Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

Company name: Sakai Chemical Industry Co., Ltd.

Stock exchange listing: Tokyo

Stock code: 4078 URL http://www.sakai-chem.co.jp

Representative: President, Representative Director Toshiyuki Yagura

Inquiries:

Director, General Manager of Accounting & Finance Department

Hiroyuki Hattori TEL 072-223-4111

Scheduled date of ordinary general meeting of shareholders: June 28, 2023 Scheduled date to file Securities Report: June 28, 2023

Scheduled date to commence dividend payments:

Preparation of supplementary material on financial results: No

Holding of financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	83,861	4.6	4,407	(41.2)	4,854	(45.1)	2,344	(65.2)
Year ended March 31, 2022	80,135	(5.6)	7,494	74.1	8,840	120.3	6,747	=

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	144.85	-	2.9	3.9	5.3
Year ended March 31, 2022	407.06	-	8.7	7.2	9.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	128,021	84,717	62.9	4,970.11
As of March 31, 2022	123,919	82,708	63.6	4,875.69

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	773	(2,620)	3,283	12,188
Year ended March 31, 2022	6,567	(1,654)	(5,654)	10,549

2. Cash dividends

		Annu	ıal dividends per	Total cash	Dividend payout	Ratio of dividends to net assets		
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total	dividends (Total)	ratio (Consolidated)	(Consolidated)
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2022	_	35.00	_	35.00	70.00	1,155	17.2	1.5
Year ended March 31, 2023	_	45.00	-	30.00	75.00	1,214	51.8	1.5
Year ending March 31, 2024 (Forecast)	_	35.00	_	35.00	70.00		31.5	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating pr	perating profit Ordinary profit		Ordinary profit Profit attributable to owners of parent			Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	43,000	0.7	1,200	(63.3)	1,200	(68.7)	400	(86.1)	24.71
Full year	91,000	8.5	4,500	2.1	4,500	(7.3)	3,600	53.6	222.40

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation):

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No
Changes in accounting policies due to other reasons:

No
Changes in accounting estimates:

No
Restatement of prior period financial statements:

No

(3) Number of issued shares (common shares)

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

		1 0	3 /		
As of March 31, 2023	I I	17,000,000 shares	As of March 31, 2022		17,000,000 shares
Number of treasury shares at the end	d of the per	iod			
As of March 31, 2023	1	805,601 shares	As of March 31, 2022	 	827,228 shares
Average number of shares during th	e period		•		
Year ended March 31, 2023	I I	16,187,247 shares	Year ended March 31, 2022	I I	16,575,246 shares
· ·			•		

