

## CONSOLIDATED FINANCIAL STATEMENTS

These Consolidated Financial Statements were publicly released in the Japanese language on May 14, 2014.

(1) Consolidated balance sheet	(Yen millions)	
	2013/3/31	2014/3/31
Consolidated balance sheet		
Assets		
Current assets		
Cash and deposits	12,493	13,192
Notes and accounts receivable – trade	16,912	18,905
Merchandise and finished goods	6,569	6,579
Work in process	1,424	1,467
Raw materials and supplies	2,465	2,764
Deferred tax assets	230	656
Other	1,806	2,006
Allowance for doubtful accounts	–28	–30
Total current assets	41,872	45,540
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,120	11,002
Machinery, equipment and vehicles, net	8,728	11,300
Land	6,260	6,644
Construction in progress	3,273	717
Other, net	1,051	1,157
Total property, plant and equipment	28,433	30,822
Intangible assets		
Software	961	860
Other	150	199
Total intangible assets	1,111	1,059
Investments and other assets		
Investment securities	9,045	10,150
Deferred tax assets	542	723
Other	1,333	1,442
Allowance for doubtful accounts	–133	–117
Total investments and other assets	10,788	12,199
Total non-current assets	40,334	44,081
Total assets	82,207	89,622
Liabilities		
Current liabilities		
Notes and accounts payable – trade	14,873	14,286
Short-term loans payable	5,137	5,571
Income taxes payable	348	1,363
Other	5,785	5,563
Total current liabilities	26,145	26,785
Non-current liabilities		
Long-term loans payable	7,609	7,182
Bonds payable	3,000	3,000
Provision for retirement benefits	2,007	-
Net defined benefit liability	-	3,159
Other	218	218
Total non-current liabilities	12,836	13,560
Total liabilities	38,981	40,345
Net assets		
Shareholders' equity		
Capital stock	10,951	10,951
Capital surplus	2,968	2,968
Retained earnings	31,919	35,353
Treasury shares	–89	–102
Total shareholders' equity	45,750	49,171
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,106	1,498
Deferred gains or losses on hedges	-	3
Foreign currency translation adjustment	–4,082	–852
Remeasurements of defined benefit plans	-	–1,048
Total accumulated other comprehensive income	–2,975	–399
Minority interests	450	504
Total net assets	43,225	49,276
Total liabilities and net assets	82,207	89,622

**(2) Consolidated statement of income**

(Yen millions)

	<b>FY2012</b>	<b>FY2013</b>
Consolidated statement of income		
Net sales	85,771	93,434
Cost of sales	63,310	68,710
Gross profit	22,460	24,723
Selling, general and administrative expenses	18,366	19,206
Operating income	4,094	5,517
Non-operating income		
Interest and dividend income	163	187
Share of profit of entities accounted for using equity method	527	503
Foreign exchange gains	436	237
Other	325	220
Total non-operating income	1,453	1,149
Non-operating expenses		
Interest expenses	264	289
Loss on retirement of non-current assets	111	85
Other	393	189
Total non-operating expenses	769	564
Ordinary income	4,779	6,103
Extraordinary income		
Gain on sales of investment securities	0	26
Gain on sales of non-current assets	5	7
Total extraordinary income	5	33
Extraordinary losses		
Impairment loss	1,157	-
Other	86	-
Total extraordinary losses	1,243	-
Income before income taxes and minority interests	3,540	6,136
Income taxes – current	833	1,945
Income taxes – deferred	148	-179
Total income taxes	982	1,765
Income before minority interests	2,558	4,370
Minority interests in income	48	90
Net income	2,510	4,280

## (3) Consolidated statement of changes in equity

FY2013

(Yen millions)

	shareholders' equity				Total shareholders' equity
	Capital stock	Capital surplus	Retained earnings	Treasury shares	
Balance at beginning of current period	10,951	2,968	31,919	-89	45,750
Changes of items during period					
Dividends of surplus			-847		-847
Net income			4,280		4,280
Purchase of treasury shares				-12	-12
Disposal of treasury shares		0		0	0
Retirement of treasury shares				-	-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	0	3,433	-12	3,421
Balance at end of current period	10,951	2,968	35,353	-102	49,171

