

Business Results for FY2021

Jan. 13, 2022



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Business Results for FY2021

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Business Results for FY2021

FY2021

(Billion JPY)

	FY2020 (A)	FY2021 (B)	Increase/ Decrease (B) – (A)
Net Sales	201.0	229.1	(+14.0%) +28.1
Operating Income	(3.4%) 6.8	(6.4%) 14.7	(+114.8%) +7.9
Ordinary Income	(2.7%) 5.5	(6.3%) 14.4	(+162.4%) +8.9
Net Income attributable to owners of the parent	2.4	9.9	(+306.5%) +7.5
Exchange rate (USD) (EUR) (CNY)	JPY 107 JPY 121 JPY 15.4	JPY 108 JPY 129 JPY 16.8	1 JPY depreciation 8 JPY depreciation 1.4 JPY depreciation
Cash Dividends	JPY 50	JPY 100	+50 JPY

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Consolidated Financial Data

FY2021

(Billion JPY)

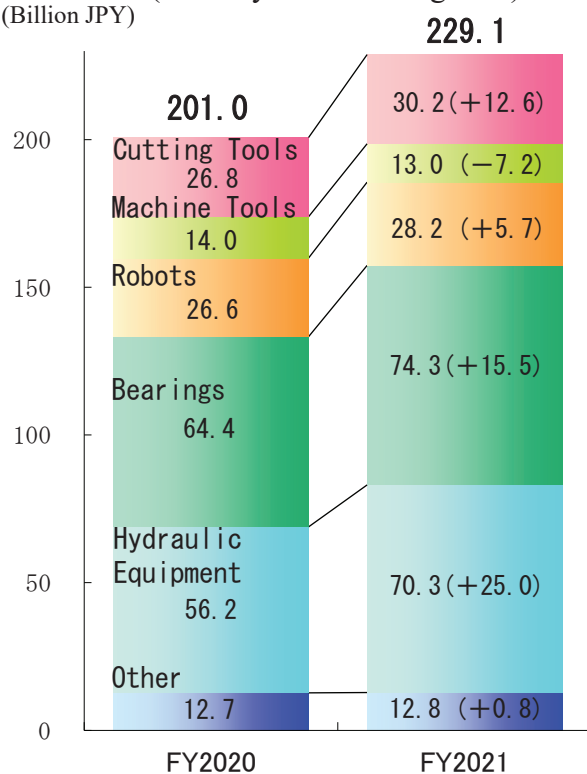
	FY2020 (A)	FY2021 (B)	Increase/ Decrease (B) – (A)
ROE	2.1%	8.1%	+6.0pt
Total Assets	293.0	319.3	+26.3
Stockholder's Equity (Stockholder's Equity ratio)	(39.9%) 116.8	(40.7%) 130.1	+13.3
Interest-bearing Debts (Net D/E ratio)	(0.55) 103.1	(0.39) 90.4	-12.7
Facility Investment	12.5	16.3	+3.8
Depreciation and Amortization	16.9	16.8	-0.1
Number of Employees (persons)	7,242	7,205	-37

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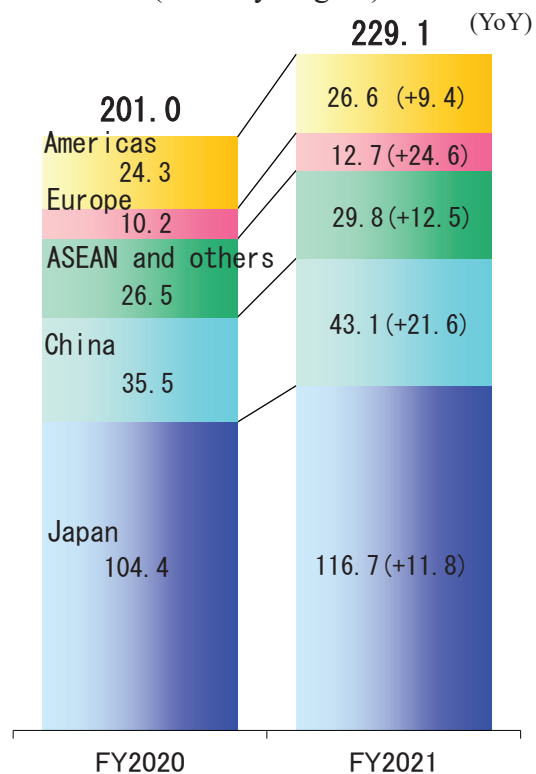
Sales by Business Segment and Region

