

YOKOWO CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(Millions of yen)

ASSETS	Q4/FY2019	FY2018	Inc/(Dec)
	Mar 31, 2020	Mar 31, 2019	
Current assets			
Cash and deposits	12,352	7,190	5,162
Receivables:			
Notes and accounts receivable-trade	10,775	11,582	(807)
Allowance for doubtful accounts	(3)	(5)	2
Inventories	8,682	8,174	508
Other	1,456	1,387	69
Total current assets	33,262	28,328	4,934
Noncurrent assets			
Property, plant and equipment			
Buildings and structures	6,569	6,605	(36)
Accumulated depreciation	(3,658)	(3,714)	56
Buildings and structures, net	2,911	2,891	20
Machinery, equipment and vessels	11,307	10,632	675
Accumulated depreciation	(7,118)	(6,908)	(210)
Machinery, equipment and vessels, net	4,189	3,724	465
Tools, furniture and fixtures	8,391	7,981	410
Accumulated depreciation	(6,172)	(5,729)	(443)
Tools, furniture and fixtures, net	2,219	2,252	(33)
Land	761	761	-
Leased assets	1,731	1,661	70
Accumulated depreciation	(1,105)	(1,120)	15
Leased assets, net	626	541	85
Construction in progress	591	690	(99)
Property, plant and equipment	11,297	10,859	438
Intangible assets			
Leased assets	26	42	(16)
Other	875	675	200
Intangible assets	901	717	184
Other non-current assets			
Investment securities	1,189	1,630	(441)
Net defined benefit asset	81	16	65
Deferred tax assets	737	592	145
Other	668	639	29
Other non-current assets	2,675	2,877	(202)
Total noncurrent assets	14,873	14,453	420
Total assets	48,135	42,781	5,354

LIABILITIES	Q4/FY2019	FY2018	Inc/(Dec)
	Mar 31, 2020	Mar 31, 2019	
Current liabilities			
Notes and accounts payable-trade	6,428	6,019	409
Short-term loans payable	6,490	3,540	2,950
Lease obligations	253	194	59
Provision for product warranties	-	365	(365)
Income taxes payable	771	331	440
Provision for bonuses	600	540	60
Other	3,038	3,133	(95)
Total current liabilities	17,580	14,122	3,458
Noncurrent liabilities			
Long-term loans payable	3,400	3,400	-
Lease obligations	292	456	(164)
Deferred tax liabilities	136	131	5
Net defined benefit liability	184	174	10
Long-term accounts payable	10	12	(2)
Total noncurrent liabilities	4,022	4,173	(151)
Total liabilities	21,602	18,295	3,307
NET ASSETS			
Shareholders' equity			
Capital stock	3,996	3,996	-
Capital surplus	3,982	3,982	-
Retained earnings	19,045	16,197	2,848
Treasury stock	(664)	(720)	56
Deposit for subscriptions to treasury shares	-	1	(1)
Total shareholders' equity	26,359	23,456	2,903
Valuation and translation adjustments			
Valuation difference on available-for-sale securities	84	356	(272)
Foreign currency translation adjustment	(63)	526	(589)
Remeasurements of defined benefit plans	125	136	(11)
Total valuation and translation adjustments	146	1,018	(872)
Subscription rights to shares	4	7	(3)
Non-controlling interests	24	5	19
Total net assets	26,533	24,486	2,047
Total liabilities and net assets	48,135	42,781	5,354

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

(Millions of yen)

	Q4/FY2019 Apr'19-Mar'20	Q4/FY2018 Apr'18-Mar'19	Inc/(Dec)
Net sales	60,595	54,753	5,842
Costs and expenses			
Cost of sales	47,527	44,375	3,152
Selling, general and administrative expenses	8,151	7,349	802
	<u>55,678</u>	<u>51,724</u>	<u>3,954</u>
Operating income	<u>4,917</u>	<u>3,029</u>	<u>1,888</u>
Other income (expenses)			
Interest and dividends income	68	66	2
Interest expenses	(104)	(97)	(7)
Foreign exchange gains (losses), net	(214)	258	(472)
Provision for product warranties	-	(364)	364
Other	(51)	10	(61)
	<u>(301)</u>	<u>(127)</u>	<u>(174)</u>
Income before income taxes	<u>4,616</u>	<u>2,902</u>	<u>1,714</u>
Income taxes			
Income taxes-current and prior periods	1,165	669	496
Income taxes-deferred	(9)	19	(28)
Total income taxes	<u>1,156</u>	<u>688</u>	<u>468</u>
Profit (loss)	<u>3,460</u>	<u>2,214</u>	<u>1,246</u>
Profit (loss) attributable to non-controlling interests	19	5	14
Profit (loss) attributable to owners of parent	<u>3,441</u>	<u>2,209</u>	<u>1,232</u>
Amounts per share of common stock:			
Net income	169.85	109.18	60.67
Diluted net income	169.52	108.83	60.69
Cash dividends applicable to the period	30.00	26.00	4.00

