

Consolidated Balance Sheets

(Thousands of yen)

	2019/3 (As of March 31, 2019)	2020/3 (As of March 31, 2020)
Assets		
Current assets		
Cash and deposits	6,422,103	4,220,684
Notes and accounts receivable - trade	18,998,763	17,082,332
Finished goods	3,373,605	2,398,954
Work in process	601,584	1,135,607
Raw materials and supplies	17,730,465	14,186,720
Accounts receivable - other	103,779	354,292
Consumption taxes receivable	1,196,344	1,212,038
Other	258,909	446,854
Allowance for doubtful accounts	(178)	(469)
Total current assets	48,685,378	41,037,015
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,216,945	10,990,802
Accumulated depreciation	(5,185,781)	(5,520,611)
Buildings and structures, net	6,031,163	5,470,190
Machinery, equipment and vehicles	20,332,025	20,413,860
Accumulated depreciation	(12,621,671)	(13,409,640)
Machinery, equipment and vehicles, net	7,710,354	7,004,220
Tools, furniture and fixtures	4,021,044	3,846,616
Accumulated depreciation	(2,538,163)	(2,624,950)
Tools, furniture and fixtures, net	1,482,880	1,221,666
Land	4,235,805	4,203,651
Leased assets	1,683,657	1,491,628
Accumulated depreciation	(673,339)	(795,426)
Leased assets, net	1,010,317	696,202
Right-of-use asset	—	199,541
Accumulated depreciation	—	(7,017)
Right-of-use asset, net	—	192,524
Construction in progress	2,831,366	441,280
Total property, plant and equipment	23,301,889	19,229,735
Intangible assets		
Software	445,482	273,240
Goodwill	152,380	116,526
Other	68,417	15,422
Total intangible assets	666,281	405,189
Investments and other assets		
Long-term prepaid expenses	350,538	215,461
Deferred tax assets	324,054	293,372
Other	982,221	238,584
Total investments and other assets	1,656,815	747,418
Total non-current assets	25,624,985	20,382,343
Total assets	74,310,364	61,419,358

(Thousands of yen)

	2019/3 (As of March 31, 2019)	2020/3 (As of March 31, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,453,155	25,670,431
Short-term borrowings	10,376,613	15,160,796
Current portion of long-term borrowings	4,515,536	3,792,253
Lease obligations	338,044	469,489
Income taxes payable	849,611	238,412
Accounts payable - other	2,280,719	1,662,751
Accrued expenses	1,333,387	1,336,031
Provision for bonuses	777,984	552,995
Other	1,303,043	902,921
Total current liabilities	47,228,094	49,786,083
Non-current liabilities		
Long-term borrowings	7,924,884	5,460,193
Lease obligations	636,890	1,149,269
Provision for product warranties	128,702	442,145
Retirement benefit liability	782,566	1,026,192
Deferred tax liabilities	213,710	131,542
Other	11,040	9,338
Total non-current liabilities	9,697,795	8,218,681
Total liabilities	56,925,889	58,004,764
Net assets		
Shareholders' equity		
Share capital	4,729,403	4,729,403
Capital surplus	10,472,765	10,472,765
Retained earnings	2,300,547	(11,486,121)
Treasury shares	(6)	(6)
Total shareholders' equity	17,502,710	3,716,040
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(74,513)	—
Deferred gains or losses on hedges	(2,276)	(1,003)
Foreign currency translation adjustment	(121,787)	(430,816)
Remeasurements of defined benefit plans	(58,614)	(37,162)
Total accumulated other comprehensive income	(257,191)	(468,981)
Share acquisition rights	109,725	119,700
Non-controlling interests	29,230	47,834
Total net assets	17,384,474	3,414,593
Total liabilities and net assets	74,310,364	61,419,358

Consolidated Statements of Income

(Thousands of yen)

