

## Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2019 [under Japanese GAAP]

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the fiscal year ended March 31, 2019 (from April 1, 2018 to March 31, 2019)

#### (1) Consolidated operating results

(Millions of yen, except per share amounts; Percentages indicate year-on-year changes)

	Fiscal year ended March 31, 2019		Fiscal year ended March 31, 2018	
		%		%
Net sales	52,813	4.0	50,791	2.7
Operating income	8,049	(1.4)	8,167	4.0
Ordinary income	8,431	(0.2)	8,450	1.9
Net income attributable to owners of the Parent	5,397	(18.4)	6,610	13.2
Basic earnings per share (Yen)	92.39		113.15	
Diluted earnings per share (Yen)	-		-	
Return on equity (%)	7.9		10.3	
Ratio of ordinary income to total assets (%)	9.2		9.7	
Ratio of operating income to net sales (%)	15.2		16.1	

Note: Comprehensive income 3,645 million yen [(52.8%)] 7,730 million yen [1.0%]

Reference: Share of profit of entities accounted for using equity method — million yen — million yen

#### (2) Consolidated financial position

(Millions of yen)

	March 31, 2019	March 31, 2018
Total assets	92,191	90,417
Total equity	70,370	68,029
Ratio of equity attributable to owners of the Parent	75.5%	74.4%
Equity per share attributable to owners of the Parent (Yen)	1,191.07	1,151.38

Reference: Equity attributable to owners of the Parent 69,582 million yen 67,264 million yen

#### (3) Consolidated Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2018
Operating activities	5,984	9,676
Investing activities	(4,174)	(4,146)
Financing activities	(1,294)	(1,417)
Cash and cash equivalents at the end of period	27,441	26,872

## 2 . Dividends

	Year ending March 31, 2020 (Forecast)	Year ending March 31, 2019	Year ending March 31, 2018
Annual cash dividends per share (Yen)			
1st quarter end	-	-	-
2nd quarter end	11.00	11.00	11.00
3rd quarter end	-	-	-
Fiscal year end	11.00	11.00	11.00
Total	22.00	22.00	22.00
Total amount of annual cash dividends (Millions of yen)		1,285	1,285
Consolidated dividend payout ratio (%)	22.2	23.8	19.4
Consolidated dividend on equity attributable to owners of the Parent (%)		1.9	2.0

## 3 . Forecast of consolidated operating results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(Millions of yen, except per share amounts; Percentages indicate year-on-year changes)

	Six months ending September 30, 2019		Year ending March 31, 2020	
		%		%
Net sales	25,800	2.7	53,500	1.3
Operating income	3,400	(1.2)	8,200	1.9
Ordinary income	3,600	(3.9)	8,500	0.8
Net income attributable to owners of the Parent	2,400	(5.6)	5,800	7.5
Basic earnings per share (Yen)	41.08		99.28	

## 4 . Others

Number of issued shares outstanding at the end of the periods (ordinary shares)

	March 31, 2019	March 31, 2018
Number of issued shares including treasury shares	58,948,063 shares	58,948,063 shares
Number of treasury shares	527,764 shares	527,254 shares

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2018
Average number of shares outstanding during the period	58,420,641 shares	58,422,289 shares

### Explanation regarding the appropriate use of forecast of operating results and other special items

Forward-looking statements such as earnings forecasts and other projections contained in this report are based on information currently available and certain assumptions judged by management to be reasonable, and do not constitute guarantees of future performance. Actual results may differ materially from expectations due to various factors.

Consolidated Financial Statements  
Consolidated Balance Sheets

(Millions of yen)

	March 31	
	2018	2019
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	27,872	26,641
Notes and accounts receivable - trade	13,927	14,496
Electronically recorded monetary claims - operating	1,524	2,149
Securities	—	3,800
Merchandise and finished goods	5,719	6,158
Work in process	45	47
Raw materials and supplies	2,623	3,233
Other	178	310
Allowance for doubtful accounts	△1	△1
<b>Total current assets</b>	<b>51,891</b>	<b>56,836</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	5,541	5,327
Machinery, equipment and vehicles, net	4,633	4,506
Land	8,835	8,835
Construction in progress	77	112
Other, net	608	734
<b>Total property, plant and equipment</b>	<b>19,695</b>	<b>19,515</b>
<b>Intangible assets</b>		
Software	206	170
Other	17	5
<b>Total intangible assets</b>	<b>224</b>	<b>176</b>
<b>Investments and other assets</b>		
Investment securities	17,596	14,390
Long-term loans receivable	4	3
Deferred tax assets	294	647
Retirement benefit asset	299	230
Other	414	393
Allowance for doubtful accounts	△3	△3
<b>Total investments and other assets</b>	<b>18,605</b>	<b>15,662</b>
<b>Total non-current assets</b>	<b>38,525</b>	<b>35,355</b>
<b>Total assets</b>	<b>90,417</b>	<b>92,191</b>

Consolidated Financial Statements  
Consolidated Balance Sheets

(Millions of yen)

