

Business Results

for the First Half of FY2023

July 13, 2023



NACHI-FUJIKOSHI CORP.

Outline

- | | |
|---|--------|
| 1. Business Results
for the First Half of FY2023 | 2 ~ 7 |
| 2. Business Forecast for FY2023 | 8 ~ 16 |

Business Results

for the First Half of FY2023

2

Results for the First Half of FY2023

1H Actual

(Billions of JPY)

	FY2022 1H(A)	FY2023 1H(B)	Increase/ Decrease (B) – (A)
Net Sales	122.0	135.2	(+10.8%) +13.2
Operating Profit	(6.6%) 8.1	(5.6%) 7.6	(–6.0%) –0.5
Ordinary Profit	(7.2%) 8.7	(5.2%) 7.0	(–19.6%) –1.7
Profit attributable to owners of the parent	5.8	4.7	(–18.9%) –1.1
Exchange rate (USD) (EUR) (CNY)	JPY 119 JPY 132 JPY 18.5	JPY 133 JPY 144 JPY 19.3	14 JPY depreciation 12 JPY depreciation 0.8 JPY depreciation

3

Consolidated Financial Data

1H Actual

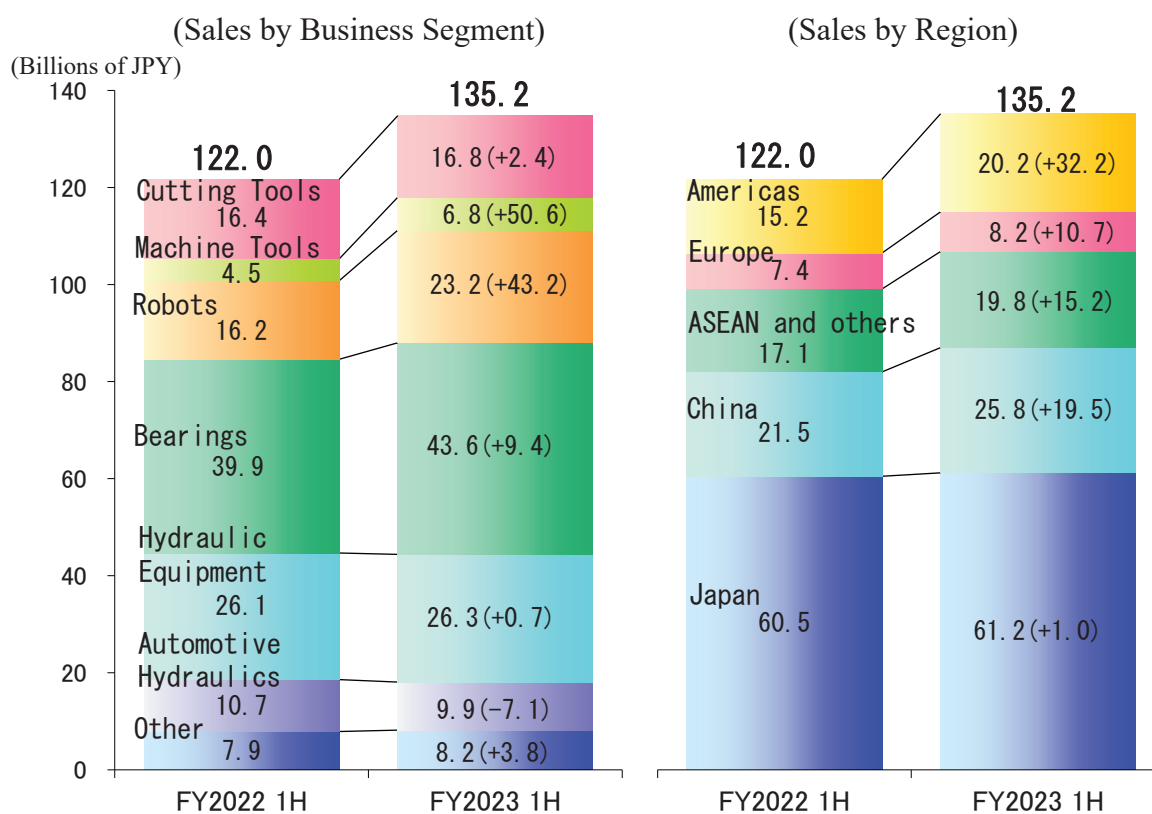
(Billions of JPY)

