

DATA BOOK

FY2026 (Fiscal Year ended March 31,2026)

V-ACTION for sustainability



V-ACTION for the Future

-Refining our Minds and Mastery, Enriching Life and Society-

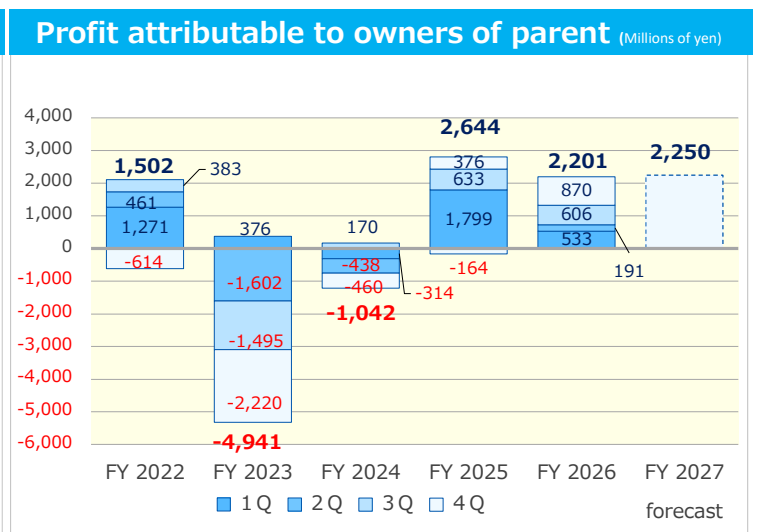
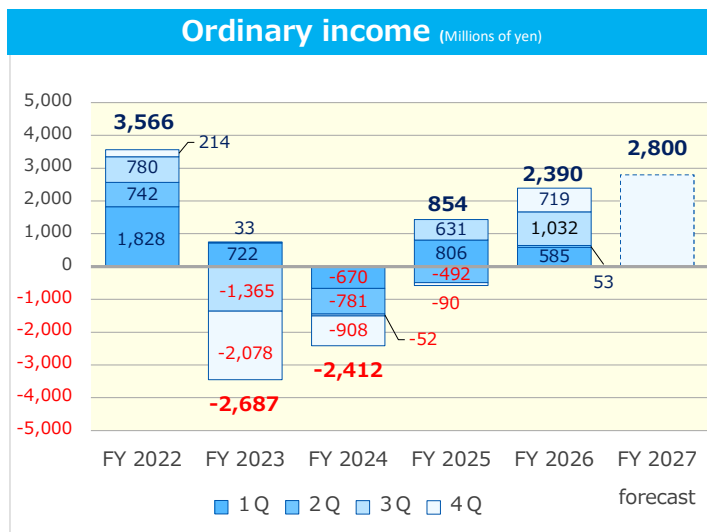
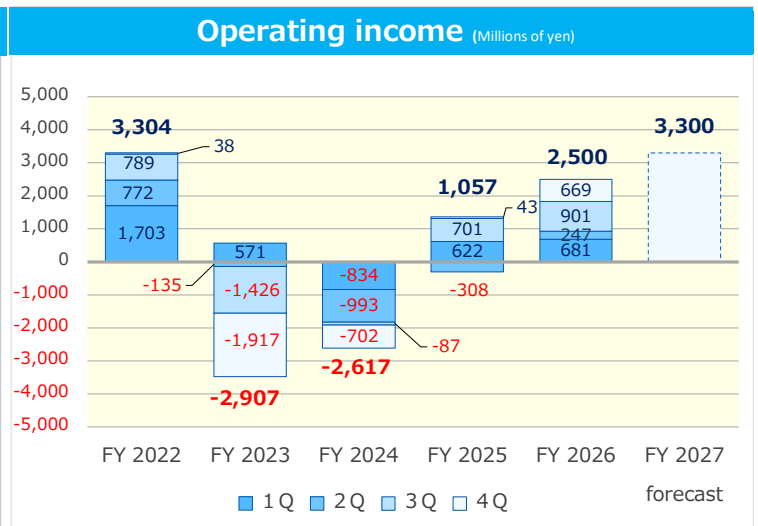
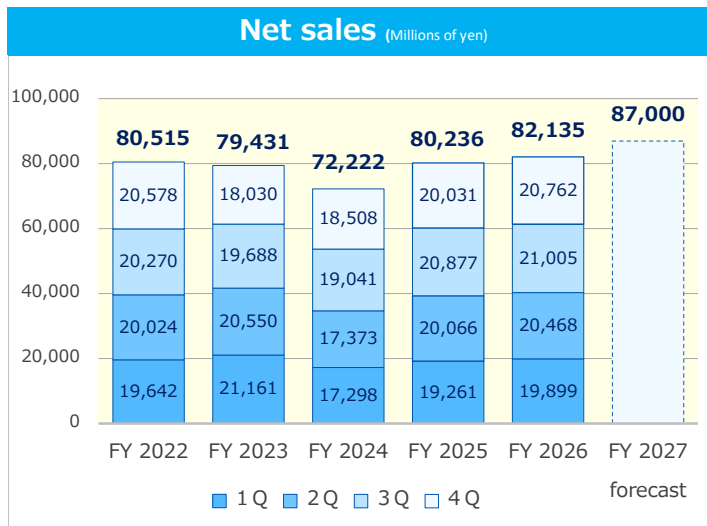
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May 14th,2026

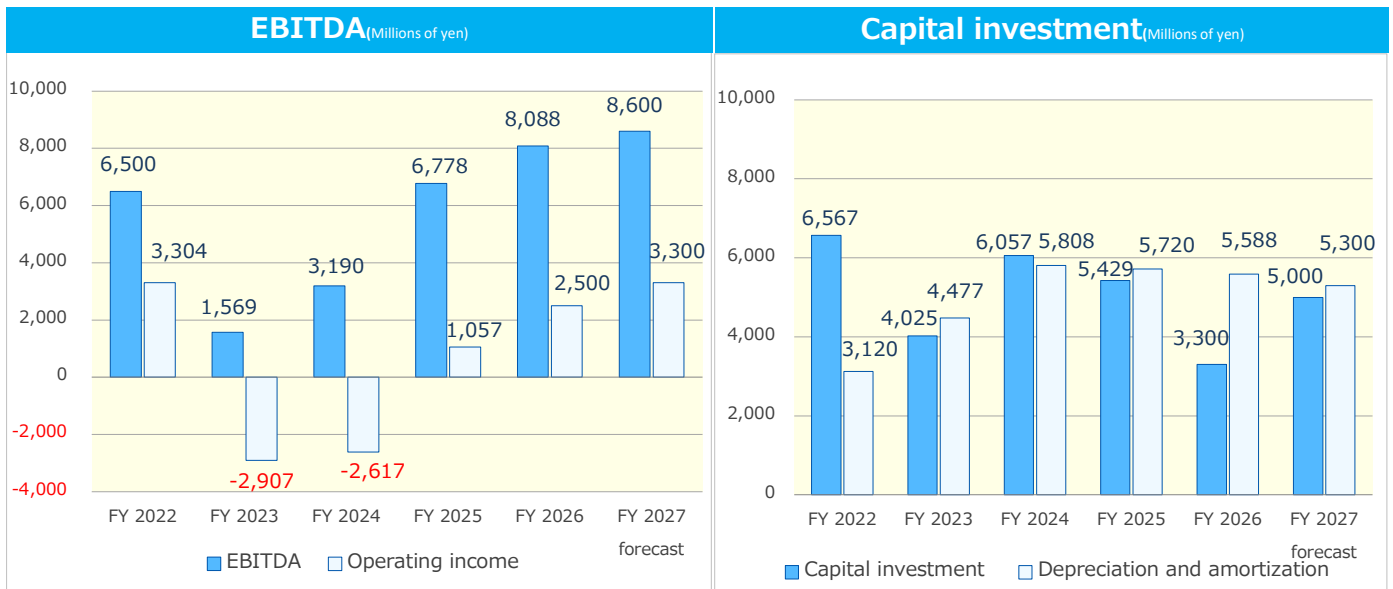
ARAKAWA CHEMICAL INDUSTRIES, LTD.

