

Consolidated Financial Results  
for the Year ended March 31, 2017  
(From April 1, 2016 to March 31, 2017)

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**Consolidated Statements of Cash Flows**  
**for the Year Ended March 31, 2017**

(Millions of Yen)

	For the Year Ended March 31, 2016 (From April 1, 2015 to March 31, 2016)	For the Year Ended March 31, 2017 (From April 1, 2016 to March 31, 2017)
<b>Cash flows from operating activities</b>		
Profit for the year	36,486	44,075
Depreciation and amortization	30,059	23,442
Impairment loss of fixed assets	24,051	4,618
Financial (income) costs	8,136	6,337
Share of (profit) loss of investments accounted for using the equity method	(23,163)	(12,673)
(Gain) loss on sale of fixed assets, net	(1,498)	(4,797)
Income tax expenses	7,782	13,879
(Increase) decrease in trade and other receivables	55,835	(60,463)
(Increase) decrease in inventories	28,270	(31,853)
Increase (decrease) in trade and other payables	(43,767)	40,158
Increase (decrease) in retirement benefits liabilities	320	(1,409)
Others	(15,528)	(7,611)
<b>Subtotal</b>	<b>106,986</b>	<b>13,702</b>
Interests earned	3,785	3,496
Dividends received	20,326	12,818
Interests paid	(16,746)	(14,872)
Income taxes paid	(14,412)	(14,287)
<b>Net cash provided (used) by/in operating activities</b>	<b>99,939</b>	<b>857</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(31,943)	(31,830)
Proceeds from sale of property, plant and equipment	11,846	8,340
Purchase of intangible assets	(3,061)	(2,219)
(Increase) decrease in short-term loans receivable	1,083	(4,408)
Payment for long-term loans receivable	(4,157)	(3,867)
Collection of long-term loans receivable	1,919	1,232
Proceeds from (payments for) acquisition of subsidiaries	(9,100)	(5,408)
Proceeds from (payments for) sale of subsidiaries	(467)	(51)
Purchase of investments	(6,315)	(16,263)
Proceeds from sale of investments	6,731	16,473
Others	(445)	5,822
<b>Net cash provided (used) by/in investing activities</b>	<b>(33,910)</b>	<b>(32,179)</b>
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings and commercial papers	(30,383)	14,697
Proceeds from long-term borrowings	122,767	160,331
Repayment of long-term borrowings	(173,948)	(164,596)
Proceeds from issuance of bonds	—	19,891
Redemption of bonds	(20,000)	(20,035)
Proceeds from sale of subsidiaries' interests to non- controlling interest holders	5	—
Payment for acquisition of subsidiaries' interests from non-controlling interest holders	(18)	—
Proceeds from non-controlling interest holders	323	771
Purchase of treasury stock	(2)	(10)
Dividends paid	(9,382)	(10,008)
Dividends paid to non-controlling interest holders	(1,763)	(2,563)
Others	(2,292)	(2,507)
<b>Net cash provided (used) by/in financing activities</b>	<b>(114,695)</b>	<b>(4,029)</b>
Net increase (decrease) in cash and cash equivalents	(48,666)	(35,350)
Cash and cash equivalents at the beginning of the year	403,748	344,414
Effect of exchange rate changes on cash and cash equivalents	(10,667)	(430)
Cash and cash equivalents at the end of the year	344,414	308,632

**Consolidated Statements of Cash Flows**  
**for the Year Ended March 31, 2017 (Supplementary)**

	FY 2016	Details
<b>① Net cash provided from operating activities</b>		
	(Billions of Yen)	
1. Profit for the year before tax and depreciation and amortization	81.4	
2. Excluding profits/losses that do not affect cash flow	11.0	Impairment loss on fixed assets, Financial income/costs
3. Adjustment of profits/losses related to investment activities	(17.5)	Share of profit of investments accounted for using the equity method Gain (loss) on sale and disposal of fixed assets
4. Other	(74.0)	Decrease in trade and other receivables, etc.
<b>Total</b>	<b>0.9</b>	
<b>② Net cash provided (used) by/in investing activities</b>		
1. Non-current assets		
Purchase of property, plant and equipment	(31.8)	Solar power generation business in Japan, etc.
Purchase of intangible assets	(2.2)	
Proceeds from sale of property, plant and equipment	8.3	
Sub-total	(25.7)	
2. Investments		
Payment for acquisition of subsidiaries and investments	(21.7)	European chemical product trading company, daycare management business, etc.
Proceeds from sale of subsidiaries and investments	16.4	Overseas coal business, etc.
Sub-total	(5.3)	
3. Loans receivable		
(Increase) decrease in short-term loans receivable	(4.4)	
Payment for long-term loans receivable	(3.9)	
Collection of long-term loans receivable	1.2	
Sub-total	(7.1)	
4. Other	5.9	
<b>Total</b>	<b>(32.2)</b>	
<b>Free cash flow (①+②)</b>	<b>31.3</b>	
<b>③ Net cash provided (used) by/in financing activities</b>		
1. Increase (decrease) in short-term borrowings and commercial papers	14.7	
2. Long-term loans payable		
Proceeds from long-term borrowings	160.3	
Repayment of long-term borrowings	(164.6)	
Sub-total	(4.3)	
3. Bonds		
Proceeds from issuance of bonds	19.9	
Redemption of bonds	(20.0)	
Sub-total	(0.1)	
4. Dividends paid	(10.0)	
5. Other	(4.3)	
<b>Total</b>	<b>(4.0)</b>	

## Segment Information

For the year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

(Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & IT Business	Infrastructure & Environment Business	Energy	Metals & Coal	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	141,155	91,788	106,568	74,169	270,055	409,332	187,437
Inter-segment revenue	15	1,676	20	10	3	20	12
Total revenue	141,170	93,465	106,589	74,180	270,059	409,352	187,449
Gross profit	25,082	26,298	17,731	2,421	9,075	40,731	18,116
Operating profit	4,704	5,640	3,702	(8,438)	(4,113)	12,954	6,510
Share of profit (loss) of investments accounted for using the equity method	4,553	325	603	3,902	8,156	1,251	662
Profit attributable to owners of the Company	5,916	3,127	2,174	(6,935)	4,661	8,985	5,009
Segment assets	131,951	164,187	164,538	140,037	390,478	261,698	132,132
Others:							
Investment accounted for using the equity method	14,393	1,596	17,183	58,286	217,937	12,693	24,941
Capital expenditure	1,558	4,797	11,574	5,152	4,297	762	2,270

Net sales (Note)							
External	317,770	627,883	279,264	133,003	494,624	622,956	365,197

	Reportable segments			Others	Reconciliations	Consolidated
	Lifestyle Commodities & Materials	Retail	Total			
Revenue						
External revenue	179,420	154,831	1,614,760	43,312	—	1,658,072
Inter-segment revenue	112	460	2,333	596	(2,929)	—
Total revenue	179,532	155,292	1,617,093	43,908	(2,929)	1,658,072
Gross profit	18,907	18,484	176,850	5,513	(1,624)	180,739
Operating profit	4,708	3,547	29,216	37	(10)	29,242
Share of profit (loss) of investments accounted for using the equity method	838	2,857	23,150	13	(0)	23,163
Profit attributable to owners of the Company	3,058	3,442	29,439	4,686	2,400	36,526
Segment assets	214,661	135,899	1,735,585	142,341	178,742	2,056,670
Others:						
Investment accounted for using the equity method	9,694	16,401	373,129	4,569	(101)	377,597
Capital expenditure	709	903	32,026	1,476	—	33,503

Net sales (Note)						
External	902,480	216,858	3,960,040	46,609	—	4,006,649

Reconciliation of segment profit of 2,400 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 1,766 million yen, and unallocated dividend income and others of 633 million yen. The reconciliation amount of segment assets of 178,742 million yen includes elimination of inter-segment transactions or the like amounting to (74,360) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 253,102 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

For the year ended March 31, 2017 (April 1, 2016 – March 31, 2017)

(Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & IT Business	Infrastructure & Environment Business	Energy	Metals & Coal	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	144,259	88,552	114,355	47,464	260,716	399,799	138,117
Inter-segment revenue	9	3,183	19	39	3	9	10
Total revenue	144,269	91,736	114,374	47,504	260,719	399,808	138,128
Gross profit	24,837	31,118	18,037	1,880	19,527	37,408	21,971
Operating profit	5,232	15,606	4,031	(485)	6,608	11,864	3,040
Share of profit (loss) of investments accounted for using the equity method	1,549	567	2,531	1,679	8,584	1,185	(5,281)
Profit attributable to owners of the Company	3,586	9,905	4,519	(559)	10,030	7,979	(6,899)
Segment assets	142,565	162,231	196,615	137,298	398,678	293,075	130,490
Others:							
Investment accounted for using the equity method	15,456	13,201	18,934	58,823	216,519	12,251	14,204
Capital expenditure	1,672	6,061	15,048	3,173	3,429	946	1,816
Net sales (Note)							
External	283,155	574,670	220,509	80,396	451,994	596,561	302,070

	Reportable segments			Others	Reconciliations	Consolidated
	Lifestyle Commodities & Materials	Retail	Total			
Revenue						
External revenue	179,749	134,822	1,507,837	47,511	—	1,555,349
Inter-segment revenue	64	361	3,702	388	(4,091)	—
Total revenue	179,814	135,184	1,511,540	47,900	(4,091)	1,555,349
Gross profit	20,552	21,995	197,330	4,605	(1,250)	200,685
Operating profit	6,531	4,751	57,180	(5,473)	(89)	51,618
Share of profit (loss) of investments accounted for using the equity method	630	1,144	12,591	82	0	12,673
Profit attributable to owners of the Company	4,574	4,050	37,188	(1,605)	5,177	40,760
Segment assets	257,710	143,487	1,862,152	137,432	138,880	2,138,466
Others:						
Investment accounted for using the equity method	9,950	23,082	382,424	4,425	(109)	386,740
Capital expenditure	573	5,080	37,802	980	—	38,783
Net sales (Note)						
External	990,546	194,614	3,694,520	51,028	—	3,745,549

Reconciliation of segment profit of 5,177 million yen includes the difference between the Company's actual income tax expenses and income tax expenses allocated to each segment based on the calculation method established internally, which amounted to 4,722 million yen, and unallocated dividend income and others of 455 million yen. The reconciliation amount of segment assets of 138,880 million yen includes elimination of inter-segment transactions or the like amounting to (92,959) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 231,840 million yen, which mainly consists of the Company's surplus funds in the form of cash in bank or the like for investments and marketable securities or the like.

