

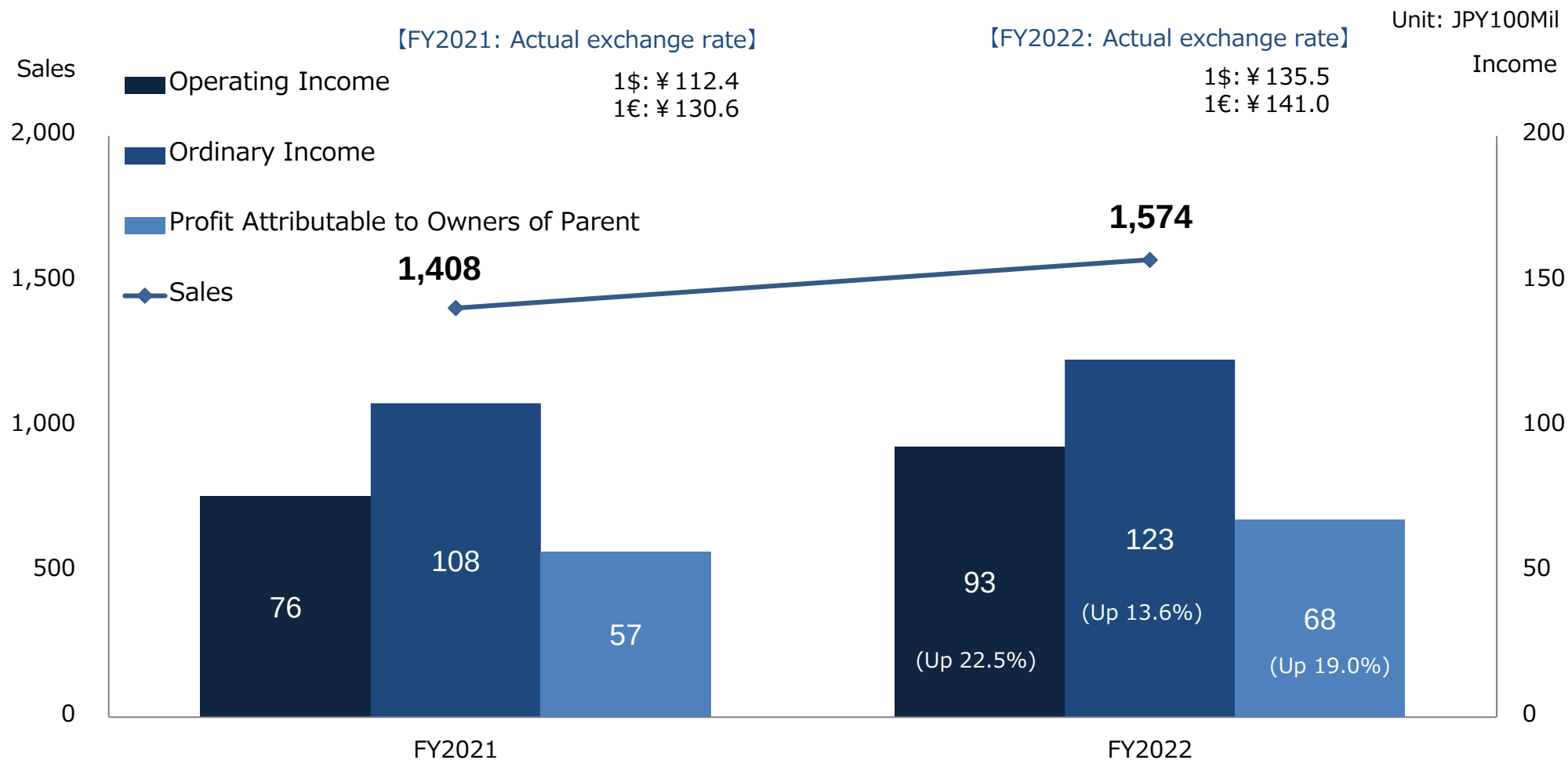
Eagle Industry Co., Ltd. Financial Results Briefing for Fiscal Year Ended March 31, 2023

May 10, 2023



- 1. FY2022 Results Overview,
FY2023 Full-Year Forecast**
- 2. Outline of New Mid-Term Management Plan
(New Three-Year Plan),
Future Business Development,
Business Unit Report**

