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August 2, 2023

**Consolidated Financial Results
for the Three Months Ended June 30, 2023
[Under Japanese GAAP]
(Unaudited)**

Company name: NTN Corporation

Listing: Tokyo Stock Exchange

Securities code: 6472

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Scheduled date to file quarterly securities report: August 8, 2023

Scheduled date to commence dividend payment: —

Preparation of supplementary material of the financial results: Yes

Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2023	200,768	16.3	1,490	—	1,925	—	1,641	—
Three months ended June 30, 2022	172,614	10.2	(783)	—	10	(99.6)	(2,487)	—

Note: comprehensive income: Three months ended June 30, 2023: 21,255 million yen (31.1%)
Three months ended June 30, 2022: 16,215 million yen (257.5%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended June 30, 2023	3.09	—
Three months ended June 30, 2022	(4.69)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	897,379	257,324	26.7
As of March 31, 2023	869,827	237,425	25.4

Note: Equity (Shareholders' equity + Accumulated other comprehensive income)

As of June 30, 2023: 239,794 million yen

As of March 31, 2023: 220,659 million yen

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	2.50	—	2.50	5.00
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (forecast)		5.00	—	5.00	10.00

Note: Revision to the most recently published forecast of dividends: None

3. Forecast of Consolidated Earnings for the Year Ending March 31, 2024 (from April 1, 2023 to March 31, 2024)
 (Percentage figures represent year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	404,000	8.7	6,500	68.4	4,500	25.2	4,500	—	8.48
Full year	825,000	6.6	30,000	75.0	23,000	90.9	11,000	6.1	20.72

Notes: Revision to the most recently published forecast of earnings: Yes

Please refer to "Notice Regarding Revision of First Half and Full Year Forecasts of Earnings for the Fiscal Year Ending March 31, 2024" issued on August 2, 2023.

* Notes to consolidated financial statements

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Adoption of accounting method specific to the preparation of quarterly consolidated financial statements:
 Yes

(Note) For further details, refer to "(4) Notes to Quarterly Consolidated Financial Statements" (Adoption of Accounting Method Specific to the Preparation of Quarterly Consolidated Financial Statements) in "2. Quarterly Consolidated Financial Statements" on page 11 of the attached documents.

(3) Changes in accounting principles and accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatements: None

(4) Number of issued shares (common stocks)

1) Total number of issued shares at the end of the period (including treasury stock):

As of June 30, 2023:	532,463,527 shares
As of March 31, 2023:	532,463,527 shares

2) Number of treasury stock at end of the period:

As of June 30, 2023:	1,529,420 shares
As of March 31, 2023:	1,567,870 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023:	530,905,266 shares
Three months ended June 30, 2022:	530,867,753 shares

* This quarterly financial results report is exempt from quarterly review to be performed by certified public accountants or an audit firm.

* Notes

All descriptions about the future of the Company contained herein including earnings forecasts are prepared on the basis of data and information currently in our possession as well as certain assumptions that are deemed reasonable, and therefore are not meant to have us committed to their achievement. Various factors may cause actual results to substantially differ from those described herein.

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1. Qualitative Information on Quarterly Consolidated Financial Results for the Three Months Ended June 30, 2023

(1) Explanation Regarding Operating Results

Regarding the global economy in the first quarter of the current fiscal year (from April 1, 2023 to June 30, 2023), a gradual recovery continued as economic activities normalized, although there were stagnations in some regions. The Japanese economy has been gradually recovering as personal consumption, capital investment, and the employment situation recovered. Overseas, the U.S. economy, the Chinese economy, and the economies of other emerging countries in Asia and others continued to show signs of gradual recovery, but the European economy was at a standstill mainly due to the energy situation and monetary tightening. In addition, the situation of global economy remains uncertain due to semiconductor shortage, supply chain disruptions, situation in Ukraine, energy problems, and price increases, as well as the global monetary tightening.

