

Financial Results Briefing for 3Q of the Fiscal Year Ending March 31, 2025 (FY2024)

February 7, 2025

TOKYO KEIKI INC. (Securities code: 7721)





Key Takeaways

1

FY2024 3Q




Both net sales and operating profit increased compared to the same period last fiscal year, due to an increase in net sales in Defense & Communications Equipment Business.

Net sales	¥34,241 mn	Up ¥3,537 mn YoY	
Operating profit	¥1,054 mn	Up ¥886 mn YoY	

2

Full-year forecast for FY2024


FY2024 earnings forecast has been revised, expecting record-high operating profit.

Net sales	¥57,400 mn	Down ¥900 mn YoY	
Operating profit	¥4,570 mn	Up ¥470 mn YoY	
Operating profit margin	8.0%	Up 1.0%pts YoY	

3

Status of orders received

While cumulative orders received for the first nine months of this fiscal year was the highest ever, order backlog reached a new record high.

Orders received (1–3Q)	¥47,603 mn	Order backlog at 3Q-end	¥58,084 mn	
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Net Sales and P/L

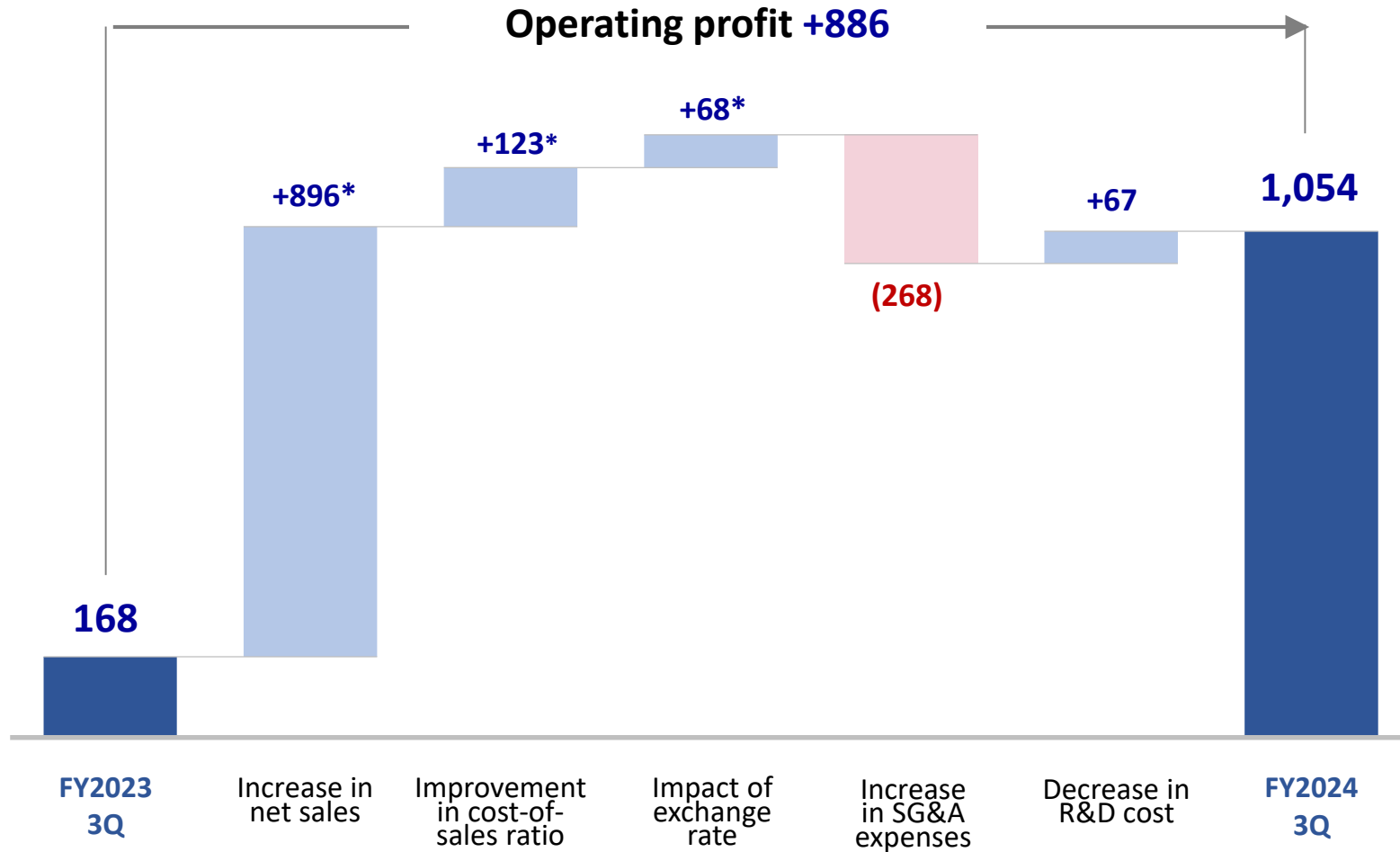
(Million yen)	FY2023 3Q	FY2024 3Q	YoY Change	
			Amount	%
Net sales	30,704	34,241	+3,537	+11.5%
Operating profit	168	1,054	+886	+527.1%
Ordinary profit	346	1,229	+883	+255.2%
Profit attributable to owners of parent	118	932	+814	+691.1%
Exchange rate (JPY/USD)	143.23	152.12		

- Net sales increased overall, thanks to higher sales in Defense & Communications Equipment Business.
- Operating profit significantly increased, thanks to the continued strong performance of Marine Systems Business and the second half weighted Defense & Communications Equipment Business.

Analysis of YoY Changes in Operating Profit

(Million yen)

*Estimated value



- *Increase in net sales :*
Marine Systems Business and Defense & Communications Equipment Business have contributed significantly to increased profit.
- *Impact of exchange rate:*
Yen remained depreciated against the US dollar at ¥152.12, compared to ¥143.23 in the same period last fiscal year.

Net Sales and Operating Profit (Loss) by Segment

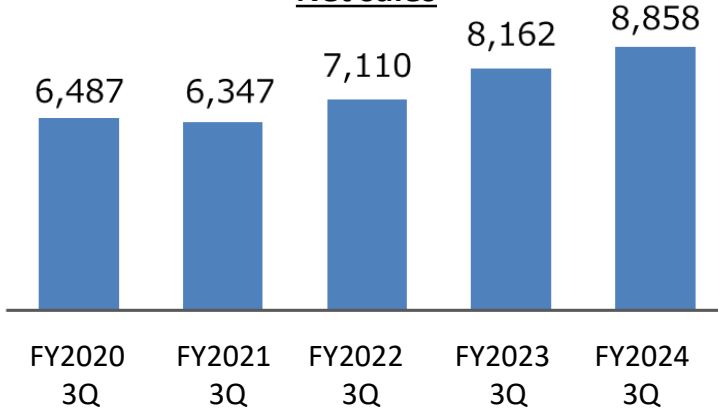
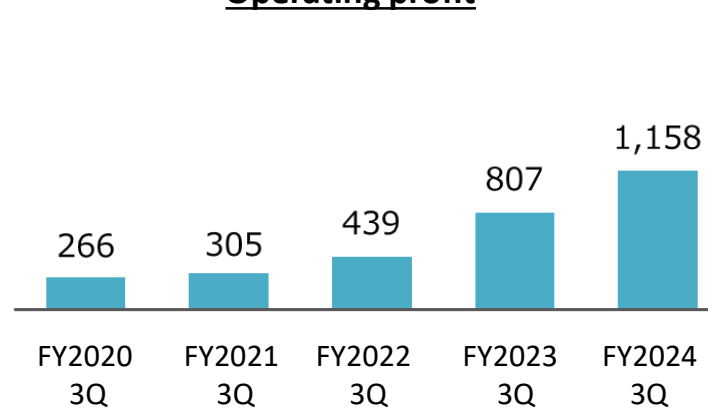
(Million yen)		FY2023 3Q	FY2024 3Q	YoY Change	
				Amount	%
Marine Systems	Net Sales	8,162	8,858	+697	+8.5%
	Operating Profit	807	1,158	+351	+43.6%
Hydraulics and Pneumatics	Net Sales	8,497	8,376	(120)	-1.4%
	Operating Profit	78	179	+101	+130.5%
Fluid Measurement Equipment	Net Sales	2,690	3,056	+365	+13.6%
	Operating Profit	62	183	+121	+195.7%
Defense & Communications Equipment	Net Sales	9,089	11,962	+2,873	+31.6%
	Operating Profit	(863)	(367)	496	—
Others	Net Sales	2,266	1,988	(278)	-12.3%
	Operating Profit	149	(44)	(193)	—
Total	Net Sales	30,704	34,241	+3,537	+11.5%
	Operating Profit	168	1,054	+886	+527.1%

*Segment sales and operating profit are presented on a pre-adjustment basis.

Net Sales and Operating Profit (Loss) by Segment

Marine Systems

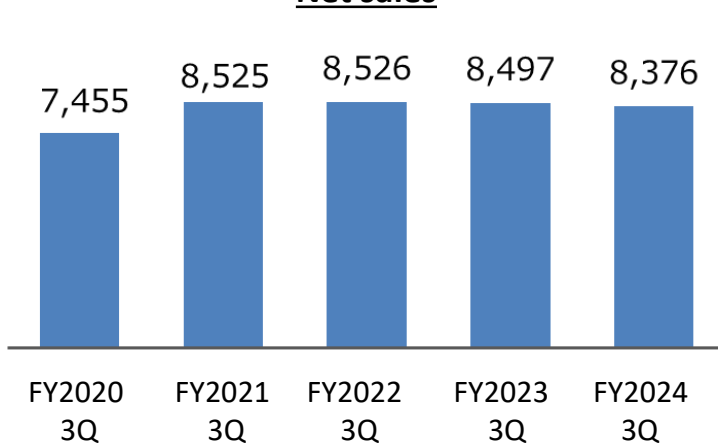
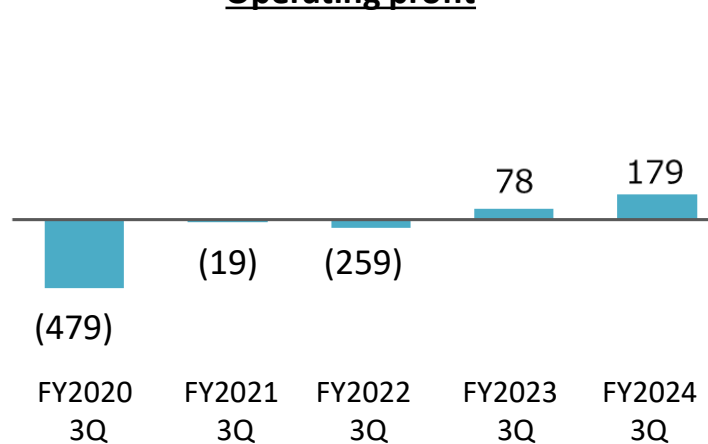
(Million yen)

Net salesOperating profit

- In addition to strong performance in the commercial vessels market and maintenance services, the robust performance of overseas markets and the depreciation of the yen led to a year-on-year increase in net sales.
- An increase in net sales and the yen depreciation resulted in a significant year-on-year increase in operating profit.

Hydraulics and Pneumatics

(Million yen)

Net salesOperating profit

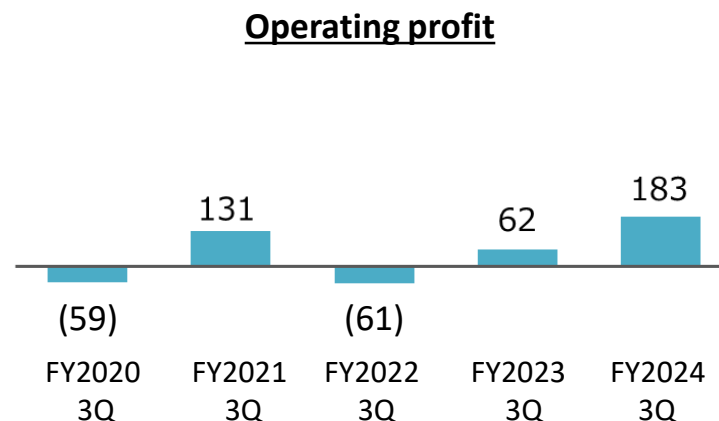
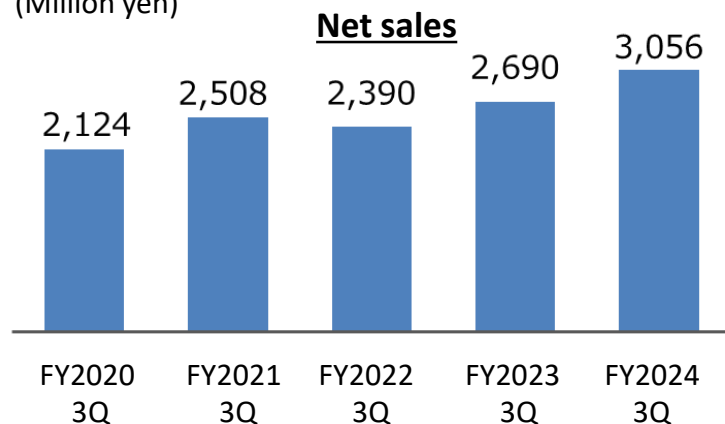
- Despite favorable performance in overseas markets, sluggish conditions in the markets for plastic processing machinery, machine tools, and construction machinery resulted in a year-on-year decrease in net sales.
- In addition to efforts to secure profits through optimizing selling prices, the improved cost-of-sales ratio driven by the changing product mix, which was due to an increase in the delivery of hydraulic application equipment, etc., led to a year-on-year increase in operating profit.

*Segment sales and operating profit are presented on a pre-adjustment basis.

