

**Consolidated Financial Results  
for the Nine Months  
Ended December 31, 2023**

**February 7, 2024**

**SHIBAURA MACHINE CO., LTD.**

# **Consolidated Financial Results Overview for the Nine Months Ended December 31, 2023**

- 1) Key Points of Financial Results**
- 2) Year-on-Year Comparison**

## Increased Revenue and Profits Year-on-Year

### ■ Net Sales

- Considerable increases in LiB separator film production lines for EV in extrusion machines in China
- Increases in automotive applications in Die Casting machines in North America and Southeast Asia etc.
- Increases in electronic control systems for control systems and engineering solutions in Japan

### ■ Operating Profit, Ordinary Profit, Net Profit

- Considerable increases in operating profit and ordinary profit due to sales expansion etc.
- Increase in quarterly net profit due to the recognition of an extraordinary income related to the commercialization of MFLP Zama (Sagami Logistic Facility) (a gain on sale of land\*) in addition to sales expansion etc.

\*Because an equivalent exchange method was applied, this gain on sale of land was used by Mitsui Fudosan Co., Ltd. to acquire equity interest in the building constructed on the land of the transferred asset.

### ■ Orders Received

- Demand for LiB separator film production lines for EV in extrusion machines remains at high levels against the backdrop of medium- to long-term EV expansion forecasts, but orders received decreased. The reason for this is amid concerns about overproduction of batteries for EV that it takes some time to determine specifications for next-generation models that improve separator film productivity. Additionally, injection molding machines and machine tools decreased because of the deteriorating market conditions in China. The amounts of orders received overall decreased compared to the same period last year.

# Performance Summary (Year-on-Year)

Shibaura Machine

(Unit: 100 million yen)

	Q3 FY2023 Cumulative (A)	Q3 FY2022 Cumulative (B)	Increase/ Decrease (A-B)
<b>Net sales</b>	<b>1,095</b>	<b>885</b>	<b>+210</b>
<b>Operating profit</b>	<b>96</b>	<b>33</b>	<b>+63</b>
<b>Profit ratio</b>	<b>8.8%</b>	<b>3.8%</b>	<b>+5.0pt</b>
<b>Ordinary profit</b>	<b>105</b>	<b>28</b>	<b>+77</b>
<b>Profit ratio</b>	<b>9.7%</b>	<b>3.2%</b>	<b>+6.5pt</b>
<b>Net profit attributable to owners of parent</b>	<b>153</b>	<b>25</b>	<b>+128</b>
<b>Profit ratio</b>	<b>14.0%</b>	<b>2.9%</b>	<b>+11.1pt</b>
<b>Orders received</b>	<b>917</b>	<b>1,383</b>	<b>- 466</b>
<b>Exchange rate (USD)</b>	<b>142 yen</b>	<b>133 yen</b>	

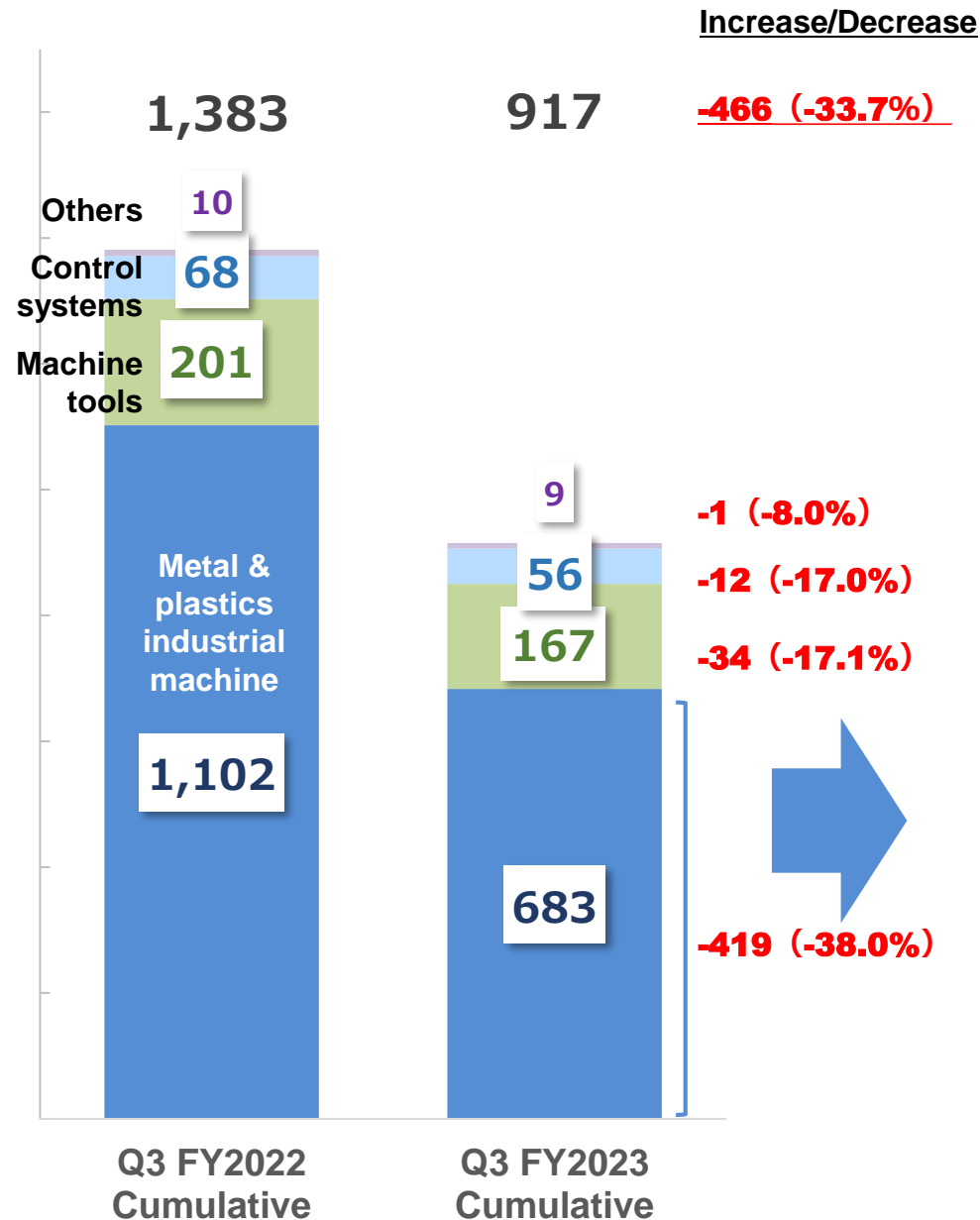
\*Exchange rate sensitivity on operating profit (USD)

Approximately 60 million yen per 1 yen  
(Profits will increase with yen's depreciation)

# Amounts of Orders Received (By Segment)

Shibaura Machine

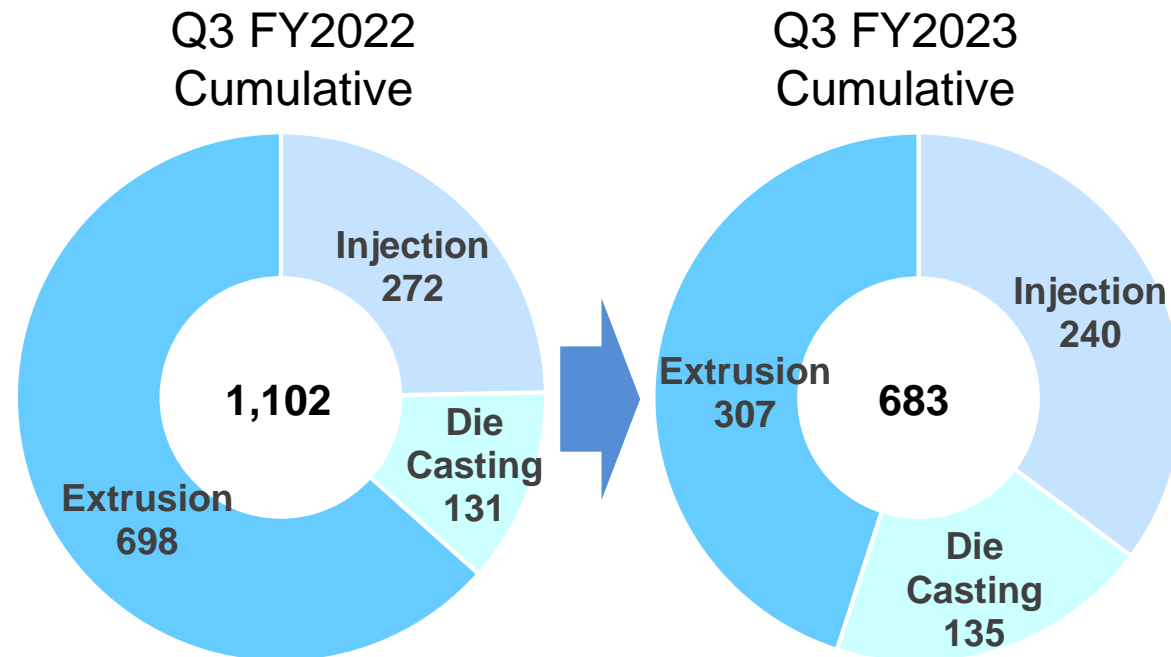
(Unit: 100 million yen)



