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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]	November 10, 2022
[Quarterly accounting period]	Second quarter of 77th term (From July 1, 2022 to September 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
[Telephone number]	Yokohama (045) 591-9344
[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	Six months ended September 30, 2021	Six months ended September 30, 2022	Fiscal Year ended March 31, 2022
Net sales (thousand yen)	20,360,199	22,613,463	42,337,011
Ordinary profit (thousand yen)	2,670,931	3,098,453	5,572,289
Profit attributable to owners of parent (thousand yen)	1,688,536	1,973,935	3,541,395
Comprehensive income (thousand yen)	3,181,695	4,991,128	5,900,684
Net assets (thousand yen)	38,401,654	44,007,750	40,210,005
Total assets (thousand yen)	53,113,791	59,194,464	55,818,537
Basic earnings per share (yen)	41.11	48.75	86.32
Diluted earnings per share (yen)	-	-	-
Equity-to-asset ratio (%)	64.7	65.5	63.8
Cash flows from operating activities (thousand yen)	1,949,319	797,192	3,889,943
Cash flows from investing activities (thousand yen)	(672,332)	(1,568,117)	(1,078,808)
Cash flows from financing activities (thousand yen)	(831,586)	(1,324,546)	(2,103,291)
Cash and cash equivalents at end of period (thousand yen)	12,411,588	11,692,397	12,916,842

Term	76th term	77th term
Accounting period	Three months ended September 30, 2021	Three months ended September 30, 2022
Basic earnings per share (yen)	24.06	28.80

- (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 second quarter.

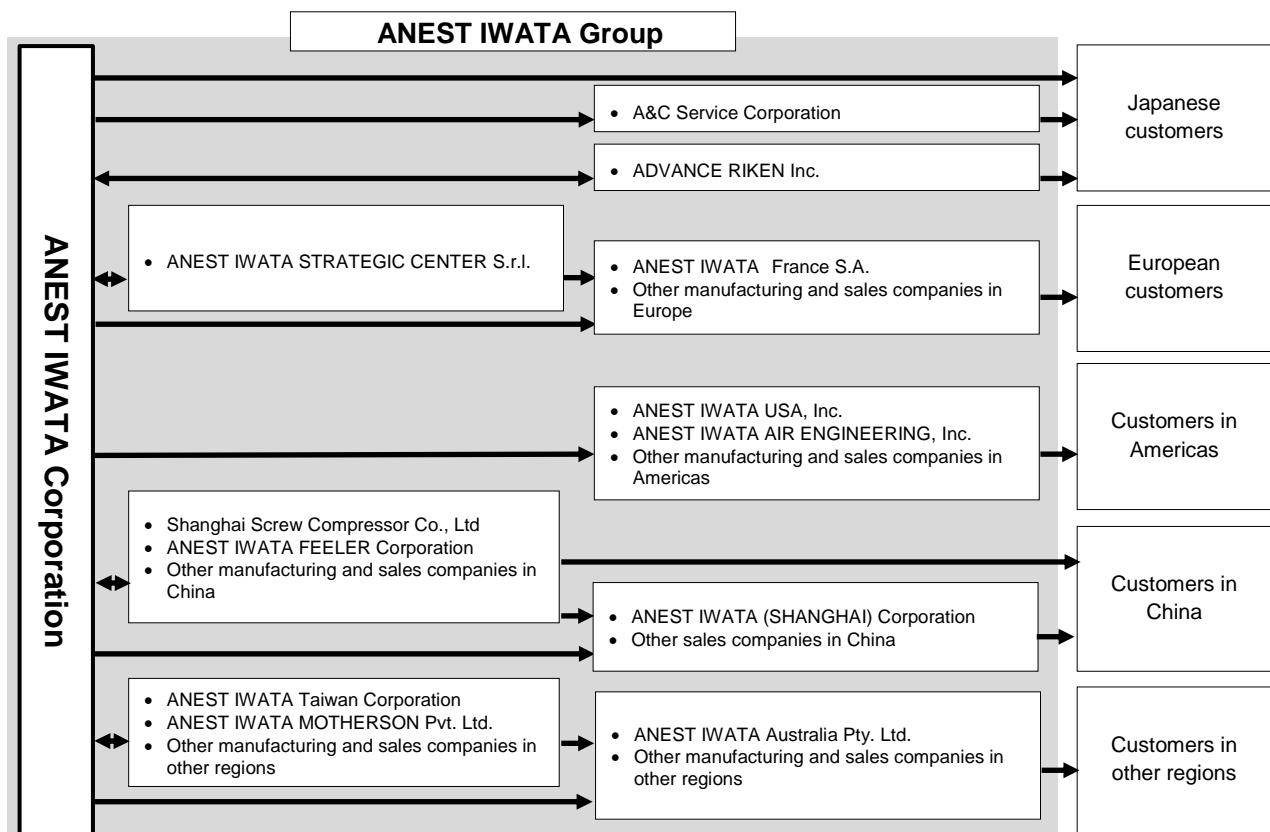
Further, major changes in the affiliated companies are as follows:

China

ANEST IWATA (DONGGUAN) Corporation was liquidated during the second quarter of the current fiscal year and was removed from the scope of consolidation.

As a result, as of September 30, 2022, the Group includes the Company, 32 consolidated subsidiaries, and 2 affiliated companies.

The classification of reporting segments has changed from the current consolidated first quarter of this fiscal year. 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 second 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 second quarter.

(1) Financial condition and results of operations

(i) Overview and results of operations

During the current consolidated cumulative second quarter, the global economy continued to face uncertain conditions due to prolonged conflicts in eastern Europe, heightened geopolitical risks in East Asia and other regions, steep rise in raw material and resource prices, and the impact on exchange rates according to the financial policies of various countries. As the prices of raw materials and consumer goods continue to soar, the Japanese economy is focusing on activities that prioritize the normalization of economic activities, and the future prospects of capital investment are somewhat encouraging.

Under these circumstances, our business performance for the current consolidated cumulative second quarter is as follows: sales standing at 22,613 million yen (up 11.1% from the same consolidated cumulative quarter of the previous fiscal year), operating profit at 2,340 million yen (down 1.6%), ordinary profit at 3,098 million yen (up 16.0%) and profit attributable to owners of parent at 1,973 million yen (up 16.9%).

(Reference values) Results of each division

(Amount: million yen)

Division	(Product category)	Six months ended September 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		13,701	13.1%	1,330	6.4%
	Air Compressors	12,586	12.4%		
	Vacuum Equipment	1,115	21.9%		
Coating Division		8,911	8.1%	1,009	(10.5%)
	Coating Equipment	8,055	12.6%		
	Coating Systems	856	(21.4%)		
Total		22,613	11.1%	2,340	(1.6%)

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

Japan

Sales stood at 11,467 million yen (up 2.2% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 1,488 million yen (down 13.5%). The fall in income was mainly due to an increase in cost of sales resulting from higher purchase prices caused by soaring raw material prices and a decrease in sales of coating system products.

In the air compressor field, the impact of supply shortages in electrical equipment, etc. is gradually easing as a result of our focus on stable procurement, and orders are on a recovering trend as supply deadlines are normalizing.

In the vacuum equipment field, the boom of the semiconductor market seems to have calmed down, and the sales of vacuum pumps for semiconductor manufacture-related equipment have slightly decreased.

In the coating equipment field, the sales of spray guns progressed steadily. Also, the order status of coating booths

is recovering as a result of enhanced sales promotion activities.

In the coating system field, sales decreased year-on-year due to the large number of projects scheduled for delivery in the second half.

Europe

Sales stood at 3,682 million yen (up 22.6% from the same consolidated cumulative quarter of the previous fiscal year) and segment income stood at 259 million yen (down 13.9%). 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, work is being done to build a sales network centered on Germany, and the sales of oil-free air compressors in the EU countries continue to be favorable.

In the vacuum equipment field, sales increased due to the steady progress in cultivating new customers.

In the coating equipment field, we launched in advance a flagship model of a spray gun for automobile repairing, which has undergone a model change. We actively participated in large-scale exhibitions held in Italy, Germany, France, and succeeded in introducing new products by strengthening the appeal, which caused sales to grow.

