

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2016 (Based on Japanese GAAP)

August 2, 2016

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: General Manager Finance Dept. Takeshi Maeda TEL (03)6369-1366  
 Scheduled date to file Quarterly Securities Report: August 4, 2016  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2016 (from April 1, 2016 to June 30, 2016)

(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                         | %      |
| Three months ended June 30, 2016 | 88,203          | (5.0) | 560              | (49.6) | 709             | (44.3) | 529                                     | (43.5) |
| Three months ended June 30, 2015 | 92,859          | 4.6   | 1,113            | 10.6   | 1,273           | 13.3   | 937                                     | 23.5   |

|                                  | Earnings per share |  | Diluted earnings per share |  |
|----------------------------------|--------------------|--|----------------------------|--|
|                                  | Yen                |  | Yen                        |  |
| Three months ended June 30, 2016 | 24.02              |  | 23.66                      |  |
| Three months ended June 30, 2015 | 42.54              |  | 41.96                      |  |

(2) Consolidated financial position

|                      | Total assets    | Net assets      | Equity ratio |
|----------------------|-----------------|-----------------|--------------|
|                      | Millions of yen | Millions of yen | %            |
| As of June 30, 2016  | 180,175         | 55,786          | 30.6         |
| As of March 31, 2016 | 202,891         | 57,307          | 28.0         |

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, 2016             | –                          | 30.00           | –               | 70.00           | 100.00 |
| Year ending March 31, 2017            | –                          | –               | –               | –               | –      |
| Year ending March 31, 2017 (Forecast) | –                          | 45.00           | –               | 50.00           | 95.00  |

3. Forecast of consolidated financial results for the year ending March 31, 2017 (from April 1, 2016 to March 31, 2017)

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                |
| Six months ending September 30, 2016 | 215,000         | 2.7 | 4,400            | 0.4 | 4,800           | 1.2 | 3,310                                   | 0.8 | 150.18             |
| Full year                            | 447,000         | 1.1 | 10,500           | 1.4 | 11,300          | 2.4 | 7,500                                   | 4.3 | 340.30             |

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2016  
 (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 June 30, 2016 | 23,155,882 shares | As of March 31, 2016 | 23,155,882 shares |
|---------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

|                     |                  |                      |                  |
|---------------------|------------------|----------------------|------------------|
| As of June 30, 2016 | 1,116,260 shares | As of March 31, 2016 | 1,116,217 shares |
|---------------------|------------------|----------------------|------------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                  |                   |                                  |                   |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Three months ended June 30, 2016 | 22,039,644 shares | Three months ended June 30, 2015 | 22,036,397 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|                                       | As of March 31, 2016 | As of June 30, 2016 |
|---------------------------------------|----------------------|---------------------|
| Assets                                |                      |                     |
| Current assets                        |                      |                     |
| Cash and deposits                     | 30,660               | 29,976              |
| Notes and accounts receivable - trade | 120,470              | 95,900              |
| Inventories                           | 13,728               | 16,095              |
| Other                                 | 4,486                | 4,685               |
| Allowance for doubtful accounts       | (275)                | (350)               |
| Total current assets                  | 169,070              | 146,307             |
| Non-current assets                    |                      |                     |
| Property, plant and equipment         | 12,577               | 12,644              |
| Intangible assets                     | 4,686                | 4,838               |
| Investments and other assets          |                      |                     |
| Net defined benefit asset             | 3,092                | 3,098               |
| Other                                 | 13,891               | 13,710              |
| Allowance for doubtful accounts       | (426)                | (424)               |
| Total investments and other assets    | 16,557               | 16,384              |
| Total non-current assets              | 33,821               | 33,868              |
| Total assets                          | 202,891              | 180,175             |