(Unit: 100 million yen)

## Breakdown of Metal & Plastics Industrial Machine

Injection: Injection molding machines  
Die Casting: Die casting machines  
Extrusion: Extrusion machines



# Trends of Orders Received (By Segment)

Shibaura Machine

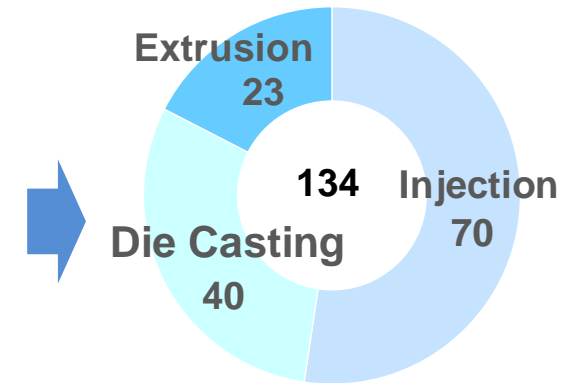
(Unit: 100 million yen)

Metal & plastics industrial machine has quarterly fluctuation in amounts of orders received, because of including large volume orders for LiB separator film production lines for EV.

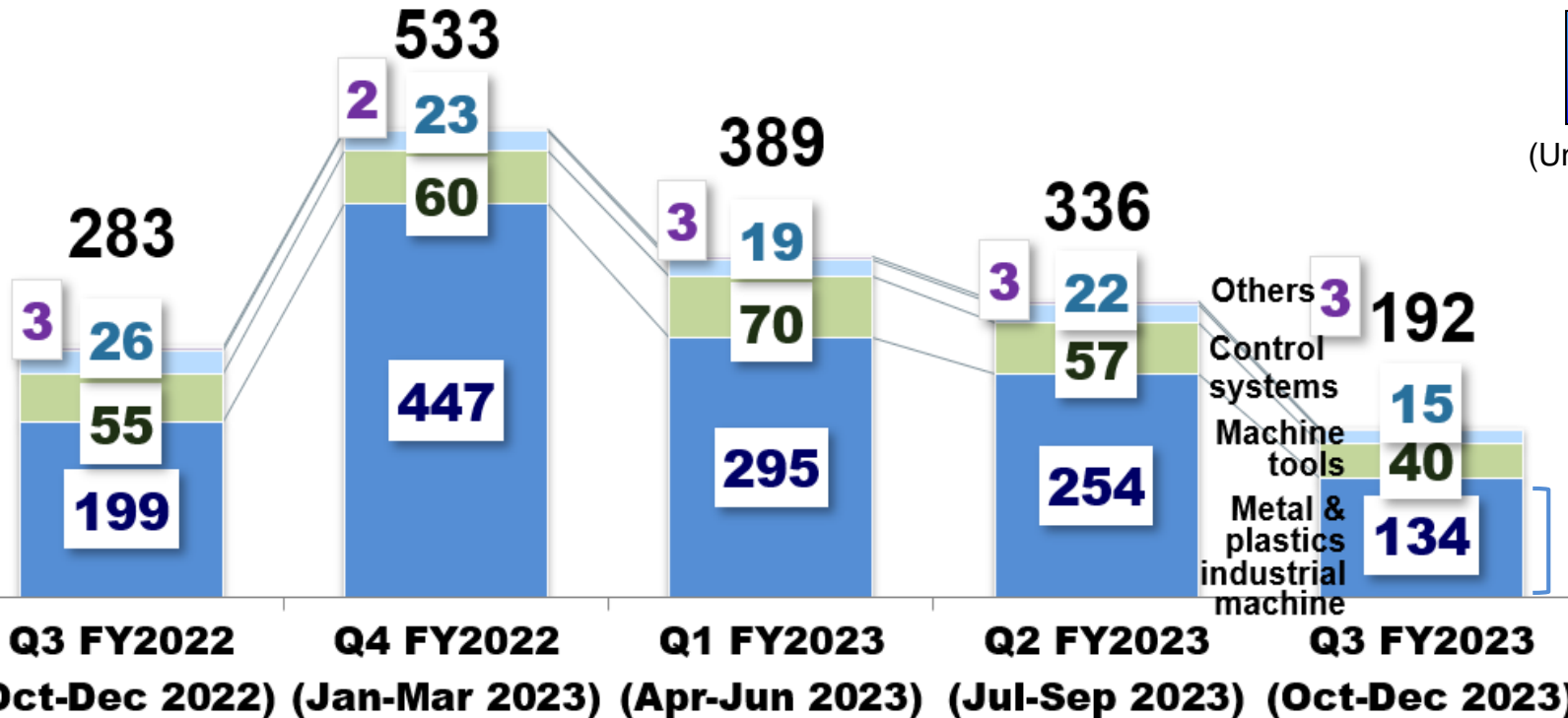
Machine tools: Large machine tools (machine tool segment)  
Precision: High-precision machine tools (machine tool segment)  
Control: Control systems

## Breakdown of Metal & Plastics Industrial Machine

(Unit: 100 million yen)



Q3 FY2023  
(Oct-Dec 2023)



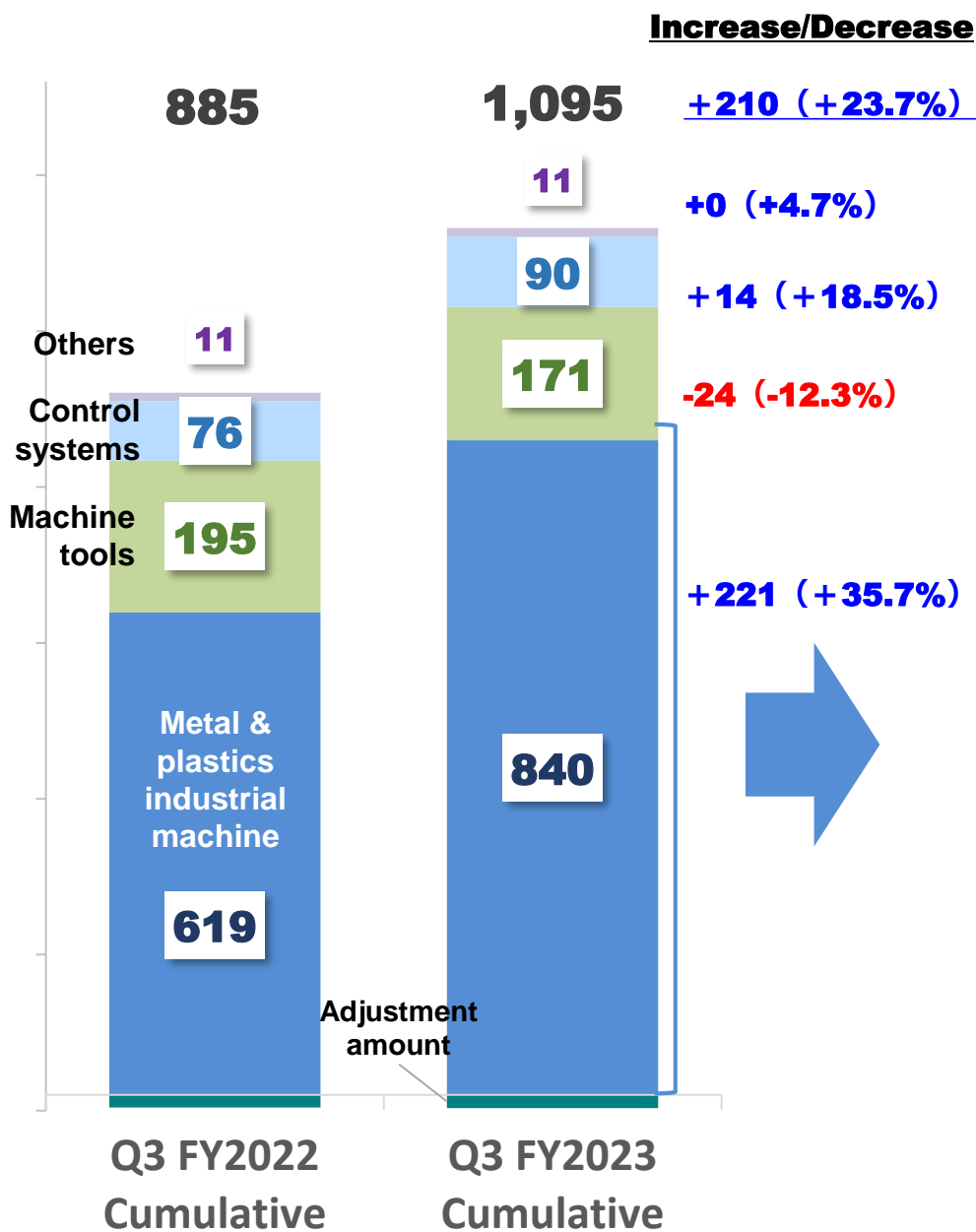
### Current Orders

- Injection: Low due to the deteriorating market conditions in China and North America. Some signs of recovery in North America.
- Die Casting: Demand is showing a slow recovery in relation to automotive capital investments, especially for EV.
- Extrusion: Demand for LiB separator film production lines for EV remains at high levels against the backdrop of medium- to long-term EV expansion forecasts then amid concerns about overproduction of batteries for EV, it takes some time to determine specifications for next-generation models.
- Machine Tools: Demand for energy applications in North America remains steady, but especially in Japan and China is low.
- Precision: Demand for smartphone lens molds in China is low.
- Control: Demand for industrial robots in China is low, but demand for electronic control systems in Japan remains steady.

