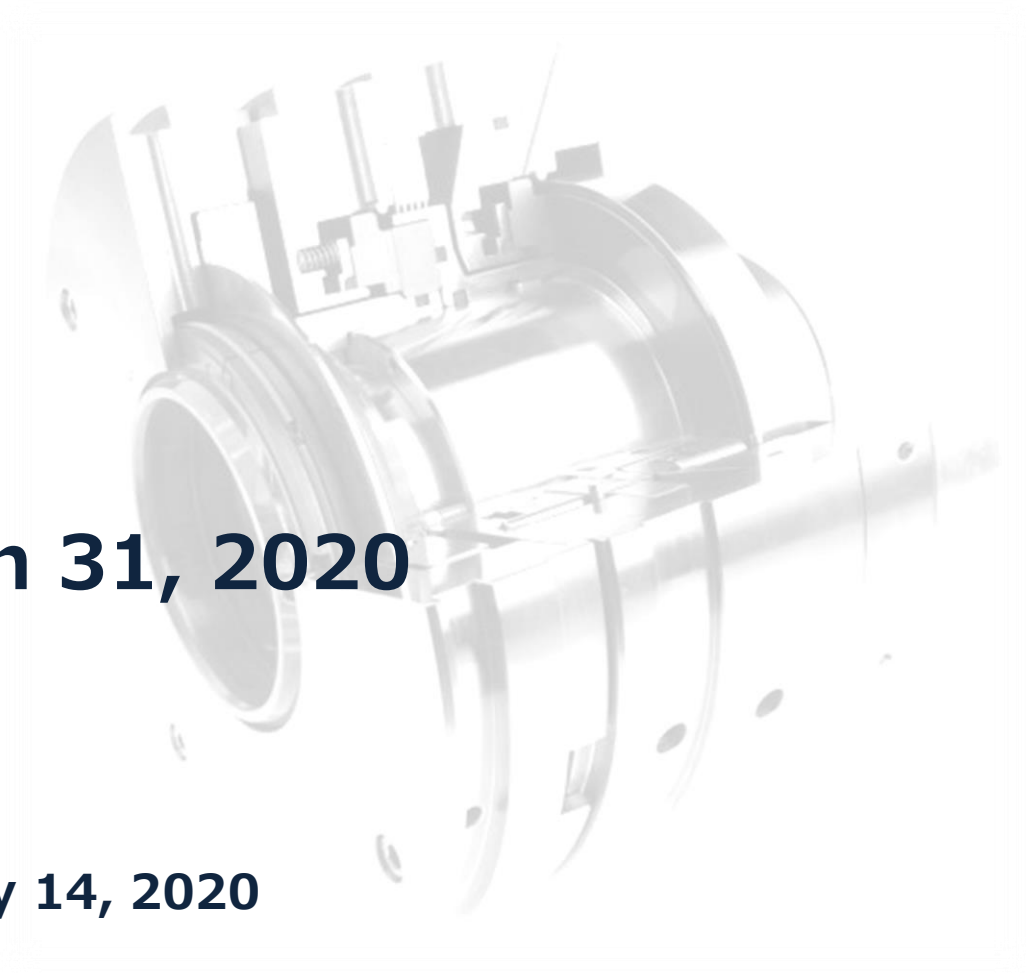


Eagle Industry Co., Ltd. Financial Results for Fiscal Year Ended March 31, 2020

May 14, 2020



1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

(2) General Industry

(3) Semiconductor Industry

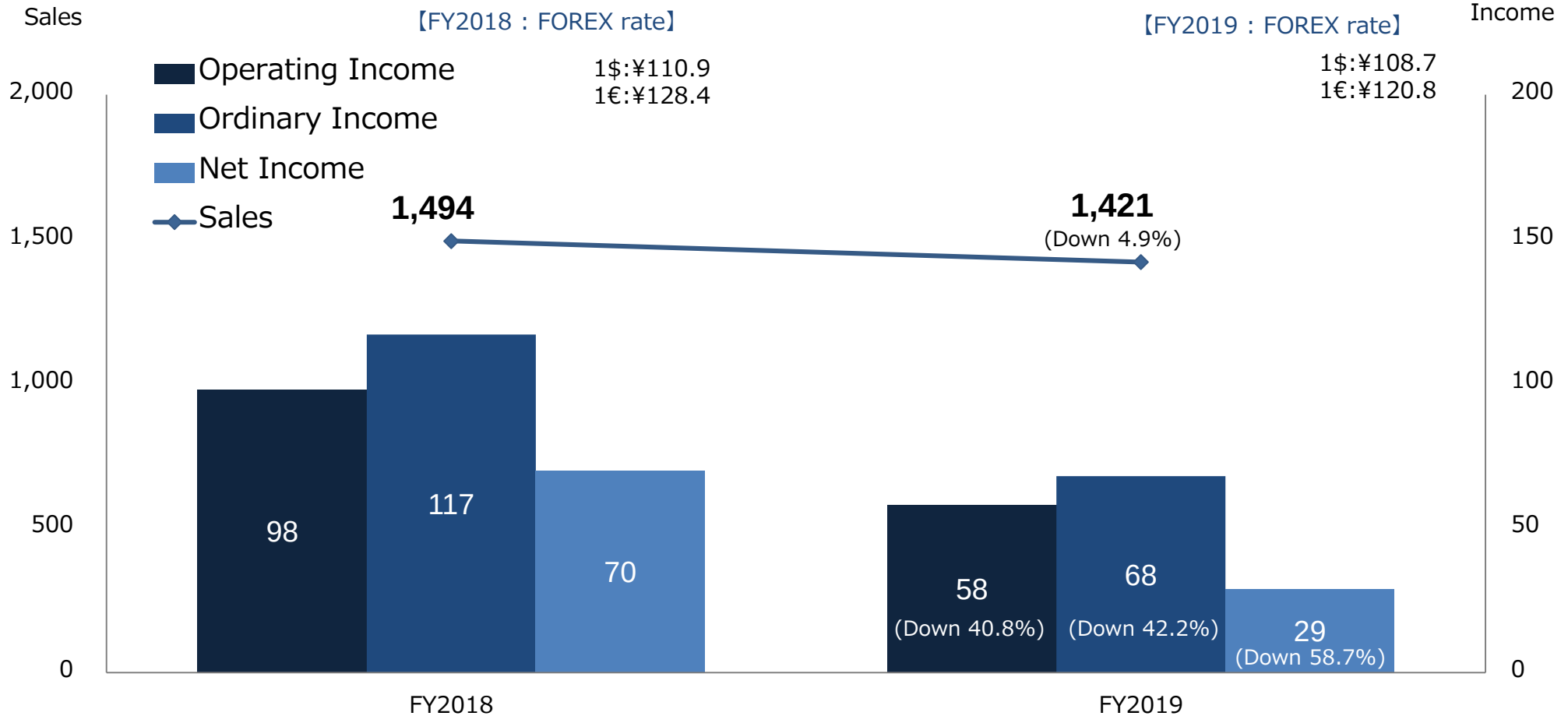
(4) Marine

(5) Aerospace

1. Net sales decreased due to COVID-19 impact in addition to the decline in global automobile production, mainly in the Chinese market.
Operating income decreased due to the provision for loss on orders received in the general industry business, increase of depreciation and amortization, impact of new consolidation in addition to the decrease of sales of products for the automotive industry.
Year-end dividend is 25 yen for FY2019, as planned. (Annual Total: 50 yen)
2. The forecast for FY2020 has not been determined due to the COVID-19 concerns. Especially, market trends in the automobile and construction machinery industries, which account for 60% of our Group's sales, are uncertain and therefore it is difficult to make reasonable calculations.
On the other hand, businesses for the semiconductor industry and the marine industry are performing well.