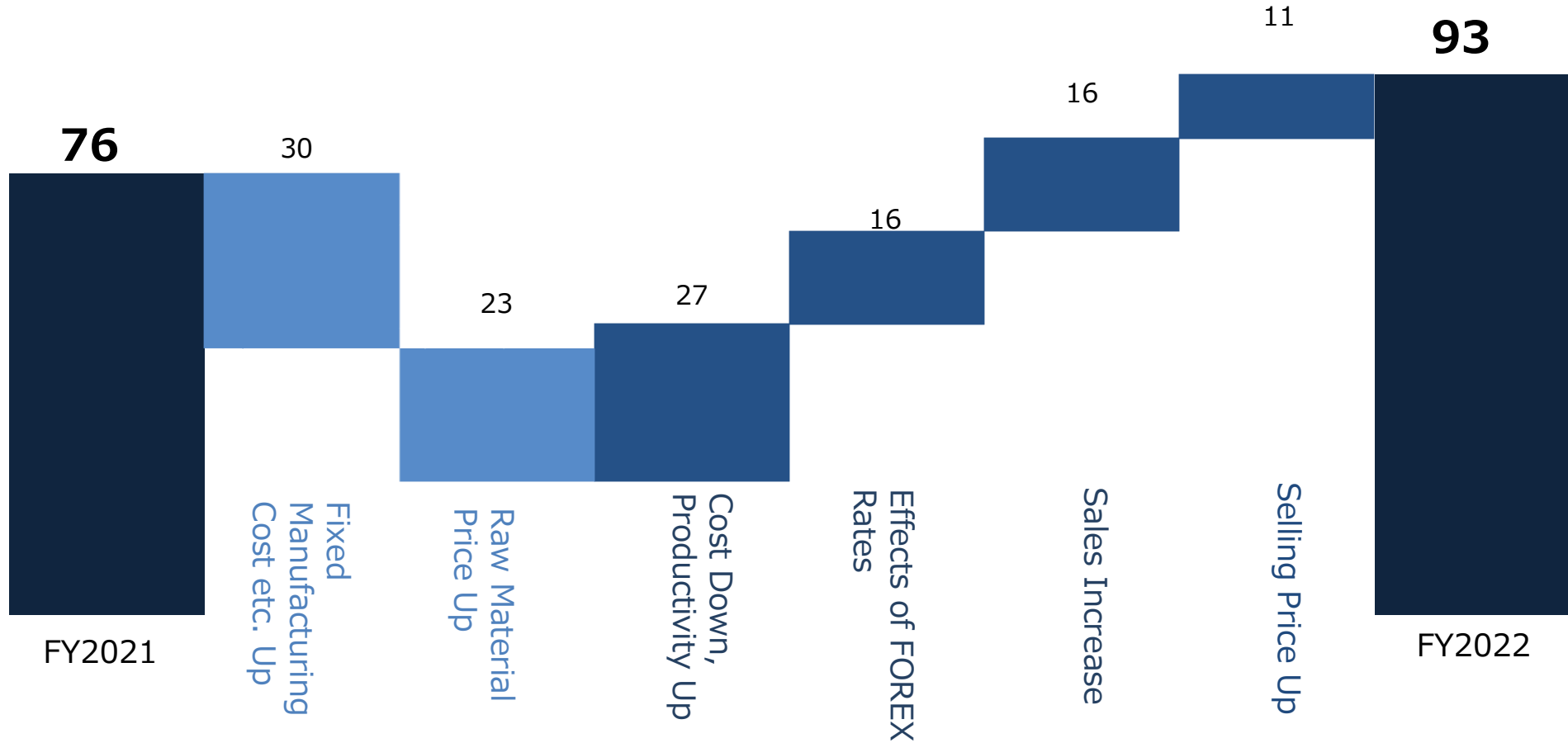
FY2022 Results | Sales, Income (vs. FY2021)

