

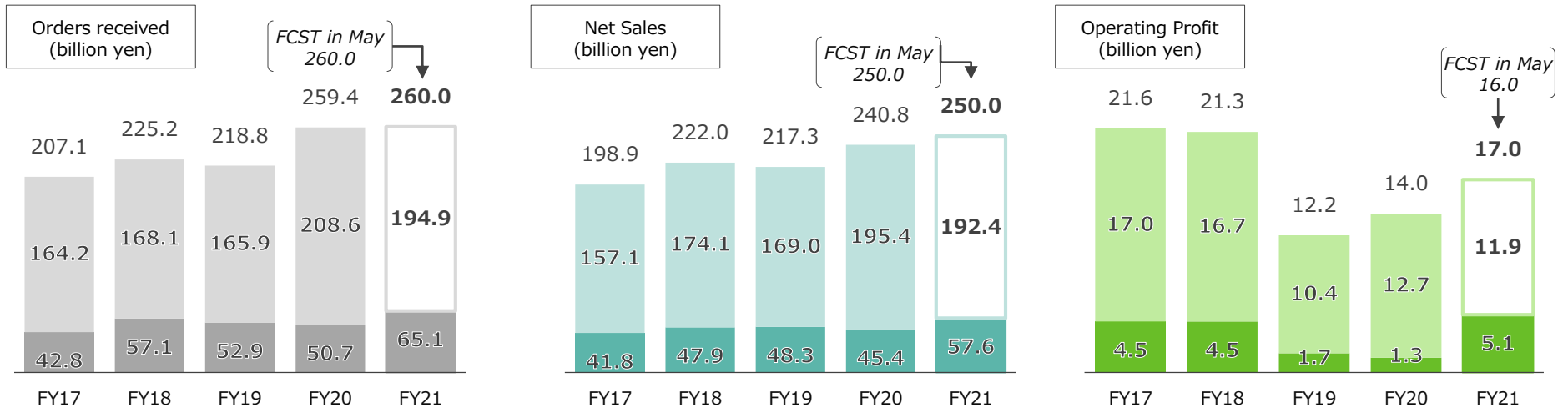
# 3 Details by Segment - Precision Machinery & Robot -

## FY2021.Q1 (vs. FY2020.Q1)

Orders received	↑	Increased due to an increase in hydraulic components for construction machinery and various robots including robots for semiconductor manufacturing equipment
Net Sales	↔	Same as above
Operating profit	↑	Increased due to an increase in revenue

## FY2021 forecast (vs. Forecast in May)

Orders received	→	} Remained at the same level
Net Sales	→	
Operating profit	↑	Revised up due to an improvement in profitability of robots



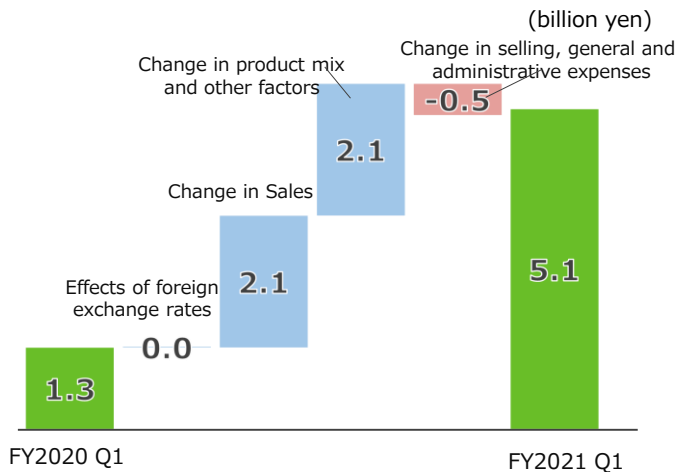
※The dark portion of the graph represents Q1 results and the light portion represents Q2-4 forecasts.