	FY2022 1H(A)	FY2023 1H(B)	Increase/ Decrease (B) – (A)
ROE	8.6%	6.3%	−2.3pt
Total Assets	332.3	358.8	+26.5
Stockholder's Equity (Stockholder's Equity ratio)	(42.5%) 141.1	(42.3%) 151.9	+10.8
Interest-bearing Debts (Net D/E ratio)	(0.43) 91.9	(0.51) 110.2	+18.3
Facility Investment	9.8	9.7	−0.1
Depreciation and Amortization	8.7	9.5	+0.7
Number of Employees (persons)	7,297	7,245	−52

4

Sales by Business Segment and Region

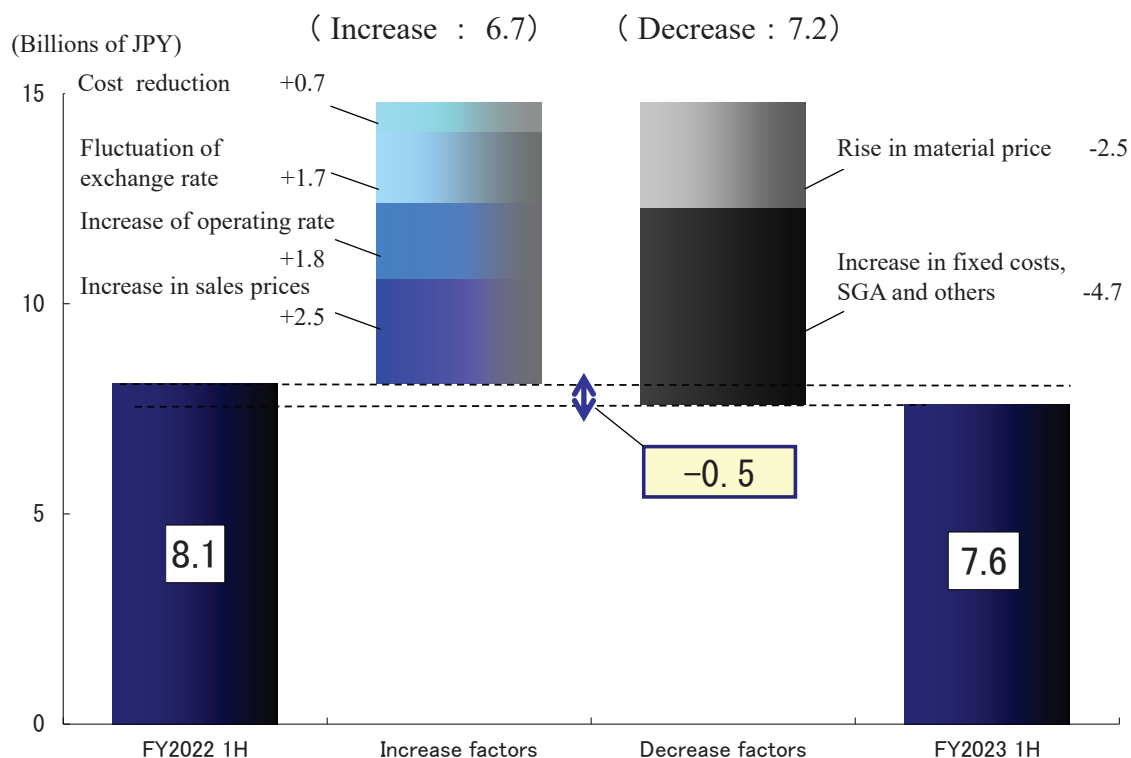
1H Actual



5

Operating Profit Analysis

1H Actual



6

Sales and Operating Profit by Business Segment

1H Actual

(Billions of JPY)

		FY2022 1H (A)	FY2023 1H(B)	Increase/ Decrease (B) - (A)
Machinery & Tools	Cutting Tools	16.4	16.8	(+2.4%) +0.4
	Machine Tools	4.5	6.8	(+50.6%) +2.3
	Robots	16.2	23.2	(+43.2%) +7.0
	Net Sales	37.2	47.0	(+26.1%) +9.8
	Operating Profit	(8.3%) 3.1	(10.1%) 4.7	(+52.1%) +1.6
Components	Bearings	39.9	43.6	(+9.4%) +3.7
	Hydraulic Equipment	26.1	26.3	(+0.7%) +0.2
	Automotive Hydraulic	10.7	9.9	(-7.1%) -0.8
	Net Sales	76.8	79.9	(+4.1%) +3.1
	Operating Profit	(5.7%) 4.3	(3.0%) 2.4	(-44.2%) -1.9
Other	Net Sales	7.9	8.2	(+3.8%) +0.3
	Operating Profit	(8.1%) 0.6	(5.7%) 0.4	(-27.3%) -0.2
Total Net Sales		122.0	135.2	(+10.8%) +13.2
Total Operating Profit		(6.6%) 8.1	(5.6%) 7.6	(-6.0%) -0.5

