

## Consolidated Balance Sheets

as of September 30, 2018

<b>ASSETS</b>	Thousands of Yen
<b>Current assets</b>	
Cash and deposits	1,518,320
Notes and accounts receivable-trade	984,542
Electronically recorded monetary claims - operating	398,491
Finished goods	683,545
Work in process	420,972
Raw materials and supplies	330,012
Other	29,023
Allowance for doubtful accounts	△1,384
<b>Total current assets</b>	<b>4,363,524</b>
<b>Non-current assets</b>	
Property, plant and equipment	
Land	783,195
Other	18,744,085
Accumulated depreciation and impairment loss	△18,010,208
Other, net	733,876
Total property, plant and equipment	1,517,072
Intangible assets	84,999
Investments and other assets	
Investment securities	15,000
Other	23,619
Total investments and other assets	38,619
<b>Total non-current assets</b>	<b>1,640,690</b>
<b>Total assets</b>	<b>6,004,214</b>

# Consolidated Balance Sheets

as to September 30, 2018

<b>Liabilities</b>	Thousands of Yen
<b>Current liabilities</b>	
Notes and accounts payable-trade	588,045
Short-term loans payable	1,740,000
Income taxes payable	8,678
Notes payable-facilities	18,586
Other	460,119
Total current liabilities	2,815,429
<b>Noncurrent liabilities</b>	
Deferred tax liabilities	99,829
Provision for environmental measures	9,322
Net defined benefit liability	423,120
Asset retirement obligations	7,685
Other	373,574
Total noncurrent liabilities	913,531
<b>Total liabilities</b>	<b>3,728,961</b>
<b>Net assets</b>	
<b>Shareholders' equity</b>	
Capital stock	2,219,588
Capital surplus	302,662
Retained earnings	△383,517
Treasury shares	△1,575
Total shareholders' equity	2,137,158
<b>Accumulated other comprehensive income</b>	
Deferred gains or losses on hedges	△55
Remeasurements of defined benefit plans	138,151
Total accumulated other comprehensive income	138,095
<b>Total net assets</b>	<b>2,275,253</b>
<b>Total liabilities and net assets</b>	<b>6,004,214</b>

# Consolidated Statements of Income and Comprehensive Income

six months ended September 30, 2018

	Thousands of Yen
<b>Net sales</b>	2,321,326
<b>Cost of sales</b>	1,801,165
<b>Gross profit</b>	520,160
<b>Selling, general and administrative expenses</b>	
Salaries and bonuses	183,905
Retirement benefit expenses	6,531
Other	257,516
<u>Total selling, general and administrative expenses</u>	<u>447,953</u>
<b>Operating profit</b>	<u>72,207</u>
<b>Non-operating income</b>	
Interest income	84
Dividend income	500
Other	710
Total non-operating income	1,294
<b>Non-operating expenses</b>	
Interest expenses	8,637
Foreign exchange losses	33,103
Other	2,488
<u>Total non-operating expenses</u>	<u>44,229</u>
<b>Ordinary profit</b>	<u>29,272</u>
<b>Extraordinary loss</b>	
Loss on retirement of non-current assets	49
Loss related to the antitrust law	292,964
Area business restructuring cost	-
<u>Total extraordinary losses</u>	<u>293,013</u>
<b>Net loss before income taxes</b>	<u>△263,740</u>
<b>Income taxes-current</b>	4,135
<b>Income taxes-deferred</b>	-
<b>Total income taxes</b>	<u>4,135</u>
<b>Net loss</b>	<u>△267,875</u>
<b>Net loss attributable to</b>	
Net loss attributable to owners of parent	△267,875
Net loss attributable to non-controlling interests	-
<b>Other comprehensive income</b>	
Valuation difference on available-for-sale securities	-
Deferred gains or losses on hedges	△6
Remeasurements of defined benefit plans, net of tax	△5,569
<u>Total other comprehensive income</u>	<u>△5,575</u>
<b>Comprehensive income</b>	<u>△273,451</u>
<b>Comprehensive income attributable to</b>	
Comprehensive income attributable to owners of parent	△273,451
Comprehensive income attributable to non-controlling interests	-

Consolidated Statements of Cash Flows

six months ended September 30, 2018

Thousands of Yen

**Net cash provided by (used in) operating activities**

Net loss before income taxes	△263,740
Depreciation	41,851
Loss related to the antitrust law	292,964
Loss on retirement of property, plant and equipment	49
Increase (decrease) in net defined benefit liability	△11,676
Increase (decrease) in accounts payable-bonuses	△794
Increase (decrease) in allowance for doubtful accounts	△90
Interest and dividend income	△584
Interest expenses	8,637
Decrease (increase) in notes and accounts receivable-trade	91,550
Decrease (increase) in inventories	△37,912
Increase (decrease) in notes and accounts payable-trade	△56,868
Increase (decrease) in accrued consumption taxes	△19,410
Other, net	4,850
Subtotal	48,824
Interest and dividend income received	581
Interest expenses paid	△9,429
Loss related to the antitrust law paid	△349,783
Income taxes paid	△8,186
Net cash provided by (used in) operating activities	△317,994

**Net cash provided by (used in) investing activities**

Payments into time deposits	△605,000
Proceeds from withdrawal of time deposits	605,000
Purchase of property, plant and equipment	△53,731
Purchase of investment assets	△25,884
Other, net	770
Net cash provided by (used in) investing activities	△78,845

**Net cash provided by (used in) financing activities**

Net increase (decrease) in short-term loans payable	390,000
Repayments of lease obligations	△11,986
Purchase of treasury stock	△49
Net cash provided by (used in) financing activities	377,964

Net increase (decrease) in cash and cash equivalents	△18,876
Cash and cash equivalents at beginning of period	412,196
Cash and cash equivalents at end of period	393,320