

CONSOLIDATED FINANCIAL STATEMENTS

These Consolidated Financial Statements were publicly released in the Japanese language on November 9, 2022.

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and cash equivalents	18,837	16,211
Trade and other receivables	22,486	24,220
Inventories	16,232	17,783
Income taxes receivable	50	62
Other financial assets	734	1,001
Other current assets	859	1,036
Total current assets	59,200	60,316
Non-current assets		
Property, plant and equipment	32,954	33,123
Goodwill	4,581	4,581
Intangible assets	3,947	3,812
Investments accounted for using equity method	8,511	9,529
Other financial assets	6,109	5,599
Deferred tax assets	755	754
Other non-current assets	320	278
Total non-current assets	57,180	57,680
Total assets	116,381	117,996

As of March 31, 2022

As of September 30, 2022

	As of March 31, 2022	As of September 30, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	16,050	16,322
Bonds and borrowings	3,593	4,474
Income taxes payable	1,720	1,110
Other financial liabilities	976	1,006
Provisions	5	3
Other current liabilities	6,174	5,366
Total current liabilities	28,520	28,283
Non-current liabilities		
Bonds and borrowings	10,237	7,412
Retirement benefit liability	651	690
Other financial liabilities	1,675	1,511
Deferred tax liabilities	1,085	926
Other non-current liabilities	1,781	1,565
Total non-current liabilities	15,432	12,107
Total liabilities	43,952	40,390
Equity		
Share capital	10,951	10,951
Capital surplus	3,075	3,097
Retained earnings	56,480	58,852
Treasury shares	-2,577	-3,026
Other components of equity	4,203	7,361
Total equity attributable to owners of parent	72,133	77,237
Non-controlling interests	295	368
Total equity	72,429	77,605
Liabilities and equity	116,381	117,996

(2) Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Revenue	46,144	52,200
Cost of sales	31,450	37,290
Gross profit	14,693	14,910
Selling, general and administrative expenses	10,317	11,261
Other income	248	159
Other expenses	129	97
Share of profit of investments accounted for using equity method	351	660
Operating profit	4,847	4,371
Finance income	289	1,229
Finance costs	59	197
Profit before tax	5,077	5,402
Income tax expense	1,271	1,811
Profit	3,805	3,591
Profit attributable to		
Owners of parent	3,798	3,568
Non-controlling interests	7	22
Profit	3,805	3,591
Earnings per share		
Basic earnings per share	83.76	80.52

(Millions of yen)

	2nd quarter ended September 30, 2021	2nd quarter ended September 30, 2022
Revenue	23,127	26,553
Cost of sales	15,821	19,129
Gross profit	7,305	7,423
Selling, general and administrative expenses	5,095	5,642
Other income	148	72
Other expenses	73	47
Share of profit of investments accounted for using equity method	233	409
Operating profit	2,519	2,215
Finance income	109	434
Finance costs	21	101
Profit before tax	2,607	2,548
Income tax expense	739	1,076
Profit	1,868	1,472
Profit attributable to		
Owners of parent	1,864	1,458
Non-controlling interests	3	14
Profit	1,868	1,472
Earnings per share		
Basic earnings per share	41.24	33.01

(3) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	3,805	3,591
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	595	-279
Share of other comprehensive income of investments accounted for using equity method	5	-3
Total	601	-282
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-495	2,855
Share of other comprehensive income of investments accounted for using equity method	104	681
Total	-391	3,536
Total other comprehensive income	210	3,254
Comprehensive income	4,016	6,845
Comprehensive income attributable to		
Owners of parent	4,006	6,768
Non-controlling interests	9	76
Comprehensive income	4,016	6,845
		(Millions of yen)
	2nd quarter ended September 30, 2021	2nd quarter ended September 30, 2022
Profit	1,868	1,472
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	555	-192
Share of other comprehensive income of investments accounted for using equity method	-0	1
Total	554	-190
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-370	248
Share of other comprehensive income of investments accounted for using equity method	82	135
Total	-287	384
Total other comprehensive income	267	193
Comprehensive income	2,135	1,666
Comprehensive income attributable to		
Owners of parent	2,129	1,631
Non-controlling interests	6	34
Comprehensive income	2,135	1,666

