Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

October 31, 2022

Company name: ICHINEN HOLDINGS CO., LTD

Stock exchange listing: Tokyo

Stock code: 9619 URL https://www.ichinenhd.co.jp

Representative: President Masashi Kuroda

Director

Executive Officer

Inquiries:

Hisako Imoto
TEL 06-6309-7890

G I DI : D

General Planning Dept.

Scheduled date to file Quarterly Securities Report: November 14, 2022 Scheduled date to commence dividend payments: November 30, 2022

Preparation of supplementary material on quarterly financial results: Yes Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2022	61,772	4.6	4,916	4.1	5,138	7.2	3,226	5.3
Six months ended September 30, 2021	59,047	8.9	4,721	31.8	4,791	31.9	3,064	312.3

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	134.54	134.41
Six months ended September 30, 2021	126.41	125.97

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2022	170,592	46,316	27.1	1,925.11
As of March 31, 2022	168,507	43,673	25.9	1,819.55

2. Cash dividends

		Annual dividends per share							
	1st quarter-end	1st quarter-end 2nd quarter-end 3rd quarter-end Fiscal year-end Total							
	Yen	Yen	Yen	Yen	Yen				
Year ended March 31, 2022	-	23.00	_	23.00	46.00				
Year ending March 31, 2023	-	25.00							
Year ending March 31, 2023 (Forecast)			-	23.00	48.00				

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributa owners of pa		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	122,000	1.1	7,660	(11.2)	7,700	(11.8)	4,880	(13.6)	203.78

4. Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2022 (changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: No

(3) 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

(4) Number of issued shares (common shares)

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

Total number of issued shares at the end of the period (including treasury shares)							
As of September 30, 2022	24,262,227 shares	As of March 31, 2022	24,262,227 shares				
Number of treasury shares at the end of the period							
As of September 30, 2022	209,376 shares	As of March 31, 2022	314,336 shares				
Average number of shares during the period (cumulative from the beginning of the fiscal year)							
Six months ended September 30, 2022	23,982,851 shares	Six months ended September 30, 2021	24,240,646 shares				

Quarterly consolidated financial statements Consolidated balance sheets

(Millions of yen)

	A £M 1 21 2022	(Willions of yen)
	As of March 31, 2022	As of September 30, 2022
ssets		
Current assets	11.020	11 272
Cash and deposits	11,038	11,373
Notes and accounts receivable - trade	15,825	14,540
Electronically recorded monetary claims - operating	4,441	4,021
Accounts receivable-leasing business and maintenance	2,497	2,613
business	21.026	22.440
Investments in leases	21,936	23,410
Merchandise and finished goods	8,173	9,197
Work in process	869	1,101
Raw materials and supplies	1,442	1,876
Prepaid expenses	2,407	3,361
Other	3,218	3,565
Allowance for doubtful accounts	(44)	(47)
Total current assets	71,806	75,016
Non-current assets		
Property, plant and equipment		
Assets for lease	136,375	137,622
Accumulated depreciation	(75,494)	(77,763
Assets for lease,net	60,881	59,858
Land	10,835	10,831
Other	29,126	29,674
Accumulated depreciation	(14,913)	(15,497
Other, net	14,212	14,176
Total property, plant and equipment	85,930	84,866
Intangible assets		<u> </u>
Goodwill	947	823
Other	445	659
Total intangible assets	1,392	1,483
Investments and other assets	1,372	1,100
Investment securities	4,690	4,586
Long-term prepaid expenses	1,685	1,640
Deferred tax assets	1,089	1,138
Other	1,967	1,904
Allowance for doubtful accounts		
	(117)	(95
Total investments and other assets	9,316	9,174
Total non-current assets	96,638	95,523
Deferred assets	61	52
Total assets	168,507	170,592