Net Sales and Operating Profit (Loss) by Segment

Fluid Measurement Equipment

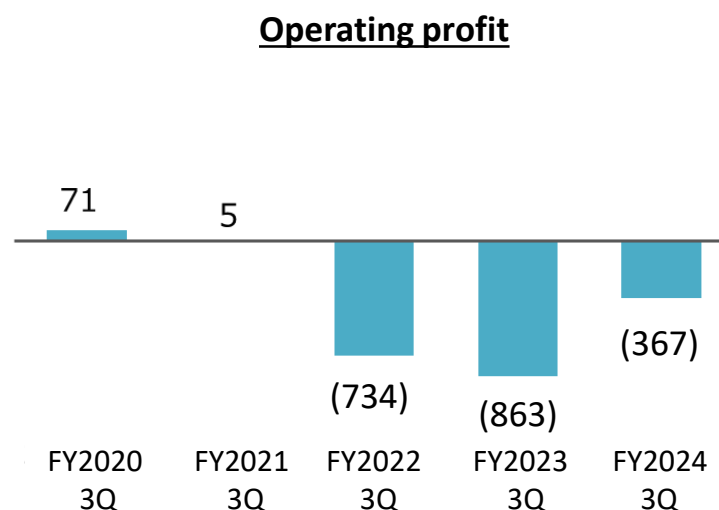
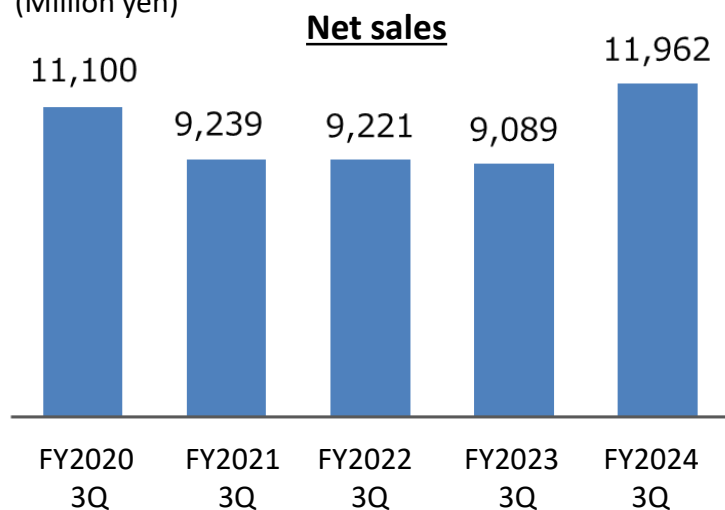
(Million yen)



- The segment posted a year-on-year increase in net sales, thanks to the frontload of large-scale projects in the public sector market and strong performance in multistory parking garage projects in the fire extinguishing equipment market and projects for hazardous material facilities.
- An increase in net sales in the public sector market resulted in a year-on-year increase in operating profit.

Defense & Communications Equipment

(Million yen)

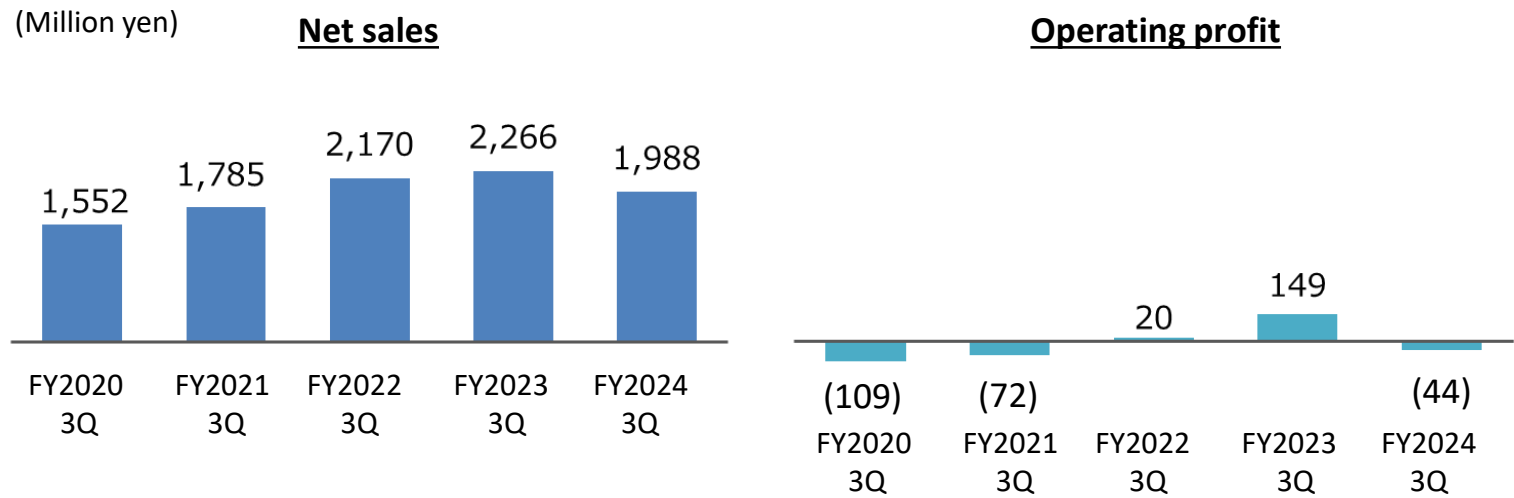


- Increased national defense budgets led to a strong performance for aircraft radar warning receivers, aircraft parts and other products in the Defense Business, resulting in a significant year-on-year increase in net sales.
- Operating loss was significantly reduced. This was attributable to an increase in net sales and the changing product mix mainly resulting from a decrease in the number of electronic support measures for patrol helicopters with a high cost-of-sales ratio.
- The segment tends to post operating loss in 3Q as sales are usually concentrated in 4Q due to the nature of the Defense Business.

*Segment sales and operating profit are presented on a pre-adjustment basis.

Net Sales and Operating Profit (Loss) by Segment

Others (Inspection/Railroad)



■ The segment posted year-on-year decreases in both net sales and operating profit due to the absence of large-scale projects in the Railway Maintenance Business which we had worked on until 3Q of the previous fiscal year.

*Segment sales and operating profit are presented on a pre-adjustment basis.

Status of Orders Received

(Million yen)	Orders Received				Order Backlog				Overview
	FY2023 3Q	FY2024 3Q	YoY Change		FY2023 3Q	FY2024 3Q	YoY Change		
			Amount	%			Amount	%	
Marine Systems	8,188	9,705	+1,517	+18.5%	4,190	5,263	+1,073	+25.6%	Both orders received and order backlog increased due to strong demand for new shipbuilding in the overseas market and maintenance services.
Hydraulics and Pneumatics	8,696	8,763	+67	+0.8%	3,638	3,785	+147	+4.1%	Both orders received and order backlog were on par with the same period of the previous fiscal year. This was due to strong performance in overseas markets offsetting stagnation in other markets.
Fluid Measurement Equipment	3,803	4,441	+639	+16.8%	2,705	2,907	+202	+7.5%	Both orders received and order backlog increased thanks to strong orders in the fire extinguishing equipment markets.
Defense & Communications Equipment	19,374	22,123	+2,749	+14.2%	32,555	43,812	+11,257	+34.6%	Against a backdrop of increased national defense budgets, both orders received and order backlog for 3Q reached record highs.
Others	3,190	2,571	(619)	-19.4%	2,424	2,317	(107)	-4.4%	Both orders received and order backlog decreased. This was due to orders for mainstay rail inspection cars in the Railway Maintenance Business concentrated in 4Q.
Total	43,251	47,603	+4,353	+10.1%	45,512	58,084	+12,572	+27.6%	While cumulative orders received for the first nine months of this fiscal year was the highest ever, order backlog reached a new record high.

Condensed Balance Sheet

(Million yen)	As of March 31, 2024	As of December 31, 2024	Change
Assets			
Current assets	50,863	56,147	+5,284
(Inventories)	22,905	29,674	+6,769
Non-current assets	16,115	18,949	+2,834
(Property, plant and equipment)	7,025	9,379	+2,354
Total assets	66,978	75,096	+8,118
Liabilities			
Current liabilities	21,781	25,512	+3,732
(Short-term borrowings)	8,954	11,179	+2,224
Non-current liabilities	7,828	12,058	+4,229
(Long-term borrowings)	5,808	9,657	+3,849
Total liabilities	29,609	37,570	+7,961
Net assets			
Shareholders' equity	32,901	33,312	+410
Accumulated other comprehensive income	3,948	3,739	(209)
Total net assets	37,369	37,526	+157
Total liabilities and net assets	66,978	75,096	+8,118

■ Current assets

Inventories increased by ¥6,769 million due to higher purchases, stemming from a higher volume of orders received in the Defense Business.

■ Non-current assets

Property, plant and equipment increased by ¥2,354 million due partly to investment for growth such as a construction of a new plant building for the Defense Business and replacement of aging facilities.

■ Liabilities

Loans of ¥7,000 million were taken on to accommodate the demand for funds associated with a significant increase in orders received, resulting in an increase of ¥6,073 million in borrowings.

■ With the equity ratio at 49.3%, we continued to maintain financial soundness.

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Status of External Environmental Risks

	Occurrences	Target Business	Response	Degree of Impact
Rising prices of materials	<ul style="list-style-type: none"> Increased domestic labor costs impacting material prices. Price hikes for electronic components impacting material prices. Global inflation impacting purchase prices. 	✓ All Businesses	<ul style="list-style-type: none"> Continue negotiations with customers to raise selling prices. Reduce procurement costs. 	High
	<ul style="list-style-type: none"> Postponement of contracted projects due to pressure on client budgets. 	✓ Fluid Measurement Equipment	<ul style="list-style-type: none"> Enhance monitoring of contracted projects and compensate with other projects. 	Medium
Exchange rate	<ul style="list-style-type: none"> Exchange rate fluctuations being unpredictable. 	✓ Marine Systems (+) ✓ Hydraulics and Pneumatics (–) *The case of a weakening yen.	<ul style="list-style-type: none"> Result through 1Q to 3Q : ¥152.12 to the US dollar. Revise the planned US dollar exchange rate for 4Q at ¥145.00 to ¥155.00. Exchange rate sensitivity(4Q) : ¥1 depreciation increases operating profit by approximately ¥4 million Beware of potential price increases in purchased components. 	Medium
Chinese economy	<ul style="list-style-type: none"> Economic slowdown impacting sales. Impact of import and export restrictions arising from U.S.-China frictions. 	✓ Marine Systems ✓ Hydraulics and Pneumatics	<ul style="list-style-type: none"> Plan to secure components in advance of orders received from customers and/or switch to alternative items as necessary. Expand sales of high value-added products. Expand sales in other regions. 	Medium

FY2024 Full-year Earnings Forecast

(Million yen)	Forecast				Previous Forecast (November 8)		
	FY2023 Results	FY2024 Forecast	YoY Change		Forecast	YoY Change	
			Amount	%		Amount	%
Net sales	47,166	57,400	+10,234	+21.7%	58,300	(900)	-1.5%
Operating profit	2,768	4,570	+1,802	+65.1%	4,100	+470	+11.5%
Ordinary profit	2,990	4,730	+1,740	+58.2%	4,280	+450	+10.5%
Profit attributable to owners of parent	2,277	3,400	+1,123	+49.4%	3,090	+310	+10.0%
Operating profit margin	5.9%	8.0%	+2.1%pts		7.0%	+1.0%pts	

■ We revised the earnings forecast announced on November 8, 2024, based on the forecast in 4Q. We expect operating profit and ordinary profit to reach a record highs.

Exchange rate and exchange rate sensitivity

Currency	Exchange rate			Sensitivity in 4Q	
	FY2023 Result	FY2024		Benchmark	Operating profit
		Result through 1Q to 3Q	Forecast in 4Q		
USD	¥144.32	¥152.12	¥155.00	¥1 depreciation	+4 million

■ Rate against the US dollar set at the beginning: ¥140
■ Rate against the US dollar set for 4Q: ¥155

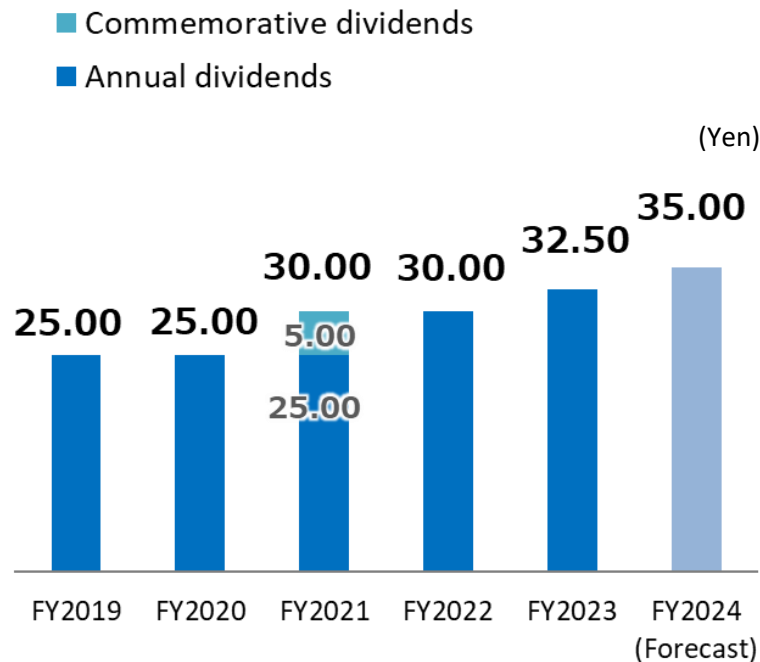
Earnings Forecast by Segment

(Million yen)		Forecast				Previous Forecast (November 8)			Outlook
		FY2023 Results	FY2024 Forecast	YoY Change		Forecast	Amount	%	
				Amount	%				
Marine Systems	Net Sales	11,016	12,600	+1,584	+14.4%	12,500	+100	+0.8%	■ Demand for new shipbuilding and maintenance services are expected to remain steady. ■ If the yen continues to depreciate, there will be a positive impact.
	Operating Profit	1,006	1,560	+554	+55.0%	1,500	+60	+4.0%	
Hydraulics and Pneumatics	Net Sales	11,675	11,300	(375)	-3.2%	11,500	(200)	-1.7%	■ The plastic processing machinery market and the construction machinery market are showing signs of recovery in orders received, which will slightly contribute to the performance in this fiscal year resulting in a decrease in net sales. ■ Operating profit is expected to increase compared to the previous forecast, due to strong performance of hydraulic application equipment.
	Operating Profit	273	240	(33)	-12.1%	200	+40	+20.0%	
Fluid Measurement Equipment	Net Sales	4,772	4,900	+128	+2.7%	4,900	0	—	■ In the fire extinguishing equipment market, new construction is going smoothly. Despite demand for gas-cylinder valve inspections is beginning to peak out, it is expected to contribute to operating profit by uncovering demand.
	Operating Profit	733	660	(73)	-9.9%	520	+140	+26.9%	
Defense & Communications Equipment	Net Sales	16,185	24,400	+8,215	+50.8%	25,000	(600)	-2.4%	■ Some projects planned to be sold will be postponed, due to delayed delivery of purchased parts in the Defense Business. ■ Operating profit will increase compared to the previous forecast, thanks to some R&D projects in the Defense Business being carried over to the next fiscal year and the changing product mix. ■ The Communications Equipment Business will see sluggish sales of equipment for agricultural machinery .
	Operating Profit	362	1,390	+1,028	+284.3%	1,350	+40	+3.0%	
Others	Net Sales	3,517	4,200	+683	+19.4%	4,400	(200)	-4.5%	■ Net sales will decrease compared to the previous forecast, due to sluggish demand in the Printing Inspection Equipment Business. ■ Operating profit is expected to increase, thanks to saving costs in businesses including the Railway Maintenance Business .
	Operating Profit	502	800	+298	+59.4%	620	+180	+29.0%	
Total	Net Sales	47,166	57,400	+10,234	+21.7%	58,300	(900)	-1.5%	■ Despite a slight decline in net sales compared to the previous forecast, the forecast for operating profit is revised upward. Operating profit is expected to reach a record high.
	Operating Profit	2,768	4,570	+1,802	+65.1%	4,100	+470	+11.5%	

