

Financial Results for the Fiscal Year Ended March 31, 2025



May 13, 2025

<https://www.tsugami.co.jp>
(TSE: 6101)

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1. Financial Results for the FY 2025/3 and Outlook for the FY 2026/3

(1) Financial Results

[Results for the FY 2025/3]

Although some movement has been observed in China and other markets, the overall sense of uncertainty could not be denied. In this situation, the Group steadily promoted its business in each of its locations, and as a result, recorded revenue and profit reaching historic highs.

Revenue: 107.4 billion yen (up 28.0% YoY)

Profits:

Operating profit: 23.3 billion yen (up 78.0% YoY)

Profit attributable to owners of parent: 10.9 billion yen (up 102.8% YoY)

[Outlook for the FY 2026/3]

The outlook continues to be uncertain. However, taking into account domestic and international market trends and our current order situation, our business forecast is as set out below.

Revenue: 104.0 billion yen (down 3.2% YoY)

Profits:

Operating profit: 19.5 billion yen (down 16.3% YoY)

Profit attributable to owners of parent: 8.6 billion yen (down 21.1% YoY)

Billion yen

	Results for FY 2023/3	Results for FY 2024/3	Results for FY 2025/3			Outlook for FY 2026/3			
			1H	2H	Fiscal year	1H	2H	Fiscal year	YoY
Revenue	94.9	83.9	49.7	57.6	107.4	54.0	50.0	104.0	-3.2%
Operating profit	16.7	13.0	9.9	13.3	23.3	10.5	9.0	19.5	-16.3%
(to revenue ratio)	(17.6%)	(15.6%)	(19.9%)	(23.2%)	(21.7%)	(19.4%)	(18.0%)	(18.8%)	—
Profit attributable to owners of parent	7.6	5.3	4.8	6.0	10.9	4.5	4.1	8.6	-21.1%
(to revenue ratio)	(8.1%)	(6.4%)	(9.7%)	(10.6%)	(10.1%)	(8.3%)	(8.2%)	(8.3%)	—
Basic earnings per share	159.39 yen	112.57 yen	101.96 yen	129.59yen	231.55 yen	96.16 yen	87.62 yen	183.78 yen	—

(2) Financial Position

RMB/JPY March-end/24 20.84 → March-end/25 20.59
 INR / JPY March-end/24 1.83 → March-end/25 1.76

Billion yen

	As of Mar.31, 2024	As of Mar.31, 2025	Variance from Mar.31, 2024
Total assets	117.7	127.3	9.5
Current assets	92.9	102.7	9.8
Cash and cash equivalents	30.4	27.7	-2.7
Trade and other receivables	27.9	40.6	※2 12.7
Inventories	32.7	32.6	-0.1
Other	1.7	1.7	0.0
Non-current assets	24.7	24.5	-0.2
Property, plant and equipment	16.3	16.5	0.2
Right-of-use assets	2.0	1.9	-0.0
Intangible assets	0.3	0.1	-0.1
Other	6.0	5.8	-0.2
Total liabilities	45.3	43.1	-2.1
Current liabilities	40.0	38.3	-1.7
Trade and other payables	17.5	17.6	0.1
Borrowings	16.8	11.5	-5.2
Other	5.6	9.1	3.4
Non-current liabilities	5.3	4.8	-0.4
Deferred tax liabilities	3.5	3.1	-0.4
Other	1.7	1.7	0.0
Total equity	72.3	84.1	11.7
Share capital	12.3	12.3	0.0
Capital surplus	2.8	2.8	-0.0
Treasury shares	-3.0	-0.8	※3 2.1
Other components of equity	10.3	8.7	-1.6
Retained earnings	34.0	39.8	5.7
Equity attributable to owners of parent	56.6	※1 62.8	6.2
Non-controlling interests	15.7	21.2	5.4

- ※1 The financial position is stable.
 Ratio of equity attributable to owners of parent: 49.4%
 (Equity ratio for the entire group: 66.1%)
- ※2 Of which, Bank draft received by Chinese subsidiaries +9.7
- ※3 Treasury shares: Cancellation of 2 million shares. (May 2024)

(3) Cash flows

Billion yen

	FY 2024/3	FY 2025/3
Cash flows from operating activities	11.8	8.8
Profit before tax	13.7	23.7
Depreciation and amortization	2.0	2.2
Increase/decrease in working capital	0.7	※1 -11.8
Income taxes paid, etc.	-4.7	-5.2
Cash flows from investing activities	-2.6	-2.0
Capital investment in factories	-2.4	※2 -2.0
Other	-0.1	0.0
Cash flows from financing activities	-6.6	-8.7
Net increase (decrease) in short-term borrowings	-0.9	-5.2
Purchase of treasury shares	-0.9	-0.9
Dividends paid	-2.3	-2.4
Dividends paid to non-controlling interests	-1.6	-2.1
Other	-0.8	※3 2.0
Effect of exchange rate changes on cash and cash equivalents	2.1	-0.8
Net increase (decrease) in cash and cash equivalents	4.7	-2.7
Cash and cash equivalents at the end of the term	30.4	27.7

