

FY2024 Third Quarter Consolidated Financial Results [Japan GAAP] (April 1, 2024 through December 31, 2024)

February 10, 2025

Company Name	: ANEST IWATA Corporation
Stock Exchanges on Which the Shares Are Listed	: Tokyo Stock Exchange in Japan
Code Number	: 6381
URL	: https://www.anestiwata-corp.com
Representative	: Shinichi Fukase, President, Representative Director and Chief Executive Officer
Contact Person	: Hitoshi Iwata, Managing Executive Officer, Chief Operating Officer of Business Admin. Div. Tel. +81-(0)45-591-9344
Scheduled Payment Date of Cash Dividends	: -
Supplemental Materials Prepared for Financial Results	: Yes
Holding of Financial Results Meeting	: None

(Amounts are rounded to the nearest million yen)

1. Consolidated Results for FY2024 3rd Quarter (April 1, 2024 through December 31, 2024)

(1) Consolidated Financial Results (Cumulative) (% figures represent year-on-year increase or decrease)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%
FY2024 3rd Quarter	39,988	2.6	4,633	3.1	5,718	(2.3)	3,576	(1.6)
FY2023 3rd Quarter	38,970	11.9	4,494	9.2	5,856	20.7	3,635	18.4

(Note) Comprehensive Income: FY2024 3rd Quarter 4,605 million yen (down 32.7%), FY2023 3rd Quarter 6,841 million yen (up 2.3%)

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
FY2024 3rd Quarter	90.36	—
FY2023 3rd Quarter	89.81	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million Yen	Million Yen	%
As of December 31, 2024	65,726	51,675	69.0
As of March 31, 2024	66,144	50,074	66.8

(Reference) Equity Capital: As of December 31, 2024 45,353 million yen, As of March 31, 2024 44,159 million yen

2. Cash Dividends

	Annual Cash Dividends per Share				
	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	—	22.00	—	27.00	49.00
FY2024	—	22.00	—		
FY2024 (forecast)				23.00	45.00

(Note) Revisions to the forecast of cash dividends since latest announcement: Yes

3. Forecast of Consolidated Results for FY2024 (April 1, 2024 through March 31, 2025)

(% figures represent year-on-year increase or decrease)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent		Basic Earnings per Share
	Million Yen	%	Million Yen	%	Million Yen	%	Million Yen	%	Yen
FY2024	54,500	2.0	5,700	(7.7)	7,100	(11.1)	4,400	(10.8)	111.17

(Note) Revisions to the forecast of consolidated results since latest announcement: Yes

* Notes

- (1) Significant changes in the scope of consolidation during the current consolidated cumulative third quarter: Yes
 New: One company (Company name: ANEST IWATA A.I.R.) Excluded: One company (Company name: ANEST IWATA Italia S.r.l.)
 (Note) For details, refer to "Changes in the scope of consolidation or application of the equity method" on page10 of Attachment.

- (2) Application of account processing specific to the creation of quarterly consolidated financial statements: None

- (3) Change in accounting policy, change in accounting estimates and restatements

- (i) Change in accounting policy due to the revision of accounting standards, etc. : None
 (ii) Change in accounting policy for other reasons : None
 (iii) Change in accounting estimates : None
 (iv) Restatements : None

- (4) Number of shares issued (common share)

(i) Number of shares issued (including treasury shares) at the period-end	As of December 31, 2024	41,745,505 shares	As of March 31, 2024	41,745,505 shares
(ii) Number of treasury shares at the period-end	As of December 31, 2024	2,401,819 shares	As of March 31, 2024	1,949,752 shares
(iii) Average number of shares outstanding in the period (quarterly total)	FY2024 3rd Quarter	39,578,209 shares	FY2023 3rd Quarter	40,478,877 shares

(Note) We have introduced the performance-based stock compensation plan, "Board Benefit Trust (BBT)," since FY2019. Accordingly, in the calculation of the basic earnings per share, 145,400 shares of the Company shares owned by the Trust are included in the treasury shares, which are deducted in the calculation of the number of treasury shares at the period-end and the average number of shares outstanding in the period.

- * Review of the attached quarterly consolidated financial statements by a certified public accountant or an audit corporation: Yes (Optional)

- * Explanation of the appropriate use of the expected results of operations, other special notes (Descriptions about the future)

Forecasts for operations and other descriptions about the future that are contained in this document are based on the information acquired at the time of publication, as well as certain premises that we judge reasonable. The actual results of operations and so on may change greatly as a result of various factors. For information about the conditions acting as the premise for the expected results of operations and notes on the use of the expected results of operations, see "(2) Explanation for the information on future prospects including the expected consolidated results of operations" on page 5 of Attachment.

