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

May 15, 2023

Company name: SHIBAURA MACHINE CO., LTD.

Stock exchange listing: Tokyo

Code number: 6104

URL: <https://www.shibaura-machine.co.jp>

Representative: Shigetomo Sakamoto

President and Chief Operating Officer

Contact: Minoru Aoki

Public Relations & Investor Relations Department Senior  
Manager

Phone: +81-3 (3509) 0444

Scheduled date of Annual General Meeting of Shareholders: June 26, 2023

Scheduled date of commencing dividend payments: June 5, 2023

Scheduled date of filing annual securities report: June 26, 2023

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one millions of yen are rounded down.)

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

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	123,197	14.3	5,765	36.1	5,279	16.2	6,441	72.9
March 31, 2022	107,777	16.3	4,236	-	4,544	420.6	3,725	-

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥ 7,392 million [ 19.0%]  
Fiscal year ended March 31, 2022: ¥ 6,212 million [ -%]

	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	Yen	Yen	%	%	%
March 31, 2023	266.63	-	7.5	2.8	4.7
March 31, 2022	154.27	-	4.6	2.9	3.9

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ million  
Fiscal year ended March 31, 2022: ¥ million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2023	205,100	89,118	43.5	3,688.28
March 31, 2022	166,989	83,515	50.0	3,457.58

(Reference) Equity: As of March 31, 2023: ¥ 89,118 million  
As of March 31, 2022: ¥ 83,515 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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	934	(563)	(2,277)	50,855
March 31, 2022	11,299	(1,264)	(2,108)	51,710

## 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	Millions of yen	%	%
March 31, 2022	-	37.50	-	37.50	75.00	1,811	48.6	2.2
March 31, 2023	-	37.50	-	70.00	107.50	2,597	40.3	3.0
Fiscal year ending March 31, 2024 (Forecast)	-	70.00	-	70.00	140.00		18.8	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	80,000	35.7	6,000	259.1	5,600	159.6	12,000	549.4	496.64
Full year	180,000	46.1	15,000	160.2	14,500	174.7	18,000	179.4	744.95

\* Notes:

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

New	-	(Company name:	)
Exclusion:	-	(Company name:	)

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

1) Changes in accounting policies due to the revision of accounting standards: No

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, 2023:	26,977,106 shares
March 31, 2022:	29,977,106 shares

2) Number of treasury shares at the end of the period:

March 31, 2023:	2,814,565 shares
March 31, 2022:	5,822,705 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023:	24,160,104 shares
Fiscal Year ended March 31, 2022:	24,151,736 shares

(Reference) Summary of Non-consolidated Financial Results

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

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	93,805	20.8	1,901	201.8	4,245	51.8	6,445	95.0
March 31, 2022	77,650	20.3	630	-	2,797	-	3,305	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	266.78	-
March 31, 2022	136.87	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	174,100	70,966	40.8	2,937.03
March 31, 2022	135,928	66,596	49.0	2,757.10

(Reference) Equity: As of March 31, 2023: ¥ 70,966 million  
As of March 31, 2022: ¥ 66,596 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	51,710	50,855
Notes and accounts receivable - trade, and contract assets	23,613	26,201
Merchandise and finished goods	23,000	39,086
Work in process	28,541	41,142
Raw materials and supplies	65	46
Other	7,566	16,016
Allowance for doubtful accounts	(37)	(60)
Total current assets	134,461	173,288
Non-current assets		
Property, plant and equipment		
Buildings and structures	37,040	36,484
Accumulated depreciation	(27,459)	(27,266)
Buildings and structures, net	9,581	9,217
Machinery, equipment and vehicles	23,463	24,248
Accumulated depreciation	(20,584)	(21,177)
Machinery, equipment and vehicles, net	2,878	3,071
Land	7,142	6,643
Leased assets	469	783
Accumulated depreciation	(244)	(425)
Leased assets, net	224	357
Construction in progress	842	448
Other	7,084	7,190
Accumulated depreciation	(6,607)	(6,651)
Other, net	477	538
Total property, plant and equipment	21,146	20,277
Intangible assets		
Other	843	821
Total intangible assets	843	821
Investments and other assets		
Investment securities	8,686	8,214
Long-term loans receivable	5	4
Deferred tax assets	565	1,497
Other	2,718	1,505
Allowance for doubtful accounts	(1,436)	(508)
Total investments and other assets	10,538	10,712
Total non-current assets	32,528	31,812
Total assets	166,989	205,100