Achievement Transition (Consolidated)



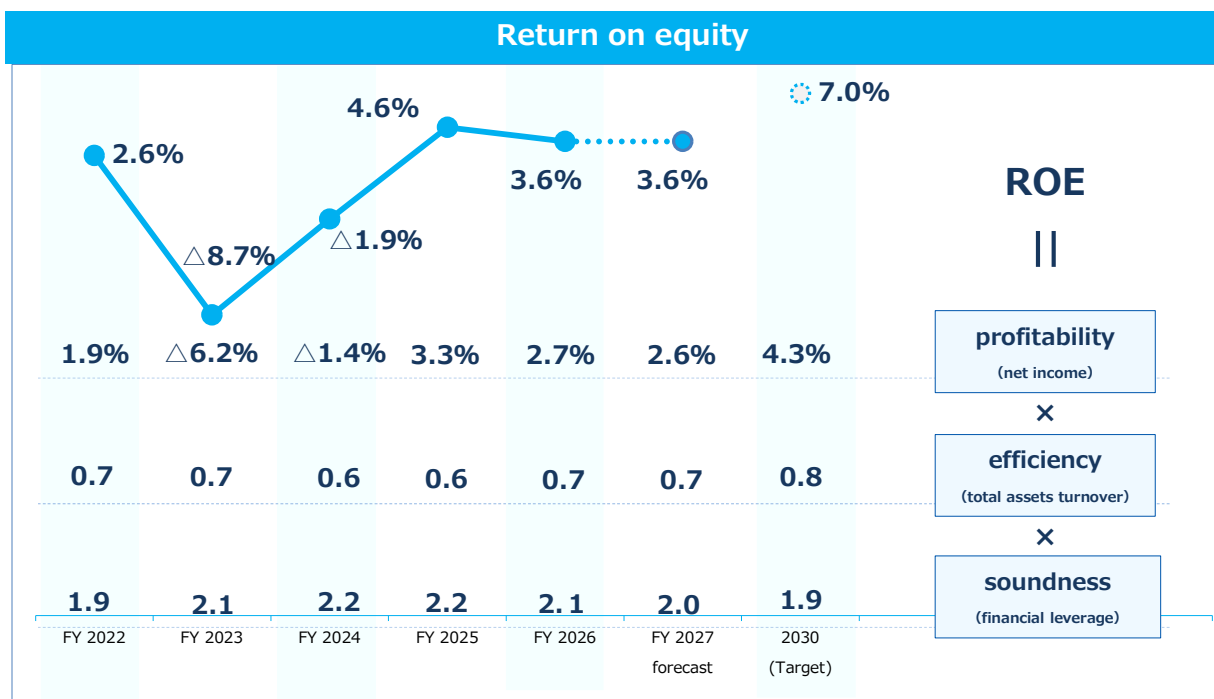
Consolidated	FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Net sales	80,515	14.1	79,431	△ 1.3	72,222	△ 9.1	80,236	11.1	82,135	2.4	87,000	5.9
Operating income	3,304	1.4	△ 2,907	—	△ 2,617	—	1,057	—	2,500	136.4	3,300	32.0
Ordinary income	3,566	△ 2.3	△ 2,687	—	△ 2,412	—	854	—	2,390	179.7	2,800	17.1
Profit attributable to owners of parent	1,502	△ 30.7	△ 4,941	—	△ 1,042	—	2,644	—	2,201	△ 16.8	2,250	2.2

Management index Transition



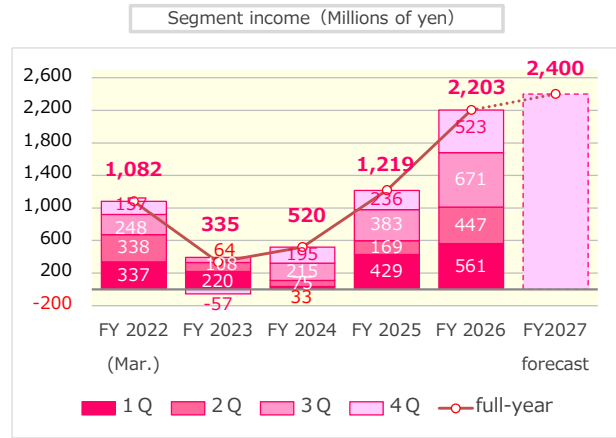
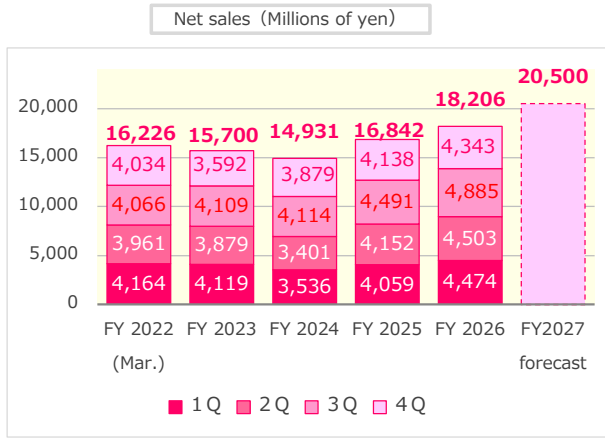
Consolidated	FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Capital investment	6,567	△ 11,991	4,025	△ 2,541	6,057	2,031	5,429	△ 627	3,300	△ 2,129	5,000	1,699
Depreciation	3,120	139	4,477	1,357	5,808	1,330	5,720	△ 87	5,588	△ 132	5,300	△ 288
R&D expenses	3,100	△ 147	3,024	△ 75	2,965	△ 59	3,058	93	3,043	△ 15	3,300	256
Interest-bearing debt	26,680	4,891	35,052	8,371	42,388	7,335	39,381	△ 3,007	40,624	1,243	40,500	△ 124
EBITDA	6,500	77	1,569	△ 4,931	3,190	1,621	6,778	3,587	8,088	1,310	8,600	511

