

Consolidated Balance Sheets

As of March 31	Millions of yen		Thousands of U.S. dollars*
	2019	2020	2020
ASSETS			
Current assets:			
Cash and time deposits	¥ 100,592	¥ 113,500	\$ 1,042,911
Receivables:			
Notes and accounts receivable—trade:			
Unconsolidated subsidiaries and affiliates	403	414	3,804
Other	193,839	166,780	1,532,482
Short-term loans receivable:			
Unconsolidated subsidiaries and affiliates	13,898	12,120	111,366
Other	310	8	74
Other	13,373	12,389	113,838
Securities	33,000	36,000	330,791
Inventories	145,880	143,099	1,314,886
Other current assets	23,141	21,537	197,896
Allowance for doubtful accounts	(582)	(523)	(4,806)
Total current assets	523,854	505,323	4,643,233
Property, plant and equipment:			
Land	43,334	43,174	396,710
Buildings and structures	187,805	184,425	1,694,615
Machinery, equipment and vehicles	572,988	547,279	5,028,751
Tools	103,086	105,171	966,379
Construction in progress	30,827	42,226	388,000
Other	2,471	14,530	133,511
Subtotal	940,511	936,805	8,607,967
Accumulated depreciation	(672,624)	(640,724)	(5,887,384)
Total property, plant and equipment	267,887	296,081	2,720,583
Intangible assets:			
Goodwill	32,845	23,813	218,809
Other	36,665	36,574	336,065
Total intangible assets	69,510	60,387	554,875
Investments and other assets:			
Investment securities:			
Unconsolidated subsidiaries and affiliates	26,771	24,321	223,477
Other	69,408	52,312	480,676
Long-term loans receivable:			
Unconsolidated subsidiaries and affiliates	413	1,428	13,121
Other	859	634	5,826
Net defined benefit assets	31,382	31,388	288,413
Deferred tax assets	7,521	9,578	88,009
Other	24,719	24,373	223,955
Allowance for doubtful accounts	(1,670)	(1,604)	(14,739)
Total investments and other assets	159,403	142,432	1,308,757
Total assets	¥1,020,654	¥1,004,223	\$9,227,446

* The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥108.83 to US\$1.00, the prevailing exchange rate at March 31, 2020.

As of March 31	Millions of yen		Thousands of U.S. dollars*
	2019	2020	2020
LIABILITIES AND NET ASSETS			
Current liabilities:			
Short-term loans payable	¥ 104,265	¥ 98,372	\$ 903,905
Current portion of long-term debt	22,662	34,268	314,876
Payables:			
Notes and accounts payable—trade:			
Unconsolidated subsidiaries and affiliates	877	838	7,700
Other	92,622	79,230	728,016
Other	35,817	29,828	274,079
Income taxes payable	6,879	5,464	50,207
Provision for business structure improvement	81	1,089	10,006
Accrued expenses	23,542	21,912	201,342
Other current liabilities	13,460	16,639	152,890
Total current liabilities	300,205	287,640	2,643,021
Long-term liabilities:			
Long-term debt	240,622	237,037	2,178,048
Net defined benefit liabilities	37,553	39,464	362,621
Asset retirement obligations	2,645	2,228	20,472
Deferred tax liabilities	3,539	2,929	26,914
Provision for business structure improvement	—	2,325	21,364
Other long-term liabilities	8,878	21,191	194,717
Total long-term liabilities	293,237	305,174	2,804,135
Contingent liabilities			
Net assets			
Shareholders' equity:			
Common stock			
Authorized—600,000,000 shares in 2019 600,000,000 shares in 2020			
Issued—197,953,707 shares in 2019 197,953,707 shares in 2020	71,833	71,833	660,048
Capital surplus	104,256	103,692	952,789
Retained earnings	235,324	247,055	2,270,100
Treasury stock, at cost: 6,141,576 shares in 2019 6,013,284 shares in 2020	(13,413)	(13,131)	(120,656)
Total shareholders' equity	398,000	409,449	3,762,281
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	26,720	12,403	113,967
Deferred gains or losses on hedges	(52)	(1,020)	(9,372)
Foreign currency translation adjustments	(11,402)	(23,217)	(213,333)
Remeasurements of defined benefit plans	(2,538)	(3,452)	(31,719)
Total accumulated other comprehensive income	12,728	(15,286)	(140,458)
Subscription rights to shares	889	772	7,094
Non-controlling interests	15,595	16,475	151,383
Total net assets	427,212	411,409	3,780,290
Total liabilities and net assets	¥1,020,654	¥1,004,223	\$9,227,446

