

Consolidated Balance Sheets

(Millions of yen)

	Prior Fiscal Year (Ended March 31, 2019)	Current Fiscal Year (Ended March 31, 2020)
Assets		
Current assets:		
Cash and deposits	168,712	165,747
Notes and accounts receivable - trade	197,227	177,038
Securities	3,703	3,643
Inventories	143,429	136,442
Other	24,411	26,079
Allowance for doubtful accounts	(2,303)	(2,362)
Total current assets	535,180	506,588
Noncurrent assets:		
Property, plant and equipment:		
Buildings and structures	428,376	436,527
Accumulated depreciation	(280,217)	(282,635)
Buildings and structures, net	148,158	153,892
Machinery, equipment and vehicles	577,200	610,312
Accumulated depreciation	(435,682)	(464,839)
Machinery, equipment and vehicles, net	141,518	145,472
Land	63,933	62,596
Construction in progress	22,774	13,197
Other	91,995	109,327
Accumulated depreciation	(74,015)	(79,596)
Other, net	17,980	29,730
Total property, plant and equipment	394,365	404,888
Intangible assets	19,868	25,954
Investments and other assets:		
Investment securities	31,572	23,302
Deferred tax assets	16,388	13,177
Other	15,655	10,792
Allowance for doubtful accounts	(1,096)	(1,059)
Total investments and other assets	62,519	46,213
Total noncurrent assets	476,753	477,056
Total assets	1,011,934	983,645

Consolidated Balance Sheets

(Millions of yen)

	Prior Fiscal Year (Ended March 31, 2019)	Current Fiscal Year (Ended March 31, 2020)
Liabilities		
Current liabilities:		
Notes and accounts payable - trade	69,962	64,182
Short-term loans payable	4,817	4,731
Current portion of long-term loans payable	8	5
Income taxes payable	4,208	7,375
Provision for bonuses	15,261	15,635
Deposits received from employees	34,415	34,692
Other	65,099	56,280
Total current liabilities	193,774	182,904
Noncurrent liabilities:		
Bonds payable	10,000	10,000
Long-term loans payable	2,014	2,009
Deferred tax liabilities	3,333	4,720
Net defined benefit liabilities	123,423	107,483
Provision for directors' retirement benefits	864	939
Other	7,327	13,022
Total noncurrent liabilities	146,963	138,176
Total liabilities	340,738	321,080
Net assets		
Shareholders' equity:		
Capital stock	11,992	11,992
Capital surplus	35,360	35,360
Retained earnings	684,613	705,365
Treasury stock	(15)	(16)
Total shareholders' equity	731,950	752,701
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	7,968	2,543
Deferred gains or losses on hedges	295	187
Foreign currency translation adjustments	(23,189)	(49,450)
Remeasurements of defined benefit plans	(61,620)	(59,377)
Total accumulated other comprehensive income	(76,545)	(106,096)
Non-controlling interests	15,790	15,959
Total net assets	671,195	662,564
Total liabilities and net assets	1,011,934	983,645

Consolidated Statements of Income

(Millions of yen)

	Prior Fiscal Year (From April 1, 2018 to March 31, 2019)	Current Fiscal Year (From April 1, 2019 to March 31, 2020)
Net sales	765,781	732,854
Cost of sales	491,381	473,594
Gross profit	274,400	259,260
Selling, general and administrative expenses	212,625	217,918
Operating income	61,775	41,341
Non-operating income:		
Interest income	2,106	2,676
Dividends income	521	689
Foreign exchange gains	167	–
Miscellaneous income	3,662	3,136
Total non-operating income	6,456	6,502
Non-operating expenses:		
Interest expenses	695	920
Foreign exchange losses	–	545
Miscellaneous loss	3,069	3,716
Total non-operating expenses	3,765	5,182
Ordinary income	64,466	42,661
Extraordinary income:		
Gain on sales of noncurrent assets	2,287	5,000
Other	185	15
Total extraordinary income	2,473	5,016
Extraordinary loss:		
Loss on sales of noncurrent assets	107	281
Loss on retirement of noncurrent assets	1,637	1,389
Loss on termination of retirement benefit plan	1,057	–
Other	260	69
Total extraordinary loss	3,063	1,740
Income before income taxes and non-controlling interests	63,876	45,936
Income taxes-current	13,657	15,976
Income taxes-deferred	2,905	5,221
Total income taxes	16,562	21,197
Net income	47,313	24,738
Net income attributable to non-controlling interests	1,489	1,109
Net income attributable to owners of parent	45,824	23,629

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Prior Fiscal Year (From April 1, 2018 to March 31, 2019)	Current Fiscal Year (From April 1, 2019 to March 31, 2020)
Net income	47,313	24,738
Other comprehensive income:		
Valuation difference on available-for-sale securities	95	(5,425)
Deferred gains or losses on hedges	4	(107)
Foreign currency translation adjustments	(2,883)	(26,500)
Remeasurements of defined benefit plans	(6,109)	2,262
Total other comprehensive income	(8,893)	(29,770)
Comprehensive income	38,420	(5,032)
Comprehensive income attributable to:		
Owners of the parent	36,878	(5,921)
Non-controlling interests	1,541	889

Consolidated Statements of Changes in Net Assets

Prior Fiscal Year (From April 1, 2018 to March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	11,992	35,218	641,666	(13)	688,864
Changes in items during the period					
Dividends from surplus			(2,877)		(2,877)
Net income attributable to owners of parent			45,824		45,824
Purchase of treasury stock				(1)	(1)
Change in ownership interest of parent due to transactions with non-controlling interests		141			141
Net changes in items other than shareholders' equity					—
Total changes in items during the period	—	141	42,946	(1)	43,086
Balance at the end of current period	11,992	35,360	684,613	(15)	731,950

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	7,873	291	(20,274)	(55,479)	(67,589)	15,087	636,361
Changes in items during the period							
Dividends from surplus					—		(2,877)
Net income attributable to owners of parent					—		45,824
Purchase of treasury stock					—		(1)
Change in ownership interest of parent due to transactions with non-controlling interests					—		141
Net changes in items other than shareholders' equity	95	4	(2,915)	(6,140)	(8,955)	703	(8,252)
Total changes in items during the period	95	4	(2,915)	(6,140)	(8,955)	703	34,834
Balance at the end of current period	7,968	295	(23,189)	(61,620)	(76,545)	15,790	671,195

Consolidated Statements of Changes in Net Assets

Current Fiscal Year (From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	11,992	35,360	684,613	(15)	731,950
Changes in items during the period					
Dividends from surplus			(2,877)		(2,877)
Net income attributable to owners of parent			23,629		23,629
Purchase of treasury stock				(1)	(1)
Net changes in items other than shareholders' equity					—
Total changes in items during the period	—	—	20,751	(1)	20,750
Balance at the end of current period	11,992	35,360	705,365	(16)	752,701

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of current period	7,968	295	(23,189)	(61,620)	(76,545)	15,790	671,195
Changes in items during the period							
Dividends from surplus					—		(2,877)
Net income attributable to owners of parent					—		23,629
Purchase of treasury stock					—		(1)
Net changes in items other than shareholders' equity	(5,425)	(107)	(26,260)	2,242	(29,551)	169	(29,381)
Total changes in items during the period	(5,425)	(107)	(26,260)	2,242	(29,551)	169	(8,631)
Balance at the end of current period	2,543	187	(49,450)	(59,377)	(106,096)	15,959	662,564

Consolidated Statements of Cash Flows

(Millions of yen)

	Prior Fiscal Year (From April 1, 2018 to March 31, 2019)	Current Fiscal Year (From April 1, 2019 to March 31, 2020)
Net cash provided by (used in) operating activities		
Income before income taxes and non-controlling interests	63,876	45,936
Depreciation and amortization	49,547	54,799
Increase (decrease) in allowance for doubtful accounts	(37)	194
Increase (decrease) in net defined benefit liabilities	(15,664)	(13,189)
Interest and dividends income	(2,627)	(3,365)
Interest expenses	695	920
Loss on retirement of property, plant and equipment	1,006	678
Loss (gain) on sales of property, plant and equipment	(2,130)	(4,718)
Decrease (increase) in notes and accounts receivable - trade	(7,761)	16,201
Decrease (increase) in inventories	(11,447)	1,049
Increase (decrease) in notes and accounts payable - trade	3,825	(4,915)
Other, net	1,902	(4,486)
Subtotal	81,185	89,105
Interest and dividends income received	2,623	2,783
Interest expenses paid	(708)	(925)
Income taxes paid	(14,493)	(13,231)
Net cash provided by (used in) operating activities	68,607	77,731
Net cash provided by (used in) investing activities		
Net decrease (increase) in short-term loans receivable	(403)	(1,236)
Payments into time deposits	(5,865)	(7,715)
Proceeds from withdrawal of time deposits	18,504	8,001
Purchase of property, plant and equipment	(62,282)	(60,488)
Proceeds from sales of property, plant and equipment	2,618	6,680
Purchase of intangible assets	(4,321)	(3,244)
Proceeds from sales of intangible assets	49	9
Purchase of investment securities	(2,478)	(115)
Proceeds from sales and redemption of investment securities	422	147
Payments from changes in ownership interests in subsidiaries that result in change in scope of consolidation	–	(10,418)
Payments of long-term loans receivable	(5)	–
Other, net	(128)	257
Net cash provided by (used in) investing activities	(53,888)	(68,123)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	768	39
Repayments of finance lease obligations	(403)	(1,906)
Proceeds from long-term loans payable	2,014	15
Repayments of long-term loans payable	(2,020)	(18)
Proceeds from issuance of bonds	9,961	–
Redemption of bonds	(10,000)	–
Purchase of treasury stock	(1)	(1)
Cash dividends paid	(2,881)	(2,875)
Dividends paid to non-controlling interests	(685)	(700)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(7)	–
Net cash provided by (used in) financing activities	(3,255)	(5,446)
Effect of exchange rate change on cash and cash equivalents	(298)	(5,693)
Net increase (decrease) in cash and cash equivalents	11,164	(1,533)
Cash and cash equivalents at the beginning of period	155,076	166,241
Cash and cash equivalents at the end of period	166,241	164,708

Notes to the Consolidated Financial Statements

Significant Accounting Policies

1. Scope of consolidation

Main consolidated subsidiaries are listed in "4. Overview of Affiliated Companies" under "1. Corporate Overview."

