

Stock Information (as of September 30, 2021)

Authorized shares 320,000,000 shares
 Issued shares 55,000,000 shares
 Number of shareholders 9,000

Major shareholders (Top 10)

Shareholders	Investment in the Company	
	Number of shares held	Ownership ratio
	Thousands	%
The Master Trust Bank of Japan, Ltd. (Trust account)	5,512	11.18
THE BANK OF NEW YORK MELLON 140051	2,647	5.37
Daishi Hokuetsu Bank, Ltd.	2,184	4.43
The Dai-ichi Life Insurance Company, Limited	2,100	4.26
JP MORGAN CHASE BANK 385632	1,956	3.97
THE BANK OF NEW YORK 133652	1,862	3.77
Custody Bank of Japan, Ltd. (Trust account)	1,746	3.54
Sumitomo Mitsui Banking Corporation	1,516	3.07
PICTET AND CIE (EUROPE) SA, LUXEMBOURG REF: UCITS	1,157	2.35
Tsugami Customers' Shareholding Association	1,080	2.19

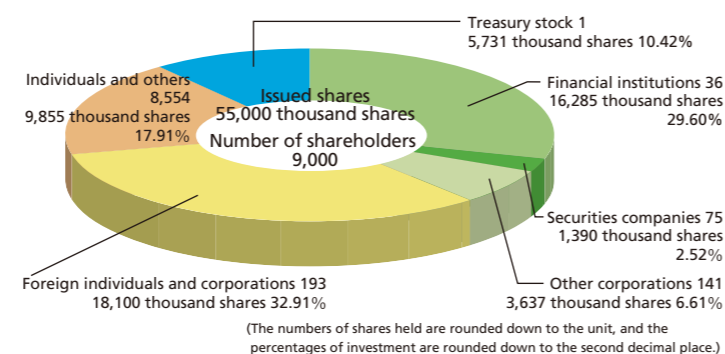
Notes: 1. In calculating the ratio of holdings, treasury stock was excluded. The ratio was rounded down to the second decimal place.
 2. There are 5,731 thousand shares of treasury stock listed in the shareholders' register other than the shares listed in the table above.

Corporate Data

(as of September 30, 2021)

Corporate Name	TSUGAMI CORPORATION
Established	March 15, 1937
Head Office	12-20, Tomizawa-cho, Nihonbashi, Chuo-ku, Tokyo
Share Capital	12,345 million yen
Number of Employees	2,817 (Consolidated)
Directors and Auditors (as of October 1, 2021)	
Representative Director and CEO	Takao Nishijima
Representative Director and CFO	Ichiro Muramoto
Director	Donglei Tang
Outside Director	Ken Kubo
Outside Director	Koichi Maruno
Director (Full-time Audit and Supervisory Committee member)	Tomoko Takahashi
Outside Director (Audit & Supervisory Board member)	Yoshimi Takeuchi
Outside Director (Audit & Supervisory Board member)	Kenyu Adachi
Outside Director (Audit & Supervisory Board member)	Kunio Shimada
Outside Director (Audit & Supervisory Board member)	Michiyo Yamamiya
Head Office and Factories	Head Office 12-20, Tomizawa-cho, Nihonbashi, Chuo-ku, Tokyo Nagaoka Factory 1-1, Higashizao 1-chome, Nagaoka-shi, Niigata
Sales Network	Overseas Division (Tokyo) East Japan Marketing Division (Saitama) Central Japan Marketing Division (Nagoya) West Japan Marketing Division (Osaka)
Group Companies	TSUGAMI GENERAL SERVICE CO., LTD. Precision Tsugami (China) Corporation Limited (British Cayman Islands) Precision Tsugami (Hong Kong) Limited PRECISION TSUGAMI (CHINA) CORPORATION Shinagawa Precision Machinery (Zhejiang) Co., Ltd. Precision Tsugami (Anhui) Corporation (CHINA) TSUGAMI (THAI) CO., LTD. TSUGAMI EUROPE GmbH (GERMANY) TSUGAMI KOREA CO., LTD. TSUGAMI PRECISION ENGINEERING INDIA PRIVATE LIMITED TSUGAMI Universal Pte. Ltd. (SINGAPORE)