7

Business Forecast for FY2023

8

Consolidated Financial Highlights(FY2023 Forecast) **FY2023**

(Billions of JPY)

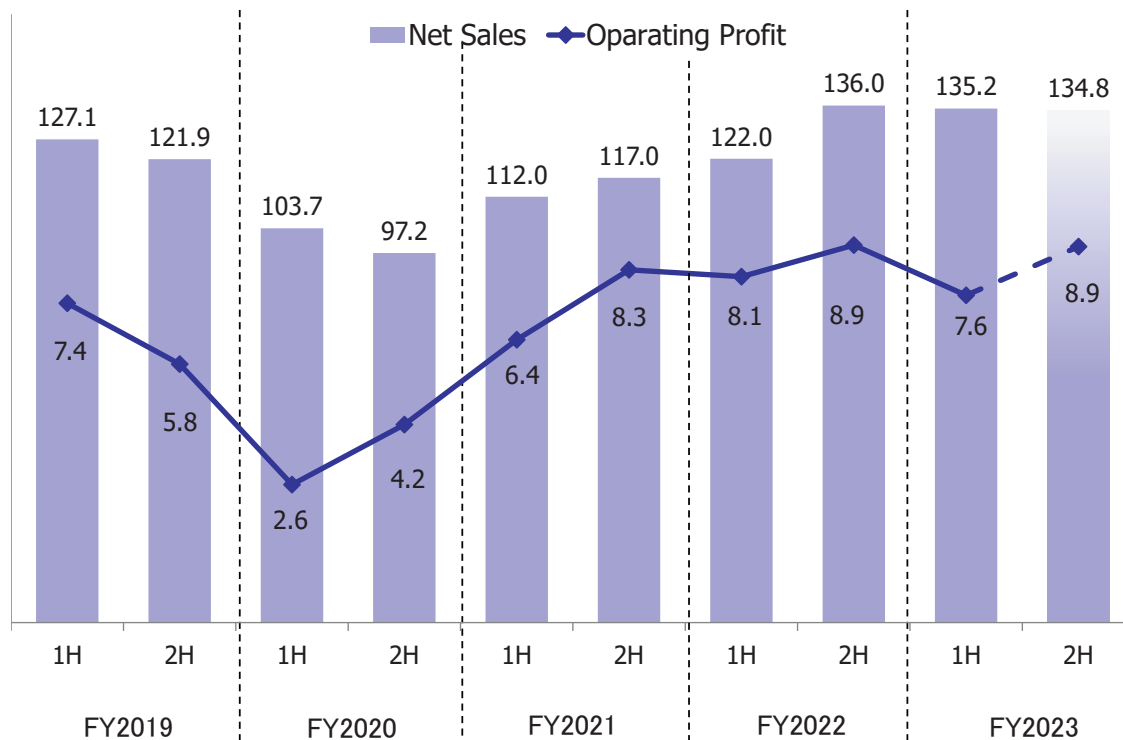
	FY2022 Actual (A)	FY2023 Forecast (B)	Increase/ Decrease (B) – (A)
Net Sales	258.0	270.0	(+4.6%) +12.0
Operating Profit	(6.6%) 17.0	(6.1%) 16.5	(-3.1%) -0.5
Ordinary Profit	(6.6%) 17.1	(5.7%) 15.5	(-9.4%) -1.6
Profit attributable to owners of the parent	12.2	11.0	(-10.1%) -1.2
Exchange rate (USD) (EUR) (CNY)	JPY 129 JPY 136 JPY 19.3	JPY 134 JPY 145 JPY 19.3	5 JPY depreciation 9 JPY depreciation -
Cash Dividend per share	JPY 110	JPY 110	-

9

Trend of business results every half year

FY2023

(Billions of JPY)

