



Summary of Business Performance

The First Quarter of Fiscal Year Ending December 31, 2024

~ The World's No. 1 Brand Across the Five Continents ~

HOSHIZAKI CORPORATION

Stock code: 6465

Tokyo Stock Exchange : Prime Market

Nagoya Stock Exchange : Premier Market

May 10, 2024

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I . Financial Results for FY 2024 1Q

Foreign Exchange Rates

	Average of Period		End of Period	
	FY2023 3 months	FY2024 3 months	FY2023 End of December	FY2024 End of March
US dollar	132.4	148.5	141.8	151.4
Pound	160.9	188.3	180.6	191.2
Euro	142.1	161.2	157.1	163.2
Singapore dollar	99.3	110.8	107.4	112.1
Chinese yuan	19.3	20.6	19.9	20.8
Denmark krone	19.1	21.6	21.0	21.8
Taiwan dollar	4.3	4.7	4.6	4.7
Hong Kong dollar	16.8	18.9	18.1	19.3
Indian rupee	1.62	1.80	1.72	1.83
South Korean won	0.1040	0.1118	0.1105	0.1125
Brazilian real	25.5	29.9	29.3	30.3
Indonesian Rupiah	0.0087	0.0095	0.0092	0.0096
Thai Baht	3.9	4.1	4.1	4.1
Malaysia Ringgito	30.1	31.4	30.8	31.9
Viet Nam Dong	0.0056	0.0061	0.0059	0.0063
Philippine Peso	2.43	2.67	2.58	2.71
Turkish lira	7.02	4.68	4.82	4.68

Summary of Financial Results for FY 2024 1Q

Japan achieved record sales, operating income and operating margin in response to strong demand for capital investment. Overseas sales and profit increased due to strong performance mainly in Asia and the contribution of Ozti, which was consolidated this fiscal year.

Sales : 106.3 billion yen (increased 17.4% year-on-year)

- Japan : 55.7 billion yen (increased 7.6%)
- Overseas : 50.6 billion yen (increased 30.5%) Overseas sales ratio : 47.6% (increased 4.8pt)

*Calculated based on reporting segments: "Americas" and "Europe" and "Asia"

- Japan : On the back of continued strong economic growth and inbound demand, sales increased as the company actively captured strong demand for capital investment, mainly at restaurants.
- Overseas : In addition to the weak yen and the contribution from the start of consolidation of Ozti in Turkey, sales increased due to the contribution of the dispenser business in the Americas and the Indian business.

Operating Income : 15.1 billion yen (increased 29.1%) Operating income margin : 14.3% (increased 1.3pt)

- Japan : 9.8 billion yen (increased 24.2%) Operating income margin : 17.6% (increased 2.3pt)
- Overseas : 5.8 billion yen (increased 29.5%) Operating income margin : 11.5% (increased 0.1pt)

*Calculated based on reporting segments: "Americas" and "Europe" and "Asia"

- As raw material and labor costs continued to increase, we improved gross margins in each region and thoroughly managed fixed costs, resulting in an increase in profit.

Ordinary Income : 17.8 billion yen (increased 41.5%)

- Foreign exchange gains of 1.8 billion yen from deposits in foreign currencies were recorded as non-operating income. (0.2 billion yen of foreign exchange gains were recorded in the previous fiscal year.)

Profit Attributable to Owners of Parent : 9.2 billion yen (increased 5.7%)

- Of the extraordinary loss, we recorded a 2.5 billion yen write-down related to the phased acquisition of Ozti.



Consolidated Business Performance

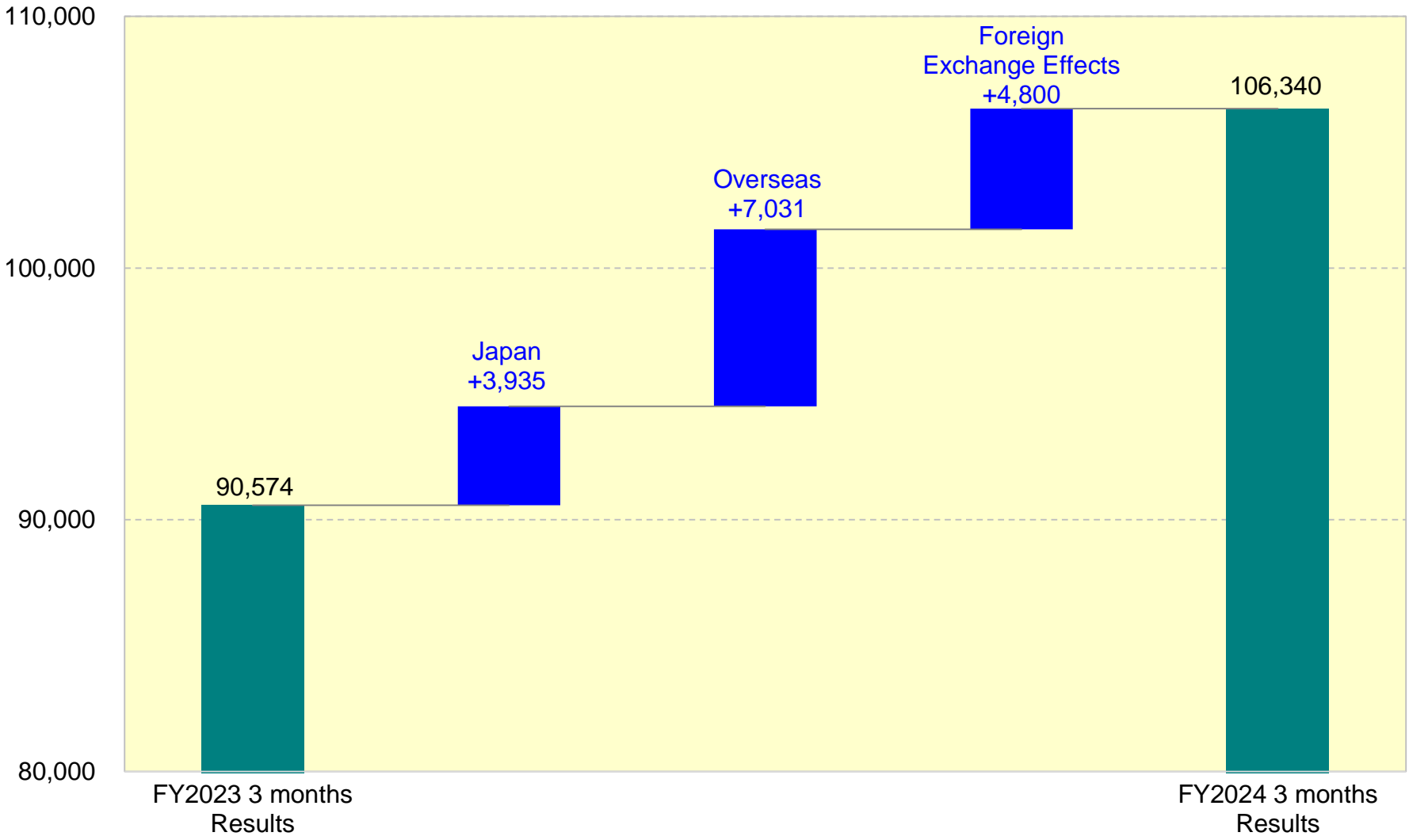
	FY 2023 3 months results		FY 2024 3 months results			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
					Change (Millions of yen)	Percentage (%)
Sales	90,574	100.0	106,340	100.0	+15,766	117.4
Cost of sales	57,168	63.1	64,795	60.9	+7,626	113.3
Gross profit	33,405	36.9	41,545	39.1	+8,140	124.4
Selling, general and administrative expenses	21,663	23.9	26,383	24.8	+4,721	121.8
Operating income	11,742	13.0	15,162	14.3	+3,419	129.1
Ordinary income	12,648	14.0	17,895	16.8	+5,246	141.5
Profit attributable to owners of parent	8,707	9.6	9,206	8.7	+499	105.7

