



(Translated)

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To whom it may concern

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### Notice of the Differences between FY2022 First Six-month of Consolidated Financial Results and its Financial Forecast, and the Revision to FY2022 Financial Forecast

Nabtesco Corporation (hereinafter, “the Company”) hereby announces that there are differences between FY2022 first six-month consolidated forecast and the result as follows;

Moreover, the Company announces the revision of FY2022 financial forecast due to the current business condition as follows.

#### 1. Differences between FY2022 first six-month of consolidated financial results and its financial forecast (January 1, 2022 to June 30, 2022)

##### (1) Differences between consolidated financial results and financial forecast

	Sales	Operating income	Income before tax	Net income attributable to owners of parent	Basic earnings per share (Yen)
Previously announced forecast (A) (Announced on Feb.10, 2022)	Million yen 153,500	Million yen 13,400	Million yen 14,400	Million yen 7,700	Yen 64.03
Results (B)	142,195	7,886	(5,674)	(5,106)	(42.56)
Change (B-A)	(11,305)	(5,514)	(20,074)	(12,806)	—
Rate of Change (%)	(7.4)	(41.1)	(139.4)	(166.3)	—
(Reference) Previous year's results	145,708	14,613	108,465	68,056	556.45

##### (2) Reason for the differences

Sales was behind the previously announced forecast due to the temporary spread of COVID-19 at the domestic plant in Precision Reduction Gears, and in Hydraulic Equipment for construction machinery in addition to lower-than-expected demand in the Chinese market, a city lockdown in Shanghai caused a temporary suspension of operations at a Chinese plant. In addition, procurement delays, mainly for electronic components and others, in the Transport Solution Businesses and in Packaging Machine resulted in lower sales results than previously forecast.

Operating income fell short of the previous forecast due to the decrease in net sales, as well as the impact of higher raw material prices and logistics costs.

As for income before income taxes and income attributable to owners of the parent company, in addition to the decrease in operating income, the valuation loss of Harmonic Drive Systems, Inc. (hereinafter, as “HDS”) shares held by the Company resulting from the revaluation at the stock price as of the end of the second quarter of the current fiscal year (closing price on June 30, 2022).

2. Revision to the full-year FY2022 consolidated financial forecast (January 1, 2022 to December 31, 2022)

(1) Revision to financial forecast

	Sales	Operating income	Income before tax	Net income attributable to owners of parent	Total basic earnings per share (Yen)
Previously announced forecast (A) (Announced on Feb.10, 2022)	Million yen 320,000	Million yen 33,000	Million yen 35,000	Million yen 23,400	Yen 194.57
Revised forecast (B)	310,000	26,000	35,000	23,400	195.02
Change (B-A)	(10,000)	(7,000)	—	—	—
Rate of Change (%)	(3.1)	(21.2)	—	—	—
(Reference) Previous year's results	299,802	30,017	101,966	64,818	534.67

(2) Reason of revision

Sales and operating income are expected to decrease from the previous forecast due to the impact of the city lockdown in Shanghai in the first half, in addition to the weak demand in the Chinese market for Hydraulic Equipment for construction machinery, despite continued high demand for industrial robots in the Precision Reduction Gear business.

Income before tax and net income attributable to owners of the parent are expected to remain unchanged from the previous forecast due to a gain (4.9 billion yen) from the completion of the partial sale of HDS shares on July 11, 2022 and foreign exchange gains resulting from yen depreciation, despite a decrease in operating income. The impact of the fair value valuation of HDS shares that we continue to hold (valuation gain/loss) has not been changed from the previous forecast because it is difficult to predict the share price as of the end of December 2022.

The dividend for the fiscal year ending December 31, 2022 remains unchanged from the previous forecast.

【Referential information】

Full-year forecast for consolidated FY2022 by segment (January 1, 2022 through December 31, 2022)

(Sales)

(Million yen)

	Component solutions	Transport Solutions	Accessibility solutions	Others	Corporate or elimination	Total
Previously announced forecast (A) (Announced on Feb.10, 2022)	151,800	73,200	73,300	21,700	—	320,000
Revised forecast (B)	145,000	71,700	74,100	19,200	—	310,000
Change (B-A)	(6,800)	(1,500)	800	(2,500)	—	(10,000)
Rate of Change (%)	(4.5)	(2.0)	1.1	(11.5)	—	(3.1)
(Reference) Previous year's results	138,130	67,744	75,108	18,820		299,802

(Operating income)

(Million yen)

	Component solutions	Transport Solutions	Accessibility solutions	Others	Corporate or elimination	Total
Previously announced forecast (A) (Announced on Feb.10, 2022)	26,400	6,600	7,100	2,900	(10,000)	33,000
Revised forecast (B)	22,600	5,800	5,400	2,100	(9,900)	26,000
Change (B-A)	(3,800)	(800)	(1,700)	(800)	100	(7,000)
Rate of Change (%)	(14.4)	(12.1)	(23.9)	(27.6)	—	(21.2)
(Reference) Previous year's results	22,903	5,617	7,642	2,736	(8,882)	30,017

Descriptions in this document concerning future figures including forecasts for operating results, etc. are based on currently available information and certain assumptions that the Company considers reasonable. Actual results may vary significantly from such forecasts due to a variety of factors.