

# Consolidated Financial Statements and Primary Notes

## Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	2,073,769	4,383,854
Notes receivable - trade	356,329	121,599
Accounts receivable - trade	5,607,752	4,764,073
Merchandise and finished goods	2,497,149	2,578,620
Work in process	708,071	799,853
Raw materials and supplies	4,148,480	3,938,286
Income taxes refund receivable	67,249	1,546
Other	629,248	270,545
Allowance for doubtful accounts	(6)	(6)
Total current assets	16,088,045	16,858,374
Non-current assets		
Property, plant and equipment		
Buildings and structures	4,269,026	4,293,761
Accumulated depreciation	(2,731,093)	(2,824,779)
Buildings and structures, net	1,537,932	1,468,981
Machinery, equipment and vehicles	1,684,786	1,790,629
Accumulated depreciation	(1,086,128)	(1,281,587)
Machinery, equipment and vehicles, net	598,657	509,042
Tools, furniture and fixtures	3,492,260	3,371,655
Accumulated depreciation	(3,318,356)	(3,215,385)
Tools, furniture and fixtures, net	173,904	156,270
Land	110,915	110,915
Leased assets	395,134	586,016
Accumulated depreciation	(208,133)	(184,712)
Leased assets, net	187,001	401,303
Construction in progress	11,185	12,711
Right-of-use assets	7,998	23,834
Total property, plant and equipment	2,627,596	2,683,059
Intangible assets	294,449	321,220
Investments and other assets		
Investment securities	750,496	929,406
Deferred tax assets	424,461	717,563
Other	260,794	247,425
Allowance for doubtful accounts	(42,650)	(41,550)
Total investments and other assets	1,393,102	1,852,845
Total non-current assets	4,315,148	4,857,125
Total assets	20,403,193	21,715,499

(Thousands of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,088,846	1,073,841
Electronically recorded obligations - operating	2,544,878	1,957,517
Short-term borrowings	586,320	40,000
Current portion of long-term borrowings	559,687	484,698
Lease liabilities	68,714	103,430
Income taxes payable	263,776	427,401
Advances received	2,204,399	2,771,624
Provision for bonuses	427,239	347,942
Provision for product warranties	127,587	148,554
Provision for loss on orders received	36,438	1,310,429
Provision for loss on liquidation of subsidiaries	66,000	13,289
Other	1,427,241	1,042,230
Total current liabilities	9,401,129	9,720,958
Non-current liabilities		
Long-term borrowings	388,586	382,983
Lease liabilities	143,541	343,749
Deferred tax liabilities	10,126	17,922
Provision for management board incentive plan trust	80,268	80,268
Other	279,198	192,127
Total non-current liabilities	901,720	1,017,050
Total liabilities	10,302,849	10,738,009
Net assets		
Shareholders' equity		
Share capital	1,718,223	1,718,223
Capital surplus	1,747,974	1,751,209
Retained earnings	6,939,698	7,804,084
Treasury shares	(226,107)	(187,922)
Total shareholders' equity	10,179,788	11,085,595
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	224,801	341,314
Foreign currency translation adjustment	(304,246)	(449,419)
Total accumulated other comprehensive income	(79,444)	(108,104)
Total net assets	10,100,344	10,977,490
Total liabilities and net assets	20,403,193	21,715,499

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statement of Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	25,931,893	23,898,213
Cost of sales	17,300,210	17,503,102
Gross profit	8,631,683	6,395,110
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	314,833	351,140
Salaries and allowances	1,689,146	1,770,418
Bonuses	228,933	176,529
Provision for bonuses	168,715	141,392
Provision of allowance for doubtful accounts	(21)	(0)
Retirement benefit expenses	56,766	61,436
Legal welfare expenses	302,506	293,073
Share-based payment expenses	41,006	40,999
Freight costs	222,558	209,616
Travel and transportation expenses	191,374	156,088
Repair expenses within guaranteed term	45,555	89,237
Provision for product warranties	92,007	77,054
Depreciation	214,133	192,302
Administrative outsourcing expenses	466,203	467,480
Other	1,066,075	1,099,609
Total selling, general and administrative expenses	5,099,794	5,126,379
Operating profit	3,531,888	1,268,730
Non-operating income		
Dividend income	18,186	22,321
Foreign exchange gains	-	225,718
Compensation income	73,601	-
Gains from technical support	30,000	-
Other	30,226	50,409
Total non-operating income	152,014	298,449
Non-operating expenses		
Interest expenses	25,963	18,752
Foreign exchange losses	70,107	-
Commission expenses	-	26,422
Technical support expenses	10,508	-
Share issuance costs	14,448	-
Compensation for damage	76,000	-
ProvisionForLossOnLiquidationOfSubsidiaries	-	6,704
Other	3,378	6,387
Total non-operating expenses	200,406	58,266
Ordinary profit	3,483,496	1,508,913
Extraordinary income		
Subsidy income	-	298,324
Total extraordinary income	-	298,324

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary losses		
Impairment losses	13,990	21,915
Loss on abandonment of non-current assets	3,626	1,584
Provision for loss on liquidation of subsidiaries	66,000	-
Total extraordinary losses	83,616	23,499
Profit before income taxes	3,399,880	1,783,738
Income taxes - current	1,061,076	942,132
Income taxes - deferred	83,339	(336,335)
Total income taxes	1,144,416	605,797
Profit	2,255,463	1,177,940
Profit attributable to owners of parent	2,255,463	1,177,940

