

Translation

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Consolidated Financial Results
For the Fiscal Year Ended March 31, 2023
(Japanese GAAP)



May 15, 2023
Tokyo Stock Exchanges in Japan

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Date of the annual general shareholder's meeting : June 28, 2023
Payment date of cash dividends : June 29, 2023
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Supplemental materials prepared for financial results : Yes
Earnings announcement for financial results : Yes(Intended for securities analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 through March 31, 2023)

(1) Consolidated Financial Results (Percentage indicates change from the previous fiscal year)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	693,246	18.1	28,838	35.0	37,317	21.7	21,537	(32.7)
March 31, 2022	586,903	—	21,359	104.1	30,674	111.1	31,998	240.5

Note: Comprehensive income
Fiscal year ended March 31, 2023 36,917 million yen ((19.4) %)
Fiscal year ended March 31, 2022 45,791 million yen (110.7 %)

Fiscal year ended	Earnings per share, Basic	Earnings per share, Diluted	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to sales
	Yen	Yen	%	%	%
March 31, 2023	94.50	—	6.4	6.3	4.2
March 31, 2022	140.33	—	10.5	5.3	3.6

Reference: Equity in earnings (losses) of affiliates
Fiscal year ended March 31, 2023 979 million yen
Fiscal year ended March 31, 2022 1,159 million yen

Note: Since "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29), etc. have been applied from the beginning of the fiscal year ended March 31, 2022, the above amounts of consolidated results reflect the application of the accounting standard, etc.
Therefore, the rate of change in "Net sales" for the year ended March 31, 2022 is not stated.

(2) Consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	606,039	365,860	57.6	1,541.70
March 31, 2022	588,091	338,847	54.9	1,414.87

Reference: Shareholders' equity (Net assets excluding non-controlling interests)
As of March 31, 2023 349,221 million yen
As of March 31, 2022 322,614 million yen

(3) Consolidated Cash Flows

Fiscal year ended	Net cash provided by operating activities	Net cash provided by investing activities	Net cash provided by financing activities	Cash & cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2023	13,656	(41,758)	(11,546)	57,845
March 31, 2022	34,505	4,987	(27,658)	91,894

2. Dividends

Fiscal year ended	Cash dividends per share					Amount of dividends paid (Annual)	Dividend payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Full year			
March 31, 2022	—	12.00	—	15.00	27.00	6,156	19.2	2.0
March 31, 2023	—	15.00	—	17.00	32.00	7,277	33.9	2.2
Fiscal year ending March 31, 2024 (Forecast)	—	17.00	—	17.00	34.00		30.8	

3. Forecast of Consolidated Results for Fiscal Year Ending March 31, 2024

(April 1, 2023 through March 31, 2024)

(Percentage indicates change from the previous fiscal year / period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share, Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	345,000	3.7	8,000	(53.7)	11,000	(60.7)	6,000	(69.8)	26.49
Full year	750,000	8.2	35,000	21.4	40,000	7.2	25,000	16.1	110.37

4. Others

- (1) Changes of significant subsidiaries in fiscal year ended March 31, 2023 : No
(Transfer of subsidiaries resulting in changes in the scope of consolidation)
- (2) Changes in accounting policies, procedures and methods of presentation for preparing the consolidated financial statements
- | | |
|--|-------|
| [1] Changes due to revisions of accounting standards | : Yes |
| [2] Changes due to other reasons | : No |
| [3] Changes of estimation due to accounting issues | : No |
| [4] Restatements | : No |

- (3) Number of outstanding shares (Common Stock)

- [1] Number of outstanding shares

As of March 31, 2023	244,066,144 shares
As of March 31, 2022	244,066,144 shares

- [2] Number of treasury stock

As of March 31, 2023	17,548,689 shares
As of March 31, 2022	16,048,264 shares

- [3] Average number of shares (Cumulative)

Fiscal year ended March 31, 2023	227,914,964 shares
Fiscal year ended March 31, 2022	228,018,540 shares

(Reference)Non-consolidated Financial Results Highlights (April 1, 2022 through March 31, 2023)

- (1) Non-consolidated Financial Results (Percentage indicates change from the previous fiscal year)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	293,223	13.7	12,195	7.1	31,533	11.5	4,442	(85.7)
March 31, 2022	257,895	—	11,390	163.6	28,283	155.5	31,052	525.9

Fiscal year ended	Earnings per share, Basic		Earnings per share, Diluted	
	Yen		Yen	
March 31, 2023	19.49	—	—	—
March 31, 2022	136.18	—	—	—

Note: Since “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29), etc. have been applied from the beginning of the fiscal year ended March 31, 2022, the above amounts of consolidated results reflect the application of the accounting standard, etc.
Therefore, the rate of change in “Net sales” for the year ended March 31, 2022 is not stated.

