

(For reference purposes only)

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Japanese Standard]

May 15, 2023  
Stock exchange: Tokyo

Listed company name: AIDA ENGINEERING, LTD.  
Stock code: 6118 (URL <https://www.aida.co.jp/en/>)  
Representative: Toshihiko Suzuki, Representative Director and President (CEO)  
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Scheduled date of ordinary general meeting of shareholders: June 27, 2023  
Scheduled date of beginning dividend payment: June 28, 2023  
Scheduled date of filing annual securities report: June 27, 2023  
Preparation of supplemental explanatory materials: Yes  
Holding of financial results briefing: Yes (for securities analysts and institutional investors)

(Figures are rounded down to the nearest million yen)

### 1. Consolidated Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

#### (1) Consolidated Financial Results

(Percentages represent change compared to the previous period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	68,795	10.1	1,540	(38.5)	1,710	(29.7)	1,295	44.5
Year ended March 31, 2022	62,466	7.5	2,505	(32.7)	2,432	(35.1)	896	(31.9)

Note: Comprehensive income: Year ended March 31, 2023 1,477 million yen (-41.5%)  
Year ended March 31, 2022 2,526 million yen (-44.3%)

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2023	21.70	21.67	1.7	1.5	2.2
Year ended March 31, 2022	15.02	14.99	1.2	2.2	4.0

Reference: Equity in earnings of affiliates Year ended March 31, 2023 — million yen  
Year ended March 31, 2022 — million yen

#### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	116,287	78,043	67.0	1,305.47
As of March 31, 2022	113,933	78,664	68.4	1,304.89

Reference: Shareholders' equity As of March 31, 2023 77,951 million yen  
As of March 31, 2022 77,901 million yen

### (3) Consolidated Cash Flows

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2023	(1,129)	(1,884)	(2,166)	30,508
Year ended March 31, 2022	5,905	(2,828)	(1,533)	35,030

### 2. Cash Dividends

	Cash dividends per share					Total dividends (Annual) Millions of yen	Payout ratio (Consolidated) %	Ratio of dividends to net assets (Consolidated) %
	1Q End	2Q End	3Q End	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen			
Year ended March 31, 2022	—	—	—	25.00	25.00	1,601	166.5	1.9
Year ended March 31, 2023	—	—	—	30.00	30.00	1,921	138.3	2.3
Year ending March 31, 2024 (forecast)	—	—	—	30.00	30.00		49.8	

### 3. Forecasts of Consolidated Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(Percentages represent change compared to the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	36,000	11.9	2,350	228.0	2,450	210.4	1,800	263.1	30.14
Full year	72,000	4.7	4,700	205.2	4,900	186.5	3,600	177.9	60.29

### 4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1. Changes in accounting policies due to revisions of accounting standards: Yes
2. Changes in accounting policies other than “1”: None
3. Changes in accounting estimates: None
4. Retrospective restatement: None

Note: Please refer to “(Changes in Accounting Policies)” in “(5) Notes to Consolidated Financial Statements” on page 13 for details.

(3) Number of issued shares (common shares)

1. Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023 69,448,421 shares

As of March 31, 2022 69,448,421 shares

2. Total number of treasury shares at the end of the period

As of March 31, 2023 9,736,558 shares

As of March 31, 2022 9,748,838 shares

3. Average number of shares outstanding during the period

Year ended March 31, 2023 59,703,426 shares

Year ended March 31, 2022 59,695,511 shares

[Reference] Outline of Non-Consolidated Financial Results

1. Non-Consolidated Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Non-Consolidated Financial Results

(Percentages represent change compared to the previous period)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2023	37,591	10.8	798	(21.8)	1,390	(7.9)	1,280	—
Year ended March 31, 2022	33,916	(6.0)	1,021	(67.7)	1,510	(60.8)	(5)	—

	Net income per share		Diluted net income per share	
	Yen		Yen	
Year ended March 31, 2023	21.45		21.42	
Year ended March 31, 2022	(0.10)		—	

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	76,087	59,956	78.7	1,002.57
As of March 31, 2022	78,278	61,031	77.9	1,020.79

Reference: Shareholders' equity As of March 31, 2023 59,865 million yen  
As of March 31, 2022 60,940 million yen

Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

Statement for proper use of business forecast and other special remarks:

(Notes on forward-looking statements)

Performance forecasts presented in these documents are based on information available as of the date of publication. Actual results may differ from these forecasts due to various factors in the future. For the assumptions used as a basis for the business forecast and notes for using the forecast, please refer to "Overview of operating results" on page 2 of the attachments.

