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Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

November 11, 2022

Company name: RHEON AUTOMATIC MACHINERY CO., LTD. Stock exchange listing: Tokyo Code number: 6272 URL: https://www.rheon.com Representative: Mikio Kobayashi President & C.E.O. Contact: Tadao Fukuda Managing Operating Officer Phone: 028-665-1111 Scheduled date of filing quarterly securities report: November 14, 2022 Scheduled date of commencing dividend payments: December 12, 2022 Availability of supplementary briefing material on quarterly financial results: Yes Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

					` *				
(1) Consolidated Operating Results (% indicates changes from the previous corresponding per						onding perio			
Net sales		Operating profit		Ordinary profit		rofit	Profit attributable to		
	INCI Sale	5	Operating profit		Orumary profit		JOIN	owners of parent	
Six months ended	Million yen	%	Million yen	%	Milli	on yen	%	Million yen	%
September 30, 2022	17,337	36.6	853	9.1		992	19.4	821	5.6
September 30, 2021	12,691	11.2	782	(26.3)		830	(29.4)	777	(49.0)
(Note) Comprehensive income:	Six month	is ended S	eptember 30, 2	2022:	¥	2,	176 million	n [139.	4%]
	Six month	is ended S	eptember 30, 2	2021:	¥	(908 million	n [(39.4)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	30.63	30.56
September 30, 2021	29.02	28.95

(2) Consolidated Financial Position

		Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of		Million yen	Million yen	%	Yen
September 30, 2022		39,164	30,348	77.3	1,129.14
March 31, 2022		36,651	28,377	77.2	1,055.92
(Reference) Equity:	As of	September 30, 2022:	¥ 30,2	69 million	
	As of	March 31, 2022:	¥ 28,3	03 million	

2. Dividends

	Annual dividends								
	1st quarter-end	Year-end Total							
	Yen	Yen	Yen	Yen	Yen				
Fiscal year ended March 31, 2022	-	8.00	-	8.00	16.00				
Fiscal year ending March 31, 2023	-	12.00							
Fiscal year ending March 31, 2023 (Forecast)			-	12.00	24.00				

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sale	s	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	31,420 18.2 2,540 131.0 2,550 73.7 2,190 47.3 81.70						81.70		
(Note) Revision to the financial results forecast announced most recently: No									

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022	
(changes in specified subsidiaries resulting in changes in scope of consolidation):	No

(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, 2022: 28,392,000 shares March 31, 2022: 28,392,000 shares

2) Total number of treasury shares at the end of the period:						
September 30, 2022:	1,584,174 shares					
March 31, 2022:	1,587,157 shares					

3) Average number of shares during the period:	
Six months ended September 30, 2022:	26,807,127 shares
Six months ended September 30, 2021:	26,801,123 shares

(Thousand yen)

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	10,000,186	9,628,429
Notes and accounts receivable - trade	2,330,771	3,874,99
Merchandise and finished goods	4,474,788	4,995,55
Work in process	1,675,657	1,752,48
Raw materials and supplies	431,829	471,38
Other	903,724	728,89
Allowance for doubtful accounts	(24,604)	(23,35
Total current assets	19,792,353	21,428,38
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,340,529	16,291,15
Accumulated depreciation	(8,077,671)	(8,760,51
Buildings and structures, net	7,262,857	7,530,64
- Machinery, equipment and vehicles	8,516,409	9,631,52
Accumulated depreciation	(7,112,203)	(8,165,55
- Machinery, equipment and vehicles, net	1,404,205	1,465,96
Tools, furniture and fixtures	1,964,886	2,048,81
Accumulated depreciation	(1,819,455)	(1,887,63
Tools, furniture and fixtures, net	145,431	161,17
Land	3,908,191	4,037,20
Leased assets	45,286	5,45
Accumulated depreciation	(44,203)	(1,92
Leased assets, net	1,082	3,52
- Construction in progress	241,252	597,02
Total property, plant and equipment	12,963,021	13,795,54
Intangible assets	1,237,879	1,104,97
Investments and other assets		
Investment securities	975,683	1,104,82
Retirement benefit asset	1,454,691	1,491,68
Other	233,886	243,16
Allowance for doubtful accounts	(5,581)	(3,96
- Total investments and other assets	2,658,680	2,835,70
Total non-current assets	16,859,580	17,736,22
- Total assets	36,651,934	39,164,61

