

For the Fiscal Year Ended March 31, 2023

Annual Select[®] 2023

SUN-WA TECHNOS CORPORATION

**Tokyo Square Garden, 3-1-1, Kyobashi,
Chuo-ku, Tokyo 104-0031 JAPAN**

(Securities Code: 8137)

+81-3-5202-4011

Corporate Profile

Sun-Wa Technos Corporation is an independent technology trading company founded in 1946 that handles industrial electronics and mechatronics-related devices, equipment and components. We contribute to various manufacturing sites such as in the industrial electronics and mechatronics industry, extending the three business fields of electrical machinery, electronics and general machinery and providing customers with the latest information, solutions that meet their needs, and safe and secure services.

Centered on our customer-focused sales, we have 30 bases in Japan and following the establishment of a base in Singapore in 1995, our overseas network now comprises 32 bases in 13 countries. We also plan to establish a new base in India in September 2023. Led by the Sun-Wa Technos global network, we provide supply chain management that reduces procurement costs and shortens lead times at our customers' overseas bases.

As professionals in the global supply chain, we contribute to the optimization of customers' production, and implement highly sound, efficient and transparent management, to achieve the targets in our Medium-term Management Plan "SNS2024" and realize the Sun-Wa Vision 2030.

I. Summary of Selected Financial Data (Consolidated)

	71 st fiscal year From April 1, 2018 to March 31, 2019	72 nd fiscal year From April 1, 2019 to March 31, 2020	73 rd fiscal year From April 1, 2020 to March 31, 2021	74 th fiscal year From April 1, 2021 to March 31, 2022	75 th fiscal year From April 1, 2022 to March 31, 2023
Net sales (Millions of yen)	145,410	137,943	134,769	154,414	181,013
Ordinary profit (Millions of yen)	3,627	2,144	2,567	5,195	7,675
Profit attributable to owners of parent (Millions of yen)	2,628	1,341	1,786	3,577	5,493
Comprehensive income (Millions of yen)	1,253	627	3,840	4,095	7,029
Net assets (Millions of yen)	31,944	31,726	35,030	38,023	44,484
Total assets (Millions of yen)	74,114	71,738	76,381	93,078	106,581
Net assets per share (Yen)	1,991.19	2,010.98	2,220.42	2,462.10	2,873.36
Basic earnings per share (Yen)	164.08	84.11	113.23	228.33	355.08
Diluted earnings per share (Yen)	—	—	—	—	—
Equity ratio (%)	43.1	44.2	45.9	40.9	41.7
Return on equity (ROE) (%)	8.8	4.2	5.4	9.8	13.3
Price earnings ratio (PER) (Times)	5.3	9.7	9.5	5.9	5.5
Net cash provided by (used in) operating activities (Millions of yen)	1,636	3,238	1,589	792	(545)
Net cash provided by (used in) investing activities (Millions of yen)	(153)	(200)	(141)	244	(731)
Net cash provided by (used in) financing activities (Millions of yen)	28	(945)	(309)	(580)	906
Cash and cash equivalents at end of period (Millions of yen)	9,521	11,568	12,629	13,565	13,661
Number of employees (Persons)	994	1,030	1,043	1,039	1,060

- Notes: 1. Diluted earnings per share are not provided since there are no potential shares.
2. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the 74th fiscal year, and the key management indices for the 74th fiscal year and subsequent fiscal years are those after applying the accounting standard and relevant ASBJ regulations.

II. Special Comments from Representatives

All employees of the Group continue to resolutely rise to the challenge to complete the 11th Medium-term Management Plan “SNS2024” and realize the Sun-Wa Vision 2030



At the Board of Directors meeting for Sun-Wa Technos held on June 27, 2023, Representative Director and Senior Managing Executive Officer Akihiro Matsuo was appointed President and Representative Director, taking over from Chairman, President and Representative Director Hiroyuki Tanaka, who had been the driving force behind the 11th Medium-term Management Plan “SNS2024.” In these special comments, these two representatives talk about the evolution and results as well as the clear strengths of Sun-Wa Technos’ business in recent years, ahead of completing this plan and the 100th anniversary of the Company’s founding.

Steadily consolidating its position amid severe change in the environment

Tanaka: In the first year of “SNS2024,” which started in April last year as the backbone of the three numerical targets that focus on the customer segmentation strategy, sustainability management and operating profit, we achieved an operating profit of about ¥7.6 billion, exceeding the final target in the plan (¥7.0 billion). Amid product shortages and turmoil in the supply chain against the backdrop of the COVID-19 pandemic and the situation in Ukraine, our global supply chain service, the Company’s strength, was relied upon, and we were also able to use fluctuations in foreign exchange in a very positive way in a short period of time. In addition, there has been growth in capital investment by manufacturers, our business domain.

However, since this good financial result is largely due to the environmental impact such as exchange rate fluctuations and the receipt of advanced orders due to shortages of goods, we have set a target operating profit of ¥5.5 billion for the second year of the plan to take account of reactions such as inventory adjustments by customers. Ultimately, we hope to complete “SNS2024” with solid achievement of the initially planned operating profit of ¥7.0 billion for the final year, when we forecast capital investment in areas such as semiconductor device-related industries.

