

CONSOLIDATED FINANCIAL STATEMENTS

These Consolidated Financial Statements were publicly released in the Japanese language on November 10, 2021.

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and cash equivalents	18,863	16,999
Trade and other receivables	20,467	21,855
Inventories	13,038	13,815
Income taxes receivable	31	76
Other financial assets	435	528
Other current assets	823	920
Total current assets	53,660	54,196
Non-current assets		
Property, plant and equipment	32,880	32,187
Goodwill	8,601	8,598
Intangible assets	4,413	4,155
Investments accounted for using equity method	7,038	7,384
Other financial assets	8,663	8,976
Deferred tax assets	521	520
Other non-current assets	502	438
Total non-current assets	62,622	62,261
Total assets	116,282	116,458

(Millions of yen)

As of March 31, 2021

As of September 30, 2021

	As of March 31, 2021	As of September 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	14,070	13,708
Bonds and borrowings	8,012	6,251
Income taxes payable	549	860
Other financial liabilities	876	838
Provisions	5	1
Other current liabilities	4,144	3,923
Total current liabilities	27,658	25,583
Non-current liabilities		
Bonds and borrowings	11,987	11,162
Retirement benefit liability	751	768
Other financial liabilities	1,310	1,675
Deferred tax liabilities	1,654	1,881
Other non-current liabilities	2,157	1,974
Total non-current liabilities	17,860	17,462
Total liabilities	45,519	43,045
Equity		
Share capital	10,951	10,951
Capital surplus	3,075	3,093
Retained earnings	55,857	58,757
Treasury shares	-1,622	-2,086
Other components of equity	2,230	2,423
Total equity attributable to owners of parent	70,491	73,139
Non-controlling interests	271	273
Total equity	70,763	73,412
Liabilities and equity	116,282	116,458

(2) Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue	37,116	46,144
Cost of sales	26,094	31,450
Gross profit	11,022	14,693
Selling, general and administrative expenses	9,696	10,317
Other income	132	248
Other expenses	125	129
Share of profit of investments accounted for using equity method	104	351
Operating profit	1,436	4,847
Finance income	169	289
Finance costs	191	59
Profit before tax	1,415	5,077
Income tax expense	380	1,271
Profit	1,034	3,805
Profit attributable to		
Owners of parent	1,028	3,798
Non-controlling interests	5	7
Profit	1,034	3,805
Earnings per share		
Basic earnings per share	22.59	83.76

(Millions of yen)

	2nd quarter ended September 30, 2020	2nd quarter ended September 30, 2021
Revenue	19,717	23,127
Cost of sales	13,664	15,821
Gross profit	6,052	7,305
Selling, general and administrative expenses	4,811	5,095
Other income	89	148
Other expenses	86	73
Share of profit of investments accounted for using equity method	106	233
Operating profit	1,350	2,519
Finance income	10	109
Finance costs	-17	21
Profit before tax	1,378	2,607
Income tax expense	357	739
Profit	1,020	1,868
Profit attributable to		
Owners of parent	1,019	1,864
Non-controlling interests	0	3
Profit	1,020	1,868
Earnings per share		
Basic earnings per share	22.38	41.24

(3) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	1,034	3,805
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	742	595
Share of other comprehensive income of investments accounted for using equity method	-6	5
Total	736	601
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-114	-495
Share of other comprehensive income of investments accounted for using equity method	215	104
Total	101	-391
Total other comprehensive income	837	210
Comprehensive income	1,871	4,016
Comprehensive income attributable to		
Owners of parent	1,873	4,006
Non-controlling interests	-1	9
Comprehensive income	1,871	4,016

(Millions of yen)

	2nd quarter ended September 30, 2020	2nd quarter ended September 30, 2021
Profit	1,020	1,868
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	395	555
Share of other comprehensive income of investments accounted for using equity method	1	-0
Total	397	554
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-354	-370
Share of other comprehensive income of investments accounted for using equity method	-124	82
Total	-478	-287
Total other comprehensive income	-81	267
Comprehensive income	938	2,135
Comprehensive income attributable to		
Owners of parent	942	2,129
Non-controlling interests	-3	6
Comprehensive income	938	2,135

