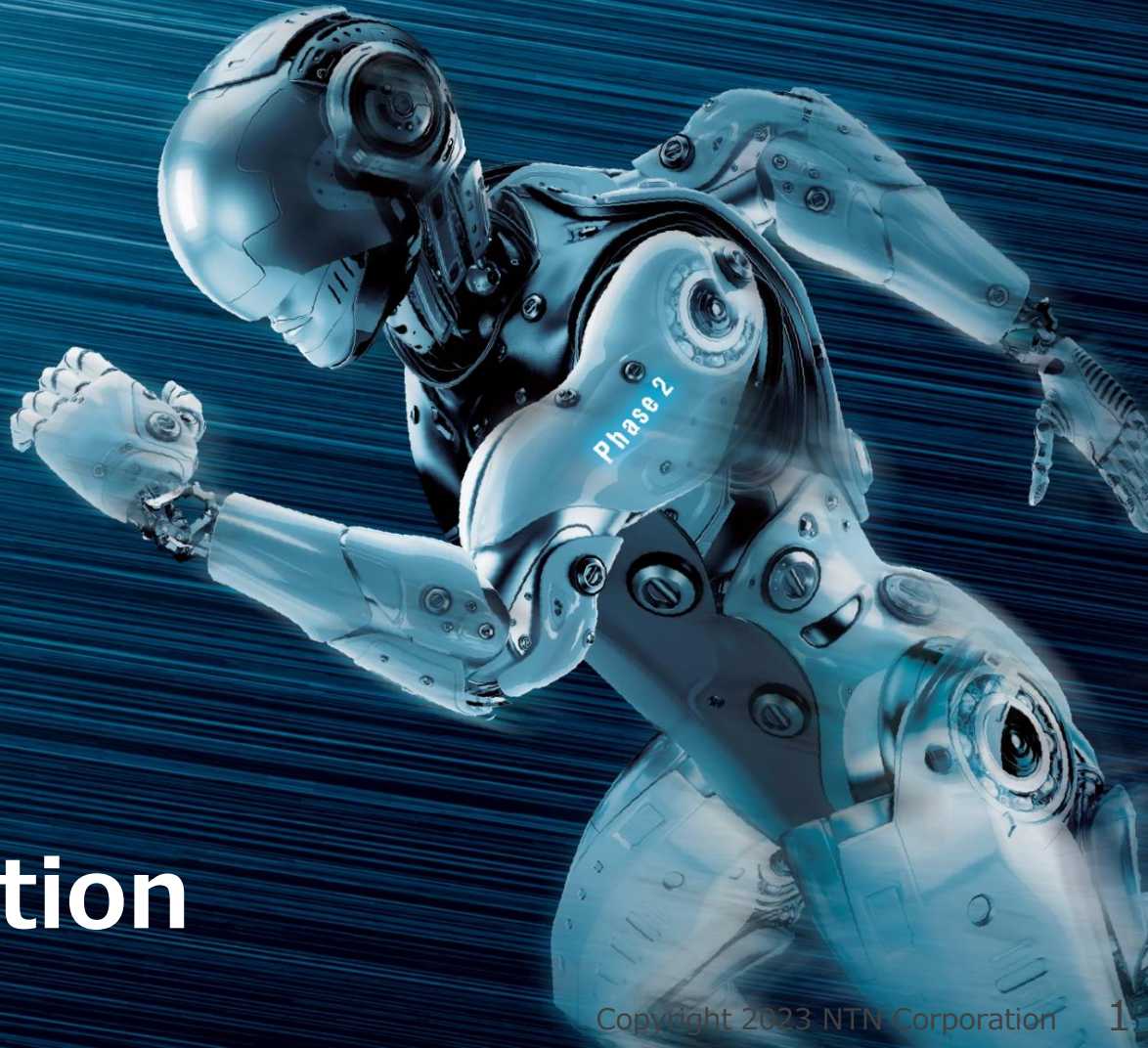


Consolidated Financial Results for the Third Quarter of FY2022



February 2, 2023
NTN Corporation

1. Key Points of Financial Results for 3Q of FY2022

◇ Net sales

¥569.4 billion YoY **+¥101.3** billion (excl. forex **+¥44.6** billion)

◇ Operating income

¥9.9 billion YoY **+¥7.3** billion (excl. forex **-¥3.4** billion)

◇ Ordinary income

¥7.4 billion YoY **+¥5.6** billion yen (excl. forex **-¥5.4** billion)

◇ Profit attributable to owners of parent

-¥0.8 billion YoY **+¥0.8** billion (excl. forex **-¥6.2** billion)

◇ Inventories

¥247.7 billion compared to previous FY end **+¥32.8** billion (excl. forex **+¥23.9** billion)

◇ Free cash flow

+¥15.4 billion YoY **+¥20.3** billion yen

2. Consolidated Statements of Operation

(billion yen)	FY2021			FY2022			Year on Year		
	3Q Results	1-3Q Results	Full year Results	3Q Results	1-3Q Results	Full year Forecast	②-①		
		①			②		Total	Volume	Forex
Net sales	162.3	468.1	642.0	197.7	569.4	770.0	101.3	44.6	56.7
Operating income	0.9	2.5	6.9	6.0	9.9	26.0	7.3	-3.4	10.8
Operating margin	(0.6%)	(0.5%)	(1.1%)	(3.1%)	(1.7%)	(3.4%)	(1.2%)		
Ordinary income	0.1	1.8	6.8	3.8	7.4	23.0	5.6	-5.4	11.0
Extraordinary income/loss	1.0	0.9	10.8	-0.9	-0.9	-3.0	-1.8	-1.6	-0.2
Profit attributable to owners of parent	-0.5	-1.5	7.3	0.9	-0.8	12.0	0.8	-6.2	7.0
Exchange rate	1USD	113.7	111.1	112.3	141.6	136.5	134.9	25.4	
(JPN)	1EURO	130.0	130.6	130.5	144.2	140.5	140.4	10.0	

* The exchange rates for 4Q forecast are 1USD=130 yen (previously announced at 140 yen) and 1EURO=140 yen (no change from the previous announcement)