Shareholders composition by type



Shareholders Information

Business Year	From April 1 each year to March 31 of the following year
Annual Shareholders Meeting	June each year
Surplus Dividends	The record date for the year end dividend shall be March 31 each year. When paying interim dividends, the record date shall be September 30 each year.
Administrator of Shareholders' Register	Mitsubishi UFJ Trust Banking Corporation 4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Business Handling Office	Mitsubishi UFJ Trust Banking Corporation Stock Transfer Agency Department
Contact Office	1-1, Nikko-cho, Fuchu-shi, Tokyo Telephone: 0120-232-711 (toll free number) (Postal address) New Tokyo P. O. Box No.29, Tokyo, 137-8081 Mitsubishi UFJ Trust Banking Corporation Stock Transfer Agency Department
Method of Public Notice	Public notices of the Company shall be published on its website (https://www.tsugami.co.jp/). However, if the Company is unable to publish notices electronically, public notices shall be published in the Kanpo ("official gazette").
Listed Stock Exchange	Tokyo

Notice

- In principle, the contact that receives customer requests for changes of addresses and name, purchasing shares constituting less than one unit, and transferring dividends to designated accounts shall be securities companies, etc. in which the customers have opened an account. Mitsubishi UFJ Trust Banking Corporation shall receive inquiries about the shipment and return of mail articles, etc. and dividends overdue and general questions as to administrative work involving shares.
- Mitsubishi UFJ Trust Banking Corporation shall undertake procedures for shares recorded in a special account, not an account at a securities company, etc.
- As shares recorded in a special account may not be sold directly from the special account when selling them on the market, it is necessary to transfer them to an account at a securities company, etc.

To Our Shareholders

Business Report for the First Half of Fiscal Year 2021
 (April 1, 2021 to September 30, 2021)

TSUGAMI CORPORATION

I am pleased to report our results for the first half of the fiscal year ending March 31, 2022.

In the first half of the fiscal year under review, the Group posted revenue of ¥49,176 million (up 85.9% year on year), operating profit of ¥10,808 million (up 260.8% year on year) and profit attributable to owners of parent of ¥5,445 million (up 325.5% year on year), reflecting strong performances on every market including the Chinese market.

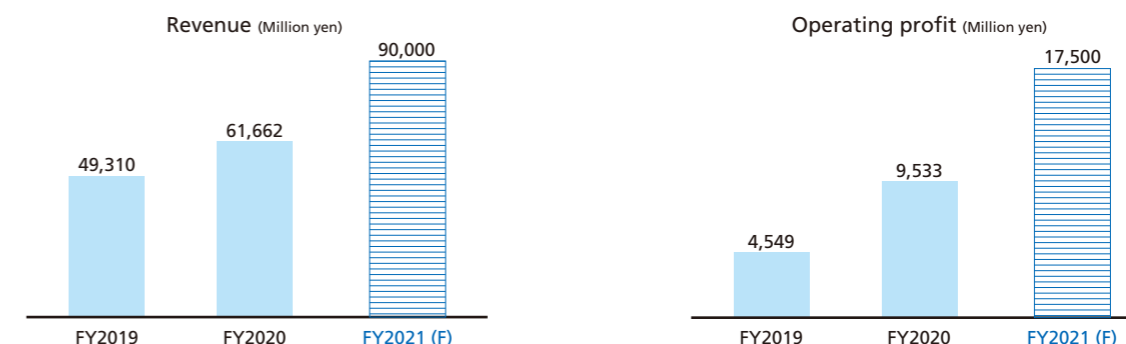
The Company will continue striving to enhance services including offering new products that match customer needs, constantly seeking to improve customer satisfaction.

