

Summary of the Consolidated Financial Results for the third Quarter Ended December 31, 2019

① Financial Statements

1) Consolidated Balance Sheets

Millions of yen

	FISCAL YEAR	THIRD QUARTER
	2019/3	2019/12
Cash and deposits	14,886	13,487
Notes and accounts receivable—trade	11,255	10,057
Securities	1,662	4,027
Merchandise and finished goods	2,858	2,780
Work in process	1,536	1,096
Raw materials and supplies	2,226	2,151
Other	707	482
Allowance for doubtful accounts	△ 120	△ 88
Current assets	35,012	33,996
Buildings and structures, net	7,760	7,292
Machinery, equipment and vehicles, net	5,870	6,098
Land	6,855	6,841
Other, net	1,089	2,601
Property, plant and equipment	21,576	22,834
Intangible assets	143	201
Investment securities	13,526	11,491
Other	3,322	3,016
Allowance for doubtful accounts	△ 533	△ 514
Investments and other assets	16,315	13,994
Non-current assets	38,035	37,030
Assets	73,047	71,027

※Note

- This report contains estimates and forecasts pertaining to the future plans and business results. Such statements are based on information available at the time of the report's production and include potential risks and uncertainties. Actual results may differ from estimates and forecasts contained herein.
- Numbers with "△" indicate negative numbers.

Millions of yen

	FISCAL YEAR	THIRD QUARTER
	2019/3	2019/12
Notes and accounts payable – trade	1,563	1,348
Short-term loans payable	488	428
Income taxes payable	93	156
Provision for bonuses	711	269
Other	2,658	2,309
Current liabilities	5,515	4,511
Net defined benefit liability	7,779	7,493
Provision for business structure improvement	22	21
Provision for share-based remuneration	27	47
Other	674	666
Non-current liabilities	8,504	8,229
Liabilities	14,019	12,741
Capital stock	4,102	4,102
Capital surplus	7,129	7,129
Retained earnings	44,367	44,400
Treasury shares	△ 155	△ 149
Shareholders' equity	55,443	55,481
Valuation difference on available-for-sale securities	2,505	2,492
Revaluation reserve for land	160	160
Foreign currency translation adjustment	△ 319	△ 1,088
Remeasurements of defined benefit plans	△ 46	△ 11
Total accumulated other comprehensive income	2,299	1,552
Non-controlling interests	1,285	1,251
Net assets	59,028	58,285
Liabilities and net assets	73,047	71,027

2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

Millions of yen

	THIRD QUARTER	
	2018/4-12	2019/4-12
Net sales	31,317	27,116
Cost of sales	22,865	20,718
Gross profit	8,452	6,397
Selling expenses	3,648	3,725
General and administrative expenses	2,553	2,368
Selling, general and administrative expenses	6,202	6,093
Operating profit	2,249	303
Interest income	49	54
Dividend income	133	132
Foreign exchange gains	32	—
Share of profit of entities accounted for using equity method	52	15
Miscellaneous income	76	61
Non-operating income	345	264
Interest expenses	5	5
Foreign exchange losses	—	29
Miscellaneous loss	3	2
Non-operating expenses	8	37
Ordinary profit	2,585	530
Gain on sales of investment securities	57	560
Gain on liquidation of subsidiaries	19	—
Extraordinary income	76	560
Loss on sales of investment securities	0	—
Extraordinary losses	0	—
Profit before income taxes	2,662	1,090
Income taxes – current	321	160
Income taxes – deferred	409	192
Income taxes	731	352
Profit	1,931	738
Profit attributable to non-controlling interests	103	37
Profit attributable to owners of parent	1,827	700

Consolidated Statements of Comprehensive Income

Millions of yen

	THIRD QUARTER	
	2018/4-12	2019/4-12
Profit	1,931	738
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 1,358	△ 13
Revaluation reserve for land	△ 2	—
Foreign currency translation adjustment	△ 427	△ 364
Remeasurements of defined benefit plans	21	41
Share of other comprehensive income of entities accounted for using equity method	△ 178	△ 447
Other comprehensive income	△ 1,946	△ 783
Comprehensive income	△ 15	△ 45
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	108	28
Comprehensive income attributable to non-controlling interests	△ 124	△ 74

② Financial Data

1) Forecast (2019/4-2020/3)

Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Earnings per share [EPS] (Yen)
35,650	330	680	670	12.07

2) Consolidated Financial Indicator

		THIRD QUARTER		FISCAL YEAR	FORECAST
		2018/4-12	2019/4-12	2018/4-2019/3	2019/4-2020/3
		Amount	Amount	Amount	Amount
Operating profit ratio	(%)	7.2	1.1	6.2	0.9
Ordinary profit ratio	(%)	8.3	2.0	7.6	1.9
Return on assets [ROA]	(%)	2.5	1.0	3.1	—
Return on equity [ROE]	(%)	3.2	1.2	4.0	—
Capital expenditures	Millions of yen	3,826	3,631	4,287	5,800
Depreciation [Property, plant and equipment]	Millions of yen	1,788	1,890	2,452	2,600
Research and development expenses	Millions of yen	1,330	1,301	1,782	1,750
Number of employees	Number	2,211	2,169	2,208	—

3) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen

	THIRD QUARTER				FISCAL YEAR		FORECAST	
	2018/4-12		2019/4-12		2018/4-2019/3		2019/4-2020/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	10,617	33.9	8,663	31.9	13,626	33.2	11,440	32.1
Transportation	7,546	24.1	6,742	24.9	9,955	24.2	8,800	24.7
Machinery	8,001	25.5	6,855	25.3	10,508	25.6	9,100	25.5
Stone and Construction	3,864	12.4	3,509	12.9	5,158	12.6	4,560	12.8
Other	1,288	4.1	1,345	5.0	1,796	4.4	1,750	4.9
Net sales	31,317	100.0	27,116	100.0	41,046	100.0	35,650	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen

	THIRD QUARTER				FISCAL YEAR		FORECAST	
	2018/4-12		2019/4-12		2018/4-2019/3		2019/4-2020/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	16,045	51.2	14,579	53.8	21,220	51.7	19,240	54.0
Taiwan	2,751	8.8	2,070	7.6	3,519	8.6	2,740	7.7
China	3,080	9.8	2,215	8.2	3,897	9.5	2,950	8.3
Other Asia and Oceania	4,319	13.8	3,927	14.5	5,641	13.7	5,220	14.6
Europe	3,041	9.7	2,493	9.2	4,006	9.8	3,190	8.9
Other	2,079	6.7	1,829	6.7	2,760	6.7	2,310	6.5
Net sales	31,317	100.1	27,116	100.0	41,046	100.0	35,650	100.0