Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Year Ended March 31, 2018 (Based on Japanese GAAP)

May 11, 2018

Company name: YUASA TRADING CO.,LTD.

Stock exchange listing: Tokyo

Stock code: 8074 URL http://www.yuasa.co.jp

Representative: Representative Director, President & CEO Hiroyuki Tamura

Inquiries: General Manager Finance Dept. Takeshi Maeda TEL (03)6369-1366

Scheduled date of ordinary general meeting of shareholders: June 22, 2018
Scheduled date to file Securities Report: June 22, 2018
Scheduled date to commence dividend payments: June 4, 2018

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting:

Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

Percentages indicate year-on-year changes

1. Consolidated financial results for the year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(1) Consolidated operating results

| () 1 | | | | | | 0 | 3 3 | |
|---------------------------|-----------------|-----|------------------|-----|-----------------|-----|---|-----|
| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Year ended March 31, 2018 | 461,749 | 3.5 | 11,402 | 4.4 | 12,149 | 3.8 | 8,261 | 6.2 |
| Year ended March 31, 2017 | 446,335 | 1.0 | 10,923 | 5.5 | 11,704 | 6.0 | 7,777 | 8.2 |

| | Earnings per share | Diluted earnings per share | Profit attributable to owners of parent/equity | Ordinary profit/total assets | Operating profit/net sales |
|---------------------------|--------------------|-------------------------------|--|------------------------------|----------------------------|
| | Yen | Yen | % | % | % |
| Year ended March 31, 2018 | 373.22 | 368.44 | 12.2 | 5.4 | 2.5 |
| Year ended March 31, 2017 | 352.45 | 347.38 | 12.9 | 5.6 | 2.4 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|----------------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of March 31, 2018 | 236,141 | 72,177 | 30.3 | 3,236.29 |
| As of March 31, 2017 | 216,984 | 64,844 | 29.6 | 2,910.02 |

(3) Consolidated cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at end of period |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Year ended March 31, 2018 | 6,645 | (1,355) | (2,418) | 36,203 |
| Year ended March 31, 2017 | 11,908 | (3,652) | (5,501) | 33,239 |

2. Cash dividends

| | | Annual dividends per share | | | | | Dividend payout | Ratio of dividends to net assets |
|--|-----------------|----------------------------|-----------------|-----------------|--------|-------------------|----------------------|-------------------------------------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total | dividends (Total) | ratio (Consolidated) | (Consolidated) |
| | Yen | Yen | Yen | Yen | Yen | Millions of yen | % | % |
| Year ended March 31, 2017 | _ | 45.00 | _ | 50.00 | 95.00 | 2,097 | 27.0 | 3.4 |
| Year ended March 31, 2018 | _ | 50.00 | - | 60.00 | 110.00 | 2,435 | 29.5 | 3.6 |
| Year ending March 31, 2019 (Forecast) | - | 60.00 | - | 70.00 | 130.00 | | 31.4 | |

3. Forecast of consolidated financial results for the year ending March 31, 2019 (from April 1, 2018 to March 31, 2019)

Percentages indicate year-on-year changes

| | Net sales Operating | | | ofit | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|---|---------------------|-----|-----------------|------|-----------------|------|---|------|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Six months ending September 30, 2018 | 222,000 | 3.9 | 4,800 | 5.5 | 5,210 | 4.9 | 3,540 | 1.4 | 159.87 |
| Full year | 480,000 | 4.0 | 12,750 | 11.8 | 13,500 | 11.1 | 9,180 | 11.1 | 414.58 |

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2018
(changes in specified subsidiaries resulting in the change in scope of consolidation):

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No
Changes in accounting policies due to other reasons:

No
Changes in accounting estimates:

