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Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2025 (Under IFRS)

January 30, 2025

TSUGAMI CORPORATION

Stock code: 6101

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Contact: Tomohiro Yamaguchi, Executive Officer, Accounting

Scheduled date of commencement of dividend payments: --

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

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(Figures are rounded down to the nearest one million yen.)

1. Consolidated business performance for the first nine months of the fiscal year ending March 31, 2025 (From April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative totals)

(Percentages calculated on year-on-year basis.)

| | Revenue | | Operating profit | | Profit before tax | | Profit | |
|--|-------------|-------|------------------|-------|-------------------|-------|-------------|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| First nine months of the fiscal year ending March 31, 2025 | 74,889 | 19.2 | 15,699 | 61.0 | 16,169 | 60.1 | 11,013 | 92.5 |
| First nine months of the fiscal year ended March 31, 2024 | 62,839 | -13.2 | 9,750 | -24.9 | 10,100 | -21.3 | 5,721 | -32.7 |

| | Profit attributable to owners of parent | | Total comprehensive income | | Basic earnings per share | Diluted earnings per share |
|--|---|-------|----------------------------|------|--------------------------|----------------------------|
| | Million yen | % | Million yen | % | Yen | Yen |
| First nine months of the fiscal year ending March 31, 2025 | 7,764 | 113.7 | 13,400 | 77.7 | 164.69 | 162.56 |
| First nine months of the fiscal year ended March 31, 2024 | 3,633 | -40.2 | 7,539 | -3.9 | 75.92 | 74.91 |

(2) Consolidated financial position

| | Total assets | Total equity | Equity attributable to owners of parent | Percentage of equity attributable to owners of parent |
|-------------------------|--------------|--------------|---|---|
| | Million yen | Million yen | Million yen | % |
| As of December 31, 2024 | 126,385 | 83,816 | 62,907 | 49.8(66.3) |
| As of March 31, 2024 | 117,714 | 72,361 | 56,605 | 48.1(61.5) |

(Reference) The figures in parentheses are the ratios of total equity (sum of equity attributable to owners of parent and non-controlling interests).

2. State of dividends

| (Base date) | Dividends per share | | | | |
|--|---------------------|-----------|-----------|-----------|--------|
| | End of Q1 | End of Q2 | End of Q3 | End of FY | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2024 | -- | 24.00 | -- | 24.00 | 48.00 |
| Fiscal year ending March 31, 2025 | -- | 27.00 | -- | | |
| Fiscal year ending March 31, 2025 (forecast) | | | | 27.00 | 54.00 |

(Note) Revisions to the forecast for dividends announced most recently: None

3. Consolidated business performance forecasts for the fiscal year ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Percentages calculated on year-on-year basis)

| | Revenue | | Operating profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|------|------------------|------|---|------|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full-year | 97,000 | 15.6 | 18,500 | 41.3 | 8,000 | 48.8 | 169.76 |

(Note) Revisions to the financial results forecasts announced most recently: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policy and in accounting estimates, and restatements

- | | |
|---|--------|
| (i) Changes in accounting policies required by IFRS | : None |
| (ii) Changes in accounting policy other than those stated in item (i) above | : None |
| (iii) Changes in accounting estimates | : None |

(3) Numbers of outstanding shares (common shares)

- | | | | |
|---|-------------------|-----------------------------|-------------------|
| (i) Numbers of outstanding shares at the end of the periods (including treasury shares): | | | |
| As of December 31, 2024 | 48,000,000 shares | As of March 31, 2024 | 50,000,000 shares |
| (ii) Numbers of treasury shares at the end of the terms: | | | |
| As of December 31, 2024 | 488,571 shares | As of March 31, 2024 | 2,453,628 shares |
| (iii) Average numbers of shares outstanding during the periods (quarterly consolidated accumulation periods): | | | |
| First nine months of FY2024 | 47,145,085 shares | First nine months of FY2023 | 47,860,360 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanations for the appropriate use of business forecasts and other items warranting special mention

(The forward-looking statements)

The forward-looking statements such as the forecasts of financial results stated in this document are based on the information currently available to the Company and certain assumptions that the Company judges as rational. These statements are not guarantees of future performance. Actual performance may differ materially from the statements due to a range of factors. For assumptions for business forecasts and notes on the use of business forecasts, please refer to [1. Overview of Operating Results, Etc. (3) Information Relating to Consolidated Business Performance Forecasts] on page 2 of the accompanying documents of this Consolidated Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2025

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1. Overview of Operating Results, Etc.