[EBITDA] Operating profit before amortization = Operating profit + Depreciation expense + Amortization of goodwill

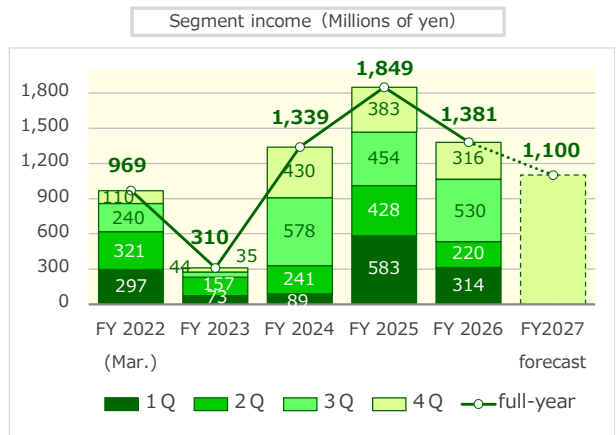
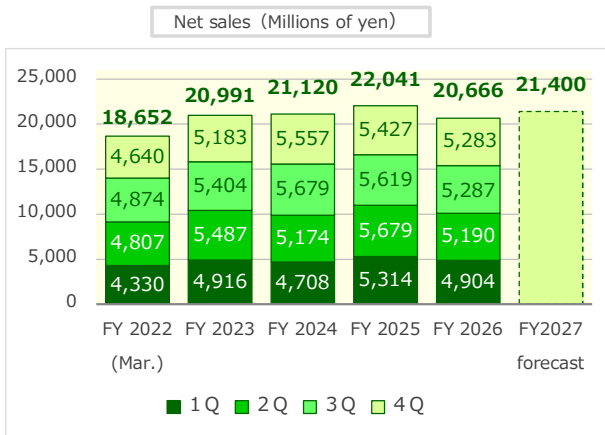


Segment Information (Consolidated)

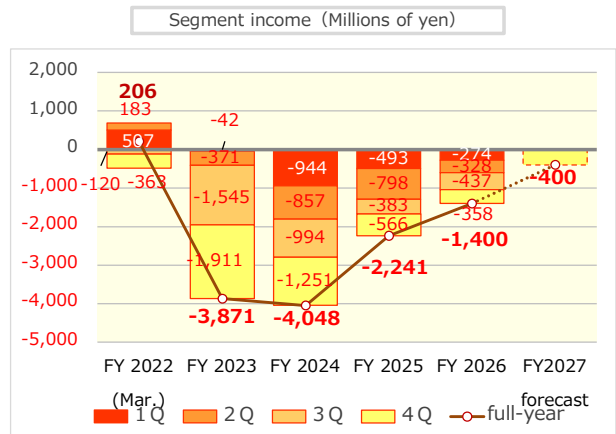
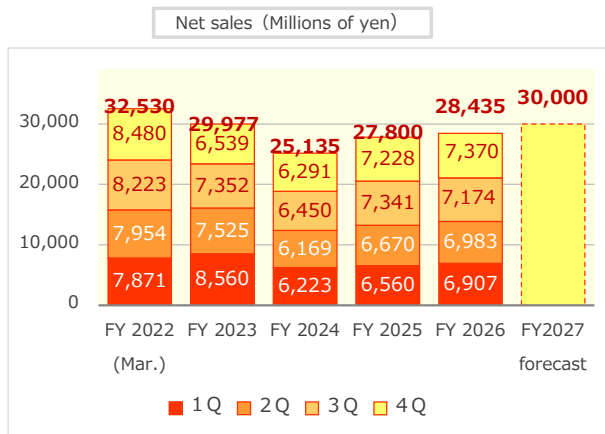
Functional Coating Chemicals



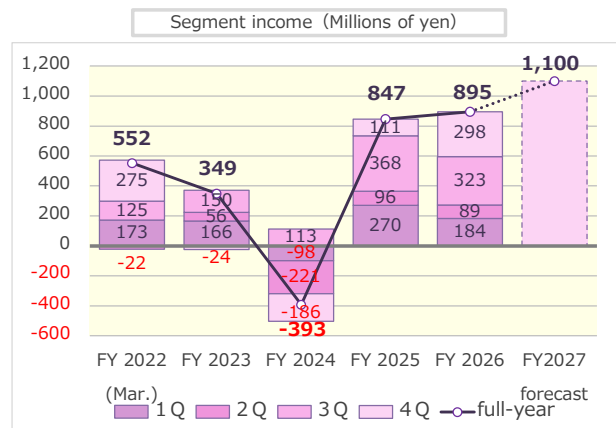
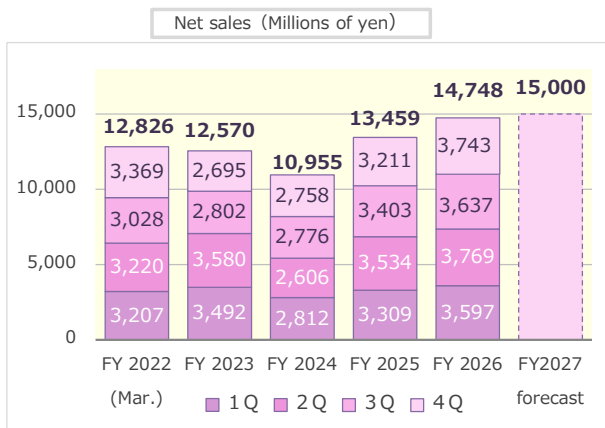
Paper Chemicals & Environmental Business



Adhesive & Biomass Materials



Fine Chemicals & Electronics



Segment Information (Consolidated)

