

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	43,283	41,352
Accounts receivable - trade	34,322	37,484
Electronically recorded monetary claims - operating	2,821	2,872
Merchandise	50,848	55,366
Other	734	895
Allowance for doubtful accounts	(1)	(1)
<b>Total current assets</b>	<b>132,008</b>	<b>137,971</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	78,008	78,496
Accumulated depreciation	(30,283)	(31,768)
Buildings and structures, net	47,724	46,728
Machinery, equipment and vehicles	15,438	16,172
Accumulated depreciation	(8,757)	(9,927)
Machinery, equipment and vehicles, net	6,680	6,244
Tools, furniture and fixtures	6,370	6,699
Accumulated depreciation	(5,102)	(5,192)
Tools, furniture and fixtures, net	1,267	1,507
Land	38,747	39,345
Construction in progress	10,149	29,346
<b>Total property, plant and equipment</b>	<b>104,569</b>	<b>123,171</b>
Intangible assets		
Software	2,610	3,880
Software in progress	1,947	1,301
Other	14	13
<b>Total intangible assets</b>	<b>4,572</b>	<b>5,195</b>
Investments and other assets		
Investment securities	2,529	2,616
Deferred tax assets	673	776
Deferred tax assets for land revaluation	155	152
Other	504	539
Allowance for doubtful accounts	(135)	(132)
<b>Total investments and other assets</b>	<b>3,728</b>	<b>3,952</b>
<b>Total non-current assets</b>	<b>112,870</b>	<b>132,319</b>
<b>Total assets</b>	<b>244,878</b>	<b>270,290</b>

(Millions of yen)

	As of December 31, 2023	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	20,461	22,121
Short-term borrowings	10,000	10,000
Current portion of long-term borrowings	8,500	1,500
Accounts payable - other	3,544	8,162
Income taxes payable	4,248	3,887
Provision for bonuses	687	690
Other	2,293	2,074
Total current liabilities	49,735	48,436
Non-current liabilities		
Long-term borrowings	31,500	45,000
Long-term guarantee deposits	2,773	2,705
Provision for retirement benefits for directors (and other officers)	151	151
Other	1	1
Total non-current liabilities	34,426	47,857
Total liabilities	84,162	96,294
Net assets		
Shareholders' equity		
Share capital	5,022	5,022
Capital surplus	4,711	4,711
Retained earnings	150,298	163,121
Treasury shares	(82)	(83)
Total shareholders' equity	159,950	172,771
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	633	718
Revaluation reserve for land	(353)	(345)
Foreign currency translation adjustment	486	851
Total accumulated other comprehensive income	765	1,224
Total net assets	160,716	173,996
Total liabilities and net assets	244,878	270,290

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Net sales	268,154	295,024
Cost of sales	210,631	233,341
Gross profit	57,522	61,683
Selling, general and administrative expenses		
Freight and packing costs	8,261	9,085
Promotion expenses	252	272
Remuneration for directors (and other officers)	442	447
Salaries and bonuses	13,451	14,424
Provision for bonuses	683	686
Welfare expenses	2,553	2,713
Depreciation	6,206	6,044
Commission expenses	2,504	3,012
Other	4,647	5,016
Total selling, general and administrative expenses	39,003	41,704
Operating profit	18,519	19,978
Non-operating income		
Interest income	9	9
Dividend income	66	70
Rental income from real estate	175	172
Other	218	270
Total non-operating income	470	523
Non-operating expenses		
Interest expenses	99	246
Rental costs	46	99
Provision of allowance for doubtful accounts	128	-
Other	45	99
Total non-operating expenses	319	445
Ordinary profit	18,669	20,056
Extraordinary income		
Gain on sale of non-current assets	115	2,778
Gain on sale of investment securities	36	-
Total extraordinary income	152	2,778
Extraordinary losses		
Impairment losses	45	-
Loss on valuation of investment securities	816	183
Soil pollution removal cost	51	-
Total extraordinary losses	913	183
Profit before income taxes	17,908	22,651
Income taxes - current	6,266	6,692
Income taxes - deferred	(626)	(136)
Total income taxes	5,640	6,556
Profit	12,268	16,095
Profit attributable to owners of parent	12,268	16,095