(1) Overview of results of operations

During the first nine months of the fiscal year under review, although some movement has been observed in China and other markets, the overall sense of uncertainty could not be denied. In this situation, the Group steadily promoted its business in each of its locations, and as a result, revenue stood at ¥74,889 million (up 19.2% year on year), operating profit was ¥15,699 million (up 61.0% year on year), and profit attributable to owners of parent was ¥7,764 million (up 113.7% year on year), with both revenue and profit reaching historically high levels

Segment results are as follows:

- a. In Japan, revenue decreased 5.7% year on year, to ¥22,683 million, and segment profit amounted to ¥564 million, compared to segment loss of ¥784 million in the same period of the previous fiscal year.
- b. In China, revenue increased 33.2% year on year, to ¥63,597 million, and segment profit grew 60.2% year on year, to ¥14,901 million.
- c. In India, revenue declined 13.2% year on year, to ¥3,068 million, and segment loss came to ¥292 million, compared to segment loss of ¥54 million in the same period of the previous fiscal year.
- d. In South Korea, revenue increased 11.2% year on year, to ¥1,300 million, and segment profit grew 39.0% year on year, to ¥91 million.
- e. In other markets, revenue decreased 31.1% year on year, to ¥387 million, and the segment loss amounted to ¥35 million, compared to a segment loss of ¥42 million in the same period of the previous fiscal year.

Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

(2) Overview of financial condition

(i) State of assets, liabilities and net assets

Assets totaled ¥126,385 million at the end of the first nine months of the fiscal year under review, an increase of ¥8,670 million from the end of the previous fiscal year.

The result was mainly due to increases of ¥5,707 million in inventories, ¥1,462 million in trade and other receivables, and ¥1,115 million in property, plant and equipment.

Liabilities totaled ¥42,568 million at the end of the first nine months of the fiscal year under review, a decrease of ¥2,783 million from the end of the previous fiscal year.

The result was mainly due to a decrease of ¥3,728 million in borrowings, despite an increase of ¥1,074 million in income taxes payable, etc.

Equity totaled ¥83,816 million at the end of the first nine months of the fiscal year under review, an increase of ¥11,454 million from the end of the previous fiscal year.

The result was mainly due to the recording of ¥11,013 million in profit and increases of ¥3,472 million in non-controlling interests resulting from capital transactions related to the partial sale of shares of subsidiaries and associates held by the Company and ¥2,387 million from other comprehensive income, despite a decrease of ¥4,560 million due to dividends.

(ii) State of cash flows during the nine months under review

Cash and cash equivalents at the end of the first nine months of the fiscal year under review increased ¥106 million from the end of the previous fiscal year, to ¥30,601 million.

(Cash flows from operating activities)

Cash generated through operating activities was ¥6,127 million.

The result principally reflected an increase in cash attributable to profit before tax of ¥16,169 million and in depreciation and amortization of ¥1,548 million, which was partly offset by an increase in inventories of ¥4,948 million, income taxes paid of ¥4,308 million, and a decrease in trade and other payables of ¥1,755 million, as well as an increase in trade and other receivables of ¥1,338 million.

(Cash flows from investing activities)

Cash used in investing activities was ¥1,690 million.

The cash outflow was primarily attributable to a decrease in cash for the purchase of property, plant and equipment of ¥1,613 million.

(Cash flows from financing activities)

Cash used in financing activities was ¥5,133 million.

