

Business Results for FY2022

Jan. 12, 2023



Outline

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Business Forecast for FY2023	8 ~16

Business Results for FY2022

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Business Results for FY2022

FY2022

(Billions of JPY)

	FY2021 Actual (A)		FY2022 Actual (B)		Increase/ Decrease (B) – (A)
Net Sales	229.1		258.0		(+12.6%) +28.9
Operating Income	(6.4%)	14.7	(6.6%)	17.0	(+15.7%) +2.3
Ordinary Income	(6.3%)	14.4	(6.6%)	17.1	(+18.3%) +2.7
Net Income attributable to owners of the parent	9.9		12.2		(+22.5%) +2.3
Exchange rate (USD) (EUR) (CNY)	JPY 108		JPY 129		21 JPY depreciation
	JPY 129		JPY 136		7 JPY depreciation
	JPY 16.8		JPY 19.3		2.5 JPY depreciation
Cash Dividends	JPY 100		JPY 110		+10 JPY

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Consolidated Financial Data

FY2022

(Billions of JPY)

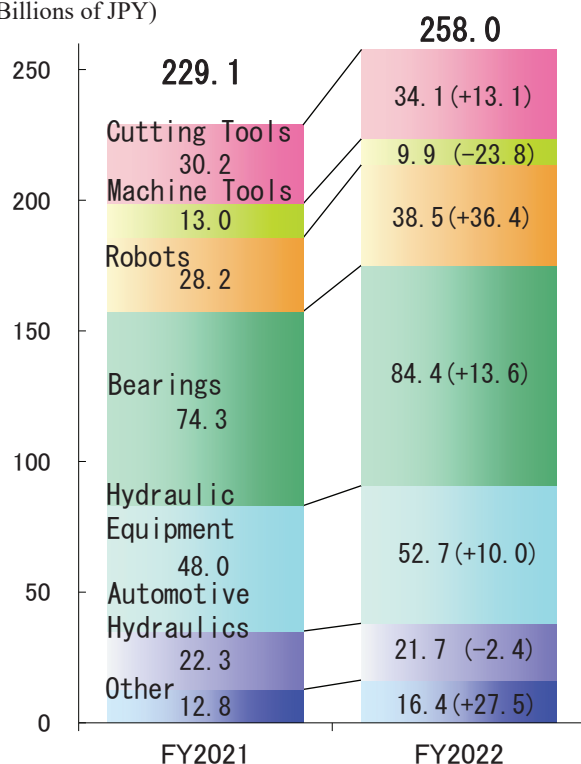
	FY2021 Actual (A)	FY2022 Actual (B)	Increase/ Decrease (B) – (A)
ROE	8.1%	8.8%	+0.7pt
Total Assets	319.3	357.4	+38.1
Stockholder's Equity (Stockholder's Equity ratio)	(40.7%) 130.1	(41.7%) 148.9	+18.8
Interest-bearing Debts (Net D/E ratio)	(0.39) 90.4	(0.44) 99.8	+9.4
Facility Investment	16.3	20.3	+4.0
Depreciation and Amortization	16.8	18.3	+1.5
Number of Employees (persons)	7,205	7,259	+54

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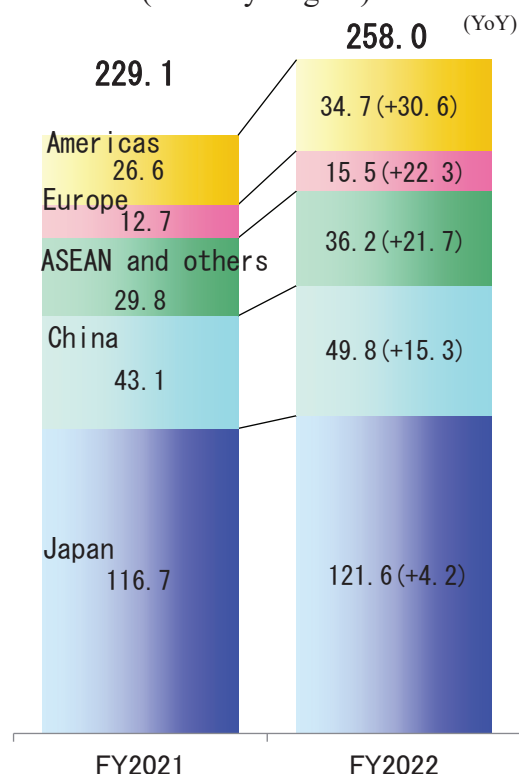
Sales by Business Segment and Region

