

# **Consolidated Financial Results for the Nine Months Ended December 31, 2021**

**February 4, 2022**

**SHIBAURA MACHINE CO., LTD.**

# **Consolidated Financial Results Overview for the Nine Months Ended December 31, 2021**

- 1) Main points of financial results**
- 2) Comparison with same period of  
previous year**

## *Increased net sales and profits year on year*

### ■ Orders received

- Demand is robust and orders increased remarkably year on year in all segments mainly in Japan, U.S. and China.
- Along with the expansion of demand for EV related capital investment, the number of orders received for LiB separator film production lines increased significantly.

### ■ Net sales

- Net sales increased year on year mainly with metal & plastics industrial machine segment.

### ■ Operating profit, ordinary profit, quarterly net profit

- Profits increased year on year due to an increase of sales volume and improved plant operation capacity.

### ■ Negative factor and risk factor

- Difficulty in procuring parts, increasing cost of raw materials, container shortage, increasing logistics cost, and spread of COVID-19.

# Summary of Business Results (Comparison with same period of previous year)

Shibaura Machine

(Unit: 100 million yen)

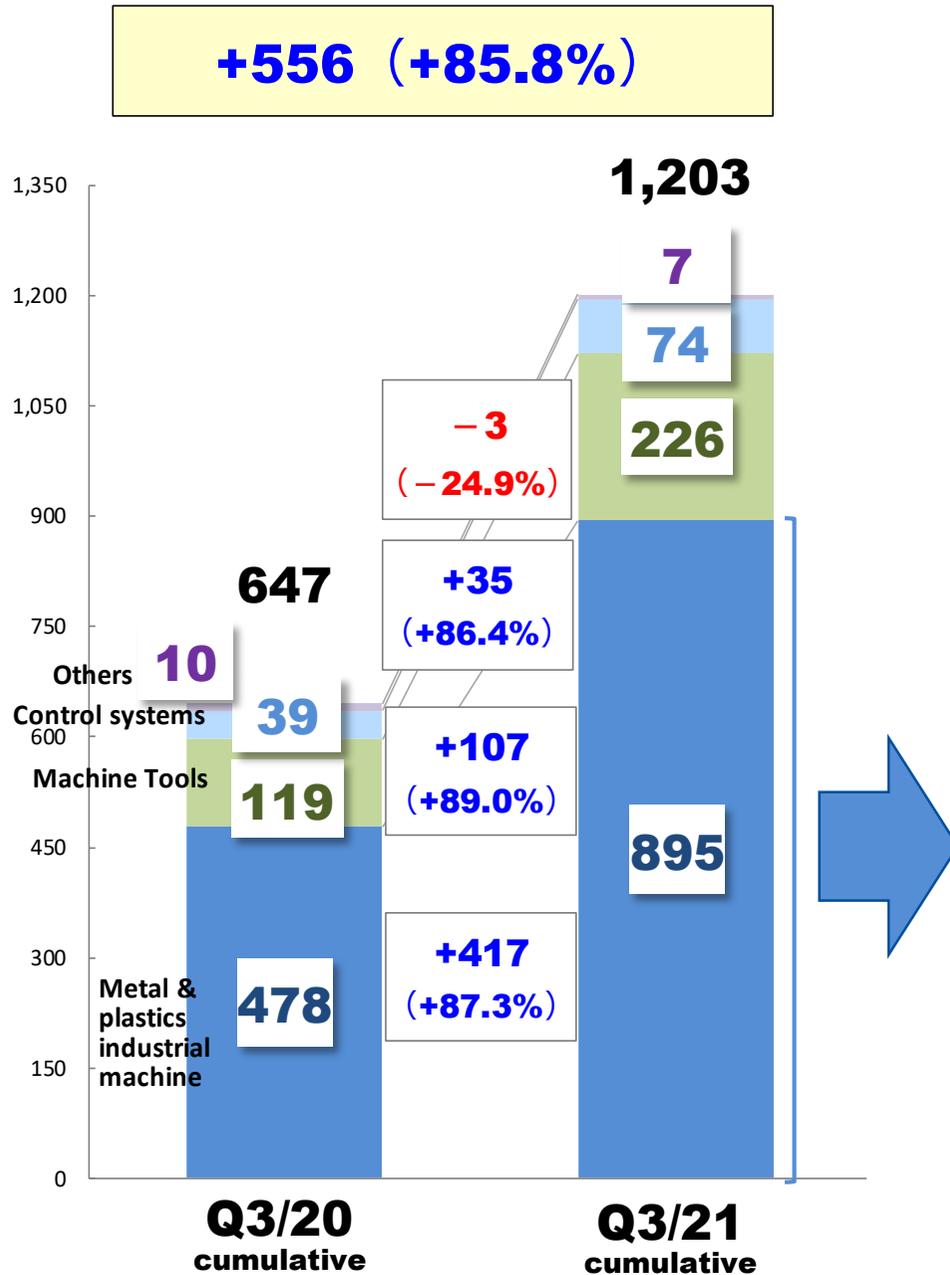
				(For reference)	
	Q3(cumulative) FY2021 (New criteria) (A)	Q3(cumulative) FY2020 (Former criteria) (B)	Change (A-B)	Q3(cumulative) FY2021 (Former criteria) (C)	Change (C-B)
Net Sales	<b>781</b>	<b>644</b>	<b>+137</b>	<b>772</b>	<b>+128</b>
Operating profit	<b>30</b>	<b>-1</b>	<b>+31</b>	<b>28</b>	<b>+29</b>
Profit ratio	<b>3.9%</b>	<b>- 0.2%</b>	<b>+4.1pt</b>	<b>3.6%</b>	<b>+3.8pt</b>
Ordinary profit	<b>31</b>	<b>-3</b>	<b>+34</b>	<b>29</b>	<b>+32</b>
Profit ratio	<b>4.0%</b>	<b>- 0.6%</b>	<b>+4.6pt</b>	<b>3.7%</b>	<b>+4.3pt</b>
Quarterly net profit attributable to owners of parent	<b>21</b>	<b>-8</b>	<b>+29</b>	<b>19</b>	<b>+27</b>
Profit ratio	<b>2.8%</b>	<b>- 1.4%</b>	<b>+4.2pt</b>	<b>2.5%</b>	<b>+3.9pt</b>
Orders received	<b>1,203</b>	<b>647</b>	<b>+556</b>		
Exchange rate (USD)	<b>115</b> yen	<b>104</b> yen			

\* Revenue recognition criteria was changed from Q1 FY2021. Figures shown in this material for FY2020 and before are based on the conventional revenue recognition criteria and the figures for Q1 FY2021 and after are based on the new criteria.

