

< Consolidated Financial Statements >

Consolidated statement of income and Consolidated statement of comprehensive income

(Consolidated statement of income)

(June 1, 2018 – May 31, 2019)

(Unit: thousands of yen)

	Fiscal year ended May 31, 2018	Fiscal year ended May 31, 2019
Net sales	8,956,314	9,047,115
Cost of sales	5,122,465	5,371,660
Gross profit	3,833,848	3,675,455
Selling, general and administrative expenses		
Packing and transportation expenses	68,855	61,394
Advertising expenses	84,201	86,206
Promotion expenses	386,918	419,897
Salaries and allowances	705,283	728,983
Provision for directors' bonuses	24,150	20,900
Retirement benefit expenses	28,240	29,959
Welfare expenses	128,593	140,755
Rent expenses	45,601	45,557
Depreciation	46,559	56,166
Taxes and dues	80,691	82,294
Commission fee	162,186	167,423
Experiment and research expenses	300,145	319,278
Other	339,327	393,023
Total selling, general and administrative expenses	2,400,755	2,551,841
Operating income	1,433,093	1,123,614
Non-operating income		
Interest income	7,169	6,972
Dividend income	2,912	3,213
Real estate rent	106,395	117,244
Share of profit of entities accounted for using equity method	52,397	45,145
Other	29,298	33,544
Total non-operating income	198,173	206,121
Non-operating expenses		
Interest expenses	2,742	2,556
Rent expenses on real estates	70,980	74,116
Other	39,373	6,773
Total non-operating expenses	113,096	83,446
Ordinary income	1,518,169	1,246,289
Extraordinary income		
Gain on sales of non-current assets	995	154
Surrender value of insurance	6,877	—
Total extraordinary income	7,872	154
Extraordinary losses		
Loss on sales of non-current assets	391	598
Total extraordinary losses	391	598
Income before income taxes and minority interests	1,525,650	1,245,846
Income taxes - current	446,020	407,308
Income taxes - deferred	68,144	2,554
Total income taxes	514,164	409,862
Profit	1,011,485	835,983
Profit attributable to non-controlling interests	5,688	7,847
Profit attributable to owners of parent	1,005,797	828,136

(Consolidated statement of comprehensive income)
(June 1, 2018 – May 31, 2019)

(Unit: thousands of yen)

	Fiscal year ended May 31, 2018	Fiscal year ended May 31, 2019
Profit	1,011,485	835,983
Other comprehensive income		
Valuation difference on available-for-sale securities	93,465	△56,455
Foreign currency translation adjustment	△40,349	36,680
Remeasurements of defined benefit plans, net of tax	11,272	10,116
Total other comprehensive income	64,389	△9,658
Comprehensive income	1,075,875	826,325
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,068,188	820,031
Comprehensive income attributable to non-controlling interests	7,686	6,293