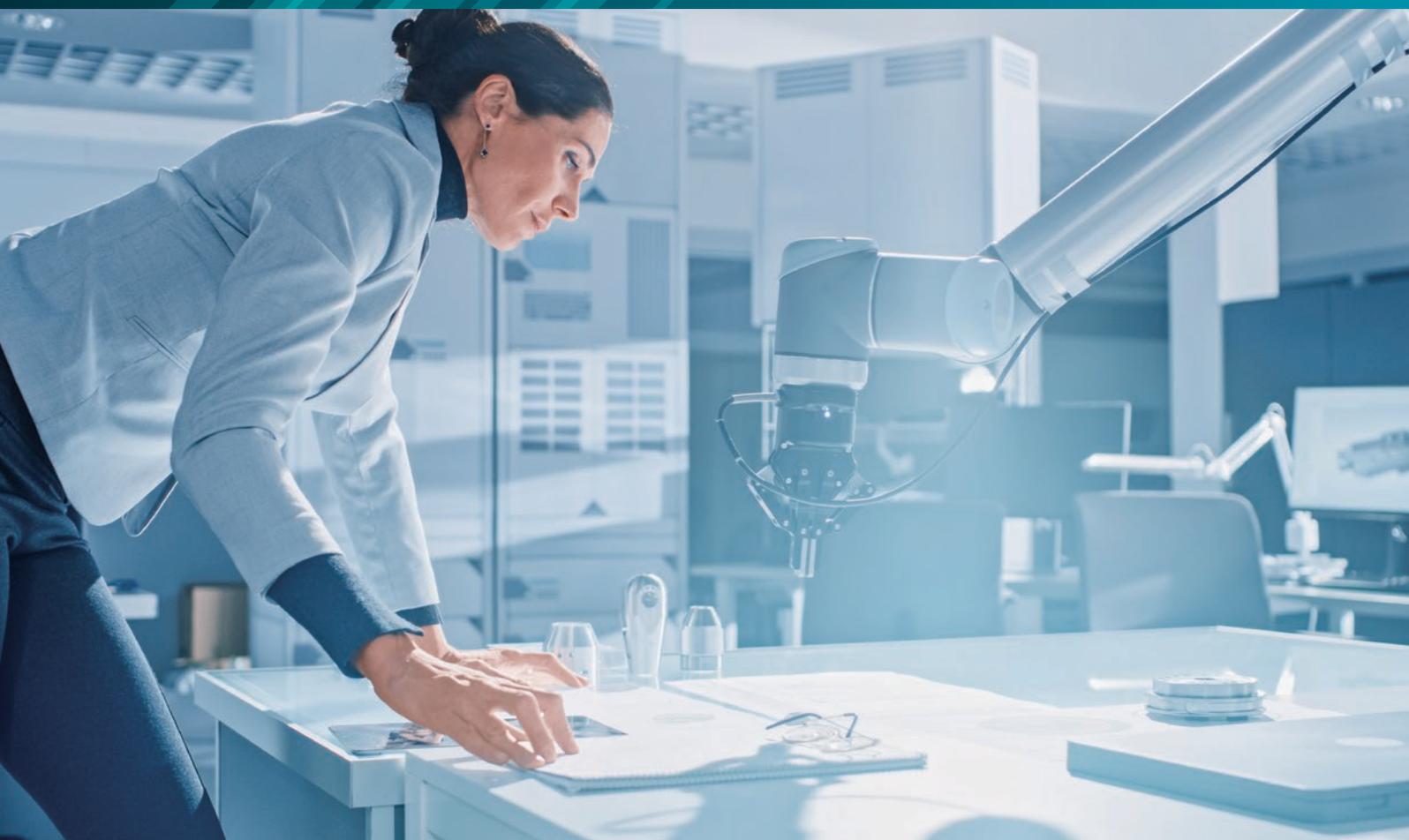


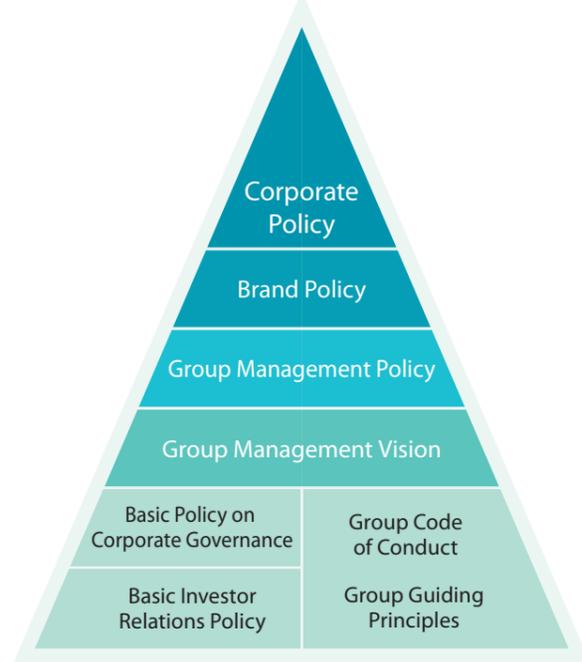
ANEST IWATA Corporation Integrated Report

2021



ANEST IWATA will continue to be a company that benefits people and people's lives, while diligently upholding the company's founding motto of being "trustworthy and sincere" and strive to deliver the highest level of quality, technologies and services.

ANEST IWATA Corporate Philosophy



Corporate Policy

誠心

“Makotono kokoro”
(Trustworthy & Sincere)

Brand Policy

The following marks represent our corporate brand.



Corporate brand promise

ANEST IWATA is a development-oriented company that is consistently vibrant and equipped with innovative technologies. We will leverage these qualities and continue to contribute to the achievement of a prosperous society that is safe, reliable and capable of sustained growth.

Corporate slogan

Active & Newest Technology
The corporate slogan represents the basic IWATA principles of “useful technology, beloved products and a bond of trust” and complements the company name and corporate brand.

The meaning of the name ANEST IWATA

Our founder, Hatsutarō Iwata, taught us to be “Earnest” and “Sincere,” as well as to first and foremost be a person and value our humanity over the company. We coined the name “ANEST” to reflect this teaching and our founding principle, “Makotono kokoro” (Trustworthy & Sincere), which is also our corporate motto.

Group Management Policy

1. We will build a true relationship of trust by always thinking from the customers' perspective and meeting the customers' expectations.
2. We will maintain a global perspective at all times and strive for research and development of innovative technologies that anticipate the changes in the environment.
3. We will provide attractive products and services that meet customer needs with sincerity at appropriate levels of quality and at appropriate prices.
4. We will establish a lively and inclusive corporate culture that values the spirit of challenge, upholds the principles of fairness and equality, and brings out the individuality and capabilities of each employee, as well as a robust corporate structure capable of flexibly withstanding changes, and achieve inner happiness and a prosperous lifestyle.
5. All employees of the ANEST IWATA Group shall respect personal and cultural differences, work together with all stakeholders, and establish a corporate culture that maximizes the individual's creativity and teamwork.

Group Management Vision

To become a company with a 100-year history

1. “We will become a vibrant and innovative development-oriented company capable of providing high-performance and high-quality products and services with sincerity from the customers' perspective.”
2. “We will transition from improvement-based product development focused mainly on cutting costs and internal core technologies to a flexible company capable of steadily tapping into market needs and collaborating with various businesses.”
3. “All employees of the Group will make a concerted effort by aiming to become the No.1 in the world, and will strive to become a “True World-class Company” that maximizes customer satisfaction and continuously creates innovative technology and products.”

To become a “True World-class Company” Management slogan

The Group companies will make a concerted effort (ONE ANEST IWATA) to become the Global Number ONE by providing unique (ONLY ONE) products and becoming Number ONE (No.1) in each market.



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Editorial Policy

ANEST IWATA has issued its third “Integrated Report.”

The “Integrated Report 2021,” intended for our stakeholders including our shareholders and investors, covers such topics as the value created by the Company, management and financial strategies, the strengths of our businesses and a report of operations, as well as ESG information including corporate governance and initiatives toward human capital, the regional communities and the environment.

Period covered by the report

The report, basically, covers the fiscal year 2020 (from April 2020 to March 2021) but it also includes reports of activities prior to and after this period.

Organizations covered

The report, basically, covers the ANEST IWATA Group companies including ANEST IWATA Corporation.

Date of publication

November 2021

Cautionary note regarding forward-looking statements

Forward-looking statements contained in this report have been prepared based on information available at the time of publication.

Various external factors, including the global economy, fluctuations in exchange rates, market conditions of the industry and trends in capital expenditures, may impact the Company's business performance. Accordingly, please be advised that actual results may differ from the results contained herein.

The purpose of this report is to provide information to our shareholders and is not intended as a solicitation or a recommendation to invest in the Company's shares or to buy or sell or trade any other securities.

ANEST IWATA At a Glance

ANEST IWATA is an industrial machinery manufacturer headquartered in Yokohama City, Kanagawa Prefecture. The Group's businesses consist of the Coating Business, which deals in "coating equipment" and "coating systems" based on its core technology to atomize liquids (mainly paint) into a mist, and the Air Energy Business, which deals in "air compressors" and "vacuum equipment" based on its core technology to compress gases (mainly air). With manufacturing and sales bases in 21 countries and regions worldwide, we contribute to manufacturing around the world by engaging in business activities on a global scale.

Consolidated Performance
(Fiscal year ended March 31, 2021)

Consolidated net sales **35,588** million yen

Consolidated operating income **3,444** million yen

Air Energy Division

Percentage of net sales

20,866 million yen **58.6%**

Air compressors **54.2%**

Percentage of operating income

1,821 million yen **52.9%**

Coating Division

Percentage of net sales

14,722 million yen **41.4%**

Vacuum equipment **4.4%** Coating equipment **32.3%**

Coating systems **9.1%**

Percentage of operating income

1,623 million yen **47.1%**

Air compressors

Air compressors are machines that compress gases, mainly air. They play a vital role in various fields, including serving as a power source for machines in factories, controlling the opening/closing of doors in trains and being used in hospital facilities.

Vacuum equipment

Vacuum equipment refers to a machine that creates a vacuum by gas suction and pressure reduction. Vacuum equipment contributes to the development of various industries based on its track record of being adopted in a wide range of fields, from cutting-edge research facilities to automotive and food factories.

Coating equipment

Coating is applied to various products for the purpose of "improving the aesthetic appearance" and "protecting the surface," among others. By utilizing the technology to atomize liquids into a mist, we provide a wide range of products related to coating and spraying.

Coating systems

With the ability to make proposals by taking advantage of our experience as a leading manufacturer of coating equipment, we design and sell coating lines to provide customers with the finish tailored to their requests.



Factories

Driving source of air blowers and pneumatic equipment



Trains and buses

Driving source of automatic doors and brakes



General industries

Suction transport and defoaming



Semiconductor manufacturing

Inspection devices



Automobiles



Electrical appliances



Automobile parts



Railway vehicles



Medical settings

Driving gas supply to hospital rooms and dental implements



Foods

Generating nitrogen gas for packaging, etc.



Foods

Vacuum packing and vacuum aging, etc.



Research facilities

Accelerators and radiation light cooking



Woodwork, metal and plastic products



Arts and hobbies



Woodwork and electrical appliances



Construction machinery and heavy machinery



Oil-free scroll air compressor



Oil-free scroll vacuum pump



Automotive refinishing spray guns



Revolving coating robots

History of Growth

In 1926, the Company was founded under the name, "Iwata Seisakusho," and in 1927 developed the first domestically produced spray gun and next year the air compressor, which would become the driving source of coating equipment. Subsequently, the Company continued to grow along with spray gun and air compressor, and entered the coating system and vacuum pump markets by leveraging its technology for handling liquids and gases. In 1996, on the 70th anniversary of its founding, the Company, in conjunction with management reforms, changed the company name to "ANEST IWATA." Currently, the Group companies are engaged in initiatives to realize the Group Management Vision and are steadily following the path toward becoming "a company with a 100-year history."

FY 2020
Consolidated net sales
35,000
million yen

100
周年



1926

"Iwata Seisakusho," the Company's predecessor, was established in Toyosawa-cho, Shibuya-ku, Tokyo



Four Iwata brothers including the founder

1957

Established Iwata Air Compressor Mfg. Co., Ltd.

1961

Listed its stocks in the Second Section of the Tokyo Stock Exchange.

1971

Listed its stocks in the First Section of the Tokyo Stock Exchange

1987

Commenced full-scale overseas expansion of manufacturing and sales bases of coating system starting with Taiwan

1996

Changed company name to "ANEST IWATA"



2020

Revised the corporate slogan

Active with Newest Technology

2009

Commenced full-scale overseas expansion of manufacturing and sales bases of air compressors, mainly in China

Coating Division Coating equipment Coating systems

1927

Commenced manufacture and sales of the first domestically-produced spray gun modeled after an imported spray gun



First domestically-produced spray gun

1948

Released the "Type S and B Spray Guns," which were suited for Japanese hands, and established its reputation in the coating industry.

1962

Made full-scale entry into the coating system market.



"MRP series," multi-articulated coating robot

1985

Developed the world's first electric, multi-articulated coating robot

1990

Developed a low-pressure spray gun which cleared the Volatile Organic Compound (VOC) Emission Standards of the state of California, USA, which are known to be the strictest in the world



"LPS-1 series," low-pressure spray gun

Origins of ANEST IWATA

Spray guns

Atomizing paints into a mist with compressed air

Compressors

Proprietary development of compressors for spray gun inspection

1928

Commenced manufacture and sales of small-sized air compressors



Air compressors at the time of founding



"MC series" medium-sized air compressors

1969

Developed the first domestically-produced two-stage, air-cooled, medium-sized air compressors and entered the medium-sized air compressor market.

1977

Entered the rotary air compressor market



Body of oil-free scroll air compressor

1991

Developed the world's first oil-free scroll air compressor

1993

Developed the world's first oil-free scroll vacuum pump and entered the vacuum pump market



"ISP series," oil-free scroll vacuum pump

Air Energy Division Air compressors Vacuum equipment

Value Creation Process

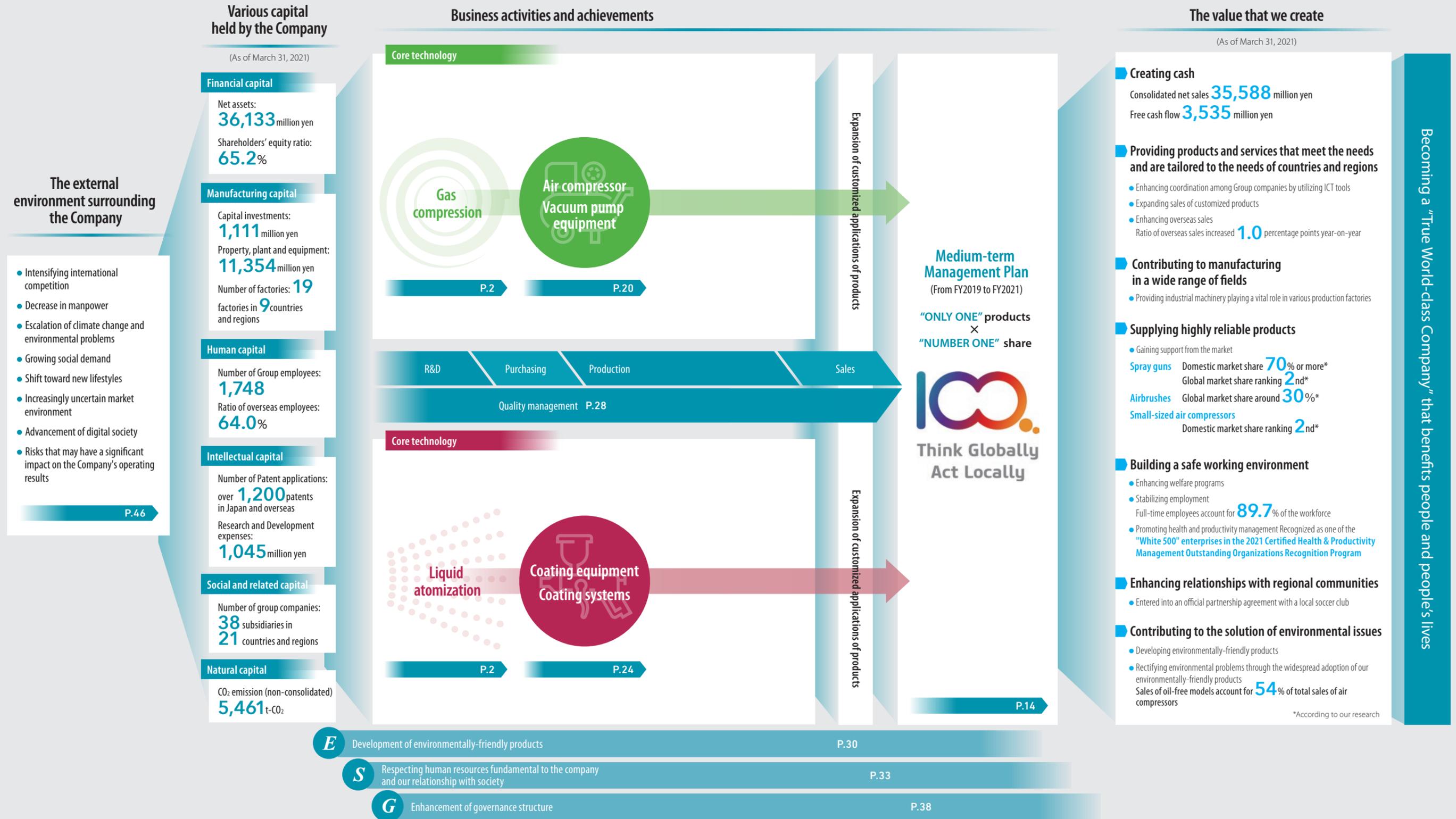
The Company has been stepping up its mission by diversifying applications and launching customized unique (ONLY ONE) products in markets with the use of its core technologies, i.e., "liquid atomization" and "gas compression." Going forward, the Company, in accordance with the ANEST IWATA Corporate Philosophy, will continue contributing to the achievement of a prosperous society that is safe, reliable, and capable of sustained growth by having each one of our employees act in a "trustworthy and sincere" (Makotono kokoro) way and providing the highest level of quality and technologies as a development-oriented company. Also, by creating value for our various stakeholders through our business activities and reinvesting the acquired resources to reinforce various capital, we will aim to achieve the enhancement of corporate value and sustained growth.

Corporate Policy

誠心

"Makotono kokoro"
(Trustworthy & Sincere)

ANEST IWATA Corporate Philosophy



E Development of environmentally-friendly products P.30

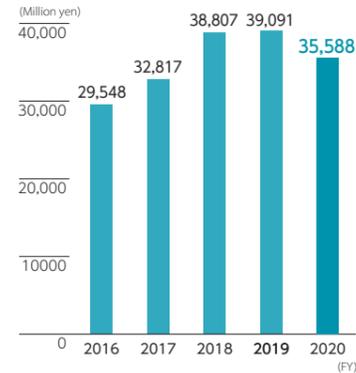
S Respecting human resources fundamental to the company and our relationship with society P.33

G Enhancement of governance structure P.38

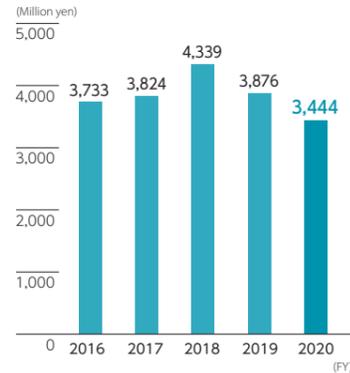
Financial and Non-financial Highlights

Financial Highlights (Consolidated)

Net Sales



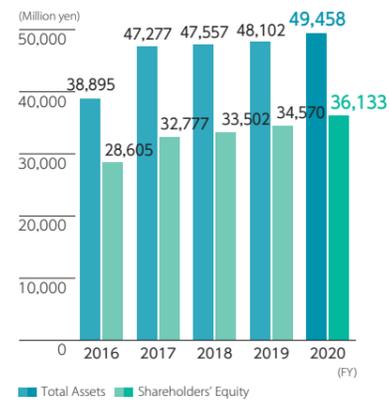
Operating Income



Net Income Attributable to Shareholders of the Parent Company



Total Assets and Shareholders' Equity

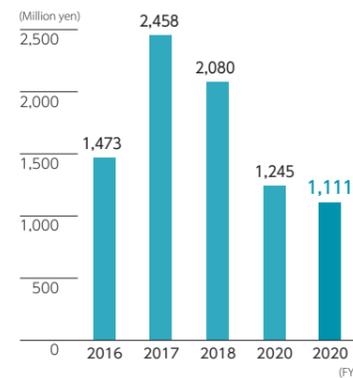


Research and Development Expenses



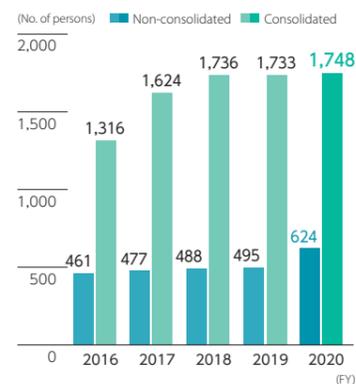
* Research and development expenses represent the total amount of general and administrative expenses and manufacturing expenses relating to research and development.
* Reportable segments are Japan, Europe and Asia.

