

## Summary of the Consolidated Financial Results for the Second Quarter Ended September 30, 2021

## 1) Consolidated Balance Sheet

Millions of yen

	FISCAL YEAR	SECOND QUARTER
	2021/3	2021/9
Cash and deposits	10,649	12,806
Notes and accounts receivable - trade	9,148	10,153
Securities	—	277
Merchandise and finished goods	2,699	2,695
Work in process	1,456	1,494
Raw materials and supplies	2,143	2,253
Other	1,122	545
Allowance for doubtful accounts	△ 57	△ 69
<b>Current assets</b>	<b>27,161</b>	<b>30,156</b>
Buildings and structures, net	12,767	12,509
Machinery, equipment and vehicles, net	6,034	5,914
Land	6,684	6,634
Other, net	1,048	965
<b>Property, plant and equipment</b>	<b>26,535</b>	<b>26,023</b>
<b>Intangible assets</b>	<b>228</b>	<b>233</b>
Investment securities	11,581	10,916
Other	3,143	3,135
Allowance for doubtful accounts	△ 505	△ 543
<b>Investments and other assets</b>	<b>14,219</b>	<b>13,508</b>
<b>Non-current assets</b>	<b>40,982</b>	<b>39,766</b>
<b>Assets</b>	<b>68,144</b>	<b>69,922</b>

## ※Note

- 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
	2021/3	2021/9
Notes and accounts payable - trade	1,293	1,393
Short-term borrowings	540	342
Income taxes payable	70	240
Provision for bonuses	667	676
Other	1,726	1,861
<b>Current liabilities</b>	<b>4,299</b>	<b>4,514</b>
Retirement benefit liability	5,375	5,349
Provision for business restructuring	457	474
Provision for share awards	93	96
Other	620	587
<b>Non-current liabilities</b>	<b>6,547</b>	<b>6,507</b>
<b>Liabilities</b>	<b>10,847</b>	<b>11,021</b>
Share capital	4,102	4,102
Capital surplus	7,129	7,129
Retained earnings	42,490	43,412
Treasury shares	△ 150	△ 134
<b>Shareholders' equity</b>	<b>53,571</b>	<b>54,509</b>
Valuation difference on available-for-sale securities	2,719	2,764
Revaluation reserve for land	196	196
Foreign currency translation adjustment	△ 637	△ 94
Remeasurements of defined benefit plans	119	69
<b>Total accumulated other comprehensive income</b>	<b>2,398</b>	<b>2,936</b>
Non-controlling interests	1,327	1,455
<b>Net assets</b>	<b>57,297</b>	<b>58,900</b>
<b>Liabilities and net assets</b>	<b>68,144</b>	<b>69,922</b>

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

## Consolidated Statement of Income

Millions of yen

	SECOND QUARTER	
	2020/4-9	2021/4-9
Net sales	14,528	18,182
Cost of sales	11,716	13,355
Gross profit	2,812	4,826
Selling expenses	2,251	2,369
General and administrative expenses	1,373	1,374
Selling, general and administrative expenses	3,624	3,744
Operating profit (loss)	△ 812	1,082
Interest income	25	9
Dividend income	73	75
Foreign exchange gains	42	7
Share of profit of entities accounted for using equity method	—	150
Subsidy income	—	24
Other	26	24
Non-operating income	168	292
Interest expenses	3	2
Share of loss of entities accounted for using equity method	6	—
Other	9	4
Non-operating expenses	20	7
Ordinary profit (loss)	△ 664	1,367
Gain on sale of non-current assets	—	64
Gain on sale of investment securities	146	33
Extraordinary income	146	98
Factory location expenses	184	—
Extraordinary losses	184	—
Profit (loss) before income taxes	△ 702	1,465
Income taxes - current	74	247
Income taxes - deferred	30	84
Income taxes	104	332
Profit (loss)	△ 807	1,133
Profit attributable to non-controlling interests	7	44
Profit (loss) attributable to owners of parent	△ 815	1,089

Consolidated Statement of Comprehensive Income

Millions of yen

	SECOND QUARTER	
	2020/4-9	2021/4-9
Profit (loss)	△ 807	1,133
Other comprehensive income		
Valuation difference on available-for-sale securities	458	44
Foreign currency translation adjustment	△ 208	516
Remeasurements of defined benefit plans, net of tax	21	△ 48
Share of other comprehensive income of entities accounted for using equity method	△ 221	126
Other comprehensive income	49	639
Comprehensive income	△ 758	1,772
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	△ 758	1,714
Comprehensive income attributable to non-controlling interests	0	58

