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## Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]



November 1, 2024

Company name: Kurimoto, Ltd.

Stock exchange listing: Tokyo

Code number: 5602

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Scheduled date of filing semi-annual securities report: November 1, 2024

Scheduled date of commencing dividend payments: December 2, 2024

Preparation of supplementary material on financial results: Available

Holding of financial results briefing: Not Scheduled

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

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

|                                     | Net sales   |       | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |        |
|-------------------------------------|-------------|-------|------------------|--------|-----------------|--------|---|--------|
|                                     | Million yen | %     | Million yen      | %      | Million yen     | %      | Million yen                             | %      |
| Six months ended September 30, 2024 | 58,911      | (1.7) | 2,967            | (19.6) | 3,192           | (20.8) | 2,502                                   | (13.2) |
| Six months ended September 30, 2023 | 59,951      | 10.9  | 3,693            | 62.1   | 4,032           | 71.6   | 2,883                                   | 76.5   |

(Note) Comprehensive income: Six months ended September 30, 2024: ¥2,762 million [(52.4)%]  
Six months ended September 30, 2023: ¥5,801 million [214.8%]

|                                     | Basic earnings per share | Diluted earnings per share |
|-------------------------------------|--------------------------|----------------------------|
|                                     | Yen                      | Yen                        |
| Six months ended September 30, 2024 | 206.39                   | —                          |
| Six months ended September 30, 2023 | 237.71                   | —                          |

#### (2) Consolidated Financial Position

|                          | Total assets | Net assets  | Equity ratio |
|--------------------------|--------------|-------------|--------------|
|                          | Million yen  | Million yen | %            |
| As of September 30, 2024 | 145,597      | 83,924      | 57.0         |
| As of March 31, 2024     | 151,176      | 82,730      | 54.1         |

(Reference) Equity: As of September 30, 2024: ¥82,968 million  
As of March 31, 2024: ¥81,739 million

### 2. Dividends

|  | Annual dividends |                 |                 |          |        |
|--|------------------|-----------------|-----------------|----------|--------|
|  | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total  |
|  | Yen              | Yen             | Yen             | Yen      | Yen    |
| Fiscal year ended March 31, 2024             | —                | 50.00           | —               | 120.00   | 170.00 |
| Fiscal year ending March 31, 2025            | —                | 104.00          | —               | —        | —      |
| Fiscal year ending March 31, 2025 (Forecast) | —                | —               | —               | 125.00   | 229.00 |

(Note) Revision to the forecast for dividends announced most recently: Yes

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

(% indicates changes from the previous corresponding period.)

|           | Net sales   |       | Operating profit |       | Ordinary profit |       | Profit attributable to owners of parent |     | Basic earnings per share |
|-----------|-------------|-------|------------------|-------|-----------------|-------|---|-----|--------------------------|
| Full year | Million yen | %     | Million yen      | %     | Million yen     | %     | Million yen                             | %   | Yen                      |
|           | 124,000     | (1.5) | 7,000            | (6.2) | 7,200           | (7.9) | 5,500                                   | 0.5 | 453.56                   |

(Note) Revision to the financial results forecast announced most recently: Yes

#### \* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: One company (SANKYO MACHINERY, LTD.)

Excluded: –

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: None

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

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

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(Note) For details, please refer to “2. Semi-annual Consolidated Financial Statements and Primary Notes (4) Notes to Semi-annual Consolidated Financial Statements (Changes in accounting policies)” on page 9 of the Attachments.

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

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

September 30, 2024: 12,798,490 shares

March 31, 2024: 12,798,490 shares

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

September 30, 2024: 671,168 shares

March 31, 2024: 677,656 shares

3) Average number of shares during the period (cumulative from the beginning of the fiscal year):

Six months ended September 30, 2024: 12,125,155 shares

Six months ended September 30, 2023: 12,130,511 shares

(Note) The number of treasury shares to be deducted for calculating the total number of treasury shares at the end of the period and the average number of shares during the period includes the Company’s shares held by Custody Bank of Japan, Ltd. (Trust E Account) as trust assets under the Board Benefit Trust.