Note: This document has been translated from the original document in Japanese. In the event of any discrepancy between this English translation and the original document in Japanese, the original document in Japanese shall prevail.

Contents of Attachment

1. Qualitative information for financial results of the current quarter	2
(1) Explanation for results of operations and financial condition	2
(2) Explanation for the information on future prospects including the expected consolidated results of operations	5
2. Quarterly consolidated financial statements and main notes	6
(1) Quarterly consolidated balance sheet.....	6
(2) Quarterly consolidated statement of income and comprehensive income	8
Quarterly consolidated statement of income	8
Quarterly consolidated statement of comprehensive income	9
(3) Notes on quarterly consolidated financial statements	10
(Notes on the premise of a going concern).....	10
(Notes relating to cases in which there are significant changes in the amount of shareholders' equity)	10
(Changes in the scope of consolidation or application of the equity method)	10
(Additional information).....	10
(Related to quarterly consolidated balance sheet)	10
(Related to quarterly consolidated statement of income).....	10
(Notes on statement of cash flows)	10
(Related to shareholders' equity, etc.)	11
(Segment information, etc.)	12
(Related to revenue recognition)	13
(Per share information).....	13
(Important subsequent events).....	13
(4) Others.....	13
Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements	14

1. Qualitative information for financial results of the current quarter

(1) Explanation for results of operations and financial condition

Matters related to the future appearing in this text have been judged by our Group as of the last day of the current consolidated fiscal third quarter.

(i) Overview and results of operations

During the current consolidated cumulative third quarter (April 1, 2024 to December 31, 2024), the improvement in consumption was supported by declining inflation and lower interest rates in some regions. On the other hand, the impact of high interest rates persisted, and the pace of recovery varied by industry sector and region. The Japanese economy experienced a moderate recovery as domestic demand grew due to a recovery in personal consumption resulting from higher wages and an increase in capital investment.

Under these circumstances, our business performance for the current consolidated cumulative third quarter is as follows: net sales standing at 39,988 million yen (up 2.6% from the same consolidated cumulative quarter of the previous fiscal year), operating profit at 4,633 million yen (up 3.1%), ordinary profit at 5,718 million yen (down 2.3%) and profit attributable to owners of parent at 3,576 million yen (down 1.6%).

(Reference values) Results of each division

(Amount: million yen)

Division (Product category)	Nine months ended December 31, 2024			
	Consolidated net sales	Change from the corresponding period of the previous fiscal year	Consolidated operating profit	Change from the corresponding period of the previous fiscal year
Air Energy Division	25,060	1.6%	2,512	(1.3)%
	Air Compressors	22,889	2.0%	
	Vacuum Equipment	2,171	(2.0)%	
Coating Division	14,928	4.3%	2,120	8.8%
	Coating Equipment	13,242	8.7%	
	Coating Systems	1,686	(21.0)%	
Total	39,988	2.6%	4,633	3.1%

(Notes) 1. The consolidated operating profit of each division is calculated with our Group's unique standard.

2. Product category has been changed from the first quarter of the current consolidated fiscal year. Previously, environmental equipment that improves the working environment during coating was classified as "coating equipment," but from the perspective of the nature of the product and sales system, etc., it has been reclassified as "coating systems." For comparative information by product category, the comparison has been done by reclassifying the figures for the previous consolidated cumulative third quarter into the new product categories.

(ii) Results of operations by segment

In the current consolidated cumulative third quarter, there are no major changes in the business activities of our Group (our Company and our affiliated companies). The changes in the affiliated companies are as follows.

Japan

ANEST IWATA A.I.R., Inc., which was newly established on July 12, 2024, has been included in the scope of consolidation.

Europe

ANEST IWATA Italia S.r.l., an Italian consolidated subsidiary, was excluded from the scope of consolidation as it was dissolved on January 1, 2024 through a merger with ANEST IWATA STRATEGIC CENTER S.r.l., a consolidated subsidiary, as the surviving company.

As a result, as of December 31, 2024, the Group consists of our Company, 30 consolidated subsidiaries, and two affiliates.

Results of operations by regional segment, which our Group adopts, are as described below. For details, refer to (Segment information, etc.) in "2. Quarterly consolidated financial statements and main notes - (3) Notes on quarterly consolidated financial statements."

