

Consolidated Income Statement

(Millions of yen)

	2023/12	2024/12	2025/12
Net sales	780,938	826,895	808,447
Cost of sales	540,956	559,374	561,939
Gross profit	239,982	267,520	246,508
Selling, general and administrative expenses			
Selling expenses	42,137	47,038	47,758
General and administrative expenses	122,369	135,401	139,867
Total selling, general and administrative expenses	164,506	182,439	187,625
Operating income	75,475	85,081	58,882
Non-operating income			
Interest income	1,841	3,418	2,256
Dividend income	779	731	830
Share of profit of entities accounted for using equity method	200	331	338
Other	930	1,752	1,297
Total non-operating income	3,751	6,234	4,722
Non-operating expenses			
Interest expenses	2,815	2,738	2,807
Foreign exchange losses	2,611	1,202	1,246
Loss on disposal of tangible fixed assets	621	1,433	1,475
Other	4,774	4,459	6,561
Total non-operating expenses	10,202	9,835	12,090
Ordinary income	69,025	81,480	51,515
Extraordinary income			
Gain on sale of investment securities	891	1,526	5,086
Insurance income	2,781	-	705
Subsidy income	-	-	557
Compensation income	1,216	-	-
Gain on sale of shares of subsidiaries and associates	715	-	-
Total extraordinary income	5,604	1,526	6,349
Extraordinary loss			
Impairment losses	4,390	16,793	29,626
Costs related to the suspension of operations	-	1,346	4,604
Loss on disposal of tangible non-current assets	1,159	5,341	1,468
Loss on sale of tangible non-current assets	-	-	1,021
Loss on liquidation of business	-	4,452	848
Loss on tax purpose reduction entry of non-current assets	-	-	474
Loss on contingent liabilities	-	1,896	-
Loss on litigation	7,806	-	-
Total extraordinary losses	13,356	29,830	38,044
Income before income taxes and non-controlling interests	61,273	53,176	19,821
Income taxes—current	18,079	23,932	15,082
Income taxes—deferred	908	(1,932)	(312)
Total income taxes	18,987	22,000	14,769
Net income	42,285	31,176	5,051
Net income attributable to non-controlling interests	(160)	(548)	(2,417)
Net income attributable to owners of the parent	42,446	31,724	7,468
Net income	42,285	31,176	5,051
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	1,087	1,825	(2,225)
Deferred gains or losses on hedges	(676)	108	(298)
Foreign currency translation adjustment	41,326	52,953	19,290
Remeasurements of defined benefit plans, net of tax	(55)	661	2,954
Share of other comprehensive income of entities accounted for using equity method	166	304	146
Total other comprehensive income	41,848	55,852	19,866
Comprehensive income	84,134	87,028	24,918
Comprehensive income attributable to:			
Owners of the parent	83,527	86,818	27,311
Non-controlling interests	606	210	(2,393)

Consolidated Balance Sheets

(Millions of yen)

	2023/12	2024/12	2025/12
ASSETS			
Current Assets			
Cash and deposits	131,144	118,068	104,102
Notes and accounts receivable-trade, and contract assets	161,904	166,589	178,330
Securities	3,478	3,624	4,215
Merchandise and finished goods	146,924	170,489	178,020
Work in process	17,502	19,974	20,230
Raw materials and supplies	63,601	66,365	70,184
Other	28,040	21,109	24,209
Allowance for doubtful accounts	(869)	(959)	(889)
Total current assets	551,727	565,262	578,403
Non-current Assets			
Property, plant and equipment			
Buildings and structures, net	110,214	118,633	116,992
Machinery, equipment and vehicles, net	270,408	292,153	262,474
Land	22,618	19,016	18,154
Construction in progress	80,344	59,824	96,662
Other, net	43,390	50,757	54,828
Total property, plant, and equipment	526,977	540,385	549,112
Intangible assets			
Goodwill	55,386	53,591	52,212
Customer-related assets	29,149	27,720	23,868
Other	35,965	34,586	34,549
Total intangible assets	120,501	115,898	110,630
Investments and other assets			
Investment securities	23,966	29,890	23,523
Long-term loans receivable	140	-	-
Retirement benefit asset	3,227	4,020	5,942
Deferred tax assets	16,530	21,485	20,291
Others	11,649	14,388	15,920
Allowance for doubtful accounts	(95)	(93)	(311)
Total investments and other assets	55,278	69,692	65,366
Total non-current assets	702,757	725,975	725,108
Total Assets	1,254,485	1,291,238	1,303,511
LIABILITIES			
Current Liabilities			
Notes and accounts payable-trade	49,124	59,561	58,490
Short-term borrowings	40,014	23,850	45,120
Commercial papers	-	-	11,000
Current portion of bonds payable	-	10,000	-
Current portion of long-term borrowings	24,698	18,146	32,612
Accrued expenses	16,734	20,394	23,557
Income taxes payable	11,033	10,094	3,410
Provision for bonuses	10,275	10,772	9,495
Other	48,690	45,413	44,543
Total current liabilities	200,571	198,231	228,229
Non-current liabilities			
Bonds payable	60,000	50,000	50,000
Long-term borrowings	157,312	142,286	146,187
Deferred tax liabilities	18,754	24,385	23,243
Retirement benefit liability	29,487	31,417	32,146
Asset retirement obligations	6,338	-	-
Other	52,203	63,127	68,529
Total non-current liabilities	317,757	311,216	320,106
Total liabilities	518,329	509,448	548,335
NET ASSETS			
Shareholders' Equity			
Share capital	88,955	88,955	88,955
Capital surplus	87,146	87,124	55,949
Retained earnings	426,290	396,752	386,853
Treasury stock	(25,654)	(1,462)	(1,623)
Total shareholders' equity	576,737	571,369	530,135
Accumulated Other Comprehensive Income			
Valuation difference on available-for-sale securities	6,856	8,684	6,458
Deferred gains or losses on hedges	(53)	127	(78)
Foreign currency translation adjustment	131,269	183,693	203,014
Remeasurements of defined benefit plans	(524)	136	3,091
Total accumulated other comprehensive income	137,548	192,642	212,485
Share acquisition rights	341	270	229
Non-controlling interests	21,529	17,507	12,325
Total Net Assets	736,156	781,790	755,175
Total Liabilities and Net Assets	1,254,485	1,291,238	1,303,511