- *1 Increase in trade and other receivables: -13.5
Increase in inventories: -0.5
Decrease in trade and other payables: 0.6
Decrease in contract liabilities: 1.6

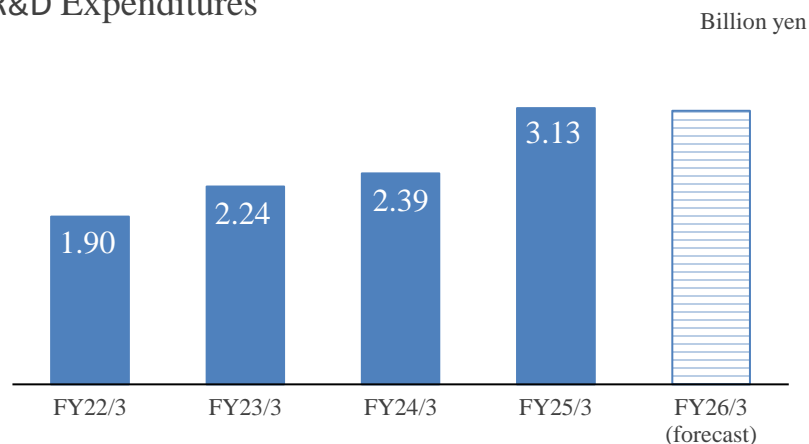
The difference from variances in BS was caused by the adjustment of foreign exchange differences, etc.

- *2 Factory in China: -0.8
New Factory in India: -1.1

- *3 Income from partial sale of shares of Chinese subsidiaries and associates: 3.6

2. R&D Expenditures, Capital Investment and Depreciation

R&D Expenditures



Capital Investment continued. (in China, India and Japan)

China: Zhejiang Factory No.5 (Former Precision Nakatsu (China) Corporation))

Construction to expand facilities was completed September 2024. It began operation as an assembly plant from October.

Total amount of investment: 2.5 billion yen

Land area: About 50,000m²

Production capacity: About 20% increased capacity after expansion

New factory in India

We will establish the necessary structures to increase production while expanding our sales network.

The casting plant began operation from April 2024.

The processing and assembly plant will begin operation from September 2025.

Total amount of investment: 3.6 billion

Land area: 58,900m²

Production capacity: Casting production: 500 tons/month
Assembly building and others: System to increase production as needed according to market conditions

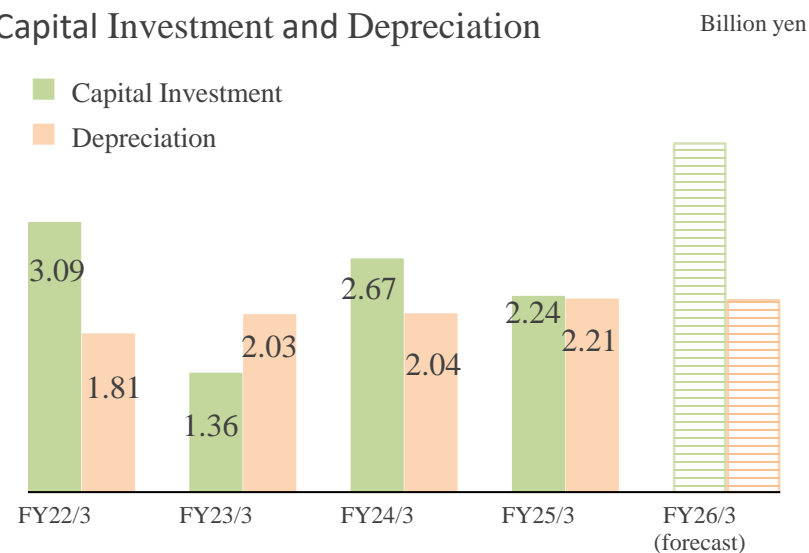
Japan: Nagaoka Factory

Building 8, nearly fifty years after its construction, will be replaced by a new plant building. We will utilize the plant as a production base with an exhibition area for showing the most advanced methods for energy and labor savings, automation and processing technology.

