

Our Message to Medical Workers

We sincerely would like to express deep appreciation for your devoted works on the frontiers against COVID-19.



(Listed on the 1st Section of the Tokyo Stock Exchange; Code 7447)



We will never forget your courage.

ANALYST GUIDE

October 2020

<Contact for information on this material: Mr. Tokue, Administration Headquarters (+81-3-5289-8200)>

1 Sales & Income

Net Sales: **¥17,066 m** (y/y Change+1.7%)
Operating Income: **¥4,937 m** (y/y Change+0.4%)

2 COVID-19 Impact

Our functions of production, sales and distribution are in operation as usual.

Some deliveries of our products were delayed.

Sales of infection prevention products which we developed made up for drop-off in sales.

3 Repurchase of Shares

We repurchased 400,000 shares of our common stock on November 13, 2019.

(1.05% of total number of shares issued, total amount of repurchase: 1,031,200,000 yen)

I About “NAGAILEBEN”	3p
II Market Environment	8p
III Financial Review of FY2020 and Forecast for FY2021	13p
IV Management Goals	26p
V Rewarding shareholder- focused policies	29p



I About “NAGAILEBEN”



① Over 100 years in business (Established in 1915) Competitive position in medical clothing market

- Approximately **60%** market share in domestic medical clothing
- Integrated Production System Planning, Manufacturing and Marketing
- The number of shipments is over **6 million clothing a year.**
- Competitive product such as extensive products, custom-made program

② Stable growing market

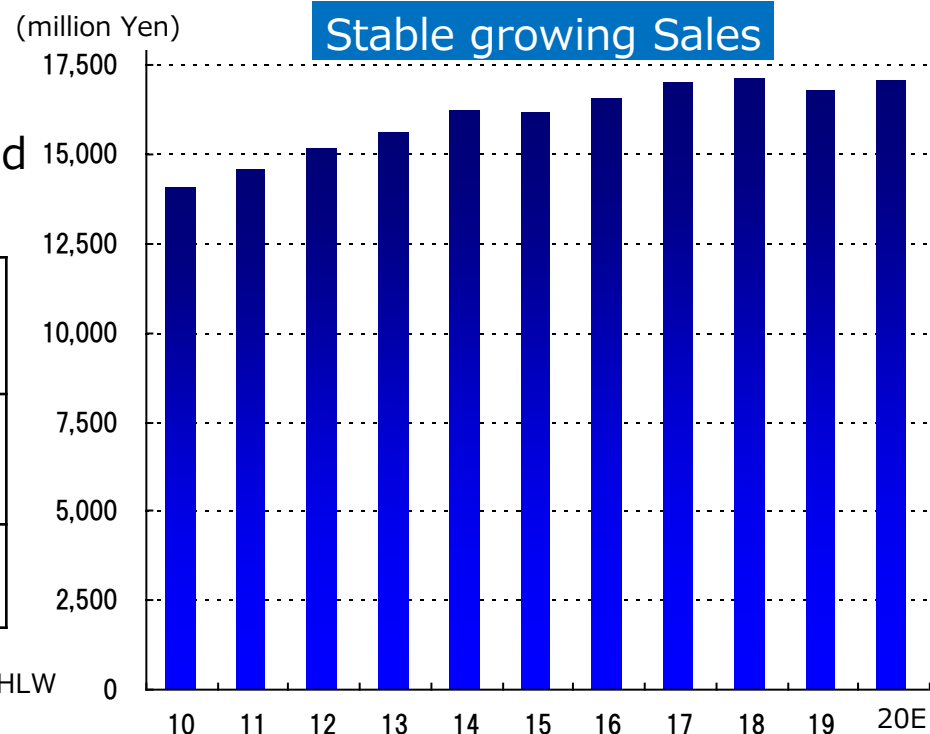
- The number of Nursing Staff and Care workers is increasing gently.

Doctor, Dentist, Pharmacist*1 (2018)	Nursing Staff*2 (2017)	Care workers*3 (2017)
740,000 People	1,670,000 people	1,870,000 people
compare with 2016 +18,000people	compare with 2016 +11,000people	compare with 2016 +35,000people

*1 Research of doctor, dentist and pharmacist 2018, MHLW

*2 Document of Nursing staff supply and demand subcommittee, MHLW

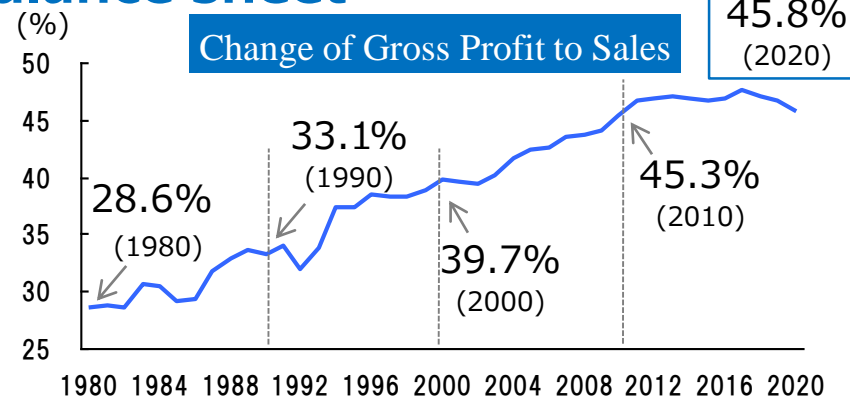
*3 Research of Long-Term Care Service , MHLW



3

Highly profitability Strong balance sheet

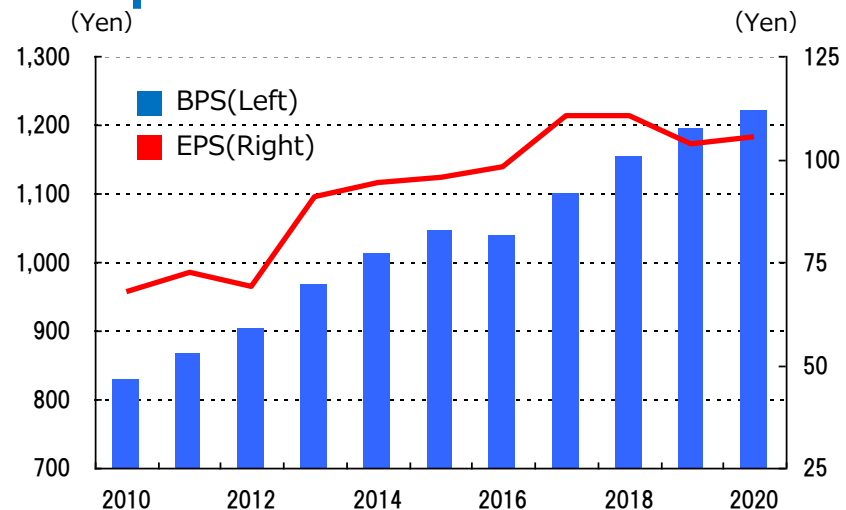
- Realization of high profitability with radical pursuit of efficiency
- Gross profit to sales **45.8%**
- Capital-to-asset ratio **89.3%**
- ROE **8.7%** (as of FY2020)



4

Rewarding shareholder-focused policies

- BPS **1,221.0Yen** (as of FY2020)
- EPS **105.5Yen**
- Continue stable dividend payment with payout ratio of 50%
- DPS **60Yen**
- Acquisition of treasury stock



5

Social Responsibility

We think that well-balanced growth with human, profit and philanthropy become the responsible corporate, on the basis of our company spirit "**Nagaism**".

What's NEW

Social Responsibility



Development of Infection Prevention Products
Donation 40,000 reusable masks and 10,000 isolation gowns to Medical Institutions



Cheering message to medical workers

Support for Women

Women principal domains: Medical and Sewing

Products of Nagaileben are mainly for women, who work as a nursing staff or a care worker. At production sites of Nagaileben, many women staff has been engaged in sewing. Activities of Nagaileben are linked to support for women.

Respect for Customers

Beauty Lecture for Nurse



Practical course in makeup and manner for nurses in medical fields. Collaboration with **Shiseido**.

Regional Contribution

Rental of Historic Nurse Wear



Archiving historic nurse wear. Free rental to medical institutions.

Respect for Customers



Communication Space for Nurse “ITONA” gallery

Commemorating our 100th anniversary year, we opened Japan's First communication space for nurse, “ITONA”.

Regional Contribution



Medical Kids Project Miffy's Visits to Hospitals

For interchange between hospitals and local communities, we have continued Medical Kids Project and Miffy's visits to hospitals. This activities started from our wish that children in hospital will be at ease.

Regional Contribution

Regional Contribution through Production Base

We have manufactured medical clothing by itself. Nowadays, factories are in Akita pref. Japan, China, Indonesia and Vietnam. Also we have contributed to the development of regional community such as job creation, ability development and life circle improvement.

Environmental Efforts

-We acquired ISO14001 certification in 2005. We strive to improve management structures and reduce environmental impacts, such as re-use of shredded waste cloth material.

-Considering not only ourselves but hospitals, we developed new product “COMPELPACK”, which shifts “Re-use” from “Disposable”, and has sold it. “COMPELPACK” is the surgical wear which enables hospital to reduce waste and be more economical.

Social Responsibility

-We have published anthology for nurse regularly and made gifts for hospitals or nurses free of charge.
 - We received recognition from the Minister for Health, Labour and Welfare, as one of the best contributed companies in employment of people with disabilities.
 - Business Ambassador in Misato town, voluntary local residents. Akita Prefecture.

-We have donated subscription, medical wear, masks and wheelchairs when natural disasters occurred such as SARS, great earthquake at Indonesia, Han-Shin Awaji Earthquake disaster, Great East Japan earthquake, Kumamoto earthquake and COVID-19.
 -Support United Nations World Food Programme(WFP).
 -Planting of Revival Cherry Trees: We have planted cherry trees to commemorate the 3.11's tsunami victims in Minami-sanriku, Tōhoku area, Japan , with

SUSTAINABLE DEVELOPMENT GOALS



Social Responsibility as Corporate Citizen



“Let us help the human life”

- Support medical field through our products.
- Realize High-Function and High-Sense products they require



Environmental Efforts

-“COMPELPACK”

- Enables hospital to reduce waste and be more economical.
- ISO14001 certification in 2005
- Environmentally conscious operation



Return to Society

We give back to society on the basis of our company spirit “Nagaism”.



To solve social problems,
we will develop bond with SDGs' goal and our business gradually.

Social Issue
COVID-19

Shortage of
mask and gown

Infection risk



Development of Reusable Infection
Prevention Products

Expansion of “COMPELPACK” Business



II Market Environment



Market condition is confusion

- Medical treatment and nursing care fees were revised due to raising consumption tax rate. (effective Oct. 2019).
Medical treatment fees Total -0.07%: Service: +0.41%, Drug price: -0.47%
- Medical treatment fees was revised (effective April 2020).
Medical treatment fees Total -0.46%: Service: +0.55%, Drug price: -1.01%
- Medical fields are confusion due to COVID-19.

The risk of medical materials supply system in Japan emerged

- Productive capacity in Japan became shortage due to sharp increase in demand of medical materials.
- The risk of policies in producing countries.
- Material cost, such as dyestuffs, are increasing.

