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## Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 13, 2022

Company name: CKD Corporation  
Stock exchange listing: Tokyo, Nagoya  
Code number: 6407

URL: <https://www.ckd.co.jp/en/>

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Scheduled date of Annual General Meeting of Shareholders: June 24, 2022

Scheduled date of commencing dividend payments: June 09, 2022

Scheduled date of filing annual securities report: June 24, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	142,199	33.2	17,879	132.2	18,043	130.6	12,567	138.3
March 31, 2021	106,723	6.0	7,698	47.2	7,823	45.6	5,273	42.9

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 15,127 million [ 64.9%]  
Fiscal year ended March 31, 2021: ¥ 9,174 million [ 314.9%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended March 31, 2022	Yen 188.58	Yen -	% 12.1	% 11.1	% 12.6
March 31, 2021	80.23	80.21	5.9	5.4	7.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ 3 million  
Fiscal year ended March 31, 2021: ¥ (1) million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of March 31, 2022	Million yen 172,514	Million yen 109,571	% 63.5	Yen 1,643.36
March 31, 2021	152,726	97,617	63.8	1,463.15

(Reference) Equity: As of March 31, 2022: ¥ 109,571 million  
As of March 31, 2021: ¥ 97,497 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended March 31, 2022	Million yen 12,352	Million yen (8,544)	Million yen (6,264)	Million yen 34,027
March 31, 2021	17,521	(2,786)	2,423	35,913

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	8.00	-	17.00	25.00	1,665	31.2	1.8
March 31, 2022	-	28.00	-	39.00	67.00	4,466	35.5	4.3
Fiscal year ending March 31, 2023 (Forecast)	-	39.00	-	39.00	78.00		40.0	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ended September 30, 2022	72,500	6.9	9,210	7.3	9,210	6.3	6,490	6.7	97.38
Full year	146,000	2.7	18,500	3.5	18,500	2.5	13,000	3.4	195.07

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2022: 67,909,449 shares

March 31, 2021: 67,909,449 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022: 1,234,074 shares

March 31, 2021: 1,274,439 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 66,643,626 shares

Fiscal Year ended March 31, 2021: 65,724,412 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	116,400	31.8	12,804	166.0	13,758	142.5	9,792	148.4
March 31, 2021	88,296	4.0	4,813	39.5	5,674	36.5	3,941	28.9

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2022	146.94	-
March 31, 2021	59.98	59.96

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2022	143,420	92,726	64.7	1,390.72
March 31, 2021	131,786	86,019	65.3	1,290.90

(Reference) Equity: As of March 31, 2022: ¥ 92,726 million  
As of March 31, 2021: ¥ 86,019 million

\*This flash report is exempt from auditing by certified public accountants or audit firms.

\*Notes on the appropriate use of financial forecasts and other special instructions

The performance forecasts and other forward-looking statements presented in this report are based on information currently available and certain assumptions deemed to be reasonable. Actual performance, etc. may differ substantially due to various factors.

CKD Corporation (the Company) is planning to hold a briefing session for institutional investors and analysts on the conference call on May 13, 2022. Any explanatory materials used in this session will be posted on the Company's website immediately afterward.

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## 1. Overview of business results

### (1) Overview of business results for the fiscal year

#### [1] Review of the fiscal year

During the consolidated fiscal year under review, the Japanese economy was affected by supply constraints with semiconductors, components, and raw materials. However, normalization from the COVID-19 pandemic has progressed and production activities in the manufacturing sector continued to improve, resulting in a gradual recovery in the economy.

Capital investment recovered, albeit with some strengths and weaknesses by industry sector, because of an uptick in corporate earnings and initiatives in growth areas such as the environment. Furthermore, investment in the electronics industry continued to be strong against the backdrop of expanding applications of information and communications technologies, such as for 5G and IoT.

As for the overseas economy, although uncertainty remains about the future because of the re-spread of COVID-19 infections, the U.S. economy continued to expand on the back of widespread vaccinations and investment in response to labor shortages, and demand in the semiconductor and automobile markets remained high. Also, in China, demand was strong in many markets, including 5G-related and rechargeable batteries, and there was aggressive capital investment in the manufacturing industry in general. In Southeast Asia, the gradual easing of restrictions on activities helped a production recovery, together with an increase in exports, underpinning the economy.

Under such circumstances, in results of the consolidated fiscal year, the CKD Group recorded 142,199 million yen in net sales, up 33.2% year on year, 17,879 million yen in operating profit, up 132.2% year on year, 18,043 million yen in ordinary profit, up 130.6% year on year, and 12,567 million yen in profit attributable to owners of parent, up 138.3% year on year.

Due to the application of the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020, hereinafter referred to as the “Revenue Recognition Accounting Standard.”), etc., net sales decreased by 315 million yen, cost of sales decreased by 7 million yen, selling, general and administrative expenses decreased by 190 million yen, operating profit decreased by 116 million yen, and ordinary profit and profit before income taxes increased by 60 million yen respectively.

#### [2] Results of operations by segment

##### <Automatic Machineries>

In industrial machinery, sales of 3D solder paste inspection machines rose, but sales of lithium-ion battery manufacturing systems fell. As for automatic packaging systems, sales to the pharmaceutical industry increased, although sales to the food industry decreased.

As a result, net sales were 16,808 million yen (up 18.7% year on year), while segment profit was 2,413 million yen (up 45.4% year on year) due to increased sales.

In addition, as a result of the application of the Revenue Recognition Accounting Standard, net sales in the consolidated fiscal year increased by 386 million yen, and segment profit increased by 60 million yen.