- (2) Non-consolidated Financial Position

As of	Total assets	Net assets	Shareholders' equity to total assets	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	389,756	186,421	47.8	822.99
March 31, 2022	382,276	188,454	49.3	826.49

Reference: Shareholders' equity
Fiscal year ended March 31, 2023 186,421 million yen
Fiscal year ended March 31, 2022 188,454 million yen

* This earnings report is out of the scope of Audit by Independent Auditor.

* Explanation about appropriate use of the financial results forecasts, and other noteworthy matters

Statements related to the future, including the forecast of financial results, were based on the information available as of the date when this document was released.
Therefore, actual results may differ considerably due to various factors that might occur in the future.

Attached Documents

Table of Contents

1.	Information related to Consolidated Financial Results	2
(1)	Explanation of Consolidated Financial Results	2
(2)	Outlook for the next fiscal year	4
(3)	Explanation of Consolidated Financial Position	5
2.	Basic Approach in Selection of Accounting Standard	5
3.	Consolidated Financial Statements and Primary Notes	7
(1)	Consolidated Balance Sheets	8
(2)	Consolidated Statement of Income and Consolidated Statement of Comprehensive Income	10
	Consolidated Statement of Income	10
	Consolidated Statement of Comprehensive Income	11
(3)	Consolidated Statements of Changes in Net Assets	12
(4)	Consolidated Statement of Cash Flows	13
(5)	Notes to Consolidated Financial Statements	16
	(Notes to Going Concern Assumption)	16
	(Note to Significant Change in Accounting Policies)	16
	(Business Segment Information)	17
	(Reference Information)	20
	(Per Share Information)	21
	(Significant Subsequent Events)	22

1. Information related to Consolidated Financial Results

(1) Explanation of Consolidated Financial Results

During the fiscal year ended March 31, 2023 (hereinafter the “period under review”), the global economy showed signs of recovery, but the outlook remained uncertain due to the COVID-19 pandemic, the impact of supply shortages for semiconductors, soaring material prices, foreign exchange fluctuations, and the Russian invasion of Ukraine, among other factors.

In the automotive market, one of the main business fields of the Group, the production volume in Japan was 7,748 thousand units, an increase of 2.1% from the same period last year. In addition, in North America (U.S. and Canada), 11,664 thousand units were manufactured, up 8.2% from the same period last year. In China, 27,061 thousand units were manufactured, up 6.7% from the same period last year. In Thailand, 1,866 thousand units were manufactured, up 11.3% from the same period last year. (All calculations are based on the figures of each region at the end of the quarter.)

In the data communications market, the Group’s other main business field, the global production volume of hard disk drives (HDDs) declined year-on-year, resulting in a decrease in the total demand for suspensions, our main products.

As a result of the business environment mentioned above, the Group recorded net sales of 693,246 million yen (up 18.1% year-on-year), operating profit of 28,838 million yen (up 35.0% year-on-year), ordinary profit of 37,317 million yen (up 21.7% year-on-year) and profit attributable to owners of parent of 21,537 million yen (down 32.7% year-on-year).

Results by segment are as follows:

[Automotive Suspension Springs Business]

In the automotive suspension springs business, net sales were 146,847 million yen (up 30.0% year-on-year) due to the recovery from the impact of the COVID-19 pandemic, the reflection of soaring raw material prices and other factors in selling prices, and the increase in the yen equivalent value of overseas subsidiaries due to the weaker yen, despite the impact of production adjustments by automobile manufacturers due to semiconductor supply shortage and other factors. On the other hand, the Company posted an operating loss of 2,734 million yen (compared with an operating loss of 4,360 million yen in the previous fiscal year) due to soaring logistics costs, power and utilities costs, and labor costs.

[Automotive Seating Business]

In the automotive seating business, net sales of 273,787 million yen (up 31.4% year-on-year) and operating profit of 7,311 million yen (compared to an operating loss of 2,853 million yen in the same period last year). The business benefitted from signs of recovery from the fallout of the COVID-19 pandemic, and an increase in the yen value of overseas subsidiaries resulting from the weaker yen, despite being affected by production adjustments at automakers caused by supply shortages for semiconductors and other factors, as well as rising costs of raw materials, logistics, and power and utilities.

[Precision Springs and Components Business]

In the precision springs and components business, the automotive-related business was affected by production adjustments at automakers caused by supply shortages for semiconductors and other factors, as well as rising costs of raw materials, logistics, and power and utilities. In the information and data communications-related business, sales volume of HDD suspensions decreased.

