

SANYO TRADING COMPANY LIMITED

Financial Statements

Year Ended September 30, 2014

English translation from original Japanese-language documents

SANYO TRADING COMPANY LIMITED

Balance Sheets

As of September 30, 2014

U.S.Dollars

ASSETS

Current Assets

Cash and deposits	US\$	18,509,007
Notes receivable - trade		13,052,558
Electronically recorded monetary claims		3,024,525
Accounts receivable - trade		83,479,207
Merchandise		36,666,341
Goods in transit		9,805,685
Advance payments		567,938
Prepaid expenses		468,731
Short-term loans to affiliates		696,025
Accounts receivable - other		284,484
Deferred tax assets - current		739,777
Other current assets		1,506,559
Allowance for doubtful accounts		(114,019)
Total current assets		168,686,824

Fixed Assets

Tangible fixed asset		
Buildings		13,342,939
Structures		161,846
Machinery and equipment		188,735
Vehicles		0
Furniture and fixtures		432,084
Land		3,189,201
Lease assets		154,681
Total tangible fixed asset		17,469,489

Intangible fixed assets

Leasehold right		6,578
Software		447,258
Telephone subscription right		66,745
Right of using water facilities		6,342
Total intangible fixed asset		526,924

Investments

Investment securities		20,335,721
Stocks of affiliates		16,163,893
Investments in capital		260,996
Investments in capital of affiliates		1,415,967
Loans receivable from affiliates		198,172
Long-term prepaid expenses		16,524
Guarantee deposits		1,376,379
Other investments		1,469,520
Total investments		41,237,176
Total fixed assets		59,233,590
Total assets	US\$	227,920,414

LIABILITIES**Current Liabilities**

Notes payable - trade	US\$	1,314,922
Accounts payable - trade		53,327,300
Short-term loans payable		4,682,248
Accounts payable - other		2,215,967
Accrued expenses		750,695
Lease obligations		30,041
Accrued income taxes		6,021,518
Advance received		856,457
Deposits received		16,459,497
Other current liabilities		162,378
Total current liabilities		<u>85,821,028</u>

Long-Term Liabilities

Long-term loans payable		913,659
Reserve for retirement benefits		5,138,489
Lease obligations		136,173
Long-term deposits received		2,184,201
Long-term accounts payable - other		209,045
Deferred tax liabilities - non-current		841,473
Total long-term liabilities		<u>9,423,042</u>
Total liabilities		<u>95,244,070</u>

NET ASSETS**Stockholders' Equity**

Capital stock		9,196,778
---------------	--	-----------

Capital surplus

Legal capital surplus		3,360,847
Other capital surplus		553,257
Total other retained earnings		<u>3,914,104</u>

Retained earnings

Legal retained earnings		1,458,982
Other retained earnings		
Reserve for advanced depreciation of fixed assets		111,815
Reserve for special depreciation		80,641
General reserve		73,092,736
Retained earnings brought forward		40,968,594
Total other retained earnings		<u>114,253,787</u>
Total retained earnings		<u>115,712,770</u>

Less treasury stock, at cost

		<u>(1,756,009)</u>
--	--	--------------------

Total stockholders' equity

127,067,644

Valuation and translation adjustments

Net unrealized gains on other securities		<u>5,444,616</u>
--	--	------------------

Subscription rights to shares

164,082

Total net assets

132,676,343

Total liabilities and net assets

US\$ 227,920,414

SANYO TRADING COMPANY LIMITED

Statements of Income

For the year ended September 30, 2014

	U.S.Dollars	
Net sales	US\$	384,613,467
Cost of sales		327,636,602
Gross profit		56,976,864
Selling, general and administrative expenses		36,342,218
Operating Income		20,634,645
Non-operating income		
Interest income		20,219
Dividends income		1,826,926
Foreign exchange gains		2,326,550
Other non-operating income		825,516
		4,999,212
Non-operating expenses		
Interest expenses		109,920
Sales discounts		79,559
Other non-operating expenses		144,137
		333,616
Ordinary income		25,300,242
Extraordinary Gains		
State subsidy		253,540
		253,540
Extraordinary Losses		
Loss on valuation of subsidiaries' stocks		388,031
Loss on reduction of fixed asset		185,275
		573,306
Income before income taxes		24,980,475
Income taxes - current		9,810,706
Income taxes - deferred		(85,737)
Net Income	US\$	15,255,507

(Note 1) The amount shown in U.S. Dollars are converted at T.T.M. rate (US\$1.00 = Yen109.45) as of September 30,2014.

(Note 2) This statement is English translation of financial statements certified by Ernst & Young ShinNihon in Tokyo, Japan.

SANYO TRADING COMPANY LIMITED

Statement of Changes in Net Assets

For the year ended September 30, 2014

		U.S.Dollars												
		Stockholders' equity												
		Capital surplus				Retained earnings								
						Other retained earnings								
		Capital stock	Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings	Reserve for advanced depreciation of fixed assets	Reserve for special depreciation	General reserve	Retained earnings brought forward	Total retained earnings	Treasury stock	Total stockholders' equity	
Balance as of October 1, 2013		US\$	9,196,778	3,360,847	553,257	3,914,104	1,458,982	111,815		73,092,736	29,741,749	104,405,283	(520)	117,515,646
Changes during the current year														
Cash dividends paid											(3,948,020)	(3,948,020)		(3,948,020)
Net income for the year											15,255,507	15,255,507		15,255,507
Purchases of treasury stock													(1,755,489)	(1,755,489)
Provision of reserve for special depreciation								80,641			(80,641)			
Other														
Total changes during the current year			—	—	—	—	—	80,641	—		11,226,845	11,307,486	(1,755,489)	9,551,997
Balance as of September 30, 2014		US\$	9,196,778	3,360,847	553,257	3,914,104	1,458,982	111,815	80,641	73,092,736	40,968,594	115,712,770	(1,756,009)	127,067,644

U.S.Dollars				
	Valuation and translation adjustments			
	Net unrealized gains (losses) on other securities	Total valuation and translation adjustments	Subscription rights to shares	Total net assets
Balance as of October 1, 2013	US\$	5,193,952	5,193,952	122,709,599
Changes during the current year				
Cash dividends paid				(3,948,020)
Net income for the year				15,255,507
Purchases of treasury stock				(1,755,489)
Provision of reserve for special depreciation				
Other	250,664	250,664	164,082	414,746
Total changes during the current year	250,664	250,664	164,082	9,966,744
Balance as of September 30, 2014	US\$	5,444,616	5,444,616	132,676,343