Results of Operations for the Fiscal Year Ended March 31, 2022
REPORTED BY KOMORI CORPORATION (Japanese GAAP)

May 13, 2022

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Annual General Meeting of Shareholders: June 20, 2022
Payment date of year-end dividend: June 21, 2022
Preparation of supplementary materials for financial results: Yes
Holding of presentation meeting for financial results: Yes (for financial analysts/investors)

1. Consolidated Business Results for Fiscal 2022 (April 1, 2021 to March 31, 2022)

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

	Fiscal year ended March 31, 2022	%	Fiscal year ended March 31, 2021	%
Net sales	87,623	22.0	71,825	(7.5)
Operating income (loss)	2,267	-	(2,332)	-
Ordinary income (loss)	3,408	-	(1,149)	-
Profit (Loss) attributable to owners of parent	6,158	-	(2,068)	-

(Yen)

Basic earnings (loss) per share	110.67	(36.99)
Diluted earnings per share	-	-

(%)

ROE	6.1	(2.1)
ROA	2.3	(0.8)
Operating income to net sales ratio	2.6	(3.2)

Notes:
1. Comprehensive income:
Fiscal year ended March 31, 2022: 8,122 million yen 825.3 %
Fiscal year ended March 31, 2021: 877 million yen - %
2. Share of profit of entities accounted for using equity method:
Fiscal year ended March 31, 2022: -
Fiscal year ended March 31, 2021: -
3. Percentage figures given for the first four items in the above table represent the percentage increase/decrease on a year-on-year basis.

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

	March 31, 2022	March 31, 2021
Total assets	157,081	144,443
Total net assets	103,382	97,736
Equity ratio (%)	65.8	67.6
Net assets per share (Yen)	1,894.34	1,746.55

Note:
Equity as of: March 31, 2022: 103,286 million yen
March 31, 2021: 97,673 million yen

(3) Summary of statements of cash flows (In millions of yen, rounded down)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2021
Net cash provided by (used in) operating activities	9,281	8,174
Net cash provided by (used in) investing activities	(1,379)	(2,220)
Net cash provided by (used in) financing activities	(2,940)	9,288
Cash and cash equivalents at end of the period	60,321	54,321

2. Dividends

		Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022	Fiscal year ending March 31, 2023 (Forecast)
Annual cash dividends per share (Yen)		20.00	56.00	30.00
	First quarter period-end dividends	-	-	-
	Second quarter period-end dividends	10.00	15.00	15.00
	Third quarter period-end dividends	-	-	-
	Year-end dividends	10.00	41.00	15.00
Total cash dividends for the year (Millions of yen)		1,123	3,088	-
Dividend payout ratio (Consolidated) (%)		-	50.6	56.4
Ratio of dividends to net assets (Consolidated) (%)		1.1	3.1	-

3. Forecast of Consolidated Business Results for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(In millions of yen, rounded down)

	Sixth months ending September 30, 2022	%	Fiscal year ending March 31, 2023	%
Net sales	47,400	18.1	92,800	5.9
Operating income	1,500	194.2	3,400	49.9
Ordinary income	1,700	88.5	3,700	8.5
Profit attributable to owners of parent	1,400	(61.0)	2,900	(52.9)
Basic earnings per share (Yen)	25.68	-	53.19	-

Note:
Percentage figures given for the first four items in the above table represent the percentage increase/decrease on a year-on-year basis.

*Notes

(1) Changes in significant subsidiaries during the fiscal year under review (Changes in the scope of consolidation accompanying changes in specified subsidiaries): No

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

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

(3) Number of shares outstanding (common stock)

1. Number of shares outstanding (including treasury stock) as of:
   March 31, 2022: 58,292,340 shares
   March 31, 2021: 58,292,340 shares
2. Number of treasury stock as of:
   March 31, 2022: 3,768,240 shares
   March 31, 2021: 2,368,339 shares
3. Average number of shares during the period:
   Fiscal year ended March 31, 2022: 55,649,827 shares
   Fiscal year ended March 31, 2021: 55,924,195 shares

Reference: Overview of Non-Consolidated Performance

1. Non-Consolidated Performance for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Non-Consolidated Operating Results (In millions of yen, rounded down)

	Fiscal year ended March 31, 2022	%	Fiscal year ended March 31, 2021	%
Net sales	58,815	16.2	50,625	(16.1)
Operating income (loss)	(159)	-	(2,187)	-
Ordinary income (loss)	1,204	-	(217)	-
Profit (Loss)	4,513	-	(133)	-

(Yen)

Basic earnings (loss) per share	81.11	(2.39)
Diluted earnings per share	-	-

(2) Non-Consolidated Financial Condition (In millions of yen, rounded down)

	March 31, 2022	March 31, 2021
Total assets	129,750	121,980
Total net assets	92,714	90,233
Equity ratio (%)	71.5	74.0
Net assets per share (Yen)	1,700.44	1,613.50

Note:

Equity as of: March 31, 2022: 92,714 million yen
March 31, 2021: 90,233 million yen

* Implementation status of audit procedures

This financial flash report (Kessan Tanshin) is not subject to auditing by a certified public accountant or auditing firm.

* 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.

For qualitative information regarding consolidated operating results forecasts, please refer to "1. REVIEW OF OPERATIONS AND FINANCIAL CONDITION (5) Outlook" in page 11 of the attached material.

Materials for the summary result presentation in Japanese will be disclosed through the Tokyo Stock Exchange's Timely Disclosure Network, known as TDnet, on May 24, 2022. The same materials will be posted on Komori's website. Also, English translation of these materials will be posted on the Company's website at:
https://www.komori.com/contents_com/ir/index.htm

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1. REVIEW OF OPERATIONS AND FINANCIAL CONDITION

(1) Fiscal 2022 Operating Results

(1) Overview

During the fiscal year ended March 31, 2022, the global economy enjoyed modest yet continued recovery thanks to economic stimulus packages executed in major countries to counter fallout from the novel coronavirus (COVID-19) pandemic, along with progress in vaccination against COVID-19. On the other hand, in the second half of the fiscal year under review, the resumption of economic activities entailed logistics disruptions and raw material price surges, while shortages in semiconductor and other parts supply emerged on the back of recovery in demand. Economic activities have thus been negatively affected by these and other factors. Currently, the outlook for the global economy remains unclear due to looming geopolitical instability as well as volatile foreign exchange rates primarily influenced by government-led monetary tightening.