##### <Components>

In the domestic market, sales for semiconductor manufacturing equipment increased due to continued strong demand for semiconductors due to the rollout of 5G and other factors. In the automotive market, sales for manufacturing equipment related to environmentally friendly vehicles rose, as did sales to the machine tools industry, where demand is strong for semiconductors and automotive equipment.

As for overseas markets, sales increased in China, where capital investment continued in the manufacturing industry as a whole, and in South Korea and Taiwan, where semiconductor capital investment was steady. Sales also grew in Europe and the U.S., where economic activity has continued to recover, and in Southeast Asia due to the easing of activity restrictions.

As a result, net sales were 125,390 million yen (up 35.5% year on year), while segment profit was 19,443 million yen (up 93.0% year on year) thanks to increased sales and the impact of productivity improvements.

In addition, as a result of the application of the Revenue Recognition Accounting Standard, net sales in the consolidated fiscal year decreased by 701 million yen, selling, general and administrative expenses decreased by 190 million yen, and segment profit decreased by 177 million yen.

## (2) Financial position

Total assets at the end of the fiscal year on the consolidated basis were 172,514 million yen, up 19,788 million yen from the end of the previous consolidated fiscal year. The main factors included increases in trade receivables, inventories, property, plant and equipment and retirement benefit asset despite decreases in cash and deposits.

Liabilities were 62,942 million yen, up 7,833 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in trade payables, accounts payable - bonuses, income taxes payable and accounts payable - facilities, despite decreases in borrowings and advances received.

Net assets were 109,571 million yen, up 11,954 million yen from the end of the previous consolidated fiscal year.

Capital adequacy ratio was 63.5%, down a 0.3 point from the previous consolidated fiscal year.

## (3) Cash flows

Cash and cash equivalents (hereinafter, cash) at the end of the consolidated fiscal year were 34,027 million yen, down 1,885 million yen from the end of the previous consolidated fiscal year.

Changes in cash flows by categories through the consolidated fiscal year were as follows.

### Cash flows from operating activities

Through the consolidated fiscal year under review, net cash provided by operating activities was 12,352 million yen (down 29.5% year on year).

Factors contributing positively to cash flows from operating activities were profit before income taxes of 17,947 million yen, depreciation of 5,910 million yen and an increase in trade payables of 5,278 million yen. These cash flows were offset by an increase in trade receivables and contract assets of 5,492 million yen, an increase in inventories 7,337 million yen, a decrease in advances received 2,187 million yen and income taxes paid 3,066 million yen.

### Cash flows from investing activities

Through the consolidated fiscal year under review, net cash used in investing activities was 8,544 million yen (up 206.6% year on year).

The main factor accounting for the cash flows was purchase of property, plant and equipment of 7,879 million yen.

### Cash flows from financing activities

Through the consolidated fiscal year under review, net cash used in financing activities was 6,264 million yen (compared with 2,423 million yen provided in the previous year).

The main factors accounting for the cash flows were repayments of long-term borrowings of 3,520 million yen and dividends paid of 2,995 million yen.

Reference: Changes in cash flow-related indexes

	Fiscal year ended March 31, 2018	Fiscal year ended March 31, 2019	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Capital adequacy ratio (%)	61.1	58.6	60.5	63.8	63.5
Capital adequacy ratio based on current market price (%)	112.0	45.1	67.7	100.7	72.9
Ratio of interest-bearing debt to cash flow (times)	2.1	(12.7)	1.4	1.2	1.4
Interest coverage ratio (times)	77.1	(22.6)	77.0	84.3	55.1

Capital adequacy ratio (%) = equity ÷ total assets

Capital adequacy ratio based on current market price (%) = total market value of common stock ÷ total assets

Ratio of interest-bearing debt to cash flow (times) = interest-bearing debt ÷ cash flow

Interest coverage ratio (times) = cash flows ÷ interest payments

Notes: 1. All indicators are calculated based on consolidated financial figures.

2. Total market value of common stock is calculated based on the number of shares outstanding, excluding treasury stock.

3. Cash flows from operating activities are used for figures for cash flow.

4. Interest-bearing debt includes all balance-sheet debt for which interest payments are being made.

For interest payment, interest paid from consolidated financial statements of cash flows are used.

#### (4) Consolidated financial forecasts and outlook

As for the global economy in the next fiscal period, there are still many uncertainties, such as the prolonged spread of COVID-19 and heightened geopolitical risks, including the problems in Russia and Ukraine. However, the economy is expected to remain strong, as social life is expected to normalize with the spread of vaccines and constraints on production activities are expected to gradually come to an end.

Amid drastic changes in societal values and the market itself, and the promotion of digitalization, the business environment surrounding the CKD Group is expected to remain at a heightened level in Japan and overseas due to the rising demand for automation and labor savings in the manufacturing industry, expanded investment in the electronics industry, such as semiconductor capital investment, and increased demand for electrification of automobiles, etc.

However, in addition to supply chain risks such as prolonged parts shortages, in particular semiconductors, and soaring raw material prices, the impact of trade friction between the U.S. and China, the impact of earthquakes and natural disasters, and the impact of geopolitical risks and currency fluctuations must be closely monitored.

Below are the consolidated projections for the next fiscal year.

The exchange rate is estimated at ¥120 to one U.S. dollar.

	Six months ending September 30, 2022	Full year
Net sales	Million yen 72,500	Million yen 146,000
Operating profit	9,210	18,500
Ordinary profit	9,210	18,500
Profit attributable to owners of parent	6,490	13,000

These projections are based on information available as of this release. The actual results may differ due to various factors from now onwards.

