

## NORITZ (5943)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY12/2022		210,966	6,889	7,900	4,800	104.64	53.00	2,508.08
FY12/2023		201,891	3,840	1,245	868	18.84	53.00	2,644.38
FY12/2024CoE		205,000	3,200	4,200	4,700	101.84	67.00	-
FY12/2023		YoY (4.3%)	(44.3%)	(84.2%)	(81.9%)	-	-	-
FY12/2024CoE		YoY 1.5%	(16.7%)	237.3%	440.9%	-	-	-
Consolidated Half Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
Q1 to Q2 FY12/2023		99,752	1,276	1,383	1,061	-	-	-
Q3 to Q4 FY12/2023		102,139	2,564	(138)	(193)	-	-	-
Q1 to Q2 FY12/2024		96,012	(127)	410	(354)	-	-	-
Q3 to Q4 FY12/2024CoE		108,988	3,327	3,790	5,054	-	-	-
Q1 to Q2 FY12/2024		YoY (3.7%)	-	(70.3%)	-	-	-	-
Q3 to Q4 FY12/2024CoE		YoY 6.7%	29.8%	-	-	-	-	-

Source: Company Data, WRJ Calculation

### 1.0 Results Update (22 August 2024)

#### A Recovery for H2

On 8 August 2024, NORITZ, mainly running operations to manufacture and sell gas water heaters & oil-fired boilers for private homes, released its Q1 to Q2 FY12/2024 results. It has been revealed that the results were below expectations of initial Company forecasts. However, sales volume and the like are to see a recovery for H2, which is to result in a year-on-year increase in sales and earnings during the relevant period. In Japan, sales are firm for non-residential applications (business-grade gas water heaters & oil-fired boilers) and kitchen appliances (e.g., built-in stove burners), but this is not substantial enough to compensate for slowing sales of the mainstay gas water heaters & oil-fired boilers for private homes due mainly to a weakness in the market for housing. For foreign operations, meanwhile, the Company suffers from deteriorating market conditions in China and rising costs, while having suffered from a decline of earnings in North America as a result of stagnated sales of heating boilers, according to the Company. In China, earnings have declined a lot in line with a decline in sales and a major decline of operating profit margin in North America. We are to have an interview with the management to obtain further details in order to update our Company Report and release afresh.


Our Company Report: [NORITZ \(5943\) Transformation \(23 July 2024\)](#)

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## 2.0 Company Profile

Happiness is a Warm Ofuro

<b>Company Name</b>	<p>NORITZ CORPORATION</p> <p><a href="#">Company HP</a></p> <p><a href="#">IR Information</a></p> <p><a href="#">Share Price (Japanese)</a></p>	 <p><b>NORITZ</b></p> <p>The Simple Comforts of Life</p>
<b>Established</b>	10 March 1951	
<b>Listing</b>	<p>4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 5943)</p> <p>1 June 1987: Tokyo/Osaka Stock Exchange 1st section</p> <p>6 August 1985: Tokyo Stock Exchange 2nd section</p> <p>1 August 1984: Osaka Stock Exchange 2nd section</p>	
<b>Capital</b>	¥20,167m (as of the end of June 2024)	
<b>No. of Shares</b>	48,554,930 shares, including 2,375,041 treasury shares (as of the end of June 2024)	
<b>Main Features</b>	<ul style="list-style-type: none"> <li>● Springhead of business: happiness is a warm ofuro, i.e., Japanese bath</li> <li>● 40% share in the market for gas water heaters &amp; oil-fired boilers in Japan</li> <li>● Focus on sales associated with non-residential applications and those of kitchen appliances, as well as development of foreign markets</li> </ul>	
<b>Segments</b>	<p>I . Domestic Operations</p> <p>II . Foreign Operations</p>	
<b>Representative</b>	President and CEO: Satoshi Haramaki	
<b>Shareholders</b>	Master Trust Bank of Japan, T. 10.37%, Client Share Ownership Plan 5.02%, Sumitomo Mitsui Banking 3.73%, Customer Share Ownership Plan 3.54%, Dai-ichi Life 3.46% (as of the end of June 2024, but for treasury shares)	
<b>Head Office</b>	Kobe-city, Hyogo-prefecture, JAPAN	
<b>No. of Personnel</b>	Consolidated: 6,328, Parent: 2,079 (as of the end of June 2024)	

