



## 2. Dividends

	Dividends per share					Total Dividend Amount	Payout Ratio	per Net Assets
	1-Qtr.	2-Qtr.	3-Qtr.	Year-end	Annual			
	Yen	Yen	Yen	Yen	Yen	Million¥	%	%
Year ended Sept. 2017	—	7.50	—	50.00	—	722	20.4	2.3
Year ended Sept. 2018	—	50.00	—	60.00	110.00	901	21.4	2.5
Year ended Sept. 2019 (forecast)	—	55.00	—	55.00	110.00		22.5	

Note : The Company carried out a one-for-five common share consolidation with an effective date of April 1, 2017. In accordance with it, the 2nd Quarter dividends per share for Year ending September 30, 2017 are calculated without taking into account the common share consolidation and annual dividends are shown as "—". The 2nd Quarter dividends per share for Year ending September 30, 2017 after taking into account the common share consolidation are 37.50 yen, and annual dividends per share are 87.50 yen.

## 3. Consolidated Forecasts for the Fiscal Year Ending September 30, 2019 (October 1, 2018 - September 30, 2019)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share (basic)
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
1st Half	26,500	(2.4)	2,200	(29.9)	2,200	(29.4)	1,600	(17.2)	195.38
Full Year	56,000	(1.5)	5,600	(14.4)	5,600	(15.9)	4,000	(4.9)	488.44

## 4. Others

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

(2) Changes in accounting treatment for consolidated financial statement:

1) Changes caused by revision of accounting standards: None

2) Other changes: None

(3) Number of shares outstanding (common stock)

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

Sept. 2018: 8,615,269 shares      Sept. 2017: 8,615,269 shares

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

Sept. 2018: 423,532 shares      Sept. 2017: 436,651 shares

3) Average number of shares in the fiscal year

Sept. 2018: 8,189,294 shares      Sept. 2017: 8,326,902 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.

### \* Cautionary statement

-This Yearly Financial Results Report ("TANSHIN") is out of scope of annual audit under Financial Instruments and Exchange Act of Japan.

-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 September 30, 2018
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	17,446	20,087
Notes and accounts receivable-trade	11,761	12,329
Finished goods	2,637	2,984
Work in process	2,100	2,861
Raw materials and supplies	1,637	2,026
Deferred tax assets	630	570
Others	1,083	940
Allowance for doubtful accounts	(175)	(154)
<b>Total Current Assets</b>	<b>37,122</b>	<b>41,645</b>
<b>Non-Current Assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	16,904	17,067
Machinery, equipment and vehicles	10,728	11,113
Land	4,476	5,019
Construction in progress	25	193
Other	2,013	2,111
Accumulated depreciation & Impairment Loss	(17,062)	(17,493)
<b>Total property, plant and equipment</b>	<b>17,086</b>	<b>18,012</b>
<b>Intangible assets</b>		
Goodwill	114	71
Other	226	229
<b>Total intangible assets</b>	<b>341</b>	<b>301</b>
<b>Investments and other assets</b>		
Investment securities	1,661	1,874
Deferred tax assets	396	227
Other	238	218
Allowance for doubtful accounts	(7)	(7)
<b>Total investments and other assets</b>	<b>2,289</b>	<b>2,312</b>
<b>Total Non-Current Assets</b>	<b>19,717</b>	<b>20,625</b>
<b>TOTAL ASSETS</b>	<b>56,840</b>	<b>62,271</b>

(Millions of Yen)

	As of September 30, 2017	As of September 30, 2018
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes and accounts payable-trade	5,577	6,718
Current portion of long-term loans payable	294	460
Accrued expenses	2,512	3,017
Income taxes payable	832	858
Deferred tax liabilities	99	45
Advances received	4,919	4,861
Provision for bonuses	427	480
Provision for directors' bonuses	68	71
Provision for product warranties	616	782
Provision for point card certificates	65	61
Provision for loss on factory reconstruction	102	117
Other	1,139	1,760
<b>Total Current Liabilities</b>	<b>16,656</b>	<b>19,236</b>
<b>Non-Current Liabilities</b>		
Long-term loans payable	1,657	1,196
Provision for loss on factory reconstruction	63	86
Net defined benefit liability	4,250	4,177
Deferred tax liabilities	82	182
Other	163	91
<b>Total Non-Current Liabilities</b>	<b>6,217</b>	<b>5,735</b>
<b>Total Liabilities</b>	<b>22,874</b>	<b>24,971</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	22,901
Treasury stock	(1,925)	(1,870)
<b>Total Shareholders' Equity</b>	<b>37,232</b>	<b>40,651</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	309	426
Deferred gains or losses on hedges	28	(71)
Foreign currency translation adjustment	(3,185)	(3,257)
Remeasurements of defined benefit plans	(525)	(534)
<b>Total accumulated other comprehensive income</b>	<b>(3,372)</b>	<b>(3,436)</b>
Subscription rights to shares	105	84
<b>Total Net Assets</b>	<b>33,965</b>	<b>37,299</b>
<b>Total Liabilities and Net Assets</b>	<b>56,840</b>	<b>62,271</b>