3. Net Sales by Region

(billion yen)	FY2021			FY2022			Year on year		
	3Q Results	1-3Q Results	Full year Results	3Q Results	1-3Q Results	Full year Forecast	②-①		
		①			②		Total	Volume	Forex
Japan	47.1	133.4	180.8	52.6	148.1	202.3	14.7	14.7	0.0
Americas	44.9	130.2	181.2	62.8	181.3	245.3	51.1	18.4	32.7
Europe	29.6	91.7	127.1	37.7	109.7	150.2	18.0	10.2	7.8
Asia and others	40.8	112.8	153.0	44.6	130.3	172.2	17.5	1.3	16.2
Total	162.3	468.1	642.0	197.7	569.4	770.0	101.3	44.6	56.7

4. Net Sales and Operating Income by Business Sector

<Net Sales by Business Sector>

(billion yen)	FY2021			FY2022			Year on year		
	3Q Results	1-3Q Results	Full year Results	3Q Results	1-3Q Results	Full year Forecast	②-①		
	①			33.1	99.0	134.1	Total	Volume	Forex
Aftermarket	28.0	82.1	112.2				16.9	7.3	9.7
Industrial machinery	31.3	92.4	126.1				10.5	1.8	8.7
Automotive	103.1	293.7	403.7				73.9	35.5	38.3
Total	162.3	468.1	642.0				101.3	44.6	56.7

<Operating Income by Business Sector>

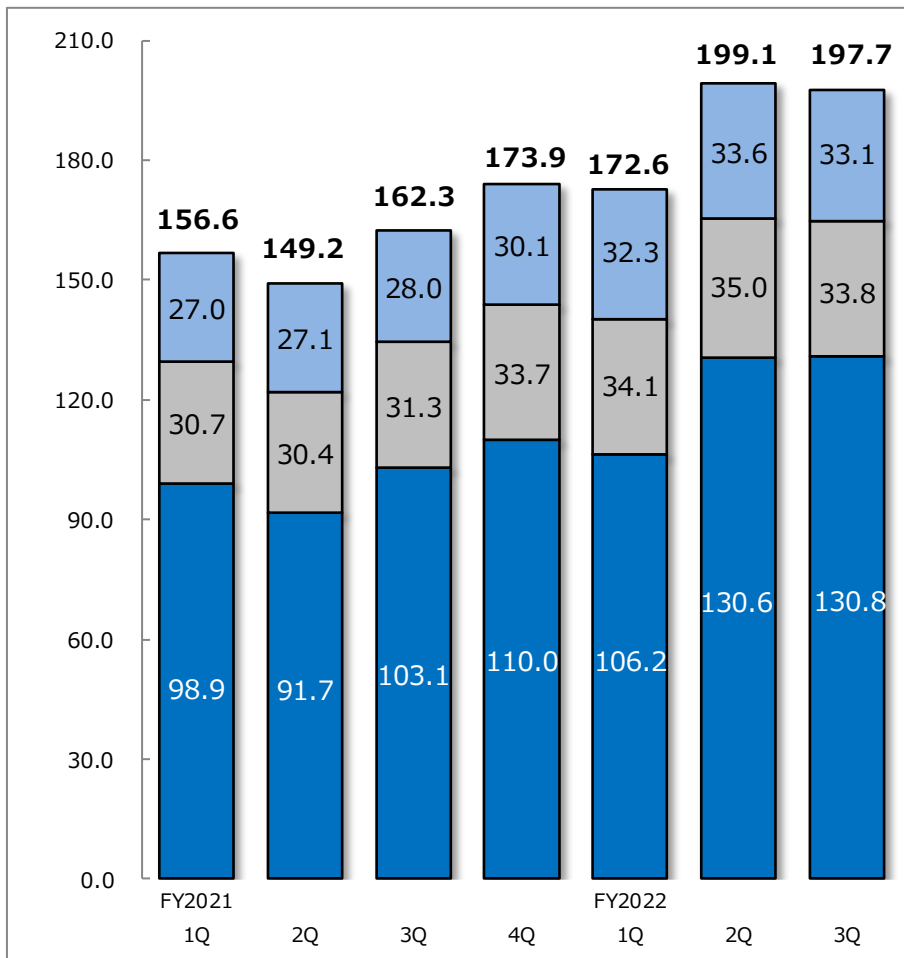
FY2021				FY2022			Year on year
3Q Results	1-3Q Results	Full year Results	3Q Results	1-3Q Results	Full year Forecast		
①			②			②-①	
(billion yen)							
Aftermarket	3.7	10.5	14.7	5.7	15.7	22.0	5.2
Industrial machinery	1.3	2.7	4.1	2.2	4.9	8.0	2.2
Automotive	-4.1	-10.7	-11.9	-1.9	-10.7	-4.0	-0.0
Total	0.9	2.5	6.9	6.0	9.9	26.0	7.3