Consolidated		FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027 forecast	
		Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Functional Coating Chemicals	Net sales ※1	16,226	7.1	15,700	△ 3.2	14,931	△ 4.9	16,842	12.8	18,206	8.1	20,500	12.6
	Segment income	1,082	△ 2.9	335	△ 69.0	520	55.2	1,219	134.2	2,203	80.6	2,400	8.9
	Segment income/sales	6.7%		2.1%		3.5%		7.2%		12.1%		11.7%	
Paper Chemicals & Environmental Business	Net sales ※1	18,652	9.1	20,991	12.5	21,120	0.6	22,041	4.4	20,666	△ 6.2	21,400	3.6
	Segment income	969	71.4	310	△ 67.9	1,339	330.9	1,849	38.1	1,381	△ 25.3	1,100	△ 20.4
	Segment income/sales	5.2%		1.5%		6.3%		8.4%		6.7%		5.1%	
Adhesive & Biomass Materials	Net sales ※1	32,530	26.1	29,977	△ 7.8	25,135	△ 16.2	27,800	10.6	28,435	2.3	30,000	5.5
	Segment income	206	△ 86.7	△ 3,871	-	△ 4,048	-	△ 2,241	-	△ 1,400	-	△ 400	-
	Segment income/sales	0.6%		△12.9%		△16.1%		△8.1%		△4.9%		△1.3%	
Fine Chemicals & Electronics	Net sales ※1	12,826	4.7	12,570	△ 2.0	10,955	△ 12.8	13,459	22.9	14,748	9.6	15,000	1.7
	Segment income	552	4.6	349	△ 36.7	△ 393	-	847	-	895	5.7	1,100	22.8
	Segment income/sales	4.3%		2.8%		△3.6%		6.3%		6.1%		7.3%	
Others	Net sales ※1	279	6.2	191	△ 31.4	80	△ 57.9	93	15.9	79	△ 15.1	100	25.9
	Segment income	45	72.8	42	△ 7.3	38	△ 7.3	56	46.1	40	△ 29.2	40	△ 0.7
	Segment income/sales	16.2%		22.0%		48.3%		60.8%		50.7%		40.0%	
Subtotal	Net sales ※1	80,515	14.1	79,431	△ 1.3	72,222	△ 9.1	80,236	11.1	82,135	2.4	87,000	5.9
	Segment income	2,855	△ 24.6	△ 2,832	-	△ 2,542	-	1,732	-	3,121	80.2	4,240	35.8
	Segment income/sales	3.5%		△3.6%		△3.5%		2.2%		3.8%		4.9%	
Consolidated total	Development Investment ※2	△ 437	-	△ 406	-	△ 408	-	△ 384	-	△ 496	-	△ 740	-
	Segment income	2,418	△ 29.1	△ 3,239	-	△ 2,950	-	1,347	-	2,625	94.8	3,500	33.3
	Segment income/sales	3.0%		△4.1%		△4.1%		1.7%		3.2%		4.0%	

※1 The sales of business segmentation do not include intersegment sales.

※2 Applied R&D and new business development expenses that will be the source of growth in the medium to long term.

[Functional Coating Chemicals] UV/EB curable resin, Resins for paint and printing ink, etc.

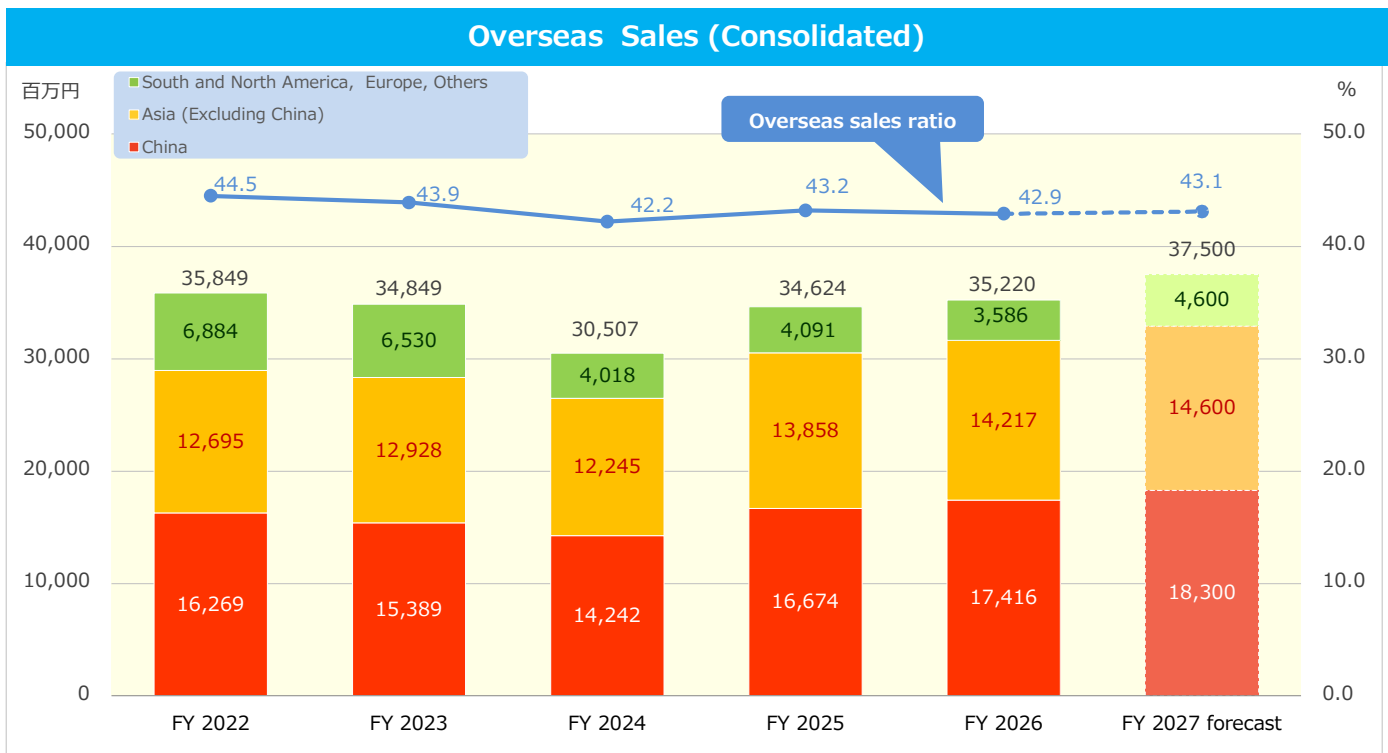
[Paper chemicals & Environmental Business] Paper strengthening agent, Sizing agent, New water-based polymer, etc.

[Adhesive & Biomass Materials] Hydrogenated hydrocarbon resin, Adhesive resin, Colorless rosin derivative, Synthetic rubber polymerization emulsifier, etc.