Americas

Sales stood at 2,930 million yen (up 12.6% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 340 million yen (up 1.5%).

In the air compressor field, overall sales were progressing favorably due to an increase in inquiries in the United States as a result of our fast delivery times, and an increase in demand for air compressors for in-vehicle use in Brazil.

In the vacuum equipment field, sales increased as a result of successfully cultivating new customers.

In the coating equipment field, the sales of spray guns remained strong not only in the car repair market but also in other markets due to the successful development of sales channels through the transfer of a part of the business carried out in the previous fiscal year.

China

Sales stood at 5,128 million yen (up 11.2% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 309 million yen (up 48.7%). The increase in income was due to factors such as a decrease in purchase prices owing to the impact of exchange rates and an increase in sales of vacuum equipment.

In the air compressor field, there was a temporary impact due to the lockdown in Shanghai, but this impact was limited as sales recovered with the lifting of the lockdown.

In the vacuum equipment field, sales of vacuum pumps for equipment manufacturers grew due to the boom in the semiconductor manufacturing market and in-vehicle battery manufacturing market, as well as the fact that we were able to get new customers due to our short delivery times that were highly valued.

In the coating equipment field, business activities saw a stagnation due to the impact of the lockdown in Shanghai, but as economic activity normalized, the order status showed an improving trend.

In the coating system field, sales decreased due to the reaction to the previous consolidated fiscal year.

Others

Sales stood at 4,661 million yen (up 28.3% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 694 million yen (up 47.7%). The increase in income was mainly due to increased sales of mainstream air compressors and coating equipment in India.

In the air compressor field, besides the sale of general-purpose air compressors, the sales of air compressors for medical use and in-vehicle use showed a favorable shift in India. In Southeast Asia, sales are recovering to pre-COVID-19 levels thanks to the positive effects of market development.

In the vacuum equipment field, the sales in East Asia were affected by the lockdown in China, but increased slightly with the resumption of shipping.

In the coating equipment field, sales increased for automobile manufacturing in India, and due to the normalization of economic activities in Southeast Asia.

In the coating systems field, sales increased in Southeast Asia due to the delivery of projects that had been delayed owing to customer circumstances.

(iii) Analysis of financial condition

For assets, our current assets stood at 35,920 million yen (up 4.6% from the previous consolidated fiscal year). This was mainly due to increases of 1,388 million yen in "Notes and accounts receivable-trade" and 1,146 million yen in "Raw materials and supplies." Our non-current assets stood at 23,274 million yen (up 8.3%). This was mainly due to an increase of 669 million yen in "Buildings and structures, net." As a result, our total assets stood at 59,194 million yen (up 6.0%).

For liabilities, our current liabilities stood at 11,972 million yen (up 3.1%). This was mainly due to an increase of 612

million yen in "Notes and accounts payable-trade." Our non-current liabilities stood at 3,213 million yen (down 19.5%). This was mainly due to a decrease of 988 million yen in "Retirement benefit liability" as a result of the establishment of a retirement benefit trust. As a result, our total liabilities stood at 15,186 million yen (down 2.7%).

Our net assets stood at 44,007 million yen (up 9.4%). This was mainly due to an increase of 2,026 million yen in "Foreign currency translation adjustment" owing to the depreciation of yen. Our equity capital, which is calculated by subtracting the non-controlling interests from the net assets, stood at 38,789 million yen, increasing our equity ratio by 1.7 percentage points to 65.5%, from 63.8% at the end of the previous consolidated fiscal year.

(2) Cash flow

Cash and cash equivalents (referred to as "funds" in the remainder of this document) for the current consolidated cumulative second quarter decreased by 1,224 million yen from the end of the previous consolidated fiscal year, to 11,692 million yen (down 9.5% from the end of the previous consolidated fiscal year). Each cash flow in the current consolidated cumulative second quarter, as well as the causes, is as described below.

(i) Cash flows from operating activities

As a result of operating activities, the fund balance shows earnings of 797 million yen (down 59.1% from the same period of the previous year), mainly due to an increase of 485 million yen in "Profit before income taxes" and an increase of 1,000 million yen in "Contribution to retirement benefit trust."