Note: Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as a transaction agent.

Details of Industry Segments

【Gross profit】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2015</u>	<u>FY2016</u>	<u>Change</u>	
Automotive	25.1	24.8	(0.3)	Relatively unchanged year on year as yen appreciation impacts offset rise in transactions in automotive dealership businesses in the Americas
Aerospace & IT Business	26.3	31.1	4.8	Increased due to higher aerospace- and IT-related transactions
Infrastructure & Environment Business	17.7	18.0	0.3	Increased due to benefits of newly consolidated overseas IPP business companies and earnings contributions from domestic solar power generation businesses
Energy	2.4	1.9	(0.5)	Decreased due to decline in petroleum product sales volumes
Metals & Coal	9.1	19.5	10.4	Increased due to higher coal price
Chemicals	40.7	37.4	(3.3)	Decreased due to impacts of deterioration of product market conditions mainly in the first half of the fiscal year
Foods & Agriculture Business	18.1	22.0	3.9	Increased due to lower raw material prices in overseas fertilizer businesses
Lifestyle Commodities & Materials	18.9	20.6	1.7	Increased due to strong commodity-related performance
Retail	18.5	22.0	3.5	Increased due to gain on sales of commercial facilities in Japan
Other	3.9	3.4	(0.5)	
<b>Consolidated</b>	<b>180.7</b>	<b>200.7</b>	<b>20.0</b>	

【Profit for the year】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2015</u>	<u>FY2016</u>	<u>Change</u>	
Automotive	5.9	3.6	(2.3)	Decreased due to absence of one-time profit recorded in previous fiscal year
Aerospace & IT Business	3.1	9.9	6.8	Increased due to aerospace-related earnings contributions and conversion of IT business subsidiary into affiliate through partial sale
Infrastructure & Environment Business	2.2	4.5	2.3	Increased due to higher income in domestic solar power generation businesses as well as absence of impairment losses recorded in previous fiscal year
Energy	(6.9)	(0.6)	6.3	Loss decreased due to absence of impairment losses recorded in previous fiscal year in relation to oil and gas interests, higher oil price as well as gains on sales of oil and gas interests
Metals & Coal	4.7	10.0	5.3	Increased due to higher coal price
Chemicals	9.0	8.0	(1.0)	Decreased due to impacts of deterioration of product market conditions mainly in the first half of the fiscal year
Foods & Agriculture Business	5.0	(6.9)	(11.9)	Despite improved earnings in overseas fertilizer businesses resulted from lower raw material prices, decreased due to poor performance and impairment losses in grain collection businesses
Lifestyle Commodities & Materials	3.1	4.6	1.5	Increased due to strong commodity-related performance as well as absence of impairment losses recorded in overseas woodchip manufacturing businesses during previous fiscal year
Retail	3.4	4.1	0.7	Increased due to gain on sales of commercial facilities in Japan
Other	7.0	3.6	(3.4)	Decreased due to absence of one-time profit recorded in previous fiscal year
<b>Consolidated</b>	<b>36.5</b>	<b>40.8</b>	<b>4.3</b>	

【Assets】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2015</u>	<u>FY2016</u>	<u>Change</u>	
Automotive	132.0	142.6	10.6	Increased due to higher automobile sales
Aerospace & IT Business	164.2	162.2	(2.0)	Decreased due to conversion of IT business subsidiary into affiliate through partial sale
Infrastructure & Environment Business	164.5	196.6	32.1	Increased due to construction of facilities for domestic solar power generation businesses
Energy	140.0	137.3	(2.7)	Decreased due to sales of oil and gas interests
Metals & Coal	390.5	398.7	8.2	Increased due to higher coal price and transaction volumes
Chemicals	261.7	293.1	31.4	Increased due to new consolidation of European chemical product trading company
Foods & Agriculture Business	132.1	130.5	(1.6)	Decreased due to impairment losses in grain collection businesses
Lifestyle Commodities & Materials	214.7	257.7	43.0	Increased due to higher transaction volumes for heat-not-burn cigarettes
Retail	135.9	143.5	7.6	Increased in investments in affiliates
Other	321.1	276.3	(44.8)	Decreased due to repayment of borrowings
<b>Consolidated</b>	<b>2,056.7</b>	<b>2,138.5</b>	<b>81.8</b>	

Performances of Major Consolidated Subsidiaries and Equity-method Associates (Major Consolidated Subsidiaries)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2014	FY2015	FY2016
Automotive	Sojitz Automotive Group, Inc.	Automobile dealership	100.0%	Gross Profit	6.3	8.3	8.4
				Profit for the Year	0.7	0.8	0.8
	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%	Gross Profit	2.4	3.3	3.7
				Profit for the Year	0.3	0.8	1.0
Aerospace & IT Business	Sojitz Aerospace Corporation	Import/export and sales of aerospace-related equipment, components and materials	100.0%	Gross Profit	3.7	3.9	4.1
				Profit for the Year	0.9	1.2	1.1
	Sojitz Marine & Engineering Corporation	Sales, purchase and charter brokerage of new and used vessels, ship operation management, sales and import/export of marine-related equipment and materials	100.0%	Gross Profit	3.4	3.1	3.2
				Profit for the Year	0.8	0.6	0.7
	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	Gross Profit	8.9	9.9	10.6
				Profit for the Year	0.3	1.2	1.5
	SAKURA Internet Inc. *1	Internet-related services	28.1%	Gross Profit	2.7	3.0	3.9
				Profit for the Year	0.4	0.4	0.2
Infrastructure & Environment Business	Sojitz Machinery Corporation	Import/export and sales of general machinery	100.0%	Gross Profit	4.4	4.9	5.0
				Profit for the Year	0.7	0.9	1.0
Energy	Sojitz Energy Venture Inc.	Investment in oil and gas mines	100.0%	Gross Profit	1.4	(0.6)	(0.6)
				Profit for the Year	(0.2)	(2.2)	2.0
	Sojitz Energy Project Limited	Investment in oil and gas mines	100.0%	Gross Profit	0.4	(0.4)	(0.8)
				Profit for the Year	(4.9)	(6.3)	(3.2)
Metals & Coal	Sojitz Coal Resources Pty Ltd.	Investment in coal mines	100.0%	Gross Profit	0.9	(1.9)	6.4
				Profit for the Year	(0.2)	(6.6)	3.5
	Sojitz Moolarben Resources, Pty. Ltd.	Investment in a coal mine	100.0%	Gross Profit	0.9	0.1	2.2
				Profit for the Year	0.7	0.0	1.3
	Sojitz Resources (Australia) Pty. Ltd.	Investment in an alumina refinery	100.0%	Gross Profit	(0.3)	0.1	0.1
				Profit for the Year	(0.9)	(0.1)	(0.2)
Chemicals	Sojitz Pla-Net Corporation	Sales of plastic raw materials, products	100.0%	Gross Profit	10.3	10.8	10.2
				Profit for the Year	1.3	1.6	1.5
	PT. Kaltim Methanol Industri	Manufacture and sales of methanol	85.0%	Gross Profit	3.2	4.1	2.9
				Profit for the Year	1.6	2.8	1.9
	Pla Matels Corporation	Sales of plastic raw materials, products	46.6%	Gross Profit	3.2	3.5	3.3
				Profit for the Year	0.5	0.5	0.5
Lifestyle Commodities & Materials	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%	Gross Profit	5.4	5.0	5.8
				Profit for the Year	0.5	0.4	1.0
Retail	Sojitz Foods Corporation	Sales of sugar, agricultural, livestock and marine products, various raw ingredients, processed foods, dairy products and other foodstuffs	100.0%	Gross Profit	6.6	6.4	6.6
				Profit for the Year	1.5	1.6	1.8
Overseas	Sojitz Corporation of America	Overseas subsidiary	100.0%	Gross Profit	12.6	13.0	11.1
				Profit for the Year	1.9	1.5	1.9
	Sojitz Europe plc	Overseas subsidiary	100.0%	Gross Profit	4.0	3.3	3.0
				Profit for the Year	0.5	0.3	0.3
	Sojitz Asia Pte. Ltd.	Overseas subsidiary	100.0%	Gross Profit	6.2	9.6	10.2
				Profit for the Year	1.2	1.0	2.0

\*1 SAKURA Internet Inc. was changed from Subsidiary to Equity-method Associate in the end of March 2017.

\*The above figures were prepared by the Company after each company's switch to IFRS, and may therefore differ from past figures released by these companies.

Performances of Major Consolidated Subsidiaries and Equity-method Associates (Major Consolidated Equity-method Associates)

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2014	FY2015	FY2016
Energy	LNG Japan Corporation	LNG business and related investments	50.0%	Equity in Earnings	9.5	3.6	1.6
Metals & Coal	Cariboo Copper Corp.	Investment in copper mine	50.0%	Equity in Earnings	(1.0)	(0.4)	(0.4)
	Japan Alumina Associates (Australia) Pty. Ltd.	Production of alumina	50.0%	Equity in Earnings	(1.3)	0.1	(0.3)
	Metal One Corporation	Integrated steel trading company	40.0%	Equity in Earnings	10.0	5.9	7.2
Lifestyle Commodities & Materials	JALUX Inc.	Logistics and service provision in the in-flight, airport retail, lifestyle-related, and customer service business fields	22.0%	Equity in Earnings	0.3	0.4	0.6
Retail	PT. Puradelta Lestari Tbk	Urban development including industrial parks	25.0%	Equity in Earnings	2.2	3.0	1.5

\*The above figures were prepared by the Company after each company's switch to IFRS, and may therefore differ from past figures released by these companies.

