

(English Translation)

Note: We provide this translation for your reference and convenience only, and without any warranty as to its accuracy or completeness. In the event that a difference arises regarding the meaning herein, the original Japanese version will prevail as the official authoritative version.

(Securities Code: 6113)

June 9, 2026

(Date of commencement of electronic provision measures: June 4, 2026)

To our shareholders:

Takaaki Yamanashi
Representative Director, President
AMADA CO., LTD.
200, Ishida, Isehara-shi, Kanagawa, Japan

Notice of Convocation of the 88th Ordinary General Meeting of Shareholders

This is to inform you that the 88th Ordinary General Meeting of Shareholders of AMADA CO., LTD. will be held as follows.

In convening this General Meeting of Shareholders, AMADA CO., LTD. has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures as the “Notice of Convocation of the 88th Ordinary General Meeting of Shareholders” and “Others Matters Subject to the Electronic Provision Measures (Matters Omitted from Documents to be Delivered)” on its website linked below.

AMADA CO., LTD. website

Japanese: https://www.amada.co.jp/ja/ir/stock_info/meeting/

English: https://www.amada.co.jp/en/ir/stock_info/meeting/

In addition to the website shown above, AMADA CO., LTD. also has posted this information on the website of Tokyo Stock Exchange (TSE). To view the information, please access the TSE website linked below, input either “Amada” in “Issue name (company name)” or its securities code “6113” in “Code,” and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

The TSE website (Listed Company Search):

Japanese: <https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

English: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

As a shareholder may exercise his or her voting rights by either of the following manners instead of attending the meeting, please exercise your voting rights, upon examination of the referential statements for the General Meeting of Shareholders herein, not later than 5:15 p.m. on Thursday, June 25, 2026.

[Exercise of voting rights by mail]

Please send back the enclosed voting ballot to AMADA CO., LTD., with due entries thereon indicating assent or dissent with respect to each agenda so that such voting ballot reaches AMADA CO., LTD. by the above deadline.

[Exercise of voting rights via the Internet]

Please exercise your voting rights via the Internet, with due entries thereon indicating assent or dissent with respect to each agenda, by the above deadline.

1. Date: Friday, June 26, 2026 at 10:00 a.m.
2. Place: At the head office of AMADA CO., LTD. located at 350, Ishida, Isehara-shi, Kanagawa (AMADA Hall at AMADA FORUM)

3. Agenda:

- Matters to be Reported:
- (1) Report on the Business Report, the Consolidated Financial Statements, and Reports by the Accounting Auditor and the Audit & Supervisory Board regarding the Results of the Audit of the Consolidated Financial Statements for the 88th Fiscal Term (from April 1, 2025 through March 31, 2026)
 - (2) Report on the Non-consolidated Financial Statements for the 88th Fiscal Term (from April 1, 2025 through March 31, 2026)

Matters to be Resolved:

- | | |
|---------------|--|
| First Item: | Distribution of retained earnings |
| Second Item: | Partial amendments to the Articles of Incorporation |
| Third Item: | Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members) |
| Fourth Item: | Election of three (3) Directors who are Audit & Supervisory Committee Members |
| Fifth Item: | Election of one (1) Alternate Director who is an Audit & Supervisory Committee Member |
| Sixth Item: | Determination of the amount and details of compensation, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members) |
| Seventh Item: | Determination of the amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members |
| Eighth Item: | Determination of the amount and details of stock compensation, etc. for Directors, etc. (excluding External Directors and Directors who are Audit & Supervisory Committee Members) |

- Of the matters subject to the electronic provision measures, “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements and “Non-consolidated Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are not provided

in the paper copy to be sent to shareholders who have made a request for the delivery of such copy in accordance with laws and regulations and Article 15 of the Company's Articles of Incorporation. Accordingly, the paper copy constitutes only part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor in preparing their respective audit reports.

- Any amendments to the matters subject to the electronic provision measures will be posted on the respective websites where the matters are posted.

Information on Exercising Voting Rights

(1) Exercising voting rights by proxy

If you are unable to attend the General Meeting of Shareholders in person, you may appoint another shareholder (one person) who has voting rights as your proxy to attend the meeting. Please note that a document certifying the power of proxy must be submitted for such attendance.

(2) If you exercise your voting rights redundantly via mail and the Internet, the votes cast via the Internet shall be treated as valid.

(3) If you exercise your voting rights multiple times via the Internet, only the last vote cast shall be treated as valid.

(4) Also, if you exercise voting rights redundantly by using a PC and a smart phone, only the last vote cast shall be treated as valid.

(5) If you exercise your voting rights via mail and indicate neither your assent nor dissent with respect to each agenda in the voting ballot, your vote will be treated as assent.

Items of Business and References

First Item:

Distribution of retained earnings

For the current dividends, the management proposes to pay the annual dividend of 62 yen per share, to pay a year-end dividend of 31 yen per share for the fiscal term, having already paid 31 yen per share as an interim dividend.

Matters concerning the year-end cash dividend:

(1) Kind of property:

Monetary distribution

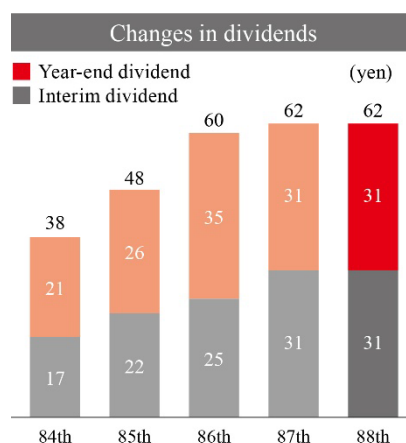
(2) Matters concerning the allocation of properties to be distributed to shareholders and the total amounts thereof:

JPY31 per common share

JPY9,631,420,597 in total

(3) Effective date of distribution of retained earnings:

June 29, 2026



1. Reasons for amendments

- (1) In order to strengthen the Board's supervisory functions, enhance the corporate governance structure, and enable swift decision-making and agile business execution, the Company intends to transition to a Company with an Audit & Supervisory Committee. Accordingly, the Company shall establish provisions related to the Audit & Supervisory Committee and Audit & Supervisory Committee Members, and delete provisions related to the Audit & Supervisory Board and Audit & Supervisory Board Members.
- (2) Following the acquisition of H&F Corporation in May 2025 and Via Mechanics, Ltd. in July 2025 as subsidiaries, the Company will add the business purposes of these two companies to Article 2 of the current Articles of Incorporation, in line with the businesses they conduct.
- (3) In order to establish a more agile management structure, the Company will delete the provisions concerning Directors with specific titles under Article 20 of the current Articles of Incorporation. In addition, to allow for more flexible operation of meetings in line with the composition of officers, the Company will amend Articles 14 and 22 of the current Articles of Incorporation to provide that the convener and chairperson of the General Meeting of Shareholders and Board of Directors shall be determined by the Board of Directors.
- (4) To create an environment in which Directors can fully demonstrate their abilities and make prompt and bold decisions, the Company will introduce provisions to allow exemption of Directors from liability within the scope permissible by laws and regulations by resolution of the Board of Directors. Furthermore, in order to secure appropriate personnel, Article 24 of the current Articles of Incorporation will be amended to expand the scope of persons eligible to enter into limitation of liability agreements to include non-executive Directors, etc. The Company has obtained the consent of each Audit & Supervisory Board Member with respect to this amendment.
- (5) In order to enable flexible shareholder returns, the Company will establish Article 34 of the amended Articles of Incorporation to allow the distribution of surplus and other matters to be determined by resolution of the Board of Directors in accordance with Article 459, Paragraph 1 of the Companies Act. In conjunction with this, the Articles 34 and 35 of the current Articles of Incorporation, which contain overlapping provisions, will be deleted.
- (6) In line with the above amendments, the Company will make necessary changes such as the renumbering of articles and make other minor textual revisions.

2. Details of amendments

The details of the amendments are as follows. The amendments to the Articles of Incorporation in this item of business shall become effective at the conclusion of this General Meeting of Shareholders.
(Amended parts are underlined.)

Present Articles of Incorporation	Proposed Amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 (Company Name) 《Omitted》	Article 1 (Company Name) 《Unchanged》
Article 2 (Purpose) This company shall have the purpose of engaging in the operations noted in each of the following Items, as well as controlling or managing the businesses activities of companies (including foreign companies) and associations (including overseas entities corresponding to organizations) engaging in the operations noted in each of the following Items and other business entities corresponding to the foregoing and managing operations ancillary or related to such companies, etc., and holding the shares or equity of such companies, etc.	Article 2 (Purpose) This company shall have the purpose of engaging in the operations noted in each of the following Items, as well as controlling or managing the businesses activities of companies (including foreign companies) and associations (including overseas entities corresponding to organizations) engaging in the operations noted in each of the following Items and other business entities corresponding to the foregoing and managing operations ancillary or related to such companies, etc., and holding the shares or equity of such companies, etc.
(1)Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of band sawing machines and other metal working equipment;	(1) Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of band sawing machines and other metal working equipment;
(2)Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of laser processing machines, press machines and other metal working equipment;	(2) Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of laser processing machines, press machines and other metal working equipment;
(3)Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of electronic devices;	(3) Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of electronic devices;
《Newly Established》	<u>(4) Development, manufacture, sale, repair, lease, maintenance, checking, and inspection of electronic component processing machinery and its peripheral equipment;</u>
《Newly Established》	<u>(5) Development, manufacture, sale, repair, lease, maintenance, checking, and inspection of printing machinery;</u>
《Newly Established》	<u>(6) Development, manufacture, sale, repair, lease, maintenance, checking, and inspection of material handling machinery;</u>
(4)Development, sale, repair, leasing, maintenance, checking, and inspection of information network systems that use software and computers related to the devices in each of the preceding Items;	(7) Development, sale, repair, leasing, maintenance, checking, and inspection of information network systems that use software and computers related to the devices in each of the preceding Items;
(5)Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of molds, jigs, accessories and components related to each of the preceding Items;	(8) Development, manufacture, sale, repair, leasing, maintenance, checking, and inspection of molds, jigs, accessories and components related to each of the preceding Items;
(6)Buy and sell of second hand goods of each of the preceding Items and consignment sales of	(9) Buy and sell of second hand goods of each of the preceding Items and consignment sales of

Present Articles of Incorporation	Proposed Amendments
them, and sale of the technologies and know-how of each Items; (7)Contract of manufacture and research and development of the products related to each of the preceding Items; (8)Design, construction, management, and subcontracting for civil engineering, architecture, electricity, steel frames, plant, and landscaping; (9)Silviculture operations; (10)Leasing and management of real property; (11)General motor truck transportation operations, special motor truck transportation operations, light motor truck transportation operations, and consigned freight forwarding operations; (12)Acting as an agent for operations in relation to general affairs, accounting and finance, purchasing, and human resources and labor management, etc.; (13)Labor dispatch operations; (14)Brokerage business related to each of the preceding Items; and (15)All operations related to each of the preceding Items. ② This company may engage in the operations stipulated in each of the preceding Items as well as operations ancillary or related to the foregoing.	them, and sale of the technologies and know-how of each Items; (10)Contract of manufacture and research and development of the products related to each of the preceding Items; (11)Design, construction, management, and subcontracting for civil engineering, architecture, electricity, steel frames, plant, and landscaping; (12)Silviculture operations; (13)Leasing and management of real property; (14)General motor truck transportation operations, special motor truck transportation operations, light motor truck transportation operations, and consigned freight forwarding operations; (15)Acting as an agent for operations in relation to general affairs, accounting and finance, purchasing, and human resources and labor management, etc.; (16)Labor dispatch operations; (17)Brokerage business related to each of the preceding Items; and (18)All operations related to each of the preceding Items. ② 《Unchanged》
Article 3 (Location of Head Office) 《Omitted》	Article 3 (Location of Head Office) 《Unchanged》
《Newly Established》	<u>Article 4(Organizations)</u> <u>In addition to the general meeting of shareholders and directors, this company shall have the following organizations:</u> <u>(1)Board of directors;</u> <u>(2)Audit and supervisory committee; and</u> <u>(3)Accounting auditor.</u>
Article 4 (Method of Making Public Notices) 《Omitted》	Article 5 (Method of Making Public Notices) 《Unchanged》
Chapter 2 Shares	Chapter 2 Shares
Article 5～Article 9 《Omitted》	Article 6～Article 10 《Unchanged》
Article 10 (Shareholder Registry Administrator) This company shall have a shareholder registry administrator in place. ② The shareholder registry administrator and the place of administration shall be selected by resolution of the board of directors and publicly notified.	Article 11 (Shareholder Registry Administrator) This company shall have a shareholder registry administrator in place. ② The shareholder registry administrator and the place of administration shall be selected by resolution of the board of directors and publicly notified.

Present Articles of Incorporation	Proposed Amendments
③ The drafting and keeping of this company's shareholder registry and share warrants registry and other administrative matters related to the shareholder registry and share warrants registry shall be <u>handled by</u> the shareholder registry administrator and not by this company.	③ The drafting and keeping of this company's shareholder registry and share warrants registry and other administrative matters related to the shareholder registry and share warrants registry shall be <u>entrusted to</u> the shareholder registry administrator and not by this company.
Article 11 (Handling, Etc., and Fees Relating to Shares and Share Warrants)	Article 12 (Share Handling Regulations)
<u>Notations and recordings to be made on this company's shareholder registry and share warrants registry, the acquisition and additional purchase of shares less than one unit, the handling related to shares and share warrants, and the procedures, etc., and fees upon the exercise of rights by shareholders shall be in accordance with the rules for the handling of shares stipulated by the board of directors.</u>	<u>The handling of and fees relating to the shares of this company shall be governed by the share handling regulations established by the board of directors, in addition to laws and regulations and these Articles of Incorporation.</u>
Article 12 (Record Date) 《Omitted》	Article 13 (Record Date) 《Unchanged》
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 13 (Convocation) 《Omitted》	Article 13 (Convocation) 《Unchanged》
Article 14 (Convener and Chairperson) <u>Annual</u> general meetings shall be, except where stipulated otherwise by law, convened by <u>the director and president pursuant to a resolution of the board of directors and chaired by the director and president.</u>	Article 15 (Convener and Chairperson) General meetings <u>of shareholders</u> shall be, except where stipulated otherwise by law, convened <u>and chaired by a director determined in advance by the board of directors.</u>
② When the director <u>and president</u> is unable to perform such duty, a substitute director in accordance with an order stipulated in advance by <u>a resolution of</u> the board of directors shall perform such duty.	② When the director <u>set forth in the preceding Paragraph</u> is unable to perform such duty, a substitute director in accordance with an order stipulated in advance by the board of directors shall perform such duty.
Article 15～Article 17 《Omitted》	Article 16～Article 18 《Unchanged》
Chapter 4 Directors and Board of Directors	Chapter 4 Directors and Board of Directors
Article 18 (Board of Directors) <u>This company shall have a board of directors in place.</u>	《Deleted》
Article 19 (Number of Directors and Appointment of Directors) This company shall have <u>ten</u> directors or less. 《Newly Established》	Article 19 (Number of Directors) This company shall have <u>nine</u> directors or less.
② <u>Directors shall be appointed by resolution of</u>	② <u>The number of directors who are audit and supervisory committee members among those set forth in the preceding Paragraph shall be no more than five.</u> 《Deleted》

Present Articles of Incorporation	Proposed Amendments
<u>the general meeting of shareholders.</u>	
<u>③ Resolutions to appoint directors shall be made by the exercise of a majority of the voting rights of shareholders who are capable of exercising voting rights in attendance at a meeting where one-third or more of the shareholders who are capable of exercising voting rights are in attendance. Provided, however, that resolutions to appoint directors shall not be conducted by way of cumulative voting.</u>	«Deleted»
«Newly Established»	
Article <u>20</u> (Representative Directors, Executive Directors, Advisors, Consultants, and Executives) <u>One director and honorary chairman, director and chairman, director and vice chairman, and director and president, and a certain number of director and vice presidents, managing directors, and executive directors may be appointed by resolution of the board of directors.</u> <u>② The director and chairman, director and vice chairman, director and president, and the director and vice presidents each represent this company.</u> <u>③ A certain number of advisors, consultants, and executives may be appointed by resolution of the board of directors.</u>	<u>Article 20 (Election of Directors)</u> <u>Directors shall be elected at a general meeting of shareholders, while distinguishing between directors who are audit and supervisory committee members and other directors.</u> <u>② Resolutions for the election of directors shall be made by a majority of the voting rights of the shareholders present at the general meeting of shareholders where the shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights are present.</u> <u>③ Resolutions for the election of directors shall not be by cumulative voting.</u>
Article <u>21</u> (Term of Office of Directors) The term of office of directors shall be until the time of the conclusion of the annual general meeting of shareholders relating to the final matter of the business year ending within one year of their appointments. «Newly Established»	Article <u>21</u> (Representative Directors) <u>The board of directors shall, by its resolution, appoint representative directors from among the directors (excluding those who are audit and supervisory committee members).</u> <u>② Each representative director shall represent this company.</u> «Deleted»
Article <u>21</u> (Term of Office of Directors) The term of office of directors shall be until the time of the conclusion of the annual general meeting of shareholders relating to the final matter of the business year ending within one year of their appointments. «Newly Established»	Article <u>22</u> (Term of Office of Directors) The term of office of directors (excluding those who are audit and supervisory committee members) shall be until the time of the conclusion of the annual general meeting of shareholders relating to the final matter of the business year ending within one year of their appointments. <u>② The term of office of directors who are audit and supervisory committee members shall be until the time of the conclusion of the annual general meeting of shareholders relating to the final matter of the business year ending within two years of their appointments.</u> <u>③ The term of office of a director who is audit and supervisory committee member elected as a</u>

