Financial Results for the Six Months Ended September 30, 2022
[Japanese Accounting Standards] (Consolidated)
(Unaudited)

October 31, 2022

NTN Corporation
Security Code: 6472
Listings: Tokyo Stock Exchanges
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Scheduled commencement date of dividend payment: December 1, 2022
Supplementary material of the financial results: Prepared
Investor meeting: Scheduled

1. Consolidated financial results for the six months ended September 30, 2022
(April 1, 2022 to September 30, 2022)

(Amounts rounded down to the nearest million yen)

(1) Operating results (Percentage figures represent a year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2022	371,702	21.6	3,860	140.0	3,593	111.1	−1,633	-
Six months ended September 30, 2021	305,796	27.8	1,608	—	1,702	—	−1,048	-

Note: comprehensive income: Six months ended September 30, 2022 : 21,109 million yen (707.4%)
Six months ended September 30, 2021 : 2,614 million yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2022	−3.08	—
Six months ended September 30, 2021	−1.97	—

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	million yen	million yen	%
Six months ended September 30, 2022	886,071	237,400	24.5
Year ended March 31, 2022	855,483	216,425	23.1

Note: Shareholders' equity Six months ended September 30, 2022 : 217,286 million yen
Year ended March 31, 2022 : 197,850 million yen

2. Dividends

(Record date)	Dividends per share				
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	Total
	yen	Yen	yen	yen	yen
Year ended March 31, 2022	—	0.00	—	0.00	0.00
Year ending March 31, 2023	—	2.50			
Year ending March 31, 2023 (forecast)			—	2.50	5.00

Notes: Adjustment from the previously published forecast of dividends: None

3. Forecast of consolidated earnings for the year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(Percentage figures represent a year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	770,000	19.9	26,000	277.9	23,000	237.5	12,000	63.5	22.60

Notes: Adjustment from the previously published forecast of earnings: Yes
Please refer to “Notice Regarding Difference between Forecast and Actual Results of Consolidated Earnings for the First Half of Fiscal Year Ending March 31, 2023 and Revised Full-year Earnings Forecast” issued on October 31, 2022.

* Notes to consolidated financial statements

(1) Significant changes in subsidiaries during the period (Scope of consolidation): None

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

(Notes) For further details, refer to “(4) Notes to Consolidated Financial Statements” (Adoption of Accounting Method Specific to the Preparation of Quarterly Consolidated Financial Statements) in “2.Consolidated financial statements for the six months” on page 5 of attached ocuments.

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

1) Changes in accounting principles due to amendment to accounting standards: None
2) Changes other than above: None
3) Changes in accounting estimates: None
4) Retrospective restatement: None

(4) Number of shares issued and outstanding (Common stock)

1) Number of shares issued and outstanding at end of the period (treasury stock included):
Six months ended September 30, 2022: 532,463,527 shares
Year ended March 31, 2022: 532,463,527 shares

2) Number of treasury stock at end of the period:
Six months ended September 30, 2022: 1,567,298 shares
Year ended March 31, 2022: 1,599,787 shares

3) Average number of shares outstanding during the quarter:
Six months ended September 30, 2022: 530,879,967 shares
Six months ended September 30, 2021: 531,081,819 shares

* This quarterly financial results report is exempt from quarterly review.

* 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 of consolidated financial statements for six months ended September 30, 2022

(1) Explanation regarding consolidated operating results

Regarding the global economy in the second quarter of the current fiscal year (from April 1, 2022 to Septembr 30, 2022), the global economy showed signs of recovery as the normalization of economic activities progressed step by step. Regarding the Japanese economy, personal consumption recovered gradually although the consumer's price is rising due to the price hike of raw material. Economy in the U.S., Europe, Asia and other emerging countries and China has shown the signs of recovery. However, the situation of global economy is still uncertain due to the effect of semiconductor shortage, supply chain disruptions, situation in Ukraine and energy problems and global monetary hardening.

Under these business environment, the Company will steadily implement the measures in the New 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 second quarter amounted to 371,702 million yen (up 21.6% year on year). Regarding profit and loss, although the company incurs the cost such as price hike in steel price and increased fixed cost in advance of price shift in European automotive market, operating income was 3,860 million yen (up 140.0% year on year), ordinary income was 3,593 million yen (up 111.1% year on year), and loss attributable to owners of parent was 1,633 million yen (loss attributable to owners of parent of 1,048 million yen in the same period of the previous fiscal year) due to the sales volume and effect of exchange rate.