Matsuo: In this first year of the plan, we felt that the customer segmentation strategy, a key measure for achieving these numerical targets, went well. Together with our strength in sales at bases with close connection to the community, experienced sales representatives rolled-out their expertise and past successes in a cross-functional strategy nationwide that generated new trades with customers for which there had previously been no track record, leading to solid outcomes. In addition, in regard to our corporate mission of sustainability management, we captured renewable energy business opportunities not only with our own energy savings and resource savings, but in areas such as solar power generation-related opportunities in which we have been previously involved. We progressed with building a business platform that contributes to environmentally friendly manufacturing for our customers through the supply of outstanding products.

Tanaka: In regard to energy, amid the sharp rise in electricity prices that is being felt by everyone, we plan to become involved in solving customers’ issues with the establishment of the “Energy Management System (EMS)” team, which will visualize and manage the state of energy usage.

Not truly globalized without innovation

Tanaka: To enhance the supply of new solutions that meet customer needs, the Company established the “Innovation Division” in April this year. This aims to renovate the previous concept of “engineering” and pursue possibilities from a broad perspective encompassing solutions and engineering.

Matsuo: We want this division to take the lead, and further demonstrate the Company's strengths, targeting key fields and fields of expertise, while also creating new value by putting effort into M&A and investing in cutting-edge companies.

On the other hand, turning our attention to overseas, our transactions in regions other than China are currently limited to those with Japanese companies. It is vital that we trade with prime companies in all countries around the world to achieve the mission of "connecting technologies in the world" set forth in our long-term vision for 2030 "Sun-Wa Vision 2030." This means we want to incorporate the Innovation Division and the customer segmentation strategy and generate appealing products that lead to new transactions. Accumulating outstanding product information held by excellent local companies through the realization of transactions and developing this globally will enable us to achieve our mission of "connecting technologies in the world." Together with this, we will promote DX such as RPA^(*1), create infrastructure to "connect" and reinforce the global supply chain.

*1 Robotic Process Automation. Software robot technology that automates office work undertaken by a PC.

Design the 100th anniversary through discussion of dreams

Tanaka: The Company will celebrate its 75th anniversary next year. Looking ahead a further 25 years and the 100th anniversary, two years ago we established the "Shaping Sun-Wa future discussion toward 100th year of founding" comprised of candidates for next generation leaders, which holds ongoing discussion by members of an age that will underpin the next generation. Separate from the common understanding of matters such as the falling population, I want unique ideas to emerge such as "the era of flying automobiles," but so far there are many practical ideas. I think it is a great time to have discussion about dreams, and I hope they will adopt a back-casting approach to bring forward ideas about the future.

Matsuo: In regard to thoughts for the future, I would like to advance localization so that each overseas base is entrenched in the local region and local employees can take up management positions. I want to create an environment that achieves diversity, where various nationalities can exchange information and opinions at all bases domestically and internationally.

Currently, we are conducting "Global Next Leader Training" to cultivate candidates for future management positions at overseas bases. This is targeted at members selected from local regions and Japan. If we can create a place for such members to play a more active role, I believe the Company will be able to move differently at even higher levels.

Tanaka: In future, I would like such members to become Presidents of overseas local subsidiaries, operating independently as a multinational company.

Passing on the Corporate DNA while reforming ahead of the times

Tanaka: When I assumed the role of President, I said the principle of management was "*Fueki Ryuko*^(*2)." I would like President Matsuo to inherit the Corporate DNA while also making bold moves forward and changing things that should be changed.

In regard to the roles of President Matsuo and myself, the work is not split vertically between the President and Chairman. President Matsuo will concentrate on implementing the overall domestic and international business strategy and improving the financial results, while I will devote myself to initiatives to increase the brand power of the Sun-Wa Group in society.

In addition, the employee engagement policy will become an important aspect for sustainability management in future. Last year, we commenced town hall meetings as an opportunity for employees to have a direct response. In addition to promoting the active participation of women and revising the evaluation system, we must create a foundation and corporate culture that activates the employment of experienced persons amid the currently growing work force liquidity. I also have expectations for President Matsuo in this regard.

Matsuo: For many years, I was responsible for management in the Chinese market and I thought I would continue to work in Shanghai, but I returned to head office two years ago. Even after that, I did not imagine that I would become President, so I can honestly say I was surprised when I was approached. I am humbled by the enormous responsibility.

I will strive to create a company that continues to grow for the future, while continuing to receive guidance.

*2 Valuing matters that do not change such as tradition, while incorporating new things according to the times.

III. Message from the New Company President Matsuo



I would like to express my sincere appreciation to all our shareholders for their continued support.

Chairman Hiroyuki Tanaka led management for six years as President, during which time he created a strong management foundation and basis for business development, continuously rising to the challenge of new businesses and resolutely advancing the restructuring of the organization and the establishment of new organizations, particularly in the latter part of his term in office. I inherit that management strategy, and hope to achieve the “SNS2024” targets and realize the Company’s targeted vision while adding

my own ingenuity. As professionals in the global supply chain, we will contribute to the optimization of customers’ production, and implement highly sound, efficient and transparent management.

In May this year, the Company added initiatives aimed at the quick realization of a PBR (price book-value ratio) of at least 1.0 times as an additional measure for “SNS2024.” We aim to improve the return on capital, enhance shareholder returns, and expand IR and SR activities. Additionally, we acquired treasury shares to improve capital efficiency and to implement a flexible capital policy.

I would like to ask our shareholders for their continued support.