FY2021

(Sales by Business Segment)
(Billion JPY)



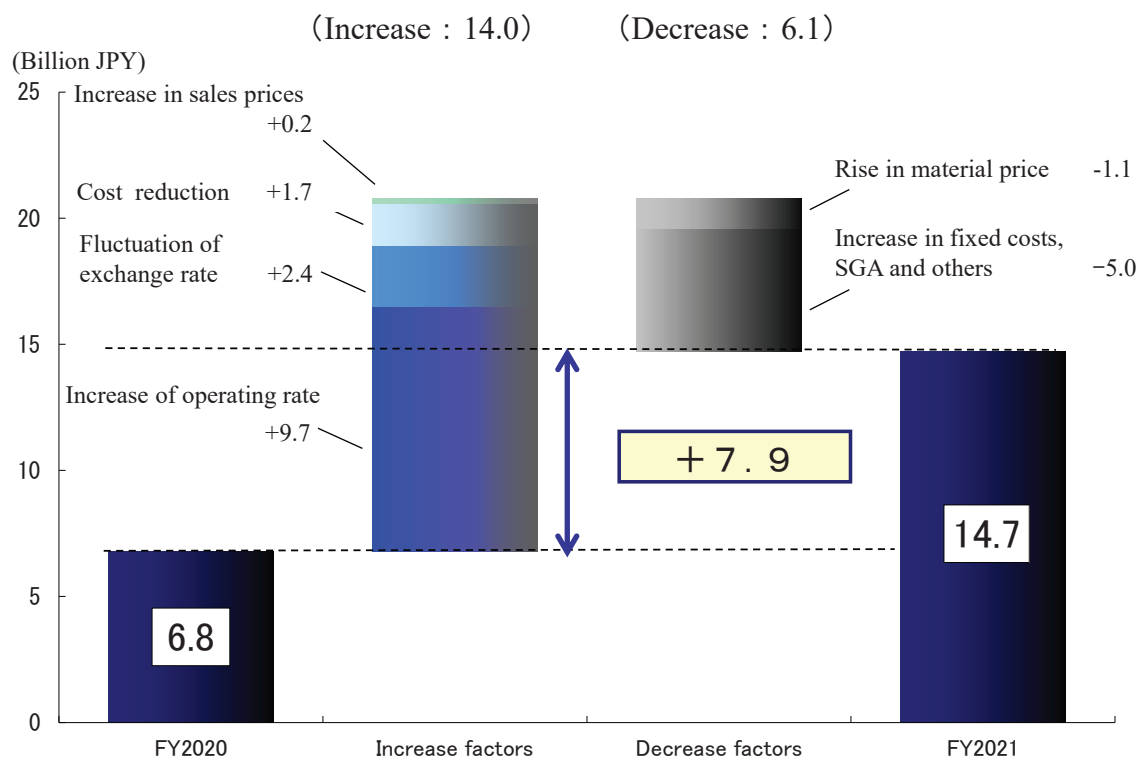
(Sales by Region)



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Causes of Changes in Operating Income

FY2021



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Sales and Operating Income by Business Segment

FY2021

(Billion JPY)

		FY2020 (A)	FY2021 (B)	Increase/ Decrease (B) - (A)
Machinery & Tools	Cutting Tools	26.8	30.2	(+12.6%) +3.4
	Machine Tools	14.0	13.0	(-7.2%) -1.0
	Robots	26.6	28.2	(+5.7%) +1.6
	Net Sales	67.5	71.4	(+5.8%) +3.9
	Operating Income	(3.7%) 2.5	(6.4%) 4.6	(+83.7%) +2.1
Components	Bearings	64.4	74.3	(+15.5%) +9.9
	Hydraulic Equipment	56.2	70.3	(+25.0%) +14.1
	Net Sales	120.6	144.7	(+19.9%) +24.1
	Operating Income	(3.1%) 3.6	(6.8%) 9.9	(+268.5%) +6.3
Other	Net Sales	12.7	12.8	(+0.8%) +0.1
	Operating Income	(4.5%) 0.5	(0.8%) 0.0	(-82.7%) -0.5
Total Net Sales		201.0	229.1	(+14.0%) +28.1
Total Operating Income		(3.4%) 6.8	(6.4%) 14.7	(+214.8%) +7.9

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Business Forecast for FY2022

