



## **Consolidated Business Results for FY 2017**

Name of listed company: Mipox Corporation Stock Code: 5381 (URL <u>http://www.mipox.co.jp</u>) Representative: Jun Watanabe, President Inquiry to: Hisatomo Harada, Director Tel: +81-3-6911-2300 Expected date of the shareholders' meeting: June 28, 2017 Expected date of the release of Asset Security Report: June 29, 2017 May 15, 2017 Stock Exchange: Tokyo Stock Exchange, Inc. JASDAQ

Expected start date of dividend payment: June 29, 2017

1. Consolidated Business Results for FY2017 (April 1, 2016 to March 31, 2017)

(Figures are rounded down to the nearest million)

(1) Consolidated Operating Results (% implies the rate of increase/decrease year				-on-year)				
	Net sales		Operating inc	ome	Ordinary inco	ome	Net incom	е
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2017	6,410	52.5	223	(56.1)	149	(70.9)	(147)	(145.4)
FY2016	4,204	5.5	508	38.1	513	(6.1)	323	(36.4)

Note: Comprehensive Income: (297) million yen /(330.9)% for FY2017, 128 million yen /(79.0%) for FY2016

	Net income per share	Net income per share after latent share adjustment	Net income /capital equity	Ordinary income /total assets	Net income /net sales
	Yen	Yen	%	%	%
FY2017	(14.08)	-	(3.0)	1.6	3.5
FY2016	31.79	31.53	6.6	7.2	12.1

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
FY2017	11,347	4,630	40.8	439.31
FY2016	7,316	4,956	67.7	484.90

Note: Equity capital: 4,628 million yen for FY2017, 4,952 million yen for FY2016

#### (3) Consolidated Statement of Cash Flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalent at end of year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY2017	555	(674)	735	2,783
FY2016	647	(601)	185	2,166

#### 2. Status of Distribution

	Dividend per share			Total dividend	Dividend ratio	Net asset dividend rate
	Interim term end	Term end	Full Year	(Year) (Consolidated		(Consolidated)
	Yen	Yen	Yen	Millions of Yen	%	%
FY2016	0.00	10.00	10.00	105	31.5	2.1
FY2017	0.00	10.00	10.00	106		2.2
FY2018 (Expected)	0.00	10.00	10.00		34.1	

3. Forecast results for FY2018 (April 1, 2017 to March 31, 2018)

(% for fl	(% for full year and interim term implies the rate of increase/decrease year-on-year and term-on-term, respectively)								
	Net sales		Operating inc	ome	Ordinary	income	Net incom	е	Net income per share
	Millions of Yen	%	Millions of Yen	%	Millions of	Yen %	Millions of Yen	%	Yen
1 <sup>st</sup> half,FY2018	3,857	40.4	100	_	92	—	51	—	4.97
Full FY2018	8,000	24.8	448	100.9	417	179.9	306	—	29.31

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Forecasts are based on information available to the management at the time of an announcement. Forecasts contain the element of the uncertainty. Actual results may differ from the figures provided above due to changes in business conditions.

4. Other

(1) Changes to major subsidiaries during the current fiscal year: Yes

New Included – Company Name: Nihon Kenshi Co., Ltd.

- (2) Changes to accounting principles, procedures, and presentation when preparing consolidated financial statements.
  - $\oplus \ \ \oplus$  Changes accompanying the revision of accounting standards: Yes
  - 2 Changes other than 1 : No

#### (3) Number of shares issued (common shares)

1 The number of shares issued at the end of the fiscal year	FY2017	10,696,320 shares
(including own shares)	FY2016	10,696,320 shares
② The number of shares buybacks	FY2017	161,508 shares
	FY2016	483,028 shares
③ The average number of shares	FY2017	10,440,823 shares
	FY2016	10,186,015 shares

