

Q&A for FY2025/12 Q1Results Briefing

April 30, 2025 16:30~17:17(JST)

No	Items	Q	A
1	Overall	Could you explain the impact of tariff policies in the United States?	<p>Based on our current estimation, 0.6 billion yen impact on operating income is reasonable by direct impact in FY2025. Initially we estimated the impact as 1.6 billion yen, but we already made some efforts to minimize the impact. Our direct impact from the tariff comes from Aircraft equipment, Automatic doors and Precision reduction gears(PRG). There are some indirect impact in short-term expected.</p> <p>1. Macro economy slow down might be impacted on CAPEX volume.</p> <p>2. If supply chain may be impacted by the tariff, we will get a price pass-through from suppliers and we might need to pass-through that to our customers again. For your information, we don't see any slowdown from customers for the moment.</p> <p>For medium-term opportunities, if the U.S. production reinforcement works well, capital expenditure demand will be favorable in some point which will be impacted PRG business.</p>
2	Overall	Could you elaborate the reason why FY2025Q1 reached high operating income compare to plan?	<p>CMP segment was slightly higher operating income due to the execution of project 10. TRS segment was exceeded the plan because its MRO sales increased due to demand increase for high speed train business in China mainly.</p>
3	CMP	Could you help me to understand the change of operating income in CMP?	<p>Sales of CMP increase but still utilization ratio is low and the cost of Hamamatsu plant burden our profitability. Because of that, the profitability is limited.</p>
4	Hydraulic Equipment	Does the order taking of hydraulic equipment reach historical high level already?	<p>Hydraulic equipment order is favorable but still far from historical high level.</p>

5	Railroad vehicle Equipment	Could you explain why high speed train business in China increase?	There are no new vehicle usage but MRO demand is favorable due to the life extension of the vehicles.
6	Aircraft Equipment	Does the growth from defense business on page 9 is included in current Medium-term Management Plan?	Yes. Due to long order to delivery lead-time, we can foresee the some part until 2027.
7	Commercial vehicle equipment	Commercial vehicle business doesn't look favorable as a market landscape. Are there any growth opportunities going forward?	If we stick on current product portfolio, there are less opportunities to grow. EV transition is one of the growth area and we already start to sell some products for it like electric compressor.
8	Marine vessel equipment	Are there any business opportunities for marine vessels business due to the defense budget expansion?	Our products and customers are not involved in maritime defense business.
9	Automatic doors	Could you explain why ACB result in FY2025/Q1 is good?	Because of the seasonality of ACB FY2025 Q1 is favorable as always.