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

	Q4/FY2019 Apr'19-Mar'20	Q4/FY2018 Apr'18-Mar'19	Inc/(Dec)
Profit (loss)	<u>3,460</u>	<u>2,214</u>	<u>1,246</u>
Other comprehensive income			
Valuation difference on available-for-sale securities	(272)	(280)	8
Foreign currency translation adjustment	(590)	(39)	(551)
Remeasurements of defined benefit plans, net of tax	(11)	(171)	160
Total other comprehensive income	<u>(873)</u>	<u>(490)</u>	<u>(383)</u>
Comprehensive income	<u>2,587</u>	<u>1,724</u>	<u>863</u>
Comprehensive income attributable to abstract			
Comprehensive income attributable to owners of the parent	2,568	1,719	849
Comprehensive income attributable to non-controlling interests	19	5	14

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

	(Millions of yen)	
	Q4/FY2019 Apr'19-Mar'20	Q4/FY2018 Apr'18-Mar'19
Net cash provided by (used in) operating activities		
Income before income taxes	4,616	2,902
Adjustments to reconcile income before income taxes		
To net cash provided by (used in) operating activities:		
Depreciation and amortization	2,707	2,199
Increase (decrease) in allowance for doubtful accounts	(1)	(8)
Increase (decrease) in provision for bonuses	65	40
Increase (decrease) in provision for product warranties	(365)	365
Increase (decrease) in net defined benefit asset and liability	(71)	(117)
Loss (gain) on sales and retirement of noncurrent assets	46	20
Loss (gain) on sales of investment securities	(94)	-
Share of loss (profit) of entities accounted for using equity method	25	-
Foreign exchange losses (gains)	76	(102)
Other, net	(6)	10
Net changes in operating assets and liabilities		
Decrease (increase) in notes and accounts receivable-trade	488	38
Decrease (increase) in inventories	(868)	(770)
Decrease (increase) in other assets	(82)	(231)
Increase (decrease) in notes and accounts payable-trade	751	93
Increase (decrease) in other liabilities	(54)	187
Income taxes (paid) refund	(743)	(571)
Net cash provided by (used in) operating activities	6,490	4,055
Net cash provided by (used in) investment activities		
Proceeds from sales of property, plant and equipment	3	21
Purchase of property, plant and equipment	(3,066)	(3,539)
Purchase of intangible assets	(476)	(308)
Purchase of shares of subsidiaries and associates	(99)	-
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	202	-
Proceeds from sales of investment securities	143	-
Other, net	10	(22)
Net cash provided by (used in) investment activities	(3,283)	(3,848)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	2,996	1,200
Proceeds from long-term loans payable	-	3,400
Repayment of long-term loans payable	-	(1,600)
Repayments of lease obligations	(313)	(209)
Cash dividends paid	(565)	(525)
Proceeds from issuance of subscription rights to shares	28	5
Other, net	(2)	0
Net cash provided by (used in) financing activities	2,144	2,271
Effect of exchange rate changes on cash and cash equivalents	(189)	115
Net increase (decrease) in cash and cash equivalents	5,162	2,593
Cash and cash equivalents at beginning of year	7,190	4,597
Cash and cash equivalents at end of period	12,352	7,190

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

	(Millions of yen)	
	Q4/FY2019 Apr'19-Mar'20	Q4/FY2018 Apr'18-Mar'19
Cash and deposits	12,352	7,190
Time deposits with maturities longer than 3 months	-	-
Cash and cash equivalents	12,352	7,190