

MESCO, Inc. and Subsidiaries

**Consolidated Financial Statements
For the year ended March 31,
2018 and 2019**



Financial Highlights

Mesco, Inc. and Consolidated Subsidiaries

Thousands of

Years ended March 31

Millions of yen

U.S. dollars

2017 2018 2019

2019

Consolidated Performance

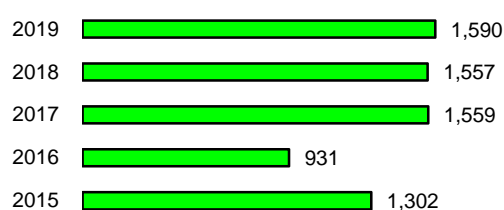
Net sales	¥33,945	¥38,570	¥32,457	\$292,407
Net income	1,559	1,557	1,590	14,327
Total assets	23,804	22,775	21,500	193,690
Total net assets	12,729	13,802	14,497	130,606
Net income per share(¥, \$)	122.08	121.87	124.52	1.12
Cash dividends per share(¥, \$)	54.00	66.00	66.00	0.59

- Notes:
- All U.S. dollar figures are translated from Japanese yen amounts, for convenience only, at the rate of ¥ 111.00 to US\$1.00, the rate prevailing at March 31, 2019.
 - In this report, fiscal 2019 represents the year ended March 31, 2019.

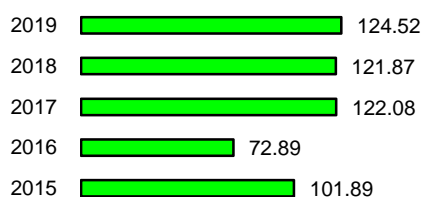
Net sales
(Millions of Yen)



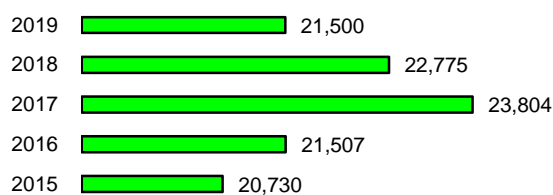
Net Income
(Millions of Yen)



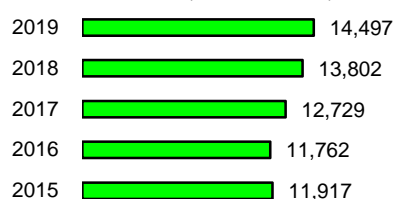
Net Income per Share
(Yen)



Total Assets
(Millions of Yen)



Total net assets
(Millions of Yen)



Financial Section

Five-Year Summary

Mesco, Inc. and Consolidated Subsidiaries
Years ended March 31

	Millions of yen				
	2015	2016	2017	2018	2019
Consolidated Performance					
For the year:					
Orders	¥25,277	¥42,316	¥30,953	¥28,252	¥24,896
Net sales	28,546	24,181	33,945	38,570	32,457
Cost of sales	23,872	20,318	29,182	33,643	27,451
Gross profit	4,674	3,863	4,764	4,928	5,006
Selling, general and administrative expenses	2,570	2,436	2,607	2,699	2,803
Operating income	2,103	1,427	2,157	2,229	2,203
Income before income taxes	2,164	1,479	2,214	2,299	2,296
Net income	1,302	931	1,559	1,557	1,590
At year-end:					
Total current assets	¥18,414	¥19,377	¥21,611	¥20,311	¥19,177
Total assets	20,730	21,507	23,804	22,775	21,500
Total current liabilities	7,652	8,560	9,883	7,850	5,915
Long-term liabilities	1,161	1,185	1,191	1,122	1,088
Total net assets	11,917	11,762	12,729	13,802	14,497
Per share data:					
Net income (¥)	¥101.89	¥72.89	¥122.08	¥121.87	¥124.52
Cash dividends applicable to the year (¥)	45.00	38.00	54.00	66.00	66.00
Number of employees (person)	333	332	348	360	370

Financial Review

Overview

During the fiscal year ended March 31, 2019, Japan's economy continued to experience a gradual recovery with personal consumption picking up in accordance with improvements in corporate earnings and employment environment.

However, concerns remain over the impact on the domestic economy of factors such as the trade issues centered on the United States and China, the U.K's withdrawal from the EU and geopolitical risks in the Middle East.

Under these circumstances, on a consolidated basis, the Company's net sales during fiscal year amounted ¥ 32,457 million (**US\$292,407 thousand**), down 15.8%, or ¥ 6,113 million, from the previous year.

At the earnings level, the gross profit gained 1.6% to ¥ 5,006 million (**US\$45,098 thousand**), and the gross profit margin was 15.4%, which was slightly up as compared to the previous year.

Selling, general and administrative (SGA) expenses increased 3.8% or ¥ 104 million, to ¥ 2,803 million (**US\$25,249 thousand**).

As a result, operating income decreased 1.1%, or ¥ 25 million, to ¥ 2,203 million (**US\$19,850 thousand**), and, income before income taxes decreased 0.1%, or ¥ 3 million, to ¥ 2,296 million (**US\$20,684 thousand**).

Income taxes totaled ¥ 706 million (**US\$6,357 thousand**), down 5.0%, or ¥ 37 million.

Consequently, net income increased 2.2%, or ¥ 34 million, to ¥ 1,590 million (**US\$14,327 thousand**).

Net income per share was ¥ 124.52 (**US\$1.12**), and cash dividends applicable to the year was ¥ 66.00 (**US\$0.59**) per share.

Segment Information

Engineering

The Engineering Group's net sales decreased 20.9%, or ¥ 6,663 million, to ¥ 25,155 million (**US\$226,623 thousand**) due to a decrease of domestic projects in the Non-ferrous metals smelting field.

Whereas, segment (ordinary) profit dropped 4.3% or ¥ 114 million, to ¥ 2,530 million (**US\$ 22,797 thousand**) due to the declining of the Engineering's profit.

Piping and Soundproof materials

The Piping and Soundproof materials Group's net sales improved 9.2%, or ¥ 631 million, to ¥ 7,481 million (**US\$67,395 thousand**), reflecting some large-scale project's sales in piping for the submarine water supply.

Accordingly, segment (ordinary) profit rose 58.6% or ¥ 208 million, to ¥ 562 million (**US\$ 5,062 thousand**).

Financial Position

The Company's total assets decreased 5.6%, or ¥ 1,275million, during this period, amounting to ¥ 21,500 million (**US\$193,690 thousand**). This was chiefly attributable to a decrease of ¥ 1,117 million in Notes and accounts receivable.

Total liabilities decreased 22.0%, or ¥ 1,970 million, to ¥ 7,002 million (**US\$63,084 thousand**), owing to a decrease of ¥ 1,325 million in Advances received on uncompleted construction contracts.

Factors that included an increase of ¥ 747 million in net income led to an advance in total net assets of ¥ 695 million, to ¥ 14,497 million (**US\$130,606 thousand**).

Consequently, Company's equity ratio rose 6.8 percentage-point, to 67.4%.

The Company had no interest-bearing debt at fiscal year-end.

Cash Flows

Net cash provided by operating activities increased ¥ 770 million, to net cash inflow of ¥ 2,004 million (US\$18,057 thousand), mainly reflecting ¥ 2,296 million of income before income taxes and ¥ 10,615 million of decrease in advances received, which were partially offset by ¥ 10,401 million of increase in notes and accounts receivable and ¥ 1,274 million of decrease in notes and accounts payable.

Net cash used in investing activities came to net cash outflow of ¥ 442 million (US\$3,983 thousand), due mainly to ¥ 105 million of payments in acquisition property, plant and equipments and ¥ 320 million of the deposit to time deposits.

Net cash used in financing activities amounted to net cash outflow of ¥ 842 million (US\$7,588 thousand), owing to ¥ 842 million payments for cash dividends.

As a result, cash and cash equivalents at the end of fiscal year increased ¥ 690 million, to ¥ 6,546 million (US\$58,975 thousand).

Forward-Looking Statement

As for the Group's business environment, the future remains difficult to predict as there are a number of uncertainties stemming from political instability in many countries including issues surrounding the United Kingdom's exit from the EU, a prolonged and escalating trade dispute between the United States and China, concerns about further economic slowdown in emerging countries, a consumption tax hike scheduled for October this year in Japan, and sudden fluctuations in exchange rates and raw materials prices.

In light of this environment, the Company projects that its consolidated net sales in fiscal 2019, ended March 31, 2020 will amount to ¥ 27,500 million, down 15.3% from the level in fiscal 2018.

This projection was made by the Company based on information currently available, and it is subject to change due to various potential risks and uncertain elements. Accordingly, if events do not correspond to some of the many assumptions made by the Company to provide a basis for the projections, actual performance may be considerably different than projected performance.

