

MORESCO (5018)

Consolidated Fiscal Year (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY02/2021	24,479	842	1,030	518	54.09	40.00	1,695.81
FY02/2022	27,300	1,434	2,011	1,808	192.76	40.00	1,914.94
FY02/2023CoE	30,500	1,850	2,200	1,300	140.02	40.00	-
FY02/2022	YoY	11.5%	70.3%	95.3%	249.1%	-	-
FY02/2023CoE	YoY	11.7%	29.0%	9.4%	(28.1%)	-	-
Consolidated Quarter (Million Yen)	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 FY02/2022	6,656	520	721	1,095	-	-	-
Q2 FY02/2022	6,710	403	442	264	-	-	-
Q3 FY02/2022	7,049	452	569	371	-	-	-
Q4 FY02/2022	6,885	59	279	78	-	-	-
Q1 FY02/2023	7,050	201	471	317	-	-	-
Q1 FY02/2023	YoY	5.9%	(61.4%)	(34.7%)	(71.0%)	-	-

Source: Company Data, WRJ Calculation

1.0 Results Update (13 July 2022)

Passing on to Selling Prices


On 13 July 2022, MORESCO, running operations of R&D, manufacture and sale for chemicals used in diverse domains with autos as the mainstay, released its Q1 FY02/2023 results. It has been revealed that the Company benefits from revision on selling prices of own products as assumed in Company forecasts and thus the Q1 results are also in line, generally speaking. As far as crude oil prices and/or naphtha prices are not to rise further, the Company suggests a tendency to persist for gross profit margin to rise for Q2 and thereafter in line with its measures and policies of passing on to selling prices. Meanwhile, the Company saw volume of products sold roughly unchanged for Q1 over the same period of the previous year, which is attributable to a factor that demand associated with autos, the mainstay by domain, has declined in Japan, the mainstay by region, in line with decreased production volume in Japan, albeit one-off, according to the Company. Meanwhile, having made progress for revision on selling prices of own products, the Company saw increased sales to a corresponding extent. Nevertheless, it was not enough to fully compensate for steep rise of raw material prices for Q1, having resulted in decreased earnings for the Company as a whole. Going forward, the Company is looking to improved impact of revision on selling prices of own products to appear after a time lag, resulting in increased sales and earnings on a full-year basis, as far as the above-mentioned condition is satisfied. We are to have an online interview with management, while planning to update [MORESCO \(5018\) Recovery of Autos \(1 June 2022\)](#) to release afresh in light of the content of the interview.

