2. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets:		
Cash and deposits	63,542	55,882
Notes receivable - trade	12,718	12,442
Electronically recorded monetary claims - trade	61,894	44,525
Accounts receivable - trade	249,353	196,499
Contract assets	93,830	122,797
Merchandise and finished goods	84,472	99,206
Work in process	55,156	59,300
Raw materials and supplies	99,021	97,359
Other	57,083	67,768
Allowance for doubtful accounts	(10,401)	(10,133)
Total Current assets	766,672	745,650
Non-current assets:		
Net Property, plant and equipment	347,074	349,008
Intangible assets	30,318	32,774
Investments and other assets		
Investment securities	108,713	122,719
Retirement benefit asset	26,052	26,195
Other	36,904	32,122
Allowance for doubtful accounts	(3,627)	(3,605)
Total Investments and other assets	168,042	177,432
Total Non-current assets	545,435	559,215
Deferred assets	67	57
Total Assets	1,312,175	1,304,922

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities:		
Notes and accounts payable - trade	192,834	175,374
Short-term borrowings	10,716	24,691
Commercial papers	-	25,000
Income taxes payable	28,121	11,784
Contract liabilities	67,129	62,634
Provision for product warranties	3,706	3,728
Other	128,959	112,486
Total Current liabilities	431,466	415,698
Non-current liabilities:		
Bonds payable	30,000	30,000
Long-term borrowings	30,073	15,067
Provision for retirement benefits for directors (and other officers)	95	111
Retirement benefit liability	66,797	68,711
Other	23,083	19,767
Total Non-current liabilities	150,050	133,657
Total Liabilities	581,517	549,355
Net Assets		
Shareholders' equity:		
Share capital	47,586	47,586
Capital surplus	64,573	63,783
Retained earnings	493,885	507,953
Treasury shares	(4,273)	(3,676)
Total shareholders' equity	601,771	615,646
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	49,318	59,475
Deferred gains or losses on hedges	(2)	602
Foreign currency translation adjustment	40,046	40,526
Remeasurements of defined benefit plans	633	366
Total Accumulated other comprehensive income	89,995	100,970
Non-controlling interests	38,891	38,950
Total Net assets	730,658	755,567
Total Liabilities and Net assets	1,312,175	1,304,922

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	497,377	543,160
Cost of sales	359,989	400,078
Gross profit	137,387	143,081
Selling, general and administrative expenses	97,051	100,322
Operating profit	40,336	42,759
Non-operating income		
Interest income	298	371
Dividend income	1,053	943
Other	576	788
Total Non-operating income	1,928	2,102
Non-operating expenses		
Interest expenses	1,594	1,603
Share of loss of entities accounted for using equity method	689	388
Depreciation of inactive non-current assets	52	631
Business conversion expenses	182	―
Foreign exchange losses	659	331
Other	138	174
Total Non-operating expenses	3,316	3,128
Ordinary profit	38,949	41,733
Extraordinary income		
Gain on sale of non-current assets	100	14
Gain on sale of investment securities	16,612	62
Total Extraordinary income	16,712	77
Extraordinary losses		
Loss on disposal of non-current assets	367	892
Impairment losses	―	405
Total Extraordinary losses	367	1,298
Profit before income taxes	55,294	40,512
Income taxes	17,500	12,648
Profit	37,794	27,864
Profit attributable to non-controlling interests	2,255	1,249
Profit attributable to owners of parent	35,539	26,614

（Consolidated Statements of Comprehensive Income）

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit	37,794	27,864
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,572)	10,145
Deferred gains or losses on hedges	(69)	605
Foreign currency translation adjustments	(1,271)	672
Remeasurements of defined benefit plans	(283)	(274)
Share of other comprehensive income of associates accounted for using equity method	63	(43)
Total other comprehensive Income	(6,133)	11,105
Comprehensive income	31,661	38,969
Comprehensive income attributable to owners of parent	29,372	37,589
Comprehensive income attributable to non-controlling interests	2,288	1,380