Capital Investments



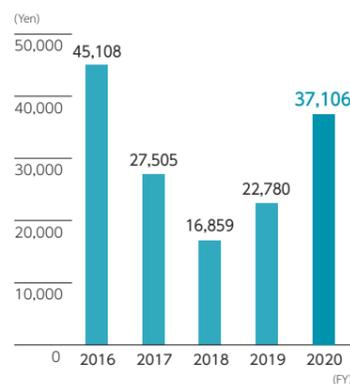
Non-financial Highlights

Number of Employees



* The number of employees on a non-consolidated basis increased mainly due to the absorption-type merger of two domestic sales companies (formerly consolidated subsidiaries) effective April 1, 2020.

Education/training cost per employee



* Non-consolidated figures of ANEST IWATA Corporation

Total CO₂ emission



* Non-consolidated figures of ANEST IWATA Corporation

Message from the President

Aiming to become a "True World-class Company"

In May 2021, ANEST IWATA commemorated the 96th anniversary of its founding.

We will continue to be a company that benefits people and people's lives, while diligently upholding the company's founding motto of being "trustworthy and sincere" (Makotono kokoro) and strive to deliver the highest level of quality, technologies and services.

T. Tsubota

Takahiro Tsubota
Representative Director
President and Chief Executive Officer



Interview with the President

We will seek to carry through our investment strategy under the medium-term management plan in its final fiscal year and get back on the pre-COVID-19 growth trajectory.

Q Can you give us a recap of the consolidated performance for the fiscal year ended March 31, 2021?

The fiscal year ended March 31, 2021 was a tough year in which prospects remained uncertain due to the massive impact of the COVID-19 pandemic on a global scale, but in some regions, signs of recovery have gradually started to appear. In such an environment, sales and profits both decreased, resulting in our ten-year streak of posting higher sales year-on-year being broken: net sales fell by 9.0% year-on-year to 35,588 million yen, and operating income decreased by 11.1% year-on-year to 3,444 million yen. That said, both sales and profits are gaining momentum at a higher pace than the forecast made at the beginning of the year and the revised forecast. In particular, the plunge in the three months ended June 30, 2021 was huge, but the faster-than-expected recovery is a positive sign going forward.

Q Why didn't the Company's business performance deteriorate to the extent initially forecast?

One of the reasons is that the Group operates based on a structure that focuses on three markets of Europe, the Americas and Asia, in addition to Japan, and its overseas sales—which account for approximately 60% of net sales—are moderately

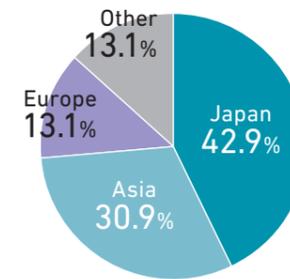
dispersed among the regions; therefore, the timing at which the COVID-19 pandemic had an impact varied from region to region. In 2020, China was the first to deteriorate, and Europe, the United States and Japan followed suit, but by then, China was already heading toward recovery, meaning that the deterioration did not occur in all regions at once. In the case of our core products, namely, "air compressors" and "coating equipment" (spray guns), the situation was harsh for general-purpose items, which are susceptible to economic fluctuations; in contrast, customized products, which enjoy stable demand and are relatively easy to make a profit from, propped up the Company's business performance. Notably, our air compressors targeted at the medical field—our strong point—have been adopted in an increasing number of cases worldwide in association with the COVID-19 pandemic and continues to perform well to the present day. Another positive factor is that we were able to absorb new demand for environmental friendliness, as in the case of oil-free air compressors. For these reasons, you can see that, as it turned out, the Company's earnings structure and business characteristics fulfilled risk management functions.

Other than these, as an in-house initiative, we launched the "Crisis Management Committee" in April 2020. Prompt and appropriate measures have been taken by the Committee, which is convened on a weekly basis and attended by all Executive Officers. In particular, we reviewed the working arrangements flexibly by giving top priority to the "safety and security" of all stakeholders such as employees and customers, and overcame difficulties by working as one on a Group-wide scale based on our policy to protect the "employment" of our employees no matter what, arguably leading to the positive outcome.

Q Were there any noteworthy accomplishments in terms of strategies and activities?

Based on our evaluation, the Company has made significant progress in terms of activities even in the midst of the COVID-19 pandemic. Especially for the promotion of operational reforms, which is a key measure under the medium-term management plan, the COVID-19 pandemic has ironically triggered a greater need for speeding up, so we have been enhancing investments in necessary areas while striving to cut expenses on the whole. Major accomplishments were, namely, the launch of a dedicated unit called the "Digital Marketing Group," and the completion of a studio exclusively for shooting product photos,

Sales composition by region



List of Affiliated companies (As of March 31, 2021)

Region	Fiscal year-end	Number of companies	Country/region of operation
Japan	March	3	–
Asia	March	2	India
Europe	December	10	Germany, Italy, France, UK, Sweden, Spain, and Poland
Asia	December	12	China, Taiwan, Thailand, South Korea, Vietnam, and Indonesia
Other	December	10	USA, Mexico, Brazil, Australia, Russia, and South Africa

*Including the parent company *For details, see "Global Network" on page 54.

holding webinars (web seminars) and hosting briefing sessions on new products called the "AAA (three-A) Studio" in the head office facilities in March 2021. We are also promoting experiences, remote monitoring, etc. in virtual reality (VR) format, dramatically boosting our ability to convey information, including information intended for overseas audiences. Furthermore, as restrictions on activities are unavoidable due to the COVID-19 pandemic, we have worked on sales activities based on web negotiations, etc. utilizing ICT tools. We believe this trend is not temporary but an outcome of the acceleration of structural changes. The further enhancement of points of contact with customers through digital transformation (DX) will not only help increase the ratio of direct sales but also be highly beneficial in enabling us to directly hear the opinions of various customers. We hope to translate this into product development, and in the future, business model reform with the vision of "converting hardware-centric to services-centric sales activities (e.g., subscriptions)," on top of making improvements in quality and functionality as a matter of course.

Achievements were also made in human resources investments and personnel system reform. Specifically, we are proactively promoting mid-career recruitment, in addition to extending the mandatory retirement age to 65 years old. In particular, the introduction of the business professional system has allowed us to pay high salaries commensurate with the individual's performance regardless of his/her job position, making it easier to hire competent individuals.

Q Can you tell us about the performance forecast and directions for the future?

For the consolidated performance forecast for the fiscal year ending March 31, 2022, which was revised on November 5, 2021, we are forecasting an increase in both sales and profits with net sales of 40,500 million yen, up 13.8% year-on-year, and an operating income of 4,250 million, up 23.4% year-on-year. However, the key here is how to get the Company back on the growth trajectory compared to levels before the COVID-19 pandemic, not compared to the previous year. We intend to aim even higher, given that our products for the medical field and semiconductor-related products continue to perform well, the demand is growing for customized products and environmentally-friendly products, and the recovery of general-purpose products is also promising. As for the annual dividend, we are planning a dividend of 26 yen per share, up 2 yen from the previous fiscal year, and will continue making efforts to increase the dividend.

In regards to the medium-term management plan for which the fiscal year ending March 31, 2022 is the final fiscal year, regrettably, it has become difficult for us to achieve the numerical targets in these circumstances, due to the drastic changes in the economic environment caused by the impact of the COVID-19 pandemic. However, as I explained earlier, we are making good progress in terms of activities toward our aim of becoming a "True World-class Company," so we wish to be acknowledged in this context. While there have been minor



delays regarding the timing of implementing our ambitious investment strategy focusing on such areas as human resources, research and development, overseas expansion and IT, we plan to carry through the investments as planned in total amount during the three-year period.

Discussions on the next medium-term management plan are already underway in the Company. There will be no major change in the Company's direction, i.e., we will focus our efforts on overseas markets by treating them as growth fields where there is plenty of room to expand our market share and the profitability prospects are bright. We will continue to launch new products (coating equipment) targeting volume zones of emerging countries in which demand is growing, expand into medical settings and vehicle application markets with high potential (air compressors) and make other such efforts to realize sustained growth. As for M&A, our policy is to continue proactively utilizing M&A to expand in scale going forward, having made accomplishments to date as reflected in synergies generated with HARDER & STEENBECK GmbH & Co.KG, Germany (airbrushes), Shanghai Screw Compressor Co., Ltd., China (medium-sized air compressors), and ANEST IWATA SPARMAX Co., Ltd., Taiwan (airbrushes, small-sized air compressors). The Company is deemed to be in a phase of reaping the fruit of past investments and activities; we believe it will be a period of transformation, in which the Company will and must undergo substantial change.

Q Please tell us about the Company's initiatives for SDGs.

The Company has a history of pursuing differentiation by providing products that are friendly to the Earth's environment,

such as our "air compressors" supplying clean compressed air, which are distinguished for their oil-free and energy-saving qualities, our "coating equipment" utilizing technology suited for environmentally-friendly paints, and our "coating systems" that support automation and environmentally-friendliness. Also, through workstyle reform, we are engaged in such initiatives as promoting health and productivity management, and improving life-work balance. At this juncture, we have identified items from among SDGs that are highly significant to the Company, and as the first step, we started with thoroughly instilling awareness by, for example, clearly stating which of the items we can contribute toward during product development.

In the next medium-term management plan, we are considering setting specific key performance indicators (KPIs) and numerical targets for the items that have been identified and clearly presenting the progress in quantitative terms.

That said, what I want to stress here is that even if the Company promotes environmentally-friendly products on its own, there is a limit to which we can contribute on a global scale; in other words, the entire industry needs to be addressed. Collaboration with rival manufacturers is already gaining momentum, and there has been an increasing number of opportunities even for members of rival manufacturers to visit the Company's R&D facilities. In some cases, the act of supplying the Company's products and technologies to rival manufacturers in the form of OEM, etc. will be profitable to both parties and beneficial also to the Earth's environment, so we hope to explore opportunities to leverage the Company's strengths in various ways without being obsessed with

our own brand. Of course, there are cases in which the situation is reversed, so we will proactively work on collaboration and joint development with other companies' products and technologies and play a leading role in such endeavors, in the hope that they will substantially contribute to the Earth's environment, and at the same time, translate into a larger earnings base for the Company as well.

Q How do you rate the Company's corporate governance status?

At the General Meeting of Shareholders held in June 2021, two female Outside Directors were newly elected, as a result of which seven out of eleven Directors became Outside Directors, further enhancing the Board of Directors in terms of independence and diversity. One of the matters that the Company is particular about is the selection of its Outside Directors; if you take a look at the big picture by creating a matrix of each Director's background and expertise, including corporate management, overseas experience, finance, accounting and legal affairs, you can see that the lineup is well-balanced, without any bias or deficiency. The Board of Directors promotes the delegation of authority with respect to individual business execution, placing importance on the speed of decision-making. On the other hand, the role of the Board is to decide basic management strategies and risk management policies and fulfill the audit function, in pursuit of the separation of business execution and oversight. At the Management Conference convened once a month, which is attended by all Directors in addition to all Executive Officers and all General Managers, various discussions are held and reports are made; as checks by Outside Directors are involved from this stage onwards, lively discussions take place in a tense atmosphere. The Management Conference also serves as a place where members of the Nominating/Compensation Committee, which consists primarily of Outside Directors, are given a meaningful opportunity to find and develop future successors to the President.

Meanwhile, as the world economy is becoming increasingly uncertain, the biggest risk recognized by the Board of Directors is the monitoring of overseas subsidiaries. Although the frequency of communication has increased through web conferencing, etc., there are still limitations in terms of monitoring. Our view remains unchanged in that we believe the

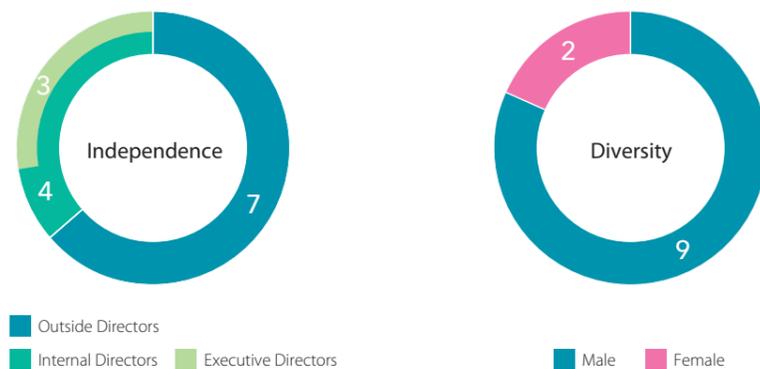


most effective way is to actually visit the site and talk to people face-to-face. Going forward, we hope to make all Outside Directors with various expertise—not just Audit and Supervisory Committee Members—see overseas sites, once the COVID-19 pandemic settles down.

Q Finally, do you have a message for the shareholders and the investors?

The Company took a step backward temporarily in terms of business performance in the previous fiscal year due to the impact of the COVID-19 pandemic. Even if the pandemic comes to an end in the future, there is no point in us merely going back to the original state. I realize that my mission is to show how the Company can evolve by taking this opportunity, and I am committed to taking advantage of the changes in the environment to put the Company back on the growth trajectory. As was the case during the Lehman Crisis that erupted at the time of my assumption of office as President, I believe that, depending on how a company can change in the event of a crisis, it will be a key turning point for its progress. Going forward, we will continue striving to meet your expectations, and we look forward to your continued support.

Composition of the Board
(as of June 25, 2021)



Toward the sustained creation of corporate value

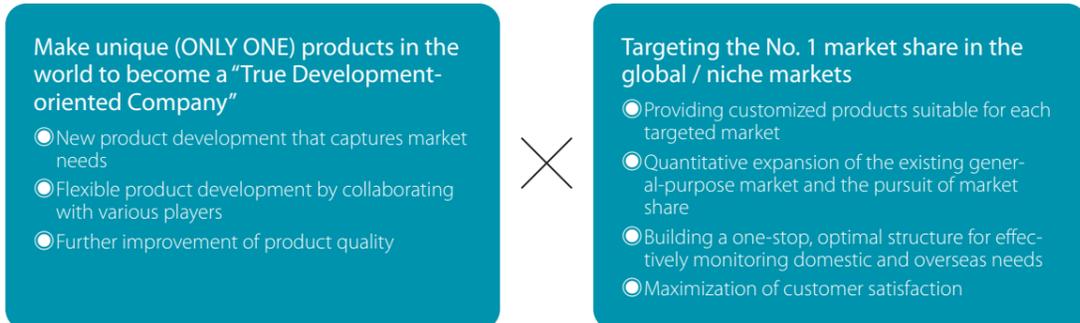
We believe that the Company's mission is "to enhance the satisfaction of all our stakeholders and contribute to society." To this end, we will formulate sound management strategies, recognize and manage various risks, and engage in initiatives toward ESG management, thereby aim to become a company that continuously grows and brings value to society.

Medium-term management plan

Basic Strategy

By providing unique (**ONLY ONE**) products and aiming to become **NUMBER ONE** in each market, the Group will make a concerted effort under "**ONE ANEST IWATA**" to further develop the "**Global Number ONE**" position of the ANEST products.

"ONLY ONE" products × "NUMBER ONE" share

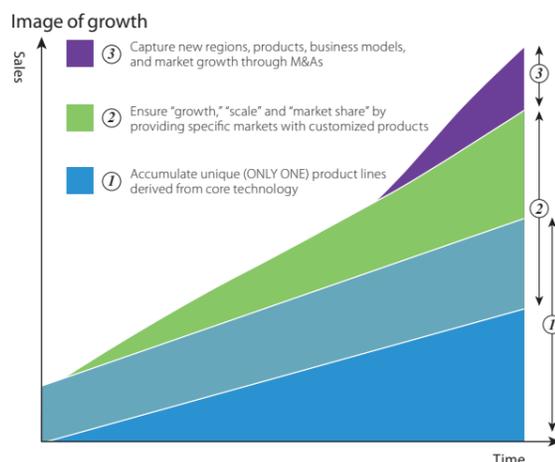


Business Strategy

Under the banner of "**THINK GLOBALLY, ACT LOCALLY**," we will capture local and onsite customer needs to tap into the global / niche markets around the world.

Positioning the expansion of sales in the overseas markets as a key growth point, we will consider the growth potential and competition status of the global / niche markets and launch unique (ONLY ONE) product lines that have been customized to these market needs and through the accumulation of sales in each market, expand overall sales and market share.

At the same time, by tapping into the market based on the development of products with proprietary uses, we will disperse our dependence on the sales in specific markets and aim for sustained growth in our business performance that is self-directed, proactive, and immune to changes in the external environment.



Target values of the Medium-term Management Plan

(From FY2019 to FY2021) (As of September 30, 2020)

Consolidated net sales: **47 billion yen or more**
 Consolidated operating profit margin: **10% or higher**
 ROE: **10% or higher**

* The target values for the Company's FY2021 consolidated performance forecast were set at 40.5 billion yen for consolidated net sales and 4.25 billion yen for consolidated operating income (consolidated operating profit margin: 10.5%) for such reasons as major changes in the economic environment attributable to COVID-19.



Investment Strategy

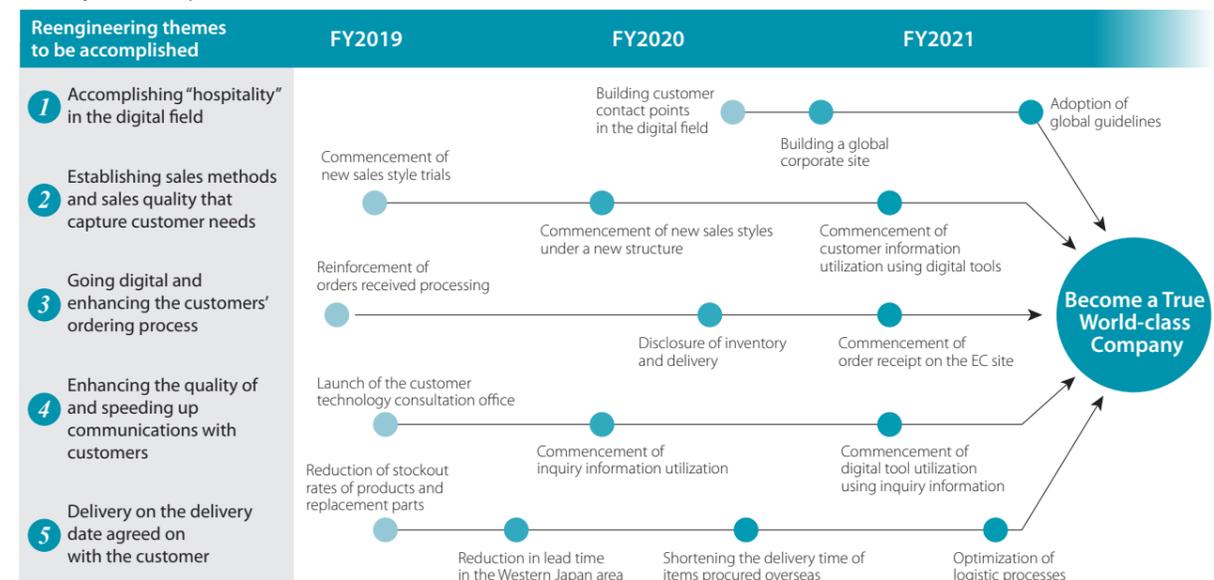
In May 2025, the Company will commemorate its 100th anniversary. Going forward we will make investments toward sustained growth from the following six perspectives. Among them, "IT investments," in particular, will have the highest priority.

- 1 Investment in human capital (Recruiting and nurturing human capital)**
We will proactively recruit and nurture human capital who will support future corporate activities, while aiming to improve employee satisfaction.
- 2 Investment in development**
We will engage in product development that captures market needs and gives rise to innovative technology and products.
- 3 Capital investment**
We will step investments in facilities necessary for improving productivity.
- 4 Investment in market development**
We will tap into the global / niche markets under the banner of "THINK GLOBALLY, ACT LOCALLY."
- 5 Investment in corporate culture reforms**
We will create a work environment where diverse talent can flourish and establish a corporate culture where each employee can proactively engage in activities.
- 6 IT investment**
We will utilize IT to solve problems that need to be overcome including sales and logistic reforms.

Operational Reforms

In order to become a "True World-class Company" in the eyes of our customers in the lead up to our 100th anniversary, we have launched a company-wide project and are pushing ahead with operational reforms. Having selected "digital marketing," "sales reform," "customer relations," and "logistics reform" as priority themes, we are endeavoring to boost customer satisfaction.