The results largely reflected an increase in cash due to ¥3,610 million in proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation, which was offset by a decrease in short-term borrowings of ¥3,746 million, dividends paid of ¥2,428 million, and payment of dividends to non-controlling interests of ¥986 million.

(3) Information Relating to Consolidated Business Performance Forecasts

While current business performance remains stable, there is evident uncertainty in the overall market. As a result, the consolidated business performance forecast for the full fiscal year ending March 31, 2025, has not changed from the "Notice of Revisions to Business Performance Forecasts and Dividend Forecasts" released on November 13, 2024. If modifications are necessary, the Company will announce them promptly.

Additionally, our dividend forecast for the fiscal year ending March 31, 2025, as announced on November 13, 2024, remains unchanged at ¥27 per share, representing an annual dividend of ¥54 per share, which includes the interim dividend of ¥27 per share. If modifications are necessary, the Company will announce them promptly.

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Million yen)

| | Figures at the end of the previous consolidated fiscal year (As of March 31, 2024) | Figures at the end of the consolidated first nine months under review (As of December 31, 2024) |
|-------------------------------|--|--|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 30,495 | 30,601 |
| Trade and other receivables | 27,980 | 29,443 |
| Other financial assets | 142 | 191 |
| Inventories | 32,730 | 38,437 |
| Other current assets | 1,586 | 1,779 |
| Total current assets | 92,935 | 100,453 |
| Non-current assets | | |
| Property, plant and equipment | 16,308 | 17,423 |
| Right-of-use assets | 2,094 | 2,149 |
| Intangible assets | 359 | 201 |
| Retirement benefit asset | 110 | 116 |
| Other financial assets | 5,104 | 5,015 |
| Deferred tax assets | 461 | 691 |
| Other non-current assets | 340 | 334 |
| Total non-current assets | 24,779 | 25,931 |
| Total assets | 117,714 | 126,385 |

(Million yen)

| | Figures at the end of the previous consolidated fiscal year (As of March 31, 2024) | Figures at the end of the consolidated first nine months under review (As of December 31, 2024) |
|---|--|--|
| Liabilities and equity | | |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 17,546 | 17,325 |
| Borrowings | 16,816 | 13,088 |
| Other financial liabilities | 205 | 222 |
| Income taxes payable, etc. | 1,670 | 2,744 |
| Provisions | 428 | 472 |
| Contract liabilities | 2,481 | 2,099 |
| Other current liabilities | 898 | 1,232 |
| Total current liabilities | 40,047 | 37,184 |
| Non-current liabilities | | |
| Other financial liabilities | 183 | 193 |
| Retirement benefit liability | 903 | 932 |
| Provisions | 5 | 5 |
| Deferred tax liabilities | 3,555 | 3,603 |
| Other non-current liabilities | 655 | 648 |
| Total non-current liabilities | 5,304 | 5,383 |
| Total liabilities | 45,352 | 42,568 |
| Equity | | |
| Share capital | 12,345 | 12,345 |
| Capital surplus | 2,885 | 3,108 |
| Treasury shares | -3,008 | -669 |
| Other components of equity | 10,316 | 11,333 |
| Retained earnings | 34,065 | 36,790 |
| Total equity attributable to owners of parent | 56,605 | 62,907 |
| Non-controlling interests | 15,756 | 20,908 |
| Total equity | 72,361 | 83,816 |
| Total liabilities and net equity | 117,714 | 126,385 |