(1) Number of consolidated subsidiaries 108

Number of consolidated subsidiaries increased due to being newly established or purchased 3

YKK AP (CHINA) INVESTMENT CO., LTD.

ERIE ARCHITECTURAL PRODUCTS INC.

ERIE ARCHITECTURAL PRODUCTS USA, INC.

Number of consolidated subsidiaries decreased due to mergers between the parent and other consolidated subsidiaries 3

KUROBE SECURITY SERVICE

YKK FASTENING PRODUCTS SALES (SHANGHAI) CO., LTD.

YKK FASTENING PRODUCTS SALES (KOREA) INC.

The 108 consolidated subsidiaries include YKK HOLDING EUROPE B.V. and YKK Nederland BV.

(2) Number of unconsolidated subsidiaries 5

Name of major unconsolidated subsidiary:

Y2K HOLDINGS CORPORATION

The reason for exclusion from consolidation is as follows:

These companies have been excluded from consolidation because they are small, and their total assets, net sales, net income (amount equivalent to the equity portion held by the Company) and retained earnings (amount equivalent to the equity portion held by the Company) do not have a significant effect on the consolidated financial statements.

2. Application of equity method

(1) Number of companies accounted for using the equity method

Not applicable.

(2) Number of companies not accounted for using the equity method 8

Unconsolidated subsidiaries: 5

Y2K HOLDINGS CORPORATION and others

Affiliated companies: 1

NIKAWA PORTAL CORPORATION and other

The reason for not applying the equity method is as follows:

These companies are not accounted for using the equity method because their impact is not significant on the consolidated financial statements in terms of their total net income (amount equivalent to the equity portion held by the Company) and retained earnings (amount equivalent to the equity portion held by the Company), and they are not significant as a whole.

3. Accounting period of consolidated subsidiaries

The fiscal year end of certain foreign consolidated subsidiaries, including SHANGHAI YKK ZIPPER CO., LTD., is December 31.

These subsidiaries are consolidated using their financial statements as of the parent fiscal year end, which are prepared solely for consolidation purposes.

4. Matters regarding accounting policy

(1) Valuation standards and the valuation method for significant assets

a) Securities

1) Held-to-maturity debt securities

Held-to-maturity debt securities are carried at amortized cost (Straight-line).

2) Other securities

a. Marketable securities

Marketable securities are carried at fair value as of the consolidated fiscal year end, with changes in unrealized gains or losses included directly in net assets. Cost of securities sold is determined using the moving average method.

b. Non-marketable securities

Non-marketable securities are carried at cost, which is determined using the moving average method.

b) Derivatives:

Derivative financial instruments are stated at fair value.

c) Inventories

Inventories are mainly stated at cost based on the gross average method (the balance sheet amounts are determined including any required write-downs based on any decrease in profitability).

(2) Depreciation of assets

a) Property, plant and equipment (excluding leased assets):

Depreciation is calculated using the straight-line method.

The estimated useful lives are as follows:

Buildings and structures 2 - 50 years

Machinery, equipment and vehicles 2 - 15 years

- b) Intangible assets (excluding leased assets):
 - Amortization is calculated using the straight-line method.
 - Software for internal use is amortized over a period of mainly 5 years using the straight-line method.
- c) Leased assets:
 - Leased assets held under finance lease transactions, where ownership is not transferred
 - Depreciation of leased assets is calculated using the straight-line method over the lease terms with no residual value.
- d) Right-of-use assets
 - Overseas subsidiaries apply the International Financial Reporting Standards 16 "Leases" (hereinafter, "IFRS 16").
 - In accordance with IFRS 16, in principle, borrowers in lease transactions record all lease transactions as right-of-use assets.
 - Depreciation and amortization is calculated using the straight-line method.
- (3) Basis for significant reserves
 - a) Allowances for doubtful accounts
 - Allowances for doubtful accounts are provided at an amount sufficient to cover probable losses on collection. The allowances consist of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the historical actual percentage of collection losses on normal receivables.
 - b) Provision for bonuses
 - Accrued bonuses of the Company and its consolidated subsidiaries have been provided based on the estimated amount of bonuses to be paid to employees that relates to the current consolidated fiscal year.
 - c) Provision for directors' retirement benefits
 - Provision for directors' retirement benefits of the Company and certain domestic consolidated subsidiaries has been made at an amount to be required at the current consolidated fiscal year end based on the Company's bylaws.
- (4) Accounting for retirement benefits
 - a) Attribution to periods of expected retirement benefits
 - The Company and its domestic consolidated subsidiaries calculate retirement benefits obligations by using the straight-line attribution method to attribute expected benefits to the periods up to the current fiscal year.
 - b) Amortization of actuarial gains and losses and past service costs
 - The Company and its domestic consolidated subsidiaries amortize past service costs using the straight-line method over the average remaining years (10-22 years) of service of eligible employees.
 - Amortization of actuarial gains or losses begins in the consolidated fiscal year after the fiscal year in which the gain or loss is recognized, and is recorded using the straight-line method over a period within the average remaining years (10-22 years) of service of eligible employees at the time of occurrence in each consolidated fiscal year.
- (5) Reporting of significant revenues and expenses
 - Reporting of sales and costs of construction contracts
 - Revenue and costs from construction contracts have been accounted for based on the percentage of completion method for the portion of construction completed by the end of the current consolidated fiscal year, when the outcome of the construction contracts can be estimated reliably (the percentage of completion is estimated based on costs incurred). The completed contract method has been applied for all other construction contracts.
- (6) Translation of significant assets and liabilities denominated in foreign currencies into yen
 - Current and noncurrent receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect on the final day of the consolidated fiscal year, and differences arising from the translation are treated as loss or gain on exchange. All asset and liability accounts of foreign consolidated subsidiaries and affiliates are translated into yen at the rates of exchange in effect at the consolidated fiscal year end, and all income and expense accounts are translated into yen at the average exchange rate during the year. Differences arising from the translation are presented as foreign currency translation adjustments and non-controlling interests in net assets.
- (7) Hedge accounting
 - a) Hedge accounting
 - Deferral hedge accounting is adopted, in principle. Forward foreign exchange contracts are subject to appropriation if they satisfy the requirements for appropriation treatment.
 - b) Hedging instruments and hedged items
 - Hedging instruments and hedged items for which hedge accounting is adopted in the current consolidated fiscal year are as follows:
 - Hedging instruments: Forward foreign exchange contracts
 - Hedged items: Payables denominated in foreign currencies, forecast transactions denominated in foreign currencies.
 - c) Hedging policy
 - Foreign exchange fluctuation risk is hedged in accordance with the Company's basic policy related to risk management.
 - d) Assessment of hedge effectiveness
 - Hedge effectiveness is assessed quarterly, based on the change in market value of hedged items and the change in market value of hedging instruments. Forward foreign exchange contracts, which are subject to appropriation treatment, are excluded from the assessment of hedge effectiveness.
- (8) Goodwill amortization method and period
 - In principle, goodwill is amortized using the straight-line method over an estimated effective period from the date of occurrence. When the amount of goodwill is insignificant, goodwill is fully expensed in the period in which it arises.
- (9) Cash and cash equivalents in the Consolidated Statements of Cash Flows
 - Cash and cash equivalents consist of cash on hand, cash at banks that can be withdrawn at any time, and short-term investments with a maturity of 3 months or less when purchased that can easily be converted to cash and are subject to little risk of change in value.

(10) Other significant accounting policies of the Consolidated Financial Statements

a) Accounting for consumption tax

Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.

b) Application of tax effect accounting to the transition from the Consolidated Taxation System to the Group Tax Sharing System

The Company and certain domestic consolidated subsidiaries are transitioning to the Group Tax Sharing System which was established by the Act on Partial Revision of the Income Tax Act (Act No. 8 of 2020). Furthermore, in the case of items for which the non-consolidated tax system was reviewed in conjunction with transition to the Group Tax Sharing System, provisions in Article 44 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No. 28; February 16, 2018) are not applied as per treatment defined in Item 3 of the PITF No.39 Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System (March 31, 2020). The amount of deferred tax assets and deferred tax liabilities are based on tax law rules prior to the amendment.

(Changes to accounting policy)

(Application of IFRS 16 "Leases")

From the beginning of the current consolidated fiscal year, IFRS 16 is being applied to overseas subsidiaries that apply International Financial Reporting Standards (IFRS).