Under these business environment, the Company will steadily implement the measures in the Medium-term Management Plan “DRIVE NTN100” Phase 2, which started in April, 2021, accelerate the transformation of our business structure, strengthen our financial position and organization, and aim to build a business structure that can flexibly respond to changes in the business environment.

Net sales for the first quarter amounted to 200,768 million yen (up 16.3% year on year). Regarding profit and loss, operating income amounted to 1,490 million yen (operating loss of 783 million yen in the same period of the previous fiscal year), ordinary income amounted to 1,925 million yen (ordinary income of 10 million yen in the same period of the previous fiscal year), and profit attributable to owners of parent was 1,641 million yen (loss attributable to owners of parent of 2,487 million yen in the same period of the previous fiscal year) mainly due to price pass-on measures despite increases in steel prices and fixed costs.

Operating results by reporting segment (company location) were as follows:

(1) Japan

Sales in aftermarket applications decreased in industrial machinery aftermarket applications. Sales in the industrial machinery applications increased in gearboxes. Sales in automotive applications increased due to recovered customer demand and other factors. As a result, net sales amounted to 86,111 million yen (down 0.6% year on year). Segment income amounted to 1,543 million yen (down 72.8% year on year) due to increases in steel prices and fixed costs, despite price pass-on measures.

(2) Americas

Sales in aftermarket applications decreased in industrial machinery and automotive aftermarket applications. Sales in industrial machinery applications decreased in construction machinery and agricultural machinery. Sales in automotive applications increased due to recovered customer demand. As a result, net sales amounted to 65,119 million yen (up 18.9% year on year). Segment loss was 1,983 million yen (segment loss of 3,277 million yen in the same period of the previous fiscal year), although there was promotion of price pass-on measures accompanied by price hike in steel prices and increased fixed costs.

(3) Europe

Sales in aftermarket applications decreased in industrial machinery aftermarket applications and increased in automotive aftermarket applications. Sales in industrial machinery applications increased mainly in aircrafts but decreased in agricultural machinery and others. Sales in automotive applications increased due to recovered customer demand. As a result, net sales amounted to 47,542 million yen (up 18.9% year on year). Segment loss was 1,001 million yen (segment loss of 1,483 million yen in the same period of the previous fiscal year), although there was promotion of price pass-on measures accompanied by price hike in steel prices and increased fixed costs.

(4) Asia and other areas

Sales in aftermarket applications increased in industrial machinery aftermarket applications. Sales in industrial machinery applications increased mainly in wind turbines but decreased mainly in agricultural machinery. Sales in automotive applications increased mainly due to the lifting of the lockdown in China that occurred in the same period of the previous fiscal year. As a result, net sales were 40,515 million yen (up 16.2% year on year). Segment income was 2,562 million yen (up 22.0% year on year) mainly due to price pass-on measures.

Operating results by business sector were as follows.

(1) Aftermarket applications

Due to an increase in customer demand and other factors, net sales amounted to 35,458 million yen (up 9.6% year on year). Operating income amounted to 4,769 million yen (up 3.3% year on year) by reflecting price pass-on measures, in spite of price hike in steel prices and increased fixed costs.

(2) Industrial machinery applications

Net sales amounted to 32,884 million yen (down 3.6% year on year) due to decreased sales of construction machinery and agricultural machinery. Operating income amounted to 851 million yen (down 31.2% year on year) due to price hike in steel prices and increased fixed costs, and the effect of sales volume in spite of price pass-on measures.

(3) Automotive applications

Net sales amounted to 132,426 million yen (up 24.8% year on year) due to recovered customer demand. Operating loss amounted to 4,131 million yen (operating loss of 6,638 million yen in the same period of the previous consolidated fiscal year), although there were promotion of price pass-on measures accompanied by price hike in steel prices and increased fixed costs.

