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[Documents to be submitted]	Quarterly Securities Report
[Clause of stipulation]	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
[Submit to]	Director-General of the Kanto Local Finance Bureau
[Date of submission]	August 10, 2022
[Quarterly accounting period]	First quarter of 77th term (From April 1, 2022 to June 30, 2022)
[Company name]	ANEST IWATA Kabushiki Kaisha
[English name]	ANEST IWATA Corporation
[Title and name of representative]	Shinichi Fukase, President, Representative Director and Chief Executive Officer
[Location of head office]	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi, Kanagawa
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[Administrative contact name]	Takayoshi Iribe, General Manager, Corporate Planning Department
[Nearest contact location]	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi, Kanagawa
[Telephone number]	Yokohama (045) 591-9344
[Administrative contact name]	Takayoshi Iribe, General Manager, Corporate Planning Department
[Places for public inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo)

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.

## Part 1 [Corporate Information]

## Section 1 [Company Overview]

## 1. [Trends in major management indicators, etc.]

Term	76th term	77th term	76th term
Accounting period	Three months ended June 30, 2021	Three months ended June 30, 2022	Fiscal Year ended March 31, 2022
Net sales (thousand yen)	9,100,889	9,999,160	42,337,011
Ordinary profit (thousand yen)	1,114,704	1,291,787	5,572,289
Profit attributable to owners of parent (thousand yen)	700,293	808,670	3,541,395
Comprehensive income (thousand yen)	1,733,967	2,149,971	5,900,684
Net assets (thousand yen)	37,237,520	41,223,483	40,210,005
Total assets (thousand yen)	50,260,633	56,456,447	55,818,537
Basic earnings per share (Yen)	17.05	19.96	86.32
Diluted earnings per share (Yen)	-	-	-
Equity ratio (%)	65.9	64.6	63.8

(Notes) 1. Since the Company prepares quarterly consolidated financial statements, the trends in major management indicators, etc. of the submitting company are not described.

2. Diluted earnings per share is not stated because there are no diluted shares.

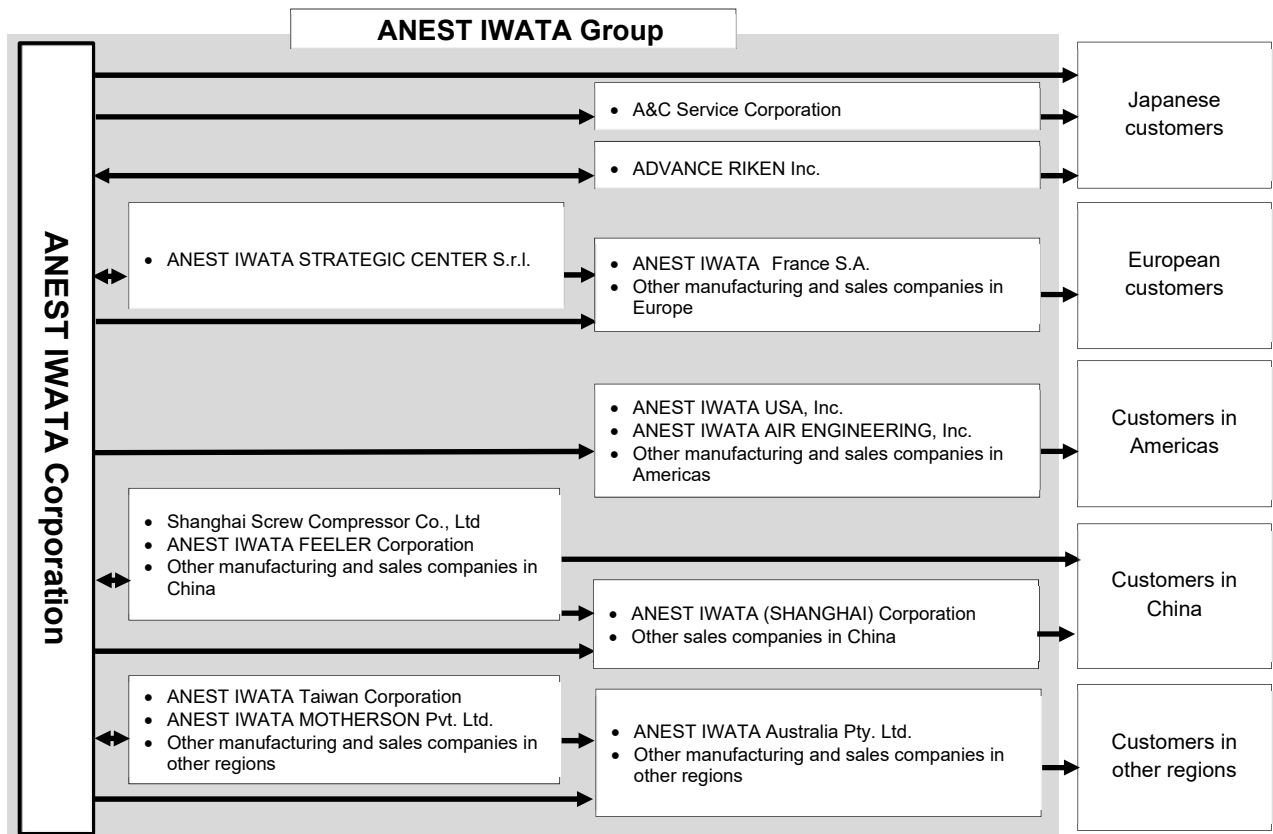
3. The Company introduced the "Board Benefit Trust (BBT)," a performance-based stock compensation plan from the 74th consolidated fiscal year. Accordingly, in the calculation of the basic earnings per share, the Company shares owned by the Trust are included in the treasury shares, which are deducted in the calculation of the number of treasury shares at the period-end and the average number of shares outstanding in the period.