Consolidated financial statements Consolidated balance sheets

Assets Current assets Cash and deposits 10,800 12,409 Notes and accounts receivable - trade 29,908 27,555 Merchandise and finished goods 13,026 16,535 Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) 0,30 Total current assets 55,496 72,101 Non-current assets 55,496 72,101 Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (61,34) Total, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (61,34) Total property, plant and equipment			(Millions of yen)
Current assets 10,800 12,409 Notes and accounts receivable - trade 29,908 27,555 Merchandise and finished goods 13,026 16,355 Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets 55,496 72,101 Non-current assets 70,200 72,101 Non-current assets 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 <th></th> <th>As of March 31, 2022</th> <th>As of March 31, 2023</th>		As of March 31, 2022	As of March 31, 2023
Cash and deposits 10,800 12,409 Notes and accounts receivable - trade 29,908 27,555 Merchandise and finished goods 13,026 16,355 Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets (40) (36) Total current assets 46,808 46,946 Non-current assets 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024	Assets		
Notes and accounts receivable - trade 29,908 27,555 Merchandise and finished goods 13,026 16,355 Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets 65,496 72,101 Non-current assets 84,808 46,946 Accumulated equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (61,34) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411	Current assets		
Merchandise and finished goods 13,026 16,355 Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) 365 Total current assets 65,496 72,101 Non-current assets 72,101 Property, plant and equipment 46,808 46,946 Buildings and structures 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,228 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024	Cash and deposits	10,800	12,409
Work in process 3,581 4,192 Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets 65,496 72,101 Non-current assets 75,496 72,101 Non-current assets 46,808 46,946 Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 <	Notes and accounts receivable - trade	29,908	27,555
Raw materials and supplies 6,503 9,577 Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets 65,496 72,101 Non-current assets 8 72,101 Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 118,604 118,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,519 1,368 Investments and other assets 1,519	Merchandise and finished goods	13,026	16,355
Other 1,717 2,046 Allowance for doubtful accounts (40) (36) Total current assets 65,496 72,101 Non-current assets 8 72,101 Non-current assets 8 8 Property, plant and equipment 8 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intagible assets 1,519 1,368 Total intagible assets 1,519	Work in process	3,581	4,192
Allowance for doubtful accounts (40) (36) Total current assets 65,496 72,101 Non-current assets 72,101 Property, plant and equipment 8 Buildings and structures 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,519 1,368 Investment securities 4,859 4,838 Retirement benefit asset 51 50	Raw materials and supplies	6,503	9,577
Total current assets 65,496 72,101 Non-current assets 72,101 72,101 Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 51 50 Deferred tax assets 3,352 2,302 <td>Other</td> <td>1,717</td> <td>2,046</td>	Other	1,717	2,046
Non-current assets Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 O	Allowance for doubtful accounts	(40)	(36)
Property, plant and equipment 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 1,519 1,368 Investment securities 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302<	Total current assets	65,496	72,101
Buildings and structures 46,808 46,946 Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628	Non-current assets		
Accumulated depreciation (28,204) (28,769) Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) <tr< td=""><td>Property, plant and equipment</td><td></td><td></td></tr<>	Property, plant and equipment		
Buildings and structures, net 18,604 18,177 Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 3,72 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,	Buildings and structures	46,808	46,946
Machinery, equipment and vehicles 76,267 77,447 Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 372 355 Total intangible assets 1,519 1,368 Investments and other assets 1,519 1,368 Investment securities 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Accumulated depreciation	(28,204)	(28,769)
Accumulated depreciation (63,978) (65,864) Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Buildings and structures, net	18,604	18,177
Machinery, equipment and vehicles, net 12,288 11,583 Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Machinery, equipment and vehicles	76,267	77,447
Tools, furniture and fixtures 7,114 7,264 Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 500 372 355 Total intangible assets 1,519 1,368 Investments and other assets 1,519 1,368 Investments securities 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Accumulated depreciation	(63,978)	(65,864)
Accumulated depreciation (5,981) (6,134) Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 50 372 355 Total intangible assets 1,519 1,368 Investments and other assets 1,519 1,368 Investment securities 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Machinery, equipment and vehicles, net	12,288	11,583
Tools, furniture and fixtures, net 1,133 1,130 Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 000 will 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 1 51 50 Deferred tax assets 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Tools, furniture and fixtures	7,114	7,264
Land 14,696 14,846 Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets	Accumulated depreciation	(5,981)	(6,134)
Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 372 355 Goodwill 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Tools, furniture and fixtures, net	1,133	1,130
Construction in progress 1,411 1,024 Total property, plant and equipment 48,134 46,761 Intangible assets 372 355 Goodwill 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Land	14,696	14,846
Intangible assets Investments and other assets Investment benefit asset Investment benefit asset Investment benefit asset Investment sand other assets Investment benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Construction in progress	1,411	
Goodwill 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Total property, plant and equipment	48,134	46,761
Goodwill 1,146 1,012 Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Intangible assets		
Other 372 355 Total intangible assets 1,519 1,368 Investments and other assets Investment securities 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920		1,146	1,012
Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Other	372	355
Investments and other assets 4,859 4,838 Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Total intangible assets	1,519	1,368
Retirement benefit asset 51 50 Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920			
Deferred tax assets 3,352 2,302 Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Investment securities	4,859	4,838
Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Retirement benefit asset	51	50
Other 534 628 Allowance for doubtful accounts (29) (29) Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Deferred tax assets	3,352	2,302
Allowance for doubtful accounts Total investments and other assets Total non-current assets (29) (29) 7,790 55,920	Other		
Total investments and other assets 8,769 7,790 Total non-current assets 58,423 55,920	Allowance for doubtful accounts	(29)	
Total non-current assets 58,423 55,920	Total investments and other assets	<u></u>	
	Total non-current assets	<u>-</u>	
	Total assets	123,919	128,021