(2) Explanation Regarding Financial Position

(Assets, liabilities, and net assets)

Current assets increased 16,709 million yen (up 3.2%) from the previous consolidated fiscal year end and amounted to 545,733 million yen. This is mainly due to an increase of 10,795 million yen in finished goods & purchased goods, an increase of 6,304 million yen in cash and bank deposits, an increase of 3,842 million yen in work in process, and a decrease of 3,125 million yen in notes and accounts receivable-trade. Fixed assets increased 10,843 million yen (up 3.2%) from the previous consolidated fiscal year end and amounted to 351,645 million yen. This is mainly due to an increase of 8,632 million yen in property, plant and equipment, an increase of 1,449 million yen in deferred tax assets, an increase of 1,024 million yen in investment securities, and a decrease of 1,087 million yen in intangible assets. As a result, total assets increased 27,552 million yen (up 3.2%) from the previous consolidated fiscal year end and amounted to 897,379 million yen.

Current liabilities decreased 15,779 million yen (down 4.3%) from the previous consolidated fiscal year end and amounted to 353,295 million yen. This is mainly due to a decrease of 23,394 million yen in short-term loans, an increase of 3,623 million yen in accrued expenses and others, and an increase of 3,576 million yen in notes and accounts payable-trade. Fixed liabilities increased 23,432 million yen (up 8.9%) from the previous consolidated fiscal year end and amounted to 286,759 million yen. This is mainly due to an increase of 23,009 million yen in long-term loans. As a result, total liabilities increased 7,653 million yen (up 1.2%) compared to the end of the previous consolidated fiscal year and amounted to 640,055 million yen.

Total net assets increased 19,899 million yen (up 8.4%) from the previous consolidated fiscal year end and amounted to 257,324 million yen. This is mainly due to an increase of 17,669 million yen in translation adjustment.

(Cash flows)

Net cash provided by operating activities amounted to 16,762 million yen (up 8,654 million yen, or 106.7%, year on year). This was mainly due to the cash inflow factors of 10,330 million yen in depreciation and amortization, and 8,283 million yen in a decrease in trade receivables, partially offset by the cash outflow factor of 5,969 million yen in foreign currency translation adjustments / foreign exchange gains.

Net cash used in investing activities amounted to 4,692 million yen (down 74 million yen, or 1.6 %, year on year). This was mainly due to the expenditure of 4,478 million yen in purchase of property, plant and equipment.

Net cash used in financing activities amounted to 9,678 million yen (106 million yen used in the previous consolidated fiscal year). This was mainly due to an expenditure of 38,175 million yen in repayment of long-term loans, partially offset by 26,001 million yen in proceeds from long-term loans and 4,819 million yen in increase in short-term loans.

After adding 3,958 million yen of the effect of exchange rate changes and 184 million yen of increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation, cash and cash equivalents at the end of the three months ended June 30, 2023 was 117,209 million yen, an increase of 6,532 million yen (up 5.9%) from the end of the previous fiscal year.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

	(In millions of yen)	
	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and bank deposits	111,658	117,962
Notes and accounts receivable-trade	129,760	126,635
Electronically-recorded monetary claims	6,902	7,810
Finished goods & purchased goods	116,695	127,490
Work in process	62,256	66,098
Raw materials and supplies	60,434	61,427
Short-term loans receivable	21	22
Other	42,086	39,357
Allowance for doubtful accounts	(790)	(1,071)
Total current assets	<hr/> 529,024	<hr/> 545,733
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	88,671	91,621
Machinery, equipment and vehicles, net	118,272	122,759
Other, net	57,169	58,364
Total property, plant and equipment	<hr/> 264,113	<hr/> 272,745
Intangible assets		
Goodwill	1,768	1,715
Other	38,121	37,088
Total intangible fixed assets	<hr/> 39,890	<hr/> 38,803
Investments and other assets		
Investment securities	25,434	26,458
Deferred tax assets	4,219	5,668
Assets for retirement benefits	3,312	3,587
Other	4,049	5,116
Allowance for doubtful accounts	(217)	(733)
Total investments and other assets	<hr/> 36,799	<hr/> 40,096
Total fixed assets	<hr/> 340,802	<hr/> 351,645
Total assets	<hr/> 869,827	<hr/> 897,379

