

YAMABIKO (6250)

Consolidated Fiscal Year (Million Yen)		Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent	EPS (Yen)	DPS (Yen)	BPS (Yen)
FY12/2022		156,159	8,688	9,217	6,299	151.45	52.00	1,859.47
FY12/2023		151,400	14,230	14,066	9,097	218.97	55.00	2,120.26
FY12/2024CoE		158,000	14,300	13,800	10,000	240.69	60.00	-
FY12/2023	YoY	(3.0%)	63.8%	52.6%	44.4%	-	-	-
FY12/2024CoE	YoY	4.4%	0.5%	(1.9%)	9.9%	-	-	-
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 FY12/2024CoE		84,000	10,000	9,600	7,000	-	-	-
Q3 to Q4 FY12/2024CoE		74,000	4,300	4,200	3,000	-	-	-
Q1 to Q2 FY12/2024CoE	YoY	4.8%	(2.2%)	(9.7%)	4.2%	-	-	-
Q3 to Q4 FY12/2024CoE	YoY	3.9%	7.3%	22.2%	26.1%	-	-	-

Source: Company Data, WRJ Calculation

1.0 Executive Summary (11 April 2024)

A Recovery in the Americas


YAMABIKO, which develops, manufactures and sells a variety of products belonging to Outdoor Power Equipment, Agricultural Machinery and Industrial Machinery, is to see a recovery of sales in the Americas, the mainstay by region, for FY12/2024 over FY12/2023. At the same time, the Company is to see an acceleration in sales growth rate on the Industrial Machinery side. In the actual results for FY12/2023, sales on the Outdoor Power Equipment side, the mainstay by business, were stagnating and thus the Company's sales as well. The Company suffered from a recoil reduction in demand associated with stay-at-home trend stemming from the impact of Corona disaster in the Americas as well as unfavorable weather conditions during demand season. However, the Company saw operating profit highest ever, driven by an improvement in gross profit margin, which was far more than compensating. The Company states that it has made a steady progress in "sale of high-margin inventory built up in North America during the previous year, ongoing cost cutting and revision on selling prices in Japan and overseas." Meanwhile, for FY12/2024, the Company is going for an increase in sales due mainly to a progress made for optimizing of inventory levels at distributors in North America. Furthermore, the Company expects an increase in earnings as a result of "full-year impact of revision of selling prices, a review of product mix and lower ocean freight rate." Still, the Company is to see an increase in expenses at the same time as it is to aggressively invest for growth from a long-term perspective, e.g., in "developments of new business and/or new product, those of IT system and those of marketing." The Company is currently in the process of propelling "growth in existing domains and monetization of new business," calling for prospective sales of ¥250,000m for FY12/2030, implying CAGR of 7.4%, when setting the actual results for FY12/2023 as the point of origin.

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2.0 Company Profile

Create the Bridge that Bonds People and Nature with the Future

Company Name	<p>YAMABIKO CORPORATION</p> <p>Company HP</p> <p>IR Information</p> <p>Share Price (Japanese)</p> 
Established	1 December 2008
Listing	<p>4 April 2022: Tokyo Stock Exchange Prime Market (ticker: 6250)</p> <p>1 December 2008: Tokyo Stock Exchange 1st section</p>
Capital	¥6,000m (as of the end of December 2023)
No. of Shares	44,108,428 shares, including 2,751,552 treasury shares (as of the end of Dec. 2023)
Main Features	<ul style="list-style-type: none"> ● Leading the market for outdoor power equipment (OPE) in Japan and one of the largest in North America ● Established by the merger of KIORITZ CORPORATION and Shin-Daiwa Kogyo Co., Ltd. ● Heavily involved with the OPE market in North America
Segments	<p>I . Outdoor Power Equipment (trimmers, chain saws, power blowers, etc.)</p> <p>II . Agricultural Machinery (mounted equipment for cropland pest control, speed sprayers, radio-controlled mowers, etc.)</p> <p>III . Industrial Machinery (generators, welders, lighting equipment, etc.)</p>
Representative	Representative Director President & CEO: Hiroshi Kubo
Shareholders	Master Trust Bank of Japan, T. 9.79%, Custody Bank of Japan, T. 4.91%, Custody Bank of Japan, T. (Mizuho Bank) 4.07%, YAMABIKO Business Association 4.06%, Sumitomo Mitsui Trust Bank 3.85% (as of the end of December 2023, but for treasury shares)
Head Office	Ohme-city, Tokyo, JAPAN
No. of Personnel	Consolidated: 3,241, Parent: 1,145 (as of the end of December 2023)

Source: Company Data

3.0 Operating Principle and History

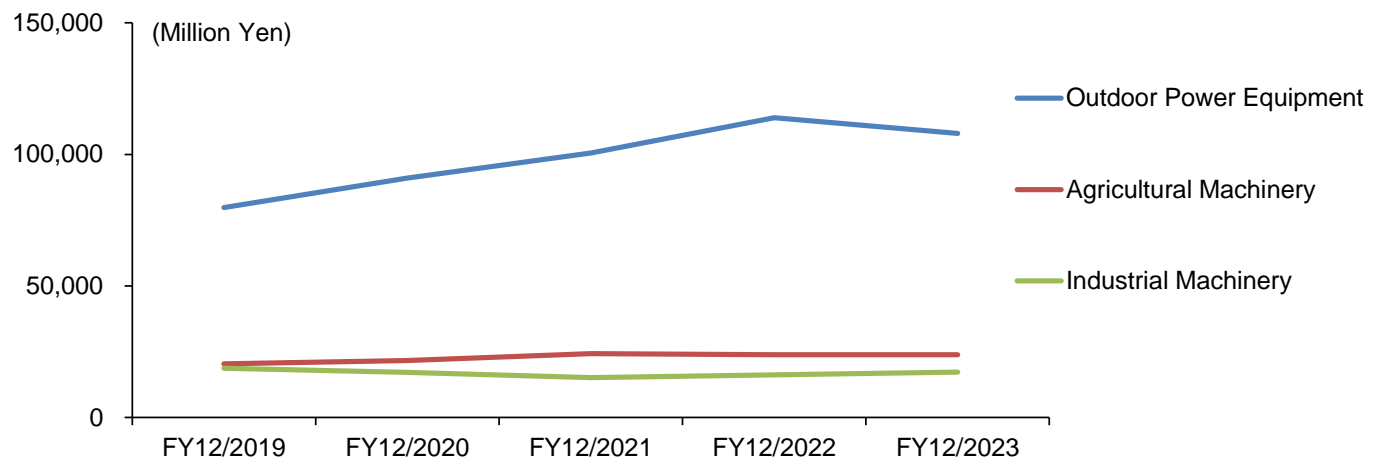
Create the Bridge that Bonds People and Nature with the Future

The Company has adopted the name YAMABIKO, the god of the mountains, as a symbol of its corporate stance with its operating principle of contributing to the cultivation and maintenance of nature and environment. At the same time, the principle also goes that we will earn trust from society and people, provide them with a positive impression, and raise their hopes with our world-leading environmental technology, our innovative, safe, and reliable professional equipment, and our services, thus contributing to creating a bright future built on harmonious co-existence with a rich natural environment.

The Raison D'etre of YAMABIKO: Create the Bridge that Bonds People and Nature with the Future



Sales by Segment



Source: Company Data

On the Outdoor Power Equipment side, the Company is advocating the cultivation and management of greenery and efforts to regenerate and create the environment, while being ahead of the needs of the times by providing products that cultivate blessing on the Agricultural Machinery side and supporting the foundation of urban structures with new earth-friendly technology on the Industrial Machinery side.

Outdoor Power Equipment: Main Products



Source: Company Data

Management Integration between KIORITZ CORPORATION and Shin-Daiwa Kogyo Co., Ltd

In the 2000s, the tightening of emission regulations, etc. led to a consolidation in the market, while it was on 1 December 2008 that the Company was formed by management integration between KIORITZ CORPORATION and Shin-Daiwa Kogyo Co., Ltd. Both of the two companies relevant in this agreement were developing and manufacturing compact engines used as source of power for handheld products represented by trimmers, chain saws and power blowers as the key earnings pillar, while each was respectively working on developing engines to meet stricter emission regulations. Meanwhile, the Company has been making progress in the management integration to date, including the above-mentioned issue of developing engines and thus it has realized synergy beyond a certain level. Further, the Company has also made progress in strengthening of its management base and the foundation for sustainable growth has been laid.

Engine-Powered Products and Battery-Powered Products

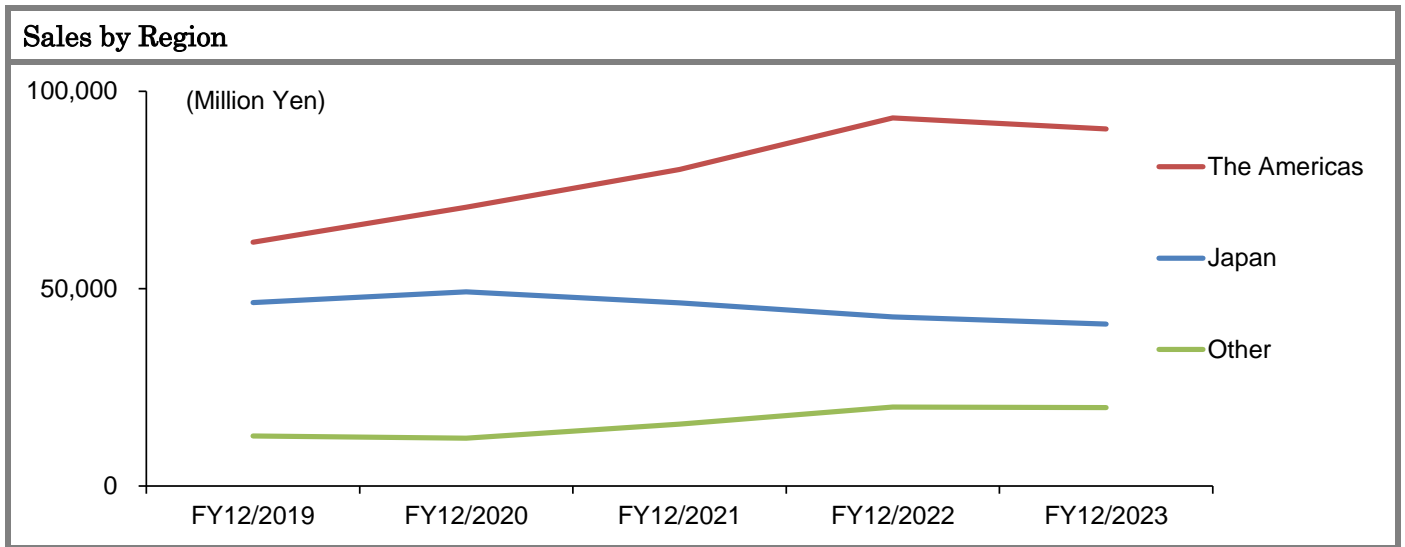
In the market for handheld trimmers, chain saws and power blowers (the main products on the Outdoor Power Equipment side), there is a noticeable trend toward a shift in power source from engine to electric motor. According to the Company, the share of so-called battery-powered products (powered by electric motor and intended for cordless/handheld use with battery) has already exceeded 50% since four to five years ago.

