

Consolidated Results for the Third Quarter of FY2023 (Dec. 2022 to Aug. 2023)

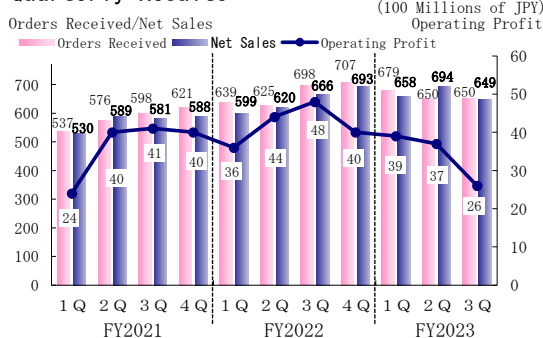
Consolidated Financial Results and Forecast

(Millions of JPY)

• Quarterly Results (Millions of JPY)

	FY2022			FY2023			FY2023		
	1 H (Dec-May)	1-3 Q (Dec-Aug)	Full Year (Dec-Nov)	1 H (Dec-May)	1-3 Q (Dec-Aug)	Full Year Forecast (Dec-Nov)	1 Q (Dec-Feb)	2 Q (Mar-May)	3 Q (Jun-Aug)
YoY				+10.8%	+6.0%	+4.6%			
Net Sales	122,092	188,785	258,097	135,264	200,170	270,000	65,825	69,438	64,905
Operating Profit	(6.6%) 8,100	(6.9%) 12,984	(6.6%) 17,025	-6.0% (5.6%) 7,612	-21.0% (+5.1%) 10,252	-3.1% (6.1%) 16,500	(5.9%) 3,912	(5.3%) 3,700	(4.1%) 2,639
Ordinary Profit	(7.2%) 8,769	(7.3%) 13,711	(6.6%) 17,100	-19.6% (5.2%) 7,047	-29.6% (4.8%) 9,649	-9.4% (5.7%) 15,500	(5.0%) 3,292	(5.4%) 3,755	(4.0%) 2,602
Net Profit attributable to owners of the parent	5,830	9,276	12,237	-18.9% 4,727	-32.1% 6,300	-10.1% 11,000	2,216	2,511	1,572
Exchange Rate (JPY/USD)	119	124	129	133	136	134	132	134	142
(JPY/EUR)	132	134	136	144	147	145	141	146	155
(JPY/CNY)	18.5	19.0	19.3	19.3	19.5	19.3	19.3	19.4	19.7
Cash Dividends per share	JPY 110			JPY 110					

Quarterly Results



Financial Data

(Millions of JPY)

(Billions of JPY)

	FY2022		FY2023	
	3 Q	Full Year	3 Q	Full Year Forecast
Total Assets	349,043	357,457	366,083	362,700
(Stockholders' Equity Ratio)	(42.8%)	(41.7%)	(43.5%)	(43.6%)
Stockholders' Equity	149,299	148,906	159,361	158,200
ROE	8.9%	8.8%	5.5%	7.2%
Interest-bearing Debts	98,231	99,827	111,240	110,100
Net D/E ratio	0.45	0.44	0.49	0.48
Facility Investment	14,877	20,374	14,002	22,000
Depreciation and Amortization	13,451	18,302	14,480	19,500
Number of Employees	7,284	7,259	7,189	7,250

Operating Profit Analysis
FY2022 3Q → FY2023 3Q

2.7 Decrease

- Increase in sales price +4.6
- Fluctuation of exchange rate +2.1
- Increase of operating rate +1.1
- Total of Increase factors +7.8
- Rise in material price -4.4
- Increase in fixed costs, SGA and others -6.1
- Total of Decrease factors -10.5

Sales and Operating Profit by Business Segments

(Millions of JPY)

• Quarterly Results (Millions of JPY)

		FY2022			FY2023			FY2023		
		1 H (Dec-May)	1-3 Q (Dec-Aug)	Full Year (Dec-Nov)	1 H (Dec-May)	1-3 Q (Dec-Aug)	Full Year Forecast (Dec-Nov)	1 Q (Dec-Feb)	2 Q (Mar-May)	3 Q (Jun-Aug)
Machinery & Tools	YoY				(+2.4%)	(+0.5%)	(+1.0%)			
	Cutting Tools	16,487	25,472	34,157	16,882	25,602	34,500	8,216	8,666	8,720
	Machine Tools	4,538	7,442	9,944	6,837	10,348	11,000	2,934	3,902	3,510
	Robots	16,271	26,387	38,505	23,295	30,595	46,500	11,743	11,552	7,299
	Net Sales	37,297	59,301	82,607	47,015	66,545	92,000	22,893	24,121	19,530
Operating Profit	3,108	5,519	7,977	4,727	5,887	9,500	2,467	2,260	1,159	
Components	Bearings	39,921	61,737	84,480	43,662	66,990	87,500	21,420	22,241	23,328
	Hydraulic Equipment	26,163	39,604	52,795	26,336	38,095	52,500	13,167	13,168	11,758
	Automotive Hydraulics	10,758	15,998	21,786	9,999	16,138	22,000	4,202	5,796	6,139
	Net Sales	76,844	117,340	159,062	79,998	121,224	162,000	38,790	41,207	41,226
Operating Profit	4,348	6,443	7,660	2,426	3,645	6,000	1,218	1,207	1,219	
Other	Special Steel	7,088	10,842	14,641	7,384	11,092	14,600	3,710	3,674	3,707
	Others	862	1,300	1,785	865	1,307	1,400	430	435	441
	Net Sales	7,951	12,143	16,426	8,250	12,399	16,000	4,141	4,109	4,148
Operating Profit	641	1,022	1,396	466	722	1,000	247	219	255	
Total net sales		122,092	188,785	258,097	135,264	200,170	270,000	65,825	69,438	64,905
Total Operating Profit		8,100	12,984	17,025	7,612	10,252	16,500	3,912	3,700	2,639
Japan		60,585	90,711	121,677	61,211	93,115	122,700	29,112	32,098	31,904
Overseas (Overseas Sales Ratio)		61,507 (50.4%)	98,074 (52.0%)	136,419 (52.9%)	74,053 (54.7%)	107,054 (53.5%)	147,300 (54.6%)	36,713 (55.8%)	37,340 (53.8%)	33,001 (50.8%)
Americas		15,289	24,955	34,770	20,218	29,578	38,300	10,032	10,185	9,360
Europe		7,430	11,506	15,559	8,227	11,942	16,000	4,056	4,171	3,715
China		21,599	35,268	49,803	25,804	35,533	54,000	13,142	12,662	9,728
ASEAN and other areas		17,187	26,343	36,286	19,802	29,999	39,000	9,481	10,320	10,197

Quarterly Orders Received

(Millions of JPY)

	FY2022					Full Year	FY2023				1-3 Q total YoY
	1 Q (Dec-Feb)	2 Q (Mar-May)	3 Q (Jun-Aug)	1-3 Q Total	4 Q (Sep-Nov)		1 Q (Dec-Feb)	2 Q (Mar-May)	3 Q (Jun-Aug)	1-3 Q Total	
Total	63,949	62,524	69,878	196,353	70,754	267,107	67,915	65,050	65,019	197,985	+0.8%
Machine Tools	3,012	3,006	3,097	9,116	2,883	11,999	3,322	3,398	3,842	10,563	+15.9%
Robots	8,044	7,700	10,214	25,959	13,768	39,728	11,307	8,944	7,369	27,622	+6.4%