

**Consolidated Business Results for the Three Months Ended June 30, 2023**  
**REPORTED BY KOMORI CORPORATION (Japanese GAAP)**

July 31 2023

Company name: KOMORI CORPORATION  
Representative: Mr. Satoshi Mochida  
Representative Director, President and CEO  
Securities code: 6349 (Tokyo Stock Exchange)  
Contact: Mr. Iwao Hashimoto  
Director, Senior Operating Officer  
Phone: (81)-3-5608-7826  
URL (https://www.komori.com)

Preparation of supplementary materials for quarterly financial results: Yes  
Holding of presentation meeting for quarterly financial results: Yes (for financial analysts/investors)

**1. Consolidated Business Results for the First Quarter (April 1, 2023 to June 30, 2023)**

(1) Results of operations (In millions of yen, rounded down)

	Three months ended June 30, 2023	%	Three months ended June 30, 2022	%
Net sales	19,369	1.0	19,186	3.0
Operating income (loss)	(698)	-	250	-
Ordinary income	513	(59.4)	1,265	-
Profit attributable to owners of parent	15	(98.4)	972	-

(Yen)

Basic earnings per share	0.28	17.84
Diluted earnings per share	-	-

Notes:

1. Comprehensive income:

Three months ended June 30, 2023: 2,079 million yen 30.1 %

Three months ended June 30, 2022: 1,598 million yen 670.4 %

2. Percentage figures accompanying consolidated net sales indicate the percentage increase/decrease from the corresponding period of the previous fiscal year.

(2) Financial position (In millions of yen, rounded down)

	June 30, 2023	March 31, 2023
Total assets	166,184	165,523
Total net assets	106,313	107,133
Equity ratio (%)	64.0	64.6

Reference:

Equity as of: June 30, 2023: 106,313 million yen

March 31, 2023: 106,965 million yen

**2. Dividends**

(Yen)

	Fiscal year ended March 31, 2023	Fiscal year ending March 31, 2024	Fiscal year ending March 31, 2024 (Forecast)
Cash dividends per share			
First quarter period-end dividends	-	-	-
Second quarter period-end dividends	15.00	-	15.00
Third quarter period-end dividends	-	-	-
Year-end dividends	30.00	-	15.00
Annual cash dividends	45.00	-	30.00

Notes:

Revision to the latest dividend forecast announced in May 2023: None

### 3. Forecast of Consolidated Business Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(In millions of yen, rounded down)

	Six months ending September 30, 2023	%	Fiscal year ending March 31, 2024	%
Net sales	49,000	6.3	102,000	4.2
Operating income	300	(89.0)	3,300	(42.3)
Ordinary income	300	(92.7)	3,500	(47.1)
Profit attributable to owners of parent	100	(96.9)	2,600	(54.5)
		(Yen)		(Yen)
Basic earnings per share	1.83		47.69	

Notes:

1. Revision to the latest forecast of consolidated business results announced in May 2023: No
2. Percentage figures in the above table indicate the percentage increase/decrease from the corresponding period of the previous fiscal year.

#### \*Notes

(1) Changes in significant subsidiaries during the period under review: No

Note: Indicates changes in the scope of consolidation accompanying changes in specified subsidiaries during the period under review

(2) Adoption of the simplified accounting and special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies; changes in accounting estimates; restatements

1. Changes in accounting policies accompanying revisions to accounting standards: No
2. Changes other than those in item 1. above: No
3. Changes in accounting estimates: No
4. Restatements: No

(4) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock) as of:
 

June 30, 2023:	56,890,740 shares
March 31, 2023:	56,890,740 shares
2. Number of treasury shares as of:
 

June 30, 2023:	2,953,980 shares
March 31, 2023:	2,368,980 shares
3. Average number of shares during the period
 

Three months ended June 30, 2023:	54,309,760 shares
Three months ended June 30, 2022:	54,522,564 shares

\* This quarterly financial flash report (KESSAN TANSIN) is not subject to quarterly review by certified public accountants or auditing firms as specified under the Financial Instruments and Exchange Law of Japan.

\* Disclaimer regarding the appropriate use of performance forecasts and other remarks

The aforementioned forecasts are based on management's assumptions and beliefs held in light of information currently available to it and accordingly involve risks and uncertainties that may cause actual results to differ materially from forecasts. These uncertainties include, but are not limited to, changes in economic conditions, market trends, changes in foreign currency exchange rates and other factors.