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Explanation of the proper use of financial results forecasts and other notes

(Cautionary note on forward-looking statements, etc.)

Financial results forecasts and other forward-looking statements provided in this document are based on information currently available to the Company and certain assumptions deemed reasonable, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Attachments for conditions forming the basis for financial results forecasts, and notes regarding the use of financial results forecasts.

(Supplementary explanatory materials on semi-annual financial results, etc.)

Supplementary explanatory materials on semi-annual financial results and explanation video will be made available in Japanese on the Company’s website on Friday, November 22, 2024.

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## 1. Overview of Operating Results, etc.

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

During the six months ended September 30, 2024, the Japanese economy remained on a moderate recovery path as social and economic activities gradually returned to normal and the employment and income environment improved after the COVID-19 pandemic subsided. This recovery persisted despite a surge in raw material and energy prices, rising prices, and fluctuations in foreign exchange rates and stock prices amid the instability of the global situation.

Under these circumstances, the Group has been expanding its business and working to further enhance its corporate value and bolster its management base by continuing to strengthen its cost reduction and sales activities.

For the Group's financial results for the six months ended September 30, 2024, net sales decreased by ¥1,039 million year on year to ¥58,911 million, as a result of decreased sales in the Lifeline business and Industrial Materials business, despite the increased sales in the Machinery System business.

For profit and loss, operating profit decreased by ¥725 million year on year to ¥2,967 million, ordinary profit decreased by ¥840 million year on year to ¥3,192 million mainly due to a decrease in net sales and an increase in selling, general and administrative expenses, and profit attributable to owners of parent decreased by ¥381 million year on year to ¥2,502 million, primarily due to the recording of gain on sale of investment securities, gain on revision of retirement benefit plan, and income taxes.

Operating results by segment were as follows:

In the Lifeline business, net sales decreased by ¥1,738 million year on year to ¥29,354 million, mainly due to a decrease in the Group company's sales in the Pipe Systems Division, despite an increase in sales of products for electric power and steel industries in the Valve Systems Division.

Operating profit decreased by ¥568 million year on year to ¥1,859 million, mainly reflecting decreased revenue of a Group company in the Pipe Systems Division.

In the Machinery System business, net sales increased by ¥713 million year on year to ¥14,868 million mainly due to an increase in sales of presses and plant projects in the Plant Engineering & Machinery Division and, in addition, reflecting that SANKYO MACHINERY, LTD. became a group company in the Materials & Machinery Division.

Operating profit increased by ¥312 million year on year to ¥930 million, mainly reflecting profit growth on account of increased revenue in the Plant Engineering & Machinery Division.

In the Industrial Materials business, net sales decreased by ¥14 million year on year to ¥14,687 million, mainly due to deferred shipping by the Group company, while shipping went smoothly in the electric power and communications industries segment of the Plastic Products Division.

Operating profit decreased by ¥482 million year on year to ¥286 million, mainly reflecting the occurrence of additional work in the construction project of the Group company.

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

Total assets as of September 30, 2024 decreased by ¥5,579 million from the end of the previous consolidated fiscal year to ¥145,597 million, mainly due to decreases in cash and deposits, notes and accounts receivable - trade, and contract assets and electronically recorded monetary claims - operating, despite increases in merchandise and finished goods and work in process.

Liabilities decreased by ¥6,773 million from the end of the previous consolidated fiscal year to ¥61,673

million, mainly owing to decreases in notes and accounts payable - trade, electronically recorded obligations - operating, and retirement benefit liability, despite an increase in short-term borrowings.

Net assets increased by ¥1,194 million from the end of the previous consolidated fiscal year to ¥83,924 million. This is mainly attributable to the recording of profit attributable to owners of parent, despite a decrease due to dividends payments and a decrease in valuation difference on available-for-sale securities.