Consolidated Statements of Cash Flows

(Millions of yen)

	2023/12	2024/12	2025/12
Net cash provided by (used in) operating activities:			
Income before income taxes and noncontrolling interests	61,273	53,176	19,821
Depreciation and amortization	77,163	85,260	84,702
Increase (decrease) in allowance for doubtful accounts	402	-	-
Loss (gain) on sale of investment securities	(891)	(1,526)	(5,086)
Impairment losses	4,390	16,793	29,626
Loss on disposal of tangible fixed assets	1,159	5,341	1,468
Loss on sale of tangible non-current assets	-	-	1,021
Loss on liquidation of business	-	4,452	848
Loss on litigation	7,806	-	-
Foreign exchange losses (gains)	(3,324)	(6,591)	(2,130)
Interest and dividends income	(2,621)	(4,150)	(3,087)
Interest expenses	2,815	2,738	2,807
Decrease (increase) in trade receivables	2,111	2,199	(8,854)
Decrease (increase) in inventories	8,363	(17,259)	(6,327)
Increase (decrease) in trade payables	(5,122)	6,238	(1,332)
Increase (decrease) in provision for bonuses	825	-	-
Increase (decrease) in net defined benefit liabilities	1,751	-	-
Decrease (increase) in net defined benefit assets	(274)	-	-
Other, net	9,146	8,356	4,696
Subtotal	164,976	155,030	118,173
Interest and dividends received	2,602	4,297	5,037
Interest paid	(2,257)	(2,090)	(1,820)
Income taxes refund (paid)	(23,180)	(18,943)	(22,799)
Loss on litigation paid	(12,842)	-	-
Net cash provided by (used in) operating activities	129,298	138,294	98,591
Net cash provided by (used in) investment activities:			
Proceeds from sales and redemption of investment securities	1,907	2,125	7,005
Purchase of tangible fixed assets and intangible fixed assets	(59,027)	(71,383)	(94,177)
Payments for disposal of tangible fixed assets and intangible fixed assets	(1,524)	(4,396)	(3,478)
Proceeds from sales of tangible fixed assets and intangible fixed assets	214	-	-
Other, net	(4,720)	(2,353)	(7,479)
Net cash provided by (used in) investment activities	(63,151)	(76,008)	(98,129)
Net cash provided by (used in) financing activities:			
Net increase (decrease) in short-term borrowings	5,413	(16,392)	21,270
Net increase (decrease) in commercial papers	(10,000)	-	11,000
Proceeds from long-term borrowings	-	-	35,000
Repayments of long-term borrowings	(30,801)	(24,959)	(18,024)
Redemption of bonds	(10,000)	-	(10,000)
Purchase of treasury stock	(4)	(20,004)	(30,004)
Dividends paid	(16,066)	(17,292)	(17,367)
Dividends paid to noncontrolling interests	(520)	-	-
Other, net	(2,978)	(3,855)	(8,179)
Net cash provided by (used in) financing activities	(64,959)	(82,504)	(16,305)
Effect of exchange rate changes on cash and cash equivalents	4,858	8,848	2,464
Net increase (decrease) in cash and cash equivalents	6,046	(11,369)	(13,378)
Cash and cash equivalents, beginning of year	127,616	133,663	121,692
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(601)	-
Cash and cash equivalents, end of the period	133,663	121,692	108,314