

Consolidated Financial Results for the Fiscal Year Ended March 31, 2015 <under IFRS>

Company name: **Yutaka Giken Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7229
 URL: <http://www.yutakagiken.co.jp/en/index.html>
 Representative: Minoru Okamoto, President & Representative Director
 Contact: Hitoshi Ono, General Manager of Accounting Division
 Tel: +81-53-433-4111

(Millions of yen with fractional amounts rounded, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Total comprehensive income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2015	144,992	4.2	11,494	(1.7)	11,968	(1.2)	8,881	4.0	7,502	8.1	14,584	37.9
March 31, 2014	139,119	—	11,693	—	12,107	—	8,538	—	6,942	—	10,573	—

	Basic earnings per share	Diluted earnings per share	Ratio of profit to equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to revenue
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2015	506.23	—	12.0	8.9	7.9
March 31, 2014	468.49	—	13.2	10.5	8.4

Reference: Share of profit (loss) of investments accounted for using equity method

For the fiscal year ended March 31, 2015: — million yen

For the fiscal year ended March 31, 2014: — million yen

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2015	145,661	79,331	68,665	47.1	4,633.69
March 31, 2014	123,929	66,337	56,730	45.8	3,828.26

(3) Consolidated cash flows

	Net cash flows from (used in) operating activities	Net cash flows from (used in) investing activities	Net cash flows from (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2015	13,451	(13,532)	(1,521)	17,591
March 31, 2014	16,144	(13,975)	269	17,881

2. Cash dividends

	Annual cash dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter- end	Second quarter- end	Third quarter- end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2014	–	19.00	–	19.00	38.00	563	8.1	1.1
March 31, 2015	–	20.00	–	20.00	40.00	593	7.9	0.9
Fiscal year ending March 31, 2016 (Forecast)	–	22.00	–	22.00	44.00		10.0	

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2016
(from April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Six months ending September 30, 2015	77,000	–	5,000	–	5,000	–	3,500	–	2,700	–	Yen 182.20
Fiscal year ending March 31, 2016	160,000	10.4	12,000	4.4	12,000	0.3	8,500	(4.3)	6,500	(13.4)	438.63

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

Newly included: None

Excluded: 1 company (Name: South Carolina Yutaka Technologies, Inc.)

- (2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies other than the above: None

c. Changes in accounting estimates: None

- (3) Number of issued shares (ordinary shares)

- a. Total number of issued shares at end of period (including treasury shares)

As of March 31, 2015	14,820,000 shares
As of March 31, 2014	14,820,000 shares

- b. Number of treasury shares at end of period

As of March 31, 2015	1,296 shares
As of March 31, 2014	1,251 shares

- c. Average number of outstanding shares during the period

Fiscal year ended March 31, 2015	14,818,717 shares
Fiscal year ended March 31, 2014	14,818,800 shares

*** Indication regarding execution of audit procedures**

This financial results report is out of the scope of the audit procedures that are required by the Financial Instruments and Exchange Act. However, the audit procedures for the financial statements pursuant to this Act have been completed as our annual securities report was already filed today on June 26, 2015.

*** Proper use of earnings forecasts, and other special notes**

1. Pursuant to the provision of Article 93 of the “Ordinance on Terminology, Forms and Preparation Methods of Consolidated Financial Statements,” the Company has prepared its consolidated financial statements in accordance with IFRS beginning with those in the annual securities report for the fiscal year ended March 31, 2015. This financial results report and its attachment are voluntary disclosure of major financial information under IFRS among the items disclosed in the annual securities report filed today by the Company. The Company already announced its consolidated financial results report for the fiscal year ended March 31, 2015 under Japanese GAAP on April 27, 2015.
2. This financial results report and its attachment provide items described in the annual securities report with focus on a part of financial information under IFRS. Therefore, these materials do not contain all information described in the items in the annual securities report that may be important to investors. For financial information and related items not contained in these materials, please refer to the Annual Securities Report for the 29th Fiscal Year.
3. The forward-looking statements including earnings forecasts contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company, and are not intended as the Company’s commitment to achieve such forecasts. Actual business and other results may differ significantly from these forecasts due to a wide range of factors.

Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of the date of transition to IFRS (April 1, 2013)	As of March 31, 2014	As of March 31, 2015
ASSETS			
Current assets			
Cash and cash equivalents	16,648	19,674	20,032
Trade and other receivables	23,479	25,672	31,802
Inventories	17,162	21,812	26,346
Other current assets	1,897	1,917	2,305
Subtotal	59,186	69,075	80,485
Assets held for sale	344	979	—
Total current assets	59,530	70,053	80,485
Non-current assets			
Property, plant and equipment	42,493	49,809	60,024
Intangible assets	723	617	875
Other non-current assets	962	1,236	1,389
Deferred tax assets	2,547	2,214	2,888
Total non-current assets	46,725	53,876	65,176
Total assets	106,255	123,929	145,661

(Millions of yen)

	As of the date of transition to IFRS (April 1, 2013)	As of March 31, 2014	As of March 31, 2015
LIABILITIES AND EQUITY			
Liabilities			
Current liabilities			
Trade and other payables	23,652	29,970	34,393
Borrowings	9,866	10,346	14,293
Income taxes payable	1,320	940	1,054
Other current liabilities	2,214	1,896	2,171
Total current liabilities	37,052	43,152	51,911
Non-current liabilities			
Borrowings	8,509	10,533	9,756
Net defined benefit liability	2,778	2,642	2,590
Deferred tax liabilities	1	649	1,444
Other non-current liabilities	772	617	630
Total non-current liabilities	12,060	14,440	14,420
Total liabilities	49,112	57,592	66,330
Equity			
Issued capital	1,754	1,754	1,754
Capital surplus	566	566	566
Retained earnings	46,013	52,324	59,168
Treasury shares	(1)	(1)	(2)
Other components of equity	(5)	2,087	7,179
Total equity attributable to owners of parent	48,327	56,730	68,665
Non-controlling interests	8,816	9,607	10,665
Total equity	57,143	66,337	79,331
Total liabilities and equity	106,255	123,929	145,661

(2) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Revenue	139,119	144,992
Cost of sales	113,049	118,328
Gross profit	26,070	26,664
Selling, general and administrative expenses	14,243	15,025
Other income	164	436
Other expense	298	582
Operating profit	11,693	11,494
Finance income	797	823
Finance costs	382	349
Profit before tax	12,107	11,968
Income tax expense	3,569	3,087
Profit for the period	8,538	8,881
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of net defined benefit liability (asset)	(90)	(55)
Net change in financial assets at fair value through other comprehensive income	(0)	4
Total items that will not be reclassified to profit or loss	(90)	(51)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	2,125	5,753
Total items that may be reclassified to profit or loss	2,125	5,753
Total other comprehensive income, net of tax	2,035	5,703
Total comprehensive income for the period	10,573	14,584
Profit attributable to:		
Owners of parent	6,942	7,502
Non-controlling interests	1,596	1,379
Profit for the period	8,538	8,881
Total comprehensive income attributable to:		
Owners of parent	8,951	12,514
Non-controlling interests	1,622	2,070
Total comprehensive income	10,573	14,584
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	468.49	506.23

(3) Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of parent					
	Issued capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurements of net defined benefit liability (asset)	Net change in financial assets at fair value through other comprehensive income
Balance as of April 1, 2013	1,754	566	46,013	(1)	–	(5)
Profit for the period	–	–	6,942	–	–	–
Other comprehensive income	–	–	–	–	(83)	5
Comprehensive income for the period	–	–	6,942	–	(83)	5
Transactions with owners						
Purchase and sales of treasury shares	–	–	–	(0)	–	–
Dividends paid	–	–	(548)	–	–	–
Transfer from other components of equity to retained earnings	–	–	(83)	–	83	–
Total transactions with owners	–	–	(631)	(0)	83	–
Balance as of March 31, 2014	1,754	566	52,324	(1)	–	(0)
Profit for the period	–	–	7,502	–	–	–
Other comprehensive income	–	–	–	–	(80)	15
Comprehensive income for the period	–	–	7,502	–	(80)	15
Transactions with owners						
Purchase and sales of treasury shares	–	–	–	(0)	–	–
Dividends paid	–	–	(578)	–	–	–
Transfer from other components of equity to retained earnings	–	–	(80)	–	80	–
Total transactions with the owners	–	–	(658)	(0)	80	–
Balance as of March 31, 2015	1,754	566	59,168	(2)	–	15