### **Cash Flows**

(Cash flows from operating activities)

Net cash used in operating activities during the six months ended September 30, 2024 amounted to ¥2,435 million. This is mainly attributable to the recording of profit before income taxes, depreciation, a decrease in trade payables, and a decrease in retirement benefit liability.

(Cash flows from investing activities)

Net cash used in investing activities during the six months ended September 30, 2024 amounted to ¥1,783 million. This is mainly attributable to the purchase of property, plant and equipment and intangible assets.

(Cash flows from financing activities)

Net cash provided by financing activities during the six months ended September 30, 2024 amounted to ¥2,193 million. This is mainly attributable to an increase in short-term borrowings and dividends payments.

### **(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information**

Considering the recent performance trend, the Company has revised the full-year consolidated financial results forecast for the fiscal year ending March 31, 2025 released on May 14, 2024.

For details, please see the “Revisions to the Consolidated Financial Results Forecast and Forecast for Dividends” released on November 1, 2024.

## 2. Semi-annual Consolidated Financial Statements and Primary Notes

### (1) Semi-annual Consolidated Balance Sheets

(Million yen)

|  | As of March 31, 2024 | As of September 30, 2024 |
|--|----------------------|--------------------------|
| <b>Assets</b>  |                      |                          |
| Current assets   |                      |                          |
| Cash and deposits  | 19,368               | 17,409                   |
| Notes and accounts receivable - trade, and contract assets | 38,172               | 36,717                   |
| Electronically recorded monetary claims - operating        | 12,940               | 9,401                    |
| Merchandise and finished goods                             | 11,699               | 12,500                   |
| Work in process  | 8,053                | 8,758                    |
| Raw materials and supplies                                 | 3,659                | 3,611                    |
| Other  | 1,137                | 1,269                    |
| Allowance for doubtful accounts                            | (42)                 | (39)                     |
| <b>Total current assets</b>                                | <b>94,987</b>        | <b>89,627</b>            |
| Non-current assets   |                      |                          |
| Property, plant and equipment                              |                      |                          |
| Land   | 13,926               | 14,028                   |
| Other, net   | 19,494               | 20,241                   |
| <b>Total property, plant and equipment</b>                 | <b>33,421</b>        | <b>34,269</b>            |
| Intangible assets  |                      |                          |
| Other  | 1,182                | 1,258                    |
| <b>Total intangible assets</b>                             | <b>1,182</b>         | <b>1,258</b>             |
| Investments and other assets                               |                      |                          |
| Investment securities                                      | 18,870               | 18,242                   |
| Other  | 2,877                | 2,366                    |
| Allowance for doubtful accounts                            | (162)                | (168)                    |
| <b>Total investments and other assets</b>                  | <b>21,585</b>        | <b>20,441</b>            |
| <b>Total non-current assets</b>                            | <b>56,189</b>        | <b>55,969</b>            |
| <b>Total assets</b>  | <b>151,176</b>       | <b>145,597</b>           |

(Million yen)

