

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2021 (Based on Japanese GAAP)

May 14, 2021

Company name: YUASA TRADING CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 8074 URL <https://www.yuasa.co.jp/>  
 Representative: Representative Director, President & CEO Hiroyuki Tamura  
 Inquiries: General Manager Finance Dept. Hideki Tani TEL (03)6369-1366  
 Scheduled date of ordinary general meeting of shareholders: June 24, 2021  
 Scheduled date to file Securities Report: June 24, 2021  
 Scheduled date to commence dividend payments: June 4, 2021  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

#### (1) Consolidated operating results

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	%
Year ended March 31, 2021	432,185	(12.0)	8,983	(24.3)	10,011	(21.8)	6,930	(22.6)
Year ended March 31, 2020	491,348	(0.5)	11,871	(5.2)	12,804	(4.7)	8,950	(1.0)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2021	313.03	310.87	8.1	4.2	2.1
Year ended March 31, 2020	403.55	400.52	11.4	5.3	2.4

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	237,487	90,242	37.7	4,057.16
As of March 31, 2020	237,071	81,028	34.0	3,635.18

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	5,982	(3,509)	(3,713)	41,947
Year ended March 31, 2020	12,970	(2,843)	(3,509)	43,246

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	—	70.00	—	80.00	150.00	3,341	37.2	4.2
Year ended March 31, 2021	—	30.00	—	70.00	100.00	2,228	31.9	2.6
Year ending March 31, 2022 (Forecast)	—	49.00	—	74.00	123.00		33.1	

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	218,100	–	4,600	12.9	5,000	9.1	3,280	10.8	148.63
Full year	471,000	–	11,700	30.2	12,500	24.9	8,200	18.3	371.56

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2021	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 March 31, 2021	1,071,190 shares	As of March 31, 2020	960,531 shares
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Average number of shares during the period

Year ended March 31, 2021	22,139,210 shares	Year ended March 31, 2020	22,180,402 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	43,780	42,567
Notes and accounts receivable - trade	116,621	107,874
Electronically recorded monetary claims - operating	18,287	18,678
Inventories	16,190	14,574
Other	2,641	2,159
Allowance for doubtful accounts	(59)	(77)
<b>Total current assets</b>	<b>197,460</b>	<b>185,777</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Fixed assets for rent	1,194	4,912
Accumulated depreciation	(874)	(3,835)
Fixed assets for rent, net	320	1,076
Buildings and structures	7,938	8,901
Accumulated depreciation	(5,090)	(5,701)
Buildings and structures, net	2,847	3,199
Machinery and equipment	613	645
Accumulated depreciation	(488)	(523)
Machinery and equipment, net	125	122
Tools, furniture and fixtures	2,435	2,724
Accumulated depreciation	(1,879)	(2,240)
Tools, furniture and fixtures, net	555	483
Land	9,433	10,647
Leased assets	236	282
Accumulated depreciation	(134)	(171)
Leased assets, net	101	111
Construction in progress	218	24
<b>Total property, plant and equipment</b>	<b>13,601</b>	<b>15,665</b>
<b>Intangible assets</b>		
Goodwill	2,907	2,910
Other	2,285	2,237
<b>Total intangible assets</b>	<b>5,192</b>	<b>5,148</b>
<b>Investments and other assets</b>		
Investment securities	9,335	13,679
Long term a money claim	1,364	1,292
Deferred tax assets	188	218
Retirement benefit asset	6,718	12,205
Other	3,703	3,950
Allowance for doubtful accounts	(494)	(449)
<b>Total investments and other assets</b>	<b>20,816</b>	<b>30,896</b>
<b>Total non-current assets</b>	<b>39,610</b>	<b>51,710</b>
<b>Total assets</b>	<b>237,071</b>	<b>237,487</b>