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Consolidated Financial Highlights(FY2022 Plan) **FY2022e**

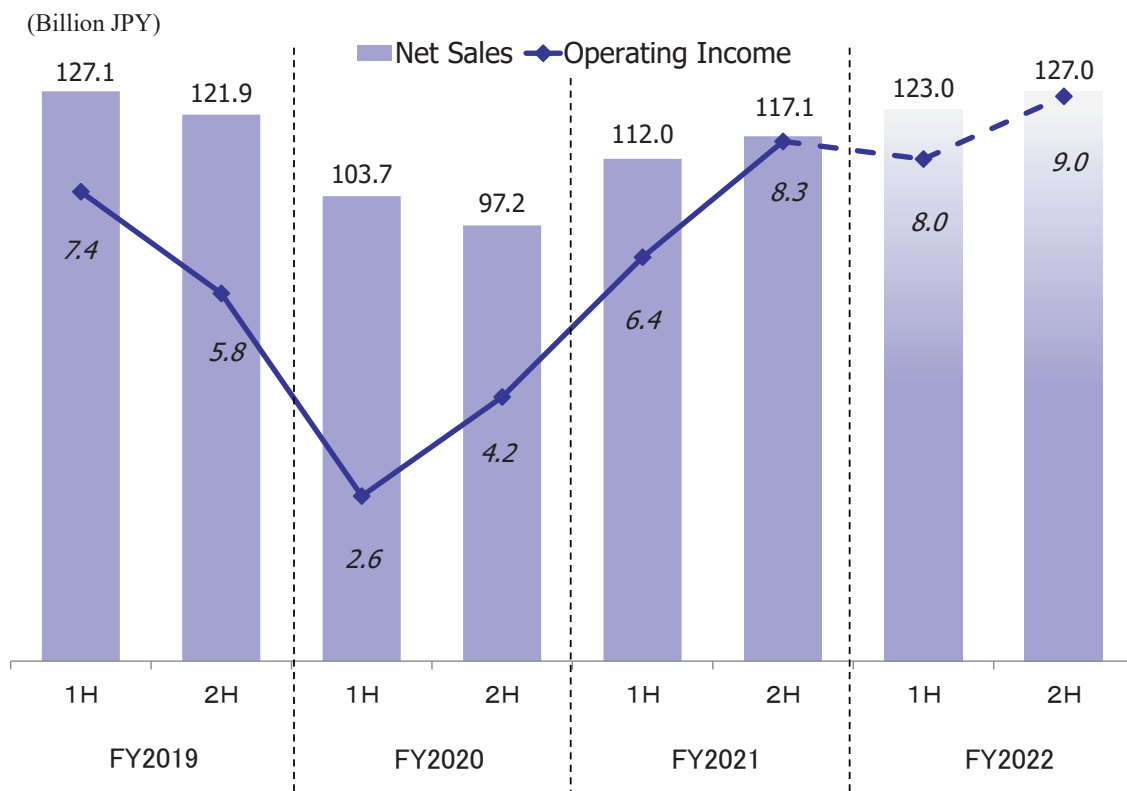
(Billion JPY)

	FY2021 (A)	FY2022 Plan (B)	Increase/ Decrease (B) – (A)
Net Sales	229.1	250.0	(+9.1%) +20.9
Operating Income	(6.4%) 14.7	(6.8%) 17.0	(+15.5%) +2.3
Ordinary Income	(6.3%) 14.4	(6.4%) 16.0	(+10.7%) +1.6
Net Income attributable to owners of the parent	9.9	11.0	(+10.1%) +1.1
Exchange rate (USD) (EUR) (CNY)	JPY 108 JPY 129 JPY 16.8	JPY 110 JPY 125 JPY 17.0	2 JPY depreciation 4 JPY appreciation 0.2 JPY depreciation
Cash Dividends	JPY 100	JPY 100	—

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Trend of business results every half year