Increase/Decrease in the Number of  
Consolidated Subsidiaries and Equity-method Associates

Changes in the number of consolidated subsidiaries and equity-method associates during FY 2016  
(April 1, 2016 - March 31, 2017)

(Number of Companies)	As of March 31, 2016	As of March 31, 2017	Changes
Subsidiaries	286	298	12
Equity-method Associates	110	118	8
<b>Total</b>	<b>396</b>	<b>416</b>	<b>20</b>

Changes in major subsidiaries during FY2016 (April 1, 2016 - March 31, 2017)

○ **Major new subsidiaries**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Chemicals	solvadis holding S.a.r.l.	Trading and sale of chemical products in Germany
Retail	Angelica Co., Ltd.	Daycare management business
Other	Sojitz Maruzen Logistics Mexico, S.A. de C.V.	Logistics service in Mexico

Equity-method associates

(Segment)	(Company name)	(Main business)
Automotive	MMPC Auto Financial Services Corporation	Sales finance business for Mitsubishi brand automobile in Philippines
Retail	Tri-Stage Inc.	Direct marketing support operations
Retail	New Land Vietnam Japan Joint Stock Company	Four-temperature (room temperature, fixed temperature, refrigerated, and frozen) cold chain logistics business (Vietnam)

○ **Major companies excluded from consolidation**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Chemicals	Sojitz Cosmetics Corporation	Development, product planning and sales of cosmetics

Equity-method associates

(Segment)	(Company name)	(Main business)
Infrastructure & Environment Business	APP Jordan for Paper Trade (Free Zone) Ltd.	Paper product sales (Jordan)
Chemicals	Fuji Kako Co, Ltd.	Manufacture and sales of plastic resin materials



Impact on the Profit due to  
Increase and Decrease of Consolidated Subsidiaries  
(compared with the year - earlier period)

**Increase**

(Billions of Yen)

	Net Sales	Gross Profit	Profit for the year
Consolidated subsidiaries	1.0	1.0	0.5

**Decrease**

(Billions of Yen)

	Net Sales	Gross Profit	Profit for the year
Consolidated subsidiaries	(16.4)	(5.3)	(0.4)

(Note)

In general, figures in the above tables are based on the financial statements prepared by each company.

## Performances at Consolidated Subsidiaries and Equity-method Associates

(1) Number of Consolidated Subsidiaries and Equity-method Associates

(Number of Companies)

		As of March 31, 2016			As of March 31, 2017			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated Subsidiaries	Domestic	54	10	64	58	7	65	4	(3)	1
	Overseas	72	37	109	81	31	112	9	(6)	3
	Total	126	47	173	139	38	177	13	(9)	4
	% of total	72.8%	27.2%	100.0%	78.5%	21.5%	100.0%			
Equity-method Associates	Domestic	23	4	27	25	6	31	2	2	4
	Overseas	30	12	42	29	14	43	(1)	2	1
	Total	53	16	69	54	20	74	1	4	5
	% of total	76.8%	23.2%	100.0%	73.0%	27.0%	100.0%			
Total	Domestic	77	14	91	83	13	96	6	(1)	5
	Overseas	102	49	151	110	45	155	8	(4)	4
	Total	179	63	242	193	58	251	14	(5)	9
	% of total	74.0%	26.0%	100.0%	76.9%	23.1%	100.0%			

(2) Earnings of Consolidated Subsidiaries and Associates

(Billions of Yen)

		For the Fiscal Year Ended March 31, 2016 (From Apr.1, 2015 to Mar. 31, 2016)			For the Fiscal Year Ended March 31, 2017 (From Apr.1, 2016 to Mar. 31, 2017)			Change		
		Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Consolidated Subsidiaries	Domestic	13.6	(1.0)	12.6	16.7	(0.6)	16.1	3.1	0.4	3.5
	Overseas	19.6	(24.7)	(5.1)	32.1	(18.5)	13.6	12.5	6.2	18.7
	Total	33.2	(25.7)	7.5	48.8	(19.1)	29.7	15.6	6.6	22.2
Equity-method Associates	Domestic	12.9	0.0	12.9	12.7	(0.1)	12.6	(0.2)	(0.1)	(0.3)
	Overseas	8.6	(1.4)	7.2	4.5	(1.9)	2.6	(4.1)	(0.5)	(4.6)
	Total	21.5	(1.4)	20.1	17.2	(2.0)	15.2	(4.3)	(0.6)	(4.9)
Total	Domestic	26.5	(1.0)	25.5	29.4	(0.7)	28.7	2.9	0.3	3.2
	Overseas	28.2	(26.1)	2.1	36.6	(20.4)	16.2	8.4	5.7	14.1
	Total	54.7	(27.1)	27.6	66.0	(21.1)	44.9	11.3	6.0	17.3

Note: Companies included in the scope of consolidation are those for which the Company directly performs consolidation accounting.

## Country Risk Exposure (Consolidated)

### Exposure (As of March 31, 2017)

(Note)

We calculate exposure for the consolidated Sojitz Group by tallying assets that are exposed to country risk.

We disclose exposure for the entire Sojitz Group and for the following assets: investments, loans, guarantees, and operating receivables and inventories (grouped as “operating receivables”); cash and deposits and financial assets (grouped as “cash and deposits, etc.”); bad debts, non-current assets, etc. (grouped as “other assets”).

Exposure is tallied on the following bases:

- Country risk: Exposure is calculated based on the country in which credit counterparties, etc., are present.
- Substantial country risk: Exposure is adjusted based on the substantial country of risk, regardless of counterparties’ country of domicile.

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	2.7	0.0	0.0	30.3	22.6	9.5	65.1	68.2
Indonesia	21.1	0.1	0.0	13.1	5.6	3.3	43.2	63.1
Philippines	20.9	0.1	0.1	19.5	1.1	2.1	43.8	27.2
China (include Hong Kong)	13.8	0.0	0.5	56.3	10.7	4.5	85.8	85.0
(China)	12.7	0.0	0.5	40.2	7.8	1.0	62.2	69.3
(Hong Kong)	1.1	0.0	0.0	16.1	2.9	3.5	23.6	15.7
Brazil	6.5	0.4	0.3	4.1	2.0	13.5	26.8	58.3
Argentina	0.3	0.0	0.0	7.2	0.0	1.5	9.0	2.6
Russia	1.6	0.0	0.0	11.1	4.7	0.2	17.6	10.8
India	16.2	3.9	0.0	33.7	0.2	3.5	57.5	43.8
Vietnam	2.8	0.0	0.2	14.5	5.5	6.1	29.1	27.2
Total	85.9	4.5	1.1	189.8	52.4	44.2	377.9	386.2

(Reference)

### Exposure (As of March 31, 2016)

(Billions of Yen)

	Investments	Loans	Guarantees	Operating Receivables	Cash and Deposits, etc.	Other Assets	Country risk	Substantial country risk
Thailand	2.5	0.0	0.0	25.3	16.2	9.3	53.3	56.6
Indonesia	29.5	0.1	0.0	12.6	12.8	5.0	60.0	72.6
Philippines	21.6	0.1	0.0	25.5	2.2	2.2	51.6	29.2
China (include Hong Kong)	14.4	0.0	0.0	50.1	10.9	4.5	79.9	77.6
(China)	13.2	0.0	0.0	32.8	6.7	0.9	53.6	61.8
(Hong Kong)	1.2	0.0	0.0	17.3	4.2	3.6	26.3	15.8
Brazil	17.4	0.3	0.2	4.3	2.4	13.3	37.9	66.6
Argentina	0.3	0.0	0.0	4.6	0.0	1.8	6.7	1.8
Russia	1.2	0.0	0.0	7.4	4.5	0.2	13.3	7.3
India	12.4	3.9	0.7	28.5	0.1	6.2	51.8	37.7
Vietnam	2.1	0.0	0.0	11.7	4.5	6.4	24.7	26.7
Total	101.4	4.4	0.9	170.0	53.6	48.9	379.2	376.1

## Real Estate (Consolidated)

Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2016		As of March 31, 2017		Change	
	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>
Company	0.6	—	—	—	(0.6)	—
Consolidated subsidiaries	19.4	<u>2.1</u>	17.2	<u>2.2</u>	(2.2)	<u>0.1</u>
Consolidated Total	20.0	<u>2.1</u>	17.2	<u>2.2</u>	(2.8)	<u>0.1</u>

Book value of real estate (land, building and structure) in property, plant and equipment

(Billions of Yen)

	As of March 31, 2016	As of March 31, 2017	Change
Company	5.6	5.1	(0.5)
Consolidated subsidiaries	63.8	61.9	(1.9)
Consolidated Total	69.4	67.0	(2.4)

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2016	As of March 31, 2017	Change
Company	2.3	1.4	(0.9)
Consolidated subsidiaries	16.1	19.7	3.6
Consolidated Total	18.4	21.1	2.7

## Number of Employees by Business Segment (Consolidated)

(Number of Employees)

	As of March 31, 2016			As of March 31, 2017			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Automotive	72	1,621	1,693	91	1,761	1,852	19	140	159
Aerospace & IT Business	70	1,662	1,732	81	1,263	1,344	11	(399)	(388)
Infrastructure & Environment Business	156	781	937	204	830	1,034	48	49	97
Energy	77	124	201	74	126	200	(3)	2	(1)
Metals & Coal	170	342	512	162	350	512	(8)	8	0
Chemicals	246	1,417	1,663	259	1,374	1,633	13	(43)	(30)
Foods & Agriculture Business	103	1,742	1,845	109	1,800	1,909	6	58	64
Lifestyle Commodities & Materials	127	1,293	1,420	132	1,275	1,407	5	(18)	(13)
Retail	87	2,399	2,486	99	2,354	2,453	12	(45)	(33)
Other	642	1,199	1,841	664	1,233	1,897	22	34	56
<b>Total</b>	<b>1,750</b>	<b>12,580</b>	<b>14,330</b>	<b>1,875</b>	<b>12,366</b>	<b>14,241</b>	<b>125</b>	<b>(214)</b>	<b>(89)</b>

(Notes)

Employee headcounts above indicate personnel employed by Sojitz and its subsidiaries including employees seconded by Sojitz Corporation.

