

		Fiscal 2010	Fiscal 2011	Fiscal 2012
Consolidated income				
Net sales		466,699	452,898	436,485
Operating income (loss)		27,933	18,709	15,069
Ordinary income (loss)		23,146	16,595	14,606
Income (loss) before income taxes		18,676	10,098	9,743
Net income (loss) attributable to owners of the parent		19,157	11,838	4,656
Operating margin		6.0%	4.1%	3.5%
Net income (loss) to net sales ratio		4.1%	2.6%	1.1%
Consolidated financial condition				
Total assets ¹		524,527	535,148	536,200
Net assets		105,174	124,440	138,166
Shareholders' equity		103,921	122,985	136,387
Interest-bearing debt		242,035	225,324	215,318
Current assets ¹		205,286	204,890	191,653
Non-current assets ¹		319,240	330,257	344,547
Current liabilities ¹		237,988	263,221	251,858
Non-current liabilities ¹		181,364	147,487	146,175
Shareholders' equity ratio ¹		19.8%	23.0%	25.4%
Return on equity	Former Furukawa-Sky until FY 2012	18.6%	5.1%	4.3%
	Former Sumitomo Light Metal	23.1%	19.1%	2.7%
Consolidated cash flows				
Cash flows from operating activities		35,923	36,239	29,032
Cash flows from investing activities		(13,595)	(38,120)	(21,520)
Free cash flow		22,328	(1,881)	7,512
Cash flows from financing activities		(5,441)	(8,034)	(12,887)
Per share information				
Net income (loss) per share (yen) ²	Former Furukawa-Sky until FY 2012	52.70	15.59	13.85
	Former Sumitomo Light Metal	16.64	14.95	2.59
Annual dividend per share (yen) ²	Former Furukawa-Sky until FY 2012	6.0	6.0	6.0
	Former Sumitomo Light Metal	0.0	1.5	3.5
Main consolidated expenses				
Capital investment		9,092	13,351	25,554
Depreciation and amortization		23,445	22,821	20,121
Research and development expenses		4,886	5,111	5,031

Notes: All yen figures in the graphs have been rounded. Accounting principles for notes maturing at the end of the fiscal year changed in fiscal 2013. However, the figures prior to retrospective treatment are shown for the main management indicators and other records prior to fiscal 2012. The figures before fiscal 2012 are a simple total of the two former companies, Furukawa-Sky Aluminum Corporation and Sumitomo Light Metal Industries Co., Ltd. In fiscal 2013, the figures reported for the first-half year are the amounts for both former companies, and those for the last half-year are the business results for UACJ.

(Millions of yen)

Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
364,107	572,541	575,735	568,316	624,270	661,330	615,150
17,772	23,679	15,212	25,869	29,205	14,868	10,126
16,798	21,337	12,010	19,819	19,408	6,201	3,788
15,523	18,856	13,976	18,281	19,692	10,041	(1,622)
9,946	8,649	5,105	8,715	12,253	1,116	2,038
4.9%	4.1%	2.6%	4.6%	4.7%	2.2%	1.6%
2.7%	1.5%	0.9%	1.5%	2.0%	0.2%	0.3%
608,490	677,952	662,543	725,443	774,071	807,224	752,785
168,140	187,136	178,582	198,360	208,396	206,204	202,716
155,515	172,305	165,030	184,090	194,235	190,998	188,363
256,309	295,953	289,006	323,825	342,336	375,080	344,011
236,638	269,889	263,409	305,563	322,461	348,291	288,919
371,852	408,063	399,135	419,880	451,610	458,933	463,866
236,387	287,884	249,784	237,650	273,148	273,269	264,434
203,963	202,932	234,177	289,433	292,527	327,751	285,635
25.6%	25.4%	24.9%	25.4%	25.1%	23.7%	25.0
8.6%	5.3%	3.0%	5.0%	6.5%	0.6%	1.1%
—	—	—	—	—	—	—
14,233	26,777	22,511	28,393	17,381	10,651	58,115
(25,452)	(49,668)	(34,759)	(55,456)	(51,853)	(34,947)	(30,021)
(11,219)	(22,891)	(12,248)	(27,063)	(34,472)	(24,296)	28,094
14,067	25,694	11,176	49,478	13,543	28,971	(25,852)
30.36	20.21	11.94	201.63	253.96	23.14	42.26
—	—	—	—	—	—	—
9.0	6.0	6.0	60.0	60.0	60.0	20.0
—	—	—	—	—	—	—
27,104	46,539	30,489	31,556	51,195	52,544	48,947
17,165	22,636	22,893	23,508	25,686	27,215	27,748
3,688	4,619	4,630	4,412	4,409	4,529	4,305

Notes:

- The Company has applied Statement No. 28 Partial Amendments to Accounting Standard for Tax Effect Accounting, issued by the Accounting Standards Board of Japan on February 16, 2018. Accordingly, amounts for total assets, current assets, non-current assets, current liabilities, non-current liabilities, and shareholders' equity ratio were calculated to reflect this application retroactively from fiscal 2017.
- In fiscal 2017, UACJ conducted a 1-for-10 reverse stock split of common stock on October 1, 2017. Figures for net income (loss) per share in fiscal 2016 and 2017 were calculated as if the reverse stock split had occurred at the beginning of fiscal 2016. Likewise, figures for annual dividend per share from fiscal 2016 and 2017 were calculated on a post-stock-split basis.