FY2022

(Sales by Business Segment)
(Billions of JPY)



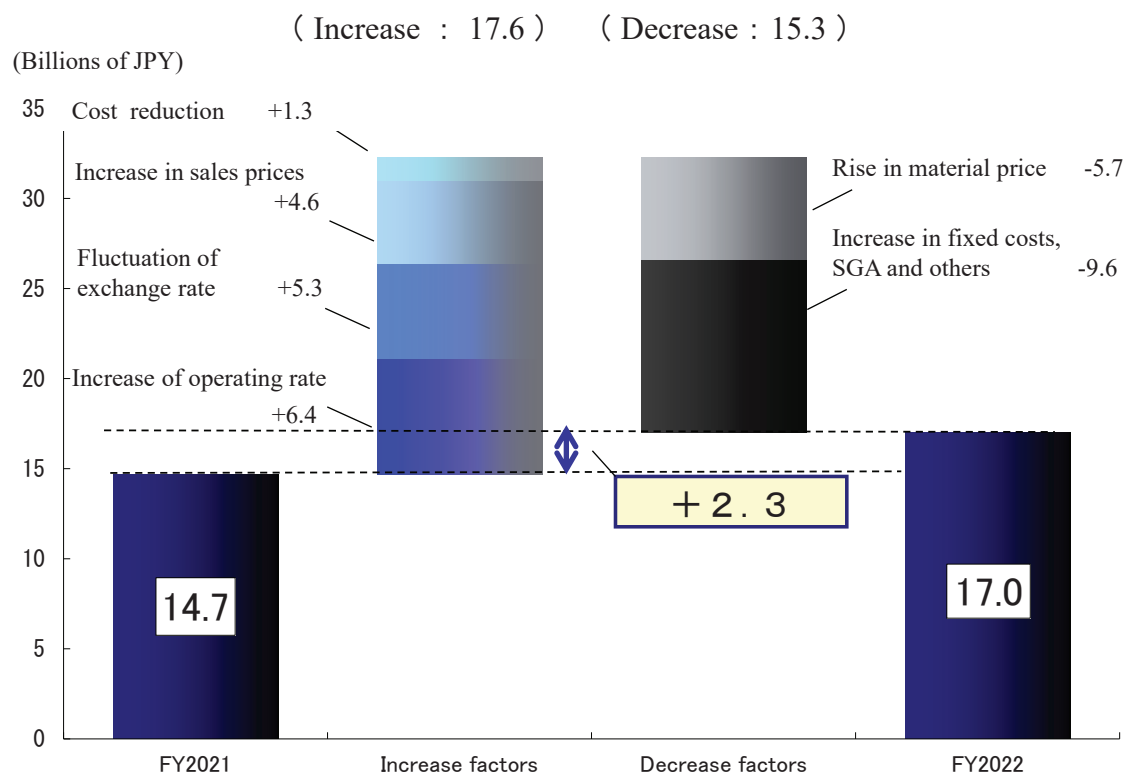
(Sales by Region)



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Operating Income Analysis

FY2022



Sales and Operating Income by Business Segment

FY2022

(Billions of JPY)

		FY2021 Actual (A)	FY2022 Actual (B)	Increase/ Decrease (B) – (A)
Machinery & Tools	Cutting Tools	30.2	34.1	(+13.1%) +3.9
	Machine Tools	13.0	9.9	(-23.8%) -3.1
	Robots	28.2	38.5	(+36.4%) +10.3
	Net Sales	71.4	82.6	(+15.5%) +11.2
	Operating Income	(6.4%) 4.6	(9.7%) 7.9	(+73.1%) +3.3
Components	Bearings	74.3	84.4	(+13.6%) +10.1
	Hydraulic Equipment	48.0	52.7	(+10.0%) +4.7
	Automotive Hydraulic	22.3	21.7	(-2.4%) -0.6
	Net Sales	144.7	159.0	(+9.9%) +14.3
	Operating Income	(6.8%) 9.9	(4.8%) 7.6	(-22.6%) -2.3
Other	Net Sales	12.8	16.4	(+27.5%) +3.6
	Operating Income	(0.8%) 0	(8.5%) 1.3	(14.1 times) +1.3
Total Net Sales		229.1	258.0	(+12.6%) +28.9
Total Operating Income		(6.4%) 14.7	(6.6%) 17.0	(+15.7%) +2.3

