

Consolidated Balance Sheets

as of September 30, 2017

ASSETS	Thousands of Yen
Current assets	
Cash and deposits	1,535,559
Notes and accounts receivable-trade	1,459,448
Finished goods	628,672
Work in process	389,544
Raw materials and supplies	336,400
Other	31,899
Allowance for doubtful accounts	△ 10,494
Total current assets	4,371,032
Non-current assets	
Property, plant and equipment	
Land	783,195
Other	18,693,353
Accumulated depreciation and impairment loss	△ 17,940,674
Other, net	752,678
Total property, plant and equipment	1,535,874
Intangible assets	55,507
Investments and other assets	
Investment securities	146,116
Other	20,073
Total investments and other assets	166,190
Total non-current assets	1,757,571
Total assets	6,128,603

Consolidated Balance Sheets

as to September 30, 2017

Liabilities	Thousands of Yen
Current liabilities	
Notes and accounts payable-trade	638,049
Short-term loans payable	1,350,000
Income taxes payable	9,387
Notes payable-facilities	15,149
Other	443,781
Total current liabilities	2,456,367
Noncurrent liabilities	
Deferred tax liabilities	99,829
Provision for environmental measures	9,322
Net defined benefit liability	513,830
Asset retirement obligations	7,545
Other	428,001
Total noncurrent liabilities	1,058,529
Total liabilities	3,514,896
Net assets	
Shareholders' equity	
Capital stock	2,219,588
Capital surplus	302,662
Retained earnings	△ 23,735
Treasury shares	△ 1,061
Total shareholders' equity	2,497,455
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	50,368
Deferred gains or losses on hedges	△ 65
Remeasurements of defined benefit plans	65,948
Total accumulated other comprehensive income	116,251
Total net assets	2,613,706
Total liabilities and net assets	6,128,603

Consolidated Statements of Income and Comprehensive Income

six months ended September 30, 2017

	Thousands of Yen
Net sales	2,328,349
Cost of sales	1,814,968
Gross profit	513,381
Selling, general and administrative expenses	
Salaries and bonuses	188,766
Retirement benefit expenses	9,013
Provision of allowance for doubtful accounts	9,145
Other	258,849
<u>Total selling, general and administrative expenses</u>	<u>465,775</u>
Operating loss	<u>47,605</u>
Non-operating income	
Interest income	60
Dividend income	4,382
Other	2,736
Total non-operating income	7,180
Non-operating expenses	
Interest expenses	7,905
Foreign exchange losses	3,461
Other	1,245
<u>Total non-operating expenses</u>	<u>12,612</u>
Ordinary loss	<u>42,173</u>
Extraordinary income	
Gain on sales of investment securities	76,955
Total extraordinary income	76,955
Extraordinary loss	
Loss on retirement of non-current assets	426
Loss on sales of non-current assets	5,121
Loss related to the antitrust law	129,220
Area business restructuring cost	4,413
<u>Total extraordinary losses</u>	<u>139,182</u>
Net loss before income taxes	<u>△ 20,053</u>
Income taxes-current	4,093
Income taxes-deferred	—
Total income taxes	<u>4,093</u>
Net loss	<u>△ 24,146</u>
Net loss attributable to	
Net loss attributable to owners of parent	△ 24,146
Net loss attributable to non-controlling interests	—
Other comprehensive income	
Valuation difference on available-for-sale securities	△ 57,361
Deferred gains or losses on hedges	△ 10
Remeasurements of defined benefit plans, net of tax	4,104
<u>Total other comprehensive income</u>	<u>△ 53,267</u>
Comprehensive income	<u>△ 77,414</u>
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	△ 77,414
Comprehensive income attributable to non-controlling interests	—

Consolidated Statements of Cash Flows

six months ended September 30, 2017

Thousands of Yen

Net cash provided by (used in) operating activities

Net loss before income taxes	△ 20,053
Depreciation	47,573
Loss related to the antitrust law	129,220
Loss on retirement of property, plant and equipment	426
Increase (decrease) in net defined benefit liability	732
Increase (decrease) in accounts payable-bonuses	△ 1,259
Increase (decrease) in allowance for doubtful accounts	9,161
Interest and dividend income	△ 4,443
Interest expenses	7,905
Loss (gain) on sales of property, plant and equipment	5,121
Loss (gain) on sales of investment securities	△ 76,955
Decrease (increase) in notes and accounts receivable-trade	△ 128,819
Decrease (increase) in inventories	△ 110,747
Increase (decrease) in notes and accounts payable-trade	78,795
Increase (decrease) in accrued consumption taxes	11,515
Other, net	1,368
Subtotal	△ 50,457
Interest and dividend income received	4,439
Interest expenses paid	△ 7,548
Loss related to the antitrust law paid	△ 114,539
Income taxes paid	△ 12,499
Net cash provided by (used in) operating activities	△ 180,606

Net cash provided by (used in) investing activities

Payments into time deposits	△ 505,000
Proceeds from withdrawal of time deposits	545,000
Purchase of property, plant and equipment	△ 202,975
Purchase of intangibl assets	△ 21,775
Proceeds from sales of property, plant and equipment	22,578
Proceeds from sales of investment securities	190,355
Other, net	600
Net cash provided by (used in) investing activities	28,783

Net cash provided by (used in) financing activities

Repayments of lease obligations	△ 14,936
Purchase of treasury stock	△ 130
Cash dividends paid	△ 47
Net cash provided by (used in) financing activities	△ 15,113

Effect of exchange rate change on cash and cash equivalents	-
Net increase (decrease) in cash and cash equivalents	△ 166,936
Cash and cash equivalents at beginning of period	577,495
Cash and cash equivalents at end of period	410,559