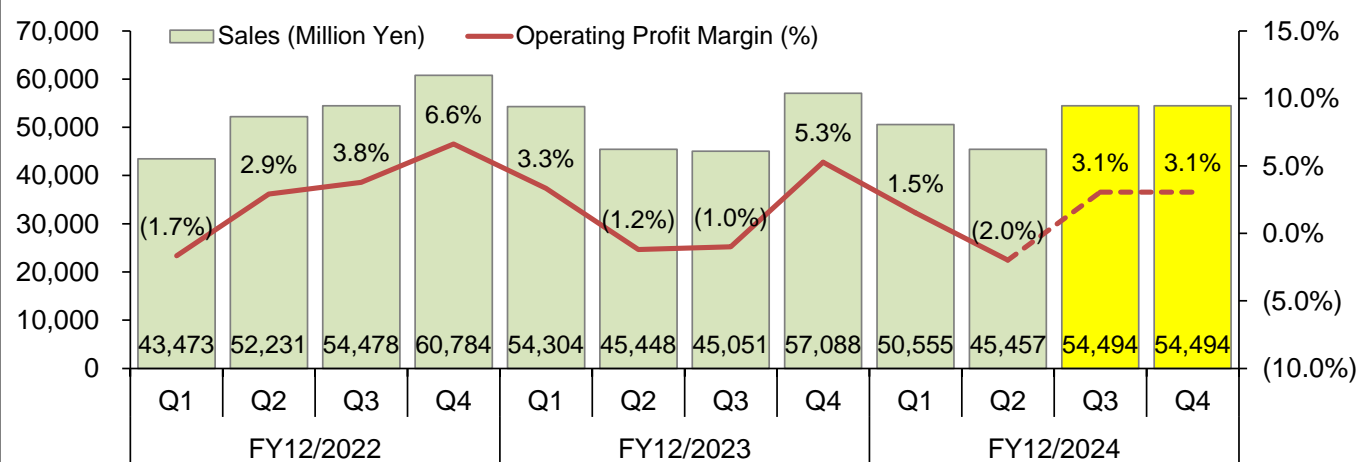
Source: Company Data

## 3.0 Recent Trading and Prospects

### Q1 to Q2 FY12/2024

For Q1 to Q2 FY12/2024, sales came in at ¥96,012m (down 3.7% YoY), operating profit minus ¥127m (versus ¥1,276m during same period of the previous year), recurring profit ¥410m (down 70.3%) and profit attributable to owners of parent minus ¥357m (¥1,061m), while operating profit margin minus 0.1% (down 1.4% points). As well, the accounting treatment has been changed since Q1 to Q2, following a review of the performance management categories, while this report reflects retroactive adjustments as far as the Company has disclosed. The export transactions of Noritz Corporation, which were previously included on the Foreign Operations side, are now included on the Domestic Operations side.

### Sales and Operating Profit Margin



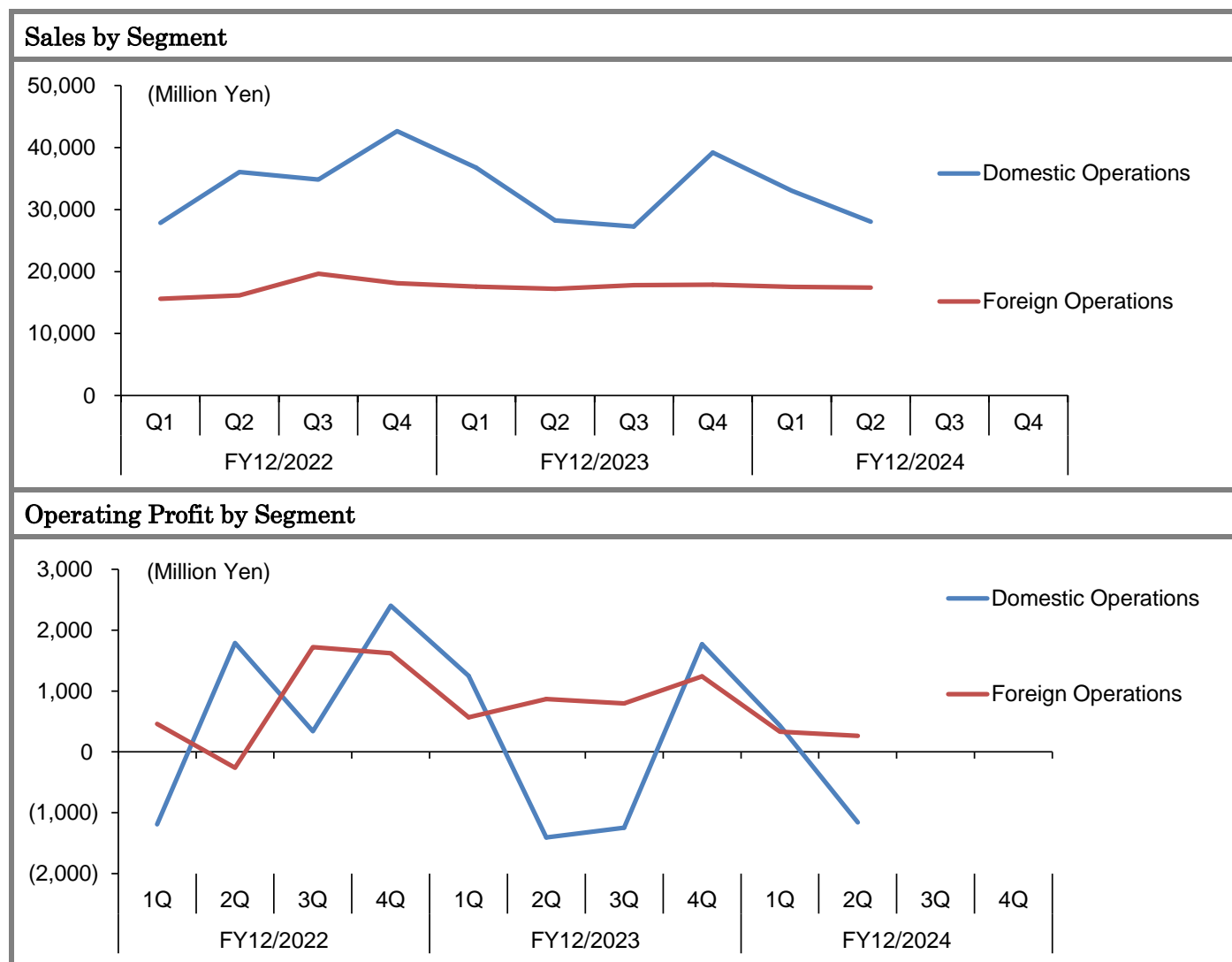
### Factors of Changes in Operating Profit