FY2023 Management policy (the second year of the Medium-term Management Plan)



Policy for FY2023

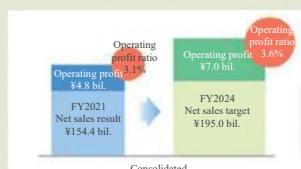
11th Medium-term Management Plan
Financial Targets <Consolidated>

Enhancement of corporate value

FY2024 operating profit target: ¥7.0 billion

Aim to quickly realize a PBR (price book-value ratio) of more than 1.0 times

Change key goal indicator from “net sales” to “operating profit”



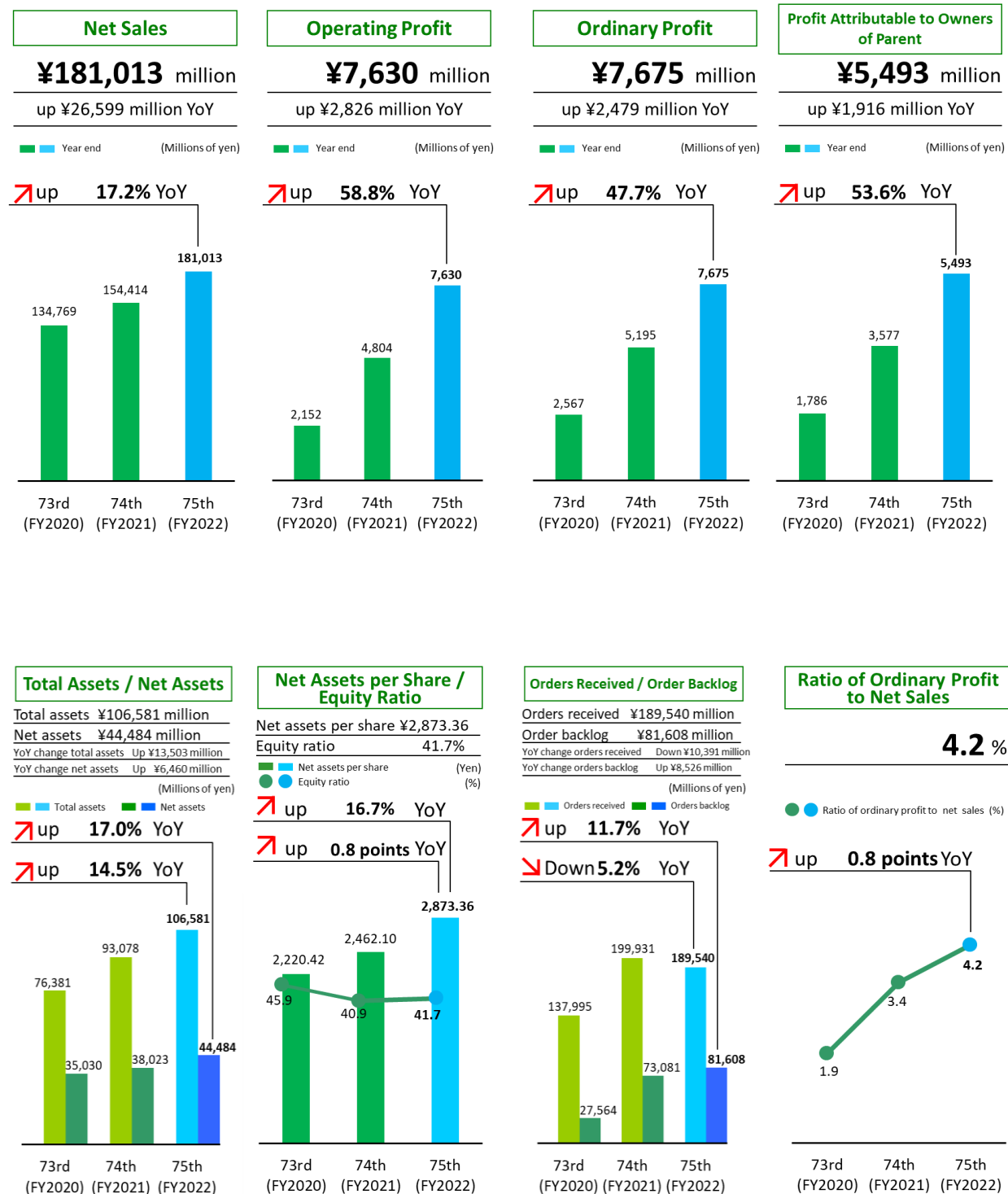
◆ Consolidated	Operating profit	Operating profit ratio	Net sales
FY2024 Target	¥7.0 bil.	3.6%	¥195.0 bil.
FY2021 Result	¥4.8 bil.	3.1%	¥154.4 bil.

Management policy for FY2023

As a global supply chain professional supporting the future of manufacturing with “connection” and “trust”

- Challenge 01** Focus on growth areas where innovation is required
- Strengthen earnings capabilities by developing the segmentation strategy for departments and branches
 - Create new businesses utilizing our strengths and invest in growth fields
 - Increase the corporate brand power through PR, IR and SR activities
- Challenge 02** Provide higher value-added products and new solutions
- Identify key fields and secure resources through formulation of the technology strategy
 - Formulate and promote SDX (Sun-Wa DX)
 - Provide solutions to strengthen the global supply chain
- Challenge 03** Contribute to the realization of a sustainable society through sustainability management
- Visualize the level of contribution to reducing CO₂ emissions through the promotion of SDA
 - Invest in human capital to cultivate diverse human resources and promote activities
 - Establish, implement and measure the effect of the employee engagement policy

IV. Financial Highlights



Financial highlights

During the fiscal year under review, there was an increase in consumer spending and capital investment by companies due to the continued normalization from the COVID-19 pandemic, but economic growth in Japan was sluggish due to high prices of commodities and economic slowdowns in all countries. As for the global economy, economic growth slowed as the special digital-related demand during the COVID-19 pandemic ran its course and because of monetary tightening in all countries. In China, there was an economic recovery following the Shanghai lockdown, but consumer spending has fallen and exports are down. In the United States, inflation and monetary tightening are weighing on the economy, but consumer spending and capital investment by companies continue to rise.