The Company has noted the above-mentioned operating principle, etc. in the summary of the document disclosed for Midterm Management Plan 2025 (FY12/2023 to FY12/2025) on 13 February 2023, which was followed by a reference to the Company's idea that "the transition to a decarbonized society is a major change in the business environment for our business with engine-powered products as the mainstay, but we see it as an opportunity for further growth at the same time." On top of this, the Company also goes that "we will achieve sustainable growth by contributing to the GX (Green Transformation) of society through the environmental technology we have cultivated and by continuing to propose solutions to social issues faced by the market, as well as that "we have been refining our world-class environmental technology and expanding our lineup of electric and/or hybrid products."

Meanwhile, in the explanatory material of Midterm Management Plan 2025, released on 28 February 2023, the Company advocates that it will “expand its product lineup and strengthen sales to meet increasing demand for battery-powered products amongst general users or consumers,” and that it will “continue to provide engine-powered products with superior operational efficiency and environmental performance to professional users whose operational needs cannot be met with battery-powered products.” In conclusion, the Company has set a goal of achieving “sales volume ratio of 20% for OPE battery-powered products” for FY12/2025, the final year of the plan. In this context, “OPE” is a generic term used in the North American market to refer to the Company's main products on the Outdoor Power Equipment side, i.e., handheld trimmers, chain saws and power blowers.

However, at the FY12/2024 results briefing held on the web (29 February 2024), it was revealed that it would be difficult at this stage to realize the goal of achieving “sales volume ratio of 20% for OPE battery-powered products” for FY12/2025. With respect to professional users, represented by landscapers, the Company continues to see high demand for conventional engine-powered products (which meet their needs for high performance and high output) and the shift to battery-powered products has been slower than expected, which has had a significant impact on the issue. On the other hand, with respect to so-called general users or consumers (dwellers at housing), demand is steadily picking up for battery-powered products (which are characterized by limited performance, low power, convenience and moderate prices and adopted for their own garden care such as lawn mowing by themselves). At the same time, some professional users have begun to creatively use engine-powered products and battery-powered products depending on usage environment and/or use application. Thus, the Company does spot a shift toward battery-powered products is going on for the market as a whole.

The Company intends to develop, manufacture and sell products that meet the various needs of respective users, regardless of whether they are engine-powered products or battery-powered products. In addition, the Company suggests that it has almost completed preparations for the full-scale development, manufacture and sale of battery-powered products to date, while having already begun sale of such products after securing a certain level of profitability since some time ago.



Source: Company Data

ECHO Incorporated

The Company's sales have a high exposure to the Americas in terms of sales by region, which accounted for 59.8% of total for FY12/2022 and 61.7% for FY12/2023. Meanwhile, ECHO Incorporated, the Company's subsidiary based in the United States, has sole responsibility for sales in North America. In 1972, ECHO Incorporated was established as the footing of KIORITZ CORPORATION in the United States (Northbrook, Illinois), i.e., this company has a long history of more than 50 years, having begun development of the local markets for outdoor power equipment, etc. since then. In 1973, the year to be directly followed by that of ECHO Incorporated's foundation, the oil crisis triggered by the outbreak of war in the Middle East led to a reevaluation of heating with firewood and the demand for chain saws for firewood production increased dramatically. ECHO Incorporated steadily captured such demand, which was followed by launch of the world's first handheld power blower in 1978. This is still the prototype for power blowers used around the world today. At the same time, ECHO Incorporated has continued to offer many epoch-making products to the markets of the Americas to date.

Company History

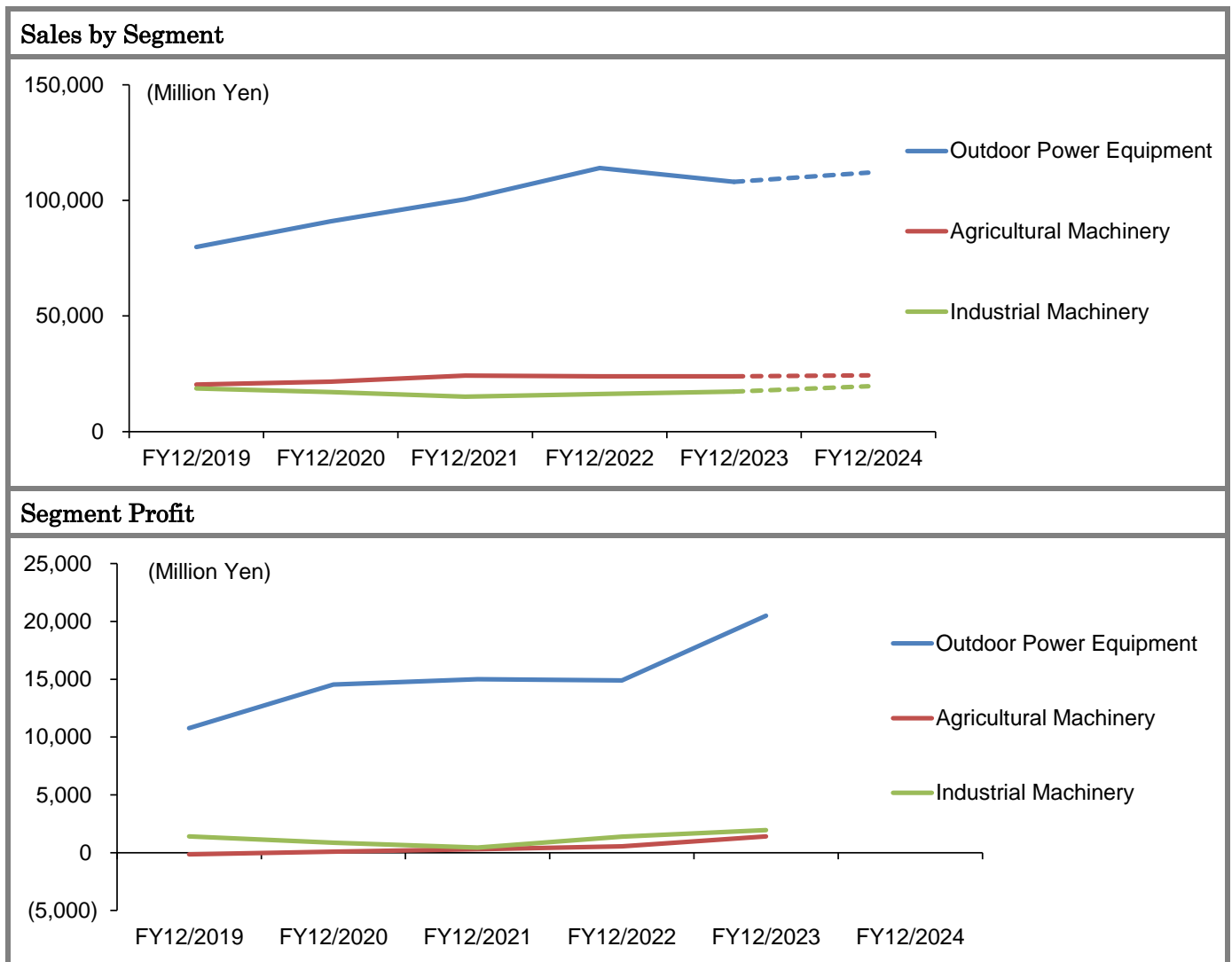
Date	Events
April 2008	KIORITZ CORPORATION and Shin-Daiwa Kogyo Co., Ltd. (Both Companies) agreed to establish a joint holding company (the Company), which will become the wholly owning parent company, through a share transfer, subject to the approval of their respective shareholders' meetings and the relevant authorities, for the sake of integrating their management.
June 2008	The general meetings of shareholders of Both Companies approved the incorporation of the Company by means of a share transfer and that Both Companies will become wholly owned subsidiaries of the Company.
December 2008	The Company was established and listed on the Tokyo Stock Exchange 1st section.
May 2009	Both Companies entered into an absorption-type merger agreement (scheduled merger date: 1 October 2009), under which the Company will be the surviving company and Both Companies will be dissolved.
October 2009	The Company merged Both Companies and transitioned from a holding company to an operating company.
April 2011	YAMABIKO Sangyo Kikai Co., Ltd. and YAMABIKO Rentex Co., Ltd. merged, with YAMABIKO Sangyo Kikai Co., Ltd. (now merged into YAMABIKO JAPAN Co., Ltd.) as the surviving company.
July 2011	Liquidated Shin-Daiwa Property LLC.
September 2011	Established a joint company 寧波奧浜動力科技有限公司 in Zhejiang, China.
March 2012	ECHO Incorporated merged with Shin-Daiwa Incorporated.
November 2012	Crary Agri-Cultural Solutions, LLC was established as a subsidiary of Crary Industries, Inc. to take over operations from a company to manufacture and sell machinery to bury agricultural drainpipes.
January 2013	Electronic Control Laboratory was established in Hiroshima-city, Hiroshima-prefecture.
January 2014	YAMABIKO VIETNAM Co., Ltd. was established in Vietnam as a subsidiary to manufacture parts for industrial machinery.
November 2014	The Company subscribed to a third-party allotment of new shares by Belrobotics SA (currently YAMABIKO Europe SA), a Belgian robotic lawnmower manufacturer, to make it a consolidated subsidiary.
December 2016	Sold and transferred all shares of Iwami Echo Co., Ltd.
January 2017	Sales function for outdoor power equipment in the market of Europe was transferred to Belrobotics SA, whose company name was changed to YAMABIKO Europe SA at the same time.
April 2017	Seven domestic sales companies, i.e., YAMABIKO Tobu Co., Ltd., YAMABIKO Hokkaido Co., Ltd., YAMABIKO Tohoku Co., Ltd., YAMABIKO Chubu Co., Ltd., YAMABIKO Seibu Co., Ltd., YAMABIKO Kyushu Co., Ltd. and YAMABIKO Sangyo Kikai Co., Ltd., merged, with YAMABIKO Tobu Co., Ltd. as the surviving company (post-merger company name: YAMABIKO JAPAN Co., Ltd.).
June 2017	Established 蘇州山彥農機有限公司 in Jiangsu, China.

