

**CONSOLIDATED FINANCIAL RESULTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2022**  
**[IFRS]**

May 12, 2022

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Scheduled date for submission of quarterly report: May 13, 2022

Scheduled date for dividend payment: —

Preparing supplementary material on financial results: Yes

Holding financial results presentation meeting  
 (for institutional investors and analysts): Yes

(Monetary amounts are rounded down to the nearest million yen)

**1. Consolidated Results for the Three Months Ended March 31, 2022**

**(1) Consolidated Financial Results**

(% represents percentage change from a comparable previous period)

Millions of yen

	Revenue		Operating Profit		Profit before Tax		Profit	
Three Months Ended March 31, 2022	152,808	13.0%	14,177	15.9%	15,569	19.0%	11,103	18.2%
Three Months Ended March 31, 2021	135,268	9.6%	12,230	103.4%	13,081	146.2%	9,391	151.6%

	Profit Attributable to Owners of Parent		Total Comprehensive Income		Basic Earnings per Share (Yen)	Basic Earnings per Share, Diluted (Yen)
Three Months Ended March 31, 2022	10,251	19.6%	17,142	13.6%	111.44	111.16
Three Months Ended March 31, 2021	8,569	155.9%	15,086	—%	89.85	89.55

Note: The change from a comparable previous period (%) of the total comprehensive income for the three months ended March 31, 2021 is shown as “—” as it exceeds 1,000%.

**(2) Consolidated Financial Position**

Millions of yen

	Total Assets	Total Equity	Total Equity Attributable to Owners of Parent	Ratio of Equity Attributable to Owners of Parent
As of March 31, 2022	735,506	326,907	318,047	43.2
As of December 31, 2021	719,736	321,655	312,310	43.4

## 2. Dividends

	Dividends per Share (Yen)				
	End of 1 <sup>st</sup> Quarter	End of 2 <sup>nd</sup> Quarter	End of 3 <sup>rd</sup> Quarter	Year-End	Annual
Fiscal Year Ended December 31, 2021	—	50.00	—	113.00	163.00
Fiscal Year Ending December 31, 2022	—				
Fiscal Year Ending December 31, 2022 (Forecast)		85.00	—	85.00	170.00

Note: Revisions to forecast of dividends in this quarter: None

## 3. Forecast of Financial Results for the Fiscal Year Ending December 31, 2022

% represents percentage change from the previous fiscal year

Millions of yen

	Revenue		Operating Profit		Profit before Tax		Profit Attributable to Owners of Parent		Basic Earnings per Share (Yen)
		%		%		%		%	
Six Months Ending June 30, 2022	317,300	15.7%	24,600	(0.4)%	24,700	(3.1)%	17,000	1.3%	184.80
Fiscal Year Ending December 31, 2022	660,000	9.4%	66,000	7.5%	65,500	8.6%	46,000	5.5%	500.04

Note: Revisions to forecast of financial results in this quarter: None

#### **4. Other Information**

- (1) Changes in significant subsidiaries during the fiscal year under review (Changes in specified subsidiaries involving changes in scope of consolidation): None

Included: — (—)

Excluded: — (—)

- (2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

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

(i) Number of common shares (Including treasury shares)	As of March 31, 2022	92,021,833	As of December 31, 2021	95,513,633
(ii) Number of treasury shares	As of March 31, 2022	22,829	As of December 31, 2021	3,536,073
(iii) Average number of common shares	Three Months Ended March 31, 2022	91,991,784	Three Months Ended March 31, 2021	95,376,916

**This quarterly financial result is exempt from quarterly review by certified public accountants or accounting firms.**

#### **Explanation of the Appropriate Use of Performance Forecast and Other Related Matters**

1. The forecast of performance and other forward-looking statements contained in this report are based on information that was available to the Company as of the time of the issuance of this report and on certain assumptions about uncertainties that may have an impact on the Group's performance. Actual performance may differ substantially from these forecast owing to a wide range of factors. For further information on the assumptions made in the preparation of the forecast of performance, please refer to "Explanation of Forecast of Consolidated Financial Results" on page 10. Readers are cautioned not to place undue reliance on these forward-looking statements which are valid only as of the date thereof.
2. This report has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated report and the Japanese original, the original shall prevail. Also, the Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

