

Summary of Financial Results: 3rd Quarter of FY2022

- 1. FY2022 Q3 Financial Overview**
- 2. FY2022 Full-Year Forecast**
- 3. Mid-Term Plan Forecast**

Q3 Overview

- **Quarterly sales hit a record high** mainly due to a gradual recovery in production of vehicles and yen depreciation.
- **Operating profit margin improved to about 12%** due to the effect of increased sales despite the impact of inflation.

FY2022 Full-year Forecast

- Exchange rate assumptions have been revised but **full-year results remain unchanged** (1USD=131yen 1EUR=138yen)

Mid-Term Plan

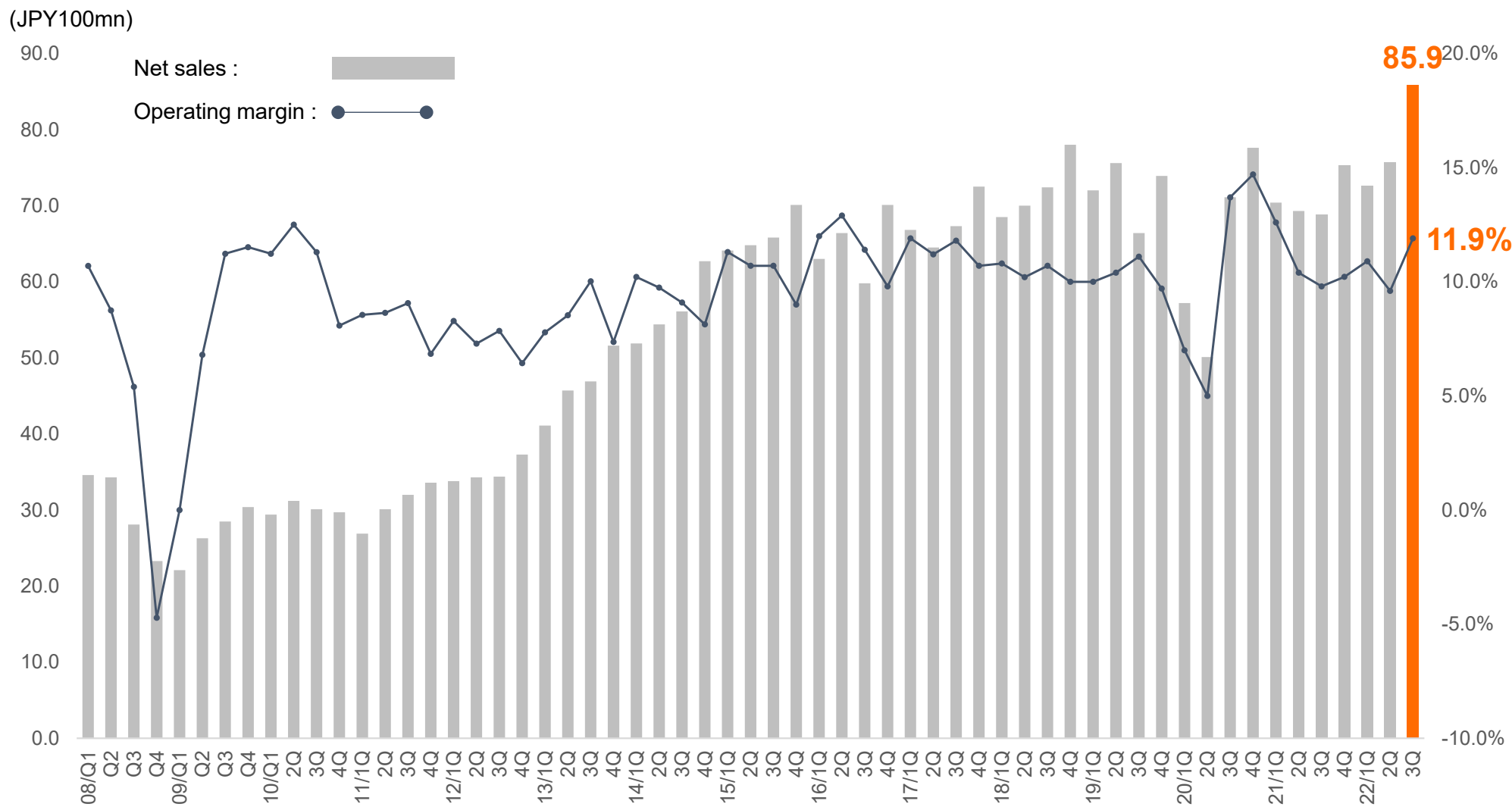
- Maintain quantitative MTP target (FY2024)