When applying IFRS 16, in principle, all leases of borrowers are recorded as assets or liabilities.

In the current consolidated fiscal year, application of IFRS 16 will have an insignificant effect on consolidated financial statements.

(Unapplied accounting standards, etc.)

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29; March 31, 2020; Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Statement No. 30; March 31, 2020; Accounting Standards Board of Japan)
- Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Statement No. 19; March 31, 2020; Accounting Standards Board of Japan)

(1) Overview

The International Accounting Standards Board (IASB) and the United States Financial Accounting Standards Board (FASB) jointly developed a comprehensive accounting standard for revenue recognition and published Revenue from Contracts with Customers (IFRS 15 in the IASB and Topic 606 in the FASB) in May 2014. IFRS 15 was implemented for business years starting on or after January 1, 2018, and Topic 606 was implemented for business years starting on or after December 15, 2017. Based on this situation, the Accounting Standards Board of Japan developed a comprehensive accounting standard for revenue recognition and published it together with the application guidelines.

As a basic policy for the development of accounting standards on revenue recognition by the Accounting Standards Board of Japan, from the viewpoint of comparability between financial statements, which is one benefit of consistency with IFRS 15, accounting standards were defined with utilization of IFRS 15 basic principles as a starting point. In addition, if there are items that should be considered in the practices used in Japan up to now, it was decided that alternative treatment will be added to the extent that does not significantly impair comparability.

(2) Scheduled application date

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

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

The Company is currently evaluating the amount of impact on consolidated financial statements due to application of Accounting Standard for Revenue Recognition.

- Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30; July 4, 2019; Accounting Standards Board of Japan)
- Accounting Standard for Measurement of Inventories (ASBJ Statement No. 9; July 4, 2019; Accounting Standards Board of Japan)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10; July 4, 2019; Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Statement No. 31; July 4, 2019; Accounting Standards Board of Japan)
- Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Statement No. 19; March 31, 2020; Accounting Standards Board of Japan)

(1) Overview

The International Accounting Standards Board (IASB) and the United States Financial Accounting Standards Board (FASB) have issued detailed guidance consisting of approximately the same contents on fair value measurement (IFRS 13 Fair Value Measurement in International Financial Reporting Standards (IFRS); Topic 820 Fair Value Measurement in the Accounting Standards Codification Topic of the Generally Accepted Accounting Principles). Based on this situation, mainly in regards to guidance and disclosure on the fair value of financial instruments, the Accounting Standards Board of Japan has taken measures to ensure that Japanese standards are consistent with the international accounting standards, and the Accounting Standard for Fair Value Measurement, etc., have been published.

As a basic policy for the development of accounting standards on fair value measurement by the Accounting Standards Board of Japan, from the viewpoint of enhancing comparability between financial statements of corporations in Japan and overseas through the use of a unified measurement method, in principle, adopt all provisions of IFRS 13. In addition, in consideration for

the practices, etc., used in Japan up to now, it was decided that other treatment will be defined for individual items to the extent that does not significantly impair comparability.

(2) Scheduled application date

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

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

The Company is currently evaluating the amount of impact on consolidated financial statements due to application of Accounting Standard for Fair Value Measurement.

· Accounting Standard for Disclosure of Accounting Estimates (ASBJ Statement No. 31; March 31, 2020; Accounting Standards Board of Japan)

(1) Overview

In regards to disclosure of “major sources of estimation uncertainty” as required by Item 125 of International Accounting Standards (IAS) 1 Presentation of Financial Statements (hereinafter, “IAS 1”) issued by the International Accounting Standards Board (IASB) in 2003, there was a request to consider asking for disclosure as commentary information even under Japanese standards as information that is highly useful to users of financial statements. In response, the Accounting Standards Board of Japan developed and published the Accounting Standard for Disclosure of Accounting Estimates (hereinafter, “the Accounting Standard”).

As a basic policy for the development of the Accounting Standard by the Accounting Standards Board of Japan, rather than expanding individual notes, the accounting principle (disclosure purpose) is to be shown and each corporation makes a judgment on the specific disclosure content by considering the purpose of disclosure. The provisions of IAS 1 Item 125 were referenced during the development of this standard.

(2) Scheduled application date

The standard will be applied from the end of the fiscal year ending March 31, 2021.

· Revised Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections (ASBJ Statement No. 24; March 31, 2020; Accounting Standards Board of Japan)

(1) Overview

In response to the proposed enhancement of notes information per the “Principles and Procedures of Accounting Treatment Adopted When the Related Accounting Standards, etc., are Not Clearly Defined,” the Accounting Standards Board of Japan made the necessary revisions, which were published as the Revised Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections.

When seeking to enhance the notes information per the “Principles and Procedures of Accounting Treatment Adopted When the Related Accounting Standards, etc., are Not Clearly Defined,” the provisions of the “Annotations to Corporate Accounting Principles” (Note 1-2) will continue to be applied in order to prevent impact on practices up until now when the related accounting standards, etc., are not clearly defined.

(2) Scheduled application date

The standard will be applied from the end of the fiscal year ending March 31, 2021.

(Changes to display method)

Not applicable.

(Additional information)

Regarding accounting estimates in conjunction with the spread of COVID-19, although the spread of COVID-19 in the current consolidated fiscal year forced the stagnation of economic activity in some regions inside and outside Japan (for example, China), the impact on the Group's business performance was limited. However, the effects of COVID-19 are gradually becoming apparent upon entering the beginning of the next consolidated fiscal year.

Under these circumstances, it is extremely difficult to predict the future impact of COVID-19 on the Group. Nevertheless, when considering the long-term uncertainty, we assume that serious conditions will continue until at least the end of June 2020. Therefore, we will make accounting estimates such as judging the recoverability of deferred tax assets and reflect those estimates in our accounting treatment.

There are many uncertainties regarding how economic activities will be impacted by the spread of COVID-19. If there were to be a change in the conditions forming the basis for the aforementioned assumption, there is a possibility that the financial status and operating results of the Group may be impacted significantly.

Segment information

1. Overview of reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and to assess performance. The Group conducts business activities based on comprehensive strategies for products handled in Japan and overseas, which are proposed by each business headquarters.

Accordingly, the Group is composed of product segments based on business headquarters, with the two reportable segments of the “Fastening Products” business and the “AP” business. The “Fastening Products” business manufactures and sells zippers, zipper parts, zipper materials, snaps, buttons, etc. The “AP” business manufactures and sells residential windows and sashes, windows and sashes for commercial buildings, interior furnishings, exterior materials, shaped products, and, architectural products.

2. Calculation method for net sales, income or loss, assets, liabilities and other items by reportable segment

Reportable segment income is the value for operating income.

Intersegment net sales and transfers are mainly recorded at market prices and the cost of goods manufactured.

3. Information on net sales, income or loss, assets, liabilities and other items by reportable segment

Prior Fiscal Year (From April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reportable segments			Other *1	Adjustments *2	Consolidated *3
	Fastening Products	AP	Total			
Net sales						
Sales to third parties	332,534	427,734	760,269	5,512	–	765,781
Intersegment net sales and transfers	323	285	608	53,351	(53,959)	–
Total	332,857	428,019	760,877	58,863	(53,959)	765,781
Segment income	53,627	23,533	77,160	440	(15,826)	61,775
Segment assets	495,617	384,894	880,511	292,294	(160,872)	1,011,934
Other items						
Depreciation expenses	29,255	14,894	44,149	3,200	2,196	49,547
Increase in tangible and intangible assets	44,592	16,629	61,221	3,933	1,952	67,108

Notes: 1. “Other” includes the following business activities: equipment for manufacturing fastening products, equipment for manufacturing architectural products, manufacturing/sales of molds and machine parts, real estate, aluminum smelting, etc.

2. (1) Adjustments for segment income of (15,826) million yen include a 2,948 million yen elimination of intersegment transactions and (19,137) million yen of operating expenses not allocable to reportable segments. Operating expenses not allocable to reportable segments include those related to administrative departments of the Company.

(2) Adjustments for segment assets of (160,872) million yen include a (49,237) million yen elimination of receivables due from head office administrative departments, 472,137 million yen of company-wide assets not allocable to reportable segments, and a (874) million yen adjustment for inventory assets.

3. Segment income has been reconciled to operating income represented in the Consolidated Statements of Income.

Current Fiscal Year (From April 1, 2019 to March 31, 2020)

(Millions of yen)

	Reportable segments			Other *1	Adjustments *2	Consolidated *3
	Fastening Products	AP	Total			
Net sales						
Sales to third parties	301,803	425,594	727,397	5,456	–	732,854
Intersegment net sales and transfers	317	218	536	53,216	(53,753)	–
Total	302,120	425,812	727,933	58,673	(53,753)	732,854
Segment income	36,213	22,871	59,085	(115)	(17,627)	41,341
Segment assets	469,971	374,378	844,350	273,702	(134,407)	983,645
Other items						
Depreciation expenses	32,548	16,525	49,073	3,482	2,243	54,799
Increase in tangible and intangible assets	41,732	19,350	61,083	2,733	2,051	65,869

Notes: 1. "Other" includes the following business activities: equipment for manufacturing fastening products, equipment for manufacturing architectural products, manufacturing/sales of molds and machine parts, real estate, aluminum smelting, etc.

