

Balance Sheets

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	3,528,370	4,303,292
Notes receivable - trade	583,826	419,371
Electronically recorded monetary claims - operating	575,599	1,020,541
Accounts receivable - trade	1,605,079	1,523,731
Contract assets	110,115	43,089
Merchandise and finished goods	124,066	262,630
Work in process	258,135	397,811
Raw materials and supplies	1,242,367	1,276,567
Prepaid expenses	35,097	34,106
Advance payments to suppliers	59,498	7,827
Other	47,489	20,199
Total current assets	8,169,649	9,309,170
Non-current assets		
Property, plant and equipment		
Buildings	2,053,127	2,060,991
Accumulated depreciation	△1,831,245	△1,852,598
Buildings, net	221,881	208,392
Structures	133,886	127,879
Accumulated depreciation	△122,868	△118,797
Structures, net	11,017	9,081
Machinery and equipment	3,592,990	3,517,536
Accumulated depreciation	△3,377,002	△3,276,036
Machinery and equipment, net	215,988	241,499
Vehicles	1,128	1,128
Accumulated depreciation	△1,127	△1,127
Vehicles, net	0	0
Tools, furniture and fixtures	1,361,075	1,341,271
Accumulated depreciation	△1,324,685	△1,289,066
Tools, furniture and fixtures, net	36,389	52,204
Land	1,013,291	1,013,291
Leased assets	533,858	484,881
Accumulated depreciation	△526,772	△482,626
Leased assets, net	7,086	2,255
Construction in progress	20,000	97,871
Total property, plant and equipment	1,525,654	1,624,597
Intangible assets		
Software	69,446	68,725
Software in progress	20,162	22,609
Leasehold interests in land	21,047	21,047
Other	7,028	6,937
Total intangible assets	117,685	119,319

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Investments and other assets		
Investment securities	634,895	666,109
Facility membership	4,718	4,560
Long-term prepaid expenses	4,302	1,434
Prepaid pension costs	838,555	922,146
Other	74,485	73,417

Allowance for doubtful accounts	△4,718	△4,560
Total investments and other assets	1,552,238	1,663,107
Total non-current assets	3,195,578	3,407,024
Total assets	11,365,227	12,716,194
Liabilities		
Current liabilities		
Notes payable - trade	175,995	32,384
Electronically recorded obligations - operating	569,050	762,832
Accounts payable - trade	347,285	388,316
Current portion of long-term borrowings	150,416	142,877
Lease liabilities	3,199	2,582
Accounts payable - other	172,968	368,982
Accrued expenses	37,797	39,044
Income taxes payable	—	322,238
Contract liabilities	72,619	233,524
Deposits received	17,136	39,285
Provision for bonuses	165,601	209,398
Total current liabilities	1,712,070	2,541,466
Non-current liabilities		
Long-term borrowings	500,176	366,464
Long-term deposits received	5,000	5,000
Lease liabilities	4,574	—
Provision for retirement benefits	1,950	1,475
Asset retirement obligations	166,864	167,042
Deferred tax liabilities	178,328	192,674
Other	2,175	2,175
Total non-current liabilities	859,069	734,831
Total liabilities	2,571,139	3,276,297

(Thousands of yen)

	As of March 31, 2022	As of March 31, 2023
Net assets		
Shareholders' equity		
Share capital	1,388,800	1,388,800
Capital surplus		
Legal capital surplus	448,348	448,348
Other capital surplus	396,193	396,193
Total capital surplus	844,542	844,542
Retained earnings		
Legal retained earnings	24,075	24,075
Other retained earnings		
General reserve	1,600,000	1,600,000
Retained earnings brought forward	4,720,656	5,348,835
Total retained earnings	6,344,731	6,972,910
Treasury shares	△15,499	△15,638
Total shareholders' equity	8,562,574	9,190,614
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	230,300	249,282
Total valuation and translation adjustments	230,300	249,282
Share acquisition rights	1,213	—
Total net assets	8,794,088	9,439,896
Total liabilities and net assets	11,365,227	12,716,194

