

Translation

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

November 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: November 12, 2015
 Scheduled date to commence dividend payments: December 4, 2015
 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 six months ended September 30, 2015 (from April 1, 2015 to September 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	%
Six months ended September 30, 2015	23,825	5.5	1,197	87.5	1,329	69.2	757	70.8
Six months ended September 30, 2014	22,582	11.4	638	(3.8)	785	(13.2)	443	(4.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2015	30.51		-	
Six months ended September 30, 2014	17.84		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2015	43,616	31,034	68.8
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	-	11.00	-	-	-
Year ending March 31, 2016 (Forecast)	-	-	-	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
Full year	47,200	1.5	2,300	36.2	2,650	12.7	1,500	20.7	60.42

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2015	2,672,254 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)

Six months ended September 30, 2015	24,826,588 shares	Six months ended September 30, 2014	24,856,147 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2015	As of September 30, 2015
Assets		
Current assets		
Cash and deposits	7,493,787	7,474,778
Notes and accounts receivable - trade	7,074,562	7,114,789
Deferred tax assets	393,433	374,675
Other	1,311,512	1,419,303
Allowance for doubtful accounts	(19,863)	(19,595)
Total current assets	16,253,433	16,363,951
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,568,391	7,430,291
Machinery, equipment and vehicles, net	986,970	1,133,384
Land	11,764,048	11,665,464
Leased assets, net	162,286	150,209
Construction in progress	731,439	867,425
Other, net	162,776	182,577
Total property, plant and equipment	20,375,913	21,429,351
Intangible assets		
Other	73,288	64,169
Total intangible assets	73,288	64,169
Investments and other assets		
Investment securities	3,437,859	3,077,785
Investments in capital	347,611	347,558
Long-term loans receivable	987,374	1,070,751
Deferred tax assets	285,762	386,331
Other	934,985	936,806
Allowance for doubtful accounts	(58,739)	(59,987)
Total investments and other assets	5,934,853	5,759,245
Total non-current assets	26,384,055	27,252,766
Total assets	42,637,488	43,616,718

(Thousands of yen)

	As of March 31, 2015	As of September 30, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	3,362,739	3,412,074
Short-term loans payable	339,988	659,728
Current portion of long-term loans payable	87,096	437,096
Lease obligations	45,899	43,675
Income taxes payable	586,907	512,198
Provision for bonuses	795,346	807,841
Other	991,706	1,080,288
Total current liabilities	6,209,683	6,952,902
Non-current liabilities		
Long-term loans payable	2,047,328	2,271,567
Lease obligations	121,531	113,371
Net defined benefit liability	2,690,804	2,725,296
Asset retirement obligations	206,380	208,789
Other	316,590	309,847
Total non-current liabilities	5,382,634	5,628,873
Total liabilities	11,592,317	12,581,775
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	26,116,270
Treasury shares	(1,180,604)	(1,209,275)
Total shareholders' equity	27,972,534	28,417,385
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	869,321	629,417
Foreign currency translation adjustment	1,314,806	1,075,097
Remeasurements of defined benefit plans	(149,497)	(124,359)
Total accumulated other comprehensive income	2,034,630	1,580,155
Non-controlling interests	1,038,005	1,037,402
Total net assets	31,045,170	31,034,943
Total liabilities and net assets	42,637,488	43,616,718

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Net sales	22,582,460	23,825,121
Cost of sales	18,064,680	18,881,030
Gross profit	4,517,779	4,944,091
Selling, general and administrative expenses	3,879,261	3,747,014
Operating income	638,518	1,197,076
Non-operating income		
Interest income	23,014	35,257
Dividend income	44,770	31,520
Share of profit of entities accounted for using equity method	18,283	14,626
Rent income	45,319	33,545
Other	71,387	92,467
Total non-operating income	202,775	207,416
Non-operating expenses		
Interest expenses	7,035	10,156
Foreign exchange losses	42,768	59,994
Depreciation	4,340	3,828
Other	1,226	1,070
Total non-operating expenses	55,369	75,049
Ordinary income	785,923	1,329,443
Extraordinary income		
Gain on sales of non-current assets	2,321	5,250
Total extraordinary income	2,321	5,250
Extraordinary losses		
Loss on sales of non-current assets	1,781	184
Loss on retirement of non-current assets	7,439	650
Loss on liquidation of subsidiaries and associates	3,185	–
Total extraordinary losses	12,406	834
Income before income taxes and minority interests	775,838	1,333,859
Income taxes - current	405,264	534,418
Income taxes - deferred	(95,619)	19,540
Total income taxes	309,644	553,959
Profit	466,194	779,900
Profit attributable to non-controlling interests	22,746	22,561
Profit attributable to owners of parent	443,447	757,339

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2014	Six months ended September 30, 2015
Profit	466,194	779,900
Other comprehensive income		
Valuation difference on available-for-sale securities	73,424	(237,357)
Foreign currency translation adjustment	(191,697)	(244,584)
Remeasurements of defined benefit plans, net of tax	22,623	25,137
Share of other comprehensive income of entities accounted for using equity method	1,082	(2,236)
Total other comprehensive income	(94,567)	(459,040)
Comprehensive income	371,626	320,860
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	358,004	302,864
Comprehensive income attributable to non-controlling interests	13,621	17,996