

Consolidated Financial Results for the Nine Months Ended December 31, 2022

February 6, 2023

SHIBAURA MACHINE CO., LTD.

Consolidated Financial Results Overview for the Nine Months Ended December 31, 2022

- 1) Key Points of Financial Results**
- 2) Year-on-Year Comparison**

Increased Revenue and Profits Year-on-Year

■ Orders Received

- Injection molding machines and other products decreased because of adverse market conditions attributed to slowing economy in China and the U.S., while LiB separator film production lines for EV in extrusion machines, which has been continuously in high demand, significantly increased year-on-year.
- Decrease in high-precision machine tools for smartphone lens molds in China
- Increase in hydraulic injection molding machines in India, where economic activity has been growing

■ Net Sales

- Increase in LiB separator film production lines for EV in China
- Amid the decarbonization movement, there were increases in medium to large electric injection molding machines in North America, and in hydraulic injection molding machines in India, where economic activity has been growing
- Increases in large machine tools for industrial machinery in Japan and for energy in North America

■ Operating Profit, Ordinary Profit, Quarterly Net Profit

- While Increased sales and the weaker yen had a positive effect of boosting profits, affected by increasing costs including rising component prices.
- Operating profit and Quarterly Net Profit increased; Ordinary Profit decreased

Performance Summary (Year-on-Year)

Shibaura Machine

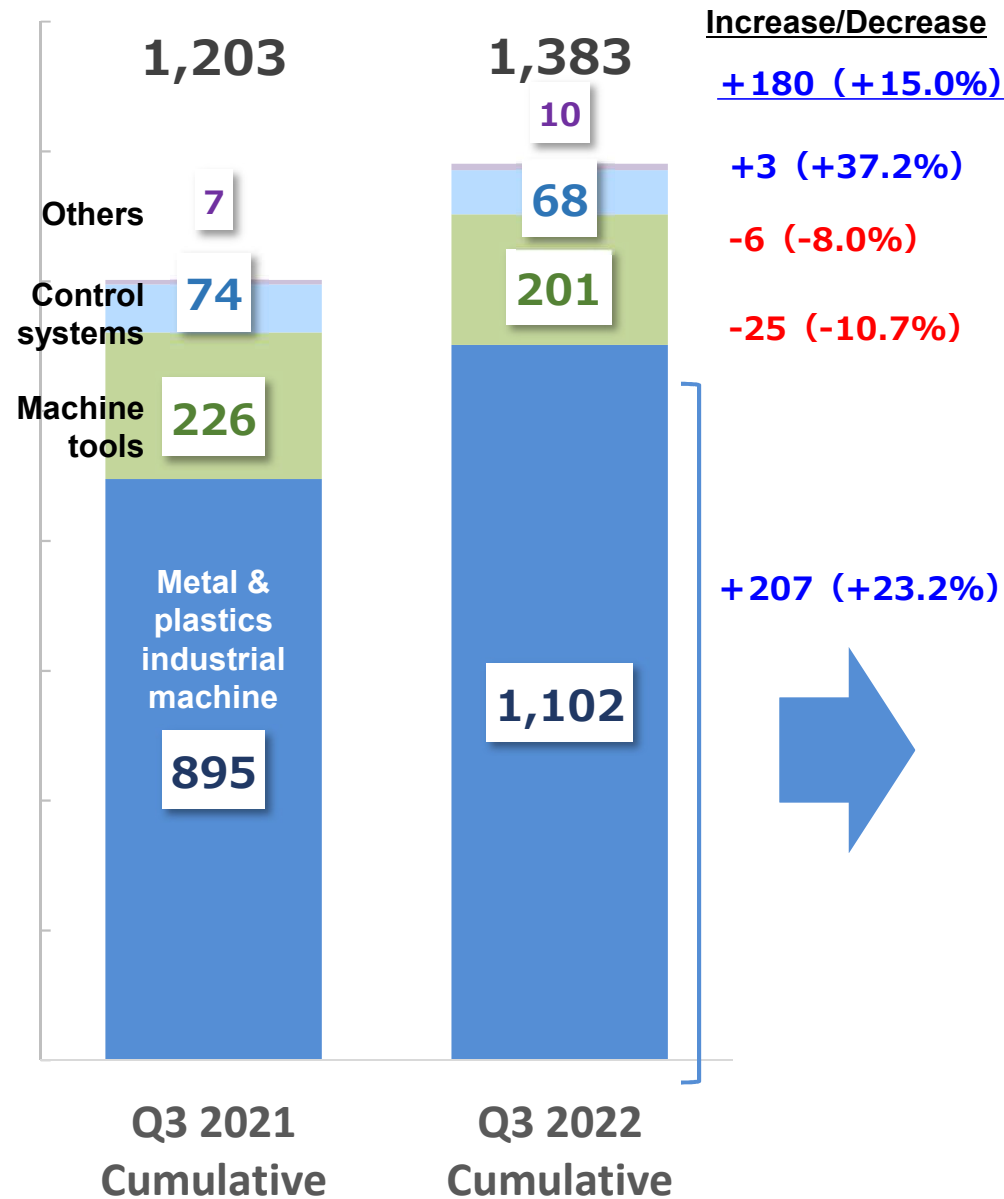
(Unit: 100 million yen)

	Q3 FY2022 Cumulative (A)	Q3 FY2021 Cumulative (B)	Increase/ Decrease (A-B)
Net sales	885	781	+104
Operating profit	33	30	+3
Profit ratio	<i>3.8%</i>	<i>3.9%</i>	<i>- 0.1pt</i>
Ordinary profit	28	31	- 3
Profit ratio	<i>3.2%</i>	<i>4.0%</i>	<i>- 0.8pt</i>
Net profit attributable to owners of parent	25	21	+4
Profit ratio	<i>2.9%</i>	<i>2.8%</i>	<i>+0.1pt</i>
Orders received	1,383	1,203	+180
Exchange rate (USD)	133 yen	115 yen	

Amounts of Orders Received (By Segment)

Shibaura Machine

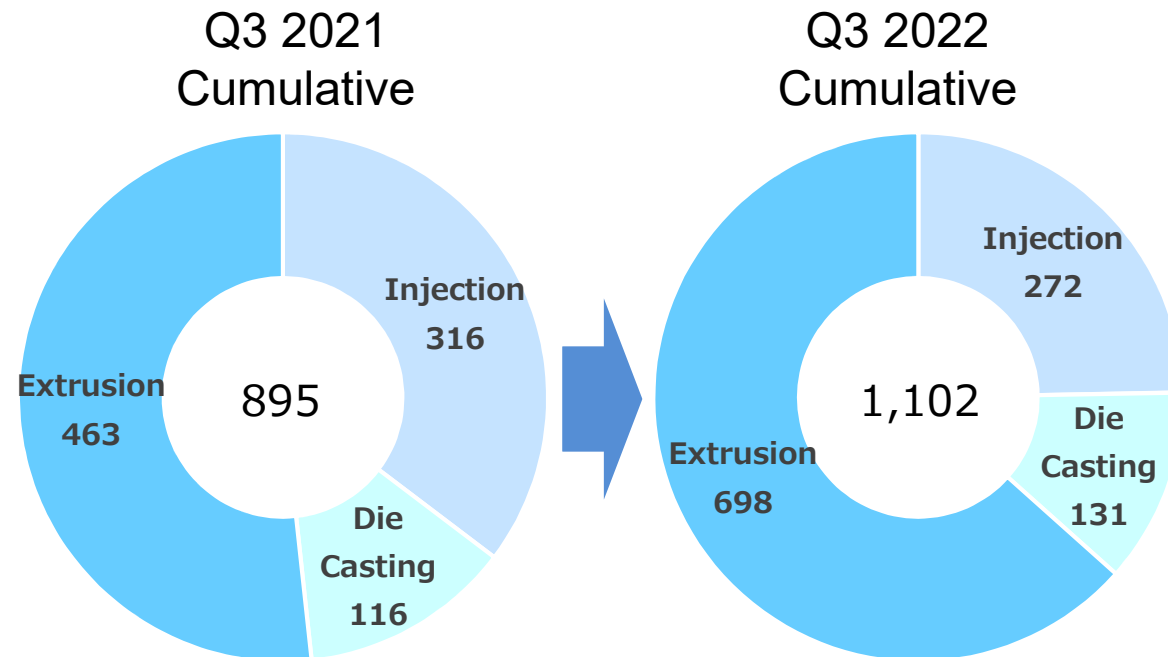
(Unit: 100 million yen)