2. (1) Adjustments for segment income of (17,627) million yen include a 3,865 million yen elimination of intersegment transactions and (21,835) million yen of operating expenses not allocable to reportable segments. Operating expenses not allocable to reportable segments include those related to administrative departments of the Company.

(2) Adjustments for segment assets of (134,407) million yen include a (50,641) million yen elimination of receivables due from head office administrative departments, 469,711 million yen of company-wide assets not allocable to reportable segments, and a (632) million yen adjustment for inventory assets.

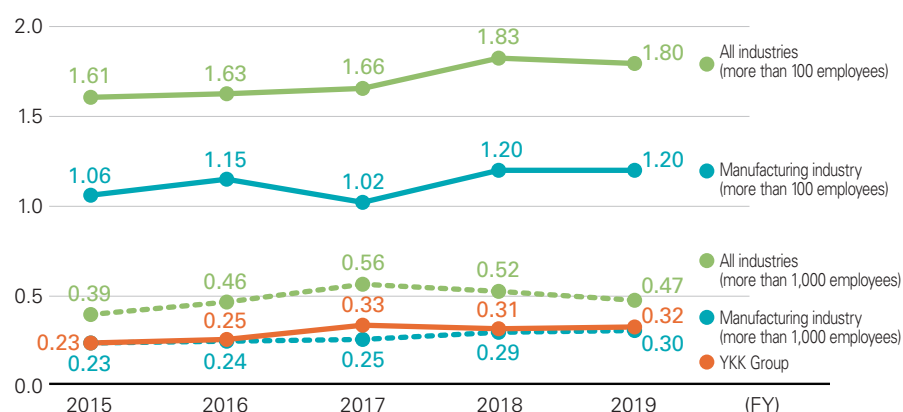
3. Segment income has been reconciled to operating income represented in the Consolidated Statements of Income.

2019 results

As of March 31, 2020

Average age	Men	: 43.6 years
	Women	: 41.2 years
Average length of employment		20.0 years
Proportion of men and women	Men	: 71.9%
	Women	: 28.1%
Average working hours	YKK	: 1,894 hours
	YKK AP	: 1,981 hours
	Other businesses	: 1,874 hours
Number of early retirees		430
Rate of use of paid holidays		80.8%
Number of employees using the parenting work system		693
Number of employees taking caregiver leave		5
Number of employees using the flextime system		554
Number of employees using the super annuitant reemployment system		505
Percentage of employees with disabilities		2.45%

Occupational accident statistics (frequency rate*)



* Frequency rate of all industries (excluding general contractors) and the manufacturing industry: Quoted from *Statistics on Occupational Accidents* (the Ministry of Health, Labour and Welfare)

Frequency of lost work time: Index representing frequency of occupational accidents

Number of workers suffering lost-work-time injuries

$$\frac{\text{Total number of actual working hours}}{\text{Number of workers suffering lost-work-time injuries}} \times 1,000,000$$

Environmental Policy Promotion System

An environmental policy committee has been formed from management strategy meetings which takes decisions on environmental policy/principles and monitors the state of environmental policy promotion.

Environmental management system

In order to realize the environmental principles, the YKK Group has established an environmental management system (EMS) according to the international standard ISO 14001 for each business and promotes continuous environmental activities.

Environmental accounting

◆Fiscal 2019 environmental conservation costs (total for YKK Group companies in Japan)

Unit: ¥1 million/year

Item		Description of main initiatives	Equipment investment	Cost
Costs within business area	Prevention of pollution	Operation, upgrading and maintenance of wastewater treatment facilities	311	1,105
	Conservation of the global environment	Improvement of energy-saving efficiency, replacement of air conditioning and renewal of compressors and high efficiency boilers	349	437
	Recycling of resources	Promotion of resource recycling and management of industrial waste	74	584
Business area internal cost total			734	2,126
Upstream/downstream costs		Disassembly of returned window waste and sustainable procurement	0	98
Management activities costs		Maintenance of ISO certifications, environmental information disclosure, participation in environmental exhibits, environment-related analyses	3	468
R&D costs		Product development	13	3,370
Social activities costs		Environmental sustainability improvements within the company	0	35
Environmental damage repair costs			0	0
Other costs		Inspection/management of fire extinguishing equipment	10	258
Total			760	6,355
			Fiscal 2018	799
			Fiscal 2017	1,473
			Fiscal 2016	1,261

	Environmental equipment investment			Environmental costs		Sales (Unit: ¥100 million)	Total equipment investment (Unit: ¥100 million)
	(Unit: ¥100 million)	Ratio to sales (%)	Equipment investment ratio (%)	(Unit: ¥100 million)	Ratio to sales (%)		
Fiscal 2019	7.6	0.2	3.0	63.6	1.6	4,033	257
Fiscal 2018	8.0	0.2	3.3	64.7	1.6	4,080	242
Fiscal 2017	14.7	0.4	6.4	63.7	1.6	3,974	229
Fiscal 2016	12.6	0.3	4.2	61.1	1.6	3,904	298
Fiscal 2015	16.9	0.4	4.5	51.0	1.3	3,883	377

Environmental Targets and Results

The YKK Group formulates its Mid-Term Environmental Management Principles and Environmental Policy every four years in line with its Mid-Term Management Policy. Under the Fifth Mid-Term Environmental Management Principles from FY2017 to FY2020, which aim to contribute to creating a sustainable society, we set an action plan for environmental policy and goals achievement with the keywords of “realizing creating a low carbon society through technology-backed oriented value creation,” and with “Making positive contributions to society,” “Minimizing environmental impact on society (zero impact target)” as the mainstay of our activities. Along with minimizing our environmental footprint from CO₂, waste, wastewater, chemicals etc., subject to our business activities, we will contribute to a sustainable society by accelerating activities good for society and ecosystems, such as enriching and expanding environmentally-friendly, safe, secure and healthy product ranges.

YKK Group Fifth Mid-Term Environmental Management Principles (FY2017 to FY2020)

YKK Group Fifth Mid-Term Environmental Management Principles

– Contributing to a Sustainable Society –

Creating a low-carbon society through technology oriented value creation

Making positive contributions to society

- Offering and expanding a full range of products that contribute to health, safety and security, and that take the environment into account
- Promoting environmental contribution activities
- Promoting ecosystem conservation
- Actively disclosing environmental information

Minimizing environmental impact on society
(aiming for zero impact)

- Maintaining and improving environmental compliance
- Reducing CO₂ emissions, Promoting responses to climate change risks
- Sustainable supplies, Using resources efficiently/reducing resource usage Promoting waste reductions
- Tackling water risks
- Promoting chemical substance reductions

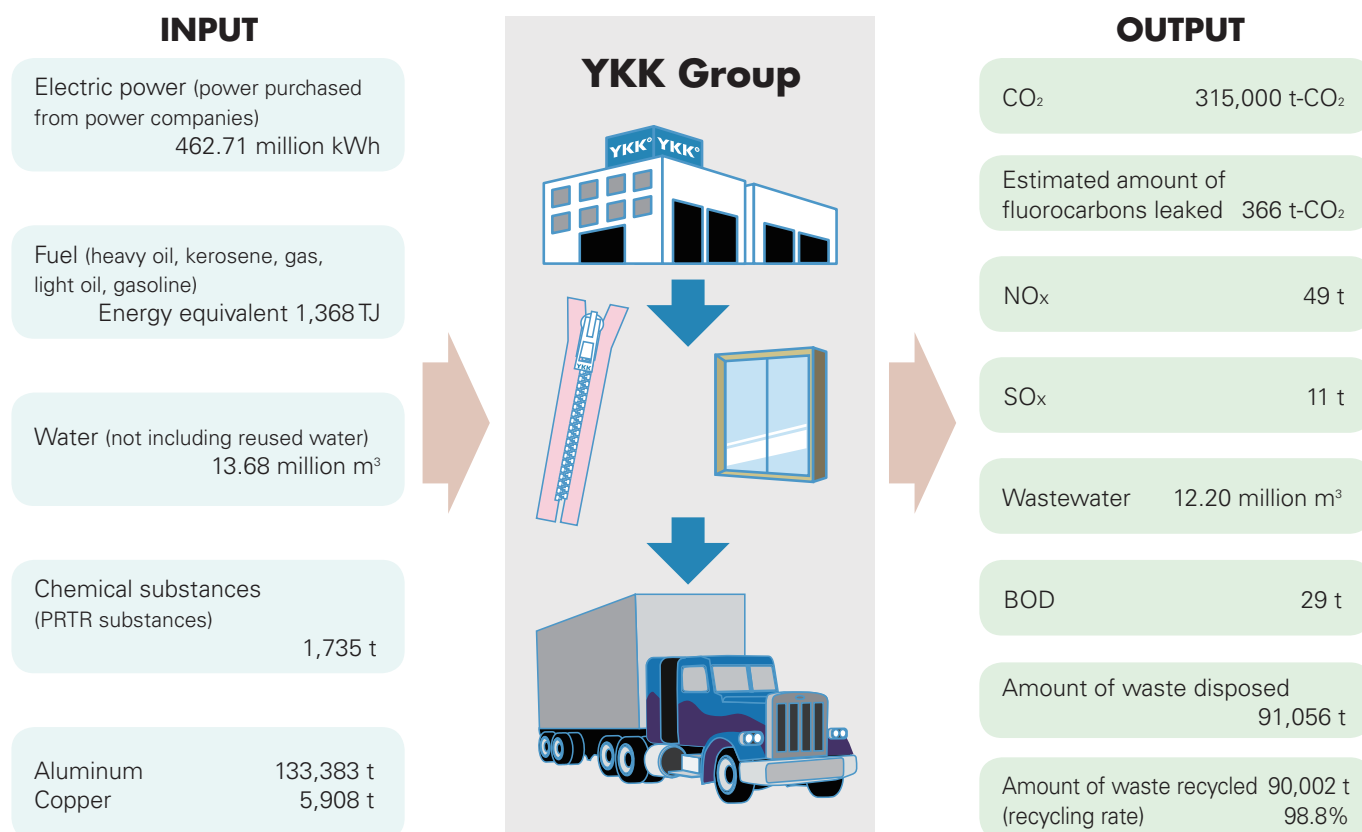
YKK Group Fifth Mid-Term Environmental Policy & Targets (FY 2017 to FY 2020)