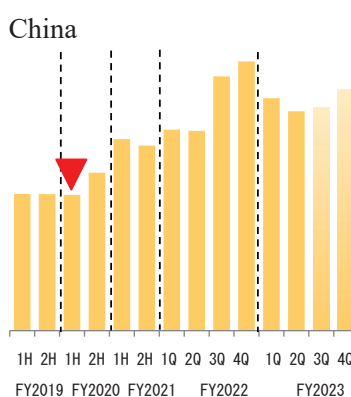
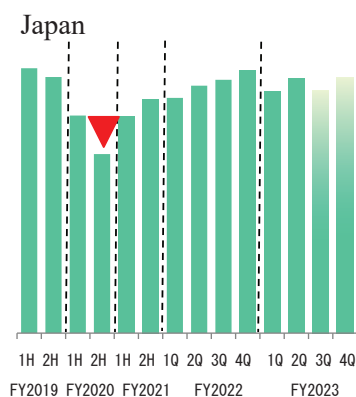


10

Trends of the demand①

FY2023

(Trends by Region)



Japan

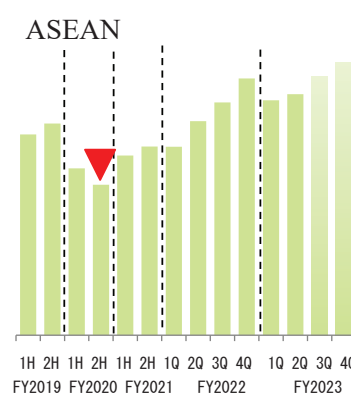
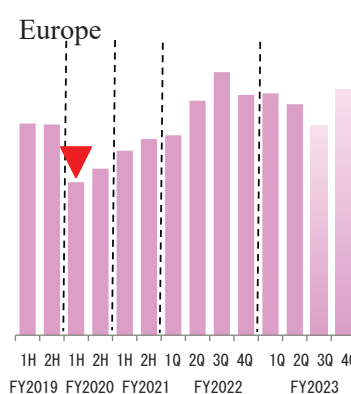
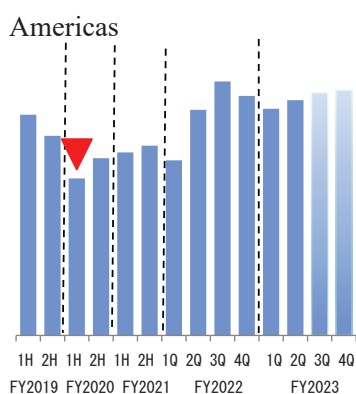
Automobile production will recover from the second half, and Industrial machine will remain firm

China

Production of construction machine is currently being adjusted, but the demand for EV-related will continue to expand

Europe, Americas, and ASEAN

Both Automobile and industrial machine will recover steadily

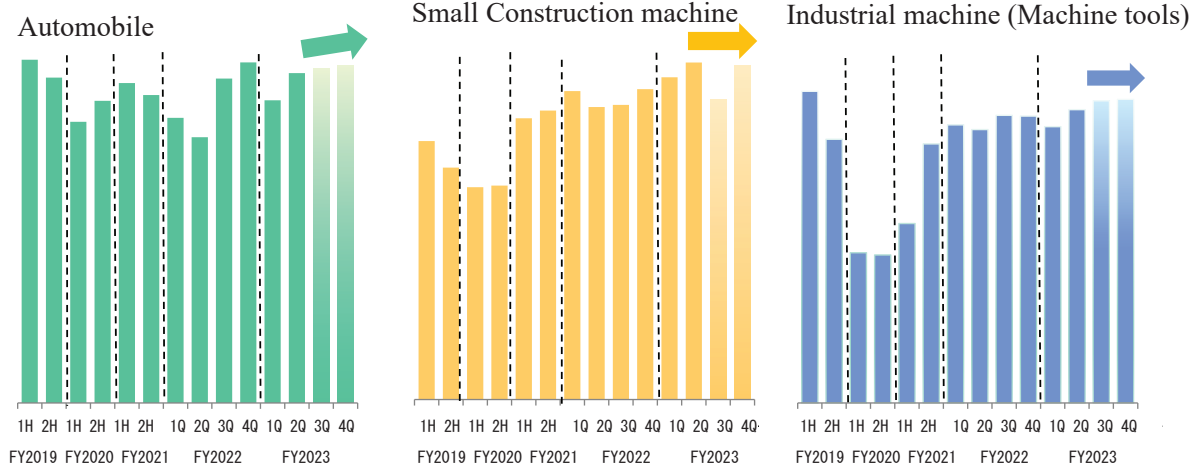


11

Trends of the demand②

FY2023

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



(Trends of main industries)

Automobile : Production was adjusted in the first half, but it will recover from the second half.

