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(Securities Code: 6339)

Date of sending by postal mail: June 5, 2023

Start date of electronic provision of information: May 24, 2023

To our shareholders:

Atsushi Nagai
President
SINTOKOGIO, LTD.
3-28-12 Meieki, Nakamura-ku, Nagoya City

NOTICE OF THE 126TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 126th Ordinary General Meeting of Shareholders of SINTOKOGIO, LTD. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (postal mail). Please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders, and refer to the “Instructions for Methods to Exercise Voting Rights” below by Monday, June 19, 2023 at 5:15 p.m. (JST).

- 1. Date and Time:** Tuesday, June 20, 2023, 10:00 a.m. (JST)
- 2. Venue:** Midland Hall (5th floor of Midland Square Office Tower)
4-7-1 Meieki, Nakamura-ku, Nagoya City

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 126th Term (from April 1, 2022 to March 31, 2023), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors.
2. Non-Consolidated Financial Statements for the 126th Term (from April 1, 2022 to March 31, 2023)

Items to be resolved:

- Proposal 1:** Amendment to the Articles of Incorporation
Proposal 2: Election of eleven (11) Directors
Proposal 3: Election of four (4) Auditors

The Company has adopted the electronic provision of information for the assembly of this general meeting of shareholders and has posted the items subject to measures for electronic provision on the following website.

Company website: <https://www.sinto.co.jp/ir/library/meeting/>

In addition to the above, the Company has also posted the information on the following website on the Internet.

Tokyo Stock Exchange website

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

Please access the above Tokyo Stock Exchange website, enter or search for our company name or securities code, and select “Basic information” and “Documents for public inspection/PR information” in that order.

To Exercise Voting Rights:

If you exercise your voting rights in writing (postal mail) and do not indicate your approval or disapproval of a proposal on the voting form, we will treat it as if you indicated your approval.

If you exercise your voting rights more than once via the Internet, only the last exercise of voting rights shall be deemed valid.

If you exercise your voting rights both via the Internet and in writing (postal mail), the vote exercised via the Internet will be treated as the valid vote, regardless of the date of arrival.

■ Instructions for Methods to Exercise Voting Rights

Attending the General Meeting of Shareholders

Date and Time: Tuesday, June 20, 2023 at 10:00 a.m. (JST)

Please submit the voting form to the receptionist at the meeting site.

Only shareholders may enter the meeting on the day it is held. If you attend the meeting by proxy, the proxy must also be a shareholder.

Exercise of voting rights via the Internet

Deadline: to be exercised by Monday, June 19, 2023 at 5:15 p.m. (JST).

Please access the voting website (<https://evote.tr.mufg.jp/>) and indicate whether you approve or disapprove of each proposal by the voting deadline.

For the “Instructions on Exercise of Voting Rights via the Internet,” please review the following pages.

Exercise of voting rights in writing

Deadline: to be received by Monday, June 19, 2023 at 5:15 p.m. (JST).

Please indicate on the voting form whether you approve or disapprove of each proposal, and return it by the voting deadline.

© If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company’s website (listed in the previous paragraph) and the Tokyo Stock Exchange website.

© At this general meeting of shareholders, regardless of whether or not a request for delivery of the document has been made, the Company will uniformly send a document stating the items subject to measures for electronic provision. Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents.

- (i) Basic policy on internal controls and its operational status
- (ii) Notes to Consolidated Financial Statements
- (iii) Notes to Non-Consolidated Financial Statements

(i) to (iii) are subject to auditing by the Auditors, and (ii) and (iii) are subject to auditing by the Accounting Auditor.

Reference Documents for the General Meeting of Shareholders

Proposals and Related Matters

Proposal 1: Amendment to the Articles of Incorporation

1. Reason for this proposal
To amend the business purposes in Article 2 of the current Articles of Incorporation to business purposes that conform with the current business of the Company.
2. Details of proposed amendments
Details of the proposed amendment are as follows:

(Underlined portions are amended.)

Current Articles	Proposed Amendments
<p>Article 2 The purposes of the Company shall be to conduct the following businesses:</p> <ol style="list-style-type: none"> 1. manufacture, sale, lease and repair of foundry equipment, air pollution control equipment, surface treatment equipment, powdery material handling equipment, other machines and equipment and parts thereof; 2. manufacture, sale, lease and repair of ceramic forming machines, vacuum forming machines, press forming machines, 3D printers, casting machines, pressure forming machines, other similar machinery and parts thereof; 3. manufacture, sale, lease and repair of transportation and material handling equipment, other automation equipment and parts thereof; 4. manufacture, sale, lease and repair of liquid crystal display cell assembly equipment, organic electroluminescent panel assembly equipment, industrial micro robots, secondary battery assembly equipment, various types of sensors and their applied products, food testing instruments, instruments with laser applications, measuring instruments and parts thereof; 5. manufacture and sale of molds and materials thereof for forming metal, ceramic, wood and other similar materials; 6. manufacture and sale of various cast metal products; 7. manufacture and sale of formed plastic and ceramic products made by the forming machines described in 2. above, formed products made by forging machines and similar formed products; 8. installation work of machines and equipment, surface treatment work, reconditioning work of constructions, structures and roads, contracting and execution of other similar construction work; 9. manufacture and sale of abrasives for cleaning and processing, and media and compounds for polishing, grinding and cutting; 10. manufacture and sale of metallurgical composite materials of metallic fiber, other sintered composite materials and metal powder; 11. manufacture and sale of anti-bacterial, deodorant, anti-defiling and purifying products; 12. data and voice processing by computers, and development and sale of computer systems, robot 	<p>Article 2 The purposes of the Company shall be to conduct the following businesses:</p> <ol style="list-style-type: none"> 1. manufacture, sale, lease and repair of foundry equipment, air pollution control equipment, surface treatment equipment, powdery material handling equipment, other machines and equipment and parts thereof; 2. manufacture, sale, lease and repair of ceramic forming machines, vacuum forming machines, press forming machines, 3D printers, casting machines, pressure forming machines, other similar machinery and parts thereof; 3. manufacture, sale, lease and repair of transportation and material handling equipment, other automation equipment and parts thereof; 4. manufacture, sale, lease and repair of liquid crystal display cell assembly equipment, organic electroluminescent panel assembly equipment, industrial micro robots, secondary battery assembly equipment, various types of sensors and their applied products, food testing instruments, instruments with laser applications, measuring instruments and parts thereof; 5. manufacture and sale of molds and materials thereof for forming metal, ceramic, wood and other similar materials; 6. manufacture and sale of various cast metal products; 7. manufacture and sale of formed plastic and ceramic products made by the forming machines described in 2. above, formed products made by forging machines and similar formed products; 8. installation work of machines and equipment, surface treatment work, reconditioning work of constructions, structures and roads, contracting and execution of other similar construction work; 9. manufacture and sale of abrasives for cleaning and processing, and media and compounds for polishing, grinding and cutting; 10. manufacture and sale of metallurgical composite materials of metallic fiber, other sintered composite materials and metal powder; 11. manufacture and sale of anti-bacterial, deodorant, anti-defiling and purifying products; 12. data and voice processing by computers, and development and sale of computer systems, robot

Current Articles	Proposed Amendments
<p>control systems and IoT-related systems and instruments;</p> <p>13. manufacture, sale, lease and repair of equipment and parts thereof for processing general and industrial wastes, and disposal of industrial wastes;</p> <p>14. measurement and analysis of air, water, soil, wastes and other ingredients, and certification of the results therefrom;</p> <p>(New)</p> <p><u>15.</u> manufacture and sale of dental equipment and tools</p> <p><u>16.</u> manufacture and sale of nursing care and welfare tools</p> <p><u>17.</u> planning, production and sale of video content; and</p> <p><u>18.</u> any and all businesses incidental to the foregoing.</p>	<p>control systems and IoT-related systems and instruments;</p> <p>13. manufacture, sale, lease and repair of equipment and parts thereof for processing general and industrial wastes, and disposal of industrial wastes;</p> <p>14. measurement and analysis of air, water, soil, wastes and other ingredients, and certification of the results therefrom;</p> <p><u>15. Calibration of measuring equipment, etc.</u></p> <p><u>16.</u> manufacture and sale of dental equipment and tools</p> <p><u>17.</u> manufacture and sale of nursing care and welfare tools</p> <p><u>18.</u> planning, production and sale of video content; and</p> <p><u>19.</u> any and all businesses incidental to the foregoing.</p>



Proposal 2: Election of eleven (11) Directors



At the end of this Ordinary General Meeting of Shareholders, the term of office of all eleven (11) Directors will expire. Therefore, the Company proposes that eleven (11) Directors be elected.



The candidates for Directors were decided based on recommendations by the Nomination and Compensation Committee comprised of independent external officers.