Business Forecast for FY2023

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Consolidated Financial Highlights

FY2023

(Billions of JPY)

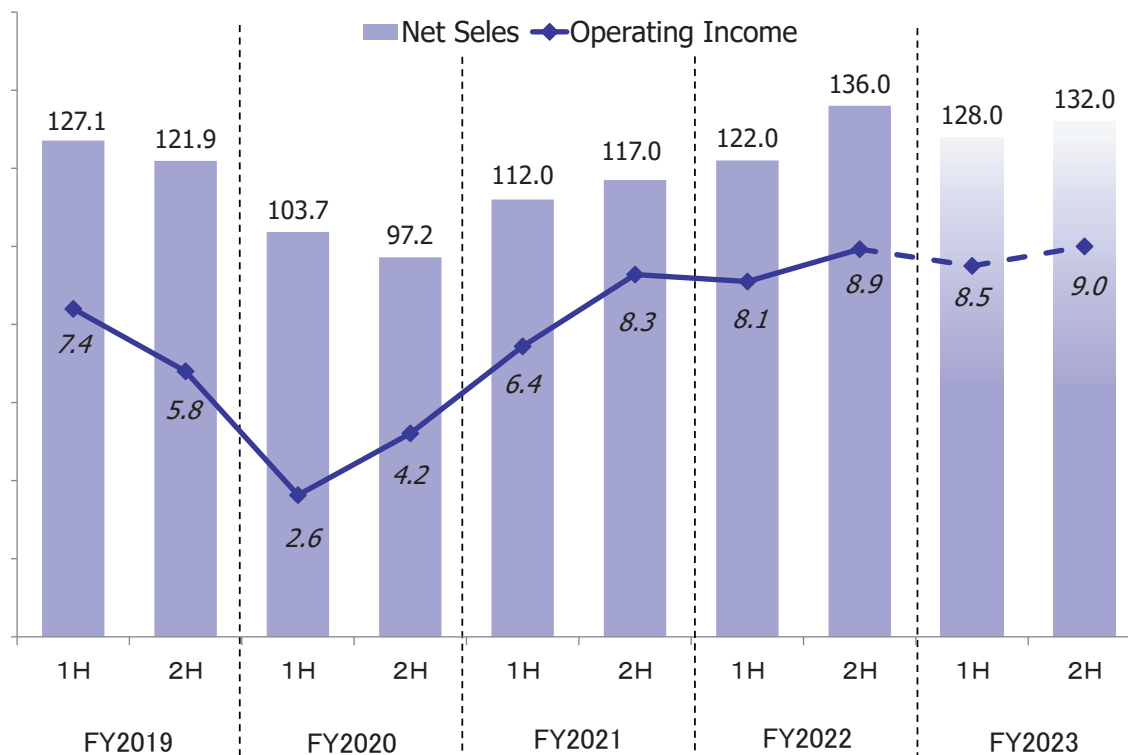
	FY2022 Actual (A)	FY2023 Forecast (B)	Increase/ Decrease (B) – (A)
Net Sales	258.0	260.0	(+0.7%) +2.0
Operating Income	(6.6%) 17.0	(6.7%) 17.5	(+2.8%) +0.5
Ordinary Income	(6.6%) 17.1	(6.3%) 16.5	(–3.5%) –0.6
Net Income attributable to owners of the parent	12.2	12.5	(+2.1%) +0.3
Exchange rate (USD) (EUR) (CNY)	JPY 129 JPY 136 JPY 19.3	JPY 125 JPY 130 JPY 18.5	4 JPY appreciation 6 JPY appreciation 0.8 JPY appreciation
Cash Dividends	JPY 110	JPY 110	—