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income
(Condensed Quarterly Consolidated Statement of Profit or Loss)

| | (Million yen) | |
|--|---|--|
| | Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023) | Consolidated first nine months under review (From April 1, 2024 to December 31, 2024) |
| Revenue | 62,839 | 74,889 |
| Cost of sales | -45,257 | -49,260 |
| Gross profit | 17,582 | 25,628 |
| Selling, general and administrative expenses | -8,789 | -10,887 |
| Other income | 1,060 | 985 |
| Other expenses | -102 | -27 |
| Operating profit | 9,750 | 15,699 |
| Finance income | 619 | 726 |
| Finance costs | -269 | -256 |
| Profit before tax | 10,100 | 16,169 |
| Income tax expense | -4,378 | -5,156 |
| Profit | <u>5,721</u> | <u>11,013</u> |
| Profit attributable to: | | |
| Owners of parent | 3,633 | 7,764 |
| Non-controlling interests | 2,088 | 3,249 |
| Profit | <u>5,721</u> | <u>11,013</u> |
| Earnings per share | | |
| Basic earnings per share (yen) | 75.92 | 164.69 |
| Diluted earnings per share (yen) | 74.91 | 162.56 |

(Condensed Quarterly Consolidated Statement of Comprehensive Income)

| | (Million yen) | |
|---|---|--|
| | Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023) | Consolidated first nine months under review (From April 1, 2024 to December 31, 2024) |
| Profit | 5,721 | 11,013 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets measured at fair value through other comprehensive income | 178 | -38 |
| Remeasurement of defined benefit plans | -- | -- |
| Total items that will not be reclassified to profit or loss | 178 | -38 |
| Items that may be reclassified to profit or loss | | |
| Exchange differences on translation of foreign operations | 1,639 | 2,425 |
| Total items that may be reclassified to profit or loss | 1,639 | 2,425 |
| Total other comprehensive income | 1,817 | 2,387 |
| Comprehensive income | 7,539 | 13,400 |
| Total comprehensive income attributable to: | | |
| Owners of parent | 4,967 | 9,588 |
| Non-controlling interests | 2,571 | 3,811 |
| Comprehensive income | 7,539 | 13,400 |

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023)

(Million yen)

| | Equity attributable to owners of parent | | | | |
|---|---|-----------------|-----------------|---|--|
| | Share capital | Capital surplus | Treasury shares | Other components of equity | |
| | | | | Exchange differences on translation of foreign operations | Financial assets measured at fair value through other comprehensive income |
| Balance as of April 1, 2023 | 12,345 | 3,022 | -2,247 | 4,726 | 2,161 |
| Profit | | | | | |
| Other comprehensive income | | | | 1,155 | 178 |
| Total comprehensive income | -- | -- | -- | 1,155 | 178 |
| Purchase of treasury shares | | | -598 | | |
| Disposal of treasury shares | | -35 | 172 | | |
| Dividends | | | | | |
| Capital transactions with non-controlling interests | | -7 | | 4 | |
| Total transactions with owners | -- | -42 | -425 | 4 | -- |
| Balance As of December 31, 2023 | 12,345 | 2,979 | -2,672 | 5,886 | 2,339 |

| | Equity attributable to owners of parent | | | | | Non-controlling interests | Total |
|---|---|-------|-------------------|--------|--------|---------------------------|-------|
| | Other components of equity | | Retained earnings | Total | Total | | |
| | Remeasurements of defined benefit plans | Total | | | | | |
| Balance as of April 1, 2023 | -- | 6,887 | 30,945 | 50,953 | 13,968 | 64,922 | |
| Profit | | -- | 3,633 | 3,633 | 2,088 | 5,721 | |
| Other comprehensive income | | 1,333 | | 1,333 | 483 | 1,817 | |
| Total comprehensive income | -- | 1,333 | 3,633 | 4,967 | 2,571 | 7,539 | |
| Purchase of treasury shares | | -- | | -598 | | -598 | |
| Disposal of treasury shares | | -- | -40 | 96 | | 96 | |
| Dividends | | -- | -2,310 | -2,310 | -1,684 | -3,994 | |
| Capital transactions with non-controlling interests | | 4 | | -2 | -45 | -48 | |
| Total transactions with owners | -- | 4 | -2,350 | -2,814 | -1,730 | -4,545 | |
| Balance As of December 31, 2023 | -- | 8,226 | 32,228 | 53,106 | 14,810 | 67,916 | |