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	114,952	90,009
Electronically recorded obligations - operating	18,555	33,945
Short-term borrowings	3,489	3,744
Lease obligations	68	68
Income taxes payable	2,506	995
Provision for bonuses	2,469	2,383
Provision for bonuses for directors (and other officers)	86	66
Other	7,766	6,868
Total current liabilities	149,894	138,081
Non-current liabilities		
Long-term borrowings	801	728
Lease obligations	135	104
Deferred tax liabilities	1,337	3,912
Provision for retirement benefits for directors (and other officers)	132	196
Provision for share awards	107	139
Provision for share awards for directors (and other officers)	80	127
Retirement benefit liability	705	947
Other	2,847	3,007
Total non-current liabilities	6,148	9,163
Total liabilities	156,042	147,245
Net assets		
Shareholders' equity		
Share capital	20,644	20,644
Total capital surpluses	6,804	6,815
Retained earnings	50,269	54,749
Treasury shares	(1,362)	(1,735)
Total shareholders' equity	76,356	80,474
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,515	4,334
Deferred gains or losses on hedges	0	20
Foreign currency translation adjustment	(110)	(272)
Remeasurements of defined benefit plans	1,921	5,044
Total accumulated other comprehensive income	4,327	9,126
Share acquisition rights	299	272
Non-controlling interests	45	368
Total net assets	81,028	90,242
Total liabilities and net assets	237,071	237,487

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	491,348	432,185
Cost of sales	444,268	389,004
Gross profit	47,080	43,181
Selling, general and administrative expenses	35,208	34,197
Operating profit	11,871	8,983
Non-operating income		
Interest income	1,420	1,361
Dividend income	262	235
Other	367	576
Total non-operating income	2,050	2,173
Non-operating expenses		
Interest expenses	1,032	903
Share of loss of entities accounted for using equity method	–	160
Other	84	81
Total non-operating expenses	1,117	1,145
Ordinary profit	12,804	10,011
Extraordinary income		
Gain on sale of non-current assets	44	0
Gain on sale of investment securities	530	679
Gain on step acquisitions	–	33
Gain on extinguishment of tie-in shares	–	16
Total extraordinary income	575	729
Extraordinary losses		
Loss on sale of non-current assets	4	2
Loss on retirement of non-current assets	12	41
Impairment losses	32	–
Amortization of leasehold interests in land	14	–
Loss on sale of investment securities	0	–
Loss on valuation of investment securities	–	88
Loss on valuation of investments in capital	0	–
Loss on dissolution of investment	–	3
Logistics restructuring cost	56	–
Loss on disaster	12	10
Loss on COVID-19	–	117
Total extraordinary losses	132	265
Profit before income taxes	13,247	10,475
Income taxes - current	4,556	3,048
Income taxes - deferred	(233)	496
Total income taxes	4,323	3,544
Profit	8,923	6,930
Profit (loss) attributable to non-controlling interests	(26)	0
Profit attributable to owners of parent	8,950	6,930

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	8,923	6,930
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,201)	1,821
Deferred gains or losses on hedges	1	19
Foreign currency translation adjustment	19	(163)
Remeasurements of defined benefit plans, net of tax	(510)	3,122
Total other comprehensive income	(1,691)	4,799
Comprehensive income	7,232	11,730
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,257	11,729
Comprehensive income attributable to non-controlling interests	(24)	0

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,644	6,785	44,654	(1,454)	70,630
Changes during period					
Dividends of surplus			(3,336)		(3,336)
Profit attributable to owners of parent			8,950		8,950
Purchase of treasury shares				(3)	(3)
Disposal of treasury shares		19		95	115
Net changes in items other than shareholders' equity					
Total changes during period	–	19	5,614	92	5,726
Balance at end of period	20,644	6,804	50,269	(1,362)	76,356

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,715	(0)	(127)	2,432	6,020	396	71	77,118
Changes during period								
Dividends of surplus								(3,336)
Profit attributable to owners of parent								8,950
Purchase of treasury shares								(3)
Disposal of treasury shares								115
Net changes in items other than shareholders' equity	(1,200)	1	16	(510)	(1,693)	(96)	(26)	(1,816)
Total changes during period	(1,200)	1	16	(510)	(1,693)	(96)	(26)	3,909
Balance at end of period	2,515	0	(110)	1,921	4,327	299	45	81,028

