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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]	February 10, 2023
[Quarterly accounting period]	Third quarter of 77th term (From October 1, 2022 to December 31, 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	Nine months ended December 31, 2021	Nine months ended December 31, 2022	Fiscal year ended March 31, 2022
Net sales (thousand yen)	30,229,496	34,832,640	42,337,011
Ordinary profit (thousand yen)	4,015,025	4,852,751	5,572,289
Profit attributable to owners of parent (thousand yen)	2,533,983	3,069,462	3,541,395
Comprehensive income (thousand yen)	4,195,343	6,684,436	5,900,684
Net assets (thousand yen)	38,879,030	44,926,958	40,210,005
Total assets (thousand yen)	53,178,930	60,110,737	55,818,537
Basic earnings per share (yen)	61.69	75.82	86.32
Diluted earnings per share (yen)	-	-	-
Equity-to-asset ratio (%)	65.0	65.9	63.8

Term	76th term	77th term
Accounting period	Three months ended December 31, 2021	Three months ended December 31, 2022
Basic earnings per share (yen)	20.58	27.08

- (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 has introduced the "Board Benefit Trust (BBT)," a performance-based stock compensation plan. 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 third quarter.

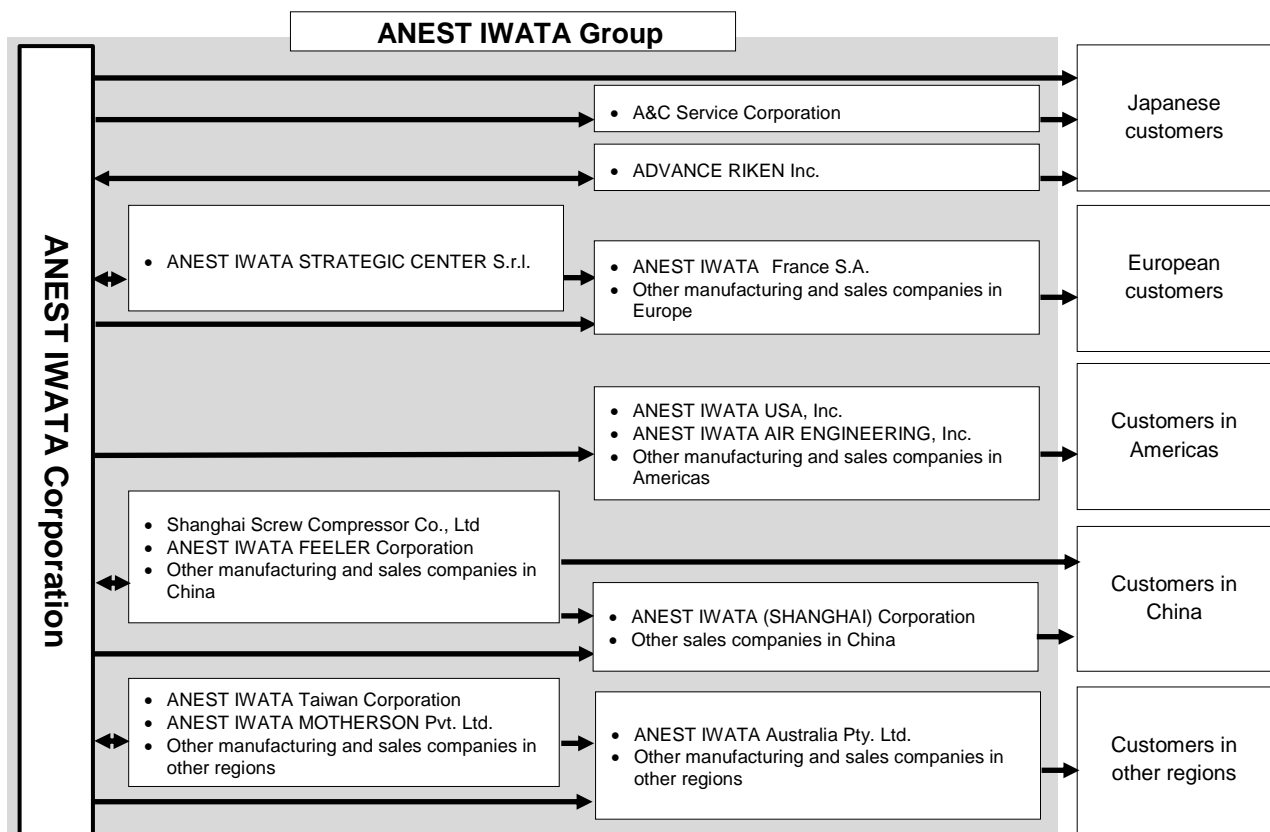
Further, major changes in the affiliated companies are as follows:

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 December 31, 22, the Group includes the Company, 32 consolidated subsidiaries, and 2 affiliated companies.

