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# **FACTBOOK2023**

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**MUSASHI CO., LTD.**

# System Creation Company




President  
Representative director  
Masataka Hatori


## [Business overview]


(Millions of yen)


Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
Net sales	37,135	37,589	30,261	36,213	37,072
Operating income	306	1,025	(97)	1,746	2,619

### Business segment

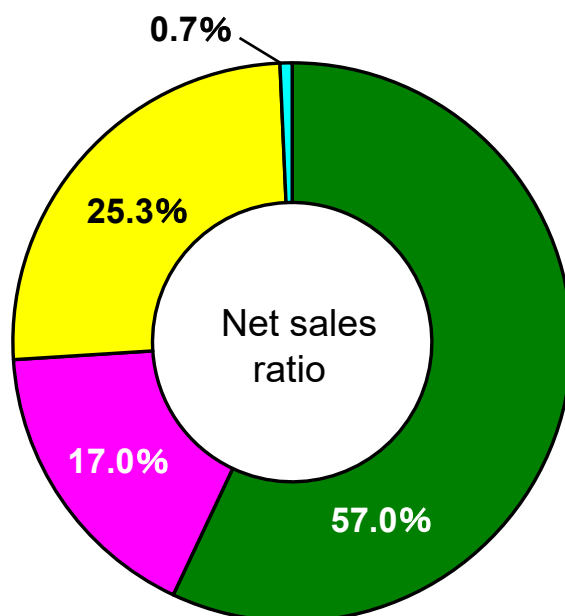
 Imaging systems, Printing systems and Industrial X-ray systems equipment

 Cash handling equipment, Election systems equipment

 Paper and processed paper products

 Leasing and others

### Average ratio per 5 years by business segment (2019/3-2023/3)



## Imaging systems, Printing systems and Industrial X-ray systems equipment

### [ Imaging/Industrial systems equipment ]

- Media conversion services to digitalize documents/microfilms, and to microfilm; data entry services;
- Consultation and sales of scanners, electronic archive systems as FUJIFILM Corporation's sole distributor in the Japanese market;
- Manufacture and sales of Thermal Enlarger Printer and Thermal Paper.
- Development and sales of image processing software;
- Consultation and sales of industrial non-destructive inspection systems by X-ray for buildings and manufactured products.
- Micro Filter provides reliable precision-filtering microorganisms and fine particles with its outstanding microporous structure
- Maintenance services for equipment.

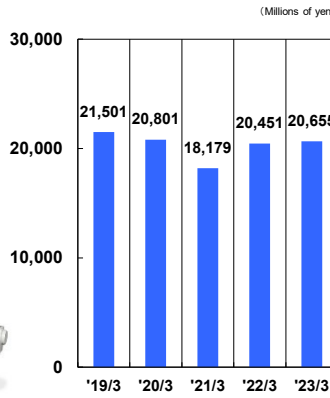


### [ Printing systems equipment ]

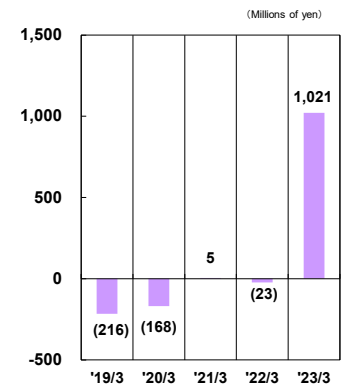
- Consultation and sales of printing equipment, materials and software for digital pre-press systems and print-on-demand systems as FUJIFILM Corporation's distributor in the Japanese market;
- Consultation and sales of Galvo Laser Systems
- Development and sales of a compact print-on-demand system for fine-printed business cards and cards;
- Maintenance services for equipment.



### Segment net sales



### Segment operating income



## Cash handling equipment, Election systems equipment

Original products developed and manufactured by the MUSASHI Group

### [ Cash handling equipment ]

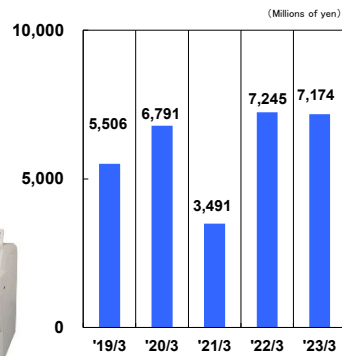
- Cash handling machines that improve operational efficiency across various industries including finance, retail, courier, transport, and amusement;
- Security products including Administrative products for keys;
- Maintenance services for the above products.
- Export of cash handling machines including bill counters and bill binding machines to overseas markets.