Japan

Net sales stood at 18,122 million yen (down 6.7% from the same consolidated cumulative quarter of the previous fiscal year), and segment profit stood at 1,939 million yen (down 25.7%). The decrease in profit was mainly due to lower sales of products in general, including high-margin products such as vacuum equipment.

In the air compressor field, a backlog of orders, mainly for small air compressors resulting from surge demand before the price hike in October last year, contributed to the increase in sales.

In the vacuum equipment field, sales increased due to an increase in orders for repair and maintenance work related to vacuum pumps at service subsidiaries.

In the coating equipment field, sales of hand spray guns remained stable, while sales of equipment used for applying liquids other than paint grew, mainly in food production, leading to an overall increase in sales.

In the coating system field, sales declined due to a drop in the order backlog at the beginning of the period and a slower pace of order acquisition during the period for coating systems, mainly in automotive production.

Europe

Net sales stood at 7,462 million yen (up 10.2% from the same consolidated cumulative quarter of the previous fiscal year) and segment profit stood at 686 million yen (down 6.7%). The decrease in profit was mainly due to lower sales of oil-free air compressors, which have higher profit margins.

In the air compressor field, sales of oil-free air compressors continue to decline due to changes in demand trends at OEM customers.

In the coating equipment field, sales of spray guns for the car repair market and coating units for the woodworking market, where customer development is progressing, remained strong and sales increased across Europe.

Americas

Net sales stood at 5,761 million yen (up 7.5% from the same consolidated cumulative quarter of the previous fiscal year), and segment profit stood at 806 million yen (up 11.7%).

In the air compressor field, sales of oil-free scroll air compressors mainly for the healthcare market increased in North America.

In the vacuum equipment field, sales are declining due to the lack of spot demand seen in the U.S. in the previous fiscal year, and we are focusing on developing new sales channels.

In the coating equipment field, sales increased due to promising sales of hand spray guns and airbrushes in the U.S. and Brazil.

China

Net sales stood at 9,510 million yen (up 4.7% from the same consolidated cumulative quarter of the previous fiscal year), and segment profit stood at 750 million yen (up 43.5%). The increase in profits was mainly due to the optimization of inventories and the improvement in cost ratio as a result of reviewing the procurement process at a Chinese subsidiary that manufactures and sells air compressors.

In the air compressor field, domestic sales continued to shrink due to sluggish demand. However, export sales by local subsidiaries, mainly to the European and Indian markets, remained strong.

In the vacuum equipment field, sales of vacuum pumps for lithium-ion battery production-related equipment supported performance, but there were signs of a lull in demand.

In the coating equipment field, while inquiries have been increasing as we are focusing our sales efforts on target markets and leveraging distributors, sales declined due to the continued impact of the economic slowdown in China.

In the coating system field, sales increased mainly due to completed deliveries of coating systems related to the production of outdoor goods and transportation equipment.

Others

Net sales stood at 7,299 million yen (down 1.9% from the same consolidated cumulative quarter of the previous fiscal year), and segment profit stood at 1,066 million yen (down 12.5%). The decline in profit was mainly due to lower sales in Thailand and Taiwan.

In the air compressor field, sales declined especially for air compressors for the general-purpose market due to the slowdown in the growth rate of the Indian economy. We are continuing our efforts to construct an assembly plant in order to boost sales of medium-sized air compressors.

In the coating equipment field, sales of hand spray guns primarily targeting the automotive market have increased in India.

In the coating system field, sales increased mainly due to the completion of deliveries of automobile production-related coating systems in India.

(iii) Analysis of financial condition

For assets, our current assets stood at 39,459 million yen (down 2.7% from the previous consolidated fiscal year). This was mainly due to a decrease of 1,117 million yen in "Cash and deposits." Our non-current assets stood at 26,266 million yen (up 2.7%). This was mainly because of an increase of 627 million yen in "Construction in progress" included in "Other, net" with the construction of medium-sized air compressor assembly plants and headquarters prototype buildings in India. As a result, our total assets stood at 65,726 million yen (down 0.6%).

For liabilities, our current liabilities stood at 10,709 million yen (down 16.3%). This was mainly due to a decrease of 991 million yen in "Income taxes payable." Our non-current liabilities stood at 3,341 million yen (up 1.9%). This was mainly due to an increase of 58 million yen in "Retirement benefit liability." As a result, our total liabilities stood at 14,051 million yen (down 12.6%).