Business Performance in Fiscal 2019

Operating Environment

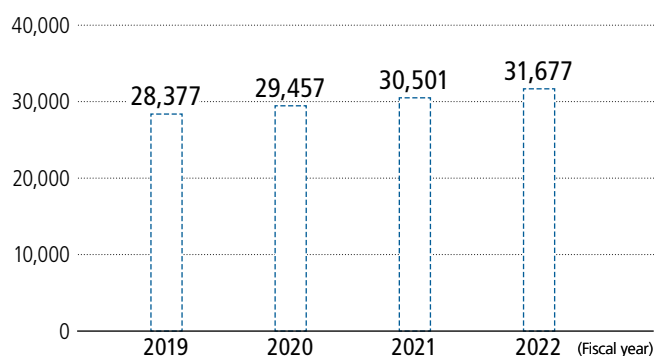
During fiscal 2019, the Company's fiscal year ended March 31, 2020, the outlook for the global economy had been uncertain as a result of geopolitical tensions and the slowdown of China's economy due to its trade war with the United States. Consequently, a deceleration of global economic growth appeared increasingly likely. More recently, due to the worldwide COVID-19 pandemic, various countries placed restrictions on economic activities and entered serious economic recessions. In Japan, the economy had been growing moderately, but a sales tax hike in October 2019 dampened consumer spending, and the spread of COVID-19 increasingly raised concerns of an economic recession.

Against this backdrop, Japan's flat-rolled aluminum industry experienced a decline in overall domestic demand for aluminum products compared with the previous fiscal year. Specifically, although demand for automotive body sheet was steady, demand for flat-rolled aluminum for beverage can stock decreased slightly year on year, and demand for aluminum thick plates for liquid crystal and semiconductor manufacturing equipment was sluggish. Demand

for aluminum extruded products also decreased across the board, including extruded parts for passenger vehicles, automotive heat exchangers, industrial machinery, and semiconductor manufacturing equipment.

Forecast of global demand for aluminum sheet

(Thousands of tons)



Source: Aluminum Rolled Products Market Outlook published in May 2018 by CRU International Limited

Consolidated earnings results and forecast

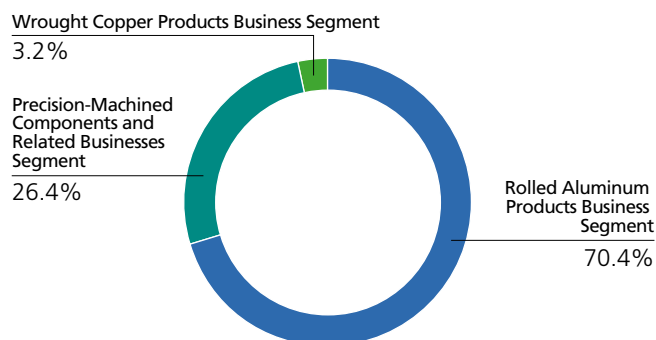
(Billions of yen)

	Fiscal 2017	Fiscal 2018	Fiscal 2019	Initial fiscal 2019 forecast in May 2019*	Fiscal 2020 targets of the mid-term management plan
Net sales	624.3	661.3	615.1	710.0	—
Operating income	29.2	14.9	10.1	17.5	37.0
Ordinary income before the impact of inventory valuation	11.3	3.0	9.8	11.5	—
Ordinary income	19.4	6.2	3.8	11.0	30.0
Net income attributable to owners of the parent	12.3	1.1	2.0	3.5	—
Adjusted EBITDA**	50.7	42.6	47.3	52.0	77.0

* The earnings forecast was revised in August 2019 and February 2020.

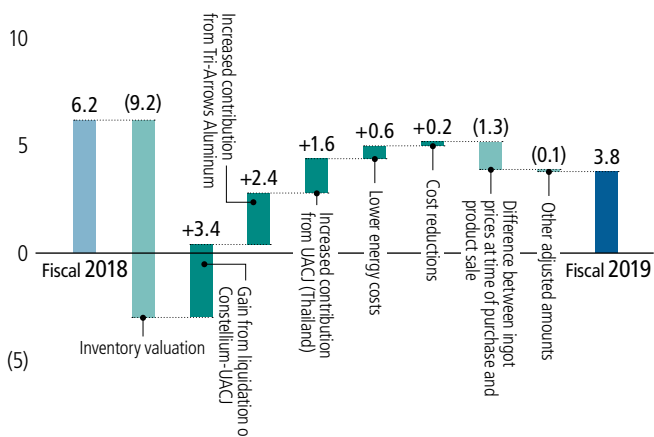
** Adjusted EBITDA = operating income + depreciation and amortization + amortization of goodwill – inventory valuation

Net sales by business segment



Factors underlying the year-on-year change in ordinary income

(Billions of yen)



Consolidated Earnings Results

In fiscal 2019, the Company posted net sales of ¥615.1 billion, down 7.0% year on year. This decrease was mainly due to declining sales volume in Japan and a fall in the average market price of aluminum ingots. Despite this result, however, UACJ (Thailand) Co., Ltd., and Tri-Arrows Aluminum Inc. recorded increased sales volume, indicating the success of the Company's focus on the growing automotive industry and growth markets in Asia and North America, a major policy of its mid-term management plan.