5. Results by Business Sector (Quarterly Trend)

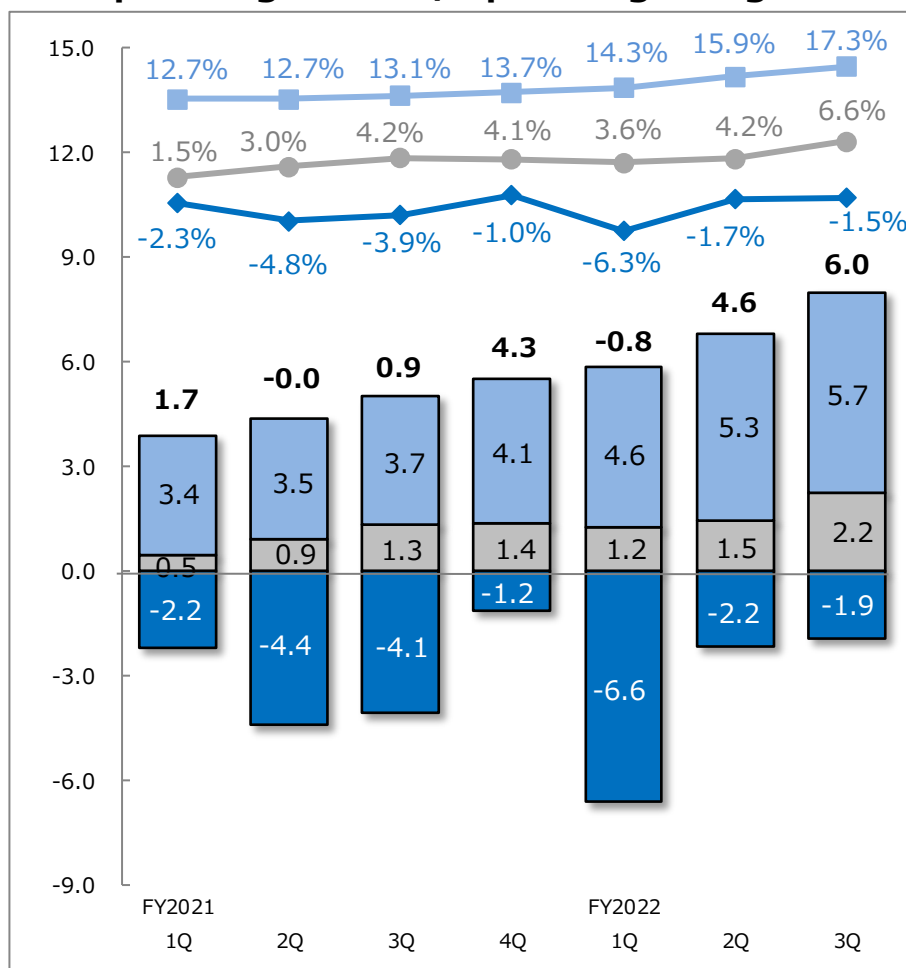
* All figures in billion yen

Automotive Industrial Machinery Aftermarket

Net sales

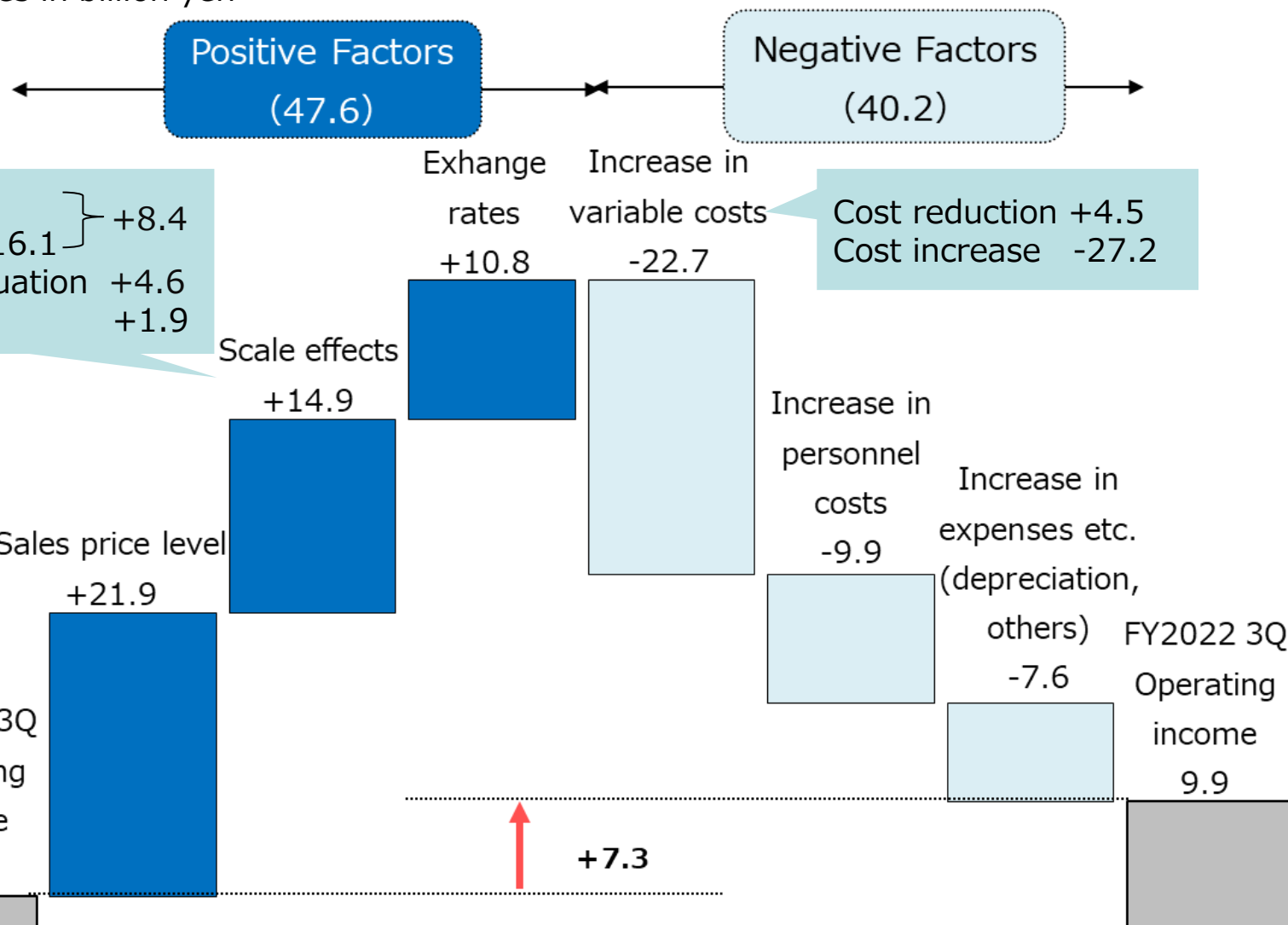


Operating income/Operating margin



6-1. Analysis of Operating Income (FY2021 3Q Results vs FY2022 3Q Results)

* All figures in billion yen



6-2. Analysis of Operating Income (FY2022 3Q Results vs FY2022 4Q Forecast)

* All figures in billion yen

Positive Factors
(11.4)

Negative Factors
(1.3)