# Net Sales (By Segment)

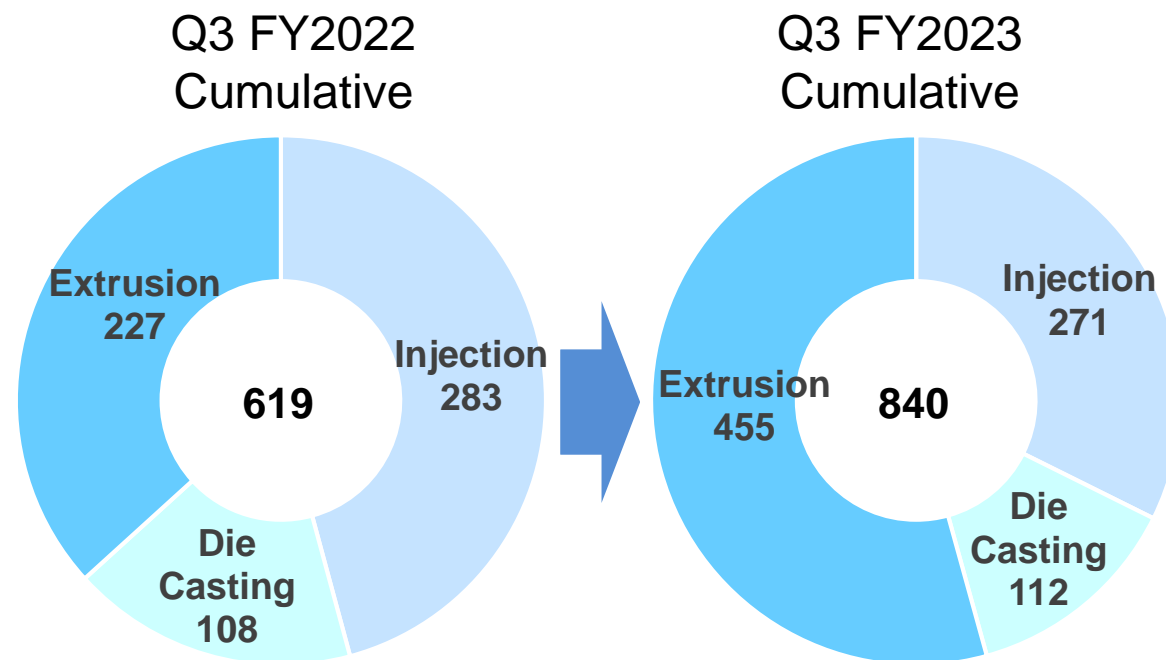
Shibaura Machine

(Unit: 100 million yen)



(Unit: 100 million yen)

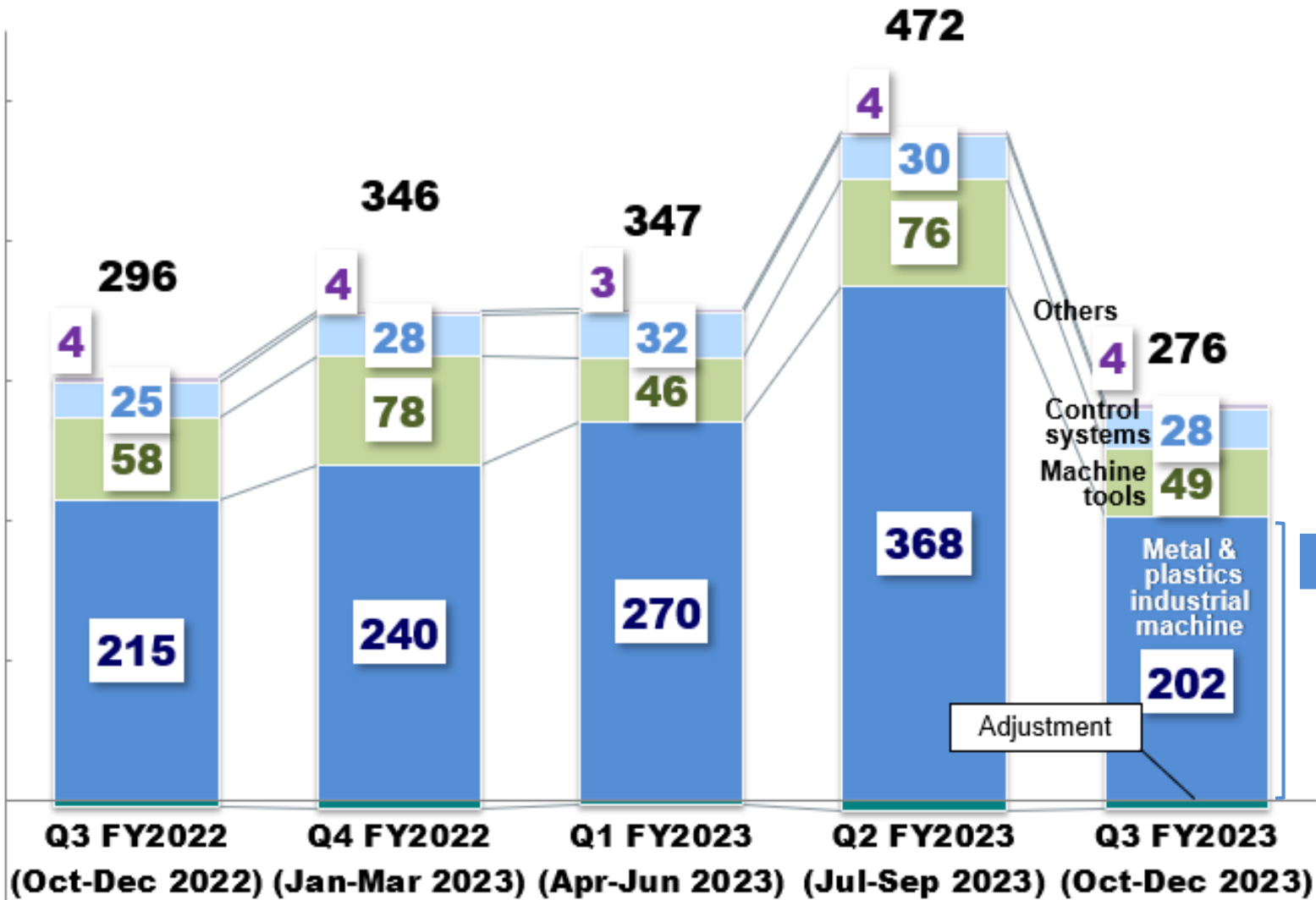
## Breakdown of Metal & Plastics Industrial Machine



# Trends of Net Sales (By Segment)

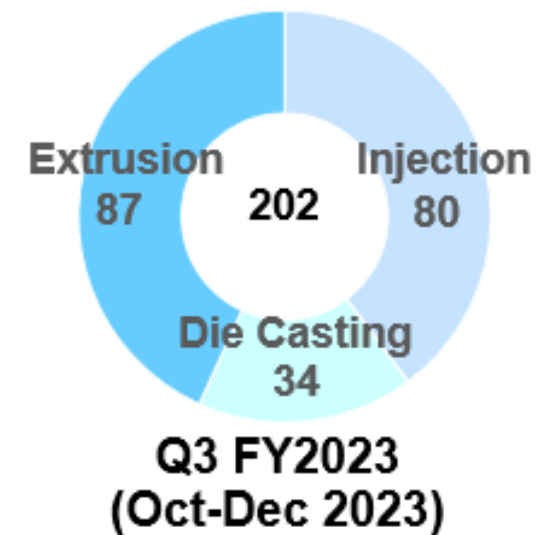
Shibaura Machine

(Unit: 100 million yen)



## Breakdown of Metal & Plastics Industrial Machine

(Unit: 100 million yen)