On the profit front, operating income decreased by 31.9% to ¥10.1 billion, and ordinary income fell by 38.9% to ¥3.8 billion. The main factor underlying these results was a substantial loss associated with the valuation of inventory assets, which reflected the lower average market price of aluminum ingots. Net income attributable to owners of the parent increased by 82.6% to ¥2.0 billion, mainly as a result of posting deferred income taxes. Despite this increase, however, the Company posted a structural reform loss

associated with the sell-off of its Wrought Copper Products business, which was conducted as part of its structural reforms announced in September 2019. It also posted a loss on the valuation of shares of subsidiaries and associates, specifically in connection with shares of Boyne Smelters Ltd. held by the Company's wholly owned subsidiary UACJ Australia Pty., Ltd., as well loans receivable from Boyne Smelters.

The earnings results, above, were substantially below amounts in the Company's initial forecast announced in May 2019 as well as the targets set in its mid-term management plan. Consequently, management deemed that its response to sudden changes in the operating environment was too slow and the Company's earnings structure was unsuited to those changes. Therefore, recognizing that the Company's earnings power was declining and its financial structure was weakening, management initiated the aforementioned structural reforms, which are organized under the three objectives of increasing earnings capacity, reforming the financial structure, and increasing the speed and efficiency of management decision-making (see pages 21 to 26).

About Adjusted EBITDA

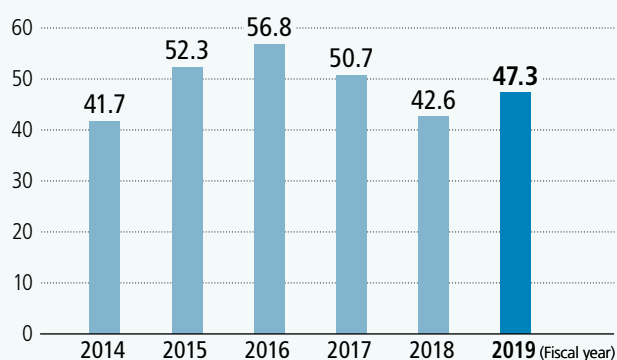
The UACJ Group's main raw materials are aluminum ingots sold on the global market at prices that can fluctuate significantly. Nevertheless, the Group has taken steps to eliminate any serious impact from such fluctuations on its financial results by passing these prices onto customers. Specifically, agreements are concluded with customers specifying that product selling prices are set by combining the aluminum ingot price and the costs associated with machining and processing the ingots into products. If, however,

market prices of aluminum suddenly change over a short period of time, the Company could post a gain or loss depending on the valuation of its inventory assets. For that reason, the Company adjusts its earnings before interest, taxes, depreciation and amortization (EBITDA) by excluding inventory valuation*, thereby eliminating the effect of changes in the aluminum market price. Therefore, adjusted EBITDA can be regarded as the most accurate indicator of the Company's profitability.

* Inventory valuation represents the gain or loss generated by the difference between the market price of aluminum at the times when the Group sold an aluminum product and when it purchased aluminum ingots as raw materials for the product, or between the market price of aluminum when it purchased aluminum ingots and the average price of inventories in stock. Accordingly, if aluminum ingots were purchased at a high price and the market price subsequently decreased, the Company would post a loss on inventory evaluation. Conversely, if aluminum ingots were purchased at a low price and the market price subsequently increased, the Company would post a gain on inventory evaluation.

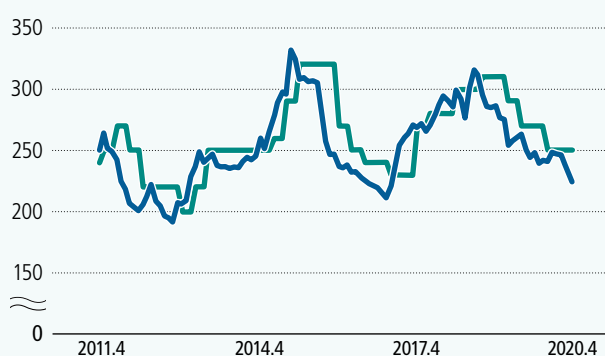
Adjusted EBITDA

(Billions of yen)



Market prices of primary aluminum ingots (Yen per kilogram)

● Average market price in Japan ● Average global market price



International operations

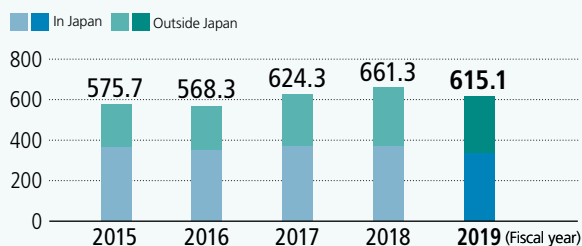
Reflecting the Company's past efforts to expand globally, operations outside Japan now account for a considerable amount of the Group's business. For example, sales volume of aluminum sheet for markets outside Japan has exceeded the amount for the Japanese market since fiscal 2018, and net sales outside Japan as a percentage of total net sales increased from 36.7% in fiscal 2014 to 45.5% in fiscal 2019. In response to this shift, the Group plans to devise measures for reducing the impact of foreign currency exchange risks going forward.