Cost increase +1.5
Cost reduction +0.5

Sales +8.4
Production +6.4
Others -0.3
+3.3

Decrease in
expenses etc.
(depreciation,
others)
+2.1

Decrease in
variable costs
+2.0

Decrease in
personnel
costs
+1.1

Exchange
rates
-1.3

FY2022 4Q
Operating
income
forecast
16.1

FY2022 3Q
Operating
income
6.0

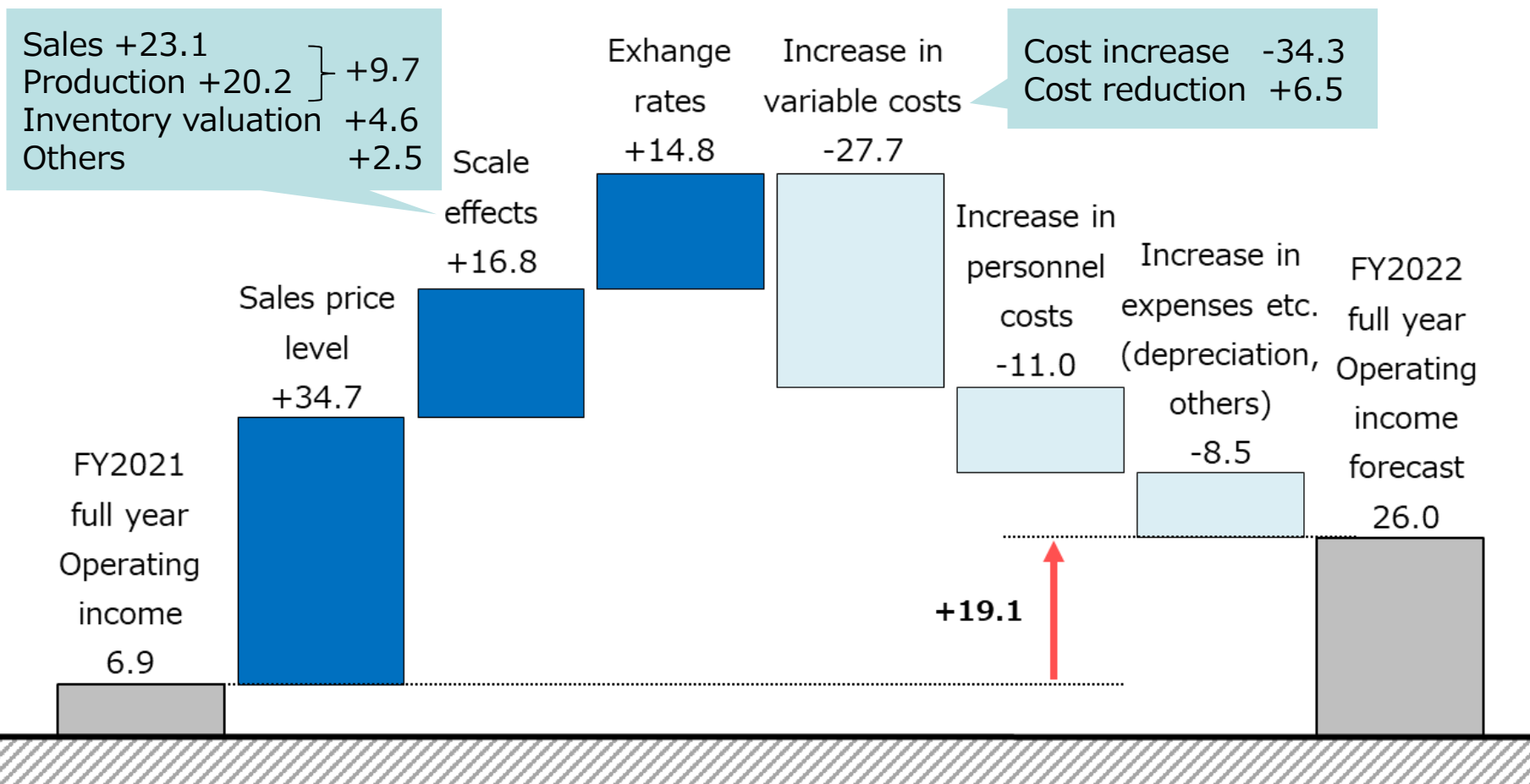
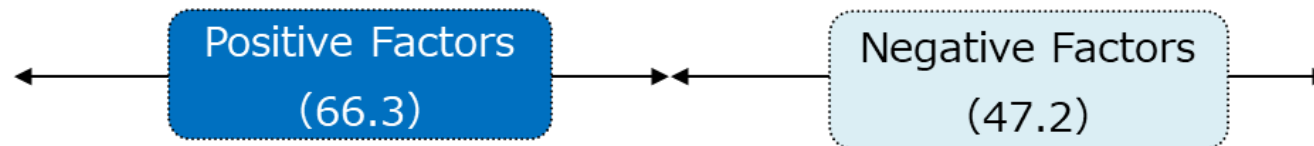
Sales price
level
+3.2

Scale
effects
+3.0

+10.1

6-3. Analysis of Operating Income (FY2021 Results vs FY2022 Forecast)

* All figures in billion yen



6-4. Status of ensuring profits against increased costs due to external factors

<Status of ensuring profits against increased costs due to external factors>

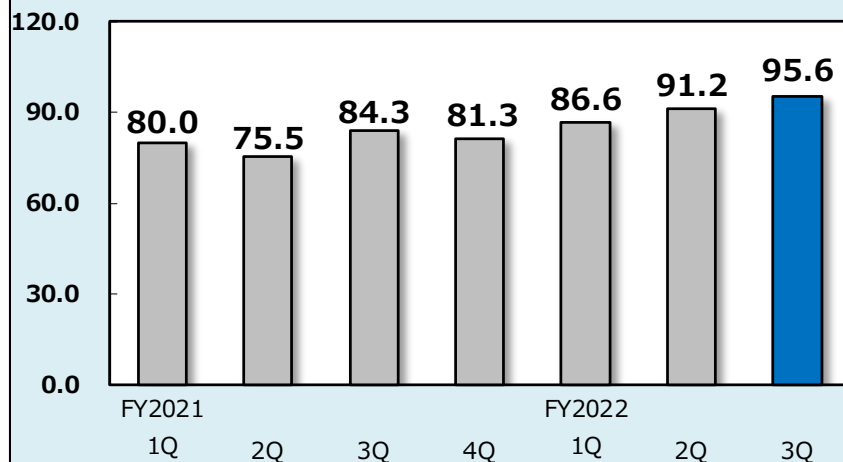
(billion yen)	FY2022					Year on year	Previous announcement	Year on year
	1H Results	3Q Results	1Q-3Q Results	4Q Forecast	Full year forecast	4Q vs 3Q ②-① Total	Full year forecast ④	vs previous announcement ③-④ Total
		①		②	③			
Sales price level	12.3	9.6	21.9	12.8	34.7	+3.2	+37.0	-2.3
Increased costs due to external factors	-22.1	-10.3	-32.4	-9.1	-41.4	+1.2	-45.0	+3.6
(Variable costs)	(-18.6)	(-8.6)	(-27.2)	(-7.1)	(-34.3)	+1.5	-37.2	+2.9
(Sea freight)	(-2.6)	(-1.2)	(-3.8)	(-1.5)	(-5.3)	-0.3	-6.0	+0.7
(Personnel costs in North America)	(-0.9)	(-0.5)	(-1.4)	(-0.5)	(-1.8)	-	(-1.8)	-
Subtotal	-9.8	-0.7	-10.5	+3.8	-6.7	+4.4	-8.0	+1.3
Decrease in variable costs	3.0	1.5	4.5	2.0	6.5	+0.5	7.0	-0.5
Exchange rates	5.5	5.3	10.8	4.0	14.8	-1.3	15.7	-0.8
Total						+3.7		+0.0