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# 1. Qualitative Information Regarding Consolidated Financial Results

## (1) Explanation of Financial Results

Millions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022	Change	Change Ratio (%)
Orders Received	159,456	177,005	17,549	11.0
Revenue	135,268	152,808	17,540	13.0
Operating Profit	12,230	14,177	1,947	15.9
Operating Profit on Revenue Ratio (%)	9.0	9.3	—	—
Profit Attributable to Owners of Parent	8,569	10,251	1,681	19.6
Basic Earnings per Share (Yen)	89.85	111.44	21.59	24.0

During the three months ended March 31, 2022, the global economy showed signs of recovery as the impact of COVID-19 was alleviated. However, the outlook remained uncertain due to soaring raw material and resource prices, a shortage of semiconductors, and heightened geopolitical risks caused by the situation in Ukraine, etc. In the Japanese economy, capital investment showed signs of recovery, despite some weakness remaining due to the harsh situation caused by COVID-19.

In the oil and gas market, which is the Group's primary market, demand remained steady due to factors such as rising crude oil prices and a recovery in demand from the impacts of COVID-19. Demand also recovered in the construction equipment market due to the resumption of economic activities. In the semiconductor market, demand remained at a high level, and customers' capital investment continued to expand. In addition, Japan's public investment related to national resilience remained firm.

Under these circumstances, orders received for the three months ended March 31, 2022 increased from the same period of the previous fiscal year due to robust performance in the Fluid Machinery & Systems (FMS) Business and the Precision Machinery (PM) Business, as in the previous fiscal year. Revenues increased due to increased demand in major markets, mainly overseas, despite the impact on some business activities, such as tight supply and demand for parts and materials and lock-downs in China by the re-spread of COVID-19. Operating profit increased from the same period of the previous fiscal year as higher revenue in PM Business and the yen's depreciation contributed to higher profit amid rising raw material prices and continued difficulties in procuring parts and materials.

As a result, consolidated orders received for the three months ended March 31, 2022 amounted to ¥177,005 million (an increase of 11.0% year-on-year), revenue amounted to ¥152,808 million (an increase of 13.0% year-on-year), operating profit amounted to ¥14,177 million (an increase of 15.9% year-on-year), and profit attributable to owners of parent amounted to ¥10,251 million (an increase of 19.6% year-on-year).

## Operating Results by Business Segment

Millions of yen

Segment	Orders Received			Revenue			Segment Profit		
	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022	Change Ratio (%)	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022	Change Ratio (%)	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022	Change Ratio (%)
Fluid Machinery & Systems	78,957	91,154	15.4	81,932	87,670	7.0	7,958	7,927	(0.4)
Environmental Plants	28,583	16,354	(42.8)	19,403	21,615	11.4	2,605	1,968	(24.4)
Precision Machinery	51,395	68,997	34.2	33,468	43,135	28.9	2,024	4,760	135.1
Reportable Segment Total	158,936	176,506	11.1	134,804	152,421	13.1	12,588	14,656	16.4
Others	519	498	(4.1)	463	386	(16.5)	(347)	(455)	—
Adjustment	—	—	—	—	—	—	(10)	(22)	—
Total	159,456	177,005	11.0	135,268	152,808	13.0	12,230	14,177	15.9