	Accumulated other comprehensive income				Total accumulated other comprehensive income	Minority Interests	Total net assets
	Valuation difference on available-for-sale	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans			
Balance at beginning of current period	1,106	-	-4,082	-	-2,975	450	43,225
Changes of items during period							
Dividends of surplus							-847
Net income							4,280
Purchase of treasury shares							-12
Disposal of treasury shares							0
Retirement of treasury shares							-
Net changes of items other than shareholders' equity	391	3	3,229	-1,048	2,576	54	2,630
Total changes of items during period	391	3	3,229	-1,048	2,576	54	6,051
Balance at end of current period	1,498	3	-852	-1,048	-399	504	49,276

**(4) Consolidated statement of cash flows**

(Yen millions)

	FY2012	FY2013
Consolidated statement of cash flows		
Cash flows from operating activities		
Income before income taxes and minority interests	3,540	6,136
Depreciation	4,388	4,174
Amortization of goodwill and negative goodwill	-58	-26
Impairment loss	1,157	-
Increase (decrease) in allowance for doubtful accounts	-9	-17
Increase (decrease) in provision for retirement benefits	-163	-
Increase (decrease) in net defined benefit liability	-	-500
Interest and dividend income	-163	-187
Interest expenses	264	289
Foreign exchange losses (gains)	-102	25
Share of (profit) loss of entities accounted for using equity method	-527	-503
Loss (gain) on sales and retirement of non-current assets	110	80
Loss (gain) on sales of investment securities	0	-25
Decrease (increase) in notes and accounts receivable - trade	1,340	-661
Decrease (increase) in inventories	8	822
Increase (decrease) in notes and accounts payable - trade	-2,103	-1,904
Other, net	289	-382
Subtotal	7,970	7,318
Interest and dividend income received	210	368
Interest expenses paid	-247	-302
Income taxes paid	-1,130	-1,078
Income taxes refund	201	153
Net cash provided by (used in) operating activities	7,004	6,459
Cash flows from investing activities		
Decrease (increase) in time deposits	-80	58
Purchase of property, plant and equipment	-4,279	-4,933
Proceeds from sales of property, plant and equipment	492	17
Purchase of intangible assets	-299	-163
Purchase of investment securities	-50	-19
Proceeds from sales of investment securities	0	59
Proceeds from redemption of investment securities	-	100
Purchase of shares of subsidiaries	-456	-66
Payments for sales of shares of subsidiaries resulting in change in scope of consolidatic	-1,076	-
Other, net	-29	-88
Net cash provided by (used in) investing activities	-5,781	-5,037
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-40	530
Proceeds from long-term loans payable	3,540	1,659
Repayments of long-term loans payable	-2,681	-2,864
Purchase of treasury shares	-496	-11
Cash dividends paid from parent company	-760	-847
Cash dividends paid to minority shareholders	-10	-2
Other, net	-13	-11
Net cash provided by (used in) financing activities	-462	-1,548
Effect of exchange rate change on cash and cash equivalents	484	840
Net increase (decrease) in cash and cash equivalents	1,245	714
Cash and cash equivalents at beginning of period	12,267	12,981
Cash and cash equivalents at end of period	12,267	12,981

**(5) Consolidated statement of comprehensive income**

(Yen millions)

	FY2012	FY2013
Consolidated statement of comprehensive income		
Income before minority interests	2,558	4,370
Other comprehensive income		
Valuation difference on available-for-sale securities	636	388
Deferred gains or losses on hedges	-	3
Foreign currency translation adjustment	2,039	3,106
Share of other comprehensive income of entities accounted for using equity method	322	179
Total other comprehensive income	2,997	3,677
Comprehensive income	5,556	8,048
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,474	7,905
Comprehensive income attributable to minority interests	82	143