Operating results by reporting segment by region were as follows:

(1) Japan

Sales in the aftermarket applications increased in industrial machinery aftermarket applications. Sales in the industrial machinery applications increased in construction machinery and machine tools. Sales in automotive applications increased due to increased customer demand and other factors. As a result, net sales amounted to 177,856 million yen (up 14.4% year on year). Segment income was 7,839 million yen (up 287.1% year on year) due to the price hike of our products, an increase in volume and effects of exchange rate, although there was the price hike in steel price and fixed cost.

(2) Americas

Sales in the aftermarket applications increased in industrial machinery aftermarket applications and decreased in automotive aftermarket applications. Sales in industrial machinery applications increased in construction machinery. Sales in automotive applications also increased due to recovered customer demand. As a result, net sales amounted to 117,110 million yen (up 39.0% year on year). Segment profit and loss was loss of 5,372 million yen (loss of 4,034 million yen in the same period of the previous fiscal year) because the company incurs the cost such as price hike in steel price and fixed cost in advance of price shift at this moment although there was the effect of increased volume.

(3) Europe

Sales in the aftermarket applications increased in industrial machinery aftermarket applications and decreased in automotive aftermarket applications. Sales in industrial machinery applications increased in aircrafts and agricultural machinery. Sales in automotive applications also increased due to recovered customer demand. As a result, net sales amounted to 79,860 million yen (up 13.3% year on year) even though there was the effect of situation in Ukraine. Segment profit and loss was loss of 2,291 million yen (loss of 1,191 million yen in the same period of the previous fiscal year) because the company incurs the cost such as price hike in steel price and fixed cost in advance of price shift at this moment although there was the effect of increased volume.

(4) Asia and other areas

Sales in the aftermarket applications increased in industrial machinery aftermarket applications. Sales in industrial machinery applications decreased in construction machinery. Sales in automotive applications increased mainly due to recovered customer demand. As a result, net sales amounted to 83,009 million yen (up 20.8% year on year). Segment income and loss was income of 6,787 million yen (down 2.9% year on year) due to the shutdown and decrease in operation rate caused by the city lockdown in China and other factors.

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 65,892 million yen (up 21.8% year on year). Operating income was income of 9,964 million yen (up 45.1% year on year) due to the price shift, sales volume and effect of exchange rate although there was price hike in steel price and increased fixed cost.

(2) Industrial machinery applications

Net sales amounted to 69,082 million yen (up 13.1% year on year) due to increased sales of construction machinery and agricultural machinery. Operating income and loss were amounted to income of 2,691 million yen (up 94.3% year on year) due to due to the price shift, sales volume and effect of exchange rate although there was price hike in steel price and increased fixed cost.

(3) Automotive applications

Net sales amounted to 236,726 million yen (up 24.2% year on year) due to the recovered customer demand. However, operating loss was 8,795 million yen (operating loss of 6,646 million yen in the same period of the previous fiscal year) because the company incurs the cost such as price hike in steel price and fixed cost in advance of price shift at this moment although there was the effect of increased volume and exchange rate.

(2) Explanation regarding consolidated financial position

(Assets, Liabilities, and Net assets)

Current assets increased 21,408 million yen (up 4.2%) from the previous consolidated fiscal year and ended to 533,439 million yen. This was mainly due to increase of 12,478 million yen in finished goods & purchased goods, increase of 10,744 million yen in raw materials and supplies. Fixed assets increased 9,181 million yen (up 2.7%) from the previous consolidated fiscal year and amounted to 352,632 million yen. This was mainly due to increase of 10,171 million yen in tangible fixed assets and, and decrease of 1,581 million yen in intangible fixed asset. As a result, total assets increased 30,588 million yen (up 3.6%) from the previous consolidated fiscal year and amounted to 886,071 million yen.

Current liabilities increased 53,072 million yen (up 16.5%) from the previous consolidated fiscal year and amounted to 374,277 million yen. This was mainly due to an increase of 32,709 million yen in short-term loan, increase of 9,503 million yen in accrued payments and others, and increase of 7,171 million yen in notes and accounts payable-trade. Long-term liabilities decreased 43,460 million yen (down 13.7 %) from the previous consolidated fiscal year and amounted to 274,393 million yen. This was mainly due to a decrease of 43,770 million yen in long-term loans. As a result, total liabilities increased 9,612 million yen (up 1.5%) from the previous consolidated fiscal year and amounted to 648,670 million yen.

