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## Consolidated Financial Results for the Year Ended March 31, 2025 [Japanese GAAP]

May 9, 2025

Company name: OKUMA Corporation

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 6103

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Scheduled date of annual general meeting of shareholders: June 24, 2025

Scheduled date to commence dividend payments: June 25, 2025

Scheduled date to file annual securities report: June 20, 2025

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	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, 2025	206,822	(9.3)	14,651	(42.2)	15,528	(39.2)	9,590	(50.5)
March 31, 2024	227,994	0.2	25,364	2.3	25,557	(3.4)	19,381	1.0

(Note) Comprehensive income: Fiscal year ended March 31, 2025: ¥ 7,537 million [ (78.2)%]  
Fiscal year ended March 31, 2024: ¥ 34,635 million [ 32.8%]

	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, 2025	158.46	-	4.2	5.2	7.1
March 31, 2024	314.90	-	9.0	8.7	11.1

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2025: ¥ - million  
Fiscal year ended March 31, 2024: ¥ - million

(Note) OKUMA (hereinafter, the "Company") implemented a 2-for-1 common stock split, effective October 1, 2024. Basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

#### (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, 2025	298,168	238,065	76.3	3,760.22
March 31, 2024	297,774	237,846	76.6	3,747.14

(Reference) Equity: As of March 31, 2025: ¥ 227,499 million  
As of March 31, 2024: ¥ 227,956 million

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

#### (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, 2025	17,802	(15,257)	(3,498)	48,276
March 31, 2024	5,251	(12,579)	(10,727)	49,242

## 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, 2024	-	100.00	-	100.00	200.00	6,122	31.8	2.8
March 31, 2025	-	100.00	-	50.00	150.00	6,050	63.1	2.7
Fiscal year ending March 31, 2026 (Forecast)	-	50.00	-	50.00	100.00		40.3	

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. The dividend for the fiscal year ending March 31, 2024 and the 2nd quarter-end dividend for the fiscal year ending March 31, 2025 is presented in an amount before the stock split. The year-end dividend per share for the fiscal year ending March 31, 2025 and the fiscal year ending March 31, 2026 (Forecast) is presented in an amount that takes the impact of the stock split into consideration. The year-end dividend for the fiscal year ending March 31, 2025, without taking the stock split into consideration, is 100 yen, and the annual dividend is 200 yen.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	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, 2025	113,000	18.6	9,500	68.9	9,500	75.2	6,000	67.6	99.17
Full year	230,000	11.2	22,000	50.2	22,500	44.9	15,000	56.4	247.93

\* Notes:

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
  - 2) Changes in accounting policies due to other reasons: None
  - 3) Changes in accounting estimates: None
  - 4) Restatement: None
- (3) Number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 

March 31, 2025:	67,510,308 shares
March 31, 2024:	67,510,308 shares
  - 2) Number of treasury shares at the end of the period:
 

March 31, 2025:	7,008,644 shares
March 31, 2024:	6,675,586 shares
  - 3) Average number of shares outstanding during the period:
 

Fiscal Year ended March 31, 2025:	60,523,250 shares
Fiscal Year ended March 31, 2024:	61,548,015 shares

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Total number of issued shares at the end of the period, number of treasury shares at the end of the period, and average number of shares outstanding during the period were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(1) Non-consolidated Operating Results

(Percentages indicate year-on-year changes.)

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, 2025	161,291	(4.0)	8,712	(39.5)	12,658	(29.3)	9,256	(36.6)
March 31, 2024	168,067	(6.4)	14,390	(11.3)	17,907	(6.3)	14,592	(21.3)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2025	152.95	-
March 31, 2024	237.10	-

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

(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, 2025	210,929	161,438	76.5	2,668.33
March 31, 2024	207,351	162,162	78.2	2,665.62

(Reference) Equity: As of March 31, 2025: ¥ 161,438 million

As of March 31, 2024: ¥ 162,162 million

(Note) The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year ended March 31, 2025, the Group's business environment continued to face uncertainties in the global economy, such as ongoing geopolitical risks and inflation. Under these circumstances, the demand for machine tools remained firm for major corporations; however, medium- and small-sized businesses held off from capital investments and continued to monitor the market. As a result, both domestic and overseas demand remained on a modest recovery track.