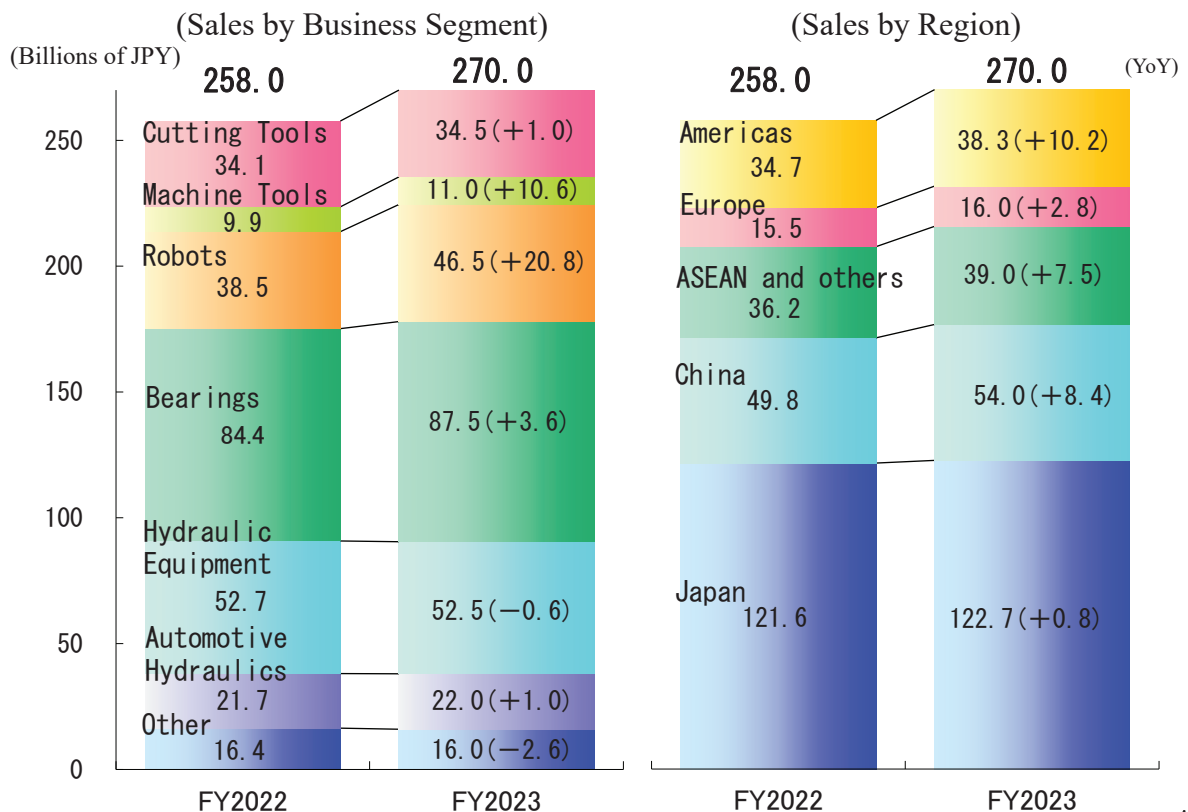
Construction machine : Despite production adjustment in China and Europe, the total production will remain at a high level.

Industrial machine : The demand for machine tools will remain firm.