## Outline of Business Environment and Situation by Business Segment

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)
Fluid Machinery & Systems	Pumps	<p>(Overseas)</p> <ul style="list-style-type: none"> <li>•The oil and gas market is on a recovery trend compared with the same period of the previous fiscal year, and large-scale projects have begun in Saudi Arabia, Qatar, and other countries. Meanwhile, in China planned projects such as ultra-large petrochemical complexes and the integration and improvement of an old-fashioned small refinery have been delayed due to CO2 emission adjustments.</li> <li>•The water infrastructure market is recovering due to trends in projects in China and Southeast Asia. In North America, the renovation projects of aging facilities has resumed.</li> <li>•In the construction equipment market, construction investment in Europe is slowing down recently, and China is also continuing to slow down. On the other hand, the U.S. has been firm.</li> </ul> <p>(Japan)</p> <ul style="list-style-type: none"> <li>•In the construction equipment market, the number of construction starts is on a recovery trend.</li> <li>•Investment in social infrastructure upgrades and repairs increased compared with the same period of the previous fiscal year.</li> </ul>
	Compressors & Turbines	<ul style="list-style-type: none"> <li>•In the new product market, some petrochemical projects are lagging behind in China. The shale gas related in North America and petroleum refining and petrochemical markets in India and the Middle East are moving.</li> <li>•The service market is on a recovery track with some relaxing restrictions on mobility to prevent the spread of COVID-19 and movement across the entire service, including the dispatch of instructors can be seen.</li> <li>•The LNG market (cryogenic pump) is showing some movement.</li> </ul>
	Chillers	<ul style="list-style-type: none"> <li>•Domestically, investment is recovering mainly in the industrial market, but the market for some construction facilities, such as accommodations, remains sluggish due to the impacts of the repeated expand of COVI-19.</li> <li>•Growth in China is slowing due to the impact of electricity supply restrictions and soaring raw material costs.</li> </ul>
Environmental Plants (Note 2)	<ul style="list-style-type: none"> <li>•Demand for new construction of waste incineration facilities for the public sector is trending as usual.</li> <li>•Orders for O&amp;M at existing facilities are trending as usual.</li> <li>•Construction of power generation facilities with woody biomass fuel for private companies and industrial waste treatment facilities for treatment of waste plastics, etc. continues to be in certain demand.</li> </ul>	

Segment	Business Environment	Business Situation and the Trend of Orders Received (Note 1)
Precision Machinery	<ul style="list-style-type: none"> <li>The semiconductor manufacturing equipment market continues to expand due to the semiconductor shortage as a result of the widespread of 5G, working from home, and IoT.</li> </ul>	<ul style="list-style-type: none"> <li>Capital investment by logic foundries and memory manufacturers is active, and orders exceeded those of the same period of the previous fiscal year.</li> <li>Customer plants continue to operate at a high level, and service and support remained robust, despite the impact of the spread of COVID-19 in some areas.</li> </ul>

Note 1: Arrows indicate a year-on-year increase/decrease in orders received:



in the case of +5% or more increase



in the case of -5% or greater decrease



in the case of movement within the -5% and +5% range

Note 2: O&M . . . . . The operation and maintenance of plants



## (2) Explanation of Financial Position

### (i) Assets

Total assets as of March 31, 2022 were ¥735,506 million, ¥15,769 million higher than as of December 31, 2021. Principal changes in asset items included a decrease of ¥17,531 million in cash and cash equivalents, a decrease of ¥3,739 million in other current assets, an increase of ¥20,038 million in trade and other receivables, and an increase of ¥12,697 million in inventories.

### (ii) Liabilities

Total liabilities as of March 31, 2022 were ¥408,598 million, ¥10,518 million higher than as of December 31, 2021. Principal changes in liability items included a decrease of ¥5,216 million in bonds, borrowings and lease liabilities, an increase of ¥5,870 million in contract liabilities, an increase of ¥5,470 million in other current liabilities, and an increase of ¥4,941 million in trade and other payables.

### (iii) Equity

Equity as of March 31, 2022 amounted to ¥326,907 million, ¥5,251 million higher than as of December 31, 2021. Principal changes in equity items included dividends paid of ¥10,393 million, profit attributable to owners of parent of ¥10,251 million, and an increase of ¥5,579 million in exchange differences on translation of foreign operations. Total equity attributable to owners of parent amounted to ¥318,047 million, and the ratio of equity attributable to owners of the parent was 43.2%.

### (3) Explanation of Forecast of Consolidated Financial Results

The forecasts for the six months ending June 30, 2022 and the fiscal year ending December 31, 2022, have not been revised since the previous announcement on February 14, 2022.

Assumptions regarding foreign currency exchange rates have been revised as follows: US \$1= ¥125, EUR1= ¥135, RMB1=¥19 (Assumptions in the previous announcement were US \$1= ¥110, EUR1= ¥130, RMB1=¥17).

Actual performance may differ from the forecast owing to factors such as changing market environment.