(Million Yen) / Company Estimates	Q1 to Q2	H2	FY12/2024
Volume, Selling Prices, Product Mix, etc.	(5,600)	+3,000	(2,600)
Revision on Selling Prices	+3,100	-	+3,100
Changes of Raw Material Costs	(200)	(600)	(800)
Cost Reductions and Raw Materials	(900)	(200)	(1,100)
Costs of Processing	+1,100	(700)	+400
SG&A Expenses	+1,000	(700)	+300
Exchange Rates	+100	-	+100
<b>Year-on-Year Changes in Operating Profit</b>	<b>(1,400)</b>	<b>+800</b>	<b>(600)</b>

Source: Company Data, WRJ Calculation (Q3 and Q4 FY12/2024: H2 Company forecasts, pro rata)

On the Domestic Operations side, sales came in at ¥61,070m (down 6.0%), operating profit minus ¥724m (versus minus ¥157m) and operating profit margin minus 1.2% (down 0.9% points), while sales ¥34,941m (up 0.5%), operating profit ¥596m (down 58.4%) and operating profit margin 1.7% (down 2.4% point) on the Foreign Operations side. There is an aspect that the Company's operating profit has risen by no less than ¥3,100m over the same period of the previous year due to Revision on Selling Prices, but it was more than offset by an impact larger due to Volume, Selling Prices, Product Mix, etc., i.e., a decline of ¥3,510m on the Domestic Operations side and a decline of ¥2,120m on the Foreign Operations side, collectively a decline of ¥5,600m.

Nevertheless, the current Company forecasts after downward revision are going for prospective sales of ¥108,988m (up 6.7% YoY) and operating profit of ¥3,327m (up 29.8%) for H2. It appears that sales volume and the like are to drive the increases. In terms of Volume, Selling Prices, Product Mix, etc., the Company is now going for an increase of ¥3,000m. Meanwhile, The Company goes for nothing with respect to Revision on Selling Prices for H2, as the impact is not to reappears for H2 with respect to the latest revision actually made so far.



Source: Company Data, WRJ Calculation

### FY12/2024 Company Forecasts

FY12/2024 Company forecasts, announced on 8 August 2024, are going for prospective sales of ¥205,000m (up 1.5% YoY), operating profit of ¥3,200m (down 16.7%), recurring profit of ¥4,200m (up 237.3%) and profit attributable to owners of parent of ¥4,700m (up 440.9%), while operating profit margin of 1.6% (down 0.3% points). Compared to initial Company forecasts, announced on 14 February 2024, sales have revised down by ¥7,000m (3.3%) and ¥1,800m (36.0%) for operating profit. Still, as Company forecasts now assume a gain on sale of investment securities of ¥3,930m at the extraordinary level, following sale of ordinary shares in ASICS Corporation and thus profit attributable to owners of parent having been revised up. Meanwhile, Company forecasts have remained unchanged for planned annual dividend, going for ¥67.00 per share for FY12/2024, implying payout ratio of 65.8%.

