

Consolidated Financial Results  
for the Year ended March 31, 2018  
(From April 1, 2017 to March 31, 2018)

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**Consolidated Statements of Cash Flows**  
**for the Year Ended March 31, 2018**

(Millions of Yen)

	For the Year Ended March 31, 2017 (From April 1, 2016 to March 31, 2017)	For the Year Ended March 31, 2018 (From April 1, 2017 to March 31, 2018)
<b><u>Cash flows from operating activities</u></b>		
Profit for the year	44,075	61,694
Depreciation and amortization	23,442	23,067
Impairment loss of fixed assets	4,618	4,402
Financial (income) costs	6,337	4,552
Share of (profit) loss of investments accounted for using the equity method	(12,673)	(25,057)
(Gain) loss on sale of fixed assets, net	(4,797)	324
Income tax expenses	13,879	18,648
(Increase) decrease in trade and other receivables	(60,463)	7,980
(Increase) decrease in inventories	(31,853)	(118,303)
Increase (decrease) in trade and other payables	40,158	166,218
Increase (decrease) in retirement benefits liabilities	(1,409)	430
Others	(7,611)	(36,381)
Subtotal	13,702	107,578
Interests earned	3,496	4,248
Dividends received	12,818	17,735
Interests paid	(14,872)	(14,814)
Income taxes paid	(14,287)	(15,935)
<b><u>Net cash provided (used) by/in operating activities</u></b>	<b>857</b>	<b>98,812</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of property, plant and equipment	(31,830)	(29,590)
Proceeds from sale of property, plant and equipment	8,340	590
Purchase of intangible assets	(2,219)	(2,310)
(Increase) decrease in short-term loans receivable	(4,408)	2,115
Payment for long-term loans receivable	(3,867)	(32,312)
Collection of long-term loans receivable	1,232	10,826
Proceeds from (payments for) acquisition of subsidiaries	(5,408)	(20,227)
Proceeds from (payments for) sale of subsidiaries	(51)	5,411
Purchase of investments	(16,263)	(26,260)
Proceeds from sale of investments	16,473	13,074
Others	5,822	(7,725)
<b><u>Net cash provided (used) by/in investing activities</u></b>	<b>(32,179)</b>	<b>(86,407)</b>
<b><u>Cash flows from financing activities</u></b>		
Increase (decrease) in short-term borrowings and commercial papers	14,697	(21,723)
Proceeds from long-term borrowings	160,331	128,716
Repayment of long-term borrowings	(164,596)	(122,702)
Proceeds from issuance of bonds	19,891	19,881
Redemption of bonds	(20,035)	(10,061)
Proceeds from non-controlling interest holders	771	7,389
Purchase of treasury stock	(10)	(4)
Dividends paid	(10,008)	(11,258)
Dividends paid to non-controlling interest holders	(2,563)	(2,622)
Others	(2,507)	(666)
<b><u>Net cash provided (used) by/in financing activities</u></b>	<b>(4,029)</b>	<b>(13,052)</b>
Net increase (decrease) in cash and cash equivalents	(35,350)	(648)
Cash and cash equivalents at the beginning of the year	344,414	308,632
Effect of exchange rate changes on cash and cash equivalents	(430)	(2,742)
Cash and cash equivalents at the end of the year	308,632	305,241

**Consolidated Statements of Cash Flows**  
**for the Year Ended March 31, 2018 (Supplementary)**

	FY 2017	Details
<b>① Net cash provided from operating activities</b> (Billions of Yen)		
1. Profit for the year before tax and depreciation and amortization	103.4	
2. Excluding profits/losses that do not affect cash flow	9.0	Impairment loss of fixed assets, Financial (income) costs
3. Adjustment of profits/losses related to investment activities	(24.7)	Share of profit of investments accounted for using the equity method Gain (loss) on sale and disposal of fixed assets
4. Other	11.1	Decrease in trade and other receivables, etc.
<b>Total</b>	<b>98.8</b>	
<b>② Net cash provided (used) by/in investing activities</b>		
1. Non-current assets		
Purchase of property, plant and equipment	(29.6)	Solar power generation business in overseas, etc.
Purchase of intangible assets	(2.3)	
Proceeds from sale of property, plant and equipment	0.6	
<b>Sub-total</b>	<b>(31.3)</b>	
2. Investments		
Payment for acquisition of subsidiaries and investments	(46.5)	Automobile-related business, etc.
Proceeds from sale of subsidiaries and investments	18.5	Solar power generation business in Japan, etc.
<b>Sub-total</b>	<b>(28.0)</b>	
3. Loans receivable		
(Increase) decrease in short-term loans receivable	2.1	
Payment for long-term loans receivable	(32.3)	Infrastructure-related transaction (Hospital operation business in Turkey)
Collection of long-term loans receivable	10.8	
<b>Sub-total</b>	<b>(19.4)</b>	
4. Other		
<b>Total</b>	<b>(86.4)</b>	
<b>Free cash flow (①+②)</b>	<b>12.4</b>	
<b>③ Net cash provided (used) by/in financing activities</b>		
1. Increase (decrease) in short-term borrowings and commercial papers		
	(21.7)	
2. Long-term loans payable		
Proceeds from long-term borrowings	128.7	
Repayment of long-term borrowings	(122.7)	
<b>Sub-total</b>	<b>6.0</b>	
3. Bonds		
Proceeds from issuance of bonds	19.9	
Redemption of bonds	(10.1)	
<b>Sub-total</b>	<b>9.8</b>	
4. Dividends paid		
	(11.3)	
5. Other		
	4.1	
<b>Total</b>	<b>(13.1)</b>	