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]."



Section 2 [Status of Business]

1. [Business risks]

During the current consolidated cumulative third 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 third quarter.

(1) Financial condition and results of operations

(i) Overview and results of operations

In the current consolidated cumulative third quarter, a sense of stagnation intensified in the global economy against the backdrop of rising inflation worldwide due to soaring raw material and resource prices and tight labor supply and demand, continued interest rate hikes and other factors. In the Japanese economy, while inbound demand and consumer spending recovered as a result of the relaxation of border measures as well as the implementation of tourism promotion measures by the government, the pace of recovery slowed down due to deceleration of overseas economies, worsening of terms of trade, and decline in purchasing power due to rising prices.

Under these circumstances, our business performance for the current consolidated cumulative third quarter is as follows: sales standing at 34,832 million yen (up 15.2% from the same consolidated cumulative quarter of the previous fiscal year), operating profit at 4,114 million yen (up 16.6%), ordinary profit at 4,852 million yen (up 20.9%) and profit attributable to owners of parent at 3,069 million yen (up 21.1%).

(Reference values) Results of each division

(Amount: million yen)

Division	(Product category)	Nine months ended December 31, 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		21,464	17.1%	2,393	18.0%
	Air Compressors	19,712	16.7%		
	Vacuum Equipment	1,751	21.9%		
Coating Division		13,368	12.3%	1,720	14.7%
	Coating Equipment	12,157	16.4%		
	Coating Systems	1,210	(16.8%)		
Total		34,832	15.2%	4,114	16.6%

(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 17,532 million yen (up 7.2% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 2,482 million yen (up 2.3%).

In the air compressor field, sales grew with the increase in the demand for air compressors for machine tools due to the boom in processing machine market with the use of subsidies, and with the completion of deliveries of small air compressors ordered before the price revision in October 2022.

In the vacuum equipment field, sales of vacuum pumps for semiconductor manufacturing-related equipment decreased slightly due to changes in the demand trends of semiconductor market.

In the coating equipment field, targeted sales promotion campaigns were conducted for spray guns, and our sales grew as a result of efforts to differentiate ourselves from our competitors.

In the coating system field, sales grew due to the completion of the deliveries of coating systems for automobile component manufacturing.

Europe

Sales stood at 5,461 million yen (up 26.2% from the same consolidated cumulative quarter of the previous fiscal year) and segment income stood at 410 million yen (up 11.8%).

In the air compressor field, in addition to steady sales growth due to cultivation of sales channels including air compressors for cow milking equipment, we are also making steady progress in cultivating new customers for specific markets, such as medical and vehicle-mounted air compressors.

In the vacuum equipment field, we focused on developing new customers and opening up new markets in untapped areas, and as a result, sales increased.

In the coating equipment field, the new spray gun for the car repair market which was launched during the consolidated second quarter of this fiscal year received a great response, and sales are trending favorably due to an increase in orders.

Americas

Sales stood at 4,640 million yen (up 17.1% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 531 million yen (up 10.6%).

In the air compressor field, following Europe, we started sales of air compressors for cow milking equipment in Brazil, and started to develop sales channels in South America.

In the vacuum equipment field, with the continual development of market for equipment manufacturers, sales of vacuum pumps are growing steadily.

In the coating equipment field, though the sales of airbrushes declined as the demand in the hobby market in the U.S. saw a short rest, sales increased due to favorable sale trend of coating equipment for painting wood products as well as spray guns, mainly in Brazil.

China

Sales stood at 8,119 million yen (up 13.8% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 628 million yen (up 44.4%). The increase in income was mainly due to an increase in sales of vacuum equipment.

The air compressor field is recovering as the lock down is lifted, and sales including exports of Shanghai Screw Compressor Co., Ltd. along with sales of air compressors for fuel cell manufacturing continue to progress favorably.

In the vacuum equipment field, sales of vacuum pumps for equipment manufacturers increased against the backdrop of booming semiconductor and fuel cell manufacturing markets.

In the coating equipment field, though the sales activities were stagnant due to the impact of COVID- 19, a recovery trend can be seen in the sales of coating equipment for automobile manufacturing.