7-1 Net Sales and Operating Income by Company Location

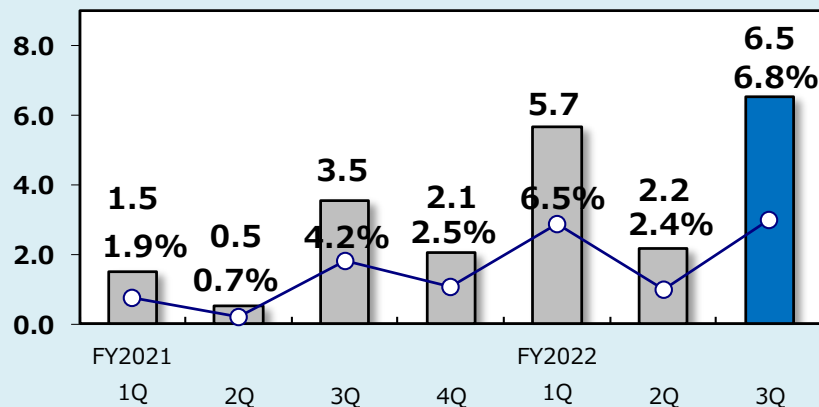
* All figures in billion yen

《 Japan 》

Net Sales

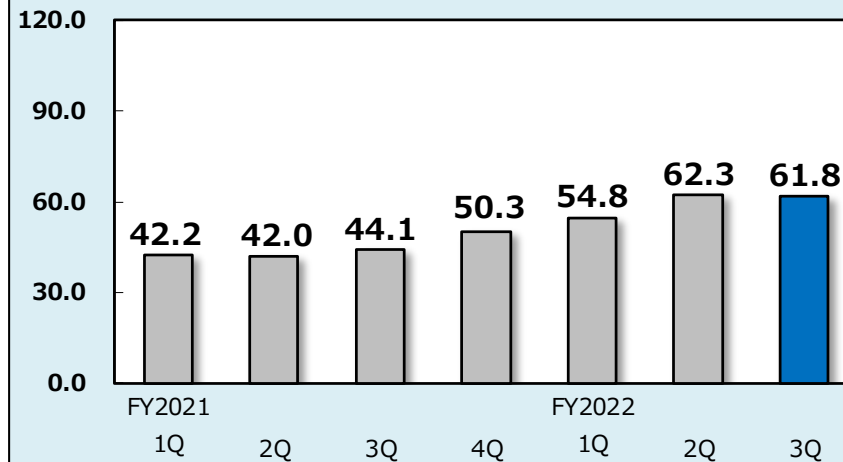


Operating Income

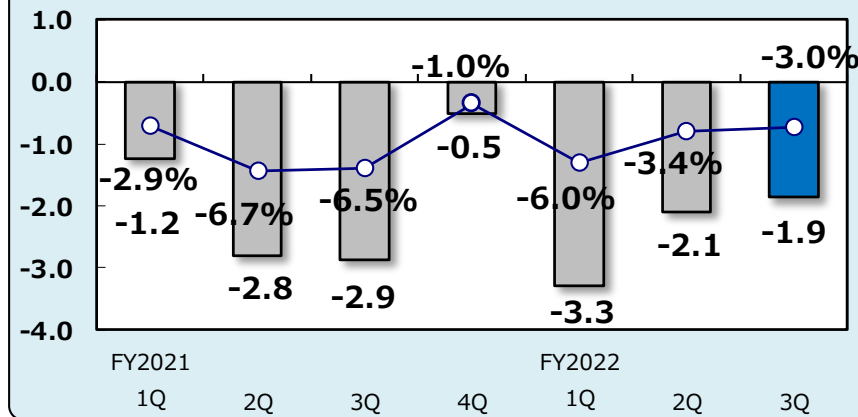


《 Americas 》

Net Sales



Operating Income

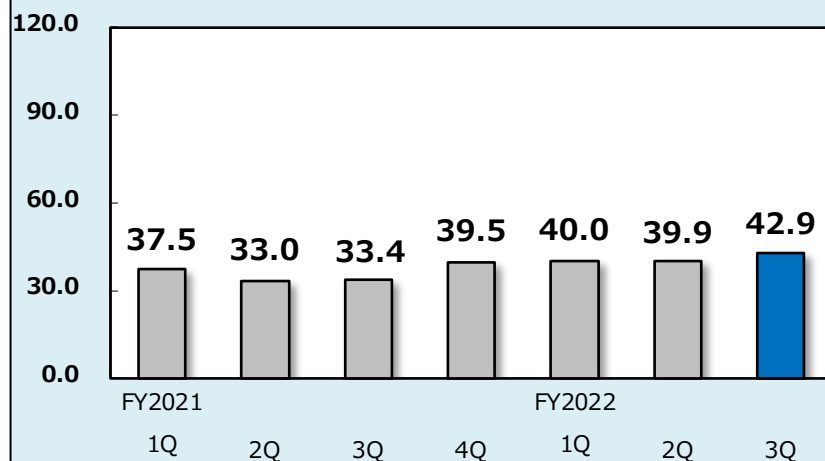


7-2 Net Sales and Operating Income by Company Location

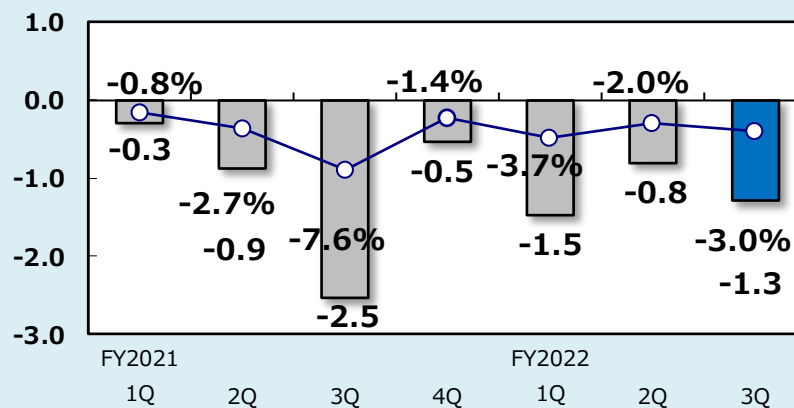
* All figures in billion yen

《 Europe 》

Net Sales

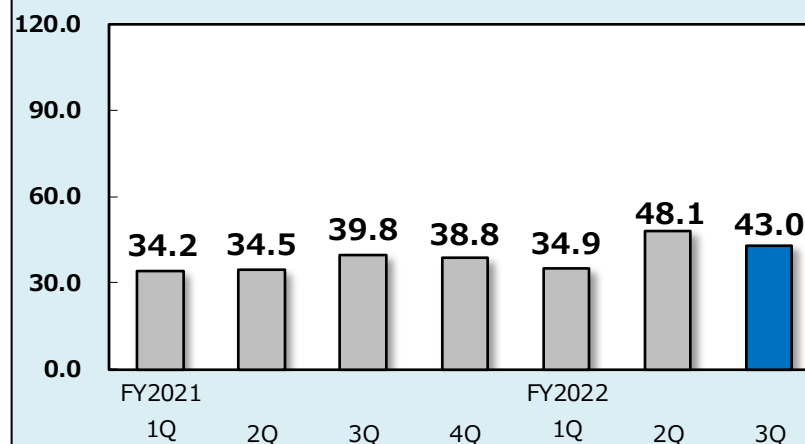