	Environmental Policy	Environmental Targets by 2020
Making positive contributions to society	Offering and expanding a full range of products that contribute to health, safety and security, and that take the environment into account	· Develop / expand environmentally-friendly products · Win prize at external environmental award system, and use to good effect · Create Life-cycle assessment (LCA) standards obtainment of a third-party approval
	Promoting environmental contribution activities	· Implement environmental activities for children aimed at the next generation · Implement YKK/AP sponsored environmental commendation awards and support
	Promoting ecosystem conservation	· Cooperate with NPOs, NGOs etc. to conserve ecosystems
	Actively disclosing environmental information	· Renew environment website, create/distribute environmental promotional material · Enrich and expand dialogue with stakeholders
Minimizing environmental impact on society (aiming for zero impact)	Maintaining and improving environmental compliance	· Improve each company's environmental management level through self-checks · Boost the level of environmental management audits
	Reducing CO ₂ emissions, Promoting responses to climate change risks	· Devise and implement schemes to reduce and minimize CO₂ emissions (further Group-wide promotion of low and energy-saving initiatives) - Japan: Reduce CO₂ emissions 20% by 2020 compared with the fiscal year 2013 - Overseas: set target to reduce the annual rate of consumption by over 1% - Group: curb the increase in CO₂ emissions to 8% from 2013 levels by 2020 · Work with supply chains to reduce both direct and indirect CO₂ emission levels · Identify climate-change driven environmental risks, and implement countermeasures at all YKK Group plants
	Sustainable supplies	· A procurement society · Lower procurement risk by promoting better sourcing which considers environmentally-friendly factors
	Using resources efficiently/reducing resource usage Promoting waste reductions	· Promote improvement in product design and yield in order to mitigate resource use - Japan: Increase resource reuse rate by 4% compared with 2013 · Overseas: Reduce landfill waste by 8% compared with 2013 through reuse, recycling of resources, reprocessing and treatment/disposal.
	Tackling water risks	· Identify regional water risks in all Group plants, and implement countermeasures.
	Promoting chemical substance reductions	· Reduce PRTR substances by 30% compared with 2013 through substitute goods, process improvements etc.

Fiscal 2019 Environmental Policy and Environmental Action Plan

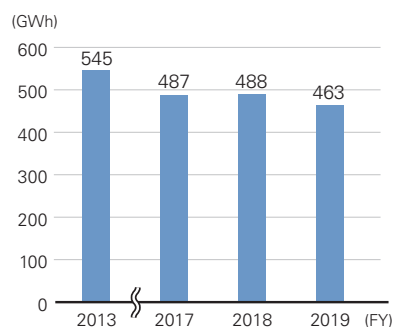
	Environmental Policy	Fiscal 2019 Environmental Action Plan	Fiscal 2019 Results
Making positive contributions to society	Offering and expanding a full range of products that contribute to health, safety and security, and that take the environment into account	- Fastening Products Group: Provide and propose environmentally sustainable products - Architectural Products Group: Acquire and utilize third-party certificates for LCA for products - Machinery and Engineering Group: Improve overall efficiency of equipment, develop eco-friendly designs that lead to manufacturing cost reductions - Win prize at external environmental award system, and use to good effect	- Fastening Products Group: Commenced sales of GreenRise™, etc. - Architectural Products Group: 1 LCA certificate, 100% ratio of developing eco-friendly products - Machinery and Engineering Group: Reduce energy output of machinery equipment, improved productivity, etc. - GREEN GOOD DESIGN AWARDS 2019 was awarded for our effort on AP (Architectural Products) environment: "APW" vinyl window series, "APW430"
	Promoting environmental contribution activities	Continue environmental awareness activities inside and outside the company	Performed next-gen environmental education (participated in a nocturnal insect observation event and nature observation in PASSIVETOWN, construction of eco-friendly houses, etc.)
	Promoting ecosystem conservation	Perform ecosystem preservation activities by cooperating with organizations such as NGOs	Exchanged opinions with NGOs on cooperation opportunities and possible cooperative efforts
	Actively disclosing environmental information	Expand and promote a long-term environmental vision for the YKK Group	"This is YKK 2019" received the Environmental Communications Honor Award - Performed promotional activities inside and outside the company for the YKK Group's environmental vision (participated in EcoPro 2019, created promotional videos and posters, performed promotional education, etc.)
Minimizing environmental impact on society (aiming for zero impact)	Maintaining and improving environmental compliance	- Fastening Products Group: Perform technical guidance on effluent treatment facilities, cultivate environmental specialists at foreign business locations - Architectural Products Group: Enhance internal environmental audit (introduce YGCC audit items) - Machinery and Engineering Group: Increase knowledge of operators on laws and regulations and enhance checks of related information - Enhance environmental governance by using environmental databases - Continue performing environmental management audit (cooperation with the crisis-management committee)	- Fastening Products Group: Completed technical guidance on effluent treatment facilities in all factories, cultivated environmental specialists at foreign business locations - Architectural Products Group: Introduced YGCC audit items to internal environmental audit - Machinery and Engineering Group: Promoted acquisition of qualifications and skills on a workplace basis - Regularly checked environmental compliance responses by consulting environmental databases - Continue performing environmental management audit
	Reducing CO ₂ emissions Promoting responses to climate change risks	- Promote further small energy / energy saving in order to reduce CO₂ emissions - Fastening Products Group: Reduce CO₂ emission intensity by 1% compared to FY2018 - Architectural Products Group: Reduce total CO₂ emissions by 17% compared to FY2013 - Machinery and Engineering Group: Reduce intensity of energy consumption by 1% (domestic) compared to last year - Kurobe Manufacturing Center: Start construction to introduce natural gas	- Fastening Products Group: Reduce CO₂ emission intensity by 0.6% compared to FY2018 - Architectural Products Group: Reduce total CO₂ emissions by 22% compared to FY2013 - Machinery and Engineering Group: Increased intensity of energy production output by 6% (domestic) compared to last year - Kurobe Manufacturing Center: Started construction of natural gas plumbing for the factory
	Sustainable supplies Using resources efficiently/reducing resource usage Promoting waste reduction	- Fastening Products Group: Achieve a recycling rate of 75% or greater for waste materials - Architectural Products Group: Reduce intensity of waste materials emissions by 24% (domestic) compared to FY2013, achieve a recycling rate of 100% (domestic) - Foreign locations: Reduce the amount of landfill waste generated by 8% compared to FY2013 - Reduce environmental risks including within supply chains	- Fastening Products Group: Achieved a recycling rate 79% for waste materials - Architectural Products Group: Reduce intensity of waste materials emissions by 16% (domestic) compared to FY2013, achieved a recycling rate of 100% (domestic) - Foreign locations: Reduce the amount of landfill waste generated by 11.1% compared to FY2013 - Received feedback on the results of our supplier survey
	Tackling water risks	- Fastening Products Group: Reduce intensity of water consumption by 1% compared to FY2018 - Architectural Products Group: Reduce intensity of water consumption by 20% compared to FY2013 - Identify risks related to water usage in each location and perform countermeasures	- Fastening Products Group: Reduce intensity of water consumption by 0.1% compared to FY2018 - Architectural Products Group: Reduce intensity of water consumption by 23% compared to FY2013 - Determined risks related to water usage in each location by utilizing a water risk check sheet
	Promoting chemical substance reductions	- Fastening Products Group: Promote waterproof, water-based Fastening Products - Architectural Products Group: Reduce emissions of materials subject to the PRTR (Pollutant Release and Transfer Register) system by 24% (domestic) compared to FY2013 - Machinery and Engineering Group: Reduce chemical substance stockpiles	- Fastening Products Group: Development of a waterproof, non-toluene MEK (methyl ethyl ketone) adhesive was delayed - Architectural Products Group: Reduce emissions of materials subject to the PRTR (Pollutant Release and Transfer Register) system by 27% (domestic) compared to FY2013 - Machinery and Engineering Group: Reduce chemical substance stockpiles by 8%

Environmental impact mass-balance of YKK Group plants/offices in Japan (fiscal 2019)

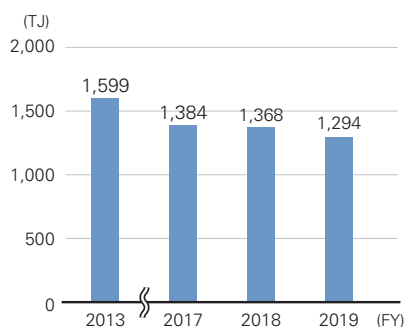


Changes in energy consumption per type (all YKK Group locations in Japan)

