

Highlights of Consolidated Results for the Three Months and the First Quarter of Fiscal Year ending March 31, 2024

	Millions of yen (except for per share amounts)		
	Three months ended Jun. 30, 2022	Three months ended Jun. 30, 2023	Change
Revenue	199,734	200,407	0.3%
Business segment profit	24,788	23,134	-6.7%
Operating profit	25,018	22,025	-12.0%
Profit before income taxes	25,297	22,652	-10.5%
Profit for the period	17,393	16,252	-6.6%
Profit for the period attributable to owners of the parent company	17,389	16,243	-6.6%
Comprehensive income for the period	48,555	54,371	12.0%
Basic earnings per share for the period (yen)	67.60	63.55	
Diluted earnings per share for the period (yen)	67.40	63.38	

(Note) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

	As of Mar. 31, 2023	As of Jun. 30, 2023
Total assets	850,486	873,281
Total equity	596,680	642,350
Equity attributable to owners of the parent company	596,619	642,280
Equity attributable to owners of the parent company ratio	70.2 %	73.5 %
Equity attributable to owners of the parent company per share (yen)	2,334.34	2,512.90

Highlights of Consolidated Forecast for Fiscal Year ending March 31, 2024

	Millions of yen (except for per share amounts)		
	Year ended Mar. 31, 2023	[Forecast] Year ended Mar. 31, 2024	Change
Revenue	815,269	840,000	3.0%
Business segment profit	60,404	70,000	15.9%
Operating profit	55,378	70,000	26.4%
Profit before income taxes	56,953	70,000	22.9%
Profit for the period	39,086	50,000	27.9%
Profit for the period attributable to owners of the parent company	39,082	50,000	27.9%
Basic earnings per share for the period (yen)	152.67	195.32	
Dividends per common share (yen)	68.00	68.00	

(Note) Business segment profit is calculated by subtracting cost of sales and selling, general and administrative expenses from revenue.

Notes:

- 1) The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).
- 2) Amounts less than 1 million yen have been rounded down.
- 3) Operating results for the three months ended Jun. 30, 2023 are based on the following currency exchange rates:
Actual average rates for the year ended Jun. 30, 2023: US\$=138.11 yen, EURO=150.35 yen
Forecasts for the year ending Mar. 31, 2024 are based on the following currency exchange rates:
Assumed average rates for the year ending Mar. 31, 2024: US\$=135.00 yen, EURO=140.00 yen
- 4) Number of shares outstanding (including treasury stock): 257,755 thousands as of Mar. 31, 2023, 257,755 thousands as of Jun. 30, 2023
Number of treasury stock outstanding: 2,172 thousands as of Mar. 31, 2023, 2,163 thousands as of Jun. 30, 2023
Number of weighted average shares:
257,235 thousands during the three months ended Jun. 30, 2022, 255,589 thousands during the three months ended Jun. 30, 2023
(Note) The Company has introduced a Performance Share using a BIP trust for directors, and the Company's shares held by the trust (258,000 shares for the first quarter of the year ended Mar. 31, 2023, 255,739 shares for the first quarter of the year ended Mar. 31, 2024) are included in treasury stock.

Consolidated Statement of Financial Position

	Millions of yen	
	FY2022 (As of March 31, 2023)	FY2023 (As of Jun. 30, 2023)
Assets		
Current assets		
Cash and cash equivalents	119,042	109,200
Trade and other receivables	123,260	122,078
Other financial assets	10,867	14,373
Inventories	222,133	233,822
Other current assets	36,441	36,797
Total current assets	511,746	516,272
Non-current assets		
Property, plant and equipment	128,496	131,933
Right-of-use assets	25,002	26,564
Investment property	6,217	6,137
Goodwill and intangible assets	114,220	123,210
Investments accounted for using the equity method	2,006	1,980
Other financial assets	29,497	31,764
Deferred tax assets	20,818	21,663
Other non-current assets	12,480	13,753
Total non-current assets	338,740	357,009
Total assets	850,486	873,281

