

**NTT Advanced Technology Corporation**  
**Consolidated Income statements**  
**For the year ended MARCH 31**

|                                                 | Yen in Million  |                 |
|-------------------------------------------------|-----------------|-----------------|
|                                                 | 2019            | 2018            |
| Net sales                                       | ¥ 56,195        | ¥ 50,894        |
| Cost of sales                                   | 44,339          | 39,914          |
| Gross profit                                    | ¥ <u>11,856</u> | ¥ <u>10,979</u> |
| Selling, general and<br>administrative expenses | 9,144           | 9,472           |
| Operating income                                | ¥ <u>2,712</u>  | ¥ <u>1,506</u>  |
| Other income (expense)                          | 587             | 552             |
| Income before income taxes                      | ¥ <u>3,300</u>  | ¥ <u>2,059</u>  |
| Income taxes                                    | 876             | 534             |
| Net income                                      | <u>¥ 2,424</u>  | <u>¥ 1,524</u>  |

**Disclosures:**

The financial statements are prepared in accordance with accounting principles generally accepted in Japan.  
All numbers hereby are rounded up to the nearest millions.

**NTT Advanced Technology Corporation**  
**Consolidated Balance sheets**  
**As of MARCH 31**

| ASSETS                                     | Yen in Million         |                        |
|--------------------------------------------|------------------------|------------------------|
|                                            | 2019                   | 2018                   |
| Current assets:                            |                        |                        |
| Cash and cash equivalents                  | ¥ 165                  | ¥ 966                  |
| Notes and accounts receivable              | 20,840                 | 20,281                 |
| Other current assets                       | <u>3,571</u>           | <u>3,457</u>           |
| <b>Total current assets</b>                | <b>24,578</b>          | <b>24,705</b>          |
| Property, plant and equipment :            |                        |                        |
| Equipment, furniture & fixtures            | 2,385                  | 2,222                  |
| Other fixed assets                         | <u>942</u>             | <u>979</u>             |
| <b>Total Property, plant and equipment</b> | <b>¥ 3,328</b>         | <b>¥ 3,202</b>         |
| Intangible assets:                         |                        |                        |
| Softwares                                  | 1,814                  | 1,048                  |
| Other intangible assets                    | <u>41</u>              | <u>33</u>              |
| <b>Total intangible assets</b>             | <b>1,856</b>           | <b>1,082</b>           |
| Investments and other assets:              |                        |                        |
| Investment securities                      | 1,205                  | 1,201                  |
| Investment and other assets                | <u>3,020</u>           | <u>2,117</u>           |
| <b>Total investments and other assets</b>  | <b>¥ 4,226</b>         | <b>¥ 3,318</b>         |
| <b>Total assets</b>                        | <b>¥ <u>33,989</u></b> | <b>¥ <u>32,309</u></b> |

| LIABILITIES AND SHAREHOLDERS' EQUITY              | Yen in Million         |                        |
|---------------------------------------------------|------------------------|------------------------|
|                                                   | 2019                   | 2018                   |
| Current liabilities:                              |                        |                        |
| Notes and accounts payable                        | ¥ 10,987               | ¥ 10,304               |
| Accrued expenses                                  | 1,526                  | 1,346                  |
| Other current liabilities                         | <u>2,378</u>           | <u>2,543</u>           |
| <b>Total current liabilities</b>                  | <b>14,892</b>          | <b>14,195</b>          |
| Non-current liabilities                           |                        |                        |
| Provision for retirement benefits                 | 3,854                  | 3,202                  |
| Other non-current liabilities                     | <u>424</u>             | <u>426</u>             |
| <b>Total non-current liabilities</b>              | <b>¥ 4,278</b>         | <b>¥ 3,628</b>         |
| <b>Total liabilities</b>                          | <b>¥ <u>19,171</u></b> | <b>¥ <u>17,824</u></b> |
| Shareholder's equity:                             |                        |                        |
| Common stock, par value                           | 5,000                  | 5,000                  |
| Additional paid-in capital                        | 299                    | 299                    |
| Retained earnings                                 | 9,491                  | 9,162                  |
| Net unrealized holding gains on securities        | <u>26</u>              | <u>23</u>              |
| <b>Total Shareholder's equity</b>                 | <b>¥ 14,817</b>        | <b>¥ 14,485</b>        |
| <b>Total liabilities and Shareholder's equity</b> | <b>¥ <u>33,989</u></b> | <b>¥ <u>32,309</u></b> |

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