### [ Election systems equipment ]

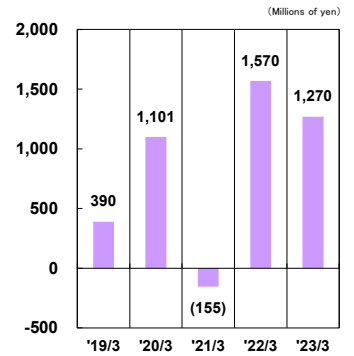
- Ballot paper dispensers, counters, reader sorters, self-opening ballot paper, administrative software, promotional items and other tools;
- Maintenance services for equipment.



### Segment net sales



### Segment operating income

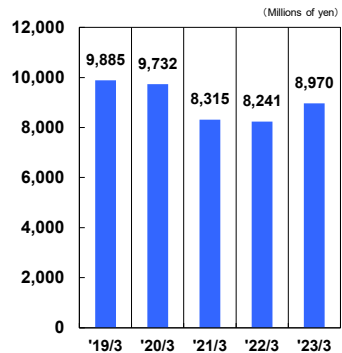


## Paper and processed paper products

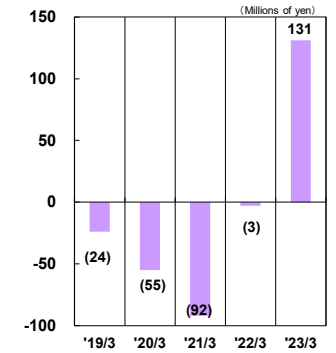
- Various types of paper and paperboards for printing, publishing, information, administration and other special applications; processed paper products.
- Carbonless Duplicating Paper (manufactured)



### Segment net sales



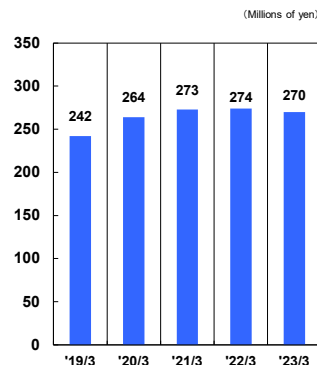
### Segment operating income



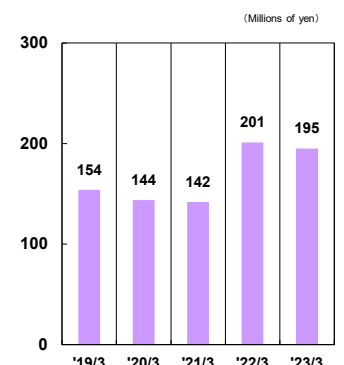
## Leasing and others

- Real-estate leasing
- Auto leasing
- Insurance brokerage

### Segment net sales



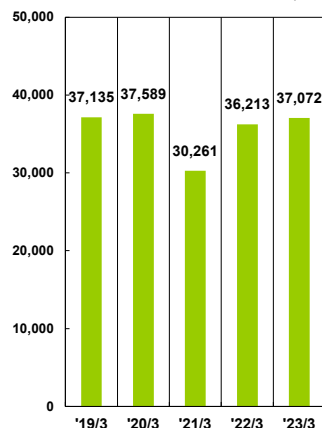
### Segment operating income



# [Consolidated financial highlights]

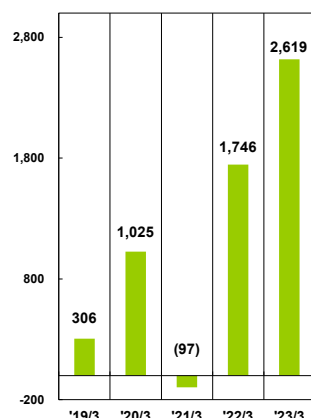
## Net sales

(Millions of yen)



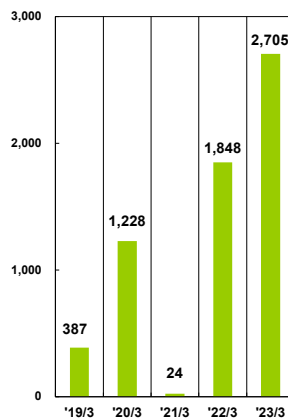
## Operating income

(Millions of yen)



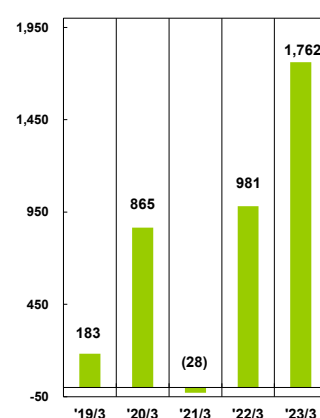
## Ordinary income

(Millions of yen)