Against this backdrop, the Group has positioned our machine tools that autonomously achieve high precision, high efficiency production and exceptional energy-saving performance contributing to decarbonization as "Green-Smart Machines" based on the "Medium-Term Management Plan 2025." We rolled them out globally, along with automation and Monozukuri DX solutions. In addition, we focused on obtaining orders as well as improving profitability and capital efficiency, and worked to enhance corporate value by solving social issues concerning manufacturing services.

In terms of market conditions by region, in Japan, medium- and small-sized businesses maintained a wait-and-see stance toward capital investment during the first half of the fiscal year under review as they tried to determine the trends of the industry and the actions of major corporations. However, inquiries began to gradually increase across various industries and customer segments in the second half.

In the U.S., medium- and small-sized businesses continued to postpone capital investment with an eye to the timing and scale of monetary easing and the impact of the economic policies of the new administration, while demand from major corporations remained firm.

In Europe, as the relocation of supply chains has been completed, recovery in the demand for machine tools was modest due to factors such as recessions in major countries like Germany and the stagnation in European export industries, which have been negatively impacted by the slowdown in overseas economies like China.

In China, the real estate downturn continued to lead to a reluctance to invest in plants and equipment. However, even in the tough market conditions, we achieved stable orders underpinned by large-scale investments from major EV manufacturers.

In Asia, excluding China, although there are differences in levels of strength by country and region or industry, the market has continued to see a modest recovery.

Under such market conditions, we exhibited at IMTS (International Manufacturing Technology Show, September 2024) held in Chicago, U.S. and JIMTOF (Japan International Machine Tool Fair, November 2024) held in Tokyo, Japan to actively propose solutions to improve productivity using process-intensive machine tools such as 5-axis machining centers and multitasking machines and automation systems.

In addition, in December 2024, we opened the Kyushu CS Center (Kumamoto Prefecture) as our seventh CS (Communication & Solution) center in Japan to serve as a place for "Collaborative Creation with Customers" and began providing cutting-edge production machining solutions in areas where semiconductor-related companies are concentrated. Through these efforts, we steadily proceeded with "developing Monozukuri DX solutions."

As part of our efforts under the Medium-Term Management Plan, we commenced the redevelopment of our Konan Plant with the aim of developing innovative automation technology and expanding business to support our customers' productivity improvement. The redevelopment project comprises the construction of the Engineering Center, which will engage in the proposal, production and shipping of automation solutions and other operations, and the Innovation Center, which will work to develop the next generation automation solutions and collaborate with our customers to co-create their production innovation.

Regarding profitability, despite the sluggish recovery in demand for machine tools, we strived to pass on cost increases to sales prices due to persistently high material costs as well as focused on improving production efficiency through measures such as increasing in-house manufacturing. On the other hand, in the continued lack of growth in demand, we have not achieved a full-scale recovery in factory capacity utilization, resulting in a downward pressure on profits.

As a result, consolidated orders received during the fiscal year under review were ¥215,627 million (up

5.7% year on year), consolidated net sales were ¥206,822 million (down 9.3% year on year), operating profit was ¥14,651 million (down 42.2% year on year), ordinary profit was ¥15,528 million (down 39.2% year on year), and profit attributable to owners of parent was ¥9,590 million (down 50.5% year on year).

## (2) Overview of Financial Position for the Fiscal Year under Review

The total assets at the end of the fiscal year under review increased by ¥393 million compared to the end of the previous fiscal year, reaching ¥298,168 million. This was due to the increases of intangible assets by ¥4,078 million, inventories by ¥3,786 million, and property, plant and equipment by ¥874 million, and the decreases of accounts receivable - trade by ¥4,961 million, investment securities by ¥1,876 million, cash and deposits by ¥1,449 million, etc.

In addition, the total liabilities at the end of the fiscal year under review increased by ¥175 million compared to the end of the previous fiscal year, reaching ¥60,103 million. This was due to the increases of long-term borrowings by ¥5,000 million and notes and accounts payable – trade by ¥4,277 million, and the decreases of electronically recorded obligations – operating by ¥5,448 million, income taxes payable by ¥2,261 million, and advances received by ¥1,419 million, etc.

