

Consolidated Income Statement

(Millions of yen)

	2021/12	2022/12	2023/12
Net sales	629,370	756,376	780,938
Cost of sales	425,234	514,713	540,956
Gross profit	204,136	241,663	239,982
Selling, general and administrative expenses			
Selling expenses	38,721	46,678	42,137
General and administrative expenses	93,157	107,845	122,369
Total selling, general and administrative expenses	131,879	154,524	164,506
Operating income	72,256	87,139	75,475
Non-operating income			
Interest income	141	450	1,841
Dividends income	553	714	779
Share of profit of entities accounted for using equity	261	271	200
Gain on investments in investment partnerships	79	382	-
Other	1,403	1,708	930
Total non-operating income	2,439	3,527	3,751
Non-operating expenses			
Interest expenses	1,627	1,457	2,815
Foreign exchange loss	188	1,021	2,611
Loss on disposal of tangible fixed assets	639	986	-
Other	3,475	3,140	4,774
Total non-operating expenses	5,930	6,606	10,202
Ordinary income	68,765	84,060	69,025
Extraordinary income			
Insurance income	544	1,415	2,781
Compensation income	-	-	1,216
Gain on sale of investment securities	563	2,614	891
Gain on sale of shares of subsidiaries and associates	-	-	715
Subsidy income	510	-	-
Compensation for property transfer	422	-	-
Total extraordinary income	2,040	4,030	5,604
Extraordinary loss			
Loss on litigation	4,296	1,819	7,806
Impairment loss	1,569	1,385	4,390
Loss on disposal of tangible non-current assets	1,183	450	1,159
Costs related to the suspension of operations	1,350	5,785	-
Disaster loss	3,284	653	-
Loss on tax purpose reduction entry of non-current	423	-	-
Total extraordinary losses	12,108	10,094	13,356
Income before income taxes and non-controlling interests	58,697	77,997	61,273
Income taxes—current	19,718	21,232	18,079
Income taxes for prior periods	1,386	-	-
Income taxes—deferred	(767)	1,155	908
Total income taxes	20,336	22,388	18,987
Net income	38,360	55,608	42,285
Net income attributable to non-controlling interests	1,098	1,300	(160)
Net income (loss) attributable to owners of the parent	37,262	54,307	42,446
Net income	38,360	55,608	42,285
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	426	(1,504)	1,087
Deferred gains or losses on hedges	793	645	(676)
Foreign currency translation adjustment	33,130	56,798	41,326
Remeasurements of defined benefit plans, net of tax	3,030	1,822	(55)
Share of other comprehensive income of entities accounted for using equity method	-	160	166
Total other comprehensive income	37,380	57,762	41,848
Quarterly comprehensive income	75,741	113,371	84,134
Comprehensive income attributable to:			
Owners of the parent	74,491	110,925	83,527
Non-controlling interests	1,249	2,446	606

Consolidated Balance Sheets

(Millions of yen)

	2021/12	2022/12	2023/12
ASSETS			
Current Assets			
Cash and deposits	151,942	123,724	131,144
Notes and accounts receivable-trade	135,768	-	-
Notes and accounts receivable-trade, and contract assets	-	157,016	161,904
Securities	3,855	4,852	3,478
Merchandise and finished goods	103,505	145,851	146,924
Work in process	15,699	19,078	17,502
Raw materials and supplies	38,100	60,104	63,601
Other	21,745	23,815	28,040
Allowance for doubtful accounts	(443)	(510)	(869)
Total current assets	470,174	533,933	551,727
Non-current Assets			
Property, plant and equipment			
Buildings and structures, net	88,801	94,745	110,214
Machinery, equipment and vehicles, net	200,500	219,200	270,408
Land	22,648	23,264	22,618
Construction in progress	117,319	137,424	80,344
Other, net	25,997	37,926	43,390
Total tangible fixed assets	455,266	512,562	526,977
Intangible assets			
Goodwill	52,635	56,058	55,386
Customer-related assets	29,176	30,432	29,149
Other	32,243	34,993	35,965
Total intangible fixed assets	114,055	121,484	120,501
Investments and other assets			
Investment securities	25,689	23,194	23,966
Long-term loans receivable	121	97	140
Retirement benefit asset	3,066	2,104	3,227
Deferred tax assets	13,980	16,718	16,530
Others	8,686	11,458	11,509
Allowance for doubtful accounts	(26)	(20)	(95)
Total investments and other assets	51,517	53,553	55,278
Total non-current assets	620,839	687,600	702,757
Total Assets	1,091,014	1,221,533	1,254,485
LIABILITIES			
Current Liabilities			
Notes and accounts payable-trade	49,641	52,717	49,124
Short-term borrowings	34,480	34,480	40,014
Commercial paper	-	10,000	-
Current portion of bonds payable	-	10,000	-
Current portion of long-term borrowings	55,013	30,434	24,698
Accrued expenses	19,863	21,075	16,734
Income taxes payable	13,133	11,370	11,033
Provision for bonuses	7,996	9,132	10,275
Other provision	89	111	-
Other	39,246	42,008	48,690
Total current liabilities	219,464	221,330	200,571
Non-current liabilities			
Bonds payable	60,000	60,000	60,000
Long-term borrowings	157,945	179,491	157,312
Deferred tax liabilities	12,022	17,279	18,754
Provision for directors' retirement benefits	375	294	-
Provision for environmental measures	365	397	-
Retirement benefit liability	25,629	25,626	29,487
Asset retirement obligations	4,821	5,303	6,338
Other	30,787	43,275	45,864
Total non-current liabilities	291,947	331,668	317,757
Total liabilities	511,411	552,998	518,329
NET ASSETS			
Shareholders' Equity			
Share capital	88,955	88,955	88,955
Capital surplus	87,166	87,152	87,146
Retained earnings	359,898	399,910	426,290
Treasury stock	(15,885)	(25,735)	(25,654)
Total shareholders' equity	520,134	550,282	576,737
Accumulated Other Comprehensive Income			
Valuation difference on available-for-sale securities	7,273	5,769	6,856
Deferred gain or losses on hedges	219	611	(53)
Foreign currency translation adjustment	34,648	90,555	131,269
Remeasurements of defined benefit plans	(2,291)	(468)	(524)
Total accumulated other comprehensive income	39,850	96,467	137,548
Share Acquisition Rights	414	341	341
Non-controlling interests	19,203	21,443	21,529
Total Net Assets	579,602	668,534	736,156
Total Liabilities and Net Assets	1,091,014	1,221,533	1,254,485