In the coating system field, sales decreased year-on-year as a reaction to large-scale equipment delivered in the previous consolidated fiscal year.

Others

Sales stood at 7,074 million yen (up 25.5% from the same consolidated cumulative quarter of the previous fiscal year), and segment income stood at 1,086 million yen (up 40.9%). The increase in income was mainly due to increased sales of our flagship air compressors in India and coating equipment in Southeast Asia.

In the air compressor field, sales increased as the demand for general industries and specific markets such as vehicle-mounted compressors continued to expand in India and the cultivation of sales channels began to bear fruit in Thailand and other Southeast Asian countries.

The vacuum equipment field remained at the same level as the previous consolidated fiscal year due to changes in the production trends of semiconductors in East Asia.

In the coating equipment field, sales of spray guns for the car repair market increased in Thailand, in addition to the reaction to slump in sales due to COVID- 19 in the previous consolidated fiscal year.

(iii) Analysis of financial condition

For assets, our current assets stood at 36,803 million yen (up 7.2% from the previous consolidated fiscal year). This was mainly due to increases of 837 million yen in "Notes and accounts receivable-trade" and 1,170 million yen in "Raw materials and supplies." Our non-current assets stood at 23,307 million yen (up 8.4%). This was mainly due to an increase of 641 million yen in "Buildings and structures, net." As a result, our total assets stood at 60,110 million yen (up 7.7%).

For liabilities, our current liabilities stood at 11,991 million yen (up 3.2%). This was mainly due to an increase of 468 million yen in "Notes and accounts payable-trade." Our non-current liabilities stood at 3,192 million yen (down 20.0%). This was mainly due to a decrease of 981 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 15,183 million yen (down 2.7%).

Our net assets stood at 44,926 million yen (up 11.7%). This was mainly due to an increase of 2,333 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 39,633 million yen, increasing our equity ratio by 2.1 percentage points to 65.9%, 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 third 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 third quarter.

(5) Research and development activities

Total research and development expenses for the current consolidated cumulative third quarter amounted to 593 million yen. Other expenses of 379 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 798 million yen out of the total of 973 million yen.

(6) Number of employees

(i) Status of consolidated companies

(Persons)

Reporting segment	Japan	Europe	Americas	China	Others	Total
As of December 31, 2022	622	194	102	408	462	1,788
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 December 31, 2022	599
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)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Nine months ended December 31, 2022	13,581	1,681	581	5,593	4,151	25,588
Nine months ended December 31, 2021	13,353	1,404	282	5,567	3,507	24,115

(Note) The increase in Americas is mainly due to the results of a subsidiary in the U.S. that manufactures air compressors and vacuum equipment.

(ii) Orders received and order outstanding

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Orders received in the current consolidated cumulative third quarter	610	-	7	227	264	1,110
Order outstanding in the current consolidated cumulative third quarter	1,492	-	-	121	207	1,822
Orders received in the previous consolidated cumulative third quarter	1,308	-	1	802	114	2,225
Order outstanding in the previous consolidated cumulative third quarter	1,192	-	-	638	192	2,023

(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 slowdown in the pace of acquiring capital investment projects related to the production of railway vehicles and construction machinery.

3. The decrease in orders received and order outstanding in China was mainly due to a slowdown in the pace of acquiring capital investment projects related to the production of automobiles and musical instruments.

(iii) Sales results

(Amount: million yen)

Reporting segment	Japan	Europe	Americas	China	Others	Total
Nine months ended December 31, 2022	12,109	5,272	4,318	7,441	5,690	34,832
Nine months ended December 31, 2021	11,445	4,082	3,649	6,678	4,373	30,229

(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.

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 third quarter (shares) (December 31, 2022)	Number of shares issued as of the date of submission (shares) (February 10, 2023)	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)
December 31, 2022	-	41,745,505	-	3,354	-	1,380

(5) [Status of major shareholders]

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

(6) [Status of voting rights]

(i) [Shares issued]

As of December 31, 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 1,104,300	-	-
Shares with full voting rights (other)	Common shares 40,626,200	406,262	-
Shares constituting less than one unit	Common shares 15,005	-	Shares less than one unit (100 shares)
Total number of shares issued	41,745,505	-	-
Voting rights of all shareholders	-	406,262	-

(ii) [Treasury shares, etc.]

