



Third Quarters of FY2023 (3Qs) Financial Information

February 8, 2024

KYB Corporation

(Stock Code: 7242; Prime Market of Tokyo Stock Exchange)

3Qs of FY2023 Performance Overview

*Segment profits correspond to operating income in JGAAP.

- ✓ **Increase in Net Sales, Decrease in Profits (Operating Profit ¥20.4 bn → ¥15.4 bn)**
 - Despite a decline in sales resulting from the economic slowdown in China, the offsetting effects of cost recovery from inflation and the depreciation of the yen contributed to a net sales increase of approximately 4%.
 - Segment profits* and operating profit decreased due to the following factors:
 - 1) Increased costs due to decreased productivity in the United States and Mexico
 - 2) Changes in product mix due to a decrease in sales of aftermarket products
 - 3) Decrease in sales volume of construction machinery products due to the downturn in the Chinese and European markets

FY2023 Forecast

- ✓ **Revised performance forecast (Operating Profit ¥29.8 bn → ¥22.0 bn)**
 - Based on the progress in the third quarter, the forecast as of November has been revised.

Return to Shareholders

- ✓ **No change from the previous forecast announced in November (Annual dividend: ¥200 per share)**
 - Interim dividend: ¥100 per share Year end dividend forecast: ¥100 per share
- ✓ **Scheduled cancellation of treasury share**
 - Total number of shares to be cancelled: 514,100 shares
 - Scheduled cancellation date: February 29, 2024

3Qs of FY2023 Financial Summary



Our Precision, Your Advantage

(¥ Billion)	IFRS		Differences
	3Qs of FY2022 actual	3Qs of FY2023 actual	Previous period
Net sales	316.8	328.7	11.9
Segment profits* [Segment profits ratio]	16.9 [5.4%]	12.2 [3.7%]	(4.7) [(1.6)%]
Operating profit [Operating profit ratio]	20.4 [6.5%]	15.4 [4.7%]	(5.0) [(1.8)%]
Profit attributable to owners of the parent	15.0	11.0	(4.0)
FOREX (Average) (¥)			
JPY/ US\$	136.53	143.29	
JPY/ EUR	140.59	155.28	

*Segment profits correspond to operating income in JGAAP.

3Qs of FY2023 Net Sales and Segment Profits



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(¥ Billion)	Net Sales			Segment Profits		
	3Qs of FY2022 actual	3Qs of FY2023 actual	Differences	3Qs of FY2022 actual	3Qs of FY2023 actual	Differences
AC	204.5	216.4	11.9	12.0	9.1	(2.9)
HC	102.7	101.3	(1.4)	5.7	4.0	(1.7)
Aircraft Components	3.3	3.1	(0.2)	(1.1)	(1.4)	(0.3)
Others	6.3	7.9	1.6	0.3	0.5	0.2
Total	316.8	328.7	11.9	16.9	12.2	(4.7)