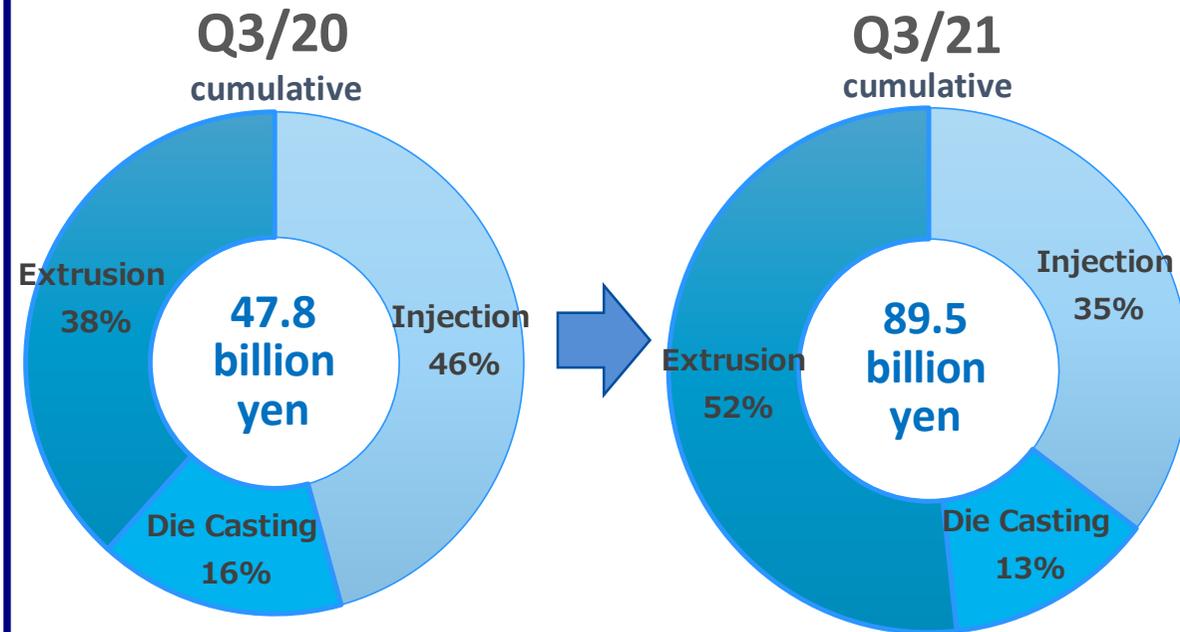
# Orders Received (Segment)

Shibaura Machine

(Unit: 100 million yen)



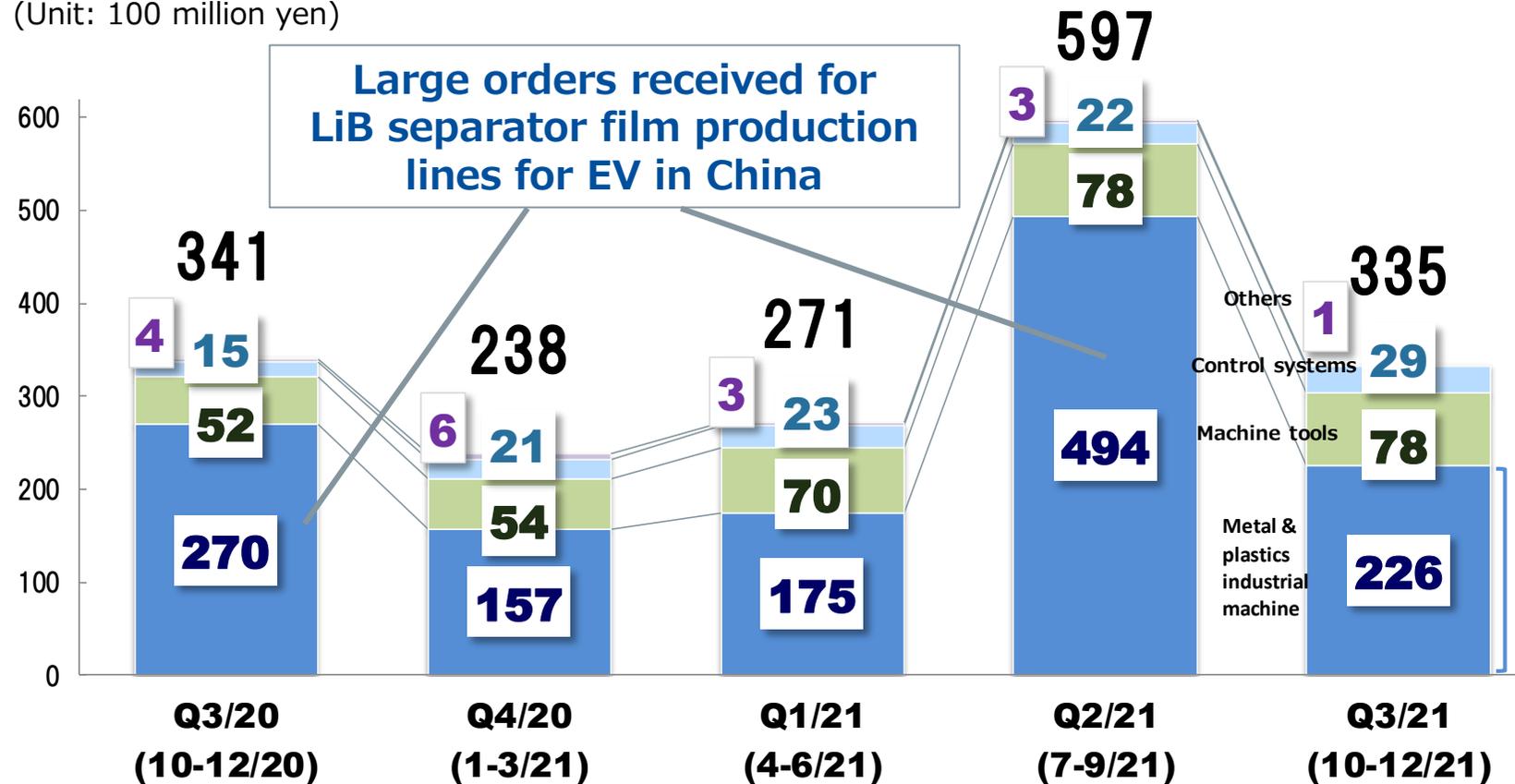
## Metal & plastics industrial machine structural ratio



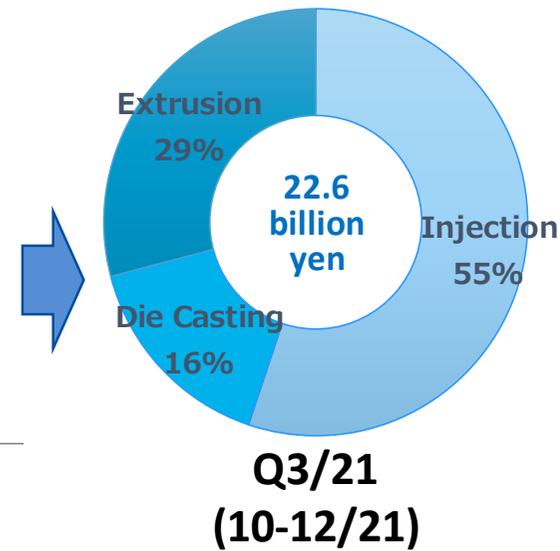
# Trends of Orders Received (Segment)

Shibaura Machine

(Unit: 100 million yen)