A financial results briefing for securities analysts and institutional investors is scheduled to be held on May 25, 2023. The briefing material will be posted on our website shortly thereafter.

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## 1. Overview of operating results, etc.

### (1) Overview of operating results for the period under review

During the fiscal year ended March 31, 2023, the global economy was recovering as progress was made towards normalization from COVID-19, but remained in a slowdown phase due to the impacts of persistently high inflation, prolongation of issues between Russia and Ukraine, energy shortages, shortages of semiconductors for the automotive sector, etc. and other factors. Going forward, the outlook remains uncertain due to further downward pressure on the economy stemming from monetary tightening and concerns about geopolitical risks such as the conflicts between the United States and China.

In the metalforming machinery industry, the Japan Forming Machinery Association reported that orders for press machines received in the fiscal year ended March 31, 2023 increased 7.0% year on year to ¥153,309 million, reflecting robust domestic demand.

Under these conditions, orders received by AIDA ENGINEERING, LTD. (the “Company”) and its group companies (collectively, the “Group”) in the fiscal year ended March 31, 2023 reached a record high of ¥83,994 million (up 7.2% year on year), supported by increased demand related to electric vehicles, and the order backlog as of March 31, 2023 reached ¥70,343 million (up 27.6% from the end of the previous fiscal year).

Net sales were ¥68,795 million (up 10.1% year on year), mainly due to increased demand related to electric vehicles and the impacts of exchange rates.

In terms of profit, operating income was ¥1,540 million (down 38.5% year on year) and ordinary income was ¥1,710 million (down 29.7% year on year), due to factors such as soaring costs of raw materials, subcontracting, and logistics, and the posting of an allowance for doubtful accounts. However, net income attributable to owners of parent was ¥1,295 million (up 44.5% year on year) due to factors such as the eliminations of loss on impairment at an overseas subsidiary and loss on decrease of production from COVID-19 recorded in the previous fiscal year, as well as gain on sale of cross-shareholdings and gain on liquidation of an overseas subsidiary in the fiscal year ended March 31, 2023.

Operating results by segment during the fiscal year ended March 31, 2023 were as follows.

Japan:	Net sales were ¥41,648 million (up 9.1% year on year) due to robust sales of press machines, but segment profit was ¥455 million (down 43.2% year on year) due to the lower gross profit margins resulting from an increase in costs of raw materials, etc.
China:	Net sales were ¥11,021 million (up 24.5% year on year) due an increase in sales of medium- and small-sized press machines, but segment loss was ¥149 million (segment profit of ¥741 million in the previous year) due to the posting of an allowance for doubtful accounts.
Asia:	Net sales were ¥10,676 million (up 39.6% year on year) due to an increase in sales of press machines and services and the impact of the yen’s depreciation. Segment profit was ¥909 million (up 22.0% year on year).
Americas:	Net sales increased to ¥16,792 million (up 21.1% year on year) due to an increase in sales of services and the impact of the yen’s depreciation. However, segment profit remained largely unchanged at ¥286 million (up 6.2% year on year) due to the lower gross profit margins resulting from soaring costs of raw materials and subcontracting, etc.
Europe:	Net sales were ¥12,864 million (up 1.6% year on year) due to an increase in sales of services and the impact of the yen’s depreciation. However, segment profit was ¥227 million (up 104.9% year on year) due to an improvement in gross profit margins.

### (2) Overview of financial position for the period under review

Total assets as of March 31, 2023 increased by ¥2,353 million from the end of the previous fiscal year to ¥116,287 million. This is attributable to a ¥4,521 million decrease in cash and deposits, a ¥4,747 million increase in trade receivables, including notes and accounts receivable - trade, and contract assets and electronically recorded monetary claims - operating, a ¥4,291 million increase in inventories, a ¥1,282 million decrease in investment securities, and a ¥1,319 million decrease in insurance funds.

