

Consolidated Balance Sheet

March 31, 2024

ASSETS	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
CURRENT ASSETS:			
Cash and cash equivalents	¥ 23,399,457	¥ 13,214,098	\$ 154,543
Receivables:			
Trade notes	16,087,276	11,438,347	106,249
Trade accounts	53,714,350	47,260,905	354,760
Unconsolidated subsidiaries and associated companies	2,192,619	1,204,126	14,481
Other	2,128,448	2,764,666	14,057
Allowance for doubtful receivables	(297,002)	(339,451)	(1,961)
Inventories	37,969,248	38,853,946	250,771
Other current assets	<u>9,051,830</u>	<u>7,219,835</u>	<u>59,783</u>
Total current assets	<u>144,246,229</u>	<u>121,616,474</u>	<u>952,686</u>
PROPERTY, PLANT AND EQUIPMENT (Note 5):			
Land	4,971,672	3,667,842	32,835
Buildings and structures	7,754,850	6,421,341	51,217
Machinery and equipment	14,641,838	10,832,072	96,703
Furniture and fixtures	1,853,474	1,780,602	12,241
Lease assets	692,668	769,440	4,574
Construction in progress	<u>3,805,925</u>	<u>2,572,969</u>	<u>25,136</u>
Total property, plant and equipment	<u>33,720,430</u>	<u>26,044,269</u>	<u>222,709</u>
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 4 and 8)	134,444,601	76,280,477	887,950
Investments in and advances to unconsolidated subsidiaries and associated companies (Note 8)	4,488,491	2,284,079	29,644
Goodwill	528,489	595,035	3,490
Asset for retirement benefits	1,210,153	1,306,160	7,992
Deferred tax assets	689,019	637,802	4,550
Other assets	<u>2,836,843</u>	<u>2,679,271</u>	<u>18,736</u>
Total investments and other assets	<u>144,197,598</u>	<u>83,782,826</u>	<u>952,365</u>
TOTAL	<u>¥ 322,164,258</u>	<u>¥ 231,443,569</u>	<u>\$ 2,127,760</u>

See notes to consolidated financial statements.

LIABILITIES AND EQUITY	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
CURRENT LIABILITIES:			
Short-term bank loans	¥ 20,098,268	¥ 14,972,820	\$ 132,740
Current portion of long-term debt (Note 8)	17,452,108	15,593,481	115,263
Payables (Note 4):			
Trade notes	2,312,363	1,695,573	15,272
Trade accounts	38,505,129	36,273,195	254,310
Unconsolidated subsidiaries and associated companies	571,429	327,520	3,774
Other	7,860,015	5,850,264	51,912
Income taxes payable	3,684,408	2,114,728	24,333
Provision for business restructuring	1,892,137	0	12,496
Other current liabilities	<u>5,497,768</u>	<u>5,229,112</u>	<u>36,310</u>
Total current liabilities	<u>97,873,630</u>	<u>82,056,696</u>	<u>646,414</u>
LONG-TERM LIABILITIES:			
Long-term debt (Note 8)	45,907,646	40,908,093	303,200
Liability for retirement benefits	1,826,140	1,973,412	12,060
Deferred tax liabilities	27,920,894	10,920,534	184,405
Other	<u>382,898</u>	<u>399,779</u>	<u>2,528</u>
Total long-term liabilities	<u>76,037,580</u>	<u>54,201,821</u>	<u>502,196</u>
COMMITMENTS AND CONTINGENT LIABILITIES (Note 6)			
EQUITY (Notes 7 and 9):			
Capital stock—authorized, 68,000,000 shares; issued, 34,000,000 shares in 2024 and 2023	5,100,000	5,100,000	33,683
Additional paid-in capital	26,198	26,198	173
Retained earnings	75,193,708	64,181,975	496,623
Accumulated other comprehensive income:			
Unrealized gain on available-for-sale securities	60,111,939	22,565,854	397,014
Deferred gains or losses on hedges	(2,591)	(2,766)	(17)
Foreign currency translation adjustments	7,782,434	3,210,069	51,399
Defined retirement benefit plans	<u>41,357</u>	<u>103,719</u>	<u>273</u>
Total equity	<u>148,253,047</u>	<u>95,185,052</u>	<u>979,149</u>
TOTAL	<u>¥ 322,164,258</u>	<u>¥ 231,443,569</u>	<u>\$ 2,127,760</u>