Metal & plastics industrial machine structural ratio



## Current status of orders received

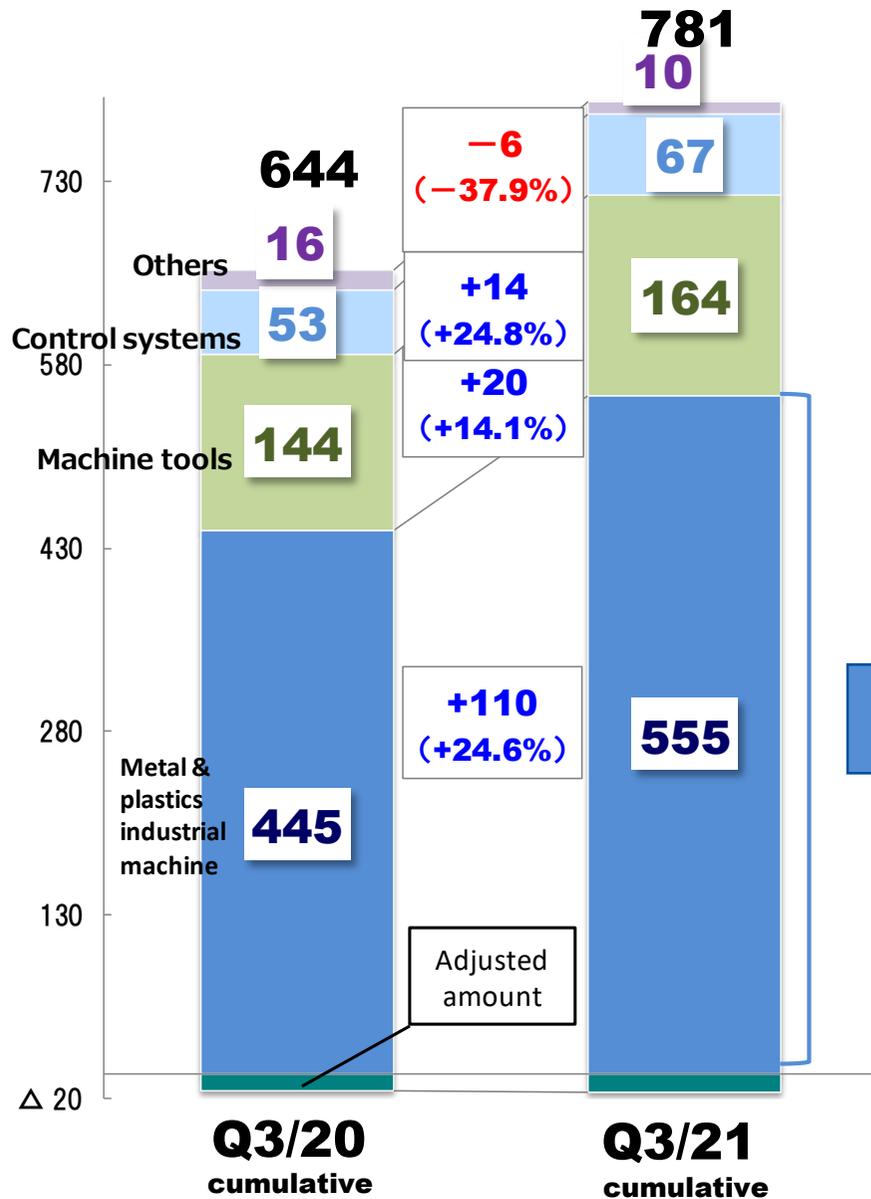
- [Injection] Demand of electric large- and medium-sized injection molding machines in North America increases on the back of the decarbonization. Demand is strong in automobile, medical and container areas.
- [Extrusion] Demand is expanding for LiB separator film production lines for EV in China.
- [Machine tools] Demand increases in industrial machines in Japan and in energy-related areas such as the wind power generation in China.
- [Precision] Demand of dies for the optical areas in China is robust.
- [Control] Demand increases in electronic control systems in Japan and is strong in robots for smartphone in China.

# Net Sales (Segment)

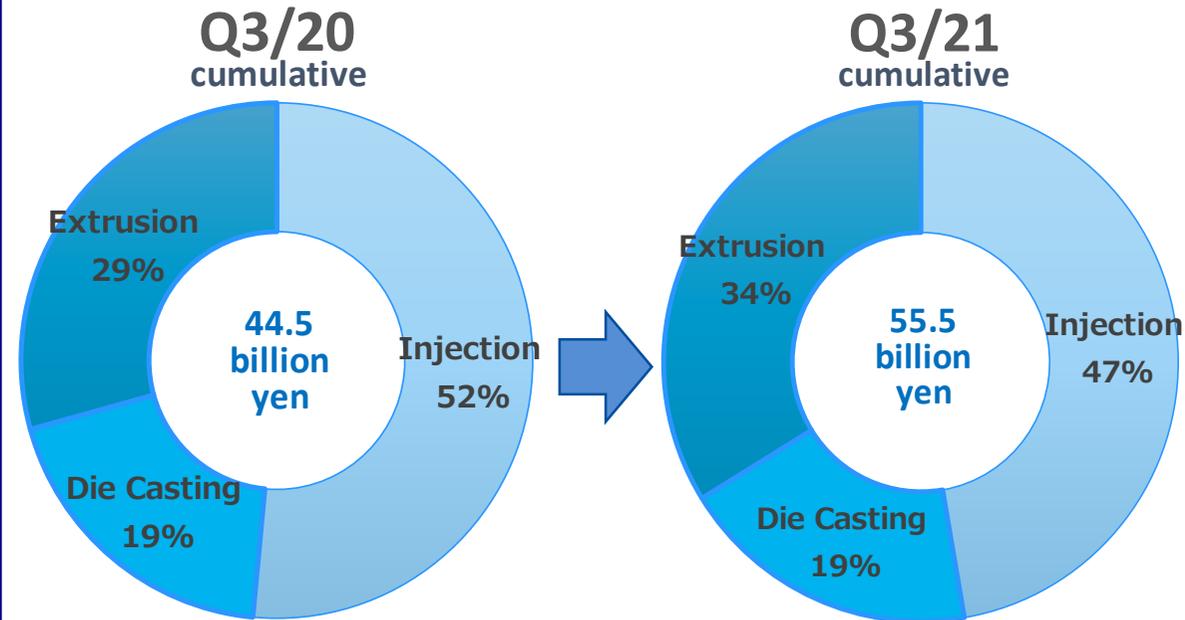
Shibaura Machine

(Unit: 100 million yen)

**+137 (+21.3%)**



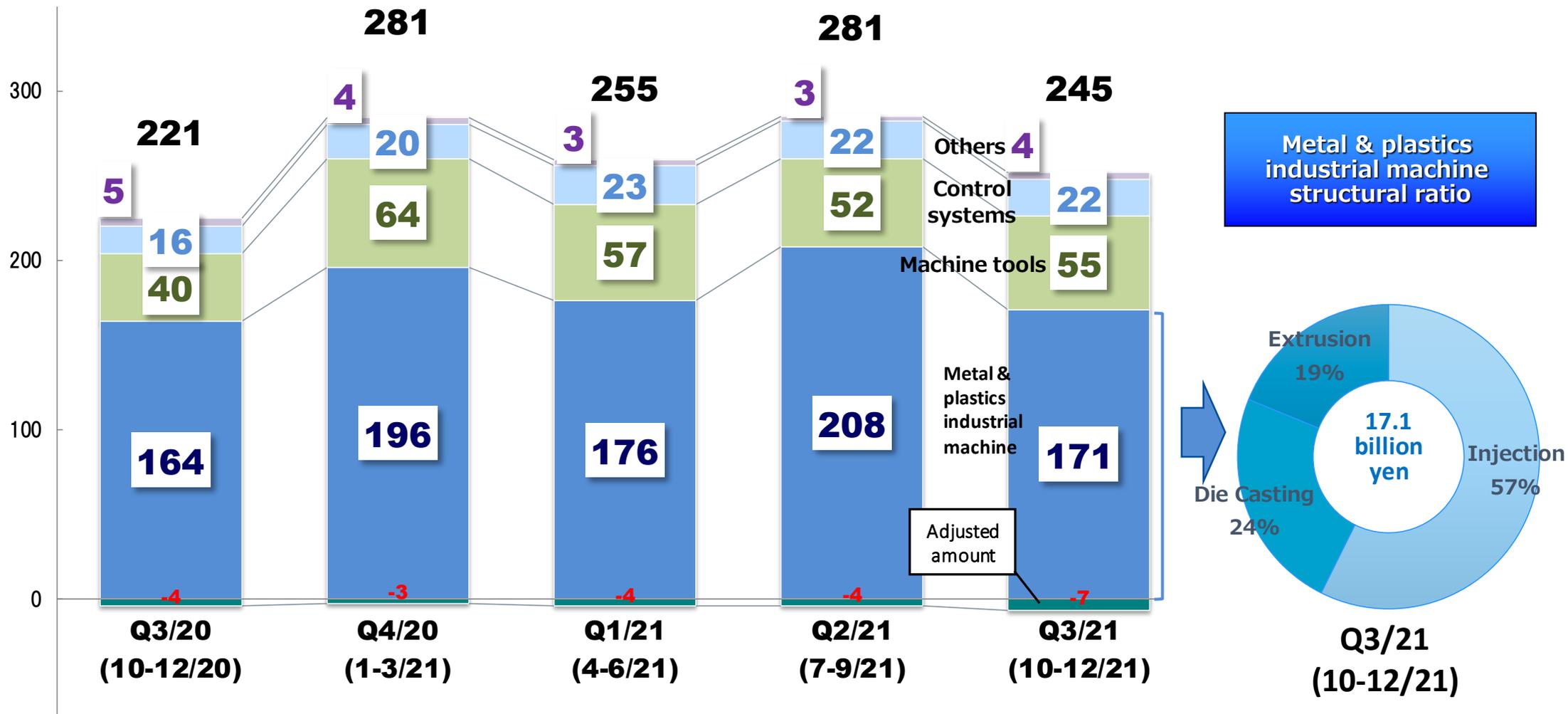
## Metal & plastics industrial machine structural ratio