2. [Business description]

There has been no significant change in the content of business activities of the Group (the Company and its affiliates) during the current consolidated cumulative first quarter.

There are also no changes in major affiliated companies.

The classification of report segments has changed from the current consolidated first quarter. For details, refer to (Segment information, etc.) in "Section 4 [Status of Accounting] – 1. [Quarterly consolidated financial statements] - [Notes]."



## Section 2 [Status of Business]

### 1. [Business risks]

During the current consolidated cumulative first quarter, among the matters related to the status of business and accounting, etc. stated in this Quarterly Securities Report, there were no major risks that the management recognized as having the potential to have a significant impact on the financial condition, results of operations and cash flow of the consolidated companies, or any significant changes to the "Business Risks" stated in the Annual Securities Report for the previous fiscal year. There were no important events, etc.

### 2. [Management's analysis of financial condition, results of operations and cash flow]

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

#### (1) Financial condition and results of operations

##### (i) Overview and results of operations

During the current consolidated cumulative first quarter, while economic activities are normalizing in the global economy, the sense of uncertainty about the future has increased due to increased shortage of components such as semiconductors, a sharp rise in raw material cost and resource cost, and disrupted logistics.

In the Japanese economy, although business sentiment is showing an improving trend due to the recovery of consumption and capital investment, the situation continues to lack power due to factors of decline such as growing uncertainty about the future of global economy.

Under these circumstances, our business performance for the current consolidated cumulative first quarter is as follows: sales standing at 9,999 million yen (up 9.9% from the same consolidated cumulative quarter of the previous fiscal year), operating profit at 820 million yen (down 8.1%), ordinary profit at 1,291 million yen (up 15.9%) and profit attributable to owners of parent at 808 million yen (up 15.5%).

#### (Reference values) Results of each division

(Amount: million yen)

Division	(Product category)	Three months ended June 30, 2022			
		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		6,101	11.5%	505	12.9%
	Air Compressors	5,583	10.3%		
	Vacuum Equipment	518	25.8%		
Coating Division		3,897	7.4%	315	(29.3%)
	Coating Equipment	3,726	12.5%		
	Coating Systems	171	(45.9%)		
Total		9,999	9.9%	820	(8.1%)

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

##### (ii) Results of operations by segment

Results of operations by regional segment, which our Group adopts, are as described below. The classification of report segments has changed from the current consolidated first quarter. For details, refer to (Segment information, etc.) in "Section 4 [Status of Accounting] – 1. [Quarterly consolidated financial statements] - [Notes]."

#### Japan

Sales stood at 5,051 million yen (down 3.1% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 490 million yen (down 28.4%). The decrease in income was mainly due to the rise in purchase prices resulting from a steep rise in raw material cost.

In the air compressor field, sales have declined due to the impact of supply shortages in electric motors and electrical equipment. Further, in the latter half of the current consolidated first quarter, the procurement status of some materials is showing an improving trend.

In the vacuum equipment field, boosted by the boom in the semiconductor market, the demand for vacuum pumps for semiconductor manufacturing-related equipment is declining, but sales are progressing favorably.

In the coating equipment field, the sales of spray guns progressed steadily. On the other hand, although there were signs indicating gradual recovery in the order status of coating booths from the latter half of the current consolidated first

quarter, the resultant sales declined. This caused a decline in overall sales.