The total net assets increased by ¥218 million compared to the end of the previous fiscal year, reaching ¥238,065 million. This was due to the increase of retained earnings by ¥3,526 million and the decrease of valuation difference on available-for-sale securities by ¥2,761 million. As a result, the capital adequacy ratio at the end of the fiscal year under review was 76.3%.

## (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents at the end of the fiscal year under review was ¥48,276 million, a decrease of ¥966 million from the end of the previous fiscal year.

Net cash provided by operating activities was ¥17,802 million (¥5,251 million was provided in the previous fiscal year). Factors that increased cash flows included profit before income taxes of ¥15,039 million, depreciation of ¥9,209 million, and decrease in trade receivables of ¥5,378 million. Meanwhile, factors that decreased cash flows included income taxes paid of ¥6,470 million, increase in inventories of ¥3,648 million, and decrease in trade payables of ¥1,098 million, among others.

Net cash used in investing activities was ¥15,257 million (¥12,579 million was used in the previous fiscal year). Factors that increased cash flows included proceeds from sale of investment securities of ¥582 million. Meanwhile, factors that decreased cash flows included purchase of intangible assets of ¥6,970 million, purchase of property, plant and equipment of ¥6,629 million, and purchase of investment securities of ¥2,182 million.

Net cash used in financing activities was ¥3,498 million (¥10,727 million was used in the previous fiscal year). Factors that increased cash flows included proceeds from long-term borrowings of ¥5,000 million. Meanwhile, factors that decreased cash flows included dividends paid of ¥6,066 million, purchase of treasury shares of ¥1,227 million, and repayments of lease liabilities of ¥1,118 million.

### (Reference) Cash flow indicators

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Capital adequacy ratio (%)	70.8	76.6	76.3
Capital adequacy ratio at market value (%)	63.6	72.7	69.2
Interest-bearing debt to cash flow ratio (years)	0.4	1.4	0.7
Interest coverage ratio (times)	200.7	88.4	198.2

Capital adequacy ratio: Equity / total assets

Capital adequacy ratio at market price: Market capitalization / total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt / cash flows from operating activities

Interest coverage ratio: Cash flows from operating activities / interest payment

(Notes) 1. All of the indicators are calculated using consolidated financial figures.

2. Market capitalization is calculated by multiplying the closing share price at fiscal year-end by the number of shares issued (after subtracting treasury stock).
3. The cash flows from operating activities used here is the cash flows from operating activities recorded in the Consolidated Statements of Cash Flows.
4. Interest-bearing debt means all liabilities in the Consolidated Balance Sheets for which interest is paid. Interest payment used here is the interest paid recorded in the Consolidated Statements of Cash Flows.

#### (4) Future Outlook

The business environment surrounding the Group is expected to remain uncertain due to the global impact of the U.S. tariff policy, geopolitical risks such as supply chain disruptions, continuation of exchange rate fluctuations and instability in the financial markets, and other factors.

With regard to demand for machine tools, however, demand related to solving social issues, such as the declining labor force and decarbonization, is expected to remain firm in the medium to long term. Under these circumstances, in the U.S. market, we expect progress in capital investments within the U.S. on the back of a trend towards return to manufacturing and realignment of production bases, although there are concerns over negative impacts of the U.S. tariff policy enactment on industries exporting to the U.S. in countries concerned. From the second half of the fiscal year ending March 31, 2026, onward, it is also expected that recovery in capital investments will advance across industries ranging from semiconductor manufacturing equipment to aerospace, energy-related fields, and others.

The Group will secure income and build up corporate strength by gaining customers globally and improving efficiency in production and operation, as well as pursue the basic strategy of providing Monozukuri DX solutions such as smart machines, automation solutions, and decarbonization solutions, among others. We aim to seize the demand of growth industries without fail and achieve growth in the global market.

Based on the above, the consolidated financial results forecast for the fiscal year ending March 31, 2026, is as shown below.

