

Note: This is an English translation of the Japanese original for reference purposes only.



**Summary of Consolidated Financial Statements**  
**for the fiscal year end of March 31, 2023**  
(under Japanese GAAP)

May 12, 2023

Registered Company Name: **V-Technology Co., Ltd.**

Code Number: 7717, Tokyo Stock Exchange

URL: <https://www.vtec.co.jp>

Representative: Shigeto Sugimoto (President & CEO)

Contact: Shogo Yoshimura (Leader of IR Group, Office of the President) TEL: 045-338-1980

Planned Date for Share holders Meeting: June 27, 2023

Planned Date for Submission of the Securities Report: June 28, 2023

Planned Date for Start of Dividend Payment: June 28, 2023

Supplementary materials for the financial statements: Yes

Briefing session on financial results: Yes (For Institutional Investors)

(Amounts less than one million yen have been omitted.)

**1. Business Performance(April 1, 2022 through March 31, 2023)**

**(1) Consolidated Results of Operations**

	12 months ended		12 months ended	
	March 31 ,2022		March 31 ,2023	
	Amount	YoY(%)	Amount	YoY(%)
Net sales (Millions of Yen)	51,418	▲6.8	43,146	▲16.1
Operating profit (Millions of Yen)	5,461	▲17.3	986	▲81.9
Ordinary profit (Millions of Yen)	5,868	▲14.2	1,700	▲71.0
Net profit attributable to owners of the parent (Millions of Yen)	4,198	19.5	260	▲93.8
Comprehensive Income(Millions of Yen)	4,786	▲4.7	479	▲90.0
Net profit per share (Yen)	434.21	—	26.92	—
Diluted net profit per share (Yen)	—	—	—	—
Return (net profit) on equity (%)	12.8	—	0.8	—
Return (ordinary profit) on assets (%)	7.7	—	2.4	—
Return (operating profit) on sales (%)	10.6	—	2.3	—
Income or loss on investments(Million JPY)	▲64	—	▲162	—

**(2) Consolidated Financial Position**

	As of	As of
	March 31 ,2022	March 31 ,2023
Total assets(Millions of Yen)	72,601	71,387
Net assets(Millions of Yen)	34,540	33,884
Equity ratio(%)	47.1	47.1
Net assets per share(Yen)	3,534.40	3,475.25
*Reference: Shareholders' equity (Millions of Yen)	34,175	33,604

**(3) Consolidated Cash Flows**

	12 months ended	12 months ended
	March 31 ,2022	March 31 ,2023
Cash flows from operating activities (Millions of Yen)	1,408	▲3,284
Cash flows from investing activities (Millions of Yen)	▲1,554	▲1,195
Cash flows from financing activities (Millions of Yen)	▲5,839	2,780
Year end balance of cash and cash equivalents(Millions of Yen)	27,778	26,295

## 2. Dividends

	Year ended	Year ending	FY2024 Forecast
	March 31 2022	March 31 2023	
1Q-end dividends per share (Yen)	—	—	—
2Q-end dividends per share (Yen)	60.00	60.00	(Forecast)30.00
3Q-end dividends per share (Yen)	—	—	—
Year-end dividends per share (Yen)	60.00	30.00	(Forecast)30.00
Annual dividends per share (Yen)	120.00	90.00	(Forecast)60.00
Total dividends(Million Yen)	1,176	882	—
Dividend payout ratio (consolidated, %)	27.6	334.3	—
Ratio of dividends to net assets (consolidated, %)	3.5	2.6	—

## 3. Forecast for the Fiscal Year ending March 31, 2024 (April 1, 2023 through March 31, 2024)

	Amounts	YoY(%)
Net sales (Millions of Yen)	40,000	▲7.3
Operating profit (Millions of Yen)	1,000	1.4
Ordinary profit (Millions of Yen)	850	▲50.0
Net profit attributable to owners of the parent (Millions of Yen)	550	111.3
Net profit per share (Yen)	56.88	—

### <Notes to Consolidated Financial Statements >

(1) Changes in significant subsidiaries during the 12 months ended(April 1, 2022 through March 31, 2023)

(Changes in certain subsidiaries resulting in change in the scope of consolidation): None

(2) Changes in accounting policies, Changes in accounting estimates, or Restatement

a. Changes in accounting policies due to changes in accounting standards: Yes

b. Changes other than "a." above: None

c. Changes in accounting estimates: None

d. Restatements: None

\* For details, please refer to "3. Consolidated Financial Statements and Main Notes (5) Notes to Consolidated Financial Statements (Changes in Accounting Policies)" on page 13 of the attached materials.

