

Consolidated Financial Statements

Consolidated Balance Sheet

(Millions of yen)

Item	2023	2024	Change
Assets			
Current assets			
Cash and deposits	21,493	26,980	5,487
Notes and accounts receivable - trade	11,196	12,176	979
Merchandise and finished goods	11,744	12,341	596
Work in process	480	428	(52)
Raw materials and supplies	3,303	2,943	(359)
Other	1,362	1,097	(264)
Allowance for doubtful accounts	(6)	(6)	(0)
Total current assets	49,573	55,960	6,387
Non-current assets			
Property, plant, and equipment			
Buildings and structures	32,427	33,147	720
Accumulated depreciation	(16,720)	(18,081)	(1,361)
Buildings and structures, net	15,706	15,066	(640)
Machinery, equipment, and vehicles	27,590	28,980	1,390
Accumulated depreciation	(21,401)	(23,636)	(2,234)
Machinery, equipment, and vehicles, net	6,188	5,343	(844)
Tools, furniture, and fixtures	7,591	7,998	406
Accumulated depreciation	(6,909)	(7,371)	(461)
Tools, furniture, and fixtures, net	682	626	(55)
Land	1,247	1,308	60
Leased assets	4	8	4
Accumulated depreciation	(2)	(3)	(1)
Leased assets, net	1	5	3
Right of use assets	995	1,304	309
Accumulated depreciation	(655)	(916)	(261)
Right of use assets, net	340	388	47
Construction in progress	291	285	(5)
Total property, plant, and equipment	24,458	23,024	(1,434)
Intangible assets			
Goodwill	2,820	2,629	(190)
Trademark right	861	802	(58)
Customer relation assets	1,346	1,254	(91)
Software	1,287	1,015	(271)
Other	567	45	(521)
Total intangible assets	6,882	5,749	(1,133)
Investments and other assets			
Investment securities	8,302	6,576	(1,725)
Retirement benefit asset	418	671	252
Deferred tax assets	763	692	(71)
Other	613	598	(14)
Allowance for doubtful accounts	(7)	(8)	(0)
Total investments and other assets	10,090	8,531	(1,559)
Total non-current assets	41,431	37,304	(4,126)
Total assets	91,005	93,265	2,260

(Millions of yen)

Item	2023	2024	Change
Liabilities			
Current liabilities			
Notes and accounts payable - trade	3,632	3,456	(175)
Short-term borrowings	142	102	(40)
Accounts payable - other	4,603	3,962	(641)
Income taxes payable	414	534	120
Provision for bonuses	1,085	1,192	107
Provision for Directors' compensations based on profit	49	70	21
Other	3,858	4,284	426
Total current liabilities	13,786	13,603	(182)
Non-current liabilities			
Deferred tax liabilities	1,959	1,551	(408)
Retirement benefit liability	2,775	3,469	694
Other	1,300	1,433	132
Total non-current liabilities	6,034	6,454	419
Total liabilities	19,820	20,058	237
Net assets			
Shareholders equity			
Share capital	11,394	11,394	0
Capital surplus	11,086	11,084	(1)
Retained earnings	47,807	48,655	847
Treasury shares	(6,590)	(6,583)	6
Total shareholders equity	63,698	64,550	852
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	3,967	2,921	(1,045)
Foreign currency translation adjustment	(2,701)	(1,049)	1,652
Remeasurements of defined benefit plans	161	94	(66)
Total accumulated other comprehensive income	1,426	1,967	540
Non-controlling interests	6,058	6,689	630
Total net assets	71,184	73,207	2,023
Total liabilities and net assets	91,005	93,265	2,260

Consolidated Financial Statements

Consolidated Statement of Income

(Millions of yen)

Item	Previous Consolidated Fiscal Year (From April 1, 2022 to March 31, 2023)	This Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)	Change
Net sales	67,047	73,233	6,186
Cost of sales	38,362	41,703	3,340
Gross income	28,684	31,530	2,845
Selling, general and administrative expenses			
Promotion expenses	2,281	2,721	439
Advertising expenses	3,279	4,464	1,185
Transportation and storage costs	3,418	3,591	173
Remuneration salaries and allowances	7,769	7,193	(575)
Provision for bonuses	846	1,031	185
Retirement benet expenses	303	365	61
Depreciation	1,414	1,345	(68)
Amortization of goodwill	253	263	9
Research and development expenses	1,402	1,536	134
Other	6,304	6,995	690
Total selling general and administrative expenses	27,274	29,509	2,235
Operating income	1,409	2,020	610
Non-operating income			
Interest income	257	428	171
Dividend income	95	105	10
Share of prot of entities accounted for using equity method	230	365	134
Foreign exchange gains	122	—	(122)
Other	228	153	(75)
Total non-operating income	934	1,052	118
Non-operating loss			
Interest expenses	21	27	5
Compensation expenses	84	16	(68)
Commitment fees	9	9	0
Foreign exchange losses	—	20	20
Other	20	18	(2)
Total non-operating loss	136	91	(45)
Ordinary income	2,207	2,981	773
Extraordinary income			
Gain on sale of non-current assets	8	214	206
Gain on sale of investment securities	42	1,040	998
Total extraordinary income	50	1,254	1,204
Extraordinary loss			
Loss on sale of non-current assets	0	0	(0)
Loss on retirement of non-current assets	16	81	64
Impairment loss	—	280	280
Business restructuring expenses	651	—	(651)
Other	—	0	0
Total extraordinary loss	668	363	(304)
Income before income taxes	1,589	3,872	2,283
Income taxes - current	666	912	245
Income taxes - deferred	(94)	196	291
Total income taxes	571	1,108	537
Net income	1,018	2,763	1,745
Net income attributable to non-controlling interests	59	162	103
Net income attributable to owners of parent	958	2,601	1,642

