



November 9, 2023

To Whom It May Concern

Company Name: ANEST IWATA Corporation

Name of Representative: Shinichi Fukase, President, Representative
Director and Chief Executive Officer

(Code Number: 6381 Tokyo Stock Exchange Prime Market)

Contact Person: Takayoshi Iribe, General Manager of Corporate
Planning Department

(TEL. +81-45-591-9344)

Notice Regarding Measures to Realize Management with Awareness of Capital Cost and Stock Price

At the Board of Directors meeting held today, the Company conducted an analysis of the current situation regarding cost of capital and profitability in response to the Tokyo Stock Exchange's request for "Measures to Realize Management with Awareness of Cost of Capital and Stock Price.", and resolved on the policies and goals for further enhancement of the Company's corporate value. We would like to inform you as shown in the attached document.

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.

**Notice Regarding “Action to Implement Management that is
Conscious of Cost of Capital and Stock Price”
- Reviewing the disclosure related to capital policy -**

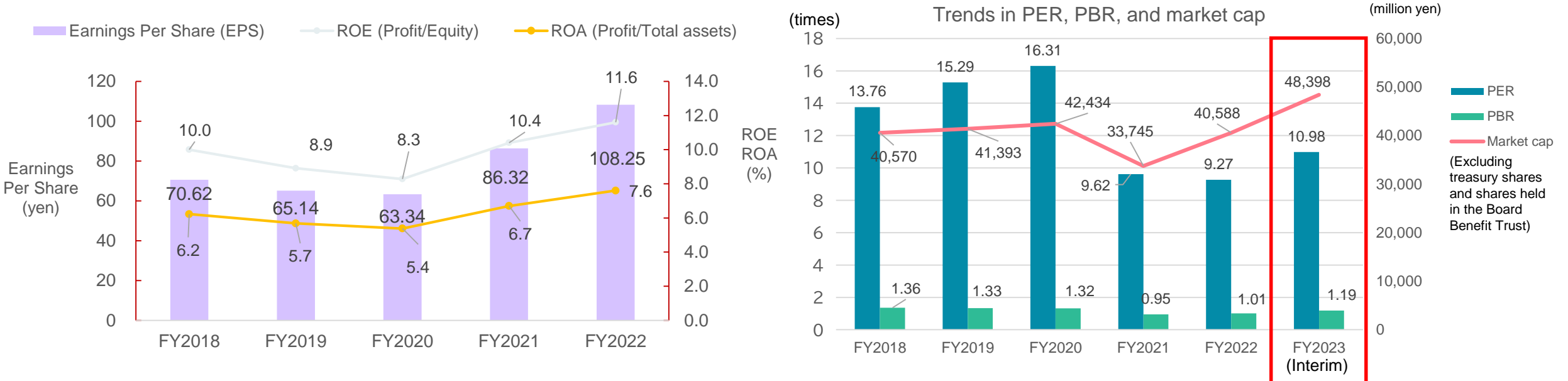
November 9, 2023

Tokyo Stock Exchange Prime Market - Machinery

Securities Code 6381

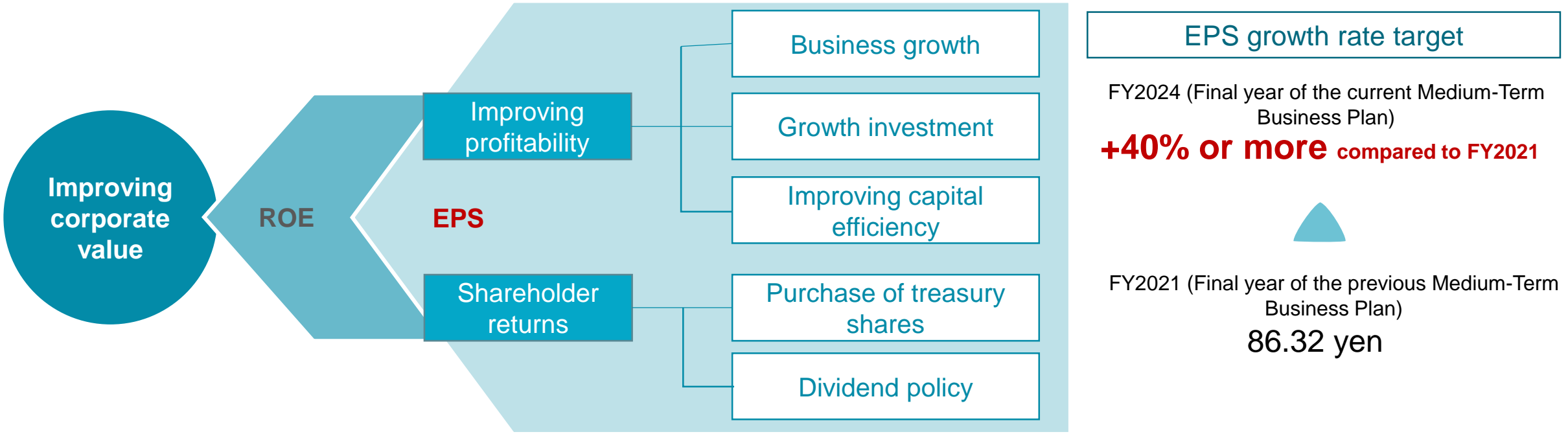
ANEST IWATA Corporation

