

Trusco Nakayama Corporation

Nonconsolidated Balance Sheet December 31, 2019

ASSETS	Millions of Yen		Thousands of U.S. Dollars*	LIABILITIES AND EQUITY	Millions of Yen		Thousands of U.S. Dollars*
	2019	2018	2019		2019	2018	2019
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash and cash equivalents	¥ 17,835	¥ 11,686	\$ 162,805	Accounts payable - trade	¥ 15,694	¥ 15,158	\$ 143,257
Accounts receivable - trade	26,346	25,845	240,498	Short-term borrowings	17,000		155,180
Electronically-recorded monetary claims	1,707	1,674	15,579	Other payables	5,769	3,944	52,659
Merchandise	42,782	37,004	390,525	Income taxes payable	2,448	2,734	22,348
Other current assets	792	2,008	7,228	Accrued expenses	124	166	1,131
Allowance for doubtful accounts			(2)	Deposits received	291	286	2,655
				Other current liabilities	12	23	117
Total current assets	89,462	78,217	816,633	Total current liabilities	41,338	22,311	377,347
PROPERTY, PLANT AND EQUIPMENT:				LONG-TERM LIABILITIES:			
Land	30,352	29,697	277,056	Long-term borrowings	25,000	25,000	228,206
Buildings and structures	58,295	56,740	532,134	Deposits received for guarantees	2,086	2,106	19,041
Machinery, equipment and vehicles	8,852	5,981	80,800	Retirement allowances for directors and the Audit and Supervisory Board members	152	152	1,383
Furniture and fixtures	4,712	4,143	43,014	Total long-term liabilities	27,238	27,258	248,630
Construction in progress	15,450	5,593	141,032				
Total	117,661	102,154	1,074,036	EQUITY :			
Accumulated depreciation	(26,802)	(23,439)	(244,655)	Common stock	5,022	5,022	45,845
Net property, plant and equipment	90,859	78,715	829,381	Capital surplus:			
INVESTMENTS AND OTHER ASSETS:				Additional paid-in capital	4,710	4,710	42,993
Investments in subsidiaries and affiliated companies	4,616	4,616	42,139	Other capital surplus	1	1	11
Investment securities	1,724	1,215	15,734	Retained earnings:			
Software and software in progress	8,491	5,894	77,510	Legal reserve	1,256	1,256	11,461
Security deposits	299	313	2,730	Unappropriated	116,923	109,648	1,067,307
Deferred tax assets	843	910	7,697	Unrealized gain on available-for-sale securities	570	442	5,197
Deferred tax assets on land revaluation	158	158	1,439	Land revaluation difference	(358)	(358)	(3,263)
Other assets	180	186	1,647	Treasury stock	(75)	(73)	(686)
Allowance for doubtful accounts	(7)	(7)	(68)	Total equity	128,049	120,648	1,168,865
Total investments and other assets	16,304	13,285	148,828				
TOTAL	¥ 196,625	¥ 170,217	\$ 1,794,842	TOTAL	¥ 196,625	¥ 170,217	\$ 1,794,842

* The translations of Japanese yen amounts into U.S. dollar amounts have been made at the rate of ¥109.55 to \$1, the approximate rate of exchange at December 31, 2019.