Operating Income

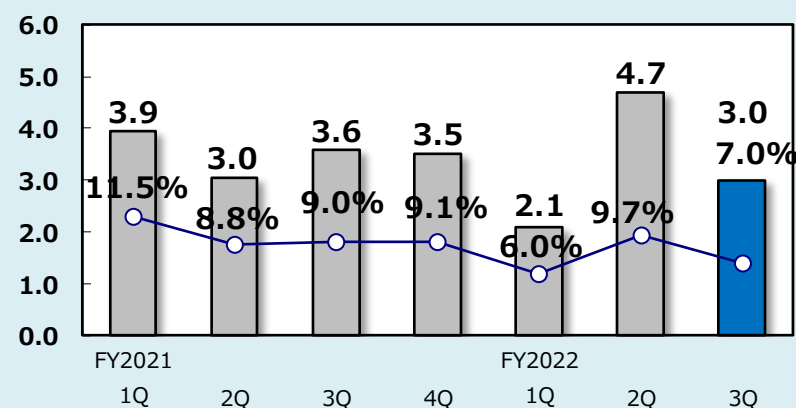


《 Asia and others 》

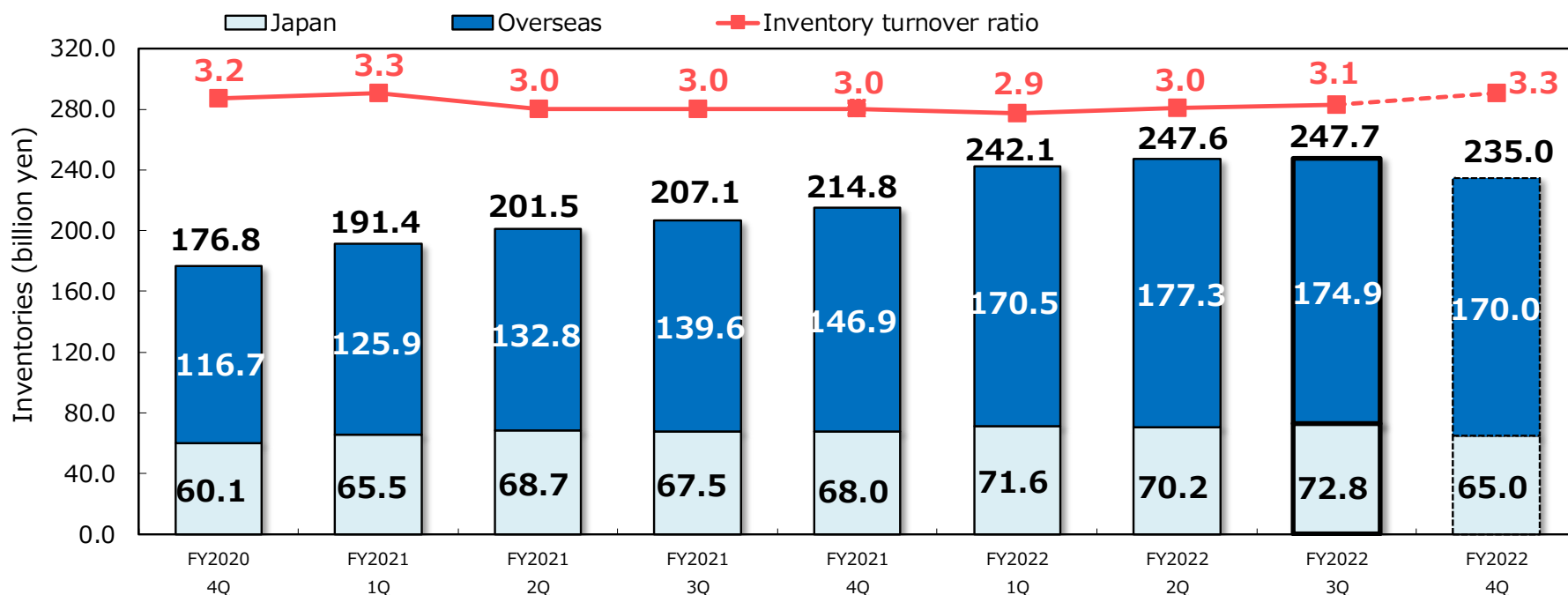
Net Sales



Operating Income

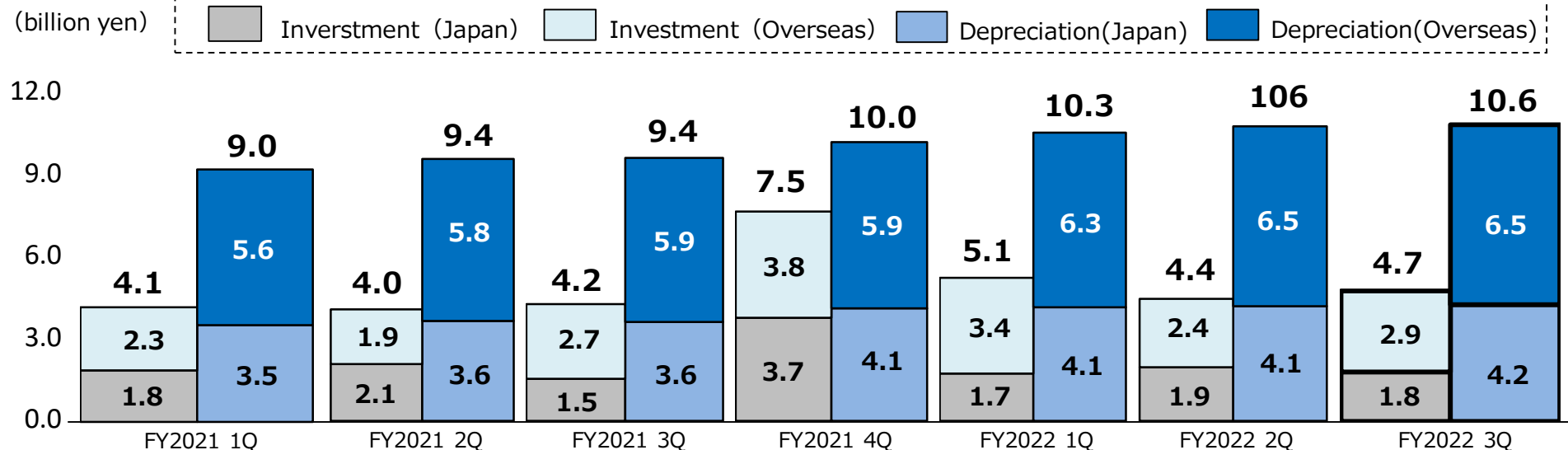


8. Inventories



	FY2020 4Q	FY2021 1Q	FY2021 2Q	FY2021 3Q	FY2021 4Q	FY2022 1Q	FY2022 2Q	FY2022 3Q Results	FY2022 4Q Forecast
(billion yen)	Results	Results	Results	Results	Results	Results	Results	Results	Results
Inventories	176.8	191.4	201.5	207.1	214.8	242.1	247.6	247.7	235.0
