

February 24, 2017

**Attention:** All concerned parties

## Toyo Tanso Co., Ltd.

5-7-12 Takeshima, Nishiyodogawa-ku, Osaka 555-0011, Japan  
(Stock Exchange Code: 5310, 1st Section, Tokyo Stock Exchange)

### (Corrections and Corrections to Numerical Data) Partial Corrections to Consolidated Financial Results for the Fiscal Year Ended December 31, 2016 [Japanese GAAP]

The Company has corrected part of the Consolidated Financial Results for the Fiscal Year Ended December 31, 2016 [Japanese GAAP], released on February 14, 2017, as noted below. As numerical data has also been corrected, the corrected numerical data is also provided. The corrected sections are underlined.

#### Particulars

##### 1. Reasons for correction

Calculation errors were discovered in the process of preparing the securities report after the consolidated financial results for the fiscal year ended December 31, 2016 was released, and thus part of the content of this report has been corrected.

##### 2. Corrected content

###### I. Summary information

#### 1. Consolidated financial results for the fiscal year ended December 31, 2016

(From January 1, 2016 to December 31, 2016)

##### (3) Cash flows

(Before correction)

(Millions of yen, rounded down)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended December 31, 2016	<u>5,164</u>	<u>(4,170)</u>	(1,270)	6,424
Fiscal year ended December 31, 2015	6,797	(5,235)	(3,167)	7,147

(After correction)

(Millions of yen, rounded down)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended December 31, 2016	<u>5,120</u>	<u>(4,127)</u>	(1,270)	6,424
Fiscal year ended December 31, 2015	6,797	(5,235)	(3,167)	7,147

II. On page 3 of the Attached Documents

## **1. Analysis of Business Results and Financial Position**

### **(2) Analysis of Financial Position**

#### **(ii) Cash Flows**

(Before correction)

##### **(Cash Flows from Operating Activities)**

Funds acquired by operating activities totaled 5,164 million yen, a 24.0% decrease year on year. This was primarily because funds increased due to profit before income taxes of 1,108 million yen (a 4.5% year-on-year drop), depreciation of 3,414 million yen (a 7.1% decrease), impairment loss of 455 million yen (a 56.7% increase), a decline in notes and accounts receivable–trade of 328 million yen (a 25.2% increase), and a decrease in inventories of 1,010 million yen (a 7.7% increase), offsetting a decrease in funds due to a decline in notes and accounts payable–trade of 349 million yen (compared to a 1,145 million yen increase in the previous fiscal year) and income taxes paid of 743 million yen (a 18.3% decrease year on year).

##### **(Cash Flows from Investing Activities)**

Funds used in investment activities totaled 4,170 million yen, a 20.3% decrease year on year. This was primarily due to a decrease in funds from payments into time deposits of 6,580 million yen (a 19.1% increase year on year) and purchase of property, plants and equipment of 2,740 million yen (a 4.7% gain), which offset an increase in funds from proceeds from withdrawals of time deposits of 5,249 million yen (a 59.8% increase).

(After correction)

##### **(Cash Flows from Operating Activities)**

Funds acquired by operating activities totaled 5,120 million yen, a 24.7% decrease year on year. This was primarily because funds increased due to profit before income taxes of 1,108 million yen (a 4.5% year-on-year drop), depreciation of 3,414 million yen (a 7.1% decrease), impairment loss of 455 million yen (a 56.7% increase), a decline in notes and accounts receivable–trade of 328 million yen (a 25.2% increase), and a decrease in inventories of 960 million yen (a 2.3% increase), offsetting a decrease in funds due to a decline in notes and accounts payable–trade of 349 million yen (compared to a 1,145 million yen increase in the previous fiscal year) and income taxes paid of 743 million yen (a 18.3% decrease year on year).

##### **(Cash Flows from Investing Activities)**

Funds used in investment activities totaled 4,127 million yen, a 21.2% decrease year on year. This was primarily due to a decrease in funds from payments into time deposits of 6,580 million yen (a 19.1% increase year on year) and purchase of property, plants and equipment of 2,740 million yen (a 4.7% gain), which offset an increase in funds from proceeds from withdrawals of time deposits of

5,249 million yen (a 59.8% increase).

