



Summary of Financial Statements for the Second Quarter of the Year Ending December 31, 2023 (JGAAP) (Consolidated)

August 9, 2023

Company Name: Sodick Co., Ltd. Stock Exchange: Tokyo Stock Exchange, Prime Market
 Code Number: 6143 URL: <https://www.sodick.co.jp>
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 Scheduled date of filing of quarterly report: August 9, 2023
 Scheduled date of dividend payout: September 6, 2023
 Explanatory documents supplemental to the quarterly financial statements: Yes
 Results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million have been omitted.)

1. Consolidated Results for the 2Q of the Fiscal Year Ending December 31, 2023 (from January 1, 2023 to June 30, 2023)

(1) Consolidated Financial Results (Accumulated Total)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
2Q of the fiscal year ending December 31, 2023	33,479	(14.8)	(390)	—	841	(85.9)	(103)	—
2Q of the fiscal year ended December 31, 2022	39,317	13.9	3,479	28.2	5,958	57.5	4,121	55.6

Note: Comprehensive income: 2Q of the fiscal year ending December 31, 2023 ¥3,241 million (-68.8%)
 2Q of the fiscal year ended December 31, 2022 ¥10,376 million (113.3%)

	Earnings per share	Diluted earnings per share
2Q of the fiscal year ending December 31, 2023	¥ (2.01)	¥ —
2Q of the fiscal year ended December 31, 2022	¥ 76.70	¥ —

Note: Diluted earnings per share for the second quarter of the fiscal year ending December 2023 are not shown in the above table because there are no dilutive shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ Million	¥ Million	%	¥
2Q of the fiscal year ending December 31, 2023	139,144	82,259	59.1	1,620.02
Fiscal year ended December 31, 2022	138,433	80,993	58.5	1,548.28

Reference: Shareholders' equity: 2Q of the fiscal year ending December 31, 2023 ¥82,202 million
 Fiscal year ended December 31, 2022 ¥80,934 million

2. Cash Dividends

	Annual dividend				
	End of 1Q	End of 2Q	End of 3Q	End of 4Q	Total
	¥	¥	¥	¥	¥
Fiscal year ended December 31, 2022	—	13.00	—	14.00	27.00
Fiscal year ending December 31, 2023	—	14.00			
Fiscal year ending December 31, 2023 (Forecast)			—	15.00	29.00

Note: Revisions to the most recently announced dividend forecast: None

3. Forecast for the Fiscal Year Ending December 31, 2023 (From January 1, 2023 to December 31, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥
Full year	70,000	(13.0)	150	(97.4)	1,400	(83.1)	0	—	0.00

Note: Revisions to the most recently announced consolidated results forecast: Yes

*Notes

- (1) Changes in important subsidiaries during the consolidated cumulative second quarter under review (changes in specified subsidiaries resulting in a change in the scope of consolidation): None
- (2) Application of accounting specific to the preparation of quarterly consolidated financial statements: None
- (3) Change of accounting policies; change and/or restatement of accounting estimates
 - (i) Change of accounting policies caused by revision of accounting standards: Yes
 - (ii) Change of accounting policies other than stated in (i): None
 - (iii) Change of accounting estimates: None
 - (iv) Retroactive restatement: None

(4) Number of shares issued and outstanding (shares of common stock)

(i) Shares issued and outstanding as of the balance sheet date (including treasury shares)	2Q of the fiscal year ending December 31, 2023	54,792,239 shares	Fiscal year ended December 31, 2022	57,292,239 shares
(ii) Number of treasury shares as of the balance sheet date	2Q of the fiscal year ending December 31, 2023	4,050,924 shares	Fiscal year ended December 31, 2022	5,018,691 shares
(iii) Average number of shares outstanding during period (quarterly cumulative total)	2Q of the fiscal year ending December 31, 2023	51,259,539 shares	2Q of the fiscal year ended December 31, 2022	53,730,005 shares

* Quarterly financial statements are not subject to a quarterly review by certified public accountants or an audit firm.