AC: Automotive Components

HC: Hydraulic Components

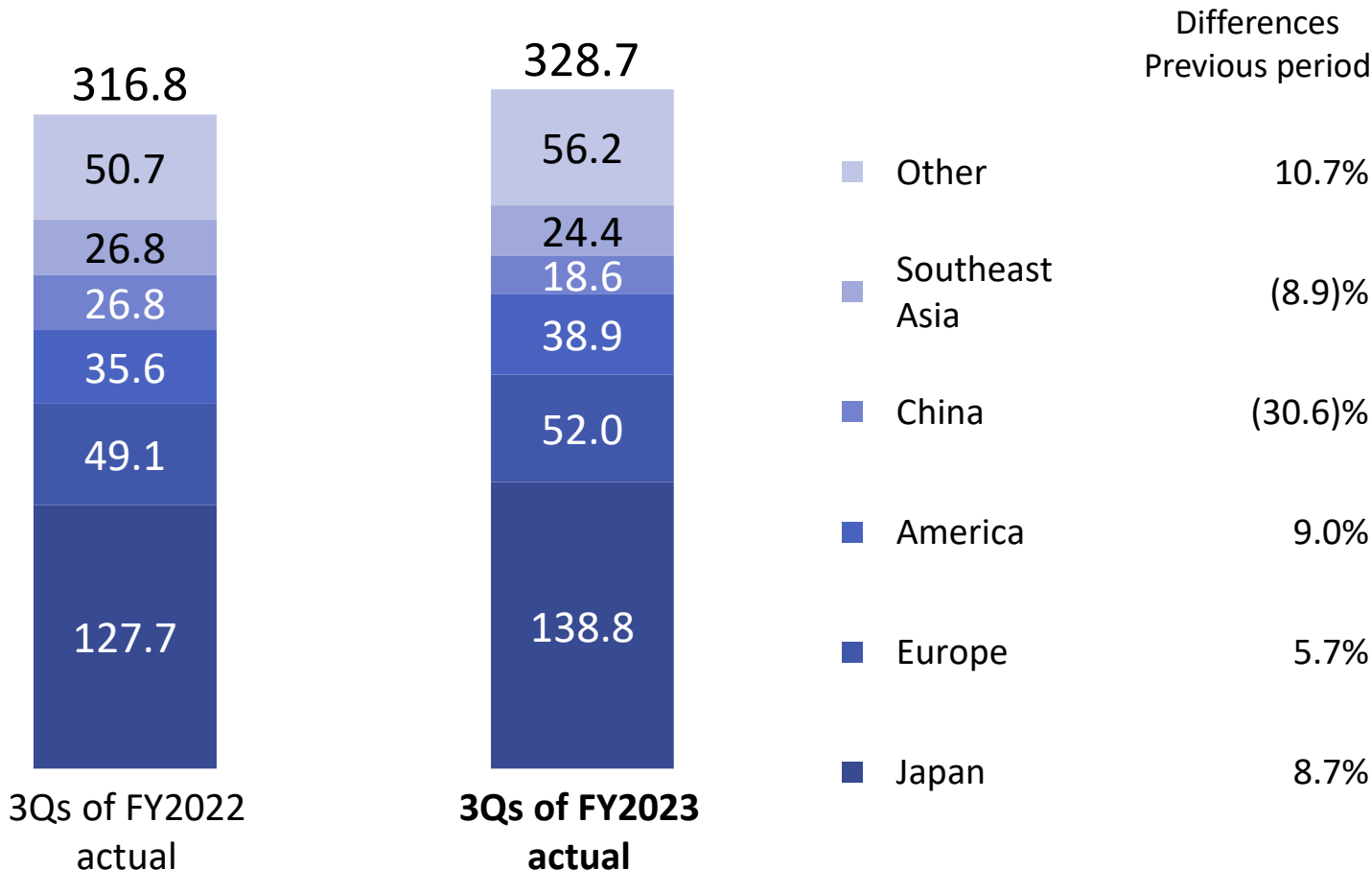
Others: Special-purpose vehicles, etc.

3Qs of FY2023 Net Sales by Region



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(¥ Billion)