Our net assets stood at 51,675 million yen (up 3.2%). This was mainly because of an increase of 1,623 million yen in "Retained earnings" and an increase of 252 million yen in "Foreign currency translation adjustment." Our equity capital, which is calculated by subtracting the non-controlling interests from the net assets, stood at 45,353 million yen, increasing our equity ratio by 2.2 percentage points to 69.0%, from 66.8% at the end of the previous consolidated fiscal year.

(iv) Production results

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Nine months ended December 31, 2024	13,935	3,077	861	6,571	4,513	28,959
Nine months ended December 31, 2023	15,495	1,981	899	6,125	4,639	29,141

(Note) The increase recorded in Europe was mainly due to the increase in production of coating equipment.

(v) Orders received and order backlog

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Orders received in the current consolidated cumulative third quarter	1,529	—	1	222	134	1,888
Order backlog in the current consolidated cumulative third quarter	672	—	—	126	56	854
Orders received in the previous consolidated cumulative third quarter	1,458	—	3	168	285	1,916
Order backlog in the previous consolidated cumulative third quarter	649	—	—	126	401	1,176

(Notes) 1. These orders received and order backlog are for coating system products. Orders received and order backlog are not subject to management because of the short time from order to sale, except for coating system products.

2. Product category has been changed from the first quarter of the current consolidated fiscal year. Previously, environmental equipment that improves the working environment during coating was classified as "coating equipment," but from the perspective of the nature of the product and sales system, etc., it has been reclassified as "coating systems." Accordingly, figures for the current consolidated cumulative third quarter and the previous consolidated cumulative third quarter are presented after applying the change in product categories.

3. The decrease in order backlog in Others was mainly due to a slowdown in the acquisition of capital investment projects related to automobile production in India, and the completion of delivery of large-scale projects in Indonesia.

(vi) Basic policy regarding persons who control decisions on financial and business policies

Our Company has made major changes in the basic policies regarding persons who control decisions on financial and business policies in the first quarter of the current consolidated fiscal year. Details of this are as follows.

As a listed company, we uphold the free trade of our Company shares. The Board of Directors does not flatly deny so-called "hostile takeovers" carried out without its consent, as long as this benefits corporate value and common interests of shareholders. We believe the shareholders who own the Company's shares ultimately decide whether or not to sell their shares in response to a large-scale purchase by a specific person.

However, there are some types of large-scale share purchasers that do not contribute to the improving of corporate value of the target company and the common interests of its shareholders, such as those which

i) could significantly damage corporate value and the common interests of shareholders when judged from their purpose;

ii) may effectively compel shareholders to sell their shares;

iii) do not provide sufficient time or information to the Board of Directors of the target company or shareholders to consider the details of the large-scale purchase of shares or for the Board of Directors of the target company to make an alternative proposal;

iv) require the target company to negotiate with the buyer in order to provide conditions more favorable than those originally offered by the buyer. For this reason, at the Board of Directors meeting held on May 15, 2007, rules regarding large-scale purchase actions (hereinafter referred to as the "Policy") were introduced with the aim of protecting corporate value and the common interests of shareholders and ensuring that shareholders have the time

and information to make an appropriate decision on whether or not to accept a purchase offer, and the continuation of the Policy was resolved at the 77th Ordinary General Shareholders' Meeting held on June 23, 2023. Since the introduction of the Policy, we have been working to build relationships of trust with the various stakeholders who support us, increase our corporate value, and ensure and improve the common interests of our shareholders.

In this environment, we have reviewed our capital policy, setting EPS (earnings per share) as a new management indicator, and have also taken into consideration the latest trends in discussions around the Corporate Governance Code and judicial decisions regarding large-scale purchase actions. As a result, it is concluded that the need for takeover defense measures has decreased compared to when the Policy was first introduced.

Therefore, our Board of Directors has unanimously decided to discontinue (abolish) the Policy with the conclusion of the 78th Ordinary General Shareholders' Meeting.

Even after the expiration of the Policy, we will continue to work to improve our corporate value and secure and improve the common interests of shareholders by promoting business activities aimed at further improvement of our performance and the achievement of sustainable growth.

(2) Explanation for the information on future prospects including the expected consolidated results of operations

We have revised our earnings and dividend forecasts for the fiscal year ending March 2025 from the projections previously announced on May 9, 2024. For further details, please refer to the "Notice Regarding Revisions to Full-Year Consolidated Earnings and Year-End Dividend Forecasts for the Fiscal Year Ending March 2025" published on February 10, 2025.