#### Forecast of Financial Results for the Fiscal Year Ending December 31, 2022

Billions of yen

	Six Months Ending June 30, 2022	Fiscal Year Ending December 31, 2022
Orders Received	349.3	692.5
Revenue	317.3	660.0
Operating Profit	24.6	66.0
Profit before Tax	24.7	65.5
Profit Attributable to Owners of Parent	17.0	46.0

#### Forecast of Financial Results for the Fiscal Year Ending December 31, 2022 by Business Segment

Six Months Ending June 30, 2022

Billions of yen

Segment	Orders Received	Revenue	Operating Profit
Fluid Machinery & Systems	175.0	171.0	11.0
Environmental Plants	45.0	35.0	2.0
Precision Machinery	128.5	110.5	12.0
Others	0.8	0.8	(0.4)
Total	349.3	317.3	24.6

#### Fiscal Year Ending December 31, 2022

Billions of yen

Segment	Orders Received	Revenue	Operating Profit
Fluid Machinery & Systems	349.0	347.0	25.5
Environmental Plants	90.0	71.5	5.0
Precision Machinery	252.0	240.0	36.0
Others	1.5	1.5	(0.5)
Total	692.5	660.0	66.0

## 2. Condensed Consolidated Financial Statements and Primary Notes

### (1) Condensed Consolidated Statement of Financial Position

	Millions of yen	
	As of December 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and cash equivalents	136,488	118,957
Trade and other receivables	130,121	150,160
Contract assets	86,887	83,609
Inventories	121,389	134,087
Income taxes receivable	605	699
Other financial assets	3,267	5,377
Other current assets	21,173	17,434
Total current assets	499,934	510,325
Non-current assets		
Property, plant and equipment	161,392	163,737
Goodwill and intangible assets	23,204	24,135
Investments accounted for using the equity method	7,153	8,135
Deferred tax assets	12,665	13,769
Other financial assets	6,241	6,281
Other non-current assets	9,144	9,121
Total non-current assets	219,801	225,180
<b>Total assets</b>	719,736	735,506

	Millions of yen	
	As of December 31, 2021	As of March 31, 2022
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	162,558	167,500
Contract liabilities	49,771	55,642
Bonds, borrowings and lease liabilities	56,578	50,657
Income taxes payable	6,337	5,504
Provisions	14,769	14,212
Other financial liabilities	98	734
Other current liabilities	37,243	42,714
<b>Total current liabilities</b>	<b>327,357</b>	<b>336,965</b>
<b>Non-current liabilities</b>		
Bonds, borrowings and lease liabilities	55,467	56,172
Retirement benefit liability	8,413	8,354
Provisions	2,488	2,516
Deferred tax liabilities	402	380
Other financial liabilities	123	141
Other non-current liabilities	3,829	4,067
<b>Total non-current liabilities</b>	<b>70,723</b>	<b>71,632</b>
<b>Total liabilities</b>	<b>398,080</b>	<b>408,598</b>
<b>Equity</b>		
Share capital	79,643	79,670
Capital surplus	76,566	76,771
Retained earnings	171,720	151,675
Treasury shares	(20,189)	(287)
Other components of equity	4,569	10,218
<b>Total equity attributable to owners of parent</b>	<b>312,310</b>	<b>318,047</b>
Non-controlling interests	9,345	8,859
<b>Total equity</b>	<b>321,655</b>	<b>326,907</b>
<b>Total liabilities and equity</b>	<b>719,736</b>	<b>735,506</b>

**(2) Condensed Consolidated Statement of Income and Condensed Consolidated Statement of Comprehensive Income**  
**Condensed Consolidated Statement of Income**

	Millions of yen	
	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022
Revenue	135,268	152,808
Cost of sales	95,332	106,563
Gross profit	39,935	46,244
Selling, general and administrative expenses	27,829	31,916
Other income	350	143
Other expenses	227	294
Operating profit	12,230	14,177
Finance income	359	829
Finance costs	278	364
Share of profit (loss) of investments accounted for using the equity method	769	927
Profit before tax	13,081	15,569
Income tax expense	3,689	4,465
Profit	9,391	11,103
Profit (loss) attributable to		
Owners of parent	8,569	10,251
Non-controlling interests	821	852
Earnings per share		
Basic earnings per share(Yen)	89.85	111.44
Basic earnings per share, diluted(Yen)	89.55	111.16