## FY12/2024 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY12/2024CoE	14-Feb-24	Q4 Results	212,000	5,000	5,800	4,170
FY12/2024CoE	14-May-24	Q1 Results	212,000	5,000	5,800	4,170
FY12/2024CoE	08-Aug-24	Q2 Results	205,000	3,200	4,200	4,700
		Amount of Gap	(7,000)	(1,800)	(1,600)	530
		Rate of Gap	(3.3%)	(36.0%)	(27.6%)	12.7%
FY12/2024CoE	14-Feb-24	Q4 Results	212,000	5,000	5,800	4,170
FY12/2024CoE	08-Aug-24	Q2 Results	205,000	3,200	4,200	4,700
		Amount of Gap	(7,000)	(1,800)	(1,600)	530
		Rate of Gap	(3.3%)	(36.0%)	(27.6%)	12.7%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY12/2024CoE	14-Feb-24	Q4 Results	101,500	200	600	170
Q1 to Q2 FY12/2024CoE	14-May-24	Q1 Results	101,500	200	600	170
Q1 to Q2 FY12/2024Act	08-Aug-24	Q2 Results	96,012	(127)	410	(354)
		Amount of Gap	(5,487)	(327)	(189)	(524)
		Rate of Gap	(5.4%)	-	(31.6%)	-
Q1 to Q2 FY12/2024CoE	14-Feb-24	Q4 Results	101,500	200	600	170
Q1 to Q2 FY12/2024Act	08-Aug-24	Q2 Results	96,012	(127)	410	(354)
		Amount of Gap	(5,487)	(327)	(189)	(524)
		Rate of Gap	(5.4%)	-	(31.6%)	-
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY12/2024CoE	14-Feb-24	Q4 Results	110,500	4,800	5,200	4,000
Q3 to Q4 FY12/2024CoE	14-May-24	Q1 Results	110,500	4,800	5,200	4,000
Q3 to Q4 FY12/2024CoE	08-Aug-24	Q2 Results	108,988	3,327	3,790	5,054
		Amount of Gap	(1,512)	(1,473)	(1,410)	1,054
		Rate of Gap	(1.4%)	(30.7%)	(27.1%)	26.4%
Q3 to Q4 FY12/2024CoE	14-Feb-24	Q4 Results	110,500	4,800	5,200	4,000
Q3 to Q4 FY12/2024CoE	08-Aug-24	Q2 Results	108,988	3,327	3,790	5,054
		Amount of Gap	(1,512)	(1,473)	(1,410)	1,054
		Rate of Gap	(1.4%)	(30.7%)	(27.1%)	26.4%

