

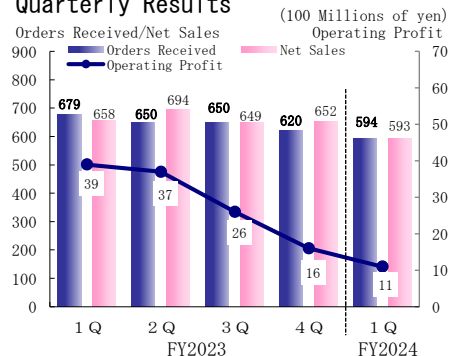
Consolidated Results for the First Quarter of FY2024 (Dec. 2023 to Feb. 2024)

Consolidated Financial Results and Forecast

(Millions of yen)

	FY2023						FY2024		
	1 Q (Dec-Feb)	2 Q (Mar-May)	1 H (Dec-May)	3 Q (Jun-Aug)	4 Q (Sep-Nov)	Full Year (Dec-Nov)	1 Q (Dec-Feb)	1 H Forecast (Dec-May)	Full Year Forecast (Dec-Nov)
Net Sales	65,825	69,438	135,264	64,905	65,294	265,464	-9.9%	-9.1%	-5.8%
Operating Profit	3,912	3,700	7,612	2,639	1,621	11,873	59,338	123,000	250,000
Ordinary Profit	3,292	3,755	7,047	2,602	1,378	11,028	(2.0%)	(3.3%)	(4.0%)
Net Profit attributable to owners of the parent	2,216	2,511	4,727	1,572	169	6,469	754	3,500	9,000
Exchange Rate (JPY/USD)	132	134	133	142	149	139	(1.3%)	(2.8%)	(3.6%)
Exchange Rate (JPY/1EUR)	141	146	144	155	159	150	754	3,500	9,000
Exchange Rate (JPY/1CNY)	19.3	19.4	19.3	19.7	20.4	19.7	356	2,500	6,000
Cash Dividends per share (JPY)	110						100		

Quarterly Results



Financial Data

	FY2023			FY2024		
	1 Q	1 H	Full Year	1 Q	1 H Forecast	Full Year Forecast
Total Assets	359,070	358,802	370,324	374,359	370,000	365,000
(Stockholders' Equity Ratio)	(41.0%)	(42.3%)	(43.9%)	(44.1%)	(43.8%)	(44.9%)
Stockholders' Equity	147,257	151,927	162,715	165,211	162,000	164,000
ROE	6.0%	6.3%	4.2%	0.9%	3.1%	3.7%
Interest-bearing Debts	114,308	110,221	109,769	117,627	111,000	107,000
Net D/E ratio	0.57	0.51	0.47	0.51	0.49	0.45
Facility Investment	3,572	9,774	19,157	4,302	10,000	19,000
Depreciation and Amortization	4,672	9,537	19,473	4,869	10,000	19,500
Number of Employees	7,227	7,245	7,204	7,142	7,280	7,250

Operating Profit Analysis

FY2023 1Q → FY2024 1Q

(-) 2.7 Decrease

Fluctuation of exchange rate	+0.8
Increase in sales price	+0.6
Cost reduction	+0.4
Total of Increase factors	+1.8
Decrease of operating rate	-3.6
Rise in material price	-0.4
Increase in fixed costs, SGA and others	-0.5
Total of Decrease factors	-4.5

Sales and Operating Profit by Business Segments

(Millions of yen)

		FY2023						FY2024		
		1 Q (Dec-Feb)	2 Q (Mar-May)	1 H (Dec-May)	3 Q (Jun-Aug)	4 Q (Sep-Nov)	Full Year (Dec-Nov)	1 Q (Dec-Feb)	1 H Forecast (Dec-May)	Full Year Forecast (Dec-Nov)
Machinery & Tools	Cutting Tools	8,216	8,666	16,882	8,720	8,459	34,062	(-1.0%)	(+0.7%)	(+1.3%)
	Machine Tools	2,934	3,902	6,837	3,510	3,011	13,359	8,130	17,000	34,500
	Robots	11,743	11,552	23,295	7,299	7,436	38,031	3,486	5,600	11,000
	Net Sales	22,893	24,121	47,015	19,530	18,907	85,453	(-43.9%)	(-32.2%)	(-10.6%)
	Operating Profit	2,467	2,260	4,727	1,159	514	6,402	6,593	15,800	34,000
Components	Bearings	21,420	22,241	43,662	23,328	24,776	91,767	(-20.5%)	(-18.3%)	(-7.0%)
	Hydraulic Equipment	13,167	13,168	26,336	11,758	10,964	49,059	18,210	38,400	79,500
	Automotive Hydraulics	4,202	5,796	9,999	6,139	6,543	22,682	(-79.0%)	(-47.1%)	(-6.3%)
	Net Sales	38,790	41,207	79,998	41,226	42,284	163,508	517	2,500	6,000
	Operating Profit	1,218	1,207	2,426	1,219	857	4,502	21,565	44,500	89,000
Other	Special Steel	3,710	3,674	7,384	3,707	3,625	14,717	(-19.8%)	(-18.0%)	(-10.3%)
	Others	430	435	865	441	477	1,784	10,558	21,600	44,000
	Net Sales	4,141	4,109	8,250	4,148	4,102	16,501	5,049	10,700	22,000
	Operating Profit	247	219	466	255	249	972	37,173	76,800	155,000
	Total net sales	65,825	69,438	135,264	64,905	65,294	265,464	344	1,300	3,500
Total Operating Profit		3,912	3,700	7,612	2,639	1,621	11,873	1,183	4,000	10,000
Japan		29,112	32,098	61,211	31,904	32,277	125,392	29,688	61,300	125,000
Overseas (Overseas Sales Ratio)		36,713 (55.8%)	37,340 (53.8%)	74,053 (54.7%)	33,001 (50.8%)	33,016 (50.6%)	140,071 (52.8%)	29,649 (50.0%)	61,700 (50.2%)	125,000 (50.0%)
Americas		10,032	10,185	20,218	9,360	9,633	39,212	8,769	17,800	35,000
Europe		4,056	4,171	8,227	3,715	3,376	15,319	2,761	7,000	13,500
China		13,142	12,662	25,804	9,728	9,371	44,904	8,376	17,700	38,500
ASEAN and other areas		9,481	10,320	19,802	10,197	10,635	40,635	9,741	19,200	38,000

Quarterly Orders Received

(Millions of yen)

	FY2023					FY2024	Q to Q
	1 Q (Dec-Feb)	2 Q (Mar-May)	3 Q (Jun-Aug)	4 Q (Sep-Nov)	Full Year (Dec-Nov)	1 Q (Dec-Feb)	
Total	67,915	65,050	65,019	62,024	260,010	59,427	-12.5%
Machine Tools	3,322	3,398	3,842	3,574	14,137	3,830	+15.3%
Robots	11,307	8,944	7,369	6,247	33,869	6,641	-41.3%