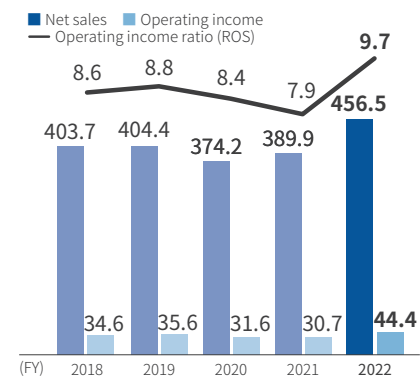


# Financial Highlights

## Profitability • Efficiency

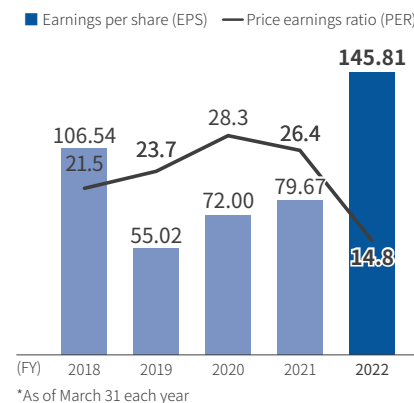
Net sales (Billions of yen)/Operating income (Billions of yen)/  
Operating income ratio (ROS) (%)



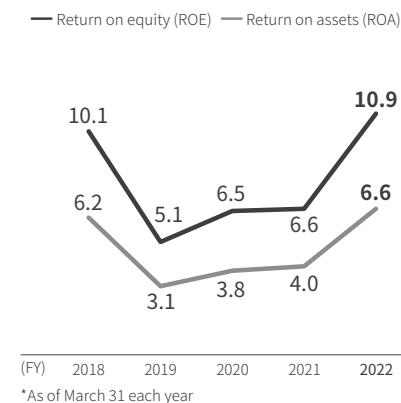
In fiscal year 2022, net sales increased mainly due to the impact of foreign exchange fluctuations. Operating income increased due to an increase in net sales and the impact of foreign exchange fluctuations despite the impact of lower gross margin and an increase in SG&A.

Return on equity (ROE) improved by 4.3 points with increased profit due to an increase in extraordinary income owing to the reaction to the decrease in the previous fiscal year's recording of business restructuring expenses and loss on valuation of investment securities, and a decrease in tax expenses owing to the recording of deferred tax assets. In addition, earnings per share increased by ¥66.14 year on year and price earnings ratio decreased by 11.6 points year on year.

Earnings per share (EPS) (Yen)/Price earnings ratio (PER) (%)

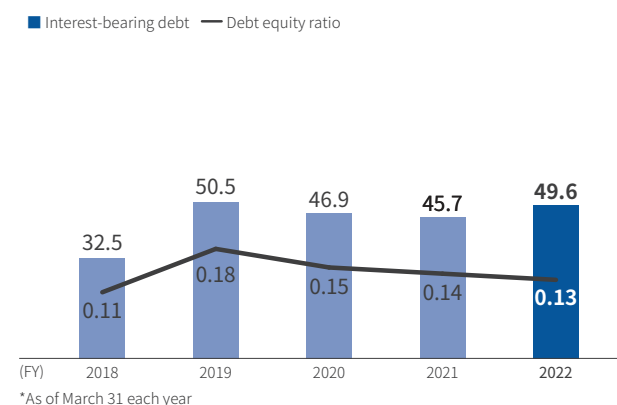


Return on equity (ROE) (%) / Return on assets (ROA) (%)



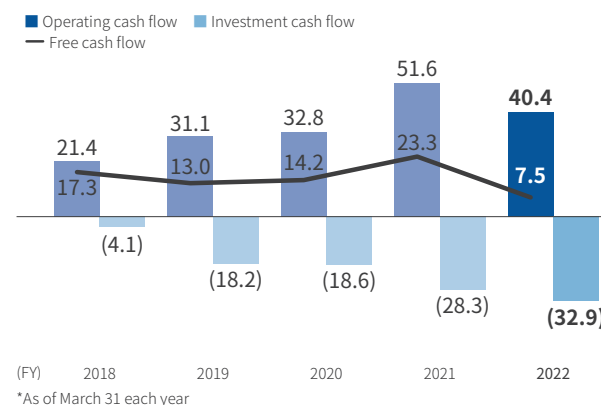
## Distribution of Earnings

Interest-bearing debt (Billions of yen)/Debt to equity ratio (Times)



We will repay interest-bearing debt and strengthen our financial base.

