

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2016 (Based on Japanese GAAP)

February 3, 2017

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: February 7, 2017
 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 nine months ended December 31, 2016 (from April 1, 2016 to December 31, 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	%
Nine months ended December 31, 2016	319,042	(0.9)	6,232	(10.1)	6,913	(7.6)	4,499	(11.9)
Nine months ended December 31, 2015	321,813	1.8	6,932	12.0	7,480	12.8	5,104	(4.3)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2016	203.92		201.05	
Nine months ended December 31, 2015	231.61		228.34	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2016	213,895	59,838	27.7
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	–	45.00	–		
Year ending March 31, 2017 (Forecast)				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
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 nine months ended December 31, 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 December 31, 2016	23,155,882 shares	As of March 31, 2016	23,155,882 shares
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Number of treasury shares at the end of the period

As of December 31, 2016	1,078,465 shares	As of March 31, 2016	1,116,217 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2016	22,064,954 shares	Nine months ended December 31, 2015	22,039,195 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	30,660	33,077
Notes and accounts receivable - trade	120,470	120,981
Inventories	13,728	16,947
Other	4,486	4,351
Allowance for doubtful accounts	(275)	(127)
Total current assets	169,070	175,229
Non-current assets		
Property, plant and equipment	12,577	13,462
Intangible assets		
Goodwill	9	2,117
Other	4,677	4,675
Total intangible assets	4,686	6,793
Investments and other assets		
Net defined benefit asset	3,092	3,158
Other	13,891	15,961
Allowance for doubtful accounts	(426)	(708)
Total investments and other assets	16,557	18,410
Total non-current assets	33,821	38,666
Total assets	202,891	213,895

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Notes and accounts payable - trade	125,681	132,277
Short-term loans payable	4,919	4,588
Income taxes payable	2,480	371
Provision for bonuses	1,785	900
Provision for directors' bonuses	83	–
Provision for loss on business of subsidiaries and associates	–	264
Other	6,067	9,603
Total current liabilities	141,016	148,005
Non-current liabilities		
Long-term loans payable	53	595
Net defined benefit liability	457	631
Other	4,056	4,826
Total non-current liabilities	4,567	6,052
Total liabilities	145,583	154,057
Net assets		
Shareholders' equity		
Capital stock	20,644	20,644
Capital surplus	6,778	6,775
Retained earnings	26,945	28,928
Treasury shares	(1,327)	(1,283)
Total shareholders' equity	53,040	55,065
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,862	3,050
Deferred gains or losses on hedges	5	27
Foreign currency translation adjustment	105	(454)
Remeasurements of defined benefit plans	1,713	1,548
Total accumulated other comprehensive income	3,686	4,173
Subscription rights to shares	468	504
Non-controlling interests	111	95
Total net assets	57,307	59,838
Total liabilities and net assets	202,891	213,895

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Net sales	321,813	319,042
Cost of sales	292,604	289,382
Gross profit	29,208	29,660
Selling, general and administrative expenses	22,276	23,428
Operating income	6,932	6,232
Non-operating income		
Interest income	944	943
Dividend income	190	196
Other	267	417
Total non-operating income	1,402	1,557
Non-operating expenses		
Interest expenses	750	695
Other	104	180
Total non-operating expenses	855	876
Ordinary income	7,480	6,913
Extraordinary income		
Gain on sales of non-current assets	–	2
Gain on sales of investment securities	–	9
Gain on liquidation of subsidiaries and associates	97	–
Gain on extinguishment of tie-in shares	–	136
Gain on bargain purchase	–	103
Total extraordinary income	97	252
Extraordinary losses		
Loss on sales of non-current assets	6	–
Loss on retirement of non-current assets	–	4
Loss on sales of shares of subsidiaries and associates	56	–
Provision for loss on business of subsidiaries and associates	–	264
Loss on disaster	–	11
Other	5	–
Total extraordinary losses	69	279
Profit before income taxes	7,509	6,886
Income taxes	2,396	2,381
Profit	5,112	4,505
Profit attributable to non-controlling interests	8	6
Profit attributable to owners of parent	5,104	4,499

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2015	Nine months ended December 31, 2016
Profit	5,112	4,505
Other comprehensive income		
Valuation difference on available-for-sale securities	110	1,190
Deferred gains or losses on hedges	(3)	22
Foreign currency translation adjustment	(192)	(565)
Remeasurements of defined benefit plans, net of tax	(84)	(164)
Total other comprehensive income	(169)	482
Comprehensive income	4,942	4,988
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,935	4,980
Comprehensive income attributable to non-controlling interests	7	7