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	23,729	36,544
Short-term borrowings	10,917	14,011
Income taxes payable	465	521
Accrued expenses	2,248	2,468
Provision for bonuses	1,894	1,904
Provision for product warranties	618	1,033
Contract liabilities	28,887	48,755
Other	2,003	1,761
Total current liabilities	70,766	107,001
Non-current liabilities		
Long-term borrowings	3,300	-
Long-term accounts payable - other	5	5
Deferred tax liabilities	440	0
Provision for retirement benefits for directors (and other officers)	63	48
Retirement benefit liability	8,354	8,392
Asset retirement obligations	384	361
Other	158	172
Total non-current liabilities	12,707	8,981
Total liabilities	83,474	115,982
Net assets		
Shareholders' equity		
Share capital	12,484	12,484
Capital surplus	11,538	11,538
Retained earnings	68,374	64,594
Treasury shares	(16,322)	(7,889)
Total shareholders' equity	76,075	80,727
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,350	4,065
Foreign currency translation adjustment	3,348	4,478
Remeasurements of defined benefit plans	(259)	(152)
Total accumulated other comprehensive income	7,440	8,390
Total net assets	83,515	89,118
Total liabilities and net assets	166,989	205,100

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	107,777	123,197
Cost of sales	75,262	84,387
Gross profit	32,515	38,809
Selling, general and administrative expenses		
Sales commission	1,697	2,375
Packing and transportation costs	4,067	5,436
Provision for product warranties	501	889
Employees' salaries and allowances	11,649	12,723
Retirement benefit expenses	593	584
Depreciation	788	973
Rent expenses	1,003	1,044
Travel and transportation expenses	671	978
Research and development expenses	1,799	2,022
Outsourcing expenses	498	631
Other	5,008	5,384
Total selling, general and administrative expenses	28,278	33,043
Operating profit	4,236	5,765
Non-operating income		
Interest income	79	145
Dividend income	266	307
Rental income	48	48
Subsidies for employment adjustment	289	-
Foreign exchange gains	363	-
Other	311	262
Total non-operating income	1,358	764
Non-operating expenses		
Interest expenses	117	219
Foreign exchange losses	-	469
Outsourcing expenses	118	91
Other	814	470
Total non-operating expenses	1,050	1,250
Ordinary profit	4,544	5,279
Extraordinary income		
Gain on sale of non-current assets	15	1,334
Gain on sale of investment securities	25	157
Total extraordinary income	41	1,492
Extraordinary losses		
Impairment losses	40	19
Loss on disposal of non-current assets	136	14
Loss on sale of investment securities	3	-
Loss on valuation of investment securities	17	5
Loss on valuation of shares of subsidiaries and associates	307	-
Loss on valuation of investments in capital of subsidiaries and associates	-	251
Total extraordinary losses	505	291

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit before income taxes	4,079	6,480
Income taxes - current	847	1,258
Income taxes - deferred	(493)	(1,219)
Total income taxes	353	39
Profit	3,725	6,441
Profit attributable to owners of parent	3,725	6,441

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit	3,725	6,441
Other comprehensive income		
Valuation difference on available-for-sale securities	601	(285)
Foreign currency translation adjustment	1,611	1,129
Remeasurements of defined benefit plans, net of tax	273	106
Total other comprehensive income	2,486	950
Comprehensive income	6,212	7,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,212	7,392
Comprehensive income attributable to non-controlling interests	-	-



Consolidated Statements of Changes in Equity  
For the fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,484	11,538	69,522	(16,346)	77,198
Cumulative effects of changes in accounting policies			(3,059)		(3,059)
Restated balance	12,484	11,538	66,462	(16,346)	74,138
Changes during period					
Dividends of surplus			(1,811)		(1,811)
Profit attributable to owners of parent			3,725		3,725
Purchase of treasury shares				(0)	(0)
Cancellation of treasury shares					-
Restricted stock option			(2)	24	22
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,912	24	1,936
Balance at end of period	12,484	11,538	68,374	(16,322)	76,075

