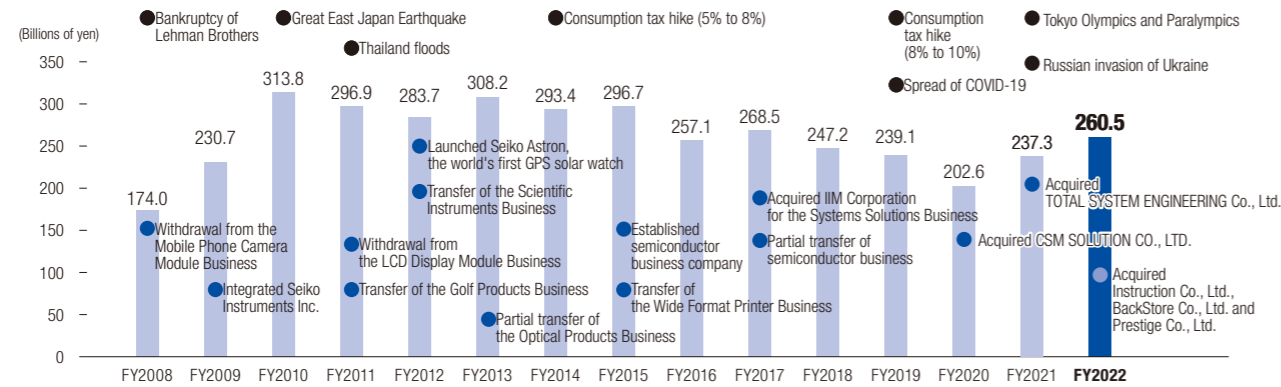
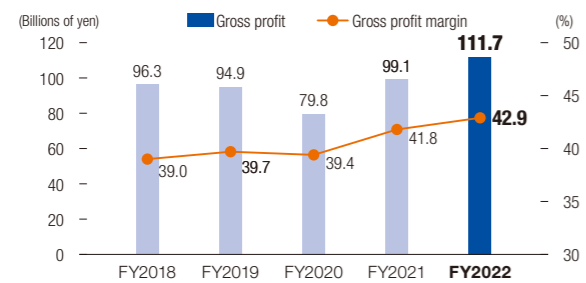


# Financial Review

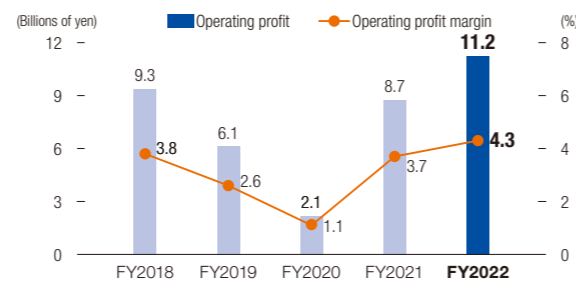
## 15 year net sales transition



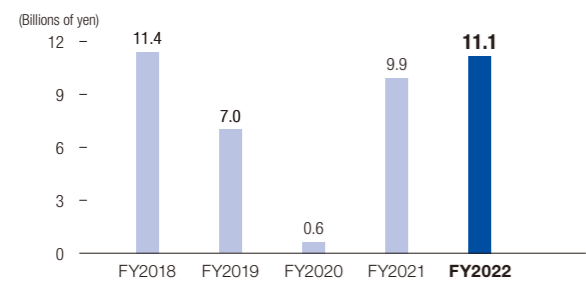
## Gross profit / Gross profit margin



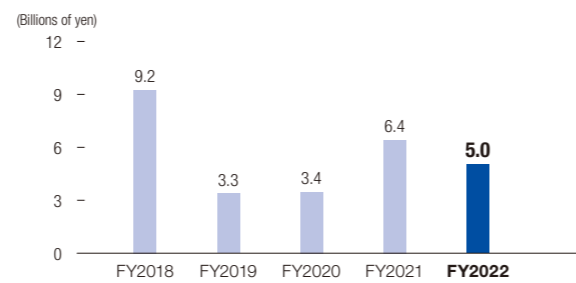
## Operating profit / Operating profit margin



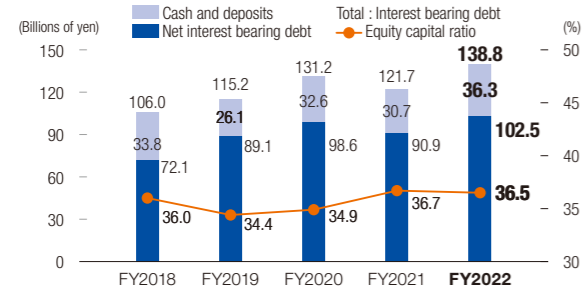
## Ordinary profit



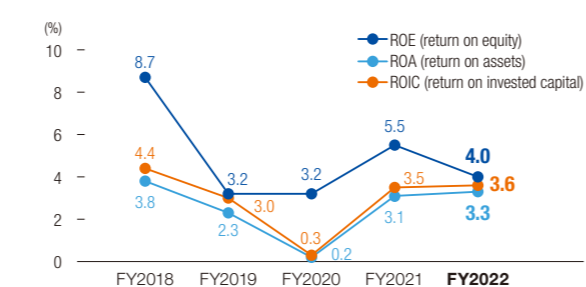
## Profit attributable to owners of parent



## Net interest bearing debt / Equity capital ratio



## ROE/ROA/ROIC



\* Net interest bearing debt = interest bearing debt - cash and deposits  
 \* Interest bearing debt = borrowings + lease obligations  
 The Company has applied IFRS 16 "Leases" at consolidated subsidiaries overseas, excluding those in the U.S., from Q1, FY2019.  
 \* Equity capital ratio = equity capital / total assets x 100  
 The Company has applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No.28, February 16, 2018) from the beginning of FY2018, and the indexes for FY2017 are presented after reclassification.