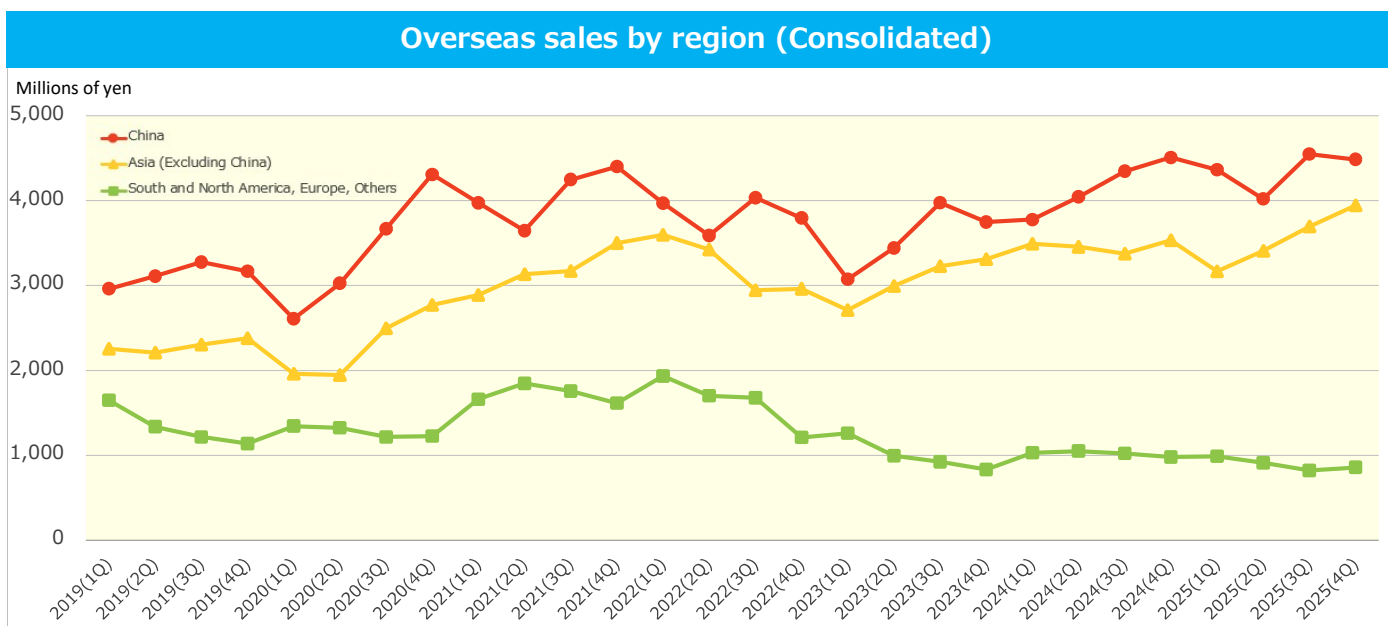
[Fine Chemicals & Electronics] Precise parts cleaning agent and Cleaning system and its peripheral equipment, Thermoplastic Polyimide Solution, Fine chemical Products, Compounded Products for electronic material, Polishing agent for hard disk substrates, etc.

[Others] Insurance business, Real estate management, Life Science, etc.

Overseas Sales (Consolidated)



Consolidated	FY 2022		FY 2023		FY 2024		FY 2025		FY 2026		FY 2027 forecast	
	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change	Millions of yen	% Change
Overseas sales	35,849	28.5	34,849	△ 2.8	30,507	△ 12.5	34,624	13.5	35,220	1.7	37,500	6.5
Overseas sales in Asia	28,965	27.1	28,318	△ 2.2	26,488	△ 6.5	30,533	15.3	31,634	3.6	32,900	4.0
Overseas sales in China	16,269	19.5	15,389	△ 5.4	14,242	△ 7.5	16,674	17.1	17,416	4.5	18,300	5.1
Overseas sales ratio	44.5%		43.9%		42.2%		43.2%		42.9%		43.1%	



Management Index(Consolidated)

	FY2022 (‘21/4-‘22/3)	FY2023 (‘22/4-‘23/3)	FY2024 (‘23/4-‘24/3)	FY2025 (‘24/4-‘25/3)	FY2026 (‘25/4-‘26/3)	FY2027 forecast (‘26/4-‘27/3)
Capital investment (Completion basis) (Millions of yen)	6,567	4,025	6,057	5,429	3,300	5,000
Capital investment (Cash flows basis) (Millions of yen)	6,423	6,116	6,857	4,517	3,795	4,500
Depreciation (Millions of yen)	3,120	4,477	5,808	5,720	5,588	5,300
Research and development expenses (Millions of yen)	3,100	3,024	2,965	3,058	3,043	3,300
Interest-bearing debt (Millions of yen)	26,680	35,052	42,388	39,381	40,624	40,500
Debt equity ratio (Times)	0.45	0.65	0.76	0.67	0.65	0.64
Total assets (Millions of yen)	117,739	119,035	125,418	122,297	126,059	128,000
Shareholders' equity and accumulated other comprehensive income (Millions of yen)	59,184	54,082	56,134	58,475	62,357	63,500
Shareholders' equity to total assets (%)	50.3	45.2	44.8	47.8	49.5	49.7
Return on equity (%)	2.6	△ 8.7	△ 1.9	4.6	3.6	3.6
Net profit to sales(%)	1.9	△ 6.2	△ 1.4	3.3	2.7	2.6
Total assets turnover (Times)	0.7	0.7	0.6	0.6	0.7	0.7
Financial Leverage (Times)	1.9	2.1	2.2	2.2	2.1	2.0
Operating profit to net sales (%)	4.1	△ 3.7	△ 3.6	1.3	3.0	3.8
Ordinary profit to net sales (%)	4.4	△ 3.4	△ 3.3	1.1	2.9	3.2
Earnings per share (Yen)	75.75	△ 249.08	△ 52.56	133.31	110.96	113.41
Book-value per share (Yen)	2,983.23	2,726.08	2,829.54	2,947.52	3,143.24	3,207.00
Price to earnings ratio (Times)	14.1	—	—	8.3	11.4	—
Annual dividends per share (Yen)	48.00	48.00	48.00	49.00	50.00	55.00
Payout ratio (%)	63.4	—	—	36.8	45.1	48.5
Number of employees	1,615	1,677	1,668	1,667	1,684	1,690

Balance Sheets (Consolidated)