# Trends of Net Sales (Segment)

Shibaura Machine

(Unit: 100 million yen)

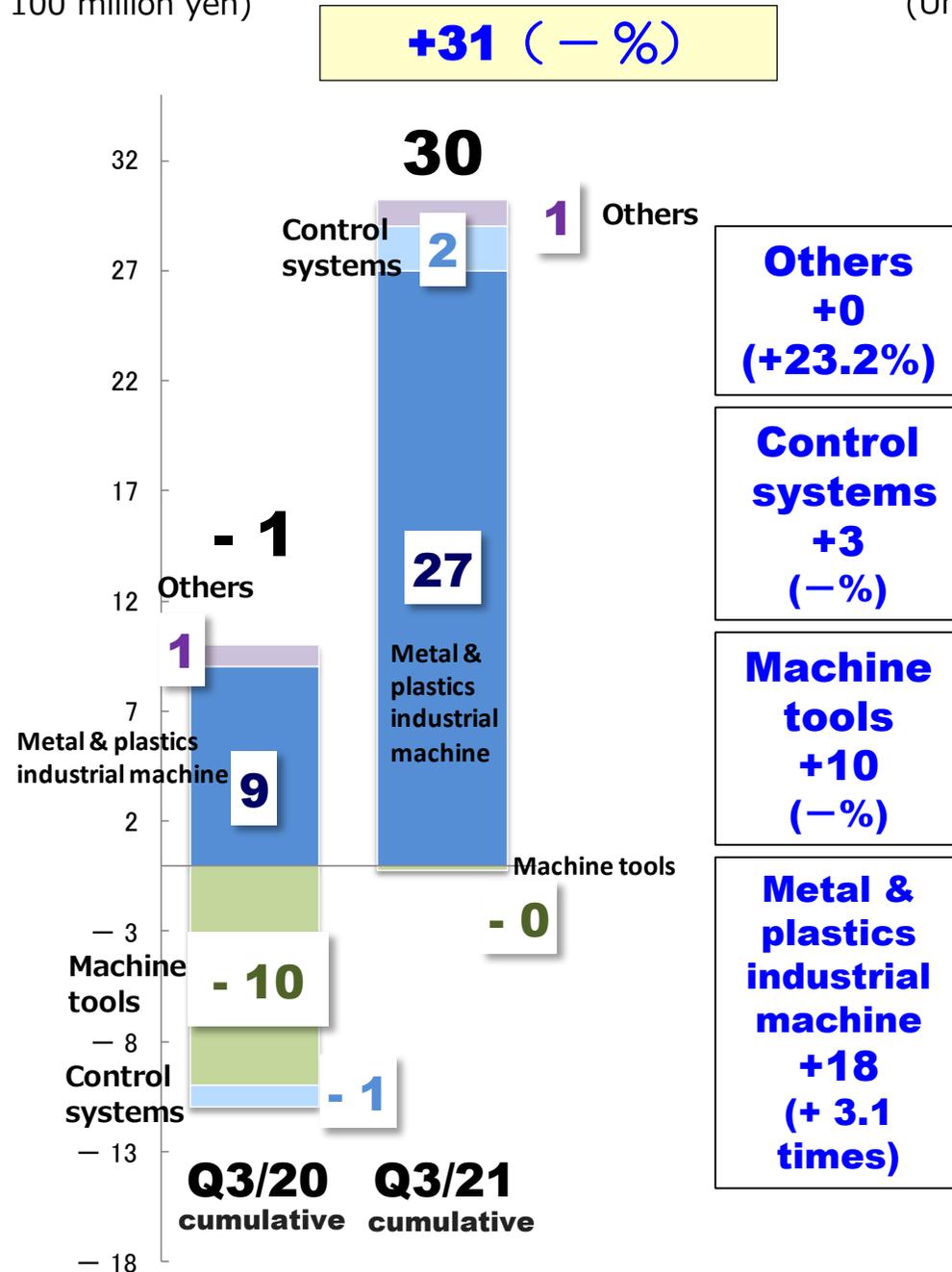


# Operating Profit (Segment), Ordinary Profit, Quarterly Net Profit

Shibaura Machine

(Unit: 100 million yen)

(Unit: 100 million yen)

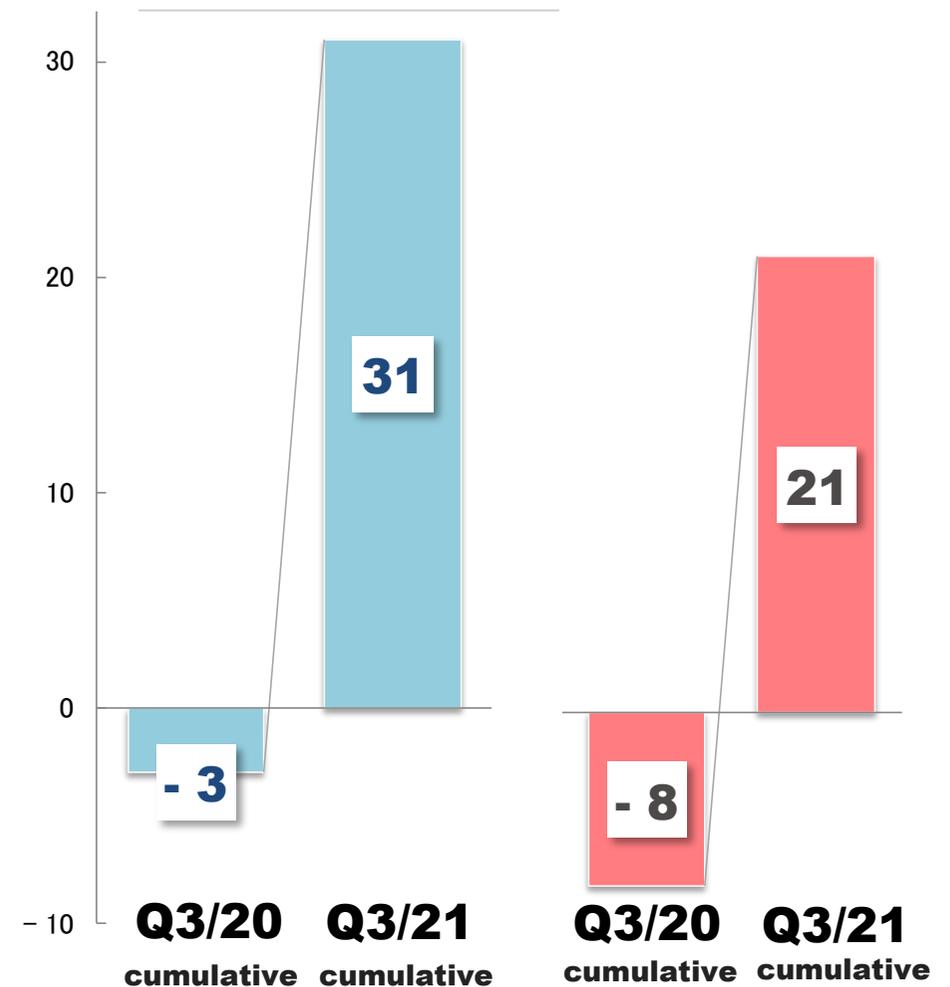


**Ordinary profit**

**+34 ( - %)**

**Quarterly net profit**

**+29 ( - %)**



# Metal & plastics industrial Machine Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Injection molding machines, die casting machines, extrusion machines, etc.)

