

## Consolidated Financial Statements

### (1) Consolidated Balance Sheet

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2016)	Current Consolidated Fiscal Year (March 31, 2017)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	52,280	119,296
Notes and accounts receivable-trade	13,842	11,983
Securities	14	13
Merchandise and finished goods	4,994	3,100
Work in process	15,141	16,264
Raw materials and supplies	23,926	23,310
Deferred tax assets	637	1,785
Other	8,813	16,999
Allowance for doubtful accounts	(7)	(20)
<b>Total current assets</b>	<b>119,643</b>	<b>192,734</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	15,550	16,293
Accumulated depreciation	(6,402)	(6,323)
<b>Buildings and structures (net amount)</b>	<b>9,147</b>	<b>9,969</b>
Lease assets	6,243	6,243
Accumulated depreciation	(693)	(1,618)
<b>Lease assets (net amount)</b>	<b>5,549</b>	<b>4,624</b>
Land	7,330	7,298
Construction in progress	117,158	240,393
Other	19,476	24,197
Accumulated depreciation	(13,126)	(14,962)
<b>Other (net amount)</b>	<b>6,349</b>	<b>9,234</b>
<b>Total property, plant and equipment</b>	<b>145,536</b>	<b>271,521</b>
<b>Intangible assets</b>		
Other	1,965	1,826
<b>Total intangible assets</b>	<b>1,965</b>	<b>1,826</b>
<b>Investments and other assets</b>		
Investment securities	61,376	60,323
Long-term deposits	6,999	6,866
Long-term deposits for affiliates	30,034	27,897
Deferred tax assets	21	1,562
Other	4,911	4,334
Allowance for doubtful accounts	(2,840)	(1,064)
<b>Total investments and other assets</b>	<b>100,502</b>	<b>99,920</b>
<b>Total non-current assets</b>	<b>248,004</b>	<b>373,268</b>
<b>Deferred assets</b>	<b>1,932</b>	<b>2,632</b>
<b>Total assets</b>	<b>369,580</b>	<b>568,635</b>

(Million yen)

	Previous Consolidated Fiscal Year (March 31, 2016)	Current Consolidated Fiscal Year (March 31, 2017)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	22,566	14,461
Short-term loans payable	14,274	10,110
Accounts payable-other	13,854	26,807
Income taxes payable	6,020	5,840
Provision for bonuses	270	273
Deferred tax liabilities	15	-
Other	4,684	15,032
Total current liabilities	61,686	72,527
Non-current liabilities		
Bonds payable	70,588	140,532
Long-term loans payable	-	88,736
Net defined benefit liability	-	64
Deferred tax liabilities	1,885	1,433
Other	6,347	5,351
Total non-current liabilities	78,821	236,118
Total liabilities	140,507	308,645
<b>Net assets</b>		
Shareholders' equity		
Capital stock	98	98
Capital surplus	10,852	20,070
Retained earnings	217,673	236,827
Treasury shares	(14,296)	(2,737)
Total shareholders' equity	214,326	254,258
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(577)	(152)
Foreign currency translation adjustment	14,395	5,285
Remeasurements of defined benefit plans	-	(41)
Total accumulated other comprehensive income	13,817	5,091
Subscription rights to shares	73	99
Non-controlling interests	854	539
Total net assets	229,072	259,990
Total liabilities and net assets	369,580	568,635

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

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2015 to March 31, 2016)	Current Consolidated Fiscal Year (April 1, 2016 to March 31, 2017)
Net sales	91,709	111,187
Cost of sales	43,688	46,837
Gross profit	48,020	64,350
Selling, general and administrative expenses	31,124	35,740
Operating Profit	16,896	28,609
Non-operating income		
Interest income	77	143
Dividend income	349	21
Foreign exchange gains	3,163	-
Equity in earnings of affiliates	2,367	-
Other	275	102
Total non-operating income	6,234	267
Non-operating expenses		
Interest expenses	421	292
Equity in losses of affiliates	-	366
Foreign exchange losses	-	801
Commission fee	195	170
Sales discounts	154	21
Other	16	188
Total non-operating expenses	787	1,841
Ordinary Profit	22,343	27,036
Extraordinary income		
Gain on sales of non-current assets	57	6
Gain on liquidation of subsidiaries	1,832	-
Other	7	-
Total extraordinary income	1,897	6
Extraordinary losses		
Loss on sales and retirement of non-current assets	77	126
Impairment loss	227	-
Loss on liquidation of business	-	2,489
Loss on business of subsidiaries and associates	-	269
Other	0	0
Total extraordinary losses	305	2,885
Income before income taxes and others	23,935	24,157
Income taxes-current	8,311	8,942
Income taxes-deferred	431	(3,098)
Total income taxes	8,742	5,843
Net income	15,192	18,314
Net loss attributable to non-controlling interests	(468)	(314)
Net income attributable to owners of the parent	15,661	18,629

(Consolidated Statement of Comprehensive Income)

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2015 to March 31, 2016)	Current Consolidated Fiscal Year (April 1, 2016 to March 31, 2017)
Net income	15,192	18,314
Other comprehensive income		
Valuation difference on available-for-sale securities	(608)	425
Foreign currency translation adjustment	(2,270)	(9,109)
Remeasurements of defined benefit plans, net of tax	-	(41)
Total other comprehensive income	(2,878)	(8,725)
Comprehensive income	12,314	9,588
(Breakdown)		
Comprehensive income attributable to owners of the parent	12,782	9,903
Comprehensive income attributable to non-controlling interests	(468)	(314)

