

# Itoki (TYO: 7972)

**Steady acquisition of renewal, office relocation, and other projects led to an 8% increase in sales and an 80% rise in operating profit**

◇ **Summary of 3Q results for FY12/2023: Sales up 8% and operating profit up 80% on the back of solid office furniture demand**

Itoki's FY12/2023 3Q results (cumulative nine months) were an 8% increase in sales and an 80% rise in operating profit, with both sales and operating profit achieving record highs for the 3Q cumulative period. Sales in 3Q were strong, mainly due to renewal projects and office relocations, as in 2Q. In addition to the benefit of increased sales, the company overachieved its earnings target thanks to the improved profit margin due to enhanced customer value, despite an increase in SG&A expenses due to strategic spending.

In 3Q (July-September), sales usually decline due to the summer slump and the execution of expense budgets, resulting in an operating loss. However, in this 3Q, the company booked sales of 28.6 billion yen (+9.4% YoY) and delivered an operating profit of 170 million yen (vs. an operating loss of 280 million yen in 3Q FY2022).

As of the end of the 3Q, sales, operating profit, and net profit attributable to owner of parent were 74%, 96%, and 102% of the revised forecasts revealed at the time of the 2Q results announcement, respectively. Although costs are expected to increase in 4Q due to the ongoing DX investment and capital expenditures, further upward revisions are expected.

◇ **Stock price: The stock price has shot up by 124% since the beginning of the year, although pausing at the moment.**

Over the past month, the company's stock price declined by 7.4%, coming to a halt after a consistent rise since the summer of 2022. Nevertheless, the stock has advanced 124% YTD. The performance stands out, far outshining the 25%-54% increase in the peers' stock prices and the 26% rise in TOPIX during the same period.

Going forward, we will closely monitor the company's final financial results for the current fiscal year, its earnings forecast for the next fiscal year, and the new medium-term management plan forthcoming in 2H, which we will discuss below.

◇ **Positive expectations for the forthcoming new medium-term management plan**

FY12/2023 is the final year of the company's medium-term management plan (2021-2023). The company is on track to achieve its initial targets of 133 billion yen in sales and 6 billion yen in operating profit. It designated the period from 2021 to 2023 as the "Structural Improvements Phase," which will improve the earnings structure, and achieved significant improvements in operating profit margin etc. In its long-term vision, the company has defined 2024 to 2026 as the "High Monetization Phase", enhancing its ability to achieve sustainable growth. The company plans to announce a new medium-term management plan with the FY12/2023 financial results announcement. We look forward to the next growth story under the leadership of President Minato and his management team.

JPY, mn, %	Net sales	YoY	Oper.	YoY	Ord.	YoY	Profit	YoY	EPS	DPS
		%	profit	%	profit	%	ATOP	%	(¥)	(\)
2020/12	116,210	-4.9	1,798	99.1	1,881	99.0	-235	-	-5.18	13.00
2021/12	115,839	-0.3	2,536	41.0	2,437	29.5	1,166	-	25.82	15.00
2022/12	123,324	6.4	4,582	79.0	4,177	71.4	5,294	353.9	116.99	37.00
2023/12 (CE)	130,000	5.4	7,500	63.7	7,500	79.5	4,800	-9.3	105.84	32.00
2022/12 3Q	89,961	7.0	4,086	136.0	4,125	149.8	3,517	313.8	77.73	-
2023/12 3Q	96,857	7.7	7,179	75.7	7,360	78.4	4,909	39.6	108.32	-

Update

## Other Products

As of November 29, 2023

Share price (11/28)	1,317 Yen
52weeks high/low	¥1,587/450
Avg Vol (3 month)	255.9 thou shrs
Market Cap	¥60.14 bn
Enterprise Value	¥53.81 bn
PER (23/12 CE)	12.41 X
PBR (22/12 act)	1.11 X
Dividend Yield (23/12 CE)	2.43 %
ROE (TTM)	13.39 %
Operating margin (TTM)	5.90 %
Beta (5Y Monthly)	0.89
Shares Outstanding	45.664 mn shrs
Listed market	TSE Prime section