\* ROE = profit attributable to owners of parent / (equity capital at beginning of fiscal year + equity capital at end of fiscal year) / 2 x 100  
 \* ROA = ordinary profit / ((total assets at beginning of fiscal year + total assets at end of fiscal year) / 2) x 100  
 \* ROIC = (ordinary income after income taxes + interest expense) / (interest bearing debt + net assets) x 100

# Non-Financial Review

## Environment

	FY2018	FY2019	FY2020	FY2021	FY2022
<b>CO<sub>2</sub> emissions *1,*2 (t-CO<sub>2</sub>)</b>					
SCOPE1 + SCOPE2	116,244	113,607	109,296	102,634	96,589
SCOPE1	6,662	6,834	6,898	8,279	8,154
SCOPE2	109,582	106,773	102,398	94,356	88,434
SCOPE3*3	—	—	383,027	532,764	572,367
<b>Energy consumption *1 (MWh)</b>	249,588	247,410	241,320	253,295	243,573
<b>Electricity usage *1 (MWh)</b>	218,497	215,515	209,422	217,018	213,020
Renewable energy consumption *4	—	—	—	15,948	32,624
Renewable energy ratio	—	—	—	7.3%	15.3%
<b>Industrial waste emissions *5 (t)</b>	6,080	5,124	5,232	5,686	5,664
<b>Water consumption *5 (1,000 m<sup>3</sup>)</b>	904	870	814	791	761

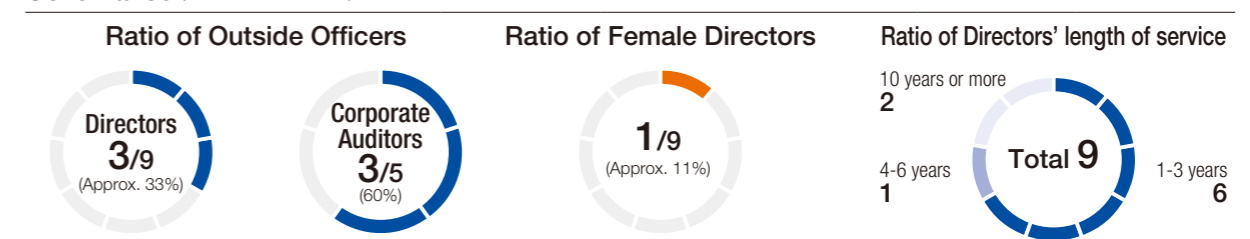
\*1 Scope of calculation: Seiko Group Corporation and all of operating companies in Japan and overseas  
 \*2 The following CO<sub>2</sub> emission coefficients are used:  
 Electricity: In Japan, we use emissions factors as determined by the emissions output for each separate electric power utility, as specified in the Act on Promotion of Global Warming Countermeasures. Overseas, the International Energy Agency (IEA) emission factors for each country are the standard reference.  
 Fuel: Both in Japan and overseas, emissions are measured as the calorific value by type of fuel and emission factors for fuel use as specified in the Act on Promotion of Global Warming Countermeasures.  
 Chilled/heated water: Emission factors provided by suppliers are used.  
 \*3 The scope of the statistics for FY2020 covers the main 6 businesses of SEIKO WATCH CORPORATION and Seiko Instruments Inc.  
 \*4 Including purchases by certificate  
 \*5 Scope of calculation: Seiko Group Corporation and 22 operating companies in Japan and overseas

## Social

	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Number of employees*1 (people) Total</b>	12,020	11,947	12,092	11,984	11,843
Emotional Value Solutions	8,140	7,917	7,267	7,063	6,969
Devices Solutions	2,991	2,810	3,405	3,484	3,535
Systems Solutions	713	746	1,027	1,045	1,138
Others	35	35	37	31	30
Corporate *2	141	439	356	361	171
<b>Ratio of male and female regular employees*3 (%)</b>					
Male	71.6	71.3	71.1	71.0	70.4
Female	28.4	28.7	28.9	29.0	29.6
<b>Ratio of women in managerial positions *3 (%)</b>	12.4	13.4	13.7	13.2	13.3
<b>Average years of employee service *4 (years)</b>	18.4	17.9	19.8	20.0	19.5
<b>Ratio of employees with disabilities *5 (%)</b>	2.4	2.3	2.7	2.3	2.4

\*1 Reported segments have been changed from FY2022. Accordingly, the number of employees from FY2019 through FY2021 has been reclassified to reflect the new disclosure segments.  
 \*2 From FY2019, a method of considering expenses related to headquarters have changed in order to appropriately evaluate the results of each reported segment. Following this change, the classification of the number of employees has been changed.  
 \*3 The ratio for April 1 in the following fiscal year is displayed as the ratio as of the end of that fiscal year. Scope of calculation: Seiko Group Corporation and 18 operating companies in Japan  
 \*4 Scope of calculation: Seiko Group Corporation and 7 operating companies in Japan  
 \*5 The ratio of employees with disabilities for June 1 in the following fiscal year is displayed as the ratio as of the end of that fiscal year. Scope of calculation: Seiko Group Corporation and 8 companies certified as group companies including special subsidiaries

## Governance (as of June 29, 2023)



	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Ratio of Attendance at Board of Directors</b>					
Average attendance rates of all Directors	97.9%	97.9%	100.0%	100.0%	100.0%
Average attendance rates of all Corporate Auditors	96.9%	98.5%	100.0%	98.5%	100.0%
Attendance rates of Outside Officers	95.4%	93.8%	100.0%	98.5%	100.0%
Average attendance rates of all Officers	97.6%	98.1%	100.0%	99.5%	100.0%