(Reference)

Employee headcounts for Sojitz Corporation (including employees seconded by Sojitz Corporation to subsidiaries) was as follows: as of March 31, 2016: 2,270; as of March 31, 2017: 2,318

◆ News Releases for the Year Ended March 31, 2017

Segment	Date	Title
<b>Automotive</b>		
	2016/6/16	Philippines Automobile Manufacture & Sales Company Announces Participation in National Auto Industry Stimulus Program, CARS
	2017/2/27	Sojitz's Automobile Manufacturing and Sales Subsidiary in the Philippines Begins Production of Mirage G4 - First Project to Receive Support from the Philippines' CARS Program -
<b>Aerospace &amp; IT Business</b>		
	2016/10/31	Sojitz Concludes Capital & Business Tie-Up with Indonesian IoT Venture - Creating Logistics Optimization and Insurance Service Utilizing Telematics-based Big Data -
	2016/12/16	Sojitz signs Memorandum of Intention regarding Construction and Operation of New Passenger Terminal at Khabarovsk International Airport
<b>Infrastructure &amp; Environment Business</b>		
	2016/5/19	Sojitz Receives Contract for Signals and Telecommunications Work on Dedicated Freight Corridor between Delhi and Mumbai
	2016/8/1	Sojitz Supplies Desalination Systems to the Independent State of Papua New Guinea
	2016/10/3	Operations Commence at Sojitz's Recently-Completed Solar Power Plant in Iizuka, Fukuoka
	2016/10/17	Sojitz Receives Contract for Civil & Track Works, Electrification, Signals & Telecommunications Work on Dedicated Freight Corridor between Delhi and Mumbai - Total Contractual Amount Exceeds JPY 350 Billion, Largest Yen-Based Loan in History -
	2016/12/12	Sojitz Machinery Begins Sale of New Wine Cellar Product Under Forster Japan Brand - 30th Anniversary Model: The "Wine Cellar in a New Light" -
	2017/1/31	A Consortium of Sojitz Corporation, PT Pertamina (Persero), and Marubeni Corporation to Enter into Power Purchase Agreement for Jawa 1 Gas-Fired Project in Indonesia
<b>Energy</b>		
	2016/7/1	Announcement of Final Investment Decision to Expand Indonesia's Tangguh LNG Facility
<b>Chemicals</b>		
	2017/2/20	Sojitz to Acquire Major Chemical Distributor and Marketing Company in Germany - Securing a new foundation for chemical sales in Europe -
<b>Foods &amp; Agriculture</b>		
	2016/10/31	Sojitz Group Launches Compound NPK Fertilizer Import & Wholesale Business in Myanmar
<b>Lifestyle Commodities &amp; Materials</b>		
	2017/3/8	Sojitz Establishes Plywood Coating Company with Seihoku Plywood in Ishinomaki, Miyagi - Sojitz Marks Entrance into Domestic Japanese Wood Processing -
<b>Retail</b>		
	2016/6/23	Sojitz General Merchandise Corporation Acquires Exclusive Distribution and Master License Rights for PENDLETON® Brand Products
	2016/7/15	"Japan Food Town" Celebrates Grand Opening at Singapore's Isetan Wisma Atria
	2016/12/14	Sojitz and Kokubu Enter Cold Chain Logistics Business in Vietnam
	2016/12/15	Sojitz Group Enters Daycare Management Business - Supporting the Active Participation of Women in the Workplace -
	2017/1/31	Sojitz Enters Foodservice Business in Myanmar alongside City Mart Group
	2017/2/28	Sojitz Group and NittoBest Enter Daily/Prepared Food Production and Meat Processing Business
	2017/3/16	Sojitz Group to Expand Deltamas City's Industrial Park in Indonesia - Becomes Largest Comprehensive Urban Development Project Backed by Japanese Capital -
	2017/3/29	Announcement Regarding Sojitz's Sponsorship of Nippon REIT
<b>Other</b>		
	2016/4/19	Relief Aid for Earthquake Damage in Kumamoto
	2016/4/19	Capital and Business Tie-up with Tri-Stage Inc.
	2016/6/1	Sojitz Logistics and Maruzen Showa Establish Logistics Joint Venture in Mexico - International Logistics Services for Manufacturers in the Americas -
	2016/6/24	Sojitz Corporation Announces Executive Appointments
	2016/12/21	Establishment of a scholarship program in Hanoi, Vietnam
	2017/3/1	Sojitz Corporation Announces Executive Appointments and Organizational Reforms
	2017/3/1	Announcement: Changes to Representative Directors
	2017/3/24	Sojitz Selected as a "Nadeshiko Brand"
	2017/3/24	Sojitz Corporation Announces Executive Appointments

## Forecast for the Year Ending March 31, 2018

(Billions of Yen)

	FY 2016 Results	FY 2017 Forecast	Change
Net sales *	3,745.5	4,100.0	+354.5
Gross profit	200.7	222.0	+21.3
Selling, general and administrative expenses	(153.0)	(166.0)	(13.0)
Other income (expenses)	3.9	(1.0)	(4.9)
Operating profit	51.6	55.0	+3.4
Finance income/costs	(6.3)	(7.0)	(0.7)
Share of profit (loss) of investments accounted for using the equity method	12.7	21.0	+8.3
Profit before tax	58.0	69.0	+11.0
Profit for the year (Attributable to owners of the Company)	40.8	50.0	+9.2

\* Net sales above is based on JGAAP, and includes transactions where Sojitz Group took part as a transaction agent.

### Profit for the year (attributable to owners of the Company) forecast by segment

(Billions of Yen)

	FY 2016 Results	FY 2017 Forecast	Change
Automotive	3.6	4.0	+0.4
Aerospace & IT Business	9.9	5.0	(4.9)
Infrastructure & Environment Business	4.5	5.0	+0.5
Energy	(0.6)	1.0	+1.6
Metals & Coal	10.0	13.0	+3.0
Chemicals	8.0	8.0	0.0
Foods & Agriculture Business	(6.9)	5.0	+11.9
Retail & Lifestyle Business	7.4	5.0	(2.4)
Industrial Infrastructure & Urban Development	1.3	2.0	+0.7
Other	3.6	2.0	(1.6)
Total	40.8	50.0	+9.2

(Note) FY2016 figures were calculated by using figures for the former organizations and adjusting them based on the organizational reforms. As a result, these figures may differ from those disclosed in the future.

Change of Consolidated Statements of Financial Position (IFRS)

(Millions of Yen)

	2011/04/01 (the date of transition)	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016
<b>Current assets</b>							
Cash and cash equivalents	411,632	425,595	424,371	420,658	403,748	344,414	308,632
Time deposits	7,043	16,114	9,313	4,362	5,464	6,657	5,728
Trade and other receivables	515,633	544,525	508,690	524,826	559,291	496,156	563,458
Other investments	1,346	697	-	-	-	-	-
Derivatives	3,796	3,676	4,100	5,185	6,977	6,593	3,919
Inventories	265,794	284,038	297,389	301,979	270,274	237,111	271,327
Income tax receivables	2,646	2,725	4,778	4,907	3,712	6,068	3,647
Other current assets	69,277	57,124	41,231	46,759	63,122	49,017	72,417
Assets as held for sale	8,894	4,098	1,303	13,143	10,905	326	616
<b>Total current assets</b>	<b>1,286,066</b>	<b>1,338,596</b>	<b>1,291,178</b>	<b>1,321,824</b>	<b>1,323,497</b>	<b>1,146,344</b>	<b>1,229,747</b>
<b>Non-current assets</b>							
Property, plant and equipment	206,863	219,581	231,840	213,934	217,912	186,957	172,201
Goodwill	45,400	46,390	45,725	46,264	50,164	53,055	57,594
Intangible assets	71,111	71,922	63,207	60,958	53,882	38,829	34,148
Investment property	50,435	46,359	40,055	25,334	19,459	18,369	21,100
Investments accounted for using the equity method	261,834	257,379	279,815	336,761	394,055	377,597	386,740
Trade and other receivables	55,940	65,498	62,963	60,310	45,017	44,558	45,485
Other investments	128,301	113,222	114,596	133,625	174,791	173,618	172,944
Derivatives	805	115	229	209	1,865	163	36
Other non-current assets	11,323	16,293	10,976	9,683	7,483	9,668	9,815
Deferred tax assets	52,063	15,332	9,461	11,329	9,227	7,507	8,650
<b>Total non-current assets</b>	<b>884,079</b>	<b>852,095</b>	<b>858,871</b>	<b>898,411</b>	<b>973,860</b>	<b>910,325</b>	<b>908,719</b>
<b>Total assets</b>	<b>2,170,145</b>	<b>2,190,692</b>	<b>2,150,050</b>	<b>2,220,236</b>	<b>2,297,358</b>	<b>2,056,670</b>	<b>2,138,466</b>
<b>Current liabilities</b>							
Trade and other payables	521,682	557,198	515,989	514,585	490,865	439,245	483,049
Bonds and borrowings	256,228	298,455	258,375	227,216	208,360	168,264	158,698
Derivatives	4,640	8,989	15,952	6,400	8,803	3,728	3,669
Income tax payables	8,151	9,065	7,038	8,038	7,570	6,630	9,190
Provisions	1,680	4,074	1,419	1,207	4,271	2,525	2,124
Other current liabilities	70,288	60,314	50,150	54,402	53,807	53,294	60,912
Liabilities directly related to assets as held for sale	2,627	1,221	-	-	6,860	88	101
<b>Total current liabilities</b>	<b>865,299</b>	<b>939,317</b>	<b>848,926</b>	<b>811,850</b>	<b>780,538</b>	<b>673,776</b>	<b>717,748</b>
<b>Non-current liabilities</b>							
Bonds and borrowings	859,594	819,591	818,632	838,060	830,409	754,434	766,669
Trade and other payables	14,841	13,050	9,816	10,463	9,545	9,696	3,709
Derivatives	5,209	3,042	1,884	1,721	2,942	5,001	4,004
Retirement benefits liabilities	14,311	15,674	16,158	16,917	17,943	18,727	21,381
Provisions	12,162	14,378	18,892	20,798	25,098	18,949	20,792
Other non-current liabilities	6,533	10,619	7,313	7,321	7,591	7,475	6,490
Deferred tax liabilities	18,969	19,834	17,127	20,143	32,631	18,891	19,698
<b>Total non-current liabilities</b>	<b>931,622</b>	<b>896,193</b>	<b>889,824</b>	<b>915,426</b>	<b>926,163</b>	<b>833,176</b>	<b>842,747</b>
<b>Total liabilities</b>	<b>1,796,922</b>	<b>1,835,511</b>	<b>1,738,751</b>	<b>1,727,277</b>	<b>1,706,702</b>	<b>1,506,953</b>	<b>1,560,495</b>
<b>Equity</b>							
Share capital	160,339	160,339	160,339	160,339	160,339	160,339	160,339
Capital surplus	146,520	146,518	146,518	146,515	146,515	146,514	146,513
Treasury stock	(138)	(147)	(148)	(157)	(159)	(161)	(170)
Other components of equity	40,885	23,580	62,826	119,617	194,557	132,415	132,682
Retained earnings	(1,320)	(327)	13,053	33,538	49,731	81,245	111,149
Total equity attributable to owners of the Company	346,285	329,962	382,589	459,853	550,983	520,353	550,513
Non-controlling interests	26,937	25,218	28,709	33,105	39,672	29,363	27,547
<b>Total equity</b>	<b>373,223</b>	<b>355,180</b>	<b>411,298</b>	<b>492,959</b>	<b>590,656</b>	<b>549,716</b>	<b>577,970</b>
<b>Total liabilities and equity</b>	<b>2,170,145</b>	<b>2,190,692</b>	<b>2,150,050</b>	<b>2,220,236</b>	<b>2,297,358</b>	<b>2,056,670</b>	<b>2,138,466</b>

(Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.



**Change of Consolidated Statements of Profit or Loss (IFRS)**

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016
<b>Revenue</b>						
Sales of goods	1,915,992	1,659,233	1,714,176	1,718,165	1,566,839	1,463,536
Sales of services and others	90,657	88,517	88,928	91,535	91,233	91,813
<b>Total revenue</b>	<b>2,006,649</b>	<b>1,747,750</b>	<b>1,803,104</b>	<b>1,809,701</b>	<b>1,658,072</b>	<b>1,555,349</b>
<b>Cost of sales</b>	<b>(1,789,582)</b>	<b>(1,560,504)</b>	<b>(1,604,882)</b>	<b>(1,612,013)</b>	<b>(1,477,333)</b>	<b>(1,354,664)</b>
<b>Gross profit</b>	<b>217,066</b>	<b>187,245</b>	<b>198,221</b>	<b>197,688</b>	<b>180,739</b>	<b>200,685</b>
Selling, general and administrative expenses	(153,663)	(151,091)	(151,628)	(149,739)	(154,416)	(153,038)
<b>Other income (expenses)</b>						
Gain (loss) on sale and disposal of fixed assets, net	1,839	2,209	6,132	1,058	1,498	4,797
Impairment loss on fixed assets	(3,190)	(11,549)	(19,461)	(17,446)	(24,051)	(4,618)
Gain on sale of subsidiaries/associates	957	2,138	1,666	1,758	12,909	10,358
Loss on reorganization of subsidiaries/associates	(1,728)	(3,525)	(2,684)	(2,080)	(1,349)	(8,174)
Other operating income	11,705	10,702	10,429	17,193	20,646	9,566
Other operating expenses	(15,513)	(10,636)	(18,980)	(14,882)	(6,733)	(7,958)
<b>Operating profit</b>	<b>57,472</b>	<b>25,493</b>	<b>23,694</b>	<b>33,550</b>	<b>29,242</b>	<b>51,618</b>
<b>Total Financial income</b>	<b>8,875</b>	<b>8,022</b>	<b>9,213</b>	<b>9,395</b>	<b>8,242</b>	<b>8,068</b>
Interests earned	5,552	4,984	5,359	4,860	3,893	3,903
Dividends received	3,283	2,761	3,810	4,456	4,349	4,165
Other financial income	39	276	43	78	-	-
<b>Total Financial costs</b>	<b>(24,186)</b>	<b>(21,247)</b>	<b>(19,855)</b>	<b>(18,975)</b>	<b>(16,379)</b>	<b>(14,405)</b>
Interest expenses	(23,848)	(21,247)	(19,855)	(18,975)	(16,316)	(14,382)
Other financial costs	(338)	-	-	-	(63)	(22)
<b>Share of profit (loss) of investments accounted for using the equity method</b>	<b>16,296</b>	<b>15,784</b>	<b>30,979</b>	<b>28,613</b>	<b>23,163</b>	<b>12,673</b>
<b>Profit before tax</b>	<b>58,457</b>	<b>28,052</b>	<b>44,033</b>	<b>52,584</b>	<b>44,269</b>	<b>57,955</b>
<b>Income tax expenses</b>	<b>(56,735)</b>	<b>(11,058)</b>	<b>(11,949)</b>	<b>(14,933)</b>	<b>(7,782)</b>	<b>(13,879)</b>
<b>Profit for the year</b>	<b>1,722</b>	<b>16,993</b>	<b>32,083</b>	<b>37,650</b>	<b>36,486</b>	<b>44,075</b>
<b>Profit attributable to:</b>						
<b>Owners of the Company</b>	<b>(1,040)</b>	<b>13,448</b>	<b>27,250</b>	<b>33,075</b>	<b>36,526</b>	<b>40,760</b>
Non-controlling interests	2,762	3,544	4,833	4,575	(39)	3,314
<b>Net sales*1</b>	<b>4,321,734</b>	<b>3,934,456</b>	<b>4,046,577</b>	<b>4,105,295</b>	<b>4,006,649</b>	<b>3,745,549</b>
						(Billions of Yen)
<b>Core earnings*2</b>	<b>65.8</b>	<b>38.5</b>	<b>68.0</b>	<b>66.3</b>	<b>41.6</b>	<b>54.2</b>

(Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

\*1 Net sales is a measure generally used by Japanese general trading companies and represents the aggregate value of the transactions for which the Group acts as a principal agent.

\*2 Core earnings = Gross Profit + Selling, general and administrative expenses (before provision of allowance for doubtful accounts and write-offs) + Interest expense-net + Dividends received + Share of profit (loss) of investments accounted for using the equity method

**Change of Consolidated Statements of Profit or Loss and Other Comprehensive Income (IFRS)**

(Millions of Yen)

	FY2011	FY2012	FY 2013	FY2014	FY2015	FY2016
<b>Profit for the year</b>	<b>1,722</b>	<b>16,993</b>	<b>32,083</b>	<b>37,650</b>	<b>36,486</b>	<b>44,075</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Financial assets measured at fair value through other comprehensive income	(1,010)	11,172	15,065	46,787	(1,232)	9,977
Remeasurements of defined benefit pension plans	(872)	(398)	(425)	(925)	(725)	478
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(4,868)	(3,686)
<b>Total items that will not be reclassified to profit or loss</b>	<b>(1,883)</b>	<b>10,774</b>	<b>14,639</b>	<b>45,862</b>	<b>(6,826)</b>	<b>6,768</b>
<b>Items that may be reclassified subsequently to profit or loss</b>						
Foreign currency translation differences for foreign operations	(12,505)	34,509	40,578	34,811	(44,362)	(7,958)
Cash flow hedges	(945)	(528)	1,184	(3,405)	(2,709)	693
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(10,993)	554
<b>Total items that may be reclassified subsequently to profit or loss</b>	<b>(13,450)</b>	<b>33,980</b>	<b>41,763</b>	<b>31,405</b>	<b>(58,065)</b>	<b>(6,710)</b>
<b>Other comprehensive income for the period, net of tax</b>	<b>(15,334)</b>	<b>44,754</b>	<b>56,403</b>	<b>77,268</b>	<b>(64,892)</b>	<b>57</b>
<b>Total comprehensive income for the year</b>	<b>(13,611)</b>	<b>61,748</b>	<b>88,487</b>	<b>114,919</b>	<b>(28,405)</b>	<b>44,133</b>
<b>Total comprehensive income attributable to:</b>						
<b>Owners of the Company</b>	<b>(16,177)</b>	<b>56,171</b>	<b>82,221</b>	<b>107,347</b>	<b>(25,379)</b>	<b>40,289</b>
Non-controlling interests	2,565	5,576	6,265	7,571	(3,025)	3,843
<b>Total</b>	<b>(13,611)</b>	<b>61,748</b>	<b>88,487</b>	<b>114,919</b>	<b>(28,405)</b>	<b>44,133</b>

(Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

**Change of Consolidated Statements of Cash Flows (IFRS)**

(Millions of Yen)