In the coating system field, sales increased due to steady delivery of items ordered in the previous consolidated fiscal year, centered around coating systems for painting automobile parts.

#### Europe

Sales stood at 1,790 million yen (up 21.7% from the same consolidated cumulative quarter of the previous fiscal year) and segment income stood at 136 million yen (down 25.4%). The decrease in income was mainly due to increased labor costs and increased costs related to sales promotion activities for coating equipment.

In the air compressor field, the sales of oil-free air compressors progressed favorably in EU countries.

In the vacuum equipment field, sales progressed steadily, and we are planning for further sales expansion by undertaking the development of new clients.

In the coating equipment field, sales increased as the demand for spray guns for the automobile repair market progressed stably.

#### Americas

Sales stood at 1,332 million yen (up 13.6% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 153 million yen (up 12.8%).

In the air compressor field, sales increased centered around medical air compressors in Brazil.

In the vacuum equipment field, sales of vacuum pumps increased, mainly for equipment manufacturers.

In the coating equipment field, the sales of spray guns for the automobile repair market progressed steadily due to the cultivation of market through the partial transfer of the business conducted in the previous fiscal year. Also, the sales of spray units for the woodworking and furniture market increased, resulting in an increase in overall sales. Further, there was a sense of pause in special demand for airbrushes that started with stay-at-home demand.

#### China

Sales stood at 2,320 million yen (up 24.3% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 105 million yen (up 535.2%). The increase in income was mainly due to decreased selling, general & administrative expenses ratio at local subsidiaries.

In the air compressor field, domestic sales in China progressed favorably.

In the vacuum equipment field, demand of vacuum pumps for semiconductor manufacture-related equipment increased, resulting in increased sales.

In the coating equipment field, the sales of spray guns increased for the general industrial coating market, which is said to be the 3C market of computers, mobile phones, consumer electronics, etc.

In the coating system field, sales decreased due to the reaction to whether there were large-scale projects in the previous consolidated fiscal year.

#### Other

Sales stood at 2,109 million yen (up 21.2% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 311 million yen (up 41.3%).

In the air compressor field, the sales of air compressors for medical use and in-vehicle use increased in India.

In the vacuum equipment field, the sales of vacuum pumps for semiconductor manufacture-related equipment progressed favorably in South Korea and Taiwan.

In the coating equipment field, sales increased in Southeast Asia due to the normalization of economic activities.

In the coating system field, sales decreased due to the reaction to whether there were large-scale projects in the previous consolidated fiscal year.

#### (iii) Analysis of financial condition

For assets, our current assets stood at 34,676 million yen (up 1.0% from the previous consolidated fiscal year). This was mainly due to an increase of 663 million yen in "Raw materials and supplies." Our non-current assets stood at 21,779 million yen (up 1.3%). This was mainly due to an increase of 87 million yen in "Buildings and structures, net." As a result, our total assets stood at 56,456 million yen (up 1.1%).

For liabilities, our current liabilities stood at 11,096 million yen (down 4.5%). This was mainly due to a decrease of 445 million yen in "Income taxes payable." Our non-current liabilities stood at 4,136 million yen (up 3.6%). This was mainly due to an increase of 92 million yen in lease obligations included in "Other" due to the introduction of production equipment. As a result, our total liabilities stood at 15,232 million yen (down 2.4%).

Our net assets stood at 41,223 million yen (up 2.5%). This was mainly due to an increase of 894 million yen in "Foreign currency translation adjustments" owing to the depreciation of yen. Our equity capital, which is calculated by subtracting the non-controlling shareholders' equity from the net assets, stood at 36,447 million yen, increasing our equity

ratio by 0.8 percentage points to 64.6%, from 63.8% at the end of the previous consolidated fiscal year.

(2) Management policy and strategy, etc.

The Company has started business activities based on a new three-year mid-term business plan from the fiscal year ending March 31, 2023.

Based on this plan, we have positioned overseas as our growth market and will continue to provide "product development that impresses all customers" and "high performance and high quality" as a "true development-oriented company."

Outline of the new mid-term business plan

(i) Numerical targets

Key Goal Indicators (KGIs) for the fiscal year ending March 31, 2025  
Consolidated net sales of 50 billion yen or more, consolidated operating profit of 5.5 billion yen or more, ROE of 10% or more  
(Based on organic growth. The following reference values indicate the breakdown.)