(3) Number of Shares Outstanding (Common stock)

Items	As of	Number of shares	As of	Number of shares
1. Number of shares outstanding at end of year (Including treasury stock)	March 31, 2023	10,057,600	March 31, 2022	10,057,600
2. Number of treasury shares at end of year	March 31, 2023	387,954	March 31, 2022	388,195
3.Average number of shares outstanding (Cumulative quarterly period)	March 31, 2023	9,669,462	March 31, 2022	9,669,444

**(Reference) Summary of non-consolidated financial results**

(1) Non-consolidated operating results	12 months ended		12 months ended	
	March 31 ,2022		March 31 ,2023	
	Amount	YoY(%)	Amount	YoY(%)
Net sales (Millions of Yen)	39,366	▲19.0	30,053	▲23.7
Operating profit (Millions of Yen)	4,269	▲34.3	158	▲96.3
Ordinary profit (Millions of Yen)	5,447	▲25.6	2,341	▲57.0
Net profit attributable to owners of the parent (Millions of Yen)	3,791	▲29.9	985	▲74.0
Net profit per share (Yen)	392.14	—	101.87	—
Diluted net profit per share (Yen)	—	—	—	—

**(2) Non-Consolidated Financial Position**

	As of		As of	
	March 31 ,2022		March 31 ,2023	
Total assets(Millions of Yen)	64,886		63,794	
Net assets(Millions of Yen)	32,980		32,842	
Equity ratio(%)	50.8		51.5	
Net assets per share(Yen)	3,410.78		3,396.47	
*Reference: Shareholders' equity (Millions of Yen)	32,980		32,842	

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and certain assumptions that the Company deems reasonable, Actual results may differ significantly due to various factors.

Actual results may differ significantly due to a variety of factors. For assumptions underlying the forecasts and precautions regarding their use, please refer to "1. Operating Results (4) Outlook" on page 3 of the attached materials.

**\*Brief Report of Financial Results is not subject to an audit by a certified public accountant or an audit corporation.**

**\*Explanation of the appropriate use of earnings forecasts and other special notes**

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable. Actual results may differ materially from these statements due to a variety of factors.

# 1. Explanation of Business Results for the fiscal year

## (1) Explanation of Business Results

During the consolidated fiscal year under review, the global economy was forced to navigate a difficult course in relation to the unstable financial situation triggered by the collapse of some banks in the U.S. and Europe and the tightening of monetary policy to control inflation.

In Japan, the exchange rate fluctuated significantly due to factors such as the widening interest rate differential between the U.S. and Japan.

Although China showed signs of recovery from the lifting of corona-related restrictions, the global economy as a whole faced further uncertainty about the future.

As for the consolidated business results of our group for the current consolidated fiscal year, net sales amounted to 43,146 million yen (51,418 million yen for the same period last year), and operating income amounted to 986 million yen (5,461 million yen for the same period last year), Ordinary income was 1,700 million (5,868 million in the same period of the previous year), Net income attributable to owners of the parent for the current fiscal year amounted to 260 million (4,198 million in the same period of the previous fiscal year).

Orders received by the Group in the current consolidated fiscal year totaled 37,072 million yen (53,200 million yen in the same period of the previous year).

As a result, the order backlog at the end of the consolidated fiscal year under review amounted to 36,647 million yen (42,721 million yen in the same period of the previous year).

Segment results are as follows. Effective from the first quarter of the current fiscal year, the Company has changed the classification of its reportable segments, and the following comparisons with the same period of the previous year are based on the figures for the same period of the previous year, which have been reclassified into the segment classifications after the change.