As a result, the segment generated net sales of 159,415 million yen (down 1.8% year-on-year) and operating profit of 11,471 million yen (down 35.6% year-on-year).

[Industrial Machinery and Equipment, and Other Operations]

In the industrial machinery and equipment, and other operations, net sales were 113,196 million yen (up 9.7% year-on-year) and operating profit was 12,790 million yen (up 18.8% year-on-year) due to the recovery in the automobile-related businesses from the impact of the COVID-19 pandemic, generally strong orders for semiconductor process components, and the impact of the weaker yen.

(2) Outlook for the Next Fiscal Year

The global economy is expected to continue to generally recover, although conditions remain challenging due to the impact of COVID-19 and increased geopolitical risks. While the electrification of automobiles and the sophistication of information and communications continue to advance, it is still difficult to predict when the semiconductor supply for automotive applications will stabilize, although the shortage of semiconductors is gradually being resolved. In addition, the business environment surrounding the NHK Spring Group is changing drastically due the impact of the global financial tightening, as well as soaring raw material prices, logistics, and energy costs.

While further accelerating our response to the drastically changing business environment, our Group's challenge is to achieve sustainable growth by responding to global environmental conservation and maximizing the value of our human resources to enhance our corporate value over the medium- to long-term.

With severe market conditions expected to continue in fiscal 2023, the pace of recovery in automobile production is behind schedule based on the assumptions of the medium-term management plan. In addition, the HDD suspension market and the semiconductor process components market are expected to recover from the second half of fiscal 2023, although demand has been sluggish since the second half of fiscal 2022. In light of these circumstances, under the slogan "Achieve the 2023 Medium-Term Management Plan!," we have adopted the following group management policies for fiscal 2023: 1. Maintain an upstanding attitude, 2. Return to the basics of quality first and strengthen manufacturing capabilities, 3. Improve profitability, 4. Accelerate the development of new technologies and products, and 5. Create a safe and secure company and a rewarding and comfortable workplace. We will respond flexibly to changes in the environment and work together as a group to achieve the targets of the medium-term management plan. In addition, in order to remain a company that is trusted by all stakeholders, we recognize the importance of corporate ethics and will strive to enhance corporate governance and ensure compliance with laws and regulations.

In this business environment, for the fiscal year ending March 31, 2024, the Company forecasts net sales of 750,000 million yen (up 8.2% year-on-year), operating profit of 35,000 million yen (up 21.4% year-on-year), ordinary profit of 40,000 million yen (up 7.2% year-on-year), and profit attributable to owners of parent of 25,000 million yen (up 16.1% year-on-year).

(The assumed exchange rates are JPY 130.0/US dollar and JPY 3.8 yen/Thai Baht.)

(3) Explanation of Consolidated Financial Position

① <Assets, Liabilities and Net Assets>

Total assets at the end of the period under review increased by 17,948 million yen from the end of the previous fiscal year to 606,039 million yen. This is mainly attributable to an increase in trade receivables resulting from higher net sales, and an increase in the yen value of inventories and property, plant and equipment at overseas subsidiaries due to the weaker yen, which were partially offset by a decrease in cash and deposits due to payments of dividends and repayments of borrowings.

Liabilities decreased by 9,065 million yen from the end of the previous consolidated fiscal year to 240,179 million yen due to a decrease in trade payables resulting from reviewed terms of payment and other factors, as well as payments of income taxes and other factors, despite the impact of increased purchases and other factors.

Net assets increased by 27,013 million yen from the end of the previous fiscal year to 365,860 million yen. This is mainly attributable to an increase in foreign currency translation adjustment, and an increase in retained earnings owing to profit attributable to owners of parent.

② <Cash flows Data>

	The Fiscal year ended		Net Increase (Decrease)
	March 31, 2022	March 31, 2023	
	(Million of yen)		
Cash Flows from Operating Activities	34,505	13, 656	(20,849)
Cash Flows from Investing Activities	4,987	(41,758)	(46,745)
Cash Flows from Financing Activities	(27,658)	(11,546)	16,111
Effect of Exchange Rate Change on Cash and Cash Equivalents	1,073	5,598	4,524
Net Increase (Decrease) in Cash and Cash Equivalents	12,908	(34,049)	(46,958)
Cash and Cash Equivalents at Beginning of Period	78,986	91,894	12,908
Cash and Cash Equivalents at End of Period	91,894	57,845	(34,049)
Interest-Bearing Debt	50,504	50,016	(487)

Cash and cash equivalents (“Funds”) at the end of the current consolidated fiscal year were 57,845 million yen, down 37.1% year-on-year.