(5) Basic policy for allocation of profit and dividends for FY2021 and FY2022

Regarding to the return of profit to shareholders, while the company try to increase corporate value through capital investment and R&D investment that strengthen the management base and further expand business, in the return of profit to shareholders the company had a dividend payout ratio of 30% as a rough target.

In order to further enhance shareholder returns in the 5th Medium-Term Management Plan starting from the fiscal year ending March 31, 2023, the Company has decided to change the dividend payout ratio to a target of 40%.

Under this policy, it was decided at Board of Directors of CKD Corporation on May 13, 2022 that year-end dividends of ¥39 per share would be paid on June 9, 2022. Combined with the ¥28 per share paid as interim dividends in December 2021, the annual dividends for the fiscal year will amount to ¥67 per share, up ¥42 from the end of the previous consolidated fiscal year.

Projected dividends for the next fiscal year are ¥39 per share at the end of the 2nd quarter and year-end dividend of ¥39 per share, for a total of ¥78 per share.

2. Basic approach to selection of accounting standards

To enable comparison between companies and years, the CKD Group creates its consolidated financial statements according to “the Rules for Terminology, Forms, and Preparation of Consolidated Financial Statements (Ordinance of the Ministry of Finance No. 28 in 1976)” (excluding Chapter 7 and 8).

When applying international accounting standards, domestic and overseas information is considered and applied as appropriate.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Assets</b>		
Current assets		
Cash and deposits	36,375	34,527
Notes and accounts receivable - trade	23,492	-
Notes receivable - trade	-	4,291
Accounts receivable - trade	-	23,554
Contract assets	-	856
Electronically recorded monetary claims - operating	4,134	5,961
Trade accounts receivable	227	243
Merchandise and finished goods	10,018	10,468
Work in process	4,012	4,159
Raw materials and supplies	22,298	30,135
Other	1,286	2,044
Allowance for doubtful accounts	(55)	(55)
Total current assets	101,789	116,188
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,443	21,510
Machinery, equipment and vehicles, net	10,392	11,362
Tools, furniture and fixtures, net	1,655	1,760
Land	6,191	6,940
Leased assets, net	594	652
Construction in progress	715	1,792
Total property, plant and equipment	38,992	44,019
Intangible assets	1,433	1,107
Investments and other assets		
Investment securities	8,182	8,124
Retirement benefit asset	812	1,543
Deferred tax assets	263	328
Other	1,287	1,237
Allowance for doubtful accounts	(35)	(34)
Total investments and other assets	10,510	11,199
Total non-current assets	50,936	56,326
Total assets	152,726	172,514

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	15,360	20,354
Electronically recorded obligations - operating	2,833	4,387
Short-term borrowings	6,158	5,665
Current portion of bonds payable	16	-
Current portion of long-term borrowings	3,520	6,070
Lease liabilities	218	255
Accrued expenses	3,472	4,741
Income taxes payable	1,624	3,908
Provision for bonuses	389	495
Provision for product warranties	344	374
Provision for loss on orders received	69	11
Provision for environmental measures	71	1
Other	7,561	7,236
Total current liabilities	41,640	53,503
Non-current liabilities		
Long-term borrowings	10,244	5,634
Lease liabilities	254	269
Deferred tax liabilities	635	847
Provision for environmental measures	4	2
Retirement benefit liability	424	458
Asset retirement obligations	229	233
Other	1,675	1,994
Total non-current liabilities	13,468	9,439
Total liabilities	55,108	62,942
<b>Net assets</b>		
Shareholders' equity		
Share capital	11,016	11,016
Capital surplus	16,358	16,364
Retained earnings	65,921	75,440
Treasury shares	(895)	(867)
Total shareholders' equity	92,401	101,954
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,386	3,274
Foreign currency translation adjustment	1,845	4,429
Remeasurements of defined benefit plans	(136)	(85)
Total accumulated other comprehensive income	5,095	7,617
Non-controlling interests	120	-
Total net assets	97,617	109,571
<b>Total liabilities and net assets</b>	<b>152,726</b>	<b>172,514</b>

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

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	106,723	142,199
Cost of sales	77,950	101,308
Gross profit	28,773	40,890
Selling, general and administrative expenses		
Personnel expenses	9,611	10,867
Retirement benefit expenses	406	341
Packing and transportation costs	1,453	1,866
Rent expenses	1,361	1,242
Outsourcing expenses	1,296	1,399
Depreciation	737	805
Provision of allowance for doubtful accounts	30	(8)
Research and development expenses	3,578	3,639
Enterprise tax	381	545
Other	2,217	2,312
Total selling, general and administrative expenses	21,074	23,011
Operating profit	7,698	17,879
Non-operating income		
Interest income	16	19
Dividend income	125	151
Share of profit of entities accounted for using equity method	-	3
Administrative service fee income	62	58
Insurance claim income	73	17
Gain on valuation of derivatives	25	-
Subsidy income	198	99
Other	243	229
Total non-operating income	746	579
Non-operating expenses		
Interest expenses	205	228
Sales discounts	138	-
Share of loss of entities accounted for using equity method	1	-
Loss on valuation of derivatives	-	102
Foreign exchange losses	134	15
Other	142	67
Total non-operating expenses	621	414
Ordinary profit	7,823	18,043
Extraordinary income		
Gain on sale of non-current assets	1	5
Gain on sale of investment securities	-	0
Gain on sale of shares of subsidiaries and associates	-	3
Subsidy income	525	276
Total extraordinary income	527	286
Extraordinary losses		
Loss on sale of non-current assets	4	0
Loss on retirement of non-current assets	96	138
Loss on tax purpose reduction entry of non-current assets	505	242
Loss on sale of investment securities	-	0
Loss on valuation of investment securities	1	-
Provision for environmental measures	15	-
Total extraordinary losses	622	382
Profit before income taxes	7,727	17,947

