

# Financial Information

## Trend of Consolidated Financial Results

		FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Net sales	(millions of yen)	75,222	73,543	82,855	91,938	90,589	88,300	94,601	97,813	98,808	88,224	109,923	123,497
Operating profit	(millions of yen)	2,353	1,883	3,732	3,652	5,084	5,862	5,399	5,761	5,581	5,313	6,292	7,506
Ordinary profit	(millions of yen)	2,496	2,271	4,016	4,062	4,931	5,834	5,410	5,869	5,670	5,652	6,889	7,964
Profit attributable to owners of parent	(millions of yen)	1,964	1,351	1,925	1,900	2,482	2,716	2,538	3,060	3,064	3,234	3,941	4,557
Ratio of operating profit to net sales		3.1%	2.6%	4.5%	4.0%	5.6%	6.6%	5.7%	5.9%	5.6%	6.0%	5.7%	6.1%
ROE		6.2%	4.1%	5.5%	5.0%	6.2%	6.6%	5.7%	6.4%	6.2%	6.3%	7.1%	7.5%
EPS	(yen per share)	32.32	22.38	32.17	31.74	41.41	45.85	41.64	47.43	48.11	51.22	62.47	72.11
Dividends	(yen per share)	9.00	9.00	9.00	9.00	10.00	11.00	12.00	14.00	16.00	16.00	19.00	25.00
Dividend payout ratio		27.8%	40.2%	28.0%	28.4%	24.1%	24.0%	28.8%	29.5%	33.3%	31.2%	30.4%	34.7%
Purchase of treasury shares	(millions of yen)	296	176	23	1	0	1,428	137	0	1,513	236	0	0
Total assets	(millions of yen)	62,015	68,998	77,208	86,086	84,157	88,345	91,866	95,207	91,868	95,208	102,641	112,002
Net assets	(millions of yen)	35,264	37,814	40,957	45,223	46,746	49,196	54,854	56,478	57,586	61,076	65,448	72,165
Cash and deposits	(millions of yen)	8,116	9,156	12,214	14,122	14,207	14,508	14,790	17,550	18,342	21,106	20,702	23,481
Interest-bearing debt	(millions of yen)	4,256	8,159	10,581	14,545	14,575	15,726	12,500	13,777	11,397	10,244	9,823	10,530
Equity-to-asset ratio		51.7%	49.0%	46.5%	45.8%	47.7%	47.5%	51.4%	51.4%	54.1%	56.4%	56.3%	56.4%
Capital investment	(millions of yen)	4,618	5,713	3,731	4,622	6,110	4,370	3,775	3,573	3,785	3,679	2,499	3,909
Depreciation	(millions of yen)	2,540	2,485	2,509	2,979	3,265	3,177	3,434	3,657	3,886	3,713	3,506	3,597
Research and development (R&D) expenses	(millions of yen)	1,101	1,099	1,221	1,261	1,301	1,309	1,396	1,470	1,448	1,442	1,566	1,631
Ratio of R&D expenses to net sales		1.5%	1.5%	1.5%	1.4%	1.4%	1.5%	1.5%	1.5%	1.5%	1.6%	1.4%	1.3%

## Consolidated Balance Sheet

(thousands of yen)

