

# FY2021 Consolidated Financial Results Highlights

## 1. Overview

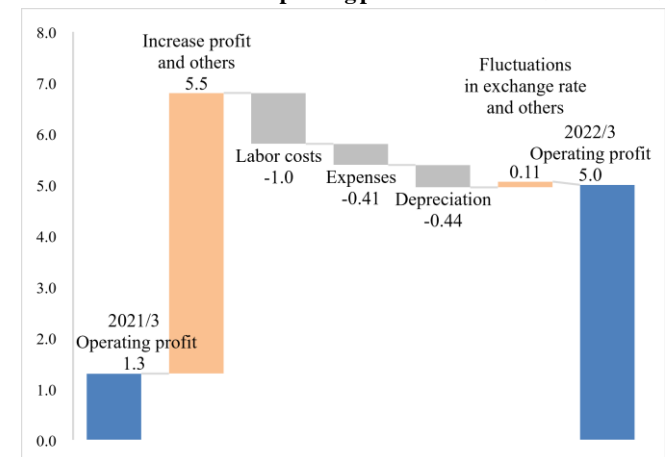
2022/3 Financial Results	Actual	
	2021/3	2022/3
Net sales	84,720	104,024
Operating profit (Operating margin)	1,315 (1.6%)	5,042 (4.8%)
Ordinary profit (Ordinary income margin)	874 (1.0%)	4,836 (4.6%)
Profit attributable to owners of parent (Net profit margin)	104 (0.1%)	1,897 (1.8%)
Return on Equity (ROE)	0.2%	3.3%
Net assets to total assets	36.3%	36.3%
Net interest bearing debt	36,462	34,110
Capital Expenditure	8,128	6,752
Depreciation	8,790	9,240
R&D expenses	1,971	1,934
Number of consolidated subsidiaries	33	33
Exchange rate (USD)	103.50	115.02
Exchange rate (EUR)	126.95	130.51

Year-on-year comparison	
Amount	%
19,303	22.8%
3,726	283.2%
(3.3%)	—
3,962	453.2%
(3.6%)	—
1,793	—
(1.7%)	—
3.1%	—
—	—
- 2,351	- 6.4%
- 1,375	- 16.9%
449	5.1%
- 36	- 1.9%
0	—

Exchange rate is TTM rate as of December 31.

(Unit: JPY Million)	
Forecast	
2022/9	2023/3
52,500	108,000
1,550	3,500
(3.0%)	(3.2%)
1,450	3,300
(2.8%)	(3.1%)
750	1,700
(1.4%)	(1.6%)
—	—
—	6,000
—	9,100
—	2,100
—	—
—	—
115.00	—
130.00	—