January 2018	Echo Sangyo Co., Ltd. and YAMABIKO Logistics Co., Ltd. merged with Echo Sangyo Co., Ltd. as the surviving company.
December 2019	Acquired shares of Quimesis SRL and made it an equity method affiliate. Liquidated Crary Agri-Cultural Solutions, LLC.
December 2021	Concluded a capital injection and business alliance agreement with MIRAI-LABO Co., Ltd.
July 2022	Excluded Quimesis SRL out of equity method affiliates.
December 2022	Liquidated 蘇州山彥農機有限公司.

4.0 Recent Trading and Prospects

FY12/2023

For FY12/2023, sales came in at ¥151,400m (down 3.0% YoY), operating profit ¥14,230m (up 63.8%), recurring profit ¥14,066m (up 52.6%) and profit attributable to owners of parent ¥9,097m (up 44.4%). At the same time, gross profit came in at ¥47,304m (up 16.8%) and SG&A expenses ¥33,037m (up 4.0%), implying gross profit margin of 31.2% (up 5.3% points) and SG&A ratio of 21.8% (up 1.5% points), having resulted in operating profit margin of 9.4% (up 3.8% points). Meanwhile, FY12/2024 Company forecasts, announced on 13 February 2024, are going for prospective sales of ¥158,000m (up 4.4%), operating profit of ¥14,300m (up 0.5%) and operating profit margin of 9.1% (down 0.3% points).



Source: Company Data, WRJ Calculation

For FY12/2023, sales on the Outdoor Power Equipment side, the mainstay by business, were stagnating and thus the Company's sales as well. The Company suffered from a recoil reduction in demand associated with stay-at-home trend stemming from the impact of Corona disaster in the Americas as well as unfavorable weather conditions during demand season. For FY12/2022, i.e., the previous year, the Company benefited from an increase in local sales, driven by demand associated with stay-at-home trend stemming from the impact of Corona disaster, while having gone through the process of disappearing for FY12/2023. According to the Company, the restrictions imposed by Corona disaster have led to an increase in leisure time for general users or consumers (dwellers at housing), which in turn has once led to an increase in the allocation of leisure time for garden care such as lawn mowing by themselves.

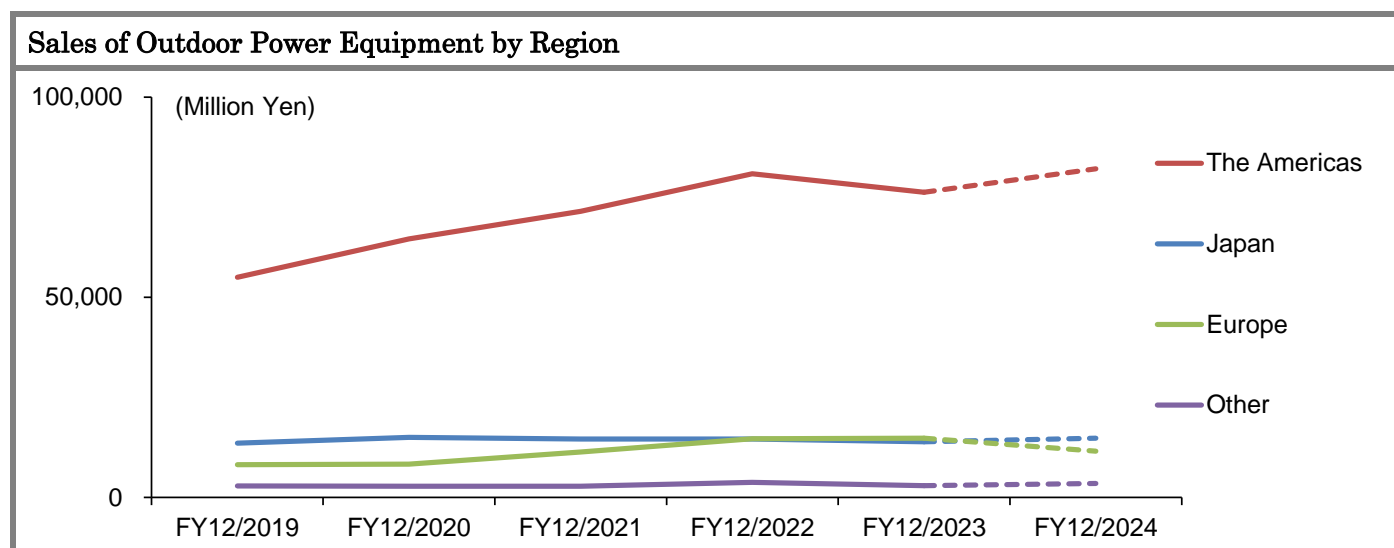
With respect to earnings for FY12/2023, however, the Company saw operating profit highest ever, driven by an improvement in gross profit margin, which was far more than compensating. As a result, the Company also saw levels highest ever for recurring profit and profit attributable to owners of parent. The Company states that it has made a steady progress in "sale of high-margin inventory built up in North America during the previous year, ongoing cost cutting and revision on selling prices in Japan and overseas."

According to the Company, the above-mentioned factor brought in net increase of ¥6,000m at the operating level versus ¥5,542m for operating profit as a whole for the Company. Meanwhile, it is also suggested that negative impact of decreased sales was roughly compensated for by positive impact of yen's depreciation, ¥3,100m and ¥2,900m, respectively, in terms of net changes at the operating level. For information, the Company saw exchange rate of ¥141 per US dollar (yen depreciated by 9.8% from ¥128 in the previous year) and ¥151 per euro (yen depreciated by 9.8% from ¥138 in the previous year).

Meanwhile, for FY12/2024, the Company is going for an increase in sales due mainly to a progress made for optimizing of inventory levels at distributors in North America, which is expected to bring in net increase of ¥2,300m at the operating level versus ¥70m for operating profit as a whole for the Company. Elsewhere, Company forecasts assume benefit from "full-year impact of revision of selling prices, a review of product mix and lower ocean freight rate" bring in net increase of ¥1,100m at the operating level. Nevertheless, the collective impact of the two positive factors is to be roughly offset by an increase in expenses stemming from aggressive investments for growth from a long-term perspective, e.g., in "developments of new business and/or new product, those of IT system and those of marketing," which is to bring in net decrease of ¥3,000m at the operating level. Company forecasts assume exchange rate of ¥140 per US dollar and ¥150 per euro, i.e., yen to marginally appreciate from the actual results for FY12/2023, with which the Company forecasts assume a rather limited impact at the operating level, equating net decrease of ¥200m.

Outdoor Power Equipment (71.3% of sales and 84.7% of segment profit)

For FY12/2023, sales on the Outdoor Power Equipment side came in at ¥107,978m (down 5.2%), segment profit ¥20,496m (up 37.6%) and segment profit margin 19.0% (up 5.9% points). By region, sales in the Americas came in at ¥76,289m (down 5.7%), sales in Japan ¥13,942m (down 4.7%), sales in Europe ¥14,800m (up 0.8%) and sales in Other ¥2,946m (down 21.4%). By the way, it is disclosed that sales in North America Market declined by 11.4% on a local currencies basis and sales in Europe Market declined by 8.5% on a local currencies basis in the explanatory material for results briefing.



Source: Company Data, WRJ Calculation

In the Americas, the mainstay by region, the main products in this segment, i.e., handheld trimmers, chain saws and power blowers, are called OPE (Outdoor Power Equipment), while there is an aspect that all those products are basically sold to so-called professional users (landscapers, etc.). At the same time, they are also sold to general users or consumers (dwellers at housing) as products for the use of garden care such as lawn mowing by themselves. The same trend is also observed in Europe and Other, but there is an aspect in Japan that the operations are basically of providing operators of farming and forestry with trimmers to cut grasses and chain saws to fell trees.

The Company states that it suffered from a negative impact of unfavorable weather conditions in North American and a part of Europe in CY2023 from spring to summer when demand picks up due to seasonal factors. In other words, it is the case in the Americas that there was an aspect of local sales on a local currencies basis having declined due to local droughts and heat waves on top of lapse of demand associated with stay-at-home trend. According to the Company, there was one more negative factor to account for the decline in sales that its direct destinations of sale, i.e., local distributors, cut back on their inventory in line with a rise in interest rate.

Meanwhile, FY12/2024 Company forecasts are going for prospective sales of ¥112,000m (up 3.7%), comprising ¥82,100m (up 7.6%) in the Americas, ¥14,800m (up 6.2%) in Japan, ¥11,600m (down 21.6%) in Europe and ¥3,500m (up 18.8%) in Other. In the Americas, the mainstay by region, sales are to rise in spite of assuming yen's appreciation on a year-on-year basis, albeit not much, and thus sales in this segment as a whole. This is attributed to a local situation that the Company has seen the level of inventory being optimized to date at distributors and another one that it sees buoyant demand for consumer-oriented services associated with landscaping. On the other hand, it takes a whole for the level of inventory to get optimized in Europe, which is the reason why sales are to stagnate in Europe.

