

Consolidated Financial Results
For the Third Quarter of the Fiscal Year Ending March 31, 2022
(Japanese GAAP)



February 7, 2022
Tokyo Stock Exchanges in Japan

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Payment date of cash dividends : —
Supplemental materials prepared for financial results : No
Earnings announcement for financial results : No

(Amounts less than one million yen are rounded down)

1. Consolidated Results for the Third Quarter of Fiscal Year 2022 (April 1, 2021 through December 31, 2021)

(1) Consolidated Financial Results (Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2022 3rd quarter	427,771	—	16,324	—	22,169	—	14,197	—
FY2021 3rd quarter	399,528	(19.0)	624	(94.8)	1,085	(92.0)	76	(98.5)

Note: Comprehensive income: FY2022 3rd quarter 19,353 million yen (—%) FY2021 3rd quarter 571 million yen ((92.3)%)

	Net income per share, Basic	Net income per share, Diluted
	Yen	Yen
FY2022 3rd quarter	62.26	—
FY2021 3rd quarter	0.33	—

Note: Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. are applied from the beginning of the fiscal year ending March 31, 2022, the above amounts of consolidated results for the third quarter of fiscal year 2022 reflect the application of the accounting standard, etc. Therefore, the rate of change in “Net sales” compared to the previous third quarter of fiscal year is not stated.

: For the cases when the rate of change from the same period of the previous fiscal year is 1,000% or more, “—” is indicated.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity to total assets
	Millions of yen	Millions of yen	%
FY2022 3rd quarter	567,264	312,765	52.3
FY2021	560,769	299,975	50.6

Reference: Shareholders' equity (Net assets excluding non-controlling interests)
: FY2022 3rd quarter 296,879 million yen FY2021 283,993 million yen

2. Dividends

	Cash dividends per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
FY2021	—	5.00	—	12.00	17.00
FY2022	—	12.00	—	—	—
FY2022 (Forecast)	—	—	—	12.00	24.00

Note: Revisions to the forecast of dividends since the latest announcement: No

3. Forecast of Consolidated Results for Fiscal Year 2022 (April 1, 2021 through March 31, 2022)

(Percentage indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share, Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	600,000	—	25,000	138.9	27,000	85.8	18,000	91.6	78.94

Notes: Revisions to the forecast of consolidated results since the latest announcement: No

: Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. are applied from the beginning of the fiscal year ending March 31, 2022, the above amounts of forecast of consolidated results for the full year reflect the application of the accounting standard, etc.

Therefore, the rate of change in “Net sales” compared to the previous full year of fiscal year is not stated.

4. Others

- (1) Changes of significant subsidiaries in the third quarter of fiscal year 2022 : No
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements : No
- (3) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements
- [1] Changes due to revisions of accounting standards : Yes
 - [2] Changes due to other reasons : No
 - [3] Changes of estimation due to accounting issues : No
 - [4] Restatements : No

(4) Number of outstanding shares (Common Stock)

[1] Number of outstanding shares	As of Decmber 31, 2021	244,066,144 shares	As of March 31, 2021	244,066,144 shares
[2] Number of treasury stock	As of December 31, 2021	16,047,794 shares	As of March 31, 2021	16,047,128 shares
[3] Average number of shares	3rd quarter of FY2022	228,018,699 shares	3rd quarter of FY2021	233,711,419 shares

* This quarterly report is out of the scope of the quarterly review.

* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters
Statements related to the future, including the forecast of financial results, were based on the information available as of the date when this document was released. Therefore, actual results may differ considerably due to various factors that might occur in the future.

Quarterly consolidated Financial Statements

(1) Quarterly consolidated Balance Sheets

(Unit: Millions of yen)