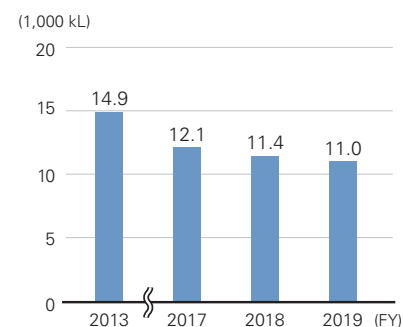
Electric power



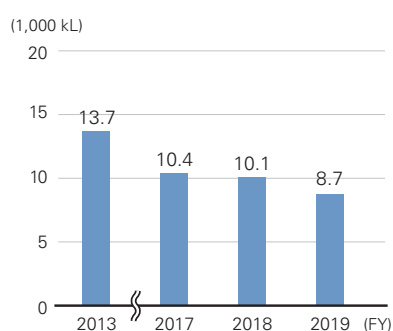
Fuel total (energy equivalent)



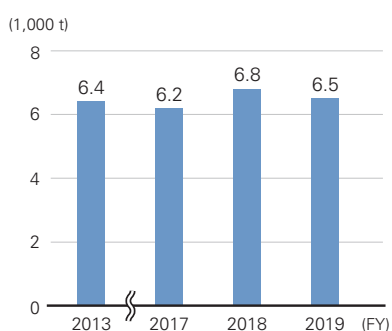
Heavy fuel oil A



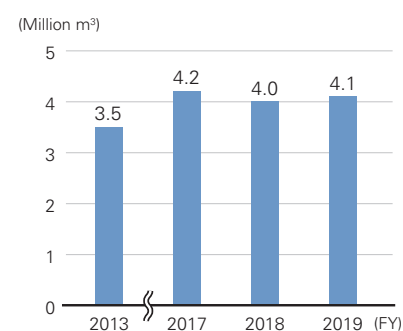
Kerosene



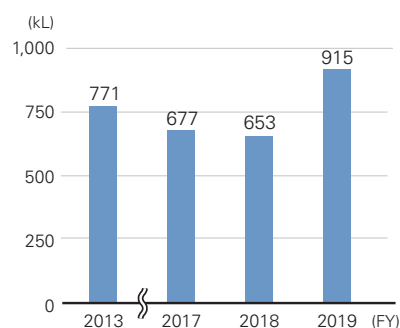
LPG



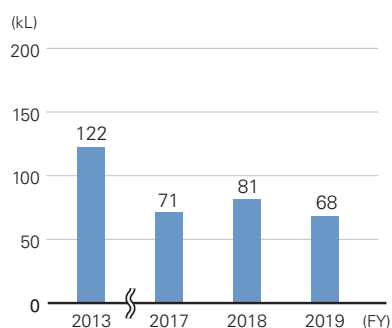
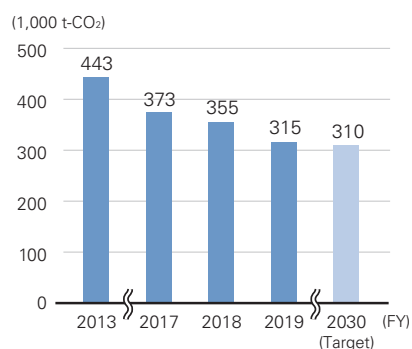
Natural gas



Light oil



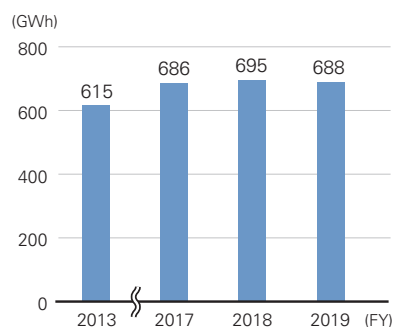
Gasoline

Change in CO₂ emissions (all YKK Group locations in Japan)CO₂ emissions performance

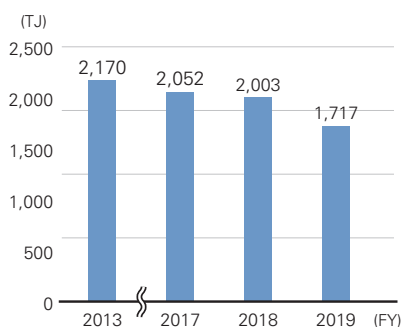
Note: Based on the YKK Group's Greenhouse Gas (GHG) Calculation Rules, which require the most recent official conversion factor for CO₂/kWh be used (the factor changes to reflect market changes). The Group's CO₂ emissions in fiscal 2019 were down 28.9% compared with fiscal 2013.

Changes in energy consumption per type (all foreign YKK Group locations)

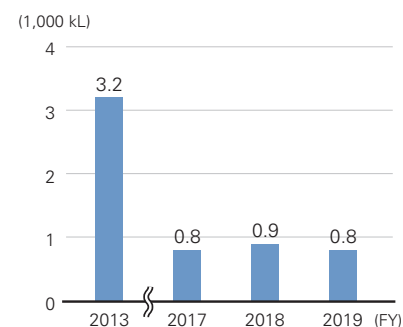
Electric power



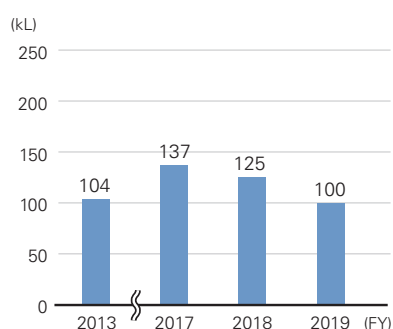
Fuel total (energy equivalent)



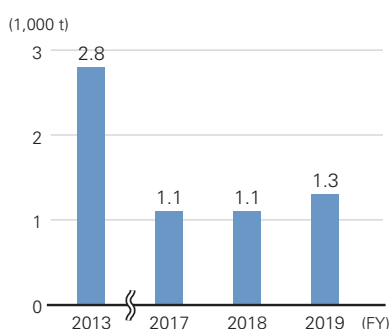
Heavy fuel oil A



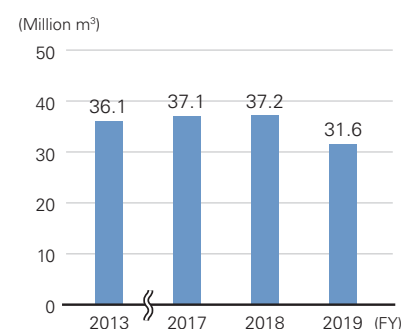
Kerosene



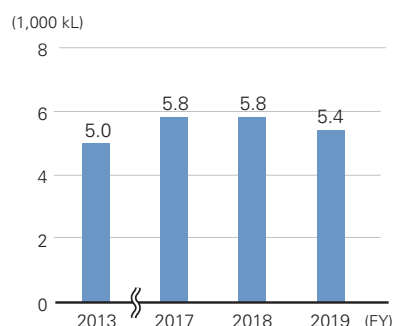
LPG



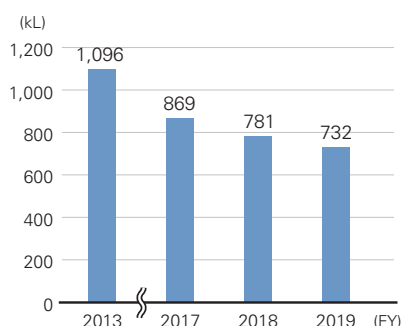
Natural gas



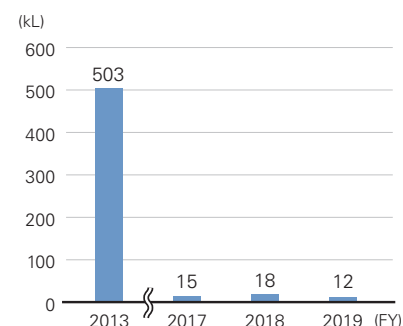
Light oil



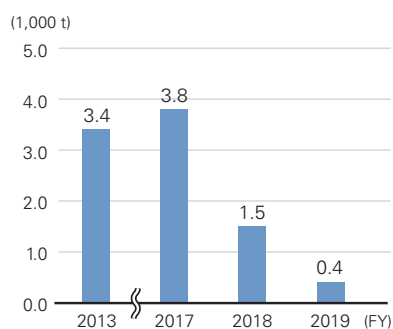
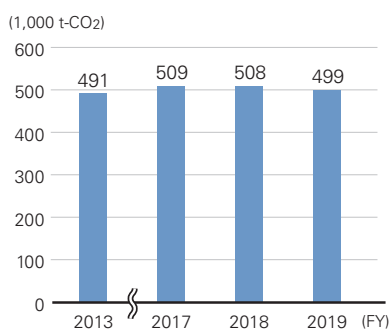
Gasoline