Key variables of ordinary income sensitivity variable

Average during FY2019		Ordinary income sensitivity
Aluminum price on Nikkei-JPX Commodity Index	¥245 per kilogram	Increases by ¥2.0 – ¥3.0 billion per year with each rise of ¥10 per kilogram
Aluminum price on London Metal Exchange	US \$1,749 per tonne	Increases by ¥2.2 – ¥3.5 billion per year with each rise of \$100 per tonne
Yen to US dollar exchange rate	¥109	Almost no impact, however: - a strong yen is favorable for procuring fuel and additional metals - a weak yen is favorable for product selling prices (set by the aluminum price and machining costs) and foreign exchange gains
Yen to Thai baht exchange rate	¥3.5	
Dubai crude oil price	US \$60 per barrel	Decreases by ¥1.0 – ¥1.5 billion per year with each rise of \$10 per barrel

Net sales in and outside Japan

(Billions of yen)

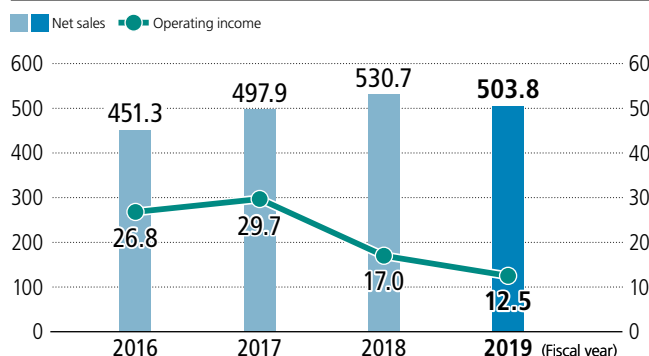


Rolled Aluminum Products Business Segment

In fiscal 2019, this business segment recorded total sales volume of 1,153 thousand tons, up 59 thousand tons year on year and surpassing the million-ton mark for the fourth consecutive fiscal year. Sales volume of products for markets outside Japan increased year on year and exceeded sales volume for the Japanese market, which declined compared with the previous fiscal year. In Japan, although sales of automotive body sheet were firm, the business recorded a slight drop in sales of mainstay flat-rolled aluminum for can stock and a decrease in sales of thick plates for liquid crystal and semiconductor manufacturing equipment. Outside Japan, UACJ (Thailand) and Tri-Arrows Aluminum boosted sales volume of flat-rolled aluminum for can stock. Direct sales of aluminum slabs by Tri-Arrows Aluminum also contributed substantially to sales volume.

Net sales and operating income

(Billions of yen)



Note: Figures in the graph exclude intersegment sales and transfers.

Sales volume of flat-rolled aluminum by product usage and geographical region

Product usage	Fiscal 2019 sales volume		Main customers	Main end-product manufacturers
	(Thousands of tons)	(Percent of total)		
Can stock	702	60.9%	Can manufacturers	Beverage and food product manufacturers
Foil stock	44	3.8%	Foil manufacturers	Pharmaceutical and food product manufacturers, Battery manufacturers
Casings and substrates*	17	1.5%	Electronic parts manufacturers	IT equipment manufacturers
Automotive parts	152	13.2%	Automobile and auto parts manufacturers	Automobile manufacturers
Thick plate	39	3.4%	Metal trading companies Shipbuilders	Liquid crystal and semiconductor production equipment manufacturers Shipbuilders
General-purpose materials	199	17.3%	Building material manufacturers and metal trading companies	Large construction general contractors
Total	1,153	100%		
Sold to the Japanese market	483	41.9%		
Sold to markets outside Japan	669	58.0%		

* PC and smart device casings; electronic equipment substrates

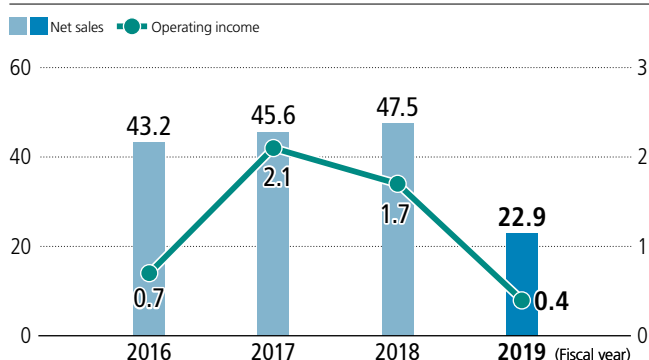
Despite the overall increase in sales volume, however, net sales decreased by 5.1% year on year to ¥503.8 billion, largely due to a decline in the market price of aluminum ingots. Operating income fell by 26.3% to ¥12.5 billion, mainly as a result of unfavorable Inventory valuation.

