Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2017 (Based on Japanese GAAP)

July 31, 2017

Company name: ASAHI YUKIZAI CORPORATION

Stock exchange listing: Tokyo

Stock code: 4216 URL http://www.asahi-yukizai.co.jp

Representative: President & Representative Director Koji Fujiwara

.. General Manager

Inquiries: TAKEYUKI FUJIOKA TEL 03-3578-6001

General Affairs Department

Scheduled date to file Quarterly Securities Report: August 8, 2017

Scheduled date to commence dividend payments:

Preparation of supplementary material on quarterly financial results:

No
Holding of quarterly financial results meeting:

No

(Amounts are rounded off to the nearest million yen)

1. Consolidated financial results for the three months ended June 30, 2017 (from April 1, 2017 to June 30, 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	%
Three months ended June 30, 2017	10,293	15.2	358	308.1	389	-	323	-
Three months ended June 30, 2016	8,938	(10.0)	88	(60.6)	(166)	_	(143)	_

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2017	3.37	_
Three months ended June 30, 2016	(1.49)	_

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2017	53,783	38,673	71.4	400.72
As of March 31, 2017	55,040	38,906	70.2	403.26

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	_	3.00	_	3.00	6.00		
Year ending March 31, 2018	-						
Year ending March 31, 2018 (Forecast)		3.00	_	15.00	_		

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

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	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
Six months ending September 30, 2017	21,000	11.1	850	46.4	900	340.3	650	673.9	6.78
Full year	44,000	4.7	2,200	6.7	2,100	8.0	1,500	37.5	78.26

4. Notes

(1) Changes in significant subsidiaries during the three months ended June 30, 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: Yes

(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:

Restatement of prior period financial statements:

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

Total named of issued shares at the end of the period (increasing fleating)							
As of June 30, 2017	99,002,000 shares As of March 31, 2017		99,002,000 shares				
Number of treasury shares at the end of the							
As of June 30, 2017	3,178,898 shares	As of March 31, 2017	3,177,409 shares				
Average number of shares during the period (cumulative from the beginning of the fiscal year)							
Three months ended June 30, 2017	95,823,908 shares	Three months ended June 30, 2016	95,832,528 shares				

Quarterly consolidated financial statements Consolidated balance sheets

		(Millions of yen)
	As of March 31, 2017	As of June 30, 2017
Assets		
Current assets		
Cash and deposits	7,092	7,396
Notes and accounts receivable - trade	12,814	11,614
Electronically recorded monetary claims - operating	2,505	2,115
Inventories	7,552	7,729
Other	762	870
Allowance for doubtful accounts	(36)	(35
Total current assets	30,687	29,688
Non-current assets		
Property, plant and equipment		
Land	6,100	6,085
Other, net	10,483	10,224
Total property, plant and equipment	16,583	16,310
Intangible assets		
Goodwill	625	613
Other	366	370
Total intangible assets	991	983
Investments and other assets		
Investment securities	3,717	3,732
Net defined benefit asset	2,546	2,542
Other	533	547
Allowance for doubtful accounts	(18)	(19
Total investments and other assets	6,779	6,802
Total non-current assets	24,352	24,095
Total assets	55,040	53,783
Liabilities		,
Current liabilities		
Notes and accounts payable - trade	5,188	4,229
Electronically recorded obligations - operating	2,796	3,162
Short-term loans payable	375	62
Income taxes payable	253	131
Other	3,260	3,322
Total current liabilities	11,872	10,906
Non-current liabilities		.,
Long-term loans payable	312	273
Provision for directors' retirement benefits	179	
Net defined benefit liability	1,702	1,654
Other	2,069	2,276
Total non-current liabilities	4,261	4,203
Total liabilities	16,133	15,11

(Millions of yen)

		(Willions of yell)
	As of March 31, 2017	As of June 30, 2017
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	8,479	8,479
Retained earnings	23,872	23,907
Treasury shares	(1,072)	(1,073)
Total shareholders' equity	36,279	36,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	640	666
Deferred gains or losses on hedges	(3)	(3)
Foreign currency translation adjustment	1,006	771
Remeasurements of defined benefit plans	720	650
Total accumulated other comprehensive income	2,363	2,085
Non-controlling interests	264	275
Total net assets	38,906	38,673
Total liabilities and net assets	55,040	53,783
	-	

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

Consolidated statements of income (cumulative)

	Three months ended	(Millions of yen) Three months ended
	June 30, 2016	June 30, 2017
Net sales	8,938	10,293
Cost of sales	5,913	7,020
Gross profit	3,025	3,273
Selling, general and administrative expenses	2,938	2,915
Operating profit	88	358
Non-operating income		
Interest income	4	8
Dividend income	20	18
Share of profit of entities accounted for using equity method	8	2
Foreign exchange gains	_	4
Other	9	9
Total non-operating income	41	42
Non-operating expenses		
Interest expenses	5	4
Loss on redemption of securities	_	1
Loss on valuation of investments in capital	1	4
Foreign exchange losses	276	_
Compensation expenses	6	_
Other	6	3
Total non-operating expenses	294	12
Ordinary profit (loss)	(166)	389
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on disaster	2	-
Total extraordinary losses	2	0
Profit (loss) before income taxes	(168)	389
Income taxes	(14)	58
Profit (loss)	(153)	331
Profit (loss) attributable to non-controlling interests	(11)	8
Profit (loss) attributable to owners of parent	(143)	323

Consolidated statements of comprehensive income (cumulative)

(· · · · · · · · · · · · · · · · · · ·	,	(Millions of yen)
	Three months ended	Three months ended
	June 30, 2016	June 30, 2017
Profit (loss)	(153)	331
Other comprehensive income		
Valuation difference on available-for-sale securities	(128)	22
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	(418)	(233)
Remeasurements of defined benefit plans, net of tax	(37)	(70)
Share of other comprehensive income of entities accounted	(6)	4
for using equity method		
Total other comprehensive income	(588)	(276)
Comprehensive income	(741)	55
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(709)	44
Comprehensive income attributable to non-controlling interests	(32)	10