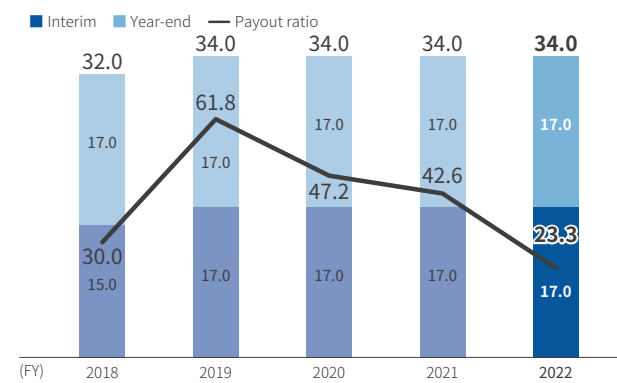
Cash flows (Billions of yen)



We generated operating cash flow of approximately ¥92.0 billion in total over two years from the beginning of AG2023, and allocated approximately ¥24.3 billion in total as capital investments for growth (strategic investments), including M&A and alliances, to maximize corporate value over the medium- to long-term.

To maximize shareholder value from a medium to long term perspective, we will continue to allocate cash flow optimally to maintain a financial base that supports growth, to invest in growth, and to return profits to shareholders.

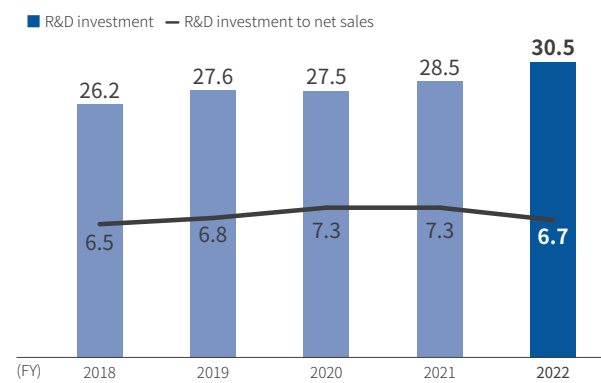
Dividend per share (Yen)/Payout ratio (%)



We recognize the distribution of earnings to shareholders as one of our highest management priorities and aim for a stable and continuous increase in dividends through earnings growth.

In addition, even when temporary factors lead to a downturn in financial results, we will strive to maintain a stable dividend rate based on the equity dividend rate.

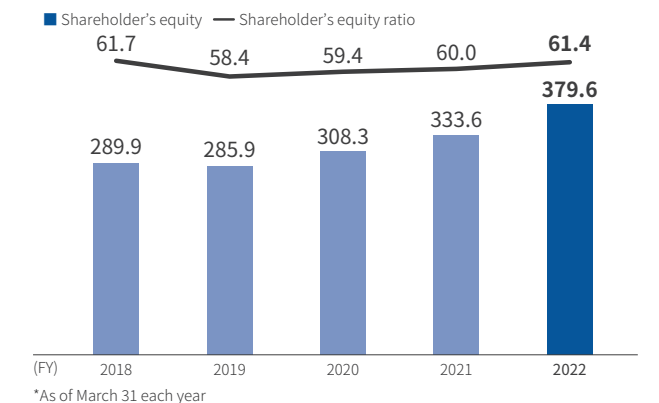
R&D investment (Billions of yen)/R&D investment to net sales (%)



The R&D expenditures ratio of net sales was maintained at approximately 7%, and R&D expenditures in fiscal year 2022 were ¥30.5 billion.

## Soundness

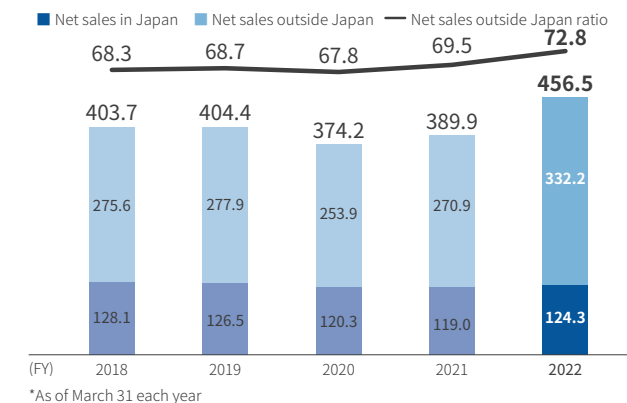
Shareholders' equity (Billions of yen)/Shareholders' equity ratio (%)



Shareholders' equity at the end of fiscal year 2022 increased mainly due to the recording of net income attributable to owners of parent.