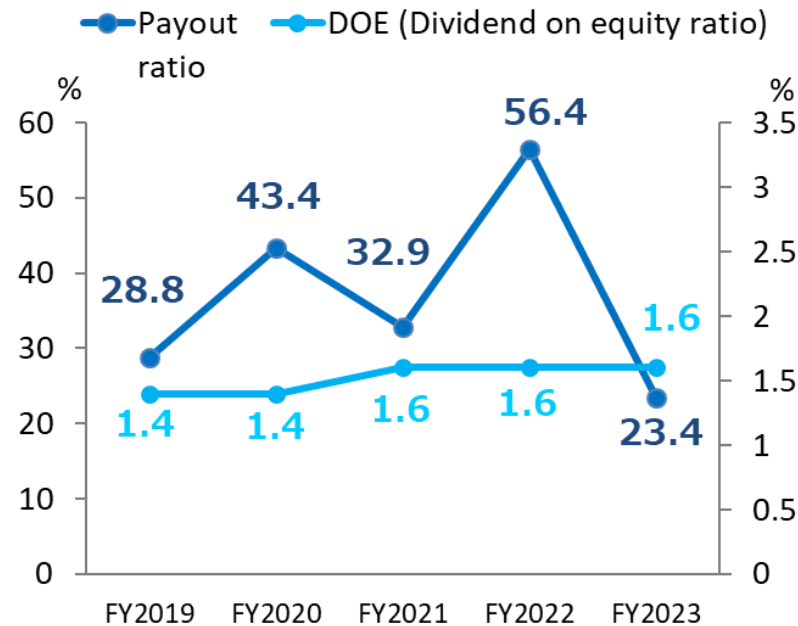
*Segment sales and operating profit are presented on a pre-adjustment basis)

Shareholder Returns

Dividends trends



Dividend payout ratio and DOE trends



Basic Dividend Policy

- To achieve TOKYO KEIKI Vision 2030 and enhance corporate value, we implement optimal shareholder returns policy, being mindful of our optimal capital structure—while prioritizing investment for growth and considering the balance with our financial foundation.
- For annual dividends, we aim for stable and consistent shareholder returns, taking account of past dividend performance.

Dividends

FY under review (FY2024) ¥35.00

* Record high for two consecutive years since FY2000

Shareholder Benefits

- Points are awarded based on the number of shares held by eligible shareholders.
- These points can be exchanged for preferred products on our dedicated website for shareholders, "TOKYO KEIKI Premium Benefits Club."
- For details, please refer to our exclusive website for shareholders:

<https://tokyokeiki.premium-yutaiclub.jp/>

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1. New Order for Products for Naval Vessels

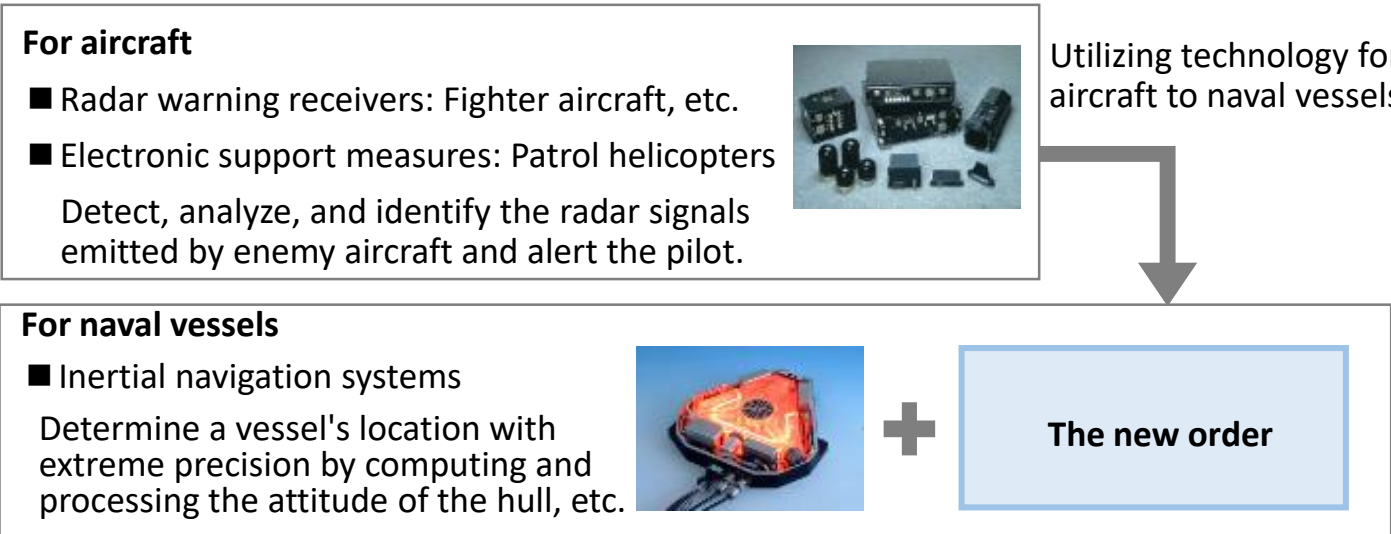
Received a new order to develop naval equipment and mass produce the first model in the defense equipment business.
This will have no impact on the current fiscal year's earnings forecast.

Outline of the new order

We develop and produce products for naval vessels by applying the technology of radar warning receivers, one of our main products, and electronic support measures.

Note: Please note that specific details of the contract are not disclosed, as the contract concerns defense equipment.

Main equipment of our company



The new order falls under the category of cross-domain operation capabilities in the seven priority areas of the MOD's Defense Buildup Program.

Seven priority areas		
1	Stand-off defense capabilities	
2	Integrated air and missile defense capabilities	
3	Unmanned defense capabilities	
4	Cross-domain operation capabilities	Space
		Cyber
		Vehicles/vessels/aircraft ,etc.
5	Command and control/ intelligence-related functions	
6	Mobile deployment capabilities/civil protection	
7	Sustainability and resiliency	Ammunitions/guided missiles
		Sustainment and maintenance for equipment, and securing operational availability
		Facilities Improvement

Source: Excerpts from Defense Buildup Program (MOD)
Note: The yellow sections indicate the areas that our group is mainly involved in.

2. Undertake the Defense Ministry's Inertial Navigation Technology Research Project

We are pleased to announce that it concluded a research contract in November 2024 with the Defense Ministry's Acquisition, Technology and Logistics Agency (ATLA) on MEMS-HR Gyroscope (or HRG)/Inertial Navigation Technology. Through this research, we aim to develop the next-generation high-precision inertial navigation devices. Sales from this project will have no impact on this fiscal year's results.

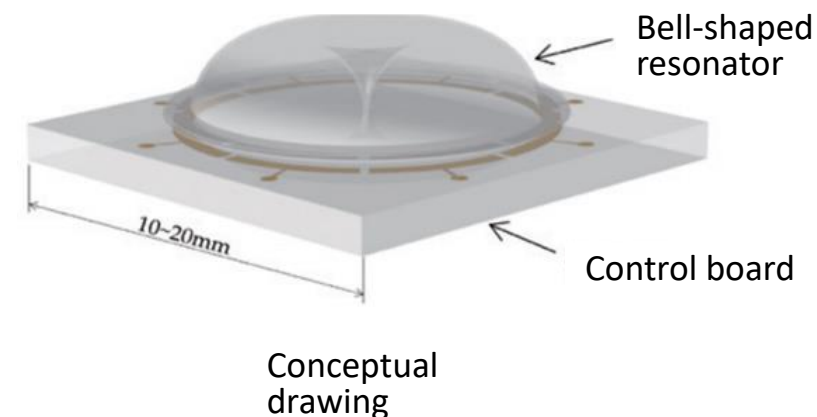
Our HRG research was selected in FY2021 for ATLA's National Security Technology Research Promotion Fund. Basic research has been carried out as commissioned by the agency.

Our aims to establish new elemental technologies through this research and to develop market-competitive inertial navigation devices to meet demand from the public and private sectors.

About HRG

HRG, or a hemispherical resonator gyroscope, is a type of vibration gyroscope with a hemispherical resonator. The research aims to apply our strength in gyroscope technology to MEMS to create gyroscopes that are of higher precision, smaller in size, and lower power consumption than conventional inertial navigation devices. Such gyroscopes could be used in a wide variety of applications in a society that is seeing more and more drones as well as a variety of other autonomous, automated moving devices.

*MEMS (micro electro mechanical systems): Micron-level components mounted on silicon or glass substrates or organic materials, etc. which are equipped with mechanical components, sensors, actuators, and electronic circuits, etc.



Please note that specific details of the contract are not disclosed, as the contract concerns defense equipment.

3. Head Office Relocation

We are pleased to announce that we will relocate our head office as follows.

At the new head office, we will respond to the needs such as revitalizing communication, creating an office environment that accommodates a diverse range of work styles, and considering the global environment, for continual business expansion. Through the relocation, we will create working environments in which all employees can maximize their individual personalities and abilities, aiming for our further corporate development.

■ HANEDA INNOVATION CITY

■ New address

Zone B, HANEDA INNOVATION CITY,
1-1-4, Haneda Airport, Ota-ku, Tokyo

■ Time of relocation

March 2026 (Planned)

■ Performance impact

With the costs associated with the relocation currently being examined, the impact of the relocation on the business performance in FY2024 will be minor.



Photo courtesy of Haneda Mirai Kaihatsu Co., Ltd.

SOCIAL INNOVATION

先端産業



JAPAN PRESENTATION

文化産業

Haneda Innovation City is a large-scale commercial and business complex that features facilities in which visitors can enjoy Japanese cultural activities, music events and more, in addition to research and development facilities, an advanced medical research center, and convention facilities.

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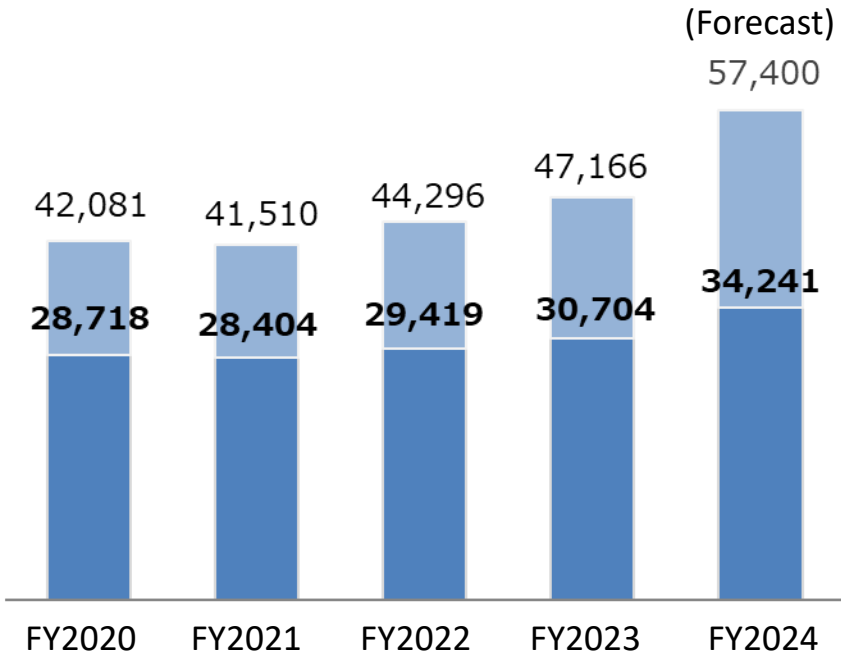
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Changes in Net Sales and Operating Profit

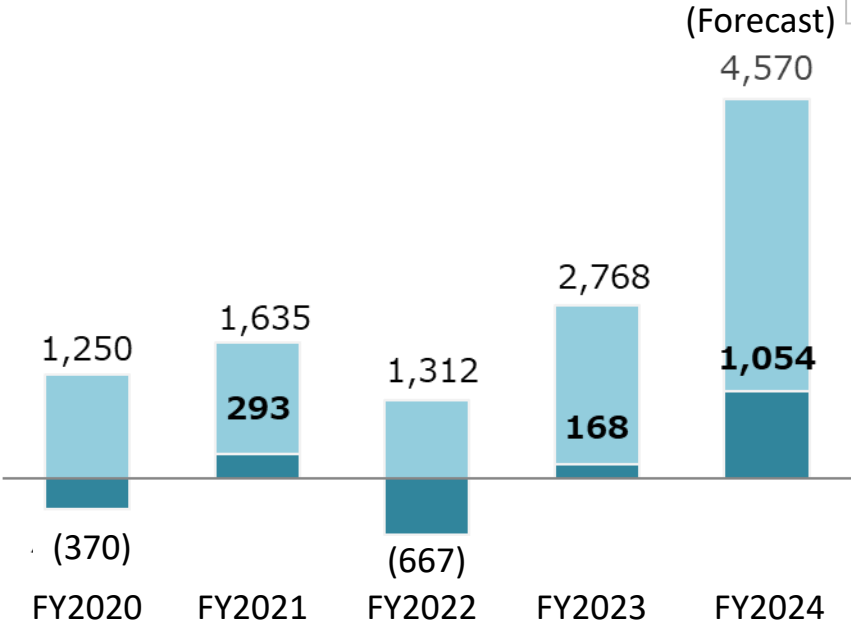
(Million yen)

