

Quarterly Consolidated Financial Statements

For the third quarter (Q3) of the fiscal year ending March 31, 2020

(Cumulative results for April 1, 2019 – December 31, 2019)



Quarterly Consolidated financial statements

i) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Assets		
Current assets		
Cash and deposits	13,114	13,165
Notes and accounts receivable - trade	19,568	19,350
Merchandise and finished goods	7,174	7,398
Work in process	224	331
Raw materials and supplies	2,838	2,902
Other	740	1,059
Allowance for doubtful accounts	△51	△46
Total current assets	43,609	44,160
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,022	7,561
Machinery, equipment and vehicles, net	13,894	12,262
Tools, furniture and fixtures, net	1,060	1,002
Land	10,332	10,332
Construction in progress	291	1,773
Total property, plant and equipment	33,600	32,933
Intangible assets		
Other	1,512	1,415
Total intangible assets	1,512	1,415
Investments and other assets		
Investment securities	3,410	3,015
Shares of subsidiaries and associates	21,457	23,357
Retirement benefit asset	860	852
Other	581	1,439
Allowance for doubtful accounts	△25	△26
Total investments and other assets	26,283	28,637
Total non-current assets	61,396	62,986
Total assets	105,006	107,147

(Millions of yen)

	As of March 31, 2019	As of December 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,210	7,330
Short-term borrowings	6,939	11,714
Current portion of bonds	100	500
Income taxes payable	360	188
Provision for bonuses	499	225
Provision for bonuses for directors (and other officers)	17	14
Other	5,727	5,110
Total current liabilities	21,855	25,084
Non-current liabilities		
Bonds payable	1,500	1,000
Long-term borrowings	20,099	21,569
Lease obligations	1,425	1,049
Provision for environmental measures	21	10
Retirement benefit liability	3,133	3,142
Deferred tax liabilities	1,034	865
Other	687	609
Total non-current liabilities	27,902	28,246
Total liabilities	49,758	53,331
Net assets		
Shareholders' equity		
Share capital	14,074	14,074
Capital surplus	16,697	16,696
Retained earnings	27,775	26,742
Treasury shares	△1,236	△1,237
Total shareholders' equity	57,311	56,276
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,258	995
Deferred gains or losses on hedges	△133	△22
Foreign currency translation adjustment	△2,715	△3,276
Remeasurements of defined benefit plans	△538	△467
Total accumulated other comprehensive income	△2,128	△2,771
Non-controlling interests	65	310
Total net assets	55,248	53,815
Total liabilities and net assets	105,006	107,147

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

(Millions of yen)

	Q3 of previous fiscal year Cumulative results for April 1, 2018 – December 31, 2018	Q3 of current fiscal year Cumulative results for April 1, 2019 – December 31, 2019
Net sales	54,014	50,668
Cost of sales	44,215	42,016
Gross profit	9,798	8,651
Selling, general and administrative expenses	8,949	8,485
Operating profit	848	166
Non-operating income		
Interest income	8	15
Dividend income	71	62
Share of profit of entities accounted for using equity method	847	399
Other	362	323
Total non-operating income	1,289	801
Non-operating expenses		
Interest expenses	315	316
Foreign exchange losses	194	211
Taxes and dues	111	86
Other	203	268
Total non-operating expenses	824	882
Ordinary profit	1,314	85
Extraordinary income		
Gain on sales of non-current assets	5	1
Gain on sales of investment securities	6	–
Total extraordinary income	11	1
Extraordinary losses		
Loss on sales of non-current assets	53	–
Loss on abandonment of non-current assets	24	5
Loss on sales of investment securities	–	1
Loss on sales of shares of subsidiaries and associates	–	110
Compensation payment	–	46
Total extraordinary losses	78	163
Profit (loss) before income taxes	1,247	△76
Income taxes - current	516	360
Income taxes - deferred	263	△129
Total income taxes	779	231
Profit (loss)	468	△308
Profit (loss) attributable to non-controlling interests	5	△60
Profit (loss) attributable to owners of parent	462	△247

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Q3 of previous fiscal year Cumulative results for April 1, 2018 – December 31, 2018	Q3 of current fiscal year Cumulative results for April 1, 2019 – December 31, 2019
Profit (loss)	468	△308
Other comprehensive income		
Valuation difference on available-for-sale securities	△350	△263
Deferred gains or losses on hedges	△240	110
Foreign currency translation adjustment	△142	△244
Remeasurements of defined benefit plans, net of tax	5	4
Share of other comprehensive income of entities accounted for using equity method	△770	△272
Total other comprehensive income	△1,498	△665
Comprehensive income	△1,030	△973
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	△1,035	△889
Comprehensive income attributable to non-controlling interests	5	△83

Segment information

I Q3 of previous fiscal year (Cumulative results for April 1, 2018 - December 31, 2018)

1. Disclosure of net sales and profit/loss (Δ) for each reportable segment

(Millions of yen)

	Reportable segments					Adjustment (Note 1)	Amount recorded on the quarterly 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	Δ 8,327	–
Total	36,567	5,729	16,580	3,464	62,341	Δ 8,327	54,014
Segment profit/loss (Δ)	Δ 223	450	9	306	543	305	848

[Notes] (1) Segment profit/loss (Δ) 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 (Δ) 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 are no applicable items.

II Q3 of current fiscal year (Cumulative results for April 1, 2019 - December 31, 2019)

1. Disclosure of net sales and profit/loss (Δ) for each reportable segment

(Millions of yen)

	Reportable segments					Adjustment (Note 1)	Amount recorded on the quarterly consolidated financial statements (Note 2)
	Glass bottles business	Plastic containers business	Logistics business	New glass business	Total		
Net Sales							
Net sales to external customers	34,997	5,047	8,130	2,493	50,668	–	50,668
Intersegment sales and transfers	0	392	7,760	5	8,157	Δ 8,157	–
Total	34,997	5,439	15,890	2,498	58,826	Δ 8,157	50,668
Segment profit/loss (Δ)	Δ 288	249	114	Δ 291	Δ 217	383	166

[Notes] (1) Segment profit/loss (Δ) adjustment of 383 million yen includes intersegment eliminations of 89 million yen and other adjustments of 293 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 (Δ) 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 are no applicable items.