※ The consolidated statements of income for the fiscal year ended March 2023 have been revised due to the confirmation of the initial provisional accounting for the business combination with Brema, which was acquired on July 1, 2022, and Royalkitchen, which was acquired on December 22, 2022.

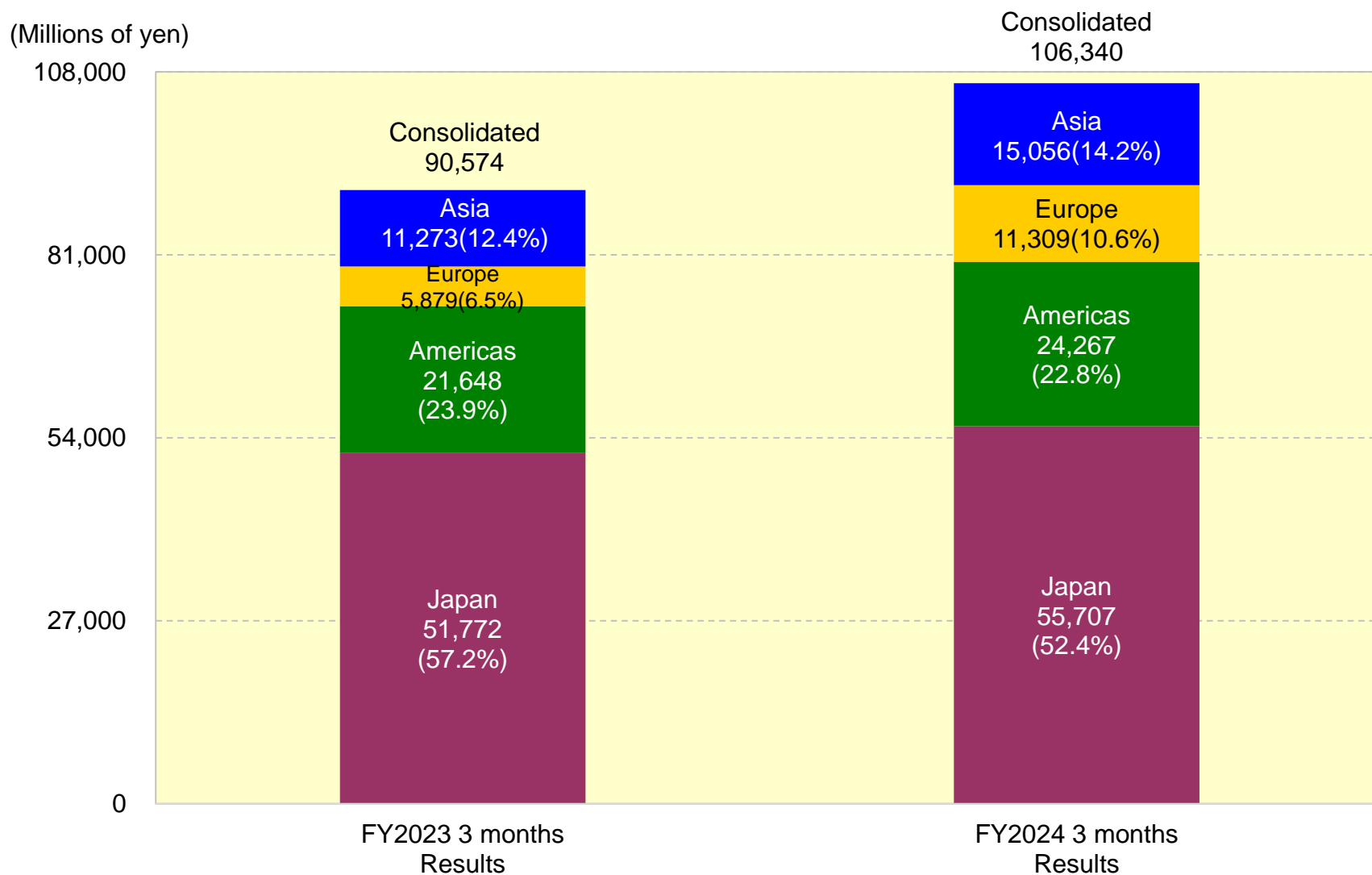


Factors for Change in Consolidated Sales (Japan and Overseas)

(Millions of yen)



Year-on-year Comparison of Sales by Reporting Segments



*Figures in parenthesis indicate component percentages.