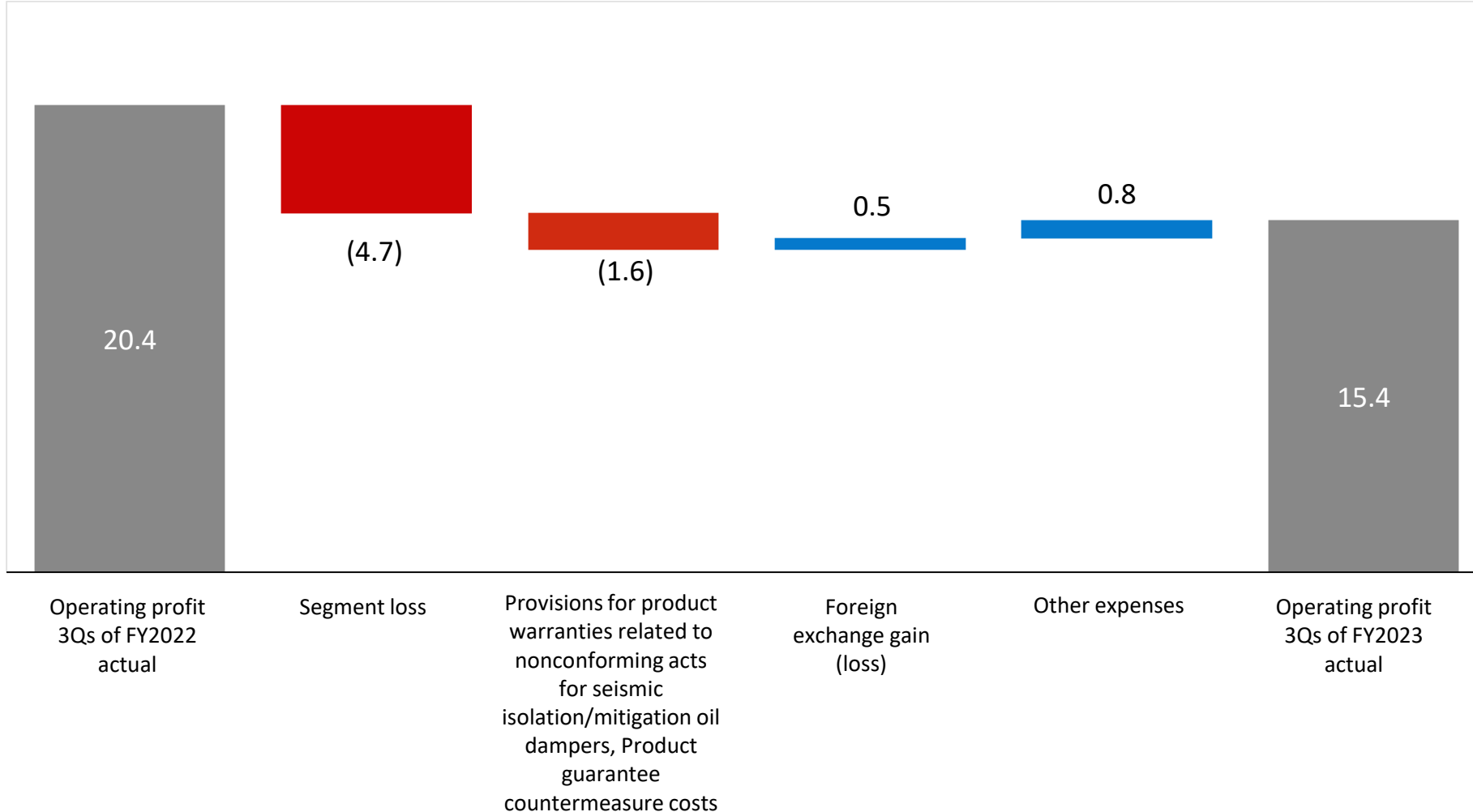
Overseas Sales Ratio
59.7% ⇒ 57.8%

3Qs of FY2023 Changes in Operating Profit (Comparison with previous period)



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(¥ Billion)



Financial Forecast for FY2023



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(¥ Billion)	IFRS			Differences	
	FY2022 actual	FY2023 forecast (As of Nov.)	FY2023 forecast	Previous year	Nov. forecast
Net sales	431.2	450.0	443.0	11.8	(7.0)
Segment profits* [Segment profits ratio]	25.5 [5.9%]	28.0 [6.2%]	20.0 [4.5%]	(5.5)	(8.0)
Operating profit [Operating profit ratio]	32.5 [7.5%]	29.8 [6.6%]	22.0 [5.0%]	(10.5)	(7.8)
Profit attributable to owners of the parent	27.2	20.0	14.0	(13.2)	(6.0)
Dividend (¥)	200	200	200	0	0
FOREX (Average) (¥)					
JPY/ US\$	135.48	137.50	140.97		
JPY/ EUR	140.97	149.69	152.96		

*Segment profits correspond to operating income in JGAAP.

Net Sales Forecast for FY2023



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(¥ Billion)	Net Sales				
	FY2022 actual	FY2023 forecast (As of Nov.)	FY2023 forecast	Differences Previous year	Differences Nov. forecast
AC	279.7	294.8	291.7	12.0	(3.1)
HC	137.9	138.8	135.9	(2.0)	(3.0)
Aircraft Components	4.4	5.6	4.4	0.0	(1.2)
Others	9.2	10.7	11.0	1.8	0.3
Total	431.2	450.0	443.0	11.8	(7.0)

AC: Automotive Components

HC: Hydraulic Components

Others: Special-purpose vehicles, etc.

Segment Profits Forecast for FY2023



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(¥ Billion)	Segment Profits				
	FY2022 actual	FY2023 forecast (As of Nov.)	FY2023 forecast	Differences Previous year	Differences Nov. forecast
AC	18.8	19.7	14.4	(4.4)	(5.4)
HC	7.5	8.1	6.1	(1.4)	(2.0)
Aircraft Components	(1.4)	(0.8)	(1.5)	(0.1)	(0.7)
Others	0.6	0.9	1.0	0.4	0.0
Total	25.5	28.0	20.0	(5.5)	(8.0)

