

**GOSHI GIKEN CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**As at 31 March 2018**

(All amounts are in 1,000JPY)

Jun 15th 2018

Toyooka 1280, Koshi-shi, Kumamoto-ken

Goshi Giken Co., Ltd.

Yoshiki Matsubara, Representative Director

Account	Amount	Account	Amount
<b>ASSETS</b>	<b>34,232,906</b>	<b>LIABILITIES</b>	<b>13,944,133</b>
<b>I Current assets</b>	<b>22,557,779</b>	<b>I Current liabilities</b>	<b>9,708,099</b>
Cash and deposits	10,508,666	Accounts payable-trade	5,924,071
Notes and accounts receivable-trade	8,068,922	Short-term loans payable	711,120
Inventories	3,563,979	Current portion of long-term loans payable	298,920
Deferred tax assets	185,765	Lease obligations	38,957
Others	236,374	Accounts payable-other	830,287
Allowance for doubtful accounts	△ 5,929	Income taxes payable	534,167
		Accrued consumption taxes	48,571
<b>II Noncurrent assets</b>	<b>11,675,126</b>	Deferred tax liabilities	155,613
<b>(Property, plant and equipment)</b>	<b>( 10,568,376 )</b>	Provision for bonuses	524,529
Buildings and structures	8,994,378	Provision for directors' bonuses	9,974
Machinery, equipment and vehicles	19,942,040	Notes payable-facilities	10,100
Tools, furniture and fixtures	9,343,042	Others	621,786
Land	1,469,818	<b>II Noncurrent liabilities</b>	<b>4,236,033</b>
Construction in progress	764,897	Lease obligations	86,553
Accumulated depreciation and impairment loss	△ 29,945,801	Deferred tax liabilities	732,341
		Provision for directors' retirement benefits	95,700
<b>(Intangible assets)</b>	<b>( 518,611 )</b>	Net defined benefit liability	3,009,605
Software	66,066	Long-term loans payable	179,765
Software in progress	69,021	Others	132,067
Right of using facilities	2,952	<b>NET ASSETS</b>	<b>20,288,773</b>
Goodwill	172,971	<b>I Shareholders' equity</b>	<b>16,866,669</b>
Others	207,600	Capital stock	500,000
<b>(Investments and other assets)</b>	<b>( 588,138 )</b>	Capital surplus	15,443
Net defined benefit asset	224,801	Retained earnings	16,351,226
Deferred tax assets	269,046	<b>II Valuation and translation adjustments</b>	<b>△ 461,704</b>
Others	96,166	Foreign currency translation adjustment	△ 426,519
Allowance for doubtful accounts	△ 1,875	Remeasurements of defined benefit plans	△ 35,185
		<b>III Non-controlling interests</b>	<b>3,883,808</b>
<b>TOTAL ASSETS</b>	<b>34,232,906</b>	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>34,232,906</b>

**GOSHI GIKEN CO., LTD. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF INCOME**

For the year ended 31 March 2018

(All amounts are in 1,000JPY)

Account	Amount
<b>Gross sales</b>	<b>65,995,396</b>
<b>Cost of sales</b>	<b>56,377,267</b>
<b>Gross profit</b>	<b>9,618,129</b>
<b>Selling, general and administrative expenses</b>	<b>3,676,213</b>
Selling expenses	713,631
General and administrative expenses	2,962,582
<b>Operating income</b>	<b>5,941,915</b>
<b>Non-operating income</b>	<b>273,090</b>
Interest income	193,408
Other income	79,681
<b>Non-operating expenses</b>	<b>116,983</b>
Interest expenses	24,381
Foreign exchange losses	85,273
Other expenses	7,329
<b>Ordinary income</b>	<b>6,098,022</b>
<b>Extraordinary income</b>	<b>23,108</b>
Gain on sales of noncurrent assets	23,108
<b>Extraordinary loss</b>	<b>37,396</b>
Loss on sales of noncurrent assets	9,305
Loss on retirement of noncurrent assets	19,817
Additional retirement benefit	8,274
<b>Income before income taxes</b>	<b>6,083,734</b>
Income taxes-current	1,625,466
Income taxes-deferred	29,919
<b>Net income</b>	<b>4,428,347</b>
Less: Profit attributable to non-controlling interests	1,217,445
<b>Profit attributable to owners of parent</b>	<b>3,210,902</b>