<Cash Flows from Operating Activities>

Cash flows from operating activities increased by 13,656 million yen (compared with an increase of 34,505 million yen in the previous fiscal year) due to net income before income taxes and other factors, despite payments of income taxes.

<Cash Flows from Investing Activities>

Cash flows from investing activities decreased by 41,758 million yen (compared with an increase of 4,987 million yen in the previous fiscal year) mainly due to the purchase of property, plant and equipment.

<Cash Flows from Financing Activities>

Cash flows from financing activities decreased by 11,546 million yen (compared with a decrease of 27,658 million yen in the previous fiscal year) mainly due to payments of dividends.

Free cash flows, which are cash flows from operating activities and investing activities, decreased by 28,101 million yen.

As a result of the above, cash and cash equivalents at the end of the current consolidated fiscal year decreased by 34,049 million yen from the end of the previous consolidated fiscal year to 57,845 million yen. In addition, interest-bearing liabilities were 50,016 million yen, a decrease of 487 million yen from the end of the previous consolidated fiscal year.

(Reference)

Trends in cash flow-related indicators

	Fiscal year ended				
	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022	March 31, 2023
Shareholders' Equity to Total Assets Ratio (%)	49.0	50.9	50.6	54.9	57.6
Shareholders' Equity to Total Assets Ratio Based on Fair Value (%)	41.1	31.3	33.7	34.3	35.4
Ratio of Cash Flow to Interest-Bearing Liabilities (year)	1.8	1.5	2.3	1.5	3.7
Interest Coverage Ratio (times)	128.5	121.1	83.3	92.1	47.3

*Shareholders' equity to total assets: (Net assets-Subscription rights to shares-Non-controlling interests)/Total assets

Shareholders' equity to total assets based on fair value: Total fair value of shares/Total assets

Ratio of cash flows to interest-bearing liabilities: Interest-bearing liabilities/Cash flows

Interest coverage ratio: Cash flows/Interest payments

1. All indicators are calculated based on the consolidated financial figures.
2. The total fair value of shares is calculated by multiplying the closing price of shares at the end of the fiscal year by the number of shares issued and outstanding at the end of the fiscal year (after deducting treasury stock).
3. “Cash flows” means the cash flows from operating activities stated on the Consolidated Statements of Cash Flows. “Interest-bearing liabilities” include all liabilities recorded on the Consolidated Balance Sheets for which interests are payable. In addition, the amount of interest payments is equivalent to “Interest paid” on the Consolidated Statements of Cash Flows.

2. Basic Approach in Selection of Accounting Standard

In order to ensure comparability with other domestic companies in the same industry, the Group applies Japanese GAAP for accounting standards.

However, the Company’s policy is to apply IFRS as appropriate, taking into consideration various conditions in Japan and overseas.

3. Consolidated Financial Statements and Primary Notes
 (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	92,130	72,948
Notes and accounts receivable - trade, and contract assets	138,124	146,793
Merchandise and finished goods	24,461	33,396
Work in process	11,487	13,114
Raw materials and supplies	27,244	33,339
Partly-finished goods	10,680	11,648
Other	21,277	26,024
Allowance for doubtful accounts	△126	△27
Total current assets	325,279	337,237
Non-current assets		
Property, plant and equipment		
Buildings and structures	157,256	160,712
Accumulated depreciation	△103,227	△108,933
Buildings and structures, net	54,028	51,779
Machinery, equipment and vehicles	283,793	296,394
Accumulated depreciation	△222,507	△237,348
Machinery, equipment and vehicles, net	61,286	59,045
Land	30,483	31,520
Leased assets	1,337	1,258
Accumulated depreciation	△818	△787
Leased assets, net	518	470
Construction in progress	10,275	14,314
Other	84,040	86,964
Accumulated depreciation	△74,415	△77,825
Other, net	9,624	9,138
Total property, plant and equipment	166,217	166,269
Intangible assets	3,034	3,317
Investments and other assets		
Investment securities	58,703	62,287
Long-term loans receivable	1,670	1,796
Deferred tax assets	10,050	10,161
Retirement benefit asset	13,199	14,410
Other	10,839	12,200
Allowance for doubtful accounts	△904	△1,642
Total investments and other assets	93,559	99,214
Total non-current assets	262,811	268,801
Total assets	588,091	606,039