Total amount of investment: Approximately 2.3 billion yen

Scheduled to start construction in July 2025, and scheduled to start operation in April 2027

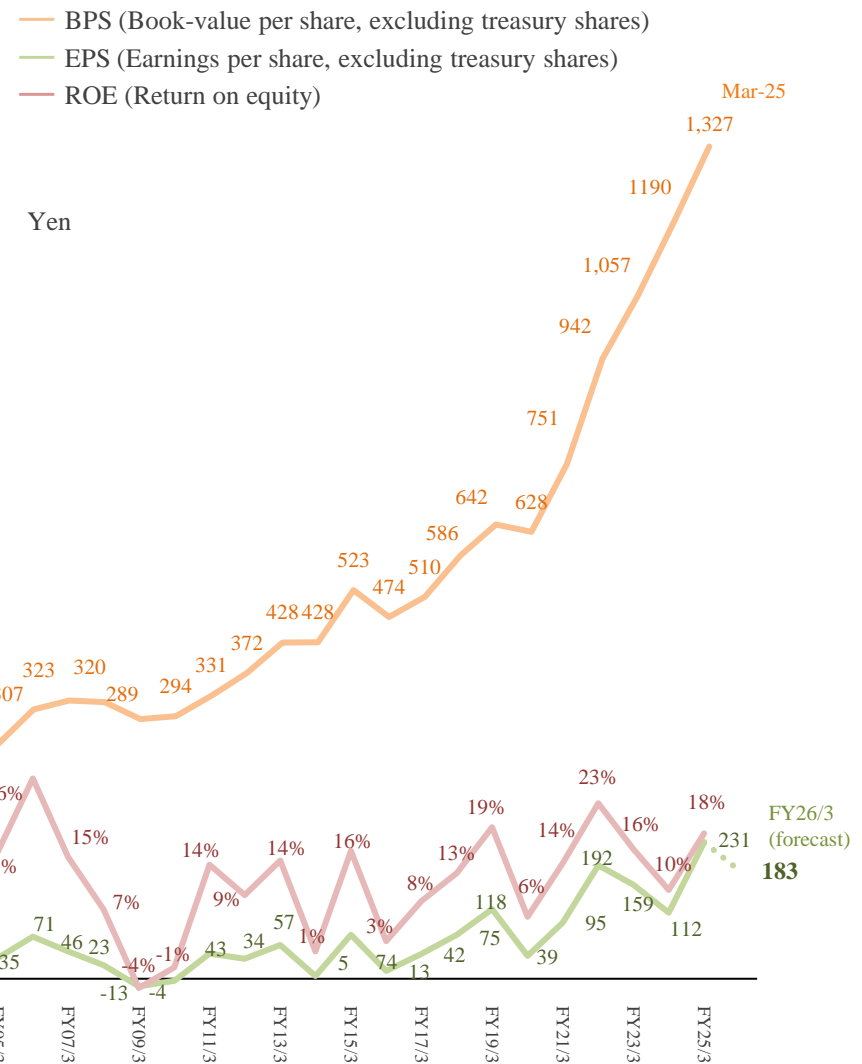
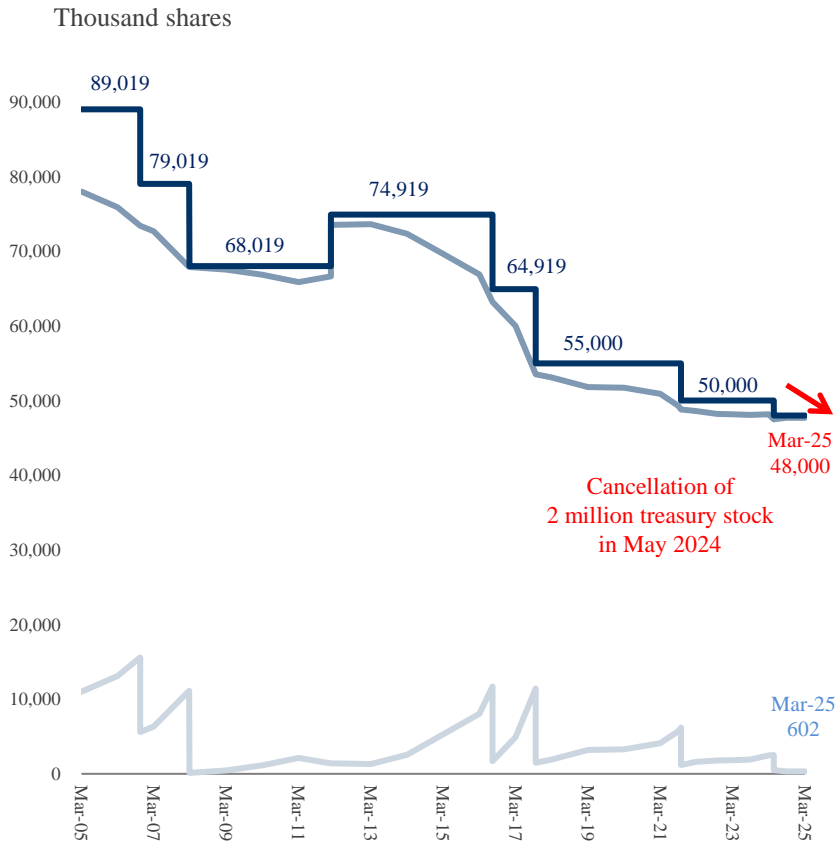
Capital Investment and Depreciation