## 3) Consolidated Statement of Cash Flows

Millions of yen

	SECOND QUARTER	
	2020/4-9	2021/4-9
Cash flows from operating activities		
Profit (loss) before income taxes	△ 702	1,465
Depreciation	1,331	1,435
Increase (decrease) in allowance for doubtful accounts	△ 12	7
Increase (decrease) in provision for bonuses	30	0
Increase (decrease) in retirement benefit liability	63	△ 124
Increase (decrease) in provision for share awards	18	2
Interest and dividend income	△ 98	△ 85
Interest expenses	3	2
Share of (profit) loss of entities accounted for using equity method	6	△ 150
Loss on retirement of property, plant and equipment	1	7
Loss (gain) on sale of property, plant and equipment	△ 0	△ 69
Loss (gain) on sale of investment securities	△ 146	△ 33
Decrease (increase) in trade receivables	1,348	△ 875
Decrease (increase) in inventories	△ 53	△ 30
Increase (decrease) in trade payables	△ 240	32
Other, net	53	916
Subtotal	1,602	2,500
Interest and dividends received	98	85
Interest paid	△ 3	△ 2
Income taxes paid	△ 153	△ 87
<b>Net cash provided by (used in) operating activities</b>	<b>1,544</b>	<b>2,495</b>
Cash flows from investing activities		
Proceeds from sale of securities	—	1,000
Purchase of property, plant and equipment	△ 4,971	△ 890
Proceeds from sale of property, plant and equipment	1	149
Purchase of investment securities	△ 17	△ 19
Proceeds from sale of investment securities	270	34
Other, net	△ 26	△ 105
<b>Net cash provided by (used in) investing activities</b>	<b>△ 4,743</b>	<b>168</b>
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	△ 4	△ 231
Purchase of treasury shares	△ 0	△ 0
Proceeds from sale of treasury shares	0	16
Dividends paid	△ 332	△ 167
Dividends paid to non-controlling interests	△ 26	△ 18
Repayments of lease obligations	△ 43	△ 41
<b>Net cash provided by (used in) financing activities</b>	<b>△ 406</b>	<b>△ 442</b>
Effect of exchange rate change on cash and cash equivalents	△ 132	212
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>△ 3,738</b>	<b>2,434</b>
Cash and cash equivalents at beginning of period	15,685	10,649
<b>Cash and cash equivalents at end of period</b>	<b>11,946</b>	<b>13,084</b>

② Financial Data

1) Forecast (2021/4-2022/3)

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)
37,200	2,360	2,720	2,240	40.35

2) Consolidated Financial Indicators

		SECOND QUARTER		FISCAL YEAR	FORECAST
		2020/4-9	2021/4-9	2020/4-2021/3	2021/4-2022/3
Operating profit ratio	(%)	△ 5.6	6.0	△ 2.4	6.3
Ordinary profit ratio	(%)	△ 4.6	7.5	△ 1.1	7.3
Return on assets [ROA]	(%)	△ 1.2	1.6	△ 0.5	—
Return on equity [ROE]	(%)	△ 1.5	1.9	△ 0.6	—
Capital expenditures	Millions of yen	5,128	789	6,527	1,900
Depreciation [Property, plant and equipment]	Millions of yen	1,292	1,390	2,773	2,800
Research and development expenses	Millions of yen	817	863	1,630	1,650
Number of employees		2,118	2,070	2,050	—

3) Consolidated Net Sales Breakdown

Consolidated Net Sales Breakdown by Industry

Millions of yen, %

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2020/4-9		2021/4-9		2020/4-2021/3		2021/4-2022/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Electronics and Semiconductor	5,265	36.2	6,612	36.4	11,070	36.7	13,700	36.8
Transportation	3,101	21.3	4,068	22.4	6,800	22.6	8,200	22.0
Machinery	3,630	25.0	4,824	26.5	7,460	24.7	9,800	26.4
Stone and Construction	1,839	12.7	2,031	11.2	3,635	12.1	4,100	11.0
Other	691	4.8	646	3.5	1,176	3.9	1,400	3.8
Net sales	14,528	100.0	18,182	100.0	30,143	100.0	37,200	100.0

Consolidated Net Sales Breakdown by Geographical Region

Millions of yen, %

	SECOND QUARTER				FISCAL YEAR		FORECAST	
	2020/4-9		2021/4-9		2020/4-2021/3		2021/4-2022/3	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Japan	8,016	55.2	9,496	52.2	16,566	55.0	19,420	52.2
Taiwan	1,263	8.7	1,566	8.6	2,610	8.7	3,270	8.8
China	1,279	8.8	1,755	9.7	2,933	9.7	3,470	9.3
Other Asia and Oceania	1,975	13.6	2,378	13.1	3,989	13.2	4,880	13.1
Europe	1,208	8.3	1,751	9.6	2,409	8.0	3,610	9.7
Other	785	5.4	1,234	6.8	1,634	5.4	2,550	6.9
Net sales	14,528	100.0	18,182	100.0	30,143	100.0	37,200	100.0