Consolidated Statement of Comprehensive Income

(Millions of yen)

Item	Previous Consolidated Fiscal Year (From April 1, 2022 to March 31, 2023)	This Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)	Change
Net income	1,018	2,763	1,745
Other comprehensive income			
Valuation difference on available-for-sale securities	619	(1,045)	(1,664)
Foreign currency translation adjustment	1,999	2,046	47
Remeasurements of defined benefit plans net of tax	69	(21)	(91)
Share of other comprehensive income of entities accounted for using equity method	151	92	(58)
Total other comprehensive income	2,839	1,071	(1,767)
Comprehensive income	3,857	3,835	(21)
Comprehensive income attributable to			
Comprehensive income attributable to owners of parent	3,440	3,141	(299)
Comprehensive income attributable to non-controlling interests	416	694	278

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

(Millions of yen)

For the Fiscal Year Ended March 31, 2023											
	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,394	11,058	48,513	(6,589)	64,376	3,348	(4,555)	152	(1,055)	5,729	69,051
Changes during period											
Dividends of surplus			(1,664)		(1,664)						(1,664)
Net income attributable to owners of parent			958		958						958
Purchase of treasury shares				(0)	(0)						(0)
Disposal of treasury shares											
Change in ownership interest of parent due to transactions with non-controlling interests		27			27						27
Net changes in items other than shareholders' equity						619	1,854	8	2,482	328	2,810
Total changes during period	—	27	(705)	(0)	(678)	619	1,854	8	2,482	328	2,132
Balance at end of period	11,394	11,086	47,807	(6,590)	63,698	3,967	(2,701)	161	1,426	6,058	71,184

(Millions of yen)

For the Fiscal Year Ended March 31, 2024											
	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	11,394	11,086	47,807	(6,590)	63,698	3,967	(2,701)	161	1,426	6,058	71,184
Changes during period											
Dividends of surplus			(1,753)		(1,753)						(1,753)
Net income attributable to owners of parent			2,601		2,601						2,601
Purchase of treasury shares				(0)	(0)						(0)
Disposal of treasury shares		(1)		6	4						4
Change in ownership interest of parent due to transactions with non-controlling interests											
Net changes in items other than shareholders' equity						(1,045)	1,652	(66)	540	630	1,171
Total changes during period	—	(1)	847	6	852	(1,045)	1,652	(66)	540	630	2,023
Balance at end of period	11,394	11,084	48,655	(6,583)	64,550	2,921	(1,049)	94	1,967	6,689	73,207

Consolidated Statement of Cash Flows

(Millions of yen)

Item	Previous Consolidated Fiscal Year (From April 1, 2022 to March 31, 2023)	This Consolidated Fiscal Year (From April 1, 2023 to March 31, 2024)	Change
Cash flows from operating activities			
Income before income taxes	1,589	3,872	2,283
Depreciation	4,988	4,415	(572)
Amortization of goodwill	253	263	9
Impairment loss	—	280	280
Increase (decrease) in allowance for doubtful accounts	(21)	0	22
Increase (decrease) in provision for bonuses	431	89	(341)
Increase (decrease) in retirement benefit liability	60	180	120
Interest and dividend income	(352)	(534)	(181)
Foreign exchange losses (gains)	(265)	(186)	79
Loss on retirement of non-current assets	16	81	64
Share of loss (profit) of entities accounted for using equity method	(230)	(365)	(134)
Loss (gain) on sale of investment securities	(42)	(1,040)	(998)
Loss (gain) on sale of non-current assets	(7)	(213)	(206)
Business restructuring expenses	651	—	(651)
Decrease (increase) in trade receivables	(1,585)	(592)	993
Decrease (increase) in inventories	(2,943)	512	3,455
Increase (decrease) in trade payables	398	(251)	(649)
Increase (decrease) in accounts payable - other	172	274	101
Other	428	496	68
Subtotal	3,539	7,282	3,742
Interest and dividends received	643	854	211
Interest paid	(21)	(27)	(5)
Business restructuring expenses paid	(5)	(645)	(640)
Income taxes paid	(91)	(651)	(559)
Cash flows from operating activities	4,065	6,812	2,747
Cash flows from investing activities			
Payments into time deposits	(5,643)	(5,855)	(211)
Proceeds from withdrawal of time deposits	5,854	5,127	(726)
Purchase of property plant and equipment	(1,200)	(1,451)	(251)
Purchase of intangible assets	(416)	(302)	114
Proceeds from sale of property, plant and equipment	25	218	192
Purchase of investment securities	(8)	(158)	(150)
Proceeds from sale and redemption of investment securities	131	1,543	1,412
Other	1	(9)	(10)
Cash flows from investing activities	(1,257)	(887)	369
Cash Flows from Financing Activities			
Net increase (decrease) in short-term borrowings	(98)	(50)	48
Repayments of lease obligations	(244)	(242)	2
Dividends paid	(1,667)	(1,754)	(86)
Dividends paid to non-controlling interests	(2)	(63)	(60)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(57)	—	57
Other	(0)	(0)	0
Cash Flows from Financing Activities	(2,072)	(2,110)	(38)
Effect of exchange rate change on cash and cash equivalents	730	709	(20)
Net increase (decrease) in cash and cash equivalents	1,466	4,524	3,057
Cash and cash equivalents at beginning of period	16,015	17,481	1,466
Cash and cash equivalents at end of period	17,481	22,006	4,524