(4) Consolidated Statement of Change in Equity

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent		
Balance at beginning of period	10,951	3,075	55,857	-1,622	2,230	70,491	271	70,763
Profit			3,798			3,798	7	3,805
Other comprehensive income					207	207	2	210
Comprehensive income	—	—	3,798	—	207	4,006	9	4,016
Dividends of surplus			-912			-912	-7	-920
Purchase of treasury shares				-464		-464		-464
Disposal of treasury shares						—		—
Share-based remuneration transactions		18				18		18
Transfer from other components of equity to retained earnings			14		-14	—		—
Total	—	18	-898	-464	-14	-1,359	-7	-1,366
Balance at end of period	10,951	3,093	58,757	-2,086	2,423	73,139	273	73,412

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent		
Balance at beginning of period	10,951	3,075	56,480	-2,577	4,203	72,133	295	72,429
Effect of hyperinflation			-170			-170		-170
Restated equity	10,951	3,075	56,310	-2,577	4,203	71,963	295	72,258
Profit			3,568			3,568	22	3,591
Other comprehensive income					3,200	3,200	53	3,254
Comprehensive income	—	—	3,568	—	3,200	6,768	76	6,845
Dividends of surplus			-1,068			-1,068	-3	-1,071
Purchase of treasury shares				-448		-448		-448
Share-based remuneration transactions		22				22		22
Transfer from other components of equity to retained earnings			41		-41	—		—
Total	—	22	-1,026	-448	-41	-1,494	-3	-1,497
Balance at end of period	10,951	3,097	58,852	-3,026	7,361	77,237	368	77,605

(5) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before tax	5,077	5,402
Depreciation and amortization	2,902	2,951
Interest and dividend income	-154	-146
Interest expenses	53	42
Foreign exchange loss (gain)	-2	-804
Share of loss (profit) of investments accounted for using equity method	-351	-660
Loss (gain) on sale and retirement of fixed assets	-6	46
Decrease (increase) in inventories	-857	-574
Decrease (increase) in trade and other receivables	-1,482	-1,042
Increase (decrease) in trade and other payables	100	762
Increase (decrease) in retirement benefit liability	35	33
Increase (decrease) in provisions	-4	-1
Increase / decrease in other current liabilities	-234	-936
Increase / decrease in other non-current liabilities	-168	-215
Other	26	121
Subtotal	4,930	4,980
Interest and dividends received	276	477
Interest paid	-53	-42
Income taxes paid	-1,091	-2,597
Income taxes refund	8	7
Net cash provided by (used in) operating activities	4,070	2,825
Cash flows from investing activities		
Payments into time deposits	-431	-683
Proceeds from withdrawal of time deposits	339	501
Purchase of property, plant and equipment	-1,714	-2,081
Proceeds from sale of property, plant and equipment	83	1
Purchase of intangible assets	-55	-89
Proceeds from sale of equity instruments	483	133
Other	125	19
Net cash provided by (used in) investing activities	-1,169	-2,198

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term loans borrowings (within three months)	-1,800	-1,137
Repayments of long-term borrowings	-800	-825
Repayments of lease liabilities	-540	-554
Purchase of treasury shares	-463	-448
Dividends paid to owners of parent	-912	-1,068
Dividends paid to non-controlling interests	-7	-3
Net cash provided by (used in) financing activities	-4,524	-4,036
Effect of exchange rate changes on cash and cash equivalents	-239	783
Net increase (decrease) in cash and cash equivalents	-1,863	-2,625
Cash and cash equivalents at beginning of period	18,863	18,837
Cash and cash equivalents	16,999	16,211