

CBC Co., Ltd. and Consolidated Subsidiaries
**Consolidated Balance Sheet
March 31, 2020**

ASSETS	Thousands of Yen		Thousands of U.S. Dollars (Note 1)	LIABILITIES AND EQUITY	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2020	2019	2020		2020	2019	2020
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents (Note 8)	¥ 10,514,634	¥ 9,077,071	\$ 96,615	Short-term bank loans (Note 8)	¥ 20,119,515	¥ 26,691,422	\$ 184,871
Receivables (Note 8):				Current portion of long-term debt (Note 8)	12,798,919	11,926,439	117,604
Trade notes	11,546,296	14,008,945	106,094	Payables (Notes 3 and 8):			
Trade accounts	38,480,701	44,238,917	353,585	Trade notes	1,468,493	2,014,905	13,493
Unconsolidated subsidiaries and associated companies	1,258,372	1,053,169	11,562	Trade accounts	28,351,051	34,444,391	260,507
Other	2,480,492	2,429,411	22,792	Unconsolidated subsidiaries and associated companies	175,289	109,137	1,610
Allowance for doubtful receivables	(218,775)	(467,582)	(2,010)	Other	4,302,793	2,951,335	39,536
Inventories	21,652,605	23,675,843	198,958	Income taxes payable	21,618	19,945	198
Other current assets	5,950,320	4,730,130	54,675	Other current liabilities	4,433,189	4,941,665	40,734
Total current assets	91,664,647	98,745,904	842,273	Total current liabilities	71,670,869	83,099,243	658,558
PROPERTY, PLANT AND EQUIPMENT (Note 4):				LONG-TERM LIABILITIES:			
Land	3,445,290	3,485,394	31,657	Long-term debt (Note 8)	37,216,103	35,799,746	341,965
Buildings and structures	5,884,648	6,524,006	54,071	Liability for retirement benefits	1,998,765	1,784,927	18,365
Machinery and equipment	7,366,936	7,845,035	67,692	Deferred tax liabilities	3,503,160	4,404,120	32,189
Furniture and fixtures	1,274,814	1,049,441	11,713	Other	598,479	431,335	5,499
Lease assets	580,706	819,658	5,335	Total long-term liabilities	43,316,507	42,420,129	398,019
Construction in progress	3,087,458	542,951	28,369	COMMITMENTS AND CONTINGENT LIABILITIES (Note 5)			
Total property, plant and equipment	21,639,855	20,266,487	198,840	EQUITY (Notes 7 and 9):			
INVESTMENTS AND OTHER ASSETS:				Capital stock—authorized, 68,000,000 shares; issued, 34,000,000 shares in 2020 and 17,000,000 shares in 2019	5,100,000	5,100,000	46,862
Investment securities (Notes 3 and 8)	45,703,860	45,861,114	419,956	Additional paid-in capital	51,334	1,383	471
Investments in and advances to unconsolidated subsidiaries and associated companies (Note 8)	2,979,904	3,822,638	27,381	Retained earnings	42,918,184	39,111,360	394,359
Goodwill	825,126	962,153	7,581	Treasury stock—at cost, 1,800,000 shares in 2019		(310,049)	
Asset for retirement benefits	956,270	5,060,309	8,786	Accumulated other comprehensive income:			
Deferred tax assets	327,912	278,066	3,013	Unrealized gain on available-for-sale securities	4,741,130	7,309,174	43,564
Other assets	1,587,310	1,762,886	14,585	Deferred gains or losses on hedges	(5,116)		(47)
Total investments and other assets	52,380,383	57,747,168	481,304	Foreign currency translation adjustments	(1,990,953)	(1,436,518)	(18,294)
				Defined retirement benefit plans	(169,981)	1,410,909	(1,561)
				Total	50,644,598	51,186,262	465,355
				Noncontrolling interests	52,911	53,925	486
				Total equity	50,697,509	51,240,188	465,841
TOTAL	¥ 165,684,886	¥ 176,759,561	\$ 1,522,419	TOTAL	¥ 165,684,886	¥ 176,759,561	\$ 1,522,419

See notes to consolidated financial statements.

