

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 2, 2018

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. Takeshi Maeda TEL (03)6369-1366
 Scheduled date to file Quarterly Securities Report: February 6, 2018
 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, 2017 (from April 1, 2017 to December 31, 2017)

(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	%
Nine months ended December 31, 2017	331,510	3.9	7,622	22.3	8,240	19.2	5,746	27.7
Nine months ended December 31, 2016	319,042	(0.9)	6,232	(10.1)	6,913	(7.6)	4,499	(11.9)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	259.63	256.37
Nine months ended December 31, 2016	203.92	201.05

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2017	224,536	70,090	31.0
As of March 31, 2017	216,984	64,844	29.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	–	45.00	–	50.00	95.00
Year ending March 31, 2018	–	50.00	–		
Year ending March 31, 2018 (Forecast)				50.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

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
Full year	465,000	4.2	11,330	3.7	12,000	2.5	8,040	3.4	364.18

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2017
(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 December 31, 2017	23,155,882 shares	As of March 31, 2017	23,155,882 shares
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Number of treasury shares at the end of the period

As of December 31, 2017	1,012,597 shares	As of March 31, 2017	1,079,034 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, 2017	22,132,403 shares	Nine months ended December 31, 2016	22,064,954 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	33,454	32,651
Notes and accounts receivable - trade	114,287	114,403
Electronically recorded monetary claims - operating	10,447	12,703
Inventories	13,448	17,956
Other	4,400	3,984
Allowance for doubtful accounts	(61)	(80)
Total current assets	175,977	181,618
Non-current assets		
Property, plant and equipment	13,878	13,525
Intangible assets		
Goodwill	2,034	1,785
Other	4,551	4,118
Total intangible assets	6,586	5,904
Investments and other assets		
Net defined benefit asset	4,893	4,945
Other	16,259	19,145
Allowance for doubtful accounts	(610)	(600)
Total investments and other assets	20,542	23,489
Total non-current assets	41,007	42,918
Total assets	216,984	224,536

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Notes and accounts payable - trade	114,318	115,355
Electronically recorded obligations - operating	16,535	17,314
Short-term loans payable	3,117	3,137
Income taxes payable	2,419	105
Provision for bonuses	2,001	938
Provision for directors' bonuses	82	–
Other	7,559	10,526
Total current liabilities	146,034	147,378
Non-current liabilities		
Net defined benefit liability	615	639
Other	5,490	6,428
Total non-current liabilities	6,105	7,067
Total liabilities	152,140	154,446
Net assets		
Shareholders' equity		
Capital stock	20,644	20,644
Capital surplus	6,775	6,765
Retained earnings	32,207	35,742
Treasury shares	(1,284)	(1,208)
Total shareholders' equity	58,341	61,944
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,335	5,394
Deferred gains or losses on hedges	(8)	(14)
Foreign currency translation adjustment	(70)	(48)
Remeasurements of defined benefit plans	2,645	2,298
Total accumulated other comprehensive income	5,902	7,630
Subscription rights to shares	499	497
Non-controlling interests	100	18
Total net assets	64,844	70,090
Total liabilities and net assets	216,984	224,536

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, 2016	Nine months ended December 31, 2017
Net sales	319,042	331,510
Cost of sales	289,382	300,144
Gross profit	29,660	31,366
Selling, general and administrative expenses	23,428	23,744
Operating profit	6,232	7,622
Non-operating income		
Interest income	943	964
Dividend income	196	204
Other	417	238
Total non-operating income	1,557	1,406
Non-operating expenses		
Interest expenses	695	713
Other	180	73
Total non-operating expenses	876	787
Ordinary profit	6,913	8,240
Extraordinary income		
Gain on sales of non-current assets	2	2
Gain on sales of investment securities	9	19
Gain on extinguishment of tie-in shares	136	27
Gain on bargain purchase	103	-
Total extraordinary income	252	49
Extraordinary losses		
Loss on retirement of non-current assets	4	2
Provision for loss on business of subsidiaries and associates	264	-
Loss on disaster	11	-
Total extraordinary losses	279	2
Profit before income taxes	6,886	8,287
Income taxes	2,381	2,538
Profit	4,505	5,749
Profit attributable to non-controlling interests	6	2
Profit attributable to owners of parent	4,499	5,746

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2016	Nine months ended December 31, 2017
Profit	4,505	5,749
Other comprehensive income		
Valuation difference on available-for-sale securities	1,190	2,059
Deferred gains or losses on hedges	22	(6)
Foreign currency translation adjustment	(565)	22
Remeasurements of defined benefit plans, net of tax	(164)	(346)
Total other comprehensive income	482	1,729
Comprehensive income	4,988	7,478
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,980	7,474
Comprehensive income attributable to non-controlling interests	7	4