### (3) Consolidated Statement of Changes in Equity

Previous Consolidated Fiscal Year (April 1, 2015 to March 31, 2016)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	98	10,852	205,314	(14,296)	201,967
Changes of items during period					
Dividends of surplus			(3,302)		(3,302)
Net income attributable to owners of the parent			15,661		15,661
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	12,358	(0)	12,358
Balance at end of current period	98	10,852	217,673	(14,296)	214,326

	Accumulated other comprehensive income			Subscription rights to shares	Non-controlling 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	30	16,665	16,696	32	1,323	220,020
Changes of items during period						
Dividends of surplus						(3,302)
Net income attributable to owners of the parent						15,661
Purchase of treasury shares						(0)
Net changes of items other than shareholders' equity	(608)	(2,270)	(2,878)	40	(468)	(3,306)
Total changes of items during period	(608)	(2,270)	(2,878)	40	(468)	9,052
Balance at end of current period	(577)	14,395	13,817	73	854	229,072

Current Consolidated Fiscal Year (April 1, 2016 to March 31, 2017)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	98	10,852	217,673	(14,296)	214,326
Changes of items during period					
Net income attributable to owners of the parent			18,629		18,629
Disposal of treasury shares		9,218		11,559	20,777
Change in scope of consolidation			525		525
Net changes of items other than shareholders' equity					
Total changes of items during period	-	9,218	19,154	11,559	39,932
Balance at end of current period	98	20,070	236,827	(2,737)	254,258

	Accumulated other comprehensive income				Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(577)	14,395	-	13,817	73	854	229,072
Changes of items during period							
Net income attributable to owners of the parent							18,629
Disposal of treasury shares							20,777
Change in scope of consolidation							525
Net changes of items other than shareholders' equity	425	(9,109)	(41)	(8,725)	26	(314)	(9,014)
Total changes of items during period	425	(9,109)	(41)	(8,725)	26	(314)	30,918
Balance at end of current period	(152)	5,285	(41)	5,091	99	539	259,990

(4) Consolidated Statement of Cash Flows

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2015 to March 31, 2016)	Current Consolidated Fiscal Year (April 1, 2016 to March 31, 2017)
<b>Cash flows from operating activities</b>		
Income before income taxes and others	23,935	24,157
Depreciation	3,966	4,430
Impairment loss	227	-
Loss (gain) on sales and retirement of non-current assets	20	119
Equity in (earnings) losses of affiliates	(2,367)	366
Loss on business of subsidiaries and affiliates	-	269
Loss (gain) on liquidation of affiliates	(1,832)	-
Increase (decrease) in provision for bonuses	23	3
Increase (decrease) in allowance for doubtful accounts	602	(6)
Increase (decrease) in net defined benefit liability	-	20
Interest and dividend income	(427)	(164)
Interest expenses	421	292
Foreign exchange losses (gains)	(5,202)	3,264
Decrease (increase) in notes and accounts receivable-trade	12,729	1,858
Decrease (increase) in inventories	(14,390)	2,048
Decrease (increase) in accounts receivable-other	(32)	(187)
Increase (decrease) in accrued consumption taxes	(2,686)	3,292
Increase (decrease) in notes and accounts payable-trade	7,322	(8,962)
Increase (decrease) in accounts payable-other	8,419	3,046
Decrease (increase) in other current assets	(1,232)	(8,304)
Increase (decrease) in other current liabilities	(1,232)	7,455
Increase (decrease) in other non-current liabilities	(56)	(11)
Other	249	57
Subtotal	28,455	33,046
Interest and dividend income received	427	163
Interest expenses paid	(421)	(292)
Income taxes paid	(9,342)	(9,136)
Net cash provided by (used in) operating activities	19,118	23,780

(Million yen)

	Previous Consolidated Fiscal Year (April 1, 2015 to March 31, 2016)	Current Consolidated Fiscal Year (April 1, 2016 to March 31, 2017)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(70,136)	(118,291)
Proceeds from sales of property, plant and equipment	341	6
Purchase of intangible assets	(665)	(1,003)
Purchase of investment securities	(1,469)	(18)
Payments of short term-loans receivable	(86)	-
Payments for lease and guarantee deposits	(218)	(248)
Payments of long-term loans receivable	-	(1,625)
Decrease (increase) in deposits paid	5,131	-
Other	203	596
<b>Net cash provided by (used in) investing activities</b>	<b>(66,900)</b>	<b>(120,584)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(14,495)	(4,026)
Proceeds from issuance of bonds	70,849	61,618
Proceeds from long-term loans payable	-	88,693
Redemption of bonds	(500)	-
Proceeds from sales of treasury shares	-	20,772
Cash dividends paid	(3,302)	-
Decrease (increase) in pledged deposit	(530)	428
Proceeds from sales and leasebacks	6,243	-
Payment for sales and leasebacks	(556)	-
Payment for sales and purchasebacks	(1,045)	(688)
Other	-	5
<b>Net cash provided by (used in) financing activities</b>	<b>56,662</b>	<b>166,804</b>
Effect of exchange rate change on cash and cash equivalents	3,620	(2,455)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>12,500</b>	<b>67,545</b>
Cash and cash equivalents at beginning of consolidated fiscal year	39,356	51,518
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(338)	(25)
<b>Cash and cash equivalents at end of consolidated fiscal year</b>	<b>51,518</b>	<b>119,038</b>