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2.0 Company Profile

Interface Science Specialist

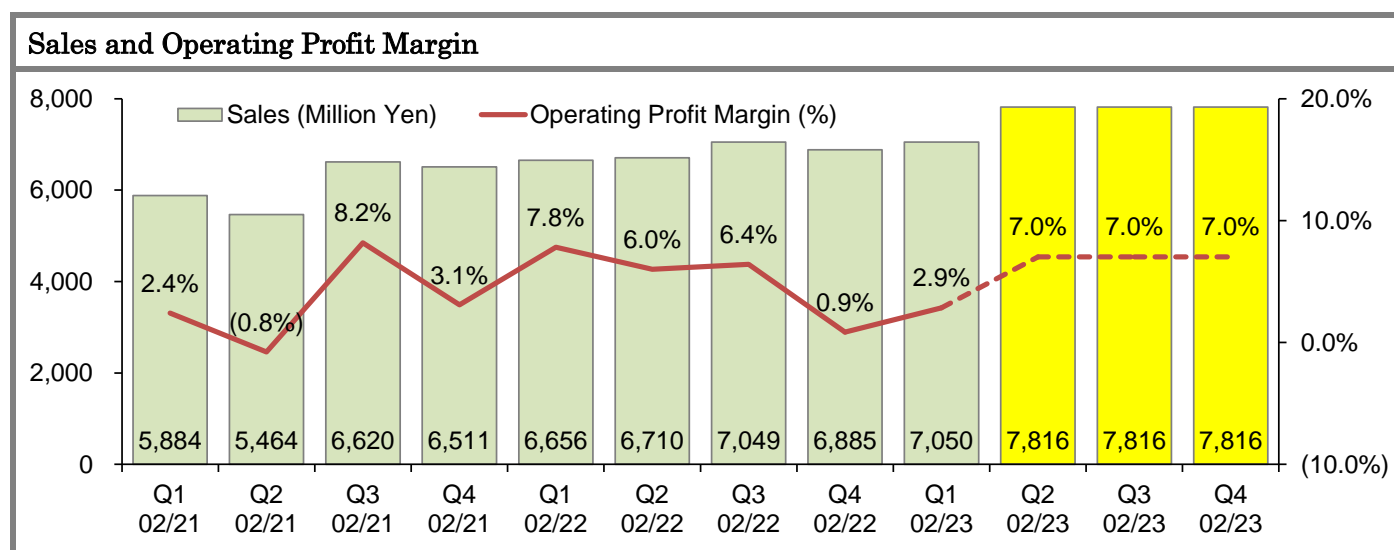
Company Name	MORESCO Corporation Company Website IR Information Share Price (Japanese)	
Established	27 October 1958	
Listing	4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 5018) 14 February 2011: Tokyo Stock Exchange 1st section 29 July 2008: Tokyo Stock Exchange 2nd section 13 November 2003: Registered on the over-the-counter market of JSDA	
Capital	¥2,118m (as of the end of May 2022)	
No. of Shares	9,696,500 shares, including 316,570 treasury shares (as of the end of May 2022)	
Main Features	<ul style="list-style-type: none"> ● Independent (non-keiretsu) manufacturer of chemicals, some 44% exposed to autos by domain in terms of sales ● Specializing in “interface science” with exclusive exposure to niche markets ● R&D, manufacture and sale of chemicals to fulfil the functionalities of lubrications, adhesives and surface protections 	
Segments	I . Japan II . China III. Southeast / South Asia IV. North America	
Representative	CEO, Representative Director and President: Motohisa Morozumi	
Shareholders	Matsumura Oil 11.3%, Mater Trust Bank of Japan, T. 8.5%, Cosmo Oil Lubricants 5.3% (as of the end of February 2022, but for treasury shares)	
Head Office	Kobe-city, Hyogo-prefecture, JAPAN	
No. of Personnel	Consolidated: 787, Parent: 384 (as of the end of February 2022)	

Source: Company Data

3.0 Recent Trading and Prospects

Q1 FY02/2023

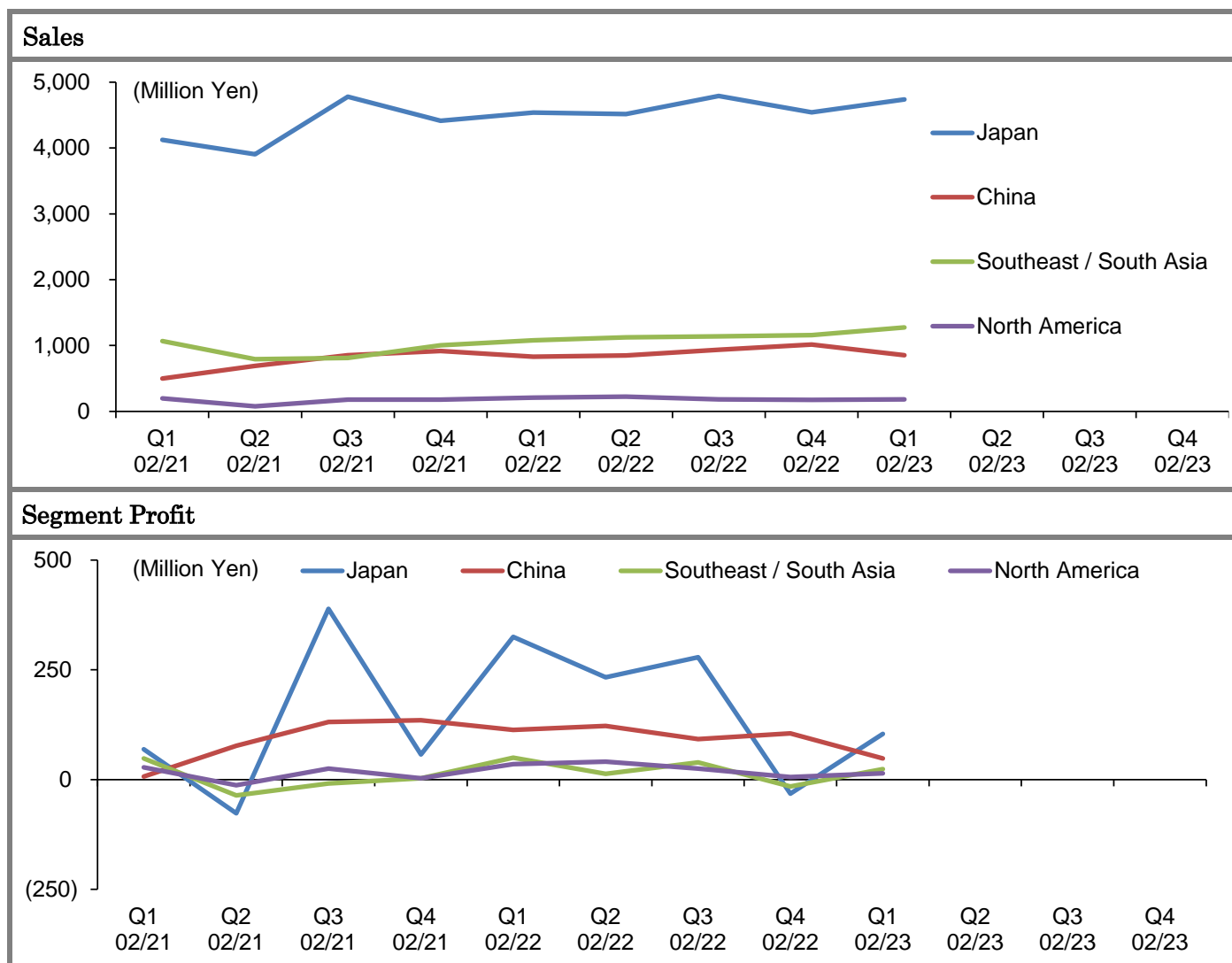
For Q1 FY02/2023, sales came in at ¥7,050m (up 5.9% YoY), operating profit ¥201m (down 61.4%), recurring profit ¥471m (down 34.7%) and profit attributable to owners of parent ¥317m (down 71.0%). At the non-operating level, the Company saw increased forex gain (¥123m to ¥210m) due to yen's depreciation, having enlarged recurring profit to a corresponding extent. Meanwhile, the Company saw gain of ¥833m at the extraordinary level, stemming from sale of MORESCO Hommachi Building, during the same period of the previous year, which did not reappear, having lowered profit attributable to owners of parent to a corresponding extent.



