

## Consolidated Balance Sheets

as of March 31, 2017

<b>ASSETS</b>	Thousands of Yen
<b>Current assets</b>	
Cash and deposits	1,742,495
Notes and accounts receivable-trade	1,330,629
Finished goods	533,268
Work in process	372,336
Raw materials and supplies	338,265
Other	20,089
Allowance for doubtful accounts	△ 1,332
<b>Total current assets</b>	<b>4,335,752</b>
<b>Non-current assets</b>	
Property, plant and equipment	
Buildings and structures	4,079,526
Accumulated depreciation and impairment loss	△ 3,702,945
Buildings and structures, net	376,581
Machinery, equipment and vehicles	13,056,758
Accumulated depreciation and impairment loss	△ 12,797,117
Machinery, equipment and vehicles, net	259,641
Land	805,926
Lease assets	140,774
Accumulated depreciation and impairment loss	△ 92,146
Lease assets, net	48,627
Construction in progress	9,395
Other	1,449,576
Accumulated depreciation and impairment loss	△ 1,391,252
Other, net	58,323
<b>Total property, plant and equipment</b>	<b>1,558,495</b>
Intangible assets	28,655
Investments and other assets	
Investment securities	316,878
Other	20,073
<b>Total investments and other assets</b>	<b>336,952</b>
<b>Total non-current assets</b>	<b>1,924,102</b>
<b>Total assets</b>	<b>6,259,855</b>

## Consolidated Balance Sheets

as of March 31, 2017

<b>Liabilities</b>	Thousands of Yen
<b>Current liabilities</b>	
Notes and accounts payable-trade	559,253
Short-term loans payable	1,350,000
Accounts payable	240,140
Lease obligations	28,072
Income taxes payable	28,593
Notes payable-facilities	52,676
Other	228,934
Total current liabilities	2,487,671
<b>Non-current liabilities</b>	
Long-term accounts payable	398,851
Lease obligations	48,251
Deferred tax liabilities	99,829
Provision for environmental measures	9,322
Net defined benefit liability	517,202
Asset retirement obligations	7,476
Total non-current liabilities	1,080,932
<b>Total liabilities</b>	<b>3,568,603</b>
<b>Net assets</b>	
<b>Shareholders' equity</b>	
Capital stock	2,219,588
Capital surplus	3,341,270
Retained earnings	△ 3,038,195
Treasury shares	△ 931
Total shareholders' equity	2,521,732
<b>Accumulated other comprehensive income</b>	
Valuation difference on available-for-sale securities	107,730
Deferred gains or losses on hedges	△ 55
Remeasurements of defined benefit plans	61,843
Total accumulated other comprehensive income	169,519
<b>Total net assets</b>	<b>2,691,251</b>
<b>Total liabilities and net assets</b>	<b>6,259,855</b>

# Consolidated Statements of Income and Comprehensive Income

twelve months ended March 31, 2017

	Thousands of Yen
<b>Net sales</b>	4,484,123
<b>Cost of sales</b>	3,689,584
<b>Gross profit</b>	794,539
<b>Selling, general and administrative expenses</b>	
Selling expenses	291,279
General and administrative expenses	825,508
Total selling, general and administrative expenses	1,116,787
<b>Operating loss</b>	△ 322,248
<b>Non-operating income</b>	
Interest income	233
Dividend income	18,375
Foreign exchange gains	1,904
Compensation for damage	4,000
Other	7,544
Total non-operating income	32,058
<b>Non-operating expenses</b>	
Interest expenses	14,051
Other	2,331
Total non-operating expenses	16,382
<b>Ordinary loss</b>	△ 306,572
<b>Extraordinary income</b>	
Gain on sales of investment securities	216,640
Total extraordinary income	216,640
<b>Extraordinary loss</b>	
Loss on retirement of non-current assets	22,705
Loss on sales of non-current assets	27,617
Loss on sales of investment securities	10,485
Loss on abandonment of inventories	23,078
Loss related to the antitrust law	691,369
Area business restructuring cost	215,310
Impairment loss	111,021
Total extraordinary losses	1,101,589
<b>Net loss before income taxes</b>	△ 1,191,520
<b>Income taxes-current</b>	17,870
<b>Income taxes-deferred</b>	—
<b>Total income taxes</b>	17,870
<b>Net loss</b>	△ 1,209,390
<b>Net loss attributable to</b>	
Net loss attributable to owners of parent	△ 1,209,390
Net loss attributable to non-controlling interests	—
<b>Other comprehensive income</b>	
Valuation difference on available-for-sale securities	△ 84,011
Deferred gains or losses on hedges	0
Remeasurements of defined benefit plans, net of tax	114,826
Total other comprehensive income	30,815
<b>Comprehensive income</b>	△ 1,178,575
<b>Comprehensive income attributable to</b>	
Comprehensive income attributable to owners of parent	△ 1,178,575
Comprehensive income attributable to non-controlling interests	—

Consolidated Statements of Cash Flows

twelve months ended March 31, 2017

Thousands of Yen

<b>Net cash provided by (used in) operating activities</b>	
Net loss before income taxes	△ 1,191,520
Depreciation	96,643
Impairment loss	111,021
Loss related to the antitrust law	691,369
Area business restructuring cost	215,310
Loss on retirement of property, plant and equipment	22,705
Increase (decrease) in net defined benefit liability	△ 24,039
Increase (decrease) in accounts payable-officers retiring allowance	△ 5,370
Increase (decrease) in accounts payable-bonuses	△ 15,599
Increase (decrease) in allowance for doubtful accounts	△ 86
Interest and dividend income	△ 18,609
Interest expenses	14,051
Loss (gain) on sales of property, plant and equipment	27,617
Loss (gain) on sales of investment securities	△ 206,155
Loss on abandonment of inventories	23,078
Decrease (increase) in notes and accounts receivable-trade	86,550
Decrease (increase) in inventories	△ 32,670
Increase (decrease) in notes and accounts payable-trade	93,874
Increase (decrease) in accrued consumption taxes	△ 3,803
Decrease (increase) in other current assets	3,080
Increase (decrease) in other current liabilities	△ 5,209
Increase (decrease) in other non-current liabilities	346
Other, net	△ 13,127
Subtotal	△ 130,538
Interest and dividend income received	18,672
Interest expenses paid	△ 13,766
Loss related to the antitrust law paid	△ 726,435
Area business restructuring cost paid	△ 91,106
Income taxes paid	△ 13,898
<b>Net cash provided by (used in) operating activities</b>	<b>△ 957,074</b>
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<b>Net cash provided by (used in) investing activities</b>	
Payments into time deposits	△ 1,165,000
Proceeds from withdrawal of time deposits	1,165,000
Purchase of property, plant and equipment	△ 24,516
Proceeds from sales of property, plant and equipment	8,991
Purchase of investment securities	△ 137
Proceeds from sales of investment securities	572,728
Payments of loans receivable from employees	△ 900
Collection of loans receivable from employees	300
Collection of long-term loans receivable from employees	31
Other, net	△ 1,890
<b>Net cash provided by (used in) investing activities</b>	<b>554,606</b>
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<b>Net cash provided by (used in) financing activities</b>	
Net increase (decrease) in short-term loans payable	250,000
Repayments of lease obligations	△ 31,398
Purchase of treasury stock	△ 226
Cash dividends paid	△ 104
<b>Net cash provided by (used in) financing activities</b>	<b>218,270</b>
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<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>△ 184,196</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>761,692</b>
<b>Cash and cash equivalents at end of period</b>	<b>577,495</b>