### (1) Consolidated Balance Sheets

、 <i>,</i>		(Thousands of Yen)
	Full FY 2016	Full FY 2017
	(March 31, 2016)	(March 31, 2017)
Assets		
Current assets		
Cash and deposits	2,381,742	2,997,113
Notes and accounts receivable - trade	947,841	1,782,528
Electronically recorded monetary claims - operating	110,054	177,982
Merchandise and finished goods	307,523	387,145
Work in process	411,908	1,250,637
Raw materials and supplies	159,520	410,907
Deferred tax assets	124,031	72,451
Other	161,912	189,731
Allowance for doubtful accounts	-1,535	-9,698
Total current assets	4,602,999	7,258,799
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,907,551	4,707,09
Machinery, equipment and vehicles	1,734,548	2,959,546
Tools, furniture and fixtures	204,497	299,00
Land	186,890	933,754
Leased assets	280,174	257,62
Construction in progress	95,315	18,84 <i>°</i>
Accumulated depreciation	-4,057,301	-6,021,721
Total property, plant and equipment	2,351,676	3,154,144
Intangible assets		
Goodwill	100,645	293,915
Other	170,133	199,706
Total intangible assets	270,778	493,62
Investments and other assets		
Investment securities	32,722	39,79
Net defined benefit asset	-	256,924
Deferred tax assets	4,954	14,184
Other	60,584	311,043
Allowance for doubtful accounts	-6,819	-180,986
Total investments and other assets	91,441	440,957
Total investments and other assets	2,713,895	4,088,723
Total assets	7,316,895	11,347,522