## Condensed Consolidated Statement of Comprehensive Income

Millions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022
Profit	9,391	11,103
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in financial assets measured at fair value through other comprehensive income	(5)	23
Share of other comprehensive income of investments accounted for using the equity method	(2)	54
Total of items that will not be reclassified to profit or loss	(7)	78
Items that may be reclassified to profit or loss		
Cash flow hedges	72	(8)
Exchange differences on translation of foreign operations	5,630	5,969
Total of items that may be reclassified to profit or loss	5,702	5,960
Total other comprehensive income, net of tax	5,694	6,038
Total comprehensive income	15,086	17,142
Comprehensive income attributable to		
Owners of parent	13,992	15,899
Non-controlling interests	1,093	1,242

**(3) Condensed Consolidated Statement of Changes in Equity**  
**For the Three Months Ended March 31, 2021**

Millions of yen

	Equity attributable to owners of parent								
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity				
					Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income	Cash flow hedges	Remeasurements of defined benefit plans	
As of January 1, 2021	79,451	75,987	136,629	(178)	(1,746)	(520)	(56)	—	
Changes during the period									
Comprehensive income									
Profit	—	—	8,569	—	—	—	—	—	
Other comprehensive income	—	—	—	—	5,358	(7)	72	—	
Total comprehensive income	—	—	8,569	—	5,358	(7)	72	—	
Transactions with owners									
Dividends	—	—	(5,722)	—	—	—	—	—	
Purchase of treasury shares	—	—	—	(0)	—	—	—	—	
Share-based payment transactions	11	174	—	—	—	—	—	—	
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	—	—	
Total transactions with owners	11	174	(5,722)	(0)	—	—	—	—	
As of March 31, 2021	79,462	76,161	139,476	(179)	3,611	(528)	15	—	

Millions of yen

	Equity attributable to owners of parent		Total equity attributable to owners of parent	Total non-controlling interests	Total equity
	Equity attributable to owners of parent	Total other components of equity			
As of January 1, 2021		(2,324)	289,564	7,312	296,877
Changes during the period					
Comprehensive income					
Profit		—	8,569	821	9,391
Other comprehensive income		5,423	5,423	271	5,694
Total comprehensive income		5,423	13,992	1,093	15,086
Transactions with owners					
Dividends		—	(5,722)	(1,106)	(6,828)
Purchase of treasury shares		—	(0)	—	(0)
Share-based payment transactions		—	185	—	185
Transfer from other components of equity to retained earnings		—	—	—	—
Total transactions with owners		—	(5,537)	(1,106)	(6,643)
As of March 31, 2021		3,098	298,020	7,300	305,320

**For the Three Months Ended March 31, 2022**

Millions of yen

	Equity attributable to owners of parent								
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity				
					Exchange differences on translation of foreign operations	Net change in financial assets measured at fair value through other comprehensive income	Cash flow hedges	Remeasurements of defined benefit plans	
As of January 1, 2022	79,643	76,566	171,720	(20,189)	4,179	351	38	—	
Changes during the period									
Comprehensive income									
Profit	—	—	10,251	—	—	—	—	—	
Other comprehensive income	—	—	—	—	5,579	78	(8)	—	
Total comprehensive income	—	—	10,251	—	5,579	78	(8)	—	
Transactions with owners									
Dividends	—	—	(10,393)	—	—	—	—	—	
Purchase of treasury shares	—	—	—	(1)	—	—	—	—	
Disposal of treasury shares	—	0	—	0	—	—	—	—	
Cancellation of treasury shares	—	(0)	(19,902)	19,903	—	—	—	—	
Share-based payment transactions	26	210	—	—	—	—	—	—	
Acquisition of non-controlling interests	—	(4)	—	—	—	—	—	—	
Transfer from other components of equity to retained earnings	—	—	0	—	—	(0)	—	—	
Total transactions with owners	26	205	(30,296)	19,902	—	(0)	—	—	
As of March 31, 2022	79,670	76,771	151,675	(287)	9,758	429	29	—	

Millions of yen

	Equity attributable to owners of parent		Total equity attributable to owners of parent	Total non-controlling interests	Total equity
	Total other components of equity				
As of January 1, 2022		4,569	312,310	9,345	321,655
Changes during the period					
Comprehensive income					
Profit		—	10,251	852	11,103
Other comprehensive income		5,648	5,648	390	6,038
Total comprehensive income		5,648	15,899	1,242	17,142
Transactions with owners					
Dividends		—	(10,393)	(1,726)	(12,119)
Purchase of treasury shares		—	(1)	—	(1)
Disposal of treasury shares		—	0	—	0
Cancellation of treasury shares		—	—	—	—
Share-based payment transactions		—	237	—	237
Acquisition of non-controlling interests		—	(4)	(2)	(7)
Transfer from other components of equity to retained earnings		(0)	—	—	—
Total transactions with owners		(0)	(10,162)	(1,728)	(11,891)
As of March 31, 2022		10,218	318,047	8,859	326,907



