

# Financial Performance (Consolidated)

## Operating Results

### Net Sales

Net sales totaled ¥220,153 million (US\$1,984 million), up ¥8,452 million, or 4.0%, year on year. This was due to higher sales in both the Industrial Machinery Products Business and the Steel and Energy Products Business.

### Operating Income

Operating income increased ¥3,711 million, or 18.0%, to ¥24,290 million (US\$219 million), and the operating income margin increased 1.3 percentage points to 11.0%.

### Profit Attributable to Owners of Parent

Profit attributable to owners of parent was ¥19,966 million (US\$180 million), up ¥9,253 million, or 86.4%, over the previous fiscal year. This equates to profit per share of ¥271.69 for the year.

### Sales by Region

The Japanese market accounted for sales of ¥103,898 million (US\$936 million) and the Chinese market for ¥54,318 million (US\$489 million), with all other markets accounting for ¥61,936 million (US\$558 million).

### Cash Flow

At year-end, cash and cash equivalents stood at ¥73,820 million (US\$665 million), a decrease of ¥4,059 million from a year earlier.

### Cash Flow from Operating Activities

Net cash provided by operating activities amounted to ¥1,092 million (US\$10 million) compared with ¥26,712 million in the previous fiscal year. Despite posting profit before income taxes, the primary

contributing factors for the decrease included provision for operating funds and an increase in provision for loss on wind power generator business.

### Cash Flow from Investing Activities

Net cash used in investing activities totaled ¥1,334 million (US\$12 million) compared with ¥5,077 million in the previous fiscal year. This was due mainly to real estate held for sale offsetting an increase in tangible and intangible assets.

### Cash Flow from Financing Activities

Net cash used in financing activities was ¥3,758 million (US\$34 million) compared with ¥2,457 million in the previous fiscal year. This was attributable primarily to cash dividends paid and repayments of finance lease obligations.

## Financial Position

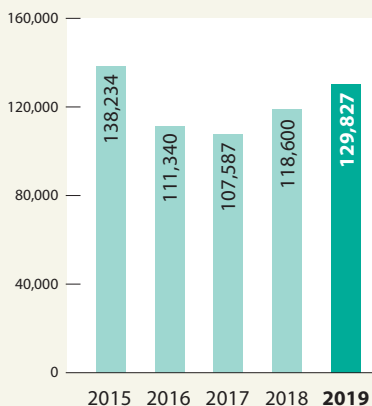
As of March 31, 2019, total assets amounted to ¥305,471 million (US\$2,752 million), up ¥8,105 million from a year earlier. This was due primarily to an increase in such current assets as notes and accounts receivable and work in process.

Total liabilities stood at ¥175,643 million (US\$1,583 million), down ¥3,121 million from a year earlier. This was due mainly to a decrease in current liabilities, including advances received for products and provision for loss on wind power generator business.

Net assets amounted to ¥129,827 million (US\$1,170 million), up ¥11,227 million, due mainly to an increase in retained earnings.

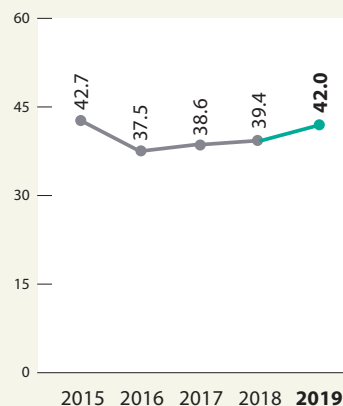
### Total Net Assets

Millions of yen



### Equity Ratio

%



### ROE

%