## (2) Consolidated Statements of Income

(Millions of Yen)

	Oct. 1, 2016 - Sept. 30, 2017	Oct. 1, 2017- Sept. 30, 2018
Net sales	49,519	56,852
Cost of sales	31,485	35,886
Gross profit	18,033	20,966
Selling, general and administrative expenses	12,987	14,424
Operating profit	5,045	6,541
Non-operating income		
Interest income	18	34
Dividend income	20	22
Equity in earnings of affiliates	28	49
Foreign exchange gains	137	7
Other	51	74
Total non-operating Income	256	188
Non-operating expenses		
Interest expenses	20	19
Loss on valuation of derivatives	2	10
Others	58	42
Total non-operating Expenses	82	73
Ordinary profit	5,219	6,656
Extraordinary income		
Gain on sales of non-current assets	41	40
Gain on sales of investment securities	—	5
Gain on transfer of business	—	50
Others	—	0
Total extraordinary income	41	97
Extraordinary loss		
Loss on sales and retirement of non-current assets	4	27
Provision for loss on factory reconstruction	166	55
Others	—	4
Total extraordinary loss	170	87
Income before income taxes	5,090	6,667
Income taxes - current	1,584	2,079
Income taxes – deferred	(66)	382
Total income taxes	1,517	2,461
Net income	3,572	4,205
Profit attributable to owners of parent	3,572	4,205

(3) Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Oct. 1, 2016- Sept. 30, 2017	Oct. 1, 2017 - Sept. 30, 2018
Net Income	3,572	4,205
Other comprehensive income		
Valuation difference on available-for-sale securities	407	117
Deferred gains or losses on hedges	19	(99)
Foreign currency translation adjustment	2,947	(71)
Remeasurements of defined benefit plans	51	(9)
Total other comprehensive income	3,425	(63)
Comprehensive income	6,998	4,141
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,998	4,141
Comprehensive income attributable to minority interests	—	—

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Oct. 1, 2016 - Sept. 30, 2017	Oct. 1, 2017 - Sept. 30, 2018
Cash flows from operating activities;		
Income before income taxes	5,090	6,667
Depreciation and amortization	1,003	1,102
Amortization of goodwill	43	43
Increase (decrease) in allowance for doubtful accounts	(13)	(19)
Increase (decrease) in provision for bonuses	18	52
Increase (decrease) in provision for product warranties	(72)	166
Increase (decrease) in provision for point card certificates	17	(3)
Increase (decrease) in provision for loss on factory reconstruction	166	38
Increase (decrease) in net defined benefit liability	138	(74)
Interest and dividends income	(38)	(56)
Interest expenses	20	19
Equity in (earnings) losses of affiliates	(28)	(49)
Loss (gain) on sales and retirement of non-current assets	(37)	(14)
Loss (gain) on transfer of business	—	(50)
Decrease (increase) in notes and accounts receivable-trade	(103)	(581)
Decrease (increase) in inventories	215	(1,595)
Increase (decrease) in notes and accounts payable-trade	1,057	1,140
Increase (decrease) in advances received	1,208	(46)
Increase (decrease) in accrued expenses	227	512
Other	7	119
Sub total	8,920	7,370
Interests and dividends income received	37	55
Interest expenses paid	(20)	(19)
Income taxes paid	(1,679)	(2,055)
Net cash provided by (used in) operating activities	7,257	5,351
Cash flows from investing activities;		
Payments into time deposits	(1,063)	(301)
Proceeds from withdrawal of time deposits	615	588
Purchase of property, plant and equipment	(1,036)	(1,559)
Proceeds from sales of property, plant and equipment	62	46
Purchase of intangible assets	(109)	(124)
Purchase of securities	—	29
Proceeds from transfer of business	—	50
Proceeds from sales of shares of subsidiaries	119	—
Other	(2)	(7)
Net cash provided by (used in) investing activities	(1,414)	(1,278)
Cash flows from financing activities;		
Repayment of long-term loans payable	(996)	(293)
Purchase of treasury shares	(1,011)	(8)
Cash dividends paid	(732)	(818)
Net cash provided by (used in) financing activities	(2,739)	(1,119)
Effect of exchange rate change on cash and cash equivalents	1,173	(23)
Net increase (decrease) in cash and cash equivalents	4,276	2,929
Cash and cash equivalents at beginning of period	12,560	16,837
Cash and cash equivalents at end of period	16,837	19,766