* Cautionary statement regarding forward-looking information

The Company bases the above forecasts on judgments that rely on currently available information and contain numerous uncertainties. Changing conditions and other factors may cause actual results to differ from the above forecasts. In addition, for matters regarding forecasts, please refer to: “1. Qualitative Information regarding the Quarterly Financial Statements under Review (3) Explanation regarding Future Forecast Information including Projections of Consolidated Results” on Page 5 of the attachment to this summary of quarterly financial statements.

1. Qualitative Information regarding the Quarterly Financial Statements under Review

Matters concerning the future in the text are based on the judgments of the Company as of the end of the second quarter of the fiscal year under review.

(1) Explanation regarding Results of Operations

During the cumulative second quarter under review, the environment surrounding the Sodick Group remained uncertain owing to global inflation, including high prices of raw materials and energy, supply chain disruptions, concerns about economy recession due to monetary policy tightening, geopolitical risks such as the Russian invasion of Ukraine.

In this external environment, demand for CASE-related products continues to grow in the automotive market, where automation and electrification are advancing. However, demand for semiconductors and electronic components has continued to slow due to ongoing adjustments in both domestic and overseas markets as inventory adjustments and capital expenditures have been curtailed.

The Group strives to contribute to the sustainable development of society through manufacturing as a company that “Creates your Future” by providing the highest value to customers in the spirit of “Create (So),” “Implement (di),” and “Overcome difficulties (ck).” Against the backdrop of technological innovation in the automotive and telecommunications fields, the increasing need for labor saving, and the promotion of carbon neutrality and the Sustainable Development Goals (SDGs), manufacturing sites are also required to improve operability, reduce power consumption and waste, consolidate processes, and promote DX, as well as to improve precision, speed, and automation. Recognizing these “contributions to evolving manufacturing” as important management issues, we are working together to promote business expansion and sustainability initiatives, including the promotion of new product development, the development of total solutions, the enhancement of after-sales services, and the provision of added value using DX.

In sales and service activities, we actively participated in a number of exhibitions, including the China International Machine Tool Exhibition (CIMT 2023), one of the world’s four major machine tool exhibitions, the Chinaplas 2023, the largest exhibition on plastics and rubber in Asia, and the ProPak Asia 2023, the largest international exhibition on manufacturing, processing and packaging of food products, and made efforts to promote the Sodick brand and expand sales.

In addition, we established a sales company in Mexico and started developing its full-scale business in July with the aim of aggressively expanding our business and sales in South America, where further growth is expected.

As a result of these factors, the consolidated net sales for the second quarter under review totaled ¥33,479 million (down 14.8% year on year), with operating loss at ¥390 million (operating profit of ¥3,479 million for the same period of the previous year), ordinary profit at ¥841 million (down 85.9% year on year), and loss attributable to owners of parent at ¥103 million (profit attributable to owners of parent of ¥4,121 million for the same period of the previous year).

The results of operations by segment are as follows:

Machine tool segment	Net sales	¥24,201 million	Y/y change (rate)	Down 14.3%
	Operating profit	¥1,457 million	Y/y change	Down ¥2,481 million
<p>Although demand for CASE-related products continued to be strong and aerospace demand continued to recover in the West, demand for semiconductors and electronic components remained weak in Japan, Greater China, and Asia, resulting in year-on-year decrease in net sales.</p> <p>Segment income decreased significantly from the same period of the previous fiscal year mainly due to lower profitability resulting from production adjustments and higher personnel expenses.</p> <p>On the other hand, as the sophistication of manufacturing is expected to continue in the future, the need for high-speed, high-precision machining is expected to increase. In addition, improvements in operability, energy-saving measures, stable machining over a long period of time, and larger and more complex workpieces are also recognized as important opportunities. Aiming at regions and customers that require high-precision machining, we will further expand sales of electrical discharge machines (EDMs), which are our strength, and at the same time, we will address high-value-added machining needs for metal 3D printers and precision machining centers, which are expected to grow significantly in the medium to long term, by promoting technological development and strengthening our sales structure. In addition, in August, we establish a preparation room for laser processing machines, which are expected to be promising technologies that will significantly transform the automotive, semiconductor, display, and building materials industries.</p>				
Industrial machinery segment	Net sales	¥4,418 million	Y/y change (rate)	Down 15.8%
	Operating profit	¥5 million	Y/y change	Down ¥538 million
<p>Net sales declined year on year due to a decrease in demand for smartphones and electronic components, although demand for and CASE-related products remained strong in Japan. The business environment is expected to be severe, as the adjustment phase in the industrial machinery industry is expected to continue due to the impact of customer inventory adjustment and investment postponement due to market softening in semiconductors and electronic components.</p> <p>On the other hand, in the long term, in Greater China and other Asian regions, demand for ultra-high-precision injection molding machines, which the Company excels at, is expected to increase due to the trend toward higher precision in manufacturing. We also recognize the need to reduce the amount of electricity used and the amount of waste generated by molding as an important opportunity and are developing this business.</p>				
Food machinery segment	Net sales	¥2,448 million	Y/y change (rate)	Up 4.4%
	Operating profit	¥97 million	Y/y change	Up ¥94 million
<p>Demand for noodle making machine-related equipment in Japan and overseas, as well as aseptic-packaged cooked Rice Production Systems for overseas markets, has remained strong, and net sales increased year on year.</p> <p>Demand for fresh noodles and cooked rice is expected to increase in overseas markets, particularly in Greater China and Asia, as a result of improvements in food quality and infrastructure. The Company will establish a new overseas sales division and develop its businesses mainly in East Asia, Southeast Asia and the U.S.</p> <p>In January 2023, a new food machinery plant began operating in the Amoy Factory in Xiamen to strengthen production systems for noodle making machines and rice production systems. In November 2023, a new food machinery plant is scheduled to be completed at the Kaga Factory, and we will further strengthen our competitiveness by developing new technologies and reducing costs.</p> <p>We will continue to develop our sales activities with a view to expanding into other markets, in addition to our proven market for rice and noodle making facilities, and also expand our businesses by further strengthening our maintenance service, which is one of our strengths.</p>				
Others	Net sales	¥2,411 million	Y/y change (rate)	Down 30.8%
	Operating profit	-¥291 million	Y/y change	Down ¥568 million
<p>Other segments consist of precision dies and mold operations involving the made-to-order production of precision connectors and other products, and element technology operations involving the sale, etc. of linear motors and ceramic components. In the mold molding business, net sales decreased year on year due to weak demand for auto-related products, and weakening demand for external sales of ceramics, including continued inventory adjustments in the semiconductor market.</p>				

(2) Explanation regarding Financial Position

Total assets stood at ¥139,144 million as of the end of the second quarter under review, an increase of ¥711 million from the end of the previous fiscal year. The increase was mainly due to an increase of ¥2,398 million in buildings and structures, an increase of ¥1,531 million in machinery, equipment and vehicles, and an increase of ¥1,109 million in merchandise and finished goods, partially offset by an increase of ¥2,581 million in accumulated depreciation, and a decrease of ¥2,260 million in notes and accounts receivable - trade, and contract assets.

Meanwhile, liabilities at the end of the period under review totaled ¥56,885 million, a decrease of ¥553 million from the end of the previous fiscal year. The increase was mainly due to a decrease in electronically recorded obligations - operating of ¥1,235 million and a decrease in notes and accounts payable - trade of ¥977 million, partially offset by an increase in long-term borrowings of ¥1,699 million.

Net assets totaled ¥82,259 million at the end of the period under review, an increase of ¥1,265 million from the end of the previous fiscal year. The decrease was primarily due to an increase of ¥3,074 million in foreign currency translation adjustment and a decrease of ¥730 million in treasury shares, partially offset by a decrease of ¥2,809 million in retained earnings.