No
Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

| Total Halliber of issued shares at the ene | OI ti | te period (merdanig treas | any situres) | | | | |
|--|-------|---------------------------|---------------------------|--------|-------------------|--|--|
| As of March 31, 2018 | 1 | 23,155,882 shares | As of March 31, 2017 | I I | 23,155,882 shares | | |
| Number of treasury shares at the end of the period | | | | | | | |
| As of March 31, 2018 | ! | 1,012,877 shares | As of March 31, 2017 | Ī | 1,079,034 shares | | |
| Average number of shares during the period | | | | | | | |
| Year ended March 31, 2018 | ı | 22,135,077 shares | Year ended March 31, 2017 | ı | 22,067,989 shares | | |
| • | | | | | | | |

Consolidated financial statements Consolidated balance sheets

| | /a . | | 4 * | | |
|---|--------|------|-------|-------|----|
| 1 | (N./I | lı I | lione | of ve | n۱ |
| | | | | | |

| | As of March 31, 2017 | As of March 31, 2018 |
|---|----------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 33,454 | 36,428 |
| Notes and accounts receivable - trade | 114,287 | 126,930 |
| Electronically recorded monetary claims - operating | 10,447 | 13,414 |
| Inventories | 13,448 | 13,392 |
| Deferred tax assets | 1,045 | 972 |
| Other | 3,355 | 2,857 |
| Allowance for doubtful accounts | (61) | (105) |
| Total current assets | 175,977 | 193,890 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Fixed assets for rent | 1,043 | 1,094 |
| Accumulated depreciation | (854) | (869) |
| Fixed assets for rent, net | 189 | 225 |
| Buildings and structures | 7,403 | 7,438 |
| Accumulated depreciation | (4,598) | (4,721) |
| Buildings and structures, net | 2,804 | 2,717 |
| Machinery and equipment | 1,077 | 1,088 |
| Accumulated depreciation | (561) | (636) |
| Machinery and equipment, net | 516 | 451 |
| Tools, furniture and fixtures | 2,572 | 2,552 |
| Accumulated depreciation | (1,744) | (1,836) |
| Tools, furniture and fixtures, net | 828 | 716 |
| Land | 9,159 | 9,073 |
| Leased assets | 644 | 497 |
| Accumulated depreciation | (276) | (280) |
| Leased assets, net | 367 | 217 |
| Construction in progress | 12 | 0 |
| Total property, plant and equipment | 13,878 | 13,401 |
| Intangible assets | | 15,101 |
| Goodwill | 2,034 | 1,702 |
| Other | 4,551 | 3,886 |
| Total intangible assets | 6,586 | 5,588 |
| Investments and other assets | | 3,500 |
| Investment securities | 10,739 | 12,783 |
| Long term a money claim | 1,669 | 1,693 |
| Net defined benefit asset | 4,893 | 5,454 |
| Deferred tax assets | _ | 232 |
| Other | 3,850 | 3,751 |
| Allowance for doubtful accounts | (610) | (655) |
| Total investments and other assets | 20,542 | 23,260 |
| Total non-current assets | 41,007 | 42,250 |
| Total assets | | |
| 10(a) 4550(5 | 216,984 | 236,141 |

(Millions of yen)