Materials for the summary result presentation in Japanese will be disclosed through the Tokyo Stock Exchange's Timely Disclosure Network, known as TDnet, on August 2, 2023. The same materials will be posted on Komori's website. Also, English translations of these materials will be posted on the Company's website at <https://www.komori.com/ir/en/>

**Index**

1. Qualitative Information Regarding the Quarterly Financial Results	P. 4
(1) Overview of Consolidated Business Results	P. 4
(2) Financial Condition	P. 6
(3) Consolidated Operating Results Forecasts and Other Information on the Future Outlook	P. 7
2. Consolidated Financial Statements	P. 8
(1) Consolidated Balance Sheets	P. 8
(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	P. 10
Consolidated Statements of Income For the three months ended June 30, 2023 and 2022	P. 10
Consolidated Statements of Comprehensive Income For the three months ended June 30, 2023 and 2022	P. 11
(3) Notes Regarding Quarterly Consolidated Financial Statements	P. 12
(Notes on Premise as a Going Concern)	P. 12
(Notes in the Case of a Significant Change in Shareholders' Equity)	P. 12

## 1. Qualitative Information Regarding the Quarterly Financial Results

### (1) Overview of Consolidated Business Results

In October 2023, Komori Corporation will celebrate the centennial of its founding. In anticipation of this landmark celebration, Komori has defined its Purpose (reason for being) as “Delivering *Kando*—customer satisfaction beyond expectations—with the power of print technology to support society.” Print technology is capable of expanding the potential of both print media and digital media, enhancing the economic efficiency and trustworthiness of social activities, and contributing to the reduction of environmental burden. The Komori Group will continue advancing this technology in order to better contribute to society and grow into a corporate group that transcends the expectations of all its stakeholders. Based on the above Purpose, the Company has also formulated “KOMORI2030,” a long-term vision to be achieved by 2030. Komori will promote business management aimed at realizing this long-term vision over the course of the Sixth Medium-Term Management Plan, which is currently under way, as well as the subsequent Seventh and Eighth Medium-Term Management Plans.

During the first three months of the fiscal year under review, the outlook for the global economy remained uncertain due to the prolongation of the Ukraine situation, along with worldwide inflation and the resulting tightening of monetary policies in major countries. Against this backdrop, consolidated net sales amounted to ¥19,369 million, representing a 1.0% increase from the same period of the previous fiscal year. An overview of consolidated net sales by region is set out below.

### Overview of Consolidated Net Sales by Region

(In millions of yen)

		Three Months Ended June 30, 2022	Three Months Ended June 30, 2023	Increase / (Decrease) (%)
Net sales		19,186	19,369	1.0
Breakdown	Japan	4,696	5,243	11.6
	North America	1,699	1,764	3.8
	Europe	4,620	3,979	(13.9)
	Greater China	4,707	4,495	(4.5)
	Other Regions	3,462	3,886	12.3

### *Domestic Sales*

In the domestic market, the lifting of movement restrictions aimed at countering the

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

spread of COVID-19 infections resulted in recovery in personal consumption and inbound tourism demand, leading to modest yet constant economic recovery. Amidst these circumstances, there has been an ongoing trend toward executing investment aimed at improving productivity, enhancing efficiency and otherwise streamlining printing operations in light of surging labor costs, worker shortages, constantly high energy prices and rising prices of printing supplies. To accommodate this trend, Komori engaged in marketing activities focused on delivering proposals designed to enhance ROI via the use of “advance” models. As a result, the volume of orders received for sheet-fed offset presses remained robust, with domestic sales increasing 11.6% year on year to ¥5,243 million.

### ***North America***

In North America, the pace of economic recovery was dragged down by steep inflation and high interest rates. However, on the back of ongoing improvement in employment and strong demand associated with capital expenditure, net sales in this region amounted to ¥1,764 million, an increase of 3.8% from the same period of the previous fiscal year.

### ***Europe***

In Europe, the volume of orders received remained robust despite the prolongation of the Ukraine situation and ongoing fallout from inflation. However, sales recorded for products delivered in the first three months were lower than those recorded in the same period of the previous fiscal year. With the schedule for product delivery concentrated in the second quarter, first-quarter net sales in this region decreased 13.9% year on year to ¥3,979 million.

### ***Greater China***

In Greater China, personal consumption continued to recover after the lifting of the “zero-COVID” policy. Having participated in Print China 2023 (5th International Printing Technology Exhibition of China) held in April in Guangdong, Komori was able to confirm the robustness of printing machinery demand. On the other hand, there is a trend toward postponing capital expenditure as the economic recovery that began in January 2023 has been halted by supply chain reorganization undertaken by overseas corporations, unfavorable foreign exchange fluctuations and the resulting depreciation of Chinese yuan. Consequentially, net sales in this region decreased 4.5% year on year to ¥4,495 million.