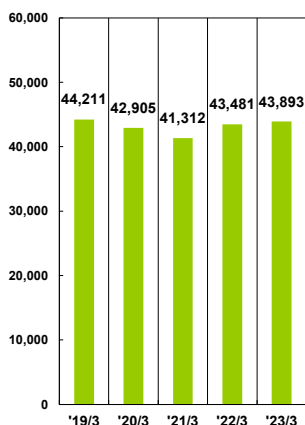
## Income attributable to owners of parent

(Millions of yen)



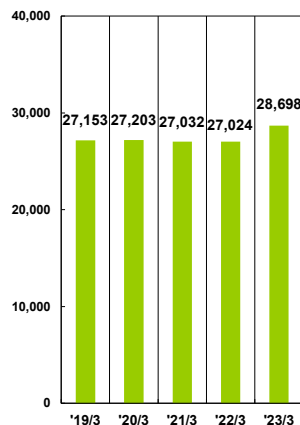
## Total assets

(Millions of yen)



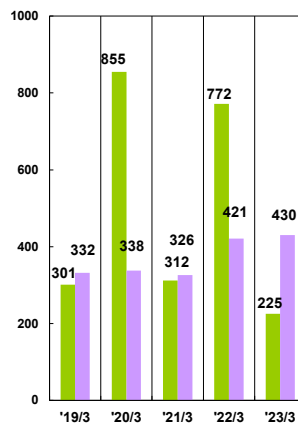
## Net assets

(Millions of yen)



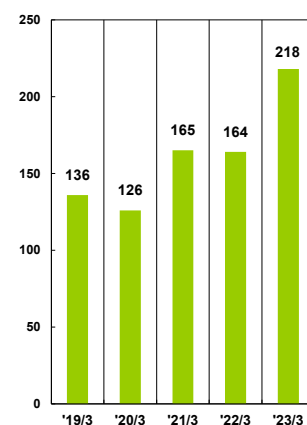
## Capital investment/ Depreciation

(Millions of yen)



## Research and development expenses

(Millions of yen)



— Capital investment  
— Depreciation

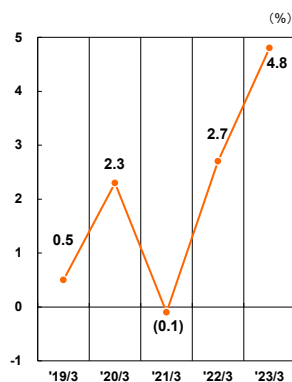
(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
Net sales	37,135	37,589	30,261	36,213	37,072
Operating income	306	1,025	(97)	1,746	2,619
Ordinary income	387	1,228	24	1,848	2,705
Income attributable to owners of parent	183	865	(28)	981	1,762
Total assets	44,211	42,905	41,312	43,481	43,893
Net assets	27,153	27,203	27,032	27,024	28,698
Capital investment	301	855	312	772	225
Depreciation	332	338	326	421	430
Research and development expenses	136	126	165	164	218

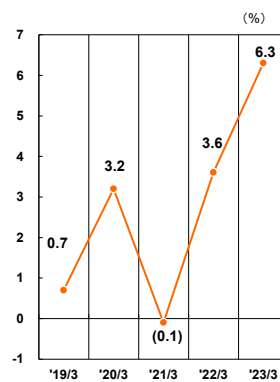
# [Consolidated financial data]