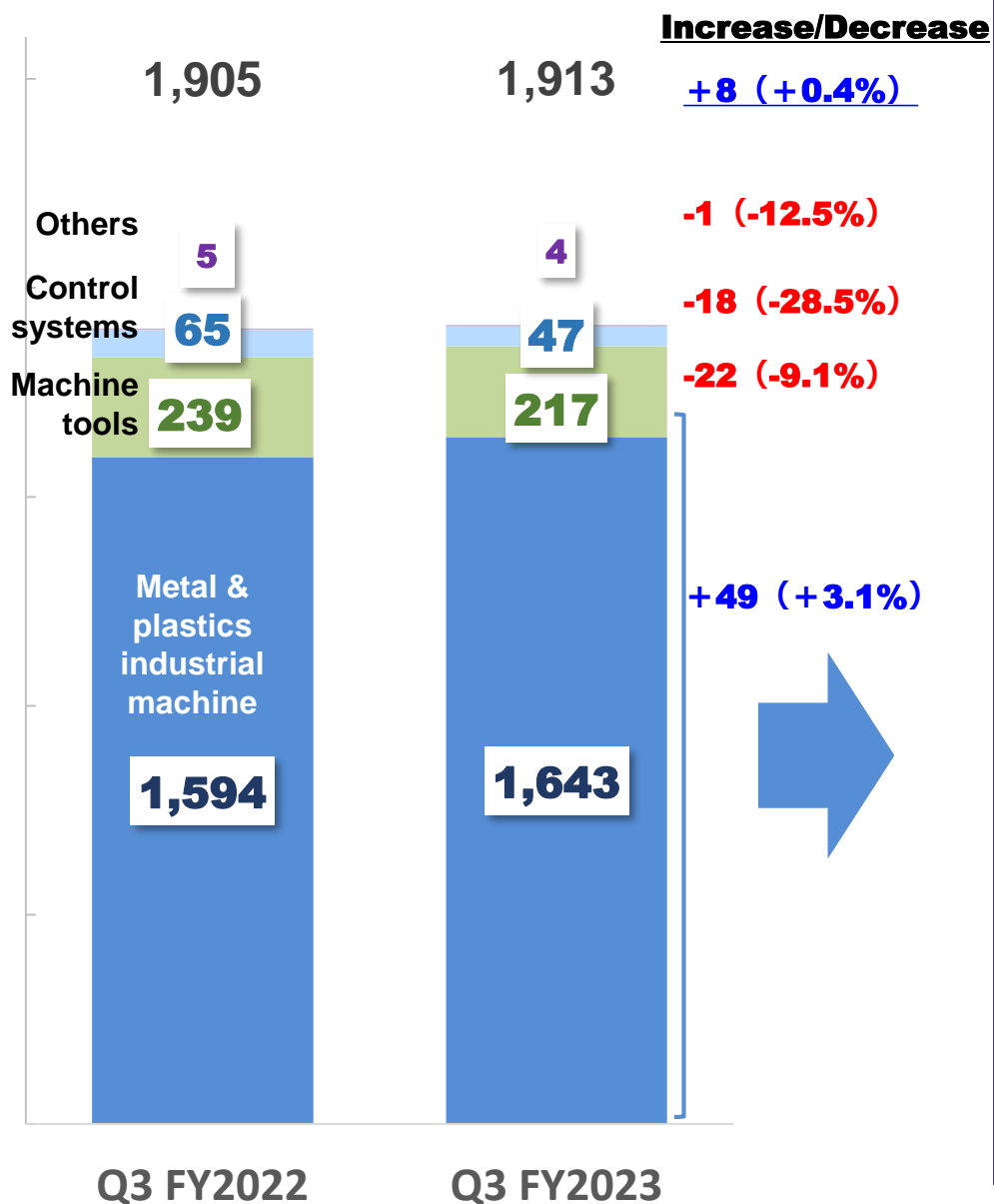




# Order Backlog (By Segment)

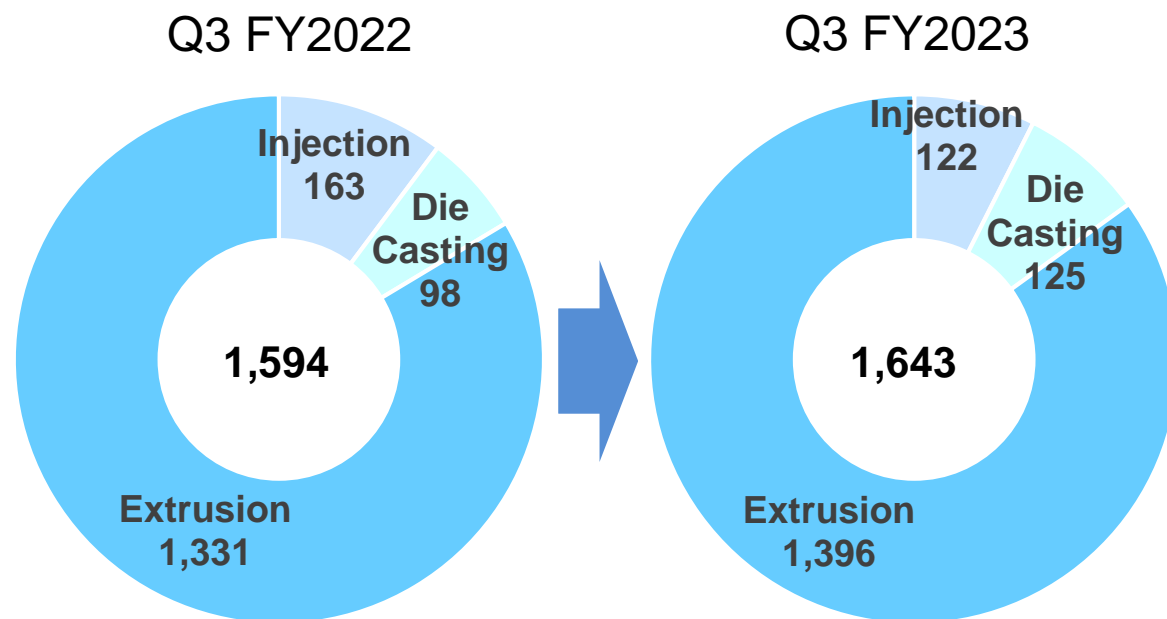
Shibaura Machine

(Unit: 100 million yen)



(Unit: 100 million yen)

## Breakdown of Metal & Plastics Industrial Machine



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

Shibaura Machine

(Unit: 100 million yen)

(Unit: 100 million yen)