	FY 2011	FY 2012	FY 2013	FY2014	FY2015	FY2016
<b>Cash flows from operating activities</b>						
Profit for the period	1,722	16,993	32,083	37,650	36,486	44,075
Depreciation and amortization	29,529	31,047	36,100	31,683	30,059	23,442
Impairment loss on fixed assets	3,190	11,549	19,461	17,446	24,051	4,618
Finance (income) costs	15,311	13,225	10,641	9,579	8,136	6,337
Share of (profit) loss of investments accounted for using the equity method	(16,296)	(15,784)	(30,979)	(28,613)	(23,163)	(12,673)
(Gain) loss on sale of fixed assets, net	(1,839)	(2,209)	(6,132)	(1,058)	(1,498)	(4,797)
Income tax expense	56,735	11,058	11,949	14,933	7,782	13,879
(Increase) decrease in trade and other receivables	(8,089)	40,625	4,226	(18,583)	55,835	(60,463)
(Increase) decrease in inventories	(16,765)	(709)	(6,151)	31,396	28,270	(31,853)
Increase (decrease) in trade and other payables	35,373	(30,116)	(10,640)	(27,908)	(43,767)	40,158
Increase (decrease) in retirement benefits liabilities	455	985	390	674	320	(1,409)
Others	11,224	(1,839)	(1,451)	(19,792)	(15,528)	(7,611)
Subtotal	110,550	74,825	59,498	47,408	106,986	13,702
Interests earned	5,583	5,082	5,225	4,709	3,785	3,496
Dividends received	12,457	13,777	16,424	18,439	20,326	12,818
Interests paid	(24,217)	(21,840)	(20,308)	(19,261)	(16,746)	(14,872)
Income taxes paid	(15,650)	(16,722)	(13,842)	(12,186)	(14,412)	(14,287)
<b>Net cash provided (used) by/in operating activities</b>	<b>88,723</b>	<b>55,124</b>	<b>46,997</b>	<b>39,109</b>	<b>99,939</b>	<b>857</b>
<b>Cash flows from investing activities</b>						
Purchase of property, plant and equipment	(34,101)	(29,473)	(23,579)	(31,258)	(31,943)	(31,830)
Proceeds from sale of property, plant and equipment	12,655	14,384	13,578	767	11,846	8,340
Purchase of intangible assets	(6,978)	(8,310)	(4,522)	(3,566)	(3,061)	(2,219)
(Increase) decrease in short-term loans receivable	2,646	3,400	(1,706)	2,470	1,083	(4,408)
Payment for long-term loans receivable	(13,492)	(11,704)	(3,423)	(4,174)	(4,157)	(3,867)
Collection of long-term loans receivable	969	2,399	5,202	1,165	1,919	1,232
Proceeds from (payments for) acquisition of subsidiaries	(2,340)	(5,624)	(7,024)	(5,222)	(9,100)	(5,408)
Proceeds from (payments for) sale of subsidiaries	(707)	1,530	232	10	(467)	(51)
Purchase of investments	(4,144)	(2,646)	(23,658)	(8,455)	(6,315)	(16,263)
Proceeds from sale of investments	10,311	17,831	7,910	10,681	6,731	16,473
Others	(7,098)	6,559	12,521	23,791	(445)	5,822
<b>Net cash provided (used) by/in investing activities</b>	<b>(42,280)</b>	<b>(11,652)</b>	<b>(24,469)</b>	<b>(13,792)</b>	<b>(33,910)</b>	<b>(32,179)</b>
<b>Free Cash Flow</b>	<b>46,443</b>	<b>43,472</b>	<b>22,528</b>	<b>25,317</b>	<b>66,029</b>	<b>(31,322)</b>
<b>Cash flows from financing activities</b>						
Increase (decrease) in short-term borrowings and commercial papers	8,797	(10,928)	(14,714)	(29,012)	(30,383)	14,697
Proceeds from long-term borrowings	127,338	236,109	170,858	163,996	122,767	160,331
Repayment of long-term borrowings	(134,014)	(248,449)	(178,687)	(179,780)	(173,948)	(164,596)
Proceeds from issuance of bonds	39,800	9,953	29,862	29,820	-	19,891
Redemption of bonds	(67,719)	(35,000)	(30,000)	(20,000)	(20,000)	(20,035)
Proceeds from sale of subsidiaries' interests to non-controlling interest holders	7,249	-	-	-	5	-
Payment for acquisition of subsidiaries' interests from non-controlling interest holders	(5,756)	(468)	(0)	(129)	(18)	-
Proceeds from non-controlling interest holders	1,261	71	104	3,209	323	771
Purchase of treasury stock	(11)	(1)	(11)	(2)	(2)	(10)
Dividends paid	(3,753)	(3,753)	(4,378)	(5,629)	(9,382)	(10,008)
Dividends paid to non-controlling interest holders	(1,801)	(1,659)	(1,805)	(2,320)	(1,763)	(2,563)
Others	(922)	(2,050)	(2,160)	(2,752)	(2,292)	(2,507)
<b>Net cash provided (used) by/in financing activities</b>	<b>(29,530)</b>	<b>(56,177)</b>	<b>(30,931)</b>	<b>(42,600)</b>	<b>(114,695)</b>	<b>(4,029)</b>
Net increase (decrease) in cash and cash equivalents	16,913	(12,706)	(8,403)	(17,282)	(48,666)	(35,350)
Cash and cash equivalents at the beginning of the period	411,632	425,595	424,371	420,658	403,748	344,414
Effect of exchange rate changes on cash and cash equivalents	(2,950)	11,481	4,690	372	(10,667)	(430)
<b>Cash and cash equivalents at the end of the period</b>	<b>425,595</b>	<b>424,371</b>	<b>420,658</b>	<b>403,748</b>	<b>344,414</b>	<b>308,632</b>

(Note) We have prepared consolidated financial statements in accordance with International Financial Reporting Standards ("IFRSs") since the fiscal year ended March 31, 2013. The date of transition to IFRSs was April 1, 2011.

Change of Consolidated Balance Sheets (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Current assets</b>										
Cash and deposits	435,671	426,082	521,937	471,570	380,195	421,629	455,728	415,694	442,706	433,584
Notes and accounts receivable-trade	708,982	618,086	613,513	672,658	691,492	522,397	462,233	478,880	490,708	456,455
Short-term investment securities	17,705	7,150	6,471	7,251	9,180	2,123	6,131	5,437	1,297	100
Inventories	239,499	194,694	214,163	315,885	422,158	382,899	248,629	243,210	270,645	292,105
Short-term loans receivable	188,002	41,000	44,237	23,182	11,609	9,375	7,943	8,518	5,667	2,222
Deferred tax assets	13,346	7,482	8,886	8,591	19,179	15,821	13,484	15,402	4,577	4,132
Other	171,637	139,590	116,416	130,636	156,000	129,237	100,216	106,832	88,132	79,120
Allowance for doubtful accounts	(39,926)	(10,957)	(15,172)	(14,695)	(13,869)	(10,312)	(9,089)	(7,347)	(5,583)	(3,449)
<b>Total current assets</b>	<b>1,734,918</b>	<b>1,423,129</b>	<b>1,510,454</b>	<b>1,615,081</b>	<b>1,675,946</b>	<b>1,473,172</b>	<b>1,285,277</b>	<b>1,266,629</b>	<b>1,298,151</b>	<b>1,264,271</b>
<b>Property, plant and equipment</b>	<b>493,163</b>	<b>246,652</b>	<b>246,665</b>	<b>229,966</b>	<b>232,018</b>	<b>209,720</b>	<b>222,665</b>	<b>215,774</b>	<b>233,260</b>	<b>228,332</b>
<b>Intangible assets</b>	<b>66,228</b>	<b>103,850</b>	<b>100,131</b>	<b>99,127</b>	<b>133,343</b>	<b>114,855</b>	<b>114,445</b>	<b>132,595</b>	<b>124,497</b>	<b>126,114</b>
Goodwill	41,375	79,989	76,897	69,925	65,466	60,685	54,305	51,474	44,612	39,865
Other	24,852	23,860	23,233	29,202	67,876	54,170	60,139	81,120	79,884	86,248
<b>Investments and other assets</b>	<b>781,335</b>	<b>673,924</b>	<b>663,403</b>	<b>671,857</b>	<b>625,514</b>	<b>513,798</b>	<b>538,093</b>	<b>501,678</b>	<b>464,419</b>	<b>467,500</b>
Investment securities	410,531	409,307	488,291	518,615	480,993	351,466	327,869	333,050	313,897	338,744
Long-term loans receivable	182,093	102,142	38,867	39,304	36,961	27,908	25,113	13,370	22,415	31,311
Bad debts	-	286,934	176,527	162,305	109,440	92,378	88,358	79,971	68,164	59,670
Deferred tax assets	97,507	58,051	23,880	19,754	31,053	64,137	61,432	52,881	22,442	13,710
Real estate for investment	-	-	-	-	-	-	53,261	33,993	31,934	26,608
Other	234,988	54,820	58,793	49,916	44,400	39,435	39,264	48,168	52,788	43,830
Allowance for doubtful accounts	(143,786)	(237,332)	(122,956)	(118,039)	(77,335)	(61,526)	(57,207)	(59,758)	(47,223)	(46,375)
<b>Total noncurrent assets</b>	<b>1,340,726</b>	<b>1,024,427</b>	<b>1,010,200</b>	<b>1,000,951</b>	<b>990,875</b>	<b>838,375</b>	<b>875,204</b>	<b>850,049</b>	<b>822,177</b>	<b>821,947</b>
Deferred assets	1,377	921	1,024	3,475	2,529	1,410	436	281	266	190
<b>Total assets</b>	<b>3,077,022</b>	<b>2,448,478</b>	<b>2,521,679</b>	<b>2,619,507</b>	<b>2,669,352</b>	<b>2,312,958</b>	<b>2,160,918</b>	<b>2,116,960</b>	<b>2,120,596</b>	<b>2,086,410</b>
<b>Current liabilities</b>										
Notes and accounts payable-trade	479,264	472,513	451,438	531,508	578,995	418,811	377,468	414,984	461,799	436,696
Short-term loans payable	1,320,861	933,100	775,555	501,055	497,208	351,841	256,652	247,656	282,524	242,267
Commercial papers	141,200	139,200	29,200	10,000	25,000	35,000	10,000	2,000	2,000	2,000
Current portion of bonds	38,858	43,050	9,358	896	75,100	42,136	40,120	60,000	35,000	30,000
Income taxes payable	7,788	7,644	7,774	8,811	8,246	7,230	5,949	6,591	8,850	5,407
Deferred tax liabilities	257	422	41	34	53	597	44	146	87	245
Provision for bonuses	3,108	4,234	5,148	7,412	7,686	5,503	5,497	5,845	6,254	6,154
Other	220,979	154,515	138,198	159,778	191,161	178,734	145,801	153,321	150,906	136,238
<b>Total current liabilities</b>	<b>2,212,318</b>	<b>1,754,681</b>	<b>1,416,716</b>	<b>1,219,497</b>	<b>1,383,451</b>	<b>1,039,857</b>	<b>841,533</b>	<b>890,544</b>	<b>947,422</b>	<b>859,010</b>
<b>Noncurrent liabilities</b>										
Bonds payable	61,167	16,048	99,036	245,540	141,496	155,120	123,647	82,719	80,000	60,000
Long-term loans payable	430,640	296,927	473,109	560,187	560,281	702,861	763,098	723,926	691,018	715,478
Deferred tax liabilities	10,463	7,544	13,553	13,078	16,685	15,528	14,743	19,009	20,596	19,509
Deferred tax liabilities for land revaluation	-	-	445	1,238	1,193	1,045	944	774	696	-
Provision for retirement benefits	7,928	29,046	25,558	22,526	19,410	16,174	13,280	13,136	14,232	14,998
Provision for directors' retirement benefits	-	-	-	1,394	958	872	931	833	648	630
Other	26,259	30,639	29,185	24,409	25,548	25,994	25,336	30,505	35,509	34,244
<b>Total noncurrent liabilities</b>	<b>536,459</b>	<b>380,206</b>	<b>640,887</b>	<b>868,374</b>	<b>765,572</b>	<b>917,597</b>	<b>941,981</b>	<b>870,905</b>	<b>842,702</b>	<b>844,862</b>
<b>Total liabilities</b>	<b>2,748,778</b>	<b>2,134,887</b>	<b>2,057,603</b>	<b>2,087,872</b>	<b>2,149,024</b>	<b>1,957,454</b>	<b>1,783,514</b>	<b>1,761,449</b>	<b>1,790,125</b>	<b>1,703,872</b>
<b>Shareholders' equity</b>	<b>392,391</b>	<b>331,674</b>	<b>389,677</b>	<b>428,464</b>	<b>451,619</b>	<b>454,491</b>	<b>458,819</b>	<b>471,688</b>	<b>464,026</b>	<b>470,808</b>
Capital stock	150,606	336,122	130,549	122,790	160,339	160,339	160,339	160,339	160,339	160,339
Capital surplus	346,619	487,686	166,754	158,593	152,160	152,160	152,160	152,160	152,160	152,160
Retained earnings	(104,802)	(492,048)	92,487	147,206	139,264	142,157	146,489	159,358	151,706	158,488
Treasury stock	(32)	(86)	(113)	(126)	(145)	(166)	(169)	(170)	(179)	(179)
<b>Accumulated Other Comprehensive Income</b>	<b>(76,156)</b>	<b>(51,433)</b>	<b>37,273</b>	<b>60,122</b>	<b>24,412</b>	<b>(135,500)</b>	<b>(106,402)</b>	<b>(141,659)</b>	<b>(158,121)</b>	<b>(117,272)</b>
Valuation difference on available-for-sale securities	16,692	32,629	90,547	94,316	60,280	6,236	14,845	12,310	7,626	13,710
Deferred gains or losses on hedges	-	-	-	623	1,345	1,510	2,357	3,022	935	(104)
Revaluation reserve for land	(5,469)	(4,869)	(2,619)	(1,935)	(2,530)	(1,907)	(2,055)	(2,302)	(2,120)	3
Foreign currency translation adjustment	(87,379)	(79,193)	(50,655)	(32,882)	(34,684)	(141,340)	(121,550)	(153,984)	(163,686)	(129,496)
Unfunded retirement benefit obligation with respect to foreign consolidated companies	-	-	-	-	-	-	-	(706)	(875)	(1,385)
<b>Minority interests</b>	<b>12,009</b>	<b>33,349</b>	<b>37,125</b>	<b>43,048</b>	<b>44,296</b>	<b>36,512</b>	<b>24,987</b>	<b>25,481</b>	<b>24,565</b>	<b>29,000</b>
<b>Total net assets</b>	<b>328,244</b>	<b>313,590</b>	<b>464,076</b>	<b>531,635</b>	<b>520,327</b>	<b>355,503</b>	<b>377,404</b>	<b>355,510</b>	<b>330,471</b>	<b>382,537</b>
<b>Total liabilities and net assets</b>	<b>3,077,022</b>	<b>2,448,478</b>	<b>2,521,679</b>	<b>2,619,507</b>	<b>2,669,352</b>	<b>2,312,958</b>	<b>2,160,918</b>	<b>2,116,960</b>	<b>2,120,596</b>	<b>2,086,410</b>