## Profitability

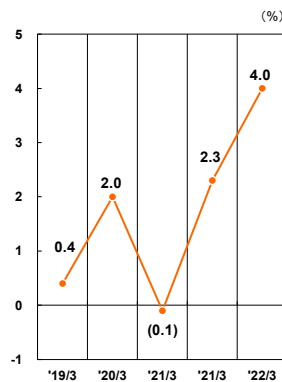
### Return on sales



### Return on equity [ROE]

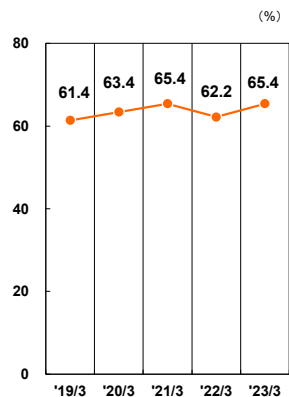


### Return on assets [ROA]

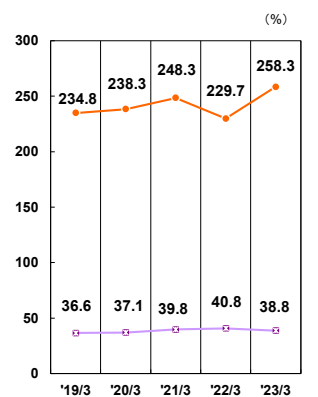


## Stability

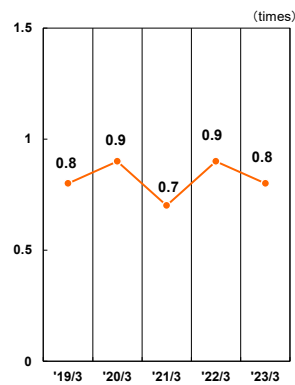
### Shareholders' equity ratio



### Current ratio / Ratio of fixed assets to net worth



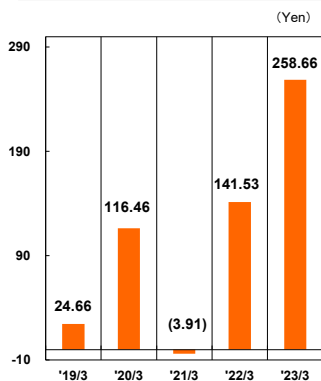
### Assets turnover



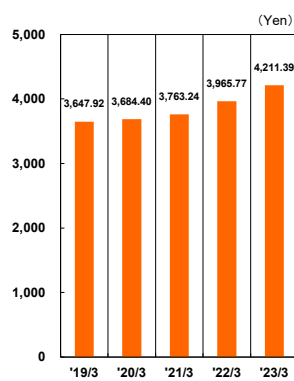
— Current ratio  
— Ratio of fixed assets to net worth

## Investment data

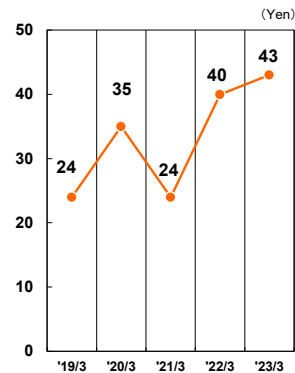
### Net income per share [EPS]



### Shareholders' equity per share [BPS]



### Cash dividends per share



• Return on assets = Net income / Total assets (Yearly average) × 100

• Assets turnover = Net sales / Total assets (Yearly average)

# [Consolidated balance sheets]

(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
<b>Assets</b>					
<b>Current assets:</b>	<b>34,279</b>	<b>32,809</b>	<b>30,568</b>	<b>32,459</b>	<b>32,751</b>
Cash and deposits	18,747	20,180	18,481	19,485	20,676
Notes and accounts receivable - trade	11,754	9,319	8,518	-	-
Notes receivable - trade	-	-	-	2,801	2,888
Accounts receivable - trade	-	-	-	6,727	5,931
Merchandise and finished goods	2,739	2,442	2,411	2,189	2,226
Work in process	78	69	68	155	99
Raw materials and supplies	470	429	473	545	618
Others	495	404	645	592	325
Allowance for doubtful accounts	(6)	(36)	(30)	(37)	(14)
<b>Fixed assets:</b>	<b>9,931</b>	<b>10,095</b>	<b>10,744</b>	<b>11,022</b>	<b>11,141</b>
<b>Property, plant and equipment</b>	<b>3,216</b>	<b>3,647</b>	<b>3,552</b>	<b>3,954</b>	<b>3,816</b>
Buildings and structures, net	993	1,269	1,208	1,197	1,144
Machinery, equipment and vehicles, net	50	40	50	48	51
Land	1,811	1,969	1,969	1,969	1,969
Others, net	361	368	323	738	650
<b>Intangible assets</b>	<b>408</b>	<b>409</b>	<b>400</b>	<b>238</b>	<b>168</b>
Goodwill	272	205	133	39	20
Software	115	183	246	178	127
Others	20	20	20	20	20
<b>Investments and other assets</b>	<b>6,307</b>	<b>6,038</b>	<b>6,791</b>	<b>6,829</b>	<b>7,157</b>
Investment securities	1,424	1,020	1,271	1,428	1,804
Stocks of subsidiaries and affiliates	431	473	492	518	567
Deferred tax assets	301	418	382	234	196
Net defined benefit asset	1,133	940	1,392	1,421	1,361
Guarantee deposits	2,548	2,549	2,549	2,549	2,550
Others	512	813	766	718	716
Allowance for doubtful accounts	(45)	(176)	(62)	(41)	(41)
<b>Total assets:</b>	<b>44,211</b>	<b>42,905</b>	<b>41,312</b>	<b>43,481</b>	<b>43,893</b>
<b>Liabilities</b>					
<b>Current liabilities:</b>	<b>14,600</b>	<b>13,768</b>	<b>12,310</b>	<b>14,133</b>	<b>12,677</b>
Notes and accounts payable - trade	6,122	5,073	4,904	5,167	4,724
Electronically recorded obligations – operating	3,698	3,397	2,766	2,879	2,468
Short - term loans payable	3,516	3,516	3,516	3,516	3,516
Income taxes payable	68	291	29	703	477
Provision for bonuses	425	413	388	387	386
Provision for product warranties	-	-	-	108	-
Others	769	1,076	704	1,370	1,105
<b>Non - current liabilities:</b>	<b>2,457</b>	<b>1,932</b>	<b>1,969</b>	<b>2,323</b>	<b>2,516</b>
Deferred tax liabilities	181	67	176	167	355
Net defined benefit liability	214	224	223	230	246
Provision for directors' and corporate auditors' retirement benefit	1,386	971	889	910	989
Others	674	668	679	1,015	924
<b>Total liabilities:</b>	<b>17,058</b>	<b>15,701</b>	<b>14,279</b>	<b>16,457</b>	<b>15,194</b>
<b>Net assets</b>					
<b>Shareholders' equity:</b>	<b>26,827</b>	<b>27,335</b>	<b>26,714</b>	<b>26,722</b>	<b>28,178</b>
Capital stock	1,208	1,208	1,208	1,208	1,208
Capital surplus	2,005	2,005	2,005	2,005	2,005
Retained earnings	24,190	24,818	24,590	25,363	26,819
Treasury stock	(576)	(696)	(1,089)	(1,854)	(1,854)
<b>Valuation and translation adjustments:</b>	<b>325</b>	<b>(132)</b>	<b>318</b>	<b>301</b>	<b>519</b>
Valuation difference on available - for sale securities	214	(32)	153	171	493
Remeasurements of defined benefit plans	110	(99)	164	130	26
<b>Total net assets:</b>	<b>27,153</b>	<b>27,203</b>	<b>27,032</b>	<b>27,024</b>	<b>28,698</b>
<b>Total liabilities and net assets:</b>	<b>44,211</b>	<b>42,905</b>	<b>41,312</b>	<b>43,481</b>	<b>43,893</b>