Agricultural Machinery (15.8% of sales and 5.8% of segment profit)

For FY12/2023, sales on the Agricultural Machinery side came in at ¥23,878m (up 0.0%), segment profit ¥1,407m (up 153.5%) and segment profit margin 5.9% (up 3.6 % points). By the way, it is disclosed that sales in Japan Market came in at ¥14,989m (down 4.5%) and sales in Overseas Market came in at ¥8,888m (up 8.7% and/or up 1.8% on a local currencies basis) in the explanatory material for results briefing. In Japan Market, the Company's main operations are to manufacture and sell speed sprayers, while those of harvesters in Overseas Market, where sales in North America are the mainstay. Meanwhile, FY12/2024 Company forecasts are going for prospective sales of ¥24,300m (up 1.8%).

In Japan Market, sales of speed sprayers, the mainstay by product, declined, but the weakness from here with respect to sales was compensated for by strength in Overseas Market due mainly to yen's depreciation. It was the case for speed sprayers in Japan Market, the mainstay by product in there, that the Company had suspended sale for a while for the sake of improving safety. As the Japanese farming population ages, the number of accidents caused by mishandling of various types of machinery is on the rise. In light of this, the Company has begun to equip its speed sprayers with safety bars to prevent accidents set as default. Despite this, the Company saw a favorable improvement in segment profit margin, which is due mainly to success of revision on selling prices.

Industrial Machinery (11.4% of sales and 8.0% of segment profit)

For FY12/2023, sales on the Industrial Machinery side came in at ¥17,296m (up 6.4%), segment profit ¥1,943m (up 40.7%) and segment profit margin 11.2% (up 2.7% points). By the way, it is disclosed that sales in Japan Market came in at ¥9,851m (down 5.7%) and sales in Overseas Market came in at ¥7,445m (up 28.0% and/or up 21.5% on a local currencies basis) in the explanatory material for results briefing. In this segment, the Company's main operations are to manufacture and sell machinery used at construction sites and event venues. Meanwhile, FY12/2024 Company forecasts are going for prospective sales of ¥19,600m (up 13.3%).

The Company saw a significant increase in sales on a local currencies basis in Overseas Market, which was due mainly to surging sales of generators used at event venues, etc. in North America to account for the bulk of sales in Overseas Market. According to the Company, the strength is to persist for FY12/2024, which is expected to accelerate sales growth rate in this segment as a whole. In North America, so-called entertainment-related events have been resumed in earnest and thus demand associated with this move in various aspects, while the Company is continuing to take various measures to ensure that it can continue to capture this robust demand. Meanwhile, the strength in sales, combined with positive impact of successful revision on selling prices resulted in a favorable improvement in segment profit margin for FY12/2023, according to the Company.

For instance, in North America, accounting for the bulk of sales in Overseas Market, the Company has developed a major local operator of rental business for generators as direct destination of sale or customer. Meanwhile, the Company plans to begin assembling large-sized generators at an adjacent site across the street in view of ECHO Incorporated (Northbrook, Illinois), which is in charge of comprehensive local sales, with an objective of cutting back on freight costs from factory based in Japan, etc. The Company is now trying to develop the operations on the Industrial Machinery side as the growth pillar, second only to those of the Outdoor Power Equipment side, the mainstay at the moment.

FY12/2023 Company Forecasts and Actual Results

Consolidated Fiscal Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
FY12/2023CoE	13-Feb-23	Q4 Results	157,000	13,500	12,800	8,300
FY12/2023CoE	12-May-23	Q1 Results	157,000	13,500	12,800	8,300
FY12/2023CoE	10-Aug-23	Q2 Results	147,000	12,500	12,200	7,600
		Amount of Gap	(10,000)	(1,000)	(600)	(700)
		Rate of Gap	(6.4%)	(7.4%)	(4.7%)	(8.4%)
FY12/2023CoE	13-Nov-23	Q3 Results	150,000	13,500	13,200	8,600
		Amount of Gap	3,000	1,000	1,000	1,000
		Rate of Gap	2.0%	8.0%	8.2%	13.2%
FY12/2023Act	13-Feb-24	Q4 Results	151,400	14,230	14,066	9,097
		Amount of Gap	1,400	730	866	497
		Rate of Gap	0.9%	5.4%	6.6%	5.8%
FY12/2023CoE	13-Feb-23	Q4 Results	157,000	13,500	12,800	8,300
FY12/2023Act	13-Feb-24	Q4 Results	151,400	14,230	14,066	9,097
		Amount of Gap	(5,600)	730	1,266	797
		Rate of Gap	(3.6%)	5.4%	9.9%	9.6%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q1 to Q2 FY12/2023CoE	13-Feb-23	Q4 Results	84,000	8,400	8,000	5,400
Q1 to Q2 FY12/2023CoE	12-May-23	Q1 Results	84,000	9,600	9,000	6,200
		Amount of Gap	0	1,200	1,000	800
		Rate of Gap	0.0%	14.3%	12.5%	14.8%
Q1 to Q2 FY12/2023Act	10-Aug-23	Q2 Results	80,153	10,224	10,630	6,718
		Amount of Gap	(3,847)	624	1,630	518
		Rate of Gap	(4.6%)	6.5%	18.1%	8.4%
Q1 to Q2 FY12/2023CoE	13-Feb-23	Q4 Results	84,000	8,400	8,000	5,400
Q1 to Q2 FY12/2023Act	10-Aug-23	Q2 Results	80,153	10,224	10,630	6,718
		Amount of Gap	(3,847)	1,824	2,630	1,318
		Rate of Gap	(4.6%)	21.7%	32.9%	24.4%
Consolidated Half Year (Million Yen)	Date	Event	Sales	Operating Profit	Recurring Profit	Profit Attributable to Owners of Parent
Q3 to Q4 FY12/2023CoE	13-Feb-23	Q4 Results	73,000	5,100	4,800	2,900
Q3 to Q4 FY12/2023CoE	12-May-23	Q1 Results	73,000	3,900	3,800	2,100
		Amount of Gap	0	(1,200)	(1,000)	(800)
		Rate of Gap	0.0%	(23.5%)	(20.8%)	(27.6%)
Q3 to Q4 FY12/2023CoE	10-Aug-23	Q2 Results	66,847	2,276	1,570	882
		Amount of Gap	(6,153)	(1,624)	(2,230)	(1,218)
		Rate of Gap	(8.4%)	(41.6%)	(58.7%)	(58.0%)
Q3 to Q4 FY12/2023CoE	13-Nov-23	Q3 Results	69,847	3,276	2,570	1,882
		Amount of Gap	3,000	1,000	1,000	1,000
		Rate of Gap	4.5%	43.9%	63.7%	113.4%
Q3 to Q4 FY12/2023Act	13-Feb-24	Q4 Results	71,247	4,006	3,436	2,379
		Amount of Gap	1,400	730	866	497
		Rate of Gap	2.0%	22.3%	33.7%	26.4%
Q3 to Q4 FY12/2023CoE	13-Feb-23	Q4 Results	73,000	5,100	4,800	2,900
Q3 to Q4 FY12/2023Act	13-Feb-24	Q4 Results	71,247	4,006	3,436	2,379
		Amount of Gap	(1,753)	(1,094)	(1,364)	(521)
		Rate of Gap	(2.4%)	(21.5%)	(28.4%)	(18.0%)

Source: Company Data, WRJ Calculation

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	Q1 to Q4	Net Chg.
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	Net Chg.
Sales	35,348	79,640	121,610	156,159	38,861	80,153	117,821	151,400	151,400	(4,759)
Cost of Sales	25,139	58,067	88,576	115,664	25,062	53,863	80,146	104,095	104,095	(11,569)
Gross Profit	10,208	21,573	33,034	40,495	13,799	26,289	37,675	47,304	47,304	+6,809
SG&A Expenses	7,237	15,205	23,558	31,806	7,772	16,065	24,421	33,073	33,073	+1,267
Operating Profit	2,970	6,367	9,475	8,688	6,026	10,224	13,253	14,230	14,230	+5,542
Non Operating Balance	573	1,201	1,547	529	(113)	406	543	(164)	(164)	(693)
Recurring Profit	3,543	7,568	11,022	9,217	5,913	10,630	13,796	14,066	14,066	+4,849
Extraordinary Balance	13	14	15	(457)	16	(515)	(790)	(693)	(693)	(236)
Profit before Income Taxes	3,556	7,582	11,037	8,760	5,929	10,115	13,006	13,373	13,373	+4,613
Total Income Taxes	758	1,731	2,838	2,461	2,098	3,396	3,954	4,276	4,276	+1,815
Profit Attributable to Owners of Parent	2,797	5,850	8,198	6,299	3,831	6,718	9,051	9,097	9,097	+2,798
Sales YoY	(7.4%)	+4.2%	+8.2%	+9.7%	+9.9%	+0.6%	(3.1%)	(3.0%)	(3.0%)	-
Operating Profit YoY	(14.3%)	(7.2%)	(3.7%)	(6.9%)	+102.9%	+60.6%	+39.9%	+63.8%	+63.8%	-
Recurring Profit YoY	(10.2%)	+4.2%	+7.2%	(7.0%)	+66.9%	+40.5%	+25.2%	+52.6%	+52.6%	-
Profit Attributable to Owners of Parent YoY	(2.4%)	+8.5%	+6.1%	(16.0%)	+36.9%	+14.8%	+10.4%	+44.4%	+44.4%	-
Gross Profit Margin	28.9%	27.1%	27.2%	25.9%	35.5%	32.8%	32.0%	31.2%	31.2%	+5.3%
SG&A Ratio	20.5%	19.1%	19.4%	20.4%	20.0%	20.0%	20.7%	21.8%	21.8%	+1.5%
Operating Profit Margin	8.4%	8.0%	7.8%	5.6%	15.5%	12.8%	11.2%	9.4%	9.4%	+3.8%
Recurring Profit Margin	10.0%	9.5%	9.1%	5.9%	15.2%	13.3%	11.7%	9.3%	9.3%	+3.4%
Profit Attributable to Owners of Parent Margin	7.9%	7.3%	6.7%	4.0%	9.9%	8.4%	7.7%	6.0%	6.0%	+2.0%
Total Income Taxes / Profit before Income Taxes	21.3%	22.8%	25.7%	28.1%	35.4%	33.6%	30.4%	32.0%	32.0%	+3.9%