1) Air energy business

Consolidated net sales of 29.5 billion yen or more and consolidated operating profit of 2.9 billion yen or more

2) Coating business

Consolidated net sales of 20.5 billion yen or more and consolidated operating profit of 2.6 billion yen or more

(ii) Concept

As a specialized manufacturer, it is our mission to create products and technologies that can contribute to solving social issues in our target markets and provide a wide range of products and technologies to society, and in this way, pursuing social value and capturing new business opportunities will lead to our growth.

(iii) Basic strategy

- 1) Create "ONLY ONE" products appropriate for each region in the world and capture "NUMBER ONE" market share
- 2) Maximize synergy among subsidiaries to demonstrate effectiveness
- 3) Expand service business in Japan and reform business model
- 4) Develop new businesses
- 5) Strengthen sustainability management
  - a. As a specialized manufacturer, our Company's emphasis on each of E, S, and G has been the driving force behind our achievement of the highest earnings in FY2021, and the continuation and strengthening of this emphasis is the central idea behind "500 & Beyond." Under "VISION 2030 (Adding color to the world and bringing about an enriched society with fluid and air technologies)," we have examined materiality and set sustainable goals
  - b. Investment in and development of human resources
    - In the current mid-term business plan period, we will emphasize investment in human resources, strengthen "each individual's earning power" by adopting total personnel cost management, and improve labor productivity
    - Continued evolution of work style reforms and health management to enhance corporate value
  - c. Product development from the perspective of SDGs and contribution to society

(3) Businesses and financial issues to be addressed on priority

There were no significant changes in the issues to be addressed by the Group during the current consolidated cumulative first quarter.

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

There were no changes in this policy during the current consolidated cumulative first quarter.

(5) Research and development activities

Total research and development expenses for the current consolidated cumulative first quarter amounted to 199 million yen. Other expenses of 127 million yen used for product improvement and modification are included in manufacturing expenses. The report segments are Japan, Europe and China, and Japan accounts for 266 million yen

out of the total of 327 million yen.

(6) Number of employees

(i) Status of the Company and consolidated companies

(Persons)

Report segment	Japan	Europe	Americas	China	Other	Total
As of June 30, 2022	628	189	109	409	458	1,793
As of March 31, 2022	622	185	104	406	447	1,764

(Note) The number of employees is the number of full-time employees.

(i) Status of the submitting company

(Persons)

As of June 30, 2022	607
As of March 31, 2022	612

(Note) The number of employees is the number of full-time employees.

(7) Status of production, orders received and sales

(i) Production results

(Amount: million yen)

Report segment	Japan	Europe	Americas	China	Other	Total
Three months ended June 30, 2022	4,047	620	236	1,328	1,282	7,515
Three months ended June 30, 2021	4,306	442	117	1,545	1,142	7,555

(Notes) 1. The increase in Europe is mainly due to the results of a subsidiary in Germany that manufactures air compressors.

2. The increase in Americas is mainly due to the results of a subsidiary in the U.S. that manufactures air compressors.

(ii) Orders received and order outstanding

(Amount: million yen)

Report segment	Japan	Europe	Americas	China	Other	Total
Orders received in the current consolidated cumulative first quarter	66	-	0	180	64	312
Order outstanding in the current consolidated cumulative first quarter	1,387	-	-	379	286	2,054
Orders received in the previous consolidated cumulative first quarter	240	-	0	426	59	726
Order outstanding in the previous consolidated cumulative first quarter	520	-	-	916	213	1,650

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

2. The decrease in orders received in Japan was mainly due to a decrease in capital investment related to automobile production.

3. The increase in order outstanding in Japan was mainly due to an increase in capital investment related to automobile production in the second half of the previous consolidated fiscal year.

4. The decrease in orders received and outstanding in China was mainly due to a decrease in capital investment related to the production of automobiles and musical instruments.

5. The increase in order outstanding in Other was mainly due to an increase in capital investment related to

automobile production in Thailand.

(iii) Sales results

(Amount: million yen)

Report segment	Japan	Europe	Americas	China	Other	Total
Three months ended June 30, 2022	3,315	1,737	1,236	2,067	1,641	9,999
Three months ended June 30, 2021	3,537	1,400	1,073	1,728	1,361	9,100

### 3. [Important business contracts, etc.]

There are no relevant matters.