Wrought Copper Products Business Segment

The Company sold off the Wrought Copper Products business in September 2019 as part of its structural reforms. Accordingly, this segment contributed to results for only about six months of fiscal 2019. Net sales totaled ¥22.9 billion, a decrease of 51.7%, and operating income came in at ¥0.4 billion, down 78.5% compared with the previous fiscal year.

Net sales and operating income

(Billions of yen)



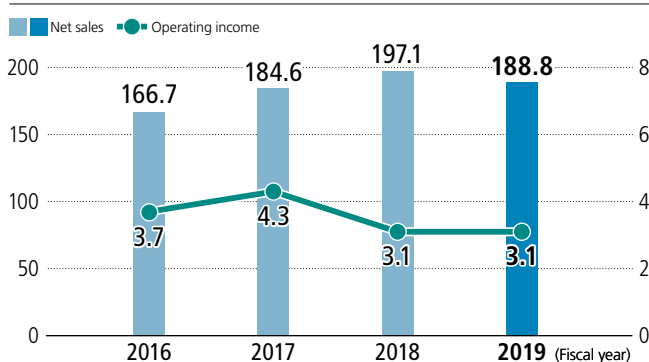
Note: Figures in the graph exclude intersegment sales and transfers.

Precision-Machined Components and Related Businesses Segment

In fiscal 2019, net sales in this segment amounted to ¥188.8 billion, a decrease of 4.2% compared with the previous fiscal year. This was mainly due to declining sales in the Precision-Machined Components business in Japan and the United States, which more than offset steady sales of battery materials and air conditioning-related products. Operating income increased by 1.1% year on year to ¥3.1 billion, largely as a result of efforts to cut costs.

Net sales and operating income

(Billions of yen)



Note: Figures in the graph exclude intersegment sales and transfers.

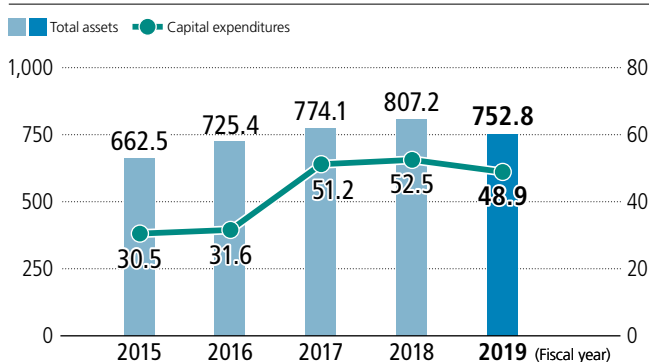
Financial Position

Assets

As of March 31, 2020, total assets stood at ¥752.8 billion, a decrease of 6.7% compared with a year earlier, primarily as a result of the sell-off of the Wrought Copper Products business. During fiscal 2019, capital expenditures were mainly allocated to UACJ (Thailand), which is in its third phase of capital investment, Tri-Arrows Aluminum's Logan Mill, and automotive body sheet production facilities operated by Fukui Works. Capital investment had been mainly earmarked for UACJ (Thailand) and Tri-Arrows Aluminum in the past and strategic investment in both subsidiaries is mostly complete. The Company's financial structure is expected to improve as capital expenditures are substantially reduced going forward.

Total assets and capital expenditures

(Billions of yen)

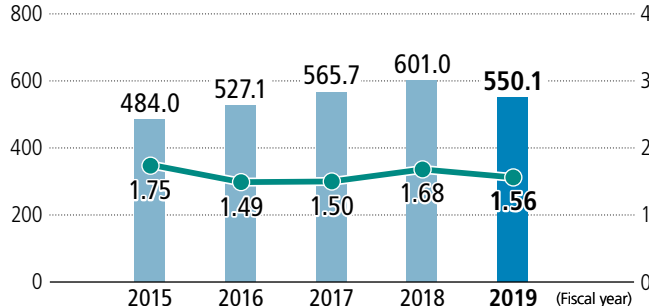


Liabilities and Net Assets

As of March 31, 2020, total liabilities amounted to ¥550.1 billion, a decrease of 8.5% compared with a year earlier. This decrease was made possible by improved cash flows resulting from the sell-off of the Wrought Copper Products business and other factors. Net assets came to ¥202.7 billion, a decrease of 1.7% compared with a year earlier. This was largely attributable to valuation difference on available-for-sale securities, which reflected stock sell-offs and decreased share prices.

