

Consolidated Financial Statements
(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and deposits	10,597	11,354
Notes and accounts receivable - trade, and contract assets	4,438	4,542
Merchandise and finished goods	1,034	1,057
Work in process	573	635
Raw materials and supplies	738	844
Accounts receivable - other	62	73
Other	96	140
Allowance for doubtful accounts	△7	△2
Total current assets	17,534	18,646
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,039	9,224
Machinery, equipment and vehicles	11,780	12,267
Tools, furniture and fixtures	2,141	2,180
Land	1,141	1,143
Leased assets	91	78
Other	338	512
Accumulated depreciation	△16,539	△17,029
Total property, plant and equipment	7,994	8,377
Intangible assets	33	35
Investments and other assets		
Investment securities	1,389	859
Deferred tax assets	512	537
Retirement benefit asset	34	31
Other	261	292
Allowance for doubtful accounts	△24	△24
Total investments and other assets	2,174	1,696
Total non-current assets	10,202	10,110
Total assets	27,737	28,756

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,713	2,661
Short-term borrowings	1,155	1,353
Current portion of long-term borrowings	39	31
Accounts payable - other	605	560
Income taxes payable	367	554
Accrued expenses	750	828
Performance-linked compensation provision	43	22
Other	146	139
Total current liabilities	5,821	6,152
Non-current liabilities		
Long-term borrowings	1,095	1,029
Deferred tax liabilities	191	99
Retirement benefit liability	2,129	2,039
Other	76	72
Total non-current liabilities	3,492	3,241
Total liabilities	9,313	9,393
Net assets		
Shareholders' equity		
Share capital	1,925	1,925
Capital surplus	1,018	1,022
Retained earnings	14,603	15,226
Treasury shares	△165	△152
Total shareholders' equity	17,381	18,021
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	457	246
Foreign currency translation adjustment	553	1,064
Remeasurements of defined benefit plans	△157	△146
Total accumulated other comprehensive income	853	1,165
Non-controlling interests	188	176
Total net assets	18,423	19,363
Total liabilities and net assets	27,737	28,756

(2) Consolidated Statements of Income and Comprehensive Income
(Consolidated Statements of Income)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	10,518	10,161
Cost of sales	7,402	7,335
Gross profit	3,115	2,825
Selling, general and administrative expenses	1,230	1,378
Operating profit	1,885	1,447
Non-operating income		
Interest income	3	7
Dividend income	10	12
Share of profit of entities accounted for using equity method	12	14
Foreign exchange gains	10	24
Insurance claim income	—	8
Subsidy income	4	8
Insurance return	0	0
Received incentive	1	—
Valuables sale gain	5	5
Other	6	3
Total non-operating income	55	85
Non-operating expenses		
Interest expenses	18	19
Transfer special adjustment fee	8	—
Other	1	3
Total non-operating expenses	29	23
Ordinary profit	1,911	1,509
Extraordinary income		
Gain on sale of non-current assets	1	0
Gain on sale of investment securities	0	152
Total extraordinary income	1	153
Extraordinary losses		
Loss on sale and retirement of non-current assets	24	40
Loss on sale of shares of affiliated companies	—	36
Tender offer-related expenses	—	8
Total extraordinary losses	24	85
Profit before income taxes	1,889	1,577
Income taxes - current	360	490
Income taxes - deferred	137	△17
Total income taxes	497	472
Profit	1,391	1,105
Profit attributable to non-controlling interests	12	6
Profit attributable to owners of parent	1,379	1,098

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	1,391	1,105
Other comprehensive income		
Valuation difference on available-for-sale securities	85	△199
Foreign currency translation adjustment	237	510
Remeasurements of defined benefit plans, net of tax	30	11
Share of other comprehensive income of entities accounted for using equity method	0	△10
Total other comprehensive income	353	311
Comprehensive income	1,745	1,416
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,733	1,410
Comprehensive income attributable to non-controlling interests	12	6