



October 31, 2023

NSK Announces Differences between Forecasted and Actual Consolidated Business Results for the Six Months Ended September 30, 2023 and Revision of Consolidated Business Forecast for the Fiscal Year Ending March 31, 2024

Tokyo, October 31, 2023 – NSK Ltd. (TSE: 6471) announced differences between its consolidated business forecasted for the six months ended September 30, 2023 (announced on July 31, 2023) and the actual consolidated business results released today.

The Company has also revised its business forecast for the year ending March 31, 2024.

1) Differences between Forecasted and Actual Consolidated Business Results for the Six Months ended September 30, 2023

	Sales	Operating income	Income before income taxes	Net income attributable to owners of the parent	Basic earnings per share
Previous forecast (A) Note 1	Millions of yen 392,000	Millions of yen 14,000	Millions of yen 13,000	Millions of yen 6,000	yen 12.11
Actual result (B) Note 1	386,691	11,123	10,528	659	1.33
(B) – (A)	-5,309	-2,877	-2,472	-5,341	—
% Change	-1.4	-20.6	-19.0	-89.0	—
For reference only: Results (previous FY H1) (Apr. 1, 2022 – Sep. 30, 2022) Note 2	386,237	19,606	19,113	6,027	11.75

Note 1: Effective from the first quarter of the fiscal year ending March 31, 2024, the steering business has been classified as a discontinued operation. Sales, operating income, income before income taxes are presented excluding the discontinued operations. Net income attributable to owners of the parent, basic earnings per share, are presented as the sum of continuing and discontinued operations.

Note 2: The figures in the first half of the previous fiscal year reflect the reclassification of discontinued operation.

2) Revision of Consolidated Business Forecast for the Year Ending March 31, 2024

	Sales	Operating income	Income before income taxes	Net income attributable to owners of the parent	Basic earnings per share
Previous forecast (A) Note 1	Millions of yen 808,000	Millions of yen 44,000	Millions of yen 42,000	Millions of yen 25,500	yen 51.82
Revised forecast (B) Note 1	800,000	30,000	28,500	14,000	28.43
(B) – (A)	-8,000	-14,000	-13,500	-11,500	—
% Change	-1.0	-31.8	-32.1	-45.1	—
For reference only: Results (previous FY) (Apr. 1, 2022 - Mar. 31, 2023) Note 2	776,762	43,836	43,282	18,412	35.89

Note 1: Effective from the first quarter of the fiscal year ending March 31, 2024, the steering business has been classified as a discontinued operation. sales, operating income, income before income taxes are presented excluding the discontinued operations. Net income attributable to owners of the parent, basic earnings per share, are presented as the sum of continuing and discontinued operations.

Note 2: The figures of the previous fiscal year reflect the reclassification of discontinued operation.

- Reasons for the Announcement

- In the business environment surrounding the group during the first half of the fiscal year ending March 31, 2024, although automobile production was recovering moderately as expected, demand decreased in the machine tool and semiconductor manufacturing equipment sectors due to the stagnant Chinese economy. As a result, sales, operating income and income before income taxes were lower than expected. In addition to these conditions, due to the recording of expenses related to the transfer of shares of NSK Steering & Control Inc., as well as financial and tax expenses, net income attributable to owners of the parent company was lower than expected for the first half of the fiscal year.

As for the business environment in the second half of the fiscal year, automobile production volume is expected to be higher than our previous forecast, but the demand recovery for the industrial machinery business segment is expected to delay due to the prolonged market stagnation, especially in China.

- Forecasted exchange rate from October 1, 2023 to March 31, 2024:

1 USD = ¥140, 1 Euro = ¥150, 1 CNY = ¥19.0

- No revision has been made to the dividend forecast with this revision of consolidated business forecast.

Note: Our business forecast stated above is based on certain conditions such as the economic environment and our business strategies at the time the documents were created. Actual results may differ from the forecast.

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