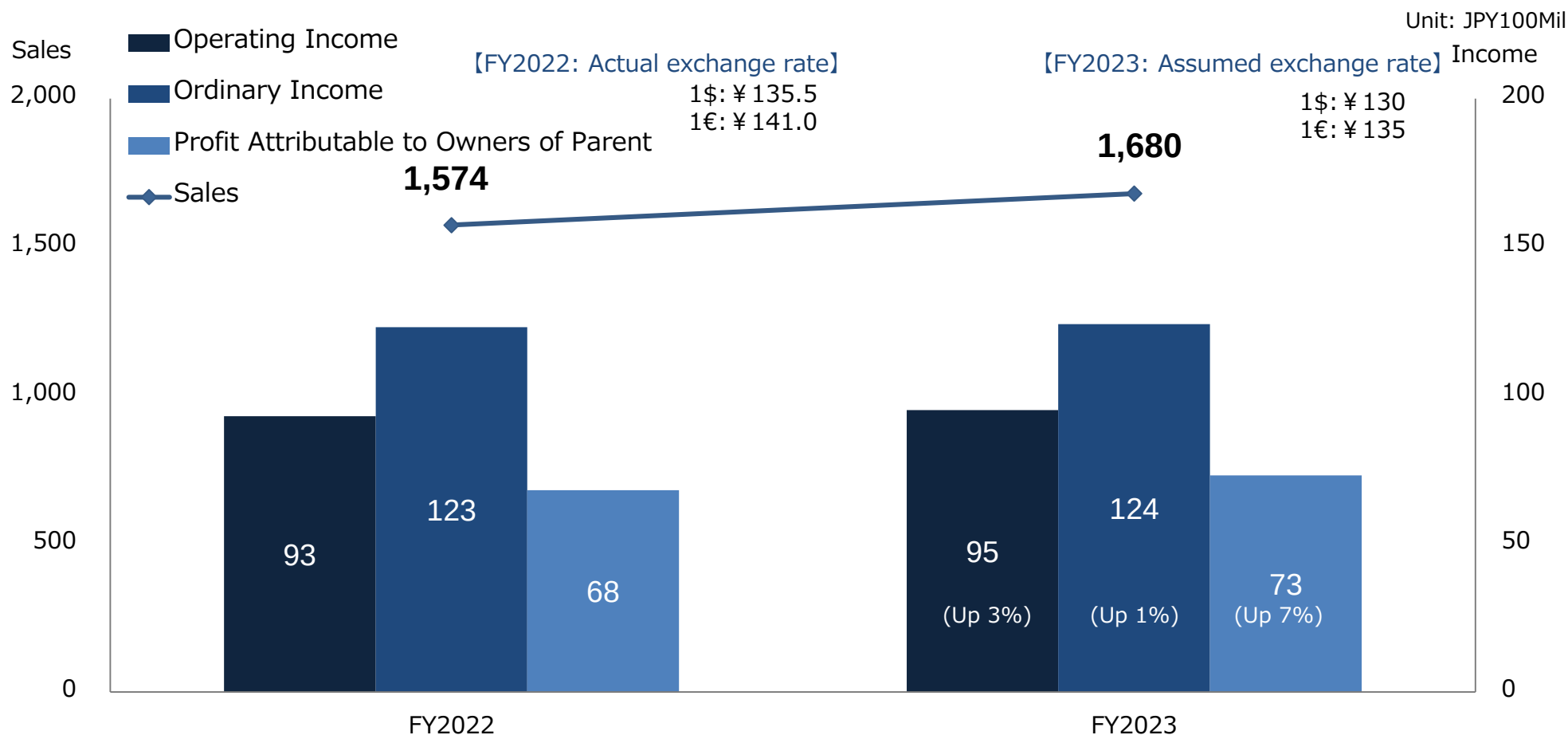


Unit: JPY100Mil

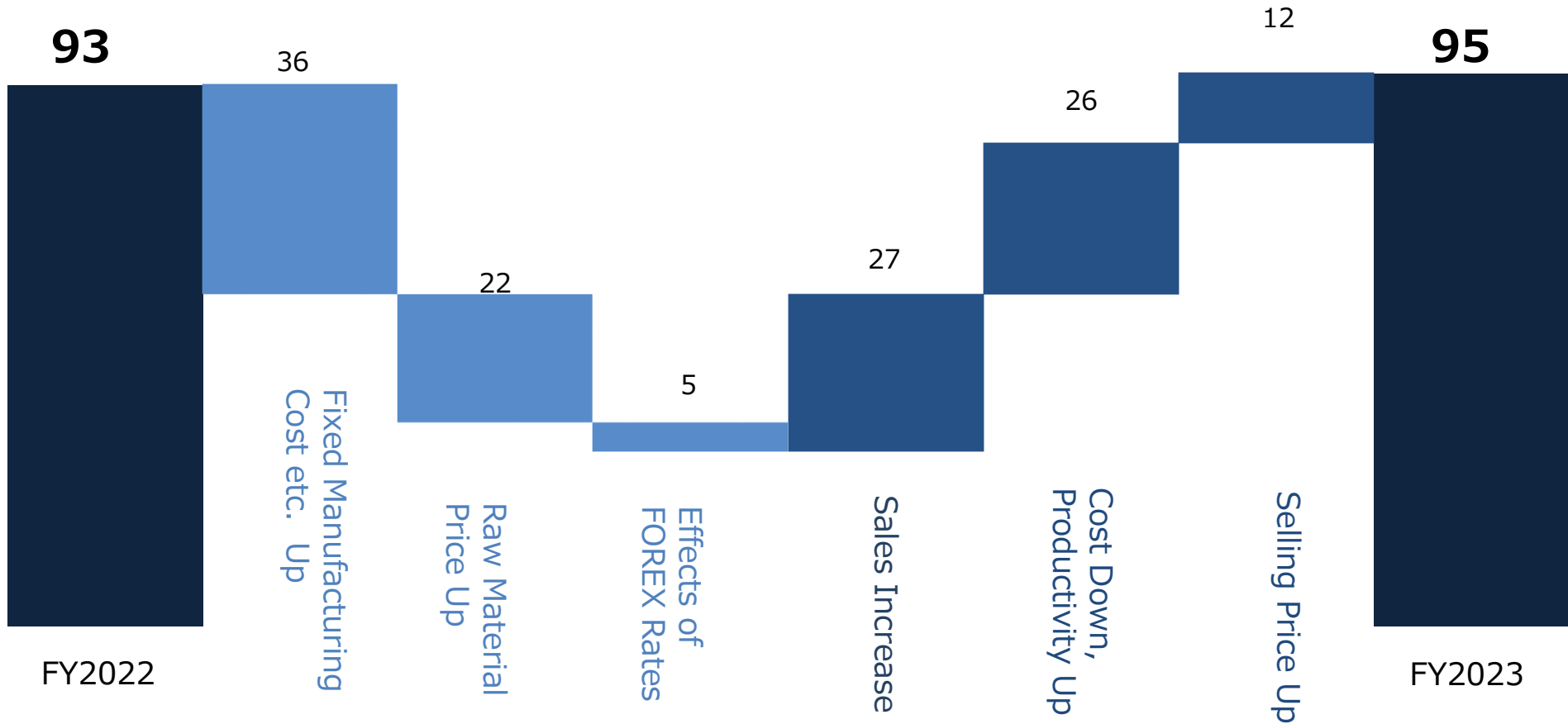
		FY2021 Results	FY2022 Results	Increase/ Decrease	vs. FY2021
Automobile & Construction Machinery	Sales	816	849	34	104%
	Operating Income	20	4	▲16	19%
General Industry	Sales	289	338	48	117%
	Operating Income	25	36	12	148%
Semiconductor	Sales	122	167	45	137%
	Operating Income	7	18	12	274%
Marine	Sales	117	136	19	116%
	Operating Income	24	33	9	140%
Aerospace	Sales	65	84	20	130%
	Operating Income	0	1	1	582%
Total	Sales	1,408	1,574	165	112%
	Operating Income	76	93	17	123%

Unit: JPY100Mil





Unit: JPY100Mil



Unit: JPY100Mil

		FY2022 Full-Year Results	FY2023 Full-Year Forecast	Change	Change (%)
Automobile & Construction Machinery	Sales	849	920	71	108%
	Operating Income	4	24	20	632%
General Machinery	Sales	338	352	14	104%
	Operating Income	36	32	▲4	88%
Semiconductor	Sales	167	210	43	126%
	Operating Income	18	23	5	125%
Marine	Sales	136	126	▲10	93%
	Operating Income	33	13	▲20	39%
Aerospace	Sales	84	72	▲12	86%
	Operating Income	1	3	2	327%
Total	Sales	1,574	1,680	106	107%
	Operating Income	93	95	2	103%