Net sales



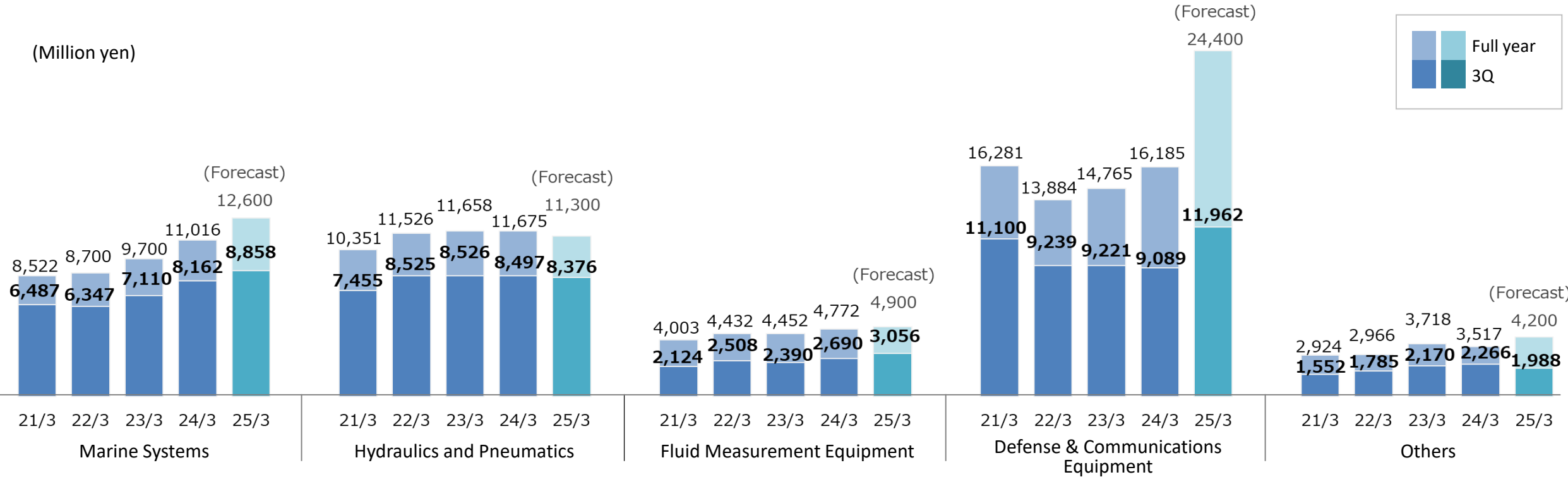
(Million yen)

Operating profit



(Million yen)	FY2020-3Q	FY2021-3Q	FY2022-3Q	FY2023-3Q	FY2024-3Q	YoY Change	
						Amount	%
Net sales	28,718	28,404	29,419	30,704	34,241	+3,537	+11.5%
Operating profit	(370)	293	(667)	168	1,054	+886	+527.1%
Ordinary profit	(194)	577	(281)	346	1,229	+883	+255.2%
Profit attributable to owners of parent	(137)	507	(179)	118	932	+814	+691.1%

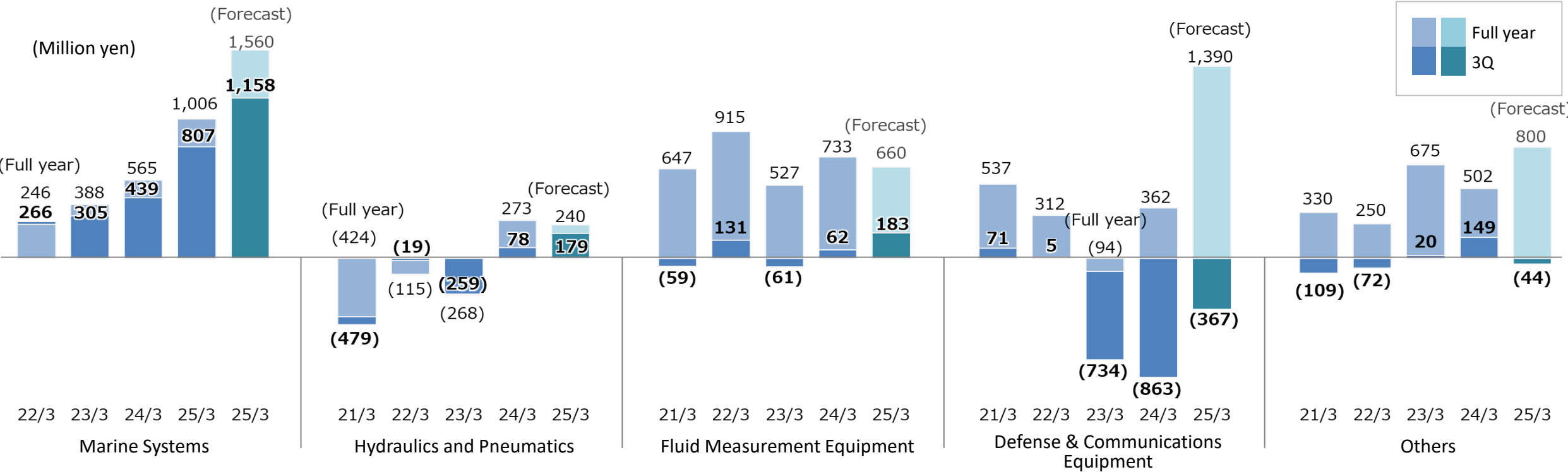
Changes in Net Sales by Segment



(Million yen)	FY2020-3Q	FY2021-3Q	FY2022-3Q	FY2023-3Q	FY2024-3Q	YoY Change	
						Amount	%
Marine Systems	6,487	6,347	7,110	8,162	8,858	+697	+8.5%
Hydraulics & Pneumatics	7,455	8,525	8,526	8,497	8,376	(120)	-1.4%
Fluid Measurement Equipment	2,124	2,508	2,390	2,690	3,056	+365	+13.6%
Defense & Communications Equipment	11,100	9,239	9,221	9,089	11,962	+2,873	+31.6%
Others	1,552	1,785	2,170	2,266	1,988	(278)	-12.3%

*Segment sales are presented on a pre-adjustment basis.

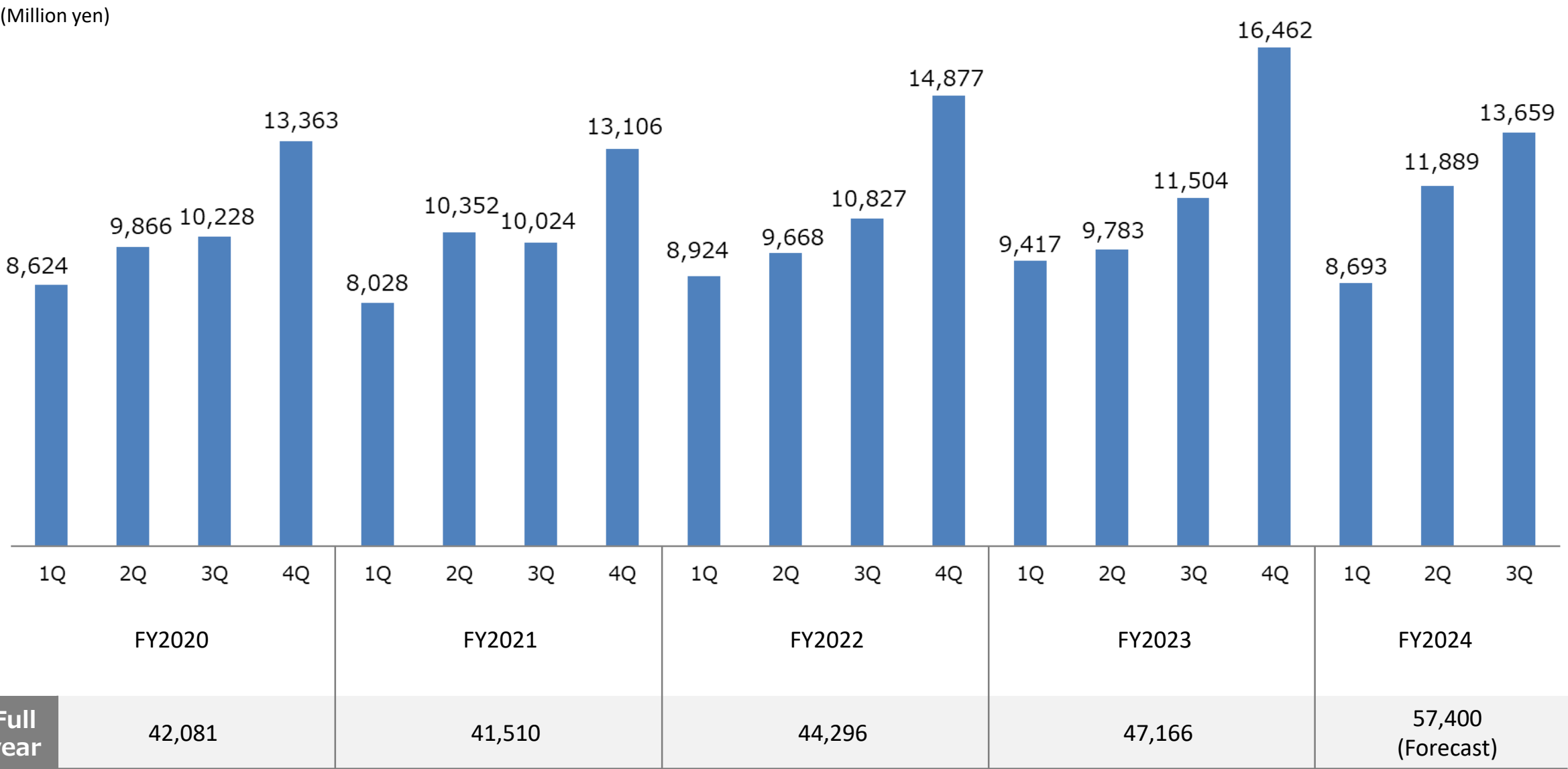
Changes in Operating Profit by Segment



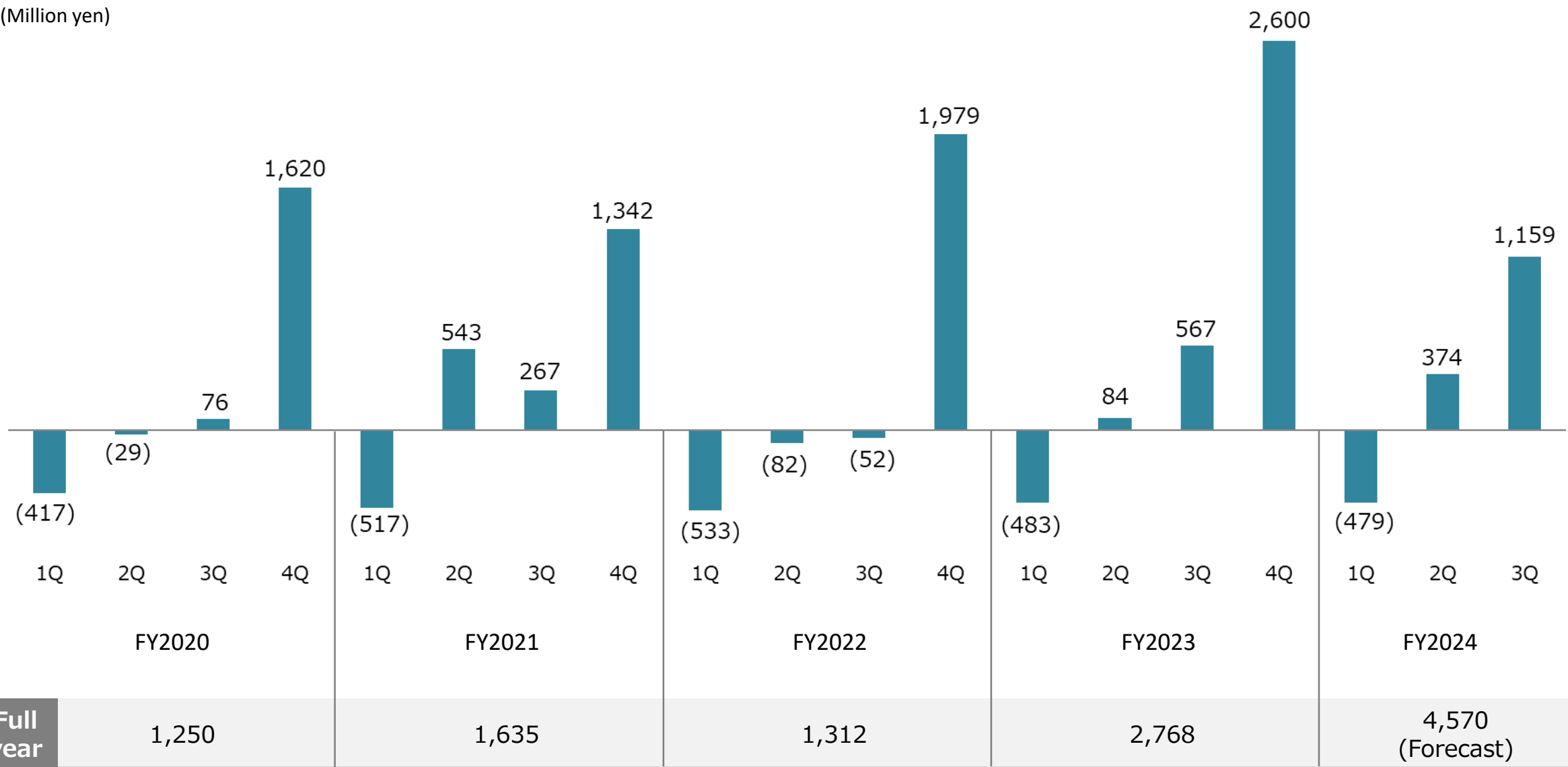
(Million yen)	FY2020-3Q	FY2021-3Q	FY2022-3Q	FY2023-3Q	FY2024-3Q	YoY Change	
						Amount	%
Marine Systems	266	305	439	807	1,158	+351	+43.6%
Hydraulics & Pneumatics	(479)	(19)	(259)	78	179	+101	+130.5%
Fluid Measurement Equipment	(59)	131	(61)	62	183	+121	+195.7%
Defense & Communications Equipment	71	5	(734)	(863)	(367)	+496	—
Others	(109)	(72)	20	149	(44)	(193)	—

*Segment operating profits are presented on a pre-adjustment basis.