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1. Financial Highlights

Historical Sales and Operating Profit (OP)

- Quarterly sales hit a record high mainly due to a gradual recovery in production of vehicles and yen depreciation. OP margin improved to about 12%



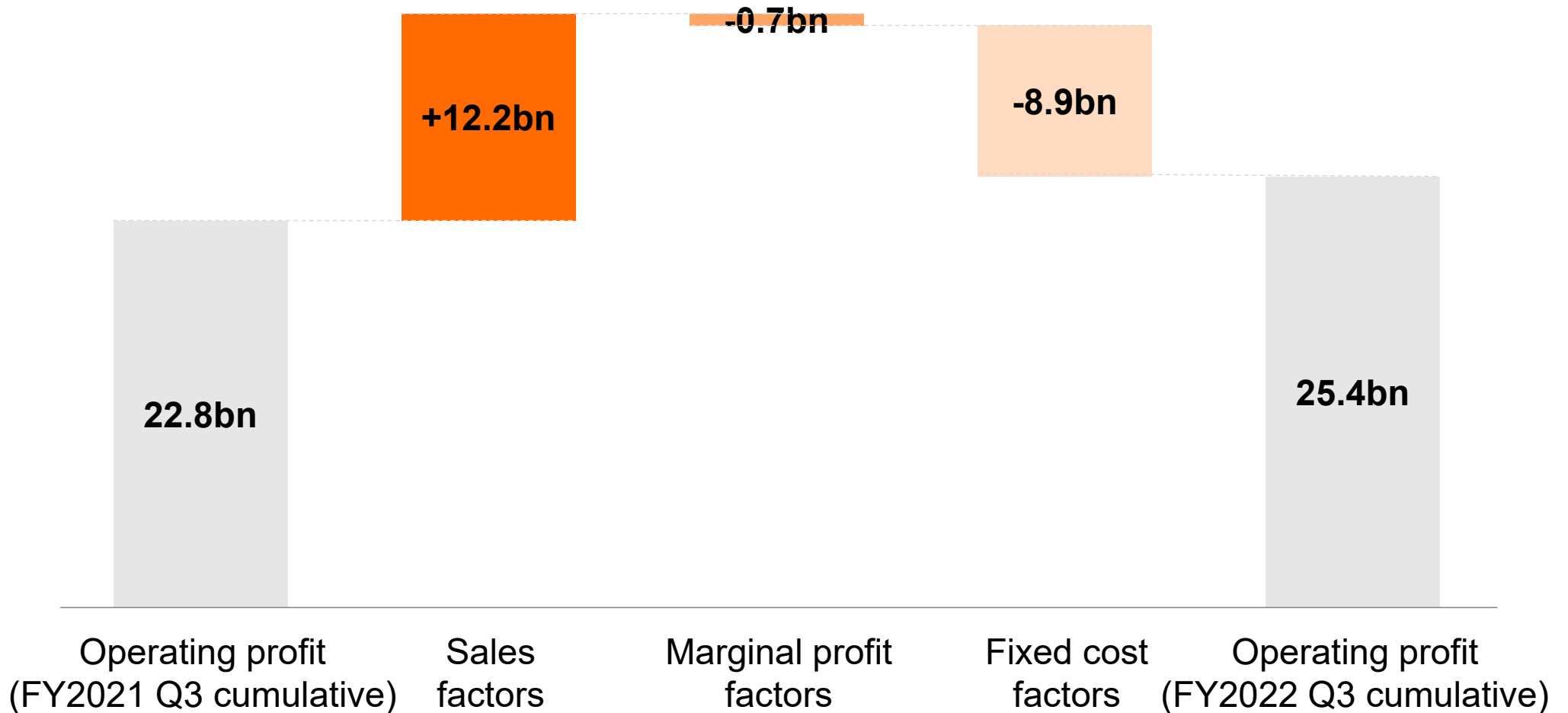
Highest level of sales, OP and OP margin in the past year