	(Unit : Millions of yen) : Millions of yen)				
	FY2022 ('21/4-'22/3)	FY2023 ('22/4-'23/3)	FY2024 ('23/4-'24/3)	FY2025 ('24/4-'25/3)	FY2026 ('25/4-'26/3)
Assets					
◇ Current assets	62,477	62,799	64,159	62,264	64,897
Cash and deposits	10,374	11,140	11,578	9,431	10,595
Notes and accounts receivable-trade	25,713	23,461	25,683	25,884	25,847
Electronically recorded monetary claims - operating	1,953	1,965	2,504	2,258	2,358
Inventories	22,159	24,213	23,294	23,818	25,070
Other	2,392	2,129	1,215	997	1,140
Allowance for doubtful accounts	△ 115	△ 110	△ 116	△ 126	△ 114
◇ Noncurrent assets	53,895	54,331	59,332	58,500	60,027
• Property, plant and equipment	40,277	40,442	39,952	39,039	37,168
Buildings and structures	16,823	16,628	17,723	18,604	18,130
Machinery, equipment and vehicles	16,385	14,809	14,126	13,487	12,027
Land	4,994	4,993	4,996	5,007	5,017
Construction in progress	1,038	2,927	1,969	846	1,026
Other	1,035	1,083	1,136	1,092	966
• Intangible assets	1,851	1,678	1,529	1,374	1,180
• Investments and other assets	11,766	12,210	17,850	18,086	21,678
Investment securities	8,342	7,837	11,200	10,105	11,185
Net defined benefit asset	2,907	3,895	6,087	7,392	9,864
Deferred tax assets	267	231	286	288	207
Other	365	322	354	386	509
Allowance for doubtful accounts	△ 115	△ 75	△ 79	△ 86	△ 89
◇ Deferred assets	1,366	1,904	1,927	1,532	1,134
Business commencement expenses	1,366	1,904	1,927	1,532	1,134
Total assets	117,739	119,035	125,418	122,297	126,059
Liabilities					
◇ Current liabilities	36,474	42,113	43,406	37,608	46,110
Notes and accounts payable-trade	10,965	9,973	9,478	9,200	8,646
Electronically recorded obligations - operating	1,257	1,074	1,403	1,172	1,134
Short-term loans payable	12,965	19,645	18,512	18,319	22,716
Current portion of bonds	-	-	5,000	-	5,000
Income taxes payable	526	336	434	774	473
Accrued consumption taxes	54	67	100	52	256
Provision for bonuses	1,375	1,036	1,190	1,370	1,370
Provision for repairs	255	414	732	820	971
Notes payable - facilities	76	219	297	104	157
Other	8,996	9,346	6,256	5,792	5,384
◇ Noncurrent liabilities	18,686	20,412	25,093	27,451	20,708
Bonds payable	10,000	10,000	5,000	10,000	5,000
Long-term loans payable	3,715	5,407	13,875	11,061	7,907
Deferred tax liabilities	2,313	2,372	3,847	4,161	5,586
Provision for retirement benefits/Net defined benefit liability	300	298	299	259	261
Other	2,357	2,333	2,071	1,968	1,953
Total liabilities	55,160	62,526	68,500	65,060	66,819
Net assets					
◇ Shareholders' equity	52,512	46,618	44,623	46,315	47,524
Capital stock	3,343	3,343	3,343	3,343	3,343
Capital surplus	3,564	3,564	3,564	3,564	3,564
Retained earnings	46,816	40,922	38,927	40,619	41,829
Treasury stock	△ 1,211	△ 1,211	△ 1,211	△ 1,211	△ 1,211
◇ Accumulated other comprehensive income	6,671	7,464	11,511	12,159	14,832
Valuation difference on available-for-sale securities	3,334	2,933	5,173	4,384	5,507
Foreign currency translation adjustment	2,112	2,819	3,530	4,671	5,174
Remeasurements of defined benefit plans	1,225	1,710	2,807	3,103	4,150
◇ Minority interests	3,394	2,426	783	△ 1,237	△ 3,117
Total net assets	62,578	56,509	56,918	57,237	59,240
Total liabilities and net assets	117,739	119,035	125,418	122,297	126,059

Statements of Income (Consolidated)

(Unit : Millions of yen)

	FY2022 (‘21/4-‘22/3)	FY2023 (‘22/4-‘23/3)	FY2024 (‘23/4-‘24/3)	FY2025 (‘24/4-‘25/3)	FY2026 (‘25/4-‘26/3)
◇ Net sales	80,515	79,431	72,222	80,236	82,135
◇ Cost of sales	62,544	67,859	60,540	63,743	64,283
Gross profit	17,971	11,571	11,681	16,493	17,852
Selling, general and administrative expenses	14,667	14,479	14,299	15,436	15,352
Operating profit	3,304	△ 2,907	△ 2,617	1,057	2,500
◇ Non-operating income	967	935	821	752	836
Interest income	30	32	97	102	92
Dividends income	227	248	226	239	275
Rental income from real estate	96	93	49	57	57
Foreign exchange gains	329	413	172	151	61
Subsidy income	—	—	—	40	105
Insurance claim income	101	—	—	—	—
Other	182	148	274	160	244
◇ Non-operating expenses	704	715	615	955	945
Interest expenses	158	224	331	393	479
Bond issuance cost	27	—	—	24	—
Loss on investments in investment partnerships	11	0	67	28	—
Amortization of business commencement expenses	—	10	43	396	396
Provision for repairs	404	384	—	—	—
Other	102	93	173	112	70
Ordinary profit	3,566	△ 2,687	△ 2,412	854	2,390
◇ Extraordinary income	7	1,363	1,463	2,252	1,016
Gain on sales of noncurrent assets	4	1,059	5	984	2
Gain on sales of investment securities	3	303	511	1,268	1,013
Compensation income	—	—	431	—	—
Gain on reversal of asset retirement obligations	—	—	514	—	—
◇ Extraordinary loss	633	3,328	470	239	1,002
Loss on sales and retirement of noncurrent assets	283	284	462	239	209
Impairment losses	346	1,838	—	—	—
Loss on valuation of noncurrent assets	3	—	7	—	—
Loss on sale of investment securities	—	—	—	—	1
Loss on valuation of investment securities	0	0	—	—	166
Loss on liquidation of subsidiaries and associates	—	—	—	—	470
Loss on liquidation of business	—	1,205	—	—	—
Settlement	—	—	—	—	155
Profit before income taxes	2,941	△ 4,652	△ 1,418	2,867	2,404
Income taxes—current	1,022	828	996	1,418	1,237
Income taxes—deferred	110	54	△ 57	386	500
Profit attributable to non-controlling interests	305	△ 595	△ 1,314	△ 1,582	△ 1,535
Profit attributable to owners of parent	1,502	△ 4,941	△ 1,042	2,644	2,201

Statements of Cash Flows (Consolidated)