Total liabilities increased by ¥2,974 million from the end of the previous fiscal year to ¥38,244 million. This is attributable to a ¥3,316 million increase in contract liabilities.

Net assets decreased by ¥620 million from the end of the previous fiscal year to ¥78,043 million. As a result, shareholders' equity ratio was 67.0% as of March 31, 2023.

### (3) Overview of cash flows for the period under review

Cash and cash equivalents (the "funds") as of March 31, 2023 decreased by ¥4,521 million from the end of the previous fiscal year to ¥30,508 million.

Cash flows from activities during the fiscal year ended March 31, 2023 and their primary factors are as follows:

#### (i) Cash flows from operating activities

Net cash used in operating activities was ¥1,129 million (a cash inflow of ¥5,905 million in the previous fiscal year). Factors for cash inflows include income before income taxes of ¥1,964 million and depreciation of ¥1,847 million, and factors for cash outflows include an increase in trade receivables of ¥1,284 million and an increase in inventories of ¥3,310 million.

#### (ii) Cash flows from investing activities

Net cash used in investing activities was ¥1,884 million (a cash outflow of ¥2,828 million in the previous fiscal year). Factors for cash outflows include purchase of property, plant and equipment and intangible assets of ¥2,373 million.

#### (iii) Cash flows from financing activities

Net cash used in financing activities was ¥2,166 million (a cash outflow of ¥1,533 million in the previous fiscal year). Factors for cash outflows include dividends paid of ¥1,601 million.

#### (Reference) Trends in indicators related to cash flows

	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Shareholders' equity ratio (%)	68.5	71.1	71.2	68.4	67.0
Shareholders' equity ratio based on fair value (%)	44.2	39.5	55.1	55.4	42.0
Ratio of interest-bearing debt to cash flow (%)	134.6	115.4	38.7	44.2	—
Interest coverage ratio (times)	77.4	126.0	228.5	304.4	—

Shareholders' equity ratio:

Shareholders' equity ÷ Total assets

Shareholders' equity ratio based on fair value:

Total market value of shares ÷ Total assets

Ratio of interest-bearing debt to cash flow:

Interest-bearing debt ÷ Cash flow

Interest coverage ratio:

Cash flow ÷ Interest paid

Notes:

- The indicators were calculated using figures from consolidated financial statements.
- The total market value of shares was calculated by multiplying the closing price of the closing date by the total number of shares outstanding (less the treasury shares) on the day.
- Cash flow is the figure of net cash provided by (used in) operating cash flows recorded in the Consolidated Statements of Cash Flows. Interest-bearing debts include all debts recorded on the Consolidated Balance Sheets for which interest is paid. In addition, interest paid is the interest expenses paid shown in the Consolidated Statements of Cash Flows.

(4) Differences between forecasts and actual consolidated results for the fiscal year ended March 31, 2023

There were differences between the forecasts of consolidated results for the fiscal year ended March 31, 2023 announced on February 14, 2023 and the actual results announced today as follows.

1. Differences between forecasts and actual consolidated results for the fiscal year ended March 31, 2023 (April 1, 2022 to March 31, 2023)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecasts (A)	70,000	2,600	2,700	1,900	31.82
Actual results (B)	68,795	1,540	1,710	1,295	21.70
Difference (B) - (A)	(1,204)	(1,059)	(989)	(604)	—
Change (%)	(1.7)	(40.8)	(36.7)	(31.8)	—
(Reference) Actual results for the fiscal year ended March 31, 2022	62,466	2,505	2,432	896	15.02

2. Reasons for differences

Operating income, ordinary income, and net income attributable to owners of parent were lower than the initial forecast due to the provision of allowance for doubtful accounts at a consolidated subsidiary in China of ¥852 million (SG&A expenses) and delays in the recording of sales for a portion of press machines. Further details on the recording of allowance for doubtful accounts are as follows.