# Financial Statement

## Cosolidated Balance Sheets

	(Millions of yen)				
	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and deposits	33,844	26,112	32,611	30,740	<b>36,324</b>
Notes and accounts receivable-trade	37,456	34,397	37,185	—	<b>—</b>
Notes receivable-trade	—	—	—	2,730	<b>3,062</b>
Accounts receivable-trade	—	—	—	35,694	<b>35,187</b>
Contract assets	—	—	—	343	<b>397</b>
Merchandise and finished goods	38,119	42,964	42,365	42,847	<b>49,750</b>
Work in process	11,448	12,161	13,878	16,376	<b>18,117</b>
Raw materials and supplies	8,737	10,608	12,180	13,823	<b>15,908</b>
Accounts receivable-other	3,116	5,406	4,932	4,437	<b>6,577</b>
Other	7,419	7,790	8,306	9,102	<b>9,381</b>
Allowance for doubtful accounts	(1,153)	(1,317)	(1,421)	(1,310)	<b>(1,297)</b>
Total current assets	138,989	138,123	150,039	154,786	<b>173,410</b>
<b>Non-current assets</b>					
Property, plant and equipment					
Buildings and structures	71,913	72,189	74,459	77,046	<b>79,280</b>
Machinery, equipment and vehicles	81,388	78,307	79,098	82,590	<b>86,117</b>
Tools, furniture and fixtures	31,772	32,278	34,183	35,782	<b>39,233</b>
Other	1,820	7,183	8,831	9,909	<b>12,699</b>
Accumulated depreciation	(148,177)	(146,873)	(150,227)	(156,227)	<b>(163,232)</b>
Land	48,998	48,522	54,409	54,056	<b>54,182</b>
Construction in progress	924	2,434	2,422	1,942	<b>2,867</b>
Total property, plant and equipment	88,640	94,044	103,177	105,100	<b>111,149</b>
Intangible assets					
Goodwill	8,289	7,430	7,336	6,453	<b>6,901</b>
Other	8,957	8,572	8,493	8,391	<b>8,620</b>
Total intangible assets	17,247	16,003	15,830	14,844	<b>15,522</b>
Investments and other assets					
Investment securities	45,913	38,759	41,463	43,536	<b>45,490</b>
Retirement benefit asset	—	—	391	773	<b>1,820</b>
Deferred tax assets	4,243	4,441	2,273	2,200	<b>1,923</b>
Other	8,165	8,734	6,605	6,397	<b>6,752</b>
Allowance for doubtful accounts	(163)	(115)	(109)	(106)	<b>(153)</b>
Total investments and other assets	58,159	51,820	50,625	52,802	<b>55,833</b>
Total non-current assets	164,047	161,867	169,632	172,747	<b>182,505</b>
<b>Total assets</b>	<b>303,036</b>	<b>299,990</b>	<b>319,671</b>	<b>327,533</b>	<b>355,915</b>

	(Millions of yen)				
	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Liabilities</b>					
<b>Current liabilities</b>					
Notes and accounts payable-trade	26,449	21,869	19,310	21,027	<b>18,790</b>
Electronically recorded obligations - operating	6,438	6,495	6,048	7,138	<b>6,212</b>
Short-term borrowings	49,610	59,140	72,611	63,709	<b>72,598</b>
Current portion of bonds payable	—	—	350	150	<b>300</b>
Current portion of long-term borrowings	19,698	16,843	17,315	23,719	<b>22,117</b>
Accounts payable-other	12,402	11,739	9,266	11,359	<b>11,344</b>
Income taxes payable	1,281	1,282	1,478	1,546	<b>1,793</b>
Contract liabilities	—	—	—	6,574	<b>7,916</b>
Provision for bonuses	3,644	3,477	3,634	4,174	<b>4,879</b>
Provision for goods warranties	440	462	367	409	<b>488</b>
Provision for loss on lease contracts	348	348	348	348	<b>348</b>
Provision for business restructuring	—	—	—	136	<b>247</b>
Other provisions	444	555	414	245	<b>367</b>
Asset retirement obligations	—	13	6	—	<b>9</b>
Other	12,213	13,929	14,528	13,873	<b>14,743</b>
Total current liabilities	132,972	136,158	145,679	154,413	<b>162,157</b>
<b>Non-current liabilities</b>					
Bonds payable	—	—	450	300	<b>—</b>
Long-term borrowings	35,106	33,637	35,263	28,752	<b>37,525</b>
Lease liabilities	1,246	4,288	4,499	4,096	<b>5,667</b>
Deferred tax liabilities	2,451	1,929	3,346	3,069	<b>4,285</b>
Deferred tax liabilities for land revaluation	3,614	3,614	3,614	3,614	<b>3,614</b>
Provision for stock benefits	89	133	161	232	<b>538</b>
Provision for long-term goods warranties	82	84	86	90	<b>88</b>
Provision for loss on lease contracts	1,483	1,134	785	436	<b>87</b>
Provision for retirement benefits for directors (and other officers)	36	35	35	19	<b>4</b>
Provision for gift certificate exchange losses	155	148	152	—	<b>—</b>
Provision for loss on business withdrawal	32	10	—	—	<b>—</b>
Provision for environmental measures	349	1	—	—	<b>—</b>
Other provisions	8	7	21	29	<b>23</b>
Retirement benefit liability	10,602	10,453	9,402	7,617	<b>6,894</b>
Asset retirement obligations	888	908	729	1,070	<b>1,079</b>
Other	3,501	3,171	2,361	2,166	<b>2,199</b>
Total non-current liabilities	59,647	59,558	60,909	51,494	<b>62,009</b>
<b>Total liabilities</b>	<b>192,620</b>	<b>195,717</b>	<b>206,589</b>	<b>205,908</b>	<b>224,166</b>
<b>Net Assets</b>					
<b>Shareholders' equity</b>					
Share capital	10,000	10,000	10,000	10,000	<b>10,000</b>
Capital surplus	7,245	7,245	7,245	7,245	<b>7,245</b>
Retained earnings	74,124	74,418	75,909	79,075	<b>81,520</b>
Treasury shares	(335)	(328)	(315)	(292)	<b>(248)</b>
Total shareholders' equity	91,034	91,335	92,839	96,028	<b>98,517</b>
<b>Accumulated other comprehensive income</b>					
Valuation difference on available-for-sale securities	10,099	5,486	10,431	10,942	<b>11,464</b>
Deferred gains or losses on hedges	(104)	11	(133)	(331)	<b>(9)</b>
Revaluation reserve for land	8,190	8,190	8,190	8,190	<b>8,190</b>
Foreign currency translation adjustment	878	(804)	1,055	5,116	<b>10,638</b>
Remeasurements of defined benefit plans	(876)	(1,169)	(687)	120	<b>992</b>
Total accumulated other comprehensive income	18,186	11,714	18,856	24,038	<b>31,275</b>
Non-controlling interests	1,194	1,223	1,387	1,557	<b>1,956</b>
Total net assets	110,415	104,273	113,082	121,624	<b>131,748</b>
<b>Total liabilities and net assets</b>	<b>303,036</b>	<b>299,990</b>	<b>319,671</b>	<b>327,533</b>	<b>355,915</b>

