

Consolidated Balance Sheet March 31, 2020

ASSETS	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2020	2019	2020
CURRENT ASSETS:			
Cash and cash equivalents (Note 8)	¥ 10,514,634	¥ 9,077,071	\$ 96,615
Receivables (Notes 8):			
Trade notes	11,546,296	14,008,945	106,094
Trade accounts	38,480,701	44,238,917	353,585
Unconsolidated subsidiaries and associated companies	1,258,372	1,053,169	11,562
Other	2,480,492	2,429,411	22,792
Allowance for doubtful receivables	(218,775)	(467,582)	(2,010)
Inventories	21,652,605	23,675,843	198,958
Other current assets	5,950,320	4,730,130	54,675
Total current assets	91,664,647	98,745,904	842,273
PROPERTY, PLANT AND EQUIPMENT (Note 4):			
Land	3,445,290	3,485,394	31,657
Buildings and structures	5,884,648	6,524,006	54,071
Machinery and equipment	7,366,936	7,845,035	67,692
Furniture and fixtures	1,274,814	1,049,441	11,713
Lease assets	580,706	819,658	5,335
Construction in progress	3,087,458	542,951	28,369
Total property, plant and equipment	21,639,855	20,266,487	198,840
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 3 and 8)	45,703,860	45,861,114	419,956
Investments in and advances to unconsolidated subsidiaries and associated companies (Note 8)	2,979,904	3,822,638	27,381
Goodwill	825,126	962,153	7,581
Asset for retirement benefits	956,270	5,060,309	8,786
Deferred tax assets	327,912	278,066	3,013
Other assets	1,587,310	1,762,886	14,585
Total investments and other assets	52,380,383	57,747,168	481,304
TOTAL	¥ 165,684,886	¥ 176,759,561	\$ 1,522,419

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2020	2019	2020
CURRENT LIABILITIES:			
Short-term bank loans (Note 8)	¥ 20,119,515	¥ 26,691,422	\$ 184,871
Current portion of long-term debt (Note 8)	12,798,919	11,926,439	117,604
Payables (Notes 3 and 8):			
Trade notes	1,468,493	2,014,905	13,493
Trade accounts	28,351,051	34,444,391	260,507
Unconsolidated subsidiaries and associated companies	175,289	109,137	1,610
Other	4,302,793	2,951,335	39,536
Income taxes payable	21,618	19,945	198
Other current liabilities	<u>4,433,189</u>	<u>4,941,665</u>	<u>40,734</u>
Total current liabilities	<u>71,670,869</u>	<u>83,099,243</u>	<u>658,558</u>
LONG-TERM LIABILITIES:			
Long-term debt (Note 8)	37,216,103	35,799,746	341,965
Liability for retirement benefits	1,998,765	1,784,927	18,365
Deferred tax liabilities	3,503,160	4,404,120	32,189
Other	<u>598,479</u>	<u>431,335</u>	<u>5,499</u>
Total long-term liabilities	<u>43,316,507</u>	<u>42,420,129</u>	<u>398,019</u>
COMMITMENTS AND CONTINGENT LIABILITIES (Note 5)			
EQUITY (Notes 7 and 9):			
Capital stock—authorized, 68,000,000 shares; issued, 34,000,000 shares in 2020 and 17,000,000 shares in 2019	5,100,000	5,100,000	46,862
Additional paid-in capital	51,334	1,383	471
Retained earnings	42,918,184	39,111,360	394,359
Treasury stock—at cost, 1,800,000 shares in 2019		(310,049)	
Accumulated other comprehensive income:			
Unrealized gain on available-for-sale securities	4,741,130	7,309,174	43,564
Deferred gains or losses on hedges	(5,116)		(47)
Foreign currency translation adjustments	(1,990,953)	(1,436,518)	(18,294)
Defined retirement benefit plans	<u>(169,981)</u>	<u>1,410,909</u>	<u>(1,561)</u>
Total	<u>50,644,598</u>	<u>51,186,262</u>	<u>465,355</u>
Noncontrolling interests	<u>52,911</u>	<u>53,925</u>	<u>486</u>
Total equity	<u>50,697,509</u>	<u>51,240,188</u>	<u>465,841</u>
TOTAL	<u>¥ 165,684,886</u>	<u>¥ 176,759,561</u>	<u>\$ 1,522,419</u>

Consolidated Statement of Income Year Ended March 31, 2020

	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2020	2019	2020
NET SALES	¥ 189,314,208	¥ 194,334,856	\$ 1,739,540
COST OF SALES	<u>165,732,178</u>	<u>170,415,917</u>	<u>1,522,853</u>
Gross profit	23,582,029	23,918,938	216,686
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>16,345,709</u>	<u>16,613,808</u>	<u>150,194</u>
Operating income	<u>7,236,320</u>	<u>7,305,130</u>	<u>66,491</u>
OTHER INCOME (EXPENSES):			
Interest and dividend income	843,343	862,257	7,749
Interest expense	(787,721)	(743,886)	(7,238)
Foreign exchange gain	203,851	237,632	1,873
Gain on sales of investment securities	1,924,612	297,574	17,684
Gain on return of assets from retirement benefits trust	1,458,965		13,405
Loss on valuation of investment securities	(1,524,588)	(595,632)	(14,008)
Provision of allowance for doubtful accounts	(74,533)	(434,587)	(684)
Impairment loss	(1,031,189)		(9,475)
Other—net	<u>(320,634)</u>	<u>469,483</u>	<u>(2,946)</u>
Other income—net	<u>692,107</u>	<u>92,842</u>	<u>6,359</u>
INCOME BEFORE INCOME TAXES	<u>7,928,427</u>	<u>7,397,972</u>	<u>72,851</u>
INCOME TAXES:			
Current	2,888,458	2,858,243	26,541
Deferred	<u>869,615</u>	<u>176,244</u>	<u>7,990</u>
Total income taxes	<u>3,758,073</u>	<u>3,034,488</u>	<u>34,531</u>
NET INCOME	4,170,354	4,363,483	38,319
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>(1,269)</u>	<u>(1,157)</u>	<u>(11)</u>
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>¥ 4,171,623</u>	<u>¥ 4,364,641</u>	<u>\$ 38,331</u>
	Yen		U.S. Dollars
PER SHARE:			
Basic net income	¥ 126.01	¥ 287.15	\$ 1.16
Cash dividends applicable to the year	24.00	14.00	0.22

See notes to consolidated financial statements.