## Operating Profit

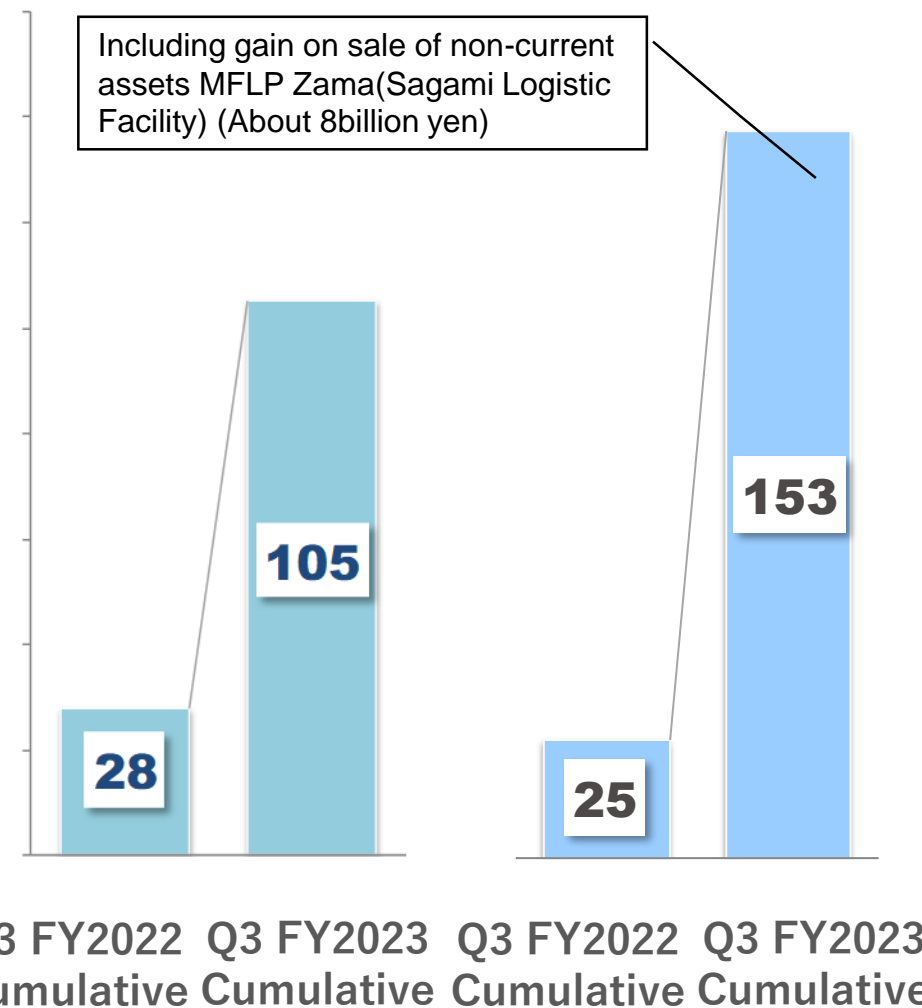
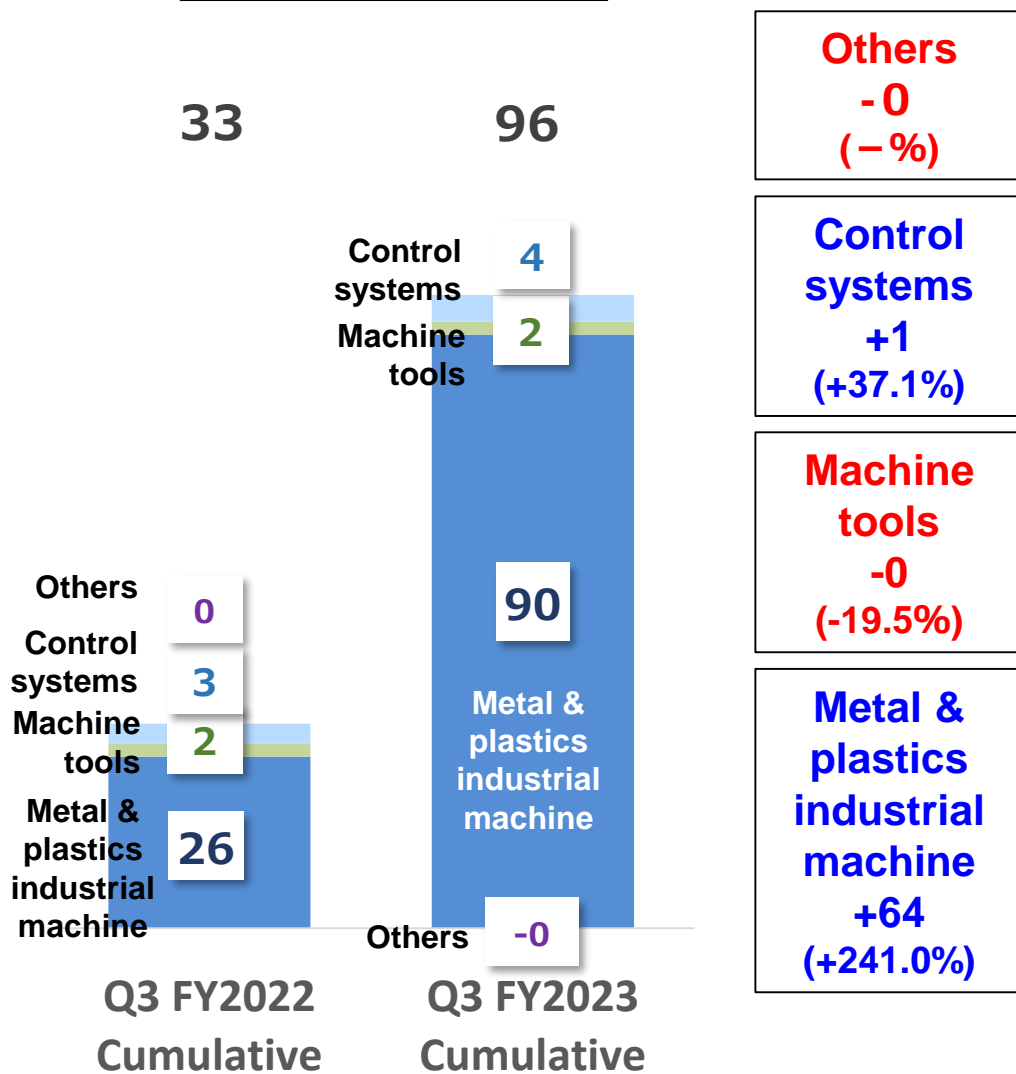
**+63 (+188.9%)**

## Ordinary Profit

**+77 (+271.0%)**

## Net Profit

**+128 (+504.2%)**



# (Metal & Plastics Industrial Machine) Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Injection molding machines, Die casting machines, Extrusion machines, etc.)

	Q3 FY2023 Cumulative	Q3 FY2022 Cumulative	Increase/ Decrease Amounts	Increase/ Decrease Ratio
<b>Net Sales</b>	<b>840</b>	<b>619</b>	<b>+221</b>	<b>+35.7%</b>
<b>Operating Profit</b>	<b>90</b>	<b>26</b>	<b>+64</b>	<b>+241%</b>
<b>Profit Ratio</b>	<b>10.8%</b>	<b>4.3%</b>	—	<b>+6.5pt</b>

## Performance Factor Analysis

+

### Positive Factors

- Extrusion: Significant increase in LiB separator film production lines for EV in China
- Die Casting: Increase in demand for automotive applications in North America and Southeast Asia etc.

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### Negative Factors

- Injection: Decrease due to the prolonged deterioration of market conditions in China

# (Machine Tools) Segment Results

Shibaura Machine

(Unit: 100 million yen)

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

	Q3 FY2023 Cumulative	Q3 FY2022 Cumulative	Increase/ Decrease Amounts	Increase/ Decrease Ratio
<b>Net Sales</b>	<b>171</b>	<b>195</b>	<b>- 24</b>	<b>- 12.3%</b>
<b>Operating Profit</b>	<b>2</b>	<b>2</b>	<b>- 0</b>	<b>- 19.5%</b>
<b>Profit Ratio</b>	<b>1.2%</b>	<b>1.3%</b>	—	<b>- 0.1pt</b>

## Performance Factor Analysis



### Positive Factors

- Machine Tools: Increase in demand for energy applications in North America
- Precision: Increase in demand for vehicle-mounted lens molds in China



### Negative Factors

- Machine Tools: Decrease in demand for industrial machinery in Japan and China
- Precision: Decrease in demand for smartphone lens molds in China

# (Control Systems) Segment Results

Shibaura Machine

(Unit: 100 million yen)

(Industrial robots, electronic control systems, etc.)

	Q3 FY2023 Cumulative	Q3 FY2022 Cumulative	Increase/ Decrease Amounts	Increase/ Decrease Ratio
<b>Net Sales</b>	<b>90</b>	<b>76</b>	<b>+14</b>	<b>+18.5%</b>
<b>Operating Profit</b>	<b>4</b>	<b>3</b>	<b>+1</b>	<b>+37.1%</b>
<b>Profit Ratio</b>	<b>4.8%</b>	<b>4.2%</b>	—	<b>+0.6pt</b>

## Performance Factor Analysis

+

### Positive Factors

- Increase in electronic control systems and engineering solutions related to labor-saving and automation in Japan