## Consolidated Statements of Income

	(Millions of yen)				
	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Net sales</b>	247,293	239,150	202,671	237,382	<b>260,504</b>
<b>Cost of sales</b>	150,955	144,221	122,804	138,203	<b>148,706</b>
<b>Gross profit</b>	96,338	94,928	79,866	99,178	<b>111,798</b>
Advertising and promotion expenses	16,905	18,845	14,929	15,985	<b>18,348</b>
Provision of allowance for doubtful accounts	71	210	90	50	<b>(3)</b>
Personel expenses	32,454	32,163	28,827	32,970	<b>36,890</b>
Provision for bonuses	1,879	1,913	2,023	2,365	<b>2,820</b>
Retirement benefit expenses	1,470	1,371	1,224	1,294	<b>1,149</b>
Other selling, general and administrative expenses	34,161	34,289	30,576	37,741	<b>41,360</b>
<b>Total selling, general and administrative expenses</b>	86,943	88,794	77,672	90,408	<b>100,564</b>
<b>Operating profit</b>	9,394	6,134	2,194	8,770	<b>11,233</b>
<b>Non-operating income</b>					
Interest income	188	171	55	67	<b>199</b>
Dividend income	774	763	771	774	<b>771</b>
Share of profit of entities accounted for using equity method	1,941	1,313	—	898	<b>1,224</b>
Foreign exchange gains	—	—	278	699	<b>—</b>
Royalty income	—	367	324	420	<b>—</b>
House rent and other rental revenues	—	340	350	—	<b>—</b>
Other	1,889	628	534	696	<b>858</b>
<b>Total non-operating income</b>	4,794	3,585	2,315	3,557	<b>3,053</b>
<b>Non-operating expenses</b>					
Interest expenses	985	982	899	896	<b>1,139</b>
Foreign exchange losses	79	291	—	—	<b>—</b>
Share of loss of entities accounted for using equity method	—	—	1,826	—	<b>—</b>
Other	1,712	1,441	1,149	1,492	<b>1,980</b>
<b>Total non-operating expenses</b>	2,777	2,715	3,876	2,388	<b>3,119</b>
<b>Ordinary profit</b>	11,410	7,004	633	9,939	<b>11,167</b>
<b>Extraordinary income</b>					
Gain on sale of non-current assets	257	346	1,043	—	<b>228</b>
Subsidy income	—	—	618	133	<b>—</b>
Gain on sale of investment securities	—	—	7,603	—	<b>—</b>
Gain on liquidation of subsidiaries and associates	—	—	140	—	<b>—</b>
Gain on sale of membership	106	—	—	—	<b>—</b>
<b>Total extraordinary income</b>	363	346	9,406	133	<b>228</b>
<b>Extraordinary losses</b>					
Business restructuring expenses	—	264	—	221	<b>968</b>
Loss on sale of investment securities	—	—	—	—	<b>548</b>
Loss on cancellation of agency agreement	—	—	—	—	<b>147</b>
Loss on the spread of infection disease	—	305	3,614	974	<b>90</b>
Impairment losses	—	240	—	—	<b>—</b>
Loss on retirement of non-current assets	—	179	—	—	<b>—</b>
Retirement benefit expenses	—	158	—	—	<b>—</b>
<b>Total extraordinary losses</b>	—	1,148	3,614	1,196	<b>1,753</b>
<b>Profit before income taxes</b>	11,774	6,201	6,424	8,876	<b>9,642</b>
<b>Income taxes - current</b>	2,409	1,745	1,682	2,138	<b>2,995</b>
<b>Income taxes - deferred</b>	35	974	1,088	125	<b>1,350</b>
<b>Total income taxes</b>	2,445	2,719	2,771	2,264	<b>4,346</b>
<b>Profit</b>	9,329	3,481	3,653	6,611	<b>5,295</b>
<b>Profit attributable to non-controlling interests</b>	79	86	177	196	<b>267</b>
<b>Profit attributable to owners of parent</b>	9,249	3,394	3,475	6,415	<b>5,028</b>