### (1) Consolidated Balance Sheets

Current liabilities   231,206   776,13     Short-term loans payable   1,460,000   123,200   123,200     Current portion of bonds   123,200   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   68,765   157,422     Total current liabilities   1,111,041   3,806,79     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term lasing   69,319   36,10     Deferred tax liabilities   34,967   267,522     Lease obligations   69,319   31,200     Other   5,301   14,461     Total liabilities   1,249,078   2,910,022     Shareholders' equity			(Thousands of Yen)
March 31, 2016)   March 31, 2017)     Labilities   Current liabilities     Notes and accounts payable - trade   231,206   776,13     Short-term loans payable   -   1,460,00     Current portion of bonds   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,591     Income taxes payable   30,413   118,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   68,765   157,422     Total current liabilities   1,111,041   3,806,79     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term liabilities   34,967   22,860,119     Deforer data liabilities   34,967   267,522     Not defined benefit liability   110,789   131		FY2016	FY2017
Current liabilities   231,206   776,13     Short-term loans payable   1,460,000   123,200   123,200     Current portion of bonds   123,200   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   68,765   157,422     Total current liabilities   1,111,041   3,806,79     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term lasing   69,319   36,10     Deferred tax liabilities   34,967   267,522     Lease obligations   69,319   31,200     Other   5,301   14,461     Total liabilities   1,249,078   2,910,022     Shareholders' equity			
Notes and accounts payable - trade   231,206   776,13     Short-term loans payable   -   1,460,000     Current portion of bonds   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,590     Income taxes payable   30,413   118,211     Provision for bonuese   73,411   90,944     Provision for stocks payment   89,997   0ther     Other   68,765   157,422     Total current liabilities   1,111,041   3,806,792     Non-current liabilities   1,111,041   3,806,792     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   110,789   131,200     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,446     Total inabilities   2,360,119	Liabilities		
Short-term loans payable   -   1,460,00     Current portion of bonds   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,997     Other   68,765   157,422     Total current liabilities   1,111,041   3,806,799     Non-current liabilities   1,111,041   3,806,799     Non-current liabilities   9,319   36,101     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Lease obligations   69,319   36,100     Long-term loans payable   110,789   131,200     Other   5,301   14,469     Total inbilities   2,360,119   6,716,82     Vet defined benefit liabilities   2,360,119   6,716,82	Current liabilities		
Current portion of bonds   123,200   123,200     Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,947     Other   68,765   157,422     Total current liabilities   1,111,041   3,806,793     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   69,319   36,101     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,360,119   6,716,622     Net defined benefit liability   110,789   131,200     Other   1,998,700   1,998,700   1,998,700     Total liabilities   1,249,078   2,910,022   360,119   6,716,822	Notes and accounts payable - trade	231,206	776,132
Current portion of long-term loans payable   146,440   344,77     Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   89,997   0ther   68,765   157,421     Other   68,765   157,421   0ther   30,413   30,806,799     Non-current liabilities   1,111,041   3,806,799   30,967   266,752     Non-current liabilities   591,300   468,700   1,992,602     Lease obligations   69,319   36,10   1,02,907,92     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,300,119   6,716,822     Net assets   1,998,700   1,998,700     Shareholders' equity   1,603,343   1,588,73     Capital stock   1,998,700   1,998,700 </td <td>Short-term loans payable</td> <td>-</td> <td>1,460,000</td>	Short-term loans payable	-	1,460,000
Lease obligations   31,474   22,500     Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   88,997   0ther     Other   68,765   157,421     Total current liabilities   1,111,041   3,806,791     Non-current liabilities   591,300   468,100     Bonds payable   591,300   468,100     Lease obligations   69,319   36,100     Deferred tax liabilities   34,967   267,521     Net defined benefit liabilities   34,967   267,522     Net defined benefit liabilities   110,789   131,200     Other   5,301   14,461     Total non-current liabilities   1,249,078   2,910,022     Shareholders' equity   Capital stock   1,998,700   1,998,700     Capital stock   1,998,700   1,998,701   1,998,701     Capital stock   1,998,700   1,998,701   1,998,701     Treasury sh	Current portion of bonds	123,200	123,200
Accounts payable - other   316,131   813,59     Income taxes payable   30,413   18,211     Provision for bonuses   73,411   90,944     Provision for stocks payment   89,997   0     Other   68,765   157,422     Total current liabilities   1,111,041   3,806,793     Non-current liabilities   1,011,041   3,806,793     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   591,300   468,100     Deferred tax liabilities   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liabilities   110,789   131,200     Other   5,301   14,466     Total non-current liabilities   2,910,022   2,360,119   6,716,822     Shareholders' equity   2,360,119   6,716,822     Shareholders' equity   1,603,343   1,588,733     Retained earnings   1,6	Current portion of long-term loans payable	146,440	344,774
Income taxes payable   30,413   18,213     Provision for bonuses   73,411   90,944     Provision for stocks payment   89,997   0     Other   68,765   157,429     Total current liabilities   1,111,041   3,806,799     Non-current liabilities   1,111,041   3,806,799     Non-current liabilities   69,319   36,100     Lease obligations   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   144,663     Total non-current liabilities   3,249,078   2,910,022     Notal non-current liabilities   1,249,078   2,910,022     Total inbidities   1,249,078   2,910,022     Total liabilities   1,249,078   2,910,022     Total stock   1,998,700   1,998,700     Capital stock   1,998,700   1,998,703     Capital stock   1,998,700   1,998,703     Treasury shares   -198,856   -100,700	Lease obligations	31,474	22,509