(Unit: 100 million yen)

Breakdown of Metal & Plastics Industrial Machinery

Injection: Injection molding machines
Die Casting: Die casting machines
Extrusion: Extrusion machines



Trends of Orders Received (By Segment)

Shibaura Machine

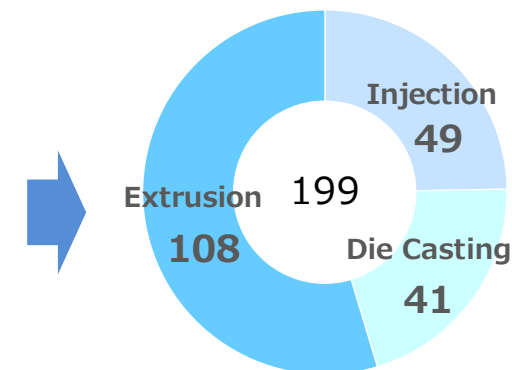
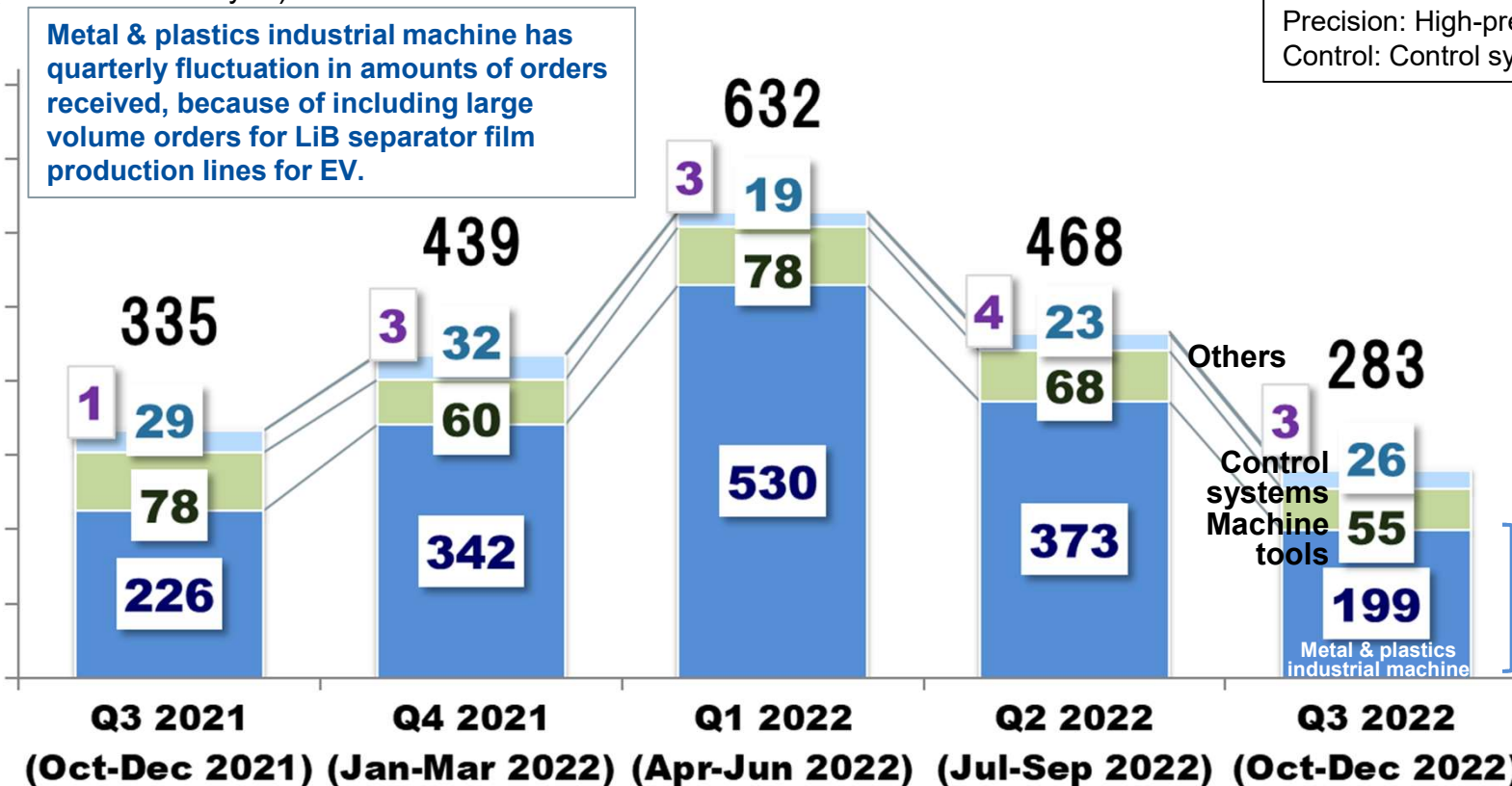
(Unit: 100 million yen)

Metal & plastics industrial machine has quarterly fluctuation in amounts of orders received, because of including large volume orders for LiB separator film production lines for EV.

Machine tools: Large machine tools (machine tool segment)
 Precision: High-precision machine tools (machine tool segment)
 Control: Control systems

Breakdown of Metal & Plastics Industrial Machinery

(Unit: 100 million yen)