(ii) Cash flows from investing activities

As a result of investing activities, the fund balance shows expenses of 1,568 million yen (up 133.2% from the same period of the previous year), mainly due to increases of 688 million yen in "Payments into time deposits" and 640 million yen in "Purchase of property, plant and equipment."

(iii) Cash flows from financing activities

As a result of financing activities, the fund balance shows expenses of 1,324 million yen (up 59.3% from the same period of the previous year), mainly due to increases of 159 million yen in "Purchase of treasury shares" and 198 million yen in "Dividends paid."

(3) 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

(4) 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 second quarter.

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

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

(6) Research and development activities

Total research and development expenses for the current consolidated cumulative second quarter amounted to 401 million yen. Other expenses of 244 million yen used for product improvement and modification are included in manufacturing expenses. The reporting segments are Japan, Europe and China, and Japan accounts for 535 million yen out of the total of 646 million yen.

(7) Number of employees

(i) Status of the Company and consolidated companies

Reporting segment	(Persons)					
	Japan	Europe	Americas	China	Others	Total
As of September 30, 2022	627	194	105	416	459	1,801
As of March 31, 2022	622	185	104	406	447	1,764

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

(ii) Status of the submitting company

(Persons)	
As of September 30, 2022	602
As of March 31, 2022	612

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

(8) Status of production, orders received and sales

(i) Production results

Reporting segment	(Amount: million yen)					
	Japan	Europe	Americas	China	Others	Total
Six months ended September 30, 2022	8,719	1,207	371	2,933	2,797	16,029
Six months ended September 30, 2021	8,959	955	258	3,775	2,261	16,209

(Notes) 1. The decrease in China is mainly due to the results of a subsidiary that manufactures coating equipment and coating systems and a subsidiary that manufactures air compressors.

2. The increase in 'Others' is mainly due to the results of a subsidiary in India that manufactures air compressors.

(ii) Sales results

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Six months ended September 30, 2022	7,890	3,560	2,704	4,710	3,747	22,613
Six months ended September 30, 2021	7,932	2,848	2,407	4,336	2,834	20,360

(Notes) 1. The increase in Europe is mainly due to the increased sales of coating equipment in Germany and France.
2. The increase in 'Others is mainly due to increased sales of air compressors in India.

(iii) Orders received and order outstanding

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Orders received in the current consolidated cumulative second quarter	219	-	7	194	118	539
Order outstanding in the current consolidated cumulative second quarter	1,336	-	4	142	113	1,596
Orders received in the previous consolidated cumulative second quarter	462	-	0	788	89	1,340
Order outstanding in the previous consolidated cumulative second quarter	428	-	-	853	217	1,499

(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 the production of construction machinery and machine tools.
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.

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 second quarter (shares) (September 30, 2022)	Number of shares issued as of the date of submission (shares) (November 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)
September 30, 2022	-	41,745,505	-	3,354	-	1,380

(5) [Status of major shareholders]

As of September 30, 2022

Name	Address	Number of shares held (thousand shares)	Ratio of number of shares held to total number of shares issued (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	5,092	12.5
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	4,296	10.6
The Dai-ichi Life Insurance Company, Limited	1-13-1 Yurakucho, Chiyoda-ku, Tokyo	2,272	5.6
ANEST IWATA Suppliers' Stockholding	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi	1,914	4.7
ANEST IWATA Customers' Stockholding	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi	1,904	4.7
Meiji Yasuda Life Insurance Company	2-1-1 Marunouchi, Chiyoda-ku, Tokyo	1,520	3.7
The Bank of New York 133652 (Standing proxy: Settlement & Clearing Service Department, Mizuho Bank, Ltd.)	Rue Montoyerstraat 46, 1000 Brussels, Belgium (2-15-1 Konan, Minato-ku, Tokyo)	1,443	3.6
Taikisha Ltd.	8-17-1 Nishi-shinuku, Shinjuku-ku, Tokyo	895	2.2
ANEST IWATA Employees' Stockholding	3176 Shinyoshida-cho, Kohoku-ku, Yokohama-shi	8466	2.1
Kazuya Iwata	Kohoku-ku, Yokohama	73	1.9
Total	-	20,958	51.6

(Notes) 1. In addition to the above, the Company owns 1,104 thousand treasury shares.

