TOYOTA TSUSHO CORPORATION

Annual Report 2011

Year ended March 31, 2011

GLOBAL 2020 VISION

Five years have passed since the Company made a fresh start as the newly-born Toyota Tsusho Corporation following the merger of the former Toyota Tsusho and Tomen Corporation on April 1, 2006.

In the fiscal year ending March 31, 2012, the objectives of "VISION 2015"—"achieve a 50:50 earnings ratio for our automotive and non-automotive businesses" and "develop second and third core businesses"—now overlap with our current long-term business plan. On this occasion, we have formulated the new "GLOBAL 2020 VISION" to clarify the mission of the Toyota Tsusho Group and ensure sustained growth on a global basis.

Achieve the "TRY-1" Initiative Over the Next 10 Years

- Every member of the Toyota Tsusho Group will pursue "breakthrough" and "co-creation," as we focus on growing businesses and generating synergies in the three key fields of Mobility, Life & Community, and Earth & Resources. Through these efforts, we aim to realize a balanced "1:1:1" business portfolio.
- In the process of developing a balanced "1:1:1" business portfolio, the Toyota Tsusho Group also aims to increase the number of countries and regions where it commands a No. 1 presence, create No. 1 businesses and become the No. 1 company in terms of career fulfillment.

The Toyota Tsusho Group has worked to achieve a 50:50 earnings ratio from automotive and non-automotive businesses.

Now, the Toyota Tsusho Group has realigned business operations into three key fields.
The Group aims to expand business in each area.

2010

TRY-1 1 : 1 : 1

Mobility

In the Mobility field, the Toyota Tsusho Group will anticipate changes in the automotive business at the interface between automobiles and people and society, and the opportunities spawned by these changes, with the view to driving business expansion and contributing to a next-generation mobility culture.

Life & Community

In the Life & Community field, the Toyota Tsusho Group aims to create and expand businesses that provide more useful and multifaceted forms of value to people and society, as a value-generation corporation that helps to build a prosperous society.

Earth & Resources

In the Earth & Resources field, the Toyota Tsusho Group will directly face global issues related to food, resources, the natural environment and other areas. Taking unique approaches possible only at Toyota Tsusho Group, we aim to create new value while achieving further business growth and expansion.

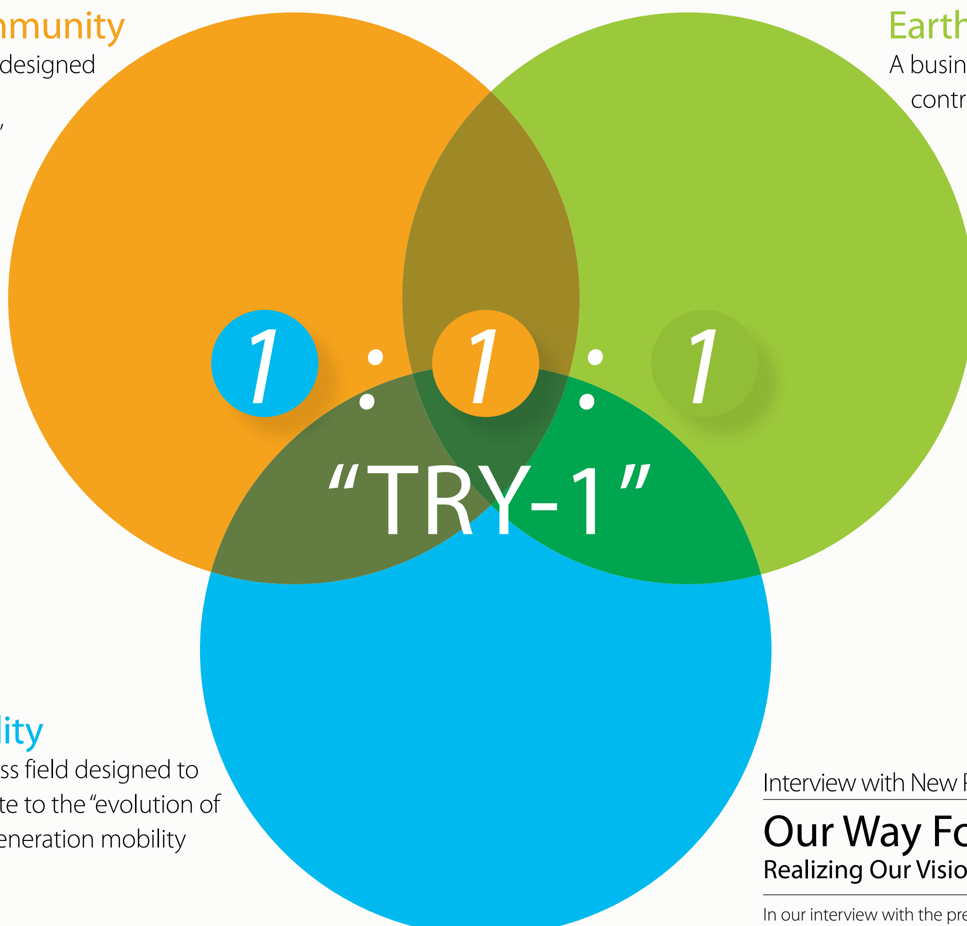
Achieve a balanced “1:1:1” business portfolio across three operating fields

Life & Community

A business field designed to contribute to “better lifestyles”

Earth & Resources

A business field designed to contribute to “solutions to global issues”



Mobility

A business field designed to contribute to the “evolution of a next-generation mobility culture”

2020

Interview with New President Jun Karube

Our Way Forward

Realizing Our Vision for Toyota Tsusho

In our interview with the president, we look closely at the background behind the new vision and the thinking that has gone into formulating it.

see page 12

Profile

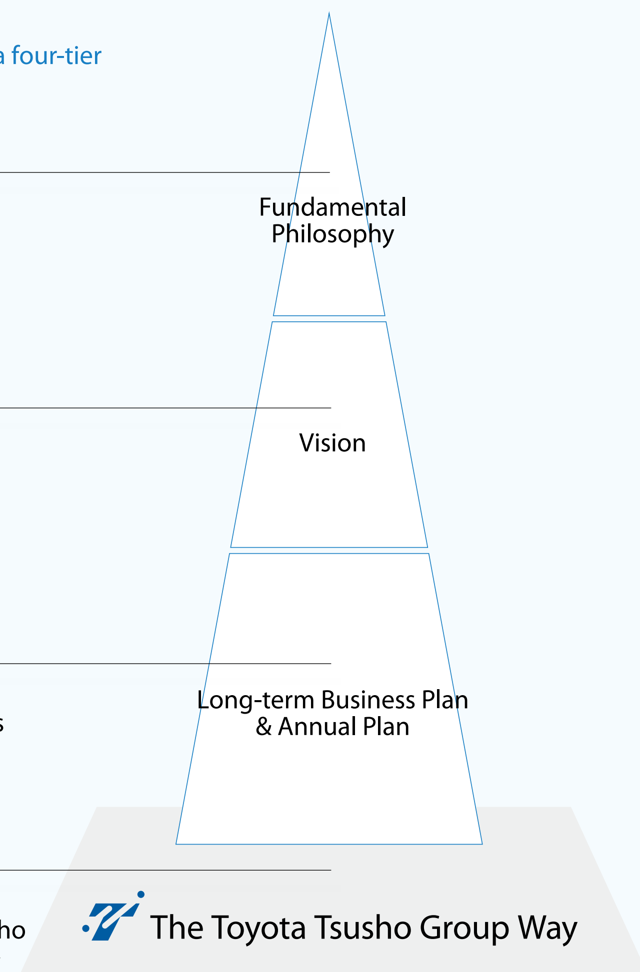
Toyota Tsusho Corporation was established in 1948 as Nisshin Tsusho Kaisha, Ltd. and was renamed Toyoda Tsusho Kaisha, Ltd. in 1956. Thereafter, the Company listed its shares on the First Section of the Tokyo Stock Exchange in 1977. In 1985, the Tokyo Branch was upgraded to the Tokyo Head Office. Together with the Nagoya Head Office, this gave the Company a dual head-office structure that continues to this day.

The current Toyota Tsusho Corporation was formed through mergers with Kasho Company, Ltd. in 2000 and Tomen Corporation in 2006.

More than 60 years have passed since Toyota Tsusho's establishment. During this period, we have contributed to society while gaining experience and knowledge. Toyota Tsusho will continue to bring together the strengths of its frontline business locations and human resources to make an even greater contribution to society going forward.

Four-tier Conceptual Hierarchy

The Toyota Tsusho Group aims to establish a new era based on a four-tier conceptual hierarchy.



Fundamental Philosophy

Unchanging ideals that should be passed on to future generations

Vision

Goals and milestones that should be reached within 10 years while realizing the Basic Philosophy

Long-term Business Plan & Annual Plan

Guidelines for business activities reflecting shifts in the business environment, consisting of policies, concrete action plans, and numerical targets

The Toyota Tsusho Group Way

Values and principles of conduct to be shared by all Toyota Tsusho directors and employees to realize the Group's Basic Philosophy and Vision

G VALUE with you

"G'VALUE with you" is the Toyota Tsusho Group's slogan for realizing its Corporate Philosophy. As our "flagship message," this slogan is the embodiment of both our guiding principles and commitment to stakeholders.

The letter "G" refers to the various important keywords under which the Toyota Tsusho Group operates.

Global Expansion of our activities on the world stage

Glowing Sustaining a healthy and glowing morale and passion

Generating Continuing to create new businesses

Corporate Philosophy

Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society.

Behavioral Guidelines

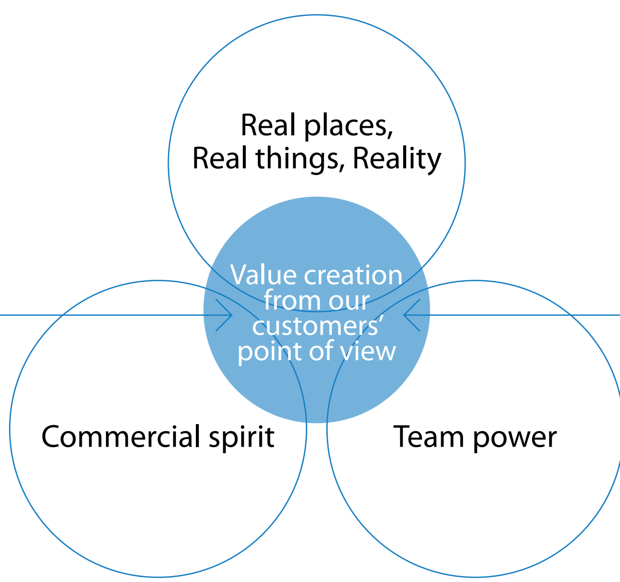
As a good corporate citizen, we will:

- Implement open and fair corporate activities
- Fulfill our social responsibilities and conserve the global environment
- Offer creativity and provide added value
- Respect people and create an active working environment filled with job satisfaction

The Toyota Tsusho Group Way

From "nothing" to "something"

With the mobilization of advanced expertise, the ability to judge, the ability to gather information, the ability to build human relationships, the strengths of the locations and human resources at our disposal, and through the art of joining these abilities together, we can discover and cultivate new types of business from "nothing."



From a one-dimensional point past a two-dimensional line to a three-dimensional plane

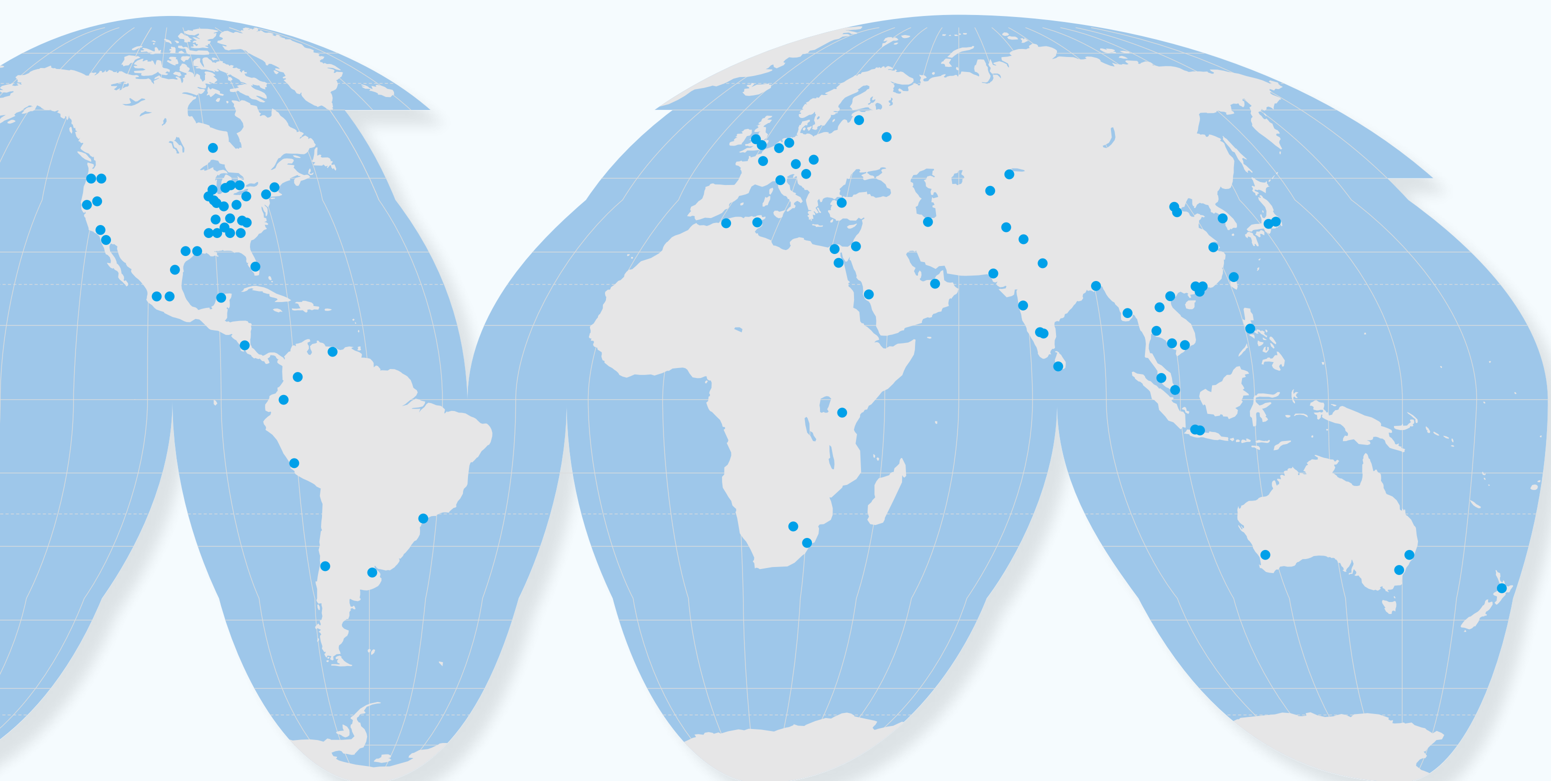
From upstream fields all the way downstream, through the construction of a global and highly efficient value chain, we aim to combine our functions.

Global Network

Toyota Tsusho is a general trading company that develops business together with over 400 consolidated Group companies in Japan and overseas and with customers around the world, via a global network covering Japan and more than 60 other countries worldwide.

Toyota Tsusho has a divisional system made up of seven divisions, namely the Metals Division, the Global Production Parts & Logistics Division, the Automotive Division, the Machinery, Energy & Project Division, the Chemicals & Electronics Division, the Produce & Foodstuffs Division, and the Consumer Products, Services & Materials Division. With this system, the Company provides products and services in a broad range of business domains that are essential to realizing the creation of a prosperous and fulfilling society.

While fostering teamwork and sharing ambitions and achievements with all stakeholders, we will make every effort to make Toyota Tsusho into a company that is truly invaluable to society.



● Toyota Tsusho and main regional subsidiary bases

The Toyota Tsusho Group has over 400 consolidated Group companies in Japan and overseas.
(see pages 54 to 59)

Japan

TOYOTA TSUSHO CORPORATION

Nagoya Head Office: 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

Tokyo Head Office: 3-13, Konan 2-chome, Minato-ku, Tokyo 108-8208, Japan

Osaka, Hamamatsu, Toyota, Hokkaido, Tohoku, Niigata, Hokuriku, Hiroshima, Kyushu, Matsumoto, Mishima, Fukuyama, Takamatsu

North America

TOYOTA TSUSHO AMERICA, INC.

Head Office: 700 Triport Rd., Georgetown, KY 40324, U.S.A.

Ann Arbor, Arkansas, Battle Creek, Boston, Chicago, Cincinnati, Columbus, Dania Beach, Detroit, Fremont, Houston, Huntsville, Jackson, Lafayette, Los Angeles, Miami, Missouri, New York, Portland, Princeton, San Antonio, San Diego, San Francisco, Tennessee, Tupelo, West Virginia

TOYOTA TSUSHO CANADA, INC.

1080 Fountain St., Cambridge, Ontario, N3E 1A3, Canada

Woodstock

TOYOTA TSUSHO MEXICO, S.A. DE C.V.

Calle Septima No. 300, Suite 1020, Parque Industrial Monterrey, Apodaca, NL, C.P. 66603, Mexico

Central & South America

TOYOTA TSUSHO CORPORATION

Santiago, Lima

TOYOTA TSUSHO AMERICA, INC.

Quito, San Jose (Costa Rica)

TOYOTA TSUSHO DE VENEZUELA, C.A.

Av. Francisco de Miranda con Av. Arturo Uslar Pietri, Edificio Torre Metalica, Piso 14, Urb. Chacao, Sector Chacao, Municipio Chacao Estado Milanda, Caracas, Venezuela

S.C. TOYOTA TSUSHO DO BRASIL LTDA.

Edificio Parque Cultural Paulista
Avenida Paulista 37-5 andar,
CEP 01311-902, Bairro, Paraiso, Sao Paulo, SP, Brazil

TOYOTA TSUSHO ARGENTINA S.A.

Ruta Panamericana Km. 29.4 (B1618EZE), El Talar, Provincia de Buenos Aires, Argentina

C.I. TOYOTA TSUSHO DE COLOMBIA S.A.

Calle 113 No. 7-21 Oficina 607 Torre A Teleport Business Park, Colombia

Europe

TOYOTA TSUSHO EUROPE S.A.

Belgicastraat 13, 1930 Zaventem, Belgium

Budapest, Dusseldorf, Liberec, Milan, Paris, Prague, Valenciennes, Walbrzych

TOYOTA TSUSHO U.K. LTD.

5th Floor, 63 Queen Victoria Street, London EC4N 4UA, United Kingdom

Derby

Russia & the CIS

TOYOTA TSUSHO CORPORATION

Almaty, Moscow, Tashkent

TOYOTA TSUSHO MACHINERY RUSSIA, LLC

Sofiyskaya ul., 66, Lit B, St. Petersburg, 192289, Russia

Africa

TOYOTA TSUSHO CORPORATION

Alexandria, Alger, Cairo, Tunis

TOYOTA TSUSHO AFRICA PTY. LTD.

5th Floor, 138 West St., Sandown, Sandton 2146, South Africa

Durban, Nairobi

Middle East

TOYOTA TSUSHO CORPORATION

Amman, Dubai, Jeddah, Sharjah

TOYOTA TSUSHO EUROPE S.A.

Kocaeli

TOMEN IRAN LIMITED LIABILITY COMPANY

Armita Bldg., 12th Floor, Corner of 9th Alley, Ahmad Ghasir (Bokharest) St., P. O. Box 15875/3141 Tehran 15137-46581 Islamic Republic of Iran

Asia

TOYOTA TSUSHO CORPORATION

Manila (Branch), Beijing, Colombo, Dhaka, Hanoi, Ho Chi Minh, Islamabad, Jakarta, Karachi, Lahore, Phnom Penh, Vientiane, Yangon

TOYOTA TSUSHO (CHINA) CO., LTD.

Rm. No. 220 Beijing Fortune Bldg. No. 5, Dong San Huan Bei Lu Chaoyang District, Beijing, China

TOYOTA TSUSHO (TIANJIN) CO., LTD.

32th Floor, the Exchange Office Tower, 189 Nanjing Rd., Heping District, Tianjin, China

Beijin, Changchun, Dalian, Harbin, Shengyang

TOYOTA TSUSHO (SHANGHAI) CO., LTD.

12th Floor, JIAHUA CENTER, 1010 Huaihai Zhong Rd., Xuhuiqu, Shanghai, China

Chengdu, Chongqing, Hangzhou, Nanjing, Nantong, Qingdao, Wuxi, Yantai

TOYOTA TSUSHO (GUANGZHOU) CO., LTD.

Rm. No. 5503, Citic Plaza, 233 Tian He North Rd., Guangzhou, China

Nansha

TOYOTA TSUSHO (H.K.) CORPORATION LTD.

Rm. No. 2702, Block 1, 27th Floor, Admiralty Centre, 18 Harcourt Rd., Hong Kong, China

Xiamen, Dongguan

TOYOTA TSUSHO KOREA CORPORATION

Rm. No. 1809, Kukudong Bldg., 60-1, 3 Ka, Chungmuro, Chung-gu, Seoul, Korea

TOYOTA TSUSHO (TAIWAN) CO., LTD.

5F., No. 101 Songren Rd., Sinyi District, Taipei City, Taiwan

TOYOTA TSUSHO PHILIPPINES CORPORATION

Block 4, Lot 2, Main Road 3, Calamba Premiere International Park, Calamba Laguna, Philippines

Makati

TOYOTA TSUSHO (THAILAND) CO., LTD.

607 Asoke-Dindaeng Rd., Kwaeng Dindaeng, Khet Dindaeng, Bangkok 10400, Thailand

TOYOTA TSUSHO (SINGAPORE) PTE. LTD.

600 North Bridge Rd. No.19-01 Parkview Square, Singapore 188778

TOYOTA TSUSHO (MALAYSIA) SDN. BHD.

Rm. No. 1404, Wisma Lim Foo Yong, No. 86 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia

P.T. TOYOTA TSUSHO INDONESIA

Mid Plaza 2 Bldg. 10th Floor, Jl. Jend. Sudirman kav. 10-11 Jakarta 10220, Indonesia

Bandung, Cibitung

TOYOTA TSUSHO INDIA PVT. LTD.

Bldg. No. 4, Plot No. 20, Toyota Techno Park, Bidadi Ind. Area, Ramanagar Taluk, Bangalore (Rural) District, 562 109 India

Bangalore, Chennai, Mumbai, New Delhi

TOYOTA TSUSHO VIETNAM CO., LTD.

Sun Red River Building, Room 608, 23 Phan Chu Trinh, Phan Chu Trinh Street, Hoan Kiem District, Hanoi, Vietnam

Ho Chi Minh

Oceania

TOYOTA TSUSHO (AUSTRALASIA) PTY. LTD.

231-233 Boundary Rd., Laverton North, VIC 3026, Australia

Sydney, Perth, Auckland

Network

(As of July 1, 2011)

Organizational Chart

- General Shareholders
- Corporate Auditors
- Board of Corporate Auditors
- Board of Directors
- President
  - ERM Committee
    - ERM Convention
  - CSR Committee
  - Corporate Management Committees
  - Executive Vice Presidents' Meeting
  - Business Management Committee
  - Business Operating Committee

Regional Strategy & Coordination Department

Nagoya head
Nagoya office
Kariya office
Tokyo head
Toyota branch

Hokkaido branch
Sapporo office
Tohoku branch
Niigata branch
Matsumoto office
Hamamatsu branch
Mishima office
Osaka branch
Hokuriku branch
Hiroshima branch
Takamatsu office
Kyushu branch
Nakatsu office

Domestic Offices: 14

Overseas Offices: 25
Overseas Trading Subsidiaries: 26

Administrative Division

Enterprise Risk Management Department
Corporate Planning Department
Public Relations Department
IT Strategy Department
New Business Development Department
Global Business Planning Department
Secretarial Department
Human Resources Department
General Administration Department
Accounting Department
Business Accounting Department
Finance Department
Credit & Trade Control Department
Legal Department
Kaizen & Cost Reduction Department
Global Logistics Management Department
Safety and Global Environment Management Department
KD Business Department

Metal Division

Metal Planning Department
Steel Sheet & Plate Sales Department 1
Steel Sheet & Plate Sales Department 2
Specialty Steel & Wire Rod Sales Department
Osaka Metal Department
Hamamatsu Metal Department
Kyushu Metal Department
Steel Products Sales Department
Tokyo Metal Department
International Steel Trading Department
Non-Ferrous Metal Department 1
Non-Ferrous Metal Department 2 – Base Metals
Metal & Mineral Resources Department
Iron & Steel Raw Materials Department

Global Production Parts & Logistics Division

Global Production Parts & Logistics Planning Department
Business Development Department
Global Production Parts Department 1
Global Production Parts Department 2
Global Production Parts Department 3
Global Production Parts Strategic Integration Department
Logistics Business Department
Parts Assembly Business Department
Automotive Parts Department

Automotive Division

Automotive Planning Department
Europe Automotive Department
The Americas Automotive Department
Asia & Oceania Automotive Department
China Automotive Department
Middle East & South West Asia Automotive Department
Africa Automotive Department
Hino & Subaru Automotive Department
Daihatsu Automotive Department
Automotive Customer Service Department
Vehicles & Components Department

Machinery, Energy & Project Division

Machinery, Energy & Project Planning Department
Power & Drive Train Machinery Department
Automotive Body Machinery Department
Machinery & Service Department
Global Machinery Parts & Tools Supply Department
Electronic Machinery & Solution Department
Energy Infrastructure Project Department
Power Project Development Department
Gas & Coal Project Department
Petroleum & Alternative Energy Project Department
Industrial Machinery & Project Department
Material Handling Machinery Department
Construction Machinery & Project Department

Chemicals & Electronics Division

Chemicals & Electronics Planning Department
Chemical Business Development Department
Organic Chemicals Department
Industrial Chemicals Department
Fine Chemicals Department
Plastic Business Development Department
Plastics Department
Automotive Materials Department 1
Automotive Materials Department 2
Electronics Materials Department
Electronics Department
Information Technology Business Department

Produce & Foodstuffs Division

Produce & Foodstuff Planning Department
Produce & Foodstuff Business Development Department
Feed & Oilseeds Department
Produce Department
Foodstuff Department
Osaka Produce & Foodstuff Department

Consumer Products, Services & Materials Division

Consumer Products, Services & Material Planning Department
Textile Products Department
Life Style Business Department
Industrial Materials & Products Department
Estate Development Department
Insurance Department 1
Insurance Department 2
Automotive Accessories & Materials Department

Contents

Theme for Annual Report 2011

Our Way Forward

Realizing Our Vision for Toyota Tsusho

On June 23, 2011, Toyota Tsusho appointed Jun Karube as its new president, and unveiled its new GLOBAL 2020 VISION. In this interview, we spoke with Mr. Karube about the principles and background underlying the new management vision, and his own ambitions for Toyota Tsusho.

A Cautionary Note on Forward-Looking Statements:
This annual report contains "forward-looking statements" about Toyota Tsusho's future plans, strategies, beliefs and performance that are not historical facts. These forward-looking statements are presented to inform stakeholders of the views of Toyota Tsusho's management but should not be relied on exclusively in making investment and other decisions.

These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from the information presented here, which is based on assumptions and beliefs in light of information currently available to the management at the time of publication. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no obligation if our forward-looking statements do not reflect actual results due to new information, future events or other developments. Earnings forecasts and other projections in this annual report were formulated and announced as of June 2011.

To Our Stakeholders

First, we would like to express our deepest sympathies for those personally affected by the Great East Japan Earthquake and all other related parties. Our thoughts and prayers go out to those who lost their lives and their family members. We hope for the speediest possible recovery of the affected areas.

(From left)
Junzo Shimizu, Vice Chairman
Mitsuo Kinoshita, Chairman of the Board
Jun Karube, President

Looking at the economic environment surrounding the Company in fiscal 2010, ended March 31, 2011, the global economy staged a gradual recovery, driven by growth in emerging countries. In response, Japan's economy started to show signs of emerging from a standstill. However, economic conditions deteriorated rapidly toward the end of the fiscal year. The main reasons were surging crude oil prices resulting from heightened geopolitical tension in the Middle East occurring since February 2011, and the drop in industrial production due to the damage and power shortages caused by the Great East Japan Earthquake in March 2011.

Under these conditions, the Toyota Tsusho Group achieved almost all of its business forecasts for fiscal 2010, posting net sales of ¥5,743.6 billion, up ¥641.4 billion, or 12.6%, year on year, and net income of ¥47.1 billion, an increase of ¥19.8 billion, or 72.5%, year on year.

Amid major upheaval in the economic environment, the Toyota Tsusho Group was able to achieve its business forecasts because of several factors. First, guided by the keywords of its management policies for fiscal 2010 of "Think," "Challenge," and "Change," Toyota Tsusho worked to further expand its business domains by actively making business investments and striving to strengthen ties with outstanding business partners in Japan and overseas. We also benefited from positive external factors such as rebounding automobile production in emerging countries, North America, and elsewhere, and expanding demand for machinery in China and other countries. Another contributing factor was inward efforts to enhance earnings by rigorously reducing costs and raising efficiency.

In fiscal 2011, our business environment should remain challenging as the effects of the unprecedented earthquake and tsunami of March 2011 are expected to have a continuing severe impact on various industries and economies around the world. In this climate, we adopted "Accelerate" and "Change" as the key words of our management policies for fiscal 2011. Of course, we will do everything we can to assist with the earliest possible recovery of the disaster-stricken areas and implement power conservation measures to address power shortages mainly in the Tokyo metropolitan area. But we will also concentrate on upgrading and extending the supply chains underpinning various industries, such as procurement and logistics, which are crucial functions that trading companies must perform. Aiming to realize our newly-formulated GLOBAL 2020 VISION, we will take up the challenge of new business creation initiatives that contribute to the "evolution of next-generation mobilities," "better lifestyles," and "solutions to global issues."

In closing, I would like to extend my sincere gratitude to all of our shareholders for their warm support and understanding of the Toyota Tsusho Group's corporate philosophy, business values and growth strategies. I look forward to your continued support in the years ahead.

August 2011

JUN KARUBE
President

Financial Highlights

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years Ended March 31

Financial Highlights for the Fiscal Year Ended March 31, 2011

● Net sales and operating income both increased for the first time in three years.
Net sales increased 12.6% year on year to ¥5,743.6 billion. Operating income was ¥85.2 billion, up 53.4% year on year. Net income rose 72.5% year on year to ¥47.1 billion.

● Total net assets, total assets, and shareholders' equity increased from a year earlier.
Total net assets, total assets, and shareholders' equity increased from a year earlier. In addition, consolidated ROE improved 3.09 points from the previous fiscal year-end to 7.99%, in line with the increase in net income.

● Cash dividends per share of ¥28
Cash dividends per share of ¥28 were paid. The consolidated dividend payout ratio was 20.8%.

	FY2006	FY2007	FY2008	FY2009	FY2010 (Millions of Yen)	FY2010 (Thousands of U.S. Dollars (Note 1))
Results of Operations:						
Net Sales (Note 2)	¥6,212,726	¥7,000,353	¥6,286,996	¥5,102,261	¥5,743,649	$69,075,754
Cost of Sales	5,884,267	6,630,829	5,960,317	4,821,470	5,412,919	65,098,244
Gross Trading Profit	328,459	369,524	326,679	280,790	330,730	3,977,510
SG&A Expenses	218,456	237,853	235,661	225,199	245,432	2,951,677
Operating Income	110,003	131,671	91,017	55,591	85,297	1,025,820
Net Income	77,212	67,506	40,224	27,339	47,169	567,276
Financial Position at Year-End:						
Current Assets	¥1,659,437	¥1,885,496	¥1,460,128	¥1,554,301	¥1,672,945	$20,119,603
Total Assets	2,462,229	2,603,207	2,130,089	2,274,547	2,436,248	29,299,434
Current Liabilities	1,298,916	1,479,494	1,045,088	1,134,895	1,275,121	15,335,189
Total Net Assets (Note 2)	626,539	639,731	586,996	650,215	667,378	8,026,193
Cash Flows:						
Net Cash Provided by Operating Activities	¥ 44,599	¥ 104,728	¥ 123,760	¥ 100,217	¥ 79,884	$ 960,721
Net Cash Used in Investing Activities	(31,159)	(36,717)	(54,827)	(73,090)	(74,046)	(890,511)
Net Cash Provided by (Used in) Financing Activities	(46,555)	(23,058)	4,614	(107,623)	77,751	935,069
Cash and Cash Equivalents at End of Year	125,603	174,197	242,530	170,714	252,747	3,039,651

	FY2006	FY2007	FY2008	FY2009	FY2010 (Yen)	FY2010 (U.S. Dollars (Note 1))
Per Share:						
Net Income:						
Basic	¥231.47	¥192.44	¥114.73	¥78.08	¥134.78	$1.62
Diluted	230.30	192.08	114.72	–	–	–
Cash Dividends for the Year	26.00	30.00	26.00	16.00	28.00	0.34
ROE	15.68%	11.59%	7.20%	4.90%	7.99%	

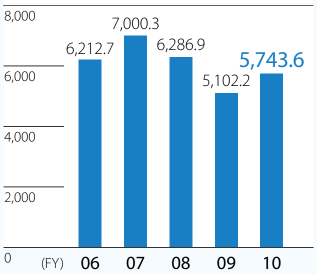
	FY2006	FY2007	FY2008	FY2009	FY2010 (Times)
Debt Equity Ratio (Net)	1.17	1.02	1.08	0.96	0.98

	FY2006	FY2007	FY2008	FY2009	FY2010 (Thousands of shares)
Common Stock:					
Number of Shares Outstanding at Year-End	354,057	354,057	354,056	354,056	354,056

Notes: 1. The U.S. dollar amounts have been translated from the amounts stated in yen, solely for the convenience of the readers, at the rate of ¥83.15=U.S.$1, the approximate exchange rate on March 31, 2011, which was the final business day of financial institutions in fiscal 2011.
2. Effective from fiscal 2006, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Presentation of Net Assets in the Balance Sheet."

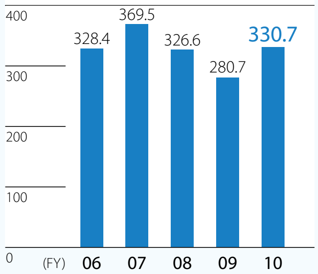
NET SALES
(¥ billion)

+641.4 billion yen



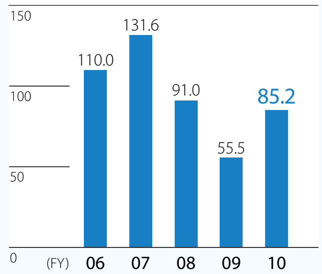
GROSS TRADING PROFIT
(¥ billion)

+50.0 billion yen



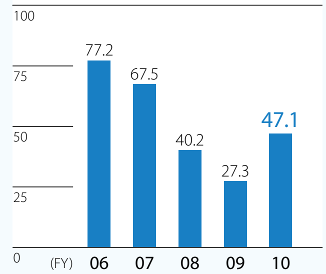
OPERATING INCOME
(¥ billion)

+29.7 billion yen



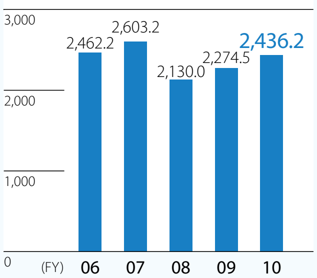
NET INCOME
(¥ billion)

+19.8 billion yen



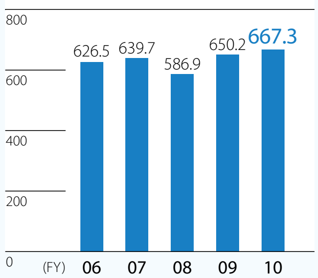
TOTAL ASSETS
(¥ billion)

+161.7 billion yen



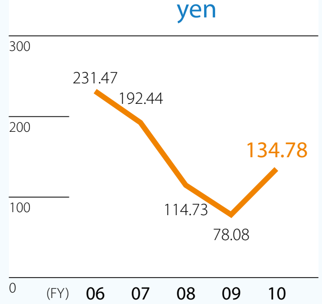
TOTAL NET ASSETS
(¥ billion)

+17.1 billion yen



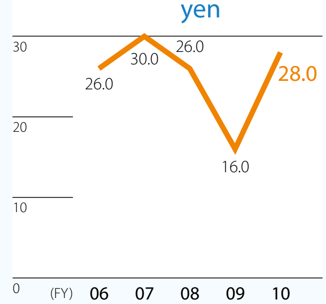
NET INCOME (BASIC) PER SHARE
(¥)

+56.7 yen



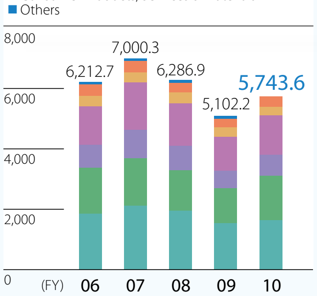
CASH DIVIDENDS PER SHARE
(¥)

+12.0 yen



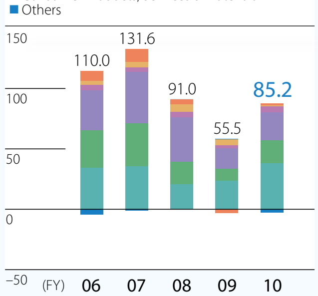
SEGMENT SALES
(¥ billion)

- Metals
- Machinery & Electronics
- Automotive
- Energy & Chemicals
- Produce & Foodstuffs
- Consumer Products, Services & Materials
- Others



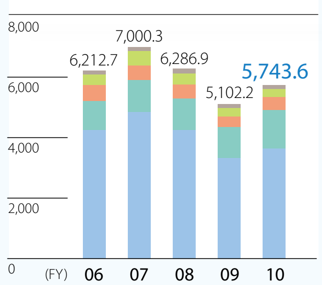
SEGMENT OPERATING INCOME (LOSS)
(¥ billion)

- Metals
- Machinery & Electronics
- Automotive
- Energy & Chemicals
- Produce & Foodstuffs
- Consumer Products, Services & Materials
- Others



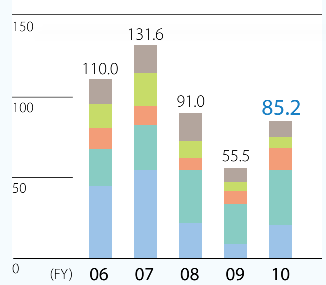
REGIONAL SALES
(¥ billion)

- Japan
- Asia & Oceania
- North America
- Europe
- Others



REGIONAL OPERATING INCOME
(¥ billion)

- Japan
- Asia & Oceania
- North America
- Europe
- Others



Interview With New President Jun Karube

On June 23, 2011, Toyota Tsusho appointed Jun Karube as its new president and unveiled its new GLOBAL 2020 VISION.

In this interview, we spoke with Mr. Karube about the principles and background underlying the new management vision and his own ambitions for Toyota Tsusho.

Our Way Forward
Realizing Our Vision for Toyota Tsusho

Q1
First, what are your ambitions as Toyota Tsusho's new president?

Q2
What is your general assessment of Toyota Tsusho's business environment, performance and initiatives in the fiscal year ended March 31, 2011?

Q3
The new GLOBAL 2020 VISION was drawn up this year. What led to the formulation of this new management vision?

Q4
What are the specific points of the GLOBAL 2020 VISION?

Q5
As you said earlier, the goals of "VISION 2015—LEAD THE NEXT," the previous management vision, coincide with those of the current long-term business plan. What are the key points of these goals and what are your policies for fiscal 2011?

Q6
Can you explain the keywords of "Accelerate" and "Change" in more detail?

Q7
Please discuss in detail your recent investments and the scale and plans for future investments.

Q8
Please discuss your financial targets and your dividend policy.

Q9
What is your approach to CSR?

Q10
Finally, what are the key priorities for realizing the GLOBAL 2020 VISION? As president, what points in particular do you wish to emphasize?

PERSPECTIVES
AS NEW PRESIDENT

Q1

First, what are your ambitions as Toyota Tsusho's new president?

A1

My mission as president is to establish Toyota Tsusho's second and third core earnings drivers alongside the automotive field, with the aim of developing a robust earnings structure and financial position.

In 2006, during the years when my predecessor, Mr. Shimizu, was president, Toyota Tsusho merged with Tomen Corporation and unveiled "VISION 2015—LEAD THE NEXT"–a vision for achieving a 50:50 earnings ratio for our automotive and non-automotive businesses by fiscal 2015. Fiscal 2010 marked the fifth year since the merger. Looking back at "VISION 2015—LEAD THE NEXT," I feel that we have made excellent progress as the integrated, newly-born Toyota Tsusho. However, the specific measures designed to realize the vision have only started to gradually gather pace in the past two or three years. I believe that we must now further accelerate these measures.

After effectively posting record net income* of ¥67.5 billion in fiscal 2007, we faced the global financial crisis triggered by the Lehman Brothers bankruptcy. With this turn of events, we were convinced that aiming for a balanced earnings structure was the right course. Having taken on an earnings structure and financial position that have returned to a growth path, I recognize that my mission as president is to make this earnings structure and financial position even stronger. At the same time, I have a duty to establish Toyota Tsusho's second and third core earnings drivers alongside the automotive field by actively accelerating investments and steadily accumulating the returns. Key priorities for driving the Toyota Tsusho Group's future development are to accelerate overseas business development even further, and to strengthen alliances with global strategic partners.

The Toyota Tsusho Group has experienced many economic downturns in the past. However, time and again, we have risen above crises, supported by strong partnerships with customers, suppliers, and shareholders.

In the transformative period we are in now, the Toyota Tsusho Group is determined to achieve sustainable growth. To do so, the Group will make a concerted effort to bring together its ambitions and free thinking as well as strong passion, personal character, and ability to execute, in order to develop businesses that give first consideration to the needs of customers and society at large. These efforts will be guided by our new GLOBAL 2020 VISION, which was drawn up this year in line with our corporate philosophy of "living and prospering together with people, society, and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." While sharing our aspirations and successes with our stakeholders, we will make every effort to make Toyota Tsusho into an invaluable company to society.

* In fiscal 2006, net income was ¥77.2 billion. However, net income would have been ¥58.2 billion in the absence of a reduction in income tax expenses on a non-consolidated basis due to the merger with Tomen Corporation.