(3) Explanation regarding Future Forecast Information including Projections of Consolidated Results

There have been revisions to the projections of results that were announced on February 14, 2023. For details, please refer to “Notice Concerning Differences between Financial Forecasts and Actual Results for Six Months Ended June 30, 2023, Revisions to Full-Year Financial Forecasts, and Reduction in Executive Remuneration” announced on August 9, 2023.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(In million yen)

	Fiscal year ended December 31, 2022 (as of December 31, 2022)	2Q fiscal year ending December 31, 2023 (as of June 30, 2023)
Assets		
Current assets		
Cash and deposits	36,047	35,563
Notes and accounts receivable - trade, and contract assets	15,698	13,438
Electronically recorded monetary claims - operating	2,792	3,008
Merchandise and finished goods	11,856	12,965
Work in process	10,068	9,493
Raw materials and supplies	12,390	12,816
Other	3,850	3,328
Allowance for doubtful accounts	(347)	(375)
Total current assets	92,356	90,238
Non-current assets		
Property, plant and equipment		
Buildings and structures	31,075	33,474
Machinery, equipment and vehicles	23,949	25,480
Other	17,167	17,414
Accumulated depreciation	(40,629)	(43,211)
Total property, plant and equipment	31,562	33,158
Intangible assets		
Goodwill	1,150	1,131
Other	1,471	1,906
Total intangible assets	2,622	3,038
Investments and other assets		
Long-term time deposits	4,562	5,570
Other	7,377	7,185
Allowance for doubtful accounts	(48)	(46)
Total investments and other assets	11,891	12,709
Total non-current assets	46,076	48,906
Total assets	138,433	139,144

Summary of Financial Statements for the Second Quarter of the Year Ending December 31, 2023

(In million yen)

	Fiscal year ended December 31, 2022 (as of December 31, 2022)	2Q fiscal year ending December 31, 2023 (as of June 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,312	4,334
Electronically recorded obligations - operating	6,734	5,498
Short-term borrowings	1,840	2,358
Current portion of bonds payable	140	140
Current portion of long-term borrowings	8,157	8,072
Income taxes payable	1,025	727
Contract liabilities	4,448	4,339
Provisions	1,643	1,723
Other	5,377	5,540
Total current liabilities	34,679	32,734
Non-current liabilities		
Bonds payable	440	370
Long-term borrowings	20,761	22,460
Provisions	78	94
Retirement benefit liability	673	740
Asset retirement obligations	66	67
Other	739	417
Total non-current liabilities	22,760	24,151
Total liabilities	57,439	56,885
Net assets		
Shareholders' equity		
Share capital	24,618	24,618
Capital surplus	9,717	9,717
Retained earnings	40,312	37,503
Treasury shares	(3,739)	(3,009)
Total shareholders' equity	70,909	68,830
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,030	1,300
Foreign currency translation adjustment	9,114	12,189
Remeasurements of defined benefit plans	(120)	(118)
Total accumulated other comprehensive income	10,024	13,371
Non-controlling interests	59	57
Total net assets	80,993	82,259
Total liabilities and net assets	138,433	139,144

(2) Consolidated Statements of Quarterly Income and Comprehensive Income

(Consolidated Statements of Quarterly Income)

(2Q Consolidated Results Accumulation Period)

(In million yen)