-

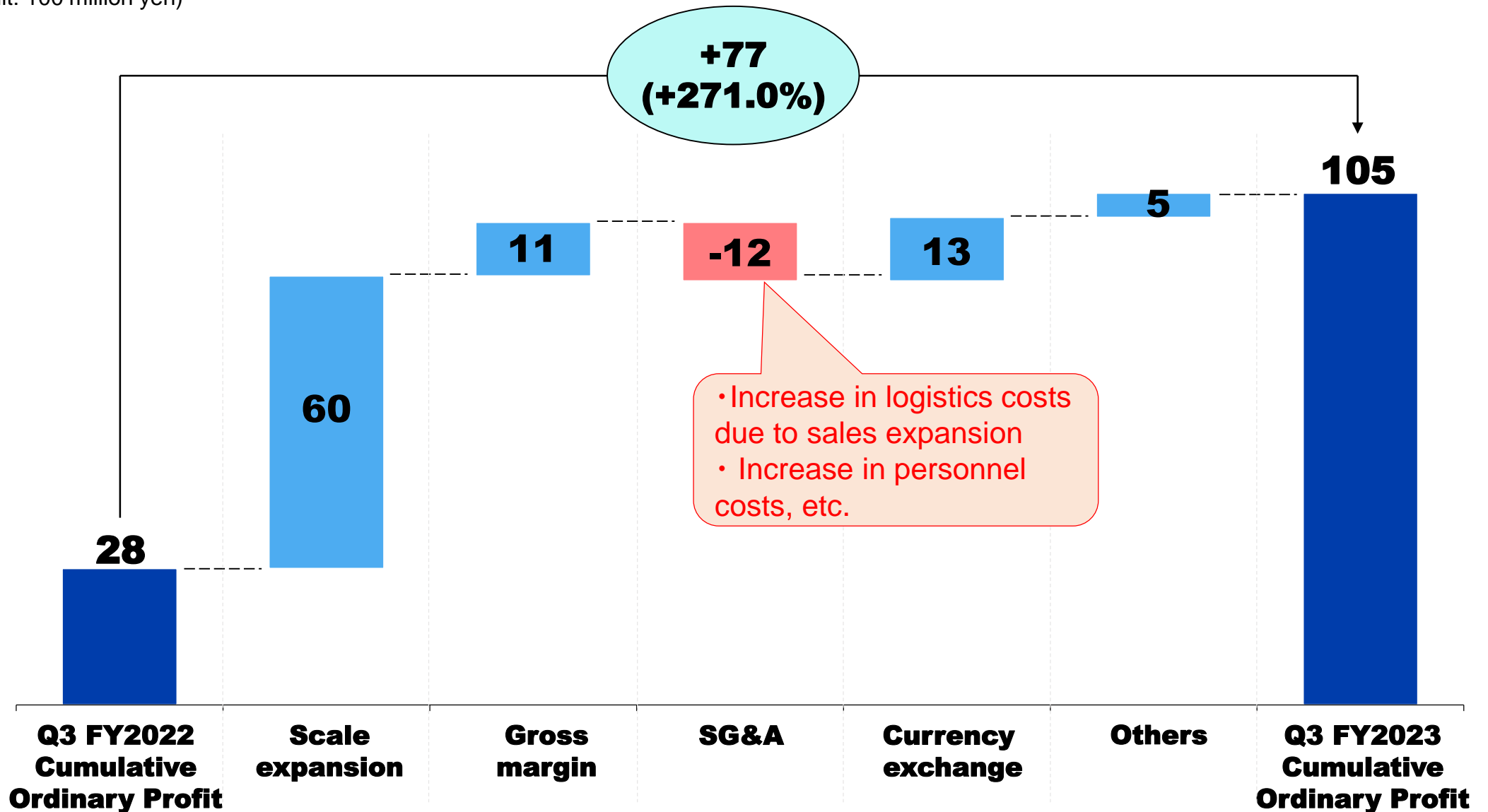
### Negative Factors

- Decrease in demand for industrial robots in China

# Ordinary Profit Analysis

Shibaura Machine

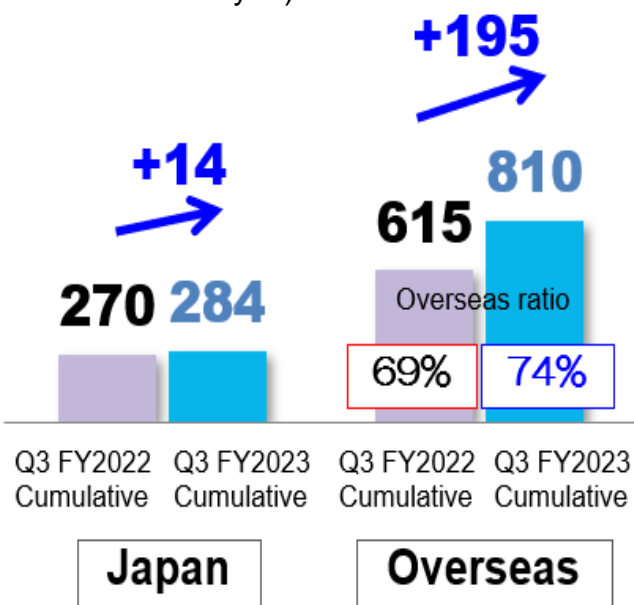
(Unit: 100 million yen)



# Domestic and Overseas Sales

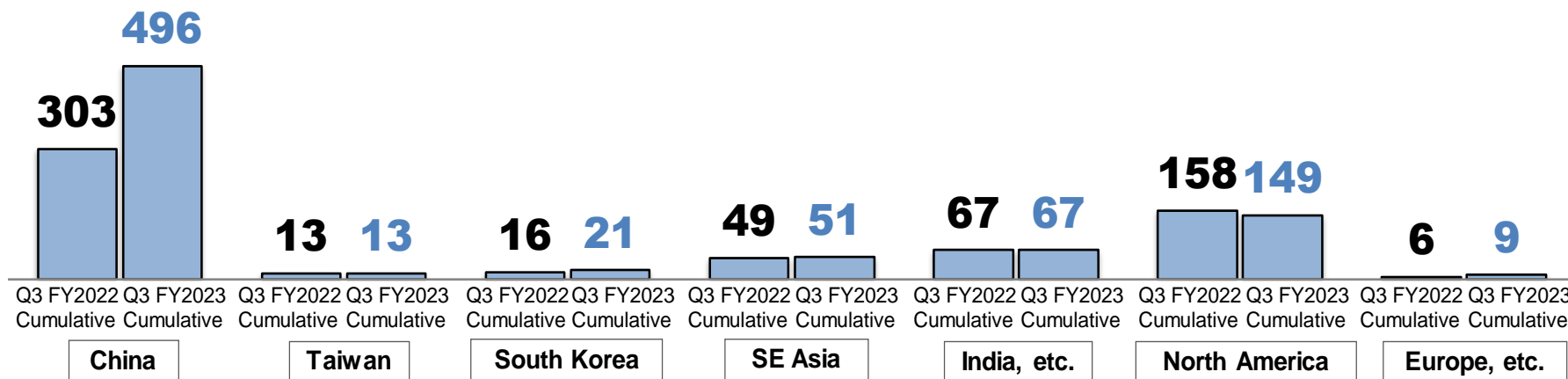
Shibaura Machine

(Unit: 100 million yen)



- **Japan** : ➔ [Injection] [Extrusion] [Control Systems] Increase  
➔ [Machine Tools] Decrease
- **China** : ➔ [Extrusion] Increase  
➔ [Injection] [Machine Tools] [Precision] [Control Systems] Decrease
- **SE Asia** : ➔ [Die Casting] Increase
- **North America** : ➔ [Die Casting] [Machine Tools] Increase  
➔ [Injection] Decrease

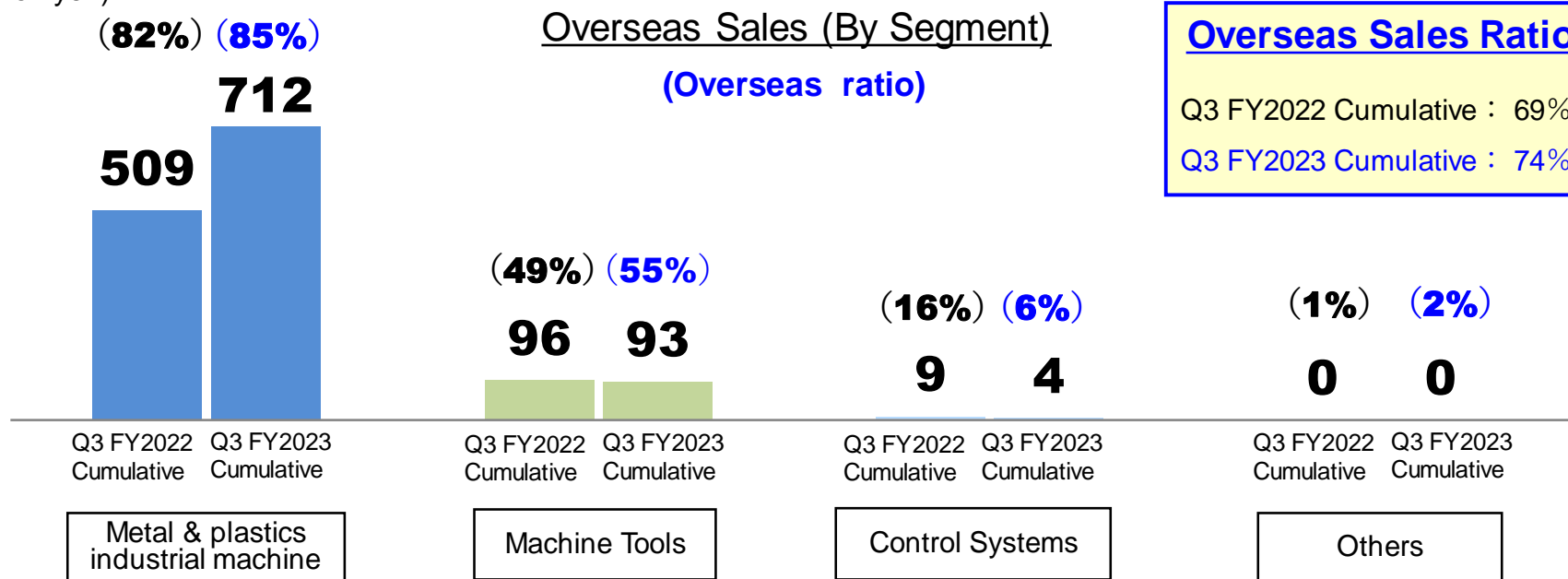
## Overseas Sales(By Region)