AC: Automotive Components

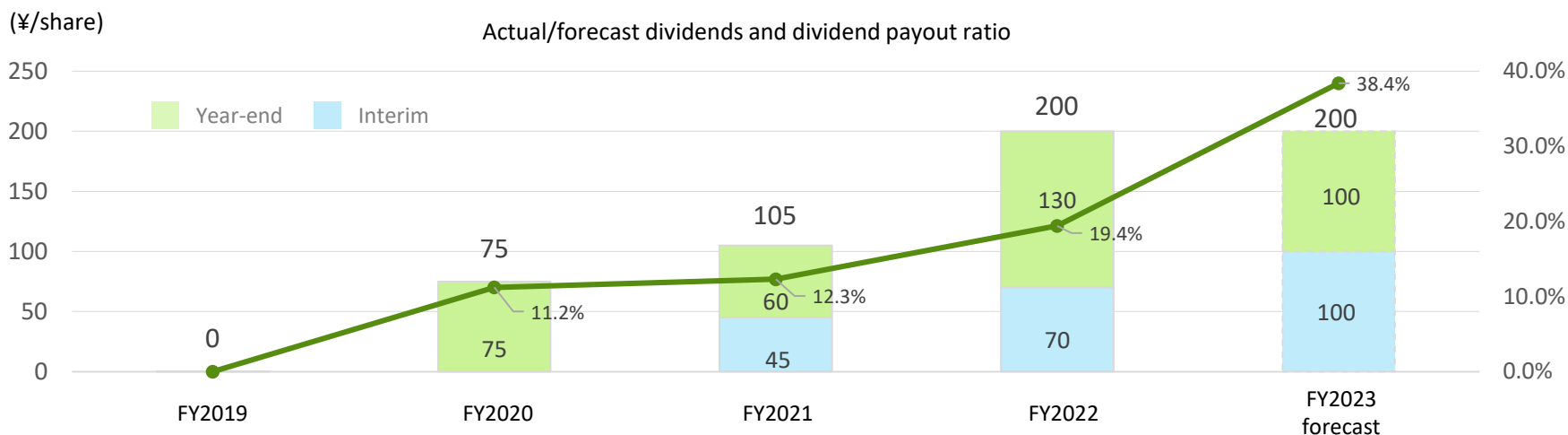
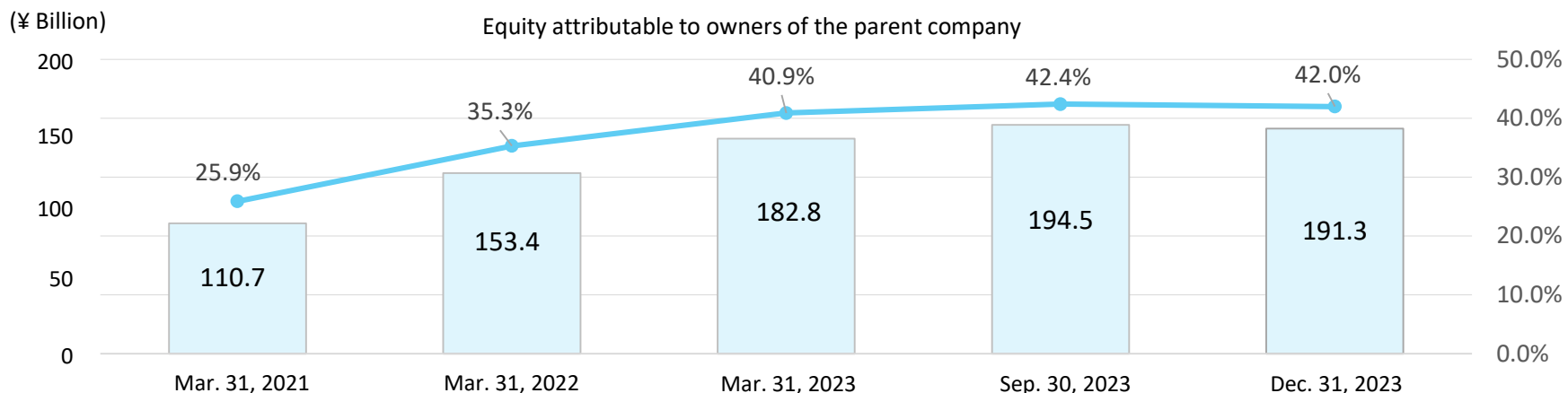
HC: Hydraulic Components

Others: Special-purpose vehicles, etc.

Changes in Equity and Dividends



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- ✓ **Scheduled cancellation of treasury share** (total number of shares to be cancelled: 514,100 shares, scheduled cancellation date: February 29, 2024).