Consolidated Statements of Income

Years ended March 31	Millions of yen		Thousands of U.S. dollars*
	2019	2020	2020
Net sales	¥888,589	¥853,746	\$7,844,767
Costs and expenses:			
Cost of sales	620,715	590,321	5,424,249
Selling, general and administrative expenses	171,451	172,737	1,587,219
Research and development expenses	36,423	34,482	316,843
Operating income	60,000	56,205	516,448
Other income (expenses):			
Interest and dividend income	3,293	2,372	21,795
Interest expenses	(3,499)	(3,717)	(34,154)
Gain on sales of investment securities	4,849	5,998	55,113
Gain on sales of non-current assets	300	160	1,470
Foreign exchange gains (losses)	(846)	1,145	10,521
Contribution	(494)	(408)	(3,749)
Gain (loss) on valuation of derivatives	2,424	(2,161)	(19,857)
Settlement received	4,500	—	—
Loss on sales and retirement of non-current assets	(2,325)	(2,677)	(24,598)
Loss on valuation of investment securities	(246)	(114)	(1,048)
Impairment loss	(5,990)	(11,030)	(101,351)
Equity in earnings of unconsolidated subsidiaries and affiliates	434	1,997	18,350
Business structure improvement expenses	(29)	(4,232)	(38,886)
Reversal of provision for business structure improvement	34	—	—
Other, net	(2,045)	(1,981)	(18,203)
Total other income (expenses)	360	(14,648)	(134,595)
Income before income taxes	60,360	41,557	381,852
Income taxes:			
Current	13,834	12,306	113,075
Deferred	(271)	2,272	20,877
Total income taxes	13,563	14,578	133,952
Net income	46,797	26,980	247,910
Profit attributable to non-controlling interests	1,740	1,727	15,869
Profit attributable to owners of parent	¥ 45,057	¥ 25,252	\$ 232,032
		Yen	U.S. dollars*
Profit attributable to owners of parent per share	¥232.39	¥131.63	\$1.21
Profit attributable to owners of parent per share—diluted	214.35	124.43	1.14
Cash dividends applicable to the year	70.00	60.00	0.55

* The U.S. dollar amounts represent translations of Japanese yen, for convenience only, at the rate of ¥108.83 to US\$1.00, the prevailing exchange rate at March 31, 2020.

Consolidated Statements of Comprehensive Income

Years ended March 31	Millions of yen		Thousands of U.S. dollars*
	2019	2020	2020
Net income	¥46,797	¥ 26,980	\$ 247,910
Other comprehensive income:			
Valuation difference on available-for-sale securities	(1,412)	(14,656)	(134,669)
Deferred gains or losses on hedges	(956)	(967)	(8,885)
Foreign currency translation adjustments	4,382	(11,764)	(108,095)
Remeasurements of defined benefit plans, net of tax	(2,275)	(1,019)	(9,363)
Share of other comprehensive income of associates accounted for using the equity method	(913)	(11)	(101)
Total	(1,174)	(28,416)	(261,104)
Comprehensive income	¥45,623	¥ (1,436)	\$ (13,195)
Breakdown of comprehensive income:			
Comprehensive income attributable to owners of the parent	¥43,624	¥ (2,762)	\$ (25,379)
Comprehensive income attributable to non-controlling interests	1,999	1,325	12,175

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Consolidated Statements of Changes in Net Assets

