

Financial Data, 10-year Period

	2011	2012	2013	2014
Operating Results Highlights (Unit:Million Yen)				
Net Sales	78,886	85,254	108,401	122,544
Gross Profit	19,047	21,039	26,854	35,614
Operating Income	3,066	5,052	9,335	16,875
Ordinary Income	4,926	10,510	16,672	23,929
Profit Attributable to Owners of Parent	-466	6,385	10,519	18,090

Financial indicators (Unit:%)				
Gross Profit Ratio	24.1%	24.7%	24.8%	29.1%
Operating income Ratio	3.9%	5.9%	8.6%	13.8%
Ordinary Income Ratio	6.2%	12.3%	15.4%	19.5%
ROIC	-0.7%	5.3%	7.7%	12.7%
ROE	-0.3%	3.6%	5.4%	8.2%
ROA	2.7%	5.6%	7.9%	9.9%
Equity Ratio	92.9%	92.2%	91.9%	91.0%

ROIC:= (Operating profit × (1 - Effective tax rate)) / (Accounts receivable-trade + Inventories + Non-Current assets (excluding Investment securities) - Accounts payable-trade)

Consolidated Financial Position As of December 31, 2020 (Unit:Million Yen)				
Total Assets	181,351	196,702	227,253	256,368
Net Assets	168,538	181,372	208,791	233,312

Data per share Unit: Yen * As of January 1, 2015, the Company conducted a stock split at a ratio of 2 shares per common share. The figures for 2010-2014 are the amounts after				
Net Income per Share	-6.65	91.12	150.10	258.02
Net Assets per Share As of December 31, 2020	2,405.18	2,588.38	2,978.02	3,325.99
Dividends	50.00	50.00	70.00	107.00

Cash Flows (Unit:Million Yen)				
Cash Flows from Operating Activities	696	9,091	11,750	18,118
Cash Flows from Investing Activities	-2,874	8,230	4,264	-11,977
Free Cash Flows	-2,178	17,321	16,014	6,141
Cash Flows from Financing Activities	-3,507	-3,509	-3,031	-6,014

Investments (Unit:Million Yen)				
Capital Expenditures	6,524	6,825	5,755	9,597
Depreciation and Amortization	3,176	3,410	4,301	4,771
R&D Expenses	3,493	3,794	3,763	4,503

2015	2016	2017	2018	2019	2020
143,143	140,699	146,925	143,116	131,807	116,432
43,470	46,188	47,305	44,327	41,031	34,856
22,961	24,225	24,066	21,243	17,544	12,900
27,113	26,135	25,841	24,804	20,854	12,675
18,546	20,598	20,303	22,925	14,234	8,987
30.4%	32.8%	32.2%	31.0%	31.1%	29.9%
16.0%	17.2%	16.4%	14.8%	13.3%	11.1%
18.9%	18.6%	17.6%	17.3%	15.8%	10.9%
14.4%	17.0%	14.4%	12.7%	9.3%	6.4%
8.0%	8.8%	8.6%	9.4%	5.8%	3.7%
10.6%	10.2%	9.8%	9.2%	7.8%	4.8%
91.0%	90.1%	89.9%	91.1%	91.4%	91.0%
256,196	258,387	269,318	268,246	268,244	262,559
233,245	232,917	242,179	244,454	245,172	239,103
considering the stock split so that each period can be easily compared.					
266.98	300.70	299.74	341.19	214.00	135.64
3,363.01	3,405.14	3,579.98	3,640.08	3,690.86	3,623.63
110.00	120.00	120.00	135.00	135.00	135.00
20,115	27,958	22,585	20,979	25,830	18,741
-1,178	-3,440	-14,027	-12,735	-15,246	-5,304
18,937	24,518	8,558	8,244	10,584	13,437
-13,312	-11,860	-13,844	-11,069	-12,132	-10,952
16,187	11,236	12,844	16,332	17,915	7,736
6,386	6,016	7,143	7,652	8,264	8,648
5,164	5,024	5,233	4,939	4,958	4,453

Financial Data

Consolidated Financial Statements

Consolidated Balance Sheet

Yen(Millions)

	As of December 31, 2019	As of December 31, 2020
ASSETS		
Current Assets		
Cash and bank deposits	110,369	110,018
Trade notes and accounts receivable	21,913	24,729
Short-term investments	2,301	1,500
Merchandise and finished goods	24,353	22,249
Work in process	954	989
Raw materials and supplies	8,572	9,280
Other current assets	5,101	4,789
Less – Allowance for doubtful accounts	(53)	(163)
Total current assets	173,510	173,394
Fixed assets		
Property, plant and equipment		
Buildings and structures	50,580	50,328
Accumulated depreciation	(28,443)	(29,467)
Buildings and structures, net	22,137	20,860
Buildings and structures, net	64,220	68,430
Accumulated depreciation	(33,269)	(36,914)
Machinery, equipment and vehicles, net	30,951	31,515
Tools, furniture and fixture	19,403	19,976
Accumulated depreciation	(14,916)	(15,944)
Tools, furniture and fixture, net	4,487	4,031
Land	6,640	6,589
Construction in progress	16,288	14,016
Property, plant and equipment, net	80,504	77,014
Intangible assets	1,144	1,065
Investments and other assets		
Investment securities	10,980	9,254
Deferred tax assets – non-current	704	578
Other investments and other assets	1,433	1,658
Allowance for doubtful accounts	(33)	(405)
Total investments and other assets	13,084	11,085
Total fixed assets	94,733	89,164
Total Assets	268,244	262,559