2. The change report for the report on large volume holdings submitted by the Mitsubishi UFJ Financial Group (Joint owners: MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Kokusai Asset Management Co., Ltd., and MU Investments Co., Ltd.) on January 31, 2022, mentions that as of January 24, 2022, the company owned 2,357,235 shares. However, the company has not been included in the above major shareholders as we have been unable to confirm the actual number of shares held by the company as of September 30, 2022.

(6) [Status of voting rights]

(i) [Shares issued]

As of September 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 40,626,900	406,269	-
Shares constituting less than one unit	Common shares 14,405	-	Shares less than one unit (100 shares)
Total number of shares issued	41,745,505	-	-
Voting rights of all shareholders	-	406,269	-

(ii) [Treasury shares, etc.]

As of September 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 held (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 second quarter consolidated accounting period (from July 1, 2022 to September 30, 2022) and the second quarter consolidated cumulative period (from April 1, 2022 to September 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 September 30, 2022
Assets		
Current assets		
Cash and deposits	14,319,597	13,566,764
Notes and accounts receivable-trade	8,004,883	9,393,522
Merchandise and finished goods	6,326,762	5,982,961
Work in process	1,280,101	1,327,848
Raw materials and supplies	3,222,945	4,369,576
Other	1,434,802	1,619,872
Allowance for doubtful accounts	(262,772)	(340,163)
Total current assets	34,326,320	35,920,381
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,193,424	5,863,052
Other, net	6,255,105	6,614,336
Total property, plant and equipment	11,448,530	12,477,389
Intangible assets		
Goodwill	981,998	955,832
Other	2,324,697	2,629,564
Total intangible assets	3,306,695	3,585,397
Investments and other assets		
Investment securities	4,530,045	4,802,720
Other	2,217,671	2,419,300
Allowance for doubtful accounts	(10,725)	(10,725)
Total investments and other assets	6,736,991	7,211,295
Total non-current assets	21,492,217	23,274,083
Total assets	55,818,537	59,194,464

(Amount: thousand yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,225,044	5,837,203
Short-term borrowings	*1 867,228	*1 971,708
Income taxes payable	902,879	912,652
Provision for bonuses	751,950	768,453
Other provisions	336,655	296,676
Other	3,532,522	3,186,046
Total current liabilities	11,616,282	11,972,741
Non-current liabilities		
Retirement benefit liability	2,231,837	1,243,036
Provision for share awards for directors (and other officers)	136,788	168,131
Other	*1 1,623,624	*1 1,802,804
Total non-current liabilities	3,992,250	3,213,972
Total liabilities	15,608,532	15,186,714
Net assets		
Shareholders' equity		
Share capital	3,354,353	3,354,353
Capital surplus	1,008,864	1,008,864
Retained earnings	31,245,575	32,525,291
Treasury shares	(1,025,936)	(1,185,263)
Total shareholders' equity	34,582,856	35,703,246
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	378,134	392,768
Foreign currency translation adjustment	679,490	2,705,903
Remeasurements of defined benefit plans	(17,285)	(12,204)
Total accumulated other comprehensive income	1,040,339	3,086,468
Non-controlling interests	4,586,809	5,218,035
Total net assets	40,210,005	44,007,750
Total liabilities and net assets	55,818,537	59,194,464

(2) [Quarterly consolidated statement of income and comprehensive income]
[Quarterly consolidated statement of income]
[Consolidated cumulative second quarter]