Heavy fuel oil C

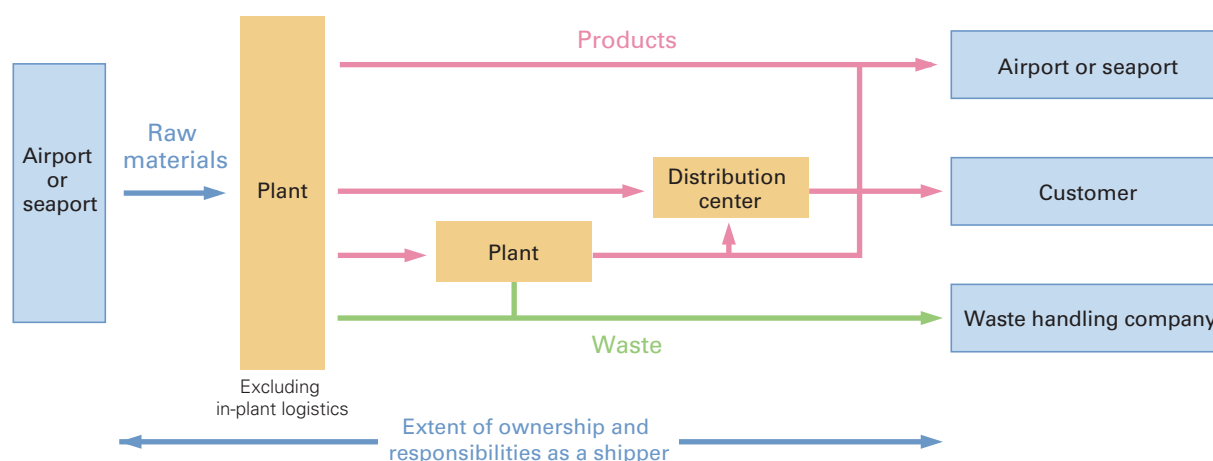
Changes in total CO₂ emissions (all foreign YKK Group locations)

Coal

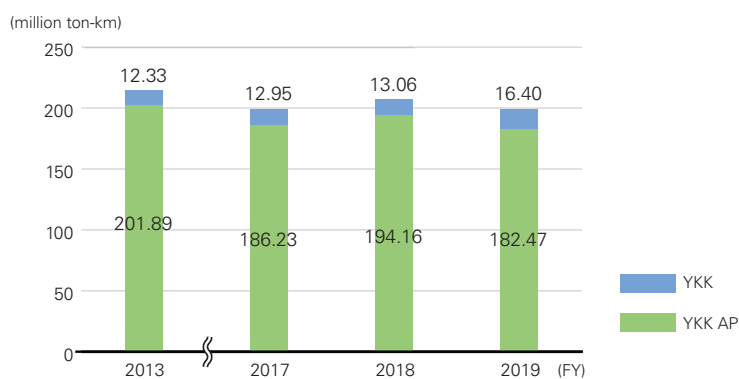
CO₂ emissions performance

Note: Based on the YKK Group's Greenhouse Gas (GHG) Calculation Rules, which require the most recent official conversion factor for CO₂/kWh be used (the factor changes to reflect market changes). The Group's CO₂ emissions in fiscal 2019 were up 1.6% compared with fiscal 2013.

Extent of responsibility and results related to transportation amounts as a shipper (all YKK Group locations in Japan)



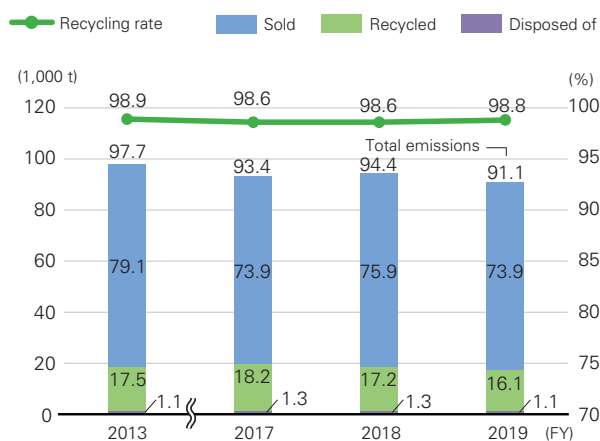
Transported amount



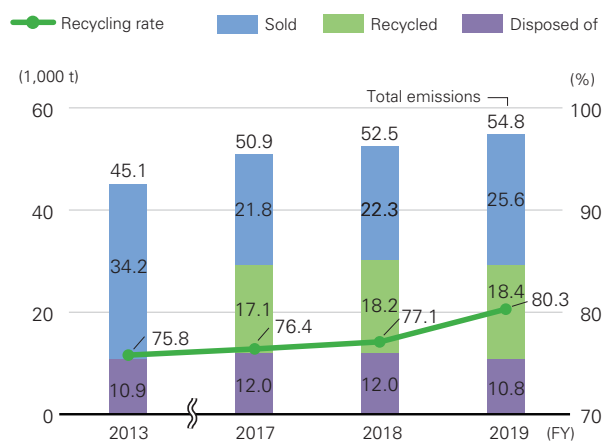
Specified shipper: A company that consigns cargo transport of 30 million ton-km or more a year within its business operations. YKK AP is classed as a specified shipper; YKK is not classed as a specified shipper.

Changes in waste production and recycling rate (all domestic and foreign YKK Group locations)

All YKK Group locations in Japan



All foreign YKK Group locations



* The amount of recycling in FY2013 is included in the sold amount.

Atmosphere (YKK Group main production locations in Japan)

Equipment	Plant	Soot and dust [g/Nm ³]					Nitrogen oxides [ppm]				
		National emissions standard	Municipal agreed value	Voluntary emissions standard	Highest value measured in fiscal 2019	Assessment	National emissions standard	Municipal agreed value	Voluntary emissions standard	Highest value measured in fiscal 2019	Assessment
Boilers	Tohoku	0.25	0.20	0.19	0.050	Acceptable	350	350	325	220	Acceptable
	Kurobe	0.30	–	0.20	Below 0.01	Acceptable	180	–	180	69	Acceptable
	Shikoku	0.10	–	0.01	Below 0.0043	Acceptable	150	–	75	28	Acceptable
	Kyushu	0.30	0.10	0.020	Below 0.01	Acceptable	180	150	120	90	Acceptable
Foundry melting furnaces	Tohoku	0.30	0.10	0.09	0.031	Acceptable	200	200	70	59	Acceptable
	Kurobe	0.20	–	0.15	0.01	Acceptable	180	–	90	55	Acceptable
	Shikoku	0.20	–	0.02	0.0085	Acceptable	200	–	100	51	Acceptable
	Kyushu	0.20	0.30	0.10	Below 0.01	Acceptable	180	170	120	64	Acceptable
Foundry heat treatment furnaces	Tohoku	0.25	–	0.23	0.010	Acceptable	160	160	145	130	Acceptable
Foundry holding furnaces	Kurobe	0.20	–	0.13	0.03	Acceptable	180	–	140	63	Acceptable
	Shikoku	0.20	–	0.02	Below 0.0035	Acceptable	180	–	170	60	Acceptable
	Kyushu	0.20	0.01	0.008	Below 0.005	Acceptable	150	150	120	32	Acceptable
Extrusion heat treatment furnaces	Tohoku	0.25	–	0.23	0.010	Acceptable	180	180	–	49	Acceptable
	Kurobe	0.20	–	0.1	Below 0.01	Acceptable	180	–	90	47	Acceptable
	Shikoku	0.20	–	0.02	0.014	Acceptable	180	–	150	42	Acceptable
	Kyushu	0.20~0.25	0.03	0.02	Below 0.01	Acceptable	180	150	100	48	Acceptable
Surface treatment drying furnaces	Tohoku	0.25	–	0.23	0.001	Acceptable	230	230	55	43	Acceptable
	Kurobe	0.20	–	0.10	Below 0.01	Acceptable	230	–	50	38	Acceptable
	Shikoku	0.20	–	0.02	Below 0.0079	Acceptable	230	–	75	32	Acceptable
	Kyushu	0.20	0.01	0.008	Below 0.005	Acceptable	–	130	100	60	Acceptable

Water quality (YKK Group main production locations in Japan)

Unit: mg/l (except pH)