(Millions of yen)

|   | As of March 31, 2016 | As of June 30, 2016 |
|---|----------------------|---------------------|
| <b>Liabilities</b>                                    |                      |                     |
| Current liabilities                                   |                      |                     |
| Notes and accounts payable - trade                    | 125,681              | 106,141             |
| Short-term loans payable                              | 4,919                | 4,580               |
| Income taxes payable                                  | 2,480                | 543                 |
| Provision for bonuses                                 | 1,785                | 909                 |
| Provision for directors' bonuses                      | 83                   | –                   |
| Other   | 6,067                | 7,714               |
| Total current liabilities                             | 141,016              | 119,888             |
| Non-current liabilities                               |                      |                     |
| Long-term loans payable                               | 53                   | 40                  |
| Net defined benefit liability                         | 457                  | 455                 |
| Other   | 4,056                | 4,003               |
| Total non-current liabilities                         | 4,567                | 4,500               |
| Total liabilities                                     | 145,583              | 124,388             |
| <b>Net assets</b>                                     |                      |                     |
| Shareholders' equity                                  |                      |                     |
| Capital stock   | 20,644               | 20,644              |
| Capital surplus                                       | 6,778                | 6,778               |
| Retained earnings                                     | 26,945               | 25,952              |
| Treasury shares                                       | (1,327)              | (1,327)             |
| Total shareholders' equity                            | 53,040               | 52,047              |
| Accumulated other comprehensive income                |                      |                     |
| Valuation difference on available-for-sale securities | 1,862                | 1,607               |
| Deferred gains or losses on hedges                    | 5                    | (14)                |
| Foreign currency translation adjustment               | 105                  | (84)                |
| Remeasurements of defined benefit plans               | 1,713                | 1,658               |
| Total accumulated other comprehensive income          | 3,686                | 3,166               |
| Subscription rights to shares                         | 468                  | 468                 |
| Non-controlling interests                             | 111                  | 104                 |
| Total net assets                                      | 57,307               | 55,786              |
| Total liabilities and net assets                      | 202,891              | 180,175             |

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

|  | Three months ended<br>June 30, 2015 | Three months ended<br>June 30, 2016 |
|--|-------------------------------------|-------------------------------------|
| Net sales  | 92,859                              | 88,203                              |
| Cost of sales                                      | 84,479                              | 80,063                              |
| Gross profit                                       | 8,380                               | 8,140                               |
| Selling, general and administrative expenses       | 7,266                               | 7,579                               |
| Operating income                                   | 1,113                               | 560                                 |
| Non-operating income                               |                                     |                                     |
| Interest income                                    | 289                                 | 280                                 |
| Dividend income                                    | 103                                 | 102                                 |
| Other  | 60                                  | 121                                 |
| Total non-operating income                         | 454                                 | 504                                 |
| Non-operating expenses                             |                                     |                                     |
| Interest expenses                                  | 250                                 | 231                                 |
| Other  | 43                                  | 125                                 |
| Total non-operating expenses                       | 293                                 | 356                                 |
| Ordinary income                                    | 1,273                               | 709                                 |
| Extraordinary income                               |                                     |                                     |
| Gain on sales of non-current assets                | –                                   | 0                                   |
| Gain on liquidation of subsidiaries and associates | 97                                  | –                                   |
| Gain on extinguishment of tie-in shares            | –                                   | 136                                 |
| Total extraordinary income                         | 97                                  | 137                                 |
| Extraordinary losses                               |                                     |                                     |
| Loss on sales of non-current assets                | 4                                   | –                                   |
| Loss on retirement of non-current assets           | –                                   | 0                                   |
| Earthquake loss                                    | –                                   | 11                                  |
| Total extraordinary losses                         | 4                                   | 11                                  |
| Profit before income taxes                         | 1,367                               | 835                                 |
| Income taxes                                       | 428                                 | 305                                 |
| Profit   | 938                                 | 530                                 |
| Profit attributable to non-controlling interests   | 1                                   | 0                                   |
| Profit attributable to owners of parent            | 937                                 | 529                                 |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Three months ended<br>June 30, 2015 | Three months ended<br>June 30, 2016 |
|--|-------------------------------------|-------------------------------------|
| Profit   | 938                                 | 530                                 |
| Other comprehensive income                                     |                                     |                                     |
| Valuation difference on available-for-sale securities          | 662                                 | (257)                               |
| Deferred gains or losses on hedges                             | (0)                                 | (19)                                |
| Foreign currency translation adjustment                        | (26)                                | (195)                               |
| Remeasurements of defined benefit plans, net of tax            | (27)                                | (54)                                |
| Total other comprehensive income                               | 607                                 | (527)                               |
| Comprehensive income   | 1,546                               | 2                                   |
| Comprehensive income attributable to                           |                                     |                                     |
| Comprehensive income attributable to owners of parent          | 1,545                               | 3                                   |
| Comprehensive income attributable to non-controlling interests | 0                                   | (1)                                 |