(Thousand yen)

Short-term borrowings 703,678 793,66 Lease liabilities 583 1.1. Accrued expenses 594,887 643,88 Income taxes payable 422,950 388,52 Advances received 1,936,308 2,078,2 Provision for bonuses 600,348 738,50 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,77 Total current liabilities 6,274,914 7,0000 Non-current liabilities 571 2,77 Long-term borrowings 1,362,927 1,210,56 Lease liabilities 571 2,77 Deferred tax liabilities 204,669 171,44 Deferred tax liabilities 36,226 36,223 Other 48,078 47,77 Total non-current liabilities 8,274,437 8,815,8 Net assets 31,5579,255 16,185,92 Share capital 7,05,427 7,078,33 Retai		As of March 31,2022	As of September 30,2022
Notes and accounts payable - trade 1,143,424 1,593,44 Short-term borrowings 703,678 793,66 Lease liabilities 583 1,1 Accrued expenses 594,487 643,38 Income taxes payable 422,950 388,52 Advances received 1,936,308 2.078,2 Provision for bonuses for directors (and other officers) 2,500 8,44 Accruents payable - other 643,548 614,33 Other 226,682 139,7 Total current liabilities 6,274,914 7,000,0 Non-current liabilities 571 2,7 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 448,078 47,77 Total liabilities 8,15,8 8,15,8 Net asset 36,266 36,22 Other 48,078 47,77 Deferred tax liabilities 1,999,523 1,815,80 Total liabilities 36,266 36,22	Liabilities		
Short-term borrowings 703,678 793,66 Lease liabilities 583 1.1. Accrued expenses 594,887 643,88 Income taxes payable 422,950 388,52 Advances received 1,936,308 2,078,2 Provision for bonuses 600,348 738,50 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,77 Total current liabilities 6,274,914 7,0000 Non-current liabilities 571 2,77 Long-term borrowings 1,362,927 1,210,56 Lease liabilities 571 2,77 Deferred tax liabilities 204,669 171,44 Deferred tax liabilities 36,226 36,223 Other 48,078 47,77 Total non-current liabilities 8,274,437 8,815,8 Net assets 31,5579,255 16,185,92 Share capital 7,05,427 7,078,33 Retai	Current liabilities		
Lease liabilities 583 1,14 Accrued expenses 594,887 643,88 Income taxes payable 422,950 388,55 Advances received 1,936,308 2,078,27 Provision for bonuses 600,348 788,55 Provision for bonuses for directors (and other officers) 2,500 8.44 Other 226,682 139,77 Total current liabilities 6,274,914 7,000,00 Non-current liabilities 571 2,77 Lease liabilities 571 2,77 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,21 Other 48,078 47,77 Total liabilities 1,999,523 1,815,80 Total non-current liabilities 1,999,523 1,815,80 Share capital 7,351,750 7,351,75 Shareholders' equity 29,235,289 29,846,159,92 Shareholders' equity 29,235,289 29,846,159,92 Total shareholders' equity 29,235,289	Notes and accounts payable - trade	1,143,424	1,593,494
Accrued expenses 594,887 643,81 Income taxes payable 422,950 388,52 Advances received 1,936,308 2,078,22 Provision for bonuses 600,348 738,50 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,77 Total current liabilities 6,274,914 7,000,00 Non-current liabilities 6,274,914 7,000,00 Non-current liabilities 571 2,77 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,21 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,80 Total insoluties 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Total shareholders' equity 29,235,289 29,846,13 Accumulated other comprehensive income 249,537 444,77 Valuation difference on	Short-term borrowings	703,678	793,684
Income taxes payable 422,950 388,55 Advances received 1,936,308 2,078,2 Provision for bonuses 600,348 738,55 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,7 Total current liabilities 6,274,914 7,000,0 Non-current liabilities 571 2,7 Long-term borrowings 1,362,927 1,210,56 Lease liabilities 571 2,7 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,21 Other 48,078 47,70 Total non-current liabilities 1,999,523 1,815,80 Net assets 38,274,437 8,815,8 Share capital 7,351,750 7,351,750 Trasury shares (771,143) (769,92) Total liabilities 349,537 444,7 Accumulated other comprehensive income 243,253,289 <t< td=""><td>Lease liabilities</td><td>583</td><td>1,147</td></t<>	Lease liabilities	583	1,147