In the industrial electronics and mechatronics industry, which our Group serves, there has been active capital investment in semiconductor-related markets, automobile-related markets, solar-related markets, etc. due to the spread of 5G, promotion of electric vehicles (EV), and heightened focus on renewable energy. Facilities were also introduced with the revision of manufacturer's production bases, to address labor shortages and for labor-savings. Order adjustments have been evident in some industries due to excess inventories, but demand remained at high levels.

In this environment, the Company's financial results for the current fiscal year reached a record high, in part because of increased revenue from the impact of foreign exchange rates.

Outlook for the Fiscal Year ending March 31, 2024

In our outlook for the next fiscal year, the economy is expected to continue to recover against a background of a resumption in economic activity due to the stabilization of inflation and monetary tightening measures and the lifting of China's zero-COVID-19 policy. We also expect ongoing capital investment to promote the shift to electric vehicles (EV), to realize a carbon neutral society and to address labor shortages. However, the outlook regarding the economy is expected to remain uncertain due to the high uncertainty about the impact from factors such as geopolitical risks, soaring raw material and energy prices, exchange rate fluctuations and tighter U.S.-China export regulations. Furthermore, improvements have also been evident in tight supply and demand, so we also anticipate order adjustments due to the excess inventories.

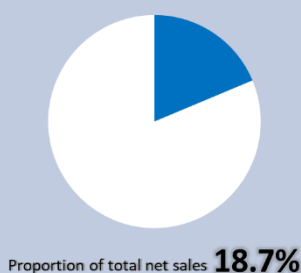
Consolidated earnings forecasts for the fiscal year ending March 31, 2024

Net sales	¥175,800 million	(down 2.9% year on year)
Operating profit	¥5,510 million	(down 27.8% year on year)
Ordinary profit	¥5,690 million	(down 25.9% year on year)
Profit attributable to owners of parent	¥3,950 million	(down 28.1% year on year)
Basic earnings per share	¥255.14	

Note: Earnings projections are based on information available to the Company as of May 8, 2023. Actual results may differ from the projections presented here due to various factors.

V. Business Segment Information

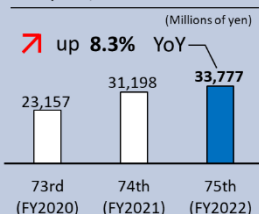
Electrical Machinery



Net Sales

¥33,777 million

up ¥2,578 million YoY



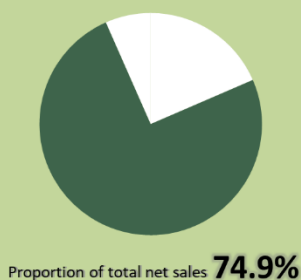
The Electrical Machinery Department saw an increase in sales of electrical products for the semiconductor-related industry, electrical products and control equipment for the solar-related industry and control equipment for the FA industry, but a decrease in sales of electrical products for the FA industry.



Main Products

AC servo motors, linear motors and various other motors, inverters, machine controllers, machine vision systems, clean room robots and vacuum chamber robots for semiconductor manufacturing devices, power conditioners, power substations and other facility works, etc.

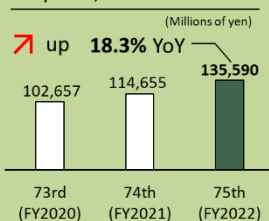
Electronics



Net Sales

¥135,590 million

up ¥20,934 million YoY



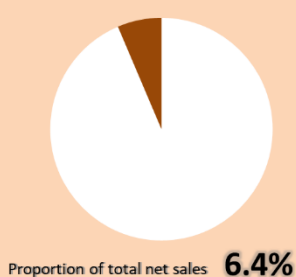
The Electronics Department saw an increase in sales of electronic components and electronic equipment for the FA industry, and electronic components for the automobile-related equipment industry and amusement-related industry, but a decrease in sales of electronic components for the semiconductor-related industry.



Main Products

Various electronic components and equipment including power supplies, connectors, semiconductors, sensors, miniature fans, LEDs (Light Emitting Diodes), LCDs (Liquid Crystal Displays), touch panels, industrial PCs, CPU boards, memory modules, etc.