	Consolidated			
	Six months ending September 30, 2025	(Year-on-year change)	Full year	(Year-on-year change)
	Millions of yen	%	Millions of yen	%
Net sales	113,000	18.6	230,000	11.2
Operating profit	9,500	68.9	22,000	50.2
Ordinary profit	9,500	75.2	22,500	44.9
Profit attributable to owners of parent	6,000	67.6	15,000	56.4

The financial results forecast assumes exchange rates of ¥145 per U.S. dollar and ¥160 per Euro.

The forward-looking statements, including the financial forecasts shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual performance and other results may differ materially from these forecasts due to various factors.

## 2. Basic Policy on Selection of Accounting Standards

The Group prepares its Consolidated Financial Statements in accordance with Japanese GAAP, in view of such factors as the burden involved in establishing a structure for preparing Consolidated Financial Statements under International Financial Reporting Standards (IFRS), comparability between companies, and others.

### 3. Consolidated Financial Statements and Principal Notes

#### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	54,528	53,079
Notes receivable - trade	995	964
Accounts receivable - trade	41,876	36,914
Electronically recorded monetary claims - operating	684	834
Inventories	81,844	85,631
Other	8,290	7,630
Allowance for doubtful accounts	(443)	(454)
Total current assets	187,776	184,600
Non-current assets		
Property, plant and equipment		
Buildings and structures	65,176	65,309
Accumulated depreciation	(37,089)	(36,915)
Buildings and structures, net	28,087	28,394
Machinery, equipment and vehicles	36,705	36,890
Accumulated depreciation	(27,863)	(28,943)
Machinery, equipment and vehicles, net	8,842	7,947
Land	9,382	10,116
Construction in progress	1,635	2,960
Other	22,833	23,663
Accumulated depreciation	(17,238)	(18,663)
Other, net	5,595	5,000
Total property, plant and equipment	53,544	54,419
Intangible assets		
Software	8,724	12,912
Other	2,070	1,962
Total intangible assets	10,795	14,874
Investments and other assets		
Investment securities	35,909	34,033
Retirement benefit asset	5,368	5,624
Deferred tax assets	1,126	1,275
Other	3,260	3,344
Allowance for doubtful accounts	(7)	(3)
Total investments and other assets	45,657	44,274
Total non-current assets	109,997	113,568
Total assets	297,774	298,168



(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	11,233	15,510
Electronically recorded obligations - operating	11,070	5,621
Accounts payable - other	6,669	7,642
Income taxes payable	3,389	1,127
Advances received	6,864	5,445
Provision for bonuses	3,639	3,576
Provision for bonuses for directors (and other officers)	149	110
Provision for product warranties	473	442
Other	3,324	3,261
Total current liabilities	46,814	42,737
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	-	5,000
Deferred tax liabilities	5,572	5,265
Retirement benefit liability	186	178
Other	2,354	1,922
Total non-current liabilities	13,113	17,365
Total liabilities	59,928	60,103
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,000	18,000
Capital surplus	41,777	41,798
Retained earnings	152,835	156,362
Treasury shares	(16,614)	(17,805)
Total shareholders' equity	195,999	198,355
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,855	13,093
Foreign currency translation adjustment	15,251	15,619
Remeasurements of defined benefit plans	850	430
Total accumulated other comprehensive income	31,957	29,144
Non-controlling interests	9,890	10,565
Total net assets	237,846	238,065
<b>Total liabilities and net assets</b>	<b>297,774</b>	<b>298,168</b>

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

## Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Net sales	227,994	206,822
Cost of sales	153,551	141,185
Gross profit	74,443	65,636
Selling, general and administrative expenses	49,079	50,985
Operating profit	25,364	14,651
Non-operating income		
Interest income	433	672
Dividend income	900	975
Rental income from land and buildings	191	160
Other	479	310
Total non-operating income	2,005	2,118
Non-operating expenses		
Interest expenses	58	89
Foreign exchange losses	867	582
Other	885	569
Total non-operating expenses	1,812	1,241
Ordinary profit	25,557	15,528
Extraordinary income		
Gain on sale of investment securities	1,315	394
Total extraordinary income	1,315	394
Extraordinary losses		
Factory rebuilding expense	-	883
Total extraordinary losses	-	883
Profit before income taxes	26,873	15,039
Income taxes - current	7,872	4,658
Income taxes - deferred	(562)	618
Total income taxes	7,310	5,277
Profit	19,563	9,762
Profit attributable to non-controlling interests	181	171
Profit attributable to owners of parent	19,381	9,590