## [Consolidated statements of income]

(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
<b>Net sales:</b>	<b>37,135</b>	<b>37,589</b>	<b>30,261</b>	<b>36,213</b>	<b>37,072</b>
Cost of sales	29,309	28,920	23,492	27,449	27,628
Gross profit	7,826	8,669	6,768	8,763	9,444
Selling, general and administrative expenses	7,519	7,644	6,865	7,017	6,824
<b>Operating income:</b>	<b>306</b>	<b>1,025</b>	<b>(97)</b>	<b>1,746</b>	<b>2,619</b>
Non - operating income	116	255	158	144	134
Interest income	2	3	1	1	2
Dividends income	49	47	43	47	55
Equity in earnings of affiliates	1	43	23	33	26
Reversal of allowance for doubtful accounts	1	-	0	0	0
Subsidy income	-	-	20	-	-
Miscellaneous income	61	161	69	62	49
Non - operating expenses	36	52	37	43	48
Interest expenses	34	34	34	40	41
Provision of allowance for doubtful accounts	-	2	-	-	-
Retirement benefit expenses	-	11	-	-	-
Loss on investments in investment partnership	-	-	-	1	2
Miscellaneous loss	1	3	2	0	4
<b>Ordinary income:</b>	<b>387</b>	<b>1,228</b>	<b>24</b>	<b>1,848</b>	<b>2,705</b>
Extraordinary income	111	24	-	1	-
Gain on sale of investment securities	111	24	-	-	-
Gain on sale of membership	-	-	-	1	-
Extraordinary loss	16	73	1	28	15
Loss on valuation of investment securities	16	6	-	-	2
Loss on sale of investment securities	-	-	-	-	12
Loss on retirement of non-current assets	-	-	-	5	-
Loss on sale of membership	-	-	1	-	-
Loss on valuation of membership	-	2	-	-	-
Impairment loss	-	64	-	22	-
Income before income taxes	482	1,179	22	1,821	2,690
Income taxes - current	216	362	86	695	797
Income taxes - deferred	83	(48)	(35)	143	130
<b>Total income taxes</b>	<b>299</b>	<b>313</b>	<b>50</b>	<b>839</b>	<b>927</b>
<b>Net income</b>	<b>183</b>	<b>865</b>	<b>(28)</b>	<b>981</b>	<b>1,762</b>
Income attributable to non-controlling interests	-	-	-	-	-
<b>Income attributable to owners of parent</b>	<b>183</b>	<b>865</b>	<b>(28)</b>	<b>981</b>	<b>1,762</b>

## [Consolidated statements of comprehensive income]

(Millions of yen)