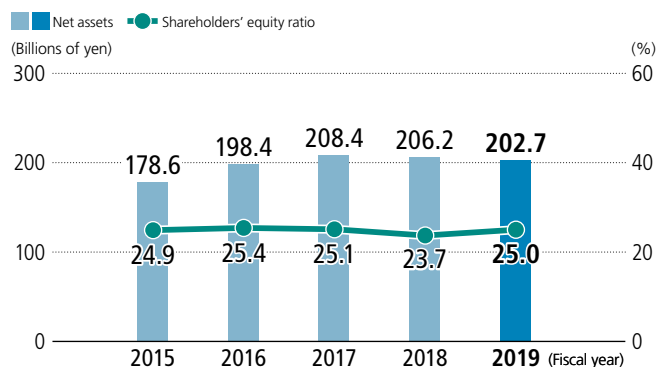
Total liabilities and debt-to-equity ratio

(Billions of yen) (Times)



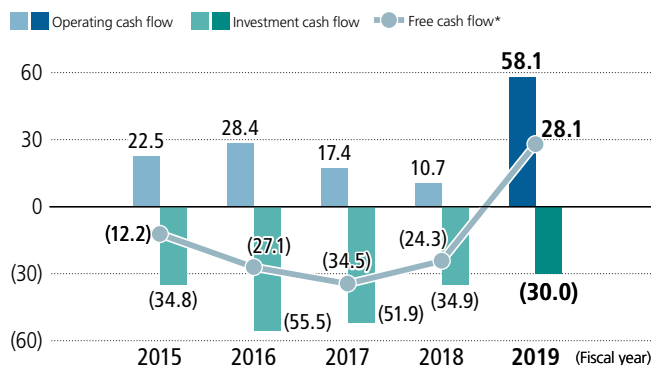
Note: Figures from fiscal 2016 include subordinated loans

Net assets and shareholders' equity ratio



Cash flows

(Billions of yen)



* Free cash flow = operating cash flow + investment cash flow

Cash Flows

In fiscal 2019, despite a loss before income taxes, net cash provided by operating activities jumped by 445.6% year on year to ¥58.1 billion, mainly due to a decrease in notes and accounts receivable-trade as well as a decrease in inventories. Net cash used in investing activities amounted to ¥30.0 billion, down 14.1% year on year. The main outflow was the purchase of property, plant and equipment, comprised mainly of capital investment in UACJ (Thailand) and Tri-Arrows Aluminum. Main inflows were proceeds from the sale of the Wrought Copper Products business along with proceeds from sales of investment securities. To fund its cash requirements, the Company allocated its own funds along with loans and other sources. When raising cash, it distinguished between long-term funds, such as capital investment, and working capital (short-term funds), and managed financing risks by establishing committed credit lines and by deploying financing methods suited to how the funds were spent.

Free cash flow amounted to ¥28.1 billion, a substantial improvement compared with the previous fiscal year. Even excluding a one-time cash inflow of ¥21.3 billion from the sell-off of the Wrought Copper Products business, free cash flow was positive. In fact, fiscal 2019 marked the first time for the Company to record positive free cash flow since its establishment in 2013, as prior capital investment in growth markets and industries had resulted in negative amounts in previous years.

Research and Development Expenses

The UACJ Group conducts research and development on new types of products and new applications with a view to broaden its customer base, and on manufacturing processes that could lead to higher productivity. In fiscal 2019, the Group carried out the following research and development activities.

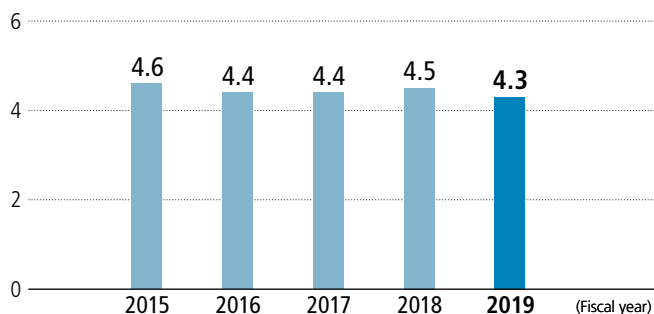
In the Rolled Aluminum Products Business segment, aluminum materials were developed for bottle-shaped beverage cans. The Company became the first aluminum product manufacturer to install manufacturing equipment for mass-producing these cans, and is aiming to tap demand for these products as beverage producers shift away from plastic containers amid growing awareness of ocean pollution and other environmental issues. The Company has also been developing aluminum recycling processes and applications for high-strength auto parts through its participation in a national project overseen by Japan's Ministry of Economy, Trade and Industry for researching and developing innovating new structural materials. In addition, R&D activities were carried out to boost the Group's productivity, and full production capacity was achieved by Rayong Works, operated by UACJ (Thailand). The Company's Research and Development Division also helped start up a newly installed rolled aluminum production line for automotive body sheet at Fukui Works.

In the Precision-Machined Components and Related Businesses segment, the Automotive Parts Business Division, which was newly established in fiscal 2019, collaborated in the development of many new products by assisting with material design, strength simulations, and production process planning. Likewise, the Research and Development Division helped these businesses create products and raise productivity, and assigned a number of its researchers in Japan to work at UACJ Automotive Whitehall Industries, Inc., in the United States.

As a result of these activities, research and development expenses totaled ¥4.3 billion in fiscal 2019, a decrease of 4.9% compared with the previous fiscal year.