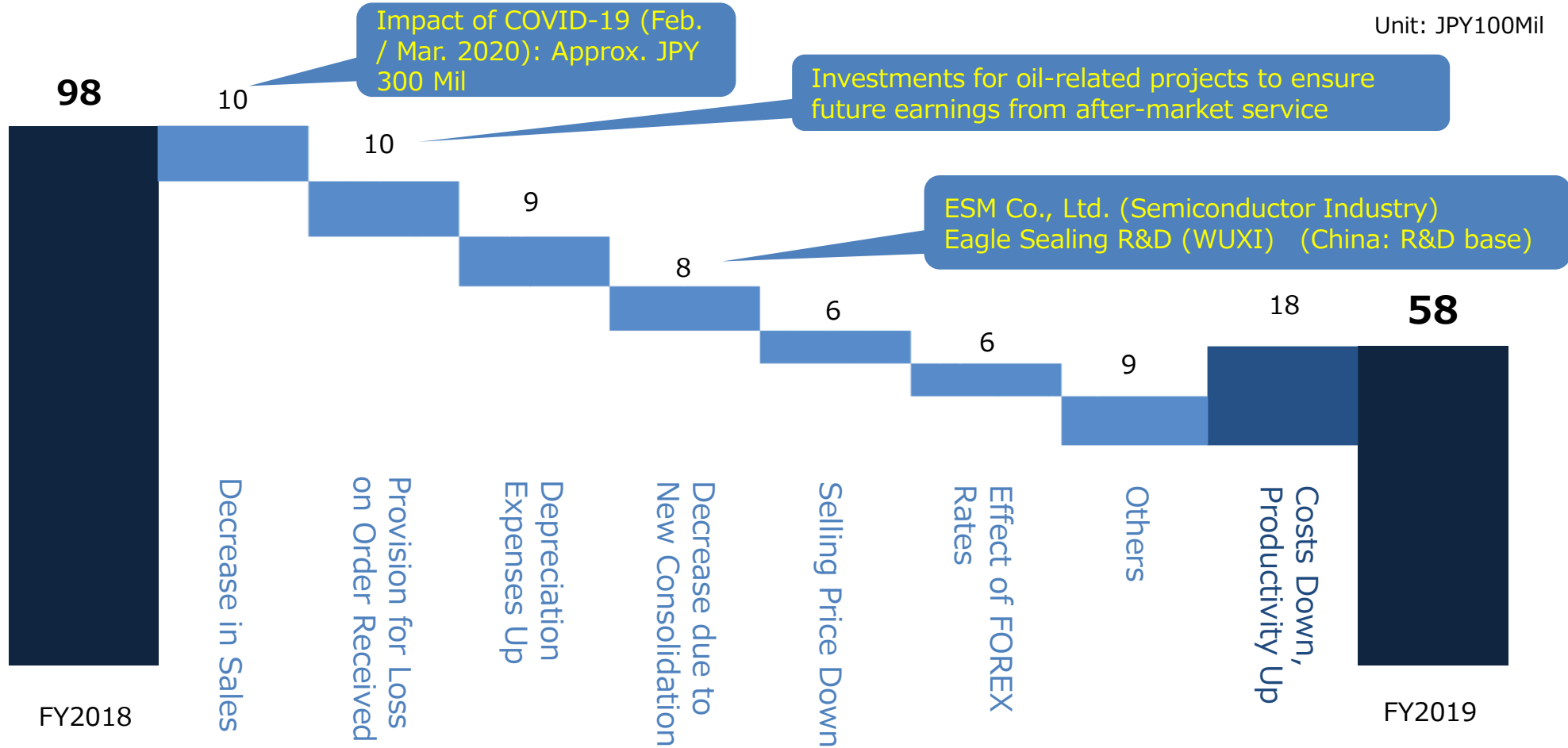
FY2019 Results | Sales, Income (vs. FY2018)

Unit: JPY100Mil



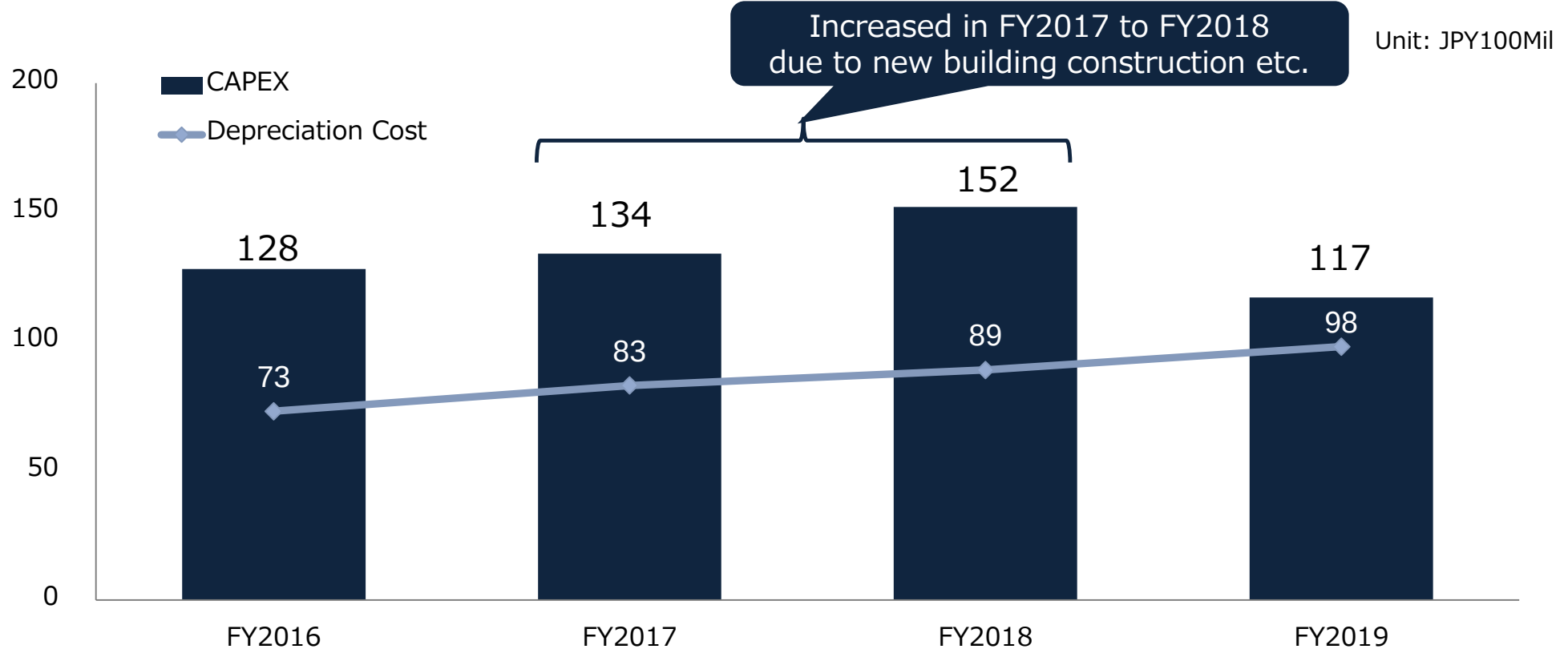
FY2019 Results | Analysis of Operating Income (vs. FY2018)