As of December 31, 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	1,104,300	-	1,104,300	2.65
Total	-	1,104,300	-	1,104,300	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 third quarter consolidated accounting period (from October 1, 2022 to December 31, 2022) and the third quarter consolidated cumulative period (from April 1, 2022 to December 31, 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 December 31, 2022
Assets		
Current assets		
Cash and deposits	14,319,597	13,979,785
Notes and accounts receivable-trade	8,004,883	8,842,203
Securities	—	100,489
Merchandise and finished goods	6,326,762	6,511,686
Work in process	1,280,101	1,406,738
Raw materials and supplies	3,222,945	4,393,802
Other	1,434,802	1,872,887
Allowance for doubtful accounts	(262,772)	(303,956)
Total current assets	34,326,320	36,803,636
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,193,424	5,835,212
Other, net	6,255,105	6,606,194
Total property, plant and equipment	11,448,530	12,441,407
Intangible assets		
Goodwill	981,998	883,993
Other	2,324,697	2,561,893
Total intangible assets	3,306,695	3,445,886
Investments and other assets		
Investment securities	4,530,045	5,142,922
Other	2,217,671	2,287,609
Allowance for doubtful accounts	(10,725)	(10,725)
Total investments and other assets	6,736,991	7,419,805
Total non-current assets	21,492,217	23,307,100
Total assets	55,818,537	60,110,737

(Amount: thousand yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	5,225,044	5,693,158
Short-term borrowings	*1 867,228	*1 994,433
Income taxes payable	902,879	570,966
Provision for bonuses	751,950	521,473
Other provisions	336,655	315,669
Other	3,532,522	3,895,601
Total current liabilities	11,616,282	11,991,302
Non-current liabilities		
Retirement benefit liability	2,231,837	1,250,575
Provision for share awards for directors (and other officers)	136,788	179,070
Other	*1 1,623,624	*1 1,762,830
Total non-current liabilities	3,992,250	3,192,476
Total liabilities	15,608,532	15,183,778
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	32,970,559
Treasury shares	(1,025,936)	(1,185,335)
Total shareholders' equity	34,582,856	36,148,442
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	378,134	481,212
Foreign currency translation adjustment	679,490	3,013,178
Remeasurements of defined benefit plans	(17,285)	(9,663)
Total accumulated other comprehensive income	1,040,339	3,484,727
Non-controlling interests	4,586,809	5,293,787
Total net assets	40,210,005	44,926,958
Total liabilities and net assets	55,818,537	60,110,737

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

(Amount: thousand yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	30,229,496	34,832,640
Cost of sales	17,121,682	19,657,763
Gross profit	13,107,814	15,174,877
Selling, general and administrative expenses	9,579,826	11,060,269
Operating profit	3,527,988	4,114,607
Non-operating income		
Interest and dividend income	109,705	100,472
Foreign exchange gains	60,957	267,406
Share of profit of entities accounted for using equity method	256,340	336,549
Other	130,629	94,377
Total non-operating income	557,633	798,805
Non-operating expenses		
Interest expenses	44,372	34,950
Other	26,224	25,710
Total non-operating expenses	70,596	60,661
Ordinary profit	4,015,025	4,852,751
Extraordinary income		
Gain on sale of non-current assets	3,296	4,905
Gain on sale of investment securities	11,950	—
Gain on liquidation of subsidiaries	—	* 56,510
Total extraordinary income	15,247	61,416
Extraordinary losses		
Loss on sale and retirement of non-current assets	5,844	6,153
Total extraordinary losses	5,844	6,153
Profit before income taxes	4,024,428	4,908,014
Income taxes - current	1,030,802	1,258,432
Income taxes - deferred	(37,472)	(43,910)
Total income taxes	993,330	1,214,521
Profit	3,031,098	3,693,492
Profit attributable to non-controlling interests	497,115	624,030
Profit attributable to owners of parent	2,533,983	3,069,462

[Quarterly consolidated statement of comprehensive income]

[Consolidated cumulative third quarter]

(Amount: thousand yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	3,031,098	3,693,492
Other comprehensive income		
Valuation difference on available-for-sale securities	(25,141)	103,078
Foreign currency translation adjustment	986,585	2,334,331
Remeasurements of defined benefit plans, net of tax	64,115	7,621
Share of other comprehensive income of entities accounted for using equity method	138,686	545,911
Total other comprehensive income	1,164,244	2,990,943
Comprehensive income	4,195,343	6,684,436
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,387,002	5,513,851
Comprehensive income attributable to non-controlling interests	808,340	1,170,584

