

# Consolidated Financial Statements

## Consolidated Statements of Income

Fiscal years ended March 31, 2019 and 2018

(Amount: millions of yen)

	2018	2019
<b>Net sales</b>	881,413	884,723
<b>Cost of sales</b>	706,838	718,125
<b>Gross profit</b>	174,575	166,598
Selling, general and administrative expenses	98,702	94,468
Other income	1,638	2,171
Other expenses	8,609	2,268
<b>Operating income</b>	68,902	72,033
Finance income	1,410	1,482
Finance expenses	3,457	2,194
<b>Profit before income taxes</b>	66,855	71,321
Income taxes	16,292	10,619
<b>Profit for the year</b>	50,563	60,702
<b>Profit (loss) for the year attributable to:</b>		
Owners of the parent	50,326	60,142
Non-controlling interests	237	560
<b>Profit for the year</b>	50,563	60,702
<b>Earnings per share (EPS)</b>		
Basic (Yen)	119.61	143.90
Diluted (Yen)	117.02	140.75

## Consolidated Statements of Cash Flows

Fiscal years ended March 31, 2019 and 2018

(Amount: millions of yen)

	2018	2019
<b>Cash flows from operating activities:</b>		
Profit before income taxes	66,855	71,321
Depreciation and amortization	30,491	36,398
Impairment losses	6,222	—
Loss on litigation settlement	124	—
Share-based payment expenses	2,550	(407)
Interest income and dividends income	(1,168)	(1,298)
Interest expenses	1,360	1,089
Loss (gain) on sale and disposal of property, plant and equipment	1,132	(421)
Decrease (increase) in trade and other receivables	6,588	10,353
Decrease (increase) in inventories	(23,577)	10,611
Increase (decrease) in trade and other payables	7,633	(5,786)
Other	5,460	(5,948)
Subtotal	103,670	115,912
Interest received	937	1,090
Dividends received	200	207
Interest paid	(820)	(1,540)
Income taxes paid	(12,955)	(14,947)
Income taxes refund	1,169	—
Net cash flows provided by operating activities	92,201	100,722
<b>Cash flows from investing activities:</b>		
Decrease (increase) in time deposits	(1,524)	(2,190)
Purchase of property, plant and equipment	(46,174)	(52,268)
Proceeds from sales of property, plant and equipment	1,339	1,587
Purchase of intangible assets	(966)	(1,122)
Purchase of securities	(1,919)	(1,866)
Proceeds from sale and redemption of securities	1,946	1,685
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(7,718)	—
Other	163	(16)
Net cash flows used in investing activities	(54,853)	(54,190)
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term borrowings	10,254	21,637
Proceeds from long-term borrowings	1,000	4,100
Repayments of long-term borrowings	(18,560)	(20,301)
Acquisition of non-controlling interests	(4,111)	(103)
Proceeds from disposal of treasury stock	1,342	3,472
Purchase of treasury stock	(8,378)	(10,700)
Dividends paid	(8,411)	(11,329)
Dividends paid to non-controlling interests	(33)	(34)
Other	(129)	(76)
Net cash flows used in financing activities	(27,026)	(13,334)
Effect of exchange rate changes on cash and cash equivalents	(495)	457
Increase (decrease) in cash and cash equivalents	9,827	33,655
Cash and cash equivalents at beginning of year	78,950	88,777
Cash and cash equivalents at end of year	88,777	122,432