	Q3/21 cumulative	Q3/20 cumulative	Change amount	Change rate
Net Sales	<b>555</b>	<b>445</b>	<b>+110</b>	<b>+24.6%</b>
Operating profit	<b>27</b>	<b>9</b>	<b>+18</b>	<b>+3.1 times</b>
Profit ratio	<b>5.0%</b>	<b>2.0%</b>	—	<b>+2.9pt</b>

## Q3/21 (cumulative) Results factor analysis



### Positive factor

- [Injection] Demand is robust in medical and container areas.
- [Die casting] Demand increases in automobile area in China.
- [Extrusion] Demand increases for LiB separator film production lines for EV in China.



### Negative factor

- Difficulty and increasing cost of procuring parts including semiconductors, stagnant distribution, and increasing costs

# Machine Tools Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Machine tools, high-precision machine tools, etc.)

	Q3/21 cumulative	Q3/20 cumulative	Change amount	Change rate
Net Sales	<b>164</b>	<b>144</b>	<b>+20</b>	<b>+14.1%</b>
Operating profit	<b>-0</b>	<b>-10</b>	<b>+10</b>	—
Profit ratio	<b>-0.2%</b>	<b>-7.0%</b>	—	<b>+6.8pt</b>

## Q3/21 (cumulative) Results factor analysis



### Positive factor

- [Machine tools] Showing robustness in industrial machines and wind power generation in China.
- [Precision] Robust in lens dies for automobile and smartphone in China and Taiwan.



### Negative factor

- [Machine tools] Decreasing sales for industrial machines in Japan.
- Increasing cost of procuring parts and the impact of COVID-19.

# Control Systems Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Industrial robots, electronic control systems, etc.)

	Q3/21 cumulative	Q3/20 cumulative	Change amount	Change rate
Net Sales	<b>67</b>	<b>53</b>	<b>+14</b>	<b>+24.8%</b>
Operating profit	<b>2</b>	<b>-1</b>	<b>+3</b>	—
Profit ratio	<b>3.3%</b>	<b>-2.3%</b>	—	<b>+5.6pt</b>

## Q3/21 (cumulative) Results factor analysis



### Positive factor

- Increase of sales of electronic control systems in Japan.
- Robust demand for robots for smartphone in China.



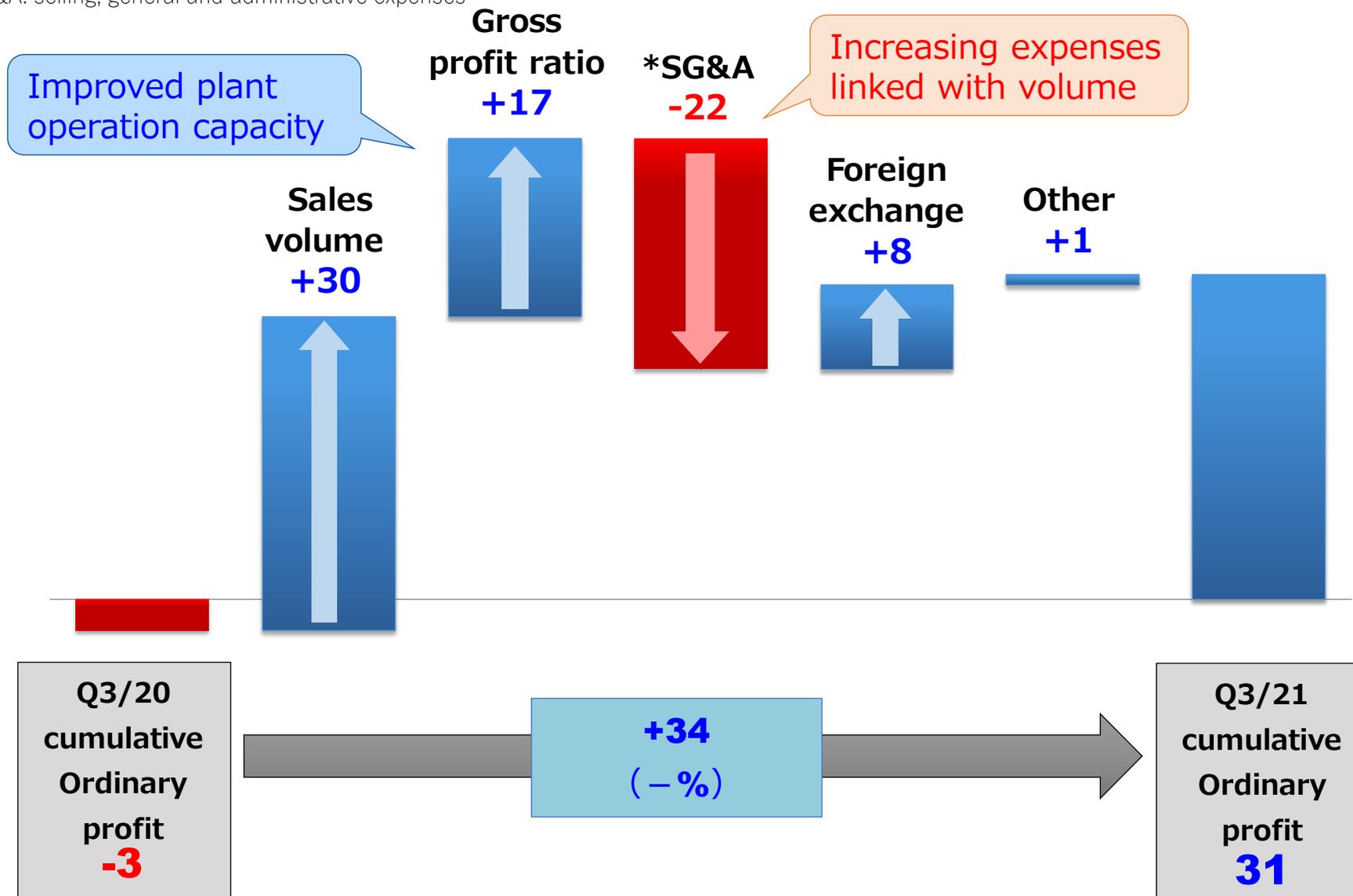
### Negative factor

- Difficulty and increasing cost of procuring parts including semiconductors.