Consolidated first nine months under review (From April 1, 2024 to December 31, 2024)

(Million yen)

| | Equity attributable to owners of parent | | | | |
|---|---|-----------------|-----------------|---|--|
| | Share capital | Capital surplus | Treasury shares | Other components of equity | |
| | | | | Exchange differences on translation of foreign operations | Financial assets measured at fair value through other comprehensive income |
| Balance as of April 1, 2024 | 12,345 | 2,885 | -3,008 | 7,771 | 2,545 |
| Profit | | | | | |
| Other comprehensive income | | | | 1,862 | -38 |
| Total comprehensive income | -- | -- | -- | 1,862 | -38 |
| Purchase of treasury shares | | | -774 | | |
| Disposal of treasury shares | | -52 | 653 | | |
| Cancellation of treasury shares | | | 2,459 | | |
| Dividends | | | | | |
| Transfer to retained earnings | | | | | -22 |
| Capital transactions with non-controlling interests | | 274 | | -785 | |
| Total transactions with owners | -- | 222 | 2,338 | -785 | -22 |
| Balance As of December 31, 2024 | 12,345 | 3,108 | -669 | 8,848 | 2,484 |

| | Equity attributable to owners of parent | | | | | |
|---|---|--------|-------------------|--------|---------------------------|--------|
| | Other components of equity | | Retained earnings | Total | Non-controlling interests | Total |
| | Remeasurements of defined benefit plans | Total | | | | |
| Balance as of April 1, 2024 | -- | 10,316 | 34,065 | 56,605 | 15,756 | 72,361 |
| Profit | | -- | 7,764 | 7,764 | 3,249 | 11,013 |
| Other comprehensive income | | 1,824 | | 1,824 | 562 | 2,387 |
| Total comprehensive income | -- | 1,824 | 7,764 | 9,588 | 3,811 | 13,400 |
| Purchase of treasury shares | | -- | | -774 | | -774 |
| Disposal of treasury shares | | -- | -174 | 426 | | 426 |
| Cancellation of treasury shares | | -- | -2,459 | -- | | -- |
| Dividends | | -- | -2,428 | -2,428 | -2,132 | -4,560 |
| Transfer to retained earnings | | -22 | 22 | -- | | -- |
| Capital transactions with non-controlling interests | | -785 | | -510 | 3,472 | 2,962 |
| Total transactions with owners | -- | -807 | -5,040 | -3,286 | 1,340 | -1,946 |
| Balance As of December 31, 2024 | -- | 11,333 | 36,790 | 62,907 | 20,908 | 83,816 |

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Million yen)

| | Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023) | Consolidated first nine months under review (From April 1, 2024 to December 31, 2024) |
|---|---|--|
| Cash flows from operating activities | | |
| Profit before tax | 10,100 | 16,169 |
| Depreciation and amortization | 1,544 | 1,548 |
| Impairment losses and reversal of impairment losses (profits) | -93 | -- |
| Finance income | -619 | -528 |
| Finance costs | 159 | 183 |
| Loss on retirement of fixed assets | 8 | 7 |
| Loss (gain) on sale of fixed assets | 18 | 0 |
| Government grants income | -840 | -869 |
| Insurance claim income | -31 | -36 |
| Decrease (increase) in inventories | 6,221 | -4,948 |
| Decrease (increase) in trade and other receivables | 2,196 | -1,338 |
| Increase (decrease) in trade and other payables | -4,521 | -1,755 |
| Increase (decrease) in contract liabilities | -1,063 | -445 |
| Increase or decrease in retirement benefit asset or liability | 22 | 22 |
| Increase (decrease) in provisions | -80 | 38 |
| Other | 191 | 681 |
| Subtotal | 13,212 | 8,732 |
| Interest and dividends received | 491 | 502 |
| Interest paid | -159 | -183 |
| Government grants received | 840 | 869 |
| Insurance received | 31 | 36 |
| Income taxes paid | -3,220 | -4,308 |
| Income taxes refund | 612 | 479 |
| Net cash provided by (used in) operating activities | 11,809 | 6,127 |
| Cash flows from investing activities | | |
| Payments into time deposits | -130 | -183 |
| Proceeds from withdrawal of time deposits | 20 | 129 |
| Purchase of property, plant and equipment | -2,246 | -1,613 |
| Proceeds from sale of property, plant and equipment | 8 | 6 |
| Purchase of intangible assets | -45 | -62 |
| Purchase of investment securities | -1 | -1 |
| Proceeds from sale of investment securities | -- | 43 |
| Payments for investments in capital | -19 | -- |
| Other | -8 | -7 |
| Net cash provided by (used in) investing activities | -2,423 | -1,690 |

| | Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023) | Consolidated first nine months under review (From April 1, 2024 to December 31, 2024) |
|--|---|--|
| Cash flows from financing activities | | |
| Net increase (decrease) in short-term borrowings | -406 | -3,746 |
| Payments for acquisition of interests in subsidiaries from non-controlling interests | -48 | -588 |
| Proceeds from sale of treasury shares | 0 | 0 |
| Purchase of treasury shares | -599 | -775 |
| Dividends paid | -2,310 | -2,428 |
| Payment of dividends to non-controlling interests | -825 | -986 |
| Repayments of lease obligations | -199 | -219 |
| Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation | -- | 3,610 |
| Net cash provided by (used in) financing activities | <u>-4,389</u> | <u>-5,133</u> |
| Effect of exchange rate changes on cash and cash equivalents | <u>869</u> | <u>802</u> |
| Net increase (decrease) in cash and cash equivalents | 5,865 | 106 |
| Cash and cash equivalents at beginning of period | <u>25,779</u> | <u>30,495</u> |
| Cash and cash equivalents at end of period | <u>31,644</u> | <u>30,601</u> |

(5) Notes relating to Condensed Quarterly Consolidated Financial Statements

(Notes relating to the going concern assumption)

Not applicable.

(Segment information)

(1) Summary of reportable segments

The Group's reportable segments are its constituent units that disclose financial information separately. They fall under the scope of periodic reviews the Company's Board of Directors performs to determine the distribution of its management resources and to assess its operating results. The Group does not aggregate any of its operating segments.

The Group manufactures and sells machine tools in Japan and abroad. The Group consists of geographic segments based on its manufacturing and sales organizations. The Company's reportable segments are Japan, China, India, South Korea and Other which are the areas where Group companies are located.

(2) Segment revenues and operating results

Amounts of transactions of parts and materials for value with subsidiaries are included in intersegment revenues. Intersegment revenues are based on market prices.

Revenues and operating results of the Group's reportable segments are as follows.

Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023)

(Million yen)

| | Reportable segment | | | | | | Adjustment | Consolidated |
|---------------------------------|--------------------|--------|-------|-------------|-------|--------|------------|--------------|
| | Japan | China | India | South Korea | Other | Total | | |
| Revenue | | | | | | | | |
| Revenue from external customers | 17,337 | 40,367 | 3,525 | 1,135 | 474 | 62,839 | -- | 62,839 |
| Intersegment revenue | 6,714 | 7,380 | 8 | 35 | 88 | 14,226 | -14,226 | -- |
| Total | 24,051 | 47,747 | 3,533 | 1,170 | 562 | 77,066 | -14,226 | 62,839 |
| Segment profit (loss) | -784 | 9,300 | -54 | 65 | -42 | 8,485 | 307 | 8,792 |
| Other income and expenses, net | -- | -- | -- | -- | -- | -- | -- | 958 |
| Operating profit | -- | -- | -- | -- | -- | -- | -- | 9,750 |
| Finance income and costs, net | -- | -- | -- | -- | -- | -- | -- | 349 |
| Profit before tax | -- | -- | -- | -- | -- | -- | -- | 10,100 |

(Notes) 1. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from sales revenue.