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,644	6,804	50,269	(1,362)	76,356
Changes during period					
Dividends of surplus			(2,450)		(2,450)
Profit attributable to owners of parent			6,930		6,930
Purchase of treasury shares				(400)	(400)
Disposal of treasury shares		10		27	38
Net changes in items other than shareholders' equity					
Total changes during period	–	10	4,479	(373)	4,117
Balance at end of period	20,644	6,815	54,749	(1,735)	80,474

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	2,515	0	(110)	1,921	4,327	299	45	81,028
Changes during period								
Dividends of surplus								(2,450)
Profit attributable to owners of parent								6,930
Purchase of treasury shares								(400)
Disposal of treasury shares								38
Net changes in items other than shareholders' equity	1,819	19	(161)	3,122	4,799	(26)	323	5,096
Total changes during period	1,819	19	(161)	3,122	4,799	(26)	323	9,213
Balance at end of period	4,334	20	(272)	5,044	9,126	272	368	90,242



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	13,247	10,475
Depreciation	1,539	1,429
Amortization of goodwill	355	698
Loss (gain) on step acquisitions	–	(33)
Loss (gain) on extinguishment of tie-in shares	–	(16)
Loss (gain) on sale of non-current assets	(40)	2
Loss on retirement of non-current assets	12	41
Impairment losses	32	–
Amortization of leasehold interests in land	14	–
Loss (gain) on sale of investment securities	(530)	(679)
Loss (gain) on valuation of investment securities	–	88
Loss on valuation of investments in capital	0	–
Loss on dissolution of investment	–	3
Logistics restructuring cost	56	–
Loss on disaster	12	10
Loss on COVID-19	–	117
Decrease (increase) in retirement benefit asset	(1,017)	(986)
Increase (decrease) in retirement benefit liability	6	45
Increase (decrease) in allowance for doubtful accounts	(108)	55
Increase (decrease) in provision for bonuses	27	(156)
Increase (decrease) in provision for bonuses for directors (and other officers)	(3)	(19)
Increase (decrease) in provision for share awards	58	31
Increase (decrease) in provision for share awards for directors (and other officers)	38	46
Interest and dividend income	(1,683)	(1,596)
Interest expenses	1,032	903
Decrease (increase) in trade receivables	17,409	9,663
Decrease (increase) in inventories	730	2,030
Increase (decrease) in trade payables	(15,843)	(10,850)
Decrease (increase) in long term a money claim	184	(23)
Other, net	1,453	(1,264)
Subtotal	16,985	10,017
Interest and dividends received	1,689	1,598
Interest paid	(1,020)	(894)
Income taxes paid	(4,683)	(4,739)
Net cash provided by (used in) operating activities	12,970	5,982

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from investing activities		
Payments into time deposits	(356)	(63)
Proceeds from withdrawal of time deposits	441	464
Purchase of property, plant and equipment	(1,807)	(906)
Proceeds from sale of property, plant and equipment	904	21
Purchase of intangible assets	(311)	(505)
Purchase of investment securities	(73)	(2,324)
Proceeds from sale of investment securities	854	1,035
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,489)	(1,216)
Proceeds from collection of loans receivable	58	27
Other, net	(63)	(41)
Net cash provided by (used in) investing activities	(2,843)	(3,509)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(14)	(59)
Proceeds from long-term borrowings	–	623
Repayments of long-term borrowings	(58)	(1,306)
Repayments of lease obligations	(96)	(92)
Purchase of treasury shares	(3)	(388)
Proceeds from sale of treasury shares	0	–
Dividends paid	(3,336)	(2,450)
Other, net	(1)	(39)
Net cash provided by (used in) financing activities	(3,509)	(3,713)
Effect of exchange rate change on cash and cash equivalents	3	(73)
Net increase (decrease) in cash and cash equivalents	6,620	(1,313)
Cash and cash equivalents at beginning of period	36,626	43,246
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	–	13
Cash and cash equivalents at end of period	43,246	41,947