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Trend of business results every half year

FY2023

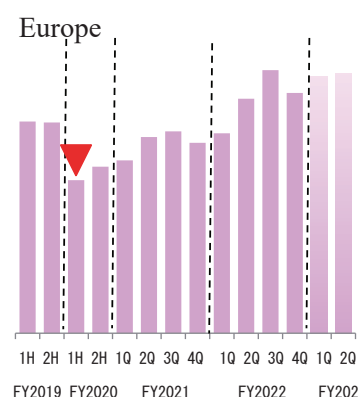
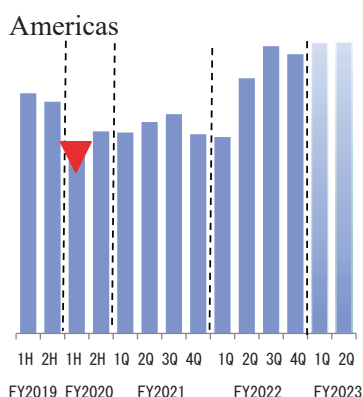
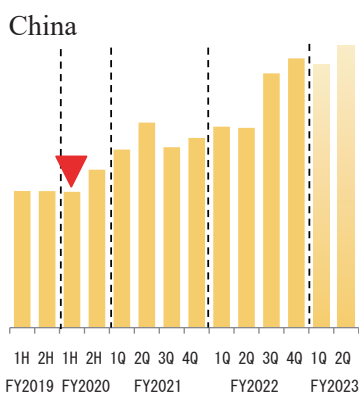
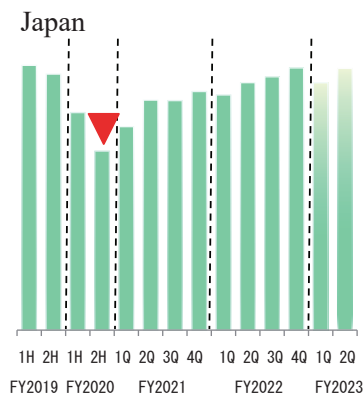
(Billions of JPY)



Trends of the demand①

FY2023

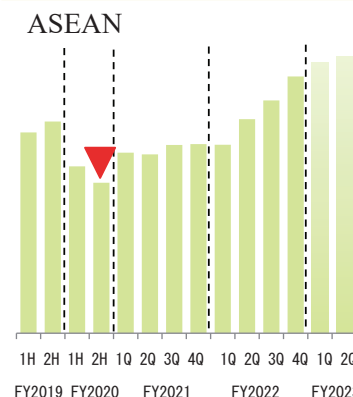
(Trends by Region)



Japan
Automobile production will be adjusted in the first half, but Industrial machine will recover steadily

China:
The demand for EV-related will continue to expand

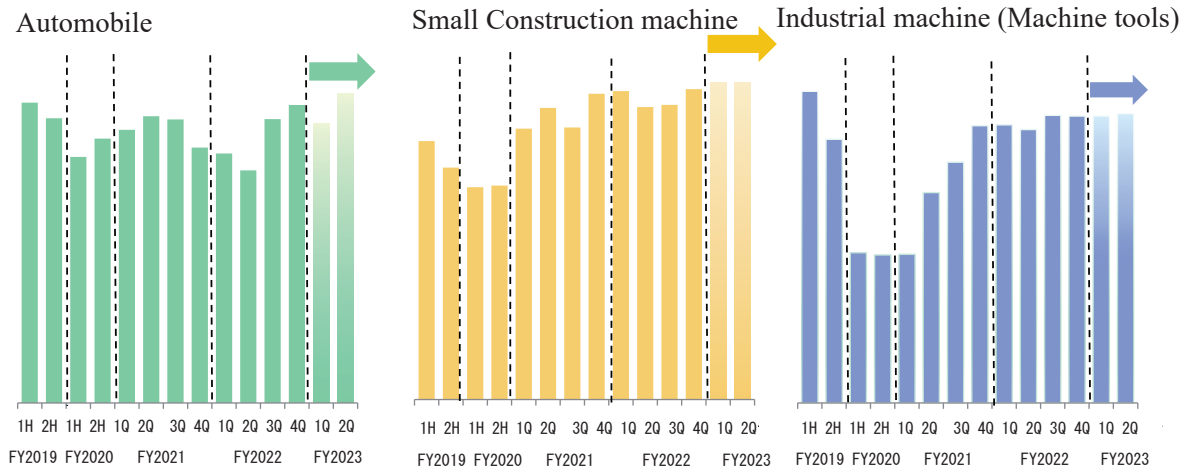
Europe, Americas, and ASEAN:
Both Automobile and industrial machine will stay steady



Trends of the demand②

FY2023

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



(Trends of main industries)

Automobile : Despite production cuts in the first half, the demand for automotive parts will recover from the second half.

