

(Japan GAAP)
Consolidated Balance Sheet

(Thousands of yen)

Account Item	Ended March 31, 2016	Ended March 31, 2017
Assets		
Current assets		
Cash and deposits	8,148,396	10,196,527
Notes and accounts receivable – trade	33,393,141	34,940,830
Work in process	497,791	638,121
Other inventories	77,947	67,033
Deferred tax assets	968,213	981,166
Other	3,136,590	3,821,635
Allowance for doubtful accounts	(354,600)	(370,367)
Total current assets	45,867,479	50,274,948
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,390,770	4,443,199
Accumulated depreciation	(2,333,597)	(2,467,621)
Buildings and structures, net	2,057,173	1,975,578
Machinery, equipment and vehicles	9,087,284	7,260,493
Accumulated depreciation	(5,338,914)	(4,466,895)
Machinery, equipment and vehicles, net	3,748,369	2,793,597
Tools, furniture and fixtures	5,647,143	5,966,691
Accumulated depreciation	(3,874,988)	(4,404,490)
Tools, furniture and fixtures, net	1,772,155	1,562,201
Land	4,566,750	4,566,750
Leased assets	449,760	400,741
Accumulated depreciation	(445,350)	(399,910)
Leased assets, net	4,410	831
Construction in progress	47,038	48,579
Total property, plant and equipment	12,195,897	10,947,538
Intangible assets		
Goodwill	109,559	65,453
Software	4,303,886	2,947,931
Software in progress	628,098	457,385
Leased assets	5,351	3,160
Other	234,565	192,248
Total intangible assets	5,281,460	3,666,178
Investments and other assets		
Investment securities	1,026,339	1,016,091
Claims provable in bankruptcy, claims provable in rehabilitation and other	160,971	164,081
Deferred tax assets	254,121	1,100,469
Other	1,576,732	1,430,251
Allowance for doubtful accounts	(417,508)	(452,001)
Total investments and other assets	2,600,656	3,258,892
Total non-current assets	20,078,014	17,872,609
Total assets	65,945,494	68,147,557
Liabilities		
Current liabilities		
Notes and accounts payable – trade	4,055,465	4,123,328
Short-term loans payable	21,074,123	23,790,779
Current portion of long-term loans payable	32,196	27,679
Lease obligations	16,038	2,807
Income taxes payable	332,277	261,304
Advances received	1,593,970	1,555,885
Provision for bonuses	519,501	536,643
Provision for directors' bonuses	8,000	5,070
Provision for loss on construction contracts	484,975	1,194,650
Provision for loss on contract	739,130	1,008,411
Other	2,839,133	2,745,727
Total current liabilities	31,694,813	35,252,287
Non-current liabilities		
Long-term loans payable	18,076,501	18,071,235
Lease obligations	4,569	1,749
Long-term accounts payable – other	14,972	14,804
Deferred tax liabilities	443,993	417,633
Net defined benefit liability	532,557	433,970
Other	84,158	87,827
Total non-current liabilities	19,156,752	19,027,221
Total liabilities	50,851,565	54,279,509
Net assets		
Shareholders' equity		
Capital stock	8,758,481	8,758,481
Capital surplus	55	55
Retained earnings	5,777,480	4,636,918
Treasury shares	(540,120)	(548,905)
Total shareholders' equity	13,995,897	12,846,551
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	96,336	161,523
Foreign currency translation adjustment	713,518	583,483
Remeasurements of defined benefit plans	(112,251)	(122,049)
Total accumulated other comprehensive income	697,603	622,957
Non-controlling interests	400,427	398,540
Total net assets	15,093,928	13,868,048
Total liabilities and net assets	65,945,494	68,147,557

Consolidated Profit and Loss Statements

(Thousands of yen)

Account Item	from April 1, 2015 to March 31, 2016	from April 1, 2016 to March 31, 2017
Net sales	52,767,237	51,766,932
Cost of sales	41,695,039	40,573,877
Gross profit	11,072,198	11,193,055
Selling, general and administrative expenses	10,054,213	10,006,077
Operating profit	1,017,984	1,186,978
Non-operating income		
Interest income	22,103	19,490
Dividend income	25,842	26,794
Share of profit of entities accounted for using equity method	36,442	—
Rent income	59,755	35,025
Miscellaneous income	93,734	78,057
Total non-operating income	237,878	159,368
Non-operating expenses		
Interest expenses	145,483	130,664
Share of loss of entities accounted for using equity method	—	12,872
Rent expenses	64,969	10,206
Foreign exchange losses	105,591	128,602
Provision of allowance for doubtful accounts	43,532	36,959
Miscellaneous expenses	96,266	88,494
Total non-operating expenses	455,843	407,798
Ordinary profit	800,019	938,547
Extraordinary income		
Gain on sales of non-current assets	224,925	4,244
Gain on sales of investment securities	205,061	124,596
Total extraordinary income	429,986	128,840
Extraordinary losses		
Loss on sales and retirement of non-current assets	151,471	146,378
Impairment loss	382,516	1,495,377
Loss on sales of shares of subsidiaries and associates	10,754	—
Loss on sales of investment securities	—	256
Loss on valuation of investment securities	3,790	—
Provision for loss on contract	—	186,780
Special retirement expenses	288	143,747
Special research cost	—	99,476
Loss on liquidation of subsidiaries and associates	—	41,119
Loss on liquidation of subsidiaries and associates	—	2,284
Total extraordinary losses	548,821	2,115,420
Profit (loss) before income taxes	681,185	(1,048,032)
Income taxes – current	696,963	314,233
Income taxes – deferred	(191,560)	(864,231)
Total income taxes	505,403	(549,997)
Profit (loss)	175,782	(498,034)
Profit attributable to non-controlling interests	15,752	26,496
Profit (loss) attributable to owners of parent	160,030	(524,531)

