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## Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Under Japanese GAAP]

May 12, 2023

Company name : Tsurumi Manufacturing Co.,Ltd.  
 Listing : Tokyo Stock Exchange  
 Securities code : 6351  
 URL : <https://www.tsurumipump.co.jp>  
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Scheduled date of annual general meeting of shareholders : June 27, 2023  
 Scheduled date to commence dividend payments : June 8, 2023  
 Scheduled date to file annual securities report : June 28, 2023  
 Preparation of supplementary material on financial results : Yes  
 Holding of financial results briefing : Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2023	56,219	9.8	7,263	31.9	8,991	22.0	6,262	30.0
March 31, 2022	51,214	13.0	5,508	(0.7)	7,368	15.0	4,817	15.9

(Note) Comprehensive income

For the fiscal year ended March 31, 2023 : ¥7,887 million [26.8%]

For the fiscal year ended March 31, 2022 : ¥6,217 million [ 7.8%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2023	253.96	—	8.5	9.7	12.9
March 31, 2022	192.50	—	7.0	8.7	10.8

(Reference) Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2023 : —

For the fiscal year ended March 31, 2022 : —

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2023	99,000	78,161	77.7	3,137.70
March 31, 2022	87,299	71,848	81.1	2,841.77

(Reference) Equity

As of March 31, 2023 : ¥76,890 million

As of March 31, 2022 : ¥70,833 million

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31,2023	2,966	(2,654)	3,012	19,436
March 31,2022	2,003	(2,508)	(1,964)	14,288

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31,2022	—	17.00	—	23.00	40.00	998	20.8	1.5
Fiscal year ended	—	20.00	—	24.00	44.00	1,081	17.3	1.5
Fiscal year ending	—	22.00	—	24.00	46.00		20.1	
March 31,2024 (Forecast)								

(Notes) 1. Breakdown of the second quarter-end dividend for the fiscal year ended March 31, 2023

Ordinary dividend : ¥18.00 per share

Commemorative dividend\* : ¥ 2.00 per share

\* Commemorative dividend have been implemented for the 25th anniversary of foundation of our Taiwan plant and its annual production volume exceeding 400,000 units.

2. Breakdown of the fiscal year-end dividend for the fiscal year ended March 31, 2023

Ordinary dividend : ¥22.00 per share

Commemorative dividend\* : ¥ 2.00 per share

\* Commemorative dividend will be implemented for the completion of the casting plant of Alloy Technology Co., Ltd.(subsidiary company in Japan).

3. Breakdown of the second quarter-end dividend forecast for the fiscal year ending March 31, 2024

Ordinary dividend : ¥20.00 per share

Commemorative dividend\* : ¥ 2.00 per share

\* Commemorative dividend will be implemented for the acquisition of the Construction Technology Review and Certification for our newly developed product "Submersible Smashing Cutter Pumps BN series".

3. Consolidated financial results forecast for the fiscal year ending March 31, 2024(from April 1, 2023 to March 31, 2024 )

(Percentages indicate changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	26,100	0.1	2,350	(8.5)	3,150	(37.6)	2,210	(32.2)	90.18
Fiscal year ending March 31,2024	56,300	0.1	6,700	(7.8)	8,000	(11.0)	5,600	(10.6)	228.52

### Notes

(1) Changes in significant subsidiaries during the period

(changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

i . Changes in accounting policies due to revisions to accounting standards and other regulations: None

ii . Changes in accounting policies due to other reasons: None

iii. Changes in accounting estimates: None

iv. Restatement: None

(3) Number of issued shares (common shares)

i . Number of issued shares at the end of the period (including treasury shares)

As of March 31, 2023: 27,500,000 shares

As of March 31, 2022: 27,500,000 shares

ii . Number of treasury shares at the end of the period

As of March 31, 2023: 2,994,467 shares

As of March 31, 2022: 2,574,311 shares

iii . Average number of shares outstanding during the period

Fiscal year ended March 31, 2023: 24,659,383 shares

Fiscal year ended March 31, 2022: 25,025,067 shares

\* The consolidated financial results are exempt from audit conducted by certified public accountants or an audit corporation.

