



Explanatory Material of  
Group Company  
for the Third Quarter of  
the Fiscal Year Ending March 31, 2025

Makino Milling Machine Co., Ltd.  
January 31, 2025



## Order

Order : 169.6 billion JPY (Increase by 6.2% from FY23 1-3Q)

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- 74.6% against FY24 order plan

## Sales/Income

Sales : 168.7 billion JPY (Increase by 3.6% from FY23 1-3Q)

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Operating Income : 13.2 billion JPY (Increase by 8.8% from FY23 1-3Q)

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Operating Income ratio : 7.8% (Increase by 0.3% from FY23 1-3Q)

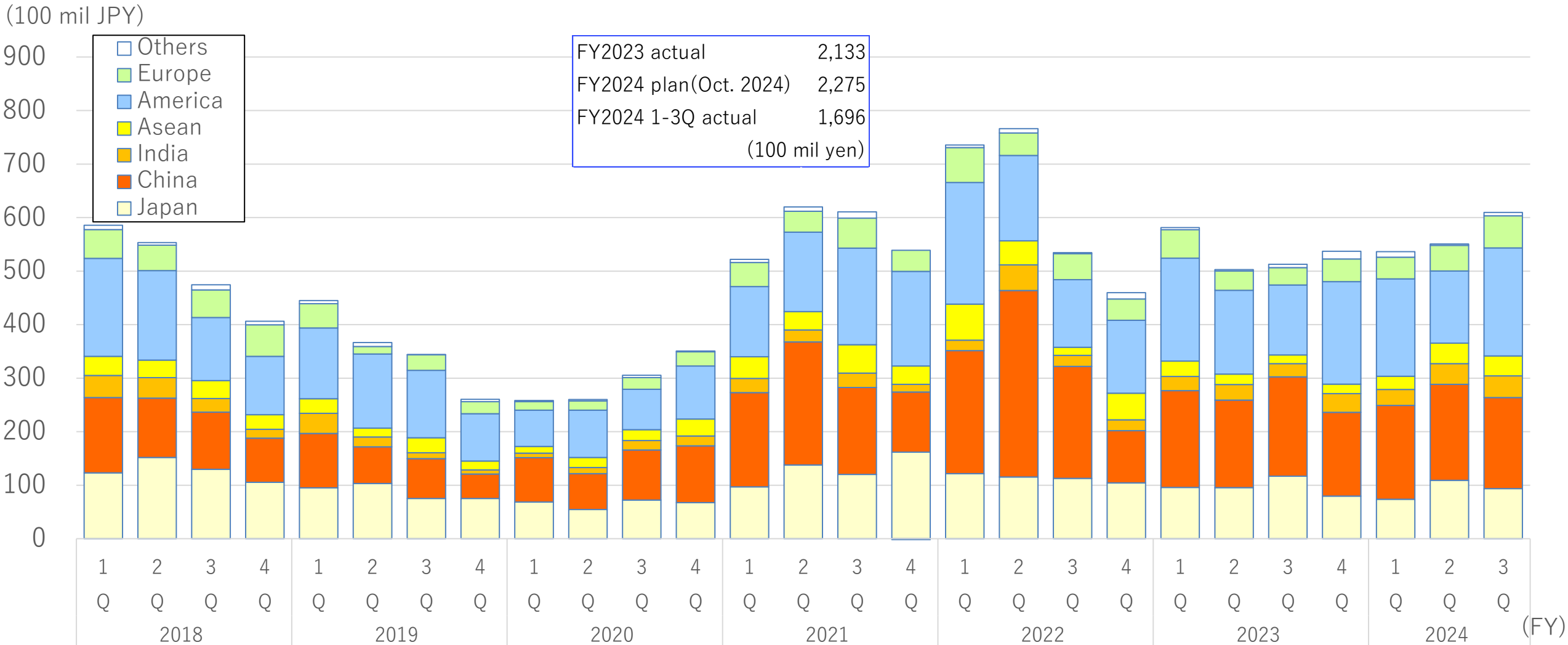
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- 75.0% against FY24 sales forecast (225.0 billion JPY)
- 77.8% against FY24 operating income forecast (17.0 billion JPY)

# Order by Destination



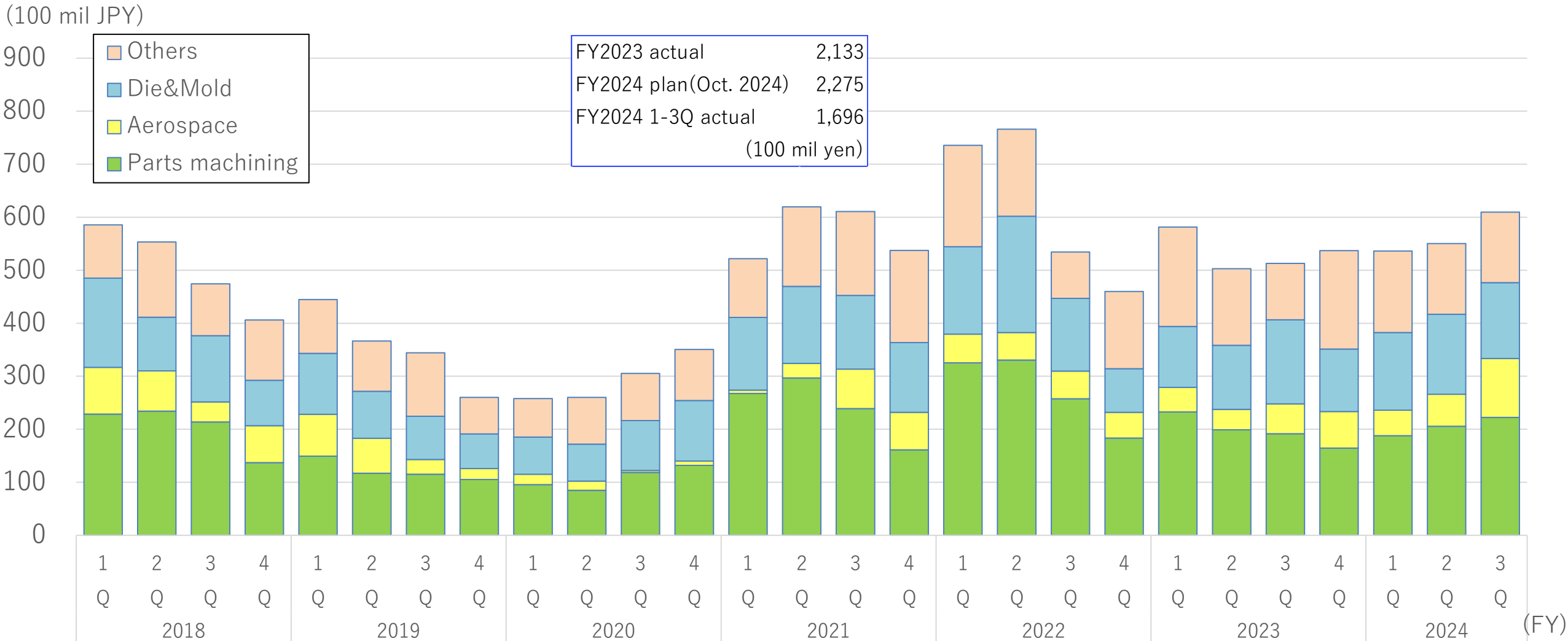
Orders increased mainly for US by 18.9% from FY23 3Q.



# Order by Industry



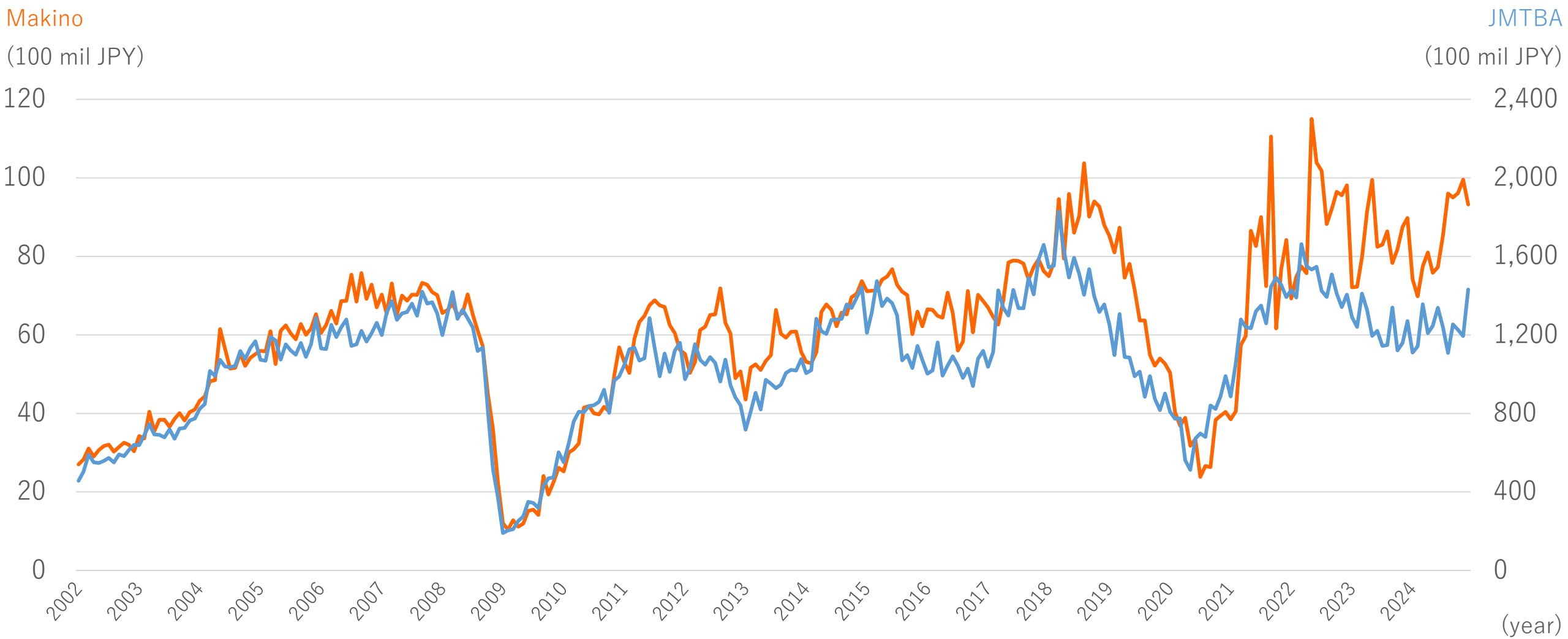
Orders increased for aerospace and parts machining from FY23 3Q.