(5) Allowance for doubtful accounts posted at consolidated subsidiary

AIDA ENGINEERING CHINA CO., LTD., a consolidated subsidiary of the Company, will post an allowance for doubtful accounts as a result of claims held against a business partner in China for which collection is likely to become impossible or delayed as follows.

1. Description of business partner

As said business partner has not applied for legal liquidation or other such procedures, the Company will refrain from disclosing said business partner's name, etc. in consideration of the potential impact of this revelation on the business continuation of said business partner.

2. Background of irrecoverable claims or delayed recovery of claims

AIDA ENGINEERING CHINA CO., LTD. has been implementing measures to protect assets following the posting of an allowance for doubtful accounts of ¥756 million for the fiscal year ended March 31, 2021 as a result of delays in the collection of a portion of ¥1,625 million in payment for press machines delivered to the aforementioned business partner. However, a voluntary restructuring plan proposed to major suppliers in the previous fiscal year failed to materialize and prospects for the procurement of funding remain uncertain for the time being, and the protectable assets which the business partner could provide were limited. Based on this situation, the Company has made a comprehensive judgment that there is currently greater uncertainty in the potential for debt recovery, and as a result, has decided to post an additional allowance for doubtful accounts in the fiscal year ended March 31, 2023.

3. Type of claims (right to obtain reimbursement) against business partner, amount, and proportion of consolidated net assets (%)

Trade receivables ¥1,625 million 2.1%

(6) Future outlook

The forecast for the next fiscal year is ¥72.0 billion in net sales, ¥4.7 billion in operating income, ¥4.9 billion in ordinary income and ¥3.6 billion in net income attributable to owners of parent.

2. Basic Stance Concerning Choice of Accounting Standards

Taking into consideration the comparability of consolidated financial statements across periods and among companies, the Group's policy is to prepare its consolidated financial statements using Japanese GAAP for the immediate future.

With regard to International Financial Reporting Standards (IFRS), the Group's policy is to respond appropriately based on consideration of the situation in Japan and overseas.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	35,031	30,510
Notes and accounts receivable - trade, and contract assets	17,690	22,506
Electronically recorded monetary claims - operating	1,087	1,018
Finished goods	4,135	4,387
Work in process	13,019	17,022
Raw materials and supplies	4,420	4,456
Advance payments - trade	1,719	2,222
Accounts receivable - other	489	526
Consumption taxes receivable	846	1,220
Other	302	487
Allowance for doubtful accounts	(1,040)	(1,837)
Total current assets	77,703	82,522
Non-current assets		
Property, plant and equipment		
Buildings and structures	25,709	26,737
Accumulated depreciation	(18,481)	(19,222)
Buildings and structures, net	7,227	7,514
Machinery, equipment and vehicles	18,849	20,479
Accumulated depreciation	(13,822)	(15,092)
Machinery, equipment and vehicles, net	5,027	5,387
Land	7,263	7,297
Construction in progress	1,437	234
Other	3,925	4,245
Accumulated depreciation	(3,418)	(3,665)
Other, net	506	580
Total property, plant and equipment	21,462	21,015
Intangible assets	1,179	1,961
Investments and other assets		
Investment securities	10,469	9,186
Insurance funds	1,891	571
Retirement benefit asset	820	633
Deferred tax assets	285	268
Other	153	161
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	13,588	10,788
Total non-current assets	36,230	33,765
Total assets	113,933	116,287