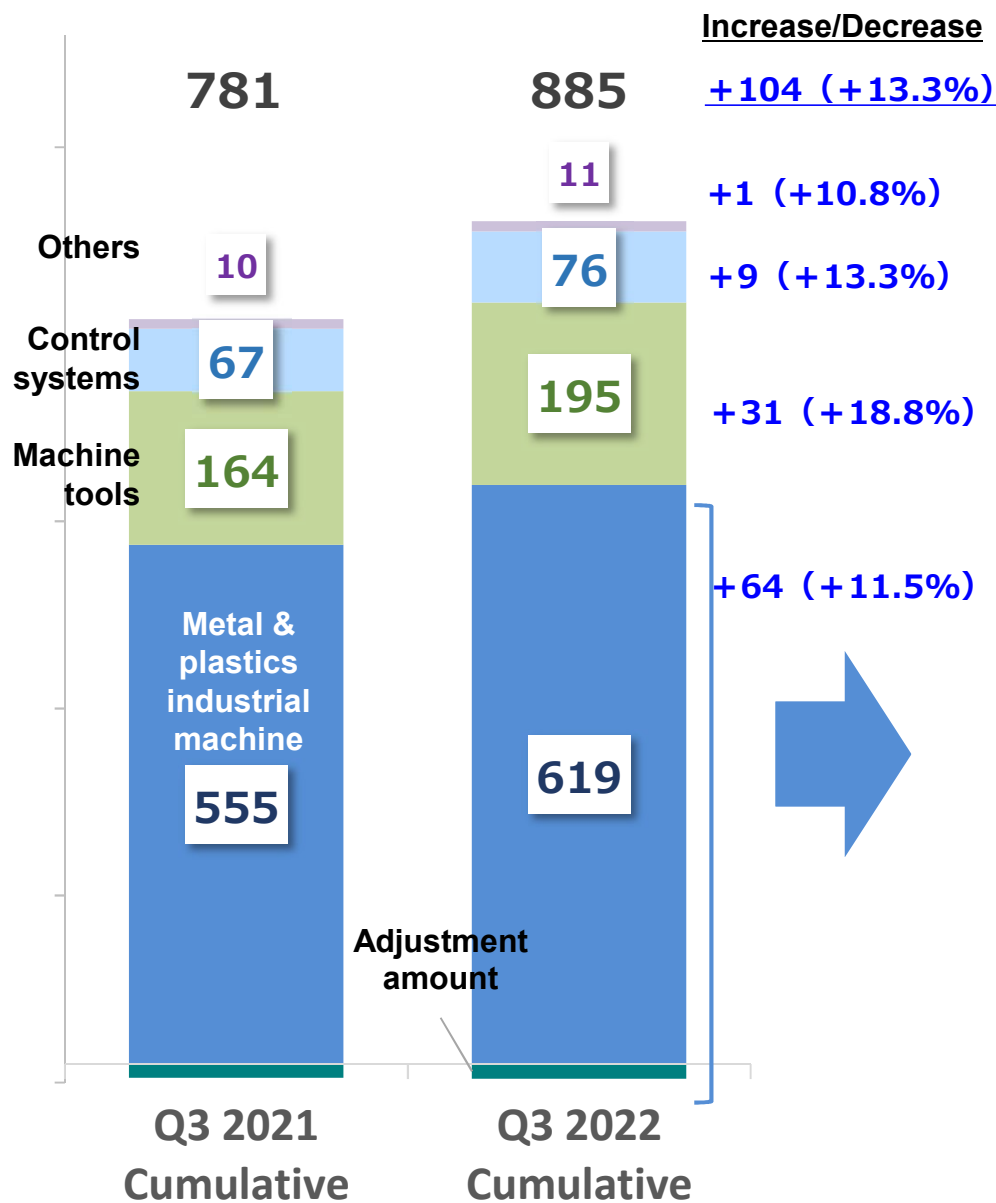
Current Orders

- Injection: Decreased under the circumstances with uncertainty of outlook of economy mainly in China and North America, increase in hydraulic injection molding machines in India
- Die Casting: Demand is showing a slow recovery in relation to automotive capital investments
- Extrusion: Continued strong demand for LiB separator film production lines for EV in China
- Machine Tools: Increase in construction machinery in North America, with steady demand for wind power generation in China
- Precision: Despite increase automotive lens molds in Japan and China, decrease in smartphone lens molds in China
- Control systems: Decrease in Industrial robots in China, with steady demand for electronic control systems in Japan

Net Sales (By Segment)

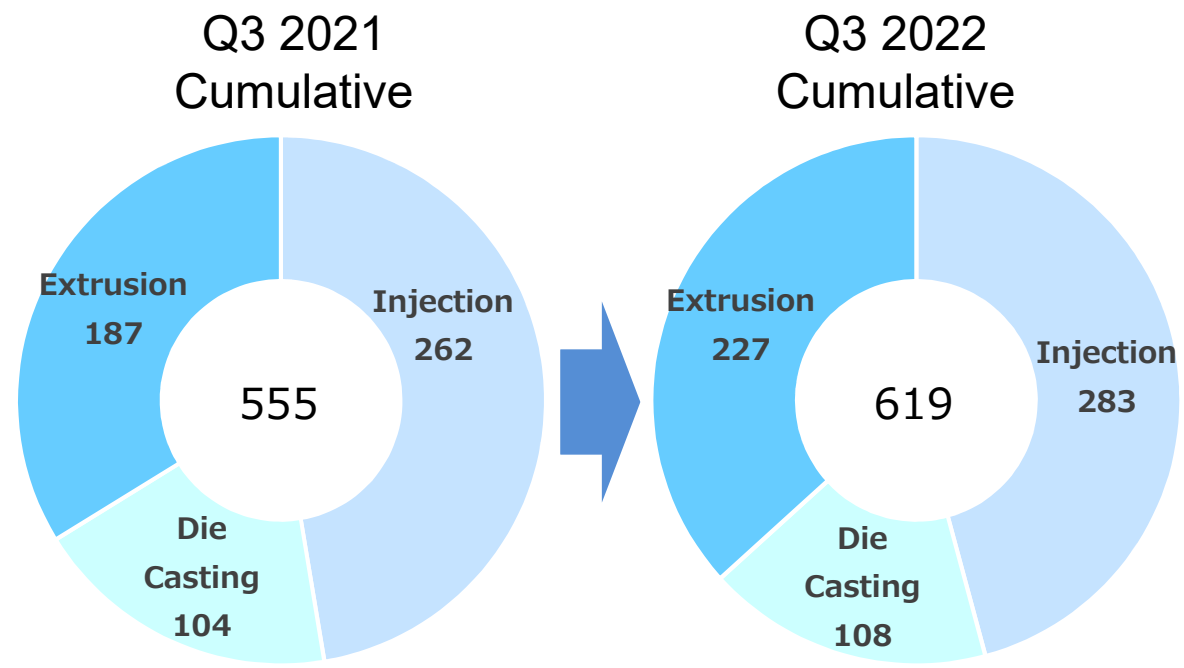
Shibaura Machine

(Unit: 100 million yen)



(Unit: 100 million yen)

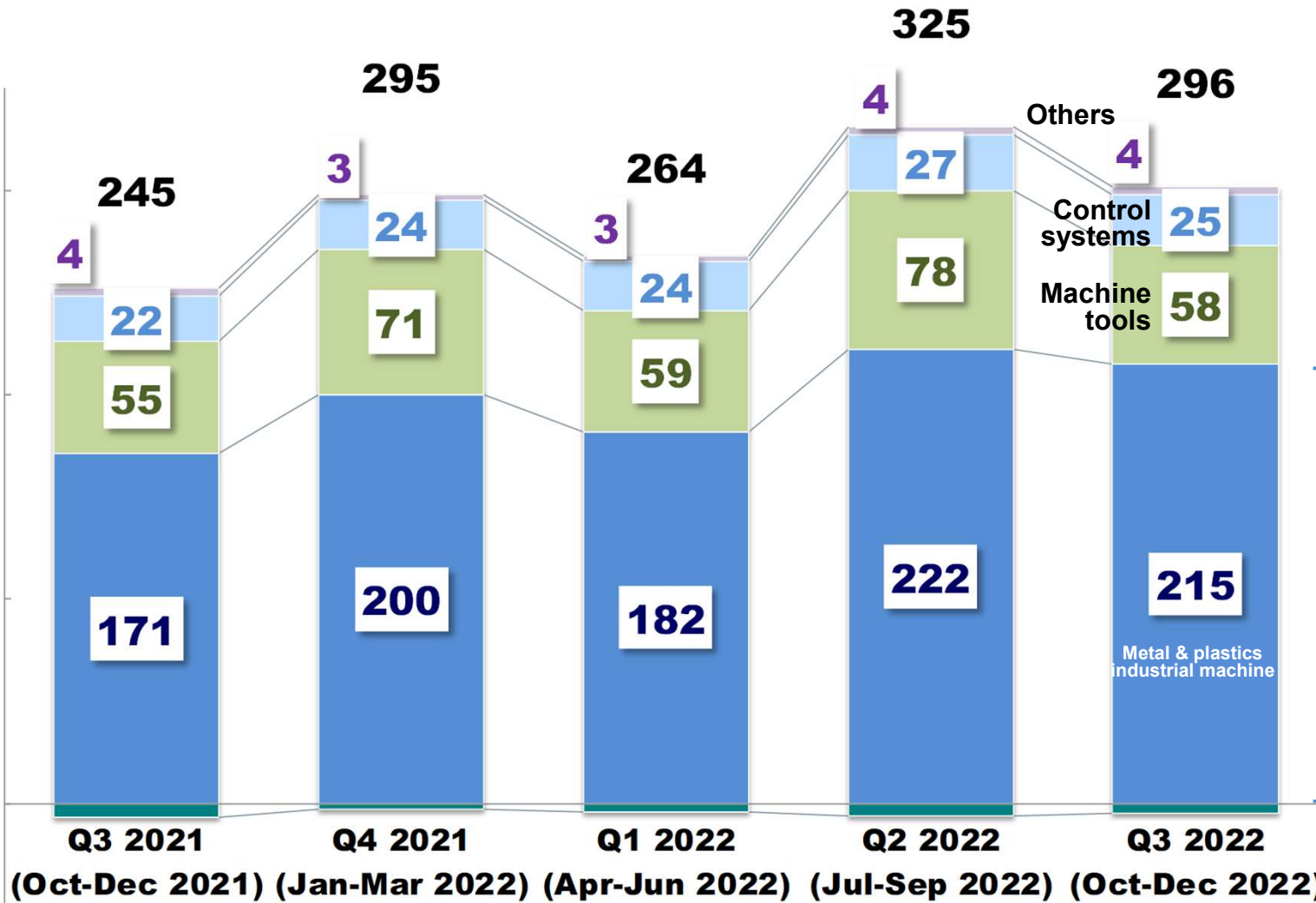
Breakdown of Metal & Plastics Industrial Machinery