*Classified according to the location of the head offices.

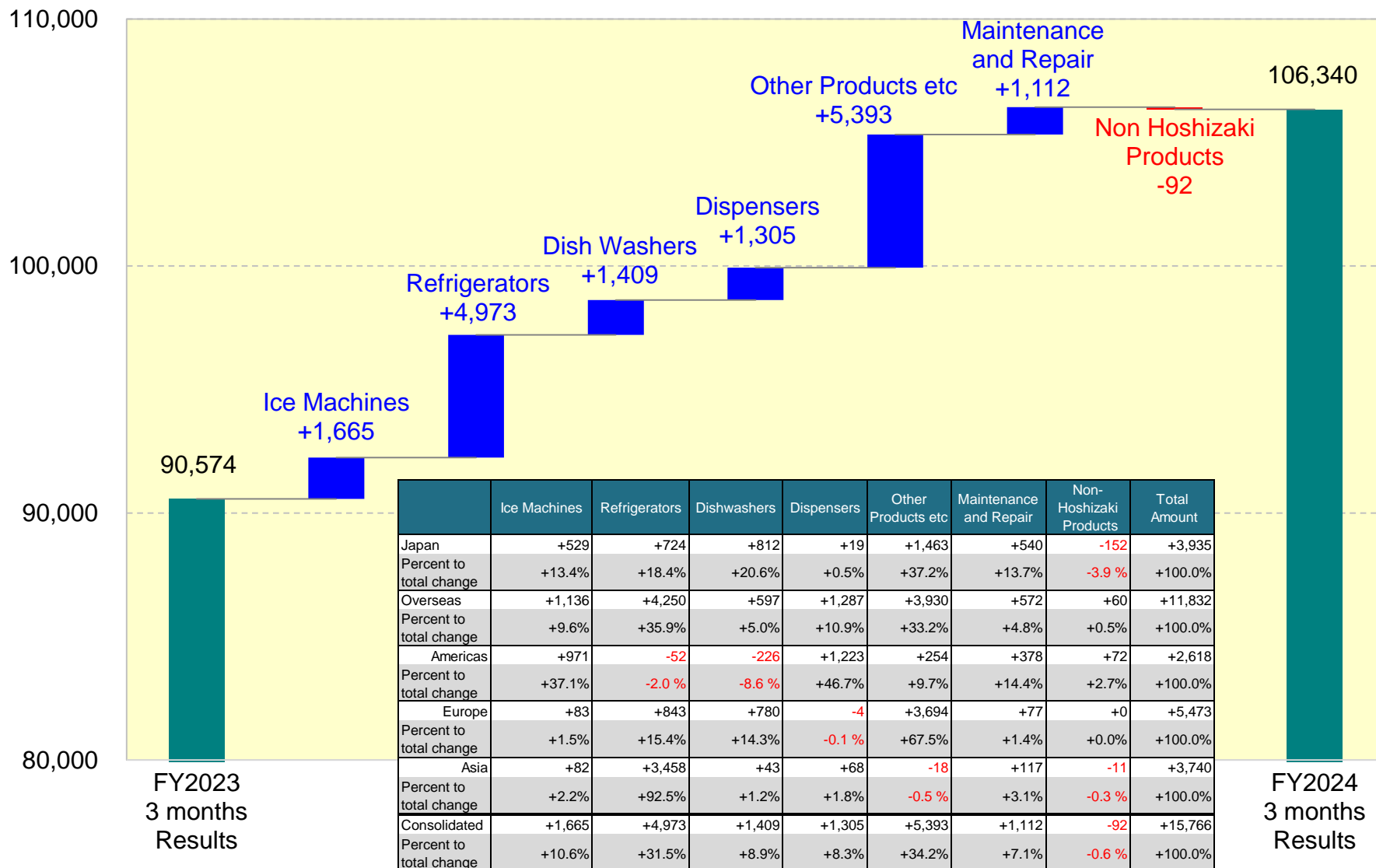
(e.g. Lancer Europe is included in "Americas")

(This is a classification for internal management control, and we use the same classification for reporting segments in the quarterly report.)