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	2,255,463	1,177,940
Other comprehensive income		
Valuation difference on available-for-sale securities	(32,788)	116,512
Foreign currency translation adjustment	41,176	(145,172)
Total other comprehensive income	8,388	(28,659)
Comprehensive income	2,263,852	1,149,280
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,263,852	1,149,280
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,190,955	1,227,276	4,802,404	(251,346)	6,969,290	257,589	(345,422)	(87,833)	6,881,457
Changes during period									
Issuance of new shares	527,268	527,268			1,054,536				1,054,536
Dividends of surplus			(118,169)		(118,169)				(118,169)
Additional purchase of shares of consolidated subsidiaries		(22,792)			(22,792)				(22,792)
Profit attributable to owners of parent			2,255,463		2,255,463				2,255,463
Disposal of treasury shares		16,222		25,284	41,507				41,507
Purchase of treasury shares				(46)	(46)				(46)
Net changes in items other than shareholders' equity						(32,788)	41,176	8,388	8,388
Total changes during period	527,268	520,698	2,137,293	25,238	3,210,498	(32,788)	41,176	8,388	3,218,886
Balance at end of period	1,718,223	1,747,974	6,939,698	(226,107)	10,179,788	224,801	(304,246)	(79,444)	10,100,344

For the fiscal year ended March 31, 2026

(Thousands of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	1,718,223	1,747,974	6,939,698	(226,107)	10,179,788	224,801	(304,246)	(79,444)	10,100,344
Changes during period									
Dividends of surplus			(313,554)		(313,554)				(313,554)
Additional purchase of shares of consolidated subsidiaries					-				-
Profit attributable to owners of parent			1,177,940		1,177,940				1,177,940
Disposal of treasury shares		3,235		38,267	41,502				41,502
Purchase of treasury shares				(81)	(81)				(81)
Net changes in items other than shareholders' equity						116,512	(145,172)	(28,659)	(28,659)

Total changes during period	-	3,235	864,385	38,185	905,806	116,512	(145,172)	(28,659)	877,146
Balance at end of period	1,718,223	1,751,209	7,804,084	(187,922)	11,085,595	341,314	(449,419)	(108,104)	10,977,490

## Consolidated Statement of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	3,399,880	1,783,738
Depreciation	645,719	675,210
Impairment losses	13,990	21,915
Increase (decrease) in allowance for doubtful accounts	(1,271)	(1,100)
Increase (decrease) in provision for bonuses	(110,688)	(80,337)
Increase (decrease) in provision for product warranties	48,704	15,200
Increase (decrease) in provision for loss on orders received	36,438	1,273,990
Decrease of the subsidiary liquidation loss allowance	66,000	(35,761)
Increase (decrease) in retirement benefit liability	(40,180)	-
Interest and dividend income	(22,316)	(30,968)
Interest expenses	25,963	18,752
Commission expenses	-	26,422
Technical Support Income	(19,491)	-
Subsidy income	-	(298,324)
Compensation income	(73,601)	-
Foreign exchange losses (gains)	35,157	(222,330)
Loss on abandonment of non-current assets	3,626	1,584
Loss on compensation for damage	76,000	-
Decrease (increase) in trade receivables	167,176	1,137,162
Decrease (increase) in inventories	(964,826)	252,411
Increase (decrease) in trade payables	(1,132,822)	(631,583)
Increase (decrease) in advances received	1,535,662	391,899
Other, net	160,696	(99,181)
<b>Subtotal</b>	<b>3,849,818</b>	<b>4,198,699</b>
Interest and dividends received	22,114	31,176
Interest paid	(25,517)	(18,750)
Commission fee paid	-	(26,422)
Proceeds From Technical Support Income	19,491	-
Income taxes refund (paid)	(2,606,767)	(718,917)
Proceeds from compensation	-	137,408
Compensation paid for damage	(76,000)	-
<b>Net cash provided by (used in) operating activities</b>	<b>1,183,138</b>	<b>3,603,193</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,437,770)	(463,588)
Purchase of intangible assets	(80,168)	(109,463)
Purchase of investment securities	(30,849)	(11,368)
Subsidies received	-	298,324
Other, net	(7,314)	(28,302)
<b>Net cash provided by (used in) investing activities</b>	<b>(1,556,102)</b>	<b>(314,398)</b>

(Thousands of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(1,120,000)	(546,320)
Proceeds from long-term borrowings	450,000	550,000
Repayments of long-term borrowings	(696,341)	(630,592)
Payments for acquisition of subsidiaries not resulting in change in scope of consolidation	(22,792)	-
Proceeds from issuance of shares	1,040,593	-
Purchase of treasury shares	(46)	(81)
Dividends paid	(117,881)	(313,937)
Other, net	(76,588)	(99,049)
Net cash provided by (used in) financing activities	(543,056)	(1,039,980)
Effect of exchange rate change on cash and cash equivalents	25,709	61,271
Net increase (decrease) in cash and cash equivalents	(890,310)	2,310,085
Cash and cash equivalents at beginning of period	2,964,080	2,073,769
Cash and cash equivalents at end of period	2,073,769	4,383,854