***Other Regions***

Other Regions include ASEAN, India and Oceania as well as Central and South America. The volume of orders received in these regions for sheet-fed offset presses declined, exhibiting recoil from the higher volume of orders received in the same period of the previous fiscal year. However, with the inclusion of orders received for security printing presses, the overall volume of orders received increased. Moreover, sales growth, mainly in India, brought net sales in Other Regions to ¥3,886 million, an increase of 12.3% from the same period of the previous fiscal year.

The cost of sales ratio deteriorated year on year due to such factors as surging raw material prices. In addition, selling, general and administrative (SG&A) expenses increased year on year, reflecting growing payments of wages at European subsidiaries due to the depreciation of the yen, corporate spending on advertising due to the Company's participation in an international exhibition held in April 2023, and other factors. Taking these factors into account, Komori posted an operating loss of ¥698 million, compared with operating income of ¥250 million in the same period of the previous fiscal year.

The Company posted ordinary income of ¥513 million, a decrease from ordinary income of ¥1,265 million in the same period of the previous fiscal year due primarily to the posting of the operating loss.

For the first three months of the fiscal year under review, the Company recorded income before income taxes of ¥445 million, a decrease from income before income taxes of ¥1,256 million in the same period of the previous fiscal year. As a result, Komori posted profit attributable to owners of the parent totaling ¥15 million, compared with profit attributable to owners of the parent totaling ¥972 million in the same period of the previous fiscal year.

**(2) Financial Condition****Total Assets**

As of June 30, 2023, total assets stood at ¥166,184 million, up ¥661 million (0.4%) from the end of the previous fiscal year. Key factors increasing total assets were a ¥6,584 million increase in inventories, a ¥1,699 million increase in investments and other assets and a ¥886 million increase in current assets—other. Key factors decreasing total assets included a ¥5,861 million decrease in cash and deposits, and a ¥2,304 million decrease in notes and accounts receivable—trade and contract assets.

**Liabilities and Net Assets**

Liabilities as of June 30, 2023 were ¥59,870 million, up ¥1,481 million (2.5%) from the end of the previous fiscal year. The key contributors to this increase included a ¥2,268 million increase in current liabilities—other and a ¥628 million increase in noncurrent liabilities—other. Key factors reducing liabilities included a ¥714 million decrease in income taxes payable, a ¥650 million decrease in provisions under current liabilities and ¥189 million decrease in short-term loans payable.

Net assets totaled ¥106,313 million, down ¥819 million (0.8%) from the end of the previous fiscal year. Key negative factors included a ¥1,628 million decrease in retained earnings due primarily to the payment of cash dividends, a ¥554 million increase in treasury stock, and a ¥502 million decrease in capital surplus. Key positive factors contributing to net assets included a ¥1,019 million increase in valuation difference on available-for-sale securities and a ¥1,018 million increase in foreign currency translation adjustment.

**Equity Ratio**

The equity ratio as of June 30, 2023 stood at 64.0%, down 0.6 of a percentage point from 64.6% at the end of the previous fiscal year.

**(3) Consolidated Operating Results Forecasts and Other Information on the Future Outlook**

The Company has not revised its previous forecasts, disclosed as of May 15, 2023, on consolidated operating results for the fiscal year ending March 31, 2024.

## 2. CONSOLIDATED FINANCIAL STATEMENTS

### (1) Consolidated Balance Sheets

	(In millions of yen)	
	Fiscal 2023	Fiscal 2024
	(March 31, 2023)	(June 30, 2023)
<b>(ASSETS)</b>		
<b>Current Assets:</b>		
Cash and deposits	47,642	41,781
Notes and accounts receivable - trade, and contract assets	17,614	15,310
Electronically recorded monetary claims - operating	2,003	1,870
Short-term investment securities	15,719	15,255
Merchandise and finished goods	16,429	21,213
Work in process	12,349	13,435
Raw materials and supplies	8,638	9,353
Other	3,528	4,415
Allowance for doubtful accounts	(279)	(276)
Total current assets	123,646	122,358
<b>Noncurrent Assets:</b>		
Property, plant and equipment		
Land	8,384	8,438
Other, net	9,654	9,843
Total property, plant and equipment	18,038	18,281
Intangible assets		
Goodwill	2,085	2,122
Other	1,186	1,156
Total intangible assets	3,271	3,278
Investments and other assets	20,565	22,265
Total noncurrent assets	41,876	43,826
<b>Total Assets</b>	<b>165,523</b>	<b>166,184</b>



