

## Consolidated Balance Sheets

(Millions of yen)

	2020/3 (As of March 31, 2020)	2021/3 (As of March 31, 2021)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	4,220	9,170
Notes and accounts receivable - trade	17,082	19,017
Finished goods	2,398	1,648
Work in process	1,135	483
Raw materials and supplies	14,186	15,022
Accounts receivable - other	354	984
Consumption taxes receivable	1,212	1,667
Other	446	341
Allowance for doubtful accounts	(0)	(4)
<b>Total current assets</b>	<b>41,037</b>	<b>48,332</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	10,990	11,398
Accumulated depreciation	(5,520)	(6,155)
Buildings and structures, net	5,470	5,243
Machinery, equipment and vehicles	20,413	21,319
Accumulated depreciation	(13,409)	(14,540)
Machinery, equipment and vehicles, net	7,004	6,779
Tools, furniture and fixtures	3,846	3,609
Accumulated depreciation	(2,624)	(2,876)
Tools, furniture and fixtures, net	1,221	732
Land	4,203	4,243
Leased assets	1,491	1,075
Accumulated depreciation	(795)	(677)
Leased assets, net	696	397
Right-of-use asset	199	404
Accumulated depreciation	(7)	(86)
Right-of-use asset, net	192	318
Construction in progress	441	161
<b>Total property, plant and equipment</b>	<b>19,229</b>	<b>17,877</b>
<b>Intangible assets</b>		
Software	273	191
Goodwill	116	80
Other	15	0
<b>Total intangible assets</b>	<b>405</b>	<b>272</b>
<b>Investments and other assets</b>		
Long-term prepaid expenses	215	270
Deferred tax assets	293	230
Other	238	374
<b>Total investments and other assets</b>	<b>747</b>	<b>875</b>
<b>Total non-current assets</b>	<b>20,382</b>	<b>19,025</b>
<b>Total assets</b>	<b>61,419</b>	<b>67,357</b>

(Millions of yen)

	2020/3 (As of March 31, 2020)	2021/3 (As of March 31, 2021)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	25,670	26,601
Short-term borrowings	15,160	12,642
Current portion of long-term borrowings	3,792	1,284
Lease obligations	469	361
Income taxes payable	238	158
Accounts payable - other	1,662	1,306
Accrued expenses	1,336	1,388
Provision for bonuses	552	688
Provision for product warranties	442	587
Other	902	1,400
<b>Total current liabilities</b>	<b>50,228</b>	<b>46,419</b>
<b>Non-current liabilities</b>		
Long-term borrowings	5,460	3,925
Lease obligations	1,149	986
Retirement benefit liability	1,026	966
Deferred tax liabilities	131	113
Other	9	22
<b>Total non-current liabilities</b>	<b>7,775</b>	<b>6,014</b>
<b>Total liabilities</b>	<b>58,004</b>	<b>52,434</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	4,729	4,729
Capital surplus	10,472	10,472
Retained earnings	(11,486)	(83)
Treasury shares	(0)	(0)
<b>Total shareholders' equity</b>	<b>3,716</b>	<b>15,118</b>
<b>Accumulated other comprehensive income</b>		
Deferred gains or losses on hedges	(1)	—
Foreign currency translation adjustment	(430)	(233)
Remeasurements of defined benefit plans	(37)	(43)
<b>Total accumulated other comprehensive income</b>	<b>(468)</b>	<b>(277)</b>
Share acquisition rights	119	29
Non-controlling interests	47	52
<b>Total net assets</b>	<b>3,414</b>	<b>14,923</b>
<b>Total liabilities and net assets</b>	<b>61,419</b>	<b>67,357</b>

## Consolidated Statements of Income

(Millions of yen)

	2020/3 (2019.4.1-2020.3.31)	2021/3 (2020.4.1-2021.3.31)
Net sales	141,010	136,179
Cost of sales	139,046	128,526
Gross profit	1,964	7,652
Selling, general and administrative expenses	7,152	6,795
Operating profit (loss)	(5,188)	857
Non-operating income		
Interest income	22	11
Dividend income	33	1
Rental income from land and buildings	263	265
Foreign exchange gains	—	542
Other	90	241
Total non-operating income	410	1,062
Non-operating expenses		
Interest expenses	943	590
Foreign exchange losses	584	—
Other	303	212
Total non-operating expenses	1,830	802
Ordinary profit (loss)	(6,609)	1,117
Extraordinary income		
Gain on sale of non-current assets	1	9
Gain on sale of investment securities	39	—
Profit on transfer of retirement benefit system	1,142	—
Insurance claim income	229	113
Gain on reversal of share acquisition rights	—	90
Total extraordinary income	1,413	212
Extraordinary losses		
Loss on sale of non-current assets	7	9
Loss on retirement of non-current assets	304	104
Loss on sale of investment securities	113	—
Impairment losses	3,568	377
Surcharge	—	396
Extra retirement payments	—	132
Retirement benefit expenses	848	—
Loss on valuation of investments in capital of	—	3
Revised related costs for the annual accounts	2,649	—
Loss on disaster	102	—
penalty cost	48	—
Other	5	—
Total extraordinary losses	7,648	1,023
Profit (loss) before income taxes	(12,844)	307
Income taxes - current	(176)	361
Income taxes - deferred	(119)	37
Total income taxes	(295)	398
Loss	(12,548)	(91)
Profit attributable to non-controlling interests	23	5
Loss attributable to owners of parent	(12,571)	(97)