Source: Company Data, WRJ Calculation (Q2 /Q3 /Q4 FY03/2023: full-year Co. fore. after subtracting Q1 results, pro rata)

Meanwhile, gross profit came in at ¥2,053m (down 11.7%) and SG&A expenses ¥1,852m (up 2.6%), implying gross profit margin of 29.1% (down 5.8% points) and SG&A expenses ratio of 26.3% (down 0.8% points), having resulted in operating profit margin of 2.9% (down 5.0% points). On a year-on-year basis, the impact of revision on selling prices of own products accompanying steep rise of raw material prices was rather limited, having resulted in a major decline for gross profit margin. More importantly, however, the Company saw an improvement by 0.8% point in gross profit margin from 28.4% in Q4 FY02/2022 or on a quarter-on-quarter basis, implying that the impact of passing on to selling prices is actually feeding through to the performance.

By segment, the Company saw sales of ¥4,738m (up 4.4%), segment profit of ¥104m (down 68.1%) and segment profit margin of 2.2% (down 5.0%) in Japan, having accounted for 67.2% of sales for the Company as a whole and 55.0% for segment profit, which suggests that the Company's performance hinges on that of Japan to a large extent. It is bespoken that the Company is exposed to autos as much as some 40% by domain in terms of sales as a whole, while it appears that this is roughly the case in Japan only too. According to the Company, the production volume of autos in Japan for Q1 declined by no less than 14% or so on a year-on-year basis, which is mentioned as one of the key negative factors of the performance for the Company as a whole.



Source: Company Data, WRJ Calculation

FY02/2023 Company Forecasts

FY02/2023 Company forecasts (announced on 12 April 2022) have remained unchanged, going for prospective sales of ¥30,500m (up 11.7% YoY), operating profit of ¥1,850m (up 29.0%), recurring profit of ¥2,200m (up 9.4%) and profit attributable to owners of parent of ¥1,300m (down 28.1%), while operating profit margin of 6.1% (up 0.8% points). At the same time, Company forecasts have remained also for prospective annual dividend, going for ¥40.00 per share, implying payout ratio of 28.6%.