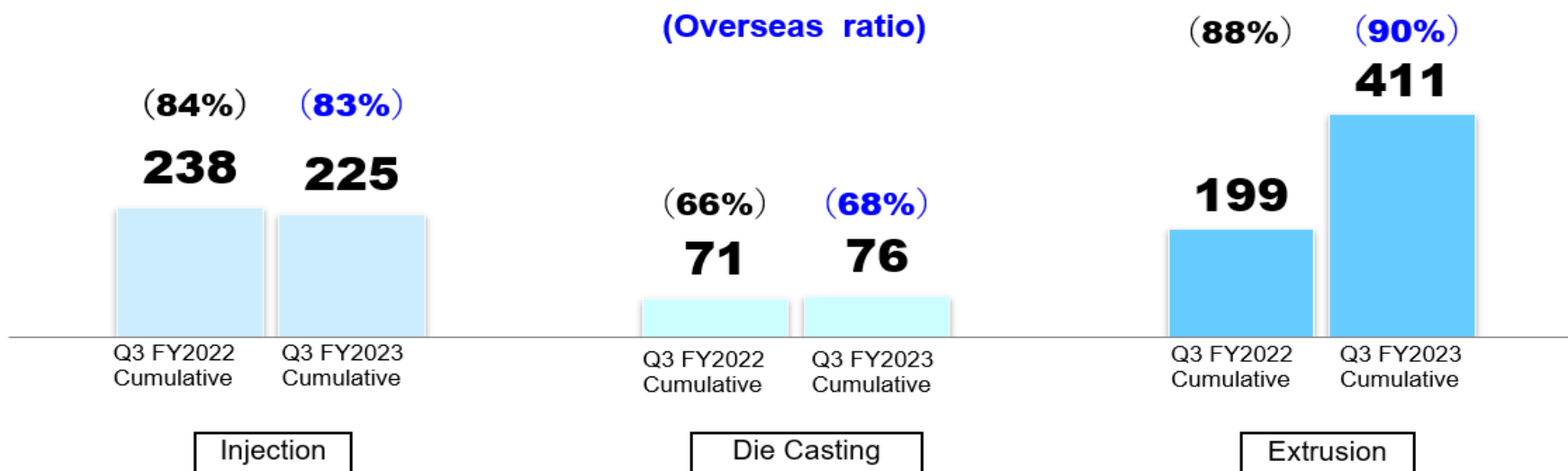
# Overseas Sales and Ratio (By Segment)

Shibaura Machine

(Unit: 100 million yen)



## Metal & Plastics Industrial Machine (By Product)

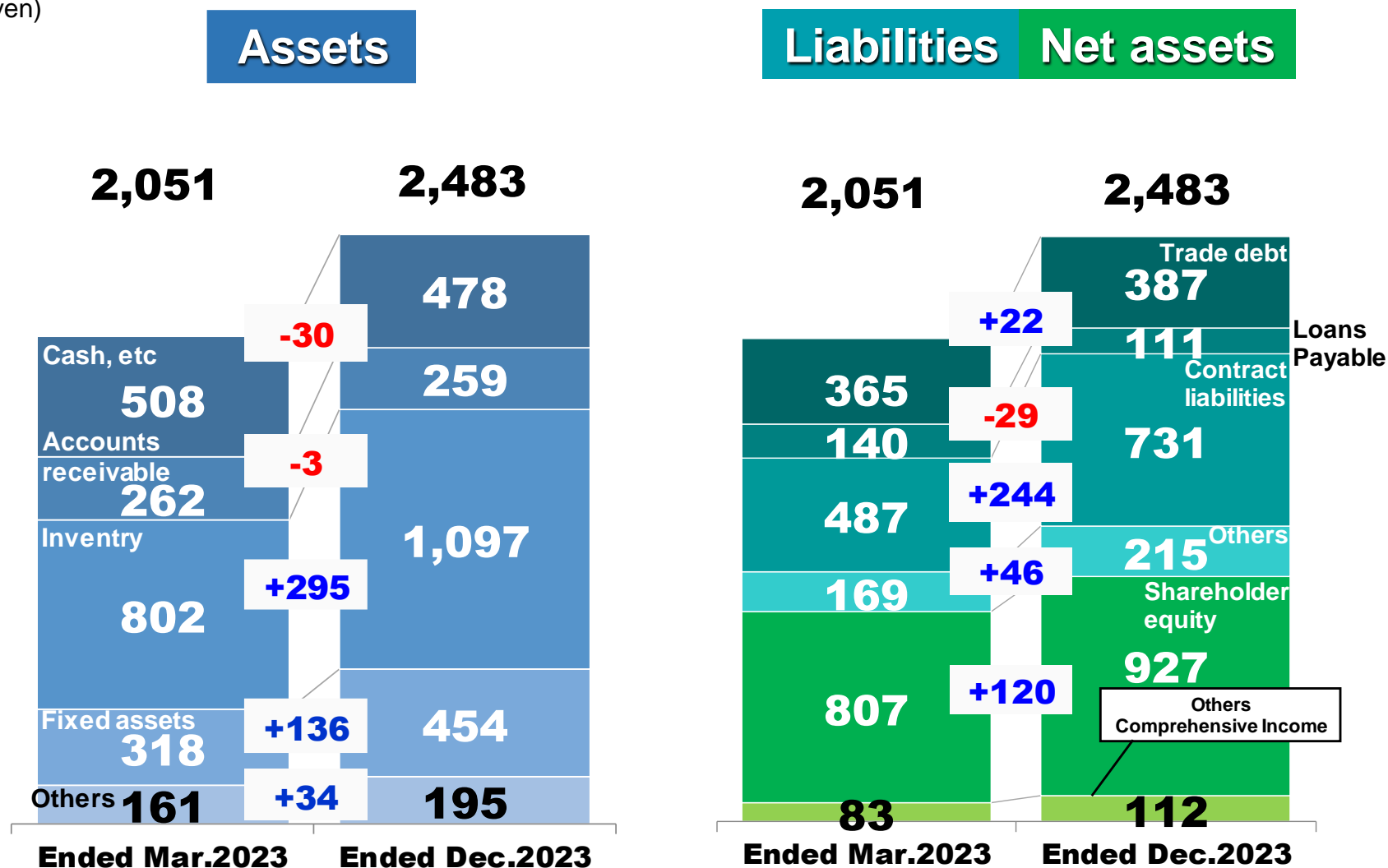




# Balance Sheet

Shibaura Machine

(Unit: 100 million yen)



	Ended Mar.2023	Ended Dec.2023
<b>Equity ratio</b>	<b>43.5%</b>	<b>41.9%</b>
<b>D/E ratio</b>	<b>15.7%</b>	<b>10.7%</b>

# **Forecast of Consolidated Financial Results for the Year Ending March 31, 2024**

- 1) Financial Results Forecast**
- 2) R&D Expenses, Capital Expenditures,  
Depreciation Expenses**
- 3) Dividend Forecast**

# FY2023 Financial Results Summary

Shibaura Machine

(Unit: 100 million yen)

- The full-year forecast has not been revised from it announced on May 15, 2023.

	<b>FY2023 Forecast</b> (Announced on May.15,2023) <b>(A)</b>	<b>FY2022</b> <b>Cumulative</b> <b>(B)</b>	<b>Increase/ Decrease</b> <b>(A)-(B)</b>
<b>Net sales</b>	<b>1,800</b>	<b>1,231</b>	<b>+569</b>
<b>Operating profit</b>	<b>150</b>	<b>57</b>	<b>+93</b>
<b>Profit ratio</b>	<b>8.3%</b>	<b>4.7%</b>	<b>+3.6pt</b>
<b>Ordinary profit</b>	<b>145</b>	<b>52</b>	<b>+93</b>
<b>Profit ratio</b>	<b>8.1%</b>	<b>4.3%</b>	<b>+3.8pt</b>
<b>Net profit attributable to owners of parent</b>	<b>180</b>	<b>64</b>	<b>+116</b>
<b>Profit ratio</b>	<b>10.0%</b>	<b>5.2%</b>	<b>+4.8pt</b>
<b>Orders received</b>	※ <b>1,690</b>	<b>1,916</b>	<b>- 226</b>
<b>Exchange rate (USD)</b>	<b>126</b> yen	<b>134</b> yen	