Trends of Net Sales (By Segment)

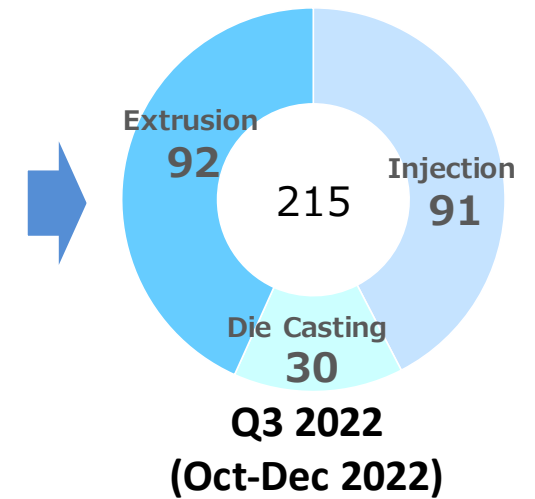
Shibaura Machine

(Unit: 100 million yen)



Breakdown of Metal & Plastics Industrial Machinery

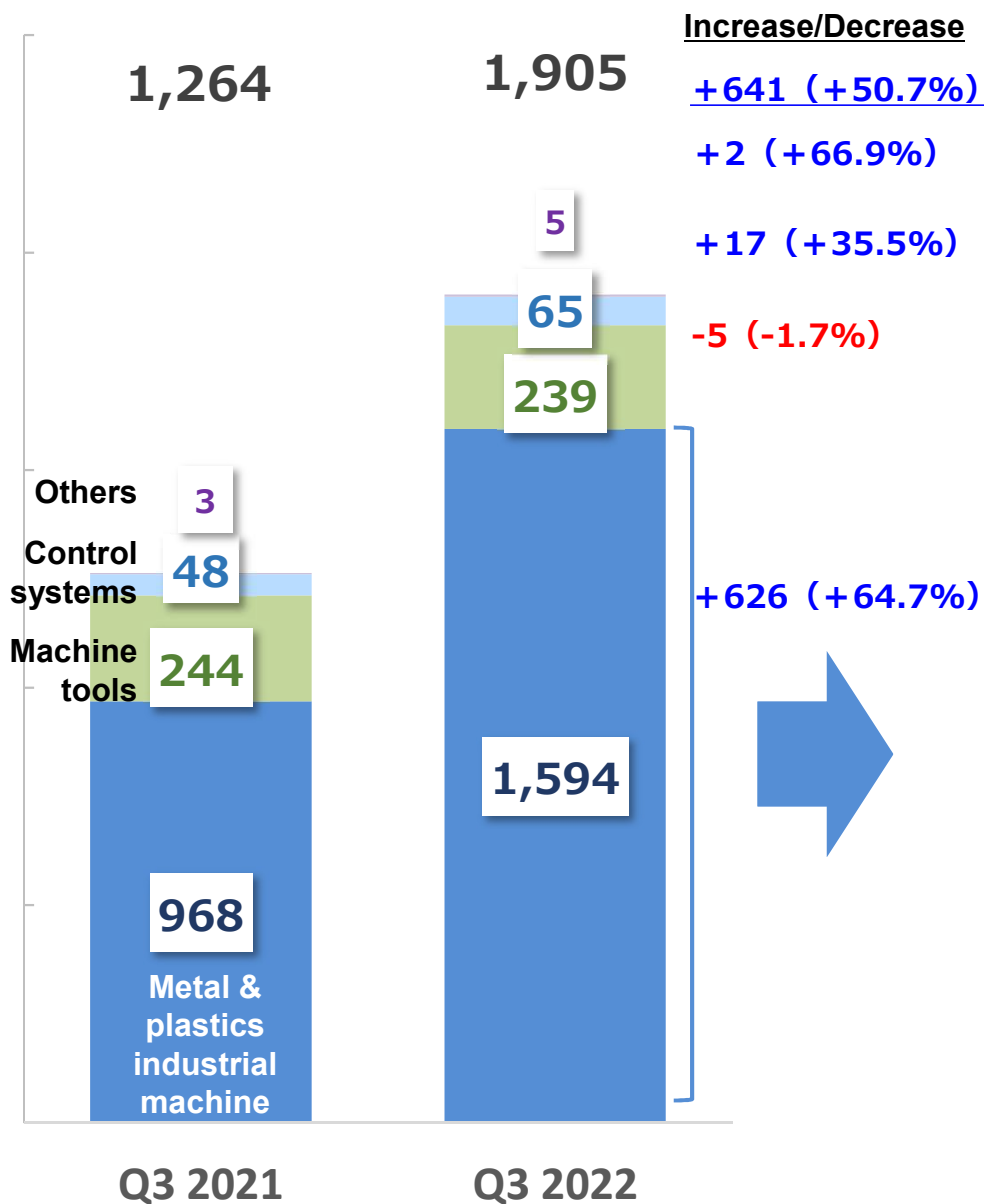
(Unit: 100 million yen)



Order Backlog (By Segment)

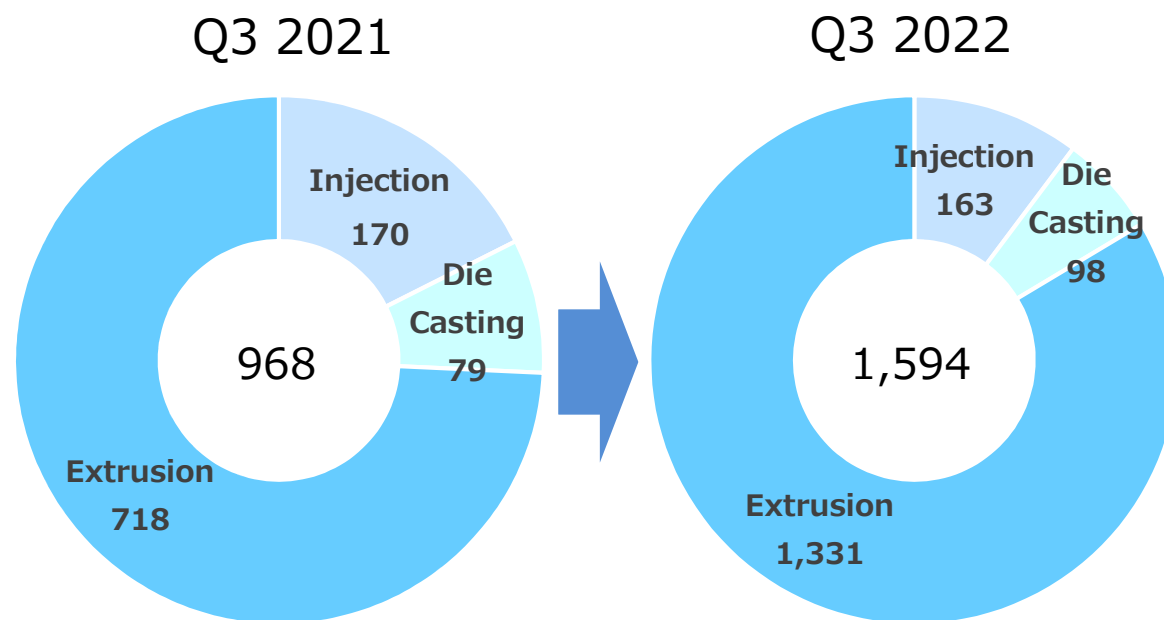
Shibaura Machine

(Unit: 100 million yen)



(Unit: 100 million yen)