### «Causes of Fluctuation in Operating profit»

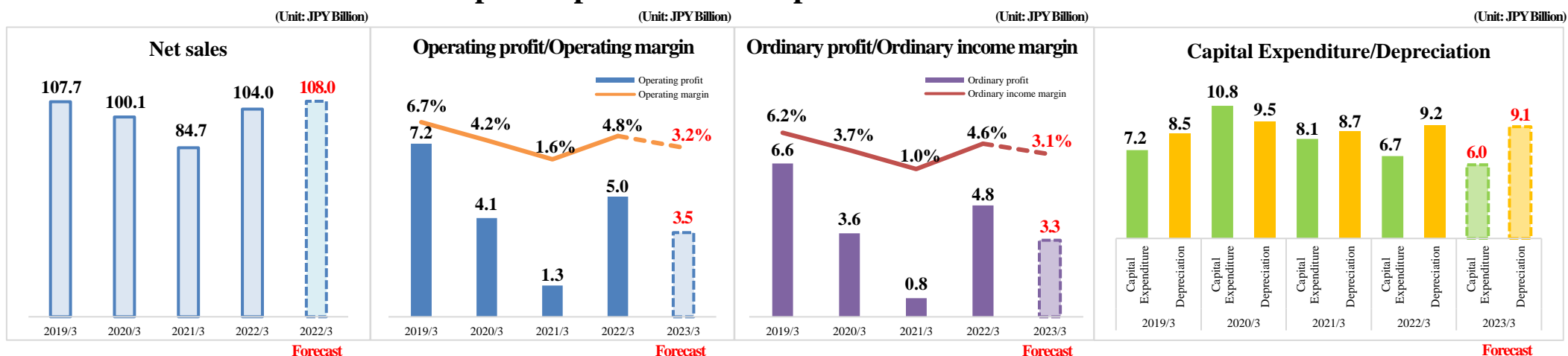


### «Dividend/Dividend Payout Ratio»

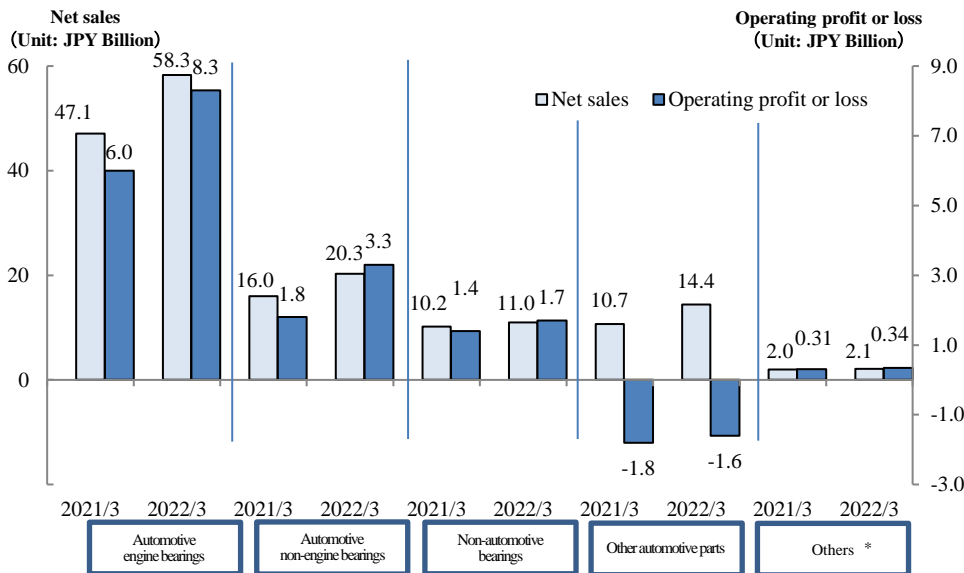
	2019/3	2020/3	2021/3	2022/3	2023/3
Interim	15	20 (*1)	10	10	10 (*2)
Year-end	15	15	10	15 (*2)	15 (*2)
Annual	30	35	20	25 (*2)	25 (*2)
Dividend Payout Ratio	32.0%	60.1%	888.7%	61.4%	68.4% (*2)

(\*1) The interim dividend for FY2019 : Regular dividend (15 yen) + Commemorative dividend (5 yen)  
(\*2) Forecast

## 2. Consolidated Financial Results/Capital Expenditure and Depreciation

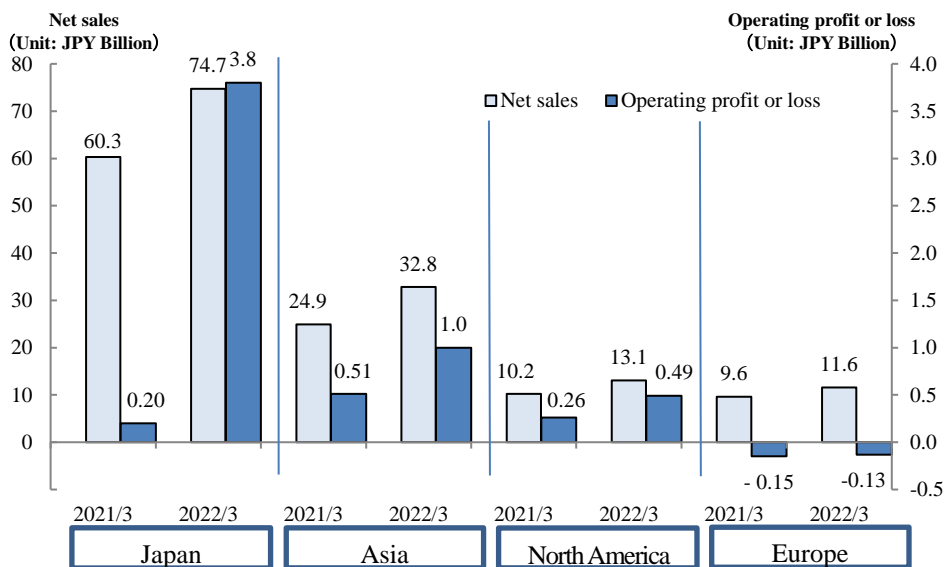


### 3. Sales and Operating profit by Segment (Before elimination of inter-segment transactions)



\*"Others" includes electrode sheets for electric double layer capacitors, the metallic dry bearings business, pump-related products businesses, and real estate leasing business.