BUSINESS ENVIRONMENT AND PERFORMANCE ASSESSMENT

Q2

What is your general assessment of Toyota Tsusho's business environment, performance and initiatives in the fiscal year ended March 31, 2011?

A2

As the global economy continued to recover, net sales and operating income both rose for the first time in three years. On a quarterly basis, excluding negative factors such as the impact of the earthquake, business performance was generally solid.

In fiscal 2010, the global economy staged a gradual recovery, driven by growth in emerging countries. China and other emerging countries experienced steady growth primarily underpinned by internal demand. The industrialized Western countries began to move in the direction of recovery, underpinned by monetary and fiscal measures and export growth, despite concerns over deflation and high unemployment rates, among other factors. However, expanding demand in emerging countries and additional quantitative easing in the U.S. sparked a surge in resource prices, fueling inflationary concerns and social unrest in emerging countries. Under these conditions, Japan's economy started to show signs of emerging from a standstill, in response to rebounding overseas economies. However, economic conditions deteriorated rapidly toward the end of the fiscal year. This was mainly owing to surging crude oil prices resulting from heightened geopolitical tension in the Middle East, and the drop in industrial output due to the damage and power shortages caused by the Great East Japan Earthquake in March 2011.

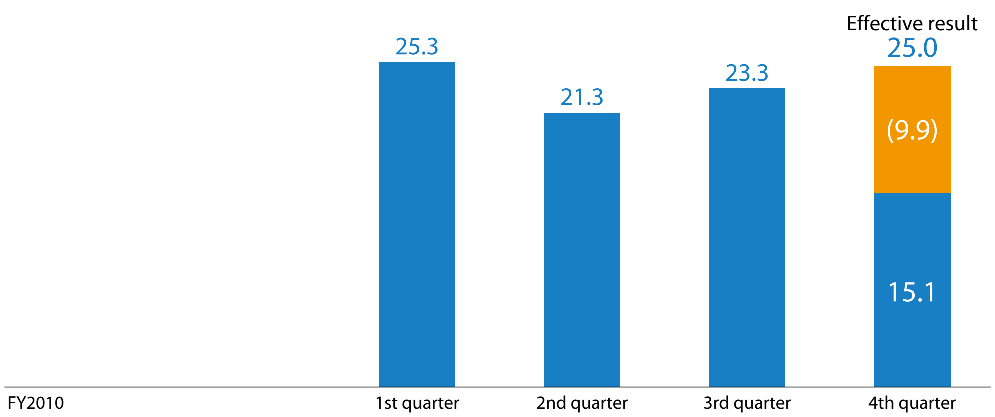
FINANCIAL HIGHLIGHTS

(¥ billion)

	FY2010	FY2009	Year-on-year change
Net Sales	¥5,743.6	¥5,102.2	¥641.4
Operating Income	85.2	55.5	29.7
Net Income	47.1	27.3	19.8
Total Assets	2,436.2	2,274.5	161.7
Net Assets	667.3	650.2	17.1
ROE	7.99%	4.90%	3.09 points
Net DER	0.98 times	0.96 times	0.02 points

QUARTERLY CHANGES IN OPERATING INCOME

(¥ billion)



Special factors including the impact of the earthquake

In this business environment, Toyota Tsusho posted increases in net sales and operating income for the first time in three years. On a quarterly basis, excluding the negative factors such as the impact of the earthquake and the application of the lower-of-cost-or-market method to real estate, we posted higher net sales and earnings in the fourth quarter than in the third quarter, and both net sales and operating income are on a growth track. Therefore, we believe that our business performance is generally solid.

Turning to the balance sheet, net assets, total assets, and shareholders' equity increased compared with a year earlier. Consolidated ROE improved 3.09 percentage points year on year, to 7.99%, in tandem with the increase in net income. On the other hand, net DER* was 0.98, remaining mostly unchanged from the previous year.

In accordance with our policy of linking dividends to consolidated business results and targeting a consolidated dividend payout ratio of 20%, our dividend for the fiscal year was ¥28 per share (resulting in a consolidated dividend payout ratio of 20.8%).

* Net DER (Debt Equity Ratio) = (Interest-bearing debt – cash and deposits) ÷ (Shareholders' equity as of fiscal year end)

Meanwhile, we adopted "Think," "Challenge," and "Change" as the keywords of our management policies for fiscal 2010, and implemented various initiatives accordingly. We also targeted investment of ¥200 billion over two years. Based on this target, in fiscal 2010, we executed investments of ¥57.5 billion in non-automotive fields, primarily in resources, energy and electric power-related fields, and invested ¥20.5 billion in the automotive field, mainly in production-related fields in emerging countries. We also took measures to bolster our affiliates, such as reorganizing five machinery-related affiliates into two companies. We achieved almost all of our business forecasts because of several factors. First, we worked to further expand our business domains by actively making business investments and striving to strengthen ties with outstanding business partners in Japan and overseas. We also benefited from positive external factors such as rebounding automobile production in emerging countries, North America, and elsewhere, and expanding demand for machinery in China and other countries. Another contributing factor was inward efforts to enhance earnings by rigorously reducing costs and raising efficiency.

FORMULATION OF GLOBAL 2020 VISION

Q3

The new GLOBAL 2020 VISION was drawn up this year. What led to the formulation of this new management vision?

A3

The GLOBAL 2020 VISION was formulated based on the belief that we needed to clarify and share our targets and milestones for the next 10 years, given that the goals of "VISION 2015—LEAD THE NEXT" coincide with our current long-term business plan, and to allow us to respond effectively to the recent turmoil in the external business environment.

In fiscal 2010, the goals of "VISION 2015—LEAD THE NEXT," which was announced in 2006, coincided with our current long-term business plan for the next five years. We therefore positioned "VISION 2015" as a milestone, and drew up the new GLOBAL 2020 VISION for the purpose of clarifying the Toyota Tsusho Group's mission and achieving sustainable growth on a global basis going forward. The global environment surrounding Toyota Tsusho is changing at an unimaginably faster pace than in the past. In this context, the Toyota Tsusho Group must create new value. For companies, addressing environmental issues and promoting CSR have become social responsibilities vital to ensuring their sustainable growth. We believe that the Toyota Tsusho Group has a duty to help solve issues facing Japan and the rest of the world. Beginning with innovation in the automotive field, where Toyota Tsusho has traditionally been strong, we will strive to become a company that can also contribute to "better lifestyles" and "solutions to global issues." With high ambitions and unwavering determination, we will make Toyota Tsusho into a corporate group with a strong presence in the eyes of our customers.

TRY 1 GLOBAL 2020 VISION

Q4

What are the specific points of the GLOBAL 2020 VISION?

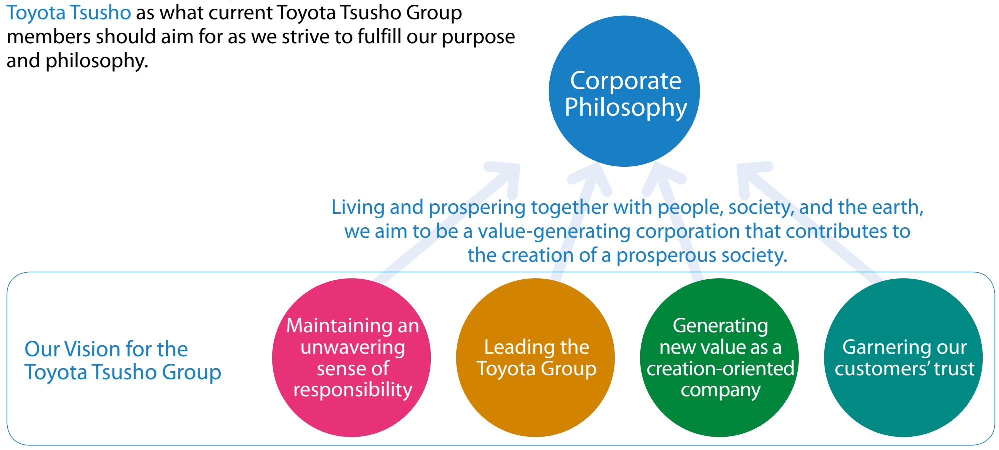
A4

The main thrust of the vision is to realize a balanced "1:1:1" business portfolio. To this end, we will expand the Mobility field, while capturing synergies with the Life & Community and Earth & Resources fields.

With the aim of achieving sustained growth as a "value-generating corporation," the Toyota Tsusho Group has positioned three areas as its sustainable growth fields: Mobility, Life & Community, and Earth & Resources. These represent the next phase of development from the Group's long-standing goal of establishing a business portfolio based on a 50:50 earnings ratio for our automotive and non-automotive businesses. Each sustainable growth field has been defined as a business domain contributing to the "evolution of next-generation mobilities," "better lifestyles," and

OUR VISION FOR THE TOYOTA TSUSHO GROUP

Based on the Toyota Tsusho Group's fundamental purpose and Corporate Philosophy, we have defined our vision for Toyota Tsusho as what current Toyota Tsusho Group members should aim for as we strive to fulfill our purpose and philosophy.



KEY ATTITUDES FOR REALIZING OUR VISION FOR THE TOYOTA TSUSHO GROUP

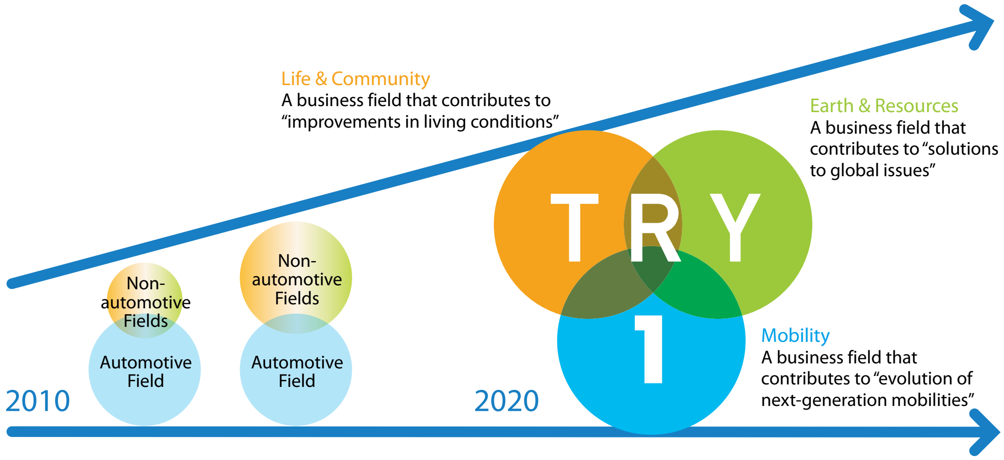
By "breakthrough," we mean harnessing E.D.G.E. to tear down inner barriers, break the mold, and advance toward our vision for Toyota Tsusho.

As individuals and as an organization, we must push the envelope, go beyond boundaries, and seek to actively transform ourselves.

By "co-creation," we mean taking the lead in the Toyota Group to earnestly embrace challenges by "linking, expanding and creating" in the following ways:

1. Linking the Toyota Group's companies, industries, people, society and the planet;
2. Expanding our business expertise in the automobile value chain; and,
3. Creating new businesses.

KEY FIELDS FOR REALIZING OUR VISION FOR TOYOTA TSUSHO



"solutions to global issues," respectively. By further refining the automotive business, where the Group has been traditionally strong, we aim to drive expansion in the Mobility field, while capturing synergies with the Life & Community and Earth & Resources fields. Ultimately, we aim to establish a balanced "1:1:1" business portfolio. (= the "TRY-1" initiative*)

* For further details, please see the opening pages of this report.

The Group will also demonstrate cross-functional capabilities by "breakthrough," while putting emphasis on "co-creation"—the process of linking values, technologies and customers in each field, expanding opportunities and creating new businesses. Through this process, the Group will maximize its collective capabilities in order to achieve the "TRY-1" initiative, with the view to realizing its management vision.

KEYWORDS FOR FUTURE INITIATIVES "ACCELERATE" AND "CHANGE"

Q5

As you said earlier, the goals of "VISION 2015—LEAD THE NEXT," the previous management vision, coincide with those of the current long-term business plan. What are the key points of these goals and what are your policies for fiscal 2011?

A5

There is no change in our plans to drive growth in both our automotive and non-automotive businesses. In fiscal 2015, we are targeting net income of ¥100 billion.

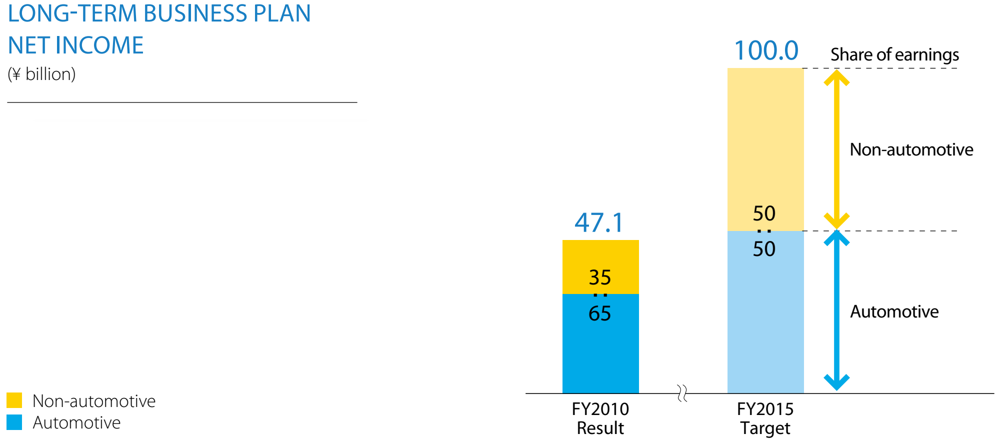
Until now, we have positioned "VISION 2015" as our management vision. Under this framework, we have striven to create next-generation businesses in our six business areas, with the aim of achieving a 50:50 earnings ratio for our automotive and non-automotive businesses and establishing second and third core businesses. In the process of working to realize GLOBAL 2020 VISION, our new management vision, there will be no change in our plans to drive growth in both our automotive and non-automotive businesses. It is the goals of "VISION 2015" that coincide with the five-year numerical targets of our current long-term business plan.

Specifically, we have set a numerical target for net income of ¥100 billion in fiscal 2015, and plan to achieve a 50:50 earnings ratio for our automotive and non-automotive businesses.

Turning to the global economic outlook, we expect the global economy to undergo further structural changes driven by emerging nations. Examples include the multi-polarization of the global economy, the expansion of China's economy, and the rapid development of Asian economies into a powerhouse for global economic growth. Another example is intensified competition for market share in emerging countries fanned by their potential as future markets. On the other hand, although the effects of the earthquake are expected to persist for the time being, Japan's economy should steadily return to health as disaster recovery efforts proceed. In fiscal 2011, the Toyota Tsusho Group sees these multifaceted global changes as an opportunity to advance to its next stage of growth, as it works toward the goals of the long-term business plan. The Group has adopted "Accelerate" and "Change" as its keywords for rising to the challenge of strengthening its business foundations and achieving sustainable growth, with the aim of realizing its management vision.

NUMERICAL TARGETS OF THE LONG-TERM BUSINESS PLAN NET INCOME

(¥ billion)



Q6

Can you explain the keywords of "Accelerate" and "Change" in more detail?

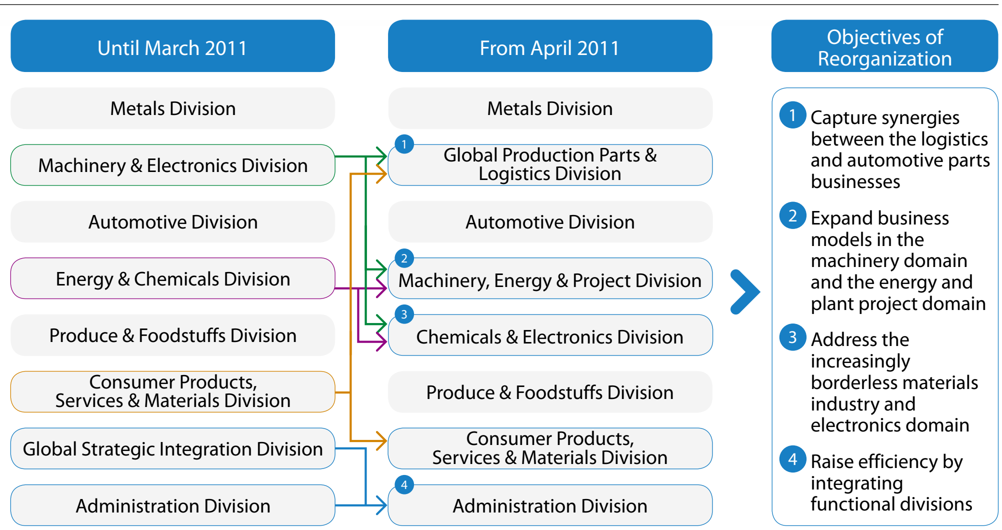
A6

We will take a new look at the Company's businesses from a broad perspective with respect to changes in the business environment. We will "Accelerate" in areas where we must shift gears. We will also reexamine current issues to determine what and how it must be done. Actions will be taken from the standpoint of effecting "Change."

We will take a new look at the Company's businesses from a broad perspective. We will then "Accelerate" business expansion and new strategic investments in emerging market regions, which are the powerhouse of economic growth, as well as generating returns from existing investees and raising efficiency by reallocating resources. Moreover, we recognize that the expectations of existing customers toward the Toyota Tsusho Group are changing. Accordingly, we will implement "Change" by retooling existing functions and flexibly responding to changes in the operating environment, with the aim of creating new businesses and developing new business models. Furthermore, we will work to achieve collective "Change" throughout the Toyota Tsusho Group, starting with self-transformation at the individual level. In this manner, we aim to enhance our collective capabilities over the medium and long terms as we strive to become a "value-generating corporation."

As part of these measures, Toyota Tsusho reorganized its business divisions on April 1, 2011. Aiming to realize the GLOBAL 2020 VISION, the Toyota Tsusho Group is focusing on adding more value to supply chains, accelerating global business development, and bolstering measures in advanced technologies, new materials and new energy fields, in both automotive and non-automotive businesses. Our goal is to achieve further growth and accelerate our contribution to the global environment and society.

CREATING NEW BUSINESSES BY ENHANCING COORDINATION BETWEEN PRODUCT STRATEGIES AND FUNCTIONS



INVESTMENT PLAN

Q7

Please discuss in detail your recent investments and the scale and plans for future investments.

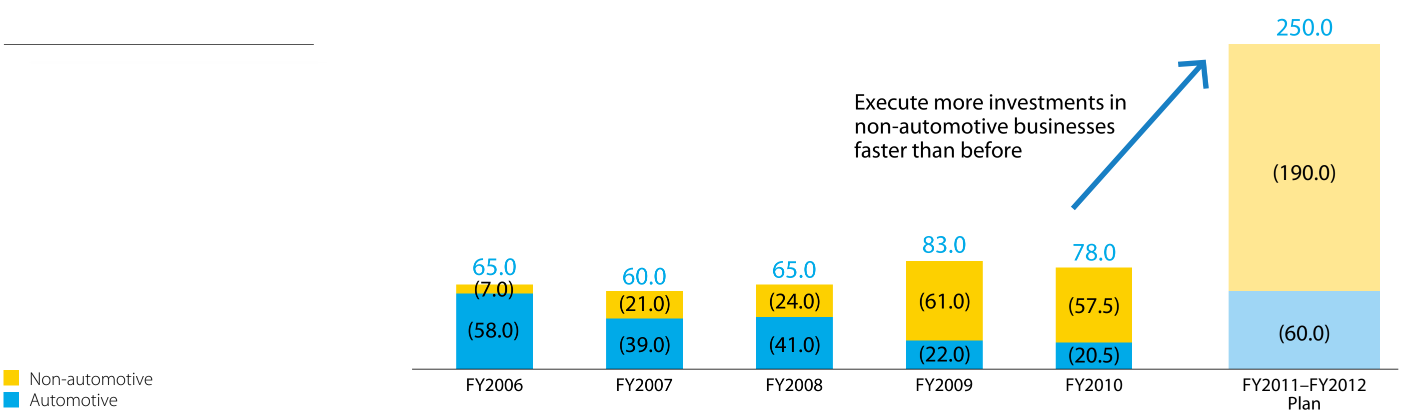
A7

Over the past five years, we have invested approximately ¥170.5 billion in non-automotive businesses. Over the next two years, we plan to invest a total of approximately ¥250 billion, primarily in non-automotive businesses.

As I said earlier, Toyota Tsusho has executed investments based on a two-year investment target of ¥200.0 billion for fiscal 2010 and fiscal 2011, with a 30:70 ratio of investments for our automotive and non-automotive businesses. In fiscal 2010, we executed investments of ¥57.5 billion in non-automotive businesses, primarily in resources, energy and electric power-related fields, and investments of ¥20.5 billion in the automotive business, mainly in production-related fields in emerging countries. Since unveiling "VISION 2015" in 2006, we have positioned this period as one for "sowing the seeds" of new businesses, and have actively made investments. As a result, we now see several areas where we can effectively leverage the Company's strengths and expertise.

In regard to investment over the next two years, we plan to increase our investment execution target to ¥250 billion to capture opportunities spawned by changes in the operating environment. The objective for new investments will be to develop new businesses that generate synergies. We will make the most of the unique qualities of the Toyota Tsusho Group as we invest, keeping our focus on "real places, real things, and reality" and value chains. Resources will be

INVESTMENT
(¥ billion)

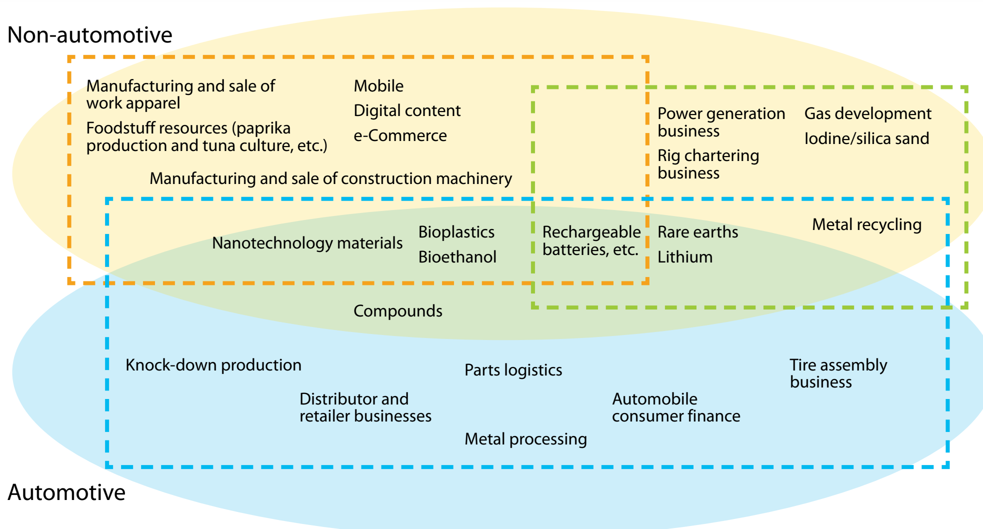


allocated strategically with a view to realizing the newly formulated GLOBAL 2020 VISION. We plan to execute investments faster than before in non-automotive businesses in line with our existing allocation of investment for automotive and non-automotive businesses.

While we expand our investments in these businesses, we believe that it is crucial for us to emphasize returns on investment. To make certain that we utilize our finite management resources effectively, we will rigorously scrap inefficient businesses and those for which we do not expect growth.

PERFORMANCE IN PRIORITY FIELDS

We now have a clear view of business domains in which our strengths can be demonstrated.



MAIN INVESTMENT PLAN FOR THE NEXT TWO YEARS

Execute investments faster in upstream and downstream sectors to reestablish value chains

	Upstream (Resources related)	Midstream (Trading, manufacturing, processing)	Downstream (Retail)
Automotive	Natural gas Rare earths Lithium Grains Other	Development of coil center Development of tire assembly business HEV/EV business Other	Development of retailers Peripheral business
Non-automotive		Recycling Logistics network Biofuel and renewable energy Electric power Other	Lifestyle Health, nursing care, medical care Food-related Other

FINANCIAL STRATEGY

Q8

Please discuss your financial targets and your dividend policy.

A8

We are emphasizing ROE and net DER as benchmarks for further enhancing our risk asset management. In terms of dividends, we will continue to aim for a consolidated payout ratio of 20%.

In carrying out the aforementioned investment plan, we will aim to grow by achieving a balance of growth potential, efficiency and soundness, made possible by thorough financial risk management. We will continue to enhance risk management, mainly by using TVA*, an internal benchmark, to deploy financial resources efficiently. With respect to investments, we will combine the use of risk-return analyses based on the risk asset management (RAM) approach and other techniques. Meanwhile, on the liabilities and equity side, we plan to ensure financial soundness by emphasizing ROE and net DER. Aiming for net income to exceed the cost of shareholders' equity, keeping consistency with internal benchmarks, and taking historical performance into consideration, the long-term business plan calls for us to achieve an average ROE of 12–15% over the medium-to-long term, and to maintain net DER (excluding goodwill) at 1.5 or less.

The basic policy on RAM calls for us to continue to secure earnings that justify the risk taken and to keep the total amount of risk within a sustainable range.

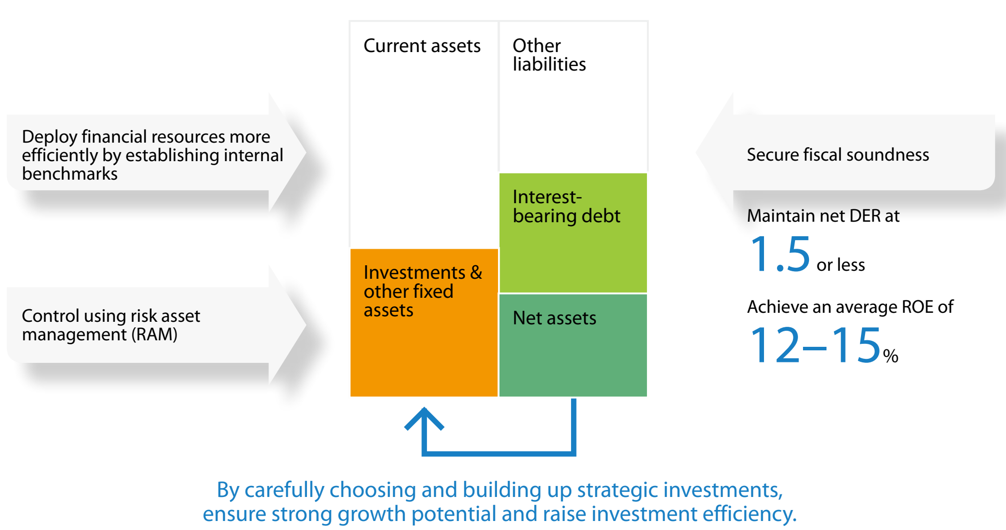
* TVA (Toyotsu Value Achievement) = After-tax Ordinary Income / Funds Used (Operating Capital + Fixed Assets)

An internal management benchmark measuring profitability against financial resources used.

In regard to our dividend policy, we will continue to return earnings to shareholders based on our existing policy of linking dividends to consolidated net income, targeting a consolidated payout ratio of 20%. For fiscal 2011, we should therefore pay an annual dividend of ¥28 per share provided that we achieve full-year consolidated net income of ¥47 billion as we are currently forecasting.

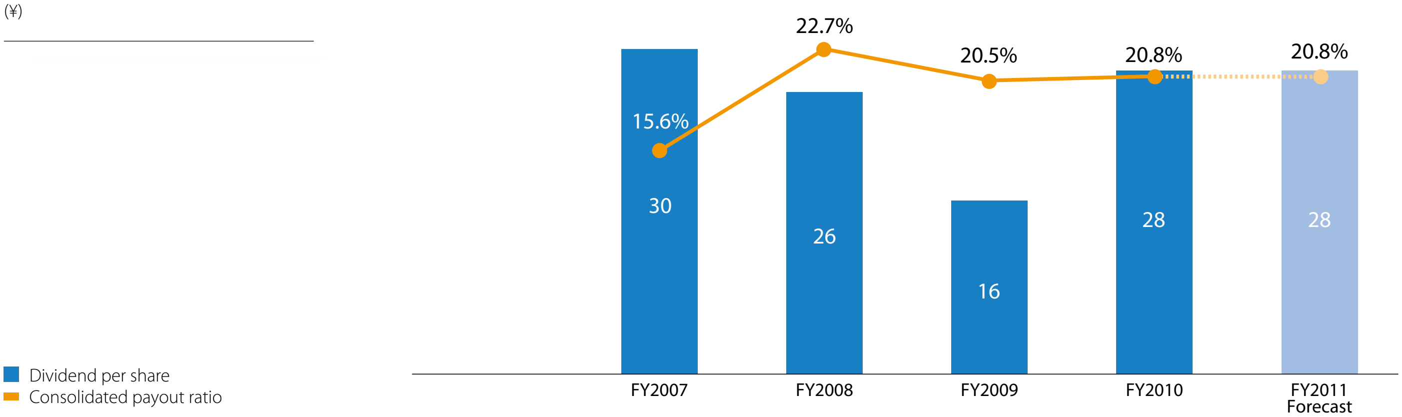
FINANCIAL RISK MANAGEMENT FOR EXECUTING INVESTMENTS

Aiming to grow while balancing growth potential, efficiency and soundness



DIVIDEND PER SHARE AND CONSOLIDATED PAYOUT RATIO

(¥)



CORPORATE SOCIAL RESPONSIBILITY (CSR)

Q9

What is your approach to CSR?

A9

CSR is inseparable from management governing corporate activities. We want to create new businesses that accurately address the changing needs of society and provide the added value that is needed by society.

Rather than viewing CSR as a special undertaking, we see it as being inseparable from the management of all corporate activities. Toyota Tsusho's mission is to continually address society's changing needs, create new business models, and deliver new value to markets and society. We are also continuing efforts to build a company that is trusted by all of its stakeholders and to increase corporate value.

Based on this viewpoint, the Toyota Tsusho Group established a Basic Philosophy as follows: "Living and prospering together with people, society, and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." The Group has established "Behavioral Guidelines" as a fundamental code of conduct for realizing this philosophy.

Furthermore, pursuant to this Basic Philosophy, we have also established systems for ensuring proper operations throughout the Company. In doing so, we seek to pass on a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs, and daily principles of conduct.

The Company has also formulated the "Basic Policies on Establishing Internal Control Systems" for the purpose of achieving the Toyota Tsusho Group's social mission. Guided by these Basic Policies, we are actively working to further raise management efficiency, enhance transparency, enforce rigorous compliance, and establish a sounder financial position.

We are also working to enhance our public relations and investor relations activities to enable our stakeholders to understand our initiatives.

SUMMARY

Q10

Finally, what are the key priorities for realizing the GLOBAL 2020 VISION? As president, what points in particular do you wish to emphasize?

A10

We will concentrate management resources on growth fields and business domains where we can effectively leverage the strengths and expertise of the Toyota Tsusho Group, while strengthening alliances with global strategic partners.

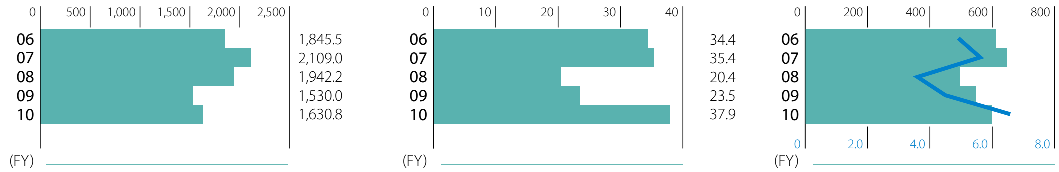
The global business environment surrounding Toyota Tsusho is undergoing drastic changes following the global financial crisis and the Great East Japan Earthquake. In this context, we believe that now is the time to take a new look at the business functions provided by the Toyota Tsusho Group to society. Until now, we have worked to establish second and third core earnings drivers alongside the automotive business. Looking ahead, it is imperative that we accelerate those efforts, while expanding businesses overseas. We intend to achieve sustainable growth by concentrating management resources on growth fields and business domains where we can effectively leverage the Toyota Tsusho Group's strengths and expertise, with the view to developing new functions, services and products, in addition to bolstering existing businesses. We will also strengthen alliances with global strategic partners. To this end, we must take steps to prepare for true globalization. At the same time, it is crucial that we foster a corporate culture in which every director and employee seriously addresses this task and is able to work with a sense of achievement and fulfillment.

I will personally do all that I can to ensure that the Toyota Tsusho Group continues to be trusted and admired by customers and all other stakeholders. I am confident that the Toyota Tsusho Group's best years still lie ahead.

Business Highlights

Net Sales (¥ billion) | Operating Income (Loss) (¥ billion) | Total Assets (¥ billion)/ROA (%)

Metals Division

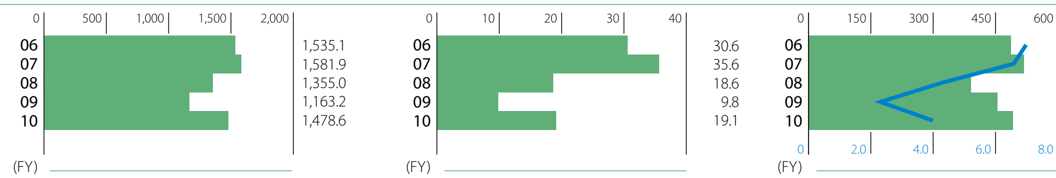


(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	1,845.5	34.4	612.5	4.9%
07	2,109.0	35.4	646.8	5.6%
08	1,942.2	20.4	496.4	3.6%
09	1,530.0	23.5	548.6	4.5%
10	1,630.8	37.9	598.8	6.6%

Segment Sales* 28%

100.8 billion yen | 14.4 billion yen | 50.2 billion yen | 2.1 points

Machinery & Electronics Division

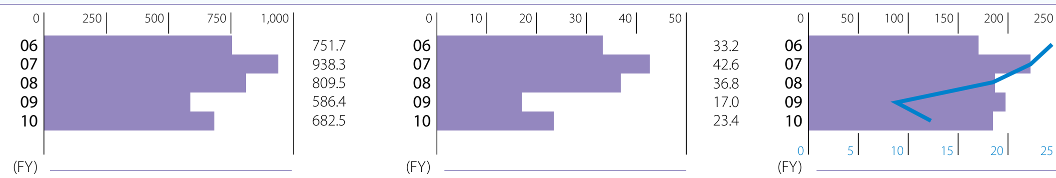


(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	1,535.1	30.6	487.2	7.0%
07	1,581.9	35.6	518.8	6.6%
08	1,355.0	18.6	390.9	4.3%
09	1,163.2	9.8	455.7	2.3%
10	1,478.6	19.1	492.3	4.0%

Segment Sales* 26%

315.4 billion yen | 9.3 billion yen | 36.6 billion yen | 1.7 points

Automotive Division

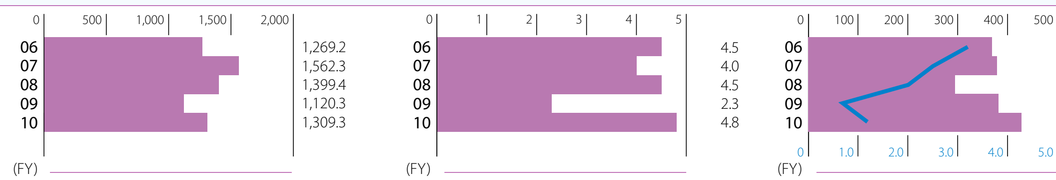


(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	751.7	33.2	170.5	24.4%
07	938.3	42.6	222.5	22.3%
08	809.5	36.8	186.9	18.5%
09	586.4	17.0	197.6	8.8%
10	682.5	23.4	185.1	12.3%

Segment Sales* 12%

96.1 billion yen | 6.4 billion yen | −12.5 billion yen | 3.5 points

Energy & Chemicals Division

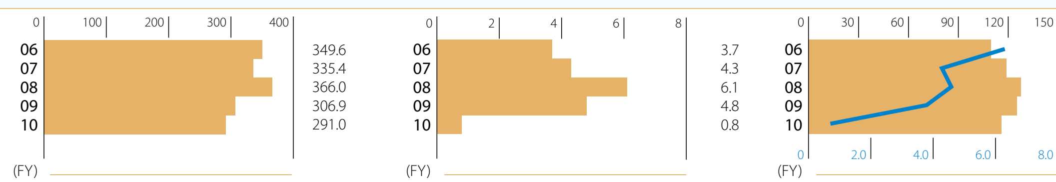


(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	1,269.2	4.5	368.5	3.2%
07	1,562.3	4.0	378.7	2.5%
08	1,399.4	4.5	294.5	2.0%
09	1,120.3	2.3	381.2	0.7%
10	1,309.3	4.8	427.5	1.2%

Segment Sales* 23%

189.0 billion yen | 2.5 billion yen | 46.3 billion yen | 0.5 point

Produce & Foodstuffs Division

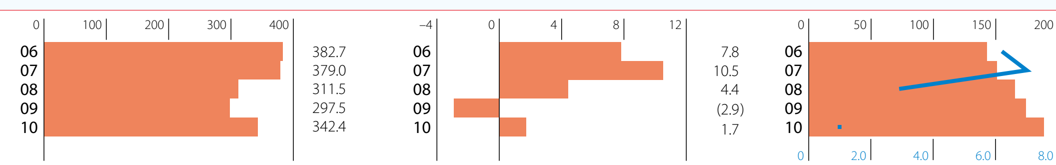


(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	349.6	3.7	109.9	6.3%
07	335.4	4.3	119.3	4.3%
08	366.0	6.1	127.8	4.6%
09	306.9	4.8	125.4	3.8%
10	291.0	0.8	116.3	0.7%

Segment Sales* 5%

15.9 billion yen | 4.0 billion yen | −9.1 billion yen | −3.1 points

Consumer Products, Services & Materials Division



(FY)	Net Sales	Operating Income (Loss)	Total Assets	ROA
06	382.7	7.8	142.8	6.2%
07	379.0	10.5	150.8	7.0%
08	311.5	4.4	165.3	2.9%
09	297.5	(2.9)	174.2	
10	342.4	1.7	188.7	1.0%

Segment Sales* 6%

44.9 billion yen | 4.6 billion yen | 14.5 billion yen | −1.9 points

* Not including Others segment

Fiscal 2011 Results

Net sales increased 7% year on year, while operating income increased 61%. Sales and earnings both increased on growth in handling volume of auto-related parts in Australia, Asia and China.

Net sales increased 27% year on year, while operating income increased 95%. Growth in sales and earnings came atop increased handling volumes of machinery, electronic components and automotive production parts, mainly in China and the rest of Asia.

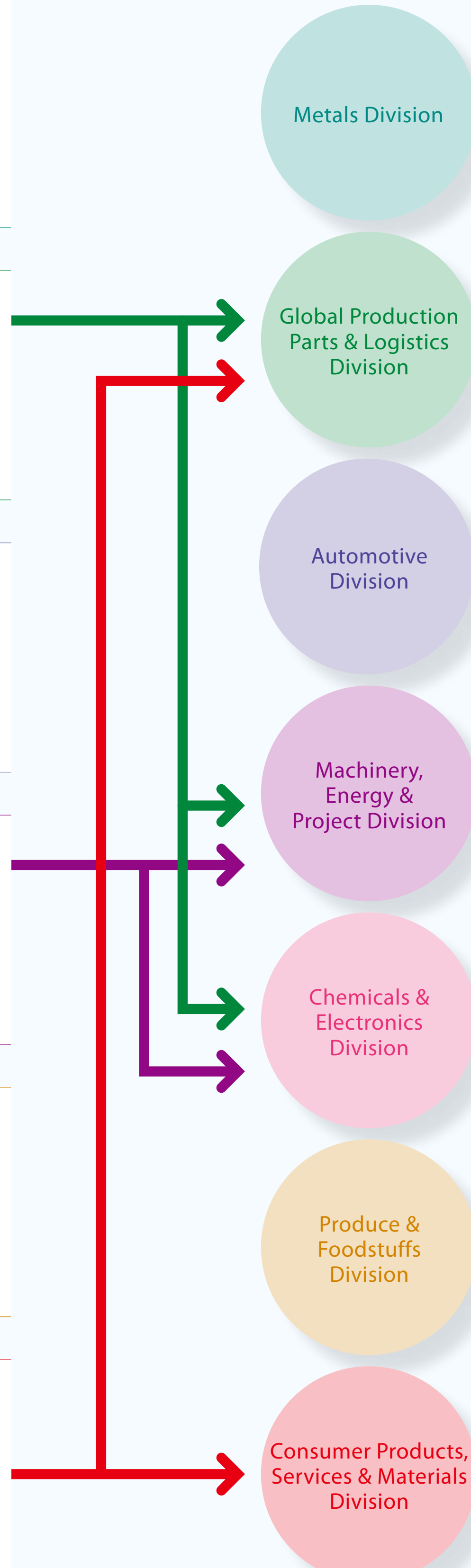
Net sales increased 16% year on year, while operating income increased 38%. The rise in sales and earnings followed a rise in unit sales of automobiles in Russia, China and other countries.

Net sales increased 17% year on year, while operating income increased 104%. The rise in sales and earnings followed a rise in market prices for crude oil and increased handling volumes for chemical products and synthetic resins.

Net sales decreased 5% year on year, while operating income decreased 83%. The drop in sales and earnings was due to lower handling volumes for corn, milo and other grains and livestock feeds.

Net sales increased 15% year on year, while operating profitability increased 159%. The rise in sales was due to higher handling volumes of textile-related products and automotive materials, and the rise in earnings was due to the effect of applying the lower-of-cost-or-market method to real estate in the previous fiscal year.