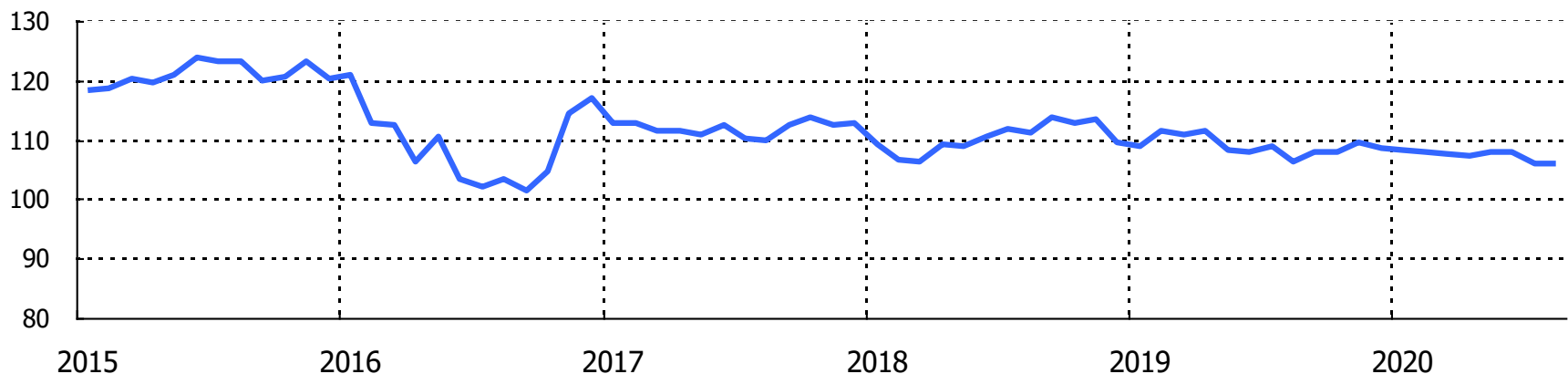
The rate of exchange

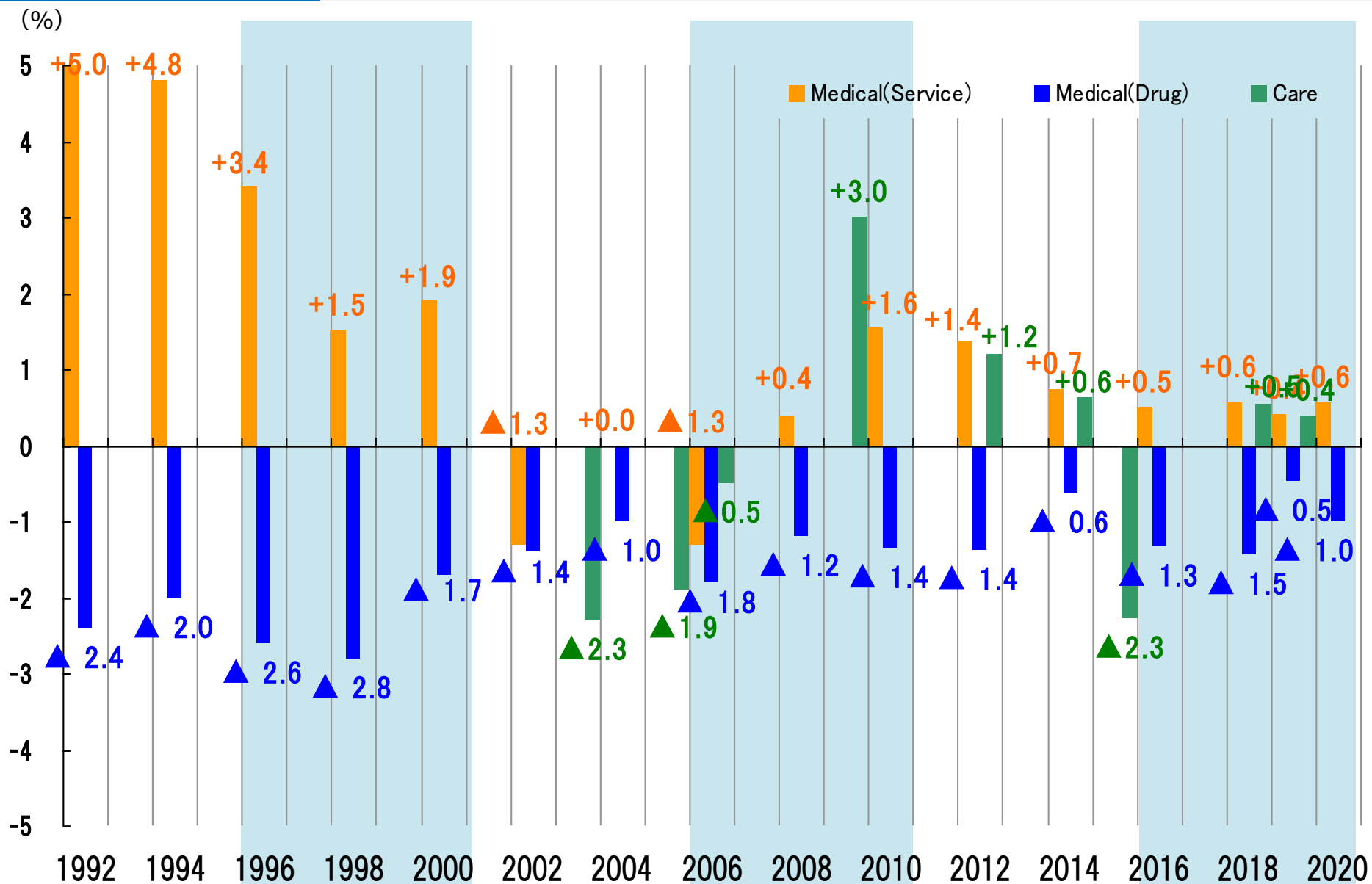
-monthly average exchange rate(as of Aug.)

2015:¥123/dollar, 2016:¥103/dollar, 2017:¥109/dollar,
2018:¥111/dollar, 2019:¥106/dollar, 2020:¥106/dollar

As of Aug. 2020

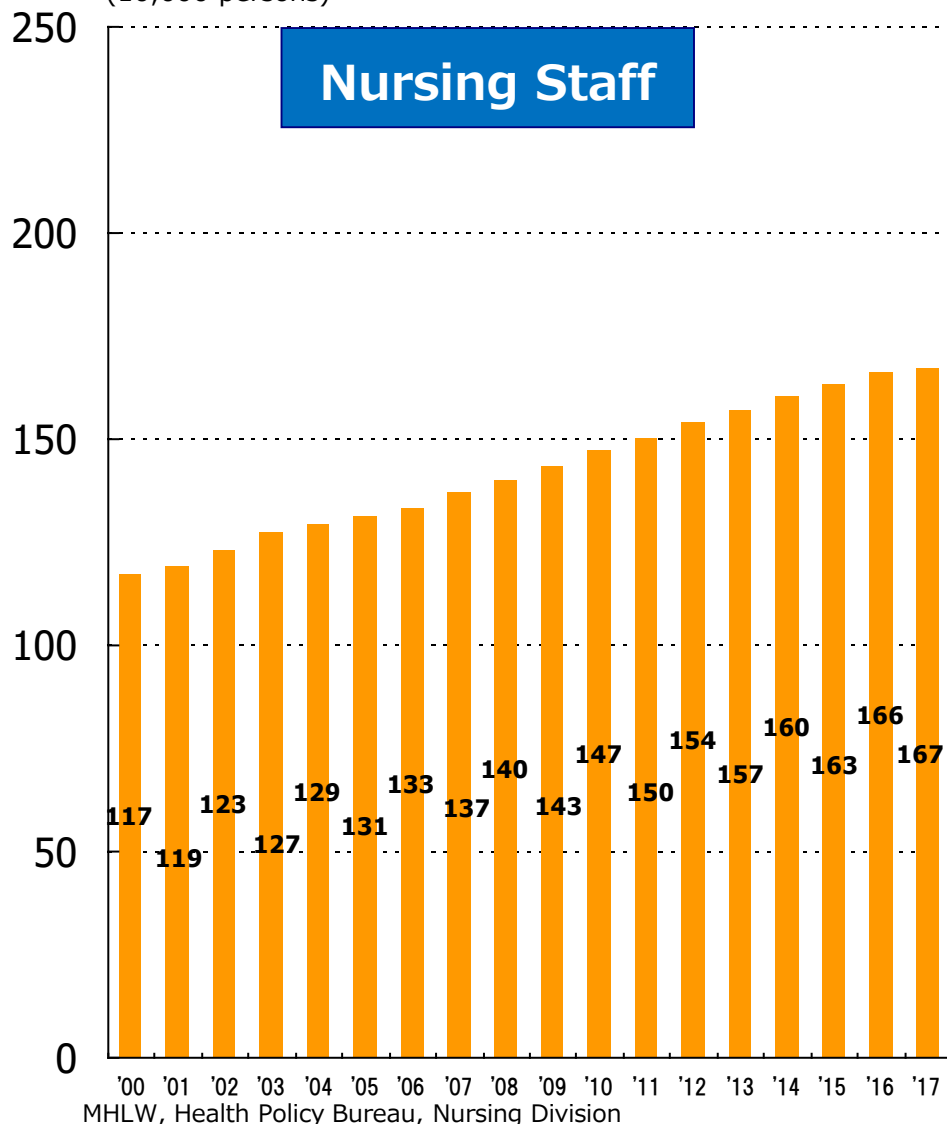
¥105.36/dollar



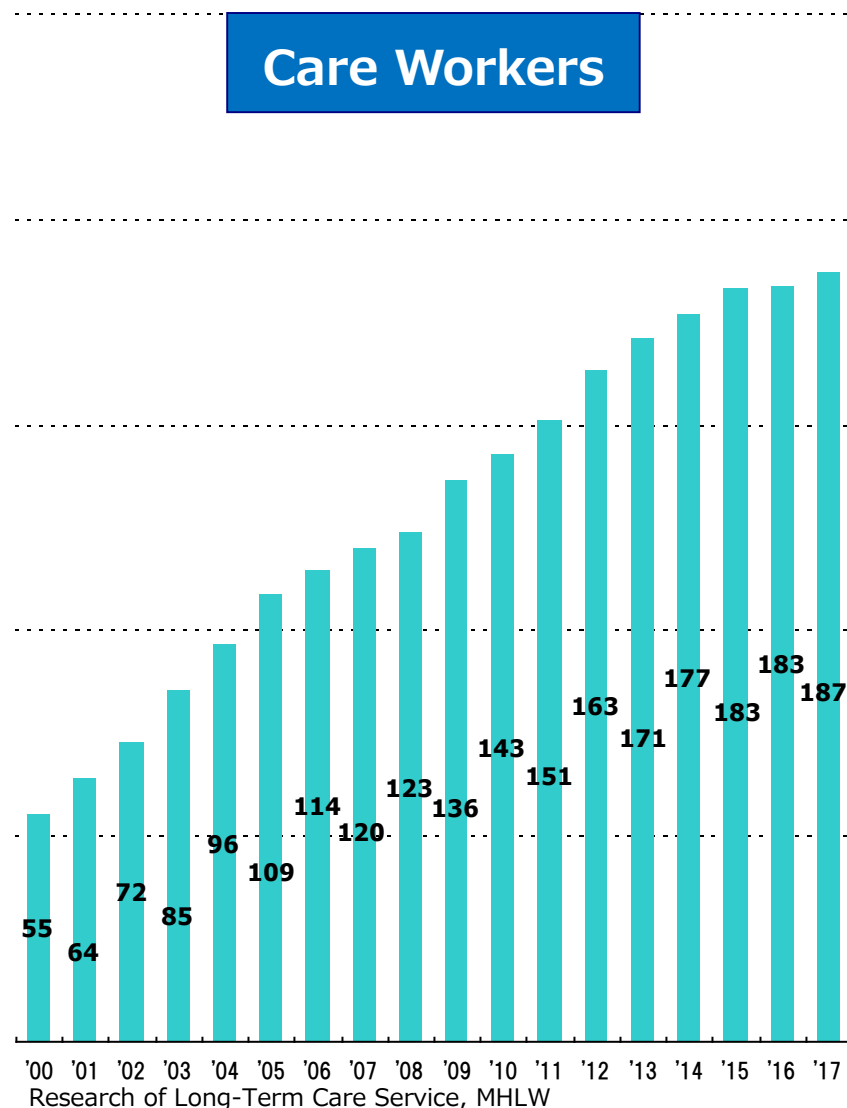


(10,000 persons)