CBC Co., Ltd. and Consolidated Subsidiaries

Consolidated Statement of Income Year Ended March 31, 2020

	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	<u>2020</u>	<u>2019</u>	<u>2020</u>
NET SALES	¥ 189,314,208	¥ 194,334,856	\$ 1,739,540
COST OF SALES	<u>165,732,178</u>	<u>170,415,917</u>	<u>1,522,853</u>
Gross profit	23,582,029	23,918,938	216,686
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>16,345,709</u>	<u>16,613,808</u>	<u>150,194</u>
Operating income	<u>7,236,320</u>	<u>7,305,130</u>	<u>66,491</u>
OTHER INCOME (EXPENSES):			
Interest and dividend income	843,343	862,257	7,749
Interest expense	(787,721)	(743,886)	(7,238)
Foreign exchange gain	203,851	237,632	1,873
Gain on sales of investment securities	1,924,612	297,574	17,684
Gain on return of assets from retirement benefits trust	1,458,965		13,405
Loss on valuation of investment securities	(1,524,588)	(595,632)	(14,008)
Provision of allowance for doubtful accounts	(74,533)	(434,587)	(684)
Impairment loss	(1,031,189)		(9,475)
Other—net	<u>(320,634)</u>	<u>469,483</u>	<u>(2,946)</u>
Other income—net	<u>692,107</u>	<u>92,842</u>	<u>6,359</u>
INCOME BEFORE INCOME TAXES	<u>7,928,427</u>	<u>7,397,972</u>	<u>72,851</u>
INCOME TAXES:			
Current	2,888,458	2,858,243	26,541
Deferred	<u>869,615</u>	<u>176,244</u>	<u>7,990</u>
Total income taxes	<u>3,758,073</u>	<u>3,034,488</u>	<u>34,531</u>
NET INCOME	4,170,354	4,363,483	38,319
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	<u>(1,269)</u>	<u>(1,157)</u>	<u>(11)</u>
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>¥ 4,171,623</u>	<u>¥ 4,364,641</u>	<u>\$ 38,331</u>
	<u>Yen</u>		<u>U.S. Dollars</u>
PER SHARE:			
Basic net income	¥ 126.01	¥ 287.15	\$ 1.16
Cash dividends applicable to the year	24.00	14.00	0.22

See notes to consolidated financial statements.

CBC Co., Ltd. and Consolidated Subsidiaries

**Consolidated Statement of Changes in Equity
Year Ended March 31, 2020**

	Thousands		Thousands of Yen									
	Number of Shares of Issued Stock	Capital Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income				Total	Noncontrolling Interests	Total Equity
						Unrealized Gain on Available-for-Sale Securities	Deferred Gains or Losses on Hedges	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans			
BALANCE, APRIL 1, 2018	17,000	¥5,100,000	¥ 1,383	¥34,959,519	¥ (310,049)	¥ 10,114,102		¥ (345,182)	¥1,784,351	¥ 51,304,124	¥58,534	¥ 51,362,659
Net income attributable to owners of the parent				4,364,641						4,364,641		4,364,641
Cash dividends, ¥14.00 per share				(212,800)						(212,800)		(212,800)
Net change in the year						(2,804,927)		(1,091,335)	(373,441)	(4,269,704)	(4,608)	(4,274,312)
BALANCE, MARCH 31, 2019	17,000	5,100,000	1,383	39,111,360	(310,049)	7,309,174		(1,436,518)	1,410,909	51,186,262	53,925	51,240,188
Net income attributable to owners of the parent				4,171,623						4,171,623		4,171,623
Cash dividends, ¥24.00 per share				(364,800)						(364,800)		(364,800)
Stock split	17,000											
Disposal of treasury stock			49,950		310,049					360,000		360,000
Net change in the year						(2,568,044)	¥(5,116)	(554,435)	(1,580,891)	(4,708,487)	(1,014)	(4,709,502)
BALANCE, MARCH 31, 2020	<u>34,000</u>	<u>¥5,100,000</u>	<u>¥51,334</u>	<u>¥42,918,184</u>		<u>¥ 4,741,130</u>	<u>¥(5,116)</u>	<u>¥(1,990,953)</u>	<u>¥ (169,981)</u>	<u>¥ 50,644,598</u>	<u>¥52,911</u>	<u>¥ 50,697,509</u>

	Thousands of U.S. Dollars (Note 1)											
	Capital Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income				Total	Noncontrolling Interests	Total Equity	
					Unrealized Gain on Available-for-Sale Securities	Deferred Gains or Losses on Hedges	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans				
BALANCE, MARCH 31, 2019	\$46,862	\$ 12	\$ 359,380	\$ (2,848)	\$67,161			\$ (13,199)	\$ 12,964	\$ 470,332	\$ 495	\$ 470,827
Net income attributable to owners of the parent			38,331							38,331		38,331
Cash dividends, \$0.22 per share			(3,352)							(3,352)		(3,352)
Stock split												
Disposal of treasury stock		458		2,848						3,307		3,307
Net change in the year					(23,596)	\$ (47)	(5,094)	(14,526)		(43,264)	(9)	(43,273)
BALANCE, MARCH 31, 2020	<u>\$46,862</u>	<u>\$471</u>	<u>\$ 394,359</u>		<u>\$43,564</u>	<u>\$ (47)</u>	<u>\$ (18,294)</u>	<u>\$ (1,561)</u>		<u>\$ 465,355</u>	<u>\$486</u>	<u>\$ 465,841</u>

See notes to consolidated financial statements.