

**YOKOWO CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

(Thousands of yen)

<b>ASSETS</b>	<b>Q4/FY2018</b>	<b>FY2017</b>	<b>Inc/(Dec)</b>
	<b>Mar 31, 2019</b>	<b>Mar 31, 2018</b>	
<b>Current assets</b>			
Cash and deposits	7,189,635	4,596,903	2,592,732
Receivables:			
Notes and accounts receivable-trade	11,581,768	11,485,491	96,277
Allowance for doubtful accounts	(4,674)	(12,468)	7,794
Inventories	8,173,359	7,334,099	839,260
Other	1,387,714	996,278	391,436
<b>Total current assets</b>	<b>28,327,802</b>	<b>24,400,303</b>	<b>3,927,499</b>
<b>Noncurrent assets</b>			
<b>Property, plant and equipment</b>			
Buildings and structures	6,605,309	5,820,650	784,659
Accumulated depreciation	(3,714,794)	(3,542,958)	(171,836)
Buildings and structures, net	2,890,515	2,277,692	612,823
Machinery, equipment and vessels	10,632,065	9,277,761	1,354,304
Accumulated depreciation	(6,907,615)	(6,505,505)	(402,110)
Machinery, equipment and vessels, net	3,724,450	2,772,256	952,194
Tools, furniture and fixtures	7,981,292	6,848,118	1,133,174
Accumulated depreciation	(5,729,557)	(5,167,166)	(562,391)
Tools, furniture and fixtures, net	2,251,735	1,680,952	570,783
Land	761,004	757,666	3,338
Leased assets	1,660,737	1,567,759	92,978
Accumulated depreciation	(1,119,632)	(993,144)	(126,488)
Leased assets, net	541,105	574,615	(33,510)
Construction in progress	689,899	913,772	(223,873)
Property, plant and equipment	10,858,708	8,976,953	1,881,755
<b>Intangible assets</b>			
Leased assets	41,883	76,302	(34,419)
Other	675,575	497,551	178,024
Intangible assets	717,458	573,853	143,605
<b>Other non-current assets</b>			
Investment securities	1,629,671	2,033,506	(403,835)
Net defined benefit asset	15,547	131,293	(115,746)
Deferred tax assets	591,788	304,476	287,312
Other	640,148	609,634	30,514
Other non-current assets	2,877,154	3,078,909	(201,755)
<b>Total noncurrent assets</b>	<b>14,453,320</b>	<b>12,629,715</b>	<b>1,823,605</b>
<b>Total assets</b>	<b>42,781,122</b>	<b>37,030,018</b>	<b>5,751,104</b>

<b>LIABILITIES</b>	<b>Q4/FY2018</b> <b>Mar 31, 2019</b>	<b>FY2017</b> <b>Mar 31, 2018</b>	<b>Inc/(Dec)</b>
<b>Current liabilities</b>			
Notes and accounts payable-trade	6,019,118	5,765,480	253,638
Short-term loans payable	3,539,669	2,239,539	1,300,130
Current portion of long-term loans payable	-	1,600,000	(1,600,000)
Lease obligations	193,687	205,027	(11,340)
Provision for product warranties	364,624	-	364,624
Income taxes payable	330,790	269,469	61,321
Provision for bonuses	540,181	500,490	39,691
Other	3,133,791	2,454,200	679,591
<b>Total current liabilities</b>	<b>14,121,860</b>	<b>13,034,205</b>	<b>1,087,655</b>
<b>Noncurrent liabilities</b>			
Long-term loans payable	3,400,000	-	3,400,000
Lease obligations	455,825	516,769	(60,944)
Deferred tax liabilities	130,849	21,322	109,527
Net defined benefit liability	173,850	159,684	14,166
Long-term accounts payable	12,234	13,885	(1,651)
<b>Total noncurrent liabilities</b>	<b>4,172,758</b>	<b>711,660</b>	<b>3,461,098</b>
<b>Total liabilities</b>	<b>18,294,618</b>	<b>13,745,865</b>	<b>4,548,753</b>
<b>NET ASSETS</b>			
<b>Shareholders' equity</b>			
Capital stock	3,996,269	3,996,269	-
Capital surplus	3,981,928	3,981,928	-
Retained earnings	16,197,371	14,519,069	1,678,302
Treasury stock	(719,854)	(729,045)	9,191
Deposit for subscriptions to treasury shares	565	-	565
<b>Total shareholders' equity</b>	<b>23,456,279</b>	<b>21,768,221</b>	<b>1,688,058</b>
<b>Valuation and translation adjustments</b>			
Valuation difference on available-for-sale securities	355,913	636,088	(280,175)
Foreign currency translation adjustment	525,940	564,846	(38,906)
Remeasurements of defined benefit plans	135,687	306,717	(171,030)
<b>Total valuation and translation adjustments</b>	<b>1,017,540</b>	<b>1,507,651</b>	<b>(490,111)</b>
<b>Subscription rights to shares</b>	<b>7,356</b>	<b>8,281</b>	<b>(925)</b>
<b>Non-controlling interests</b>	<b>5,329</b>	<b>-</b>	<b>5,329</b>
<b>Total net assets</b>	<b>24,486,504</b>	<b>23,284,153</b>	<b>1,202,351</b>
<b>Total liabilities and net assets</b>	<b>42,781,122</b>	<b>37,030,018</b>	<b>5,751,104</b>

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

(Thousands of yen)