New Organization Structure from April 2011



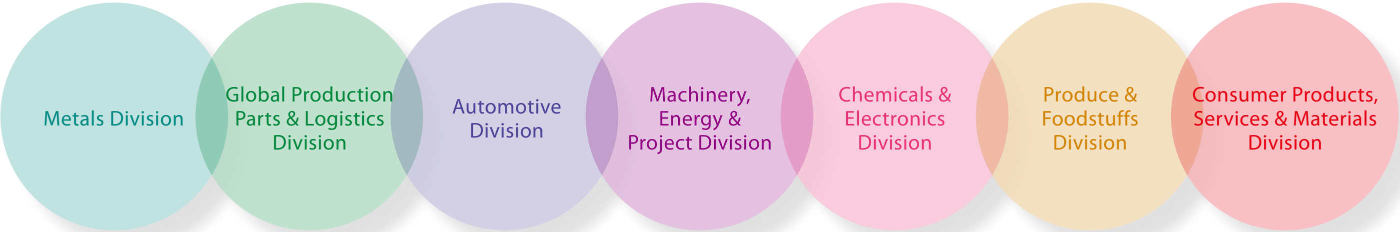
Metals Division: see page 32
Global Production Parts & Logistics Division: see page 34
Automotive Division: see page 36
Machinery, Energy & Project Division: see page 38
Chemicals & Electronics Division: see page 40
Produce & Foodstuffs Division: see page 42
Consumer Products, Services & Materials Division: see page 44

Seven Business Domains: the Source of Toyota Tsusho's Value-Added Businesses

Toyota Tsusho's product divisions handle different products, but all share the same commitment to developing and enhancing their unique functions with a relentless customer focus—a process that generates diverse forms of value.

In addition to merely supplying materials, manufactured goods and other products, Toyota Tsusho provides capabilities and fine-tuned services in a broad range of domains beyond the scope of traditional trading companies. These capabilities range from developing resources for use as raw materials, to planning, proposing and building supply chains, and reusing and recycling waste materials.

Toyota Tsusho's product divisions possess a high degree of expertise in their respective fields. Each division takes full advantage of strengths in its area of expertise, while capturing synergies in collaboration with other divisions. The end result is the creation of new value.



Metals Division

The Metals Division considers steel and nonferrous metals not just as simple materials, but also as products possessing unique characteristics and functions, and strives to offer products optimally suited to the requirements of each user and supplier. Moreover, we actively collaborate with our business partners in developing new materials and processing technologies, as we endeavor to promote innovative businesses that enable win-win relationships with steel manufacturers.

Main Products and Services

- Steel products and specialty products, steel construction materials
- Non-ferrous metal ingots and precious metals
- Aluminum products, copper, and copper alloy products
- Iron & steel scrap and nonferrous metals scrap
- Ferro-alloy products, and pig iron
- End-of-life vehicle (ELV) recycling and waste catalysts
- Rare earth resources and rare metals

Resources and the Environment

- Development of rare earth mining (Photo A)
- Recovery and processing of scrap metal inside plants
- End-of-life vehicle recycling (Photo D)

Processing and Manufacturing Businesses

- Metal processing (sheet steel, steel bars, wire, steel pipe, aluminum, etc.) (Photo B)
- Molten aluminum production (Photo C)

Logistics

- Just-in-time logistics at processing centers

Product and Market Development

- Development of recycling technologies


Photo A


Photo B


Photo C


Photo D

Global Production Parts & Logistics Division

The Global Production Parts & Logistics Division helps to ensure a stable supply of automotive parts through its strengths in optimal integrated logistics services leveraging Toyota Tsusho's worldwide logistics networks and IT network systems. For automotive production parts, integrated logistics services encompass packaging, marine container transport, sorting at overseas warehouses, reloading, and final delivery to client production bases.

Main Products and Services

- Component parts for automotive production
- Logistics business
- Tire assembly business

Resources and the Environment

Processing and Manufacturing Businesses

- Tire assembly (Photo A)

Logistics

- Consolidated transportation for automotive production parts (Photo B, C)
- Vehicle logistics

Product and Market Development

- Product planning and development for automotive parts (Photo D)
- Support for overseas expansion

Photo A

Photo B

Photo C

Photo D

Automotive Division

The Automotive Division exports passenger vehicles, trucks and their parts, manufactured in Japan by the Toyota Group and other companies, to more than 150 countries worldwide. The Division also exports automobiles made by manufacturers overseas to third-party countries, and engages in wholesale and retail sales of automobiles overseas.

Main Products and Services

- Passenger vehicles
- Commercial vehicles
- Light vehicles
- Motorcycles
- Trucks and buses
- Automotive parts

Resources and the Environment

- Used vehicles

Processing and Manufacturing Businesses

- Vehicle assembly and manufacturing

Logistics

- Just-in-time logistics of genuine factory and general-purpose parts, and accessory parts

Product and Market Development

- Market research, marketing proposals and development of sales markets
- Exports and retailing (Photo A, B)
- Customer service (Photo C, D)

Photo A

Photo B

Photo C

Photo D

Machinery, Energy & Project Division

The Machinery, Energy & Project Division handles various machinery and equipment, industrial vehicles and construction machinery. The Division provides integrated support functions ranging from business proposals to EPC (Engineering, Procurement and Construction) and operation. The Division also procures basic energy resources such as petroleum, coal and natural gas globally, in addition to conducting a power generation business on a worldwide scale, with the aim of ensuring a stable long-term energy supply.

Main Products and Services

- Machine tools, industrial machinery and textile machinery
- Testing and measuring instruments, electronic machinery
- Environmental equipment
- Industrial vehicles and construction machinery
- Petroleum products and liquefied petroleum gas (LPG)
- Coal, crude oil, petrochemical and natural gas products
- Infrastructure projects
- Energy and electric power supply business

Resources and the Environment

- Energy procurement (crude oil, coal, natural gas, etc.) (Photo A)
- Renewable energy (wind, solar, biomass, etc.) (Photo B)
- Independent power producer
- Environmental equipment
- Solar power generation systems

Processing and Manufacturing Businesses

- Facility design and manufacture (Photo C)
- Procurement of petrochemical products
- Contracted drilling of marine gas fields

Logistics

- Delivery, assembly and maintenance of machinery and equipment, provision of consumables, etc.
- Supply tankers for bunker fuel

Product and Market Development

- Market identification for industrial vehicles and construction machinery (Photo D)
- Identification of infrastructure projects (generators, etc.)
- Development of clean-development mechanism projects


Photo A


Photo B


Photo C


Photo D

Chemicals & Electronics Division

The Chemicals & Electronics Division is actively engaged in the field of raw and elemental materials, centered on chemical products and plastics, and in the electronics field, mainly including various electronic devices and IT services. The Division conducts an extensive range of businesses from planning and consulting to technological development and quality management in a diverse array of fields, spanning upstream to downstream operations.

Main Products and Services

- Basic chemicals
- Highly functional specialty chemicals
- Plastics
- Chemical additives
- Batteries and electronic materials
- Component parts for automobile production
- IT devices and equipment, electronic devices and semiconductors
- Automotive embedded software development and electronic equipment
- Network integration and support
- PCs, PC peripherals and software
- Manufacturing and services for ITS (Intelligent Transport Systems) equipment

Resources and the Environment

- Development of iodine, silica sand and other resources (Photo A)

Processing and Manufacturing Businesses

- Manufacturing of resin compounds, processing of semi-finished products (Photo B)
- Manufacturing of inorganic chemicals
- Manufacturing of detergent raw materials
- Manufacturing of bio-polyester
- Electronics manufacturing service (contract electronic parts assembly, semiconductor fabrication) (Photo C)
- Development of automotive embedded software

Logistics

- Operation of chemical tanks
- Quality management support for electronic parts, semiconductors and others

Product and Market Development

- Development of nanotechnology materials
- Development of bio-products
- Development of content
- Green mobility (Photo D)


Photo A

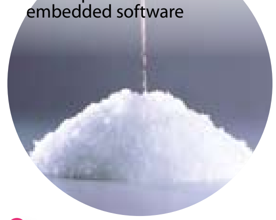


Photo B

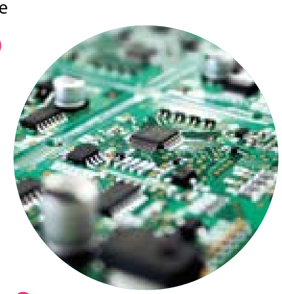


Photo C


Photo D

Produce & Foodstuffs Division

The Produce & Foodstuffs Division conducts various businesses in two fields. One is the grains business, which handles livestock feed, oil seeds, rice, wheat and raw sugar. The other is the foodstuffs business, which handles food ingredients, prepared frozen foods and other general foodstuffs.

Main Products and Services

- Feed and oilseeds
- Grains
- Processed foods
- Food ingredients
- Agriculture, marine and livestock products

Resources and the Environment

- Agricultural production and cultivation management (Photo A)
- Advanced composting process

Processing and Manufacturing Businesses

- Processing and manufacture of foods (Photo B)
- Rice milling

Logistics

- Grain terminals (Photo C)
- Quality and safety control

Product and Market Development

- Development of sales markets (Photo D)
- Product development


Photo A


Photo B


Photo C


Photo D

Consumer Products, Services & Materials Division

The Division provides various products and services to support people's lives, including lifestyle, industrial materials and products, insurance, textile products, estate development, automotive accessories and materials based on the principles of "reassurance," "safety" and "comfort."

Main Products and Services

- Condominiums and commercial buildings
- Construction materials, housing materials and furniture
- Textile raw materials
- Apparel
- Interior goods
- Sleepwear products
- Textile products and textile materials
- Automotive accessories and materials
- Packaging materials
- Paper and pulp
- Life and health insurance, property and casualty insurance
- Visible-light responsive photocatalysts
- Products for seniors
- Securities brokerage

Resources and the Environment

- Environmental materials
- Recycling of textile products

Processing and Manufacturing Businesses

- Garment cutting and sewing (Photo A)
- Carpet manufacturing
- Textiles manufacturing

Logistics

- Rental center for nursing care products

Product and Market Development

- Materials development (textile products, etc.)
- Product planning (textile products, automotive supplies, paper products, insurance, condominiums, etc.) (Photo B, C)
- Development of sales markets (harvest age market, overseas retail, etc.) (Photo D)


Photo A


Photo B


Photo C


Photo D

Segment Overview
Metals Division

TAKUMI SHIRAI
Managing Director,
Chief Division Officer of Metals Division

Division Overview and Fiscal 2010 Results

The Metals Division considers steel and nonferrous metals not just as commodities, but also as unique and functional materials, and strives to offer products optimally suited to the requirements of each user and supplier. In the steel sheet business, Toyota Tsusho achieves flexible delivery responses in line with domestic demand by deploying its domestic and overseas processing bases as the nucleus of an ordering system that utilizes cutting-edge IT and an efficient logistics structure. Additionally, we operate a steel blanking business worldwide that is tailored to user needs. In the steel bars and tubes business, we process and sell specialty steel bar and steel tubes, and we sell steel construction materials required for buildings, plants and other structures. In the nonferrous metals business, we are working to expand business while minimizing market price fluctuation risk for nonferrous metals with a global trading structure centering mainly on Japan, London and Singapore. In addition, we are developing a worldwide molten aluminum production business that offers energy-cost and environmental load-reduction advantages. Our steel raw materials businesses give top consideration to the global environment. Efforts are focused on recycling metal resources obtained from factory iron & steel scrap, as well as market scrap from buildings, or end-of-life (ELV) vehicles. Today, our efforts are directed at expanding these business domains beyond the metals field. In fiscal 2010, the Metals Division saw an increase in handling volume, reflecting increased worldwide automobile production. In addition, the Division continued to promote businesses aimed at securing supplies of rare earth resources. We are proceeding with construction of a rare earth manufacturing plant in India, as well as participation in a lithium resource mining project. In emerging countries, we invested in a spiral steel pipe maker in Vietnam and a stainless steel pipe manufacturer in India. As a result, the Division recorded net sales of ¥1,630.8 billion and operating income of ¥37.9 billion.

Basic Strategies and Long-term Policies

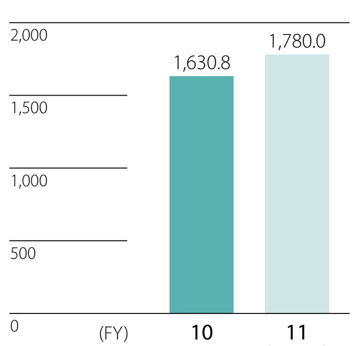
The Division' basic strategy is to create

Fiscal 2010 Business Initiatives

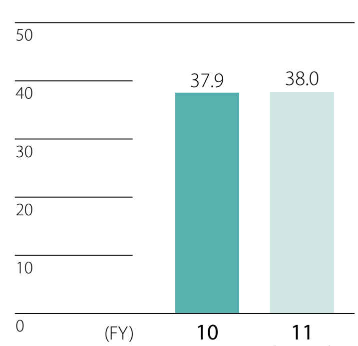
Investment in India's Only Manufacturer of Stainless Steel Piping for Automobiles and Motorcycles

Toyota Tsusho has invested in Maruichi Kuma Steel Tube Pvt. Ltd., India's only manufacturer of stainless steel piping for automobiles and motorcycles. This investment comes through Toyota Tsusho's acquisition of 30% of the outstanding shares of Maruichi Kuma Steel Tube Pvt. Ltd. from the Company's largest shareholder, Maruichi Steel Tube Ltd. The target is for Toyota Tsusho and Maruichi Steel Tube to jointly expand the stainless steel piping business for automobiles and motorcycles in the Indian market. With this investment, Toyota Tsusho will enter the stainless steel piping business for exhaust systems in India, a rapidly growing emerging country, providing the opportunity for the company to increase its presence in the local market.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Toyota Tsusho's metals resource mining development business is working to secure, stable supplies of rare earth resources.

The molten aluminum production business reduces fuel costs and environmental loads.

and enhance our unique functions in our business context and to provide added value to customers through its functions in the business flow. Guided by its basic strategy, the Division is steadily expanding operations in automotive and non-automotive domains. We are achieving this by utilizing procurement capabilities that draw on our overseas networks as well as our responsiveness to customer needs, which leverages our processing and logistics functions. With Genba-ryoku (on-site) enforcement faculty and sensibility in practical matters, and our safety management system as our foundations, we will continue to enhance our existing earnings base while developing business infrastructure. The Division will also execute investments, with the aim of ensuring the commercialization of new projects, while accelerating metal resource development projects and expanding the business domain. The Division will also speed up efforts to strengthen relationships with business partners in each country primarily in the priority markets of India, Vietnam and the Middle East. The objective is to capture growing demand and establish new business functions in overseas markets. In the iron & steel product field, the Division will realign its operations into a customer-oriented organization for the purpose of addressing diversifying customer needs. Previously, the Division's organization was product-oriented.

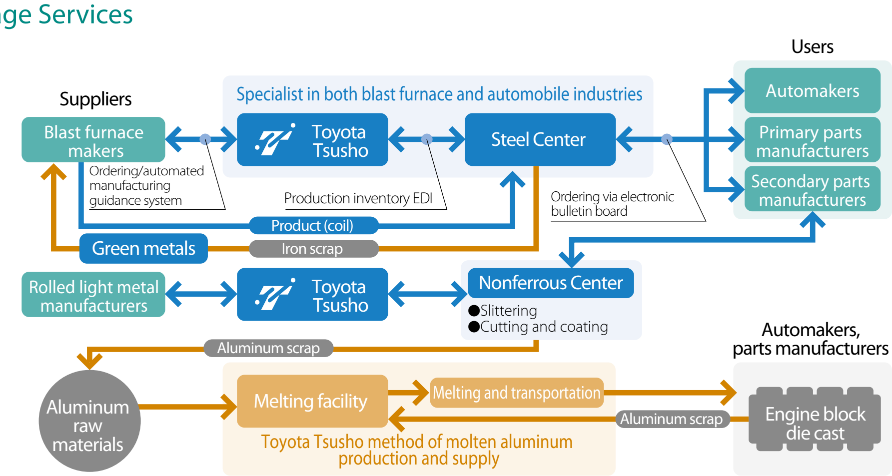
Through this measure, the Division is striving to transform its organization into one that emphasizes the creation of customer value. Aiming to achieve the GLOBAL 2020 VISION, the Division will accelerate the development of future earnings drivers as it enhances its existing business earning power. At the same time, the Division will expand businesses in the Earth & Resources field by upgrading existing business functions grounded firmly in the field of mobility. By sharing business functions across existing and new fields, the Division aims to create value based on Toyota Tsusho's unique collective capabilities and fulfill a central role as a source of value to society at large.

Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥1,780.0 billion and operating income of ¥38.0 billion.

High-Quality Processing, Logistics and Storage Services

The strongest features of Toyota Tsusho's metals business are the high-precision, high-quality operational functions offered together with manufacturing and processing companies worldwide. For example, the Steel Center, which plays a pivotal role in our steel sheets business, carries out efficient processing, storage and logistics optimally suited to each production situation by sharing information between suppliers and users. In the nonferrous metals business, Toyota Tsusho is developing a molten aluminum business in North America, Europe and Asia. The objective is to reduce overall energy costs and the environmental burden by switching to the supply of molten aluminum instead of the conventional supply of aluminum materials in the form of ingots.



Segment Overview

Global Production Parts & Logistics Division

HIROSHI TAKANO
Managing Director,
Chief Division Officer of Global Production Parts & Logistics Division

Division Overview and Fiscal 2010 Results

Established in April 2011 as a new division, the Global Production Parts & Logistics Division helps to ensure a stable supply of automotive parts through its strengths in optimal integrated logistics services leveraging Toyota Tsusho's worldwide logistics networks and IT network systems. For automotive production parts, integrated logistics services encompass packaging, marine container transport, sorting at overseas warehouses, reloading, and final delivery to client production bases. By establishing and enhancing these series of services, the Division contributes to the stable supply of parts to automakers and related suppliers, while reducing transport costs, shortening delivery times, and streamlining inventories.

In addition, the Division runs a tire assembly business primarily in North America and Oceania. Besides providing high-quality services by properly gauging customer needs, the Division conducts product planning and development of automotive parts including wheels and vehicle interior components. In this way, the Division provides an essential function to automotive supply chains.

In fiscal 2010, the Division's business performance improved to levels seen before the Lehman Brothers bankruptcy, in step with the recovery of the auto industry. Notably, handling volume increased primarily in China and the rest of the Asian region. The sizable North American market also showed steady recovery. These and other factors made a significant contribution to the Division's performance. In addition, in the tire assembly business, the Division won its first business order from a foreign automaker.

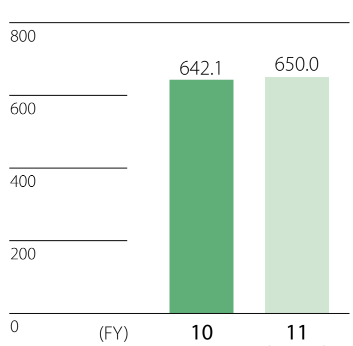
As a result, the Division recorded net sales of ¥642.1 billion and operating income of ¥10.3 billion.

Fiscal 2010 Business Initiatives

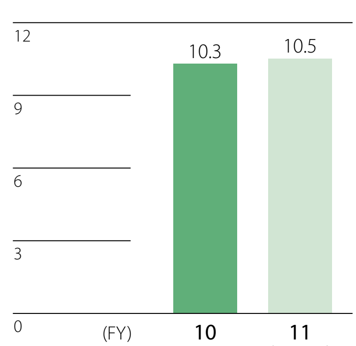
Toyota Tsusho Enters Vehicle Logistics Business in India, Following China and Thailand

Toyota Tsusho held an opening ceremony for Toyota Logistics Kishor India Pvt. Ltd. in India. The event marks the start of the vehicle logistics business in a new country following the establishment of six companies in China and Thailand. Looking ahead, Toyota Tsusho will harness its experience developed over the years to achieve further business expansion.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Logistics services contribute to the stable supply of parts.

The tire assembly business provides high-quality services based on a precise understanding of customer needs.

Basic Strategies and Long-Term Policies

The Division positions two themes as its primary strategic priorities. First is strengthening existing functions and reducing costs. Second is cultivating emerging markets and creating new businesses outside the auto industry. Automakers and automotive-related suppliers have stronger expectations for further cost reductions. These expectations are being fueled by several developments in emerging markets, including the popularization of low-priced vehicles and the expansion of local production, as well as intensified competition sparked by new automakers coming to the fore. Furthermore, the automotive industry, where the Division conducts its core business, is experiencing substantial changes, characterized by the advent of electric vehicles and the development of new materials eyeing next-generation mobility. In this climate, the Division will work to develop new business models while working to bolster existing trading businesses. The Division will also actively invest outside the automotive industry, such as in home appliance manufacturers, in order to secure new sources of earnings.

Toyota Tsusho formulated the GLOBAL 2020 VISION in April 2011. The Division first plans to take steady steps toward achieving the Company's long-term business plan, a major milestone on the way to realizing the vision. The Division has an important role to play in the field of Mobility defined in the new vision. Here, we will develop business models that combine products with logistics, rigorously enforce quality and safety management activities, and step up cost reductions, with the aim of developing powerful earnings streams.

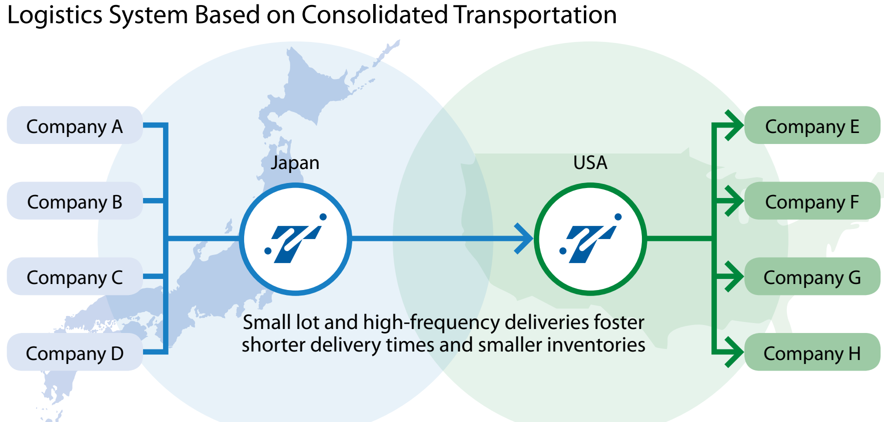
Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥650.0 billion and operating income of ¥10.5 billion.

Vendor-to-Vendor • Integrated Logistics for Overseas Production

The transportation of mixed shipments of parts made by multiple manufacturers permits small lot and high-frequency deliveries. The system also enables us to reduce transport costs, shorten delivery times, and streamline inventories. We also meet the needs of our customers by offering functions that include ordering, inventory management and production management.

Logistics System Based on Consolidated Transportation



Segment Overview
Automotive Division

YASUHIKO YOKOI
Senior Managing Director,
Chief Division Officer of Automotive Division

Division Overview and Fiscal 2010 Results

The Automotive Division exports passenger vehicles, trucks and their parts, manufactured in Japan by the Toyota Group and other companies, to more than 150 countries worldwide. The Division also exports automobiles made by manufacturers overseas to third-party countries, and engages in wholesale and retail sales of automobiles overseas. The Division is expanding its automobile sales network to various countries around the world, with the view to shifting its focus from export-centered business to boosting overseas retail businesses firmly rooted in local markets. The Division also leverages Toyota Tsusho's role as a general trading company to fulfill a vital information-gathering function. We do this by drawing on our close ties with business locations in each country to obtain market information on risks, local market trends and customer needs in a timely manner. We then use this information as feedback to plan and develop production and marketing strategies for automakers.

In fiscal 2010, the Division strengthened the foundations of its downstream operations by upgrading and expanding its sales networks and facilities, mainly in Russia, China, Africa, Asia and other emerging markets. Efforts were also focused on improving the sales quality and the business efficiency of existing sales subsidiaries and dealerships around the world. Net sales in the Automotive Division rose ¥96.1 billion to ¥682.5 billion, lifted by higher vehicle sales in Russia, China and other countries, and operating income was ¥23.4 billion.

Basic Strategies and Long-Term Policies

The global automobile market had continued to grow steadily in step with the economic development of emerging countries and regions. However, the shock of the Lehman Brothers bankruptcy, coupled with a shifting industrial structure in preparation for "next-generation mobility," has dramatically reshaped the business environment surrounding the auto industry. In response, the Division must establish a leaner business structure to ensure that it can achieve sustainable growth in any business environment.

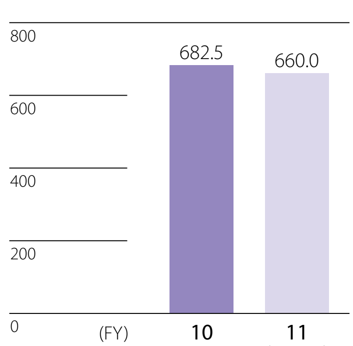
Against this backdrop, the Division has established a new divisional strategy based on three paths to growth over the next ten years. The first priority is to maximize the scope of value chains by strengthening individual business domains, with the view to laying stable

Fiscal 2010 Business Initiatives

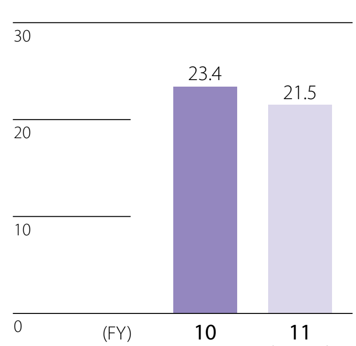
Subaru Distributor in South Africa Converted Into a Wholly Owned Subsidiary

Toyota Tsusho converted Subaru Southern Africa (PTY) Ltd. (SSA) into a wholly owned subsidiary by acquiring all outstanding SSA shares from Barloworld South Africa Ltd. of South Africa. SSA is a Subaru distributor operating Subaru car dealerships in South Africa and six neighboring nations. Through SSA, Toyota Tsusho aims to continue increasing regional sales as the South African market grows. Toyota Tsusho also sees the acquisition of this wholly owned subsidiary as an opportunity to expand its business in the southeastern region of Africa. In the process, Toyota Tsusho will take full advantage of expertise gained through its African car sales business over many years.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Providing integrated services combining new car sales, spare parts and after-sales services

Enhancing training of key staff in the Retailer business

business foundations. For example, the Division will upgrade and expand services that improve customer satisfaction by focusing on used car and sales finance operations, in addition to new car sales. The second priority is to expand our retailer network with emphasis on BRICs countries and other emerging and resource-rich countries whose markets promise significant future growth. This expansion will be pursued in our core Distributor business, which is responsible for operations ranging from market surveys to formulating and executing sales strategies in each country, and in the core Retailer business, which is responsible for selling vehicles to general users and providing after-sales services. Here, we will strengthen our hand in high vehicle ownership markets by promoting measures including collaboration with overseas affiliated companies and other divisions.

The third priority will see us take on the challenge of developing new automobile business domains. For example, aiming to create future growth opportunities, we plan to participate in the overseas small-scale Complete Knock Down production business and related product logistics. Through these measures, we will seek to establish a multi-faceted business model underpinning stable business foundations. On the other hand, business sites that have seen profits deteriorate will be rebuilt following close examination of current operating conditions and the future business environment. At the same time, business sites for which growth is not expected will be realigned as part of a scrap-and-build program to enable the effective utilization of management resources.

The Division has primary responsibility for the Mobility field set forth in the GLOBAL 2020 VISION. As such, the Division's mission is to capture synergies with other fields by making the most of its extensive asset base developed over the years. The Division will also enhance its ability to obtain and disseminate timely information about market developments in each country. The aim is to achieve technological innovation eyeing initiatives related to "next-generation mobility," and to craft new business models.

Outlook for Fiscal 2011

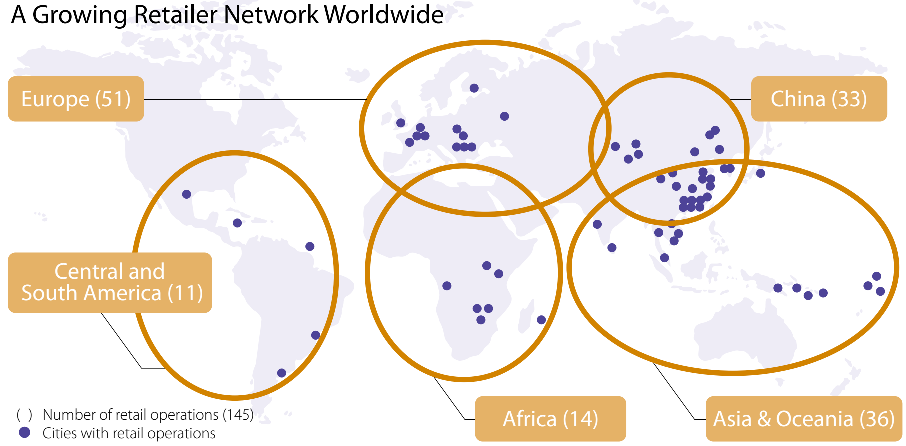
For fiscal 2011, the Division is projecting net sales of ¥660.0 billion and operating income of ¥21.5 billion.

Integrated Trilateral Structure Supports Vehicle Exports Worldwide

Toyota Tsusho has established a trilateral structure that integrates new car sales, spare parts and after-sales services to support the sales of vehicles with varying specifications and also match the conditions of each country to which the vehicles are exported. While providing integrated support ranging from ordering to delivery, we also actively nurture staff for the purpose of enhancing services and technologies.

We develop our operations by grouping automobile retailers throughout the world according to region and adopting optimal policies that meet the specific needs of each region. Our regional headquarters-responsible for operations in each area, such as Africa and the South Pacific-adopt region-wide marketing and sales strategies. In the key regions of China, Asia and Africa, our efforts are directed at expanding our retailer network.

A Growing Retailer Network Worldwide



Segment Overview
Machinery, Energy & Project Division

HIROKI SAWAYAMA
Managing Director, Executive Deputy Chief Division Officer of Machinery, Energy & Project Division

HISASHI YAMAMOTO
Senior Managing Director, Chief Division Officer of Machinery, Energy & Project Division

Division Overview and Fiscal 2010 Results

The Machinery, Energy & Project Division was established as a new division in April 2011. It combines the machinery business, which covers various machinery and facilities, including automotive machinery, as well as industrial vehicles and construction machinery, with the energy and infrastructure project business, which includes basic energy resources such as crude oil and natural gas, as well as various power generation projects. In the machinery business, the Division provides integrated support functions for production facilities in a wide range of industries. Another priority is expanding sales of industrial vehicles, construction machinery and textile machinery in emerging markets. In the energy and infrastructure project field, we are working in three main areas from the standpoint of securing stable energy supplies over the long term. The first area is contracts for importing Middle Eastern crude oil and Southeast Asian heavy oil. The second is the gas production business in North Africa, Australia and North America. The third is the coal production business in Australia. In the power generation field, we are globally developing not just the traditional thermal power generation business, but also renewable power generation businesses including wind, solar and other sources of energy. In addition, we are contributing to the development of energy infrastructure and emerging nations through an integrated business model spanning a range of operations from business proposals to EPC (Engineering, Procurement and Construction), fund procurement and plant operation.

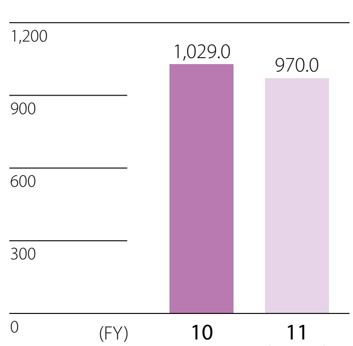
In fiscal 2010, in the machinery field, the Division saw an increase in the handling volume of construction machinery primarily for China. We also realigned subsidiaries in order to strengthen sales and technical capabilities. In the energy and infrastructure project field, we were awarded multiple contracts for energy infrastructure projects through yen loans from the Japanese government's Iraq reconstruction assistance program. The Division also promoted a natural gas project in Australia and an electric power project in North America. As a result, the Division recorded net sales of ¥1,029.0 billion and operating income of ¥3.2 billion.

Fiscal 2010 Business Initiatives

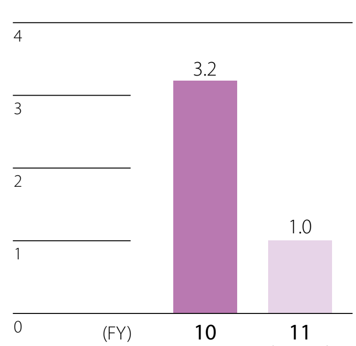
Toyota Tsusho Enters the U.S. Gas-Fired Power Generation Business

Toyota Tsusho has concluded an agreement for the purchase of a 45% interest in the Oyster Creek Cogeneration Plant in Texas, U.S.A. with GE Energy Financial Services, a member of the General Electric group. Owned by an affiliate of GE Energy Financial Services, the plant is located inside a Dow Chemical petrochemical complex and will secure steady business profits through power and steam sales agreements. Going forward, Toyota Tsusho will continue to actively develop the overseas power generation business, which offers prospects for steady long-term earnings.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Toyota Tsusho provides integrated support functions ranging from procurement, logistics, installation and after-sales services for this processing line of an automaker.

We are actively developing power generation projects in the electric power business, which includes renewable energy.

Basic Strategies and Long-Term Policies

The Division combines the machinery field and the energy and infrastructure project field. In the former field, the main source of earnings is the automotive machinery business, which has grown in step with increases in automobile production. In the latter field, the main focus has been on securing stable supplies of energy. The Division is strengthening internal collaboration between both fields in order to generate new synergies. While striving to fortify the current earnings base, the Division is working hard in each field to cultivate emerging markets, develop new businesses and enhance business functions. The energy and infrastructure project field previously focused on acquiring interests in various projects. This field now also offers significant business opportunities in the sale of machinery and supply parts for use in the development of plant facilities and peripheral infrastructure. The Division plans to make active efforts to establish a powerful energy supply chain by combining expertise developed in the automotive field in step with growth in worldwide demand for infrastructure and energy. Meanwhile, the Division will proceed with the reorganization of affiliated companies not only in the machinery field but also in the energy and infrastructure project field, with the aim of further boosting management efficiency.

The Division will also focus even more than before on human resources development. One measure will be to step up personnel exchanges including staff rotations. The goal is to develop professional teams in each field. Setting its sights on achieving the GLOBAL 2020 VISION, the Division is determined to contribute to "people, society and the earth," through business activities in emerging and environment-related markets, which offer continued growth prospects, as the driving force behind one of Toyota Tsusho's key strengths—the creation of synergies across various fields.

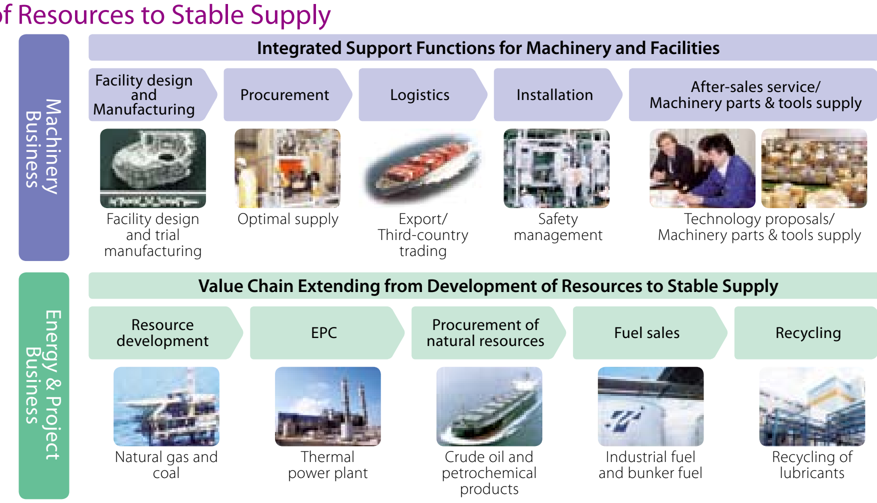
Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥970.0 billion and operating income of ¥1.0 billion.

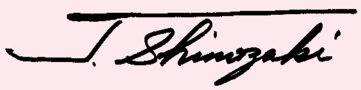
Integrated Support Functions for Machinery and Facilities
Value Chain Extending from Development of Resources to Stable Supply

In the machinery field, which spans various machinery and facilities, industrial vehicles and construction machinery, the Division not only procures and sells goods, but also provides comprehensive support services covering planning and recommendations as well as technological development, quality control and efficient logistics that make important contributions to the building of customers' production systems.

The division also procures basic energy resources such as petroleum, coal and natural gas globally, in addition to conducting a power generation business on a worldwide scale, with the aim of ensuring a stable long-term energy supply.



Segment Overview
Chemicals & Electronics Division



TAMIO SHINOZAKI
Managing Director,
Chief Division Officer of Chemicals & Electronics Division

Division Overview and Fiscal 2010 Results

The Chemicals & Electronics Division was established in April 2011 as a new division bringing together organizations involved with chemical products and plastics, and electronics, as well as the HEV (Green Mobility Solution) business. The purpose of this integration is to generate new synergies. In the chemical products field, we are developing business by securing supply sources and leveraging our overseas network. In the plastics and electronic materials fields, we are globally developing plastics compounds used in automotive and home electronics components, and making efforts involving electronics and fuel cell materials, such as lithium-ion batteries. In the electronics field, our electronic device business engages in making development proposals and providing technologies to domestic and overseas semiconductor and electronic parts manufacturers. It undertakes related global procurement and makes proposals for systems, including the development of embedded software. We also have a network business that builds networks for Japanese companies with established overseas operations and provides global system support.

In fiscal 2010, in the chemical products and plastics field, we made an investment in an iodine development and production company in Chile, acquiring a new supply source. In addition, we established a global supply chain for bio-PET operations by entering into a long-term purchase agreement for sugarcane-derived bioethanol in Brazil. In the electronics field, car electronics sales recovered and sales of semiconductors for digital home electronics and communication hardware also grew steadily. As a result of business expansion in each field, the Division recorded net sales of ¥1,166.5 billion and operating income of ¥12.0 billion.

Basic Strategies and Long-Term Policies

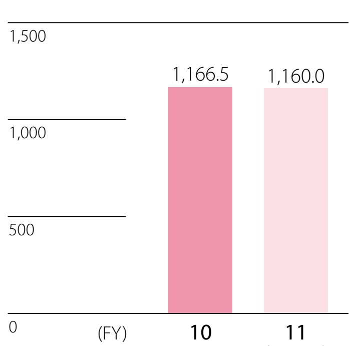
The Division is involved in all three of the strategic business fields set forth in GLOBAL 2020 VISION, namely the Mobility, Life & Community, and Earth & Resources fields. As such, we will work to accelerate innovation and enhance governance at the Division level. Our keywords will be new

Fiscal 2010 Business Initiatives

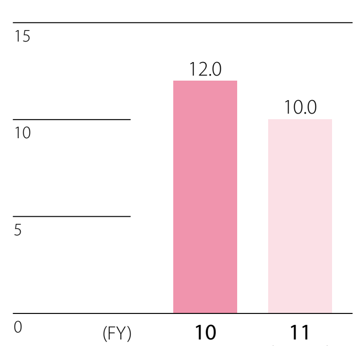
Investment in an Iodine Development and Production Company in the Republic of Chile

Toyota Tsusho has invested in Algorta Norte S.A., an iodine production company in the Republic of Chile. The distribution of iodine resources around the world is even more imbalanced than rare earths. In the field of pharmaceuticals, the main application for iodine, the market for this resource is expected to grow by around 5% a year in emerging countries going forward. By acquiring a new source of supply, Toyota Tsusho expects to increase its share of the iodine market from 7% now to around 15% in 2016. Looking ahead, we aim to develop new businesses by, for example, establishing value chains through entry into downstream operations in the pharmaceuticals field.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Schematic of Bio MEG Plant

Toyota Tsusho's diverse electronic device business

technologies, new business models, emerging countries, priority countries, the environment, and resources. Mindful of these keywords, we will work to expand business profits as we contribute to "People and Society."

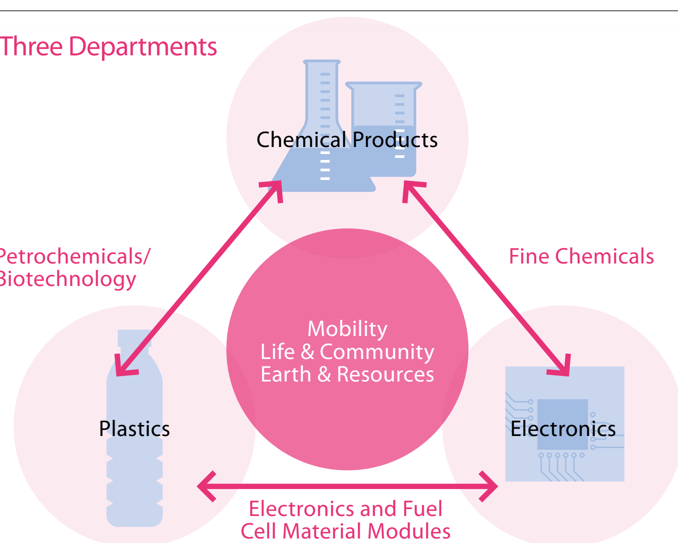
In the chemical products field, we will strengthen ties with strategic partners, while expanding the value chains for the core products that drive our earnings, including hygiene materials, urethane, detergents and solvents, from upstream to downstream operations. At the same time, we will actively take on the challenge of developing new business domains such as the pharmaceuticals field and advanced composting processes. In the plastics field, we will strengthen our hand in the chemical compound business as well as biotech products and other environmental products, as we develop these operations in emerging countries. In the electronics field, we anticipate growth in the market for hybrid and electric vehicles, as well as increased sophistication, higher capacity and diversification in the digital society. We will therefore develop semiconductors and embedded software as well as enhance our in-vehicle multimedia and mobile-related businesses. We will accelerate the "convergence of chemical products and plastics," an initiative launched last year, together with Toyotsu Chemiplas Corporation. Furthermore, we can expect to capture synergies with the component materials business and modular products business in the digital home electronics market as well as the lithium-ion battery and electric vehicle market. Each of our departments will make a concerted effort to secure new sources of earnings through innovative technologies and new business models. On the other hand, we will work to strengthen corporate governance, including affiliated companies, with the aim of enhancing sales capabilities and raising management efficiency.

Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥1,160.0 billion and operating income of ¥10.0 billion.

Capturing New Synergies through Teamwork Among Three Departments

The Division's three departments—chemical products, plastics and electronics—will work as one to capture new synergies. While working to expand business profits, the departments will work to contribute to "People and Society" in the three strategic fields of Mobility, Life & Community, Earth & Resources through home electronics, automobiles and other businesses.