BPR Project Roadmap



1 Digital marketing

Having defined how our digital marketing should be implemented, we are promoting digital transformation (DX). As part of such efforts, our plans include revamping our website, which serves as a pathway when customers seek information on ANEST IWATA



(scheduled to be published in 2022) and releasing digital content utilizing a new studio for shooting photos established on the premises of our head office.

2 Sales reform

As the key to inside sales, we are making efforts to establish and implement ANEST IWATA's sales style. One of the examples is our effort to create sales opportunities based on user information obtained by telephone interviews (i.e., inside sales), which is translating into an increase in the number of business negotiations and a higher rate of orders received. In addition, the utilization of ICT tools

has been effective in removing geographic constraints and reducing travel time.

3, 4 Customer relations

We are examining business processes, the provision of information, methods of using customer information and other matters from the viewpoint of customers so that customers can make the most of our products and receive greater-than-expected value. In 2019, we set up "Customer Support" and realized higher quality and quick response in terms of communication with customers by unifying the points of contact for dealing with customers. Also, inquiries made to

Customer Support are shared in the form of knowledge and utilized in product development and proposal activities to better meet customers' needs.

5 Logistics reform

By treating the movement of goods from procurement to sales as a single, seamless process, we are optimizing logistics and promoting logistics reform from a global perspective. Our efforts include avoiding opportunity loss by improving the stockout rate of service parts, as well as shortening the lead time by optimizing the delivery time and inventory of procured items.

Operating Results, Financial Condition, and Future Financial Strategies

Q What are the key points in evaluating past operating results and financial conditions?

Looking back at the trends in net sales, the Company had been on an uptrend in terms of net sales for ten consecutive years since the fiscal year ended March 31, 2011—the year marked by our full recovery from the Lehman Crisis—until the fiscal year ended March 31, 2020; however, in the fiscal year ended March 31, 2021, the Company temporarily took a step backward as a result of the impact of the COVID-19 pandemic. Our growth in business performance to date has been brought about by securing market share in Japan and developing overseas markets for our mainstay products, namely, "air compressors" and "coating equipment (spray guns)." Lately, the Company's growth has been driven by the rise in the ratio of overseas sales. In particular, a major contributor to the high growth rate realized for two consecutive years from the fiscal year ended March 31, 2018 was overseas M&A aimed at expanding the product range and acquiring sales networks (i.e., four M&As, including one M&A for which goodwill was written down in the fiscal year ended March 31, 2020), and since the fiscal year ended March 31, 2019, the ratio of overseas sales has been at levels close to 60%. Even in the COVID-19-impacted fiscal year ended March 31, 2021, you can say that, as it turned out, the Company demonstrated risk management functions to a certain degree through regional diversification based on its structure that focuses on the three key markets of Europe, the Americas, and Asia.

On the other hand, in terms of profitability, although the Company is currently being impacted by the deteriorating earnings environment due to the COVID-19 pandemic, in addition to the burden of amortization of goodwill associated with M&A, the Company kept its operating profit margin at 11% or higher and ROE at 10% or higher from the fiscal year ended March 31, 2014 to the fiscal year ended March 31, 2019. In financial terms, our shareholders' equity ratio has been stable at over 60%, cash flows have been ample, and funds for investments, including those for M&As, have been sourced within the limit of operating cash flows. Having secured more than 11 billion yen in cash reserves as a consequence, our policy is to effectively utilize them for the Company's future growth strategies.

Q Can you tell us about the Company's operating results and financial condition for the fiscal year ended March 31, 2021?

The consolidated operating results for the fiscal year ended March 31, 2021 were net sales of 35,588 million yen (down 9.0% from the previous fiscal year), operating income of 3,444 million yen (down 11.1%), ordinary income of 4,253 million yen (down 3.4%), and net income attributable to owners of parent of 2,623 million yen (down 3.5%), which represented a fall in both net sales and profits impacted by the COVID-19 pandemic. However, the Company substantially exceeded the initial forecast, thanks to the faster-than-expected pace of recovery and the stable demand for customized products, which provided underlying support to the Company's business performance.

On the profit front, the Company posted lower profits in conjunction with lower net sales, but managed to secure profits at a higher level than planned due to the reduction in travel and transportation expenses based on the utilization of a web conferencing system and the cutback in selling, general and administrative expenses such as reduction of advertising expenses associated with the cancellation of exhibitions, etc.

As for the Company's financial condition, total assets slightly increased to 49,458 million yen (up 2.8% from the previous fiscal year), while equity capital increased to 32,242 million yen (up 3.7%) due to the increase in internal reserves, which resulted in the improvement of the shareholders' equity ratio to 65.2% (up 0.6 points). Even in the midst of the COVID-19 pandemic, we are steadily injecting funds in necessary fields, having continued to make capital investments in the amount of 1,111 million yen and disbursed research and development expenses in the amount of 1,045 million yen. Especially for capital investments, we managed to leave a mark in that we established a photo-shooting studio aimed at enhancing virtual sales and our ability to convey information, expanded production facilities in our mainstay factories, and made IT-related investments, among others. Meanwhile, in terms of cash flow status, positive operating cash flows have continued to compensate for both cash used in investing activities (e.g., capital investments) and cash used in financing activities (e.g., repayment of loans-payable,

dividend payments). The Company may be acknowledged for maintaining financial soundness, having decreased its interest-bearing debt (including lease obligations) to 2,468 million yen (down 6.5%) and secured a current ratio as high as 300.7%. On the other hand, ROE—an indicator of capital efficiency—fell to 8.3% (down 0.6 points) due to the impact of the decrease in profits, falling short of the 10% target for the second consecutive year. We recognize that the improvement of ROE is an issue going forward.

Q What can you tell us about the performance forecast and investment plans going forward?

Our performance forecast for the fiscal year ending March 31, 2022, which was revised on November 5, 2021, is an increase in net sales and operating income, i.e., net sales of 40,500 million yen (up 13.8% from the previous fiscal year), operating income of 4,250 million yen (up 23.4%), ordinary income of 4,770 million yen (up 12.2%), and net income attributable to owners of parent of 2,960 million yen (up 12.8%). The operating profit margin is expected to fall slightly whereas operating income is expected to increase, as net sales head toward recovery in almost all regions except some regions in Asia, while selling, general and administrative expenses increase along with the continuation of IT-related investments aimed at enhancing the Company's business base and the heightening of operating activities.

Ordinary income and net income attributable to owners of parent are expected to fall, mainly because the one-off factor (i.e., income from COVID-19-related subsidies for employment adjustment) in the previous fiscal year will no longer exist, combined with our conservative scenario for the impact of foreign exchange gains/losses.

For the Company, the fiscal year ending March 31, 2022 is the final fiscal year for its three-year medium-term management plan launched in the fiscal year ended March 31, 2020. The plan aims to increase market share and enhance profitability by such means as proactively expanding overseas, enhancing sales of customized air compressors targeting specific markets (e.g., medical settings and vehicle application markets), and promoting environmentally-friendly products. We have been proactively investing in six fields: investment in human capital (human resources recruitment and development); investment in development; capital investment; investment in market development; investment in corporate culture reforms; and IT investment. Having been impacted by the COVID-19 pandemic, which had not been anticipated at the time of planning, it is difficult for us to achieve the numerical targets under these

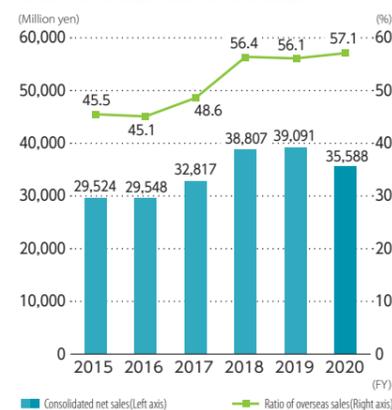
circumstances. Nevertheless, the direction of our strategies has not been revised, and we plan to execute investments for the future as planned. Specifically, we plan to make investments on the scale of approximately 2.5 billion yen per year by continuing the development of factory communication infrastructure and IT-related investments, in addition to updating and enhancing production facilities at our mainstay factories (i.e., Akita and Fukushima Factories). For the upcoming fiscal year in which the next medium-term management plan will be launched and subsequent fiscal years, we are currently setting out the specifics. The external environment surrounding the Company is clearly working in our favor, including the increase in demand for environmentally-friendly products, not to mention the room for growth in overseas markets. At this point in time, there is no reason for us to change our proactive stance on investments and M&As aimed at business expansion.

As for shareholder returns, we aim for a consolidated dividend payout ratio of 35% or higher based on our policy to strike a balance between securing internal reserves for growth investments and paying stable dividends. In the fiscal year ending March 31, 2022, we are planning an annual dividend of 26 yen per share (consisting of an interim dividend and an annual dividend of 13 yen each), up 2 yen from the previous fiscal year. We will also proactively look into increasing the dividend in consideration of the Company's business performance and investment trends.

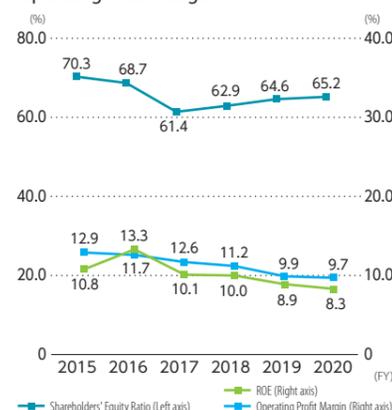
Q How do you perceive financial risks?

The prolongation of the COVID-19 pandemic, the uncertainty of the global economy due to trade friction, etc. and exchange rate fluctuations (appreciation of the yen) may continue to impact the Company's business performance. In the Company's case, however, risks are deemed to have been diversified to a certain extent in terms of both sales and supply chains, given that it has taken such measures as enhancing its inventory and lowering its dependence on specific suppliers through the formulation of a business continuity plan (BCP), in addition to expanding its sales network around the world. Furthermore, while it is necessary to keep an eye on the risk of impairment loss of non-current assets, including goodwill associated with past M&As (approx. 1.0 billion yen), they are not regarded as material risk factors at this point in time, judging from the post-merger integration (PMI) process and the operation status of non-current assets. As the Company's financial foundations are stable, including the cash reserves secured, the possibility of its financing capabilities being compromised is deemed to be low.

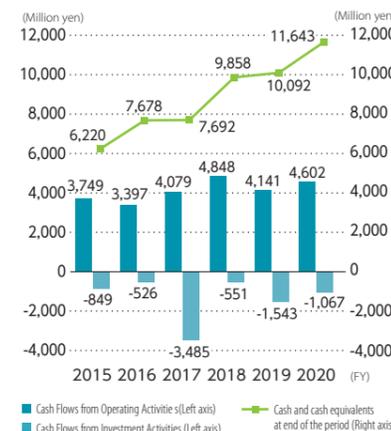
Consolidated net sales and ratio of overseas sales to total sales



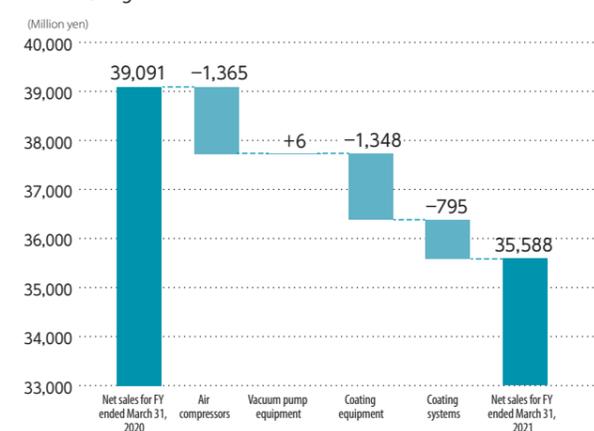
Shareholders' Equity Ratio, ROE, and Operating Profit Margin



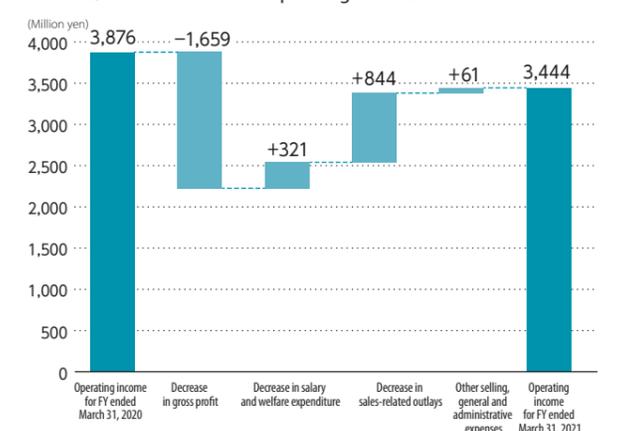
Cash Flows



Positive/Negative Contributors to Net Sales



Increase/decrease Factors of Operating Income



ESG Management and SDGs

In recent years, companies have been drawing attention as to how they would contribute to the resolution of worsening social issues and the achievement of SDGs, which is deemed to become more and more important in the years to come.

The Company has declared, in its corporate brand promise, that it would contribute to the achievement of a prosperous society capable of sustained growth as a development-oriented company. By working on the resolution of social issues through the promotion of our businesses, we have been

engaging in activities aimed at creating values shared between the Company and society and attaining sustained growth together with society.

We will continue to specify sustainability—including the perspectives of ESG and SDGs—as a crucial management theme and focus our efforts on related initiatives. We will also look into "what sustainability means to ANEST IWATA," formulate our long-term vision and identify material issues, as well as examining and implementing various measures.

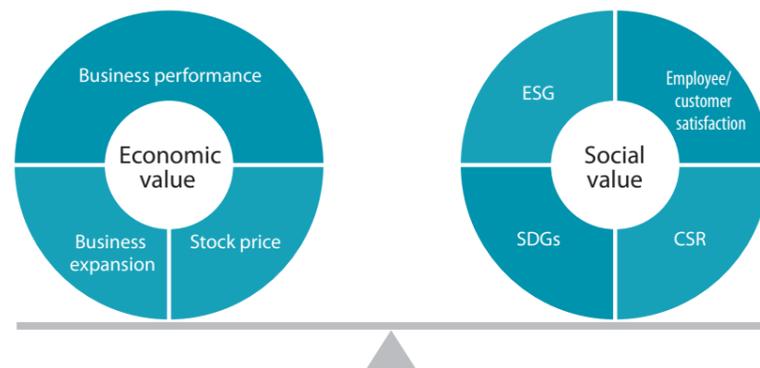


ESG-oriented Management

For many years, the Company has been making efforts to resolve social issues through the development and widespread adoption of oil-free technologies, air compressors that contribute to energy-saving, coating equipment compatible with water-based paints and other environmentally-friendly products. We have also been striving to improve the life-work balance of employees who are in charge of these business activities, while also controlling the risks surrounding the Company, preventing

its corporate value from being impaired, and enhancing its management foundation to seize opportunities for further growth.

We believe corporate value in the true sense of the word consists of both economic value (e.g., business performance) and social value (e.g., ESG). We will aim for sustained growth together with society by endeavoring to enhance these values in a well-balanced manner, rather than placing importance exclusively on either value.



Contribution to SDGs

In the Company, there is a mandate to clearly state, out of the 17 SDGs, which one we can help achieve when putting forth an agenda at the Development Meeting. In addition, we are promoting our businesses by exploring how we can make a contribution as an industrial machinery manufacturer—for example, in April 2021, we put a system in place to make managers aware of SDGs in process management.

For the fulfillment of goals, it is important for each and every employee to have an awareness with respect to the resolution of

issues, not just thinking about how product development, production and other basic operations as a manufacturer should be carried out. We believe that operations tackled by each and every employee with such an awareness of resolving issues will help contribute toward SDGs, no matter how minor they may be. Accordingly, we will continue promoting educational activities and mindset reform targeting employees going forward, including distributing email newsletters to employees in Japan to facilitate their understanding of SDGs.

SUSTAINABLE DEVELOPMENT GOALS



What are Sustainable Development Goals (SDGs)?

Sustainable Development Goals (SDGs) were established at the United Nations summit held in 2015, with the participation of over 150 heads of member states. SDGs are international goals for resolving various current issues around the world to create a better world for everyone and consist of 17 goals and 169 targets to be achieved by 2030. Countries around the world are engaged in various initiatives to achieve SDGs.



The Businesses of ANEST IWATA
Business Overview **Air Energy Division**



We will help create a prosperous society by pursuing oil-free technology to compress gases, mainly air, as well as energy-saving qualities, and providing products that match the demands of our customers around the world.

Shinichi Fukase
Director and Senior Managing Executive Officer
Chief Operating Officer of Air Energy Division

Business Overview for FY2020

In terms of air compressors, in the first half of the fiscal year, sales of general-purpose products fell due to the stagnation of economic activities. On the other hand, earnings were propped up by the expansion of sales of customized products, including oil-free air compressors targeted at hospitals, for which we had captured the extraordinary demand arising from the rapid increase in demand at medical facilities. In the second half of the fiscal year, gradual economic recovery started to become apparent, led by China, albeit in varying degrees from region to region. Even though another wave of the surge in COVID-19 infections had occurred, the fall in demand for general-purpose products turned out to be less

than expected, allowing us to minimize the extent of the decrease. In terms of vacuum equipment, the relocation of our marketing hub from Japan to the US, where cutting-edge scientific research is actively taking place, proved fruitful in that we succeeded in cultivating sales channels for vacuum pumps for equipment installed in research facilities. Furthermore, sales of vacuum pumps for semiconductor manufacturing-related equipment increased on the back of the rapid expansion of semiconductor demand worldwide. Vacuum equipment, thanks to its high profit margin, helped improve the profit margin of the Air Energy Business as a whole.

FY2020 Operating Results of the Air Energy Business

Consolidated net sales 20,866 million yen (↘6.1% year-on-year)	Consolidated operating income 1,821 million yen (↗2.6% year-on-year)	Operating profit margin 8.7 % (↗0.7pt year-on-year)
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Market Environment and Outlook for FY2021

Growth in sales of customized products and vacuum pumps is expected to continue, based on the increase in overseas sales. Oil-free air compressors for hospitals are expected to perform solidly, given that constant demand is anticipated, even though the rate of increase in demand triggered by the

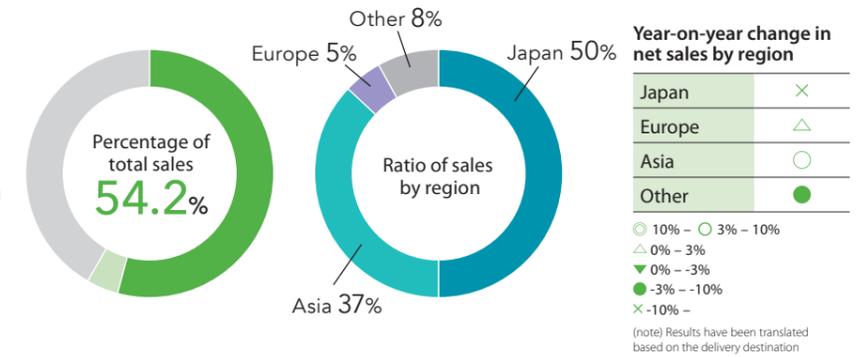
COVID-19 pandemic may diminish. Also, due to the continued increase in semiconductor demand, sales of vacuum pumps for semiconductor manufacturing-related equipment are expected to grow; in parallel with this, we will continue cultivating sales channels to equipment manufacturers in the US and China.

