

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2017 (Based on Japanese GAAP)

October 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: General Affairs Department TAKEYUKI FUJIOKA TEL 03-3578-6001  
 Scheduled date to file Quarterly Securities Report: November 10, 2017  
 Scheduled date to commence dividend payments: December 4, 2017  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts are rounded off to the nearest million yen)

### 1. Consolidated financial results for the six months ended September 30, 2017 (from April 1, 2017 to September 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	%
Six months ended September 30, 2017	21,503	13.7	1,153	98.6	1,287	529.5	976	—
Six months ended September 30, 2016	18,906	(9.5)	580	(16.4)	204	(74.8)	84	(86.6)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2017	50.91	—
Six months ended September 30, 2016	4.38	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2017	55,570	39,442	70.5	2,043.72
As of March 31, 2017	55,040	38,906	70.2	2,016.28

### 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	—	4.00			
Year ending March 31, 2018 (Forecast)			—	20.00	—

### 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	48,000	14.2	3,000	45.5	3,000	54.3	2,300	110.8	120.01

#### 4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: 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 September 30, 2017	19,800,400 shares	As of March 31, 2017	19,800,400 shares
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Number of treasury shares at the end of the period

As of September 30, 2017	636,825 shares	As of March 31, 2017	635,481 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2017	19,164,321 shares	Six months ended September 30, 2016	19,166,204 shares
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## Quarterly consolidated financial statements

### Consolidated balance sheets

(Millions of yen)

	As of March 31, 2017	As of September 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	7,092	7,548
Notes and accounts receivable - trade	12,814	12,869
Electronically recorded monetary claims - operating	2,505	2,069
Inventories	7,552	7,845
Other	762	808
Allowance for doubtful accounts	(36)	(34)
Total current assets	30,687	31,104
Non-current assets		
Property, plant and equipment		
Land	6,100	6,214
Other, net	10,483	10,205
Total property, plant and equipment	16,583	16,420
Intangible assets		
Goodwill	625	697
Other	366	376
Total intangible assets	991	1,073
Investments and other assets		
Investment securities	3,717	3,870
Net defined benefit asset	2,546	2,537
Other	533	587
Allowance for doubtful accounts	(18)	(19)
Total investments and other assets	6,779	6,974
Total non-current assets	24,352	24,467
Total assets	55,040	55,570
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,188	4,615
Electronically recorded obligations - operating	2,796	3,601
Short-term loans payable	375	447
Income taxes payable	253	288
Other	3,260	2,946
Total current liabilities	11,872	11,898
Non-current liabilities		
Long-term loans payable	312	265
Provision for directors' retirement benefits	179	—
Provision for stocks payment	—	4
Provision for management board incentive plan trust	—	7
Net defined benefit liability	1,702	1,612
Other	2,069	2,344
Total non-current liabilities	4,261	4,231
Total liabilities	16,133	16,129

	(Millions of yen)	
	As of March 31, 2017	As of September 30, 2017
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	8,479	8,479
Retained earnings	23,872	24,560
Treasury shares	(1,072)	(1,074)
Total shareholders' equity	36,279	36,965
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	640	867
Deferred gains or losses on hedges	(3)	(3)
Foreign currency translation adjustment	1,006	755
Remeasurements of defined benefit plans	720	581
Total accumulated other comprehensive income	2,363	2,200
Non-controlling interests	264	277
Total net assets	38,906	39,442
Total liabilities and net assets	55,040	55,570

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Net sales	18,906	21,503
Cost of sales	12,561	14,440
Gross profit	6,345	7,063
Selling, general and administrative expenses	5,765	5,911
Operating profit	580	1,153
Non-operating income		
Interest income	9	15
Dividend income	29	29
Share of profit of entities accounted for using equity method	4	4
Foreign exchange gains	—	87
Other	21	27
Total non-operating income	63	162
Non-operating expenses		
Interest expenses	11	5
Loss on redemption of securities	—	1
Loss on valuation of investments in capital	0	13
Foreign exchange losses	410	—
Compensation expenses	6	—
Other	13	10
Total non-operating expenses	439	28
Ordinary profit	204	1,287
Extraordinary income		
Gain on sales of non-current assets	—	4
Total extraordinary income	—	4
Extraordinary losses		
Loss on sales of non-current assets	—	5
Loss on retirement of non-current assets	1	16
Loss on disaster	2	—
Loss on liquidation of subsidiaries and associates	—	38
Total extraordinary losses	3	60
Profit before income taxes	202	1,231
Income taxes	129	243
Profit	73	988
Profit (loss) attributable to non-controlling interests	(11)	12
Profit attributable to owners of parent	84	976

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

(Millions of yen)

	Six months ended September 30, 2016	Six months ended September 30, 2017
Profit	73	988
Other comprehensive income		
Valuation difference on available-for-sale securities	34	218
Deferred gains or losses on hedges	1	0
Foreign currency translation adjustment	(1,025)	(250)
Remeasurements of defined benefit plans, net of tax	(73)	(139)
Share of other comprehensive income of entities accounted for using equity method	(0)	9
Total other comprehensive income	(1,064)	(163)
Comprehensive income	(991)	825
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(953)	813
Comprehensive income attributable to non-controlling interests	(38)	12