Segment Overview
Produce & Foodstuffs Division

MAKOTO HYODO
Managing Director,
Chief Division Officer of Produce & Foodstuffs Division

Division Overview and Fiscal 2010 Results

The Produce & Foodstuffs Division conducts businesses in two fields. One is the grains business, which handles livestock feed, oil seeds, rice, wheat and raw sugar. The other is the foodstuffs business, which mainly handles food ingredients and prepared frozen foods. In the grains business, one of our strengths lies in our feed processing complexes, centering on four grain silos in Japan. We supply grains via a dedicated pipeline, which extends from these silos with piers for the docking of large vessels to blended feed makers located further inland. We are one of the leading handlers of feed grain in Japan. We have established a comprehensive value chain through which we import wheat from the U.S. and other countries and sell flour to China and Southeast Asia using our efficient proprietary sales network. In the foodstuffs area, we meet diversifying needs through our various food processing businesses, which draw on processing bases in Japan and overseas. We are also strengthening our food safety management systems. For example, we established a Food Safety Promotion Office within the Division to strengthen traceability and other important safety management functions.

In fiscal 2010, in the grains field, the Division entered into a business alliance agreement with a Thai sugar refiner to build a sugar supply chain with a consistent level of quality. In the foodstuffs field, the Division took steps to develop a complete bluefin tuna culture business by forming a technical collaboration with Kinki University and establishing an intermediate larva breeding company. On the other hand, the Division saw lower sales of grain, livestock feed and other products. Coupled with the impact of the Great East Japan Earthquake of March 2011, the Division recorded net sales of ¥291.0 billion. Operating income was ¥0.8 billion, which was lower than initially projected.

Basic Strategies and Long-Term Policies

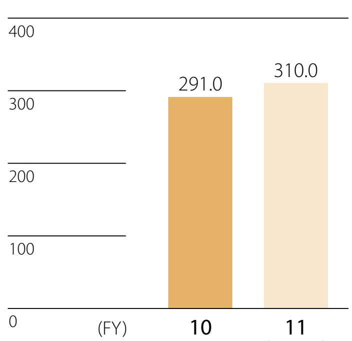
Japan relies on imports for most of its supplies of grains such as wheat, corn and soybeans, as well as oil-producing plant seeds. Countries and regions like the U.S. and South America are increasingly dominating the supply of these

Fiscal 2010 Business Initiatives

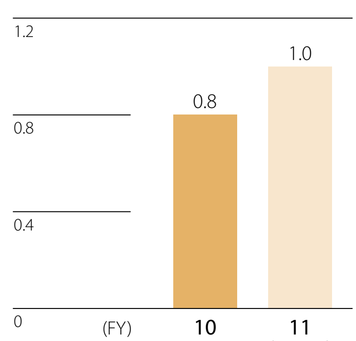
Technical Collaboration between Toyota Tsusho and Kinki University in the Bluefin Tuna Intermediate Breeding Business

Toyota Tsusho and Kinki University have entered into a technical collaboration agreement for a bluefin tuna intermediate breeding business. With this agreement, Toyota Tsusho has established Tuna Dream Goto Corporation in Goto City, Nagasaki Prefecture. In response to global concerns over the depletion of bluefin tuna resources, Toyota Tsusho intends to help ensure a stable supply of food resources through the world's first bluefin tuna intermediate breeding business, which will be developed under the technical direction of Kinki University, a pioneer in bluefin tuna aquaculture technology.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



Our grain silo business boasts one of Japan's largest storage capacities.

Our food manufacturing, processing and sales business supplies safe, high-quality food products to improve the diet of our customers.

food materials, but with more demand from China and Southeast Asian countries in step with their economic expansion, the race for food ingredients has begun to emerge at times depending on the status of production in supplying countries. On the other hand, in Japan, a prolonged slump in prices of livestock products and foodstuffs is anticipated based on ongoing deflation in the domestic market. In light of this business environment, the Division will promote grains, distribution and agriculture as its three primary strategic fields, and allocate business resources to each field, while working to cultivate overseas markets. In the grains field, the Division intends to capture a large market share by expanding business in food purchasing countries. Meanwhile, we aim to establish a value chain spanning collection to sales by strengthening alliances with strategic partners in food production regions. This will entail leveraging our sales capabilities in food purchasing countries. In the foodstuffs area, the Division will actively make investments designed to acquire manufacturing and sales capabilities through alliances as well as mergers and acquisitions with Japanese food manufacturers, while pursuing overseas business development. In the agriculture field, the Division aims to develop recycling oriented agriculture systems in emerging markets and other growing countries. Efforts will be focused on the manufacturing of compost and fertilizer, the cultivation of grains and agricultural produce, the production of foodstuffs and livestock feed, livestock raising and the aquaculture business. The Division also plans to strengthen human resources development in order to proactively promote these business development initiatives.

Looking ahead to the GLOBAL 2020 VISION, the Division will naturally provide a stable supply of produce and foodstuffs by vigorously pursuing food reliability and safety. Recognizing its key role in the Life & Community and Earth & Resources fields, the Division will actively execute investments in priority businesses in each of its three strategic fields, while enhancing existing business operations.

Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥310.0 billion and operating income of ¥1.0 billion.

Establishment of Toyota Tsusho's Distinctive Food Safety Management System

Toyota Tsusho has established its own food safety management system to ensure food safety. In addition to rigorous selection of suppliers and reinforcement of local supplier management criteria, we are strengthening local and border inspections carried out mainly by the Food Safety Promotion Office in conjunction with specialist external organizations. In these ways, we aim to be a general trading company with an unsurpassed safety management system.

Toyota Tsusho's Distinctive "Food Safety Management System"

Segment Overview
Consumer Products, Services & Materials Division

JUN NAKAYAMA
Managing Director, Chief Division Officer of Consumer Products, Services & Materials Division

Division Overview and Fiscal 2010 Results

This Division provides various products and services to support people's lives in many different fields, including lifestyle, industrial materials and products, insurance, estate development and automotive accessories and materials. In the lifestyle field, the Division conducts a textile products business, where it utilizes its capabilities as a comprehensive supplier in areas ranging from development to sales and delivery, underpinned by its strengths in functional materials and our extensive production network; a nursing care equipment sales and rental business; and a home interior products and office furniture sales business. In the industrial materials and products field, the Division has an airbag business and a textile business. In the insurance business, we are expanding the spheres of our business domains in Japan and overseas as an agency that offers a diverse array of products, such as automobile insurance as well as group insurance for our business partner companies. The estate development business engages in the construction of condominiums that integrate a host of functions to offer more comfortable living environments, with the aim of providing support for healthy urban lifestyles. In the automotive accessories and materials field, we engage in businesses spanning the development and sale of supplies and interior materials mainly for core automotive applications, such as floor mats.

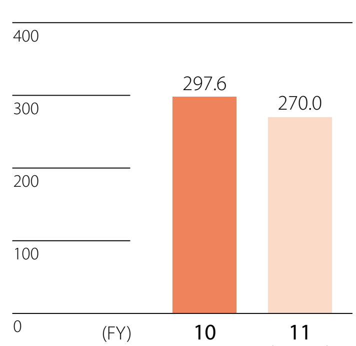
In fiscal 2010, in the lifestyle field, Toyota Tsusho established JFT Shanghai to conduct a fashion apparel business in China. The Company also established Shanghai J-Express Technology Co., Ltd. for the purpose of administering an e-commerce site in China. In addition, we also commenced trial sales of nursing care equipment in China. In the insurance field, we set up a captive insurance company in Micronesia, following on from the establishment of a similar company in Singapore. Consequently, for fiscal 2010, net sales were ¥297.6 billion and operating income was ¥0.8 billion.

Fiscal 2010 Business Initiatives

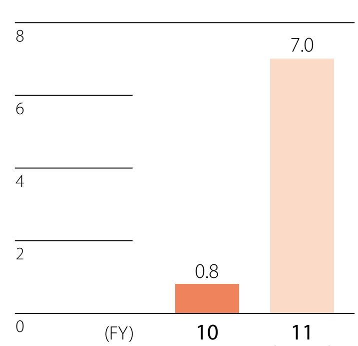
Opening of Large Select Shop in Shanghai Following Hong Kong

In 2010, Toyota Tsusho established JFT Shanghai to conduct a fashion apparel business in China. This follows the opening of the first large select shop in Hong Kong by JFT Holdings Limited, a joint venture established in January 2009 by Toyota Tsusho and Hong Kong-based Symphony Holdings Limited with the aim to advance the retail business for textile products. Toyota Tsusho also established Shanghai J-Express Technology Co., Ltd. for the purpose of administering an e-commerce site in China.

NET SALES
(¥ billion)



OPERATING INCOME
(¥ billion)



The automotive supplies and interior materials business is making the most of its functions as a comprehensive supplier of various products.

The lifestyle business aims to create new value in fields close to daily life.

Basic Strategies and Long-Term Policies

The market environment is approaching a dramatic turning point due to ongoing shifts in the economic structure on a global scale. The main factors behind these shifts are China's economic expansion, the advancement of the fast-growing Asian economic region, and intensified competition for market share in emerging nations, given their appeal as potential markets. In this context, the Division has a high percentage of businesses based in Japan and operations involving standalone products. Therefore, the Division will promote three themes: establish new business models, develop value chains that are optimal for the whole Division; and further accelerate overseas business development. Specifically, we have defined our strategic business domains as "Lifecare" (medical, health and nursing care) and Retail. Besides increasing transactions of items we handle in each domain, we will accelerate initiatives to create new businesses by leveraging the strengths of each of our businesses. To this end, the Division will step up business investments as it speeds up global business development, especially in the fast-growing China and Asia region, with the aim of achieving a 50:50 earnings ratio from domestic and overseas businesses. Another priority is to transform the Division's earnings structure. To this end, the Division plans to expand its businesses as a whole by upgrading and extending its value chains. At the same time, the Division will work to achieve a change in mindset where each member embraces the challenges of new businesses by thinking out of the box, and implementing the "linking, expanding and creating" cycle with a strong sense of urgency.

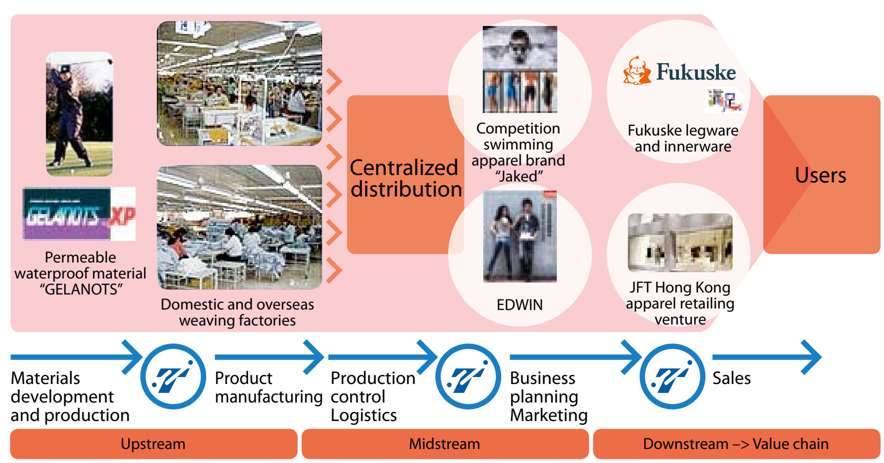
The Division is responsible for driving growth in the Life & Community field set forth in Toyota Tsusho's GLOBAL 2020 VISION. By implementing our Divisional strategy, we aim to create and expand unique businesses that provide multifaceted value useful to people and society at large.

Outlook for Fiscal 2011

For fiscal 2011, the Division is projecting net sales of ¥270.0 billion and operating income of ¥7.0 billion.

Initiatives in the Brand Retailing Business

Toyota Tsusho is working to strengthen downstream operations by taking full advantage of planning, production and logistics functions. In the process, the Company is strengthening the development and proposal-based sales of value-added products through licensing businesses, materials development and other areas.



CSR Activities

Basic Approach to CSR

For the Toyota Tsusho Group, CSR, rather than a special undertaking, is seen as being inseparable from managing all corporate activities. Through its wide-ranging business activities, Toyota Tsusho is closely involved in the lives of people around the world, and has a major role and responsibility to fulfill in terms of building a sustainable society for the future. Mindful of its relationships with stakeholders around the world, Toyota Tsusho is determined to conduct sincere business activities in compliance with laws and regulations in Japan and overseas, based on the themes of strengthening businesses and functions, protecting the environment and coexisting with society. These principles embody the Toyota Tsusho Group's approach to CSR as we work to help build a sustainable society for the future.

CSR Structure

The CSR Committee (chaired by the president), which was established in 2005 by reorganizing the Corporate Ethics Committee, serves as the central organization for CSR activities, with committee meetings held once a year. In June 2010, the CSR structure was reorganized by positioning the Specified Import & Export Control Committee, the Conference on the Global Environment and the Safety Management Enhancement Committee under the CSR Committee. Toyota Tsusho is striving to further energize the CSR activities of each organization.

Under this structure, Toyota Tsusho aims to provide added value that satisfies all stakeholders.

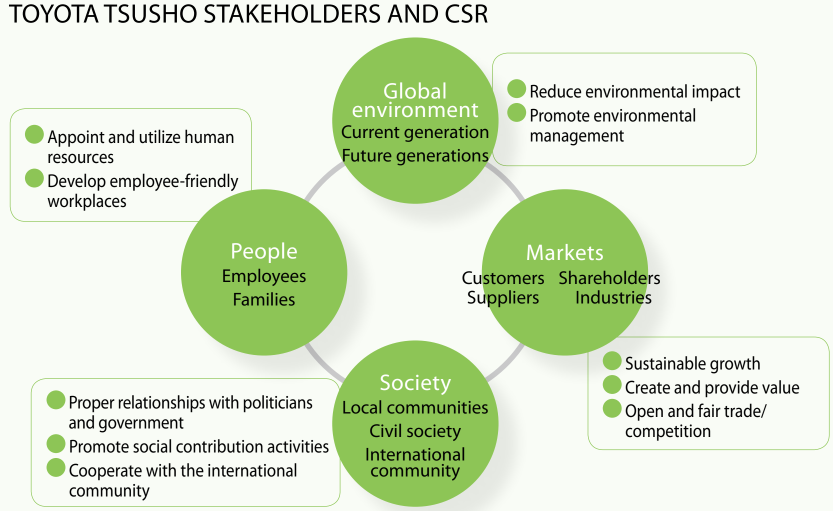
Creating a Safety-Oriented Corporate Culture

For the Toyota Tsusho Group, which is expanding globally in a quest to provide its customers with added value, ensuring safety is the presumption of business continuity. With many business sites (i.e., affiliates) creating value-added services such as processing and logistics in wide-ranging business fields, Toyota Tsusho strives to conduct unified safety management encompassing these affiliates and its suppliers. We also work to ensure safety awareness among all Toyota Tsusho Group employees. Measures include sharing information on accidents and disasters through the Health & Safety Committee, holding Safety Conventions for "Zero Workplace Accident Promoters" in each product division, and convening Safety Committee meetings with Group companies. At the same time, Toyota Tsusho is actively engaged in human resources development using "Practical Safety Workshops" and a safety education DVD, with the aim of training personnel to anticipate potential hazards.

In addition, Toyota Tsusho is building a safety management system by changing the mindset of management and developing facilities that exclude potential hazards, based on plant safety diagnoses and risk assessments at production sites worldwide. Furthermore, we verify safety management systems and methods for construction work and facilities when preparing plans for new business project proposals in order to ensure safety from the project development stage. Through these safety activities, we intend to create a corporate culture in which employees act voluntarily to ensure "Zero Workplace Accidents" and accident prevention in all Toyota Tsusho Group business operations.

CSR PROMOTION STRUCTURE

TOYOTA TSUSHO STAKEHOLDERS AND CSR



Creating Value through Diverse Human Resources

Energetic employees are the driving force behind a business. The Toyota Tsusho Group promotes diversity in its human resources that "aims for the creation of new value through an organization where everybody is empowered regardless of gender or age, nationality or culture." The Toyota Tsusho Group does business through more than 400 Group companies in over 60 nations around the world, with overseas bases accounting for approximately 70% of operating income. To achieve the Toyota Tsusho Group's corporate vision, it is essential to have a national staff that is highly knowledgeable about laws, business conditions, culture and other aspects of a given nation. We have established a global personnel strategy and are training employees responsible for managing operations overseas based on the basic stance of respecting the world's diverse values.

Additionally, we support a healthy work-life balance for all employees to create an environment that enables them to reach their full potential as individuals. In May 2007, we substantially revised our internal guidelines related to childcare and have been conducting programs aimed at creating an environment that is genuinely supportive of both work and home life. By vigorously promoting these programs, we are confident of creating relationships among employees worldwide that allow each employee to sharpen skills and knowledge, while working together under the shared vision of the Toyota Tsusho Group Way, which is encapsulated in the key phrases "real places, real things, reality," "commercial spirit," and "team power."

A Stronger Approach to the Environment

The Toyota Tsusho Group is closely involved with manufacturing activities, primarily in the auto industry, and views the environment as the foundation of manufacturing activities. We believe that our environmental activities can help to realize a recycling-oriented society, a low-carbon society and a society in harmony with nature, while fulfilling our social responsibilities. At the same time, environmental activities will help to drive growth at the Toyota Tsusho Group. In addition to reducing CO_2 emissions and waste through its own efforts, the Toyota Tsusho Group aspires to step up business activities that help to achieve the above three kinds of society, while expanding these activities worldwide.

Examples of actual activities include the recycling of metals, automobiles, home appliances, paper and other materials in order to help realize a recycling-oriented society. We have also started recycling batteries and mobile phones, which contain valuable scarce resources.

To realize a low-carbon society, we are promoting renewable power generation businesses in various locations around the world, including a wind power generation business. On a global basis, we are also engaged in the supply of wind power and solar power generation systems and solar power plants; the recovery of biogas from wastewater released from starch plants; and the emissions rights business through Clean Development Mechanism projects, among other initiatives. To realize a society in harmony with nature, we implement environmental risk assessments to rigorously prevent pollution, in addition to enforcing compliance with environmental laws and regulations. Other priorities include participation in reforestation activities in Japan and overseas, and in-house environmental education.

Social Contribution Activities

The Toyota Tsusho Group adheres to the guiding principle of contributing to society as a good corporate citizen. Accordingly, the Group interacts directly with local communities while actively participating in an array of activities to find solutions to issues facing society and promoting initiatives aimed at ensuring people's happiness and well-being. Moreover, we promote activities in which people can see our "corporate face" by encouraging employee participation in volunteer activities to provide direct personal support. We position people (education), society (welfare) and the Earth (environment) as key themes in light of our Corporate Philosophy. By electing the well-balanced pursuit of three approaches, consisting of 1) contributing financially, coupled with planning and implementing voluntary programs as a company; 2) creating a culture and systems that support participation/contribution through volunteering by directors and employees; and 3) contributing to a recycling-oriented society and reducing the burden on the Earth's environment through business activities, we are able to address our social responsibility of "creating a more prosperous society" through activities that are unique to the Toyota Tsusho Group.

Corporate Governance and Internal Control Systems

Corporate Governance

Basic Approach to Corporate Governance

The Toyota Tsusho Group has established the following Basic Philosophy: "Living and prospering together with people, society, and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." The Group has established "Behavioral Guidelines" as a fundamental code of conduct for realizing this philosophy in a legal and appropriate manner as a good corporate citizen.

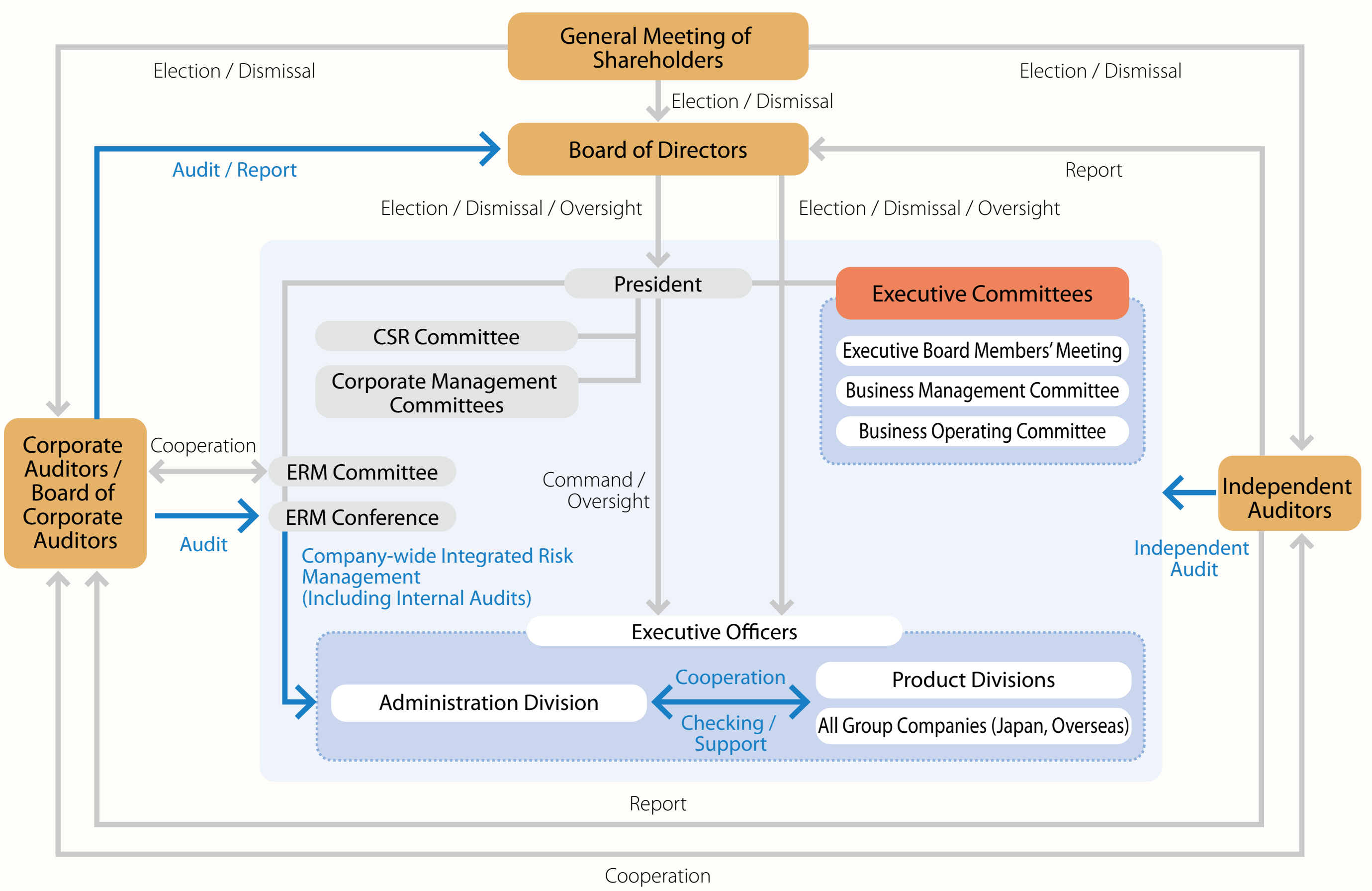
In accordance with its corporate philosophy, in May 2006, the Board of Directors approved the "Basic Policies on Establishing Internal Control Systems." By putting in place systems for ensuring proper operations throughout the Company, we seek to pass on to younger employees a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs and daily principles of conduct. The overriding goal is to fulfill the Group's mission by creating value from the customer's perspective. Guided by these Basic Policies, we are actively working to further raise management efficiency, enhance transparency, enforce rigorous compliance and establish a sounder financial position.

We are also working to enhance our public relations and investor relations activities to foster a broader understanding of the Toyota Tsusho Group.

Corporate Governance Structure

Toyota Tsusho has adopted the corporate auditor model of corporate governance to audit the duties of directors. Five corporate auditors, who are elected at the general meeting of shareholders, conduct audits of the duties of directors. Three of the five corporate auditors are outside corporate auditors.

CORPORATE GOVERNANCE STRUCTURE
(As of June 2011)



Toyota Tsusho conducts Group-wide management based on the divisional system. Currently, the Company has a total of eight divisions: seven product divisions and the Administrative Division. Each division is led by a director appointed as Chief Division Officer. The duties of these directors encompass management at both the corporate and divisional levels. Through participation in the Business Management Committee, the Business Operating Committee and other forums, these directors strive to promptly communicate and share information.

In April 2006, Toyota Tsusho introduced an Executive Officer System with the aims of raising management efficiency and reinforcing internal control.

Through the introduction of an executive officer system, Toyota Tsusho has raised management efficiency by streamlining the Board of Directors. Decision making has been expedited by having directors and executive officers focus on corporate and divisional management, respectively, with the latter serving as Deputy Chief Division Officers. Through the separation of corporate management (directors) and divisional management (executive officers), Toyota Tsusho has strengthened the Board of Directors' oversight function with respect to the performance of duties, clarified authority and responsibility, and strengthened internal control.

In other areas, Toyota Tsusho has established the Corporate Management Committees for directors and executive officers to discuss measures to resolve management issues from a Company-wide perspective on a case-by-case basis, and consult with the Board of Directors as necessary.

Toyota Tsusho has adopted the corporate auditor model of corporate governance to audit the duties of directors. These audits are conducted by five corporate auditors who are elected at the general meeting of shareholders. Because three of the corporate auditors are outside corporate auditors, Toyota Tsusho believes that there are sufficient checks from external perspectives. Through the promotion of divisional management, mutual oversight of duties among the directors is functioning effectively. Accordingly, Toyota Tsusho believes that the current corporate governance structure provides sufficient checks over management.

With respect to internal audits, the Enterprise Risk Management (ERM) Department has conducted Company-wide integrated risk management since April 2009. In accordance with the Company's internal audit rules, and audit policies and plans approved by the president, the ERM Department conducts audits of Toyota Tsusho and Group companies. The ERM Department also meets with the corporate auditors of Toyota Tsusho every month to report on audit findings and exchange opinions, with the view to raising audit efficiency and quality. In addition to internal audits, the ERM Department conducts internal control operations, and regularly exchanges opinions on internal control with the corporate auditors, among other tasks, at the above meetings.

* Description and Objectives of the Corporate Management Committees

• Human Resources Enhancement Committee:	Discuss recruitment of personnel; human resources development, including local overseas staff; promote the employment of female staff, and facilitate the employment of persons with disabilities.
• Corporate Business Promotion Committee:	Discuss policies and budgets for specific new business projects involving the entire company.
• Overseas Regional Strategy Committee:	Plan and promote strategies for key overseas markets (Asia/Oceania, China, Europe, North and Central America) as well as for emerging nations and resource-rich countries.
• Cost Reduction and Kaizen Promotion Committee:	Promote cost reductions across the Company by increasing the transparency of costs related to logistics, IT and other business infrastructure.
• IT Strategy Committee:	Discuss Company-wide policies on IT strategies.

Internal Control System

We believe that the purpose of establishing an internal control system is to put in place systems for ensuring proper operations throughout the Toyota Tsusho Group based on our corporate philosophy. The overriding goal is to fulfill the Group's mission as a good corporate citizen by creating value from the customer's perspective as we pass on to younger employees a deeper understanding of the Toyota Tsusho Group Way, which sets forth the Group's unique values, beliefs and daily principles of conduct. To establish such a system, in May 2006 the Board of Directors approved the "Basic Policies on Establishing Internal Control Systems." With this move, we have clarified the duties of directors and established a system that enables us to confirm in a timely and appropriate manner the status of our systems for ensuring appropriate operations. We also revise these basic policies in accordance with changes in the environment.

Compliance Structure

Toyota Tsusho holds meetings of the Board of Directors at least once a month to decide on basic management policies and other important matters. In principle, all directors and corporate auditors attend these meetings. Through this process, Toyota Tsusho conducts oversight and supervision among directors and audits of directors' duties by the corporate auditors.

Furthermore, Toyota Tsusho regularly holds meetings of various executive committees to report on business execution, exchange information and conduct discussions on a regular basis. The executive committees consist of the Executive Board Members' Meeting, which is held once a week and attended by all executives at the executive vice president level or above; the Business Management Committee, which is held once a month and attended by all division managers and full-time corporate auditors; and the Business Operating Committee, which is held once a month and attended by all directors and executive officers.

In regard to corporate social responsibility (CSR) activities, Toyota Tsusho established the CSR Committee in January 2005 to focus on approaches and activities addressing priorities such as environmental issues, social contribution activities, occupational health and safety, human rights, mental health care, and crisis management. The Committee also addresses business ethics and

STATUS OF OUTSIDE CORPORATE AUDITORS IN FISCAL 2010

	Main activities in fiscal 2010	Relationships between companies where concurrent positions are held and Toyota Tsusho
TETSURO TOYODA	Mr. Toyoda attended 11 out of 17 meetings of the Board of Directors and 10 out of 14 meetings of the Board of Corporate Auditors held in fiscal 2010, and expressed opinions needed to discuss agenda matters and other issues as appropriate, based on his wealth of experience and insight into corporate management.	Mr. Toyoda is president of Toyota Industries Corporation. Toyota Industries is a major shareholder of Toyota Tsusho and holds 39,365 thousand shares of the Company. Toyota Tsusho conducts procurement, sales and other transactions related to products and raw materials with Toyota Industries.
KYOJI SASAZU	Mr. Sasazu attended 13 out of 17 meetings of the Board of Directors and 14 out of 14 meetings of the Board of Corporate Auditors held in fiscal 2010, and expressed opinions needed to discuss agenda matters and other issues as appropriate, based on his wealth of experience and insight into corporate management.	Mr. Sasazu is an outside corporate auditor of Kanto Auto Works, Ltd. Toyota Tsusho conducts sales and other transactions related to raw materials with Kanto Auto Works.
KAZUNORI TAJIMA	Since assuming his post on June 25, 2010, Mr. Tajima has attended 13 out of 13 meetings of the Board of Directors and 10 out of 10 meetings of the Board of Corporate auditors held in fiscal 2010, and expressed opinions needed to discuss agenda matters as appropriate based on his specialized knowledge, experience and other credentials as a certified public accountant.	Mr. Tajima is president of the Kazunori Tajima Certified Public Accountant Office and an outside corporate auditor of Daikoku Denki Co., Ltd.. There is no special business relationship between Toyota Tsusho and Daikoku Denki Co., Ltd.

legal issues across all corporate activities. From the fiscal year ended March 31, 2006, Toyota Tsusho has issued an annual CSR report outlining these activities. The Company has also distributed to employees publications such as its Code of Ethics, including digests, which clearly state behavioral guidelines that employees must observe based on Toyota Tsusho's corporate philosophy. This is one way the Company is making its Code of Ethics known to all employees. Consulting hotlines to an internal contact and external lawyers have also been established. In this manner, the Company has put in place a system to ensure self-correction mechanisms and the early detection and response to issues.

Risk Management System

With respect to risk management, Toyota Tsusho established the ERM Department in April 2009 and works to develop and enhance its risk management system on a consolidated basis in collaboration with various departments and Group companies, with emphasis on the overall risk faced by the entire Toyota Tsusho Group. Specifically, the ERM Department centralizes the monitoring of various risk information, and formulates management rules for various risks, conducts training programs, distributes manuals and takes other actions through departments responsible for each type of risk. The Company appropriately recognizes and manages risks by formulating management rules and guidelines for risks requiring particular caution with respect to its business execution, namely investment and financing, credit, market, occupational health and safety, and environmental risks. Additionally, Toyota Tsusho conducts financial risk management by measuring the amount of risk assets, and striving to balance the total amount of risk assets with a suitable risk buffer on a consolidated basis.

Furthermore, Toyota Tsusho established an ERM Committee in April 2009. The ERM Committee seeks to understand the above risks on a Company-wide basis, identify issues and take necessary countermeasures.

Information Management System

Toyota Tsusho has formulated regulations and standards for information storage and management and has clarified departmental responsibility and storage periods for each type of document.

System for Ensuring Appropriate Operations of Group Companies Comprising Toyota Tsusho and its Subsidiaries

To ensure appropriate operations throughout the Group, Toyota Tsusho holds meetings of Group-wide management committees to share Group policies and exchange information. Without unduly hindering the business execution of subsidiaries, Toyota Tsusho strives to ascertain and manage the financial condition and important matters relating to business execution. Depending on the status of subsidiaries' systems, Toyota Tsusho will dispatch directors and corporate auditors to supervise and audit operations as necessary. Furthermore, internal audits are conducted by Toyota Tsusho's ERM Department.

System for Eliminating Anti-social Forces

Toyota Tsusho has established a system for eliminating anti-social forces in cooperation with specialized institutions outside the Company such as the National Center for the Elimination of Boryokudan* and the National Police Agency's Organized Crime Countermeasures Bureau. Toyota Tsusho's Nagoya Head Office, Tokyo Head Office and Osaka Head Office are members of the Aichi Prefecture Corporate Defense Council, the NPA (National Police Agency) Special Violence Prevention Council and the Osaka Corporate Defense Alliance Council respectively. As members, each head office receives guidance while working to share information with relevant parties. In the event that an illegitimate request is received from anti-social forces, the General Administration Department, as the designated department responsible for responding to such cases, resolutely stands up to such requests in cooperation with relevant agencies such as the police and lawyers.

* Japanese crime syndicates

Management

(As of July 1, 2011)

Board of Directors


Chairman of the Board
MITSUO KINOSHITA


Vice Chairman
JUNZO SHIMIZU


President
JUN KARUBE


Executive Vice President
KENJI TAKANASHI


Executive Vice President
MIKIO ASANO


Senior Managing Director
HISASHI YAMAMOTO
Chief Division Officer of Machinery, Energy & Project Division


Senior Managing Director
YASUHIKO YOKOI
Chief Division Officer of Automotive Division


Managing Director
MAKOTO HYODO
Chief Division Officer of Produce & Foodstuffs Division


Managing Director
JUN NAKAYAMA
Chief Division Officer of Consumer Products, Services & Materials Division


Managing Director
TAMIO SHINOZAKI
Chief Division Officer of Chemicals & Electronics Division

Board of Directors & Corporate Auditors

Chairman of the Board	MITSUO KINOSHITA	
Vice Chairman	JUNZO SHIMIZU	
President	JUN KARUBE	
Executive Vice Presidents	KENJI TAKANASHI	
	MIKIO ASANO	
Senior Managing Directors	HISASHI YAMAMOTO	Chief Division Officer of Machinery, Energy & Project Division
	YASUHIKO YOKOI	Chief Division Officer of Automotive Division
Managing Directors	MAKOTO HYODO	Chief Division Officer of Produce & Foodstuffs Division
	JUN NAKAYAMA	Chief Division Officer of Consumer Products, Services & Materials Division
	TAMIO SHINOZAKI	Chief Division Officer of Chemicals & Electronics Division
	TAKUMI SHIRAI	Chief Division Officer of Metals Division
	HIROSHI TAKANO	Chief Division Officer of Global Production Parts & Logistics Division
	HIROKI SAWAYAMA	Executive Deputy Chief Division Officer of Machinery, Energy & Project Division
	KUNIAKI YAMAGIWA	Chief Division Officer of Administrative Division
Corporate Auditors	MAHITO KAGEYAMA	
	TATSUYA KUGO	
	TETSURO TOYODA	
	KYOJI SASAZU	
	KAZUNORI TAJIMA	

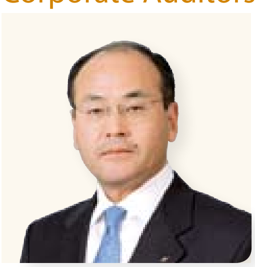
Managing Director
TAKUMI SHIRAI
Chief Division Officer of Metals Division

Managing Director
HIROSHI TAKANO
Chief Division Officer of Global Production Parts & Logistics Division

Managing Director
HIROKI SAWAYAMA
Executive Deputy Chief Division Officer of Machinery, Energy & Project Division

Managing Director
KUNIAKI YAMAGIWA
Chief Division Officer of Administrative Division

Corporate Auditors



Corporate Auditor
MAHITO KAGEYAMA

Corporate Auditor
TATSUYA KUGO

Corporate Auditor
TETSURO TOYODA

Corporate Auditor
KYOJI SASAZU

Corporate Auditor
KAZUNORI TAJIMA

Executive Officers

Managing Executive Officers	SEIICHIRO ADACHI	President of Toyota Tsusho Europe S.A. and President of Toyota Tsusho U.K. Ltd.
	AKIMASA YOKOI	Osaka Branch Manager
	SOICHIRO MATSUDAIRA	Deputy Chief Division Officer of Machinery, Energy & Project Division Deputy Chief Division Officer of Chemicals & Electronics Division
	TETSURO HIRAI	Deputy Chief Division Officer of Administrative Division
	YUICHI OI	Deputy Chief Division Officer of Global Production Parts & Logistics Division
	TAKASHI HATTORI	Deputy Chief Division Officer of Automotive Division
	NOBUYUKI MINOWA	President of Toyota Tsusho America, Inc.
Executive Officers	MINORU MURATA	Deputy Chief Division Officer of Metals Division
	YOSHIFUMI ARAKI	Deputy Chief Division Officer of Consumer Products, Services & Materials Division
	HIROFUMI SATO	President of Toyota Tsusho (Thailand) Co., Ltd.
	YOSHIKI MIURA	Deputy Chief Division Officer of Produce & Foodstuffs Division
	MASANORI SHIMADA	Deputy Chief Division Officer of Consumer Products, Services & Materials Division
	HIROYUKI NIWA	Deputy Chief Division Officer of Automotive Division

KAZUYUKI MUTO	Deputy Chief Division Officer of Automotive Division
YASUSHI OKAMOTO	Deputy Chief Division Officer of Chemicals & Electronics Division
SHIZUKA HAYASHI	Deputy Chief Division Officer of Metals Division
TAKESHI MATSUSHITA	Deputy Chief Division Officer of Machinery, Energy & Project Division
HIDEKI YANASE	Deputy Chief Division Officer of Chemicals & Electronics Division
TAKAHIRO KONDO	Chief Representative for China
HIDEKI KONDO	Deputy Chief Division Officer of Metals Division
HIDEKI KANATANI	Deputy Chief Division Officer of Chemicals & Electronics Division
SHIGEKI TANI	Deputy Chief Division Officer of Administrative Division
NORIHIRO HAYASHI	Deputy Chief Division Officer of Produce & Foodstuffs Division
KIYOSHI YAMAKAWA	Executive Vice President of Toyota Tsusho Europe S.A.
KIYOYOSHI OBA	Deputy Chief Division Officer of Global Production Parts & Logistics Division
YUJI HAMAMOTO	Deputy Chief Division Officer of Machinery, Energy & Project Division
ICHIRO KASHITANI	Deputy Chief Division Officer of Administrative Division
TATSUYA TSUTSUI	Deputy Chief Division Officer of Administrative Division and Toyota Branch Manager

Note: Company names and titles are as of July 1, 2011.