Unit: JPY100Mil



Unit : JPY100Mil

		FY2018 Results	FY2019 Results	Increase/ Decrease	vs. FY2018
Automobile & Construction Machinery	Sales	953	866	▲86	91%
	Operating Income	44	20	▲24	46%
General Industry	Sales	307	305	▲2	99%
	Operating Income	34	24	▲10	70%
Semiconductor	Sales	76	71	▲5	94%
	Operating Income	1	▲6	▲8	—
Marine	Sales	98	109	11	112%
	Operating Income	13	15	3	120%
Aerospace	Sales	60	70	10	116%
	Operating Income	5	4	▲1	82%
Total	Sales	1,494	1,421	▲73	95%
	Operating Income	98	58	▲40	59%



We will further reduce capital investment in FY2020 in light of the current situation.

	FY2016	FY2017	FY2018	FY2019	Target
Dividend (Yen)	45	50	50	50	—
Dividend Ratio (%)	30.1	23.5	34.9	84.4	—
Equity Ratio (%)	42.2	47.2	47.4	44.9	50%
Earnings Per Share (EPS) (Yen)	149.46	212.56	143.35	59.24	—
ROE (%)	10.9	14.2	8.8	3.7	10%
ROA (%)	4.6	6.4	4.2	1.7	5%
ROIC (%)	6.0	6.9	5.4	3.1	10%