FY2021 Performance Forecast for the Air Energy Business (As announced on November 5, 2021)

Consolidated net sales 24,000 million yen (↗15.0% year-on-year)	Consolidated operating income 2,210 million yen (↗21.4% year-on-year)	Operating profit margin 9.2 % (↗0.5pt year-on-year)
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Air compressors Air compressors and nitrogen gas generators

FY2020 Consolidated net sales
19,304 million yen
(↘6.6% year-on-year)



Strengths / Opportunities and Risks

Strengths

- Oil-free air compressors that supply clean compressed air without using lubricating oils
- Technology that developed the world's first air-cooled, oil-free scroll compressors which are quiet with excellent energy-saving features
- Industry-leading productivity that combines automated assembly lines
- Uniform product quality through production in a work environment which combines people and automation
- Reliability and stability backed by the second largest market share (Company's estimate) in the domestic, small-sized air compressor market
- Supply system for shipping mainstay products in the small-sized air compressor category on the same day as order receipt (Japan)
- Global manufacturing and sales network

Opportunities

- Revitalization of medical and pharmaceutical markets
- Construction of new hospitals and enhancement of medical-related facilities, especially in emerging countries
- Growing demand to replace oil-lubricated air compressors due to the revision of Japan's Food Sanitation Act
- Strengthened initiatives toward reducing the environmental burden including providing energy-saving products and compliance with environmental regulations
- Expanding the EV market (electric buses, electric trucks, trains, etc.)
- Demands for improved air compressor installation environment (space-saving, reduced vibration/noise, removal of oil leaking onto the floor and into the air)
- Higher demand for markets where minimal noise is particularly required (e.g., research facilities, medical facilities)

Risks

- Pace of recovery from impact of the COVID-19 pandemic (impact mainly on sales of general-purpose air compressors)
- Downturn in investments in medical-related facilities after being pushed forward by the COVID-19 pandemic
- Deteriorating profit margin due to intensified price wars in Japan
- Maturing air compressors market in Japan
- New and stricter laws/regulations, rules and standards stipulated in each country/region
- Surge in raw materials prices
- Loss of sales opportunities and increase in costs due to disruption to supply chain management/logistics

Major Achievements in FY2020

- Increased sales of customized products tailored to each customer's requests in specific markets
→ Rapid increase in demand for oil-free air compressors for hospitals due to increased construction of medical facilities (please refer P.23)
- Sales were propped up by Shanghai Screw Compressor Co., Ltd.,* which underwent M&A in 2018
- Remodeled oil-free scroll air compressors

Measures to be taken in and after FY2021

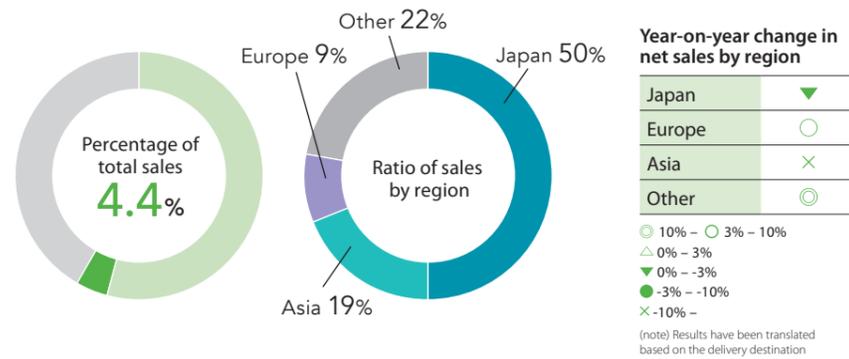
- Make the remodeled oil-free scroll air compressors penetrate the market quickly
- Focus efforts on overseas markets with room to expand market share, niche markets deemed to have high added value, and strong markets
- Enter new businesses (power generation business)
- Promote oil-free models (please refer to P.23)
- Improve production efficiency by such means as developing communication infrastructure and utilizing IoT in domestic plants
- Build a global optimal location-based production structure and enhance the management foundation, such as reviewing the management structure in each activity hub

* Manufactures medium/large-sized air compressors and sells them mainly in China, as well as supplying them to other areas.

Vacuum equipment Oil-free scroll vacuum pumps

FY2020 Consolidated net sales

1,561 million yen
 (↑ 0.4% year-on-year)



Strengths / Opportunities and Risks

Strengths

- Oil-free vacuum pumps that enable clean exhaust without using lubricating oils
- Technology that developed the world's first air-cooled, oil-free scroll vacuum pumps
- Product performance that has been adopted by the world-leading research facilities in the fields of aerospace and cutting edge science
- Global sales network

Opportunities

- Growth of the semiconductor market through increased production of electronic equipment in conjunction with increased teleworking and online consumption
- Growing demand to replace oil-lubricated vacuum pumps due to the revision of Japan's Food Sanitation Act
- Improvement and strengthening of laboratory facilities
- Resumption of R&D activities that had been stalled in each country due to the impact of the COVID-19 pandemic

Risks

- Drastic changes in supply and demand on markets such as the semiconductor market
- R&D budget cuts at government and academic institutions
- Surge in raw materials prices
- Deteriorating profit margin due to intensified price wars with major rivals

Major Achievements in FY2020

- Enhanced sales capabilities by relocating business activity hub to the US, i.e., the biggest market
 - Cultivated sales channels to equipment manufacturers in the US, increased sales of products for large research facilities
- Increased sales of products for equipment related to production of specimen for PCR tests (freeze dehydration/sterilization)
- Increased sales of products for semiconductor manufacturing-related equipment on the back of growth in semiconductor demand worldwide

Measures to be taken in and after FY2021

- Cultivate sales channels to equipment manufacturers, especially in the US and China
- Develop customized products based on specifications tailored to the characteristics of each country
- Improve production efficiency by such means as developing communication infrastructure and utilizing IoT in domestic plants

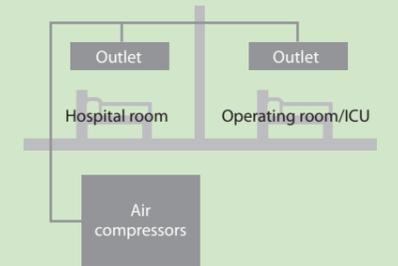
TOPICS

Medical Facilities and Oil-free Air Compressors

FY2020 was a year in which COVID-19 wreaked havoc worldwide. Many countries and regions tumbled into a situation where emergency medical facilities had to be opened by using conference halls, etc., to resolve the shortage of hospital beds that had arisen. In medical facilities (hospitals), air compressors are indispensable equipment. Accordingly, in order to meet the rapidly increasing demand for medical-purpose oil-free air compressors, we supplied them from sites scattered across regions.

Air compressors delivered by the Company to hospitals are embedded into medical respiratory gas feeding systems. Due to such application, quality at the highest level is required for compressed air used at hospitals; the Company's edge in oil-free technology has led to the adoption of our air compressors by hospitals.

From FY2021 onwards, demand spurred by the COVID-19 pandemic is expected to subside. However, constant demand is expected to remain, including the construction of new hospitals, and the increase in and upgrading of medical facilities, especially in emerging countries. Accordingly, sales of medical-purpose oil-free air compressors are expected to be solid.

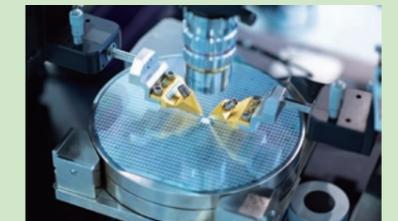


Semiconductors and Vacuum Pumps

The semiconductor market is expanding in size year by year. The market is expected to continue undergoing substantial growth in the years ahead, on the back of the demand for terminals (e.g., PCs) and data centers driven by the rapid progress in remote solutions in response to the COVID-19 pandemic and the expansion of capital investments in infrastructure.

The Company's products that have a strong connection to semiconductors are vacuum pumps. One of their applications is to embed them into semiconductor manufacturing equipment; our products are primarily used in the manufacturing process, such as in exposure devices for circuit printing, leak detectors and conveyers.

We will seek to further expand the sales of vacuum equipment by capturing—not missing out on—such semiconductor demand.



Promotion of Oil-free Models

Air compressors and vacuum pumps are available in two types: oil type, which uses lubricating oils, and oil-free type, which does not use any lubricating oils. Oil-type products are cheap in price but have a negative impact on the Earth's environment due to the large amounts of CO₂ emissions released during the manufacturing process of lubricating oils, in addition to concerns over water and air pollution stemming from the oil contained in the drain water* and compressed air.

Currently, the Company has both oil type and oil-free type products in the product lineup of air compressors. Oil-free air compressors account for around 54% of sales of air compressors. As the first step, we will raise the proportion of sales of oil-free products in our mainstay product category of reciprocating air compressors, and seek to become a leading manufacturer of oil-free air compressors and vacuum equipment with the aim of using "zero" lubricant oils in our products. We will realize the creation of values shared between society and the Company by treating the promotion of oil-free models as a key growth strategy in pushing ahead with our businesses and spreading oil-free type products around the world.

Percentage of Oil-free Products in All Reciprocating Air Compressors Sold by the Company



* Moisture generated during air compression operation; if it contains oil above the regulation value, it is treated as industrial waste.

The Businesses of ANEST IWATA
Business Overview **Coating Division**



As a world-class coating manufacturer, we provide optimal paint film technology and environmentally-friendly coating technology.

Kenichi Osawa

Director and Senior Managing Executive Officer
Chief Operating Officer of Coating Division and General Manager of Development Department
East Asian Regional General Manager

Business Overview for FY2020

In terms of coating equipment, sales substantially decreased in the first half of the fiscal year, due to the stagnation of economic activities as a result of the impact of the COVID-19 pandemic. In the second half of the fiscal year, signs of recovery gradually started to appear, especially in China, Europe and the US, but fell short of compensating for the decrease in the first half. In addition, stay-at-home consumption led to soaring sales of airbrushes* for hobbies and arts; however, sales of environment systems decreased, especially in Japan, as cautious sentiment had become widespread with respect to capital investments, resulting in the fall in sales overall.

As for coating systems, we steadily delivered projects for which orders had been received in the previous fiscal year. However, sales decreased due to the impact of the COVID-19 pandemic, which had caused delays in negotiations, rescheduling of deliveries brought about by changes in the customers' construction plans, and the dispatch of Japanese engineers to sites being rendered impossible, among others.

* A small tool that blows paint, ink, etc. in the form of a mist. Applications are wide-ranging, including not only customized painting but also hobbies, crafts, art and makeup. Airbrushes account for approximately 10% of sales of the Company's coating equipment (up 3 percentage points year-on-year).

FY2020 Operating Results of the Coating Business

Consolidated net sales
14,722 million yen
(↘ 12.7% year-on-year)

Consolidated operating income
1,623 million yen
(↘ 22.8% year-on-year)

Operating profit margin
11.0%
(↘ 1.6pt year-on-year)

Market Environment and Outlook for FY2021

As for coating equipment, sales of general-purpose equipment are expected to recover, given the recovery trend in the order receipt status and the automotive refinishing market/industrial coating market in each country. Airbrushes are also expected to perform solidly, as the market is promising in terms of user retention, even though demand may not rapidly expand as in FY2020.

In terms of coating systems, as some deliveries had been delayed at the mercy of customers' construction plans, sales

corresponding to such deliveries pushed back to FY2021 are factored in. On the other hand, the remaining balance of orders received at the beginning of the fiscal year was lower than in other years, as sales activities in the previous fiscal year had been stalled by the COVID-19 pandemic. Given the lead time required from order receipt to delivery due to the characteristics of the products, this is expected to have an impact on sales in FY2021.

FY2021 Performance Forecast for the Air Energy Business (As announced on November 5, 2021)

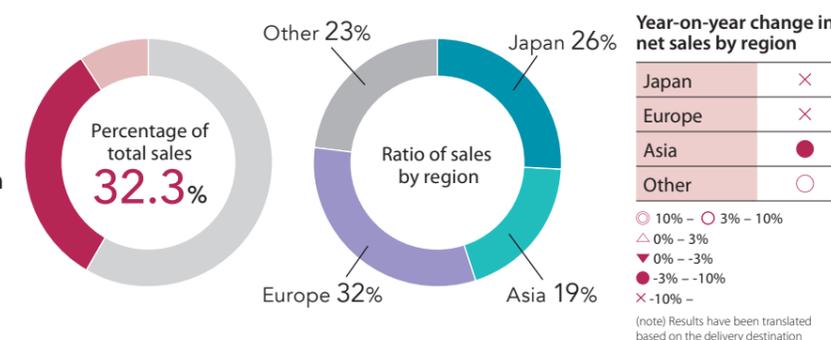
Consolidated net sales
16,500 million yen
(↗ 12.1% year-on-year)

Consolidated operating income
2,040 million yen
(↗ 25.7% year-on-year)

Operating profit margin
12.4%
(↗ 1.4pt year-on-year)

Coating equipment Spray guns, electrostatic coating equipment, paint supply equipment, and liquid application equipment

FY2020 Consolidated net sales
11,483 million yen
(↘ 10.5% year-on-year)



Strengths / Opportunities and Risks

Strengths

- The know-how accumulated over the years from having developed and commercialized the first Japanese-made hand spray gun
- Knowledge and experience to develop spray guns and propose coating methods optimized according to the paint
- Technology which offers a uniform and optimal coating finish
- Reliability backed by a market share of 70% or more in the domestic hand spray gun market
- Brand power with a large market share overseas as well
- Environmentally-friendly products that are compliant with the environmental regulations which are becoming increasingly stricter in Europe and the US ahead of Japan
- Created an automated production facility capable of mass-production of high-spec, high-quality spray guns
- Global manufacturing and sales network

Opportunities

- Growing demand for medium- and high-end decorative coating in line with economic growth
- Establishment of new and stricter environmental regulations in each country
- Growth of the sanitary ware market in the Asian and emerging countries
- Growing demand for the application of liquids such as chemicals, photocatalysts and other functional materials
- Growth of the DIY/hobby markets due to growing consumption by people staying at home
- Heightened interest in environmental consideration (e.g., greater demand for improved coating efficiency)

Risks

- Loss of sales opportunities due to delayed new product development
- Shrinking of the automotive refinishing market due to the spread of vehicles equipped with anti-collision devices
- Continued decrease in global automobile production
- Increased distribution of low-priced imitation products
- Emergence of surface furnishing (film) technology as an alternative to coating
- Surge in raw materials prices

Major Achievements in FY2020

- Substantially increased airbrush sales (please refer to P.27)
- Released new products in the market
 - Cultivated the mass market segment: middle-end spray gun "KATANA" (please refer to P.27)
 - Remodeled spray guns for automotive refinishing market and general-purpose market
- "WIDER1" released in 2019 won a prize in the 50th Machine Industry Design Award IDEA*.
- Made progress in cultivating the liquid application market (please refer to P.27)
- Built appropriate strategies and enhanced global collaboration by holding marketing meetings with major overseas areas on an ongoing basis

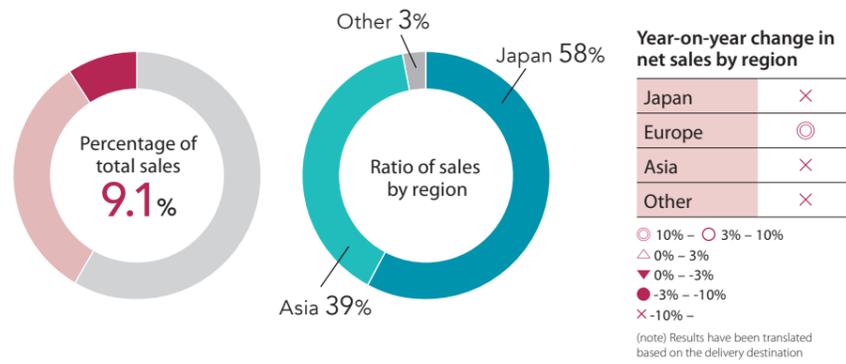
Measures to be taken in and after FY2021

- MDevelop a structure and implement measures tailored to each area to tackle the industrial coating market
- Cultivate markets for coating non-paint liquids (expand sales of liquid application equipment)
- Enhance ability to grasp needs including gathering requests from end users by utilizing "Customer Support" and carry out appropriate proposal activities
- Promote the utilization of the e-commerce website
- Change the business model focusing on product sales to a business model focusing on providing coating technology
- Promote activities of the global technical team consisting of several engineers from subsidiaries in each country
 - Obtain certification from paint manufacturers in each country (spray gun)

* An award program established in 1970, hosted by Nikkan Kogyo Shimbun, Ltd., aimed at the revival and progress of industrial product designs in Japan.

Coating systems Automated coating units, coating plants, coating robots, environment systems, and coating booths

FY2020 Consolidated net sales
3,239 million yen
 (▲ 19.7% year-on-year)



Strengths / Opportunities and Risks

Strengths

- Advanced problem-solving capabilities utilizing the experimental facility for coating (Coating Solution Center)
- Optimal proposal capabilities that enable the coating finish and the high non-defective rate required by customers
- Global manufacturing and sales network

Opportunities

- Demands for an improved work environment
- Promotion of automation in conjunction with the shortage and the aging of the workforce
- Reinforced initiatives to reduce the environmental burden (e.g., energy-saving, VOC* reduction)
- Japanese companies building new plants overseas

* Volatile Organic Compounds

Risks

- Decline in capital investments due to the deteriorating economy
- Postponement and revision of facility plans at customers' convenience
- Continued decrease in global automobile production
- Biased sales composition ratio by business type
- Personnel control in activities before/after order receipt
- High cost to sales ratio due to high percentage of externally-purchased items
- Surge in raw materials prices

Major Achievements in FY2020

- Steadily delivered projects for which orders were received in the previous fiscal year (excluding delays in construction plans at customers' convenience)
- Succeeded in providing on-site assistance in launching project involving overseas facility delivery remotely from Japan (remote supervisor)
- Supported multinational users and captured repeat customers reflecting the track record of delivery to such customers
- Commenced development of teaching assistance software for coating robot "SWAN Pro"

Measures to be taken in and after FY2021

- Steadily deliver and launch projects for which orders are received without being affected by external factors
 - Enhance both face-to-face and on-the-Web sales activities and remote supervisor initiatives
- Reinforce the consulting function to offer the optimal type of coating to customers
- Establish fully-automated coating as well as environmentally-compliant technology and product development
- Win contracts for projects without being biased toward automobile parts coating
 - Create projects relating to non-paint liquid application facilities

TOPICS

Soaring Demand for Airbrushes

In FY2020, stay-at-home consumption led to a dramatic increase in sales of airbrushes.

Due to the impact of COVID-19, ongoing self-restraint on outings worldwide resulted in many people spending more time at home. Hobbies that can be enjoyed at home attracted a great deal of interest, and plastic models were one of them that drew attention. Sales of airbrushes, which are frequently used for painting plastic models, dramatically increased worldwide, especially in the US and Germany, as the population of new plastic model hobbyists grew. Going forward, airbrushes are expected to perform solidly, although the rapid expansion of demand brought about by stay-at-home consumption is expected to subside.

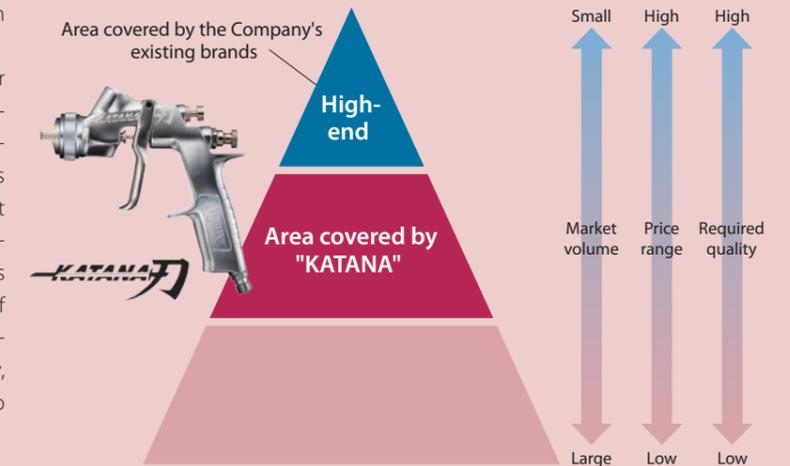


Capturing the Mass Market Segment

The Company has conventionally been rolling out products specializing in professional use including high-end coating as represented by automotive refinishing, etc. With the aim of cultivating markets where finishes above a certain standard and models in a reasonable price range are demanded as in the case of DIY, we commenced the sale of middle-end spray gun "KATANA"* worldwide, starting with South America in July 2020.

By implementing measures for early market penetration focusing especially on China and emerging countries, we will seek to capture the mass market segment of the global market and improve the level of brand recognition, as well as luring consumers into high-end products. At the stage of launching this product, the profit margin is expected to plateau temporarily, but the profit amount is expected to grow in line with the volume effect.

* Released as the Company's second brand "AIRREX."



Atomization Equipment Playing an Active Role in Non-coating Fields

The Company, which deals in atomization equipment for coating purposes using mainly paints, has also added atomization equipment for coating liquids other than paints (i.e., liquid application equipment) to its product lineup.

Based on our technology to atomize liquids developed over many years, we provide liquid application equipment tailored to the respective characteristics of liquid to meet the demand for applying liquids finely, broadly, quickly and uniformly, including food-related liquids (e.g., melted chocolates, liquid flavorings), liquids for general industrial use (e.g., mold release agents, photocatalysts) and chemicals (e.g., sanitizers). Going forward, we will make efforts to enhance our product lineup and gain higher recognition for our liquid application equipment in pursuit of further growth.



New type of spray gun for applying adhesives "COG1"

The Businesses of ANEST IWATA

Quality Assurance and Intellectual Property Management

In our relentless pursuit of customer satisfaction, we are striving to “build and update our quality assurance system,” “carry out initiatives to maintain and enhance quality,” and “respond to complaints and comments from our dealers, distributors and customers and resolve problems.”

We also appropriately handle our intellectual property as important management assets.

Basic Approach to Quality

As indicated in the “ANEST IWATA Corporate Philosophy,” we recognize the enhancement of quality of the products and services handled by the Group to be a significant management issue.

ANEST IWATA has established a number of internal regulations including the “Quality Manual” for the maintenance and

enhancement of quality. The “Quality Policy” and the “Quality Slogan” are articulated in the “Quality Manual,” and the “Quality Policy,” in particular, is revised in a flexible manner by undergoing a management review by the President each year and a policy is determined based on the optimal solution that aligns with the situation of each year.