### Share price performance

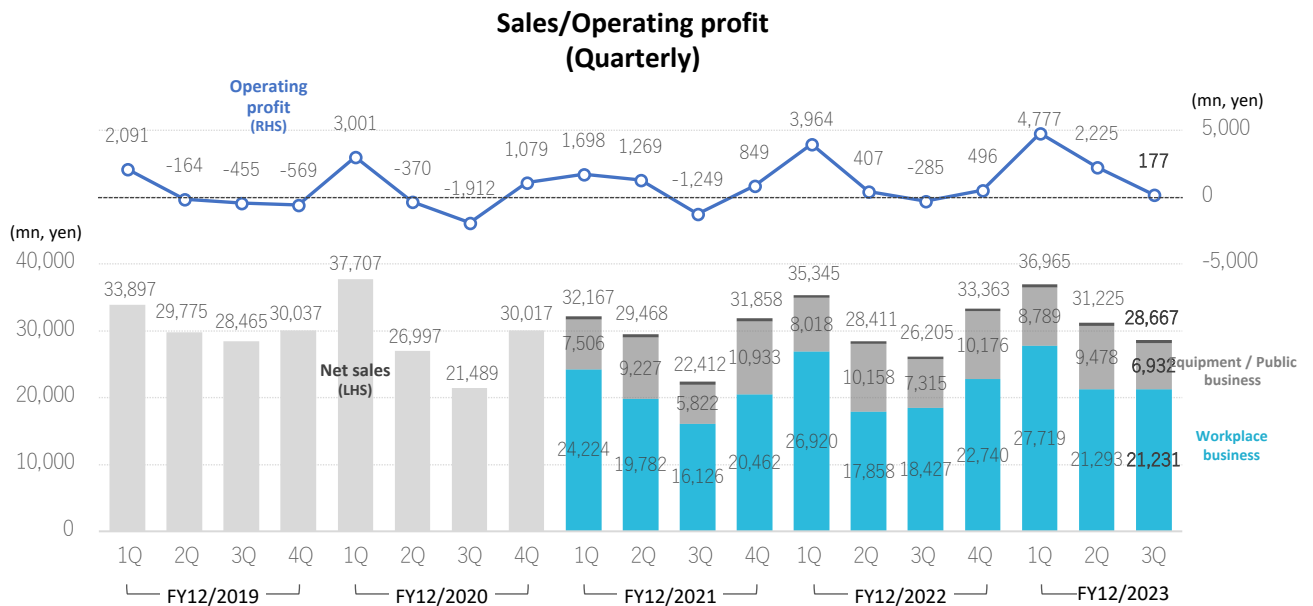


% of	1mo.	3mo.	12mo.
Share prices	-7.4%	-1.2%	167.1%
Relative share price	-12.2%	-4.4%	125.3%

### Points of interest

Office furniture manufacturer that designs tomorrow's 'work', with a long history dating back to 1890. In addition to office furniture, Itoki is also involved in construction and interior decoration. Highly regarded for its high design quality. Advocating Office DX and Office 3.0 to add high value.

This report (Company note) has been prepared at the request of Itoki Corporation. For details, please refer to the Disclaimer on the last page.



Note: Figures for IT/Sharing Business (shown as in the bars) are not noted due to the small amount.

Source: Omega Investment from company materials

#### ◇ Results for 3Q FY12/2023: 8% increase in sales, record highs in both sales and operating profit

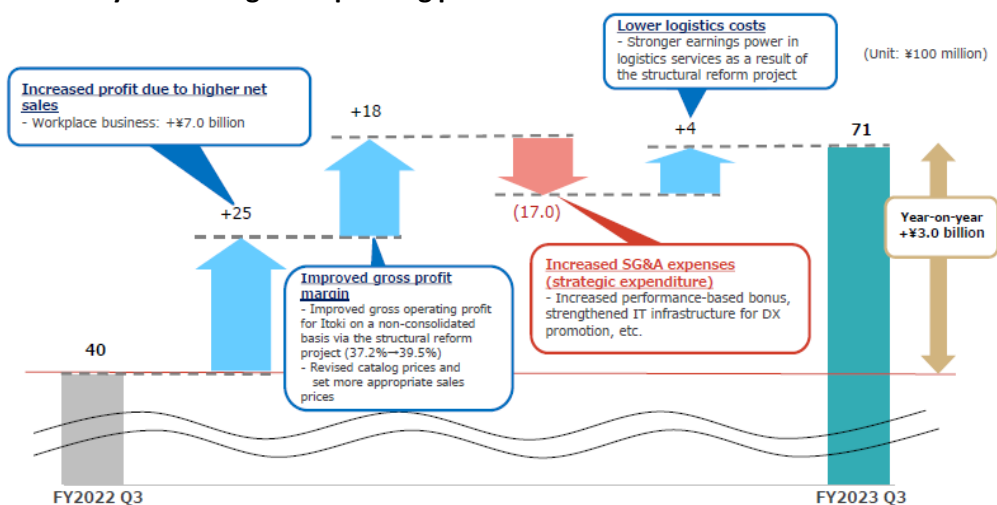
The company's 3Q results for FY12/2023 (cumulative total) show sales of 96,857 million yen (+7.7% YoY), operating profit of 7,179 million yen (+75.7%) and net profit attributable to owner of parent 4,909 million yen (+39.6%). Both net sales and operating profit reached record highs on a cumulative 3Q basis.

In 3Q, the COGS ratio improved by 1.9 percentage points to 60.6% from 62.5% QoQ. The SG&A ratio fell by 1.0 percentage points from 33.0% to 32.0% QoQ, resulting in an operating margin of 7.4%, an improvement of 2.9 percentage points YoY.

See the chart below for the factors behind the change in operating profit. The increase in profit (2.5 billion yen) due to higher sales, improved gross margin (1.8 billion yen) due to structural reform projects, and lower distribution costs (0.4 billion yen) offset the increase in SG&A expenses (1.7 billion yen) due to strategic spending, resulting in a significant increase in profit. The increase in SG&A expenses was mainly due to the reinforcement of IT infrastructure to promote DX and the allocation of performance-linked bonuses in 3Q, which had previously been bundled in December.