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Main Initiatives

1. **Sophisticated Responses to Changes**
2. **ESG Management**
3. **Eternal Zero**
Building a quality control structure that does not release even a single defective product to the market
4. **TCD/Waste Reduction**
Creating profit through an approach of "Total Cost Down" and "Eliminating Waste by halving everything"
5. **Promotion of DX**
6. **Next-Generation Products with Unique Technologies**
7. **Respect for Human Dignity / Development of Human Resources**

Targets (FY2023-FY2025)

- **Target for Final Year (FY2025)**
Sales: JPY200 billion,
Operating Income: JPY14.5 billion
(Operating Income Ratio: 7% or more)
- **Return to Shareholders**
Total estimated shareholder return of JPY18 billion
(Share Buyback) Repurchase approx. JPY12 billion of treasury stock
(Dividends) Maintain DOE of 2.5% or more and annual dividend of JPY70 per share for each fiscal year.

Future Vision

Achieve profitability over cost of capital through efficient investment
(Target) ROE 10% or more
ROIC 8% or more

Response to Decrease in Products for ICE Vehicles

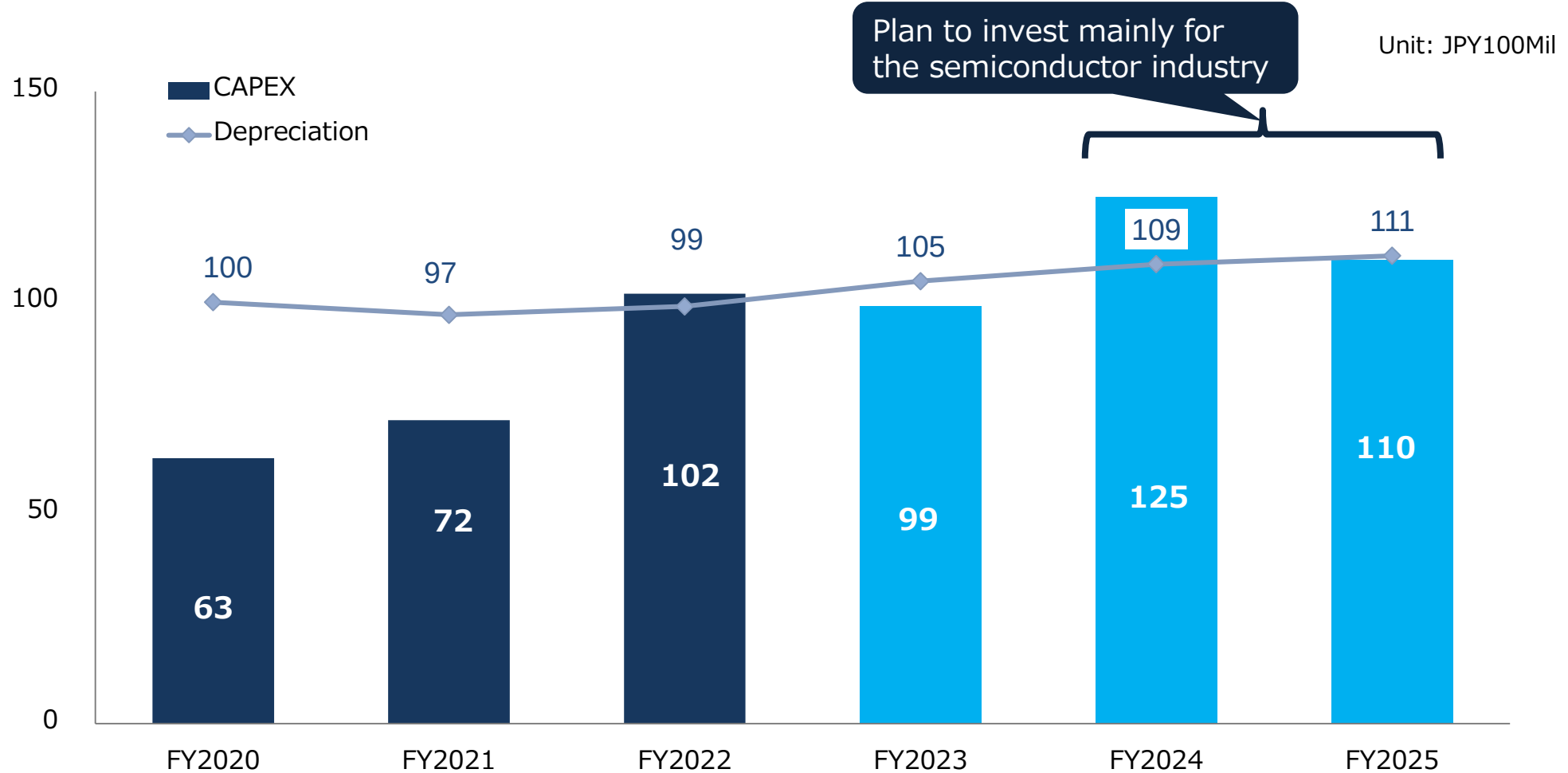
- Lower breakeven point for businesses in the automotive and construction machinery industries
- Continue to expand sales of products for EVs and products that will also be used when electrification progresses

Initiatives for Growth in Each Segment

- Improve profitability of business for the general industrial machinery industry
- Expand sales of business for the semiconductor industry
- Actively participate in commercial aircraft market and space development
- Prepare for the increasing needs of the nuclear power and defense-related markets
- Develop new products for next-generation mobility, next-generation energy markets

