

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Thousands of yen)

<u>ASSETS</u>	<u>Q3/FY2017</u> <u>Dec 31, 2017</u>	<u>FY2016</u> <u>Mar 31, 2017</u>	<u>Inc/(Dec)</u>
Current assets			
Cash and deposits	5,438,409	5,818,150	(379,741)
Receivables:			
Notes and accounts receivable-trade	10,623,091	9,248,141	1,374,950
Allowance for doubtful accounts	(14,220)	(16,924)	2,704
Inventories	8,482,634	5,903,252	2,579,382
Other	1,509,615	1,490,855	18,760
Total current assets	<u>26,039,529</u>	<u>22,443,474</u>	<u>3,596,055</u>
Noncurrent assets			
Net property, plant and equipment	8,781,132	7,782,936	998,196
Intangible assets	502,087	579,864	(77,777)
Net defined benefit asset	25,887	-	25,887
Investments and other non-current assets	2,948,431	2,513,535	434,896
Total noncurrent assets	<u>12,257,537</u>	<u>10,876,335</u>	<u>1,381,202</u>
Total assets	<u>38,297,066</u>	<u>33,319,809</u>	<u>4,977,257</u>
<u>LIABILITIES</u>	<u>Q3/FY2017</u> <u>Dec 31, 2017</u>	<u>FY2016</u> <u>Mar 31, 2017</u>	<u>Inc/(Dec)</u>
Current liabilities			
Notes and accounts payable-trade	6,546,424	4,690,101	1,856,323
Short-term loans payable	2,382,040	2,364,965	17,075
Income taxes payable	292,762	188,500	104,262
Provision for bonuses	284,305	425,981	(141,676)
Other	3,004,387	2,412,008	592,379
Total current liabilities	<u>12,509,918</u>	<u>10,081,555</u>	<u>2,428,363</u>
Noncurrent liabilities			
Long-term loans payable	1,600,000	1,600,000	-
Provision for product warranties	89,767	89,124	643
Net defined benefit liability	163,104	144,034	19,070
Other	775,873	568,990	206,883
Total noncurrent liabilities	<u>2,628,744</u>	<u>2,402,148</u>	<u>226,596</u>
Total liabilities	<u>15,138,662</u>	<u>12,483,703</u>	<u>2,654,959</u>
<u>NET ASSETS</u>			
Shareholders' equity			
Capital stock	3,996,269	3,996,269	-
Capital surplus	3,981,928	3,981,928	-
Retained earnings	14,012,651	12,642,064	1,370,587
Treasury stock	(760,032)	(854,955)	94,923
Deposit for subscriptions to treasury shares	283	1,977	(1,694)
Total shareholders' equity	<u>21,231,099</u>	<u>19,767,283</u>	<u>1,463,816</u>
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	784,007	382,371	401,636
Foreign currency translation adjustment	882,935	406,640	476,295
Remeasurements of defined benefit plans	250,107	263,547	(13,440)
Total valuation and translation adjustments	<u>1,917,049</u>	<u>1,052,558</u>	<u>864,491</u>
Subscription rights to shares	<u>10,256</u>	<u>16,265</u>	<u>(6,009)</u>
Total net assets	<u>23,158,404</u>	<u>20,836,106</u>	<u>2,322,298</u>
Total liabilities and net assets	<u>38,297,066</u>	<u>33,319,809</u>	<u>4,977,257</u>

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(Thousands of yen)

	Q3/FY2017 Apr'17-Dec'17	Q3/FY2016 Apr'16-Dec'16	Inc/(Dec)
Net sales	38,075,202	32,022,189	6,053,013
Costs and expenses			
Cost of sales	30,450,910	25,445,977	5,004,933
Selling, general and administrative expenses	5,275,215	4,569,676	705,539
	<u>35,726,125</u>	<u>30,015,653</u>	<u>5,710,472</u>
Operating income	<u>2,349,077</u>	<u>2,006,536</u>	<u>342,541</u>
Other income (expenses)			
Interest and dividends income	41,617	33,552	8,065
Interest expenses	(58,104)	(37,278)	(20,826)
Foreign exchange gains (losses), net	8,233	221,745	(213,512)
Other	63,408	(64,914)	128,322
	<u>55,154</u>	<u>153,105</u>	<u>(97,951)</u>
Income before income taxes	<u>2,404,231</u>	<u>2,159,641</u>	<u>244,590</u>
Income taxes			
Income taxes-current and prior periods	439,686	474,950	(35,264)
Income taxes-deferred	147,652	(58,658)	206,310
Total income taxes	<u>587,338</u>	<u>416,292</u>	<u>171,046</u>
Profit (loss)	<u>1,816,893</u>	<u>1,743,349</u>	<u>73,544</u>
Profit (loss) attributable to non-controlling interests	-	(3,992)	3,992
Profit (loss) attributable to owners of parent	<u>1,816,893</u>	<u>1,747,341</u>	<u>69,552</u>
Amounts per share of common stock:			
Net income	90.07	87.33	2.74
Diluted net income	89.70	87.22	2.48
Cash dividends applicable to the period	8.00	6.00	2.00

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Q3/FY2017 Apr'17-Dec'17	Q3/FY2016 Apr'16-Dec'16	Inc/(Dec)
Profit (loss)	<u>1,816,893</u>	<u>1,743,349</u>	<u>73,544</u>
Other comprehensive income			
Valuation difference on available-for-sale securities	401,636	243,141	158,495
Foreign currency translation adjustment	476,294	(180,215)	656,509
Remeasurements of defined benefit plans, net of tax	(13,439)	30,298	(43,737)
Total other comprehensive income	<u>864,491</u>	<u>93,224</u>	<u>771,267</u>
Comprehensive income	<u>2,681,384</u>	<u>1,836,573</u>	<u>844,811</u>
Comprehensive income attributable to abstract			
Comprehensive income attributable to owners of the parent	2,681,384	1,840,618	840,766
Comprehensive income attributable to minority interests	-	(4,045)	4,045