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	Q4	Net Chg.
(Million Yen)	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	Net Chg.
Sales	35,348	44,292	41,970	34,549	38,861	41,292	37,668	33,579	33,579	(970)
Cost of Sales	25,139	32,928	30,509	27,088	25,062	28,801	26,283	23,949	23,949	(3,139)
Gross Profit	10,208	11,365	11,461	7,461	13,799	12,490	11,386	9,629	9,629	+2,168
SG&A Expenses	7,237	7,968	8,353	8,248	7,772	8,293	8,356	8,652	8,652	+404
Operating Profit	2,970	3,397	3,108	(787)	6,026	4,198	3,029	977	977	+1,764
Non Operating Balance	573	628	346	(1,018)	(113)	519	137	(707)	(707)	+311
Recurring Profit	3,543	4,025	3,454	(1,805)	5,913	4,717	3,166	270	270	+2,075
Extraordinary Balance	13	1	1	(472)	16	(531)	(275)	97	97	+569
Profit before Income Taxes	3,556	4,026	3,455	(2,277)	5,929	4,186	2,891	367	367	+2,644
Total Income Taxes	758	973	1,107	(377)	2,098	1,298	558	322	322	+699
Profit Attributable to Owners of Parent	2,797	3,053	2,348	(1,899)	3,831	2,887	2,333	46	46	+1,945
Sales YoY	(7.4%)	+15.8%	+16.5%	+15.6%	+9.9%	(6.8%)	(10.3%)	(2.8%)	(2.8%)	-
Operating Profit YoY	(14.3%)	+0.0%	+4.5%	-	+102.9%	+23.6%	(2.5%)	-	-	-
Recurring Profit YoY	(10.2%)	+21.4%	+14.3%	-	+66.9%	+17.2%	(8.3%)	-	-	-
Profit Attributable to Owners of Parent YoY	(2.4%)	+20.8%	+0.6%	-	+36.9%	(5.4%)	(0.6%)	-	-	-
Gross Profit Margin	28.9%	25.7%	27.3%	21.6%	35.5%	30.2%	30.2%	28.7%	28.7%	+7.1%
SG&A Ratio	20.5%	18.0%	19.9%	23.9%	20.0%	20.1%	22.2%	25.8%	25.8%	+1.9%
Operating Profit Margin	8.4%	7.7%	7.4%	(2.3%)	15.5%	10.2%	8.0%	2.9%	2.9%	+5.2%
Recurring Profit Margin	10.0%	9.1%	8.2%	(5.2%)	15.2%	11.4%	8.4%	0.8%	0.8%	+6.0%
Profit Attributable to Owners of Parent Margin	7.9%	6.9%	5.6%	(5.5%)	9.9%	7.0%	6.2%	0.1%	0.1%	+5.6%
Total Income Taxes / Profit before Income Taxes	21.3%	24.2%	32.0%	16.6%	35.4%	31.0%	19.3%	87.7%	87.7%	+71.2%

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		
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023		
Outdoor Power Equipment	25,300	58,350	88,730	113,946	28,892	58,913	84,380	107,978		(5,968)
Agricultural Machinery	5,807	13,009	19,802	23,877	5,222	12,029	19,257	23,878		+1
Industrial Machinery	3,785	7,309	11,634	16,257	4,347	8,286	12,735	17,296		+1,039
Other	454	969	1,443	2,077	398	924	1,447	2,246		+169
Sales	35,348	79,640	121,610	156,159	38,861	80,153	117,821	151,400		(4,759)
Outdoor Power Equipment	4,380	9,128	13,539	14,897	7,518	13,161	17,123	20,496		+5,599
Agricultural Machinery	168	468	861	555	229	779	1,546	1,407		+852
Industrial Machinery	288	555	931	1,381	666	1,036	1,609	1,943		+562
Other	99	173	266	268	34	169	285	357		+89
Segment Profit	4,935	10,324	15,597	17,101	8,447	15,145	20,563	24,203		+7,102
Common Expenses	(1,965)	(3,957)	(6,124)	(8,413)	(2,422)	(4,922)	(7,311)	(9,973)		(1,560)
Operating Profit	2,970	6,367	9,475	8,688	6,026	10,224	13,253	14,230		+5,542
Outdoor Power Equipment	17.3%	15.6%	15.3%	13.1%	26.0%	22.3%	20.3%	19.0%		+5.9%
Agricultural Machinery	2.9%	3.6%	4.3%	2.3%	4.4%	6.5%	8.0%	5.9%		+3.6%
Industrial Machinery	7.6%	7.6%	8.0%	8.5%	15.3%	12.5%	12.6%	11.2%		+2.7%
Other	21.8%	17.9%	18.4%	12.9%	8.5%	18.3%	19.7%	15.9%		+3.0%
Common Expenses	(5.6%)	(5.0%)	(5.0%)	(5.4%)	(6.2%)	(6.1%)	(6.2%)	(6.6%)		(1.2%)
Operating Profit Margin	8.4%	8.0%	7.8%	5.6%	15.5%	12.8%	11.2%	9.4%		+3.8%

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		
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023		
Outdoor Power Equipment	25,300	33,050	30,380	25,216	28,892	30,021	25,467	23,598		(1,618)
Agricultural Machinery	5,807	7,202	6,793	4,075	5,222	6,807	7,228	4,621		+546
Industrial Machinery	3,785	3,524	4,325	4,623	4,347	3,939	4,449	4,561		(62)
Other	454	515	474	634	398	526	523	799		+165
Sales	35,348	44,292	41,970	34,549	38,861	41,292	37,668	33,579		(970)
Outdoor Power Equipment	4,380	4,748	4,411	1,358	7,518	5,643	3,962	3,373		+2,015
Agricultural Machinery	168	300	393	(306)	229	550	767	(139)		+167
Industrial Machinery	288	267	376	450	666	370	573	334		(116)
Other	99	74	93	2	34	135	116	72		+70
Segment Profit	4,935	5,389	5,273	1,504	8,447	6,698	5,418	3,640		+2,136
Common Expenses	(1,965)	(1,992)	(2,167)	(2,289)	(2,422)	(2,500)	(2,389)	(2,662)		(373)
Operating Profit	2,970	3,397	3,108	(787)	6,026	4,198	3,029	977		+1,764
Outdoor Power Equipment	17.3%	14.4%	14.5%	5.4%	26.0%	18.8%	15.6%	14.3%		+8.9%
Agricultural Machinery	2.9%	4.2%	5.8%	(7.5%)	4.4%	8.1%	10.6%	(3.0%)		+4.5%
Industrial Machinery	7.6%	7.6%	8.7%	9.7%	15.3%	9.4%	12.9%	7.3%		(2.4%)
Other	21.8%	14.4%	19.6%	0.3%	8.5%	25.7%	22.2%	9.0%		+8.7%
Common Expenses	(5.6%)	(4.5%)	(5.2%)	(6.6%)	(6.2%)	(6.1%)	(6.3%)	(7.9%)		(1.3%)
Operating Profit Margin	8.4%	7.7%	7.4%	(2.3%)	15.5%	10.2%	8.0%	2.9%		+5.2%

Source: Company Data, WRJ Calculation

Outdoor Power Equipment (Cumulative / Quarterly)

Outdoor Power Equipment	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	Q1 to Q4	Net Chg.
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	
Japan	3,438	7,757	12,157	14,628	3,526	7,530	11,359	13,942	13,942	(686)
The Americas	17,355	41,522	62,846	80,885	20,285	41,963	59,880	76,289	76,289	(4,596)
Europe	3,904	7,556	11,222	14,684	4,317	7,950	11,013	14,800	14,800	+116
Other	602	1,514	2,504	3,748	762	1,468	2,127	2,946	2,946	(802)
Sales	25,300	58,350	88,730	113,946	28,892	58,913	84,380	107,978	107,978	(5,968)
Japan	(7.1%)	(4.2%)	+0.5%	+0.2%	+2.6%	(2.9%)	(6.6%)	(4.7%)	(4.7%)	-
The Americas	(9.6%)	+6.7%	+11.8%	+13.1%	+16.9%	+1.1%	(4.7%)	(5.7%)	(5.7%)	-
Europe	+22.0%	+30.3%	+26.1%	+28.8%	+10.6%	+5.2%	(1.9%)	+0.8%	+0.8%	-
Other	+20.4%	+16.5%	+25.2%	+33.9%	+26.6%	(3.0%)	(15.1%)	(21.4%)	(21.4%)	-
Sales (YoY)	(5.6%)	+7.5%	+11.8%	+13.5%	+14.2%	+1.0%	(4.9%)	(5.2%)	(5.2%)	-
Japan	13.6%	13.3%	13.7%	12.8%	12.2%	12.8%	13.5%	12.9%	12.9%	-
The Americas	68.6%	71.2%	70.8%	71.0%	70.2%	71.2%	71.0%	70.7%	70.7%	-
Europe	15.4%	12.9%	12.6%	12.9%	14.9%	13.5%	13.1%	13.7%	13.7%	-
Other	2.4%	2.6%	2.8%	3.3%	2.6%	2.5%	2.5%	2.7%	2.7%	-
Sales (composition ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-
Outdoor Power Equipment	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	Q4	Net Chg.
	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	
Japan	3,438	4,319	4,400	2,471	3,526	4,004	3,829	2,583	2,583	+112
The Americas	17,355	24,167	21,324	18,039	20,285	21,678	17,917	16,409	16,409	(1,630)
Europe	3,904	3,652	3,666	3,462	4,317	3,633	3,063	3,787	3,787	+325
Other	602	912	990	1,244	762	706	659	819	819	(425)
Sales	25,300	33,050	30,380	25,216	28,892	30,021	25,467	23,598	23,598	(1,618)
Japan	(7.1%)	(1.8%)	+10.0%	(1.2%)	+2.6%	(7.3%)	(13.0%)	+4.5%	+4.5%	-
The Americas	(9.6%)	+22.7%	+23.3%	+17.9%	+16.9%	(10.3%)	(16.0%)	(9.0%)	(9.0%)	-
Europe	+22.0%	+40.5%	+18.3%	+38.5%	+10.6%	(0.5%)	(16.4%)	+9.4%	+9.4%	-
Other	+20.4%	+14.0%	+41.4%	+55.5%	+26.6%	(22.6%)	(33.4%)	(34.2%)	(34.2%)	-
Sales (YoY)	(5.6%)	+20.2%	+21.0%	+20.1%	+14.2%	(9.2%)	(16.2%)	(6.4%)	(6.4%)	-
Japan	13.6%	13.1%	14.5%	9.8%	12.2%	13.3%	15.0%	10.9%	10.9%	-
The Americas	68.6%	73.1%	70.2%	71.5%	70.2%	72.2%	70.4%	69.5%	69.5%	-
Europe	15.4%	11.0%	12.1%	13.7%	14.9%	12.1%	12.0%	16.0%	16.0%	-
Other	2.4%	2.8%	3.3%	4.9%	2.6%	2.4%	2.6%	3.5%	3.5%	-
Sales (composition ratio)	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	-