PER and PBR were temporarily subdued, partly due to the stock offering in January 2022, but are picking up. It is necessary to further increase the ROE by considering the increase in the cost of the shareholders' equity and debt due to the expected rise in interest rates in the future

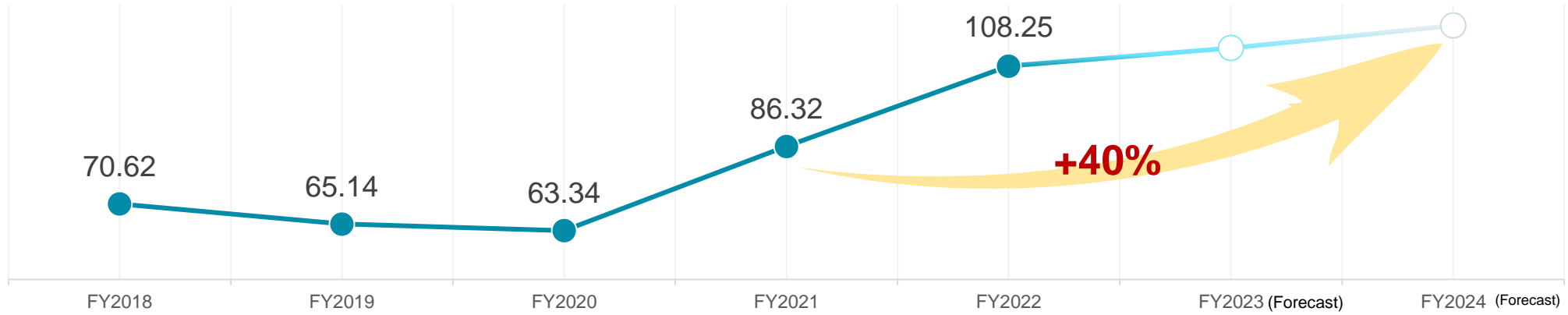


		End of FY2018	End of FY2019	End of FY2020	End of FY2021	End of FY2022	FY2023 Interim (September end)	End of FY2023 (Forecast, Revised on November 9)
EPS (Earnings Per Share)	Yen	70.62	65.14	63.34	86.32	108.25	64.82	113.65
ROE (Return on Equity)	%	10.0	8.9	8.3	10.4	11.6	-	10.6
ROA (Return on Assets)	%	6.2	5.7	5.4	6.7	7.6	-	-
PER (Price-to-Earnings Ratio)	Times	13.76	15.29	16.31	9.62	9.27	10.98	-
PBR (Price-to-Book Ratio)	Times	1.36	1.33	1.32	0.95	1.01	1.19	-
Market cap	Million yen	40,570	41,393	42,434	33,745	40,588	48,398	-

Set the Earnings Per Share (EPS), which is one of the indicators most closely linked to business performance, as a KPI
 Aim for profit growth through business expansion and increase EPS through flexible share buy-backs



EPS trend



Active Investment for the Growth and Expansion of the Business Scale

Three years (April 2022 to March 2025)

Cumulative operating cash flow Illustration of amount distribution

**Operating cash flow
15 to 16 billion yen**

**Capital investment
5 to 6 billion yen**
Breakdown
Facility maintenance/upgrade and increase the production capacity
3 to 4 billion yen
IT investment
2 billion yen