Principal Consolidated Subsidiaries and Affiliates by Equity Method

(As of July 1, 2011)

Main Regional Subsidiaries

Company Name	Country	Shareholding	Main Business
Toyota Tsusho (China) Co., Ltd.	China	100.00	Trading and investment
Toyota Tsusho (Dalian) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Tianjin) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Shanghai) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (Guangzhou) Co., Ltd.	China	100.00	Trading
Toyota Tsusho (H.K.) Corporation Limited	China	100.00	Trading and investment
Toyota Tsusho Korea Corporation	Korea	100.00	Trading
Toyota Tsusho Philippines Corporation	Philippines	100.00	Trading
Toyota Tsusho (Singapore) Pte. Ltd.	Singapore	100.00	Trading
P.T. Toyota Tsusho Indonesia	Indonesia	100.00	Trading and investment
Toyota Tsusho (Australasia) Pty. Ltd.	Australia	100.00	Trading and investment
Tomen Iran Ltd.	Iran	100.00	Trading and investment
Toyota Tsusho Europe S.A.	Belgium	100.00	Trading and investment
Toyota Tsusho U.K. Ltd.	U.K.	100.00	Trading and investment
Toyota Tsusho Africa (Pty) Ltd.	South Africa	100.00	Trading and investment
Toyota Tsusho America, Inc.	U.S.A.	100.00	Trading and investment
Toyota Tsusho de Venezuela, C.A.	Venezuela	100.00	Trading
S.C. Toyota Tsusho do Brasil Ltda.	Brazil	100.00	Trading and investment
Toyota Tsusho Argentina S.A.	Argentina	100.00	Trading and investment
Toyota Tsusho India Pvt. Ltd.	India	95.40	Trading and investment
Toyota Tsusho (Taiwan) Co., Ltd.	Taiwan	74.77	Trading and investment
Toyota Tsusho (Malaysia) Sdn. Bhd.	Malaysia	51.00	Trading and investment
Toyota Tsusho (Thailand) Co., Ltd.	Thailand	49.00	Trading and investment

Metals Division

Company Name	Country	Shareholding	Main Business
Toyota Steel Center Co., Ltd.	Japan	90.00	Processing and warehousing of steel sheets
Toyotsu Tekkou Hanbai Co., Ltd.	Japan	100.00	Sales and processing of steel sheets
Oriental Steel Co., Ltd.	Japan	100.00	Processing and sales of steel sheets
Toyotsu Recycle Corporation	Japan	97.02	Collection and sales of nonferrous metals and used automotive parts
Toyota Metal Co., Ltd.	Japan	50.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Aichi Kokan Industries, Ltd.	Japan	100.00	Processing and sales of steel pipes
Kanto Coil Center Co., Ltd.	Japan	100.00	Processing and sales of steel sheets
Toyotsu Hitetsu Center Corporation	Japan	65.00	Processing and sales of aluminum and sheets
Toyotsu Material Corporation	Japan	100.00	Sales of metal products
Tianjin Fengtian Steel Process Co., Ltd.	China	70.00	Processing and sales of steel sheets
Pro Steel Co., Ltd.	Japan	61.30	Processing and sales of special steel sheets
Toyota Tsusho Metals Ltd.	U.K.	100.00	Metal dealer and broker
Poland Smelting Technologies SP. ZO.O.	Poland	85.10	Supplying of molten aluminum
P.T. Indonesia Smelting Technology	Indonesia	100.00	Supplying of molten aluminum
Techno Steel Processing de Mexico S.A. de C.V.	Mexico	95.71	Processing and sales of steel sheets
Tianjin Toyota Tsusho Steel Co., Ltd.	China	100.00	Processing and sales of steel sheets
Guangqi Toyotsu Steel Processing Co., Ltd.	China	70.00	Processing and sales of steel sheets
Guangzhou Aluminium Smelting Technology Co., Ltd.	China	66.70	Manufacture and sales of molten secondary aluminum alloy
Ecoline Corporation	Japan	100.00	Development and sales of software and hardware and communication services
Green Metals Hokuriku Inc.	Japan	100.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Tianjin Toyotsu Resource Management Co., Ltd.	China	100.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
Changchun Tong-Li Aluminum Smelting Technology Co., Ltd.	China	70.00	Manufacture and sales of molten secondary aluminum alloy
T-ST Corporation	Japan	99.80	Manufacture and sales of molten secondary aluminum alloy
Guangzhou Fengzhong Aluminium Smelting Technology Co., Ltd.	China	100.00	Manufacture and sales of molten secondary aluminum alloy
Guangzhou Guanqi Toyotsu Resource Management Co., Ltd.	China	60.00	Collection, processing and sales of metal scrap; Disposal and recycling of industrial waste
TT Steel Processing (Thailand) Co., Ltd.	Thailand	100.00	Processing and sales of steel sheets
Tianjin Toyotsu Aluminium Smelting Technology Co., Ltd.	China	100.00	Manufacture and sales of molten secondary aluminum alloy
Tianjin Toyotsu Aluminium Processing Technology Co., Ltd.	China	100.00	Processing and sales of aluminum and sheets
Toyota Tsusho Technopark (M) Sdn. Bhd.	Malaysia	100.00	Management of industrial park
Toyota Tsusho Non-Ferrous, Inc.	U.S.A.	100.00	Manufacture and sales of wrought aluminum parts for vehicles
Toyota Tsusho Steel Inc.	U.S.A.	100.00	Processing and sales of steel sheets
P.T. Steel Center Indonesia	Indonesia	50.00	Processing and sales of steel sheets
Siam Hi-Tech Steel Center Co., Ltd.	Thailand	50.00	Processing and sales of steel sheets
Nanjing Yunhai Magnesium Co., Ltd.	China	20.00	Manufacture and sales of magnesium alloy
Hanshin Kogyo Co., Ltd.	Japan	25.00	Manufacture and sales of steel pipes
Tovecan Corporation Ltd.	Vietnam	26.36	Manufacture and sales of tin cans, marketing of printed tinplate sheets
O.Y.L. Steel Center Sdn. Bhd.	Malaysia	25.00	Processing and sales of steel sheets
Top Tube Manufacturing Co., Ltd.	Thailand	18.98	Manufacture and sales of high precision, small dimension steel tube
CFT Vina Copper Co., Ltd.	Vietnam	31.00	Manufacture and sales of copper wire rod
Alpha Industries Bhd.	Malaysia	29.92	Manufacture and sales of copper products, wires and wire products

Global Production Parts & Logistics Division

Company Name	Country	Shareholding	Main Business
P.T. Toyota Tsusho Logistic Center	Indonesia	97.91	Warehousing and logistics services
Hot-Line International Transport (H.K.) Limited	China	100.00	Non-vessel operating common carrier and returnable container business
Toyotsu Logistics Service Co., Ltd.	Japan	100.00	Warehousing and logistics services
Hot-Line International Transport (China) Limited	China	100.00	Non-vessel operating common carrier and returnable container business
Tianjin Fengtian Logistics Co., Ltd.	China	36.19	Warehousing and logistics services

Automotive Division

Company Name	Country	Shareholding	Main Business
Toyotsu Auto Service Co., Ltd.	Japan	100.00	Sales and repair of automotive parts and machinery
Toyota de Angola, S.A.	Angola	100.00	Import and distribution of Toyota vehicles and genuine parts
Toyota East Africa Ltd.	Kenya	100.00	Import and distribution of Toyota vehicles and genuine parts
Toyota Lakozy Auto Private Ltd.	India	93.16	Retail and services of Toyota vehicles and genuine parts
Toyota Lanka (Private) Ltd.	Sri Lanka	100.00	Import, retail and services of Toyota vehicles and genuine parts
Toyota Malawi Ltd.	Malawi	100.00	Import and distribution of Toyota vehicles and genuine parts
TTAF Management Ltd.	U.K.	100.00	Management services
Toyota Zambia Ltd.	Zambia	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Zimbabwe (Private) Ltd.	Zimbabwe	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Lang Ha Company Limited (TLH)	Vietnam	50.00	Retail and services of Toyota vehicles and genuine parts
Toyota (Cambodia) Co., Ltd.	Cambodia	80.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Saigon Motor Service Corporation	Vietnam	62.36	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho South Pacific Holdings Pty. Ltd.	Australia	100.00	Holding company
TTC Auto Argentina S.A.	Argentina	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Trinidad & Tobago Ltd.	Trinidad and Tobago	100.00	Retail and services of Toyota vehicles and genuine parts
Comercio de Veiculos Toyota Tsusho Ltda.	Brazil	100.00	Retail and services of Toyota vehicles and genuine parts
JV "Business Car" Co, Ltd.	Russia	92.08	Wholesale, retail and services of Toyota vehicles, forklifts and genuine parts
Toyota Tsusho Euroleasing Hungary KFT	Hungary	51.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Vostok Auto Co., Ltd.	Russia	100.00	Retail and services of Toyota vehicles and genuine parts
Toyota Jamaica Ltd.	Jamaica	80.00	Retail and services of Toyota vehicles and genuine parts
Toyota Tsusho Automobile London Holdings Limited	U.K.	100.00	Holding company
Daihatsu Italia S.R.L.	Italy	80.00	Wholesale of Daihatsu vehicles and genuine parts
Toyotsu Auto (Middle East) FZE	U.A.E.	100.00	Retail and services of Toyota vehicles and genuine parts
T.T.A.S. Co., Ltd.	Myanmar	75.00	Retail and services of Toyota vehicles and genuine parts
Establishment Florden S.A.	British West Indies	100.00	Holding company
LMI Ltd.	Zimbabwe	100.00	Holding company
Guangzhou Huatong Toyota Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Kunshan Tonghe Toyota Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Harbin Huatong Toyota Motor Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Xian Huatong Toyota Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts

D&T Motors Corporation	Korea	46.55	Retail and services of Toyota vehicles and genuine parts
Wulumuqi Huatong Toyota Motor Sales & Service Co., Ltd.	China	40.00	Retail and services of Toyota vehicles and genuine parts
Hangzhou Longtong Toyota Service Co., Ltd.	China	40.00	Retail and services of Toyota vehicles and genuine parts
Wenzhou Huatong Toyota Service Co., Ltd.	China	33.00	Retail and services of Toyota vehicles and genuine parts
Jiangmen Huatong Toyota Motor Sales & Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts
Toyota Motor Hungary KFT	Hungary	50.00	Distribution of Toyota products
Toyotoshi S.A.	Paraguay	23.00	Retail and services of Toyota vehicles and genuine parts
P.T. Astra Auto Finance	Indonesia	30.00	Automobile consumer finance
Hinopak Motors Ltd.	Pakistan	29.67	Manufacture and sales of truck, bus and automotive parts
Shenyang Huatong Toyota Service Co., Ltd.	China	50.00	Retail and services of Toyota vehicles and genuine parts

Machinery, Energy & Project Division

Company Name	Country	Shareholding	Main Business
Toyotsu Machinery Corporation	Japan	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Toyota Tsusho Corporation de Mexico S.A. de C.V.	Mexico	100.00	Dealer of Toyota industrial equipment and genuine parts
Industrial Tech Services, Inc.	U.S.A.	51.00	Engineering services
Ene Vision Corporation	Japan	60.87	Design, construction and maintenance for cogeneration facilities
Toyota Chemical Engineering Co., Ltd.	Japan	100.00	Disposal of industrial waste, manufacture and sales of recycled dust fuel
Toyotsu Petrotex Corporation	Japan	65.30	Sales of petroleum products
Toyotsu Energy Corporation	Japan	100.00	Sales and warehousing of LPG and petroleum products
Toyota Tsusho Mining (Australia) Pty. Ltd.	Australia	100.00	Investment and management for Camberwell coal project
Toyota Tsusho Investment (Australia) Pty. Ltd.	Australia	100.00	Financing for coal project
Toyota Tsusho Petroleum Pte. Ltd.	Singapore	100.00	Export and offshore trading of crude oil, petroleum products and bunker oil
Tomen Power (Singapore) Pte. Ltd.	Singapore	100.00	Operation and management of wind power generation projects
Tomen Power Samukawa Corporation	Japan	70.00	Electricity wholesale trade
Tomen Panama Asset Management S.A.	Panama	100.00	Financing for coal project
Wind Tech Corporation	Japan	100.00	Wind power generation
P.T. Toyota Tsusho Mechanical & Engineering Service Indonesia	Indonesia	100.00	Engineering services
Tianjin Toyotsu Automotive Equipment Manufacturing Co., Ltd.	China	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Toyotsu Techno Corporation	Japan	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Guangzhou Guangqi Toyotsu Automobile Equipment Co., Ltd.	China	100.00	Manufacture, sales, mediation and maintenance of machinery and equipment
Kwarta Maritime S.A.	Panama	100.00	Marine shipping business
Tomen Telecommunications (Malaysia) Sdn. Bhd.	Malaysia	80.00	Sales of IT communications equipment, etc.
Cassava Waste to Energy Co., Ltd.	Thailand	60.32	Generation and sales of biogas for power generation and carbon emission reduction
Eurus Energy Holdings Corporation	Japan	40.00	Operation and management of wind power generation projects worldwide

Chemicals & Electronics Division

Company Name	Country	Shareholding	Main Business
Toyotsu Syscom Corporation	Japan	100.00	Mobile communications services and handsets, other communication services and equipment
Toyota Tsusho Electronics Corporation	Japan	100.00	Development and sales of semiconductors and electronic components
Tomen Electronics Corporation	Japan	40.16	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Devices Corporation	Japan	36.07	Sales of semiconductor memories and other electronic components
Tomuki Corporation	Japan	100.00	Marketing and sales of such electronic components as passive components and electronic components for semiconductors
TD mobile Corporation	Japan	51.00	Sales agent for mobile phone, fixed-line telephone and other services, as well as content development and distribution for mobile phones
TT Network Integration Asia Pte. Ltd.	Singapore	100.00	Telecommunications network connection construction, monitoring and support of communications network systems and system integration
PPL Corporation	Japan	100.00	Agency of central procurement for semiconductors and electronic components
Tomen (Singapore) Electronics Pte. Ltd.	Singapore	100.00	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Electronics (Hong Kong) Limited	China	100.00	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Electronics America, Inc.	U.S.A.	100.00	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Devices (Shanghai)., Ltd.	China	100.00	Sales of semiconductor memories and other electronic components
Tomen Electronics (Shanghai) Co., Ltd.	China	100.00	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Tomen Electronics (Thailand) Co., Ltd.	Thailand	100.00	Marketing and sales of semiconductors, integrated circuits, electronic components and computer-related equipment
Daiichi sekken Co., Ltd.	Japan	100.00	Manufacture and sales of synthetic detergents and soaps
Toyotsu Chemiplas Corporation	Japan	100.00	Export, import and wholesale of various chemical and plastic products
Deepwater Chemicals, Inc.	U.S.A.	100.00	Manufacture and sales of iodides
Dewey Chemical Inc.	U.S.A.	100.00	Manufacture and sales of iodine
Toyota Tsusho ID Systems GmbH	Germany	100.00	Marketing and sales of barcode handheld terminals and scanners
Thai Chemical Terminal Co., Ltd.	Thailand	95.00	Sales of solvents
Shanghai Hong Ri International Electronics Co., Ltd.	China	49.00	Marketing and sales of semiconductors, integrated circuits and electronic components
Sanyo Chemical Industries, Ltd.	Japan	19.57	Manufacture and sales of chemicals, primarily surface active agents for textile and industrial use
KPX Fine Chemical Co., Ltd.	Korea	9.00	Manufacture and sales of isocyanate and amino acids
KPX Chemical Co., Ltd.	Korea	10.05	Manufacture and sales of polypropylene products
P.T. Kaltim Pasifik Amoniak	Indonesia	25.00	Manufacture and sales of ammonia
Philippine Prosperity Chemicals Inc.	Philippines	45.00	Distribution of solvents
Nihon Mistron Co., Ltd.	Japan	34.00	Processing of talc and sales of talcum products
Nihon Tennen Gas Co., Ltd.	Japan	39.02	Production and sales of natural gas, iodine, industrial chemicals and pharmaceuticals
Nihon Detergent Mfg. Co., Ltd.	Japan	35.63	Manufacture and sales of household and industrial detergent
Toyoda Gosei U.K. Ltd.	U.K.	16.12	Manufacture and sales of resin and rubber products
Wuxi Advanced Kayaku Chemical Co., Ltd.	China	20.00	Manufacture and sales of dyes
KPX Holdings Corp.	Korea	24.86	Holding company

Produce & Foodstuffs Division

Company Name	Country	Shareholding	Main Business
Kanto Grain Terminal Co., Ltd.	Japan	60.00	Management of storage silos for feed grain, harbor transport, customs clearance functions
Chubu Shokuryo Kaisha, Ltd.	Japan	100.00	Sales of rice and special rice grain, wholesale marketing of frozen foods and other food products
Toyota Tsusho Foods Corporation	Japan	100.00	Import and distribution of foodstuffs, marine products and liquors
Toyo Grain Terminal Co., Ltd.	Japan	100.00	Management of storage silos for feed grain, harbor transport, customs clearance functions
Tohoku Grain Terminal Co., Ltd.	Japan	90.00	Management of storage silos for feed grain, harbor transport, customs clearance functions
Higashinada Tomen Silo Co., Ltd.	Japan	100.00	Management of storage silos for feed grain, harbor transport, customs clearance functions
Oleos "MENU" Industria e Comercio Ltda.	Brazil	100.00	Manufacture and sales of cottonseed oil products
Grand Place Corporation	Japan	97.50	Production and sales of chocolate
Tohoku Godo Warehouse Co., Ltd.	Japan	70.00	Warehousing and transport of animal feed
Yamakichi Corporation	Japan	100.00	Wholesale of commercial foodstuffs
Qingdao Toyowa Food Co., Ltd.	China	41.73	Processing and sesame products
Cradle Foods Co., Ltd.	Japan	45.23	Production and sales of canned products of processed farm produce
Banshuu Choumiryou Co., Ltd.	Japan	50.00	Production and sales of amino acid seasoning
K&T Foods Co., Ltd.	China	40.00	Manufacture and sales of frozen foods and operation of take-out lunch outlets
Yantai Sun Glory Foods Co., Ltd.	China	45.00	Sorting and processing of nuts

Consumer Products, Services & Materials Division

Company Name	Country	Shareholding	Main Business
Toyotsu Lifecare Corporation	Japan	100.00	Total solutions for nursing care service providers
Toyotsu Family Life Corporation	Japan	100.00	Insurance agency
Toyotsu Insurance Management Corporation	Japan	100.00	Insurance broker
Toyotsu Vehitecs Co., Ltd.	Japan	80.00	Manufacture of textile goods
Toyotsu Fashion Express Co., Ltd.	Japan	100.00	Design, manufacture and sales of apparel
Toyotsu Textile Corporation	Japan	100.00	Manufacture and sales of knit fabrics
Toyo Cotton (Japan) Co.	Japan	100.00	Import, export and sales of raw cotton
Toyota Tsusho Celltec Corporation	Japan	100.00	Import, export and sales of recycled waste paper, import and sales of pulp
Toyotsu Hoken Customer Center Corporation	Japan	100.00	Consulting and customer service call center for insurance
Toyotsu Living Co., Ltd.	Japan	100.00	Management, construction and agent of condominiums
Fukuske Corporation	Japan	75.20	Manufacture, processing and sales of apparel
Biscaye Holdings Co., Ltd.	Japan	100.00	Holding company
Toyota Tsusho Hoken Agency (M) Sdn. Bhd.	Malaysia	100.00	Insurance agent
Shanghai Fenghu Tufted Carpet Co., Ltd.	China	40.00	Manufacture and sales of tufted carpet
Fujian Daguan Stone Co., Ltd.	China	20.00	Manufacture and sales of stone products
Shinatomo Co., Ltd.	Japan	20.00	Domestic sales, import and export of various textile materials and products

Administrative Division

Company Name	Country	Shareholding	Main Business
Toyotsu Office Service Corporation	Japan	100.00	Shared service provider
Toyotsu Human Resources Corporation	Japan	100.00	General temporary staffing, special outsourcing, fee-based recruiting and consulting services

Corporate Information

(As of March 31, 2011)

NAME: TOYOTA TSUSHO CORPORATION

HEAD OFFICE: 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

ESTABLISHED: July 1, 1948

NUMBER OF EMPLOYEES: Parent company 3,420
Consolidated 31,081

PAID-IN CAPITAL: ¥64,936,432,888

COMMON STOCK: Authorized 1,000,000,000
Issued 354,056,516

NUMBER OF SHAREHOLDERS: 66,449

MAJOR SHAREHOLDERS:

	Number of shares (thousands)	Shareholding (%)
Toyota Motor Corporation	76,368	21.57
Toyota Industries Corporation	39,365	11.12
The Master Trust Bank of Japan, Ltd.	16,995	4.80
Japan Trustee Services Bank, Ltd.	14,817	4.19
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,098	2.29
Mitsui Sumitomo Insurance Co., Ltd.	6,000	1.69
Sumitomo Mitsui Banking Corporation	4,249	1.20
Aioi Nissay Dowa Insurance Co., Ltd.	4,087	1.15
Nippon Life Insurance Company	4,057	1.15
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,049	1.14

STOCK LISTINGS: Tokyo, Nagoya (Ticker code 8015)

INDEPENDENT AUDITORS: PricewaterhouseCoopers Aarata
(Date of Engagement: July 25, 2006)

TRANSFER AGENT FOR SHARES

SPECIAL MANAGEMENT OF ACCOUNTS:

Mitsubishi UFJ Trust and Banking Corporation

Address of Office
Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
1-4-5, Marunouchi, Chiyoda-ku, Tokyo 100-8212

Mailing Address
Stock Transfer Agency Department
Mitsubishi UFJ Trust and Banking Corporation
7-10-11, Higashisuna, Koto-ku, Tokyo 137-8081
Phone: 0120-232-711 (free dial within Japan)

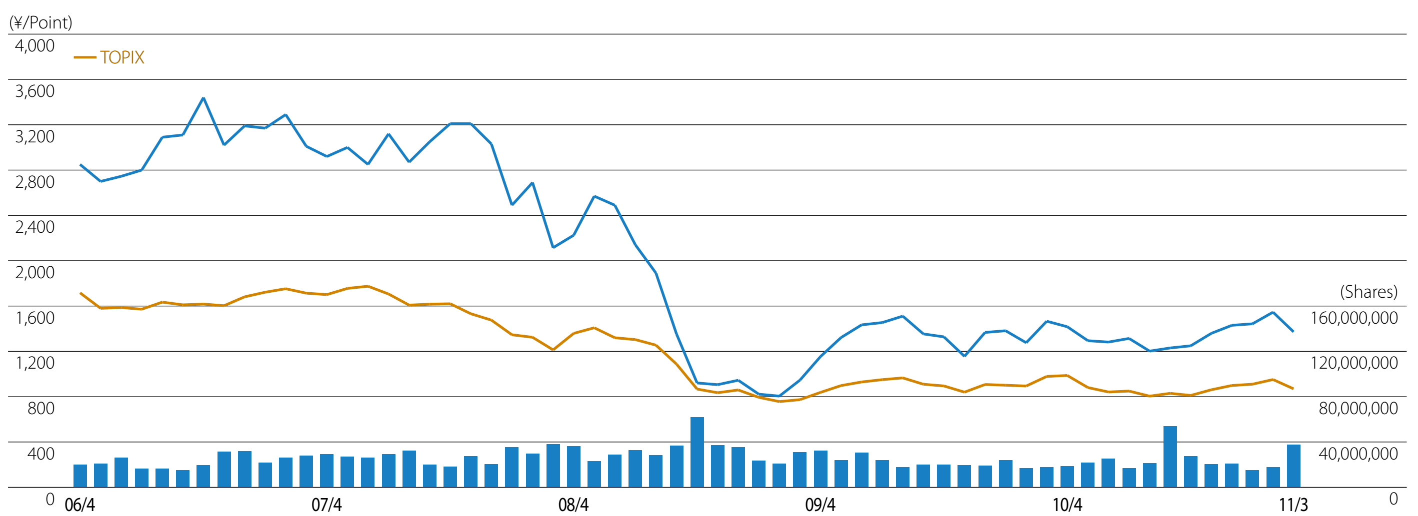
Handling Offices
All branches nationwide of Mitsubishi UFJ Trust and Banking Corporation
All branches nationwide of Nomura Securities Co., Ltd.

Phone (free dial within Japan):
0120-244-479
(Headquarters Stock Transfer Agency Department)
0120-684-479
(Osaka Stock Transfer Agency Department)

CONTACT:
Investor Relations Group
Corporate Planning Department
Toyota Tsusho Corporation
3-13, Konan 2-chome, Minato-ku, Tokyo
108-8208, Japan
Phone: +81-3-4306-8201
Facsimile: +81-3-4306-8818

(Nagoya Office)
9-8, Meieki 4-chome, Nakamura-ku, Nagoya
450-8575, Japan
Phone: +81-52-584-5011
Facsimile: +81-52-584-5659
URL: http://www.toyota-tsusho.com/english/

STOCK PRICE RANGE AND TRADING VOLUME:

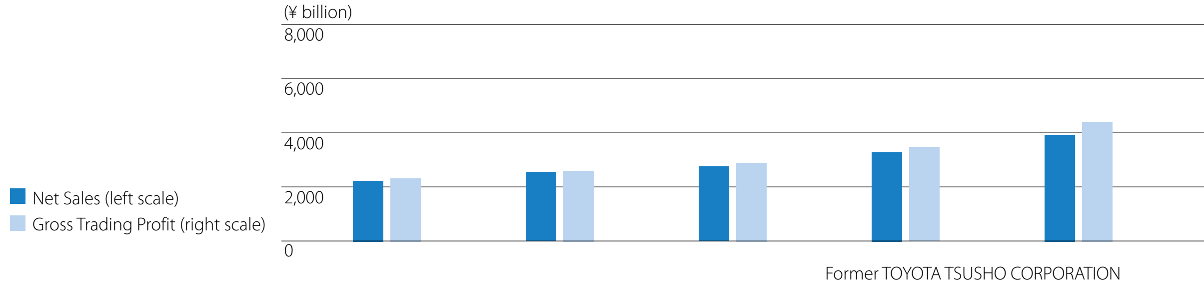


Financial Section

Contents

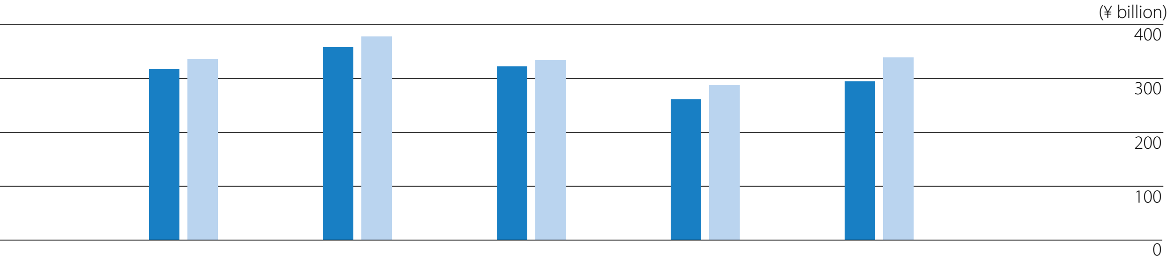
Ten-year Financial Summary

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years Ended March 31



	FY2001	FY2002	FY2003	FY2004	FY2005
Results of Operations:					
Net Sales (Note 3)	¥2,255,698	¥2,576,453	¥2,787,794	¥3,315,831	¥3,945,319
Cost of Sales	2,153,454	2,462,173	2,658,589	3,161,069	3,751,042
Commission Income (Note 3)	15,048	17,039	17,223	20,921	27,316
Gross Trading Profit	117,292	131,319	146,428	175,683	221,593
SG&A Expenses	91,040	100,252	109,407	119,368	141,536
Operating Income	26,252	31,067	37,021	56,315	80,057
Net Income	8,781	18,829	20,663	37,522	45,733
Financial Position at Year-End:					
Current Assets	¥ 670,309	¥ 706,440	¥ 742,328	¥ 862,477	¥1,106,984
Total Assets	922,054	960,399	1,032,602	1,198,394	1,602,702
Current Liabilities	620,171	640,222	671,155	749,252	1,019,217
Total Net Assets (Note 4)	150,680	159,492	188,785	237,132	314,319
Cash Flows:					
Net Cash Provided by Operating Activities	¥ 47,461	¥ 19,092	¥ 62,660	¥ 17,836	¥ 33,089
Net Cash Used in Investing Activities	(11,745)	(20,095)	(38,220)	(29,410)	(119,379)
Net Cash Provided by (Used in) Financing Activities	(21,615)	5,874	(18,111)	12,027	90,453
Cash and Cash Equivalents at End of Year	56,674	61,666	67,704	69,548	75,032
Per Share:					
Net Income:					
Basic	¥31.31	¥66.06	¥72.75	¥132.98	¥161.88
Diluted	–	66.01	72.35	132.11	160.75
Cash Dividends for the Year	7.50	7.75	8.00	12.00	18.00
ROE	5.88%	12.14%	11.87%	17.62%	16.59%
Debt Equity Ratio (Net)	2.15	2.06	1.61	1.35	1.37
Common Stock:					
Number of Shares Outstanding at Year-End	282,867	282,867	282,867	282,867	282,867

Notes: 1. TOYOTA TSUSHO CORPORATION merged with TOMEN CORPORATION on April 1, 2006. The figures for fiscal 2006 and before were based on the former TOYOTA TSUSHO CORPORATION.
2. The U.S. dollar amounts have been translated from the amounts stated in yen, solely for the convenience of the readers, at the rate of ¥83.15=U.S.$1, the approximate exchange rate on March 31, 2011, which was the final business day of financial institutions in fiscal 2011.
3. Commission Income was included in Net Sales from the fiscal year ended March 31, 2007 as a result of the reconsideration of the presentation of consolidated financial statements.
4. Effective from the fiscal year ended March 31, 2007, the Company and its consolidated subsidiaries adopted the "Accounting Standard for Presentation of Net Assets in the Balance Sheet."



				New TOYOTA TSUSHO CORPORATION (Note 1)	
				Millions of Yen	Thousands of U.S. Dollars (Note 2)
FY2006	FY2007	FY2008	FY2009	FY2010	FY2010
¥6,212,726	¥7,000,353	¥6,286,996	¥5,102,261	¥5,743,649	$69,075,754
5,884,267	6,630,829	5,960,317	4,821,470	5,412,919	65,098,244
–	–	–	–	–	–
328,459	369,524	326,679	280,790	330,730	3,977,510
218,456	237,853	235,661	225,199	245,432	2,951,677
110,003	131,671	91,017	55,591	85,297	1,025,820
77,212	67,506	40,224	27,339	47,169	567,276
¥1,659,437	¥1,885,496	¥1,460,128	¥1,554,301	¥1,672,945	$20,119,603
2,462,229	2,603,207	2,130,089	2,274,547	2,436,248	29,299,434
1,298,916	1,479,494	1,045,088	1,134,895	1,275,121	15,335,189
626,539	639,731	586,996	650,215	667,378	8,026,193
¥ 44,599	¥ 104,728	¥ 123,760	¥ 100,217	¥ 79,884	$ 960,721
(31,159)	(36,717)	(54,827)	(73,090)	(74,046)	(890,511)
(46,555)	(23,058)	4,614	(107,623)	77,751	935,069
125,603	174,197	242,530	170,714	252,747	3,039,651
				Yen	U.S. Dollars (Note 2)
¥231.47	¥192.44	¥114.73	¥78.08	¥134.78	$1.62
230.30	192.08	114.72	–	–	–
26.00	30.00	26.00	16.00	28.00	0.34
15.68%	11.59%	7.20%	4.90%	7.99%	
				Times	
1.17	1.02	1.08	0.96	0.98	
				Thousands of shares	
354,057	354,057	354,056	354,056	354,056	

SG&A Expenses

Effective from the fiscal year ended March 31, 2007, the Company has recorded amortization of goodwill of ¥14.5 billion related to the merger with TOMEN CORPORATION as SG&A expenses. The Company plans to record the same amount every year until the fiscal year ending March 31, 2016.

Current Assets

Current assets rose by ¥118.6 billion from March 31, 2010 to March 31, 2011 mainly due to increases of ¥82.0 billion in cash and deposits and ¥11.7 billion in trade notes and accounts receivable.

Cash Dividends for the Year

The Company's dividend policy is to link dividends to consolidated earnings performance every fiscal year, targeting a consolidated payout ratio of 20%.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Operating Environment and Toyota Tsusho Business Outline

General Operating Environment

During the fiscal year ended March 31, 2011, the global economy continued to gradually recover from the worldwide financial crisis triggered by the shock of the Lehman Brothers collapse in fall 2008, supported by expanding demand in emerging nations. In particular, the economies of the Asian emerging nations led by China saw firm growth against a backdrop of expanding demand for durable goods based on growth in their middle classes and firm demand-creation based on wide-ranging infrastructure construction. The industrialized Western countries began to move in the direction of recovery, underpinned by monetary and fiscal measures and export growth, despite concerns over deflation and high unemployment rates, among other factors. However, expanding demand in emerging countries and additional quantitative easing in the U.S. sparked a surge in resource prices, fueling inflationary concerns and social unrest in emerging countries.

Under these conditions, Japan's economy started to show signs of emerging from a standstill in the first half of the fiscal year, in response to rebounding overseas economies, as well as the benefits of economic stimulus measures such as the "eco-point" system for home appliances and tax cuts for eco-friendly cars. However, economic conditions deteriorated rapidly toward the end of the fiscal year. The main culprits were surging crude oil prices resulting from heightened geopolitical tension in the Middle East since February 2011, and the drop in industrial production due to the damage and power shortages caused by the Great East Japan Earthquake in March 2011.

Trends in the Automotive Industry and Toyota Group

The automotive industry, one of our primary sources of earnings, saw a dramatic shift from the "once in a century" global economic downturn that began in fall 2008. Buoyed by the prominence of emerging nations, as well as tax cuts, subsidies and other economic stimulus measures in various countries, global automobile production in the fiscal year ended March 31, 2011 increased 25.8% year on year to 77,613 thousand units, reaching a record high level. Diagram 1 The past two years of major upheaval has drastically redrawn the competitive landscape in the auto manufacturing industry.

In the fiscal year ended March 31, 2010, automobile production in China's automobile market reached 13,500 thousand units, surpassing that of Japan and the U.S. to become the largest in the world. In the fiscal year ended March 31, 2011, automobile production in China topped 18,000 thousand units to reach a new all-time high.

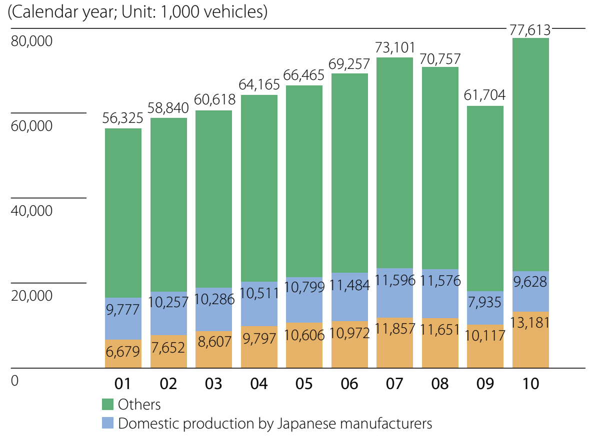
China's automotive industry has made significant strides thanks to domestic mergers and acquisitions along with the acquisition of foreign companies by Chinese automakers. One example was the merger of Chang'an Automobile (Group) Co. Ltd. and the automobile production units of the Aviation Industry Corporation of China (AVIC) to form the new Chang'an Automobile Group. Also, Zhejiang Geely Holding Group Co., Ltd. acquired Volvo Car Corporation from Ford Motor Company. Another development was the acquisition by Beijing Automotive Industry Holding Co., Ltd. of Saab Automobile AB of Sweden and Saab-related intellectual property.

There have also been large increases in automobile production in South Korea, Brazil, India and certain other countries in recent years. These developments are transforming the auto manufacturing industry's competitive landscape, which has traditionally centered on Europe, the U.S. and Japan.

Diagram 1

GLOBAL AUTOMOBILE PRODUCTION

(Calendar year; Unit: 1,000 vehicles)



Source: Organisation Internationale des Constructeurs d'Automobiles Production by Japanese automobile manufacturers: Japan Automobile Manufacturers Association, Inc.

The requirements of automobiles have also changed dramatically over the years. Until the 1980s, automakers competed on the basis of the basic performance of cars such as driving, braking and turning characteristics. In the 1990s, collision safety became a major focus, leading to the popularization of airbags, seatbelts and other occupant restraint equipment. From 2000, technologies and systems addressing preventive safety, intelligent transport systems (ITS) and other features have become increasingly important.

Recently, eco-friendly cars such as hybrid vehicles and electric vehicles (EVs) have been attracting attention for their environmental benefits. Hybrid vehicles are made possible by a broad spectrum of technologies, including electric power control technologies, internal combustion engine technology, mechanical engineering, aerodynamics (fluid dynamics), thermodynamics, communications technology and acoustics technology. Going forward, automakers will be called upon to bundle these kinds of highly specialized advanced technologies into new automobiles.

Against this backdrop, the Group's primary customers, namely Toyota Motor Corporation and other Japanese automobile manufacturers, are focusing on collaborating with Tier 1, Tier 2 and other partners to upgrade and differentiate component units that will be modularized. The Great East Japan Earthquake of March 2011 caused automobile production stoppages around the world. Interestingly enough, these stoppages highlighted just how important and influential Japanese companies' technologies are to the global automobile industry.

Progress is also being made with restoration work at auto components manufacturers in the wake of the disaster. For the fiscal year ending March 31, 2012, Toyota Motor Corporation is projecting worldwide automobile production of 7,390 thousand units, an increase of 0.7% year on year. Toyota Tsusho is convinced that the resurgence of Japan's automobile industry will be the engine behind Japan's recovery as a nation.

* Data announced by Toyota Motor Corporation on June 10, 2011.

Business Performance of Toyota Tsusho Corporation

In this business environment, in the fiscal year ended March 31, 2011, net sales amounted to ¥5,743.6 billion, up ¥641.4 billion, or 12.6%, year on year, in step with improvement in market conditions and an increase in automobile sales volumes. This was despite damage to certain facilities in the Produce & Foodstuffs Division due to the Great East Japan Earthquake. Diagram 2

On the profit front, earnings increased in all operating divisions except for the Produce & Foodstuffs Division. As a result, consolidated operating income for the fiscal year ended March 31, 2011 increased ¥29.7 billion, or 53.4%, year on year, to ¥85.2 billion. Diagram 3

Diagram 2

NET SALES

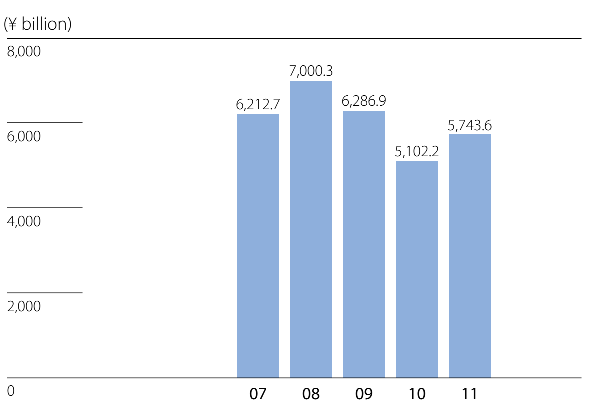
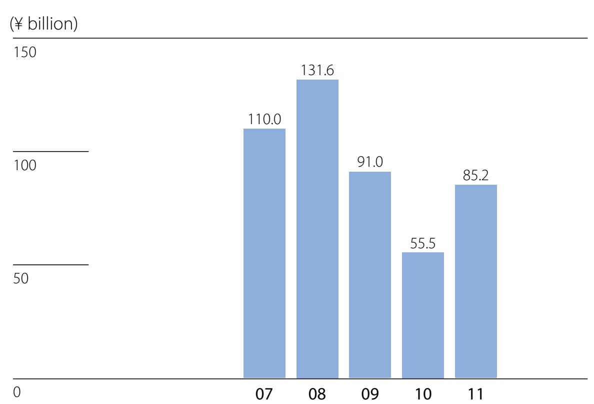


Diagram 3

OPERATING INCOME



On the other hand, there are growing uncertainties about the business environment in the fiscal year ending March 31, 2013 and beyond. Nonetheless, we will redouble our efforts to upgrade and extend supply chains underpinning each industry by taking full advantage of the crucial functions required of trading companies, such as procurement and logistics.

Segment Information for the Fiscal Year Ended March 31, 2011

Results of Operations by Operating Segment

Diagram 4 Diagram 5 Diagram 6

Metals Division

(Net Sales ¥1,630.8 billion; Up 6.6%)

In the steel sheet, bars and tubes field, the Metals Division acquired equity stakes in steel pipe manufacturers in India and Vietnam to meet burgeoning automobile and infrastructure demand in emerging countries. In nonferrous metals, the Division continued to pursue plans to construct a rare earth production plant in India to secure rare earth supplies. Net sales in the Metals Division increased ¥100.8 billion, or 6.6%, year on year to ¥1,630.8 billion, mainly due to higher automobile-related transactions in Asia, Oceania, and China.

Machinery & Electronics Division

(Net Sales ¥1,478.6 billion; Up 27.1%)

In the machinery business, the Machinery & Electronics Division integrated a number of subsidiaries into two companies—Toyotsu Techno Corporation, a manufacturer, and Toyotsu Machinery Corporation, a sales and service company. The goal was to strengthen the Division's sales and technical capabilities in this business. Meanwhile, sales of construction machinery increased, primarily in China. In the information and electronics field, car electronics sales recovered and sales of semiconductors for digital home electronics and communication hardware also grew steadily. In the field of overseas automotive production parts, sales increased, mainly in the Chinese and Asian markets. As a result, net sales in the Machinery & Electronics Division increased ¥315.4 billion, or 27.1%, year on year to ¥1,478.6 billion.

Diagram 4

SALES COMPOSITION BY BUSINESS SEGMENT

(%)

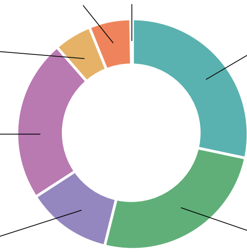


Diagram 5

NET SALES BY BUSINESS SEGMENT
(¥ billion)

	2008	2009	2010	2011
Metals	2,109.0	1,942.2	1,530.0	1,630.8
Machinery & Electronics	1,581.9	1,355.0	1,163.2	1,478.6
Automotive	938.3	809.5	586.4	682.5
Energy & Chemicals	1,562.3	1,399.4	1,120.3	1,309.3
Produce & Foodstuffs	335.4	366.0	306.9	291.0
Consumer Products, Services & Materials	379.0	311.5	297.5	342.4
Other	94.1	103.0	97.7	8.7

Diagram 6

OPERATING INCOME (LOSS) BY BUSINESS SEGMENT
(¥ billion)

	2008	2009	2010	2011
Metals	35.4	20.4	23.5	37.9
Machinery & Electronics	35.6	18.6	9.8	19.1
Automotive	42.6	36.8	17.0	23.4
Energy & Chemicals	4.0	4.5	2.3	4.8
Produce & Foodstuffs	4.3	6.1	4.8	0.8
Consumer Products, Services & Materials	10.5	4.4	(2.9)	1.7
Other	(0.9)	(0)	0.6	(2.7)

Automotive Division

(Net Sales ¥682.5 billion; Up 16.4%)

The Automotive Division strengthened the foundations of its downstream operations by upgrading and expanding its sales networks and facilities, mainly in Russia, China, Africa, Asia and other emerging markets. Efforts were also focused on improving the sales capabilities and the operating efficiency of existing sales subsidiaries and dealerships around the world. Net sales in the Automotive Division rose ¥96.1 billion, or 16.4%, to ¥682.5 billion, lifted by higher vehicle sales in Russia, China and other countries.

Energy & Chemicals Division

(Net Sales ¥1,309.3 billion; Up 16.9%)

In the resources and energy field, the Energy & Chemicals Division was awarded multiple contracts for energy infrastructure projects through yen loans from the Japanese government's Iraq reconstruction assistance program. The Division also promoted a natural gas project in Australia and an electric power project in North America. In the chemical and synthetic resin field, the Division established a global supply chain for bio-PET operations by entering into a long-term agreement to purchase sugarcane-derived bioethanol from a state-owned Brazilian oil company. Net sales in the Energy & Chemicals Division increased ¥189.0 billion, or 16.9%, to ¥1,309.3 billion, mainly due to rising crude oil prices and growth in sales of chemicals and synthetic resins.

Produce & Foodstuffs Division

(Net Sales ¥291.0 billion; Down 5.2%)

In the grain field, the Produce & Foodstuffs Division entered into a business alliance agreement with a Thai sugar refiner to build a sugar supply chain with a consistent level of quality. In the food field, the Division acquired an equity stake in a frozen food manufacturer in Hokkaido, with the aim of ensuring the supply of safe and reliable food. In addition, the Division took steps to develop a complete bluefin tuna culture business by forming a technical alliance with Kinki University and establishing an intermediate larva breeding company. Net sales in the Produce & Foodstuffs Division decreased ¥15.9 billion, or 5.2%, year on year to ¥291.0 billion, mainly due to lower sales of grain and livestock feed.

Consumer Products, Services & Materials Division

(Net Sales ¥342.4 billion; Up 15.1%)

In the automotive materials field, TB Kawashima Co., Ltd., a manufacturer of freight vehicle interior materials, commenced operations on a full scale from July 2010. In the textile products field, the Consumer Products, Services & Materials Division signed an agreement to establish a new company to operate e-commerce sites in China. In the insurance field, the Division increased its equity stake in MSIG Malaysia, an overseas subsidiary of Mitsui Sumitomo Insurance Company, Limited. Net sales in the Consumer Products, Services & Materials Division rose ¥44.9 billion, or 15.1%, to ¥342.4 billion, reflecting higher sales of textile and other products.

