

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2022	-	-	-	30.00	30.00
Fiscal year ending December 31, 2023	-	-	-		
Fiscal year ending December 31, 2023 (Forecast)				30.00	30.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2023(January 1, 2023 to December 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	169,000	1.4	2,500	(29.3)	2,300	(38.9)	500	(87.9)	22.11

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the nine months ended September 30, 2023

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

New - (Company name:)

Exclusion: - (Company name:)

(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):

September 30, 2023: 22,984,993 shares

December 31, 2022: 22,984,993 shares

2) Number of treasury shares at the end of the period:

September 30, 2023: 367,628 shares

December 31, 2022: 368,346 shares

3) Average number of shares outstanding during the period:

Nine months ended September 30, 2023: 22,617,039 shares

Nine months ended September 30, 2022: 22,615,165 shares

* The total number of treasury shares at the end of the period includes the Company's shares held by the "Board Benefit Trust" (254,700 shares for the period ended September 30, 2023, 255,800 shares for the period ended December 31, 2022). In addition, the Company's shares held by the "Board Benefit Trust" are included in the number of treasury shares deducted for the calculation of the average number of shares during the period.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2022	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	10,749	9,384
Notes and accounts receivable - trade, and contract assets	27,574	37,936
Merchandise and finished goods	53,562	60,916
Work in process	10,335	9,436
Raw materials and supplies	1,434	1,539
Other	5,792	4,096
Allowance for doubtful accounts	(33)	(56)
Total current assets	109,414	123,252
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,271	26,247
Land	44,744	44,752
Other, net	12,902	13,531
Total property, plant and equipment	83,919	84,531
Intangible assets	2,309	2,386
Investments and other assets		
Investment securities	5,686	7,461
Other	5,816	5,535
Allowance for doubtful accounts	(654)	(727)
Total investments and other assets	10,848	12,269
Total non-current assets	97,076	99,187
Total assets	206,491	222,439

(Millions of yen)

	As of December 31, 2022	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,457	18,496
Electronically recorded obligations - operating	26,042	24,810
Short-term loans payable	26,754	35,880
Current portion of long-term loans payable	13,537	11,086
Income taxes payable	588	1,034
Provision for bonuses	566	1,031
Other	11,241	11,463
Total current liabilities	98,189	103,802
Non-current liabilities		
Long-term loans payable	20,811	27,520
Deferred tax liabilities for land revaluation	4,097	4,097
Provision for retirement benefits for directors (and other officers)	163	165
Provision for share awards for directors (and other officers)	18	34
Retirement benefit liability	3,244	3,152
Asset retirement obligations	908	915
Other	6,711	6,664
Total non-current liabilities	35,956	42,550
Total liabilities	134,146	146,353
Net assets		
Shareholders' equity		
Share capital	23,344	23,344
Capital surplus	13,139	13,139
Retained earnings	21,131	22,524
Treasury shares	(591)	(590)
Total shareholders' equity	57,023	58,418
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	482	1,715
Deferred gains or losses on hedges	8	(37)
Revaluation reserve for land	8,835	8,835
Foreign currency translation adjustment	1,142	1,966
Remeasurements of defined benefit plans	510	413
Total accumulated other comprehensive income	10,978	12,892
Subscription rights to shares	12	12
Non-controlling interests	4,330	4,762
Total net assets	72,345	76,086
Total liabilities and net assets	206,491	222,439

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

(Millions of yen)

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2023
Net sales	125,394	132,977
Cost of sales	88,128	93,133
Gross profit	37,266	39,844
Selling, general and administrative expenses	34,105	36,229
Operating profit	3,160	3,614
Non-operating income		
Interest income	73	121
Dividend income	147	227
Foreign exchange gains	989	1,064
Other	707	622
Total non-operating income	1,918	2,035
Non-operating expenses		
Interest expenses	478	838
Share of loss of entities accounted for using equity method	410	272
Commission for syndicated loans	95	446
Other	212	220
Total non-operating expenses	1,197	1,777
Ordinary profit	3,882	3,873
Extraordinary income		
Gain on sale of non-current assets	52	56
Gain on step acquisitions	551	-
Gain on change in equity	41	-
Gain on bargain purchase	153	-
Other	0	-
Total extraordinary income	799	56
Extraordinary losses		
Loss on sale and retirement of non-current assets	104	117
Impairment losses	142	65
Loss on valuation of golf club membership	-	0
Total extraordinary losses	246	183
Profit before income taxes	4,435	3,746
Income taxes - current	1,364	1,830
Income taxes - deferred	(495)	(381)
Total income taxes	868	1,449
Profit	3,566	2,296
Profit attributable to non-controlling interests	84	216
Profit attributable to owners of parent	3,482	2,079

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

(Millions of yen)

	For the nine months ended September 30, 2022	For the nine months ended September 30, 2023
Profit	3,566	2,296
Other comprehensive income		
Valuation difference on available-for-sale securities	93	1,233
Deferred gains or losses on hedges	(10)	(63)
Foreign currency translation adjustment	656	1,076
Remeasurements of defined benefit plans, net of tax	(152)	(96)
Share of other comprehensive income of entities accounted for using equity method	(9)	58
Total other comprehensive income	577	2,207
Comprehensive income	4,144	4,504
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,045	3,994
Comprehensive income attributable to non-controlling interests	99	509