	Accumulated other comprehensive income				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	3,749	1,737	(533)	4,953	82,152
Cumulative effects of changes in accounting policies					(3,059)
Restated balance	3,749	1,737	(533)	4,953	79,092
Changes during period					
Dividends of surplus					(1,811)
Profit attributable to owners of parent					3,725
Purchase of treasury shares					(0)
Cancellation of treasury shares					-
Restricted stock option					22
Net changes in items other than shareholders' equity	601	1,611	273	2,486	2,486
Total changes during period	601	1,611	273	2,486	4,423
Balance at end of period	4,350	3,348	(259)	7,440	83,515

For the fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	12,484	11,538	68,374	(16,322)	76,075
Cumulative effects of changes in accounting policies					-
Restated balance	12,484	11,538	68,374	(16,322)	76,075
Changes during period					
Dividends of surplus			(1,811)		(1,811)
Profit attributable to owners of parent			6,441		6,441
Purchase of treasury shares				(0)	(0)
Cancellation of treasury shares			(8,409)	8,409	-
Restricted stock option			(0)	23	22
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(3,780)	8,432	4,651
Balance at end of period	12,484	11,538	64,594	(7,889)	80,727

	Accumulated other comprehensive income				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	4,350	3,348	(259)	7,440	83,515
Cumulative effects of changes in accounting policies					-
Restated balance	4,350	3,348	(259)	7,440	83,515
Changes during period					
Dividends of surplus					(1,811)
Profit attributable to owners of parent					6,441
Purchase of treasury shares					(0)
Cancellation of treasury shares					-
Restricted stock option					22
Net changes in items other than shareholders' equity	(285)	1,129	106	950	950
Total changes during period	(285)	1,129	106	950	5,602
Balance at end of period	4,065	4,478	(152)	8,390	89,118

## Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,079	6,480
Depreciation	1,952	2,167
Impairment losses	40	19
Increase (decrease) in allowance for doubtful accounts	125	(905)
Increase (decrease) in provision for bonuses	798	9
Increase (decrease) in provision for product warranties	27	414
Increase (decrease) in provision for retirement benefits for directors (and other officers)	5	(15)
Increase (decrease) in retirement benefit liability	110	144
Interest and dividend income	(346)	(453)
Interest expenses	117	219
Loss (gain) on sale of investment securities	(22)	(157)
Loss (gain) on valuation of investment securities	17	5
Loss on valuation of shares of subsidiaries and associates	307	-
Loss on valuation of investments in capital of subsidiaries and associates	-	251
Loss (gain) on sale and retirement of property, plant and equipment and intangible assets	120	(1,320)
Decrease (increase) in trade receivables	(1,815)	(2,588)
Decrease (increase) in inventories	(8,537)	(28,667)
Increase (decrease) in trade payables	6,555	12,941
Increase (decrease) in contract liabilities	10,275	19,813
Increase (decrease) in accrued expenses	262	225
Increase (decrease) in deposits received	(43)	55
Increase (decrease) in accounts payable - other	207	114
Other, net	(3,048)	(6,725)
Subtotal	11,190	2,030
Interest and dividends received	346	398
Interest paid	(88)	(170)
Income taxes refund (paid)	(149)	(1,323)
Net cash provided by (used in) operating activities	11,299	934
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,252)	(2,283)
Proceeds from sale of property, plant and equipment	86	1,944
Purchase of intangible assets	(353)	(367)
Proceeds from sale of investment securities	209	169
Decrease (increase) in short-term loans receivable	1	5
Proceeds from collection of long-term loans receivable	1	1
Other, net	42	(33)
Net cash provided by (used in) investing activities	(1,264)	(563)

(Millions of yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	327	291
Repayments of long-term borrowings	(500)	(500)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,811)	(1,811)
Other, net	(123)	(256)
Net cash provided by (used in) financing activities	(2,108)	(2,277)
Effect of exchange rate change on cash and cash equivalents	1,365	1,050
Net increase (decrease) in cash and cash equivalents	9,292	(855)
Cash and cash equivalents at beginning of period	42,417	51,710
Cash and cash equivalents at end of period	51,710	50,855