The candidates for Directors are as follows:



No.		Name	Sex	Attributes	Term of office	Current role at the Company		Attendance at Board of Directors meetings
						Nomination and Compensation Committee	Role	
1	Reelection	Yoshiki Ueda	Male	External Independent	7 years	Chair	Chairman of the Board	100% (16/16 times)
2	Reelection	Atsushi Nagai	Male		27 years		Chief Executive Officer	100% (16/16 times)
3	Reelection	Toshikazu Morishita	Male		7 years		Sales	100% (16/16 times)
4	Reelection	Kenichi Nakamichi	Male		3 years		General Manager of Castec Company	100% (16/16 times)
5	Reelection	Hiromitsu Uchiyama	Male		2 years		Business Development, General Manager of Development Division	100% (16/16 times)
6	Reelection	Mikio Nakane	Male		1 year		Environment, General Manager of Production Division	100% (16/16 times)
7	New election	Hidemi Yamauchi	Male		-		SURFACETEC COMPANY President	-
8	New election	Hiroyuki Takeda	Male		-		General Manager of Sales Division	-
9	Reelection	Masatoshi Ozawa	Male	External Independent	9 years	Committee Member		100% (16/16 times)
10	Reelection	Yasuhito Yamauchi	Male	External Independent	8 years	Committee Member		100% (16/16 times)
11	Reelection	Yukako Uchinaga	Female	External Independent	2 years	Committee Member		100% (16/16 times)


No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 Yoshiki Ueda (March 10, 1953)	Apr. 1976 Joined Mitsubishi Corporation Apr. 2008 Senior Vice President ("Riji") of Mitsubishi Corporation June 2010 President and CEO of Mitsubishi Corporation Technos June 2016 External Director of the Company June 2017 Chairman of the Company (present position) (Significant concurrent positions outside the Company) Outside Director and Audit and Supervisory Committee Member of THK CO., LTD.	-
<p>[The reason for nominating as a candidate for External Director] As Yoshiki Ueda has extensive business experience and knowledge as a senior executive of a general trading company and a manager of a specialized trading company, the Company believes that he can supervise the management properly. Therefore, the Company is convinced that he is capable of properly performing his duties as an External Director to enhance auditing functions of the Board of Directors and contribute to the business of the Company, and it asks shareholders to elect him continuously as an External Director. Ueda has been in the position of External Director of the Company for seven (7) years.</p>			
2	 Atsushi Nagai (September 30, 1960)	June 2002 Senior Managing Director of the Company June 2006 President of the Company (present position) (Significant concurrent positions outside the Company) Representative Director of Heinrich Wagner Sinto Maschinenfabrik GmbH Director of Sinto America, Inc.	521,626
<p>[The reason for nominating as a candidate for Director] Atsushi Nagai has been taking responsibility as President since 2006. Nagai has extensive knowledge of global business as well as the ability to apply his knowledge of the whole business of the Company, and he has directed and supervised the management properly as President. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 Toshikazu Morishita (June 22, 1958)	Apr. 1982 Joined the Company July 2006 Executive Officer, Deputy General Manager of Foundry Business Division of the Company Apr. 2012 Executive Officer, Manager of Foundry Business Division of the Company June 2016 Director in charge of Sales and General Manager of Sales Division of the Company Apr. 2021 Director, Senior Executive Officer in charge of Sales and General Manager of Sales Division of the Company Apr. 2023 Director, Managing Executive Officer in charge of Sales, General Sales Manager of Castec Company (in-house Company) (present position)	56,189
<p>[The reason for nominating as a candidate for Director] While engaged in management as a Director since 2016, Toshikazu Morishita has performed his role and responsibility effectively as Supervisor of Sales. Morishita is able to apply his wealth of experience and high level of knowledge of overall sales and foundry business. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			
4	 Kenichi Nakamichi (August 8, 1965)	Apr. 1989 Joined SINTOBRATOR, LTD. Apr. 2012 Manager of Blast Division of the Company July 2014 Executive Officer, Manager of Blast Division of the Company July 2015 Managing Executive Officer, Manager of Blast Division of the Company June 2020 Director, General Manager of Overseas Business Division of the Company Apr. 2022 Director, Senior Executive Officer, General Manager of Castec Company (in-house Company) Apr. 2023 Director, Managing Executive Officer, General Manager of Castec Company (in-house Company) (present position)	20,670
<p>[The reason for nominating as a candidate for Director] While engaged in management as a Director since 2020, Kenichi Nakamichi has performed his role and responsibility effectively as General Manager of Castec Company. Nakamichi has abundant experience in the overseas business operations, and is able to apply his extensive experience and high level of knowledge in overseas business and the surface treatment business. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 Hiromitsu Uchiyama (April 26, 1960)	Apr. 1983 Joined Toyota Motor Corporation Jan. 2011 General Manager of Battery and FC Production Engineering Department of Toyota Motor Corporation May 2020 Advisor of the Company July 2020 Managing Executive Officer, General Manager of Development Division of the Company Apr. 2021 Senior Executive Officer, General Manager of Development Division of the Company June 2021 Director, Senior Executive Officer in charge of Business Development and General Manager of Development Division of the Company Apr. 2023 Director, Managing Executive Officer in charge of Business Development and General Manager of Development Division of the Company (present position)	8,500
<p>[The reason for nominating as a candidate for Director] While engaged in management as a Director since 2021, Hiromitsu Uchiyama has performed his role and responsibility effectively as General Manager of the Development Division and Supervisor of Business Development. Uchiyama is able to apply his extensive practical experience and knowledge cultivated in the development of products, such as batteries, at an automobile manufacturer. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			
6	 Mikio Nakane (November 2, 1960)	Apr. 1985 Joined the Company July 2015 Manager of Environment Division of the Company July 2016 Executive Officer and Manager of Environment Division of the Company Apr. 2018 Managing Executive Officer, General Manager of Ecotec Company (in-house Company) Apr. 2021 Senior Executive Officer, General Manager of Ecotec Company (in-house Company) Apr. 2022 Director, Senior Executive Officer, General Manager of Ecotec Company (in-house Company) Apr. 2023 Director, Managing Executive Officer in charge of Environment, General Manager of Production Division and General Manager of Toyokawa Works of the Company (present position)	15,634
<p>[The reason for nominating as a candidate for Director] While engaged in management as a Director since 2022, Mikio Nakane currently performs his role and responsibility as General Manager of the Production Division and Supervisor of Environment. Nakane is able to apply his high level of knowledge and extensive experience of environment business as a whole. Therefore the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him continuously as a Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
7	<p style="text-align: center;">*</p>  <p style="text-align: center;">Hidemi Yamauchi (April 2, 1961)</p>	<p>Apr. 1980 Joined SINTOBRATOR, LTD.</p> <p>Apr. 2012 General Manager of Support Promotion Department, Sales Division of the Company</p> <p>July 2014 Executive Officer, General Manager of Support Promotion Department, Sales Division of the Company</p> <p>Apr. 2018 Managing Executive Officer, SURFACETEC COMPANY Vice President, General Manager of Osaki Works of the Company</p> <p>Apr. 2021 Senior Executive Officer, SURFACETEC COMPANY President, General Manager of Ichinomiya Works of the Company</p> <p>Apr. 2023 Managing Executive Officer, SURFACETEC COMPANY President, General Manager of Ichinomiya Works (present position)</p>	13,003
<p>[The reason for nominating as a candidate for Director] Hidemi Yamauchi has extensive experience in sales and manufacturing, and after serving as General Manager of Osaki Works, he currently serves as the SURFACETEC COMPANY President. Yamauchi is able to apply his extensive experience and high level of knowledge in sales and manufacturing. Therefore, the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him as a new Director.</p>			
8	<p style="text-align: center;">*</p>  <p style="text-align: center;">Hiroyuki Takeda (December 30, 1969)</p>	<p>Sep. 1992 Joined SINTOBRATOR, LTD.</p> <p>Mar. 2016 Qingdao Sinto Machinery Co., Ltd., China, Managing Director</p> <p>Apr. 2020 Executive Officer of the Company</p> <p>Mar. 2021 Chairman and General Representative of China, Qingdao Sinto Machinery Co., Ltd., China</p> <p>Apr. 2022 Executive Officer, Deputy General Manager of Sales Division of the Company</p> <p>Apr. 2023 Executive Officer, General Manager of Sales Division of the Company (present position)</p>	4,881
<p>[The reason for nominating as a candidate for Director] Hiroyuki Takeda has extensive experience in sales and global business. He has served as the Company's General Representative of China and currently serves as General Manager of Sales Division. Takeda is able to apply his extensive experience and high level of knowledge in sales and global business. Therefore, the Company is convinced that he is an appropriate person to realize sustainable improvement of corporate value, and asks shareholders to elect him as a new Director.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
9	 <p data-bbox="336 584 549 645">Masatoshi Ozawa (February 23, 1943)</p>	<p data-bbox="612 264 1236 555">Apr. 1966 Joined Daido Steel Co., Ltd. June 2004 Representative Director and President of Daido Steel Co., Ltd. June 2010 Representative Director and Chairman of Daido Steel Co., Ltd. June 2014 External Director of the Company (present position) (Significant concurrent positions outside the Company) Outside Director of Okuma Corporation</p>	-
<p data-bbox="277 680 1444 835">[The reason for nominating as a candidate for External Director] As Masatoshi Ozawa has extensive knowledge and experience as a corporate manager, the Company is convinced that he is capable of properly performing his duties as an External Director to contribute to the business of the Company and asks shareholders to elect him continuously as an External Director. Ozawa has been in the position of External Director of the Company for nine (9) years.</p>			
10	 <p data-bbox="336 1173 549 1234">Yasuhito Yamauchi (January 2, 1942)</p>	<p data-bbox="612 844 1236 1135">Apr. 1968 Joined Toyota Motor Co., Ltd. (Current Toyota Motor Corporation) June 1995 Director of Toyota Motor Co., Ltd. June 2001 Senior Managing Director of Toyota Motor Co., Ltd. June 2005 President of Aisin Seiki Co., Ltd. (Current AISIN CORPORATION) June 2015 External Director of the Company (present position)</p>	-
<p data-bbox="277 1274 1444 1458">[The reason for nominating as a candidate for External Director] As Yasuhito Yamauchi has extensive business experience and knowledge of manufacturing as a manager of automobile manufacturers and automobile parts manufacturers, the Company is convinced that he is capable of properly performing his duties as an External Director to contribute to the business of the Company and asks shareholders to elect him continuously as an External Director. Yamauchi has been in the position of External Director of the Company for eight (8) years.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions outside the Company)	Number of the Company's shares owned
11	 <p data-bbox="352 689 528 752">Yukako Uchinaga (July 5, 1946)</p>	<p data-bbox="612 264 1241 779"> June 1971 Joined IBM Japan, Ltd. Apr. 1995 Director of IBM Japan, Ltd. Apr. 2004 Director, Senior Executive Officer in charge of Development and Manufacturing of IBM Japan, Ltd. Apr. 2007 Board Chair of Japan Women's Innovative Network (J-Win) Apr. 2008 Director, Vice Chairman of Benesse Corporation Representative Director, Chairman of the Board, President & CEO of Berlitz Corporation June 2021 External Director of the Company (present position) July 2022 Chairperson and Representative Director of Japan Women's Innovative Network (J-Win) (present position) </p> <p data-bbox="612 788 1150 909"> (Significant concurrent positions outside the Company) Outside Director of Nippon Telegraph and Telephone Corporation Outside Director of Teijin Limited </p>	-
<p data-bbox="277 920 903 947">[The reason for nominating as a candidate for External Director]</p> <p data-bbox="277 952 1449 1104">As Yukako Uchinaga has extensive management experience as she has served as Director and Senior Executive Officer of IBM Japan, Ltd. and Director and Vice Chairman of Benesse Corporation, extensive knowledge in the information technology (IT) field and a deep understanding of diversity, the Company is convinced that she is capable of properly performing her duties as an External Director to contribute to the business of the Company and asks shareholders to elect her continuously as an External Director.</p> <p data-bbox="277 1108 1142 1135">Uchinaga has been in the position of External Director of the Company for two (2) years.</p>			