## Consolidated Statements of Cash Flows

	(Millions of yen)				
	FY2018	FY2019	FY2020	FY2021	FY2022
<b>Cash flows from operating activities</b>					
Profit before income taxes	11,774	6,201	6,424	8,876	<b>9,642</b>
Depreciation	8,980	10,315	10,690	10,879	<b>12,359</b>
Increase (decrease) in allowance for doubtful accounts	(76)	134	65	(167)	<b>(14)</b>
Increase (decrease) in retirement benefit liability	(275)	149	(1,152)	(1,796)	<b>(865)</b>
Interest and dividend income	(962)	(935)	(827)	(842)	<b>(970)</b>
Interest expenses	985	982	899	896	<b>1,139</b>
Foreign exchange losses (gains)	(94)	75	74	(485)	<b>18</b>
Share of loss (profit) of entities accounted for using equity method	(1,941)	(1,313)	1,826	(898)	<b>(1,224)</b>
Impairment loss	—	240	—	—	<b>—</b>
Loss (gain) on sale of investment securities	—	—	(7,603)	—	<b>548</b>
Loss (gain) on sale of non-current assets	(257)	(346)	(1,043)	—	<b>(228)</b>
Loss on retirement of non-current assets	92	245	192	304	<b>270</b>
Decrease (increase) in trade receivables	1,132	2,388	(911)	1,496	<b>688</b>
Decrease (increase) in inventories	(976)	(7,446)	(1,552)	(2,048)	<b>(8,235)</b>
Increase (decrease) in trade payables	(518)	(4,358)	(3,889)	176	<b>(3,399)</b>
Other, net	1,926	(2,643)	1,118	6,060	<b>2,296</b>
<b>Subtotal</b>	19,788	3,689	4,311	22,452	<b>12,025</b>
Interest and dividends received	963	935	827	842	<b>971</b>
Dividends received from entities accounted for using equity method	327	1,456	127	176	<b>232</b>
Interest paid	(988)	(990)	(898)	(897)	<b>(1,133)</b>
Extra retirement payments	(170)	(666)	(1)	—	<b>—</b>
Income taxes paid	(2,412)	(1,720)	(1,492)	(2,215)	<b>(2,834)</b>
<b>Net cash provided by (used in) operating activities</b>	17,508	2,704	2,874	20,358	<b>9,261</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	(6,341)	(8,852)	(17,735)	(8,797)	<b>(12,182)</b>
Proceeds from sale of property, plant and equipment	1,061	546	1,864	642	<b>269</b>
Purchase of investment securities	(0)	(0)	(200)	(34)	<b>(0)</b>
Proceeds from sale of investment securities	33	2	10,624	301	<b>513</b>
Loan advances	(522)	(477)	(806)	(487)	<b>(1,013)</b>
Proceeds from collection of loans receivable	508	1,229	790	693	<b>733</b>
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(219)	(1,365)	—	<b>(1,428)</b>
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	—	—	218	<b>—</b>
Other, net	(1,831)	(2,916)	(1,008)	(1,854)	<b>(2,427)</b>
<b>Net cash provided by (used in) investing activities</b>	(7,093)	(10,688)	(7,838)	(9,318)	<b>(15,535)</b>
<b>Cash flows from financing activities</b>					
Proceeds from short-term borrowings	910,847	893,019	1,451,815	1,267,894	<b>1,408,747</b>
Repayments of short-term borrowings	(911,281)	(883,432)	(1,438,848)	(1,277,121)	<b>(1,400,675)</b>
Proceeds from long-term borrowings	16,300	16,800	20,800	18,600	<b>32,800</b>
Repayments of long-term borrowings	(23,058)	(21,124)	(19,172)	(19,045)	<b>(25,629)</b>
Repayments of lease liabilities	(371)	(1,463)	(1,798)	(1,716)	<b>(1,895)</b>
Dividends paid	(3,100)	(3,100)	(2,067)	(2,067)	<b>(2,583)</b>
Other, net	(5)	(20)	(265)	(453)	<b>(198)</b>
<b>Net cash provided by (used in) financing activities</b>	(10,670)	678	10,465	(13,909)	<b>10,564</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	229	(427)	727	1,267	<b>1,180</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	(26)	(7,732)	6,228	(1,601)	<b>5,470</b>
<b>Cash and cash equivalents at beginning of period</b>	33,911	33,843	26,111	32,340	<b>30,738</b>
<b>Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation</b>	(41)	—	—	—	<b>—</b>
<b>Cash and cash equivalents at end of period</b>	33,843	26,111	32,340	30,738	<b>36,209</b>

# Segment Information

		(Millions of yen)	
		From April 1, 2021 To March 31, 2022	From April 1, 2022 To March 31, 2023
Emotional Value Solutions Business *1	Revenues from external customers	147,849	167,742
	Transactions with other segments	3,041	3,053
	Total	150,890	170,795
	Segment profits	8,295	11,575
	Segment assets	128,009	143,181
	Depreciation and amortization expense	5,305	6,330
	Amortization of goodwill	0	—
	Investment amounts to equity method companies	41	17
	Increase amounts of fixed assets and intangible assets	4,814	6,348
Devices Solutions Business *1	Revenues from external customers	56,653	58,428
	Transactions with other segments	4,407	6,101
	Total	61,060	64,530
	Segment profits	5,638	5,059
	Segment assets	76,374	82,714
	Depreciation and amortization expense	3,169	3,738
	Amortization of goodwill	—	—
	Investment amounts to equity method companies	1,435	1,416
	Increase amounts of fixed assets and intangible assets	4,683	5,819
Systems Solutions Business	Revenues from external customers	32,511	33,554
	Transactions with other segments	1,901	3,071
	Total	34,413	36,626
	Segment profits	3,946	4,367
	Segment assets	24,799	29,747
	Depreciation and amortization expense	1,092	1,090
	Amortization of goodwill	394	631
	Investment amounts to equity method companies	—	—
	Increase amounts of fixed assets and intangible assets	780	1,064
Others *1	Revenues from external customers	367	367
	Transactions with other segments	685	741
	Total	1,052	1,109
	Segment profits	216	171
	Segment assets	24,140	23,605
	Depreciation and amortization expense	85	90
	Amortization of goodwill	—	—
	Investment amounts to equity method companies	5,958	5,504
	Increase amounts of fixed assets and intangible assets	100	84
Adjustments *1 *2	Revenues from external customers	—	411
	Transactions with other segments	(10,035)	(12,968)
	Total	(10,035)	(12,557)
	Segment profits	(9,326)	(9,940)
	Segment assets	74,208	76,667
	Depreciation and amortization expense	1,225	1,109
	Amortization of goodwill	566	566
	Investment amounts to equity method companies	11,372	14,348
	Increase amounts of fixed assets and intangible assets	475	705
Consolidated Total	Revenues from external customers	237,382	260,504
	Transactions with other segments	—	—
	Total	237,382	260,504
	Segment profits	8,770	11,233
	Segment assets	327,533	355,915
	Depreciation and amortization expense	10,879	12,359
	Amortization of goodwill	962	1,198
	Investment amounts to equity method companies	18,808	21,287
	Increase amounts of fixed assets and intangible assets	10,855	14,022

\*1. Reported segments have been changed from the fiscal year ending March 31, 2023. Accordingly, the above figures for the fiscal years ended March 31, 2022 have been reclassified to reflect the new disclosure segments.