Description Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for directors (and other officers) Provision for retirement benefits for dire		As of March 31, 2022	As of September 30, 2022
Current liabilities Notes and accounts payable - trade 13,542 12,388 Electronically recorded obligations - operating 4,488 3,927 Short-term borrowings 4,350 4,300 Commercial papers 3,500 260 Current portion of londs payable 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance 491 485 business 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 5,885 Non-current liabilities 52,386 54,174 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefits for directors (and other officers) 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Other 610 637 7 Total inb	Liabilities	- , -	1 227
Notes and accounts payable - trade 13,542 12,388 Electronically recorded obligations - operating 4,488 3,927 Short-term borrowings 3,500 3,500 Current portion of bonds payable 260 260 Current portion of long-term borrowings 20,042 20,746 Lease fishilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance 491 485 business 94 1,044 Reserve for quality assurance 9 1,01 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 7 4 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 <t< td=""><td></td><td></td><td></td></t<>			
Electronically recorded obligations - operating 4,486 3,927 Short-term borrowings 4,350 4,300 Commercial papers 3,500 260 Current portion of bonds payable 260 260 Current portion of long-term borrowings 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance 491 485 business 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 30,858 Non-current liabilities 7 4 Bonds payable 16,490 16,360 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Other 610 637 7 Asset retirement obligations 489 517		13,542	12,388
Short-term borrowings 4,350 3,500 Commercial papers 3,500 3,500 Current portion of bonds payable 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,855 Non-current liabilities 16,490 16,560 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Other 610 637 Total non-current liabilities 12,294 73,890 Total substitute 1,252 2,529 Share capital 2,529 2,529 Capita			
Commercial papers 3,500 3,500 Current portion of bonds payable 260 260 Current portion of long-term borrowings 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 16,490 16,360 Long-term borrowings 52,886 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 16 60 Asset retirement obligations 489 517 Other 610 637 Total inbilities 72,204 73,890 Total liabilities 12,252 2,529			
Current portion of long-term borrowings 260 260 Current portion of long-term borrowings 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 7 4 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefits for directors (and other officers) 186 Asset retirement obligations 489 517 Other 610 637 Total liabilities 72,204 73,890 Total liabilities 12,252 2,529 Share capital 2,529 2,529 Capital surplus 1,805		3,500	3,500
Current portion of long-term borrowings 20,042 20,746 Lease liabilities 12 11 Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Other 610 637 Total non-current liabilities 72,204 73,890 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained carnings 38,201 40,860 Teasury shares (36) (260	260
Income taxes payable 2,578 1,830 Advances received-leasing business and maintenance business 491 485 business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 8 52,629 50,385 Non-current liabilities 8 52,629 50,385 Non-current liabilities 8 52,629 50,385 Non-current liabilities 7 4 61,690 16,360 Lease liabilities 7 4 7 4 7 4 7 4 7 4 8 61,610 636 54,174 4 8 610 610 637 7 4 8 7 7 4 8 7 7 4 8 9 517 9 2,517 9 2,529 2,529		20,042	20,746
Advances received-leasing business and maintenance business 491 485 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 32,629 50,385 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total inbilities 2,529 2,529 Capital surplus 2,529 2,529 Capital surplus 38,201 40,860 Teasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulat	Lease liabilities	12	11
business 491 488 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,099 1,881 Total current liabilities 52,629 50,388 Non-current liabilities 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total inon-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets 2,529 2,529 Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,	Income taxes payable	2,578	1,830
business 944 1,044 Provision for bonuses 944 1,044 Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 32,629 50,385 Non-current liabilities 8 50,600 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total inon-current liabilities 72,204 73,890 Total liabilities 2,529 2,529 Net assets 2 2,529 Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) <	Advances received-leasing business and maintenance	401	405
Reserve for quality assurance 9 10 Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities 32,386 54,174 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total birabilities 72,204 73,890 Net assets Share capital 2,529 2,529 Share capital 2,529 2,529 2,529 Capital surplus 1,805 1,805 1,805 Retained earnings 38,201 40,860 245 Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income <	business	491	485