R&D expenses

(Billions of yen)



Forecast for Fiscal 2020

Operating environment

The prolonged trade war between the United States and China, which has continued since the summer of 2018, along with the slowdown of China's economy have impacted the economies of Japan and other countries around the world. With the additional impact of the COVID-19 pandemic, the global economy has entered a period of deceleration.

In Japan, economic activities have been seriously curtailed and demand for automobiles and industrial machinery are expected to remain sluggish. In North America, production and sales of can stock remains steady since canned beverages are regarded there as daily necessities. Automobile parts factories in the United States have been affected somewhat by restrictions on their activities amid the pandemic while operating. In Asia, demand for can stock remains stable despite the impact of restaurant and store closures, and market differentiation is expected going forward, particularly with respect to primary materials used for cans.

Forecast of financial results

While the COVID-19 pandemic is still spreading around the world, the Company will devise production plans that comply with the government policies of each country in which its production facilities are located, and continue manufacturing products while closely monitoring circumstances in each of those countries. Due to the growing impact of the pandemic, however, the future supply and demand of aluminum products as well as the market price of aluminum ingots are highly unpredictable. Since this has made it difficult to calculate a sound forecast of financial results at the present time, the Company's management decided to postpone its fiscal 2020 forecast of financial results. The Company plans to promptly announce its forecast when reasonable calculations are deemed possible.

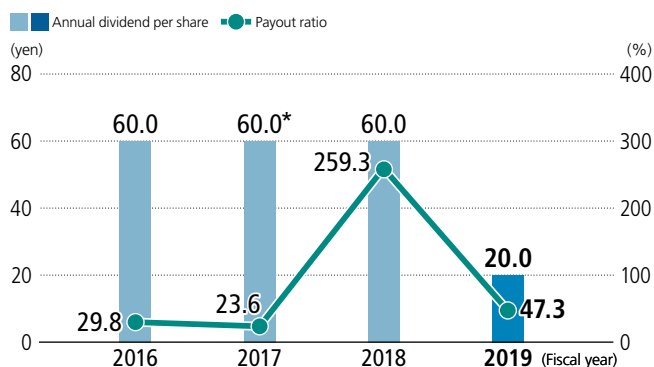
Dividends

The Company's management believes that dividends are the principle means of returning profits to shareholders. Accordingly, while following the Company's basic policy of continuously paying stable dividends, management decides on the dividend amount based on a comprehensive assessment of various factors, including recent financial results, allocation of funds for investment aimed at raising corporate value and R&D needed for bolstering competitiveness, and measures for strengthening the Company's financial structure.

As a means to more flexibly return profits to shareholders based on full fiscal year profits, the Company pays a single annual dividend at the fiscal year-end as a matter of policy. Given the strength of financial results in recent years, management will aim for a total return ratio of 30% over the long term in order to share profits commensurately. During the period of its current mid-term management plan, however, management is targeting a consolidated dividend payout ratio within the range of 20 to 30%, based on the amount of profit in the full fiscal year.

The dividend for fiscal 2019 has been set at ¥20 per share. The dividend for fiscal 2020, however, has yet to be decided due to the difficulty of reasonably predicting the impact of the COVID-19 pandemic on the Company's financial results and market price of aluminum ingots at the present time. The Company plans to immediately announce this dividend amount when it is possible to calculate the forecast of consolidated financial results.

Annual dividend per share and payout ratio



* The Company conducted a 1-for-10 reverse stock split of common shares effective from October 1, 2017. The dividend per share figure for fiscal 2017 was calculated to take the reverse stock split into account.

Unit: millions of yen

	Previous fiscal year (as of March 31, 2019)	Current fiscal year (as of March 31, 2020)
Assets		
Current assets		
Cash and deposits	26,510	28,741
Notes and accounts receivable-trade	145,217	100,913
Merchandise and finished goods	38,243	45,608
Work in process	62,300	50,153
Raw materials and supplies	54,567	40,158
Other	21,528	23,444
Allowance for doubtful accounts	(73)	(98)
Total current assets	348,291	288,919
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	70,977	72,353
Machinery, equipment and vehicles, net	117,002	137,232
Land	114,920	104,957
Construction in progress	50,790	50,657
Other, net	9,039	10,168
Total property, plant and equipment	362,728	375,366
Intangible assets		
Goodwill	43,156	39,148
Other	12,835	10,968
Total intangible assets	55,991	50,116
Investments and other assets		
Investment securities	21,384	13,036
Retirement benefit assets	487	432
Deferred tax assets	1,569	9,340
Other	16,846	15,652
Allowance for doubtful accounts	(72)	(75)
Total investments and other assets	40,214	38,384
Total non-current assets	458,933	463,866
Total assets	807,224	752,785