Current liabilities		As of March 31, 2022	As of March 31, 2023
Current liabilities Accounts payable - trade 9,452 8,610 Short-term borrowings 8,202 13,175 Income taxes payable 1,771 733 Provision for bonuses 1,371 1,311 Other provisions 137 190 Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 14,439 14,066 Total liabilities 14,211 43,304 Net assets 14,211 43,304 Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798)	Liabilities	110 01 11111011 31, 2022	715 07 17141011 51, 2025
Notes and accounts payable - trade 9,452 8,610 Short-term borrowings 8,202 13,175 Income taxes payable 1,771 733 Provision for bonuses 1,371 1,311 Other provisions 137 190 Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 1,45 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 14,439 14,066 Net assets Shareholders' equity 5 1,292 16,293 Retained carnings 41,433 42,482 1,293 Retained earnings 41,433 42,482 1,292 1,254 Total shareholders' equity 77,772 78,863 1,202 1,254			
Short-term borrowings 8,202 13,175 Income taxes payable 1,771 733 Provision for bonuses 1,371 1,311 Other provisions 137 190 Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 14,439 14,066 Total liabilities 21,838 21,838 Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained carnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202		9,452	8.610
Income taxes payable 1,771 733 Provision for bonuses 1,371 1,311 Other provisions 137 190 Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained carnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Poreign currency tra	* *		· · · · · · · · · · · · · · · · · · ·
Provision for bonuses 1,371 1,311 Other provisions 137 190 Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total iabilities 41,211 43,304 Net assets Share capital 21,838 21,838 Capital surplus 16,299 16,299 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Valuation difference on available-for-sale securities 1,202 1,254 Deferred gains or losses on hedges 6 0			
Other 5,836 5,216 Total current liabilities 26,771 29,237 Non-current liabilities	* *	1,371	1,311
Total current liabilities 26,771 29,237 Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets 8 21,838 21,838 Share capital 21,838 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21	Other provisions	137	190
Non-current liabilities 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets 8 21,838 21,838 Share capital 21,838 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Valuation difference on available-for-sale securities 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensi	Other	5,836	5,216
Long-term borrowings 8,756 8,467 Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets 8 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Valuation difference on available-for-sale securities 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests	Total current liabilities	26,771	29,237
Provision for environmental measures 139 145 Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,004 Net assets Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 84,717	Non-current liabilities		
Retirement benefit liability 5,190 5,071 Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets Shareholders' equity 5,190 16,294 Share capital 21,838 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Long-term borrowings	8,756	8,467
Deferred tax liabilities 76 139 Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets 8 21,838 21,838 Share capital 21,838 21,838 21,838 Capital surplus 16,299 16,293 16,293 16,293 16,293 16,293 17,712 78,863 Accumulate arnings 41,433 42,482 41,433 42,482 42,823 42,823 42,823 42,823 42,823 42,823 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 42,244 4	Provision for environmental measures	139	145
Other 277 241 Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets Shareholders' equity Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Retirement benefit liability	5,190	5,071
Total non-current liabilities 14,439 14,066 Total liabilities 41,211 43,304 Net assets Shareholders' equity Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Deferred tax liabilities	76	139
Total liabilities 41,211 43,304 Net assets Shareholders' equity 21,838 21,838 Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Other	277	241
Net assets Shareholders' equity 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Total non-current liabilities	14,439	14,066
Shareholders' equity 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Total liabilities	41,211	43,304
Share capital 21,838 21,838 Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751 Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Net assets		
Capital surplus 16,299 16,293 Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Shareholders' equity		
Retained earnings 41,433 42,482 Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Valuation difference on available-for-sale securities 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Share capital	21,838	21,838
Treasury shares (1,798) (1,751) Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income 1,202 1,254 Valuation difference on available-for-sale securities 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Capital surplus	16,299	16,293
Total shareholders' equity 77,772 78,863 Accumulated other comprehensive income Valuation difference on available-for-sale securities 1,202 1,254 Deferred gains or losses on hedges 6 (0) Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Retained earnings	41,433	42,482
Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Remeasurements of defined benefit plans Total accumulated other comprehensive income Non-controlling interests Total net assets 1,202 1,254 (0 (149) 253 Remeasurements of defined benefit plans 21 117 1,624 Non-controlling interests 3,854 4,229 Total net assets	Treasury shares	(1,798)	(1,751)
Valuation difference on available-for-sale securities 1,202 1,254 Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Total shareholders' equity	77,772	78,863
Deferred gains or losses on hedges 6 (0 Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Accumulated other comprehensive income		
Foreign currency translation adjustment (149) 253 Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Valuation difference on available-for-sale securities	1,202	1,254
Remeasurements of defined benefit plans 21 117 Total accumulated other comprehensive income 1,081 1,624 Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Deferred gains or losses on hedges	6	(0)
Total accumulated other comprehensive income1,0811,624Non-controlling interests3,8544,229Total net assets82,70884,717	Foreign currency translation adjustment	(149)	253
Non-controlling interests 3,854 4,229 Total net assets 82,708 84,717	Remeasurements of defined benefit plans	21	117
Total net assets 82,708 84,717	Total accumulated other comprehensive income	1,081	1,624
	Non-controlling interests	3,854	4,229
Total liabilities and net assets 123,919 128,021	Total net assets	82,708	84,717
	Total liabilities and net assets	123,919	128,021