	2Q FY ended December. 31, 2022 (from January 1, 2022 to June 30, 2022)	2Q FY ending December. 31, 2023 (from January 1, 2023 to June 30, 2023)
Net sales	39,317	33,479
Cost of sales	26,176	23,236
Gross profit	13,140	10,242
Selling, general and administrative expenses		
Personnel expenses	4,399	4,868
Provision of allowance for doubtful accounts	(52)	11
Other	5,314	5,752
Total selling, general and administrative expenses	9,660	10,632
Operating profit (loss)	3,479	(390)
Non-operating income		
Interest income	182	214
Dividend income	257	46
Foreign exchange gains	2,052	963
Share of profit of entities accounted for using equity method	40	92
Subsidy income	29	19
Gain on sale of scraps	30	17
Other	102	93
Total non-operating income	2,694	1,448
Non-operating expenses		
Interest expenses	150	148
Other	64	67
Total non-operating expenses	215	215
Ordinary profit	5,958	841
Extraordinary income		
Gain on sale of non-current assets	25	19
Total extraordinary income	25	19
Extraordinary losses		
Loss on sale of non-current assets	0	7
Loss on retirement of non-current assets	14	11
Loss on valuation of investment securities	–	12
Extra retirement payments	179	–
Other	0	0
Total extraordinary losses	194	31
Profit before income taxes	5,790	829
Income taxes - current	1,706	700
Income taxes - deferred	(39)	237
Total income taxes	1,666	938
Profit (loss)	4,123	(108)
Profit (loss) attributable to non-controlling interests	2	(5)
Profit (loss) attributable to owners of parent	4,121	(103)

Summary of Financial Statements for the Second Quarter of the Year Ending December 31, 2023

(Consolidated Statement of Quarterly Comprehensive Income)

(2Q Consolidated Results Accumulation Period)

(In million yen)

	2Q FY ended December 31, 2022 (from January 1, 2022 to June 30, 2022)	2Q FY ending December 31, 2023 (from January 1, 2023 to June 30, 2023)
Profit (loss)	4,123	(108)
Other comprehensive income		
Valuation difference on available-for-sale securities	224	270
Foreign currency translation adjustment	5,908	2,996
Remeasurements of defined benefit plans, net of tax	4	2
Share of other comprehensive income of entities accounted for using equity method	116	80
Total other comprehensive income	6,253	3,349
Comprehensive income	10,376	3,241
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,368	3,243
Comprehensive income attributable to non-controlling interests	8	(2)

(3) Quarterly Consolidated Statement of Cash Flows

(In million yen)

	2Q FY ended December. 31, 2022 (from January 1, 2022 to June 30, 2022)	2Q FY ending December. 31, 2023 (from January 1, 2023 to June 30, 2023)
Cash flows from operating activities		
Profit before income taxes	5,790	829
Depreciation	1,705	1,815
Amortization of goodwill	71	75
Increase (decrease) in provision for bonuses	142	110
Increase (decrease) in allowance for doubtful accounts	(54)	11
Increase (decrease) in retirement benefit liability	94	0
Interest and dividend income	(439)	(260)
Interest expenses	150	148
Foreign exchange losses (gains)	(521)	(347)
Extra retirement payments	179	-
Decrease (increase) in trade receivables	1,220	2,402
Decrease (increase) in inventories	(3,427)	468
Increase (decrease) in trade payables	(453)	(2,327)
Increase (decrease) in accounts payable - other	28	(209)
Increase (decrease) in advances received	(4,819)	(136)
Increase (decrease) in accrued consumption taxes	266	719
Increase (decrease) in contract liabilities	5,021	(292)
Decrease (increase) in advance payments to suppliers	(408)	(203)
Other	(2,302)	(1,344)
Subtotal	2,245	1,458
Interest and dividends received	727	172
Interest paid	(150)	(147)
Income taxes refund (paid)	(1,299)	(943)
Net cash provided by (used in) operating activities	1,523	539
Cash flows from investing activities		
Payments into time deposits	(5,604)	(846)
Proceeds from withdrawal of time deposits	-	1,537
Purchase of property, plant and equipment	(1,626)	(1,406)
Proceeds from sale of property, plant and equipment	158	85
Purchase of intangible assets	(227)	(713)
Purchase of investment securities	(0)	-
Purchase of shares of subsidiaries and associates	(480)	(200)
Loan advances	-	(11)
Other	73	33
Net cash provided by (used in) investing activities	(7,705)	(1,521)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(306)	479
Proceeds from long-term borrowings	3,400	6,501
Repayments of long-term borrowings	(3,351)	(4,932)
Redemption of bonds	(70)	(70)
Purchase of treasury shares	(378)	(1,201)
Dividends paid	(702)	(731)
Repayments of finance lease liabilities	(385)	(263)
Net cash provided by (used in) financing activities	(1,795)	(217)
Effect of exchange rate change on cash and cash equivalents	3,404	1,612
Net increase (decrease) in cash and cash equivalents	(4,573)	413
Cash and cash equivalents at beginning of period	44,229	33,158
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	(269)
Cash and cash equivalents at end of period	39,655	33,302