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Income taxes - current	2,180	5,201
Income taxes - deferred	264	145
Total income taxes	2,445	5,347
Profit	5,282	12,600
Profit attributable to non-controlling interests	8	32
Profit attributable to owners of parent	5,273	12,567

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	5,282	12,600
Other comprehensive income		
Valuation difference on available-for-sale securities	1,487	(112)
Foreign currency translation adjustment	1,650	2,588
Remeasurements of defined benefit plans, net of tax	754	50
Share of other comprehensive income of entities accounted for using equity method	0	0
Total other comprehensive income	3,892	2,527
Comprehensive income	9,174	15,127
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	9,155	15,089
Comprehensive income attributable to non-controlling interests	19	37

## (3) Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,016	12,017	61,992	(3,952)	81,074
Cumulative effects of changes in accounting policies					-
Restated balance	11,016	12,017	61,992	(3,952)	81,074
Changes during period					
Dividends of surplus			(1,342)		(1,342)
Profit attributable to owners of parent			5,273		5,273
Change in scope of consolidation					-
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		(11)		28	16
Exercise of share acquisition rights		4,351		3,029	7,381
Employee incentive welfare funds			(1)		(1)
Net changes in items other than shareholders' equity					
Total changes during period	-	4,340	3,929	3,057	11,326
Balance at end of period	11,016	16,358	65,921	(895)	92,401

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	1,898	206	(891)	1,213	71	105	82,465
Cumulative effects of changes in accounting policies							-
Restated balance	1,898	206	(891)	1,213	71	105	82,465
Changes during period							
Dividends of surplus							(1,342)
Profit attributable to owners of parent							5,273
Change in scope of consolidation							-
Purchase of treasury shares							(0)
Disposal of treasury shares							16
Exercise of share acquisition rights							7,381
Employee incentive welfare funds							(1)
Net changes in items other than shareholders' equity	1,487	1,639	754	3,882	(71)	15	3,825
Total changes during period	1,487	1,639	754	3,882	(71)	15	15,152
Balance at end of period	3,386	1,845	(136)	5,095	-	120	97,617

For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,016	16,358	65,921	(895)	92,401
Cumulative effects of changes in accounting policies			(10)		(10)
Restated balance	11,016	16,358	65,910	(895)	92,390
Changes during period					
Dividends of surplus			(2,998)		(2,998)
Profit attributable to owners of parent			12,567		12,567
Change in scope of consolidation		(2)	(37)		(39)
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares		8		28	37
Exercise of share acquisition rights					-
Employee incentive welfare funds			(2)		(2)
Net changes in items other than shareholders' equity					
Total changes during period	-	6	9,529	27	9,563
Balance at end of period	11,016	16,364	75,440	(867)	101,954

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	3,386	1,845	(136)	5,095	-	120	97,617
Cumulative effects of changes in accounting policies							(10)
Restated balance	3,386	1,845	(136)	5,095	-	120	97,607
Changes during period							
Dividends of surplus							(2,998)
Profit attributable to owners of parent							12,567
Change in scope of consolidation							(39)
Purchase of treasury shares							(1)
Disposal of treasury shares							37
Exercise of share acquisition rights							-
Employee incentive welfare funds							(2)
Net changes in items other than shareholders' equity	(112)	2,583	50	2,522		(120)	2,401
Total changes during period	(112)	2,583	50	2,522	-	(120)	11,964
Balance at end of period	3,274	4,429	(85)	7,617	-	-	109,571

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	7,727	17,947
Depreciation	5,507	5,910
Share of loss (profit) of entities accounted for using equity method	1	(3)
Increase (decrease) in provision for bonuses	91	75
Increase (decrease) in accounts payable - bonuses	159	939
Decrease (increase) in retirement benefit asset	422	(658)
Decrease (increase) in trade receivables	2,119	-
Decrease (increase) in trade receivables and contract assets	-	(5,492)
Decrease (increase) in inventories	252	(7,337)
Increase (decrease) in trade payables	2,102	5,278
Increase (decrease) in advances received	854	(2,187)
Other, net	(665)	659
Subtotal	18,575	15,130
Interest and dividends received	144	170
Interest paid	(207)	(224)
Income taxes paid	(1,800)	(3,066)
Income taxes refund	85	5
Subsidies received	725	336
Net cash provided by (used in) operating activities	17,521	12,352
<b>Cash flows from investing activities</b>		
Payments into time deposits	(0)	(4)
Proceeds from withdrawal of time deposits	156	-
Purchase of property, plant and equipment	(2,727)	(7,879)
Proceeds from sale of property, plant and equipment	7	11
Purchase of intangible assets	(231)	(358)
Purchase of investment securities	(211)	(207)
Proceeds from sale and redemption of investment securities	200	104
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(128)
Other, net	21	(82)
Net cash provided by (used in) investing activities	(2,786)	(8,544)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	18	(565)
Proceeds from long-term borrowings	400	1,105
Repayments of long-term borrowings	(3,584)	(3,520)
Redemption of bonds	(129)	(16)
Purchase of treasury shares	(0)	(1)
Dividends paid	(1,340)	(2,995)
Proceeds from issuance of shares resulting from exercise of share acquisition rights	7,309	-
Other, net	(250)	(271)
Net cash provided by (used in) financing activities	2,423	(6,264)
Effect of exchange rate change on cash and cash equivalents	344	570
Net increase (decrease) in cash and cash equivalents	17,503	(1,885)
Cash and cash equivalents at beginning of period	18,409	35,913
Cash and cash equivalents at end of period	35,913	34,027

## (5) Notes to the consolidated financial statements

Notes regarding assumptions as a going concern

Not applicable

Material items which form the basis for preparation of the consolidated financial statements

### 1. Scope of consolidation

Consolidated subsidiaries: 19 companies

The names of companies:

(4 Japanese companies)

CKD Shikoku Seiko Corporation  
CKD Global Service Corporation  
CKD Field Engineering Corporation  
CKD NIKKI DENSO CO., LTD.

