

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2016 <under IFRS>

Company name: **Yutaka Giken Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Securities code: 7229
 URL: <http://www.yutakagiken.co.jp/en/index.html>
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Scheduled date to file quarterly securities report: August 7, 2015
 Scheduled date to commence dividend payments: —
 Preparation of supplementary results briefing material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

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

1. Consolidated financial results for the first three months of the fiscal year ending March 31, 2016 (from April 1, 2015 to June 30, 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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2015	40,408	14.2	3,445	3.7	3,372	2.6	2,015	(14.7)	1,615	(16.8)	2,848	135.4
June 30, 2014	35,374	—	3,322	—	3,286	—	2,363	—	1,941	—	1,210	—

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2015	108.98	—
June 30, 2014	130.96	—

(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
June 30, 2015	150,619	81,778	70,767	47.0	4,775.53
March 31, 2015	145,661	79,331	68,665	47.1	4,633.69

2. Cash dividends

	Annual cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2016	—				
Fiscal year ending March 31, 2016 (Forecast)		22.00	—	22.00	44.00

Note: Revisions to the forecasts of cash dividends most recently announced: None

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

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: None

Excluded: None

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

- a. Changes in accounting policies required by IFRS: Yes
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 June 30, 2015	14,820,000 shares
As of March 31, 2015	14,820,000 shares

- b. Number of treasury shares at end of period

As of June 30, 2015	1,296 shares
As of March 31, 2015	1,296 shares

- c. Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2015	14,818,704 shares
Three months ended June 30, 2014	14,818,749 shares

*** Indication regarding execution of quarterly review procedures**

This quarterly financial results report is out of the scope of the quarterly review procedures that are required by the Financial Instruments and Exchange Act. However, the quarterly review procedures for the quarterly financial statements pursuant to this Act have been completed as our quarterly securities report was already filed today on August 7, 2015.

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

1. The Company has applied International Financial Reporting Standards (IFRS) in preparing its consolidated financial statements beginning with those in the annual securities report for the fiscal year ended March 31, 2015. The consolidated financial statements for the same quarter of the previous fiscal year and those for the previous fiscal year are also presented in accordance with IFRS.
2. 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.

Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
ASSETS		
Current assets		
Cash and cash equivalents	20,032	22,739
Trade and other receivables	31,802	33,903
Inventories	26,346	25,568
Other current assets	2,305	1,348
Subtotal	80,485	83,558
Assets held for sale	–	371
Total current assets	80,485	83,929
Non-current assets		
Property, plant and equipment	60,024	61,439
Intangible assets	875	955
Other non-current assets	1,389	1,287
Deferred tax assets	2,888	3,009
Total non-current assets	65,176	66,690
Total assets	145,661	150,619
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	34,393	35,053
Borrowings	14,293	15,543
Income taxes payable	1,054	1,359
Other current liabilities	2,171	2,775
Total current liabilities	51,911	54,730
Non-current liabilities		
Borrowings	9,756	9,213
Net defined benefit liability	2,590	2,574
Deferred tax liabilities	1,444	1,620
Other non-current liabilities	630	704
Total non-current liabilities	14,420	14,111
Total liabilities	66,330	68,841
Equity		
Issued capital	1,754	1,754
Capital surplus	566	566
Retained earnings	59,168	60,487
Treasury shares	(2)	(2)
Other components of equity	7,179	7,962
Total equity attributable to owners of parent	68,665	70,767
Non-controlling interests	10,665	11,011
Total equity	79,331	81,778
Total liabilities and equity	145,661	150,619

(2) Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Revenue	35,374	40,408
Cost of sales	28,273	32,941
Gross profit	7,101	7,467
Selling, general and administrative expenses	3,846	4,012
Other income	86	86
Other expense	19	96
Operating profit	3,322	3,445
Finance income	43	38
Finance costs	79	111
Profit before tax	3,286	3,372
Income tax expense	923	1,357
Profit for the period	2,363	2,015
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of net defined benefit liability (asset)	—	—
Net change in financial assets at fair value through other comprehensive income	10	3
Total items that will not be reclassified to profit or loss	10	3
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(1,163)	830
Total items that may be reclassified to profit or loss	(1,163)	830
Total other comprehensive income, net of tax	(1,153)	833
Total comprehensive income for the period	1,210	2,848
Profit attributable to:		
Owners of parent	1,941	1,615
Non-controlling interests	422	400
Profit for the period	2,363	2,015
Total comprehensive income attributable to:		
Owners of parent	904	2,398
Non-controlling interests	306	449
Total comprehensive income	1,210	2,848
Earnings per share (attributable to owners of parent)		
Basic earnings per share (Yen)	130.96	108.98