Consolidated Statements of Cash Flows

(Millions of yen)

	2021/12	2022/12	2023/12
Net cash provided by (used in) operating activities:			
Income before income taxes and noncontrolling interests	58,697	77,997	61,273
Depreciation and amortization	59,003	65,456	77,163
Increase (decrease) in allowance for doubtful accounts	(29)	9	402
Loss (gain) on sale of investment securities	(563)	(2,614)	(891)
Loss on litigation	4,296	1,819	7,806
Impairment loss	1,569	1,385	4,390
Loss on disposal of tangible fixed assets	1,183	450	1,159
Foreign exchange losses (gains)	(2,610)	(2,777)	(3,324)
Interest and dividends income	(694)	(1,165)	(2,621)
Interest expenses	1,627	1,457	2,815
Decrease (increase) in notes and accounts receivable – trade	(13,437)	(12,500)	2,111
Decrease (increase) in inventories	(17,537)	(54,716)	8,363
Increase (decrease) in notes and accounts payable –	12,244	691	(5,122)
Increase (decrease) in provision for bonuses	858	632	825
Increase (decrease) in net defined benefit liabilities	2,273	678	1,751
Decrease (increase) in net defined benefit assets	(624)	664	(274)
Other, net	10,899	(4,771)	9,146
Subtotal	117,157	72,696	164,976
Interest and dividends received	833	1,246	2,602
Interest paid	(1,537)	(1,186)	(2,257)
Income taxes (paid) refund	(14,127)	(19,453)	(23,180)
Loss on litigation paid	(24,104)	(1,575)	(12,842)
Net cash provided by (used in) operating activities	78,221	51,727	129,298
Net cash provided by (used in) investment activities:			
Net decrease (increase) in time deposits	(150)	3,350	-
Net decrease (increase) in short-term investment securities	6,000	-	-
Purchase of investment securities	(88)	-	-
Proceeds from sales and redemption of investment securities	1,647	3,336	1,907
Purchase of tangible fixed assets and intangible fixed assets	(68,408)	(71,635)	(59,027)
Payments for disposal of tangible fixed assets and intangible fixed assets	(1,774)	(1,022)	(1,524)
Proceeds from sales of tangible fixed assets and intangible fixed assets	92	613	214
Other, net	(2,912)	(3,266)	(4,720)
Net cash provided by (used in) investment activities	(65,595)	(68,624)	(63,151)
Net cash provided by (used in) financing activities:			
Net increase (decrease) in short-term loans payable	-	-	5,413
Net increase (decrease) in commercial papers	(20,000)	10,000	(10,000)
Proceeds from long-term loans payable	6,212	49,375	-
Repayment of long-term loans payable	(29)	(55,013)	(30,801)
Proceeds from issuance of bonds	-	10,000	-
Payment for redemption of corporate bonds	(20,000)	-	(10,000)
Purchase of treasury stock	(2)	(10,002)	(4)
Proceeds from sales of treasury stock	82	0	-
Dividends paid	(13,414)	(13,908)	(16,066)
Proceeds from stock issuance to minority interests	1,820	502	-
Dividends paid to noncontrolling interests	(220)	(708)	(520)
Other, net	(1,894)	(2,297)	(2,978)
Net cash provided by (used in) financing activities	(47,447)	(12,053)	(64,959)
Effect of exchange rate changes on cash and cash equivalents	4,224	4,943	4,858
Net increase (decrease) in cash and cash equivalents	(30,596)	(24,006)	6,046
Cash and cash equivalents, beginning of year	182,084	151,487	127,616
Increase in cash and cash equivalents from newly consolidated subsidiary	-	136	-
Cash and cash equivalents, end of the period	151,487	127,616	133,663