	2019/3 (2018.4.1-2019.3.31)	2020/3 (2019.4.1-2020.3.31)
Net sales	138,665,484	141,010,230
Cost of sales	134,073,338	139,046,206
Gross profit	4,592,146	1,964,023
Selling, general and administrative expenses	5,361,445	7,152,280
Operating loss	(769,299)	(5,188,256)
Non-operating income		
Interest income	26,469	22,724
Dividend income	22,461	33,858
Rental income from land and buildings	195,623	263,563
Other	35,195	90,040
Total non-operating income	279,751	410,186
Non-operating expenses		
Interest expenses	679,185	943,137
Foreign exchange losses	553,970	584,729
Other	105,753	303,083
Total non-operating expenses	1,338,909	1,830,951
Ordinary loss	(1,828,457)	(6,609,020)
Extraordinary income		
Gain on sales of non-current assets	716	1,773
Gain on sales of investment securities	308,158	39,406
Profit on transfer of retirement benefit system	—	1,142,721
Insurance claim income	—	229,139
Total extraordinary income	308,875	1,413,041
Extraordinary losses		
Loss on sales of non-current assets	7	7,667
Loss on retirement of non-current assets	61,899	304,304
Impairment loss	186,484	3,568,860
Loss on sales of investment securities	—	113,485
Loss on valuation of investment securities	223	—
Product Warranty Expense	128,702	—
Retirement benefit expenses	—	848,973
Revised related costs for the annual accounts	—	2,649,550
Loss on disaster	—	102,229
penalty cost	—	48,000
Other	—	5,200
Total extraordinary losses	377,316	7,648,272
Loss before income taxes	(1,896,899)	(12,844,251)
Income taxes - current	323,657	(176,524)
Income taxes - deferred	(7,822)	(119,437)
Total income taxes	315,835	(295,961)
Loss	(2,212,734)	(12,548,289)
Profit attributable to non-controlling interests	30,824	23,399
Loss attributable to owners of parent	(2,243,559)	(12,571,688)

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	2019/3 (2018.4.1-2019.3.31)	2020/3 (2019.4.1-2020.3.31)
Loss	(2,212,734)	(12,548,289)
Other comprehensive income		
Valuation difference on available-for-sale securities	(238,785)	74,513
Deferred gains or losses on hedges	2,064	1,272
Foreign currency translation adjustment	(135,507)	(309,028)
Remeasurements of defined benefit plans, net of tax	(68,877)	16,657
Total other comprehensive income	(441,106)	(216,585)
Comprehensive income	(2,653,840)	(12,764,874)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,674,402)	(12,783,478)
Comprehensive income attributable to non-controlling interests	20,562	18,604

Statement of Changes in Equity

Previous year (2018.4.1-2019.3.31)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,345,935	5,525,816	5,027,832	(144,244)	11,755,338
Changes during period					
Issuance of new shares	3,383,468	3,383,468			6,766,937
Dividends of surplus			(483,724)		(483,724)
Loss attributable to owners of parent			(2,243,559)		(2,243,559)
Disposal of treasury shares		1,563,480		144,238	1,707,718
Change in scope of consolidation					
Net changes in items other than shareholders' equity					—
Total changes during period	3,383,468	4,946,948	(2,727,284)	144,238	5,747,371
Balance at end of period	4,729,403	10,472,765	2,300,547	(6)	17,502,710

	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	164,272	(4,340)	13,719	—	173,651	49,875	—	11,978,865
Changes during period								
Issuance of new shares								6,766,937
Dividends of surplus								(483,724)
Loss attributable to owners of parent								(2,243,559)
Disposal of treasury shares								1,707,718
Change in scope of consolidation							8,668	8,668
Net changes in items other than shareholders' equity	(238,785)	2,064	(135,507)	(58,614)	(430,843)	59,850	20,562	(350,431)
Total changes during period	(238,785)	2,064	(135,507)	(58,614)	(430,843)	59,850	29,230	5,405,608
Balance at end of period	(74,513)	(2,276)	(121,787)	(58,614)	(257,191)	109,725	29,230	17,384,474