Source: Company Data, WRJ Calculation

## 4.0 Financial Statements

### Income Statement (Cumulative / Quarterly)

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		Net Chg.
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
<b>Sales</b>	<b>54,304</b>	<b>99,752</b>	<b>144,803</b>	<b>201,891</b>	<b>50,555</b>	<b>96,012</b>	-	-	-	<b>(3,740)</b>
Cost of Sales	37,164	68,224	98,874	138,066	34,284	65,678	-	-	-	(2,546)
Gross Profit	17,140	31,528	45,929	63,824	16,270	30,333	-	-	-	(1,195)
SG&A Expenses	15,322	30,251	45,097	59,984	15,501	30,461	-	-	-	+210
<b>Operating Profit</b>	<b>1,817</b>	<b>1,276</b>	<b>832</b>	<b>3,840</b>	<b>769</b>	<b>(127)</b>	-	-	-	<b>(1,403)</b>
Non Operating Balance	(17)	107	179	(2,595)	25	537	-	-	-	+430
<b>Recurring Profit</b>	<b>1,800</b>	<b>1,383</b>	<b>1,011</b>	<b>1,245</b>	<b>794</b>	<b>410</b>	-	-	-	<b>(973)</b>
Extraordinary Balance	(229)	187	215	1,791	(182)	(560)	-	-	-	(747)
Profit before Income Taxes	1,571	1,570	1,226	3,036	612	(150)	-	-	-	(1,720)
Total Income Taxes	227	377	439	1,852	283	126	-	-	-	(251)
Profit Attributable to Non-Controlling Interests	73	130	214	314	41	77	-	-	-	(53)
<b>Profit Attributable to Owners of Parent</b>	<b>1,270</b>	<b>1,061</b>	<b>573</b>	<b>868</b>	<b>287</b>	<b>(354)</b>	-	-	-	<b>(1,415)</b>
Sales YoY	+24.9%	+4.2%	(3.6%)	(4.3%)	(6.9%)	(3.7%)	-	-	-	-
Operating Profit YoY	-	+59.2%	(71.0%)	(44.3%)	(57.7%)	-	-	-	-	-
Recurring Profit YoY	-	(8.8%)	(74.4%)	(84.2%)	(55.9%)	(70.3%)	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	+105.8%	(74.4%)	(81.9%)	(77.4%)	-	-	-	-	-
Gross Profit Margin	31.6%	31.6%	31.7%	31.6%	32.2%	31.6%	-	-	-	(0.0%)
SG&A Ratio	28.2%	30.3%	31.1%	29.7%	30.7%	31.7%	-	-	-	+1.4%
Operating Profit Margin	3.3%	1.3%	0.6%	1.9%	1.5%	(0.1%)	-	-	-	(1.4%)
Recurring Profit Margin	3.3%	1.4%	0.7%	0.6%	1.6%	0.4%	-	-	-	(1.0%)
Profit Attributable to Owners of Parent Margin	2.3%	1.1%	0.4%	0.4%	0.6%	(0.4%)	-	-	-	(1.4%)
Total Income Taxes / Profit before Income Taxes	14.4%	24.0%	35.8%	61.0%	46.2%	-	-	-	-	-
Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
(Million Yen)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		Net Chg.
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
<b>Sales</b>	<b>54,304</b>	<b>45,448</b>	<b>45,051</b>	<b>57,088</b>	<b>50,555</b>	<b>45,457</b>	-	-	-	<b>+9</b>
Cost of Sales	37,164	31,060	30,650	39,192	34,284	31,394	-	-	-	+334
Gross Profit	17,140	14,388	14,401	17,895	16,270	14,063	-	-	-	(325)
SG&A Expenses	15,322	14,929	14,846	14,887	15,501	14,960	-	-	-	+31
<b>Operating Profit</b>	<b>1,817</b>	<b>(541)</b>	<b>(444)</b>	<b>3,008</b>	<b>769</b>	<b>(896)</b>	-	-	-	<b>(355)</b>
Non Operating Balance	(17)	124	72	(2,774)	25	512	-	-	-	+388
<b>Recurring Profit</b>	<b>1,800</b>	<b>(417)</b>	<b>(372)</b>	<b>234</b>	<b>794</b>	<b>(384)</b>	-	-	-	<b>+33</b>
Extraordinary Balance	(229)	416	28	1,576	(182)	(378)	-	-	-	(794)
Profit before Income Taxes	1,571	(1)	(344)	1,810	612	(762)	-	-	-	(761)
Total Income Taxes	227	150	62	1,413	283	(157)	-	-	-	(307)
Profit Attributable to Non-Controlling Interests	73	57	84	100	41	36	-	-	-	(21)
<b>Profit Attributable to Owners of Parent</b>	<b>1,270</b>	<b>(209)</b>	<b>(488)</b>	<b>295</b>	<b>287</b>	<b>(641)</b>	-	-	-	<b>(432)</b>
Sales YoY	+24.9%	(13.0%)	(17.3%)	(6.1%)	(6.9%)	+0.0%	-	-	-	-
Operating Profit YoY	-	-	-	(25.2%)	(57.7%)	-	-	-	-	-
Recurring Profit YoY	-	-	-	(94.1%)	(55.9%)	-	-	-	-	-
Profit Attributable to Owners of Parent YoY	-	-	-	(88.5%)	(77.4%)	-	-	-	-	-
Gross Profit Margin	31.6%	31.7%	32.0%	31.3%	32.2%	30.9%	-	-	-	(0.7%)
SG&A Ratio	28.2%	32.8%	33.0%	26.1%	30.7%	32.9%	-	-	-	+0.1%
Operating Profit Margin	3.3%	(1.2%)	(1.0%)	5.3%	1.5%	(2.0%)	-	-	-	(0.8%)
Recurring Profit Margin	3.3%	(0.9%)	(0.8%)	0.4%	1.6%	(0.8%)	-	-	-	+0.1%
Profit Attributable to Owners of Parent Margin	2.3%	(0.5%)	(1.1%)	0.5%	0.6%	(1.4%)	-	-	-	(1.0%)
Total Income Taxes / Profit before Income Taxes	14.4%	-	-	78.1%	46.2%	-	-	-	-	-