Mesco and Consolidated Subsidiaries
Years ended March 31, 2020 (Prospect)

	Millions of yen 2020	Millions of U.S.dollars (Note 1) 2020
Net sales	¥ 27,500	\$247.7
Net income	¥ 600	\$5.4
Net income per share (¥ , \$)	¥ 46.98	\$0.4

Consolidated Balance Sheets

MESCO, Inc and Consolidated Subsidiaries

Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2018	2019	2019
Assets			
Current assets:			
Cash and time deposits (Note 5)	¥2,199	¥2,049	\$18,457
Notes and accounts receivable			
Trade	10,625	9,506	85,644
Unconsolidated subsidiaries	5	7	60
Costs on uncompleted construction contracts	1,508	668	6,015
Inventories (Note 3)	598	526	4,739
Deposits to the holding company (Note 5)	5,141	6,239	56,206
Other current assets	248	193	1,737
Less: Allowance for doubtful accounts	(12)	(10)	(90)
Total current assets	20,311	19,177	172,768
Investments and other assets:			
Investment securities: (Note 12)			
Unconsolidated subsidiaries	50	57	509
Others	0	0	0
Deferred tax assets (Note 10)	521	432	3,896
Asset for retirement benefits (Note 11)	100	92	831
Others	241	230	2,072
Less: Allowance for doubtful accounts	(11)	(11)	(96)
Total Investments and other assets	901	801	7,213
Property, plant and equipment:			
Land	1,099	1,099	9,901
Buildings and structures	577	579	5,216
Machinery, vehicles and equipment	2,792	2,866	25,822
Construction in progress	3	-	-
	4,471	4,544	40,939
Less: Accumulated depreciation	(2,909)	(3,022)	(27,230)
Total Property, plant and equipment	1,562	1,522	13,709
Total assets	¥22,775	¥21,500	\$193,690

See accompanying notes.

	Millions of yen		Thousands of U.S. dollars(Note 1)
	2018	2019	2019
Liabilities and Net Assets			
Current Liabilities:			
Notes and accounts payable:			
Trade	¥4,637	¥3,216	\$28,977
Others	179	137	1,238
Accrued income taxes	563	465	4,192
Advances received	1,567	241	2,174
Accrued bonuses	384	387	3,487
Allowance for warranties for completed construction	123	164	1,477
Allowance for expected losses on construction contracts in process	220	22	201
Other current liabilities	178	1,281	11,540
Total current liabilities	7,850	5,915	53,285
Long-term Liabilities:			
Liability for retirement benefits(Note 11)	1,042	1,013	9,124
Directors' and corporate auditors' retirement benefits	52	47	424
Deferred tax liabilities (Note 10)	1	1	8
Others	27	27	243
Total Long-term liabilities	1,122	1,088	9,799
Contingent Liabilities(Note 7)			
Net Assets(Note 8)			
Shareholders' equity:			
Common stock			
Authorized - 32,000 thousand shares			
Issued - 12,780 thousand shares	1,085	1,085	9,778
Capital surplus	684	684	6,166
Retained earnings	12,078	12,826	115,546
Less: Treasury stock	(7)	(7)	(59)
Total Shareholders' equity	13,841	14,589	131,431
Valuation, translation adjustments and others:			
Unrealized gains (losses) on hedging derivatives,net of tax	9	(0)	(4)
Foreign currency translation adjustments	(53)	(149)	(1,343)
Remeasurement of defined benefit plans	4	58	522
Total valuation, translation adjustments and others	(39)	(92)	(825)
Total net assets	13,802	14,497	130,606
Total liabilities and net assets	¥22,775	¥21,500	\$193,690

See accompanying notes.

Consolidated Statements of Income

MESCO, Inc and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars(Note 1)
	2018	2019	2019
Net sales (Note 9):			
Construction contracts (Note 2)	¥35,451	¥28,870	\$260,086
Net sales on sideline business			
Net sales of merchandise	1,313	1,852	16,681
Net sales of finished goods	1,806	1,736	15,641
Total net sales of side line business	3,119	3,588	32,322
Total net sales	38,570	32,457	292,407
Cost of sales:			
Construction contracts (Note 2)	30,925	24,345	219,325
Cost of sales on sideline business			
Cost of merchandise sold	1,115	1,564	14,092
Cost of finished goods sold	1,603	1,542	13,892
Total cost of sales on sideline business	2,718	3,106	27,984
Total cost of sales	33,643	27,451	247,309
Gross profit:			
Construction contracts (Note 2)	4,526	4,524	40,760
Gross profit on sideline business			
Gross profit-merchandise	199	287	2,589
Gross profit-finished goods	203	194	1,749
Total gross profit on sideline business	402	482	4,338
Total gross profit	4,928	5,006	45,098
Selling , general and administrative expenses (Note 6)	2,699	2,803	25,249
Operating income	2,229	2,203	19,850
Other income (expense):			
Interest and dividends income	62	68	614
Interest expense	(0)	(0)	(1)
Equity in gains(losses) of unconsolidated subsidiaries	(10)	7	65
Foreign exchange gain (loss)	2	1	6
Loss on disposal of property, plant and equipment	(0)	(0)	(3)
Loss on valuation of membership	(3)	-	-
Others , net	20	17	153
Total other income	70	93	835
Income before income taxes	2,299	2,296	20,684
Income taxes (Note 10):			
Current	770	636	5,733
Deferred	(27)	69	624
Total income taxes	742	706	6,357
Net income	¥1,557	¥1,590	\$14,327
Net income attributable to owners of parent	¥1,557	¥1,590	\$14,327
	Yen	Yen	U.S. dollars(Note 1)
Amounts per share of common stock:			
Net income (Note 15)	¥121.87	¥124.52	\$1.12
Cash dividends applicable to the year	66.00	66.00	0.59

See accompanying notes.

Consolidated Statements of Comprehensive Income

MESCO, Inc and Consolidated Subsidiaries

Years ended March 31, 2018 and 2019

	Millions of yen 2018	Millions of yen 2019	Thousands of U.S.dollars (Note 1) 2019
Income before minority interests	1,557	1,590	14,327
Other comprehensive income			
Unrealized gains (losses) on hedging derivatives, net of tax	27	(10)	(87)
Foreign currency translation adjustments	103	(96)	(863)
Remeasurements of defined benefit plans	73	54	485
Share of other comprehensive income of associates accounted for using equity method	4	(1)	(5)
Total other comprehensive income (Note 16)	206	(52)	(470)
Comprehensive income (Note 16)	1,763	1,538	13,857
(Breakdown)			
Comprehensive income attributable to :			
Owners of the parent	1,763	1,538	13,857
Non-controlling interests	-	-	-

See accompanying notes.

Consolidated Statements of Changes in Net Assets

MESCO, Inc. and Consolidated Subsidiaries
Years ended March 31, 2018 and 2019

	Number of shares of common stock issued (Thousands)	Shareholders' equity					Valuation, translation adjustments and others				
		Common stock	Capital surplus	Retained earnings (Note 8)	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on hedging derivatives, net of tax	Foreign currency translation adjustments	Remesurements of defined benefit plans	Total valuation, translation adjustments and others	Total net assets
		Millions of yen									
Net assets at April 1, 2018	12,780	¥1,085	¥684	¥12,078	¥(7)	¥13,841	¥9	¥(53)	¥4	¥(39)	¥13,802
Cash dividends				(843)		(843)					(843)
Net income attributable to owners of parent				1,590		1,590					1,590
Purchase of treasury stock				(0)		(0)					(0)
Net changes during the year							(10)	(96)	54	(52)	(52)
Balance at March 31, 2019	12,780	¥1,085	¥684	¥12,826	¥(7)	¥14,589	¥ 0	¥(149)	¥58	¥(92)	¥14,497

	Number of shares of common stock issued (Thousands)	Shareholders' equity					Valuation, translation adjustments and others				
		Common stock	Capital surplus	Retained earnings (Note 8)	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on hedging derivatives, net of tax	Foreign currency translation adjustments	Remesurements of defined benefit plans	Total valuation, translation adjustments and others	Total net assets
		Millions of yen									
Net assets at April 1, 2017	12,780	¥1,085	¥684	¥11,211	¥(7)	¥12,975	¥(18)	¥(159)	¥(69)	¥(246)	¥12,729
Cash dividends				(690)		(690)					(690)
Net income attributable to owners of parent				1,557		1,557					1,557
Purchase of treasury stock											
Net changes during the year							27	106	73	206	206
Balance at March 31, 2018	12,780	¥1,085	¥684	¥12,078	¥(7)	¥13,841	¥9	¥(53)	¥4	¥(39)	¥13,802

	Shareholders' equity					Valuation, translation adjustments and others					
	Common stock	Capital surplus	Retained earnings (Note 8)	Treasury stock	Total shareholders' equity	Unrealized gains (losses) on hedging derivatives, net of tax	Foreign currency translation adjustments	Remesurements of defined benefit plans	Total valuation, translation adjustments and others	Total net assets	
	Thousands of U.S. dollars (Note 1)										
Net assets at April 1, 2018		\$9,778	\$6,166	\$108,812	\$(59)	\$124,697	\$83	\$(475)	\$37	\$(355)	\$124,343
Cash dividends				(7,594)		(7,594)					(7,594)
Net income attributable to owners of parent				14,327		14,327					14,327
Purchase of treasury stock				(0)		(0)					(0)
Net changes during the year							(87)	(868)	485	(470)	(470)
Balance at March 31, 2019		\$9,778	\$6,166	\$115,546	\$(59)	\$131,431	\$(4)	\$(1,343)	\$522	\$(825)	\$130,606

See accompanying notes.