- Notes:
1. New Candidates for Directors are marked with (*).
 2. There is no special interest between the candidates and the Company.
 3. Yoshiki Ueda, Masatoshi Ozawa, Yasuhito Yamauchi and Yukako Uchinaga are candidates for External Directors.
 - Yoshiki Ueda served as Advisor to Mitsubishi Corporation Technos until June 2016. The amount of transactions between the Company and Mitsubishi Corporation Technos is less than 1% of the consolidated net sales of either company.
Furthermore, Ueda served as Advisor to Makino Milling Machine Co., Ltd. until June 2021. The amount of transactions between the Company and Makino Milling Machine Co., Ltd. is less than 0.1% of the consolidated net sales of either company. Therefore, this business relationship does not require special mention because it will not influence Ueda's execution of duties as External Director.
 - Masatoshi Ozawa serves as Special Advisor of Daido Steel Co., Ltd. The amount of transactions between the Company and Daido Steel Co., Ltd. is less than 1% of the consolidated net sales of either company. Therefore, this business relationship does not require special mention because it will not influence Ozawa's execution of duties as External Director.
 - Yasuhito Yamauchi served as Advisor to Aisin Seiki Co., Ltd. (currently AISIN CORPORATION) until June 2018. The amount of transactions between the Company and AISIN CORPORATION is less than 2% of the consolidated net sales of either company. Therefore, this business relationship does not require special mention because it will not influence Yamauchi's execution of duties as External Director.
 - Yukako Uchinaga serves as Chairperson and Representative Director of Japan Women's Innovative Network (J-Win). The amount of transactions between the Company and Japan Women's Innovative Network (J-Win) is less than 0.1% of the consolidated net sales of either entity.
Furthermore, Uchinaga also served as Director, Vice Chairman of Benesse Holdings, Inc. until June 2013, but there are no transactions between the Company and Benesse Holdings, Inc.
Uchinaga also served as an Outside Director of HOYA CORPORATION until June 2022. The amount of transactions between the Company and HOYA CORPORATION is less than 0.1% of the consolidated net sales of either company.
In addition, there are no transactions between the Company and IBM Japan, Ltd. from which she retired in 2007. Furthermore, the amount of transactions between the Company and Teijin Limited, where Uchinaga currently serves as Outside Director, is less than 0.1% of the consolidated net sales of either company.

Furthermore, the amount of transactions between the Company and Nippon Telegraph and Telephone Corporation, where Uchinaga currently serves as Outside Director, is less than 0.1% of the consolidated net sales of either company.

Therefore, this business relationship does not require special mention because it will not influence Uchinaga's execution of duties as External Director.



4. The Company has entered into limited liability agreements pursuant to Article 427, paragraph 1 of the Companies Act with Yoshiki Ueda, Masatoshi Ozawa, Yasuhito Yamauchi and Yukako Uchinaga. Under the terms of the limited liability agreement, their liability will be limited to a minimum amount stipulated by applicable laws and regulations. If the reelections of them are approved, the Company intends to continue the aforesaid agreements with them.
5. The Company has registered Yoshiki Ueda, Masatoshi Ozawa, Yasuhito Yamauchi and Yukako Uchinaga as Independent Officers qualified under the regulations of the Tokyo Stock Exchange and Nagoya Stock Exchange.
6. The Company has entered into a directors and officers liability insurance contract as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. This insurance policy covers damages, litigation expenses, etc. to be borne by the insured. The candidates are included as the insured in this insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.
7. The number of shares held by Atsushi Nagai, President, includes shares held by Ken Bridge Partners LLC, his asset management company.



Proposal 3: Election of four (4) Auditors

At the end of this Ordinary General Meeting of Shareholders, the term of office of all four (4) Auditors will expire. Therefore, the Company proposes that four (4) Auditors be elected.

The candidates for Auditors were decided based on recommendations by the Nomination and Compensation Committee comprised of independent outside officers. The Board of Auditors has given its consent to this proposal. The candidates for Auditors are as follows:

No.	Name		Sex	Attributes	Term of office	Nomination and Compensation Committee	Attendance at Board of Directors meetings	Attendance at Board of Auditors meetings
1	Reelection	Tsuyoshi Goto	Male		4 years		100% (16/16 times)	100% (16/16 times)
2	Reelection	Yuji Okubo	Male		4 years		100% (16/16 times)	100% (16/16 times)
3	Reelection	Toshiro Kojima	Male	External Independent	7 years	Attendee	100% (16/16 times)	100% (16/16 times)
4	New election	Takami Onodera	Male	External Independent	-	Attendee	-	-

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 Tsuyoshi Goto (February 25, 1957)	Apr. 1980 Joined the Company July 2015 Executive Officer, Manager of Production Center of the Company June 2016 Director, Manager of Production Center of the Company Apr. 2019 Director, Supervisor of Manufacturing and General Manager in charge of the Production Division of the Company June 2019 Full Time Auditor of the Company (present position)	16,776
[The reason for nominating as a candidate for Auditor] As the Company is convinced that Tsuyoshi Goto is capable of contributing his extensive experience and broad knowledge in the Production Division of the Company to objectively supervising the execution of duties by directors, the Company asks shareholders to re-elect him as an Auditor.			
2	 Yuji Okubo (October 30, 1953)	Apr. 1976 Joined the Company Apr. 1999 GM of International Operations of the Company Oct. 2009 General Manager of Administration Department July 2015 Executive Officer in charge of Accounting and Finance of the Company June 2019 Full Time Auditor of the Company (present position)	10,022
[The reason for nominating as a candidate for Auditor] As the Company is convinced that Yuji Okubo is capable of contributing his extensive experience in overseas business operations of the Company and broad knowledge in the financing and accounting to objectively supervise the execution of duties by directors, the Company asks shareholders to re-elect him as an Auditor.			

No.	Name (Date of birth)	Career summary and position (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 Toshiro Kojima (April 5, 1953)	Apr. 1977 Joined Hitachi, Ltd. July 2000 Risk Management Department of Hitachi, Ltd. July 2015 Executive Officer of Kyodo News Digital Co., Ltd., Director of Risk Control Research Institute (present position) June 2016 External Auditor of the Company (present position) (Significant concurrent positions outside the Company) Executive Officer of Kyodo News Digital Co., Ltd.	-
[The reason for nominating as a candidate for External Auditor] As the Company is convinced that Toshiro Kojima is capable of contributing his extensive experience and broad knowledge in risk control to objectively supervise the execution of duties by directors, the Company asks shareholders to elect him again as an External Auditor this time. Kojima has been in the position of External Auditor of the Company for seven (7) years.			
4	*  Takami Onodera (April 4, 1957)	Apr. 1980 Joined The Mitsubishi Bank, Ltd. (current MUFG Bank, Ltd.) June 2006 Executive Officer, General Manager of Loan Planning Dept. May 2010 Managing Executive Officer June 2013 Deputy President of Mitsubishi UFJ Securities Holdings Co., Ltd. June 2018 Chairman of the Board, Representative Director of Mitsubishi UFJ NICOS Co., Ltd. (present position)	-
[The reason for nominating as a candidate for External Auditor] As the Company is convinced that Takami Onodera is capable of contributing his extensive experience related to management of financial institutions, in addition to his broad knowledge gained in financial related operations, to objectively supervise the execution of duties by directors, the Company asks shareholders to elect him as a new External Auditor this time.			