Consolidated statements of income and consolidated statements of comprehensive income Consolidated statements of income

(Millions of yen) Fiscal year ended Fiscal year ended March 31, 2022 March 31, 2023 Net sales 80,135 83,861 Cost of sales 59,090 65,381 18,479 Gross profit 21,045 Selling, general and administrative expenses 13,550 14,072 Operating profit 7,494 4,407 Non-operating income Interest income 8 4 Dividend income 219 147 Insurance claim income 52 2 Foreign exchange gains 389 363 Subsidies for employment adjustment 23 2 Subsidy income 771 Other 117 75 1,581 595 Total non-operating income Non-operating expenses Interest expenses 73 76 Guarantee commission 20 20 Other 141 50 148 Total non-operating expenses 235 Ordinary profit 8,840 4,854 Extraordinary income 122 Gain on sale of non-current assets 30 Gain on sale of investment securities 1,533 85 Gain on sale of golf club membership 1 Insurance claim income 378 Total extraordinary income 1,563 589 Extraordinary losses 40 Impairment losses Loss on explosion and fire accident 294 Loss on retirement of non-current assets 613 127 Loss on sale of investment securities 272 Loss on valuation of investment securities 0 81 215 Loss related to quality Other 1 Total extraordinary losses 1,180 466 Profit before income taxes 9.223 4,977 1,308 Income taxes - current 2,389 Income taxes - deferred (269)1,060 2,119 2,368 Total income taxes Profit 7,104 2,608 Profit attributable to non-controlling interests 357 264

6,747

2,344

Profit attributable to owners of parent

Consolidated statements of comprehensive income

		(infinitella et jeil)
	Fiscal year ended	Fiscal year ended
	March 31, 2022	March 31, 2023
Profit	7,104	2,608
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,603)	58
Deferred gains or losses on hedges	(10)	(10)
Foreign currency translation adjustment	238	587
Remeasurements of defined benefit plans, net of tax	(14)	95
Total other comprehensive income	(1,390)	730
Comprehensive income	5,714	3,339
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,259	2,888
Comprehensive income attributable to non-controlling	454	451
interests	454	451

Consolidated statements of changes in equity Fiscal year ended March 31, 2022

			Shareholders' equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	21,838	16,302	35,431	(336)	73,236
Cumulative effects of changes in accounting policies			(155)		(155)
Restated balance	21,838	16,302	35,275	(336)	73,080
Changes during period					
Dividends of surplus			(589)		(589)
Profit attributable to owners of parent			6,747		6,747
Purchase of treasury shares				(1,500)	(1,500)
Disposal of treasury shares		(3)		37	34
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Net changes in items other than shareholders' equity					
Total changes during period	-	(3)	6,157	(1,462)	4,691
Balance at end of period	21,838	16,299	41,433	(1,798)	77,772