Assets, Liabilities and Equity as of March 31, 2011

Diagram 7

As of March 31, 2011, total assets were ¥2,436.2 billion, increasing ¥ 161.7 billion from a year earlier. The main reasons were an ¥82.0 billion increase in cash and deposits, an ¥11.8 billion increase in trade notes and accounts receivable and a ¥30.7 billion increase in investment securities. These increases were partly offset by a ¥6.9 billion decrease in inventories.

In terms of liabilities, total liabilities were ¥1,768.8 billion, an increase of ¥144.5 billion from March 31, 2010. This mainly reflected an increase of ¥31.9 billion in trade notes and accounts payable and a ¥100.4 billion increase in interest-bearing debt.

Net assets rose ¥17.1 billion from a year earlier to ¥667.3 billion. This mainly reflected a ¥45.1 billion increase in retained earnings due to higher net income and other earnings, despite a ¥6.3 billion decrease in net unrealized gains on available-for-sale securities, net of taxes, and a ¥4.9 billion decrease in net deferred profits on hedges, net of taxes.

Cash Flow in the Fiscal Year Ended March 31, 2011

Diagram 8

Cash and cash equivalents as of March 31, 2011 stood at ¥252.7 billion, an increase of ¥82.0 billion from a year earlier. The increase primarily reflected net cash provided by operating and financing activities, which was partly offset by net cash used in investing activities.

(Cash flows from operating activities)
In the fiscal year ended March 31, 2011, operating activities provided net cash of ¥79.8 billion, ¥20.4 billion less than in fiscal 2010. The main contributing factor was an increase in income before income taxes and minority interests.

(Cash flows from investing activities)
In the fiscal year ended March 31, 2011, investing activities used net cash of ¥74.0 billion, ¥1.0 billion more than in fiscal 2010. Cash was used mainly for payments for purchases of investment securities and property and equipment.

Diagram 7

BALANCE SHEET TRENDS

(¥ billion)

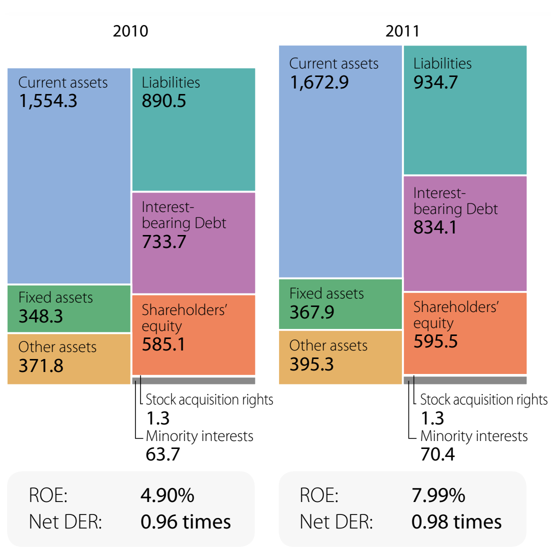
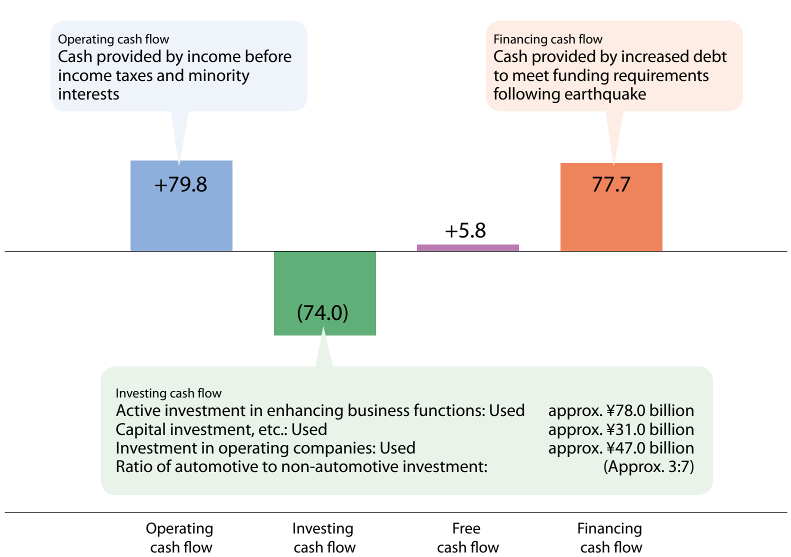


Diagram 8

CASH FLOW BREAKDOWN

(¥ billion)



(Cash flows from financing activities)
In the fiscal year ended March 31, 2011, financing activities provided net cash of ¥77.7 billion, a ¥185.3 billion change from net cash used in fiscal 2010. The change mainly reflects an increase in interest-bearing debt.

The Financial Strategy of the Company

The financial strategy of the Company and its consolidated subsidiaries is focused on the efficient use of assets and fund procurement commensurate with its asset base. The goal is to achieve stable growth throughout the Group and to maintain a sound financial position.

Aiming to "generate maximum profit with minimum funds," we strive to use funds more efficiently through the efficient use of working capital through such means as collecting sales receivables earlier and reducing inventories, as well as by reducing idle, inefficient fixed assets. We aim both to enhance corporate value and improve our financial position by directing funds generated by the above measures to investments in businesses with higher growth potential and the repayment of interest-bearing debt.

We are also focused on conducting fund procurement commensurate with our asset base. In principle, the Group will finance fixed assets with long-term loans and shareholders' equity, while financing working capital with short-term borrowings. At the same time, we also have adopted a policy of funding the less liquid portion of working capital with long-term debt.

In regard to the fund management system on a consolidated basis, we are shifting to a unified group financing system by the parent company in Japan. At the same time, in regard to the fund procurement of overseas subsidiaries, we will conduct group financing utilizing a cash management system for concentrating fund procurement at specific overseas subsidiaries in Asia, Europe and the U.S. and for supplying funds to other subsidiaries. In this manner, we will strive to raise funding efficiency on a consolidated basis, as we work to further enhance our fund management system.

In addition, we have established a multi-currency revolving credit facility that allows us to respond to unexpected events and safely meet our funding requirements.

Looking ahead, we will strive to enhance the efficient use of assets and secure funding, taking into consideration cash flows generated from operating activities, the condition of assets, economic conditions and the financial environment.

As of March 31, 2011, the current ratio was 131% on a consolidated basis, meaning that the Company has maintained financial soundness in terms of liquidity. In addition, the Company and its consolidated subsidiaries have established an adequate liquidity buffer mainly through cash and deposits and the aforementioned credit facility.

Outlook for the Toyota Tsusho Group

Diagram 9 Diagram 10

The Toyota Tsusho Group's Corporate Philosophy is as follows: "Living and prospering together with people, society and the earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society." Under this Corporate Philosophy, we strive to conduct open and fair corporate activities, while fulfilling our social responsibilities and helping to conserve the global environment. Our Fundamental Management Policy is to fully demonstrate our creativity to provide added value that satisfies all stakeholders, including customers, shareholders, employees and local communities.

To realize this fundamental policy, the Toyota Tsusho Group has adopted G VALUE with you as its "flagship message." We have adopted the following keywords beginning with the letter "G" as our basic requirements for creating value within the Group:

Global—Expansion of our activities on the world stage

Glowing—Sustaining a healthy and glowing morale and passion

Generating—Continuing to create new businesses

In April 2011, the Toyota Tsusho Group reorganized its operations to better address changes in the operating environment. As a result, the Group now has eight divisions, comprising seven operating divisions* and the Administrative Division.

* The seven operating divisions are: the Metals Division, the Global Production Parts & Logistics Division, the Automotive Division, the Machinery, Energy & Project Division, the Chemicals & Electronics Division, the Produce & Foodstuffs Division, and the Consumer Products, Services & Materials Division.

Furthermore, the Group has formulated the GLOBAL 2020 VISION as its new corporate vision for the year 2020.

With the aim of achieving sustained growth as a "value-generating corporation," the Toyota Tsusho Group has positioned three areas as its sustainable growth fields: the Mobility, Life & Community, and Earth & Resources fields. These represent the next phase of development toward the Group's long-standing goal of establishing a business portfolio based on a 50:50 earnings ratio from automotive and non-automotive businesses. Each sustainable growth field has been defined as a business domain contributing to the "evolution of next-generation automobiles," "better lifestyles" and "solutions to global issues," respectively. By further refining the automotive business, where the Group has been traditionally strong, we aim to drive expansion in the Mobility field, while capturing synergies with the Life & Community and Earth & Resources fields. Ultimately, we aim to establish a business portfolio with a "1:1:1" earnings ratio from each of these fields.
(= the "TRY 1" initiative)

Diagram 9

KEY FIELDS FOR REALIZING THE TOYOTA TSUSHO VISION

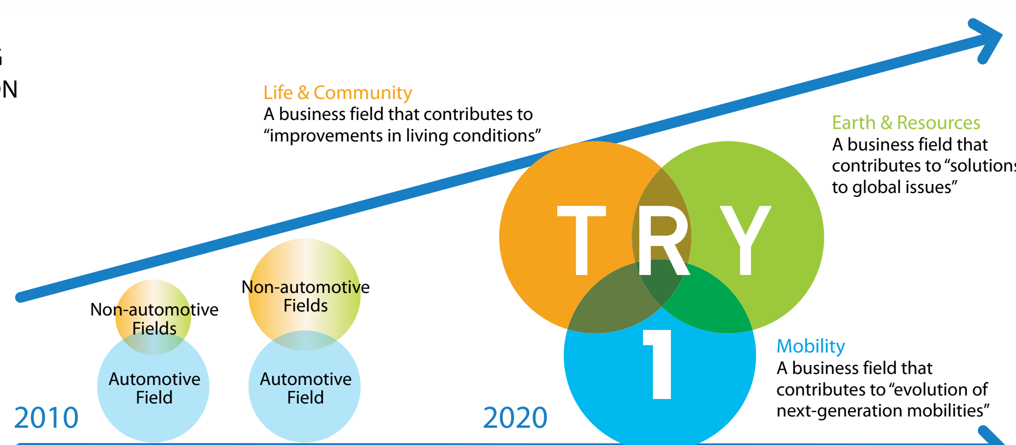
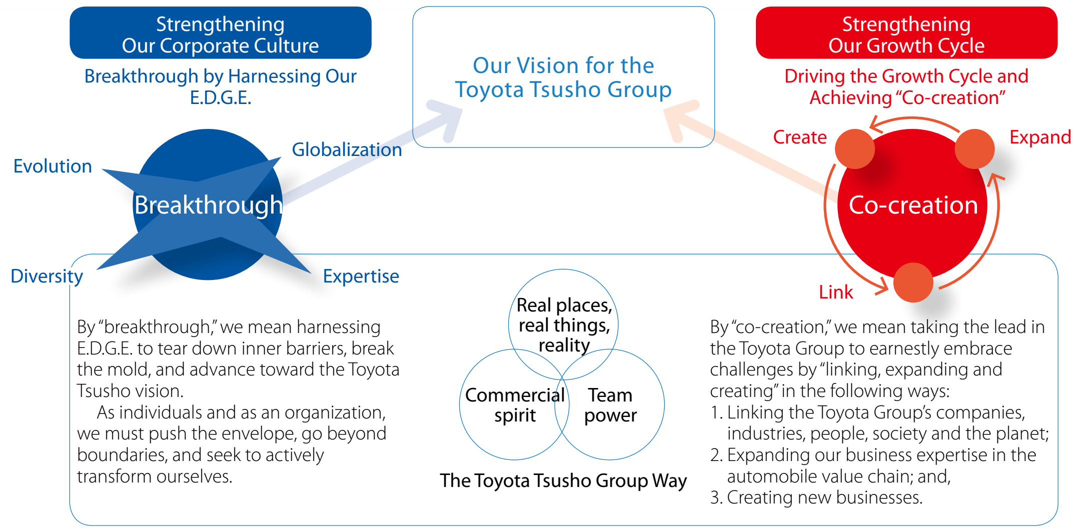


Diagram 10

KEY ATTITUDES FOR REALIZING OUR VISION FOR THE TOYOTA TSUSHO GROUP



The Group will also demonstrate cross-functional capabilities by "breakthrough," while putting emphasis on "co-creation"—the process of linking values, technologies and customers in each field, expanding opportunities and creating new businesses. Through this process, the Group will maximize its collective capabilities in order to achieve the "TRY 1" initiative, with the view to realizing its corporate vision.

Turning to the global economic outlook, we expect the global economy to undergo further structural changes driven by emerging nations. Examples include the multi-polarization of the global economy (G20), the expansion of China's economy, and the rapid development of Asian economies into a powerhouse for global economic growth. Another example is intensified competition for market share in emerging countries fanned by their potential as future markets. On the other hand, although the effects of the earthquake are expected to persist for the time being, Japan's economy should steadily return to health as disaster recovery efforts proceed.

The Toyota Tsusho Group sees these multifaceted global changes as an opportunity to advance to its next stage of growth. The Group has adopted "accelerate" and "change" as its keywords for rising to the challenge of strengthening its business foundations and achieving sustainable growth, with the aim of realizing its corporate vision.

The Group will take a new look at its business from a broad perspective. In emerging regions, the engine behind the global economy, the Group will "accelerate" businesses, strategic investments and measures to raise efficiency.

The Toyota Tsusho Group also recognizes that the expectations of existing customers toward the Group are changing. Accordingly, the Group will drive "change" designed to spur the creation of new businesses and establish new business models. Measures will include retooling existing business functions and flexibly addressing changes in the operating environment.

We are determined to change the entire Toyota Tsusho Group, beginning with the transformation of the individual. Through this process, we aim to enhance the Group's collective capabilities from a medium- to long-term perspective and become a value-generating corporation.

Additionally, the Group will make every effort to upgrade and enhance supply chains vital to industry, such as procurement and logistics, which are crucial functions required of trading companies. Through these efforts, the Group will assist with the earliest possible recovery of areas devastated by the Great East Japan Earthquake.

Business Risks and Uncertainties

The Company and its consolidated subsidiaries (the "Group") believe that the following risks and accounting policies may have a material impact on the decision-making of investors with regard to data contained in this annual report.

Forward-looking statements contained in this report are based on the judgment of the Group as of the date of publication.

1. Risk Associated With Operating Activities

Dependence on Specific Customers

The Group consists of the Company, its 382 subsidiaries, and 210 affiliates. The main business line of the Group is the sale of automotive-related and other products in the domestic and overseas markets. In the fiscal year ended March 31, 2011 the Company's sales to the Toyota Group* accounted for 13.7% of net sales, with sales to Toyota Motor Corporation representing 6.1% of net sales. Therefore, trends in the automobile output of Toyota Motor Corporation may affect the operating results of the Company.

* Toyota Motor Corporation, Toyota Industries Corporation, Aichi Steel Corporation, JTEKT Corporation, Toyota Auto Body Co., Ltd., Aisin Seiki Co., Ltd., Denso Corporation, Toyota Boshoku Corporation, Kanto Auto Works, Ltd., Toyoda Gosei Co., Ltd., Hino Motors, Ltd., Daihatsu Motor Co., Ltd.

Risk Associated With Customers' Credit

The Group faces a degree of risk arising from the collection of loans and receivables associated with commercial transactions of our domestic and overseas business customers. While the Group retains an allowance for doubtful accounts based on certain assumptions and estimates concerning customers' creditability, value of pledge and general economic situation, until customers complete the fulfillment of their obligations, there is no guarantee that customers will repay the debts owed to the Group or that customers will be in a sound financial condition to repay debts owed by each due date.

Risk Associated With Commodities

Commodities the Group deals with in its businesses, such as nonferrous metals, crude oil, petroleum products, rubber, food and textiles, are vulnerable to uncertainties arising from price fluctuations. While the Group takes various measures to reduce such risks, it may not be possible to completely avoid them.

Risk Associated With Business Investment

The Group intends to grow existing businesses, enhance functions and take on new business through strengthening of current partnerships or establishment of new partnerships with companies within or outside the Group. Therefore, the Group has established new ventures in partnership with other companies and has also invested in existing companies, and may continue to conduct such investing activities.

However, the Group may lose all or part of such investments or be obliged to provide additional funds in the event of a decline in the corporate worth or market value of the shares of invested companies. In such cases, the financial condition and/or results of the business operations of the Group may be adversely affected.

Risk Associated With Fluctuations in Interest Rates

A portion of interest-bearing debt of the Group is based on variable interest rates. For a considerable portion of such debt, we are able to absorb the effect of changes in interest rates within working capital. However, a certain portion of interest-bearing debt cannot be hedged against the risk of market fluctuations. Thus, we are susceptible to risk associated with fluctuations in interest rates. The results of the business operations of the Group may therefore be affected by changes in future interest rates.

Risk Associated With Exchange Rates

Of the product sales, investment and other business activities conducted by the Group, transactions denominated in U.S. dollars or other foreign currencies may be affected by changes in exchange rates. While the Group takes measures to constrain the impact of such risks, we may be unable to completely avoid them.

Risk Associated With Countries

The Group deals with many overseas counterparts in the trade of foreign products or investment. Therefore, the Group is exposed to risks arising from the manufacturing and purchase of foreign products, such as regulations imposed by foreign governments, political uncertainties, and fund transfer restraints, as well as loss on investment or reduced asset value.

Furthermore, export and import activities of the Group are generally affected by competitive conditions arising from international trade barriers, trade conflicts, free trade agreements and multilateral agreements. While the Group endeavors to avoid the concentration of our business on specific regions or countries, there is the possibility that future losses incurred in specific regions or countries may impact the overall performance of the Group.

Competition in Export and International Trade

Major export and other international trade of the Group are conducted in a fiercely competitive environment. The Group competes with domestic and overseas manufacturers and trading companies operating in international markets on a global level. Some of these competitors possess merchandise, technologies and experience superior to that of the Group. Thus, there is no guarantee that the Group will maintain a competitive edge.

Environment-related Risks

The Group is engaged in businesses in Japan and overseas that are exposed to a broad range of environment-related risks. To mitigate these risks, the Group conducts risk management throughout its supply chain. Specific activities include promoting traceability in the food domain, and enforcing compliance with laws and regulations concerning the handling of hazardous chemical substances in the chemical products domain. Furthermore, the Group's businesses in Japan and overseas are susceptible to various environmental risks associated with waste disposal and other factors. The Group could conceivably incur additional costs in these businesses, due to changes in environmental regulations, environmental pollution caused by natural disasters and other events, or other factors. These and other factors may affect the Group's business performance.

2. Effect of Natural Disasters and Other Events

The Group conducts sufficient reviews and training regarding the establishment and management of disaster response agencies, in order to safely and rapidly deal with natural disasters such as fires and earthquakes. For example, as an initiative to minimize the impact of earthquakes and other events on the Group's business operations, the Group conducts inspections and surveys of the seismic structure of its facilities and takes other appropriate measures as necessary.

However, a major, large-scale natural disaster may still have an impact on the Group's business operations.

Significant Accounting Policies and Estimates

The consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles and practices in Japan. In producing these consolidated financial statements, the Company recognizes the following critical accounting policies can significantly affect important judgments and estimates the Company has employed to produce the consolidated financial statements of the Group.

Forward-looking statements contained in this report are based on the judgment of the Company and its consolidated subsidiaries (the "Group") as of March 31, 2011.

Allowance for Doubtful Accounts

The Group records an allowance for doubtful accounts to cover estimated credit losses resulting from the inability of customers to make required payments. Additional provisions may be required in the event a customer's financial position worsens, thereby weakening repayment ability.

Inventories

The Group records as write-offs an amount equal to the difference between cost and estimated fair value based on projected future demand and market conditions. The Group may be required to book additional write-offs in the event that declines in future demand and market conditions exceed its projections.

Impairment of Tangible and Intangible Fixed Assets

The Group owns tangible and intangible fixed assets in order to enhance its operational capabilities and expand business. Calculation of the impairment of fixed assets is based on reasonable and supportable assumptions and projections of the grouping of assets, total undiscounted cash flows and recoverable value, with due consideration for the specific condition of each company. Additional write-offs may be required should losses or an uncollectible amount of book value beyond that reflected in the present book value arise due to a reduction in land prices, the impairment of assets or other causes.

Impairment of Marketable Securities

The Group owns the stock of specific customers and financial institutions in order to ensure continued business. Such stock includes listed stock with highly volatile prices and stock of non-listed companies for which it is difficult to determine fair market value. For listed stock, an impairment loss is recorded when the stock market price at our closing date falls 30% or more below book value and such decline is deemed to be other than temporary. For the stock of non-listed companies, an impairment loss is recorded when the value of our investment as measured by the non-listed company's net assets declines by 50% or more below book value. Furthermore, additional write-offs may be necessary should losses or an uncollectible amount of book value beyond that reflected in present estimates arise due to market decline or poor performance by the invested company.

Deferred Tax Assets

The Group records valuation allowances in order to reduce deferred tax assets to realizable values. Future taxable income and prudent, achievable and sustainable tax payment schedules are considered in determining the appropriate valuation allowances. An adjusted amount for deferred income tax assets is recorded as a cost in the fiscal year in which it is deemed more likely than not that some portion or all of the deferred tax assets will not be realized. Conversely, in the event tax assets exceeding the net values as recorded in the financial statements are expected to be realized, an adjustment in deferred tax assets is recorded as income in the fiscal year in which the tax assets are expected to be realized.

Employee Retirement Benefits

Calculation of costs and obligations from employee retirement benefits is based on actuarial assumptions. These assumptions include discount rates, future levels of compensation, retirement ratios as well as mortality rates using recent statistical data and long-term returns on pension assets. In the pension system applied to the parent company and its domestic subsidiaries, discount rates are calculated by adjusting the market yield of Japanese government bonds by the number of years during which existing employees receive the pension. The expected return on assets is calculated using the weighted average of the expected long-term return on each category of assets in which the pension assets are invested. The extent to which actual results differ from the assumptions, or the extent to which assumptions are revised, will generally affect recognized expenses or recorded obligations in future periods, since such effects are accumulated and regularly recognized in the future. The amortization of the unrecognized actuarial difference comprising a portion of pension expenses is a regularly recognized expense of the effect of the change in assumptions and the impact of the difference between assumptions and actual results.

Consolidated Balance Sheets

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
March 31, 2011 and 2010

ASSETS	Millions of Yen 2011	Millions of Yen 2010	Thousands of U.S. Dollars (Note 1) 2011
Current Assets:			
Cash and deposits (Notes 3 and 14)	¥ 252,768	¥ 170,714	$ 3,039,903
Trade notes and accounts receivable (Notes 3 and 14)	898,212	886,425	10,802,309
Inventories (Notes 3 and 4)	379,116	386,019	4,559,422
Deferred tax assets—current (Note 8)	16,592	12,640	199,542
Other current assets (Note 3)	134,115	103,080	1,612,928
Less: allowance for doubtful accounts	(7,860)	(4,580)	(94,527)
Total current assets	1,672,945	1,554,301	20,119,603
Property and Equipment, at Cost (Note 18)**:**			
Land (Note 3)	73,140	56,954	879,615
Buildings and structures (Note 3)	195,672	168,694	2,353,241
Machinery, equipment and vehicles (Note 3)	162,419	160,587	1,953,325
Leased property	23,577	22,506	283,547
Construction in progress	6,601	6,546	79,386
Other property and equipment (Note 3)	17,569	16,718	211,292
Less: accumulated depreciation (Note 2 (6))	(206,467)	(193,065)	(2,483,066)
Net property and equipment	272,513	238,941	3,277,366
Intangible Assets:			
Goodwill	74,985	90,202	901,803
Leased property	743	1,020	8,935
Other intangible assets	19,708	18,187	237,017
Total intangible assets	95,438	109,409	1,147,781
Investments and Other Assets:			
Investment securities (Notes 3, 14 and 15):			
Investment in unconsolidated subsidiaries and affiliates	200,339	159,762	2,409,368
Investment in third parties	156,492	166,427	1,882,044
Long-term loans (Note 14)	3,690	5,061	44,377
Deferred tax assets—non-current (Note 8)	6,621	13,975	79,627
Others (Note 2 (11))	49,622	47,558	596,776
Less: allowance for doubtful accounts	(21,417)	(20,891)	(257,570)
Total investments and other assets	395,349	371,894	4,754,648
Total Assets	¥2,436,248	¥2,274,547	$29,299,434

The accompanying notes are an integral part of the consolidated financial statements.

LIABILITIES AND NET ASSETS	Millions of Yen 2011	Millions of Yen 2010	Thousands of U.S. Dollars (Note 1) 2011
Current Liabilities:			
Trade notes and accounts payable (Notes 3 and 14)	¥ 713,395	¥ 681,456	$ 8,579,615
Short-term loans payable and current portion of long-term debt (Notes 3, 6 and 14)	283,860	257,997	3,413,830
Commercial paper (Notes 6 and 14)	60,000	20,000	721,587
Current portion of bonds (Notes 6 and 14)	30,000	–	360,793
Lease obligations—current (Note 6)	4,078	3,679	49,043
Income taxes payable	13,604	11,743	163,607
Deferred tax liabilities—current (Note 8)	3,729	762	44,846
Other current liabilities (Notes 2 (9) and (10))	166,453	159,255	2,001,840
Total current liabilities	1,275,121	1,134,895	15,335,189
Long-term Liabilities:			
Bonds, less current portion (Notes 6 and 14)	65,000	95,000	781,719
Long-term debt, less current portion (Notes 3, 6 and 14)	378,003	342,141	4,546,037
Lease obligations—non-current (Note 6)	13,193	14,963	158,665
Deferred tax liabilities—non-current (Note 8)	5,286	7,801	63,571
Employee retirement benefits liability (Note 17)	14,447	13,586	173,746
Provision for liquidation of affiliated companies	4,718	4,155	56,740
Provision for loss on compensations	1,024	2,333	12,315
Provision for contract loss	719	430	8,647
Other long-term liabilities (Notes 2 (12) and 2 (13))	11,354	9,023	136,548
Total long-term liabilities	493,748	489,435	5,938,039
Total Liabilities	1,768,869	1,624,331	21,273,229
Net Assets (Note 22)**:**			
Shareholders' equity (Notes 7 and 25)			
Common stock, no par value:			
Authorized: 1,000,000,000 shares			
Issued: 354,056,516 shares in 2011 and 2010 (Note 24)	64,936	64,936	780,950
Capital surplus	154,367	154,367	1,856,488
Retained earnings	431,126	386,084	5,184,918
Less: treasury stock, at cost			
— 4,368,381 shares in 2011 and 4,030,290 shares in 2010 (Note 24)	(7,430)	(7,144)	(89,356)
Total shareholders' equity	642,999	598,244	7,733,000
Accumulated other comprehensive income:			
Net unrealized gains on available-for-sale securities, net of taxes	14,849	21,105	178,580
Net deferred profits or losses on hedges, net of taxes	1,090	5,968	13,108
Foreign currency translation adjustments	(63,400)	(40,185)	(762,477)
Total accumulated other comprehensive income	(47,460)	(13,111)	(570,775)
Stock acquisition rights	1,363	1,322	16,392
Minority interests in consolidated subsidiaries	70,475	63,760	847,564
Total net assets	667,378	650,215	8,026,193
Total Liabilities and Net Assets	¥2,436,248	¥2,274,547	$29,299,434

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Income

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Net Sales	¥5,743,649	¥5,102,261	$69,075,754
Cost of Sales (Note 4)	5,412,919	4,821,470	65,098,244
Gross Trading Profit	330,730	280,790	3,977,510
Selling, General and Administrative Expenses (Note 9)**:**			
Charges and fees	15,577	13,422	187,336
Traffic and traveling expenses	10,792	9,332	129,789
Communication expenses	2,995	2,945	36,019
Allowance for doubtful accounts	4,785	1,043	57,546
Salaries and wages	103,206	96,117	1,241,202
Retirement benefit expenses	5,232	5,357	62,922
Welfare expenses	14,552	12,824	175,009
Rental expenses	15,416	15,106	185,399
Depreciation and amortization except goodwill	14,891	13,908	179,085
Taxes other than income taxes	3,756	4,086	45,171
Amortization of goodwill	15,203	14,725	182,838
Others	39,022	36,328	469,296
	245,432	225,199	2,951,677
Operating Income	85,297	55,591	1,025,820
Other Income (Expenses):			
Interest income	2,813	3,052	33,830
Interest expenses	(13,830)	(14,263)	(166,325)
Dividend income	9,943	9,354	119,579
Share in net earnings in equity method	13,636	7,364	163,992
Foreign exchange gain, net	4,254	3,675	51,160
Other, net (Notes 10 and 12)	(2,443)	(309)	(29,380)
	14,374	8,873	172,868
Income before Income Taxes and Minority Interests	99,672	64,465	1,198,701
Income Tax Expenses (Note 8)**:**			
Current	28,819	23,135	346,590
Deferred	11,825	6,603	142,212
	40,645	29,739	488,815
Income before Minority Interests	59,027	–	709,885
Minority Interests in Earnings of Consolidated Subsidiaries	11,857	7,386	142,597
Net Income	¥ 47,169	¥ 27,339	$ 567,276

	Yen		U.S. Dollars (Note 1)
Amounts per Share (Notes 2 (21), 23 and 25)**:**			
Net income:			
Basic	¥134.78	¥78.08	$1.62
Diluted	–	–	–
Cash dividends	28.00	16.00	0.34

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statement of Comprehensive Income

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2011

	Millions of Yen	Thousands of U.S. Dollars (Note 1)
	2011	2011
Income before minority interests	¥ 59,027	$ 709,885
Other comprehensive income (Note 19)**:**		
Net unrealized gains on available-for-sales securities, net of taxes	(6,845)	(82,321)
Net deferred profits or losses on hedges, net of taxes	(4,703)	(56,560)
Foreign currency translation adjustments	(18,697)	(224,858)
Share of other comprehensive income of affiliates accounted for by equity method	(5,607)	(67,432)
Total other comprehensive income	(35,853)	(431,184)
Comprehensive income	¥ 23,173	$ 278,689
Comprehensive income attributable to (Note 19)**:**		
Owners of the parent	¥ 12,798	$ 153,914
Minority interests	10,374	124,762

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Changes in Net Assets

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Shareholders' Equity:			
Common Stock:			
Beginning Balance	¥ 64,936	¥ 64,936	$ 780,950
Ending Balance	¥ 64,936	¥ 64,936	$ 780,950
Capital Surplus:			
Beginning Balance	¥154,367	¥154,367	$1,856,488
Ending Balance	¥154,367	¥154,367	$1,856,488
Retained Earnings:			
Beginning Balance	¥386,084	¥365,130	$4,643,223
Cash dividends paid (Note 25)	(7,008)	(5,606)	(84,281)
Net income	47,169	27,339	567,276
Loss on the disposition of treasury stock	(158)	(1)	(1,900)
Net increase (decrease) of consolidated subsidiaries	(2,239)	(1,371)	(26,927)
Net increase (decrease) of companies accounted for by the equity method	8,336	549	100,252
Others, net	(1,058)	44	(12,723)
Ending Balance	¥431,126	¥386,084	$5,184,918
Treasury Stock, at Cost:			
Beginning Balance	¥ (7,144)	¥ (6,749)	$ (85,917)
Purchase of treasury stock	(771)	(404)	(9,272)
Disposal of treasury stock	475	4	5,712
Others, net	9	5	108
Ending Balance	¥ (7,430)	¥ (7,144)	$ (89,356)
Total Shareholders' Equity	¥642,999	¥598,244	$7,733,000
Accumulated Other Comprehensive Income:			
Net Unrealized Gains on Available-for-Sale Securities, Net of Taxes:			
Beginning Balance	¥ 21,105	¥ 2,147	$ 253,818
Change in unrealized gains	(6,255)	18,958	(75,225)
Ending Balance	¥ 14,849	¥ 21,105	$ 178,580
Net Deferred Profits or Losses on Hedges, Net of Taxes:			
Beginning Balance	¥ 5,968	¥ (2,300)	$ 71,773
Change in deferred profits on hedges	(4,877)	8,269	(58,653)
Ending Balance	¥ 1,090	¥ 5,968	$ 13,108
Foreign Currency Translation Adjustments:			
Beginning Balance	¥ (40,185)	¥ (46,613)	$ (483,283)
Change in foreign currency translation adjustments	(23,214)	6,427	(279,182)
Ending Balance	¥ (63,400)	¥ (40,185)	$ (762,477)
Total Accumulated Other Comprehensive Income	¥ (47,460)	¥ (13,111)	$ (570,775)
Stock Acquisition Rights:			
Beginning Balance	¥ 1,322	¥ 1,089	$ 15,898
Change in stock acquisition rights	40	233	481
Ending Balance	¥ 1,363	¥ 1,322	$ 16,392
Minority Interests in Consolidated Subsidiaries:			
Beginning Balance	¥ 63,760	¥ 54,988	$ 766,806
Change in minority interests	6,714	8,771	80,745
Ending Balance	¥ 70,475	¥ 63,760	$ 847,564
Total Net Assets	¥667,378	¥650,215	$8,026,193

The accompanying notes are an integral part of the consolidated financial statements.

Consolidated Statements of Cash Flows

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries
Years ended March 31, 2011 and 2010

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2011	2010	2011
Cash Flows from Operating Activities:			
Income before income taxes and minority interests	¥ 99,672	¥ 64,465	$1,198,701
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:			
Depreciation and amortization except goodwill	30,520	29,506	367,047
Amortization of goodwill	15,203	14,725	182,838
Net change in allowance for doubtful accounts—net	4,481	894	53,890
Interest and dividend income	(12,756)	(12,406)	(153,409)
Interest expense	13,830	14,263	166,325
Share in net earnings in equity method	(13,636)	(7,364)	(163,992)
Net change in receivables	(42,650)	(182,957)	(512,928)
Net change in inventories	(28,122)	49,022	(338,208)
Net change in payables	36,600	176,453	440,168
Others, net	(4,752)	(27,698)	(57,149)
Subtotal	98,389	118,904	1,183,271
Interest and dividend received	21,956	18,823	264,052
Interest paid	(13,893)	(14,391)	(167,083)
Income taxes paid	(26,567)	(23,119)	(319,506)
Net cash provided by operating activities	79,884	100,217	960,721
Cash Flows from Investing Activities:			
Net increase in time deposits	(1)	(0)	(12)
Payments for purchase of property and equipment	(23,705)	(26,058)	(285,087)
Proceeds from sale of property and equipment	3,662	3,132	44,040
Payments for purchase of intangible assets	(7,720)	(7,654)	(92,844)
Proceeds from sale of intangible assets	303	145	3,644
Payments for purchase of investment securities	(46,807)	(49,126)	(562,922)
Proceeds from sale of investment securities	3,876	7,279	46,614
Proceeds from sale of shares of subsidiaries excluded from the consolidation scope	57	79	685
Increase in loans	(12,114)	(8,213)	(145,688)
Collection of loans	10,626	7,546	127,793
Payment for purchase of shares of subsidiaries from minority shareholders	(35)	–	(420)
Others, net	(2,187)	(219)	(26,301)
Net cash used in investing activities	(74,046)	(73,090)	(890,511)
Cash Flows from Financing Activities:			
Change in short-term loans payable	91,804	(76,366)	1,104,076
Proceeds from long-term debt	61,676	44,799	741,743
Repayment of long-term debt	(59,672)	(62,667)	(717,642)
Payment for redemption of bonds	(50)	–	(601)
Payment for purchase of treasury stock	(771)	(404)	(9,272)
Dividends paid	(7,008)	(5,606)	(84,281)
Dividends paid to minority shareholders	(4,270)	(3,256)	(51,352)
Proceeds from stock issuance to minority shareholders of subsidiaries	33	185	396
Others, net	(3,991)	(4,306)	(47,997)
Net cash provided by (used in) financing activities	77,751	(107,623)	935,069
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4,508)	2,215	(54,215)
Net Increase (Decrease) in Cash and Cash Equivalents	79,080	(78,281)	951,052
Cash and Cash Equivalents at Beginning of Year	170,714	242,530	2,053,084
Cash and Cash Equivalents of Newly Consolidated Subsidiaries	2,951	6,464	35,490
Cash and Cash Equivalents at End of Year	¥252,747	¥ 170,714	$3,039,651

Reconciliation Between Cash and Cash Equivalents and Cash and Deposits in the Consolidated Balance Sheets:			
Cash and deposits in the consolidated balance sheets	¥252,768	¥ 170,714	$3,039,903
Time deposits over 3 months	(21)	–	(252)
Cash and cash equivalents in the consolidated statements of cash flows	¥252,747	¥ 170,714	$3,039,651

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries

1. Basis of Financial Statements

The accompanying consolidated financial statements of TOYOTA TSUSHO CORPORATION ("the Company") and its consolidated subsidiaries have been prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards, and are compiled from the original consolidated financial statements in Japanese prepared by the Company as required by the Financial Instruments and Exchange Law of Japan. Certain items presented in the original consolidated financial statements in Japanese have been reclassified for the convenience of readers outside Japan. The account reclassification, however, has no effect on shareholders' equity, net sales or net income.

In the accompanying consolidated financial statements, which are stated in Japanese yen, the currency of the country in which the Company is incorporated and principally operates, amounts less than ¥1 million are rounded down, consistent with the original consolidated financial statements in Japanese. The translations of Japanese yen amounts into U.S. dollar amounts with respect to the year ended March 31, 2011 are included solely for the convenience of readers outside Japan and have been made at the rate of ¥83.15 = U.S.$1, the rate prevailing on March 31, 2011, which was the final business day of financial institutions in fiscal 2011. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at the above or any other rate.

2. Summary of Significant Accounting Policies

(1) Principles of consolidation

The consolidated financial statements include the accounts of the Company and its significant domestic and overseas subsidiaries. All significant inter-company transactions and accounts have been eliminated. Investments in principal unconsolidated subsidiaries and affiliates are accounted for by the equity method. The Company determined its unconsolidated subsidiaries and affiliates in conformity with the accounting principles and practices under the control and influence approach in addition to determination by share of ownership. The difference between the cost of investments in subsidiaries and the equity in the fair value of their net assets at dates of acquisition is amortized over periods of 20 years or less using the straight-line method, with minor exceptions.

The number of consolidated subsidiaries, unconsolidated subsidiaries and affiliates at March 31, 2011 and 2010 was as follows:

Information regarding the Company's principal consolidated subsidiaries and affiliates accounted for by the equity method is listed under "Principal Consolidated Subsidiaries and Affiliates by Equity Method."

	2011	2010
Consolidated subsidiaries	**287**	289
Unconsolidated subsidiaries and affiliates, accounted for by the equity method	**151**	139
Unconsolidated subsidiaries and affiliates, stated at cost	**154**	131

For the year ended March 31, 2011, 26 subsidiaries were newly added to the scope of consolidation and 28 subsidiaries were excluded from the scope of consolidation. In addition 22 unconsolidated subsidiaries and affiliates were newly added to the scope of consolidation under the equity method and 10 unconsolidated subsidiaries and affiliates were excluded from the scope of consolidation under the equity method.

For the year ended March 31, 2010, 26 subsidiaries were newly added to the scope of consolidation and 11 subsidiaries were excluded from the scope of consolidation. In addition 14 unconsolidated subsidiaries and affiliates were newly added to the scope of consolidation under the equity method and 10 unconsolidated subsidiaries and affiliates were excluded from the scope of consolidation under the equity method.

Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost due to their insignificant effect on the consolidated financial statements.

Of the Company's consolidated subsidiaries, fiscal year-ends of 78 subsidiaries in 2011, and of 66 subsidiaries in 2010, are different from the Company's fiscal year-end. If the fiscal year-ends of these subsidiaries are three months or less prior to the Company's fiscal year-end, the Company uses the financial statements of the subsidiaries as of their fiscal year-ends and for the years then ended for consolidated accounting purposes and significant transactions occurring between subsidiaries' year-ends and the Company's year-end are adjusted upon consolidation. As for subsidiaries whose fiscal year-ends are three months or more prior to the Company's fiscal year-end, the Company uses the preliminary financial statements, with reasonable adjustments that would have been made to conform to financial statements as of the Company's fiscal year-end and for the year then ended, for consolidated accounting purposes.

Overseas consolidated subsidiaries adopt accounting principles generally accepted in their respective countries, but the necessary adjustments have been made to their financial statements in consolidation to conform with accounting principles generally accepted in Japan as allowed under accounting principles generally accepted in Japan.

Assets and liabilities of consolidated subsidiaries are revalued at their fair value as of the date of acquisition except the minority interest proportion stated at the pre-acquisition carrying value for the year ended March 31, 2010.

(2) Cash equivalents

The Company considers time deposits with maturity of three months or less at the time of acquisition and short-term, highly liquid investments that are readily convertible to be cash equivalents.

(3) Investments and marketable securities

The accounting standard for financial instruments requires that securities be classified into three categories: trading, held-to-maturity or available-for-sale. However, due to the fact that the Company shall not hold securities for the purpose of trading, trading is not applicable.

Held-to-maturity securities	Amortized cost method.
Available-for-sale securities	
Securities with market price	Market value based on the market price on balance sheet dates (Net unrealized gains or losses on these securities are reported as a separate item in net assets, net of applicable income taxes. Sales costs are principally determined by the moving average method).
Securities without market price	At cost, determined principally by the moving average method.

(4) Derivatives

Derivatives are mainly valued at fair value, if hedge accounting is not appropriate or where there is no hedging designation, and the gains and losses on derivatives are recognized in current earnings.

(5) Inventories

Inventories held for sale in the ordinary course of business	Principally stated at cost, determined by the moving average method (for the book value of inventories on the balance sheet, by writing the inventories down based on their decrease in profitability of assets); however, the cost of merchandise for export and import is principally determined by the identified cost method.
Inventories held for trading	At fair value

(6) Depreciation method for depreciable assets

Property and Equipment other than leased property are principally depreciated by the declining balance method. Details of accumulated depreciation on the accompanying consolidated balance sheets are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Buildings and structures	¥ 75,012	¥ 68,040	$ 902,128
Machinery, equipment and vehicles	111,068	107,469	1,335,754
Leased property	8,126	6,410	97,726
Other property and equipment	12,259	11,144	147,432
Total accumulated depreciation	¥206,467	¥193,065	$2,483,066

The number of years over which the asset is depreciated and the treatment of undepreciated balances are principally determined according to the same standards set out in the Corporation Tax Law of Japan. Expenditures on maintenance and repairs are charged to income as incurred. Upon the disposal of property and equipment, the cost and accumulated depreciation are removed from the related accounts and any gain or loss is recorded as income or expense.

