

ANNUAL REPORT
2016

CHOFU SEISAKUSHO Co.,Ltd.

FINANCIAL HIGHLIGHTS

CHOFU SEISAKUSHO Co, Ltd.

Year Ended December

	Millions of Yen		Thousands of U.S.Dollars
	2015	2016	2016
Net sales	¥42,780	¥42,282	\$362,967
Operating income	¥2,169	¥2,417	\$20,749
Income before income taxes	¥4,032	¥4,315	\$37,042
Net income	¥2,785	¥3,041	\$26,105
Shareholders' equity	¥119,835	¥120,997	\$1,038,690
Total assets	¥130,163	¥131,626	\$1,129,934

	Yen		U.S.Dollars
	2015	2016	2016
Net Income per share	¥80.17	¥87.55	\$0.75
Cash dividends per share	¥32.00	¥32.00	\$0.27

(All exchange rate in this report is ¥116.49 / USD as of December 30, 2016)

BALANCE SHEETS

CHOFU SEISAKUSHO Co, Ltd.

Year Ended December

ASSETS	Millions of Yen		Thousands of U.S.Dollars
	2015	2016	2016
CURRENT ASSETS			
Cash and deposits	¥6,678	¥5,774	\$49,566
Notes and accounts	¥9,690	¥9,284	\$79,698
Less-Allowance for doubtful receivables	(¥7)	(¥3)	(\$26)
Inventories	¥5,720	¥5,523	\$47,412
Other current assets	¥2,127	¥5,851	\$50,227
Total current assets	¥24,209	¥26,431	\$226,895
PLANT AND EQUIPMENT			
Land	¥14,115	¥14,238	\$122,225
Buildings and structures.....	¥17,942	¥18,048	\$154,932
Machinery and equipment	¥12,976	¥12,922	\$110,928
Other	¥10,509	¥10,546	\$90,531
Sub total	¥55,542	¥55,754	\$478,616
Less-Accumulated depreciation	(¥30,824)	(¥31,714)	(\$272,247)
Total plant and equipment	¥24,718	¥24,041	\$206,378
INVESTMENTS AND OTHER ASSETS			
Investment securities	¥80,106	¥80,081	\$687,450
Other assets	¥1,128	¥1,072	\$9,203
Total investments & others	¥81,235	¥81,153	\$696,652
TOTAL ASSETS	¥130,163	¥131,626	\$1,129,934

LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S.Dollars
	2015	2016	2016
CURRENT LIABILITIES			
Trade notes and accounts payable.....	¥4,276	¥4,190	\$35,969
Loans payable	¥400	—	—
Account payable	¥757	¥751	\$6,447
Deposits received	¥1,143	¥1,124	\$9,649
Income taxes	¥46	¥844	\$7,245
Other current liabilities	¥635	¥900	\$7,726
Total current liabilities	<u>¥7,260</u>	<u>¥7,811</u>	<u>\$67,053</u>
NONCURRENT LIABILITIES			
Net defined benefit liability	¥779	¥1,096	\$9,409
Other	¥2,288	¥1,721	\$14,774
Total noncurrent liabilities	<u>¥3,067</u>	<u>¥2,817</u>	<u>\$24,182</u>
EQUITY			
Common stock	¥7,000	¥7,000	\$60,091
Additional paid-in capital	¥3,568	¥3,568	\$30,629
Retained earnings	¥108,327	¥110,257	\$946,493
Other	¥940	¥172	\$1,477
Total equity	<u>¥119,835</u>	<u>¥120,997</u>	<u>\$1,038,690</u>
TOTAL LIABILITIES AND EQUITY	<u>¥130,163</u>	<u>¥131,626</u>	<u>\$1,129,934</u>

STATEMENTS OF INCOME

CHOFU SEISAKUSHO Co, Ltd.

Year Ended December

	Millions of Yen		Thousands of U.S.Dollars
	2015	2016	2016
Net sales	¥42,780	¥42,282	\$362,967
Cost of sales	¥31,679	¥31,055	\$266,589
Gross profit	¥11,100	¥11,226	\$96,369
Selling, general and administrative expense	¥8,931	¥8,809	\$75,620
Operating income	¥2,169	¥2,417	\$20,749
Other income (expense)			
Interest income	¥937	¥891	\$7,649
Dividens income	¥269	¥250	\$2,146
Interest expense	(¥8)	(¥7)	(\$60)
Other	¥663	¥764	\$6,559
Total	¥1,863	¥1,898	\$16,293
Income before income taxes	¥4,032	¥4,315	\$37,042
Income taxes	¥1,247	¥1,274	\$10,937
Net income	¥2,785	¥3,041	\$26,105

STATEMENT OF COMPREHENSIVE INCOME

CHOFU SEISAKUSHO Co, Ltd.

Year Ended December

	Millions of Yen	Thousands of U.S.Dollars
	2016	2016
Net income before minority interests	¥3,041	\$26,105
Other comprehensive income		
Unrealized loss on available-for-sale securities	(¥567)	(\$4,867)
Remeasurements of defined benefit plans, net of tax	(¥199)	(\$1,708)
Total other comprehensive income	<u>(¥767)</u>	<u>(\$6,584)</u>
Comprehensive income	<u>¥2,274</u>	<u>\$19,521</u>
Total comprehensive income attributable to		
Owners of the parent	¥2,274	\$19,521
Minority interests	—	—

FIVE-YEAR SUMMARY

CHOFU SEISAKUSHO Co, Ltd.

Year Ended December

	Millions of Yen				
	2012	2013	2014	2015	2016
FOR THE YEAR					
Net sales	¥47,818	¥48,246	¥47,665	¥42,780	¥42,282
Income before income taxes	¥6,002	¥6,670	¥7,323	¥4,032	¥4,315
Net income	¥3,530	¥4,242	¥4,684	¥2,785	¥3,041
AT YEAR-END					
Total assets	¥119,498	¥125,912	¥130,834	¥130,163	¥131,626
Liabilities	¥10,725	¥11,423	¥12,267	¥10,327	¥10,628
Equity	¥108,772	¥114,489	¥118,567	¥119,835	¥120,997