\* Explanations of the appropriate use of financial forecasts and other special notes

The forecasts, including financial results forecast, given in this document are based on information available to the Company and on certain assumptions deemed to be reasonable at the time of the issuance of this document. And the Company does not guarantee the achievement of these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

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Consolidated Financial Statements and Primary Notes

1. Consolidated Balance Sheet

As of March 31, 2022 and March 31, 2023

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	14,484	20,179
Notes receivable - trade	4,994	4,745
Accounts receivable - trade	14,712	14,924
Contract assets	990	1,641
Securities	1,701	1,454
Merchandise	1,675	2,272
Finished goods	5,456	7,989
Semi-finished goods	1,764	2,049
Work in process	1,047	1,338
Raw materials and supplies	3,187	3,851
Other	2,962	1,477
Allowance for doubtful accounts	(37)	(47)
<b>Total current assets</b>	<b>52,940</b>	<b>61,876</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	11,508	12,464
Accumulated depreciation	(5,358)	(5,934)
Buildings and structures, net	6,149	6,530
Machinery, equipment and vehicles	3,768	4,472
Accumulated depreciation	(2,832)	(3,231)
Machinery, equipment and vehicles, net	935	1,240
Tools, furniture and fixtures	2,595	2,676
Accumulated depreciation	(2,270)	(2,325)
Tools, furniture and fixtures, net	324	350
Land	8,302	8,518
Leased assets	127	164
Accumulated depreciation	(77)	(99)
Leased assets, net	49	64
Construction in progress	105	879
<b>Total property, plant and equipment</b>	<b>15,868</b>	<b>17,584</b>
<b>Intangible assets</b>	<b>1,481</b>	<b>1,965</b>
<b>Investments and other assets</b>		
Investment securities	13,893	14,789
Retirement benefit asset	53	270
Deferred tax assets	463	531
Other	2,754	1,984
Allowance for doubtful accounts	(2)	(1)
Allowance for investment loss	(154)	-
<b>Total investments and other assets</b>	<b>17,009</b>	<b>17,573</b>
<b>Total non-current assets</b>	<b>34,359</b>	<b>37,124</b>
<b>Total assets</b>	<b>87,299</b>	<b>99,000</b>

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	7,168	6,727
Current portion of long-term borrowings	—	2
Income taxes payable	1,274	1,490
Contract liabilities	792	852
Provision for bonuses	1,129	1,325
Other	2,352	2,777
<b>Total current liabilities</b>	<b>12,717</b>	<b>13,176</b>
<b>Non-current liabilities</b>		
Long-term borrowings	2,100	7,101
Deferred tax liabilities	123	129
Provision for retirement benefits for directors	210	199
Retirement benefit liability	127	109
Other	172	122
<b>Total non-current liabilities</b>	<b>2,733</b>	<b>7,662</b>
<b>Total liabilities</b>	<b>15,451</b>	<b>20,839</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	5,188	5,188
Capital surplus	7,810	8,028
Retained earnings	55,957	61,191
Treasury shares	(2,321)	(3,123)
<b>Total shareholders' equity</b>	<b>66,634</b>	<b>71,285</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,652	1,739
Foreign currency translation adjustment	2,482	3,771
Remeasurements of defined benefit plans	63	94
<b>Total accumulated other comprehensive income</b>	<b>4,198</b>	<b>5,605</b>
<b>Non-controlling interests</b>	<b>1,015</b>	<b>1,270</b>
<b>Total net assets</b>	<b>71,848</b>	<b>78,161</b>
<b>Total liabilities and net assets</b>	<b>87,299</b>	<b>99,000</b>

## 2. Consolidated Statement of Income and Comprehensive Income

From April 1 to March 31, 2022 and 2023

(Consolidated Statement of Income (Year ended))

(Millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Net sales</b>	51,214	56,219
<b>Cost of sales</b>	34,543	36,129
<b>Gross profit</b>	16,671	20,089
<b>Selling, general and administrative expenses</b>		
Freight costs	1,249	1,622
Advertising expenses	224	235
Salaries and allowances	4,185	4,607
Provision for bonuses	731	832
Retirement benefit expenses	74	(54)
Provision for retirement benefits for directors	15	14
Rent expenses	178	205
Depreciation	292	322
Other	4,211	5,038
<b>Total selling, general and administrative expenses</b>	11,162	12,825
<b>Operating profit</b>	5,508	7,263
<b>Non-operating income</b>		
Interest income	266	267
Dividend income	262	220
Foreign exchange gains	1,153	1,083
Other	215	345
<b>Total non-operating income</b>	1,897	1,917
<b>Non-operating expenses</b>		
Interest expenses	10	12
Loss on investments in securities	15	103
Loss on sale of securities	—	34
Loss on abandonment of non-current assets	1	22
Other	10	16
<b>Total non-operating expenses</b>	37	189
<b>Ordinary profit</b>	7,368	8,991
<b>Extraordinary income</b>		
Reversal of allowance for investment loss	—	154
Subsidy income	—	129
<b>Total extraordinary income</b>	—	283
<b>Extraordinary losses</b>		
Impairment losses	—	89
Litigation settlement	—	280
<b>Total extraordinary losses</b>	—	370
<b>Profit before income taxes</b>	7,368	8,904
Income taxes - current	2,270	2,732
Income taxes - deferred	230	(255)
<b>Income taxes</b>	2,501	2,476
<b>Profit</b>	4,867	6,427
<b>Profit attributable to non-controlling interests</b>	49	164
<b>Profit attributable to owners of parent</b>	4,817	6,262

