

2. Dividends

| | Annual dividends | | | | |
|---|--------------------|--------------------|--------------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2022 | - | 17.50 | - | 17.50 | 35.00 |
| Fiscal year ending March 31, 2023 | - | 17.50 | - | | |
| Fiscal year ending March 31, 2023 (Forecast) | | | | 17.50 | 35.00 |

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|------|------------------|------|-----------------|------|--|--------|-----------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 95,000 | 65.4 | 7,200 | 12.1 | 7,350 | 11.0 | 4,900 | (16.7) | 121.87 |

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2022: 41,925,300 shares

March 31, 2022: 41,925,300 shares

2) Total number of treasury shares at the end of the period:

December 31, 2022: 1,704,227 shares

March 31, 2022: 1,729,997 shares

3) Average number of shares during the period:

Nine months ended December 31, 2022: 40,203,058 shares

Nine months ended December 31, 2021: 40,177,177 shares

*** This quarterly report is not subject to quarterly review procedures by certified public accountants or an auditing firm.**

*** Explanation for appropriate use of forecasts and other notes**

The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

| | As of March 31,2022 | As of December 31,2022 |
|---------------------------------------|---------------------|------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 26,159 | 24,078 |
| Notes and accounts receivable - trade | 5,612 | 6,281 |
| Inventories | 4,208 | 8,137 |
| Other | 1,662 | 3,083 |
| Allowance for doubtful accounts | (7) | (8) |
| Total current assets | 37,635 | 41,572 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 5,433 | 5,767 |
| Land | 4,588 | 4,721 |
| Other, net | 723 | 751 |
| Total property, plant and equipment | 10,744 | 11,240 |
| Intangible assets | | |
| Goodwill | 547 | 2,504 |
| Other | 1,403 | 1,731 |
| Total intangible assets | 1,950 | 4,235 |
| Investments and other assets | | |
| Investment securities | 2,343 | 2,392 |
| Other | 1,910 | 2,565 |
| Allowance for doubtful accounts | (58) | (55) |
| Total investments and other assets | 4,195 | 4,902 |
| Total non-current assets | 16,890 | 20,378 |
| Total assets | 54,525 | 61,951 |

(Million yen)

| | As of March 31,2022 | As of December 31,2022 |
|--|---------------------|------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 2,666 | 3,200 |
| Short-term borrowings | 2,550 | 6,050 |
| Current portion of long-term borrowings | 224 | 161 |
| Accrued expenses | 2,387 | 2,755 |
| Income taxes payable | 1,594 | 863 |
| Contract liabilities | 33 | 38 |
| Provision for bonuses | 165 | 173 |
| Provision for merchandise warranties | 18 | 17 |
| Provision for loss on disaster | 41 | - |
| Other | 3,353 | 4,731 |
| Total current liabilities | 13,035 | 17,991 |
| Non-current liabilities | | |
| Long-term borrowings | 230 | 552 |
| Provision for retirement benefits for directors (and other officers) | 238 | 252 |
| Retirement benefit liability | 91 | 128 |
| Asset retirement obligations | 281 | 342 |
| Other | 251 | 227 |
| Total non-current liabilities | 1,093 | 1,503 |
| Total liabilities | 14,128 | 19,495 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 1,849 | 1,849 |
| Capital surplus | 2,058 | 2,070 |
| Retained earnings | 37,121 | 39,217 |
| Treasury shares | (1,279) | (1,260) |
| Total shareholders' equity | 39,750 | 41,877 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 610 | 286 |
| Foreign currency translation adjustment | 0 | (11) |
| Total accumulated other comprehensive income | 611 | 274 |
| Non-controlling interests | 35 | 304 |
| Total net assets | 40,397 | 42,456 |
| Total liabilities and net assets | 54,525 | 61,951 |

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

| | For the nine months ended December 31,2021 | For the nine months ended December 31,2022 |
|---|---|---|
| Net sales | 42,692 | 79,329 |
| Cost of sales | 24,103 | 58,378 |
| Gross profit | 18,589 | 20,951 |
| Selling, general and administrative expenses | 13,447 | 14,975 |
| Operating profit | 5,141 | 5,976 |
| Non-operating income | | |
| Interest and dividend income | 5 | 9 |
| Share of profit of entities accounted for using equity method | 0 | 2 |
| Foreign exchange gains | 230 | 73 |
| Other | 36 | 62 |
| Total non-operating income | 272 | 147 |
| Non-operating expenses | | |
| Interest expenses | 7 | 12 |
| Loss on investments in investment partnerships | 20 | 25 |
| Loss on valuation of derivatives | 73 | 683 |
| Other | 17 | 23 |
| Total non-operating expenses | 119 | 745 |
| Ordinary profit | 5,294 | 5,378 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 18 | 0 |
| Gain on sale of shares of subsidiaries and associates | 2,146 | - |
| Gain on bargain purchase | - | 11 |
| Other | 478 | - |
| Total extraordinary income | 2,642 | 12 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 5 | 7 |
| Settlement payments | - | 1 |
| Total extraordinary losses | 5 | 9 |
| Profit before income taxes | 7,931 | 5,381 |
| Income taxes - current | 2,167 | 2,030 |
| Income taxes - deferred | 712 | (181) |
| Total income taxes | 2,879 | 1,848 |
| Profit | 5,051 | 3,532 |
| Profit attributable to non-controlling interests | 1 | 41 |
| Profit attributable to owners of parent | 5,049 | 3,490 |

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

| | For the nine months ended December 31,2021 | For the nine months ended December 31,2022 |
|--|---|---|
| Profit | 5,051 | 3,532 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 530 | (324) |
| Foreign currency translation adjustment | (326) | (12) |
| Total other comprehensive income | 204 | (336) |
| Comprehensive income | 5,256 | 3,196 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 5,252 | 3,154 |
| Comprehensive income attributable to non-controlling interests | 4 | 41 |