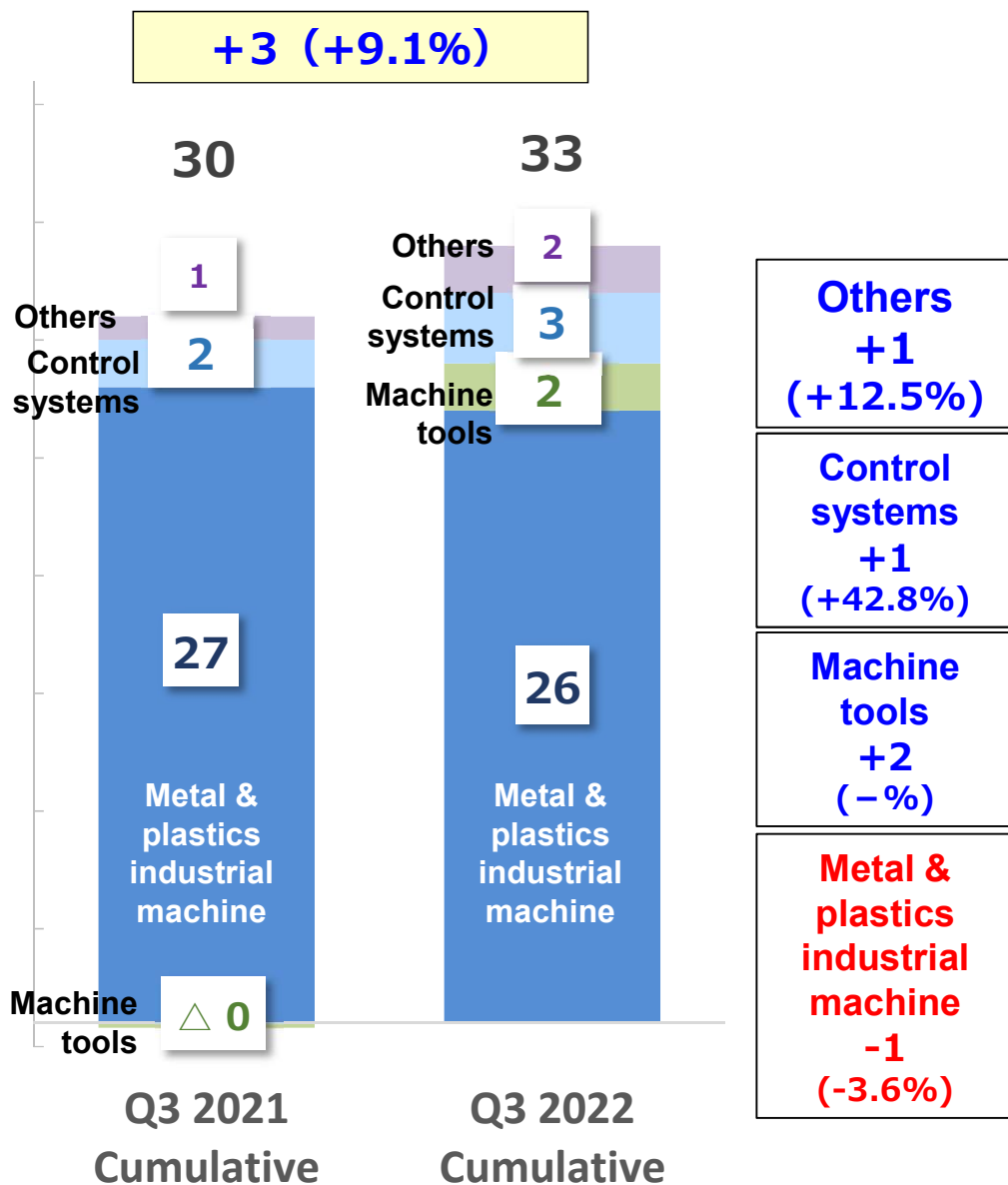
Breakdown of Metal & Plastics Industrial Machinery



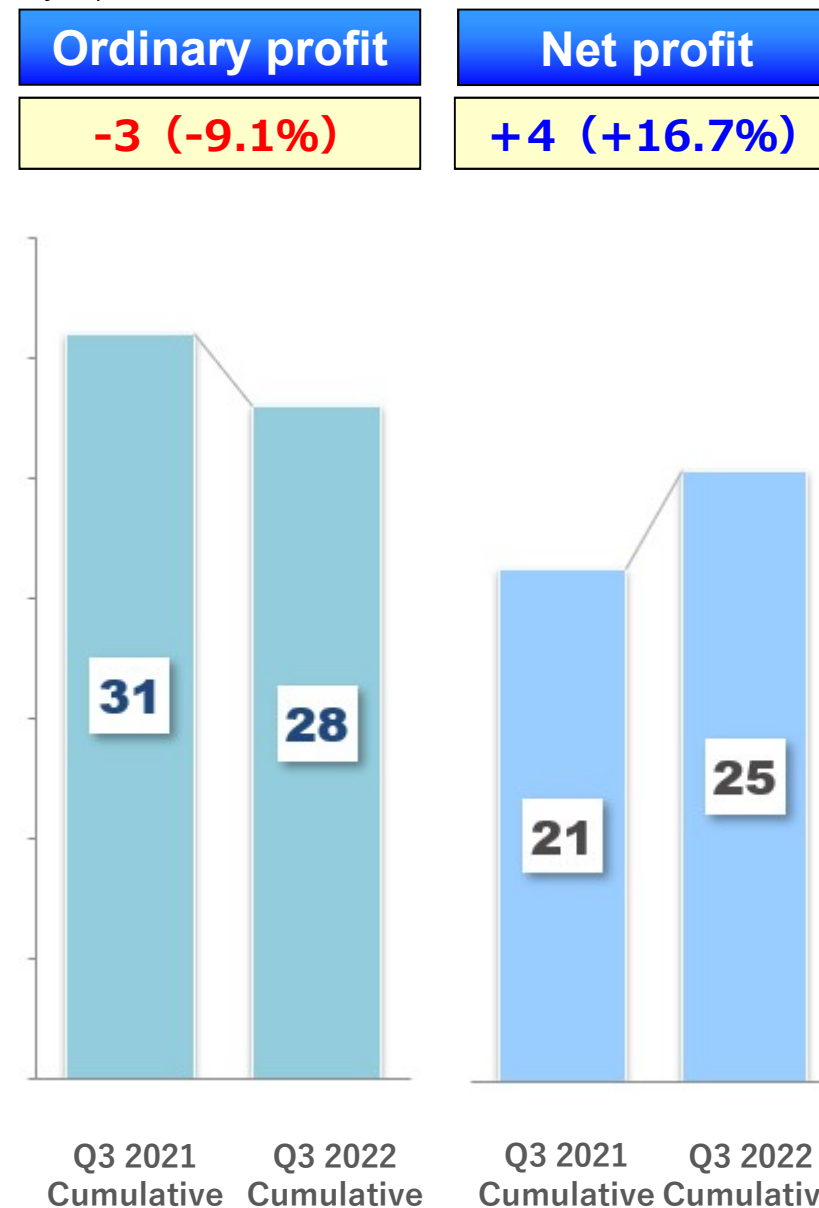
Operating Profit (By Segment), Ordinary Profit, Net Profit

Shibaura Machine

(Unit: 100 million yen)



(Unit: 100 million yen)



(Metal & Plastics Industrial Machinery) Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Injection molding machines, die casting machines, extrusion machines, etc.)

	Q3 2022 Cumulative	Q3 2021 Cumulative	Increase/ Decrease Amount	Increase/ Decrease Ratio
Net Sales	619	555	+64	+11.5%
Operating profit	26	27	- 1	-3.6%
Profit ratio	4.3%	5.0%	—	- 0.7pt

Performance Factor Analysis



Positive Factors

- Injection: Increase in the number of medium to large electric machines amid the decarbonization trend in North America, and increase in hydraulic machines in India
- Extrusion: Increase in LiB separator film production lines for EV in China



Negative Factors

- Injection: Decrease due to slowing economy and impact of lockdown in China
- Fluctuation in profit ratio due to sales composition
- Difficulty and rising costs in procurement of materials for semiconductors, etc.

(Machine Tools) Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Machine tools, high-precision machine tools, etc.)