12

Sales by Business Segment and Region

FY2023



13

Sales and Operating Profit by Business Segment

FY2023

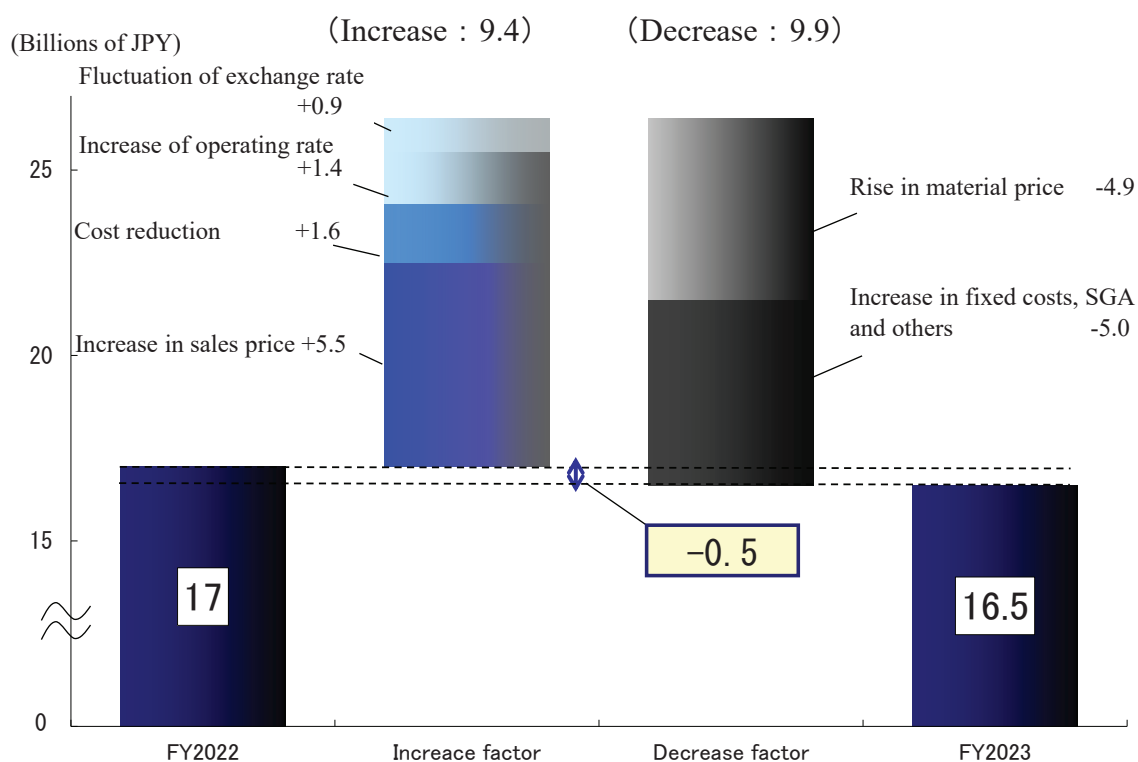
(Billions of JPY)

		FY2022 Actual (A)	FY2023 Forecast (B)	Increase/ Decrease (B) – (A)	
Machinery & Tools	Cutting Tools	34.1	34.5	(+1.0%)	+0.4
	Machine Tools	9.9	11.0	(+10.6%)	+1.1
	Robots	38.5	46.5	(+20.8%)	+8.0
	Net Sales	82.6	92.0	(+11.4%)	+9.4
	Operating Profit	(9.7%) 7.9	(10.3%) 9.5	(+19.1%)	+1.5
Components	Bearings	84.4	87.5	(+3.6%)	+3.1
	Hydraulic Equipment	52.7	52.5	(-0.6%)	-0.2
	Automotive Hydraulic	21.7	22.0	(+1.0%)	+0.3
	Net Sales	159.0	162.0	(+1.8%)	+3.0
	Operating Profit	(4.8%) 7.6	(3.7%) 6.0	(-21.7%)	-1.7
Other	Net Sales	16.4	16.0	(-2.6%)	-0.4
	Operating Profit	(8.5%) 1.3	(6.3%) 1.0	(-28.4%)	-0.3
Total Net Sales		258.0	270.0	(+4.6%)	+12.0
Total Operating Profit		(6.6%) 17.0	(6.1%) 16.5	(-3.1%)	-0.5

14

Operating Profit Analysis

FY2023



15

Consolidated Financial Data

FY2023

(Billions of JPY)

	FY2022 Actual (A)	FY2023 Forecast (B)	Increase/ Decrease (B) – (A)
ROE	8.8%	7.2%	–1.6pt
Total Assets	357.4	362.7	+5.3
Stockholder's Equity (Stockholder's Equity ratio)	(41.7%) 148.9	(43.6%) 158.2	+9.3
Interest-bearing Debts (Net D/E ratio)	(0.44) 99.8	(0.48) 110.1	+10.3
Facility Investment	20.3	22.0	+1.7
Depreciation and Amortization	18.3	19.5	+1.2
Number of Employees (persons)	7,259	7,250	–9

16

NACHI

<http://www.nachi-fujikoshi.co.jp/>

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.

17