Source: Company Data, WRJ Calculation

## Segmented Information (Cumulative/Quarterly)

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
Water Heaters & Air	31,660	54,784	76,598	109,054	27,365	49,672	-	-	-	(5,112)
Kitchen Appliances	3,724	7,221	10,901	15,731	3,758	7,525	-	-	-	+304
Other	1,356	2,963	4,715	6,618	1,913	3,873	-	-	-	+910
<b>Domestic Operations</b>	<b>36,740</b>	<b>64,970</b>	<b>92,215</b>	<b>131,404</b>	<b>33,037</b>	<b>61,070</b>	-	-	-	<b>(3,900)</b>
Water Heaters & Air	14,779	29,268	44,244	59,364	14,468	29,303	-	-	-	+35
Kitchen Appliances	2,538	5,127	7,739	10,380	2,863	5,329	-	-	-	+202
Other	245	386	604	797	186	308	-	-	-	(78)
<b>Foreign Operations</b>	<b>17,563</b>	<b>34,782</b>	<b>52,588</b>	<b>70,486</b>	<b>17,518</b>	<b>34,941</b>	-	-	-	<b>+159</b>
<b>Sales</b>	<b>54,304</b>	<b>99,752</b>	<b>144,803</b>	<b>201,891</b>	<b>50,555</b>	<b>96,012</b>	-	-	-	<b>(3,740)</b>
Domestic Operations	1,249	(157)	(1,400)	367	434	(724)	-	-	-	(567)
Foreign Operations	567	1,434	2,232	3,473	334	596	-	-	-	(838)
<b>Segment Profit</b>	<b>1,817</b>	<b>1,276</b>	<b>832</b>	<b>3,840</b>	<b>769</b>	<b>(127)</b>	-	-	-	<b>(1,403)</b>
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>1,817</b>	<b>1,276</b>	<b>832</b>	<b>3,840</b>	<b>769</b>	<b>(127)</b>	-	-	-	<b>(1,403)</b>
Domestic Operations	3.4%	(0.2%)	(1.5%)	0.3%	1.3%	(1.2%)	-	-	-	(0.9%)
Foreign Operations	3.2%	4.1%	4.2%	4.9%	1.9%	1.7%	-	-	-	(2.4%)
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit Margin</b>	<b>3.3%</b>	<b>1.3%</b>	<b>0.6%</b>	<b>1.9%</b>	<b>1.5%</b>	<b>(0.1%)</b>	-	-	-	<b>(1.4%)</b>

Segmented Information (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024		
Water Heaters & Air	31,660	23,124	21,814	32,456	27,365	22,307	-	-	-	(817)
Kitchen Appliances	3,724	3,497	3,680	4,830	3,758	3,767	-	-	-	+270
Other	1,356	1,607	1,752	1,903	1,913	1,960	-	-	-	+353
<b>Domestic Operations</b>	<b>36,740</b>	<b>28,230</b>	<b>27,245</b>	<b>39,189</b>	<b>33,037</b>	<b>28,033</b>	-	-	-	<b>(197)</b>
Water Heaters & Air	14,779	14,489	14,976	15,120	14,468	14,835	-	-	-	+346
Kitchen Appliances	2,538	2,589	2,612	2,641	2,863	2,466	-	-	-	(123)
Other	245	141	218	193	186	122	-	-	-	(19)
<b>Foreign Operations</b>	<b>17,563</b>	<b>17,219</b>	<b>17,806</b>	<b>17,898</b>	<b>17,518</b>	<b>17,423</b>	-	-	-	<b>+204</b>
<b>Sales</b>	<b>54,304</b>	<b>45,448</b>	<b>45,051</b>	<b>57,088</b>	<b>50,555</b>	<b>45,457</b>	-	-	-	<b>+9</b>
Domestic Operations	1,249	(1,406)	(1,243)	1,767	434	(1,158)	-	-	-	+248
Foreign Operations	567	867	798	1,241	334	262	-	-	-	(605)
<b>Segment Profit</b>	<b>1,817</b>	<b>(541)</b>	<b>(444)</b>	<b>3,008</b>	<b>769</b>	<b>(896)</b>	-	-	-	<b>(355)</b>
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>1,817</b>	<b>(541)</b>	<b>(444)</b>	<b>3,008</b>	<b>769</b>	<b>(896)</b>	-	-	-	<b>(355)</b>
Domestic Operations	3.4%	(5.0%)	(4.6%)	4.5%	1.3%	(4.1%)	-	-	-	+0.8%
Foreign Operations	3.2%	5.0%	4.5%	6.9%	1.9%	1.5%	-	-	-	(3.5%)
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit Margin</b>	<b>3.3%</b>	<b>(1.2%)</b>	<b>(1.0%)</b>	<b>5.3%</b>	<b>1.5%</b>	<b>(2.0%)</b>	-	-	-	<b>(0.8%)</b>