- **Investment for increasing production capacity**
Promoting increasing capacity (expansion of production lines and replacement with state-of-the-art equipment) at the Fukushima and Akita factories to increase products for export to overseas markets
- **IT investment**
Strengthening the integrated core system (ERP) to promote global management, and promoting business management and consolidated accounting to include overseas

**Research and development, new development, M&A, etc.
5 billion yen**

- **The Company's own funds and loans are used for M&A**

**Shareholder returns/dividends/share buybacks
5 billion yen**

- **Dividend payout ratio raised from roughly 35% to roughly 40% (from November 2023)**
- **Share buyback limit of 1.5 billion yen or more**

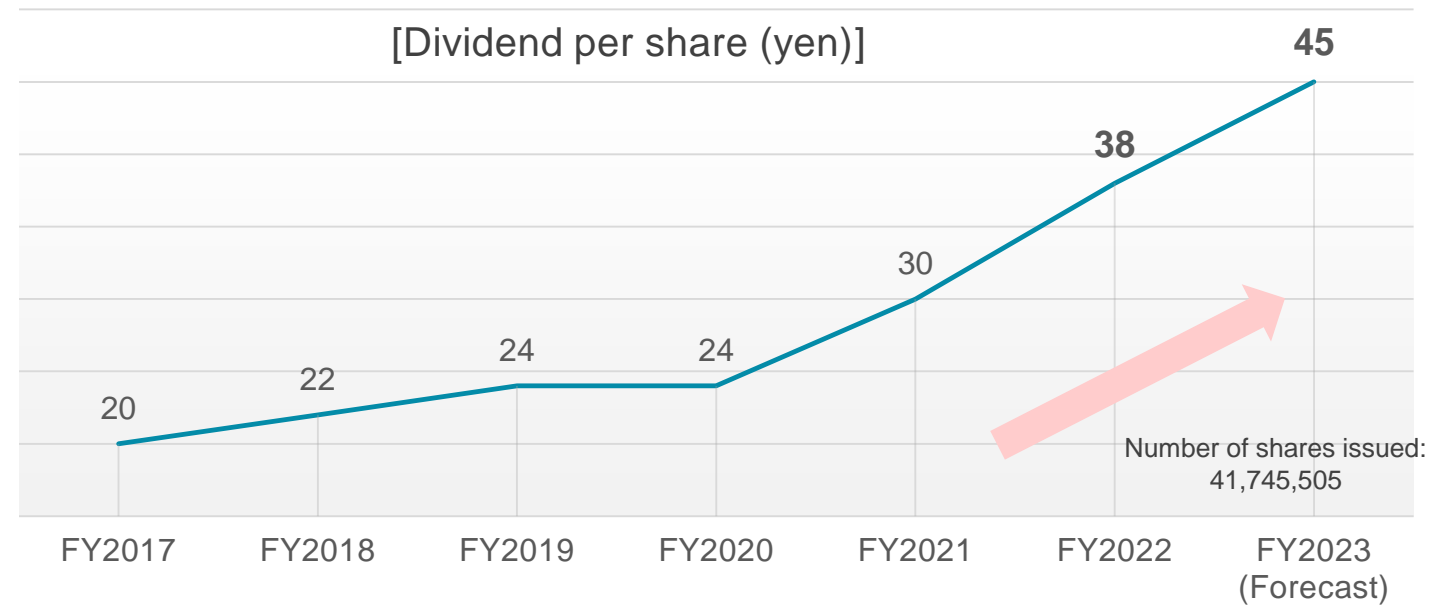
As a policy, the dividend payout ratio has been raised from 35% to 40%. Increased the interim dividend by 5 yen

Dividend policy

- Ensuring internal reserves for investment in growth and stable dividends
- Dividend payout ratio: Roughly 40%

Dividend

Dividend	Interim (yen)	Year-end (yen)	Annual (yen)	Dividend payout ratio (%)
FY2022 Actual	16	22	38	35.1
FY2023 Initial forecast	17	23	40	-
Actual	22			
Latest forecast		23	45	39.8



Share buyback

- About 1,500 million yen is planned in the current Medium-Term Business Plan