| Displicition Current liabilities Current liabilities Current liabilities 114,318 122,987 16,535 19,228 19,229 19,238 19,229 19,238 19,229 19,238 19,229 19,238 19,229 19,238 19,229 19,238 | | As of March 31, 2017 | As of March 31, 2018 |
|--|--|----------------------|---------------------------------------|
| Current liabilities 114,318 122,987 Relectronically recorded obligations - operating 16,535 19,228 Short-term loans payable 3,117 3,138 Lease obligations 263 171 Income taxes payable 2,419 1,793 Provision for bonuses 2,001 2,192 Provision for directors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 151 175 Lease obligations 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total stock 20,644 20,644 Capital stock 20,644 20,644 | I ighilities | AS 01 Water 31, 2017 | As of March 31, 2016 |
| Notes and accounts payable - trade 114,318 122,987 Electronically recorded obligations - operating 16,535 19,228 Short-term loans payable 3,117 3,138 Lease obligations 263 171 Income taxes payable 2,419 1,793 Provision for bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 2,841 3,827 Lease obligations 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 152,140 163,964 Net assets Shareholders' equity 5 6,775 6,765 Total capital stock 20,644 20,644 76,765 | | | |
| Electronically recorded obligations - operating 16,535 19,228 Short-term loans payable 3,117 3,138 Lease obligations 263 171 Income taxes payable 2,419 1,793 Provision for bonuses 2,001 2,192 Provision for directors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total stock 20,644 20,644 Copital stock 20,644 20,644 Retained earnings 32,207 38,257 Tessury shares (1,284) (1,209) | | 114 318 | 122 987 |
| Short-term loans payable 3,117 3,138 Lease obligations 263 171 Income taxes payable 2,419 1,793 Provision for bonuses 2,001 2,192 Provision for directors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 2,841 3,827 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,241 2,526 Total non-current liabilities 152,140 163,964 Net assets 5 7,266 Shareholders' equity 20,644 20,644 Capital stock 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earning 32,207 38,257 Treasury shares | * * | | |
| Lease obligations 263 171 Income taxes payable 2,419 1,793 Provision for bonuses 2,001 2,192 Provision for for bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 6,105 7,266 Total shareholders' equity 20,644 20,644 Net assets 20,644 20,644 Shareholders' equity 58,341 64,95 Total capital surpluses 6,775 6,765 Retained earnings 32,207 32,27 Treasury shares (1,284) (1,209) Total shareholders' equity< | | | |
| Income taxes payable 2,419 1,793 Provision for bonuses 2,001 2,192 Provision for lonectors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 151 175 Lease obligations 151 1,827 Perovision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 152,140 163,964 Net assets 5 152,140 163,964 Net assets 20,644 20,644 20,644 Total liabilities 6,775 6,765 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total sharcholders' equity 58,341 64,458 Acumulated other comprehensive income 3,335 <td>* *</td> <td></td> <td></td> | * * | | |
| Provision for bonuses 2,001 2,192 Provision for directors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 — Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 151 175 Lease obligations 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total stock 20,644 20,644 Net assets 20,644 20,644 Shareholders' equity 5,726 6,775 Total capital stock 20,644 20,644 Capital stock 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1 | | | |
| Provision for directors' bonuses 82 80 Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 2 841 3,827 Provision for directors' retirement benefits 86 92 Provision for directors' retirement benefits 86 92 Non-current liabilities 6,155 6,44 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 6,105 7,266 Total liabilities 6,105 7,266 Retail liabilities 6,105 7,266 Total liabilities 6,05 7,266 Total properties (equity 2,644 20,644 Retail liabilities 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 3,335 4,790 <t< td=""><td>* *</td><td></td><td></td></t<> | * * | | |
| Provision for loss on business of subsidiaries and associates 90 - Other 7,205 7,106 Total current liabilities 146,034 156,697 Non-current liabilities 151 175 Lease obligations 151 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Net assets 20,644 20,644 20,644 20,644 7,656 7, | | | |
| State Stat | | 02 | 00 |
| Total current liabilities 146,034 156,697 Non-current liabilities | | 90 | _ |
| Non-current liabilities 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Shareholders' equity 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 6,765 Retained earnings 32,207 38,257 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income 8 (24) Poeferred gains or losses on hedges 8 (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 | Other | 7,205 | 7,106 |