Quarterly Changes in Net Sales

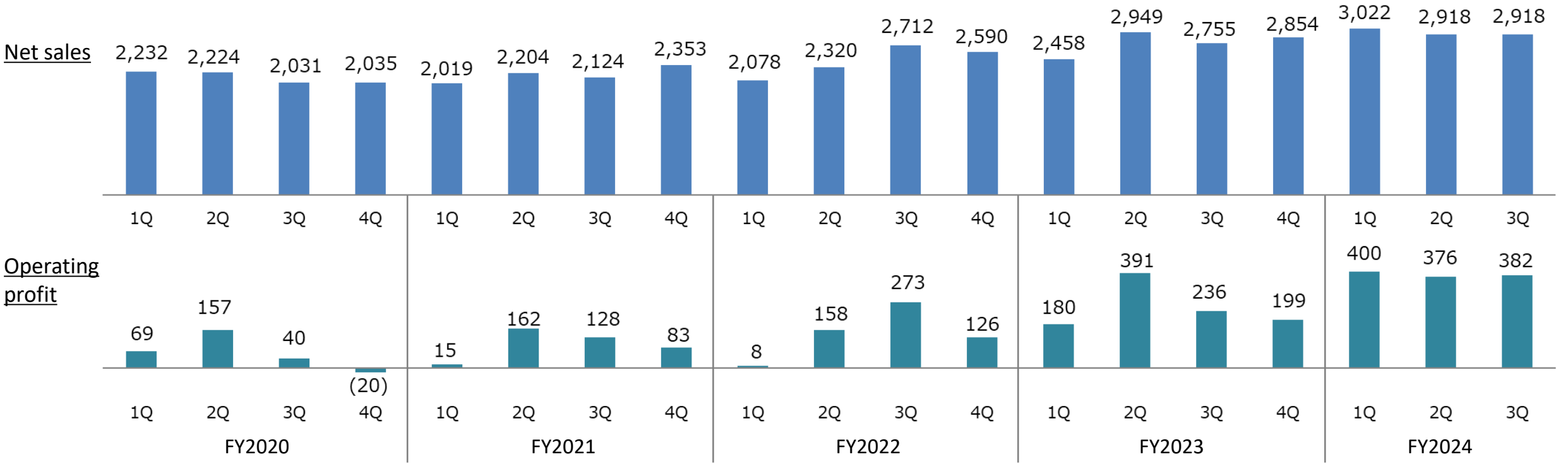


Quarterly Changes in Operating Profit



Quarterly Changes in Net Sales and Operating Profit by Segment [Marine Systems]

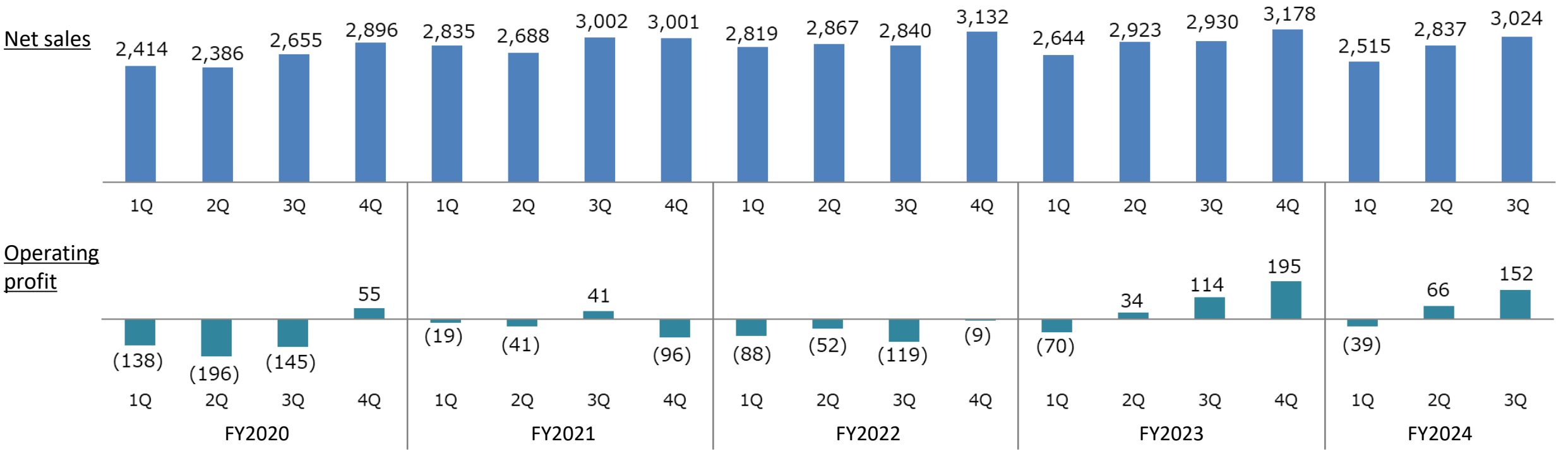
(Million yen)



	FY2020		FY2021		FY2022		FY2023		FY2024	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
1Q	2,232	69	2,019	15	2,078	8	2,458	180	3,022	400
2Q	2,224	157	2,204	162	2,320	158	2,949	391	2,918	376
3Q	2,031	40	2,124	128	2,712	273	2,755	236	2,918	382
4Q	2,035	(20)	2,353	83	2,590	126	2,854	199		
Full year	8,522	246	8,700	388	9,700	565	11,016	1,006	(Forecast) 12,600	(Forecast) 1,560

Quarterly Changes in Net Sales and Operating profit by Segment [Hydraulics and Pneumatics]

(Million yen)



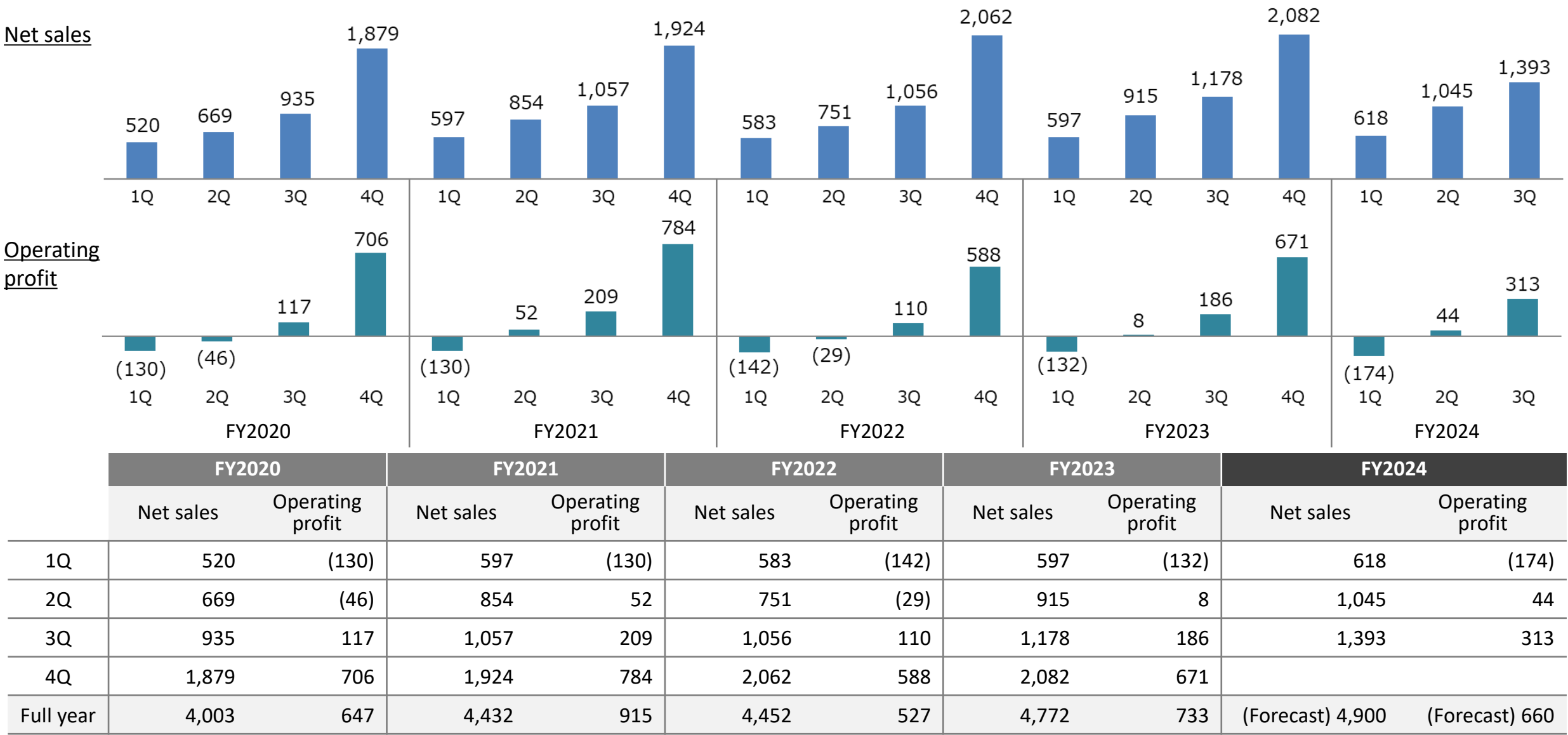
	FY2020		FY2021		FY2022		FY2023		FY2024	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
1Q	2,414	(138)	2,835	(19)	2,819	(88)	2,644	(70)	2,515	(39)
2Q	2,386	(196)	2,688	(41)	2,867	(52)	2,923	34	2,837	66
3Q	2,655	(145)	3,002	41	2,840	(119)	2,930	114	3,024	152
4Q	2,896	55	3,001	(96)	3,132	(9)	3,178	195		
Full year	10,351	(424)	11,526	(115)	11,658	(268)	11,675	273	(Forecast) 11,300	(Forecast) 240

Quarterly Changes in Net Sales and Operating profit by Segment [Fluid Measurement Equipment]

(Million yen)

Net sales

Operating
profit

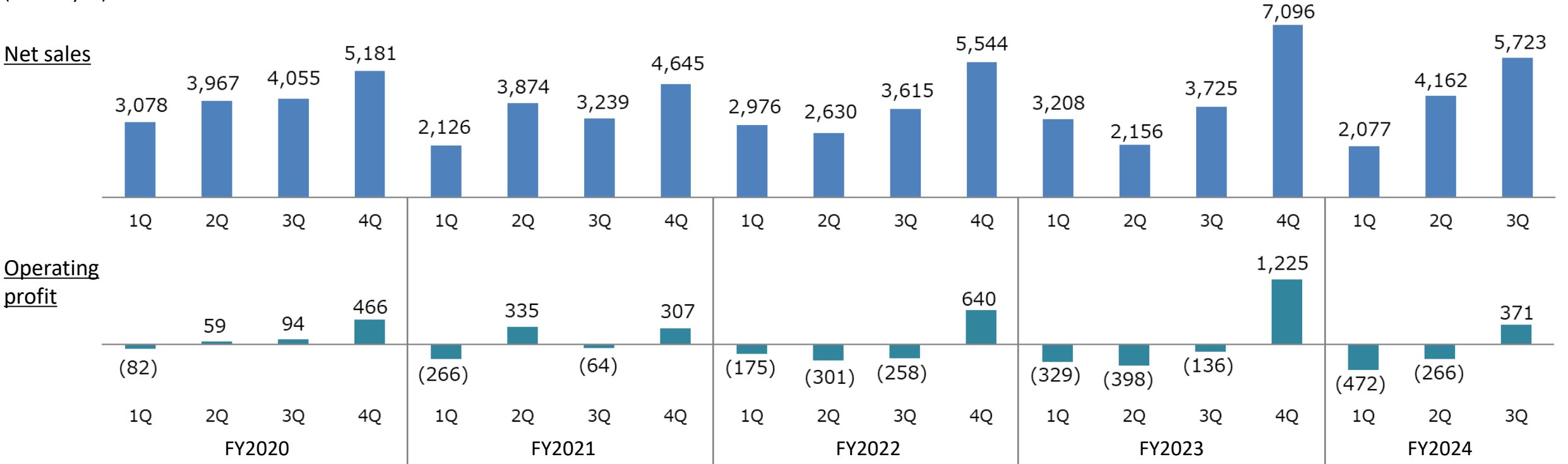


Quarterly Changes in Net Sales and Operating profit by Segment
[Defense & Communications Equipment]

(Million yen)

Net sales

Operating
profit

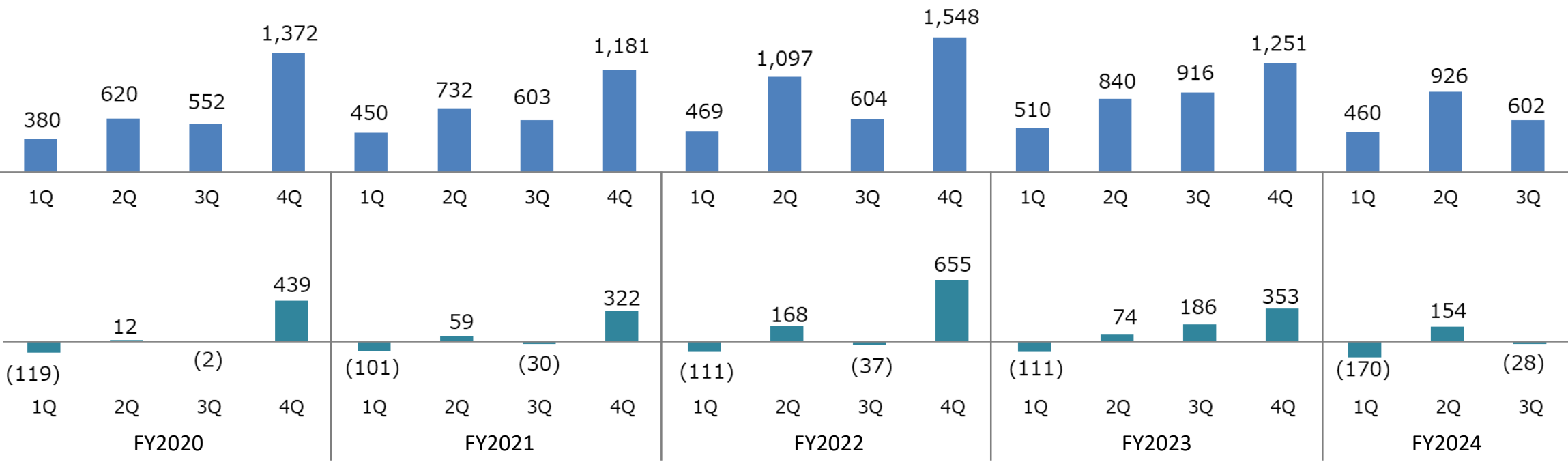


	FY2020		FY2021		FY2022		FY2023		FY2024	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
1Q	3,078	(82)	2,126	(266)	2,976	(175)	3,208	(329)	2,077	(472)
2Q	3,967	59	3,874	335	2,630	(301)	2,156	(398)	4,162	(266)
3Q	4,055	94	3,239	(64)	3,615	(258)	3,725	(136)	5,723	371
4Q	5,181	466	4,645	307	5,544	640	7,096	1,225		
Full year	16,281	537	13,884	312	14,765	(94)	16,185	362	(Forecast) 24,400	(Forecast) 1,390