	(In millions of yen)	
	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable-trade	67,283	70,859
Electronically-recorded monetary claims	68,340	69,064
Short-term loans	161,943	138,549
Accrued income taxes	4,307	4,080
Accrued bonuses for directors and other officers	117	34
Other	67,083	70,706
Total current liabilities	<u>369,074</u>	<u>353,295</u>
Long-term liabilities		
Bonds	80,000	80,000
Long-term loans	129,349	152,358
Provision for product defect compensation	251	235
Liabilities for retirement benefits	34,862	34,675
Other	18,863	19,490
Total long-term liabilities	<u>263,327</u>	<u>286,759</u>
Total liabilities	<u>632,402</u>	<u>640,055</u>
Net assets		
Shareholders' equity		
Common stock	54,346	54,346
Additional paid-in capital	67,970	67,970
Retained earnings	69,166	69,502
Treasury stock	(856)	(845)
Total shareholders' equity	<u>190,626</u>	<u>190,974</u>
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	1,255	1,929
Translation adjustments	28,079	45,748
Remeasurements of defined benefit plans	697	1,142
Total accumulated other comprehensive income	<u>30,032</u>	<u>48,820</u>
Non-controlling shareholders' equity	<u>16,765</u>	<u>17,529</u>
Total net assets	<u>237,425</u>	<u>257,324</u>
Total liabilities and net assets	<u>869,827</u>	<u>897,379</u>

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

(Quarterly Consolidated Statements of Income)

(In millions of yen)

	Three months ended June 30, 2022 (April 1, 2022 – June 30, 2022)	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)
Net sales	172,614	200,768
Cost of sales	146,345	170,468
Gross profit	26,269	30,300
Selling, general and administrative expenses	27,053	28,810
Operating income/loss (-)	(783)	1,490
Non-operating income		
Interest income	257	309
Dividend income	201	101
Equity in earnings of unconsolidated subsidiaries	477	165
Foreign exchange gains	2,282	3,799
Other	665	580
Total non-operating income	3,884	4,957
Non-operating expenses		
Interest expenses	1,169	1,888
Derivative transaction losses	1,475	1,906
Other	444	727
Total non-operating expenses	3,089	4,521
Ordinary income	10	1,925
Income before income taxes and equity in earnings of affiliated companies	10	1,925
Income and other taxes	2,231	(65)
Net income/loss (-)	(2,220)	1,991
Profit attributable to non-controlling shareholders	266	350
Profit/loss (-) attributable to owners of parent	(2,487)	1,641

(Quarterly Consolidated Statements of Comprehensive Income)

	(In millions of yen)	
	Three months ended June 30, 2022 (April 1, 2022 – June 30, 2022)	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)
Net income/loss (-)	(2,220)	1,991
Other comprehensive income		
Net unrealized holding gain on other securities	(48)	674
Translation adjustments	19,319	17,930
Remeasurements of defined benefit plans	(81)	426
Equity in equity-method affiliates	(754)	231
Total other comprehensive income	<u>18,436</u>	<u>19,263</u>
Comprehensive income (breakdown)	<u>16,215</u>	<u>21,255</u>
Comprehensive income attributable to owners of parent company	15,006	20,429
Comprehensive income related to non-controlling shareholders	1,208	825

(3) Quarterly Consolidated Statements of Cash Flows

(In millions of yen)