# JMTBA - Makino Order

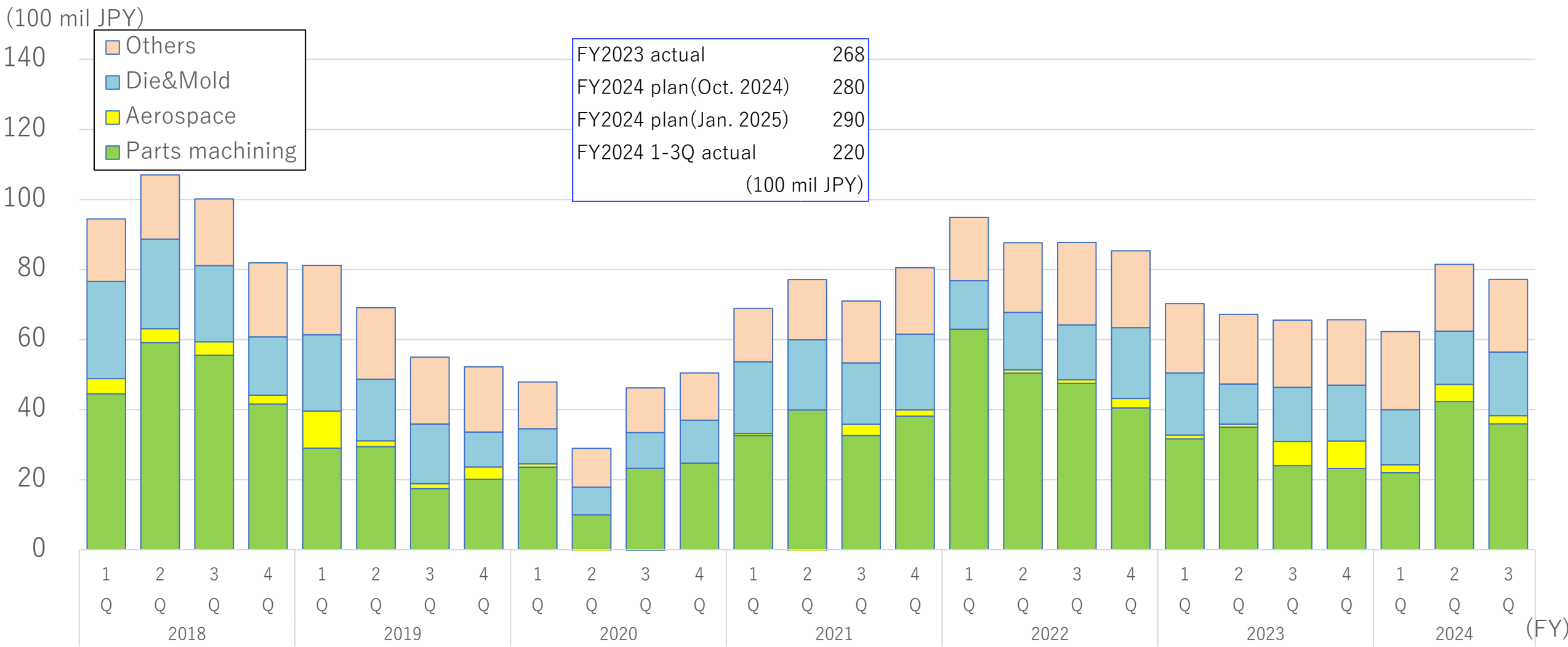


Makino's share in 3Q was 7.5%.





Orders increased mainly for parts machining by 17.7% from FY23 3Q.

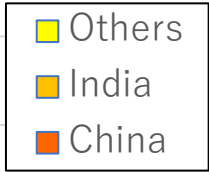


# Asian subsidiary Order by area



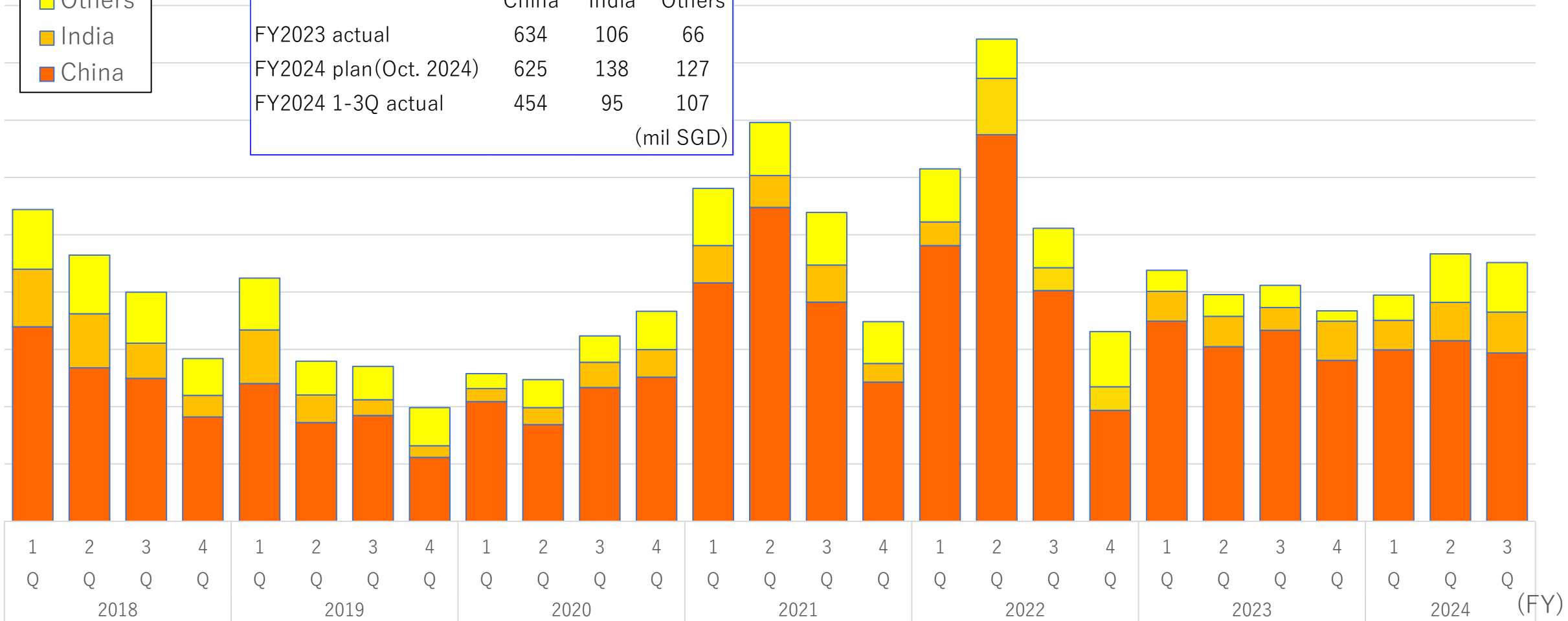
Orders increased from FY23 3Q in India and ASEAN.

(mil SGD)



	China	India	Others
FY2023 actual	634	106	66
FY2024 plan(Oct. 2024)	625	138	127
FY2024 1-3Q actual	454	95	107

(mil SGD)

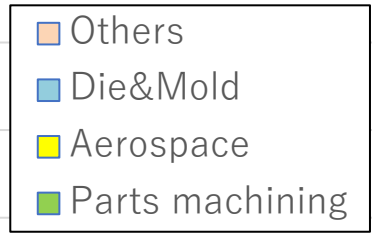


# Asian subsidiary Order by industry



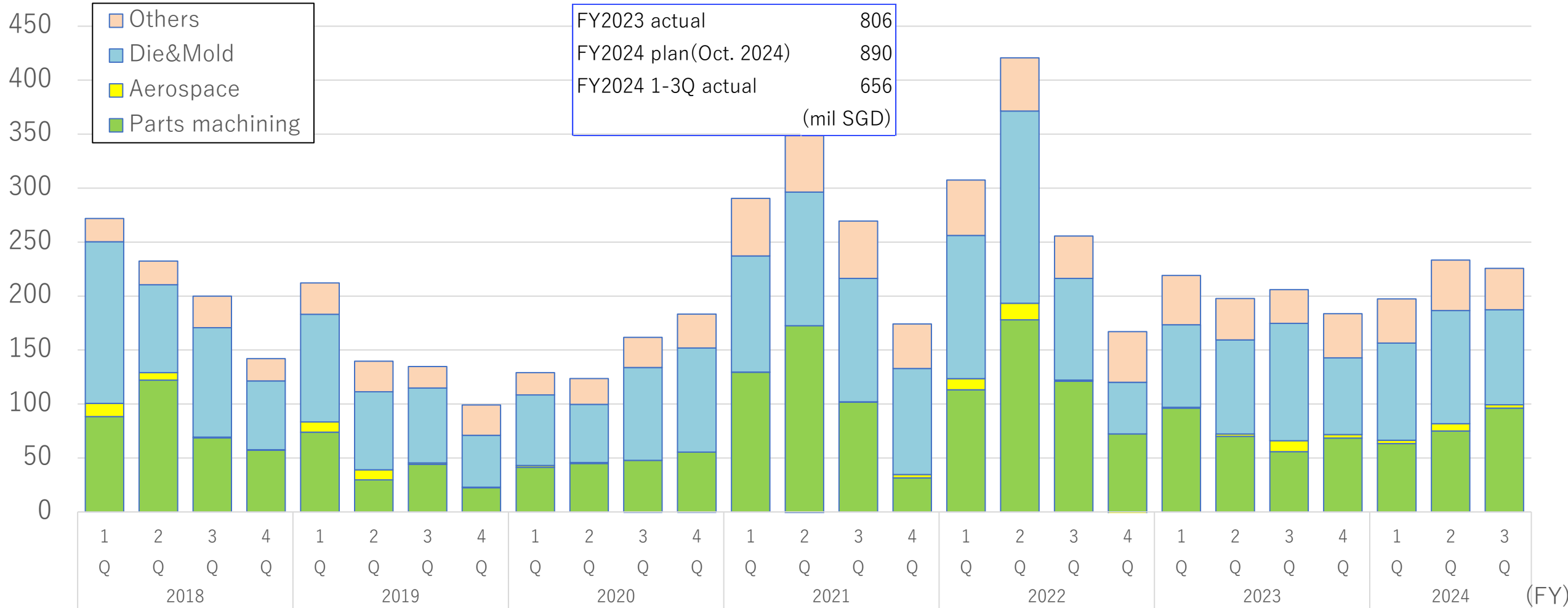
Orders increased for parts machining mainly for new energy vehicles from FY23 3Q. No.8

(mil SGD)



FY2023 actual	806
FY2024 plan(Oct. 2024)	890
FY2024 1-3Q actual	656

(mil SGD)



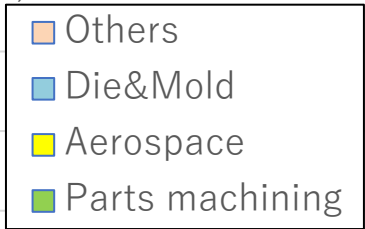


# US subsidiary Order

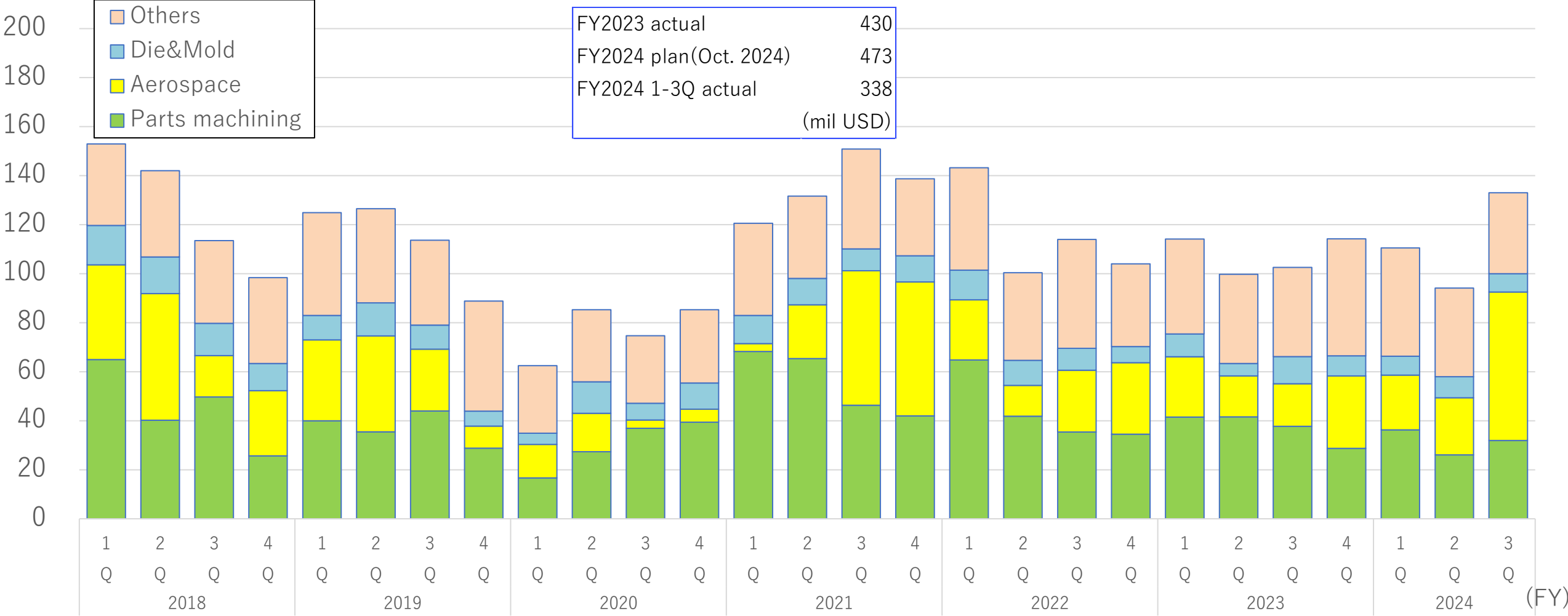


Orders increased mainly for aerospace by 29.1% from FY23 3Q.