Source: Company Data, WRJ Calculation

## Foreign Operations (Cumulative/Quarterly)

Foreign Operations (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4	Q1	Q1 to Q2	Q1 to Q3	Q1 to Q4		
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024	12/2024	Net Chg.
China	10,318	20,842	31,761	42,124	10,187	19,240	-	-	-	(1,602)
North America	4,350	8,038	11,734	16,255	4,438	8,980	-	-	-	+942
Australia	2,507	5,124	7,859	10,287	2,383	5,763	-	-	-	+639
Other	388	777	1,232	1,819	508	955	-	-	-	+178
<b>Sales</b>	<b>17,563</b>	<b>34,782</b>	<b>52,588</b>	<b>70,486</b>	<b>17,518</b>	<b>34,941</b>	-	-	-	<b>+159</b>
China	323	842	1,456	2,004	158	228	-	-	-	(614)
North America	44	196	185	542	(47)	(108)	-	-	-	(304)
Australia	125	291	499	716	168	394	-	-	-	+103
Other	74	103	90	209	55	82	-	-	-	(21)
<b>Segment Profit</b>	<b>567</b>	<b>1,434</b>	<b>2,232</b>	<b>3,473</b>	<b>334</b>	<b>596</b>	-	-	-	<b>(838)</b>
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>567</b>	<b>1,434</b>	<b>2,232</b>	<b>3,473</b>	<b>334</b>	<b>596</b>	-	-	-	<b>(838)</b>
China	3.1%	4.0%	4.6%	4.8%	1.6%	1.2%	-	-	-	(2.9%)
North America	1.0%	2.4%	1.6%	3.3%	(1.1%)	(1.2%)	-	-	-	(3.6%)
Australia	5.0%	5.7%	6.3%	7.0%	7.0%	6.8%	-	-	-	+1.2%
Other	19.1%	13.3%	7.3%	11.5%	10.8%	8.6%	-	-	-	(4.7%)
<b>Operating Profit Margin</b>	<b>3.2%</b>	<b>4.1%</b>	<b>4.2%</b>	<b>4.9%</b>	<b>1.9%</b>	<b>1.7%</b>	-	-	-	<b>(2.4%)</b>

Foreign Operations (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
	12/2023	12/2023	12/2023	12/2023	12/2024	12/2024	12/2024	12/2024	12/2024	Net Chg.
China	10,318	10,524	10,919	10,362	10,187	9,053	-	-	-	(1,471)
North America	4,350	3,688	3,695	4,521	4,438	4,542	-	-	-	+854
Australia	2,507	2,617	2,735	2,427	2,383	3,380	-	-	-	+763
Other	388	389	455	587	508	447	-	-	-	+58
<b>Sales</b>	<b>17,563</b>	<b>17,219</b>	<b>17,806</b>	<b>17,898</b>	<b>17,518</b>	<b>17,423</b>	-	-	-	<b>+204</b>
China	323	519	614	547	158	70	-	-	-	(449)
North America	44	152	(10)	357	(47)	(61)	-	-	-	(213)
Australia	125	166	208	217	168	226	-	-	-	+60
Other	74	29	(13)	119	55	27	-	-	-	(2)
<b>Segment Profit</b>	<b>567</b>	<b>867</b>	<b>848</b>	<b>1,287</b>	<b>334</b>	<b>262</b>	-	-	-	<b>(605)</b>
Adjustment	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>567</b>	<b>867</b>	<b>798</b>	<b>1,241</b>	<b>334</b>	<b>262</b>	-	-	-	<b>(605)</b>
China	3.1%	4.9%	5.6%	5.3%	1.6%	0.8%	-	-	-	(4.2%)
North America	1.0%	4.1%	(0.3%)	7.9%	(1.1%)	(1.3%)	-	-	-	(5.5%)
Australia	5.0%	6.3%	7.6%	8.9%	7.0%	6.7%	-	-	-	+0.3%
Other	19.1%	7.5%	(2.9%)	20.3%	10.8%	6.0%	-	-	-	(1.4%)
<b>Operating Profit Margin</b>	<b>3.2%</b>	<b>5.0%</b>	<b>4.5%</b>	<b>6.9%</b>	<b>1.9%</b>	<b>1.5%</b>	-	-	-	<b>(3.5%)</b>

