

# Quarterly Consolidated Financial Statements

Nine months ended December 31, 2018

For the 3Q of the fiscal year ending March 31, 2019



## Quarterly Consolidated financial statements

### i) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	13,610	12,690
Notes and accounts receivable - trade	20,136	20,790
Merchandise and finished goods	6,997	6,743
Work in process	435	319
Raw materials and supplies	2,859	2,955
Other	1,148	1,192
Allowance for doubtful accounts	△87	△53
Total current assets	45,101	44,638
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,497	8,117
Machinery, equipment and vehicles, net	12,254	12,028
Tools, furniture and fixtures, net	766	1,005
Land	10,333	10,332
Construction in progress	857	1,469
Total property, plant and equipment	32,708	32,954
Intangible assets		
Other	1,712	1,555
Total intangible assets	1,712	1,555
Investments and other assets		
Investment securities	4,744	4,239
Shares of subsidiaries and associates	20,566	21,449
Net defined benefit asset	949	878
Other	711	697
Allowance for doubtful accounts	△25	△25
Total investments and other assets	26,945	27,239
Total non-current assets	61,366	61,749
Total assets	106,468	106,388

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,220	8,419
Short-term loans payable	6,858	6,825
Current portion of bonds	100	100
Income taxes payable	411	365
Provision for bonuses	600	236
Provision for directors' bonuses	15	13
Other	5,452	4,961
Total current liabilities	22,658	20,923
Non-current liabilities		
Bonds payable	1,600	1,500
Long-term loans payable	18,134	21,202
Lease obligations	1,298	1,593
Provision for environmental measures	33	23
Net defined benefit liability	3,158	3,170
Deferred tax liabilities	1,258	1,208
Other	695	697
Total non-current liabilities	26,179	29,396
Total liabilities	48,838	50,319
<b>Net assets</b>		
Shareholders' equity		
Capital stock	14,074	14,074
Capital surplus	16,697	16,697
Retained earnings	28,134	28,072
Treasury shares	△1,234	△1,236
Total shareholders' equity	57,672	57,607
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,870	1,520
Deferred gains or losses on hedges	13	△227
Foreign currency translation adjustment	△1,214	△2,570
Remeasurements of defined benefit plans	△775	△326
Total accumulated other comprehensive income	△105	△1,603
Non-controlling interests	63	64
Total net assets	57,629	56,068
Total liabilities and net assets	106,468	106,388

ii) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	53,388	54,014
Cost of sales	42,441	44,215
Gross profit	10,947	9,798
Selling, general and administrative expenses	9,060	8,949
Operating profit	1,886	848
Non-operating income		
Interest income	5	8
Dividend income	66	71
Share of profit of entities accounted for using equity method	974	847
Other	365	362
Total non-operating income	1,412	1,289
Non-operating expenses		
Interest expenses	359	315
Foreign exchange losses	–	194
Taxes and dues	90	111
Other	224	203
Total non-operating expenses	673	824
Ordinary profit	2,625	1,314
Extraordinary income		
Gain on sales of non-current assets	8	5
Gain on sales of investment securities	359	6
Total extraordinary income	367	11
Extraordinary losses		
Loss on sales of non-current assets	1	53
Loss on abandonment of non-current assets	20	24
Amortization of goodwill	1,465	–
Compensation payment	278	–
Total extraordinary losses	1,766	78
Profit before income taxes	1,226	1,247
Income taxes - current	689	516
Income taxes - deferred	88	263
Total income taxes	777	779
Profit	448	468
Profit attributable to non-controlling interests	14	5
Profit attributable to owners of parent	433	462

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	448	468
Other comprehensive income		
Valuation difference on available-for-sale securities	260	△350
Deferred gains or losses on hedges	153	△240
Foreign currency translation adjustment	△52	△142
Remeasurements of defined benefit plans, net of tax	9	5
Share of other comprehensive income of entities accounted for using equity method	△844	△770
Total other comprehensive income	△472	△1,498
Comprehensive income	△24	△1,030
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△32	△1,035
Comprehensive income attributable to non-controlling interests	8	5

## Segment information

### I Nine months ended December 31, 2017

#### 1. Disclosure of net sales and profit/loss ( $\Delta$ ) for each reportable segment

(Millions of yen)

	Reportable segments					Adjustment (Note 1)	Amount recorded on the consolidated financial statements (Note 2)
	Glass bottles business	Plastic containers business	Logistics business	New glass business	Total		
Net Sales							
Net sales to external customers	37,676	4,600	7,749	3,361	53,388	–	53,388
Intersegment sales and transfers	2	345	8,031	4	8,384	$\Delta$ 8,384	–
Total	37,679	4,946	15,780	3,366	61,772	$\Delta$ 8,384	53,388
Segment profit	919	453	38	330	1,742	144	1,886

[Notes] (1) Segment profit adjustment of 144 million yen includes intersegment eliminations of 74 million yen and other adjustments of 69 million yen. Other adjustments include corporate expenses not attributable to reportable segments and adjustments of non-operating income/expenses recorded in reportable segments.

(2) Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

#### 2. Information on impairment loss of non-current assets and goodwill for each reportable segments

There is no applicable item.

### II Nine months ended December 31, 2018

#### 1. Disclosure of net sales and profit/loss ( $\Delta$ ) for each reportable segment

(Millions of yen)

	Reportable segments					Adjustment (Note 1)	Amount recorded on the consolidated financial statements (Note 2)
	Glass bottles business	Plastic containers business	Logistics business	New glass business	Total		
Net Sales							
Net sales to external customers	36,566	5,355	8,632	3,459	54,014	–	54,014
Intersegment sales and transfers	0	373	7,947	5	8,327	$\Delta$ 8,327	–
Total	36,567	5,729	16,580	3,464	62,341	$\Delta$ 8,327	54,014
Segment profit/loss ( $\Delta$ )	$\Delta$ 223	450	9	306	543	305	848

[Notes] (1) Segment profit/loss ( $\Delta$ ) adjustment of 305 million yen includes intersegment eliminations of 88 million yen and other adjustments of 217 million yen. Other adjustments include corporate expenses not attributable to reportable segments and adjustments of non-operating income/expenses recorded in reportable segments.

(2) Segment profit/loss ( $\Delta$ ) is adjusted with operating profit in the quarterly consolidated statements of income.

#### 2. Information on impairment loss of non-current assets and goodwill for each reportable segments

There is no applicable item.