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	55,294	40,512
Depreciation and amortization	27,430	30,314
Increase (decrease) in allowance for doubtful accounts	(123)	(353)
Increase (decrease) in provision for product warranties	(115)	24
Interest and dividend income	(1,352)	(1,314)
Interest expenses	1,594	1,603
Foreign exchange losses (gains)	96	198
Loss (gain) on sale of non-current assets	(100)	(14)
Loss (gain) on sale of investment securities	(16,612)	(62)
Loss (gain) on disposal of non-current assets	367	892
Impairment losses	―	405
Decrease (increase) in accounts receivable - trade, and contract assets	77,899	42,023
Decrease (increase) in inventories	(19,214)	(16,493)
Increase (decrease) in trade payables	(34,959)	(17,130)
Increase (decrease) in contract liabilities	32,044	(4,422)
Other, net	(16,884)	(13,565)
Subtotal	105,365	62,617
Interest and dividends received	1,365	1,322
Interest paid	(1,546)	(1,603)
Income taxes paid	(17,640)	(26,431)
Net cash provided by (used in) operating activities	87,543	35,904
Cash flows from investing activities		
Purchase of property, plant and equipment	(41,576)	(40,288)
Proceeds from sale of property, plant and equipment	135	161
Purchase of intangible assets	(2,887)	(5,956)
Purchase of investment securities	(122)	(43)
Proceeds from sale of investment securities	18,446	65
Loan advances	(2,958)	(10,386)
Proceeds from collection of loans receivable	3,508	10,639
Other, net	(311)	1,195
Net cash provided by (used in) investing activities	(25,765)	(44,612)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	243	(1,140)
Increase (decrease) in commercial papers	(36,000)	25,000
Proceeds from long-term loans borrowings	15,111	—
Repayments of long-term loans borrowings	(28,005)	(12)
Proceeds from issuance of bonds	10,000	—
Repayments of lease obligations	(11,184)	(7,850)
Purchase of treasury shares	(11)	(9)
Purchase of treasury shares of subsidiaries	(10)	(13)
Dividends paid	(10,712)	(12,547)
Dividends paid to non-controlling interests	(3,542)	(1,301)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(787)
Net cash provided by (used in) financing activities	(64,110)	1,337
Effect of exchange rate changes on cash and cash equivalents	278	(251)
Net increase (decrease) in cash and cash equivalents	(2,053)	(7,622)
Cash and cash equivalents at beginning of year	65,543	62,675
Increase in cash and cash equivalents resulting from change in scope of consolidation	1,205	—
Cash and cash equivalents at end of year	64,694	55,053

(4) Notes to the Semi-Annual Consolidated Financial Statements

(Notes Regarding Adoption of Accounting Treatment Specific to the Preparation of Semi-Annual Consolidated Financial Statements)

(Calculation of tax expenses)

Tax expenses are calculated by reasonably estimating the effective tax rate after applying deferred tax accounting to the profit before income taxes for the consolidated fiscal year, including the current semi-annual fiscal year, and multiplying the estimated effective tax rate by the semi-annual profit before income taxes.

For some consolidated companies where the estimated effective tax rate cannot be used, the statutory effective tax rate is used instead.

(Notes on Substantial Changes in the Amount of Shareholder's Equity)

None

(Notes Regarding Assumption of Going Concern)

None

(Segment Information)

1. Information on Net Sales and Profit or Loss by Each Reporting Segment

Six months ended September 30, 2024

(Millions of yen)

	Energy	Industry	Semiconductors	Food and Beverage Distribution	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)
Net sales								
Sales to third parties	142,277	174,050	106,303	57,357	17,389	497,377	—	497,377
Inter-segment sales and transfers	1,724	1,330	1,745	929	10,026	15,755	(15,755)	—
Total sales	144,001	175,380	108,048	58,286	27,415	513,133	(15,755)	497,377
Segment profits (losses)	10,015	8,137	15,059	8,709	1,652	43,575	(3,238)	40,336

Notes: 1. "Others" segment consisted of business segments not attributable to reporting segments and included financial services, real estate operations, insurance agency services, travel agency services, printing and information services, etc.

2. The (3,238) million yen of adjustments for segment profit (loss) includes (3,294) million yen of corporate expenses that are not allocated to each reporting segment.
Corporate expenses are mainly expenses related to the Company's administrative department that are not attributable to the reportable segments.

3. Segment profits (losses) were reconciled to operating profit (loss) in the consolidated statements of income.

Six months ended September 30, 2025

(Millions of yen)

	Energy	Industry	Semiconductors	Food and Beverage Distribution	Others (*1)	Total	Adjustments (*2)	Consolidated (*3)
Net sales								
Sales to third parties	161,567	204,838	107,525	51,241	17,987	543,160	—	543,160
Inter-segment sales and transfers	3,667	1,506	1,199	1,142	9,854	17,370	(17,370)	—
Total sales	165,234	206,345	108,725	52,383	27,841	560,530	(17,370)	543,160
Segment profits (losses)	18,959	11,007	8,973	5,806	1,590	46,337	(3,577)	42,759

Notes: 1. "Others" segment consisted of business segments not attributable to reporting segments and included financial services, real estate operations, insurance agency services, travel agency services, printing and information services, etc.

2. The (3,577) million yen of adjustments for segment profit (loss) includes (3,672) million yen of corporate expenses that are not allocated to each reporting segment.
Corporate expenses are mainly expenses related to the Company's administrative department that are not attributable to the reportable segments.

3. Segment profits (losses) were reconciled to operating profit (loss) in the consolidated statements of income.

2. Changes in Reporting Segments

Effective April 1, 2025, a reorganization was undertaken resulting in changes to the businesses included within the Energy and Industry reportable segments.

The reporting segment information for the six months ended September 30, 2024 has been reclassified to reflect this change.