(Millions of Yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	6,137	6,942
Electronically recorded obligations - operating	2,888	2,536
Short-term borrowings	1,094	582
Current portion of long-term borrowings	–	500
Accounts payable - other	1,612	1,329
Income taxes payable	175	345
Accrued expenses	1,128	1,089
Contract liabilities	12,091	15,407
Provision for product warranties	497	615
Provision for bonuses	1,020	961
Provision for bonuses for directors (and other officers)	22	14
Provision for loss on orders received	211	180
Other	1,270	1,381
Total current liabilities	28,150	31,887
Non-current liabilities		
Long-term borrowings	1,500	1,000
Long-term accounts payable - other	924	1,005
Deferred tax liabilities	2,336	1,870
Provision for share awards	510	649
Retirement benefit liability	1,456	1,451
Asset retirement obligations	9	9
Other	380	369
Total non-current liabilities	7,119	6,356
Total liabilities	35,269	38,244
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,831	7,831
Capital surplus	12,836	13,007
Retained earnings	55,511	55,205
Treasury shares	(5,250)	(5,247)
Total shareholders' equity	70,927	70,796
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,815	3,994
Deferred gains or losses on hedges	(295)	(173)
Foreign currency translation adjustment	2,365	3,463
Remeasurements of defined benefit plans	87	(130)
Total accumulated other comprehensive income	6,973	7,155
Share acquisition rights	91	91
Non-controlling interests	671	–
Total net assets	78,664	78,043
Total liabilities and net assets	113,933	116,287

(2) Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Millions of Yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Net sales	62,466	68,795
Cost of sales	51,574	57,168
Gross profit	10,892	11,627
Selling, general and administrative expenses	8,386	10,087
Operating income	2,505	1,540
Non-operating income		
Interest income	36	96
Dividend income	202	298
Other	79	122
Total non-operating income	318	517
Non-operating expenses		
Interest expenses	18	8
Commission expenses	22	80
Foreign exchange losses	269	172
Loss on restructuring of Europe business	19	–
Other	62	85
Total non-operating expenses	391	347
Ordinary income	2,432	1,710
Extraordinary income		
Gain on sale of non-current assets	10	8
Gain on sale of investment securities	6	146
Subsidy income related to suspension or decrease of production	22	7
Gain on liquidation of subsidiaries	–	117
Total extraordinary income	39	280
Extraordinary losses		
Loss on sale of non-current assets	0	2
Loss on retirement of non-current assets	56	14
Loss on suspension or decrease of production	123	6
Loss on impairment	492	–
Loss on liquidation of subsidiaries	–	3
Other	46	–
Total extraordinary losses	718	26
Income before income taxes	1,753	1,964
Current taxes	772	790
Deferred taxes	75	(121)
Income taxes	848	668
Net income	904	1,295
Net income attributable to non-controlling interests	8	–
Net income attributable to owners of parent	896	1,295

Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Year ended March 31, 2022	Year ended March 31, 2023
Net income	904	1,295
Other comprehensive income		
Valuation difference on available-for-sale securities	(54)	(821)
Deferred gains or losses on hedges	(156)	122
Foreign currency translation adjustment	1,955	1,098
Remeasurements of defined benefit plans, net of tax	(123)	(218)
Total other comprehensive income	1,621	181
Comprehensive income	2,526	1,477
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,518	1,477
Comprehensive income attributable to non-controlling interests	8	—

(3) Consolidated Statements of Changes in Net Assets  
Year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,831	12,423	55,963	(4,838)	71,379
Cumulative effects of changes in accounting policies			(85)		(85)
Restated balance	7,831	12,423	55,877	(4,838)	71,293
Changes during the period					
Cash dividends			(1,263)		(1,263)
Net income attributable to owners of parent			896		896
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock				1	1
Disposal of treasury stock to stock benefit trust		412		(412)	-
Net changes of items other than shareholders' equity					
Total changes during period	-	412	(366)	(412)	(366)
Balance at end of period	7,831	12,836	55,511	(5,250)	70,927

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,869	(139)	410	210	5,351	91	683	77,505
Cumulative effects of changes in accounting policies							(14)	(99)
Restated balance	4,869	(139)	410	210	5,351	91	668	77,405
Changes during the period								
Cash dividends								(1,263)
Net income attributable to owners of parent								896
Purchase of treasury stock								(0)
Disposal of treasury stock								1
Disposal of treasury stock to stock benefit trust								-
Net changes of items other than shareholders' equity	(53)	(156)	1,955	(123)	1,621	-	2	1,624
Total changes during period	(53)	(156)	1,955	(123)	1,621	-	2	1,258
Balance at end of period	4,815	(295)	2,365	87	6,973	91	671	78,664