	Three months ended June 30, 2022 (April 1, 2022 – June 30, 2022)	Three months ended June 30, 2023 (April 1, 2023 – June 30, 2023)
Cash flows from operating activities		
Income before income taxes and equity in earnings of affiliated companies	10	1,925
Depreciation and amortization	10,344	10,330
Goodwill depreciation	53	53
Increase/decrease (-) in allowance for doubtful accounts	(16)	710
Increase/decrease (-) in accrued retirement benefits for directors and statutory auditor	3	(83)
Increase/decrease (-) in provision for product defect compensation	80	(16)
Increase/decrease (-) in liabilities in retirement benefits	277	(98)
Decrease/increase (-) in assets for retirement benefits	(442)	(274)
Interest and dividend income	(458)	(411)
Interest expenses	1,169	1,888
Foreign currency translation adjustments / foreign exchange losses/gains (-)	(1,473)	(5,969)
Loss or gain (-) on derivative transactions	1,475	1,906
Equity in earnings (-) /loss of non-consolidated subsidiaries	(477)	(165)
Decrease (-) / increase in trade receivables	4,684	8,283
Decrease (-) / increase in inventories	(14,859)	(1,709)
Increase/decrease (-) in trade payables	7,113	622
Other	2,769	2,895
Subtotal	10,256	19,888
Interest and dividend income received	1,270	628
Interest paid	(820)	(2,193)
Income taxes paid	(2,597)	(1,560)
Net cash provided by operating activities	8,108	16,762
Cash flows from investing activities		
Increase in time deposits	(1,244)	(235)
Decrease in time deposits	2,042	505
Purchase of property, plant and equipment	(5,074)	(4,478)
Purchase of intangible assets	(1,332)	(647)
Decrease/increase (-) in short-term loans receivable, net	12	0
Other	829	162
Net cash used in investing activities	(4,766)	(4,692)
Cash flows from financing activities		
Increase/decrease (-) in short-term loans, net	2,369	4,819
Proceeds from long-term loans	21	26,001
Repayment of long-term loans	(1,810)	(38,175)
Dividend payment	–	(1,329)
Repayment of lease payable	(591)	(946)
Other	(96)	(50)
Net cash used in financing activities	(106)	(9,678)
Effect of exchange rate changes on cash and cash equivalents	1,367	3,958
Increase/decrease (-) in cash and cash equivalents	4,603	6,348
Cash and cash equivalents at beginning of the year	121,460	110,675
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	–	184
Cash and cash equivalents, at end of the quarter	126,064	117,209

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

(Notes to Quarterly Consolidated Balance Sheets)

1. Contingent liabilities

(Guarantee etc.)

The Company provides the following debt guarantees for loans from financial institutions drawn down by companies other than consolidated subsidiaries.

	Year ended March 31, 2023	Three months ended June 30, 2023
PT. Astra NTN Driveshaft Indonesia	734 million yen	756 million yen

(Lawsuits, etc.)

(1) A lawsuit has been filed against the Company and its two consolidated subsidiaries in Europe before the France Tribunal de Commerce de Lyon by Renault S.A. and its group companies, which are 15 in total (hereafter, "Renault"), seeking compensation of 66.7 million euros (provisional amount) for damages. In December 2020, Renault changed the claiming amount for damages to 32.5 million euros (provisional amount). In April 2022, Renault changed the claiming amount for damages to 58.3 million euros (provisional amount).

This lawsuit was filed by Renault alleging that they suffered damages in connection with the infringement of the European competition laws, which was subject of the decision adopted by the European Commission dated March 19, 2014.

(2) The NTN Group may be subject to claims for compensation for damages in connection with the violation of competition laws and continue to address these claims. However, it is currently difficult to make reasonable estimates of the future possible effects on the results of operations and financial position of the NTN Group.

(Notes Related to Significant Changes in Shareholder's Equity)

Not applicable.

(Adoption of Accounting Method Specific to the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

Tax expenses are calculated by multiplying quarterly income before income taxes by an effective tax rate reasonably estimated based on income before income taxes for the full fiscal year, including the first quarter under review, after the application of tax effect accounting. However, in cases where calculating tax expenses using a reasonably estimated effective tax rate yields a result that is notably lacking rationality, then, tax expenses are calculated using the statutory effective tax rate.

(Segment Information)

I. Three months ended June 30, 2022 (April 1, 2022 - June 30, 2022)

1. Information related to sales, income or losses for individual reporting segments

(In millions of yen)

	Reporting segment					Adjustments (Note)1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	46,104	54,437	38,574	33,497	172,614	–	172,614
Inter-segment sales or transfers	40,530	338	1,401	1,381	43,651	(43,651)	–
Total	86,634	54,776	39,975	34,879	216,266	(43,651)	172,614
Segment income (Operating income/loss (-))	5,666	(3,277)	(1,483)	2,100	3,005	(3,789)	(783)

Notes: 1. "Adjustments" refers to elimination of all inter-segment transactions.