(3) Condensed Quarterly 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, 2014	1,754	566	52,324	(1)	—	(0)
Profit for the period	—	—	1,941	—	—	—
Other comprehensive income	—	—	—	—	—	5
Comprehensive income for the period	—	—	1,941	—	—	5
Purchase and sales of treasury shares	—	—	—	(0)	—	—
Dividends paid	—	—	(282)	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—
Total transactions with owners	—	—	(282)	(0)	—	—
Balance as of June 30, 2014	1,754	566	53,984	(1)	—	5

	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, 2014	2,087	2,087	56,730	9,607	66,337
Profit for the period	–	–	1,941	422	2,364
Other comprehensive income	(1,042)	(1,037)	(1,037)	(116)	(1,153)
Comprehensive income for the period	(1,042)	(1,037)	904	306	1,210
Purchase and sales of treasury shares	–	–	(0)	–	(0)
Dividends paid	–	–	(282)	(85)	(367)
Transfer from other components of equity to retained earnings	–	–	–	–	–
Total transactions with owners	–	–	(282)	(85)	(367)
Balance as of June 30, 2014	1,045	1,050	57,353	9,828	67,181

(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, 2015	1,754	566	59,168	(2)	–	15
Profit for the period	–	–	1,615	–	–	–
Other comprehensive income	–	–	–	–	–	2
Comprehensive income for the period	–	–	1,615	–	–	2
Purchase and sales of treasury shares	–	–	–	–	–	–
Dividends paid	–	–	(296)	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	–
Total transactions with owners	–	–	(296)	–	–	–
Balance as of June 30, 2015	1,754	566	60,487	(2)	–	16

	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, 2015	7,164	7,179	68,665	10,665	79,331
Profit for the period	—	—	1,615	400	2,015
Other comprehensive income	782	783	783	50	833
Comprehensive income for the period	782	783	2,398	449	2,848
Purchase and sales of treasury shares	—	—	—	—	—
Dividends paid	—	—	(296)	(103)	(400)
Transfer from other components of equity to retained earnings	—	—	—	—	—
Total transactions with owners	—	—	(296)	(103)	(400)
Balance as of June 30, 2015	7,945	7,962	70,767	11,011	81,778

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Cash flows from (used in) operating activities		
Profit before tax	3,286	3,372
Depreciation and amortization	1,854	1,974
Increase (decrease) in net defined benefit liability	(101)	(16)
Interest and dividends received	(43)	(38)
Interest paid	69	104
Loss (profit) from sale of non-current assets	(12)	(1)
Loss on retirement of non-current assets	5	17
Extra retirement benefits	–	63
Decrease (increase) in operating receivables	(1,956)	(1,292)
Decrease (increase) in inventories	2,109	1,163
Increase (decrease) in trade and other payables	1,024	3,313
Other inflows (outflows) of cash	(1,906)	(1,883)
Subtotal	4,329	6,777
Interest received	42	38
Dividends received	1	1
Interest paid	(68)	(104)
Extra retirement benefits paid	–	(222)
Income taxes refund (paid)	(1,197)	(914)
Net cash flows from (used in) operating activities	3,107	5,575
Cash flows from (used in) investing activities		
Net decrease (increase) in term deposits	(409)	288
Purchase of property, plant and equipment	(2,643)	(3,369)
Proceeds from sales of property, plant and equipment	92	330
Purchase of intangible assets	(63)	(133)
Payments for loans receivable	–	(5)
Proceeds from collection of loans receivable	36	–
Net cash flows from (used in) investing activities	(2,987)	(2,889)
Cash flows from (used in) financing activities		
Net increase (decrease) in current borrowings	(831)	1,131
Repayments of finance lease obligations	(54)	(38)
Repayments of non-current borrowings	(1,009)	(801)
Dividends paid	(282)	(296)
Dividends paid to non-controlling interests	(85)	(103)
Net cash flows from (used in) financing activities	(2,260)	(108)
Effect of exchange rate changes on cash and cash equivalents	(192)	384
Net increase (decrease) in cash and cash equivalents	(2,333)	2,963
Cash and cash equivalents at beginning of period	17,881	17,591
Cash and cash equivalents at end of period	15,548	20,555