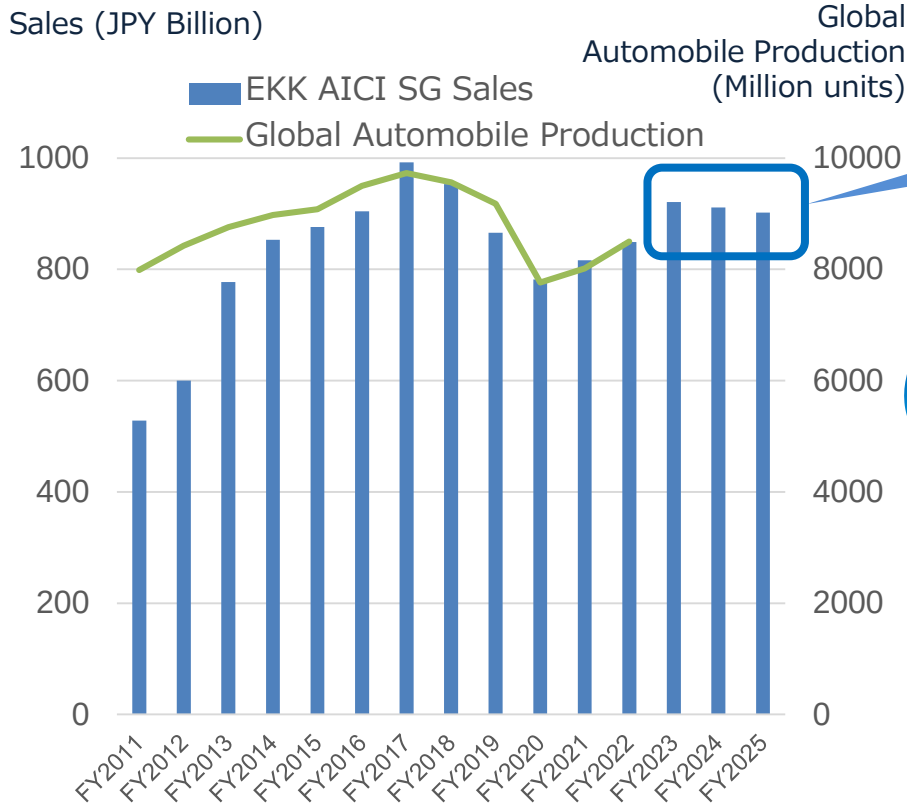
Unit: JPY100Mil

	FY2023	FY2024	FY2025
Sales	1,680	1,850	2,000
Operating Income (Operating Income Ratio)	95 (5.7%)	117 (6.3%)	145 (7.3%)
Ordinary Income	124	145	174
Profit Attributable to Owners of Parent	73	86	103



	FY2020	FY2021	FY2022	FY2023 (Forecast)	FY2024 (Forecast)	FY2025 (Forecast)
Dividend (yen)	50	50	70	70	70	70
Dividend Payout Ratio (%)	61.2	43.0	50.1	44.8	35.8	28.0
Equity Ratio (%)	47.8	52.1	54.0	52.4	52.1	52.4
Earnings Per Share (yen)	81.70	116.34	139.82	156.15	195.52	250.26
ROE (%)	5.0	6.4	6.8	7.1	8.4	9.8
ROA (%)	2.3	3.2	3.6	3.8	4.4	5.1
ROIC (%)	3.1	3.9	4.5	4.4	5.3	6.4

Automobile & Construction Machinery Segment Sales Results and Forecasts Global Automobile Production (Results)



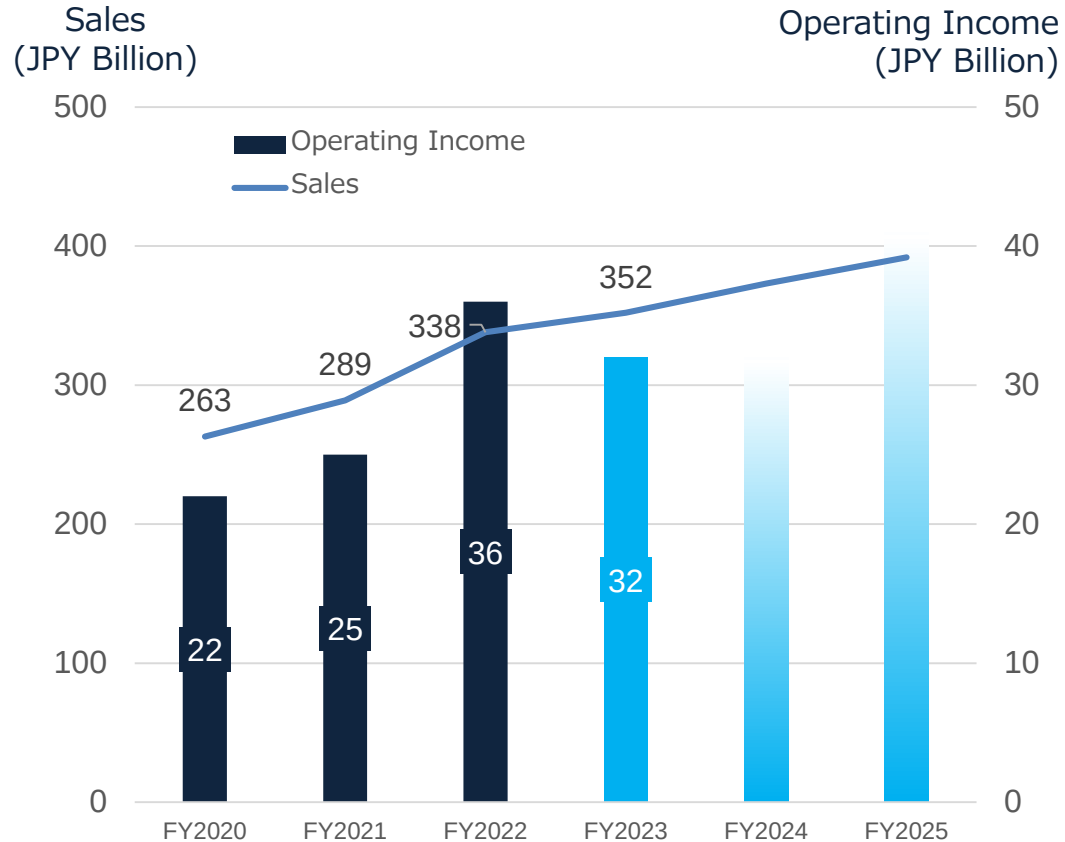
Sluggish global automobile production trends
Sales of existing products will decline due to the shift to EVs.

