

To whom it may concern:

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## Notice of Differences between the Forecasts and the Results of Financial Performance for the 2nd quarter of the Fiscal Year Ending March 31, 2023

We hereby inform you of the differences between the forecasts announced on May 16, 2022 and results disclosed today for the 2nd quarter of the fiscal year ending March 2023, as follows.

### 1. Regarding differences between the forecasts and results

- Differences between the Forecasts and the Results of Consolidated Financial Performance for the 2nd Quarter of the Fiscal Year Ending March 31, 2023  
(From April 1, 2022 to September 30, 2022)

(Millions of yen, %)

	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
Previous Forecast (A)	75,000	1,400	1,700	200	30.60
Actual Result (B)	74,015	822	1,929	306	46.88
Difference (B-A)	-985	-578	229	106	—
Ratio (%)	-1.3	<b>-41.3</b>	13.5	<b>53.0</b>	—
Results of 2nd Quarter (Ended September, 2021)	65,574	3,417	3,483	1,864	259.32

- Differences between the Forecasts and the Results of Non-Consolidated Financial Performance for the 2nd Quarter of the Fiscal Year Ending March 31, 2023  
(From April 1, 2022 to September 30, 2022)

(Millions of yen, %)

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous Forecast (A)	37,000	900	2,500	1,800	275.44
Actual Result (B)	35,507	514	3,145	2,635	403.46
Difference (B-A)	-1,493	-386	645	835	—
Ratio (%)	-4.0	<b>-42.9</b>	25.8	<b>46.4</b>	—
Results of 2nd Quarter (Ended September, 2021)	32,062	145	1,928	1,930	268.53

● Reason for the differences

(Non-Consolidated)

A decrease in operating income was due to lower-than-expected net sales, which were affected by customers' production cutbacks due to semiconductor shortages and other factors.

The net income exceeded the initial forecast due to increased dividends received from subsidiaries and foreign exchange gains, despite the abovementioned decrease in operating income.

(Consolidated)

The operating income was lower than the initial forecast due to the abovementioned decrease in non-consolidated operating income and a decrease in the operating income of our U.S. subsidiaries. The U.S. subsidiaries' operating income was lower than expected due to soaring material and parts costs and increased labor and distribution costs.

Despite the abovementioned decrease in operating income, the profit attributable to owners of parent exceeded the initial forecast due to foreign exchange gains and an increase in equity in the earnings of affiliates, which resulted from a recovery in the performance of affiliated companies accounted for by the equity method in India.

End.