Meanwhile, the Company has announced that it would buy back own shares on 14 July 2022 with an object of “executing flexible capital policy to respond to changes in business environment”, i.e., up to 180,000 in the number equating to 1.91% of the number of shares outstanding but for treasury shares or up to ¥225m in value, taking advantage of off-floor trading scheme of own shares based on Tokyo Stock Exchange Trading Network System.

4.0 Financial Statements

Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Sales	6,656	13,366	20,415	27,300	7,050	-	-	-	-	+394
Cost of Sales	4,332	8,822	13,643	18,575	4,997	-	-	-	-	+665
Gross Profit	2,324	4,544	6,772	8,725	2,053	-	-	-	-	(271)
SG&A Expenses	1,805	3,621	5,397	7,291	1,852	-	-	-	-	+47
Operating Profit	520	923	1,375	1,434	201	-	-	-	-	(319)
Non Operating Balance	201	240	357	577	270	-	-	-	-	+69
Recurring Profit	721	1,163	1,732	2,011	471	-	-	-	-	(250)
Extraordinary Balance	834	833	833	833	-	-	-	-	-	(834)
Profit before Income Taxes	1,555	1,996	2,565	2,844	471	-	-	-	-	(1,084)
Total Income Taxes	379	527	685	831	116	-	-	-	-	(263)
Profit Attributable to Non-Controlling Interests	81	110	150	205	38	-	-	-	-	(43)
Profit Attributable to Owners of Parent	1,095	1,359	1,730	1,808	317	-	-	-	-	(778)
Sales YoY	+13.1%	+17.8%	+13.6%	+11.5%	+5.9%	-	-	-	-	-
Operating Profit YoY	+265.0%	+820.0%	+114.5%	+70.3%	(61.4%)	-	-	-	-	-
Recurring Profit YoY	-	-	+164.0%	+95.3%	(34.7%)	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	+471.0%	+249.1%	(71.0%)	-	-	-	-	-
Gross Profit Margin	34.9%	34.0%	33.2%	32.0%	29.1%	-	-	-	-	(5.8%)
SG&A Expenses Ratio	27.1%	27.1%	26.4%	26.7%	26.3%	-	-	-	-	(0.8%)
Operating Profit Margin	7.8%	6.9%	6.7%	5.3%	2.9%	-	-	-	-	(5.0%)
Recurring Profit Margin	10.8%	8.7%	8.5%	7.4%	6.7%	-	-	-	-	(4.2%)
Profit Attributable to Owners of Parent Margin	16.5%	10.2%	8.5%	6.6%	4.5%	-	-	-	-	(12.0%)
Total Income Taxes / Profit before Income Taxes	24.4%	26.4%	26.7%	29.2%	24.6%	-	-	-	-	+0.3%
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Sales	6,656	6,710	7,049	6,885	7,050	-	-	-	-	+394
Cost of Sales	4,332	4,490	4,821	4,932	4,997	-	-	-	-	+665
Gross Profit	2,324	2,220	2,228	1,953	2,053	-	-	-	-	(271)
SG&A Expenses	1,805	1,816	1,776	1,894	1,852	-	-	-	-	+47
Operating Profit	520	403	452	59	201	-	-	-	-	(319)
Non Operating Balance	201	39	117	220	270	-	-	-	-	+69
Recurring Profit	721	442	569	279	471	-	-	-	-	(250)
Extraordinary Balance	834	(1)	-	-	-	-	-	-	-	(834)
Profit before Income Taxes	1,555	441	569	279	471	-	-	-	-	(1,084)
Total Income Taxes	379	148	158	146	116	-	-	-	-	(263)
Profit Attributable to Non-Controlling Interests	81	29	40	55	38	-	-	-	-	(43)
Profit Attributable to Owners of Parent	1,095	264	371	78	317	-	-	-	-	(778)
Sales YoY	+13.1%	+22.8%	+6.5%	+5.7%	+5.9%	-	-	-	-	-
Operating Profit YoY	+265.0%	-	(16.5%)	(70.6%)	(61.4%)	-	-	-	-	-
Recurring Profit YoY	-	-	(4.8%)	(25.4%)	(34.7%)	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	(5.6%)	(63.7%)	(71.0%)	-	-	-	-	-
Gross Profit Margin	34.9%	33.1%	31.6%	28.4%	29.1%	-	-	-	-	(5.8%)
SG&A Expenses Ratio	27.1%	27.1%	25.2%	27.5%	26.3%	-	-	-	-	(0.8%)
Operating Profit Margin	7.8%	6.0%	6.4%	0.9%	2.9%	-	-	-	-	(5.0%)
Recurring Profit Margin	10.8%	6.6%	8.1%	4.1%	6.7%	-	-	-	-	(4.2%)
Profit Attributable to Owners of Parent Margin	16.5%	3.9%	5.3%	1.1%	4.5%	-	-	-	-	(12.0%)
Total Income Taxes / Profit before Income Taxes	24.4%	33.6%	27.8%	52.3%	24.6%	-	-	-	-	+0.3%