(4) Notes to Quarterly Consolidated Financial Statements

(Note regarding going concern assumptions)

None

(Notes in case of significant variation in shareholders' equity)

(1) Based on a resolution of the Board of Directors' meeting held on November 11, 2022, the Company resolved to purchase treasury shares pursuant to Article 156 of the Companies Act as applied pursuant to Article 165, paragraph 3 of the same Act, and purchased the treasury shares in the current cumulative second quarter.

Increase in treasury shares: ¥1,201 million

(2) At the Board of Directors meeting held on November 11, 2022, the Company resolved to cancel treasury shares pursuant to the provisions of Article 178 of the Companies Act, and cancelled the treasury shares on May 31, 2023.

Decrease in capital surplus: ¥0 million

Decrease in retained earnings: ¥1,856 million

Decrease in treasury shares: ¥1,857 million

(3) Based on a resolution of the Board of Directors meeting held on April 19, 2023, the Company disposed of 102,000 treasury shares as restricted stock compensation on May 17, 2023.

Increase in capital surplus: ¥0 million

Decrease in treasury shares: ¥75 million

As a result, capital surplus, retained earnings, and treasury shares at the end of the consolidated cumulative second quarter of the fiscal year under review were ¥9,717 million, ¥37,503 million, and ¥3,009 million, respectively.

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

Sodick Enterprise (S.Z) Co., Ltd. has been excluded from the scope of consolidation as of the first quarter of the current fiscal year due to a decrease in its materiality.

(Change of accounting policies)

(Application of Accounting Standards for Market Value Calculation)

Applying the Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31, June 17, 2021; hereinafter referred to as the "Guidance on Fair Value Measurement Accounting Standard") from the beginning of the first quarter of the current fiscal year, and in accordance with the transitional treatment set forth in Article 27, paragraph 2 of the Guidance, the Company has decided to apply the new accounting policies set forth in the Guidance on Fair Value Measurement Accounting Standard into the future. There is no impact on the quarterly consolidated financial statements.

(Segment Information, etc.)

I. Previous consolidated cumulative second quarter (from January 1, 2022 to June 30, 2022)

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

(In million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment amount (Note 2)	Amount stated on the quarterly consolidated statement of income (Note 3)
	Machine tool segment	Industrial machinery segment	Food machinery segment	Reportable segment total				
Net sales								
Sales to outside parties	28,245	5,244	2,344	35,834	3,482	39,317	–	39,317
Intersegment sales or transfers	93	159	–	252	1,095	1,348	(1,348)	–
Total	28,338	5,404	2,344	36,087	4,577	40,665	(1,348)	39,317
Segment income (loss)	3,938	544	3	4,486	277	4,763	(1,284)	3,479

- Notes: 1. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.
2. The adjustment amount of -¥1,284 million to segment income includes ¥41 million in eliminations of intersegment transactions and -¥1,326 million in group overhead not allocable to individual reportable segments. Group overhead consists mainly of the cost of head office functions not attributable to any particular reportable segment.
3. Segment income is stated on reconciliation with the operating profit stated in the quarterly consolidated statement of income.

