

Translation

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

August 10, 2015

Company name: ISEWAN TERMINAL SERVICE CO.,LTD.
 Stock exchange listing: Nagoya
 Stock code: 9359 URL: <http://www.isewan.co.jp>
 Representative: President Shozo Goto
 Inquiries: Executive Officer Masayoshi Nakano TEL 052-661-5181
 Scheduled date to file Quarterly Securities Report: August 12, 2015
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

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	11,691	4.6	610	67.4	713	68.8	389	69.1
Three months ended June 30, 2014	11,171	11.3	364	21.6	422	(14.0)	230	4.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2015	15.69		–	
Three months ended June 30, 2014	9.28		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2015	42,992	31,035	69.7
As of March 31, 2015	42,637	31,045	70.4

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2015	–	11.00	–	11.00	22.00
Year ending March 31, 2016	–				
Year ending March 31, 2016 (Forecast)		11.00	–	11.00	22.00

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	22,600	0.1	870	36.3	1,200	52.7	650	46.6	26.15
Full year	46,500	0.0	1,800	6.6	2,500	6.3	1,350	8.6	54.31

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: No
- (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	27,487,054 shares	As of March 31, 2015	27,487,054 shares
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Number of treasury shares at the end of the period

As of June 30, 2015	2,672,127 shares	As of March 31, 2015	2,631,209 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	24,835,414 shares	Three months ended June 30, 2014	24,856,219 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	7,493,787	7,540,420
Notes and accounts receivable - trade	7,074,562	6,839,364
Deferred tax assets	393,433	211,187
Other	1,311,512	1,431,733
Allowance for doubtful accounts	(19,863)	(19,032)
Total current assets	16,253,433	16,003,672
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,568,391	6,807,076
Machinery, equipment and vehicles, net	986,970	953,423
Land	11,764,048	11,685,025
Leased assets, net	162,286	149,528
Construction in progress	731,439	985,075
Other, net	162,776	170,967
Total property, plant and equipment	20,375,913	20,751,097
Intangible assets		
Other	73,288	68,490
Total intangible assets	73,288	68,490
Investments and other assets		
Investment securities	3,437,859	3,660,115
Investments in capital	347,611	348,181
Long-term loans receivable	987,374	1,080,951
Deferred tax assets	285,762	204,831
Other	934,985	935,558
Allowance for doubtful accounts	(58,739)	(59,952)
Total investments and other assets	5,934,853	6,169,686
Total non-current assets	26,384,055	26,989,274
Total assets	42,637,488	42,992,947

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	3,362,739	3,230,839
Short-term loans payable	339,988	1,049,917
Current portion of long-term loans payable	87,096	287,096
Lease obligations	45,899	43,461
Income taxes payable	586,907	91,148
Provision for bonuses	795,346	394,952
Other	991,706	1,554,322
Total current liabilities	6,209,683	6,651,738
Non-current liabilities		
Long-term loans payable	2,047,328	1,978,235
Lease obligations	121,531	111,564
Net defined benefit liability	2,690,804	2,712,555
Asset retirement obligations	206,380	207,585
Other	316,590	295,958
Total non-current liabilities	5,382,634	5,305,898
Total liabilities	11,592,317	11,957,636
Net assets		
Shareholders' equity		
Capital stock	2,046,941	2,046,941
Capital surplus	1,463,440	1,463,448
Retained earnings	25,642,757	25,748,719
Treasury shares	(1,180,604)	(1,209,228)
Total shareholders' equity	27,972,534	28,049,880
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	869,321	1,030,144
Foreign currency translation adjustment	1,314,806	1,036,604
Remeasurements of defined benefit plans	(149,497)	(136,928)
Total accumulated other comprehensive income	2,034,630	1,929,821
Non-controlling interests	1,038,005	1,055,609
Total net assets	31,045,170	31,035,311
Total liabilities and net assets	42,637,488	42,992,947

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	11,171,826	11,691,196
Cost of sales	8,917,911	9,225,385
Gross profit	2,253,915	2,465,810
Selling, general and administrative expenses	1,889,404	1,855,534
Operating income	364,510	610,275
Non-operating income		
Interest income	14,968	13,598
Dividend income	18,661	24,760
Share of profit of entities accounted for using equity method	14,954	14,370
Rent income	25,107	16,866
Other	28,815	42,798
Total non-operating income	102,507	112,393
Non-operating expenses		
Interest expenses	3,527	4,891
Foreign exchange losses	38,726	1,920
Depreciation	2,170	1,914
Other	73	555
Total non-operating expenses	44,497	9,282
Ordinary income	422,520	713,386
Extraordinary income		
Gain on sales of non-current assets	243	122
Total extraordinary income	243	122
Extraordinary losses		
Loss on sales of non-current assets	–	169
Loss on retirement of non-current assets	3,849	472
Total extraordinary losses	3,849	641
Income before income taxes and minority interests	418,914	712,867
Income taxes - current	37,115	108,985
Income taxes - deferred	131,364	182,741
Total income taxes	168,479	291,727
Profit	250,434	421,139
Profit attributable to non-controlling interests	19,879	31,351
Profit attributable to owners of parent	230,555	389,787

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Profit	250,434	421,139
Other comprehensive income		
Valuation difference on available-for-sale securities	68,509	160,240
Foreign currency translation adjustment	(109,355)	(275,124)
Remeasurements of defined benefit plans, net of tax	11,311	12,568
Share of other comprehensive income of entities accounted for using equity method	1,723	2,358
Total other comprehensive income	(27,810)	(99,957)
Comprehensive income	222,623	321,182
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	202,306	284,978
Comprehensive income attributable to non-controlling interests	20,316	36,204