(2) Consolidated Performance

Given the above environment, Komori promoted the global marketing of its “advance” models as part of the offset printing press business, its core business. These models were developed to empower customers to achieve world-leading ROI. Specifically, in order to help address operator shortages, a pressing issue confronting the printing industry, “advance” models enable users to achieve high productivity and superior printing quality via easy operations, and are designed to work better with the “KP-Connect,” a cloud-based solution aimed at creating a “smart factory” by connecting pre-press and post-press processes with production data. Thanks to these features, “advance” models have garnered a robust market reputation. In addition, Komori strove to realize synergies with the MBO Group, which was made a consolidated subsidiary to enhance the Print Engineering Service Provider (PESP) business through which the Company aims to deliver a variety of solutions to customers. To this end, Komori worked in tandem with this subsidiary to promote the integration of both companies’ existing organizations in Europe, the United States and China while engaging in collaborative marketing activities at “China Print 2021,” an international printing technology exhibition held in Beijing in June 2021, to demonstrate tangible effects arising from synergies between them.

Taking the above factors into account, orders received in the fiscal year under review rose 36.2% from the previous fiscal year to ¥97,571 million, while consolidated net sales grew 22.0% year on year to ¥87,623 million. Turning to expenses, the cost of sales ratio improved year on year due primarily to an increase in production volume. In addition, selling, general and administrative (SG&A) expenses increased from the

previous fiscal year due mainly to growth in shipping and other expenses in step with higher net sales along with the impact of the consolidation of expenses recorded by the MBO Group over the course of 15 months, a factor contributing to a major year-on-year increase in expenses because expenses incurred by this subsidiary had been included only for an eight month-period in the previous fiscal year. Nevertheless, operating income amounted to ¥2,267 million, compared with operating loss of ¥2,332 million in the previous fiscal year. Ordinary income was ¥3,408 million, a major improvement from an ordinary loss of ¥1,149 million in the previous fiscal year. This was thanks in part to improving foreign exchange rates and the resulting foreign exchange gains. As a result of these and other factors, income before income taxes amounted to ¥6,990 million, compared with loss before income taxes of ¥1,522 million in the previous fiscal year. This was due mainly to proceeds from sales of noncurrent assets, a move aimed at promoting operational streamlining via the integration of business bases as part of measures to reinforce the Company's business revenue structure. Profit attributable to owners of the parent totaled ¥6,158 million, a turnaround from loss attributable to owners of the parent of ¥2,068 million in the previous fiscal year.

Overseas sales totaled ¥63,635 million, up 50.9% from the previous fiscal year, with the ratio of overseas sales to net sales at 72.6%.

(3) Overview of Consolidated Net Sales by Region

Consolidated net sales during the fiscal year under review amounted to ¥87,623 million, representing a 22.0% increase from the previous fiscal year. An overview of consolidated net sales by region is set out below.

(In millions of yen)

		Fiscal Year Ended March 31, 2021	Fiscal Year Ended March 31, 2022	Increase / (Decrease) (%)
Net sales		71,825	87,623	22.0
Breakdown	Japan	29,673	23,988	(19.2)
	North America	5,374	7,912	47.2
	Europe	12,768	20,464	60.3
	Greater China	13,600	20,776	52.8
	Other Regions	10,408	14,481	39.1

Domestic Sales

In the domestic market, the volume of orders received for such offerings as sheet-fed offset presses has recovered. In the printed electronics (PE) business, the volume of orders

received similarly rose thanks in part to the robustness of electronics parts-related market demand. On the other hand, growth in the volume of orders received has yet to be reflected in net sales due to time lags between orders and deliveries. Also, Komori's operating results for the fiscal year under review were affected by a recoil from solid demand seen in the previous fiscal year in connection with facility upgrades associated with web offset presses. Consequentially, domestic sales dropped 19.2% year on year to ¥23,988 million.

North America

The volume of orders received in North America remained constantly above the level recorded in each quarter of the previous fiscal year, thanks to post-pandemic economic recovery which, in turn, invigorated demand associated with capital expenditure. As a result, full-year net sales in this region rose 47.2% year on year to ¥7,912 million.

Europe

In Europe, Komori enjoyed a considerable increase in sales on the back of recovery in demand in Western Europe and other regions. This increase in sales in the European market includes the effect of an adjustment undertaken in the fiscal year under review in connection with the accounting period of Germany-based MBO Group, which manufactures and sells paper folding machines and other post-press equipment. Taking these and other factors into account, overall net sales in this region increased 60.3% year on year to ¥20,464 million.

Greater China

As markets in Greater China achieved recovery from the impact of the COVID-19 pandemic earlier than other regions, Komori maintained robust operating results in this region since the previous fiscal year. Having participated in China Print 2021, an international printing technology exhibition held in June 2021, the Company has successfully drawn the immense attention of attendees to its large printing presses, including package printing presses. Komori has thus confirmed constantly robust demand still in place in the fiscal year under review. As a result, net sales in this region rose 52.8% year on year to ¥20,776 million.

Other Regions

In Other Regions, which include ASEAN and India, the impact of the COVID-19 pandemic remained persistent. This, in turn, hindered Komori from achieving earlier recovery, with its first-half operating results in these regions lagged far behind results it

achieved elsewhere. However, in the second half, the Company saw recovery in demand and benefitted from the resulting upturn in sales. As a result, net sales in Other Regions increased 39.1% year on year to ¥14,481 million.

(4) Business Performance by Reportable Segment

1. Japan

The "Japan" reportable segment includes the Company's sales in Japan and direct sales to distributors in certain overseas regions as well as sales of security printing presses to overseas customers. These overseas regions consist of Asia—including part of mainland China and the ASEAN region but excluding Hong Kong and Taiwan—and Central and South America, as well as other regions. Reflecting the Company's performance in the above regions, net sales in the reportable segment "Japan" totaled ¥63,873 million, a year-on-year increase of ¥7,883 million. Operating income totaled ¥284 million, compared with operating loss of ¥1,734 million in the previous fiscal year.

2. North America

The "North America" reportable segment comprises sales posted by the Company's sales subsidiaries in the United States. The Company's performance in this reportable segment was affected by the operating conditions described in the section Overview of Consolidated Net Sales by Region, above. As a result, net sales in this reportable segment totaled ¥7,929 million, a year-on-year increase of ¥2,537 million. Operating income totaled ¥1,141 million, compared with operating loss of ¥506 million in the previous fiscal year.