	Q3 2022 Cumulative	Q3 2021 Cumulative	Increase/ Decrease Amount	Increase/ Decrease Ratio
Net Sales	195	164	+31	+18.8%
Operating profit	2	- 0	+2	—
Profit ratio	1.3%	- 0.2%	—	+1.5pt

Performance Factor Analysis



Positive Factors

- Machine Tools: Increase in demand for industrial machinery in Japan and for energy applications in North America



Negative Factors

- Precision: Decrease in optical molds in Japan
- Rising costs in procurement of materials

(Control Systems) Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Industrial robots, electronic control systems, etc.)

	Q3 2022 Cumulative	Q3 2021 Cumulative	Increase/ Decrease Amount	Increase/ Decrease Ratio
Net Sales	76	67	+9	+13.3%
Operating profit	3	2	+1	+42.8%
Profit ratio	4.2%	3.3%	—	+0.9pt

Performance Factor Analysis



Positive Factors

- Increase in engineering solutions and electronic control systems in Japan



Negative Factors

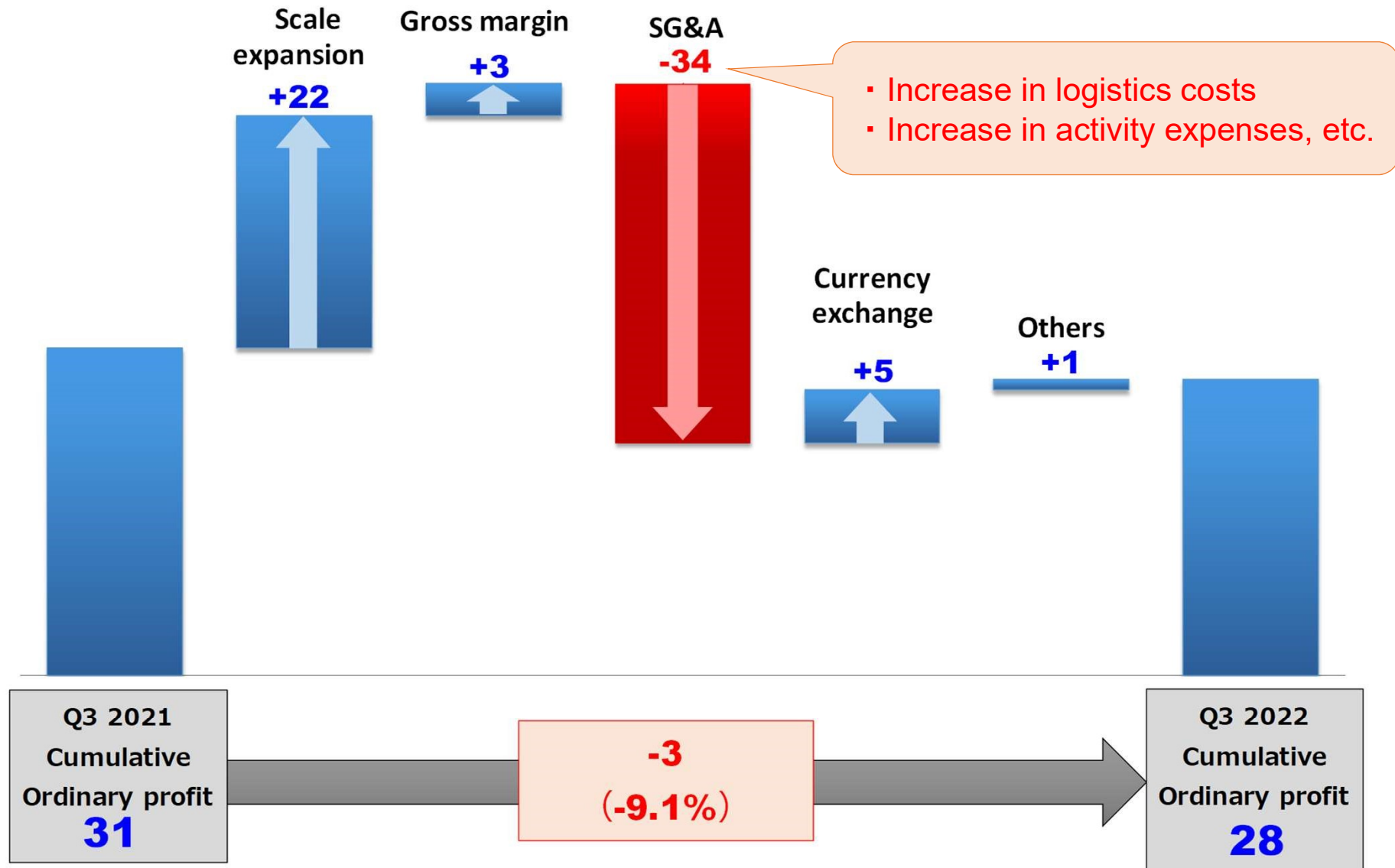
- Difficulty and rising costs in procurement of materials for semiconductors, etc.
- Decrease in Industrial robots in China

Ordinary Profit Analysis

Shibaura Machine

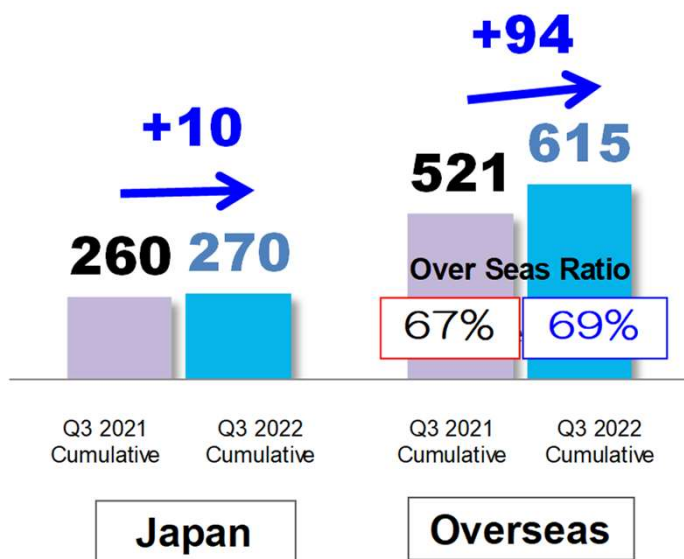
(Unit: 100 million yen)

SG&A: Selling, general and administrative expenses



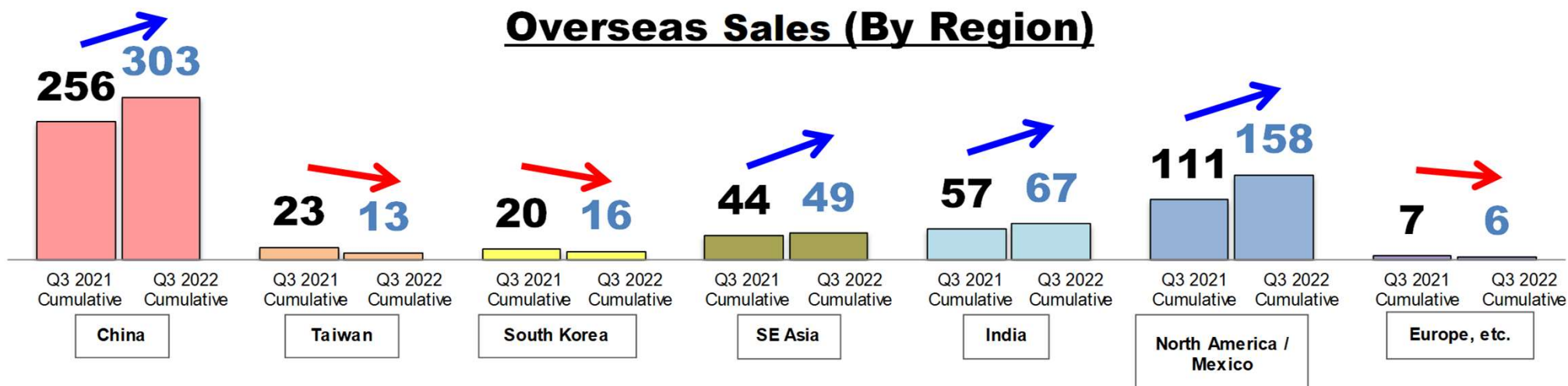
Domestic and Overseas Sales

(Unit: 100 million yen)