Total net assets increased 20,975 million yen (up 9.7%) from the previous consolidated fiscal year and amounted to 237,400 million yen. This was mainly due to an increase of 21,233 million yen in translation adjustments.

(Cash flows)

Net cash provided by operating activities was 23,018 million yen (increase of 12,889 million yen from the end of the previous consolidated fiscal year, up 127.2%). This was mainly due to proceeds of 20,927 million yen of depreciation and amortization, a decrease of 10,774 million yen in trade receivables, increase of 7,415 million yen in trade payable, an increase of 16,670 million yen in increase of inventories.

Net cash used in investing activities was 9,470 million yen (increase of 447 million yen from the end of the previous consolidated fiscal year, up 5.0%). This was mainly due to the expense of 8,803 million yen in acquisition of tangible asset and the expense of 2,357 million yen in acquisition of intangible asset.

Net cash used in financing activities was 24,998 million yen (increase of 2,214 million yen from the end of the previous consolidated fiscal year, up 9.7%). This was mainly due to the decrease of 19,875 million yen in short-term loans.

After adding a decrease of 4,136 million yen of translation adjustments, cash and cash equivalents at the end of the first half of the fiscal year under review was 114,147 million yen, a decrease of 7,313 million yen (down 6.0%) from the end of the previous consolidated fiscal year.

2. Consolidated financial statements for the six months

(1) Balance sheets

(In million yen)

	As of March 31, 2022	As of September 30, 2022
Assets		
Current assets		
Cash and bank deposits	128,644	120,919
Notes and accounts receivable-trade	125,507	122,853
Electronically-recorded monetary claims	6,491	6,099
Finished goods & purchased goods	105,514	117,992
Work in process	55,939	65,451
Raw materials and supplies	53,389	64,133
Short-term loans receivable	57	41
Other	37,533	36,959
Alowance for doubtful accounts	-1,045	-1,012
Total current assets	512,031	533,439
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	87,955	92,604
Machinery, equipment and vehicles, net	122,607	125,994
Other, net	55,234	57,369
Total property, plant and equipment	265,797	275,968
Intangible fixed assets		
Goodwill	1,983	1,875
Other	42,046	40,572
Total intagible fixed assets	44,029	42,448
Investments and other assets		
Investment securities	24,679	25,885
Deferred tax assets	3,495	1,831
Assets for retirement benefits	1,555	2,442
Other	4,094	4,266
Alowance for doubtful accounts	-200	-210
Total investments and other assets	33,624	34,215
Total fixed assets	343,451	352,632
Total assets	855,483	886,071

(In million yen)

	As of March 31, 2022	As of September 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable-trade	61,033	68,204
Electronically-recorded monetary claims	60,881	64,403
Short-term loans	134,229	166,938
Accrued income taxes	4,544	4,683
Accrued bonuses for directors and statutory auditors	29	58
Other	60,486	69,989
Total current liabilities	321,205	374,277
Long-term liabilities		
Bonds	80,000	80,000
Long-term loans	179,802	136,032
Reserve for product defect compensation	408	478
Liabilities for retirement benefits	36,852	37,242
Other	20,790	20,640
Total long-term liabilities	317,853	274,393
Total liabilities	639,058	648,670
Net assets		
Shareholders' equity		
Common stock	54,346	54,346
Additional paid-in capital	67,970	67,970
Retained earnings	60,127	58,493
Treasury stock	-866	-856
Total shareholders' equity	181,578	179,954
Accumulated other comprehensive income		
Net unrealized holding gain on other securities	1,044	933
Translation adjustments	16,025	37,258
Accured retirement benefits adjustments	-797	-859
Total accumulated other comprehensive income	16,272	37,331
Non-controlling shareholders’ equity	18,574	20,114
Total net assets	216,425	237,400
Total liabilities and net assets	855,483	886,071

(2) Consolidated statement of operation and consolidated statement of comprehensive income

(Consolidated income statements)

(In million yen)

	Six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 – September 30, 2022)
Net sales	305,796	371,702
Cost of sales	254,825	313,090
Gross profit	50,970	58,611
Selling, general and administrative expenses	49,362	54,751
Operating income	1,608	3,860
Non-operating income		
Interest income	435	417
Dividend income	390	201
Equity in earnings of unconsolidated subsidiaries	497	712
Derivative transaction gains	956	—
Foreign exchange gains	—	1,333
Other	1,525	1,338
Total non-operating income	3,805	4,003
Non-operating expenses		
Interest expenses	2,187	2,514
Foreign exchange losses	465	—
Other	1,058	1,756
Total non-operating expenses	3,711	4,270
Ordinary income	1,702	3,593
Extraordinary losses		
Loss related to Anti-Monopoly Act	* 98	—
Total extraordinary losses	98	—
Income before income taxes and equity in earings of affiliated companies	1,603	3,593
Income and other taxes	1,881	4,397
Net income/loss (-)	-277	-804
Profit attributable to non-controlling shareholders	770	829
Profit/loss (-) attributable to owners of parent	-1,048	-1,633