3. Europe

The "Europe" reportable segment consists of sales recorded by the Company's sales subsidiaries in Europe, those recorded by a subsidiary that manufactures and markets package printing presses (also in Europe), and those recorded by a corporate group based in the region that manufactures and sells post-press machinery. As a result of the factors explained in the above section, net sales in this reportable segment totaled ¥21,216 million, a year-on-year increase of ¥7,918 million. Operating income totaled ¥703 million, in contrast with operating loss of ¥466 million in the previous fiscal year.

4. Greater China

The "Greater China" reportable segment consists of sales recorded by the Company's sales subsidiaries in Hong Kong, Shenzhen (China) and Taiwan as well as those recorded by its printing machinery production and sales subsidiary in Nantong, China. As a result of the factors explained in the above section, net sales in this reportable segment totaled ¥14,992 million, a year-on-year increase of ¥4,517 million. Operating income totaled ¥216 million, compared with operating loss of ¥395 million in the previous fiscal year.

5. Other

The "Other" reportable segment includes sales recorded by the Company's sales subsidiaries in India, Singapore and Malaysia. Subject to the aforementioned operating conditions in Other Regions, net sales in this reportable segment totaled ¥2,223 million, a year-on-year increase of ¥818 million. Operating income amounted to ¥96 million, a

turnaround from operating loss of ¥23 million in the previous fiscal year.

(5) Highlights

In the fiscal year ended March 31, 2022, Group highlights were as follows:

In the fiscal year under review, economic activities have been resumed by many countries along with the implementation of countermeasures against the COVID-19 pandemic. Reflecting this, the incorporation of “new lifestyle norms” became a requisite across society in anticipation of the coming of a post-pandemic world. Under these circumstances, “drupa,” the world’s largest international printing exhibition, was held in April 2021 as a virtual event via the internet, attracting a large number of viewers, especially those in Europe. Also, “China Print 2021” was held in Beijing in June 2021, with the cumulative total number of attendees surpassing 130,000 even though participants were strictly limited to those living in China due to concerns over the COVID-19 pandemic. These two major events exemplified a shift from conventional exhibition methods using physical venues to new methods, such as online exhibition and hybrid exhibition combining physical and virtual exhibitions. As a participant in both events, Komori proposed Connected Automation, a solution concept designed to help customers create a “smart factory” and, to this end, optimize and automate their printing operations via the consolidated control of Management Information System (MIS) and various machinery supporting printing process with the use of core software “KP-Connect Pro.”

Komori also rolled out “advance” models in virtually all printing press categories in the fiscal year under review, significantly expanding the scope of these models since their release two years earlier. Having seized such marketing opportunities as the abovementioned exhibitions in Europe and China, the Company sold more than 300 units of “advance” models in countries around the world. These models, in turn, garnered favorable reviews from a number of customers right after they were brought on line due to their capabilities to achieve high ROI.

As part of operational streamlining, Komori has decided to relocate the Global Parts Center and the Sekiyado Techno Center (Noda City, Chiba Prefecture), with the aim of consolidating these facilities into the Tsukuba Plant (Tsukuba City, Ibaraki Prefecture). In line with this decision, the construction of new Parts Center and Techno Center buildings began at the Tsukuba Plant. In preparation of these relocations, Komori sold its land in Sekiyado to promote reductions in business assets. The completion and launch of the new Global Parts Center and the new Techno Center is scheduled for August 2022. Through these measures, Komori will optimize its parts-related operations, reduce running costs and otherwise promote the efficient use of resources.

(2) Financial Condition

Assets, Liabilities and Net Assets

Total assets as of March 31, 2022 stood at ¥157,081 million, an increase of ¥12,637 million compared with the previous fiscal year-end. Liabilities were ¥53,698 million, an increase of ¥6,991 million compared with March 31, 2021, while net assets totaled ¥103,382 million, an increase of ¥5,646 million.

Key positive factors leading to the increase in total assets included a ¥7,110 million net increase in securities and a ¥1,421million increase in cash and deposits. Key negative factors affecting total assets included a ¥343 million decrease in deferred tax assets and a ¥325 million decrease in land.

The primary factors leading to the increase in liabilities included a ¥3,296 million increase in the sum of contract liabilities and advances received (formerly referred to as advances received in the previous fiscal year). The primary factors that decreased liabilities included a ¥216 million decrease in deferred tax liabilities.

Key positive factors affecting net assets included a ¥4,681 million increase in retained earnings due mainly to the recording of profit attributable to owners of the parent, despite the payment of cash dividends. Key negative factors affecting net assets included a ¥998 million increase in treasury stock.

(3) Fiscal 2022 Consolidated Cash Flows

(In millions of yen)

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended March 31, 2022	9,281	(1,379)	(2,940)	60,321
Fiscal year ended March 31, 2021	8,174	(2,220)	9,288	54,321
Increase / (Decrease)	1,107	840	(12,228)	5,999

Net cash provided by operating activities in the fiscal year ended March 31, 2022 amounted to ¥9,281 million, an increase of ¥1,107 million from net cash provided by operating activities of ¥8,174 million in the previous fiscal year. Major cash inflows were the posting of income before income taxes totaling ¥6,990 million, a ¥2,950 million increase in notes and accounts payable—trade, a ¥1,616 million decrease in notes and accounts receivable—trade, and a ¥1,877 million adjustment for depreciation. Principal cash outflows included losses on sales of noncurrent assets totaling ¥3,686 million.

Net cash used in investing activities was ¥1,379 million, a decrease of ¥840

million from ¥2,220 million used in investing activities in the previous fiscal year. Principal cash outflows included a ¥2,484 million net increase in securities and ¥1,922 million in purchase of property, plant and equipment and intangible assets. Main cash inflows included ¥4,111 million in proceeds from sales of property, plant and equipment and intangible assets.

Net cash used in financing activities totaled ¥2,940 million, a turnaround of ¥12,228 million from ¥9,288 million provided by financing activities in the previous fiscal year. The principal components of cash outflows were ¥1,402 million in the payment of cash dividends and ¥998 million in the purchase of treasury stock. The principal cash inflows included ¥104 million in proceeds from long-term loans payable.

(4) Basic Policy on the Appropriation of Profits and Cash Dividends for the Fiscal Year under Review and the Fiscal Year Ending March 31, 2023

While considering the level of retained earnings required to prudently secure a robust operating platform and ensure future business growth from a long-term perspective, Komori positions maintaining the robust and stable return of profits to its shareholders as a key management priority.