Consolidated Cashflow Statement

(Thousands of yen)

Account Item	from April 1,2015 to March 31, 2016	from April 1,2016 to March 31, 2017
Cash flows from operating activities		
Profit (loss) before income taxes	681,185	(1,048,032)
Depreciation	3,064,034	3,033,392
Impairment loss	382,516	1,495,377
Amortization of goodwill	21,628	18,262
Amortization of long-term prepaid expenses	321,554	310,057
Increase (decrease) in allowance for doubtful accounts	(16,908)	35,505
Increase (decrease) in provision for bonuses	20,137	25,171
Increase (decrease) in provision for directors' bonuses	(4,500)	(2,930)
Increase (decrease) in provision for loss on contract	739,130	269,281
Increase (decrease) in net defined benefit asset and liability	(94,881)	(112,799)
Increase (decrease) in other provision	38,873	709,995
Interest and dividend income	(47,946)	(46,284)
Interest expenses	145,483	130,664
Share of (profit) loss of entities accounted for using equity method	(36,442)	12,872
Foreign exchange losses (gains)	17,922	13,938
Loss (gain) on sales and retirement of non-current assets	(73,453)	142,134
Loss (gain) on sales of investment securities	(205,061)	(124,340)
Extra retirement payment	—	143,747
Special reserch cost	—	99,476
Loss on liquidation of subsidiaries and associates	—	41,119
Loss (gain) on liquidation of subsidiaries and associates	—	2,284
Decrease (increase) in notes and accounts receivable – trade	(1,691,373)	(1,693,712)
Decrease (increase) in inventories	(194,315)	(132,579)
Increase (decrease) in notes and accounts payable – trade	(213,446)	95,897
Decrease/increase in consumption taxes receivable/payable	(339,157)	(197,782)
Increase (decrease) in accrued expenses	(89,267)	(154,325)
Increase (decrease) in long-term accounts payable – other	(31,087)	(111)
Other, net	(542,862)	(500,381)
Subtotal	1,851,762	2,565,899
Interest and dividend income received	48,032	48,463
Interest expenses paid	(149,466)	(130,999)
Income taxes paid	(548,395)	(609,382)
Income taxes refund	192,816	3,820
Payments for special reserch cost	—	(99,476)
Net cash provided by (used in) operating activities	1,394,748	1,778,323
Cash flows from investing activities		
Payments into time deposits	(125,704)	(100,698)
Proceeds from withdrawal of time deposits	7,344	100,000
Purchase of property, plant and equipment	(1,105,917)	(993,288)
Proceeds from sales of property, plant and equipment	1,529,231	29,696
Purchase of intangible assets	(1,125,586)	(987,918)
Proceeds from sales of intangible assets	3,326	—
Purchase of investment securities	(10,379)	—
Proceeds from sales of investment securities	434,965	257,679
Purchase of shares of subsidiaries and associates	—	(51,000)
Purchase of long-term prepaid expenses	(36,209)	(3,197)
Payments of loans receivable	(1,215,426)	(982,868)
Collection of loans receivable	1,338,875	1,067,818
Other, net	40,617	38,613
Net cash provided by (used in) investing activities	(264,861)	(1,625,164)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(798,230)	2,728,641
Repayments of long-term loans payable	(26,261)	(2,300)
Repayments of finance lease obligations	(37,130)	(15,560)
Purchase of treasury shares	(10,992)	(8,784)
Proceeds from sales of treasury shares	349	—
Cash dividends paid	(649,810)	(649,549)
Dividends paid to non-controlling interests	(15,982)	(12,866)
Net cash provided by (used in) financing activities	(1,538,058)	2,039,579
Effect of exchange rate change on cash and cash equivalents	(103,866)	(103,987)
Net increase (decrease) in cash and cash equivalents	(512,037)	2,088,751
Cash and cash equivalents at beginning of period	8,502,354	7,990,317
Cash and cash equivalents at end of period	7,990,317	10,079,069