Millions of yen

	FY2022 (As of March 31, 2023)	FY2023 (As of Jun. 30, 2023)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	82,755	69,619
Bonds and borrowings	36,823	22,564
Other financial liabilities	9,387	12,113
Income tax payables	5,472	6,334
Provisions	4,031	4,029
Contract liabilities	6,556	6,867
Other current liabilities	56,249	53,620
Total current liabilities	201,276	175,149
Non-current liabilities		
Bonds and borrowings	600	600
Other financial liabilities	23,105	24,189
Retirement benefits liabilities	14,997	16,209
Provisions	3,593	3,861
Deferred tax liabilities	7,055	7,590
Contract liabilities	2,049	2,160
Other non-current liabilities	1,127	1,169
Total non-current liabilities	52,529	55,781
Total liabilities	253,806	230,930
Equity		
Capital stock	19,209	19,209
Capital surplus	17,849	17,841
Retained earnings	568,055	576,766
Treasury stock	(3,533)	(3,513)
Other components of equity	(4,962)	31,976
Equity attributable to owners of the parent company	596,619	642,280
Non-controlling interests	60	70
Total equity	596,680	642,350
Total equity and liabilities	850,486	873,281

Consolidated Statement of Income

	Millions of yen	
	FY2022 (Three months ended Jun. 30, 2022)	FY2023 (Three months ended Jun. 30, 2023)
Revenue	199,734	200,407
Cost of sales	(115,626)	(112,494)
Gross profit	84,108	87,913
Selling, general and administrative expenses	(59,319)	(64,778)
Other income	1,207	1,534
Other expenses	(977)	(2,643)
Operating profit	25,018	22,025
Finance income	3,401	2,173
Finance expenses	(3,174)	(1,616)
Share of profit/(loss) of investments accounted for using the equity method	53	69
Profit before income taxes	25,297	22,652
Income tax expenses	(7,904)	(6,399)
profit for the period	17,393	16,252
profit for the period attributable to:		
Owners of the parent company	17,389	16,243
Non-controlling interests	4	9
profit for the period	17,393	16,252

	Yen	
	FY2022 (Three months ended Jun. 30, 2022)	FY2023 (Three months ended Jun. 30, 2023)
Earnings per share		
Basic earnings per share	67.60	63.55
Diluted earnings per share	67.40	63.38

Consolidated Statement of Comprehensive Income

	Millions of yen	
	FY2022 (Three months ended Jun. 30, 2022)	FY2023 (Three months ended Jun. 30, 2023)
Profit for the period	17,393	16,252
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss		
Gains/(Losses) on investments in equity instruments designated as FVTOCI	(544)	1,181
Total of items that will not be reclassified subsequently to profit or loss	(544)	1,181
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	31,706	36,938
Total of items that may be reclassified subsequently to profit or loss	31,706	36,938
Other comprehensive income for the period, net of income tax	31,162	38,119
Comprehensive income for the period	48,555	54,371
Comprehensive income for the period attributable to:		
Owners of the parent company	48,551	54,362
Non-controlling interests	4	9
Comprehensive income for the period	48,555	54,371

Consolidated Statement of Changes in Equity
FY2022 (Three months ended Jun. 30, 2022)

(Millions of yen)

	Equity attributable to owners of the parent company					Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(losses) on investments in equity instruments designated as FVTOCI	
	Balance as of April 1, 2022	19,209	17,866	554,910	(5,428)	(25,411)	-
Profit for the year	-	-	17,389	-	-	-	
Other comprehensive income	-	-	-	-	31,706	(544)	
Total comprehensive income for the year	-	-	17,389	-	31,706	(544)	
Acquisition of treasury stock	-	-	-	(5,419)	-	-	
Disposal of treasury stock	-	(17)	-	17	-	-	
Dividends paid	-	-	(8,801)	-	-	-	
Reclassification to retained earnings	-	-	(544)	-	-	544	
Total transactions with owners	-	(17)	(9,346)	(5,402)	-	544	
Balance as of Jun. 30, 2022	19,209	17,849	562,953	(10,830)	6,295	-	