## Section 3 [Status of the Submitting Company]

### 1. [Status of shares, etc.]

#### (1) [Total number of shares, etc.]

##### (i) [Total number of shares]

Class	Total number of shares authorized to be issued (shares)
Common shares	189,290,000
Total	189,290,000

##### (ii) [Shares issued]

Class	Number of shares issued as of the end of the first quarter (shares) (June 30, 2022)	Number of shares issued as of the date of submission (shares) (August 10, 2022)	Name of listed stock exchange or registered authorized financial instruments firms association	Description
Common shares	41,745,505	41,745,505	Prime Market of Tokyo Stock Exchange	Number of shares constituting one unit: 100 shares
Total	41,745,505	41,745,505	-	-

#### (2) [Status of subscription rights to shares, etc.]

##### (i) [Details of the stock option plan]

There are no relevant matters.

##### (ii) [Status of other subscription rights to shares, etc.]

There are no relevant matters.

#### (3) [Status of exercise of bonds with subscription rights to shares with exercise price amendment clause, etc.]

There are no relevant matters.

#### (4) [Changes in the total number of shares issued, share capital, etc.]

Date	Changes in the total number of shares issued (shares)	Balance of the total number of shares issued (shares)	Changes in share capital (million yen)	Balance of share capital (million yen)	Changes in capital reserve (million yen)	Balance of capital reserve (million yen)
June 30, 2022	-	41,745,505	-	3,354	-	1,380

#### (5) [Status of major shareholders]

This quarterly accounting period is the first quarter accounting period, so there are no matters to be stated.

(6) [Status of voting rights]

(i) [Shares issued]

As of June 30, 2022

Classification	Number of shares (shares)	Number of voting rights (units)	Description
Non-voting shares	-	-	-
Shares with restricted voting rights (treasury shares, etc.)	-	-	-
Shares with restricted voting rights (other)	-	-	-
Shares with full voting rights (treasury shares, etc.)	(Treasury shares) Common shares 1,104,200	-	-
Shares with full voting rights (other)	Common shares 40,627,600	406,276	-
Shares constituting less than one unit	Common shares 13,705	-	Shares less than one unit (100 shares)
Total number of shares issued	41,745,505	-	-
Voting rights of all shareholders	-	406,276	-

(ii) [Treasury shares, etc.]

As of June 30, 2022

Name of owner	Address of owner	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total number of shares owned (shares)	Ratio of number of shares held to total number of shares issued (%)
(Treasury shares) ANEST IWATA Corporation	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi	1,104,200	-	1,104,200	2.65
Total	-	1,104,200	-	1,104,200	2.65

2. [Status of officers]

There were no changes in officers during the current quarterly cumulative period after the date of submission of the Annual Securities Report for the previous fiscal year.

## Section 4 [Status of Accounting]

### 1. Method of preparation of quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the "Regulations Concerning Terms, Forms and Preparation Method of Quarterly Consolidated Financial Statements" (Cabinet Office Ordinance No. 64, 2007).

### 2. About audit certification

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, the quarterly consolidated financial statements pertaining to the first quarter consolidated accounting period (from April 1, 2022 to June 30, 2022) and the first quarter consolidated cumulative period (from April 1, 2022 to June 30, 2022) have been reviewed by SEINAN AUDIT CORPORATION.

1. [Quarterly consolidated financial statements]

(1) [Quarterly consolidated balance sheet]

(Amount: thousand yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	14,319,597	13,964,499
Notes and accounts receivable-trade	8,004,883	7,658,385
Merchandise and finished goods	6,326,762	6,429,687
Work in process	1,280,101	1,341,995
Raw materials and supplies	3,222,945	3,886,596
Other	1,434,802	1,682,012
Allowance for doubtful accounts	(262,772)	(286,308)
Total current assets	34,326,320	34,676,868
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,193,424	5,280,851
Other, net	6,255,105	6,425,741
Total property, plant and equipment	11,448,530	11,706,592
Intangible assets		
Goodwill	981,998	965,711
Other	2,324,697	2,483,598
Total intangible assets	3,306,695	3,449,309
Investments and other assets		
Investment securities	4,530,045	4,404,947
Other	2,217,671	2,229,454
Allowance for doubtful accounts	(10,725)	(10,725)
Total investments and other assets	6,736,991	6,623,676
Total non-current assets	21,492,217	21,779,579
Total assets	55,818,537	56,456,447