# Ordinary Profit Analysis

(Unit: 100 million yen)

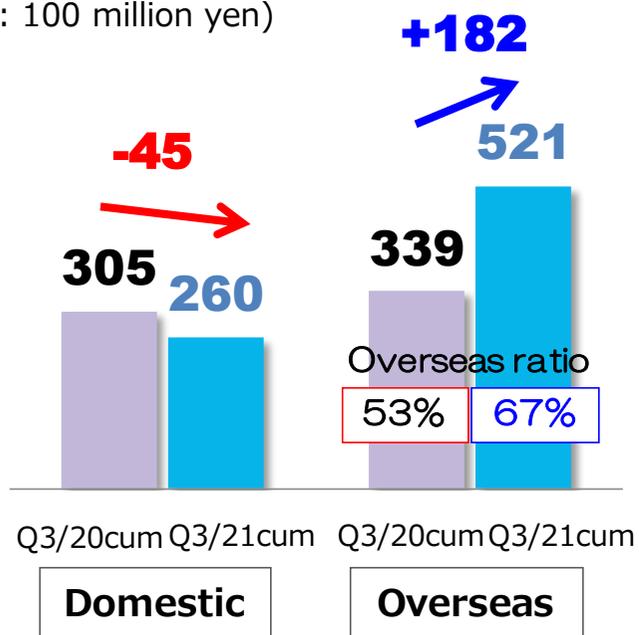
\*SG&A: selling, general and administrative expenses



# Domestic and Overseas Sales

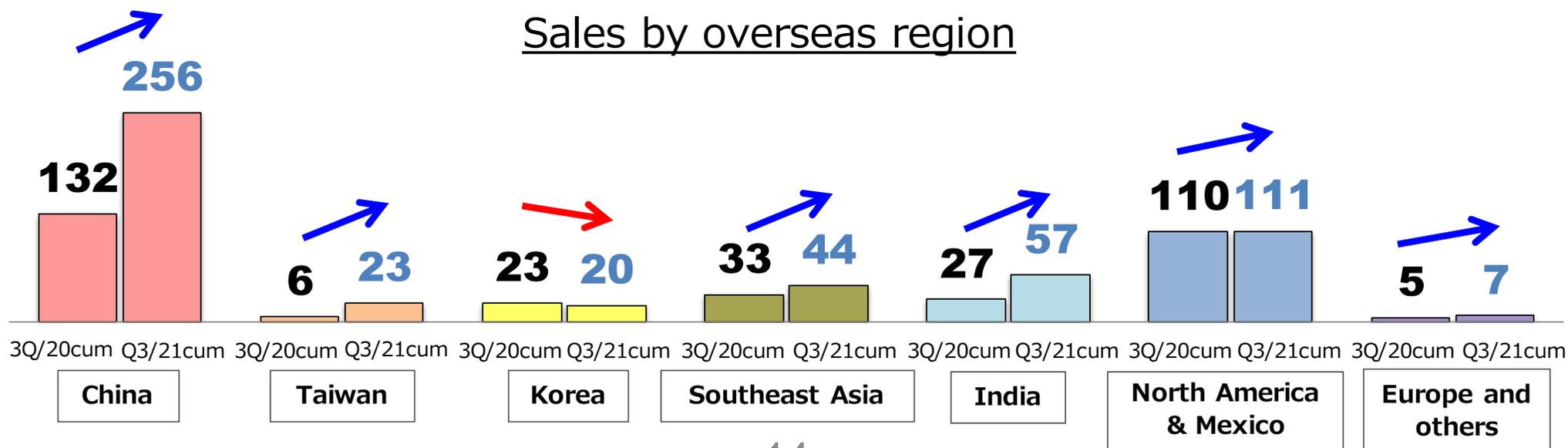
Shibaura Machine

(Unit: 100 million yen)



- Domestic : ➔ [Control] increased  
➔ [Injection][Extrusion][Machine tools] decreased
- China : ➔ [Injection][Die Casting][Extrusion]  
➔ [Machine tools][Precision] increased
- Southeast Asia : ➔ [Injection] increased
- India : ➔ [Injection][Die casting] increased
- North America & Mexico : ➔ [Machine tools] increased  
➔ [Injection] decreased

## Sales by overseas region



# Sales and Ratio in Overseas Market (Segment)

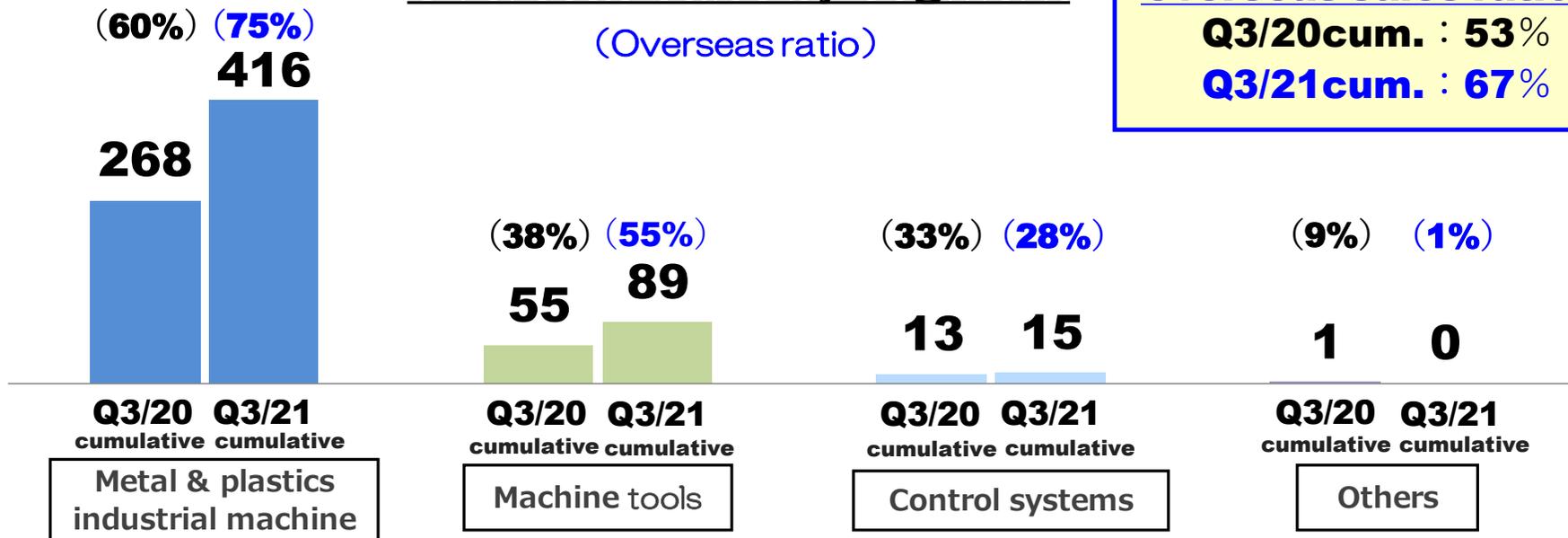
Shibaura Machine

(Unit: 100 million yen)

## Overseas sales by segment (Overseas ratio)

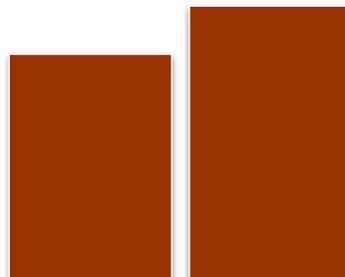
### Overseas sales ratio

**Q3/20cum. : 53%**  
**Q3/21cum. : 67%**



### Injection

(76%) (81%)



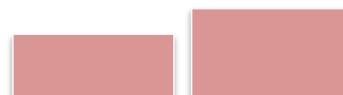
Q3/20 cumulative Q3/21 cumulative

## Metal & plastics industrial machine by product (Overseas ratio)

(Overseas ratio)

### Die Casting

(60%) (68%)



Q3/20 cumulative Q3/21 cumulative

### Extrusion

(32%) (70%)