Present Articles of Incorporation	Proposed Amendments
《Newly Established》	<u>substitute for a director who is audit and supervisory committee member and retired before the expiration of his or her term of office shall be until the time of the expiration of the term of office of the retired director who was an audit and supervisory committee member.</u> ④ <u>The election of a substitute director who is an audit and supervisory committee member shall be effective until the time of the commencement of the annual general meeting of shareholders relating to the final matter of the business year ending within two years of his or her election.</u>
Article 22 (Convocation of Meetings of the Board of Directors) Meetings of the board of directors shall be convened by <u>the president of the board of directors.</u> 《Newly Established》	Article 23 (Convocation of Meetings of the Board of Directors) 《Deleted》 <u>Meetings of the board of directors shall be, except where stipulated otherwise by law, convened and chaired by a director determined in advance by the board of directors.</u> ② <u>When the director set forth in the preceding Paragraph is unable to perform such duty, a substitute director in accordance with an order stipulated in advance by the board of directors shall perform such duty.</u>
《Newly Established》 ② Notices of the convening of meetings of the board of directors shall be issued to each director <u>and each auditor</u> at least three days prior to the day of the meeting. Provided, however, that such period may be shortened in the event of an emergency.	③ Notices of the convening of meetings of the board of directors shall be issued to each director at least three days prior to the day of the meeting. Provided, however, that such period may be shortened in the event of an emergency.
Article 23 (Omissions of Resolutions by the Board of Directors) When all directors have agreed in writing with respect to a matter for resolution by a meeting of the board of directors, the matter shall be considered to have been passed by a resolution of the board of directors. <u>Provided, however, that such does not apply if an auditor has made an objection.</u>	Article 24 (Omissions of Resolutions by the Board of Directors) When all directors <u>(who are entitled to vote on the matter, however, excluding directors not allowed to do so)</u> have agreed in writing or <u>by means of electromagnetic records</u> with respect to a matter for resolution by a meeting of the board of directors, the matter shall be considered to have been passed by a resolution of the board of directors.
《Newly Established》	<u>Article 25 (Regulations of the Board of Directors)</u> <u>Matters concerning the board of directors shall be governed by the regulations of the board of directors established by the board of directors, in addition to laws and regulations and these Articles of Incorporation.</u>
《Newly Established》	<u>Article 26 (Remuneration of Directors, etc.)</u> <u>The remuneration, bonuses, and any other financial benefits received from this company as consideration for the execution of duties by directors shall be determined by a resolution of a general meeting of shareholders, while</u>

Present Articles of Incorporation	Proposed Amendments
<u>Article 24 (Contracts for Limitation of Liability of Outside Directors)</u> «Newly Established» This company may enter into contracts that limit liability for compensation for damages due to negligence of duty with <u>outside directors</u> in accordance with the stipulations of Article 427, Paragraph 1 of the Companies Act. Provided, however, that the amount of the liability limitation pursuant to such contracts shall be the amount stipulated by law.	<u>distinguishing between directors who are audit and supervisory committee members and other directors.</u> <u>Article 27 (Exemption from Liability of Directors)</u> Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, this company may, by a resolution of the board of directors, <u>exempt directors (including former directors) within the scope permissible by laws and regulations from liability for damages due to negligence of duty.</u> ② This company may enter into contracts that limit liability for compensation for damages due to negligence of duty with directors <u>(excluding those who are executive directors, etc.)</u> in accordance with the stipulations of Article 427, Paragraph 1 of the Companies Act. Provided, however, that the amount of the liability limitation pursuant to such contracts shall be the amount stipulated by law.
Chapter 5 <u>Auditors and Board of Auditors</u>	Chapter 5 <u>Audit & Supervisory Committee</u>
<u>Article 25 (Audits and Board of Auditors)</u> <u>This company shall have auditors and a board of auditors in place.</u>	«Deleted»
<u>Article 26 (Number of Auditors and Appointment of Auditors)</u> <u>This company shall have four auditors or less.</u> ② <u>Auditors shall be appointed by resolution of the general meeting of shareholders.</u> ③ <u>Resolutions to appoint auditors shall be made by the exercise of a majority of the voting rights of shareholders who are capable of exercising voting rights in attendance at a meeting where one-third or more of the shareholders who are capable of exercising voting rights are in attendance.</u>	«Deleted»
<u>Article 27 (Term of Office of Auditors)</u> <u>The term of office of auditors shall be until the time of the conclusion of the annual general meeting of shareholders relating to the final matter of the business year ending within four years of their appointment.</u> ② <u>The term of office of an auditor appointed as substitutes shall be until the time at which the term of office of the resigning auditor is completed.</u>	«Deleted»
<u>Article 28 (Convening of Board of Auditors Meetings)</u> <u>Notices of the convening of meetings of the board of auditors shall be issued to each auditor at least three days prior to the day of the meeting. Provided, however, that such period may be shortened in the event of an emergency.</u>	«Deleted»

Present Articles of Incorporation	Proposed Amendments
<u>Article 29 (Contracts for Limitation of Liability of Outside Auditors)</u> <u>This company may enter into contracts that limit liability for compensation for damages due to negligence of duty with outside auditors in accordance with the stipulations of Article 427, Paragraph 1 of the Companies Act. Provided, however, that the amount of the liability limitation pursuant to such contracts shall be the amount stipulated by law.</u> 《Newly Established》 《Newly Established》 《Newly Established》	《Deleted》 Article 28 (Full-time Audit & Supervisory Committee Members) The audit and supervisory committee may, by its resolution, select full-time audit and supervisory committee members from among the audit and supervisory committee members. Article 29 (Convocation of Meetings of the Audit & Supervisory Committee) Notices of convocation of meetings of the audit and supervisory committee shall be issued to each audit and supervisory committee member at least three days prior to the day of the meeting. Provided, however, that such period may be shortened in the event of an emergency. Article 30 (Regulations of the Audit & Supervisory Committee) Matters concerning the audit and supervisory committee shall be governed by the regulations of the audit and supervisory committee established by the audit and supervisory committee, in addition to laws and regulations and these Articles of Incorporation.
Chapter 6 Accounting Auditor <u>Article 30 (Audits and Board of Auditors)</u> <u>This company shall have an accounting auditor in place.</u> Article 31～Article 32 《Omitted》 Chapter 7 Accounting Article 33 (Business Year) 《Omitted》 <u>Article 34 (Final Dividends)</u> <u>By resolution of the general meeting of shareholders, this company shall distribute surplus</u>	Chapter 6 Accounting Auditor 《Deleted》 Article 31～Article 32 《Unchanged》 Chapter 7 Accounting Article 33 (Business Year) 《Unchanged》 《Deleted》

Present Articles of Incorporation	Proposed Amendments
<u>by way of moneys (hereinafter referred to as final dividends) to shareholders and/or registered pledgees of shares noted or recorded on the final shareholder registry as of March 31 each year.</u>	
<u>Article 35 (Interim Dividends)</u> <u>By resolution of the board of directors, this company may distribute surplus in accordance with the stipulations of Article 454, Paragraph 5 of the Companies Act (hereinafter referred to as interim dividends) to shareholders and/or registered pledgees of shares noted or recorded on the final shareholder registry as of September 30 each year.</u>	«Deleted»
«Newly Established»	Article 34 (Dividends of Surplus, etc.) This company may, by a resolution of the board of directors, determine matters set forth in each Item of Article 459, Paragraph 1 of the Companies Act, including dividends of surplus and the acquisition of its own shares. ② This company may distribute dividends of surplus to the shareholders or registered pledgees of shares entered or recorded in the final register of shareholders as of March 31 and September 30 of each year, and any other dates determined by the board of directors.
Article 36 (Limitation Period) «Omitted»	Article 35 (Limitation Period) «Unchanged»
«Newly Established»	Supplementary Provisions (Transitional Measures concerning Contracts for Limitation of Liability) Regarding contracts for limitation of liability for damages under Article 423, Paragraph 1 of the Companies Act with respect to acts performed by outside auditors (including former outside auditors) prior to the conclusion of the 88th annual general meeting of shareholders, the provisions of Article 29 of the Articles of Incorporation prior to their amendment made by a resolution of the said annual general meeting of shareholders shall govern.

Third Item:**Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members)**

The term of office for all nine (9) Directors will expire at the conclusion of this General Meeting of Shareholders. Subject to the approval and adoption of the Second Item, Partial amendments to the Articles of Incorporation, the Company will transition to a Company with an Audit & Supervisory Committee.

Therefore, the election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter in this item of business) is proposed.

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect.

The candidates for the Directors are as follows. The selection of candidates for the Directors follows deliberation at a voluntary Nomination Committee meeting.

Candidate Ref No.	Name		Board meeting attendance rate	Current position and responsibility in the Company
1	Tsutomu Isobe	Re-election	100% (9/9 meetings)	Representative Director, Chairman
2	Takaaki Yamanashi	Re-election	100% (9/9 meetings)	Representative Director, President
3	Masakazu Aoki	Re-election Outside Independent	100% (7/7 meetings)	External Director
4	Yoshiko Fujii	New election Outside Independent	-	-

(Notes)

1. The attendance ratio of Mr. Masakazu Aoki at the Board of Directors meetings applies only to those held after his appointment on June 26, 2025.
2. In addition to the number of Board of Directors meetings attended listed above, there was one written resolution deemed to have been adopted by the Board of Directors pursuant to Article 370 of the Companies Act and Article 23 of the Company's Articles of Incorporation.



Candidate Ref No.

1

Tsutomu Isobe

Date of Birth

May 19, 1961
(65 years old)

No. of Shares of AMADA
CO., LTD. Held (shares)

61,000 shares

Re-election

Board Meeting Attendance
Rate

100%
(9/9 meetings)

Profile, position and responsibility

December 1985	Joined Amada Metreco Co., Ltd. (later merged to become the current Company)	April 2015	Representative Director, President of the Company, Representative Director, President of AMADA CO., LTD. (merged to become the current Company)
April 2000	Joined the Company upon the merger		
April 2003	General Manager of Corporate Secretariat Office	October 2015	Representative Director, President, Senior Executive General Manager of Corporate Management HQ
June 2007	Director, Executive General Manager of Corporate Planning Div.	April 2018	Representative Director, President of the Company, Representative Director, President of AMADA CO., LTD. (merged to become the current Company)
June 2009	Director, Corporate Officer, Senior Executive General Manager of Corporate Planning HQ		
June 2010	Director, Executive Officer, Senior Executive General Manager of Corporate Management HQ	April 2020 April 2022 April 2023	Representative Director, President Representative Director, President Representative Director, Chairman (incumbent)
April 2013	Director, Senior Executive Officer, Senior Executive General Manager of Corporate Management HQ, Senior Executive General Manager of Financial HQ		

Important concurrent positions

- Representative Director, Chairman, AMADA MACHINERY CO., LTD.
- Representative Director, Chairman, AMADA PRESS SYSTEM CO., LTD.
- Chairman, Japan Forming Machinery Association
- Representative Director, The AMADA FOUNDATION
- Director, AMADA SCHOOL

Reasons for nomination as a candidate for Director

Mr. Tsutomu Isobe is making overall management decisions and overseeing business execution appropriately as the Representative Director, Chairman of the Company. He also has in-depth knowledge in corporate management, which he acquired through many years of service in control divisions. Based on these factors, we have nominated Mr. Isobe as a candidate for Director, having determined that he is an appropriate candidate capable of contributing to sustainable growth of the Company's corporate value.



Candidate Ref No.

2

Takaaki
Yamanashi

Date of Birth

December 9, 1963
(62 years old)

No. of Shares of AMADA
CO., LTD. Held (shares)

21,000 shares

Re-election

Board Meeting Attendance
Rate

100%
(9/9 meetings)

Profile, position and responsibility

April 1987	Joined the Company	April 2020	Executive Officer, Executive
April 2009	General Manager of Blanking Machinery Development Dept. II, Solution Development Div., Development and Manufacturing HQ for Sheet Metal Solution		General Manager of Blanking Machinery Development Div., Laser Technology Development Div.
January 2016	President of AMADA Advanced Technology (Germany)	June 2021	Director, Executive Officer, in charge of Sheet Metal Technology Development HQ, Production HQ
April 2018	Senior Corporate Officer, Senior Executive General Manager of Blanking Machinery Development HQ of the Company	April 2022	Director, Senior Executive Officer, Senior Executive General Manager of Sheet Metal Technology Development & Production HQ
		April 2023	Representative Director, President (incumbent)

Reasons for nomination as a candidate for Director

Mr. Takaaki Yamanashi is making overall management decisions and overseeing business execution appropriately as the Representative Director, President of the Company. He also has broad experience and knowledge of sheet metal processing technology, acquired through his experience as a person responsible for our overseas subsidiary specialized in technology development, as well as his involvement in the development of sheet metal processing technology and product development with a focus on laser technology for many years. Based on these factors, we have nominated Mr. Yamanashi as a candidate for Director, having determined that he is an appropriate candidate capable of contributing to sustainable growth of the Company's corporate value.



Candidate Ref No.

3

Masakazu Aoki

Date of Birth
June 23, 1954
(72 years old)

Number of Years in Office

1 year

No. of Shares of AMADA
CO., LTD. Held (shares)

0 shares

Re-election
Re-election

Outside

Independent

Board Meeting Attendance
Rate

100%
(7/7 meetings)

Profile, position and responsibility

April 1977	Joined Hitachi, Ltd.	April 2016	Senior Vice President and Executive Officer, Hitachi, Ltd.
April 1999	General Manager, General Compressor Department, Production Division, Industrial Equipment Group, Hitachi, Ltd.	April 2017	Representative Executive Officer, Executive Vice President, Hitachi, Ltd.
April 2002	General Manager of General Compressor Design Section, Pneumatic Systems Business Department, Business Division, Hitachi Industrial Equipment Systems, Co., Ltd.	April 2024	Director, Chairman, Hitachi Industrial Equipment Systems Co., Ltd.
June 2009	Director, General Manager of Pneumatic Systems Business Department, Business Division, Hitachi Industrial Equipment Systems, Co., Ltd.	June 2025	Senior Executive Advisor, Hitachi, Ltd.
April 2012	President and Director, Hitachi Industrial Equipment Systems Co., Ltd.		Director, Hitachi Industrial Equipment Systems Co., Ltd.
October 2014	Vice President and Executive Officer, Hitachi, Ltd.		Director and Chairman, Hitachi Global Life Solutions, Inc.
			External Director, the Company (incumbent)

Reasons for nomination as a candidate for External Director and the outline of expected roles

Mr. Masakazu Aoki, who served as Representative Executive Officer, Executive Vice President at Hitachi, Ltd., possesses insight as a business manager of a global corporation as well as broad knowledge of technologies and development in manufacturing business. From that perspective, he is overseeing business execution appropriately as External Director of the Company, such as by actively expressing his opinions at the Board of Directors meetings. As a member of the Nomination Committee and the Compensation Committee, he attends meetings of these committees, where he gives timely and appropriate opinions. Therefore, we have nominated Mr. Aoki as a candidate for External Director, expecting that he will appropriately perform his duties as External Director of the Company based on his experience and knowledge.



Candidate Ref No.

4

Yoshiko Fujii

Date of Birth

July 11, 1965
(60 years old)

Number of Years in Office

-

No. of Shares of AMADA
CO., LTD. Held (shares)

0 shares

New
election

Outside

Independent

Board Meeting Attendance
Rate

-

Profile, position and responsibility

April 1988	Joined Orient Leasing Co., Ltd. (current ORIX Corporation)	January 2020	Joined NIDEC CORPORATION
January 2014	General Manager of Corporate Planning Department, ORIX Corporation	June 2021	Vice President, NIDEC CORPORATION
January 2018	Executive Officer, Deputy Head of Enterprise Risk Management Headquarters, ORIX Corporation	June 2022	Executive Officer, CFO, Enewill Inc.
April 2018	Executive Officer, ORIX Corporation	June 2024	Outside Director, TOYO CONSTRUCTION CO., LTD.
	Supervisory Board Member, ROBECO INSTITUTIONAL ASSET MANAGEMENT ADVISORS (The Netherlands)		
June 2019	Executive Officer, Responsible for Global General Counsel Office, ORIX Corporation		

Important concurrent positions

- Outside Audit & Supervisory Board Member, KAMEDA SEIKA CO., LTD. (to take office in June 2026)
- Director (Outside), Senshu Ikeda Holdings, Inc. (to take office in June 2026)

Reasons for nomination as a candidate for External Director and the outline of expected roles

Ms. Yoshiko Fujii has advanced expertise and broad knowledge in corporate finance and business management, having held important positions and served as an Executive Officer in the finance and corporate planning departments at ORIX Corporation, as well as having served as CFO and Executive Officer at multiple companies. Therefore, we have nominated Ms. Fujii as a candidate for External Director, expecting that she will appropriately perform her duties as External Director of the Company based on her experience and knowledge.

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Masakazu Aoki and Ms. Yoshiko Fujii are candidates for External Director.
3. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company and Mr. Masakazu Aoki have entered into an agreement to limit the liability pursuant to Article 423, Paragraph 1 of the said Act to the minimum liability stipulated in Article 425, Paragraph 1 of the said Act. On condition that this proposal is approved as proposed at the Ordinary General Meeting of Shareholders, the Company plans to renew the said agreement with Mr. Masakazu Aoki and enter into the agreement to the same effect with Ms. Yoshiko Fujii.
4. The Company has entered into a directors and officers liability insurance contract, including all Directors as insured parties. This contract will cover damages if Directors who are insured parties are found liable to pay compensation for damages resulting from their duties. If each candidate is appointed and assumes office, they will become insured parties of this insurance contract, and the Company plans to renew it with the same details during their terms of office.
5. Mr. Masakazu Aoki is an Independent Officer under the regulation of Tokyo Stock Exchange, Inc. and he, if reelected, will continue to serve as an Independent Officer. Ms. Yoshiko Fujii will be notified as an Independent Officer under the regulation of Tokyo Stock Exchange, Inc., if she assumes the office of External Director.
6. There is a business relationship between Hitachi, Ltd., at which Mr. Masakazu Aoki previously served as Representative Executive Officer, Executive Vice President, and the Company Group. However, the transaction amounts are small, and only constitute less than 0.1% of the consolidated revenue of each company, and are thus deemed not to affect Mr. Aoki's independence.
7. Age of each candidate is as of the conclusion of this General Meeting of Shareholders.
8. Ms. Yoshiko Fujii assumed the surname Hirano upon marriage. However, she will perform her duties under her maiden name, Fujii.

Fourth Item:**Election of three (3) Directors who are Audit & Supervisory Committee Members**

If the Second Item, Partial amendments to the Articles of Incorporation is approved as proposed, the Company will transition to a Company with an Audit & Supervisory Committee. Therefore, the election of three (3) Directors who are Audit & Supervisory Committee Members is proposed.

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect.

With respect to this item of business, the consent of the Audit & Supervisory Board has been obtained.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows. The selection of candidates for the Directors who are Audit & Supervisory Committee Members follows deliberation at a voluntary Nomination Committee meeting.

Candidate Ref No.	Name	Board meeting attendance rate	Current position and responsibility in the Company
1	Kazuhiko Miwa 	100% (9/9 meetings)	Director, Senior Corporate Officer, Executive Supervisor of Corporate Finance Div.
2	Hiroyuki Sasa   	100% (9/9 meetings)	External Director
3	Akiko Mochizuki   	78% (7/9 meetings)	External Audit & Supervisory Board Member



Candidate Ref No.