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
	Q1 12/2022	Q2 12/2022	Q3 12/2022	Q4 12/2022	Q1 12/2023	Q2 12/2023	Q3 12/2023	Q4 12/2023	Q4 12/2023	Net Chg.
Cash and Deposit	11,512	13,593	15,636	14,404	14,132	13,979	12,896	12,400	12,400	(2,004)
Accounts Receivables	37,690	44,299	41,949	31,742	38,620	38,836	35,524	31,851	31,851	+109
Merchandise and Finished Goods	30,970	33,446	32,349	31,752	33,622	34,014	33,107	31,572	31,572	(180)
Work in Process	2,562	3,089	3,430	4,642	3,423	2,776	2,786	3,269	3,269	(1,373)
Raw Materials and Supplies	21,212	23,150	23,746	19,359	18,725	19,128	18,644	16,619	16,619	(2,740)
Other	1,511	2,333	2,853	3,660	1,743	2,408	2,570	2,734	2,734	(926)
Current Assets	105,457	119,910	119,963	105,559	110,265	111,141	105,527	98,445	98,445	(7,114)
Tangible Assets	25,648	26,470	26,838	25,975	26,014	26,303	26,101	25,044	25,044	(931)
Intangible Assets	578	670	845	996	1,190	1,373	1,506	1,629	1,629	+633
Investments and Other Assets	8,667	9,221	8,561	8,667	7,722	8,223	8,217	9,442	9,442	+775
Fixed Assets	34,894	36,362	36,245	35,639	34,926	35,899	35,825	36,116	36,116	+477
Total Assets	140,352	156,273	156,208	141,198	145,192	147,041	141,353	134,562	134,562	(6,636)
Accounts Payables	28,846	29,427	23,975	21,288	21,502	22,646	20,919	18,675	18,675	(2,613)
Short Term Debt	13,172	18,289	21,912	17,019	18,909	11,695	7,288	6,030	6,030	(10,989)
Current Portion of Long-term Debt	903	3,637	4,299	4,257	8,806	6,703	6,903	6,903	6,903	+2,646
Other	11,957	15,052	13,254	10,969	10,099	13,370	11,826	9,886	9,886	(1,083)
Current Liabilities	54,878	66,405	63,440	53,533	59,316	54,414	46,936	41,494	41,494	(12,039)
Long Term Debt	11,247	8,800	8,300	8,100	2,900	3,000	2,800	2,800	2,800	(5,300)
Other	2,504	2,402	2,506	2,191	2,461	2,596	2,435	2,579	2,579	+388
Fixed Liabilities	13,751	11,202	10,806	10,291	5,361	5,596	5,235	5,379	5,379	(4,912)
Total Liabilities	68,630	77,608	74,246	63,825	64,677	60,011	52,171	46,874	46,874	(16,951)
Shareholders' Equity	66,342	69,483	70,747	68,847	71,595	74,582	75,347	75,393	75,393	+6,546
Other	5,379	9,181	11,215	8,526	8,919	12,448	13,835	12,294	12,294	+3,768
Net Assets	71,721	78,664	81,962	77,373	80,514	87,030	89,182	87,687	87,687	+10,314
Total Liabilities & Net Assets	140,352	156,273	156,208	141,198	145,192	147,041	141,353	134,562	134,562	(6,636)
Equity Capital	71,721	78,664	81,962	77,373	80,514	87,030	89,182	87,687	87,687	+10,314
Interest Bearing Debt	25,322	30,726	34,511	29,376	30,615	21,398	16,991	15,733	15,733	(13,643)
Net Debt	13,810	17,133	18,875	14,972	16,483	7,419	4,095	3,333	3,333	(11,639)
Equity Ratio	51.1%	50.3%	52.5%	54.8%	55.5%	59.2%	63.1%	65.2%	65.2%	-
Net Debt Equity Ratio	19.3%	21.8%	23.0%	19.4%	20.5%	8.5%	4.6%	3.8%	3.8%	-
ROE (12 months)	11.0%	11.1%	10.6%	8.6%	9.6%	8.7%	8.4%	11.0%	11.0%	-
ROA (12 months)	7.4%	7.4%	7.7%	7.0%	8.1%	8.1%	8.1%	10.2%	10.2%	-
Days for Inventory Turnover	198	165	178	187	203	177	189	196	196	-
Quick Ratio	90%	87%	91%	86%	89%	97%	103%	107%	107%	-
Current Ratio	192%	181%	189%	197%	186%	204%	225%	237%	237%	-

Source: Company Data, WRJ Calculation

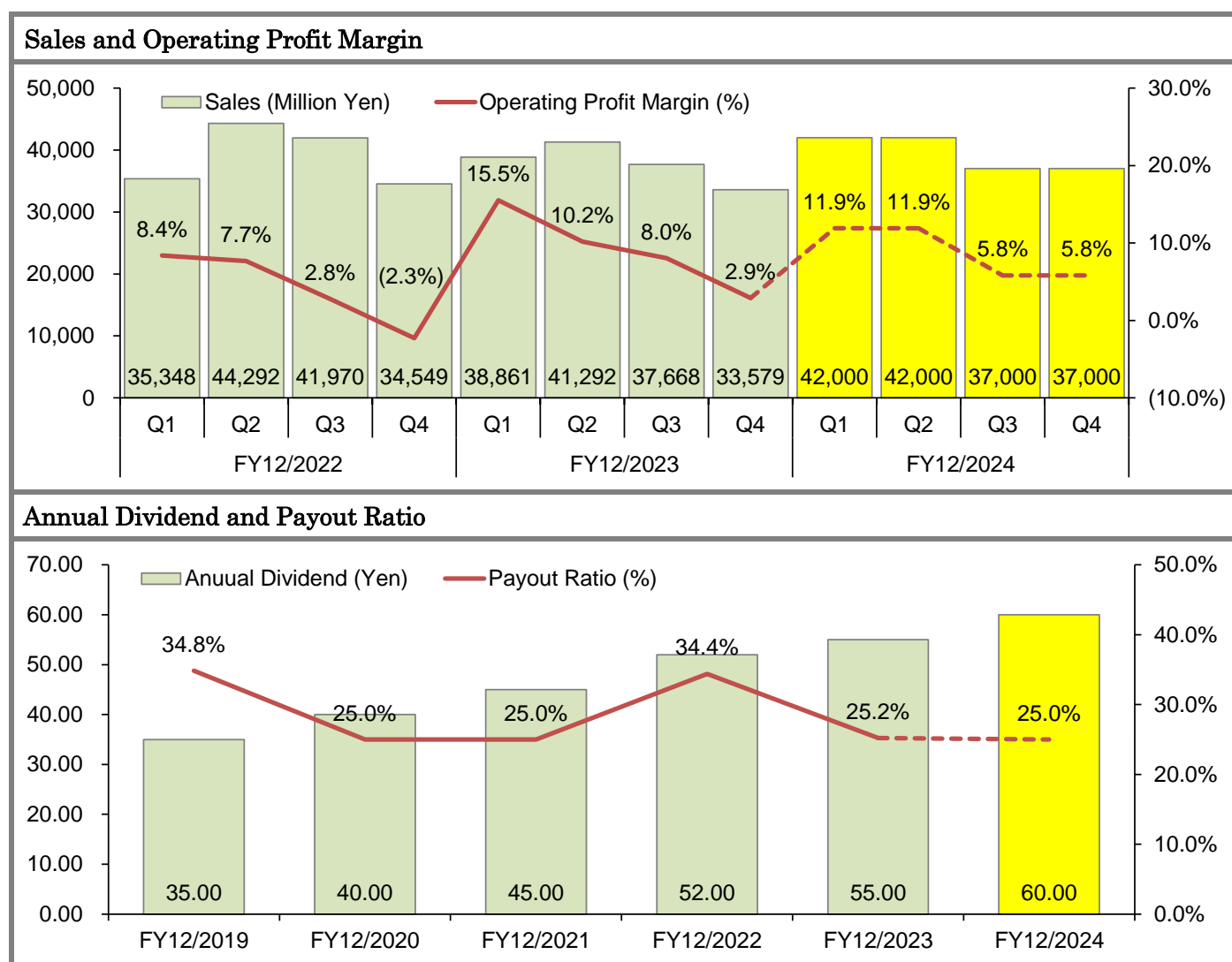
Cash Flow Statement (Cumulative / Quarterly)

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	YoY
	Q1 12/2022	Q1 to Q2 12/2022	Q1 to Q3 12/2022	Q1 to Q4 12/2022	Q1 12/2023	Q1 to Q2 12/2023	Q1 to Q3 12/2023	Q1 to Q4 12/2023	Q4 12/2023	Net Chg.
Operating Cash Flow	(7,872)	(9,333)	(8,853)	(5,150)	774	11,877	17,718	19,255	19,255	+24,405
Investing Cash Flow	(917)	(1,989)	(2,755)	(3,753)	(1,058)	(2,318)	(3,353)	(3,646)	(3,646)	+107
Operating Cash Flow and Investing Cash Flow	(8,789)	(11,322)	(11,608)	(8,903)	(284)	9,559	14,365	15,609	15,609	+24,512
Financing Cash Flow	8,034	12,005	14,102	10,546	(24)	(10,389)	(16,432)	(17,958)	(17,958)	(28,504)
Cash Flow 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	Q4	YoY
12/2022	12/2022	12/2022	12/2022	12/2022	12/2023	12/2023	12/2023	12/2023	12/2023	Net Chg.
Operating Cash Flow	(7,872)	(1,461)	480	3,703	774	11,103	5,841	1,537	1,537	(4,252)
Investing Cash Flow	(917)	(1,072)	(766)	(998)	(1,058)	(1,260)	(1,035)	(293)	(293)	+796
Operating Cash Flow and Investing Cash Flow	(8,789)	(2,533)	(286)	2,705	(284)	9,843	4,806	1,244	1,244	(3,456)
Financing Cash Flow	8,034	3,971	2,097	(3,556)	(24)	(10,365)	(6,043)	(1,526)	(1,526)	+2,590

Source: Company Data, WRJ Calculation

FY12/2024 Company Forecasts

FY12/2024 Company forecasts, announced on 13 February 2024, are going for prospective sales of ¥158,000m (up 4.4% YoY), operating profit of ¥14,300m (up 0.5%), recurring profit of ¥13,800m (down 1.9%) and profit attributable to owners of parent of ¥10,000m (up 9.9%), while operating profit margin of 9.1% (down 0.3% points). The improvement at the extraordinary level is attributed to the fact that ¥861m of loss on liquidation of subsidiaries and affiliates, which was posted as extraordinary loss for FY12/2023, has run its course.