(15 overseas companies)

CKD THAI CORPORATION LTD.  
CKD SINGAPORE PTE. LTD.  
CKD USA CORPORATION  
CKD Korea Corporation  
M-CKD PRECISION SDN. BHD.  
CKD (China) Corporation  
CKD (Shanghai) Corporation  
Taiwan CKD Corporation  
CKD VIETNAM ENGINEERING CO., LTD.  
PT CKD TRADING INDONESIA  
PT CKD MANUFACTURING INDONESIA  
CKD ILLINOIS LLC  
CKD MEXICO, S. de R.L. de C.V.  
CKD India Private Limited  
CKD Europe B.V.

Nikki Denso International Korea Co., Ltd., which was previously a consolidated subsidiary, was excluded from the scope of consolidation this fiscal year due to the sale of shares held.

### 2. Application of equity method

Non-consolidated subsidiaries accounted for by the equity method: 1 company

Name of the company: EPSITEC S.R.L.

### 3. Fiscal year of consolidated subsidiaries

Out of our consolidated subsidiaries, the fiscal year-ends on December 31 for CKD (China) Corporation, CKD (Shanghai) Corporation, and CKD MEXICO S. de R.L. de C.V., and we provisionally close their accounts on the consolidated closing date (March 31).

4. Accounting policies

(1) Basis and method of evaluation of significant assets

[1] Securities

Available-for-sale securities

Other than shares without market value, etc.:

At fair market value (changes in fair value are accounted for under the direct addition to the net assets method, and the moving average method is used to calculate the sale value.)

Shares without market value, etc.:

At cost, as determined by the moving average method

[2] Derivatives

At fair value

[3] Inventories

a. Merchandise and finished goods	Automatic machineries finished goods	Recorded at cost using the individual method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)
	Components merchandise and finished goods	Mainly recorded at cost using the periodic average method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)
b. Work in process	Automatic machineries work in process	Recorded at cost using the individual method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)
	Components work in process	Mainly recorded at cost using the periodic average method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)
c. Raw materials and supplies	Raw materials	Mainly recorded at cost using the periodic average method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)
	Supplies	Mainly recorded at cost using the last purchase price method (values on the balance sheet are subject to the book value reduction method based on decreased profitability)

(2) Depreciation methods for material depreciable assets

[1] Property, plant and equipment (excluding lease assets)

Mainly calculated by the declining-balance method.

Useful lives of property, plant and equipment are as follows:

Buildings and structures: 3-50 years

Machinery, equipment and vehicles: 3-17 years

[2] Intangible assets (excluding lease assets)

Calculated by the straight-line method.

Capitalized software for internal use is amortized by the straight-line method over the estimated internal useful life (5 years).

[3] Lease assets

The method employed is to take the useful life of the asset as the term of the lease and depreciate the residual value to zero.

(3) Accounting for reserves and allowances

[1] Allowance for doubtful accounts

To prepare for the possible losses on doubtful accounts, provisions for normal accounts in good standing are calculated using historical default ratios. Provisions for specific doubtful accounts are calculated by examining the probability of recovery for individual accounts and setting aside an amount equivalent to the portion deemed to be unrecoverable.

[2] Provision for bonuses

To cover bonus payments to employees, a provision for bonuses is made based on an estimated amount of payment for the year under review.

[3] Provision for product warranties

To prepare for claims regarding products delivered to customers, a provision for a reasonably projectable amount of expenses to be incurred in the future is made.

[4] Provision for losses on order received

To prepare for losses related to future order contracts, a provision for the estimated losses at the end of the current consolidated fiscal year is made.

[5] Provision for environmental Measures

To prepare for expenses related to the management of waste and removal of harmful substances obligated under laws and regulations, a provision for a reasonably projectable amount of expenses is made.

(4) Accounting treatment of retirement benefits

[1] Method of attributing expected benefit to periods

In calculating retirement benefit obligations, expected benefits are attributed to periods on a payment calculation basis.

[2] Accounting method of actuarial gains and losses and prior service costs

Prior service costs are amortized on a straight-line basis over a certain period (12 years) within the average remaining service years for employees at the time of recognition.

Actuarial gains and losses are amortized on a straight-line basis over a certain period (12 years) within the average remaining service years for employees at the time of recognition and allocated proportionately from the fiscal year following the respective fiscal year of recognition.

[3] Adoption of simplified method for small-scale companies

The simplified method payment, which assumes benefit obligations to be equal to the benefits payable assuming the voluntary retirement of all employees at fiscal year-end, is applied to some consolidated subsidiaries in the calculation of liabilities regarding the payment of retirement benefits and retirement benefit expenses.

(5) Accounting method of material revenues and expenses

The CKD Group applies the following five steps to recognize revenue.

Step 1: Identify contracts with customers.

Step 2: Identify performance obligations in contracts.

Step 3: Calculate transaction price.

Step 4: Allocate transaction price to performance obligations in contracts.

Step 5: Recognize revenue when or as performance obligations are satisfied.

The CKD Group's principal business is the manufacture, sale, installation, and maintenance of various types of automatic machineries and components.

Regarding the timing of revenue recognition, the specific circumstances of each reporting segment are as follows.