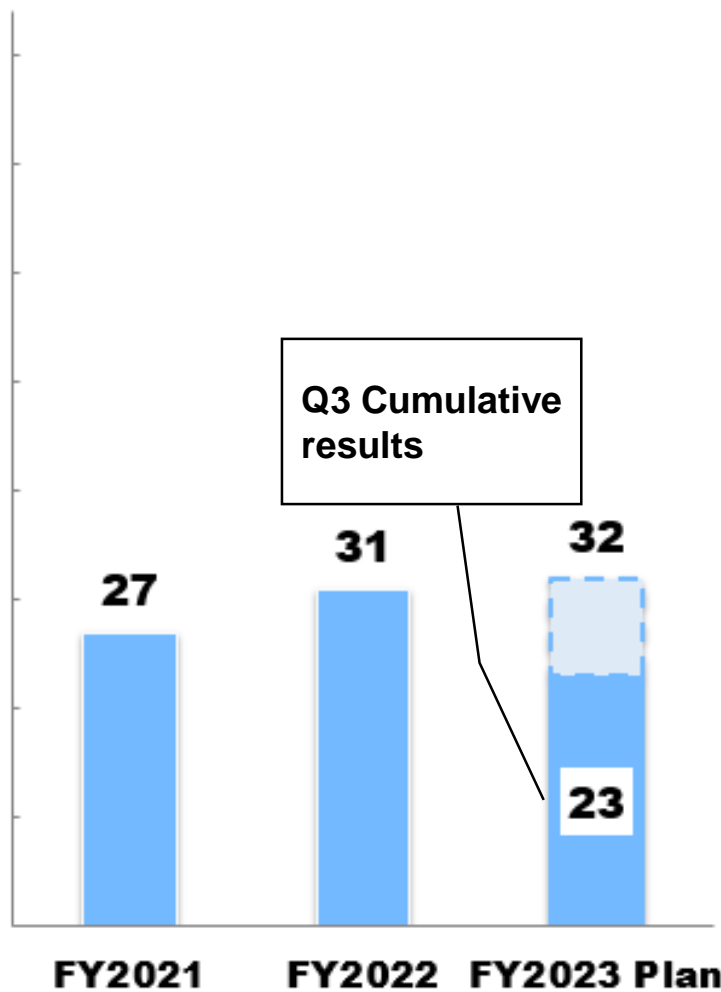
※ The full-year forecast for Orders Received announced on Nov.8,2023.

# R&D Expenses, Capital Expenditures, Depreciation Expenses

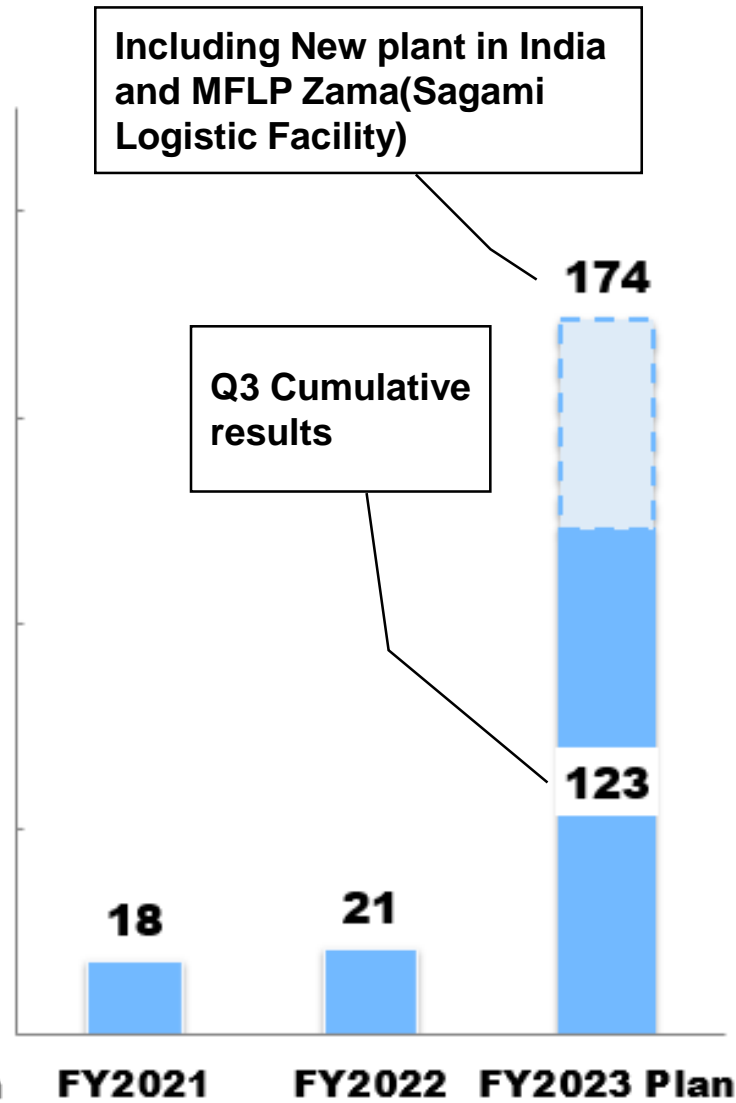
Shibaura Machine

(Unit: 100 million yen)

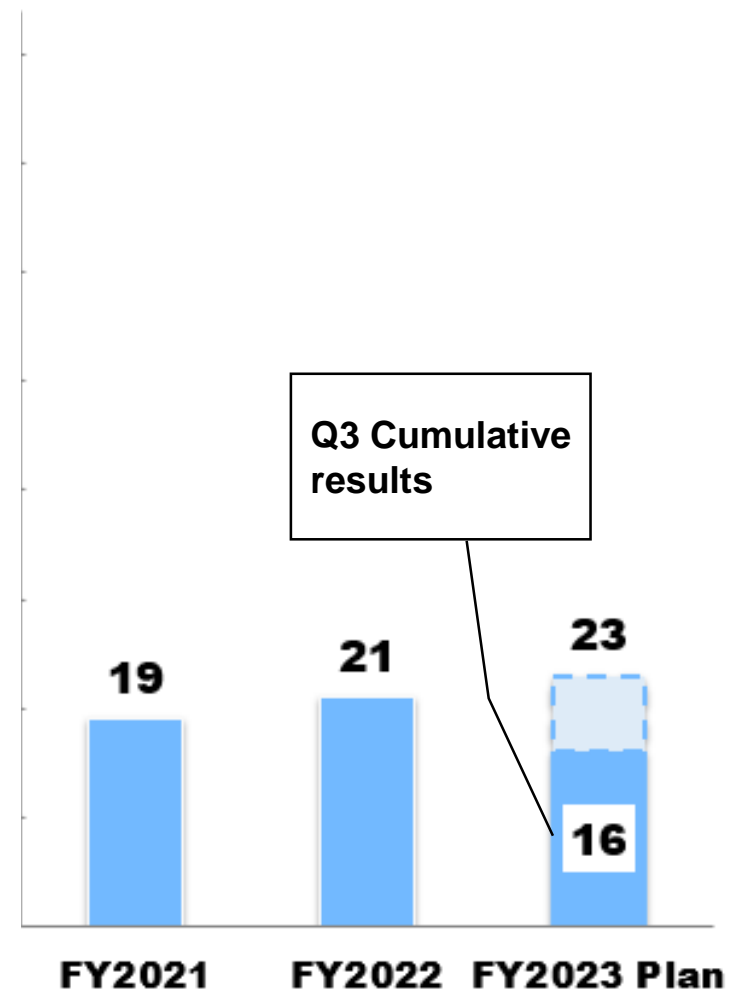
## R&D Expenses



## Capital Expenditures



## Depreciation Expenses



# Dividend Forecast

Shibaura Machine

The full-year forecast has not been revised from it announced on May 15, 2023.

## Policy on Determination of Dividends

Our basic policy is to maintain stable dividends and to distribute profits in line with business performance while strengthening our management structure to improve profitability.

With regard to retained earnings, we will make strategic decisions on future business development for the purpose of continuous corporate growth, and effectively invest in strengthening human capital, production facilities, technological development, overseas expansion, and other areas. We will also continue to return profits to shareholders in an appropriate manner.

	Interim	Year-end	Full-year	Dividend payout ratio (Consolidated)
FY ended March 31, 2022	<b>37.5 yen</b>	<b>37.5 yen</b>	<b>75.0 yen</b>	<b>48.6%</b>
FY ended March 31, 2023	<b>37.5 yen</b>	<b>70.0 yen</b>	<b>107.5 yen</b>	<b>40.3%</b>
<b>FY ending March 31, 2024 (Forecast)</b>	<b>70.0 yen</b>	<b>70.0 yen</b>	<b>140.0 yen</b>	<b>* 33.8%</b>

\* The net profit attributable to owners of the parent for the fiscal year ending March 31, 2024 is expected to be 18.0 billion yen, which includes approx. 8.0 billion yen (less deferred tax liabilities based on the advanced depreciation method) such as a gain on sale of a portion of the south site of Sagami Plant to commercialize MFLP Zama (Sagami Logistic Facility), which started operation in September 2023.

Such gain on the sale will be used to acquire equity interest in the building constructed on the land of the transferred asset by the transferee as an equivalent exchange method is applied. Accordingly, we will distribute profits based on the net profit of approx. 10 billion yen after deducting the gain on sale.

In addition, we will also consider flexibly acquiring purchase of treasury shares as necessary, keeping in mind the total return ratio.

# Shibaura Machine

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