| Lease obligations 151 175 Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Shareholders' equity 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 6,765 Retained earnings 32,207 38,257 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income 8 (24) Poeferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 <td>Total current liabilities</td> <td>146,034</td> <td>156,697</td> | Total current liabilities | 146,034 | 156,697 |
| Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Capital stock 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (8) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 | Non-current liabilities | | |
| Deferred tax liabilities 2,841 3,827 Provision for directors' retirement benefits 86 92 Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Capital stock 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (8) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 | Lease obligations | 151 | 175 |
| Net defined benefit liability 615 644 Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 20,644 20,644 Capital stock 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (1,284) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 < | | 2,841 | 3,827 |
| Other 2,411 2,526 Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets Shareholders' equity Capital stock 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (8) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Provision for directors' retirement benefits | 86 | 92 |
| Total non-current liabilities 6,105 7,266 Total liabilities 152,140 163,964 Net assets 8 152,140 163,964 Shareholders' equity 20,644 20,644 20,644 Total capital surpluses 6,775 6,765 6,765 6,765 6,765 6,765 6,765 7,209 38,257 1,284) (1,209) 1,209 1,209 1,209 1,209) 1,209 1,209 < | Net defined benefit liability | 615 | 644 |
| Total liabilities 152,140 163,964 Net assets Shareholders' equity 20,644 20,644 Capital stock 20,644 20,644 10,665 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (8) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Other | 2,411 | 2,526 |
| Total liabilities 152,140 163,964 Net assets Shareholders' equity 20,644 20,644 Capital stock 20,644 20,644 10,665 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income (8) (24) Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Total non-current liabilities | 6,105 | 7,266 |
| Net assets Shareholders' equity 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Total liabilities | 152,140 | 163,964 |
| Capital stock 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Net assets | - | <u> </u> |
| Capital stock 20,644 20,644 Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Shareholders' equity | | |
| Total capital surpluses 6,775 6,765 Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | | 20,644 | 20,644 |
| Retained earnings 32,207 38,257 Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | • | 6,775 | 6,765 |
| Treasury shares (1,284) (1,209) Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income | | | |
| Total shareholders' equity 58,341 64,458 Accumulated other comprehensive income 3,335 4,790 Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | Treasury shares | (1,284) | (1,209) |
| Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Remeasurements of defined benefit plans Total accumulated other comprehensive income Share acquisition rights Non-controlling interests Total net assets 3,335 4,790 (24) (70) (13) 2,645 2,449 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 | Total shareholders' equity | 58,341 | 64,458 |
| Valuation difference on available-for-sale securities 3,335 4,790 Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | * * | | · · · · · · · · · · · · · · · · · · · |
| Deferred gains or losses on hedges (8) (24) Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | * | 3,335 | 4,790 |
| Foreign currency translation adjustment (70) (13) Remeasurements of defined benefit plans 2,645 2,449 Total accumulated other comprehensive income 5,902 7,202 Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | | | • |
| Remeasurements of defined benefit plans2,6452,449Total accumulated other comprehensive income5,9027,202Share acquisition rights499497Non-controlling interests10018Total net assets64,84472,177 | | | |
| Total accumulated other comprehensive income5,9027,202Share acquisition rights499497Non-controlling interests10018Total net assets64,84472,177 | | | |
| Share acquisition rights 499 497 Non-controlling interests 100 18 Total net assets 64,844 72,177 | • | | |
| Non-controlling interests 100 18 Total net assets 64,844 72,177 | • | | |
| Total net assets 64,844 72,177 | * | | |
| | | | |
| 10141 HAULUUEN AUG DEL ANSEN / 10 304 / 30 141 | Total liabilities and net assets | 216,984 | 236,141 |

