

SANYO TRADING COMPANY LIMITED

Financial Statements

Year Ended September 30, 2016

English translation from original Japanese-language documents

SANYO TRADING COMPANY LIMITED

Balance Sheets

As of September 30, 2016

	Thousands of U.S.Dollars
ASSETS	
Current Assets	
Cash and deposits	US\$ 26,702
Notes receivable - trade	12,936
Electronically recorded monetary claims	7,575
Accounts receivable - trade	90,111
Merchandise	46,883
Goods in transit	8,150
Advance payments	1,949
Prepaid expenses	619
Short-term loans receivable from subsidiaries and affiliates	1,907
Accounts receivable - other	659
Deferred tax assets - current	889
Other current assets	1,410
Allowance for doubtful accounts	(74)
Total current assets	199,720
Non-Current Assets	
Property, plant and equipment	
Buildings	12,618
Structures	125
Machinery and equipment	154
Furniture and fixtures	446
Land	3,367
Lease assets	142
Total property, plant and equipment	16,854
Intangible assets	
Leasehold right	17
Software	229
Software in progress	1,500
Telephone subscription right	72
Right of using water facilities	5
Total intangible fixed asset	1,825
Investments and other assets	
Investment securities	20,299
Stocks of subsidiaries and affiliates	28,821
Investments in capital	261
Investments in capital of subsidiaries and affiliates	2,129
Claims provable in bankruptcy, claims provable in rehabilitation and other	66
Long-term prepaid expenses	19
Guarantee deposits	1,470
Deferred tax assets — non-current	142
Other investments	1,423
Allowance for doubtful accounts	(66)
Total investments and other assets	54,568
Total non-current assets	73,248
Total assets	US\$ 272,968

Thousands of
U.S.Dollars

LIABILITIES**Current Liabilities**

Notes payable - trade	US\$	939
Accounts payable - trade		51,133
Short-term loans payable		2,253
Current portion of long-term loans payable		494
Accounts payable - other		3,478
Accrued expenses		1,024
Lease obligations		40
Income taxes payable		8,478
Advance received		5,765
Deposits received		13,526
Other current liabilities		212
Total current liabilities		<u>87,346</u>

Non-current Liabilities

Long-term loans payable		494
Provision for retirement benefits		6,875
Lease obligations		112
Long-term deposits received		2,080
Total long-term liabilities		<u>9,562</u>
Total liabilities		<u>96,909</u>

NET ASSETS**Stockholders' Equity**

Capital stock		9,954
Capital surplus		
Legal capital surplus		3,637
Other capital surplus		584
Total capital surplus		<u>4,222</u>
Retained earnings		
Legal retained earnings		1,579
Other retained earnings		
Reserve for advanced depreciation of non-current assets		121
Reserve for special depreciation		67
General reserve		98,892
Retained earnings brought forward		57,442
Total other retained earnings		<u>156,522</u>
Total retained earnings		<u>158,102</u>
Less treasury stock		<u>(1,866)</u>
Total stockholders' equity		<u>170,412</u>

Valuation and translation adjustments

Valuation difference on available-for-sale securities		<u>5,173</u>
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Subscription rights to shares

		<u>473</u>
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Total net assets		<u>176,058</u>
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Total liabilities and net assets	US\$	<u>272,968</u>
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SANYO TRADING COMPANY LIMITED

Statements of Income

For the year ended September 30, 2016

	Thousands of U.S.Dollars	
Net sales	US\$	449,313
Cost of sales		<u>373,936</u>
Gross profit		75,376
Selling, general and administrative expenses		<u>44,089</u>
Operating Income		31,287
Non-operating income		
Interest income		20
Dividends income		2,964
Other non-operating income		<u>485</u>
		3,470
Non-operating expenses		
Interest expenses		109
Sales discounts		75
Foreign exchange losses		48
Other non-operating expenses		<u>253</u>
		486
Ordinary income		<u>34,270</u>
Extraordinary Income		
State subsidy		<u>118</u>
		118
Extraordinary Loss		
Loss on reduction of noncurrent assets		19
Settlement package		<u>320</u>
		339
Income before income taxes		<u>34,049</u>
Income taxes - current		10,672
Income taxes - deferred		<u>(232)</u>
Net Income	US\$	<u><u>23,608</u></u>

SANYO TRADING COMPANY LIMITED

Statement of Changes in Net Assets

For the year ended September 30, 2016

	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, 2015	US\$	9,954	3,637	598	4,236	1,579	121	74	98,892	40,616	141,283
Changes during the current year											
Cash dividends paid										(6,790)	(6,790)
Net income for the year										23,608	23,608
Disposal of treasury stock				(14)	(14)						
Reversal of reserve for special depreciation								(7)		7	—
Other											
Total changes during the current year		—	—	(14)	(14)	—	—	(7)	—	16,826	16,818
Balance as of September 30, 2016	US\$	9,954	3,637	584	4,222	1,579	121	67	98,892	57,442	158,102

	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, 2015	US\$	(1,900)	153,573	6,883	6,883	354	160,811
Changes during the current year							
Cash dividends paid			(6,790)				(6,790)
Net income for the year			23,608				23,608
Disposal of treasury stock		34	19				19
Provision of general reserve			—				—
Other			(1,710)	(1,710)	119		(1,591)
Total changes during the current year		34	16,838	(1,710)	(1,710)	119	15,247
Balance as of September 30, 2016	US\$	(1,866)	170,412	5,173	5,173	473	176,058

(Note 1) The amount shown in U.S. Dollars are converted at T.T.M. rate (US\$1.00 = Yen101.12) as of September 30, 2016.

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