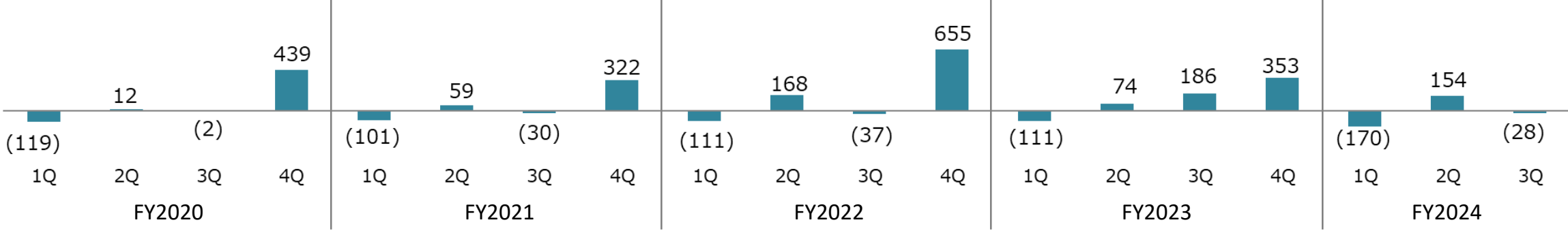
Quarterly Changes in Net Sales and Operating profit by Segment [Others]

(Million yen)

Net sales

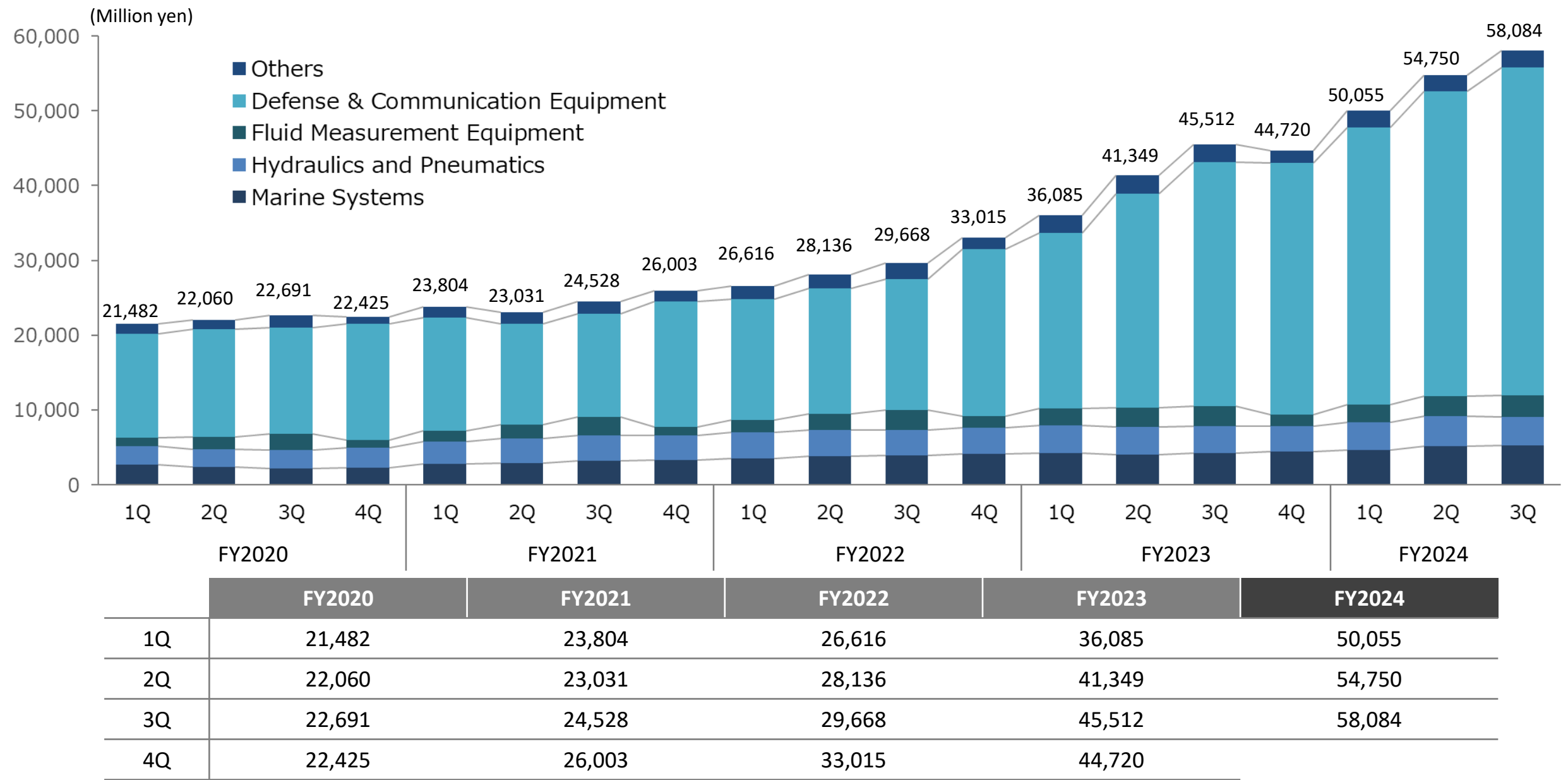


Operating profit

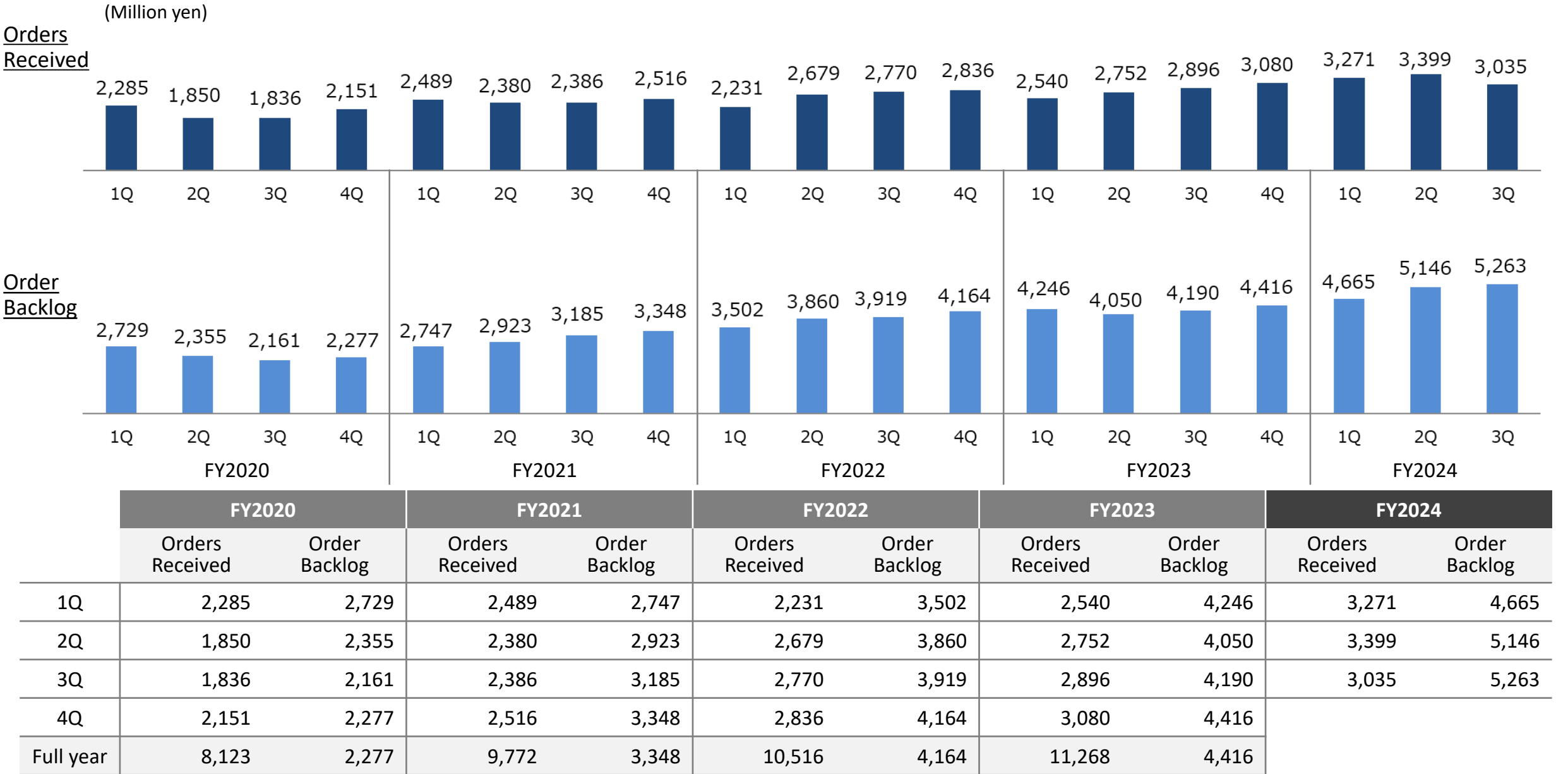


	FY2020		FY2021		FY2022		FY2023		FY2024	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
1Q	380	(119)	450	(101)	469	(111)	510	(111)	460	(170)
2Q	620	12	732	59	1,097	168	840	74	926	154
3Q	552	(2)	603	(30)	604	(37)	916	186	602	(28)
4Q	1,372	439	1,181	322	1,548	655	1,251	353		
Full year	2,924	330	2,966	250	3,718	675	3,517	502	(Forecast) 4,200	(Forecast) 800

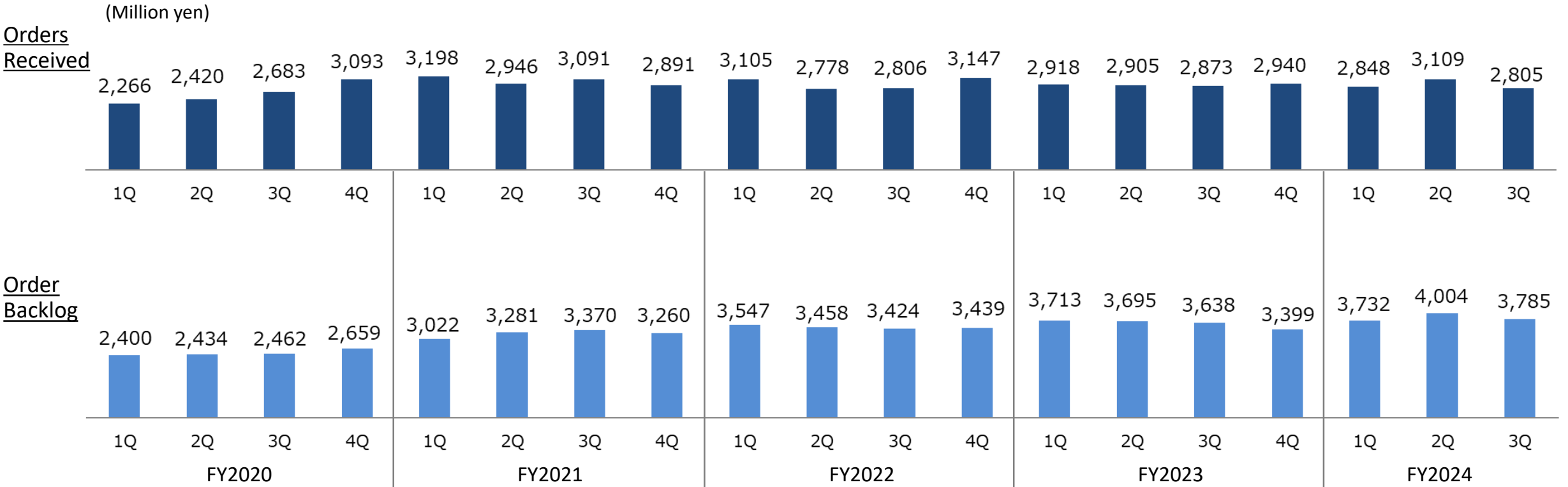
Quarterly Changes in Order Backlog



Quarterly Changes in Order Backlog by Segment [Marine Systems]