Consolidated statements of income and consolidated statements of comprehensive income Consolidated statements of income

| Cost of sales 403,680 417,880 Gross profit 42,655 43,868 Selling, general and administrative expenses 31,731 32,465 Operating profit 10,923 11,402 Non-operating income 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of investment securities 9 30 Gain on sales of investment securities 9 30 Gain on bargain purchase 136 27 Total extraordinary losces 7 18 Extraordinary losces 7 18 | | | (Millions of yen) |
|---|---|-------------------|-------------------|
| Net sales 446,335 461,749 Cost of sales 403,680 417,880 Gross profit 42,655 43,868 Selling, general and administrative expenses 31,731 32,465 Operating profit 10,923 11,402 Non-operating income 1,268 1,304 Interest income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 1,951 1,847 Interest expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on bargain purchase 136 27 Gain on bargain purchase 136 27 Total extraordinary losses 7 18 | | Fiscal year ended | Fiscal year ended |
| Cost of sales 403,680 417,880 Gross profit 42,655 43,868 Selling, general and administrative expenses 31,731 32,465 Operating profit 10,923 11,402 Non-operating income 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on sales of investment securit | | March 31, 2017 | March 31, 2018 |
| Gross profit 42,655 43,868 Selling, general and administrative expenses 31,731 32,465 Operating profit 10,923 11,402 Non-operating income 11,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 | Net sales | 446,335 | 461,749 |
| Selling, general and administrative expenses 31,731 32,465 Operating profit 10,923 11,402 Non-operating income 1 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Interest expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of investment securities 9 30 Gain on sales of investment securities 9 30 Gain on bargain purchase 103 - Extraordinary income 253 59 Extraordinary pincome 253 59 Extraordinary pincome 253 59 Extraordinary income 253 59 Extraordinary income 253 59 <td>Cost of sales</td> <td>403,680</td> <td>417,880</td> | Cost of sales | 403,680 | 417,880 |
| Operating profit 10,923 11,402 Non-operating income 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Interest expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 9 30 Gain on sales of investment securities 9 30 Gain on bargain purchase 136 27 Gain on bargain purchase 103 — Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss — 47 Loss on business of subsidiaries and associates 9 — | Gross profit | 42,655 | 43,868 |
| Non-operating income 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 1,951 1,847 Non-operating expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 136 27 Gain on extinguishment of tie-in shares 136 27 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 7 18 Impairment loss 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 4 | Selling, general and administrative expenses | 31,731 | 32,465 |
| Interest income 1,268 1,304 Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses | Operating profit | 10,923 | 11,402 |
| Dividend income 206 220 Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 1,951 1,847 Interest expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Inpairment loss - 47 Loss on business of subsidiaries and associates 90 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 | Non-operating income | | |
| Other 476 322 Total non-operating income 1,951 1,847 Non-operating expenses 1 1,951 1,847 Interest expenses 935 966 967 968 966 | Interest income | 1,268 | 1,304 |
| Total non-operating income 1,951 1,847 Non-operating expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extra | Dividend income | 206 | 220 |
| Non-operating expenses | Other | 476 | 322 |
| Interest expenses 935 966 Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 2 2 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Impairment loss - 47 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 90 - Loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss on disaster 11 - Loss of disaster 11 - Loss of diestraordinary losses 305 66 <td>Total non-operating income</td> <td>1,951</td> <td>1,847</td> | Total non-operating income | 1,951 | 1,847 |
| Other 234 133 Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income 3 2 2 2 Gain on sales of non-current assets 9 30< | Non-operating expenses | | |
| Total non-operating expenses 1,170 1,100 Ordinary profit 11,704 12,149 Extraordinary income Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes </td <td></td> <td>935</td> <td>966</td> | | 935 | 966 |
| Ordinary profit 11,704 12,149 Extraordinary income 30 30 Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 — Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss — 47 Loss on business of subsidiaries and associates 186 — Provision for loss on business of subsidiaries and associates 90 — Loss on disaster 11 — Loss dissolution of employees pension fund 10 — Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 | | 234 | 133 |
| Extraordinary income 2 2 2 2 2 2 2 30 <td>Total non-operating expenses</td> <td>1,170</td> <td>1,100</td> | Total non-operating expenses | 1,170 | 1,100 |
| Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit attributable to non-controlling interests 10 3 | Ordinary profit | 11,704 | 12,149 |
| Gain on sales of non-current assets 2 2 Gain on sales of investment securities 9 30 Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 - Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit attributable to non-controlling interests 10 3 | Extraordinary income | | |
| Gain on extinguishment of tie-in shares 136 27 Gain on bargain purchase 103 — Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 47 Loss on business of subsidiaries and associates 186 — Provision for loss on business of subsidiaries and associates 90 — Loss on disaster 11 — Loss dissolution of employees pension fund 10 — Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Gain on sales of non-current assets | 2 | 2 |
| Gain on bargain purchase 103 — Total extraordinary income 253 59 Extraordinary losses 8 — Loss on retirement of non-current assets 7 18 Impairment loss — 47 Loss on business of subsidiaries and associates 186 — Provision for loss on business of subsidiaries and associates 90 — Loss on disaster 11 — Loss dissolution of employees pension fund 10 — Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Gain on sales of investment securities | 9 | 30 |
| Total extraordinary income 253 59 Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Gain on extinguishment of tie-in shares | 136 | 27 |
| Extraordinary losses 7 18 Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Gain on bargain purchase | 103 | _ |
| Loss on retirement of non-current assets 7 18 Impairment loss - 47 Loss on business of subsidiaries and associates 186 - Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Total extraordinary income | 253 | 59 |
| Impairment loss – 47 Loss on business of subsidiaries and associates 186 – Provision for loss on business of subsidiaries and associates 90 – Loss on disaster 11 – Loss dissolution of employees pension fund 10 – Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Extraordinary losses | | |
| Loss on business of subsidiaries and associates 186 — Provision for loss on business of subsidiaries and associates 90 — Loss on disaster 11 — Loss dissolution of employees pension fund 10 — Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Loss on retirement of non-current assets | 7 | 18 |
| Provision for loss on business of subsidiaries and associates 90 - Loss on disaster 11 - Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Impairment loss | _ | 47 |
| Loss on disaster 11 — Loss dissolution of employees pension fund 10 — Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Loss on business of subsidiaries and associates | 186 | _ |
| Loss dissolution of employees pension fund 10 - Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Provision for loss on business of subsidiaries and associates | 90 | _ |
| Total extraordinary losses 305 66 Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Loss on disaster | 11 | _ |
| Profit before income taxes 11,652 12,142 Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Loss dissolution of employees pension fund | 10 | _ |
| Income taxes - current 3,665 3,556 Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Total extraordinary losses | 305 | 66 |
| Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Profit before income taxes | 11,652 | 12,142 |
| Income taxes - deferred 199 321 Total income taxes 3,864 3,878 Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Income taxes - current | 3,665 | 3,556 |
| Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Income taxes - deferred | 199 | 321 |
| Profit 7,788 8,264 Profit attributable to non-controlling interests 10 3 | Total income taxes | 3,864 | 3,878 |
| Profit attributable to non-controlling interests 10 3 | Profit | | 8,264 |
| | Profit attributable to non-controlling interests | | 3 |
| | _ | | 8,261 |

