

Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2013)	Current Consolidated Fiscal Year (March 31, 2014)
Assets		
Current assets		
Cash and deposits	64,372	46,781
Notes and accounts receivable-trade	11,694	19,869
Securities	116	138
Merchandise and finished goods	545	688
Work in process	5,352	7,795
Raw materials and supplies	19,206	17,501
Deferred tax assets	1,806	990
Other	6,844	4,170
Allowance for doubtful accounts	(83)	(23)
Total current assets	109,856	97,913
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,567	14,990
Accumulated depreciation	(5,126)	(5,707)
Buildings and structures (net amount)	4,441	9,282
Machinery, equipment and vehicles	4,257	3,372
Accumulated depreciation	(3,303)	(2,543)
Machinery, equipment and vehicles (net amount)	954	828
Aircraft	-	5,976
Accumulated depreciation	-	-
Aircraft (net amount)	-	5,976
Assets for rent	1,182	1,006
Accumulated depreciation	(1,118)	(1,003)
Assets for rent (net amount)	64	3
Land	35,841	39,834
Construction in progress	15,605	30,378
Other	8,812	11,345
Accumulated depreciation	(7,184)	(7,827)
Other (net amount)	1,628	3,517
Total property, plant and equipment	58,535	89,822
Intangible assets		
Other	617	1,515
Total intangible assets	617	1,515
Investments and other assets		
Investment securities	42,526	49,131
Long-term loans receivable	140	135
Lease and guarantee deposits	1,645	1,841
Claims provable in bankruptcy, claims provable in rehabilitation and other	1,817	1,812
Long-term accounts receivable-other	1,224	1,447
Long-term deposits	4,332	5,268
Other	576	3,065
Allowance for doubtful accounts	(3,074)	(3,119)
Total investments and other assets	49,188	59,582
Total non-current assets	108,341	150,920
Total assets	218,197	248,833

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2013)	Current Consolidated Fiscal Year (March 31, 2014)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,869	18,128
Short-term loans payable	9,132	16,051
Current portion of long-term loans payable	811	344
Current portion of bonds	2,060	1,640
Accounts payable-other	1,771	4,228
Income taxes payable	15,994	7,793
Accrued consumption taxes	843	243
Provision for bonuses	215	233
Other	2,479	3,861
Total current liabilities	47,176	52,524
Non-current liabilities		
Bonds payable	2,140	500
Long-term loans payable	4,676	-
Asset retirement obligations	185	371
Other	625	1,122
Total non-current liabilities	7,627	1,994
Total liabilities	54,804	54,518
Net assets		
Shareholders' equity		
Capital stock	98	98
Capital surplus	10,852	10,852
Retained earnings	187,616	195,701
Treasury shares	(14,296)	(14,296)
Total shareholders' equity	184,269	192,355
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(51)	51
Foreign currency translation adjustment	(21,593)	528
Total accumulated other comprehensive income	(21,644)	580
Subscription rights to shares	22	22
Minority interests	745	1,356
Total net assets	163,393	194,314
Total liabilities and net assets	218,197	248,833

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Consolidated Statement of Income)

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)	Current Consolidated Fiscal Year (April 1, 2013 to March 31, 2014)
Net sales	99,182	86,760
Cost of sales	42,627	38,900
Gross profit	56,554	47,860
Selling, general and administrative expenses	20,657	23,210
Operating income	35,897	24,650
Non-operating income		
Interest income	54	313
Dividend income	54	77
Foreign exchange gains	3,227	-
Equity in earnings of affiliates	5,636	-
Other	249	88
Total non-operating income	9,223	479
Non-operating expenses		
Interest expenses	147	471
Stock issuance cost	51	-
Commission fee	34	217
Foreign exchange losses	-	740
Other	15	72
Total non-operating expenses	248	1,503
Ordinary income	44,873	23,626
Extraordinary income		
Gain on sales of investment securities	-	635
Gain on sales of shares of subsidiaries and associates' stock	326	36
Gain on change in equity	503	-
Other	16	6
Total extraordinary income	847	677
Extraordinary losses		
Loss on retirement of non-current assets	8	146
Loss on valuation of investment securities	55	562
Loss on disposal of inventories	-	2,976
Litigation settlement	36	-
Expenditures related to fraud	263	-
Provision for loss on overseas operations	2,222	-
Other	0	176
Total extraordinary losses	2,587	3,861
Income before income taxes and others	43,133	20,442
Income taxes-current	16,066	9,128
Income taxes-deferred	(196)	1,307
Total income taxes	15,870	10,435
Income before minority interests	27,263	10,006
Minority interests in income (loss)	(186)	597
Net income	27,449	9,409

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)	Current Consolidated Fiscal Year (April 1, 2013 to March 31, 2014)
Income before minority interests	27,263	10,006
Other comprehensive income		
Valuation difference on available-for-sale securities	(58)	102
Foreign currency translation adjustment	10,075	22,121
Share of other comprehensive income of affiliates accounted for using equity method	56	-
Total other comprehensive income	10,073	22,224
Comprehensive income	37,336	32,231
(Breakdown)		
Comprehensive income attributable to owners of the parent	37,522	31,634
Comprehensive income attributable to minority interests	(186)	597

