

Consolidated Income Statement

(Millions of yen)

	2017/12 3Q (Cumulative)	2017/12 4Q (Cumulative)	2018/12 1Q	2018/12 2Q (Cumulative)	2018/12 3Q (Cumulative)
Net sales	379,663	518,442	149,158	301,382	449,929
Cost of sales	244,469	339,836	94,564	200,849	299,321
Gross profit	135,194	178,606	54,593	100,533	150,608
Selling, general and administrative					
Selling expenses	20,858	28,236	8,099	17,153	25,139
General and administrative expenses	55,924	75,251	23,193	45,191	68,290
Total selling, general and administrative expenses	76,782	103,488	31,293	62,344	93,430
Operating income	58,411	75,117	23,300	38,188	57,177
Non-operating income					
Interest income	261	266	170	247	297
Dividends income	1,334	1,541	808	1,222	1,167
Equity in earnings of affiliates	10	2	75	174	247
Other	928	1,409	444	905	1,142
Total non-operating income	2,534	3,219	1,499	2,550	2,854
Non-operating expenses					
Interest expenses	543	729	391	661	965
Foreign exchange loss	1,042	1,369	459	1,390	1,653
Personnel expenses for seconded employees	-	625	-	-	-
Loss on disposal of tangible fixed	-	558	-	-	-
Other	2,214	2,055	1,058	2,196	2,580
Total non-operating expenses	3,799	5,338	1,909	4,248	5,199
Ordinary income	57,146	72,998	22,891	36,490	54,832
Extraordinary income					
Gain on transfer of know-how	2,500	2,500	-	-	-
Gain on sale of investment securities	1,352	1,352	-	-	-
Compensation income	-	-	336	336	336
Total extraordinary income	3,852	3,852	336	336	336
Extraordinary loss					
Disaster loss	417	523	419	699	1,468
Acquisition expenses	901	1,465	700	906	1,030
Loss on disposal of tangible fixed	-	323	-	492	623
Loss on provision for environmental measures	3,146	3,146	-	-	-
Impairment loss	-	1,674	-	-	-
Loss on anti-monopoly act	1,019	1,019	-	-	-
Loss on valuation of investment	556	556	-	-	-
Total extraordinary loss	6,041	8,709	1,120	2,097	3,121
Income before income taxes and noncontrolling interests	54,957	68,141	22,106	34,728	52,046
Income taxes—current	18,848	21,047	7,635	10,758	16,746
Income taxes—deferred	(2,097)	(7,395)	(1,555)	(350)	(594)
Total income taxes	16,751	13,652	6,080	10,407	16,151
Net income	38,205	54,488	16,026	24,320	35,895
Net income attributable to noncontrolling interests	692	886	301	498	829
Net income attributable to owners of the parent	37,512	53,601	15,725	23,822	35,066
Net income	38,205	54,488	16,026	24,320	35,895
Other comprehensive income					
Valuation difference on available-for-sale securities	400	2,094	(789)	(921)	(884)
Deferred gains or losses on hedges	(764)	(484)	555	625	600
Foreign currency translation	1,065	3,375	(20,570)	(13,104)	(2,905)
Remeasurements of defined benefit plans	421	500	200	56	1
Total other comprehensive income	1,122	5,485	(20,604)	(13,342)	(3,188)
Quarterly comprehensive income	39,328	59,974	(4,578)	10,978	32,707
Comprehensive income attributable to:					
Owners of the parent	38,626	59,078	(4,878)	10,481	31,878
Noncontrolling interests	701	895	300	496	828

Consolidated Balance Sheets

(Millions of yen)