Intangible fixed assets other than leased property are principally amortized by the straight-line method.

Leased property under the finance lease transactions without ownership transfer is depreciated over the lease term by the straight-line method with no salvage value.

(7) Impairment on fixed assets

Calculation of the impairment on fixed assets is based on reasonable and supportable assumptions and projections of the grouping of assets, total undiscounted cash flows, and recoverable value, with due consideration for the specific condition of each group of assets.

The recoverable amount of assets is calculated mainly based on the appraisal or the publicly assessed value of land.

(8) Allowance for doubtful accounts

Allowance for doubtful accounts has been provided for at the aggregate amount of estimated credit loss for doubtful or troubled receivables and a general reserve for other receivables calculated based on the historical loss experienced for a certain past period.

(9) Provision for bonuses to directors

To prepare for the payment of bonuses to directors and corporate auditors, the provision which should be attributable to this fiscal year of expectable payment amounts was recognized. Accordingly, ¥804 million ($9,669 thousand) and ¥712 million were included in other current liabilities on the accompanying consolidated balance sheets as of March 31, 2011 and 2010, respectively.

(10) Provision for disaster losses

To prepare for possible expenditure incurred for restoring assets, damaged in the Great East Japan Earthquake, to their former state, the provision was recognized. Accordingly, ¥1,322 million ($15,898 thousand) was included in other current liabilities on the accompanying consolidated balance sheets as of March 31, 2011.

(11) Employee retirement benefits

To prepare for the payment of employee retirement benefits, projected accrued amounts recognized as having occurred during the fiscal years have been included in the accompanying consolidated financial statements based on the projected amounts for retirement benefit obligations and pension assets at the end of respective fiscal years. The employee retirement benefit liability for the Company or a part of the Company's retirement benefit plans and that for one of its consolidated subsidiaries were shown as debit balances as of March 31, 2011 and 2010, respectively. Accordingly, ¥4,937 million ($59,374 thousand) and ¥4,436 million were included in others of investments and other assets on the accompanying consolidated balance sheets as of March 31, 2011 and 2010, respectively.

Past service costs are charged to income as incurred.

The actuarial difference is amortized using the straight-line method mainly over 12 years within the average number of years remaining before retirement of the Company's and its consolidated subsidiaries' employees, and is recorded as an expense from the subsequent year in which it arises.

(12) Directors' and corporate auditors' retirement benefits

To prepare for the payment of retirement benefits for directors and corporate auditors, the provision is recognized on the accompanying consolidated balance sheets in accordance with internal rules.

The Company decided to terminate the retirement benefit plan for corporate auditors effective as of June 25, 2010 when the annual general meeting of shareholders was held. Accordingly, the annual general meeting of shareholders resolved that the Company make a final payment of retirement benefits to the corporate auditors according to the length of their service within the appropriate limit of amounts when they retire, and also the amounts and method of payment, etc, shall be determined by the corporate auditors. Accordingly, ¥697 million ($8,382 thousand) and ¥752 million were included in other long-term liabilities on the accompanying consolidated balance sheets as of March 31, 2011 and 2010, respectively.

(13) Provision for guarantees

To cover possible losses associated with acceptances and guarantees that the Company provided to third parties, the Company assesses the financial standing of each guaranteed party and records an estimated allowance for such losses based on the estimated exposure. Accordingly, ¥28 million ($336 thousand) and ¥7 million was included in other long-term liabilities on the accompanying consolidated balance sheets as of March 31, 2011 and 2010, respectively.

(14) Provision for liquidation of affiliated companies

To cover possible losses for the liquidation and the sale of its subsidiaries and affiliates, the Company records an estimated allowance for such losses.

(15) Provision for loss on compensations

To cover possible losses for the future performance of compensation for damages, the Company records an estimated allowance for such losses.

(16) Provision for contract loss

To cover possible losses for the future performance of contract, the Company records an estimated allowance for such losses.

(17) Translation of foreign currency assets and liabilities

Foreign currency assets and liabilities are translated into Japanese yen at the prevailing rate in the foreign currency market on the balance sheet dates, and the translation difference is accounted for as a gain or loss.

The assets and liabilities of overseas subsidiaries and affiliates are also translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates, shareholders' equity is translated at the historical rates and income and expenses are translated at the average exchange rates during the year. The resulting translation difference is accounted for as foreign currency translation adjustments and minority interests in consolidated subsidiaries.

(18) Accounting methods for hedges

1. Accounting method for hedges

Hedges are principally accounted for by the deferred hedge method.

2. Hedge methods and targets

	2011	2010
Hedge methods	a. Forward exchange contracts	a. Forward exchange contracts
	b. Interest rate swap contracts	b. Interest rate swap contracts
	c. Commodity future and forward contracts	c. Commodity future and forward contracts
Hedge targets	a. Foreign currency transactions	a. Foreign currency transactions
	b. Interest on deposits and loans	b. Interest on deposits and loans
	c. Commodity transactions in the nonferrous metal, crude oil, petroleum products, foodstuffs, cotton, and other markets	c. Commodity transactions in the nonferrous metal, crude oil, petroleum products, rubber, foodstuffs, cotton, and other markets

3. Hedge policy

The implementation and management of hedge transactions are carried out to hedge risk fluctuation based on internal regulations that specify transaction limits. In addition to monthly reports on hedge transaction balances made directly to the company management, reports are also submitted to the Administration Division.

4. Method of evaluating the effectiveness of hedges

The effectiveness of a hedge is determined by comparing the movement in market prices for the hedge method and hedge target instruments and by comparing the changes in cumulative cash flow to determine the degree of correlation between the two instruments in order to qualify for such deferred hedge accounting.

5. Others

The Company believes that, due to its selection of foreign and domestic exchanges and financial institutions with high credit ratings as its counter parties in hedge transactions, there is almost no credit risk involved.

(19) Consumption tax

The consumption tax withheld by the Company and its consolidated subsidiaries on sales of goods and services is not included in the amount of net sales in the accompanying consolidated statements of income, and the consumption tax paid by the Company and its consolidated subsidiaries on purchases of goods and services, and expenses is not included in the related amount.

(20) Income taxes

Income taxes are accounted for in accordance with the accounting standard for income taxes, which requires recognizing the deferred taxes under the asset and liability method. Under the accounting standard, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases, and measured using the statutory tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment date.

(21) Per share data

Basic net income per share is computed by dividing income available to common shareholders by the weighted average number of shares of common stock outstanding during the respective years. Diluted net income per share is computed as if warrants or stock options were exercised at the beginning of the relevant year or (if later) on their first exercise date and as if the funds obtained thereby were used to purchase common stock at the average market price during the respective years under the treasury stock method.

Cash dividends per share shown for each fiscal year in the accompanying consolidated statements of income represent dividends declared as applicable to the respective years.

(22) Changes in accounting policies and adoption of new accounting standards

1. For the year ended March 31, 2011

(Asset retirement obligations)

Effective from the fiscal year ended March 31, 2011, the Company adopted the "Accounting Standard for Asset Retirement Obligations" (Accounting Standards Board of Japan ("ASBJ") Statement No. 18, announced on March 31, 2008) and its associated "Guidance on Accounting Standard for Asset Retirement Obligations" (Guidance No. 21, March 31, 2008).

As a result of the adoption of this accounting standard, operating income decreased by ¥87 million ($1,046 thousand) and income before income taxes and minority interests decreased by ¥610 million ($7,336 thousand).

(Accounting standard related to equity method)

Effective from the fiscal year ended March 31, 2011, the Company adopted the "Revised Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, revised March 10, 2008) and "Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (PITF No. 24, March 10, 2008)" and made some adjustments required for consolidation. The impact of this adoption was minor.

(Accounting standard related to business combinations)

Effective from the fiscal year ended March 31, 2011, the Company adopted the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, December 26, 2008), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008), "Partial amendments to Accounting Standard for Research and Development Costs" (ASBJ Statement No. 23, December 26, 2008), the "Revised Accounting Standard for Business Divestitures" (ASBJ Statement No. 7, December 26, 2008), the "Revised Accounting Standard for Equity Method of Accounting for Investments" (ASBJ Statement No. 16, revised December 26, 2008), and the "Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, December 26, 2008). The impact of those adoptions was minor.

2. For the year ended March 31, 2010

(Translation of foreign currency assets and liabilities)

Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.

Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year.

This change was made to reflect the related income and expenses that occur throughout the accounting period in the consolidated financial statements in a more proper manner by averaging the impacts of temporary fluctuations in exchange rates with the increased materiality of the Company's foreign subsidiaries and affiliates.

As a result of the change in translation method, net sales decreased by ¥11,863 million, operating income decreased by ¥368 million, and income before income taxes and minority interests decreased by ¥293 million.

(23) Changes in presentation method of consolidated financial statements

1. For the year ended March 31, 2011

(Consolidated Statements of Income)

Effective from the fiscal year ended March 31, 2011, the Company began using the account title "Income before minority interests" in accordance with the adoption of the "Cabinet Office Ordinance on Partial Revision of the Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements and Other Items" (Cabinet Office Ordinance No. 5, March 24, 2009) based on the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, December 26, 2008).

2. For the year ended March 31, 2010

(Consolidated Statements of Income)

"Foreign exchange gain, net" is separately presented for the fiscal year ended March 31, 2010 due to its increased materiality. The "Foreign exchange loss, net" in the amount of ¥1,563 million was included in "Other, net" for the fiscal year ended March 31, 2009.

(24) Additional information

For the year ended March 31, 2011

(Accounting Standard for Presentation of Comprehensive Income)

Effective from the fiscal year ended March 31, 2011, the Company adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement, No. 25, June 30, 2010). For the fiscal year ended March 31, 2010, figures reported for "Accumulated other comprehensive income" and "Total accumulated other comprehensive income" are figures that were reported under "Difference of Appreciation and Conversion" and "Total Difference of Appreciation and Conversion."

(Reclassification of inventory held for sale in the ordinary course of business as inventory held for trading)

Effective from the fiscal year ended March 31, 2011, the Company reclassified some nonferrous metals and others that were previously categorized as inventory held for sale in the ordinary course of business, moving them to inventory held for trading. This is to ensure that trading profits and losses properly reflect actual trading activities. The impact of this change was minor.

(Change in holding purpose from inventories to fixed assets)

During the fiscal year ended March 31, 2011, ¥14,124 million ($169,861 thousand) in inventories were transferred to buildings and structures, ¥10,993 million ($132,206 thousand) in inventories were transferred to land, ¥11 million ($132 thousand) in inventories were transferred to other property and equipment, and ¥211 million ($2,537 thousand) in inventories were transferred to other intangible assets.

3. Pledged Assets

Pledged assets as collateral as of March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Cash and deposits	¥ 748	¥ –	$ 8,995
Trade notes and accounts receivable	847	47	10,186
Inventories	874	835	10,511
Other current assets	3	3	36
Buildings and structures	15,514	3,176	186,578
Machinery, equipment and vehicles	1,660	1,955	19,963
Land	8,231	976	98,989
Other property and equipment	2	–	24
Investment securities	6,359	5,629	76,476
Total	¥34,242	¥12,624	$411,809

Collateral secured obligations as of March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Trade notes and accounts payable	¥ 3	¥ 3	$ 36
Short-term loans payable and current portion of long-term debt	2,824	1,560	33,962
Long-term debt, less current portion	14,688	2,023	176,644
Total	¥17,515	¥3,586	$210,643

4. Inventories

Inventories by major classification were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Finished goods and merchandise on hand	¥360,013	¥370,628	$4,329,681
Work in progress	1,686	2,175	20,276
Raw materials and supplies	17,416	13,216	209,452
Total	¥379,116	¥386,019	$4,559,422

The book value of Inventories as of March 31, 2011 and 2010 is stated after the write-downs of inventories due to a decrease in profitability of assets. The loss on write-downs of inventories of ¥4,896 million ($58,881 thousand) and ¥10,953 million was included in cost of sales for the years ended March 31, 2011 and 2010, respectively.

5. Multi-currency Revolving Facilities and Commitment Lines

The Company (in 2010, the Company and its consolidated subsidiaries, such as Toyota Tsusho America, Inc., Toyota Tsusho U. K. Ltd., Toyota Tsusho Europe S.A., Dusseldorf Branch, and Toyota Tsusho (Singapore) Pte. Ltd.) maintains a line of credit in the form of multi-currency revolving facilities provided by eight financial institutions in order to obtain required funds should unexpected events arise.

As of March 31, 2011 and 2010, the unused line of credit of the multi-currency revolving facilities was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Maximum line of credit of the multi-currency revolving facilities	¥20,000	¥20,000	$240,529
Less, outstanding drawdown on revolving facilities	–	–	–
Balance	¥20,000	¥20,000	$240,529

In addition, certain consolidated subsidiaries enter into commitment line contracts with financial institutions for the flexibility and safety of their funding activities. The unused balances of commitment lines at March 31, 2011 and 2010 were as follows:

	Millions of Currency		Thousands of U.S. Dollars
	2011	2010	**2011**
Maximum line of credit of the commitment line contracts	**¥18,000**	¥18,000	**$216,476**
	and Baht 1,000	and Baht 1,000	**33,072**
Less, outstanding drawdown on commitment line contracts	**10,000**	11,600	**120,264**
Balance	**¥ 8,000**	¥ 6,400	**$ 96,211**
	and Baht 1,000	and Baht 1,000	**33,072**

6. Interest-bearing Debt

Short-term loans payable

The average annual interest rates applicable to short-term loans, principally from banks, outstanding at March 31, 2011 and 2010 were 1.41% and 1.30%, respectively.

Commercial paper

The average annual interest rates applicable to commercial paper, outstanding at March 31, 2011 and 2010, were 0.19% and 0.12%, respectively.

Summary of bonds, long-term debt and lease obligations

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
1.65% straight bonds due 2011	**¥ 30,000**	¥ 30,000	**$ 360,793**
1.55% straight bonds due 2012	**10,000**	10,000	**120,264**
1.65% straight bonds due 2014	**20,000**	20,000	**240,529**
1.09% straight bonds due 2015	**10,000**	10,000	**120,264**
2.26% straight bonds due 2016	**15,000**	15,000	**180,396**
Floating rate straight bonds due 2016 (Note 1)	**10,000**	10,000	**120,264**
Long-term debt, principally from commercial and trust banks and insurance companies, maturing serially through 2020 (Note 2)	**413,989**	397,104	**4,978,821**
Lease obligations maturing serially through 2022	**17,271**	18,643	**207,708**
Total	**526,261**	510,748	**6,329,055**
Less, current portion (Note 2)	**(70,064)**	(58,642)	**(842,621)**
	¥456,196	¥452,105	**$5,486,422**

Notes: 1. The annual rate was 2.20% for the 1st year and 20–year swap rate minus 2–year swap rate plus 0.20% for the 2nd year and after. In case the result of the above calculation is below zero, it should be zero percentage.
2. The average annual interest rates applicable to long-term debt (current portion) outstanding at March 31, 2011 and 2010 were 1.82% (2.05%) and 1.96% (2.23%), respectively.
3. The average annual interest rate of lease obligations was not presented because the lease obligations were booked on the consolidated balance sheet before deducting the interest amount included in the aggregate lease payments.

The aggregate annual maturities of bonds, long-term debt and lease obligations at March 31, 2011 were as follows:

	Millions of Yen	Thousands of U.S. Dollars
Year ending March 31	**2011**	**2011**
2011	**¥ 70,064**	**$ 842,621**
2012	**76,704**	**922,477**
2013	**93,881**	**1,129,055**
2014	**77,531**	**932,423**
2015	**91,543**	**1,100,938**
2016 and thereafter	**116,535**	**1,401,503**
Total	**¥526,261**	**$6,329,055**

7. Shareholders' Equity

Under the Corporate Law of Japan, which came into force on May 1, 2006, amounts equal to at least 10% of dividends made as an appropriation of retained earnings must be set aside as a legal reserve until a total amount of additional paid-in capital and such reserve equals 25% of common stock.

In consolidation, the legal reserves of consolidated subsidiaries are accounted for as retained earnings. And, the legal reserves of the parent company are included in consolidated retained earnings in the current term in accordance with the consolidated financial statement regulations.

Dividends are approved by the shareholders at an annual general shareholders' meeting held subsequent to the fiscal year to which the dividend is applicable.

In addition, an interim dividend may be paid upon resolution of the Board of Directors, subject to limitations imposed by the Corporate Law of Japan.

8. Income Taxes

As of March 31, 2011 and 2010, tax effects of temporary differences that give rise to deferred tax assets and deferred tax liabilities were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Deferred tax assets:			
Unrealized profit	¥ 1,932	¥ 1,955	$ 23,235
Allowance for doubtful accounts	10,362	9,168	124,618
Employee retirement benefits	3,276	2,918	39,398
Directors' and corporate auditors' retirement benefits	1,032	814	12,411
Provision for employees' bonuses	4,820	3,847	57,967
Write-down of investment securities	8,731	10,496	105,003
Write-down of investment in subsidiaries and affiliates	7,953	6,809	95,646
Net operating loss carryforward	18,172	24,847	218,544
Valuation losses of inherited assets on the merger	13,469	13,604	161,984
Others	17,644	17,177	212,194
Subtotal	87,395	91,638	1,051,052
Valuation allowance	(48,335)	(45,502)	(581,298)
Total deferred tax assets	39,060	46,135	469,753
Deferred tax liabilities:			
Unrealized gains on available-for-sale securities	8,447	12,429	101,587
Valuation of assets and liabilities of consolidated subsidiaries on acquisition	914	887	10,992
Depreciation of property and equipment	2,306	2,320	27,733
Deferred profits on hedges	–	4,313	–
Valuation profits of inherited assets on the merger	6,765	6,897	81,358
Others	6,429	1,235	77,318
Total deferred tax liabilities	24,862	28,083	299,001
Net deferred tax assets (liabilities)	¥ 14,198	¥ 18,052	$ 170,751

Reconciliation items of differences between the Japanese statutory effective tax rate and actual effective income tax rate for the year ended March 31, 2010 were as follows:

	Percentage of pretax income
	2010
Japanese statutory effective tax rate	40.3%
Increase (decrease) due to:	
Permanently nondeductible expenses	1.3
Equity in earnings of unconsolidated subsidiaries and affiliates	(4.2)
Differences of tax rates for overseas consolidated subsidiaries	(10.6)
Valuation allowance	6.6
Amortization of goodwill	10.1
Undistributed earnings in foreign subsidiaries	1.6
Others	1.0
Actual effective income tax rate	46.1%

Differences between the Japanese statutory effective tax rate and actual effective income tax rate for the year ended March 31, 2011 are not disclosed as differences are immaterial.

9. Research and Development Expenses

Research and development expenses included in selling, general and administrative expenses for the years ended March 31, 2011 and 2010 were ¥483 million ($5,808 thousand) and ¥419 million, respectively.

10. Other Income (Expenses)

Details of Other, net, included in Other Income (Expenses) for the years ended March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
Gain on sales of fixed assets	**¥ 533** (Note 1)	¥ 804 (Note 6)	**$ 6,410**
Loss on sales or disposal of fixed assets	**(1,366)** (Note 2)	(1,032) (Note 7)	**(16,428)**
Impairment loss (Note 12)	**(119)**	(1,846)	**(1,431)**
Gain on sales of investment securities	**2,077**	2,553	**24,978**
Loss on sales of investment securities	**(139)**	(492)	**(1,671)**
Write-down of investment securities	**(1,898)**	(2,889)	**(22,826)**
Gain on reversal of allowance for doubtful accounts	**330**	148	**3,968**
Loss on disposal of investments in and advances to subsidiaries and affiliates	**(9)**	(357) (Note 6)	**(108)**
Gain on reversal of allowance for liquidation of affiliated companies	**144**	112	**1,731**
Loss on provision for liquidation of affiliated companies	**(1,510)** (Note 3)	(779) (Note 7)	**(18,159)**
Gain on change in equity	**12**	1,372 (Note 8)	**144**
Loss on change in equity	**(688)** (Note 4)	(664) (Note 9)	**(8,274)**
Gain on reversal of subscription rights to shares	**395**	185	**4,750**
Loss on provision for disaster	**(1,392)** (Note 5)	–	**(16,740)**
Loss on provision for contract	**(289)**	–	**(3,475)**
Effect of adoption of new accounting standard for asset retirement obligations	**(523)**	–	**(6,289)**
Other, net	**1,998**	2,574	**24,028**
Total	**¥(2,443)**	¥ (309)	**$(29,380)**

Notes: 1. The Company recorded a gain on sales of vehicles, etc.
2. The Company recorded a loss on sales or disposal of buildings, machinery & equipment, etc.
3. The Company recorded an estimated allowance in order to cover the possible losses for the liquidation of its consolidated subsidiaries and affiliates in Asia and Japan.
4. The Company recorded a loss on change in the equity of affiliates in Asia.
5. The Company recorded an estimated allowance in order to cover the possible expenditure incurred mainly for restoring assets, damaged in the Great East Japan Earthquake, to their former state.
6. The Company recorded an estimated allowance in order to cover the possible losses for the sales and liquidation of its overseas subsidiaries.
7. The Company recorded an estimated allowance in order to cover the possible losses for the liquidation of its consolidated subsidiaries in North America, Japan and others.
8. The Company recorded a gain on change in the equity of domestic consolidated subsidiaries and others.
9. The Company recorded a loss on change in the equity of affiliates in Asia.

11. Contingent Liabilities

Contingent liabilities as of March 31, 2011 and 2010 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Discounted exports bills	¥38,701	¥24,819	$465,435
For guarantees of indebtedness to:			
Egyptian Offshore Drilling Company S.A.E.	¥17,124	¥11,012	$205,941
Toyota Tsusho Power USA, Inc.	4,365	–	52,495
Chengdu Kobelco Construction Machinery Financial Leasing Ltd.	3,423	1,649	41,166
P.T. Astra Auto Finance	2,977	4,156	35,802
Toyota Tsusho Nordic Oy	1,645	1,748	19,783
Toyota del Ecuador S.A.	–	2,480	–
Other 68 (59 in 2010) companies	19,376	18,753	233,024
Subtotal	48,912	39,801	588,238
Provision for guarantees	(28)	(7)	(336)
Total	¥48,884	¥39,794	$587,901

Note: The Company provides guarantees for certain borrowings and transactions of companies other than consolidated subsidiaries. Foreign-currency denominated guarantee obligations are converted into yen at exchange rates as of the fiscal year-end. Figures are presented inclusive of guarantee commitments and similar items.

12. Impairment Loss

In calculating impairment loss, the assets are grouped at the smallest identifiable unit that generates cash flows that are largely independent of the cash flows of other assets and liabilities.

During the year ended March 31, 2010, the Company and its consolidated subsidiaries recognized the impairment loss amounting to ¥1,846 million as other expense in the consolidated statements of income by devaluating the book value of the business-use assets and the common assets whose disposal was decided and the idle assets whose expected future use was considered to be unrealizable due to the deterioration of the market environment to their recoverable amounts.

In measuring the loss on impairment, the Company and its consolidated subsidiaries used the net selling value for the recoverable amounts of the business-use assets, the idle assets, and the common assets mainly based on the price where the possible loss for disposal is deducted from the expected selling price.

The details of impairment loss for the years ended March 31, 2010 were as follows:

	Millions of Yen
	2010
Domestic	
Idle assets: land, buildings, machinery & equipment and leased property, etc.	¥ 566
Business-use and common assets: land, buildings and machinery & equipment, etc.	1,279
Total	¥1,846

13. Lease Transactions

Noncancelable Operating Leases

Lease payments for noncancelable operating lease transactions as of March 31, 2011 and 2010 were as follows:

Lessee	Millions of Yen		Thousands of U.S. Dollars
Future minimum lease payments	2011	2010	2011
Within one year	¥ 5,172	¥ 3,163	$ 62,200
More than one year	33,467	7,798	402,489
Total	¥38,639	¥10,961	$464,690

Lessor	Millions of Yen		Thousands of U.S. Dollars
Future minimum lease payments to be received	2011	2010	2011
Within one year	¥202	¥249	$2,429
More than one year	234	487	2,814
Total	¥436	¥736	$5,243

14. Financial Instruments

(a) Overview of financial instruments

1. Policies on financial instruments

The Company and its consolidated subsidiaries (the "Group") manage excess funds only by investing in short-term deposits, etc., and finance by debt from financial institutions such as banks, etc. The Group utilizes derivative transactions mainly to avoid adverse effects of the market risks such as foreign exchange rate fluctuation risk, interest rate fluctuation risk, and commodity price fluctuation risk that are generated along with the usual activities of the Group's business, and these derivative transactions are restrictively used to acquire earnings.

2. Description and associated risks of financial instruments and risk management

The trade receivables such as trade notes and accounts receivable are exposed to customer credit risk. Regarding the risk, in accordance with the management regulations of the Group, the Group periodically monitors the collecting due dates and the receivable balances and checks creditability of customers.

Although the trade receivables denominated in foreign currencies are exposed to the risk affected by fluctuation in exchange rates, the Group hedges the net position of trade receivables and trade payables by using forward exchange contract as a general rule.

The investment securities are exposed to the risk affected by fluctuation in market price which are mainly for expansion or functional enhancement of the existing business or for entry into the new business. The Group periodically manages the fair value of the investment securities.

Most of the trade notes and accounts payable are payable within one year. The trade notes and accounts payable denominated in foreign currencies, which are exposed to the risk affected by fluctuation in exchange rates, are within the range of the receivables balances denominated in foreign currencies. Short-term loans payable are mainly for fund-raising for business transactions, while long-term debt and bonds are mainly for fund-raising for capital investments or business investments. The loans based on variable interest rates are exposed to the risk associated with fluctuation in interest rates. To hedge the risk, interest rate swap contracts are utilized for some of the loans based on variable interest rates.

The Group utilizes foreign exchange contracts and foreign currency options, interest rate swap contracts and commodity-related futures, forwards, swaps and options as the derivative transactions. As the Group selects highly ranked financial institutions, exchanges and brokers as counter parties to minimize credit risk exposure associated with these derivative transactions, we believe that the credit risks are mostly avoided. Derivative transactions are mainly utilized to hedge the risk, and the market risks of the derivative transactions are offset against the market fluctuations in physical transactions whose risk is hedged by derivative transactions. Derivative transactions are entered into and managed by the Group in accordance with the internal regulations on derivative transactions that regulate the limits of transactions, etc. Under these regulations, each Business Division which enters into and executes derivative transactions and also manages the positions by itself directly reports to the Company's management and to the Administration Division which is in charge of risk management.

Regarding hedge transactions, please refer to "2. Summary of Significant Accounting Policies (18) Accounting methods for hedges."

3. Supplementary explanation on fair value of financial instruments

The fair value of financial instruments is based on their quoted market price, if available. When there is no quoted market price available, the fair value is reasonably estimated. Since various assumptions and factors are reflected in estimating the fair value, values may vary depending on the assumptions used. The contract or notional amounts of derivative instruments which are shown in "(b) Fair value of financial instruments" or "16. Derivative Instruments" do not represent the amounts of the Group's exposure to credit or market risks.

(b) Fair value of financial instruments

The carrying amount, fair value, and unrealized gain (loss) of the financial instruments at March 31, 2011 and 2010 were as follows:

Financial instruments whose fair values are difficult to measure are excluded from the table below.

	Millions of Yen			Thousands of U.S. Dollars		
	2011			2011		
	Carrying amount	Fair value	Unrealized gain (loss)	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash and deposits	¥ 252,768	¥ 252,768	¥ –	$ 3,039,903	$ 3,039,903	$ –
(2) Trade notes and accounts receivable	898,212			10,802,309		
Less: allowance for doubtful accounts (Note 1)	(7,860)			(94,527)		
	890,352	890,352	–	10,707,781	10,707,781	–
(3) Investment securities	142,777	136,020	(6,756)	1,717,101	1,635,838	(81,250)
(4) Long-term loans	3,690			44,377		
Less: allowance for doubtful accounts (Note 1)	(450)			(5,411)		
	3,239	3,245	6	38,953	39,025	72
Total Assets	¥1,289,138	¥1,282,387	¥ (6,750)	$15,503,764	$15,422,573	$ (81,178)
(1) Trade notes and accounts payable	¥ 713,395	¥ 713,395	¥ –	$ 8,579,615	$ 8,579,615	$ –
(2) Short-term loans payable and current portion of long-term debt	283,860	283,860	–	3,413,830	3,413,830	–
(3) Commercial paper	60,000	60,000	–	721,587	721,587	–
(4) Current portion of bonds	30,000	30,000	–	360,793	360,793	–
(5) Bonds, less current portion	65,000	67,914	2,914	781,719	816,764	35,045
(6) Long-term debt, less current portion	378,003	385,868	7,864	4,546,037	4,640,625	94,576
Total Liabilities	¥1,530,259	¥1,541,038	¥10,778	$18,403,595	$18,533,229	$129,621
Derivative Instruments (Note 2)	¥ 8,878	¥ 8,878	¥ –	$ 106,770	$ 106,770	$ –

	Millions of Yen		
	2010		
	Carrying amount	Fair value	Unrealized gain (loss)
(1) Cash and deposits	¥ 170,714	¥ 170,714	¥ –
(2) Trade notes and accounts receivable	886,425		
Less: allowance for doubtful accounts (Note 1)	(4,580)		
	881,845	881,845	–
(3) Investment securities	152,521	147,487	(5,034)
(4) Long-term loans	5,061		
Less: allowance for doubtful accounts (Note 1)	(406)		
	4,654	4,653	(0)
Total Assets	¥1,209,736	¥1,204,701	¥(5,034)
(1) Trade notes and accounts payable	¥ 681,456	¥ 681,456	¥ –
(2) Short-term loans payable and current portion of long-term debt	257,997	257,997	–
(3) Commercial paper	20,000	20,000	–
(4) Current portion of bonds	–	–	–
(5) Bonds, less current portion	95,000	98,176	3,176
(6) Long-term debt, less current portion	342,141	347,362	5,221
Total Liabilities	¥1,396,595	¥1,404,992	¥ 8,397
Derivative Instruments (Note 2)	¥ 9,052	¥ 9,052	¥ –

Notes: 1. The amount of individual reserve of allowance for doubtful accounts is deducted from trade notes and accounts receivable and long-term loans.
2. Debts and credits occurred from derivatives are presented at net price, and net debts in total is presented as ( ).

(a) A method of estimating fair value for financial instruments and information for securities and derivatives

Assets

(1) Cash and deposits, (2) Trade notes and accounts receivable

The fair value of cash, deposits, trade notes and accounts receivable approximates book value due to the short maturity of these instruments.

(3) Investment securities

The fair value of securities is estimated based on the market price at securities exchanges.
For more information about securities, please refer to "Notes 15. Information of Securities."

(4) Long-term loans

The fair value of long-term loans is estimated by discounting expected future cash flows using the rates at which loans under similar conditions with the same remaining years would be made as of March 31, 2011 and 2010, respectively.

Liabilities

(1) Trade notes and accounts payable, (2) Short-term loans payable and current portion of long-term debt, (3) Commercial paper, and (4) Current portion of bonds

The fair value of the above approximates book value due to the short maturity of these instruments.

(5) Bonds, less current portion

The fair value of bonds is estimated based on the market price on the respective balance sheet dates.

(6) Long-term debt, less current portion

The fair value of long-term debt and less current portion are estimated by discounting expected future cash flows using the rates at which loans under similar conditions with the same remaining years would be made as of March 31, 2011 and 2010, respectively.

Derivative instruments

Please refer to "16. Derivative Instruments."

(b) Financial instruments whose fair values are difficult to measure

	Millions of Yen		Thousands of U.S. Dollars
Carrying amount	**2011**	2010	**2011**
Unlisted securities and others	**¥182,223**	¥140,571	**$2,191,497**

Note: The above, which have no market price, are not included in "(3) Investment securities."

(c) The term of redemption for money debt and securities with maturity after March 31, 2011

	Millions of Yen				Thousands of U.S. Dollars			
	2011				**2011**			
	Within one year	Between one and five years	Between five and ten years	After ten years	Within one year	Between one and five years	Between five and ten years	After ten years
Cash and deposits	**¥ 252,768**	**¥ –**	**¥ –**	**¥ –**	**$ 3,039,903**	**$ –**	**$ –**	**$ –**
Trade notes and accounts receivable	**898,212**	**–**	**–**	**–**	**10,802,309**	**–**	**–**	**–**
Investment securities								
Held-to-maturity debentures								
(1) National bonds, local bonds, and others	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(2) Bonds	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Available-for-sale securities with maturity								
(1) Bonds	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(2) Others	**–**	**1**	**–**	**1**	**–**	**12**	**–**	**12**
Long-term loans	**–**	**2,504**	**695**	**489**	**–**	**30,114**	**8,358**	**5,880**
Total	**¥1,150,981**	**¥2,506**	**¥695**	**¥491**	**$13,842,224**	**$30,138**	**$8,358**	**$5,904**

	Millions of Yen			
	2010			
	Within one year	Between one and five years	Between five and ten years	After ten years
Cash and deposits	¥ 170,714	¥ –	¥ –	¥ –
Trade notes and accounts receivable	886,425	–	–	–
Investment securities				
Held-to-maturity debentures				
(1) National bonds, local bonds, and others	0	–	–	–
(2) Bonds	–	–	–	–
Available-for-sale securities with maturity				
(1) Bonds	–	–	–	–
(2) Others	5	–	1	1
Long-term loans	–	3,887	662	511
Total	¥1,057,145	¥3,887	¥664	¥513

(d) Amount of repayment scheduled for bonds and long-term debt after March 31, 2011

	Millions of Yen						Thousands of U.S. Dollars					
	2011						**2011**					
	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	After five years	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	After five years
Bonds	**¥30,000**	**¥10,000**	**¥20,000**	**¥ –**	**¥10,000**	**¥ 25,000**	**$360,793**	**$120,264**	**$ 240,529**	**$ –**	**$ 120,264**	**$ 300,661**
Long-term debt, less current portion	**–**	**62,812**	**71,203**	**74,832**	**79,171**	**89,984**	**–**	**755,405**	**856,319**	**899,963**	**952,146**	**1,082,188**
Total	**¥30,000**	**¥72,812**	**¥91,203**	**¥74,832**	**¥89,171**	**¥114,984**	**$360,793**	**$875,670**	**$1,096,849**	**$899,963**	**$1,072,411**	**$1,382,850**

	Millions of Yen					
	2010					
	Within one year	Between one and two years	Between two and three years	Between three and four years	Between four and five years	After five years
Bonds	¥–	¥30,000	¥10,000	¥20,000	¥ –	¥ 35,000
Long-term debt, less current portion	–	33,423	61,325	61,553	47,958	137,881
Total	¥–	¥63,423	¥71,325	¥81,553	¥47,958	¥172,881

Additional Information:
Effective from the fiscal year ended March 31, 2010, the Company and its domestic consolidated subsidiaries adopted "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10, March 10, 2008) and "Guidance on Disclosures about Fair Value of Financial Instruments" (ASBJ Guidance No. 19, March 10, 2008).

15. Information of Securities

(a) Securities with market price

Original cost, carrying amount and unrealized gain (loss) of available-for-sale securities with market price at March 31, 2011 and 2010 were as follows:

	Millions of Yen						Thousands of U.S. Dollars		
	2011			2010			2011		
	Carrying amount	Original cost	Unrealized gain (loss)	Carrying amount	Original cost	Unrealized gain (loss)	Carrying amount	Original cost	Unrealized gain (loss)
Market value in excess of original cost amount:									
Equity securities	¥ 96,672	¥65,166	¥31,505	¥107,729	¥66,973	¥40,755	$1,162,621	$783,716	$378,893
Market value less than original cost amount:									
Equity securities	12,723	15,124	(2,401)	12,022	14,272	(2,249)	153,012	181,888	(28,875)
Total	¥109,395	¥80,290	¥29,104	¥119,751	¥81,245	¥38,505	$1,315,634	$965,604	$350,018

Note: Impairment losses of ¥1,798 million ($21,623 thousand) and ¥2,356 million were recognized in the consolidated statements of income, for available-for-sale securities with market price for the years ended March 31, 2011 and 2010, respectively.

(b) Securities without market price

Book value of securities not measured at market value at March 31, 2011 and 2010 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Available-for-sale securities:			
Unlisted securities	¥36,953	¥35,515	$444,413

(c) Sale of available-for-sale securities

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	2011
Total amount sold	¥2,161	¥4,296	$25,989
Realized gains	1,694	2,467	20,372
Realized losses	(83)	(44)	(998)

16. Derivative Instruments

1. For the year ended March 31, 2011

(a) Transactions for derivative financial instruments to which hedge accounting is not applied

	Millions of Yen				Thousands of U.S. Dollars			
	2011				2011			
Commodity Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Exchange-traded								
Future contracts:								
Nonferrous Metal								
(Sell)	¥145,614	¥5,159	¥ (7,051)	¥ (7,051)	$1,751,220	$62,044	$ (84,798)	$ (84,798)
(Buy)	95,912	4,844	6,633	6,633	1,153,481	58,256	79,771	79,771
Produce & Foodstuffs								
(Sell)	111	–	(3)	(3)	1,334	–	(36)	(36)
Natural Rubber								
(Sell)	89	–	(19)	(19)	1,070	–	(228)	(228)
Raw Cotton								
(Sell)	5,184	–	(2,237)	(2,237)	62,345	–	(26,903)	(26,903)
(Buy)	12,444	–	3,283	3,283	149,657	–	39,482	39,482
Petroleum Products								
(Sell)	29	–	(0)	(0)	348	–	(0)	(0)
Exchange-traded								
Commodity option contracts:								
Raw Cotton								
(Sell)								
Put	¥ 2,459	¥ –	¥ 834	¥ 834	$ 29,573	$ –	$ 10,030	$ 10,030
Call	9,492	–	(2,936)	(2,936)	114,155	–	(35,309)	(35,309)
Over-the-counter								
Forward contracts:								
Nonferrous Metal								
(Sell)	¥134,625	¥2,660	¥ (7,263)	¥ (7,263)	$1,619,061	$31,990	$ (87,348)	$ (87,348)
(Buy)	173,961	–	11,705	11,705	2,092,134	–	140,769	140,769
Produce & Foodstuffs								
(Sell)	17	–	(2)	(2)	204	–	(24)	(24)
(Buy)	91	–	4	4	1,094	–	48	48
Raw Cotton								
(Sell)	1,320	–	(2,587)	(2,587)	15,874	–	(31,112)	(31,112)
(Buy)	1,544	–	4,118	4,118	18,568	–	49,524	49,524
Over-the-counter								
Commodity swap contracts:								
Petroleum Products								
Receipt–variable/Payment–fixed	¥ 20,229	¥ –	¥ 1,039	¥ 1,039	$ 243,283	$ –	$ 12,495	$ 12,495
Receipt–fixed/Payment–variable	16,985	–	(346)	(346)	204,269	–	(4,161)	(4,161)
Total				¥ 5,170				$ 62,176

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange, Intercontinental Exchange, or other exchanges.
2. The estimated fair value amounts of commodity option contracts and forward contracts for Raw Cotton were determined using market information on The Intercontinental Exchange.
3. The estimated fair value amounts of forward contracts for Nonferrous Metal were determined using the value calculated by major transaction partners.
4. The estimated fair value amounts of forward contracts for Produce & Foodstuffs, and Commodity swap contracts were determined using quotes obtained from financial institutions.
5. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

Currency Related:	Millions of Yen 2011 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Thousands of U.S. Dollars 2011 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Over-the-counter								
Forward exchange contracts:								
Selling:								
U.S. Dollars	¥43,611	¥ –	¥(275)	¥(275)	$524,485	$ –	$(3,307)	$(3,307)
Other currencies	11,643	28	(155)	(155)	140,024	336	(1,864)	(1,864)
Buying:								
U.S. Dollars	48,598	–	167	167	584,461	–	2,008	2,008
Other currencies	30,060	–	(180)	(180)	361,515	–	(2,164)	(2,164)
Over-the-counter								
Currency option contracts:								
Selling:								
Put	¥30,112	¥ –	¥ (74)	¥ (74)	$362,140	$ –	$ (889)	$ (889)
Buying:								
Call	30,112	–	56	56	362,140	–	673	673
Total				¥(460)				$(5,532)

Notes: 1. The estimated fair value amounts of forward exchange contracts were determined using the forward exchange rate at the end of the fiscal year.
2. The estimated fair value amounts of currency option contracts were determined using quotes obtained from financial institutions.
3. Option premiums are not received or paid because these currency option contracts are zero cost option contracts in which the premiums of the written options are the same as those paid for the options that are purchased.

Interest Rate Related:	Millions of Yen 2011 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)	Thousands of U.S. Dollars 2011 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Over-the-counter								
Interest rate swap contracts:								
Receipt–variable/Payment–fixed	¥2,008	¥–	¥151	¥151	$24,149	$–	$1,815	$1,815
Total				¥151				$1,815

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

(b) Transactions for derivative financial instruments to which hedge accounting is applied

Commodity Related:	Millions of Yen 2011 Contract or notional	Millions of Yen 2011 Contract or notional over one year	Millions of Yen 2011 Estimated fair value	Thousands of U.S. Dollars 2011 Contract or notional	Thousands of U.S. Dollars 2011 Contract or notional over one year	Thousands of U.S. Dollars 2011 Estimated fair value
(Deferred hedge accounting method)						
Future contracts:						
Produce & Foodstuffs						
(Sell)	¥18,546	¥ –	¥ 96	$223,042	$ –	$ 1,154
(Buy)	11,457	–	69	137,787	–	829
Petroleum Products						
(Buy)	13	–	(0)	156	–	(0)
Commodity option contracts:						
Produce & Foodstuffs						
(Sell)						
Call	¥ 0	¥ –	¥ (0)	$ 0	$ –	$ (0)
Forward contracts:						
Nonferrous Metal						
(Sell)	¥ 3,170	¥ –	¥ 34	$ 38,123	$ –	$ 408
Commodity swap contracts:						
Petroleum Products						
Receipt–variable/Payment–fixed	¥11,096	¥3,990	¥ (850)	$133,445	$47,985	$(10,222)
Receipt–fixed/Payment–variable	7,529	1,787	4,813	90,547	21,491	57,883
Total			¥4,163			$ 50,066

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange or other exchanges.
2. The estimated fair value amounts of commodity option contracts were determined using market information on The Intercontinental Exchange.
3. The estimated fair value amounts of forward contracts were determined using the value calculated by major transaction partners.
4. The estimated fair value amounts of commodity swap contracts were determined using quotes obtained from financial institutions.
5. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

Currency Related:	Millions of Yen 2011 Contract or notional	Millions of Yen 2011 Contract or notional over one year	Millions of Yen 2011 Estimated fair value	Thousands of U.S. Dollars 2011 Contract or notional	Thousands of U.S. Dollars 2011 Contract or notional over one year	Thousands of U.S. Dollars 2011 Estimated fair value
(Deferred hedge accounting method)						
Forward exchange contracts:						
Selling:						
U.S. Dollars	¥21,990	¥ –	¥(169)	$264,461	$ –	$(2,032)
Other currencies	9,661	649	(194)	116,187	7,805	(2,333)
Buying:						
U.S. Dollars	39,951	254	82	480,469	3,054	986
Other currencies	7,355	1,918	138	88,454	23,066	1,659
Currency option contracts:						
Selling:						
Call	¥ 2,095	¥ –	¥ (40)	$ 25,195	$ –	$ (481)
Buying:						
Put	2,095	–	24	25,195	–	288
(Replacement equivalent method for forward foreign exchange contracts)						
Forward exchange contracts:						
Selling:						
U.S. Dollars	¥10,648	¥ –	¥ (97)	$128,057	$ –	$(1,166)
Total			¥(257)			$(3,090)

Notes: 1. The estimated fair value amounts of forward exchange contracts were determined using the forward exchange rate at the end of the fiscal year.
2. The estimated fair value amounts of currency option contracts were determined using quotes obtained from financial institutions.
3. Option premiums are not received or paid because these currency option contracts are zero cost option contracts in which the premiums of the written options are the same as those paid for the options that are purchased.