- Japan : ➡ [Die Casting] [Machine Tools] [Control Systems] Increase
➡ [Injection] [Extrusion] [Precision] Decrease
- China : ➡ [Extrusion] Increase
➡ [Injection] [Machine Tools] [Control Systems] Decrease
- SE Asia : ➡ [Die Casting] Increase
- India : ➡ [Injection] Increase
- North America / Mexico : ➡ [Injection] [Machine Tools] Increase

Overseas Sales (By Region)

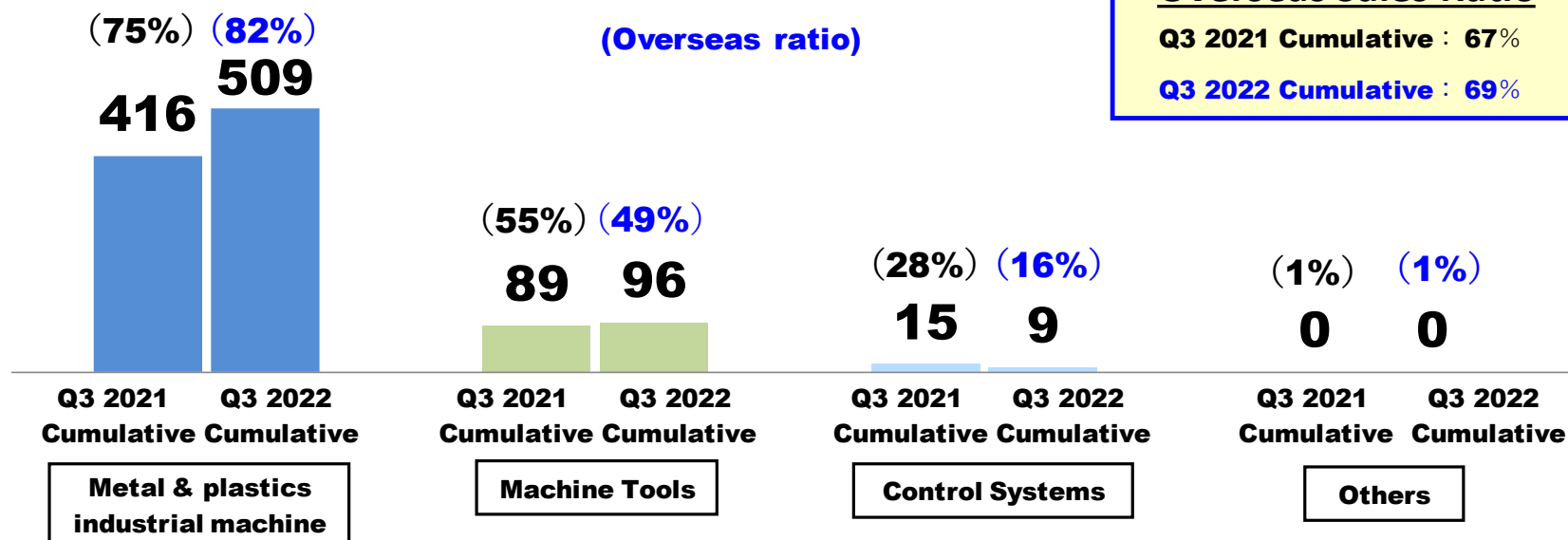


Overseas Sales and Ratio (By Segment)

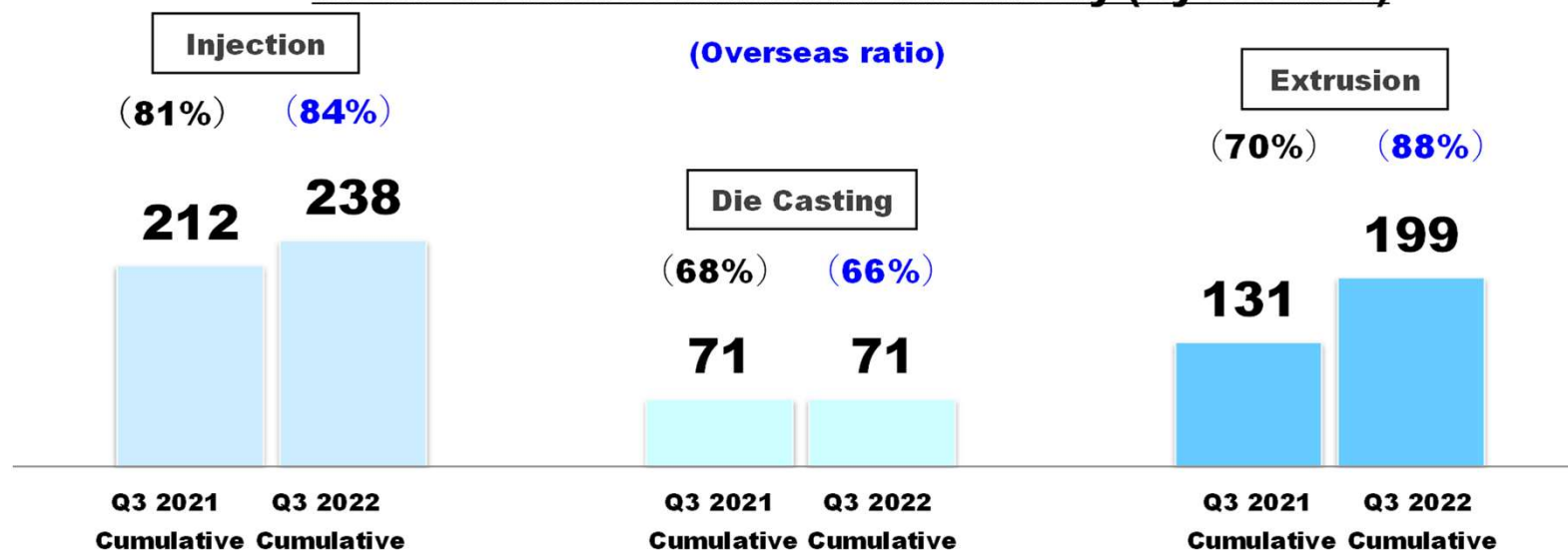
Shibaura Machine

(Unit: 100 million yen)

Overseas Sales (By Segment)



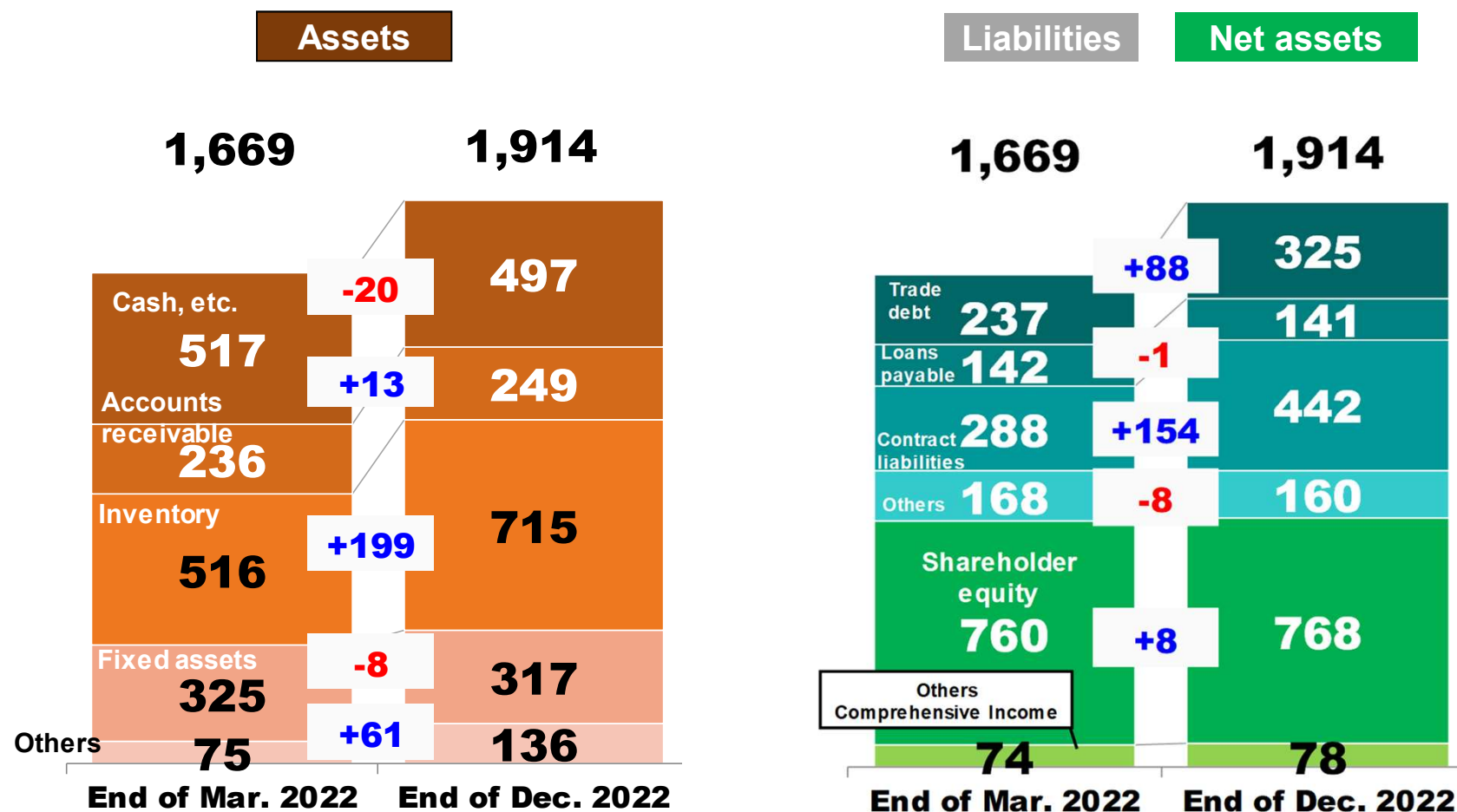
Metal & Plastics Industrial Machinery (By Product)