2. "Adjustment" of segment profit of ¥307 million is the adjustment of unrealized profit., etc.

Consolidated first nine months under review (From April 1, 2024 to December 31, 2024)

(Million yen)

| | Reportable segment | | | | | | Adjustment | Consolidated |
|---------------------------------|--------------------|--------|-------|-------------|-------|--------|------------|--------------|
| | Japan | China | India | South Korea | Other | Total | | |
| Revenue | | | | | | | | |
| Revenue from external customers | 15,221 | 55,068 | 3,067 | 1,286 | 245 | 74,889 | -- | 74,889 |
| Intersegment revenue | 7,462 | 8,528 | 1 | 14 | 142 | 16,149 | -16,149 | -- |
| Total | 22,683 | 63,597 | 3,068 | 1,300 | 387 | 91,038 | -16,149 | 74,889 |
| Segment profit (loss) | 564 | 14,901 | -292 | 91 | -35 | 15,230 | -489 | 14,741 |
| Other income and expenses, net | -- | -- | -- | -- | -- | -- | -- | 958 |
| Operating profit | -- | -- | -- | -- | -- | -- | -- | 15,699 |
| Finance income and costs, net | -- | -- | -- | -- | -- | -- | -- | 469 |
| Profit before tax | -- | -- | -- | -- | -- | -- | -- | 16,169 |

(Notes) 1. Segment profit is calculated by deducting cost of sales and selling, general and administrative expenses from sales revenue.

2. "Adjustment" of segment profit of - ¥489 million is the adjustment of unrealized profit., etc.

3. Supplementary Information

(1) Overseas revenue

(Million yen)

| | Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023) | Consolidated first nine months under review (From April 1, 2024 to December 31, 2024) |
|--|---|--|
| China | 40,371 | 54,738 |
| Asia | 7,544 | 8,167 |
| America | 3,835 | 3,135 |
| Europe | 4,710 | 3,132 |
| Overseas revenue | 56,461 | 69,173 |
| Consolidated revenue | 62,839 | 74,889 |
| Ratio of overseas revenue to consolidated revenue (%) | 89.8 | 92.4 |

(Note) Revenue is categorized by country or region based on the locations of the customers.

(2) Revenue by machinery category

The relationship between the disaggregation of revenue based on major product lines and reportable segments is as follows.

Consolidated first nine months previous year (From April 1, 2023 to December 31, 2023)

(Million yen)

| | Reportable segment | | | | | |
|--|--------------------|--------|-------|-------------|-------|--------|
| | Japan | China | India | South Korea | Other | Total |
| Main product lines | | | | | | |
| Automatic lathes | 13,718 | 34,284 | 3,262 | 1,043 | 382 | 52,691 |
| Grinding machines | 758 | 2,240 | -- | 30 | -- | 3,028 |
| Machining centers, rolling machines and specialized machines | 872 | 2,659 | 36 | -- | -- | 3,569 |
| Other | 1,987 | 1,182 | 225 | 61 | 92 | 3,550 |
| Total | 17,337 | 40,367 | 3,525 | 1,135 | 474 | 62,839 |

(Note) "Other" in main product lines include components and services.

Consolidated first nine months under review (From April 1, 2024 to December 31, 2024)

(Million yen)

| | Reportable segment | | | | | |
|--|--------------------|--------|-------|-------------|-------|--------|
| | Japan | China | India | South Korea | Other | Total |
| Main product lines | | | | | | |
| Automatic lathes | 11,667 | 47,059 | 2,938 | 1,123 | 148 | 62,936 |
| Grinding machines | 480 | 3,094 | -- | 24 | -- | 3,598 |
| Machining centers, rolling machines and specialized machines | 1,033 | 3,360 | 12 | -- | -- | 4,405 |
| Other | 2,040 | 1,555 | 116 | 138 | 96 | 3,948 |
| Total | 15,221 | 55,068 | 3,067 | 1,286 | 245 | 74,889 |

(Note) "Other" in main product lines include components and services.