III. On page 20 of the Attached Documents

**5. Consolidated Financial Statements**

**(4) Consolidated Statement of Cash Flows**

(Before correction)

(Millions of yen, rounded down)

	Fiscal year ended December 31, 2015	Fiscal year ended December 31, 2016
<b>Cash flows from operating activities</b>		
(Omitted)		
Decrease (increase) in inventories	938	<u>1,010</u>
(Omitted)		
Other	18	<u>167</u>
Subtotal	7,638	<u>5,813</u>
(Omitted)		
Net cash provided by (used in) operating activities	6,797	<u>5,164</u>
<b>Cash flows from investing activities</b>		
(Omitted)		
Other	(28)	<u>(92)</u>
Net cash provided by (used in) investing activities	(5,235)	<u>(4,170)</u>
(The rest omitted)		

(After correction)

(Millions of yen, rounded down)

	Fiscal year ended December 31, 2015	Fiscal year ended December 31, 2016
<b>Cash flows from operating activities</b>		
(Omitted)		
Decrease (increase) in inventories	938	<u>960</u>
(Omitted)		
Other	18	<u>173</u>
Subtotal	7,638	<u>5,769</u>
(Omitted)		
Net cash provided by (used in) operating activities	6,797	<u>5,120</u>
<b>Cash flows from investing activities</b>		
(Omitted)		
Other	(28)	<u>(48)</u>
Net cash provided by (used in) investing activities	(5,235)	<u>(4,127)</u>
(The rest omitted)		

IV. On page 28 of the Attached Documents

**5. Consolidated Financial Statements**

**(5) Notes to the Consolidated Financial Statements**

(Segment information)

[Segment information]

(Before correction)

**Current consolidated fiscal year (From January 1, 2016 to December 31, 2016)**

(Millions of yen, rounded down)

	Reportable segments					Adjusted amount (Note) 1	Amount recorded in the consolidated income statement (Note) 2
	Japan	United States	Europe	Asia	Total		
Net sales							
(1) Sales to unaffiliated customers	17,096	2,487	2,919	9,960	32,464	-	32,464
(2) Inter-segment sales or transfers	5,827	104	15	120	6,067	(6,067)	-
<b>Total</b>	<b>22,923</b>	<b>2,591</b>	<b>2,935</b>	<b>10,081</b>	<b>38,531</b>	<b>(6,067)</b>	<b>32,464</b>
Segment profit (loss)	347	(517)	26	584	441	211	652
Segment assets	57,786	2,029	3,698	16,764	80,278	(10,480)	69,797
Other items							
(1) Depreciation	2,829	68	166	353	3,417	(3)	3,414
(2) Increases in tangible and intangible fixed assets	2,146	42	127	466	2,783	-	2,783

(Notes) 1. The adjusted amounts are as follows:

- (1) Adjusted segment profit (loss) mainly takes into account the elimination of inter-segment transactions and unrealized income.
  - (2) Adjusted segment assets mainly take into account the elimination of inter-segment transactions and unrealized income.
2. Segment profit (loss) has been adjusted to reflect the operating income recorded in the consolidated statement of income.

(After correction)  
**Current consolidated fiscal year (From January 1, 2016 to December 31, 2016)**

(Millions of yen, rounded down)

	Reportable segments					Adjusted amount (Note) 1	Amount recorded in the consolidated income statement (Note) 2
	Japan	United States	Europe	Asia	Total		
Net sales							
(1) Sales to unaffiliated customers	17,096	2,487	2,919	9,960	32,464	-	32,464
(2) Inter-segment sales or transfers	5,827	104	15	120	6,067	(6,067)	-
Total	22,923	2,591	2,935	10,081	38,531	(6,067)	32,464
Segment profit (loss)	347	(517)	26	584	441	211	652
Segment assets	57,786	2,029	3,698	16,764	80,278	(10,480)	69,797
Other items							
(1) Depreciation	<u>2,828</u>	68	166	353	<u>3,416</u>	(2)	3,414
(2) Increases in tangible and intangible fixed assets	2,146	42	127	<u>345</u>	<u>2,662</u>	-	<u>2,662</u>

(Notes) 1. The adjusted amounts are as follows:

- (1) Adjusted segment profit (loss) mainly takes into account the elimination of inter-segment transactions and unrealized income.
  - (2) Adjusted segment assets mainly take into account the elimination of inter-segment transactions and unrealized income.
2. Segment profit (loss) has been adjusted to reflect the operating income recorded in the consolidated statement of income.

Please direct inquiries regarding the current situation to:

<p>Toyo Tanso Co., Ltd. Publicity &amp; Investor Relations E-mail : info@toyotanso.co.jp</p>
--