1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

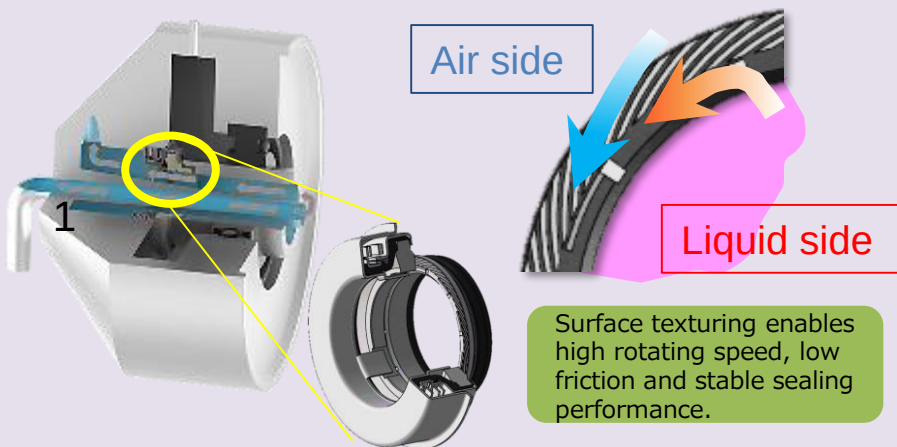
(2) General Industry

(3) Semiconductor Industry

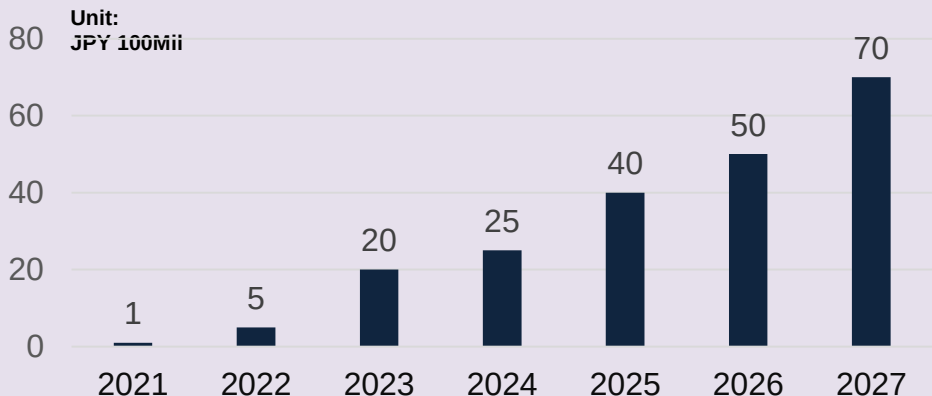
(4) Marine

(5) Aerospace

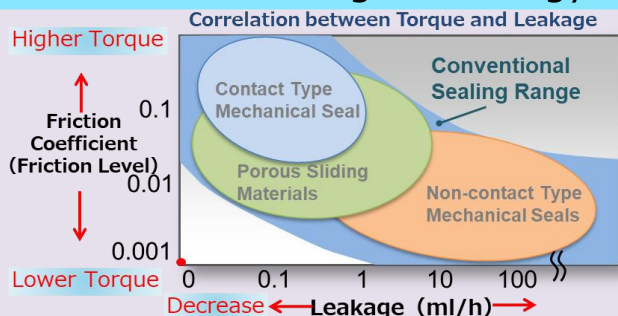
Mechanical Seal for Shaft Cooling



Sales Forecast of Mechanical Seal for Shaft Cooling

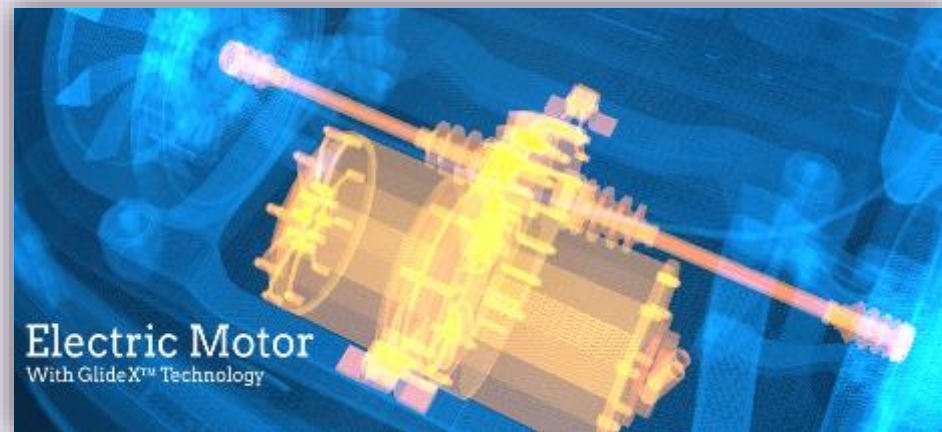


Surface Texturing Technology

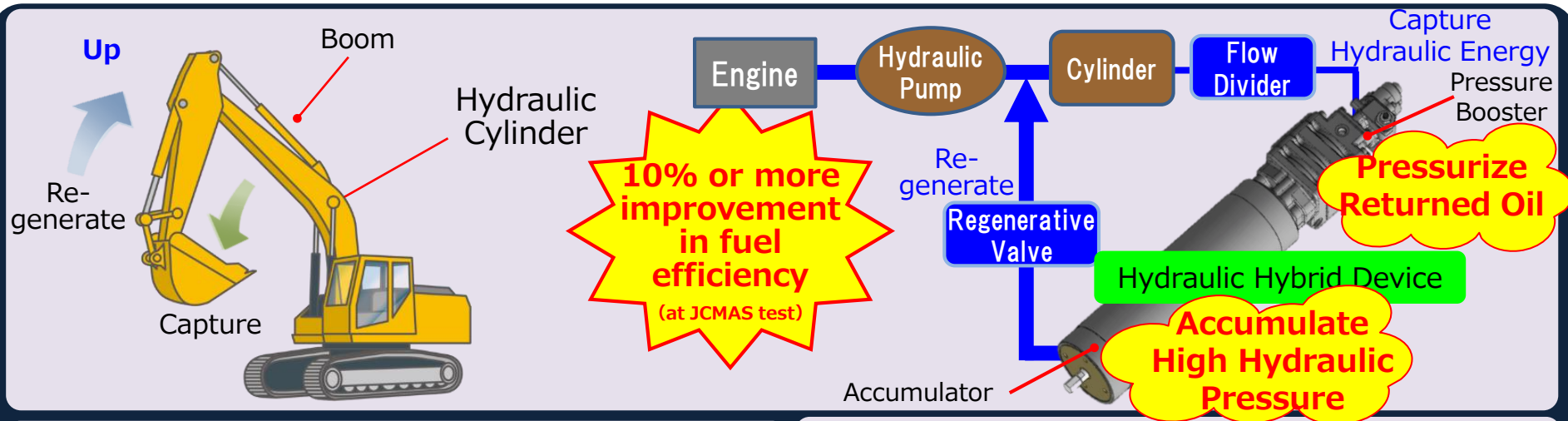


Realize low leakage under ultra-low torque environment

Realize motor's higher rotating speed and electricity consumption efficiency



Hydraulic Hybrid System for Hydraulic Excavator



Promotion

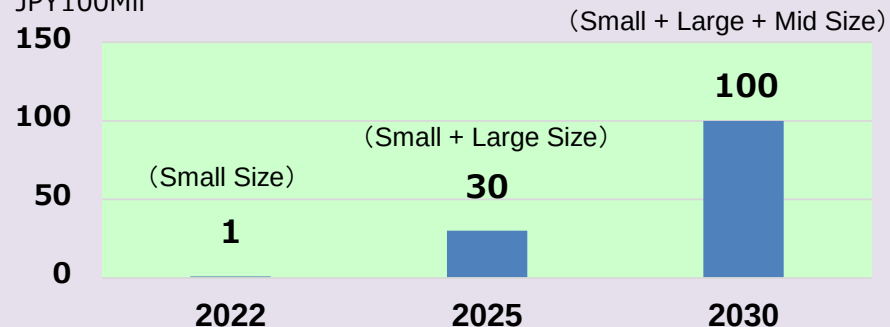
Sep., 2019 Press Release

Mar., 2020 Major manufacturer exhibition with favorable reception

Apr., 2020~ Start prototype evaluation test by customers

Sales Forecast

Unit:
JPY100Mil



EKK's unique and simple boost circuit generates high pressure energy from low pressure oil.

1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

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(3) Semiconductor Industry

(4) Marine

(5) Aerospace

Gas / Refinery Plant