- QoQ increase in sales and OP mainly due to lifting of lockdown in China and yen depreciation
- Net income decreased QoQ due to fluctuations of foreign exchange gains and tax payment

(JPY)	FY2021	FY2022			
	Q3	Q1	Q2	Q3	YoY
Net Sales	68.8bn	72.6bn	75.7bn	85.9bn	+24.9%
Operating profit	6.8bn	7.9bn	7.3bn	10.3bn	+51.5%
OP margin	9.8%	10.9%	9.6%	11.9%	+2.1%pts
Net income ¹⁾	4.7bn	8.0bn	5.8bn	4.7bn	+0.4%
EPS	46.38yen	80.22yen	57.90yen	46.77yen	+0.8%
FX rates	1USD=108.5yen 1EUR=129.8yen	1USD=116.3yen 1EUR=130.4yen	1USD=123.1yen 1EUR=134.4yen	1USD=128.3yen 1EUR=136.1yen	1USD=+19.8yen 1EUR=+6.3yen

Operating Profit Analysis

- Fixed costs increased due to higher wages overseas, etc., but increased sales due to yen depreciation and recovery of vehicle production resulted in higher OP



4. FY2022 Q3 by Segment (Net Sales)¹⁾

Achieved increase in net sales in all regions and segments

- Sales increased YoY in all regions and segments mainly due to gradual production recovery and yen depreciation
- Despite the yen depreciation, sales growth in Europe was limited due to delayed production recovery

(JPY)	FY2021 (Q3 cumulative)	FY2022 (Q3 cumulative)	YoY	Note
Consolidated	208.4bn	234.2bn	+12.3%	
Plastics	187.2bn	210.5bn	+12.4%	
Japan	53.7bn	56.6bn	+5.4%	Gradual production recovery
North America	43.9bn	52.6bn	+20.0%	Yen depreciation
Europe	26.7bn	27.2bn	+1.9%	Delayed production recovery Yen depreciation
Asia	63.0bn	74.1bn	+17.6%	Yen depreciation
China	21.8bn	24.6bn	+12.8%	Yen depreciation
Bed	21.2bn	23.7bn	+11.8%	Strong in Southeast Asia

5. FY2022 Q3 by Segment (Operating Profit)¹⁾

Increased profit in all regions and segments except Europe

- The plastics business made remarkable profit gains in Asia where demand was strong, and in North America, where one-time costs were eliminated
- Profit in Europe declined YoY due to higher utility and other costs

(JPY)	FY2021 (Q3 cumulative)	FY2022 (Q3 cumulative)	YoY	Note
Consolidated	22.8bn (11.0%)	25.4bn (10.8%)	+10.9%	
Plastics	22.7bn (12.1%)	25.2bn (11.9%)	+11.1%	
Japan	8.9bn (16.6%)	9.4bn (16.6%)	+5.1%	Sales increase due to gradual production recovery
North America	1.0bn (2.3%)	1.6bn (3.0%)	+56.3%	Yen depreciation, elimination of one-time costs such as emergency transportation flights
Europe	1.5bn (5.8%)	0.6bn (2.3%)	-59.6%	Delayed production recovery Increase in cost such as utility cost
Asia	11.2bn (17.7%)	13.6bn (18.3%)	+21.4%	Yen depreciation Revenue growth exceeded cost growth
China	3.4bn (15.5%)	4.3bn (17.4%)	+26.6%	Yen depreciation Revenue growth exceeded cost growth
Bed	3.9bn (18.5%)	4.1bn (17.2%)	+3.9%	Yen depreciation Revenue growth

