

# Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2015 (Based on Japanese GAAP)

July 31, 2015

Company name: Asahi Organic Chemicals Industry Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4216 URL <http://www.asahi-yukizai.co.jp>  
 Representative: President & Representative Director Koji Fujiwara  
 General Manager  
 Inquiries: General Affairs & Human Resources Yoichi Uenida TEL 03-3578-6001  
 Department  
 Scheduled date to file Quarterly Securities Report: August 11, 2015  
 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, 2015 (from April 1, 2015 to June 30, 2015)

#### (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	%
Three months ended June 30, 2015	9,936	6.7	223	34.0	365	255.5	279	–
Three months ended June 30, 2014	9,316	25.2	167	–	103	176.2	(16)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2015	2.91	–
Three months ended June 30, 2014	(0.17)	–

#### (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, 2015	56,358	39,019	68.7	404.20
As of March 31, 2015	57,697	39,108	67.3	405.05

### 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, 2015	–	3.00	–	3.00	6.00
Year ending March 31, 2016	–				
Year ending March 31, 2016 (Forecast)		3.00	–	3.00	6.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

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
Six months ending September 30, 2015	21,000	10.1	600	18.5	700	(1.9)	500	9.4	5.22
Full year	43,000	5.3	1,500	25.4	1,600	(9.3)	1,000	(13.1)	10.31

#### 4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2015  
(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: 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 June 30, 2015	99,002,000 shares	As of March 31, 2015	99,002,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2015	3,157,590 shares	As of March 31, 2015	3,155,651 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2015	95,845,493 shares	Three months ended June 30, 2014	97,651,904 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
<b>Assets</b>		
Current assets		
Cash and deposits	7,937	7,902
Notes and accounts receivable - trade	14,437	13,703
Inventories	8,485	8,502
Other	946	842
Allowance for doubtful accounts	(19)	(18)
Total current assets	31,787	30,930
Non-current assets		
Property, plant and equipment		
Land	6,120	6,118
Other, net	10,877	10,909
Total property, plant and equipment	16,997	17,027
Intangible assets		
Goodwill	652	643
Other	309	298
Total intangible assets	960	941
Investments and other assets		
Investment securities	4,667	4,184
Net defined benefit asset	2,806	2,801
Other	503	499
Allowance for doubtful accounts	(23)	(23)
Total investments and other assets	7,953	7,460
Total non-current assets	25,910	25,428
Total assets	57,697	56,358
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,232	7,766
Short-term loans payable	1,087	1,020
Income taxes payable	139	133
Other	4,348	3,726
Total current liabilities	13,805	12,646
Non-current liabilities		
Long-term loans payable	332	330
Provision for directors' retirement benefits	178	137
Net defined benefit liability	1,620	1,637
Other	2,654	2,589
Total non-current liabilities	4,783	4,693
Total liabilities	18,588	17,339

	(Millions of yen)	
	As of March 31, 2015	As of June 30, 2015
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	8,479	8,479
Retained earnings	23,005	22,996
Treasury shares	(1,067)	(1,068)
Total shareholders' equity	35,417	35,408
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	831	865
Deferred gains or losses on hedges	(5)	(5)
Foreign currency translation adjustment	1,301	1,266
Remeasurements of defined benefit plans	1,278	1,206
Total accumulated other comprehensive income	3,406	3,333
Non-controlling interests	285	278
Total net assets	39,108	39,019
Total liabilities and net assets	57,697	56,358

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	9,316	9,936
Cost of sales	6,507	6,877
Gross profit	2,809	3,060
Selling, general and administrative expenses	2,642	2,836
Operating income	167	223
Non-operating income		
Interest income	17	57
Dividend income	23	27
Share of profit of entities accounted for using equity method	1	11
Foreign exchange gains	–	55
Other	13	14
Total non-operating income	54	164
Non-operating expenses		
Interest expenses	1	9
Loss on redemption of securities	9	8
Loss on valuation of compound financial instruments	24	–
Foreign exchange losses	66	–
Compensation expenses	9	–
Other	9	5
Total non-operating expenses	117	22
Ordinary income	103	365
Extraordinary income		
Gain on sales of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	1	1
Total extraordinary losses	1	1
Income before income taxes and minority interests	102	364
Income taxes	115	93
Profit (loss)	(13)	272
Profit (loss) attributable to non-controlling interests	4	(7)
Profit (loss) attributable to owners of parent	(16)	279

# Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Profit (loss)	(13)	272
Other comprehensive income		
Valuation difference on available-for-sale securities	61	34
Deferred gains or losses on hedges	–	0
Foreign currency translation adjustment	(155)	(35)
Remeasurements of defined benefit plans, net of tax	(37)	(73)
Share of other comprehensive income of entities accounted for using equity method	7	1
Total other comprehensive income	(124)	(73)
Comprehensive income	(137)	199
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(136)	206
Comprehensive income attributable to non-controlling interests	(1)	(7)