

Summary of the Consolidated Financial Results for the Second Quarter Ended September 30, 2022[under Japanese GAAP]

① Financial Statements

1) Consolidated Balance Sheet

Millions of yen

	FISCAL YEAR	SECOND QUARTER
	2022/3	2022/9
Cash and deposits	14,771	14,099
Notes and accounts receivable - trade	10,642	11,271
Securities	776	790
Merchandise and finished goods	2,847	3,072
Work in process	1,611	1,562
Raw materials and supplies	2,284	2,607
Other	527	734
Allowance for doubtful accounts	(101)	(120)
Current assets	33,361	34,017
Buildings and structures, net	12,171	11,965
Machinery, equipment and vehicles, net	5,704	5,696
Land	6,655	6,705
Other, net	902	923
Property, plant and equipment	25,434	25,290
Intangible assets	240	220
Investment securities	10,715	12,721
Other	2,997	2,463
Allowance for doubtful accounts	(507)	(559)
Investments and other assets	13,205	14,625
Non-current assets	38,880	40,135
Assets	72,241	74,153

※Notes

- Numbers with "()" indicate negative numbers.
- This report contains estimates and forecasts pertaining to the future plans and business results. Such statements are based on information available at the time of the report's production and include potential risks and uncertainties. Actual results may differ from estimates and forecasts contained herein.

Millions of yen

	FISCAL YEAR	SECOND QUARTER
	2022/3	2022/9
Notes and accounts payable - trade	1,489	1,635
Short-term borrowings	210	97
Income taxes payable	532	483
Provision for bonuses	914	821
Other	1,934	2,009
Current liabilities	5,081	5,046
Retirement benefit liability	5,360	5,331
Provision for business restructuring	259	272
Provision for share awards	116	107
Other	554	554
Non-current liabilities	6,290	6,264
Liabilities	11,372	11,311
Share capital	4,102	4,102
Capital surplus	7,129	7,129
Retained earnings	45,166	45,824
Treasury shares	(134)	(1,506)
Shareholders' equity	56,263	55,550
Valuation difference on available-for-sale securities	2,541	3,525
Revaluation reserve for land	196	196
Foreign currency translation adjustment	292	1,816
Remeasurements of defined benefit plans	(2)	(2)
Total accumulated other comprehensive income	3,028	5,535
Non-controlling interests	1,577	1,756
Net assets	60,869	62,841
Liabilities and net assets	72,241	74,153

2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

Millions of yen

	SECOND QUARTER	
	2021/4-9	2022/4-9
Net sales	18,182	19,656
Cost of sales	13,355	14,210
Gross profit	4,826	5,446
Selling expenses	2,369	2,515
General and administrative expenses	1,374	1,394
Selling, general and administrative expenses	3,744	3,909
Operating profit	1,082	1,536
Interest income	9	10
Dividend income	75	96
Foreign exchange gains	7	236
Share of profit of entities accounted for using equity method	150	189
Subsidy income	24	0
Other	24	64
Non-operating income	292	598
Interest expenses	2	1
Other	4	3
Non-operating expenses	7	5
Ordinary profit	1,367	2,129
Gain on sale of non-current assets	64	—
Gain on sale of investment securities	33	4
Extraordinary income	98	4
Profit before income taxes	1,465	2,133
Income taxes - current	247	385
Income taxes - deferred	84	135
Income taxes	332	521
Profit	1,133	1,612
Profit attributable to non-controlling interests	44	62
Profit attributable to owners of parent	1,089	1,549

Consolidated Statement of Comprehensive Income

Millions of yen

	SECOND QUARTER	
	2021/4-9	2022/4-9
Profit	1,133	1,612
Other comprehensive income		
Valuation difference on available-for-sale securities	44	983
Foreign currency translation adjustment	516	1,265
Remeasurements of defined benefit plans, net of tax	(48)	2
Share of other comprehensive income of entities accounted for using equity method	126	424
Other comprehensive income	639	2,676
Comprehensive income	1,772	4,289
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,714	4,182
Comprehensive income attributable to non-controlling interests	58	106