## Segment Information

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	31	10
Total revenue	144,269	91,736	114,374	47,504	260,719	399,830	138,128
Gross profit	24,837	31,118	18,037	1,880	19,527	37,429	21,971
Operating profit	5,232	15,606	3,528	(485)	6,608	12,367	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	4,162	(559)	10,030	8,336	(6,899)
Segment assets	142,565	162,231	197,058	137,298	398,678	292,632	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
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	285,791	28,779	1,507,837	47,511	—	1,555,349
Inter-segment revenue	125	342	3,765	388	(4,154)	—
Total revenue	285,917	29,122	1,511,603	47,900	(4,154)	1,555,349
Gross profit	35,539	7,050	197,393	4,605	(1,312)	200,685
Operating profit	9,990	1,292	57,180	(5,473)	(89)	51,618
Share of profit (loss) of investments accounted for using the equity method	389	1,385	12,591	82	0	12,673
Profit attributable to owners of the Company	7,293	1,332	37,188	(1,605)	5,177	40,760
Segment assets	331,778	69,391	1,862,124	137,432	138,908	2,138,466
Others:						
Investment accounted for using the equity method	14,788	18,243	382,423	4,425	(108)	386,740
Capital expenditure	932	4,721	37,802	980	—	38,783

Net sales (Note)						
External	1,156,507	28,654	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 138,908 million yen includes elimination of inter-segment transactions or the like amounting to (92,931) 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.

For the year ended March 31, 2018 (April 1, 2017 – March 31, 2018)

(Millions of Yen)

	Reportable segments						
	Automotive	Aerospace & IT Business	Infrastructure & Environment Business	Energy	Metals & Coal	Chemicals	Foods & Agriculture Business
Revenue							
External revenue	188,118	75,414	134,737	56,604	324,081	515,601	143,283
Inter-segment revenue	2	3,156	17	30	-	13	11
Total revenue	188,121	78,570	134,754	56,634	324,081	515,615	143,295
Gross profit	35,305	24,903	25,870	3,998	29,526	44,979	19,445
Operating profit	9,513	7,770	10,324	(9,134)	14,260	13,088	6,754
Share of profit (loss) of investments accounted for using the equity method	1,840	588	801	2,581	15,659	1,331	605
Profit attributable to owners of the Company	6,515	4,514	7,010	(8,472)	21,882	8,702	4,029
Segment assets	182,222	197,302	250,166	113,964	411,920	304,875	130,477
Others:							
Investment accounted for using the equity method	11,790	14,008	34,637	52,768	233,820	11,324	12,001
Capital expenditure	1,864	1,433	13,090	1,581	6,946	1,233	3,288
Net sales (Note)							
External	339,487	491,482	221,087	118,358	561,371	736,601	321,563

	Reportable segments			Others	Reconciliations	Consolidated
	Retail & Lifestyle Business	Industrial Infrastructure & Urban Development	Total			
Revenue						
External revenue	292,462	45,884	1,776,188	40,270	-	1,816,459
Inter-segment revenue	61	399	3,692	349	(4,042)	-
Total revenue	292,524	46,283	1,779,881	40,620	(4,042)	1,816,459
Gross profit	35,158	8,175	227,363	6,312	(1,294)	232,380
Operating profit	9,669	2,984	65,230	(5,374)	(17)	59,838
Share of profit (loss) of investments accounted for using the equity method	285	1,263	24,956	100	0	25,057
Profit attributable to owners of the Company	5,698	2,139	52,020	405	4,416	56,842
Segment assets	422,303	72,508	2,085,741	144,903	119,706	2,350,351
Others:						
Investment accounted for using the equity method	15,899	16,790	403,041	4,356	(113)	407,284
Capital expenditure	1,393	4,601	35,433	2,098	-	37,532
Net sales (Note)						
External	1,327,580	45,674	4,163,208	45,869	-	4,209,077

Reconciliation of segment profit of 4,416 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 4,780 million yen, and unallocated dividend income and others of (363) million yen. The reconciliation amount of segment assets of 119,706 million yen includes elimination of inter-segment transactions or the like amounting to (99,360) million yen, and all of the Companies' assets that were not allocated to each segment, amounting to 219,067 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 an transaction agent.

Details of Industry Segments

【Gross profit】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2016</u>	<u>FY2017</u>	<u>Change</u>	
Automotive	24.8	35.3	10.5	Increased due to new acquisition of parts quality inspection business in North America as well as higher transaction volumes in overseas automobile wholesale business
Aerospace & IT Business	31.1	24.9	(6.2)	Decreased due to conversion of IT business subsidiary into affiliate in the previous fiscal year
Infrastructure & Environment Business	18.0	25.9	7.9	Increased due to large-scale infrastructure-related projects/ the start of operations at domestic solar power businesses
Energy	1.9	4.0	2.1	Increased due to higher oil and gas prices
Metals & Coal	19.5	29.5	10.0	Increased due to higher coal price and increased sales volumes for coal transactions
Chemicals	37.4	45.0	7.6	Increased due to new acquisition of European chemical distributor and marketing company and higher commodity prices of methanol
Foods & Agriculture Business	22.0	19.4	(2.6)	Decreased due to lower sales volumes in overseas fertilizer businesses
Retail & Lifestyle Business	35.5	35.2	(0.3)	Decreased despite solid business performance due to absence of gain on sales of shopping centers in Japan recorded in the previous fiscal year
Industrial Infrastructure & Urban Development	7.1	8.2	1.1	Increased due to solid performance in domestic real estate businesses
Other	3.4	5.0	1.6	
<b>Consolidated</b>	<b>200.7</b>	<b>232.4</b>	<b>31.7</b>	