Provision for bonuses   73,411   90,944     Provision for stocks payment   89,997     Other   68,765   157,421     Total current liabilities   1,111,041   3,806,793     Non-current liabilities   991,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,360,119   6,716,822     Net assets   5   5     Shareholders' equity   1,998,700   1,998,700     Capital stock   1,998,700   1,998,700     Capital surplus   1,603,343   1,588,73     Retained earnings   1,	Accounts payable - other	316,131	813,591
Provision for stocks payment   89,997     Other   68,765   157,420     Total current liabilities   1,111,041   3,806,793     Non-current liabilities   591,300   468,100     Bonds payable   591,300   468,100     Long-term loans payable   437,400   1,992,621     Lease obligations   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,360,119   6,716,822     Net assets   2,360,119   6,716,822     Shareholders' equity   2,360,119   6,716,822     Capital stock   1,998,700   1,998,700     Capital stock   1	Income taxes payable	30,413	18,215
Other   68,765   157,42     Total current liabilities   1,111,041   3,806,793     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,360,119   6,716,822     Net defined benefit liabilities   2,360,119   6,716,822     Total non-current liabilities   1,998,700   1,998,700     Total stock   1,998,700   1,998,700     Capital stock   1,998,700   1,998,703     Capital stock   1,998,700   1,998,703     Treasury shares   -1,908,56   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   117,382   -39,084     Total accumulated other comprehensive income   117,382   -39,084     Total accumulated other	Provision for bonuses	73,411	90,944
Total current liabilities   1,111,041   3,806,793     Non-current liabilities   591,300   468,100     Long-term loans payable   591,300   468,100     Long-term loans payable   69,319   366,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,022     Total non-current liabilities   2,360,119   6,716,822     Net assets   1,998,700   1,998,700     Capital stock   1,998,700   1,998,700     Capital stock   1,603,343   1,588,73     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -390,802     Total accu	Provision for stocks payment	89,997	-
Non-current liabilitiesBonds payable591,300468,100Long-term loans payable437,4001,992,620Lease obligations69,31936,100Deferred tax liabilities34,967267,520Net defined benefit liability110,789131,200Other5,30114,460Total non-current liabilities1,249,0782,910,020Total inabilities2,360,1196,716,820Net assets2,360,1196,716,820Shareholders' equity1,603,3431,588,730Capital stock1,998,7001,998,700Capital stock <td>Other</td> <td>68,765</td> <td>157,426</td>	Other	68,765	157,426
Bonds payable   591,300   468,100     Long-term loans payable   437,400   1,992,620     Lease obligations   69,319   36,100     Deferred tax liabilities   69,319   36,100     Deferred tax liabilities   34,967   267,521     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   2,360,119   6,716,821     Net assets   2,360,119   6,716,821     Shareholders' equity   2,360,119   6,716,821     Capital stock   1,998,700   1,998,700     Capital stock   1,998,700   1,998,700     Capital stock   1,603,343   1,588,733     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   117,382   -39,084     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment <t< td=""><td>Total current liabilities</td><td>1,111,041</td><td>3,806,793</td></t<>	Total current liabilities	1,111,041	3,806,793
Long-term loans payable   437,400   1,992,620     Lease obligations   69,319   36,100     Deferred tax liabilities   34,967   267,523     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,022     Total inabilities   2,360,119   6,716,822     Net assets   2,360,119   6,716,822     Shareholders' equity   1,603,343   1,588,73     Capital stock   1,998,700   1,998,700     Capital stock   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -173,822   -39,083     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,083     Total accumulated other comprehensive income   117,382   -39,083     Valuation difference on available-for-sale securities   -   1,500	Non-current liabilities		
Lease obligations   69,319   36,100     Deferred tax liabilities   34,967   267,522     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,022     Total liabilities   2,360,119   6,716,822     Net assets   2,360,119   6,716,822     Shareholders' equity   1,603,343   1,588,73-     Capital stock   1,998,700   1,998,700     Capital surplus   1,603,343   1,588,73-     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   117,382   -39,084     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,084     Total accumulated other comprehensive income   117,382   -37,577     Subscription rights to shares   4,345   2,622     T	Bonds payable	591,300	468,100
Deferred tax liabilities   34,967   267,524     Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,024     Total liabilities   2,360,119   6,716,823     Net assets   2,360,119   6,716,823     Shareholders' equity   1,098,700   1,998,700     Capital stock   1,998,700   1,998,700     Capital stock   1,603,343   1,588,73-     Retained earnings   1,431,860   1,17,892     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,649     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,083     Total accumulated other comprehensive income   117,382   -37,577     Subscription rights to shares   4,345   2,624     Total net assets   4,956,776   4,630,699	Long-term loans payable	437,400	1,992,626
Net defined benefit liability   110,789   131,200     Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,022     Total liabilities   2,360,119   6,716,823     Net assets   2,360,119   6,716,823     Shareholders' equity   1,098,700   1,998,700     Capital stock   1,998,700   1,998,700     Capital surplus   1,603,343   1,588,733     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,083     Total accumulated other comprehensive income   117,382   -37,574     Subscription rights to shares   4,345   2,624     Total net assets   4,956,776   4,630,699	Lease obligations	69,319	36,104
