

**Consolidated Financial Results Overview****2020 fiscal year second quarter cumulative(first half)**

(Amounts less than one million yen are rounded down.)

(¥million)

	2019 fiscal year (first half) ①	2020 fiscal year (first half) ②	year-on-year increase decrease		Previous announcement on Aug 12	
			②-①	Rate of change	first half ③	Change ②-③
Sales	10,223	6,538	△3,684	△36.0%	6,300	238
Operating Profit	384	△839	△1,223	—	△450	△389
Ordinary Profit	537	△627	△1,164	—	△250	△377
Quarterly net profit belong to shareholders of parent company	727	△613	△1,340	—	△400	△213
Thai baht Exchange rate	3.51¥/baht	3.49¥/baht			3.25¥/baht	

(Note) Starting from this fiscal year, we changed the indication of some of the leased properties and dies ,scrapings, and we also changed the presentation of each of the results for fiscal 2019 year in this supplementary material.

**2020 Business Forecast**

(¥million)

	2019fiscal year ①	2020 fiscal year			Change on year ④-①
		First half result ②	Second half outlook ③	Annual outlook ④	
Sales	19,373	6,538	7,962	14,500	△4,873
Operating Profit	561	△839	189	△650	△1,211
Ordinary Profit	880	△627	257	△370	△1,250
Net Income devolved to the shareholders of parent company	△278	△613	243	△370	△91

(Note) Forecasts for fiscal 2020 were previously undetermined, however, based on the results in the first half of this year and the recovery trend in orders in our core forging business, we have made an announcement in conjunction with the disclosure of second quarter results.

The extraordinary gains mentioned in today's press release titled " Progress Report on Exceeding the Available-for-Distribution Amount and Recording of Extraordinary Gains " are not included in this forecast because they will not be recognized in the consolidated financial results.

The exchange rate for the Thai Baht is 3.49 Yen per Baht, which is applicable rate for the first half of this year.

**1.Sales amount and operating profit By the Segments.**

(¥million)

		2019fiscal year			2020scal year	year-on-year increase decrease	
		First half ①	Second half	Full year	First half ②	②-①	Rate of change
Forging business	Sales	8,777	7,772	16,549	5,266	△3,511	△40.0%
	Operating Profit	435	248	683	△711	△1,147	—
Scaffolding parts business	Sales	985	882	1,868	799	△186	△18.9%
	Operating Profit	77	60	138	19	△58	△75.2%
Logistics products business	Sales	356	401	757	362	+6	1.7%
	Operating Profit	△2	22	19	△2	±0	—
Real estate business	Sales	104	93	198	110	+6	6.5%
	Operating Profit	61	44	105	61	±0	—
Segments total	Sales	10,223	9,149	19,373	6,538	△3,684	△36.0%
	Operating Profit	572	375	948	△632	△1,205	—
Corporate expenses		△188	△197	△386	△207	△18	—
Operating Profit on P/L Account		384	177	561	△839	△1,223	—

**2.Breakdown of forging business**
**①Sales amount By the country**

(¥million)

	2019 fiscal year				2020 fiscal year		year-on-year increase decrease	
	First half ①	Second half	2019 Full year	ratio	First half ②	ratio	②-①	Rate of change
Domestic sales amount	5,551	4,540	10,091	61.0%	3,325	63.2%	△2,225	2.2%
Thailand sales amount	3,226	3,231	6,458	39.0%	1,940	36.8%	△1,285	△2.2%
Total	8,777	7,772	16,549	100.0%	5,266	100.0%	△3,511	—
(Reference) Thai Baht exchange rates(1Baht:¥)	3.51¥/Baht	3.63¥/Baht	3.63¥/Baht		3.51¥/Baht			

**②Sales amount By the industry**

(¥million)

	2019 fiscal year				2020 fiscal year		year-on-year increase decrease	
	First half ①	Second half	2019 Full year	Ratio	First half ②	Ratio	②-①	Rate of change
Automotive industry	6,380	6,186	12,567	75.9%	3,773	71.7%	△2,606	△4.3%
Construction machinery industry	2,397	1,585	3,982	24.1%	1,492	28.3%	△904	4.3%
Total	8,777	7,772	16,549	100.0%	5,266	100.0%	△3,511	—

※Sales amount for Automotive industry includes for passenger vehicles, commercial vehicles, trucks and forklifts.

※Sales amount for Construction machinery industry includes for Industrial machines and Scaffolding parts.

### 3.Non-operating income breakdown

(¥million)

	2019 fiscal year			2020 fiscal year	year-on-year increase decrease	
	First half	Second half	Full year	First half	②-①	Rate of change
	①			②		
Non-operating income	158	206	364	235	+77	48.8%
Interest income	32	36	68	22	△10	△30.9%
Dividend income	66	59	125	48	△18	△27.3%
Steel scrap selling income	10	16	26	4	△6	△56.9%
Exchange profit/loss	15	28	43		△15	—
Others	33	66	100	160	+126	377.4%
Non-operating expense	4	40	45	23	+18	△41.1%
Interest expense	4	7	11	15	+11	△4.7%
Exchange loss				7	+7	—
Others		33	34		±0	—

(Note) Non operating income and others in first half of 2020 includes the employment adjustment subsidy due to the closure of domestic forging plants.

### 4.Breakdown of capital investment and depreciation

(¥million)

	2019fiscal year			2020fiscal year	year-on-year increase decrease		2020fiscal year (this time)
	First half	Second half		First half	②-①	Rate of change	
	①			②			
Amount of capital investment	717	1,032	1,749	367	△349	△48.8%	1,100
(Forging division)	(701)	(1,004)	(1,706)	(339)	△362	△51.7%	(950)
Depreciation implementation Amount	531	574	1,105	532	+1	0.2%	1,100

(Note) Capital investment in first half of fiscal 2020 is mainly due to the renovation of facilities at domestic and overseas forging plants in the forging business.

Major capital investments planned for the second half of fiscal 2020 are;

① Installation of new 2000 Ton Forging Press line at a domestic forging plant in forging business. :435 Million Yen,

② Renewal of Forming Machine in Scaffolding business. : 130 Million Yen.

etc.

(Note) Planned capital investment amount of fiscal 2020 is stated in the "Consolidated Financial Results for Fiscal Year Ending March 31, 2020" dated on 26, May 2020.