【Profit for the year】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2016</u>	<u>FY2017</u>	<u>Change</u>	
Automotive	3.6	6.5	2.9	Increased earnings due to the acquisition of newdealership businesses as well as rising unit sales in the overseas automobile wholesale business
Aerospace & IT Business	9.9	4.5	(5.4)	Decreased due to rebound from gain on partial sale of IT business subsidiary in the previous fiscal year
Infrastructure & Environment Business	4.2	7.0	2.8	Increased earnings due to large-scale infrastructure-related projects and the start of operations at domestic solar power businesses
Energy	(0.6)	(8.5)	(7.9)	Decreased due to one-time losses related to oil and gas interests
Metals & Coal	10.0	21.9	11.9	Increased due to higher prices of coal and other resources, in addition to recovery of steel market conditions
Chemicals	8.3	8.7	0.4	Increased due to higher methanol prices
Foods & Agriculture Business	(6.9)	4.0	10.9	Increased due to absence of losses in grain collection businesses recorded in the previous fiscal year
Retail & Lifestyle Business	7.3	5.7	(1.6)	Decreased despite solid business performance due to absence of gain on sales of shopping centers in Japan recorded in the previous fiscal year
Industrial Infrastructure & Urban Development	1.3	2.1	0.8	Increased due to solid performance in domestic real estate businesses
Other	3.7	4.8	1.2	
<b>Consolidated</b>	<b>40.8</b>	<b>56.8</b>	<b>15.9</b>	

【Assets】	(Billions of Yen)			<u>Reasons for change</u>
	<u>FY2016</u>	<u>FY2017</u>	<u>Change</u>	
Automotive	142.6	182.2	39.6	Increased due to new acquisition of parts quality inspection business in North America
Aerospace & IT Business	162.2	197.3	35.1	Increased due to higher volumes of aircraft-related transactions
Infrastructure & Environment Business	197.1	250.2	53.1	Increased due to new investment to infrastructure-related business
Energy	137.3	114.0	(23.3)	Decreased by disposal of loss related to oil and gas interests
Metals & Coal	398.7	411.9	13.2	Increased due to accumulation of share of profit (loss) of investments accounted for using the equity method
Chemicals	292.6	304.9	12.3	Increased due to higher prices and transaction volumes of chemicals and plastic resin
Foods & Agriculture Business	130.5	130.5	(0)	Performance generally as FY2016 results
Retail & Lifestyle Business	331.8	422.3	90.5	Increased due to higher transaction volumes for heat-not-burn cigarettes
Industrial Infrastructure & Urban Development	69.4	72.5	3.1	Performance generally as FY2016 results
Other	276.3	264.6	(11.7)	Decreased due to repayment of borrowings
<b>Consolidated</b>	<b>2,138.5</b>	<b>2,350.4</b>	<b>211.9</b>	

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

(Billions of Yen)

Segment	Company	Main Business	Group Ownership		FY2015	FY2016	FY2017
Automotive	Sojitz Automotive Group, Inc.	Automobile dealership	100.0%	Gross Profit	8.3	8.4	9.9
				Profit for the Year	0.8	0.8	1.1
	Sojitz de Puerto Rico Corporation	Import and sales of automobiles	100.0%	Gross Profit	3.3	3.7	3.8
				Profit for the Year	0.8	1.0	1.1
Aerospace & IT Business	Sojitz Aerospace Corporation	Import/export and sales of aerospace-related equipment, components and materials	100.0%	Gross Profit	3.9	4.1	3.9
				Profit for the Year	1.2	1.1	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	3.1	3.2	3.3
				Profit for the Year	0.6	0.7	0.7
	Nissho Electronics Corporation	Providing leading-edge IT solutions and network services	100.0%	Gross Profit	9.9	10.6	10.1
				Profit for the Year	1.2	1.5	1.8
	SAKURA Internet Inc. *1	Internet-related services	28.1%	Gross Profit	3.0	3.9	-
				Profit for the Year	0.4	0.2	-
Infrastructure & Environment Business	Sojitz Machinery Corporation	Import/export and sales of general machinery	100.0%	Gross Profit	4.9	5.0	5.6
				Profit for the Year	0.9	1.0	1.3
Energy	Sojitz Energy Venture Inc.	Investment in oil and gas mines	100.0%	Gross Profit	(0.6)	(0.6)	0.4
				Profit for the Year	(2.2)	2.0	(2.2)
Metals & Coal	Sojitz Coal Resources Pty Ltd.	Investment in coal mines	100.0%	Gross Profit	(1.9)	6.4	10.9
				Profit for the Year	(6.6)	3.5	6.8
	Sojitz Moolarben Resources, Pty. Ltd.	Investment in a coal mine	100.0%	Gross Profit	0.1	2.2	5.2
				Profit for the Year	0.0	1.3	3.3
	Sojitz Resources (Australia) Pty. Ltd.	Investment in an alumina refinery	100.0%	Gross Profit	0.1	0.1	0.8
				Profit for the Year	(0.1)	(0.2)	0.1
Chemicals	Sojitz Pla-Net Corporation	Trading and sale of plastics and related products	100.0%	Gross Profit	10.8	10.2	11.6
				Profit for the Year	1.6	1.5	2.0
	PT. Kaltim Methanol Industri	Manufacture and sale of methanol	85.0%	Gross Profit	4.1	2.9	3.9
				Profit for the Year	2.8	1.9	2.6
	Pla Matels Corporation	Trading and sale of plastics and related products	46.6%	Gross Profit	3.5	3.3	3.9
				Profit for the Year	0.5	0.5	0.7
	solvadis holding S.a.r.l.	Trading and sale of chemical products	100.0%	Gross Profit	-	-	4.7
				Profit for the Year	-	-	0.6
Retail & Lifestyle Business	Sojitz Building Materials Corporation	Trading company specializing in sales of construction materials	100.0%	Gross Profit	5.0	5.8	5.7
				Profit for the Year	0.4	1.0	0.8
	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	6.4	6.6	6.9
				Profit for the Year	1.6	1.8	2.2
Industrial Infrastructure & Urban Development	Sojitz New Urban Development Corporation	Development and sale of condominiums, real estate brokerage, development and possession of rental apartment and sale of housing equipment	100.0%	Gross Profit	3.2	3.4	4.1
				Profit for the Year	1.0	0.9	1.1
Overseas	Sojitz Corporation of America	Overseas subsidiary	100.0%	Gross Profit	13.0	11.1	12.1
				Profit for the Year	1.5	1.9	2.3
	Sojitz Europe plc	Overseas subsidiary	100.0%	Gross Profit	3.3	3.0	3.2
				Profit for the Year	0.3	0.3	0.4
	Sojitz Asia Pte. Ltd.	Overseas subsidiary	100.0%	Gross Profit	9.6	10.2	13.4
				Profit for the Year	1.0	2.0	2.7