Factors for Change in Consolidated Sales by Product Groups

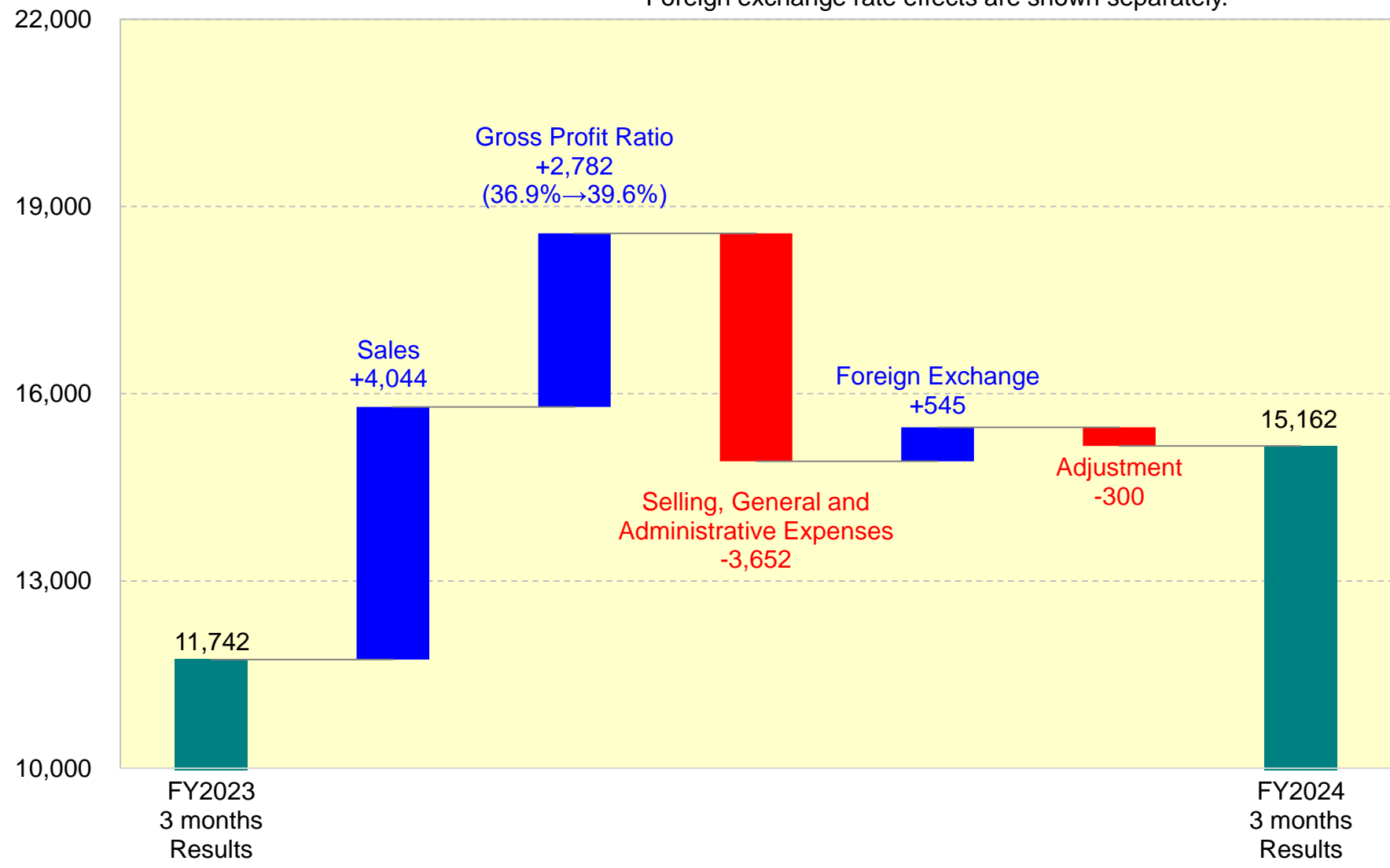
(Millions of yen)



Factors for Change in Consolidated Operating Income

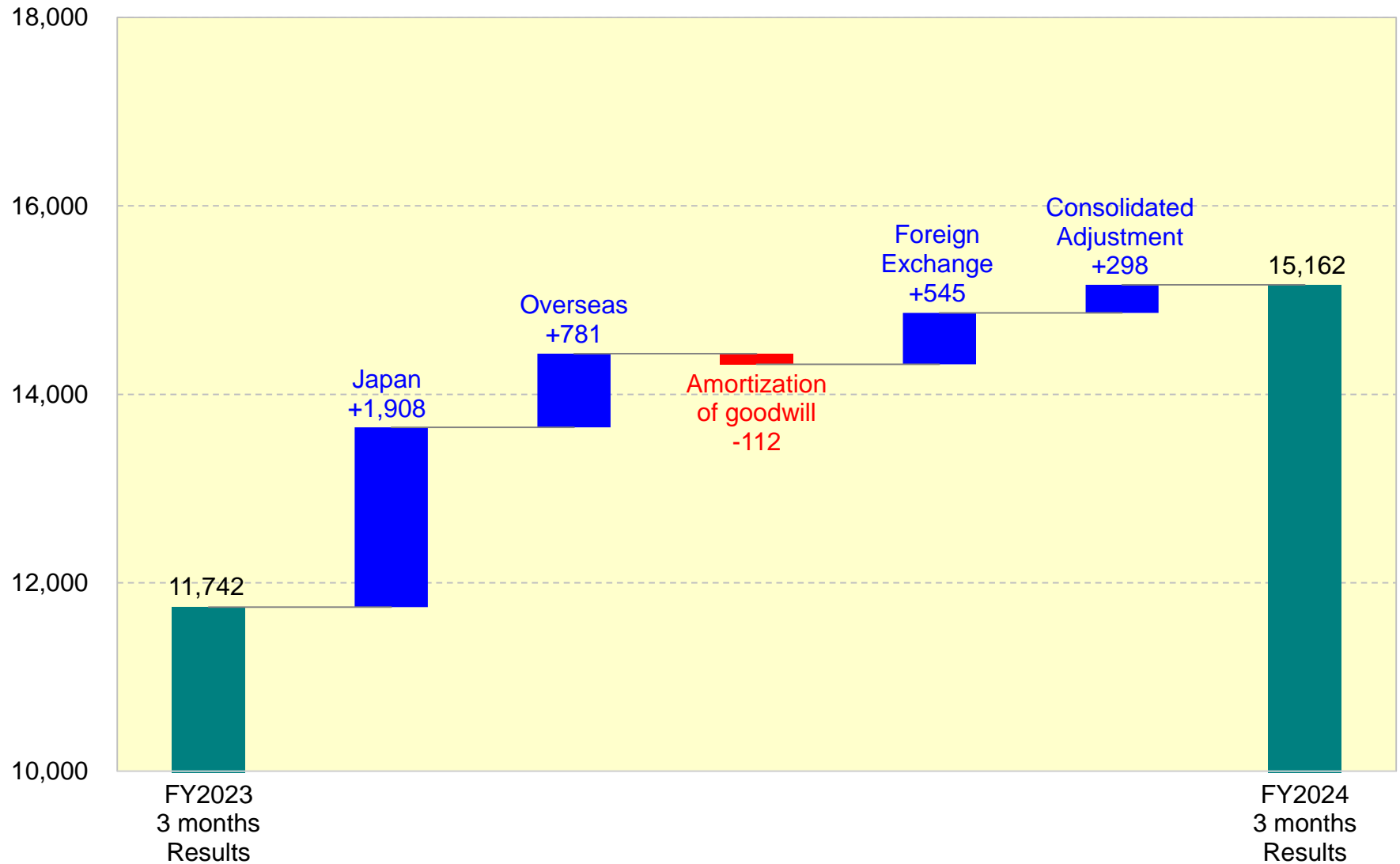
(Millions of yen)