Source: Company Data, WRJ Calculation (quarters of FY12/2024: half-year Company forecasts, pro rata)

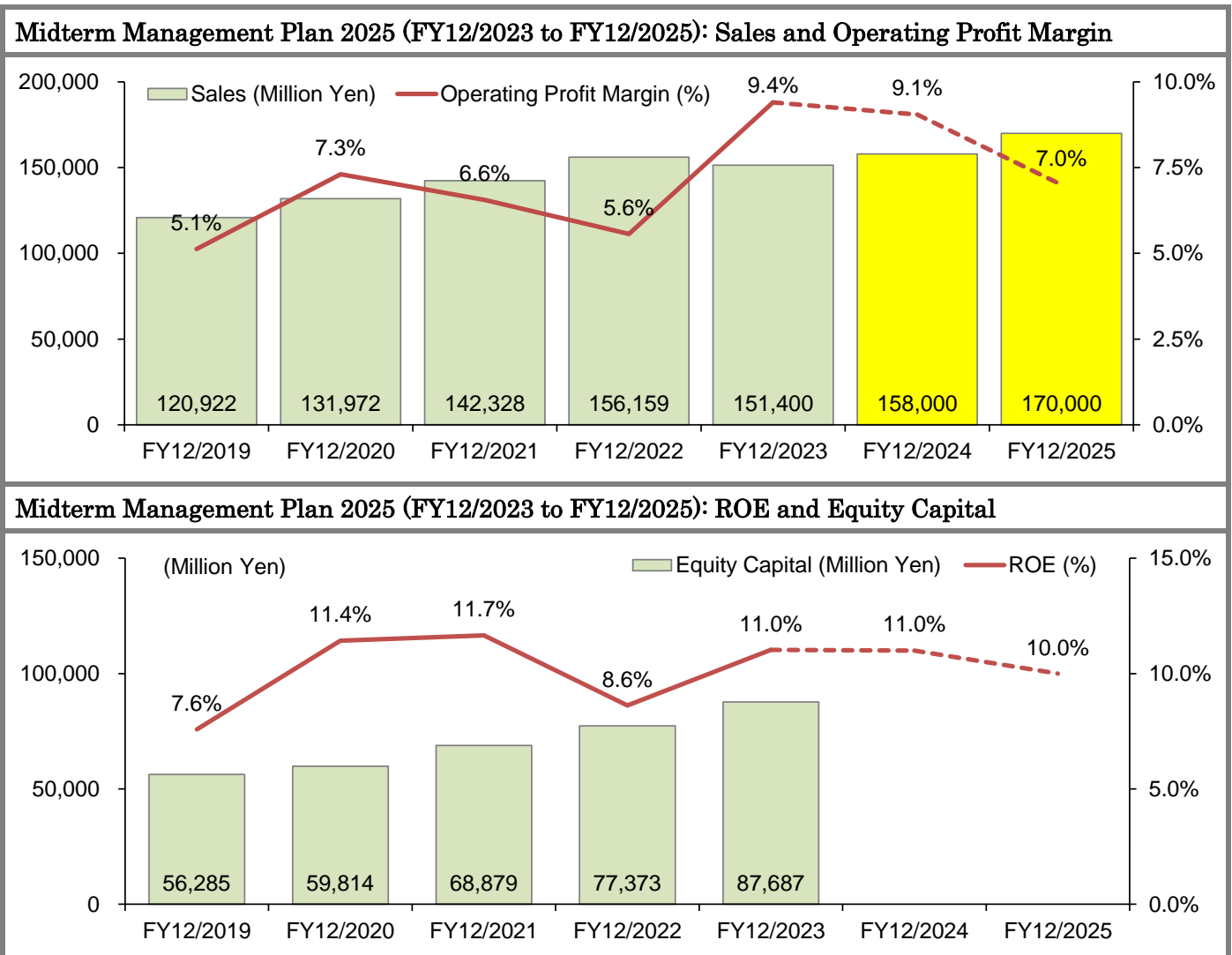
Meanwhile, FY12/2024 Company forecasts are going for planned annual dividend of ¥60.00, implying payout ratio of 25.0%, which means that the Company plans to increase its dividend for the fifth consecutive year, when setting ¥35.00, implying payout ratio of 34.8%, for FY12/2019, as the point of origin. The Company's dividend policy is to "maintain stable dividend based on past dividend performance," while this is the case in fact. As far as we could see, the term "stable" in this context reflects the Company's desire to pay ever-increasing dividend with a stability in order to proactively and steadily accomplish consistent expansion of shareholder return, rather than simply corresponding to changes in earnings every year with a stability, i.e., just maintaining a fixed payout ratio.

Furthermore, on 13 February 2024, the Company announced that it planned to repurchase its own shares (repurchase period: from 1 March 2024 to 30 August 2024). According to the Company, it has decided to repurchase up to 300,000 shares (for a total repurchase amount of ¥600m), which is equivalent to 0.72% of the total number of shares outstanding (excluding treasury shares), with “a view to enhancing corporate value over the long-term,” while the repurchase has already begun to date. The resulting reduction in equity capital is expected to raise capital efficiency and the Company expects to make progress in increasing its corporate value by this amount. By the way, the said repurchase appears to have another aspect of reflecting the Company's desire to strengthen shareholder return even more than before.

In the past, the Company repurchased its own shares (317,000 shares at ¥480m in September 2023) for the purpose of establishing Share-based Compensation Plan for Directors and Other, which was the first one since the foundation. Meanwhile, the above-mentioned one is the first being implemented with “a view to enhancing corporate value over the long-term,” according to the Company.

Long-Term Prospects

The Company has disclosed its long-term business outlook as vision for FY12/2030, calling for prospective sales of ¥250,000m for FY12/2030, implying CAGR of 7.4%, when setting the actual results for FY12/2023 as the point of origin, by means of propelling “growth in existing domains and monetization of new business.” The Company suggests that it has begun to make changes to ensure future growth since around FY12/2020 and FY12/2021. Meanwhile, the Company has positioned the period of Midterm Management Plan 2025 (FY12/2023 to FY12/2025), announced on 13 February 2023, as a period of transformation to achieve the above-mentioned vision (promoting transformation with "speedy execution" and establishing new pillars of business). By the way, the midterm management plan is calling for prospective sales of ¥170,000m, operating profit margin of 7% and ROE of 10% for FY12/2025, the final year of the plan.



Source: Company Data, WRJ Calculation

The Midterm Management Plan 2025 assumes exchange rate of ¥130 per US dollar and ¥140 per euro. For FY12/2023, the first year of the plan, yen was weaker than assumed, which is one of the key factors to have realized earnings better than assumed (i.e., better than assumptions of FY12/2023 initial Company forecasts). The Company saw a shortfall by ¥5,600m (3.6%) in sales but an overshoot by ¥730m (5.4%) in operating profit. So far, the Company has left the above-mentioned target of performance for FY12/2025, the final year of the plan, while having mentioned that it aimed to ROE of more than 10% for FY12/2025, the final year of the plan, at the FY12/2023 results briefing held on 29 February 2024.

Midterm Management Plan 2025 (FY12/2023 to FY12/2025): Targets and Results					
		FY12/2022	FY12/2023	FY12/2024	FY12/2025
Midterm Management Plan 2025	Sales (Million Yen)	-	-	-	170,000
	Operating Profit Margin (%)	-	-	-	7.0%
	ROE (%)	-	-	-	10.0%
	yen per US dollar	-	-	-	130
	yen per euro	-	-	-	140
Actual Results	Sales (Million Yen)	156,159	151,400	-	-
	Operating Profit Margin (%)	5.6%	9.4%	-	-
	ROE (%)	8.6%	11.0%	-	-
	yen per US dollar	128	141	-	-
	yen per euro	138	151	-	-
Initial Company forecasts	Sales (Million Yen)	-	157,000	158,000	-
	Operating Profit Margin (%)	-	8.6%	9.1%	-
	ROE (%)	-	-	11.0%	-
	yen per US dollar	-	130	140	-
	yen per euro	-	140	150	-
Actual Results and Latest Forecasts	Sales (Million Yen)	156,159	151,400	158,000	170,000
	Operating Profit Margin (%)	5.6%	9.4%	9.1%	7.0%
	ROE (%)	8.6%	11.0%	11.0%	10.0%
	yen per US dollar	128	141	140	130
	yen per euro	138	151	150	140

Source: Company Data, WRJ Calculation

FY12/2024 Company forecasts, announced on 13 February 2024, are going for prospective sales of ¥158,000m (up 4.4% YoY), operating profit of ¥14,300m (up 0.5% YoY) and operating profit margin of 9.1% (down 0.3% points), while ROE of 11.0%. In conclusion, the Company saw sales of ¥151,440m (down 3.0%) and operating profit of ¥14,230m (up 63.8%) for FY12/2023, the first year of the plan, which is expected to be followed by ¥158,000m (up 4.4%) and ¥14,300m (up 0.5%), respectively, for FY12/2024, the second and then by ¥170,000m (up 7.6%) and ¥11,900m (down 16.8%), respectively, for FY12/2025, the final. It should be the case that the Company is to see its business performance in a single fiscal year so affected by a number of the aforementioned one-off factors on top of given yen weaker than assumptions. On the other hand, Midterm Management Plan 2025 is calling for CAGR of 2.9% in sales and 11.1% in earnings during the relevant period toward FY12/2025, the final year of the plan, when setting the actual results for FY12/2022 as the point of origin, while operating profit margin to rise by 1.4% and ROE to rise also by 1.4%. In other words, the Company is to see ever-increasing sales and earnings in terms of underlying trends from an intrinsic perspective as found in the above-mentioned rate of compound annual growth.