Consolidated statements of comprehensive income

| | | (Millions of yen) |
|--|-------------------|-------------------|
| | Fiscal year ended | Fiscal year ended |
| | March 31, 2017 | March 31, 2018 |
| Profit | 7,788 | 8,264 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 1,475 | 1,455 |
| Deferred gains or losses on hedges | (14) | (15) |
| Foreign currency translation adjustment | (181) | 57 |
| Remeasurements of defined benefit plans, net of tax | 932 | (195) |
| Total other comprehensive income | 2,212 | 1,301 |
| Comprehensive income | 10,000 | 9,566 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 9,987 | 9,562 |
| Comprehensive income attributable to non-controlling interests | 12 | 4 |

Consolidated statements of changes in equity

Fiscal year ended March 31, 2017

(Millions of yen)

| | Shareholders' equity | | | | | |
|---|----------------------|-----------------|-------------------|-----------------|----------------------------|--|
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity | |
| Balance at beginning of current period | 20,644 | 6,778 | 26,945 | (1,327) | 53,040 | |
| Changes of items during period | | | | | | |
| Change of scope of consolidation | | | 20 | | 20 | |
| Dividends of surplus | | | (2,536) | | (2,536) | |
| Profit attributable to owners of parent | | | 7,777 | | 7,777 | |
| Purchase of treasury shares | | | | (3) | (3) | |
| Disposal of treasury shares | | 0 | | 45 | 46 | |
| Change in ownership interest of parent due to transactions with non- controlling interests | | (3) | | | (3) | |
| Net changes of items other than shareholders' equity | | | | | | |
| Total changes of items during period | - | (2) | 5,261 | 42 | 5,301 | |
| Balance at end of current period | 20,644 | 6,775 | 32,207 | (1,284) | 58,341 | |