3. Key indicators and shareholder returns

(1) Key indicators

- Outstanding shares
- Treasury shares
- Outstanding shares (excluding treasury shares)



(2) Shareholder Returns

1. The Company's basic policy is to provide stable dividends while maintaining a strong financial position.

It plans to pay a dividend of 64 yen for the fiscal year ending March 31, 2026.

2. Treasury shares are flexibly purchased.

	FY 2022/3	FY 2023/3	FY 2024/3	FY 2025/3	FY 2026/3 (forecast)
Dividends paid (Full-year, yen/share)	40	46	48	59	64
(Interim, yen/share)	18	22	24	27	32
EPS (yen)	191.99	159.39	112.57	231.55	183.78
Dividend payout ratio	20.8%	28.9%	42.6%	25.5%	34.8%
Ratio of dividends to equity attributable to owners of parent	4.7%	4.6%	4.3%	4.7%	--

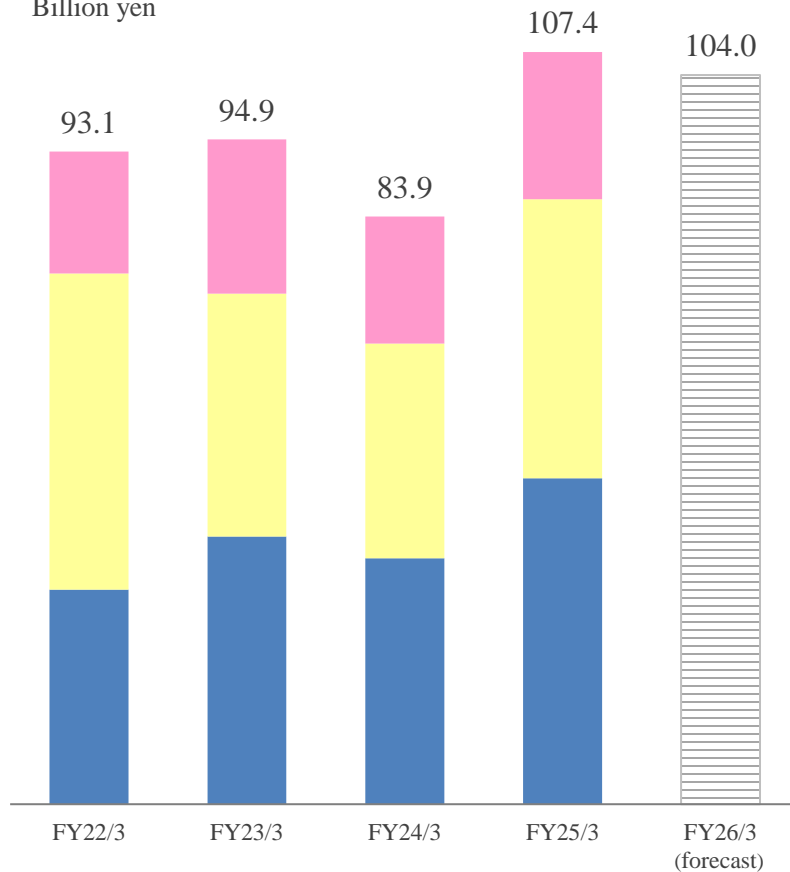
Total dividends (Billion yen)	1.95	2.22	2.29	2.80	3.03
Purchase of treasury shares (Billion yen)	4.31	0.91	0.93	0.96	—
Total return (Billion yen)	6.26	3.14	3.22	3.76	—
Profit attributable to owners of parent (Billion yen)	9.48	7.69	5.37	10.90	8.60
Total return ratio	66.0%	40.8%	60.0%	34.5%	—