	(Unit : Millions of yen)				
	FY2022 (²¹ /4- ²² /3)	FY2023 (²² /4- ²³ /3)	FY2024 (²³ /4- ²⁴ /3)	FY2025 (²⁴ /4- ²⁴ /3)	FY2026 (²⁵ /4- ²⁶ /3)
I . Net cash provided by (used in) operating					
Profit before income taxes	2,941	△ 4,652	△ 1,418	2,867	2,404
Depreciation	3,120	4,477	5,808	5,720	5,588
Impairment losses	346	1,838	—	—	—
Amortization of business commencement expenses	—	10	43	396	396
Amortization of goodwill	76	—	—	—	—
Increase (decrease) in allowance for doubtful accounts	42	△ 54	2	5	△ 13
Increase (decrease) in provision for bonuses	△ 133	△ 348	144	164	△ 10
Increase (decrease) in provision for directors' bonuses	2	△ 58	—	27	7
Increase (decrease) in provision for retirement benefits	△ 2	△ 3	△ 0	△ 40	△ 0
Decrease (increase) in net defined benefit asset	△ 468	△ 988	△ 2,190	△ 1,301	△ 2,469
Increase (decrease) in provision for loss on business liquidation	—	1,155	△ 1,169	△ 59	—
Loss (gain) on sales and retirement of non-current assets	279	△ 775	456	△ 743	206
Loss on valuation of non-current assets	3	—	7	—	—
Loss (gain) on sales of investment securities	△ 3	△ 303	△ 511	△ 1,268	△ 1,012
Loss on valuation of investment securities	0	0	—	—	166
Loss on liquidation of subsidiaries and associates	—	—	—	—	470
Settlement	—	—	—	—	155
Loss (gain) on investments in investment partnerships	11	0	67	28	△ 28
Compensation income	—	—	△ 431	—	—
Gain on reversal of asset retirement obligations	—	—	△ 514	—	—
Interest and dividends income	△ 257	△ 280	△ 324	△ 342	△ 367
Interest expenses	186	224	331	393	479
Decrease (increase) in notes and accounts receivable-trade	△ 1,958	2,863	△ 2,281	627	175
Decrease (increase) in inventories	△ 3,665	△ 1,898	1,386	△ 124	△ 1,021
Increase (decrease) in notes and accounts payable-trade	2,206	△ 1,603	△ 435	△ 715	△ 693
Increase (decrease) in accrued consumption taxes	518	135	71	△ 15	284
Other, net	2,044	616	3,021	566	1,329
Sub-total	5,291	354	2,062	6,186	6,047
Interest and dividends income received	253	284	324	342	364
Interest expenses paid	△ 155	△ 218	△ 358	△ 372	△ 487
Settlement paid	—	—	—	—	△ 185
Income taxes (paid) refund	△ 1,399	△ 996	△ 871	△ 1,036	△ 1,562
Net cash provided by (used in) operating activities	3,989	△ 575	1,157	5,119	4,176
II . Net cash provided by (used in) investment activities					
Purchase of non-current assets	△ 6,423	△ 6,116	△ 6,857	△ 4,517	△ 3,795
Proceeds from sales of property, plant and equipment	8	1,231	14	773	4
Purchase of investment securities	△ 172	△ 247	△ 38	△ 303	△ 42
Proceeds from sales of investment securities	21	478	655	1,578	1,331
Purchase of shares of subsidiaries and associates	—	—	△ 305	—	△ 157
Payments for deferred assets	△ 742	△ 542	△ 64	—	—
Other, net	△ 91	△ 850	△ 543	△ 773	556
Net cash provided by (used in) investment activities	△ 7,401	△ 6,046	△ 7,140	△ 3,243	△ 2,103
III . Net cash provided by (used in) financing activities					
Net increase (decrease) in short-term loans payable	4,647	1,506	309	△ 243	4,364
Proceeds from long-term loans payable	—	7,109	12,162	405	—
Repayment of long-term loans payable	△ 132	△ 438	△ 5,503	△ 3,337	△ 3,215
Proceeds from issuance of bonds	4,972	—	—	4,975	—
Redemption of bonds	△ 5,000	—	—	△ 5,000	—
Purchase of treasury shares	△ 0	△ 0	△ 0	—	△ 0
Proceeds from share issuance to non-controlling shareholders	1,940	—	—	—	—
Cash dividends paid	△ 952	△ 952	△ 952	△ 952	△ 991
Dividends paid to non-controlling interests	△ 425	△ 448	△ 460	△ 537	△ 430
Other, net	△ 121	△ 110	△ 71	△ 14	△ 12
Net cash provided by (used in) financing activities	4,927	6,666	5,484	△ 4,704	△ 286
IV . Effect of exchange rate change on cash and cash equivalents	391	△ 7	376	97	192
V . Net increase (decrease) in cash and cash equivalents	1,907	36	△ 121	△ 2,730	1,978
VI . Cash and cash equivalents, beginning of term	7,342	9,250	9,286	9,164	6,434
VII . Cash and cash equivalents, end of term	9,250	9,288	9,164	6,434	8,413

Balance Sheets (Consolidated)

(Unit: Millions of yen)

Item	FY2025 (As of March 31, 2025)		FY2026 (As of March 31, 2026)		Increase /Decrease
	Amount	Composition ratio	Amount	Composition ratio	
(Assets)		%		%	
I Current assets					
1. Cash and deposits	9,431		10,595		1,164
2. Notes and accounts receivable - trade	25,884		25,847		△ 37
3. Electronically recorded monetary claims - operating	2,258		2,358		99
4. Merchandise and finished goods	12,619		13,351		731
5. Work in process	1,468		1,412		△ 55
6. Raw materials and supplies	9,730		10,306		575
7. Other	997		1,140		142
8. Allowance for doubtful accounts	△ 126		△ 114		11
Total current assets	62,264	50.9	64,897	51.5	2,632
II Non-current assets					
1. Property, plant and equipment					
(1) Buildings and structures, net	18,604		18,130		△ 474
(2) Machinery, equipment and vehicles, net	13,487		12,027		△ 1,460
(3) Land	5,008		5,017		8
(4) Construction in progress	846		1,026		180
(5) Other, net	1,092		966		△ 126
Total property, plant and equipment	39,039	31.9	37,168	29.5	△ 1,871
2. Intangible assets					
(1) Other	1,374		1,180		△ 193
Total intangible assets	1,374	1.1	1,180	0.9	△ 193
3. Investments and other assets					
(1) Investment securities	10,105		11,185		1,080
(2) Retirement benefit asset	7,392		9,864		2,472
(3) Deferred tax assets	288		207		△ 81
(4) Other	386		509		123
(5) Allowance for doubtful accounts	△ 86		△ 89		△ 2
Total investments and other assets	18,086	14.8	21,678	17.2	3,592
Total non-current assets	58,500	47.8	60,027	47.6	1,527
III Deferred assets					
1. Business commencement expenses	1,532		1,134		△ 397
Total deferred assets	1,532	1.3	1,134	0.9	△ 397
Total assets	122,297	100.0	126,059	100.0	3,762

(Unit: Millions of yen)

Item	FY2025 (As of March 31, 2025)		FY2026 (As of March 31, 2026)		Increase /Decrease
	Amount	Composition ratio	Amount	Composition ratio	
(Liabilities)		%		%	
I Current liabilities					
1. Notes and accounts payable - trade	9,200		8,646		△ 554
2. Electronically recorded obligations - operating	1,172		1,134		△ 38
3. Short-term borrowings	18,319		22,716		4,397
4. Current portion of bonds payable	-		5,000		5,000
5. Income taxes payable	774		473		△ 301
6. Accrued consumption taxes	52		256		203
7. Provision for bonuses	1,370		1,370		0
8. Provision for bonuses for directors (and other officers)	27		34		7
9. Provision for repairs	820		971		150
10. Provision for loss on business liquidation	56		62		6
11. Asset retirement obligations	26		-		△ 26
12. Notes payable - facilities	104		157		52
13. Other	5,682		5,287		△ 395
Total current liabilities	37,608	30.8	46,110	36.6	8,501
II Non-current liabilities					
1. Bonds payable	10,000		5,000		△ 5,000
2. Long-term borrowings	11,061		7,907		△ 3,153
3. Deferred tax liabilities	4,161		5,586		1,424
4. Retirement benefit liability	259		261		1
5. Asset retirement obligations	1,832		1,842		9
6. Other	135		111		△ 24
Total non-current liabilities	27,451	22.4	20,708	16.4	△ 6,742
Total liabilities	65,060	53.2	66,819	53.0	1,759
(Net assets)					
I Shareholders' equity					
1. Share capital	3,343		3,343		-
2. Capital surplus	3,564		3,564		-
3. Retained earnings	40,619		41,829		1,209
4. Treasury shares	△ 1,211		△ 1,211		△ 0
Total shareholders' equity	46,315	37.9	47,524	37.7	1,209
II Accumulated other comprehensive income					
1. Valuation difference on available-for-sale securities	4,384		5,507		1,123
2. Foreign currency translation adjustment	4,671		5,174		503
3. Remeasurements of defined benefit plans	3,103		4,150		1,046
Total accumulated other comprehensive income	12,159	9.9	14,832	11.8	2,673
III Non-controlling interests	△ 1,237	△ 1.0	△ 3,117	△ 2.5	△ 1,879
Total net assets	57,237	46.8	59,240	47.0	2,003
Total liabilities and net assets	122,297	100.0	126,059	100.0	3,762

