

Machine Tool Segment

Q. What is the projected production volume of EDMs after the third quarter?

A. Production volume in the third quarter and after is expected to remain at the same level as in the first half due to a lack of increased production in the second half.

Q. What is the projected orders for EDMs in and after the third quarter? Also, in which regions do customers say that the delay in securing machinery has led to a decline in capital investment sentiment?

A. We assume that monthly orders will be 300 to 350 units.

There are also customers in Greater China who prioritize delivery, so there are concerns about the impact of longer lead times.

Also due to a shortage of semiconductors and molding resins, it is uncertain whether production can be carried out as planned.

Q. Since April, smartphone sales have fallen from the previous year, but is there a risk that the demand environment for EDMs will deteriorate?

A. Demand for smartphones may decline, but the risks are limited due to strong demand for information and communications equipment in general, including 5G-related products.

Q. Which represents more of China's automotive-related investment, engine vehicles or EVs?

A. Although it cannot be clearly understood, we use less machining around the engine in the past, but more machining for electrical components, automotive connectors, sensors, LED headlights, motor cores, batteries, etc.

Machine Tool Segment

Q. Are there any changes in the competitive environment?

A. No particular changes.

Q. I don't think the production capacity of EDMs is sufficient, but what do you think about the medium-term production system? In addition, if the existing food processing machinery at the Amoy Plant is applied to machine tools, how much capacity will be increased?

A. Because the operation of the plant, which had been in a slump due to the COVID-19 pandemic, recovered suddenly, the start-up was difficult at times, but the plant still has a certain amount of capacity compared with its peak in 2018.

Although detailed figures for the increase due to the expansion of the Amoy Plant cannot be provided, we believe that the capacity can be increased by securing space in the production line through the arrangement of machine space and sheet metal lines.

Q. Are there any changes in the models that are selling well in the Greater China market?

A. Machine sales are increasing at almost the same level as in Japan. We have a lineup of low-priced VL series, but our main sales are higher-performance AL series.

Q. About orders and sales of metal 3D printers.

A. Amid uncertainty of the COVID-19 pandemic, the situation is very severe, and sales have not advanced.

Industrial Machinery Segment

Q. About orders and sales results of vertical injection molding machines.

A. The sales ratio of vertical injection molding machines in the first half was about one third of the total sales of injection molding machines.

Q. Development status of biodegradable plastics.

A. A machine that takes advantage of the characteristics of V-LINE®. The product has been released and we are adding more applications. We are researching for not only major container-related applications, but also applications for various structures.

Facility investments

Q. How much production capacity will be increased for industrial and food machinery at the new Amoy plant?

A. Scheduled to produce 100 entry model injection molding machines per month. In terms of unit price, it is possible to produce MS machines in China at a lower price than those produced in Japan. We will work to improve profitability by measures such as reducing costs.

Through these and other efforts, we plan to secure the profitability of the industrial machinery segment and profits of 10% or more of sales.

Sales of food processing machinery are expected to increase by 1 billion yen or more from the current 6.5 billion yen.