2. Quarterly consolidated financial statements and main notes

(1) Quarterly consolidated balance sheet

(Amount: million yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	16,931	15,814
Notes and accounts receivable-trade	9,795	9,710
Merchandise and finished goods	7,004	6,621
Work in process	967	1,148
Raw materials and supplies	4,178	4,305
Other	2,062	2,258
Allowance for doubtful accounts	(368)	(398)
Total current assets	40,571	39,459
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,978	6,003
Other, net	7,737	8,649
Total property, plant and equipment	13,715	14,652
Intangible assets		
Goodwill	733	605
Other	2,532	2,514
Total intangible assets	3,266	3,119
Investments and other assets		
Investment securities	6,269	6,154
Other	2,331	2,350
Allowance for doubtful accounts	(10)	(10)
Total investments and other assets	8,590	8,493
Total non-current assets	25,573	26,266
Total assets	66,144	65,726

(Amount: million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,686	5,695
Short-term borrowings	1,146	707
Income taxes payable	1,195	203
Provision for bonuses	841	519
Other provisions	445	402
Other	3,474	3,180
Total current liabilities	12,789	10,709
Non-current liabilities		
Retirement benefit liability	1,170	1,228
Provision for share awards for directors (and other officers)	202	223
Other	1,907	1,889
Total non-current liabilities	3,280	3,341
Total liabilities	16,069	14,051
Net assets		
Shareholders' equity		
Share capital	3,354	3,354
Capital surplus	1,008	1,007
Retained earnings	37,425	39,049
Treasury shares	(2,051)	(2,675)
Total shareholders' equity	39,737	40,735
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	999	972
Foreign currency translation adjustment	3,208	3,461
Remeasurements of defined benefit plans	212	184
Total accumulated other comprehensive income	4,421	4,618
Non-controlling interests	5,915	6,321
Total net assets	50,074	51,675
Total liabilities and net assets	66,144	65,726

(2) Quarterly consolidated statement of income and comprehensive income
Quarterly consolidated statement of income
Consolidated cumulative third quarter

(Amount: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	38,970	39,988
Cost of sales	21,353	21,264
Gross profit	17,617	18,724
Selling, general and administrative expenses	13,122	14,091
Operating profit	4,494	4,633
Non-operating income		
Interest and dividend income	168	225
Foreign exchange gains	538	153
Share of profit of entities accounted for using equity method	602	715
Other	128	111
Total non-operating income	1,437	1,206
Non-operating expenses		
Interest expenses	49	78
Other	26	41
Total non-operating expenses	75	120
Ordinary profit	5,856	5,718
Extraordinary income		
Gain on sale of non-current assets	10	5
Gain on sale of investment securities	14	—
Total extraordinary income	24	5
Extraordinary losses		
Loss on sale and retirement of non-current assets	12	3
Other	—	* 25
Total extraordinary losses	12	28
Profit before income taxes	5,867	5,695
Income taxes - current	1,636	1,255
Income taxes - deferred	(176)	70
Total income taxes	1,460	1,325
Profit	4,407	4,369
Profit attributable to non-controlling interests	772	793
Profit attributable to owners of parent	3,635	3,576

Quarterly consolidated statement of comprehensive income
Consolidated cumulative third quarter

(Amount: million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	4,407	4,369
Other comprehensive income		
Valuation difference on available-for-sale securities	247	(27)
Foreign currency translation adjustment	1,813	239
Remeasurements of defined benefit plans, net of tax	7	(28)
Share of other comprehensive income of entities accounted for using equity method	365	51
Total other comprehensive income	2,433	235
Comprehensive income	6,841	4,605
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,630	3,773
Comprehensive income attributable to non-controlling interests	1,210	832

(3) Notes on quarterly consolidated financial statements

(Notes on the premise of a going concern)

There are no relevant matters.

(Notes relating to cases in which there are significant changes in the amount of shareholders' equity)

There are no relevant matters.

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

Effective from the first quarter of the current consolidated fiscal year, ANEST IWATA Italia S.r.l., which was a consolidated subsidiary, was dissolved through an absorption-type merger on January 1, 2024, with ANEST IWATA STRATEGIC CENTER S.r.l. as the surviving company. Therefore, it is excluded from the scope of consolidation.