Yen(Millions)

	As of December 31, 2019	As of December 31, 2020
Liabilities		
Current liabilities		
Trade notes and accounts payable	6,003	6,486
Accrued income taxes	1,966	1,934
Accrued bonuses due to employees	249	233
Accrued bonuses due to directors	172	176
Accrued bonuses due to directors	8,730	9,361
Accrued bonuses due to directors	17,121	18,193
Long-term liabilities		
Long-term liabilities	635	380
Accrued benefits for stock payment	142	241
Liability for retirement benefits	2,139	2,051
Liability for retirement benefits	17	27
Deferred tax liabilities-non-current	2,716	2,203
Other long-term liabilities-non-current	299	357
Total long-term liabilities	5,950	5,262
Total long-term liabilities	23,071	23,456
Net assets		
Shareholders' equity		
Common stock	20,704	20,704
Additional paid-in capital	20,419	20,419
Retained earnings	216,974	216,929
Treasury stock	(10,014)	(11,555)
Total shareholders' equity	248,084	246,499
Accumulated other comprehensive income		
Net unrealized holding gains or losses on securities	3,456	1,985
Deferred gains or losses on hedges	(2)	-
Foreign currency translation adjustments	(5,777)	(8,928)
Retirement benefits liability adjustments	(712)	(545)
Total accumulated other comprehensive income	(3,035)	(7,487)
Subscription rights to shares	124	91
Total net assets	245,172	239,103
Total liabilities and net assets	268,244	262,559

Consolidated Financial Statements

Consolidated Statements of Income

Yen(Millions)

	Fiscal Year Ended December 31, 2019 (January 1, 2019 to December 31, 2019)	Fiscal Year Ended December 31, 2020 (January 1, 2020 to December 31, 2020)
Net sales	131,807	116,432
Cost of sales	90,776	81,576
Gross profit	41,031	34,856
Selling, general and administrative expenses	23,486	21,955
Operating income	17,544	12,900
Non-operating income		
Interest income	830	695
Dividend income	291	244
Foreign exchange gains	990	-
Gain on sales of raw material scrap	1,378	1,128
Other	452	577
Total non-operating income	3,943	2,645
Non-operating expenses		
Stock-related expenses	150	138
Foreign exchange losses	-	1,371
Non-deductible consumption tax	49	28
Soil cleanup expenses	-	429
Other	434	902
Total non-operating expenses	634	2,870
Ordinary income	20,854	12,675
Extraordinary income		
Gain on disposal of fixed assets	25	9
Gain on sales of investment securities	-	2,382
Gain on sales of golf memberships	1	-
Gain on reversal of share acquisition rights	-	7
Total extraordinary income	27	2,400
Extraordinary loss		
Loss on disposal of fixed assets	612	322
Extraordinary retirement expenses	90	151
Loss from closure of a manufacturing subsidiary	-	449
Loss related to infectious disease	-	251
Total extraordinary loss	702	1,175
Profit before income taxes	20,179	13,901
Income taxes		
Current	5,091	4,964
Deferred	853	(50)
Total income taxes	5,944	4,913
Profit	14,234	8,987
Profit attributable to owners of parent	14,234	8,987

Consolidated Statements of Cash Flows

Yen(Millions)

	Fiscal Year Ended December 31, 2019 (January 1, 2019 to December 31, 2019)	Fiscal Year Ended December 31, 2020 (January 1, 2020 to December 31, 2020)
Cash flows from operating activities		
Profit before income taxes	20,179	13,901
Depreciation and amortization	8,581	8,939
Increase (Decrease) in liability for retirement benefits	70	154
Interest and dividends income	(1,121)	(939)
Foreign exchange losses (gains)	22	3,217
Loss (Gain) on sales of investment securities	-	(2,382)
Loss (Gain) on disposal of fixed assets	586	313
Decrease (Increase) in trade notes and accounts receivable	1,586	(2,714)
Decrease (Increase) in inventories	1,033	728
Increase (Decrease) in trade notes and accounts payable	(1,013)	379
Gain on reversal of share acquisition rights	-	(7)
Other, net	(240)	1,075
Sub total	29,684	22,664
Interest and dividends received	1,152	970
Income taxes paid	(5,006)	(4,893)
Net cash provided by operating activities	25,830	18,741
Cash flows from investing activities		
Increase of time deposits	(1,635)	(314)
Proceeds from withdrawal of time deposits	1,635	-
Proceeds from sales of short-term investments	1,000	800
Purchase of fixed assets	(15,391)	(7,736)
Proceeds from sales of fixed assets	81	48
Purchase of investment securities	(802)	(500)
Proceeds from sales of investment securities	-	2,757
Other, net	(133)	(358)
Net cash used in investing activities	(15,246)	(5,304)
Cash flows from financing activities		
Proceeds from long-term loans payable	635	-
Repayment of long-term loans payable	-	(254)
Cash dividends paid	(9,830)	(9,011)
Purchase of treasury stock	(4,083)	(1,927)
Proceeds from sales of treasury stock	1,147	240
Net cash used in financing activities	(12,132)	(10,952)
Effect of exchange rate changes on cash and cash equivalents	(1,149)	(3,156)
Net increase (decrease) in cash and cash equivalents	(2,697)	(672)
Cash and cash equivalents at beginning of period	113,560	110,863
Cash and cash equivalents at end of period	110,863	110,190