\*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		FY2015	FY2016	FY2017
Aerospace & IT Business	SAKURA Internet Inc. *1	Internet-related services	28.1%	Equity in Earnings	-	-	0.2
Energy	LNG Japan Corporation	LNG business and related investments	50.0%	Equity in Earnings	3.6	1.6	2.3
Metals & Coal	Cariboo Copper Corp.	Investment in copper mine	50.0%	Equity in Earnings	(0.4)	(0.4)	0.5
	Japan Alumina Associates (Australia) Pty. Ltd.	Production of alumina	50.0%	Equity in Earnings	0.1	(0.3)	0.6
	Metal One Corporation	Integrated steel trading company	40.0%	Equity in Earnings	5.9	7.2	9.4
Retail & Lifestyle Business	JALUX Inc.	Logistics and service provision in the in-flight, airport retail, lifestyle-related, and customer service business fields	22.0%	Equity in Earnings	0.4	0.6	0.6
Industrial Infrastructure & Urban Development	PT. Puradelta Lestari Tbk	Urban development including industrial parks	25.0%	Equity in Earnings	3.0	1.5	1.5

\*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.

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 2017  
(April 1, 2017 - March 31, 2018)

(Number of Companies)	As of March 31, 2017	As of March 31, 2018	Changes
Subsidiaries	298	311	13
Equity-method Associates	118	125	7
<b>Total</b>	<b>416</b>	<b>436</b>	<b>20</b>

Changes in major subsidiaries during FY2017 (April 1, 2017 - March 31, 2018)

○ **Major new subsidiaries**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Automotive	Stratosphere Quality LLC	Automobile parts quality inspection business (U.S.A.)
Infrastructure & Environment Business	Alten RE Developments America B.V.	Investment company for solar power business (Mexico)
Energy	Sojitz Regasificadora S.L.U.	Investment company for LNG terminal business (Spain)

Equity-method associates

(Segment)	(Company name)	(Main business)
Aerospace & IT Business	Japan Airport Management Partners Co. Ltd.	Investment company for operations at Palau International Airport (Hong Kong)
Chemicals	Rang Dong Long An Plastic Joint Stock Company	Manufacturing business of packaging materials (Vietnam)
Retail & Lifestyle Business	FB Food Service (2017) Ltd.	Food service distribution business (Thailand)

○ **Major companies excluded from consolidation**

Consolidated subsidiaries

(Segment)	(Company name)	(Main business)
Aerospace & IT Business	Sojitz Systems Co. Ltd.	Entrusted development, maintenance and operation of communication network systems
Energy	Sojitz Energy Project Ltd.	Development of oil and gas interests (England)
Foods & Agriculture business	Kajitz Foods Corporation	Sale of frozen food

Equity-method associates

(Segment)	(Company name)	(Main business)
Aerospace & IT Business	SegueGroup Co., Ltd.	Holding company of Subsidiaries offering programming, sales, maintenance and operation of IT infrastructure and network securities
Retail & Lifestyle Business	Beijing Sanyuan Sojitz Foods & Logistics Co., Ltd.	Distribution, wholesale, and export business for refrigerated, frozen, and room temperature food (China)



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	96.3	10.8	1.8

Decrease

(Billions of Yen)

	Net Sales	Gross Profit	Profit for the year
Consolidated subsidiaries	(1.5)	(0.3)	0.3

(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)

Divisions	As of March 31, 2017			As of March 31, 2018			Change		
	Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Automotive	14	5	19	17	4	21	3	(1)	2
Aerospace & IT Business	32	4	36	32	7	39	0	3	3
Infrastructure & Environment Business	37	10	47	33	18	51	(4)	8	4
Energy	10	4	14	7	7	14	(3)	3	0
Metals & Coal	11	10	21	17	5	22	6	(5)	1
Chemicals	11	4	15	11	3	14	0	(1)	(1)
Foods & Agriculture Business	14	5	19	15	5	20	1	0	1
Retail & Lifestyle Business	27	12	39	29	8	37	2	(4)	(2)
Industrial Infrastructure & Urban Development	10	1	11	9	1	10	(1)	0	(1)
Corporate	27	3	30	21	4	25	(6)	1	(5)
<b>Total</b>	<b>193</b>	<b>58</b>	<b>251</b>	<b>191</b>	<b>62</b>	<b>253</b>	<b>(2)</b>	<b>4</b>	<b>2</b>
Ratio of profitable companies	77%			75%			(2)%		

### (2) Earnings of Consolidated Subsidiaries and Associates

(Billions of Yen)