6. CAPEX and Depreciation

CAPEX was held back vs plan, but R&D expenditures was higher than planned









- Operating cashflow was behind plan due to sluggish performance in Europe and the U.S.
- Continued to focus on cash flow

(JPY)	FY2021 (Q3 cumulative)	FY2022 (Q3 cumulative)	Change	FY2022 Forecast
CAPEX	5.6bn	6.3bn	+0.7bn	13.1bn
Depreciation	9.4bn	10.1bn	+0.7bn	13.0bn
R&D	2.0bn	2.8bn	+0.8bn	2.8bn
Operating CF	20.8bn	22.8bn	+2.0bn	38.4bn
Investment CF	-6.3bn	-10.8bn	-4.5bn	-13.1bn
Free CF	14.5bn	12.0bn	-2.5bn	25.3bn
Financial CF	-12.5bn	-10.3bn	+2.2bn	-14.7bn
Cash equivalent balance	100.6bn	116.8bn	+16.2bn	119.9bn

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Revised Foreign Exchange Rate Assumptions

- Revised FY2022 foreign exchange rate considering exchange rate trends (131yen/USD, 138 yen/EUR)
- Trends in production recovery and progress in price negotiations are considered

		Previous (October)		Current		
		Period covered	Assumptions	Period covered	Assumptions	
Japan	Demand	2022/10 ~2023/3		2023/1 ~2023/3		• Gradual recovery in production of vehicles
	Supply					• Inflation is expected to continue
Over-seas	Demand	2022/7 ~2022/12		2022/10 ~2022/12		• Monitoring the impact of lifting of China's zero-Covid policy
	Supply					• Inflation is expected to continue
FX Rate			128yen/USD 136yen/EUR		131yen/USD 138yen/EUR	• +3yen/USD • +2yen/USD

8. FY2022 Forecast (by segment)¹ No Change in The Full-Year Forecast

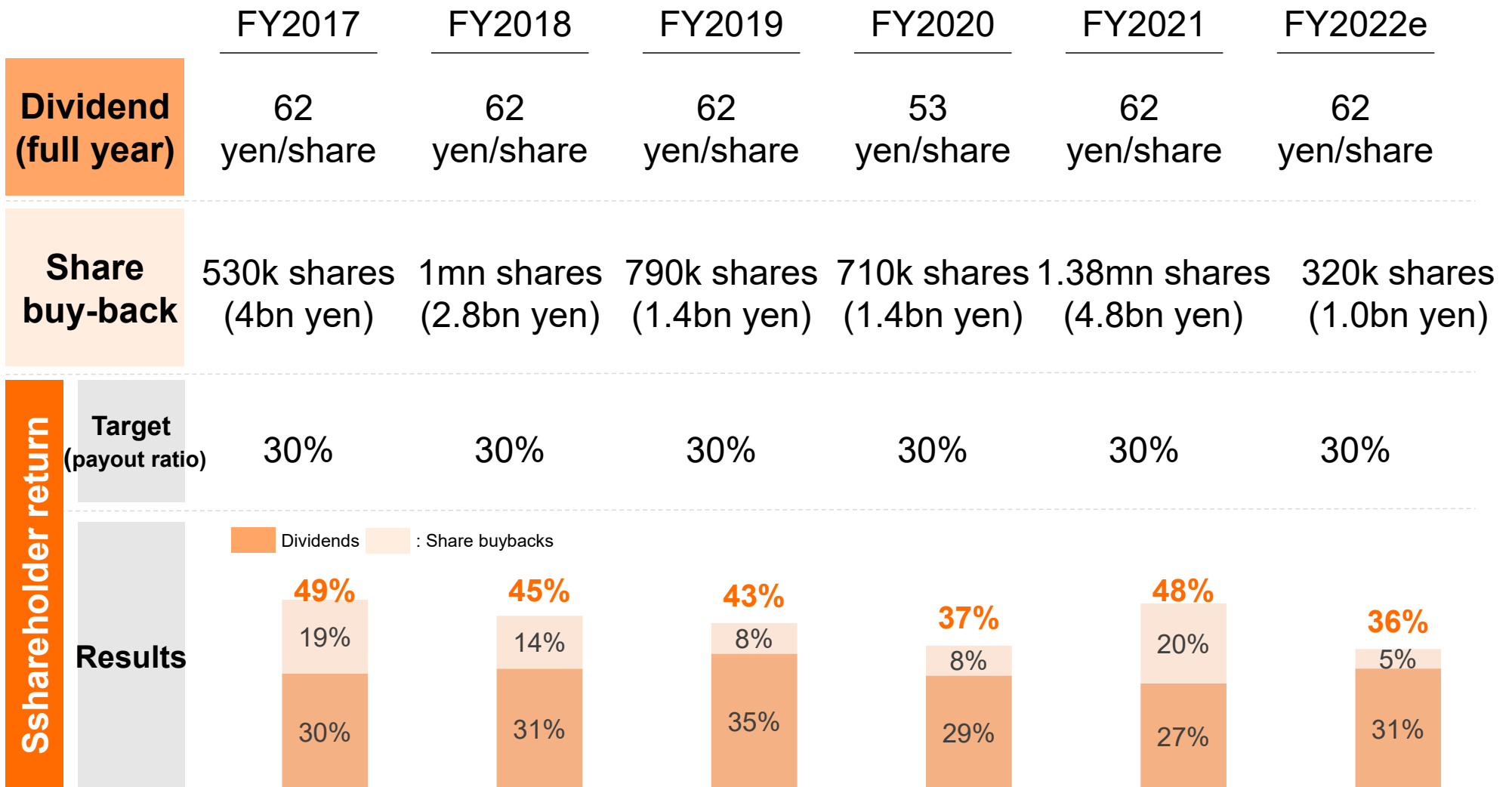
- No change in full-year forecasts
- OP in the plastics business in Asia and Japan is making steady progress. North America, where progress has been delayed due to some production disruptions, is showing signs of stabilizing. OP improvement in Europe, which faces various risks, remains weak.