**(1) Consolidated Balance Sheets**

	(In millions of yen)	
	Fiscal 2023	Fiscal 2024
	(March 31, 2023)	(June 30, 2023)
<b>(LIABILITIES)</b>		
<b>Current Liabilities:</b>		
Notes and accounts payable - trade	8,298	8,357
Electronically recorded obligations - operating	12,534	12,644
Short-term loans payable	377	188
Income taxes payable	1,054	339
Provisions	2,212	1,561
Other	19,885	22,153
<b>Total current liabilities</b>	<b>44,362</b>	<b>45,244</b>
<b>Noncurrent Liabilities:</b>		
Bonds payable	10,000	10,000
Long-term loans payable	238	226
Net defined benefit liability	1,738	1,722
Provisions	15	13
Other	2,034	2,663
<b>Total noncurrent liabilities</b>	<b>14,026</b>	<b>14,626</b>
<b>Total Liabilities</b>	<b>58,389</b>	<b>59,870</b>
<b>(NET ASSETS)</b>		
<b>Shareholders' Equity:</b>		
Capital stock	37,714	37,714
Capital surplus	37,788	37,286
Retained earnings	28,693	27,065
Treasury stock	(2,248)	(2,803)
<b>Total shareholders' equity</b>	<b>101,948</b>	<b>99,263</b>
<b>Accumulated Other Comprehensive Income:</b>		
Valuation difference on available-for-sale securities	4,206	5,225
Foreign currency translation adjustment	1,676	2,694
Remeasurements of defined benefit plans	(866)	(870)
<b>Total other comprehensive income</b>	<b>5,016</b>	<b>7,050</b>
<b>Non-controlling interests</b>	<b>168</b>	<b>-</b>
<b>Total Net Assets</b>	<b>107,133</b>	<b>106,313</b>
<b>Total Liabilities and Net Assets</b>	<b>165,523</b>	<b>166,184</b>

(English translation of "KESSAN TANSHIN" originally issued in Japanese.)

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**Consolidated Statements of Income**

For the three months ended June 30, 2023 and 2022

(In millions of yen)

	Fiscal 2023 (April 1, 2022 to June 30, 2022)	Fiscal 2024 (April 1, 2023 to June 30, 2023)
<b>Net Sales</b>	19,186	19,369
<b>Cost of Sales</b>	12,526	13,240
Gross profit	6,659	6,129
<b>Selling, General and Administrative Expenses</b>	6,408	6,828
Operating profit (loss)	250	(698)
<b>Non-Operating Income</b>		
Interest income	17	22
Dividends income	156	379
Foreign exchange gains	681	780
Other	183	58
Total non-operating income	1,038	1,240
<b>Non-Operating Expenses</b>		
Interest expenses	13	23
Loss on sale of notes receivable - trade	7	3
Other	2	1
Total non-operating expenses	23	28
Ordinary profit	1,265	513
<b>Extraordinary Income</b>		
Gain on sale of non-current assets	7	9
Gain on sale of investment securities	-	7
Total extraordinary income	7	16
<b>Extraordinary Loss</b>		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	5	2
Loss on disaster	10	-
Provision for loss on guarantees	-	82
Total extraordinary loss	15	84
Profit before income taxes	1,256	445
Income taxes-current	432	326
Income taxes-deferred	(161)	88
Total income taxes	271	414
<b>Profit</b>	985	30
<b>Profit attributable to non-controlling interests</b>	12	15
<b>Profit attributable to owners of parent</b>	972	15

(English translation of "KESSAN TANSIN" originally issued in Japanese.)

**Consolidated Statements of Comprehensive Income**

For the three months ended June 30, 2023 and 2022

(In millions of yen)

	Fiscal 2023 (April 1, 2022 to June 30, 2022)	Fiscal 2024 (April 1, 2023 to June 30, 2023)
<b>Profit</b>	985	30
Other comprehensive income		
Valuation difference on available-for-sale securities	(417)	1,019
Foreign currency translation adjustment	996	1,033
Remeasurements of defined benefit plans, net of tax	32	(4)
Total other comprehensive income	612	2,048
<b>Comprehensive Income</b>	1,598	2,079
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,578	2,048
Comprehensive income attributable to non-controlling interests	19	31

**(3) Notes Regarding Quarterly Consolidated Financial Statements  
(Notes on Premise as a Going Concern)**

None

**(Notes in the Case of a Significant Change in Shareholders' Equity)**

None