(3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	98	10,852	164,036	(12,763)	162,223
Changes of items during period					
Dividends of surplus			(2,229)		(2,229)
Dividends of surplus (interim dividend)			(2,201)		(2,201)
Net income			27,449		27,449
Purchase of treasury shares				(1,532)	(1,532)
Change of scope of consolidation			(16)		(16)
Change of scope of equity method			577		577
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	23,579	(1,532)	22,046
Balance at end of current period	98	10,852	187,616	(14,296)	184,269

	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	(16)	(31,701)	(31,718)	22	808	131,336
Changes of items during period						
Dividends of surplus						(2,229)
Dividends of surplus (interim dividend)						(2,201)
Net income						27,449
Purchase of treasury shares						(1,532)
Change of scope of consolidation						(16)
Change of scope of equity method						577
Net changes of items other than shareholders' equity	(35)	10,108	10,073	(0)	(62)	10,010
Total changes of items during period	(35)	10,108	10,073	(0)	(62)	32,057
Balance at end of current period	(51)	(21,593)	(21,644)	22	745	163,393

Current Consolidated Fiscal Year (April 1, 2013 to March 31, 2014)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	98	10,852	187,616	(14,296)	184,269
Changes of items during period					
Dividends of surplus			(1,467)		(1,467)
Net income			9,409		9,409
Change of scope of consolidation			143		143
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	8,085	-	8,085
Balance at end of current period	98	10,852	195,701	(14,296)	192,355

	Accumulated other comprehensive income			Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of current period	(51)	(21,593)	(21,644)	22	745	163,393
Changes of items during period						
Dividends of surplus						(1,467)
Net income						9,409
Change of scope of consolidation						143
Net changes of items other than shareholders' equity	102	22,121	22,224	(0)	610	22,835
Total changes of items during period	102	22,121	22,224	(0)	610	30,921
Balance at end of current period	51	528	580	22	1,356	194,314

(4) Consolidated Statement of Cash Flows

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)	Current Consolidated Fiscal Year (April 1, 2013 to March 31, 2014)
Cash flows from operating activities		
Income before income taxes and others	43,133	20,442
Depreciation	2,113	2,044
Amortization of goodwill	49	-
Loss on retirement of non-current assets	8	146
Loss (gain) on sales of investment securities	-	(635)
Loss (gain) on sales of shares of subsidiaries and associates' stock	(326)	(36)
Loss (gain) on valuation of investment securities	55	562
Expenditures related to fraud	263	-
Increase (decrease) in provision for bonuses	26	17
Increase (decrease) in allowance for doubtful accounts	981	(110)
Provision for loss on overseas operations	2,222	-
Interest and dividend income	(109)	(390)
Interest expenses	147	471
Foreign exchange losses (gains)	(3,137)	(502)
Equity in (earnings) losses of affiliates	(5,636)	-
Loss (gain) on change in equity	(503)	-
Decrease (increase) in notes and accounts receivable-trade	(8,099)	(8,659)
Decrease (increase) in inventories	(4,302)	(1,401)
Decrease (increase) in accounts receivable-other	162	(172)
Decrease (increase) in Accrued consumption taxes	(225)	(931)
Decrease (increase) in claims provable in bankruptcy, claims provable in rehabilitation	(33)	4
Increase (decrease) in notes and accounts payable-trade	7,045	4,249
Increase (decrease) in accounts payable-other	466	637
Increase (decrease) in advances received	32	39
Decrease (increase) in other current assets	(4,379)	354
Increase (decrease) in other current liabilities	474	3,077
Decrease (increase) in other non-current assets	(1,182)	261
Increase (decrease) in other non-current liabilities	(2)	(4)
Other	199	192
Subtotal	29,443	19,657
Interest and dividend income received	109	390
Interest expenses paid	(150)	(471)
Income taxes paid	(1,313)	(16,586)
Net cash provided by (used in) operating activities	28,088	2,990

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2012 to March 31, 2013)	Current Consolidated Fiscal Year (April 1, 2013 to March 31, 2014)
Cash flows from investing activities		
Decrease (increase) in time deposits	-	(7,556)
Purchase of property, plant and equipment	(11,434)	(26,007)
Proceeds from sales of property, plant and equipment	9	27
Purchase of intangible assets	(621)	(560)
Proceeds from sales of intangible assets	-	40
Purchase of investment securities	(1,505)	(9)
Proceeds from sales of investment securities	-	2,591
Purchase of shares of subsidiaries	(1,234)	(273)
Proceeds from sales of shares of subsidiaries	450	50
Payments for lease and guarantee deposits	(2)	(24)
Proceeds from collection of lease and guarantee deposits	57	47
Decrease (increase) in deposits paid	(7,854)	4,737
Other	75	(46)
Net cash provided by (used in) investing activities	(22,060)	(26,984)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	8,809	5,885
Proceeds from long-term loans payable	3,909	-
Repayments of long-term loans payable	(936)	(5,781)
Redemption of bonds	(2,060)	(2,060)
Cash dividends paid	(4,430)	(1,467)
Purchase of treasury shares	(1,532)	-
Decrease (increase) in pledged deposit	(6,973)	(471)
Other	(0)	34
Net cash provided by (used in) financing activities	(3,213)	(3,860)
Effect of exchange rate change on cash and cash equivalents	3,383	3,821
Net increase (decrease) in cash and cash equivalents	6,197	(24,033)
Cash and cash equivalents at beginning of consolidated fiscal year	46,408	52,778
Increase in cash and cash equivalents from newly consolidated subsidiary	172	-
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(1)
Cash and cash equivalents at end of consolidated fiscal year	52,778	28,743