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
Profit	12,268	16,095
Other comprehensive income		
Valuation difference on available-for-sale securities	167	85
Foreign currency translation adjustment	346	365
Total other comprehensive income	513	450
Comprehensive income	12,782	16,545
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,782	16,545

Consolidated Statements of Changes in Equity

For the fiscal year ended December 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,022	4,711	141,096	(79)	150,750
Changes during period					
Dividends of surplus			(3,066)		(3,066)
Reversal of revaluation reserve for land					-
Profit attributable to owners of parent			12,268		12,268
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	0	9,202	(2)	9,199
Balance at end of period	5,022	4,711	150,298	(82)	159,950

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	466	(353)	139	252	151,002
Changes during period					
Dividends of surplus					(3,066)
Reversal of revaluation reserve for land					-
Profit attributable to owners of parent					12,268
Purchase of treasury shares					(2)
Disposal of treasury shares					0
Net changes in items other than shareholders' equity	167	-	346	513	513
Total changes during period	167	-	346	513	9,713
Balance at end of period	633	(353)	486	765	160,716

For the fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,022	4,711	150,298	(82)	159,950
Changes during period					
Dividends of surplus			(3,264)		(3,264)
Reversal of revaluation reserve for land			(8)		(8)
Profit attributable to owners of parent			16,095		16,095
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		0		0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	0	12,823	(1)	12,821
Balance at end of period	5,022	4,711	163,121	(83)	172,771

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	633	(353)	486	765	160,716
Changes during period					
Dividends of surplus					(3,264)
Reversal of revaluation reserve for land		8		8	-
Profit attributable to owners of parent					16,095
Purchase of treasury shares					(1)
Disposal of treasury shares					0
Net changes in items other than shareholders' equity	85	-	365	450	450
Total changes during period	85	8	365	458	13,280
Balance at end of period	718	(345)	851	1,224	173,996

## Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended December 31, 2023	For the fiscal year ended December 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	17,908	22,651
Depreciation	6,229	6,087
Impairment losses	45	-
Loss (gain) on valuation of investment securities	816	183
Soil pollution removal cost	51	-
Increase (decrease) in allowance for doubtful accounts	125	(3)
Interest and dividend income	(76)	(80)
Interest expenses	99	246
Loss (gain) on sale of property, plant and equipment	(115)	(2,778)
Decrease (increase) in trade receivables	(2,813)	(3,200)
Decrease (increase) in inventories	(5,449)	(4,378)
Increase (decrease) in trade payables	1,582	1,648
Increase (decrease) in accrued consumption taxes	303	(278)
Other, net	770	162
Subtotal	19,476	20,260
Interest and dividends received	74	81
Interest paid	(101)	(245)
Income taxes paid	(4,595)	(7,074)
Soil pollution removal cost paid	(51)	-
Net cash provided by (used in) operating activities	14,802	13,021
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(11,171)	(19,287)
Proceeds from sale of property, plant and equipment	184	3,662
Purchase of intangible assets	(1,944)	(2,479)
Proceeds from sale of investment securities	49	-
Purchase of shares of subsidiaries and associates	-	(147)
Other, net	(231)	(14)
Net cash provided by (used in) investing activities	(13,113)	(18,267)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	15,000	15,000
Repayments of long-term borrowings	(10,000)	(8,500)
Purchase of treasury shares	(2)	(1)
Proceeds from disposal of treasury shares	0	0
Dividends paid	(3,064)	(3,260)
Net cash provided by (used in) financing activities	1,932	3,238
Effect of exchange rate change on cash and cash equivalents	63	57
Net increase (decrease) in cash and cash equivalents	3,684	(1,950)
Cash and cash equivalents at beginning of period	39,400	43,085
Cash and cash equivalents at end of period	43,085	41,135