1

Kazuhiko
Miwa

Date of Birth

March 10, 1963
(63 years old)

No. of Shares of AMADA
CO., LTD. Held (shares)

20,000 shares

New
election

Board Meeting Attendance
Rate

100%
(9/9 meetings)

Profile, position and responsibility

April 1986	Joined Dai-Ichi Kangyo Bank (current Mizuho Bank, Ltd.)	April 2016	General Manager of President Office
February 2004	Councilor of IR Department, Mizuho Financial Group, Inc.	April 2018	Corporate Officer, Executive General Manager of Corporate Management Div.
January 2006	Councilor of Overseas Credit Department, Mizuho Corporate Bank, Ltd. (current Mizuho Bank, Ltd.)	June 2018	Director, Executive General Manager of Corporate Management Div.
March 2006	Senior Credit Officer of Overseas Credit Department, Mizuho Corporate Bank, Ltd.	April 2020	Director, Executive Officer, Senior Executive General Manager of Corporate Management HQ
November 2011	Deputy General Manager of Marketing Department No. 15, Mizuho Corporate Bank, Ltd.	April 2021	Director, Executive Officer, Executive General Manager of Financial Div.
January 2016	Joined the Company General Manager of Corporate Planning Dept.	April 2022	Director, Executive Officer, Executive General Manager of Financial Div., in charge of Legal Affairs
		April 2026	Director, Senior Corporate Officer, Executive Supervisor of Corporate Finance Div. (incumbent)

Reasons for nomination as a candidate for Director who is an Audit & Supervisory Committee Member

Mr. Kazuhiko Miwa is appropriately performing his duties as the officer responsible for overseeing the Company's finance division. He was responsible for control divisions, and engaged in operations related to international finance at his previous post, giving him broad experience and knowledge regarding global corporate management, and finance and accounting. Therefore, we have nominated Mr. Miwa as a candidate for Director who is an Audit & Supervisory Committee Member, having determined that he is capable of appropriately auditing the Company's management based on his experience and knowledge.



Candidate Ref No.

2

Hiroyuki Sasa

Number of Years in Office

3 years

Date of Birth

September 14, 1955
(70 years old)

No. of Shares of AMADA
CO., LTD. Held (shares)

0 shares

New
election

Outside

Independent

Board Meeting Attendance
Rate

100%
(9/9 meetings)

Profile, position and responsibility

April 1982	Joined Olympus Optical Co., Ltd. (current Olympus Corporation)	April 2012	President and Representative Director, Corporate Officer, Olympus Corporation
April 2001	General Manager of Endoscope Business Planning Dept., Olympus Optical Co., Ltd.	April 2019	Director, Olympus Corporation
April 2005	Division Manager of First Development Div., Olympus Medical Systems Corp.	June 2020	External Director, Kyosan Electric Manufacturing Co., Ltd. (incumbent)
April 2007	Division Manager of Marketing Div., Olympus Medical Systems Corp.	June 2022	External Director, Kanematsu Corporation (incumbent)
June 2007	Corporate Officer, Olympus Corporation	June 2023	External Director, the Company (incumbent)
June 2007	Director, Olympus Medical Systems Corp.	November 2025	Outside Director, MANI, INC. (incumbent)

Important concurrent positions

- External Director, Kyosan Electric Manufacturing Co., Ltd.
- External Director, Kanematsu Corporation
- Outside Director, MANI, INC.

Reasons for nomination as a candidate for External Director who is an Audit & Supervisory Committee Member and the outline of expected roles

Mr. Hiroyuki Sasa, who served as Representative Director, President at Olympus Corporation, possesses insight as a business manager of a global corporation as well as broad knowledge of technologies and development in manufacturing business. From that perspective, he is overseeing business execution appropriately as External Director of the Company, such as by actively expressing his opinions at the Board of Directors meetings. As a Chairman of the Nomination Committee and a member of the Compensation Committee, he attends meetings of these committees, where he gives timely and appropriate opinions. Therefore, we have nominated Mr. Sasa as a candidate for External Director who is an Audit & Supervisory Committee Member, having determined that he is capable of appropriately auditing the Company's management based on his experience and knowledge.



Candidate Ref No.

3

**Akiko
Mochizuki**

Number of Years in Office 2 years

Date of Birth
November 3, 1966
(59 years old)

No. of Shares of AMADA
CO., LTD. Held (shares) 0 shares

Board Meeting Attendance
Rate 78%
(7/9 meetings)

New
election

Outside

Independent

Audit & Supervisory Board
Meeting Attendance Rate 82%
(9/11 meetings)

Profile, position and responsibility

April 1990	Joined Mitsubishi Corporation	April 2012	Court adjudicator, Tokyo Family Court (incumbent)
April 2000	Registered as lawyer (current)		
	Joined Miyakawa Law Office	March 2022	Joined Athena Law Office and works as partner lawyer (incumbent)
December 2011	Established Mochizuki Law Office		
		June 2023	Independent Outside Director (Audit and Supervisory Committee Member), e'grand Co., Ltd. (incumbent)
		June 2024	External Audit & Supervisory Board Member, the Company (incumbent)

Important concurrent positions

- Works as partner lawyer at Athena Law Office
- Independent Outside Director (Audit and Supervisory Committee Member), e'grand Co., Ltd.

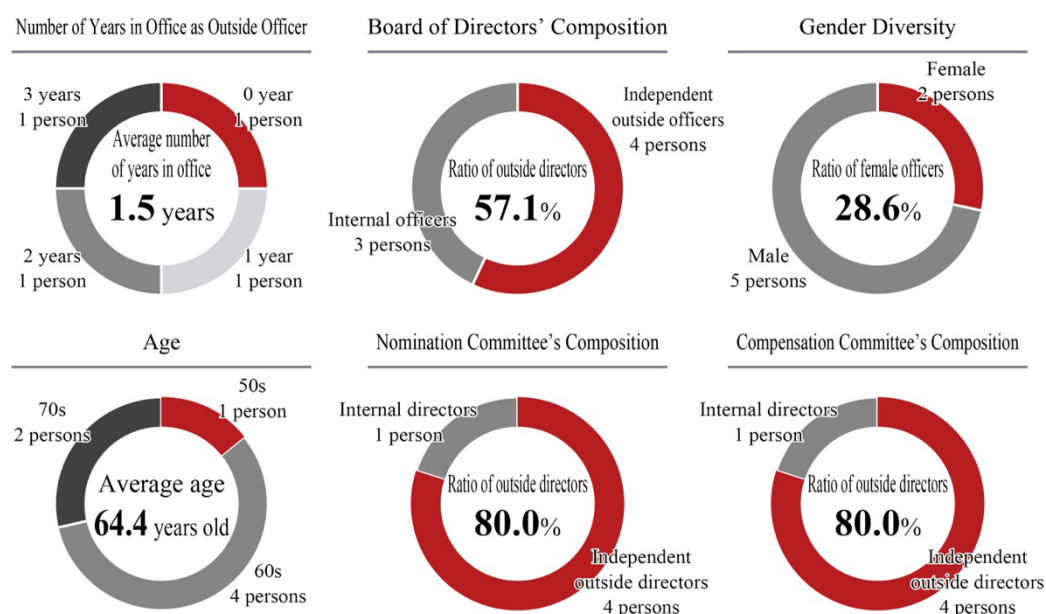
Reasons for nomination as a candidate for External Director who is an Audit & Supervisory Committee Member and the outline of expected roles

Ms. Akiko Mochizuki is a lawyer who has broad experience and expertise. In addition, she possesses in-depth insight from the perspective of human rights protection, such as by having been dedicated to public-interest activities. Therefore, although Ms. Mochizuki has never been directly involved in the management of a company, we have nominated her as a candidate for External Director who is an Audit & Supervisory Committee Member, having determined that she is capable of appropriately auditing the Company's management based on her experience and knowledge.

(Notes)

1. There are no special interests between each candidate and the Company.
2. Mr. Hiroyuki Sasa and Ms. Akiko Mochizuki are candidates for External Directors who are Audit & Supervisory Committee Members.
3. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company and Mr. Hiroyuki Sasa and Ms. Akiko Mochizuki have entered into an agreement to limit the liability pursuant to Article 423, Paragraph 1 of the said Act to the minimum liability stipulated in Article 425, Paragraph 1 of the said Act. On condition that this proposal is approved as proposed at the Ordinary General Meeting of Shareholders, the Company plans to enter into the agreement to the same effect with them. In addition, on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect, the Company plans to enter into the agreement to the same effect with Mr. Kazuhiko Miwa.
4. The Company has entered into a directors and officers liability insurance contract, including all Directors as insured parties. This contract will cover damages if Directors who are insured parties are found liable to pay compensation for damages resulting from their duties. If each candidate is appointed and assumes office, they will become insured parties of this insurance contract, and the Company plans to renew it with the same details during their terms of office.
5. Mr. Hiroyuki Sasa and Ms. Akiko Mochizuki are Independent Officers under the regulation of Tokyo Stock Exchange, Inc. and they, if elected, will continue to serve as Independent Officers.
6. Age of each candidate is as of the conclusion of this General Meeting of Shareholders.
7. Ms. Akiko Mochizuki assumed the surname Suzuki upon marriage. However, she performs her duties under her maiden name, Mochizuki.
8. Mr. Hiroyuki Sasa is currently an External Director, and his period in office will be three (3) years at the conclusion of this General Meeting of Shareholders.
9. Ms. Akiko Mochizuki is currently an External Audit & Supervisory Board Member, and her period in office will be two (2) years at the conclusion of this General Meeting of Shareholders.

(Reference) Corporate Governance Highlights



Note: The Corporate Governance Highlights show projected figures when the Third and Fourth Items are approved and adopted.

Fifth Item:**Election of one (1) Alternate Director who is an Audit & Supervisory Committee Member**

Subject to the approval and adoption of the Second Item, Partial amendments to the Articles of Incorporation, the Company will transition to a Company with an Audit & Supervisory Committee. Accordingly, to prepare for the case where the number of Directors who are Audit & Supervisory Committee Members falls short of such number as is required by law or regulation, the election of one (1) Alternate Director who is an Audit & Supervisory Committee Member is proposed.

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect.

With respect to this item of business, the consent of the Audit & Supervisory Board has been obtained.

Masakazu Aoki	Date of Birth June 23, 1954 (72 years old)	No. of Shares of AMADA CO., LTD. Held (shares)	0 shares
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Outside

Independent

Profile, position and responsibility			
April 1977	Joined Hitachi, Ltd.	April 2016	Senior Vice President and Executive Officer, Hitachi, Ltd.
April 1999	General Manager, General Compressor Department, Production Division, Industrial Equipment Group, Hitachi, Ltd.	April 2017	Representative Executive Officer, Executive Vice President, Hitachi, Ltd.
April 2002	General Manager of General Compressor Design Section, Pneumatic Systems Business Department, Business Division, Hitachi Industrial Equipment Systems, Co., Ltd.	April 2024	Director, Chairman, Hitachi Industrial Equipment Systems Co., Ltd.
June 2009	Director, General Manager of Pneumatic Systems Business Department, Business Division, Hitachi Industrial Equipment Systems, Co., Ltd.	June 2025	Senior Executive Advisor, Hitachi, Ltd.
April 2012	President and Director, Hitachi Industrial Equipment Systems Co., Ltd.		Director, Hitachi Industrial Equipment Systems Co., Ltd.
October 2014	Vice President and Executive Officer, Hitachi, Ltd.		Director and Chairman, Hitachi Global Life Solutions, Inc.
			External Director, the Company (incumbent)

Reasons for nomination as a candidate for Alternate External Director who is an Audit & Supervisory Committee Member

Mr. Masakazu Aoki, who served as Representative Executive Officer, Executive Vice President at Hitachi, Ltd., possesses insight as a business manager of a global corporation as well as broad knowledge of technologies and development in manufacturing business. From that perspective, he is overseeing business execution appropriately as External Director of the Company, such as by actively expressing his opinions at the Board of Directors meetings. Therefore, we have nominated Mr. Aoki as a candidate for Alternate External Director who is an Audit & Supervisory Committee Member, having determined that he is capable of appropriately auditing the Company's management based on his experience and knowledge.

(Notes)

1. There are no special interests between Mr. Masakazu Aoki and the Company.
2. Mr. Masakazu Aoki is a fill-in candidate for External Director who is an Audit & Supervisory Committee Member. In addition, if the Third Item, Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members), is approved and adopted as originally proposed, he is expected to assume the office of Director other than

Director who is an Audit & Supervisory Committee Member. However, if the number of Directors who are Audit & Supervisory Committee Members falls short of the number required by laws and regulations, he is expected to resign as a Director other than Director who is an Audit & Supervisory Committee Member and assume the office of Director who is an Audit & Supervisory Committee Member.

3. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company and Mr. Masakazu Aoki have entered into an agreement to limit the liability pursuant to Article 423, Paragraph 1 of the said Act to the minimum liability stipulated in Article 425, Paragraph 1 of the said Act. If Mr. Masakazu Aoki assumes office of Director who is an Audit & Supervisory Committee Member, the Company plans to enter into the agreement to the same effect with him.
4. The Company has entered into a directors and officers liability insurance contract, including all Directors as insured parties. This contract will cover damages if Directors who are insured parties are found liable to pay compensation for damages resulting from their duties. If Mr. Masakazu Aoki assumes office of Director who is an Audit & Supervisory Committee Member, he will continue to be the insured party of this insurance contract.
5. Mr. Masakazu Aoki is an Independent Officer under the regulation of Tokyo Stock Exchange, Inc. If he assumes office of Director who is an Audit & Supervisory Committee Member, he will continue to serve as an Independent Officer.
6. The election of Mr. Masakazu Aoki as an Alternate Director who is an Audit & Supervisory Committee Member may be canceled by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee, provided that such cancellation is made prior to his assumption of office.
7. Mr. Masakazu Aoki is currently an External Director, and his period in office will be one (1) year at the conclusion of this General Meeting of Shareholders.
8. Age of the candidate is as of the conclusion of this General Meeting of Shareholders.

Sixth Item:

Determination of the amount and details of compensation, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members)

The amount of compensation, etc. for Directors of the Company was approved at the 81st Ordinary General Meeting of Shareholders held on June 26, 2019, as monetary compensation for Directors of an amount within 468 million yen per year (including within 50 million yen per year for External Directors) and has remained unchanged to date.

If the Second Item, Partial amendments to the Articles of Incorporation, is approved as originally proposed, the Company will transition to a Company with an Audit & Supervisory Committee. Accordingly, the Company proposes to abolish the current amount of compensation, etc. for Directors and newly set the amount of monetary compensation for Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter in this item of business) at within 570 million yen per year (including not more than 90 million yen per year for External Directors).

The amount of compensation, etc. for Directors will continue to exclude employee salaries paid to Directors who concurrently serve as employees.

The Company has revised the decision-making policy concerning the details of compensation, etc. for each individual Director of the Company at the Board of Directors meeting held on May 14, 2026 subject to the approval of the Second Item, the Third Item, and this item of business. The outline of the policy is as provided from page 35 to page 36 of the referential statements for the General Meeting of Shareholders. The Company believes that this item of business is necessary and reasonable to grant each individual Director with compensation, etc. that is in line with the said policy and that the details of such compensation, etc. is appropriate.

If the Second Item, Partial amendments to the Articles of Incorporation, and the Third Item, Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members), are approved as originally proposed, the number of Directors subject to this item of business will be four (4) (including two (2) External Directors).

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect. In submitting this item of business, the item has been deliberated by the voluntary Compensation Committee.

Seventh Item:**Determination of the amount of compensation, etc. for Directors who are Audit & Supervisory Committee Members**

If the Second Item, Partial amendments to the Articles of Incorporation, is approved as originally proposed, the Company will transition to a Company with an Audit & Supervisory Committee. Accordingly, the Company proposes that the maximum amount of monetary compensation for Directors who are Audit & Supervisory Committee Members be within 140 million yen per year.

This item of business takes into consideration the future composition of the Board of Directors, the responsibilities that Audit & Supervisory Committee Members should fulfill within the Company's governance structure, the levels at other companies, and various other circumstances. In addition, the Compensation Committee, which is chaired by an External Director, and which is composed of a majority of External Directors, has deliberated on this item of business, and therefore the Company believes that the details of such compensation are appropriate.

If the Second Item, Partial amendments to the Articles of Incorporation, and the Fourth Item, Election of three (3) Directors who are Audit & Supervisory Committee Members, are approved as originally proposed, the number of Directors subject to this item of business will be three (3).

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect.

Eighth Item:

Determination of the amount and details of stock compensation, etc. for Directors, etc. (excluding External Directors and Directors who are Audit & Supervisory Committee Members)

1. Reason for the proposal and reason why the proposed compensation is appropriate

At the 86th Ordinary General Meeting of Shareholders held on June 27, 2024, the introduction of a performance-linked stock compensation plan (hereinafter referred to as the “Plan”) under which the Company’s shares are delivered to its Directors (excluding External Directors) in accordance with their positions and the degree of achievement of performance targets, etc. as compensation, etc. for such Directors was approved, and the Plan has remained in place to date.

In addition to adding Corporate Officers who are not Directors to the persons eligible under the Plan, if the Second Item, Partial amendments to the Articles of Incorporation, is approved and adopted as originally proposed, this item of business requests renewed approval for the amount and details of such stock compensation, etc. in line with the Company’s transition to a Company with an Audit & Supervisory Committee. The maximum amount of compensation, etc. under this item of business shall be established separately from the Sixth Item, Determination of the amount of compensation, etc. for Directors (excluding Directors who are Audit & Supervisory Committee Members).

Persons covered by the Plan shall be Directors (excluding External Directors, Directors who are Audit & Supervisory Committee Members, and non-residents of Japan; the same shall apply hereinafter in this item of business) and Corporate Officers (excluding non-residents of Japan; hereinafter collectively referred to as “Directors, etc.”). The Company will partially amend the details of the Plan for the purpose of increasing the proportion of stock compensation in the compensation of Directors, etc., and set the compensation for Directors, etc. at a market-competitive level, thereby increasing the awareness among Directors, etc. toward contributing to improving the Company’s medium- to long-term corporate value and also further enhancing the awareness of sharing interests with shareholders by promoting the ownership of the Company’s shares.

Subject to the approval of the Second Item, the Third Item, and this item of business, the Company has revised the decision-making policy concerning the details of compensation, etc. for each individual Director of the Company at the Board of Directors meeting held on May 14, 2026. The outline of the policy is as provided from page 35 to page 36 of the referential statements for the General Meeting of Shareholders. The Company believes that this item of business is necessary and reasonable to grant each individual Director with compensation, etc. that is in line with the said policy and that the details of such compensation, etc. is appropriate. Furthermore, the Company’s voluntary Compensation Committee also judged the details of the compensation, etc. to be appropriate in light of the purpose of introduction of the Plan and the fairness of the calculation of the amount of compensation, etc. under the Plan, taking also into account other factors, such as the introduction of this stock compensation, etc. will not dilute the ownership of existing shareholders as the Company’s shares will be acquired from the stock market.