Quality Policy

We recognize the paramount importance of maintaining and enhancing product quality.

- 1 The quality management system is fundamental to our corporate management.
- 2 We will satisfy the demands of the market.
- 3 We will continuously improve the effectiveness of the quality management system.
- 4 We will endeavor to contribute to the reduction of production costs.

Quality Slogan

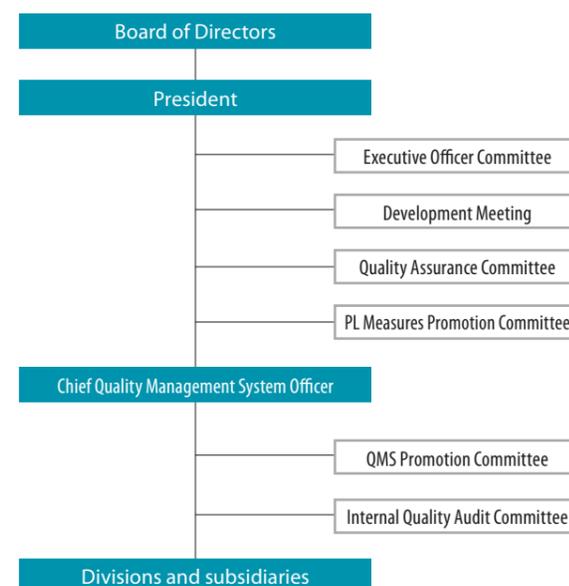
▶ Our quality goal =
Customer satisfaction

Quality Management System

The overall framework for quality management comprises a QMS Promotion System with the President as the Chief Quality Management System Officer.

The Company is engaged in QMS activities based on the ISO9001:2015 and is working to maintain and enhance quality, for example, by having the Quality Assurance Department take an objective perspective and eradicate potential problems from the early stages of product development. We also undergo screenings by the Quality Assurance Committee and the Development Meeting, which are served by the Quality Assurance Department and the Technical Administration Department as secretariats, respectively, and the once-a-year ISO certification assessment by a third party. Furthermore, by solving any problems discovered in these screenings, we ensure the quality of products that meet market requirements.

QMS Promotion system



Initiatives Toward Quality Enhancement

The Company gathers data on costs incurred as a result of complaints, disposal costs of non-conforming products, and the time and cost of dealing with complaints as proprietary “failure costs,” and from FY2019, has been calculating the “ratio of customer dissatisfaction cases” based on the number of cases of receiving complaints and product sales volume, and using these indices as assessment criteria to enhance quality. These results are disclosed internally along with the other QMS

activities once a year.

We are also building a Global Quality Assurance System to cover production bases not only in Japan but also overseas. We have been striving to put the System in place by launching activities to bring overseas factories to be on the same page as us and educate them about “failure costs,” etc. as well as activities to reduce them, starting with some bases in Asia one by one since 2021.

Initiatives Toward Improving Customer Satisfaction

Since 2018, the Company has been conducting the “Survey on Customer Satisfaction,” in which the major domestic dealers, servicing dealers, and system manufacturers are directly interviewed.

Items such as products, parts, order receipt, delivery/response, services, etc. are evaluated from the perspective of Q (Quality), C (Cost), and D (Delivery/response), and the results are analyzed and used to solve problems. At the same time, we asked the same questions to our relevant staff from a

self-evaluation perspective, and have been measuring the gap between the replies of the two parties.

Additionally, in July 2019, we set up a “Customer Support” as a contact point for customer inquiries. The customer support is manned by dedicated members as well as managers of the business divisions alternating on a daily basis to ensure a system where inquiries are answered quickly and accurately. Through these initiatives, we are working to enhance the quality of our communication with our customers.

Responding to Comments and Complaints

The Quality Assurance Department responds to complaints from the dealers and distributors who supply the Company’s products, via the Company’s branches, sales offices, representative offices or the Head Office serving as contacts.

Additionally, the Company has established a “PL emergency measure flow,” in preparation for extremely serious complaints in violation of the PL Act (Product Liability Act) or which could seriously impact the market or the customers.

In such an event, the Quality Assurance Department promptly will report to the President and convene the PL

Measures Promotion Committee, and ultimately make a report to the Board of Directors.

The Company also conducts seminars for its junior and mid-level employees to reduce and prevent complaints concerning sales.

Intellectual Property Management

As stated in the Group Guiding Principles, the Group strives to appropriately handle its intellectual property while respecting the intellectual property of third parties.

An example of the Group’s utilization of its intellectual property rights is the initiatives being taken by the Group to offer the inventions and the rights, which have been achieved through research and development with universities, as licensable patents to companies interested in their commercialization.

Number of patent applications: Past results

Over **1,200**
patents in Japan and overseas

The Foundations that Support Value Creation
The Environment

ANEST IWATA strives to live in harmony with the earth environment, while effectively utilizing the Environmental Management System to promote the protection of the environment through product development and other business activities.

ANEST IWATA, in accordance with the ANEST IWATA Corporate Philosophy, also articulates its environmental policy in the Environmental Manual and conducts its activities based thereon.

Environmental Policy

We will always be aware of our impact on the earth environment and continuously promote the prevention of environmental contamination.

- Prevention of environmental contamination
- Reduction of greenhouse gases and saving energy
- Formation of a recycle-based society

Environmental Management System

The Company considers the protection of the environment as one of its priority management issues. The bases in Japan, based on the same environmental policy, sets objectives and targets and operates an Environmental Management System (EMS).

In order to put these into practice, we are making efforts to carry out EMS activities and make ongoing improvements in accordance with internal regulations established based on ISO14001:2015. At the same time, we are conducting environmental education on such topics as environmental management based on an annual plan for our employees as well.

Environmental Slogan

▶ Future environment =
Our responsibility

EMS Promotion System



Environmentally-friendly Products and Technologies

Oil-free Scroll Air Compressors that Reduce Environmental Impact

Air compressors are general industrial machines used in almost all production factories, and their electricity consumption accounts for approximately 20% to 25% of all electricity consumed by factory facilities. For this reason, improvement of energy efficiency is demanded in terms of environmental impact and costs.

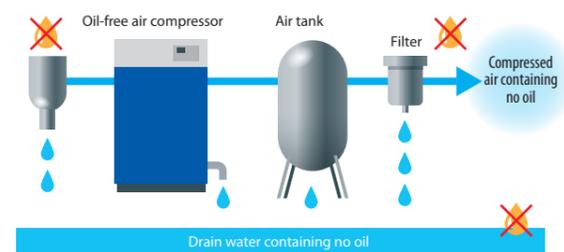
Scroll air compressors, in which the Company has an edge, realize high compression efficiency by ensuring a high level of airtightness based on the application of special coating on the inside of the air compressor unit itself. This has made it possible to produce compressed air with limited electricity.

In the case of oil-free type air compressors that do not use lubricating oils, neither the drain water* released during air compression operation nor the compressed air contains any oil, thus preventing water and air pollution. In addition, the widespread adoption of oil-free type air compressors leads to

a reduction in the amount of lubricating oils used, which also helps reduce CO₂ emissions released during production.

We are striving to reduce the environmental impact of society as a whole by having our air compressors adopted and helping customers realize energy-saving and CO₂ emissions reduction.

* Water condensed inside the air compressor during air compression; if drain contains oil above the regulation value, it is treated as industrial waste.



In the case of an oil-free type air compressor, no oil is contained

Coating Equipment Meeting Environmental Demand

Paints contain Volatile Organic Compounds (VOCs), which cause air pollution. Therefore, many countries and regions have established tough laws and regulations against paint-related solvent effluent.

The Company has been one of the first to work on the development of products compliant with environmental regulations in regions that are advanced in terms of environmental protection, i.e., Europe and the US. In 1994, we released the world's first spray gun compliant with European environmental regulations. Currently, we are developing coating equipment optimized for environmentally-friendly paints such as

water-based paints that do not use organic solvents for dilution and products that require lower input of resources when discharging coating mist and coating, and selling spray guns compliant with environmental regulations that are becoming more prevalent in countries around the world. We will help spread environmentally-friendly coating through our products.

In relation to this, we cooperated in the production of a video about reducing VOCs in the coating process created by the Ministry of the Environment, in response to the request of the Coating Equipment Manufacturers Association (CEMA). Please watch the video, which has been published on our website, etc., since February 2021.



Cooperated in production of video "Introduction to Measures to Curb Volatile Organic Compound (VOC) Emissions in Industrial Coating" by the Ministry of the Environment



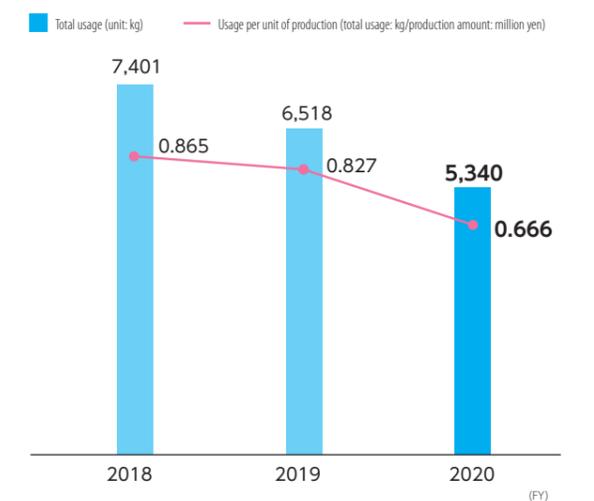
You can watch the video here.

Prevention of Environmental Contamination

Chemical substances that are mainly used by the Company are contained in solvent paints and diluents used in the development of various coating equipment and the manufacturing of products, among others. We manage these substances in accordance with the Pollutant Release and Transfer Register (PRTR) system and are making efforts to reduce their usage. We are also striving to prevent environmental contamination by reducing all forms of environmental impact arising in production activities, including conducting water quality measurements at frequencies mandated by laws and regulations as well as voluntary odor measurements, and promoting activities to improve them.

The reduction of the usage of specific chemical substances was mainly attributable to the decrease in test applications at the Head Office and production usage at Akita Factory, etc., due to such factors as restrictions on business activities as a result of the impact of the COVID-19 pandemic.

Usage of specific chemical substances





The Foundations that Support Value Creation Human Capital

Capable employees play a leading role in and are indispensable to the sustained growth of the Group. Accordingly, the Company is making efforts to provide a work environment where diverse human capital can continue to play an active role for a long time and a corporate culture that maximizes the individual's creativity and teamwork spirit.

Reduction of Greenhouse Gases and Saving Energy

The Company strives to reduce all energy consumption and has been reducing the emission of greenhouse gases (CO₂) and contributing to the prevention of global warming.

Specifically, we are continuously implementing measures

including enhancing efficiency, reducing human errors and reducing air leaks through layout modification and consolidation of worksites, and making efforts to reduce the consumption of energy such as electricity.

Energy consumption/Energy intensity *1



*1. Energy intensity by crude oil equivalent (kl) / monetary amount of production (millions of yen)

CO₂ emission / CO₂ intensity*2

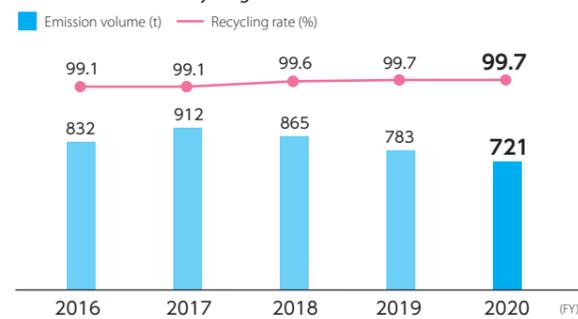


*2. t-CO₂ / monetary amount of production (millions of yen)

Reduction of Waste

At all our domestic locations, we promote the 3Rs (Reduce, Re-use and Recycle) and maintain a waste recycling rate of 95% (target) or higher. In product development and manufacturing, also, we are striving to make products and systems that will be easy to dispose of or recycle for our customers based on the concept of the 3Rs.

Waste volume and recycling



Basic Approach to Human Capital

We consider the securing and development of human capital in line with the company's growth to be an essential task in achieving business expansion. To this end, the Company will pursue human capital from around the world, while at the same time strive, as articulated in the Group Code of Conduct, to promote the

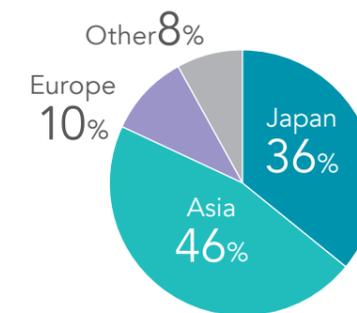
establishment and maintenance of a safe and sound workplace without discrimination to enable employees to demonstrate their capabilities and to optimize the system of international human capital assignments that value the capabilities and competence of the individual.

Aiming to Realize a Pleasant Work Environment for Everyone

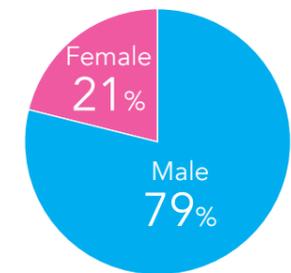
The Company is aiming to become a "True World-class Company" that takes on challenges in pursuit of unexplored solutions and constantly gives birth to innovations. In creating innovative technologies and products, one of the important keywords is diversity. Accordingly, we are striving to realize organizational

operation in which each and every employee with a wide range of values fully demonstrates his/her capabilities, regardless of his/her gender, race, age, background, etc., and the diverse ideas brought about from this process are respected.

Ratio of distribution of group employees by region



Percentage of male/female employees (Japan)



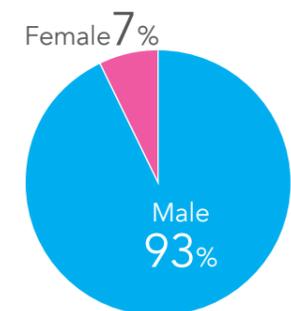
Promotion of Women's Advancement

As part of efforts to promote diversity, the Company is encouraging women employees to play a greater role. At present, the percentage of women tends to be low relative to the total number of employees at the Company, due in part to the industry's characteristics, and the number of female managers is also small.

mindset with respect to diversity, including managers. Through such activities, we are striving to create a workplace that is pleasant for everyone to work in, regardless of gender.

There are keys to promoting women's advancement, such as the understanding of gender-specific health problems, traditional customs, and the existence/non-existence of role models. The Company is examining and implementing various measures, such as launching an activity team with voluntary members consisting of female employees for looking into issues surrounding women's workstyle, and promoting changes in

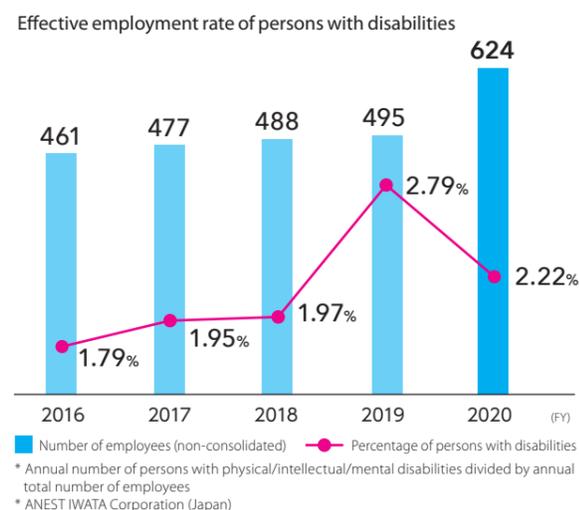
Percentage of male/female managers (Japan)



Employment of Persons with Disabilities

The Company is striving to support the work and employment opportunities of persons with disabilities, in an effort to achieve the common mission of society of improving welfare.

In January 2019, the Company introduced and commenced services to support the employment of persons with disabilities at agricultural farms. The indoor farms provide vegetables, which are used at the Company's cafeterias and herbs, which are used to make herb tea offered at the communication lounge, and have been linked to improving the health and relaxation of the employees and, ultimately, to raising their satisfaction. The Company will continue to provide a work environment where persons with disabilities can discover the joy of working.

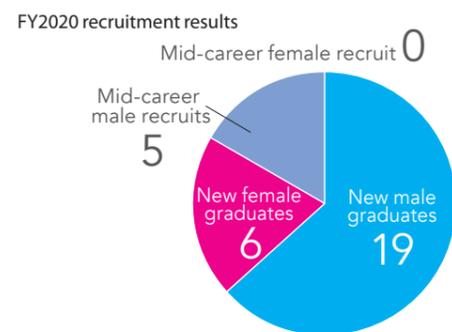


Basic Approach to Recruitment

In terms of personnel recruitment, the Company is enhancing its personnel structure to become a company with a 100-year history through mid-career hiring of work-ready individuals while recruiting new graduates on an ongoing basis.

With respect to employees after joining the Company, we are promoting human resources development in various ways so that they will have a flexible mindset and embrace the spirit of a challenger at all times, and gain the ability to act on their own initiative and communicate proactively, based on the

Company's founding motto of being "trustworthy and sincere."



Human Capital Development

As part of the efforts to build an organization capable of creating further value, the Company is reviewing its personnel system and improving its education and training. The Company is raising the skills of its employees by providing various training programs including the training by position which is conducted at every stage of the employee's career starting when the employees are first given their job offers, and specialized training offered when the employee is assigned to a division, as well as supporting the personal development of its employees through language training and correspondence courses.

In FY2020, we conducted project-based training for the first time, in which young employees played a central role in tackling Company-wide issues. Trainees get a grasp of the real-life image of the Company, build awareness of problems on

their own initiative, and participate in a workshop to review the relationship between the Company and themselves, after which they engage in activities by specifying a theme aimed at resolving Company-wide issues on a team-by-team basis. Through such activities, we are seeking to develop a culture in which young employees form a community among themselves and take on challenges.

Furthermore, we have been applying a new personnel system since FY2021, having reviewed the system in order to develop a culture in which each and every employee is encouraged to take on challenges and rewarded for doing so. We are also aiming to become a company in which work is fulfilling through the early development of management candidates and the fostering of talent with a high level of expertise.

Example of human capital development systems and training

Name of system/training	Eligible employees	Details
New Employee Basic Onboarding Education	New employees (new graduates)	Basic education over three months encouraging new employees to acquire the skills and mindset required of a businessperson, while receiving training at the divisions and practical training at the factories
On-the-Job Training (OJT) System	New employees (new graduates)	Practical instruction on the knowledge and skills required for work by the same senior employee for two years
Elder System	New employees (new graduates)	An employee with a limited history with the company serves as an elder to support the new employee's life at the company while promoting his or her own development
New Employee Follow-up Training	New employees (new graduates)	Each employee is given an opportunity to declare the ideal vision of him/herself that he/she seeks to achieve 10 months after joining the Company, to deepen his/her awareness as an employee of the Company once again
Mid-career Basic Onboarding Education	New employees (mid-career recruits)	Employees learn the ANEST IWATA Philosophy and other knowledge necessary for life at the company
Overseas Assignment Training	Selected employee	Employees are dispatched to overseas subsidiaries on short-term assignments to encourage career development as global human capital
OJT Instructor Training	Potential instructors	Encourages an understanding of the role as an instructor and aims to enhance skills through drills of case studies involving interviews
Leadership Training	Executive candidates	Employees think what type of leadership is required and what type of action they should take in the future and by formulating individual action plans clarify their targeted future vision

Utilization of Elderly Human Capital

In Japan, the decline in the working-age population due to its aging population and low birthrate is becoming increasingly serious, and labor shortage has become a huge problem in all industry sectors. Under these circumstances, the Company believes that the utilization of elderly human capital with a wealth of experience and skills is a crucial key to realizing corporate

sustainability. Since FY2021, the Company has extended the mandatory retirement age to 65, in order to strengthen the organization based on elderly employees' mature skills and know-how and to encourage them to pass on their skills to younger employees.

Life-work Balance

The Company promotes workstyle reforms so that the Company and the products it produces become a source of the employees' pride, which will be shared with family and friends. The Company will achieve this by having the employees, who support the very

foundations of the Company, find joy and pride in their work. The Company will provide a work environment, in which employees can remain healthy and safe and work energetically, and aim to become the leading white-collar company in the machinery sector.

Example of workstyle reforms conducted by the Company

Promoting flexible workstyles

- Measures to lighten the workload through short working hours and limits on overtime work
- A flexible leave system in which even allows for the combination of paid leave which can be acquired in 1- to 2-hour units and half-day paid leave
- Introduction of the system of intervals between working hours
- Proactive promotion of teleworking and staggered working hours

Support for life events

- Payment of money gifts at childbirth

- Childcare leave which may be taken until the child turns three
- Support of correspondence courses while on childcare leave
- A system for short working hours which may be continued until nursing care is no longer needed, in addition to statutory leave
- If an employee resigns on account of childcare or nursing care, the employee may be reinstated under the same conditions prior to resignation after he or she is finished with childcare or nursing care.
- Leave for nursing sick children of up to 8 days per child (of which 3 days are paid leave), in addition to annual paid leave
- A system of shortened working hours for caring for a child up to sixth grade in elementary school



The Foundations that Support Value Creation

Cooperation with the Regional Communities

The Group, aware of being a member of society, contributes to society through various business activities in the countries and regions of the world, as well as engage in activities that are rooted in the regional communities.