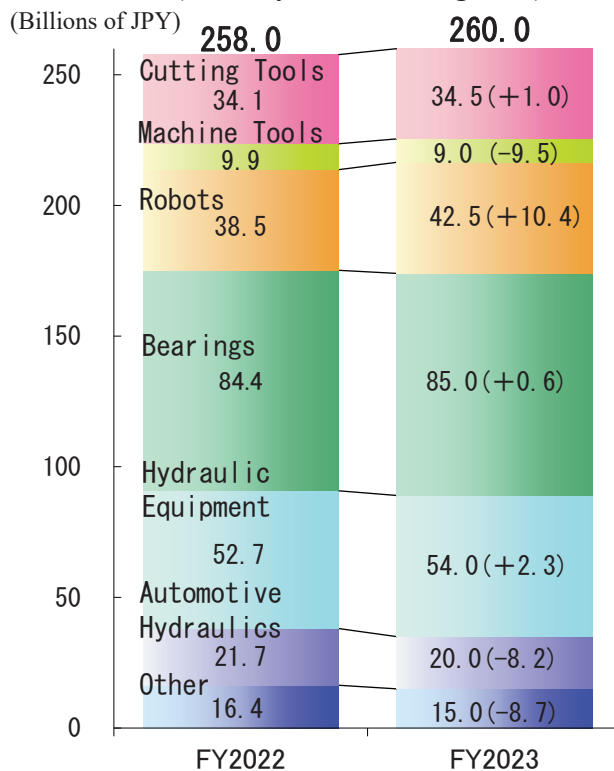
Construction machine : The high level of production will continue in China, Europe, Americas and so on.

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

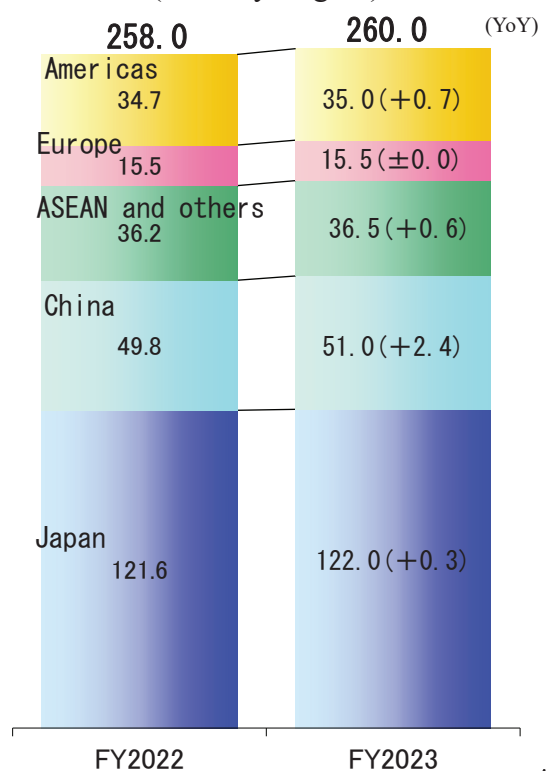
Sales by Business Segment and Region

FY2023

(Sales by Business Segment)



(Sales by Region)