Year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Millions of Yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,831	12,836	55,511	(5,250)	70,927
Changes during period					
Cash dividends			(1,601)		(1,601)
Net income attributable to owners of parent			1,295		1,295
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock					–
Disposal of treasury stock to stock benefit trust				3	3
Change in ownership interest of parent due to transactions with non-controlling interests		171			171
Net changes of items other than shareholders' equity					
Total changes during period	–	171	(305)	3	(131)
Balance at end of period	7,831	13,007	55,205	(5,247)	70,796

	Accumulated other comprehensive income					Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	4,815	(295)	2,365	87	6,973	91	671	78,664
Changes during period								
Cash dividends								(1,601)
Net income attributable to owners of parent								1,295
Purchase of treasury stock								(0)
Disposal of treasury stock								–
Disposal of treasury stock to stock benefit trust								3
Change in ownership interest of parent due to transactions with non-controlling interests								171
Net changes of items other than shareholders' equity	(821)	122	1,098	(218)	181	–	(671)	(489)
Total changes during period	(821)	122	1,098	(218)	181	–	(671)	(620)
Balance at end of period	3,994	(173)	3,463	(130)	7,155	91	–	78,043

## (4) Consolidated Statements of Cash Flows

(Millions of Yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Income before income taxes	1,753	1,964
Depreciation	1,833	1,847
Loss on impairment	492	–
Loss (gain) on sale of fixed assets	(10)	(6)
Loss on disposal of fixed assets	56	14
Loss (gain) on sale of investment securities	(6)	(146)
Loss (gain) on liquidation of subsidiaries	–	(113)
Increase (decrease) in allowance for doubtful accounts	14	745
Increase (decrease) in provision for bonuses	(80)	(67)
Increase (decrease) in provision for bonuses for directors (and other officers)	(14)	(8)
Increase (decrease) in provision for product warranties	3	89
Increase (decrease) in retirement benefit liability	57	(13)
Decrease (increase) in retirement benefit asset	(30)	(32)
Increase (decrease) in provision for share awards	29	138
Increase (decrease) in provision for loss on orders received	85	(46)
Interest and dividend income	(238)	(395)
Interest expenses	18	8
Decrease (increase) in trade receivables	7,137	(1,284)
Decrease (increase) in inventories	(2,542)	(3,310)
Increase (decrease) in trade payables	455	(240)
Decrease (increase) in other assets	(8)	193
Increase (decrease) in other liabilities	(245)	125
Other, net	(1,321)	(434)
Subtotal	7,439	(974)
Interest and dividends received	237	392
Interest paid	(19)	(10)
Income taxes paid	(1,752)	(537)
Net cash provided by (used in) operating activities	5,905	(1,129)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,682)	(1,914)
Proceeds from sale of property, plant and equipment	8	718
Purchase of intangible assets	(511)	(459)
Purchase of investment securities	(659)	(99)
Proceeds from sale of investment securities	9	367
Payments into time deposits	(66)	(342)
Proceeds from withdrawal of time deposits	71	345
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(500)
Other, net	1	–
Net cash provided by (used in) investing activities	(2,828)	(1,884)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(261)	(563)
Payments for finance lease obligations	(4)	(2)
Proceeds from sale of treasury stock	1	3
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,263)	(1,601)
Dividends paid to non-controlling interests	(5)	(2)
Net cash provided by (used in) financing activities	(1,533)	(2,166)
Effect of exchange rate change on cash and cash equivalents	1,786	659
Net increase (decrease) in cash and cash equivalents	3,330	(4,521)
Cash and cash equivalents at beginning of period	31,700	35,030
Cash and cash equivalents at end of period	35,030	30,508

- (5) Notes to the Consolidated Financial Statements  
(Notes to Going Concern Assumption)  
None

(Changes in Accounting Policies)

The Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021; the “Implementation Guidance on Fair Value Measurement Standard”) has been applied since the beginning of the current fiscal year. In line with the transitional treatment stipulated in Paragraph 27-2 of the Implementation Guidance on Fair Value Measurement Standard, the Company will apply the new accounting policy specified in the Implementation Guidance on Fair Value Measurement Standard prospectively. This has no effect on the consolidated financial statements.