Unit: millions of yen

	Previous fiscal year (as of March 31, 2019)	Current fiscal year (as of March 31, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	122,535	96,023
Short-term loans payable	61,601	54,298
Current portion of long-term loans payable	45,579	53,494
Lease obligations	2,597	16,000
Other	40,958	44,619
Total current liabilities	273,269	264,434
Non-current liabilities		
Long-term loans payable	267,901	236,218
Retirement benefit obligations	18,192	18,182
Other	41,658	31,234
Total noncurrent liabilities	327,751	285,635
Total liabilities	601,020	550,069
Net assets		
Shareholders' equity		
Capital stock	52,277	52,277
Capital surplus	80,318	80,318
Retained earnings	51,337	50,481
Treasury stock	(307)	(319)
Total shareholders' equity	183,624	182,756
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,670	71
Deferred gains or losses on hedges	(1,203)	(2,042)
Foreign currency translation adjustment	6,950	10,079
Cumulative adjustments related to retirement benefits	(44)	(2,501)
Total accumulated other comprehensive income	7,373	5,607
Non-controlling interests	15,206	14,353
Total net assets	206,204	202,716
Total liabilities and net assets	807,224	752,785

Consolidated Statements of Income

Unit: millions of yen

	Previous fiscal year (From April 1, 2018 to March 31, 2019)	Current fiscal year (From April 1, 2019 to March 31, 2020)
Net sales	661,330	615,150
Cost of sales	588,956	549,026
Gross profit	72,375	66,124
Selling, general and administrative expenses	57,506	55,997
Operating income	14,868	10,126
Non-operating income		
Dividend income	444	800
Gain on valuation of derivative	857	462
Other	2,277	1,518
Total non-operating income	3,578	2,779
Non-operating expenses		
Interest expenses	6,740	6,921
Share of loss of entities accounted for using equity method	3,184	—
Other	2,321	2,197
Total non-operating expenses	12,246	9,118
Ordinary income	6,201	3,788
Extraordinary income		
Gain on sale of investment securities	1,636	2,000
Gain on transfer of equity	2,591	—
Other	1,313	57
Total extraordinary income	5,539	2,057
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	—	5,330
Structural reform loss	—	986
Loss on retirement of non-current assets	826	874
Fire loss	374	—
Other	499	277
Total extraordinary losses	1,700	7,467
Income or loss before income taxes	10,041	(1,622)
Income taxes-current	6,337	409
Income taxes-deferred	1,756	(4,958)
Total income taxes	8,093	(4,550)
Net income	1,948	2,927
Net income attributable to non-controlling interests	832	889
Net income attributable to owners of the parent	1,116	2,038

Consolidated Statements of Comprehensive Income

Unit: millions of yen

	Previous fiscal year (From April 1, 2018 to March 31, 2019)	Current fiscal year (From April 1, 2019 to March 31, 2020)
Net income	1,948	2,927
Other comprehensive income		
Valuation difference on available-for-sale securities	(716)	(1,599)
Deferred gains (losses) on hedges	(586)	(1,318)
Foreign currency translation adjustment	124	3,094
Adjustments to retirement benefits	(446)	(1,185)
Share of other comprehensive income of entities accounted for using equity method	(678)	(1,819)
Total other comprehensive income	(2,302)	(2,827)
Comprehensive income	(354)	101
(Attributable to)		
Owners of the parent	(1,604)	272
Non-controlling interests	1,251	(171)

Unit: millions of yen

	Previous fiscal year (From April 1, 2018 to March 31, 2019)	Current fiscal year (From April 1, 2019 to March 31, 2020)
Net cash provided by (used in) operating activities		
Income or loss before income taxes	10,041	(1,622)
Depreciation and amortization	27,215	27,748
Amortization of goodwill	3,490	3,455
Loss on valuation of shares of subsidiaries and associates	—	5,330
Interest and dividends income	(1,298)	(970)
Interest expenses	6,740	6,921
Decrease (increase) in notes and accounts receivable-trade	(10,275)	42,113
Decrease (increase) in inventories	(9,431)	7,936
Increase (decrease) in notes and accounts payable-trade	1,301	(23,077)
Other	(1,823)	(1,471)
Subtotal	25,960	66,364
Interest and dividends income received	1,625	1,070
Interest expenses paid	(6,681)	(7,046)
Income taxes (paid)	(10,253)	(2,274)
Net cash provided by (used in) operating activities	10,651	58,115
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(46,295)	(52,851)
Purchase of intangible assets	(696)	(516)
Proceeds from sales of investment securities	4,346	4,142
Proceeds from equity transfer	11,093	—
Proceeds from sale of shares of subsidiary due to change in scope of consolidation	—	21,341
Other	(3,395)	(2,136)
Net cash provided by (used in) investing activities	(34,947)	(30,021)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(51)	(7,441)
Proceeds from long-term loans payable	86,478	24,023
Repayment of long-term loans payable	(52,269)	(47,459)
Cash dividends paid	(1,447)	(2,894)
Dividends paid to non-controlling interests	(205)	(682)
Sale-and-leaseback revenues	1,824	3,521
Proceeds from sale and installment back	122	12,808
Payments of sale and installment back payable	(487)	(5,415)
Outlays for the repayment of lease obligations	(2,507)	(2,361)
Other	(2,487)	49
Net cash provided by (used in) financing activities	28,971	(25,852)
Effect of exchange rate change on cash and cash equivalents	(278)	349
Net increase (decrease) in cash and cash equivalents	4,395	2,591
Cash and cash equivalents at beginning of period	20,794	25,190
Cash and cash equivalents at end of period	25,190	27,781