

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of April 30,2017	As of April 30,2018
Assets		
Current assets		
Cash and deposits	4,045,141	6,655,969
Notes and accounts receivable - trade	8,205,074	6,923,072
Electronically recorded monetary claims - operating	1,765,055	2,903,531
Securities	-	99,962
Merchandise and finished goods	1,226,878	1,551,052
Work in process	562,287	593,017
Raw materials	567,940	661,904
Deferred tax assets	280,201	301,536
Advance payments - trade	928,660	1,316,667
Consumption taxes receivable	-	1,951
Other	274,624	309,054
Allowance for doubtful accounts	(22,661)	(8,182)
Total current assets	17,833,201	21,309,535
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,723,407	2,725,267
Accumulated depreciation	(1,739,959)	(1,781,263)
Buildings and structures, net	983,448	944,004
Machinery, equipment and vehicles	1,267,048	1,265,642
Accumulated depreciation	(1,000,895)	(1,064,399)
Machinery, equipment and vehicles, net	266,153	201,243
Land	932,817	932,005
Leased assets	513,133	506,971
Accumulated depreciation	(387,779)	(463,281)
Leased assets, net	125,353	43,690
Construction in progress	31,111	76,673
Other	921,050	989,008
Accumulated depreciation	(692,849)	(697,779)
Other, net	228,200	291,229
Total property, plant and equipment	2,567,085	2,488,846
Intangible assets		
Goodwill	388,465	224,968
Other	841,743	672,555
Total intangible assets	1,230,208	897,523
Investments and other assets		
Investment securities	1,290,181	2,921,323
Long-term loans receivable	2,974	3,059
Net defined benefit asset	36,968	-
Deferred tax assets	7,018	20,930
Other	173,972	175,722
Allowance for doubtful accounts	(43,704)	(58,963)
Total investments and other assets	1,467,410	3,062,071
Total non-current assets	5,264,705	6,448,441
Total assets	23,097,907	27,757,977

(Thousand yen)

	As of April 30,2017	As of April 30,2018
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,641,819	4,898,645
Electronically recorded obligations - operating	2,674,149	4,408,905
Short-term loans payable	537,181	379,337
Current portion of long-term loans payable	89,143	35,284
Advances received	493,740	1,403,461
Lease obligations	93,523	35,948
Income taxes payable	288,397	327,240
Accrued consumption taxes	49,329	54,724
Provision for directors' bonuses	50,300	64,000
Other	1,129,896	1,182,600
Total current liabilities	9,047,480	12,790,147
Non-current liabilities		
Long-term loans payable	35,284	-
Lease obligations	39,691	3,495
Deferred tax liabilities	567,253	471,104
Provision for directors' retirement benefits	71,597	23,509
Net defined benefit liability	34,421	49,595
Asset retirement obligations	5,747	5,760
Other	30,789	83,171
Total non-current liabilities	784,786	636,637
Total liabilities	9,832,266	13,426,785
Net assets		
Shareholders' equity		
Capital stock	1,028,078	1,028,078
Capital surplus	749,766	754,191
Retained earnings	11,083,479	12,225,340
Treasury shares	(160,016)	(248,733)
Total shareholders' equity	12,701,307	13,758,875
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	232,704	391,322
Deferred gains or losses on hedges	11,038	(28,229)
Foreign currency translation adjustment	306,043	199,476
Remeasurements of defined benefit plans	6,575	(2,072)
Total accumulated other comprehensive income	556,361	560,496
Non-controlling interests	7,972	11,820
Total net assets	13,265,640	14,331,192
Total liabilities and net assets	23,097,907	27,757,977

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended April 30,2017	For the fiscal year ended April 30,2018
Net sales	30,951,082	34,284,134
Cost of sales	24,623,006	27,309,410
Gross profit	6,328,075	6,974,723
Selling, general and administrative expenses	4,622,179	4,943,904
Operating profit	1,705,896	2,030,819
Non-operating income		
Interest income	2,399	2,131
Dividend income	8,551	14,215
Share of profit of entities accounted for using equity method	51,788	31,567
Subsidy income	107,321	38,921
Gain on sales of scraps	5,080	6,606
Miscellaneous income	59,394	46,225
Total non-operating income	234,536	139,666
Non-operating expenses		
Interest expenses	14,094	8,490
Sales discounts	1,375	1,485
Foreign exchange losses	158,813	1,153
Miscellaneous loss	15,902	7,803
Total non-operating expenses	190,186	18,933
Ordinary profit	1,750,246	2,151,552
Extraordinary income		
Gain on sales of non-current assets	2,453	3,547
Gain on sales of shares of subsidiaries and associates	-	39,922
Total extraordinary income	2,453	43,469
Extraordinary losses		
Loss on sales and retirement of non-current assets	10,895	5,694
Impairment loss	-	51,601
Loss on sales of membership	659	127
Loss on valuation of investment securities	-	1,100
Total extraordinary losses	11,554	58,523
Profit before income taxes	1,741,144	2,136,498
Income taxes - current	735,823	844,190
Income taxes - deferred	(232,552)	(169,548)
Total income taxes	503,271	674,641
Profit	1,237,873	1,461,857
Profit attributable to non-controlling interests	5,190	4,638
Profit attributable to owners of parent	1,232,682	1,457,218