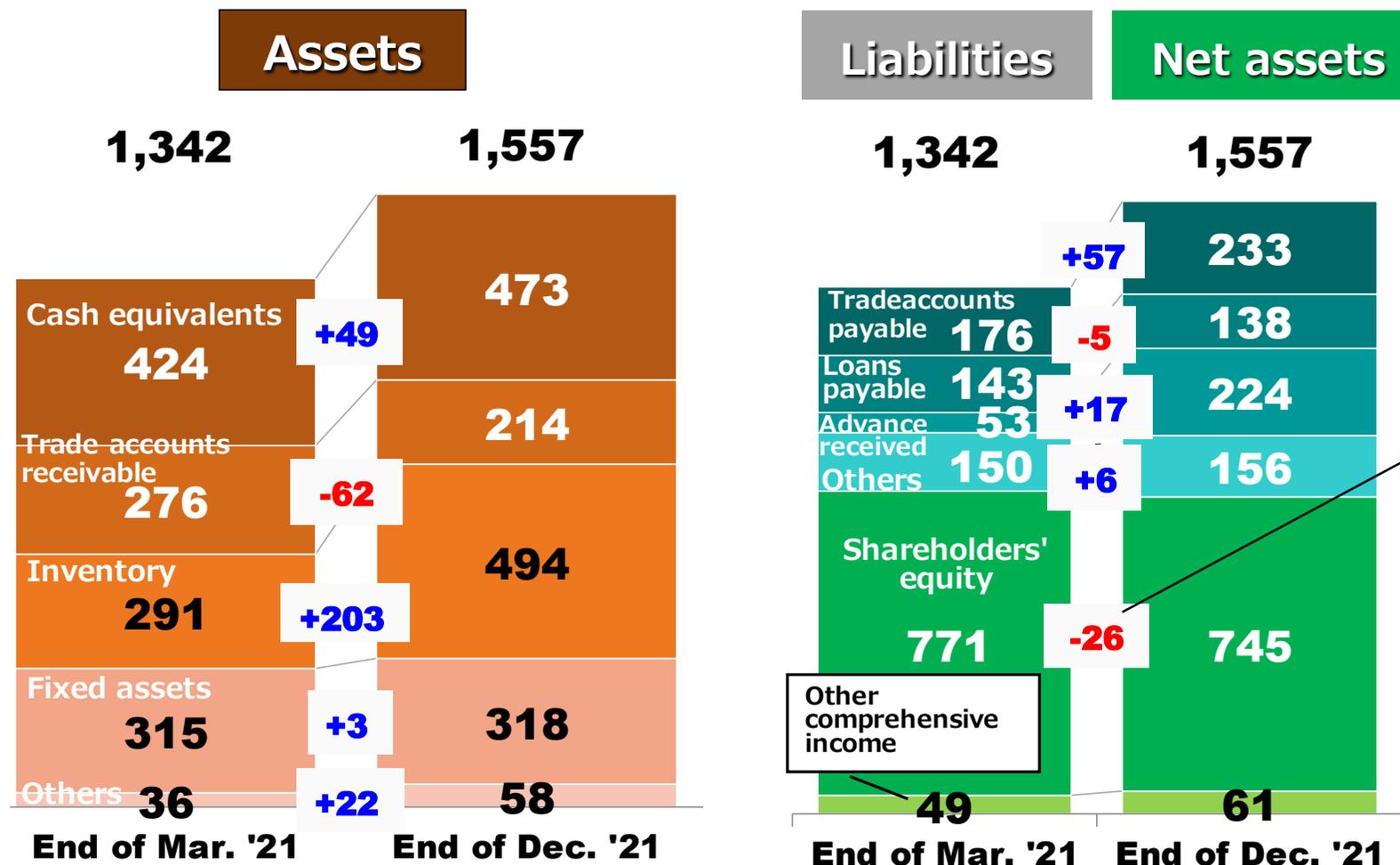
Q3/20 cumulative Q3/21 cumulative

\*The bar graph shows amounts.

# Balance Sheet

Shibaura Machine

(Unit: 100 million yen)



	End of Mar. '21	End of Dec. '21
Equity ratio	<b>61.2%</b>	<b>51.8%</b>
D/E ratio	<b>17.5%</b>	<b>17.2%</b>

# Forecast of Consolidated Financial Results for the Year Ended March 31, 2022

- 1) Business results forecast
- 2) R&D expenses, and capital expenditure  
and depreciation expenses
- 3) Dividend forecast

# FY2021 Summary of Business Results forecast

Shibaura Machine

FY2021 summary of business results forecast has not been changed  
from it announced on Nov. 9, 2021.

(Unit: 100 million yen)

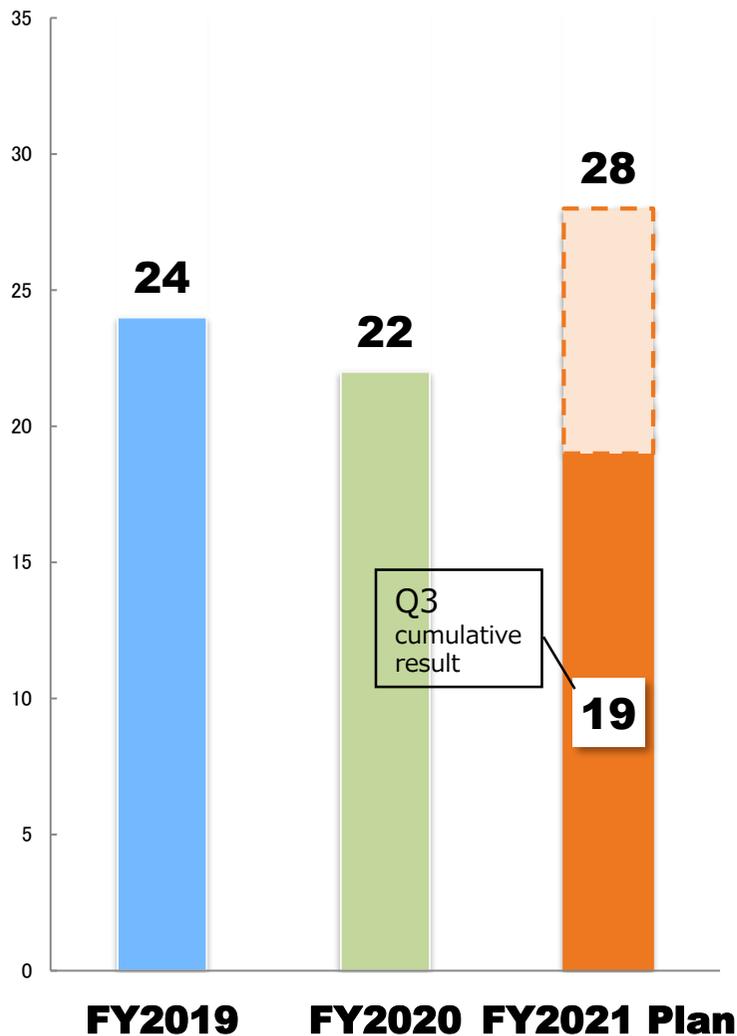
	FY2021 Forecast (Nov. 9, 2021)	FY2020 Results	Change
Net Sales	<b>1,130</b>	<b>926</b>	<b>+204</b>
Operating profit	<b>43</b>	<b>3</b>	<b>+40</b>
Profit ratio	<b>3.8%</b>	<b>0.4%</b>	<b>+3.4pt</b>
Ordinary profit	<b>38</b>	<b>8</b>	<b>+30</b>
Profit ratio	<b>3.4%</b>	<b>0.9%</b>	<b>+2.5pt</b>
Net profit attributable to owners of parent	<b>28</b>	<b>- 28</b>	<b>+56</b>
Profit ratio	<b>2.5%</b>	<b>- 3.1%</b>	<b>+5.6pt</b>
Orders received	<b>1,550</b>	<b>886</b>	<b>+664</b>
Exchange rate(USD)	<b>107</b> yen	<b>111</b> yen	