**Major Project Country
(Year of Start)**



**Thailand
Thai Oil
(2023)**



**Indonesia
Pertamina
(2021)**

EagleBurgmann



Mechanical Seal



Supply
System

**After-sales
Service**

**After-sales
Service**

OEM Sales

**Pump / Device
Manufacturer**



Generate profit from OEM & after-sales service

Petrochemical Plant



**Major Project Country
(Year of Start)**



**Vietnam
Long Son
(2023)**



**Malaysia
Petronas
(2019)**

The impact of a drop in oil prices on refinery and petrochemical industries has been limited. We will continue sales activities for refinery / petrochemical plants in AP region and actively pursue projects with positive net present value, regardless of the payback period.

1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

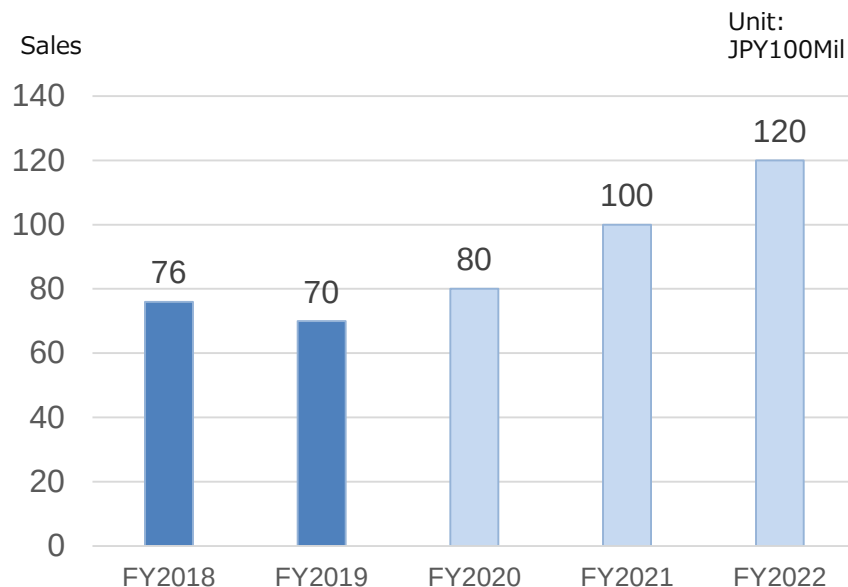
(2) General Industry

(3) Semiconductor Industry

(4) Marine

(5) Aerospace

Result and Forecast of Semiconductor Products



- Semiconductor industry is showing signs of recovery since the end of last year, and in a recovery phase since the beginning of 2020.
- Orders are firm despite the impact of the COVID-19, but the impact of the decline in automotive and mobile phone sales is not clear.