Divisions	As of March 31, 2017			As of March 31, 2018			Change		
	Profit	Loss	Total	Profit	Loss	Total	Profit	Loss	Total
Automotive	49	(1)	48	75	(1)	74	26	0	26
Aerospace & IT Business	52	(23)	29	53	(3)	50	1	(20)	21
Infrastructure & Environment Business	58	(1)	57	96	(24)	72	38	(23)	15
Energy	50	(37)	13	34	(120)	(86)	(16)	(83)	(99)
Metals & Coal	148	(18)	130	265	(19)	246	117	(1)	116
Chemicals	72	(1)	71	85	(9)	76	13	(8)	5
Foods & Agriculture Business	115	(121)	(6)	84	(7)	77	(31)	114	83
Retail & Lifestyle Business	84	(9)	75	66	(9)	57	(18)	0	(18)
Industrial Infrastructure & Urban Development	35	0	35	42	0	42	7	0	7
Corporate	9	(12)	(3)	9	(9)	0	0	3	3
<b>Total</b>	<b>672</b>	<b>(223)</b>	<b>449</b>	<b>809</b>	<b>(201)</b>	<b>608</b>	<b>137</b>	<b>22</b>	<b>159</b>

\*1 Companies included in the scope of consolidation are those for which the Company directly performs consolidation accounting

\*2 Earnings of consolidated subsidiaries and associates related to two segments are acknowledged in each segment and they do not correspond to Number of Consolidated Subsidiaries and Equity-method Associates disclosed as above.

\*3 Earnings of consolidated subsidiaries and associates disclosed in the previous fiscal year do not correspond to them disclosed

## Country Risk Exposure (Consolidated)

### Exposure (As of March 31, 2018)

(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	3.4	0.0	0.0	29.2	23.8	10.3	66.7	70.3
Indonesia	18.2	0.1	0.0	14.6	5.7	1.4	40.0	61.1
Philippines	21.2	0.0	0.0	17.2	2.1	2.1	42.6	27.0
China (include Hong Kong)	12.2	0.0	0.5	56.0	10.1	5.6	84.4	81.6
(China)	11.1	0.0	0.5	39.3	5.7	2.2	58.8	67.3
(Hong Kong)	1.1	0.0	0.0	16.7	4.4	3.4	25.6	14.3
Brazil	8.3	0.3	0.2	4.6	1.8	13.0	28.2	60.7
Argentina	0.4	0.0	0.0	5.5	0.0	1.7	7.6	1.8
Russia	1.9	0.0	0.0	14.5	6.4	7.8	30.6	22.9
India	13.1	3.7	0.2	37.9	0.3	3.5	58.7	40.4
Vietnam	3.5	0.0	0.2	10.5	4.6	5.9	24.7	23.0
Total	82.2	4.1	1.1	190.0	54.8	51.3	383.5	388.8

(Reference)

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

(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

## Real Estate (Consolidated)

Book value and unrealized profits of real estate for sale

(Billions of Yen)

	As of March 31, 2017		As of March 31, 2018		Change	
	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>	Book Value	<u>unrealized profits</u>
Company	—	—	4.3	<u>0.7</u>	4.3	0.7
Consolidated subsidiaries	17.2	<u>2.2</u>	17.8	<u>2.2</u>	0.6	<u>0.0</u>
Consolidated Total	17.2	<u>2.2</u>	22.1	<u>3.0</u>	4.9	<u>0.8</u>

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

(Billions of Yen)

	As of March 31, 2017	As of March 31, 2018	Change
Company	5.1	5.2	0.1
Consolidated subsidiaries	61.9	67.3	5.4
Consolidated Total	67.0	72.5	5.5

Book value of real estate for investment

(Billions of Yen)

	As of March 31, 2017	As of March 31, 2018	Change
Company	1.4	1.4	(0)
Consolidated subsidiaries	19.7	23.1	3.4
Consolidated Total	21.1	24.5	3.4

## Number of Employees by Business Segment (Consolidated)

(Number of Employees)

	As of March 31, 2017			As of March 31, 2018			Change		
	Company	Subsidiaries	Total	Company	Subsidiaries	Total	Company	Subsidiaries	Total
Automotive	91	1,761	1,852	92	4,777	4,869	1	3,016	3,017
Aerospace & IT Business	81	1,263	1,344	79	1,395	1,474	(2)	132	130
Infrastructure & Environment Business	204	830	1,034	204	840	1,044	0	10	10
Energy	74	126	200	68	120	188	(6)	(6)	(12)
Metals & Coal	162	350	512	159	376	535	(3)	26	23
Chemicals	259	1,374	1,633	255	1,443	1,698	(4)	69	65
Retail & Lifestyle Business	109	1,800	1,909	110	1,966	2,076	1	166	167
Lifestyle Commodities & Materials	174	2,952	3,126	169	2,845	3,014	(5)	(107)	(112)
Industrial Infrastructure & Urban Development	57	680	737	58	1,014	1,072	1	334	335
Other	664	1,230	1,894	686	1,261	1,947	22	31	53
<b>Total</b>	<b>1,875</b>	<b>12,366</b>	<b>14,241</b>	<b>1,880</b>	<b>16,037</b>	<b>17,917</b>	<b>5</b>	<b>3,671</b>	<b>3,676</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, 2017: 2,318; as of March 31, 2018: 2,343