If the Second Item, Partial amendments to the Articles of Incorporation, and the Third Item, Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members), are approved and adopted as originally proposed at this General Meeting of Shareholders, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members and External Directors) subject to this item of business will be two (2). In addition, as described above, the Plan will also apply to Corporate Officers who do not concurrently serve as Directors (the number of Corporate Officers who do not concurrently serve Directors and are currently eligible under the Plan is thirteen (13)). Accordingly, compensation under the Plan includes compensation for Corporate

Officers. However, this item of business proposes the amount and details of the overall compensation under the Plan as compensation, etc. for Directors, etc., taking into consideration the possibility that such Corporate Officers may newly assume the office of Director after the commencement of the Plan.

This item of business will take effect on the condition that the amendments to the Articles of Incorporation in the Second Item, Partial amendments to the Articles of Incorporation, take effect.

2. Amount and details of compensation, etc. under the Plan, etc.

(1) Outline of the plan

The Plan is a stock compensation plan under which a delivery and payment (hereinafter referred to as the “Delivery, etc.”) of shares of the Company and an amount of cash equivalent to the conversion value of the shares of the Company into cash (hereinafter referred to as the “Company’s Shares, etc.”) will be made to Directors, etc., through a trust in accordance with their positions and the degree of achievement of performance targets, etc.

The period covered by the Plan shall be the fiscal years covered by the Company’s Medium-term Business Plan (hereinafter referred to as the “Target Period”; however, the initial Target Period after the amendment of the Plan shall be five (5) fiscal years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2031). The Company’s shares are acquired through a trust using the compensation amount of Directors, etc. contributed by the Company as the source of funds.

(1) Those eligible for the Plan	Directors of the Company (excluding External Directors, Directors who are Audit & Supervisory Committee Members, and non-residents of Japan) and Corporate Officers (excluding non-residents of Japan)
(2) Maximum amount of money contributed by the Company to a trust	400 million yen multiplied by the number of years in the Target Period 2,000 million yen in total for five fiscal years for the initial Target Period after the amendment of the Plan
(3) Maximum number of the Company’s shares for the Delivery, etc. to Directors, etc.	- The number of shares equivalent to the number of the points calculated by multiplying 400,000 points by the number of years in the Target Period (equivalent to 400,000 shares, given one share of the Company is delivered for one point) - The maximum number of the total points to be granted to Directors, etc. for five fiscal years for the initial Target Period after the amendment of the Plan is 2,000,000 points in total (the maximum number of shares in total is 2,000,000 shares)
(4) Method of acquisition of the Company’s shares	- This introduction will not dilute the ownership of existing shareholders as the Company’s shares will be acquired from the stock market - The number of shares equivalent to the number of points per fiscal year mentioned above (400,000 shares) is approximately 0.13% of the total number of issued shares of the Company (as of March 31, 2026, excluding treasury shares).
(5) Details of conditions of performance achievement	Evaluation shall be conducted based on the management indicators and shareholder value indicators, etc. set forth in the Medium-term Business Plan of the Company, and this shall be variable between 0% and 200% depending on the degree of achievement of the target for the management indicators and shareholder value indicators ([1. revenue, 2. operating profit, and 3. ROE], etc. for the initial Target Period after the amendment of the Plan) for each fiscal year during the Target Period of the relevant Medium-term Business Plan.
(6) Timing of the Delivery, etc. of the Company’s Shares etc. to Directors, etc.	In principle, after the end of the Target Period (for the initial Target Period after the amendment of the Plan, from July 2031 onward)

(2) Maximum amount, etc. of money contributed by the Company

To acquire the Company’s shares for the Delivery, etc. to Directors, etc., the Company contributes the amount of money up to the amount calculated by multiplying 400 million yen by the number of years in the Target Period (2,000 million yen for five (5) fiscal years for the initial Target Period after the amendment of the Plan) as a compensation, etc. to Directors, etc.

for each Target Period, and establish a trust (hereinafter referred to as the “Trust”) for the period corresponding to the Target Period with Directors, etc. who satisfy the beneficiary requirements as the beneficiaries. The Trust collectively purchases the Company’s shares from the stock market using the entrusted money as the source of funds as instructed by the trust administrator. The Company grants points to Directors, etc. during the Target Period and makes the Delivery, etc. of the Company’s Shares, etc. through the Trust in the number equivalent to the number of points granted at a predetermined set time.

Upon expiry of a trust period of the Trust, the Company may continue the Trust by amending the trust agreement and contributing additional trust fund. In such a case, the Company shall set a new Target Period with the number of years corresponding to the Medium-term Business Plan at that time, and extend the trust period of the Trust for such period. For each extended trust period of the Trust, the Company will make an additional contribution within a range of the amount calculated by multiplying 400 million yen by the number of years in the new Target Period. However, in the case of making such an additional contribution, if there are the Company’s shares (excluding the Company’s shares equivalent to points granted to Directors, etc. for which the Delivery, etc. has not been completed) and cash remaining in the trust property (hereinafter referred to as the “Remaining Shares and Cash”) as of the last day of the trust period prior to the extension, the total amount of the Remaining Shares and Cash and the money to be additionally contributed by the Company shall be within the amount calculated by multiplying 400 million yen by the number of years in the relevant Target Period. Such extension of the trust period may continue to occur.

(3) Method of calculating the number of the Company’s Shares, etc. for the Delivery, etc. to Directors, etc. and the maximum number thereof

The number of the Company’s Shares, etc. and its amount for the Delivery, etc. to Directors, etc. under the Plan are determined based on the number of points granted at a certain point of time of each fiscal year in accordance with their positions of Directors and degree of achievement of performance targets, etc.

The maximum number of points to be granted to Directors, etc. shall be 400,000 points per fiscal year. The degree of achievement of performance targets shall be evaluated based on the management indicators and shareholder value indicators, etc. set forth in the Medium-term Business Plan of the Company, and shall be decided between 0% and 200% depending on the degree of achievement of the target for the management indicators and shareholder value indicators ([1. revenue, 2. operating profit, and 3. ROE], etc. for the initial Target Period after the amendment of the Plan) for each fiscal year during the Target Period of the relevant Medium-term Business Plan. After that, one (1) share of the Company will be delivered for one (1) point (fraction less than one (1) point shall be omitted.) However, if a Director, etc. retires during the trust period, the number of shares for the Delivery, etc. will be calculated in accordance with the accumulated points as of the time of retirement.

If the Company conducts a stock split, stock consolidation, etc. of the Company’s shares during the trust period, the maximum numbers of points and shares to be granted will be adjusted in accordance with the split ratio, consolidation ratio, etc.

(4) The method and timing of the Delivery, etc. of the Company’s Shares, etc. to Directors, etc.

Directors, etc. who have satisfied the beneficiary requirements, in principle, after the end of the Target Period, shall receive the delivery of the Company’s shares corresponding to a certain

proportion of accumulated points from the Trust by following the designated beneficiary-determining procedures, while the Company's shares equivalent to the remaining points are converted into cash within the Trust, and the Directors, etc. shall receive money equivalent to the proceeds from cash conversion from the Trust.

Directors, etc. who retired during the Target Period shall receive the Delivery, etc. of the Company's Shares, etc. from the Trust calculated in accordance with the accumulated points up to that point, immediately after the retirement.

(5) Clawback provisions, etc.

If a Director, etc. is found to have committed serious wrongdoing or violated laws and regulations, the Company may forfeit the points granted to the Director, etc. (malus) or demand the return of the amount of money equivalent to the Company's Shares, etc. delivered to the Director, etc. (clawback).

(6) Voting rights for the Company's shares in the Trust

Voting rights for the Company's shares in the Trust shall not be exercised so as to ensure the neutrality of the management.

(7) Other matters concerning the Plan

Other matters concerning the Plan shall be determined by the Board of Directors of the Company.

(Reference)

Skill Matrix of Directors

If the Second Item, Partial amendments to the Articles of Incorporation, the Third Item, Election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members), and the Fourth Item, Election of three (3) Directors who are Audit & Supervisory Committee Members, are approved as proposed, the composition of the Board of Directors and expertise and experience of each Director will be as follows.

	Name		Gender	Expertise, experience					
				Corporate Management	Finance Accounting	Legal affairs Risk management Compliance	Global	Sales Marketing	R&D Manufacturing
Director	Tsutomu Isobe		Male	○	○	○	○		
	Takaaki Yamanashi		Male	○		○	○		○
	Masakazu Aoki	Outside Independent	Male	○		○	○		○
	Yoshiko Fujii	Outside Independent	Female		○		○		
Director who is an Audit & Supervisory Committee Member	Kazuhiko Miwa		Male	○	○	○			
	Hiroyuki Sasa	Outside Independent	Male	○		○	○	○	○
	Akiko Mochizuki	Outside Independent	Female			○			

[Reference]

Outline of the “decision-making policy concerning the details of compensation, etc. for each individual Director”

(Resolved at the Board of Directors meeting on May 14, 2026)

<Basic policy>

The Company’s basic policy is to set the compensation system for Directors and the decision-making process thereof that (a) can fully function as an incentive for the sustainable enhancement of corporate value toward the achievement of the Long-term Vision, and (b) are fair and transparent so that the Company can fulfill the accountability for stakeholders including shareholders.

Based on this basic policy, the Board of Directors of the Company, at its meeting held on May 14, 2026, resolved to revise the Company’s “decision-making policy concerning the details of compensation, etc. for each individual Director” as follows.

The Company has established a voluntary Compensation Committee chaired by an External Director as an advisory body to the Board of Directors. When revising the decision-making policy concerning the details of compensation, etc. for each individual Director, the Board of Directors resolved the revised decision-making policy in consultation with the Compensation Committee on the draft of the policy prepared by the Human Resources Division, respecting the content of the report of the Committee.

<Compensation level>

The compensation level for Directors shall be set at an appropriate level based on their positions and responsibilities and shall be reviewed in a timely and appropriate manner in consideration of changes in the business environment, external survey data, and other factors.

<Composition of compensation >

Compensation for Directors shall be structured in a way where it fully functions as an incentive for the sustainable enhancement of corporate value toward the achievement of the Long-term Vision and Medium-term Business Plan. Specifically, compensation for Directors (excluding External Directors and Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter) shall consist of (1) basic compensation as fixed compensation, (2) bonuses as a performance-linked compensation, and (3) stock compensation as a performance-linked compensation. The performance-linked compensation (bonuses) is designed so that the ratio of performance-linked compensation (bonuses) to total compensation for Directors increases in accordance with the improvement of the Company’s business performance. Meanwhile, the performance-linked compensation (stock compensation) is designed so that the ratio of stock compensation to total compensation for Directors increases in accordance with the positions.

Furthermore, compensation for External Directors and Directors who are Audit & Supervisory Committee Members, who are responsible for supervisory functions, shall solely consist of basic compensation in consideration of their independence from business execution.

1) Basic compensation

The basic compensation for Directors of the Company shall be fixed monthly compensation in cash, and the amount to be paid to each individual shall be determined based on the standard amount of compensation previously determined in accordance with the positions and responsibilities.

2) Performance-linked compensation (bonuses)

The performance-linked bonuses, positioned as short-term incentives, shall be cash compensation reflecting performance indicators, and shall be paid at a set time each year. The performance indicator for the compensation shall be profit attributable to owners of parent for a single fiscal year (hereinafter referred to as the “Profit”) since, in addition to its importance as a management indicator, it is also a source of dividends and therefore reflects the perspective of shareholders. Specifically, the total amount to be paid shall be determined by taking into account the number of persons eligible for payment and the growth rate of dividends, up to the amount calculated by multiplying Profit of each fiscal year by a rate of 1/50 of the dividend payout ratio (%), and the amount shall be calculated by increasing or decreasing a certain percentage of the amount according to the performance results, with individual allocations determined according to the positions and responsibilities.

3) Performance-linked compensation (stock compensation)

The purpose of the performance-linked stock compensation, positioned as a medium- to long-term incentive, is to increase the awareness among Directors toward contributing to improving the Company's medium- to long-term corporate value, and also to further enhance the awareness of sharing interests with shareholders by promoting the ownership of the Company's shares. This is a plan under which evaluation is conducted for the fiscal years covered by the Medium-term Business Plan of the Company (hereinafter referred to as the "Target Period") based on the degree of achievement of the target for the performance indicators, etc. for each fiscal year during the Target Period, and then shares are delivered to Directors after the end of the Target Period (the performance-linked stock compensation plan (Board Incentive Plan (BIP) Trust*) will be partial amended and continued subject to the condition that the proposal is approved and adopted at the 88th Ordinary General Meeting of Shareholders to be held on June 26, 2026). Specifically, as a right to receive the delivery of shares, Directors (excluding External Directors and Directors who are Audit & Supervisory Committee Members) are granted points each fiscal year in accordance with their positions. The number of points to be granted shall be variable between 0% and 200% depending on the degree of achievement of the target for performance indicators, etc. After that, one (1) share of the Company will be delivered to Directors for one (1) point. The performance indicators shall be set based on the management indicators and shareholder value indicators, etc. set forth in the Medium-term Business Plan of the Company. For the initial Target Period after the amendment of the Plan, [1. revenue, 2. operating profit, and 3. ROE], etc. shall be used.

If a Director is found to have committed serious wrongdoing or violated laws and regulations, the Company may forfeit the points granted to the Director (malus) or demand the return of the amount of money equivalent to the Company's Shares, etc. delivered to the Director (clawback).

(*) The Board Incentive Plan (BIP) Trust is an incentive plan for officers established with reference to the Performance Share Plan and Restricted Stock Plan in the United States.

<Compensation determination process>

The Board of Directors shall have the authority to determine the amount of compensation, etc. for each individual director of the Company or the method of calculation thereof, and determine the details within the range of the total amount of compensation resolved at a General Meeting of Shareholders in consultation with the voluntary Compensation Committee chaired by an External Director, respecting the content of the report of the Committee. The amount of monetary compensation for the Company's Directors who are not Audit & Supervisory Committee Members shall be within 570 million yen per year (including within 90 million yen per year for External Directors), subject to approval and adoption of the amendment at the 88th Ordinary General Meeting of Shareholders to be held on June 26, 2026. (The number of Directors who are not Audit & Supervisory Committee Members at the conclusion of such General Meeting of Shareholders will be four (4), including two (2) External Directors.)

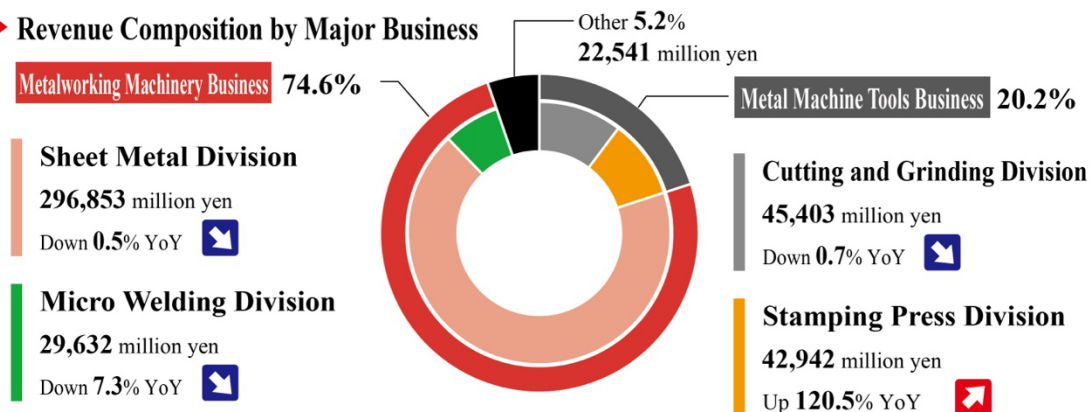
In addition, the amount of stock compensation for the Company's Directors (excluding External Directors and Directors who are Audit & Supervisory Committee Members) shall be, subject to approval and adoption of the partial amendment and continuation of the stock compensation plan at the 88th Ordinary General Meeting of Shareholders to be held on June 26, 2026: (1) 400 million yen multiplied by the number of years in the Target Period (the upper limit of the amount of money to be contributed by the Company); and (2) 400,000 points (the upper limit of the number of points (number of the Company shares) to be granted by the Company in one (1) fiscal year).

Operating Results Highlights

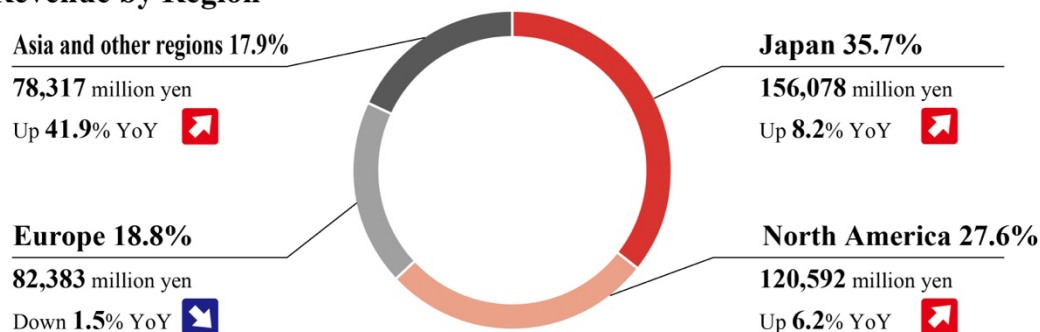
Operating Results Highlights (88th)

Revenue	Operating Profit	Profit Attributable to Owners of Parent
437,372 million yen	44,798 million yen	30,554 million yen
Up 10.3% YoY 	Down 8.7% YoY 	Down 5.7% YoY 

► Revenue Composition by Major Business



► Revenue by Region



Average exchange rate during the period

[USD] **150.⁷⁸** yen

[EUR] **174.⁷⁹** yen

(Appendix)

Business Report
(From April 1, 2025 to March 31, 2026)

1. Matters Concerning the State of the Company Group

(1) Business Progress and Results

◆Overview

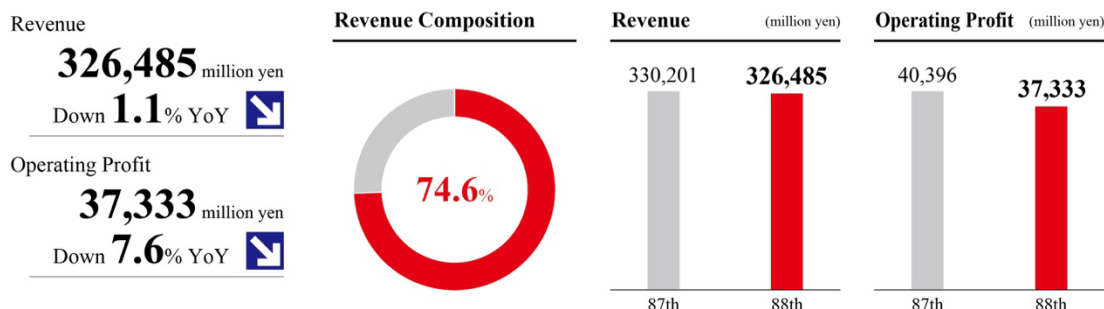
The environment surrounding the Company Group during the fiscal year under review remained uncertain on the back of the impact of U.S. tariff policy and heightening tensions in the Middle East.