### (FPD Equipment Business)

In the flat panel display (FPD) equipment business, the continued slump in FPD panel prices confirmed a trend toward a revised capital investment plans. Under these circumstances, orders received in the Group's FPD equipment business during the current fiscal year totaled 20,654 million yen (42,803 million yen in the same period of the previous year), with an order backlog of 21,904 million yen (34,177 million yen in the same period of the previous year), net sales amounted to 32,927 million yen (42,415 million yen in the same period of the previous year), and operating income was 980 million yen (5,101 million yen in the same period of the previous year).

### (Semiconductor and Photomask Equipment Business)

In the semiconductor and photomask equipment business, although market conditions for a part of semiconductor applications deteriorated, capital investment related to our group generally progressed as planned. Under these circumstances, orders received by the Group in the semiconductor and photomask equipment business during the current consolidated fiscal year was 15,461 million yen (10,053 million yen in the same period of the previous year), and the order backlog was 14,742 million yen (8,543 million yen in the same period of the previous year), net sales amounted to 9,262 million yen (8,639 million yen in the same period of the previous year), and operating profit was 254 million yen (operating income of 554 million yen in the same period of the previous year).

## (2) Explanation of Financial Condition

### (Assets)

Current assets at the end of the current consolidated fiscal year decreased by 463 million yen from the end of the previous consolidated fiscal year to 62,621 million yen. This was mainly due to an increase in "Notes and accounts receivable" of 2,871 million yen and a decrease in "Work in process" of 2,209 million yen and "Cash and deposits" of 1,168 million yen.

Fixed assets decreased by 751 million yen from the end of the previous consolidated fiscal year to 8,765 million yen. This was mainly due to an increase in "Buildings and structures" of 1,640 million yen and a decrease in "Construction in progress" of 1,541 million yen.

As a result, total assets decreased by 1,214 million yen from the end of the previous consolidated fiscal year to 71,387 million yen.

### (Liabilities)

Current liabilities at the end of the current consolidated fiscal year decreased by 3,138 million yen from the end of the previous consolidated fiscal year to 23,922 million yen. This was mainly due to decreases of 1,972 million yen in "electronically recorded monetary obligations" and 2,284 million yen in "notes and accounts payable-trade."

Noncurrent liabilities increased by 2,580 million yen from the end of the previous consolidated fiscal year to 13,579 million yen. This was mainly due to an increase of 2,418 million yen in "long-term loans payable."

As a result, total liabilities decreased by 558 million yen from the end of the previous consolidated fiscal year to 37,502 million yen.

(Net assets)

Net assets decreased by 655 million yen from the end of the previous consolidated fiscal year to 33,884 million yen. This was mainly due to an increase of 290 million yen in "Foreign currency translation adjustment" and a decrease of 914 million yen in "Retained earnings".

### (3) Cash flows Condition

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the current consolidated fiscal year decreased by 1,482 million yen from the end of the previous consolidated fiscal year to 26,295 million yen. The status of each cash flow is as follows

(Cash flows from operating activities)

Net cash used in operating activities amounted to 3,284 million yen. Net cash acquired was mainly due to income before income taxes and minority interests of 1,571 million yen and a decrease in inventories of 1,814 million yen, while net cash used was mainly due to a decrease in notes and accounts payable-trade of 4,443 million yen and an increase in notes and accounts receivable-trade of 2,255 million yen.

(Cash flows from investing activities)

Funds used in investing activities totaled 1,195 million yen. The use of funds was mainly due to purchase of property, plant and equipment of 932 million yen and payments into time deposits of 311 million yen.

(Cash flows from financing activities)

Funds acquired as a result of financing activities amounted to 2,780 million yen. The acquisition of funds was mainly due to proceeds from long-term loans payable of 7,402 million yen, while the use of funds was mainly due to repayment of long-term loans payable of 3,401 million yen and cash dividends paid of 1,176 million yen.