(Amount: thousand yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	20,360,199	22,613,463
Cost of sales	11,526,265	12,917,195
Gross profit	8,833,933	9,696,268
Selling, general and administrative expenses	*1 6,455,012	*1 7,355,933
Operating profit	2,378,920	2,340,335
Non-operating income		
Interest and dividend income	69,034	56,222
Foreign exchange gains	10,441	515,225
Share of profit of entities accounted for using equity method	171,438	176,539
Other	87,577	58,991
Total non-operating income	338,491	806,978
Non-operating expenses		
Interest expenses	30,129	25,261
Other	16,351	23,599
Total non-operating expenses	46,481	48,860
Ordinary profit	2,670,931	3,098,453
Extraordinary income		
Gain on sale of non-current assets	2,012	4,006
Gain on sale of investment securities	1,604	—
Gain on liquidation of subsidiaries	—	*2 56,510
Total extraordinary income	3,617	60,517
Extraordinary losses		
Loss on sale and retirement of non-current assets	4,682	3,918
Total extraordinary losses	4,682	3,918
Profit before income taxes	2,669,865	3,155,052
Income taxes - current	823,728	970,457
Income taxes - deferred	(127,742)	(138,431)
Total income taxes	695,985	832,025
Profit	1,973,880	2,323,027
Profit attributable to non-controlling interests	285,343	349,091
Profit attributable to owners of parent	1,688,536	1,973,935

[Quarterly consolidated statement of comprehensive income]

[Consolidated cumulative second quarter]

(Amount: thousand yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	1,973,880	2,323,027
Other comprehensive income		
Valuation difference on available-for-sale securities	83,500	14,634
Foreign currency translation adjustment	961,284	2,255,855
Remeasurements of defined benefit plans, net of tax	46,931	5,081
Share of other comprehensive income of entities accounted for using equity method	116,099	392,529
Total other comprehensive income	1,207,815	2,668,101
Comprehensive income	3,181,695	4,991,128
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,630,539	4,020,064
Comprehensive income attributable to non-controlling interests	* 551,155	* 971,063

(3) [Quarterly consolidated statement of cash flows]

(Amount: thousand yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	2,669,865	3,155,052
Depreciation	716,763	853,382
Amortization of goodwill	125,490	138,100
Increase (decrease) in allowance for doubtful accounts	(15,466)	32,364
Increase (decrease) in provision for bonuses	(35,129)	12,455
Increase (decrease) in provision for product warranties	11,228	281
Increase (decrease) in retirement benefit liability	89,831	(5,131)
Decrease (increase) in retirement benefit asset	(15,077)	(12,992)
Contribution to retirement benefit trust	—	(1,000,000)
Increase (decrease) in provision for bonuses for directors (and other officers)	(48,738)	(42,717)
Increase (decrease) in provision for share awards for directors (and other officers)	27,122	31,343
Interest and dividend income	(69,034)	(56,222)
Interest expenses	30,129	25,261
Share of loss (profit) of entities accounted for using equity method	(9,230)	40,662
Loss (gain) on sale and retirement of non-current assets	2,669	(88)
Loss (gain) on sale of investment securities	(1,604)	—
Loss (gain) on liquidation of subsidiaries	—	(56,510)
Decrease (increase) in trade receivables	(672,600)	(469,359)
Decrease (increase) in inventories	(872,643)	286,543
Increase (decrease) in trade payables	601,296	(353,767)
Other	99,488	(815,102)
Subtotal	2,634,361	1,763,556
Interest and dividends received	69,214	56,374
Interest paid	(30,129)	(25,261)
Income taxes paid	(724,128)	(997,477)
Net cash provided by (used in) operating activities	1,949,319	797,192
Cash flows from investing activities		
Payments into time deposits	(566,983)	(1,255,011)
Proceeds from withdrawal of time deposits	534,178	956,972
Purchase of property, plant and equipment	(479,343)	(1,120,325)
Proceeds from sale of property, plant and equipment	8,135	8,498
Purchase of intangible assets	(266,390)	(224,713)
Purchase of investment securities	(206)	—
Proceeds from sale of investment securities	35,335	—
Proceeds from redemption of investment securities	200,000	100,000
Loan advances	(32)	(1,647)
Proceeds from collection of loans receivable	7,482	3,780
Payments for acquisition of businesses	(12,159)	—
Other	(18,349)	(35,669)
Net cash provided by (used in) investing activities	(672,332)	(1,568,117)