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
Profit	19,563	9,762
Other comprehensive income		
Valuation difference on available-for-sale securities	6,025	(2,762)
Foreign currency translation adjustment	7,749	942
Remeasurements of defined benefit plans, net of tax	1,297	(403)
Total other comprehensive income	15,072	(2,224)
Comprehensive income	34,635	7,537
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	33,899	6,777
Comprehensive income attributable to non-controlling interests	736	760

(3) Consolidated Statements of Changes in Equity  
For the fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	18,000	41,715	139,321	(12,960)	186,077	9,829	8,061	(451)	17,439	9,333	212,850
Changes during period											
Dividends of surplus			(5,867)		(5,867)						(5,867)
Profit attributable to owners of parent			19,381		19,381						19,381
Purchase of treasury shares				(3,690)	(3,690)						(3,690)
Disposal of treasury shares		-		-	-						-
Change in ownership interest of parent due to transactions with non-controlling interests		46			46						46
Restricted stock payment		15		36	51						51
Change in scope of consolidation			-		-						-
Net changes in items other than shareholders' equity						6,026	7,190	1,301	14,517	556	15,074
Total changes during period	-	62	13,513	(3,654)	9,922	6,026	7,190	1,301	14,517	556	24,996
Balance at end of period	18,000	41,777	152,835	(16,614)	195,999	15,855	15,251	850	31,957	9,890	237,846

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	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	18,000	41,777	152,835	(16,614)	195,999	15,855	15,251	850	31,957	9,890	237,846
Changes during period											
Dividends of surplus			(6,066)		(6,066)						(6,066)
Profit attributable to owners of parent			9,590		9,590						9,590
Purchase of treasury shares				(1,227)	(1,227)						(1,227)
Disposal of treasury shares		0		0	0						0
Change in ownership interest of parent due to transactions with non-controlling interests		-			-						-
Restricted stock payment		20		36	57						57
Change in scope of consolidation			3		3						3
Net changes in items other than shareholders' equity						(2,761)	368	(419)	(2,813)	675	(2,137)
Total changes during period	-	20	3,526	(1,191)	2,356	(2,761)	368	(419)	(2,813)	675	218
Balance at end of period	18,000	41,798	156,362	(17,805)	198,355	13,093	15,619	430	29,144	10,565	238,065

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
<b>Cash flows from operating activities</b>		
Profit before income taxes	26,873	15,039
Depreciation	9,634	9,209
Increase (decrease) in allowance for doubtful accounts	30	10
Increase (decrease) in provision for bonuses	(545)	(72)
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	(38)
Decrease (increase) in retirement benefit asset	(2,401)	(252)
Increase (decrease) in retirement benefit liability	1,369	(426)
Interest and dividend income	(1,334)	(1,647)
Interest expenses	58	89
Foreign exchange losses (gains)	(9)	141
Loss (gain) on sale of investment securities	(1,315)	(394)
Decrease (increase) in trade receivables	(1,908)	5,378
Decrease (increase) in inventories	2,633	(3,648)
Increase (decrease) in trade payables	(18,013)	(1,098)
Factory rebuilding expense	-	883
Other, net	(2,020)	(477)
Subtotal	13,051	22,695
Interest and dividends received	1,331	1,654
Interest paid	(59)	(89)
Income taxes paid	(9,085)	(6,470)
Income taxes refund	13	12
Net cash provided by (used in) operating activities	5,251	17,802
<b>Cash flows from investing activities</b>		
Net decrease (increase) in time deposits	(120)	541
Purchase of property, plant and equipment	(6,374)	(6,629)
Proceeds from sale of property, plant and equipment	1	27
Purchase of intangible assets	(6,510)	(6,970)
Purchase of investment securities	(578)	(2,182)
Proceeds from sale of investment securities	1,409	582
Other, net	(407)	(626)
Net cash provided by (used in) investing activities	(12,579)	(15,257)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	-	5,000
Repayments of lease liabilities	(1,036)	(1,118)
Proceeds from sale of treasury shares	-	0
Purchase of treasury shares	(3,690)	(1,227)
Dividends paid	(5,867)	(6,066)
Dividends paid to non-controlling interests	(131)	(84)
Other, net	(1)	-
Net cash provided by (used in) financing activities	(10,727)	(3,498)
Effect of exchange rate change on cash and cash equivalents	2,601	(107)
Net increase (decrease) in cash and cash equivalents	(15,453)	(1,060)
Cash and cash equivalents at beginning of period	64,696	49,242
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	-	94
Cash and cash equivalents at end of period	49,242	48,276

