

## Summary of the Consolidated Financial Results for the Second Quarter Ended September 30, 2023〔under Japanese GAAP〕

## ① Financial Statements

## 1) Consolidated Balance Sheet

Millions of yen

	FISCAL YEAR	SECOND QUARTER
	2023/3	2023/9
Cash and deposits	16,375	13,897
Notes and accounts receivable - trade	10,059	10,321
Securities	13	71
Merchandise and finished goods	3,169	3,438
Work in process	1,427	1,731
Raw materials and supplies	2,624	2,784
Other	738	885
Allowance for doubtful accounts	(106)	(88)
<b>Current assets</b>	<b>34,301</b>	<b>33,042</b>
Buildings and structures, net	11,668	11,818
Machinery, equipment and vehicles, net	5,467	5,919
Land	6,674	6,717
Other, net	1,251	1,493
<b>Property, plant and equipment</b>	<b>25,061</b>	<b>25,949</b>
<b>Intangible assets</b>	<b>190</b>	<b>378</b>
Investment securities	12,861	12,354
Other	2,239	1,902
Allowance for doubtful accounts	(477)	(518)
<b>Investments and other assets</b>	<b>14,623</b>	<b>13,737</b>
<b>Non-current assets</b>	<b>39,876</b>	<b>40,065</b>
<b>Assets</b>	<b>74,177</b>	<b>73,108</b>

## ※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
	2023/3	2023/9
Notes and accounts payable - trade	1,477	1,460
Short-term borrowings	179	197
Income taxes payable	503	510
Provision for bonuses	910	761
Other	2,183	2,609
<b>Current liabilities</b>	<b>5,255</b>	<b>5,539</b>
Retirement benefit liability	5,151	3,198
Provision for business restructuring	217	237
Provision for share awards	125	144
Other	543	562
<b>Non-current liabilities</b>	<b>6,039</b>	<b>4,143</b>
<b>Liabilities</b>	<b>11,295</b>	<b>9,683</b>
Share capital	4,102	4,102
Capital surplus	7,129	7,129
Retained earnings	45,048	45,509
Treasury shares	(247)	(1,972)
<b>Shareholders' equity</b>	<b>56,032</b>	<b>54,768</b>
Valuation difference on available-for-sale securities	3,645	3,230
Revaluation reserve for land	196	196
Foreign currency translation adjustment	1,283	2,269
Remeasurements of defined benefit plans	15	1,213
<b>Total accumulated other comprehensive income</b>	<b>5,140</b>	<b>6,910</b>
Non-controlling interests	1,709	1,746
<b>Net assets</b>	<b>62,882</b>	<b>63,425</b>
<b>Liabilities and net assets</b>	<b>74,177</b>	<b>73,108</b>

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

Consolidated Statement of Income

Millions of yen

	SECOND QUARTER	
	2022/4-9	2023/4-9
Net sales	19,656	18,827
Cost of sales	14,210	14,071
Gross profit	5,446	4,756
Selling expenses	2,515	2,640
General and administrative expenses	1,394	1,477
Selling, general and administrative expenses	3,909	4,117
Operating profit	1,536	638
Interest income	10	43
Dividend income	96	105
Foreign exchange gains	236	303
Share of profit of entities accounted for using equity method	189	44
Subsidy income	0	11
Other	64	79
Non-operating income	598	587
Interest expenses	1	3
Commission expenses	—	3
Other	3	3
Non-operating expenses	5	10
Ordinary profit	2,129	1,215
Gain on sale of investment securities	4	715
Extraordinary income	4	715
Loss on retirement of non-current assets	—	117
Extraordinary losses	—	117
Profit before income taxes	2,133	1,813
Income taxes - current	385	452
Income taxes - deferred	135	58
Income taxes	521	511
Profit	1,612	1,301
Profit attributable to non-controlling interests	62	32
Profit attributable to owners of parent	1,549	1,269

Consolidated Statement of Comprehensive Income

Millions of yen

	SECOND QUARTER	
	2022/4-9	2023/4-9
Profit	1,612	1,301
Other comprehensive income		
Valuation difference on available-for-sale securities	983	(414)
Foreign currency translation adjustment	1,265	863
Remeasurements of defined benefit plans, net of tax	2	1,187
Share of other comprehensive income of entities accounted for using equity method	424	247
Other comprehensive income	2,676	1,883
Comprehensive income	4,289	3,185
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	4,182	3,103
Comprehensive income attributable to non-controlling interests	106	81

