

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2015 (Based on Japanese GAAP)

November 6, 2015

Company name: YUASA TRADING CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 8074 URL: <http://www.yuasa.co.jp>
 Representative: Representative Director, President & CEO Etsuro Sato
 Inquiries: Managing Director Akio Miyazaki TEL (03)6369-1366
 Scheduled date to file Quarterly Securities Report: November 10, 2015
 Scheduled date to commence dividend payments: December 1, 2015
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2015 (from April 1, 2015 to September 30, 2015)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2015	209,278	2.2	4,383	9.1	4,743	10.3	3,283	28.8
Six months ended September 30, 2014	204,673	4.4	4,016	16.9	4,302	22.6	2,548	24.2

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	148.99		146.93	
Six months ended September 30, 2014	115.99		114.39	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2015	193,231	54,235	27.8
As of March 31, 2015	204,897	52,684	25.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2015	–	3.00	–	55.00	–
Year ending March 31, 2016	–	30.00			
Year ending March 31, 2016 (Forecast)			–	45.00	75.00

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	452,000	2.3	10,000	1.9	10,500	1.4	6,700	(10.6)	304.45

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2015
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2015	23,155,882 shares	As of March 31, 2015	23,155,882 shares
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Number of treasury shares at the end of the period

As of September 30, 2015	1,115,203 shares	As of March 31, 2015	1,149,173 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2015	22,038,598 shares	Six months ended September 30, 2014	21,971,203 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	31,256	30,938
Notes and accounts receivable - trade	121,083	109,919
Inventories	12,964	13,635
Other	4,185	4,779
Allowance for doubtful accounts	(234)	(189)
Total current assets	169,256	159,082
Non-current assets		
Property, plant and equipment	13,050	12,783
Intangible assets	5,135	4,723
Investments and other assets		
Net defined benefit asset	2,664	2,724
Other	15,358	14,495
Allowance for doubtful accounts	(567)	(576)
Total investments and other assets	17,455	16,642
Total non-current assets	35,641	34,149
Total assets	204,897	193,231

(Millions of yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	125,071	114,593
Short-term loans payable	10,892	10,212
Income taxes payable	2,891	1,634
Provision for bonuses	1,506	1,779
Provision for directors' bonuses	76	–
Other	5,603	6,044
Total current liabilities	146,041	134,264
Non-current liabilities		
Long-term loans payable	1,043	98
Net defined benefit liability	407	451
Other	4,720	4,181
Total non-current liabilities	6,171	4,731
Total liabilities	152,212	138,996
Net assets		
Shareholders' equity		
Capital stock	20,644	20,644
Capital surplus	6,777	6,778
Retained earnings	21,626	23,699
Treasury shares	(1,363)	(1,324)
Total shareholders' equity	47,685	49,797
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,591	2,039
Deferred gains or losses on hedges	8	2
Foreign currency translation adjustment	273	280
Remeasurements of defined benefit plans	1,597	1,541
Total accumulated other comprehensive income	4,470	3,864
Subscription rights to shares	421	468
Non-controlling interests	107	105
Total net assets	52,684	54,235
Total liabilities and net assets	204,897	193,231

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	204,673	209,278
Cost of sales	186,600	189,993
Gross profit	18,073	19,284
Selling, general and administrative expenses	14,056	14,901
Operating income	4,016	4,383
Non-operating income		
Interest income	627	642
Dividend income	102	122
Other	185	167
Total non-operating income	915	932
Non-operating expenses		
Interest expenses	530	498
Other	98	73
Total non-operating expenses	629	571
Ordinary income	4,302	4,743
Extraordinary income		
Gain on liquidation of subsidiaries and associates	–	97
Total extraordinary income	–	97
Extraordinary losses		
Loss on sales of non-current assets	–	4
Loss on retirement of non-current assets	21	–
Loss on valuation of investment securities	8	–
Loss on sales of shares of subsidiaries and associates	–	56
Loss on valuation of investments in capital	11	–
Head office transfer cost	128	–
Other	–	4
Total extraordinary losses	170	65
Income before income taxes and minority interests	4,132	4,775
Income taxes	1,556	1,487
Profit	2,576	3,288
Profit attributable to non-controlling interests	27	5
Profit attributable to owners of parent	2,548	3,283

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	2,576	3,288
Other comprehensive income		
Valuation difference on available-for-sale securities	334	(553)
Deferred gains or losses on hedges	30	(6)
Foreign currency translation adjustment	(108)	6
Remeasurements of defined benefit plans, net of tax	8	(55)
Total other comprehensive income	264	(608)
Comprehensive income	2,841	2,680
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,814	2,677
Comprehensive income attributable to non-controlling interests	26	3

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	4,132	4,775
Depreciation	685	885
Amortization of goodwill	2	3
Loss (gain) on sales of non-current assets	–	4
Loss on retirement of non-current assets	21	–
Loss (gain) on valuation of investment securities	8	–
Loss (gain) on sales of shares of subsidiaries and associates	–	56
Loss (gain) on liquidation of subsidiaries and associates	–	(97)
Loss on valuation of investments in capital	11	–
Head office relocation expenses	128	–
Other extraordinary losses	–	4
Increase (decrease) in net defined benefit asset	394	(60)
Increase (decrease) in net defined benefit liability	8	44
Increase (decrease) in allowance for doubtful accounts	(15)	(35)
Increase (decrease) in provision for bonuses	(5)	272
Increase (decrease) in provision for directors' bonuses	(67)	(76)
Interest and dividend income	(730)	(765)
Interest expenses	530	498
Foreign exchange losses (gains)	0	0
Decrease (increase) in notes and accounts receivable - trade	13,930	11,150
Decrease (increase) in inventories	(1,069)	(688)
Increase (decrease) in notes and accounts payable - trade	(13,780)	(10,455)
Decrease (increase) in long term a money claim	85	35
Other, net	548	(610)
Subtotal	4,820	4,941
Interest and dividend income received	730	763
Interest expenses paid	(530)	(499)
Income taxes paid	(750)	(2,501)
Net cash provided by (used in) operating activities	4,269	2,704
Cash flows from investing activities		
Payments into time deposits	(221)	(112)
Proceeds from withdrawal of time deposits	227	105
Purchase of property, plant and equipment	(436)	(78)
Proceeds from sales of property, plant and equipment	17	46
Purchase of intangible assets	(753)	(168)
Purchase of investment securities	(35)	(71)
Proceeds from sales of investment securities	26	0
Purchase of shares of subsidiaries and associates	–	(1)
Payments of loans receivable	(0)	–
Collection of loans receivable	0	10
Other, net	266	136
Net cash provided by (used in) investing activities	(908)	(134)

(Millions of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(35)	(640)
Repayments of long-term loans payable	(961)	(961)
Repayments of lease obligations	(127)	(80)
Purchase of treasury shares	(1)	(2)
Proceeds from sales of treasury shares	86	–
Cash dividends paid	(658)	(1,210)
Other, net	(0)	(5)
Net cash provided by (used in) financing activities	(1,698)	(2,901)
Effect of exchange rate change on cash and cash equivalents	(85)	2
Net increase (decrease) in cash and cash equivalents	1,576	(329)
Cash and cash equivalents at beginning of period	26,470	31,031
Cash and cash equivalents at end of period	28,047	30,701