Advances received 1,936,308 2,078,2 Provision for bonuses 600,348 738,50 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,7 Total current liabilities 600,348 738,50 Non-current liabilities 612,6927 1,210,50 Lease liabilities 571 2,7 Deferred tax liabilities for land revaluation 347,009 347,00 Adster retirement obligations 36,266 36,22 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,86 Net assets 5 5 Share capital 7,351,750 7,351,750 Treasury shares (771,143) (769,92) Treasury shares 349,537 444,7 Retained earnings 15,579,255 16,185,09 Treasury shares 349,537 444,7 Accumulated other comprehensive income Valuation difference on available-for-sale	Accrued expenses	594,887	643,884
Provision for bonuses 600,348 738,55 Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,33 Other 226,682 139,77 Total current liabilities 6,274,914 7,000,0 Non-current liabilities 6,274,914 7,000,0 Non-current liabilities 571 2.7 Deferred tax liabilities 571 2.7 Deferred tax liabilities for land revaluation 347,009 347,009 Asset retirement obligations 36,266 36,22 Other 48,078 47,70 Total non-current liabilities 1,999,523 1,815,88 Net assets 1,999,523 1,815,88 Share capital 7,351,750 7,351,75 Capital surplus 7,075,427 7,078,351,75 Total shareholders' equity 29,235,289 29,846,11 Accumulated other comprehensive income 7,011,143 (7692,8 Valuation difference on available-for-sale securities 349,537 444,7 <td< td=""><td>Income taxes payable</td><td>422,950</td><td>388,524</td></td<>	Income taxes payable	422,950	388,524
Provision for bonuses for directors (and other officers) 2,500 8,44 Accounts payable - other 643,548 614,34 Accounts payable - other 6226,682 139,77 Total current liabilities 6,274,914 7,000,0 Non-current liabilities 6,274,914 7,000,0 Non-current liabilities 6,274,914 7,000,0 Lease liabilities 571 2,7 Deferred tax liabilities for land revaluation 347,009 347,009 Asset retirement obligations 36,266 36,22 Other 48,078 47,77 Total inon-current liabilities 1,999,523 1,815,80 Net assets 8,274,437 8,815,8 Share holders' equity 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Total shareholders' equity 29,235,289 29,846,12 Accumulated other comprehensive income 349,537 444,77 Valuation difference on available-for-sale securities 349,537 444,77 Revaluation reserve for land (1,692,816) (1	Advances received	1,936,308	2,078,213
officers) 2,500 6,44 Accounts payable - other 643,548 614,33 Other 226,682 139,77 Total current liabilities 6,274,914 7,000,07 Non-current liabilities 1,362,927 1,210,50 Lease liabilities 571 2,77 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,80 Total liabilities 1,999,523 1,815,80 Net assets 36,266 36,227 Share capital 7,351,750 7,351,750 Share capital 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Total shareholders' equity 29,235,289 29,846,12 Accurulated other comprehensive income 444,7 444,7 Valuation difference on available-for-sale securities 349,537 444,7 Revaluation reserve for land (1,692,816) <td>Provision for bonuses</td> <td>600,348</td> <td>738,508</td>	Provision for bonuses	600,348	738,508
Other 226,682 139,7 Total current liabilities 6,274,914 7,000,0 Non-current liabilities 1,362,927 1,210,56 Lease liabilities 571 2,7 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,88 Total non-current liabilities 8,274,437 8,815,8 Net assets 5 5 16,185,92 Share capital 7,075,427 7,078,33 15,579,255 16,185,99 Total shareholders' equity 29,235,289 29,846,12 16,99,97 Total shareholders' equity 29,235,289 29,846,12 16,99,937 444,7 Revaluation difference on available-for-sale securities 349,537 444,7 16,92,816 (1,692,816) (1,692,816) (1,692,816) (1,692,816) (1,692,816) (1,692,816) 14,77,0 Revaluation reserve for land (1,692,816) (1,692,816)		2,500	8,400
Total current liabilities 6,274,914 7,000,0 Non-current liabilities 1,362,927 1,210,50 Lease liabilities 571 2,7 Deferred tax liabilities 204,669 171,40 Deferred tax liabilities 204,669 171,40 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,221 Other 48,078 47,70 Total non-current liabilities 1,999,523 1,815,88 Total liabilities 8,274,437 8,815,8 Net assets 5 1,999,523 1,815,80 Share capital 7,351,750 7,351,750 7,351,750 Capital surplus 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Treasury shares (771,143) (769,92) 29,235,289 29,846,12 Accumulated other comprehensive income 11,692,816 (1,692,816,12 1,692,816,12 Valuation difference on available-for-sale securities 349,537 444,77 6,92,816,12 1,92	Accounts payable - other	643,548	614,381