With regard to year-end cash dividend for the fiscal year under review, Komori has passed a resolution at its Board of Directors meeting to propose the payment of ¥41 per common share and decided to submit this proposal to the 76th Annual General Meeting of Shareholders.

For the fiscal year ending March 31, 2023, Komori plans to pay annual dividends of ¥30 per common share based on its forecasts for annual operating results. This will comprise an interim cash dividend of ¥15 per common share and a fiscal year-end cash dividend of ¥15 per common share.

(5) Outlook

Going forward, the business environment surrounding the Company is likely to face a number of uncertainties, such as the possible emergence of new COVID-19 variants, looming geopolitical risks engulfing international affairs, and other factors that may critically alter the current status of society. Therefore, Komori believes that it will be called upon to exercise management judgment with even greater nimbleness and, as necessary, revise the course of its business management in light of the prevailing circumstances.

Looking at the demand outlook influencing Komori’s printing machinery sales,

the volume of printing materials is expected to decrease in publishing and commercial printing fields due to the effect of digital transformation (DX) initiatives now progressing in developed countries and other regions. However, the Company expects demand for high-value-added printing and package printing services to remain robust in such developed countries as Japan, Europe and the United States. In addition, printing companies are now confronted by the shortage of material supplies, rising prices of materials, higher logistics costs and surges in personnel expenses. Because of this, there are growing calls for measures to improve productivity in the printing industry.

Well aware of the above environment, Komori will remain committed to steadily executing the objective of its Sixth Medium-Term Management Plan, namely, “Improving profitability and building foundations for growth businesses.” In the offset printing press business, the Company will formulate and execute sector- and region-specific marketing strategies to this end. Specifically, Komori will establish regional headquarters in Europe, the Americas and Greater China to promote development in a manner finely tuned to customer needs. With the aim of achieving business model innovation in sales activities, the Company will also strive to deliver effective proposals in the course of its sales activities through the incorporation of insights gleaned via the analysis of ROI based on customer operational data. In conjunction with these endeavors, Komori will roll out its PESP business, which has conventionally targeted Japanese customers, in markets overseas, expanding the regional marketing scope of such PESP offerings as the KP-Connect designed to visualize operational data and DX solutions capable of efficiently managing printing process. In the security printing business, Komori will similarly strengthen PESP initiatives via the proposal of Komori-Kare, a preventive maintenance service brand. On the other hand, in the digital printing system (DPS) business, the Company is facing delays in the release and commercialization of the Impremia NS40, a large, 40-inch size sheet-fed printing system that employs the Nanographic Printing® process. Addressing these problems, Komori will execute the revision of its development structure and business plans. In the PE business, demand for package circuit substrate printing is growing on the back of robust market demand for electronic parts. Looking ahead, Komori will strive to differentiate its offerings from competitor products and, to this end, promote the marketing of systems designed to achieve the full automation of printing lines.

As part of sustainability initiatives, Komori declared its support of recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD) and thus intends to promote information disclosure accordingly. The Company also considers workstyle reforms to be a matter of urgency. With this in mind, Komori

will implement “Workstyle Reforms in Komori Way,” an initiative to help employees better strike a balance between work and private life and increase added value generated through daily operations. In the fiscal year ending March 31, 2023, the Company will also upgrade its sustainability project that had previously been focused on environmental activities into a larger project covering the United Nations Sustainable Development Goals (SDGs). As such, Komori aims to push ahead further with strengthening its management approach centered on addressing environmental, social and governance (ESG) issues as well as its commitment to SDG-related initiatives.

Taking the aforementioned factors into account, the Company’s consolidated operating results forecasts include net sales of ¥92.8 billion, operating income of ¥3.4 billion, ordinary income of ¥3.7 billion, and profit attributable to owners of the parent of ¥2.9 billion. These forecasts are based on the assumed exchange rates of USD 1.00 = JPY 120 and EUR 1.00 = JPY 130.

2. FUNDAMENTAL APPROACH TO THE SELECTION OF ACCOUNTING STANDARDS

The Komori Group has adopted J-GAAP. With regard to the adoption of IFRS reporting, Komori intends to appropriately respond to such reporting needs in light of relevant circumstances at home and abroad.

3. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

(In millions of yen)

	Fiscal 2021 (March 31, 2021)	Fiscal 2022 (March 31, 2022)
(ASSETS)		
Current Assets:		
Cash and deposits	46,875	48,296
Notes and accounts receivable-trade	14,662	-
Notes and accounts receivable - trade, and contract assets	-	15,480
Electronically recorded monetary claims-operating	1,259	1,871
Short-term investment securities	8,511	15,622
Merchandise and finished goods	13,837	13,522
Work in process	9,987	10,794
Raw materials and supplies	7,949	8,080
Current portion of insurance funds	90	68
Other	2,562	3,024
Allowance for doubtful accounts	(430)	(490)
Total current assets	105,304	116,269
Noncurrent Assets:		
Property, plant and equipment		
Buildings and structures	28,378	28,616
Accumulated depreciation	(23,411)	(23,579)
Buildings and structures, net	4,967	5,036
Machinery, equipment and vehicles	16,380	16,132
Accumulated depreciation	(15,231)	(14,441)
Machinery, equipment and vehicles, net	1,148	1,690
Land	8,641	8,315
Construction in progress	355	620
Other	7,816	8,048
Accumulated depreciation	(6,638)	(6,744)
Other, net	1,178	1,303
Total property, plant and equipment	16,290	16,966
Intangible assets		
Goodwill	2,709	2,427
Other	1,810	1,509
Total Intangible assets	4,520	3,937
Investments and other assets		
Investment securities	8,857	9,384
Deferred tax assets	1,431	1,088
Insurance funds	6,120	7,171
Net defined benefit asset	1,317	1,784
Other	674	543
Allowance for doubtful accounts	(74)	(65)
Total investments and other assets	18,327	19,907
Total noncurrent assets	39,138	40,811
Total Assets	144,443	157,081

(1) Consolidated Balance Sheets

(In millions of yen)