	2017/12	2017/12	2018/12	2018/12	2018/12
	3Q	4Q	1Q	2Q	3Q
ASSETS					
Current Assets					
Cash and cash deposits	43,415	60,904	53,937	44,029	60,211
Notes and accounts receivable	110,044	113,876	124,703	134,071	130,824
Short-term investment	52,329	38,296	38,684	45,181	31,911
Merchandise and finished	83,438	84,572	105,551	98,784	104,001
Work in process	14,233	14,699	14,132	13,107	15,159
Raw materials and supplies	25,703	28,235	32,035	34,176	35,749
Deferred tax assets	7,065	7,670	8,073	6,949	7,665
Other	11,600	11,652	15,909	14,409	14,223
Allowance for doubtful	(475)	(436)	(570)	(563)	(566)
Total current assets	347,354	359,471	392,457	390,145	399,179
Noncurrent Assets					
Tangible fixed assets					
Buildings and structures,	58,865	59,267	66,980	67,844	70,723
Machinery, equipment and vehicles, net	165,544	164,803	185,477	187,422	190,307
Land	19,577	19,671	21,270	21,303	21,441
Construction in progress	33,284	38,187	41,877	46,602	53,684
Other, net	5,388	5,266	5,663	5,979	6,577
Total tangible fixed assets	282,659	287,196	321,269	329,152	342,735
Intangible fixed assets					
Goodwill	24,921	24,567	102,164	104,465	105,725
Customer-related assets	26,495	26,070	25,847	26,162	26,309
Other	25,308	26,387	30,469	31,038	31,880
Total intangible fixed	76,726	77,024	158,482	161,666	163,915
Investments and other assets					
Investment securities	32,726	35,417	35,989	35,798	35,751
Long-term loans	246	229	208	192	237
Net defined benefit assets	1,041	1,963	1,769	1,825	1,906
Deferred tax assets	7,995	6,739	7,152	7,216	7,462
Others	7,354	7,734	7,580	7,331	7,162
Allowance for doubtful	(43)	(42)	(41)	(41)	(40)
Total investments and	49,321	52,042	52,657	52,323	52,480
Total noncurrent assets	408,707	416,263	532,409	543,141	559,131
Total assets	756,062	775,735	924,866	933,286	958,310
LIABILITIES					
Current Liabilities					
Notes and accounts payable-	31,961	39,864	50,325	46,725	44,594
Short-term loans payable	7,703	7,864	84,966	45,838	46,705
Commercial paper	-	-	46,000	-	-
Accrued expenses	10,862	13,090	11,605	12,314	12,073
Income taxes payable	9,475	13,594	11,224	10,506	8,078
Provision for bonuses	8,543	6,000	8,345	5,312	9,436
Other provision	6	8	208	218	235
Other	29,645	27,631	24,142	26,703	28,538
Total current liabilities	98,198	108,053	236,817	147,620	149,661
Noncurrent liabilities					
Bonds payable	10,000	10,000	10,000	50,000	50,000
Long-term loans payable	42,100	42,099	66,006	111,066	120,049
Deferred tax liabilities	24,310	15,251	15,680	16,179	17,290
Provision for directors' retirement benefits	207	224	219	217	224
Provision for environmental	6,561	6,184	6,136	5,953	5,876
Net defined benefit liabilities	13,066	14,597	19,130	19,631	18,164
Asset retirement obligations	4,393	4,469	4,897	4,869	4,917
Other	10,565	10,367	11,400	11,299	10,912
Total noncurrent liabilities	111,203	103,193	133,472	219,216	227,435
Total liabilities	209,402	211,247	370,289	366,836	377,097
NET ASSETS					
Shareholders' equity					
Capital stock	88,955	88,955	88,955	88,955	88,955
Capital surplus	87,223	87,219	87,215	87,211	87,210
Retained earnings	327,573	343,666	353,964	362,065	366,338
Treasury stock	(3,309)	(6,110)	(6,062)	(9,769)	(9,762)
Total shareholders' equity	500,444	513,730	524,072	528,463	532,741
Accumulated other comprehensive					
Valuation difference on available-for-sale securities	11,313	13,007	12,219	12,087	12,124
Deferred gains or losses on	(883)	(603)	(47)	23	(2)
Foreign currency translation	31,371	33,681	13,356	20,822	31,021
Remeasurements of defined benefit plans	(3,915)	(3,836)	(3,636)	(3,780)	(3,835)
Total accumulated other	37,885	42,248	21,890	29,153	39,307
Subscription rights to shares	555	539	598	593	591
Noncontrolling interests	7,774	7,968	8,015	8,239	8,572
Total net assets	546,659	564,487	554,576	566,449	581,212
Total liabilities and net assets	756,062	775,735	924,866	933,286	958,310

Consolidated Statements of Cash Flows

(Millions of yen)