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Cautionary Statement

This report contains forward-looking statements, including KYB's plans and strategies, as well as statements that report historical results. Forward-looking statements involve such known and unknown risks and uncertainties as economic conditions; currency exchange rates; laws, regulations, and government policies; and political instability in principal markets.

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3Qs of FY2023 Net Sales and Segment Profits

(¥ Billion)	Net Sales			Segment Profits		
	3Qs of FY2022 actual	3Qs of FY2023 actual	Differences	3Qs of FY2022 actual	3Qs of FY2023 actual	Differences
AC	204.5	216.4	11.9	12.0	9.1	(2.9)
Shock absorbers for automobiles	147.5	157.3	9.7	—	—	—
Shock absorbers for motorcycles	33.1	30.9	(2.2)	—	—	—
Hydraulic equipment for automobiles	15.7	17.4	1.7	—	—	—
Others	8.2	10.8	2.6	—	—	—
HC	102.7	101.3	(1.4)	5.7	4.0	(1.7)
Hydraulic equipment for industrial use	98.0	94.7	(3.3)	—	—	—
System products	2.1	4.1	2.1	—	—	—
Others	2.6	2.5	(0.1)	—	—	—
Aircraft Components	3.3	3.1	(0.2)	(1.1)	(1.4)	(0.3)
Others	6.3	7.9	1.6	0.3	0.5	0.2
Total	316.8	328.7	11.9	16.9	12.2	(4.7)

AC: Automotive Components

HC: Hydraulic Components

Others: Special-purpose vehicles, etc.

Net Sales and Segment Profits Forecast for FY2023

(¥ Billion)	Net Sales			Segment Profits		
	1H of FY2023 actual	2H of FY2023 forecast	Differences	1H of FY2023 actual	2H of FY2023 forecast	Differences
AC	142.8	148.9	6.0	6.0	8.4	2.4
HC	67.9	68.0	0.1	2.8	3.4	0.6
Aircraft Components	2.0	2.5	0.5	(1.2)	(0.3)	0.9
Others	5.3	5.8	0.5	0.4	0.6	0.2
Total	217.9	225.1	7.2	8.0	12.0	4.0

AC: Automotive Components

HC: Hydraulic Components

Others: Special-purpose vehicles, etc.

Net Sales by Region



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(¥ Billion)		1H of FY2022				1H of FY2023			
		AC	HC	Others	Total	AC	HC	Others	Total
Japan	1st Half	33.4	44.6	4.5	82.5	38.5	47.1	4.8	90.5
	3Q	18.4	25.1	1.8	45.2	20.9	25.0	2.5	48.3
	Total	51.8	69.6	6.2	127.7	59.4	72.1	7.3	138.8
Europe	1st Half	29.2	4.1	0.0	33.3	30.5	4.2	0.0	34.7
	3Q	13.8	2.1	0.0	15.8	15.7	1.5	0.0	17.2
	Total	43.0	6.2	0.0	49.1	46.2	5.7	0.0	52.0
America	1st Half	19.6	4.8	0.3	24.7	20.5	4.9	0.2	25.6
	3Q	8.7	2.1	0.1	10.9	11.0	2.2	0.1	13.2
	Total	28.3	6.9	0.4	35.6	31.5	7.2	0.2	38.9
China	1st Half	10.7	7.2	0.0	17.9	7.9	4.7	0.0	12.6
	3Q	5.4	3.5	0.0	8.9	4.3	1.7	0.0	6.0
	Total	16.1	10.7	0.0	26.8	12.2	6.4	0.0	18.6
South East Asia	1st Half	15.4	2.0	0.0	17.5	13.9	2.6	0.0	16.4
	3Q	8.3	1.0	0.0	9.4	6.9	1.1	0.0	8.0
	Total	23.8	3.1	0.0	26.8	20.8	3.7	0.0	24.4
Others	1st Half	27.9	4.3	1.8	34.0	31.5	4.4	2.2	38.1
	3Q	13.6	2.0	1.1	16.7	14.8	2.0	1.3	18.1
	Total	41.5	6.3	3.0	50.7	46.3	6.3	3.5	56.2
Total	1st Half	136.3	67.0	6.6	209.9	142.8	67.9	7.2	217.9
	3Q	68.2	35.7	3.0	106.9	73.5	33.5	3.8	110.8
	Total	204.5	102.7	9.6	316.8	216.4	101.3	11.0	328.7