	Equity attributable to owners of the parent company		Non-controlling interests	Total equity
	Other components of equity	Total		
	Total			
Balance as of April 1, 2022	(25,411)	561,146	65	561,211
Profit for the year	-	17,389	4	17,393
Other comprehensive income	31,162	31,162	0	31,162
Total comprehensive income for the year	31,162	48,551	4	48,555
Acquisition of treasury stock	-	(5,419)	-	(5,419)
Disposal of treasury stock	-	0	-	0
Dividends paid	-	(8,801)	-	(8,801)
Reclassification to retained earnings	544	-	-	-
Total transactions with owners	544	(14,221)	-	(14,221)
Balance as of Jun. 30, 2022	6,295	595,476	69	595,546

FY2023 (Three months ended Jun. 30, 2023)

(Millions of yen)

	Equity attributable to owners of the parent company				Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Exchange differences on translating foreign operations	Gains/(losses) on investments in equity instruments designated as FVTOCI
Balance as of April 1, 2023	19,209	17,849	568,055	(3,533)	(4,962)	-
Profit for the year	-	-	16,243	-	-	-
Other comprehensive income	-	-	-	-	36,938	1,180
Total comprehensive income for the year	-	-	16,243	-	36,938	1,180
Acquisition of treasury stock	-	-	-	(0)	-	-
Disposal of treasury stock	-	(12)	(2)	20	-	-
Dividends paid	-	-	(8,710)	-	-	-
Share-based payment transaction	-	3	-	-	-	-
Reclassification to retained earnings	-	-	1,180	-	-	(1,180)
Total transactions with owners	-	(8)	(7,532)	19	-	(1,180)
Balance as of Jun. 30, 2023	19,209	17,841	576,766	(3,513)	31,976	-

	Equity attributable to owners of the parent company		Non-controlling interests	Total equity
	Other components of equity	Total		
	Total			
Balance as of April 1, 2023	(4,962)	596,619	60	596,680
Profit for the year	-	16,243	9	16,252
Other comprehensive income	38,119	38,119	0	38,119
Total comprehensive income for the year	38,119	54,362	9	54,371
Acquisition of treasury stock	-	(0)	-	(0)
Disposal of treasury stock	-	5	-	5
Dividends paid	-	(8,710)	-	(8,710)
Share-based payment transaction	-	3	-	3
Reclassification to retained earnings	(1,180)	-	-	-
Total transactions with owners	(1,180)	(8,701)	-	(8,701)
Balance as of Jun. 30, 2023	31,976	642,280	70	642,350

Consolidated Statement of Cash Flows

	Millions of yen	
	FY2022 (Three months ended Jun. 30, 2022)	FY2023 (Three months ended Jun. 30, 2023)
Cash flows from operating activities		
Profit before income taxes	25,297	22,652
Depreciation and amortization	9,993	11,162
Finance expenses/(income)	(226)	(557)
Share of (profit)/loss of investments accounted for using the equity method	(53)	(69)
Losses/(gains) on sale or disposal of fixed assets	51	36
Decrease/(increase) in trade and other receivables	(9,291)	9,461
Decrease/(increase) in inventories	(18,227)	3,040
Increase/(decrease) in trade and other payables	3,850	(15,149)
Decrease/(increase) in retirement benefit assets	(732)	(966)
Increase/(decrease) in retirement benefit liabilities	101	397
Other	(1,989)	(2,021)
Subtotal	8,775	27,987
Interest received	452	695
Dividends received	225	266
Interest paid	(161)	(215)
Income taxes paid	(17,056)	(6,347)
Net cash provided by (used in) operating activities	(7,764)	22,385
Cash flows from investing activities		
Purchases of property, plant and equipment	(7,172)	(7,618)
Proceeds from sales of property, plant and equipment	146	141
Purchases of intangible assets	(2,303)	(1,939)
Purchases of investments in equity instruments	(694)	(755)
Purchases of investments in debt instruments	(274)	(2,237)
Proceeds from sales or redemption of investments in debt instruments	506	921
Other	6	(149)
Net cash provided by (used in) investing activities	(9,785)	(11,637)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,243	(15,616)
Repayment of lease obligations	(1,913)	(1,969)
Dividends paid	(8,801)	(8,710)
Purchase of treasury stock	(5,419)	(0)
Other	0	4
Net cash provided by (used in) financing activities	(14,891)	(26,291)
Effect of exchange rate changes on cash and cash equivalents	10,909	5,701
Net increase/(decrease) in cash and cash equivalents	(21,532)	(9,841)
Cash and cash equivalents at the beginning of the year	167,915	119,042
Cash and cash equivalents at the end of the period	146,382	109,200