## (5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

(Application of Accounting Standard for Current Income Taxes)

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (“ASBJ”) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant regulations from the beginning of the fiscal year under review.

Revisions to categories for recording Corporate Taxes, etc. (taxation on other comprehensive income) conform to the transitional treatment in the proviso to Paragraph 20-3 of the Revised Accounting Standard of 2022 and the proviso to Paragraph 65-2 (2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Guidance of 2022”). This has no effect on the consolidated financial statements.

In addition, for revisions related to the review of the accounting treatment in consolidated financial statements when a gain or loss on sales arising from the sale of shares in subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Company has applied the Revised Guidance of 2022 from the beginning of the fiscal year under review. This change in accounting policy has been applied retrospectively. Therefore, the new accounting policy was reflected in the consolidated financial statements for the previous fiscal year. This change has no impact on the consolidated financial statements of the previous fiscal year.

(Segment information, etc.)

[Segment information]

### 1. Description of reportable segments

The reportable segments of the Group are its components for which separate financial information is available and which are regularly reviewed by the Executive Officer Committee to make decisions about the allocation of management resources and assess operating results.

The Group extensively engages in manufacture and sale of machine tools, for which the Company and its consolidated subsidiaries are responsible in Japan and local companies in overseas locations are responsible outside Japan. Each local company is an independent management unit that develops comprehensive regional strategies for products handled by that company and implements its business activities.

Thus, the Group is composed of regional segments based on manufacture and sale structures, which are four reportable segments “Japan,” “Americas,” “Europe,” and “Asia/Pacific.”

### 2. Explanation of measurements of net sales, profit (loss), assets, liabilities, and other items by reportable segment

The accounting treatment for the reported business segments are the same as described in the “Significant accounting policies for preparation of consolidated financial statements” in the latest annual securities report (filed on June 21, 2024).

Profit of each reportable segment is operating profit (loss). Intersegment transactions are intercompany transactions and are based on market prices.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reportable segment  
For the fiscal year ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Americas	Europe	Asia/Pacific	Total		
Net sales							
(1) Sales to outside customers	99,973	70,642	41,340	16,037	227,994	—	227,994
(2) Intersegment sales or transfers	75,040	16	190	12,437	87,684	(87,684)	—
Total	175,014	70,658	41,531	28,475	315,679	(87,684)	227,994
Segment profit (loss)	15,100	5,441	2,982	1,388	24,913	451	25,364
Segment assets	219,785	52,250	30,861	37,662	340,560	(42,785)	297,774
Other items							
Depreciation	7,404	555	567	831	9,358	(5)	9,352
Increase in property, plant and equipment and intangible assets	11,953	775	482	1,448	14,660	—	14,660

(Notes) 1. Adjustments represent the following:

- (1) The ¥451 million adjustment in segment profit represents the elimination of unrealized profit, etc.
  - (2) The ¥(42,785) million adjustment in segment assets represents intersegment eliminations.
  - (3) The ¥(5) million adjustment in depreciation represents the elimination of unrealized profit.
2. Segment profit (loss) is adjusted with the operating profit in the consolidated statements of income.