Under these circumstances, the Group's operating results for the year reported revenue of 437,372 million yen (up 10.3% YoY) thanks to the business contributions of M&As and data center-related investments in conjunction with the growth of AI, despite delays in the clearing of the backlog, such as delays in the construction of customer plants.

Meanwhile, in existing businesses, operating profit was 44,798 million yen (down 8.7% YoY) and profit attributable to owners of parent was 30,554 million yen (down 5.7% YoY) due to factors including cost increases such as those associated with U.S. tariffs and rising labor costs.

◆Operational Overview by Major Business

Metalworking Machinery Business



In the Metalworking Machinery Business, revenue was 326,485 million yen (down 1.1% YoY) and operating profit was 37,333 million yen (down 7.6% YoY).

<Sheet Metal Division>

In the Sheet Metal Division, revenue was 296,853 million yen (down 0.5% YoY). Overview by region is as follows:

Japan: While capital investments related to data centers and semiconductor manufacturing equipment, such as switchboards, control panels, and server racks, were strong, sales were weak for industrial machinery, machine tools, and construction machinery. As a result, revenue was 99,774 million yen (down 2.4% YoY).

North America: In the United States, capital investment demand for data centers and infrastructure remained booming and sales grew steadily. As a result, revenue was 93,838 million yen (up 4.6% YoY).

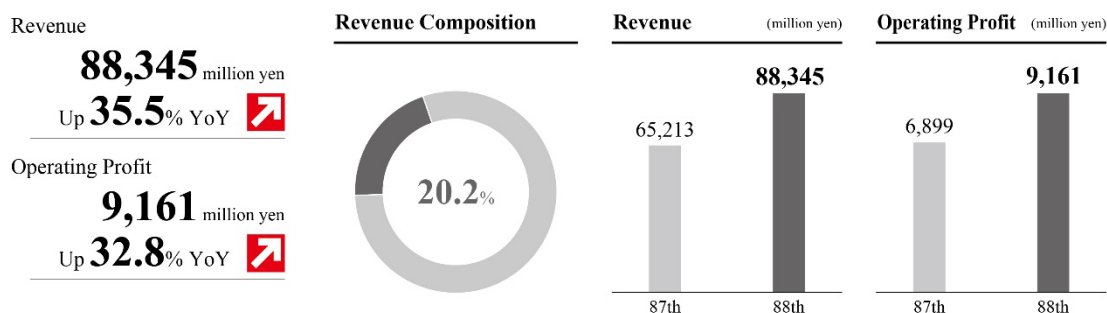
Europe: In Eastern Europe, sales were driven by investments related to defense, infrastructure, and automation. In Italy, some areas showed robust performance, with sales supported by energy-related demand, etc. Meanwhile, for the region as a whole, capital investment was postponed due to economic sluggishness caused by a decline in exports, and Germany, France, and Northern Europe struggled. As a result, revenue was 66,269 million yen (down 4.9% YoY).

Asia and other regions: Companies were cautious in their capital investment due to the impacts of U.S. tariffs and the economic decline in China. However, data center-related business was strong in China, India, and Vietnam. As a result, revenue was 36,971 million yen (up 1.0% YoY).

<Micro Welding Division>

In the Micro Welding Division, revenue was 29,632 million yen (down 7.3% YoY). In Europe, the medical equipment and aerospace-related fields performed well. In Asia, sales were led by data center-related demand. However, with the global stagnation of the EV market, battery-related investment was restrained, causing revenue to fall year on year.

Metal Machine Tools Business



In the Metal Machine Tools Business, revenue was 88,345 million yen (up 35.5% YoY) and operating profit was 9,161 million yen (up 32.8% YoY).

<Cutting and Grinding Division>

In the Cutting and Grinding Division, revenue was 45,403 million yen (down 0.7% YoY). In Japan, the construction market was sluggish due to soaring material costs and personnel shortages, and capital investment in the automotive-related market remained restrained. Meanwhile, overseas, sales of bandsaw machines for a major North American steel distributor were steady, and in the European market, there were signs of a recovery in sales of blades for hard-to-cut materials for the aviation industry. Sales of grinding tools for the semiconductor-related business were strong, especially in Asia.

<Stamping Press Division>

In the Stamping Press Division, revenue was 42,942 million yen (up 120.5% YoY). In Japan, capital investment were refrained and became weak in the automotive-related business due to factors such as the soaring cost of materials and the slowdown of the EV market. Meanwhile, overseas, an increase in data center-related demand and the introduction of automated machines in tandem with reshoring in North America contributed to increased sales, and spring-manufacturing machinery for medical applications supported the performance of the division. In addition, sales from large projects such as sales of servo presses for the automotive-related business at the H&F Group, which joined the press business on May 1, 2025, boosted business results.

◆Revenue by Region

Revenue by region increased YoY by 8.2% in Japan and by 11.5% overseas. The overseas sales ratio was 64.3% compared to 63.6% in the previous fiscal year.

For the details of the status of revenue by major region, please see operating results highlights on page 37.

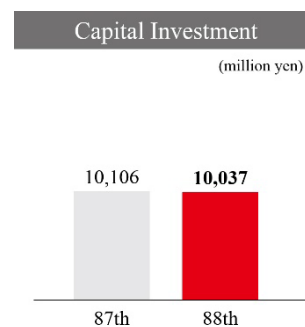
(2) Capital Investment

During the fiscal year under review, the total amount of capital investment made by the Company Group was 10,037 million yen.

Of this amount, the Company Group invested 5,971 million yen in property, plant and equipment. In addition, expenditure for acquiring software for sale and software for internal use and other intangible assets was 4,066 million yen.

Key capital investments were as follows.

1. Reorganization and expansion of the laser oscillator plant at the Fujinomiya Works
2. Renovation of buildings and renewal of production facilities at plants in Europe and the United States
3. Investment in development of VPSS 4ie, software for creating machining program



(3) Fund Procurement

The Company has entered into overdraft agreements with four transaction banks to ensure the stable procurement of working capital for business operations. The Company has also entered into syndicated term loan agreements totaling 10.0 billion yen with eight financial institutions.

(4) Challenges to Face

The Company Group has formulated a new five-year action plan, “Medium-term Business Plan 2030,” covering fiscal 2026 through fiscal 2030, with the aim of achieving sustainable growth and corporate value enhancement.

<Background to the formulation of the “Medium-term Business Plan 2030”>

Under the previous Medium-term Business Plan, we achieved our sales targets through large-scale M&As, etc. However, we were unable to reach our profitability targets (operating profit margin and ROE), due to factors such as delays in new product roll-out and rising costs. In addition, the environment surrounding customers has changed dramatically, including a declining workforce, greater use of AI, and accelerated investment in GX. To achieve sustainable growth, we will fundamentally improve our earnings structure, accelerate investments in growth areas, and strengthen Amada’s intrinsic earning power.

<Formulation of Mission, Values, and Long-term Vision>

The Company has been supporting manufacturing around the world since its founding in 1946. On our 80th anniversary, we have realigned our Mission and Values and redefined our Long-term Vision to reaffirm the roles we should fulfill for society and our customers going forward, and the values of our employees. Based on our Management Philosophy and Corporate Code of Conduct, which are our starting points, we regard the resolution of social issues as the significance of our existence, and will strive to create sustainable corporate value under the new philosophy system.

Amada Group Philosophy System

Mission Our Purpose: The enduring role Amada fulfills for global society
Pioneering new value to build a better future for humanity and the planet

Values Our Core Values: Principles Guiding Our Professional Conduct
Innovation & The Spirit of Challenge / Integrity & Fairness / Professional Growth

Long-term Vision Our Vision: Amada’s Long-term Goals and Future State
Transforming manufacturing challenges into strategic advantages through production innovation and advanced technology

1) Overview of the Medium-term Business Plan 2030

i) Slogan and key management indicators

Of the five years covered by the Medium-term Business Plan, the first two years will be positioned as a “Transformation and Growth Phase (Structural Reform),” and the latter three years as an “Acceleration of Growth Phase.” We will aim to achieve the following key management indicators.

Basic Policies of the Medium-term Business Plan 2030	
1. Slogan	
Transform to AMADA 2030 >> For Growth Acceleration Driving transformation toward a new stage of growth	
2. Key management indicators	3. Cash allocation
(1) Revenue : 520.0 billion yen	(1) Growth investment : 150.0 billion yen
(2) Operating profit : 73.0 billion yen	(2) Shareholder returns : 250.0 billion yen
(3) ROE : 10% or more	

ii) Key strategies

1. Structural reform (strengthening earning power): By introducing a Business Unit (BU) system and matrix organization, we will clarify authority and profit responsibility, and we will pursue thorough rationalization through measures such as global consolidation of business bases.
2. Strengthening the management foundation: By implementing a transition to a Company with an Audit & Supervisory Committee, we will engage in both “offensive governance” and “defensive governance,” and we will support the execution of key strategies toward achieving the Medium-term Business Plan targets and the strengthening of our earning power. We will also build a management foundation that leverages AI and DX.
3. Business portfolio management: We will classify each BU into “Foundation Business,” “Growth Driver Businesses,” and “Transformation Businesses,” and we will execute a disciplined and strategic allocation of resources.
4. New product development supporting business growth: In addition to the continuous launching of new products, we will create new demand and accelerate our market development through synergies with companies that have joined the Group.
5. Transformation from “product sales” to “product and service” business model: Through initiatives such as AI proposal tools and smart factory proposals, we will transition to a lifecycle business that maximizes customers’ factory operating rates.
6. Creation and strengthening of new businesses: We will expand into growth sectors such as e-Mobility and semiconductors and take on the challenges of new M&As. In addition, we will strengthen alliances with other companies toward the realization of “autonomous factories” where AI collaborates.

2) Basic Financial Strategy Policies

Aiming for sustainable profit growth and maximization of corporate value, we will execute a financial strategy that links the three axes of “improvement of profitability,” “upgrading of balance sheet management,” and “strategic capital allocation.” By turning the two wheels of “offensive growth investments” and “thorough improvement of capital efficiency,” we will continuously generate returns that exceed the cost of capital, transition to an optimal capital structure, and fundamentally improve asset efficiency. In doing so, we will achieve and stably secure an ROE of 10% or more.

i) Cash allocation policy and medium-term investment plan

Over the five years, we will generate operating cash flow totaling approximately 350.0 billion yen and approximately 50.0 billion yen + extra through balance sheet reform and net cash utilization, and we will appropriately allocate these funds to business growth and capital efficiency improvements. For the investment plan, we have set a cumulative framework of approximately 150.0 billion yen over five years. Of these, approximately 140.0 billion yen or more will be allocated to growth investments, the source of our competitiveness. Specifically, we will focus our allocation on strengthening existing businesses (R&D, AI deployment, and new processing technologies), developing environmentally friendly products, M&As in growth sectors, and reinforcing the management foundation such as AI, DX, and human capital.

ii) Shareholder returns

We will build a stable return structure accompanied by sustainable profit growth. For dividends, we will target a consolidated dividend payout ratio of 50%, while raising our dividend on equity (DOE) range to 3% to 5% and maintaining stable dividend payments. To rapidly optimize the equity capital we build up (below 500.0 billion yen), we will execute aggressive share buyback. The total return amount is scheduled to be approximately 250.0 billion yen or more (total payout ratio of approx. 120%) over the cumulative five year period, and will maximize EPS, improve TSR, and achieve an ROE of 10% or more.

3) Sustainability Strategy (Non-financial Targets)

To support the strategies of the Medium-term Business Plan and link them to the creation of greater sustainable corporate value, we have set the following indicators and targets.

Area	Initiative policy	Indicator	FY2025 results	FY2030 targets
Reducing Environmental Footprint	Providing environmentally friendly products and services	GHG emissions (Scope 3)	72.5% reduction	75% reduction
Advancing Human Capital Management	Enhancing labor productivity and employee engagement	Engagement score (eNPS*)	—	Positive response rate improvement of 20% or more
Enhancing Total Quality	Pursuing trusted quality and robust business continuity	Security maturity compliant with NIST CSF (*)	All-industry average	Improvement of 15% or more
Accelerating Technological Innovation	Delivering products and services that contribute to sustainable manufacturing	Sales growth rate in new areas (*)	—	60% or more

Scope: GHG emissions, security maturity, sales growth rate in new areas: Consolidated / Engagement score: Domestic

Base year: GHG emissions: Fiscal 2013 / Engagement score, security maturity, sales growth rate in new areas: Fiscal 2025

*eNPS: Employee Net Promoter Score

*NIST CSF: Cybersecurity framework by the National Institute of Standards and Technology (USA)

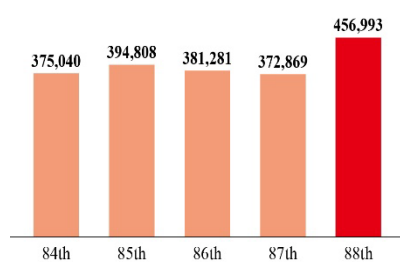
*Sales in new areas: Revenue in new areas (new markets, growth markets)

(5) Changes in Operating Results and Financial Position

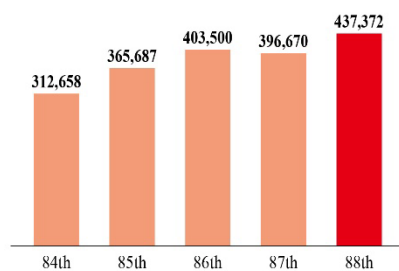
Fiscal year Category		84th (From April 1, 2021 to March 31, 2022)	85th (From April 1, 2022 to March 31, 2023)	86th (From April 1, 2023 to March 31, 2024)	87th (From April 1, 2024 to March 31, 2025)	88th Current term (From April 1, 2025 to March 31, 2026)
Orders received	million yen	375,040	394,808	381,281	372,869	456,993
Revenue	million yen	312,658	365,687	403,500	396,670	437,372
Operating profit	million yen	38,538	49,867	56,507	49,076	44,798
Operating profit margin	%	12.3	13.6	14.0	12.4	10.2
Profit attributable to owners of parent	million yen	27,769	34,158	40,638	32,386	30,554
Basic earnings per share	Yen	79.88	98.25	118.95	98.72	96.67
Total assets	million yen	614,439	647,562	681,053	649,891	772,109
Total equity	million yen	484,034	508,521	534,396	523,750	540,358
Equity attributable to owners of parent per share	Yen	1,380.05	1,450.07	1,584.10	1,616.19	1,724.35
Ratio of equity attributable to owners of parent	%	78.1	77.8	77.8	79.9	69.4
Ratio of profit to equity attributable to owners of parent (ROE)	%	6.0	6.9	7.9	6.2	5.8

(Note) Basic earnings per share and Equity attributable to owners of parent per share were calculated based on the average total number of issued shares during each fiscal year and the total number of issued shares as of the end of each fiscal year (both excluding treasury shares).

Orders Received (million yen)

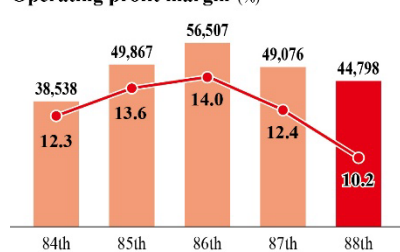


Revenue (million yen)

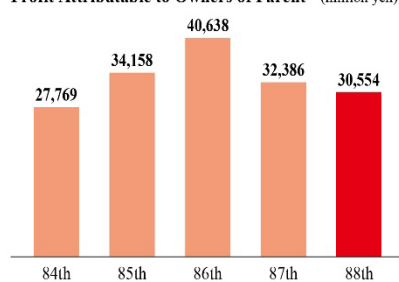


Operating Profit (million yen)

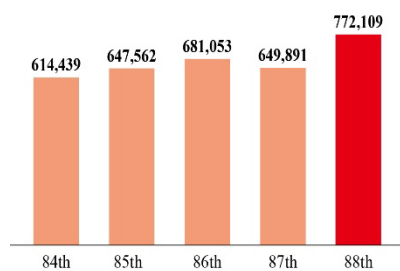
Operating profit margin (%)



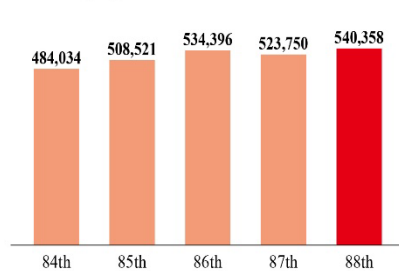
Profit Attributable to Owners of Parent (million yen)



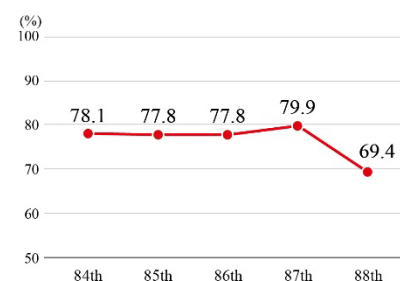
Total Assets (million yen)



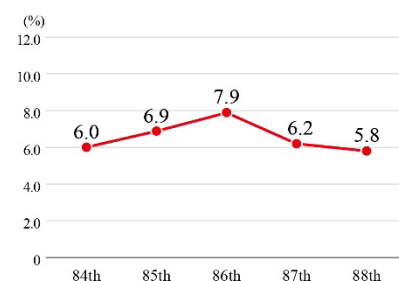
Total Equity (million yen)



Ratio of Equity Attributable to Owners of Parent



ROE



(6) Major Subsidiaries (as of March 31, 2026)