Other   5,301   14,460     Total non-current liabilities   1,249,078   2,910,022     Total liabilities   2,360,119   6,716,822     Net assets   2,360,119   6,716,822     Shareholders' equity   1,998,700   1,998,700     Capital stock   1,998,700   1,998,702     Capital surplus   1,603,343   1,588,734     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,088     Total accumulated other comprehensive income   117,382   -37,574     Subscription rights to shares   4,345   2,620     Total net assets   4,956,776   4,630,699	Deferred tax liabilities	34,967	267,529
Other   5,301   14,463     Total non-current liabilities   1,249,078   2,910,022     Total liabilities   2,360,119   6,716,827     Net assets   2,360,119   6,716,827     Shareholders' equity   1,998,700   1,998,700     Capital stock   1,998,700   1,998,707     Capital surplus   1,603,343   1,588,737     Retained earnings   1,431,860   1,178,927     Treasury shares   -198,856   -100,707     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,083     Total accumulated other comprehensive income   117,382   -37,574     Subscription rights to shares   4,345   2,627     Total net assets   4,956,776   4,630,699	Net defined benefit liability	110,789	131,200
Total liabilities   2,360,119   6,716,82     Net assets   Shareholders' equity   1,998,700   1,998,700     Capital stock   1,998,700   1,998,700   1,998,700     Capital stock   1,603,343   1,588,73     Retained earnings   1,431,860   1,178,92     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,649     Accumulated other comprehensive income   117,382   -39,089     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,089     Total accumulated other comprehensive income   117,382   -37,570     Subscription rights to shares   4,345   2,620     Total net assets   4,956,776   4,630,699		5,301	14,469
Net assetsShareholders' equityCapital stock1,998,700Capital surplus1,603,343Retained earnings1,431,860Treasury shares-198,856-198,856-100,700Total shareholders' equity4,835,048Accumulated other comprehensive income-Valuation difference on available-for-sale securities-Foreign currency translation adjustment117,382Total accumulated other comprehensive income-Subscription rights to shares4,345Zotal net assets4,956,7764,630,699	Total non-current liabilities	1,249,078	2,910,029
Shareholders' equity 1,998,700 1,998,700   Capital stock 1,603,343 1,588,734   Capital surplus 1,603,343 1,588,734   Retained earnings 1,431,860 1,178,922   Treasury shares -198,856 -100,704   Total shareholders' equity 4,835,048 4,665,644   Accumulated other comprehensive income - 1,500   Valuation difference on available-for-sale securities - 1,500   Foreign currency translation adjustment 117,382 -39,083   Total accumulated other comprehensive income 117,382 -37,574   Subscription rights to shares 4,345 2,624   Total net assets 4,956,776 4,630,694	Total liabilities	2,360,119	6,716,823
Capital stock   1,998,700   1,998,700     Capital surplus   1,603,343   1,588,734     Retained earnings   1,431,860   1,178,922     Treasury shares   -198,856   -100,700     Total shareholders' equity   4,835,048   4,665,644     Accumulated other comprehensive income   -   1,500     Valuation difference on available-for-sale securities   -   1,500     Foreign currency translation adjustment   117,382   -39,083     Total accumulated other comprehensive income   117,382   -37,574     Subscription rights to shares   4,345   2,623     Total net assets   4,956,776   4,630,699	Net assets		
Capital surplus 1,603,343 1,588,73   Retained earnings 1,431,860 1,178,922   Treasury shares -198,856 -100,700   Total shareholders' equity 4,835,048 4,665,644   Accumulated other comprehensive income - 1,500   Valuation difference on available-for-sale securities - 1,500   Foreign currency translation adjustment 117,382 -39,085   Total accumulated other comprehensive income 117,382 -37,576   Subscription rights to shares 4,345 2,622   Total net assets 4,956,776 4,630,695	Shareholders' equity		
Capital surplus 1,603,343 1,588,73   Retained earnings 1,431,860 1,178,922   Treasury shares -198,856 -100,700   Total shareholders' equity 4,835,048 4,665,644   Accumulated other comprehensive income - 1,500   Valuation difference on available-for-sale securities - 1,500   Foreign currency translation adjustment 117,382 -39,085   Total accumulated other comprehensive income 117,382 -37,576   Subscription rights to shares 4,345 2,622   Total net assets 4,956,776 4,630,695	Capital stock	1,998,700	1,998,700
Treasury shares-198,856-100,700Total shareholders' equity4,835,0484,665,644Accumulated other comprehensive income-1,500Valuation difference on available-for-sale securities-1,500Foreign currency translation adjustment117,382-39,084Total accumulated other comprehensive income117,382-37,574Subscription rights to shares4,3452,624Total net assets4,956,7764,630,694	-	1,603,343	1,588,734
Total shareholders' equity4,835,0484,665,644Accumulated other comprehensive income1,500Valuation difference on available-for-sale securities1,500Foreign currency translation adjustment117,382-39,083Total accumulated other comprehensive income117,382-37,576Subscription rights to shares4,3452,623Total net assets4,956,7764,630,693	Retained earnings	1,431,860	1,178,922
Total shareholders' equity4,835,0484,665,644Accumulated other comprehensive income1,500Valuation difference on available-for-sale securities1,500Foreign currency translation adjustment117,382-39,083Total accumulated other comprehensive income117,382-37,576Subscription rights to shares4,3452,623Total net assets4,956,7764,630,693	Treasury shares	-198,856	-100,706
Valuation difference on available-for-sale securities-1,500Foreign currency translation adjustment117,382-39,080Total accumulated other comprehensive income117,382-37,570Subscription rights to shares4,3452,620Total net assets4,956,7764,630,690	Total shareholders' equity	4,835,048	4,665,649
Foreign currency translation adjustment117,382-39,08Total accumulated other comprehensive income117,382-37,57Subscription rights to shares4,3452,62Total net assets4,956,7764,630,69	Accumulated other comprehensive income		
Total accumulated other comprehensive income117,382-37,578Subscription rights to shares4,3452,628Total net assets4,956,7764,630,698	Valuation difference on available-for-sale securities	-	1,506
Total accumulated other comprehensive income117,382-37,578Subscription rights to shares4,3452,628Total net assets4,956,7764,630,698	Foreign currency translation adjustment	117,382	-39,085
Subscription rights to shares   4,345   2,624     Total net assets   4,956,776   4,630,699			-37,578
Total net assets   4,956,776   4,630,699			2,628
			4,630,699
	Total liabilities and net assets		11,347,522