**Change of Consolidated Statements of Income (JGAAP)**

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Net sales</b>	<b>5,861,737</b>	<b>4,675,903</b>	<b>4,972,059</b>	<b>5,218,153</b>	<b>5,771,028</b>	<b>5,166,182</b>	<b>3,844,418</b>	<b>4,014,639</b>	<b>4,494,237</b>	<b>3,955,907</b>
<b>Cost of sales</b>	<b>(5,612,714)</b>	<b>(4,431,656)</b>	<b>(4,729,892)</b>	<b>(4,963,686)</b>	<b>(5,493,296)</b>	<b>(4,930,564)</b>	<b>(3,666,215)</b>	<b>(3,821,914)</b>	<b>(4,262,671)</b>	<b>(3,763,842)</b>
<b>Gross profit</b>	<b>249,022</b>	<b>244,247</b>	<b>242,166</b>	<b>254,466</b>	<b>277,732</b>	<b>235,618</b>	<b>178,203</b>	<b>192,725</b>	<b>231,566</b>	<b>192,064</b>
Selling, general and administrative expenses	(189,074)	(178,725)	(165,964)	(176,533)	(185,368)	(183,611)	(162,074)	(155,205)	(167,044)	(158,759)
<b>Operating income</b>	<b>59,948</b>	<b>65,521</b>	<b>76,202</b>	<b>77,932</b>	<b>92,363</b>	<b>52,006</b>	<b>16,128</b>	<b>37,519</b>	<b>64,522</b>	<b>33,305</b>
<b>Non-operating income</b>	<b>58,269</b>	<b>51,648</b>	<b>59,718</b>	<b>62,030</b>	<b>61,095</b>	<b>29,977</b>	<b>37,245</b>	<b>43,973</b>	<b>37,142</b>	<b>39,952</b>
Interest income	24,572	18,431	13,213	14,995	13,715	9,597	4,632	4,308	5,994	4,924
Dividends income	4,543	3,653	6,816	6,052	5,004	8,349	5,040	4,081	4,978	2,587
Equity in earnings of affiliates	5,929	10,741	19,149	23,752	28,911	2,455	9,179	19,297	12,566	15,588
Gain on sales of investment securities	6,231	2,382	2,042	1,872	61	-	-	-	-	-
Penalty income	-	-	-	-	-	-	3,802	-	-	-
Foreign exchange profits	-	-	-	-	-	-	-	-	-	5,408
Other	16,992	16,439	18,496	15,357	13,402	9,574	14,591	16,285	13,603	11,443
<b>Total non-operating income</b>	<b>▲ 69,757</b>	<b>▲ 59,082</b>	<b>▲ 57,147</b>	<b>(50,427)</b>	<b>(51,979)</b>	<b>(48,347)</b>	<b>(39,672)</b>	<b>(36,176)</b>	<b>(39,436)</b>	<b>(38,779)</b>
Interest expenses	(53,590)	(45,833)	(38,571)	(38,332)	(33,101)	(29,145)	(25,808)	(23,917)	(24,212)	(21,021)
Interest on commercial papers	(2,085)	(2,920)	(1,572)	(89)	(183)	(306)	(178)	(18)	(5)	(4)
Foreign exchange losses	-	-	-	-	(5,664)	(5,243)	-	(2,848)	(145)	-
Loss on valuation of derivatives	-	-	-	-	-	-	-	-	(3,307)	(10,568)
Other	(14,081)	(10,328)	(17,003)	(12,005)	(13,030)	(13,651)	(13,685)	(9,392)	(11,765)	(7,185)
<b>Ordinary Income</b>	<b>48,461</b>	<b>58,088</b>	<b>78,773</b>	<b>89,535</b>	<b>101,480</b>	<b>33,636</b>	<b>13,702</b>	<b>45,316</b>	<b>62,228</b>	<b>34,478</b>
Extraordinary income/losses - net	(90,563)	(438,167)	(9,358)	(1,449)	(13,135)	3,434	5,192	(6,004)	(775)	(2,759)
<b>Income before income taxes and minority interests</b>	<b>(42,101)</b>	<b>(380,079)</b>	<b>69,414</b>	<b>88,085</b>	<b>88,344</b>	<b>37,070</b>	<b>18,894</b>	<b>39,312</b>	<b>61,454</b>	<b>31,719</b>
Income taxes-current	(12,282)	(11,331)	(16,484)	(18,841)	(20,118)	(19,229)	(8,562)	(11,400)	(18,482)	(11,441)
Income taxes-deferred	23,058	(18,287)	(5,840)	(4,971)	(2,062)	2,490	294	(9,103)	(43,821)	(2,012)
<b>Income before minority interests</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,626</b>	<b>18,808</b>	<b>(850)</b>	<b>18,265</b>
Minority interests in income	(2,282)	(2,778)	(3,383)	(5,506)	(3,469)	(1,330)	(1,832)	(2,826)	(2,799)	(4,002)
<b>Net income</b>	<b>(33,609)</b>	<b>(412,475)</b>	<b>43,706</b>	<b>58,766</b>	<b>62,693</b>	<b>19,001</b>	<b>8,794</b>	<b>15,981</b>	<b>(3,649)</b>	<b>14,263</b>
										(Billions of Yen)
<b>Core earnings</b>	<b>41.9</b>	<b>51.4</b>	<b>78.5</b>	<b>89.8</b>	<b>110.7</b>	<b>48.3</b>	<b>14.4</b>	<b>41.9</b>	<b>65.0</b>	<b>35.4</b>

Core earnings = Operating income (before allowance for doubtful receivables and write-offs) + Interest expense-net + Dividends received + Equity in earnings of affiliates

**Change of Consolidated Statements of Comprehensive Income (JGAAP)**

(Millions of Yen)

	FY2009	FY2010	FY2011	FY2012
<b>Income before minority interests</b>	<b>10,626</b>	<b>18,808</b>	<b>(850)</b>	<b>18,265</b>
<b>Other comprehensive income</b>	<b>29,563</b>	<b>(35,462)</b>	<b>(16,772)</b>	<b>38,585</b>
Valuation difference on available-for-sale securities	3,786	(1,557)	(2,802)	5,216
Deferred gains or losses on hedges	641	1,165	(1,899)	1,277
Revaluation reserve for land	-	-	77	-
Foreign currency translation adjustment	14,217	(26,545)	(1,302)	20,417
Unfunded retirement benefit obligation with respect to foreign consolidated companies	63	129	(184)	(201)
Share of other comprehensive income of associates accounted for using equity	10,854	(8,654)	(10,660)	11,875
<b>comprehensive income</b>	<b>40,189</b>	<b>(16,653)</b>	<b>(17,622)</b>	<b>56,851</b>
(comprehensive income attributable to)				
Comprehensive income attributable to owners of the parent	37,869	(18,317)	(20,212)	49,939
Comprehensive income attributable to minority interests	2,319	1,663	2,589	6,911