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	80,027	91,525
Electronically recorded obligations - operating	31,162	18,147
Short-term borrowings	28,672	21,167
Income taxes payable	12,652	4,400
Provision for bonuses	9,769	10,038
Provision for bonuses for directors (and other officers)	247	261
Notes payable - facilities	2,281	1,273
Other	22,512	24,801
Total current liabilities	187,325	171,615
Non-current liabilities		
Bonds payable	10,000	11,000
Long-term borrowings	11,110	17,090
Lease liabilities	721	759
Deferred tax liabilities	12,712	12,351
Retirement benefit liability	22,262	22,506
Provision for retirement benefits for directors (and other officers)	614	578
Provision for officers' retirement benefits	843	843
Other	3,654	3,435
Total non-current liabilities	61,919	68,563
Total liabilities	249,244	240,179
Net assets		
Shareholders' equity		
Share capital	17,009	17,009
Capital surplus	19,679	19,826
Retained earnings	260,692	275,386
Treasury shares	△14,296	△15,703
Total shareholders' equity	283,085	296,518
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	25,292	27,217
Foreign currency translation adjustment	11,592	21,018
Remeasurements of defined benefit plans	2,644	4,468
Total accumulated other comprehensive income	39,529	52,703
Non-controlling interests	16,232	16,638
Total net assets	338,847	365,860
Total liabilities and net assets	588,091	606,039

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	586,903	693,246
Cost of sales	513,099	612,410
Gross profit	73,803	80,835
Selling, general and administrative expenses	52,443	51,997
Operating profit	21,359	28,838
Non-operating income		
Interest income	469	735
Dividend income	1,741	2,108
Share of profit of entities accounted for using equity method	1,159	979
Foreign exchange gains	6,529	4,865
Other	2,677	1,927
Total non-operating income	12,578	10,616
Non-operating expenses		
Interest expenses	351	260
Provision of allowance for doubtful accounts	3	337
Loss on retirement of non-current assets	560	291
Loss on disaster	927	383
Other	1,420	864
Total non-operating expenses	3,263	2,137
Ordinary profit	30,674	37,317
Extraordinary income		
Gain on sale of non-current assets	26,692	—
Gain on sale of investment securities	209	—
Total extraordinary income	26,901	—
Extraordinary losses		
Impairment losses	7,117	5,537
Loss on sale of investment securities	25	26
Loss on valuation of investment securities	—	53
Loss on valuation of shares of subsidiaries and associates	38	—
Loss on sales of investments in capital of subsidiaries and affiliates	288	—
Litigation settlement	—	1,388
Total extraordinary losses	7,470	7,006
Profit before income taxes	50,105	30,311
Income taxes - current	16,018	8,339
Income taxes - deferred	812	△1,097
Total income taxes	16,830	7,241
Profit	33,275	23,069
Profit attributable to non-controlling interests	1,276	1,532
Profit attributable to owners of parent	31,998	21,537

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	33,275	23,069
Other comprehensive income		
Valuation difference on available-for-sale securities	1,549	1,931
Foreign currency translation adjustment	7,088	9,309
Remeasurements of defined benefit plans, net of tax	3,187	1,923
Share of other comprehensive income of entities accounted for using equity method	690	683
Total other comprehensive income	12,516	13,847
Comprehensive income	45,791	36,917
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	43,908	34,720
Comprehensive income attributable to non-controlling interests	1,882	2,196

(3) Consolidated Statement of Changes in Net Assets
Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,009	19,579	234,113	△14,295	256,407
Cumulative effects of changes in accounting policies			52		52
Restated balance	17,009	19,579	234,166	△14,295	256,460
Changes during period					
Dividends of surplus			△5,472		△5,472
Profit attributable to owners of parent			31,998		31,998
Purchase of treasury shares				△1	△1
Disposal of treasury shares		△0		0	0
Change in ownership interest of parent due to transactions with non-controlling interests		100			100
Net changes in items other than shareholders' equity					
Total changes during period	-	100	26,525	△0	26,625
Balance at end of period	17,009	19,679	260,692	△14,296	283,085

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	23,740	4,497	△652	27,585	15,982	299,975
Cumulative effects of changes in accounting policies						52
Restated balance	23,740	4,497	△652	27,585	15,982	300,028
Changes during period						
Dividends of surplus						△5,472
Profit attributable to owners of parent						31,998
Purchase of treasury shares						△1
Disposal of treasury shares						0
Change in ownership interest of parent due to transactions with non-controlling interests						100
Net changes in items other than shareholders' equity	1,552	7,094	3,296	11,943	250	12,193
Total changes during period	1,552	7,094	3,296	11,943	250	38,818
Balance at end of period	25,292	11,592	2,644	39,529	16,232	338,847

Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	17,009	19,679	260,692	△14,296	283,085
Changes during period					
Dividends of surplus			△6,843		△6,843
Profit attributable to owners of parent			21,537		21,537
Purchase of treasury shares				△1,584	△1,584
Disposal of treasury shares		4		177	181
Change in ownership interest of parent due to transactions with non-controlling interests		141			141
Net changes in items other than shareholders' equity					
Total changes during period	—	146	14,693	△1,407	13,432
Balance at end of period	17,009	19,826	275,386	△15,703	296,518

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	25,292	11,592	2,644	39,529	16,232	338,847
Changes during period						
Dividends of surplus						△6,843
Profit attributable to owners of parent						21,537
Purchase of treasury shares						△1,584
Disposal of treasury shares						181
Change in ownership interest of parent due to transactions with non-controlling interests						141
Net changes in items other than shareholders' equity	1,924	9,426	1,824	13,174	406	13,580
Total changes during period	1,924	9,426	1,824	13,174	406	27,013
Balance at end of period	27,217	21,018	4,468	52,703	16,638	365,860

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	50,105	30,311
Depreciation	28,300	28,879
Impairment losses	7,117	5,537
Increase (decrease) in net defined benefit asset(debt)	△707	△558
Interest and dividend income	△2,211	△2,844
Interest expenses	351	260
Foreign exchange losses (gains)	△2,186	△4,510
Share of loss (profit) of entities accounted for using equity method	△1,159	△979
Loss (gain) on sale and retirement of property, plant and equipment	△26,199	124
Loss (gain) on sale of investment securities	△183	26
Loss on sales of investments in capital of subsidiaries and affiliates	288	—
Litigation settlement	—	1,388
Decrease (increase) in trade receivables	4,716	△3,665
Decrease (increase) in inventories	△16,555	△14,238
Increase (decrease) in trade payables	△2,851	△4,579
Other, net	1,232	△5,508
Subtotal	40,058	29,643
Interest and dividends received	2,242	3,330
Interest paid	△374	△288
Litigation settlement paid	—	△1,388
Income taxes paid	△7,420	△17,639
Net cash provided by (used in) operating activities	34,505	13,656
Cash flows from investing activities		
Decrease (increase) in time deposits	108	△14,650
Purchase of property, plant and equipment	△23,373	△26,543
Proceeds from sale of property, plant and equipment	27,472	323
Purchase of intangible assets	△793	△450
Purchase of investment securities	△544	△1,221
Proceeds from sale of investment securities	402	75
Proceeds from sale of investments in capital of subsidiaries and affiliates resulting in change in scope of consolidation	1,320	—
Loan advances	△550	△400
Proceeds from collection of loans receivable	1,117	1,264
Other, net	△171	△155
Net cash provided by (used in) investing activities	4,987	△41,758

Net increase (decrease) in short-term borrowings	△13,015	△946
Proceeds from long-term borrowings	—	14,000
Repayments of long-term borrowings	△17,017	△15,101
Proceeds from issuance of bonds	10,000	1,000
Proceeds from issuance of commercial papers	12,000	25,000
Redemption of commercial papers	△12,000	△25,000
Purchase of treasury shares	△1	△1,402
Proceeds from sale of treasury shares	0	0
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	△1,012	△1,030
Repayments of lease liabilities	△403	△604
Dividends paid	△5,472	△6,843
Dividends paid to non-controlling interests	△737	△618
Net cash provided by (used in) financing activities	△27,658	△11,546
Effect of exchange rate change on cash and cash equivalents	1,073	5,598
Net increase (decrease) in cash and cash equivalents	12,908	△34,049
Cash and cash equivalents at beginning of period	78,986	91,894
Cash and cash equivalents at end of period	91,894	57,845

(5) Notes to Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable

(Note to Significant Changes in Accounting Policies)

(Application of “FASB ASC Topic 842”)

The consolidated subsidiaries in the U.S. have applied FASB ASC Topic 842, “Leases,” from the beginning of the current fiscal year.

FASB ASC Topic 842 requires a lessee to recognize right-of-use assets and lease liabilities for substantially all leases on the balance sheet. In applying FASB ASC Topic 842, the Company recognizes the cumulative effect of this change in accounting policy at the date of adoption in accordance with the transitional treatment.

As a result, intangible assets under non-current assets increased 274 million yen, other under current liabilities increased 124 million yen, and lease liabilities under non-current liabilities increased 147 million yen as of March 31, 2023. The effect of this change on profitability for the fiscal year ended March 31, 2023, was immaterial.

(Application of “Implementation Guidance on Fair Value Measurement”)

“Implementation Guidance on Fair Value Measurement” (ASBJ Guidance No.31, issued on June 17, 2021; “Fair Value Measurement Implementation Guidance”) was applied from the beginning of the current fiscal year.