(Consolidated Statement of Comprehensive Income (Year ended))

(Millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Profit</b>	4,867	6,427
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	(426)	86
Foreign currency translation adjustment	1,768	1,342
Remeasurements of defined benefits plans	8	31
<b>Total other comprehensive income</b>	1,350	1,459
<b>Comprehensive income</b>	6,217	7,887
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,047	7,669
Comprehensive income attributable to non-controlling interests	170	218



**3. Consolidated Statements of Changes in Equity**  
**Previous consolidated fiscal year (April 1, 2021 – March 31, 2022)**

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	5,188	7,810	52,133	(2,119)	63,012
Cumulative effects of changes in accounting policies			(16)		(16)
Restated balance	5,188	7,810	52,116	(2,119)	62,996
Changes during period					
Dividends of surplus			(976)		(976)
Profit attributable to owners of parent			4,817		4,817
Purchase of treasury shares				(202)	(202)
Disposal of treasury shares					—
Change in scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes during period	—	—	3,840	(202)	3,638
Balance at the end of the period	5,188	7,810	55,957	(2,321)	66,634

	Other accumulated comprehensive income				Non- controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other accumulated comprehensive income		
Balance at the beginning of the period	2,078	834	54	2,968	894	66,874
Cumulative effects of changes in accounting policies						(16)
Restated balance	2,078	834	54	2,968	894	66,858
Changes during period						
Dividends of surplus						(976)
Profit attributable to owners of parent						4,817
Purchase of treasury shares						(202)
Disposal of treasury shares						—
Change in scope of consolidation						—
Net changes of items other than shareholders' equity	(426)	1,647	8	1,230	120	1,351
Total changes during period	(426)	1,647	8	1,230	120	4,989
Balance at the end of the period	1,652	2,482	63	4,198	1,015	71,848

Current consolidated fiscal year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at the beginning of the period	5,188	7,810	55,957	(2,321)	66,634
Cumulative effects of changes in accounting policies					—
Restated balance	5,188	7,810	55,957	(2,321)	66,634
Changes during period					
Dividends of surplus			(1,066)		(1,066)
Profit attributable to owners of parent			6,262		6,262
Purchase of treasury shares				(806)	(806)
Disposal of treasury shares		3		4	8
Change in scope of consolidation		214	38		253
Net changes of items other than shareholders' equity					
Total changes during period	—	218	5,234	(801)	4,651
Balance at the end of the period	5,188	8,028	61,191	(3,123)	71,285

	Other accumulated comprehensive income				Non- controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total other accumulated comprehensive income		
Balance at the beginning of the period	1,652	2,482	63	4,198	1,015	71,848
Cumulative effects of changes in accounting policies						—
Restated balance	1,652	2,482	63	4,198	1,015	71,848
Changes during period						
Dividends of surplus						(1,066)
Profit attributable to owners of parent						6,262
Purchase of treasury shares						(806)
Disposal of treasury shares						8
Change in scope of consolidation						253
Net changes of items other than shareholders' equity	86	1,289	31	1,406	255	1,661
Total changes during period	86	1,289	31	1,406	255	6,312
Balance at the end of the period	1,739	3,771	94	5,605	1,270	78,161

**4. Consolidated Statement of Cash flows**  
**From April 1 to March 31, 2022 and 2023**

(Millions of yen)