|   | As of March 31, 2024 | As of September 30, 2024 |
|---|----------------------|--------------------------|
| <b>Liabilities</b>                                    |                      |                          |
| Current liabilities                                   |                      |                          |
| Notes and accounts payable - trade                    | 14,036               | 11,570                   |
| Electronically recorded obligations - operating       | 20,543               | 16,530                   |
| Short-term borrowings                                 | 12,290               | 16,530                   |
| Current portion of long-term borrowings               | 678                  | 620                      |
| Income taxes payable                                  | 1,387                | 564                      |
| Provision for bonuses                                 | 3,124                | 2,278                    |
| Other provisions                                      | 496                  | 350                      |
| Other   | 6,884                | 6,383                    |
| Total current liabilities                             | 59,442               | 54,828                   |
| Non-current liabilities                               |                      |                          |
| Long-term borrowings                                  | 1,131                | 850                      |
| Provisions  | 1                    | -                        |
| Retirement benefit liability                          | 6,461                | 3,186                    |
| Other   | 1,409                | 2,807                    |
| Total non-current liabilities                         | 9,003                | 6,844                    |
| Total liabilities                                     | 68,446               | 61,673                   |
| <b>Net assets</b>                                     |                      |                          |
| Shareholders' equity                                  |                      |                          |
| Share capital   | 31,186               | 31,186                   |
| Capital surplus                                       | 6,895                | 6,896                    |
| Retained earnings                                     | 34,520               | 35,565                   |
| Treasury shares                                       | (1,483)              | (1,473)                  |
| Total shareholders' equity                            | 71,119               | 72,174                   |
| Accumulated other comprehensive income                |                      |                          |
| Valuation difference on available-for-sale securities | 8,886                | 8,442                    |
| Deferred gains or losses on hedges                    | -                    | (0)                      |
| Foreign currency translation adjustment               | 292                  | 485                      |
| Remeasurements of defined benefit plans               | 1,440                | 1,865                    |
| Total accumulated other comprehensive income          | 10,619               | 10,793                   |
| Non-controlling interests                             | 991                  | 955                      |
| Total net assets                                      | 82,730               | 83,924                   |
| Total liabilities and net assets                      | 151,176              | 145,597                  |

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income  
Semi-annual Consolidated Statements of Income  
Six Months Ended September 30

(Million yen)

|  | For the six months<br>ended September 30, 2023 | For the six months<br>ended September 30, 2024 |
|--|--|--|
| Net sales  | 59,951   | 58,911   |
| Cost of sales                                    | 44,996   | 43,887   |
| Gross profit                                     | 14,954   | 15,024   |
| Selling, general and administrative expenses     | 11,261   | 12,056   |
| Operating profit                                 | 3,693  | 2,967  |
| Non-operating income                             |  |  |
| Dividend income                                  | 210  | 303  |
| Other  | 323  | 265  |
| Total non-operating income                       | 534  | 569  |
| Non-operating expenses                           |  |  |
| Interest expenses                                | 88   | 91   |
| Fixed asset retirement expenses                  | 32   | 93   |
| Other  | 73   | 160  |
| Total non-operating expenses                     | 194  | 344  |
| Ordinary profit                                  | 4,032  | 3,192  |
| Extraordinary income                             |  |  |
| Gain on sale of investment securities            | -  | 123  |
| Gain on revision of retirement benefit plan      | -  | 197  |
| Other  | 18   | -  |
| Total extraordinary income                       | 18   | 321  |
| Extraordinary losses                             |  |  |
| Loss on valuation of golf club membership        | 0  | 7  |
| Other  | -  | 0  |
| Total extraordinary losses                       | 0  | 8  |
| Profit before income taxes                       | 4,050  | 3,505  |
| Income taxes - current                           | 758  | 370  |
| Income taxes - deferred                          | 350  | 545  |
| Total income taxes                               | 1,108  | 916  |
| Profit   | 2,941  | 2,588  |
| Profit attributable to non-controlling interests | 58   | 86   |
| Profit attributable to owners of parent          | 2,883  | 2,502  |



Semi-annual Consolidated Statements of Comprehensive Income  
Six Months Ended September 30

(Million yen)

|  | For the six months<br>ended September 30, 2023 | For the six months<br>ended September 30, 2024 |
|--|--|--|
| Profit   | 2,941  | 2,588  |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 2,691  | (443)  |
| Deferred gains or losses on hedges                             | (0)  | (0)  |
| Foreign currency translation adjustment                        | 129  | 193  |
| Remeasurements of defined benefit plans, net of tax            | 38   | 424  |
| Total other comprehensive income                               | 2,859  | 173  |
| Comprehensive income   | 5,801  | 2,762  |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 5,743  | 2,677  |
| Comprehensive income attributable to non-controlling interests | 57   | 85   |