The Company has applied prospectively the new accounting policy prescribed by the Fair Value Measurement Implementation Guidance in accordance with the transitional treatment prescribed in paragraph 27-2 of the Fair Value Measurement Implementation Guidance. This change has no impact on the consolidated financial statements.

(Business Segment Information)

1. Overview of Business Segments

The Company's business segments are components of the Company for which separate financial information is available and which are subject to periodic review by the Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

The Company has four business segments based on the Company's Production Division: Automotive Suspension Springs; Automotive Seating; Precision Springs and Components; and Industrial Machinery and Equipment, and Others Operations.

The major products in each business segment are as follows.

Reportable Segments	The Main Products
Automotive Suspension Springs	Coil springs, leaf springs, stabilizer bars, accumulators, torsion bars, stabilizer links, stabilinker and others
Automotive Seating	Seats, mechanical seating components, trim parts and others
Precision Springs and Components	HDD suspensions and mechanical components, wire springs, flat springs, motor cores, LCD/semiconductor testing probe units, fastener (screw), precision machine components and others
Industrial Machinery and Equipment, and Others Operations	Semiconductor processing products, ceramic products, spring mechanisms, pipe support systems, polyurethane products, metal substrates, automatic parking systems, security products, lighting equipment, golf club shafts and others

2. Calculation of Net Sales, Profit or Loss, Assets and Other Items by Business Segment

The accounting method used for the business segments is in accordance with the accounting policies adopted for the preparation of the consolidated financial statements.

Profit by business segment is based on operating profit.

(1) Previous fiscal year (April 1, 2021 through March 31, 2022)

① Information on net sales, profit or loss, assets and other items by business segment

	Reportable Segment				Total	Adjustments	Consolidated Total
	Automotive Suspension Springs	Automotive Seating	Precision Springs & Components	Industrial Machinery & Equipment, & Other Operations			
Sales:	(Millions of yen)						
Sales to External Customers	112,994	208,431	162,287	103,189	586,903	-	586,903
Inter-segment Sales	1,563	71	1,480	10,361	13,576	(13,576)	-
Net Sales	114,557	208,603	163,767	113,550	600,479	(13,576)	586,903
Segment Profit (Loss)	(4,360)	(2,853)	17,810	10,763	21,359	-	21,359
Segments Assets	116,951	114,879	141,429	93,487	466,747	121,343	588,091
Other Items:							
Depreciation and Amortization	6,614	4,839	11,430	3,675	26,559	1,741	28,300
Investments in affiliated companies accounted for by the equity-method	2,498	4,506	2,871	288	10,165	-	10,165
Increase in property, plant and equipment and intangible and other assets	3,054	5,031	11,375	3,049	22,511	742	23,253

(Note) Adjustments are as follows.

- 1 . The adjustment of 121,343 million yen for segment assets includes corporate assets that are not allocated to each business segment. Corporate assets consist mainly of cash and deposits that do not belong to a particular business segment.
- 2 . Depreciation and amortization represent the amortization of the headquarters building, etc.
- 3 . The adjustment of 742 million yen for increase in property, plant and equipment and intangible assets represents an increase in corporate assets that do not belong to a particular business segment.

② Information on impairment loss on non-current assets and goodwill by business segment

Impairment loss of 3,006 million yen was recorded for assets in the automotive suspension springs business.
 Impairment loss of 625 million yen was recorded for assets in the automotive seating business.
 Impairment loss of 3,394 million yen was recorded for assets in the precision springs and components business.
 Impairment loss of 91 million yen was recorded for assets in the industrial machinery and equipment, and other operations.

(2) Current fiscal year (April 1, 2022 through March 31, 2023)

① Information on net sales, profit or loss, assets and other items by business segment

	Reportable Segment				Total	Adjustments	Consolidated Total
	Automotive Suspension Springs	Automotive Seating	Precision Springs & Components	Industrial Machinery & Equipment, & Other Operations			
Sales:	(Millions of yen)						
Sales to External Customers	146,847	273,787	159,415	113,196	693,246	-	693,246
Inter-segment Sales	1,785	281	1,549	12,361	15,977	(15,977)	-
Net Sales	148,633	274,069	160,964	125,557	709,223	(15,977)	693,246
Segment Profit (Loss)	(2,734)	7,311	11,471	12,790	28,838	-	28,838
Segments Assets	139,572	131,404	137,765	106,702	515,445	90,594	606,039
Other Items:							
Depreciation and Amortization	6,656	5,516	11,384	3,550	27,107	1,772	28,879
Investments in affiliated companies accounted for by the equity-method	2,787	5,308	3,079	-	11,175	-	11,175
Increase in property, plant and equipment and intangible and other assets	4,561	4,637	12,126	5,827	27,153	924	28,078

(Note) Adjustments are as follows.