(mil USD)



FY2023 actual	430
FY2024 plan(Oct. 2024)	473
FY2024 1-3Q actual	338
	(mil USD)

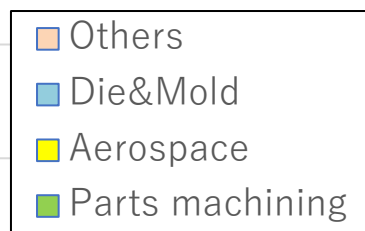


# European subsidiary Order

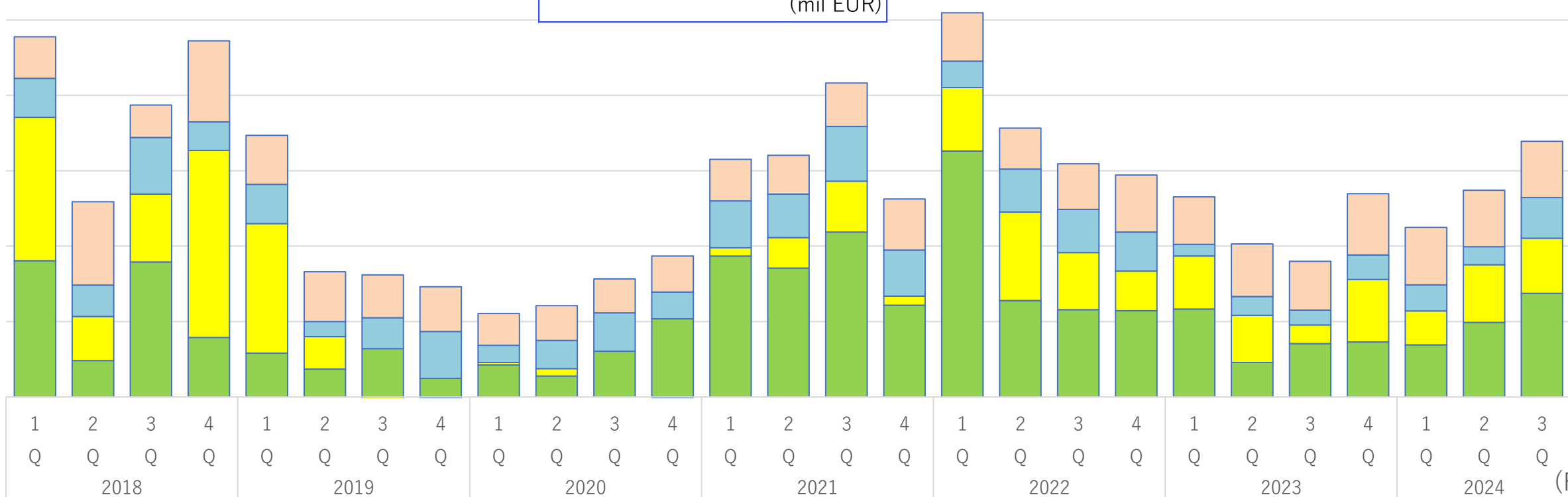


Order increased mainly for parts machining from FY23 3Q.

(mil EUR)



FY2023 actual	92
FY2024 plan(Oct. 2024)	120
FY2024 plan(Jan. 2025)	110
FY2024 1Q-3Q actual	83
	(mil EUR)



# Activities in R&D and Sales

2025/1/31



FIND YOUR WAY No.11



TOGETHER

## ▶ JIMTOF 2024

Exhibition Theme

# “FIND YOUR WAY TOGETHER”

Exhibits: 8 products including 3 new models + automation systems + software

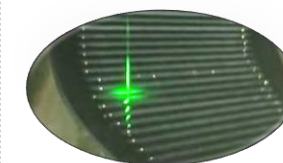
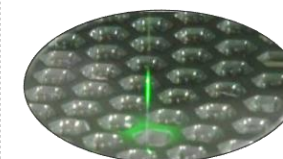
NEW



NEW



NEW



\*Processing samples

Turning

Multi-axis

Large size

Automation

Laser

High speed, high precision, high quality

## ▶ JIMTOF 2024

### **DA500** with WPS

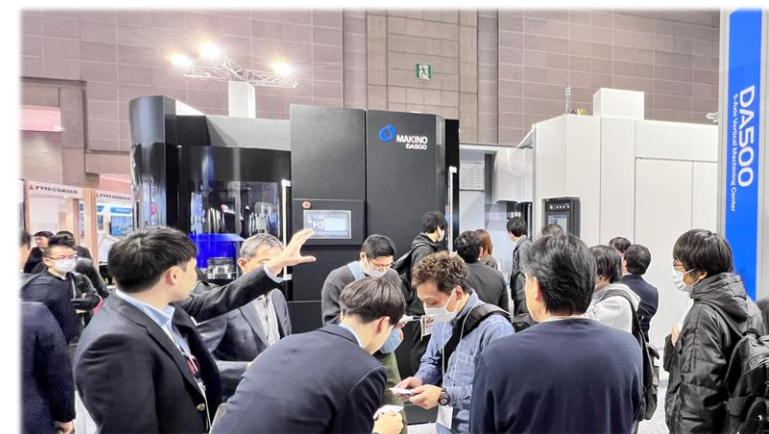
Automation

Multi-axis

Turning



- 5-axis vertical machining center for semiconductor equipment and more
- The automation package was exhibited at JIMTOF
- Proposal for improving productivity through process integration using turning function



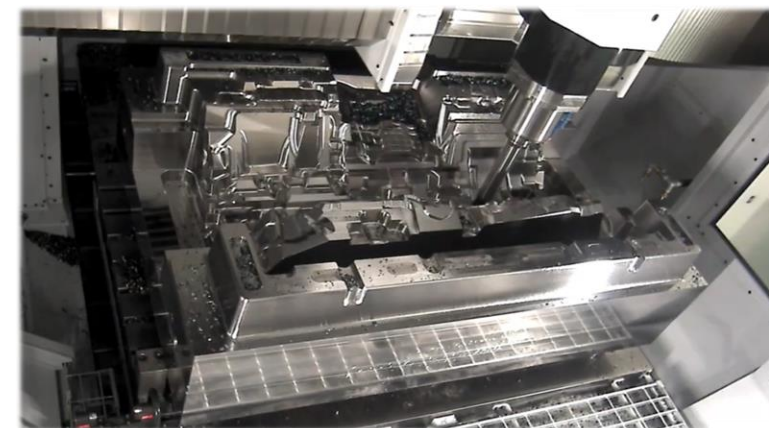
Proposal of the automation package with WPS

### **V900**

Large size



- Vertical machining center achieving high-speed, high precision machining for large dies and molds
- Supports larger parts due to changes in production methods

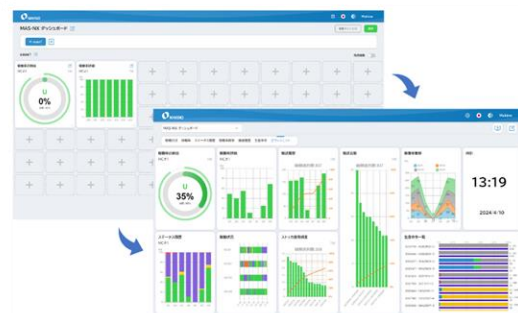


Large-scale mold machining for automobile instrument panels

## ▶ Proposal of Automation and Turnkey Services

### Automation

Large-scale systems including pallet transfer systems and work setup stations, \*AMRs capable of trackless navigation, and dedicated software for operation



Operation software "MAS-NX"



AMR "iAssist"



Automatic pallet transfer system "PZ1"

### Turnkey Services

Comprehensive support tailored to the customer's needs, from selecting and manufacturing not only our machining centers but also fixtures, tools, and programs



\* AMR: Autonomous Mobile Robot

## ▶ Improving efficiency in the manufacturing sites

### ✓ Automation

- Promoting automation, mainly in machining processes, to respond flexibly to changing demands

### ✓ Production Management

- Optimizing the management in modular production method and improving assembly efficiency



Automation with the latest in-house software “MAS-NX”



Automatic setup using in-house AMR and robots



Modular production methods  
with segmented assembly processes



Makino categorizes its market to the following industries according to what purpose the customers use Makino products for;

**Die&Mold**: where Makino products are used to manufacture Die or Mold to shape mainly plastic or die-cast products.

**parts**  
**machining**: where Makino products are used to manufacture component parts for automobiles or various kinds of machines or devices other than aerospace products.

**aerospace**: where Makino products are used to manufacture component parts of aerospace products.

# Consolidated Operating Results for 1-3Q of FY24 (Comparison with the same period of last year)

(Mil JPY)	1-3Q of FY2023 (From Apr.1, 2023 to Dec.31, 2023)	1-3Q of FY2024 (From Apr.1, 2024 to Dec.31, 2024)	Change (%)
Net sales	162,992	168,794	5,802 (3.6%)
Operating income	12,156 (7.5%)	13,232 (7.8%)	1,075 (8.8%)
Ordinary income	13,843 (8.5%)	14,487 (8.6%)	644 (4.7%)
Net income attributable to owners of the parent	11,270 (6.9%)	10,532 (6.2%)	-738 (-6.6%)
Exchange rate, against USD	143.29	152.57	
Exchange rate, against EUR	155.29	164.83	
Exchange rate, against SGD	106.42	114.25	



# Segments

2025/1/31



No.17

(Mil JPY)

	Japan	Asia	America	Europe	Eliminations	Consolidated
<b>1-3Q of FY2024</b>						
Net sales	95,592	77,427	51,926	12,989	-69,140	168,794
(Sales in foreign currency)		(658,607)	(340,343)	(78,805)		
Operating income/loss	9,015	3,339	2,233	-146	-1,210	13,232
	I (Japan)	II (Asia)	III (America)	IV (Europe)	Eliminations	Consolidated
<b>1-3Q of FY2023</b>						
Net sales	100,822	72,204	45,850	15,364	-71,249	162,992
(Sales in foreign currency)		(653,347)	(319,984)	(98,942)		
Operating income/loss	7,227	3,318	1,998	-78	-307	12,156
	I (Japan)	II (Asia)	III (America)	IV (Europe)	Eliminations	Consolidated
<b>1-3Q of FY2022</b>						
Net sales	101,259	80,169	47,734	11,175	-74,842	165,498
(Sales in foreign currency)		(787,054)	(349,681)	(79,493)		
Operating income/loss	4,023	6,133	2,999	-209	-1,335	11,610