Occupational Safety

The Company is focused on its occupational safety activities based on the principle of "Safety First (Safety shall have priority overall)." To promote these activities, an in-house Occupational Safety Committee has been established to conduct safety patrols of the head office and the factories on a monthly basis, mainly by committee members together with the safety managers of each location and the executives of the labor unions. During these patrols, detailed checks are made of the potential risks of danger lurking at the production and experiment sites at every stage. Additionally, in accordance with the occupational safety management system established by the Company, the Akita and Fukushima Factories conduct self-inspections each year by mutually shuffling the members of each factory.

In the event of an industrial accident, the Company responds in accordance with the pre-determined "Disaster Response Flow." Additionally, we conduct fire drills using the actual ABC Dry Powder Fire Extinguisher, CPR training, and other emergency drills twice a year.

Furthermore, inside the building of an accident-prone factory (i.e., Fukushima Factory), we have established a "Safety School (Anzen Dojo)," which uses a simulation facility where dangers of industrial accidents can be experienced firsthand. Thanks in part to its accomplishments, the Fukushima Factory achieved a record of 4.7 million hours without accidents in July 2020 and was awarded a type II accident-free record certificate from the Ministry of Health, Labour and Welfare in October 2020.

Basic Approach to Health and Productivity Management

For corporate progress, we believe that it is important to "improve the productivity" of each individual and "invigorate the organization," and that this is premised on employees' health; we have thus appointed the President, Representative Director and Chief Executive Officer as the CHO* and are working on various health and productivity measures on a Company-wide scale.

According to a questionnaire survey conducted with respect to all employees in Japan, employees' awareness varies among attributes (by age), workplaces, etc., in terms of communication and work engagement. Our policy is to hold discussions in the Health and Productivity Management Promotion Committee and conduct awareness surveys on an ongoing basis not only on individual health and productivity indicators but also on work

engagement. In this context, we particularly place importance on taking paid leave. Taking plenty of rest translates into higher productivity and greater motivation, so we named paid leave "Smile Holiday" to make it easier for employees to take it, and we are encouraging employees to go on paid leave to reach the target percentage of paid leave taken, i.e., 100%.

Through health and productivity management, we will make our employees and their families shine brilliantly with a smile on their faces, and contribute to the progress of not only the Company but also society, and achieve ongoing growth with the aim of becoming a leading good-standing company in the machinery sector.

*CHO: Chief Health Officer

Health and Productivity Support for Employees

We are implementing various measures to provide health and productivity support to employees, such as taking out insurance to support employees against three major diseases, making lump-sum payments to eligible persons and assisting employees in "graduating"/giving up smoking (e.g., paying a grant for treatment).

Furthermore, for the purpose of livening up communication during telework, we held a Web lunch meeting and gave financial assistance to cover its costs.

For details, please click the URL or scan the QR code below to view the Company's website.

https://www.anest-iwata.co.jp/company/health_management.html

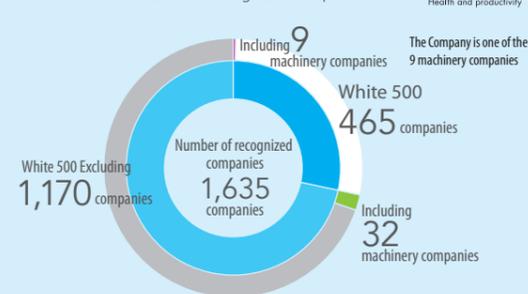


Recognized under "2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program (large enterprise category: White 500)"

In FY2020, the Company was recognized for the first time as one of the "White 500" enterprises in the large enterprise category under the 2021 Certified Health & Productivity Management Outstanding Organizations Recognition Program, a commendation program by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi.

Breakdown of the number of companies recognized in the large enterprise category*

In the machinery industry to which the Company belongs, the number of recognized companies accounts for as low as 2% of all recognized companies



* Selected only companies, etc. under the Companies Act from among recognized corporations
* Prepared by the Company based on materials disclosed by METI (as of September 1, 2021)



Living in Harmony with Society

The Company, by emphasizing "making safe and reliable products," "providing even more attentive service to its customers," and "connecting technology to the future" in its business activities, contributes to the development of society. To achieve this, an awareness by each manufacturing and sales employees that ANEST IWATA products are contributing to society, as well as improvements in product quality and technological innovations, is essential. We believe that by regularly raising awareness of social contribution and applying it to every aspect of operations

from the development of more efficient new products down to innovations in packaging materials, we will be able to contribute to better "manufacturing" and ultimately to the realization of a sustainable society.

Furthermore, in the regions where the head office, factories, and offices are located, ANEST IWATA believes that promoting a business that is rooted in the community and achieving co-existence and co-prosperity is the true form of social contribution.

Signed Official Partnership Agreement with Yokohama F. Marinos

In December 2020, we signed an official partnership agreement with Yokohama F. Marinos. The agreement is a multi-year contract over six years and two months until January 2027, including the year of the Company's 100th anniversary in May 2026.

Yokohama F. Marinos is a soccer club, one of whose hometowns is Yokohama City, Kanagawa Prefecture. It has long been proactively engaging in activities that contribute to local communities, among others. Through the latest agreement, we will jointly aim at invigorating the local communities

of Yokohama City in which the Company is headquartered, in addition to boosting our employees' motivation and their awareness of health and productivity.



Marinosuke wearing a cap with the Company's badge (Yokohama F. Marinos: Club's mascot)

Launch of Joint Event

In March 2021, we held the first joint event in the form of a soccer tournament, "ANEST IWATA Cup." On the day of the event, elementary-school sixth graders (U12) from six soccer club teams in Yokohama City were invited and played a match at a field in the City.



Our employees participated as administration staff

Spray Gun Registered as Thank-you Gift for Hometown Tax Donations (Furusato Nozei)

In February 2020, we registered our automotive refinishing spray gun as a thank-you gift for hometown tax donations (furusato nozei) in Daisen City, Akita Prefecture, where the Company's Akita Factory is located.

The ANEST IWATA Group produces many spray guns—its mainstay products—at Akita Factory, and delivers "Made in Daisen" quality all over the world through its spray guns. The spray gun registered of late is a special limited model of Hanabi Town DAISEN x ANEST IWATA featuring the pattern of fireworks that Daisen City is famous for, and will contribute to regional revitalization through its treatment as a thank-you gift.



Special limited model of Hanabi Town DAISEN x ANEST IWATA, designed in the image of world-class fireworks of Daisen City

ANEST IWATA strives to realize its sustained growth and the maximization of its corporate value. To this end, the Company recognizes that it is imperative that upon considering the perspectives of its stakeholders including the shareholders, the customers, the business partners, the employees, and the regional communities, it increases the flexibility of its management, enhances transparency, reinforces the oversight over management and raises the effectiveness of its corporate governance.

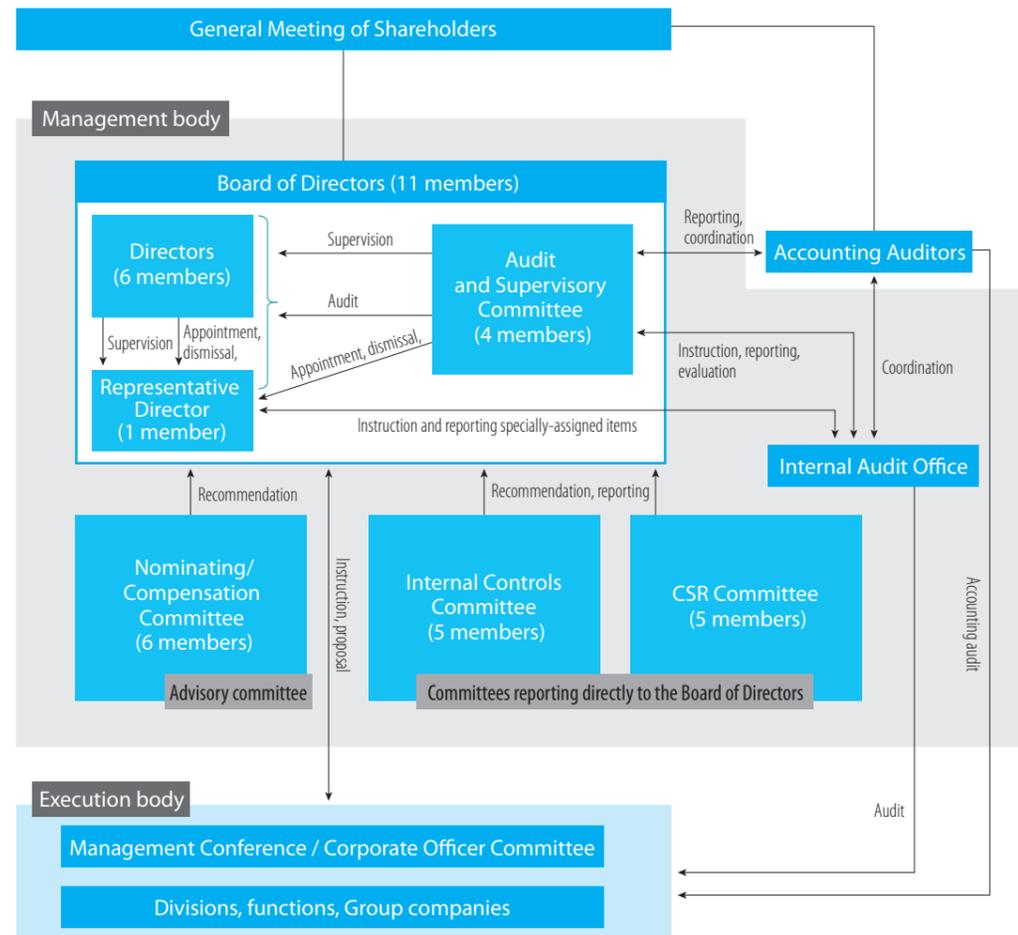
Corporate Governance Structure

The Company operates as a company with an Audit and Supervisory Committee. It has also established, as non-statutory advisory panels for the Board of Directors, the Nominating/Compensation Committee, as well as the Internal Controls Committee and the CSR Committee to assist the Board of Directors. In order to ensure flexible decision-making in response to the changing business environment, the Company has also adopted the corporate officer system.

The Company, recognizing the enhancement of corporate

governance to be a management priority, has proactively appointed Independent Directors with diverse expertise and insight, in addition to having Directors who are Audit and Supervisory Committee Members conduct supervision and audits in a timely and appropriate manner, thereby ensuring the fairness and transparency of management. Through these initiatives, the Company ensures the enhancement of corporate value and its sustained growth for each one of its stakeholders.

Governance Structure (Diagram) (As of June 25, 2021)



The Role and Composition of the Supervisory Organization ★ represents chairperson/chairman

Organization	Composition	Purpose	Secretariat
Board of Directors		In addition to receiving reports on the status of business execution, decides the basic matters of the Company's business execution, and monitors and supervises the execution.	General Manager, Corporate Planning Department
Audit and Supervisory Committee		Exchanges opinions with Directors and the execution bodies, audits the execution of duties by Directors and prepares audit reports, etc.	Director (full-time) who is an Audit and Supervisory Committee Member
Management Conference		Holds discussions and shares information between Corporate Officers—including those concurrently serving as Directors—and Independent Directors, and discusses and deliberates mainly matters relating to business operations.	Corporate Planning Department
Corporate Officer Committee		Communicates the matters to be resolved at the Board of Directors meetings, and deliberates the matters to be resolved at the Corporate Officer Committee and the matters to be proposed to the Board of Directors meetings.	Corporate Planning Department
Nominating/Compensation Committee		A non-statutory advisory committee under the Board of Directors, which discusses the selection, the promotion/demotion, the assessment and compensation of Directors and Corporate Officers and makes recommendations to the Board of Directors.	General Manager, Corporate Planning Department
Internal Controls Committee		A non-statutory committee established under the Board of Directors, which reports on the development and operation and the implementation status of internal control systems.	General Manager, Internal Audit Department
CSR Committee		A non-statutory committee under the Board of Directors, which is in charge of compliance and risk management, deliberates related matters and develops an operational framework.	General Manager, Public Relations Department

● Representative Director, President and Chief Executive Officer
● Internal Director, Senior Managing Executive Officer
● Independent Director
● Internal Director who is an Audit and Supervisory Committee Member (standing)
● Independent Director who is an Audit and Supervisory Committee Member
● Chief Corporate Planning Officer

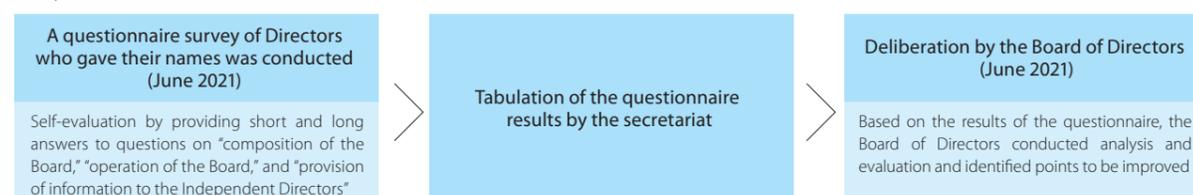
Number of meetings held in FY2020 and Directors' attendance rate

Organization	Number of meetings held	Attendance rate (number of persons)	
		Internal Directors (4 persons)	Independent Directors (5 persons)
Board of Directors	12 times	100% (4 persons)	98.6% (5 persons)
Audit and Supervisory Committee	14 times	100% (1 person)	100% (3 persons)
Management Conference	12 times	100% (4 persons)	100% (5 persons)
Corporate Officer Committee	12 times	100% (3 persons)	—
Nominating/Compensation Committee	7 times	100% (1 person)	100% (5 persons)
Internal Controls Committee	4 times	100% (2 persons)	100% (2 persons)
CSR Committee	3 times	100% (2 persons)	100% (2 persons)

Evaluation of effectiveness of the Board of Directors

To improve the functions of the Board of Directors, the Company conducts an analysis and evaluation of its effectiveness each year.

Analysis and Evaluation Process



Overview of the Analysis and Evaluation Results of FY2020

An evaluation was conducted with respect to the effectiveness of meetings of the Board of Directors held between April 2020 and March 2021 (12 meetings in total).

On the whole, the Board was found to be conducting active deliberations, which included the Independent Directors, and functioning sufficiently. As major matters for improvement, the following points were confirmed.

	Status of major initiatives	Issues going forward
Invigoration of discussions	<ul style="list-style-type: none"> Launched the Management Conference in which Independent Directors participate as observers ⇒Livened up discussions on important agendas at the meetings of the Board of Directors by providing more information to Independent Directors and facilitating their understanding of the Company's operations 	<ul style="list-style-type: none"> Further clarification of management issues Invigoration of discussions from a long-term perspective

Policy for the Determination of Compensation for Directors

The basic policy of compensation upholds a compensation system that motivates executives to improve business performance and contribute to the long-term increase in corporate value. The Company's compensation system comprises a regular same-amount salary (fixed compensation), short-term incentives (performance-linked bonus), and medium- to long-term incentives (performance-linked stock remuneration). Compensation is decided within the limit resolved by the General Meeting of Shareholders, based on the recommendation by the Nominating/Compensation Committee, which is chaired by an Independent Director who

is an Audit and Supervisory Committee Member, comprehensively taking into account the Company's business performance and the responsibilities and achievements of each Director, and upon deliberation of the recommendation by the Board of Directors.

Compensation for Independent Directors comprises exclusively of fixed compensation in order to make them effectively fulfill their management supervision function in consideration of their roles and independence. Compensation for Directors who are Audit and Supervisory Committee Members is determined based on discussions by Directors who are Audit and Supervisory Committee Members.

Compensation System

		Cash compensation		Non-cash compensation
		Fixed Compensation	Performance-linked Bonuses	Performance-linked Stock Remuneration
Director	Internal	○	○	○
	Independent	○	×	×
Director, Audit and Supervisory Committee Member	Internal	○	×	×
	Independent	○	×	×

Fixed Compensation

The amount to be paid to each Director as fixed compensation is determined within the limit of the total amount of compensation resolved by the General Meeting of Shareholders, according to the position of the responsibilities of the Director and paid as a monthly salary each month.

At the 70th Annual General Meeting of Shareholders held in

June 2016, it was resolved that the total amount of compensation for Directors (excluding Directors who are Audit and Supervisory Committee Members) would be within ¥200 million per year and the total amount of compensation for Directors who are Audit and Supervisory Committee Members would be within ¥60 million per year.

Performance-linked Bonuses

The Company pays a performance-linked bonus once a year to the Representative Director and Executive Directors. As an index for calculating the performance-linked bonus, the Company has selected ordinary income for the purpose of assessing the actual status of profit/loss and raising their awareness to contribute to

the enhancement of corporate value through the improvement of business performance over the medium- to long-term as well as the improvement of common interests with shareholders. Of note, the performance-linked bonus is paid in the amount calculated based on the following equation.

(Calculation method)

$$\text{Performance-linked bonus} = \text{Consolidated ordinary income} \times 1.10\% \times \frac{\text{Points of each Director}}{\text{Total points of Directors}}$$

(Note) Total points of Directors are the sum total of the points of the Representative Director and the Directors & Senior Managing Executive Officers.

Points of Directors by position and number of Directors

Position	Points	Number of Directors	Total points
Representative Director	1.00	1	1.00
Director and Senior Managing Executive Officer	0.50	2	1.00

The Foundations that Support Value Creation
Executives (As of June 25, 2021)

Performance-linked Stock Remuneration

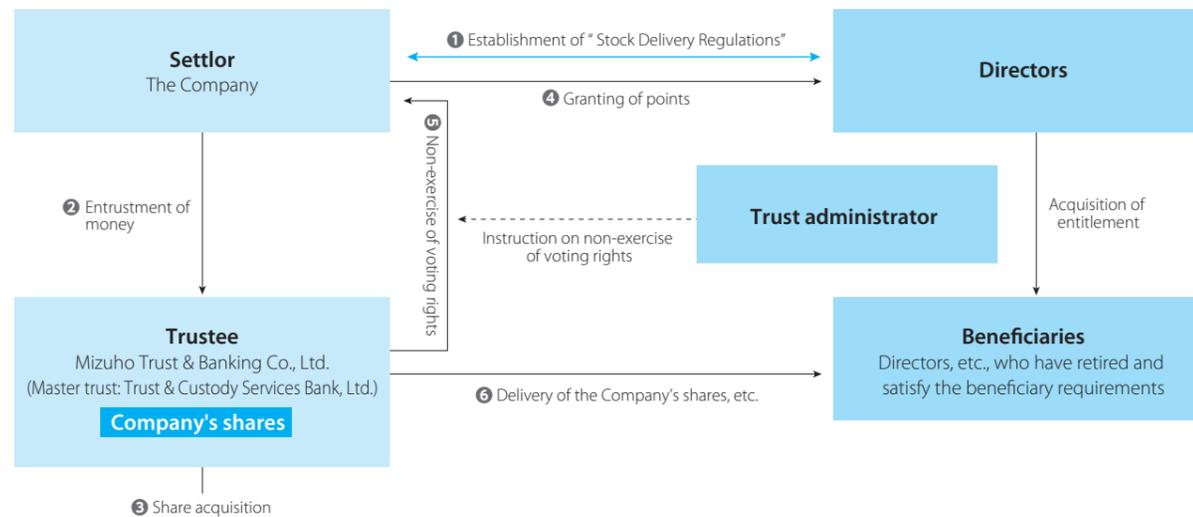
The Company has adopted a performance-linked stock remuneration plan for its Directors, etc. (described as persons eligible for points below), for the purpose of raising their awareness to contribute to the improvement of business performance over the medium- to long-term and the enhancement of corporate value by further clarifying the link between the Company's business performance and stock value and sharing not only the benefits of rising stock price but also the risks of falling stock price with its

shareholders.

Under this plan, shares in the Company are acquired through a trust using money contributed by the Company as funds, and shares in the Company and cash equivalents of such shares at their market value are delivered through the Trust to the eligible Directors pursuant to the Stock Delivery Regulations established by the Company.

Overview of the plan

1 Persons eligible for points	Directors (excluding Directors who are Audit and Supervisory Committee Members, and other Directors who are Independent Directors) Corporate Officers who do not concurrently serve as Directors (excluding non-residents)
2 Target period	Three fiscal years from the fiscal year ended March 31, 2020 to the fiscal year ending March 31, 2022
3 Upper limit of money contributed by the Company to the trust as the funds to acquire the Company's shares	¥130 million during the period in 2
4 Upper limit of shares	44,000 shares per three fiscal years
5 Timing of the delivery of the Company's shares	Upon retirement, in principle



Directors



Takahiro Tsubota
 Representative Director
 President and Chief Executive Officer
 Nominating/Compensation Committee Member
 Significant concurrently-held position
 Representative Director of ANEST IWATA Korea Corp.