	Millions of yen					
	Number of shares of common stock	Shareholders' equity				
		Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 31, 2018	197,953,707	¥71,833	¥104,685	¥202,414	¥ (167)	¥378,765
Changes of items during the period:						
Dividends from surplus				(11,688)		(11,688)
Net income				45,057		45,057
Purchase of treasury stock					(20,039)	(20,039)
Disposal of treasury stock			(624)		6,793	6,169
Transfer of loss on disposal of treasury stock			459	(459)		—
Change in ownership interest of parent due to transactions with non-controlling interests			(264)			(264)
Net changes of items other than shareholders' equity						
Total		—	(429)	32,910	(13,246)	19,235
Balance at March 31, 2019	197,953,707	¥71,833	¥104,256	¥235,324	¥(13,413)	¥398,000
Changes of items during the period:						
Dividends from surplus				(13,427)		(13,427)
Net income				25,252		25,252
Purchase of treasury stock					(12)	(12)
Disposal of treasury stock			(94)		293	199
Transfer of loss on disposal of treasury stock			94	(94)		—
Change in ownership interest of parent due to transactions with non-controlling interests			(564)			(564)
Net changes of items other than shareholders' equity						
Total		—	(564)	11,731	282	11,449
Balance at March 31, 2020	197,953,707	¥71,833	¥103,692	¥247,055	¥(13,131)	¥409,449

	Thousands of U.S. dollars*				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at March 31, 2019	\$660,048	\$957,971	\$2,162,308	\$(123,238)	\$3,657,089
Changes of items during the period:					
Dividends from surplus			(123,376)		(123,376)
Net income			232,032		232,032
Purchase of treasury stock				(110)	(110)
Disposal of treasury stock		(864)		2,692	1,829
Transfer of loss on disposal of treasury stock		864	(864)		—
Change in ownership interest of parent due to transactions with non-controlling interests		(5,182)			(5,182)
Net changes of items other than shareholders' equity					
Total	—	(5,182)	107,792	2,591	105,201
Balance at March 31, 2020	\$660,048	\$952,789	\$2,270,100	\$(120,656)	\$3,762,281

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Millions of yen

	Accumulated other comprehensive income							Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	
Balance at March 31, 2018	¥28,377	¥ 903	¥(14,815)	¥ (305)	¥ 14,160	¥ 860	¥14,453	¥408,238
Changes of items during the period:								
Dividends from surplus								(11,688)
Net income								45,057
Purchase of treasury stock								(20,039)
Disposal of treasury stock								6,169
Transfer of loss on disposal of treasury stock								—
Change in ownership interest of parent due to transactions with non-controlling interests								(264)
Net changes of items other than shareholders' equity	(1,657)	(955)	3,413	(2,233)	(1,432)	29	1,142	(261)
Total	(1,657)	(955)	3,413	(2,233)	(1,432)	29	1,142	18,974
Balance at March 31, 2019	¥ 26,720	¥ (52)	¥(11,402)	¥(2,538)	¥12,728	¥ 889	¥15,595	¥427,212
Changes of items during the period:								
Dividends from surplus								(13,427)
Net income								25,252
Purchase of treasury stock								(12)
Disposal of treasury stock								199
Transfer of loss on disposal of treasury stock								—
Change in ownership interest of parent due to transactions with non-controlling interests								(564)
Net changes of items other than shareholders' equity	(14,317)	(968)	(11,815)	(914)	(28,014)	(117)	880	(27,251)
Total	(14,317)	(968)	(11,815)	(914)	(28,014)	(117)	880	(15,803)
Balance at March 31, 2020	¥ 12,403	¥(1,020)	¥(23,217)	¥(3,452)	¥(15,286)	¥ 772	¥16,475	¥411,409

Thousands of U.S. dollars*

	Accumulated other comprehensive income							Total net assets
	Valuation difference on available-for-sale securities	Deferred gains (losses) on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Subscription rights to shares	Non-controlling interests	
Balance at March 31, 2019	\$ 245,521	\$ (478)	\$(104,769)	\$(23,321)	\$ 116,953	\$ 8,169	\$143,297	\$3,925,508
Changes of items during the period:								
Dividends from surplus								(123,376)
Net income								232,032
Purchase of treasury stock								(110)
Disposal of treasury stock								1,829
Transfer of loss on disposal of treasury stock								—
Change in ownership interest of parent due to transactions with non-controlling interests								(5,182)
Net changes of items other than shareholders' equity	(131,554)	(8,895)	(108,564)	(8,398)	(257,411)	(1,075)	8,086	(250,400)
Total	(131,554)	(8,895)	(108,564)	(8,398)	(257,411)	(1,075)	8,086	(145,207)
Balance at March 31, 2020	\$ 113,967	\$(9,372)	\$(213,333)	\$(31,719)	\$(140,458)	\$ 7,094	\$151,383	\$3,780,290