*The figures in parentheses indicate the ratio of sales to total sales.
 *Foreign exchange rate effects are shown separately.



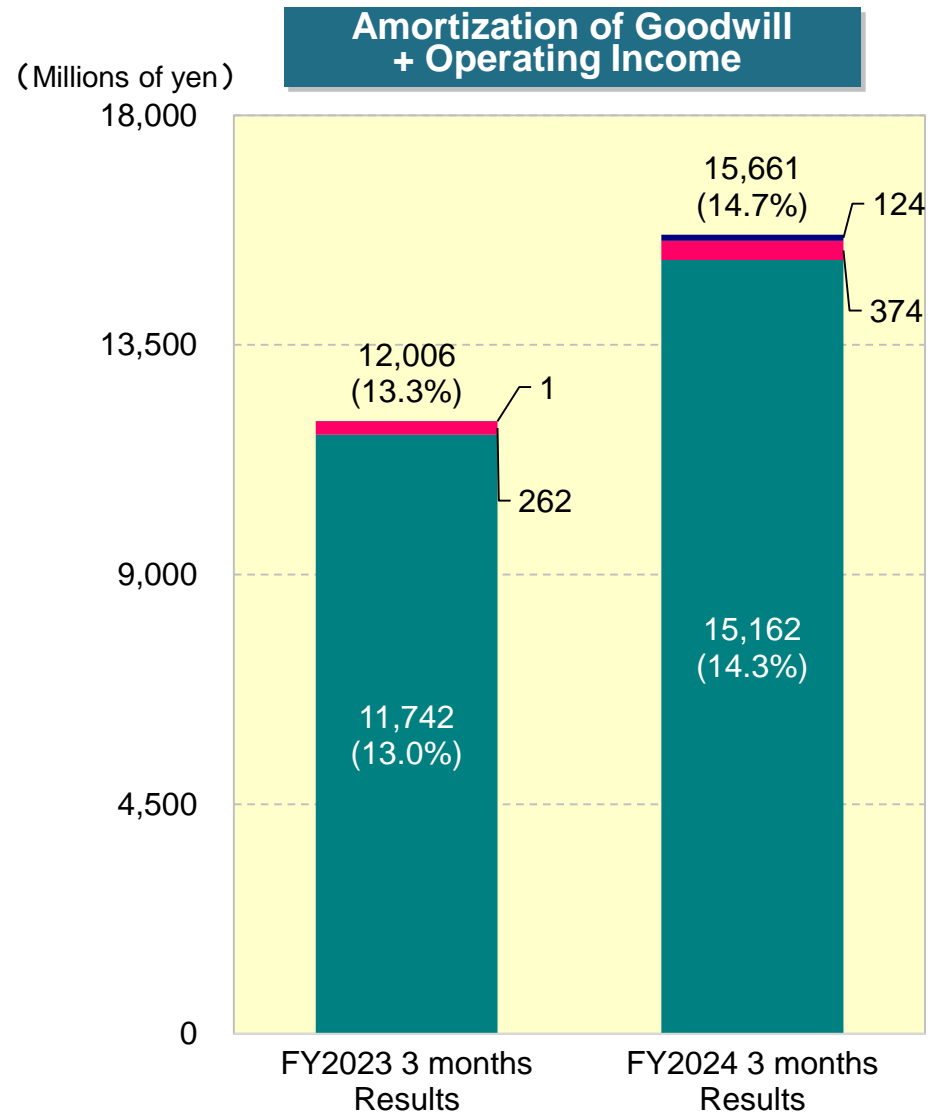
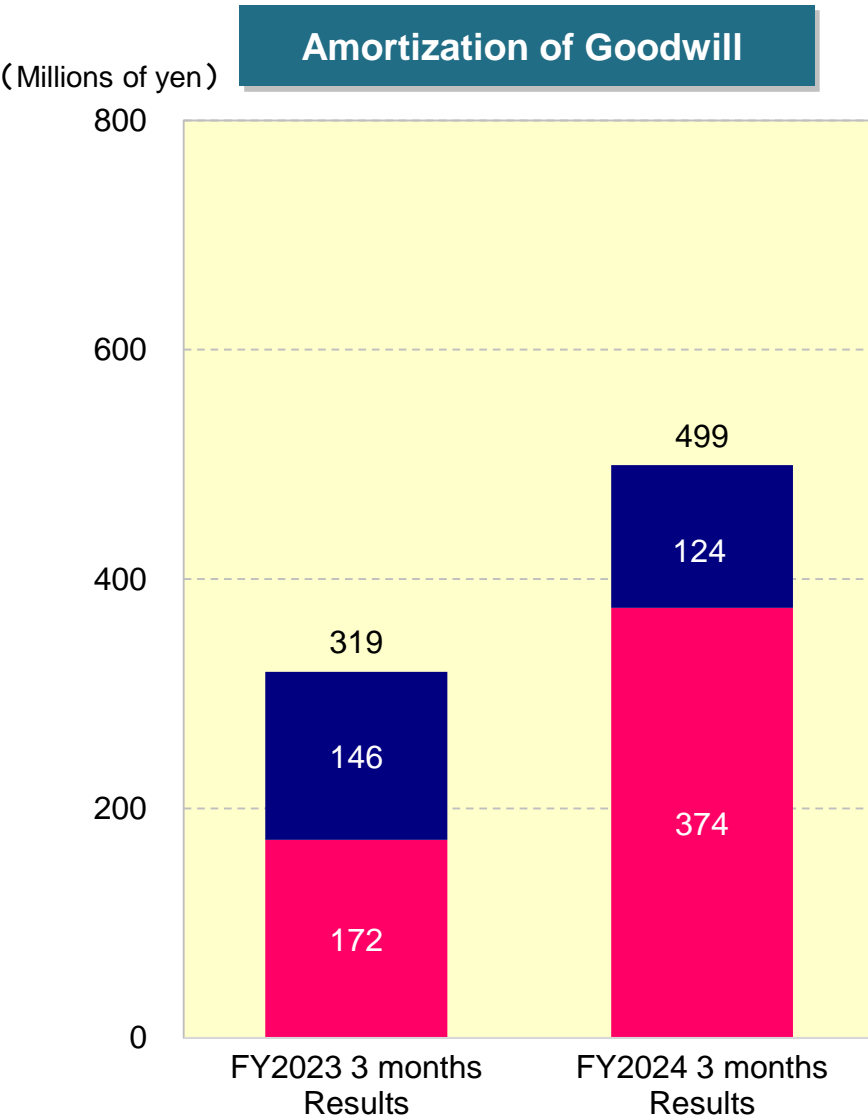
Factors for Change in Consolidated Operating Income by Japan and Overseas