#### (4) Condensed Consolidated Statement of Cash Flows

Millions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022
Cash flows from operating activities		
Profit before tax	13,081	15,569
Depreciation and amortization	4,983	5,562
Impairment loss	56	10
Interest and dividend income	(78)	(92)
Interest expenses	278	330
Foreign exchange loss (gain)	1,122	1,124
Share of loss (profit) of investments accounted for using the equity method	(769)	(927)
Loss (gain) on sales of fixed assets	(5)	(6)
Decrease (increase) in trade and other receivables	(14,739)	(17,442)
Decrease (increase) in contract assets	10,684	5,265
Decrease (increase) in inventories	(4,578)	(9,930)
Increase (decrease) in trade and other payables	5,817	485
Increase (decrease) in contract liabilities	7,996	4,893
Increase (decrease) in provisions	(1,587)	(600)
Increase / decrease in retirement benefit assets and liabilities	80	26
Other	5,987	9,035
Subtotal	28,330	13,303
Interest received	85	101
Dividend received	1	1
Interest paid	(224)	(286)
Income taxes paid	(3,817)	(6,350)
Net cash provided by operating activities	24,375	6,769
Cash flows from investing activities		
Payments into time deposits	(1,150)	(2,368)
Proceeds from withdrawal of time deposits	1,145	2,227
Purchase of investment securities	(0)	—
Proceeds from sales and redemption of investment securities	—	186
Purchase of property, plant and equipment, and intangible assets	(9,595)	(4,730)
Proceeds from sale of property, plant and equipment	8	14
Other	(111)	(1,841)
Net cash used in investing activities	(9,702)	(6,510)

Millions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	5,952	(5,173)
Proceeds from long-term borrowings	3,000	198
Repayments of long-term borrowings	(2,773)	(2,862)
Repayments of lease liabilities	(1,066)	(1,065)
Proceeds from issuance of common shares	0	0
Purchase of treasury shares	(0)	(1)
Dividends paid	(5,722)	(10,393)
Dividends paid to non-controlling interests	(1,106)	(1,726)
Payments for acquisition of interests in subsidiaries from non-controlling interests	—	(7)
Other	—	0
Net cash used in financing activities	(1,718)	(21,031)
Effect of exchange rate changes on cash and cash equivalents	2,586	3,241
Net increase (decrease) in cash and cash equivalents	15,540	(17,531)
Cash and cash equivalents at beginning of period	120,544	136,488
Cash and cash equivalents at end of period	136,084	118,957

## (5) Notes to Condensed Consolidated Financial Statements

(Note for the Assumption of Going Concern)

None

(Segment Information)

Three Months Ended March 31, 2021

Millions of yen

	Reportable Segments				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Fluid Machinery & Systems	Environmental Plants	Precision Machinery	Total				
Revenue								
Customers	81,932	19,403	33,468	134,804	463	135,268	—	135,268
Intersegment and Transfers	199	6	2	209	579	788	(788)	—
Total	82,132	19,410	33,471	135,013	1,043	136,057	(788)	135,268
Segment Profit (Loss)	7,958	2,605	2,024	12,588	(347)	12,241	(10)	12,230
Finance Income								359
Finance Costs								278
Share of Profit (Loss) of Investments Accounted for Using the Equity Method								769
Profit before Tax								13,081

Note 1: The “Others” item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.

Note 2: The “Adjustment” item for segment profit (loss) shows eliminations of intersegment transactions.

Note 3: Segment profit (loss) has been adjusted with operating profit in the condensed consolidated statement of income.