4. Reference

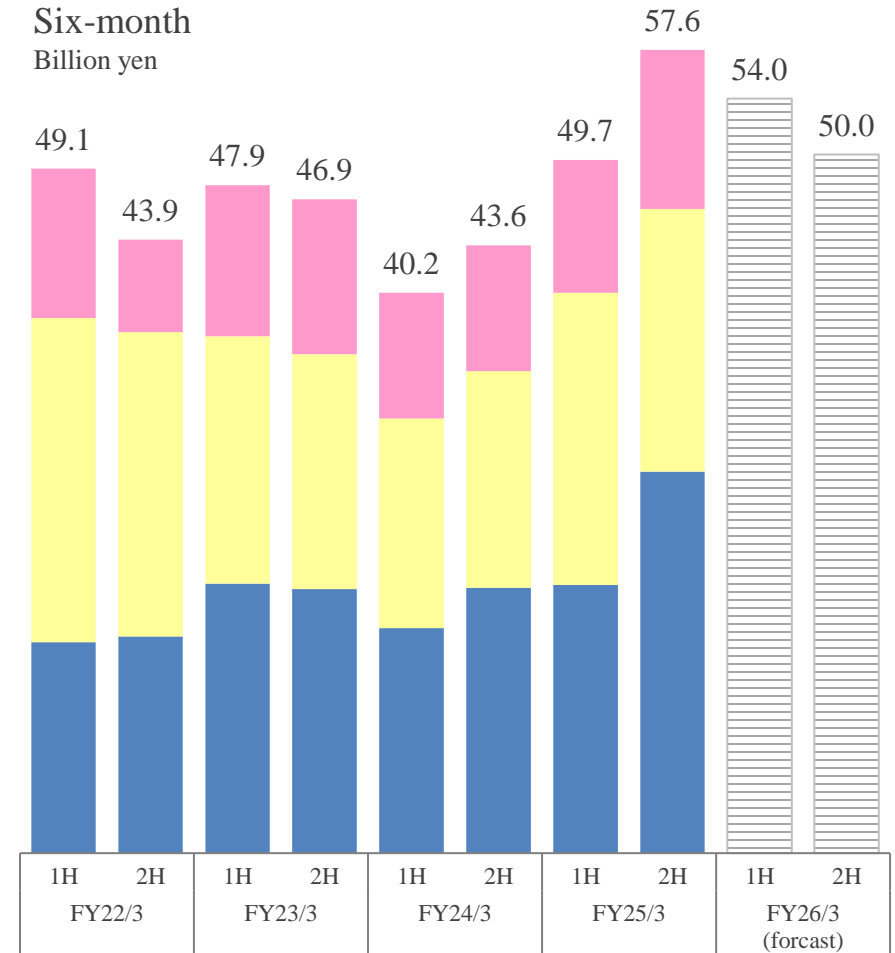
(1) Revenue by Business Segment

- IT
- Other (hydraulic and pneumatic equipment, medical equipment and others)
- Automobile