	Fiscal 2021 (March 31, 2021)	Fiscal 2022 (March 31, 2022)
(LIABILITIES)		
Current Liabilities:		
Notes and accounts payable-trade	5,826	6,576
Electronically recorded obligations-operating	6,677	9,227
Short-term loans payable	873	850
Income taxes payable	436	847
Advances received	9,448	14
Contract liabilities	-	12,730
Provision for bonuses	871	977
Provision for bonuses for directors	-	45
Provision for product warranties	782	741
Provision for loss on guarantees	101	88
Provision for onerous contracts	49	26
Provision for loss on construction contracts	-	19
Provision for business restructuring	-	106
Provision for loss on disaster	-	20
Provision for loss on litigation	-	71
Deferred installment income	38	-
Other	6,510	6,705
Total current liabilities	31,615	39,049
Noncurrent Liabilities:		
Bonds payable	10,000	10,000
Long-term loans payable	439	357
Deferred tax liabilities	1,637	1,420
Provision for directors' retirement benefits	20	24
Provision for onerous contracts	44	17
Net defined benefit liability	2,030	1,832
Other	918	996
Total noncurrent liabilities	15,091	14,649
Total Liabilities	46,707	53,698
(NET ASSETS)		
Shareholders' Equity:		
Capital stock	37,714	37,714
Capital surplus	37,788	37,788
Retained earnings	22,735	27,416
Treasury stock	(2,621)	(3,619)
Total shareholders' equity	95,618	99,300
Other Comprehensive Income:		
Valuation difference on available-for-sale securities	3,087	3,538
Foreign currency translation adjustment	(345)	652
Remeasurements of defined benefit plans	(685)	(204)
Total other comprehensive income	2,055	3,986
Non-controlling interests	62	95
Total Net Assets	97,736	103,382
Total Liabilities and Net Assets	144,443	157,081

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

Consolidated Statements of Income

(In millions of yen)

	Fiscal 2021 (April 1, 2020 to March 31, 2021)	Fiscal 2022 (April 1, 2021 to March 31, 2022)
Net Sales	71,825	87,623
Cost of Sales	51,473	59,595
Gross profit	20,351	28,027
Selling, General and Administrative Expenses	22,684	25,759
Operating income (loss)	(2,332)	2,267
Non-Operating Income		
Interest income	45	48
Dividends income	214	247
Foreign exchange gains	417	656
Subsidy income	346	26
Other	465	409
Total non-operating income	1,490	1,388
Non-Operating Expenses		
Interest expenses	51	58
Bond issuance cost	57	-
Provision of allowance for doubtful accounts	79	-
Provision for loss on litigation	-	68
Other	117	119
Total non-operating expenses	307	247
Ordinary income (loss)	(1,149)	3,408
Extraordinary Income		
Gain on sales of noncurrent assets	5	3,688
Gain on sales of investment securities	93	5
Gain on bargain purchase	901	-
Other	-	161
Total extraordinary income	1,001	3,855
Extraordinary Loss		
Loss on sales of noncurrent assets	0	1
Loss on retirement of noncurrent assets	10	18
Impairment loss	1,187	-
Business structure improvement expenses	40	133
Loss on valuation of investment securities	77	104
Other	58	15
Total extraordinary loss	1,373	274
Income (loss) before income taxes	(1,522)	6,990
Income taxes-current	375	896
Income taxes-deferred	167	(92)
Total income taxes	543	804
Profit (Loss)	(2,065)	6,185
Profit attributable to non-controlling interests	2	26
Profit (loss) attributable to owners of parent	(2,068)	6,158

Consolidated Statements of Comprehensive Income

(In millions of yen)

	Fiscal 2021 (April 1, 2020 to March 31, 2021)	Fiscal 2022 (April 1, 2021 to March 31, 2022)
Profit (Loss)	(2,065)	6,185
Other comprehensive income		
Valuation difference on available-for-sale securities	1,331	451
Foreign currency translation adjustment	959	1,004
Remeasurements of defined benefit plans, net of tax	652	480
Total other comprehensive income	2,943	1,936
Comprehensive Income	877	8,122
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	882	8,089
Comprehensive income (loss) attributable to non-controlling interests	(5)	33

(3) Consolidated Statements of Changes in Net Assets

(In millions of yen)

	Fiscal 2021 (April 1, 2020 to March 31, 2021)	Fiscal 2022 (April 1, 2021 to March 31, 2022)
Shareholders' Equity		
Capital stock		
Balance at the beginning of current period	37,714	37,714
Restated balance	37,714	37,714
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	37,714	37,714
Capital surplus		
Balance at the beginning of current period	37,788	37,788
Restated balance	37,788	37,788
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	37,788	37,788
Retained earnings		
Balance at the beginning of current period	26,040	22,735
Cumulative effects of changes in accounting policies	-	(73)
Restated balance	26,040	22,662
Changes of items during the period		
Dividends from surplus	(1,121)	(1,404)
Profit (Loss) attributable to owners of parent	(2,068)	6,158
Disposal of treasury shares	(115)	-
Total changes of items during the period	(3,305)	4,754
Balance at the end of current period	22,735	27,416
Treasury stock		
Balance at the beginning of current period	(2,736)	(2,621)
Restated balance	(2,736)	(2,621)
Changes of items during the period		
Purchase of treasury stocks	(0)	(998)
Disposal of treasury shares	115	-
Total changes of items during the period	115	(998)
Balance at the end of current period	(2,621)	(3,619)
Total shareholders' equity		
Balance at the beginning of current period	98,807	95,618
Cumulative effects of changes in accounting policies	-	(73)
Restated balance	98,807	95,544
Changes of items during the period		
Dividends from surplus	(1,121)	(1,404)
Profit (Loss) attributable to owners of parent	(2,068)	6,158
Purchase of treasury stocks	(0)	(998)
Disposal of treasury shares	-	-
Total changes of items during the period	(3,189)	3,755
Balance at the end of current period	95,618	99,300

(3) Consolidated Statements of Changes in Net Assets

(In millions of yen)