| | | Accumulated | other comprehe | ensive income | | | | |
|---|---|---|--|---|--|--------------------------------|----------------------------------|---------------------|
| | Valuation difference on available-for- sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | Share acquisition rights | Non- controlling interests | Total net assets |
| Balance at beginning of current period | 1,862 | 5 | 105 | 1,713 | 3,686 | 468 | 111 | 57,307 |
| Changes of items during period | | | | | | | | |
| Change of scope of consolidation | | | | | | | | 20 |
| Dividends of surplus | | | | | | | | (2,536) |
| Profit attributable to owners of parent | | | | | | | | 7,777 |
| Purchase of treasury shares | | | | | | | | (3) |
| Disposal of treasury shares | | | | | | | | 46 |
| Change in ownership interest of parent due to transactions with non- controlling interests | | | | | | | | (3) |
| Net changes of items other than shareholders' equity | 1,473 | (14) | (176) | 932 | 2,215 | 31 | (11) | 2,235 |
| Total changes of items during period | 1,473 | (14) | (176) | 932 | 2,215 | 31 | (11) | 7,536 |
| Balance at end of current period | 3,335 | (8) | (70) | 2,645 | 5,902 | 499 | 100 | 64,844 |

(Millions of yen)

| | | | | | (Millions of yen) |
|---|---------------|-----------------|----------------------|-----------------|----------------------------|
| | | | Shareholders' equity | | |
| | Capital stock | Capital surplus | Retained earnings | Treasury shares | Total shareholders' equity |
| Balance at beginning of current period | 20,644 | 6,775 | 32,207 | (1,284) | 58,341 |
| Changes of items during period | | | | | |
| Change of scope of consolidation | | | | | |
| Dividends of surplus | | | (2,211) | | (2,211) |
| Profit attributable to owners of parent | | | 8,261 | | 8,261 |
| Purchase of treasury shares | | | | (4) | (4) |
| Disposal of treasury shares | | 11 | | 80 | 91 |
| Change in ownership interest of parent due to transactions with non- controlling interests | | (20) | | | (20) |
| Net changes of items other than shareholders' equity | | | | | |
| Total changes of items during period | - | (9) | 6,050 | 75 | 6,116 |
| Balance at end of current period | 20,644 | 6,765 | 38,257 | (1,209) | 64,458 |

| | | Accumulated | other comprehe | ensive income | | | | |
|---|---|---|--|---|--|--------------------------------|----------------------------------|------------------|
| | Valuation difference on available-for- sale securities | Deferred gains or losses on hedges | Foreign currency translation adjustment | Remeasurements of defined benefit plans | Total accumulated other comprehensive income | Share acquisition rights | Non- controlling interests | Total net assets |
| Balance at beginning of current period | 3,335 | (8) | (70) | 2,645 | 5,902 | 499 | 100 | 64,844 |
| Changes of items during period | | | | | | | | |
| Change of scope of consolidation | | | | | | | | |
| Dividends of surplus | | | | | | | | (2,211) |
| Profit attributable to owners of parent | | | | | | | | 8,261 |
| Purchase of treasury shares | | | | | | | | (4) |
| Disposal of treasury shares | | | | | | | | 91 |
| Change in ownership interest of parent due to transactions with non- controlling interests | | | | | | | | (20) |
| Net changes of items other than shareholders' equity | 1,454 | (15) | 57 | (195) | 1,300 | (1) | (82) | 1,217 |
| Total changes of items during period | 1,454 | (15) | 57 | (195) | 1,300 | (1) | (82) | 7,333 |
| Balance at end of current period | 4,790 | (24) | (13) | 2,449 | 7,202 | 497 | 18 | 72,177 |