[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 third 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 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 December 31, 2022
Overdraft limit and commitment line agreement amount	15,446,234 thousand yen	15,593,826 thousand yen
Balance of executed loans	377,609 thousand yen	415,378 thousand yen
Balance of unexecuted loans	15,068,625 thousand yen	15,178,448 thousand yen

2 Notes receivable endorsed

	As of March 31, 2022	As of December 31, 2022
Notes receivable endorsed	1,184,883 thousand yen	1,218,038 thousand yen

(Related to quarterly consolidated statement of income)

* 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)

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

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Depreciation	1,097,017 thousand yen	1,310,567 thousand yen
Amortization of goodwill	189,250 thousand yen	211,898 thousand yen

(Related to shareholders' equity, etc.)

Nine months ended December 31, 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
November 10, 2021 Board of Directors meeting	Common shares	536,355	13.0	September 30, 2021	December 6, 2021	Retained earnings

(Notes) 1. The total amount of dividends determined by the resolution of the ordinary general shareholders' meeting held on June 25, 2021 includes dividends of 2,160 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. The total amount of dividends determined by the resolution of the Board of Directors meeting held on November 10, 2021 includes dividends of 2,340 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the nine months ended December 31, 2021, the effective date of the dividend is after December 31, 2021

There are no relevant matters.

3. Significant changes to the shareholders' equity

There are no relevant matters.

Nine months ended December 31, 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
November 9, 2022 Board of Directors meeting	Common shares	650,259	16.0	September 30, 2022	December 6, 2022	Retained earnings

(Notes) 1. The total amount of dividends determined by the resolution of the ordinary general shareholders' meeting held on June 24, 2022 includes dividends of 3,060 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. The total amount of dividends determined by the resolution of the Board of Directors meeting held on November 9, 2022 includes dividends of 2,880 thousand yen for the Company's shares held by the "Board Benefit Trust (BBT)."

2. Of the dividends whose record date belongs to the nine months ended December 31, 2022, the effective date of the dividend is after December 31, 2022

There are no relevant matters.

3. Significant changes to the shareholders' equity

There are no relevant matters.

(Segment information, etc.)

[Segment information]

I Nine months ended December 31, 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	11,445,810	4,082,057	3,649,705	6,678,313	4,373,610	30,229,496
Sales to external customers	11,445,810	4,082,057	3,649,705	6,678,313	4,373,610	30,229,496
Internal sales or transfers between segments	4,913,979	246,615	311,358	454,453	1,262,905	7,189,312
Total	16,359,789	4,328,672	3,961,064	7,132,766	5,636,515	37,418,809
Segment income	2,426,060	367,447	480,862	435,268	771,172	4,480,811

(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	4,480,811
Company-wide expenses (Note)	(693,445)
Inter-segment transactions erased	(259,376)
Operating profit in the quarterly consolidated statement of income	3,527,988

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

II Nine months ended December 31, 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	12,109,162	5,272,209	4,318,802	7,441,521	5,690,946	34,832,640
Sales to external customers	12,109,162	5,272,209	4,318,802	7,441,521	5,690,946	34,832,640
Internal sales or transfers between segments	5,423,275	189,258	321,289	677,809	1,383,104	7,994,737
Total	17,532,437	5,461,467	4,640,091	8,119,330	7,074,051	42,827,378
Segment income	2,482,122	410,646	531,882	628,454	1,086,667	5,139,773

(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	5,139,773
Company-wide expenses (Note)	(692,355)
Inter-segment transactions erased	(332,810)
Operating profit in the quarterly consolidated statement of income	4,114,607

(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 "Other." 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 third 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	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Basic earnings per share	61.69 yen	75.82 yen
(Basis for calculation)		
Profit attributable to owners of parent (thousand yen)	2,533,983	3,069,462
Amount not attributable to common shareholders (thousand yen)	-	-
Profit attributable to owners of parent related to common shares (thousand yen)	2,533,983	3,069,462
Average number of common shares outstanding in the period (shares)	41,078,151	40,482,689

(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 third quarter, 180,000 shares in the current consolidated cumulative third 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

February 10, 2023

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 and notes of ANEST IWATA Corporation, which is listed in the "Status of Accounting" section for the third quarter consolidated accounting period (October 1, 2022 to December 31, 2022) and third quarter consolidated cumulative period (April 1, 2022 to December 31, 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 December 31, 2022, and the operating results for the third 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.