	Fiscal 2021 (April 1, 2020 to March 31, 2021)	Fiscal 2022 (April 1, 2021 to March 31, 2022)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of the period	1,756	3,087
Restated balance	1,756	3,087
Changes of items during the period		
Net changes of items other than shareholders' equity	1,331	451
Total changes of items during the period	1,331	451
Balance at the end of the period	3,087	3,538
Foreign currency translation adjustment		
Balance at the beginning of the period	(1,313)	(345)
Restated balance	(1,313)	(345)
Changes of items during the period		
Net changes of items other than shareholders' equity	967	997
Total changes of items during the period	967	997
Balance at the end of the period	(345)	652
Remeasurements of defined benefit plans		
Balance at the beginning of the period	(1,337)	(685)
Restated balance	(1,337)	(685)
Changes of items during the period		
Net changes of items other than shareholders' equity	652	480
Total changes of items during the period	652	480
Balance at the end of the period	(685)	(204)
Total accumulated other comprehensive income		
Balance at the beginning of the period	(895)	2,055
Restated balance	(895)	2,055
Changes of items during the period		
Net changes of items other than shareholders' equity	2,951	1,930
Total changes of items during the period	2,951	1,930
Balance at the end of the period	2,055	3,986
Non-controlling interests		
Balance at the beginning of the period	67	62
Restated balance	67	62
Changes of items during the period		
Net changes of items other than shareholders' equity	(5)	33
Total changes of items during the period	(5)	33
Balance at the end of the period	62	95
Total Net Assets		
Balance at the beginning of the period	97,979	97,736
Cumulative effects of changes in accounting policies	-	(73)
Restated balance	97,979	97,663
Changes of items during the period		
Dividends from surplus	(1,121)	(1,404)
Profit (Loss) attributable to owners of parent	(2,068)	6,158
Purchase of treasury stocks	(0)	(998)
Disposal of treasury shares	-	-
Net changes of items other than shareholders' equity	2,946	1,963
Total changes of items during the period	(243)	5,719
Balance at the end of the period	97,736	103,382

(4) Consolidated Statements of Cash Flows

(In millions of yen)

	Fiscal 2021 (April 1, 2020 to March 31, 2021)	Fiscal 2022 (April 1, 2021 to March 31, 2022)
Net Cash Provided by (Used in) Operating Activities:		
Income before income taxes	(1,522)	6,990
Depreciation and amortization	1,604	1,877
Impairment loss	1,187	-
Gain on bargain purchase	(901)	-
Amortization of goodwill	584	502
Loss (gain) on sale of property, plant and equipment	(5)	(3,686)
Increase (decrease) in allowance for doubtful accounts	34	27
Increase (decrease) in provision for bonuses	(58)	105
Increase (decrease) in net defined benefit liability	53	(149)
Interest and dividends income	(260)	(296)
Interest expenses	51	58
Foreign exchange losses (gains)	(166)	(378)
Loss (gain) on sales of investment securities	(93)	(5)
Decrease (increase) in notes and accounts receivable-trade	3,425	1,616
Decrease (increase) in inventories	7,575	223
Increase (decrease) in notes and accounts payable-trade	(4,300)	2,950
Increase (decrease) in accrued consumption taxes	469	(201)
Other, net	601	(30)
Subtotal	8,279	9,603
Interest and dividends income received	260	296
Interest expenses paid	(51)	(58)
Income taxes paid	(312)	(559)
Net cash provided by (used in) operating activities	8,174	9,281
Net Cash Provided by (Used in) Investing Activities:		
Net decrease (increase) in short-term investment securities	599	(2,484)
Payments into time deposits	(97)	(100)
Proceeds from withdrawal of time deposits	72	72
Purchase of property, plant and equipment and intangible assets	(1,137)	(1,922)
Proceeds from sales of property, plant and equipment and intangible assets	5	4,111
Purchase of insurance funds	(43)	(1,120)
Proceeds from maturity of insurance funds	311	90
Purchase of investment securities	(60)	(47)
Proceeds from sales of investment securities	197	9
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,067)	-
Other payments	(29)	(7)
Other proceeds	28	21
Net cash provided by (used in) investing activities	(2,220)	(1,379)
Net Cash Provided by (Used in) Financing Activities:		
Net increase (decrease) in short-term loans payable	403	(72)
Repayments of long-term loans payable	(97)	(199)
Repayments of lease obligations	(364)	(372)
Proceeds from long-term loans payable	467	104
Proceeds from issuance of bonds	10,000	-
Purchase of treasury stocks	(0)	(998)
Cash dividends paid	(1,120)	(1,402)
Net cash provided by (used in) financing activities	9,288	(2,940)
Effect of exchange rate change on cash and cash equivalents	491	1,037
Net increase (decrease) in cash and cash equivalents	15,734	5,999
Cash and cash equivalents at beginning of the period	38,587	54,321
Cash and cash equivalents at end of the period	54,321	60,321

(5) Notes to Consolidated Financial Statements

(Notes on Premise as a Going Concern)

Not applicable.

(Changes in Accounting Policies)

(Adoption of Accounting Standard for Revenue Recognition, etc.)

Komori adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29: March 31, 2020) from the beginning of the fiscal year under review. Accordingly, the Company recognizes revenues as the amount expected to be received in exchange for promised goods or services at the time when the control of said goods or services is transferred to the customer.

Reflecting the adoption of this standard, Komori revised its accounting treatment methods as described below.

(1) Recognition of revenues attributable to security printing press supplier agreements

With regard to revenues attributable to security printing press supplier agreements, the Company had previously used the percentage-of-completion method to recognize revenues associated with certain supplier agreements deemed to have high probability of progress in manufacture and installation while using the complete construction method to recognize revenues from other supplier agreements. Following revision, however, Komori currently recognizes revenues attributable to certain agreements, which meet the prescribed criteria for agreements with performance obligations satisfied over time, during the course of a certain period of time to an extent consistent with estimated progress in the fulfillment of such obligations. Revenues associated with supplier agreements that do not meet such criteria are recognized when accompanying performance obligations are completely fulfilled.

(2) Recognition of revenues attributable to sales agreements with installment payment conditions

The Company had previously recognized revenues attributable to sales agreements with installment payment conditions on the basis of the payment due date. However, Komori revised this practice and currently recognizes such revenues at the time when performance obligations associated with these agreements are completely fulfilled.

(3) Recognition of revenues attributable to agent transactions

In the course of engaging in some purchase-and-sale transactions involving agents, the Company had previously recognized total compensation received from the customer as revenues associated with agent transactions. However, the Company has revised this practice and currently recognizes the net amount received as revenues associated with

agent transactions.

(4) Recognition of revenues associated with export sales

With regard to revenues associated with export sales undertaken by some domestic consolidated subsidiaries, the Company had previously recognized such revenues when the exported goods were loaded on the ship. However, the Company revised this practice and currently recognizes such revenues when accompanying performance obligations are completely fulfilled.

Regarding the adoption of the above standard, the Company is following the transitory treatment outlined in Paragraph 84 of the accounting standard. Under said treatment, the cumulative effect of retroactively applying the new accounting policy to periods prior to the beginning of the fiscal year under review, is reflected in retained earnings at the beginning of the fiscal year. The new accounting policy is thus applied to the balance from the beginning of said year.

However, the Company has adopted methods stipulated in Paragraph 86 of Accounting Standard for Revenue Recognition and, therefore, the new accounting policy has not been retrospectively applied to the agreements where accompanying revenues were mostly recognized in accordance with conventional accounting treatments in periods prior to the beginning of the fiscal year under review.