Consolidated Statements of Cash Flows

MESCO, Inc and Consolidated Subsidiaries

Years ended March 31, 2018 and 2019

	Millions of yen		Thousands of U.S. dollars(Note 1)
	2018	2019	2019
Cash flows from operating activities:			
Income before income taxes	¥2,299	¥2,296	\$20,684
Depreciation and amortization	146	144	1,295
Increase(Decrease) in allowance for doubtful accounts	(6)	(2)	(15)
Foreign exchange gain	1	(1)	(13)
Equity in losses(gains) of unconsolidated subsidiaries	10	(7)	(65)
Decrease(Increase) in asset for employees' retirement benefits	(3)	33	301
Increase(Decrease) in liability for employees' retirement benefits	9	23	204
Increase(Decrease) in allowance for warranties for completed construction	39	41	368
Increase(Decrease) in allowance for expected losses on construction contracts in process	(21)	(198)	(1,783)
Interest and dividends income	(62)	(68)	(614)
Decrease (Increase) in notes and accounts receivable	(3,467)	10,401	93,702
Decrease (Increase) in costs on uncompleted construction contracts	1,360	632	5,696
Decrease (Increase) in inventories	(247)	72	646
Increase (Decrease) in accounts payable	(1,724)	(1,275)	(11,485)
Increase (Decrease) in advances received	3,565	(10,615)	(95,628)
Others, net	170	1,189	10,711
Subtotal	2,069	2,665	24,005
Interest and dividends received	63	65	589
Interest paid	(0)	(0)	(1)
Income taxes paid	(898)	(726)	(6,536)
Net cash provided by operating activities	1,235	2,004	18,057
Cash flows from investing activities:			
Increase in time deposits	(59)	(320)	(2,884)
Decrease in time deposits	140	-	-
Acquisition of property, plant and equipment	(100)	(105)	(949)
Acquisition of intangible assets	(13)	(18)	(164)
Others , net	(0)	1	13
Net cash used in investing activities	(33)	(442)	(3,983)
Cash flows from financing activities:			
Payment for cash dividends to the Company's shareholders	(689)	(842)	(7,588)
Payment for purchase of treasury stock	-	-	-
Net cash used in financing activities	(689)	(842)	(7,588)
Effect of exchange rate changes on cash and cash equivalents	23	(30)	(268)
Net increase in cash and cash equivalents	536	690	6,218
Cash and cash equivalents at beginning of year	5,320	5,856	52,757
Cash and cash equivalents at end of year (Note 5)	¥5,856	¥6,546	\$58,975

See accompanying notes.

Notes to Consolidated Financial Statements

MESCO, Inc. and Consolidated Subsidiaries

Years ended March 31, 2018 and 2019

1. Basis of Presenting Consolidated Financial Statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards. The accounts of consolidated overseas subsidiaries are prepared in accordance with either International Financial Reporting Standards or U.S. generally accepted accounting principles, with adjustments for the specified six items as applicable.

The accompanying consolidated financial statements have been restructured and translated into English (with some expanded descriptions) from the consolidated financial statements of MESCO, Inc. ("the Company") prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Law. Some supplementary information included in the statutory Japanese language consolidated financial statements, but not required for fair presentation, is not presented in the accompanying consolidated financial statements.

Amounts less than one million yen have been rounded off in the presentation of the accompanying consolidated financial statements. As a result, the totals in yen shown herein do not necessarily agree with the sums of the individual amounts.

The translation of the Japanese yen amounts into U.S. dollars are included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2019, which was ¥111.00 to U.S. \$1. The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been, or could in the future be, converted into U.S. dollars at this or any other rate of exchange.

2. Summary of Significant Accounting Policies

a) Consolidation

The consolidated financial statements include the accounts of the Company and its significant subsidiaries (the "Companies"). All significant intercompany transactions, accounts and unrealized profits among the Companies have been eliminated in consolidation. Investments in the unconsolidated subsidiaries and significant affiliates, which the Company and its subsidiaries are able to influence, in a material degree, their financial and operating decision-making, is accounted for by the equity method after the elimination of unrealized intercompany profits. In the elimination of investments in subsidiaries, the assets and liabilities of the subsidiaries are recorded based on the fair value at the time when the Company acquired control of the respective subsidiaries.

b) Goodwill

The consolidation difference between acquisition cost and net assets at the date of acquisition is shown as the goodwill.

c) Foreign currency translation and foreign currency financial statements

Revenues and expenses are translated at the rates of exchange prevailing when transactions are made. Monetary claims and liabilities denominated in foreign currencies are generally translated into each reporting currency at the rates of foreign exchange prevailing at the balance sheet dates and the resulting translation gains or losses are included in earnings. All assets, liabilities, revenues and expenses of consolidated foreign subsidiaries are translated into Japanese yen at the rates prevailing at their balance sheet dates. The resulting translation adjustments are shown as "Foreign currency translation adjustments," a component of net assets.

d) Cash and cash equivalents

In the accompanying statements of cash flows, cash and cash equivalents include cash on hand, demand deposits and short-term investments with maturities of three months or less from the date of acquisition which have high liquidity and negligible risk of price fluctuation.

e) Marketable securities and investment securities

Available-for-sale securities with fair market values are stated at fair market values, and the corresponding unrealized holding gains or losses, net of applicable income taxes, are reported as a component of net assets.

Realized gains and losses on sale of such securities are computed using average cost.

Other available-for-sale securities with no available fair market value are stated at average cost.

f) Derivative transactions and hedge accounting

The Company generally state derivative financial instruments at fair value and recognize changes in the fair value as gains or losses unless they are used for hedging purposes and qualified for hedge accounting.

If derivative financial instruments are used as hedges and meet certain hedging criteria, the Company generally defers recognition of gains or losses resulting from changes in their fair value until the related gains or losses on the hedged items are recognized.

All of derivative contracts are based on actual demand and not for trading in the short term or for speculation.

For commodities forward transaction for purchases of inventories and currency forward contracts , the Company evaluates hedge effectiveness by comparing the cumulative changes in cash flows or the changes in fair value of the hedged items with the corresponding changes in the hedging derivative instruments.

The hedge effectiveness is skipped for currency forward contracts that are believed to have high hedge effectiveness, such as in cases where hedging instruments and hedged items share the same important characteristics.

g) Inventories

Costs on uncompleted construction contracts : At cost on an individual basis

Inventories of side line business : At cost on an individual basis

Other inventories : At cost using average method

The carrying value of inventories on the balance sheet is presented at book value after write-down for a decline in earnings.

h) Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment is generally computed by the declining-balance method based on the estimated durable years of these depreciable assets, except the straight-line method is applied to: (1) buildings, excluding building fixtures, acquired after March 31, 1998 and (2) property, plant and equipment of consolidated subsidiaries. The durable years of these assets generally range from 6 to 36 years for buildings and structures and 2 to 20 years for machinery and equipment.

i) Allowance for doubtful accounts

The Company and consolidated subsidiaries provide the allowance for doubtful accounts in an amount sufficient to cover possible losses on collection by estimating individually uncollectible amounts and applying a percentage based on collection experience to the remaining accounts.

j) Allowance for warranties on completed construction

Allowance for warranties on completed construction is provided as an estimated amount calculated using an actual percentage of related losses during a past certain period.

k) Allowance for expected losses on contraction contracts in process

An allowance is provided for estimated future losses related to the construction contracts in process.

l) Employee's retirement benefits

The Company provided employee's retirement benefits based on the estimated amounts of projected benefit obligation and the fair value of the plan assets at the balance sheet date. The liabilities and expenses for employees' retirement were determined based on the amounts actuarially calculated using certain assumptions.

m) Director's and statutory auditor's retirement benefits

Directors and corporate auditors are generally entitled to receive retirement benefits based on the Company's internal rules. Their retirement benefits are accrued at the amount required to pay in accordance with the internal rules if the directors and corporate auditors had retired at the balance sheet date.

n) Research and development expenses

Research and development expenses are charged to statements of income as incurred.

o) Income taxes

The Companies recognize tax effects of temporary differences between the financial statement basis and the tax basis of assets and liabilities. The provision for income taxes is computed based on the pretax income of each of the Companies, with certain adjustments required for consolidation and tax purposes.

The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences.

p) Net income, diluted net income and cash dividends per share

Net income per share is computed based on the weighted-average number of shares of common stock outstanding during the respective fiscal year.

Diluted net income per share is not presented as there were no shares with dilutive effects in 2018 and 2019.

Cash dividends per share represent the historical amount applicable to the respective year.

q) Bonuses to directors and corporate auditors

Bonuses for directors and corporate auditors are accounted for as expense with an allowance of the estimated amount attributable for the fiscal year.

r) Recognition of revenues and related costs

Recognition of net sales and cost of sales of completed construction contracts

Construction contracts whose outcome can be estimated reliably: Percentage-of-completion method

Other construction contracts: Completed-contract method

s) Reclassification

Certain prior year amounts have been reclassified to conform to the 2019 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

t) Accounting of consumption tax

Consumption tax generally withheld upon sale, as well as that paid for purchases of goods or services, are recorded as a liability or an asset, and are excluded from the relevant revenue, costs or expenses.

u) Accounting standards not yet applied, etc.