Current year (2019.4.1-2020.3.31)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,729,403	10,472,765	2,300,547	(6)	17,502,710
Cumulative effects of changes in accounting policies			(636,126)		(636,126)
Restated balance	4,729,403	10,472,765	1,664,421	(6)	16,866,584
Changes during period					
Dividends of surplus			(578,854)		(578,854)
Loss attributable to owners of parent			(12,571,688)		(12,571,688)
Net changes in items other than shareholders' equity					—
Total changes during period	—	—	(13,150,543)	—	(13,150,543)
Balance at end of period	4,729,403	10,472,765	(11,486,121)	(6)	3,716,040

	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	(74,513)	(2,276)	(121,787)	(58,614)	(257,191)	109,725	29,230	17,384,474
Cumulative effects of changes in accounting policies								636,126
Restated balance	(74,513)	(2,276)	(121,787)	(58,614)	(257,191)	109,725	29,230	16,748,347
Changes during period								
Dividends of surplus								(578,854)
Loss attributable to owners of parent								(12,571,688)
Net changes in items other than shareholders' equity	74,513	1,272	(309,028)	21,452	(211,790)	9,975	18,604	(183,211)
Total changes during period	74,513	1,272	(309,028)	21,452	(211,790)	9,975	18,604	(13,333,754)
Balance at end of period	—	(1,003)	(430,816)	(37,162)	(468,981)	119,700	47,834	3,414,593

Consolidated Statements of Cash Flows

(Thousands of yen)

	2019/3 (2018.4.1-2019.3.31)	2020/3 (2019.4.1-2020.3.31)
Cash flows from operating activities		
Loss before income taxes	(1,896,899)	(12,844,251)
Depreciation	2,852,451	3,117,582
Impairment loss	186,484	3,568,860
Amortization of goodwill	26,890	35,854
Share-based remuneration expenses	59,850	9,975
Increase (decrease) in provision for bonuses	284,452	(221,516)
Increase (decrease) in provision for product warranties	128,702	313,442
Increase (decrease) in retirement benefit liability	(129,323)	265,616
Interest and dividend income	(48,931)	(56,582)
Interest expenses	679,185	943,137
Foreign exchange losses (gains)	433,382	104,264
Loss (gain) on sales of investment securities	(308,158)	74,078
Loss on valuation of investment securities	223	—
Loss (gain) on sales of non-current assets	(709)	5,894
Loss on retirement of non-current assets	61,899	304,304
Decrease (increase) in trade receivables	3,149,283	1,611,056
Decrease (increase) in inventories	(5,502,889)	3,610,720
Decrease (increase) in accounts receivable - other	249,517	538,853
Increase (decrease) in trade payables	1,296,541	690,017
Increase (decrease) in accounts payable - other	(182,424)	180,553
Other, net	(157,607)	(559,905)
Subtotal	1,181,920	1,691,956
Interest and dividends received	48,917	56,582
Interest paid	(644,419)	(888,749)
Income taxes paid	(479,618)	(432,464)
Net cash provided by (used in) operating activities	106,799	427,325
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	400,000	—
Purchase of property, plant and equipment	(7,809,716)	(4,371,781)
Proceeds from sales of property, plant and equipment	2,907	11,589
Purchase of intangible assets	(80,283)	(35,370)
Purchase of investment securities	(770,752)	—
Proceeds from sales of investment securities	963,583	887,291
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	345,909	—
Other, net	12,440	(110,225)
Net cash provided by (used in) investing activities	(6,935,911)	(3,618,496)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,513,892	5,324,923
Proceeds from long-term borrowings	5,425,886	1,505,570
Repayments of long-term borrowings	(9,078,539)	(4,909,166)
Redemption of bonds	(80,000)	—
Repayments of lease obligations	(213,456)	(219,929)
Proceeds from sale and leaseback transactions	264,372	—
Proceeds from issuance of shares	6,659,522	—
Proceeds from disposal of treasury shares	1,707,718	—
Dividends paid	(483,724)	(578,854)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	107,415	—
Net cash provided by (used in) financing activities	7,823,086	1,122,543
Effect of exchange rate change on cash and cash equivalents	(264,974)	(132,791)
Net increase (decrease) in cash and cash equivalents	728,999	(2,201,418)
Cash and cash equivalents at beginning of period	5,693,104	6,422,103
Cash and cash equivalents at end of period	6,422,103	4,220,684