For the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segment					Adjustment (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Japan	Americas	Europe	Asia/Pacific	Total		
Net sales							
(1) Sales to outside customers	96,055	63,059	33,849	13,858	206,822	—	206,822
(2) Intersegment sales or transfers	71,580	108	139	9,122	80,951	(80,951)	—
Total	167,635	63,167	33,988	22,981	287,773	(80,951)	206,822
Segment profit (loss)	9,241	3,017	1,000	953	14,213	438	14,651
Segment assets	221,016	61,056	28,848	37,789	348,710	(50,542)	298,168
Other items							
Depreciation	6,785	544	669	870	8,871	(7)	8,864
Increase in property, plant and equipment and intangible assets	11,639	593	1,124	574	13,932	—	13,932

(Notes) 1. Adjustments represent the following:

- (1) The ¥438 million adjustment in segment profit represents the elimination of unrealized profit, etc.
  - (2) The ¥(50,542) million adjustment in segment assets represents intersegment eliminations.
  - (3) The ¥(7) million adjustment in depreciation represents the elimination of unrealized profit.
2. Segment profit (loss) is adjusted with the operating profit in the consolidated statement of income.

(Per share information)

The amount and bases of calculation of net assets per share and the amount and bases of calculation of basic earnings per share are as follows:

	As of March 31, 2024	As of March 31, 2025
(1) Net assets per share (Yen)	3,747.14	3,760.22
(Basis of calculation)		
Total net assets (Millions of yen)	237,846	238,065
Amount subtracted from total net assets (Millions of yen)	9,890	10,565
(of which, non-controlling interests (Millions of yen)	(9,890)	(10,565)
Net assets relating to common shares at fiscal year-end (Millions of yen)	227,956	227,499
Number of common shares at fiscal year-end used for the calculation of net assets per share (Thousands of shares)	60,834	60,501

	For the fiscal year ended March 31, 2024	For the fiscal year ended March 31, 2025
(2) Basic earnings per share (Yen)	314.90	158.46
(Basis of calculation)		
Profit attributable to owners of parent (Millions of yen)	19,381	9,590
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent relating to common shares (Millions of yen)	19,381	9,590
Average number of common shares outstanding during the period (Thousands of shares)	61,548	60,523

- (Notes) 1. Diluted earnings per share are not reported because the Company does not have dilutive shares.
2. The Company implemented a 2-for-1 common stock split, effective October 1, 2024. Net assets per share and basic earnings per share were calculated on the assumption that the stock split had been implemented at the beginning of the year ended March 31, 2024.

(Significant subsequent events)

Not applicable.



#### 4. Other

##### (1) Order and Sales Status

###### 1) Order status

(Millions of yen)

	For the fiscal year ended March 31, 2024		For the fiscal year ended March 31, 2025	
	Orders Received	Order Backlog	Orders Received	Order Backlog
NC lathes	37,358	21,312	33,833	17,780
Machining centers	101,577	47,289	115,753	58,807
Multitasking machines	57,707	16,967	56,792	18,106
NC grinders	2,802	1,019	2,067	807
Others	4,574	1,057	7,180	950
Total	204,019	87,646	215,627	96,452

###### 2) Sales results

(Millions of yen)

	For the fiscal year ended March 31, 2024		For the fiscal year ended March 31, 2025	
	Net Sales	Composition (%)	Net Sales	Composition (%)
NC lathes	40,571	17.8	37,366	18.1
Machining centers	118,480	52.0	104,235	50.4
Multitasking machines	60,753	26.6	55,653	26.9
NC grinders	3,549	1.6	2,280	1.1
Others	4,640	2.0	7,287	3.5
Total	227,994	100.0	206,822	100.0

(2) Overseas Sales

For the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(Millions of yen)

	US	Americas (other than the US)	Europe	China	Asia/Pacific (other than China)	Total
I Overseas sales	58,017	12,004	41,353	31,229	15,083	157,687
II Consolidated net sales	—	—	—	—	—	227,994
III Percentage of overseas sales in consolidated net sales (%)	25.5	5.3	18.1	13.7	6.6	69.2

For the Fiscal Year Ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	US	Americas (other than the US)	Europe	China	Asia/Pacific (other than China)	Total
I Overseas sales	54,485	8,531	33,386	34,182	14,483	145,068
II Consolidated net sales	—	—	—	—	—	206,822
III Percentage of overseas sales in consolidated net sales (%)	26.3	4.1	16.1	16.6	7.0	70.1