### (4) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

Regarding our group's business, in the FPD equipment business, a recovery in capital investment is expected from 2024, but for the fiscal year ending March 31, 2024, we expect a significant year-on-year decline in sales and profits due to the impact of a lapse in LCD-related capital investment.

In the semiconductor and photomask inspection equipment business, the current business climate for semiconductor-related equipment varies in terms of the type of devices, but a certain level of demand is expected for our products, such as wafer inspection systems and photomask inspection systems, which is expected to underpin the decline in the FPD equipment business.

Based on these circumstances, we expect consolidated net sales of 40,000 million yen (y/y down 7.3%), operating income of 1,000 million yen (y/y up 1.4%), ordinary income of 850 million yen (y/y down 50.0%), and net income attributable to shareholders of the parent company of 550 million yen (y/y up 111.3%) for the fiscal year ending March 31, 2024.

Note that export sales of FPD equipment, the Company's mainstay products, are mainly denominated in yen. Although some transactions are denominated in foreign currencies, the Company hedges the risk of exchange rate fluctuations by entering into forward exchange contracts at the time of order receipt, as necessary.

\*The forecast for the next fiscal year is based on judgments derived from currently available information. Please be aware that there are various uncertainties inherent in forecasts, and actual results may differ from forecasts due to various factors.

### (5) Basic Policy on Profit Appropriation and Dividends for the Current and Next Fiscal Years

The Company's basic policy on profit appropriation is to return profits to shareholders in proportion to operating results, taking into consideration the stability and continuity of dividends, as well as the dividend payout ratio, while taking into account M&A, capital investment, and R&D investment for further business expansion in the future and the need for sufficient internal reserves to strengthen the management base.

Based on this policy, the Company plans to pay a year-end dividend of 30.00 yen per share for the fiscal year ending March 31, 2023 (annual dividend of 90.00 yen per share including interim dividend of 30.00 yen per share).

	Dividends		
	Interim	Year ended	Annual
FY2023 (Yen)	60.00	30.00	90.00
FY2024 (Yen)	30.00	30.00	90.00

## 2. Consolidated Financial Statements and Major Notes

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	27,898	26,729
Notes and accounts receivable - trade	19,537	22,408
Electronically recorded monetary claims - operating	246	103
Merchandise and finished goods	176	338
Work in process	9,428	7,219
Raw materials and supplies	1,801	2,532
Other	4,500	3,709
Allowance for doubtful accounts	△503	△420
Total current assets	63,085	62,621
Non-current assets		
Property, plant and equipment		
Buildings and structures	992	2,745
Accumulated depreciation	△392	△504
Buildings and structures, net	600	2,241
Machinery and equipment	5,160	1,939
Accumulated depreciation	△3,649	△1,594
Machinery and equipment, net	1,510	344
Tools, furniture and fixtures	2,332	2,735
Accumulated depreciation	△1,853	△1,919
Tools, furniture and fixtures, net	479	816
Land	495	482
Construction in progress	1,627	86
Other	21	132
Accumulated depreciation	△14	△68
Other, net	7	63
Total property, plant and equipment	4,720	4,034
Intangible assets		
Goodwill	930	1,046
Patent right	25	15
Other	540	397
Total intangible assets	1,495	1,460
Investments and other assets		
Shares of subsidiaries and associates	1,002	1,519
Investment securities	660	669
Deferred tax assets	1,018	613
Other	650	657
Allowance for doubtful accounts	△31	△190
Total investments and other assets	3,300	3,270
Total non-current assets	9,516	8,765
Total assets	72,601	71,387

