

Consolidated Balance Sheets

as of March 31, 2016

ASSETS	Thousands of Yen
Current assets	
Cash and deposits	1,901,466
Notes and accounts receivable-trade	1,417,180
Securities	25,226
Finished goods	506,886
Work in process	369,805
Raw materials and supplies	357,586
Other	20,721
Allowance for doubtful accounts	△ 1,418
Total current assets	4,597,454
Non-current assets	
Property, plant and equipment	
Buildings and structures	4,090,776
Accumulated depreciation and impairment loss	△ 3,655,775
Buildings and structures, net	435,001
Machinery, equipment and vehicles	15,830,373
Accumulated depreciation and impairment loss	△ 15,472,393
Machinery, equipment and vehicles, net	357,979
Land	840,666
Lease assets	110,441
Accumulated depreciation and impairment loss	△ 69,048
Lease assets, net	41,393
Other	1,631,717
Accumulated depreciation and impairment loss	△ 1,570,644
Other, net	61,073
Total property, plant and equipment	1,736,113
Intangible assets	28,950
Investments and other assets	
Investment securities	826,603
Other	18,214
Total investments and other assets	844,818
Total non-current assets	2,609,883
Total assets	7,207,337

Consolidated Balance Sheets

as of March 31, 2016

Liabilities	Thousands of Yen
Current liabilities	
Notes and accounts payable-trade	465,378
Short-term loans payable	1,100,000
Accounts payable	485,837
Lease obligations	27,978
Income taxes payable	14,108
Notes payable-facilities	8,994
Other	308,389
Total current liabilities	2,410,688
Non-current liabilities	
Lease obligations	46,985
Deferred tax liabilities	159,107
Provision for environmental measures	9,322
Net defined benefit liability	656,067
Asset retirement obligations	7,340
Other	47,773
Total non-current liabilities	926,595
Total liabilities	3,337,284
Net assets	
Shareholders' equity	
Capital stock	2,219,588
Capital surplus	3,341,270
Retained earnings	△ 1,828,804
Treasury shares	△ 704
Total shareholders' equity	3,731,349
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	191,742
Deferred gains or losses on hedges	△ 55
Remeasurements of defined benefit plans	△ 52,982
Total accumulated other comprehensive income	138,703
Total net assets	3,870,053
Total liabilities and net assets	7,207,337

Consolidated Statements of Income and Comprehensive Income

twelve months ended March 31, 2016

	Thousands of Yen
Net sales	4,684,525
Cost of sales	3,784,867
Gross profit	899,657
Selling, general and administrative expenses	
Selling expenses	315,786
General and administrative expenses	894,560
<u>Total selling, general and administrative expenses</u>	<u>1,210,347</u>
Operating loss	△ 310,689
Non-operating income	
Interest income	384
Dividend income	22,194
Other	6,452
Total non-operating income	29,030
Non-operating expenses	
Interest expenses	12,392
Foreign exchange losses	3,569
Other	3,019
<u>Total non-operating expenses</u>	<u>18,981</u>
Ordinary loss	△ 300,639
Extraordinary income	
Gain on sales of non-current assets	1,500
Gain on sales of investment securities	41,532
Total extraordinary income	43,032
Extraordinary loss	
Loss on retirement of non-current assets	253
Loss on valuation of investment securities	2,440
Loss on abandonment of inventories	177,774
Loss related to the antitrust law	1,125,337
Impairment loss	31,053
<u>Total extraordinary losses</u>	<u>1,336,859</u>
Loss before income taxes	△ 1,594,466
Income taxes-current	8,527
Income taxes-deferred	△ 5,546
Total income taxes	2,981
Net loss	△ 1,597,448
Net loss attributable to	
Net loss attributable to owners of parent	△ 1,597,448
Net loss attributable to non-controlling interests	—
Other comprehensive income	
Valuation difference on available-for-sale securities	△ 157,243
Deferred gains or losses on hedges	11
Remeasurements of defined benefit plans, net of tax	35,194
<u>Total other comprehensive income</u>	<u>△ 122,037</u>
Comprehensive income	△ 1,719,485
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	△ 1,719,485
Comprehensive income attributable to non-controlling interests	—

Consolidated Statements of Cash Flows

twelve months ended March 31, 2016

Thousands of Yen

Net cash provided by (used in) operating activities	
Loss before income taxes	△ 1,594,466
Depreciation	112,171
Impairment loss	31,053
Loss related to the antitrust law	1,125,337
Loss on retirement of property, plant and equipment	253
Increase (decrease) in net defined benefit liability	△ 6,213
Increase (decrease) in accounts payable-bonuses	△ 9,428
Increase (decrease) in allowance for doubtful accounts	△ 279
Interest and dividend income	△ 22,578
Interest expenses	12,392
Loss (gain) on sales of property, plant and equipment	△ 1,500
Loss (gain) on sales of investment securities	△ 41,532
Loss (gain) on valuation of investment securities	2,440
Loss on abandonment of inventories	177,774
Decrease (increase) in notes and accounts receivable-trade	281,374
Decrease (increase) in inventories	△ 26,234
Increase (decrease) in notes and accounts payable-trade	△ 47,789
Increase (decrease) in accrued consumption taxes	△ 42,400
Decrease (increase) in other current assets	3,286
Increase (decrease) in other current liabilities	8,576
Increase (decrease) in other non-current liabilities	3,757
Other, net	△ 1,696
Subtotal	△ 35,702
Interest and dividend income received	22,594
Interest expenses paid	△ 12,755
Loss related to the antitrust law paid	△ 549,442
Income taxes paid	△ 8,527
Net cash provided by (used in) operating activities	△ 583,834
Net cash provided by (used in) investing activities	
Payments into time deposits	△ 1,165,000
Proceeds from withdrawal of time deposits	1,165,000
Purchase of property, plant and equipment	△ 14,713
Proceeds from sales of property, plant and equipment	2,500
Purchase of investment securities	△ 270
Proceeds from sales of investment securities	140,318
Collection of long-term loans receivable from employees	264
Net cash provided by (used in) investing activities	128,098
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	400,000
Repayments of lease obligations	△ 28,459
Purchase of treasury shares	△ 354
Cash dividends paid	△ 446
Net cash provided by (used in) financing activities	370,739
Effect of exchange rate change on cash and cash equivalents	-
Net increase (decrease) in cash and cash equivalents	△ 84,996
Cash and cash equivalents at beginning of period	846,688
Cash and cash equivalents at end of period	761,692