(Consolidated statement of comprehensive income)

(In million yen)

	Six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 – September 30, 2022)
Net income/loss (-)	-277	-804
Other comprehensive income		
Net unrealized holding gain on other securities	8	-111
Translation adjustments	1,446	20,109
Accrued retirement benefits adjustments	456	-44
Equity in equity-method affiliates	980	1,959
Total other comprehensive income	2,891	21,913
Comprehensive income	2,614	21,109
(breakdown)		
Comprehensive income attributable to owners of parent company	1,504	19,425
Comprehensive income related to non-controlling shareholders	1,110	1,683

(3) Statements of cash flows

（In million yen）

	Six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)	Six months ended September 30, 2022 (April 1, 2022 – September 30, 2022)
Net cash provided by operating activities		
Income before income taxes and equity in earings of affiliated companies	1,603	3,593
Depreciation and amortization	18,459	20,927
Goodwill depreciation	53	107
Loss related to Anti-Monopoly Act	98	—
Increase/decrease (-) in allowance for doubtful accounts	29	-83
Increase/decrease (-) in accrued retirement benefits for directors and statutory auditors	-19	29
Increase/decrease (-) in reserve for product defect compensation	-689	69
Increase/decrease (-) in liabilities in retirement benefits	1,344	381
Decrease/increase (-) in assets for retirement benefits	—	-886
Interest and dividend income	-825	-618
Interest expenses	2,187	2,514
Foreign currency translation adjustments / foreign exchange loses/gains (-)	519	-5,656
Loss or gain (-) on derivative transactions	-956	722
Equity in earnings (-) /loss of non-consolidated subsidiaries	-497	-712
Decrease (-) / increase in trade receivables	12,541	10,774
Decrease (-) / increase in inventories	-22,816	-16,670
Increase/decrease (-) in trade payables	-3,114	7,415
Other	4,346	5,270
Subtotal	12,264	27,177
Interest and dividend income received	1,110	1,376
Interest paid	-2,184	-2,473
Loss related to Anti-Monopoly Act	-192	—
Income taxes paid	-868	-3,061
Net cash provided by operating activities	10,129	23,018
Net cash used in investing activities		
Increase in time deposits	-988	-2,150
Decrease in time deposits	237	2,994
Purchases of property, plant and equipment	-7,260	-8,803
Purchase of intangible fixed assets	-2,748	-2,357
Proceeds from purchase of subsidiaries' stock resulting in change in scope of consoli	1,200	—
Decrease/increase (-) in short-term loans receivable, net	16	21
Other	519	824
Net cash used in investing activities	-9,023	-9,470
Net cash provided by financing activities		
Increase/decrease (-) in short-term loans, net	-2,903	-19,875
Proceeds from long-term loans	6,967	39
Repayment of long-term loans	-25,654	-3,766
Repayment of lease payable	-988	-1,261
Other	-205	-133
Net cash provided by financing activities	-22,784	-24,998
Effect of exchange rate changes on cash and cash equivalents	-91	4,136
Increase/decrease (-) in cash and cash equivalents	-21,769	-7,313
Cash and cash equivalents at beginning of the year	147,249	121,460
Cash and cash equivalents, at end of the quarter	125,479	114,147

(4) Notes to consolidated financial statements

(Notes to Going Concern Assumption)

None

(Notes to Balance Sheet)

1. Contingency liabilities

(Guarantee etc.)

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

	Year ended March 31, 2022	Six months ended September 30, 2022
PT. Astra NTN Driveshaft Indonesia	707 million yen	881 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.

(Consolidated quarterly statements of income)

※In the previous consolidated cumulative 2nd quarter, the Company has negotiated the compensation of damages with a part of customers in association with investigations by the authorities about the competition laws. We considered the effects to our business by the long-term negotiation and reached the conclusion to pay the settlement amount to make the benefits for both parties by amicably and early resolution.

With regard to these settlements, the Company recorded 98 million yen in the previous consolidated cumulative 2nd quarter as Loss related to Anti-Monopoly Act in Extraordinary Losses.