# Details by Segment - Precision Machinery & Robot -

(Billion Yen)

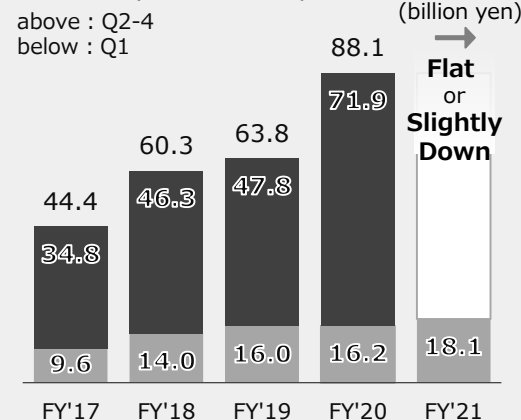
	FY2020	FY2021		FY2020	FY2021 Forecast				
	Q1 Actual	Q1 Actual	Change	Actual	Old FCST	New FCST	Chg. Vs. FY20	Chg. Vs. Old FCST	Q2-4 FCST
Orders Received	50.7	65.1	+ 14.4	259.4	260.0	<b>260.0</b>	+ 0.6	-	<b>194.9</b>
Hydraulic Components & Systems	35.9	41.1	+ 5.1	172.6	165.0	<b>165.0</b>	- 7.6	-	<b>123.9</b>
Robotics	14.7	24.0	+ 9.2	86.7	95.0	<b>95.0</b>	+ 8.3	-	<b>71.0</b>
Net Sales	45.4	57.6	+ 12.2	240.8	250.0	<b>250.0</b>	+ 9.2	-	<b>192.4</b>
Hydraulic Components & Systems	34.0	40.5	+ 6.4	165.5	160.0	<b>160.0</b>	- 5.5	-	<b>119.5</b>
Robotics	11.3	17.0	+ 5.7	75.2	90.0	<b>90.0</b>	+ 14.8	-	<b>73.0</b>
Operating Profit	1.3	5.1	+ 3.7	14.0	16.0	<b>17.0</b>	+ 3.0	+ 1.0	<b>11.9</b>
[Margin]	[2.9%]	[8.8%]	[+ 5.9pt]	[5.8%]	[6.4%]	[6.8%]	[+ 0.9pt]	[+ 0.4pt]	[6.1%]

