



3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2018  
(October 1, 2017 - September 30, 2018)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half	25,000	8.3	2,400	10.5	2,400	4.3	1,650	0.9	201.75
Full Year	52,000	5.0	5,300	5.0	5,300	1.5	3,600	0.8	440.17

Note : Revisions of the Consolidated forecast since the latest announcement: No

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Adoption of simplified accounting treatment for quarterly closing: Yes

(3) Changes in accounting treatment for quarterly consolidated financial statement:

1) Changes caused by revision of accounting standards: None

2) Other changes: None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of the period (incl. treasury stock)

Dec. 2017: 8,615,269 shares                      Sept. 2017: 8,615,269 shares

2) Number of treasury stock at the end of the period

Dec. 2017: 422,867 shares                      Sept. 2017: 436,651 shares

3) Average number of shares in the fiscal year

Dec. 2017: 8,181,299 shares                      Dec. 2016: 8,370,912 shares

Note : The Company carried out a one-for-five common share consolidation with an effective date of April 1, 2017. In accordance with it, 1), 2) and 3) are calculated based on the assumption that the common share consolidation had been carried out at the beginning of the previous fiscal year.

\* This quarterly consolidated financial statements is not subject to quarterly review procedures.

\* Explanation regarding appropriate use of earnings forecasts and other special notes

Note : The forecasts above are based on currently available information at the time of announcement. Actual results may differ from these forecasts for a number of factors.

## 5. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of September 30, 2017	As of December 31, 2017
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	17,446	17,871
Notes and accounts receivable-trade	11,761	11,022
Finished goods	2,637	2,725
Work in process	2,100	2,762
Raw materials and supplies	1,637	1,853
Deferred tax assets	630	558
Other	1,083	1,025
Allowance for doubtful accounts	(175)	(162)
<b>Total Current Assets</b>	<b>37,122</b>	<b>37,658</b>
<b>Non-Current Assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	16,904	17,034
Machinery, equipment and vehicles	10,728	10,691
Land	4,476	4,495
Construction in progress	25	57
Other	2,013	2,069
Accumulated depreciation and impairment loss	(17,062)	(17,207)
<b>Total property, plant and equipment</b>	<b>17,086</b>	<b>17,141</b>
<b>Intangible assets</b>		
Goodwill	114	104
Other	226	238
<b>Total intangible assets</b>	<b>341</b>	<b>343</b>
<b>Investments and other assets</b>		
Investment securities	1,661	1,818
Deferred tax assets	396	197
Other	238	226
Allowance for doubtful accounts	(7)	(7)
<b>Total investments and other assets</b>	<b>2,289</b>	<b>2,234</b>
<b>Total Non-Current Assets</b>	<b>19,717</b>	<b>19,719</b>
<b>TOTAL ASSETS</b>	<b>56,840</b>	<b>57,377</b>

(Millions of Yen)

	As of September 30, 2017	As of December 31, 2017
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable-trade	5,577	6,165
Current portion of long-term loans payable	294	252
Accrued expenses	2,512	1,738
Income taxes payable	832	605
Deferred tax liabilities	99	188
Advances received	4,919	5,173
Provision for bonuses	427	167
Provision for directors' bonuses	68	26
Provision for product warranties	616	513
Provision for point card certificates	65	67
Provision for loss on factory reconstruction	102	91
Other	1,139	1,479
<b>Total Current Liabilities</b>	<b>16,656</b>	<b>16,469</b>
<b>Non-Current Liabilities</b>		
Long-term loans payable	1,657	1,621
Provision for loss on factory reconstruction	63	63
Net defined benefit liability	4,250	4,254
Deferred tax liabilities	82	141
Other	163	117
<b>Total Non-Current Liabilities</b>	<b>6,217</b>	<b>6,198</b>
<b>Total Liabilities</b>	<b>22,874</b>	<b>22,668</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Capital stock	14,496	14,496
Capital surplus	5,146	5,124
Retained earnings	19,514	19,873
Treasury stock	(1,925)	(1,865)
<b>Total Shareholders' Equity</b>	<b>37,232</b>	<b>37,628</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	309	410
Deferred gains or losses on hedges	28	15
Foreign currency translation adjustment	(3,185)	(2,886)
Remeasurements of defined benefit plans	(525)	(528)
<b>Total accumulated other comprehensive income</b>	<b>(3,372)</b>	<b>(2,988)</b>
Subscription rights to shares	105	69
<b>Total Net Assets</b>	<b>33,965</b>	<b>34,709</b>
<b>Total Liabilities and Net Assets</b>	<b>56,840</b>	<b>57,377</b>

## (2) Consolidated Statements of Income

(Millions of Yen)

	Oct. 1, 2016 - Dec. 31, 2016	Oct. 1, 2017- Dec. 31, 2017
Net sales	10,815	12,698
Cost of sales	6,961	7,866
Gross profit	3,853	4,832
Selling, general and administrative expenses	3,115	3,343
Operating profit	738	1,489
Non-operating income		
Interest income	4	6
Dividend income	7	7
Equity in earnings of affiliates	3	10
Foreign exchange gains	169	—
Other	15	27
Total non-operating Income	200	52
Non-operating expenses		
Interest expenses	5	3
Foreign exchange losses	—	2
Loss on valuation of derivatives	37	—
Other	10	13
Total non-operating Expenses	53	19
Ordinary profit	885	1,521
Extraordinary income		
Gain on sales of non-current assets	10	8
Total extraordinary income	10	8
Extraordinary losses		
Loss on sales and retirement of non-current assets	—	1
Total extraordinary loss	—	1
Income before income taxes	895	1,528
Income taxes	273	760
Net income	622	767
Profit attributable to owners of parent	622	767

(3) Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Oct. 1, 2016 - Dec. 31, 2016	Oct. 1, 2017 - Dec. 31, 2017
Net income	622	767
Other comprehensive income		
Valuation difference on available-for-sale securities	190	101
Deferred gains or losses on hedges	(45)	(12)
Foreign currency translation adjustment	1,731	299
Remeasurements of defined benefit plans, net of tax	(27)	(3)
Total other comprehensive income	1,849	384
Comprehensive income	2,472	1,152
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,472	1,152
Comprehensive income attributable to minority interests	—	—