Other 2,409 1,881 Total current liabilities 52,629 50,385 Non-current liabilities	Provision for bonuses	944	1,044
Total current liabilities 52,629 50,385 Non-current liabilities 16,490 16,360 Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total labilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained carnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Valuation difference on available-for-sale securities 1,338 1,284 Foreign currency translation adjustment <	Reserve for quality assurance	9	10
Non-current liabilities Incomposition of the properties of the	Other	2,409	1,881
Bonds payable 16,490 16,360 Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income <t< td=""><td>Total current liabilities</td><td>52,629</td><td>50,385</td></t<>	Total current liabilities	52,629	50,385
Long-term borrowings 52,386 54,174 Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354	Non-current liabilities		
Lease liabilities 7 4 Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 4	Bonds payable	16,490	16,360
Retirement benefit liability 1,999 2,011 Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Shareholders' equity 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Long-term borrowings	52,386	54,174
Provision for retirement benefits for directors (and other officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Lease liabilities	7	4
officers) 220 186 Asset retirement obligations 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Retirement benefit liability	1,999	2,011
officers) 489 517 Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Provision for retirement benefits for directors (and other	220	106
Other 610 637 Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	officers)	220	100
Total non-current liabilities 72,204 73,890 Total liabilities 124,834 124,276 Net assets Shareholders' equity Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Asset retirement obligations	489	517
Total liabilities 124,834 124,276 Net assets Shareholders' equity \$\$\$\$ Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Other	610	637
Net assets Shareholders' equity Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Total non-current liabilities	72,204	73,890
Shareholders' equity 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Total liabilities	124,834	124,276
Share capital 2,529 2,529 Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Net assets		
Capital surplus 1,805 1,805 Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Shareholders' equity		
Retained earnings 38,201 40,860 Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income Valuation difference on available-for-sale securities 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Share capital	2,529	2,529
Treasury shares (368) (245) Total shareholders' equity 42,166 44,949 Accumulated other comprehensive income Valuation difference on available-for-sale securities 1,338 1,284 Deferred gains or losses on hedges 16 16 Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Capital surplus	1,805	1,805
Total shareholders' equity Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Total accumulated other comprehensive income Share acquisition rights Total net assets 42,166 44,949 42,166 44,949 42,166 44,949 42,166 44,949 46,949 46,949 47,678 44,949 44,949 46,9	Retained earnings	38,201	40,860
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 Share acquisition rights Total net assets 1,338 1,284 16 16 16 17 17 17 17 17 17 17	Treasury shares	(368)	(245)
Valuation difference on available-for-sale securities1,3381,284Deferred gains or losses on hedges1616Foreign currency translation adjustment7272Remeasurements of defined benefit plans(20)(18)Total accumulated other comprehensive income1,4071,354Share acquisition rights9811Total net assets43,67346,316	Total shareholders' equity	42,166	44,949
Deferred gains or losses on hedges1616Foreign currency translation adjustment7272Remeasurements of defined benefit plans(20)(18)Total accumulated other comprehensive income1,4071,354Share acquisition rights9811Total net assets43,67346,316	Accumulated other comprehensive income		
Foreign currency translation adjustment 72 72 Remeasurements of defined benefit plans (20) (18) Total accumulated other comprehensive income 1,407 1,354 Share acquisition rights 98 11 Total net assets 43,673 46,316	Valuation difference on available-for-sale securities	1,338	1,284
Remeasurements of defined benefit plans(20)(18)Total accumulated other comprehensive income1,4071,354Share acquisition rights9811Total net assets43,67346,316	Deferred gains or losses on hedges	16	16
Total accumulated other comprehensive income1,4071,354Share acquisition rights9811Total net assets43,67346,316	Foreign currency translation adjustment	72	72
Share acquisition rights 98 11 Total net assets 43,673 46,316	Remeasurements of defined benefit plans	(20)	(18)
Total net assets 43,673 46,316	Total accumulated other comprehensive income	1,407	1,354
<u> </u>	Share acquisition rights	98	11
Total liabilities and net assets 168,507 170,592	Total net assets	43,673	46,316
	Total liabilities and net assets	168,507	170,592