Fiscal year ended	2019/3	2020/3	2021/3	2022/3	2023/3
<b>Net income</b>	<b>183</b>	<b>865</b>	<b>(28)</b>	<b>981</b>	<b>1,762</b>
Other comprehensive income	(232)	(457)	450	(16)	217
Valuation difference on available-for-sale securities, net of tax	(217)	(245)	185	18	321
Remeasurements of defined benefit plans, net of tax	(11)	(210)	264	(34)	(103)
Share of other comprehensive income of associates accounted for using equity method	(3)	(1)	(0)	(0)	0
<b>Comprehensive income</b>	<b>(49)</b>	<b>407</b>	<b>422</b>	<b>965</b>	<b>1,980</b>

## [Consolidated statements of changes in net assets]

(April 1, 2022 - March 31, 2023)

(Millions of yen)

	Shareholders' equity					Total valuation and translation adjustments			Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Valuation difference on available - for - sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
<b>Balance at March 31, 2022</b>	1,208	2,005	25,363	(1,854)	26,722	171	130	301	27,024
Changes of items during the period									
Dividends from surplus			(306)		(306)				(306)
Income attributable to owners of parent			1,762		1,762				1,762
Net changes of items other than shareholders' equity						321	(103)	217	217
<b>Total changes of items during the period</b>	-	-	1,455	-	1,455	321	(103)	217	1,673
<b>Balance at March 31, 2023</b>	1,208	2,005	26,819	(1,854)	28,178	493	26	519	28,698

## [Consolidated statements of cash flows]

(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
Net cash provided by operating activities	(585)	2,765	(689)	2,601	1,590
Net cash used in investment activities	(93)	(979)	(612)	(904)	(10)
Net cash used in financing activities	(238)	(357)	(591)	(594)	(390)
Effect of exchange rate change on cash and cash equivalents	(0)	(1)	0	1	1
Increase (Decrease) in cash and cash equivalents	(917)	1,427	(1,893)	1,104	1,190
Cash and cash equivalents at beginning of period	18,775	17,857	19,285	17,391	18,495
Cash and cash equivalents at end of period	17,857	19,285	17,391	18,495	19,686

## [Non - consolidated balance sheets]

(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
<b>Assets</b>					
<b>Current assets:</b>	<b>25,829</b>	<b>24,381</b>	<b>22,948</b>	<b>24,085</b>	<b>23,659</b>
Cash and deposits	13,340	14,595	13,705	13,499	14,035
Notes and accounts receivable - trade	9,426	7,233	6,448	-	-
Notes receivable - trade	-	-	-	2,430	2,565
Accounts receivable - trade	-	-	-	5,298	4,455
Merchandise and finished goods	2,199	1,776	1,866	1,692	1,770
Others	869	805	952	1,197	838
Allowance for doubtful accounts	(5)	(28)	(24)	(33)	(6)
<b>Fixed assets:</b>	<b>9,529</b>	<b>9,601</b>	<b>9,864</b>	<b>9,942</b>	<b>10,288</b>
<b>Property, plant and equipment</b>	<b>1,894</b>	<b>1,939</b>	<b>1,897</b>	<b>1,906</b>	<b>1,894</b>
Buildings	378	398	372	377	355
Land	1,440	1,440	1,440	1,440	1,440
Others	75	101	84	88	99
<b>Intangible assets</b>	<b>44</b>	<b>90</b>	<b>105</b>	<b>75</b>	<b>59</b>
<b>Investments and other assets</b>	<b>7,591</b>	<b>7,571</b>	<b>7,861</b>	<b>7,960</b>	<b>8,333</b>
<b>Total assets:</b>	<b>35,359</b>	<b>33,983</b>	<b>32,813</b>	<b>34,027</b>	<b>33,947</b>
<b>Liabilities</b>					
<b>Current liabilities:</b>	<b>12,516</b>	<b>11,550</b>	<b>10,571</b>	<b>11,924</b>	<b>10,528</b>
Notes and accounts payable - trade	4,384	3,511	3,692	3,986	3,748
Electronically recorded obligations - operating	4,188	3,701	2,950	3,081	2,480
Short - term loans payable	3,466	3,466	3,466	3,466	3,466
Others	476	871	462	1,390	833
<b>Non - current liabilities</b>	<b>1,596</b>	<b>1,146</b>	<b>1,213</b>	<b>1,169</b>	<b>1,438</b>
Provision for directors' and corporate auditors' retirement benefit	1,125	741	738	744	791
Deferred tax liabilities	58	-	59	10	221
Others	412	405	415	414	425
<b>Total liabilities:</b>	<b>14,112</b>	<b>12,697</b>	<b>11,785</b>	<b>13,093</b>	<b>11,967</b>
<b>Net assets</b>					
<b>Shareholders' equity</b>	<b>21,047</b>	<b>21,296</b>	<b>20,881</b>	<b>20,771</b>	<b>21,533</b>
Capital stock	1,208	1,208	1,208	1,208	1,208
Capital surplus	2,005	2,005	2,005	2,005	2,005
Retained earnings	18,410	18,779	18,757	19,411	20,174
Treasury stock	(576)	(696)	(1,089)	(1,854)	(1,854)
<b>Valuation and translation adjustments:</b>	<b>198</b>	<b>(11)</b>	<b>146</b>	<b>162</b>	<b>446</b>
Valuation difference on available - for - sale securities	198	(11)	146	162	446
<b>Total net assets:</b>	<b>21,246</b>	<b>21,285</b>	<b>21,027</b>	<b>20,933</b>	<b>21,980</b>
<b>Total liabilities and net assets:</b>	<b>35,359</b>	<b>33,983</b>	<b>32,813</b>	<b>34,027</b>	<b>33,947</b>



