



Consolidated Statements of Changes in Net Assets

Showa Denko K.K. and Consolidated Subsidiaries

For the years ended December 31, 2019 and 2018

	Thousands					Millions of yen						
	Number of shares of capital stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Non-controlling interests	Total net assets
Balance as at December 31, 2017	149,711	¥ 140,564	¥ 61,663	¥ 100,076	¥ (10,503)	¥ 16,547	¥ 3,781	¥ 29,541	¥ 15,516	¥ (4,716)	¥ 16,524	¥ 368,994
Dividends from surplus	—	—	—	(10,117)	—	—	—	—	—	—	—	(10,117)
Net income (loss) attributable to owners of the parent	—	—	—	111,503	—	—	—	—	—	—	—	111,503
Purchase of treasury stock	—	—	—	—	(10,015)	—	—	—	—	—	—	(10,015)
Disposal of treasury stock	—	—	17,248	—	8,859	—	—	—	—	—	—	26,107
Increase by increase of consolidated subsidiaries	—	—	—	—	—	—	—	—	—	—	—	—
Decrease by increase of consolidated subsidiaries	—	—	—	—	—	—	—	—	—	—	—	—
Change of scope of equity method	—	—	—	(6)	—	—	—	—	—	—	—	(6)
Change in treasury shares of the parent arising from transactions with non-controlling shareholders	—	—	0	—	—	—	—	—	—	—	—	0
Reversal of revaluation reserve for land	—	—	—	(3,740)	—	—	—	—	—	—	—	(3,740)
Net changes of items other than shareholders' equity	—	—	—	—	—	(9,058)	(2,945)	3,740	(8,447)	(3,528)	2,853	(17,387)
Balance as at December 31, 2018	149,711	¥ 140,564	¥ 78,911	¥ 197,717	¥ (11,659)	¥ 7,489	¥ 836	¥ 33,281	¥ 7,069	¥ (8,244)	¥ 19,377	¥ 465,340
Dividends from surplus	—	—	—	(21,924)	—	—	—	—	—	—	—	(21,924)
Net income (loss) attributable to owners of the parent	—	—	—	73,088	—	—	—	—	—	—	—	73,088
Purchase of treasury stock	—	—	—	—	(8)	—	—	—	—	—	—	(8)
Disposal of treasury stock	—	—	0	—	3	—	—	—	—	—	—	3
Increase by increase of consolidated subsidiaries	—	—	—	448	—	—	—	—	—	—	—	448
Decrease by increase of consolidated subsidiaries	—	—	—	(367)	—	—	—	—	—	—	—	(367)
Change of scope of the equity method	—	—	—	—	—	—	—	—	—	—	—	—
Change in treasury shares of the parent arising from transactions with non-controlling shareholders	—	—	1	—	—	—	—	—	—	—	—	1
Reversal of revaluation reserve for land	—	—	—	285	—	—	—	—	—	—	—	285
Net changes of items other than shareholders' equity	—	—	—	—	—	2,301	(404)	(221)	(2,929)	3,130	690	2,568
Balance as at December 31, 2019	149,711	¥ 140,564	¥ 78,912	¥ 249,246	¥ (11,664)	¥ 9,789	¥ 433	¥ 33,060	¥ 4,140	¥ (5,114)	¥ 20,067	¥ 519,433

	Thousands					Thousands of U.S. dollars (Note 5)						
	Number of shares of capital stock	Capital stock	Capital surplus	Retained earnings	Treasury stock	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Non-controlling interests	Total net assets
Balance as at December 31, 2018	149,711	\$ 1,282,982	\$ 720,255	\$ 1,804,642	\$ (106,419)	\$ 68,352	\$ 7,634	\$ 303,772	\$ 64,518	\$ (75,246)	\$ 176,863	\$ 4,247,352
Dividends from surplus	—	—	—	(200,114)	—	—	—	—	—	—	—	(200,114)
Net income (loss) attributable to owners of the parent	—	—	—	667,108	—	—	—	—	—	—	—	667,108
Purchase of treasury stock	—	—	—	—	(72)	—	—	—	—	—	—	(72)
Disposal of treasury stock	—	—	0	—	25	—	—	—	—	—	—	25
Increase by increase of consolidated subsidiaries	—	—	—	4,089	—	—	—	—	—	—	—	4,089
Decrease by increase of consolidated subsidiaries	—	—	—	(3,353)	—	—	—	—	—	—	—	(3,353)
Change of scope of the equity method	—	—	—	—	—	—	—	—	—	—	—	—
Change in treasury shares of the parent arising from transactions with non-controlling shareholders	—	—	8	—	—	—	—	—	—	—	—	8
Reversal of revaluation reserve for land	—	—	—	2,600	—	—	—	—	—	—	—	2,600
Net changes of items other than shareholders' equity	—	—	—	—	—	21,001	(3,683)	(2,015)	(26,732)	28,573	6,294	23,437
Balance as at December 31, 2019	149,711	\$ 1,282,982	\$ 720,263	\$ 2,274,973	\$ (106,465)	\$ 89,352	\$ 3,951	\$ 301,756	\$ 37,786	\$ (46,673)	\$ 183,157	\$ 4,741,082

See notes to financial statements.