

CONSOLIDATED FINANCIAL STATEMENTS

These Consolidated Financial Statements were publicly released in the Japanese language on May 12, 2017.

(1) Consolidated balance sheet

(Millions of yen)

	2016/3/31	2017/03/31
Assets		
Current assets		
Cash and deposits	16,980	19,522
Notes and accounts receivable - trade	16,731	18,824
Electronically recorded monetary claims - operating	1,617	1,788
Merchandise and finished goods	6,460	6,754
Work in process	1,541	1,508
Raw materials and supplies	2,505	2,640
Deferred tax assets	458	550
Other	1,262	1,250
Allowance for doubtful accounts	— 38	— 38
Total current assets	47,520	52,801
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,337	10,005
Machinery, equipment and vehicles, net	9,867	9,965
Land	6,507	6,435
Construction in progress	1,508	1,168
Other, net	1,266	1,562
Total property, plant and equipment	29,486	29,137
Intangible assets		
Goodwill	82	74
Software	875	792
Other	230	681
Total intangible assets	1,188	1,548
Investments and other assets		
Investment securities	10,327	11,487
Deferred tax assets	965	403
Net defined benefit asset	1	0
Other	1,409	1,464
Allowance for doubtful accounts	— 134	— 149
Total investments and other assets	12,568	13,207
Total non-current assets	43,244	43,894
Total assets	90,765	96,695

(Millions of yen)

	2016/3/31	2017/03/31
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,907	9,259
Electronically recorded obligations - operating	2,767	3,406
Short-term loans payable	2,047	4,499
Current portion of bonds	3,000	—
Income taxes payable	438	1,064
Provision for loss on liquidation of subsidiaries and associates	30	9
Other	6,788	6,533
Total current liabilities	24,980	24,773
Non-current liabilities		
Long-term loans payable	7,513	4,913
Bonds payable	—	6,000
Stock-based compensation reserve	—	29
Net defined benefit liability	2,917	2,006
Other	148	231
Total non-current liabilities	10,580	13,181
Total liabilities	35,560	37,954
Net assets		
Shareholders' equity		
Capital stock	10,951	10,951
Capital surplus	2,970	2,995
Retained earnings	42,090	45,922
Treasury shares	—256	—1,356
Total shareholders' equity	55,756	58,513
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,431	2,060
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	—1,169	—1,643
Remeasurements of defined benefit plans	—1,232	—409
Total accumulated other comprehensive income	—970	7
Non-controlling interests	418	220
Total net assets	55,204	58,741
Total liabilities and net assets	90,765	96,695

(2) Consolidated statement of income

(Millions of yen)

	2015/04/01 2016/03/31	2016/04/01 2017/03/31
Net sales	93,272	88,387
Cost of sales	66,096	61,596
Gross profit	27,175	26,791
Selling, general and administrative expenses	21,214	20,895
Operating profit	5,960	5,896
Non-operating income		
Interest and dividend income	259	239
Share of profit of entities accounted for using equity method	509	591
Other	490	424
Total non-operating income	1,259	1,254
Non-operating expenses		
Interest expenses	288	232
Foreign exchange losses	147	41
Loss on retirement of non-current assets	212	63
Other	208	243
Total non-operating expenses	856	579
Ordinary profit	6,363	6,571
Extraordinary losses		
Impairment loss	91	17
Loss on retirement of non-current assets	93	—
Provision for loss on liquidation of subsidiaries and associates	92	—
Total extraordinary losses	277	17
Profit before income taxes	6,086	6,553
Income taxes - current	1,598	1,737
Income taxes - deferred	30	△164
Total income taxes	1,628	1,573
Profit	4,457	4,980
Profit attributable to non-controlling interests	71	28
Profit attributable to owners of parent	4,386	4,951

(3) Consolidated statement of cash flows

(Millions of yen)

	2015/04/01 2016/03/31	2016/04/01 2017/03/31
Cash flows from operating activities		
Profit before income taxes	6,086	6,553
Depreciation	4,321	4,101
Amortization of goodwill and negative goodwill	9	9
Impairment loss	91	17
Increase (decrease) in allowance for doubtful accounts	30	19
Increase (decrease) in provision for loss on liquidation of subsidiaries and associates	31	-17
Increase (decrease) in net defined benefit liability	-144	277
Interest and dividend income	-259	-239
Interest expenses	288	232
Foreign exchange losses (gains)	55	-51
Share of (profit) loss of entities accounted for using equity method	-509	-591
Loss (gain) on sales and retirement of non-current assets	256	58
Decrease (increase) in notes and accounts receivable - trade	-8	-2,519
Decrease (increase) in inventories	633	-541
Increase (decrease) in notes and accounts payable - trade	-810	171
Other, net	317	712
Subtotal	10,391	8,190
Interest and dividend income received	554	284
Interest expenses paid	-293	-236
Income taxes paid	-1,847	-1,523
Income taxes refund	233	84
Net cash provided by (used in) operating activities	9,038	6,799
Cash flows from investing activities		
Decrease (increase) in time deposits	-94	-50
Purchase of property, plant and equipment	-3,882	-4,004
Proceeds from sales of property, plant and equipment	108	104
Purchase of intangible assets	-407	-514
Purchase of investment securities	-18	-19
Proceeds from sales of investment securities	34	110
Other, net	75	-265
Net cash provided by (used in) investing activities	-4,184	-4,638
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-1,049	-114
Proceeds from long-term loans payable	1,383	553
Repayments of long-term loans payable	-2,049	-529
Proceeds from issuance of bonds	-	5,957
Redemption of bonds	-	-3,000
Purchase of treasury shares	-141	-1,642
Proceeds from sales of treasury shares	0	367
Cash dividends paid from parent company	-1,035	-1,119
Dividends paid to non-controlling interests	-105	-25
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-26	-
Other, net	-26	-23
Net cash provided by (used in) financing activities	-3,049	422
Effect of exchange rate change on cash and cash equivalents	-1,066	-82
Net increase (decrease) in cash and cash equivalents	738	2,499
Cash and cash equivalents at beginning of period	15,697	16,435
Cash and cash equivalents at end of period	16,435	18,935

(4) Consolidated statement of comprehensive income

(Millions of yen)

	2015/04/01 2016/03/31	2016/04/01 2017/03/31
Profit	4,457	4,980
Other comprehensive income		
Valuation difference on available-for-sale securities	− 635	629
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	− 3,062	− 364
Remeasurements of defined benefit plans, net of tax	− 728	822
Share of other comprehensive income of entities accounted for using equity method	− 292	− 112
Total other comprehensive income	− 4,719	975
Comprehensive income	− 262	5,955
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	− 312	5,928
Comprehensive income attributable to non-controlling interests	50	26