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,323	4,039
Electronically recorded obligations - operating	4,546	2,574
Short-term borrowings	394	663
Current portion of long-term borrowings	2,911	4,961
Accounts payable - other	724	556
Income taxes payable	767	363
Advances received	8,334	8,221
Provision for bonuses	386	428
Provision for product warranties	2,041	1,333
Provision for loss on orders received	82	96
Other	547	683
Total current liabilities	27,061	23,922
Non-current liabilities		
Long-term borrowings	10,243	12,662
Deferred tax liabilities	7	1
Retirement benefit liability	372	443
Asset retirement obligations	140	181
Provision for share awards	156	238
Other	78	52
Total non-current liabilities	10,999	13,579
Total liabilities	38,060	37,502
Net assets		
Shareholders' equity		
Share capital	2,847	2,847
Capital surplus	2,503	2,503
Retained earnings	30,113	29,198
Treasury shares	△1,916	△1,915
Total shareholders' equity	33,548	32,635
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	79	131
Foreign currency translation adjustment	546	837
Total accumulated other comprehensive income	626	969
Non-controlling interests	365	280
Total net assets	34,540	33,884
Total liabilities and net assets	72,601	71,387

## (2) Consolidated Statements of Income

<Consolidated Statements of Income>

	(Millions of yen)	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	51,418	43,146
Cost of sales	35,932	32,199
Gross profit	15,486	10,946
Selling, general and administrative expenses	10,024	9,960
Operating profit	5,461	986
Non-operating income		
Interest and dividend income	30	34
Subsidy income	30	79
Foreign exchange gains	354	635
Other	102	186
Total non-operating income	518	935
Non-operating expenses		
Interest expenses	42	45
Share of loss of entities accounted for using equity method	64	162
Other	5	13
Total non-operating expenses	111	222
Ordinary profit	5,868	1,700
Extraordinary income		
Gain on sale of non-current assets	834	1
National subsidies	-	297
Gain on change in equity	-	489
Other	17	7
Total extraordinary income	852	796
Extraordinary losses		
Loss on sale of non-current assets	-	8
Loss on retirement of non-current assets	19	6
Impairment losses	238	888
Other	12	20
Total extraordinary losses	269	925
Profit before income taxes	6,450	1,571
Income taxes - current	1,849	1,032
Income taxes - deferred	345	402
Total income taxes	2,194	1,434
Profit	4,255	137
Profit (loss) attributable to non-controlling interests	57	△123
Profit attributable to owners of parent	4,198	260

<Consolidated statement of comprehensive income>

	(Millions of yen)	
	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	4,255	137
Other comprehensive income		
Valuation difference on available-for-sale securities	72	52
Foreign currency translation adjustment	457	87
Share of other comprehensive income of entities accounted for using equity method	-	203
Total other comprehensive income	530	342
Comprehensive income	4,786	479
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,735	599
Comprehensive income attributable to non-controlling interests	50	△119



### (3) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,847	2,977	27,262	△1,916	31,172
Cumulative effects of changes in accounting policies			△100		△100
Restated balance	2,847	2,977	27,161	△1,916	31,071
Changes during period					
Dividends of surplus			△1,176		△1,176
Profit attributable to owners of parent			4,198		4,198
Purchase of treasury shares				△0	△0
Transfer from retained earnings to capital surplus		68	△68		-
Change in ownership interest of parent due to transactions with non-controlling interests		△540			△540
Other		△2	△2		△4
Net changes in items other than shareholders' equity					
Total changes during period	-	△474	2,951	△0	2,477
Balance at end of period	2,847	2,503	30,113	△1,916	33,548

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	6	89	96	5	1,641	32,915
Cumulative effects of changes in accounting policies						△100
Restated balance	6	89	96	5	1,641	32,814
Changes during period						
Dividends of surplus						△1,176
Profit attributable to owners of parent						4,198
Purchase of treasury shares						△0
Transfer from retained earnings to capital surplus						-
Change in ownership interest of parent due to transactions with non-controlling interests						△540
Other						△4
Net changes in items other than shareholders' equity	72	457	530	△5	△1,276	△751
Total changes during period	72	457	530	△5	△1,276	1,725
Balance at end of period	79	546	626	-	365	34,540

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,847	2,503	30,113	△1,916	33,548
Changes during period					
Dividends of surplus			△1,176		△1,176
Profit attributable to owners of parent			260		260
Purchase of treasury shares				△0	△0
Disposal of treasury shares				1	1
Other			1		1
Net changes in items other than shareholders' equity					
Total changes during period	-	-	△914	0	△913
Balance at end of period	2,847	2,503	29,198	△1,915	32,635