Shinichi Fukase
 Director and Senior Managing Executive Officer
 Chief Operating Officer, Air Energy Division
 Significant concurrently-held position
 None



Kenichi Osawa
 Director and Senior Managing Executive Officer
 Chief Operating Officer, Coating Division and East Asian Regional General Manager
 Significant concurrently-held position
 None



Kozo Yoneda
 Independent Director
 Nominating/Compensation Committee Member
 Significant concurrently-held position
 Outside Director of amifa Co., Ltd.
 Managing Director of Three Fields LLC
 Outside Director of FORLIFE Co., Ltd.
 Outside Director of HOKUETSU METAL LTD.



Yoshitsugu Asai
 Independent Director
 Nominating/Compensation Committee Member
 Significant concurrently-held position
 Outside Director of FUJIMI INCORPORATED



Reiko Ohashi
 Independent Director *Newly appointed*
 Significant concurrently-held position
 Managing Director of Ohashi Certified Public Accountant Office,
 Senior Partner of Audit Corporation Yakumo



Yuko Shirai
 Independent Director *Newly appointed*
 Significant concurrently-held position
 Attorney at law
 Audit Commissioner, Shinjuku Ward, Tokyo
 Outside Director of Seika Corporation

Directors, Audit & Supervisory Committee Members



Masato Suzuki
 Director who is an Audit & Supervisory Committee Member of the Company (standing)
 Significant concurrently-held position
 None



Masashige Takayama
 Independent Director
 Audit & Supervisory Committee Member
 Chairman of Nominating/Compensation Committee
 Significant concurrently-held position
 Senior Partner of Kyowa Audit Corporation
 Senior Partner of Kyowa Tax Corporation



Kyosuke Oshima
 Independent Director
 Audit & Supervisory Committee Member
 Deputy Chairman of Nominating/Compensation Committee
 Significant concurrently-held position
 None



Kazumichi Matsuki
 Independent Director
 Audit & Supervisory Committee Member
 Nominating/Compensation Committee Member
 Significant concurrently-held position
 Outside Director of the Board of Nissha Co., Ltd.

Composition of Directors

The ANEST IWATA Group is making efforts to ensure diversity in terms of experience, knowledge, gender, etc. in the Board of Directors as a whole, in order to further enhance its governance structure and management foundation aimed at realizing its business strategies. We will hold adequate discussions and swiftly and rationally make decisions by selecting the appropriate number of persons in a well-balanced manner.

Director Portfolio

	Name	Gender	Corporate management	Overseas corporate management	Personnel affairs and human resources development	Finance and accounting	Legal affairs	Research & development and manufacturing	Sales and marketing	Auditing
Directors	Takahiro Tsubota	Male	●					●	●	
	Shinichi Fukase	Male						●	●	
	Kenichi Osawa	Male		●				●	●	
	Yoshitsugu Asai	Male	●	●		●				
	Kozo Yoneda	Male		●	●	●	●		●	
	Reiko Ohashi	Female				●				●
Directors, Audit & Supervisory Committee Members	Yuko Shirai	Female			●		●			●
	Masato Suzuki	Male						●	●	●
	Kyosuke Oshima	Male	●			●				●
	Masashige Takayama	Male	●		●		●		●	●
	Kazumichi Matsuki	Male	●	●	●		●			●



"ANEST IWATA" In the Eyes of Independent Directors

Independent Director Kozo Yoneda

Immediately after the announcement of the state of emergency declaration against the COVID-19 pandemic on April 7, 2020, the Company formulated a survival plan and established the Crisis Management Committee chaired by the President and Chief Executive Officer to push ahead with the plan. Its purpose is to maintain the Company's existence and secure its employees' employment under any circumstances. On the other hand, the havoc caused by COVID-19 of late might significantly

change the ideal form of companies in the post-COVID-19 era; however, the Company is taking a positive stance by treating this crisis as an opportunity for drastic transformation and even working on building a long-term corporate plan. By the time of its fruition, the Company will likely have become the biggest fish living in the pond, no matter how small the pond may be. I look forward to the future of the Company.

Independent Director Yoshitsugu Asai

The global economy has already started steadily adapting to changes toward the post-COVID-19 era, and I believe the signs have started to appear in various aspects. Technological innovations that easily transcend the "conventional industry," the distribution revolution brought about by information technology, the logistics revolution in supply chains, workstyle reform on the back of digital transformation (DX) and other such developments are likely, in a couple of years' time, to give rise to a world that is completely different from

the one in the past. The Company is in the "manufacturing industry," a line of business in which, relatively speaking, it takes time for changes to occur. Without being bound by past norms, we should courageously take on challenges in pursuit of innovation. The Company's policy to be "trustworthy and sincere" (Makotono kokoro) is a wonderful "belief" that equates to SDGs. All employees are encouraged to do their best in the transformation into a new company, with such Makotono kokoro in their hearts at all times.

Independent Director Masashige Takayama

The Company is taking a positive stance on the COVID-19 pandemic of late by treating it as a "huge opportunity to attain growth by changing its business model based on past experiences and customs at once." This year is regarded as a year in which the Company will boldly take on challenges with the aim of becoming the "ONLY ONE" in product development based

on the view that product development is truly the lifeblood of a manufacturer as well as the "NUMBER ONE" company in niche markets. While this may take some time to yield results, it will undoubtedly bear fruit in a few years' time. I continue to have great hopes for ANEST IWATA enjoying continuous growth going forward.

Independent Director Kyosuke Oshima

Last spring, the Company established the Crisis Management Committee—whose members consist of the President and all Corporate Officers—simultaneously with the announcement of the state of emergency declaration. Once a week, the members have been sharing their wisdom with each other on all kinds of management issues and executing management based on quick decision-making. Even amid the decline in net sales in FY2020, the Company secured a profit margin equivalent to the previous year's level. Throughout the past year, the Company appears to have further evolved its flexible and tough management constitution. While eliminating waste in a

thoroughgoing manner, the Company has even been increasing the amount of investments such as IT investments including those to "improve the ability to communicate well with customers in a speedy manner" and "enhance the ability to deliver in a reasonable/short delivery period from order receipt to shipment" and investments for the development of "products and systems that help reduce environmental impact," and steadily making preparations for the post-COVID-19 era.

I look forward to the future of the Company making further progress as a "strong, healthy and good company."

Independent Director Kazumichi Matsuki

The COVID-19 pandemic has brought about a paradigm shift in various fields, making it impossible to deny that a disruptor to existing businesses might emerge from out of the blue. It is natural to become defensive in terms of how to address such developments; on the other hand, however, when a paradigm shift is taking place, there is also an opportunity to find and

develop pillars of new businesses. I intend to properly supervise and support senior management as an Independent Director to discover and generate synergies that are yet to be leveraged or found, work as one to overcome the crisis, and build the foundations for further progress by mobilizing ANEST IWATA's global capabilities in the lead up to its 100th anniversary.



Compliance and Risk Management

Compliance Promotion Structure

The Company's compliance promotes initiatives involve developing and implementing a compliance promotion structure and awareness-raising/educational programs, etc., in which with

toward compliance with the CSR Committee serving as the planning/formulation, deliberation and decision-making body and the Legal Department serving as the execution body.

Basic Approach toward the Internal Control System and Establishment Status

We have put together documented and have been making efforts to embed the Group's basic policy, the guidelines for to ensure that each and every person working at the Group to takes responsible actions, and the "ANEST IWATA Philosophy," which sets forth compliance with laws and regulations, the Articles of Incorporation, policies, internal rules, etc. The Company has set forth the basic policies on internal controls in the "Basic

Policy on Corporate Governance," which is one of the a basic components of the "ANEST IWATA Philosophy."

The "ANEST IWATA Philosophy" is translated into three languages (i.e., Japanese, English and Chinese), and the translated versions are compiled in the form of the "Philosophy Book," which is used to instill the "ANEST IWATA Philosophy" across the entire Group.

Basic Policy on Corporate Governance

We shall establish and implement internal controls on a continuous basis to ensure effective and efficient business operations and the credibility of financial reporting, comply with laws and other legal requirements and protect our assets.

Risk Management

The Group has established rules such as the "Risk and Crisis Management Regulations" and the "Information Security Regulations" and strives to avoid and reduce the various risks relating to business. Additionally, the CSR Committee, on behalf of the

Crisis Management Committee, identifies and assesses company-level risks, reviews control methods (acceptance, avoidance, mitigation, and transfer), and reports once a year to the Board of Directors.

Major initiatives relating to risk management

• Establishment of point of contact for whistleblowing

We have established a point of contact for whistleblowing operated by a third party called "ANEST IWATA Hotline" (for employees working in Japan). In addition, we have introduced "ANEST IWATA Group Hotline" (for employees working overseas) in some regions in Asia ahead of others, and we plan to introduce it in other areas in a phased manner.

improvements" and other everyday matters that employees have heard of or felt about is received by the General Manager of the Corporate Planning Department and subject to the exchange of opinions among senior management. Its purpose is to create a corporate culture that enables senior management to respond to risks promptly and appropriately.

• Establishment of suggestion system "Suggestion Post"

This is a system where information on matters that have come to attention regarding "customer requests, product ideas, the stance on responding to the market, suggestions and problems/

• Establishment of Crisis Management Committee (Chaired by President and Chief Executive Officer)

The Committee is convened in the event of an emergency to quickly and appropriately deal with the emergency and take preventive measures after the fact.

Initiatives toward BCP*

The Company has formulated a BCP manual as a response manual for fires and natural disasters such as earthquakes, typhoons, heavy rain, and heavy snow at each department and factory.

The criteria for triggering the BCP (natural disasters) are determined and enforced based on the judgment of each

location, by taking into account various conditions including the amount of rain and snowfall.

For information on initiatives related to COVID-19, please refer to P.46 "Response to COVID-19."

*BCP: Business Continuity Planning

Recognition and Management of Risks

Recognition and management of risks have become major issues in corporate management and promoting business activities. As part of its risk management, the Company has developed a system for dealing with risks and crises when they

materialize by conducting a questionnaire once a year on its Corporate Officers (including Officers concurrently serving as Directors) and deliberating the results of this questionnaire at the CSR Committee and the Management Conference.

1 Business risks

- Changes in the business environment
- Product quality
- Business expansion including M&As

2 Human capital risks

- Securing human capital
- Labor problems

3 IT risks

- IT investments
- Information security

4 Legal risks

- Environmental regulations
- Fraudulent activities due to violations of laws and regulations, etc.
- Intellectual property
- International tax affairs
- Accounting treatment of impairment loss of non-current assets, etc.

5 Other risks

- COVID-19
- Contingencies (e.g. acts of terrorism and natural disasters)



Response to COVID-19

Amid the unprecedented circumstances brought about by COVID-19, infections of which have continued to spread since the end of FY2019, we have been building an organization and structure that are adaptable to changes by giving top priority to "ensuring the safety of our stakeholders" and "maintaining the

employment of our employees."

The Company is conducting its business activities while minimizing risks due to infections by thoroughly implementing measures to prevent infections at each office.

Major Initiatives

• Weekly Convocation of Crisis Management Committee

We launched the Crisis Management Committee—which is chaired by the President and Chief Executive Officer and consists of all Corporate Officers—as a unified risk management system. The Committee is convened on a weekly basis to examine and promote measures to respond to crises promptly.

• Promotion of Remote Solutions

We are utilizing a web conferencing system in an effort to prevent infections by reducing opportunities to come into contact with people. This has also led to higher operational efficiency due to the elimination of constraints stemming from geographical distance and travel time.

• Promotion of Workstyles that Reduce Infection Risks

In order to reduce infection risks during commuting, we are promoting staggered commuting and telework. In addition, we have been taking measures inside the facilities, such as modifying the layout to secure enough space between workers and installing acrylic panels to block airborne droplets.

• Optimization of Supply Chains

In order to prevent supply chain disruptions due to such factors as the concentration of production in a single country, we

are promoting the addition of suppliers and production areas, among others. We are also promoting production plan reform aimed at realizing stable production and product supply.

• Thoroughgoing Sterilization inside Facilities

We paid a lump-sum assistance grant to employees at overseas bases where the spread of infections is serious, in order to protect their livelihood.



Thoroughgoing measures to prevent infections by installing acrylic panels to block airborne droplets, etc. (June 2020: 74th Annual General Meeting of Shareholders)

5-year Condensed Financial Data ANEST IWATA Corporation and Consolidated Subsidiaries

	FY2016	FY2017	FY2018	FY2019	FY2020
For the fiscal year (Million yen)					
Net sales	29,548	32,817	38,807	39,091	35,588
Cost of sales	16,557	18,384	22,030	22,505	20,662
Total selling, general and administrative expenses	9,257	10,608	12,437	12,710	11,481
Operating profit	3,733	3,824	4,339	3,876	3,444
Net income attributable to owners of parent	3,400	2,809	2,947	2,717	2,623
Net cash provided by operating activities	3,397	4,079	4,848	4,141	4,602
Net cash used in investing activities	(526)	(3,485)	(551)	(1,543)	(1,067)
Net cash used in financing activities	(1,319)	(666)	(1,848)	(2,281)	(1,958)
Cash and cash equivalents at the end of period	7,678	7,692	9,858	10,092	11,643

	(Million yen)				
At fiscal year-end					
Total assets	38,895	47,277	47,557	48,102	49,458
Total net assets	28,605	32,777	33,502	34,570	36,133
Total shareholders' equity	26,047	27,981	29,845	31,423	32,444

	(yen)				
Per share data					
Net income attributable to owners of parent	81.48	67.32	70.62	65.14	63.34
Cash dividends	20.00	20.00	22.00	24.00	24.00

	(%)				
Other information					
Equity ratio	70.3	68.7	61.4	62.9	65.2
Return on assets (ROA)	7.6	9.2	6.5	6.2	5.4
Return on equity (ROE)	10.9	13.3	10.1	10.0	8.3

(Note) In conjunction with the issue of ASBJ Statement No. 28, "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc., relevant standards have been applied retrospectively. Accordingly, the figures for the fiscal year ended March 31, 2018, represent the figures after retrospective application.

Consolidated Balance Sheets

As of March 31, 2020 and 2021

	(Thousands of yen)	
	As of March 31, 2020	As of March 31, 2021
ASSETS		
Current Assets		
Cash and deposits	10,850,291	12,900,314
Notes and accounts receivable - trade	7,722,900	6,636,359
Securities	-	299,992
Merchandise and finished goods	3,899,513	4,468,215
Work in process	1,133,701	1,138,424
Raw materials and supplies	2,273,238	2,433,388
Other	1,148,741	1,254,136
Allowance for doubtful accounts	(265,279)	(237,777)
Total current assets	26,763,107	28,893,053
Non-Current Assets		
Property, Plant and Equipment		
Buildings and structures	10,841,437	10,959,113
Accumulated depreciation	(5,482,653)	(5,859,934)
Buildings and structures, net	5,358,783	5,099,178
Machinery, equipment and vehicles	7,407,981	7,538,757
Accumulated depreciation	(5,044,485)	(5,352,165)
Machinery, equipment and vehicles, net	2,363,495	2,186,591
Land	2,133,994	2,137,609
Leased assets	2,645,637	2,714,688
Accumulated depreciation	(1,213,923)	(1,384,190)
Leased assets, net	1,431,713	1,330,498
Construction in progress	88,770	177,413
Other	2,539,096	2,599,321
Accumulated depreciation	(2,088,728)	(2,175,679)
Other, net	450,368	423,642
Total property, plant and equipment	11,827,126	11,354,933
Intangible Assets		
Goodwill	1,269,023	973,798
Software	191,680	240,286
Other	1,396,805	1,554,856
Total intangible assets	2,857,508	2,768,942
Investments and Other Assets		
Investment securities	4,510,713	4,464,876
Long-term loans receivable	18,348	26,824
Deferred tax assets	1,079,262	996,231
Net defined benefit asset	628,946	687,755
Long-term time deposits	168,888	28,519
Other	258,868	248,267
Allowance for doubtful accounts	(10,725)	(10,725)
Total investments and other assets	6,654,301	6,441,749
Total non-current assets	21,338,937	20,565,625
Total Assets	48,102,044	49,458,678

	(Thousands of yen)	
	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current Liabilities		
Notes and accounts payable - trade	4,251,944	4,104,589
Short-term loans payable	909,930	822,970
Current portion of long-term loans payable	-	249,160
Lease obligations	229,334	247,909
Income taxes payable	443,970	677,692
Provision for bonuses	667,484	718,884
Provision for directors' bonuses	114,850	81,345
Provision for product warranties	230,634	224,122
Other	2,649,257	2,480,221
Total current liabilities	9,497,408	9,606,895
Non-Current Liabilities		
Long-term loans payable	231,990	-
Lease obligations	1,268,763	1,148,600
Deferred tax liabilities	258,663	228,213
Retirement benefit liability	2,169,606	2,181,792
Provision for share-based remuneration for directors and other officers	39,785	83,041
Other	65,356	76,232
Total non-current liabilities	4,034,165	3,717,880
Total Liabilities	13,531,573	13,324,776
Net Assets		
Shareholders' equity		
Capital stock	3,354,353	3,354,353
Capital surplus	1,117,838	1,017,080
Retained earnings	27,136,665	28,758,216
Treasury shares	(185,165)	(685,266)
Total shareholders' equity	31,423,692	32,444,383
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	217,457	414,112
Foreign currency translation adjustment	(332,219)	(513,712)
Remeasurements of defined benefit plans	(216,271)	(102,234)
Total accumulated other comprehensive income	(331,032)	(201,835)
Non-controlling interests	3,477,811	3,891,353
Total Net Assets	34,570,471	36,133,902
Total Liabilities and Net Assets	48,102,044	49,458,678

Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Thousands of yen)

Consolidated Statements of Income	From April 1, 2019 To March 31, 2020	From April 1, 2020 To March 31, 2021
Net Sales	39,091,312	35,588,516
Cost of Sales	22,505,142	20,662,193
Gross Profit	16,586,169	14,926,322
Selling, General and Administrative Expenses		
Sales commission	490,176	381,742
Packing and transportation expenses	871,815	784,089
Directors' compensations, salaries and allowances	4,449,810	4,270,106
Provision for bonuses	419,641	437,488
Provision for directors' bonuses	114,850	81,345
Provision for share-based remuneration for directors and other officers	39,785	43,256
Retirement benefit expenses	188,362	277,602
Welfare expenses	1,064,306	904,405
Rent expenses	479,328	469,234
Provision for product warranties	191,711	214,374
Provision of allowance for doubtful accounts	100,702	(18,238)
Other	4,299,529	3,636,522
Total selling, general and administrative expenses	12,710,019	11,481,929
Operating Profit	3,876,150	3,444,393
Non-Operating Income		
Interest income	61,168	52,920
Dividend income	77,391	69,548
Foreign exchange gains	–	87,615
Insurance income	14,261	30,346
Share of profit of entities accounted for using equity method	324,753	315,887
Subsidies for employment adjustment	–	181,696
Subsidy income	137,056	32,764
Other	135,626	169,670
Total non-operating income	750,257	940,449
Non-Operating Expenses		
Interest expenses	78,844	63,254
Foreign exchange losses	129,082	–
Retirement benefit expenses for prior periods	–	31,009
Other	17,253	37,205
Total non-operating expenses	225,180	131,469
Ordinary Profit	4,401,226	4,253,373

(Thousands of yen)

	From April 1, 2019 To March 31, 2020	From April 1, 2020 To March 31, 2021
Extraordinary Income		
Gain on sales of non-current assets	5,320	9,336
Subsidies for employment adjustment	–	76,885
Gain on sales of investment securities	–	10,288
Loss on liquidation of associates	53,761	–
Total extraordinary income	59,082	96,510
Extraordinary Losses		
Impairment loss	135,552	107,854
Loss on sales of non-current assets	1,190	97
Loss on retirement of non-current assets	2,886	5,623
Loss on COVID-19	–	99,784
Dismantlement cost	370	–
Loss on liquidation of subsidiaries	24,975	–
Product warranty expenses	52,641	–
Special pay to employees due to COVID-19	29,322	–
Total extraordinary losses	246,938	213,359
Profit before Income Taxes	4,213,369	4,136,523
Income Taxes - Current	1,204,862	1,175,145
Income taxes – Deferred	(39,515)	(82,826)
Total Income Taxes	1,165,346	1,092,319
Net Income	3,048,023	3,044,204
Net Income Attributable to Non-Controlling Interest	330,182	420,922
Net Income Attributable to Owners of Parent	2,717,840	2,623,282

(Thousands of yen)