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Consolidated Statements of Cash Flows

Years ended March 31	Millions of yen		Thousands of U.S. dollars*
	2019	2020	2020
Cash flows from operating activities:			
Income before income taxes	¥ 60,360	¥ 41,557	\$ 381,852
Depreciation and amortization	47,551	50,950	468,161
Impairment loss	5,990	11,030	101,351
Increase (decrease) in net defined benefit liability	1,911	1,617	14,858
Decrease (increase) in net defined benefit asset	4,985	(665)	(6,110)
Increase in investment securities due to retirement benefit trust return	(6,099)	—	—
Increase (decrease) in allowance for doubtful accounts	(27)	(95)	(873)
Increase (decrease) in provision for business structure improvement	(1,202)	3,332	30,617
Interest and dividend income	(3,293)	(2,372)	(21,795)
Interest expenses	3,499	3,717	34,154
Equity in losses (earnings) of affiliates	(434)	(1,997)	(18,350)
Loss (gain) on sales and retirement of noncurrent assets	2,025	2,517	23,128
Loss (gain) on sales of investment securities	(4,845)	(5,986)	(55,003)
Loss (gain) on valuation of derivatives	(2,424)	2,161	19,857
Loss (gain) on valuation of investment securities	246	114	1,048
Settlement received	(4,500)	—	—
Decrease (increase) in notes and accounts receivable—trade	(13,751)	19,875	182,624
Decrease (increase) in inventories	(8,187)	(4,460)	(40,981)
Increase (decrease) in notes and accounts payable—trade	(1,343)	(9,465)	(86,971)
Other, net	723	(5,488)	(50,427)
Subtotal	81,185	106,342	977,139
Interest and dividend income received	7,751	6,575	60,415
Interest expenses paid	(3,493)	(3,745)	(34,411)
Settlement package received	4,500	—	—
Income taxes paid	(9,044)	(14,958)	(137,444)
Net cash and cash equivalents provided by operating activities	80,899	94,214	865,699
Cash flows from investing activities:			
Purchase of property, plant and equipment	(55,599)	(66,301)	(609,216)
Proceeds from sales of property, plant and equipment	310	261	2,398
Purchase of intangible assets	(3,328)	(4,020)	(36,938)
Purchase of investment securities	(3,620)	(5,700)	(52,375)
Proceeds from sales of investment securities	40,357	9,250	84,995
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(16,411)	(12,681)	(116,521)
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	1,056	13,158	120,904
Payments for acquisition of businesses	—	(906)	(8,325)
Decrease (increase) in short-term loans receivable	(489)	1,147	10,539
Payments of long-term loans receivable	(532)	(1,277)	(11,734)
Collection of long-term loans receivable	93	1,273	11,697
Other, net	(3,125)	(2,127)	(19,544)
Net cash and cash equivalents used in investing activities	(41,288)	(67,922)	(624,111)
Cash flows from financing activities:			
Net increase (decrease) in short-term loans payable	31,433	(2,769)	(25,443)
Proceeds from long-term loans payable	25,918	16,675	153,221
Repayment of long-term loans payable	(27,858)	(6,735)	(61,886)
Purchase of treasury shares	(20,039)	(12)	(110)
Cash dividends paid	(11,688)	(13,427)	(123,376)
Cash dividends paid to non-controlling shareholders	(436)	(652)	(5,991)
Proceeds from share issuance to non-controlling shareholders	—	297	2,729
Proceeds from issuance of bonds	—	15,000	137,830
Redemption of bonds	(11,910)	(15,000)	(137,830)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(478)	—	—
Other, net	(295)	(1,437)	(13,204)
Net cash and cash equivalents used in financing activities	(15,353)	(8,059)	(74,051)
Effect of exchange rate changes on cash and cash equivalents	(184)	(2,438)	(22,402)
Net increase (decrease) in cash and cash equivalents	24,074	15,794	145,125
Cash and cash equivalents at beginning of year	116,158	140,434	1,290,398
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	202	—	—
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	—	62	570
Cash and cash equivalents at end of year	¥140,434	¥156,290	\$1,436,093

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