3) Consolidated Statement of Cash Flows

Millions of yen

	SECOND QUARTER	
	2021/4-9	2022/4-9
Cash flows from operating activities		
Profit before income taxes	1,465	2,133
Depreciation	1,435	1,398
Increase (decrease) in allowance for doubtful accounts	7	7
Increase (decrease) in provision for bonuses	0	(120)
Increase (decrease) in retirement benefit liability	(124)	(58)
Increase (decrease) in provision for share awards	2	(9)
Increase (decrease) in provision for business restructuring	—	(11)
Interest and dividend income	(85)	(107)
Interest expenses	2	1
Share of loss (profit) of entities accounted for using equity method	(150)	(189)
Loss on retirement of property, plant and equipment	7	30
Loss (gain) on sale of property, plant and equipment	(69)	(1)
Loss (gain) on sale of investment securities	(33)	(4)
Decrease (increase) in trade receivables	(875)	(273)
Decrease (increase) in inventories	(30)	(232)
Increase (decrease) in trade payables	32	(57)
Other, net	916	(306)
Subtotal	2,500	2,198
Interest and dividends received	85	107
Interest paid	(2)	(1)
Income taxes paid	(87)	(402)
Net cash provided by (used in) operating activities	2,495	1,901
Cash flows from investing activities		
Proceeds from sale of securities	1,000	—
Purchase of property, plant and equipment	(890)	(671)
Proceeds from sale of property, plant and equipment	149	1
Purchase of investment securities	(19)	(16)
Proceeds from sale of investment securities	34	20
Other, net	(105)	13
Net cash provided by (used in) investing activities	168	(652)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(231)	(134)
Purchase of treasury shares	(0)	(1400)
Proceeds from sale of treasury shares	16	28
Dividends paid	(167)	(887)
Dividends paid to non-controlling interests	(18)	(53)
Repayments of lease liabilities	(41)	(42)
Net cash provided by (used in) financing activities	(442)	(2,490)
Effect of exchange rate change on cash and cash equivalents	212	582
Net increase (decrease) in cash and cash equivalents	2,434	(658)
Cash and cash equivalents at beginning of period	10,649	15,548
Cash and cash equivalents at end of period	13,084	14,889

② Financial Data

1) Forecast (2022/4-2023/3)

Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Earnings per share [EPS] (Yen)
40,600	2,900	3,800	2,700	49.67

2) Consolidated Financial Indicator

		SECOND QUARTER		FISCAL YEAR	FORECAST
		2021/4-9	2022/4-9	2021/4-2022/3	2022/4-2023/3
Operating profit ratio	(%)	6.0	7.8	7.6	7.1
Ordinary profit ratio	(%)	7.5	10.8	9.8	9.4
Return on assets [ROA]	(%)	1.6	2.1	4.7	—
Return on equity [ROE]	(%)	1.9	2.6	5.7	—
Capital expenditures	Millions of yen	789	887	1,605	3,600
Depreciation [Property, plant and equipment]	Millions of yen	1,390	1,358	2,871	2,800
Research and development expenses	Millions of yen	863	986	1,811	1,750
Number of employees		2,070	2,057	2,057	—

3) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen,%

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2021/4-9		2022/4-9		2021/4-2022/3		2022/4-2023/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	6,612	36.4	7,514	38.2	13,752	37.0	15,400	37.9
Transportation	4,068	22.4	4,010	20.4	8,115	21.8	8,300	20.5
Machinery	4,824	26.5	5,377	27.4	9,832	26.5	11,000	27.1
Stone and Construction	2,031	11.2	2,077	10.6	4,124	11.1	4,300	10.6
Other	646	3.5	677	3.4	1,335	3.6	1,600	3.9
Net sales	18,182	100.0	19,656	100.0	37,161	100.0	40,600	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen,%

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2021/4-9		2022/4-9		2021/4-2022/3		2022/4-2023/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	9,496	52.2	9,711	49.4	19,150	51.5	20,000	49.2
Asia and Oceania								
Taiwan	1,566	8.6	1,850	9.4	3,388	9.1	3,600	8.9
China	1,755	9.7	2,167	11.0	3,647	9.8	4,500	11.1
Other	2,378	13.1	2,711	13.8	4,964	13.4	5,800	14.3
Europe	1,751	9.6	1,785	9.1	3,399	9.1	3,700	9.1
North America	855	4.7	1,010	5.1	1,841	5.0	2,200	5.4
Other	379	2.1	421	2.2	768	2.1	800	2.0
Net sales	18,182	100.0	19,656	100.0	37,161	100.0	40,600	100.0