## [Non - consolidated statements of income]

(Millions of yen)

Fiscal year ended:	2019/3	2020/3	2021/3	2022/3	2023/3
<b>Net sales</b>	<b>28,902</b>	<b>29,554</b>	<b>23,122</b>	<b>29,824</b>	<b>30,131</b>
<b>Operating income</b>	<b>59</b>	<b>423</b>	<b>51</b>	<b>1,137</b>	<b>1,468</b>
Non - operating income	177	313	247	174	176
Non - operating expenses	84	34	44	34	37
<b>Ordinary income</b>	<b>152</b>	<b>702</b>	<b>254</b>	<b>1,277</b>	<b>1,607</b>
Extraordinary income	111	24	-	1	-
Extraordinary loss	16	8	-	3	15
<b>Income before income taxes</b>	<b>247</b>	<b>718</b>	<b>254</b>	<b>1,275</b>	<b>1,592</b>
Income taxes - current	78	126	31	470	435
Income taxes - deferred	10	(15)	45	(58)	88
Total income taxes	88	111	77	411	523
<b>Net income</b>	<b>159</b>	<b>606</b>	<b>177</b>	<b>863</b>	<b>1,069</b>

## [Non - consolidated statements of changes in net assets]

(April 1, 2022 - March 31, 2023)

(Millions of yen)

	Shareholders' equity							Valuation and translation adjustments	Total net assets	
	Capital stock	Capital surplus		Retained earnings			Treasury stock	Total shareholders' equity		Valuation difference on available - for - sale securities
		Legal capital surplus	Legal retained earnings	Other retained earnings		Total retained earnings				
				General reserve	Retained earnings brought forward					
Balance at March 31, 2022	1,208	2,005	197	15,000	4,214	19,411	(1,854)	20,771	162	20,933
Changes of items during the period										
Dividends from surplus					(306)	(306)		(306)		(306)
Net income					1,069	1,069		1,069		1,069
Net changes of items other than shareholders' equity									283	283
Total changes of items during the period	-	-	-	-	762	762	-	762	283	1,046
Balance at March 31, 2023	1,208	2,005	197	15,000	4,977	20,174	(1,854)	21,533	446	21,980

# [Stock information] (As of March 31,2023)

Stock exchange listing	Jasdaq securities exchange (Code:7521)
Transfer agent of the shares	Mizuho Trust & Banking Co., Ltd.
Fiscal year-end	March 31
General meeting of shareholders	Convened in June each year
Dividends	
Record date for payment of final dividend	March 31
Record date for payment of interim dividend	September 30
Number of common stock issued	7,950,000
Number of shareholders	1,417

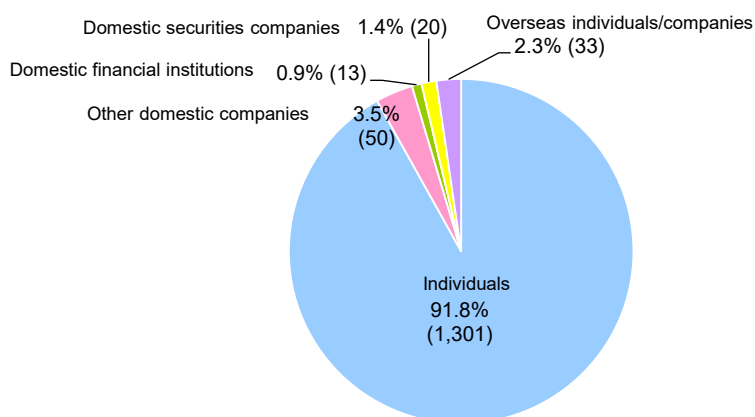
## 【Major shareholders】

Name	Number of stock held	Stock holding ratio
Jyomou Jitsugyou Co., Ltd.	1,388,600	20.4%
Shourin Shouji Co., Ltd.	897,400	13.2%
Hikari Tsushin K.K.	419,100	6.2%
Employees' Stockholding	357,300	5.2%
Company's Gojokai Association	299,100	4.4%
Custody Bank of Japan, Ltd. (trust account)	249,900	3.7%
Hirokazu Kobayashi	237,700	3.5%
Sumitomo Mitsui Banking Corporation	190,000	2.8%
Mizuho Bank, Ltd.	160,000	2.3%
Masataka Hatori	137,200	2.0%