(JPY)		FY2022 (Q3 cumulative)		FY2022 (Full-Year)		Achievement Rate	
		Net sales	OP	Net sales	OP	Net sales	OP
	Consolidated	234.2bn	25.4bn	305.0bn	31.5bn	76.8%	80.6%
	Plastics	210.5bn	25.1bn	272.0bn	31.0bn	77.4%	81.1%
	Japan	56.6bn	9.4bn	80.0bn	11.5bn	70.7%	81.6%
	North America	52.6bn	1.6bn	65.0bn	3.0bn	81.0%	52.9%
	Europe	27.2bn	0.6bn	37.0bn	2.0bn	73.5%	31.2%
	Asia	74.1bn	13.6bn	90.0bn	14.5bn	82.3%	93.5%
	China	24.6bn	4.3bn	31.0bn	4.5bn	79.4%	95.0%
	Bed	23.7bn	4.1bn	33.0bn	6.0bn	71.8%	67.8%

9. Shareholder returns

Decided to buy back up to 1.0bn yen (320k shares)

- Implementing stable dividends committing to dividend payout ratio of 30%
- Decided to buy back up to 1.0bn yen (320k shares)



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Maintain quantitative mid-term plan targets in FY2023



- Sales activities of automotive parts for FY2023 models progressed as expected
- In the bed business, there was strong demand for high quality mattresses in China and Southeast Asia

Outlook for FY2023 and beyond

Mid-term targets (FY2024)

(JPY)

Automobile

-  **Normalization of automobile production**
-  Continued increase in demand for lightweight, safety-related plastic products
-  Supply chain problems caused by Covid, etc.

Bed

-  **Strong demand in China and Southeast Asia**
-  Increased demand for high quality mattresses
-  Impact of China's policy change regarding Covid



Sales

330bn

Operating profit

38bn

OP margin

11.5%

Net income

26.5bn



Forward - looking statements or projections included in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational at the time of this writing. Actual results may differ greatly from the forecast figures depending on various factors.