

Consolidated Results for the First Half of FY2021 (Dec. 2020 to May 2021)

Consolidated Financial Results and Forecast

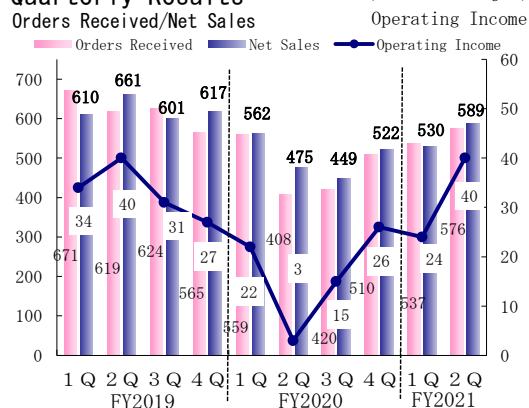
(Million JPY)

	FY2020						FY2021			
	1 Q	2 Q	1 H	3 Q	4 Q	Full Year	1 Q	2 Q	1 H	Full Year Forecast
Net Sales	56,290	47,501	103,792	44,989	52,272	201,055	-5.7%	+24.2%	+8.0%	+11.9%
Operating Income	2,283	352	2,636	1,533	2,679	6,850	(4.6%)	(6.8%)	(5.7%)	(6.0%)
Ordinary Income	1,921	(-314)	1,606	1,434	2,467	5,508	(4.3%)	(7.1%)	(5.8%)	(5.9%)
Net Income	1,033	(-587)	445	626	1,386	2,458	1.570	2,904	4,474	9,000
Exchange Rate (USD)	JPY 109	JPY 107	JPY 108	JPY 106	JPY 105	JPY 107	JPY 104	JPY 108	JPY 102	JPY 107
(EUR)	JPY 120	JPY 117	JPY 119	JPY 122	JPY 124	JPY 121	JPY 126	JPY 130	JPY 125	JPY 128
(RMB)	JPY 15.7	JPY 15.2	JPY 15.4	JPY 15.2	JPY 15.6	JPY 15.4	JPY 16.1	JPY 16.8	JPY 15.5	JPY 16.5
Cash Dividends	JPY 50						JPY 100			

Quarterly Results

Orders Received/Net Sales

(100 Million JPY)



Financial Data

(Million JPY)

	FY2020		FY2021	
	1 H	Full Year	1 H	Full Year Forecast
Total Assets	304,463	293,060	305,335	307,500
(Stockholders' Equity Ratio)	(36.7%)	(39.9%)	(40.2%)	(40.5%)
Stockholders' Equity	111,681	116,893	122,809	124,500
ROE	0.8%	2.1%	7.5%	7.5%
Interest-bearing Debts	110,690	103,125	92,136	94,000
Net D/E ratio	0.63	0.55	0.44	0.46
Facility Investment	7,105	12,580	5,935	17,000
Depreciation and Amortization	8,466	16,992	8,316	17,000
Number of Employees	7,301	7,242	7,282	7,300

(Billion JPY)

Cause of Changes in Operating Income
FY2020 1H → FY2021 1H
3.8 Increase

• Incline of Operating rate	+2.4
• Fluctuation of exchange rate	+0.7
• Cost reduction	+0.5
• Decline in fixed costs, SGA and others	+0.6
Total	+4.2
• Decrease in sales price	-0.2
• Rise in material price	-0.2
Total	-0.4

Sales and Operating Income by Business Segments

(Million JPY)

		FY2020						FY2021			
		1 Q	2 Q	1 H	3 Q	4 Q	Full Year	1 Q	2 Q	1 H	Full Year Forecast
Machinery & Tools	YoY							(-12.7%)	(+14.5%)	(-0.2%)	(+10.0%)
	Cutting Tools	7,791	6,655	14,446	5,826	6,556	26,829	6,799	7,619	14,418	29,500
	Machine Tools	4,144	3,317	7,462	3,197	3,404	14,064	3,668	3,707	7,375	12,000
	Robots	7,204	6,488	13,693	6,506	6,499	26,699	6,045	7,704	13,750	29,000
	Net Sales	19,140	16,461	35,602	15,530	16,460	67,593	16,513	19,031	35,544	70,500
Operating Income	865	295	1,161	730	617	2,509	358	1,430	1,789	3,500	
Components	Bearings	18,179	13,522	31,701	14,814	17,884	64,400	17,723	18,686	36,409	74,000
	Hydraulic Equipment	15,279	13,978	29,257	11,755	15,268	56,281	16,081	18,004	34,086	69,000
	Net Sales	33,458	27,500	60,959	26,569	33,152	120,681	33,804	36,691	70,496	143,000
	Operating Income	1,116	(-98)	1,018	611	2,058	3,688	2,022	2,628	4,651	10,000
Others	Special Steel	3,337	3,199	6,536	2,588	2,294	11,419	2,366	2,843	5,210	10,300
	Others	353	340	694	301	364	1,360	387	407	795	1,200
	Net Sales	3,691	3,539	7,230	2,890	2,659	12,780	2,754	3,251	6,006	11,500
	Operating Income	283	128	411	157	4	574	20	(-65)	(-45)	0
Total net sales		56,290	47,501	103,792	44,989	52,272	201,055	53,072	58,974	112,047	225,000
Total Operating Income		2,283	352	2,636	1,533	2,679	6,850	2,416	4,019	6,435	13,500
Japan		29,973	26,460	56,433	21,855	26,203	104,490	27,444	29,940	57,385	115,000
Overseas (Overseas Sales Ratio)		26,317 (46.8%)	21,041 (44.3%)	47,359 (45.6%)	23,134 (51.4%)	26,071 (49.9%)	96,564 (48.0%)	25,627 (48.3%)	29,033 (49.2%)	54,661 (48.8%)	110,000 (48.9%)
America		7,050	4,579	11,629	5,791	6,909	24,330	6,107	6,871	12,979	26,500
Europe		3,108	1,899	5,008	2,325	2,873	10,207	2,776	3,216	5,992	12,000
Asia (China)		16,158 (7,756)	14,562 (8,400)	30,720 (16,157)	15,017 (9,536)	16,287 (9,819)	62,026 (35,513)	16,743 (9,771)	18,945 (11,736)	35,689 (21,507)	71,500 (43,000)