(Millions of yen)



Impact of Goodwill Amortization

- Amortization of intangible asset
- Amortization of goodwill
- Operating income



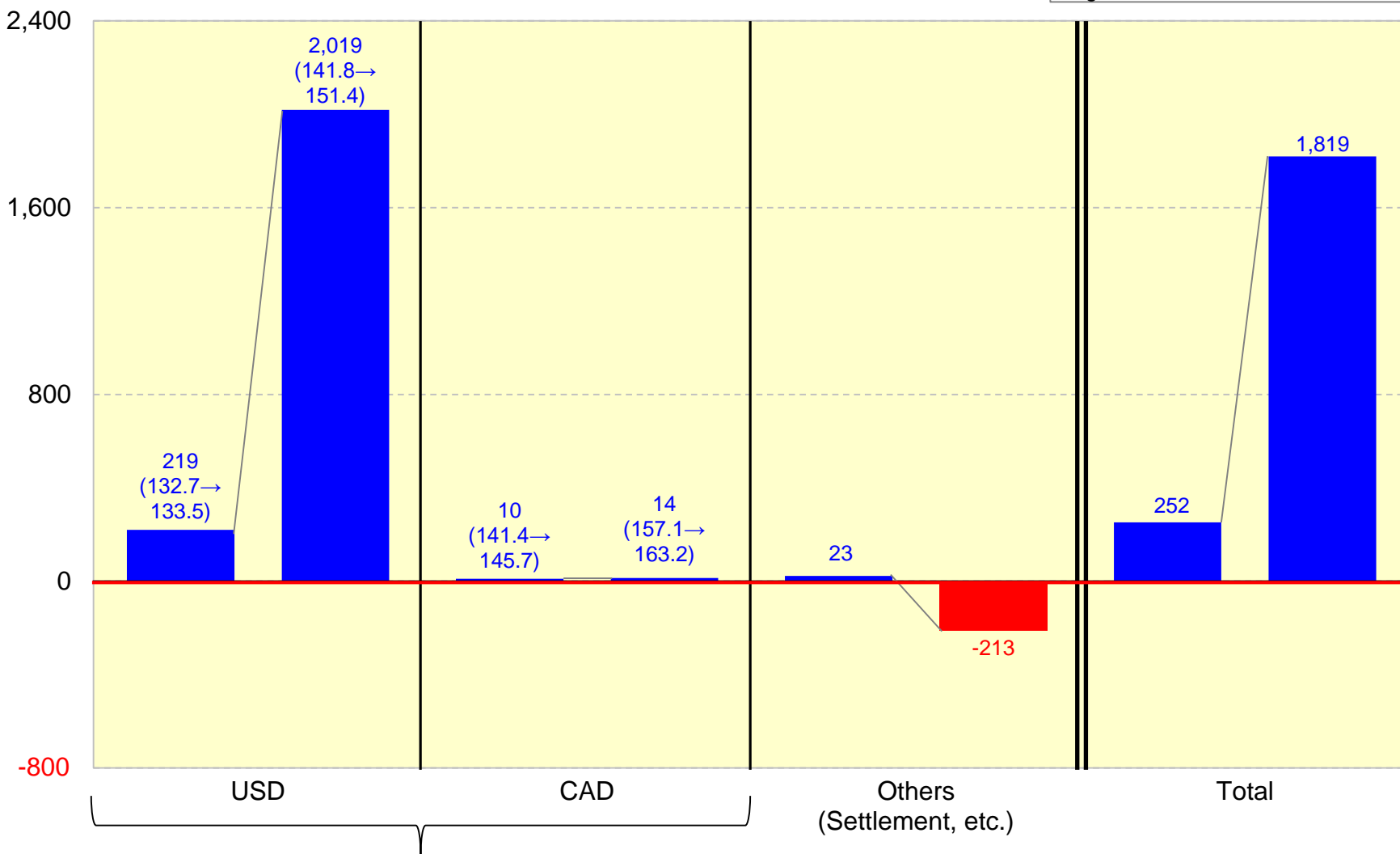
*Percentages in parentheses indicate sales ratio.