ANEST IWATA A.I.R. Corporation, a newly established company, is included in the scope of consolidation from the interim period of the current consolidated fiscal year.

(Additional information)

(Performance-based stock compensation plan for directors and corporate officers)

In accordance with a resolution at the 73rd ordinary general shareholders' meeting, held on June 25, 2019, we have introduced a performance-based stock compensation plan, "Board Benefit Trust (BBT)" (referred to as "this plan" in the remainder of this document), targeted at our directors (excluding audit and supervisory committee members and independent directors) and corporate officers who do not concurrently serve as directors (referred to collectively as "directors and others"), for the purposes of improving mid- to long-term results of operations, increasing our corporate value, and promoting management awareness that puts shareholders first.

(1) Overview of this plan

This plan is a performance-based stock compensation plan whereby the trust established by us (the trust established in accordance with this plan is referred to as "this trust" in the remainder of this document) acquires Company shares by using the money contributed by us as a fund and through this trust, Company shares and money equivalent to the amount of money resulting from translating Company shares at market value (referred to collectively as "Company shares, etc." in the remainder of this document) to directors and others according to the rules for granting shares. The time at which directors and others can be granted Company shares, etc. is, in principle, the time at which the directors and others retire.

(2) Company shares that remain in the trust

Company shares that remain in the trust are recorded as treasury shares in Net assets at the book value (excluding the amount of money of incidental costs) in the trust. At the end of the previous consolidated fiscal year, the book price of the treasury shares is 153 million yen, and the number of shares is 154,200. At the end of the current consolidated cumulative third quarter, the book price of the treasury shares is 145 million yen, and the number of shares is 145,400.

(Related to quarterly consolidated balance sheet)

Notes receivable endorsed

	As of March 31, 2024	As of December 31, 2024
	1,075 million yen	870 million yen

(Related to quarterly consolidated statement of income)

* The "Other" item under "Extraordinary losses" is the amount of loss incurred by an overseas subsidiary as a result of remittance fraud.

(Notes on statement of cash flows)

Quarterly consolidated statement of cash flows for the current consolidated cumulative third quarter has not been prepared. Depreciation (includes amortization related to intangible assets excluding goodwill) and amortization of goodwill for the third quarter consolidated cumulative period are as follows.

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Depreciation	1,452 million yen	1,688 million yen
Amortization of goodwill	177 million yen	139 million yen

(Related to shareholders' equity, etc.)

Nine months ended December 31, 2023

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
June 23, 2023 Ordinary general shareholders' meeting	Common shares	894	22.0	March 31, 2023	June 26, 2023	Retained earnings
November 9, 2023 Board of Directors meeting	Common shares	894	22.0	September 30, 2023	December 7, 2023	Retained earnings

(Notes) 1. The total amount of dividends determined by the resolution of the ordinary general shareholders' meeting held on June 23, 2023 includes dividends of 3 million yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. The total amount of dividends determined by the resolution of the Board of Directors meeting held on November 9, 2023 includes dividends of 3 million yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the nine months ended December 31, 2023, the effective date of the dividend is after December 31, 2023

There are no relevant matters.

3. Significant changes to the shareholders' equity

There are no relevant matters.

Nine months ended December 31, 2024

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (million yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
June 25, 2024 Ordinary general shareholders' meeting	Common shares	1,078	27.0	March 31, 2024	June 26, 2024	Retained earnings
November 11, 2024 Board of Directors meeting	Common shares	874	22.0	September 30, 2024	December 9, 2024	Retained earnings

(Notes) 1. The total amount of dividends determined by the resolution of the ordinary general shareholders' meeting held on June 25, 2024 includes dividends of 4 million yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. The total amount of dividends determined by the resolution of the Board of Directors meeting held on November 11, 2024 includes dividends of 3 million yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the nine months ended December 31, 2024, the effective date of the dividend is after December 31, 2024

There are no relevant matters.

3. Significant changes to the shareholders' equity

There are no relevant matters.

(Segment information, etc.)

[Segment information]

I Nine months ended December 31, 2023

1. Information about the amounts of net sales and profit in each reporting segment and information about the disaggregation of revenue

(Amount: million yen)

	Reporting segment					Total
	Japan	Europe	Americas	China	Others (Note)	
Net sales						
Revenue from contracts with customers	13,400	6,241	5,046	8,321	5,959	38,970
Sales to external customers	13,400	6,241	5,046	8,321	5,959	38,970
Internal sales or transfers between segments	6,025	532	314	764	1,406	9,042
Total	19,426	6,773	5,361	9,085	7,365	48,012
Segment profit	2,609	735	722	522	1,219	5,809

(Note) The "Others" category addresses the business activities of local subsidiaries in Taiwan, India, Thailand, South Korea, Vietnam, Indonesia, Australia and South Africa.

