

## Consolidated Results for the First Half of FY2022 (Dec. 2021 to May 2022)

## Consolidated Financial Results and Forecast

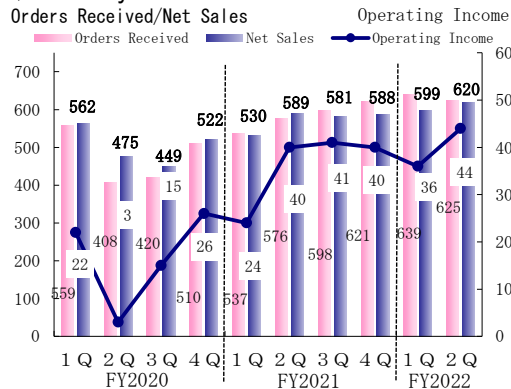
(Million JPY)

	FY2021						FY2022			
	1 Q	2 Q	1 H	3 Q	4 Q	Full Year	1 Q	2 Q	1 H	Full Year Forecast
Net Sales	53,072	58,974	112,047	58,195	58,874	229,117	+13.0%	+5.3%	+9.0%	+9.1%
Operating Income	2,416	4,019	6,435	4,183	4,098	14,718	+50.5%	+11.1%	+25.9%	+15.5%
Ordinary Income	2,295	4,209	6,505	3,718	4,233	14,457	+57.3%	+22.6%	+34.8%	+10.7%
Net Income attributable to owners of the parent	1,570	2,904	4,474	2,651	2,867	9,993	+51.5%	+18.8%	+30.3%	+10.1%
Exchange Rate (USD)	JPY 104	JPY 108	JPY 106	JPY 110	JPY 112	JPY 108	JPY 114	JPY 124	JPY 119	JPY 122
(EUR)	JPY 126	JPY 130	JPY 128	JPY 130	JPY 130	JPY 129	JPY 129	JPY 134	JPY 132	JPY 134
(CNY)	JPY 16.1	JPY 16.8	JPY 16.4	JPY 17.0	JPY 17.5	JPY 16.8	JPY 18.0	JPY 19.1	JPY 18.5	JPY 18.8
Cash Dividends	JPY 100						JPY 100			

## Quarterly Results

(100 Million JPY)

(Million JPY)



	FY2021		FY2022	
	1 H	Full Year	1 H	Full Year Forecast
Total Assets	305,335	319,312	332,345	342,000
(Stockholders' Equity Ratio)	(40.2%)	(40.7%)	(42.5%)	(42.4%)
Stockholders' Equity	122,809	130,104	141,165	145,000
ROE	7.5%	8.1%	8.6%	8.0%
Interest-bearing Debts	92,136	90,475	91,980	96,000
Net D/E ratio	0.44	0.39	0.43	0.44
Facility Investment	5,935	16,341	9,872	21,500
Depreciation and Amortization	8,316	16,838	8,791	17,800
Number of Employees	7,282	7,205	7,297	7,380

## Operating Income Analysis

FY2021 1H → FY2022 1H

1.7 Increase

• Increase of Operating rate	+2.3
• Increase in sales price	+1.9
• Fluctuation of exchange rate	+1.7
• Cost reduction	+0.9
Total	+6.8
• Rise in material price	-2.5
• Increase in fixed costs, SGA and others	-2.6
Total	-5.1

## Sales and Operating Income by Business Segments

(Million JPY)

		FY2021						FY2022			
		1 Q	2 Q	1 H	3 Q	4 Q	Full Year	1 Q	2 Q	1 H	Full Year Forecast
Machinery & Tools	YoY							(+14.9%)	(+13.8%)	(+14.3%)	(+12.5%)
	Cutting Tools	6,799	7,619	14,418	7,757	8,036	30,213	7,814	8,673	16,487	34,000
	Machine Tools	3,668	3,707	7,375	3,053	2,627	13,057	(-38.9%)	(-38.0%)	(-38.5%)	(-27.2%)
	Robots	6,045	7,704	13,750	7,190	7,282	28,223	(+32.9%)	(+6.9%)	(+18.3%)	(+18.7%)
	Net Sales	16,513	19,031	35,544	18,001	17,946	71,493	18,091	19,206	37,297	77,000
Operating Income	358	1,430	1,789	1,329	1,489	4,609	(+260.6%)	(+26.8%)	(+73.7%)	(+36.7%)	
Components	Bearings	17,723	18,686	36,409	19,111	18,869	74,390	19,853	20,068	39,921	82,000
	Hydraulic Equipment	10,811	12,228	23,039	11,968	13,007	48,015	13,183	12,979	26,163	54,000
	Automotive Hydraulics	5,270	5,776	11,046	5,782	5,503	22,332	(-3.4%)	(-1.8%)	(-2.6%)	(-3.7%)
	Net Sales	33,804	36,691	70,496	36,862	37,380	144,738	38,125	38,718	76,844	157,500
Operating Income	2,022	2,628	4,651	2,712	2,538	9,903	(+4.1%)	(-14.7%)	(-6.5%)	(+1.0%)	
Other	Special Steel	2,366	2,843	5,210	2,930	3,074	11,215	3,330	3,757	7,088	13,700
	Others	387	407	795	401	473	1,669	448	414	862	1,800
	Net Sales	2,754	3,251	6,006	3,331	3,547	12,884	3,778	4,172	7,951	15,500
Operating Income	20	-65	-45	71	73	99	(+1070.0%)	234	407	641	700
Total net sales	53,072	58,974	112,047	58,195	58,874	229,117	59,995	62,097	122,092	250,000	
Total Operating Income	2,416	4,019	6,435	4,183	4,098	14,718	(+50.5%)	(+11.1%)	(+25.9%)	(+15.5%)	
Japan	27,444	29,940	57,385	29,696	29,688	116,771	29,880	30,704	60,585	122,500	
Overseas (Overseas Sales Ratio)	25,627 (48.3%)	29,033 (49.2%)	54,661 (48.8%)	28,498 (49.0%)	29,186 (49.6%)	112,345 (49.0%)	30,114 (50.2%)	31,392 (50.6%)	61,507 (50.4%)	127,500 (51.0%)	
Americas	6,107	6,871	12,979	7,147	6,498	26,624	6,588	8,700	15,289	31,500	
Europe	2,776	3,216	5,992	3,425	3,301	12,720	3,560	3,869	7,430	14,500	
China	9,771	11,736	21,507	10,459	11,220	43,186	11,666	9,933	21,599	47,000	
ASEAN and other areas	6,972	7,209	14,182	7,466	8,165	29,814	8,299	8,888	17,187	34,500	