- Notes:
1. New Candidates for Auditors are marked with an asterisk (*).
 2. There is no special interest between the candidates and the Company.
 3. Toshiro Kojima and Takami Onodera are candidates for External Auditor.
 - Toshiro Kojima served at Hitachi, Ltd. until July 2014. The amount of transactions between the Company and Hitachi, Ltd. accounts for less than 0.1% of the consolidated net sales of either company. Therefore, this business relationship does not require special mention because it will not influence Kojima's execution of duties as External Auditor.
 - Takami Onodera served as an officer involved with the execution of business of The Bank of Tokyo-Mitsubishi, Ltd. (current MUFG Bank, Ltd.) until June 2013. The amount of loans from MUFG Bank, Ltd. group to the Company Group is less than 4% of the consolidated total assets of the Company. Therefore, this business relationship does not require special mention because it will not influence Onodera's execution of duties as External Auditor.
 4. The Company has entered into a limited liability agreement pursuant to Article 427, paragraph 1 of the Companies Act with Toshiro Kojima. Under the terms of the limited liability agreement, his liability will be limited to a minimum amount stipulated by applicable laws and regulations. If the reelection of Kojima is approved, the Company intends to continue the aforesaid agreement with him. If the election of Takami Onodera is approved, the Company intends to enter into the same limited liability agreement with him.
 5. The Company has registered Toshiro Kojima as Independent Officer qualified under the regulations of the Tokyo Stock Exchange and Nagoya Stock Exchange. As Takami Onodera satisfies the requirements for Independent Officer qualified under the regulations of the Tokyo Stock Exchange and Nagoya Stock Exchange, the Company intends to register him as Independent Officer.

(Reference) Management structure after agenda is approved (Expertise and experience possessed by Directors and Auditors)

Persons with abundant experience, a high level of insight, and a high degree of expertise are appointed as Directors while ensuring there is a diversity suited to the Company's management plan and strategy. Within the Board of Directors, they conduct appropriate decision-making and management supervision. For Internal Directors, persons who are familiar with sales, development, technology, production, management, etc. are appointed, while taking into account the balance of knowledge, experience and abilities. Four independent External Directors have experience as Representative Directors of listed companies and track records within corporate management, and provide advice and recommendations based on a variety of backgrounds related to sales, technology, manufacturing, information, and sustainability.

- Notes:
- The purpose of this table is not to show all expertise and experience but rather to show the expertise and experience considered particularly important in deliberation and decision-making at the Board of Directors, as indicated with the ◎ symbol, and expertise and experience considered important, as indicated with the ○ symbol.
 - The criteria include current job title and experience based on past job titles.
 - Fourteen (14) males and one (1) female (female comprising 6.7% of Directors and Auditors)

Name	Job Title	Attributes	Expertise and experience possessed by Directors of the Company										
			Corporate Management (such as experience as a Representative Director at a listed company)	Industry Knowledge	Internationality / Global Business	Environment / Sustainability	Sales & Marketing	Development / Technology / Manufacturing	Organizational Management / Human Capital / Planning / Finance	Digital / Information Security	Governance / Risk Management		
Yoshiki Ueda	Chairman	External Independent	◎	○ (Trading Company)	○		○						◎
Atsushi Nagai	President		◎	○	◎					○			◎
Toshikazu Morishita	Director, Managing Executive Officer			○				○					○
Kenichi Nakamichi	Director, Managing Executive Officer			○	○					○			○
Hiromitsu Uchiyama	Director, Managing Executive Officer			○					○				○
Mikio Nakane	Director, Managing Executive Officer			○			○		○			○	○
Hidemi Yamauchi	Director Managing Executive Officer			○						○			○
Hiroyuki Takeda	Director Managing Executive Officer			○	○			○					○
Masatoshi Ozawa	External Director	External Independent	◎	○ (Steel Industry)	○					○			◎
Yasuhito Yamauchi	External Director	External Independent	◎	○ (Auto-mob-ile Industry)						○			◎
Yukako Uchinaga	External Director	External Independent	◎	○ Information / Communi-cations	○					○	○	○	◎

Name	Job Title	Attributes	Expertise and experience possessed by Auditors of the Company								
			Corporate Management (such as Representative Director at a Listed company)	Industry Knowledge	Internationality / Global Business	Environment / Sustainability	Sales & Marketing	Development/ Technology/ Manufacturing	Organizational Management/ Human Capital/ Planning/Finance	Digital/ Information Security	Governance/ Risk Management
Tsuyoshi Goto	Full Time Auditor			○					◎		○
Yuji Okubo	Full Time Auditor			○	○					◎	○
Toshiro Kojima	External Auditor	External Independent		○ (Electrical Equipment)	○						◎*1
Takami Onodera	External Auditor	External Independent		○ (Banking)	○					○	◎*2

*1: Possessing a wealth of business experience involving risk management in global business

*2: Possessing a wealth of business experience involving financial related operations, etc.

Business Report

(From April 1, 2022 to March 31, 2023)

1. Current status of the corporate group

(1) Business progress and achievement

During the fiscal year ended March 31, 2023, the global economy experienced a slowdown in the recovery base of business conditions due to soaring resource and energy prices following the prolonged Russian invasion of Ukraine, rising policy interest rates accompanying accelerated inflation in Europe and the United States, and the re-expansion of infection in China, while measures against COVID-19 infections (hereinafter referred to as “infectious diseases”) and economic activities were progressing at the same time. In the U.S., the economy remained firm due to a recovery in personal consumption and other factors, despite a slowdown against the backdrop of higher interest rates to curb inflation and surging energy prices. In Europe, although the economy was on a recovery trend due to the removal of action restrictions, it remained sluggish due to soaring energy prices and the prices of other commodities. In China, despite efforts to normalize economic activities from the zero-COVID policy to living with COVID-19, the economy slowed down due to sluggish real estate market conditions and other factors. In Japan, although economic activities normalized due to the easing of action restrictions, business conditions remained uncertain due to the weak yen, soaring energy prices, supply instability and deteriorating procurement environment for semiconductors and other products.

With regard to the business environment of the Company group (the “Group”), some of the Group’s major clients including the automobile industry were forced to make production adjustments in response to the implementation of measures against infectious diseases and parts supply disruptions. However, sales of parts and supplies, mainly for the electronics industry remained firm due to the strong performance in the semiconductor industry.

Amid such an environment, orders received during the fiscal year under review totaled to ¥114,164 million, an increase of ¥6,860 million compared with those for the previous fiscal year (up 6.4% year on year). Meanwhile, net sales amounted to ¥106,381 million, an increase of ¥7,133 million (up 7.2% year on year), and backlog of orders amounted to ¥52,172 million, an increase of ¥7,783 million (up 17.5% year on year). As to earnings, operating profit decreased ¥364 million to ¥2,242 million (down 14.0% year on year), ordinary income decreased ¥527 million to ¥3,951 million (down 11.8% year on year), and net income attributable to owners of the parent increased ¥3,352 million to ¥6,187 million (up 118.2% year on year).

Note: All monetary values in this report have been rounded down to the nearest unit, and ratios and per-unit values have been rounded to the nearest unit.

The Group’s products are sold across various businesses, and the following description and table show the details and results of net sales and operating profit by business segment for the fiscal year under review.

Net sales by business segment are the figures prior to intersegment eliminations.

Surface Treatment Business

Net sales increased ¥4,705 million to ¥46,012 million (up 11.4% year on year) due to strong sales of surface finishing equipment to electronics-related industries due to strong demand for semiconductors and in the infrastructure and construction machinery industries, as well as increased sales of parts and supplies as production activity recovered in various industries, including the automobile industry. Operating profit increased ¥234 million to ¥2,893 million (up 8.8% year on year) due to higher sales of consumables and parts. Orders received totaled to ¥48,397 million, an increase of ¥6,478 million (up 15.5% year on year), and backlog of orders amounted to ¥8,405 million, an increase of ¥2,385 million (up 39.6% year on year).

Foundry Business

Sales increased ¥2,384 million to ¥36,426 million (up 7.0% year on year) due to progress in acceptance inspections for overseas projects, which were supported by online technology and alternative local dispatch of overseas bases, although sales remained sluggish due to long delivery times mainly for electronic components and delays in the construction of customer plants for large plant projects. Operating loss amounted to ¥83 million (loss of ¥17 million in the previous fiscal year). Orders received totaled to ¥37,562 million, a

decrease of ¥574 million (down 1.5% year on year), and backlog of orders amounted to ¥27,687 million, an increase of ¥1,761 million (up 6.8% year on year).

Environment Business

Sales of general-purpose dust collectors were firm, but sales declined ¥139 million to ¥10,712 million (down 1.3% year on year) due to longer delivery times for key components such as blower motors and inverters, and the inability to pass on higher raw material prices to quoted prices. Operating profit amounted to ¥759 million, a decrease of ¥141 million (down 15.7% year on year) due to a negative effect on revenues as well as soaring raw material and electronic component prices. Orders received totaled to ¥11,179 million, a decrease of ¥55 million (down 0.5% year on year), and backlog of orders amounted to ¥5,215 million, an increase of ¥726 million (up 16.2% year on year).