(Amount: thousand yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,110	(8,771)
Repayments of lease liabilities	(125,378)	(141,755)
Proceeds from long-term borrowings	51,928	—
Repayments of long-term borrowings	(38,400)	(21,628)
Purchase of treasury shares	(35)	(159,326)
Dividends paid	(495,157)	(694,067)
Dividends paid to non-controlling interests	(229,653)	(298,996)
Net cash provided by (used in) financing activities	(831,586)	(1,324,546)
Effect of exchange rate change on cash and cash equivalents	322,949	871,025
Net increase (decrease) in cash and cash equivalents	768,348	(1,224,445)
Cash and cash equivalents at beginning of period	11,643,240	12,916,842
Cash and cash equivalents at end of period	* 12,411,588	* 11,692,397

[Notes]

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

ANEST IWATA (DONGGUAN) Corporation, which was a consolidated subsidiary, was liquidated during the second quarter of the current fiscal year and was removed from the scope of consolidation.

(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 second 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.

(Establishment of retirement benefit trust)

In the second quarter of the current fiscal year, the Company established a retirement benefit trust and contributed 1 billion yen to prepare for future retirement benefits. As a result, the cash and deposits and retirement benefit liability decreased by the same amount.

(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 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 September 30, 2022
Overdraft limit and loan commitment agreement amount	15,446,234 thousand yen	15,585,063 thousand yen
Balance of executed loans	377,609 thousand yen	393,742 thousand yen
Balance of unexecuted loans	15,068,625 thousand yen	15,191,321 thousand yen

2 Notes receivable endorsed

	As of March 31, 2022	As of September 30, 2022
Notes receivable endorsed	1,184,883 thousand yen	938,163 thousand yen

(Related to quarterly consolidated statement of income)

*1 Major selling, general and administrative expenses

	Six months ended September 30, 2021	Six months ended September 30, 2022
Sales commission	156,977 thousand yen	231,197 thousand yen
Packing and transportation costs	445,331 thousand yen	493,026 thousand yen
Remuneration, salaries and allowances for directors (and other officers)	2,328,008 thousand yen	2,480,637 thousand yen
Provision for bonuses	410,252 thousand yen	446,634 thousand yen
Provision for bonuses for directors (and other officers)	32,606 thousand yen	37,582 thousand yen
Provision for share awards for directors (and other officers)	27,122 thousand yen	31,343 thousand yen
Retirement benefit expenses	115,465 thousand yen	102,279 thousand yen
Welfare expenses	547,002 thousand yen	628,040 thousand yen
Provision for product warranties	95,581 thousand yen	92,358 thousand yen
Travel and transportation expenses	154,601 thousand yen	230,650 thousand yen
Provision of allowance for doubtful accounts	(13,340) thousand yen	34,039 thousand yen

*2 Gain on liquidation of subsidiaries

This is from the liquidation of our consolidated subsidiary ANEST IWATA (DONGGUAN) Corporation.

(Related to quarterly consolidated statement of cash flows)

* Relationship between cash and cash equivalents at end of period and amounts for items mentioned in the quarterly consolidated balance sheet

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash and deposits	13,720,972 thousand yen	13,566,764 thousand yen
Time deposits with maturities of more than three months	(1,127,675) thousand yen	(1,629,073) thousand yen
Derivative deposits	(181,708) thousand yen	(245,293) thousand yen
Cash and cash equivalents	12,411,588 thousand yen	11,692,397 thousand yen

(Related to shareholders' equity, etc.)

Six months ended September 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 six months ended September 30, 2021, the effective date of the dividend is after September 30, 2021

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
November 10, 2021 Board of Directors meeting	Common shares	536,355	13.0	September 30, 2021	December 6, 2021	Retained earnings

(Note) The total amount of dividends includes dividends of 2,340 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

3. Significant changes to the shareholders' equity
There are no relevant matters.

Six months ended September 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 six months ended September 30, 2022, the effective date of the dividend is after September 30, 2022

Resolution	Class of shares	Total amount of dividends (thousand yen)	Dividend per share (yen)	Record date	Effective date	Source of dividend
November 9, 2022 Board of Directors meeting	Common shares	650,259	16.0	September 30, 2022	December 6, 2022	Retained earnings

(Note) The total amount of dividends includes dividends of 2,880 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

3. Significant changes to the shareholders' equity
There are no relevant matters.

(Segment information, etc.)