Statements of Income (Consolidated)

(Unit : Millions of yen)

Item	FY2025 '24/4-'25/3		FY2026 '25/4-'26/3		Increase /Decrease	
	Amount	Ratio	Amount	Ratio	Amount	Rate of Change
I Net sales	80,236	100.0	82,135	100.0	1,898	2.4
II Cost of sales	63,743	79.4	64,283	78.3	540	0.8
Gross profit	16,493	20.6	17,852	21.7	1,358	8.2
III Selling, general and administrative expenses	15,436	19.2	15,352	18.7	△ 83	△ 0.5
Operating profit	1,057	1.3	2,500	3.0	1,442	136.4
IV Non-operating income						
Interest income	102		92		△ 10	
Dividend income	239		275		35	
Rental income from real estate	57		57		0	
Foreign exchange gains	151		61		△ 90	
Subsidy income	40		105		65	
Other	160		244		84	
Total non-operating income	752	1.0	836	1.0	84	11.2
V Non-operating expenses						
Interest expenses	393		479		85	
Bond issuance costs	24		-		△ 24	
Loss on investments in investment partnerships	28		-		△ 28	
Amortization of business commencement expenses	396		396		△ 0	
Other	112		70		△ 42	
Total non-operating expenses	955	1.2	945	1.1	△ 9	△ 1.0
Ordinary profit	854	1.1	2,390	2.9	1,536	179.7
VI Extraordinary income						
Gain on sale of non-current assets	984		2		△ 981	
Gain on sale of investment securities	1,268		1,013		△ 254	
Total extraordinary income	2,252	2.8	1,016	1.2	△ 1,235	△ 54.9
VII Extraordinary losses						
Loss on sale and retirement of non-current assets	239		209		△ 30	
Loss on sale of investment securities	-		1		1	
Loss on valuation of investment securities	-		166		166	
Loss on liquidation of subsidiaries and associates	-		470		470	
Settlement	-		155		155	
Total extraordinary losses	239	0.3	1,002	1.2	762	317.9
Profit before income taxes	2,867	3.6	2,404	2.9	△ 462	△ 16.1
Income taxes - current	1,418		1,237		△ 180	
Income taxes - deferred	386		500		114	
Income taxes	1,805	2.3	1,738	2.1	△ 66	△ 3.7
Profit	1,062	1.3	666	0.8	△ 396	△ 37.3
Profit(Loss) attributable to non-controlling interests	△ 1,582	△ 2.0	△ 1,535	△ 1.9	46	-
Profit attributable to owners of parent	2,644	3.3	2,201	2.7	△ 443	△ 16.8

<Reference> Statements of Comprehensive Income (Consolidated)

Profit	1,062		666		△ 396	△ 37.3
Other comprehensive income						
Valuation difference on available-for-sale securities	△ 789		1,123		1,913	
Foreign currency translation adjustment	1,237		587		△ 650	
Remeasurements of defined benefit plans, net of tax	298		1,048		750	
Total other comprehensive income	746		2,759		2,013	
Comprehensive income	1,808		3,425		1,617	89.4

Statements of Cash Flows (Consolidated)

(Unit : Millions of yen)

Item	FY2025	FY2026	Increase /Decrease
	'24/4-'25/3	'25/4-'26/3	
	Amount	Amount	
I Cash flows from operating activities			
Profit before income taxes	2,867	2,404	△ 462
Depreciation	5,720	5,588	△ 132
Amortization of business commencement expenses	396	396	△ 0
Increase (decrease) in allowance for doubtful accounts	5	△ 13	△ 19
Increase (decrease) in provision for bonuses	164	△ 10	△ 174
Increase (decrease) in provision for bonuses for directors (and other officers)	27	7	△ 20
Increase (decrease) in retirement benefit liability	△ 40	△ 0	40
Decrease (increase) in retirement benefit asset	△ 1,301	△ 2,469	△ 1,167
Increase (decrease) in provision for loss on business liquidation	△ 59	-	59
Loss (gain) on sale and retirement of non-current assets	△ 743	206	950
Loss (gain) on sale of investment securities	△ 1,268	△ 1,012	255
Loss on valuation of investment securities	-	166	166
Loss on liquidation of subsidiaries and associates	-	470	470
Settlement	-	155	155
Loss (gain) on investments in investment partnerships	28	△ 28	△ 56
Interest and dividend income	△ 342	△ 367	△ 25
Interest expenses	393	479	85
Decrease (increase) in trade receivables	627	175	△ 452
Decrease (increase) in inventories	△ 124	△ 1,021	△ 896
Increase (decrease) in trade payables	△ 715	△ 693	21
Increase (decrease) in accrued consumption taxes	△ 15	284	299
Other	566	1,329	763
Subtotal	6,186	6,047	△ 138
Interest and dividends received	342	364	21
Interest paid	△ 372	△ 487	△ 114
Settlement paid	-	△ 185	△ 185
Income taxes refund (paid)	△ 1,036	△ 1,562	△ 525
Net cash provided by (used in) operating activities	5,119	4,176	△ 942
II Cash flows from investing activities			
Decrease (increase) in time deposits	△ 471	872	1,343
Purchase of property, plant and equipment	△ 4,407	△ 3,680	726
Proceeds from sale of property, plant and equipment	773	4	△ 768
Purchase of investment securities	△ 303	△ 42	260
Proceeds from sale of investment securities	1,578	1,331	△ 246
Purchase of intangible assets	△ 110	△ 114	△ 3
Purchase of shares of subsidiaries and associates	-	△ 157	△ 157
Decrease (increase) in investments and other assets	△ 9	△ 106	△ 97
Other	△ 292	△ 209	83
Net cash provided by (used in) investing activities	△ 3,243	△ 2,103	1,139
III Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	△ 243	4,364	4,607
Proceeds from long-term borrowings	405	-	△ 405
Repayments of long-term borrowings	△ 3,337	△ 3,215	121
Proceeds from issuance of bonds	4,975	-	△ 4,975
Redemption of bonds	△ 5,000	-	5,000
Purchase of treasury shares	-	△ 0	△ 0
Dividends paid	△ 952	△ 991	△ 39
Dividends paid to non-controlling interests	△ 537	△ 430	106
Other	△ 14	△ 12	2
Net cash provided by (used in) financing activities	△ 4,704	△ 286	4,417
IV Effect of exchange rate change on cash and cash equivalents	97	192	94
V Net increase (decrease) in cash and cash equivalents	△ 2,730	1,978	4,709
VI Cash and cash equivalents at beginning of period	9,164	6,434	△ 2,730
VII Cash and cash equivalents at end of period	6,434	8,413	1,978