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	2020/3 (2019.4.1-2020.3.31)	2021/3 (2020.4.1-2021.3.31)
Loss	(12,548)	(91)
Other comprehensive income		
Valuation difference on available-for-sale securities	74	—
Deferred gains or losses on hedges	1	1
Foreign currency translation adjustment	(309)	197
Remeasurements of defined benefit plans, net of tax	16	(8)
Total other comprehensive income	(216)	190
Comprehensive income	(12,764)	98
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(12,783)	94
Comprehensive income attributable to non-controlling interests	18	4

## Statement of Changes in Equity

Previous year (2019.4.1-2020.3.31)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,729	10,472	2,300	(0)	17,502
Cumulative effects of changes in accounting policies			(636)		(636)
Restated balance	4,729	10,472	1,664	(0)	16,866
Changes during period					
Dividends of surplus			(578)		(578)
Loss attributable to owners of parent			(12,571)		(12,571)
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	(13,150)	—	(13,150)
Balance at end of period	4,729	10,472	(11,486)	(0)	3,716

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	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 period	(74)	(2)	(121)	(58)	(257)	109	29	17,384
Cumulative effects of changes in accounting policies								(636)
Restated balance	(74)	(2)	(121)	(58)	(257)	109	29	16,748
Changes during period								
Dividends of surplus								(578)
Loss attributable to owners of parent								(12,571)
Net changes in items other than shareholders' equity	74	1	(309)	21	(211)	9	18	(183)
Total changes during period	74	1	(309)	21	(211)	9	18	(13,333)
Balance at end of period	—	(1)	(430)	(37)	(468)	119	47	3,414

Current year (2020.4.1-2021.3.31)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,729	10,472	(11,486)	(0)	3,716
Changes during period					
Issuance of new shares	5,750	5,750			11,500
Dividends of surplus					
Loss attributable to owners of parent			(97)		(97)
Purchase of treasury shares				(0)	(0)
Decrease in Capital stock and Capital surplus	(5,750)	5,750			—
Decrease in Other capital surplus		(11,500)	11,500		—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	11,403	(0)	11,403
Balance at end of period	4,729	10,472	(83)	(0)	15,118

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	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 period		(1)	(430)	(37)	(468)	119	47	3,414
Changes during period								
Issuance of new shares								11,500
Dividends of surplus								
Loss attributable to owners of parent								(97)
Purchase of treasury shares								(0)
Decrease in Capital stock and Capital surplus								—
Decrease in Other capital surplus								—
Net changes in items other than shareholders' equity		1	197	(6)	191	(90)	4	105
Total changes during period		1	197	(6)	191	(90)	4	11,508
Balance at end of period		—	(233)	(43)	(277)	29	52	14,923

## Consolidated Statements of Cash Flows

(Thousands of yen)

	2020/3 (2019.4.1-2020.3.31)	2021/3 (2020.4.1-2021.3.31)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(12,844)	307
Depreciation	3,117	2,931
Impairment losses	3,568	377
Gain on reversal of share acquisition rights	—	(90)
Amortization of goodwill	35	35
Share-based payment expenses	9	—
Increase (decrease) in provision for bonuses	(221)	131
Increase (decrease) in provision for product warranties	313	145
Increase (decrease) in retirement benefit liability	265	(70)
Interest and dividend income	(56)	(13)
Interest expenses	943	590
Foreign exchange losses (gains)	104	49
Loss (gain) on sale of investment securities	74	3
Loss (gain) on sale of non-current assets	5	(0)
Loss on retirement of non-current assets	304	104
Decrease (increase) in trade receivables	1,611	(1,651)
Decrease (increase) in inventories	3,610	797
Decrease (increase) in accounts receivable - other	538	(544)
Increase (decrease) in trade payables	690	287
Increase (decrease) in accounts payable - other	180	(72)
Other, net	(559)	255
<b>Subtotal</b>	<b>1,691</b>	<b>3,572</b>
Interest and dividends received	56	97
Interest paid	(888)	(667)
Income taxes paid	(432)	(411)
<b>Net cash provided by (used in) operating activities</b>	<b>427</b>	<b>2,592</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,371)	(1,700)
Proceeds from sale of property, plant and equipment	11	48
Purchase of intangible assets	(35)	(157)
Proceeds from sale of investment securities	887	16
Payments of guarantee deposits	—	(79)
Other, net	(110)	(78)
<b>Net cash provided by (used in) investing activities</b>	<b>(3,618)</b>	<b>(1,951)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	5,324	(2,774)
Proceeds from long-term borrowings	1,505	1,707
Repayments of long-term borrowings	(4,909)	(5,447)
Repayments of lease obligations	(219)	(455)
Proceeds from issuance of shares	—	11,500
Dividends paid	(578)	—
Other, net	—	0
<b>Net cash provided by (used in) financing activities</b>	<b>1,122</b>	<b>4,528</b>
Effect of exchange rate change on cash and cash equivalents	(132)	(220)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,201)</b>	<b>4,949</b>
Cash and cash equivalents at beginning of period	6,422	4,220
<b>Cash and cash equivalents at end of period</b>	<b>4,220</b>	<b>9,170</b>