2. Difference between the total amounts of profit of the reporting segments and the amount reported in the quarterly consolidated statement of income, as well as the main items of the difference (matters related to difference adjustment)

(Amount: million yen)

Profit	Amount
Reporting segment total	5,809
Company-wide expenses (Note)	(813)
Inter-segment transactions erased	(501)
Operating profit in the quarterly consolidated statement of income	4,494

(Note) Company-wide expenses are mainly selling, general and administrative expenses that cannot be attributed to the reporting segments.

II Nine months ended December 31, 2024

1. Information about the amounts of net sales and profit in each reporting segment and information about the disaggregation of revenue

(Amount: million yen)

	Reporting segment					Total
	Japan	Europe	Americas	China	Others (Note)	
Net sales						
Revenue from contracts with customers	13,244	6,714	5,472	8,617	5,939	39,988
Sales to external customers	13,244	6,714	5,472	8,617	5,939	39,988
Internal sales or transfers between segments	4,878	747	289	893	1,289	8,097
Total	18,122	7,462	5,761	9,510	7,229	48,086
Segment profit	1,939	686	806	750	1,066	5,248

(Note) The "Others" category addresses the business activities of local subsidiaries in Taiwan, India, Thailand, South Korea, Vietnam, Indonesia, Australia and South Africa.

2. Difference between the total amounts of profit of the reporting segments and the amount reported in the quarterly consolidated statement of income, as well as the main items of the difference (matters related to difference adjustment)
(Amount: million yen)

Profit	Amount
Reporting segment total	5,248
Company-wide expenses (Note)	(715)
Inter-segment transactions erased	99
Operating profit in the quarterly consolidated statement of income	4,633

(Note) Company-wide expenses are mainly selling, general and administrative expenses that cannot be attributed to the reporting segments.

(Related to revenue recognition)

Information that breaks down revenue from contracts with customers is presented in "Notes (Segment information, etc.)."

(Per share information)

Basic earnings per share and calculation basis are as follows.

Item	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Basic earnings per share	89.81 yen	90.36 yen
(Basis for calculation)		
Profit attributable to owners of parent (million yen)	3,635	3,576
Amount not attributable to common shareholders (million yen)	—	—
Profit attributable to owners of parent related to common shares (million yen)	3,635	3,576
Average number of common shares outstanding in the period (shares)	40,478,877	39,578,209

(Notes) 1. Diluted earnings per share is not stated because there are no diluted shares.

2. The shares of the Company remaining in the "Board Benefit Trust (BBT)," which are recorded as treasury shares in shareholders' equity, are included in the treasury shares deducted when calculating the average number of shares outstanding in the period for the calculation of basic earnings per share (162,200 shares in the previous consolidated cumulative third quarter, 148,920 shares in the current consolidated cumulative third quarter).

(Important subsequent events)

There are no relevant matters.

(4) Others

There are no relevant matters.

(English Translation)

Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements

February 10, 2025

To the Board of Directors of
ANEST IWATA Corporation

Fujimi Audit Corporation
Tokyo Office

Designated and Engagement Partner
Certified Public Accountant:

Miho Toriumi

Designated and Engagement Partner
Certified Public Accountant:

Masao Bessho

Auditor's Conclusion

We conducted an interim review of the quarterly consolidated financial statements of ANEST IWATA Corporation ("the Company") for the third quarter of the consolidated accounting period (October 1, 2024 to December 31, 2024) and the third quarter of the consolidated cumulative period (April 1, 2024 to December 31, 2024) of the consolidated fiscal year from April 1, 2024 to March 31, 2025, which are listed in the "Attachment" of the quarterly financial results summary, i.e., the quarterly consolidated balance sheet, quarterly consolidated statement of income, quarterly consolidated statement of comprehensive income, and notes.

In the interim review conducted by our audit firm, we found no matters that would lead one to believe that the above quarterly consolidated financial statements were not prepared in any material respect in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc.'s standards for preparation of quarterly financial statements, etc. and accounting standards for quarterly financial statements generally accepted in Japan (however, the omissions of statements set forth in Article 4, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. are applied).