### 4. Sales and Operating profit by Region (Before elimination of internal transactions)



\* Future prospects are prepared as information purpose only, based on the information available to us at this moment, and are under certain condition which we assumed reasonable. We will not guarantee the realization of such prospects, and actual performance fluctuates due to various factors.

Segment	Net sales ratio 2022/3	[Sales] (+)Gains (-)Losses (Unit: JPY Million)		[Operating profit] (+)Gains (-)Losses (Unit: JPY Million)	
		Year-on-year comparison Amount (%)	Causes of Gains and Losses	Year-on-year comparison Amount (%)	Causes of Gains and Losses
Automotive engine bearings	54.9%	11,241 (23.8%)	①(+) <b> Japan</b> : Orders increase due to the new business development. ②(+) <b> Japan</b> : Orders increase of export truck market for Southeast Asia, etc., due to recovery from COVID-19. ③(+) <b> Orders increase due to in globally strong demand recovery from COVID-19.</b>	2,327 (38.5%)	(+) As sales increased on the left.
Automotive non-engine bearings	19.2%	4,375 (27.3%)	④(+) <b> Orders increase due to recovery in global automotive production from COVID-19.</b>	1,509 (82.5%)	(+) As sales increased on the left.
Non-automotive bearings	10.4%	784 (7.6%)	⑤(+) <b> Ships</b> : Orders increase for the development of new customers in China, despite of decline in overall demand in the marine industry. ⑥(+) <b> Construction machinery etc.</b> : Orders increase due to recovery in demand for service parts of construction machinery, and generators. ⑦(-) <b> Energy sector</b> : Orders decrease for gas and steam turbine bearings, despite of increasing assembly bearing for Hydraulic power generation by winning over new customers.	291 (20.0%)	(+) As sales increased on the left. (-) As sales decreased on the left.
Other automotive parts	13.6%	3,706 (34.5%)	⑧(+) <b> Formed pipes, Knock pins, NC milled parts, etc.</b> : Orders a slight increase due to strong recovery from COVID-19. ⑨(+) <b> Aluminum die cast products</b> : Orders increase due to demand recovery in Thailand from COVID-19 in Automotive Industry and new entrants for electric vehicles.	202 (11.0%)	⑩(+) <b> Formed pipes, Knock pins, NC milled parts, etc.</b> : Impact of profit improvement by recovery from COVID-19, and productivity improvement and rationalization efforts. ⑪(+) <b> Aluminum die cast products</b> : Impact of increased orders due to recovery from COVID-19 in Thailand and profit improvement due to efforts to reduce labor costs, etc.
Others	2.0%	78 (3.8%)	(+) Demand increase for special types of bearings from general industry sector.	24 (7.8%)	
Elimination of inter-segment transactions		- 882		- 629	
Total		19,303 (22.8%)		3,726 (283.2%)	

Region	Net sales ratio 2022/3	[Sales] (+)Gains (-)Losses (Unit: JPY Million)		[Operating profit] (+)Gains (-)Losses (Unit: JPY Million)	
		Year-on-year comparison Amount (%)	Causes of Gains and Losses	Year-on-year comparison Amount (%)	Causes of Gains and Losses
Japan	56.5%	14,438 (23.9%)	(+) Same as ①, ② above. ⑫(+) <b> Orders increase due to recovery in industrial machinery and hydraulic equipment from COVID-19.</b> ⑬(+) <b> Orders increase due to recovery in demand for service parts of construction machinery.</b>	3,617 (-)	(+) Same as ⑩ above. ⑭(+) <b> Formed pipes, Knock pins, NC milled parts, etc.</b> : Impact of profit improvement by recovery from COVID-19.
Asia	24.8%	7,834 (31.4%)	⑮(+) <b> China</b> : Strong performance for local automobile manufacturers in China. ⑯(+) <b> Thailand</b> : Orders increase due to recovery from COVID-19 in Automotive Industry, and new delivery of aluminum die cast products for electric vehicles.	529 (103.0%)	(+) As sales increased on the left.
North America	9.9%	2,901 (28.3%)	⑰(+) <b> Orders increase due to recovery in automotive production from COVID-19.</b> ⑱(+) <b> Orders increase due to continued recovery in demand in the construction machinery.</b>	229 (85.3%)	(+) As sales increased on the left.
Europe	8.8%	1,985 (20.5%)	(+) Same as ⑮ above. ⑲(+) <b> Orders increase due to the development of non-automotive bearings for medium-speed and high-speed diesel engines.</b>	20 (13.2%)	
Elimination of internal transactions		-7,857		-670	
Total		19,303 (22.8%)		3,726 (283.2%)	