(Notes related to significant changes in shareholder's equity)

None

(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.

(Additional Information)

(Application of tax effect accounting related to the transition from the consolidated tax payment system to the group total system)

The Company and some of its domestic subsidiaries have transitioned from the consolidated taxation system to the group tax sharing system from the current first quarter ended June 30, 2022. Therefore, corporate and local corporate taxes, and tax-effect accounting are accounted for and disclosed in accordance with "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (PITF No. 42, August 12, 2021. Hereafter "PITF 42"). In addition, based on Article 32 (1) of PITF 42, there is no the effect of the change in accounting policies due to PITF 42.

(Accounting estimates related to spread of new coronavirus infection)

The Company made the accounting estimate on the assumption that the effect of the worldwide spread of the novel coronavirus infection disease will improve by the fiscal year ending March 31, 2022. However it is highly uncertain and its end is not assumed and it might be a important risk in the future.

There are no significant damage to the assumptions regarding the impact of the new coronavirus infection in the additional information of the securities report in the previous fiscal year, .

(Segment information)

I. Six months ended September 30, 2021 (April 1, 2021 – September 30, 2021)

1. Information related to sales, income or losses, assets, liabilities and other items for individual reporting segments

(In million yen)

	Reporting segment					Adjustments (Note)1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	89,180	83,740	68,235	64,639	305,796	—	305,796
Inter-segment sales or transfers	66,350	491	2,273	4,080	73,194	(73,194)	—
Total	155,530	84,231	70,508	68,719	378,991	(73,194)	305,796
Segment income (Operating income/ loss(-))	2,025	−4,034	−1,191	6,987	3,786	(2,178)	1,608

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

2. Information on impairment loss of fixed assets, goodwill, etc. by reporting segment

(Important difference of the amount of goodwill)

In the segment of Japan, the amount of goodwill regarding business combination with Taira Forging Co., Ltd. in the first quarter under review was provisionally calculated, as distribution of the acquisition price was not completed. It was completed in the second quarter and the amount of goodwill was changed to 2,143 million yen from 1,667 million yen.

(Significant Subsequent Events)

None

II. Six months ended September 30, 2022 (April 1, 2022 – September 30, 2022)

1. Information related to sales, income or losses, assets, liabilities and other items for individual reporting segments

(In million yen)

	Reporting segment					Adjustments (Note)1	Balance sheet amount
	Japan	Americas	Europe	Asia and other areas	Total		
Net sales							
Sales to external customers	99,134	116,447	77,224	78,895	371,702	—	371,702
Inter-segment sales or transfers	78,722	663	2,635	4,113	86,135	(86,135)	—
Total	177,856	117,110	79,860	83,009	457,837	(86,135)	371,702
Segment income (Operating income/loss(-))	7,839	−5,372	−2,291	6,787	6,961	(3,101)	3,860

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

3. Supplementary information

(1) Explanatory materials

(in million yen)

			FY2020		FY2021		FY2022
			1st Half	Full Year	1st Half	Full Year	1st Half
Consolidated operating results (Lower: Net sales ratio)	Net Sales		239,221	562,847	305,796	642,023	371,702
			100.0%	100.0%	100.0%	100.0%	100.0%
	Operating income		-12,323	-3,138	1,608	6,880	3,860
			-5.2%	-0.6%	0.5%	1.1%	1.0%
	Ordinary income		-13,426	-5,742	1,702	6,815	3,593
			-5.6%	-1.0%	0.6%	1.1%	1.0%
	Extraordinary income		532	4,486	-98	10,804	―
			0.2%	0.8%	-0.0%	1.7%	―
	Profit attributable to owners of parent		-14,413	-11,641	-1,048	7,341	-1,633
			-6.0%	-2.1%	-0.3%	1.1%	-0.4%
Net sales by region (Lower: Net sales ratio)	Japan		69,019	162,814	86,369	180,756	95,517
			28.9%	28.9%	28.2%	28.2%	25.7%
	Americas		60,828	144,431	85,302	181,214	118,570
			25.4%	25.7%	27.9%	28.2%	31.9%
	Europe		48,237	117,235	62,096	127,056	71,980
			20.2%	20.8%	20.3%	19.8%	19.4%
	Asia and other areas		61,136	138,365	72,027	152,996	85,632
			25.6%	24.6%	23.6%	23.8%	23.0%
	Total		239,221	562,847	305,796	642,023	371,702
			100.0%	100.0%	100.0%	100.0%	100.0%
Net sales / Operating income by location	Japan	Net sales	113,760	266,971	155,530	321,115	177,856
		Operating income	-10,682	-10,792	2,025	7,621	7,839
		Operating margin	-9.4%	-4.0%	1.3%	2.4%	4.4%
	Americas	Net sales	60,242	142,934	84,231	178,643	117,110
		Operating income	-3,444	-2,803	-4,034	-7,427	-5,372
		Operating margin	-5.7%	-2.0%	-4.8%	-4.2%	-4.6%
	Europe	Net sales	53,186	129,197	70,508	143,447	79,860
		Operating income	-3,195	-2,427	-1,191	-4,265	-2,291
		Operating margin	-6.0%	-1.9%	-1.7%	-3.0%	-2.9%
	Asia and other areas	Net sales	58,780	133,419	68,719	147,310	83,009
		Operating income	3,998	12,305	6,987	14,090	6,787
		Operating margin	6.8%	9.2%	10.2%	9.6%	8.2%
	Deletion	Net sales	-46,748	-109,676	-73,194	-148,493	-86,135
		Operating income	1,000	579	-2,178	-3,139	-3,101
	Total	Net sales	239,221	562,847	305,796	642,023	371,702
		Operating income	-12,323	-3,138	1,608	6,880	3,860
		Operating margin	-5.2%	-0.6%	0.5%	1.1%	1.0%