(Accounting standard for revenue recognition, etc.)

- "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29 on March 30,2018, Accounting Standards Board of Japan)
- "Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No.30 on March 30,2018, Accounting Standards Board of Japan)

(1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) in the United States jointly developed comprehensive accounting standards for revenue recognition and published the "Revenue from Contracts with Customers" (IFRS 15 in the IASB and Topic 606 in the FASB) in May 2014. Given that IFRS 15 will be applied from a fiscal year starting on or after January 1, 2018 and that Topic 606 will be applied from a fiscal year starting after December 15, 2017, the Accounting Standards Board of Japan (ASBJ) has developed comprehensive accounting standards for revenue recognition and published them in step with the Implementation Guidance.

The basic policy of the ASBJ in developing accounting standards for revenue recognition is thought to be setting accounting standards, with the incorporation of the basic principles of IFRS 15 as a starting point, from a standpoint of comparability between financial statements, which is one of the benefits of ensuring consistency with IFRS 15, and to be adding alternative accounting treatments without losing comparability if there is an item that we should take into account in practices, etc. that have been conducted in Japan.

(2) Planned date of application

To be applied from the beginning of the fiscal year ending March 31, 2022.

(3) Impact of application of the accounting standards, etc.

The amount of the impact on consolidated financial statements is currently under review.

(Additional information)

Starting from the first quarter of current fiscal year, the Company began applying ASBJ Statement No.28 (Partial Amendments to Accounting Standard for Tax Effect Accounting), issued on February 16, 2018. For this reason, deferred tax assets are presented under Investments and Other Asstes, while deferred tax liabilities are presented under Non-current Liabilities.

3. Inventories

Inventories as of March 31, 2018 and 2019 consisted of the following:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Merchandise and finished goods	¥346	¥215	\$1,934
Raw material and supplies	252	311	2,805
Total	¥598	¥526	\$4,739

4. Allowance for expected losses on construction contracts in process

Amounts of costs on uncompleted construction contracts and merchandise and finished goods, for which a construction loss is anticipated, matching with allowance for expected losses on construction contracts were as follows:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Allowance for expected losses on construction contracts in process	¥220	¥22	\$201
Costs on uncompleted construction contracts	-	-	-
Merchandise and finished goods	-	-	-
Total	¥220	¥22	\$201

Note: Costs on uncompleted construction contracts for which a construction loss is anticipated and allowance for expected losses on construction contracts in process are presented without being offset.

5. Amounts of Cash and Cash Equivalents

Amounts of cash and cash equivalents at March 31, 2018 and 2019 were reconciled with cash and time deposits as follows:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Cash and time deposits	¥2,199	¥2,049	\$18,457
Time deposits with maturities exceeding three months from the date of deposit	(1,483)	(1,741)	(15,688)
Deposits to the holding company	5,141	6,239	56,206
Total: Cash and cash equivalents	¥5,856	¥6,546	\$58,975

6. Research and Development Expenses

Research and development expenses included in general and administrative expenses amounted to ¥37 million and 33 million (US\$299 thousand), for the years ended March 31, 2018 and 2019, respectively.

7. Contingent Liabilities

Contingent liabilities at March 31, 2018 and 2019 were as follows:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Notes receivable securitized with recourse	-	-	-
Total	-	-	-

8.Net Assets

The Japanese Company Law provides that an amount equal to 10 % of cash dividends and other cash appropriations of retained earnings must be set aside as a legal earnings reserve included in retained earnings until the total amount of capital surplus and the legal earnings reserve equals 25% of common stock.

The excess of the total amount of capital surplus and the legal earnings reserve over 25% of common stock can be transferred to retained earnings by a resolution of the shareholders, which may be available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the unconsolidated financial statements of the Company in accordance with the Japanese Company Law.

9. Segment information

The operations of the Companies for the years ended March 31, 2018 and 2019 were summarized as follows.

(a) Overview of reportable segments

The reportable segments of the Company are those units for which separate financial statements can be obtained among the constituent units of the Company and which are regularly examined by the Board of Directors for decisions on the allocation of management resources and for assessing business performance.

The Company has business sectors categorized by products and services in head office, and each business sectors plans business strategies comprehensively and operates business activities domestically and internationally.

As a result, the Company reports two segments, such as "Engineering" and "Piping and Soundproof materials" based on business sectors categorized by products and services.

(b) Basis for Calculating amounts of net sales, profit or loss, assets, and other items by reported segment

Accounting procedure for reported segments is mostly the same as procedures indicated in 2. Summary of Significant Accounting Policies. Profit for reported segments is based on ordinary income. Sales for inter-segment are based on actual market prices.

(c) Information on amounts of net sales, profit or loss, assets, and other items by reported segment

Segment information as of and for the fiscal year ended March 31, 2018 was as follows:

	Millions of yen		
	Engineering	Piping and Soundproof materials	Total
Year ended March 31, 2018			
Sales			
Outside customers	¥31,771	¥6,799	¥38,570
intergroup	48	51	98
Total	31,818	6,850	38,669
Segment profit (loss)	¥2,645	¥354	¥2,999
Segment Assets	¥10,626	¥6,227	¥16,852
Depreciation expense	33	91	124
Interest income	35	-	35
Investment gains(losses) on equity method	(10)	-	(10)
Investments of unconsolidated subsidiaries	50	-	50
Capital expenditures	22	85	107

	Thousands of U.S. dollars (Note 1)		
	Engineering	Piping and Soundproof materials	Total
Year ended March 31, 2018			
Sales			
Outside customers	\$299,019	\$63,995	\$363,014
intergroup	448	478	926
Total	299,467	64,473	363,940
Segment profit (loss)	\$24,890	\$3,335	\$28,224
Segment Assets	\$100,005	\$58,604	\$158,609
Depreciation expense	311	856	1,167
Interest income	325	-	325
Investment gains(losses) on equity method	(98)	-	(98)
Investments of unconsolidated subsidiaries	470	-	470
Capital expenditures	209	800	1,009

Segment information as of and for the fiscal year ended March 31, 2019 was as follows:

	Millions of yen		
	Engineering	Piping and Soundproof materials	Total
Year ended March 31, 2019			
Sales			
Outside customers	¥25,053	¥7,404	¥32,457
intergroup	102	77	179
Total	25,155	7,481	32,636
Segment profit (loss)	¥2,530	¥562	¥3,092
Segment Assets	¥8,066	¥6,594	¥14,660
Depreciation expense	32	91	123
Interest income	42	-	42
Investment gains(losses) on equity method	7	-	7
Investments of unconsolidated subsidiaries	57	-	57
Capital expenditures	5	80	85

	Thousands of U.S. dollars (Note 1)		
	Engineering	Piping and Soundproof Materials	Total
Year ended March 31, 2019			
Sales			
Outside customers	\$225,705	\$66,702	\$292,407
intergroup	918	693	1,611
Total	226,623	67,395	294,018
Segment profit (loss)	\$22,797	\$5,062	\$27,859
Segment Assets	\$72,668	\$59,402	\$132,069
Depreciation expense	287	824	1,111
Interest income	377	-	377
Investment gains(losses) on equity method	65	-	65
Investments of unconsolidated subsidiaries	509	-	509
Capital expenditures	45	722	766

(d) Adjustments of difference between the total of Segment information and the total of financial report

Millions of yen

Sales	March 31,2018	March 31,2019
Segment total	¥38,669	¥32,636
Intergroup	(98)	(179)
Sales on financial report	38,570	32,457

Millions of yen

Profits	March 31,2018	March 31,2019
Segment total	¥2,999	¥3,092
Corporation	(701)	(796)
Ordinary Profits on financial report	2,298	2,296

Millions of yen

Assets	March 31,2018	March 31,2019
Segment total	¥16,852	¥14,660
Corporation	5,923	6,840
Total Assets on financial report	22,775	21,500

Millions of yen

Others	Segment total		Adjustments		Financial report	
	2018	2019	2018	2019	2018	2019
Depreciation expense	¥124	¥123	¥22	¥20	¥146	¥144
Interest income	35	42	28	26	62	68
Interest Expense	-	-	0	0	0	0
Investment gains(losses) on equity method	(10)	7	-	-	(10)	7
Investments of unconsolidated subsidiaries	50	57	-	-	50	57
Capital expenditures	107	85	10	15	117	100

Thousands of U.S.dollars(Note 1)

Sales	March 31,2018	March 31,2019
Segment total	\$363,940	\$294,018
Intergroup	(926)	(1,611)
Sales on financial report	363,014	292,407

Thousands of U.S.dollars(Note 1)

Profits	March 31,2018	March 31,2019
Segment total	\$28,224	\$27,859
Corporation	(6,598)	(7,172)
Ordinary Profits on financial report	21,626	20,687

Thousands of U.S.dollars(Note 1)

Assets	March 31,2018	March 31,2019
Segment total	\$158,609	\$132,069
Corporation	55,742	61,621
Total Assets on financial report	214,351	193,690

Thousands of U.S.dollars(Note 1)