In the 3Q alone, net sales were 28,667 million yen (+9.4%), and operating profit was 177 million yen (vs. an operating loss of 285 million yen in the 3Q of FY2022). Normally, the company would have posted an operating loss due to a seasonal slump in sales during summer and the execution of expense budgets. It is noteworthy that the company delivered a profit in this 3Q.

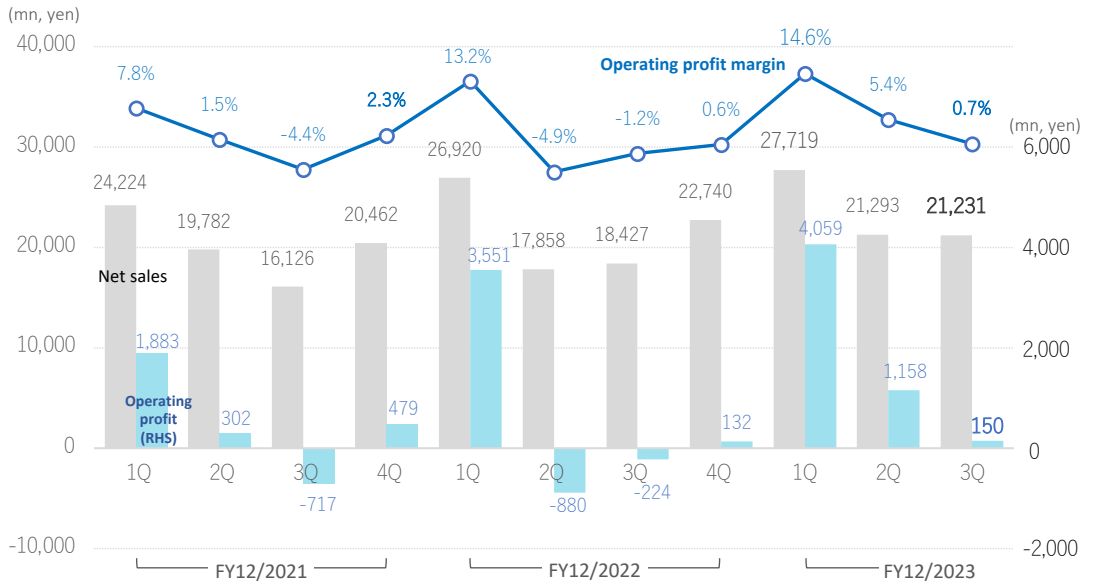
#### Factor analysis of changes in operating profit



Source: The company materials for the 3Q results for FY12/2023 (published on November 13, 2023)



## Workplace business (quarterly)



Source: Omega Investment from company materials

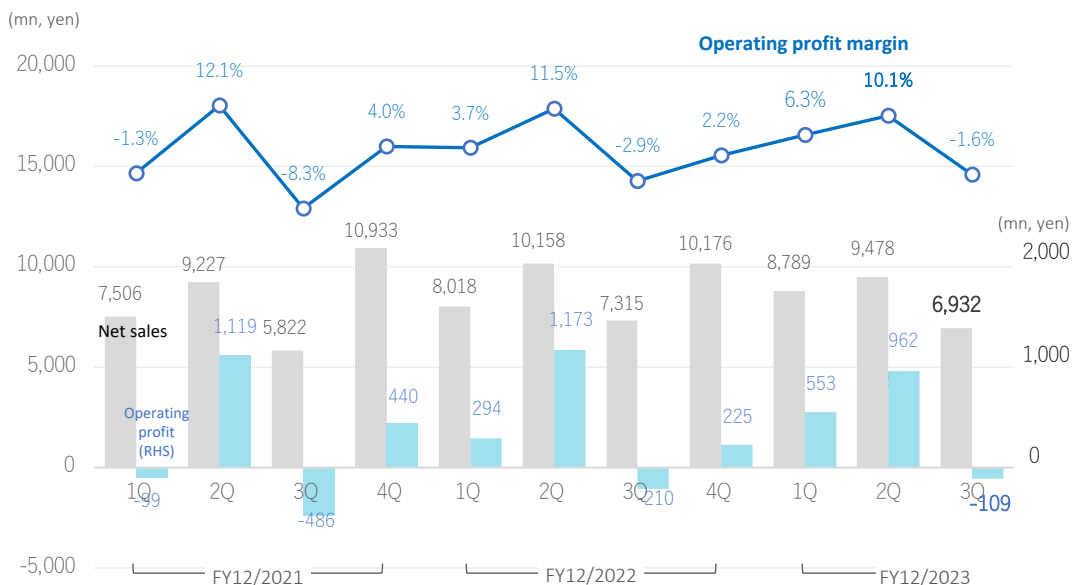
### ◇ Segment trends

**1) Workplace business: Sales: 70,243 million yen, +11.1% YoY; operating profit: 5,367 million, +119.3%.**

Renewal projects increased in line with new hybrid ways of working after the onset of COVID-19. With labour shortages becoming a serious problem, there is a persistent need for office environments that can improve the quality of work to retain talented people. Sales of office furniture were also strong, mainly due to office relocations. On the other hand, the rise in raw material prices was absorbed by various cost-cutting efforts and price revisions commensurate with the increased customer value of the product offerings. Profit margins improved significantly (from 3.9% in 3Q FY12/2022 to 7.8% in 3Q FY12/2023), resulting in a significant profit increase.

