

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on Japanese GAAP)

August 5, 2020

Company name: YUASA TRADING CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 8074 URL <http://www.yuasa.co.jp>
 Representative: Representative Director, President & CEO Hiroyuki Tamura
 Inquiries: General Manager Finance Dept. Hideki Tani TEL (03)6369-1366
 Scheduled date to file Quarterly Securities Report: August 7, 2020
 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, 2020 (from April 1, 2020 to June 30, 2020)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2020	94,338	(12.8)	1,471	(18.7)	1,750	(15.1)	1,161	(17.4)
Three months ended June 30, 2019	108,181	6.1	1,808	5.0	2,062	5.5	1,406	7.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2020	52.30		51.94	
Three months ended June 30, 2019	63.56		62.92	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2020	217,403	80,882	37.1
As of March 31, 2020	237,071	81,028	34.0

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, 2020	–	70.00	–	80.00	150.00
Year ending March 31, 2021	–				
Year ending March 31, 2021 (Forecast)		30.00	–	70.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		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, 2020	205,000	(15.6)	2,650	(53.2)	3,100	(49.9)	2,077	(50.0)	93.52
Full year	450,000	(8.4)	9,250	(22.1)	10,000	(21.9)	6,700	(25.1)	301.69

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2020
 (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: No
- 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, 2020	23,155,882 shares	As of March 31, 2020	23,155,882 shares
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Number of treasury shares at the end of the period

As of June 30, 2020	947,664 shares	As of March 31, 2020	960,531 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2020	22,208,242 shares	Three months ended June 30, 2019	22,134,576 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposits	43,780	36,313
Notes and accounts receivable - trade	116,621	98,286
Electronically recorded monetary claims - operating	18,287	17,930
Inventories	16,190	19,321
Other	2,641	3,237
Allowance for doubtful accounts	(59)	(64)
Total current assets	197,460	175,024
Non-current assets		
Property, plant and equipment	13,601	13,697
Intangible assets		
Goodwill	2,907	2,744
Other	2,285	2,200
Total intangible assets	5,192	4,944
Investments and other assets		
Retirement benefit asset	6,718	6,711
Other	14,592	17,517
Allowance for doubtful accounts	(494)	(492)
Total investments and other assets	20,816	23,736
Total non-current assets	39,610	42,378
Total assets	237,071	217,403

(Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	114,952	97,044
Electronically recorded obligations - operating	18,555	18,491
Short-term borrowings	3,489	3,475
Income taxes payable	2,506	206
Provision for bonuses	2,469	991
Provision for bonuses for directors (and other officers)	86	–
Other	7,834	9,533
Total current liabilities	149,894	129,743
Non-current liabilities		
Long-term borrowings	801	695
Provision for share-based remuneration	107	106
Provision for share-based remuneration for directors (and other officers)	80	83
Retirement benefit liability	705	710
Other	4,453	5,181
Total non-current liabilities	6,148	6,777
Total liabilities	156,042	136,520
Net assets		
Shareholders' equity		
Share capital	20,644	20,644
Capital surplus	6,804	6,815
Retained earnings	50,269	49,649
Treasury shares	(1,362)	(1,346)
Total shareholders' equity	76,356	75,762
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,515	3,319
Deferred gains or losses on hedges	0	2
Foreign currency translation adjustment	(110)	(286)
Remeasurements of defined benefit plans	1,921	1,776
Total accumulated other comprehensive income	4,327	4,811
Share acquisition rights	299	272
Non-controlling interests	45	35
Total net assets	81,028	80,882
Total liabilities and net assets	237,071	217,403

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Net sales	108,181	94,338
Cost of sales	97,868	85,026
Gross profit	10,313	9,311
Selling, general and administrative expenses	8,504	7,840
Operating profit	1,808	1,471
Non-operating income		
Interest income	332	294
Dividend income	117	113
Other	87	134
Total non-operating income	537	541
Non-operating expenses		
Interest expenses	266	238
Other	17	24
Total non-operating expenses	284	262
Ordinary profit	2,062	1,750
Extraordinary income		
Gain on sales of non-current assets	1	0
Gain on sales of investment securities	1	0
Gain on extinguishment of tie-in shares	–	16
Total extraordinary income	2	16
Extraordinary losses		
Loss on retirement of non-current assets	0	3
Loss on COVID-19	–	69
Total extraordinary losses	0	72
Profit before income taxes	2,065	1,694
Income taxes	662	539
Profit	1,402	1,155
Loss attributable to non-controlling interests	(4)	(6)
Profit attributable to owners of parent	1,406	1,161

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2019	Three months ended June 30, 2020
Profit	1,402	1,155
Other comprehensive income		
Valuation difference on available-for-sale securities	(210)	804
Deferred gains or losses on hedges	(0)	1
Foreign currency translation adjustment	27	(178)
Remeasurements of defined benefit plans, net of tax	(162)	(145)
Total other comprehensive income	(344)	482
Comprehensive income	1,057	1,637
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,061	1,645
Comprehensive income attributable to non-controlling interests	(3)	(7)