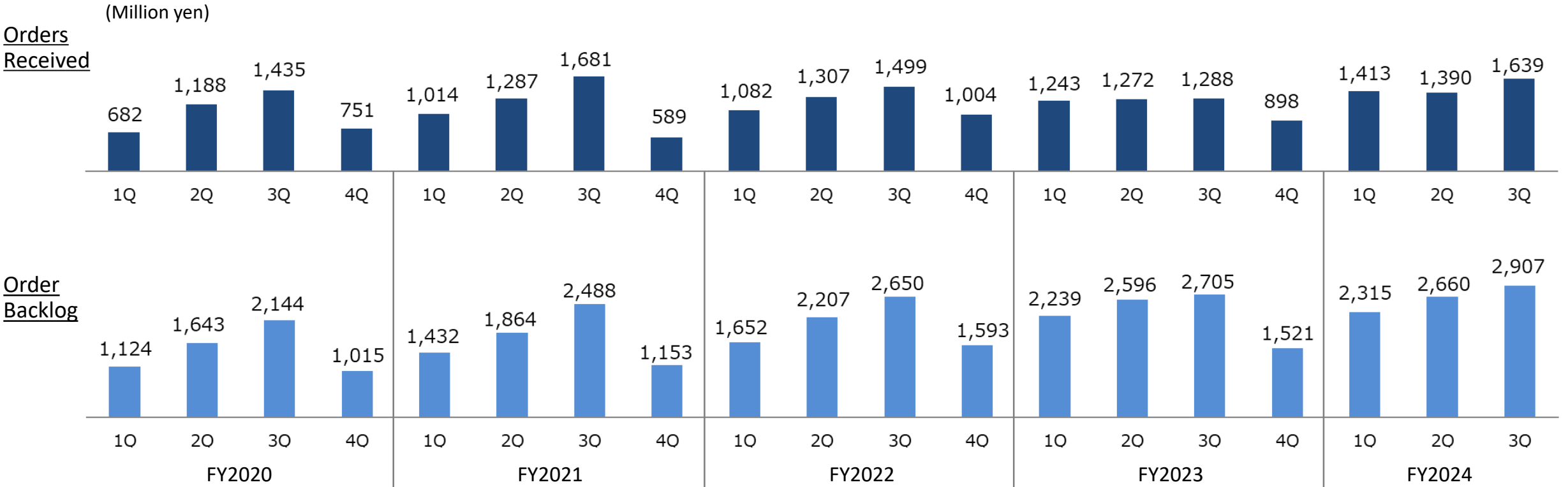


Quarterly Changes in Order Backlog by Segment [Hydraulics and Pneumatics]



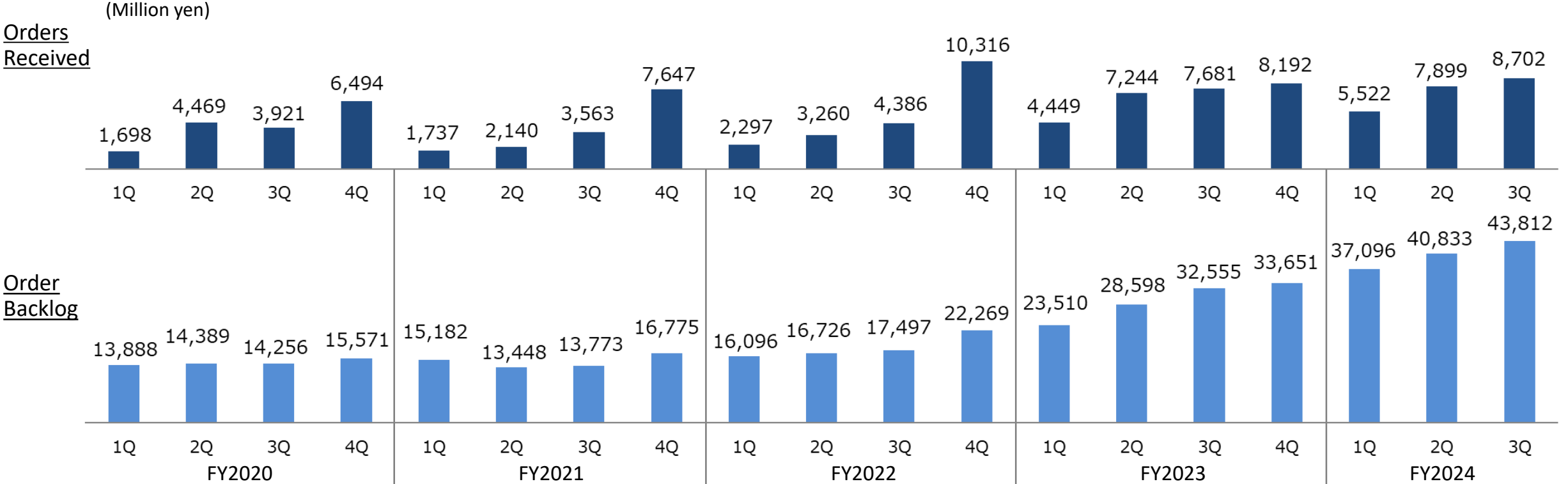
	FY2020		FY2021		FY2022		FY2023		FY2024	
	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog
1Q	2,266	2,400	3,198	3,022	3,105	3,547	2,918	3,713	2,848	3,732
2Q	2,420	2,434	2,946	3,281	2,778	3,458	2,905	3,695	3,109	4,004
3Q	2,683	2,462	3,091	3,370	2,806	3,424	2,873	3,638	2,805	3,785
4Q	3,093	2,659	2,891	3,260	3,147	3,439	2,940	3,399		
Full year	10,463	2,659	12,126	3,260	11,836	3,439	11,635	3,399		

Quarterly Changes in Order Backlog by Segment [Fluid Measurement Equipment]



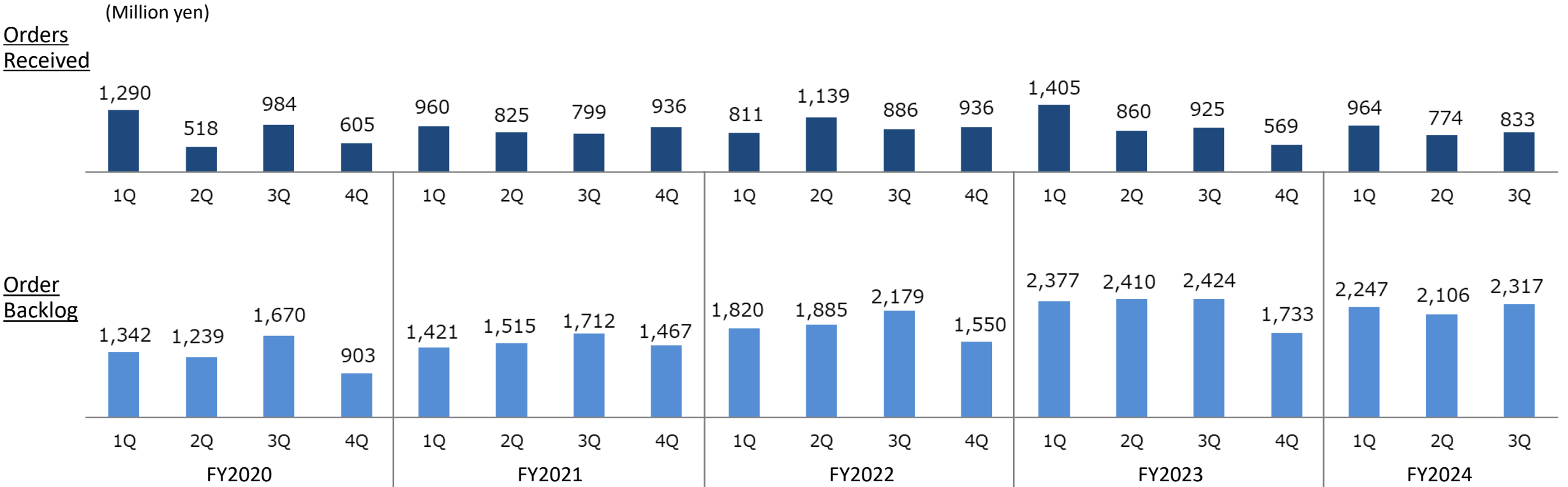
	FY2020		FY2021		FY2022		FY2023		FY2024	
	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog
1Q	682	1,124	1,014	1,432	1,082	1,652	1,243	2,239	1,413	2,315
2Q	1,188	1,643	1,287	1,864	1,307	2,207	1,272	2,596	1,390	2,660
3Q	1,435	2,144	1,681	2,488	1,499	2,650	1,288	2,705	1,639	2,907
4Q	751	1,015	589	1,153	1,004	1,593	898	1,521		
Full year	4,055	1,015	4,571	1,153	4,892	1,593	4,700	1,521		

Quarterly Changes in Order Backlog by Segment
[Defense & Communications Equipment]



	FY2020		FY2021		FY2022		FY2023		FY2024	
	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog
1Q	1,698	13,888	1,737	15,182	2,297	16,096	4,449	23,510	5,522	37,096
2Q	4,469	14,389	2,140	13,448	3,260	16,726	7,244	28,598	7,899	40,833
3Q	3,921	14,256	3,563	13,773	4,386	17,497	7,681	32,555	8,702	43,812
4Q	6,494	15,571	7,647	16,775	10,316	22,269	8,192	33,651		
Full year	16,582	15,571	15,088	16,775	20,259	22,269	27,566	33,651		

Quarterly Changes in Order Backlog by Segment (Others)



	FY2020		FY2021		FY2022		FY2023		FY2024	
	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog	Orders Received	Order Backlog
1Q	1,290	1,342	960	1,421	811	1,820	1,405	2,377	964	2,247
2Q	518	1,239	825	1,515	1,139	1,885	860	2,410	774	2,106
3Q	984	1,670	799	1,712	886	2,179	925	2,424	833	2,317
4Q	605	903	936	1,467	936	1,550	569	1,733		
Full year	3,398	903	3,520	1,467	3,771	1,550	3,759	1,733		

Quarterly Changes in Order Backlog by Segment (Table)

Million yen		FY2020	FY2021	FY2022	FY2023	FY2024
Marine Systems	1Q	2,729	2,747	3,502	4,246	4,665
	2Q	2,355	2,923	3,860	4,050	5,146
	3Q	2,161	3,185	3,919	4,190	5,263
	4Q	2,277	3,348	4,164	4,416	
Hydraulics and Pneumatics	1Q	2,400	3,022	3,547	3,713	3,732
	2Q	2,434	3,281	3,458	3,695	4,004
	3Q	2,462	3,370	3,424	3,638	3,785
	4Q	2,659	3,260	3,439	3,399	
Fluid Measurement Equipment	1Q	1,124	1,432	1,652	2,239	2,315
	2Q	1,643	1,864	2,207	2,596	2,660
	3Q	2,144	2,488	2,650	2,705	2,907
	4Q	1,015	1,153	1,593	1,521	
Defense & Communications Equipment	1Q	13,888	15,182	16,096	23,510	37,096
	2Q	14,389	13,448	16,726	28,598	40,833
	3Q	14,256	13,773	17,497	32,555	43,812
	4Q	15,571	16,775	22,269	33,651	
Others	1Q	1,342	1,421	1,820	2,377	2,247
	2Q	1,239	1,515	1,885	2,410	2,106
	3Q	1,670	1,712	2,179	2,424	2,317
	4Q	903	1,467	1,550	1,733	

Contents

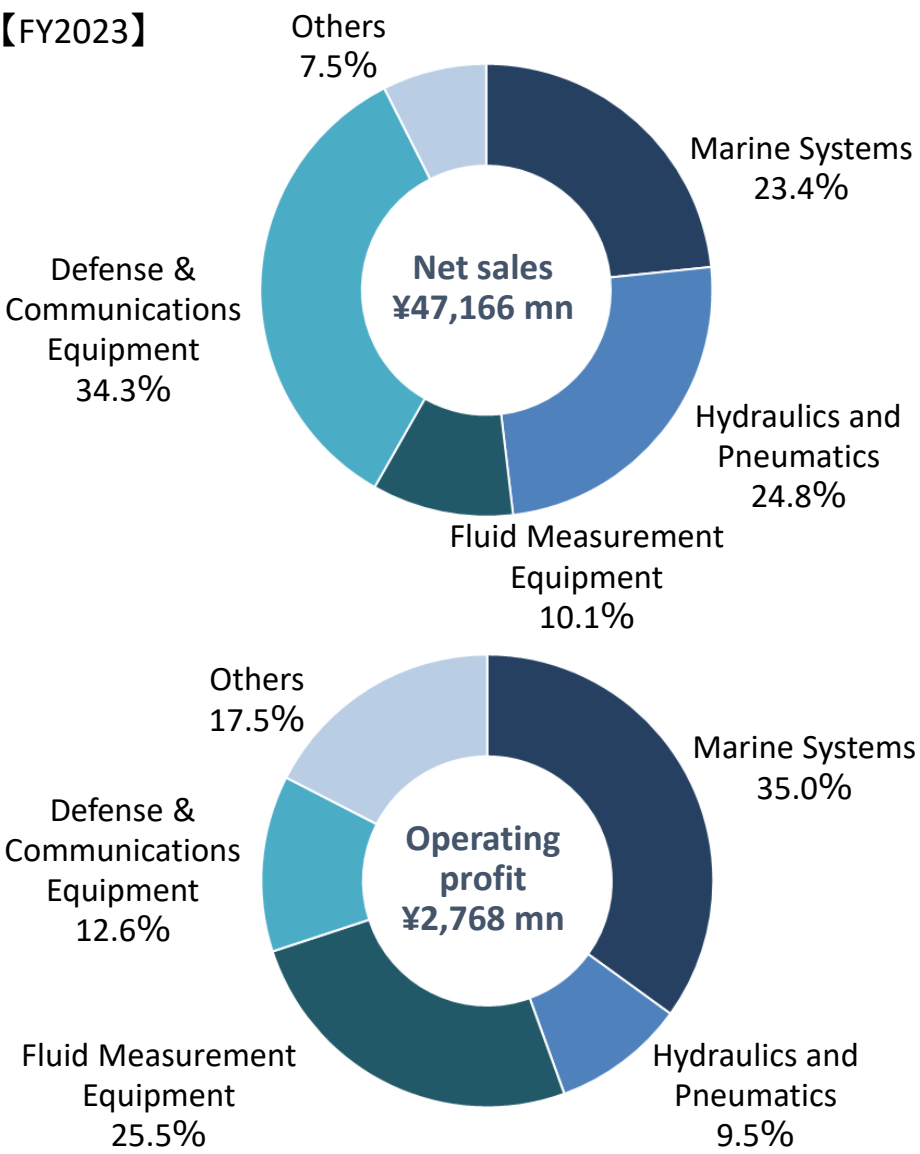
1. Summary of Financial Results for 3Q of FY2024
2. Full-year forecasts for FY2024
3. Topics