The company posted sales of 21,231 million yen (+15.2%), an operating profit of 150 million yen (vs. an operating loss of 224 million yen in the same period previous year), and an operating profit margin of 0.7% in the 3Q alone. An operating profit in the 3Q is worth noting, as 3Q has tended to post losses in the past.

## Equipment / Public business (quarterly)



Source: Omega Investment from company materials



## 2) Equipment / Public business: Sales: 25,199 million yen, -1.1%; operating profit: 1,406 million yen, +11.8%.

Demand for display cases for museums and art galleries, digital signage, and other equipment for public facilities remained strong. Still, sales declined slightly in reaction to the large orders received for research facility equipment for science parks and other facilities in the same period of the previous fiscal year. Profitability improved due to enhanced customer value in public facility equipment such as the new "Artivista" display case.

In 3Q alone, sales declined 5.2% to 6,932 million yen, and operating profit improved to 109 million yen from a 210 million yen operating loss in the same period of last year.

### ◇ Full-year forecasts for FY12/2023: Progressing in line with the revised August forecast

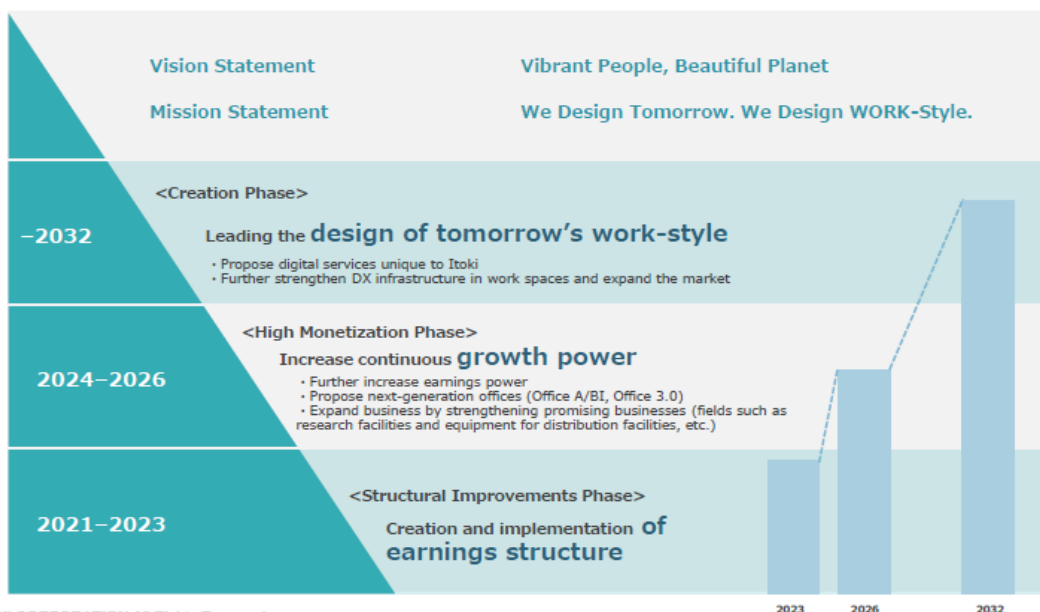
Progress ratios at the end of 3Q vis-a-vis the revised full-year forecast at 2Q results announcement are 74% for net sales, 96% for operating profit and 102% for net profit attributable to owner of parent. In addition to continued solid inquiries for the Workplace business, the Office Equipment / Public business is expected to have a heavy second-half demand for logistics facilities, and demand for public facility equipment such as display cases for museums and art galleries and digital signage is expected to grow. Therefore, the company should comfortably achieve its full-year sales forecast. The company plans to strengthen human capital investment, focusing on future growth strategies, such as investments in education, office environment improvement, and other strategic investments, such as promoting digital transformation (DX) and facility enhancements. While anticipating increased costs, the ongoing effects of structural improvements are expected to continue until the first half of the year, and there is potential for positive earnings forecast revisions.

### ◇ Next medium-term management plan

FY12/2023 is the final year of the company's medium-term management plan (2021-2023), "RISE ITOKI 2023". The company will likely achieve the initial target of 133 billion yen in net sales and has already met the 6 billion yen operating profit target as of 3Q. In its long-term vision, the company has designated 2021 to 2023 as the "Structural Improvements Phase," as shown in the chart below, and has focused on building a profitable structure working to improve its earnings. The sales to date have tended to allow price competition to secure the top-line revenue, but the company has changed its mindset to secure the bottom-line profit. In addition, the company succeeded in increasing added value through proposal-based sales, etc. As a result, the company's profitability, lagging behind its competitors, will average 3.9% from 2021 to 2023, improving from the average of 1.3% during 2018 and 2020. In 2023 alone, a significant improvement to 5.8%. The stellar performance of the company's stock price is attributable to investors' high regard for this progress.