Material Handling Business

Sales increased ¥55 million to ¥6,135 million (up 0.9% year on year) due to firm sales to the machine tool and logistics industries, although sales to the automobile industry remained sluggish due to the shortage of semiconductors and electrical components. Operating profit decreased ¥125 million to ¥482 million (down 20.6% year on year). Orders received totaled to ¥8,228 million, an increase of ¥1,754 million (up 27.1% year on year), and backlog of orders amounted to ¥4,172 million, an increase of ¥2,116 million (up 103.0% year on year).

Special Equipment Business

Net sales came to ¥8,785 million, an increase of ¥1,090 million (up 14.2% year on year) due to strong sales of high-pressure roll press machines for the automotive secondary battery market. Operating loss amounted to ¥629 million (loss of ¥386 million in the previous fiscal year) due to the increase in cost ratio. Orders received totaled to ¥8,626 million, a decrease of ¥749 million (down 8.0% year on year), and backlog of orders amounted to ¥6,690 million, an increase of ¥793 million (up 13.5% year on year).

Status of net sales by business segment of the corporate group

Category \ Fiscal Year	126th Term (Fiscal year under review) April 1, 2022 to March 31, 2023		125th Term (Previous fiscal year) April 1, 2021 to March 31, 2022		Year-on-year changes
	Millions of yen	%	Millions of yen	%	%
Surface Treatment Business	46,011	43.2	41,292	41.6	11.4
Foundry Business	35,801	33.7	33,459	33.7	7.0
Environment Business	10,453	9.8	10,658	10.7	(1.9)
Material Handling Business	6,111	5.7	6,045	6.1	1.1
Special Equipment Business	7,832	7.4	7,628	7.7	2.7
Other Business	170	0.2	163	0.2	4.3
Total	106,381	100.0	99,247	100.0	7.2
Overseas sales	49,592	46.6	40,161	40.5	23.5

Note: The above amounts are the figures after intersegment eliminations.

(2) Status of capital investments

In the fiscal year under review, the total amount of capital investments made by the Group was ¥3,277 million, and the main components thereof are as follows.

Foundry Business	Construct a new plant in Brazil following the relocation of the foundry
Material Handling Business	Renovate the plant building of MEIKIKOU Corporation
Special Equipment Business	Shinshiro Works - Renewal of facilities and equipment at the new plant

(3) Issues to be addressed

Since our establishment in 1934, the Group has been refining its skills, pursuing world-class technologies, and building relationships of trust with its customers through technology, based on its hopes of cherishing the heart of manufacturing and contributing to society. We strive to offer new value to our customers and to build bonds of trust, always keeping their manufacturing needs in mind. To such ends, we set our sights on our number of customers, which serves as a key performance indicator. We will persist with our aim of serving as a company that is consistently chosen by customers generation after generation, as we deepen our bonds with everyone around us while valuing each and every customer.

● Growth strategy

Given that we are operating in a business environment that is undergoing unprecedented change more rapidly and extensive than ever before, we will seek to flexibly address such change by bolstering investment geared to creating partnerships for the sake of actively tapping into external resources and jointly opening a pathway to the future.

The Company strives to increase corporate value by addressing social issues, and prioritizes strategic investments necessary for sustainable growth, including research and development, capital investment, and mergers and acquisitions. In addition, our basic financial strategy is to continue to provide a stable return of profits to shareholders, and use the cash flow generated by our business activities for investments in the surface finishing business and other growth businesses, as well as for shareholder returns. We will also optimize our strategy to keep our P/B ratio above 1, and maximize value to stakeholders and achieve sustainable growth by investing in sustainable growth and providing stable profit returns.

● Key issues (materiality)

We have set three realms as the aims of our vision, consisting of (i) an environmentally friendly recycling-oriented society, (ii) a safe, secure, and abundant society through manufacturing, and (iii) a society where people are able to experience inspiration, growth, and happiness. In achieving such aims, we have selected the five categories of the environment, human capital, technological development and manufacturing, stakeholders, and business infrastructure as key issues, and will address such key issues.

• Environmental initiatives

We consider the impact of climate change on our business to be a key issue and accordingly manage such risk in a manner that particularly involves paying close attention to how our profits are affected by flood damage and rising energy costs, as well as surging prices of raw materials and difficulty in obtaining them due to increasingly stringent regulations.

• Human capital initiatives

Generally, local nationals serve as top management of our overseas bases and we assess maintenance skills of the Company's products on the basis of universal evaluation standards. We will also accelerate efforts to promote women's empowerment.

• Business infrastructure initiatives

The Group identifies, evaluates, and visually depicts risk associated with its business activities based on its basic policy for addressing risk, established by the Risk Management Committee under the direct control

of the Board of Directors. We will have the Risk Management Committee report results of its activities to the Board of Directors in seeking to further strengthen our risk management structure.

We would like to ask our shareholders for your continued support and cooperation.

(4) Trends in assets and profit and loss

Fiscal Year Category	123rd Term April 1, 2019 to March 31, 2020	124th Term April 1, 2020 to March 31, 2021	125th Term April 1, 2021 to March 31, 2022	126th Term (Fiscal year under review) April 1, 2022 to March 31, 2023
Net sales	Millions of yen 102,703	Millions of yen 82,544	Millions of yen 99,247	Millions of yen 106,381
Profit attributable to owners of parent	Millions of yen 2,879	Millions of yen 606	Millions of yen 2,835	Millions of yen 6,187
Basic earnings per share	Yen 54.10	Yen 11.39	Yen 53.28	Yen 117.93
Total assets	Millions of yen 156,461	Millions of yen 164,201	Millions of yen 168,586	Millions of yen 171,367
Net assets	Millions of yen 99,849	Millions of yen 104,124	Millions of yen 109,641	Millions of yen 111,755

(5) Status of principal subsidiaries

Company name	Share capital	Equity ownership of the Company	Principal lines of business
MEIKIKOU Corporation	Millions of yen 200	% 83.7	Manufacture and sale of transportation machines, material handling machines and robots
Sinto Europe GmbH	Thousands of euro 49,645	100.0	Management of subsidiaries in Europe
Heinrich Wagner Sinto Maschinenfabrik GmbH	Thousands of euro 2,200	0.0 (100.0)	Manufacture and sales of facilities and machines for foundries in Europe
Sinto America, Inc.	Thousands of U.S. dollar 60	100.0	Management of subsidiaries in the U.S.
Roberts Sinto Corporation	Thousands of U.S. dollar 2,077	0.0 (100.0)	Manufacture and sales of foundry equipment, material handling equipment and sand coating facilities in the U.S.
Qingdao Sinto Machinery Co., Ltd.	Millions of yuan 129	95.0	Manufacture and sales of foundry equipment, surface treatment equipment and abrasives in China
Sinto Brasil Produtos Limitada	Millions of Brazilian real 42	99.0	Manufacture and sales of foundry equipment, surface treatment equipment and abrasives in Brazil
Sinto Bharat Manufacturing Private Limited	Millions of Indian rupee 670	74.0	Manufacture and sales of foundry equipment and surface treatment equipment in India

Note: The numbers in parentheses indicates the ownership ratio through indirect holdings.

(6) Status of important business combinations

- Aiming to expand the application area of laser peening (LP), we established SINTO-LSPT, Inc. through a joint investment with LSP Technologies, Inc.

(7) Principal lines of business

Category of business	Details of main products
Surface Treatment Business	Shot blasting machines, air blasting machines, shot peening machines, barrel polishing equipment, precision brushing equipment, ultra-precision microprocessing equipment, surface evaluation equipment, surface treatment contract processing, surface treatment-related parts, abrasives, polishing media, etc.
Foundry Business	Casting production equipment, V-process molding equipment, core molding equipment, casting sand treatment equipment, automated pouring equipment, sand coating facilities, casting-related parts, powder & granule treatment equipment, wear-resistant castings, etc.
Environment Business	Dust collectors, deodorization equipment, wastewater treatment equipment, volatile organic compounds (VOC) gas purifier, environment-related parts, etc.
Material Handling Business	Lifting devices, steplifts, gravity conveyors, material handling systems, etc.
Special Equipment Business	Organic electroluminescent panel assembly equipment, automated line processes thereof (including supply and material handling equipment), material handling robots, servo cylinders, inspection and measurement equipment, precision measuring instruments, precision press processing equipment, disperizers, battery material supply equipment, 3D printers, ceramic products, foaming machines, automotive door assembly equipment, magnetic metal powder, sterile isolator for sterile conditioning, special equipment-related parts, nursing care and welfare tools, etc.
Other Business	Machinery design, welfare businesses, etc.

(8) Major offices and factories

(i) The Company

Headquarters	Headquarters (Nagoya City)
Branches	Tokyo Branch (Kawaguchi City, Saitama) Chubu Branch (Oharu-cho, Ama-gun, Aichi) Osaka Branch (Osaka City)
Offices	Toyokawa Works (Toyokawa City, Aichi) Ichinomiya Works (Toyokawa City, Aichi) Osaki Works (Toyokawa City, Aichi) Shinshiro Works (Shinshiro City, Aichi) Koda Works (Kota-cho, Nukata-gun, Aichi) Oharu Works (Oharu-cho, Ama-gun, Aichi) Kyushu Works (Kurate-cho, Kurate-gun, Fukuoka) Atsugi Works (Atsugi City, Kanagawa)

(ii) Subsidiaries

Domestic	MEIKIKOU Corporation (Aichi)
Overseas	Heinrich Wagner Sinto Maschinenfabrik GmbH (Germany) Roberts Sinto Corporation (U.S.A.) Qingdao Sinto Machinery Co., Ltd. (China) Sinto Brasil Produtos Limitada (Brazil) Sinto Bharat Manufacturing Private Limited (India)

(9) Employees

Category	Domestic	Overseas	Total
Number of employees	2,188	1,798	3,986

Note: The number of employees of the Company is 1,735.