Others	Segment total		Adjustments		Financial report	
	2018	2019	2018	2019	2018	2019
Depreciation expense	\$1,167	\$1,111	\$210	\$184	\$1,377	\$1,295
Interest and Dividends received	325	377	260	237	585	614
Interest Expense	-	-	1	1	1	1
Investment gains(losses) on equity method	(98)	65	-	-	(98)	65
Investments of unconsolidated subsidiaries	470	509	-	-	470	509
Capital expenditures	1,009	766	91	131	1,100	898

(e) Relative Information

March 31,2019

1. Area information

Sales

Millions of yen

Japan	Others	Total
¥26,479	¥5,978	¥32,457

Thousands of U.S.dollars

Japan	Others	Total
\$238,548	\$53,859	\$292,407

2. Main Customer Information

Millions of yen

Customer's name	Sales	Relevant Segment
Kamioka Smelting Co., Ltd.	¥6,589	Engineering
Mitsui Mining and Smelting Co., Ltd.	3,398	Engineering
Hachinohe Smelting Co., Ltd.	3,343	Engineering

Thousands of U.S.dollars(Note 1)

Customer's name	Sales	Relevant Segment
Kamioka Smelting Co., Ltd.	\$59,359	Engineering
Mitsui Mining and Smelting Co., Ltd.	30,609	Engineering
Hachinohe Smelting Co., Ltd.	30,115	Engineering

10. Income Taxes

The Company is subject to a number of taxes based on income, which, in the aggregate, indicate statutory rates in Japan of approximately 30.5% for the years ended March 31, 2018 and 2019.

Its foreign subsidiaries were subject to the income taxes of the countries in which they operate.

Significant components of the Companies' deferred tax assets and liabilities as of March 31, 2018 and 2019 were as follows:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Deferred tax assets:			
Unpaid enterprise tax	¥30	¥26	\$233
Accrued business office taxes	3	3	31
Excess accrued bonuses to employees	117	118	1,064
Allowance for warranties for completed construction	38	50	450
Allowance for expected losses on construction contracts in process	67	7	61
Employees' retirement benefits	318	309	2,783
Directors' and corporate auditors' retirement benefits	16	14	129
Excess bad debt expenses	7	6	55
Loss on valuation of golf course membership	11	12	107
Loss on valuation of inventories	6	3	27
Accrued social insurance	20	20	182
Unrealized gains (losses) on hedging derivatives, net of tax	-	0	2
Others	44	16	141
Subtotal	677	584	5,265
Valuation allowance	(14)	(15)	(136)
Total deferred tax assets	663	569	5,129
Deferred tax liabilities:			
Retained earnings of foreign subsidiaries	¥107	¥109	\$980
Accumulated adjustments for retirement benefit	31	28	253
Unrealized gains (losses) on hedging derivatives, net of tax	4	-	-
Others	1	1	8
Total deferred tax liabilities	143	138	1,241
Net deferred tax assets	520	432	3,888

The net deferred tax assets at March 31, 2018 and 2019 were contained in the consolidated balance sheets as follows:

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Deferred tax assets - non current	¥521	¥432	\$3,896
Deferred tax liabilities - non current	1	1	8

The following table summarizes the significant differences between the statutory effective tax rate and the tax rate calculated based on the Company's consolidated financial statements for the year ended March 31, 2018 and 2019.

	2018	2019
Statutory income tax rate	30.7%	30.5%
Permanent difference due to non-deductible expense	1.0	0.9
Inhabitant tax	0.7	0.7
Valuation allowance	(0.1)	(0.1)
Difference in tax rates of foreign consolidated subsidiaries	(0.8)	(1.1)
Retained earnings of foreign consolidated subsidiaries	0.5	0.1
Change in income tax rates	0.0	(0.2)
Others	0.2	(0.1)
Tax rate calculated based on the Company's consolidated financial statements	32.3%	30.7%

11. Employee's Retirement Benefits

The Company provides two retirement benefit plans for employees, an unfunded retirement plan and a funded retirement plan, under which all eligible employees are entitled to benefits based on the length of service and basic rate of pay at the time of termination.

Defined benefit plans

(a) Movement in retirement benefit obligations

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Balance at the beginning of the fiscal year	¥2,351	¥2,321	\$20,906
Service cost	159	155	1,395
Interest cost	-	-	-
Actuarial loss(gain)	8	(87)	(785)
Benefits paid	(197)	(140)	(1,259)
Balance at the end of the fiscal year	¥2,321	¥2,248	\$20,256

(b) Movement in plan assets

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Balance at the beginning of the fiscal year	¥1,310	¥1,379	\$12,420
Expected return on plan assets	26	33	296
Actuarial loss(gain)	94	(57)	(518)
Contributions paid by the employer	44	45	403
Benefits paid	(96)	(71)	(638)
Balance at the end of the fiscal year	¥1,379	¥1,328	\$11,963

(c) Reconciliation from retirement benefit obligations and plan assets to liability(asset) for retirement benefits

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Funded retirement benefit obligations	¥1,278	¥1,236	\$11,132
Plan assets	(1,379)	(1,328)	(11,963)
	(100)	(92)	(831)
Unfunded retirement benefit obligations	1,042	1,013	9,124
Total Net liability(asset) for retirement benefits at the end of the fiscal year	942	921	8,293
Liability for retirement benefits	1,042	1,013	9,124
Asset for retirement benefits	(100)	(92)	(831)
Total Net liability(asset) for retirement benefits at the end of the fiscal year	¥942	¥921	\$8,293

(d) Retirement benefit costs

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Service cost	¥159	¥155	\$1,395
Interest cost	-	-	-
Expected return on plan assets	(26)	(33)	(296)
Net actuarial loss amortization	19	48	430
Total retirement benefit costs for the fiscal years ended March31	¥151	¥170	\$1,530

(e) Accumulated adjustments for retirement benefit

	Millions of yen		Thousands of U.S. dollars(Note1)
	2018	2019	2019
Actual gains and losses that are yet to be recognized	¥6	¥83	\$751
Total balance at the end of the fiscal year	¥6	¥83	\$751

(f) Plan assets

1. Plan assets comprise

	2018	2019
Equity securities	54.4%	55.2%
Bonds	41.1%	40.4%
Other	4.5%	4.4%
Total	100.0%	100.0%

2. Long-term expected rate of return

Current and target asset allocations, historical and expected returns on various categories of plan assets have been considered in determining the long-term expected rate of return.

(g) Actuarial assumptions

The principal actuarial assumptions at March, 31 2018 and 2019 were as follows :

	2018	2019
Discount rate	0.0%	0.0%
Long-term expected rate of return	2.00%	2.38%

12. Financial Instruments

(a) Conditions of Financial Instruments

1. Policy for financial instruments

The Companies raise funds primarily through bank loans.

Temporary fund surpluses are managed principally through short-term deposits.

The Companies utilize financial assets with high degrees of safety for surplus funds.

The Companies use derivatives to reduce risk as described below and do not enter into derivatives for trading in the short term or for speculation.

2. Description of financial instruments, risk

Notes and accounts receivable from completed construction contracts- are exposed to the credit risks of customers.

Because the Companies are expanding their business globally, certain trade receivables denominated in foreign currencies are exposed to foreign currency exchange rate fluctuation risk. For this risk, currency forward contracts are used on a certain portion of the positions that are considered as necessary.

Deposits to the holding company is deposits paid to the holding company in accordance with the policy of management for temporary fund surpluses.

Investment securities are equity securities, and most of which is equity securities for unconsolidated subsidiaries.

The majority of notes and accounts payable for construction contracts have payment due dates of less than one year. A portion of those are denominated in foreign currencies in association with the import of materials and equipments, raw materials and others are thus exposed to foreign currency exchange rate fluctuation risks. For this risk, currency forward contracts are used on a certain portion of the positions that are considered as necessary.

Derivative transactions entered into by the Companies are implemented and controlled based on the Company's internal policies. Moreover, in order to mitigate credit risk, the Companies only conduct business with highly rated financial institutions and trading companies.

Regarding derivative transactions, please refer to "Notes to Consolidated Financial Statements 13. Derivative Transactions".

3. Description of risk management system

Supplementary explanation regarding fair value of financial instruments

The fair value of financial instruments is measured based on the market price, if available, or reasonably estimated value if a market price is not available. Because fair value is estimated based on certain assumptions, the fair value might differ if different assumptions are used.

In addition, the contract amount of the derivative transactions described below in Notes 13 (Derivative Transactions) does not represent the market risk of the derivative transactions.

(b) Fair value of financial instruments

The carrying amounts on the consolidated balance sheets, fair value, and differences as of March 31, 2019 are as next page. In addition, financial instruments, of which it is extremely difficult to measure the fair value, are not included. (Please refer to "2. Financial instruments whose fair value is extremely difficult to measure")

	Millions of yen		
	Consolidated balance sheet amount	Fair value	Difference
Year ended March 31, 2019			
Assets:			
(a) Cash and time deposits:	¥2,049	¥2,049	¥ -
(b) Notes and accounts receivable from completed construction contracts:	9,513	9,513	-
(c) Deposits to the holding company:	6,239	6,239	-
Total:	17,801	17,801	-
Liabilities:			
(a) Notes and accounts payable for construction contracts:	(3,354)	(3,354)	-
(b) Advances received on uncompleted construction contracts:	(241)	(241)	-
Total:	(3,595)	(3,595)	-
Derivative transactions	(1)	(1)	-
Notes: Derivative assets and liabilities are on net basis. Items that are net liabilities are shown in parenthesis.			