The company is preparing its next medium-term management plan, which will be released with the announcement of FY12/2023 financial results. Having made progress in improving its earnings structure through the medium-term management plan up to 2023, the company intends to further grow and strengthen its earning power from 2024 to 2026 as the "High Monetization Phase". We look forward to the next growth story under the leadership of President Minato and his management team.

### Long-Term Vision and New Medium-Term Management Plan



Source: The company materials for the 3Q results for FY12/2023 (published on November 13, 2023)



◇ **Stock price: Strong performance, registering a 2.7x increase over the past year. PBR has recovered to 1x.**

The stock price was down by 7.4% over the past month, a halt in performance after rising steadily since the summer of 2022, recording a one-year performance of 2.7x. Nevertheless, the stock is still up 124% YTD. The high performance of the company's stock price stands out, as it is far ahead of the 25%-54% increase in the stock prices of its peers and the 26% rise in the TOPIX during the same period. The company's PBR, which had been a concern of the management, has remained above 1.0 since August.

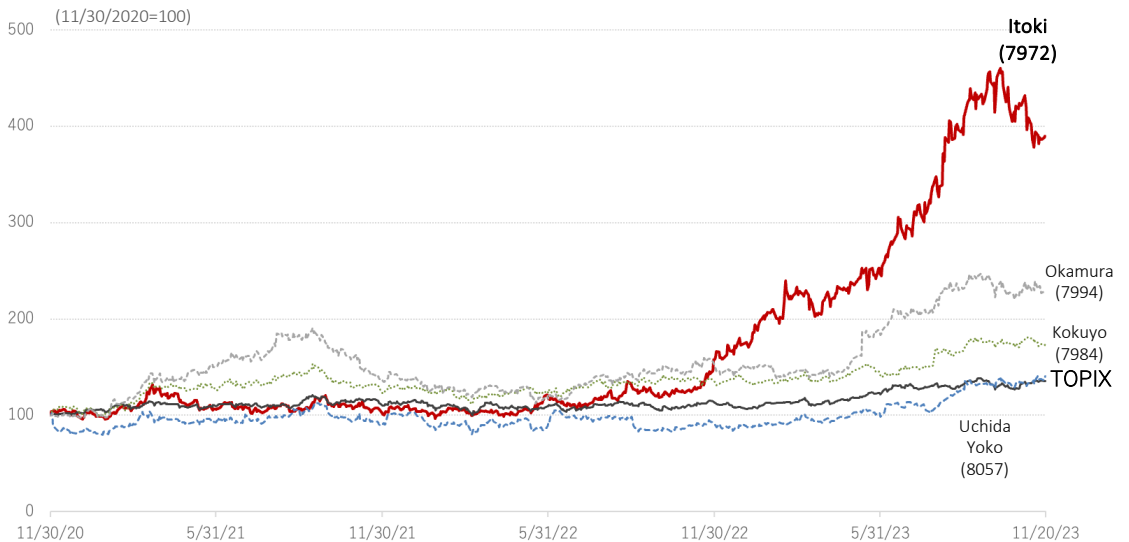
Although the stock price temporarily declined after the announcement of the 3Q results, the company's earnings structure has been improving steadily, and office furniture demand, especially for renewal projects and office relocations, has been strong. In addition, the company plans to focus on further earnings growth in the Equipment / Public business, and the company's earnings environment is good.

Going forward, we are interested in closely monitoring the company's final results for the current fiscal year, earnings forecasts for the next fiscal year, and the forthcoming new medium-term management plan mentioned above.

