

2. Dividends

| | Annual dividends | | | | |
|---|------------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2018 | - | 17.00 | - | 22.00 | 39.00 |
| Fiscal year ending March 31, 2019 | - | 21.00 | - | | |
| Fiscal year ending March 31, 2019 (Forecast) | | | | 24.00 | 45.00 |

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2019(April 01, 2018 to March 31, 2019)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|------|------------------|------|-----------------|------|---|-----|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 298,000 | 24.4 | 25,500 | 19.5 | 26,000 | 16.4 | 16,400 | 6.9 | 159.56 |

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2018
(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

| | |
|--------------------|--------------------|
| December 31, 2018: | 103,651,442 shares |
| March 31, 2018: | 103,651,442 shares |
 - 2) Total number of treasury shares at the end of the period:

| | |
|--------------------|----------------|
| December 31, 2018: | 871,251 shares |
| March 31, 2018: | 721,601 shares |
 - 3) Average number of shares during the period:

| | |
|--------------------------------------|--------------------|
| Nine months ended December 31, 2018: | 102,893,642 shares |
| Nine months ended December 31, 2017: | 102,875,089 shares |



Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

| | As of March 31,2018 | As of December 31,2018 |
|--|---------------------|------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 49,669 | 56,252 |
| Notes and accounts receivable - trade | 55,397 | 80,253 |
| Securities | 7,763 | 4,505 |
| Merchandise and finished goods | 22,833 | 41,822 |
| Work in process | 4,928 | 6,165 |
| Raw materials and supplies | 18,452 | 24,973 |
| Other | 6,250 | 10,644 |
| Allowance for doubtful accounts | (341) | (808) |
| Total current assets | 164,953 | 223,810 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 25,104 | 31,164 |
| Machinery, equipment and vehicles, net | 29,882 | 35,823 |
| Land | 21,282 | 27,388 |
| Other, net | 9,276 | 10,571 |
| Total property, plant and equipment | 85,546 | 104,948 |
| Intangible assets | | |
| Goodwill | 29 | 7,627 |
| Other | 4,051 | 4,944 |
| Total intangible assets | 4,080 | 12,572 |
| Investments and other assets | | |
| Investment securities | 46,123 | 36,170 |
| Other | 11,448 | 19,422 |
| Total investments and other assets | 57,571 | 55,592 |
| Total non-current assets | 147,198 | 173,113 |
| Total assets | 312,152 | 396,923 |

| | As of March 31,2018 | As of December 31,2018 |
|---|---------------------|------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 38,599 | 54,535 |
| Short-term loans payable | 15,567 | 36,049 |
| Current portion of bonds | 300 | 300 |
| Income taxes payable | 3,040 | 1,497 |
| Provision for bonuses | 2,355 | 1,578 |
| Provision for environmental measures | - | 778 |
| Other provision | 75 | 94 |
| Other | 15,877 | 17,765 |
| Total current liabilities | 75,815 | 112,598 |
| Non-current liabilities | | |
| Bonds payable | - | 1,694 |
| Long-term loans payable | 7,349 | 18,840 |
| Net defined benefit liability | 16,959 | 18,324 |
| Other provision | 274 | 210 |
| Other | 6,663 | 9,485 |
| Total non-current liabilities | 31,248 | 48,554 |
| Total liabilities | 107,063 | 161,153 |
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 22,944 | 22,944 |
| Capital surplus | 19,985 | 20,022 |
| Retained earnings | 135,988 | 142,891 |
| Treasury shares | (554) | (1,222) |
| Total shareholders' equity | 178,363 | 184,636 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 12,002 | 9,983 |
| Revaluation reserve for land | 4,276 | 4,276 |
| Foreign currency translation adjustment | 4,346 | 3,205 |
| Remeasurements of defined benefit plans | (2,368) | (2,158) |
| Total accumulated other comprehensive income | 18,256 | 15,306 |
| Non-controlling interests | 8,468 | 35,827 |
| Total net assets | 205,088 | 235,770 |
| Total liabilities and net assets | 312,152 | 396,923 |



Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

| | For the nine months ended December 31, 2017 | For the nine months ended December 31, 2018 |
|---|--|--|
| Net sales | 177,062 | 201,281 |
| Cost of sales | 133,454 | 152,029 |
| Gross profit | 43,607 | 49,251 |
| Selling, general and administrative expenses | 26,913 | 33,115 |
| Operating profit | 16,693 | 16,136 |
| Non-operating income | | |
| Interest income | 200 | 201 |
| Dividend income | 414 | 450 |
| Share of profit of entities accounted for using equity method | 20 | 301 |
| Foreign exchange gains | 177 | - |
| Other | 413 | 463 |
| Total non-operating income | 1,228 | 1,417 |
| Non-operating expenses | | |
| Interest expenses | 290 | 390 |
| Foreign exchange losses | - | 224 |
| Other | 249 | 476 |
| Total non-operating expenses | 540 | 1,091 |
| Ordinary profit | 17,380 | 16,461 |
| Extraordinary income | | |
| Gain on step acquisitions | - | 67 |
| Total extraordinary income | - | 67 |
| Extraordinary losses | | |
| Loss on abandonment of non-current assets | 188 | 243 |
| Total extraordinary losses | 188 | 243 |
| Profit before income taxes | 17,191 | 16,285 |
| Income taxes - current | 4,157 | 4,005 |
| Income taxes - deferred | 205 | 291 |
| Total income taxes | 4,363 | 4,297 |
| Profit | 12,828 | 11,987 |
| Profit attributable to non-controlling interests | 692 | 648 |
| Profit attributable to owners of parent | 12,136 | 11,339 |



Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

| | For the nine months ended December 31,2017 | For the nine months ended December 31,2018 |
|--|---|---|
| Profit | 12,828 | 11,987 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,045 | (2,485) |
| Foreign currency translation adjustment | 444 | (1,361) |
| Remeasurements of defined benefit plans, net of tax | 210 | 183 |
| Share of other comprehensive income of entities accounted for using equity method | 643 | 266 |
| Total other comprehensive income | 4,343 | (3,397) |
| Comprehensive income | 17,172 | 8,590 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 16,469 | 8,389 |
| Comprehensive income attributable to non-controlling interests | 702 | 200 |