

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	Fiscal 2019 (As of September 30, 2019)	First three quarters of fiscal 2020 (As of June 30, 2020)
Assets		
Current assets		
Cash and deposits	4,548,545	5,956,772
Notes and accounts receivable - trade	16,440,959	14,305,866
Electronically recorded monetary claims - operating	1,038,506	948,948
Merchandise and finished goods	12,807,508	14,218,672
Work in process	9,567	6,205
Raw materials and supplies	2,944	3,586
Other	1,560,079	1,625,587
Allowance for doubtful accounts	(31,961)	(27,640)
Total current assets	36,376,150	37,038,000
Non-current assets		
Property, plant and equipment	2,195,378	2,518,702
Intangible assets		
Goodwill	269,804	806,667
Other	621,233	518,303
Total intangible assets	891,038	1,324,971
Investments and other assets		
Investment securities	3,261,750	2,932,026
Other	1,007,804	1,145,070
Allowance for doubtful accounts	(876)	(3,057)
Total investments and other assets	4,268,678	4,074,039
Total non-current assets	7,355,095	7,917,713
Total assets	43,731,246	44,955,713

(Thousand yen)

	Fiscal 2019 (As of September 30, 2019)	First three quarters of fiscal 2020 (As of June 30, 2020)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,348,338	8,136,467
Short-term borrowings	1,189,283	1,531,313
Current portion of long-term borrowings	50,000	50,000
Income taxes payable	1,103,870	488,410
Provisions	21,669	425,646
Other	2,515,160	2,375,929
Total current liabilities	13,228,323	13,007,767
Non-current liabilities		
Long-term borrowings	70,000	70,000
Provisions	—	40,436
Retirement benefit liability	847,580	870,529
Other	241,878	188,980
Total non-current liabilities	1,159,458	1,169,946
Total liabilities	14,387,782	14,177,713
Net assets		
Shareholders' equity		
Share capital	1,006,587	1,006,587
Capital surplus	405,231	404,235
Retained earnings	27,113,375	28,786,695
Treasury shares	(181,115)	(176,221)
Total shareholders' equity	28,344,078	30,021,296
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	721,055	497,762
Foreign currency translation adjustment	(110,093)	(146,631)
Total accumulated other comprehensive income	610,961	351,131
Share acquisition rights	95,023	107,701
Non-controlling interests	293,400	297,870
Total net assets	29,343,463	30,777,999
Total liabilities and net assets	43,731,246	44,955,713

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statement of income

(Consolidated financial results for the first three quarters)

(Thousand yen)

	First three quarters of fiscal 2019 (from October 1, 2018 to June 30, 2019)	First three quarters of fiscal 2020 (from October 1, 2019 to June 30, 2020)
Net sales	64,105,439	57,372,809
Cost of sales	52,601,113	46,538,365
Gross income	11,504,325	10,834,443
Selling, general and administrative expenses	6,601,513	7,012,547
Operating income	4,902,812	3,821,895
Non-operating income		
Interest income	9,582	19,043
Dividend income	61,052	66,169
Foreign exchange gains	111,190	272,719
Other	62,299	67,613
Total non-operating income	244,123	425,546
Non-operating expenses		
Interest expenses	18,816	13,426
Sales discounts	7,265	6,871
Other	23,792	21,858
Total non-operating expenses	49,875	42,157
Ordinary income	5,097,061	4,205,284
Extraordinary income		
Compensation income	17,641	—
Total extraordinary income	17,641	—
Earning before income taxes	5,114,702	4,205,284
Income taxes	1,641,593	1,446,051
Earning	3,473,109	2,759,233
Earning attributable to non-controlling interests	33,067	17,695
Earning attributable to owners of the parent	3,440,041	2,741,537

Quarterly consolidated statement of comprehensive income
(Consolidated financial results for the first three quarters)

(Thousand yen)

	First three quarters of fiscal 2019 (from October 1, 2018 to June 30, 2019)	First three quarters of fiscal 2020 (from October 1, 2019 to June 30, 2020)
Income	3,473,109	2,759,233
Other comprehensive income		
Valuation difference on available-for-sale securities	(394,669)	(224,423)
Foreign currency translation adjustment	(149,256)	(36,537)
Total other comprehensive income	(543,926)	(260,961)
Comprehensive income	2,929,183	2,498,271
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,896,777	2,481,707
Comprehensive income attributable to non-controlling interests	32,405	16,564