Having adopted methods stipulated in Paragraph 86, Item (1) B of the accounting standard, the Company also took into account revisions of agreements that took place in periods prior to the beginning of the fiscal year under review, and thus adjusted retained earnings at the beginning of the fiscal year based on the cumulative effect of accounting treatment in accordance with the terms and conditions enforced by all such agreements after the revisions.

Reflecting the adoption of Accounting Standard for Revenue Recognition, notes and accounts receivable—trade, which had been presented under “current assets” until the previous fiscal year, are now included in “notes and accounts receivable—trade and contract assets” in the Company’s consolidated balance sheets for the fiscal year under review. At the same time, advances received, which had been presented under “current liabilities,” are now reclassified separately into contract liabilities and advances received. However, in accordance with transitory treatment outlined in Paragraph 89-2 of the accounting standard, the Company has not reclassified its financial statements for the previous fiscal year.

As a result, compared with financial statements presented prior to the adoption of the Accounting Standard for Revenue Recognition, etc., the Company’s consolidated

balance sheets for the fiscal year under review include a ¥430 million increase in notes and accounts receivable—trade and contract assets; a ¥130 million increase in merchandise and finished goods; a ¥96 million increase in contract liabilities; a ¥21 million increase in current liabilities—other; and a ¥15 million increase in current assets—other. On the other hand, the adoption of the aforementioned standard resulted in a ¥517 million decrease in work in process; a ¥38 million decrease in profit carry forward arising from deferred receipts of sales; and a ¥29 million decrease in provisions for losses on construction. Moreover, due to the above change, consolidated statements of income for the fiscal year under review now include a ¥501 million increase in net sales; a ¥396 million increase in cost of sales; a ¥36 million increase in SG&A expenses, a ¥68 million increase in operating income; a ¥68 million increase in ordinary income; and a ¥68 million increase in income before income taxes.

In addition, consolidated cash flow statements for the fiscal year under review include a ¥68 million increase in income before income taxes and a ¥387 million increase in inventories, along with a ¥334 million decrease in notes and accounts receivable—trade and a ¥121 million decrease in cash flows provided by other operating activities.

Upon the inclusion of the cumulative effect of applying the new accounting policy, consolidated statements of changes in net assets include a ¥73 million decrease in retained earnings in terms of the balance at the beginning of the fiscal year under review.

(Adoption of Accounting Standard for Fair Value Measurement, etc.)
Komori adopted Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30: July 4, 2019) from the beginning of the fiscal year under review. Accordingly, the Company intends to apply the new accounting policy based on Accounting Standard for Fair Value Measurement to its current and future operating results in accordance with transitory treatment outlined in Paragraph 19 of said accounting standard and Paragraph 44-2 of Accounting Standard for Financial Instruments (ASBJ Statement No. 10: July 4, 2019). The above change had no impact on Komori’s consolidated financial statements for the fiscal year under review.

(Changes in Accounting Estimates)
(Changes in Useful Lives of Noncurrent Assets)
As the Company decided in the fiscal year under review to relocate the Komori Global Parts Center and the Sekiyado Techno Center, it has shortened the useful lives of relevant noncurrent assets that are not expected to be used after relocation. The shortened useful

lives coincide with the estimated residual period of use.

Reflecting the above change, operating income, ordinary income and income before income taxes for the fiscal year under review declined ¥76 million each compared with figures calculated using the conventional methods.

(Consolidated Segment Information)

[Segment Information]

1. Overview of Reportable Segments

(1) Method for defining reportable segments

Komori's reportable segments are constituent units of the Company whose separate financial information is obtainable. The Company's Board of Directors periodically examines these segments for the purpose of deciding the allocation of management resources and assessing operating results.

The Komori Group is primarily engaged in a single business activity, namely, the manufacture, sale and repair of printing presses. Komori has established a structure to manufacture all of its products, except certain products, in Japan. Meanwhile, the Company has developed a global sales and marketing structure underpinned by subsidiaries based in important overseas markets. These overseas subsidiaries are independently promoting business activities through the formulation and implementation of their own comprehensive, region-specific sales and marketing strategies.

Accordingly, the Komori Group has the four reportable segments of "Japan," "North America," "Europe" and "Greater China" which are defined in line with the locations of its various Group companies constituting its global sales and marketing structure.

(2) Regional scope of marketing covered by each reportable segment

The composition of individual reportable segments is as follows. The reportable segment "Japan" includes sales recorded in Japan, Central and South America and Asia, the latter of which consists mainly of a portion of mainland China and ASEAN (excluding Hong Kong and Taiwan), as well as sales of security printing presses to overseas customers. Komori Corporation and SERIA CORPORATION are in charge of sales and marketing in this segment.

The reportable segment "North America" mainly includes sales recorded in the United States. Komori America Corporation is in charge of sales and marketing in this segment.

The reportable segment “Europe” mainly includes sales recorded in Western Europe, Eastern Europe and the Middle East. Komori International (Europe) B.V. is in charge of sales and marketing in this segment. Komori-Chambon S.A.S., which undertakes the manufacture and sale of package printing presses, and a corporate group supervised by the MBO Group, which manufactures and sells post-press machinery, are also included in this segment.

The reportable segment “Greater China” includes sales recorded in Greater China, except for a portion recorded in this region. The Komori Hong Kong (KHK) Group and Komori Taiwan Limited are in charge of sales and marketing in this segment. The China-based Komori Machinery (Nantong) Co., Ltd., a subsidiary charged with the manufacture and sales of printing machinery and equipment as well as parts for these products, is also included in this segment.

2. Accounting Method Concerning Net Sales, Operating Income (Loss), Assets, Liabilities and Other Items by Reportable Segment

The accounting methods for the reportable segments are basically the same as the accounting methods used in the preparation of consolidated financial statements.

Intersegment sales and transfers are based on wholesale prices calculated by taking into account current market values and other factors.