(Automatic Machineries)

For automatic machineries equipment, when the performance of an obligation in a contract with a customer results in an asset that cannot be assigned to another customer or another use, and the Company has the right to receive payment for work completed, the Company estimates the degree of progress in meeting the performance obligation and recognizes revenue based on such progress over a specified period. Progress is calculated based on the ratio of the actual costs incurred to the total cost expected to meet the performance obligation. For other contracts, revenue is recognized upon inspection by a customer.

However, in domestic sales of maintenance parts, if the period from the time of shipment to the transfer of control of the finished goods to the customer is the normal period, profits are recognized at the time of shipment.

In export sales, revenue is recognized when control and risk are transferred to the customer based mainly on the terms of trade stipulated by Incoterms and other regulations.

Consideration for these performance obligations is generally received within approximately one year after fulfillment of the performance obligation, based on separately determined payment terms, and does not include a significant financial component.

(Components)

At the time of delivery of finished goods, the Company considers that the customer has acquired control and the Company has satisfied its performance obligation, and therefore recognizes revenue at the time of such delivery. For domestic sales, revenue is recognized at the time of shipment if the period from the time of shipment to the time when control of finished goods is transferred to the customer is a normal period.

In export sales, revenue is recognized when control and risk are transferred to the customer based mainly on the terms of trade stipulated by Incoterms and other regulations.

Net sales are measured at the amount of consideration promised in the contract with the customer, less any incentives, sales discounts, or other payments based on sales. Revenue is recognized to the extent it is probable that significant reversals will not occur, based on estimates of historical trends and other known factors at the time of sale.

For transactions in which the Company receives compensation that fall under the repurchase agreements, the Company recognizes revenue on a net basis only for the amount equivalent to the processing fee.

Consideration for these performance obligations is generally received within approximately one year after fulfillment of the performance obligation, based on separately determined payment terms, and does not include a significant financial component.

(6) Foreign currency translation of material assets and liabilities

Monetary assets and liabilities denominated in foreign currencies are translated at the current exchange rates in effect at each fiscal year-end date and the resulting foreign exchange gains or losses are recognized as income or expenses.

Assets and liabilities of the foreign consolidated subsidiaries are translated at the current exchange rates in effect at each fiscal year-end date, and revenue and expense accounts are translated at the average rate of exchange in effect during the year. The amounts of translation adjustments are included in the foreign currency translation adjustments under net assets.

(7) Scope of cash equivalents in consolidated statements of cash flows

Currency on hand, bank deposits, and all highly liquid short-term investments with a maturity of three months or less when purchased and which are readily convertible into cash and are exposed to insignificant risk of changes in value are considered cash equivalents.

Significant accounting estimates

Valuation of inventories in the Company's component segment

(1) Amount recorded on consolidated financial statements for the fiscal year under review

(Million yen)

Account	FY2021 Consolidated financial statement amount (before valuation)	FY2021 Write-down amount	FY2021 Consolidated financial statement amount
Merchandise and finished goods	5,427	(351)	5,076
Work in process	663	-	663
Raw materials and supplies	22,806	(1,291)	21,515
Total	28,898	(1,643)	27,254

(Note) The impact on operating profit in the current fiscal year is (271) million yen (After offset of the reversal amount).

(2) Information concerning the content of significant accounting estimates for the issue identified

Inventories in the Company's Components business are primarily composed of a wide variety of components, and as many types and variations of products are produced, certain volumes of inventories are held for the leading components in order to respond to fluctuations in order volume and short delivery deadlines. Computation of write-down of the Company's Component product inventories is combined with automatic calculation of comparison with net selling prices in the market, and a write-down rate based on retention periods, etc. by system and a method of calculating the write-down amount by evaluating the future sales outlook for inventories with low shipping and consuming results compared to holding volume.

The Company estimates the future sales prospects of inventories in this assumption based on conditions in the semiconductor, automobile and machine tool markets, to which the leading customers belong, the prolonged spread of COVID-19, geopolitical risks and customer investment plan forecasts associated with these factors.

When it is necessary to revise the assumptions used in these estimates due to deterioration in market conditions in the semiconductor, automobile, machine tool etc., there may be a material write-down of inventories judged to have no sales prospects in the next fiscal year.

## Changes in accounting policies

### Accounting Standard for Revenue Recognition

Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) hereinafter referred to as the 'Revenue Recognition Accounting Standard'. The Company adopted the Accounting Standard for Revenue Recognition Accounting Standard, etc. from the beginning of the consolidated fiscal year, and recognized revenue in the amount expected to be received in exchange for promised goods and services at the point when control of the goods and services is transferred to the customer. As a result, in the past, the percentage-of-completion method was applied to construction contracts in which certainty of outcome is recognized through progress, and the completed-contract method was applied to other construction contracts. However, in cases when the performance of an obligation under a contract with a customer results in an asset that cannot be converted to another use, the Company has changed to a method of recognizing revenue over a period of time as performance obligations are fulfilled. Also, a portion of sales incentives, etc., previously included in selling expenses and sales discounts, previously included in non-operating expenses, have been deducted from net sales.

In accordance with the transitional treatment prescribed in the provisional clause of paragraph 84 of the Accounting Standard for Revenue Recognition for the adoption of the standard, the cumulative effect of applying the new accounting policy retrospectively prior to the beginning of the consolidated fiscal year is added to or subtracted from retained earnings at the beginning of the consolidated fiscal year, and the new accounting policy is applied starting with the said balance at the beginning of the current fiscal year. However, the Company applied the method prescribed in paragraph 86 of the Revenue Recognition Accounting Standard and did not apply the new accounting policy retrospectively to contracts for which almost all revenue amounts were recognized in accordance with the previous treatment prior to the beginning of the consolidated fiscal year. The Company also applied the method prescribed in provisional clause (1) of paragraph 86 of the Revenue Recognition Accounting Standard and contractual changes made prior to the beginning of the consolidated fiscal year were accounted for based on the contract terms after reflection of all contractual changes, and the cumulative effect of such changes was added to or deducted from retained earnings at the beginning of the consolidated fiscal year.