FY2022e

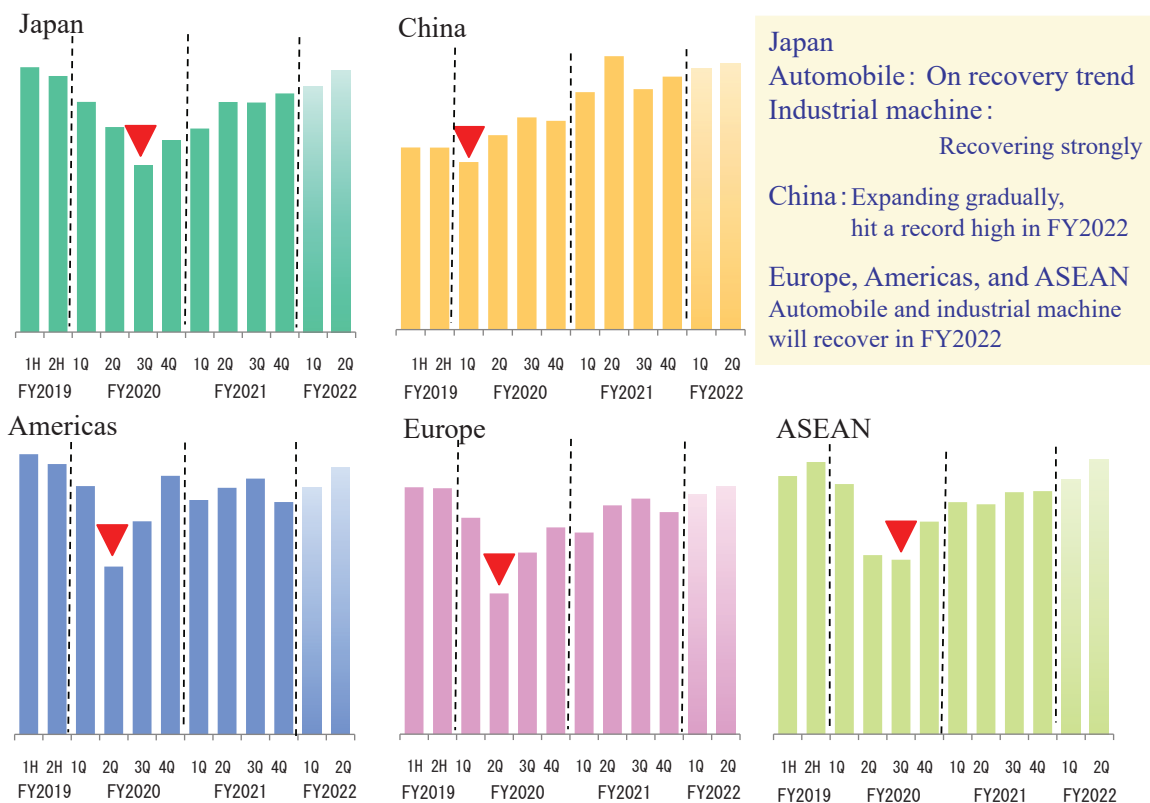


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Trends of the demand①

FY2022e

(Trends by Region)

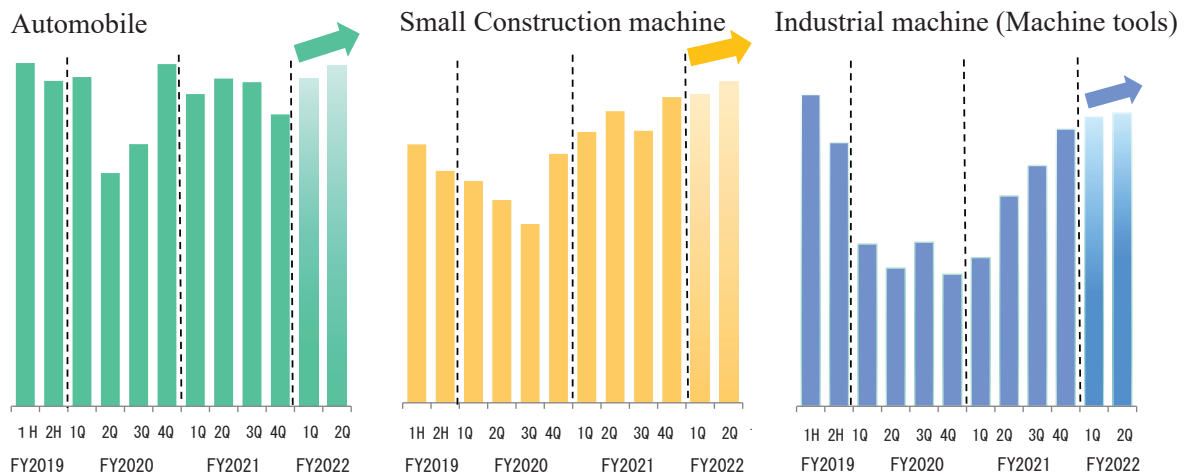


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Trends of the demand②

FY2022e

(Trends by industry : Trends of production by main customer)