### 7972 : 5-year stock price move



### Four office furniture companies, TOPIX (past three years)





## 7972: Itoki PBR (LTM, past three years)



## Financial data (quarterly basis)

FY (¥mn)	2020/12				2021/12				2022/12				2023/12		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>[Statements of income]</b>															
Net sales	37,707	26,997	21,489	30,017	32,167	29,468	22,412	31,858	35,345	28,411	26,205	33,363	36,965	31,225	28,667
Year-on-year basis (%)	11.2	-9.3	-24.5	-0.1	-14.7	9.2	4.3	6.1	9.9	-3.6	16.9	4.7	4.6	9.9	9.4
Cost of sales	23,710	17,765	13,811	19,036	20,101	18,729	14,443	20,872	21,483	18,030	16,678	21,384	22,216	18,954	17,483
Gross profit	13,997	9,232	7,678	10,981	12,020	10,722	7,953	10,999	13,862	10,381	9,527	11,979	14,748	12,271	11,184
SG&A expenses	10,996	9,602	9,590	9,901	10,352	9,453	9,203	10,150	9,898	9,973	9,812	11,484	9,970	10,047	11,006
<b>Operating income</b>	<b>3,001</b>	<b>-370</b>	<b>-1,912</b>	<b>1,079</b>	<b>1,698</b>	<b>1,275</b>	<b>-1,242</b>	<b>829</b>	<b>3,964</b>	<b>407</b>	<b>-285</b>	<b>496</b>	<b>4,777</b>	<b>2,225</b>	<b>177</b>
Year-on-year basis (%)	43.5	-	-	-	-43.4	-	-	-23.2	133.4	-68.7	-	-40.2	20.5	446.7	-
Operating profit ratio (%)	8.0	-1.4	-8.9	3.6	5.3	4.3	-5.5	2.6	11.2	1.4	-1.1	1.5	12.9	7.1	0.8
Non-operating income	154	162	251	237	240	161	171	122	125	164	171	96	125	114	141
Non-operating expenses	273	168	107	172	250	257	101	185	115	130	177	539	79	68	52
Ordinary income	2,882	-376	-1,768	1,143	1,657	1,173	-1,179	786	3,974	442	-291	52	4,824	2,271	265
Extraordinary income	0	6	125	980	1,255	78	133	88	786	139	118	6,762	1	15	120
Extraordinary expenses	116	42	55	1,503	20	456	518	1,474	44	64	38	3,465	21	10	24
Income before income taxes	2,766	-412	-1,697	620	2,893	795	-1,565	-600	4,716	516	-211	3,351	4,804	2,275	363
Total income taxes	1,039	134	-195	654	1,028	490	-132	-796	1,381	246	-21	1,585	1,506	864	161
<b>Net income</b>	<b>1,760</b>	<b>-557</b>	<b>-1,491</b>	<b>53</b>	<b>1,942</b>	<b>348</b>	<b>-1,440</b>	<b>316</b>	<b>3,388</b>	<b>288</b>	<b>-159</b>	<b>1,777</b>	<b>3,296</b>	<b>1,411</b>	<b>202</b>
Year-on-year basis (%)	43.6	-	-	-	10.	-	-	496.2	74.4	-17.2	-	462.3	-2.7	389.9	-
Net income ratio (%)	4.7	-2.1	-6.9	0.2	6.0	1.2	-6.4	1.0	9.6	1.0	-0.6	5.3	8.9	4.5	0.7
<b>[Balance Sheets]</b>															
Current assets	69,811	60,382	52,463	57,183	65,543	62,170	55,249	57,753	69,458	64,096	59,873	71,027	72,230	68,755	68,040
Cash and deposits	18,186	21,312	18,956	18,246	19,503	22,112	18,213	17,351	19,196	20,073	17,138	26,876	20,898	24,688	23,192
Notes and accounts receivable - trade	37,611	27,230	20,298	26,599	32,061	26,596	21,385	26,783	-	-	-	-	-	-	-
Notes and accounts receivable - trade, and contract assets	-	-	-	-	-	-	-	-	35,205	28,234	24,111	29,316	34,519	28,377	26,948
Non-current assets	49,872	49,933	50,410	47,912	46,925	46,369	46,046	46,144	46,647	47,395	48,126	44,260	43,611	42,918	43,533
Property, plant and equipment	27,612	27,350	27,329	26,206	25,184	24,779	24,887	24,417	25,105	26,042	26,932	24,978	24,689	24,952	24,730
Intangible assets	5,113	5,623	5,853	5,590	5,504	5,419	4,885	4,114	4,128	4,168	4,145	1,819	1,837	1,884	2,161