# Sales amount by Destination



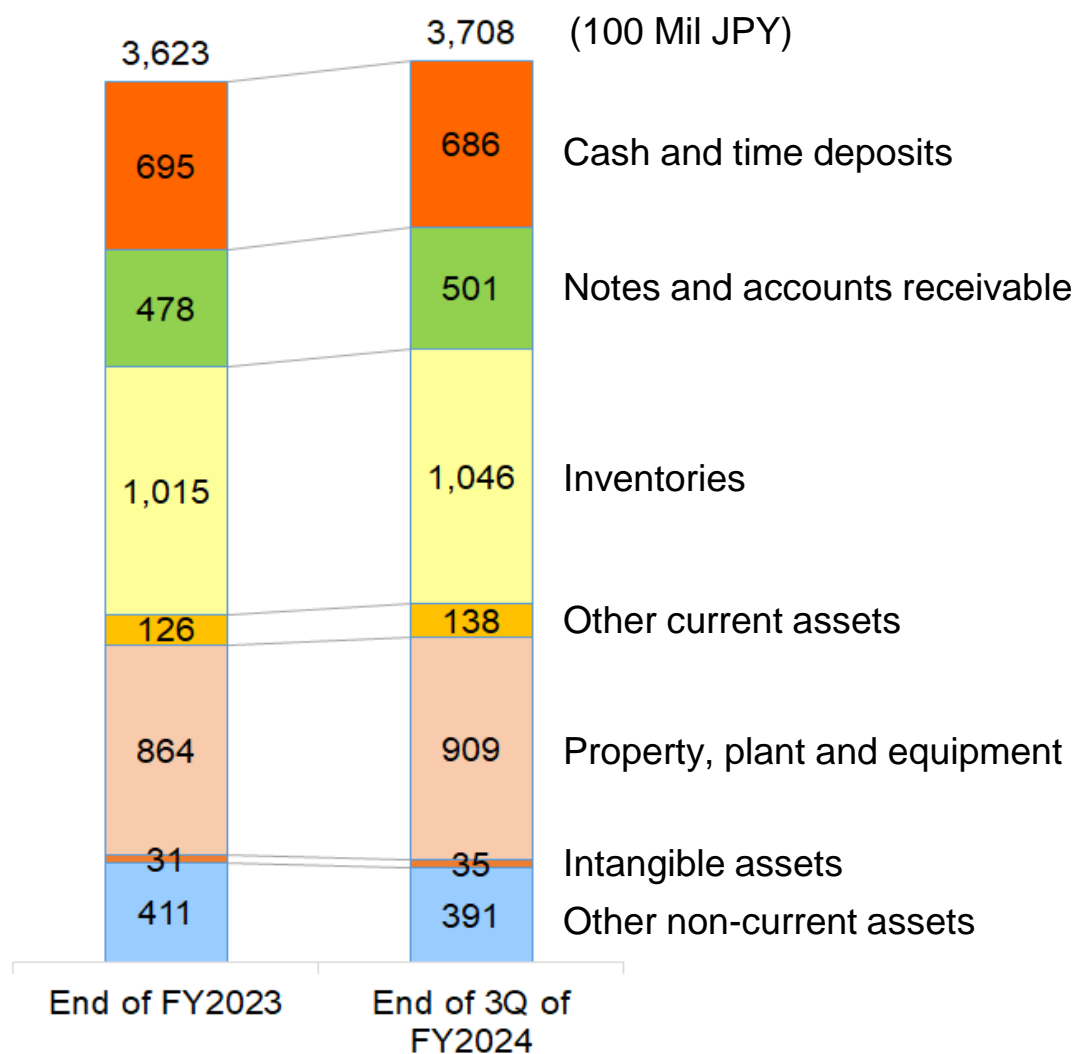
The ratio of sales to Japan decreased and to Asia, US increased.

(Mil JPY)

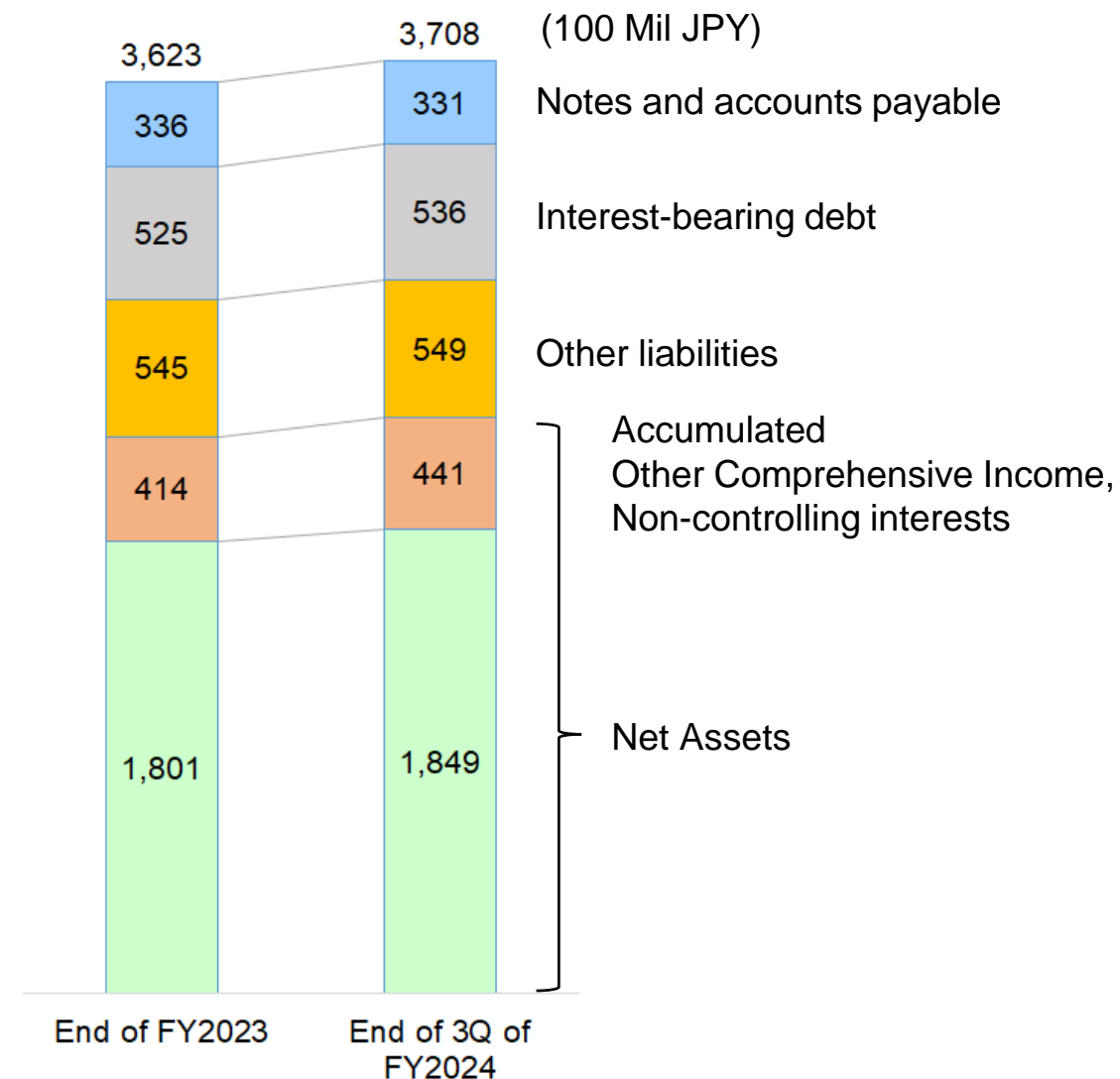
	Japan	Asia	America	Europe	Others	Consolidated
1-3Q of FY2024						
Net sales	25,373	75,578	51,579	13,293	2,969	168,794
Ratio	15.0%	44.7%	30.5%	7.8%	1.7%	
1-3Q of FY2023						
Net sales	29,420	69,873	45,386	16,246	2,064	162,992
Ratio	18.0%	42.8%	27.8%	9.9%	1.2%	
1-3Q of FY2022						
Net sales	25,710	78,725	47,534	11,866	1,661	165,498
Ratio	15.5%	47.5%	28.7%	7.1%	1.0%	

# Balance Sheet Summary

## Assets



## Liabilities and net assets



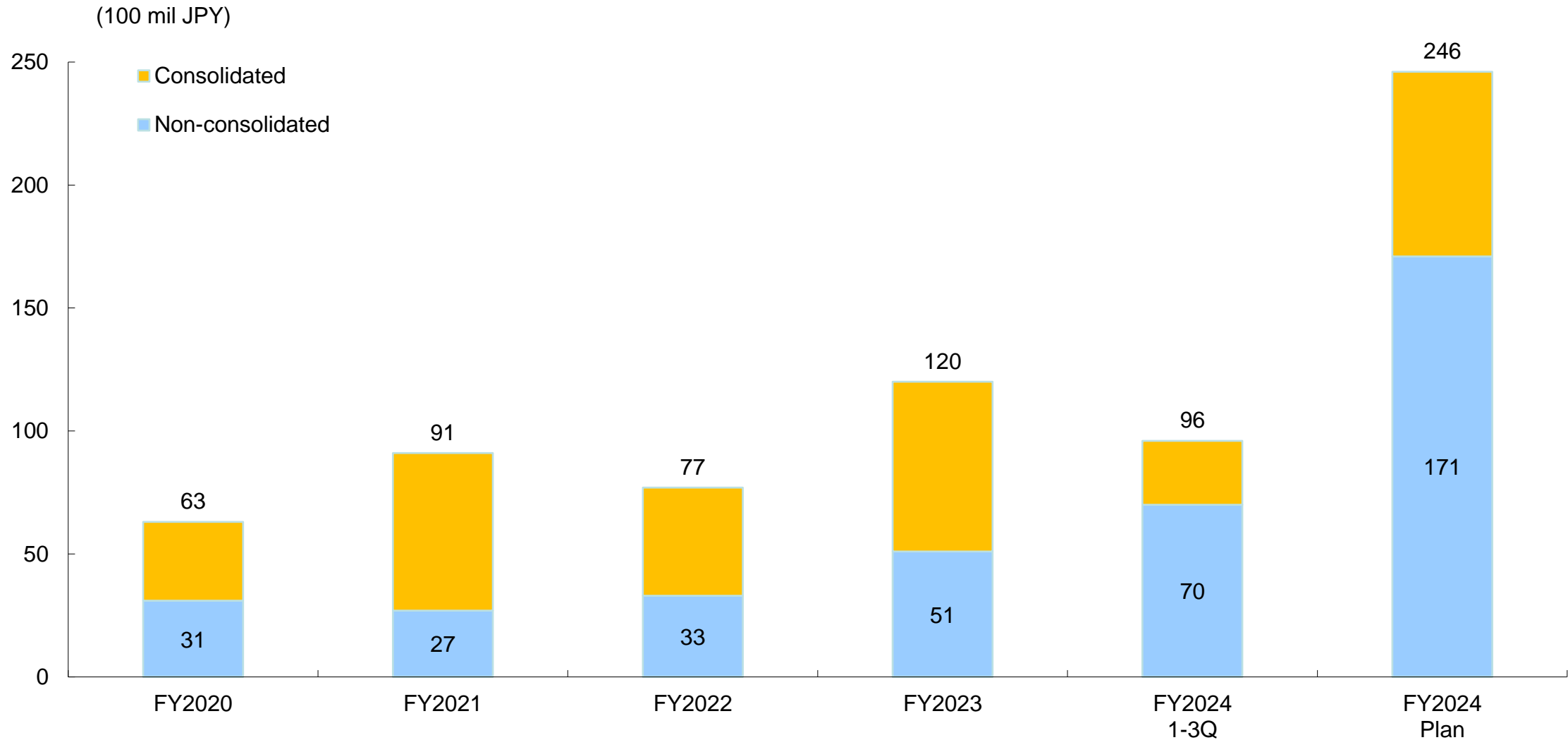
## 5.7 billion yen returns to shareholders including the purchase of treasury stock

(Mil JPY)

