Extraordinary income | 11,239 | (1,017) | (10,222) | — | | |
| Extraordinary losses | (92,799) | 605 | 92,193 | — | | |
| | | — | 8,079 | — | 8,079 | Financial income and expenses |
| | | — | (28,214) | (95) | (28,309) | Interest income |
| | | — | 19,854 | — | 19,854 | Interest expenses |
| | | — | (4,602) | 2,156 | (2,446) | Dividend income |
| | | | | | (2,821) | Other |
| | | | | | | Total financial income(costs) |
| | | — | (5,739) | 2,342 | (3,397) | Share of net profit (loss) of investments accounted for using equity method |
| Profit before income taxes | 46,535 | (2,584) | 158 | 32,660 | 76,769 | Profit before income tax |
| Income taxes | (69,776) | 513 | (158) | (8,131) | (77,552) | Income tax expense |
| Profit (loss) | (23,240) | (2,070) | — | 24,529 | (782) | Profit (loss) for the year |
| Profit (loss) attributable to owners of the parent | (43,714) | (1,520) | — | 25,954 | (19,280) | Profit (loss) attributable to : |
| Profit (loss) attributable to non- controlling interests | 20,473 | (550) | — | (1,426) | 18,497 | Owners of the parent |
| | | | | | | Non-controlling interests |

(Unit: Millions of yen)

| JGAAP | JGAAP | Change in fiscal year- end date | Reclassifications | Effects of transition to IFRS | IFRS | IFRS |
|--|-----------|---------------------------------------|-------------------|-------------------------------------|-----------|---|
| Profit (loss) | (23,240) | (2,070) | — | 24,529 | (782) | Profit (loss) for the year |
| Other comprehensive income | | | | | | Other comprehensive income |
| | | | | | | Items that will not be reclassified to profit or loss |
| Remeasurements of defined benefit plans | (9,833) | — | — | 1,288 | (8,545) | Remeasurement of defined benefit pension plan |
| Valuation difference on available-for-sale securities | (41,348) | — | — | (17,842) | (59,190) | Financial assets measured at FVTOCI |
| | | — | (607) | 27 | (580) | Share of other comprehensive income of investments accounted for using the equity method |
| | | | | | | Items that may be reclassified to profit or loss |
| Deferred gains or losses on hedges | (12,358) | — | — | (4,184) | (16,542) | Cash flow hedges |
| Foreign currency translation adjustment | (109,726) | 19,305 | — | 6,186 | (84,235) | Exchange differences on translation of foreign operations |
| | | — | (6,248) | (1,158) | (7,406) | Share of other comprehensive income of investments accounted for using the equity method |
| Share of other comprehensive income of entities accounted for using equity method | (6,737) | (118) | 6,855 | — | | |
| Total other comprehensive income | (180,003) | 19,186 | — | (15,684) | (176,501) | Other comprehensive income, net of tax |
| Comprehensive income | (203,244) | 17,116 | — | 8,845 | (177,283) | Total comprehensive income |
| | | | | | | Total comprehensive income attributable to : |
| Comprehensive income attributable to owners of the parent | (213,576) | 17,911 | — | 14,084 | (181,581) | Owners of the parent |
| Comprehensive income attributable to non- controlling interests | 10,332 | (795) | — | (5,240) | 4,297 | Non-controlling interests |

3) Reconciliations of cash flows

In the consolidated cash flows, the items which have mainly affected by the transition from JGAAP to IFRS are related to transfers of financial assets. The amounts of the effect were, in the fiscal year ended march 31, 2016, 11,180 million yen of (Increase) decrease in trade and other receivables in cash flows from operating activities; and minus 11,180 million yen of increase (decrease) in short-term loans payable in cash flows from financing activities.

3. Difference between IFRS and JGAAP (Fiscal year ended March 31, 2017)

Differences between the main items in the consolidated financial statements based on IFRS and items corresponding to them in the consolidated financial statements based on JAGGP are as follows.

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Presentation of revenue)

Under JGAAP, transactions which the Group exercised as one of the parties or was involved as an agent are presented as net sales with the gross amount, while under IFRS, transactions which the Group is involved as an agent are presented as revenue with the net amount. Due to this change, for the fiscal year ended March 31, 2017, revenue and cost of sales under IFRS decreased 2,104,613 million yen each compared to those under JGAAP.

(Amortization of goodwill)

Under JGAAP, goodwill is amortized over a certain period, while under IFRS, goodwill is not amortized. Due to the effect, for the fiscal year ended March 31, 2017, amortization of goodwill under IFRS (selling, general and administrative expenses) decreased 20,328 million yen compared to that under JGAAP.