Consolidated statements of cash flows

| | | (Millions of yen) |
|--|-------------------|-------------------|
| | Fiscal year ended | Fiscal year ended |
| | March 31, 2017 | March 31, 2018 |
| Cash flows from operating activities | | |
| Profit before income taxes | 11,652 | 12,142 |
| Depreciation | 1,605 | 1,962 |
| Amortization of goodwill | 218 | 332 |
| Gain on bargain purchase | (103) | - |
| Loss (gain) on extinguishment of tie-in shares | (136) | (27) |
| Loss (gain) on sales of non-current assets | (2) | (2) |
| Loss on retirement of non-current assets | 7 | 18 |
| Impairment loss | _ | 47 |
| Loss (gain) on sales of investment securities | (9) | (30) |
| Loss on business of subsidiaries and associates | 186 | - |
| Loss dissolution of employees pension fund | 10 | _ |
| Decrease (increase) in net defined benefit asset | (1,801) | (561) |
| Increase (decrease) in net defined benefit liability | 3 | 29 |
| Increase (decrease) in allowance for doubtful accounts | (75) | 88 |
| Increase (decrease) in provision for bonuses | 112 | 186 |
| Increase (decrease) in provision for directors' bonuses | (0) | (2 |
| Increase (decrease) in provision for loss on business of | 00 | (00 |
| subsidiaries and associates | 90 | (90) |
| Interest and dividend income | (1,475) | (1,525) |
| Interest expenses | 935 | 966 |
| Decrease (increase) in notes and accounts receivable - trade | (2,440) | (15,569) |
| Decrease (increase) in inventories | 989 | 31 |
| Increase (decrease) in notes and accounts payable - trade | 3,496 | 11,300 |
| Decrease (increase) in long term a money claim | (43) | (24 |
| Other, net | 1,875 | 711 |
| Subtotal | 15,093 | 9,986 |
| Interest and dividend income received | 1,476 | 1,522 |
| Interest expenses paid | (936) | (958 |
| Income taxes paid | (3,725) | (3,905) |
| Net cash provided by (used in) operating activities | 11,908 | 6,645 |

| (Millions of yen) | |
|-------------------|--|
| vaar andad | |

| | | (Millions of yen) |
|---|-------------------|-------------------|
| | Fiscal year ended | Fiscal year ended |
| | March 31, 2017 | March 31, 2018 |
| Cash flows from investing activities | | |
| Payments into time deposits | (401) | (430) |
| Proceeds from withdrawal of time deposits | 481 | 418 |
| Purchase of property, plant and equipment | (537) | (815) |
| Proceeds from sales of property, plant and equipment | 22 | 21 |
| Purchase of intangible assets | (867) | (686) |
| Purchase of investment securities | (235) | (63) |
| Proceeds from sales of investment securities | 316 | 65 |
| Purchase of shares of subsidiaries and associates | (108) | _ |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | (2,527) | _ |
| Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation | 173 | - |
| Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation | - | 62 |
| Collection of loans receivable | 8 | 1 |
| Other, net | 22 | 71 |
| Net cash provided by (used in) investing activities | (3,652) | (1,355) |
| Cash flows from financing activities | (2)-2-) | ()) |
| Net increase (decrease) in short-term loans payable | (925) | 20 |
| Repayments of long-term loans payable | (1,881) | |
| Repayments of lease obligations | (127) | (115) |
| Purchase of treasury shares | (3) | (4) |
| Proceeds from sales of treasury shares | 0 | _ |
| Cash dividends paid | (2,536) | (2,211) |
| Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation | (21) | (101) |
| Other, net | (6) | (6) |
| Net cash provided by (used in) financing activities | (5,501) | (2,418) |
| Effect of exchange rate change on cash and cash equivalents | (134) | 22 |
| Net increase (decrease) in cash and cash equivalents | 2,618 | 2,893 |
| | | |
| Cash and cash equivalents at beginning of period Increase in cash and cash equivalents from newly consolidated | 30,436 120 | 33,239 |
| subsidiary Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries | 63 | 70 |
| Cash and cash equivalents at end of period | 33,239 | 36,203 |
| Cush and cash equivalents at the of period | 33,439 | 30,203 |