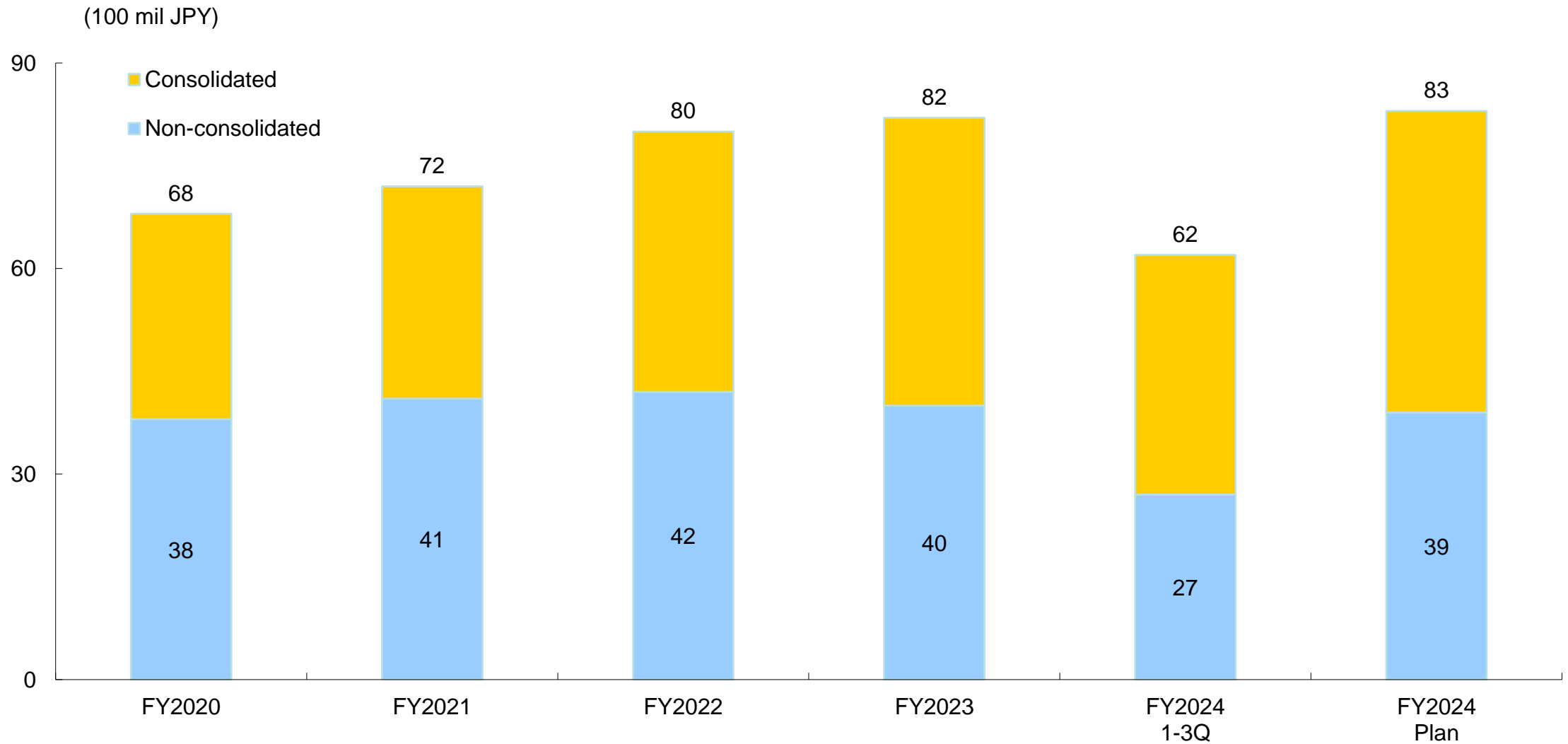
Item	1-3Q of FY2023 (From Apr.1, 2023 to Dec.31, 2023)	1-3Q of FY2024 (From Apr.1, 2024 to Dec.31, 2024)
<b>I. Cash flows from operating activities:</b>		
Income (loss) before income taxes	14,145	15,057
Depreciation and amortization	6,025	6,164
(Increase) decrease in notes and accounts receivable, trade	9,066	-830
(Increase) decrease in inventories	-3,607	-483
Increase (decrease) in notes and accounts payable, trade	-9,924	-1,228
Other, net	-7,619	-5,272
<b>Cash flows from operating activities</b>	<b>8,085</b>	<b>13,407</b>
<b>II. Cash flows from investing activities:</b>		
Net (Increase) decrease in time deposits	1,552	-400
Purchase of property, plant and equipment	-7,151	-8,499
Proceeds from sales of property, plant and equipment	391	789
Proceeds from sales of investment securities	192	389
Other, net	217	-653
<b>Cash flows from investing activities</b>	<b>-4,796</b>	<b>-8,374</b>
<b>III. Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans payable, net	155	6,702
Repayment of finance-lease obligations	-757	-813
Proceeds from long-term loans payable	4,000	-
Repayment of long-term loans payable	-5,000	-5,824
Payment for purchases of treasury stock	-1,001	-2,004
Payment for purchases of treasury stock of subsidiaries	-100	-25
Dividends paid by the parent company	-3,572	-3,760
Dividends paid to minority shareholders	-6	-4
<b>Cash flows from financing activities</b>	<b>-6,282</b>	<b>-5,730</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	<b>847</b>	<b>1,336</b>
<b>V. Net increase (decrease) in cash and cash equivalents</b>	<b>-2,146</b>	<b>639</b>
<b>VI. Cash and cash equivalents, beginning of period</b>	<b>69,467</b>	<b>72,578</b>
<b>VII. Cash and cash equivalents, end of period</b>	<b>67,320</b>	<b>73,217</b>



## 9.6 billion yen capital investment, mainly in the Fujiyoshida factory

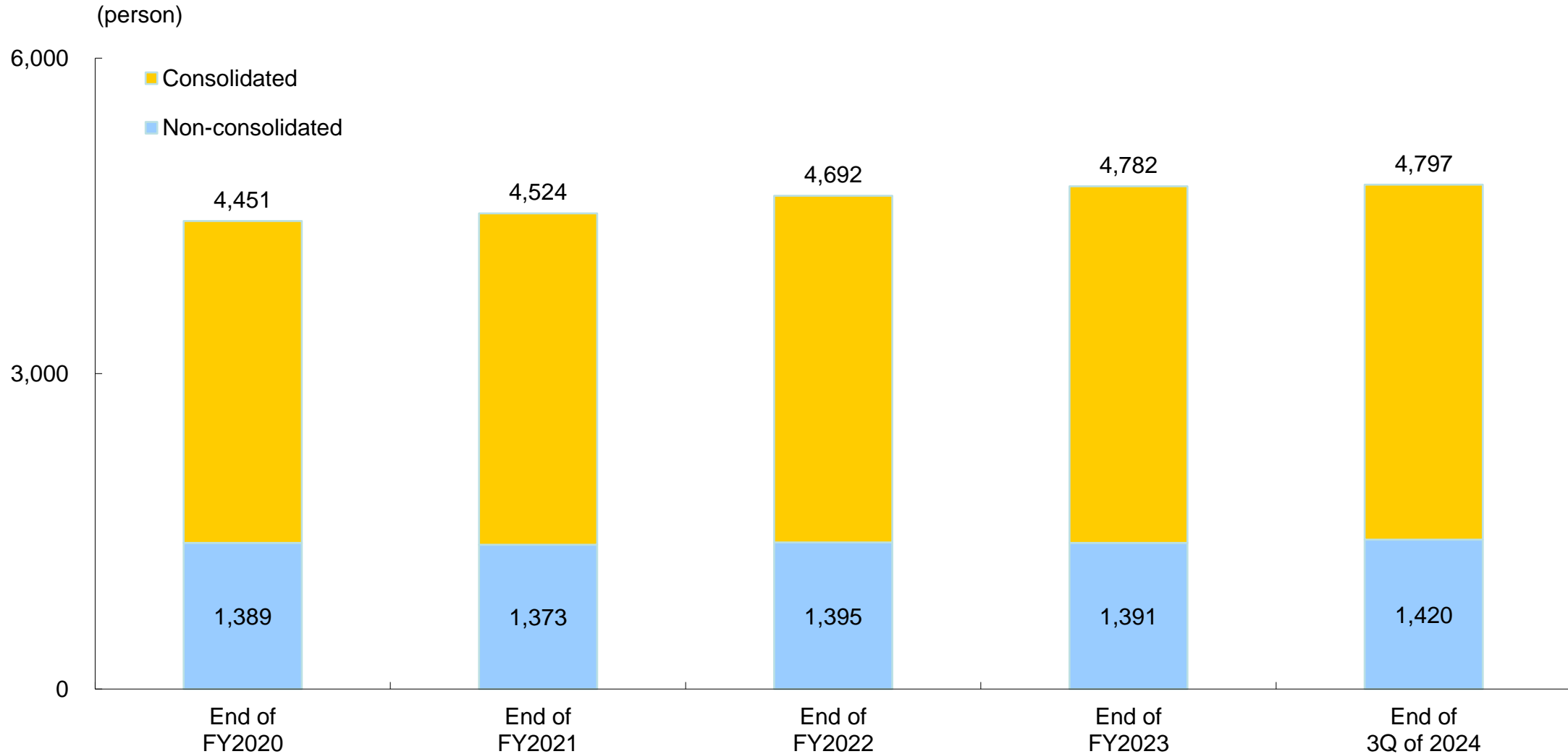


# Depreciation





The headcount increased by 15 since the end of FY23.



# Forecast of Consolidated Operating Results

(Mil JPY)	FY2023 (From Apr.1, 2023 to Mar.31. 2024)	FY2024 (From Apr.1, 2024 to Mar.31. 2025)	Change
Net sales	225,360	225,000	-360
Operating income	16,372 (7.3%)	17,000 (7.6%)	628
Ordinary income	18,918 (8.4%)	17,700 (7.9%)	-1,218
Net income attributable to owners of the parent	15,981 (7.1%)	14,500 (6.4%)	-1,481
Exchange rate, against USD	144.62	149.00	
Exchange rate, against EUR	156.80	160.00	
Exchange rate, against SGD	107.52	110.00	



# Reference Materials

# Sales and Operating Income

(JPY)

80/8bil

60/6bil

40/4bil

20/2bil

-0/bil

-/-2bil

-/-4bil

Sales  
Operating Income  
Operating Income ratio

24.0%

18.0%

12.0%

6.0%

0.0%

-6.0%

-12.0%

1Q of FY2018 2Q of FY2018 3Q of FY2018 4Q of FY2018 1Q of FY2019 2Q of FY2019 3Q of FY2019 4Q of FY2019 1Q of FY2020 2Q of FY2020 3Q of FY2020 4Q of FY2020 1Q of FY2021 2Q of FY2021 3Q of FY2021 4Q of FY2021 1Q of FY2022 2Q of FY2022 3Q of FY2022 4Q of FY2022 1Q of FY2023 2Q of FY2023 3Q of FY2023 4Q of FY2023 1Q of FY2024 2Q of FY2024 3Q of FY2024

USD	109.07	110.26	111.14	110.91	109.90	108.63	108.67	108.74	107.62	106.92	106.11	106.06	109.49	109.80	111.10	112.38	129.57	133.97	136.51	135.47	137.37	141.00	143.29	144.62	155.88	152.63	152.57
EUR	130.06	129.85	129.49	128.41	123.49	121.42	121.05	120.82	118.48	121.30	122.38	123.70	131.96	130.90	130.62	130.56	138.12	138.73	140.59	140.97	149.47	153.39	155.29	156.80	167.88	165.95	164.83
SGD	81.79	81.64	81.80	81.69	80.61	79.34	79.48	79.28	76.21	76.74	77.03	77.65	82.16	81.80	82.46	83.33	94.09	96.55	98.36	98.62	102.54	104.85	106.42	107.52	115.21	114.16	114.25