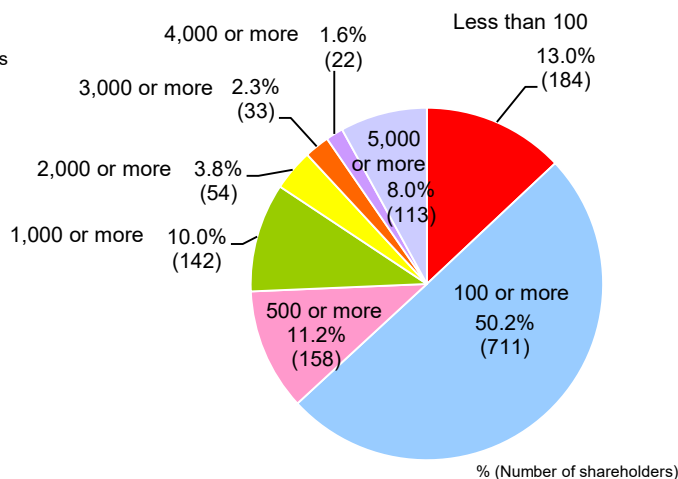
※excluding treasury shares(1,135,544)

## 【Breakdown of shareholders】

■ Type of shareholders



■ Number of shares



% (Number of shareholders)

## [Company profile]

<b>Company name</b>	MUSASHI CO., LTD.
<b>Established</b>	December, 1946
<b>Head office</b>	8-20-36 Ginza Chuo-ku Tokyo, Japan
<b>Paid-in capital</b>	¥ 1,208,500,000
<b>Employees</b>	540 (Group) 193 (Musashi) (As of March 31, 2023)
<b>Banks</b>	The Mizuho Bank, Limited. The Mitsui Sumitomo Bank, Limited. MUFG Bank, Ltd.
<b>Branch</b>	Tokyo Sapporo Sendai Saitama Chiba Yokohama Nagoya Osaka Hiroshima Fukuoka and other 7 sales offices



## [Musashi group]

- **Musashi Engineering CO.,LTD.**  
3-11-7 Nishishimbashi Minato-ku Tokyo  
TEL.03-3437-2911  
Development and production of cash handling equipment, election systems equipment
- **MUSASHI I TECHNO CO.,LTD.**  
3-6-1 Nagatanaka Higashiosaka-shi Osaka  
TEL.06-6744-6311  
Microfilming, digitalizing image information, data-entry services
- **MUSASHI KOUSAN CO.,LTD.**  
7-2-4 Ginza Chuo-ku Tokyo  
TEL.03-3572-8461  
Real estate rental
- **MUSASHI FIELD SUPPORT CO.,LTD.**  
8-20-36 Ginza Chuo-ku Tokyo  
TEL.03-3546-7779  
Technical support
- **MBS CO.,LTD.**  
1-24-1 Shinkawa Chuo-ku Tokyo  
TEL.03-5244-9590  
Manufactures and sales of carbonless duplicating paper, thermal enlarger printer
- **MUSASHI ENTERPRISE CO.,LTD.**  
8-20-36 Ginza Chuo-ku Tokyo  
TEL.03-3437-2925  
Automobile leasing and insurance agency
- **MUSASHI ABC CO.,LTD.**  
1-9-1 Shintomi Chuo-ku Tokyo  
TEL.03-6228-4810  
Microfilming, digitalizing image information, data-entry services
- **FBM CO.,LTD.**  
2-13-7 Iidabashi Chiyoda-ku Tokyo  
TEL.03-6272-3453  
Sales of printing systems equipment
- **JIM CORPORATION**  
3-1-1 Iidabashi Chiyoda-ku Tokyo  
TEL.03-5212-6001  
Microfilming, digitalizing image information, data-entry services
- **MUSASHI IMAGE JOHO CO.,LTD.**  
1-7-12 Shinonome Koto-ku Tokyo  
TEL.03-6228-4056  
Microfilming, digitalizing image information, data-entry services

■ Subsidiaries  
□ Equity-method affiliate