(10) Major creditors

Creditor	Balance of borrowings
MUFG Bank, Ltd.	¥6,129 million
Syndicate loan	¥3,300 million
Resona Bank, Limited	¥3,100 million

Note: Syndicated loan is a joint-financing instrument with MUFG Bank, Ltd. as a lead bank.

2. Matters relating to the Company's shares

- (1) Total number of authorized shares: 230,476,000
- (2) Total number of issued shares: 54,580,928 (including 2,060,573 treasury shares)
- (3) Number of shareholders: 27,886
- (4) Top ten shareholders

Name	Number of shares held	Shareholding ratio
The Master Trust Bank of Japan, Ltd. (trust account)	Thousands of shares 5,010	% 9.54
Custody Bank of Japan, Ltd. (trust account)	2,462	4.68
MUFG Bank, Ltd.	2,289	4.35
Meiji Yasuda Life Insurance Company	2,276	4.33
Resona Bank, Limited	1,668	3.17
The NAGAI Foundation for Science & Technology	1,405	2.67
Sinto Employee Stock Ownership	1,300	2.47
Takateru Murakami	1,182	2.25
Sinto Supplier Stock Ownership	1,147	2.18
NORTHERN TRUST CO.(AVFC) RE U.S. TAX EXEMPTED PENSION FUNDS SEC LENDING	1,087	2.07

- Notes: 1. Although the Company holds 2,060,573 treasury shares, it is excluded from the list of top ten shareholders.
2. The shareholding ratio was calculated based on the total number of issued shares less treasury shares and was rounded down to the nearest unit.

- (5) Shares issued to the Company's directors (and other officers) during the fiscal year under review as compensation for the execution of their duties

	Number of shares	Number of directors (and other officers) to whom shares were granted
Directors (excluding External Directors)	(Thousands of shares) 28	(people) 7

(Reference)

Policy on shareholding of other companies

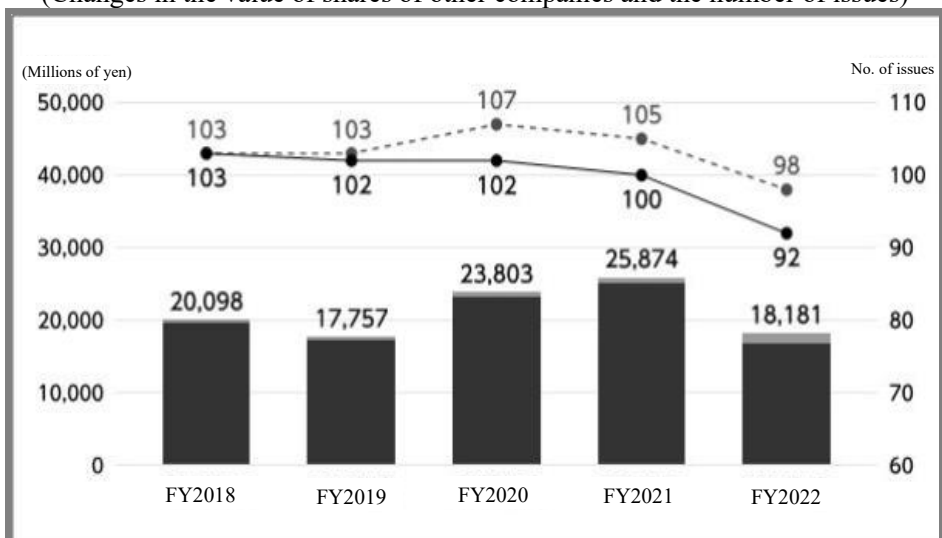
The Company holds shares of other companies taking a medium- to long-term perspective for increasing its corporate value upon comprehensively taking into account its business strategy and professional relationships with its business partners. At the same time, in order to achieve sustainable growth from a long-term perspective, we are responsible for financial resources that allow us to constantly invest even in the face of inflation.

In addition, the Board of Directors, on an annual basis, confirms compatibility with its purpose of share ownership and furthermore confirms the appropriateness of share ownership across its entire portfolio of such listed shares of other companies held by the Company, which involves comparing benefits of ownership (operating revenue, dividends, capital gains, etc.) against risks of ownership including cost of capital.

In February 2023, we sold a portion of shares of other companies to execute mergers and acquisitions as the first step toward expanding business value. We will continue to use this as a source of funds to promote investment in business growth.

Moreover, the Company is developing networks of construction contractors who handle work that includes installation, remodeling, and test runs (hereinafter referred to as “SSV Companies”) to address worker shortages at construction sites. The Company is proceeding with holdings of shares of SSV Companies based on its business strategy, partially for the sake of outsourcing to achieve operational streamlining, and also given that such construction contractors are able to provide support tailored to customers in close proximity to their locations of business.

(Changes in the value of shares of other companies and the number of issues)



	FY2018	FY2019	FY2020	FY2021	FY2022
Consolidated net assets ratio	19.8%	17.8%	22.9%	23.6%	16.3%

*The bar chart depicts valuations of shares of other companies (black = listed shares; gray = unlisted shares)

*The line chart depicts the number of issues held (black solid line = number of issues excluding SSV; gray dotted line = number of listings including SSV)

3. Matters relating to the Company officers

(1) Name, etc. of Directors and Auditors

Position	Name	Responsibility and significant concurrent positions outside the Company
Chairman	Yoshiki Ueda	(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of THK CO., LTD.
President	Atsushi Nagai	(Significant concurrent positions outside the Company) Representative Director of Heinrich Wagner Sinto Maschinenfabrik GmbH Director of Sinto America, Inc.
Managing Director, Senior Executive Officer	Tsuneyasu Kuno	System and Production
Managing Director, Senior Executive Officer	Yatsuka Taniguchi	General Administration
Director, Senior Executive Officer	Toshikazu Morishita	Sales, General Manager of Sales Division
Director, Senior Executive Officer	Kenichi Nakamichi	General Manager of Castec Company, in charge of Overseas Foundry Machine Sales
Director, Senior Executive Officer	Hikomitsu Uchiyama	Business Development, General Manager of Development Division
Director, Senior Executive Officer	Mikio Nakane	Environment, General Manager of Production Division, General Manager of Ecotec Company, in charge of Overseas Environmental Sales, General Manager of Toyokawa Works
External Director	Masatoshi Ozawa	(Significant concurrent positions outside the Company) Outside Director of Okuma Corporation
External Director	Yasuhito Yamauchi	
External Director	Yukako Uchinaga	(Significant concurrent positions outside the Company) Chairperson and Representative Director of Japan Women's Innovative Network (J-Win) Outside Director of Nippon Telegraph and Telephone Corporation Outside Director of Teijin Limited
Auditor (Full Time)	Tsuyoshi Goto	
Auditor (Full Time)	Yuji Okubo	
External Auditor	Toshiro Kojima	(Significant concurrent positions outside the Company) Executive Officer of Kyodo News Digital Co., Ltd.
External Auditor	Kazuhiko Hasegawa	(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of The Takigami Steel Construction Co., Ltd.

- Notes: 1. At the 125th Ordinary General Meeting of Shareholders held on June 21, 2022, Mikio Nakane was elected as Director and assumed the office.
2. At the end of the 125th Ordinary General Meeting of Shareholders held on June 21, 2022, Shigeru Ishida retired from their position as Director.
3. Directors Yoshiki Ueda, Masatoshi Ozawa, Yasuhito Yamauchi, and Yukako Uchinaga are External Directors.
4. Auditors Toshiro Kojima and Kazuhiko Hasegawa are External Auditors.
5. External Directors Yoshiki Ueda, Masatoshi Ozawa, Yasuhito Yamauchi and Yukako Uchinaga, and External Auditors Toshiro Kojima and Kazuhiko Hasegawa are Independent Officers, which are required to be put in place by the Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. for the protection of general shareholders.