	2016/12	2016/12	2017/12	2017/12	2018/12
	2Q	4Q	2Q	4Q	2Q
Net cash provided by (used in) operating activities:					
Income before income taxes and minority interests	33,681	60,512	35,061	68,141	34,728
Depreciation and amortization	20,042	41,555	20,309	42,965	25,682
Increase (decrease) in allowance for doubtful	2,654	1,281	84	1,145	(849)
Gain on reversal of asset retirement obligations	-	(160)	-	(17)	-
Gain on reversal of provision for environmental	-	-	-	-	-
Loss on disposal of tangible fixed assets	-	-	-	-	-
Impairment loss	-	196	-	323	492
Loss on reserve of provision for environmental	-	2,179	-	1,674	-
Foreign exchange losses (gains)	-	3,293	3,146	3,146	-
Interest and dividends income	-	(2,919)	-	(1,807)	-
Interest expenses	-	739	-	729	-
Decrease (increase) in notes and accounts receivable – trade	(2,308)	(4,386)	(541)	(7,294)	(6,978)
Decrease (increase) in inventories	(1,992)	(1,645)	(8,183)	(13,601)	(4,280)
Increase (decrease) in notes and accounts payable – trade	(5,627)	(1,435)	(521)	3,031	(485)
Loss (gain) on valuation of investment securities	-	-	556	556	-
Loss (gain) on sale of investment securities	-	-	-	(1,352)	-
Increase (decrease) in provision for bonuses	-	130	-	659	-
Increase (decrease) in net defined benefit liabilities	-	264	-	1,727	-
Decrease (increase) in net defined benefit assets	-	(297)	-	(285)	-
Other, net	2,649	16,854	(4,400)	1,475	(7,346)
Subtotal	49,100	116,162	45,510	101,217	40,963
Interest and dividends received	-	2,912	-	1,794	-
Interest expenses paid	-	(739)	-	(729)	-
Income taxes (paid) refund	(10,991)	(24,412)	(6,427)	(17,675)	(11,236)
Net cash provided by (used in) operating activities	1,740	-	666	-	1,061
Net cash provided by (used in) investment	39,848	93,923	39,749	84,606	30,788
Net decrease (increase) in time deposits					
Net decrease (increase) in short-term investment securities	-	-	(3,728)	(4,459)	851
Purchase of investment securities	-	-	(21,499)	(17,456)	5,856
Proceeds from sales and redemption of investment securities	(907)	(489)	(67)	(1,036)	(99)
Purchase of tangible fixed assets and intangible fixed assets	3	3,551	-	1,561	172
Payments for disposal of tangible fixed assets and intangible fixed assets	(24,402)	(49,992)	(27,914)	(55,419)	(30,188)
Proceeds from sales of tangible fixed assets and intangible fixed assets	-	(516)	-	(1,047)	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	-	52	-	59	-
Proceeds from sale of business	-	-	-	-	(119,814)
Payments for acquisition of business☒	(81)	(1,905)	(1,897)	(2,097)	(1,171)
Other, net	(25,387)	(49,300)	(55,108)	(79,896)	(144,392)
Net cash provided by (used in) investment activities					
Net cash provided by (used in) financing activities:					
Net increase (decrease) in short-term loans	-	-	-	-	80,000
Net increase (decrease) in commercial papers	(66)	(142)	(47)	(85)	(25,412)
Repayment of long-term loans payable	-	-	-	-	40,000
Purchase of treasury stock	-	(5)	-	(2,892)	(3,732)
Proceeds from sales of treasury stock	-	195	-	529	-
Cash dividends paid	(7,726)	(14,753)	(7,381)	(14,420)	(7,718)
Cash dividends paid to minority shareholders	-	-	-	-	-
Cash dividends paid to noncontrolling interests	-	(191)	-	(227)	-
Other, net	(297)	(299)	(63)	(312)	(360)
Net cash provided by (used in) financing activities	(7,153)	(14,701)	(7,493)	(17,176)	109,767
Effect of exchange rate changes on cash and cash equivalents	(3,207)	(1,514)	(37)	(882)	557
Net increase (decrease) in cash and cash equivalents☒	4,100	28,407	(22,890)	(13,349)	(3,279)
Cash and cash equivalents, beginning of year☒	54,750	54,750	83,389	83,389	70,234
Increase in cash and cash equivalents from newly consolidated subsidiary	231	231	193	193	-
Cash and cash equivalents, end of year	59,082	83,389	60,693	70,234	66,954