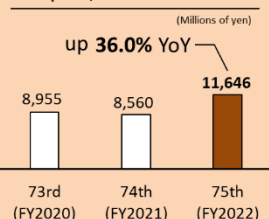
General Machinery



Net Sales

¥11,646 million

up ¥3,086 million YoY



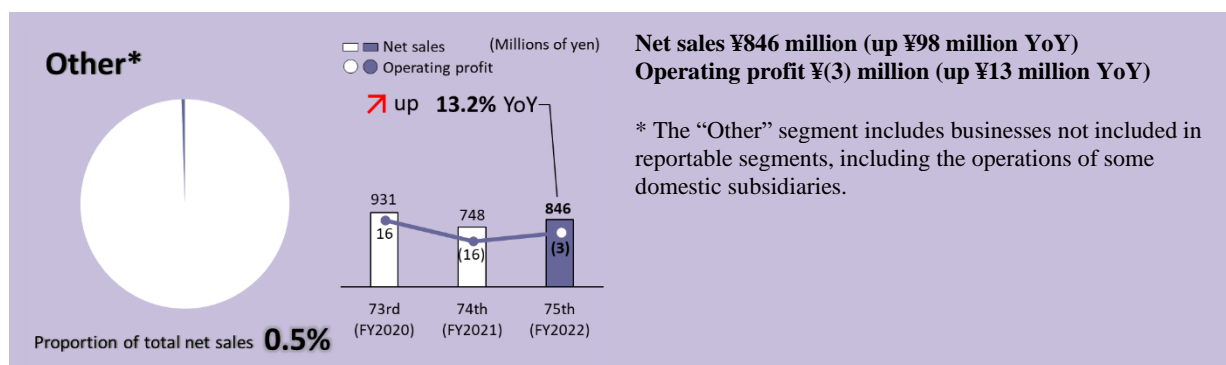
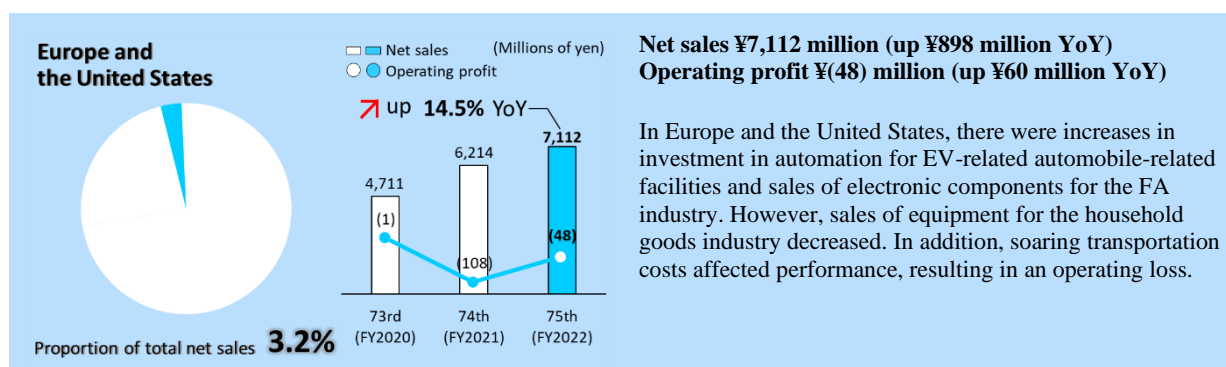
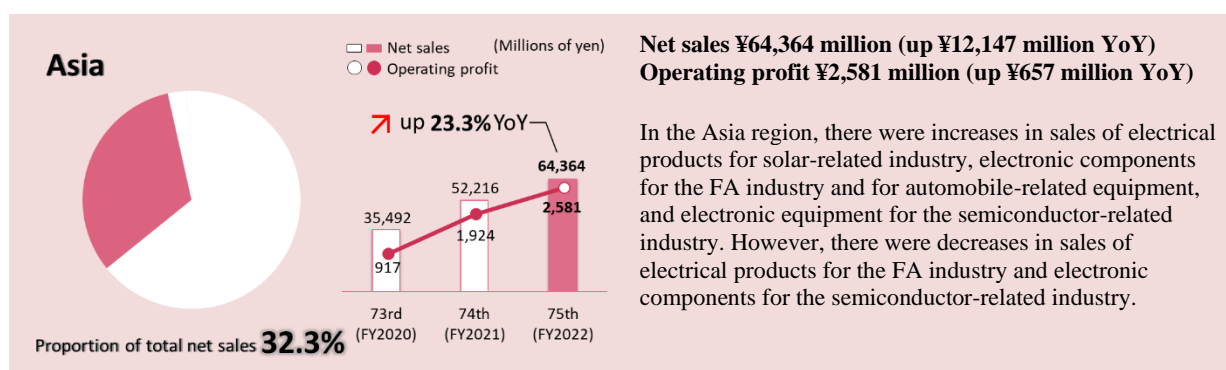
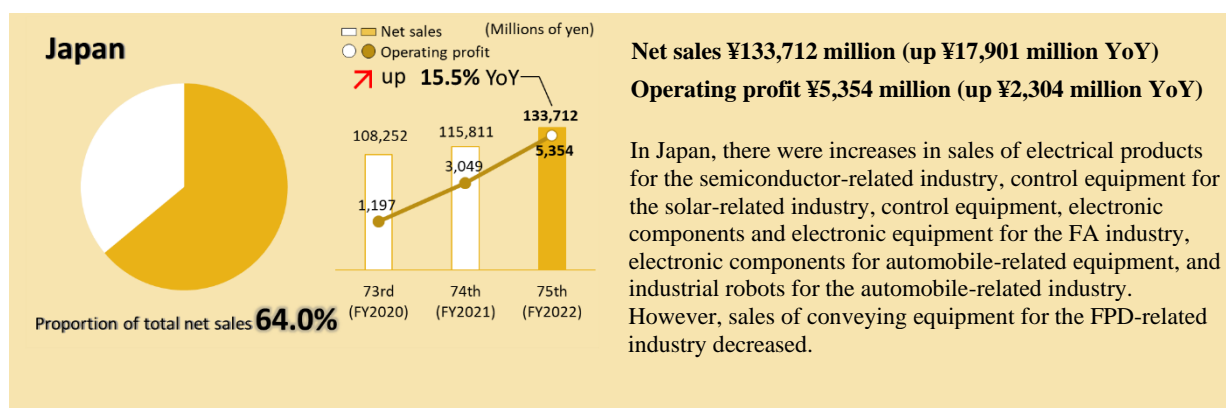
The General Machinery Department saw an increase in sales of industrial robots for the automobile-related industry, but a decrease in sales of conveying equipment for the FPD (Flat Panel Display)-related industry and equipment for the household goods industry.