Breakdown of Foreign Exchange Gain and Loss

(Millions of yen)

Left : FY2023 3 months Results
Right : FY2024 3 months Results



Deposits in foreign currencies

*The figures in parentheses show the movement of the exchange rate from the end of the previous FY to the end of the current period.

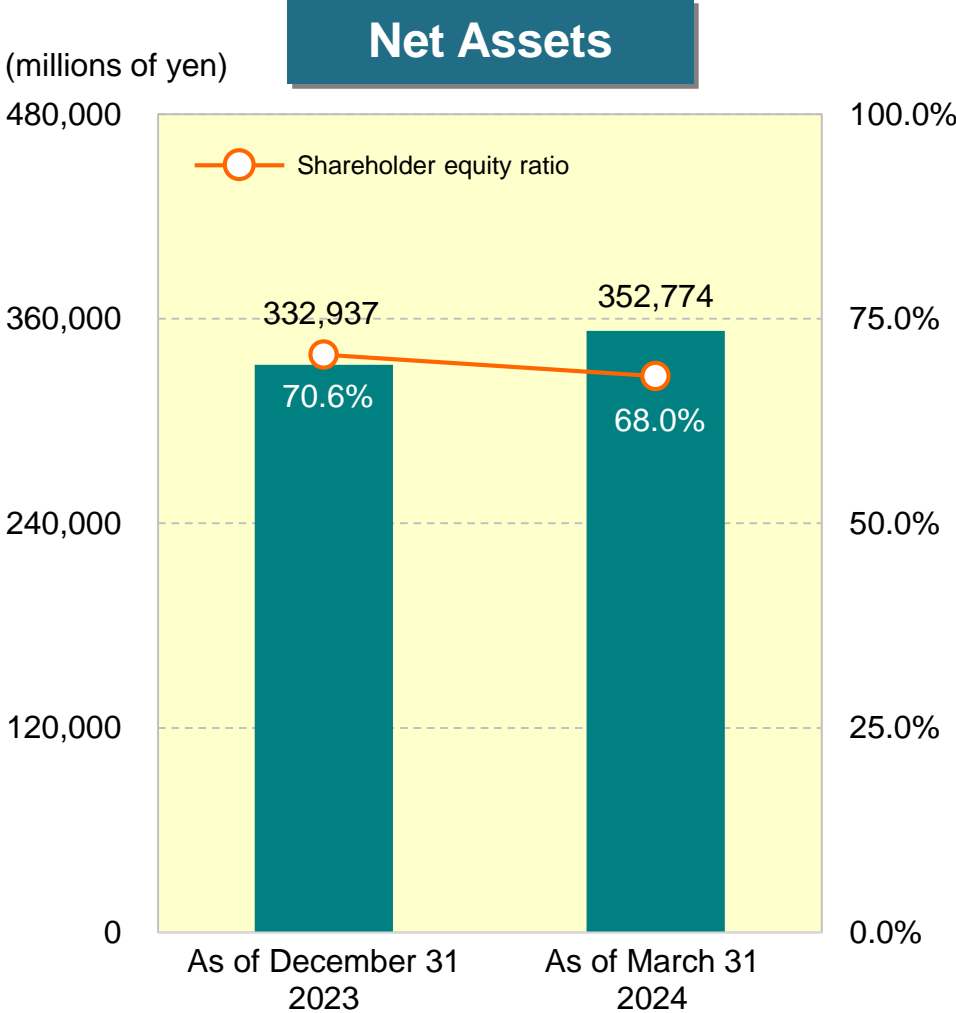
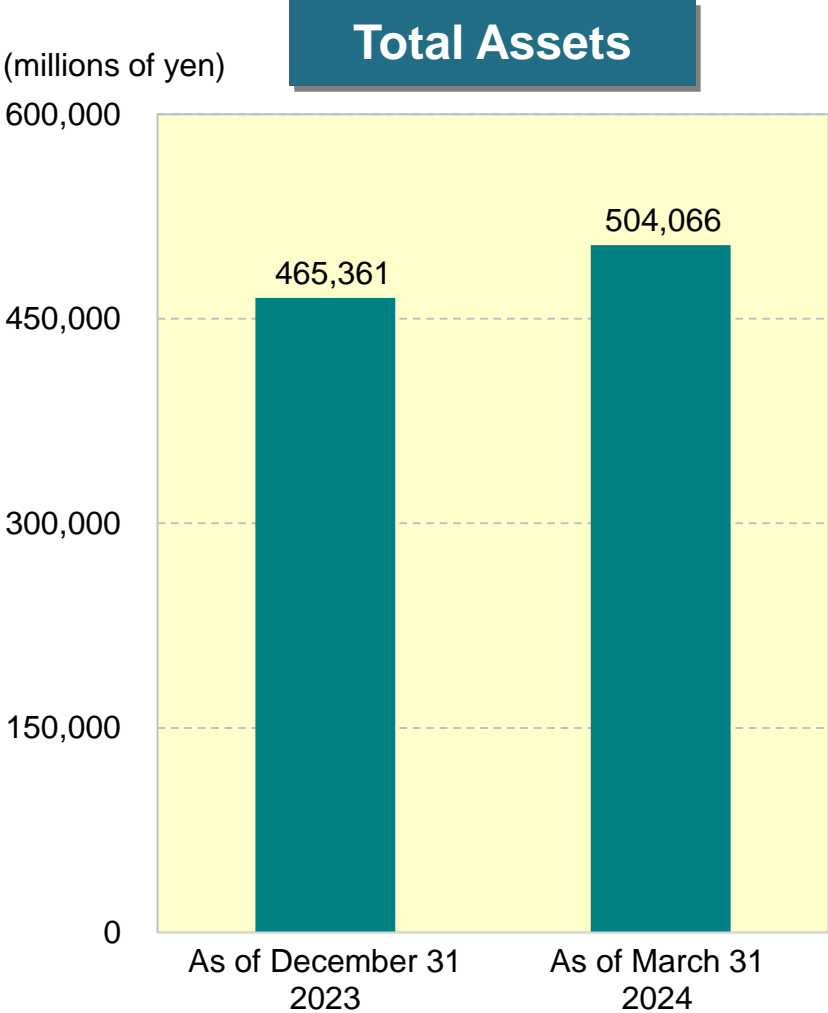