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended April 30,2017	For the fiscal year ended April 30,2018
Profit	1,237,873	1,461,857
Other comprehensive income		
Valuation difference on available-for-sale securities	121,105	139,968
Deferred gains or losses on hedges	11,038	(39,268)
Foreign currency translation adjustment	(42,497)	(110,960)
Remeasurements of defined benefit plans, net of tax	44,777	(8,648)
Share of other comprehensive income of entities accounted for using equity method	(31,446)	22,252
Total other comprehensive income	102,977	3,344
Comprehensive income	1,340,850	1,465,201
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,337,203	1,461,353
Comprehensive income attributable to non-controlling interests	3,647	3,847

Consolidated Statements of Changes in Net Assets

For the fiscal year ended April 30,2017

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,028,078	751,301	10,077,224	(159,920)	11,696,683
Cumulative effects of changes in accounting policies			(77,362)		(77,362)
Restated balance	1,028,078	751,301	9,999,862	(159,920)	11,619,321
Changes of items during period					
Dividends of surplus			(149,065)		(149,065)
Profit attributable to owners of parent			1,232,682		1,232,682
Purchase of treasury shares				(96)	(96)
Disposal of treasury shares					-
Change in ownership interest of parent due to transactions with non-controlling interests		(1,535)			(1,535)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	(1,535)	1,083,617	(96)	1,081,985
Balance at end of current period	1,028,078	749,766	11,083,479	(160,016)	12,701,307

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of current period	129,002	-	286,124	(38,201)	376,925
Cumulative effects of changes in accounting policies			74,915		74,915
Restated balance	129,002		361,040	(38,201)	451,841
Changes of items during period					
Dividends of surplus					
Profit attributable to owners of parent					
Purchase of treasury shares					
Disposal of treasury shares					
Change in ownership interest of parent due to transactions with non-controlling interests					
Net changes of items other than shareholders' equity	103,701	11,038	(54,997)	44,777	104,520
Total changes of items during period	103,701	11,038	(54,997)	44,777	104,520
Balance at end of current period	232,704	11,038	306,043	6,575	556,361

	Non-controlling interests	Total net assets
Balance at beginning of current period	16,104	12,089,713
Cumulative effects of changes in accounting policies	2,446	-
Restated balance	18,550	12,089,713
Changes of items during period		
Dividends of surplus		(149,065)
Profit attributable to owners of parent		1,232,682
Purchase of treasury shares		(96)
Disposal of treasury shares		-
Change in ownership interest of parent due to transactions with non-controlling interests		(1,535)
Net changes of items other than shareholders' equity	(10,578)	93,941
Total changes of items during period	(10,578)	1,175,927
Balance at end of current period	7,972	13,265,640

For the fiscal year ended April 30,2018

(Thousand yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	1,028,078	749,766	11,083,479	(160,016)	12,701,307
Cumulative effects of changes in accounting policies					-
Restated balance	1,028,078	749,766	11,083,479	(160,016)	12,701,307
Changes of items during period					
Dividends of surplus			(315,358)		(315,358)
Profit attributable to owners of parent			1,457,218		1,457,218
Purchase of treasury shares				(99,997)	(99,997)
Disposal of treasury shares		4,425		11,280	15,705
Change in ownership interest of parent due to transactions with non-controlling interests					-
Net changes of items other than shareholders' equity					
Total changes of items during period	-	4,425	1,141,860	(88,716)	1,057,568
Balance at end of current period	1,028,078	754,191	12,225,340	(248,733)	13,758,875

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance at beginning of current period	232,704	11,038	306,043	6,575	556,361
Cumulative effects of changes in accounting policies					
Restated balance	232,704	11,038	306,043	6,575	556,361
Changes of items during period					
Dividends of surplus					
Profit attributable to owners of parent					
Purchase of treasury shares					
Disposal of treasury shares					
Change in ownership interest of parent due to transactions with non-controlling interests					
Net changes of items other than shareholders' equity	158,617	(39,268)	(106,566)	(8,648)	4,134
Total changes of items during period	158,617	(39,268)	(106,566)	(8,648)	4,134
Balance at end of current period	391,322	(28,229)	199,476	(2,072)	560,496