Sales and Operating Income by Business Segment

FY2023

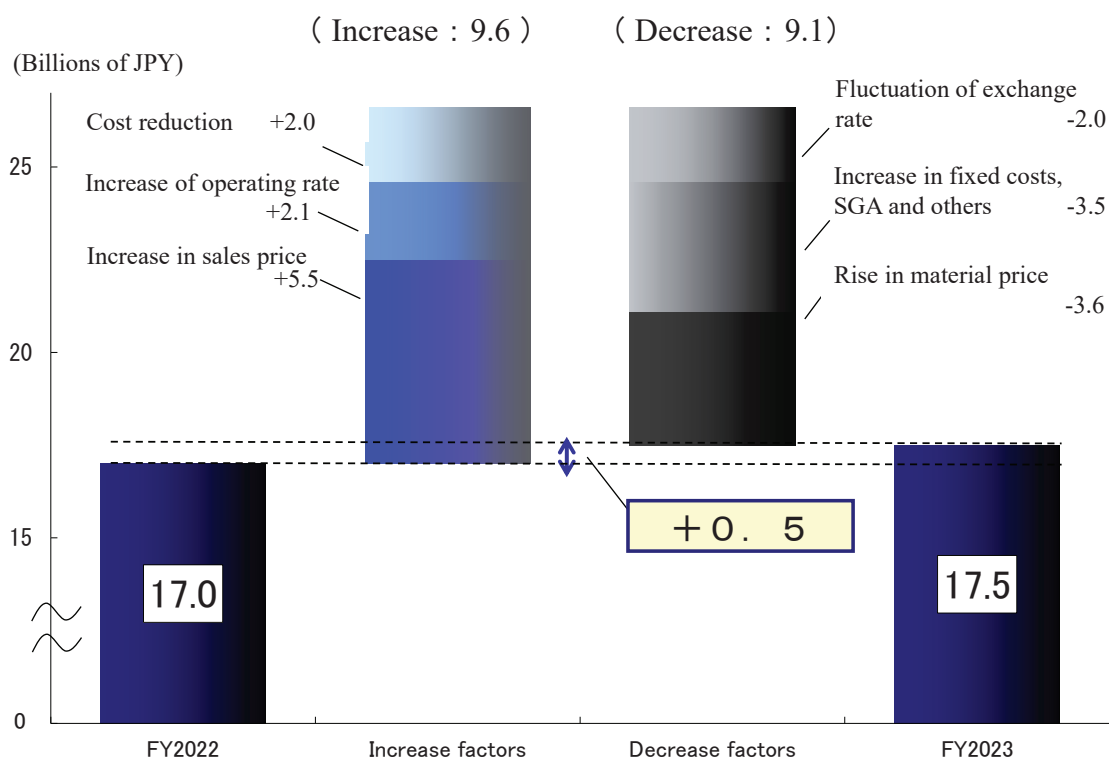
(Billions of JPY)

		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	9.0	(-9.5%)	-0.9
	Robots	38.5	42.5	(+10.4%)	+4.0
	Net Sales	82.6	86.0	(+4.1%)	+3.4
	Operating Income	(9.7%) 7.9	(9.9%) 8.5	(+6.5%)	+0.6
Components	Bearings	84.4	85.0	(+0.6%)	+0.5
	Hydraulic Equipment	52.7	54.0	(+2.3%)	+1.2
	Automotive Hydraulic	21.7	20.0	(-8.2%)	-1.7
	Net Sales	159.0	159.0	(±0.0%)	±0.0
	Operating Income	(4.8%) 7.6	(5.0%) 8.0	(+4.4%)	+0.4
Other	Net Sales	16.4	15.0	(-8.7%)	-1.4
	Operating Income	(8.5%) 1.3	(6.7%) 1.0	(-28.4%)	-0.3
Total Net Sales		258.0	260.0	(+0.7%)	+2.0

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Operating Income Analysis

FY2023



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Consolidated Financial Data

FY2023

(Billions of JPY)

	FY2022 Actual (A)	FY2023 Forecast (B)	Increase/ Decrease (B) – (A)
ROE	8.8%	8.2%	–0.6pt
Total Assets	357.4	363.0	+5.6
Stockholder's Equity (Stockholder's Equity ratio)	(41.7%) 148.9	(43.3%) 157.0	+8.1
Interest-bearing Debts (Net D/E ratio)	(0.44) 99.8	(0.42) 100.0	+0.2
Facility Investment	20.3	25.0	+4.7
Depreciation and Amortization	18.3	20.5	+2.2
Number of Employees (persons)	7,259	7,473	+214

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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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