\*2. Adjustments are as follows:  
 (1) Adjustment to revenues from external customers is royalty income at headquarters, unallocated to operating segments.  
 (2) Adjustments to segment profits include the following. Company-wide expenses primarily consist of expenses incurred at headquarters, unallocated to reported segments.

	From April 1, 2021 To March 31, 2022	From April 1, 2022 To March 31, 2023
Amortization of goodwill	(566) million yen	(566) million yen
Elimination of inter-segment transactions, etc.	32 million yen	(522) million yen
Company-wide expenses not appropriated to each reported segment	(8,792) million yen	(8,851) million yen

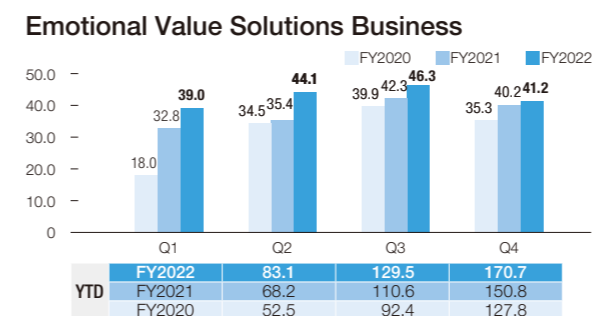
(3) Adjustments to segment assets include the following.  
 Company-wide assets primarily consist of surplus funds and long-term investment funds (investment securities) at the parent company (holding company).

	From April 1, 2021 To March 31, 2022	From April 1, 2022 To March 31, 2023
Elimination of inter-segment liabilities	(71,786) million yen	(81,055) million yen
Company-wide assets not appropriated to each reported segment	212,462 million yen	212,305 million yen
Elimination of investment and equity, etc.	(66,467) million yen	(54,582) million yen

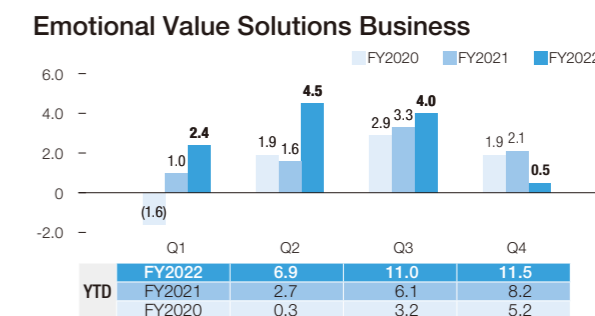
(4) Adjustment to investment in entities accounted for by the equity method is the amount of investment to entities accounted for by the equity method, which do not belong to any reported segment.

# By Quarter (by Segment)

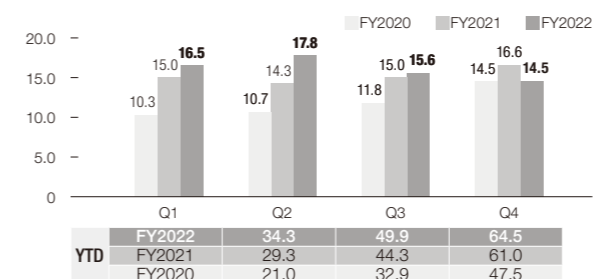
Net Sales (Billions of yen)



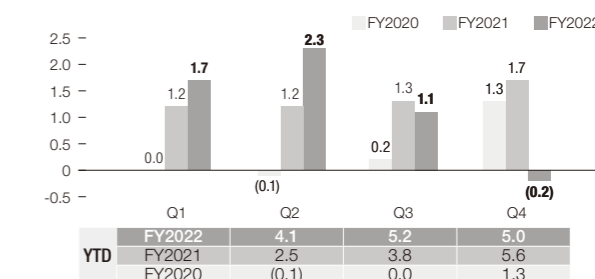
Operating Profit (Billions of yen)