	Thousands of U.S.dollars (Note 1)		
	Consolidated balance sheet amount	Fair value	Difference
Year ended March 31, 2019			
Assets:			
(a) Cash and time deposits:	\$18,457	18,457	\$ -
(b) Notes and accounts receivable from completed construction contracts:	85,704	85,704	-
(c) Deposits to the holding company:	56,206	56,206	-
Total:	160,368	160,368	-
Liabilities:			
(a) Notes and accounts payable for construction contracts:	(30,215)	(30,215)	-
(b) Advances received on uncompleted construction contracts:	(2,174)	(2,174)	-
Total:	(32,389)	(32,389)	-
Derivative transactions	(5)	(5)	-
Notes: Derivative assets and liabilities are on net basis. Items that are net liabilities are shown in parenthesis.			

Notes:

1. Method of estimating fair value of financial instruments

Assets:

(a) Cash and time deposits and (c) Deposits to the holding company:

The consolidated balance sheet amounts approximate fair value because of the short maturity of these instruments.

(b) Notes and accounts receivable from completed construction contracts:

The fair values of these financial instruments are equivalent to the book value, because of the short term settlements; although, the fair value of notes and accounts receivable from completed construction contracts due over one year are based on the present value of discounted cash flows using the interest rate determined by the factors such as bonds issued by the government of Japan.

Liabilities:

(a) Notes and accounts payable for construction contracts (b) Advances received on uncompleted construction contracts: The consolidated balance sheet amounts approximate fair value because of the short maturity of these instruments.

Derivative transactions:

Contract amount, fair value, unrealized gain or loss, and others are described in "Notes to Consolidated Financial Statements 13. Derivative Transactions" .

2. Financial instruments whose fair value is extremely difficult to measure

Classification	Consolidated balance sheet amount	
	Millions of yen	Thousands of U.S.dollars(Note 1)
Unlisted equity securities	¥57	\$509

Investment securities is only unlisted equity securities, and there is no market value and it is extremely difficult to measure the fair value.

3. The redemption schedule for money claim with maturity date subsequent to the consolidated balance sheets date

	Millions of yen	
	April 1 , 2019 to March 31 , 2020	April 1 , 2020 to March 31 , 2024
Year ended March 31, 2019		
(a)Cash and time deposits:	¥2,049	¥ -
(b)Notes and accounts receivable from completed construction contracts:	9,513	-
(c) Deposits to the holding company:	6,239	-
Total:	17,801	-

	Thousands of U.S.dollars (Note 1)	
	April 1 , 2019 to March 31 , 2020	April 1 , 2020 to March 31 , 2024
Year ended March 31, 2019		
(a)Cash and time deposits:	\$18,457	\$ -
(b)Notes and accounts receivable from completed construction contracts:	85,704	-
(c) Deposits to the holding company:	56,206	-
Total:	160,368	-

13. Derivative Transactions

The Company used currency forward contracts to hedge transactions, such as sales denominated in foreign currencies and forecasted purchases of inventories (mainly construction materials and raw materials) against foreign currency exchange risk.

The Companies utilized commodities forward transaction to reduce the Company's exposure to fluctuations in raw material prices which is subject to international market fluctuation.

All of these contracts were based on actual demand and not for trading in the short term or for speculation.

(a) Derivative transactions for which hedge accounting had not been applied as of March 31, 2019 was as follows:

Commodity-related derivatives

Type	Millions of		Thousands of	
	Yen		U.S. dollars	(Note 1)
	2019		2019	
Forward contracts				
Buying:				
Contract amounts	8		\$75	
metal:				
Due over one year	(-)		(-)	
Market value	8		76	
Net unrealized gains	0		1	

Notes: Market values of commodity forward contracts are based on forward rates or prices provided by financial institutions

(b) Derivative transactions for which hedge accounting had been applied as of March 31, 2019 were as follows:

Currency-related derivatives

Type	Hedged items	Millions of		Thousands of	
		yen		U.S. dollars	(Note 1)
		2019		2019	
Forward contracts					
Selling:					
Notes and accounts	Contract amounts	¥57		\$509	
U.S.dollars:	receivable from completed construction contracts	(-)		(-)	
	Market value	58		519	
	Unrealized gain(loss)	(1)		(9)	
Buying:					
Notes and accounts	Contract amounts	¥61		\$550	
U.S.dollars:	payable for construction contracts	(-)		(-)	
	Market value	62		556	
	Unrealized gain(loss)	1		5	
Notes and accounts	Contract amounts	¥33		\$299	
Euros:	payable for construction contracts	(-)		(-)	
	Market value	33		297	
	Unrealized gain(loss)	0		(2)	
	Contract amounts	¥151		\$1,359	
	(Due over one year)	(-)		(-)	
	Market value	152		1,371	
	Unrealized gain(loss)	(1)		(6)	

Notes:

(a) The deferred hedge method is applied as hedge accounting methods.

(b) Market values of currency forward contracts are based on prices provided by financial institutions.

14.Related Party Transactions

1. Year ended March 31, 2018

(1) Transactions of the Company with its holding company and significant shareholders, for the year ended March 31, 2018 were as follows:

Millions of Yen				
2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital (Millions of yen)	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage held by the holding company				
(a) Mitsui Mining And Smelting Co.,Ltd.	Sales	¥3,286	Notes and accounts receivable from completed construction contracts	¥802
			Advances received on uncompleted construction contracts	0
(b) Holding Company	Purchases	760	Notes and accounts payable from completed construction contracts	147
			Other current liabilities	17
(c) 42,129 millions of yen	Deposit of funds	319	Deposits to the holding company	5,141
(d) Direct 63.4%	Interest income	28	-	-
	Interest expense	0	-	-

Thousands of U.S.dollars (Note1)				
2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital (Millions of yen)	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage held by the holding company				
(a) Mitsui Mining And Smelting Co.,Ltd.	Sales	\$30,924	Notes and accounts receivable from completed construction contracts	\$7,549
			Advances received on uncompleted construction contracts	1
(b) Holding Company	Purchases	7,154	Notes and accounts payable from completed construction contracts	1,383
			Other current liabilities	161
(c) 42,129 millions of yen	Deposit of funds	3,004	Deposits to the holding company	48,382
(d) Direct 63.4%	Interest income	259	-	-
	Interest expense	1	-	-

Notes :

- The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
- Business conditions and policy of business conditions
 - The amount of orders was determined properly on an arm's – length basis as in the case of other general transactions
 - The purchase amount of raw materials for metal processing was determined properly considering normal market prices as in the case of other general transactions
 - The interest rate of deposits paid to its holding company was determined properly considering normal market interest rates as in the case of other general transactions
- Workers on loan
The Company accepted 23 workers on loan (21 support persons on engineering service and 1 support person on administrative service) from Mitsui Mining & Smelting Co.,Ltd.(its holding company) by request from the Company based upon the contract between the two parties for the year ended March 31, 2018.
- The transaction amount of withdrawal of funds is stated in net increase basis.

(2) Transactions of the Company with its unconsolidated subsidiary for the year ended March 31, 2018 were as follows:

Millions of Yen				
2018				
(a) Name (b) Attribution (c) Capital (Thousands of Baht) (d) Equity ownership percentage of the Company	Transactions during the year ended March 31, 2018		Balance at the end of the year	
	Description of transaction	Amount	Account	Amount
(a) Siam Mesco Co.,Ltd. (b) Unconsolidated subsidiary (c) 3,000 thousands of Baht (d) 49.0%	Sales	¥15	Notes and accounts receivable from completed construction contracts	-
	Purchases	0	-	-

Thousands of U.S.dollars (Note1)				
2018				
(a) Name (b) Attribution (c) Capital (Thousands of Baht) (d) Equity ownership percentage of the Company	Transactions during the year ended March 31, 2018		Balance at the end of the year	
	Description of transaction	Amount	Account	Amount
(a) Siam Mesco Co.,Ltd. (b) Unconsolidated subsidiary (c) 3,000 thousands of Baht (d) 49.0%	Sales	\$141	Notes and accounts receivable from completed construction contracts	-
	Purchases	0	-	-

Notes:

- The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
- Business conditions and policy of business conditions
 - The amount of orders received was determined properly on an arm's – length basis as in the case of other general transactions
 - The purchase amount of raw materials for metal processing was determined properly considering normal market prices as in the case of other general transactions
- SIAM MESCO Co.,Ltd is regarded as subsidiary because a majority of directors are made up of by the Company's directors or employees.