# R&D expenses, and Capital expenditure and Depreciation expenses

Shibaura Machine

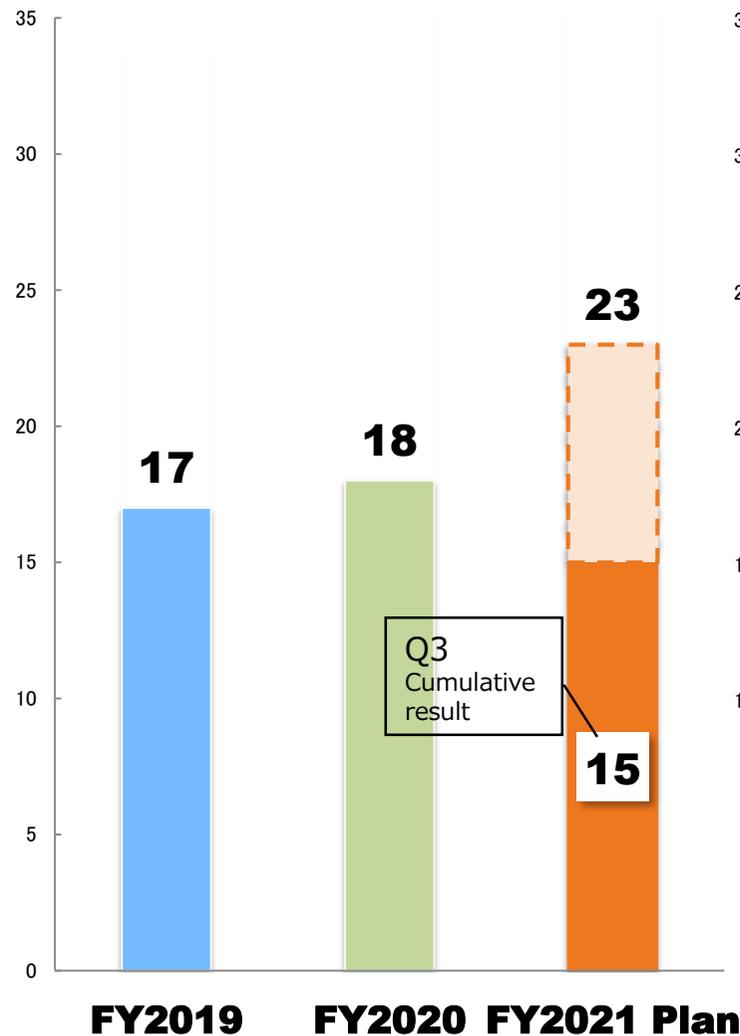
## R&D expenses

(Unit: 100 million yen)



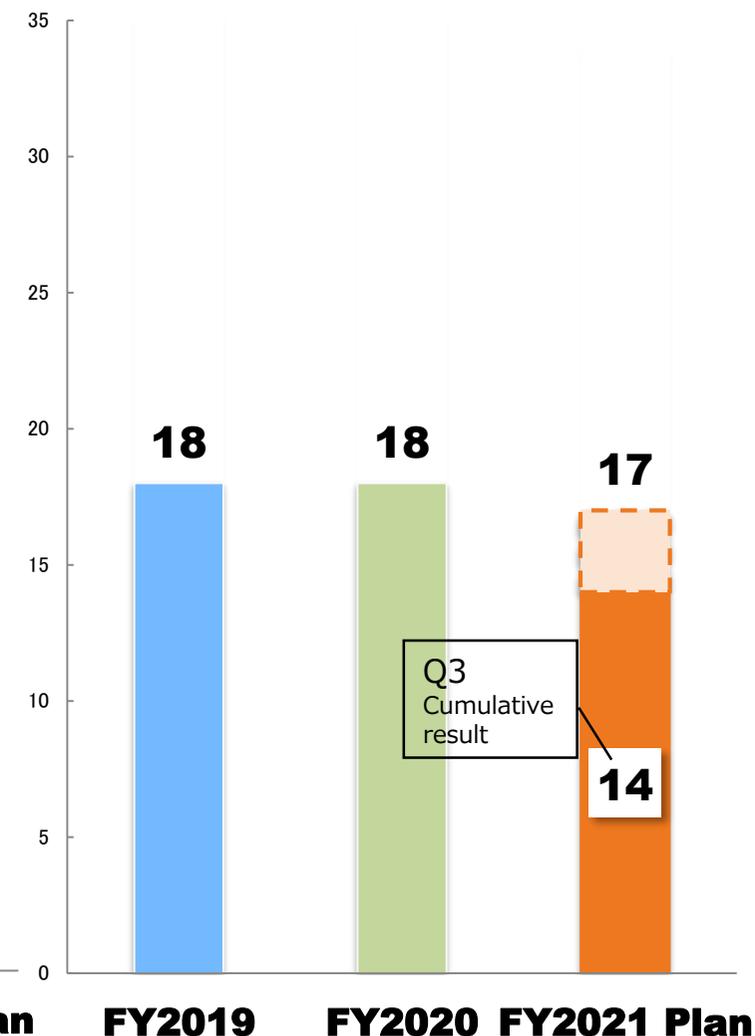
## Capital expenditure

(Unit: 100 million yen)



## Depreciation expense

(Unit: 100 million yen)



Dividend forecast recently announced remains the same without change.

## Dividend decision policy

We set a basic policy to maintain stable dividends and share profits according to business results while strengthening our management structure with the aim of increasing profitability.

We will utilize retained earnings to make effective investments in production equipment, technology development, overseas business operations and other purposes based on strategic decisions on future business direction to achieve ongoing corporate evolution, and at the same time to realize reasonable return of profits to our shareholders on a continual basis.

	Interim	Year-end	Full-year	Dividend payout ratio (consolidated)
<b>FY ended March 2020</b>	<sup>*1</sup> <b>42.50 yen</b>	<sup>*1</sup> <b>42.50 yen</b>	<b>85.00 yen</b>	<b>28.0%</b>
<b>FY ended March 2021</b>	<b>37.50 yen</b>	<b>37.50 yen</b>	<sup>*2</sup> <b>199.30 yen</b>	—
<b>FY ended March 2022 (forecast)</b>	<b>37.50 yen</b>	<b>37.50 yen</b>	<b>75.00 yen</b>	<b>64.7%</b>

\*1 The interim dividend and the fiscal year-end dividend for FY ended March 2020 include a memorial dividend of 5.00 yen, respectively.

\*2 We provided a special dividend in a total amount of about 3 billion yen (124.30 yen per share) as at the record date on June 30, 2020 and the Full-year dividend for FY ended March 2021 includes the special dividend of 124.30 yen.

### There is no change in the corporate group from FY2020.

#### Shibaura Machine

(Metal & plastics industrial machine, machine tools, control systems and others)

#### Domestic manufacturing companies: 2

(Machine tools and control systems)

**Fujiseiki Corporation**

(Control systems) **Toei Electric**

#### Domestic sales/service companies and others: 3

(Metal & plastics industrial machine and others)

**Shibaura Machine Engineering**

(Others) **Shibaura Semtek**

(Others) **Shibaura Sangyo**

#### Overseas manufacturing companies: 3

(Metal & plastics industrial machine and control systems)

**SHIBAURA MACHINE (SHANGHAI) CO., LTD.**

(Metal & plastics industrial machine)

**SHIBAURA MACHINE MANUFACTURING (THAILAND) CO., LTD.**

(Metal & plastics industrial machine and machine tools)

**SHIBAURA MACHINE INDIA PRIVATE LIMITED**

#### Overseas sales/service companies: 5

(Metal & plastics industrial machine, machine tools, and control systems)

**SHANGHAI SHIBAURA MACHINE CO., LTD.**

(Metal & plastics industrial machine and machine tools)

**SHIBAURA MACHINE COMPANY, AMERICA**

**SHIBAURA MACHINE SINGAPORE PTE.LTD.**

**SHIBAURA MACHINE (THAILAND) CO., LTD.**

(Metal & plastics industrial machine)

**SHIBAURA MACHINE (SHENZHEN) CO., LTD.**

Those companies within the red box are consolidated companies.

#### (Nonconsolidated subsidiaries)

Overseas sales companies: 8

Other company whose shares held by Shibaura Machine: 1

# Shibaura Machine

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