

Q&A of Results Briefing FY2025 1Q
(Held on July 31, 2025)

Q1. What are the prospects after privatization through the TOB?

A1. We will increase sales, reduce costs, and strengthen our proposal capabilities, among other efforts, by continuously incorporating new insights. Through the ongoing enhancement of high value-added product development and the expansion of engineering services centered on automation solutions, we strive to raise the appropriate price. Furthermore, we aim to improve productivity by streamlining not only our production and procurement processes, but also our sales and administrative operations. These efforts will help us achieve our business plan and enhance corporate value.

Q2. What is the impact on the business of the US raising tariff on Japanese products to 15%?

A2. Our basic policy is to pass on the tariff cost to customers as a surcharge, and we expect the impact on our business performance to be minimal.

If the US tariff increase leads to higher automotive production in the US, we anticipate that machine tools will be imported from overseas, such as Japan and Europe, due to the limited number of domestic machine tool manufacturers.

Makino Inc., our group company responsible for the US market, has long been providing turnkey proposals to automotive customers. By offering solutions that enhance productivity, we believe this will generate opportunities for new orders.

Q3. What are the trends in orders for automotives, including EVs, in China?

A3. Chinese automotive manufacturers show a wide range of performances and trends across companies, and some of them and their suppliers continue to invest in equipment.

In 1Q, we recorded an increase in orders for die and mold for EVs and plug-in hybrid vehicles.

Forward-looking statements in this material, including results forecasts, are based on information available at the time of disclosure and contain potential risks and uncertainties. Therefore, the actual results may differ from the estimates written in this material because of various factors. Significant factors that could impact 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.