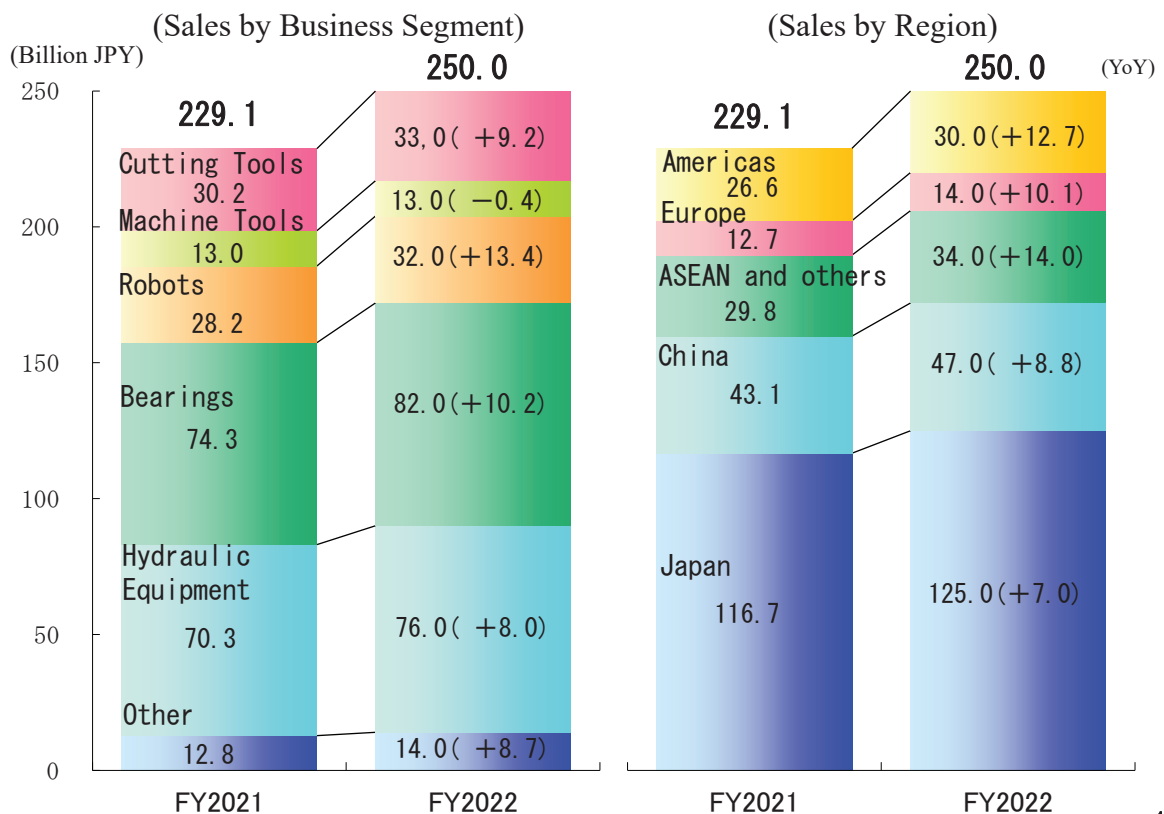


(Trends of main industries)

- Automobile : The influence of parts shortage will be reduced, and production will recover.
- Construction machine : The demand for small construction machine will expand globally in China, Europe, Americas and so on.
- Industrial machine : The demand for semiconductor-related products will expand, and machine tools and others will recover steadily.

Sales by Business Segment and Region

FY2022e



Sales and Operating Income by Business Segment (FY2022 Plan)