References

- Business Trends
- **Our Businesses**

Principal Businesses of TOKYO KEIKI Group

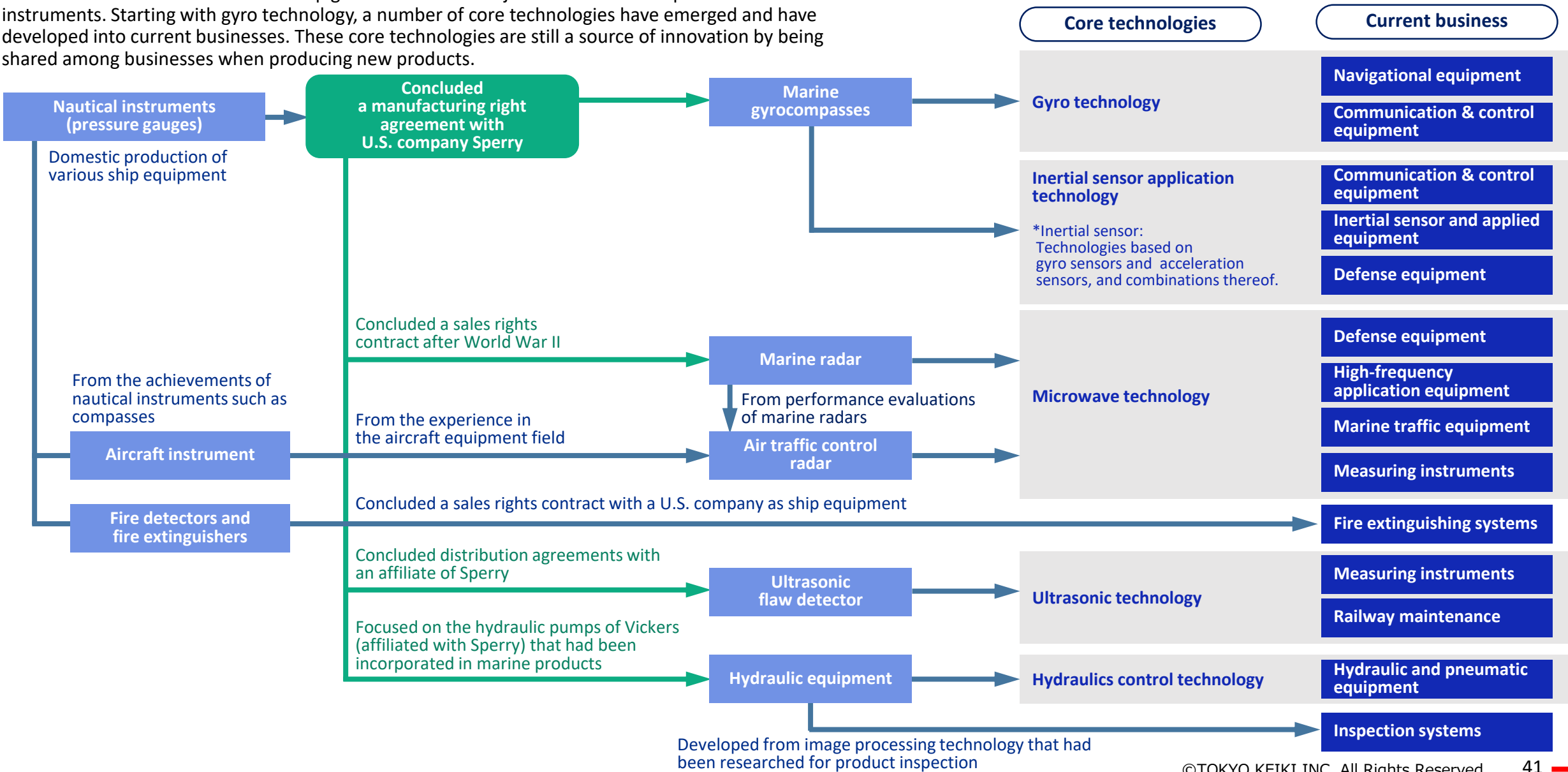
TOKYO KEIKI Group’s businesses are divided into four segments and others, and there are 11 businesses within these segments.



Segment (4+ Others)	Business (11)
Marine Systems Business	■ Navigational equipment
Hydraulics and Pneumatics Business	■ Hydraulic and pneumatic equipment
Fluid Measurement Equipment Business	■ Measuring instruments
	■ Fire extinguishing systems
Defense & Communications Equipment Business	■ Defense equipment
	■ Marine traffic equipment
	■ Inertial sensor and applied equipment
	■ High-frequency application equipment (microwave applied equipment)
	■ Communication & control equipment
Others	■ Inspection systems
	■ Railway maintenance

History of Creation of Core Technologies




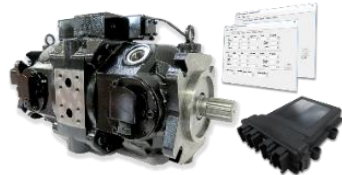





The business of the TOKYO KEIKI Group goes back to the Meiji Era and the development of nautical instruments. Starting with gyro technology, a number of core technologies have emerged and have developed into current businesses. These core technologies are still a source of innovation by being shared among businesses when producing new products.









Marine Systems Business

Navigational equipment	Contributing to safe navigation and energy-saving ship steering.				Market share
Navigational equipment					Marine gyrocompasses and autopilots
	Marine autopilots for steering systems, such as automatic rudders, etc.	Marine gyrocompasses that indicate the direction of a ship's heading	Fiber Optic Gyrocompass (FOG) without moving parts for periodic replacement of the sensor	Electronic Chart Display and Information Systems (ECDIS) that display navigational charts in real time	More than 60% of the global commercial vessels market
	<ul style="list-style-type: none">■ Offering a complete lineup of essential marine systems for ships and supplying them globally.■ Pioneer in marine systems as the first in Japan to manufacture marine radars, gyrocompasses, and autopilots.				More than 80% of the domestic coastal vessels market.
		   "DFFAS Project for Realizing Fully Autonomous Ships"		  "Wind Challenger Project"	
<ul style="list-style-type: none">■ As a leader in marine gyrocompasses and autopilots, we have also participated in the fully autonomous ship development project and the next-generation wind-powered vessel project, which contributes to reducing GHG emissions.					

Hydraulics and Pneumatics Business

Hydraulic and pneumatic Equipment	Supporting the manufacturing floor and frontline of infrastructure.			Market share
For industrial machinery	 Direct drive pump control system for flow rate and pressure level control	 Compact power unit widely used as a hydraulic power source for machine tools and general industrial machinery	 Solenoid directional valve for various hydraulic equipment	Approx. 40% of the domestic market for plastic injection molding machines
■ Providing energy-efficient and highly controllable hydraulic and pneumatic equipment for injection molding machines, machine tools, die-casting machines for automobile manufacturing, and other applications.				
For construction machinery	 Electric direct control piston pumps for construction machinery	 Programmable Logic Controller (PLC) for construction machinery	 Displays for construction machinery	
■ Providing hydraulic products and electronic equipment that controls the drive primarily for specially-equipped vehicles such as cranes and aerial work platforms.				
Utilization of hydrogen energy	 Hydrogen compressors for hydrogen filling stations		 Split module hydrogen compression packages	
■ Providing hydraulic-drive hydrogen compressors for hydrogen filling stations as well as split-module hydrogen compression packages.				







Fluid Measurement Equipment Business

Measuring instruments	Protecting life and human life: Contributing to the safety of life through water resource management and river disaster prevention.	Market share
Flow monitoring	<div>  <p>Ultrasonic flowmeters for monitoring water supply, agricultural water, and industrial water</p> </div> <div>  <p>High-precision ultrasonic flowmeters that more accurately monitor and control flow enabling effective use of water resources without waste.</p> </div> <div>  <p>Microwave level gauges widely used in food manufacturing plants and industrial plants in oil tanks, etc.</p> </div> <ul style="list-style-type: none"> ■ The first pioneer in the world to commercialize ultrasonic flowmeters. ■ Our ultrasonic flowmeters are used to monitor flow rates in water and sewerage systems as well as agricultural water pipelines. 	Over 60% of the market for domestic water and sewerage systems and agricultural water.
Land disaster prevention	<div>  <p>Crisis management water gauges that provide early detection of rising river levels</p> </div> <div>  <p>Flood-control level gauges that indicate the risk of urban flood damage caused by sewage overflowing from manholes</p> </div> <ul style="list-style-type: none"> ■ Systems use microwave level gauges to protect lives from the spate of river and urban flooding. 	
Fire extinguishing systems	Protecting against fires: Gas-based fire extinguishing systems are widely used in facilities that are strictly prohibited from getting wet	
	<div>  <p>Gas-based fire extinguishing systems are widely used in parking garages, museums, art museums, office buildings and factories with printing machinery, etc., where the use of water or foam-based fire extinguishers is not suitable.</p> </div> <ul style="list-style-type: none"> ■ Miscellaneous gas-based fire extinguishing systems, developed from our (Japan's first) inert gas fire extinguisher systems, contribute to safe living. 	






Defense & Communications Equipment Business

Defense equipment	Contributing to national defense: Our strength lies in microwave application technologies and inertial sensor technologies.	Market share
	<div><div><p>Photo courtesy of Satoshi Akatsuka, IKAROS PUBLICATIONS, LTD.</p><p>Radar warning receivers that instantly analyze radio waves around aircraft and warn pilot of threat radar signals</p></div><div><p>Inertial navigation system using high-precision ring laser gyro, installed on submarines that cannot use any external signals such as GPS for azimuth measurement</p></div><div><p>Air data computer (ADC) that calculates the altitude and speed of the aircraft. This is mounted on Blue Impulse aircrafts</p></div></div> <p>■ Developing, producing, and providing repairs and maintenance for defense avionics equipment and warship navigation systems.</p>	
Marine traffic equipment	Contributing to safe vessel navigation: Providing maritime monitoring systems that can be called a “marine traffic control tower”.	Market share
	<div><div><p>Maritime surveillance radar installed at the Umihotaru Parking Area in Tokyo Bay</p></div><div><p>VTS systems responsible for monitoring operations at Vessel Traffic Service Centers deployed in seven ports across Japan</p></div><div><p>*1 VTS: Vessel Traffic Services *2 AIS: Automatic Identification System (System for exchanging information between vessels, as well as between vessels and navigation aid facilities)</p></div></div> <p>■ VTS*1 systems including the maritime surveillance radars and AIS*2 information management equipment, which are required for maritime traffic control operations on congested waterways.</p> <p>■ VTS radars to the gulf coasts and rivers in Europe as well.</p>	<p>100% share of VTS systems in Vessel Traffic Service Centers nationwide</p>

Defense & Communications Equipment Business

Inertial sensor and applied equipment	Contributing to smart agriculture and disaster prevention systems through combining inertial sensors and control technologies.	Market share
	<div data-bbox="415 292 614 426"></div> <div data-bbox="631 311 940 401">Seismic accelerometer essential for measuring seismic magnitude</div> <div data-bbox="1197 285 1454 434"></div> <div data-bbox="1472 311 1923 401">Straight-line assistance for agricultural vehicles to reduce the burden of working on the farm</div> <ul style="list-style-type: none"> ■ Promoting smart agriculture with straight-line assistance for agricultural vehicles that integrates gyro technology, inertial sensors, and proprietary software technology. ■ Contributing to national disaster prevention with accelerometers used in seismometers for the Japan Meteorological Agency. 	<p>Our share of accelerometers used in seismometers for the Japan Meteorological Agency is approx. 80%</p>
High-frequency application equipment	Entering into advanced industries through contributing to semiconductor production equipment components and space business, making full use of microwave application technologies.	
	<div data-bbox="430 701 588 853"></div> <div data-bbox="631 725 1105 843">Solid-state microwave power supply used for next-generation semiconductor production equipment</div> <div data-bbox="1197 701 1508 853"></div> <div data-bbox="1526 725 2030 786">Synthetic aperture radar (SAR) satellite with the microwave amplifier onboard</div> <ul style="list-style-type: none"> ■ Solid-state microwave power supplies used in semiconductor production equipment to achieve semiconductor miniaturization. ■ Providing microwave amplifiers that amplify radar signals emitted from SAR satellites toward the earth's surface. 	
Communication & control equipment	Improving broadcasting quality by utilizing technologies such as gyro sensors, accelerometers, and magnetic azimuth sensors.	
	<div data-bbox="415 1076 652 1242"></div> <div data-bbox="670 1090 1314 1239">Antenna directioning systems which continuously grasp the position and attitude directions of helicopters, control relay antennas toward receiving stations, and transmit video without interruption</div> <div data-bbox="1375 1076 1508 1242"></div> <div data-bbox="1526 1090 1949 1210">Camera stabilizer installed on relay vehicles for marathons and news helicopters used by broadcasting stations</div> <ul style="list-style-type: none"> ■ Achieving stable video transmission through attitude control equipment mounted on news helicopters and relay vehicles. ■ Ensuring reliable transmission of aerial footage with antenna directioning systems mounted on news helicopters of domestic TV stations. 	<p>Antenna directioning systems are mounted on more than 90% of news helicopters owned by domestic TV stations</p>

Others (Inspection/Railroad)

Inspection systems	Contributing to improving the quality of printing: Detecting printing defects and material surface problems through high-precision image processing technologies.	Market share
 <p>Print quality inspection device that ensures print quality by detecting print defects</p>  <p>Material inspection equipment that detects flaws and foreign matter contaminations in plain materials such as films, nonwoven fabrics, and metal foils</p> <ul style="list-style-type: none"> ■ Achieving high-speed and real-time image processing with in-house developed chips. ■ Automatically detecting printing errors and foreign matter contamination at high speed to improve work efficiency and eliminate material waste. 		<p>A domestic market leader for gravure printing inspection for flexible plastic materials</p> <p>Flexible plastic materials: packaging materials consisting of thin, flexible materials such as plastic films, paper, and aluminium foil</p>
Railway maintenance	Contributing to safe operations of railways: Utilizing ultrasonic technology for railway maintenance.	Market share
 <p>Ultrasonic rail inspection car that performs non-destructive inspections using ultrasonic technology</p>	 <p>Track diagnosis support system that automatically inspects and determines the condition of multiple types of track materials</p>  <p>Switch profile gauge that simultaneously measures rails wear, crossing wear, and track geometry</p> <ul style="list-style-type: none"> ■ Supporting railway maintenance work with maintenance equipment and maintenance services such as ultrasonic rail flaw detectors and switch profile gauges. 	<p>Ultrasonic rail inspection cars for JR and private domestic railways</p> <p>over 70%</p>

Cautionary Note on forward-looking information

The data and forecasts disclosed in this document are based on judgments and information available as of the date of publication. They are subject to change due to various factors and do not guarantee future performance or the achievement of the stated goals or forecasts. Additionally, the information contained herein may change in the future without notice.

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