Full-year
Billion yen



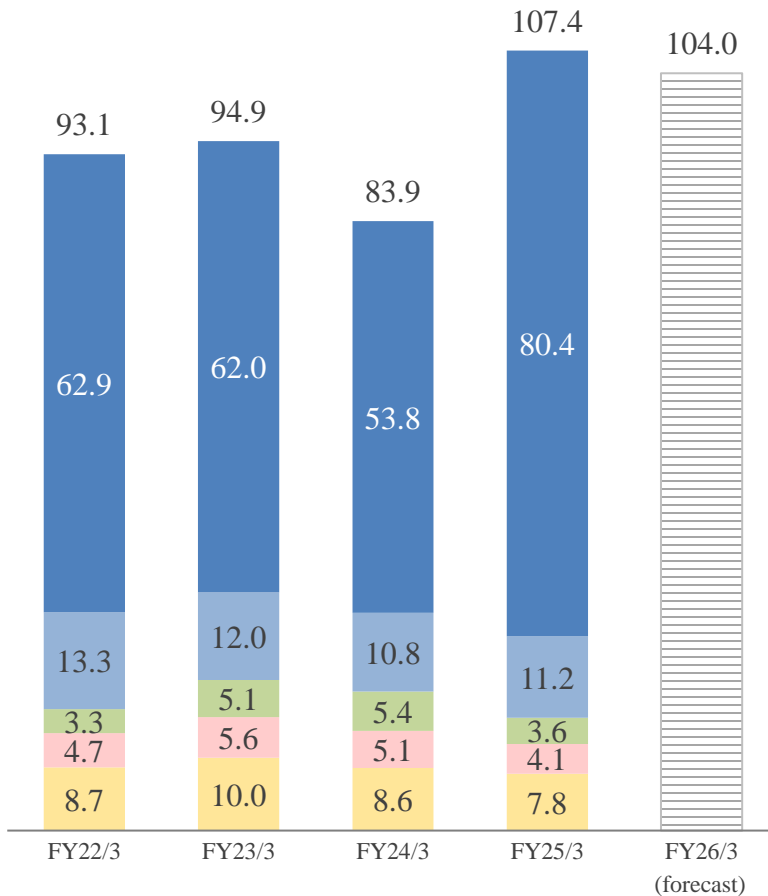
Six-month
Billion yen



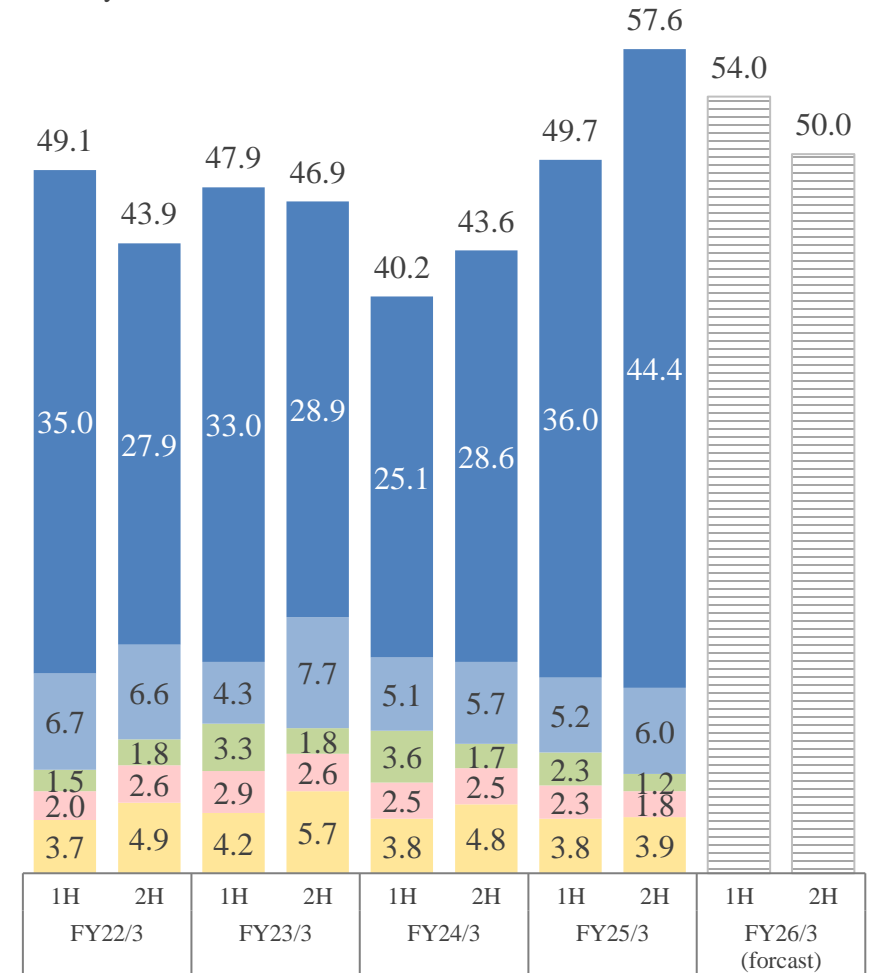
(2) Revenue by Geographic Segment

■ China ■ Asia ■ Europe ■ U.S.A ■ Domestic demand

Full-year
Billion yen