(2) Amount of remuneration, etc. for Directors and Auditors

(i) Policy on determining the remuneration, etc. for Directors

- The Company has established the Nomination and Compensation Committee, which is composed of four External Directors and attended by two External Auditors, for the purpose of enhancing transparency with regard to remuneration, etc. for Directors. The Committee deliberates and determines from an objective and fair perspective upon the structure and level of remuneration, etc., and the evaluation, etc. of each Director.
- While remuneration for Directors is based on job title and position, performance-linked remuneration, etc., has been introduced with a view to further improving corporate performance and sharing value with shareholders.
- Based on data from surveys conducted by outside professional organizations, the Company will set remuneration levels that are appropriate to the size of the Company and the duties and responsibilities that officers should fulfill.

a. Structure of remuneration

- It consists of a basic remuneration according to the job title and position (a fixed portion and variable valuation portion), restricted stock compensation, Directors' bonuses, and medium- to long-term incentive remuneration (share-based remuneration). Composition ratios of performance-linked compensation (restricted stock compensation, Directors' bonuses and medium- to long-term incentive remuneration) with respect to total remuneration increase as Directors rise in rank.

b. Performance-linked remuneration

- Restricted stock compensation is a partial transfer of basic compensation to stock compensation, and is intended to provide incentives to increase corporate value and further share value with shareholders.
- Under the concept of profit sharing, the amount of bonuses for Directors are determined by taking into account the amount paid in the past and other various factors, based on the amount of operating profit, which indicates the Company's earnings, and other indicators.
- Medium- to long-term incentive remuneration (share-based remuneration) is a system under which the Company's shares are provided in proportion to the degree to which performance targets (indicator: consolidated ordinary profit margin) are exceeded and the degree to which capital efficiency (indicator: consolidated return on equity) is improved for the period of the medium-term management plan, according to the position. Both indicators are adopted as significant factors that lead to enhancement of corporate and shareholder value. While this system was introduced in 2015, no payment has been made as the set targets have not been achieved.

c. Remuneration determination process

- The Company has established the voluntary Nomination and Compensation Committee, which deliberates and determines on the election of candidates for Directors and Auditors, the remuneration system for Directors, the evaluation of each Director, the amount of bonuses for Directors and so forth.
- Decisions on the amount of bonus for Directors reflect results of evaluations performed by the Nomination and Compensation Committee taking into account the standard amount specified for each position and based on the amount resolved at the Board of Directors meeting and the General Meeting of Shareholders.
- Decisions on the amount of basic remuneration reflect results of the evaluation of Directors performed by the Nomination and Compensation Committee and other factors, based on the standard amount specified for each position.

- (ii) Total amount of remuneration, etc. by officer category, total amount of remuneration, etc. by type of remuneration, etc., and number of eligible officers

Classification	Number of eligible officers (Person)	Amount of remuneration, etc. by type (Thousands of yen)			Amount of remuneration, etc. (Thousands of yen)
		Basic remuneration	Performance-linked remuneration		
			Bonuses	Share-based remuneration	
Director	12	153,957	–	19,453	173,410
Auditor	4	50,400	–	–	50,400
Total	16	204,357	–	19,453	223,810

- Notes: 1. The amount of remuneration, etc. paid to four External Directors and two External Auditors is ¥67,200 thousand and is included in the aforementioned amount of remuneration, etc.
2. The maximum amount of remuneration for Directors was resolved at the 125th Ordinary General Meeting of Shareholders held on June 21, 2022 to be ¥444,000 thousand (excluding the employee salary portion). The number of eligible Directors was 11, according to the resolution.
3. The maximum amount of remuneration for Auditors was resolved at the 109th Ordinary General Meeting of Shareholders held on June 28, 2006 to be ¥4,500 thousand on a monthly basis.
4. The amount of remuneration, etc. includes the amount paid during the term of office of one Director who retired at the end of the 125th Ordinary General Meeting of Shareholders held on June 21, 2022.

(3) Overview of the content of directors and officers liability insurance policy

- (i) Scope of the insured

All Directors, Auditors, Executive Officers, and managerial employees of the Company

- (ii) Summary of the insurance policy

This insurance policy covers damages, litigation expenses, etc. to be borne by the insured in the event of claims arising from actions taken (or inaction) in their role as an officer, etc. of the company, listed in (i). However, measures are taken so that the appropriateness of the execution of duties by an officer, etc. is not impaired by excluding the damages, etc. of officers themselves who engaged in bribery or other criminal acts or intentionally committed illegal acts from the scope of coverage. The insurance premiums are all paid by the Company.

(4) External Officers

- (i) Significant concurrent positions at other organizations and relationships between the Company and such other organizations

- Director Yoshiki Ueda serves concurrently as Outside Director (Audit and Supervisory Committee Member) of THK CO., LTD. There are no special relationships between the Company and THK CO., LTD.
- Director Masatoshi Ozawa serves currently as Outside Director of Okuma Corporation. There are no special relationships between the Company and Okuma Corporation.
- Director Yukako Uchinaga serves currently as Chairperson and Representative Director of Japan Women's Innovative Network (J-Win), Outside Director of Nippon Telegraph and Telephone Corporation and Outside Director of Teijin Limited. There are no special relationships between the Company and each company.
- Auditor Toshiro Kojima serves currently as Executive Officer of Kyodo News Digital Co., Ltd. There are no special relationships between the Company and Kyodo News Digital Co., Ltd.
- Auditor Kazuhiko Hasegawa serves currently as Outside Director (Audit and Supervisory Committee Member) of The Takigami Steel Construction Co., Ltd. There are no special relationships between the Company and The Takigami Steel Construction Co., Ltd.

- (ii) Major activities during the fiscal year

- a) Attendance at Board of Directors meetings and Board of Auditors meetings

Classification	Name	Attendance at Board of Directors meetings	Attendance at Board of Auditors meetings
Director	Yoshiki Ueda	16/16	—
Director	Masatoshi Ozawa	16/16	—
Director	Yasuhito Yamauchi	16/16	—
Director	Yukako Uchinaga	16/16	—
Auditor	Toshiro Kojima	16/16	16/16
Auditor	Kazuhiko Hasegawa	16/16	16/16

b) Statements at the meeting and summary of duties performed pertaining to the role expected as External Director

- Director Yoshiki Ueda provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive practical experience and knowledge as a senior executive of a general trading company and a manager of a specialized trading company.
- Director Masatoshi Ozawa provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive experience and knowledge as a corporate manager.
- Director Yasuhito Yamauchi provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with his extensive business experience and knowledge of manufacturing as a manager of automobile manufacturers and automobile parts manufacturers.
- Director Yukako Uchinaga provides advice and recommendations to ensure the adequacy and appropriateness of the decisions made by the Board of Directors with her extensive practical experience in the management of business involving telecommunications, education, and manufacturing, in addition to her extensive knowledge in the information technology field and deep understanding of diversity.
- Auditor Toshiro Kojima makes statements from an objective perspective to ensure the appropriateness of the decisions made by the Board of Directors with his extensive business experience and expertise in risk control. In addition, he makes statements at the Board of Auditors meetings as deemed necessary.
- Auditor Kazuhiko Hasegawa makes statements from an objective perspective to ensure the appropriateness of the decisions made by the Board of Directors with his extensive practical experience in the management of listed companies and educational institution in addition to his broad knowledge gained in financial-related operations. In addition, he makes statements at the Board of Auditors meetings as deemed necessary.

(iii) Summary of details of limited liability agreement

The Company has entered into a limited liability agreement pursuant to Article 427, paragraph 1 of the Companies Act with each External Director and External Auditor. Under the terms of the limited liability agreement, their liability will be limited to a minimum amount stipulated by applicable laws and regulations.

4. Accounting Auditor

(1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

(2) Amount of remuneration for the Accounting Auditor for the fiscal year

- (i) Amount of remuneration for the Accounting Auditor for the fiscal year ¥44,000 thousand
- (ii) Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to the Accounting Auditor ¥44,000 thousand

Notes: 1. In the audit contract between the Company and its Accounting Auditor, amount of remuneration paid for audits by an Accounting Auditor under the Companies Act and amount of remuneration paid for audits by an Accounting Auditor under the Financial Instruments and Exchange Act are not clearly distinguished or practically separable. Therefore, the total amount of these payments is shown in (i) Amount of remuneration listed above.

2. The Board of Auditors verified and reviewed the validity of the results of audit, the contents of audit plan, the performance status of duties of the Accounting Auditor, the basis for the calculation of the estimated amount of remuneration, and other factors in the previous fiscal year using the “Practical Guidelines for Cooperation with Accounting Auditors” released by the Japan Audit & Supervisory Board Members Association as a guide. As a result, the Board of Auditors has provided its consent regarding the amount of remuneration for the Accounting Auditor, pursuant to Article 399, paragraph 1 of the Companies Act.

(3) Policy on decisions of dismissal or non-reappointment of Accounting Auditor

In the event that an Accounting Auditor is found to fall under any of the items of Article 340, paragraph 1 of the Companies Act, the Board of Auditors shall dismiss the Accounting Auditor with the unanimous consent of the Auditors. In this case, the Auditor selected by the Board of Auditors shall report such dismissal and the reason for such dismissal to the first General Meeting of Shareholders convened after the dismissal.

In addition to the above, the Board of Auditors shall propose not to reappoint the Accounting Auditor to the General Meeting of Shareholders in the event that the Accounting Auditor is deemed to be unable to carry out its duties appropriately due to the occurrence of an event that impairs its qualifications or independence.

5. Corporate structure and policies

(1) Policy on decisions on dividends and other appropriation of surplus

The Company strives to increase corporate value by addressing social issues, and prioritizes strategic investments necessary for sustainable growth, including research and development, capital investment, and mergers and acquisitions. In addition, our basic financial strategy is to continue to provide a stable return of profits to shareholders, and use the cash flow generated by our business activities for investments in the surface finishing business and other growth businesses, as well as for shareholder returns.

With the recognition that distribution of profit to shareholders is one of our important management issues, continuation of stable profit distribution is the basis of our financial strategy, together with strategic investments. We will strive to maintain stable and continuous dividend payments at a certain level and expand them by comprehensively taking into account our financial position and profit level, while considering strengthening our financial structure and management base from a medium- to long-term perspective.