(2) Consolidated Income Statements & Comprehensive Income

		(Thousands of Yen)
	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Net sales	4,204,751	6,410,539
Cost of sales	2,077,085	3,962,139
Gross profit	2,127,665	2,448,399
Selling, general and administrative expenses	1,619,602	2,225,114
Operating income (loss)	508,062	223,284
Non-operating income		
Interest income	480	3,993
Dividend income	-	1,381
Rent income	6,628	-
Foreign exchange gains	312	42,248
Insurance income	4,124	-
Subsidy income	13,522	-
Other	1,778	9,981
Total non-operating income	26,845	57,605
Non-operating expenses		
Interest expenses	10,173	31,616
Commission fee	-	54,097
Bond issuance cost	4,517	-
Rent expenses	1,916	-
Guarantee commission	4,597	4,562
Share of loss of entities accounted for using equity method	-	36,586
Other	441	4,902
Total non-operating expenses	21,645	131,764
Ordinary income (loss)	513,263	149,125

## (2) Consolidated Income Statements & Comprehensive Income

		(Thousands of Yen)
	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Extraordinary income	`````````````````````````````````	, ,
Gain on sales of non-current assets	9,648	2,589
Gain on sales of investment securities	-	5,777
Gain on reversal of subscription rights to shares	9,522	541
Total extraordinary income	19,170	8,908
Extraordinary losses		
Loss on retirement of non-current assets	53,438	13,861
Impairment loss	-	165,367
Loss on sales of investment securities	-	6,803
Loss on valuation of membership	2,200	-
Loss on cancellation of contracts	28,326	-
Other		6,563
Total extraordinary losses	83,964	192,596
Profit (loss) before income taxes	448,469	-34,562
Income taxes - current	88,775	61,514
Income taxes - deferred	35,920	46,328
Total income taxes	124,696	107,843
Profit (loss)	323,773	-142,405
Profit attributable to		
Profit (loss) attributable to owners of parent	323,773	-147,036
Profit attributable to non-controlling interests		4,631
Other comprehensive income		
Valuation difference on available-for-sale securities	-	1,506
Foreign currency translation adjustment	-194,964	-156,765
Share of other comprehensive income of		
entities accounted for using equity method		297
Total other comprehensive income	-194,964	-154,961
Comprehensive income	128,809	-297,366
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	128,809	-302,532
Comprehensive income attributable to non-controlling interests	-	5,165