	March 31	
	2018	2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,769	8,430
Electronically recorded obligations - operating	405	439
Short-term loans payable	1,930	1,930
Current portion of long-term loans payable	120	914
Accrued expenses	1,396	1,423
Income taxes payable	1,677	940
Accrued consumption taxes	240	123
Provision for bonuses for directors (and other officers)	79	66
Notes payable - facilities	85	142
Electronically recorded obligations-facilities	109	28
Other	2,259	2,266
Total current liabilities	16,075	16,707
Non-current liabilities		
Long-term loans payable	1,520	680
Deferred tax liabilities	417	23
Deferred tax liabilities for land revaluation	1,111	1,111
Provision for retirement benefits for directors (and other office	110	111
Retirement benefit liability	2,211	2,219
Asset retirement obligations	377	378
Other	563	587
Total non-current liabilities	6,313	5,113
Total liabilities	22,388	21,820
Net assets		
Shareholders' equity		
Capital stock	6,867	6,867
Capital surplus	5,741	5,740
Retained earnings	47,686	51,798
Treasury shares	△321	△322
Total shareholders' equity	59,974	64,084
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,991	3,199
Deferred gains or losses on hedges	18	△4
Revaluation reserve for land	2,533	2,533
Foreign currency translation adjustment	△127	△93
Remeasurements of defined benefit plans	△126	△137
Total accumulated other comprehensive income	7,290	5,498
Non-controlling interests	764	788
Total net assets	68,029	70,370
Total liabilities and net assets	90,417	92,191

## Consolidated Statements of Income

(Millions of yen)

	Fiscal year ended March 31	
	2018	2019
Net sales	50,791	52,813
Cost of sales	29,917	31,681
Gross profit	20,873	21,132
Selling, general and administrative expenses		
Transportation and warehousing expenses	4,025	4,373
Advertising expenses	623	649
Salaries	2,197	2,248
Provision for bonuses for directors (and other officers)	79	69
Retirement benefit expenses	183	177
Provision for retirement benefits for directors (and other offi	18	18
Research and development expenses	1,310	1,295
Other	4,268	4,251
Total selling, general and administrative expenses	12,706	13,083
Operating profit	8,167	8,049
Non-operating income		
Interest income	11	15
Dividend income	458	543
Miscellaneous income	21	86
Total non-operating income	491	645
Non-operating expenses		
Interest expenses	16	15
Loss on sales of notes receivable - trade	0	0
Sales discounts	124	130
Foreign exchange losses	56	10
Loss on abandonment of inventories	—	47
Contribution	—	50
Miscellaneous loss	8	7
Total non-operating expenses	207	262
Ordinary profit	8,450	8,431
Extraordinary income		
Gain on sales of non-current assets	0	3
Gain on sales of investment securities	16	—
Insurance income	351	—
Subsidy income	401	—
Total extraordinary income	769	3
Extraordinary losses		
Loss on sales of non-current assets	3	—
Loss on retirement of non-current assets	58	25
Loss on valuation of investment securities	—	593
Total extraordinary losses	62	619
Profit before income taxes	9,157	7,815
Income taxes - current	2,767	2,284
Income taxes - deferred	△275	75
Total income taxes	2,492	2,360
Profit	6,665	5,455
Profit attributable to non-controlling interests	55	57
Profit attributable to owners of parent	6,610	5,397

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31	
	2018	2019
Profit	6,665	5,455
Other comprehensive income		
Valuation difference on available-for-sale securities	840	Δ1,810
Deferred gains or losses on hedges	16	Δ22
Revaluation reserve for land	232	—
Foreign currency translation adjustment	Δ42	34
Remeasurements of defined benefit plans, net of tax	18	Δ11
Total other comprehensive income	1,064	Δ1,809
Comprehensive income	7,730	3,645
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,663	3,605
Comprehensive income attributable to non-controlling interests	67	40

## Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31	
	2018	2019
Cash flows from operating activities		
Profit before income taxes	9,157	7,815
Depreciation	2,318	2,281
Increase (decrease) in provision for retirement benefits for directors (and other officers)	16	0
Increase (decrease) in retirement benefit liability	51	16
Decrease (increase) in retirement benefit asset	50	44
Interest and dividend income	△469	△558
Interest expenses	16	15
Loss (gain) on valuation of investment securities	—	593
Loss (gain) on sales of investment securities	△16	—
Insurance income	△351	—
Subsidy income	△401	—
Loss on retirement of property, plant and equipment	58	25
Loss (gain) on sales of property, plant and equipment	3	△3
Decrease (increase) in notes and accounts receivable - trade	△628	△1,136
Decrease (increase) in inventories	△728	△1,028
Increase (decrease) in notes and accounts payable - trade	706	655
Increase (decrease) in accrued consumption taxes	138	△117
Other, net	551	△158
Subtotal	10,474	8,447
Interest and dividend income received	469	558
Interest expenses paid	△16	△16
Proceeds from insurance income	351	—
Proceeds from subsidy income	401	—
Income taxes paid	△2,003	△3,005
Net cash provided by (used in) operating activities	9,676	5,984
Cash flows from investing activities		
Purchase of securities	—	△1,000
Purchase of property, plant and equipment	△2,562	△2,124
Proceeds from sales of property, plant and equipment	4	5
Payments for retirement of property, plant and equipment	△21	△20
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	12	—
Purchase of investment securities	△792	△7
Proceeds from sales and redemption of investment securities	245	—
Payments of loans receivable	△0	△0
Collection of loans receivable	0	1
Decrease (increase) in time deposits	△1,000	△1,000
Other, net	△33	△28
Net cash provided by (used in) investing activities	△4,146	△4,174
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	△19	—
Proceeds from long-term loans payable	100	100
Repayments of long-term loans payable	△222	△146
Purchase of treasury shares	△6	△0
Cash dividends paid	△1,226	△1,285
Dividends paid to non-controlling interests	△3	△3
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of	—	△14
Other, net	△39	55
Net cash provided by (used in) financing activities	△1,417	△1,294
Effect of exchange rate change on cash and cash equivalents	△55	52
Net increase (decrease) in cash and cash equivalents	4,055	568
Cash and cash equivalents at beginning of period	22,817	26,872
Cash and cash equivalents at end of period	26,872	27,441