2. Major countries or regions in each segment:

Americas: U.S., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

II. Three months ended June 30, 2023 (April 1, 2023 - June 30, 2023)

1. Information related to sales, income or losses for individual reporting segments

(In millions of yen)

	Reporting segment					Adjustments (Note)1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	52,447	64,192	46,209	37,919	200,768	–	200,768
Inter-segment sales or transfers	33,664	927	1,333	2,596	38,521	(38,521)	–
Total	86,111	65,119	47,542	40,515	239,289	(38,521)	200,768
Segment income (Operating income/loss (-))	1,543	(1,983)	(1,001)	2,562	1,120	369	1,490

Notes: 1. "Adjustments" refers to elimination of all inter-segment transactions.

2. Major countries or regions in each segment:

Americas: U.S., Canada, South and Central America

Europe: Germany, France, United Kingdom, and others

Asia and other areas: China, Thailand, India, and others

(Significant Subsequent Events)

Not applicable.

2. Supplementary Information

(1) Explanatory Materials

		FY2022					(In millions of yen)
		1Q	2Q	3Q	4Q	Full year	FY2023
Consolidated operating results (Lower: Net sales ratio)	Net sales	172,614	199,087	197,720	204,537	773,960	200,768
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Operating income/loss (-)	(783)	4,644	6,030	7,254	17,145	1,490
		(0.5%)	2.3%	3.1%	3.5%	2.2%	0.7%
	Ordinary income	10	3,582	3,817	4,636	12,047	1,925
		0.0%	1.8%	1.9%	2.3%	1.6%	1.0%
Net sales by region (Lower: composition ratio)	Extraordinary income	—	—	(924)	(316)	(1,240)	—
		—	—	(0.5%)	(0.2%)	(0.2%)	—
	Profit/loss (-) attributable to owners of parent	(2,487)	853	879	11,122	10,367	1,641
		(1.4%)	0.4%	0.4%	5.4%	1.3%	0.8%
	Japan	44,327	51,189	52,617	53,466	201,602	50,808
		25.7%	25.7%	26.6%	26.1%	26.0%	25.3%
Net sales / Operating income by company location	Americas	55,352	63,218	62,768	64,907	246,246	64,919
		32.1%	31.8%	31.7%	31.7%	31.8%	32.3%
	Europe	36,087	35,893	37,706	45,486	155,174	43,033
		20.9%	18.0%	19.1%	22.2%	20.0%	21.4%
	Asia and other areas	36,846	48,786	44,627	40,677	170,937	42,007
		21.3%	24.5%	22.6%	19.9%	22.1%	20.9%
	Total	172,614	199,087	197,720	204,537	773,960	200,768
		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Japan	86,634	91,221	95,559	90,649	364,064	86,111
	Operating income	5,666	2,173	6,517	3,026	17,382	1,543
	Operating margin	6.5%	2.4%	6.8%	3.3%	4.8%	1.8%
	Americas	54,776	62,334	61,784	64,673	243,569	65,119
	Operating income	(3,277)	(2,095)	(1,857)	375	(6,854)	(1,983)
	Operating margin	(6.0%)	(3.4%)	(3.0%)	0.6%	(2.8%)	(3.0%)
	Europe	39,975	39,884	42,929	49,651	172,441	47,542
	Operating income	(1,483)	(808)	(1,286)	166	(3,411)	(1,001)
	Operating margin	(3.7%)	(2.0%)	(3.0%)	0.3%	(2.0%)	(2.1%)
	Asia and other areas	34,879	48,130	43,040	39,456	165,506	40,515
	Operating income	2,100	4,686	2,997	2,754	12,538	2,562
	Operating margin	6.0%	9.7%	7.0%	7.0%	7.6%	6.3%
	Deletion	(43,651)	(42,483)	(45,592)	(39,893)	(171,621)	(38,521)
	Operating income	(3,789)	688	(340)	931	(2,509)	369
	Total	172,614	199,087	197,720	204,537	773,960	200,768
	Operating income	(783)	4,644	6,030	7,254	17,145	1,490
	Operating margin	(0.5%)	2.3%	3.1%	3.5%	2.2%	0.7%