(Amount: thousand yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	5,225,044	5,473,723
Short-term borrowings	*1 867,228	*1 924,162
Income taxes payable	902,879	457,713
Provision for bonuses	751,950	405,746
Other provisions	336,655	276,644
Other	3,532,522	3,558,901
<b>Total current liabilities</b>	<b>11,616,282</b>	<b>11,096,892</b>
Non-current liabilities		
Retirement benefit liability	2,231,837	2,240,773
Provision for share awards for directors (and other officers)	136,788	157,192
Other	*1 1,623,624	*1 1,738,105
<b>Total non-current liabilities</b>	<b>3,992,250</b>	<b>4,136,071</b>
<b>Total liabilities</b>	<b>15,608,532</b>	<b>15,232,963</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,354,353	3,354,353
Capital surplus	1,008,864	1,008,864
Retained earnings	31,245,575	31,360,026
Treasury shares	(1,025,936)	(1,185,263)
<b>Total shareholders' equity</b>	<b>34,582,856</b>	<b>34,537,980</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	378,134	350,229
Foreign currency translation adjustment	679,490	1,573,816
Remeasurements of defined benefit plans	(17,285)	(14,744)
<b>Total accumulated other comprehensive income</b>	<b>1,040,339</b>	<b>1,909,301</b>
Non-controlling interests	4,586,809	4,776,201
<b>Total net assets</b>	<b>40,210,005</b>	<b>41,223,483</b>
<b>Total liabilities and net assets</b>	<b>55,818,537</b>	<b>56,456,447</b>

(2) [Quarterly consolidated profit and loss statement and quarterly consolidated statement of comprehensive income]  
[Quarterly consolidated profit and loss statement]  
[Consolidated cumulative first quarter]

(Amount: thousand yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	9,100,889	9,999,160
Cost of sales	5,018,197	5,613,722
Gross profit	4,082,691	4,385,438
Selling, general and administrative expenses	3,189,314	3,564,539
Operating profit	893,377	820,898
Non-operating income		
Interest and dividend income	52,148	42,268
Foreign exchange gains	53,913	344,085
Share of profit of entities accounted for using equity method	75,953	74,460
Other	64,227	33,023
Total non-operating income	246,243	493,838
Non-operating expenses		
Interest expenses	14,491	13,106
Other	10,424	9,843
Total non-operating expenses	24,915	22,949
Ordinary profit	1,114,704	1,291,787
Extraordinary income		
Gain on sale of non-current assets	648	2,573
Total extraordinary income	648	2,573
Extraordinary losses		
Loss on sale and retirement of non-current assets	851	1,055
Total extraordinary losses	851	1,055
Profit before income taxes	1,114,501	1,293,306
Income taxes - current	232,112	263,864
Income taxes - deferred	61,895	59,999
Total income taxes	294,007	323,864
Profit	820,493	969,442
Profit attributable to non-controlling interests	120,199	160,771
Profit attributable to owners of parent	700,293	808,670

[Quarterly consolidated statement of comprehensive income]

[Consolidated cumulative first quarter]

(Amount: thousand yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	820,493	969,442
Other comprehensive income		
Valuation difference on available-for-sale securities	47,074	(27,904)
Foreign currency translation adjustment	719,854	1,056,756
Remeasurements of defined benefit plans, net of tax	29,747	2,540
Share of other comprehensive income of entities accounted for using equity method	116,798	149,137
Total other comprehensive income	913,474	1,180,529
Comprehensive income	1,733,967	2,149,971
Profit attributable to		
Comprehensive income attributable to owners of parent	1,412,019	1,677,632
Comprehensive income attributable to non-controlling interests	321,948	472,339

[Notes]

(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 179,733 thousand yen, and the number of shares is 180 thousand. At the end of the current consolidated fiscal first quarter, the book price of the treasury shares is 179,733 thousand yen, and the number of shares is 180 thousand.

(Accounting estimates concerning the impact of spread of COVID-19)

There are no significant changes in the assumptions and accounting estimates contained in the Annual Securities Report for the previous fiscal year, including when the impact of COVID-19 will end.

(Related to quarterly consolidated balance sheet)

\*1 Overdraft agreement and commitment line agreement

The Company and certain of its consolidated subsidiaries have entered into overdraft agreement and commitment line agreement with their correspondent banks in order to raise working capital efficiently. The balance of unexecuted loans based on these agreements as of the end of the current quarterly consolidated accounting period is as follows.

	As of March 31, 2022	As of June 30, 2022
Overdraft limit and commitment line agreement amount	15,446,234 thousand yen	15,503,713 thousand yen
Balance of executed loans	377,609 thousand yen	372,562 thousand yen
Balance of unexecuted loans	15,068,625 thousand yen	15,131,150 thousand yen

2 Notes receivable endorsed

	As of March 31, 2022	As of June 30, 2022
Notes receivable endorsed	1,184,883 thousand yen	898,390 thousand yen



(Related to quarterly consolidated cash flow statement)

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

	three months ended June 30, 2021	three months ended June 30, 2022
Depreciation	350,381 thousand yen	411,930 thousand yen
Amortization of goodwill	61,663 thousand yen	66,557 thousand yen

(Related to shareholders' equity, etc.)