Three Months Ended March 31, 2022

Millions of yen

	Reportable Segments				Others (Note 1)	Total	Adjustment (Note 2)	Consolidated (Note 3)
	Fluid Machinery & Systems	Environmental Plants	Precision Machinery	Total				
Revenue								
Customers	87,670	21,615	43,135	152,421	386	152,808	—	152,808
Intersegment and Transfers	245	20	0	265	545	811	(811)	—
Total	87,916	21,635	43,136	152,687	932	153,619	(811)	152,808
Segment Profit (Loss)	7,927	1,968	4,760	14,656	(455)	14,200	(22)	14,177
Finance Income								829
Finance Costs								364
Share of Profit (Loss) of Investments Accounted for Using the Equity Method								927
Profit before tax								15,569

Note 1: The “Others” item in the table above is the business segment for operations that are not included among reportable segments. It contains business support services and other activities.

Note 2: The “Adjustment” item for segment profit (loss) shows eliminations of intersegment transactions.

Note 3: Segment profit (loss) has been adjusted with operating profit in the condensed consolidated statement of income.

(Additional Information)

The spread of COVID-19 continues worldwide. It is still a major threat, and the situation remains unpredictable. On the other hand, the trend toward the coexistence of infectious prevention and economic activities, called “with Corona”, is becoming more active, and demand for social and industrial infrastructures is recovering.

In the previous fiscal year, our accounting estimates were based on the assumption that the business environment maintains its stability with limited impact of COVID-19 to the Group's business. There are no major changes to this assumption.

However, if the impact of the spread of COVID-19 diverges from this assumption, the Group's financial position and financial results may be affected.

### 3. Others

#### (1) Litigation and Others

(Progress of Dispute Regarding Fire Accident at Bulky Waste Treatment Facility at the Gifu City Eastern Clean Center)

On October 23, 2015, a fire broke out at the bulky waste treatment facility at the Gifu City Eastern Clean Center, which is located in the Akutami section of Gifu City in Gifu Prefecture, when Ebara Environmental Plant Co., Ltd. (“EEP”), the Company’s consolidated subsidiary, was making repairs on the facility. EEP is responsible for the operation and management of a waste incinerating facility that is located adjacent to the bulky waste treatment facility where the fire occurred.

Regarding this incident, while the Company had been discussing with Gifu City the compensation for related damages, a lawsuit against EEP was filed by Gifu City at the Gifu District Court on January 31, 2019 claiming compensation for damages of ¥4,362 million and late charges for such compensation. Afterwards, Gifu City amended its amount of the compensation claim for damages to ¥4,474 million and late charges for such compensation on July 22, 2019 (received on July 25, 2019).

On July 17, 2020, the amount of the compensation claim for damages was amended to ¥4,582 million and late charges for such compensation (received on July 20, 2020), and on August 10, 2021, the compensation claim for damages was amended to ¥4,692 million and late charges for such compensation (received on August 25, 2021).

At this time, it is not possible to make a reasonable estimate of the effect of this incident on the Group’s consolidated financial results.

## (2) Segment Information

Business Segment

FMS = Fluid Machinery & Systems, EP = Environmental Plants, PM = Precision Machinery

(i) Actual Results and Forecast of Orders Received, Revenue, Operating Profit, and Backlog of Orders Received by Business Segment