Non-current liabilitiesLong-term borrowings1,362,927Lease liabilities571Deferred tax liabilities204,669171,40Deferred tax liabilities for land revaluation347,009Asset retirement obligations36,266Other48,07848,07847,77Total non-current liabilities1,999,5231,815,808,274,437Net assets8,274,437Share holders' equity8,274,437Share capital7,351,750Capital surplus7,075,427Total shareholders' equity29,235,28929,846,11Accumulated other comprehensive income349,537Valuation difference on available-for-sale securities349,537Revaluation reserve for land(1,692,816)Choreign currency translation adjustment245,8261,477,0Remeasurements of defined benefit plansTotal accumulated other comprehensive income(931,429)423,6673,636Share acquisition rights73,63673,63678,97Total net assets28,377,49630,348,74	Other	226,682	139,770
Long-term borrowings 1,362,927 1,210,56 Lease liabilities 571 2,7 Deferred tax liabilities 204,669 171,44 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,88 Net assets 8,274,437 8,815,8 Net assets 7,015,427 7,078,33 Share capital 7,351,750 7,351,75 Capital surplus 7,075,427 7,078,33 Retained earnings 15,579,255 16,85,92 Treasury shares (771,143) (769,94 Valuation difference on available-for-sale securities 349,537 444,7 Revaluation reserve for land (1,692,816) (1,692,816) Foreign currency translation adjustment 245,826 1,477,0 Remeasurements of defined benefit plans 166,023 194,74 Total accumulated other comprehensive income (931,429) 423,66	Total current liabilities	6,274,914	7,000,010
Lease liabilities 571 2,7 Deferred tax liabilities 204,669 171,44 Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 48,078 47,70 Total non-current liabilities 1,999,523 1,815,80 Total liabilities 8,274,437 8,815,81 Net assets 5 5 Share capital 7,351,750 7,351,75 Capital surplus 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Treasury shares (771,143) (769,94) Valuation difference on available-for-sale securities 349,537 444,7 Revaluation reserve for land (1,692,816) (1,692,88 Foreign currency translation adjustment 245,826 1,477,0 Remeasurements of defined benefit plans 166,023 194,73 Total accumulated other comprehensive income (931,429) 423,66 Share acquisition rights 73,636 78,97 To	Non-current liabilities		
Deferred tax liabilities204,669171,44Deferred tax liabilities for land revaluation347,009347,00Asset retirement obligations36,26636,22Other48,07847,70Total non-current liabilities1,999,5231,815,80Total liabilities8,274,4378,815,80Net assets7,351,7507,351,750Share capital7,075,4277,078,33Retained earnings15,579,25516,185,92Treasury shares(771,143)(769,94Valuation difference on available-for-sale349,537444,73Revaluation reserve for land(1,692,816)(1,692,88Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,73Total accumulated other comprehensive income(931,429)423,66Share acquisition rights73,63678,97Total accumulated other comprehensive income(931,429)423,66	Long-term borrowings	1,362,927	1,210,565
Deferred tax liabilities for land revaluation 347,009 347,00 Asset retirement obligations 36,266 36,22 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,80 Total liabilities 8,274,437 8,815,8 Net assets Share capital 7,351,750 7,351,75 Share capital 7,075,427 7,078,33 Retained earnings 15,579,255 16,185,92 Treasury shares (771,143) (769,94) Total shareholders' equity 29,232,829 29,846,13 Accumulated other comprehensive income 349,537 444,77 Valuation difference on available-for-sale securities 349,537 444,77 Revaluation reserve for land (1,692,816) (1,692,8 Foreign currency translation adjustment 245,826 1,477,0 Remeasurements of defined benefit plans 166,023 194,77 Total accumulated other comprehensive income (931,429) 423,66 Share acquisition rights 73,636 78,97 Total accumulated other co	Lease liabilities	571	2,712