◆ News Releases for the Year Ended March 31, 2018

Segment	Date	Title
<b>Automotive</b>		
	2017/7/6	Sojitz and Green Tec Acquire Stratosphere Quality to Enter North America's Quality Assurance Business
	2017/11/1	Sojitz Enters the Car Dealership Business in Japan - Acquires 100% shares of a BMW Subsidiary, BMW and MINI Brand Dealership in Osaka -
	2018/2/13	Sojitz Joins Subaru Dealership Business in Russia
<b>Aerospace &amp; IT Business</b>		
	2017/7/21	Sojitz to Expand Business Jet Segment with "Phenix Jet" Brand
	2017/8/21	Sojitz and Japan Airport Terminal Join Project to Manage Operations at Palau International Airport
	2017/9/1	Announcement regarding Merger of Nissho Electronics with Sojitz Systems
	2018/3/28	ANA and Sojitz Establish New Private Jet Charter Company
<b>Infrastructure &amp; Environment Business</b>		
	2017/4/6	Sojitz Acquires Stake in Gas-fired Power Plant in Northeastern U.S.
	2017/5/11	Sojitz Commences Commercial Operations at Recently-Completed Solar Power Plant in Rokkasho-mura, Kamikita-gun, Aomori
	2017/6/23	Sojitz Enters Solar Power Business in the Republic of Chile
	2017/7/21	Sojitz Joins Hospital Project in the Republic of Turkey
	2017/7/31	Sojitz Joins Wind Power Project in Ireland
	2017/8/9	Sojitz Joins Largest Solar Power Project in Mexico - Breaking New Ground for Japanese Companies in the Country -
<b>Energy</b>		
	2017/10/30	Sojitz Announces Equity Participation in Spanish LNG Terminal
<b>Metals &amp; Coal</b>		
	2017/11/13	Sojitz and Koiwai Enter 3D Printer Manufacturing Business for Metal Products
<b>Chemicals</b>		
	2017/4/18	Sojitz Corporation Subsidiary (Pla Matels Corporation) Revises Full-Year Earnings Forecasts
	2018/1/16	Sojitz Pla-Net Joins Packaging Material Manufacturing Business in Vietnam
<b>Foods &amp; Agriculture</b>		
	2017/8/8	IoT and AI Verification Tests for Sojitz Tuna Farm Takashima's Fishery Business - Memorandum Concluded with NTT DOCOMO and Information Services International-Dentsu -
	2018/3/22	Sojitz Joins Three Wheat-Related Businesses in the Philippines - Building a Wheat Value Chain through Flour Production, Flour Sales, and Packaged Breads -
<b>Retail &amp; Lifestyle Business</b>		
	2017/6/13	Sojitz Enters Food Service Distribution Business in Thailand - Expanding the Food Value Chain in the ASEAN Region -
	2017/7/21	Sojitz Building Materials Begins Sale of the Teretek Resin Injection Solution, a Subsidence Solution and Ground Improvement Technology
	2017/12/19	Sojitz Establishes "Meat One," a Marketing Company for Livestock Products
	2017/12/21	Sojitz Building Materials Establishes Company for the Sale of Interior Materials and Installation Management in Indonesia
	2018/1/5	Sojitz Celebrates Grand Opening of "J's Gate Dining", a Shopping Center Floor Dedicated to Japanese Restaurants in Kuala Lumpur, Malaysia
<b>Industrial Infrastructure &amp; Urban Development</b>		
	2017/5/30	PanaHome Corporation and Sojitz Group Announce Joint Venture to Build Sustainable Smart Town, Kota Deltamas
	2017/11/10	Sojitz Begins Sales of Industrial Parks in the Philippines
<b>Other</b>		
	2017/4/28	Sojitz Selected for Reconstruction Agency's "New Tohoku" Interaction Model Project" - Sojitz Group Companies to Collaborate on Continuous Reconstruction Support -
	2017/5/1	Announcement of Losses Recorded on the Non-Consolidated Financial Statements for the Year Ended March 31, 2017
	2017/5/2	Sojitz Opens New Office in San Jose, CA
	2017/7/12	Aid for Heavy Rain Damage in Northern Kyushu
	2017/8/28	Sojitz, i-Cynap, and Kyocera Communication Systems Form Partnership to Enter Logistics IoT Service using "Sigfox" Network
	2017/9/28	Sojitz Corporation Announces Executive Appointments
	2017/11/1	Aid for Puerto Rico in the Aftermath of Hurricane Maria
	2017/11/1	Aid for the Earthquake in Mexico
	2017/12/22	Sojitz Corporation Announces Executive Appointments
	2018/1/26	Announcement: Changes to Representative Directors
	2018/1/26	Sojitz Corporation Announces Organizational Reforms and Executive Appointments
	2018/2/2	Announcement Regarding Revision of Full-Year Earnings and Dividend forecast for the Fiscal Year 2017
	2018/2/23	Sojitz Corporation Announces Executive Appointments
	2018/3/23	Sojitz Selected for "Nadeshiko Brand 2018"

## Forecast for the Year Ending March 31, 2019

(Billions of Yen)

	FY 2017 Results	FY 2018 Forecast	Change
Revenue	1,816.5	—	—
Gross profit	232.4	240.0	+7.6
Selling, general and administrative expenses	(162.7)	(174.0)	(11.3)
Other income (expenses)	(9.9)	0.0	+9.9
Finance income/costs	(4.6)	(6.0)	(1.4)
Share of profit (loss) of investments accounted for using the equity method	25.1	26.0	+0.9
Profit before tax	80.3	86.0	+5.7
Profit for the year (Attributable to owners of the Company)	56.8	63.0	+6.2

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

(Billions of Yen)

	FY 2017 Results	FY 2018 Forecast	Change
Automotive	6.5	5.5	(1.0)
Aerospace & Transportation Project	3.1	4.0	+0.9
Machinery & Medical Infrastructure	6.0	3.0	(3.0)
Energy & Social Infrastructure	(6.1)	4.5	+10.6
Metals & Mineral Resources	21.9	20.5	(1.4)
Chemicals	8.7	10.5	1.8
Foods & Agriculture Business	4.0	4.5	+0.5
Retail & Lifestyle Business	5.7	5.5	(0.2)
Industrial Infrastructure & Urban Development	2.1	1.5	(0.6)
Other	4.9	3.5	(1.4)
Total	56.8	63.0	+6.2