(3) Transactions of the Company with companies with the same parent company and subsidiaries of other affiliates of the Company for the year ended March 31, 2018 were as follows:

Millions of Yen				
2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage of the Company				
(a) Hikoshima Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	¥791	Notes and accounts receivable from completed construction contracts	¥388
(c) 460 millions of yen				
(d) -				
(a) Hachinohe Smelting Co.,Ltd.			Notes and accounts receivable from completed construction contracts	¥324
(b) Company with the same parent company	Sales	¥6,305	Advances received on uncompleted construction contracts	-
(c) 4,795 millions of yen	Rent income of facilities	10	Other current receivable	6
(d) -	Purchases	55	Notes and accounts payable from completed construction contracts	2
			Other current liabilities	2
(a) Kamioka Mining and Smelting Co.,Ltd.			Notes and accounts receivable from completed construction contracts	¥482
(b) Company with the same parent company	Sales	¥9,443	Other current receivables	0
(c) 4,600 millions of yen			Advances received on uncompleted construction contracts	1,270
(d) -	Purchases	2	Other current liabilities	1

Thousands of U.S.dollars (Note1)

2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage of the Company				
(a) Hikoshima Smelting Co.,Ltd.			Notes and accounts receivable from completed construction contracts	\$3,650
(b) Company with the same parent company	Sales	\$7,445		
(c) 460 millions of yen				
(d) -				
(a) Hachinohe Smelting Co.,Ltd.			Notes and accounts receivable from completed construction contracts	\$3,050
(b) Company with the same parent company	Sales	\$59,345	Advances received on uncompleted construction contracts	-
(c) 4,795 millions of yen	Rent income of facilities	98	Other current receivables	55
(d) -	Purchases	522	Notes and accounts payable from completed construction contracts	18
			Other current liabilities	21
(a) Kamioka Mining and Smelting Co.,Ltd.			Notes and accounts receivable from completed construction contracts	\$4,538
(b) Company with the same parent company	Sales	\$88,873	Other current receivables	5
(c) 4,600 millions of yen			Advances received on uncompleted construction contracts	11,951
(d) -	Purchases	16	Other current receivables	8

Millions of Yen

2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Miike Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	¥549	Notes and accounts receivable from completed construction contracts	¥320
(c) 100 millions of yen				
(d) -				

Thousands of U.S.dollars (Note1)

2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2018			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Miike Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	\$5,170	Notes and accounts receivable from completed construction contracts	\$3,010
(c) 100 millions of yen				
(d) -				

(4) Transactions of the consolidated subsidiaries of Company with companies with the same parent company and subsidiaries of other affiliates of the Company for the year ended March 31, 2018 were as follows:

Millions of Yen				
2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-18			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Mitsui Copper Foil (Malaysia) SDN.BHD.				
(b) Company with the same parent company	Sales	¥1,816	Notes and accounts receivable from completed construction contracts	¥1,763
(c) 330 millions of Malaysia Ringgits				
(d) -				
(a) TAIWAN COPPER FOIL CO., LTD.				
(b) Company with the same parent company	Sales	¥549	Notes and accounts receivable from completed construction contracts	¥474
(c) 800 millions of NT\$				
(d) -				

Thousands of U.S.dollars				
2018				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-18			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Mitsui Copper Foil (Malaysia) SDN.BHD.				
(b) Company with the same parent company	Sales	\$17,092	Notes and accounts receivable from completed construction contracts	\$16,594
(c) 330 millions of Malaysia Ringgits				
(d) -				
(a) TAIWAN COPPER FOIL CO., LTD.				
(b) Company with the same parent company	Sales	\$5,165	Notes and accounts receivable from completed construction contracts	\$4,459
(c) 800 millions of NT\$				
(d) -				

Notes :

1. The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
2. Business conditions and policy of business conditions
 - (i)The amount of orders received was determined properly on an arm's – length basis as in the case of other general transactions
 - (ii)The purchase amount of raw materials was determined properly considering normal market prices as in the case of other general transactions
 - (iii)Rent expense of machineries was determined properly considering normal market prices as in the case of other general transactions
3. Notes about parent company and significant affiliated company
Information on its parent company
Mitsui Mining & Smelting Co.,Ltd. (listed in Tokyo Stock Exchange)

2. Year ended March 31, 2019

(1) Transactions of the Company with its holding company and significant shareholders, for the year ended March 31, 2019 were as follows:

Millions of Yen				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital (Millions of yen)	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage held by the holding company				
(a) Mitsui Mining And Smelting Co.,Ltd.	Sales	¥3,398	Notes and accounts receivable from completed construction contracts	¥1,196
			Advances received on uncompleted construction contracts	-
			Other current receivables	11
(b) Holding Company	Purchases	662	Notes and accounts payable from completed construction contracts	167
			Other current liabilities	15
(c) 42,129 millions of yen	Deposit of funds	1,098	Deposits to the holding company	6,239
(d) Direct 63.4%	Interest income	26	-	-
	Interest expense	0	-	-

Thousands of U.S.dollars				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital (Millions of yen)	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage held by the holding company				
(a) Mitsui Mining And Smelting Co.,Ltd.	Sales	\$30,609	Notes and accounts receivable from completed construction contracts	\$10,779
			Advances received on uncompleted construction contracts	-
			Other current liabilities	98
(b) Holding Company	Purchases	5,962	Notes and accounts payable from completed construction contracts	1,504
			Other current liabilities	138
(c) 42,129millions of yen	Deposit of funds	9,895	Deposits to the holding company	56,206
(d) Direct 63.4%	Interest income	236	-	-
	Interest expense	1	-	-

Notes :

- The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
- Business conditions and policy of business conditions
 - The amount of orders was determined properly on an arm's – length basis as in the case of other general transactions
 - The purchase amount of raw materials for metal processing was determined properly considering normal market prices as in the case of other general transactions
 - The interest rate of deposits paid to its holding company was determined properly considering normal market interest rates as in the case of other general transactions
- Workers on loan
The Company accepted 21 workers on loan (20 support persons on engineering service and 1 support person on administrative service) from Mitsui Mining & Smelting Co.,Ltd.(its holding company) by request from the Company based upon the contract between the two parties for the year ended March 31, 2019.
- The transaction amount of withdrawal of funds is stated in net increase basis.

(2) Transactions of the Company with its unconsolidated subsidiary for the year ended March 31, 2019 were as follows:

Millions of Yen				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital (Thousands of Baht)				
(d) Equity ownership percentage of the Company	Description of transaction	Amount	Account	Amount
(a) Siam Mesco Co.,Ltd.	Sales	¥9	Notes and accounts receivable from completed construction contracts	¥7
(b) Unconsolidated subsidiary				
(c) 3,000 thousands of Baht	Purchases	19	-	-
(d) 49.0%				

Thousands of U.S.dollars				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital (Thousands of Baht)				
(d) Equity ownership percentage of the Company	Description of transaction	Amount	Account	Amount
(a) Siam Mesco Co.,Ltd.	Sales	\$84	Notes and accounts receivable from completed construction contracts	\$60
(b) Unconsolidated subsidiary				
(c) 3,000 thousands of Baht	Purchases	171	-	-
(d) 49.0%				

Notes :

1. The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
2. Business conditions and policy of business conditions
 - (i) The amount of orders received was determined properly on an arm's – length basis as in the case of other general transactions
 - (ii) The purchase amount of raw materials for metal processing was determined properly considering normal market prices as in the case of other general transactions
3. SIAM MESCO Co.,Ltd is regarded as subsidiary because a majority of directors are made up of by the Company's directors or employees.

(3) Transactions of the Company with companies with the same parent company and subsidiaries of other affiliates of the Company for the year ended March 31, 2019 were as follows:

Millions of Yen				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Mitsui Kinzoku Catalysts Zhuhai Co., Ltd.				
(b) Company with the same parent company	Sales	¥292	Notes and accounts receivable from completed construction contracts	¥246
(c) 34,400 thousands of RMB				
(d) -				
(a) Hachinohe Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	¥3,343	Notes and accounts receivable from completed construction contracts	¥330
			Advances received on uncompleted construction contracts	6
(c) 4,795 millions of yen	Rent income of facilities	9	Other current receivables	5
(d) -	Purchases	39	Notes and accounts payable from completed construction contracts	1
			Other current liabilities	2
(a) Kamioka Mining and Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	¥6,589	Notes and accounts receivable from completed construction contracts	¥409
(c) 4,600 millions of yen			Other current receivables	5
(d) -	Purchases	2	Advances received on uncompleted construction contracts	188
			Other current liabilities	1

Thousands of U.S.dollars				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital	Description of	Amount	Account	Amount
(d) Equity ownership percentage of the Company	transaction			
(a) Mitsui Kinzoku Catalysts Zhuhai Co., Ltd.				
(b) Company with the same parent company	Sales	\$2,629	Notes and accounts receivable from completed construction	\$2,219
(c) 34,400 thousands of RMB				
(d) -				
(a) Hachinohe Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	\$30,115	Notes and accounts receivable from completed construction contracts	\$2,972
			Advances received on uncompleted construction contracts	51
(c) 4,795 millions of yen	Rent income of facilities	82	Other current receivables	41
(d) -	Purchases	347	Notes and accounts payable from completed construction contracts	13
			Other current liabilities	20
(a) Kamioka Mining and Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	\$59,359	Notes and accounts receivable from completed construction contracts	\$3,681
(c) 4,600 millions of yen			Other current receivables	41
(d) -	Purchases	15	Advances received on uncompleted construction contracts	1,692
			Other current receivables	5

Millions of Yen

2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2019			
(c) Capital	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage of the Company				
(a) Miike Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	¥364	Notes and accounts receivable from completed construction contracts	¥244
(c) 100 millions of yen				
(d) -				