Asset retirement obligations 36,266 36,274 Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,86 Total liabilities 8,274,437 8,815,87 Net assets 8,274,437 8,815,87 Shareholders' equity 8,274,437 8,815,87 Shareholders' equity 7,075,427 7,078,39 Retained earnings 15,579,255 16,185,92 Treasury shares (771,143) (769,9-9-70,78,39) Total shareholders' equity 29,235,289 29,846,12 Accumulated other comprehensive income 444,77,0 1,69,9-9 Valuation difference on available-for-sale securities 349,537 444,77,0 Revaluation reserve for land (1,692,816) (1,692,816) Foreign currency translation adjustment 245,826 1,477,00 Remeasurements of defined benefit plans 166,023 194,77 Total accumulated other comprehensive income (931,429) 423,66 Share acquisition rights 73,636 78,97 Total net assets 28,377,496	Deferred tax liabilities	204,669	171,465
Other 48,078 47,77 Total non-current liabilities 1,999,523 1,815,80 Total liabilities 8,274,437 8,815,80 Net assets 8,274,437 8,815,80 Share capital 7,351,750 7,351,750 Capital surplus 7,075,427 7,078,350 Retained earnings 15,579,255 16,185,920 Treasury shares (771,143) (769,940) Total shareholders' equity 29,235,289 29,846,120 Accumulated other comprehensive income Valuation difference on available-for-sale securities 349,537 444,77,000 Revaluation reserve for land (1,692,816) (1,692,816) (1,692,816) Foreign currency translation adjustment 245,826 1,477,000 194,77000 Remeasurements of defined benefit plans 166,023 194,77000 194,770000 194,770000 194,7700000000000000000000000000000000000	Deferred tax liabilities for land revaluation	347,009	347,009
Total non-current liabilities1,999,5231,815,80Total liabilities8,274,4378,815,80Net assetsShareholders' equity7,351,7507,351,75Share capital7,351,7507,351,75Capital surplus7,075,4277,078,39Retained earnings15,579,25516,185,90Treasury shares(771,143)(769,94)Total shareholders' equity29,235,28929,846,13Accumulated other comprehensive income349,537444,70Revaluation reserve for land(1,692,816)(1,692,88Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,70Total accumulated other comprehensive income(931,429)423,66Share acquisition rights73,63678,97Total net assets28,377,49630,348,75	Asset retirement obligations	36,266	36,280
Total liabilities8,274,4378,815,81Net assetsShareholders' equityShare capital7,351,7507,351,750Capital surplus7,075,4277,078,39Retained earnings15,579,25516,185,92Treasury shares(771,143)(769,94Total shareholders' equity29,235,28929,846,12Accumulated other comprehensive income444,7Valuation difference on available-for-sale securities349,537444,7Revaluation reserve for land(1,692,816)(1,692,88Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,73Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,99Total net assets28,377,49630,348,74	Other	48,078	47,767
Net assetsShareholders' equityShare capital7,351,750Capital surplus7,075,4277,078,39Retained earnings15,579,25516,185,92Treasury shares(771,143)7(69,94Total shareholders' equity29,235,28929,846,11Accumulated other comprehensive incomeValuation difference on available-for-salesecurities349,537Actuation reserve for land(1,692,816)(1,692,816)(1,692,8Foreign currency translation adjustment245,826106,023194,76Total accumulated other comprehensive income(931,429)423,6973,636Share acquisition rights73,63673,63678,97Total net assets28,377,49630,348,76	Total non-current liabilities	1,999,523	1,815,802
Shareholders' equity Share capital 7,351,750 7,351,750 Capital surplus 7,075,427 7,078,39 Retained earnings 15,579,255 16,185,99 Treasury shares (771,143) (769,94 Total shareholders' equity 29,235,289 29,846,11 Accumulated other comprehensive income Valuation difference on available-for-sale 349,537 444,71 Revaluation reserve for land (1,692,816) (1,692,8 1,477,00 Remeasurements of defined benefit plans 166,023 194,78 194,78 Total accumulated other comprehensive income (931,429) 423,66 1,477,00 Remeasurements of defined benefit plans 166,023 194,78 194,78 194,78 Total accumulated other comprehensive income (931,429) 423,66 194,79 194,78 Total net assets 28,377,496 30,348,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79 194,79	Total liabilities	8,274,437	8,815,812
