

Consolidated Balance Sheets

as of December 31, 2018

| ASSETS | Thousands of Yen |
|-----------------------------------------------------|------------------|
| Current assets | |
| Cash and deposits | 1,469,289 |
| Notes and accounts receivable-trade | 957,943 |
| Electronically recorded monetary claims - operating | 386,937 |
| Finished goods | 723,133 |
| Work in process | 389,958 |
| Raw materials and supplies | 344,540 |
| Other | 28,702 |
| Allowance for doubtful accounts | △ 1,346 |
| Total current assets | 4,299,158 |
| Non-current assets | |
| Property, plant and equipment | |
| Land | 783,195 |
| Other | 18,615,402 |
| Accumulated depreciation and impairment loss | △ 17,894,424 |
| Other, net | 720,977 |
| Total property, plant and equipment | 1,504,173 |
| Intangible assets | 93,203 |
| Investments and other assets | |
| Investment securities | 15,000 |
| Other | 23,204 |
| Total investments and other assets | 38,204 |
| Total non-current assets | 1,635,581 |
| Total assets | 5,934,740 |

Consolidated Balance Sheets

as to December 31, 2018

| Liabilities | Thousands of Yen |
|-----------------------------------------------|------------------|
| Current liabilities | |
| Notes and accounts payable-trade | 574,309 |
| Short-term loans payable | 1,696,008 |
| Income taxes payable | 11,688 |
| Notes payable-facilities | 6,878 |
| Other | 403,074 |
| Total current liabilities | 2,691,959 |
| Noncurrent liabilities | |
| Long-term loans payable | 62,658 |
| Deferred tax liabilities | 99,829 |
| Provision for environmental measures | 8,535 |
| Net defined benefit liability | 420,476 |
| Asset retirement obligations | 7,720 |
| Other | 362,311 |
| Total noncurrent liabilities | 961,532 |
| Total liabilities | 3,653,491 |
| Net assets | |
| Shareholders' equity | |
| Capital stock | 2,219,588 |
| Capital surplus | 302,662 |
| Retained earnings | △ 374,705 |
| Treasury shares | △ 1,625 |
| Total shareholders' equity | 2,145,921 |
| Accumulated other comprehensive income | |
| Deferred gains or losses on hedges | △ 39 |
| Remeasurements of defined benefit plans | 135,366 |
| Total accumulated other comprehensive income | 135,327 |
| Total net assets | 2,281,248 |
| Total liabilities and net assets | 5,934,740 |

Consolidated Statements of Income and Comprehensive Income

nine months ended December 31, 2018

| | Thousands of Yen |
|----------------------------------------------------------------|------------------|
| Net sales | 3,439,534 |
| Cost of sales | 2,651,625 |
| Gross profit | 787,908 |
| Selling, general and administrative expenses | |
| Salaries and bonuses | 273,619 |
| Retirement benefit expenses | 10,123 |
| Provision of allowance for doubtful accounts | 3 |
| Other | 394,976 |
| <u>Total selling, general and administrative expenses</u> | <u>678,723</u> |
| Ordinary profit | <u>109,184</u> |
| Non-operating income | |
| Interest income | 144 |
| Dividend income | 500 |
| Other | 1,657 |
| Total non-operating income | 2,301 |
| Non-operating expenses | |
| Interest expenses | 13,432 |
| Foreign exchange losses | 20,705 |
| Other | 5,153 |
| <u>Total non-operating expenses</u> | <u>39,291</u> |
| Ordinary profit | <u>72,194</u> |
| Extraordinary loss | |
| Loss on retirement of non-current assets | 485 |
| Loss related to the antitrust law | 324,632 |
| <u>Total extraordinary losses</u> | <u>325,117</u> |
| Loss before income taxes | <u>△ 252,923</u> |
| Income taxes-current | 6,140 |
| Income taxes-deferred | - |
| Total income taxes | <u>6,140</u> |
| Net loss | <u>△ 259,063</u> |
| Net loss attributable to | |
| Net loss attributable to owners of parent | △ 259,063 |
| Net loss attributable to non-controlling interests | - |
| Other comprehensive income | |
| Deferred gains or losses on hedges | 9 |
| Remeasurements of defined benefit plans, net of tax | △ 8,353 |
| <u>Total other comprehensive income</u> | <u>△ 8,343</u> |
| Comprehensive income | <u>△ 267,407</u> |
| Comprehensive income attributable to | |
| Comprehensive income attributable to owners of parent | △ 267,407 |
| Comprehensive income attributable to non-controlling interests | - |