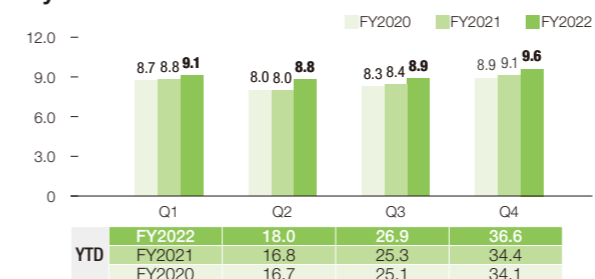
Devices Solutions Business



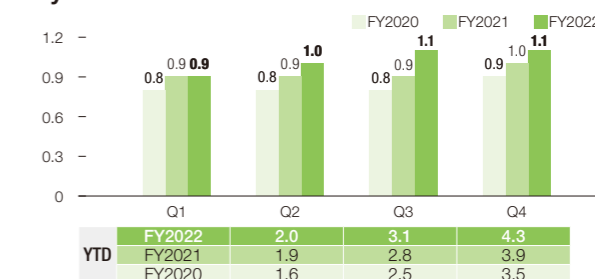
Devices Solutions Business



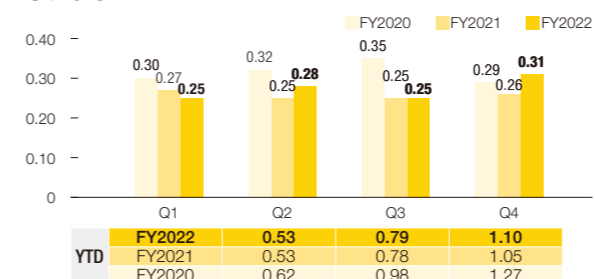
Systems Solutions Business



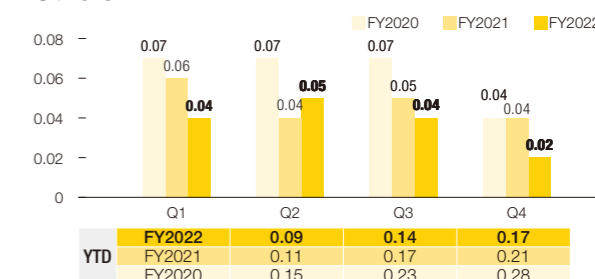
Systems Solutions Business



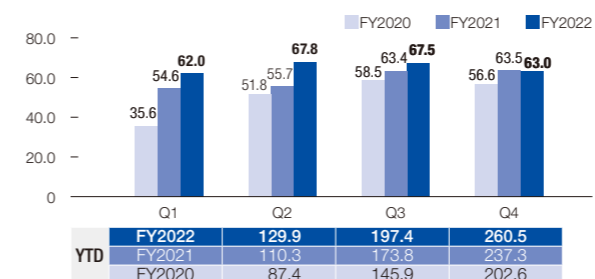
Others



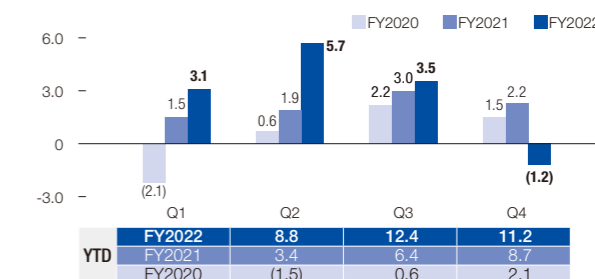
Others



Consolidated Total



Consolidated Total



\* Due to the change in the reporting segments from FY2022, the results for FY2021 and earlier have been reclassified to reflect the new segments. Figures after reclassification prior to FY2020 are unaudited reference values.

# Overview of Company / Information about Shares

## Company Overview (as of March 31, 2023)

<b>Company Name</b>	SEIKO GROUP CORPORATION
<b>Year of Establishment</b>	1881
<b>Capital</b>	10 billion yen
<b>Number of Employees</b>	171 11,843 (consolidated)

<b>Operating Revenue</b>	15.3 billion yen
<b>Consolidated Net Sales</b>	260.5 billion yen
<b>Head Office Address</b>	26-1, Ginza 1-chome, Chuo-ku, Tokyo Tel: +81-3-3563-2111

## Consolidated Subsidiaries (as of April 1, 2023)

Description of major businesses	Name	Address
	SEIKO WATCH CORPORATION	Chuo-ku, Tokyo
	SEIKO TIME LABS CO., LTD.	Koto-ku, Tokyo
	CRONOS Inc.	Chiyoda-ku, Tokyo
	SEIKO Retail Marketing Corporation	Chuo-ku, Tokyo
	Morioka Seiko Instruments Inc.	Shizukuishi-cho, Iwate
	Ninohe Tokai Kogyo Co., Ltd.	Ninohe-shi, Iwate
	Tono Seiki Co., Ltd.	Tono-shi, Iwate
	Michinoku Service Co., Ltd.	Shizukuishi-cho, Iwate
	Grand Seiko Corporation of America	New York U.S.A.
	Seiko Watch of America LLC	New York U.S.A.
	SEIKO Time Corporation	New York U.S.A.
	SEIKO Panama, S.A.	Panama City Panama
	SEIKO U.K. Limited	Maidenhead U.K.
	Grand Seiko Europe S.A.S.	Paris France
	Seiko Watch Europe S.A.S.	Neuilly-sur-Seine France
<b>Emotional Value Solutions</b>	SEIKO Hong Kong Ltd.	Kowloon Hong Kong
	SEIKO Manufacturing (H.K.) Ltd.	Kowloon Hong Kong
	Time Module Ltd.	Kwai Fong Hong Kong
	Guangzhou SII Watch Co., Ltd.	Guangzhou P.R. China
	SEIKO Watch (Shanghai) Co., Ltd.	Shanghai P.R. China
	SEIKO Taiwan Co., Ltd.	Taipei Taiwan
	SEIKO (Thailand) Co., Ltd.	Bangkok Thailand
	SEIKO Watch India Pvt. Ltd.	Bangalore India
	Instruments Technology (Johor) Sdn. Bhd.	Johor Bahru Malaysia
	Grand Seiko Asia-Pacific Pte. Ltd.	Singapore Singapore
	SEIKO Manufacturing (Singapore) Pte. Ltd.	Singapore Singapore
	SEIKO Australia Pty. Ltd.	Macquarie Park Australia
	SEIKO Time Creation Inc.	Koto-ku, Tokyo
	SEIKO CLOCK (Hong Kong) Ltd.	Kowloon Hong Kong
	SEIKO CLOCK (Shenzhen) Co., Ltd.	Shenzhen P.R. China
	SEIKO Precision (Thailand) Co., Ltd.	Pathumthani Thailand
	WAKO Co., Ltd.	Chuo-ku, Tokyo
<b>Devices Solutions</b>	Seiko Instruments Inc.	Mihama-ku, Chiba
	SII Printek Inc.	Mihama-ku, Chiba
	Seiko EG&G Co., Ltd.	Mihama-ku, Chiba
	Seshika Inc.	Mihama-ku, Chiba
	Seiko Future Creation Inc.	Mihama-ku, Chiba
	SII Crystal Technology Inc.	Mihama-ku, Chiba
	SEIKO NPC CORPORATION	Taito-ku, Tokyo
	Seiko Instruments U.S.A., Inc. *	Torrance U.S.A.
	Seiko Instruments GmbH	Neu-Isenburg Germany