## Details of change in Operating Profit(Loss)



## Appendix

### Sales of hydraulic components to China

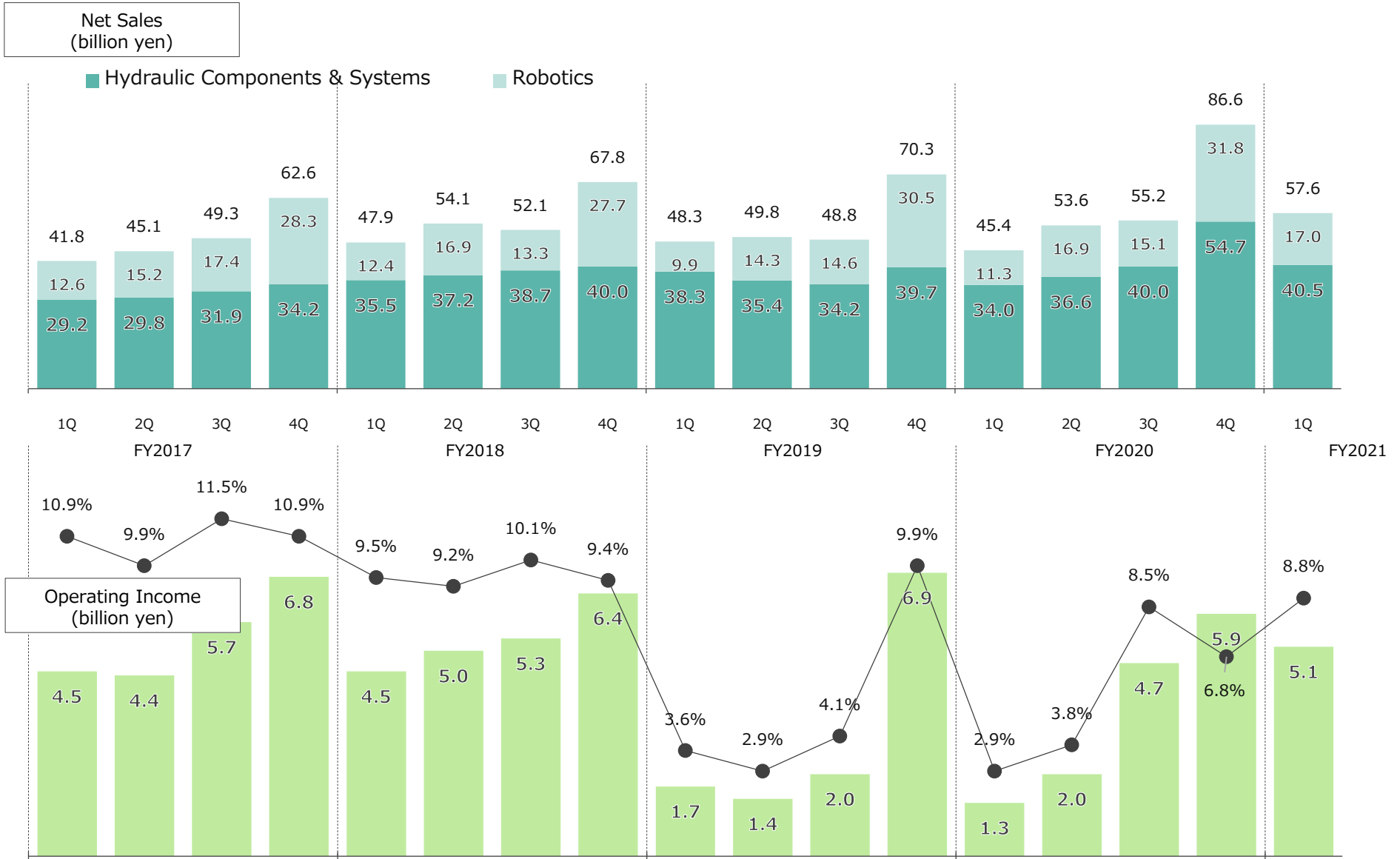


### Sales of robots by segment\* (billion yen)

	FY'20	FY'21	Change
Automobile assembly and painting	4.3	6.2	+1.9
(FCST)	36.8	35.0	-1.8
Semiconductor	5.4	7.6	+2.2
(FCST)	23.8	25.0	+1.2
General robots for industrial use and others	2.3	5.5	+2.2
(FCST)	21.2	31.0	+9.8
Total	12.1	19.4	+7.3
(FCST)	81.9	91.0	+9.1

\*Including intercompany sales

# Details by Segment - Precision Machinery & Robot -



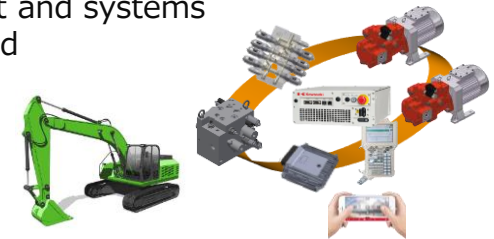
## Market Overview

- Construction machinery
  - Although high level of demand continues in Chinese market, some construction equipment manufacturers have begun to adjust inventory based on the sales situation of hydraulic excavators in China.
  - Global demand outside China recovered from the impact of COVID-19.
  - Electrification will be promoted due to the environmental regulations.
  - Automation and autonomy will be promoted due to the decline of skilled workers.
- Robots
  - General purpose robots for industrial use markets is good, particularly in regions where recovery from the impact of COVID-19 is rapid.
  - In semiconductor markets, demand is strong due to increased capital investment.

## Specific Efforts

### ✓ Developing electrification and automation technology for construction machinery

- Development and supply of the latest hydraulic equipment and systems for electrification and automation to support customers



### ✓ Promotion of open innovation

- Developing markets and complementing strengths by collaboration with other companies in the same and different industries
- Accelerating development and early launch of new products by collaboration with start-up companies
- Strengthening elemental technology for future products by collaboration with academia and government

### ■ Kawasaki Robotics Collaboration

Competitors



Academia & government



Start-ups



Different industries