	Previous consolidated accounting year (as of March 31, 2022)	Current consolidated accounting year (as of March 31, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	20,702,615	23,481,932
Notes receivable - trade	1,785,477	1,306,391
Accounts receivable - trade	21,413,866	22,180,311
Electronically recorded monetary claims - operating	3,145,045	5,008,505
Merchandise and finished goods	9,159,195	9,678,717
Work in process	621,167	961,462
Raw materials and supplies	7,623,661	8,094,251
Other	751,067	1,040,115
Allowance for doubtful accounts	(83,600)	(83,749)
Total of current assets	65,118,496	71,667,937
Non-current assets		
Property, plant and equipment		
Buildings and structures	26,001,105	28,065,624
Accumulated depreciation	(16,085,506)	(17,600,981)
Buildings and structures, net	9,915,598	10,464,642
Machinery, equipment and vehicles	53,866,872	57,404,576
Accumulated depreciation	(45,963,974)	(49,441,055)
Machinery, equipment and vehicles, net	7,902,898	7,963,520
Land	6,331,829	6,439,554
Leased assets	145,713	152,329
Accumulated depreciation	(105,394)	(95,309)
Leased assets, net	40,319	57,020
Construction in progress	364,622	1,512,427
Other, net	5,876,517	6,168,649
Accumulated depreciation	(5,294,914)	(5,528,108)
Other	581,602	640,541
Total property, plant and equipment	25,136,870	27,077,707
Intangible assets		
Goodwill	7,275	5,820
Leased assets	588	5,173
Other	2,098,602	2,275,719
Total intangible assets	2,106,466	2,286,713
Investments and other assets		
Investment securities	7,905,371	8,777,528
Long-term loans receivable	2,526	1,905
Retirement benefit asset	962,148	811,947
Deferred tax assets	428,348	441,121
Other	983,575	940,216
Allowance for doubtful accounts	(2,320)	(2,320)
Total investments and other assets	10,279,650	10,970,399
Total non-current assets	37,522,987	40,334,820
Total assets	102,641,484	112,002,757

(thousands of yen)

	Previous consolidated accounting year (as of March 31, 2022)	Current consolidated accounting year (as of March 31, 2023)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	20,075,715	21,193,377
Electronically recorded obligations - operating	521,101	467,511
Short-term borrowings	6,769,296	7,718,267
Current portion of long-term borrowings	488,174	552,457
Lease liabilities	14,444	16,456
Income taxes payable	480,704	640,838
Provision for bonuses	726,155	807,030
Provision for bonuses for directors (and other officers)	97,774	92,721
Other	2,235,955	2,387,457
Total current liabilities	31,409,322	33,876,116
Non-current liabilities		
Long-term borrowings	2,566,512	2,260,070
Lease liabilities	20,774	30,639
Deferred tax liabilities	1,469,124	1,877,146
Provision for share awards for directors (and other officers)	171,386	200,788
Retirement benefit liability	1,136,730	1,157,941
Asset retirement obligations	330,880	335,742
Other	88,252	99,078
Total non-current liabilities	5,783,661	5,961,407
Total liabilities	37,192,984	39,837,524
Net assets		
Shareholders' equity		
Share capital	8,514,018	8,514,018
Capital surplus	6,597,580	6,597,580
Retained earnings	38,200,822	41,463,280
Treasury shares	(466,193)	(406,095)
Total shareholders' equity	52,846,228	56,168,784
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,255,441	4,904,961
Foreign currency translation adjustment	563,069	2,159,985
Remeasurements of defined benefit plans	97,331	(37,713)
Total accumulated other comprehensive income	4,915,842	7,027,233
Non-controlling interests	7,686,429	8,969,215
Total net assets	65,448,500	72,165,232
Total liabilities and net assets	102,641,484	112,002,757

## Consolidated Statements of Income

(thousands of yen)

	Previous consolidated (from April 1, 2021 to March 31, 2022)	Current consolidated (from April 1, 2022 to March 31, 2023)
Net sales	109,923,705	123,497,991
Cost of sales	91,008,539	103,146,236
Gross profit	18,915,166	20,351,754
Selling, general and administrative expenses	12,623,123	12,845,492
Operating profit	6,292,043	7,506,262
Non-operating income		
Interest income	25,510	38,474
Dividend income	196,656	228,727
Foreign exchange gains	344,491	228,486
Other	223,098	190,376
Total non-operating income	789,757	686,065
Non-operating expenses		
Interest expenses	109,206	169,759
Other	83,567	57,664
Total non-operating expenses	192,773	227,424
Ordinary profit	6,889,026	7,964,903
Extraordinary income		
Gain on sale of non-current assets	1,102	2,066
Gain on sale of investment securities	106,010	8,720
Total extraordinary income	107,113	10,786
Extraordinary losses		
Loss on sale of non-current assets	894	32
Loss on retirement of non-current assets	9,394	13,041
Impairment losses	319,144	-
Loss from money transfer scam at foreign subsidiary	187,259	-
Loss on sale of investment securities	3,409	-
Total extraordinary losses	520,102	13,074
Profit before income taxes	6,476,038	7,962,615
Income taxes - current	1,931,105	1,899,962
Income taxes - deferred	(83,716)	144,403
Total income taxes	1,847,389	2,044,365
Profit	4,628,648	5,918,249
Profit attributable to non-controlling interests	687,230	1,360,726
Profit attributable to owners of parent	3,941,418	4,557,523

