

Balance Sheets

(As of March 31, 2020)

(Unit : JYE1000)

| Accounts | Amount | Accounts | Amount |
|---|-------------------|---|-------------------|
| (Assets) | | (Liabilities) | |
| Current assets | 37,443,752 | Current liabilities | 23,230,074 |
| Cash and deposits | 7,431,757 | Notes payable - trade | 211,556 |
| Notes receivable - trade | 1,140,493 | Electronically recorded obligations-operating | 3,120,839 |
| Electronically recorded monetary claims | 2,973,419 | trade acceptance | 17,907 |
| Accounts receivable - trade | 19,126,781 | Accounts payable - trade | 10,951,448 |
| Inventories | 6,055,562 | Short-term loans payable | 1,214,000 |
| Advance payments - other | 339,914 | Current portion of long-term loans payable | 2,039,356 |
| Prepaid expenses | 252,197 | Current portion of bonds | 594,000 |
| Short-term loans receivable | 54,601 | Accounts payable - other | 2,999,118 |
| Accounts receivable - other | 116,124 | Accrued expenses | 50,162 |
| Other | 164,900 | Income taxes payable | 487,538 |
| Allowance for doubtful accounts | △ 212,000 | Deposits received | 961,289 |
| | | Provision for bonuses | 249,400 |
| | | Provision for directors' bonuses | 87,000 |
| | | Other | 246,457 |
| Non-current assets | 23,520,248 | Noncurrent liabilities | 13,802,133 |
| Property, plant and equipment | 13,022,329 | Bonds payable | 4,842,000 |
| Buildings | 4,535,736 | Long-term loans payable | 7,984,146 |
| Structures | 23,112 | Deferred tax liabilities | 166,418 |
| Machinery and equipment | 44,077 | Provision for retirement benefits | 27,000 |
| Vehicles | 195 | Provision for directors' retirement benefits | 161,184 |
| Furniture and fixtures | 488,581 | Guarantee deposits received | 471,202 |
| Land | 7,286,316 | Other | 150,182 |
| Construction in progress | 644,309 | | |
| Intangible assets | 140,418 | Total liabilities | 37,032,207 |
| Software | 123,666 | | |
| Other | 16,751 | (Net assets) | |
| Investments and other assets | 10,357,499 | Shareholders' equity | 23,457,868 |
| Investment securities | 5,078,054 | Capital stock | 1,240,000 |
| Stocks of subsidiaries and associates | 3,282,439 | Capital surplus | 440,000 |
| Investments in capital | 100,664 | Legal capital surplus | 440,000 |
| Investments in capital of subsidiaries and associates | 392,462 | Retained earnings | 22,454,611 |
| Long-term loans receivable | 28,307 | Legal retained earnings | 310,000 |
| Bad debts | 500,979 | Other retained earnings | 22,144,611 |
| Prepaid pension cost | 582,583 | Reserve for reduction entry of assets | 556,272 |
| Long-term guarantee deposits | 631,601 | General reserve | 5,950,000 |
| Other | 33,406 | Retained earnings brought forward | 15,638,339 |
| Allowance for doubtful accounts | △ 273,000 | Treasury stock | △ 676,743 |
| | | Valuation and translation adjustments | 473,924 |
| | | Valuation difference on available-for-sale securities | 390,828 |
| | | Deferred gains or losses on hedges | 83,096 |
| Total assets | 60,964,000 | Total net assets | 23,931,793 |
| | | Total liabilities and net assets | 60,964,000 |

Statement of income

(For the year ended March 31, 2020)

(Unit : JYE1000)

| Accounts | Amount | |
|--|---------|------------|
| Net sales | | 95,545,929 |
| Cost of sales | | 85,308,409 |
| Gross profit | | 10,237,519 |
| Selling, general and administrative expenses | | 8,000,306 |
| Operating income | | 2,237,212 |
| Non-operating income | | |
| Interest income and dividend income | 366,901 | |
| Other non-operating income | 67,090 | 433,991 |
| Non-operating expenses | | |
| Interest expenses and loss on sales of notes payable | 109,588 | |
| Other non-operating expenses | 98,506 | 208,094 |
| Ordinary income | | 2,463,110 |
| Extraordinary income | | |
| Gain on sales of investment securities | 12,533 | 12,533 |
| Extraordinary loss | | |
| Loss on valuation of stocks of subsidiaries and associates | 33,290 | |
| Impairment loss | 56,000 | |
| Loss on valuation of investment securities | 53,348 | |
| Other extraordinary loss | 19,194 | 161,832 |
| Income before income taxes | | 2,313,811 |
| Income taxes-current | 730,000 | |
| Income taxes-deferred | 11,379 | 741,379 |
| Net income | | 1,572,431 |