	FY2021 (As of 31 March, 2021)	FY2022 (As of 31 December, 2021)
Assets		
Current assets		
Cash and deposits	79,331	82,004
Notes and accounts receivable - trade	140,633	—
Notes, accounts receivable - trade and contract assets	—	131,115
Merchandise and finished goods	18,855	23,526
Work in process	9,585	11,873
Raw materials and supplies	18,969	21,870
Partly-finished goods	7,407	10,193
Other	19,970	19,726
Allowance for doubtful accounts	(193)	(111)
Total current assets	294,560	300,200
Non-current assets		
Property, plant and equipment		
Buildings and structures	154,326	154,841
Accumulated depreciation	(100,418)	(102,718)
Buildings and structures, net	53,907	52,123
Machinery, equipment and vehicles	277,127	285,286
Accumulated depreciation	(209,660)	(218,332)
Machinery, equipment and vehicles, net	67,466	66,954
Land	29,444	30,333
Leased assets	1,476	1,331
Accumulated depreciation	(889)	(826)
Leased assets, net	586	505
Construction in progress	13,997	12,887
Other	80,470	82,659
Accumulated depreciation	(70,206)	(72,686)
Other, net	10,263	9,972
Total property, plant and equipment	175,667	172,777
Intangible assets	3,032	2,978
Investments and other assets		
Investment securities	55,756	60,246
Long-term loans receivable	2,938	2,321
Deferred tax assets	9,952	9,058
Net defined benefit asset	10,195	10,945
Other	9,787	9,626
Allowance for doubtful accounts	(1,121)	(888)
Total investments and other assets	87,508	91,308
Total non-current assets	266,208	267,064
Total assets	560,769	567,264

(Unit: Millions of yen)

	FY2021 (As of 31 March, 2021)	FY2022 (As of 31 December, 2021)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	80,555	73,494
Electronically recorded obligations - operating	33,114	34,111
Short-term loans payable	43,053	39,402
Income taxes payable	3,702	2,674
Provision for directors' bonuses	244	172
Notes payable - facilities	2,557	1,802
Other	31,446	35,183
Total current liabilities	194,675	186,842
Non-current liabilities		
Bonds payable	—	10,000
Long-term loans payable	26,211	15,340
Lease obligations	467	778
Deferred tax liabilities	9,837	12,272
Net defined benefit liability	23,331	23,452
Provision for directors' retirement benefits	630	607
Provision for officers' retirement benefits	791	908
Other	4,848	4,296
Total non-current liabilities	66,118	67,656
Total liabilities	260,793	254,498
Net assets		
Shareholders' equity		
Capital stock	17,009	17,009
Capital surplus	19,579	19,679
Retained earnings	234,113	242,891
Treasury stock	(14,295)	(14,295)
Total shareholders' equity	256,407	265,285
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	23,740	26,234
Foreign currency translation adjustment	4,497	5,645
Remeasurements of defined benefit plans	(652)	(285)
Total accumulated other comprehensive income	27,585	31,594
Non-controlling interests	15,982	15,886
Total net assets	299,975	312,765
Total liabilities and net assets	560,769	567,264

(2) Quarterly consolidated Statement of Comprehensive Income
(Quarterly consolidated Statements of Income)
(Nine Months Ended December 31, 2021)

(Unit: Millions of yen)

	FY2021 (9 months Ended December 31, 2020)	FY2022 (9 months Ended December 31, 2021)
Net sales	399,528	427,771
Cost of sales	366,382	372,948
Gross profit	33,146	54,822
Selling, general and administrative expenses	32,521	38,497
Operating profit	624	16,324
Non-operating income		
Interest income	399	349
Dividend income	1,074	1,622
Share of profit of entities accounted for using equity method	170	828
Foreign exchange gains	—	3,386
Other	3,858	1,939
Total non-operating income	5,504	8,126
Non-operating expenses		
Interest expenses	276	238
Loss on disaster	1,318	704
Foreign exchange losses	1,332	—
Other	2,116	1,338
Total non-operating expenses	5,043	2,281
Ordinary profit	1,085	22,169
Extraordinary income		
Gain on sales of investment securities	621	—
Total extraordinary income	621	—
Extraordinary losses		
Loss on sales of investments in capital of subsidiaries and affiliates	—	288
Total extraordinary losses	—	288
Profit before income taxes	1,707	21,881
Total income taxes	1,039	6,834
Profit	667	15,046
Profit attributable to non-controlling interests	590	849
Profit attributable to owners of parent	76	14,197

(Consolidated Statements of Comprehensive Income)
(Nine Months Ended December 31, 2021)

	(Unit: Millions of yen)	
	FY2021 (9 months ended December 31, 2020)	FY2022 (9 months ended December 31, 2021)
Profit	667	15,046
Other comprehensive income		
Valuation difference on available-for-sale securities	4,950	2,492
Foreign currency translation adjustment	(5,268)	1,071
Remeasurements of defined benefit plans, net of tax	559	346
Share of other comprehensive income of entities accounted for using equity method	(337)	395
Total other comprehensive income	(95)	4,306
Comprehensive income	571	19,353
Comprehensive income attributable to:		
Owners of parent	298	18,172
Non-controlling interests	273	1,180