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	79	546	626	365	34,540
Changes during period					
Dividends of surplus					△1,176
Profit attributable to owners of parent					260
Purchase of treasury shares					△0
Disposal of treasury shares					1
Other					1
Net changes in items other than shareholders' equity	52	290	342	△84	257
Total changes during period	52	290	342	△84	△655
Balance at end of period	131	837	969	280	33,884

**(4) Consolidated Statements of Cash Flows**

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	6,450	1,571
Depreciation	1,351	1,142
Amortization of goodwill	372	502
Impairment losses	238	888
Loss (gain) on sale of investment securities	△1	—
Increase (decrease) in allowance for doubtful accounts	100	71
Increase (decrease) in provision for bonuses	△8	5
Increase (decrease) in provision for product warranties	67	△797
Gain on reversal of share acquisition rights	△5	—
Increase (decrease) in retirement benefit liability	12	35
Increase (decrease) in provision for loss on orders received	62	13
Increase (decrease) in provision for share awards	76	82
Interest and dividend income	△30	△34
Interest expenses	42	45
Loss on sale of notes receivable - trade	0	0
Foreign exchange losses (gains)	△209	△154
Share of loss (profit) of entities accounted for using equity method	64	162
Loss (gain) on change in equity	—	△489
Loss (gain) on sale of property, plant and equipment	△496	6
Loss on retirement of property, plant and equipment	19	4
Loss (gain) on sale of intangible assets	△338	—
Loss on retirement of intangible assets	1	1
Decrease (increase) in trade receivables	△364	△2,255
Decrease (increase) in inventories	5,139	1,814
Decrease (increase) in other current assets	△655	721
Decrease (increase) in other non-current assets	△15	△46
Increase (decrease) in trade payables	542	△4,443
Increase (decrease) in advances received	△7,352	△468
Increase (decrease) in other current liabilities	1	△91
Other, net	0	△147
Subtotal	5,066	△1,856
Interest and dividends received	30	34
Interest paid	△40	△49
Income taxes paid	△3,687	△1,838
Income taxes refund	39	425
Net cash provided by (used in) operating activities	1,408	△3,284

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Cash flows from investing activities</b>		
Payments into time deposits	–	△311
Proceeds from sale of investment securities	10	99
Purchase of investment securities	△200	–
Proceeds from redemption of investment securities	–	50
Purchase of shares of subsidiaries and associates	△402	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△132	△143
Purchase of property, plant and equipment	△2,048	△932
Proceeds from sale of property, plant and equipment	886	12
Purchase of intangible assets	△176	△33
Proceeds from sale of intangible assets	400	–
Short-term loan advances	△3	△43
Proceeds from collection of short-term loans receivable	117	66
Other proceeds	4	45
Other payments	△9	△5
Net cash provided by (used in) investing activities	△1,554	△1,195
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	520	816
Repayments of short-term borrowings	△301	△896
Proceeds from long-term borrowings	–	7,402
Repayments of long-term borrowings	△2,968	△3,401
Proceeds from issuance of shares	170	–
Purchase of treasury shares	△0	△0
Dividends paid	△1,176	△1,176
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△1,000	–
Dividends paid to non-controlling interests	△1,083	–
Proceeds from share issuance to non-controlling shareholders	–	35
Net cash provided by (used in) financing activities	△5,839	2,780
Effect of exchange rate change on cash and cash equivalents	605	217
Net increase (decrease) in cash and cash equivalents	△5,380	△1,482
Cash and cash equivalents at beginning of period	33,158	27,778
Cash and cash equivalents at end of period	27,778	26,295

## **(5) Notes on Consolidated Financial Statements**

### **<Notes on Going Concern Assumptions>**

Not applicable

### **<Changes in accounting policies>**

The Company adopted the "Guidance on Accounting Standard for Measurement of Fair Value\*" hereafter referred to as the Guidance on Accounting Standard for Measurement of Fair Value" from the beginning of the first quarter of the current fiscal year. \* The ASBJ Guidance No. 31, June 17, 2021.