Profit and Loss Statement

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	※4 7,568,813	※4 7,520,229
Cost of sales		
Beginning finished goods inventory	180,521	124,066
Cost of products manufactured	5,243,269	4,523,604
Total	5,423,790	4,647,671
Ending finished goods inventory	124,066	262,630
Cost of finished goods sold	※3 5,299,724	※3 4,385,040
Gross profit	2,269,089	3,135,188
Selling, general and administrative expenses	※1,※2 2,150,224	※1,※2 2,170,548
Operating profit	118,865	964,639
Non-operating income		
Interest income	13	153
Dividend income	17,372	21,070
Rental income	137	137
Reversal of allowance for doubtful accounts	195	158
Temporary transfer employee salary contributions revenue	—	14,213
Other	4,646	5,136
Total non-operating income	22,365	40,869
Non-operating expenses		
Interest expenses	7,940	4,140
Commission expenses	4,500	1,500
Other	5,363	410
Total non-operating expenses	17,804	6,051
Ordinary profit	123,426	999,458
Extraordinary income		
Subsidy income	53,568	26,129
Gain on revision of retirement benefit plan	277,018	—
Gain on sale of investment securities	—	421
Gain on reversal of share acquisition rights	—	1,213
Gain on amortization of actuarial gains and losses for defined benefit plan	—	65,282
Gain on sale of non-current assets	※6 —	※6 1,899
Total extraordinary income	330,586	94,946
Extraordinary losses		
Loss on cancellation of contracts	—	※5 89,185
Total extraordinary losses	—	89,185
Profit before income taxes	454,012	1,005,219
Income taxes - current	40,919	314,100
Income taxes - deferred	117,261	5,988
Total income taxes	158,181	320,089
Profit	295,831	685,130

Cash Flow Statement

(Thousands of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	454,012	1,005,219
Depreciation	218,991	193,682
Increase (decrease) in provision for bonuses	△65,900	43,796
Increase (decrease) in provision for retirement benefits	△266	△475
Decrease (increase) in prepaid pension costs	△301,113	△83,591
Interest and dividend income	△17,386	△21,223
Interest expenses	7,940	4,140
Loss on retirement of property, plant and equipment	1,221	227
Foreign exchange losses (gains)	△23	22
Gain on reversal of share acquisition rights	—	△1,213
Loss (gain) on sale of property, plant and equipment	—	△1,899
Loss on cancellation of contracts	—	89,185
Increase (decrease) in allowance for doubtful accounts	△195	△158
Decrease (increase) in trade receivables	126,522	△199,137
Decrease (increase) in contract assets	△110,115	67,025
Decrease (increase) in inventories	737,590	△312,439
Increase (decrease) in trade payables	△16,987	91,201
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	△114,996	58,060
Decrease (increase) in other assets	△5,227	41,399
Increase (decrease) in other liabilities	△38,795	284,699
Other, net	888	△380
Subtotal	876,157	1,258,142
Interest and dividends received	17,386	21,223
Interest paid	△7,899	△4,193
Income taxes refund (paid)	△81,773	△1,338
Net cash provided by (used in) operating activities	803,869	1,273,834
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	—	1,900
Purchase of property, plant and equipment	△70,790	△244,153
Proceeds from sale of investment securities	—	820
Purchase of investment securities	△3,320	△4,272
Purchase of intangible assets	△26,908	△52,224
Payments of leasehold and guarantee deposits	△313	△244
Decrease (increase) in investments and other assets	1,069	466
Net cash provided by (used in) investing activities	△100,264	△297,709
Cash flows from financing activities		
Proceeds from long-term borrowings	280,000	250,000
Repayments of long-term borrowings	△342,561	△391,251
Repayments of lease liabilities	△5,550	△3,164
Dividends paid	△56,962	△56,625
Purchase of treasury shares	△32	△139
Net cash provided by (used in) financing activities	△125,105	△201,179
Effect of exchange rate change on cash and cash	23	△22

equivalents

Net increase (decrease) in cash and cash equivalents	578,524	774,922
Cash and cash equivalents at beginning of period	2,949,846	3,528,370
Cash and cash equivalents at end of period	※ 3,528,370	※ 4,303,292