(Note) FY2017 figures of Aerospace & transportation project, Machinery & medical infrastructure, and Energy & social infrastructure divisions 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	FY2017
<b>Current assets</b>								
Cash and cash equivalents	411,632	425,595	424,371	420,658	403,748	344,414	308,632	305,241
Time deposits	7,043	16,114	9,313	4,362	5,464	6,657	5,728	2,788
Trade and other receivables	515,633	544,525	508,690	524,826	559,291	496,156	563,458	549,789
Other investments	1,346	697	-	-	-	-	-	-
Derivatives	3,796	3,676	4,100	5,185	6,977	6,593	3,919	2,703
Inventories	265,794	284,038	297,389	301,979	270,274	237,111	271,327	396,020
Income tax receivables	2,646	2,725	4,778	4,907	3,712	6,068	3,647	5,094
Other current assets	69,277	57,124	41,231	46,759	63,122	49,017	72,417	106,234
Assets as held for sale	8,894	4,098	1,303	13,143	10,905	326	616	8,425
<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>1,376,297</b>
<b>Non-current assets</b>								
Property, plant and equipment	206,863	219,581	231,840	213,934	217,912	186,957	172,201	172,135
Goodwill	45,400	46,390	45,725	46,264	50,164	53,055	57,594	65,842
Intangible assets	71,111	71,922	63,207	60,958	53,882	38,829	34,148	44,057
Investment property	50,435	46,359	40,055	25,334	19,459	18,369	21,100	24,486
Investments accounted for using the equity method	261,834	257,379	279,815	336,761	394,055	377,597	386,740	407,284
Trade and other receivables	55,940	65,498	62,963	60,310	45,017	44,558	45,485	63,824
Other investments	128,301	113,222	114,596	133,625	174,791	173,618	172,944	182,949
Derivatives	805	115	229	209	1,865	163	36	49
Other non-current assets	11,323	16,293	10,976	9,683	7,483	9,668	9,815	8,794
Deferred tax assets	52,063	15,332	9,461	11,329	9,227	7,507	8,650	4,630
<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>974,053</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>2,350,351</b>
<b>Current liabilities</b>								
Trade and other payables	521,682	557,198	515,989	514,585	490,865	439,245	483,049	654,138
Bonds and borrowings	256,228	298,455	258,375	227,216	208,360	168,264	158,698	113,497
Derivatives	4,640	8,989	15,952	6,400	8,803	3,728	3,669	3,394
Income tax payables	8,151	9,065	7,038	8,038	7,570	6,630	9,190	13,632
Provisions	1,680	4,074	1,419	1,207	4,271	2,525	2,124	2,069
Other current liabilities	70,288	60,314	50,150	54,402	53,807	53,294	60,912	55,004
Liabilities directly related to assets as held for sale	2,627	1,221	-	-	6,860	88	101	4,182
<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>845,918</b>
<b>Non-current liabilities</b>								
Bonds and borrowings	859,594	819,591	818,632	838,060	830,409	754,434	766,669	797,982
Trade and other payables	14,841	13,050	9,816	10,463	9,545	9,696	3,709	4,759
Derivatives	5,209	3,042	1,884	1,721	2,942	5,001	4,004	2,634
Retirement benefits liabilities	14,311	15,674	16,158	16,917	17,943	18,727	21,381	22,016
Provisions	12,162	14,378	18,892	20,798	25,098	18,949	20,792	21,000
Other non-current liabilities	6,533	10,619	7,313	7,321	7,591	7,475	6,490	9,968
Deferred tax liabilities	18,969	19,834	17,127	20,143	32,631	18,891	19,698	20,946
<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>879,308</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>1,725,227</b>
<b>Equity</b>								
Share capital	160,339	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	146,512
Treasury stock	(138)	(147)	(148)	(157)	(159)	(161)	(170)	(174)
Other components of equity	40,885	23,580	62,826	119,617	194,557	132,415	132,682	124,348
Retained earnings	(1,320)	(327)	13,053	33,538	49,731	81,245	111,149	155,437
Total equity attributable to owners of the Company	346,285	329,962	382,589	459,853	550,983	520,353	550,513	586,464
Non-controlling interests	26,937	25,218	28,709	33,105	39,672	29,363	27,547	38,659
<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>625,124</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>	<b>2,350,351</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	FY2017
<b>Revenue</b>							
Sales of goods	1,915,992	1,659,233	1,714,176	1,718,165	1,566,839	1,463,536	1,716,670
Sales of services and others	90,657	88,517	88,928	91,535	91,233	91,813	99,788
<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>1,816,459</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>(1,584,078)</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>	<b>232,380</b>
Selling, general and administrative expenses	(153,663)	(151,091)	(151,628)	(149,739)	(154,416)	(153,038)	(162,662)
<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	(324)
Impairment loss on fixed assets	(3,190)	(11,549)	(19,461)	(17,446)	(24,051)	(4,618)	(4,402)
Gain on sale of subsidiaries/associates	957	2,138	1,666	1,758	12,909	10,358	7,517
Loss on reorganization of subsidiaries/associates	(1,728)	(3,525)	(2,684)	(2,080)	(1,349)	(8,174)	(11,847)
Other operating income	11,705	10,702	10,429	17,193	20,646	9,566	6,763
Other operating expenses	(15,513)	(10,636)	(18,980)	(14,882)	(6,733)	(7,958)	(7,584)
<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>(9,878)</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>	<b>10,321</b>
Interests earned	5,552	4,984	5,359	4,860	3,893	3,903	5,682
Dividends received	3,283	2,761	3,810	4,456	4,349	4,165	4,639
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>	<b>(14,874)</b>
Interest expenses	(23,848)	(21,247)	(19,855)	(18,975)	(16,316)	(14,382)	(14,746)
Other financial costs	(338)	-	-	-	(63)	(22)	(128)