As a result of this change, in the consolidated fiscal year, net sales decreased by 315 million yen, cost of sales increased by 7 million yen, selling, general and administrative expenses decreased by 190 million yen, operating profit decreased by 116 million yen, and ordinary profit and profit before income taxes increased by 60 million yen respectively. The balance of retained earnings at the beginning of the fiscal year also decreased by 10 million yen.

Also, 'trade notes and accounts receivable' presented in 'current assets' on the consolidated balance sheet for the previous fiscal year has been included in 'trade notes', 'accounts receivable' and 'contract assets' from the consolidated fiscal year. Also, 'Decrease (increase) in trade receivables' presented in 'Cash flows from operating activities' on consolidated statements of cash flows for the previous fiscal year has been included in 'Decrease (increase) in trade receivables and contract assets' from the consolidated fiscal year.

In accordance with the transitional treatment prescribed in paragraph 89-2 of the Revenue Recognition Accounting Standard, the consolidated balance sheet and the consolidated statements of cash flows for the previous fiscal year have not been reclassified based on the new presentation method.

### Accounting Standard for Fair Value Measurement

The Company has applied the 'Accounting Standard for Fair Value Measurement' (ASBJ Statement No. 30, July 4, 2019, hereinafter referred to as the 'Fair Value Measurement Accounting Standard'), etc. since the beginning of the consolidated fiscal year. In accordance with the transitional treatment prescribed in paragraph 19 of the 'Fair Value Measurement Accounting Standard' and paragraph 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement 10, July 4, 2019), the Company decided to apply the new accounting policy prescribed in the Fair Value Measurement Accounting Standard, etc. prospectively. There is no impact on the consolidated financial statements.

Segment information, etc.

## Segment information

### 1. Outline of reporting segments

The reporting segments of the CKD Group refers to the constituents of CKD and its subsidiaries that separate financial statements are available and that are the scope of regular discussion by the Board of Directors of CKD to determine how corporate resources are to be allocated and to evaluate business performance.

The constituents of the CKD Group consist of product segments, which include two reporting segments of ‘Automatic machineries’ and ‘Components’ separated based on the type, properties, and sales method of products.

In ‘Automatic machineries’, automatic packing system, lithium-ion battery manufacturing system, and other large-scale facilities are manufactured and sold. They are produced upon receiving an order.

In ‘Components’, functional parts that can be applied to semiconductor-related businesses, automobile-related industries, and other markets of diversified kinds are manufactured and sold. They are produced by forecasting demands of each item.

### 2. Calculation methods of net sales, profit/loss, assets, liabilities and other accounting items for each reporting segment

As described in Changes in ‘accounting policies’, the Company has applied the Revenue Recognition Accounting Standard to the consolidated financial statements since the consolidated fiscal year and has changed the accounting treatment method for revenue recognition. Therefore, the Company has also changed the method for calculating profit or loss for reporting segments.

As a result of this change, in the consolidated fiscal year, compared with the previous method, net sales in the ‘Automatic machineries segment’ increased by 386 million yen and segment profit increased by 60 million yen. Net sales in the ‘Components segment’ decreased by 701 million yen and segment profit decreased by 177 million yen.

3. Information on reporting-segment-wise sales, profit/loss, assets, liabilities, and other accounting items  
Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

(Million yen)

	Reporting segment			Amount Adjusted (Note 1)	Consolidated (Note 2)
	Automatic Machineries	Components	Total		
Net sales					
Sales to external customers	14,163	92,560	106,723	—	106,723
Intersegment sales or transfers	—	67	67	(67)	—
Total	14,163	92,627	106,791	(67)	106,723
Segment profit	1,659	10,076	11,735	(4,037)	7,698
Segment assets	18,050	104,938	122,988	29,737	152,726
Other items					
Depreciation and amortization	601	4,644	5,245	261	5,507
Increase in property, plant and equipment and intangible assets	121	3,410	3,531	89	3,620

Note 1: Details of the amount adjusted

- (1) The amount of adjustment for 'Net sales' of ¥(67) million is derived from elimination of transactions among segments.
- (2) The amount of adjustment for 'Segment profit' of ¥(4,037) million includes ¥30 million for elimination of transactions among segments and ¥(4,067) million as the total company expenses that are not allocated to each reporting segment. The total company expenses mainly refers to expenses related to administration and long-term R&D expenses of CKD and costs related to CKD Global Service Corporation.
- (3) The amount of adjustment for 'Segment assets' of ¥29,737 million is the total company assets not allocated to each reporting segment. This mainly consists of working surplus funds (cash and deposits) and long-term investment funds (investment securities) and assets of management department.
- (4) The amount adjusted for depreciation of ¥261 million consists of depreciation related to assets for the entire company.
- (5) The amount adjusted for increase in property, plant and equipment and intangible assets of ¥89 million consists of the amount of property, plant and equipment and intangible assets for the entire company.

Note 2: 'Segment profit' has already been adjusted with operating profit shown in the consolidated statement of income.  
'Segment assets' has already been adjusted with total assets shown in the consolidated balance sheets.