# The Influences on Sales and Operating income by the exchange rate fluctuation

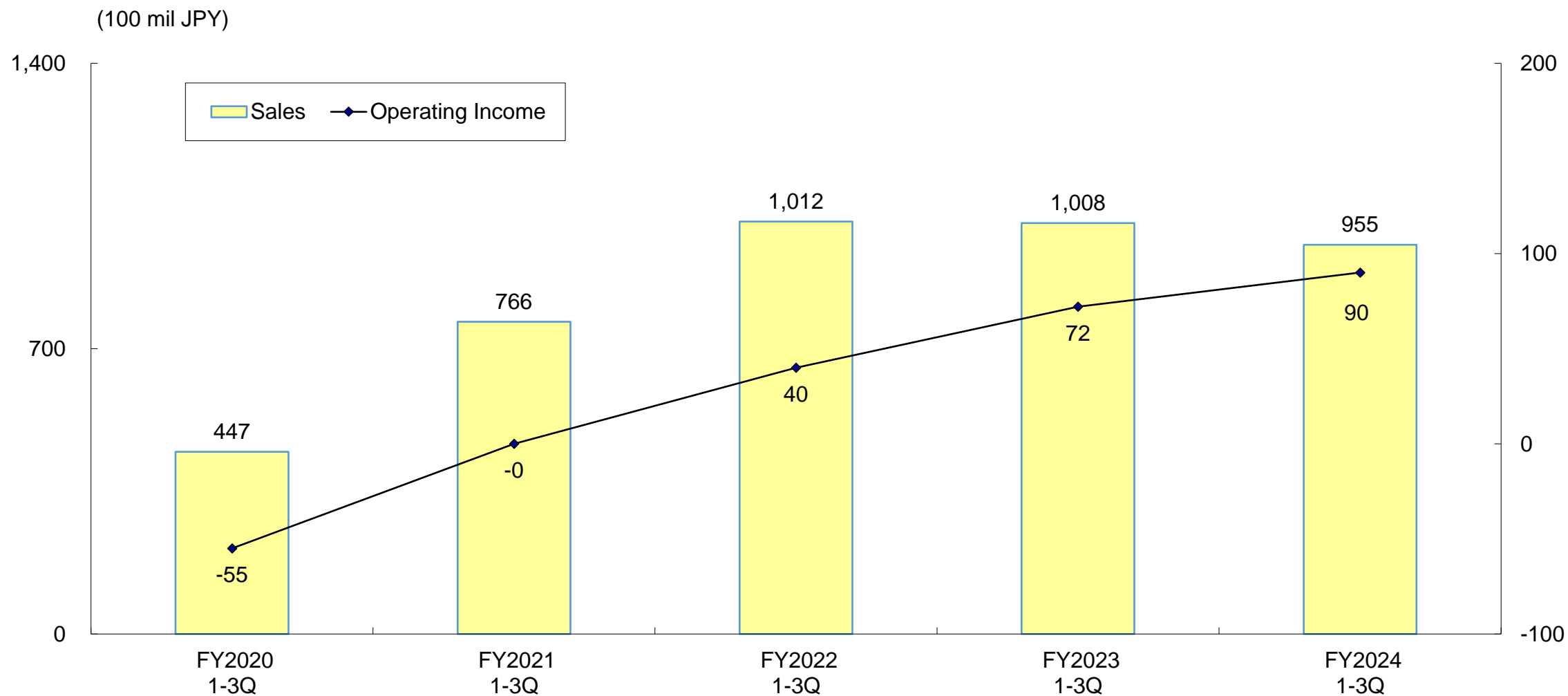


Comparison with the same period of last year

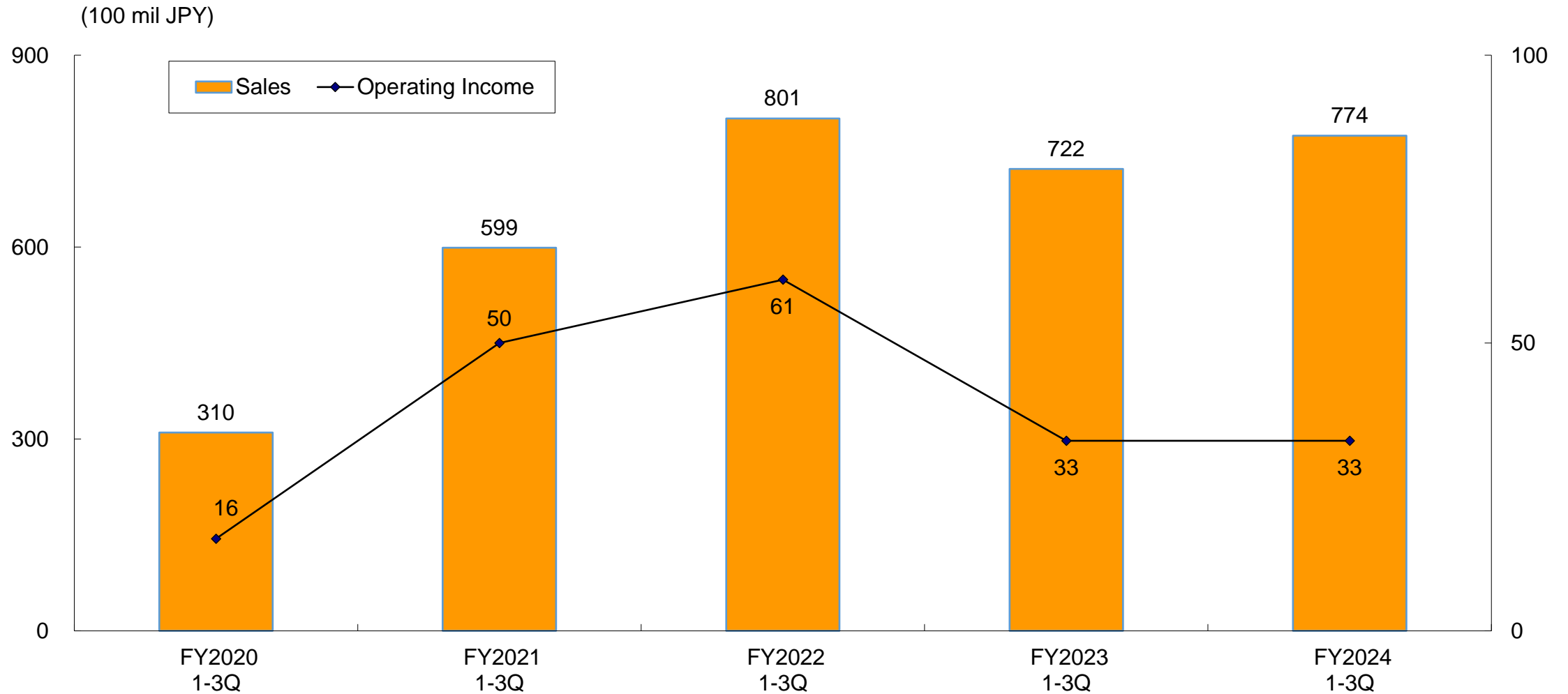
(mil JPY)

	1-3Q of FY2024			The influence of the exchange rate fluctuations in Sales	The influence of the exchange rate fluctuations in Operating Income
	External sales	Exchange rate	(Same period of last year)		
USD	USD 338M	152.57	(143.29)	3,132	599
EUR	EUR 79M	164.83	(155.29)	751	22
SGD	SGD 616M	114.25	(106.42)	4,821	217
			Total	8,704	838

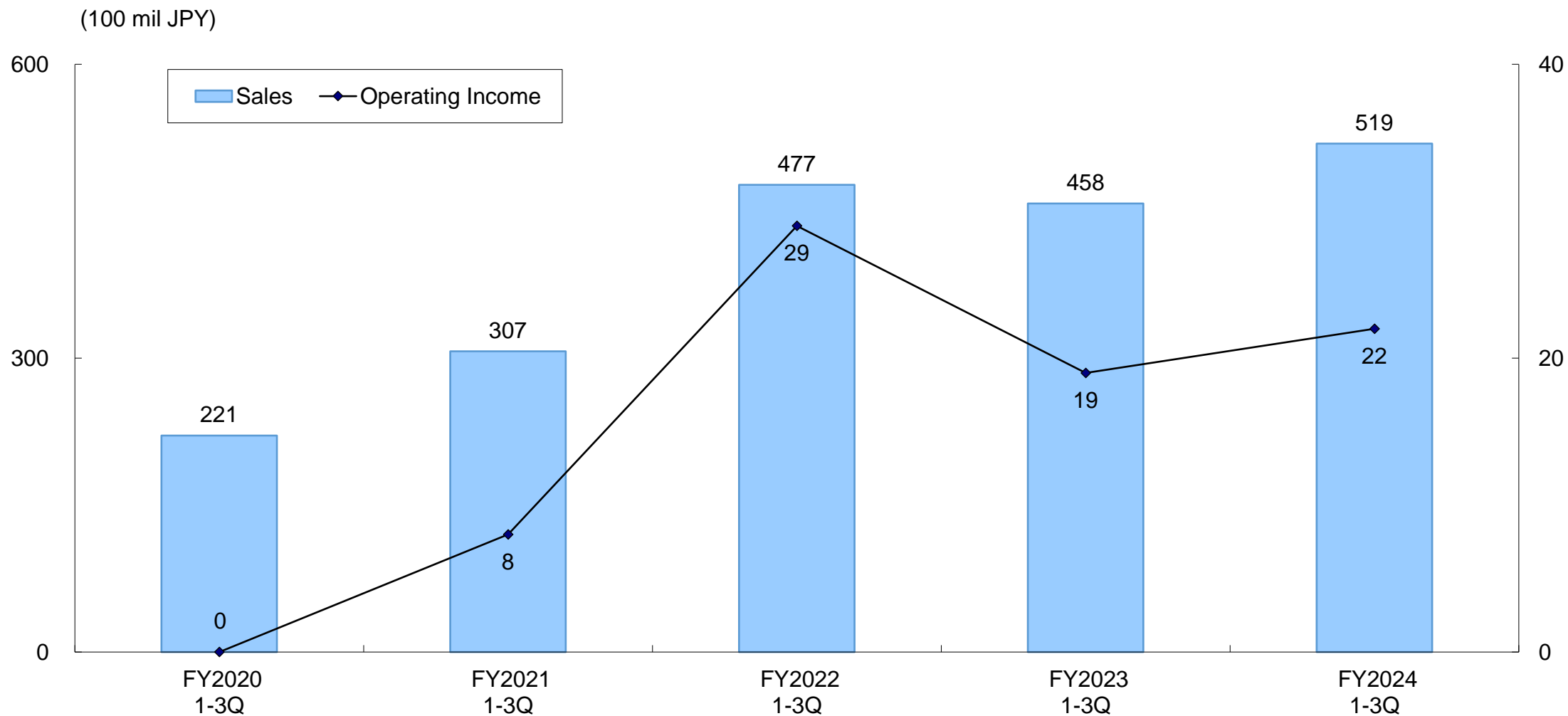
# Net Sales and Operating Income (by Segment I / Japan)



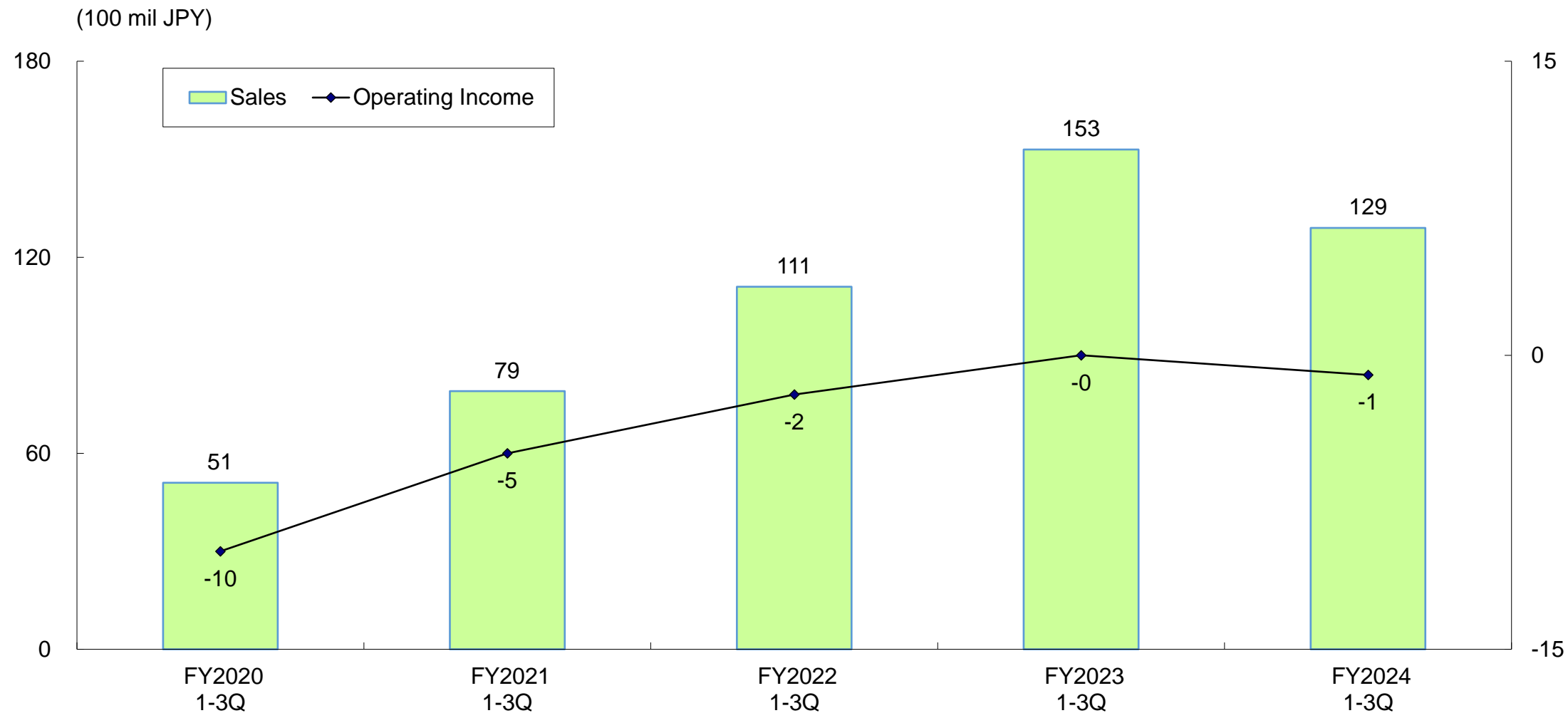
# Net Sales and Operating Income (by Segment II / Asia)