## (3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

|  | For the six months<br>ended September 30, 2023 | For the six months<br>ended September 30, 2024 |
|--|--|--|
| <b>Cash flows from operating activities</b>  |  |  |
| Profit before income taxes   | 4,050  | 3,505  |
| Depreciation   | 1,467  | 1,506  |
| Increase (decrease) in allowance for doubtful accounts                               | (79)   | 4  |
| Interest and dividend income   | (211)  | (305)  |
| Interest expenses  | 88   | 91   |
| Decrease (increase) in trade receivables   | 4,528  | 4,375  |
| Decrease (increase) in inventories   | (2,682)  | (1,316)  |
| Increase (decrease) in trade payables  | 4,754  | (6,928)  |
| Increase (decrease) in retirement benefit liability                                  | 59   | (2,685)  |
| Loss (gain) on sale of short-term and long-term investment securities                | -  | (123)  |
| Loss (gain) on sale of property, plant and equipment and intangible assets           | 1  | (3)  |
| Loss on retirement of property, plant and equipment and intangible assets            | 9  | 5  |
| Other, net   | (1,873)  | 385  |
| <b>Subtotal</b>  | <b>10,111</b>                                  | <b>(1,487)</b>                                 |
| Interest and dividends received  | 253  | 330  |
| Interest paid  | (89)   | (120)  |
| Income taxes paid  | (1,956)  | (1,157)  |
| <b>Net cash provided by (used in) operating activities</b>                           | <b>8,320</b>                                   | <b>(2,435)</b>                                 |
| <b>Cash flows from investing activities</b>  |  |  |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation     | -  | (348)  |
| Purchase of short-term and long-term investment securities                           | (0)  | (0)  |
| Proceeds from sale of short-term and long-term investment securities                 | -  | 202  |
| Purchase of property, plant and equipment and intangible assets                      | (1,406)  | (1,566)  |
| Proceeds from sale of property, plant and equipment and intangible assets            | 21   | 8  |
| Proceeds from collection of loans receivable   | 74   | 0  |
| Other, net   | 46   | (79)   |
| <b>Net cash provided by (used in) investing activities</b>                           | <b>(1,264)</b>                                 | <b>(1,783)</b>                                 |
| <b>Cash flows from financing activities</b>  |  |  |
| Net increase (decrease) in short-term borrowings                                     | (1,840)  | 4,150  |
| Repayments of long-term borrowings   | (340)  | (338)  |
| Repayments of lease liabilities  | (36)   | (43)   |
| Purchase of treasury shares  | (700)  | (0)  |
| Purchase of treasury shares of subsidiaries  | -  | (110)  |
| Purchase of shares of subsidiaries not resulting in change in scope of consolidation | (438)  | -  |
| Dividends paid   | (611)  | (1,453)  |
| Dividends paid to non-controlling interests  | (24)   | (10)   |
| <b>Net cash provided by (used in) financing activities</b>                           | <b>(3,991)</b>                                 | <b>2,193</b>                                   |
| Effect of exchange rate change on cash and cash equivalents                          | 52   | 63   |
| <b>Net increase (decrease) in cash and cash equivalents</b>                          | <b>3,116</b>                                   | <b>(1,962)</b>                                 |
| <b>Cash and cash equivalents at beginning of period</b>                              | <b>20,275</b>                                  | <b>19,306</b>                                  |
| <b>Cash and cash equivalents at end of period</b>                                    | <b>23,391</b>                                  | <b>17,343</b>                                  |

#### (4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in shareholders' equity)

There is no relevant information.

(Changes in scope of consolidation or scope of application of equity method)

Significant changes in the scope of consolidation

From the six months ended September 30, 2024, the Group's newly acquired SANKYO MACHINERY, LTD. has been included in the scope of consolidation.

(Changes in accounting policies)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022"), etc. from the beginning of the six months ended September 30, 2024.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). The change in accounting policies had no impact on the semi-annual consolidated financial statements.