### (3) Consolidated Statements of Cash Flows

		(Thousands of Yen)
	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Cash flows from operating activities	·	
Profit (loss) before income taxes	448,469	-34,562
Depreciation	335,429	385,389
Amortization of goodwill	3,470	44,654
Impairment loss	-	165,367
Increase (decrease) in allowance for doubtful accounts	-	9,357
Increase (decrease) in provision for bonuses	19,796	18,555
Increase (decrease) in provision for stocks payment	29,918	-89,997
Decrease (increase) in net defined benefit asset	-	-112,847
Increase (decrease) in net defined benefit liability	-2,186	-13,039
Interest and dividend income	-480	-5,375
Interest expenses	10,173	31,616
Commission fee	-	54,097
Share of (profit) loss of entities accounted for using equity method	-	36,586
Bond issuance cost	4,517	-
Loss on valuation of membership	2,200	-
Insurance income	-4,124	-
Subsidy income	-10,000	-
Subsidy income	-3,522	-
Loss (gain) on sales of non-current assets	-9,648	-2,589
Loss on retirement of non-current assets	53,438	13,861
Loss (gain) on sales of investment securities	-	1,026
Gain on reversal of subscription rights to shares	-9,522	-541
Loss on cancellation of contracts	28,326	-
Decrease (increase) in notes and accounts receivable - trade	-29,105	-122,343
Decrease (increase) in inventories	-110,300	-252,391
Decrease (increase) in accounts receivable - other	14,505	8,614
Increase (decrease) in notes and accounts payable - trade	2,380	27,748
Increase (decrease) in accounts payable - other	97,650	419,931
Other, net	-97,993	132,939
Subtotal	773,392	716,058
Interest and dividend income received	480	5,457
Proceeds from insurance income	4,124	-
Proceeds from subsidy income	10,000	-
Proceeds from subsidy income	3,522	-
Interest expenses paid	-10,035	-28,082
Commission fee paid	-	-53,608
Income taxes paid	-134,171	-84,383
Net cash provided by (used in) operating activities	647,312	555,441

### (3) Consolidated Statements of Cash Flows

		(Thousands of Yen)
	FY2016 (April 1, 2015 to March 31, 2016)	FY2017 (April 1, 2016 to March 31, 2017)
Cash flows from investing activities		
Payments into time deposits	-65,998	-
Proceeds from sales of investment securities	-	196,949
Purchase of property, plant and equipment	-375,609	-550,344
Proceeds from sales of property, plant and equipment	9,917	4,707
Payments for retirement of property, plant and equipment	-16,722	-6,231
Purchase of intangible assets	-25,652	-74,331
Proceeds from sales of intangible assets	-	174,905
Collection of long-term loans receivable	-	182,056
Payments for transfer of business	-116,716	-
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	-552,976
Other, net	-11,059	-49,118
Net cash provided by (used in) investing activities	-601,841	-674,383
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	-30,000	441,995
Proceeds from long-term loans payable	300,000	2,000,000
Repayments of long-term loans payable	-111,338	-1,385,557
Proceeds from issuance of bonds	195,482	-
Redemption of bonds	-83,200	-163,200
Purchase of treasury shares	-49	-3,031
Proceeds from disposal of treasury shares	22,104	2,848
Repayments of lease obligations	-29,478	-47,179
Cash dividends paid	-78,328	-105,199
Other, net	-	-4,870
Net cash provided by (used in) financing activities	185,191	735,806
Effect of exchange rate change on cash and cash equivalents	-55,529	-146
Net increase (decrease) in cash and cash equivalents	175,132	616,717
Cash and cash equivalents at beginning of period	1,991,166	2,166,299
Cash and cash equivalents at end of period	2,166,299	2,783,016