# Net Sales and Operating Income (by Segment III / America)



# Net Sales and Operating Income (by Segment IV / Europe)

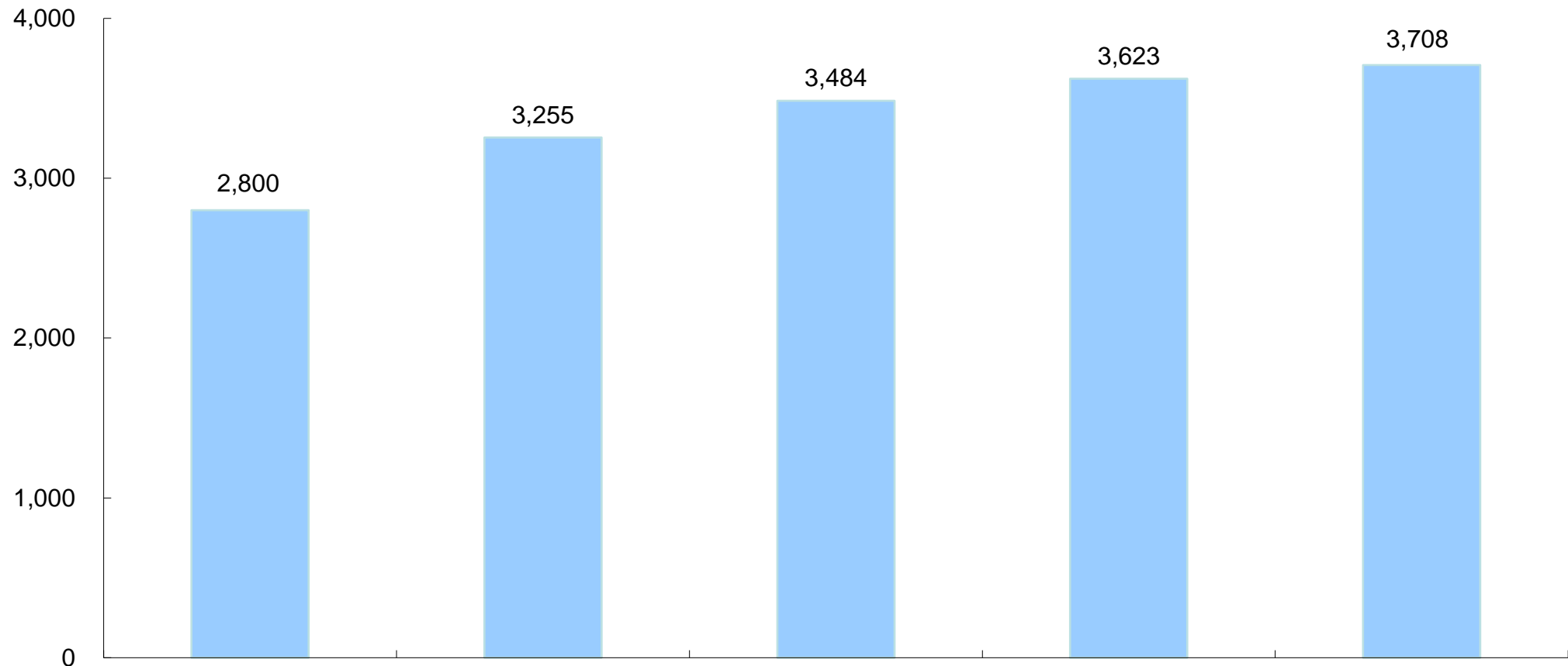


# Changes in Major Items in Consolidated Balance Sheets

## - Total assets -



(100 mil JPY)



\*For reference  
Net Sales  
(100 mil JPY)

End of  
FY2020

1,167

End of  
FY2021

1,865

End of  
FY2022

2,279

End of  
FY2023

2,253

End of  
3Q FY2024

1,687

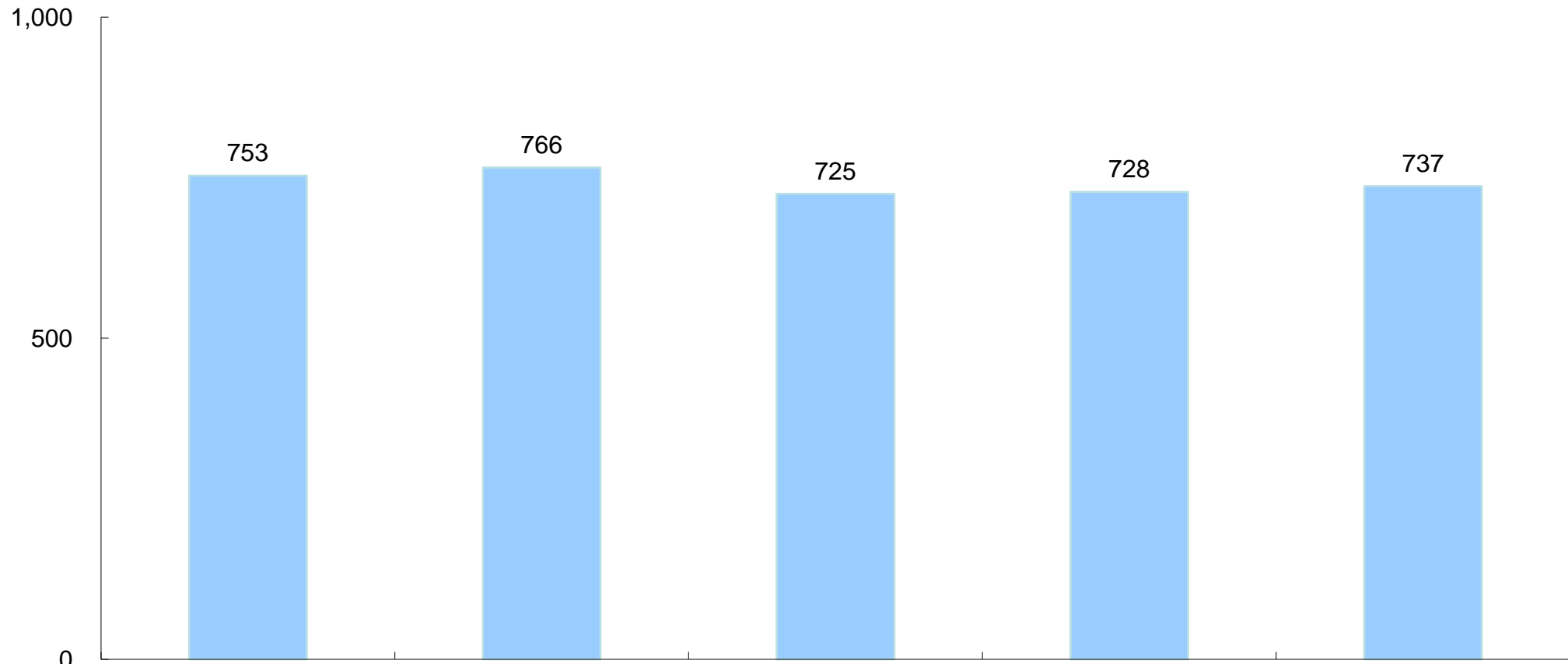


# Changes in Major Items in Consolidated Balance Sheets

## - Cash and time deposits + securities -



(100 mil JPY)



\*For reference  
Net Sales  
(100 mil JPY)

End of  
FY2020

1,167

End of  
FY2021

1,865

End of  
FY2022

2,279

End of  
FY2023

2,253

End of  
3Q FY2024

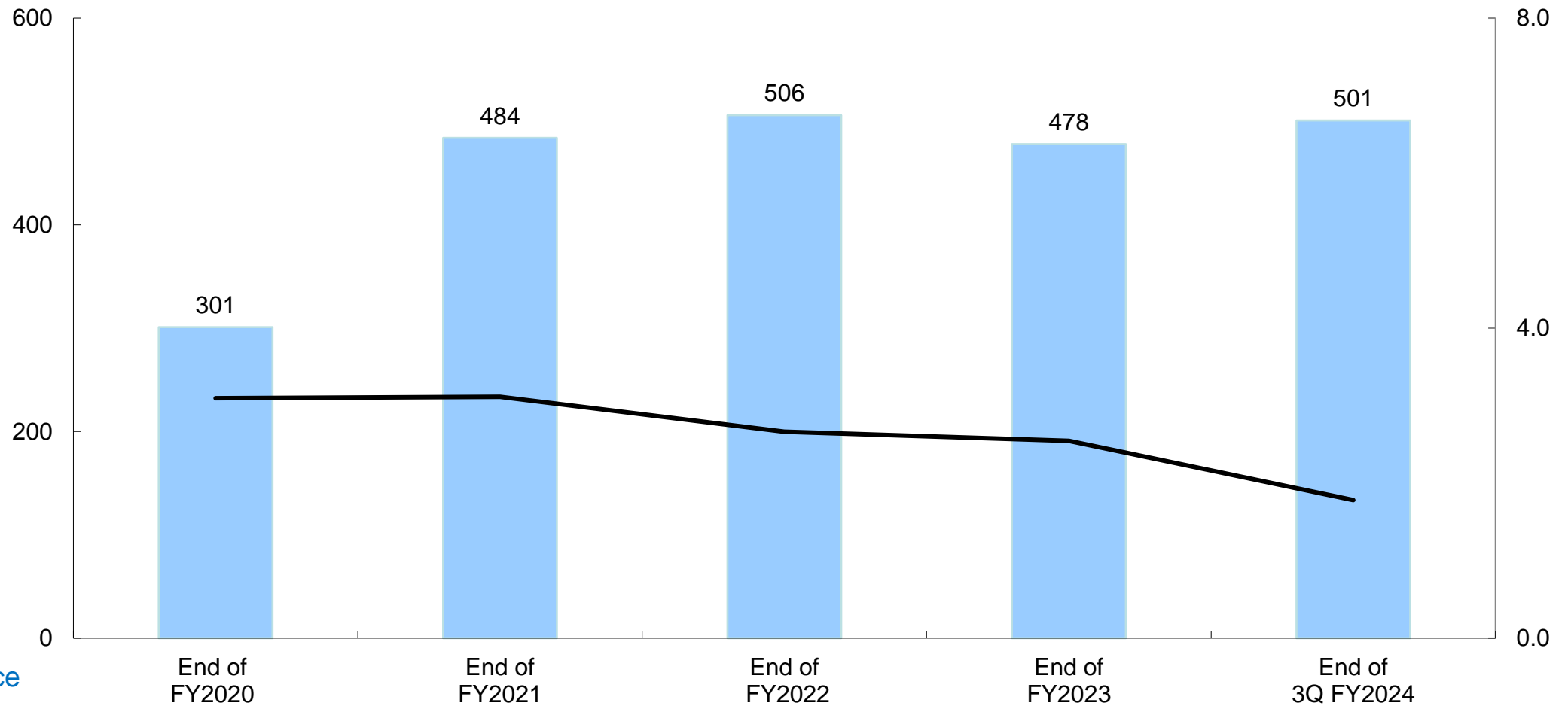
1,687

# Changes in Major Items in Consolidated Balance Sheets

- Notes and accounts receivable, trade(left) / Turnover(right)