Interest Rate Related:	Millions of Yen 2011 Contract or notional	Contract or notional over one year	Estimated fair value	Thousands of U.S. Dollars 2011 Contract or notional	Contract or notional over one year	Estimated fair value
(Deferred hedge accounting method)						
Interest rate swap contracts:						
Receipt–variable/Payment–fixed	¥ 1,369	¥ 1,269	¥110	$ 16,464	$ 15,261	$1,322
(Exceptional accounting for interest-rate swaps)						
Interest rate swap contracts:						
Receipt–variable/Payment–fixed	¥169,255	¥169,255	¥ –	$2,035,538	$2,035,538	$ –
Total			¥110			$1,322

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The estimated fair value of the interest-rate swaps with exceptional accounting is included in the estimated fair value of the long-term loans since handled as one loan.
3. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

2. For the year ended March 31, 2010

(a) Transactions for derivative financial instruments to which hedge accounting is not applied

Commodity Related:	Millions of Yen 2010 Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
Exchange-traded				
Future contracts:				
Nonferrous Metal				
(Sell)	¥62,615	¥3,394	¥(4,148)	¥(4,148)
(Buy)	36,647	3,386	3,188	3,188
Produce & Foodstuffs				
(Sell)	121	–	8	8
Natural Rubber				
(Sell)	233	–	(31)	(31)
(Buy)	110	–	15	15
Raw Cotton				
(Sell)	2,355	–	(31)	(31)
Over-the-counter				
Forward contracts:				
Nonferrous Metal				
(Sell)	¥70,955	¥ –	¥(4,316)	¥(4,316)
(Buy)	93,521	–	4,936	4,936
Produce & Foodstuffs				
(Buy)	76	–	(7)	(7)
Over-the-counter				
Commodity swap contracts:				
Petroleum Products				
Receipt–variable/Payment–fixed	¥40,145	¥ –	¥ (403)	¥ (403)
Receipt–fixed/Payment–variable	27,301	–	182	182
Total				¥ (607)

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange, Intercontinental Exchange, or other exchanges.
2. The estimated fair value amounts of forward contracts for Nonferrous Metal were determined using the value calculated by major transaction partners.
3. The estimated fair value amounts of forward contracts for Produce & Foodstuffs and commodity swap contracts were determined using quotes obtained from financial institutions.
4. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

Currency Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
	Millions of Yen			
	2010			
Over-the-counter				
Forward exchange contracts:				
Selling:				
U.S. Dollars	¥57,258	¥ –	¥(1,346)	¥(1,346)
Other currencies	7,618	9	14	14
Buying:				
U.S. Dollars	59,456	–	700	700
Other currencies	31,098	242	(637)	(637)
Over-the-counter				
Currency option contracts:				
Selling:				
Put	¥11,608	¥ –	¥ 19	¥ 19
Call	1,339	–	(44)	(44)
Buying:				
Put	1,339	–	6	6
Call	11,671	–	(67)	(67)
Total				¥(1,354)

Notes: 1. The estimated fair value amounts of forward exchange contracts were determined using the forward exchange rate at the end of the fiscal year.
2. The estimated fair value amounts of currency option contracts were determined using quotes obtained from financial institutions.
3. Option premiums are not received or paid because these currency option contracts are zero cost option contracts in which the premiums of the written options are the same as those paid for the options that are purchased.

Interest Rate Related:	Contract or notional	Contract or notional over one year	Estimated fair value	Valuation gain (loss)
	Millions of Yen			
	2010			
Over-the-counter				
Interest rate swap contracts:				
Receipt–variable/Payment–fixed	¥2,403	¥–	¥205	¥205
Total				¥205

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

(b) Transactions for derivative financial instruments to which hedge accounting is applied

	Millions of Yen		
	2010		
Commodity Related:	Contract or notional	Contract or notional over one year	Estimated fair value
(Deferred hedge accounting method)			
Future contracts:			
Nonferrous Metal			
(Sell)	¥39,529	¥2,467	¥ (1,341)
(Buy)	45,033	2,946	4,411
Produce & Foodstuffs			
(Sell)	5,242	–	569
(Buy)	5,544	–	(212)
Natural Rubber			
(Buy)	31	–	2
Raw Cotton			
(Sell)	1,083	131	(26)
(Buy)	688	–	28
Commodity option contracts:			
Produce & Foodstuffs			
(Sell)			
a put option	¥ 0	¥ –	¥ (0)
Raw Cotton			
(Sell)			
a put option	1,160	–	167
a call option	5,855	–	(64)
Forward contracts:			
Nonferrous Metal			
(Sell)	¥ 7,656	¥ –	¥ (434)
(Buy)	11,928	–	3,108
Commodity swap contracts:			
Petroleum Products			
Receipt–variable/Payment–fixed	¥15,832	¥6,213	¥ (520)
Receipt–fixed/Payment–variable	8,673	2,581	5,721
Total			¥11,409

Notes: 1. The estimated fair value amounts of future contracts were determined using market information on The Tokyo Commodity Exchange, The Tokyo Grain Exchange, Intercontinental Exchange, or other exchanges.
2. The estimated fair value amounts of commodity option contracts were determined using market information on The Intercontinental Exchange.
3. The estimated fair value amounts of forward contracts were determined using the value calculated by major transaction partners.
4. The estimated fair value amounts of commodity swap contracts were determined using quotes obtained from financial institutions.
5. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

	Millions of Yen		
	2010		
Currency Related:	Contract or notional	Contract or notional over one year	Estimated fair value
(Deferred hedge accounting method)			
Forward exchange contracts:			
Selling:			
U.S. Dollars	¥39,997	¥ –	¥(917)
Other currencies	7,649	9	(198)
Buying:			
U.S. Dollars	37,000	–	750
Other currencies	9,038	1,007	200
(Replacement equivalent method for forward foreign exchange contracts)			
Forward exchange contracts:			
Selling:			
U.S. Dollars	¥16,576	¥ –	¥(420)
Total			¥(586)

Note: The estimated fair value amounts of forward exchange contracts were determined using the forward exchange rate at the end of the fiscal year.

Interest Rate Related:	Contract or notional	Contract or notional over one year	Estimated fair value
	Millions of Yen		
	2010		
(Deferred hedge accounting method)			
Interest rate swap contracts:			
Receipt–variable/Payment–fixed	¥ 390	¥ 251	¥(13)
(Exceptional accounting for interest-rate swaps)			
Interest rate swap contracts:			
Receipt–variable/Payment–fixed	¥175,960	¥155,960	¥ –
Total			¥(13)

Notes: 1. The estimated fair value amounts of interest rate swap contracts were determined using the quotes obtained from financial institutions.
2. The estimated fair value of the interest-rate swaps with exceptional accounting is included in the estimated fair value of the long-term loans since handled as one loan.
3. The contract or notional amounts of swap contracts are just notional contract amounts or hypothetical principal amounts under derivative transactions which do not represent market risk or credit risk of derivative transactions by themselves.

17. Employee Retirement Benefits

The Company and its consolidated subsidiaries have defined benefit plans, including a pension plan pursuant to the Japanese Welfare Pension Insurance Law, a qualified retirement benefits plan, and a lump-sum severance benefits plan. The Company has established a retirement benefit trust.

Employee Retirement Benefits Liability	Millions of Yen 2011	2010	Thousands of U.S. Dollars 2011
Employee retirement benefits obligation	**¥(65,338)**	¥(61,174)	**$(785,784)**
Fair value of pension plan assets	**43,258**	42,449	**520,240**
Unfunded benefits obligation	**(22,080)**	(18,724)	**(265,544)**
Unrecognized actuarial difference	**12,675**	9,686	**152,435**
Unrecognized past service costs	**(104)**	(111)	**(1,250)**
Net amount recognized	**(9,510)**	(9,150)	**(114,371)**
Prepaid pension	**(4,937)**	(4,436)	**(59,374)**
Employee retirement benefit liability	**¥(14,447)**	¥(13,586)	**$(173,746)**

Note: Consolidated subsidiaries are accounted for mainly through the application of the simplified calculation method.

Retirement Benefit Expenses	Millions of Yen 2011	2010	Thousands of U.S. Dollars 2011
Service expenses	**¥2,984**	¥2,682	**$ 35,886**
Interest expenses	**1,120**	1,085	**13,469**
Expected return on pension plan assets	**(899)**	(737)	**(10,811)**
Amortization of actuarial difference	**1,689**	2,073	**20,312**
Amortization of past service costs	**61**	(4)	**733**
Retirement benefit expenses	**4,956**	5,098	**59,603**
Others	**619**	543	**7,444**
Total	**¥5,576**	¥5,641	**$ 67,059**

Note: Others represents the contributions under the defined contribution plan, etc.

Basis of Calculation of Benefit Obligations	2011		2010	
Allocation of payments of expected retirement benefits	**Straight-line method**		Straight-line method	
Discount rate	**mainly**	**2.0%**	mainly	2.0%
Expected rate of return on pension plan assets	**mainly**	**3.0%**	mainly	3.0%
Amortization of past service costs	**mainly**	**1 year**	mainly	1 year
Amortization of actuarial difference	**mainly**	**12 years**	mainly	12 years

18. Investment Property

The Company and certain consolidated subsidiaries own rental properties such as office buildings and commercial facilities including land in Tokyo and other areas. The net of rental income and operating expenses for those rental properties was ¥77 million ($926 thousand) for the fiscal year ended March 31, 2011.

The carrying amounts, changes in such balances and market prices of such properties are as follows:

	Millions of Yen				Thousands of U.S. Dollars			
	Carrying amount			Fair value	Carrying amount			Fair value
2011	April 1, 2010	Increase/ Decrease	March 31, 2011	March 31, 2011	April 1, 2010	Increase/ Decrease	March 31, 2011	March 31, 2011
Investment Property	¥9,224	¥41,679	¥50,903	¥50,694	$110,932	$501,250	$612,182	$609,669

Notes: 1. The carrying amount recognized in the balance sheet is net of accumulated depreciation and accumulated impairment losses, if any.
2. Increase during the fiscal year ended March 31, 2011 primarily represents the change in holding purpose from inventory to fixed assets, which was ¥25,341 million ($304,762 thousand).
3. The fair value of main properties is measured by a licensed third-party real estate appraisal agent and that of the remaining properties is measured by the Group in accordance with the Real Estate Appraisal Standard (including adjustments made using indexes).

The amount of Investment property at the year ended March 31, 2010 was immaterial.

19. Comprehensive Income

Comprehensive Income for the year ended March 31, 2010 was as follows:

	Millions of Yen
	2010
Comprehensive income attributable to:	
Owners of the parent	¥60,999
Minority interests	8,075
Total comprehensive income	¥69,074

Other comprehensive Income for the year ended March 31, 2010 was as follows:

	Millions of Yen
	2010
Other comprehensive income :	
Net unrealized gains on available-for-sales securities, net of taxes	¥17,780
Net deferred profits or losses on hedges, net of taxes	8,464
Foreign currency translation adjustments	4,583
Share of other comprehensive income of affiliates accounted for by equity method	3,520
Total other comprehensive income	¥34,348

20. Segment Information

Effective from the fiscal year ended March 31, 2011, the Company adopted the "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17, revised March 27, 2009) and its accompanying "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related information" (Guidance No. 20, March 21, 2008).

Under the standard and guidance, an entity is required to report financial and descriptive information about its reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components of an entity about which separate financial information is available and such information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, segment information is required to be reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. This accounting standard and the guidance are applicable to segment information disclosures for the fiscal year beginning on or after April 1, 2010.

The segment information for the year ended March 31, 2010 under the revised accounting standard is also disclosed hereunder as required.

For the year ended March 31, 2011

Description of reportable segments

The Group's reportable segments are components of the Group about which separate financial information is available. These segments are subject to periodic examinations to enable the Company's board of directors to decide how to allocate resources and assess performance.

The main business of the Group is buying and selling of various goods in Japan and overseas. The Group is also engaged in a wide range of business including manufacturing, processing and selling products, investments, and providing services. The Group's operations are segmented based on product and service categories into six segments, namely Metals, Machinery & Electronics, Automotive, Energy & Chemicals, Produce & Foodstuffs, and Consumer Products, Services & Materials. These segments correspond to the Group's six business divisions. The business of each segment is conducted by the Company's business divisions and affiliates directly supervised by each business division.

The businesses of each division are listed below.

Metals Division

The Metals Division mainly handles ordinary and special steel products, steel construction materials, unwrought nonferrous and precious metals, rolled light-metal products, copper and copper alloy products, scrap iron and scrap nonferrous metals, ferroalloy products, wrought iron, end-of-life vehicle (ELV) recycling and disposable catalyst reclamation, rare earths, and new metals. The Division manufactures, processes, sells, and disposes of the products listed above.

Machinery & Electronics Division

The Machinery & Electronics Division mainly handles machine tools, industrial machinery and textile machinery, testing and measuring instruments, environmental equipment, IT devices and equipment, electronic devices and semiconductors, automotive embedded software development, electronic equipment, network integration and support, PCs, PC peripherals and software, component parts for automobile production, industrial vehicles, construction machinery, and Intelligent Transport System (ITS) equipment. The Division sells and provides services for the products listed above.

Automotive Division

The Automotive Division mainly handles passenger vehicles, commercial vehicles, light vehicles, two-wheeled vehicles, trucks and buses, and automotive parts. The Division sells and provides services for the products listed above.

Energy & Chemicals Division

The Energy & Chemicals Division mainly handles petroleum products and LPG (liquefied petroleum gas), coal, crude oil, petroleum and natural gas products, energy and electric power supply businesses, industrial plants, organic chemicals, fine and inorganic chemicals, highly functional specialty chemicals, fat and oil products, synthetic resins and chemical additives, batteries, and electronic materials. The Division processes, manufactures, sells and provides services relevant to the products listed above.

Produce & Foodstuffs Division

The Produce & Foodstuffs Division mainly handles livestock feed, grains, processed foods, food ingredients, agricultural, marine and livestock products, and alcoholic beverages. The Division manufactures, processes, sells, and provides services relevant to the products listed above.

Consumer Products, Services & Materials Division

The Consumer Products, Services & Materials Division mainly handles condominiums and commercial buildings, construction materials, housing materials and furniture, textile raw materials, apparel, interior goods, sleepwear products, textile products, textile materials and jewelry, automotive interior parts and materials, packaging materials, paper and pulp, life and health insurance, property and casualty insurance, photocatalysts, seniors-related business products, and securities brokerage services. The Division sells and provides services relevant to the products listed above.

Reportable segments information

The accounting policies of each reportable segment are consistent with those disclosures in "Note 2 Summary of Significant Accounting Policies."

Millions of Yen

	Reportable segment										
2011	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Total	Other	Total	Adjustments	Consolidation
Net Sales:											
External customers	¥1,630,892	¥1,478,615	¥682,550	¥1,309,372	¥291,088	¥342,403	¥5,734,921	¥ 8,728	¥5,743,649	¥ –	¥5,743,649
Inter-segment	610	5,604	50	1,359	111	970	8,706	8,988	17,695	(17,695)	–
Total	1,631,502	1,484,220	682,600	1,310,731	291,200	343,374	5,743,628	17,716	5,761,345	(17,695)	5,743,649
Segment income (loss)	¥ 37,934	¥ 19,172	¥ 23,483	¥ 4,846	¥ 849	¥ 1,730	¥ 88,016	¥ (2,727)	¥ 85,289	¥ 8	¥ 85,297
Segment assets	¥ 598,828	¥ 492,343	¥185,111	¥ 427,522	¥116,329	¥188,713	¥2,008,848	¥521,639	¥2,530,487	¥(94,239)	¥2,436,248
Other items											
Depreciation	¥ 7,333	¥ 6,234	¥ 3,743	¥ 2,536	¥ 1,853	¥ 2,755	¥ 24,457	¥ 6,063	¥ 30,520	¥ –	¥ 30,520
Amortization of goodwill	27	4,179	803	5,390	3,311	1,292	15,005	198	15,203	–	15,203
Impairment losses	5	–	5	22	2	83	119	–	119	–	119
Goodwill	52	20,963	3,349	26,993	16,629	5,299	73,287	1,698	74,985	–	74,985
Investment in affiliates accounted for using equity method	6,647	22,974	11,835	78,971	3,158	3,835	127,423	10,144	137,568	–	137,568
Increase in fixed assets	5,665	5,070	7,136	2,068	1,072	1,233	22,246	7,621	29,868	–	29,868

Thousands of U.S. Dollars

	Reportable segment										
2011	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Total	Other	Total	Adjustments	Consolidation
Net Sales:											
External customers	$19,613,854	$17,782,501	$8,208,659	$15,747,107	$3,500,757	$4,117,895	$68,970,787	$ 104,966	$69,075,754	$ –	$69,075,754
Inter-segment	7,336	67,396	601	16,343	1,334	11,665	104,702	108,093	212,808	(212,808)	–
Total	19,621,190	17,849,909	8,209,260	15,763,451	3,502,104	4,129,573	69,075,502	213,060	69,288,574	(212,808)	69,075,754
Segment income (loss)	$ 456,211	$ 230,571	$ 282,417	$ 58,280	$ 10,210	$ 20,805	$ 1,058,520	$ (32,796)	$ 1,025,724	$ 96	$ 1,025,820
Segment assets	$ 7,201,779	$ 5,921,142	$2,226,229	$ 5,141,575	$1,399,025	$2,269,549	$24,159,326	$6,273,469	$30,432,796	$(1,133,361)	$29,299,434
Other items											
Depreciation	$ 88,190	$ 74,972	$ 45,015	$ 30,499	$ 22,285	$ 33,132	$ 294,131	$ 72,916	$ 367,047	$ –	$ 367,047
Amortization of goodwill	324	50,258	9,657	64,822	39,819	15,538	180,457	2,381	182,838	–	182,838
Impairment losses	60	–	60	264	24	998	1,431	–	1,431	–	1,431
Goodwill	625	252,110	40,276	324,630	199,987	63,728	881,383	20,420	901,803	–	901,803
Investment in affiliates accounted for using equity method	79,939	276,295	142,333	949,741	37,979	46,121	1,532,447	121,996	1,654,455	–	1,654,455
Increase in fixed assets	68,129	60,974	85,820	24,870	12,892	14,828	267,540	91,653	359,206	–	359,206

Notes: 1. "Other" comprises businesses, such as logistics services, that are not included in reportable segments.
2. Figures in "Adjustments" for the "Segment income (loss)" and the "Segment assets" rows mainly represent the amounts of inter-segment transactions.
3. Segment income (loss) are based on operating income reported on the consolidated statements of income for the corresponding period.
4. Change in method of categorizing lines of business
Effective from the fiscal year ended March 31, 2011, logistics services business activities that were previously segmented as "Other" were reclassified into the Machinery & Electronics segment as part of restructuring aimed at bolstering its functions through integration with the Machinery & Electronics segment.

The following is segment information for the fiscal year ended March 31, 2010 under the categorization method used in the fiscal year ended March 31, 2011.

Millions of Yen

	Reportable segment										
2010	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Total	Other	Total	Adjustments	Consolidation
Net Sales:											
External customers	¥1,530,009	¥1,252,152	¥586,422	¥1,120,327	¥306,958	¥297,520	¥5,093,389	¥ 8,871	¥5,102,261	¥ –	¥5,102,261
Inter-segment	487	8,711	22	1,482	114	2,274	13,092	8,297	21,390	(21,390)	–
Total	1,530,496	1,260,863	586,445	1,121,810	307,072	299,794	5,106,482	17,169	5,123,652	(21,390)	5,102,261
Segment income (loss)	¥ 23,553	¥ 11,405	¥ 17,073	¥ 2,378	¥ 4,877	¥ (2,928)	¥ 56,359	¥ (936)	¥ 55,422	¥ 168	¥ 55,591
Segment assets	¥ 548,666	¥ 503,245	¥197,695	¥ 381,256	¥125,409	¥174,255	¥1,930,528	¥437,372	¥2,367,901	¥(93,353)	¥2,274,547
Other items											
Depreciation	¥ 7,732	¥ 6,082	¥ 3,559	¥ 3,146	¥ 1,720	¥ 1,678	¥ 23,919	¥ 5,586	¥ 29,506	¥ –	¥ 29,506
Amortization of goodwill	28	4,184	776	5,447	3,311	779	14,527	198	14,725	–	14,725
Impairment losses	–	282	–	1,384	31	–	1,698	147	1,846	–	1,846
Goodwill	81	25,387	4,135	32,385	19,949	6,573	88,514	1,688	90,202	–	90,202
Investment in affiliates accounted for using equity method	7,411	12,400	10,193	82,841	2,740	2,868	118,454	9,333	127,788	–	127,788
Increase in fixed assets	6,518	7,265	4,778	2,779	2,360	2,505	26,208	8,932	35,141	–	35,141

Notes: 1. "Other" comprises businesses, such as logistics services, that are not included in reportable segments.
2. Figures in "Adjustments" for the "Segment income (loss)" and the "Segment assets" rows mainly represent the amounts of inter-segment transactions.
3. Segment income (loss) are based on operating income reported on the consolidated statements of income for the corresponding period.

Related information

(Geographic information)

2011	Japan	China	Other	Total	Japan	China	Other	Total
	Millions of Yen				Thousands of U.S. Dollars			
Net Sales	¥2,491,935	¥838,649	¥2,413,065	¥5,743,649	$29,969,152	$10,085,977	$29,020,625	$69,075,754

Net sales are based on the location of customers and categorized by country or region.

2011	Japan	Overseas	Total	Japan	Overseas	Total
	Millions of Yen			Thousands of U.S. Dollars		
Property and equipment	¥152,336	¥120,177	¥272,513	$1,832,062	$1,445,303	$3,277,366

For the year ended March 31, 2010

Industry Segments

Millions of Yen

2010	Metals	Machinery & Electronics	Automotive	Energy & Chemicals	Produce & Foodstuffs	Consumer Products, Services & Materials	Others	Total	Elimination	Consolidation
Net Sales:										
External customers	¥1,530,009	¥1,163,234	¥586,422	¥1,120,327	¥306,958	¥297,520	¥ 97,788	¥5,102,261	¥ –	¥5,102,261
Inter-segment	487	8,325	22	1,482	114	2,274	8,319	21,026	(21,026)	–
Total	1,530,496	1,171,560	586,445	1,121,810	307,072	299,794	106,108	5,123,288	(21,026)	5,102,261
Cost of sales and selling, general and administrative expenses	1,506,943	1,161,734	569,372	1,119,431	302,194	302,723	105,465	5,067,865	(21,195)	5,046,670
Operating income (loss)	¥ 23,553	¥ 9,825	¥ 17,073	¥ 2,378	¥ 4,877	¥ (2,928)	¥ 642	¥ 55,422	¥ 168	¥ 55,591
Total assets	¥ 548,666	¥ 455,734	¥197,695	¥ 381,256	¥125,409	¥174,255	¥479,969	¥2,362,987	¥(88,440)	¥2,274,547
Depreciation	7,760	7,845	4,335	8,593	5,031	2,457	8,206	44,232	–	44,232
Impairment loss	–	282	–	1,384	31	–	147	1,846	–	1,846
Capital expenditure for long-lived assets	6,518	6,042	4,778	2,779	2,360	2,505	10,156	35,141	–	35,141

Notes: 1. Industry segments are determined in accordance with the types and characteristics of their products and services.
2. Main products and services of each segment are shown in Business Highlights.
3. Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.
Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year. As a result of the change in translation method, net sales decreased by ¥3,177 million in Metals segment, by ¥3,418 million in Machinery & Electronics segment, by ¥2,064 million in Automotive segment, by ¥2,071 million in Energy & Chemicals segment, by ¥58 million in Produce & Foodstuffs segment, by ¥469 million in Consumer Products, Services & Materials segment, by ¥604 million in Others segment, respectively, and also, operating income decreased by ¥157 million in Metals segment, by ¥81 million in Machinery & Electronics segment, by ¥91 million in Automotive segment, by ¥16 million in Energy & Chemicals segment, by ¥10 million in Consumer Products, Services & Materials segment, by ¥17 million in Others segment, respectively, and increased by ¥6 million in Produce & Foodstuffs segment, as compared with the results under the previous accounting method.

Geographic Segments

2010	Japan	Asia & Oceania	North America	Europe	Others	Total	Elimination	Millions of Yen Consolidation
Net Sales:								
External customers	¥3,317,510	¥1,026,572	¥357,543	¥264,880	¥135,755	¥5,102,261	¥ –	¥5,102,261
Inter-segment	467,677	59,397	98,681	9,342	2,456	637,555	(637,555)	–
Total	3,785,188	1,085,970	456,224	274,223	138,211	5,739,817	(637,555)	5,102,261
Cost of sales and selling, general and administrative expenses	3,776,338	1,061,481	447,746	269,043	128,969	5,683,579	(636,908)	5,046,670
Operating income	¥ 8,849	¥ 24,488	¥ 8,478	¥ 5,180	¥ 9,241	¥ 56,238	¥ (647)	¥ 55,591
Total assets	¥1,785,012	¥ 365,380	¥158,180	¥120,916	¥ 84,302	¥2,513,791	¥(239,244)	¥2,274,547

Notes: 1. Geographic segments are divided into categories based on their geographic proximity.
2. Major countries or areas which belong to each segment except for Japan are as follows:
Asia & Oceania.....China, Taiwan, Singapore, Thailand
North America.....U.S.A.
Europe.....U.K., Belgium, Russia
Others.....Africa, Central & South America
3. Prior to the fiscal year ended March 31, 2009, the income and expenses of overseas subsidiaries and affiliates were translated into Japanese yen at the prevailing rate in the foreign currency market on the respective balance sheet dates.
Effective from the fiscal year ended March 31, 2010, the Company changed the method of translation of income and expenses of overseas subsidiaries and affiliates to using the average exchange rates during the year. As a result of the change in translation method, net sales decreased by ¥8,640 million in Asia & Oceania, by ¥1,318 million in North America, by ¥2,072 million in Others, respectively and increased by ¥167 million in Europe, and also, operating income decreased by ¥221 million in Asia & Oceania, by ¥89 million in North America, by ¥95 million in Others, respectively, and increased by ¥37 million in Europe, as compared with the results under the previous accounting method.

Overseas Trading Transactions

2010	Asia & Oceania	North America	Europe	Others	Millions of Yen Total
Overseas trading transactions	¥1,762,433	¥331,383	¥323,198	¥337,610	¥2,754,625
Consolidation					5,102,261
Share of consolidated net sales	34.6%	6.5%	6.3%	6.6%	54.0%

21. Related Party Transactions

During the years ended March 31, 2011 and 2010, the Company had operational transactions with Toyota Motor Corporation ("TMC"), a 22.2% shareholder of the Company as of March 31, 2011 and 2010. A summary of the significant transactions with TMC for the years ended or as at March 31, 2011 and 2010, is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
For the year:			
Sales of raw materials	**¥208,505**	¥217,352	**$2,507,576**
Purchase of automobiles	**204,604**	148,498	**2,460,661**
At year-end:			
Trade accounts receivable	**¥ 25,330**	¥ 34,177	**$ 304,630**
Trade accounts payable	**11,572**	13,775	**139,170**

Note: The terms and conditions applicable to the above transactions were determined by negotiations on an arms-length basis.

22. Stock-based Compensation

(1) Stock option expenses recorded in the fiscal year and class of options

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
Selling, general and administrative expenses	**¥436**	¥418	**$5,243**

(2) Stock option income recorded by forfeitures due to reversal of subscription rights

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
Gain on reversal of subscription rights to shares	**¥395**	¥185	**$4,750**

(3) Stock option details, number of stock options and state of fluctuation

(a) Stock option details

For the year ended March 31, 2011

	2011	2010
Position and number of grantees	Directors and executive officers of the Company: 42 Certain eligible employees of the Company: 264 Directors of affiliated companies of the Company: 29	Directors and executive officers of the Company: 42 Certain eligible employees of the Company: 254 Directors of affiliated companies of the Company: 37
Class and number of shares (Note)	1,030,000 shares of common stock	1,030,000 shares of common stock
Date of issue	August 6, 2010	August 7, 2009
Vesting conditions	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 6, 2010 to July 31, 2012	From August 7, 2009 to July 31, 2011
Exercise period	From August 1, 2012 to July 31, 2016	From August 1, 2011 to July 31, 2015

	2009	2008
Position and number of grantees	Directors and executive officers of the Company: 43 Certain eligible employees of the Company: 249 Directors of affiliated companies of the Company: 34	Directors and executive officers of the Company: 42 Certain eligible employees of the Company: 248 Directors of affiliated companies of the Company: 31
Class and number of shares (Note)	1,014,000 shares of common stock	998,000 shares of common stock
Date of issue	August 7, 2008	August 9, 2007
Vesting conditions	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 7, 2008 to July 31, 2010	From August 9, 2007 to July 31, 2009
Exercise period	From August 1, 2010 to July 31, 2014	From August 1, 2009 to July 31, 2013

	2007
Position and number of grantees	Directors and executive officers of the Company: 43 Certain eligible employees of the Company: 244 Directors of affiliated companies of the Company: 31
Class and number of shares (Note)	764,000 shares of common stock
Date of issue	August 3, 2006
Vesting conditions	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 3, 2006 to July 31, 2008
Exercise period	From August 1, 2008 to July 31, 2010

Note: Number of options by class are listed as number of shares.

For the year ended March 31, 2010

	2010	2009
Position and number of grantees	Directors and executive officers of the Company: 42 Certain eligible employees of the Company: 254 Directors of affiliated companies of the Company: 37	Directors and executive officers of the Company: 43 Certain eligible employees of the Company: 249 Directors of affiliated companies of the Company: 34
Class and number of shares (Note)	1,030,000 shares of common stock	1,014,000 shares of common stock
Date of issue	August 7, 2009	August 7, 2008
Vesting conditions	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 7, 2009 to July 31, 2011	From August 7, 2008 to July 31, 2010
Exercise period	From August 1, 2011 to July 31, 2015	From August 1, 2010 to July 31, 2014

	2008	2007
Position and number of grantees	Directors and executive officers of the Company: 42 Certain eligible employees of the Company: 248 Directors of affiliated companies of the Company: 31	Directors and executive officers of the Company: 43 Certain eligible employees of the Company: 244 Directors of affiliated companies of the Company: 31
Class and number of shares (Note)	998,000 shares of common stock	764,000 shares of common stock
Date of issue	August 9, 2007	August 3, 2006
Vesting conditions	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.	The grantee must be employed as a director, executive officer, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 9, 2007 to July 31, 2009	From August 3, 2006 to July 31, 2008
Exercise period	From August 1, 2009 to July 31, 2013	From August 1, 2008 to July 31, 2010

	2006
Position and number of grantees	Directors of the Company: 33 Certain eligible employees of the Company: 164 Directors of affiliated companies of the Company: 16
Class and number of shares (Note)	970,000 shares of common stock
Date of issue	August 3, 2005
Vesting conditions	The grantee must be employed as a director, regular employee of the Company or affiliated companies of the Company at the time of exercise. However, the grantee can exercise the stock options for 18 months after retirement or resignation from the Company or affiliated companies.
Service period	From August 3, 2005 to July 31, 2007
Exercise period	From August 1, 2007 to July 31, 2009

Note: Number of options by class are listed as number of shares.

(b) Number of stock options and state of fluctuation

Stock options are those outstanding in the fiscal year and are listed as the number of shares.

(i) Number of stock options

	2011	2010	2009	2008	2007
Non-exercisable stock options					
Stock options outstanding at the end of the previous fiscal year	–	1,030,000	1,012,000	–	–
Stock options granted	1,030,000	–	–	–	–
Forfeitures	–	–	4,000	–	–
Conversion to exercisable stock options	–	–	1,008,000	–	–
Stock options outstanding at the end of the fiscal year	1,030,000	1,030,000	–	–	–
Exercisable stock options					
Stock options outstanding at the end of the previous fiscal year	–	–	–	858,000	572,000
Conversion from non-exercisable stock options	–	–	1,008,000	–	–
Stock options exercised	–	–	–	–	–
Forfeitures	–	–	88,000	74,000	572,000
Stock options outstanding at the end of the fiscal year	–	–	920,000	784,000	–

(ii) Price of options

Exact Yen Amounts

	2011	2010	2009	2008	2007
Exercise price	¥1,375	¥1,492	¥2,417	¥3,148	¥2,805
Average market price of the stock at the time of exercise	–	–	–	–	–
Fair value of options on grant date	402	487	308	667	564

(4) Method for estimating fair value of stock options

The method for estimating fair value of stock options granted for fiscal 2011 and 2010 is as follows:

a) Valuation method used: Black-Scholes model

b) Principal basic values and estimation methods

	2011
Share price fluctuations (Note 1)	43.92%
Projected remaining period (Note 2)	4 years
Projected dividend (Note 3)	¥24 per share
Non-risk interest rate (Note 4)	0.23%

Notes: 1. Computed based on actual share prices during a four-year period (from June 2006 to July 2010).
2. Because of a lack of accumulated data and difficulty in making rational estimates, it is assumed the stock options are exercised at the midpoint of the exercise period.
3. Based on the expected year-end dividend for the fiscal year ended March 31, 2011.
4. Yields on government bonds for the period corresponding to the projected remaining period.

	2010
Share price fluctuations (Note 1)	45.07%
Projected remaining period (Note 2)	4 years
Projected dividend (Note 3)	¥16 per share
Non-risk interest rate (Note 4)	0.54%

Notes: 1. Computed based on actual share prices during a four-year period (from June 2005 to July 2009).
2. Because of a lack of accumulated data and difficulty in making rational estimates, it is assumed the stock options are exercised at the midpoint of the exercise period.
3. Based on the expected year-end dividend for the fiscal year ended March 31, 2010.
4. Yields on government bonds for the period corresponding to the projected remaining period.

(5) Method for estimating the number of confirmed stock option rights

Specifically, because of the difficulty in rationally estimating the number of expired rights in the future, a method has been adopted that reflects actual past expirations.

23. Net Income per Share

Basis of calculation for net income per share basic and net income per share diluted is as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2011	2010	**2011**
Net income per share basic:			
Net income	**¥ 47,169**	¥ 27,339	**$567,276**
Net income not attributable to common shareholders	**–**	–	**–**
Net income attributable to common shareholders	**47,169**	27,339	**567,276**
Weighted average shares (thousand of shares)	**349,973**	350,128	**349,973**
Net income per share basic (exact yen amounts)	**¥ 134.78**	¥ 78.08	**$ 1.62**
Net income per share diluted:			
Increase in weighted average shares for diluted computation (thousand of shares)	**–**	–	**–**
Net income per share diluted (exact yen amounts)	**¥ 134.78**	¥ 78.08	**$ 1.62**

Note: As for the dilutive securities that have not been included in the calculation of net income per share diluted because they do not have any dilutive effect, the Company has the following stock options outstanding.

Fiscal 2011:
1) Stock options outstanding for 784,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 26, 2007
2) Stock options outstanding for 920,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 25, 2008
3) Stock options outstanding for 1,030,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 24, 2009
4) Stock options outstanding for 1,030,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 25, 2010

Fiscal 2010:
1) Stock options outstanding for 572,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 27, 2006
2) Stock options outstanding for 858,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 26, 2007
3) Stock options outstanding for 1,012,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 25, 2008
4) Stock options outstanding for 1,030,000 shares of common stock under the stock option program approved by the annual general shareholders meeting on June 24, 2009

24. Number of Issued Shares and Treasury Stock

1. Number of Issued Shares

The changes in total number of issued shares for the years ended March 31, 2011 and 2010 were as follows:

	Shares
Balance at March 31, 2009	354,056,516
Increase	–
Decrease	–
Balance at March 31, 2010	354,056,516
Increase	–
Decrease	–
Balance at March 31, 2011	354,056,516

2. Number of Treasury Stock

The changes in total number of treasury stock for the years ended March 31, 2011 and 2010 were as follows:

	Shares
Balance at March 31, 2009	3,762,239
Increase due to purchases for stock options	257,000
Increase due to purchases of less-than-one-unit shares from shareholders	15,445
Decrease due to execution of rights of stock options	–
Decrease due to sales of less-than-one-unit shares to shareholders	(2,605)
Net increase (decrease) of the quota of the Company's stocks owned by affiliates accounted by the equity method	(1,789)
Balance at March 31, 2010	4,030,290
Increase due to purchases for stock options	465,000
Increase due to purchases of less-than-one-unit shares from shareholders	140,981
Decrease due to delivery to shareholders of a wholly owned subsidiary company, Biscaye Holdings Co., Ltd., under share exchange	(259,048)
Decrease due to sales of less-than-one-unit shares to shareholders	(3,626)
Net increase (decrease) of the quota of the Company's stocks owned by affiliates accounted by the equity method	(5,216)
Balance at March 31, 2011	4,368,381

25. Change in Net Assets

Matters related to dividends

(a) Dividend payment

Approvals by an annual general shareholders' meeting held on June 24, 2009 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,804 million
2) Dividends per share: ¥8.00
3) Record date: March 31, 2009
4) Effective date: June 25, 2009

Approvals by the Board of Directors meeting on October 30, 2009 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,802 million
2) Dividends per share: ¥8.00
3) Record date: September 30, 2009
4) Effective date: November 26, 2009

Approvals by an annual general shareholders' meeting held on June 25, 2010 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥2,802 million ($33,698 thousand)
2) Dividends per share: ¥8.00
3) Record date: March 31, 2010
4) Effective date: June 28, 2010

Approvals by the Board of Directors meeting on October 29, 2010 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥4,206 million ($50,583 thousand)
2) Dividends per share: ¥12.00
3) Record date: September 30, 2010
4) Effective date: November 26, 2010

(b) Dividends whose record date is attributable to the accounting period ended March 31, 2011 but which are to be effective after the said accounting period.

Approvals by an annual general shareholders' meeting held on June 23, 2011 are as follows:

Dividend on Common Stock

1) Total amount of dividends: ¥5,598 million ($67,324 thousand)
2) Funds for dividends: Retained earnings
3) Dividends per share: ¥16.00
4) Record date: March 31, 2011
5) Effective date: June 24, 2011

26. Subsequent Events

(Changes in segmentation)

In April 2011, the Toyota Tsusho Group reorganized its operations to better address changes in the operating environment. As a result, the Group now has eight divisions, comprising seven operating divisions and the Administrative Division.

Based on this reorganization, the Group has reclassified its reportable segments into seven operating divisions: the Metals Division, the Global Production Parts & Logistics Division, the Automotive Division, the Machinery, Energy & Project Division, the Chemicals & Electronics Division, the Produce & Foodstuffs Division, and the Consumer Products, Services & Materials Division.

Previously, the Group had six operating divisions, namely the Metals Division, Machinery & Electronics Division, the Automotive Division, the Energy & Chemicals Division, the Produce & Foodstuffs Division and the Consumer Products, Services & Materials Division.

This change had no impact on the Company as a whole before and after the reorganization because it was a reclassification of business segments within the Toyota Tsusho Group.

27. Quarterly Financial Summary for the Fiscal Year Ended March 31, 2011

	Millions of Yen				Thousands of U.S. Dollars			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	From April 1, 2010 to June 30, 2010	From July 1, 2010 to September 30, 2010	From October 1, 2010 to December 31, 2010	From January 1, 2011 to March 31, 2011	From April 1, 2010 to June 30, 2010	From July 1, 2010 to September 30, 2010	From October 1, 2010 to December 31, 2010	From January 1, 2011 to March 31, 2011
Net Sales	**¥1,362,593**	**¥1,370,651**	**¥1,473,155**	**¥1,537,250**	**$16,387,167**	**$16,484,076**	**$17,716,837**	**$18,487,672**
Quarterly income before income taxes and minority interests	**29,431**	**26,549**	**28,734**	**14,956**	**353,950**	**319,290**	**345,568**	**179,867**
Quarterly net income	**14,688**	**12,415**	**15,067**	**4,998**	**176,644**	**149,308**	**181,202**	**60,108**
Quarterly net income per share basic (exact yen amounts)	**¥ 41.96**	**¥ 35.46**	**¥ 43.05**	**¥ 14.29**	**$ 0.50**	**$ 0.43**	**$ 0.52**	**$ 0.17**

Report of Independent Auditors

TOYOTA TSUSHO CORPORATION and its consolidated subsidiaries

pwc

Report of Independent Auditors

To the Board of Directors of TOYOTA TSUSHO CORPORATION

We have audited the accompanying consolidated balance sheet of TOYOTA TSUSHO CORPORATION ("the Company") and its consolidated subsidiaries as of March 31, 2011, and the related consolidated statements of income, comprehensive income, changes in net assets and cash flows for the year then ended, all expressed in Japanese yen. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries as of March 31, 2011, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2011 are presented solely for convenience. Our audit also included the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

PricewaterhouseCoopers Aarata

September 2, 2011

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