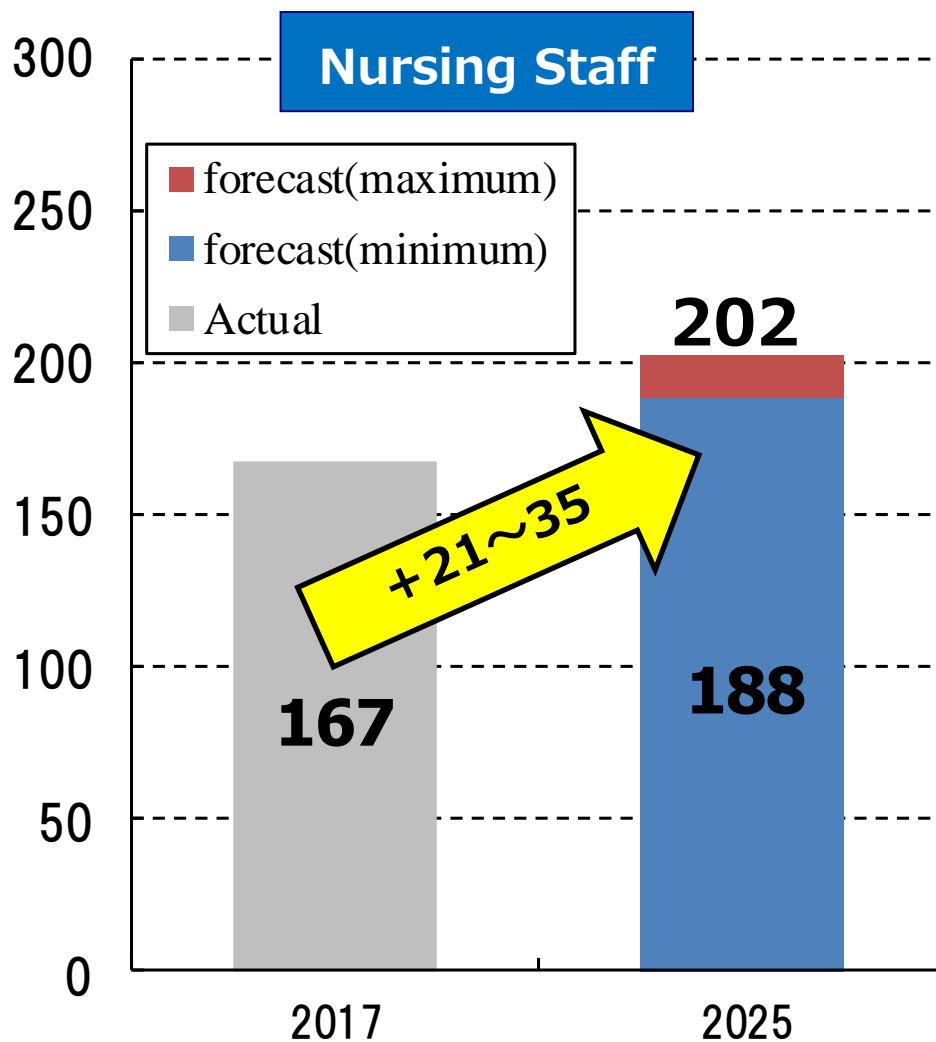
Nursing Staff



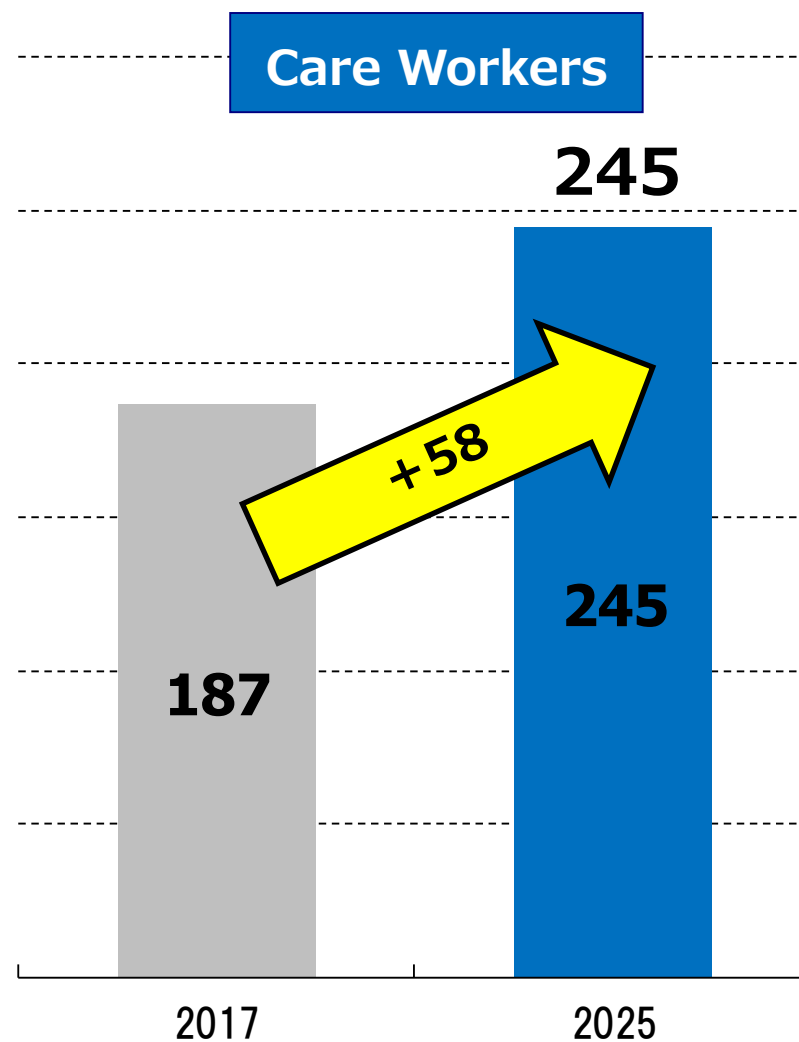
Care Workers



(10,000 persons)



Source: The committee about supply and estimated future need of Nursing MHLW



Actual record: Research of Long-Term Care Service, MHLW
Forecast: The 7th Insured Long-Term Care Service Plans, MHLW



II Financial Review of FY2020 and Forecast for FY2021



Marketing strategy to increase sales

Capture clusters of needs with value-added strategy in the healthcare wear market

Increase share of peripheral business in products for patients and surgery wear market

Cultivate overseas markets by expanding our business model in Japan

Develop reusable prevention products for infectious disease.

Production strategy to ensure a steady supply

Operation of New Sewing Factory

Strengthen domestic production

Strengthen ability to respond Quick Response

Strengthen ties with material makers and trade firms

Strategy to stabilize profitability

Improvement of profitability by driving the strategy of higher quality and value-added products

Embark on transferring oversea materials from domestic

Shift to overseas from domestic in sewing process

Promote the efficient use of Materials

Our functions of production, sales and distribution are in operation as usual.

Development

- We developed reusable prevention products for infectious disease.
 - Utilization of our know-how in Surgery wear.
- Products, isolation gowns and mask, launched.

Production

- The impact for domestic and overseas factories were negligible.
- To meet sharp increase in demand of infection prevention products, we realized quick response by using productive capacity in Japan.

Sales

- Some deliveries of our products were delayed.
- We focused on sales of infection prevention products due to shortage of medical materials in medical sites.
- Orders from MHLW in FY2020-4Q made up for drop-off in sales.

(millions of yen, %)	FY2020		FY2021	
	Full(Results)	% Change	Full(Forecast)	% Change
Net sales	17,066	+1.7	17,300	+1.4
Gross profit	7,810	-0.4	8,010	+2.6
Sales, general, and administrative expenses	2,872	-1.7	2,941	+2.4
Operating income	4,937	+0.4	5,068	+2.7
Recurring income	5,031	+0.8	5,140	+2.2
Net income	3,474	+0.8	3,518	+1.3
FY2020(Results)			FY2021(Forecast)	

[Overview]

Sales in FY2020 increased +1.7%.

Due to COVID-19, negotiations of renewal contracts were impeded, some deliveries of our products, Healthcare wear and Doctors' wear to medical institutions delayed, and some contracts were postponed to FY2021. Though sales fell in 3Q, sales trend was on the track to recovery in 4Q by catching renewal contracts which were postponed. Sales of Surgery wear grew in 3Q. There was shortage in supply of medical materials, the merit of reusable, such as COMPELPACK, was accepted. Delivery our new COVID-19 prevention products, which we developed in this term, to MHLW and so on contributed to total growth.

[Overview]

Net sales will increase +1.4% and become highest record.

Though the impact of COVID-19 will be prolonged, our products are consumables, delay of our products deliveries will resume. Delivery COVID-19 prevention products to MHLW continued until 1Q. The increase in sales of Surgery wear is expected to continue with increased demand in the market. The increase in sales of Patient wear is expected to increase with new promotion which was postponed from previous year. These increases of sales will make up for the drop of sales to MHLW in previous year.

(millions of yen, %)	FY2020		FY2021	
	Full(Results)	% Change	Full(Forecast)	% Change
Net sales	17,066	+1.7	17,300	+1.4
Gross profit	7,810	-0.4	8,010	+2.6
Sales, general, and administrative expenses	2,872	-1.7	2,941	+2.4
Operating income	4,937	+0.4	5,068	+2.7
Recurring income	5,031	+0.8	5,140	+2.2
Net income	3,474	+0.8	3,518	+1.3

FY2020(Results)		FY2021(Forecast)
[Gross profit]		
Factor of Sales :	+¥129m	+¥108m
Factor of Production :	-¥159m	+¥92m
Gross profit to sales :	FY2019 46.7% → FY2020 45.8%	FY2020 45.8% → FY2021E 46.3%
(Factor of Production resolution)		
-Boost of sewing cost :	-¥63m (In Japan)	
-Boost of materials:	-¥68m	
-Foreign Exchange rate(yen/dollar) :	FY2019 107.5→FY2020 106.0 (+¥30m)	FY2020 106.0→FY2021E 105.0 (+¥20m)
-Overseas production ratio:	FY2019 49.2% →FY2020 49.5% (+¥35m)	FY2020 49.5%→FY2021E 50.5% (+¥60m infection prevention products+¥20m)
-Supply To MHWL :	-¥100m (Emergency Production in Japan)	+¥20m (Shift to Overseas production)

(millions of yen, %)	FY2020		FY2021	
	Full(Results)	% Change	Full(Forecast)	% Change
Net sales	17,066	+1.7	17,300	+1.4
Gross profit	7,810	-0.4	8,010	+2.6
Sales, general, and administrative expenses	2,872	-1.7	2,941	+2.4
Operating income	4,937	+0.4	5,068	+2.7
Recurring income	5,031	+0.8	5,140	+2.2
Net income	3,474	+0.8	3,518	+1.3

FY2020(Results)		FY2021(Forecast)
[Sales, general, and administrative expenses]	Donation +¥20m Retirement bonuses for directors -¥84m (abolished Directors' retirement allowances in FY2019) Travel expenses -¥36m	Travel expenses +¥31m Advertising expenses +¥18m
[Capital expenditure] -Capital expenditure	¥183m (Buildings:¥67m, IT system:¥75m, Distribution equipment:¥28m, Manufacturing equipment:¥12m)	¥275m (Buildings:¥181m, IT system:¥36m, Distribution equipment:¥38m, Manufacturing equipment:¥18m)
-Depreciation	¥334m	¥317m

1 Impact on Sales

FY2020-4Q: ¥945m


FY2021-1Q: ¥315m

	FY2020(Results)			FY2021(Forecast)	
	First-half	3 Q	4 Q	First-half	Second-half
Net sales					
Year-on-year change	-2.5%	-7.8%	+23.5%	+8.6%	-3.7%
Excluding above factor	—	—	-1.0%	+4.1%	+6.3%

2 Impact on Profit

FY2020: Emergency Production in Japan -¥100m

FY2021: Shift to Overseas production +¥20m

	<u>FY2020-4Q</u>		<u>FY2021E</u>
Gross profit to sales	45.1%		46.3%
	46.0%(Excluding above factor)		

Major assets

(¥ million %)

Title	Result	Change Result	Change%
Cash on hand at banks	25,646	+489	+1.9
Notes and accounts receivable (including electronically recorded claims)	5,573	+233	+4.4
Inventories	4,631	+151	+3.4
Current assets	35,936	+882	+2.5
Buildings and structures	2,692	-123	-4.4
Land	4,434	-4	-0.1
Investments and other assets	1,373	-53	-3.7
Fixed assets	8,995	-231	-2.5
Total assets	44,931	+650	+1.5

Major liabilities and shareholders' equity

Title	Result	Change Result	Change%
Notes and accounts payable	1,592	+140	+9.7
Accrued income taxes	1,036	+42	+4.2
Current liabilities	4,810	+251	+5.5
Capital reserves	41,599	+1,478	+3.7
Treasury stock	-5,920	-1,024	+20.9
Net assets	40,121	+399	+1.0
Total liabilities and net assets	44,931	+650	+1.5

[Major changes from the previous fiscal year]

Cash and cash equivalents**Up 489 million**

- Cash flows from operating activities
- Acquisition tangible and intangible
- Dividend payout
- Acquisition Treasury stock

Up 3,634 million
Down 177 million
Down 1,994 million
Down 1,031 million

Fixed assets**Down 231 million**

- Buildings and structures (Depreciation)

Down 166 million

Net assets**Up 399 million**

- Net profit
- Dividend payout
- Acquisition Treasury stock

Up 3,474 million
Down 1,995 million
Down 1,031 million

Segments by Item

Healthcare wear



Patient wear



Shoes



Doctors' wear



Utility wear



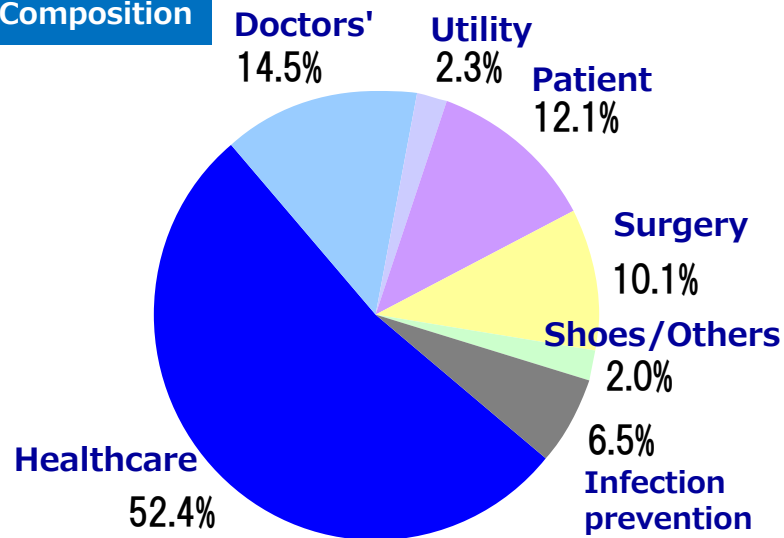
Surgery wear



Infection prevention



Composition



y/y change

(%)

	FY2020(Results)				FY2021E
	First-half	3 Q	4 Q	Full	Full
Total sales	-2.5	-7.8	+23.5	+1.7	+1.4
Healthcare wear	-3.8	-14.6	-4.2	-7.6	+6.3
Doctors' wear	-2.1	-13.8	-6.2	-7.4	+5.8
Utility wear	-13.9	-5.0	-12.3	-10.6	-10.0
Patient wear	-1.2	-1.7	+11.2	+1.7	+6.4
Surgery wear	+5.8	+13.6	+4.3	+7.7	+3.5
Shoes/Others	-0.8	-13.0	+29.4	-3.2	-8.0
Infection prevention			-	-	-53.9

FY2020(Results)

FY2021(Forecast)

[Healthcare]
[Doctors']

Sales fell in 3Q and recovered in 4Q. Postponed renewal contracts and withholding purchases occurred, because the market was confused and our sales promotion was restraint.

