

## Consolidated Income Statement

(Millions of yen)

	2025/12 1Q	2025/12 2Q (Cumulative)	2025/12 3Q (Cumulative)	2025/12 4Q (Cumulative)	2026/12 1Q
Net sales	194,804	399,958	593,424	808,447	200,913
Cost of sales	131,218	282,194	408,970	561,939	137,482
Gross profit	63,586	117,764	184,454	246,508	63,430
<b>Selling, general and administrative expenses</b>					
Selling expenses	11,761	23,596	35,549	47,758	11,566
General and administrative expenses	33,174	67,906	102,547	139,867	36,993
Total selling, general and administrative expenses	44,935	91,502	138,096	187,625	48,560
Operating income	18,650	26,261	46,358	58,882	14,870
<b>Non-operating income</b>					
Interest income	599	1,054	1,658	2,256	508
Dividend income	125	436	525	830	90
Share of profit of entities accounted for using equity method	69	148	252	338	92
Gain on investments in investment partnerships	-	-	-	-	378
Other	338	520	835	1,297	354
Total non-operating income	1,132	2,160	3,272	4,722	1,424
<b>Non-operating expenses</b>					
Interest expenses	661	1,307	2,025	2,807	858
Foreign exchange losses	-	-	-	1,246	-
Loss on disposal of tangible fixed assets	-	-	-	1,475	-
Other	1,296	5,830	7,516	6,561	1,691
Total non-operating expenses	1,957	7,137	9,541	12,090	2,550
Ordinary income	17,826	21,284	40,089	51,515	13,745
<b>Extraordinary income</b>					
Gain on sale of investment securities	-	1,590	3,007	5,086	1,176
Insurance claim income	-	-	690	705	-
Subsidy income	-	-	-	557	-
Total extraordinary income	-	1,590	3,698	6,349	1,176
<b>Extraordinary losses</b>					
Impairment losses	-	-	-	29,626	-
Loss (gain) on sale of tangible non-current assets	-	980	1,022	1,021	-
Loss on disaster	691	-	-	-	1,814
Costs related to the suspension of operations	-	-	3,905	4,604	865
Loss on disposal of tangible non-current assets	153	684	1,036	1,468	490
Loss on liquidation of business	555	-	890	848	-
Loss on tax purpose reduction entry of non-current assets	-	-	-	474	-
Total extraordinary losses	1,401	1,665	6,854	38,044	3,170
Income before income taxes and non-controlling interests	16,424	21,210	36,932	19,821	11,751
Income taxes—current	4,308	5,980	12,348	15,082	4,513
Income taxes—deferred	(394)	1,196	1,975	(312)	(1,297)
Total income taxes	3,914	7,177	14,323	14,769	3,216
Net income	12,510	14,032	22,608	5,051	8,534
Net income attributable to non-controlling interests	503	(6)	(175)	(2,417)	731
Net income attributable to owners of the parent	12,007	14,039	22,784	7,468	7,802
Net income	12,510	14,032	22,608	5,051	8,534
<b>Other comprehensive income</b>					
Valuation difference on available-for-sale securities	(454)	(1,235)	(1,059)	(2,225)	(340)
Deferred gains or losses on hedges	10	(288)	(316)	(298)	61
Foreign currency translation adjustment	(27,321)	(30,028)	(12,400)	19,290	8,228
Remeasurements of defined benefit plans, net of tax	43	143	416	2,954	(12)
Share of other comprehensive income of entities accounted for using equity method	(201)	(275)	(144)	146	142
Total other comprehensive income	(27,923)	(31,685)	(13,505)	19,866	8,078
Quarterly comprehensive income	(15,412)	(17,652)	9,103	24,918	16,612
<b>Comprehensive income attributable to:</b>					
Owners of the parent	(15,523)	(17,277)	9,456	27,311	15,872
Non-controlling interests	110	(375)	(352)	(2,393)	740

**Consolidated Balance Sheets**

(Millions of yen)