## 3) Consolidated Statement of Cash Flows

Millions of yen

	SECOND QUARTER	
	2022/4-9	2023/4-9
Cash flows from operating activities		
Profit before income taxes	2,133	1,813
Depreciation	1,398	1,392
Increase (decrease) in allowance for doubtful accounts	7	(23)
Increase (decrease) in provision for bonuses	(120)	(174)
Increase (decrease) in retirement benefit liability	(58)	(274)
Increase (decrease) in provision for share awards	(9)	18
Increase (decrease) in provision for business restructuring	(11)	(5)
Interest and dividend income	(107)	(149)
Interest expenses	1	3
Share of loss (profit) of entities accounted for using equity method	(189)	(44)
Loss on retirement of property, plant and equipment	30	129
Loss (gain) on sale of property, plant and equipment	(1)	(10)
Loss (gain) on sale of investment securities	(4)	(715)
Decrease (increase) in trade receivables	(273)	147
Decrease (increase) in inventories	(232)	(414)
Increase (decrease) in trade payables	(57)	(342)
Other, net	(306)	201
Subtotal	2,198	1,552
Interest and dividends received	107	149
Interest paid	(1)	(3)
Income taxes paid	(402)	(469)
<b>Net cash provided by (used in) operating activities</b>	<b>1,901</b>	<b>1,229</b>
Cash flows from investing activities		
Purchase of property, plant and equipment	(671)	(1,969)
Proceeds from sale of property, plant and equipment	1	28
Purchase of investment securities	(16)	(16)
Proceeds from sale of investment securities	20	916
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(271)
Other, net	13	(20)
<b>Net cash provided by (used in) investing activities</b>	<b>(652)</b>	<b>(1,332)</b>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(134)	(0)
Purchase of treasury shares	(1,400)	(1,725)
Proceeds from sale of treasury shares	28	—
Dividends paid	(887)	(805)
Dividends paid to non-controlling interests	(53)	(108)
Repayments of lease liabilities	(42)	(24)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,490)</b>	<b>(2,665)</b>
Effect of exchange rate change on cash and cash equivalents	582	348
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(658)</b>	<b>(2,420)</b>
Cash and cash equivalents at beginning of period	15,548	16,389
<b>Cash and cash equivalents at end of period</b>	<b>14,889</b>	<b>13,968</b>

② Financial Data

1) Forecast (2023/4-2024/3)

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)
39,200	1,600	2,400	2,000	38.47

2) Consolidated Financial Indicator

		SECOND QUARTER		FISCAL YEAR	FORECAST
		2022/4-9	2023/4-9	2022/4-2023/3	2023/4-2024/3
Operating profit ratio	(%)	7.8	3.4	6.4	4.1
Ordinary profit ratio	(%)	10.8	6.5	8.3	6.1
Return on assets [ROA]	(%)	2.1	1.7	3.8	—
Return on equity [ROE]	(%)	2.6	2.1	4.6	—
Capital expenditures	Millions of yen	887	2,042	2,276	※ 6,800
Depreciation [Property, plant and equipment]	Millions of yen	1,358	1,352	2,803	2,900
Research and development expenses	Millions of yen	986	1,028	1,985	1,780
Number of employees		2,057	2,068	2,037	—

※ The total amount of capital expenditures in the forecast for the fiscal year 2023/4-2024/3 is the current planned investment amount, and there may be delays in the timing of machinery and other deliveries.

3) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen,%

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2022/4-9		2023/4-9		2022/4-2023/3		2023/4-2024/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	7,514	38.2	6,915	36.7	14,757	37.5	14,770	37.7
Transportation	4,010	20.4	4,469	23.8	8,282	21.1	9,050	23.1
Machinery	5,377	27.4	4,733	25.1	10,640	27.0	9,850	25.1
Stone and Construction	2,077	10.6	2,125	11.3	4,239	10.8	4,440	11.3
Other	677	3.4	584	3.1	1,401	3.6	1,090	2.8
<b>Net sales</b>	<b>19,656</b>	<b>100.0</b>	<b>18,827</b>	<b>100.0</b>	<b>39,320</b>	<b>100.0</b>	<b>39,200</b>	<b>100.0</b>

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen,%

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2022/4-9		2023/4-9		2022/4-2023/3		2023/4-2024/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	9,711	49.4	8,615	45.8	19,179	48.8	17,900	45.7
Asia and Oceania								
Taiwan	1,850	9.4	1,513	8.0	3,454	8.8	3,200	8.2
China	2,167	11.0	1,741	9.2	4,320	11.0	3,600	9.2
Other	2,711	13.8	2,966	15.8	5,676	14.4	6,100	15.5
Europe	1,785	9.1	2,164	11.5	3,605	9.2	4,400	11.2
North America	1,010	5.1	1,254	6.7	2,244	5.7	2,800	7.1
Other	421	2.2	570	3.0	838	2.1	1,200	3.1
<b>Net sales</b>	<b>19,656</b>	<b>100.0</b>	<b>18,827</b>	<b>100.0</b>	<b>39,320</b>	<b>100.0</b>	<b>39,200</b>	<b>100.0</b>