

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (Based on Japanese GAAP)

February 9, 2016

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: February 12, 2016  
 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 nine months ended December 31, 2015 (from April 1, 2015 to December 31, 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	%
Nine months ended December 31, 2015	35,475	2.9	1,772	49.6	1,730	6.7	985	3.1
Nine months ended December 31, 2014	34,466	10.7	1,185	(0.1)	1,622	13.9	955	32.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2015	39.71		–	
Nine months ended December 31, 2014	38.44		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2015	42,722	30,442	69.1
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 nine months ended December 31, 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 December 31, 2015	27,487,054 shares	As of March 31, 2015	27,487,054 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2015	2,727,318 shares	As of March 31, 2015	2,631,209 shares
-------------------------	------------------	----------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2015	24,812,026 shares	Nine months ended December 31, 2014	24,856,094 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	7,493,787	6,649,519
Notes and accounts receivable - trade	7,074,562	7,165,479
Deferred tax assets	393,433	217,699
Other	1,311,512	1,315,228
Allowance for doubtful accounts	(19,863)	(18,918)
Total current assets	16,253,433	15,329,008
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,568,391	7,096,095
Machinery, equipment and vehicles, net	986,970	1,023,397
Land	11,764,048	11,477,502
Leased assets, net	162,286	145,434
Construction in progress	731,439	1,609,433
Other, net	162,776	176,609
Total property, plant and equipment	20,375,913	21,528,472
Intangible assets		
Other	73,288	57,031
Total intangible assets	73,288	57,031
Investments and other assets		
Investment securities	3,437,859	3,200,477
Investments in capital	347,611	347,721
Long-term loans receivable	987,374	1,067,851
Deferred tax assets	285,762	354,149
Other	934,985	895,011
Allowance for doubtful accounts	(58,739)	(57,721)
Total investments and other assets	5,934,853	5,807,490
Total non-current assets	26,384,055	27,392,995
Total assets	42,637,488	42,722,004

(Thousands of yen)

	As of March 31, 2015	As of December 31, 2015
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	3,362,739	3,254,530
Short-term loans payable	339,988	454,084
Current portion of long-term loans payable	87,096	587,096
Lease obligations	45,899	43,346
Income taxes payable	586,907	216,828
Provision for bonuses	795,346	406,943
Other	991,706	1,364,242
<b>Total current liabilities</b>	<b>6,209,683</b>	<b>6,327,071</b>
<b>Non-current liabilities</b>		
Long-term loans payable	2,047,328	2,556,353
Lease obligations	121,531	109,796
Net defined benefit liability	2,690,804	2,768,625
Asset retirement obligations	206,380	209,993
Other	316,590	307,582
<b>Total non-current liabilities</b>	<b>5,382,634</b>	<b>5,952,351</b>
<b>Total liabilities</b>	<b>11,592,317</b>	<b>12,279,422</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	2,046,941	2,046,941
Capital surplus	1,463,440	1,463,448
Retained earnings	25,642,757	26,060,278
Treasury shares	(1,180,604)	(1,248,761)
<b>Total shareholders' equity</b>	<b>27,972,534</b>	<b>28,321,907</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	869,321	723,093
Foreign currency translation adjustment	1,314,806	590,727
Remeasurements of defined benefit plans	(149,497)	(111,791)
<b>Total accumulated other comprehensive income</b>	<b>2,034,630</b>	<b>1,202,029</b>
<b>Non-controlling interests</b>	<b>1,038,005</b>	<b>918,643</b>
<b>Total net assets</b>	<b>31,045,170</b>	<b>30,442,581</b>
<b>Total liabilities and net assets</b>	<b>42,637,488</b>	<b>42,722,004</b>

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Net sales	34,466,587	35,475,914
Cost of sales	27,595,164	28,094,518
Gross profit	6,871,422	7,381,396
Selling, general and administrative expenses	5,686,272	5,609,001
Operating income	1,185,150	1,772,394
Non-operating income		
Interest income	36,040	53,498
Dividend income	61,620	52,851
Foreign exchange gains	168,296	–
Share of profit of entities accounted for using equity method	33,231	29,420
Rent income	62,546	50,274
Other	95,173	131,952
Total non-operating income	456,908	317,997
Non-operating expenses		
Interest expenses	10,687	15,609
Foreign exchange losses	–	336,656
Depreciation	6,510	5,742
Other	1,890	1,445
Total non-operating expenses	19,088	359,453
Ordinary income	1,622,970	1,730,939
Extraordinary income		
Gain on sales of non-current assets	6,602	6,100
Total extraordinary income	6,602	6,100
Extraordinary losses		
Loss on sales of non-current assets	2,264	12,131
Loss on retirement of non-current assets	7,488	808
Loss on liquidation of subsidiaries and associates	3,185	–
Total extraordinary losses	12,938	12,940
Income before income taxes and minority interests	1,616,633	1,724,099
Income taxes - current	498,928	632,636
Income taxes - deferred	61,920	159,996
Total income taxes	560,849	792,632
Profit	1,055,784	931,466
Profit (loss) attributable to non-controlling interests	100,381	(53,704)
Profit attributable to owners of parent	955,403	985,171

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

(Thousands of yen)

	Nine months ended December 31, 2014	Nine months ended December 31, 2015
Profit	1,055,784	931,466
Other comprehensive income		
Valuation difference on available-for-sale securities	141,582	(147,133)
Foreign currency translation adjustment	126,279	(753,516)
Remeasurements of defined benefit plans, net of tax	33,934	37,706
Share of other comprehensive income of entities accounted for using equity method	457	1,885
Total other comprehensive income	302,254	(861,057)
Comprehensive income	1,358,039	70,408
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,244,010	152,570
Comprehensive income attributable to non-controlling interests	114,029	(82,161)