	Year ended March 31, 2022	Year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	7,368	8,904
Depreciation	1,009	1,277
Increase (decrease) in allowance for doubtful accounts	(6)	7
Increase (decrease) in provision for bonuses	175	191
Increase (decrease) in retirement benefit liability	(13)	(18)
Increase (decrease) in allowance for investment loss	—	(154)
Interest and dividend income	(529)	(488)
Interest expenses	10	12
Loss (gain) on investments in securities	15	103
Loss (gain) on swap valuation	(21)	(42)
Subsidy income	—	(129)
Litigation settlement	—	280
Decrease (increase) in trade receivables	(1,884)	334
Decrease (increase) in inventories	(2,142)	(3,197)
Increase (decrease) in trade payables	286	(1,703)
Other, net	(643)	(70)
<b>Subtotal</b>	<b>3,625</b>	<b>5,309</b>
Interest and dividends received	583	471
Interest paid	(22)	(11)
Income taxes paid	(2,183)	(2,521)
Litigation settlement paid	—	(280)
<b>Net cash provided by (used in) operating activities</b>	<b>2,003</b>	<b>2,966</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(277)	(1,393)
Proceeds from withdrawal of time deposits	113	1,056
Purchase of securities	(327)	(70)
Proceeds from sale and redemption of securities	265	792
Purchase of property, plant and equipment	(1,815)	(1,501)
Purchase of intangible assets	(233)	(284)
Purchase of investment securities	(977)	(409)
Purchase of shares of subsidiaries and associates	(122)	(1,960)
Proceeds from sale and redemption of investment securities	947	638
Proceeds from capital reduction of subsidiaries and associates	—	361
Loan advances	(2,546)	—
Proceeds from collection of loans receivable	2,464	47
Subsidies received	—	63
Other, net	2	7
<b>Net cash provided by (used in) investing activities</b>	<b>(2,508)</b>	<b>(2,654)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	300	5,000
Repayments of long-term borrowings	(300)	(7)
Redemption of bonds	(700)	—
Purchase of treasury shares	(202)	(806)
Dividends paid	(976)	(1,066)
Dividends paid to non-controlling interests	(49)	(59)
Other, net	(35)	(46)
<b>Net cash provided by (used in) financing activities</b>	<b>(1,964)</b>	<b>3,012</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>1,060</b>	<b>981</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,407)</b>	<b>4,307</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>15,696</b>	<b>14,288</b>
<b>Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation</b>	<b>—</b>	<b>840</b>
<b>Cash and cash equivalents at end of period</b>	<b>14,288</b>	<b>19,436</b>

## 5. Note to Consolidated Financial Statements

(Segment Information)

Previous consolidated fiscal year (April 1, 2021 – March 31, 2022)

(Millions of yen)

	Reportable segments				Other	Total	Adjustments	Amount in consolidated financial statements
	Japan	North America	Asia	Total				
Net sales								
Goods and services transferred at a point in time	31,057	9,444	3,934	44,435	1,922	46,358	—	46,358
Goods and services transferred over time	4,856	—	—	4,856	—	4,856	—	4,856
Revenue from contracts with customers	35,913	9,444	3,934	49,292	1,922	51,214	—	51,214
Other income	—	—	—	—	—	—	—	—
Sales to external customers	35,913	9,444	3,934	49,292	1,922	51,214	—	51,214
Intersegment sales or transfers	8,685	—	5,405	14,090	2,459	16,549	(16,549)	—
Total	44,599	9,444	9,339	63,382	4,381	67,764	(16,549)	51,214
Segment profit	4,420	914	801	6,137	435	6,572	(1,064)	5,508
Segment assets	51,775	10,022	9,823	71,621	5,639	77,260	10,038	87,299
Other items								
Depreciation	702	47	143	893	95	988	20	1,009
Impairment losses	—	—	—	—	—	—	—	—
Increase in property, plant and equipment, and intangible assets	1,890	128	36	2,055	29	2,084	—	2,084

## Current consolidated fiscal year (April 1, 2022 – March 31, 2023)

(Millions of yen)

	Reportable segments				Other	Total	Adjustments	Amount in consolidated financial statements
	Japan	North America	Asia	Total				
Net sales								
Goods and services transferred at a point in time	30,555	12,392	5,696	48,644	2,123	50,768	—	50,768
Goods and services transferred over time	5,337	—	—	5,337	—	5,337	—	5,337
Revenue from contracts with customers	35,892	12,392	5,696	53,981	2,123	56,105	—	56,105
Other income	113	—	—	113	—	113	—	113
Sales to external customers	36,006	12,392	5,696	54,095	2,123	56,219	—	56,219
Intersegment sales or transfers	14,714	—	8,793	23,507	2,679	26,187	(26,187)	—
Total	50,720	12,392	14,490	77,603	4,803	82,406	(26,187)	56,219
Segment profit	5,623	1,695	1,361	8,679	661	9,341	(2,077)	7,263
Segment assets	57,317	13,057	15,515	85,890	6,618	92,508	6,491	99,000
Other items								
Depreciation	835	56	260	1,153	106	1,259	17	1,277
Impairment losses	89	—	—	89	—	89	—	89
Increase in property, plant and equipment, and intangible assets	1,697	30	170	1,898	11	1,910	—	1,910