Main Products

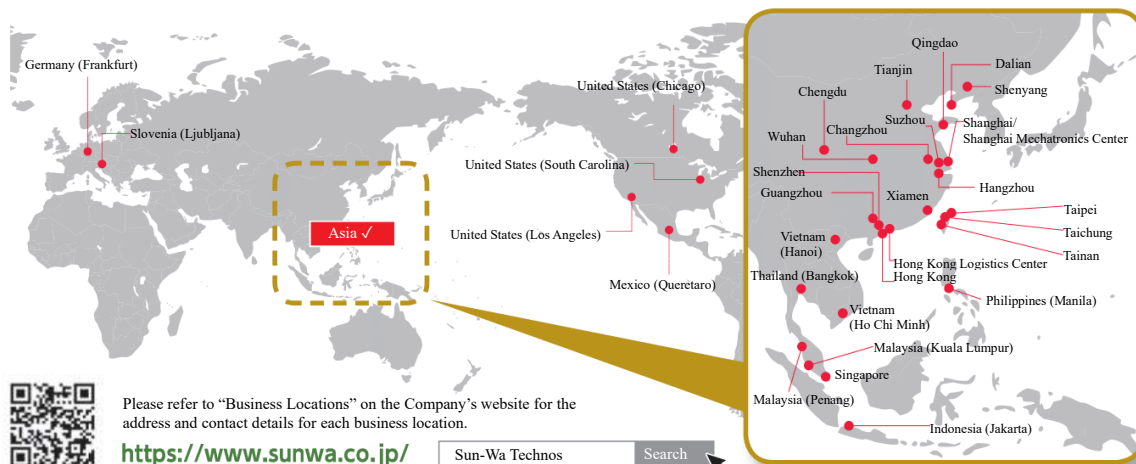
Semiconductor-related manufacturing equipment, industrial robots, clean room robots for conveying liquid crystal panels, substrate-related devices, conveying devices for logistics, wind- and hydro-power equipment, air conditioners and kitchen facilities, environmental protection equipment and devices, various inspection devices, medical equipment, etc.

VI. Reportable Segment Information



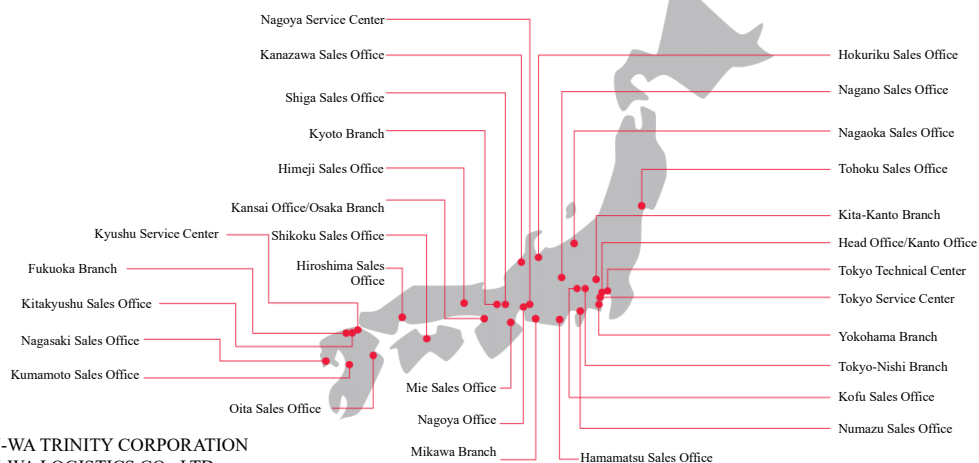
- Notes: 1. Each proportion of total net sales is based on sales to external customers.
 2. Regional segment sales shown above include internal sales among segments as well as amounts transferred to other segments.

VII. Sun-Wa Global Network



Japan

SUN-WA TECHNOS CORPORATION



SUN-WA TRINITY CORPORATION
SUN-WA LOGISTICS CO., LTD.

