

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2014 (Based on Japanese GAAP)

November 6, 2014

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, 2014
 Scheduled date to commence dividend payments: December 1, 2014
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

(1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	204,673	4.4	4,016	16.9	4,302	22.6	2,548	24.2
Six months ended September 30, 2013	196,018	1.9	3,434	6.2	3,508	1.0	2,052	(0.5)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended September 30, 2014	115.99		114.39	
Six months ended September 30, 2013	93.95		92.61	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio	
	Millions of yen		Millions of yen		%	
As of September 30, 2014	194,793		47,125		23.6	
As of March 31, 2014	205,669		45,146		21.4	

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, 2014	-	3.00	-	3.00	6.00
Year ending March 31, 2015	-	3.00	-	-	-
Year ending March 31, 2015 (Forecast)	-	-	-	50.00	-

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	448,000	1.3	9,600	0.9	10,000	2.2	7,000	27.7	318.33

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2014
(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: Yes
 - 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, 2014	23,155,882 shares	As of March 31, 2014	23,155,882 shares
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Number of treasury shares at the end of the period

As of September 30, 2014	1,147,691 shares	As of March 31, 2014	1,249,443 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, 2014	21,971,203 shares	Six months ended September 30, 2013	21,843,499 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Current assets		
Cash and deposits	26,690	28,256
Notes and accounts receivable - trade	121,553	107,531
Inventories	13,963	14,998
Other	5,542	6,048
Allowance for doubtful accounts	(243)	(235)
Total current assets	167,507	156,599
Non-current assets		
Property, plant and equipment	18,013	17,427
Intangible assets	4,894	5,174
Investments and other assets		
Net defined benefit asset	1,617	1,222
Other	14,582	15,307
Allowance for doubtful accounts	(945)	(937)
Total investments and other assets	15,254	15,592
Total non-current assets	38,162	38,193
Total assets	205,669	194,793

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Liabilities		
Current liabilities		
Notes and accounts payable - trade	126,233	112,362
Short-term loans payable	19,346	19,294
Income taxes payable	819	587
Provision for bonuses	1,396	1,391
Provision for directors' bonuses	67	–
Other	4,930	7,723
Total current liabilities	152,794	141,359
Non-current liabilities		
Long-term loans payable	2,950	1,988
Net defined benefit liability	382	390
Other	4,397	3,929
Total non-current liabilities	7,729	6,308
Total liabilities	160,523	147,667
Net assets		
Shareholders' equity		
Capital stock	20,644	20,644
Capital surplus	6,777	6,777
Retained earnings	15,765	17,340
Treasury shares	(1,471)	(1,359)
Total shareholders' equity	41,715	43,402
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,825	2,161
Deferred gains or losses on hedges	6	36
Foreign currency translation adjustment	(142)	(251)
Remeasurements of defined benefit plans	640	649
Total accumulated other comprehensive income	2,330	2,596
Subscription rights to shares	413	421
Minority interests	686	705
Total net assets	45,146	47,125
Total liabilities and net assets	205,669	194,793

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, 2013	Six months ended September 30, 2014
Net sales	196,018	204,673
Cost of sales	179,014	186,600
Gross profit	17,004	18,073
Selling, general and administrative expenses	13,569	14,056
Operating income	3,434	4,016
Non-operating income		
Interest income	617	627
Dividend income	96	102
Other	132	185
Total non-operating income	846	915
Non-operating expenses		
Interest expenses	533	530
Other	239	98
Total non-operating expenses	772	629
Ordinary income	3,508	4,302
Extraordinary income		
Gain on sales of investment securities	16	–
Total extraordinary income	16	–
Extraordinary losses		
Loss on retirement of non-current assets	4	21
Loss on valuation of investment securities	–	8
Loss on valuation of investments in capital	–	11
Head office transfer cost	–	128
Total extraordinary losses	4	170
Income before income taxes and minority interests	3,520	4,132
Income taxes	1,453	1,556
Income before minority interests	2,067	2,576
Minority interests in income	15	27
Net income	2,052	2,548

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	2,067	2,576
Other comprehensive income		
Valuation difference on available-for-sale securities	601	334
Deferred gains or losses on hedges	33	30
Foreign currency translation adjustment	141	(108)
Remeasurements of defined benefit plans, net of tax	–	8
Total other comprehensive income	776	264
Comprehensive income	2,844	2,841
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,824	2,814
Comprehensive income attributable to minority interests	20	26

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	3,520	4,132
Depreciation	550	685
Amortization of goodwill	3	2
Loss on retirement of non-current assets	4	21
Loss (gain) on valuation of investment securities	–	8
Loss (gain) on sales of investment securities	(16)	–
Loss on valuation of investments in capital	–	11
Head office relocation expenses	–	128
Increase (decrease) in provision for retirement benefits	3	–
Increase (decrease) in net defined benefit asset	–	394
Increase (decrease) in net defined benefit liability	–	8
Increase (decrease) in allowance for doubtful accounts	61	(15)
Increase (decrease) in provision for bonuses	(82)	(5)
Increase (decrease) in provision for directors' bonuses	(38)	(67)
Interest and dividend income	(713)	(730)
Interest expenses	533	530
Foreign exchange losses (gains)	0	0
Decrease (increase) in notes and accounts receivable - trade	14,504	13,930
Decrease (increase) in inventories	(1,530)	(1,069)
Increase (decrease) in notes and accounts payable - trade	(15,827)	(13,780)
Decrease (increase) in long term a money claim	(108)	85
Other, net	438	548
Subtotal	1,304	4,820
Interest and dividend income received	713	730
Interest expenses paid	(535)	(530)
Income taxes paid	(403)	(750)
Net cash provided by (used in) operating activities	1,078	4,269
Cash flows from investing activities		
Payments into time deposits	(221)	(221)
Proceeds from withdrawal of time deposits	213	227
Purchase of property, plant and equipment	(143)	(436)
Proceeds from sales of property, plant and equipment	42	17
Purchase of investment securities	(117)	(35)
Proceeds from sales of investment securities	660	26
Payments of loans receivable	–	(0)
Collection of loans receivable	62	0
Purchase of intangible assets	(162)	(753)
Other, net	(35)	266
Net cash provided by (used in) investing activities	298	(908)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,871)	(35)
Repayments of long-term loans payable	(1,032)	(961)
Repayments of lease obligations	(131)	(127)
Purchase of treasury shares	(1)	(1)
Proceeds from sales of treasury shares	69	86
Cash dividends paid	(877)	(658)
Other, net	(3)	(0)
Net cash provided by (used in) financing activities	(4,848)	(1,698)
Effect of exchange rate change on cash and cash equivalents	132	(85)
Net increase (decrease) in cash and cash equivalents	(3,339)	1,576
Cash and cash equivalents at beginning of period	28,696	26,470
Increase in cash and cash equivalents from newly consolidated subsidiary	824	–
Cash and cash equivalents at end of period	26,182	28,047