The Company decided to pay an interim dividend for the consolidated fiscal year ending March 31, 2022 of 18 yen per share, an increase of 4 yen from the initial forecast. The Company plans to pay a year-end dividend of 18 yen per share (which combined with the interim dividend brings the annual dividend to 36 yen).

We respectfully ask for the continued support and encouragement of our shareholders.

November 2021
 Takao Nishijima
 Representative Director and CEO

Business Performance (Consolidated)



Financial highlights

Item	FY2019		FY2020		FY2021
	First half	Full year	First half	Full year	First half
Revenue (Million yen)	27,396	49,310	26,457	61,662	49,176
Operating profit (Million yen)	2,889	4,549	2,995	9,533	10,808
Profit attributable to owners of parent (Million yen)	1,295	2,001	1,279	4,917	5,445
Basic earnings per share (Yen)	24.97	38.60	24.71	95.21	108.80
Total assets (Million yen)	63,511	61,860	66,789	79,278	90,548
Total equity (Million yen)	39,362	39,073	41,246	46,836	50,837

(Note) All fractions of monetary units have been rounded down.

Consolidated Financial Statements

Consolidated statement of financial position

(Million yen)

Item	FY2020 (March 31, 2021)	FY2021 First half (September 30, 2021)
Assets		
Total current assets	60,023	71,364
Cash and cash equivalents	17,207	20,925
Trade and other receivables	20,428	24,034
Other financial assets	30	30
Inventories	20,774	24,271
Other current assets	1,582	2,103
Total non-current assets	19,254	19,183
Property, plant and equipment	11,808	12,003
Right-of-use assets	1,302	1,241
Intangible assets	1,116	995
Retirement benefit assets	91	81
Other financial assets	4,420	4,410
Deferred tax assets	253	255
Other non-current assets	261	194
Total assets	79,278	90,548
Liabilities and equity		
Liabilities		
Total current liabilities	30,204	37,069
Trade and other payables	14,797	20,933
Borrowings	9,579	10,117
Other financial liabilities	210	185
Income taxes payable	1,332	2,173
Provisions	384	488
Contract liabilities	3,161	2,400
Other current liabilities	737	769
Total non-current liabilities	2,237	2,641
Other financial liabilities	123	85
Retirement benefit liability	893	912
Deferred tax liabilities	887	1,159
Other non-current liabilities	333	483
Total liabilities	32,441	39,710
Equity		
Share capital	12,345	12,345
Capital surplus	3,332	3,222
Treasury shares	- 4,371	- 7,129
Other components of equity	2,560	3,158
Retained earnings	24,362	28,981
Total equity attributable to owners of parent	38,229	40,578
Non-controlling interests	8,607	10,258
Total equity	46,836	50,837
Total liabilities and equity	79,278	90,548

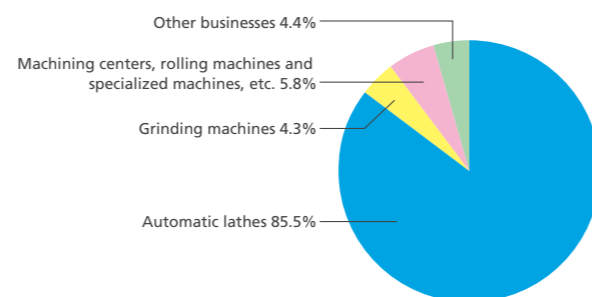
Consolidated statement of profit or loss

(Million yen)