Source: Company Data, WRJ Calculation



## Balance Sheet (Quarterly)

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2023	Q2 12/2023	Q3 12/2023	Q4 12/2023	Q1 12/2024	Q2 12/2024	Q3 12/2024	Q4 12/2024		
Cash and Deposit	37,835	35,571	27,963	26,137	29,172	28,689	-	-	-	(6,882)
Accounts Receivables and Contract Assets	39,116	35,021	38,036	44,009	38,145	35,787	-	-	-	+766
Electronically Recorded Monetary Claim	14,408	11,385	9,522	12,006	13,905	12,184	-	-	-	+799
Inventory	33,380	36,813	39,321	33,821	33,982	35,921	-	-	-	(892)
Other	4,441	4,949	5,783	5,545	5,794	6,671	-	-	-	+1,722
<b>Current Assets</b>	<b>129,180</b>	<b>123,739</b>	<b>120,625</b>	<b>121,518</b>	<b>120,998</b>	<b>119,252</b>	-	-	-	<b>(4,487)</b>
Tangible Assets	34,425	35,921	36,231	36,523	36,350	38,229	-	-	-	+2,308
Intangible Assets	9,637	9,972	10,106	9,759	10,240	10,875	-	-	-	+903
Investments and Other Assets	41,897	45,522	45,905	39,968	46,943	47,592	-	-	-	+2,070
<b>Fixed Assets</b>	<b>85,960</b>	<b>91,416</b>	<b>92,242</b>	<b>86,252</b>	<b>93,534</b>	<b>96,697</b>	-	-	-	<b>+5,281</b>
<b>Total Assets</b>	<b>215,140</b>	<b>215,155</b>	<b>212,868</b>	<b>207,771</b>	<b>214,533</b>	<b>215,949</b>	-	-	-	<b>+794</b>
Accounts Payables	45,562	40,030	37,975	39,281	37,361	35,782	-	-	-	(4,248)
Short-Term Debt	4,445	4,174	3,532	2,527	1,961	2,007	-	-	-	(2,167)
Other	27,374	27,781	28,226	25,016	26,126	25,854	-	-	-	(1,927)
<b>Current Liabilities</b>	<b>77,381</b>	<b>71,985</b>	<b>69,733</b>	<b>66,824</b>	<b>65,448</b>	<b>63,643</b>	-	-	-	<b>(8,342)</b>
Long-Term Debt	-	-	-	-	748	694	-	-	-	+694
Other	16,218	16,622	16,788	14,279	15,455	15,560	-	-	-	(1,062)
<b>Fixed Liabilities</b>	<b>16,218</b>	<b>16,622</b>	<b>16,788</b>	<b>14,279</b>	<b>16,203</b>	<b>16,254</b>	-	-	-	<b>(368)</b>
<b>Total Liabilities</b>	<b>93,600</b>	<b>88,607</b>	<b>86,521</b>	<b>81,104</b>	<b>81,652</b>	<b>79,898</b>	-	-	-	<b>(8,709)</b>
<b>Shareholders' Equity</b>	<b>100,162</b>	<b>99,989</b>	<b>98,024</b>	<b>98,320</b>	<b>97,648</b>	<b>97,098</b>	-	-	-	<b>(2,891)</b>
Other	21,378	26,559	28,322	28,347	35,232	38,953	-	-	-	+12,394
<b>Net Assets</b>	<b>121,540</b>	<b>126,548</b>	<b>126,346</b>	<b>126,667</b>	<b>132,880</b>	<b>136,051</b>	-	-	-	<b>+9,503</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>215,140</b>	<b>215,155</b>	<b>212,868</b>	<b>207,771</b>	<b>214,533</b>	<b>215,949</b>	-	-	-	<b>+794</b>
Equity Capital	117,043	122,042	121,646	121,978	127,953	130,839	-	-	-	+8,797
Interest-Bearing Debt	4,445	4,174	3,532	2,527	2,709	2,701	-	-	-	(1,473)
<b>Net Debt</b>	<b>(33,390)</b>	<b>(31,397)</b>	<b>(24,431)</b>	<b>(23,610)</b>	<b>(26,463)</b>	<b>(25,988)</b>	-	-	-	<b>+5,409</b>
Equity Ratio	54.4%	56.7%	57.1%	58.7%	59.6%	60.6%	-	-	-	-
Net Debt-to-Equity Ratio	(28.5%)	(25.7%)	(20.1%)	(19.4%)	(20.7%)	(19.9%)	-	-	-	-
ROE (12 months)	5.7%	4.5%	2.6%	0.7%	(0.1%)	(0.4%)	-	-	-	-
ROA (12 months)	4.9%	3.7%	2.3%	0.6%	0.1%	0.1%	-	-	-	-
Days for Inventory Turnover	81	108	117	78	90	104	-	-	-	-
Quick Ratio	118%	114%	108%	123%	124%	120%	-	-	-	-
Current Ratio	167%	172%	173%	182%	185%	187%	-	-	-	-

Source: Company Data, WRJ Calculation

## Cash Flow Statement (Cumulative)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY Net Chg.
	Q1 12/2023	Q1 to Q2 12/2023	Q1 to Q3 12/2023	Q1 to Q4 12/2023	Q1 12/2024	Q1 to Q2 12/2024	Q1 to Q3 12/2024	Q1 to Q4 12/2024		
Operating Cash Flow	-	1,348	-	(1,868)	-	6,455	-	-	-	+5,107
Investing Cash Flow	-	(3,148)	-	(5,664)	-	(5,253)	-	-	-	(2,105)
<b>Operating Cash Flow and Investing Cash Flow</b>	<b>-</b>	<b>(1,800)</b>	<b>-</b>	<b>(7,532)</b>	<b>-</b>	<b>1,202</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>+3,002</b>
Financing Cash Flow	-	235	-	(3,235)	-	(1,340)	-	-	-	(1,575)

Source: Company Data, WRJ Calculation

**Disclaimer**

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Information here is a summary of “IR Information” of the Company, compiled by Walden Research Japan, from a neutral and professional standing point, in the form of a report. “IR Information” of the Company comprises a) contents of our interview with the Company, b) contents of presentations for institutional investors, c) contents of timely disclosed information and d) contents of the homepage, etc.

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