Thousands of U.S.dollars (Note1)

2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	March 31, 2019			
(c) Capital	Description of transaction	Amount	Account	Amount
(d) Equity ownership percentage of the Company				
(a) Miike Smelting Co.,Ltd.				
(b) Company with the same parent company	Sales	\$3,281	Notes and accounts receivable from completed construction contracts	\$2,196
(c) 100 millions of yen				
(d) -				

(4) Transactions of the consolidated subsidiaries of Company with companies with the same parent company and subsidiaries of other affiliates of the Company for the year ended March 31, 2019 were as follows:

Millions of Yen				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital				
(d) Equity ownership percentage of the Company	Description of transaction	Amount	Account	Amount
(a) Mitsui Copper Foil (Malaysia) SDN.BHD.				
(b) Company with the same parent company	Sales	¥1,000	Notes and accounts receivable from completed construction contracts	¥689
(c) 330 millions of Malaysia Ringgits				
(d) -				
(a) TAIWAN COPPER FOIL CO., LTD.				
(b) Company with the same parent company	Sales	¥525	Notes and accounts receivable from completed construction contracts	¥299
(c) 800 millions of NT\$				
(d) -				

Thousands of U.S.dollars				
2019				
(a) Name	Transactions during the year ended		Balance at the end of the year	
(b) Attribution	31-Mar-19			
(c) Capital				
(d) Equity ownership percentage of the Company	Description of transaction	Amount	Account	Amount
(a) Mitsui Copper Foil (Malaysia) SDN.BHD.				
(b) Company with the same parent company	Sales	\$9,013	Notes and accounts receivable from completed construction contracts	\$6,208
(c) 330 millions of Malaysia Ringgits				
(d) -				
(a) TAIWAN COPPER FOIL CO., LTD.				
(b) Company with the same parent company	Sales	\$4,731	Notes and accounts receivable from completed construction contracts	\$2,695
(c) 800 millions of NT\$				
(d) -				

Notes :

1. The amounts stated above do not include consumption tax, except for the balance at fiscal year end, which includes the consumption tax amount.
2. Business conditions and policy of business conditions
 - (i)The amount of orders received was determined properly on an arm's – length basis as in the case of other general transactions
 - (ii)The purchase amount of raw materials was determined properly considering normal market prices as in the case of other general transactions
 - (iii)Rent expense of machineries was determined properly considering normal market prices as in the case of other general transactions
3. Notes about parent company and significant affiliated company
Information on its parent company
Mitsui Mining & Smelting Co.,Ltd. (listed in Tokyo Stock Exchange)

15. Earnings per Share of Common Stock

Earnings per share of common stock at March 31, 2018 and 2019 were as follows:

	Net income (Millions of yen)	Weighted- average shares (Thousands)	Net income per share (Yen)	Net income per share (U.S.dollars (Note 1))
Year ended March 31, 2018				
Net income available to common shareholders	¥1,557	12,772	¥121.87	\$1.15

	Net income (Millions of yen)	Weighted- average shares (Thousands)	Net income per share (Yen)	Net income per share (U.S.dollars (Note 1))
Year ended March 31, 2019				
Net income available to common shareholders	¥1,590	12,772	¥124.52	\$1.12

16. Consolidated Statement of Comprehensive Income

Year ended March 31, 2018 and 2019

Amounts reclassified to net income in the current period that were recognized in other comprehensive income in the current or previous periods and tax effects for each component of other comprehensive income were as follows:

	Millions of yen		Thousands of U.S. dollars (Note 1)
	2018	2019	2019
Unrealized gains (losses) on hedging derivatives:			
Increase(decrease) during the year	¥13	(¥1)	(\$5)
Reclassification adjustments	25	(13)	(120)
Sub-total, before tax	39	(14)	(125)
Tax (expense) or benefit	(12)	4	38
Sub-total, net of tax	27	(10)	(87)
Foreign currency translation adjustments:			
Increase(decrease) during the year	103	(96)	(863)
Sub-total, net of tax	103	(96)	(863)
Share of other comprehensive income of associates accounted for using equity			
Increase(decrease) during the year	4	(1)	(5)
Sub-total, net of tax	4	(1)	(5)
Retirement Benefits adjustments			
Increase(decrease) during the year	86	30	268
Reclassification adjustments	19	48	430
Sub-total, before tax	105	77	698
Tax (expense) or benefit	(32)	(24)	(213)
Sub-total, net of tax	73	54	485
Total other comprehensive income	206	(52)	(470)

Directors and Auditors

(As of June 24, 2019)

President and Representative Director

Kazuhiko Aoki

Managing Director

Yoshihiko Koura

Directors

Motohiro Kihara

Yoichi Tanaka

Shoji Kawano

Naoyuki Ito

Yoshiya Matsuo

Shigeo Hirayama

Toshihiro Kameda

Natsu Kondo

Kenji Miyamoto

Auditors

Shunji Kuwano

Jun-ichi Yamamoto

Yasuhiro Osawa

Corporate Data

(As of March 31, 2019)

Established: February 17, 1964

Authorized Capital: 32,000,000 shares

Shares issued: 12,780,000 shares

Paid-in capital: ¥ 1,085,350,000

Stock listing: Common stock is listed on
the Tokyo stock exchange.

Number of shareholders: 2,741

The Holding Company:

	Percentage of outstanding shares (%)
Mitsui Mining & Smelting Co.,Ltd.	63.4

Consolidated subsidiaries:

	Paid-in Capital (Millions)	Share (%)
MESCO(U.S.A.),INC.	¥13	100
MESCOENG(MALAYSIA) SDN.BHD.	¥22	100
TAIWAN MESCO Co.,Ltd.	¥18	100

Non-consolidated subsidiaries:

	Paid-in Capital (Millions)	Share (%)
SIAM MESCO Co.,Ltd.	¥6	49

Directory

Head Office

3-2-1 Kinshi, Sumida-ku, Tokyo
130-8531 Japan
Phone:(03)5610-7839 Fax:(03)5610-7863

Oita Pipe Plant

843-18 Kasugaura, Seike, Oita-Shi, Oita,
870-0011 Japan
Phone:(097)538-2100 Fax:(097)538-1501

Branch Offices

Tohoku

76 Hamanayachi, Kawaragi, Hachinohe-shi,
Aomori, 039-1161 Japan
Phone:(0178)28-2041 Fax:(0178)28-5251

Kamioka

1-1, Shikama, Kamioka-cho
Hida-shi, Gifu, 506-1114 Japan
Phone:(0578)82-3539 Fax:(0578)83-2862

Kyushu

2100 Tosen, Omuta-shi, Fukuoka
836-0003 Japan
Phone:(0944)57-3190 Fax:(0944)54-5539

Philippine Branch

Barangay Taganito, Claver, Surigao del Norte,
the Republic of the Philippines

Indonesia Representative Office

Kaw.Industri Suryacipta, Jl. Surya Lestari Kav.C-3,
Kutamekar Ciampel Karawang Jawa Barat 41361

Subsidiaries

MESCOENG(MALAYSIA) SDN.BHD.

Suite E406, 4th Floor, East Tower, Wisma consplant,
No.2, Jalan SS 16/4, Subang Jaya, 47500 Petaling
Jaya, Selangor Darul Ehsan, Malaysia
Phone : 60-3-5880-8880 Fax : 60-3-5880-5802

TAIWAN MESCO Co.,Ltd.

13F.-5, No.360, Sec.2, Taiwan Blvd., North Dist.,
Taichung City 404, Taiwan(R.O.C)
Phone : 886-4-2322-3366 Fax : 886-49-225-7702

SIAM MESCO Co.,Ltd.

689 Bhiraj Tower at Emquartier 18th Floor(Unit 1803)
Sukhumvit(Soi 35)Rd. Klongton Nuea, Vadhana, Bangkok 10110,
Thailand
Phone : 66-2-260-8441 Fax : 66-2-260-8442

Marketing Offices

Sapporo

1-4-1 Kitaichijo Higashi, Chuo-ku,
Sapporo-shi, Hokkaido 060-0031 Japan
Phone:(011)232-8031 Fax:(011)232-8033

Sendai

1-11-1 Hon-machi, Aoba-ku, Sendai-shi,
Miyagi, 980-0014 Japan
Phone:(022)227-5146 Fax:(022)227-5148

Tokyo

3-2-1 Kinshi, Sumida-ku, Tokyo
130-8531 Japan
Phone:(03)5610-7850 Fax:(03)5610-7867

Nagoya

3-29-10 Uchiyama Chikusa-ku Nagoya-shi,
Aichi, 460-0075 Japan
Phone:(052)953-0371 Fax:(052)953-0466

Osaka

1-23-101 Esaka-cho, Suita-shi, Osaka
564-0063 Japan
Phone:(06)6387-6510 Fax:(06)4861-7716

Hiroshima

3-20 Inari-machi, Minami-ku, Hiroshima-shi
Hiroshima, 732-0827 Japan
Phone:(082)262-2230 Fax:(082)262-2260

Fukuoka

2-1-22 Momochihama, Sawara-ku, Fukuoka
Fukuoka 814-0001 Japan
Phone:(092)843-7729 Fax:(092)843-7780