EKK Products for Semiconductor Industry

Magnetic Fluid Seal



Vacuum seal for semiconductor / FPD manufacturing equipment used in bearing for transferring robots

Welded Metal Bellows



Used in reciprocal part of semiconductor / LCD panel manufacturing equipment

High Performance O-Ring (Kalrez® / Superior)



Synthetic rubber that has elasticity, sealability, Teflon chemical resistance and thermal stability

Rotary Joint



Used in lapping equipment for semiconductor manufacturing processes such as CMP for wafer

- EKK is the only manufacturer in the world that can supply Magnetic Fluid Seals, Bellows, Rotary Joints, and Elastomer Seals.
- We keep developing new products and recently launched the "Hybrid Seal" by integrating the above.

ESM Co., Ltd.: Tsukuba, Ibaraki (Japan)



ESM Company Profile

Capital	JPY100Mil
Sales	Approx. JPY600Mil (FY2019)
Place	Tsukuba, Ibaraki, Japan
Since	June. 2018

- ESM has been established in Ibaraki, Japan as a manufacturing base for elastomer seals and achieving Smart Factory by actively utilizing IoT.
- High level clean room has been praised as a "world class factory" by customers.

EagleBurgmann Japan Co., Ltd. Niigata Plant (Japan)



Main Products: Magnetic Fluid Seal, Bellows, Rotary Joint, High-performance O-Ring