FY2022e

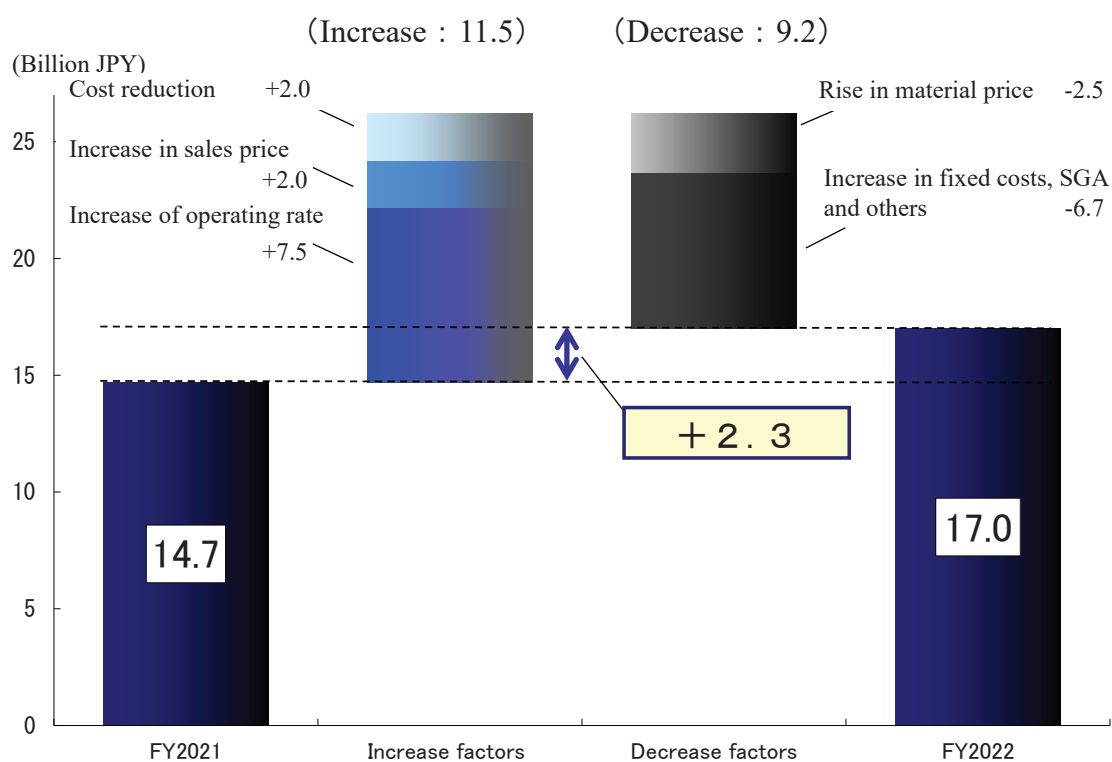
(Billion JPY)

		FY2021 (A)		FY2022 Plan (B)		Increase/ Decrease (B) - (A)	
Machinery & Tools	Cutting Tools	30.2		33.0		(+9.2%)	+2.8
	Machine Tools	13.0		13.0		(-0.4%)	-0.0
	Robots	28.2		32.0		(+13.4%)	+3.8
	Net Sales	71.4		78.0		(+9.1%)	+6.6
	Operating Income	(6.4%) 4.6		(7.1%) 5.5		(+19.3%)	+0.9
Components	Bearings	74.3		82.0		(+10.2%)	+7.7
	Hydraulic Equipment	70.3		76.0		(+8.0%)	+5.7
	Net Sales	144.7		158.0		(+9.2%)	+13.3
	Operating Income	(6.8%) 9.9		(7.0%) 11.0		(+11.1%)	+1.1
Other	Net Sales	12.8		14.0		(+8.7%)	+1.2
	Operating Income	(0.8%) 0.0		(3.6%) 0.5		(+505.0%)	+0.5
Total Net Sales		229.1		250.0		(+9.1%)	+20.9
Total Operating Income		(6.4%) 14.7		(6.8%) 17.0		(+15.5%)	+2.3

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Causes of Changes in Operating Income (FY2022 Plan)

FY2022e



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Consolidated Financial Data

FY2022e

(Billion JPY)

	FY2021 (A)	FY2022 Plan (B)	Increase/ Decrease (B) – (A)
ROE	8.1%	8.2%	+0.1pt
Total Assets	319.3	326.0	+6.7
Stockholder's Equity (Stockholder's Equity ratio)	(40.7%) 130.1	(42.6%) 139.0	+8.9
Interest-bearing Debts (Net D/E ratio)	(0.39) 90.4	(0.36) 84.0	−6.4
Facility Investment	16.3	21.5	+5.2
Depreciation and Amortization	16.8	17.5	+0.7
Number of Employees (persons)	7,205	7,370	+165

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These materials describe our future earnings forecasts and business plans, and are based on the assumption of an economic environment and business policies that remain fixed as they are now. Therefore, please note that actual earnings are subject to various factors, including market fluctuations and currency fluctuations, which may result in a different earnings forecast.

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