In accordance with the transitional treatment stipulated in Paragraph 27-2 of the Guidance on Accounting Standard for Fair Value Estimation, the Company has decided to apply the new accounting policy stipulated by the Guidance on Accounting Standard for Fair Value Estimation prospectively.

This change has no impact on the quarterly consolidated financial statements.

### **<Segment Information>**

#### **1. Overview of reportable segments**

The Group's reportable segments are components of the Group for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

The Group consists of industry segments based on the Company and its consolidated subsidiaries, and has two reportable segments: "FPD Equipment Business" and "Semiconductor and Photomask Equipment Business."

An overview of each reportable segment is as follows.

(FPD Equipment Business)

The FPD Equipment segment develops, designs, manufactures, sells, and provides related services for manufacturing equipment and inspection equipment used in the FPD production process, as well as materials and components, including evaporation masks for OLEDs.

(Semiconductor and Photomask Equipment Business)

The Semiconductor and Photomask Equipment segment develops, designs, manufactures, sells, and provides related services for manufacturing equipment, inspection equipment, and photomask equipment used in the semiconductor manufacturing process.

#### **2. Calculation method of net sales, profit or loss, assets, liabilities and other items by reportable segment**

The accounting method of reportable business segments is in accordance with the accounting policies adopted to prepare consolidated financial statements. Profits of reportable segments are based on operating income. Inter-segment revenues and transfers are based on prevailing market prices.

### 3. Information on sales, income (loss), assets, liabilities, and other items by reportable segment

I Fiscal year ended March 31, 2022

(Millions of yen)

	Reportable segments			Other *1	Reconciling items *2	Per consolidated financial statements *3
	FPD equipment business	Semiconduct, photomask equipment business	Reportable segments			
Sales						
Revenues from external customers	42,415	8,679	51,054	363	–	51,418
Transactions with other segments	42	–	42	–	△42	–
Net sales	43,457	8,639	51,097	363	△42	51,418
Operating profit (loss)	5,101	554	5,656	△194	–	5,461
Other items						
Depreciation	1,162	175	1,338	13	–	1,351
Amortization of goodwill	–	347	347	24	–	372

#### Note

- \*1. "Other" is a business segment that is not included in the reportable segments and includes OLED lighting and agriculture business.
- \*2. "Adjustment" refers to elimination of intersegment transactions. 3.
- \*3. Segment income (loss) is adjusted with operating income in the consolidated financial statements.
4. Segment assets are not shown because assets are not allocated to any reportable segment.

II Fiscal year ended March 31, 2023

(Millions of yen)

	Reportable segments			Other *1	Reconciling items *2	Per consolidated financial statements *3
	FPD equipment business	Semiconduct, photomask equipment business	Reportable segments			
Sales						
Revenues from external customers	32,927	9,262	42,189	956	–	43,146
Transactions with other segments	239	–	239	–	△239	–
Net sales	33,167	9,262	42,429	956	△239	43,146
Operating profit (loss)	980	254	1,234	△248	–	986
Other items						
Depreciation	953	154	1,107	35	–	1,142
Amortization of goodwill	–	404	404	97	–	502

#### Note

1. "Other" is a business segment that is not included in the reportable segments and includes OLED lighting and agriculture business.
2. "Adjustment" refers to elimination of intersegment transactions.
3. Segment income (loss) is adjusted with operating income in the consolidated financial statements.
4. Segment assets are not shown because assets are not allocated to any reportable segment.

#### **4. Matters concerning changes in reportable segments, etc.**

The Group's reportable segments used to be "FPD business" and "Semiconductor business." However, due to a review of the management classification in response to changes in the profit structure, the Group changed the classification to "FPD equipment business" and "Semiconductor and photomask equipment business" effective from the current consolidated fiscal year. The business segments that are not included in the reportable segments are disclosed as "Other" segment information.

The segment information for the previous consolidated fiscal year is disclosed based on the reporting segment classification after the product group review.

#### **< Significant Subsequent Events >**

None