## GOSHI GIKEN CO., LTD.

## STATEMENTS OF FINANCIAL POSITION

As at 31 March 2018

(All amounts are in 1,000JPY)

Account	Amount	Account	Amount
<b>ASSETS</b>	<b>15,305,407</b>	<b>LIABILITIES</b>	<b>5,514,311</b>
<b>I Current assets</b>	<b>5,075,608</b>	<b>I Current liabilities</b>	<b>3,174,070</b>
Cash and deposits	435,711	Accounts payable-trade	1,857,947
Notes receivable-trade	42,139	Current portion of long-term loans payable	298,920
Accounts receivable-trade	2,707,663	Lease obligations	34,317
Merchandise and finished goods	184,542	Accounts payable-other	521,858
Work in process	154,606	Accrued expenses	103,356
Raw materials and supplies	347,289	Income taxes payable	62,165
Prepaid expenses	31,383	Advances received	315
Deferred tax assets	152,026	Deposits received	23,216
Short-term loans receivable to subsidiaries	378,000	Provision for bonuses	254,396
Accounts receivable-other	637,843	Provision for directors' bonuses	8,970
Others	4,402	Others	8,607
<b>II Noncurrent assets</b>	<b>10,229,799</b>	<b>II Noncurrent liabilities</b>	<b>2,340,241</b>
<b>(Property, plant and equipment)</b>	<b>( 2,931,426 )</b>	Long-term loans payable	179,765
Buildings	878,160	Lease obligations	77,010
Structures	29,232	Provision for retirement benefits	1,987,765
Machinery and equipment	667,168	Provision for directors' retirement benefits	95,700
Vehicles	53,275		
Tools, furniture and fixtures	272,014	<b>NET ASSETS</b>	<b>9,791,095</b>
Dies	475,164	<b>I Shareholders' equity</b>	<b>9,791,095</b>
Land	454,361	Capital stock	500,000
Construction in progress	102,049	Retained earnings	9,291,095
<b>(Intangible assets)</b>	<b>( 85,675 )</b>	Legal retained earnings	50,000
Telephone subscription right	2,952	Other retained earnings	9,241,095
Software	13,701	General reserve	1,150,000
Software in progress	69,021	Retained earnings brought forward	8,091,095
<b>(Investments and other assets)</b>	<b>( 7,212,697 )</b>		
Stocks of subsidiaries	5,270,538		
Investments in capital of subsidiaries	983,732		
Long-term loans receivable from subsidiaries	777,500		
Long-term prepaid expenses	8,773		
Prepaid pension cost	169,023		
Deferred tax assets	365		
Lease and guarantee deposits	2,744		
Others	20		
<b>TOTAL ASSETS</b>	<b>15,305,407</b>	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>15,305,407</b>

**GOSHI GIKEN CO., LTD.****STATEMENTS OF INCOME**

For the year ended 31 March 2018

(All amounts are in 1,000JPY)

Account	Amount
<b>Gross sales</b>	<b>16,498,571</b>
<b>Cost of sales</b>	<b>14,777,583</b>
<b>Gross profit</b>	<b>1,720,988</b>
<b>Selling, general and administrative expenses</b>	<b>1,136,882</b>
Selling expenses	163,351
General and administrative expenses	973,530
<b>Operating income</b>	<b>584,106</b>
<b>Non-operating income</b>	<b>2,347,236</b>
Interest income	10,351
Dividends income	2,321,804
Other income	15,080
<b>Non-operating expenses</b>	<b>16,964</b>
Interest expenses	2,914
Foreign exchange losses	63
Other expenses	13,986
<b>Ordinary income</b>	<b>2,914,378</b>
<b>Extraordinary income</b>	<b>1,199</b>
Gain on sales of noncurrent assets	1,199
<b>Extraordinary loss</b>	<b>24,899</b>
Loss on retirement of noncurrent assets	16,625
Additional retirement benefit	8,274
<b>Income before income taxes</b>	<b>2,890,679</b>
Income taxes-current	452,919
Income taxes-deferred	△ 55,874
<b>Net income</b>	<b>2,493,634</b>