## Change of Consolidated Statements of Cash Flows (JGAAP)

(Millions of Yen)

	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
<b>Net cash provided by (used in) operating activities</b>										
Income before income taxes and minority interests	(42,101)	(380,079)	69,414	88,085	88,344	37,070	18,894	39,312	61,454	31,719
Depreciation and amortization	33,557	24,784	25,958	23,928	28,844	26,698	23,196	24,096	33,289	30,944
Impairment loss	-	-	2,022	3,393	6,994	12,151	9,402	9,687	6,101	11,893
Loss on valuation of investment securities	8,998	13,415	950	3,957	6,085	15,132	16,543	801	2,640	1,530
Amortization of goodwill	-	-	-	4,016	3,564	5,119	4,443	4,548	4,998	4,774
Increase (decrease) in allowance for doubtful accounts	23,570	64,121	(110,810)	(6,148)	(41,067)	(16,127)	(3,977)	1,619	(15,162)	(3,590)
Increase (decrease) in provision for retirement benefits	-	(7,843)	(3,630)	(3,015)	(2,926)	(2,088)	(3,296)	901	1,130	1,744
Interest and dividends income	(29,116)	(22,084)	(20,030)	(21,048)	(18,719)	(17,947)	(9,672)	(8,390)	(10,972)	(7,512)
Interest expenses	55,675	48,754	40,143	38,421	33,284	29,452	25,987	23,936	24,217	21,026
Foreign exchange losses (gains)	-	(322)	320	3	5,053	5,294	(1,832)	3,907	445	(9,447)
Equity in (earnings) losses of affiliates	(5,929)	(10,741)	(19,149)	(23,752)	(28,911)	(2,455)	(9,179)	(19,297)	(12,566)	(15,588)
Loss (gain) on sales of investment securities	(21,945)	360	(4,025)	(14,787)	(9,265)	(30,217)	(32,375)	(755)	(9,286)	(10,255)
Loss (gain) on sales and retirement of noncurrent assets	4,317	95,495	(2,238)	(9,452)	285	(6,263)	(990)	(4,386)	(2,393)	(2,632)
Loss (gain) on step acquisitions	-	-	-	-	-	-	-	(10,307)	(194)	-
Decrease (increase) in notes and accounts receivable-trade	101,743	7,171	26,492	(62,697)	(26,135)	118,034	57,221	(30,328)	(19,910)	35,621
Decrease (increase) in inventories	52,938	45,102	(8,492)	(99,052)	(108,510)	10,703	80,618	(6,997)	(25,494)	(13,210)
Increase (decrease) in notes and accounts payable-trade	(49,161)	(15,770)	(34,978)	78,685	55,154	(108,118)	(46,575)	52,368	47,570	(21,792)
Other, net	(13,649)	156,538	116,555	39,759	62,223	43,779	(2,433)	8,790	27,277	17,224
<b>Subtotal</b>	<b>118,898</b>	<b>18,905</b>	<b>78,502</b>	<b>40,296</b>	<b>54,297</b>	<b>120,218</b>	<b>125,972</b>	<b>89,506</b>	<b>113,145</b>	<b>72,448</b>
Interest and dividends income received	39,428	22,006	21,761	22,693	34,621	30,871	18,120	13,172	18,933	18,757
Interest expenses paid	(58,914)	(49,858)	(40,673)	(37,868)	(33,408)	(29,016)	(26,379)	(24,013)	(23,883)	(21,588)
Payments for loss on litigation	-	-	-	-	-	-	-	-	-	(3,082)
Income taxes paid	(12,252)	(10,827)	(16,434)	(18,081)	(20,102)	(18,344)	(10,490)	(10,801)	(16,593)	(15,011)
<b>Net cash provided by (used in) operating activities</b>	<b>87,160</b>	<b>(19,774)</b>	<b>43,155</b>	<b>7,040</b>	<b>35,407</b>	<b>103,729</b>	<b>107,222</b>	<b>67,863</b>	<b>91,600</b>	<b>51,524</b>
<b>Net cash provided by (used in) investing activities</b>										
Decrease (increase) in time deposits	(15,090)	9,832	2,541	9,392	(268)	3,862	(301)	5,591	(11,048)	7,790
Decrease (increase) in short-term investment securities	6,687	18,111	(1,151)	84	(190)	1,420	292	(344)	623	37
Purchase of property, plant and equipment	(10,848)	(8,358)	(25,518)	(28,774)	(40,354)	(43,718)	(21,189)	(27,252)	(35,745)	(26,886)
Proceeds from sales of property, plant and equipment	3,794	77,419	16,462	38,255	7,969	16,452	5,443	6,654	13,419	15,306
Purchase of intangible assets	-	-	-	-	-	(21,821)	(7,264)	(21,195)	(8,698)	(11,802)
Purchase of investment securities	(11,590)	(17,936)	(24,380)	(35,763)	(48,013)	(35,104)	(19,098)	(20,647)	(10,025)	(3,085)
Proceeds from sales and redemption of investment securities	79,691	80,361	59,272	46,480	40,234	51,925	66,099	14,228	19,402	18,484
Decrease (increase) in short-term loans receivable	30,625	58,176	27,022	36,315	13,891	13,355	4,857	3,049	3,745	3,453
Payments of long-term loans receivable	(35,559)	(8,180)	(9,717)	(22,914)	(7,136)	(2,360)	(2,263)	(4,481)	(13,548)	(11,697)
Collection of long-term loans receivable	24,410	26,810	37,546	8,576	2,361	3,085	1,785	11,173	1,489	2,412
Net increase(decrease) from purchase of consolidated subsidiaries	(2,756)	(2,013)	(296)	(4,408)	(8,156)	(5,692)	23	2,551	(2,340)	(5,624)
Net increase(decrease) from sale of consolidated subsidiaries	(2,736)	(1,223)	937	3	(109)	65	(49)	(460)	(707)	1,530
Other, net	6,400	8,109	16,436	(4,541)	(28,951)	1,331	103	11,229	1,144	(3,500)
<b>Net cash provided by (used in) investing activities</b>	<b>73,030</b>	<b>241,109</b>	<b>99,155</b>	<b>42,706</b>	<b>(68,723)</b>	<b>(17,198)</b>	<b>28,439</b>	<b>(19,903)</b>	<b>(42,287)</b>	<b>(13,580)</b>
<b>Free Cash Flow</b>	<b>160,190</b>	<b>221,335</b>	<b>142,310</b>	<b>49,746</b>	<b>(33,316)</b>	<b>86,531</b>	<b>135,661</b>	<b>47,960</b>	<b>49,313</b>	<b>37,944</b>
<b>Net cash provided by (used in) financing activities</b>										
Net increase (decrease) in short-term loans payable	(189,312)	85,255	(233,618)	(201,386)	(54,258)	(57,272)	(41,620)	(49,686)	3,433	(9,419)
Net increase (decrease) in commercial papers	119,600	(2,000)	(110,000)	(19,200)	15,000	10,000	(25,000)	(8,000)	-	-
Proceeds from long-term loans payable	176,441	203,706	487,025	274,898	211,648	308,571	244,907	167,047	128,061	236,109
Repayment of long-term loans payable	(409,663)	(487,734)	(262,600)	(266,922)	(154,977)	(234,144)	(240,962)	(155,603)	(133,646)	(247,581)
Proceeds from issuance of bonds	47,225	9,998	154,872	374,626	45,905	55,686	-	19,900	39,800	9,953
Redemption of bonds	(85,794)	(40,088)	(46,030)	(12,668)	(999)	(75,212)	(33,489)	(41,047)	(67,719)	(35,000)
Proceeds from issuance of common stock/preferred stock	272,223	19,389	-	-	-	-	-	-	-	-
Repurchase of preferred stock	-	-	(44,000)	(240,920)	(102,000)	-	-	-	-	-
Proceeds from stock issuance to minority shareholders	510	155	56	474	922	522	13	463	66	68
Purchase of treasury stock	(46)	(32)	(26)	(11)	(18)	(20)	(1)	(1)	(9)	(0)
Cash dividends paid	-	-	-	-	(12,322)	(11,125)	(4,339)	(1,876)	(3,753)	(3,753)
Cash dividends paid to minority shareholders	(359)	(913)	(805)	(1,621)	(1,817)	(2,513)	(1,374)	(1,924)	(1,416)	(1,382)
Other, net	572	-	(678)	(2,744)	(806)	(450)	(730)	(1,325)	(1,193)	(1,732)
<b>Net cash provided by (used in) financing activities</b>	<b>(68,602)</b>	<b>(212,264)</b>	<b>(55,805)</b>	<b>(95,476)</b>	<b>(53,723)</b>	<b>(5,958)</b>	<b>(102,597)</b>	<b>(72,054)</b>	<b>(36,376)</b>	<b>(52,737)</b>
Effect of exchange rate change on cash and cash equivalents	(5,630)	(882)	11,921	3,419	(4,289)	(40,332)	6,825	(14,470)	(923)	11,890
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>85,958</b>	<b>8,188</b>	<b>98,426</b>	<b>(42,310)</b>	<b>(91,328)</b>	<b>40,241</b>	<b>39,890</b>	<b>(38,564)</b>	<b>12,012</b>	<b>(2,902)</b>
Cash and cash equivalents at beginning of period	310,441	401,240	409,266	506,254	464,273	373,883	414,419	454,262	415,261	427,274
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	4,840	(162)	(1,438)	329	939	294	(48)	(436)	-	-
<b>Cash and cash equivalents</b>	<b>401,240</b>	<b>409,266</b>	<b>506,254</b>	<b>464,273</b>	<b>373,883</b>	<b>414,419</b>	<b>454,262</b>	<b>415,261</b>	<b>427,274</b>	<b>424,371</b>