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

		(Millions of yen)
	Six months ended	Six months ended
	September 30, 2021	September 30, 2022
Net sales	59,047	61,772
Cost of sales	45,603	47,550
Gross profit	13,443	14,221
Selling, general and administrative expenses		
Remuneration for directors (and other officers)	502	573
Salaries, allowances and bonuses	2,973	3,081
Provision for bonuses	745	797
Retirement benefit expenses	147	152
Provision for retirement benefits for directors (and other	14	15
officers)	11	13
Provision of allowance for doubtful accounts	(3)	(1)
Provision for quality assurance	3	1
Amortization of goodwill	123	123
Other	4,216	4,562
Total selling, general and administrative expenses	8,722	9,305
Operating profit	4,721	4,916
Non-operating income		
Dividend income	48	61
Purchase discounts	28	27
Foreign exchange gains	0	124
Other	53	78
Total non-operating income	131	291
Non-operating expenses		
Interest expenses	28	34
Commission expenses	13	12
Other	18	23
Total non-operating expenses	60	70
Ordinary profit	4,791	5,138
Extraordinary income		·
Gain on sale of non-current assets	2	0
Gain on sale of investment securities	2	_
Total extraordinary income	4	0
Extraordinary losses	·	
Loss on sale and retirement of non-current assets	61	25
Loss on sale of investment securities	0	0
Loss on valuation of investment securities	_	47
Loss on disaster	_	38
Total extraordinary losses	61	111
Profit before income taxes	4,735	5,026
Income taxes - current	1,927	1,844
Income taxes - deferred	(257)	(44)
Total income taxes	1,670	1,799
Profit	3,064	3,226
Profit attributable to owners of parent	3,064	3,226

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

		(initiality of join)
	Six months ended	Six months ended
	September 30, 2021	September 30, 2022
Profit	3,064	3,226
Other comprehensive income		
Valuation difference on available-for-sale securities	(112)	(54)
Deferred gains or losses on hedges	(1)	(0)
Foreign currency translation adjustment	29	0
Remeasurements of defined benefit plans, net of tax	1	1
Total other comprehensive income	(83)	(52)
Comprehensive income	2,981	3,173
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,981	3,173

Consolidated statements of cash flows

(Millions of yen)

		(Millions of yen)
	Six months ended	Six months ended
	September 30, 2021	September 30, 2022
Cash flows from operating activities		
Profit before income taxes	4,735	5,026
Depreciation	8,353	8,580
Amortization of goodwill	123	123
Increase (decrease) in allowance for doubtful accounts	(52)	(4
Interest and dividend income	(50)	(62
Interest expenses	28	34
Loss (gain) on sale and retirement of non-current assets	59	20
Decrease (increase) in trade receivables	18	1,715
Decrease (increase) in inventories	(293)	(1,563
Net Decrease (increase) in lease investment assets	(822)	(1,697
Decrease(Increase) in lease business assets	(7,566)	(6,495
Increase (decrease) in trade payables	(1,800)	(1,641
Interest and dividends received	49	60
Interest paid	(14)	(6
Income taxes paid	(608)	(2,824
Income taxes refund	172	1
Other, net	(1,295)	(1,730
Net cash provided by (used in) operating activities	1,036	(463
Cash flows from investing activities	7	(11
Purchase of property, plant and equipment and intangible		
assets	(841)	(1,063
Proceeds from sale of property, plant and equipment and		
intangible assets	5	5
Payments for retirement of non-current assets	(41)	(10
Purchase of investment securities	(15)	(21
Proceeds from sale of investment securities	28	0
Other, net	33	(86
Net cash provided by (used in) investing activities	(831)	•
	(831)	(1,175
Cash flows from financing activities	(4.000)	(50
Repayments of short-term borrowings	(4,000)	(50
Net increase (decrease) in commercial papers	(2,000)	- 12 200
Proceeds from long-term borrowings	14,400	13,300
Repayments of long-term borrowings	(11,474)	(10,808
Proceeds from issuance of bonds	9,951	-
Redemption of bonds	(5,130)	(130
Repayments of lease liabilities	(4)	(3
Dividends paid	(485)	(550
Other, net	(452)	94
Net cash provided by (used in) financing activities	804	1,851
Effect of exchange rate change on cash and cash equivalents	18	29
Net increase (decrease) in cash and cash equivalents	1,029	242
Cash and cash equivalents at beginning of period	11,984	10,890
Cash and cash equivalents at end of period	13,013	11,133