Description of major businesses	Name	Address
<b>Devices Solutions</b>	Seiko Instruments Trading (H.K.) Ltd.	N.T. Hong Kong
	Dalian Seiko Instruments Inc.	Dalian P.R. China
	Seiko Instruments (Shanghai) Inc.	Shanghai P.R. China
	Seiko Instruments Technology (Shanghai) Inc.	Shanghai P.R. China
	Seiko Instruments Taiwan Inc.	Taipei Taiwan
	Seiko Instruments (Thailand) Ltd.	Pathumthani Thailand
	Asian Electronic Technology Pte. Ltd.	Singapore Singapore
	Seiko Instruments Singapore Pte. Ltd.	Singapore Singapore
<b>Systems Solutions</b>	SEIKO Solutions Inc.	Mihama-ku, Chiba
	IIM Corporation	Chuo-ku, Tokyo
	CSM SOLUTION CO., LTD.	Koto-ku, Tokyo
	GCC CO., LTD.	Koto-ku, Tokyo
	TOTAL SYSTEM ENGINEERING Co., Ltd.	Chuo-ku, Osaka
	Instruction Co., Ltd.	Chuo-ku, Tokyo
	BackStore Co., Ltd.	Chuo-ku, Tokyo
	Prestige Co., Ltd.	Minato-ku, Tokyo
<b>Others</b>	Human Capital Co., LTD.	Mihama-ku, Chiba
	KYOBASHI KIGYO (K.K.)	Chuo-ku, Tokyo
	Shirakawa Estate Co., Ltd.	Chuo-ku, Tokyo

\* Seiko Instruments U.S.A., Inc. is also in the business of "Emotional Value Solutions."

## Affiliates accounted for by the equity method (as of April 1, 2023)

Description of major businesses	Name	Address
<b>Emotional Value Solutions</b>	CLOCKWORK HOLDINGS INC.	Chuo-ku, Tokyo
<b>Devices Solutions</b>	Jedat Inc.	Chuo-ku, Tokyo
<b>Others</b>	SII Logistics Inc.	Mihama-ku, Chiba
	SEIKO OPTICAL PRODUCTS CO., LTD.	Chuo-ku, Tokyo
	OHARA INC.	Sagamihara-shi, Kanagawa

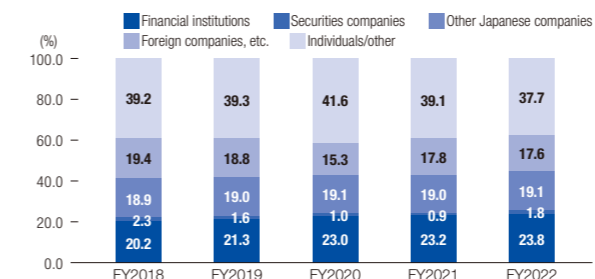
## Information about Shares (as of March 31, 2023)

Total number of shares authorized to be issued: 149,200,000  
 Total number of shares issued and outstanding: 41,404,261  
 Number of shareholders: 12,627

## Status of Major Shareholders (as of March 31, 2023)

Name	Number of shares (x 1,000)	Ratio
Sanko Kigyo K.K.	4,436	10.7%
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,302	10.4%
Etsuko Hattori	3,613	8.7%
Custody Bank of Japan, Ltd. (Trust Account)	2,480	6.0%
Shinji Hattori	2,279	5.5%
The Dai-ichi Life Insurance Company, Limited	1,800	4.4%
Hideo Hattori	1,622	3.9%
SHIMIZU CORPORATION	744	1.8%
FUJI BUILDING Co., Ltd.	671	1.6%
Hirohisa Hattori	595	1.4%

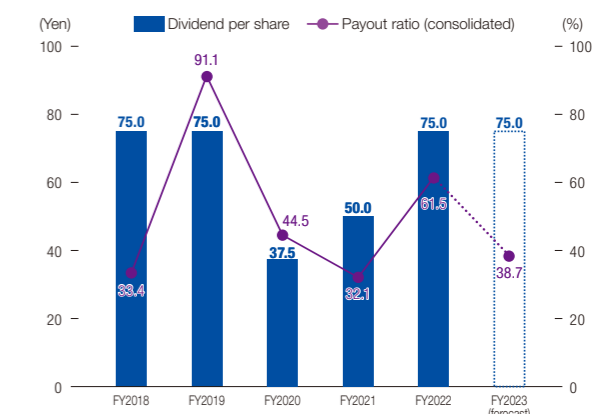
## Distribution of Shares (as of March 31, 2023)



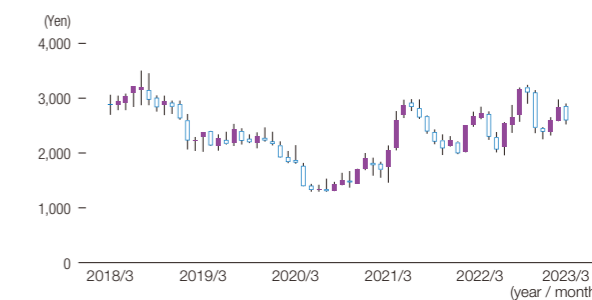
## Dividend Policy

With regard to profit allocation, the basic policy is to continue to distribute stable dividends with consideration of capital efficiency and stable profit distribution to shareholders, while also enhancing capital adequacy. In addition, the company's major profit return policy to shareholders is to return profits by dividends.

## Dividend payout ratio



## Share Price Transition



## Editorial Policy

In Value Report for this year, which marks the second year of the 8th Mid-Term Management Plan "SMILE145" that started from fiscal year 2022, we aimed to clearly introduce the achievement and challenges of the first year of SMILE145 and our future policy based on these achievements, seeking to help our stakeholders understand our further challenges and processes toward becoming a solutions company. We hope this report will help you deepen your understanding of the Group's sustainable value creation and initiates dialogue with everyone.

## Scope of Reporting

Seiko Group including Seiko Group Corporation, its subsidiaries, and affiliates

## Target Period

April 1, 2022 to March 31, 2023  
(including some activities from April 2023)

## Reference

"International Integrated Reporting Framework": IFRS Foundation  
 "Guidance for Integrated Corporate Disclosure and Company Investor Dialogue for Collaborative Value Creation": The Ministry of Economy, Trade and Industry  
 "Recommendations of the Task Force on Climate-related Financial Disclosures (Final Report)": TCFD



Corporate website  
<https://www.seiko.co.jp/en/>