<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>25,057</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>80,343</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>(18,648)</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>61,694</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>	<b>56,842</b>
Non-controlling interests	2,762	3,544	4,833	4,575	(39)	3,314	4,852
<b>Net sales*<sup>1</sup></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>	<b>4,209,077</b>
<b>Core earnings*<sup>2</sup></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>	<b>90.8</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	FY2017
<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>61,694</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	(575)
Remeasurements of defined benefit pension plans	(872)	(398)	(425)	(925)	(725)	478	(275)
Share of other comprehensive income of investments accounted for using the equity method					(4,868)	(3,686)	4,778
<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>3,927</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)	(12,244)
Cash flow hedges	(945)	(528)	1,184	(3,405)	(2,709)	693	1,024
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	(10,993)	554	(3,075)
<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>(14,295)</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>(10,368)</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>51,326</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>	<b>47,430</b>
Non-controlling interests	2,565	5,576	6,265	7,571	(3,025)	3,843	3,896
<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>	<b>51,326</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	FY2017
<b>Cash flows from operating activities</b>							
Profit for the period	1,722	16,993	32,083	37,650	36,486	44,075	61,694
Depreciation and amortization	29,529	31,047	36,100	31,683	30,059	23,442	23,067
Impairment loss on fixed assets	3,190	11,549	19,461	17,446	24,051	4,618	4,402
Finance (income) costs	15,311	13,225	10,641	9,579	8,136	6,337	4,552
Share of (profit) loss of investments accounted for using the equity method	(16,296)	(15,784)	(30,979)	(28,613)	(23,163)	(12,673)	(25,057)
(Gain) loss on sale of fixed assets, net	(1,839)	(2,209)	(6,132)	(1,058)	(1,498)	(4,797)	324
Income tax expense	56,735	11,058	11,949	14,933	7,782	13,879	18,648
(Increase) decrease in trade and other receivables	(8,089)	40,625	4,226	(18,583)	55,835	(60,463)	7,980
(Increase) decrease in inventories	(16,765)	(709)	(6,151)	31,396	28,270	(31,853)	(118,303)
Increase (decrease) in trade and other payables	35,373	(30,116)	(10,640)	(27,908)	(43,767)	40,158	166,218
Increase (decrease) in retirement benefits liabilities	455	985	390	674	320	(1,409)	430
Others	11,224	(1,839)	(1,451)	(19,792)	(15,528)	(7,611)	(36,381)
<b>Subtotal</b>	<b>110,550</b>	<b>74,825</b>	<b>59,498</b>	<b>47,408</b>	<b>106,986</b>	<b>13,702</b>	<b>107,578</b>
Interests earned	5,583	5,082	5,225	4,709	3,785	3,496	4,248
Dividends received	12,457	13,777	16,424	18,439	20,326	12,818	17,735
Interests paid	(24,217)	(21,840)	(20,308)	(19,261)	(16,746)	(14,872)	(14,814)
Income taxes paid	(15,650)	(16,722)	(13,842)	(12,186)	(14,412)	(14,287)	(15,935)
<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>98,812</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)	(29,590)
Proceeds from sale of property, plant and equipment	12,655	14,384	13,578	767	11,846	8,340	590
Purchase of intangible assets	(6,978)	(8,310)	(4,522)	(3,566)	(3,061)	(2,219)	(2,310)
(Increase) decrease in short-term loans receivable	2,646	3,400	(1,706)	2,470	1,083	(4,408)	2,115
Payment for long-term loans receivable	(13,492)	(11,704)	(3,423)	(4,174)	(4,157)	(3,867)	(32,312)
Collection of long-term loans receivable	969	2,399	5,202	1,165	1,919	1,232	10,826
Proceeds from (payments for) acquisition of subsidiaries	(2,340)	(5,624)	(7,024)	(5,222)	(9,100)	(5,408)	(20,227)
Proceeds from (payments for) sale of subsidiaries	(707)	1,530	232	10	(467)	(51)	5,411
Purchase of investments	(4,144)	(2,646)	(23,658)	(8,455)	(6,315)	(16,263)	(26,260)
Proceeds from sale of investments	10,311	17,831	7,910	10,681	6,731	16,473	13,074
Others	(7,098)	6,559	12,521	23,791	(445)	5,822	(7,725)
<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>(86,407)</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>12,405</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	(21,723)
Proceeds from long-term borrowings	127,338	236,109	170,858	163,996	122,767	160,331	128,716
Repayment of long-term borrowings	(134,014)	(248,449)	(178,687)	(179,780)	(173,948)	(164,596)	(122,702)
Proceeds from issuance of bonds	39,800	9,953	29,862	29,820	-	19,891	19,881
Redemption of bonds	(67,719)	(35,000)	(30,000)	(20,000)	(20,000)	(20,035)	(10,061)
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	7,389
Purchase of treasury stock	(11)	(1)	(11)	(2)	(2)	(10)	(4)
Dividends paid	(3,753)	(3,753)	(4,378)	(5,629)	(9,382)	(10,008)	(11,258)
Dividends paid to non-controlling interest holders	(1,801)	(1,659)	(1,805)	(2,320)	(1,763)	(2,563)	(2,622)
Others	(922)	(2,050)	(2,160)	(2,752)	(2,292)	(2,507)	(666)
<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>	<b>(13,052)</b>
Net increase (decrease) in cash and cash equivalents	16,913	(12,706)	(8,403)	(17,282)	(48,666)	(35,350)	(648)
Cash and cash equivalents at the beginning of the period	411,632	425,595	424,371	420,658	403,748	344,414	308,632
Effect of exchange rate changes on cash and cash equivalents	(2,950)	11,481	4,690	372	(10,667)	(430)	(2,742)
<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>	<b>305,241</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>