Sales is expected to increase steadily. Though the impact of COVID-19 will be prolonged, our products are consumables and we will focus on deals of renewal contracts which are postponed from previous term.

[Utility]

The demand was down, due to changing unit of supply from individual to section.

As the demand being down, the decline in sales of Utility wear is expected to continue.

[Patient]

Sales kept previous year. Though impact of COVID-19 was small, some delays occurred in new contracts.

Steady growth of sales is expected. We will execute new effort which was postponed from previous year.

[Surgery]

Sales grew, especially in 3Q. There was shortage in supply of disposable products, the merit of COMPELPAK, reusable, was accepted.

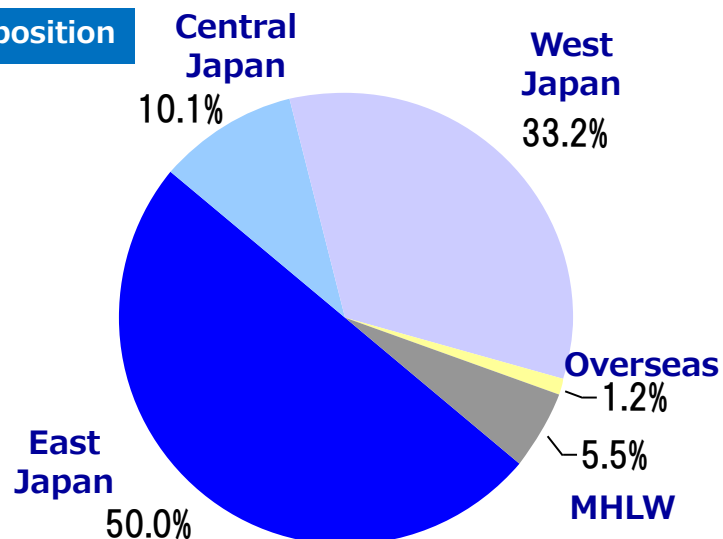
Sales of surgery wear is expected to increase. We will continue to focus on penetrating COMPELPAK into the market by appealing the merit of avoiding risks.

[Infection prevention]

We achieved approximately ¥1.1B. We developed COVID-19 prevention products, isolation gowns and masks, in this term and caught contracts from MHLW and so on.

Though contract from MHLW in previous year goes out, we plan to familiarize reusable COVID-19 prevention products in market.

Composition



y/y change

(%)

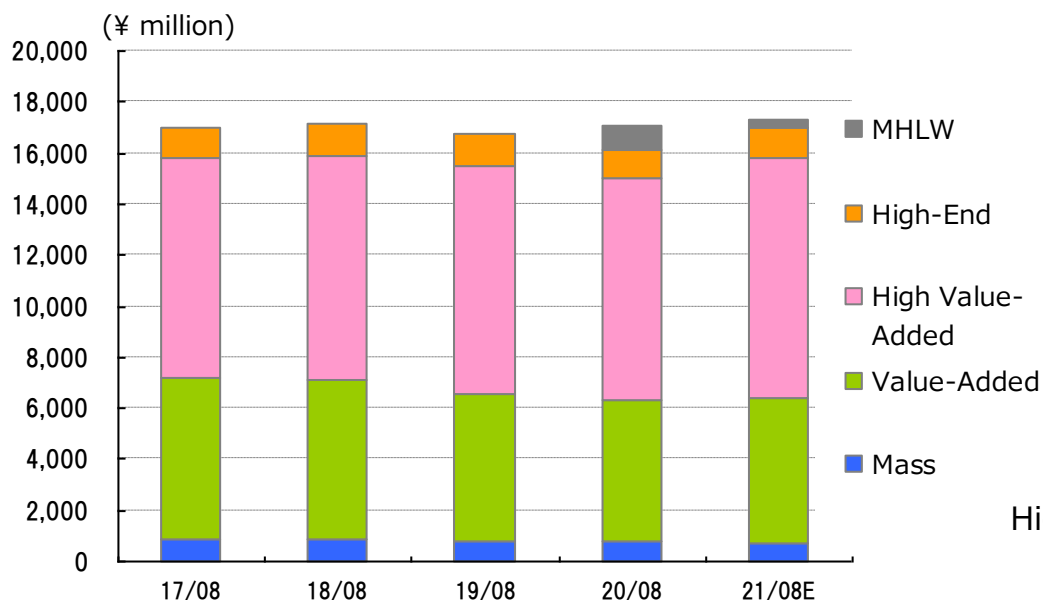
	FY2020(Results)				FY2021E
	First-half	3 Q	4 Q	Full	Full
Total sales	-2.5	-7.8	+23.5	+1.7	+1.4
East Japan	-1.2	-6.7	-5.8	-4.1	+4.5
Central Japan	+2.0	-8.6	+33.7	+4.0	+4.0
West Japan	-6.2	-9.2	-2.0	-6.2	+6.9
Overseas	+13.2	-13.6	+7.6	+6.0	+9.3
MHLW			—	—	-66.7

FY2020(Results)

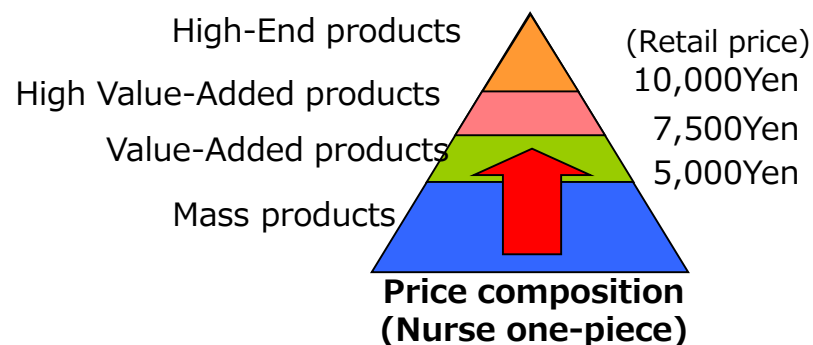
FY2021(Forecast)

[East Japan]	Sales went below previous year. Sales trend was on the track to recovery, focusing on promoting surgery wear and infection prevention products in 3Q and catching up renewal contracts in 4Q. Postponed contracts occurred in city area.	Sales is expected to increase. We will catch large contracts and renewal contracts which were postponed, and promote infection prevention products.
[Central Japan]	Sales exceeded previous year, by catching large renewal contracts.	Sales is expected to reach the highest ever by catching renewal contracts certainly.
[West Japan]	Sales fell. Though we focused on executing new effort in patient wear and catching renewal contracts which were postponed, some contracts were postponed to the next term.	Sales is expected to recover. We will catch renewal contracts which were postponed and execute new effort in patient wear.
[Overseas]	Though market condition was intense in 3Q, sales recovered, by catching large contracts in 4Q.	Sales is expected to increase. We will promote introducing our business model into East Asia from Japan.
[MHLW]	MHLW purchased ¥945m isolation gowns, which we developed in this term. Isolation gowns distributed to medical facilities all over Japan for free via MHLW.	MHLW purchased ¥315m in 1Q. No decision has been made thus far.

Sales by Product



y/y change (%)	FY2020	FY2021E
Total sales	+1.7	+1.4
High-End products	-15.9	+9.1
High Value-Added products	-3.1	+8.5
Value-Added products	-2.2	+1.5
Mass products	-7.5	-7.4
MHLW	—	-66.7



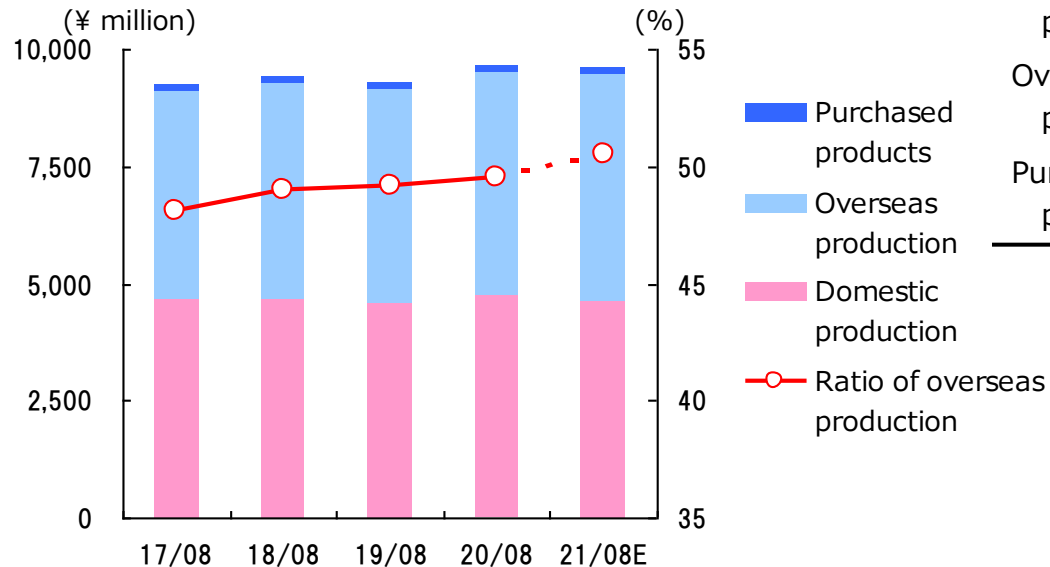
High-End products: We will strengthen lineup, such as 37°C and doctor coat, to activate a market. Sales is expected to increase steadily.

High Value-Added products: We will add value of products with improving functionality and designability.

Value-Added products: We will drive the shift from mass products, include other company products, to functional products.

Production

(Non-Consolidated)



Composition (%)

	FY2020	FY2021E
Domestic production	49.2	48.3
Overseas production	49.5	50.5
Purchased products	1.3	1.2

Material

- Cost reduction by switching overseas materials from domestic.
- Cost reduction and resource saving by driving efficient use of material.

Sewing

- Japan : Strengthen ability for quick response and small lot production.
Enhancement and retention of capabilities in emergency cases.
- Overseas: Strengthen productivity and quality of factories in Indonesia, Vietnam and China



IV Management Goals



Sales Strategy

- Increase peripheral business in products for Patients and Surgery.
- Gain share in West Japan.
- Develop and Sale of High-End and High Value-Added products.
- Develop reusable prevention products for infectious disease.
- Cultivate Overseas Markets.