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Million yen)

	Reporting segment			Amount Adjusted (Note 1)	Consolidated (Note 2)
	Automatic Machineries	Components	Total		
Net sales					
Sales to external customers	16,808	125,390	142,199	—	142,199
Intersegment sales or transfers	—	101	101	(101)	—
Total	16,808	125,492	142,300	(101)	142,199
Segment profit	2,413	19,443	21,856	(3,977)	17,879
Segment assets	18,369	126,029	144,398	28,116	172,514
Other items					
Depreciation and amortization	542	5,094	5,636	273	5,910
Increase in property, plant and equipment and intangible assets	325	9,037	9,362	233	9,596

Note 1: Details of the amount adjusted

- (1) The amount of adjustment for ‘Net sales’ of ¥(101) million is derived from elimination of transactions among segments.
- (2) The amount of adjustment for ‘Segment profit’ of ¥(3,977) million includes ¥27 million for elimination of transactions among segments and ¥(4,004) million as the total company expenses that are not allocated to each reporting segment. The total company expenses mainly refers to expenses related to administration and long-term R&D expenses of CKD and costs related to CKD Global Service Corporation.
- (3) The amount of adjustment for ‘Segment assets’ of ¥28,116 million is the total company assets not allocated to each reporting segment. This mainly consists of working surplus funds (cash and deposits) and long-term investment funds (investment securities) and assets of management department.
- (4) The amount adjusted for depreciation of ¥273 million consists of depreciation related to assets for the entire company.
- (5) The amount adjusted for increase in property, plant and equipment and intangible assets of ¥233 million consists of the amount of property, plant and equipment and intangible assets for the entire company.

Note 2: ‘Segment profit’ has already been adjusted with operating profit shown in the consolidated statement of income.  
‘Segment assets’ has already been adjusted with total assets shown in the consolidated balance sheets.

Related information

Fiscal year ended March 31, 2021 (April 1, 2020 to March 31, 2021)

1. Information regarding products and services

Disclosure is omitted as the same information is disclosed in segment information.

2. Information regarding each region

[1] Net sales

(Million yen)

Japan	China	Rest of Asia	Other	Total
76,020	13,852	13,232	3,617	106,723

Note: 1. Net sales are classified by country or region based on the customer's location.

2. The amount under "Rest of Asia" is net sales in Asia excluding both Japan and China.

[2] Property, plant and equipment

(Million yen)

Japan	China	Other	Total
30,922	6,587	1,483	38,992

3. Information by principal customer

Of the net sales to outside customers, there are no customers accounting for 10% or more of total net sales under the consolidated statements of income.

Fiscal year ended March 31, 2022 (April 1, 2021 to March 31, 2022)

1. Information regarding products and services

Disclosure is omitted as the same information is disclosed in segment information.

2. Information regarding each region

[1] Net sales

(Million yen)

Japan	China	Rest of Asia	Other	Total
96,552	22,344	18,155	5,148	142,199

Note: 1. Net sales are classified by country or region based on the customer's location.

2. The amount under "Rest of Asia" is net sales in Asia excluding both Japan and China.

[2] Property, plant and equipment

(Million yen)

Japan	China	Other	Total
32,557	7,742	3,720	44,019

3. Information by principal customer

Of the net sales to outside customers, there are no customers accounting for 10% or more of total net sales under the consolidated statements of income.

Information on impairment losses on non-current assets by reporting segment

Not applicable

Information related to the amount of amortization of goodwill and the unamortized amount of goodwill by reporting segment

Not applicable

Information on gain on bargain purchase by reporting segment

Not applicable

Per share information

	FY2020 (April 1, 2020 to March,31 2021)	FY2021 (April 1, 2021 to March,31 2022)
	Yen	Yen
Net assets per share	1,463.15	1,643.36
Basic earnings per share	80.23	188.58
Diluted earnings per share	80.21	—

Note: Below is basis for calculations of basic earnings per share and diluted earnings per share.

	FY2020 (April 1, 2020 to March,31 2021)	FY2021 (April 1, 2021 to March,31 2022)
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	5,273	12,567
Amount not attributable to owners of ordinary shares (Million yen)	—	—
Profit attributable to owners of parent related to ordinary shares (Million yen)	5,273	12,567
Average number of ordinary shares over the period (Thousand shares)	65,724	66,643
Diluted earnings per share		
Adjustments of profit attributable to owners of parent (Million yen)	—	—
Increase in ordinary shares (Thousand shares)	0	—
Share acquisition rights (Thousand shares)	0	—
Summary of potential shares not included in calculation of diluted earnings per share because there are no dilutive effects	—	—

Material subsequent events

Not applicable

#### 4. Others

##### Production, orders and sales

###### [1] Actual production

Actual production by reporting segment in the consolidated fiscal year under review are as follows.

Segment name	Production output (Million yen)	Change YoY(%)
Automatic machineries	15,982	+4.3
Components	127,556	+37.0
Total	143,538	+32.3

Notes: 1. Intersegment transactions have been offset and eliminated.

2. Amounts are based on sales prices.

3. Above figures are exclusive of consumption tax.

###### [2] Actual orders

Actual orders by reporting segment in the consolidated fiscal year under review are as follows.

Segment name	Orders (Million yen)	Change YoY(%)	Order backlog (Million yen)	Change YoY(%)
Automatic machineries	17,313	+27.5	13,004	+4.2

Notes: 1. Production is carried out by expected demand, excluding the Automatic machineries segment.

2. Above figures are exclusive of consumption tax.

###### [3] Actual sales

Actual sales by business segment in the consolidated fiscal year under review are as follows.

Segment name	Net sales (Million yen)	Change YoY(%)
Automatic machineries	16,808	+18.7
Components	125,390	+35.5
Total	142,199	+33.2

Notes: 1. Intersegment transactions have been offset and eliminated.

2. Above figures are exclusive of consumption tax.