Share capital7,351,7507,351,750Capital surplus7,075,4277,078,39Retained earnings15,579,25516,185,99Treasury shares(771,143)(769,94Total shareholders' equity29,235,28929,846,13Accumulated other comprehensive income349,537444,71Valuation difference on available-for-sale securities349,537444,71Revaluation reserve for land(1,692,816)(1,692,8Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,66Share acquisition rights73,63678,99Total net assets28,377,49630,348,79	Net assets		
Capital surplus $7,075,427$ $7,078,39$ Retained earnings $15,579,255$ $16,185,99$ Treasury shares $(771,143)$ $(769,94)$ Total shareholders' equity $29,235,289$ $29,846,13$ Accumulated other comprehensive income $29,235,289$ $29,846,13$ Valuation difference on available-for-sale securities $349,537$ $444,77$ Revaluation reserve for land $(1,692,816)$ $(1,692,88)$ Foreign currency translation adjustment $245,826$ $1,477,00$ Remeasurements of defined benefit plans $166,023$ $194,78$ Total accumulated other comprehensive income $(931,429)$ $423,69$ Share acquisition rights $73,636$ $78,97$ Total net assets $28,377,496$ $30,348,79$	Shareholders' equity		
Retained earnings15,579,25516,185,92Treasury shares(771,143)(769,94Total shareholders' equity29,235,28929,846,12Accumulated other comprehensive income349,537444,71Valuation difference on available-for-sale securities349,537444,71Revaluation reserve for land(1,692,816)(1,692,816)Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,97Total net assets28,377,49630,348,79	Share capital	7,351,750	7,351,750
Treasury shares(771,143)(769,94Total shareholders' equity29,235,28929,846,13Accumulated other comprehensive incomeValuation difference on available-for-sale securities349,537444,73Revaluation reserve for land(1,692,816)(1,692,88Foreign currency translation adjustment245,8261,477,03Remeasurements of defined benefit plans166,023194,73Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,93Total net assets28,377,49630,348,79	Capital surplus	7,075,427	7,078,397
Total shareholders' equity29,235,28929,846,12Accumulated other comprehensive incomeValuation difference on available-for-sale securities349,537444,72Revaluation reserve for land(1,692,816)(1,692,886)Foreign currency translation adjustment245,8261,477,02Remeasurements of defined benefit plans166,023194,762Total accumulated other comprehensive income(931,429)423,692Share acquisition rights73,63678,922Total net assets28,377,49630,348,792	Retained earnings	15,579,255	16,185,932
Accumulated other comprehensive incomeValuation difference on available-for-sale securities349,537444,77Revaluation reserve for land(1,692,816)(1,692,8Foreign currency translation adjustment245,8261,477,00Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,97Total net assets28,377,49630,348,79	Treasury shares	(771,143)	(769,944
Valuation difference on available-for-sale securities349,537444,7Revaluation reserve for land(1,692,816)(1,692,816)Foreign currency translation adjustment245,8261,477,02Remeasurements of defined benefit plans166,023194,76Total accumulated other comprehensive income(931,429)423,66Share acquisition rights73,63678,97Total net assets28,377,49630,348,79	Total shareholders' equity	29,235,289	29,846,135
Revaluation reserve for land(1,692,816)(1,692,8Foreign currency translation adjustment245,8261,477,0Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,97Total net assets28,377,49630,348,79	Valuation difference on available-for-sale	349,537	444,712
Foreign currency translation adjustment245,8261,477,0Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,99Total net assets28,377,49630,348,79		(1.692.816)	(1.692 816
Remeasurements of defined benefit plans166,023194,78Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,97Total net assets28,377,49630,348,79			
Total accumulated other comprehensive income(931,429)423,69Share acquisition rights73,63678,99Total net assets28,377,49630,348,79			194,782
Share acquisition rights73,63678,97Total net assets28,377,49630,348,79		· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
Total net assets 28,377,496 30,348,79			78,971
TOTAL HADHINES AND NEL ASSEIS 36 651 934 39 164 6	Total liabilities and net assets	36,651,934	39,164,610