With regard to the appropriation of surplus for the fiscal year under review, a year-end dividend will be ¥22 per share (date of commencement of payment: June 6, 2023) as resolved at the Board of Directors meeting held on May 22, 2023. As a result, the amount of annual dividend, including the interim dividend of ¥14 per share (date of commencement of payment: December 9, 2022), will be ¥36 per share, an increase of ¥10 (dividend ratio of 30.6%) year on year.

Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen with fractional amounts discarded)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	106,203	Current liabilities	39,710
Cash and deposits	35,491	Notes and accounts payable - trade	14,679
Notes receivable - trade	10,188	Short-term borrowings	2,125
Accounts receivable - trade	19,861	Lease liabilities	186
Contract assets	9,803	Income taxes payable	1,965
Securities	10,998	Provision for bonuses	1,827
Finished goods	4,462	Provision for bonuses for directors (and other officers)	115
Work in process	6,461	Provision for product warranties	228
Raw materials and supplies	6,421	Provision for loss on orders received	431
Other	3,083	Contract liabilities	12,089
Allowance for doubtful accounts	(568)	Other	6,060
Non-current assets	65,163	Non-current liabilities	19,901
Property, plant and equipment	29,825	Long-term borrowings	12,831
Buildings and structures	14,014	Lease liabilities	355
Machinery, equipment and vehicles	5,053	Deferred tax liabilities	5,096
Land	8,021	Provision for retirement benefits for directors (and other officers)	514
Leased assets	494	Retirement benefit liability	535
Construction in progress	1,488	Asset retirement obligations	38
Other	753	Other	529
Intangible assets	1,480	Total liabilities	59,612
Goodwill	60	Net assets	
Leased assets	35	Shareholders' equity	94,350
Other	1,384	Share capital	5,752
Investments and other assets	33,856	Capital surplus	6,310
Investment securities	27,581	Retained earnings	84,369
Deferred tax assets	464	Treasury shares	(2,082)
Retirement benefit asset	3,124	Accumulated other comprehensive income	11,429
Other	2,725	Valuation difference on available-for-sale securities	7,893
Allowance for doubtful accounts	(40)	Foreign currency translation adjustment	2,616
		Remeasurements of defined benefit plans	919
		Non-controlling interests	5,975
		Total net assets	111,755
Total assets	171,367	Total liabilities and net assets	171,367

Consolidated Statement of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen with fractional amounts discarded)

Account	Amount	
Net sales		106,381
Cost of sales		77,786
Gross profit		28,594
Selling, general and administrative expenses		26,352
Operating profit		2,242
Non-operating income		
Interest income	310	
Dividend income	704	
Share of profit of entities accounted for using equity method	109	
Foreign exchange gains	172	
Refund of social contributions for past fiscal years	322	
Other	378	1,997
Non-operating expenses		
Interest expenses	128	
Expenses related to COVID-19	45	
Donations	31	
Other	81	287
Ordinary profit		3,951
Extraordinary income		
Gain on sale of non-current assets	32	
Gain on sale of investment securities	5,335	5,367
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on disposal of non-current assets	5	
Impairment losses	192	
Loss on valuation of investment securities	43	241
Profit before income taxes		9,076
Income taxes - current	2,524	
Income taxes - deferred	145	2,670
Profit		6,406
Profit attributable to non-controlling interests		219
Profit attributable to owners of parent		6,187

Consolidated Statement of Changes in Equity

(From April 1, 2022 to March 31, 2023)

(Millions of yen with fractional amounts discarded)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,752	6,310	79,622	(1,501)	90,183
Changes during period					
Dividends of surplus			(1,429)		(1,429)
Profit attributable to owners of parent			6,187		6,187
Purchase of treasury shares				(621)	(621)
Disposal of treasury shares		(11)		40	29
Transfer to capital surplus from retained earnings		11	(11)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	4,747	(580)	4,166
Balance at end of period	5,752	6,310	84,369	(2,082)	94,350

	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	12,697	300	912	13,910	5,547	109,641
Changes during period						
Dividends of surplus						(1,429)
Profit attributable to owners of parent						6,187
Purchase of treasury shares						(621)
Disposal of treasury shares						29
Transfer to capital surplus from retained earnings						-
Net changes in items other than shareholders' equity	(4,804)	2,316	7	(2,480)	427	(2,052)
Total changes during period	(4,804)	2,316	7	(2,480)	427	2,113
Balance at end of period	7,893	2,616	919	11,429	5,975	111,755

Non-consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen with fractional amounts discarded)

Account	Amount	Account	Amount
Assets		Liabilities	
Current assets	60,189	Current liabilities	21,792
Cash and deposits	15,650	Notes payable - trade	482
Notes receivable - trade	2,582	Electronically recorded obligations - operating	5,290
Electronically recorded monetary claims - operating	5,270	Accounts payable - trade	4,013
Accounts receivable - trade	11,134	Short-term borrowings	792
Contract assets	5,172	Lease liabilities	50
Securities	10,998	Accounts payable - other	233
Finished goods	1,816	Accrued expenses	1,789
Work in process	2,024	Income taxes payable	1,683
Raw materials and supplies	1,708	Contract liabilities	4,263
Other	4,168	Provision for bonuses	1,233
Allowance for doubtful accounts	(337)	Provision for product warranties	130
		Provision for loss on orders received	46
		Provision for loss on guarantees	1,011
		Other	772
Non-current assets	53,347	Non-current liabilities	15,732
Property, plant and equipment	16,065	Long-term borrowings	12,700
Buildings	8,210	Lease liabilities	60
Structures	480	Deferred tax liabilities	2,603
Machinery and equipment	2,682	Asset retirement obligations	38
Vehicles	5	Other	330
Tools, furniture and fixtures	338		
Land	3,990	Total liabilities	37,525
Leased assets	85	Net assets	
Construction in progress	272	Shareholders' equity	68,294
Intangible assets	433	Share capital	5,752
Software	350	Capital surplus	6,195
Leased assets	16	Legal capital surplus	6,195
Other	66	Retained earnings	58,429
Investments and other assets	36,848	Legal retained earnings	1,438
Investment securities	22,073	Other retained earnings	56,991
Shares of subsidiaries and associates	11,548	Reserve for tax purpose reduction entry of non-current assets	217
Long-term loans receivable	1,322	Reserve for cancellation of shares	1,600
Prepaid pension costs	1,464	General reserve	36,500
Other	595	Retained earnings brought forward	18,673
Allowance for doubtful accounts	(156)	Treasury shares	(2,082)
		Valuation and translation adjustments	7,716
		Valuation difference on available-for-sale securities	7,716
		Total net assets	76,011
Total assets	113,536	Total liabilities and net assets	113,536

Non-consolidated Statement of Income

(From April 1, 2022 to March 31, 2023)

(Millions of yen with fractional amounts discarded)

Account	Amount	
Net sales		57,674
Cost of sales		42,568
Gross profit		15,105
Selling, general and administrative expenses		15,132
Operating profit		(27)
Non-operating income		
Interest income	67	
Dividend income	1,329	
Rental income	112	
Other	141	1,651
Non-operating expenses		
Interest expenses	47	
Donations	31	
Provision of allowance for doubtful accounts	119	
Rental costs	49	
Provision for loss on guarantees	46	
Other	45	339
Ordinary profit		1,284
Extraordinary income		
Gain on sale of non-current assets	1	
Gain on sale of investment securities	5,335	
Gain on extinguishment of tie-in shares	275	5,612
Extraordinary losses		
Loss on disposal of non-current assets	3	
Loss on valuation of investment securities	43	
Loss on valuation of shares of subsidiaries and associates	202	248
Profit before income taxes		6,647
Income taxes - current	1,737	
Income taxes - deferred	(217)	1,519
Profit		5,127

Non-consolidated Statement of Changes in Equity

(From April 1, 2022 to March 31, 2023)

(Millions of yen with fractional amounts discarded)

	Shareholders' equity									
	Share capital	Capital surplus			Retained earnings					
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings				Total retained earnings
						Reserve for tax purpose reduction entry of non-current assets	Reserve for cancellation of shares	General reserve	Retained earnings brought forward	
Balance at beginning of period	5,752	6,195	-	6,195	1,438	221	1,600	36,500	14,981	54,741
Changes during period										
Reversal of reserve for tax purpose reduction entry of non-current assets						(4)			4	-
Dividends of surplus									(1,429)	(1,429)
Profit									5,127	5,127
Purchase of treasury shares										
Disposal of treasury shares			(11)	(11)						
Transfer to capital surplus from retained earnings			11	11					(11)	(11)
Net changes in items other than shareholders' equity										
Total changes during period	-	-	-	-	-	(4)	-	-	3,691	3,687
Balance at end of period	5,752	6,195	-	6,195	1,438	217	1,600	36,500	18,673	58,429

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	(1,501)	65,187	12,491	12,491	77,679
Changes during period					
Reversal of reserve for tax purpose reduction entry of non-current assets		-			-
Dividends of surplus		(1,429)			(1,429)
Profit		5,127			5,127
Purchase of treasury shares	(621)	(621)			(621)
Disposal of treasury shares	40	29			29
Transfer to capital surplus from retained earnings		-			-
Net changes in items other than shareholders' equity			(4,774)	(4,774)	(4,774)
Total changes during period	(580)	3,106	(4,774)	(4,774)	(1,668)
Balance at end of period	(2,082)	68,294	7,716	7,716	76,011