	Non-controlling interests	Total net assets
Balance at beginning of current period	7,972	13,265,640
Cumulative effects of changes in accounting policies		-
Restated balance	7,972	13,265,640
Changes of items during period		
Dividends of surplus		(315,358)
Profit attributable to owners of parent		1,457,218
Purchase of treasury shares		(99,997)
Disposal of treasury shares		15,705
Change in ownership interest of parent due to transactions with non-controlling interests		-
Net changes of items other than shareholders' equity	3,847	7,982
Total changes of items during period	3,847	1,065,551
Balance at end of current period	11,820	14,331,192

Consolidated Statements of Cash Flows

(Thousand yen)

	For the fiscal year ended April 30,2017	For the fiscal year ended April 30,2018
Cash flows from operating activities		
Profit before income taxes	1,741,144	2,136,498
Depreciation	491,801	487,972
Impairment loss	-	51,601
Amortization of goodwill	99,788	85,756
Increase (decrease) in allowance for doubtful accounts	(6,564)	171
Increase (decrease) in provision for directors' bonuses	20,700	13,700
Increase (decrease) in provision for directors' retirement benefits	14,822	(48,088)
Decrease (increase) in net defined benefit asset	(36,968)	36,968
Increase (decrease) in net defined benefit liability	59,971	6,398
Interest and dividend income	(10,950)	(16,346)
Interest expenses	14,094	8,490
Foreign exchange losses (gains)	55,007	(720)
Share of loss (profit) of entities accounted for using equity method	(51,788)	(31,567)
Loss (gain) on sales of non-current assets	6,449	(3,547)
Loss on retirement of non-current assets	1,992	5,694
Loss (gain) on valuation of investment securities	-	1,100
Loss (gain) on sales of shares of subsidiaries and associates	-	(39,922)
Other loss (gain)	26,182	6,219
Decrease (increase) in notes and accounts receivable - trade	(490,099)	121,618
Decrease (increase) in inventories	38,669	(465,273)
Decrease (increase) in consumption taxes refund receivable	194,505	(1,951)
Decrease (increase) in other assets	(57,001)	(369,774)
Increase (decrease) in notes and accounts payable - trade	(1,508,855)	2,987,428
Increase (decrease) in accrued consumption taxes	(3,897)	5,394
Increase (decrease) in other liabilities	394,880	908,679
Subtotal	993,885	5,886,501
Interest and dividend income received	14,761	17,897
Interest expenses paid	(14,094)	(8,490)
Income taxes paid	(438,552)	(817,670)
Net cash provided by (used in) operating activities	555,999	5,078,237

(Thousand yen)

	For the fiscal year ended April 30,2017	For the fiscal year ended April 30,2018
Cash flows from investing activities		
Payments into time deposits	(40,000)	(49,515)
Proceeds from withdrawal of time deposits	40,000	40,000
Purchase of securities	-	(100,299)
Purchase of property, plant and equipment	(292,321)	(212,370)
Proceeds from sales of property, plant and equipment	49,354	13,623
Purchase of intangible assets	(41,786)	(42,776)
Purchase of investment securities	(6,310)	(1,398,201)
Proceeds from sales of investment securities	-	182
Purchase of shares of subsidiaries	(30,789)	-
Proceeds from sales of shares of subsidiaries and associates	-	121,081
Payments of short-term loans receivable	(21,500)	(20,250)
Collection of short-term loans receivable	1,780	910
Payments of long-term loans receivable	(3,401)	(3,369)
Collection of long-term loans receivable	3,586	3,389
Purchase of long-term prepaid expenses	(10,109)	(4,097)
Payments for guarantee deposits	(11,752)	(9,672)
Proceeds from collection of guarantee deposits	12,256	9,361
Other proceeds	1,895	1,814
Net cash provided by (used in) investing activities	(349,098)	(1,650,188)
Cash flows from financing activities		
Increase in short-term loans payable	5,613,917	3,378,804
Decrease in short-term loans payable	(5,736,143)	(3,546,892)
Repayments of long-term loans payable	(90,156)	(89,143)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(15,760)	-
Purchase of treasury shares	(96)	(99,997)
Cash dividends paid	(149,065)	(315,358)
Repayments of lease obligations	(90,165)	(93,769)
Net cash provided by (used in) financing activities	(467,470)	(766,356)
Effect of exchange rate change on cash and cash equivalents	(10,251)	(60,421)
Net increase (decrease) in cash and cash equivalents	(270,821)	2,601,271
Cash and cash equivalents at beginning of period	4,294,334	4,023,513
Cash and cash equivalents at end of period	4,023,513	6,624,784