VIII. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	14,049	14,145
Notes and accounts receivable - trade, and contract assets	43,146	48,455
Electronically recorded monetary claims - operating	8,851	10,467
Merchandise	12,006	17,488
Work in process	0	3
Other	4,310	3,871
Allowance for doubtful accounts	(155)	(167)
Total current assets	82,209	94,263
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,359	1,379
Accumulated depreciation	(949)	(977)
Buildings and structures, net	409	402
Land	1,356	1,356
Leased assets	562	768
Accumulated depreciation	(345)	(447)
Leased assets, net	217	320
Other	656	715
Accumulated depreciation	(409)	(522)
Other, net	247	193
Total property, plant and equipment	2,230	2,272
Intangible assets		
Other	226	221
Total intangible assets	226	221
Investments and other assets		
Investment securities	7,215	8,324
Deferred tax assets	36	38
Other	1,281	1,571
Allowance for doubtful accounts	(122)	(110)
Total investments and other assets	8,411	9,824
Total non-current assets	10,868	12,318
Total assets	93,078	106,581

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	23,472	25,988
Electronically recorded obligations - operating	17,204	19,347
Short-term borrowings	5,405	9,557
Current portion of long-term borrowings	2,400	—
Lease liabilities	93	122
Income taxes payable	1,244	1,378
Accrued expenses	1,806	2,234
Other	1,171	1,240
Total current liabilities	52,797	59,870
Non-current liabilities		
Lease liabilities	150	228
Deferred tax liabilities	859	1,046
Long-term accounts payable - other	177	52
Provision for retirement benefits for directors (and other officers)	114	124
Retirement benefit liability	955	775
Total non-current liabilities	2,257	2,227
Total liabilities	55,054	62,097
Net assets		
Shareholders' equity		
Share capital	3,727	3,727
Capital surplus	3,549	3,544
Retained earnings	26,867	31,742
Treasury shares	(867)	(812)
Total shareholders' equity	33,277	38,202
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,721	4,319
Foreign currency translation adjustment	1,024	1,962
Total accumulated other comprehensive income	4,746	6,282
Total net assets	38,023	44,484
Total liabilities and net assets	93,078	106,581

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

(Consolidated Statements of Income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	154,414	181,013
Cost of sales	135,642	157,974
Gross profit	18,772	23,039
Selling, general and administrative expenses	13,967	15,408
Operating profit	4,804	7,630
Non-operating income		
Interest income	19	22
Dividend income	108	145
Purchase discounts	78	86
Rental income from buildings	134	140
Other	152	209
Total non-operating income	493	604
Non-operating expenses		
Interest expenses	45	137
Loss on sale of trade receivables	39	43
Foreign exchange losses	2	351
Other	14	27
Total non-operating expenses	102	560
Ordinary profit	5,195	7,675
Extraordinary income		
Gain on sale of non-current assets	21	–
Gain on sale of investment securities	61	12
Gain on sale of shares of subsidiaries and associates	–	21
Total extraordinary income	82	34
Extraordinary losses		
Loss on sale of non-current assets	22	–
Impairment losses	32	–
Total extraordinary losses	54	–
Profit before income taxes	5,223	7,709
Income taxes - current	1,759	2,290
Income taxes - deferred	(113)	(74)
Total income taxes	1,646	2,215
Profit	3,577	5,493
Profit attributable to owners of parent	3,577	5,493

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	3,577	5,493
Other comprehensive income		
Valuation difference on available-for-sale securities	(514)	598
Foreign currency translation adjustment	1,032	937
Total other comprehensive income	517	1,535
Comprehensive income	4,095	7,029
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,095	7,029
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,727	3,548	23,827	(300)	30,802
Cumulative effects of changes in accounting policies			(0)		(0)
Restated balance	3,727	3,548	23,827	(300)	30,801
Changes during period					
Dividends of surplus			(536)		(536)
Profit attributable to owners of parent			3,577		3,577
Purchase of treasury shares				(600)	(600)
Restricted stock payment		1		33	35
Net changes in items other than shareholders' equity					
Total changes during period	—	1	3,040	(566)	2,475
Balance at end of period	3,727	3,549	26,867	(867)	33,277

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	4,235	(7)	4,228	35,030
Cumulative effects of changes in accounting policies				(0)
Restated balance	4,235	(7)	4,228	35,030
Changes during period				
Dividends of surplus				(536)
Profit attributable to owners of parent				3,577
Purchase of treasury shares				(600)
Restricted stock payment				35
Net changes in items other than shareholders' equity	(514)	1,032	517	517
Total changes during period	(514)	1,032	517	2,993
Balance at end of period	3,721	1,024	4,746	38,023

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,727	3,549	26,867	(867)	33,277
Changes during period					
Dividends of surplus			(618)		(618)
Profit attributable to owners of parent			5,493		5,493
Purchase of treasury shares				(0)	(0)
Restricted stock payment		(5)		55	50
Net changes in items other than shareholders' equity					
Total changes during period	—	(5)	4,875	55	4,925
Balance at end of period	3,727	3,544	31,742	(812)	38,202

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at beginning of period	3,721	1,024	4,746	38,023
Changes during period				
Dividends of surplus				(618)
Profit attributable to owners of parent				5,493
Purchase of treasury shares				(0)
Restricted stock payment				50
Net changes in items other than shareholders' equity	598	937	1,535	1,535
Total changes during period	598	937	1,535	6,460
Balance at end of period	4,319	1,962	6,282	44,484