Consolidated Statement of Income

Year Ended March 31, 2024

	Thousands of Yen		Thousands of U.S. Dollars (Note 1)
	2024	2023	2024
NET SALES	¥ 225,287,687	¥ 219,417,817	\$ 1,487,931
COST OF SALES	<u>190,539,140</u>	<u>188,333,040</u>	<u>1,258,431</u>
Gross profit	34,748,546	31,084,777	229,499
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	<u>21,105,447</u>	<u>18,908,250</u>	<u>139,392</u>
Operating income	<u>13,643,099</u>	<u>12,176,526</u>	<u>90,106</u>
OTHER INCOME (EXPENSES):			
Interest and dividend income	1,527,349	1,195,063	10,087
Interest expense	(1,234,803)	(777,512)	(8,155)
Foreign exchange gain	1,087,981	736,037	7,185
Gain on sales of investment securities	5,585,531	317,922	36,890
Loss on business restructuring	(2,185,072)		(14,431)
Impairment loss		(695,178)	
Loss on valuation of investment securities	(261,598)	(474,596)	(1,727)
Provision of allowance for doubtful accounts	50,522	11,001	333
Other—net	<u>202,536</u>	<u>932,108</u>	<u>1,337</u>
Other income—net	<u>4,772,446</u>	<u>1,244,847</u>	<u>31,520</u>
INCOME BEFORE INCOME TAXES	<u>18,415,546</u>	<u>13,421,374</u>	<u>121,627</u>
INCOME TAXES:			
Current	6,226,322	4,952,202	41,122
Deferred	<u>429,490</u>	<u>(248,050)</u>	<u>2,836</u>
Total income taxes	<u>6,655,813</u>	<u>4,704,152</u>	<u>43,958</u>
NET INCOME	<u>11,759,732</u>	<u>8,717,221</u>	<u>77,668</u>
NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	<u>¥ 11,759,732</u>	<u>¥ 8,717,221</u>	<u>\$ 77,668</u>
	Yen		U.S. Dollars
PER SHARE:			
Basic net income	¥ 345.87	¥ 256.39	\$ 2.28
Cash dividends applicable to the year	22.00	20.00	0.15

See notes to consolidated financial statements.

Consolidated Statement of Changes in Equity Year Ended March 31, 2024

	Thousands		Thousands of Yen						
			Accumulated Other Comprehensive Income						
	Number of Shares of Issued Stock	Capital Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-Sale Securities	Deferred Gains or Losses on Hedges	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans	Total Equity
BALANCE, APRIL 1, 2022	34,000	¥ 5,100,000	¥ 51,198	¥ 56,144,753	¥ 20,364,552	¥ (32,185)	¥ 221,622	¥ (33,259)	¥ 81,816,682
Net income attributable to owners of the parent				8717,221 (680,000)					8,717,221 (680,000)
Cash dividends, ¥20.00 per share									
Change in the parent's ownership interest due to transactions with noncontrolling interest			(25,000)						(25,000)
Net change in the year					2,201,302	29,419	2,988,447	136,979	5,356,148
BALANCE, MARCH 31, 2023	34,000	5,100,000	26,198	64,181,975	22,565,854	(2,766)	3,210,069	103,719	95,185,052
Net income attributable to owners of the parent				11,759,732 (748,000)					11,759,732 (748,000)
Cash dividends, ¥22.00 per share									
Net change in the year					37,546,085	174	4,572,365	(62,362)	42,056,262
BALANCE, MARCH 31, 2024	34,000	¥ 5,100,000	¥ 26,198	¥ 75,193,708	¥ 60,111,939	¥ (2,591)	¥ 7,782,434	¥ 41,357	¥ 148,253,047
Thousands of U.S. Dollars (Note 1)									
			Accumulated Other Comprehensive Income						
	Capital Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-Sale Securities	Deferred Gains or Losses on Hedges	Foreign Currency Translation Adjustments	Defined Retirement Benefit Plans	Total Equity	
BALANCE, MARCH 31, 2023	\$ 33,683	\$ 173	\$ 423,895	\$ 149,038	\$ (18)	\$ 21,201	\$ 685	\$ 628,657	
Net income attributable to owners of the parent			77,668 (4,940)					77,668 (4,940)	
Cash dividends, \$0.15 per share									
Net change in the year				247,976	1	30,198	(411)	277,764	
BALANCE, MARCH 31, 2024	\$ 33,683	\$ 173	\$ 496,623	\$ 397,014	\$ (17)	\$ 51,399	\$ 273	\$ 979,149	

See notes to consolidated financial statements.