(Overseas)	(116.7)	(125.9)	(132.8)	(139.6)	(146.9)	(170.5)	(177.3)	(174.9)	(170.0)
(Japan)	(60.1)	(65.5)	(68.7)	(67.5)	(68.0)	(71.6)	(70.2)	(72.8)	(65.0)
Invenntory turnover ratio (times)	3.2	3.3	3.0	3.0	3.0	2.9	3.0	3.1	3.3

9. Capital Expenditure and Depreciation

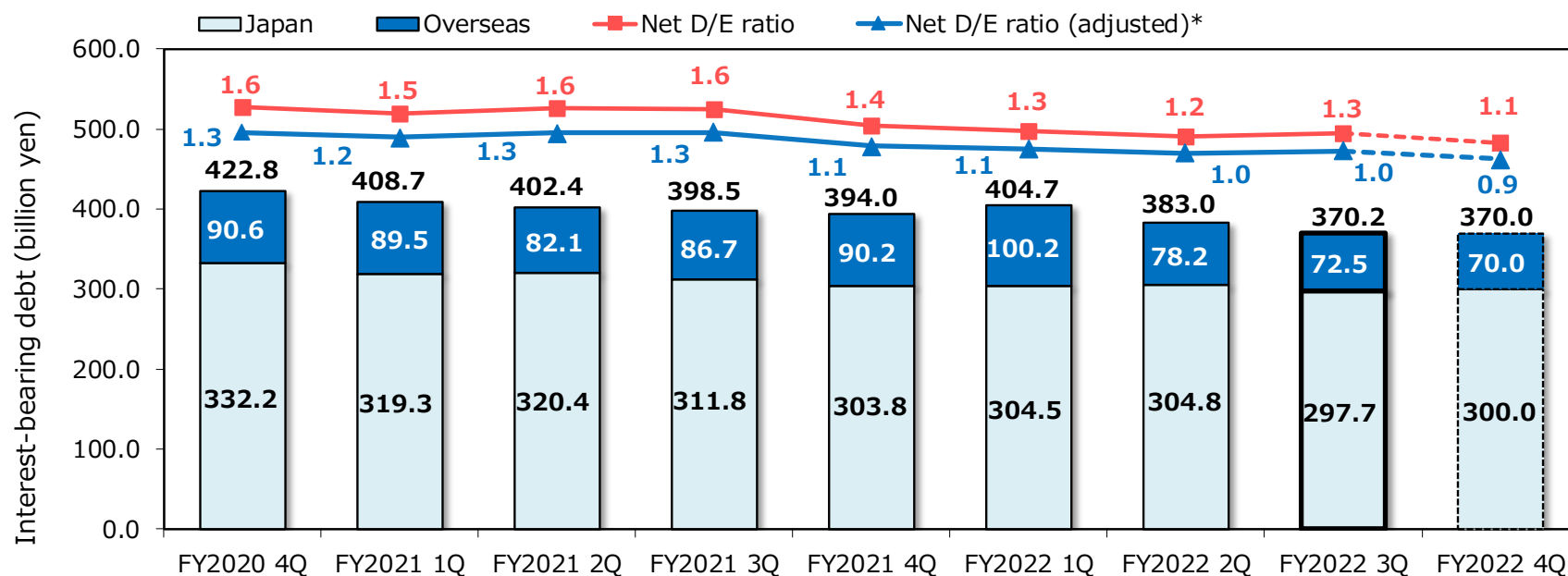


(billion yen)	FY2021		FY2022	Year on Year	FY2022
	1Q-3Q①	Full year	1Q-3Q②	②-①	Full year forecast
Capital expenditure	12.3	19.8	*14.2	1.9	23.0
(Overseas)	(6.9)	(10.7)	(8.7)	(1.9)	(12.0)
(Japan)	(5.4)	(9.1)	(5.4)	(0.0)	(11.0)