(100 mil JPY)

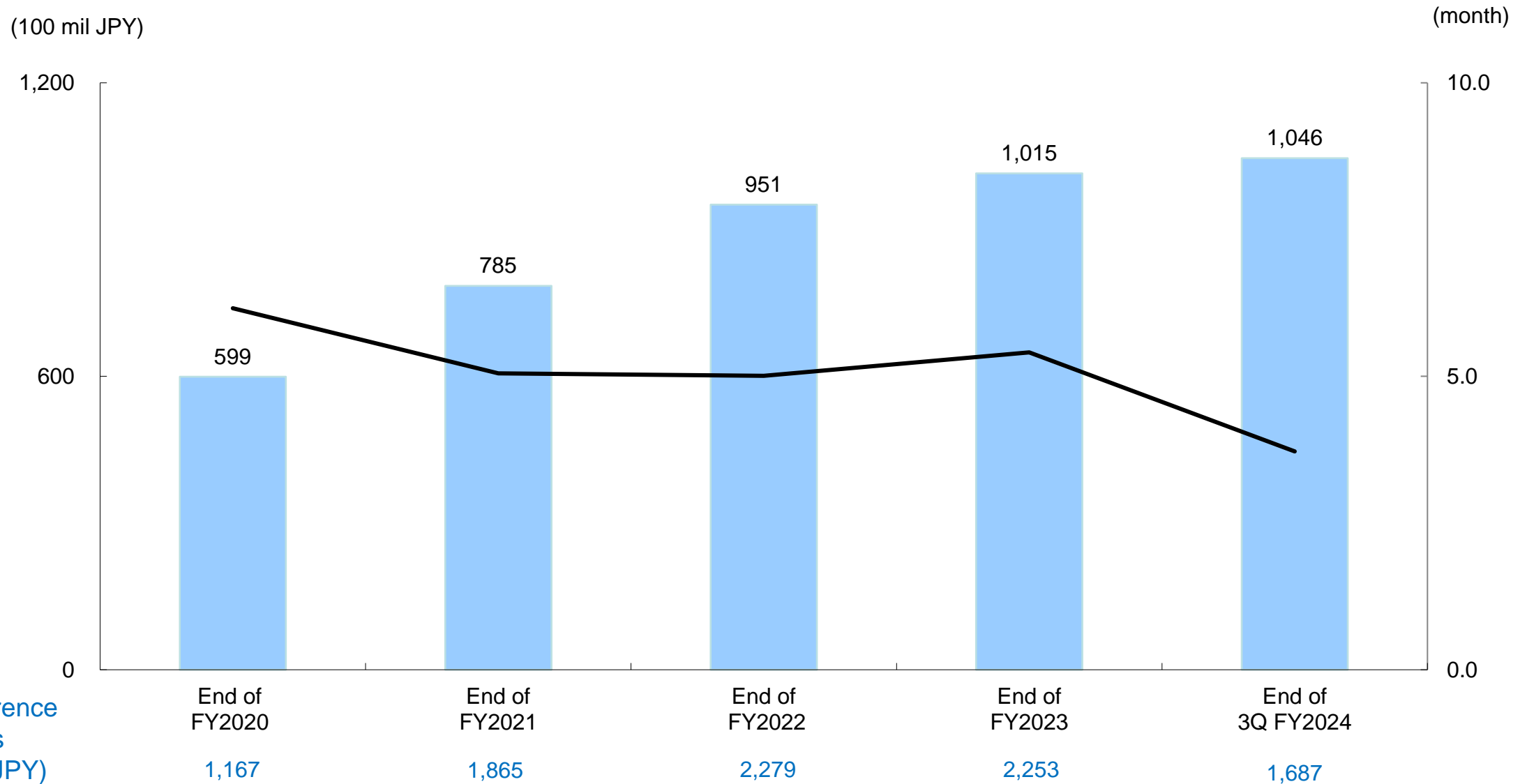
(month)



\*For reference  
Net Sales  
(100 mil JPY)

# Changes in Major Items in Consolidated Balance Sheets

## - Inventories(left) / Turnover(right)

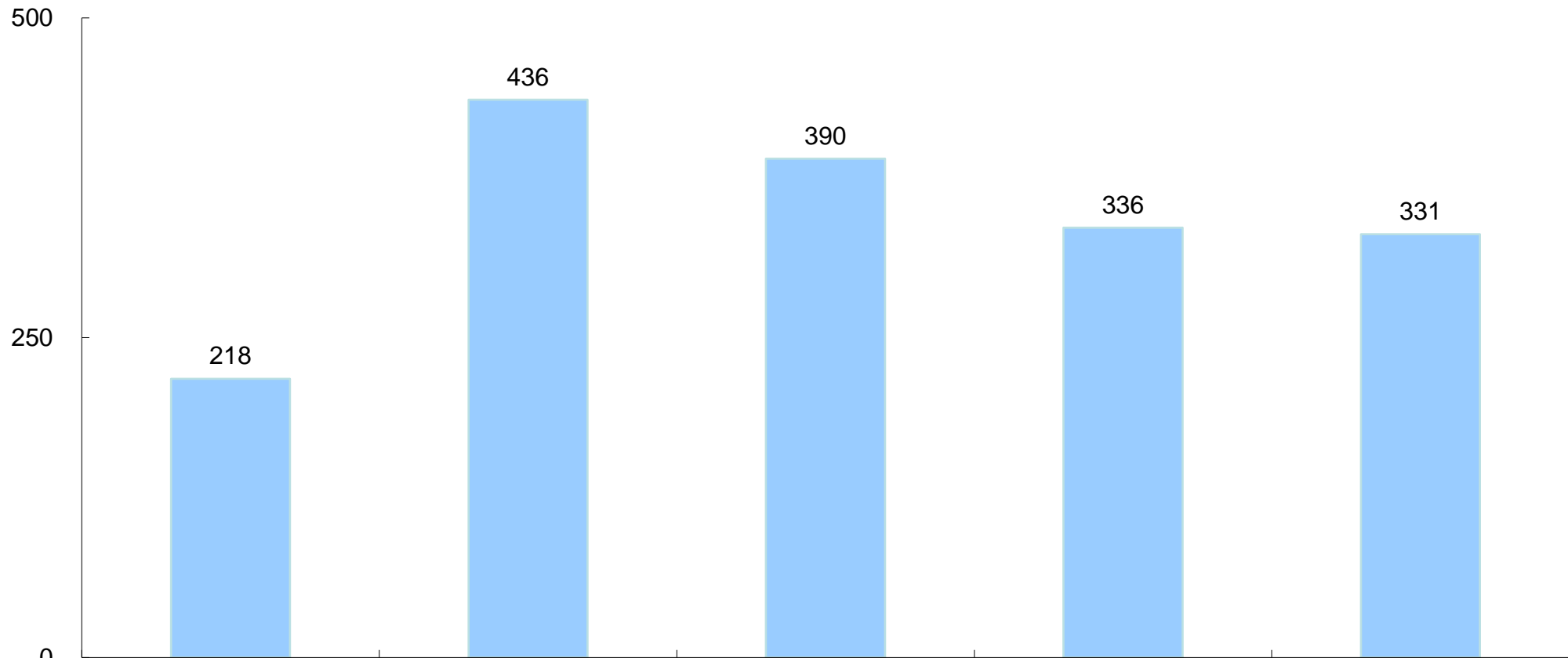


# Changes in Major Items in Consolidated Balance Sheets

## - Notes and accounts payable, trade -



(100 mil JPY)



\*For reference  
Net Sales  
(100 mil JPY)

End of  
FY2020

1,167

End of  
FY2021

1,865

End of  
FY2022

2,279

End of  
FY2023

2,253

End of  
3Q FY2024

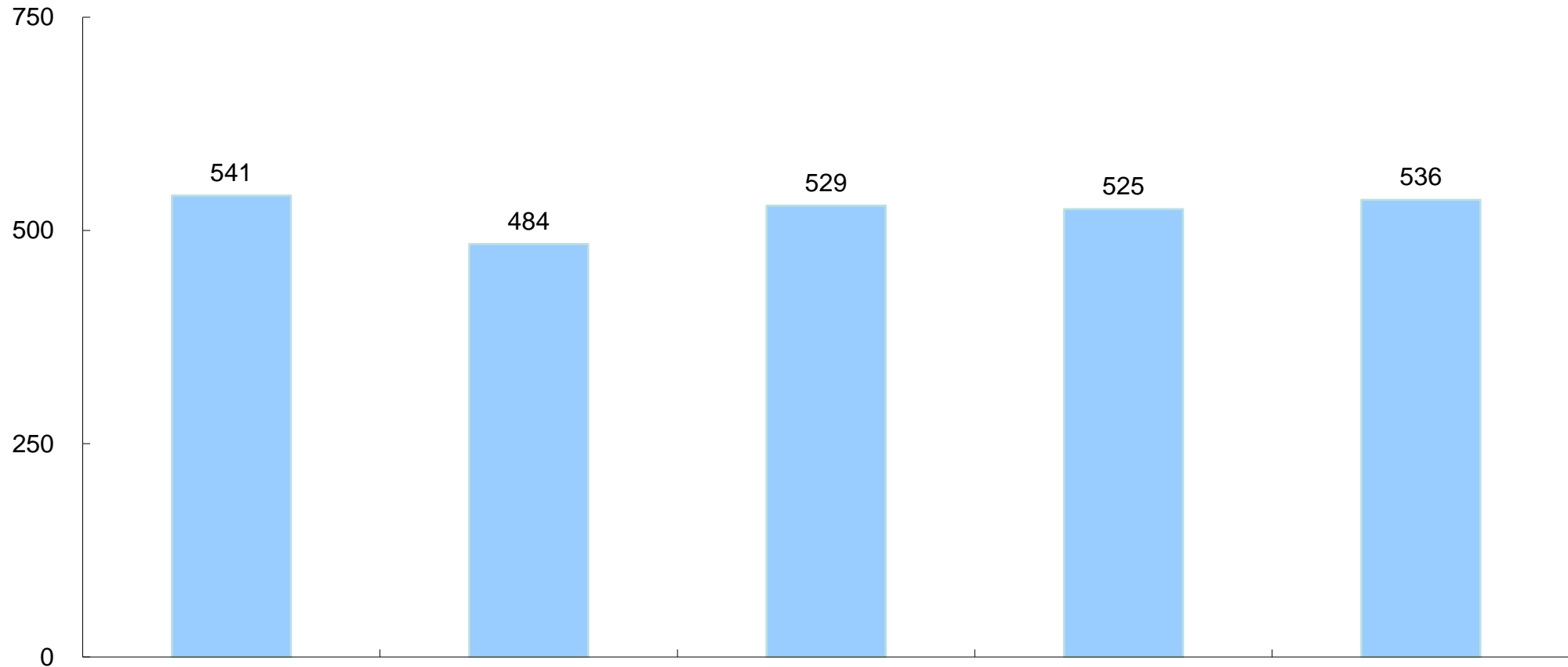
1,687

# Changes in Major Items in Consolidated Balance Sheets

## - Interest-bearing debt -



(100 mil JPY)



\*For reference  
Net Sales  
(100 mil JPY)

End of  
FY2020

1,167

End of  
FY2021

1,865

End of  
FY2022

2,279

End of  
FY2023

2,253

End of  
3Q FY2024

1,687



Forward-looking statements contained in this explanatory material, including results forecasts, are based on information available at the time of disclosure and contain potential risks and uncertainties.

Therefore, please note that actual results may materially differ from the forecasts written in this material because of various factors.

Significant factors that could have an impact on actual results include, but are not limited to, economic conditions and social developments surrounding the Company, as well as changes in relative competitiveness due to trends in demand for the products and services provided by the Company.