	2025/12 1Q	2025/12 2Q	2025/12 3Q	2025/12 4Q	2026/12 1Q
<b>ASSETS</b>					
Current Assets					
Cash and deposits	109,264	112,850	116,383	104,102	102,891
Notes and accounts receivable-trade, and contract assets	163,449	161,124	157,260	178,330	168,546
Securities	1,992	2,154	1,368	4,215	4,158
Merchandise and finished goods	179,915	169,761	184,914	178,020	185,870
Work in process	22,498	20,542	21,675	20,230	22,389
Raw materials and supplies	64,256	64,923	65,973	70,184	72,117
Other	24,671	28,863	28,178	24,209	25,936
Allowance for doubtful accounts	(903)	(856)	(1,068)	(889)	(605)
Total current assets	565,145	559,363	574,684	578,403	581,303
Non-current Assets					
Property, plant and equipment					
Buildings and structures, net	116,507	115,460	116,478	116,992	116,750
Machinery, equipment and vehicles, net	278,571	271,356	273,073	262,474	260,280
Land	18,675	16,753	17,675	18,154	18,184
Construction in progress	59,982	71,341	86,331	96,662	109,345
Other, net	48,420	49,618	53,144	54,828	54,175
Total property, plant, and equipment	522,158	524,530	546,703	549,112	558,737
Intangible assets					
Goodwill	49,648	50,922	51,003	52,212	51,730
Customer-related assets	25,353	23,745	23,554	23,868	23,441
Other	33,338	32,651	33,526	34,549	34,798
Total intangible assets	108,339	107,320	108,083	110,630	109,971
Investments and other assets					
Investment securities	28,485	26,487	24,878	23,523	22,165
Retirement benefit asset	4,007	4,111	4,160	5,942	5,925
Deferred tax assets	22,722	21,073	20,438	20,291	21,952
Other	13,967	14,163	15,095	15,920	16,250
Allowance for doubtful accounts	(90)	(90)	(91)	(311)	(254)
Total investments and other assets	69,091	65,746	64,480	65,366	66,041
Total non-current assets	699,590	697,597	719,268	725,108	734,749
Total Assets	1,264,735	1,256,961	1,293,953	1,303,511	1,316,053
<b>LIABILITIES</b>					
Current Liabilities					
Notes and accounts payable-trade	54,491	51,397	46,768	58,490	50,985
Short-term borrowings	33,830	43,870	43,870	45,120	45,090
Commercial papers	10,000	27,000	24,000	11,000	21,000
Current portion of bonds payable	10,000	-	-	-	-
Current portion of long-term borrowings	16,739	31,800	32,076	32,612	27,487
Accrued expenses	21,628	21,160	26,151	23,557	25,299
Income taxes payable	8,334	7,596	3,685	3,410	5,785
Provision for bonuses	11,940	7,468	11,932	9,495	12,094
Other	38,535	38,779	37,699	44,543	45,566
Total current liabilities	205,499	229,072	226,182	228,229	233,310
Non-current Liabilities					
Bonds payable	50,000	50,000	50,000	50,000	50,000
Long-term borrowings	136,188	112,968	148,659	146,187	155,857
Deferred tax liabilities	24,432	23,466	24,169	23,243	23,723
Retirement benefit liability	31,580	32,209	33,054	32,146	32,617
Other	60,022	62,606	67,041	68,529	67,640
Total non-current liabilities	302,223	281,250	322,924	320,106	329,838
Total Liabilities	507,723	510,323	549,107	548,335	563,148
<b>NET ASSETS</b>					
Shareholders' Equity					
Share capital	88,955	88,955	88,955	88,955	88,955
Capital surplus	87,124	87,157	87,157	55,949	55,949
Retained earnings	400,011	402,046	402,169	386,853	386,366
Treasury stock	(1,419)	(9,591)	(29,516)	(1,623)	(11,623)
Total shareholders' equity	574,672	568,568	548,766	530,135	519,647
Accumulated Other Comprehensive Income					
Valuation difference on available-for-sale securities	8,229	7,448	7,624	6,458	6,118
Deferred gains or losses on hedges	186	(82)	(91)	(78)	(29)
Foreign currency translation adjustment	156,514	153,679	171,227	203,014	211,387
Remeasurements of defined benefit plans	180	280	553	3,091	3,078
Total accumulated other comprehensive income	165,111	161,325	179,313	212,485	220,554
Share acquisition rights	229	229	229	229	229
Non-controlling Interests	16,998	16,512	16,535	12,325	12,472
Total Net Assets	757,012	746,637	744,845	755,175	752,904
Total Liabilities and Net Assets	1,264,735	1,256,961	1,293,953	1,303,511	1,316,053