2. Information on impairment losses or goodwill, etc. of non-current assets by reportable segment

None

3. Matters concerning changes in reportable segments

None

II. Current consolidated cumulative second quarter (from January 1, 2023 to June 30, 2023)

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

(In million yen)

	Reportable segment				Others (Note 1)	Total	Adjustment amount (Note 2)	Amount stated on the quarterly consolidated statement of income (Note 3)
	Machine tool segment	Industrial machinery segment	Food machinery segment	Reportable segment total				
Net sales								
Sales to outside parties	24,201	4,418	2,448	31,067	2,411	33,479	–	33,479
Intersegment sales or transfers	21	109	–	130	706	837	(837)	–
Total	24,222	4,527	2,448	31,198	3,118	34,316	(837)	33,479
Segment income (loss)	1,457	5	97	1,560	(291)	1,268	(1,659)	(390)

- Notes: 1. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.
2. The adjustment amount of -¥1,659 million to segment income (loss) includes ¥73 million in eliminations of intersegment transactions and -¥1,732 million in group overhead not allocable to individual reportable segments. Group overhead consists mainly of the cost of head office functions not attributable to any particular reportable segment.
3. Segment income (loss) is stated on reconciliation with the operating profit (loss) stated in the consolidated statement of quarterly income.

2. Information on impairment losses or goodwill, etc. of non-current assets by reportable segment

None

3. Matters concerning changes in reportable segments

None

(Revenue recognition-related matters)

Information about resolved revenue from contracts with customers

Previous consolidated cumulative second quarter (from January 1, 2022 to June 30, 2022)

1. Breakdown of goods and services by type

(In million yen)

	Reportable segment			Others (Note 1)	Total
	Machine tool segment	Industrial machinery segment	Food machinery segment		
Machine sales	22,397	4,467	2,028	3,482	32,376
Maintenance services and consumables	5,847	776	315	–	6,940
Total	28,245	5,244	2,344	3,482	39,317

Notes: 1. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.

2. Amounts after deduction of those of intergroup transactions are shown.

2. Breakdown of overseas sales

(In million yen)

	Reportable segment			Others (Note 2)	Total
	Machine tool segment	Industrial machinery segment	Food machinery segment		
Japan	5,940	2,351	1,358	3,296	12,946
North and South America	3,997	614	8	–	4,619
Europe	3,602	–	–	–	3,602
Greater China	11,732	1,507	743	185	14,170
Asia	2,972	771	233	–	3,978
Total	28,245	5,244	2,344	3,482	39,317

Notes: 1. Revenue by country or region is analyzed based on customers’ locations.

2. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.

3. Amounts after deduction of those of intergroup transactions are shown.

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Current consolidated cumulative second quarter (from January 1, 2023 to June 30, 2023)

1. Breakdown of goods and services by type

(In million yen)

	Reportable segment			Others (Note 1)	Total
	Machine tool segment	Industrial machinery segment	Food machinery segment		
Machine sales	18,091	3,714	2,000	2,411	26,218
Maintenance services and consumables	6,109	703	447	–	7,260
Total	24,201	4,418	2,448	2,411	33,479

Notes: 1. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.

2. Amounts after deduction of those of intergroup transactions are shown.

2. Breakdown of overseas sales

(In million yen)

	Reportable segment			Others (Note 2)	Total
	Machine tool segment	Industrial machinery segment	Food machinery segment		
Japan	5,428	2,062	1,369	2,367	11,228
North and South America	4,182	366	20	–	4,570
Europe	3,224	24	–	–	3,249
Greater China	8,288	1,402	952	43	10,687
Asia	3,077	561	104	–	3,743
Total	24,201	4,418	2,448	2,411	33,479

Notes: 1. Revenue by country or region is analyzed based on customers’ locations.

2. The category headed “Others” covers business segments outside reportable ones, such as precision dies and mold operations, elemental technology operations, etc.

3. Amounts after deduction of those of intergroup transactions are shown.

(Material subsequent events)

None