Priority Measures for the Future

New product development & Sales promotion
Products for EVs/CES for suspension/HyBEKSTER

Further efforts to improve profitability
Cost reduction/Review of selling price

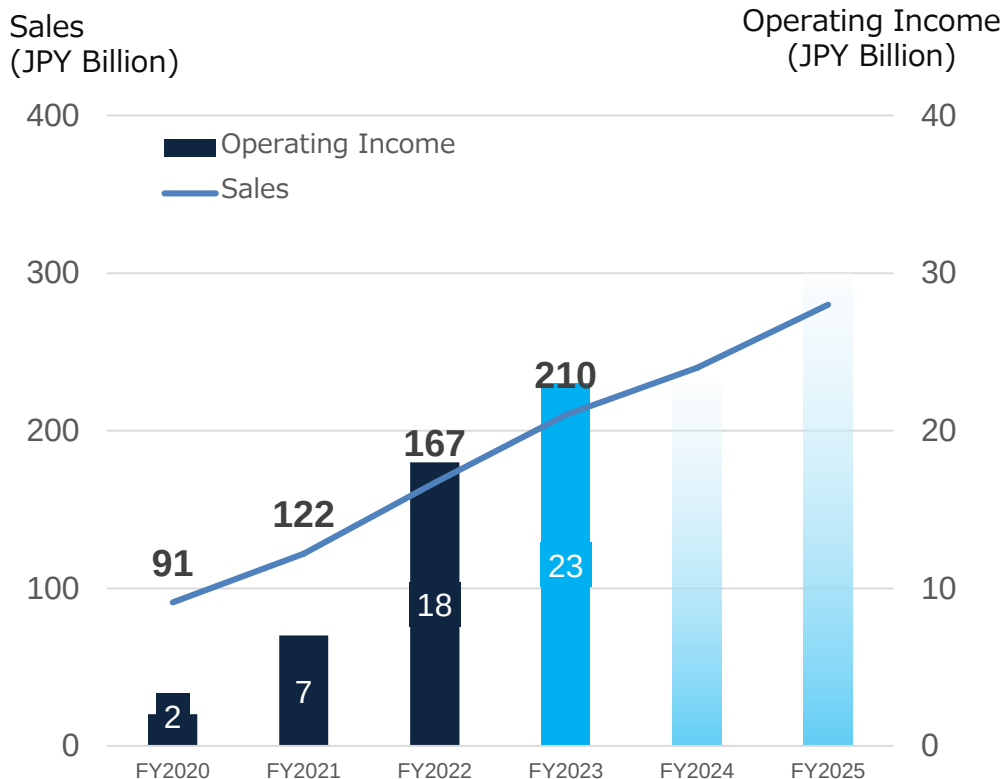
Sales & Profit Trends for General Industry Business



Business Model for General Industry



Sales & Profit Trends for Semiconductor Business



Magnetic Fluid Seal



Vacuum seal for semiconductor / FPD manufacturing equipment

High Performance O-Ring



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

Welded Metal Bellows



Used in reciprocal part of semiconductor / LCD panel manufacturing equipment

Rotary Joint



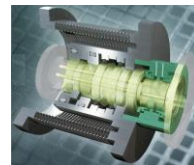
Used in lapping equipment for semiconductor manufacturing processes such as CMP for wafer

Superior Door Seal



Seal made of rubber baked into gate valve for semiconductor manufacturing equipment