(in million yen)

			FY2020		FY2021		FY2022
			1st Half	Full Year	1st Half	Full Year	1st Half
Net sales / Operating income by business applications	Aftermarket	Net sales	42,863	91,492	54,088	112,196	65,892
		Operating income	2,270	8,904	6,869	14,668	9,964
		Operating margin	5.3%	9.7%	12.7%	13.1%	15.1%
	Industrial machinery	Net sales	46,874	101,853	61,090	126,104	69,082
		Operating income	-1,363	354	1,385	4,074	2,691
		Operating margin	-2.9%	0.3%	2.3%	3.2%	3.9%
	Automotive	Net sales	149,483	369,501	190,616	403,722	236,726
		Operating income	-13,230	-12,397	-6,646	-11,862	-8,795
		Operating margin	-8.9%	-3.4%	-3.5%	-2.9%	-3.7%
	Total	Net sales	239,221	562,847	305,796	642,023	371,702
		Operating income	-12,323	-3,138	1,608	6,880	3,860
		Operating margin	-5.2%	-0.6%	0.5%	1.1%	1.0%
Capital expenditures /Depreciation and amortization	Capital expenditures		13,509	23,817	8,098	19,809	9,506
	Depreciation and amortization	Domestic	5,989	12,875	7,064	14,698	8,219
		Overseas	11,193	22,602	11,394	23,200	12,707
		Total	17,182	35,478	18,459	37,898	20,927
R&D expenditures			8,537	17,485	8,651	17,444	9,200
Ratio of R&D expenditures to net sales			3.6%	3.1%	2.8%	2.7%	2.5%
Inventories			174,993	176,847	201,507	214,843	247,578
Inventory turnover ratio (times)			2.7	3.2	3.0	3.0	3.0
Interest-bearing debts	Loans		367,138	342,803	322,418	314,031	302,970
	Bonds		30,000	80,000	80,000	80,000	80,000
	Total		397,138	422,803	402,418	394,031	382,970
Major management indicators	Ordinary income ratio to total assets		-3.6%	-0.7%	0.4%	0.8%	0.8%
	Return on assets (ROA)		-3.8%	-1.5%	-0.3%	0.9%	-0.4%
	Return on equity (ROE)		-19.0%	-7.1%	-1.2%	4.0%	-1.6%
	Shareholder's equity ratio		19.6%	20.4%	20.8%	23.1%	24.5%
	Net assets per share (yen)		277.24	321.04	323.90	372.70	409.28
	Net income per share (yen)		- 27.14	- 21.92	- 1.97	13.83	- 3.08
Employees	Domestic	(persons)	8,833	8,735	8,737	8,579	8,570
	Overseas	(persons)	14,712	14,557	14,502	14,804	14,813
	Total	(persons)	23,545	23,292	23,239	23,383	23,383
Exchange rates Average	Dollar	(yen)	106.85	106.01	109.76	112.34	133.94
	Euro	(yen)	121.23	123.66	130.84	130.53	138.70
Exchange rates At term end	Dollar	(yen)	105.66	110.36	111.97	121.89	144.47
	Euro	(yen)	124.06	129.32	129.85	136.01	141.84