(Segment Information)

[Segment Information]

1. Overview of Reportable Segments

The Company's reportable segments are components for which discrete financial information is available and whose operating results are regularly reviewed by management to make decisions about resource allocation and to assess performance.

The Company and its subsidiaries (the "Group") operate within a single business related to the manufacture and sale of press machines and their ancillary facilities and auxiliary business such as services. The Company plays a key role in its business in Japan. As for business overseas, local subsidiaries operate business respectively in China, Asia (mainly Singapore and Malaysia), Americas (mainly U.S.A.), and Europe (mainly Italy). Local subsidiaries each constitute an independent business entity, and operate business by planning their own comprehensive strategies for products in each area.

Accordingly, the Group consists of geographic segments based on a structure operating manufacturing, sales, and service. Reportable segments are categorized into "Japan," "China," "Asia," "Americas," and "Europe."

2. Basis for calculating sales, income or loss, assets, and other items by reportable segment

The accounting method used for reporting regional segments is mostly the same as the one used for preparing consolidated financial statements.

Operating income or loss is used as reportable segment income or loss. Inter-segment transactions are inter-company transactions and mainly based on market prices.

3. Information regarding amounts of sales, income or loss, assets, other items, and disaggregation of revenue by reportable segment

Year ended March 31, 2022

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Subtotal	Adjustments (*1)	Consolidated financial statements (*2)
Sales								
(1) Sales to third parties								
a. Press Machines	14,388	6,851	2,633	10,997	9,573	44,443	–	44,443
b. Service	5,545	1,591	1,528	2,640	2,558	13,865	–	13,865
c. Others	4,034	55	13	–	53	4,156	–	4,156
Subtotal	23,968	8,498	4,175	13,638	12,185	62,466	–	62,466
(2) Inter-segment sales	14,219	353	3,470	231	472	18,747	(18,747)	–
Total sales	38,188	8,851	7,646	13,869	12,658	81,213	(18,747)	62,466
Segment income	802	741	745	269	110	2,670	(164)	2,505
Segment assets	82,809	12,796	11,705	10,355	13,096	130,763	(16,829)	113,933
Others								
Depreciation	999	200	280	176	178	1,835	(1)	1,833
Increase in property, plant, equipment and intangible assets	1,153	55	512	66	52	1,839	–	1,839

Notes: 1. Adjustments of sales represent elimination of inter-segment transactions.

Adjustments of segment income refer to inter-segment transaction eliminations.

Adjustments of segment assets mainly represent elimination of inter-segment receivables and payables.

Adjustments of depreciation and increase in property, plant, equipment and intangible assets mainly represent elimination of inter-segment transactions.

2. Segment income is adjusted to operating income of the consolidated statements of income.

Year ended March 31, 2023

(Millions of Yen)

	Japan	China	Asia	Americas	Europe	Subtotal	Adjustments (*1)	Consolidated financial statements (*2)
<b>Sales</b>								
(1) Sales to third parties								
a. Press Machines	14,909	9,190	4,265	12,814	8,296	49,476	–	49,476
b. Service	5,383	1,388	1,973	3,529	3,095	15,370	–	15,370
c. Others	3,866	20	27	1	32	3,948	–	3,948
Subtotal	24,160	10,599	6,265	16,345	11,424	68,795	–	68,795
(2) Inter-segment sales	17,487	422	4,410	446	1,440	24,207	(24,207)	–
<b>Total sales</b>	<b>41,648</b>	<b>11,021</b>	<b>10,676</b>	<b>16,792</b>	<b>12,864</b>	<b>93,003</b>	<b>(24,207)</b>	<b>68,795</b>
Segment income (loss)	455	(149)	909	286	227	1,729	(189)	1,540
Segment assets	83,898	14,684	12,489	12,144	16,223	139,441	(23,153)	116,287
<b>Others</b>								
Depreciation	1,118	126	211	193	197	1,846	0	1,847
Increase in property, plant, equipment and intangible assets	1,938	65	587	62	148	2,801	–	2,801

Notes: 1. Adjustments of sales represent elimination of inter-segment transactions.

Adjustments of segment income (loss) refer to inter-segment transaction eliminations.

