

< Consolidated Financial Statements >

(1) Consolidated statement of income

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Net sales	11,367,532	11,213,162
Cost of sales	6,926,841	6,928,594
Gross profit	4,440,691	4,284,567
Selling, general and administrative expenses		
Promotion expenses	369,655	401,622
Advertising expenses	114,073	100,742
Packing and transportation expenses	86,629	83,811
Provision for directors' bonuses	21,900	21,100
Salaries and allowances	922,913	958,900
Retirement benefit expenses	32,336	27,084
Welfare expenses	174,637	183,717
Rent expenses	62,765	127,308
Depreciation	90,654	81,402
Commission fee	214,379	242,187
Taxes and dues	106,852	97,721
Experiment and research expenses	366,254	339,022
Other	373,366	441,442
Total selling, general and administrative expenses	2,936,421	3,106,064
Operating income	1,504,269	1,178,502
Non-operating income		
Interest income	17,528	36,626
Dividend income	4,006	4,254
Foreign exchange gains	65,013	29,809
Real estate rent	131,182	121,956
Share of profit of entities accounted for using equity method	30,805	31,310
Subsidy income	27,585	34,250
Other	19,198	14,184
Total non-operating income	295,319	272,391
Non-operating expenses		
Interest expenses	7,374	10,948
Rent expenses on real estates	96,667	86,964
Other	5,319	3,948
Total non-operating expenses	109,361	101,862
Ordinary income	1,690,228	1,349,032
Extraordinary income		
Gain on sales of non-current assets	462,187	—
Insurance premiums refunded cancellation	17,261	—
Total extraordinary income	479,448	—
Extraordinary losses		
Loss on sales of non-current assets	434	280
Loss on retirement of non-current assets	4,885	—
Loss on insurance cancellation	1,008	—
Loss on disaster	—	160,258
Provision for loss on disaster	—	209,395
Total extraordinary losses	6,329	369,934
Income before income taxes and minority interests	2,163,347	979,098
Income taxes - current	713,768	252,285
Income taxes - deferred	△51,576	39,254
Total income taxes	662,191	291,539
Profit	1,501,156	687,558
Profit attributable to non-controlling interests	7,862	335
Profit attributable to owners of parent	1,493,294	687,223

(2) Consolidated statement of income

(Thousands of yen)

	Fiscal year ended May 31, 2023	Fiscal year ended May 31, 2024
Profit	1,501,156	687,558
Other comprehensive income		
Valuation difference on available-for-sale securities	△48,930	45,670
Deferred gains or losses on hedges	△12,646	—
Foreign currency translation adjustment	186,349	379,048
Remeasurements of defined benefit plans, net of tax	25,849	4,491
Total other comprehensive income	150,621	429,210
Comprehensive income	1,651,777	1,116,768
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,643,250	1,109,858
Comprehensive income attributable to non-controlling interests	8,526	6,910