Billions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022			Fiscal Year Ending June 30, 2022	Fiscal Year Ending December 31, 2022
	Actual	Actual	Change	Change Ratio (%)	Forecast	Forecast
Orders Received						
Pumps	48.8	57.8	9.0	18.5	100.0	200.0
Compressors & Turbines	17.5	19.3	1.7	10.2	47.0	95.0
Chillers	9.5	10.5	1.0	10.5	23.0	42.0
Others	3.0	3.4	0.3	12.6	5.0	12.0
Total of FMS	78.9	91.1	12.1	15.4	175.0	349.0
EP	28.5	16.3	(12.2)	(42.8)	45.0	90.0
PM	51.3	68.9	17.6	34.2	128.5	252.0
Others	0.5	0.4	(0.0)	(4.1)	0.8	1.5
Total	159.4	177.0	17.5	11.0	349.3	692.5
Revenue						
Pumps	52.4	51.6	(0.8)	(1.6)	100.0	200.0
Compressors & Turbines	16.6	22.4	5.7	34.4	45.0	95.0
Chillers	8.6	10.1	1.5	17.6	20.0	41.0
Others	4.1	3.4	(0.6)	(16.3)	6.0	11.0
Total of FMS	81.9	87.6	5.7	7.0	171.0	347.0
EP	19.4	21.6	2.2	11.4	35.0	71.5
PM	33.4	43.1	9.6	28.9	110.5	240.0
Others	0.4	0.3	(0.0)	(16.5)	0.8	1.5
Total	135.2	152.8	17.5	13.0	317.3	660.0
Operating Profit						
Pumps	7.6	6.5	(1.0)	(13.3)	7.0	14.0
Compressors & Turbines	(0.6)	0.4	1.1	—	3.0	9.0
Chillers	0.3	0.2	(0.0)	(16.0)	0.9	2.1
Others & Adjustment	0.7	0.6	(0.0)	(10.1)	0.1	0.4
Total of FMS	7.9	7.9	(0.0)	(0.4)	11.0	25.5
EP	2.6	1.9	(0.6)	(24.4)	2.0	5.0
PM	2.0	4.7	2.7	135.1	12.0	36.0
Others & Adjustment	(0.3)	(0.4)	(0.1)	—	(0.4)	(0.5)
Total	12.2	14.1	1.9	15.9	24.6	66.0
Backlog of Orders Received						
Pumps	89.1	112.7	23.5	26.4	101.4	101.4
Compressors & Turbines	85.0	103.1	18.0	21.3	103.2	101.2
Chillers	14.2	14.9	0.6	4.9	16.7	14.7
Others	8.1	7.8	(0.2)	(3.4)	6.8	8.8
Total of FMS	196.6	238.7	42.0	21.4	228.3	226.3
EP	236.2	279.8	43.6	18.5	295.2	303.7
PM	65.4	170.6	105.2	160.7	159.7	153.7
Others	0.0	0.2	0.2	286.3	0.1	0.1
Total	498.4	689.5	191.1	38.3	683.5	684.0

(ii) Actual Results and Forecast of Orders Received and Revenue in the Precision Machinery Business Segment

Billions of yen

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2022			Fiscal Year Ending June 30, 2022	Fiscal Year Ending December 31, 2022
	Actual	Actual	Change	Change Ratio (%)	Forecast	Forecast
Orders Received						
Components	20.3	31.2	10.9	53.9	50.5	95.0
CMP Systems	28.0	35.7	7.6	27.5	74.0	150.0
Others	3.0	2.0	(1.0)	(33.9)	4.0	7.0
Total of PM	51.3	68.9	17.6	34.2	128.5	252.0
Revenue						
Components	18.4	21.9	3.4	18.8	50.0	92.0
CMP Systems	13.8	19.5	5.7	41.4	58.0	143.0
Others	1.1	1.6	0.4	40.1	2.5	5.0
Total of PM	33.4	43.1	9.6	28.9	110.5	240.0

**(3) Area Information**

(i) Geographical Segment . . . Compiled on the basis of the geographical location of the Company reporting the revenue

Billions of yen

	Three Months Ended March 31, 2021		Three Months Ended March 31, 2022		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	82.0	60.7	84.2	55.2	2.2
North America	16.3	12.1	26.3	17.3	10.0
Asia (except Japan)	28.4	21.0	30.1	19.7	1.7
Others	8.4	6.2	11.9	7.8	3.5
Total	135.2	100.0	152.8	100.0	17.5
Operating Profit					
Japan	7.3		7.6		0.3
North America	0.1		2.2		2.1
Asia (except Japan)	3.5		3.0		(0.4)
Others	0.7		1.5		0.7
Adjustment	0.4		(0.3)		(0.7)
Total	12.2		14.1		1.9

(ii) Regional Segment . . . Compiled on the basis of the geographical location where the goods are sold

Billions of yen

	Three Months Ended March 31, 2021		Three Months Ended March 31, 2022		
	Actual	Composition (%)	Actual	Composition (%)	Change
Revenue					
Japan	70.4	52.0	70.7	46.3	0.2
China	21.8	16.1	21.7	14.2	(0.1)
Other Asia	20.0	14.8	23.7	15.5	3.7
North America	9.4	7.0	11.5	7.6	2.1
Europe	6.7	5.0	12.5	8.2	5.7
Middle East	3.7	2.8	6.4	4.2	2.6
Others	3.0	2.3	6.0	4.0	3.0
Total	135.2	100.0	152.8	100.0	17.5