Source: Company Data, WRJ Calculation

Segmented Information (Cumulative / Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Japan	4,537	9,053	13,843	18,385	4,738	-	-	-	-	+201
China	830	1,677	2,612	3,625	854	-	-	-	-	+24
Southeast / South Asia	1,080	2,205	3,345	4,501	1,276	-	-	-	-	+196
North America	209	432	615	789	182	-	-	-	-	(27)
Sales	6,656	13,366	20,415	27,300	7,050	-	-	-	-	+394
Japan	325	558	837	805	104	-	-	-	-	(221)
China	113	235	327	432	48	-	-	-	-	(65)
Southeast / South Asia	50	63	102	86	24	-	-	-	-	(26)
North America	35	76	101	107	14	-	-	-	-	(21)
Segment Profit	523	932	1,367	1,431	189	-	-	-	-	(334)
Adjustments	(3)	(9)	7	4	11	-	-	-	-	+14
Operating Profit	520	923	1,375	1,434	201	-	-	-	-	(319)
Japan	7.2%	6.2%	6.0%	4.4%	2.2%	-	-	-	-	(5.0%)
China	13.6%	14.0%	12.5%	11.9%	5.6%	-	-	-	-	(8.0%)
Southeast / South Asia	4.6%	2.9%	3.0%	1.9%	1.9%	-	-	-	-	(2.7%)
North America	16.7%	17.6%	16.4%	13.6%	7.7%	-	-	-	-	(9.1%)
Adjustments	(0.0%)	(0.1%)	0.0%	0.0%	0.2%	-	-	-	-	+0.2%
Operating Profit Margin	7.8%	6.9%	6.7%	5.3%	2.9%	-	-	-	-	(5.0%)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Japan	4,537	4,516	4,790	4,542	4,738	-	-	-	-	+201
China	830	847	935	1,013	854	-	-	-	-	+24
Southeast / South Asia	1,080	1,125	1,140	1,156	1,276	-	-	-	-	+196
North America	209	223	183	174	182	-	-	-	-	(27)
Sales	6,656	6,710	7,049	6,885	7,050	-	-	-	-	+394
Japan	325	233	279	(32)	104	-	-	-	-	(221)
China	113	122	92	105	48	-	-	-	-	(65)
Southeast / South Asia	50	13	39	(16)	24	-	-	-	-	(26)
North America	35	41	25	6	14	-	-	-	-	(21)
Segment Profit	523	409	435	64	189	-	-	-	-	(334)
Adjustments	(3)	(6)	16	(3)	11	-	-	-	-	+14
Operating Profit	520	403	452	59	201	-	-	-	-	(319)
Japan	7.2%	5.2%	5.8%	(0.7%)	2.2%	-	-	-	-	(5.0%)
China	13.6%	14.4%	9.8%	10.4%	5.6%	-	-	-	-	(8.0%)
Southeast / South Asia	4.6%	1.2%	3.4%	(1.4%)	1.9%	-	-	-	-	(2.7%)
North America	16.7%	18.4%	13.7%	3.4%	7.7%	-	-	-	-	(9.1%)
Adjustments	(0.0%)	(0.1%)	0.2%	(0.0%)	0.2%	-	-	-	-	+0.2%
Operating Profit Margin	7.8%	6.0%	6.4%	0.9%	2.9%	-	-	-	-	(5.0%)

Source: Company Data, WRJ Calculation

Sales by Business Division (Cumulative / Quarterly)

Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Functional Fluids	3,083	6,341	9,687	13,021	3,420	-	-	-		+337
Synthetic Lubricants	503	1,033	1,529	1,974	502	-	-	-		(1)
Liquid Paraffines & Sulfonates	807	1,672	2,579	3,480	902	-	-	-		+95
Hot Melt Adhesives	1,671	3,325	5,086	6,785	1,809	-	-	-		+138
Energy Device Materials	57	128	198	237	45	-	-	-		(12)
Other	528	859	1,328	1,794	372	-	-	-		(156)
Chemical Business	6,648	13,358	20,407	27,292	7,050	-	-	-		+402
Rental Building Business	8	8	8	8	-	-	-	-		(8)
Sales	6,656	13,366	20,415	27,300	7,050	-	-	-		+394
Functional Fluids	+25.1%	+36.5%	+27.2%	+23.2%	+10.9%	-	-	-		-
Synthetic Lubricants	(4.3%)	+12.6%	+7.0%	+5.5%	(0.1%)	-	-	-		-
Liquid Paraffines & Sulfonates	(6.4%)	(3.9%)	+2.6%	+2.8%	+11.9%	-	-	-		-
Hot Melt Adhesives	+2.8%	+0.7%	+0.5%	(0.3%)	+8.2%	-	-	-		-
Energy Device Materials	+159.6%	+202.2%	+149.4%	+109.9%	(21.3%)	-	-	-		-
Other	+41.8%	+27.3%	+7.8%	+6.6%	(29.5%)	-	-	-		-
Chemical Business	+13.2%	+18.0%	+13.8%	+11.7%	+5.9%	-	-	-		-
Rental Building Business	(36.7%)	(68.3%)	(78.9%)	(84.2%)	-	-	-	-		-
Sales (YoY)	+13.1%	+17.8%	+13.6%	+11.5%	+5.9%	-	-	-		-
Functional Fluids	46.3%	47.4%	47.5%	47.7%	48.5%	-	-	-		-
Synthetic Lubricants	7.6%	7.7%	7.5%	7.2%	7.1%	-	-	-		-
Liquid Paraffines & Sulfonates	12.1%	12.5%	12.6%	12.7%	12.8%	-	-	-		-
Hot Melt Adhesives	25.1%	24.9%	24.9%	24.9%	25.7%	-	-	-		-
Energy Device Materials	0.9%	1.0%	1.0%	0.9%	0.6%	-	-	-		-
Other	7.9%	6.4%	6.5%	6.6%	5.3%	-	-	-		-
Chemical Business	99.9%	99.9%	100.0%	100.0%	100.0%	-	-	-		-
Rental Building Business	0.1%	0.1%	0.0%	0.0%	0.0%	-	-	-		-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-		-
Sales by Business Division	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Functional Fluids	3,083	3,258	3,346	3,334	3,420	-	-	-		+337
Synthetic Lubricants	503	530	496	445	502	-	-	-		(1)
Liquid Paraffines & Sulfonates	807	865	907	901	902	-	-	-		+95
Hot Melt Adhesives	1,671	1,654	1,761	1,699	1,809	-	-	-		+138
Energy Device Materials	57	71	70	39	45	-	-	-		(12)
Other	528	331	469	466	372	-	-	-		(156)
Chemical Business	6,648	6,710	7,049	6,885	7,050	-	-	-		+402
Rental Building Business	8	-	-	-	-	-	-	-		(8)
Sales	6,656	6,710	7,049	6,885	7,050	-	-	-		+394
Functional Fluids	+25.1%	+49.2%	+12.7%	+13.1%	+10.9%	-	-	-		-
Synthetic Lubricants	(4.3%)	+35.2%	(2.9%)	+0.2%	(0.1%)	-	-	-		-
Liquid Paraffines & Sulfonates	(6.4%)	(1.4%)	+17.0%	+3.4%	+11.9%	-	-	-		-
Hot Melt Adhesives	+2.8%	(1.3%)	+0.2%	(2.9%)	+8.2%	-	-	-		-
Energy Device Materials	+159.6%	+255.0%	+89.2%	+14.7%	(21.3%)	-	-	-		-
Other	+41.8%	+9.2%	(15.8%)	+3.6%	(29.5%)	-	-	-		-
Chemical Business	+13.2%	+23.1%	+6.7%	+6.0%	+5.9%	-	-	-		-
Rental Building Business	(36.7%)	-	-	-	-	-	-	-		-
Sales (YoY)	+13.1%	+22.8%	+6.5%	+5.7%	+5.9%	-	-	-		-
Functional Fluids	46.3%	48.6%	47.5%	48.4%	48.5%	-	-	-		-
Synthetic Lubricants	7.6%	7.9%	7.0%	6.5%	7.1%	-	-	-		-
Liquid Paraffines & Sulfonates	12.1%	12.9%	12.9%	13.1%	12.8%	-	-	-		-
Hot Melt Adhesives	25.1%	24.6%	25.0%	24.7%	25.7%	-	-	-		-
Energy Device Materials	0.9%	1.1%	1.0%	0.6%	0.6%	-	-	-		-
Other	7.9%	4.9%	6.7%	6.8%	5.3%	-	-	-		-
Chemical Business	99.9%	100.0%	100.0%	100.0%	100.0%	-	-	-		-
Rental Building Business	0.1%	0.0%	0.0%	0.0%	0.0%	-	-	-		-
Sales (Composition Ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	-	-	-		-