Three months ended June 30, 2021

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
June 25, 2021 Ordinary general shareholders' meeting	Common shares	495,098	12.0	March 31, 2021	June 28, 2021	Retained earnings

(Note) The total amount of dividends includes dividends of 2,160 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the three months ended June 30, 2021, the effective date of the dividend is after June 30, 2021

There are no relevant matters.

Three months ended June 30, 2022

1. Dividends paid

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
June 24, 2022 Ordinary general shareholders' meeting	Common shares	694,219	17.0	March 31, 2022	June 27, 2022	Retained earnings

(Note) The total amount of dividends includes dividends of 3,060 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the three months ended June 30, 2022, the effective date of the dividend is after June 30, 2022

There are no relevant matters.

(Segment information, etc.)

[Segment information]

I Three months ended June 30, 2021

1. Information about the amounts of sales and incomes in each report segment and information about the disaggregation of revenue

(Amount: thousand yen)

	Report segment					Total
	Japan	Europe	Americas	China	Other (Note)	
Sales						
Revenue from contracts with customers	3,537,397	1,400,777	1,073,210	1,728,230	1,361,273	9,100,889
Sales to external customers	3,537,397	1,400,777	1,073,210	1,728,230	1,361,273	9,100,889
Internal sales or transfers between segments	1,678,048	71,108	99,628	139,349	379,326	2,367,461
Total	5,215,446	1,471,886	1,172,839	1,867,579	1,740,600	11,468,351
Segment income	685,080	182,582	136,516	16,575	220,474	1,241,228

(Note) The "Other" 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 incomes of the report segments and the amount reported in the quarterly consolidated profit and loss statements, as well as the main items of the difference (matters related to difference adjustment)

(Amount: thousand yen)

Income	Amount
Report segment total	1,241,228
Company-wide expenses (Note)	(238,217)
Inter-segment transactions erased	(109,633)
Operating profit in the quarterly consolidated profit and loss statement	893,377

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

3. Information about the impairment loss, goodwill, etc. in non-current assets in each report segment (Important fluctuations in the amount of goodwill)

In the "Americas" segment, ANEST IWATA USA, Inc., a consolidated subsidiary in the United States, acquired part of a business of selling coating equipment from Automotive Spraying Equipment Technologies, LLC in the consolidated fiscal first quarter. The increase in goodwill due to this event is 142,312 thousand yen.

II Three months ended June 30, 2022

1. Information about the amounts of sales and incomes in each report segment and information about the disaggregation of revenue

(Amount: thousand yen)

	Report segment					Total
	Japan	Europe	Americas	China	Other (Note)	
Sales						
Revenue from contracts with customers	3,315,838	1,737,501	1,236,887	2,067,858	1,641,075	9,999,160
Sales to external customers	3,315,838	1,737,501	1,236,887	2,067,858	1,641,075	9,999,160
Internal sales or transfers between segments	1,735,942	53,489	95,872	252,807	468,426	2,606,538
Total	5,051,781	1,790,990	1,332,760	2,320,665	2,109,501	12,605,699
Segment income	490,805	136,121	153,922	105,284	311,433	1,197,567

(Note) The "Other" 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 incomes of the report segments and the amount reported in the quarterly consolidated profit and loss statements, as well as the main items of the difference (matters related to difference adjustment)

(Amount: thousand yen)

Income	Amount
Report segment total	1,197,567
Company-wide expenses (Note)	(246,020)
Inter-segment transactions erased	(130,647)
Operating profit in the quarterly consolidated profit and loss statement	820,898

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

3. Matters related to changes, etc. to report segments

From the current consolidated first quarter, the Group has changed the previous report segments of "Japan," "Europe" and "Asia" to 5 report segments namely, "Japan," "Europe," "Americas," "China" and "Other." With the formulation of the mid-term business plan "500 & Beyond" starting from the current consolidated fiscal year, we reviewed the area management classification and changed the classification of report segments for the purpose of aligning with the management strategy in the plan.

As a result, the business activities of local subsidiaries that were classified as "Asia" have been changed to "China" and "Others." In addition, regarding the business activities of local subsidiaries that were classified as business segments not included in the report segments, the classification was changed to "Europe" for Russia, "Americas" for the United States, Mexico and Brazil, and "Other" for Australia and South Africa.