1) Major subsidiaries

Company name	Location	Share capital	Percentage of voting rights held (%)	Major activities
AMADA MACHINERY CO., LTD.	Isehara-shi, Kanagawa	Million yen 400	100.0	Development, manufacture and sale of metal cutting and machine tools
AMADA PRESS SYSTEM CO., LTD.	Isehara-shi, Kanagawa	Million yen 1,491	100.0	Development, manufacture and sale of stamping press machines and press processing automation equipment
H&F Corporation	Awara-shi, Fukui	Million yen 1,055	100.0	Development, manufacture and sale of stamping press machines and metalworking machines
Via Mechanics, Ltd.	Atsugi-shi, Kanagawa	Million yen 361	100.0	Development, manufacture and sale of electronic component processing machinery and peripheral equipment
AMADA AUTOMATION SYSTEMS CO., LTD.	Isehara-shi, Kanagawa	Million yen 80	100.0	Manufacture of peripheral equipment of sheet metal processing products
AMADA TOOL CO., LTD.	Isehara-shi, Kanagawa	Million yen 400	100.0	Manufacture of punches and dies
AMADA NORTH AMERICA, INC.	U.S.	Thousand USD 148,450	100.0	Management control of North American subsidiaries (holding company)
AMADA AMERICA, INC.	U.S.	Thousand USD 59,000	* 100.0	Sale of sheet metal processing products in North America Manufacture of sheet metal processing products
AMADA CAPITAL CORPORATION	U.S.	Thousand USD 6,000	* 100.0	Sale of finance and lease products to North American customers
AMADA TOOL AMERICA, INC.	U.S.	Thousand USD 700	* 100.0	Manufacture of punches and dies
AMADA MACHINERY AMERICA, INC.	U.S.	Thousand USD 4,220	* 100.0	Sale of metal cutting machines and machine tools in North America
AMADA WELD TECH INC.	U.S.	USD 4,330	100.0	Development, manufacturing, and sale of micro-welding products in North America
AMADA MARVEL, INC.	U.S.	USD 30	100.0	Development and manufacture of cutting machines
AMADA CANADA LTD.	Canada	Thousand CAD 3,000	100.0	Sale of sheet metal processing products in Canada
AMADA de MEXICO, S. de R.L. de C.V.	Mexico	Thousand peso 9,494	* 100.0	Sale of sheet metal processing products in Mexico
AMADA UNITED KINGDOM LTD.	U.K.	Thousand pounds 2,606	100.0	Sale of sheet metal processing products in U.K.
AMADA GmbH	Germany	Thousand euros 6,474	* 100.0	Sale of sheet metal processing products in Germany
AMADA MACHINERY EUROPE GmbH	Germany	Thousand euros 6,000	* 100.0	Sale of metal cutting machines and machine tools in Europe
AMADA WELD TECH GmbH	Germany	Thousand euros 352	* 100.0	Development, manufacturing, and sale of micro-welding products in Europe
AMADA EUROPE S.A.	France	Thousand euros 28,491	100.0	Manufacture of sheet metal processing products
AMADA S.A.	France	Thousand euros 8,677	* 100.0	Sale of sheet metal processing products in France
AMADA ITALIA S.r.l.	Italy	Thousand euros 21,136	* 100.0	Sale of sheet metal processing products in Italy

Company name	Location	Share capital	Percentage of voting rights held (%)	Major activities
AMADA AUSTRIA GmbH	Austria	Thousand euros 16,206	100.0	Manufacture of band saw blades, dies
AMADA SCANDINAVIA AB	Sweden	Thousand SEK 500	* 100.0	Sale of sheet metal processing products in Northern Europe
AMADA Automation Europe Ltd.	Finland	Thousand euros 50	100.0	Sale of peripheral equipment of sheet metal processing products
AMADA SP. Z O. O.	Poland	Thousand zloty 20,000	* 100.0	Sale of sheet metal processing products in Eastern Europe
AMADA (CHINA) CO., LTD.	China	Million yen 3,000	100.0	Management of local subsidiaries in China Sale of sheet metal processing products in China
AMADA LIANYUNGANG MACHINERY CO., LTD.	China	Million yen 796	* 100.0	Manufacture of band saw blades
AMADA LIANYUNGANG MACHINE TOOL CO., LTD.	China	Thousand USD 5,880	* 100.0	Manufacture of band saw blades
AMADA TAIWAN INC.	Taiwan	Thousand TWD 82,670	* 75.0	Sale of sheet metal processing products in Taiwan
AMADA KOREA CO., LTD.	South Korea	Million won 22,200	100.0	Sale of sheet metal processing products in South Korea
AMADA (THAILAND) CO., LTD.	Thailand	Thousand bahts 476,000	* 100.0	Sale of sheet metal processing products in Thailand
AMADA SINGAPORE PTE LTD.	Singapore	Thousand SGD 400	* 100.0	Sale of sheet metal processing products in Singapore
AMADA (MALAYSIA) SDN. BHD.	Malaysia	Thousand ringgits 1,000	* 100.0	Sale of sheet metal processing products in Malaysia
AMADA VIETNAM CO., LTD.	Vietnam	Million dong 8,967	100.0	Sale of sheet metal processing products in Vietnam
AMADA (INDIA) PVT. LTD.	India	Thousand rupees 87,210	100.0	Sale of sheet metal processing products in India
PT. AMADA MACHINERY INDONESIA	Indonesia	Million rupiah 13,500	* 100.0	Sale of sheet metal processing products in Indonesia
AMADA OCEANIA PTY LTD.	Australia	Thousand AUD 6,450	100.0	Sale of sheet metal processing products in Oceania
AMADA DO BRASIL LTDA.	Brazil	Thousand reais 35,600	100.0	Sale of sheet metal processing products in Brazil
AMADA MIDDLE EAST FZCO	UAE	Thousand dirham 5,000	80.0	Sale of sheet metal processing products in U.A.E.

(Note) The percentages marked with an asterisk (*) include investments by subsidiaries.

2) Specified wholly-owned subsidiary
Not applicable.

(7) Main Businesses (As of March 31, 2026)

The Company Group is engaged primarily in the development, manufacture, sale, and service of metalworking machines, metal machines, electronic component processing machinery, etc., as well as other businesses incidental to these. It also operates other businesses such as the real estate leasing business.

Main business items by business and division are as follows.

1) Metalworking Machinery Business

Division		Main business items
Sheet Metal Division	Machines	Laser machines, NC turret punch presses, punch and laser combination machines, press brakes, bending robots, shearing, sheet-metal processing system lines
	Software, FA equipment	Factory automation (FA) computers and software
	Services	Repair, maintenance, inspection
	Consumables	Various dies for punch presses, press brakes and other equipment
Micro Welding Division		Precise Laser equipment and resistance welder equipment Repair, maintenance, inspection

2) Metal Machine Tools Business

Cutting and Grinding Division	Metal-cutting bandsaws, structural steel cutting machines, drill presses, metal-cutting blades, grinders Repair, maintenance, inspection
Stamping Press Division	Press machines, press processing automation equipment Repair, maintenance, inspection

3) Other

- Development, manufacture and sale of electronic component processing machinery, peripheral equipment, etc.
- Real estate leasing such as shopping centers, etc.

(8) Main Business Offices and Plants (As of March 31, 2026)

1) The Company

Office, Branches, Plants	Location
Head Office	Isehara-shi, Kanagawa
Branches	Higashi Nihon Branch (Takasaki-shi, Gunma)
	Minami Kanto Branch (Isehara-shi, Kanagawa)
	Chubu Branch (Ichinomiya-shi, Aichi)
	Kansai Branch (Higashiosaka-shi, Osaka)
	Seibu Branch (Onojyou-shi, Fukuoka)
Plants and others	Fujinomiya Works (Fujinomiya-shi, Shizuoka)
	Toki Works (Toki-shi, Gifu)

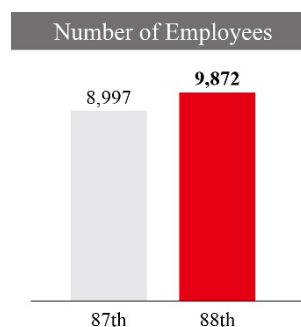
2) Major subsidiaries

Please refer to “(6) Major Subsidiaries” above.

(9) Employees (As of March 31, 2026)

1) The Company Group

Number of employees	Change from the end of previous fiscal year
9,872	Up 875



2) The Company

Number of employees	Change from the end of previous fiscal year
2,842	Down 33
Average age	Average service years
44.6	18.5

(Note) The number of the Company Group’s employees increased compared to the end of the previous fiscal year. This is mainly attributed to H&F Corporation becoming a consolidated subsidiary on May 1, 2025, and Via Mechanics, Ltd. becoming a consolidated subsidiary on July 1, 2025.

(10) Major Lenders (As of March 31, 2026)

Lenders	Amount of borrowing
Mizuho Bank, Ltd.	30,600 million yen
MUFJ Bank, Ltd.	15,000 million yen
Sumitomo Mitsui Banking Corporation	10,000 million yen
Resona Bank, Limited	5,000 million yen
Syndicated loan	10,000 million yen

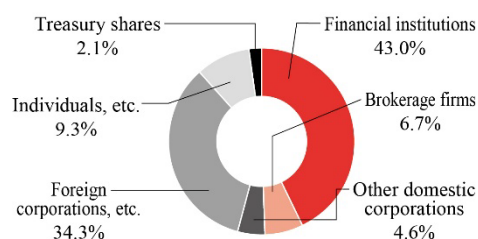
(Notes) 1. The amount of borrowing stated above includes borrowings under overdraft agreements.

2. The syndicated loan was provided through a syndicated financing arrangement by eight (8) financial institutions led by Mizuho Bank, Ltd.

2. Shares of the Company (As of March 31, 2026)

- (1) Total number of shares authorized 550,000,000
- (2) Total number of shares issued 317,451,417
(including 6,760,430 treasury shares)
- (3) Total number of shareholders 51,642

Distribution of Shareholdership by Type of Shareholder



(4) Major shareholders

Name of shareholder	Number of shares owned	Ratio of shareholding (*)
	Thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust accounts)	67,033	21.58
Custody Bank of Japan, Ltd. (Trust accounts)	34,552	11.12
STATE STREET BANK AND TRUST COMPANY 505001	10,528	3.39
The AMADA FOUNDATION	9,936	3.20
The Nomura Trust & Banking Co., Ltd. (Investment trust accounts)	7,909	2.55
Goldman Sachs Japan Co., Ltd. BNYM	6,426	2.07
Nippon Life Insurance Company	5,894	1.90
Custody Bank of Japan, Ltd. (4 trust accounts)	5,807	1.87
JP MORGAN CHASE BANK 385781	4,455	1.43
JP Morgan Securities Japan Co., Ltd.	4,079	1.31

(*) Treasury shares (6,760,430 shares) are excluded from the calculation of the shareholding ratio. These treasury shares do not include the Company shares (158,100 shares) held by the Board Incentive Plan (BIP) Trust.

- (5) Shares delivered to Directors and Audit & Supervisory Board Members as consideration for business execution during the fiscal year under review
Not applicable.

- (6) Other important matters concerning shares
Not applicable.

3. Share Subscription Rights

Not applicable.

4. Directors and Audit & Supervisory Board Members

(1) Name of Directors and Audit & Supervisory Board Members (As of March 31, 2026)

Title	Name	Responsibility, principal occupation (Major concurrent positions)
Representative Director, Chairman	Tsutomu Isobe	(Representative Director, Chairman, AMADA MACHINERY CO., LTD.) (Representative Director, Chairman, AMADA PRESS SYSTEM CO., LTD.) (Chairman, Japan Forming Machinery Association) (Director, AMADA SCHOOL) (Representative Director, The AMADA FOUNDATION)
Representative Director, President	Takaaki Yamanashi	
Director, Senior Executive Officer	Masahiko Tadokoro	Senior Executive General Manager of Engineering Sales & Service HQ
Director, Senior Executive Officer	Koji Yamamoto	Senior Executive General Manager of Global Business Strategic Promotion HQ
Director, Executive Officer	Kazuhiko Miwa	Executive General Manager of Financial Div., in charge of Legal Affairs
External Director	Masakazu Aoki	(Director and Chairman, Hitachi Global Life Solutions, Inc.)
External Director	Harumi Kobe	(Adviser, Aioi Nissay Dowa Insurance Co., Ltd.)
External Director	Hiroyuki Sasa	(External Director, Kyosan Electric Manufacturing Co., Ltd.) (External Director, Kanematsu Corporation) (Outside Director, MANI, INC.)
External Director	Toshitake Chino	
Full-time Audit & Supervisory Board Member	Kotaro Shibata	
Full-time Audit & Supervisory Board Member	Takashi Fujimoto	
External Audit & Supervisory Board Member	Seiji Nishiura	Tax accountant (Head, Seiji Nishiura Tax Accountant Office)
External Audit & Supervisory Board Member	Akiko Mochizuki	Lawyer (Partner lawyer, Athena Law Office) (External Director (Audit and Supervisory Committee), e'grand Co., Ltd.)

(Notes)

1. Mr. Masakazu Aoki was newly elected as Director at the 87th Ordinary General Meeting of Shareholders held on June 26, 2025 and assumed his office.
2. Director Hidekazu Miyoshi retired at the conclusion of the 87th Ordinary General Meeting of Shareholders held on June 26, 2025 due to the expiration of his term of office.
3. Audit & Supervisory Board Member Takashi Fujimoto not only served in positions in charge of control divisions at a consolidated subsidiary, but also was involved in operations related to international finance at previous post, and he has in-depth knowledge in finance and accounting.
4. Mr. Masakazu Aoki, Ms. Harumi Kobe, Messrs. Hiroyuki Sasa and Toshitake Chino are External Directors as prescribed in Article 2, Item 15 of the Companies Act. Also, the Company has notified Tokyo Stock Exchange, Inc. that the Company has designated Mr. Aoki, Ms. Kobe, Messrs. Sasa and Chino as Independent Officers as prescribed in the regulations of the Exchange.
5. Mr. Seiji Nishiura and Ms. Akiko Mochizuki are both External Audit & Supervisory Board Members as prescribed in Article 2, Item 16 of the Companies Act. Also, the Company has notified Tokyo Stock Exchange, Inc. that the Company has designated them as Independent Officers as prescribed in the regulations of the Exchange.

(2) Outline of Agreements for Limitation of Liability

Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with External Directors and External Audit & Supervisory Board Members to limit their liability for damages, as prescribed in Article 423, Paragraph 1 of the same Act. Liability limits based on this Agreement shall be the minimum liability stipulated in Article 425, Paragraph 1 of the same Act.

(3) Outline of Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insured parties covered by such insurance contracts are directors, audit & supervisory board members, executives of the Company and its subsidiaries, and the insured parties do not bear insurance premiums. The outline of the contents of the insurance contract is that the insurance company compensates for damages that may arise as a result of an insured party bearing responsibility for the execution of his or her duties or receiving a claim for bearing such responsibility. However, measures are taken so that the properness of the performance of duties by officers is not impaired by excluding the damages of officers themselves who engaged in bribery or other criminal acts or intentionally committed illegal acts from the scope of compensation.

(4) Compensation, etc. for Directors and Audit & Supervisory Board Members for the current fiscal year

1) Matters related to the decision-making policy concerning the details of compensation, etc. for each individual Director

The Company has established the following policy for determining the details of compensation, etc. (hereinafter referred to as the “Decision-making Policy”) for each individual director. In addition, the Company has established a voluntary compensation committee chaired by an External Director, as an advisory body to the Board of Directors. To revise the Decision-making Policy, the Compensation Committee is consulted on a draft of the new Decision-making Policy prepared by the Human Resources Division, before the Board of Directors makes a resolution by paying regard to such consultation.

<Basic policy>

The basic policy on the compensation system for Directors of the Company is: (a) to set the compensation system so that it can fully function as an incentive for the sustainable enhancement of corporate value toward the realization of long-term vision; and (b) to have a transparent and fair compensation system and decision-making process so that we can ensure accountability to shareholders and other stakeholders.

<Compensation level>

The level of compensation for Directors shall be set at an appropriate level based on their position and responsibilities and reviewed from time to time and as appropriate in light of changes in the business environment, external research data, etc.

<Compensation structure>

The compensation for Directors shall be structured to function sufficiently as an incentive to continuously improve corporate value toward the realization of the long-term vision and medium-term business plans. Specifically, the compensation for Directors (excluding External Directors) shall consist of: (a) basic compensation as fixed compensation; (b) bonuses as performance-linked compensation; and (c) stock compensation as performance-linked compensation.

The performance-linked compensation (bonuses) is designed so that the ratio of performance-linked compensation (bonuses) to total compensation for Directors increases in proportion to the growth of the Company’s business performance. The performance-linked compensation (stock compensation) is designed so that the ratio of stock compensation to total compensation for Directors increases according to the level of position ranks.

Compensation for External Directors, who are responsible for supervisory functions, shall solely consist of basic compensation considering their independence from business execution.

i) Basic compensation

The basic compensation for Directors of the Company shall be fixed monthly compensation in cash, and the amount to be paid to each individual shall be determined based on the standard amount of compensation previously determined in accordance with positions and responsibilities.

ii) Performance-linked compensation (bonuses)

Performance-linked bonuses, positioned as short-term incentives, shall be cash compensation reflecting a performance indicator and paid at a predetermined time each year. The performance indicator shall be profit attributable to owners of parent for a single fiscal year (hereinafter referred to as “Profit”), as not only it is important as a management indicator but also as a source of dividends it reflects the perspective of shareholders. Specifically, the total amount to be paid shall be determined by considering the number of employees eligible for payment and the growth rate of dividends, up to the amount calculated by multiplying Profit of each fiscal year by a rate of 1/50 of the dividend payout ratio (%), and the amount shall be calculated by increasing or decreasing a certain percentage of the amount according to the performance results, with individual allocations determined according to positions and responsibilities.

iii) Performance-linked compensation (stock compensation)

Performance-linked stock compensation (Board Incentive Plan (BIP) Trust plan*), which is positioned as a medium- to long-term incentive, aims to increase Directors’ motivation to contribute to improving the Company’s corporate value over the medium- to long-term, and to further heighten the sense of shared interests with shareholders by encouraging the ownership of the Company shares. This system covers the fiscal years under the Company’s medium-term business plan (hereinafter referred to as the “target period”), and the achievement level of performance indicators are evaluated for each fiscal year during the target period, with stocks issued to Directors after the end of the target period.

Specifically, Directors (excluding External Directors) shall be granted points according to their position ranks as the right to receive shares each fiscal year. The number of points varies within the range of 0-200% depending on the achievement level of performance indicators, and one Company share per point shall be issued to each Director. Performance indicators shall be set in line with management indicators stipulated in the Company’s medium-term management plan, and the key management indicators used for the initial target period shall be: (a) revenue; (b) operating profit; and (c) ROE.

In addition, if a Director is found to have committed serious fraud or illegal conduct, the Company may confiscate any points already granted to that Director (malus clause) or claim the refund of the money equivalent to the Company shares etc. delivered to that Director (clawback clause).

(*) The Board Incentive Plan (BIP) Trust is an incentive plan for officers/executives that is modeled after the US Performance Share system and Restricted Stock system.

<Process for determining compensation>

The Board of Directors has the authority to decide the amount of compensation for each individual Director of the Company and the method of calculation thereof and shall consult with a voluntary compensation committee chaired by an External Director and respect the content of such consultation before determining the amount of compensation within the range of the total amount approved at the General Meeting of Shareholders.

The amount of monetary compensation for Directors of the Company was resolved at the 81st Ordinary General Meeting of Shareholders held on June 26, 2019 to be within 468 million yen per year (including within 50 million yen per year for External Directors). (The number of Directors at the conclusion of this Meeting was eight (8), including three (3) External Directors.)