Item	Plant	National water emission standard	Prefectural water emission standard	Municipal agreed value	Voluntary management standard	Highest value measured in fiscal 2019	Assessment
pH	Tohoku	5.8～8.6 ^{*1}	5.8～8.6 ^{*1}	6.5～8.5	6.6～8.1	Min. 6.7 Max. 8.0	Acceptable
	Saitama MADO (window)	5.8～8.6 ^{*1}	5.8～8.6 ^{*1}	–	6.1～8.3	Min. 6.5 Max. 7.7	Acceptable
	Kurobe	5.8～8.6 ^{*1}	5.8～8.6 ^{*1}	5.8～8.6	6.0～8.4	Min. 6.9 Max. 7.5	Acceptable
	Shikoku	5.8～8.6 ^{*1}	5.8～8.6 ^{*1}	–	6.0～8.4	Min. 6.9 Max. 7.6	Acceptable
	Kyushu	5.0～9.0 ^{*2}	5.0～9.0 ^{*2}	5.8～8.6	6.3～8.1	Min. 6.8 Max. 7.6	Acceptable
BOD	Tohoku	120 ^{*1}	120	20	9.5	5.4	Acceptable
	Saitama MADO (window)	120 ^{*1}	20	–	3.4	1.3	Acceptable
	Kurobe	120 ^{*1}	15	15	4	6.2	Acceptable
	Shikoku	120 ^{*1}	30	–	20	7.2	Acceptable
COD	Kurobe	120 ^{*2}	25	20	10	13.0	Acceptable
	Saitama MADO (window)	120 ^{*2}	120	–	16	11.3	Acceptable
	Shikoku	120 ^{*2}	25	–	15	10.5	Acceptable
	Kyushu	120 ^{*2}	20	20	15	12.2	Acceptable
Suspended solids	Tohoku	150	150	20	3.3	3.3	Acceptable
	Saitama MADO (window)	150	50	–	6	2.7	Acceptable
	Kurobe	150	90	–	5	3.0	Acceptable
	Shikoku	150	25	–	5	3.0	Acceptable
	Kyushu	150	20	20	8	4.0	Acceptable
Oil	Tohoku	5	5	2	1	0.5	Acceptable
	Kurobe	5	–	3	Below 0.5	Below 0.5	Acceptable
	Shikoku	5	3	–	2	Below 1	Acceptable
	Kyushu	5	5	5	1	0.7	Acceptable
Cyanide	Kurobe	1	–	–	Below 0.5	Below 0.5	Acceptable
Nitrogen	Saitama MADO (window)	–	120	–	40	29.6	Acceptable
	Shikoku	–	60	–	25	18.6	Acceptable
	Kyushu	–	60	–	30	23.0	Acceptable
Phosphorus	Saitama MADO (window)	–	16	–	2	1.9	Acceptable
	Shikoku	–	8	–	0.8	0.27	Acceptable
	Kyushu	–	8	–	0.5	0.04	Acceptable
Hexavalent chromium compounds	Kurobe	0.5	–	0.1	Below 0.02	Below 0.02	Acceptable

*1 Standard when discharging into rivers *2 Standard when discharging into ocean

Groundwater inspections (Kurobe area)

	Substance	Unit	Environmental standard*	Measurement results Fiscal 2019	Assessment
Volatile organic compounds	Dichloromethane	mg/l	0.02 or less	Below 0.002	Acceptable
	Carbon tetrachloride	mg/l	0.002 or less	Below 0.0002	Acceptable
	1,1-Dichloroethylene	mg/l	0.02 or less	Below 0.002	Acceptable
	Cis-1,2-Dichloroethylene	mg/l	0.04 or less	Below 0.004	Acceptable
	1,1,1-Trichloroethane	mg/l	1 or less	Below 0.0005	Acceptable
	Trichloroethylene	mg/l	0.03 or less	Below 0.002	Acceptable
	Tetrachloroethylene	mg/l	0.01 or less	Below 0.0005	Acceptable
Heavy metals	Cadmium	mg/l	0.01 or less	Below 0.001	Acceptable
	Cyanide	mg/l	Not detected	Below 0.1	Acceptable
	Lead	mg/l	0.01 or less	Below 0.005	Acceptable
	Hexavalent chromium	mg/l	0.05 or less	Below 0.005	Acceptable
	Selenium	mg/l	0.01 or less	Below 0.002	Acceptable
	Fluorine	mg/l	0.8 or less	Below 0.1	Acceptable
	Boron	mg/l	1 or less	Below 0.1	Acceptable

* Environmental standard: Keeping the amount less than this standard is desirable for preservation of human health and protection of the human environment

Noise (YKK Group main production locations in Japan)

Unit: db

Plant*	Type	Prefectural standard	Municipal agreement on pollution control	Voluntary standard	Highest value measured in fiscal 2019	Assessment
Tohoku	Daytime (8:00~19:00)	–	60	60	59.8	Acceptable
Tohoku	Morning (6:00~8:00) Evening (19:00~22:00)	–	55	55	53.7	Acceptable
Tohoku	Night-time (22:00~6:00)	–	50	50	49.6	Acceptable
Kurobe	Daytime (8:00~19:00)	70	60	59	56.2	Acceptable
Kurobe	Morning (6:00~8:00) Evening (19:00~22:00)	65	55	55	54	Acceptable
Kurobe	Night-time (22:00~6:00)	63	50	49	48.7	Acceptable
Shikoku	Daytime (8:00~19:00)	70	70	65	56	Acceptable
Shikoku	Morning (6:00~8:00) Evening (19:00~22:00)	65	65	60	58	Acceptable
Shikoku	Night-time (22:00~6:00)	60	65	55	53	Acceptable

Note: The Kyushu Plant is outside the designated area

Dioxins (YKK Group main production locations in Japan)

Equipment	Plant	Atmosphere (unit: ng-TEQ/m³N)		Assessment	Water quality (unit: pg-TEQ/m³N)		Assessment
		Emissions standard	Highest value measured in fiscal 2019		Emissions standard	Highest value measured in fiscal 2019	
Aluminum melting furnaces	Tohoku	–	0.046	Acceptable	–	–	–
	Kurobe	5	0.0000011	Acceptable	10	–	–
	Shikoku	5	0.00029	Acceptable	–	–	–
	Kyushu	5	0.011	Acceptable	–	–	–

Fiscal 2019 YKK Group main production locations in Japan PRTR calculations

Period: April 2019–March 2020

Unit: t (Dioxins: mg-TEQ)

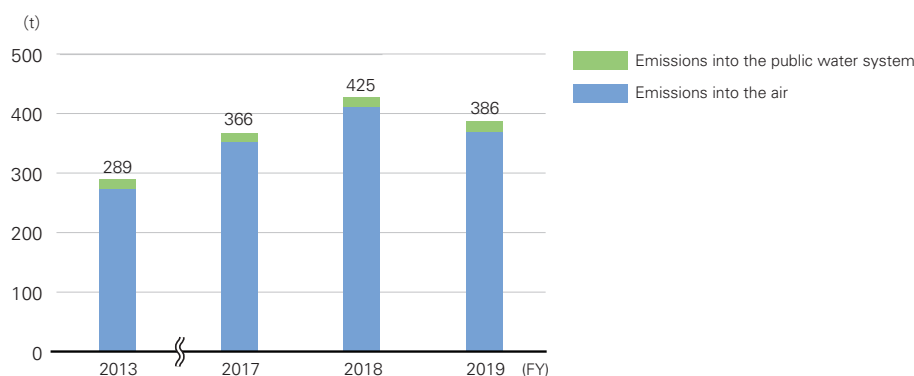
Substance number	Substance	Volume handled	Atmospheric emissions	Public water emissions	Soil emissions (kg/y)	Landfill volume (kg/y)	Transfer amount to sewer system (kg/y)	Transfer amount (kg/y)	Consumption (kg/y)	Transformed amount (kg/y)
1	Zinc compounds (water-soluble)	1.52	Below 0.01	Below 0.01	–	–	–	0.68	0.67	0.17
31	Antimony	5.45	–	–	–	–	–	0.15	5.30	–
53	Ethylbenzene	14.32	13.73	–	–	–	–	0.05	Below 0.01	0.50
80	Xylene	146.72	45.03	–	–	–	–	0.01	15.25	86.36
87	Chromium and trivalent chromium compounds	2.47	–	Below 0.01	–	–	–	0.06	2.04	Below 0.01
132	Cobalt and cobalt compounds	11.54	–	0.34	–	–	–	0.32	10.88	–
144	Inorganic cyanide compounds	19.73	0.04	0.02	–	–	–	15.72	–	3.95
232	N, N-dimethylformamide	172.27	172.27	–	–	–	–	–	–	–
258	Hexamethylenetetramine	0.61	–	Below 0.01	–	–	–	–	–	–
259	Tetramethylthiuram disulfide	3.54	–	–	–	–	–	0.59	0.14	2.81
277	Triethylamine	9.07	3.32	5.68	–	–	–	–	0.07	–
296	1,2,4-Trimethylbenzene	133.36	10.09	–	–	–	–	Below 0.01	21.49	101.77
300	Toluene	125.08	120.57	–	–	–	–	0.57	Below 0.01	1.41
308	Nickel	65.24	0.19	–	–	–	–	2.79	61.00	Below 0.01
309	Nickel compounds	29.75	Below 0.01	0.94	–	–	–	0.74	27.04	1.04
355	Bis(2-ethylhexyl) phthalate	417.17	–	–	–	–	–	1.92	415.25	–
395	Water-soluble salts of peroxodisulfuric acid	4.45	0.44	0.48	–	–	–	–	–	3.53
405	Boron compounds	14.81	–	11.18	–	–	–	1.42	2.21	–
412	Manganese and manganese compounds	208.75	0.18	–	–	–	–	5.54	190.04	–
438	Methylnaphthalene	133.58	0.60	–	–	–	–	0.84	21.50	110.64
448	Methylenebis (4,1-phenylene) diisocyanate	206.67	–	–	–	–	–	0.39	204.89	1.39
461	Triphenyl phosphate	9.18	–	–	–	–	–	–	9.18	–
243	Dioxins (mg-TEQ)	–	0.45	–	–	–	–	–	–	–

Notes: 1. Calculations for substances of which we handle 1 t or more per year (0.5 t or more per year for Class I Designated Chemical Substances, with the exception of dioxins) at our domestic plants

2. Consumption: the amount consumed as a raw material and the amount contained in products or the amount sold and recycled

3. Transformed amount: the amount that has been transformed into other substances by incineration, reactive processing and other methods

Emissions of PRTR Substances (excluding dioxin) (YKK Group main production locations in Japan)



CO₂ Emissions in the Supply Chain in FY2019 (YKK Group Companies in Japan)