The segment information for the previous consolidated cumulative first quarter is created by the changed classification.

(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	Three months ended June 30, 2021	Three months ended June 30, 2022
(1) Basic earnings per share	17.05 yen	19.96 yen
(Basis for calculation)		
Profit attributable to owners of parent (thousand yen)	700,293	808,670
Amount not attributable to common shareholders (thousand yen)	-	-
Profit attributable to owners of parent related to common shares (thousand yen)	700,293	808,670
Average number of common shares outstanding in the period (shares)	41,078,157	40,514,963

(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 (180,000 shares in the previous consolidated cumulative first quarter, 180,000 shares in the current consolidated cumulative first quarter).

(Important subsequent events)

There are no relevant matters.

## 2 [Others]

There are no relevant matters.

## Part 2 [Information on Guarantee Companies, etc. of the Submitting Company]

There are no relevant matters.

(English Translation)  
Independent Auditor's Quarterly Review Report

August 10, 2022

To the Board of Directors of  
ANEST IWATA Corporation

SEINAN AUDIT CORPORATION.

Minato-ku, Tokyo

Representative and Managing Partner  
Certified Public Accountant: Toshio Saito

Managing Partner  
Certified Public Accountant: Miho Toriumi

#### Auditor's Conclusion

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, we conducted a quarterly review of quarterly consolidated financial statements, that is, the quarterly consolidated balance sheet, quarterly consolidated profit and loss statement, quarterly consolidated statement of comprehensive income and notes of ANEST IWATA Corporation, which is listed in the "Status of Accounting" section for the first quarter consolidated accounting period (April 1, 2022 to 2022 June 30, 2022) and first quarter consolidated cumulative period (April 1, 2022 to June 30, 2022) of the consolidated fiscal year from April 1, 2022 to March 31, 2023.

In the quarterly review conducted by our audit firm, the above quarterly consolidated financial statements are in accordance with the standards for preparation of quarterly consolidated financial statements generally accepted in Japan. Nothing has come to our attention that causes us to believe that the financial position of ANEST IWATA Corporation and consolidated subsidiaries as of June 30, 2022, and the operating results for the first quarter of the consolidated cumulative period ending the same day, are not fairly stated with regards to all important points.

#### Basis of Auditors' Conclusions

We conducted our quarterly review in accordance with the quarterly review standards generally accepted in Japan. Our responsibilities under the quarterly review standards are described in "Responsibility of the Auditor in the Quarterly 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

Management is responsible for preparing and fairly presenting quarterly consolidated financial statements in accordance with standards generally accepted in Japan for preparing quarterly consolidated financial statements. 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.

While preparing quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare quarterly consolidated financial statements based on the premise of a going concern and for disclosing matters related to going concern in accordance with the standards for preparation of quarterly consolidated financial statements generally accepted in Japan, if necessary.

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 Quarterly 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 quarterly review report based on the quarterly review conducted by the auditor.

The auditor shall exercise professional judgment and maintain professional skepticism when implementing the following throughout the course of the quarterly review in accordance with the quarterly 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 quarterly review procedures. The quarterly review procedure is more limited than the annual financial statement audit conducted in accordance with auditing standards generally accepted in Japan.
- In the event that the auditor determines that there are material uncertainties regarding events or circumstances that may cast significant doubt on the premise of a going concern, the auditor shall conclude based on the evidence obtained that whether there are any matters in the quarterly consolidated financial statements that could lead to the belief that they are not properly presented in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan. In addition, in cases where significant uncertainty regarding the premise of a going concern is found, the quarterly 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 quarterly review report, future events or circumstances may prevent the entity to cease to exist as a going concern.
- The auditor shall assess whether there are any matters that would lead us to believe that the presentation and the notes in the quarterly consolidated financial statements do not conform to the standards used for preparing the quarterly consolidated financial statements generally accepted in Japan and assess whether there are any matters that would lead us to believe that the presentation, composition and content of the quarterly consolidated financial statements, including the related notes, as well as the transactions and accounting events on which the quarterly consolidated financial statements are based, are not fairly represented.
- 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 quarterly 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 quarterly review, the timing of its implementation, and important findings of the quarterly 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 the content of safeguards, if any, taken in order to eliminate or mitigate disincentives.

#### Concerned Interest

There is no concerned 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 consolidated subsidiaries and the managing partners.

Regards

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(Notes) 1. The original of the above quarterly review report is kept separately by the Company (the company submitting the quarterly report).

2. XBRL data is not included in the scope of the quarterly review.