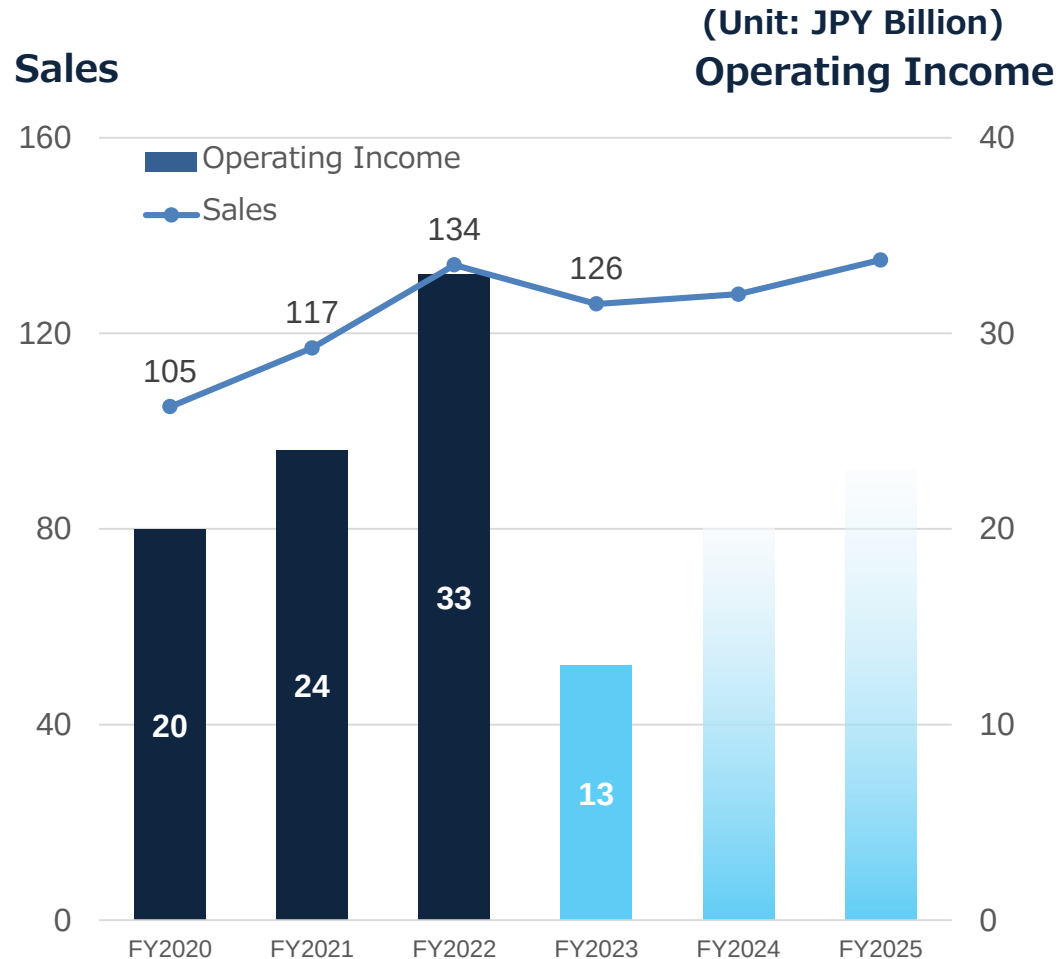
Hybrid Seal



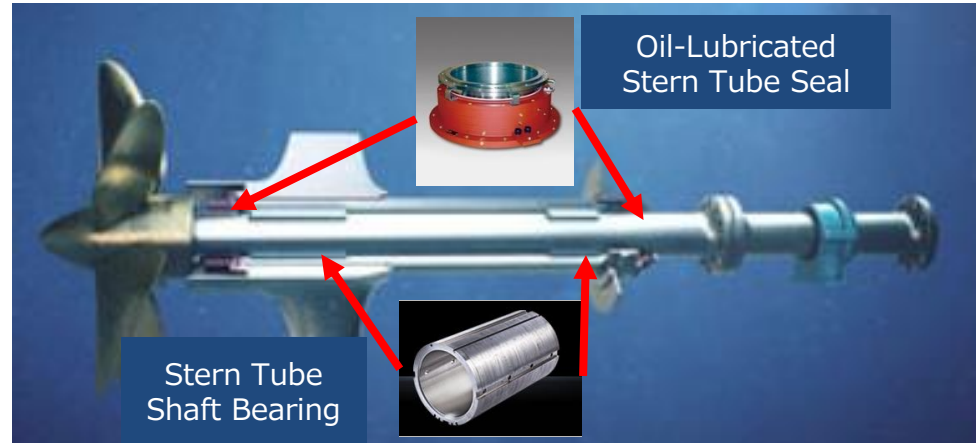
Seal combining magnetic fluid seal, bellows, rotary joint, etc.

We will focus on this business as a future growth driver. We expect sales expansion for semiconductor manufacturing equipment in the future as well.

Sales



Main Products for Marine Industry



- Top share of global market for stern tube seals for medium and large vessels
- Secure profits through after-sales service after delivery of new vessels

Current and Future Business Trends

- Record high newbuildings ordered centered on LNG carriers in FY2022
- Sales & profits will temporarily drop in FY2023, but will recover during the period of mid-term management plan.

Aircraft Engine

Commercial Aircraft

- Development testing of products for next-generation engines is underway.
- Began consideration of mass production of products for engines for single-aisle airframes



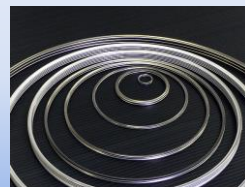
Defense / Next-Generation Fighter Aircraft

- Next-generation fighter jet engine: Joint development by Japan, the UK, and Italy
- Sales promotion of various seals is underway



Image of Next-Generation Fighter Aircraft

Source: Ministry of Defense website



Segment Seals and Other Seals

Space Development Project

H3 Rocket

- Mechanical seals used for 1st stage engine LE-9 turbo pump



Mechanical Seals, Various Seals and Valves



Defense Business Corporate Office

Needs for defense businesses are increasing due to expanding geopolitical risks.

Various products are used for defense fighters, ships, submarines, vehicles etc.



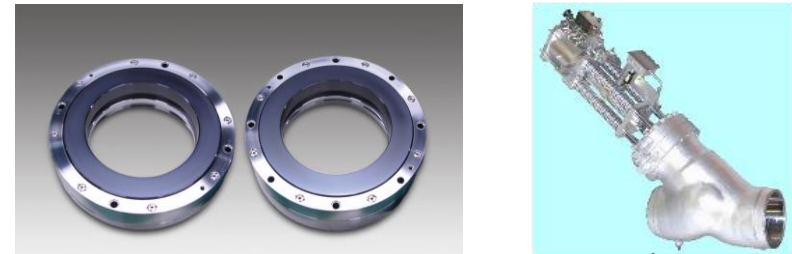
Various Products



Nuclear Power Business Corporate Office

Demands for GX and clean energy are increasing. It will be responsible for the supply of each product line for restarting nuclear power plants and developing next-generation innovative reactors