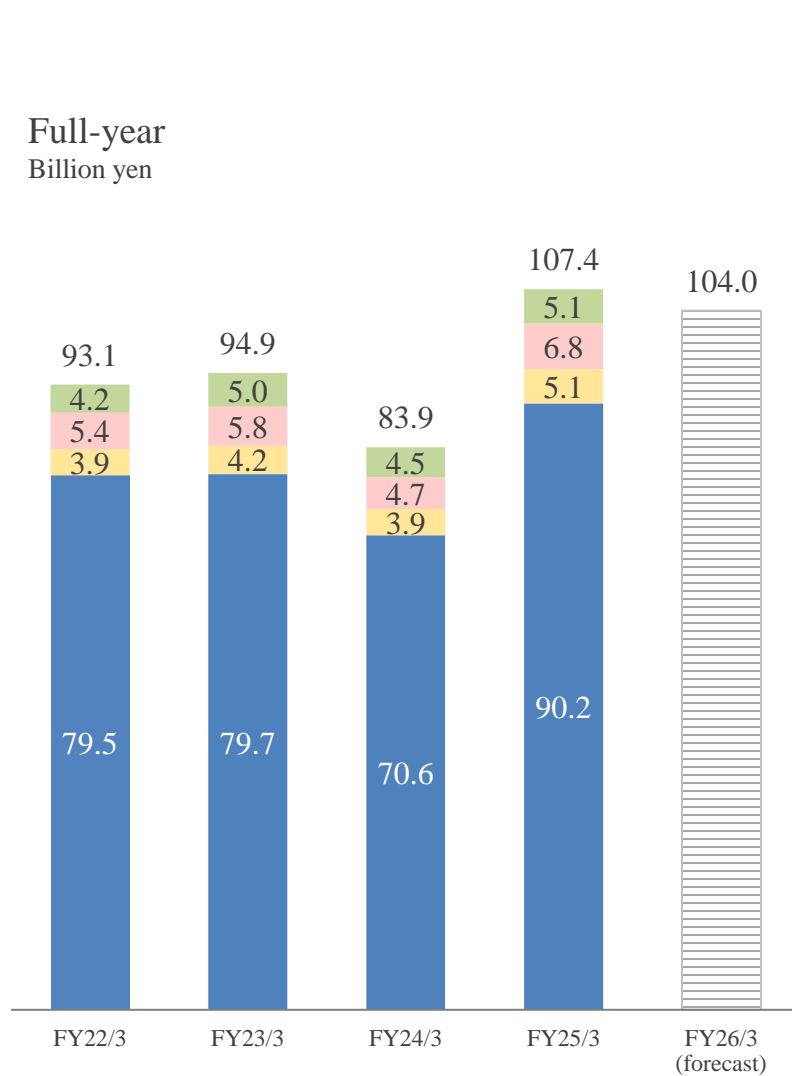


Six-month
Billion yen

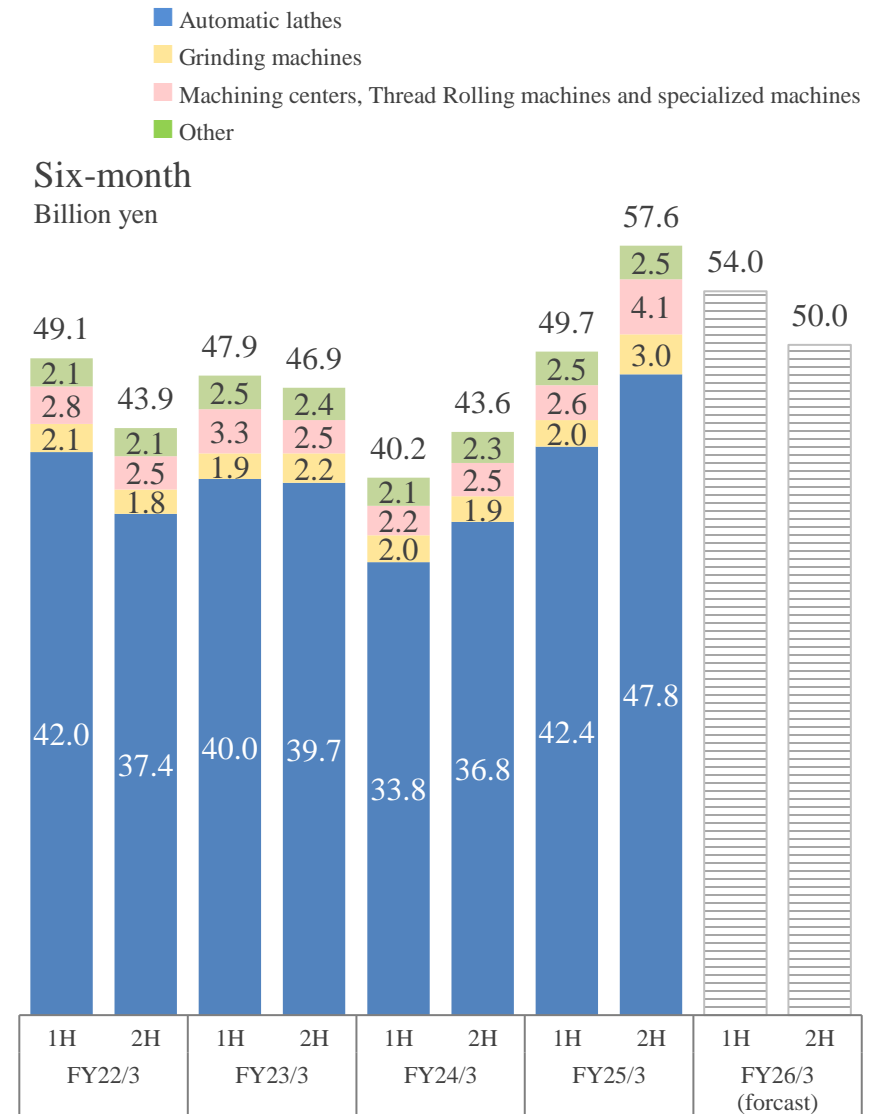


(3) Revenue by Machinery Category

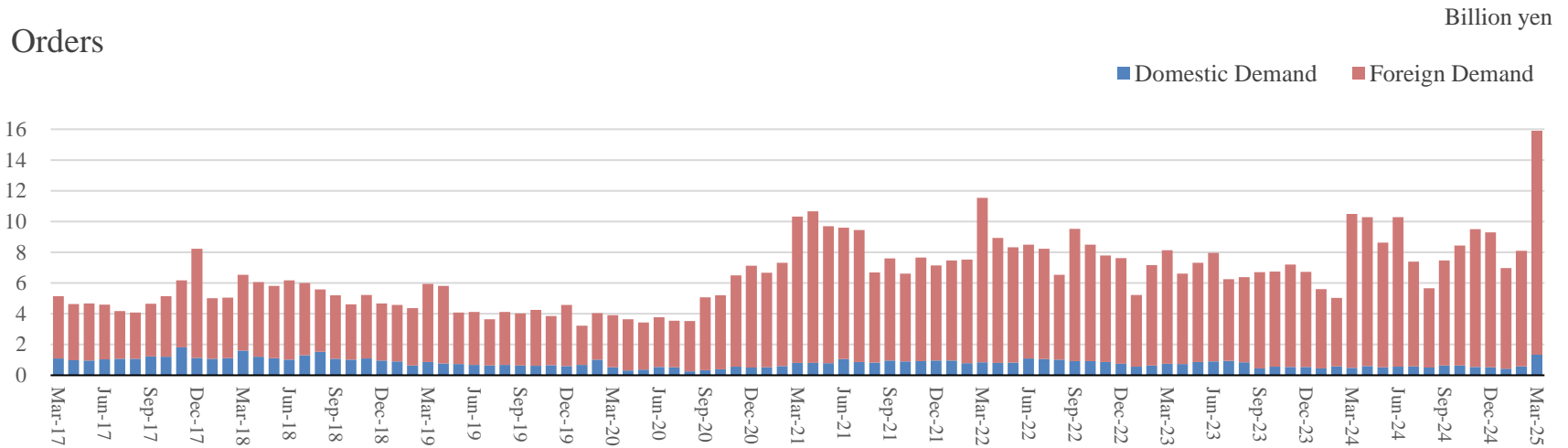
Full-year
Billion yen



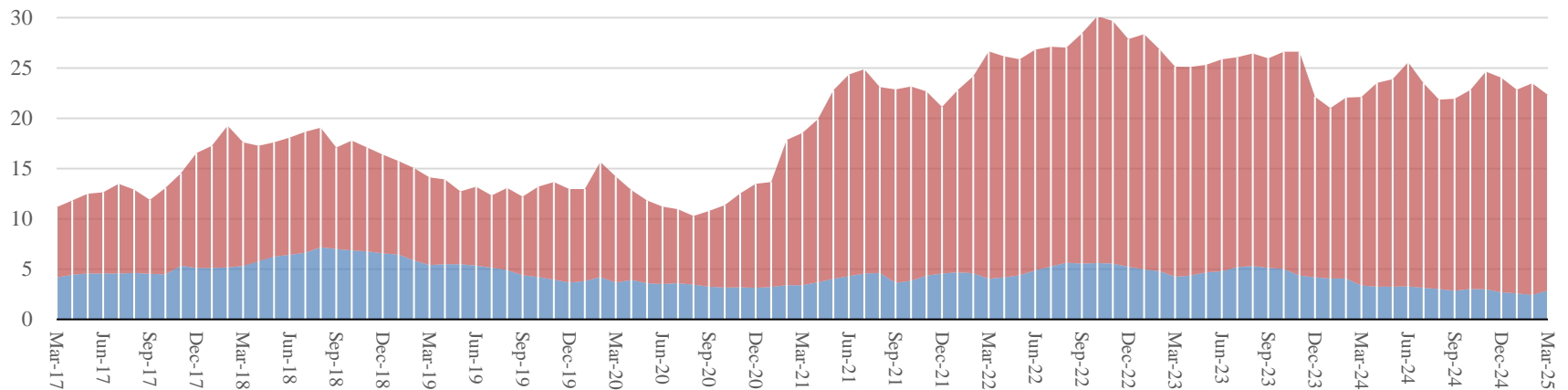
Six-month
Billion yen



(4) Orders Received and Order Backlogs



Order backlogs



The content in this material is premised on various assumptions and does not ensure or guarantee the realization of the planned figures and/or future policies stated herein.