## Statement of Comprehensive Income

(thousands of yen)

	Previous consolidated (from April 1, 2021 to March 31, 2022)	Current consolidated (from April 1, 2022 to March 31, 2023)
Profit	4,628,648	5,918,249
Other comprehensive income		
Valuation difference on available-for-sale securities	255,628	649,165
Foreign currency translation adjustment	1,521,732	2,500,038
Remeasurements of defined benefit plans, net of tax	51,309	(135,045)
Total other comprehensive income	1,828,670	3,014,159
Comprehensive income	6,457,319	8,932,409
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,272,022	6,668,914
Comprehensive income attributable to non-controlling interests	1,185,297	2,263,495

## Consolidated Statement of Cash Flows

(thousands of yen)

	Previous consolidated (from April 1, 2021 to March 31, 2022)	Current consolidated (from April 1, 2022 to March 31, 2023)
Cash flows from operating activities		
Profit before income taxes	6,476,038	7,962,615
Depreciation	3,506,091	3,597,533
Impairment losses	319,144	-
Amortization of goodwill	140,205	1,455
Increase (decrease) in provision for bonuses	(2,328)	68,907
Increase (decrease) in provision for bonuses for directors (and other officers)	13,065	(5,053)
Increase (decrease) in allowance for doubtful account	(548)	1,119
Increase (decrease) in retirement benefit liability	(28,458)	(105,953)
Increase (decrease) in provision for share awards for directors (and other officers)	30,745	29,402
Interest and dividend income	(222,166)	(267,202)
Interest expenses	109,206	169,759
Loss (gain) on sale of investment securities	(102,601)	(8,720)
Loss (gain) on sale of property, plant and equipment	(208)	(2,033)
Loss on retirement of non-current assets	9,394	13,041
Decrease (increase) in trade receivables	(2,465,663)	(1,117,158)
Decrease (increase) in inventories	(4,575,823)	(128,164)
Increase (decrease) in trade payables	3,962,068	94,642
Increase (decrease) in accrued consumption taxes	(263,266)	75,836
Other, net	(57,954)	(266,112)
Subtotal	6,846,939	10,113,914
Interest and dividends received	222,638	267,547
Interest paid	(114,103)	(160,236)
Income taxes paid	(2,382,668)	(1,697,103)
Net cash provided by (used in) operating activities	4,572,806	8,524,122
Cash flows from investing activities		
Payments into time deposits	(24,156)	(25,699)
Proceeds from withdrawal of time deposits	24,155	24,156
Purchase of property, plant and equipment	(2,280,827)	(3,675,011)
Proceeds from sale of property, plant and equipment	1,558	3,199
Purchase of intangible assets	(455,439)	(311,637)
Purchase of investment securities	(716)	-
Proceeds from sale of investment securities	317,674	46,880
Proceeds from collection of loans receivable	12,741	518
Other, net	(33,197)	(17,512)
Net cash provided by (used in) investing activities	(2,438,208)	(3,955,106)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(338,306)	557,663
Repayments of long-term borrowings	(474,724)	(617,552)
Repayments of lease liabilities	(20,613)	(18,924)
Purchase of treasury shares	(49)	(94)
Dividends paid	(1,281,289)	(1,281,184)
Dividends paid to non-controlling interests	(831,034)	(975,227)
Net cash provided by (used in) financing activities	(2,946,018)	(2,335,319)
Effect of exchange rate change on cash and cash equivalents	407,952	543,954
Net increase (decrease) in cash and cash equivalents	(403,466)	2,777,651
Cash and cash equivalents at beginning of period	21,080,770	20,677,303
Cash and cash equivalents at end of period	20,677,303	23,454,955