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

		(Thousand yen)
	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	12,691,910	17,337,828
Cost of sales	7,290,153	10,608,309
Gross profit	5,401,756	6,729,518
Selling, general and administrative expenses		
Advertising expenses	66,649	196,027
Packing and transportation costs	670,021	1,105,864
Provision of allowance for doubtful accounts	678	(6,350)
Sales commission	255,970	412,637
Salaries and allowances	1,393,604	1,462,401
Provision for bonuses	358,584	427,844
Provision for bonuses for directors (and other officers)	12,250	8,400
Retirement benefit expenses	76,333	74,956
Travel and transportation expenses	139,415	223,079
Depreciation	268,476	265,603
Research and development expenses	221,108	360,118
Other	1,156,352	1,345,788
Total selling, general and administrative expenses	4,619,447	5,876,370
Operating profit	782,308	853,147
Non-operating income		
Interest income	2,254	2,650
Dividend income	11,264	12,248
Gain on sale of goods	8,081	10,180
Foreign exchange gains	6,608	81,956
Subsidy income	2,069	-
Surrender value of insurance policies	2,287	-
Sold power	13,660	12,816
Other	26,427	36,897
– Total non-operating income	72,652	156,750
Non-operating expenses		
Interest expenses	6,593	6,391
Loss on sale of non-current assets	7,321	-
Sold power expenses	4,913	4,365
Other	5,331	6,833
Total non-operating expenses	24,160	17,589
Ordinary profit	830,801	992,308
Profit before income taxes	830,801	992,308
Income taxes - current	246,602	258,465
Income taxes - deferred	(193,647)	(87,273)
Total income taxes	52,955	171,192
Profit	777,846	821,115
Profit attributable to owners of parent	777,846	821,115

		(Thousand yen)
	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	777,846	821,115
Other comprehensive income		
Valuation difference on available-for-sale securities	44,917	95,174
Foreign currency translation adjustment	75,424	1,231,186
Remeasurements of defined benefit plans, net of tax	10,809	28,759
Total other comprehensive income	131,151	1,355,120
Comprehensive income	908,997	2,176,236
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	908,997	2,176,236

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

		(Thousand yen)
	For the six months ended September 30,2021	For the six months ended September 30,2022
Cash flows from operating activities		
Profit before income taxes	830,801	992,308
Depreciation	558,525	577,272
Increase (decrease) in allowance for doubtful accounts	(2,449)	(6,775
Increase (decrease) in provision for bonuses	145,384	136,469
Increase (decrease) in provision for bonuses for directors (and other officers)	650	5,900
Interest and dividend income	(13,518)	(14,898
Surrender value of insurance policies	(2,287)	-
Interest expenses	6,593	6,391
Loss (gain) on sale of non-current assets	5,441	(195
Decrease (increase) in retirement benefit asset	(14,227)	(18,091
Decrease (increase) in trade receivables	(494,750)	(1,384,178
Decrease (increase) in inventories	(734,308)	(278,576
Decrease (increase) in other current assets	175,623	16,993
Increase (decrease) in accrued expenses	(20,782)	17,914
Increase (decrease) in trade payables	392,225	300,789
Decrease (increase) in consumption taxes refund receivable	(88,971)	(23,312
Increase (decrease) in accrued consumption taxes	48,994	(74,951
Increase (decrease) in other current liabilities	798,869	(25,336
Increase (decrease) in other non-current liabilities	(312)	(310
Other, net	24,757	17,017
Subtotal	1,616,256	244,428
Interest and dividends received	13,518	14,898
Interest paid	(7,235)	(6,546
Income taxes paid	(181,421)	(298,372
Income taxes refund	300,132	194,056
Net cash provided by (used in) operating activities	1,741,251	148,465

Quarterly Consolidated Statements of Cash Flows

		(Thousand yen)
	For the six months ended September 30,2021	For the six months ended September 30,2022
Cash flows from investing activities		
Purchase of property, plant and equipment	(342,160)	(371,671)
Proceeds from sale of property, plant and equipment	2,380	195
Purchase of intangible assets	(7,178)	(105,937)
Purchase of investment securities	(3,859)	(3,957)
Other, net	3,562	8,416
Net cash provided by (used in) investing activities	(347,254)	(472,954)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	35,910	120,000
Proceeds from long-term borrowings	350,000	-
Repayments of long-term borrowings	(160,231)	(189,155)
Repayments of lease liabilities	(1,438)	(462)
Purchase of treasury shares	(347)	(404)
Dividends paid	(268,349)	(214,805)
Net cash provided by (used in) financing activities	(44,456)	(284,828)
Effect of exchange rate change on cash and cash equivalents	12,376	237,560
Net increase (decrease) in cash and cash equivalents	1,361,916	(371,756)
Cash and cash equivalents at beginning of period	7,484,219	10,000,186
Cash and cash equivalents at end of period	8,846,136	9,628,429