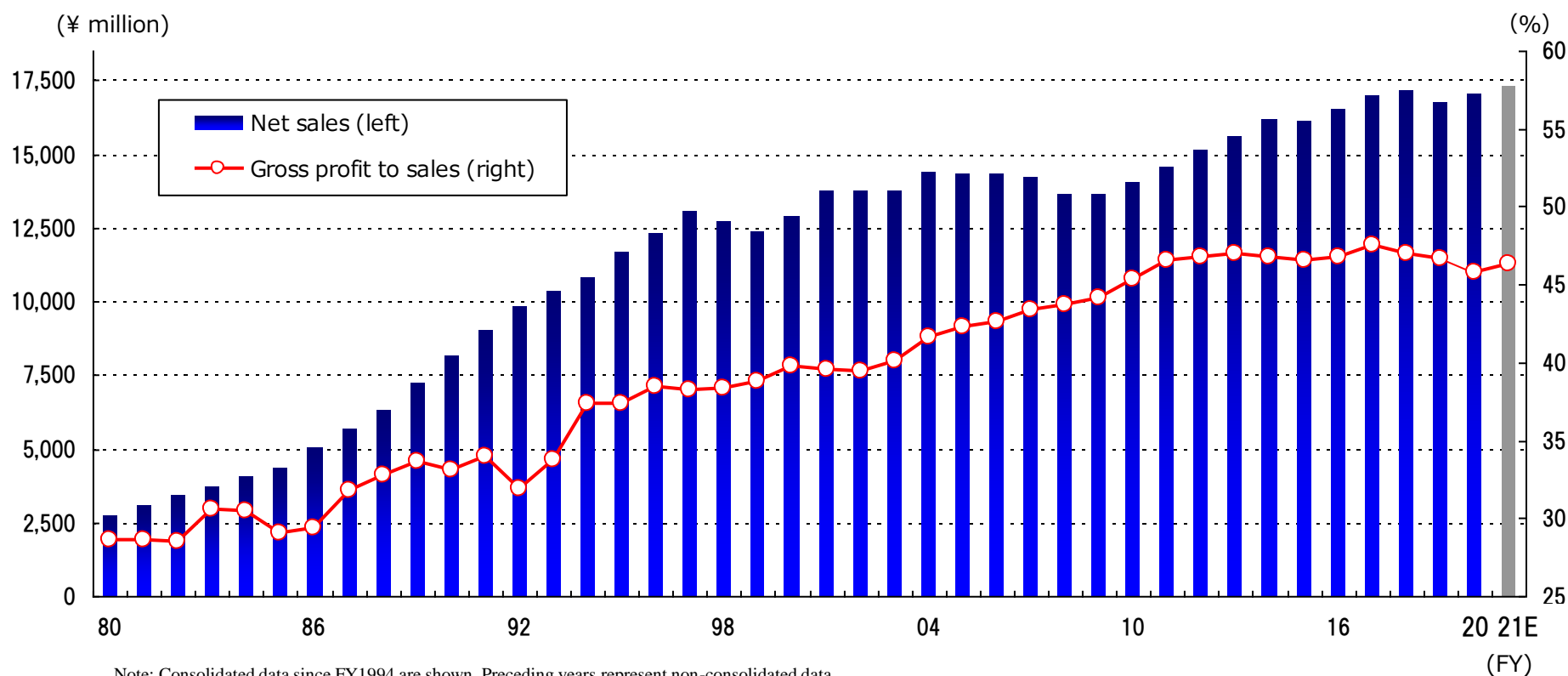
Profit Strategy

- Driving the strategy of Higher Quality and Value-Added products.
- The shift to Overseas Production.
- The minimization of Exchange Risk.
- Embark on Transferring Oversea materials from Domestic.

Equalization of the fluctuations in foreign exchange rates by reservation of exchange contracts

Due to COVID-19, regarding FY2022/FY2023 forecasts, the business impact is uncertain and reasonable calculation is difficult at the moment.

These forecasts are currently pending and we are planning to announce a revised forecasts when possible.





V Rewarding shareholder -focused policies



Shareholder-focused policies

- Improvement of transparency by proactive disclosure
- Interactive communication with investors
- Profit reimbursement by high dividends



Dividend policy

- Basic policy is to continue stable dividend payment with payout ratio of 50%

Share buyback

- Acquire expeditiously when our share is undervalued

Date of repurchase: November 13, 2019

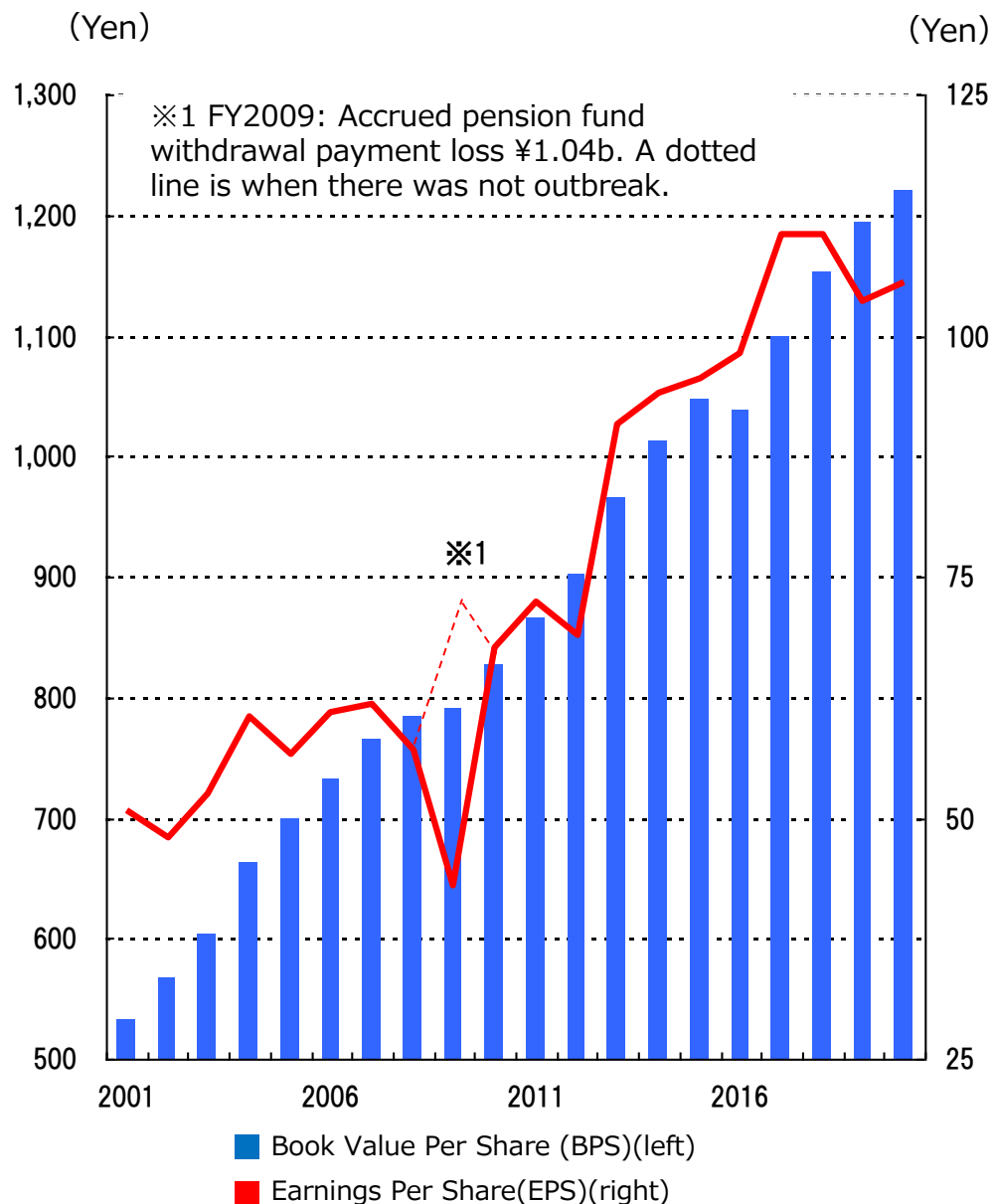
Total number of shares repurchased: 400,000 shares (1.05% of total number of shares issued)

Total amount of repurchase: 1,031,200,000 yen

Method of repurchase: Through Off-auction Own Share Repurchase Trading(ToSTNeT-3)
of the Tokyo Stock Exchange

	BPS (yen)	EPS (yen)	DPS (yen)
FY2001	532.5	50.8	12.5
FY2002	568.3	48.0	12.5
FY2003	604.0	52.4	15.0
FY2004	663.0	60.5	30.0
FY2005	700.0	56.7	30.0
FY2006	732.4	61.0	30.0
FY2007	764.3	61.9	30.0
FY2008	783.9	57.1	30.0
FY2009	791.0	42.9	30.0
FY2010	827.0	67.6	32.5
FY2011	866.1	72.3	35.0
FY2012	902.3	68.9	35.0
FY2013	966.2	90.8	45.0
FY2014	1,012.7	94.1	50.0
FY2015	1,046.6	95.6	* 100.0
FY2016	1,037.8	98.1	50.0
FY2017	1,099.2	110.5	60.0
FY2018	1,153.4	110.6	60.0
FY2019	1,194.5	103.6	60.0
FY2020	1,221.0	105.5	60.0

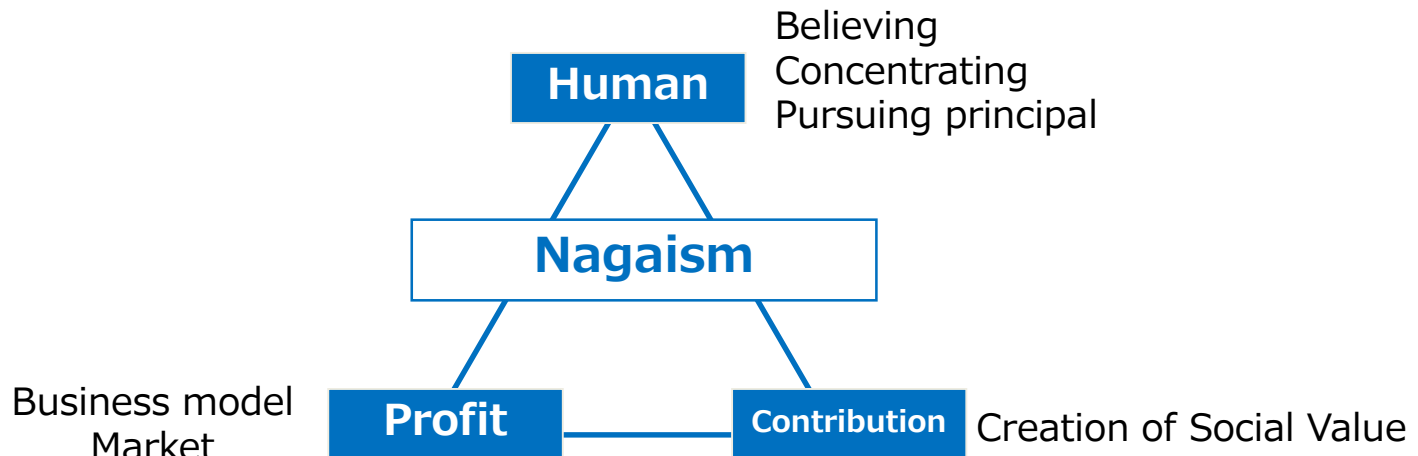
*2015: DPS 100yen (Include 100th anniversary commemorative 50yen)



	Total dividend (Million yen)	Share buyback (Million yen)	Payout ratio (non-c, %)	Total return ratio (non-c, %)	
FY2001	475	0	27.4	27.4	
FY2002	475	0	29.3	29.3	
FY2003	530	1,697	29.7	124.6	
FY2004	744	0	36.5	36.5	2004/2/24 Stock split 2-for-1
FY2005	1,117	0	56.9	56.9	
FY2006	1,117	0	53.4	53.4	
FY2007	1,117	0	53.1	53.1	
FY2008	1,083	1,077	56.6	111.2	
FY2009	1,040	1,220	57.3	122.2	
FY2010	1,127	0	51.4	51.4	
FY2011	1,205	226	52.0	61.7	2011/8/29 Stock split 2-for-1
FY2012	1,205	0	55.1	55.1	
FY2013	1,541	229	51.3	58.7	
FY2014	1,712	0	54.4	54.4	
FY2015	3,324	1,500	107.5	153.8	Include 100th anniversary commemorative 50yen
FY2016	1,662	0	52.5	52.5	
FY2017	1,994	0	55.2	55.2	
FY2018	1,994	0	55.2	55.2	
FY2019	1,995	0	58.0	58.0	
FY2020	¥1,971	1,031	¥57.9	¥87.9	DPS will be 60yen

Management Philosophy

Our management philosophy are “Let us help the human life” and “Harmony”. We think that well-balanced growth with human, profit and philanthropy become the responsible corporate. Furthermore, we have our company spirit, “Nagaism”. We continue to specialize in medical / nurse / care business area, expanding its market and developing best products for our customers.



Notes on this material

This material includes forecasts for the future.

These forecasts are based on the judgment of the Company's management concerning currently available information.

These future projections include assumptions or views based on assumptions, and therefore may be different from the actual outcome, depending upon future circumstances.