3. Information Concerning Net Sales, Operating Income (Loss), Assets, Liabilities and Other Items by Reportable Segment

Fiscal 2021 (April 1, 2020 to March 31, 2021)

(In millions of yen)

	Reportable Segment					Others (Note)	Total
	Japan	North America	Europe	Greater China	Subtotal		
Net sales							
Sales to outside customers	42,464	5,374	12,768	9,928	70,536	1,288	71,825
Intersegment sales	13,525	17	529	545	14,617	116	14,733
Total	55,990	5,392	13,297	10,474	85,154	1,404	86,559
Operating income (loss)	(1,734)	(506)	(466)	(395)	(3,103)	(23)	(3,127)
Assets	128,679	4,917	15,120	8,496	157,214	1,243	158,458
Other items							
Depreciation	808	47	413	304	1,574	29	1,604
Impairment loss	1,187	—	—	—	1,187	—	1,187
Amortization of goodwill	193	—	—	390	584	—	584
Increase of property, plant and equipment and intangible assets	600	0	667	101	1,369	24	1,393

Note: Others includes the Company’s business activities conducted outside the reportable segments, namely, those undertaken by sales subsidiaries in India, Singapore and Malaysia.

Fiscal 2022 (April 1, 2021 to March 31, 2022)

(In millions of yen)

	Reportable Segment					Others (Note)	Total
	Japan	North America	Europe	Greater China	Subtotal		
Net sales							
Sales to outside customers	43,657	7,912	20,464	13,513	85,547	2,075	87,623
Intersegment sales	20,216	17	751	1,478	22,463	147	22,611
Total	63,873	7,929	21,216	14,992	108,011	2,223	110,234
Operating income (loss)	284	1,141	703	216	2,347	96	2,444
Assets	132,720	8,036	16,758	9,270	166,786	1,642	168,429
Other items							
Depreciation	746	26	725	350	1,849	28	1,877
Impairment loss	―	―	―	―	―	―	―
Amortization of goodwill	89	―	―	413	502	―	502
Increase of property, plant and equipment and intangible assets	1,181	6	1,084	96	2,369	1	2,371

Note: Others includes the Company’s business activities conducted outside the reportable segments, namely, those undertaken by sales subsidiaries in India, Singapore and Malaysia.

Fiscal 2022 (April 1, 2021 to March 31, 2022)

(In millions of yen)

	Reportable Segment					Others (Note)	Total
	Japan	North America	Europe	Greater China	Subtotal		
Net sales							
Goods transferred at one specific time	37,982	7,802	20,242	13,384	79,411	2,075	81,487
Goods transferred over a period of time	5,674	109	170	129	6,084	—	6,084
Profit arising from contracts with customers	43,657	7,912	20,413	13,513	85,496	2,075	87,571
Other income	—	—	51	—	51	—	51
Sales to outside customers	43,657	7,912	20,464	13,513	85,547	2,075	87,623
Intersegment sales	20,216	17	751	1,478	22,463	147	22,611
Total	63,873	7,929	21,216	14,992	108,011	2,223	110,234
Operating income (loss)	284	1,141	703	216	2,347	96	2,444

Note: Others includes the Company’s business activities conducted outside the reportable segments, namely, those undertaken by sales subsidiaries in India, Singapore and Malaysia.

4. Adjustments for Differences between Total Amounts in Reportable Segments and Corresponding Amounts as Presented in Consolidated Financial Statements

(In millions of yen)

Net Sales	Fiscal 2021	Fiscal 2022
Total net sales in reportable segments	85,154	108,011
Net sales in others	1,404	2,223
Eliminations	(14,733)	(22,611)
Net sales as presented in Consolidated Financial Statements	71,825	87,623

(In millions of yen)

Operating Income (Loss)	Fiscal 2021	Fiscal 2022
Total operating income in reportable segments	(3,103)	2,347
Operating income (loss) in others	(23)	96
Adjustments for inventories	679	(457)
Eliminations	115	286
Other adjustments	0	(5)
Operating income (loss) as presented in Consolidated Financial Statements	(2,332)	2,267

5. Information Concerning Impairment of Noncurrent Assets by Reportable Segment

Omitted because similar information is presented in *Segment Information*.

6. Information Concerning Amortization and Unamortized Balance of Goodwill by Reportable Segment

Fiscal 2021 (April 1, 2020 to March 31, 2021)

(In millions of yen)

	Reportable Segment					Others	Total
	Japan	North America	Europe	Greater China	Subtotal		
Balance as of the end of fiscal 2021	273	–	–	2,436	2,709	–	2,709

Note: The amortization amount of goodwill is omitted because similar information is presented in *Segment Information*.

Fiscal 2022 (April 1, 2021 to March 31, 2022)

(In millions of yen)

	Reportable Segment					Others	Total
	Japan	North America	Europe	Greater China	Subtotal		
Balance as of the end of fiscal 2022	197	–	–	2,230	2,427	–	2,427

Note: The amortization amount of goodwill is omitted because similar information is presented in *Segment Information*.

(Per Share Information)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net assets per share	1,746.55	1,894.34
Basic earnings (loss) per share	(36.99)	110.67

Notes:

1. Diluted earnings per share are not presented in the table above as there were no potentially dilutive shares.
2. Komori shares held by Board Benefit Trust (BBT) are classified as treasury stock as part of shareholders' equity and, accordingly, excluded from the number of shares outstanding as of the fiscal year-end to calculate net assets per share. To calculate basic earnings (loss) per share, shares of treasury stock are also excluded from the average number of shares for the period.

   The average number of treasury shares during the fiscal years ended March 31, 2021 and March 31, 2022 amounted to 155,000 shares and 252,000 shares, respectively. These shares have been excluded from the average number of shares used to calculate basic earnings (loss) per share during the above periods.

3. Basis for the calculation of basic earnings (loss) per share is as follows.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Basic earnings (loss) per share		
Profit (loss) attributable to owners of parent (millions of yen)	(2,068)	6,158
Amount not available to common stockholders (millions of yen)	—	—
Profit (loss) attributable to owners of parent pertaining to common stock (millions of yen)	(2,068)	6,158
Average number of shares of common stock outstanding during the year (thousands of shares)	55,924	55,649

4. Basis for the calculation of net assets per share is as follows.

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net assets (millions of yen)	97,736	103,382
Net assets pertaining to common stock (millions of yen)	97,673	103,286
Number of shares of common stock outstanding (thousands of shares)	55,924	54,524

(Important Subsequent Events)

(Cancellation of Treasury Stock)

Based on a resolution passed at a Board of Directors meeting held on April 27, 2022, the Company decided on the cancellation of treasury stock pursuant to the provisions of Article 178 of the Companies Act. Details are as follows.

1. Type of shares to be cancelled: Common shares in Komori stock
2. Total number of shares to be cancelled: 1,401,600 shares
   (2.40% of the total number of shares outstanding before cancellation)
3. Scheduled date of cancellation: May 20, 2022