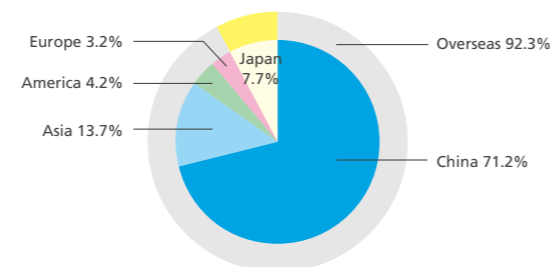
Item	FY2020 First half April 1, 2020 to September 30, 2020	FY2021 First half April 1, 2021 to September 30, 2021
Revenue	26,457	49,176
Cost of sales	- 19,536	- 33,665
Gross profit	6,921	15,511
Selling, general and administrative expenses	- 4,020	- 4,963
Other income	119	2,359
Other expenses	- 24	- 2,099
Operating profit	2,995	10,808
Finance income	159	168
Finance costs	- 131	- 260
Profit before tax	3,023	10,716
Income tax expense	- 1,091	- 3,501
Profit	1,932	7,214
Profit attributable to:		
Owners of parent	1,279	5,445
Non-controlling interests	652	1,769
Profit	1,932	7,214
Earnings per share		
Basic earnings per share (yen)	24.71	108.80
Diluted earnings per share (yen)	24.17	106.52

Revenue breakdown (Consolidated)

Revenue breakdown by product (FY2021 First half)



Revenue breakdown by region (FY2021 First half)



Products

Turning center SS26MH-II-5AX

Productive combined machine by the integration of Swiss type automatic lathe (sliding headstock type) and machining center

Optimum for mass production of complex-shaped workpieces from bar stock

- Enables 5-axis simultaneous controlled machining.
- High-speed tool spindle with max. 20,000 min⁻¹ is provided for efficient machining.
- Guide-bush type or guide-bushless type is selectable according to the workpiece. (Option)
- Long workpiece machining is possible by sliding headstock. (Max. machining length: 300 mm)
- The linear scales are equipped as standard for X1, Y1, Z1 and X2-axis slides to support high accuracy machining.
- The back tool post with Y axis enables the simultaneous operation of back spindle side complex machining with main spindle side machining.
- Up to 5 modular type live tools can be mounted on back tool post, and optimum tool allocation is possible.
- By process integration, reduces the number of operators and machines, and shortens the lead time.
- Corresponds to heavy-duty machining by dual contact holder (CAPTO C4).



CNC Lathe M10J

CNC Lathe with 10-inch chuck
Larger machining capability among 10-inch chuck class

- High output motor with 18.5 kW on the spindle achieves powerful machining.
- High-rigidity box slide for X-axis slide enables heavy-duty cutting on large diameter workpiece.
- Servomotor controlled NC tailstock is equipped on the tailstock, minimizing the setup time significantly.
- Coolant tank is easy to clean as it can be pulled out to the machine front and there is no need to pull out the chip conveyor.
- Various dials for controlling spindle speed, rapid traverse rate and feedrate, and turret number selection switch are provided as standard. Designed for better operability.



Participated Exhibitions

We have actively developed new business partners.

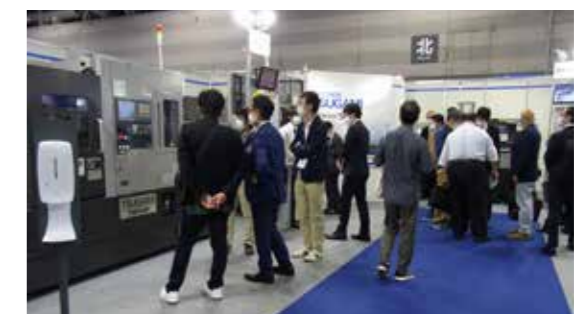
We exhibited at EMO MILANO 2021 held in Milan, Italy for six days from October 4, 2021.

We also exhibited at Mechatronics Technology Japan 2021 (MECT2021) held at Port Messe Nagoya over four days commencing October 20, 2021.

Many users and dealers from all over Japan and overseas visited the exhibitions and the Company actively engaged in business talks to expand markets.



EMO MILANO 2021



Mechatronics Technology Japan 2021 (MECT2021)