## Consolidated Statements of Cash Flows

(Millions of yen)

	2023/12	2024/12	2024/12	2025/12	2025/12
	4Q	2Q	4Q	2Q	4Q
<b>Net cash provided by (used in) operating activities:</b>					
Income before income taxes and noncontrolling interests	61,273	41,480	53,176	21,210	19,821
Depreciation and amortization	77,163	41,824	85,260	41,442	84,702
Loss (gain) on sale of investment securities	(891)	(1,515)	(1,526)	(1,590)	(5,086)
Loss (gain) on sale of tangible non-current assets	-	-	-	980	-
Increase (decrease) in allowance for doubtful accounts	402	-	-	-	-
Impairment losses	4,390	-	16,793	-	29,626
Loss on disposal of tangible fixed assets	1,159	579	5,341	684	1,468
Loss on sale of tangible non-current assets	-	-	-	-	1,021
Loss on liquidation of business	-	3,477	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	(5,448)	2,199	483	(8,854)
Decrease (increase) in inventories	8,363	(9,382)	(17,259)	(6,861)	(6,327)
Increase (decrease) in trade payables	(5,122)	6,422	6,238	(6,626)	(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	(11,856)	8,356	1,556	4,696
Subtotal	164,976	65,581	155,030	51,279	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)	(2,976)	(18,943)	(10,662)	(22,799)
Loss on litigation paid	(12,842)	-	-	-	-
Other, net	-	1,098	-	1,545	-
Net cash provided by (used in) operating activities	129,298	63,703	138,294	42,162	98,591
<b>Net cash provided by (used in) investing</b>					
Proceeds from sale and redemption of investment securities	1,907	2,104	2,125	2,541	7,005
Purchase of tangible fixed assets and intangible fixed assets	(59,027)	(33,507)	(71,383)	(45,151)	(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)	(4,441)	(2,353)	(6,539)	(7,479)
Net cash provided by (used in) investing	(63,151)	(35,845)	(76,008)	(49,149)	(98,129)
<b>Net cash provided by (used in) financing activities:</b>					
Net increase (decrease) in short-term borrowings	5,413	(6,231)	(16,392)	20,020	21,270
Net increase (decrease) in commercial papers	(10,000)	-	-	27,000	11,000
Proceeds from long-term borrowings	-	-	-	-	35,000
Repayments of long-term borrowings	(30,801)	(21,603)	(24,959)	(14,439)	(18,024)
Redemption of bonds	(10,000)	-	-	(10,000)	(10,000)
Purchase of treasury shares	(4)	(8,148)	(20,004)	(8,290)	(30,004)
Cash dividends paid	(16,066)	(8,368)	(17,292)	(8,744)	(17,367)
Cash dividends paid to minority shareholders	(520)	-	-	-	-
Other, net	(2,978)	(1,975)	(3,855)	(2,239)	(8,179)
Net cash provided by (used in) financing activities	(64,959)	(46,327)	(82,504)	3,305	(16,305)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	4,858	11,615	8,848	(4,076)	2,464
Net Increase (Decrease) in Cash and Cash Equivalents	6,046	(6,854)	(11,369)	(7,758)	(13,378)
Cash and Cash Equivalents, Beginning of the Period	127,616	133,663	133,663	121,692	121,692
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(601)	(601)	-	-
Cash and Cash Equivalents, End of the Period	133,663	126,207	121,692	113,934	108,314