

SANYO TRADING COMPANY LIMITED

Financial Statements

Year Ended September 30, 2015

English translation from original Japanese-language documents

SANYO TRADING COMPANY LIMITED

Balance Sheets

As of September 30, 2015

	Thousands of U.S.Dollars
ASSETS	
Current Assets	
Cash and deposits	US\$ 19,571
Notes receivable - trade	9,860
Electronically recorded monetary claims	4,185
Accounts receivable - trade	76,381
Merchandise	37,617
Goods in transit	8,825
Advance payments	115
Prepaid expenses	487
Short-term loans receivable from subsidiaries and affiliates	1,364
Accounts receivable - other	317
Deferred tax assets - current	589
Other current assets	1,085
Allowance for doubtful accounts	(182)
Total current assets	160,218
Non-Current Assets	
Property, plant and equipment	
Buildings	11,262
Structures	124
Machinery and equipment	154
Vehicles	0
Furniture and fixtures	394
Land	2,838
Lease assets	115
Construction in progress	17
Total property, plant and equipment	14,908
Intangible assets	
Leasehold right	15
Software	298
Telephone subscription right	60
Right of using water facilities	5
Total intangible fixed asset	380
Investments and other assets	
Investment securities	19,204
Stocks of subsidiaries and affiliates	12,845
Investments in capital	260
Investments in capital of subsidiaries and affiliates	1,795
Claims provable in bankruptcy, claims provable in rehabilitation and other	42
Long-term prepaid expenses	11
Guarantee deposits	1,262
Other investments	1,382
Allowance for doubtful accounts	(42)
Total investments and other assets	36,762
Total non-current assets	52,051
Total assets	US\$ 212,270

Thousands of
U.S.Dollars

LIABILITIES

Current Liabilities

Notes payable - trade	US\$	1,046
Accounts payable - trade		44,222
Short-term loans payable		5,125
Current portion of long-term loans payable		416
Accounts payable - other		1,995
Accrued expenses		763
Lease obligations		27
Income taxes payable		4,185
Advance received		502
Deposits received		9,521
Other current liabilities		162
Total current liabilities		67,969

Non-current Liabilities

Long-term loans payable		416
Provision for retirement benefits		5,398
Lease obligations		96
Long-term deposits received		1,993
Long-term accounts payable - other		84
Deferred tax liabilities - non-current		755
Total long-term liabilities		8,744
Total liabilities		76,714

NET ASSETS

Stockholders' Equity

Capital stock		8,391
Capital surplus		
Legal capital surplus		3,066
Other capital surplus		504
Total capital surplus		3,571
Retained earnings		
Legal retained earnings		1,331
Other retained earnings		
Reserve for advanced depreciation of non-current assets		102
Reserve for special depreciation		63
General reserve		83,361
Retained earnings brought forward		34,237
Total other retained earnings		117,763
Total retained earnings		119,094
Less treasury stock		(1,602)
Total stockholders' equity		129,454

Valuation and translation adjustments

Valuation difference on available-for-sale securities		5,802
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Subscription rights to shares

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Total net assets		135,555
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Total liabilities and net assets	US\$	212,270
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SANYO TRADING COMPANY LIMITED

Statements of Income

For the year ended September 30, 2015

	Thousands of U.S.Dollars	
Net sales	US\$	368,441
Cost of sales		311,455
Gross profit		<u>56,986</u>
Selling, general and administrative expenses		36,030
Operating Income		<u>20,956</u>
Non-operating income		
Interest income		21
Dividends income		1,991
Foreign exchange gains		2,069
Other non-operating income		549
		<u>4,632</u>
Non-operating expenses		
Interest expenses		157
Sales discounts		59
Other non-operating expenses		179
		<u>397</u>
Ordinary income		<u>25,190</u>
Extraordinary Income		
State subsidy		281
		<u>281</u>
Extraordinary Loss		
Impairment loss		211
Loss on reduction of noncurrent assets		164
Loss on valuation of investment securities		336
Loss on sales of stocks of subsidiaries and affiliates		299
Loss on valuation of investments in capital of subsidiaries and affiliates		291
		<u>1,304</u>
Income before income taxes		<u>24,167</u>
Income taxes - current		5,332
Income taxes - deferred		89
		<u>5,421</u>
Net Income	US\$	<u><u>18,746</u></u>

SANYO TRADING COMPANY LIMITED

Statement of Changes in Net Assets

For the year ended September 30, 2015

	Thousands of U.S.Dollars										
	Stockholders' equity										
	Capital surplus				Retained earnings						
	Capital stock	Legal capital surplus	Other capital surplus	Total Capital surplus	Legal retained earnings	Other retained earnings			Retained earnings brought forward	Total retained earnings	
Reserve for advanced depreciation of non-current assets						Reserve for special depreciation	General reserve				
Balance as of October 1, 2014	US\$	8,391	3,066	504	3,571	1,331	102	73	66,688	37,379	105,574
Cumulative effect of changes in accounting policies										(99)	(99)
Restated balance as of October 1, 2014		8,391	3,066	504	3,571	1,331	102	73	66,688	37,279	105,475
Changes during the current year											
Cash dividends paid										(5,127)	(5,127)
Net income for the year										18,746	18,746
Purchase of treasury stock											
Provision of reserve for special depreciation											
Reversal of reserve for special depreciation								(10)		10	—
Provision of general reserve									16,672	(16,672)	—
Other											
Total changes during the current year		—	—	—	—	—	—	(10)	16,672	(3,042)	13,619
Balance as of September 30, 2015	US\$	8,391	3,066	504	3,571	1,331	102	63	83,361	34,237	119,094

	Thousands of U.S.Dollars						
	Stockholders' equity		Valuation and translation adjustments				
	Treasury stock	Total stockholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	Subscription rights to shares	Total net assets	
Balance as of October 1, 2014	US\$	(1,602)	115,934	4,967	4,967	149	121,052
Cumulative effect of changes in accounting policies			(99)				(99)
Restated balance as of October 1, 2014		(1,602)	115,835	4,967	4,967	149	120,952
Changes during the current year							
Cash dividends paid			(5,127)				(5,127)
Net income for the year			18,746				18,746
Purchase of treasury stock							
Provision of reserve for special depreciation							
Reversal of reserve for special depreciation			—				—
Provision of general reserve			—				—
Other				834	834	148	983
Total changes during the current year		—	13,619	834	834	148	14,602
Balance as of September 30, 2015	US\$	(1,602)	129,454	5,802	5,802	298	135,555

(Note 1) The amount shown in U.S. Dollars are converted at T.T.M. rate (US\$1.00 = Yen119.96) as of September 30, 2015.

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