With regard to revisions related to changes in the accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the six months ended September 30, 2024. The change in accounting policies was applied retrospectively and the semi-annual consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the previous fiscal year have been modified retrospectively. The change in the accounting policies had no impact on the semi-annual consolidated financial statements for the six months ended September 30, 2023 and the consolidated financial statements for the previous fiscal year.

(Segment information, etc.)

[Segment Information]

#### I For the six months ended September 30, 2023

##### 1. Information on net sales and profit (loss) by reportable segment

(Million yen)

|   | Reportable segment   |                                 |                                     | Total  | Adjustment<br>(Note 1) | Amount<br>recorded in<br>Semi-annual<br>Consolidated<br>Statements of<br>Income<br>(Note 2) |
|---|----------------------|---------------------------------|-------------------------------------|--------|------------------------|---|
|   | Lifeline<br>business | Machinery<br>System<br>business | Industrial<br>Materials<br>business |        |                        |   |
| Net sales                               |                      |                                 |                                     |        |                        |   |
| Net sales to outside customers          | 31,093               | 14,155                          | 14,702                              | 59,951 | —                      | 59,951  |
| Inter-segment net sales<br>or transfers | 54                   | 56                              | 7                                   | 118    | (118)                  | —   |
| Total                                   | 31,147               | 14,211                          | 14,710                              | 60,069 | (118)                  | 59,951  |
| Segment profit                          | 2,428                | 617                             | 768                                 | 3,814  | (121)                  | 3,693   |

(Notes) 1. Adjustment of segment profit of ¥(121) million includes ¥7 million for inter-segment transaction eliminations, ¥292 million for allocation difference of selling, general and administrative expenses and experimentation and research expenses borne by each reportable segment, and ¥(421) million

for inventory adjustments.

2. Adjustments are made to reconcile segment profit to operating profit reported on the semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant impairment losses related to non-current assets)

There is no relevant information.

(Significant changes in goodwill)

There is no relevant information.

(Significant gain on negative goodwill)

There is no relevant information.

II For the six months ended September 30, 2024

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

|   | Reportable segment   |                                 |                                     | Total  | Adjustment<br>(Note 1) | Amount<br>recorded in<br>Semi-annual<br>Consolidated<br>Statements of<br>Income<br>(Note 2) |
|---|----------------------|---------------------------------|-------------------------------------|--------|------------------------|---|
|   | Lifeline<br>business | Machinery<br>System<br>business | Industrial<br>Materials<br>business |        |                        |   |
| Net sales                               |                      |                                 |                                     |        |                        |   |
| Net sales to outside customers          | 29,354               | 14,868                          | 14,687                              | 58,911 | —                      | 58,911  |
| Inter-segment net sales<br>or transfers | 50                   | 53                              | 7                                   | 112    | (112)                  | —   |
| Total                                   | 29,405               | 14,922                          | 14,695                              | 59,023 | (112)                  | 58,911  |
| Segment profit                          | 1,859                | 930                             | 286                                 | 3,077  | (109)                  | 2,967   |

(Notes) 1. Adjustment of segment profit of ¥(109) million includes ¥8 million for inter-segment transaction eliminations, ¥266 million for allocation difference of selling, general and administrative expenses and experimentation and research expenses borne by each reportable segment, and ¥(384) million for inventory adjustments.

2. Adjustments are made to reconcile segment profit to operating profit reported on the semi-annual consolidated statements of income.

2. Information on impairment losses on non-current assets and goodwill by reportable segment

(Significant impairment losses related to non-current assets)

There is no relevant information.

(Significant changes in goodwill)

In the Machinery System business segment, goodwill of ¥262 million was generated as the Company acquired all of shares of SANKYO MACHINERY, LTD., which was included in the scope of consolidation during the six months ended September 30, 2024.

(Significant gain on negative goodwill)

There is no relevant information.