Goodwill	2,391	2,207	2,189	2,093	2,018	2,016	1,407	1,317	1,214	1,222	1,200	517	446	391	346
Investments and other assets	17,146	16,959	17,227	16,116	16,236	16,170	16,273	17,612	17,413	17,184	17,048	17,462	17,084	16,080	16,641
<b>Total assets</b>	<b>120,352</b>	<b>110,940</b>	<b>103,453</b>	<b>105,096</b>	<b>112,469</b>	<b>108,540</b>	<b>101,295</b>	<b>103,898</b>	<b>116,105</b>	<b>111,492</b>	<b>108,000</b>	<b>115,288</b>	<b>115,841</b>	<b>111,693</b>	<b>111,573</b>
Current liabilities	55,449	46,097	40,198	43,646	49,245	45,266	40,307	42,544	51,837	47,138	43,655	49,099	47,854	42,547	42,010
Short-term borrowings	15,616	13,289	14,239	13,234	13,458	12,061	12,409	12,500	15,014	11,976	11,738	11,239	10,874	10,299	10,383
Non-current liabilities	18,327	18,220	18,079	17,259	17,506	17,088	16,257	16,277	16,334	16,020	16,178	16,278	16,238	15,727	15,724
Long-term borrowings	9,475	9,574	9,453	8,508	8,711	8,193	7,435	7,591	7,427	7,174	7,266	7,530	7,453	7,062	6,959
<b>Total liabilities</b>	<b>73,777</b>	<b>64,318</b>	<b>58,277</b>	<b>60,906</b>	<b>66,751</b>	<b>62,354</b>	<b>56,565</b>	<b>58,822</b>	<b>68,172</b>	<b>63,158</b>	<b>59,833</b>	<b>65,377</b>	<b>64,092</b>	<b>58,275</b>	<b>57,734</b>
<b>Total net assets</b>	<b>46,575</b>	<b>46,621</b>	<b>45,175</b>	<b>44,189</b>	<b>45,717</b>	<b>46,186</b>	<b>44,730</b>	<b>45,076</b>	<b>47,933</b>	<b>48,333</b>	<b>48,166</b>	<b>49,910</b>	<b>51,748</b>	<b>53,418</b>	<b>53,839</b>
Shareholders' equity	45,479	45,390	43,786	43,691	45,047	45,419	43,979	44,301	47,249	47,567	47,408	49,185	50,806	52,267	52,469
Share capital	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294	5,294
Capital surplus	9,201	9,642	9,641	9,628	9,628	9,632	9,632	9,638	9,638	9,638	9,638	9,638	9,638	9,665	9,665
Retained earnings	31,030	30,461	28,884	28,950	30,306	30,654	29,213	29,530	32,477	32,769	32,610	34,387	36,008	37,419	37,621
Treasury shares	-46	-6	-33	-182	-182	-161	-161	-161	-161	-134	-134	-134	-314	-111	-111
Share acquisition rights	-	-	45	45	45	45	45	45	45	45	45	45	45	45	45
<b>Total liabilities and net assets</b>	<b>120,352</b>	<b>110,940</b>	<b>103,453</b>	<b>105,096</b>	<b>112,469</b>	<b>108,540</b>	<b>101,295</b>	<b>103,898</b>	<b>116,105</b>	<b>111,492</b>	<b>108,000</b>	<b>115,288</b>	<b>115,841</b>	<b>111,693</b>	<b>111,573</b>
<b>[Statements of cash flows]</b>															
Cash flow from operating activities	-	5,404	-	-843	-	4,577	-	-1,803	-	4,581	-	1,223	-	4,078	-
Cash flow from investing activities	-	-1,442	-	290	-	503	-	-1,673	-	-1,410	-	6,333	-	-3,265	-
Cash flow from financing activities	-	293	-	-2,560	-	-1,418	-	-1,240	-	-661	-	-765	-	-3,266	-
Free cash flow	-	3,962	-	-553	-	5,080	-	-3,476	-	3,171	-	7,556	-	813	-
Net increase in cash and cash equiv.	-	4,240	-	-3,037	-	3,787	-	-4,687	-	2,630	-	6,911	-	-2,466	-
Cash and cash equiv. at beginning of period	-	15,494	-	19,735	-	16,697	-	20,485	-	15,797	-	18,509	-	25,420	-
<b>Cash and cash equiv. at end of period</b>	-	<b>19,735</b>	-	<b>16,697</b>	-	<b>20,485</b>	-	<b>15,797</b>	-	<b>18,509</b>	-	<b>25,420</b>	-	<b>22,953</b>	-