Source: Company Data, WRJ Calculation

Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Cash and Deposit	4,521	3,988	4,090	4,001	3,812	-	-	-	-	(709)
Accounts Receivables	6,479	6,337	6,800	6,844	7,046	-	-	-	-	+567
Inventory	4,665	4,869	5,043	5,326	5,727	-	-	-	-	+1,062
Other	545	413	343	436	580	-	-	-	-	+35
Current Assets	16,210	15,607	16,276	16,607	17,165	-	-	-	-	+955
Tangible Assets	7,811	7,842	7,954	8,304	8,330	-	-	-	-	+519
Intangible Assets	742	706	672	633	614	-	-	-	-	(128)
Investments and Other Assets	3,238	3,182	3,320	3,465	3,583	-	-	-	-	+345
Fixed Assets	11,791	11,730	11,947	12,401	12,527	-	-	-	-	+736
Total Assets	28,001	27,337	28,223	29,008	29,691	-	-	-	-	+1,690
Accounts Payables	3,925	3,762	4,151	4,308	4,419	-	-	-	-	+494
Short Term Debt	1,119	566	553	560	857	-	-	-	-	(262)
Other	2,223	2,065	2,453	2,392	2,052	-	-	-	-	(171)
Current Liabilities	7,267	6,393	7,157	7,260	7,328	-	-	-	-	+61
Long Term Debt	660	545	430	350	457	-	-	-	-	(203)
Other	568	587	590	847	785	-	-	-	-	+217
Fixed Liabilities	1,228	1,132	1,020	1,197	1,242	-	-	-	-	+14
Total Liabilities	8,495	7,525	8,178	8,457	8,570	-	-	-	-	+75
Shareholders' Equity	16,697	16,966	17,150	17,227	17,357	-	-	-	-	+660
Other	2,809	2,846	2,896	3,324	3,764	-	-	-	-	+955
Net Assets	19,506	19,812	20,046	20,551	21,121	-	-	-	-	+1,615
Total Liabilities & Net Assets	28,001	27,337	28,223	29,008	29,691	-	-	-	-	+1,690
Equity Capital	17,096	17,381	17,586	17,962	18,492	-	-	-	-	+1,396
Interest Bearing Debt	1,779	1,111	983	910	1,314	-	-	-	-	(465)
Net Debt	(2,742)	(2,877)	(3,107)	(3,091)	(2,498)	-	-	-	-	+244
Equity Ratio	61.1%	63.6%	62.3%	61.9%	62.3%	-	-	-	-	-
Net Debt Equity Ratio	(16.0%)	(16.6%)	(17.7%)	(17.2%)	(13.5%)	-	-	-	-	-
ROE (12 months)	10.0%	12.0%	11.7%	10.7%	5.8%	-	-	-	-	-
ROA (12 months)	6.2%	7.9%	7.7%	7.1%	6.1%	-	-	-	-	-
Days for Inventory Turnover	98	98	95	98	104	-	-	-	-	-
Quick Ratio	151%	162%	152%	149%	148%	-	-	-	-	-
Current Ratio	223%	244%	227%	229%	234%	-	-	-	-	-

Source: Company Data, WRJ Calculation

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Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	02/2022	02/2022	02/2022	02/2022	02/2023	02/2023	02/2023	02/2023		
Operating Cash Flow	-	1,327	-	2,333	-	-	-	-	-	-
Investing Cash Flow	-	1,043	-	603	-	-	-	-	-	-
Operating Cash Flow and Investing Cash Flow	-	2,370	-	2,936	-	-	-	-	-	-
Financing Cash Flow	-	(2,504)	-	(2,937)	-	-	-	-	-	-

Source: Company Data, WRJ Calculation

Disclaimer

Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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