		Accumulated	other comprehe	nsive income			
	Valuation difference on available-for- sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non- controlling interests	Total net assets
Balance at beginning of period	2,799	14	(281)	36	2,568	3,459	79,264
Cumulative effects of changes in accounting policies							(155)
Restated balance	2,799	14	(281)	36	2,568	3,459	79,108
Changes during period							
Dividends of surplus							(589)
Profit attributable to owners of parent							6,747
Purchase of treasury shares							(1,500)
Disposal of treasury shares							34
Change in ownership interest of parent due to transactions with non-controlling interests							0
Net changes in items other than shareholders' equity	(1,596)	(8)	132	(14)	(1,487)	395	(1,092)
Total changes during period	(1,596)	(8)	132	(14)	(1,487)	395	3,599
Balance at end of period	1,202	6	(149)	21	1,081	3,854	82,708

	Shareholders' equity					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	21,838	16,299	41,433	(1,798)	77,772	
Changes during period						
Dividends of surplus			(1,294)		(1,294)	
Profit attributable to owners of parent			2,344		2,344	
Purchase of treasury shares				(0)	(0)	
Disposal of treasury shares		(5)		47	41	
Change in ownership interest of parent due to transactions with non-controlling interests		0			0	
Net changes in items other than shareholders' equity						
Total changes during period	_	(5)	1,049	47	1,091	
Balance at end of period	21,838	16,293	42,482	(1,751)	78,863	

	Accumulated other comprehensive income						
	Valuation difference on available-for- sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non- controlling interests	Total net assets
Balance at beginning of period	1,202	6	(149)	21	1,081	3,854	82,708
Changes during period							
Dividends of surplus							(1,294)
Profit attributable to owners of parent							2,344
Purchase of treasury shares							(0)
Disposal of treasury shares							41
Change in ownership interest of parent due to transactions with non-controlling interests							0
Net changes in items other than shareholders' equity	51	(6)	402	95	543	374	918
Total changes during period	51	(6)	402	95	543	374	2,009
Balance at end of period	1,254	(0)	253	117	1,624	4,229	84,717

Consolidated statements of cash flows

		(Millions of yen)	
	Fiscal year ended	Fiscal year ended	
	March 31, 2022	March 31, 2023	
Cash flows from operating activities			
Profit before income taxes	9,223	4,977	
Depreciation	4,333	4,417	
Impairment losses	_	40	
Gain on sales of investment securities	(1,533)	(85)	
Increase (decrease) in allowance for doubtful accounts	(1)	(4)	
Increase (decrease) in provision for bonuses	142	(60)	
Increase (decrease) in retirement benefit liability	10	6	
Loss on valuation of investment securities	0	81	
Interest and dividend income	(227)	(151)	
Interest expenses	73	76	
Decrease (increase) in trade receivables	(2,760)	2,374	
Decrease (increase) in inventories	(2,168)	(6,833)	
Increase (decrease) in trade payables	1,336	(1,065)	
Other, net	(576)	(1,500)	
Subtotal	7,852	2,274	
Interest and dividends received	227	151	
Interest paid	(71)	(79	
Subsidies received		771	
Proceeds from insurance income	_	521	
Income taxes paid	(1,440)	(2,866)	
Net cash provided by (used in) operating activities	6,567	773	
Cash flows from investing activities	•		
Purchase of property, plant and equipment	(5,064)	(2,658)	
Proceeds from sale of property, plant and equipment	60	180	
Purchase of investment securities	(30)	(94)	
Proceeds from sale of investment securities	3,591	193	
Other, net	(211)	(241)	
Net cash provided by (used in) investing activities	(1,654)	(2,620)	
Cash flows from financing activities	(1,00 1)	(2,020)	
Net increase (decrease) in short-term borrowings	(1,394)	5,669	
Proceeds from long-term borrowings	300	2,300	
Repayments of long-term borrowings	(2,410)	(3,316)	
Purchase of treasury shares	(1,500)	(0)	
Dividends paid	(589)	(1,289)	
Dividends paid to non-controlling interests	(58)	(77)	
Purchase of shares of subsidiaries not resulting in change in	(36)	(11)	
scope of consolidation	(0)	(0)	
Net cash provided by (used in) financing activities	(5,654)	3,283	
	138	202	
Effect of exchange rate change on cash and cash equivalents			
Net increase (decrease) in cash and cash equivalents	(603)	1,638	
Cash and cash equivalents at beginning of period	11,153	10,549	
Cash and cash equivalents at end of period	10,549	12,188	