In addition, the amount of stock compensation for Directors of the Company was resolved at the 86th Ordinary General Meeting of Shareholders held on June 27, 2024 to be: (a) 150 million yen per fiscal year multiplied by the number of years of the target period (the upper limit of the amount to be contributed by the Company); and (b) 200,000 points per fiscal year (the upper limit of the number of points (number of the Company shares) to be granted by the Company in one fiscal year). (The number of Directors at the conclusion of the said Meeting was nine (9), including four (4) External Directors.)

2) Reasons why the Board of Directors determined that the details of compensation, etc. for each individual

Director regarding the current fiscal year are in line with the Decision-making Policy

In determining the details of compensation, etc. for each individual Director, the voluntary Compensation Committee deliberates on the draft from various perspectives, including consistency with the Decision-making Policy, and the Board of Directors generally respects the report of the Committee. Accordingly, the Board of Directors believes that the details of compensation, etc. for each individual Director is in line with the Decision-making Policy.

3) Matters concerning the resolution of compensation, etc. for Audit & Supervisory Board Members by resolution of the General Meeting of Shareholders

The amount of monetary compensation for the Company's Audit & Supervisory Board Members was resolved at the 48th Ordinary General Meeting of Shareholders held on June 27, 1986 to be within 4 million yen per month. The number of Audit & Supervisory Board Members as of the close of this Ordinary General Meeting of Shareholders was three (3).

4) Total amount of compensation, etc. for Directors and Audit & Supervisory Board Members

Category of officers	Total amount of compensation, etc. (million yen)	Total amount of compensation, etc. by type (million yen)			Number of eligible officers
		Basic compensation	Performance-linked compensation	Non-monetary compensation, etc.	
Director (Outside)	440 (48)	237 (48)	171 (-)	31 (-)	10 (5)
Audit & Supervisory Board Member (Outside)	41 (14)	41 (14)	-	-	4 (2)
Total	482	279	171	31	14 (7)

(Notes) 1. Bonuses are paid to Directors as performance-linked compensation. The performance indicator selected as the basis for the calculation of the bonus is Profit for a single fiscal year, and the trend of Profit including for the current fiscal year is as described in "1. (5) Changes in Operating Results and Financial Position."

2. Non-monetary compensation, etc. is based on the performance-linked stock compensation (Board Incentive Plan (BIP) Trust plan). The details of the non-monetary compensation, etc. are as described in "1) Matters related to the decision-making policy concerning the details of compensation, etc. for each individual Director," and the results of the performance indicators are as described in "1. (5) Changes in Operating Results and Financial Position."

(5) Matters Concerning Outside Officers

1) Important concurrent positions held in other organizations and relationships between those organizations and the Company

Category	Name	Name of other organizations	Positions held in other organizations	Relationships between those organizations and the Company
Director	Masakazu Aoki	Hitachi Global Life Solutions, Inc.	Director and Chairman	There is no special relationship.
	Harumi Kobe	Aioi Nissay Dowa Insurance Co., Ltd.	Adviser	There is no special relationship.
	Hiroyuki Sasa	Kyosan Electric Manufacturing Co., Ltd.	External Director	There is no special relationship.
		Kanematsu Corporation	External Director	There is no special relationship.
		MANI, INC.	Outside Director	There is no special relationship.
	Toshitake Chino	-	-	-
Audit & Supervisory Board Member	Seiji Nishiura	Seiji Nishiura Tax Accountant Office	Head	There is no special relationship.
	Akiko Mochizuki	Athena Law Office	Partner lawyer	There is no special relationship.
		e'grand Co., Ltd.	External Director (Audit and Supervisory Committee)	There is no special relationship.

2) Major activities during the current fiscal year

Category	Name	Major activities
Director	Masakazu Aoki	Assumed office on June 26, 2025, and since attended all 7 Board of Directors meetings held during the current fiscal year, and expressed his opinions based on his expertise and experience as former business manager at a global company. In addition, as a member of the Nomination Committee and Compensation Committee, he has appropriately fulfilled the role expected of an External Director by providing opinions and proposals based on his knowledge.
	Harumi Kobe	Attended all 9 Board of Directors meetings held during the current fiscal year. She has appropriately fulfilled the role expected of an External Director by providing opinions and proposals from a new perspective, based on her expertise and experience as a former bureaucrat. In addition, as a member of the Nomination Committee and Compensation Committee, she has appropriately fulfilled the role expected of an External Director by providing opinions and proposals based on her knowledge.
	Hiroyuki Sasa	Attended all 9 Board of Directors meetings held during the current fiscal year and expressed his opinions based on his expertise and experience as former business manager at a global company. As the Chairman of the Nomination Committee, he also leads the operation of the committee with fairness and high transparency. In addition, as a member of the Compensation Committee, he has appropriately fulfilled the role expected of an External Director by providing opinions and proposals based on his knowledge.
	Toshitake Chino	Attended all 9 Board of Directors meetings held during the current fiscal year and expressed his opinions based on his expertise and experience as former editor and business manager at a newspaper company. As the Chairman of the Compensation Committee, he also leads the operation of the committee with fairness and high transparency. In addition, as a member of the Nomination Committee, he has appropriately fulfilled the role expected of an External Director by providing opinions and proposals based on his knowledge.
Audit & Supervisory Board Member	Seiji Nishiura	Attended all 9 Board of Directors meetings and all 11 Audit & Supervisory Board meetings held during the current fiscal year, and expressed his opinions from his professional viewpoint as a certified tax accountant. In addition, conducted audits of business offices and reported to the Audit & Supervisory Board in accordance with audit policies determined by the Audit & Supervisory Board.
	Akiko Mochizuki	Attended 7 out of the 9 Board of Directors meetings and 9 out of the 11 Audit & Supervisory Board meetings held during the current fiscal year, and expressed her opinions from her professional viewpoint as an attorney at law. In addition, conducted audits of business offices and reported to the Audit & Supervisory Board in accordance with audit policies determined by the Audit & Supervisory Board.

(Note) In addition to the number of Board of Directors meetings attended listed above, there was one written resolution deemed to have been adopted by the Board of Directors pursuant to Article 370 of the Companies Act and Article 23 of the Company's Articles of Incorporation.

Accounting Auditor

(1) Name of Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Compensation and Other Property Benefits to the Accounting Auditor for the Current Fiscal Year

1) Compensation for audit activities under Article 2, Paragraph 1 of the Certified Public Accountants Act

175 million yen

2) Total amount of cash and other property benefits to be paid by the Company and its subsidiaries

265 million yen

(Notes)

1. The Audit & Supervisory Board has given consent under Article 399, Paragraph 1 of the Companies Act for compensation and other property benefits to the Accounting Auditor after reviewing changes in audit hours by audit item and amounts of compensation for audits as well as audit plans and performance in past years, and examining the adequacy of the audit hours and estimated amount of compensation for the current fiscal year.
2. Since the audit agreement concluded between the Company and the Accounting Auditor does not distinguish between compensation for audits performed under the Companies Act and audits performed under the Financial Instruments and Exchange Act, the amount of compensation for audits stated in 1) above are the total of these amounts.
3. The Company has engaged the Accounting Auditor to provide advisory services related to disclosure of sustainability information, as non-audit services outside the scope of the duties set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act, and has paid a fee for such services.
4. Important overseas consolidated subsidiaries of the Company were audited by the audit firms other than the Accounting Auditor of the Company.

(3) Policy on Determining Dismissal, or Non-reappointment of Accounting Auditor

The Audit & Supervisory Board will determine the content of a proposal for the dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders if it judges that there are issues with the competence, independence, or reliability as an accounting auditor.

In addition, if any of the reasons provided for in Article 340, Paragraph 1 of the Companies Act is found to apply to the Accounting Auditor, the Audit & Supervisory Board will dismiss the Accounting Auditor based on the unanimous agreement of the Audit & Supervisory Board Members. In such case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board will report the dismissal and the reasons therefor at the first General Meeting of Shareholders convened after the dismissal.

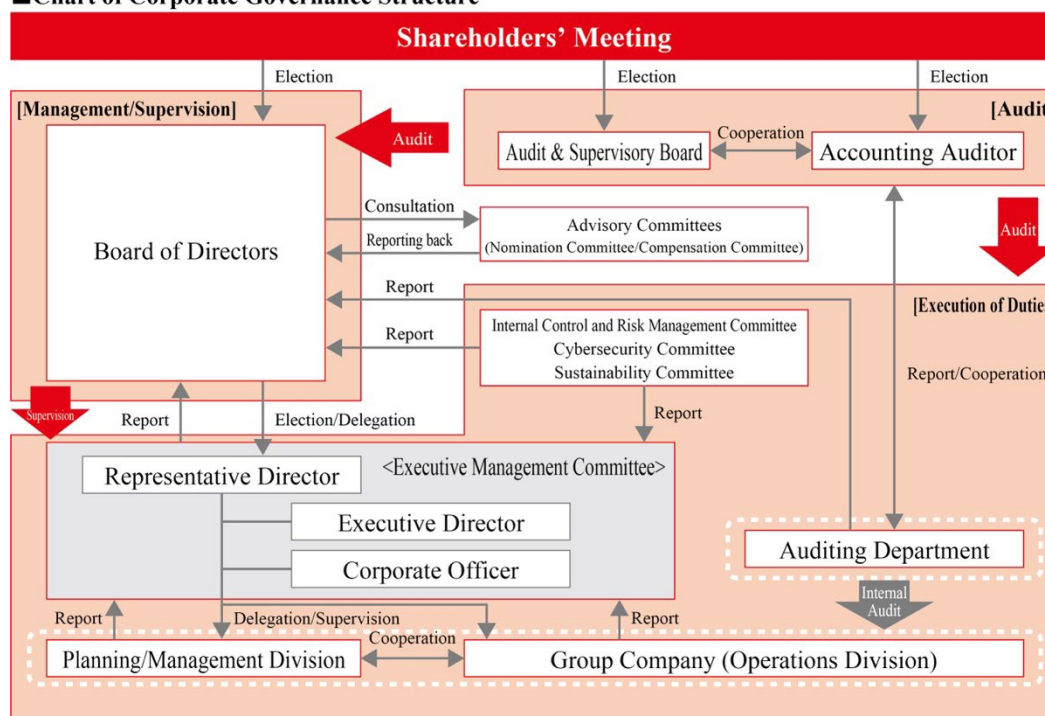
Corporate Governance Structure

Basic Approach and Structure for Corporate Governance

Sound corporate activities based upon high ethical standards and fairness is a crucial part of our business; therefore, we will endeavor to strengthen corporate governance according to the principles stated below to ensure transparency and compliance across our management and operations as our fundamental objective:

- 1) Strive to protect shareholders' rights and ensure the equitable treatment of all shareholders
- 2) Strive to appropriately collaborate with stakeholders other than shareholders
- 3) Strive to ensure proper disclosure and transparency of information
- 4) Strive to have the Board of Directors appropriately fulfill its roles and responsibilities, reflecting upon fiduciary duty and accountability to the shareholders
- 5) Strive to have constructive dialogue with shareholders

■Chart of Corporate Governance Structure



Frameworks for Proper Operations and the Management of Frameworks

(1) Frameworks for Proper Operations

Regarding the development of frameworks to ensure proper operations, the Company has determined the following basic policies resolved by the Board of Directors.

1) Framework for compliance with laws, ordinances and the Articles of Incorporation in execution of duties by Directors and employees of the Company and the subsidiaries (hereinafter referred to as the “Company Group”)

Our Directors shall determine a basic policy for compliance (observance of laws, ordinances, internal rules, etc.) for the Company Group, to develop organizations and rules for its realization, and promote a compliance system by integrating activities of the Group companies. Furthermore, compliance education will be conducted, and the procedure to follow in the event of a violation shall be clarified and disseminated throughout the Group companies. The Auditing Department shall conduct internal audits of the Company Group on development and operation of the compliance system.

In order to secure the reliability of financial reporting, an internal control reporting system shall be developed for effective and efficient operations and evaluation.

i) Norms shared in the Company Group

The “Amada Group Management Philosophy” and the “Amada Group Corporate Code of Conduct” shall be defined to ensure constant awareness of the need to comply with laws, ordinances and the Articles of Incorporation in our businesses, and they shall be thoroughly disseminated and supervised.

ii) Internal Control and Risk Management Committee

The Committee shall maintain and improve the internal control systems and develop the compliance framework.

2) Framework for retention and management of information regarding our Directors’ execution of duties

The minutes of important meetings, such as General Meeting of Shareholders, Board of Directors meetings and Expert Committee meetings, and other information concerning the execution of Directors’ duties shall be properly retained and managed and made available for browsing by Directors and Audit & Supervisory Board Members as needed in compliance with laws, ordinances, internal regulations and rules.

3) Rules and other systems for management of Company Group’s risk of loss

i) The Basic Rules on Risk Management stipulate basic matters related to risk management, to prevent the Company Group from incurring losses or to minimize losses should they occur. The Internal Control and Risk Management Committee shall centrally manage the Company Group’s risks and promote organization-wide risk management. In addition, to ensure that information on matters such as fraud or compliance violations is reported without omission, rules on investigation, clarification and communication networks regarding fraud and risk information shall be defined and thoroughly disseminated in the Group companies.

ii) For individual risk management, responses to various risks are handled by relevant Expert Committees, as well as Risk Management Subcommittee established as subordinate organizations of the Internal Control and Risk Management Committee, and the department in charge of risk.

iii) In the event of a major incident, accident, natural disaster, or other emergency that is deemed to require a company-wide response, an emergency task force shall be established to take swift action on crisis management.

iv) The Auditing Department shall conduct internal audits of the Company Group on development and operation of the risk management framework.

- 4) Framework for ensuring the efficiency of the execution of duties by Company Group's Directors
 - i) The Board of Directors shall determine and supervise the execution of duties concerning matters prescribed by laws, ordinances and the Articles of Incorporation and the important management matters based on the Regulations of the Board of Directors.
 - ii) In order to expedite a decision-making process by selected members of the Board of Directors and enhance the performance by separating the executive body, a corporate officer system is adopted. The President shall instruct and convey the policies and decisions resolved by the Board of Directors, and Corporate Officers shall report on the progress in their execution of duties to the Board of Directors, President and Audit & Supervisory Members upon individual requests.
 - iii) The Executive Management Committee and Expert Committees shall discuss the important matters to be proposed to the Board of Directors in advance, support the decision-making of the Board, and deliberate on the matters delegated by the Board.
- 5) Framework for reporting system on execution of duties by Directors, etc. of the Company Group and systems for proper execution of businesses
 - i) The Company Group shall establish the "Amada Group Management Philosophy," "Amada Group Corporate Code of Conduct," etc. as the basic principles of the Group as a whole.
 - ii) The Company Group shall, based on the Regulations of the Board of Directors, seek approval or report to the Board of Directors on the important management matters, including the matters of subsidiaries, regularly receive reports on the business plan, etc. from the subsidiaries, and confirm the appropriateness of subsidiaries' operations.
 - iii) Regarding the management of the Group companies, a department and the person in charge shall be clarified to secure proper operation pursuant to the provisions of the "Rules on Administrative Authorities of Affiliates in Japan" and "Operations Management Rules for Overseas Affiliates."
 - iv) The Auditing Department shall conduct audits on the performance of business, compliance framework, etc. of departments and the Group companies, monitor and provide advice and recommendations for improvements, and report the result to the Board of Directors, President, Audit & Supervisory Board Members, and the Internal Control and Risk Management Committee.
- 6) Matters concerning i) employees assisting the Audit & Supervisory Board Members, ii) independence of the said employee from Directors, and iii) effectiveness of instruction on the said employee
 - i) When the Audit & Supervisory Board Members seek an employee as their assistant, such employee shall be assigned to ensure effective performance of their duties. Selection of the said employee shall be determined upon consultation between the Representative Director and the Audit & Supervisory Board Members.
 - ii) When the above employee is assigned to assist the Audit & Supervisory Board Members in their duties, any appointment or transfer of the said employee shall require the consent of the Members and their opinions shall be fully considered in the personnel evaluation of the employee.
 - iii) The Audit & Supervisory Board shall have a secretariat established, and it shall prepare, retain and manage the minutes.
- 7) Framework for reporting systems to the Audit & Supervisory Board Members by Directors and employees of the Company Group, including a ban on unfavorable treatment on whistleblowers
 - i) Directors, Corporate Officers and employees (hereinafter referred to as the "Corporate Officers and employees") shall immediately report to the Audit & Supervisory Board Members when there is any event

that has a significant impact on the Company Group, or when there is a possibility of such event. Furthermore, Corporate Officers and employees shall report and provide the necessary information as requested by the Members.

- ii) The framework shall ensure that a Corporate Officer or employee who has reported an event to the Audit & Supervisory Board Members will not be treated unfavorably on the grounds of that report.
- 8) Matters concerning procedure for advance payment or reimbursement of costs incurred in the course of performing duties by Audit & Supervisory Board Members and policies on processing of costs or debts incurred by other duties of Members.

The cost that the Audit & Supervisory Board Members require to perform their duties shall be budgeted according to the Audit Plan of the Members in advance and any emergency or ad hoc spending required in the course of audit, including an investigation, shall be prepaid or reimbursed.

- 9) Other frameworks for ensuring effective audit by the Audit & Supervisory Board Members
- i) The Audit & Supervisory Board may use the services of lawyers, certified public accountants, consultants or other outside advisors at their own discretion when deemed necessary for the audit.
 - ii) The Audit & Supervisory Board Members shall receive an explanation about the content of the accounting audit conducted by Accounting Auditor and promote exchange of information.

(2) Overview of the Management of Frameworks for Proper Operations

Based on the above basic policies regarding the development of frameworks, the Company implements the following measures.

1) Measures related to compliance

For the purpose of maintaining and improving the internal control systems and developing the compliance framework, the Internal Control and Risk Management Committee was established, and its meetings are, in principle, regularly held twice a year. In addition, for the purpose of early detection and correction of legal violation and fraud, the whistle-blowing system is in place, which connects a whistleblower to the Auditing Department and outside contracting companies acting as contact points. The Internal Reporting Rules in compliance with the Whistleblower Protection Act provides that any whistleblowers or persons aiding investigations shall not be treated unfavorably. Furthermore, as a measure to promote compliance education and compliance awareness activities, we continued the provision of group education, including at overseas subsidiaries, and online education that is available as needed (covering topics such as anti-corruption and harassment prevention).

2) Measures related to execution of duties by Directors

The Company resolves important matters and supervises the execution of duties by Directors at the Board of Directors meetings. In the fiscal year under review, the Board of Directors meetings were held nine times, and there was one written resolution deemed to be adopted by the Board of Directors. In addition, the Nomination Committee and the Compensation Committee, which is composed of a majority of External Directors and is chaired by an External Director, serves as an advisory body to the Board of Directors. Meetings are held as needed, and deliberations are conducted by making use of the knowledge and advice of External Directors, as part of efforts to ensure the independence and objectivity of the Board of Directors. In addition, four External Directors including one female External Director attended the Board of Directors meetings and other important meetings to offer their apt and candid opinions and are committed to monitoring and supervising the management.

