

# Financial Statement

**78th TERM**

From 1st April 2017~31st March 2018

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Showa Kako Corporation

## Balance Sheet

31st March 2018

Showa Kako Corporation

(Unit : Yen)

Assets		Liabilities	
Description	Amount	Description	Amount
<b>Current assets</b>	<b>4,044,768,312</b>	<b>Current liabilities</b>	<b>1,849,446,506</b>
Cash and deposits	1,481,077,165	Bills Payable	290,524,869
Receivable	84,600,812	Accounts Payable	1,322,763,132
Accounts Receivable	1,403,887,505	Arrears	203,488,759
Marketable securities	26,526,851	Accrued expenses	4,756,288
Products & Goods	503,398,834	Corporation Tax	475,000
Raw materials	133,750,753	Deposits	6,521,898
Work in process	329,283,843	Reserve for bonus	101,760
Other current assets	94,242,549	Advance received	0
Allowance for Loan Losses	△ 12,000,000	Suspense receipt	670,000
		One year long term loan	20,144,800
		Consumption tax payable	
<b>Fixed Assets</b>	<b>2,328,939,687</b>	<b>Fixed Liabilities</b>	<b>3,197,079,774</b>
<b>Tangible fixed assets</b>	<b>1,902,515,312</b>	Long Term Loan	3,175,214,000
Building	371,835,627	Bonds	21,865,774
Building equipment	261,574,375		
Structures	83,176,313	<b>Liabilities Total</b>	<b>5,046,526,280</b>
Machinery	923,209,291	<b>Net Assets</b>	
Vehicles and transportation equipment	3	<b>Shareholders' equity</b>	
Tools, furniture and fixtures	15,942,363	<b>Capital</b>	<b>100,000,000</b>
Land	246,777,340	<b>Capital surplus</b>	<b>1,205,993</b>
<b>Intangible fixed assets</b>	<b>1,448,401</b>	Capital reserve	405,993
Software	543,997	Other capital surplus	800,000
Telephone subscription right	904,404	<b>Retained earnings</b>	<b>1,371,557,823</b>
		Earned reserve	25,200,000
<b>Investment</b>	<b>424,975,974</b>	Other retained earnings	1,346,357,823
Long-term loans	1,998,514	Other reserve	500,000,000
Investment securities	94,145,661	Profit carried forward	846,357,823
Other investments	328,831,799	<b>Own shares</b>	△ 34,474,500
Deferred assets	111,107,597	<b>Net Assets</b>	<b>1,438,289,316</b>
<b>Total Assets</b>	<b>6,484,815,596</b>	<b>Total Liabilities and Net assets</b>	<b>6,484,815,596</b>

## Profit and Loss Statement

From 1st April 2017~31st March 2018

Showa Kako Corporation

(Unit : Yen)

Description	Amount	
<b>Sales</b>		<b>9,342,425,621</b>
<b>Cost of goods sold</b>		
Opening Inventory	439,079,708	
Current term cost of production and total p	8,289,000,826	
Total	8,728,080,534	
Closing Inventory	503,398,834	8,224,681,700
Gross Profit on Sales		1,117,743,921
<b>Sales and general administrative expenses</b>		785,246,209
<b>Operating Profit</b>		<b>332,497,712</b>
<b>Non Operating Profit</b>		
Interest income	255,132	
Dividend income	1,896,406	
Miscellaneous income	49,666,033	51,817,571
<b>Non Operating Expenses</b>		
Interest expense	37,323,972	
Miscellaneous loss	16,186,109	53,510,081
<b>Non Operating Profit</b>		<b>330,805,202</b>
<b>Extraordinary Profit</b>	299,999	<b>299,999</b>
<b>Extraordinary loss</b>	115,491,888	<b>115,491,888</b>
<b>Income before taxes</b>		<b>215,613,313</b>
<b>Corporation tax, resident tax and business tax</b>		29,553,115
<b>Current Net Profit</b>		<b>186,060,198</b>

## Statement of share holder'equity

From 1st April 2017~31st March 2018

### Showa Kako Corporation

	Owner's capital										Net-assets total
	Capital	Capital surplusCapital surplus			Accumulated surplus				Company's own stock	Owner's capital total	
		Capital reserve	Other capital surpluses	Capital surplus sum total	Earned surplus reserve	Other accumulated surpluses		Accumulated surplus total			
						General reserve	Earned surplus (CF(next term))				
<b>First half balance</b>	100,000,000	405,993	800,000	1,205,993	25,200,000	500,000,000	660,297,625	1,185,497,625	#####	1,266,849,118	1,266,849,118
<b>Current net income</b>							186,060,198	186,060,198		186,060,198	186,060,198
<b>Acquisition of own shares</b>									#####	△ 14,620,000	
<b>Current term total fluctuating amount</b>	0	0	0	0	0	0	186,060,198	186,060,198		171,440,198	171,440,198
<b>Current term end balance</b>	100,000,000	405,993	800,000	1,205,993	25,200,000	500,000,000	846,357,823	1,371,557,823	#####	1,438,289,316	1,438,289,316

1. This financial statements, is created by the guidance of small business accounting

## 2. Important accounting policies

- (1) The evaluation criteria and evaluation method of negotiable securities
- ① Things with market value Cost of acquisition
  - ② Things without market value Cost of acquisition
- (2) The evaluation criteria and the evaluation method of an inventory  
Cost method according to periodic average method
- (3) The method of depreciation of fixed assets
- Tangible fixed assets Constant percentage method by regulation of Corporation Tax Law
- Period of depreciation
- Building: 8 to 25 years
  - Building attached structure: 3 to 20 years
  - Structure : 8 to 40 years
  - Mechanical apparatus : 2 to 22 years
  - Furniture and fixtures : 2 to 20 years
  - Automotive equipment: 4 to 7 years
- Intangible fixed assets Fixed amount method by regulation of Corporation Tax Law
- (4) Accounting treatment of derivatives
- Accounting treatment by a market method to be carried out
- (5) The disposal method of a lease transaction
- About the finance lease transactions of those other than what the ownership of leased property transfers to a borrower, is based on accounting treatment according to the method related to the usual lease transactions.
- (6) Accounting treatment of derivatives
- Accounting treatment of a consumption tax etc. is based on the tax excluded method.

### 3.3. Notes to the Balance Sheet

Accumulated depreciation: 3,922,852,089 yen

### 4. Notes for Statement of Changes in Net Assets

- (1) End Of First Half・・・2,016,000 Shares  
Current Period End・・・2,016,000 Shares  
The number of Own shares at the end of the fiscal year
- (2) 88,900shares