Trusco Nakayama Corporation

Nonconsolidated Statement of Income Year Ended December 31, 2019

	Millions of Yen		Thousands of U.S. Dollars*
	<u>2019</u>	<u>2018</u>	<u>2019</u>
NET SALES	¥ 220,357	¥ 214,297	\$ 2,011,477
COST OF GOODS SOLD	<u>173,501</u>	<u>168,805</u>	<u>1,583,762</u>
Gross profit	46,856	45,492	427,715
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>32,935</u>	<u>31,128</u>	<u>300,637</u>
Operating income	<u>13,921</u>	<u>14,364</u>	<u>127,078</u>
OTHER INCOME (EXPENSES) :			
Interest and dividend income	30	31	277
Interest expenses	(68)	(45)	(622)
Purchase discounts	1,895	1,856	17,297
Sales discounts	(1,841)	(1,824)	(16,808)
Gain on sales of investment securities	15		135
Loss on sales and disposals of property, plant and equipment	(27)	(208)	(244)
Impairment loss on property, plant and equipment		(87)	
Other - net	<u>366</u>	<u>260</u>	<u>3,338</u>
Other income (expenses) - net	<u>370</u>	<u>(17)</u>	<u>3,373</u>
INCOME BEFORE INCOME TAXES	<u>14,291</u>	<u>14,347</u>	<u>130,451</u>
INCOME TAXES :			
Current	4,565	4,618	41,671
Deferred	<u>11</u>	<u>6</u>	<u>98</u>
Total income taxes	<u>4,576</u>	<u>4,624</u>	<u>41,769</u>
NET INCOME	<u>¥ 9,715</u>	<u>¥ 9,723</u>	<u>\$ 88,682</u>
	<u>Yen</u>		<u>U.S. Dollars*</u>
PER SHARE OF COMMON STOCK :			
Basic net income	¥ 147.32	¥ 147.44	\$ 1.34
Cash dividends applicable to the year	36.50	37.00	0.33

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Trusco Nakayama Corporation

**Nonconsolidated Statement of Changes in Equity
Year Ended December 31, 2019**

	Thousands of Shares Outstanding Number of Shares of Common Stock	Millions of Yen								Total Equity
		Common Stock	Capital Surplus		Retained Earnings		Unrealized Gain on Available-for-Sale Securities	Land Revaluation Difference	Treasury Stock	
			Additional Paid-in Capital	Other Capital Surplus	Legal Reserve	Unappropriated				
BALANCE, JANUARY 1, 2018	65,945	¥ 5,022	¥ 4,710	¥1	¥ 1,256	¥ 102,431	690	¥ (358)	¥ (71)	¥ 113,681
Net income						9,723				9,723
Cash dividends, ¥38.0 per share						(2,506)				(2,506)
Purchase of treasury stock									(2)	(2)
Disposal of treasury stock										
Net change in the year							(248)			(248)
BALANCE, DECEMBER 31, 2018	65,945	5,022	4,710	1	1,256	109,648	442	(358)	(73)	120,648
Net income						9,715				9,715
Cash dividends, ¥37.0 per share						(2,440)				(2,440)
Purchase of treasury stock	(1)								(2)	(2)
Disposal of treasury stock										
Net change in the year							128			128
BALANCE, DECEMBER 31, 2019	<u>65,944</u>	<u>¥ 5,022</u>	<u>¥ 4,710</u>	<u>¥1</u>	<u>¥ 1,256</u>	<u>¥ 116,923</u>	<u>¥ 570</u>	<u>¥ (358)</u>	<u>¥ (75)</u>	<u>¥ 128,049</u>

	Thousands of U.S. Dollars*								Total Equity
	Common Stock	Capital Surplus		Retained Earnings		Unrealized Gain on Available-for-Sale Securities	Land Revaluation Difference	Treasury Stock	
		Additional Paid-in Capital	Other Capital Surplus	Legal Reserve	Unappropriated				
BALANCE, DECEMBER 31, 2018	\$ 45,845	\$ 42,993	\$ 10	\$ 11,461	\$ 1,000,897	\$ 4,030	\$ (3,263)	\$ (667)	\$ 1,101,306
Net income					88,682				88,682
Cash dividends, \$0.34 per share					(22,272)				(22,272)
Purchase of treasury stock								(19)	(19)
Disposal of treasury stock			1						1
Net change in the year						1,167			1,167
BALANCE, DECEMBER 31, 2019	<u>\$ 45,845</u>	<u>\$ 42,993</u>	<u>\$ 11</u>	<u>\$ 11,461</u>	<u>\$ 1,067,307</u>	<u>\$ 5,197</u>	<u>\$ (3,263)</u>	<u>\$ (686)</u>	<u>\$ 1,168,865</u>

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