(In millions of yen)

			FY2022					FY2023		
			1Q	2Q	3Q	4Q	Full year	1Q		
Net sales / Operating income by business application	Aftermarket	Net sales	32,341	33,551	33,127	35,019	134,039	35,458		
		Operating income	4,617	5,347	5,739	6,566	22,270	4,769		
		Operating margin	14.3%	15.9%	17.3%	18.8%	16.6%	13.5%		
	Industrial machinery	Net sales	34,120	34,961	33,766	36,650	139,499	32,884		
		Operating income	1,237	1,453	2,239	2,359	7,289	851		
		Operating margin	3.6%	4.2%	6.6%	6.4%	5.2%	2.6%		
	Automotive	Net sales	106,152	130,574	130,826	132,867	500,421	132,426		
		Operating income	(6,638)	(2,156)	(1,947)	(1,671)	(12,414)	(4,131)		
		Operating margin	(6.3%)	(1.7%)	(1.5%)	(1.3%)	(2.5%)	(3.1%)		
	Total	Net sales	172,614	199,087	197,720	204,537	773,960	200,768		
		Operating income	(783)	4,644	6,030	7,254	17,145	1,490		
		Operating margin	(0.5%)	2.3%	3.1%	3.5%	2.2%	0.7%		
Capital expenditures / Depreciation and amortization	Capital expenditures		5,126	4,379	4,659	8,087	22,253	4,446		
	Depreciation and amortization	Domestic	4,090	4,128	4,162	4,125	16,507	4,071		
		Overseas	6,254	6,453	6,453	6,379	25,540	6,258		
	Total		10,344	10,582	10,615	10,505	42,048	10,330		
R&D expenditures			4,538	4,662	4,806	4,670	18,678	4,738		
Ratio of R&D expenditures to net sales			2.6%	2.3%	2.4%	2.3%	2.4%	2.4%		
Inventories			242,114	247,578	247,659	239,385	239,385	255,016		
Inventory turnover ratio (times)			2.9	3.2	3.2	3.4	3.2	3.1		
Interest-bearing debts	Loans		324,705	302,970	290,221	291,292	291,292	290,908		
	Bonds		80,000	80,000	80,000	80,000	80,000	80,000		
	Total		404,705	382,970	370,221	371,292	371,292	370,908		
Major management indicators	Ordinary income ratio to total assets		0.0%	1.6%	1.8%	2.1%	1.4%	0.9%		
	Return on assets (ROA)		(1.1%)	0.4%	0.4%	5.2%	1.2%	0.7%		
	Return on equity (ROE)		(4.8%)	1.6%	1.7%	20.8%	5.0%	2.9%		
	Shareholder's equity ratio		23.8%	24.5%	24.1%	25.4%	25.4%	26.7%		
	Net assets per share (yen)		400.96	409.28	388.99	415.64	415.64	451.65		
	Net income per share (yen)		(4.69)	1.61	1.66	20.95	19.53	3.09		
Employees	Domestic (persons)		8,656	8,570	8,507	8,419	8,419	8,522		
	Overseas (persons)		14,834	14,813	14,844	14,608	14,608	14,221		
	Total (persons)		23,490	23,383	23,351	23,027	23,027	22,743		
Exchange rates	Average	Dollar (yen)	129.59	138.29	141.58	132.35	135.45	137.20		
		Euro (yen)	138.08	139.33	144.23	141.99	140.91	149.39		
	At term end	Dollar (yen)	136.57	144.47	133.02	132.68	132.68	144.76		
		Euro (yen)	142.59	141.84	141.84	144.70	144.70	157.27		