Segment Information

FY2022 (Three months ended Jun. 30, 2022)

(Millions of yen)

	Reportable segment							Total	Reconciliations (Note 2)	Consolidated
	Printing & Solutions	Machinery	Domino	Nissei	Personal & Home	Network & Contents	Others (Note 1)			
Revenue										
Customers	121,832	23,420	23,723	5,991	14,209	8,406	2,151	199,734	—	199,734
Intersegment	—	—	—	—	—	—	2,575	2,575	(2,575)	—
Total	121,832	23,420	23,723	5,991	14,209	8,406	4,726	202,309	(2,575)	199,734
Business segment profit	17,880	2,080	1,649	608	1,978	311	280	24,788	0	24,788
Other income and expenses	(949)	343	338	71	16	377	32	229	—	229
Operating profit	16,930	2,423	1,987	679	1,995	688	312	25,018	0	25,018
Finance income and expenses										226
Share of profit/(loss) of investments accounted for using the equity method										53
Profit before income taxes										25,297

(Notes)

- 1) “Others” consists of real estate and other areas of business.
- 2) Reconciliation amount of ¥0 million for segment profit (operating profit) is for the elimination of intersegment transactions.

Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Machinery	Machine Tools, Industrial Sewing Machines, Garment Printers, etc.
Domino	Coding & Marking Equipment, Digital Printing Equipment, etc.
Nissei	Reducers, Gears, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.

FY2023 (Three months ended Jun. 30, 2023)

(Millions of yen)

	Reportable segment							Total	Reconciliations (Note 2)	Consolidated
	Printing & Solutions	Machinery	Domino	Nissei	Personal & Home	Network & Contents	Others (Note 1)			
Revenue										
Customers	127,201	18,756	25,606	5,321	11,456	8,948	3,116	200,407	—	200,407
Intersegment	—	—	—	—	—	—	2,680	2,680	(2,680)	—
Total	127,201	18,756	25,606	5,321	11,456	8,948	5,796	203,087	(2,680)	200,407
Business segment profit/(loss)	19,282	951	2,120	479	(585)	532	352	23,134	0	23,134
Other income and expenses	(1,286)	202	(348)	14	(29)	86	253	(1,109)	—	(1,109)
Operating profit/(loss)	17,996	1,153	1,772	493	(615)	618	606	22,025	0	22,025
Finance income and expenses										557
Share of profit/(loss) of investments accounted for using the equity method										69
Profit before income taxes										22,652

(Notes)

- 1) “Others” consists of real estate and other areas of business.
- 2) Reconciliation amount of ¥0 million for segment profit (operating profit) is for the elimination of intersegment transactions.

Main products in each business segment are as follows:

Printing & Solutions	Printers, All-in-Ones, Labeling Systems, Label Printers, Scanners, etc.
Machinery	Machine Tools, Industrial Sewing Machines, Garment Printers, etc.
Domino	Coding & Marking Equipment, Digital Printing Equipment, etc.
Nissei	Reducers, Gears, etc.
Personal & Home	Home Sewing Machines, Home Cutting Machines, etc.
Network & Contents	Online Karaoke Systems, Management of Karaoke Clubs, Content Services, etc.