Consolidated Statements of Comprehensive Income	From April 1, 2019 To March 31, 2020	From April 1, 2020 To March 31, 2021
Net Income	3,048,023	3,044,204
Other Comprehensive Income		
Valuation difference on available-for-sale securities	(309,929)	196,654
Foreign currency translation adjustment	(228,605)	(37,555)
Remeasurements of defined benefit plans, net of tax	55,131	114,036
Share of other comprehensive income of entities accounted for using equity method	(18,953)	(93,516)
Total other comprehensive income	(502,357)	179,619
Comprehensive Income	2,545,665	3,223,823
Breakdown of comprehensive income		
Breakdown of comprehensive income attributable to owners of parent	2,330,829	2,752,479
Comprehensive income attributable to non-controlling interests	214,836	471,344

Consolidated Statements of Changes in Net Assets

ANEST IWATA Corporation and Subsidiaries
For the Years Ended March 31, 2020 and 2021

For the Year Ended March 31, 2020

	(Thousands of yen)										
	Shareholders' equity					Accumulated other comprehensive income					
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at April 1, 2019	3,354,353	1,117,838	25,378,817	(5,393)	29,845,616	527,387	(200,006)	(271,402)	55,978	3,601,303	33,502,897
Changes of items during period											
Dividends of surplus			(959,992)		(959,992)						(959,992)
Net income attributable to owners of parent			2,717,840		2,717,840						2,717,840
Purchase of treasury Shares				(37)	(37)						(37)
Purchase of treasury shares by Board Benefit Trust				(179,733)	(179,733)						(179,733)
Change in treasury shares of parent arising from transactions with non-controlling shareholders											
Net changes of items other than shareholders' equity						(309,929)	(132,212)	55,131	(387,011)	(123,491)	(510,502)
Total changes of items during period			1,757,847	(179,771)	1,578,076	(309,929)	(132,212)	55,131	(387,011)	(123,491)	1,067,573
Balance at March 31, 2020	3,354,353	1,117,838	27,136,665	(185,165)	31,423,692	217,457	(332,219)	(216,271)	(331,032)	3,477,811	34,570,471

For the Year Ended March 31, 2021

	(Thousands of yen)										
	Shareholders' equity					Accumulated other comprehensive income					
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Non-controlling interests	Total net assets
Balance at April 1, 2020	3,354,353	1,117,838	27,136,665	(185,165)	31,423,692	217,457	(332,219)	(216,271)	(331,032)	3,477,811	34,570,471
Changes of items during period											
Dividends of surplus			(1,001,731)		(1,001,731)						(1,001,731)
Net income attributable to owners of parent			2,623,282		2,623,282						2,623,282
Purchase of treasury Shares				(500,101)	(500,101)						(500,101)
Purchase of treasury shares by Board Benefit Trust											
Change in treasury shares of parent arising from transactions with non-controlling shareholders		(100,757)			(100,757)						(100,757)
Net changes of items other than shareholders' equity						196,654	(181,493)	114,036	129,197	413,541	542,739
Total changes of items during period		(100,757)	1,621,551	(500,101)	1,020,691	196,654	(181,493)	114,036	129,197	413,541	1,563,430
Balance at March 31, 2021	3,354,353	1,017,080	28,758,216	(685,266)	32,444,383	414,112	(513,712)	(102,234)	(201,835)	3,891,353	36,133,902

Consolidated Statements of Cash Flows

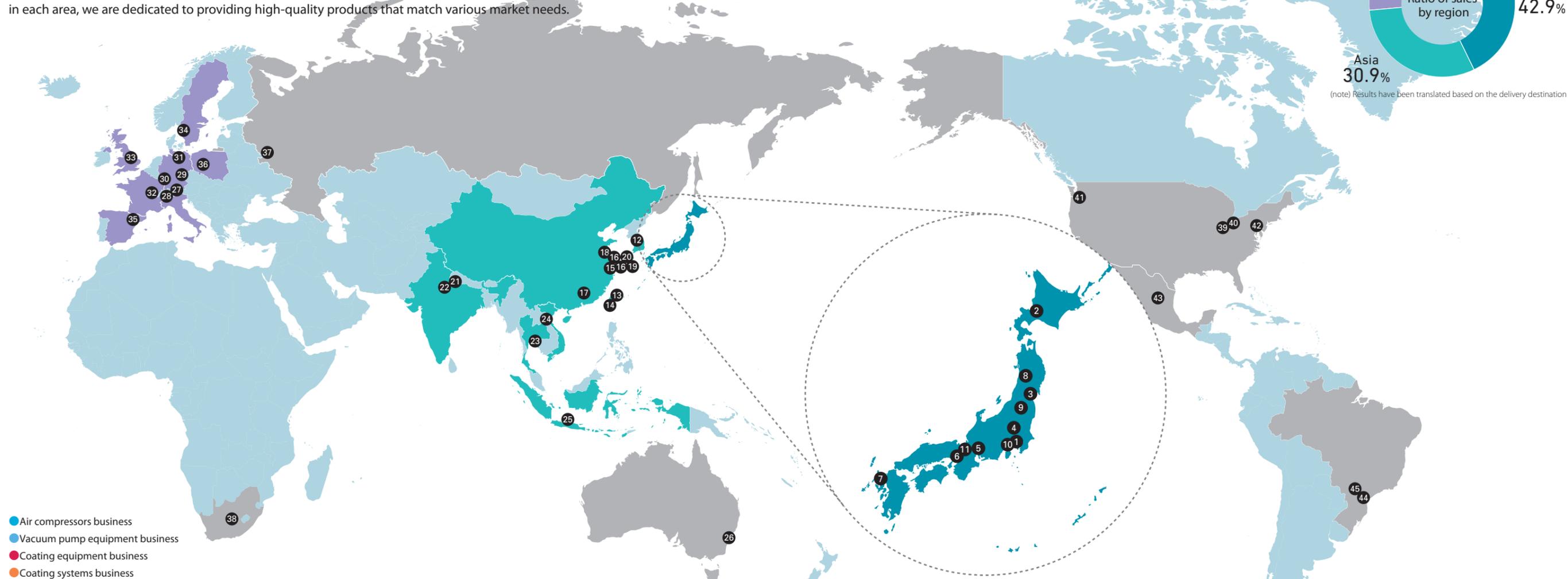
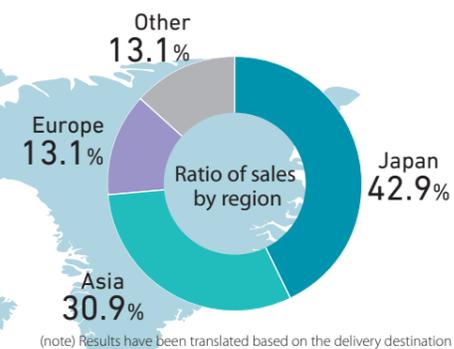
ANEST IWATA Corporation and Subsidiaries
For the Years Ended March 31, 2020 and 2021

(Thousands of yen)

	From April 1, 2019 To March 31, 2020	From April 1, 2020 To March 31, 2021
Cash Flows from Operating Activities		
Profit before Income Taxes	4,213,369	4,136,523
Depreciation	1,509,755	1,426,903
Amortization of goodwill	272,414	205,257
Increase (decrease) in allowance for doubtful accounts	85,068	(28,830)
Increase in provision for bonuses	32,736	60,439
Increase (decrease) in provision for product warranties	29,490	(6,373)
Increase in net defined benefit liability	31,632	78,931
Decrease (increase) in net defined benefit asset	(71,358)	34,695
Increase (decrease) in provision for directors' bonuses	23,091	(33,505)
Increase in provision for share-based remuneration for directors and other officers	39,785	43,256
Interest and dividend income	(138,560)	(122,469)
Interest expenses	78,844	63,254
Share of profit of entities accounted for using equity method	(189,486)	(102,929)
Loss on sales of property, plant and equipment	(1,243)	(3,615)
Subsidies for employment adjustment	-	(258,566)
Gain on sale of securities	-	(10,288)
Gain on sales of shares of associates	(53,761)	-
Impairment loss	135,552	107,854
Decrease (increase) in notes and accounts receivable - trade	(538,372)	1,107,042
Increase in inventories	(417,424)	(757,356)
Increase(decrease) in notes and accounts payable - trade	173,034	(171,324)
Other	15,211	(597,561)
Subtotal	5,229,780	5,171,338
Interest and dividend income received	138,923	122,831
Interest expenses paid	(78,844)	(63,254)
Subsidy income received	137,056	291,331
Income taxes paid	(1,285,519)	(920,062)
Net cash provided by operating activities	4,141,396	4,602,183
Cash Flows from Investing Activities		
Payments into time deposits	(1,435,458)	(1,530,793)
Proceeds from withdrawal of time deposits	1,429,639	1,172,370
Purchase of property, plant and equipment and intangible assets	(866,972)	(512,967)
Proceeds from sales of property, plant and equipment	31,076	21,389
Purchase of intangible assets	(111,950)	(253,076)
Proceeds from sales of intangible assets	1,348	-
Purchase of investment securities	(603,248)	-
Proceeds from sales of investment securities	102,855	48,039
Payments of loans receivable	(316)	(17,722)
Collection of loans receivable	5,543	7,382
Payments for investments in capital of subsidiaries and associates	(53,139)	-
Other	(42,691)	(2,577)
Net cash used in investing activities	(1,543,313)	(1,067,955)
Cash Flows from Financing Activities		
Net decrease in short-term loans payable	(449,548)	(94,395)
Repayments of lease obligations	(242,563)	(232,711)
Proceeds from long-term loans payable	-	36,300
Repayments of long-term loans payable	(40,200)	(18,150)
Purchase of treasury shares	(179,771)	(500,101)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	-	74,106
Cash dividends paid	(959,807)	(1,001,044)
Dividends paid to non-controlling interests	(409,937)	(222,142)
Net cash used in financing activities	(2,281,828)	(1,958,140)
Effect of Exchange Rate Change on Cash and Cash Equivalents	(82,565)	(25,371)
Net Increase in Cash and Cash Equivalents	233,688	1,550,716
Cash and Cash Equivalents at Beginning of Period	9,858,835	10,092,523
Cash and Cash Equivalents at End of Period	10,092,523	11,643,240

Global Network (As of March 31, 2021)

Starting from the late 1980's, the Group has made full-entry into the overseas market by establishing bases in Asia, followed by North America and Europe. Currently, we manufacture and sell our products in 21 countries and regions around the world. Our overseas sales have grown considerably, accounting for 57.1% of total sales. As the markets continue to expand in each area, we are dedicated to providing high-quality products that match various market needs.



- ### Europe
- Italy**
- 27 ANEST IWATA STRATEGIC CENTER S.R.L. ●●
 - 28 Anest Iwata Italia s.r.l. ●
- Germany**
- 29 ANEST IWATA Deutschland GmbH ●
 - 30 ANEST IWATA Europe GmbH ●●
 - 31 HARDER & STEENBECK GmbH & Co.KG ●
- France**
- 32 ANEST IWATA France S.A. ●●●
- UK**
- 33 ANEST IWATA (U.K.) Ltd. ●●
- Sweden**
- 34 Anest Iwata Scandinavia AB ●
- Spain**
- 35 ANEST IWATA Iberica, S. L. U. ●
- Poland**
- 36 ANEST IWATA Polska Sp. Z o.o. ●

- ### Asia
- South Korea**
- 12 ANEST IWATA Korea Corp. ●●●
- Taiwan**
- 13 ANEST IWATA Taiwan Corporation ●●●
 - 14 ANEST IWATA SPARMAX Co., Ltd. ●●
- China**
- 15 ANEST IWATA INDUSTRIAL MACHINERY (JIAXING) COMPANY LIMITED ●●
 - 16 ANEST IWATA (SHANGHAI) Corporation ●●
 - 17 ANEST IWATA (DONGGUAN) Corporation ●
 - 18 ANEST IWATA FEELER Corporation ●●
 - 19 Shanghai Screw Compressor Co., Ltd. ●
 - 20 Shanghai Globe Screw Technology Co., Ltd. ●
- India**
- 21 ANEST IWATA MOTHERSON Pvt. Ltd. ●
 - 22 ANEST IWATA MOTHERSON COATING EQUIPMENT Pvt. Ltd. ●●
- Thailand**
- 23 ANEST IWATA SOUTHEAST ASIA Co., Ltd. ●●●●

- ### Asia
- Vietnam**
- 24 ANEST IWATA Vietnam Co., Ltd. ●●●
- Indonesia**
- 25 PT. ANEST IWATA INDONESIA ●●●●
- ### Japan
- ANEST IWATA Corporation**
- 1 Head Office ●●●●
 - 8 Akita Factory ●
 - 9 Fukushima Factory ●●
 - 2 Sapporo Branch ●●●●
 - 3 Tohoku Branch ●●●●
 - 1 Kanto Branch ●●●●
 - 4 North Kanto Branch ●●●●
 - 5 Chubu Branch ●●●●
 - 6 Kansai Branch ●●●●
 - 7 Fukuoka Branch ●●●●
 - 10 Air Engineering Co., Ltd. ●●●●
 - 11 ADVANCE RIKEN Inc.* ●

- ### Other
- USA**
- 39 ANEST IWATA USA, Inc. ●●
 - 40 ANEST IWATA AIR ENGINEERING, Inc. ●●●
 - 41 ANEST IWATA-Medea, Inc. ●
 - 42 Powerex-Iwata Air Technology, Inc.* ●
- Mexico**
- 43 ANEST IWATA Mexico, S. de R.L. de C.V. ●●●
- Brazil**
- 44 ANEST IWATA DO BRASIL COMERCIAL LTDA. ●
 - 45 AIRZAP-ANEST IWATA INDÚSTRIA E COMÉRCIO LTDA. ●●●
- Australia**
- 26 ANEST IWATA Australia Pty. Ltd. ●●
- Russia**
- 37 ANEST IWATA RUS LLC ●●
- South Africa**
- 38 ANEST IWATA South Africa (Pty) Ltd. ●

* An affiliated company accounted for using the equity method

Stock Information

Number of Shares Issued (As of March 31, 2021)

Total number of authorized shares	189,290,000 shares
Total number of shares issued	41,258,182 shares (Excluding 487,323 treasury shares)
Number of shareholders	2,701

(Note) The treasury shares do not include 180,000 shares of the Company held by the Board Benefit Trust (BBT).

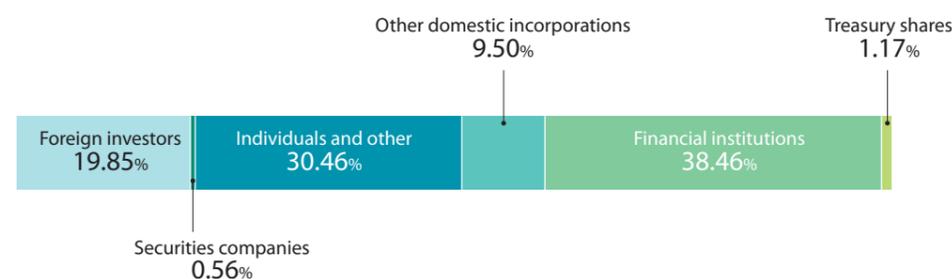
Principal Shareholders (As of March 31, 2021)

Name	Number of shares owned (thousands)	Ownership percentage of total shares issued (%)
Japan Trustee Services Bank, Ltd. (Trust account)	3,247,700	7.9
Custody Bank of Japan, Ltd. (Trust account)	3,089,200	7.5
The Dai-ichi Life Insurance Company, Limited	2,272,000	5.5
ANEST IWATA Customer Shareholding Association	1,794,600	4.3
ANEST IWATA Supplier Shareholding Association	1,789,500	4.3
Meiji Yasuda Life Insurance Company	1,520,848	3.7
THE BANK OF NEW YORK 133652	1,159,600	2.8
MUFJ Bank, Ltd.	1,105,635	2.7
FCP SEXTANT AUTOUR DU MONDE	977,200	2.4
The Jojo Bank, Ltd.	960,000	2.3

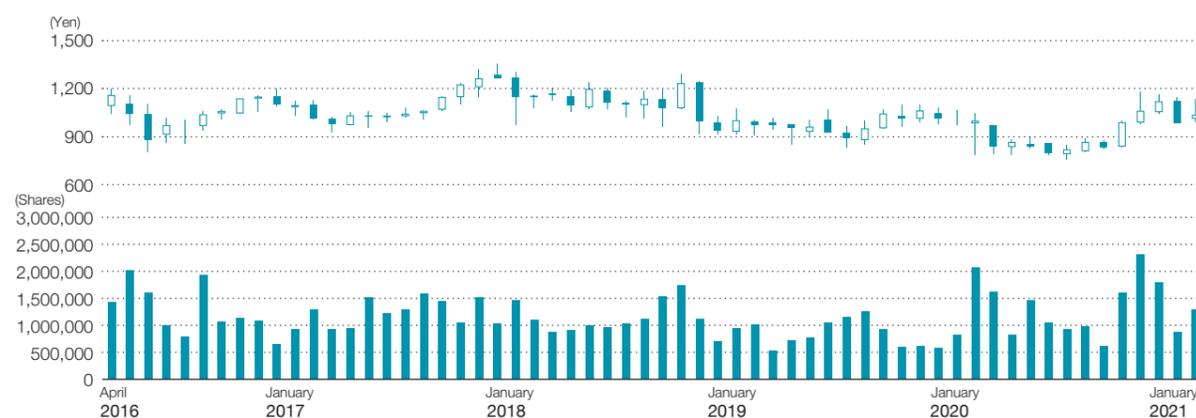
(Note) 1. The ownership percentage of total shares issued has been calculated after the deduction of treasury shares.

2. The Report of Possession of Large Volume (Change Report) submitted by Mitsubishi UFJ Financial Group, Inc. (joint holders: MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Kokusai Asset Management Co., Ltd., and MU Investments Co., Ltd.) dated April 16, 2018 states that Mitsubishi UFJ Financial Group, Inc. held 3,370,535 shares of the Company as of April 9, 2018. However, the actual number of shares held by Mitsubishi UFJ Financial Group, Inc. as of March 31, 2021 could not be confirmed by the Company, so it is not included in the above list of major shareholders.

Composition of Shareholders (As of March 31, 2021)



Stock Prices and Trading Volume (From April 2016 to March 2021)



Corporate Profile (As of March 31, 2021)

Company Name	ANEST IWATA Corporation
Head Office	3176, Shinyoshida-cho, Kohoku-ku, Yokohama 223-8501, Japan
Representative	Takahiro Tsubota, President
Founded	May, 1926
Incorporated	June, 1948
Main Business	Manufacture and sales of air compressors, vacuum pumps, coating equipment, and coating systems
Capital	3,354 million yen
Number of Employees	1,748 (Japan: 630, Overseas: 1,118)
End of Fiscal Year	March 31
Listed Securities Exchange	First section, Tokyo Stock Exchange



Head Office



Akita Factory



Fukushima Factory

Domestic Locations

Domestic Locations

Sapporo Branch
Tohoku Branch
Kanto Branch
North Kanto Branch
Chubu Branch
Kansai Branch
Fukuoka Branch

Factories

Akita Factory
Fukushima Factory

Consolidated Subsidiaries

Japan

Air Engineering Co., Ltd.

Europe

ANEST IWATA Deutschland GmbH
ANEST IWATA Europe GmbH
HARDER & STEENBECK GmbH & Co.KG
ANEST IWATA STRATEGIC CENTER s.r.l.
Anest Iwata Italia s.r.l.
ANEST IWATA France S.A.
ANEST IWATA (U.K.) Ltd.
Anest Iwata Scandinavia AB
ANEST IWATA Iberica, S. L.
ANEST IWATA Polska Sp. Z o.o.

Asia

ANEST IWATA (SHANGHAI) Corporation
ANEST IWATA (DONGGUAN) Corporation
ANEST IWATA FEELER Corporation
Shanghai Screw Compressor Co., Ltd.
Shanghai Globe Screw Technology Co., Ltd.
ANEST IWATA Taiwan Corporation
ANEST IWATA SPARMAX Co., Ltd.
ANEST IWATA MOTHERSON Pvt. Ltd.
ANEST IWATA MOTHERSON COATING EQUIPMENT Pvt. Ltd.
ANEST IWATA SOUTHEAST ASIA Co., Ltd.
ANEST IWATA Korea Corp.
ANEST IWATA Vietnam Co., Ltd.
PT. ANEST IWATA INDONESIA

Other Regions

ANEST IWATA USA, Inc.
ANEST IWATA-Medea, Inc.
ANEST IWATA AIR ENGINEERING, Inc.
ANEST IWATA Mexico, S. de R.L. de C.V.
ANEST IWATA DO BRASIL COMERCIAL LTDA.
AIRZAP-ANEST IWATA INDÚSTRIA E COMÉRCIO LTDA.
ANEST IWATA Australia Pty. Ltd.
ANEST IWATA RUS LLC
ANEST IWATA South Africa (Pty) Ltd.



ANEST IWATA Corporation

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<https://www.anest-iwata.co.jp/english>