The expectations for future results stated by the Company or its management in this material do not represent any warranty that these expectations or particular results will be realized.

The Company is not liable to update any of its forecasts, or projections, unless otherwise provided for by law or under the relevant regulations.

Data File

FY2020



(Listed on the 1st Section of the Tokyo Stock Exchange; Code 7447)

<Contact for information on this material: Mr. Tokue, Administration Headquarters (+81-3-5289-8200)>

Index

1	...	Sales by Item
2	...	Sales by Product
3	...	Sales by Region
4	...	Rationalization of the Production System and Our Purchasing Strategy (Non-Consolidated)
5	...	Statements of Income (Consolidated)
6	...	Statements of Income (Non-Consolidated)
7	...	Indices (Consolidated)
8	...	Indices (Non-Consolidated)
9•10	...	Statements of Income (Consolidated•Non-Consolidated)
11•12	...	Balance Sheet (Consolidated•Non-Consolidated)
13	...	The Forecasts/Results of Net Sales (Consolidated)

1. Sales by Item

FY	17/8	18/8	19/8	20/8	21/8E
Sales	17,017	17,144	16,785	17,066	17,300
Healthcare wear	9,940	9,974	9,681	8,944	9,510
Doctors' wear	2,681	2,671	2,673	2,475	2,620
Utility wear	557	498	441	394	355
Patient wear	1,786	1,964	2,033	2,067	2,200
Surgery wear	1,634	1,643	1,596	1,719	1,780
Shoes/Other	417	391	359	347	320
Infection prevention wear				1,116	515

(¥ million)

First-half 19/8	First-half 20/8
7,233	7,051
4,116	3,958
1,084	1,061
202	174
995	983
687	727
147	146
0	0

Change over previous year

	2.9	0.7	-2.1	1.7	1.4
Sales					
Healthcare wear	2.8	0.3	-2.9	-7.6	6.3
Doctors' wear	1.0	-0.4	0.1	-7.4	5.8
Utility wear	-7.4	-10.5	-11.6	-10.6	-10.0
Patient wear	10.7	10.0	3.5	1.7	6.4
Surgery wear	3.8	0.6	-2.8	7.7	3.5
Shoes/Other	-0.3	-6.3	-8.1	-3.2	-8.0
Infection prevention wear				0.0	-53.9

(%)

	-2.5	-2.5
Sales		
Healthcare wear	-3.5	-3.8
Doctors' wear	-0.8	-2.1
Utility wear	-10.9	-13.9
Patient wear	2.7	-1.2
Surgery wear	-1.7	5.8
Shoes/Other	-9.4	-6.8
Infection prevention wear	-11.7	3.4

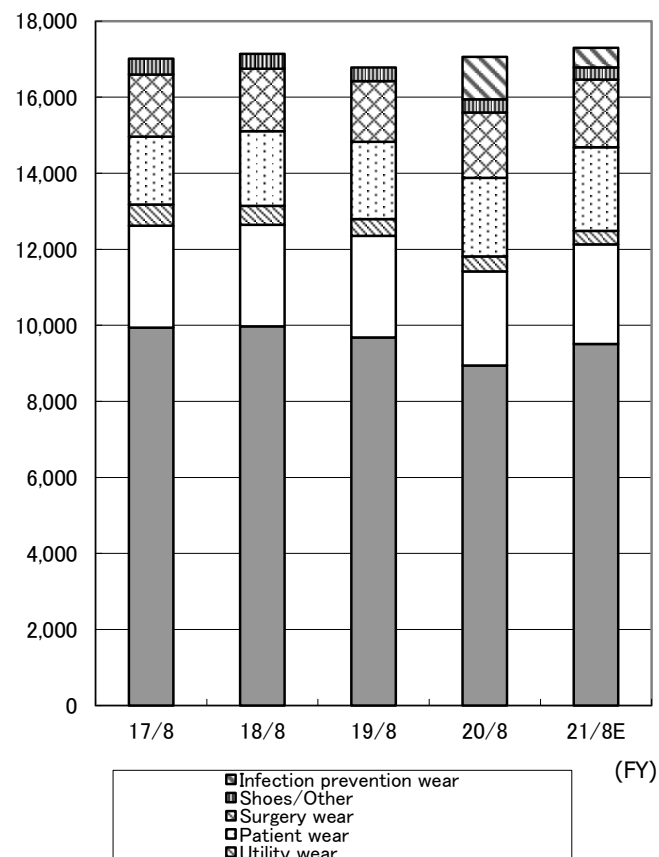
Composition

	100.0	100.0	100.0	100.0	100.0
Sales					
Healthcare wear	58.4	58.2	57.7	52.4	55.0
Doctors' wear	15.8	15.6	15.9	14.5	15.1
Utility wear	3.3	2.9	2.6	2.3	2.1
Patient wear	10.5	11.5	12.1	12.1	12.7
Surgery wear	9.6	9.6	9.5	10.1	10.3
Shoes/Other	2.5	2.3	2.1	2.0	1.8
Infection prevention wear				6.5	3.0

(%)

	100.0	100.0
Sales		
Healthcare wear	56.9	56.1
Doctors' wear	15.0	15.0
Utility wear	2.8	2.5
Patient wear	13.8	14.0
Surgery wear	9.5	10.3
Shoes/Other	0.8	0.8
Infection prevention wear		

(¥ million)



2. Sales by Product

						(¥ million)	
FY	17/8	18/8	19/8	20/8	21/8E	First-half 19/8	First-half 20/8
Sales	17,017	17,144	16,785	17,066	17,300	7,233	7,051
High-End products	1,191	1,269	1,274	1,072	1,170	540	493
High Value-Added products	8,612	8,759	8,969	8,692	9,430	3,859	3,817
Value-Added products	6,343	6,255	5,724	5,600	5,685	2,497	2,408
Mass products	869	860	817	756	700	336	332
Ministry of Health, Labour and Welfare, JAPAN				945	315		

Change over previous year

						(%)	
Sales	2.9	0.7	-2.1	1.7	1.4	-2.5	-2.5
High-End products	7.9	6.5	0.4	-15.9	9.1	3.2	-8.7
High Value-Added products	3.3	1.7	2.4	-3.1	8.5	-0.1	-1.1
Value-Added products	2.3	-1.4	-8.5	-2.2	1.5	-6.5	-3.6
Mass products	-3.1	-1.0	-5.0	-7.5	-7.4	-6.4	-1.1
Ministry of Health, Labour and Welfare, JAPAN					-66.7		

Composition

						(%)	
Sales	100.0	100.0	100.0	100.0	100.0	100.0	100.0
High-End products	7.0	7.4	7.6	6.3	6.8	7.5	7.0
High Value-Added products	50.6	51.1	53.4	50.9	54.5	53.4	54.1
Value-Added products	37.3	36.5	34.1	32.8	32.9	34.5	34.2
Mass products	5.1	5.0	4.9	4.4	4.0	4.6	4.7
Ministry of Health, Labour and Welfare, JAPAN				5.5	1.8		

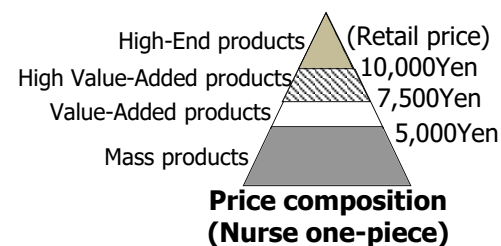
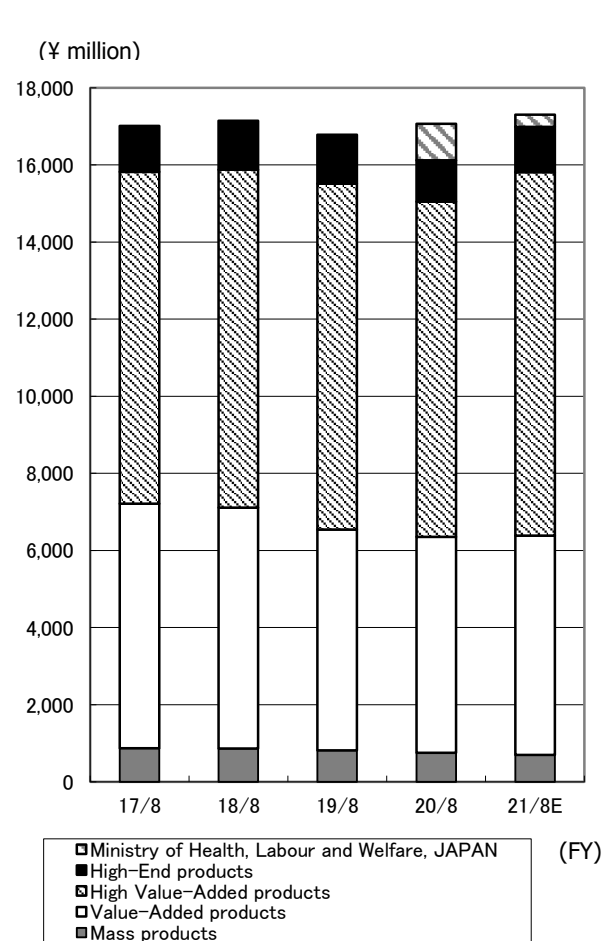
*Categories changed

-“DC brand products” and “High Functional products” : Classification and Name changed,
“High-End products” and “High Value-Added products”

-“Standard Functional products” : Name changed, “Value-Added products”

-“Mass products” : no change

Reference)	17/8	
DC brand products	661	
High Functional products	9,143	



3. Sales by Region

FY	17/8	18/8	19/8	20/8	21/8E
Sales	17,017	17,144	16,785	17,066	17,300
East Japan	9,007	9,065	8,898	8,530	8,915
Central Japan	1,756	1,795	1,664	1,730	1,800
West Japan	6,068	6,069	6,033	5,658	6,050
Overseas	184	214	189	201	220
Ministry of Health, Labour and Welfare, JAPAN				945	315

(¥ million)	
First-half 19/8	First-half 20/8
7,233	7,051
3,764	3,720
705	720
2,668	2,503
94	107
0	0

Change over previous year

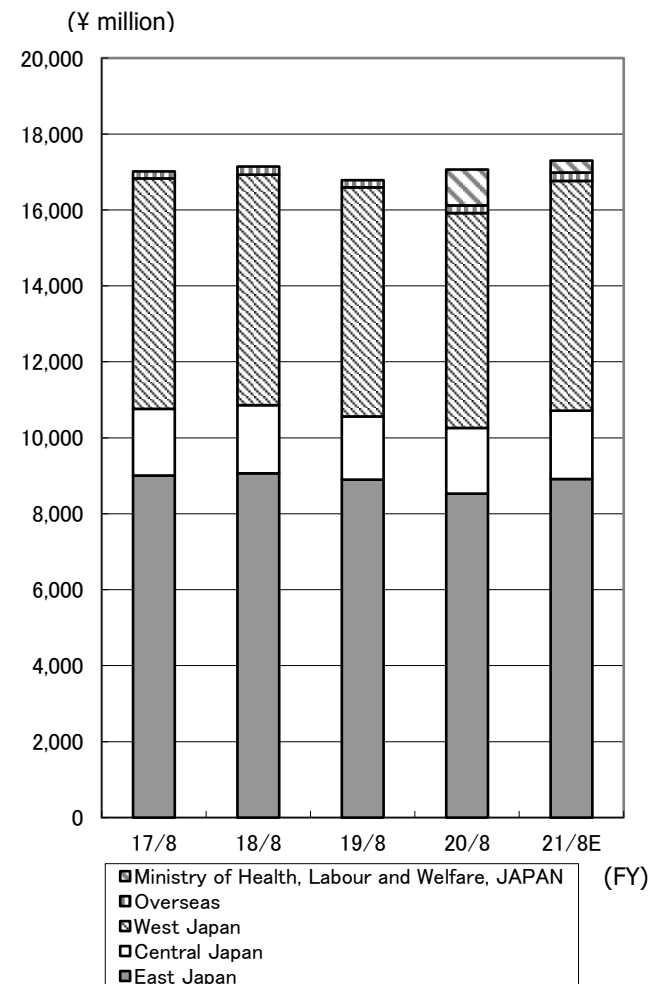
Sales	2.9	0.7	-2.1	1.7	1.4
East Japan	5.5	0.6	-1.8	-4.1	4.5
Central Japan	2.3	2.2	-7.3	4.0	4.0
West Japan	-0.2	0.0	-0.6	-6.2	6.9
Overseas	-8.2	16.4	-11.5	6.0	9.3
Ministry of Health, Labour and Welfare, JAPAN				0.0	-66.7