(4) Consolidated Statement of Change in Equity

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total	
	Note	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total equity attributable to owners of parent
Balance at beginning of period		10,951	3,075	52,301	-1,692	-988	63,648	261	63,909
Profit				1,028			1,028	5	1,034
Other comprehensive income						844	844	-7	837
Comprehensive income		—	—	1,028	—	844	1,873	-1	1,871
Dividends of surplus	6			-729			-729	-9	-738
Purchase of treasury shares					-0		-0		-0
Disposal of treasury shares				-27	72		44		44
Share-based remuneration transactions							—		—
Transfer from other components of equity to retained earnings				286		-286	—		—
Total		—	-27	-442	71	-286	-685	-9	-695
Balance at end of period		10,951	3,047	52,887	-1,620	-429	64,836	249	65,086

(Millions of yen)

	Equity attributable to owners of parent						Non-controlling interests	Total
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Total equity attributable to owners of parent		
Balance at beginning of period	10,951	3,075	55,857	-1,622	2,230	70,491	271	70,763
Profit			3,798			3,798	7	3,805
Other comprehensive income					207	207	2	210
Comprehensive income	—	—	3,798	—	207	4,006	9	4,016
Dividends of surplus			-912			-912	-7	-920
Purchase of treasury shares				-464		-464		-464
Disposal of treasury shares						—		—
Share-based remuneration transactions		18				18		18
Transfer from other components of equity to retained earnings			14		-14	—		—
Total	—	18	-898	-464	-14	-1,359	-7	-1,366
Balance at end of period	10,951	3,093	58,757	-2,086	2,423	73,139	273	73,412

(5) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before tax	1,415	5,077
Depreciation and amortization	2,968	2,902
Interest and dividend income	-167	-154
Interest expenses	74	53
Share of loss (profit) of investments accounted for using equity method	-104	-351
Loss (gain) on sale and retirement of fixed assets	78	-6
Decrease (increase) in inventories	872	-857
Decrease (increase) in trade and other receivables	1,287	-1,482
Increase (decrease) in trade and other payables	-2,191	100
Increase (decrease) in retirement benefit liability	16	35
Increase (decrease) in provisions	-18	-4
Increase / decrease in other non-current liabilities	-200	-168
Other	-71	-211
Subtotal	3,960	4,930
Interest and dividends received	228	276
Interest paid	-68	-53
Income taxes paid	-779	-1,091
Income taxes refund	4	8
Net cash provided by (used in) operating activities	3,346	4,070
Cash flows from investing activities		
Payments into time deposits	-316	-431
Proceeds from withdrawal of time deposits	594	339
Purchase of property, plant and equipment	-1,725	-1,714
Proceeds from sale of property, plant and equipment	12	83
Purchase of intangible assets	-184	-55
Purchase of equity instruments	-11	-7
Proceeds from sale of equity instruments	236	483
Other	-35	132
Net cash provided by (used in) investing activities	-1,429	-1,169

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from financing activities		
Net increase (decrease) in short-term loans borrowings (within three months)	-1,899	-1,800
Proceeds from short-term loans borrowings (over three months)	2,000	—
Proceeds from long-term borrowings	2,000	—
Repayments of long-term borrowings	-935	-800
Repayments of lease liabilities	-589	-540
Purchase of treasury shares	-0	-463
Proceeds from sale of treasury shares	44	—
Dividends paid to owners of parent	-729	-912
Dividends paid to non-controlling interests	-9	-7
Net cash provided by (used in) financing activities	-119	-4,524
Effect of exchange rate changes on cash and cash equivalents	3	-239
Net increase (decrease) in cash and cash equivalents	1,800	-1,863
Cash and cash equivalents at beginning of period	14,493	18,863
Cash and cash equivalents	16,293	16,999