- 1 . The adjustment of 90,594 million yen for segment assets includes corporate assets that are not allocated to each business segment. Corporate assets consist mainly of cash and deposits that do not belong to a particular business segment.
- 2 . Depreciation and amortization represent the amortization of the headquarters building, etc.
- 3 . The adjustment of 924 million yen for increase in property, plant and equipment and intangible assets represents an increase in corporate assets that do not belong to a particular business segment.

② Information on impairment loss on non-current assets and goodwill by business segment

Impairment loss of 5,537 million yen was recorded for assets in the precision springs & components business.

(Reference Information)

<Region Segment Information>

1. Previous fiscal year (April 1, 2021 through March 31, 2022)

	Japan	Asia	America, Europe & Others	Total	Adjustments	Consolidated Total
Sales:	(Millions of yen)					
Sales to External Customers	341,391	166,504	79,007	586,903	-	586,903
Inter-segment Sales	29,511	2,743	561	32,815	(32,815)	-
Net Sales	370,902	169,247	79,568	619,719	(32,815)	586,903
Segment Profit (Loss)	20,193	10,201	(9,035)	21,359	-	21,359
Segments Assets	463,270	148,243	68,146	679,660	(91,569)	588,091

(Note)

- 1 . The countries are grouped depending on the geographical proximity.
- 2 . Countries in the groups except Japan
 - (1) Asia Thailand, Malaysia, China, India
 - (2) America, Europe & Others ... U.S., Mexico, Netherlands, Hungary

2. Current fiscal year (April 1, 2022 through March 31, 2023)

	Japan	Asia	America, Europe & Others	Total	Adjustments	Consolidated Total
Sales:	(Millions of yen)					
Sales to External Customers	391,076	186,796	115,373	693,246	-	693,246
Inter-segment Sales	30,574	4,099	1,727	36,401	(36,401)	-
Net Sales	421,651	190,895	117,100	729,647	(36,401)	693,246
Segment Profit (Loss)	24,737	10,438	(6,338)	28,838	-	28,838
Segments Assets	474,041	158,924	83,753	716,719	(110,679)	606,039

(Note)

- 1 . The countries are grouped depending on the geographical proximity.
- 2 . Countries in the groups except Japan
 - (1) Asia Thailand, Malaysia, China, India
 - (2) America, Europe & Others ... U.S., Mexico, Netherlands, Hungary

(Per Share Information)

Net assets per share, basis for calculation of net assets per share, net income per share and basis for calculation of net income per share are as follows.

	Previous fiscal year	Current fiscal year
	April 1, 2021 through March 31, 2022	April 1, 2022 through March 31, 2023
Net assets per share (yen)	1,414.87	1,541.70
(Basis for Calculation)		
Total Net Assets (Million of yen)	338,847	365,860
Amount deducted from total net assets (Million of yen)	16,232	16,638
Non-controlling interest included the above	(16,232)	(16,638)
Net assets related to common stock at the end of the fiscal year (Million of yen)	322,614	349,221
Number of shares of common stock issued (Thousand shares)	244,066	244,066
Number of common shares held in treasury (Thousand shares)	16,047	17,548
Number of shares of common stock used in the calculation of net assets per share at the end of the fiscal year (Thousand shares)	228,017	226,517

	Previous fiscal year	Current fiscal year
	April 1, 2021 through March 31, 2022	April 1, 2022 through March 31, 2023
Earnings per share (yen)	140.33	94.50
(Basis for Calculation)		
Profit attributable to owners of parent (Million of yen)	31,998	21,537
Amount not attributable to common stock (Million of yen)	-	-
Profit attributable to owners of parent for common stock (Million of yen)	31,998	21,537
Average number of shares (Thousand shares)	228,018	227,914

(Note)

- 1 . Diluted net income per share is not shown in the above table, as there are no diluted shares.
- 2 . The Company has introduced a stock compensation plan using a trust for its directors (excluding external directors) starting the current consolidated fiscal year.

The Company's shares held by the Stock Benefit Trust Account are included in treasury stock which are deducted from the total number of shares issued and outstanding at the end of the fiscal year in the calculation of "net assets per share" (200,000 shares in the current consolidated fiscal year). In the calculation of "net income per share," such shares are included in treasury stock which are deducted from the calculation of the average number of shares during the period (121,000 shares in the current consolidated fiscal year).

(Significant Subsequent Events)

Not applicable.