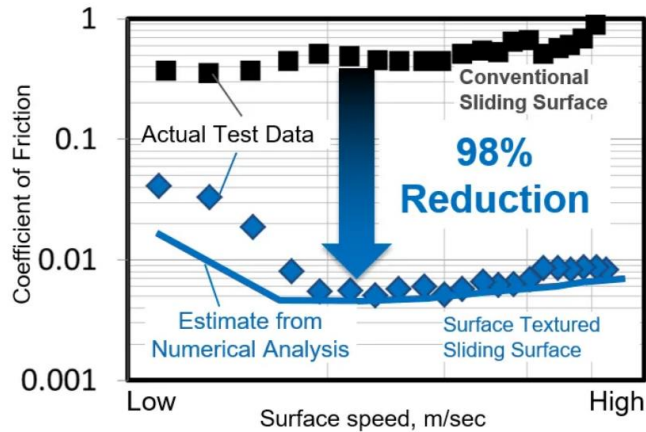
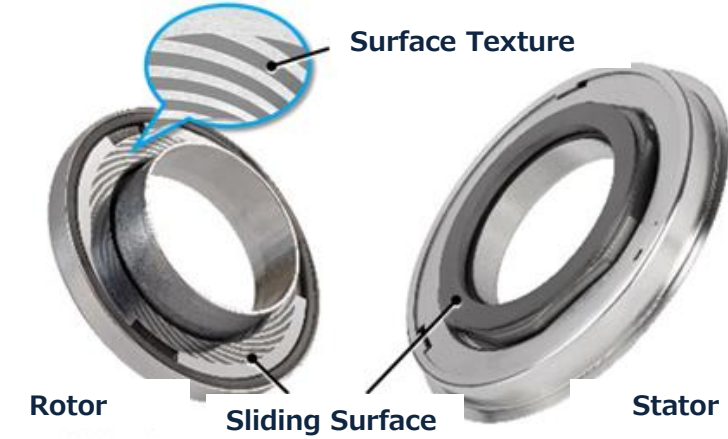
EKK products are used in nuclear power plants.



PWR Type | Non-Contact Seal

BWR Type | Main Steam Isolation Valve

EKK's Surface Textured Mechanical Seal



Next-Generation Mobility



EV

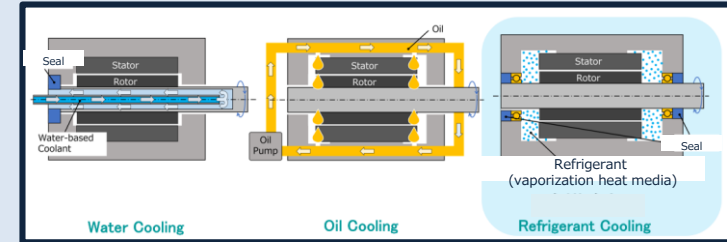


Ship

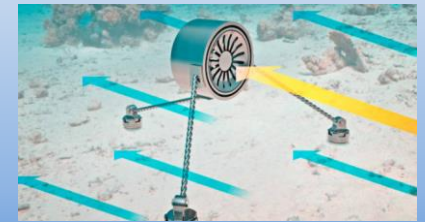
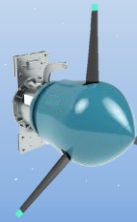


Aircraft

Electric Motor



Next-Generation Energy



Tidal Current, Ocean Power Generator

Development of IoT Multi-Sensor (Temperature and Pressure)

- Enable simultaneous measurement of pressure and temperature, wireless transmission of measurement data, and monitoring of equipment status from remote locations
- Realize commercialization of battery-powered, long-life wireless sensors

Multi-sensor system

Sensor



Wireless communication

Receiver



PC

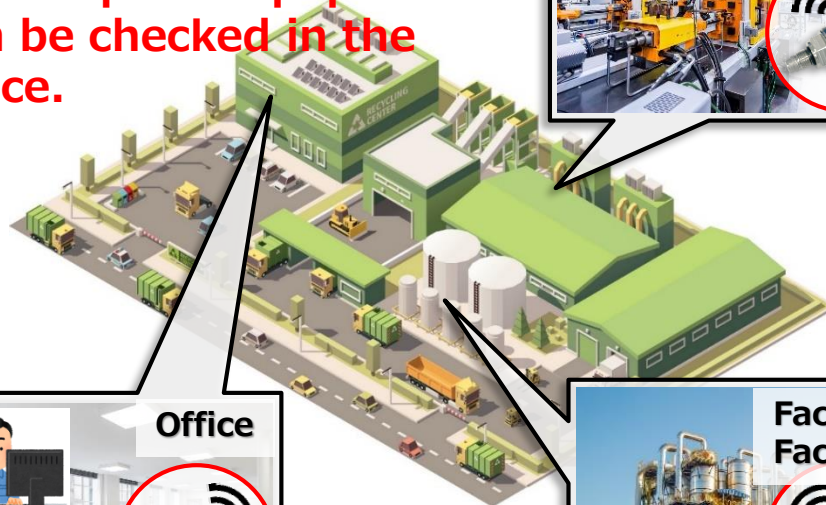
(Software)

Wireless communication



<Image of actual use>

Pressure and temperature data of plant equipment can be checked in the office.



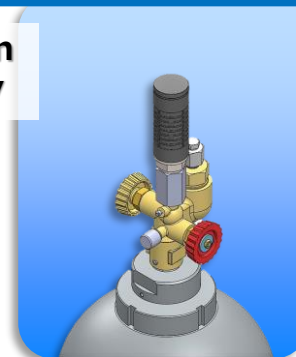
Production Machinery



Office



Factory Facilities



Accumulator Gas Pressure Sensor

&

Sensor



FY2030: Sales JPY20 Billion