Source: Omega Investment from company materials



## Financial data (full-year basis)

FY (¥mn)	FY2012/12	FY2013/12	FY2014/12	FY2015/12	FY2016/12	FY2017/12	FY2018/12	FY2019/12	FY2020/12	FY2021/12	FY2022/12
<b>[Statements of income]</b>											
<b>Net sales</b>	<b>105,508</b>	<b>103,461</b>	<b>102,993</b>	<b>106,516</b>	<b>101,684</b>	<b>108,684</b>	<b>118,700</b>	<b>122,174</b>	<b>116,210</b>	<b>115,839</b>	<b>123,324</b>
Year-on-year basis (%)	14.6	-1.9	-0.5	3.4	-4.5	6.9	9.2	2.9	-4.9	-0.3	6.4
Cost of sales	70,027	67,118	66,797	68,374	65,021	69,966	77,436	80,495	74,322	74,145	77,575
Gross profit	35,481	36,343	36,196	38,142	36,663	38,718	41,264	41,679	41,888	41,694	45,749
Gross profit ratio (%)	33.6	35.1	35.1	35.8	36.1	35.6	34.8	34.1	36.0	36.0	37.1
SG&A expenses	32,040	32,203	33,723	33,836	33,862	35,761	39,339	40,776	40,089	39,158	41,167
<b>Operating income</b>	<b>3,441</b>	<b>4,140</b>	<b>2,472</b>	<b>4,306</b>	<b>2,800</b>	<b>2,956</b>	<b>1,925</b>	<b>903</b>	<b>1,798</b>	<b>2,536</b>	<b>4,582</b>
Operating profit ratio (%)	3.3	4.0	2.4	4.0	2.8	2.7	1.6	0.7	1.5	2.2	3.7
Non-operating income	813	813	841	898	771	750	889	677	804	694	556
Non-operating expenses	518	528	495	605	483	412	448	634	720	793	961
Ordinary income	3,735	4,425	2,818	4,599	3,087	3,295	2,365	945	1,881	2,437	4,177
Extraordinary income	269	685	615	171	97	228	919	27	1,111	1,554	7,805
Extraordinary expenses	352	238	262	524	267	121	204	35	1,716	2,468	3,611
Income before income taxes	3,653	4,872	3,171	4,246	2,918	3,401	3,081	938	1,277	1,523	8,372
Total income taxes	689	876	813	-385	1,068	959	1,339	1,517	1,632	590	3,191
<b>Net income</b>	<b>2,702</b>	<b>3,910</b>	<b>2,160</b>	<b>4,530</b>	<b>1,907</b>	<b>2,402</b>	<b>1,722</b>	<b>-550</b>	<b>-235</b>	<b>1,166</b>	<b>5,294</b>
Net income ratio (%)	2.6	3.8	2.1	4.3	1.9	2.2	1.5	-0.5	-0.2	1.0	4.3
<b>[Balance Sheets]</b>											
Current assets	49,294	52,925	55,714	56,342	52,410	58,147	62,143	58,109	57,183	57,753	71,027
Cash and deposits	17,441	19,553	21,211	21,456	19,839	19,977	16,229	17,030	18,246	17,351	26,876
Notes and accounts receivable - trade	24,935	26,243	25,965	26,138	23,241	26,869	33,160	28,244	26,599	26,783	
Notes and accounts receivable - trade, and contract assets											29,316
Non-current assets	39,961	42,335	41,007	41,832	43,271	44,073	46,559	49,955	47,912	46,144	44,260
Property, plant and equipment	27,928	28,193	27,041	26,395	25,322	24,426	26,362	27,781	26,206	24,417	24,978
Intangible assets	705	1,230	1,109	1,313	1,142	3,651	4,437	4,945	5,590	4,114	1,819
Goodwill	6	34	26	240	208	2,793	3,005	2,413	2,093	1,317	517
Investments and other assets	11,327	12,911	12,857	14,123	16,806	15,995	15,760	17,229	16,116	17,612	17,462
<b>Total assets</b>	<b>89,256</b>	<b>95,261</b>	<b>96,721</b>	<b>98,175</b>	<b>95,681</b>	<b>102,221</b>	<b>108,703</b>	<b>108,778</b>	<b>105,096</b>	<b>103,898</b>	<b>115,288</b>
Current liabilities	36,455	35,359	36,677	36,106	35,390	39,683	45,133	47,559	43,646	42,544	49,099
Short-term borrowings	11,222	11,473	11,087	10,940	11,760	12,564	11,721	15,533	13,234	12,500	11,239
Non-current liabilities	14,560	16,874	16,854	14,756	14,888	15,211	16,076	15,385	17,259	16,277	16,278
Long-term borrowings	4,122	5,124	5,089	5,171	5,296	5,328	5,113	6,633	8,508	7,591	7,530
<b>Total liabilities</b>	<b>51,016</b>	<b>52,234</b>	<b>53,532</b>	<b>50,863</b>	<b>50,278</b>	<b>54,894</b>	<b>61,210</b>	<b>62,944</b>	<b>60,906</b>	<b>58,822</b>	<b>65,377</b>
<b>Total net assets</b>	<b>38,240</b>	<b>43,026</b>	<b>43,189</b>	<b>47,311</b>	<b>45,402</b>	<b>47,326</b>	<b>47,492</b>	<b>45,834</b>	<b>44,189</b>	<b>45,076</b>	<b>49,910</b>
Shareholders' equity	35,960	41,079	41,632	45,677	44,949	46,863	46,854	45,370	43,812	44,931	49,871
Share capital	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,294	5,294	5,294	5,294
Capital surplus	13,020	13,061	13,061	13,222	13,140	12,404	9,786	9,201	9,628	9,638	9,638
Retained earnings	18,520	22,073	23,556	29,223	30,504	32,315	31,104	29,862	28,950	29,530	34,387
Treasury shares	-1,178	-833	-834	-3,000	-4,700	-4,701	0	-46	-182	-161	-134
Share acquisition rights									45	45	45
<b>Total liabilities and net assets</b>	<b>89,256</b>	<b>95,261</b>	<b>96,721</b>	<b>98,175</b>	<b>95,681</b>	<b>102,221</b>	<b>108,703</b>	<b>108,778</b>	<b>105,096</b>	<b>103,898</b>	<b>115,288</b>
<b>[Statements of cash flows]</b>											
Cash flow from operating activities	8,259	3,162	5,715	4,522	5,072	3,565	1,384	3,586	4,561	2,774	5,804
Cash flow from investing activities	-14	-1,978	-1,742	-803	-4,044	-2,971	-3,094	-3,221	-1,152	-1,170	4,923
Cash flow from financing activities	-1,652	51	-2,179	-3,807	-2,571	-706	-2,463	0	-2,267	-2,658	-1,426
Free cash flow	8,245	1,184	3,973	3,719	1,028	594	-1,710	365	3,409	1,604	10,727
Net increase in cash and cash equiv.	6,601	1,944	1,814	184	-1,619	88	-4,031	952	1,203	-900	9,622
Cash and cash equiv. at beginning of period	9,555	16,156	18,102	19,918	20,103	18,483	18,571	14,540	15,494	16,697	15,797
<b>Cash and cash equiv. at end of period</b>	<b>16,156</b>	<b>18,102</b>	<b>19,918</b>	<b>20,103</b>	<b>18,483</b>	<b>18,571</b>	<b>14,540</b>	<b>15,494</b>	<b>16,697</b>	<b>15,797</b>	<b>25,420</b>

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