(%)	
-2.5	-2.5
-1.7	-1.2
-13.0	2.0
0.3	-6.2
-20.4	13.2
0.0	0.0

Composition

Sales	100.0	100.0	100.0	100.0	100.0
East Japan	52.9	52.9	53.0	50.0	51.5
Central Japan	10.3	10.5	9.9	10.1	10.4
West Japan	35.7	35.4	35.9	33.2	35.0
Overseas	1.1	1.2	1.1	1.2	1.3
Ministry of Health, Labour and Welfare, JAPAN				5.5	1.8

(%)	
100.0	100.0
52.0	52.8
9.8	10.2
36.9	35.5
1.3	1.5
0.0	0.0



4. Rationalization of the Production System and Our Purchasing Strategy(Non-Consolidated)

FY	17/8	18/8	19/8	20/8	21/8E
Domestic production	4,676	4,678	4,584	4,743	4,627
Overseas production	4,447	4,625	4,566	4,775	4,838
Purchased products	123	136	130	128	115
Total	9,246	9,439	9,280	9,646	9,580

(¥ million)	
First-half 19/8	First-half 20/8
2,333	2,267
2,308	2,289
52	55
4,693	4,612

Change over previous year

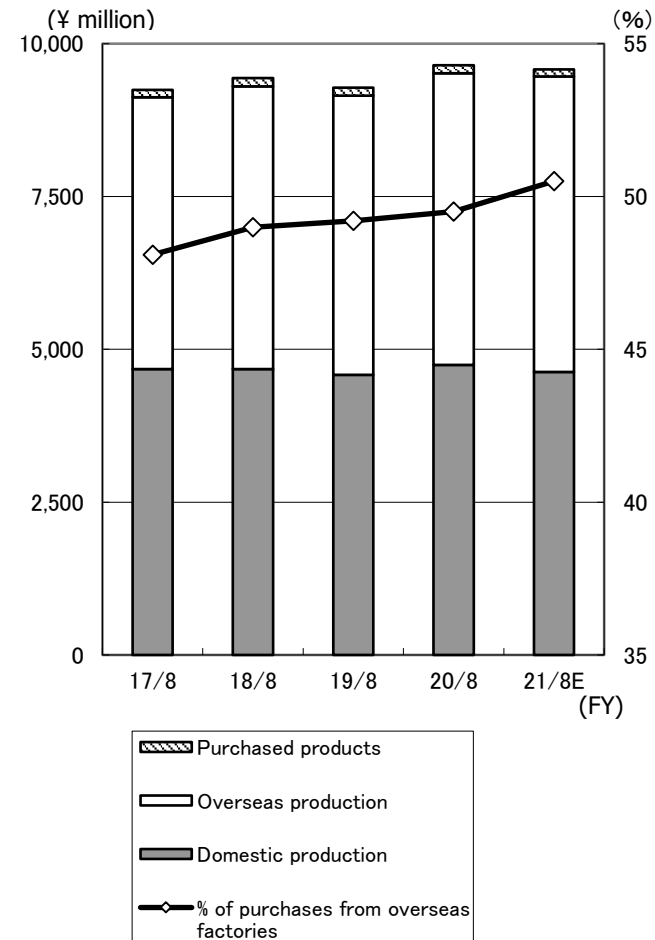
Domestic production	-2.0	0.0	-2.0	3.5	-2.4
Overseas production	0.6	4.0	-1.3	4.6	1.3
Purchased products	-7.5	10.6	-4.4	-1.9	-9.8
Total	-0.8	2.1	-1.7	3.9	-0.7

(%)	
-1.0	-2.8
1.5	-0.8
-8.8	5.8
0.1	-1.7

Composition

Domestic production	50.6	49.6	49.4	49.2	48.3
Overseas production	48.1	49.0	49.2	49.5	50.5
Purchased products	1.3	1.4	1.4	1.3	1.2
Total	100.0	100.0	100.0	100.0	100.0

(%)	
49.7	49.2
49.2	49.6
1.1	1.2
100.0	100.0



5. Statements of Income (Consolidated)

(¥ million)

FY	17/8	18/8	19/8	20/8	21/8E
Net Sales	17,017	17,144	16,785	17,066	17,300
Gross profit	8,086	8,050	7,840	7,810	8,010
Sales, general, and administrative expense	2,843	2,786	2,922	2,872	2,941
Operating income	5,242	5,264	4,918	4,937	5,068
Recurring income	5,340	5,338	4,990	5,031	5,140
Net income	3,673	3,675	3,445	3,474	3,518

First-half 19/8	First-half 20/8
7,233	7,051
3,373	3,263
1,576	1,523
1,797	1,739
1,835	1,793
1,263	1,236

Change over previous year

(%)

Net Sales	2.9	0.7	-2.1	1.7	1.4
Gross profit	4.5	-0.4	-2.6	-0.4	2.6
Sales, general, and administrative expense	2.1	-2.0	4.9	-1.7	2.4
Operating income	5.9	0.4	-6.6	0.4	2.7
Recurring income	8.2	0.0	-6.5	0.8	2.2
Net income	12.6	0.1	-6.3	0.8	1.3

-2.5	-2.5
-2.8	-3.3
7.7	-3.3
-10.4	-3.2
-10.1	-2.3
-10.5	-2.1

Composition

(%)

Net Sales	100.0	100.0	100.0	100.0	100.0
Gross profit	47.5	47.0	46.7	45.8	46.3
Sales, general, and administrative expense	16.7	16.3	17.4	16.9	17.0
Operating income	30.8	30.7	29.3	28.9	29.3
Recurring income	31.4	31.1	29.7	29.5	29.7
Net income	21.6	21.4	20.5	20.4	20.3

100.0	100.0
46.6	46.3
21.8	21.6
24.8	24.7
25.4	25.4
17.5	17.5

6. Statements of Income (Non-Consolidated)

(¥ million)

FY	17/8	18/8	19/8	20/8	21/8E
Net Sales	17,013	17,140	16,777	17,061	17,300
Gross profit	7,826	7,835	7,694	7,650	7,877
Sales, general, and administrative expenses	2,831	2,779	2,901	2,868	2,927
Operating income	4,995	5,055	4,793	4,782	4,949
Recurring income	5,197	5,213	4,941	4,924	5,086
Net income	3,612	3,612	3,436	3,415	3,519

First-half 19/8	First-half 20/8
7,230	7,048
3,299	3,200
1,558	1,501
1,740	1,699
1,842	1,788
1,291	1,244

Change over previous year

(%)

Net Sales	2.9	0.7	-2.1	1.7	1.4
Gross profit	5.5	0.1	-1.8	-0.6	3.0
Sales, general, and administrative expenses	2.0	-1.8	4.4	-1.1	2.0
Operating income	7.6	1.2	-5.2	-0.2	3.5
Recurring income	9.8	0.3	-5.2	-0.3	3.3
Net income	14.1	0.0	-4.9	-0.6	3.0

-2.5	-2.5
-2.3	-3.0
7.1	-3.6
-9.4	-2.4
-9.6	-3.0
-9.4	-3.6

Composition

(%)

Net Sales	100.0	100.0	100.0	100.0	100.0
Gross profit	46.0	45.7	45.9	44.8	45.5
Sales, general, and administrative expenses	16.6	16.2	17.3	16.8	16.9
Operating income	29.4	29.5	28.6	28.0	28.6
Recurring income	30.6	30.4	29.5	28.9	29.4
Net income	21.2	21.1	20.5	20.0	20.3

100.0	100.0
45.6	45.4
21.5	21.3
24.1	24.1
25.5	25.4
17.9	17.7

7. Indices (Consolidated)

		(Unit)	16/8	17/8	18/8	19/8	20/8	First-half 19/8	First-half 20/8
Profitability	ROE	(%)	9.4	10.3	9.8	8.8	8.7	-	-
	ROA	(%)	12.7	13.4	12.8	11.5	11.3	-	-
ROE resolution	Return on sales Net income	(%)	19.7	21.6	21.4	20.5	20.4	-	-
	Total Assets Turnover	(Times)	0.4	0.4	0.4	0.4	0.4	-	-
	Leverage	(Times)	1.1	1.1	1.1	1.1	1.1	-	-
Financial stability	Current Ratio *Note3	(%)	889.4	899.5	966.1	998.1	984.9	-	-
	Fixed Assets Ratio *Note3	(%)	27.9	26.3	24.3	23.9	22.8	-	-
	Fixed Assets Ratio to Total of Shareholders' Equity and Long-term Liabilities *Note3	(%)	27.1	25.6	23.6	23.3	22.2	-	-
	Account Receivable Turnover	(Times)	3.4	3.4	3.5	3.3	3.1	-	-
	Inventory Turnover	(Times)	3.9	3.9	3.9	3.8	3.7	-	-
Per share data	BPS	(¥)	1,037.8	1,099.2	1,153.4	1,194.5	1,221.0	1,132.4	1,153.5
	EPS	(¥)	98.1	110.5	110.6	103.6	105.5	38.0	37.5
	DPS	(¥)	-	-	-	-	-	-	-
	Payout ratio	(%)	51.0	54.3	54.3	57.9	56.9	-	-
Others	Capital expenditure	(¥ million)	190	92	904	225	183	176	117
	Depreciation	(¥ million)	331	311	289	337	334	166	168
	Number of employees	(Persons)	499	498	506	511	516	513	514
	Proportion of female employees	(%)	66.5	66.9	65.6	65.6	66.9	65.7	66.0
	Personnel expense	(¥ million)	2,328	2,361	2,381	2,476	2,433	1,283	1,224

(Note1) Ratio of Fixed Assets to Total of Shareholders' Equity and Long-term Liabilities = Fixed Assets / (Total shareholders' equity + Long-term Liabilities)

(Note2) Each of the balance sheet items used in the turnover figures is the average of the balances at the beginning and the end of the financial year.

(Note3) Reevaluation with transitioned financial statements, due to section changed of Deferred Tax Asset from FY2019

8. Indices (Non-Consolidated)

		(Unit)	16/8	17/8	18/8	19/8	20/8	First-half 19/8	First-half 20/8
Profitability	ROE	(%)	10.0	11.0	10.5	9.5	9.2	-	-
	ROA	(%)	13.4	14.2	13.6	12.4	12.0	-	-
ROE resolution	Return on sales Net income	(%)	19.2	21.2	21.1	20.5	20.0	-	-
	Total Assets Turnover	(Times)	0.5	0.5	0.4	0.4	0.4	-	-
	Leverage	(Times)	1.1	1.1	1.1	1.1	1.1	-	-
Financial stability	Current Ratio *Note3	(%)	819.0	826.0	877.2	915.4	898.0	-	-
	Fixed Assets Ratio *Note3	(%)	29.4	27.6	25.5	25.1	23.8	-	-
	Fixed Assets Ratio to Total of Shareholders' Equity and Long-term Liabilities *Note3	(%)	29.0	27.3	25.2	24.7	23.5	-	-
	Account Receivable Turnover	(Times)	3.4	3.4	3.5	3.3	3.1	-	-
	Inventory Turnover	(Times)	4.7	4.9	4.9	4.7	4.6	-	-
Per share data	BPS	(¥)	954.4	1,013.6	1,065.1	1,106.8	1,130.9	1,044.8	1,065.9
	EPS	(¥)	95.3	108.7	108.7	103.4	103.7	38.8	37.7
	DPS	(¥)	50.0	60.0	60.0	60.0	60.0	-	-
	Payout ratio	(%)	52.5	55.2	55.2	58.0	57.9	-	-
Others	Capital expenditure	(¥ million)	117	62	867	119	165	82	103
	Depreciation	(¥ million)	293	265	248	276	281	137	142
	Number of employees	(Persons)	115	113	117	120	119	117	119
	Proportion of female employees	(%)	26.1	27.4	28.2	28.3	29.4	28.2	28.6
	Personnel expense	(¥ million)	1,141.0	1,155.0	1,167.0	1,279.0	1,233.0	681.0	627.0
	Total Shareholder Return	(%)	87.6	116.3	112.4	94.1	122.6	-	-

(Note1) Ratio of Fixed Assets to Total of Shareholders' Equity and Long-term Liabilities = Fixed Assets / (Total shareholders' equity + Long-term Liabilities)

(Note2) Each of the balance sheet items used in the turnover figures is the average of the balances at the beginning and the end of the financial year.