5.0 Financial Statements

Income Statement

Income Statement	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	Net Chg.
Sales	120,922	131,972	142,328	156,159	151,400	158,000	+6,600
Cost of Sales	86,928	94,331	102,881	115,664	104,095	107,700	+3,605
Gross Profit	33,994	37,640	39,447	40,495	47,304	50,300	+2,996
SG&A Expenses	27,791	27,997	30,117	31,806	33,073	36,000	+2,927
Operating Profit	6,203	9,643	9,330	8,688	14,230	14,300	+70
Non Operating Balance	(286)	(241)	583	529	(164)	(500)	(336)
Recurring Profit	5,917	9,402	9,913	9,217	14,066	13,800	(266)
Extraordinary Balance	(196)	(506)	(75)	(457)	(693)	-	-
Profit before Income Taxes	5,721	8,896	9,838	8,760	13,373	-	-
Total Income Taxes	1,557	2,260	2,337	2,461	4,276	-	-
Profit Attributable to Owners of Parent	4,164	6,635	7,500	6,299	9,097	10,000	+903
Sales YoY	+2.4%	+9.1%	+7.8%	+9.7%	(3.0%)	+4.4%	-
Operating Profit YoY	(1.4%)	+55.5%	(3.2%)	(6.9%)	+63.8%	+0.5%	-
Recurring Profit YoY	(0.7%)	+58.9%	+5.4%	(7.0%)	+52.6%	(1.9%)	-
Profit Attributable to Owners of Parent YoY	(0.6%)	+59.3%	+13.0%	(16.0%)	+44.4%	+9.9%	-
Gross Profit Margin	28.1%	28.5%	27.7%	25.9%	31.2%	31.8%	+0.6%
SG&A Ratio	23.0%	21.2%	21.2%	20.4%	21.8%	22.8%	+0.9%
Operating Profit Margin	5.1%	7.3%	6.6%	5.6%	9.4%	9.1%	(0.3%)
Recurring Profit Margin	4.9%	7.1%	7.0%	5.9%	9.3%	8.7%	(0.6%)
Profit Attributable to Owners of Parent Margin	3.4%	5.0%	5.3%	4.0%	6.0%	6.3%	+0.3%
Total Income Taxes / Profit before Income Taxes	27.2%	25.4%	23.8%	28.1%	32.0%	-	-

Source: Company Data, WRJ Calculation

Segmented Information

Segmented Information	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
(Million Yen)	FY	FY	FY	FY	FY	FY	YoY
	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	Net Chg.
Outdoor Power Equipment	79,840	90,954	100,485	113,946	107,978	112,000	+4,022
Agricultural Machinery	20,390	21,629	24,276	23,877	23,878	24,300	+422
Industrial Machinery	18,681	17,108	15,159	16,257	17,296	19,600	+2,304
Other	2,011	2,280	2,408	2,077	2,246	2,100	(146)
Sales	120,922	131,972	142,328	156,159	151,400	158,000	+6,600
Outdoor Power Equipment	10,769	14,546	15,001	14,897	20,496	-	-
Agricultural Machinery	(144)	86	296	555	1,407	-	-
Industrial Machinery	1,397	860	449	1,381	1,943	-	-
Other	350	441	462	268	357	-	-
Segment Profit	12,372	15,933	16,208	17,101	24,203	-	-
Common Expenses	(6,169)	(6,290)	(6,879)	(8,413)	(9,973)	-	-
Operating Profit	6,203	9,643	9,330	8,688	14,230	14,300	+70
Outdoor Power Equipment	13.5%	16.0%	14.9%	13.1%	19.0%	-	-
Agricultural Machinery	(0.7%)	0.4%	1.2%	2.3%	5.9%	-	-
Industrial Machinery	7.5%	5.0%	3.0%	8.5%	11.2%	-	-
Other	17.4%	19.3%	19.2%	12.9%	15.9%	-	-
Common Expenses	(5.1%)	(4.8%)	(4.8%)	(5.4%)	(6.6%)	-	-
Operating Profit Margin	5.1%	7.3%	6.6%	5.6%	9.4%	9.1%	(0.3%)

Source: Company Data, WRJ Calculation

Balance Sheet

Balance Sheet (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2019	FY 12/2020	FY 12/2021	FY 12/2022	FY 12/2023	FY 12/2024	YoY Net Chg.
Cash and Deposit	6,262	13,243	12,167	14,404	12,400	-	-
Accounts Receivables	25,693	27,294	27,937	31,742	31,851	-	-
Merchandise and Finished Goods	23,434	21,824	27,700	31,752	31,572	-	-
Work in Process	3,103	2,011	2,017	4,642	3,269	-	-
Raw Materials and Supplies	10,797	11,306	16,629	19,359	16,619	-	-
Other	1,981	2,118	3,325	3,660	2,734	-	-
Current Assets	71,270	77,796	89,775	105,559	98,445	-	-
Tangible Assets	24,208	22,635	24,169	25,975	25,044	-	-
Intangible Assets	668	428	587	996	1,629	-	-
Investments and Other Assets	6,697	6,291	8,042	8,667	9,442	-	-
Fixed Assets	31,575	29,355	32,799	35,639	36,116	-	-
Total Assets	102,845	107,152	122,574	141,198	134,562	-	-
Accounts Payables	20,922	21,849	26,246	21,288	18,675	-	-
Short Term Debt	2,972	2,794	2,781	17,019	6,030	-	-
Current Portion of Long-term Debt	2,578	536	1,003	4,257	6,903	-	-
Other	7,380	7,938	10,429	10,969	9,886	-	-
Current Liabilities	33,852	33,117	40,459	53,533	41,494	-	-
Long Term Debt	9,837	11,374	11,000	8,100	2,800	-	-
Other	2,869	2,847	2,236	2,191	2,579	-	-
Fixed Liabilities	12,706	14,221	13,236	10,291	5,379	-	-
Total Liabilities	46,559	47,338	53,695	63,825	46,874	-	-
Shareholders' Equity	54,771	59,951	65,421	68,847	75,393	-	-
Other	1,514	(137)	3,458	8,526	12,294	-	-
Net Assets	56,285	59,814	68,879	77,373	87,687	-	-
Total Liabilities & Net Assets	102,845	107,152	122,574	141,198	134,562	-	-
Equity Capital	56,285	59,814	68,879	77,373	87,687	-	-
Interest Bearing Debt	15,387	14,704	14,784	29,376	15,733	-	-
Net Debt	9,125	1,461	2,617	14,972	3,333	-	-
Equity Ratio	54.7%	55.8%	56.2%	54.8%	65.2%	-	-
Net Debt Equity Ratio	16.2%	2.4%	3.8%	19.4%	3.8%	-	-
ROE (12 months)	7.6%	11.4%	11.7%	8.6%	11.0%	11.0%	-
ROA (12 months)	5.8%	9.0%	8.6%	7.0%	10.2%	-	-
Days for Inventory Turnover	156	135	164	175	180	-	-
Quick Ratio	94%	122%	99%	86%	107%	-	-
Current Ratio	211%	235%	222%	197%	237%	-	-

Source: Company Data, WRJ Calculation

Cash Flow Statement

Cash Flow Statement (Million Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY 12/2019	FY 12/2020	FY 12/2021	FY 12/2022	FY 12/2023	FY 12/2024	YoY Net Chg.
Operating Cash Flow	7,654	11,883	5,916	(5,150)	19,255	-	-
Investing Cash Flow	(3,083)	(2,724)	(4,647)	(3,753)	(3,646)	-	-
Operating Cash Flow and Investing Cash Flow	4,571	9,159	1,269	(8,903)	15,609	-	-
Financing Cash Flow	(2,889)	(2,127)	(2,507)	10,546	(17,958)	-	-

Source: Company Data, WRJ Calculation

Per Share Data

Per Share Data (Before Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	Net Chg.
No. of Shares FY End (thousand shares)	44,108	44,108	44,108	44,108	44,108	-	-
Net Profit / EPS (thousand shares)	41,449	41,495	41,533	41,591	41,545	-	-
Treasury Shares FY End (thousand shares)	2,616	2,609	2,551	2,498	2,752	-	-
Earnings Per Share	100.46	159.90	180.58	151.45	218.97	240.69	-
Earnings Per Share (Fully Diluted)	-	-	-	-	-	-	-
Book Value Per Share	1,356.54	1,441.32	1,657.43	1,859.47	2,120.26	-	-
Dividend Per Share	35.00	40.00	45.00	52.00	55.00	60.00	-
Per Share Data (After Adjustments for Split) (Yen)	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.Act	Cons.CoE	
	FY	FY	FY	FY	FY	FY	YoY
	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	Net Chg.
Share Split Factor	1	1	1	1	1	1	-
Earnings Per Share	100.46	159.90	180.58	151.45	218.97	240.69	-
Book Value Per Share	1,356.54	1,441.32	1,657.43	1,859.47	2,120.26	-	-
Dividend Per Share	35.00	40.00	45.00	52.00	55.00	60.00	-
Payout Ratio	34.8%	25.0%	25.0%	34.4%	25.2%	25.0%	-

Source: Company Data, WRJ Calculation

Disclaimer

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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