We maintain a strong financial position to respond to any temporary deterioration in our performance.

Net sales in Japan and outside Japan (Billions of yen)/Net sales outside Japan ratio (%)



Overseas sales accounted for approximately 70% of net sales.

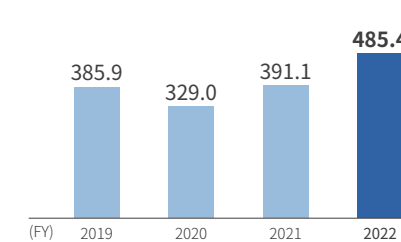
In fiscal year 2022, domestic sales increased while overseas sales also increased mainly due to the impact of foreign exchange fluctuations. Under the three subsegment structure of the industrial automation and control business, we will further grow our business, focusing on our focus areas.

## Highlights by Segment

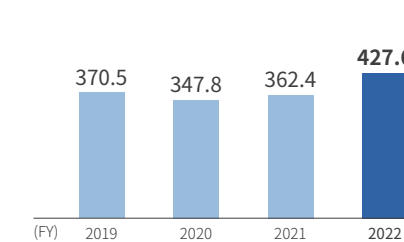
\* Due to the transfer of the aviation equipment business, the name of the reportable segment previously known as the "Aviation and Other Businesses" has been changed to the "New Businesses and Others" from fiscal year 2022.

### Industrial Automation and Control Business

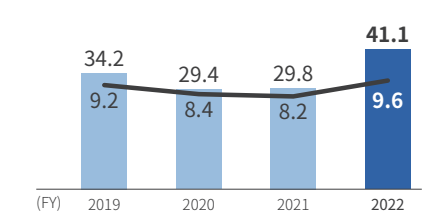
Orders (Billions of yen)



Net sales (Billions of yen)



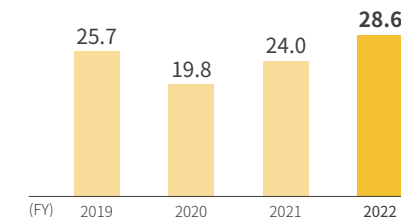
Operating income (Billions of yen)  
Operating income ratio (%)



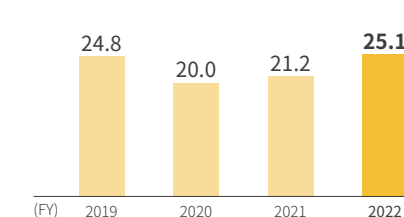
Orders received increased mainly due to the continued strong willingness of customers to invest against the backdrop of a full-fledged recovery in economic activity from COVID-19 and the impact of foreign exchange fluctuations. Sales increased mainly due to the impact of foreign exchange fluctuations, while operating income increased due to an increase in revenue and the impact of foreign exchange fluctuations.

### Measuring Instruments Business

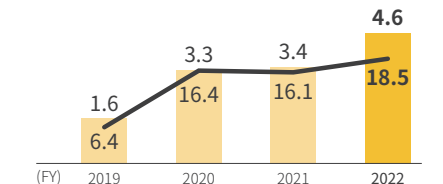
Orders (Billions of yen)



Net sales (Billions of yen)



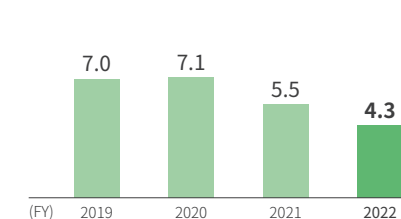
Operating income (Billions of yen)  
Operating income ratio (%)



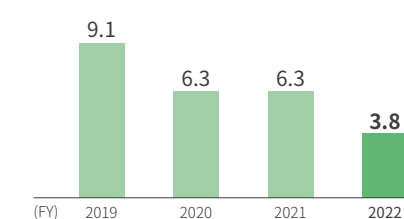
Orders, net sales, and operating income were all strong, resulting in increases of revenue and profit.

### New Businesses and Others

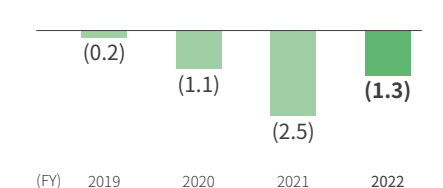
Orders (Billions of yen)



Net sales (Billions of yen)



Operating income (Billions of yen)  
Operating income ratio (%)



Due to the transfer of the aviation equipment business, orders and net sales decreased and operating loss shrunk.