(Note3) Reevaluation with transitioned financial statements, due to section changed of Deferred Tax Asset from FY2019

9. Statements of Income (Consolidated)

(¥ million,%)

FY	19/8		20/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Net Sales	16,785	100.0	17,066	100.0	280	1.7
Cost of sales	8,944	53.3	9,256	54.2	311	3.5
Gross profit	7,840	46.7	7,810	45.8	-30	-0.4
Sales, general, and administrative expenses	2,922	17.4	2,872	16.9	-49	-1.7
Packing and freight expenses	239		234			
Advertising expenses	293		300			
Personnel expenses	1,466		1,424			
Management commission expenses	134		136			
Depreciation expenses	197		201			
Operating income	4,918	29.3	4,937	28.9	19	0.4
Non-operating income	111	0.6	127	0.7	15	14.2
Interest income	2		2			
Rent income	84		84			
Others	24		40			
Non-operating expense	38	0.2	32	0.1	-5	-15.3
Fixed assets rent expense	32		32			
Others	5		0			
Recurring income	4,990	29.7	5,031	29.5	41	0.8
Extraordinary profit	11	0.1	11	0.1	0	0.9
Extraordinary loss	13	0.1	13	0.1	0	-4.9
Income before income taxes	4,988	29.7	5,030	29.5		
Income, inhabitant and enterprise taxes	1,553		1,561			
Tax adjustments	-9		-5			
Net income attributable to shareholders	3,445	20.5	3,474	20.4	28	0.8

(¥ million,%)

First-half 19/8		First-half 20/8		Change(the previous year)	
Result	Composition	Result	Composition	Result	Change %
7,233	100.0	7,051	100.0	-181	-2.5
3,860	53.4	3,788	53.7	-72	-1.9
3,373	46.6	3,263	46.3	-109	-3.3
1,576	21.8	1,523	21.6	-52	-3.3
110		106			
229		231			
777		725			
68		69			
98		102			
1,797	24.8	1,739	24.7	-57	-3.2
57	0.8	70	0.9	13	23.2
1		1			
41		42			
13		25			
18	0.2	16	0.2	-1	-9.7
16		16			
1		0			
1,835	25.4	1,793	25.4	-42	-2.3
1	0.0	11	0.2	9	760.5
3	0.0	11	0.2	7	206.5
1,833	25.4	1,793	25.4	-40	-2.2
605		578			
-34		-21			
1,263	17.5	1,236	17.5	-27	-2.1

10. Statements of Income (Non-Consolidated)

(¥ million,%)

FY	19/8		20/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Net Sales	16,777	100.0	17,061	100.0	283	1.7
Cost of sales	9,082	54.1	9,410	55.2	327	3.6
Gross profit	7,694	45.9	7,650	44.8	-43	-0.6
Sales, general, and administrative expenses	2,901	17.3	2,868	16.8	-32	-1.1
Packing and freight expenses	442		455			
Advertising expenses	292		299			
Personnel expenses	1,279		1,233			
Management commission expenses	132		134			
Depreciation expenses	193		197			
Operating income	4,793	28.6	4,782	28.0	-11	-0.2
Non-operating income	271	1.6	248	1.5	-23	-8.7
Interest income	2		2			
Dividend income	76		38			
Rent income	189		189			
Others	2		16			
Non-operating expense	123	0.7	105	0.6	-18	-14.6
Fixed assets rent expense	116		105			
Others	7		0			
Recurring income	4,941	29.5	4,924	28.9	-16	-0.3
Extraordinary profit	10	0.0	11	0.1	1	10.0
Extraordinary loss	13	0.1	12	0.1	0	-7.3
Income before income taxes	4,938	29.4	4,923	28.9	-14	-0.3
Income, inhabitant and enterprise taxes	1,522		1,501			
Tax adjustments	-20		6			
Net income	3,436	20.5	3,415	20.0	-21	-0.6

(¥ million,%)

First-half 19/8		First-half 20/8		Change(the previous year)	
Result	Composition	Result	Composition	Result	Change %
7,230	100.0	7,048	100.0	-181	-2.5
3,931	54.4	3,847	54.6	-83	-2.1
3,299	45.6	3,200	45.4	-98	-3.0
1,558	21.5	1,501	21.3	-56	-3.6
208		203			
228		231			
681		627			
68		69			
96		100			
1,740	24.1	1,699	24.1	-41	-2.4
167	2.3	141	2.0	-25	-15.2
1		1			
71		32			
94		95			
0		12			
65	0.9	52	0.7	-12	-18.9
62		52			
2		0			
1,842	25.5	1,788	25.4	-54	-3.0
0	0.0	11	0.2	10	2,744.6
3	0.0	10	0.2	7	222.0
1,840	25.5	1,789	25.4	-51	-2.8
593		558			
-44		-13			
1,291	17.9	1,244	17.7	-47	-3.6

11. Balance Sheet (Consolidated)

FY	19/8		20/8		(¥ million,%)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	35,054	79.2	35,936	80.0	882	2.5
Cash on hand and at banks	25,157		25,646			
Trade notes and accounts receivable (including electronically recorded claims)	5,340		5,573			
Securities						
Inventories	4,479		4,631			
Others	77		85			
Reserve bad debt	-1		-1			
Fixed assets	9,226	20.8	8,995	20.0	-231	-2.5
Tangible fixed assets	7,767	17.5	7,571	16.8	-195	-2.5
Buildings and structures	2,816		2,692			
Machinery and equipment	361		272			
Land	4,438		4,434			
Construction in progress	8		23			
Others	142		148			
Intangible fixed asset	32	0.1	49	0.1	17	52.3
Investments and other assets	1,426	3.2	1,373	3.1	-53	-3.7
Investment securities	684		592			
Others	746		783			
Reserve bad debt	-3		-1			
Total assets	44,281	100.0	44,931	100.0	650	1.5

Current liabilities	3,494	7.9	3,713	8.3	219	6.3
Trade notes and accounts payable	1,452		1,592			
Accrued income taxes	994		1,036			
Accrued bonus	86		85			
Others	960		999			
Long-term liabilities	1,065	2.4	1,096	2.4	31	2.9
Accrued pension and severance costs	661		690			
Directors' retirement allowances	23		26			
Others	380		379			
Total liabilities	4,559	10.3	4,810	10.7	251	5.5
Total shareholders' equity	39,518	89.2	39,983	89.0	464	1.2
Capital stock	1,925		1,925			
Capital reserves	2,368		2,378			
Retained earnings	40,120		41,599			
Treasury stock	-4,896		-5,920			
Accumulated other comprehensive income	202	0.5	137	0.3	-65	-32.0
Net unrealized gains on investment securities	276		228			
Deferred hedging gains and losses	3		5			
Accumulated pension and severance costs	-77		-95			
Total net assets	39,721	89.7	40,121	89.3	399	1.0
Total liabilities and total net assets	44,281	100.0	44,931	100.0	650	1.5

(¥ million,%)					
First-half 19/8		First-half 20/8		Change(the previous year)	
Result	Composition	Result	Composition	Result	Change %
31,981	77.1	32,679	78.1	698	2.2
21,759		22,220			
5,008		5,159			
-					
5,071		5,221			
142		80			
0		-1			
9,477	22.9	9,156	21.9	-321	-3.4
7,894	19.1	7,678	18.4	-215	-2.7
2,869		2,768			
405		317			
4,447		4,434			
15		-			
156		159			
39	0.1	44	0.1	5	13.7
1,544	3.7	1,433	3.4	-110	-7.2
836		644			
711		790			
-3		-1			
41,459	100.0	41,836	100.0	376	0.9

2,774	6.7	2,818	6.7	43	1.6
1,508		1,494			
628		608			
79		80			
558		635			
1,029	2.5	1,114	2.7	84	8.2
630		706			
20		24			
378		382			
3,804	9.2	3,932	9.4	128	3.4
37,337	90.0	37,745	90.2	408	1.1
1,925		1,925			
2,368		2,378			
37,939		39,362			
-4,896		-5,920			
317	0.8	157	0.4	-159	-50.3
360		265			
13		0			
-55		-108			
37,654	90.8	37,903	90.6	248	0.7
41,459	100.0	41,836	100.0	376	0.9

12. Balance Sheet(Non-Consolidated)

FY	(¥ million,%)					
	19/8		20/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	31,852	78.1	32,741	79.0	888	2.8
Cash on hand and at banks	22,812		23,332			
Trade notes	3,042		2,883			
(including electronically recorded claims)						
Accounts receivable	2,297		2,690			
Securities						
Inventories	3,600		3,731			
Others	100		105			
Reserve bad debt	-1		-1			
Fixed assets	8,928	21.9	8,710	21.0	-218	-2.4
Tangible fixed assets	7,618	18.7	7,457	18.0	-161	-2.1
Buildings and structures	2,747		2,630			
Machinery and equipment	195		138			
Land	4,438		4,434			
Construction in progress	8		23			
Others	228		230			
Intangible fixed asset	24	0.1	42	0.1	18	74.5
Investments and other assets	1,284	3.1	1,210	2.9	-74	-5.8
Investment securities	684		591			
Others	604		620			
Reserve bad debt	-3		-1			
Total assets	40,780	100.0	41,451	100.0	670	1.6

Current liabilities	3,439	8.4	3,753	9.1	313	9.1
Trade notes	783		916			
Accounts payable	800		920			
Accrued income taxes	976		991			
Others	879		924			
Long-term liabilities	538	1.3	537	1.3	-1	-0.2
Accrued pension and severance costs	158		157			
Directors' retirement allowances	-		-			
Others	380		379			
Total liabilities	3,977	9.7	4,290	10.4	312	7.9
Total shareholders' equity	36,524	89.6	36,930	89.1	406	1.1
Capital stock	1,925		1,925			
Capital reserves	2,648		2,657			
Retained earnings	36,847		38,267			
Treasury stock	-4,896		-5,920			
Valuation and translation adjustments	278	0.7	230	0.5	-47	-17.2
Net unrealized gains on investment securities	276		228			
Deferred hedging gains and losses	1		2			
Total net assets	36,802	90.3	37,161	89.6	358	1.0
Total liabilities and total net assets	40,780	100.0	41,451	100.0	670	1.6

	(¥ million,%)					
	First-half 19/8		First-half 20/8		Change(the previous year)	
	Result	Composition	Result	Composition	Result	Change %
Current assets	28,962	76.0	29,530	76.9	567	2.0
Cash on hand and at banks	19,597		19,923			
Trade notes	1,869		2,148			
Accounts receivable	3,138		3,010			
Securities	-					
Inventories	4,188		4,331			
Others	168		116			
Reserve bad debt	0		-1			
Fixed assets	9,169	24.0	8,845	23.1	-323	-3.5
Tangible fixed assets	7,727	20.2	7,540	19.7	-186	-2.4
Buildings and structures	2,800		2,701			
Machinery and equipment	222		165			
Land	4,447		4,434			
Construction in progress	15		-			
Others	240		239			
Intangible fixed asset	29	0.1	38	0.1	8	29.7
Investments and other assets	1,413	3.7	1,266	3.3	-146	-10.4
Investment securities	836		644			
Others	580		623			
Reserve bad debt	-3		-1			
Total assets	38,132	100.0	38,376	100.0	243	0.6

Current liabilities	2,856	7.5	2,810	7.3	-46	-1.6
Trade notes	880		841			
Accounts payable	853		852			
Accrued income taxes	616		587			
Others	506		528			
Long-term liabilities	532	1.4	541	1.4	9	1.8
Accrued pension and severance costs	153		159			
Directors' retirement allowances	-		-			
Others	378		382			
Total liabilities	3,388	8.9	3,351	8.7	-37	-1.1
Total shareholders' equity	34,378	90.1	34,759	90.6	380	1.1
Capital stock	1,925		1,925			
Capital reserves	2,648		2,657			
Retained earnings	34,701		36,096			
Treasury stock	-4,896		-5,920			
Valuation and translation adjustments	364	1.0	265	0.7	-99	-27.2
Net unrealized gains on investment securities	360		265			
Deferred hedging gains and losses	4		-			
Total net assets	34,743	91.1	35,024	91.3	280	0.8
Total liabilities and total net assets	38,132	100.0	38,376	100.0	243	0.6

13.The Forecasts/Results of Net Sales (Consolidated)

[Forecast]

(¥ million)

FY	16/8	17/8	18/8	19/8	20/8
Full Year	16,500	17,000	17,500	17,600	17,400
First-half	6,850	7,140	7,350	7,463	7,482
Second-half	9,650	9,860	10,150	10,137	9,918

[Result]

(¥ million)

Full Year	16,537	17,017	17,144	16,785	17,066
First-half	6,938	7,149	7,419	7,233	7,051
1Q	2,579	2,862	3,068	2,910	2,886
2Q	4,358	4,286	4,350	4,323	4,164
Second-half	9,599	9,867	9,725	9,552	10,014
3Q	5,941	6,299	6,058	5,683	5,238
4Q	3,657	3,568	3,667	3,868	4,776

[To Forecast %]

(%)

Full Year	0.2	0.1	-2.0	-4.6	-1.9
First-half	1.3	0.1	0.9	-3.1	-5.8
Second-half	-0.5	0.1	-4.2	-5.8	1.0

(¥ million)

(%)