(Millions of yen)

(millions of yen)

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total equity attributable to owners of parent		
	Exchange differences on translation of foreign operations	Total other components of equity			
Balance as of April 1, 2013	—	(5)	48,327	8,816	57,143
Profit for the period	—	—	6,942	1,596	8,538
Other comprehensive income	2,087	2,009	2,009	26	2,035
Comprehensive income for the period	2,087	2,009	8,951	1,622	10,573
Purchase and sales of treasury shares	—	—	(0)	—	(0)
Dividends paid	—	—	(548)	(831)	(1,379)
Transfer from other components of equity to retained earnings	—	83	—	—	—
Total transactions with owners	—	83	(548)	(831)	(1,379)
Balance as of March 31, 2014	2,087	2,087	56,730	9,607	66,337
Profit for the period	—	—	7,502	1,379	8,881
Other comprehensive income	5,077	5,012	5,012	691	5,703
Comprehensive income for the period	5,077	5,012	12,514	2,070	14,584
Purchase and sales of treasury shares	—	—	(0)	—	(0)
Dividends paid	—	—	(578)	(1,012)	(1,590)
Transfer from other components of equity to retained earnings	—	80	—	—	—
Total transactions with owners	—	80	(578)	(1,012)	(1,590)
Balance as of March 31, 2015	7,164	7,179	68,665	10,665	79,331

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from (used in) operating activities		
Profit before tax	12,107	11,968
Depreciation and amortization	7,278	8,815
Increase (decrease) in net defined benefit liability	10	86
Interest and dividends received	(185)	(267)
Interest paid	382	349
Loss (profit) from sale of non-current assets	(42)	(214)
Loss on retirement of non-current assets	40	52
Loss on reduction of non-current assets	—	68
Impairment loss	57	—
Extra retirement benefits	63	355
Decrease (increase) in operating receivables	109	(1,130)
Decrease (increase) in inventories	(3,286)	(1,887)
Increase (decrease) in trade and other payables	4,626	560
Other inflows (outflows) of cash	(2,222)	(1,885)
Subtotal	18,938	16,868
Interest received	185	266
Dividends received	1	1
Interest paid	(384)	(351)
Extra retirement benefits paid	(63)	(196)
Income taxes refund (paid)	(2,532)	(3,138)
Net cash flows from (used in) operating activities	16,144	13,451
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	(3)	(582)
Purchase of property, plant and equipment	(14,660)	(14,300)
Proceeds from sales of property, plant and equipment	721	1,604
Purchase of intangible assets	(37)	(295)
Payments for loans receivable	(7)	(1)
Proceeds from collection of loans receivable	10	42
Net cash flows from (used in) investing activities	(13,975)	(13,532)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	(219)	2,320
Repayments of finance lease obligations	(45)	(172)
Proceeds from non-current borrowings	4,561	851
Repayments of non-current borrowings	(3,114)	(3,290)
Purchase of treasury shares	(0)	(0)
Dividends paid	(548)	(578)
Dividends paid to non-controlling interests	(365)	(652)
Net cash flows from (used in) financing activities	269	(1,521)
Effect of exchange rate changes on cash and cash equivalents	627	1,313
Net increase (decrease) in cash and cash equivalents	3,065	(289)
Cash and cash equivalents at beginning of period	14,815	17,881
Cash and cash equivalents at end of period	17,881	17,591