	Q4/FY2018 Apr'18-Mar'19	Q4/FY2017 Apr'17-Mar'18	Inc/(Dec)
<b>Net sales</b>	54,752,725	51,919,194	2,833,531
<b>Costs and expenses</b>			
Cost of sales	44,374,699	41,811,552	2,563,147
Selling, general and administrative expenses	7,349,366	6,971,711	377,655
	<u>51,724,065</u>	<u>48,783,263</u>	<u>2,940,802</u>
<b>Operating income</b>	<u>3,028,660</u>	<u>3,135,931</u>	<u>(107,271)</u>
<b>Other income (expenses)</b>			
Interest and dividends income	66,052	57,192	8,860
Interest expenses	(96,906)	(78,871)	(18,035)
Foreign exchange gains (losses), net	258,086	(305,419)	563,505
Provision for product warranties	(364,394)	-	(364,394)
Other	10,590	204,163	(193,573)
	<u>(126,572)</u>	<u>(122,935)</u>	<u>(3,637)</u>
<b>Income before income taxes</b>	<u>2,902,088</u>	<u>3,012,996</u>	<u>(110,908)</u>
<b>Income taxes</b>			
Income taxes-current and prior periods	668,970	545,862	123,108
Income taxes-deferred	18,651	129,562	(110,911)
<b>Total income taxes</b>	<u>687,621</u>	<u>675,424</u>	<u>12,197</u>
<b>Profit (loss)</b>	<u>2,214,467</u>	<u>2,337,572</u>	<u>(123,105)</u>
<b>Profit (loss) attributable to non-controlling interests</b>	5,326	-	5,326
<b>Profit (loss) attributable to owners of parent</b>	<u>2,209,141</u>	<u>2,337,572</u>	<u>(128,431)</u>
<b>Amounts per share of common stock:</b>			
Net income	109.18	115.82	(6.64)
Diluted net income	108.83	115.41	(6.58)
Cash dividends applicable to the period	26.00	22.00	4.00

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

	Q4/FY2018 Apr'18-Mar'19	Q4/FY2017 Apr'17-Mar'18	Inc/(Dec)
<b>Profit (loss)</b>	<u>2,214,467</u>	<u>2,337,572</u>	<u>(123,105)</u>
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	(280,175)	253,717	(533,892)
Foreign currency translation adjustment	(38,903)	158,206	(197,109)
Remeasurements of defined benefit plans, net of tax	(171,030)	43,170	(214,200)
<b>Total other comprehensive income</b>	<u>(490,108)</u>	<u>455,093</u>	<u>(945,201)</u>
<b>Comprehensive income</b>	<u>1,724,359</u>	<u>2,792,665</u>	<u>(1,068,306)</u>
<b>Comprehensive income attributable to abstract</b>			
Comprehensive income attributable to owners of the parent	1,719,030	2,792,665	(1,073,635)
Comprehensive income attributable to non-controlling interests	5,329	-	5,329

**YOKOWO CO., LTD. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	(Thousands of yen)	
	Q4/FY2018 Apr'18-Mar'19	Q4/FY2017 Apr'17-Mar'18
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	2,902,088	3,012,996
Adjustments to reconcile income before income taxes		
To net cash provided by (used in) operating activities:		
Depreciation and amortization	2,199,393	1,880,849
Increase (decrease) in allowance for doubtful accounts	(8,138)	(3,788)
Increase (decrease) in provision for bonuses	39,831	74,086
Increase (decrease) in provision for product warranties	364,624	(89,767)
Increase (decrease) in net defined benefit asset and liability	(116,803)	(53,690)
Loss (gain) on sales and retirement of noncurrent assets	19,915	62,625
Loss (gain) on sales of investment securities	-	(259)
Foreign exchange losses (gains)	(101,961)	214,929
Other, net	9,751	(39,480)
Net changes in operating assets and liabilities		
Decrease (increase) in notes and accounts receivable-trade	38,322	(2,359,462)
Decrease (increase) in inventories	(769,767)	(1,480,416)
Decrease (increase) in other assets	(230,863)	38,784
Increase (decrease) in notes and accounts payable-trade	92,688	1,130,052
Increase (decrease) in other liabilities	187,195	66,974
Income taxes (paid) refund	(570,891)	(473,845)
<b>Net cash provided by (used in) operating activities</b>	<b>4,055,384</b>	<b>1,980,588</b>
<b>Net cash provided by (used in) investment activities</b>		
Proceeds from sales of property, plant and equipment	21,416	17,912
Purchase of property, plant and equipment	(3,538,851)	(2,285,894)
Purchase of intangible assets	(307,846)	(277,376)
Proceeds from sales of investment securities	-	365
Other, net	(22,444)	26,186
<b>Net cash provided by (used in) investment activities</b>	<b>(3,847,725)</b>	<b>(2,518,807)</b>
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	1,200,000	-
Proceeds from long-term loans payable	3,400,000	-
Repayment of long-term loans payable	(1,600,000)	-
Repayments of lease obligations	(208,714)	(208,249)
Cash dividends paid	(524,934)	(402,001)
Proceeds from issuance of subscription rights to shares	5,085	60,964
Other, net	(804)	(659)
<b>Net cash provided by (used in) financing activities</b>	<b>2,270,633</b>	<b>(549,945)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>114,440</b>	<b>(133,083)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>2,592,732</b>	<b>(1,221,247)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>4,596,903</b>	<b>5,818,150</b>
<b>Cash and cash equivalents at end of period</b>	<b>7,189,635</b>	<b>4,596,903</b>

The reconciliation of cash and deposits shown in the consolidated balance sheets and cash and cash equivalent shown in the consolidated statements of cash flows are as follows:

	(Thousands of yen)	
	Q4/FY2018 Apr'18-Mar'19	Q4/FY2017 Apr'17-Mar'18
Cash and deposits	7,189,635	4,596,903
Time deposits with maturities longer than 3 months	-	-
<b>Cash and cash equivalents</b>	<b>7,189,635</b>	<b>4,596,903</b>