*In addition, capital expenditure for intangible fixed assets of ¥3.0 billion (1Q-3Q) and ¥5.0 billion (full year forecast)

(billion yen)	FY2021		FY2022	Year on Year	FY2022
	1Q-3Q①	Full year	1Q-3Q②	②-①	Full year forecast
Depreciation	27.9	37.9	31.5	3.6	43.0
(Overseas)	(17.3)	(23.2)	(19.2)	(1.9)	(26.0)
(Japan)	(10.6)	(14.7)	(12.4)	(1.7)	(17.0)

10. Interest-Bearing Debt

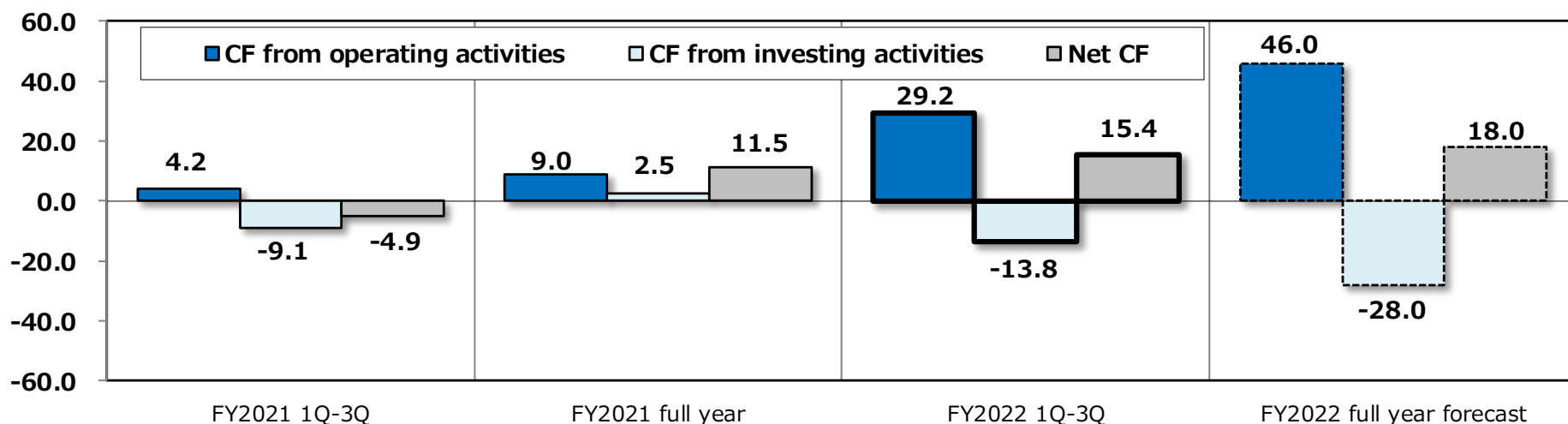


	FY2020 4Q	FY2021 1Q	FY2021 2Q	FY2021 3Q	FY2021 4Q	FY2022 1Q	FY2022 2Q	FY2022 3Q	FY2022 4Q
(billion yen)	Results	Results	Results	Results	Results	Results	Results	Results	Forecast
Interest-bearing debt	422.8	408.7	402.4	398.5	394.0	404.7	383.0	370.2	370.0
(Overseas)	(90.6)	(89.5)	(82.1)	(86.7)	(90.2)	(100.2)	(78.2)	(72.5)	(70.0)
(Japan)	(332.2)	(319.3)	(320.4)	(311.8)	(303.8)	(304.5)	(304.8)	(297.7)	(300.0)
Net interest-bearing debt	275.6	268.0	276.9	285.3	272.6	278.6	268.8	265.0	260.0

*Taking into account a part of the subordinated bonds through public offering that is recognized as equity (50%).

11. Cash Flows

(billion yen)	FY2021		FY2022	②-①	FY2022
	1-3Q①	Full year	1-3Q②		Full year forecast
I. Cash flow from operating activities	4.2	9.0	29.2	24.9	46.0
II. Cash flow from investing activities	-9.1	2.5	-13.8	-4.6	-28.0
I + II. Net cash flow	-4.9	11.5	15.4	20.3	18.0
III. Cash flow from financing activities	-30.8	-41.3	-33.1	-2.4	-34.0
IV. Effect of exchanging rate translation on cash and cash equivalents	1.7	4.0	1.5	-0.2	4.5
V. Net increase in cash and cash equivalents	-34.0	-25.8	-16.2	17.8	-11.5



Promote passing on increased cost by external factors to selling price

- ◇ Pass increased raw material costs on selling prices
- ◇ Withdrawal from unprofitable products and negotiations to increase price

Reduce variable costs through variable cost reformation

- ◇ - 1 point in the variable cost ratio

Control fixed cost in the phase of increasing volume

- ◇ Within 15% of the increase in volume

DRIVE

Digitalization Resources Innovation Variable cost reformation Efficiency improvement

NTN100

Phase 2



NTN

Make the world **NAMERAKA**

Digitalization, **R**esources, **I**nnovation, **V**ariable cost reformation, **E**fficiency improvement
NTN **T**ransformation for **N**ew **100**years

- This presentation and comments made in this conference or during the following Q&A session include forward-looking statements about future performance and future business strategies, all of which are based on decisions of the management of the Company currently available.
- These statements represent the best judgment of the management of the Company based on the information currently available. However, there can be no assurance that future results will meet any expectation, estimate or projection conveyed by these statements or comments. Actual results may differ materially from Management projections depending on various factors such as changes in product demand, exchange rates and interest rates, and contingent liabilities.