Balance Sheet

Shibaura Machine

(Unit: 100 million yen)



	End of Mar. 2022	End of Dec. 2022
Equity ratio	50.0%	44.2%
D/E ratio	17.0%	16.8%

Forecast of Consolidated Financial Results for the Year Ending March 31, 2023

- 1) Financial Results Forecast**
- 2) R&D Expenses, Capital Expenditures,
Depreciation Expenses**
- 3) Dividend Forecast**

FY2022 Financial Results Summary

Shibaura Machine

(Unit: 100 million yen)

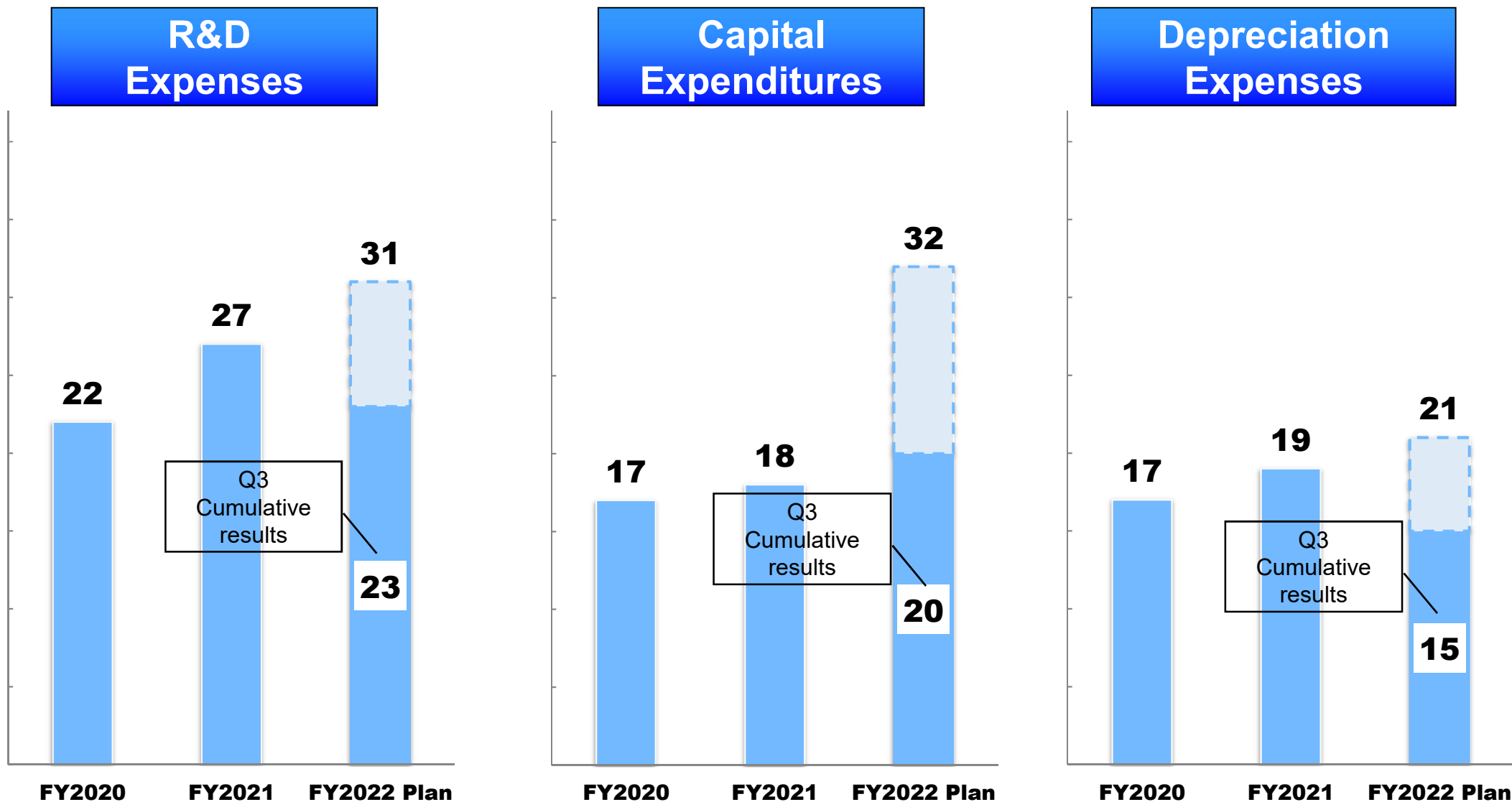
FY2022 summary of business results forecast has not been changed from it announced on Nov.9, 2022.

	FY2022 Forecast (Nov. 19, 2022) (A)	FY2021 Results (B)	Increase/ Decrease (A-B)
Net sales	1,300	1,077	+223
Operating profit	50	42	+8
Profit ratio	3.8%	3.9%	- 0.1pt
Ordinary profit	54	45	+9
Profit ratio	4.2%	4.2%	+0.0pt
Net profit attributable to owners of parent	43	37	+6
Profit ratio	3.3%	3.5%	- 0.2pt
Orders received	1,850	1,642	+208
Exchange rate (USD)	137 Yen	122 Yen	

R&D Expenses, Capital Expenditures, Depreciation Expenses

Shibaura Machine

(Unit: 100 million yen)



No change from the most recently announced dividend forecast

Policy on Determination of Dividends

Our basic policy is to maintain stable dividends and to distribute profits in line with business performance while strengthening our management structure to improve profitability.

With regard to retained earnings, we will make strategic decisions on future business development for the purpose of continuous corporate growth, and effectively invest in production facilities, technological development, overseas expansion, and other areas. We will also continue to return profits to shareholders in an appropriate manner.

	Interim	Year-end	Full-year	Dividend payout ratio (Consolidated)
FY ended March 31, 2021	37.5 yen	37.5 yen	199.3 yen	—
FY ended March 31, 2022	37.5 yen	37.5 yen	75.0 yen	48.6%
FY ending March 31, 2023 (Forecast)	37.5 yen	37.5 yen	75.0 yen	39.4%

* We have declared an extraordinary dividend totaling approximately 3 billion yen (124.30 yen per share) with a record date of June 30, 2020. The annual total for the fiscal year ended March 31, 2021 includes an extraordinary dividend of 124.30 yen.

Shibaura Machine

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