NEK Co., Ltd. Korea Plant



Main Products: Magnetic Fluid Seal

1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

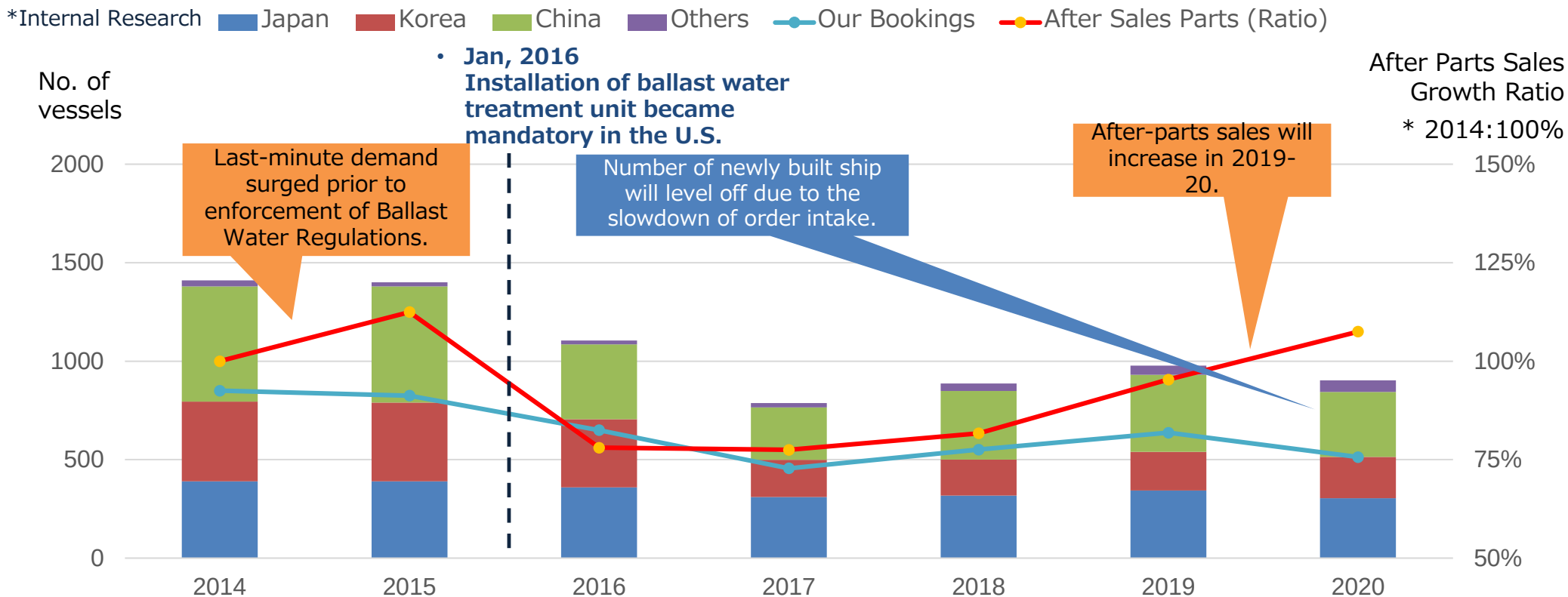
(2) General Industry

(3) Semiconductor Industry

(4) Marine

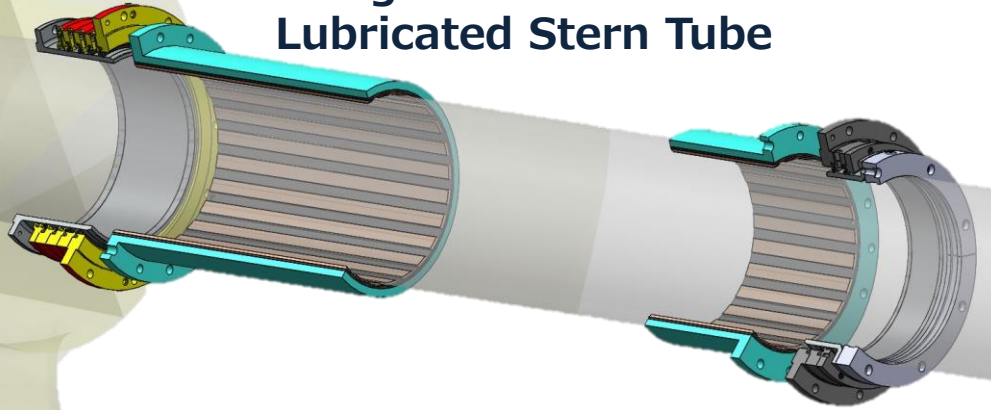
(5) Aerospace

Number of Middle/Large Vessel Building, EKK Product User and After Parts Sales Growth Ratio



Number of newly built ships remained at a low-level, about half of the last peak.
After-service sales are on a recovery trend.

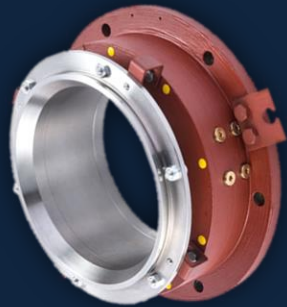
**Image of Clean Water
Lubricated Stern Tube**



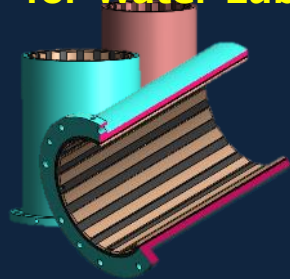
**Ship Name: Aki Maru
1,650DWT Cargo Ship
Clean Water Lubricated Stern Tube Seal
Device Installed in June 2018**



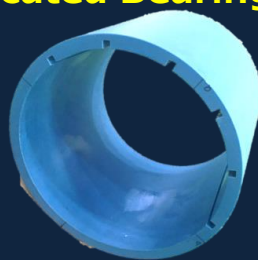
**New Materials
for Water Lubricated Bearing**



**Water Lubricated
Stern Tube Seal
Device**



**PTFE
Bearing**



**Resin
Bearing**

As a replacement for conventional oil lubricated systems, we are continuing development of environment-friendly products that contribute to the prevention of marine pollution.

1. Results Overview for FY2019

2. Business Unit Report

(1) Automobile and Construction Machinery

(2) General Industry

(3) Semiconductor Industry

(4) Marine

(5) Aerospace

Feb. 9, 2020

Launch of H-IIA Rocket No. 41



**H-IIA Rocket:
Supplying
Turbo Pump Seal,
Metal Gasket etc.**

Feb. 13, 2020

**Completed Combustion Test of 3 LE-9 Engines
Completed All the BFT for H3 Rocket**



**H3 Rocket:
Supplying
Turbo Pump Seal,
Metal Gasket etc.**

**BFT : Battleship Firing Test
(1st Stage Thick Tank Stage Combustion Test)
Combustion test using model of H3
Rocket with thick material tank and
LE-9 engine**

On Going Project

Joint Research Between JAXA / EKK

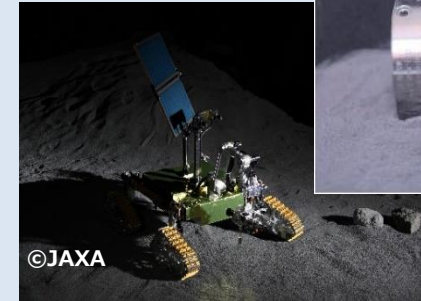
Research on Anti-Dust Seal for Drive Module of Lunar Explorer

R&D of seal to prevent intrusion of regolith into main shaft of lunar rover

2017 ~ 2019 :Impact assessment of regolith intrusion

2020 ~ :Improvement of durability and robustness

Regolith: Fine gravel deposited on the surface of the moon



Fly Sky High !