During the fiscal year under review, the Board of Directors discussed the transition to a Company with an Audit & Supervisory Committee as part of efforts to further enhance corporate governance, and also deliberated on basic policies and specific measures for the Medium-term Business Plan commencing in fiscal 2026.

3) Measures related to risk management

The Basic Rules on Risk Management stipulate basic matters related to risk management, to prevent the Company Group from incurring losses or to minimize losses should they occur, and the Company Group strives for risk management by considering countermeasures from normal times. The Internal Control and Risk Management Committee centrally manage the Company Group's risks and promote organization-wide risk management. As for individual risks, the Risk Management Subcommittee, a subordinate organization of the Internal Control and Risk Management Committee, verifies risk assessments and any progress. In doing so, the Subcommittee uses the material risk management sheet for managing the important risks at the Group level, such as those pertaining to personnel, property, money, and information. In addition, risks are managed by expert committees, such as the Cybersecurity Committee, Export Control Center, and General Health and Safety Committee.

In particular, to be prepared for security risks, the Cybersecurity Committee prepares, implements, and reports on a risk assessment and countermeasure plan on an ongoing basis as a cyclical process to strengthen group-wide IT governance on a global scale. At the same time, the Committee also provides education and training programs aimed at raising the security level of all employees to improve their security literacy.

4) Measures related to management of Group companies

The Group companies are managed pursuant to the "Rules on Administrative Authorities of Affiliates in

Japan” and “Operations Management Rules for Overseas Affiliates” to improve operational efficiency and optimization. A department in charge of each subsidiary actively performs the role of guiding management. The Auditing Department, as an independent division directly reporting to the President, checks the progress of development and operations of the internal control systems of the Company Group and is committed to early detection of any issues and prevention of occurrence of losses. The Auditing Department provides recommendations and guidance on improvements and monitors the progress. The operation status of these internal control systems is reported directly to the Board of Directors and the Audit & Supervisory Board.

5) Measures related to audit by Audit & Supervisory Board Members

In accordance with audit policies and division of duties, Audit & Supervisory Board Members attended the Board of Directors meetings and other important meetings to audit the operation of the proceedings and the content of resolutions in compliance with the Company’s auditing standards for Audit & Supervisory Board Members. At these meetings, they expressed their opinions as necessary. In addition, Full-time Audit & Supervisory Board Members attended important meetings, heard reports on businesses from the Company’s Directors and subsidiaries, and inspected important approval documents and contract documents to investigate the status of business operations and assets of the Company and its major subsidiaries. At the same time, Audit & Supervisory Board Members received reports on the status of the execution of duties from the Accounting Auditor and requested explanations as necessary.

The Audit & Supervisory Board have discussed and resolved on matters, such as prior approval for non-assurance services provided by the Accounting Auditor, etc., the audit policies, audit plans, and division of duties for Audit & Supervisory Board Members, as well as the evaluation of the Accounting Auditor, their reappointment/non-reappointment, and draft audit reports. Furthermore, the Board directly received reports from the Auditing Department and held collaborative meetings with External Directors twice a year to exchange information and opinions. The Audit & Supervisory Board meetings were held 11 times during the fiscal year under review.

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Amounts and the number of shares shown in this business report are rounded down to the whole number of the unit of presentation.

## Consolidated Statement of Financial Position

(Millions of yen; amounts less than one million yen are truncated.)

| Account                                       | Current fiscal year<br>(As of March 31, 2026) | (Reference)<br>Previous fiscal year<br>(As of March 31, 2025) | Account                                       | Current fiscal year<br>(As of March 31, 2026) | (Reference)<br>Previous fiscal year<br>(As of March 31, 2025) |
|-----------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|
| (Assets)                                      |                                               |                                                               | (Liabilities)                                 |                                               |                                                               |
| Current assets                                |                                               |                                                               | Current liabilities                           |                                               |                                                               |
| Cash and cash equivalents                     | 153,626                                       | 104,841                                                       | Trade and other payables                      | 51,809                                        | 42,320                                                        |
| Trade and other receivables                   | 158,052                                       | 142,716                                                       | Borrowings                                    | 72,800                                        | 10,954                                                        |
| Inventories                                   | 157,746                                       | 131,432                                                       | Income taxes payable                          | 12,910                                        | 6,850                                                         |
| Other financial assets                        | 10,682                                        | 27,707                                                        | Other financial liabilities                   | 3,703                                         | 2,680                                                         |
| Other current assets                          | 17,602                                        | 7,814                                                         | Provisions                                    | 4,412                                         | 2,159                                                         |
| Subtotal                                      | 497,709                                       | 414,511                                                       | Other current liabilities                     | 51,489                                        | 41,845                                                        |
| Assets held for sale                          | 324                                           | -                                                             | Total current liabilities                     | 197,125                                       | 106,809                                                       |
| Total current assets                          | 498,034                                       | 414,511                                                       | Non-current liabilities                       |                                               |                                                               |
| Non-current assets                            |                                               |                                                               | Borrowings                                    | 8,000                                         | -                                                             |
| Property, plant and equipment                 | 182,199                                       | 175,797                                                       | Other financial liabilities                   | 11,999                                        | 10,684                                                        |
| Goodwill                                      | 31,104                                        | 6,748                                                         | Retirement benefit liability                  | 5,449                                         | 3,757                                                         |
| Intangible assets                             | 24,184                                        | 12,270                                                        | Provisions                                    | 175                                           | 8                                                             |
| Investments accounted for using equity method | 951                                           | 719                                                           | Deferred tax liabilities                      | 3,848                                         | 896                                                           |
| Other financial assets                        | 10,879                                        | 18,033                                                        | Other non-current liabilities                 | 5,153                                         | 3,984                                                         |
| Deferred tax assets                           | 16,044                                        | 12,564                                                        | Total non-current liabilities                 | 34,625                                        | 19,331                                                        |
| Other non-current assets                      | 8,710                                         | 9,246                                                         | Total liabilities                             | 231,751                                       | 126,141                                                       |
| Total non-current assets                      | 274,074                                       | 235,380                                                       | (Equity)                                      |                                               |                                                               |
| Total assets                                  | 772,109                                       | 649,891                                                       | Share capital                                 | 54,768                                        | 54,768                                                        |
|                                               |                                               |                                                               | Capital surplus                               | 83,588                                        | 101,635                                                       |
|                                               |                                               |                                                               | Retained earnings                             | 339,023                                       | 323,203                                                       |
|                                               |                                               |                                                               | Treasury shares                               | (11,791)                                      | (10,106)                                                      |
|                                               |                                               |                                                               | Other components of equity                    | 69,878                                        | 49,711                                                        |
|                                               |                                               |                                                               | Total equity attributable to owners of parent | 535,467                                       | 519,212                                                       |
|                                               |                                               |                                                               | Non-controlling interests                     | 4,891                                         | 4,537                                                         |
|                                               |                                               |                                                               | Total equity                                  | 540,358                                       | 523,750                                                       |
|                                               |                                               |                                                               | Total liabilities and equity                  | 772,109                                       | 649,891                                                       |

(Note) Figures for the previous fiscal year are provided for reference purposes only (not audited).

## Consolidated Statement of Profit or Loss

(Millions of yen; amounts less than one million yen are truncated.)

| Account                                                          | Current fiscal year<br>(From April 1, 2025 to March 31, 2026) | (Reference) Previous fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|------------------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------|
| Revenue                                                          | 437,372                                                       | 396,670                                                                    |
| Cost of sales                                                    | (259,831)                                                     | (224,282)                                                                  |
| Gross profit                                                     | 177,540                                                       | 172,388                                                                    |
| Selling, general and administrative expenses                     | (134,177)                                                     | (124,736)                                                                  |
| Other income                                                     | 2,150                                                         | 2,601                                                                      |
| Other expenses                                                   | (715)                                                         | (1,177)                                                                    |
| Operating profit                                                 | 44,798                                                        | 49,076                                                                     |
| Finance income                                                   | 4,043                                                         | 1,457                                                                      |
| Finance costs                                                    | (3,344)                                                       | (1,510)                                                                    |
| Share of profit of investments accounted for using equity method | 209                                                           | 134                                                                        |
| Profit before tax                                                | 45,706                                                        | 49,157                                                                     |
| Income tax expense                                               | (14,948)                                                      | (16,510)                                                                   |
| Profit                                                           | 30,757                                                        | 32,646                                                                     |
| Profit attributable to:                                          |                                                               |                                                                            |
| Owners of parent                                                 | 30,554                                                        | 32,386                                                                     |
| Non-controlling interests                                        | 203                                                           | 260                                                                        |
| Profit                                                           | 30,757                                                        | 32,646                                                                     |

(Note) Figures for the previous fiscal year are provided for reference purposes only (not audited).

## Non-consolidated Balance Sheet

(Millions of yen; amounts less than one million yen are truncated.)

| Account                                               | Current fiscal year<br>(As of March 31, 2026) | (Reference)<br>Previous fiscal year<br>(As of March 31, 2025) | Account                                               | Current fiscal year<br>(As of March 31, 2026) | (Reference)<br>Previous fiscal year<br>(As of March 31, 2025) |
|-------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------|---------------------------------------------------------------|
| (Assets)                                              |                                               |                                                               | (Liabilities)                                         |                                               |                                                               |
| Current assets                                        |                                               |                                                               | Current liabilities                                   |                                               |                                                               |
| Cash and deposits                                     | 66,666                                        | 54,642                                                        | Notes payable - trade                                 | 1                                             | 350                                                           |
| Notes receivable - trade                              | 5,857                                         | 5,927                                                         | Accounts payable - trade                              | 11,696                                        | 10,887                                                        |
| Accounts receivable - trade                           | 59,763                                        | 51,962                                                        | Electronically recorded obligations - operating       | 5,458                                         | 6,296                                                         |
| Securities                                            | 9,199                                         | 14,300                                                        | Short-term borrowings                                 | 60,600                                        | -                                                             |
| Merchandise and finished goods                        | 28,722                                        | 26,904                                                        | Current portion of long-term borrowings               | 2,000                                         | -                                                             |
| Work in process                                       | 3,671                                         | 3,763                                                         | Lease obligations                                     | 61                                            | 70                                                            |
| Raw materials and supplies                            | 15,242                                        | 15,072                                                        | Accounts payable - other                              | 1,033                                         | 1,121                                                         |
| Prepaid expenses                                      | 331                                           | 394                                                           | Accrued expenses                                      | 3,931                                         | 4,734                                                         |
| Short-term loans receivable                           | 6,199                                         | 2,857                                                         | Income taxes payable                                  | 7,483                                         | 3,811                                                         |
| Accounts receivable - other                           | 3,229                                         | 2,299                                                         | Contract liabilities                                  | 4,435                                         | 3,835                                                         |
| Other                                                 | 558                                           | 1,350                                                         | Deposits received                                     | 29,422                                        | 19,270                                                        |
| Allowance for doubtful accounts                       | (851)                                         | (795)                                                         | Provision for product warranty                        | 514                                           | 449                                                           |
| Total current assets                                  | 198,590                                       | 178,680                                                       | Provision for bonuses                                 | 2,799                                         | 2,750                                                         |
| Non-current assets                                    |                                               |                                                               | Provision for directors' bonuses                      | 178                                           | 195                                                           |
| Property, plant and equipment                         |                                               |                                                               | Other                                                 | 46                                            | 66                                                            |
| Buildings                                             | 61,121                                        | 63,519                                                        | Total current liabilities                             | 129,664                                       | 53,840                                                        |
| Structures                                            | 5,215                                         | 5,699                                                         | Non-current liabilities                               |                                               |                                                               |
| Machinery and equipment                               | 7,199                                         | 7,762                                                         | Long-term borrowings                                  | 8,000                                         | -                                                             |
| Vehicles                                              | 68                                            | 110                                                           | Lease obligations                                     | 1                                             | 4                                                             |
| Tools, furniture and fixtures                         | 2,522                                         | 3,117                                                         | Deferred tax liabilities for land revaluation         | 468                                           | 491                                                           |
| Assets for rent                                       | 5,021                                         | 5,296                                                         | Provision for retirement benefits                     | 174                                           | 157                                                           |
| Land                                                  | 32,606                                        | 32,634                                                        | Provision for share-based payments                    | 56                                            | -                                                             |
| Leased assets                                         | 4                                             | 12                                                            | Asset retirement obligations                          | 8                                             | 8                                                             |
| Construction in progress                              | 145                                           | 893                                                           | Long-term guarantee deposited                         | 786                                           | 802                                                           |
| Total property, plant and equipment                   | 113,904                                       | 119,046                                                       | Other                                                 | 381                                           | 508                                                           |
| Intangible assets                                     |                                               |                                                               | Total non-current liabilities                         | 9,878                                         | 1,973                                                         |
| Patent right                                          | 2                                             | 2                                                             | Total liabilities                                     | 139,542                                       | 55,814                                                        |
| Leasehold                                             | 130                                           | 130                                                           | (Net Assets)                                          |                                               |                                                               |
| Software                                              | 8,551                                         | 8,828                                                         | Shareholders' equity                                  |                                               |                                                               |
| Telephone subscription right                          | 114                                           | 114                                                           | Share capital                                         | 54,768                                        | 54,768                                                        |
| Other                                                 | 5                                             | 6                                                             | Capital surplus                                       |                                               |                                                               |
| Total intangible assets                               | 8,804                                         | 9,083                                                         | Legal capital surplus                                 | 163,199                                       | 163,199                                                       |
| Investments and other assets                          |                                               |                                                               | Capital surplus total                                 | 163,199                                       | 163,199                                                       |
| Investment securities                                 | 7,998                                         | 16,603                                                        | Retained earnings                                     |                                               |                                                               |
| Shares of subsidiaries and associates                 | 133,524                                       | 63,964                                                        | Legal retained earnings                               | 9,126                                         | 9,126                                                         |
| Investments in capital of subsidiaries and associates | 23,097                                        | 23,097                                                        | Other retained earnings                               |                                               |                                                               |
| Long-term loans receivable                            | 8,664                                         | 710                                                           | Reserve for reduction entry of land                   | 314                                           | 402                                                           |
| Long-term prepaid expenses                            | 618                                           | 880                                                           | Reserve for reduction entry of depreciable assets     | 4,254                                         | 4,569                                                         |
| Prepaid pension costs                                 | 10,136                                        | 8,909                                                         | General reserve                                       | 111,852                                       | 111,852                                                       |
| Deferred tax assets                                   | 2,424                                         | 1,398                                                         | Retained earnings brought forward                     | 45,811                                        | 38,991                                                        |
| Real estate lease investment assets                   | 217                                           | 441                                                           | Total retained earnings                               | 171,359                                       | 164,942                                                       |
| Other                                                 | 885                                           | 960                                                           | Treasury shares                                       | (11,791)                                      | (10,106)                                                      |
| Allowance for doubtful accounts                       | (591)                                         | (666)                                                         | Total shareholders' equity                            | 377,534                                       | 372,802                                                       |
| Total investments and other assets                    | 186,976                                       | 116,299                                                       | Valuation and translation adjustments                 |                                               |                                                               |
| Total non-current assets                              | 309,685                                       | 244,429                                                       | Valuation difference on available-for-sale securities | 16                                            | 3,259                                                         |
| Total assets                                          | 508,276                                       | 423,110                                                       | Revaluation reserve for land                          | (8,817)                                       | (8,766)                                                       |
|                                                       |                                               |                                                               | Total valuation and translation adjustments           | (8,800)                                       | (5,507)                                                       |
|                                                       |                                               |                                                               | Total net assets                                      | 368,734                                       | 367,295                                                       |
|                                                       |                                               |                                                               | Total liabilities and net assets                      | 508,276                                       | 423,110                                                       |

(Note) Figures for the previous fiscal year are provided for reference purposes only (not audited).

## Non-consolidated Statement of Income

(Millions of yen; amounts less than one million yen are truncated.)

| Account                                                | Current fiscal year<br>(From April 1, 2025 to March 31, 2026) | (Reference) Previous fiscal year<br>(From April 1, 2024 to March 31, 2025) |
|--------------------------------------------------------|---------------------------------------------------------------|----------------------------------------------------------------------------|
| Net sales                                              | 195,316                                                       | 189,498                                                                    |
| Cost of sales                                          | 128,750                                                       | 127,922                                                                    |
| Gross profit                                           | 66,566                                                        | 61,576                                                                     |
| Selling, general and administrative expenses           | 45,621                                                        | 44,835                                                                     |
| Operating profit                                       | 20,944                                                        | 16,740                                                                     |
| Non-operating income                                   | 35,144                                                        | 27,778                                                                     |
| Interest income                                        | 299                                                           | 195                                                                        |
| Interest on securities                                 | 142                                                           | 122                                                                        |
| Dividend income                                        | 23,029                                                        | 20,801                                                                     |
| Gain on sales of investment securities                 | 9,376                                                         | 5,393                                                                      |
| Commission fee                                         | 433                                                           | 433                                                                        |
| Foreign exchange gains                                 | 1,061                                                         | -                                                                          |
| Other                                                  | 802                                                           | 832                                                                        |
| Non-operating expenses                                 | 829                                                           | 1,236                                                                      |
| Interest expenses                                      | 569                                                           | 6                                                                          |
| Loss on sales of investment securities                 | 112                                                           | -                                                                          |
| Loss on valuation of derivatives                       | 99                                                            | 2                                                                          |
| Foreign exchange losses                                | -                                                             | 1,203                                                                      |
| Other                                                  | 47                                                            | 24                                                                         |
| Ordinary income                                        | 55,258                                                        | 43,282                                                                     |
| Extraordinary income                                   | 0                                                             | 6,803                                                                      |
| Gain on sales of non-current assets                    | 0                                                             | 1,132                                                                      |
| Gain on sales of shares of subsidiaries and associates | -                                                             | 193                                                                        |
| Gain on extinguishment of tie-in shares                | -                                                             | 5,250                                                                      |
| Recoveries of written off receivables                  | -                                                             | 227                                                                        |
| Extraordinary losses                                   | 522                                                           | 134                                                                        |
| Loss on retirement of non-current assets               | 383                                                           | 126                                                                        |
| Loss on revision of retirement benefit plan            | 59                                                            | -                                                                          |
| Other                                                  | 79                                                            | 7                                                                          |
| Income before income taxes                             | 54,736                                                        | 49,951                                                                     |
| Income taxes – current                                 | 10,671                                                        | 6,674                                                                      |
| Income taxes – deferred                                | (410)                                                         | 347                                                                        |
| Total income taxes                                     | 10,261                                                        | 7,021                                                                      |
| Profit                                                 | 44,475                                                        | 42,929                                                                     |

(Note) Figures for the previous fiscal year are provided for reference purposes only (not audited).