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	5,223	7,709
Depreciation	306	398
Impairment losses	32	—
Increase (decrease) in retirement benefit liability	(23)	(179)
Increase (decrease) in allowance for doubtful accounts	(11)	5
Interest and dividend income	(127)	(167)
Interest expenses	45	137
Foreign exchange losses (gains)	27	94
Loss (gain) on sale of investment securities	(61)	(12)
Loss (gain) on sale of property, plant and equipment	0	—
Decrease (increase) in trade receivables	(8,500)	(5,905)
Decrease (increase) in inventories	(3,711)	(5,017)
Decrease (increase) in other assets	(3,241)	508
Increase (decrease) in trade payables	10,431	3,638
Increase (decrease) in accrued consumption taxes	(18)	101
Increase (decrease) in other liabilities	1,212	349
Other, net	82	(46)
Subtotal	1,667	1,615
Interest and dividends received	127	167
Interest paid	(46)	(146)
Income taxes paid	(956)	(2,182)
Net cash provided by (used in) operating activities	792	(545)
Cash flows from investing activities		
Purchase of property, plant and equipment	(183)	(74)
Proceeds from sale of property, plant and equipment	482	—
Purchase of investment securities	(41)	(250)
Proceeds from sale of investment securities	140	15
Other, net	(153)	(422)
Net cash provided by (used in) investing activities	244	(731)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,158	4,066
Repayments of long-term borrowings	(500)	(2,400)
Repayments of lease liabilities	(101)	(140)
Purchase of treasury shares	(600)	(0)
Dividends paid	(536)	(618)
Net cash provided by (used in) financing activities	(580)	906
Effect of exchange rate change on cash and cash equivalents	478	466
Net increase (decrease) in cash and cash equivalents	935	95
Cash and cash equivalents at beginning of period	12,629	13,565
Cash and cash equivalents at end of period	13,565	13,661

IX. Corporate Data

Company Information (as of March 31, 2023)

Trade name:	SUN-WA TECHNOS CORPORATION
Established:	November 4, 1949
Business year:	From April 1 to March 31 of the following year
Paid-in capital:	3,727 million yen
Number of employees:	1,060 (consolidated)
Head office:	Tokyo Square Garden, 3-1-1, Kyobashi, Chuo-ku, Tokyo 104-0031 JAPAN
Telephone:	+81-3-5202-4011
Consolidated subsidiaries:	SUN-WA TRINITY CORPORATION SUN-WA LOGISTICS CO., LTD. SUN-WA TECHNOS (SINGAPORE) PTE LTD. SUN-WA TECHNOS (H.K.) CO., LTD. SUN-WA TECHNOS (EUROPE) GmbH SUN-WA TECHNOS AMERICA, INC. SUN-WA TECHNOS (TAIWAN) CO., LTD. SUN-WA TECHNOS (MALAYSIA) SDN. BHD. SHANGHAI SUN-WA TECHNOS CO., LTD. SUN-WA TECHNOS ASIA (THAILAND) CO., LTD. SUN-WA TECHNOS (SHENZHEN) CO., LTD. PT. SUNWA TECHNOS INDONESIA SUN-WA TECHNOS (PHILIPPINES), INC. SUN-WA TECHNOS MEXICO S.A. DE C.V. SUN-WA TECHNOS (VIETNAM) CO., LTD.
URL:	https://www.sunwa.co.jp/

Officers (as of June 27, 2023)

Chairman, Representative Director	Hiroyuki Tanaka
President and Representative Director	
President and Executive Officer	Akihiro Matsuo
Director and Managing Executive Officer	Hideaki Uesaka
Director and Senior Executive Officer	Takashi Hirano
Director and Executive Officer	Yoichi Echigo
External Director	Ichiro Kusanagi
External Director	Atsuko Sakamoto
Director, Full-time Audit and Supervisory Committee Member	Kazuya Hanayama
External Director, substitute Audit and Supervisory Committee Member	Akira Yamaguchi
External Director, substitute Audit and Supervisory Committee Member	Rie Koh
Senior Executive Officer	Kazuhiko Miyazaki
Executive Officer	Katsuya Tamaki
Executive Officer	Katsuyuki Nishida
Executive Officer	Takamichi Matoba
Executive Officer	Koji Yusa
Executive Officer	Kazuhiro Yoshii

Stock Information (as of March 31, 2023)

Stock exchange listing:	Tokyo Stock Exchange, Prime Market (Code: 8137)
Listing date:	May 19, 1982
Total number of shares authorized:	33,380,000 shares
Total number of shares issued:	16,044,000 shares
Number of shareholders:	4,116
Major shareholders:	

Shareholder name	Number of shares held (Thousands)	Share-holding ratio (excluding treasury shares) (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,324	8.55
Hikari Tsushin, Inc.	1,179	7.61
YASKAWA Electric Corporation	797	5.14
The Dai-ichi Life Insurance Company, Limited	729	4.71
UH Partners 2, Inc.	659	4.26
Origin Co., Ltd.	498	3.21
Custody Bank of Japan, Ltd. (Trust Account)	459	2.96
Okuma Corporation	435	2.81
Masujiro Yamada	397	2.56
Resona Bank, Limited	395	2.55
MUFG Bank, Ltd.	395	2.55

Note: Numbers of shares held have been rounded down to the nearest 1,000 shares.

* Annual Select is an English-language disclosure format developed by ZAIHON, INC. to increase the level of convenience of investors outside Japan based on Japanese-language statutory disclosure material, timely disclosure material prescribed by securities exchanges and voluntarily disclosed IR material. Annual Select is a registered trademark of ZAIHON, INC. Reproduction or copying without prior permission is prohibited.

* While every best effort has been made to provide a translation meeting the quality standards required of professionals, the Company does not guarantee it is 100% accurate. Therefore, please verify the original Japanese text for any final judgments made based on this information.