

Consolidated Financial Results (Japanese Accounting Standards) for the Three Months Ended June 30, 2016 (Q1 FY2016)

Company name:	Itoham Yonekyu Holdings Inc.
Stock exchange listing:	Tokyo Stock Exchange
Stock code:	2296
URL:	http://www.itoham-yonekyu-holdings.com
Representative:	Isao Miyashita, President and Representative Director
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Scheduled date for filing of securities report:	August 12, 2016
Scheduled date of commencement of dividend payment:	—
Supplementary documents for quarterly results:	No
Quarterly results briefing:	No

(Amounts of less than one million yen are truncated)

1. Consolidated Financial Results for the Three Months Ended June 30, 2016 (April 1, 2016–June 30, 2016)

(1) Consolidated Results of Operations (Accumulated Total) (% figures show year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
Three month ended June 30, 2016	196,532	—	4,526	—	5,116	—	4,810	—
Three month ended June 30, 2015								

(Note) Comprehensive income: Three months ended June 30, 2016 406 million(- %) / Three months ended June 30, 2015 - million(- %)

	Net income per share	Fully diluted net income per share
	Yen	Yen
Three month ended June 30, 2016	16.18	16.16
Three month ended June 30, 2015	—	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million Yen	Million Yen	%
As of June 30, 2016	366,825	200,512	52.8
As of March 31, 2016	—	—	—

(Reference) Shareholders' equity: As of June 30, 2016 193,668 million / As of March 31, 2016 — million

2. Dividends

	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2016	—	—	—	—	—
Year ending March 31, 2017	—	—	—	—	—
Year ending March 31, 2017 (Forecast)	—	0.00	—	12.00	12.00

(Note) Amendment to forecasts of dividends recently announced: None

3. Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2017 (April 1, 2016 to March 31, 2017)

(% figures show year-on-year change)

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
2Q Accumulated	400,000	—	8,200	—	9,000	—	7,000	—	23.54
Full year	830,000	—	18,000	—	19,500	—	12,000	—	40.36

(Note) Amendment to forecasts of consolidated financial results recently announced: None

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million Yen)

As of June 30, 2016

ASSETS

Current assets

Cash and deposits	41,659
Notes and account receivable - trade	82,599
Securities	10,000
Merchandise and finished goods	54,466
Work in process	1,665
Raw materials and supplies	18,578
Other	7,498
Allowance for doubtful accounts	(27)

Total current assets

216,440

Non-current assets

Property, plant and equipment

Buildings and structures, net	31,076
Machinery, equipment and vehicles, net	21,673
Tools, furniture & fixtures, net	1,197
Land	26,368
Leased assets, net	1,415
Others, net	1,391

Total property, plant and equipment

83,124

Intangible assets

Goodwill	26,768
Other	2,093

Total intangible assets

28,861

Investments and other assets

Investment securities	29,078
Net defined benefit assets	1,312
Other	8,179
Allowance for doubtful receivables	(172)

Total investments and other assets

38,399

Total non-current assets

150,385

Total Assets

366,825

(Million Yen)

As of June 30, 2016

Liabilities**Current liabilities**

Notes and accounts payable - trade	64,679
Short-term loans payable	21,316
Cullent portion of Long-term loans	7,462
Cullent portion of Bonds payable	10,000
Income taxes payable	464
Provision for bonuses	1,611
Other	30,007
Total current liabilities	135,544

Non-current liabilities

Long-term loans payable	23,901
Net defined benefit liability	2,149
Asset retirement obligation	1,102
Other	3,615
Total non-current liabilities	30,768

Total liabilities

166,312

Net assets**Shareholder's equity**

Capital stock	30,000
Capital surplus	98,005
Retained earnings	66,072
Treasury stock	(4)
Total shareholder's equity	194,073

Other accumulated comprehensive income

Valuation difference on available-for-sale securities	4,656
Deferred gains or losses on hedges	(1,325)
Foreign currency translation adjustment	(1,605)
Remeasurements of defined benefit plan	(2,132)
Total accumulated other comprehensive income	(405)

Subscription rights to shares

101

Non-controlling interests

6,742

Total net assets

200,512

Total liabilities and net assets

366,825

(2) Quarterly consolidated statements of income and comprehensive income
(Consolidated statements of income)
(April 1, 2016 – September 30, 2016)

	(Million Yen)
	Three months ended June 30, 2016
Net sales	196,532
Cost of goods sold	166,405
Gross profit	30,127
Selling, general and administrative expenses	25,601
Operating income	4,526
Non-operating income	
Interest income	35
Dividend income	156
Rent income	124
Equity in earnings of affiliates	623
Other	193
Total non-operating income	1,133
Non-operating expenses	
Interest expenses	247
Rent on real estate	47
Organization expenses	210
Other	38
Total non-operating expenses	542
Ordinary Income	5,116
Extraordinary income	
Gain on sales of investment securities	1,774
Other	82
Total extra-ordinary income	1,857
Extraordinary loss	
Loss on retirement of non-current assets	40
Others	23
Total extra-ordinary expenses	63
Net income before taxes	6,910
Income taxes-current	534
Income taxes-deferred	1,554
Total income taxes	2,088
Net income	4,821
Income attributable to non-controlling interests	11
Income attributable to owners of parent	4,810

(Consolidated statements of income)
(April 1, 2016 – September 30, 2016)

(Million Yen)

Three months ended
June 30, 2016

Net income	4,821
Other comprehensive income	
Valuation difference on available-for- sale securities	(1,703)
Deferred gains or losses on hedges	(687)
Foreign currency translation adjustment	(1,053)
Remeasurements of defined benefit plan	(17)
Share of other comprehensive income of entities accounted for using equity method	(953)
Total other comprehensive income	<u>(4,414)</u>
Comprehensive income	<u>406</u>
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	704
Comprehensive income attributable to non-controlling interests	(297)