Adjustments of segment assets mainly represent elimination of inter-segment receivables and payables.

Adjustments of depreciation and increase in property, plant, equipment and intangible assets mainly represent elimination of inter-segment transactions.

2. Segment income (loss) is adjusted to operating income of the consolidated statements of income.

(Per Share Information)

Net assets per share, net income per share and diluted net income per share, and the basis for calculation are as follows:

(Yen)

Item	Year ended March 31, 2022	Year ended March 31, 2023
Net assets per share	1,304.89	1,305.47
Net income per share	15.02	21.70
Diluted net income per share	14.99	21.67

(Notes) 1. Basis for calculation of net assets per share

Item	As of March 31, 2022	As of March 31, 2023
Total net assets in the consolidated balance sheets (Millions of Yen)	78,664	78,043
Net assets relating to common stock (Millions of Yen)	77,901	77,951
Main components of the difference		
Share acquisition rights (Millions of Yen)	91	91
Non-controlling interests (Millions of Yen)	671	–
Number of shares outstanding of common stock (Thousands of Shares)	69,448	69,448
Number of treasury shares of common stock (Thousands of Shares)	9,748	9,736
Number of shares of common stock used to calculate net assets per share (Thousands of Shares)	59,699	59,711

2. Basis for calculation of net income per share and diluted net income per share

Item	Year ended March 31, 2022	Year ended March 31, 2023
Net income attributable to owners of parent in the consolidated statements of income (Millions of Yen)	896	1,295
Net income attributable to owners of parent relating to common stock (Millions of Yen)	896	1,295
Amount not attributable to common shareholders (Millions of Yen)	–	–
Average number of shares of common stock outstanding during the period (Thousands of Shares)	59,695	59,703
Main components of adjustments to net income attributable to owners of parent used in the calculation of diluted net income per share (Millions of Yen)	–	–
Adjustments to net income attributable to owners of parent (Millions of Yen)	–	–
Main components of the increase in number of shares of common stock used in the calculation of diluted net income per share (Thousands of Shares)	Share acquisition rights Common stock 94	Share acquisition rights Common stock 81
Increase in number of shares of common stock (Thousands of Shares)	94	81
Overview of potential shares not included in the calculation of diluted net income per share as they are non-dilutive (Thousands of Shares)	Share acquisition rights Common stock 10	Share acquisition rights Common stocks 20

3. “Number of treasury shares of common stock” in “1. Basis for calculation of net assets per share” excludes the Company’s shares (4,348,700 shares as of the end of the previous fiscal year and 4,335,948 shares as of the end of the fiscal year under review) held by Custody Bank of Japan, Ltd. (Trust Account E) as they are accounted for as treasury shares.
4. “Average number of shares of common stock outstanding during the period” in “2. Basis for calculation of net income per share and diluted net income per share” excludes the Company’s shares (average number of outstanding shares of 3,538,746 shares for the previous fiscal year and 4,344,746 shares for the fiscal year under review) held by Custody Bank of Japan, Ltd. (Trust Account E) as they are accounted for as treasury shares.

(Significant Subsequent Events)  
None

#### 4. Supplementary Information

##### (1) Status of Orders

Year ended March 31, 2023

(Millions of Yen)

	Orders		Order backlog	
	Amount	Comparison with the previous period (%)	Amount	Comparison with the end of previous year (%)
Japan	29,065	0.6	23,718	26.1
China	17,124	31.1	17,512	59.4
Asia	7,340	11.5	5,306	25.4
Americas	16,309	(6.5)	10,688	(0.3)
Europe	14,154	14.4	13,117	26.3
Total	83,994	7.2	70,343	27.6

Notes:

1. Inter-segment transactions have been eliminated.
2. Amounts above do not include consumption tax.

##### (2) Changes in Officers

1) Changes in representative  
None

2) Changes in other officers  
Candidate for new director

Director (Outside Director) Kiyoe Kado (Current position: Visiting Attorney, Shimada Hamba & Osajima)

Note: The above change is scheduled to be formally determined at the 88th Ordinary General Meeting of Shareholders to be held on June 27, 2023.