[Segment information]

I Six months ended September 30, 2021

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

(Amount: thousand yen)

	Reporting segment					Total
	Japan	Europe	Americas	China	Others (Note)	
Sales						
Revenue from contracts with customers	7,932,286	2,848,785	2,407,756	4,336,857	2,834,512	20,360,199
Sales to external customers	7,932,286	2,848,785	2,407,756	4,336,857	2,834,512	20,360,199
Internal sales or transfers between segments	3,289,773	154,653	195,425	274,582	797,681	4,712,115
Total	11,222,059	3,003,439	2,603,182	4,611,439	3,632,193	25,072,314
Segment income	1,721,557	300,997	335,591	207,789	469,915	3,035,851

(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 incomes 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: thousand yen)

Income	Amount
Reporting segment total	3,035,851
Company-wide expenses (Note)	(472,669)
Inter-segment transactions erased	(184,261)
Operating profit in the quarterly consolidated statement of income	2,378,920

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

II Six months ended September 30, 2022

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

(Amount: thousand yen)

	Reporting segment					Total
	Japan	Europe	Americas	China	Others (Note)	
Sales						
Revenue from contracts with customers	7,890,283	3,560,830	2,704,892	4,710,219	3,747,237	22,613,463
Sales to external customers	7,890,283	3,560,830	2,704,892	4,710,219	3,747,237	22,613,463
Internal sales or transfers between segments	3,577,021	121,480	225,339	418,715	914,255	5,256,811
Total	11,467,304	3,682,311	2,930,232	5,128,934	4,661,493	27,870,275
Segment income	1,488,371	259,161	340,662	309,064	694,163	3,091,422

(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 incomes 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: thousand yen)

Income	Amount
Reporting segment total	3,091,422
Company-wide expenses (Note)	(475,590)
Inter-segment transactions erased	(275,496)
Operating profit in the quarterly consolidated statement of income	2,340,335

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

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

From the consolidated first quarter of this fiscal year, the Group has changed the previous reporting segments of "Japan," "Europe" and "Asia" to 5 reporting segments namely, "Japan," "Europe," "Americas," "China" and "Others." 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 reporting 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 reporting segments, the classification was changed to "Europe" for Russia, "Americas" for the United States, Mexico and Brazil, and "Others" for Australia and South Africa.

The segment information for the previous consolidated cumulative second 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	Six months ended September 30, 2021	Six months ended September 30, 2022
(1) Basic earnings per share	41.11 yen	48.75 yen
(Basis for calculation)		
Profit attributable to owners of parent (thousand yen)	1,688,536	1,973,935
Amount not attributable to common shareholders (thousand yen)	-	-
Profit attributable to owners of parent related to common shares (thousand yen)	1,688,536	1,973,935
Average number of common shares outstanding in the period (shares)	41,078,153	40,491,927

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

(Important subsequent events)

There are no relevant matters.

2 [Others]

At the Board of Directors meeting held on November 9, 2022, a resolution was made to pay the following interim dividend to the shareholders listed or registered in the Shareholder Registry as of September 30, 2022.

(i) Total amount of interim dividend	650,259 thousand yen
(ii) Interim dividend per share	16.00 yen
(iii) Effective date for payment claim and payment start date	December 6, 2022

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

There are no relevant matters.

(English Translation)
Independent Auditor's Quarterly Review Report

November 9, 2022

To the Board of Directors of
ANEST IWATA Corporation

SEINAN AUDIT CORPORATION.

Minato-ku, Tokyo

Engagement Partner
Certified Public Accountant: Toshio Saito

Engagement 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 statement of income, quarterly consolidated statement of comprehensive income, quarterly consolidated statement of cash flows and notes of ANEST IWATA Corporation, which is listed in the "Status of Accounting" section for the second quarter consolidated accounting period (July 1, 2022 to 2022 September 30, 2022) and second quarter consolidated cumulative period (April 1, 2022 to September 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 September 30, 2022, and the operating results and cash flow situation for the second 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

(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.