Basis of Auditor's Conclusions

We conducted our interim review in accordance with the interim review standards generally accepted in Japan. Our responsibilities under the interim review standards are described in "Responsibility of the Auditor in the Interim Review of the Quarterly Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries and have fulfilled our other ethical responsibilities as auditors in accordance with the rules of professional ethics in Japan. We believe that the evidence we have obtained provides a basis for our conclusions.

Responsibility of Management and the Audit and Supervisory Committee for Quarterly Consolidated Financial Statements

The responsibility of management is to prepare the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc.'s standards for preparation of quarterly financial statements, etc. and accounting standards for quarterly financial statements generally accepted in Japan (however, the omissions of statements set forth in Article 4, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. are applied). This includes establishing and operating such internal control deemed necessary by management to enable the preparation and fair presentation of the quarterly consolidated financial statements that are free from hypocritical representations due to fraud or error.

When preparing quarterly consolidated financial statements, the management is responsible for evaluating whether it is appropriate to prepare quarterly consolidated financial statements based on the premise of a going concern, and disclosing matters related to the going concern if necessary based on Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc. standards for preparation of quarterly financial statements, etc. and accounting standards for quarterly financial statements generally accepted in Japan (however, the omissions of statements set forth in Article 4, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. are applied).

The responsibility of the Audit and Supervisory Committee is to monitor the execution of duties by directors in the development and operation of the financial reporting process.

Responsibility of the Auditor in the Interim Review of the Quarterly Consolidated Financial Statements

The responsibility of the auditor is to express a conclusion on the quarterly consolidated financial statements from an independent standpoint in the interim review report based on the interim review conducted by the auditor.

The auditor shall exercise professional judgment and maintain professional skepticism when implementing the following throughout the course of the interim review in accordance with the interim review standards generally accepted in Japan.

- The auditor shall primarily conduct interviews with the management and the persons responsible for the matters concerning finance and accounting, etc., analytical procedures and other interim review procedures. The interim review procedure is more limited than the annual financial statement audit conducted in accordance with auditing standards generally accepted in Japan.
- If it is determined that there is significant uncertainty regarding events or circumstances that may cast significant doubt on matters related to the premise of a going concern, a conclusion is made based on the evidence obtained as to whether there are any matters that would lead one to believe that the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc. standards for preparation of quarterly financial statements, etc. and accounting standards for quarterly financial statements generally accepted in Japan (however, the omission of statements set forth in Article 4, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. is applied). In addition, in cases where significant uncertainty regarding the premise of a going concern is found, the interim review report shall draw attention towards the notes in the quarterly consolidated financial statements, and in cases where the notes in the quarterly consolidated financial statements regarding significant uncertainty are not appropriate, the quarterly consolidated financial statements are required to express a qualified conclusion or a negative conclusion. Although the auditor's conclusions are based on evidence available up to the date of the interim review report, future events or circumstances may prevent the entity to cease to exist as a going concern.
- The auditor shall evaluate whether there are any matters that would lead one to believe that the presentation of the quarterly consolidated financial statements and notes have not been prepared in accordance with Article 4, Paragraph 1 of the Tokyo Stock Exchange, Inc.'s standards for preparation of quarterly financial statements, etc. and the accounting standards for quarterly financial statements that are generally accepted in Japan (however, the omissions of statements set forth in Article 4, Paragraph 2 of the standards for preparation of quarterly financial statements, etc. are applied).
- The auditor shall obtain evidence concerning the financial information of the Company and its consolidated subsidiaries in order to express a conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising, and performing the interim review of the quarterly consolidated financial statements. The auditor is solely responsible for the auditor's conclusions.

The auditor shall report to the Audit and Supervisory Committee on the scope of the planned interim review, the timing of its implementation, and important findings of the interim review.

The auditor shall report to the Audit and Supervisory Committee that the auditor has complied with Japan's code of professional ethics regarding independence as well as on matters reasonably believed to affect the independence of the auditor and any measures taken to eliminate disincentives or safeguards applied to reduce disincentives to an acceptable level.

Conflict of Interests

There is no interest that should be noted pursuant to the provisions of the Certified Public Accountant Act between the Company or its consolidated subsidiaries and our audit firm or between the Company or its consolidated subsidiaries and the engagement partners.

Regards

(Notes) 1. The original of the above interim review report is kept separately by the Company (the company disclosing quarterly financial results summary).

2. XBRL data and HTML data are not included in the scope of the interim review.