Consolidated Balance Sheet

		As of December 31, 2023		As of March 31, 2024		
		Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Change (Millions of yen)
	Current assets	364,145	78.3	378,423	75.1	+14,278
	(Cash and cash equivalents)	254,530	54.7	236,175	46.9	-18,354
	(Notes and accounts receivable-trade)	52,026	11.2	73,240	14.5	+21,214
	(Inventory)	52,264	11.2	64,540	12.8	+12,276
	Non-current assets	101,215	21.7	125,643	24.9	+24,427
Total assets		465,361	100.0	504,066	100.0	+38,705
	Current liabilities	104,638	22.5	121,171	24.0	+16,533
	(Notes and accounts payable-trade)	30,308	6.5	37,242	7.4	+6,934
	Non-current liabilities	27,785	6.0	30,121	6.0	+2,335
Total liabilities		132,424	28.5	151,292	30.0	+18,868
Total net assets		332,937	71.5	352,774	70.0	+19,836
Total liabilities and net assets		465,361	100.0	504,066	100.0	+38,705
Cash and deposits (including long-term deposits)		254,530		243,745		-10,784



Comparison of Consolidated Total Assets and Net Assets

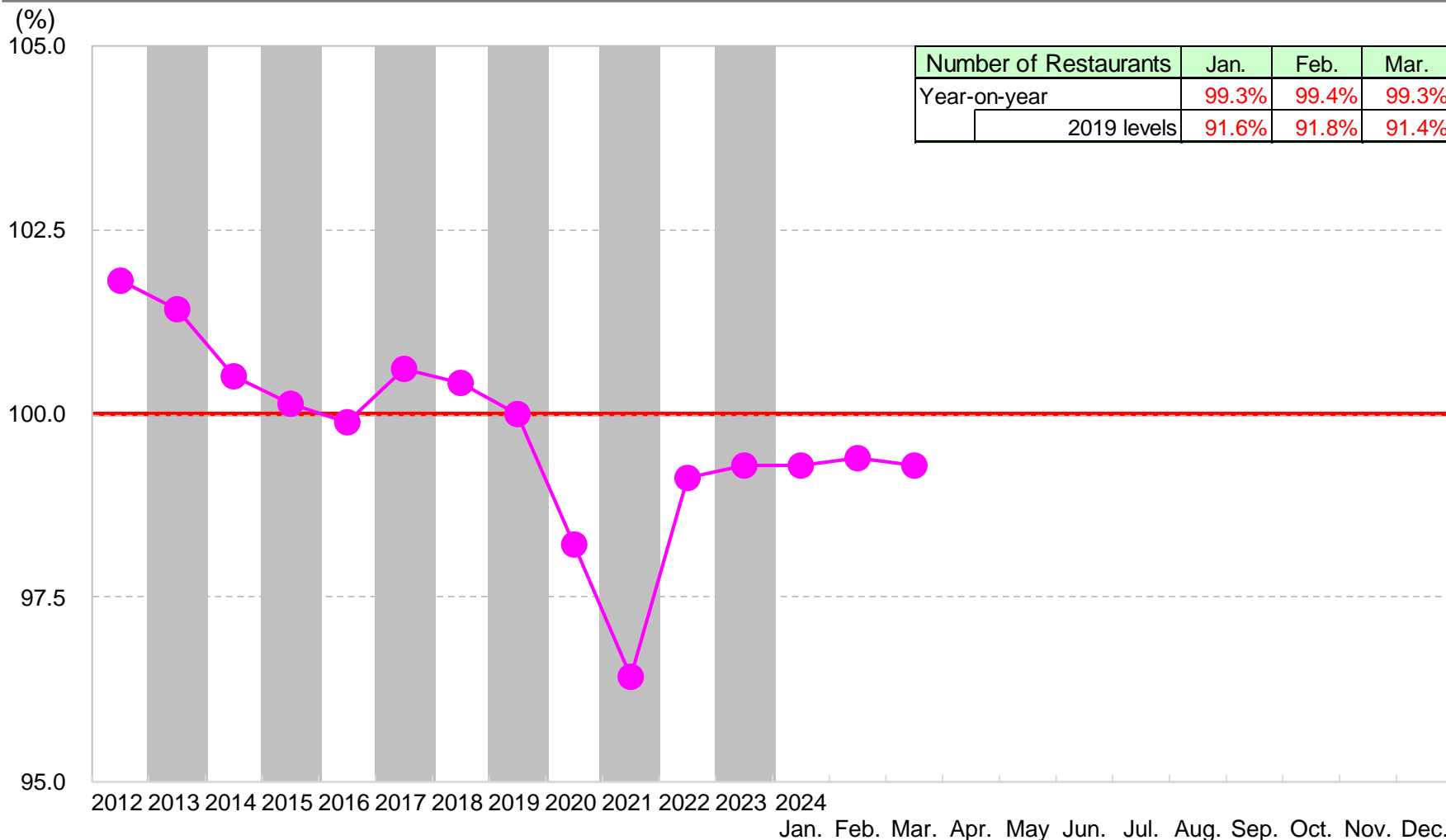




Ⅱ . Key Factors of Financial Results for FY 2024 1Q

Japan : Number of Major Restaurant Chains (Year-on-year Change)

- The number of stores in all major domestic chains has been on a downward trend from the same month last year since 20, and the decline has gradually narrowed, but has been flat since the end of last year.

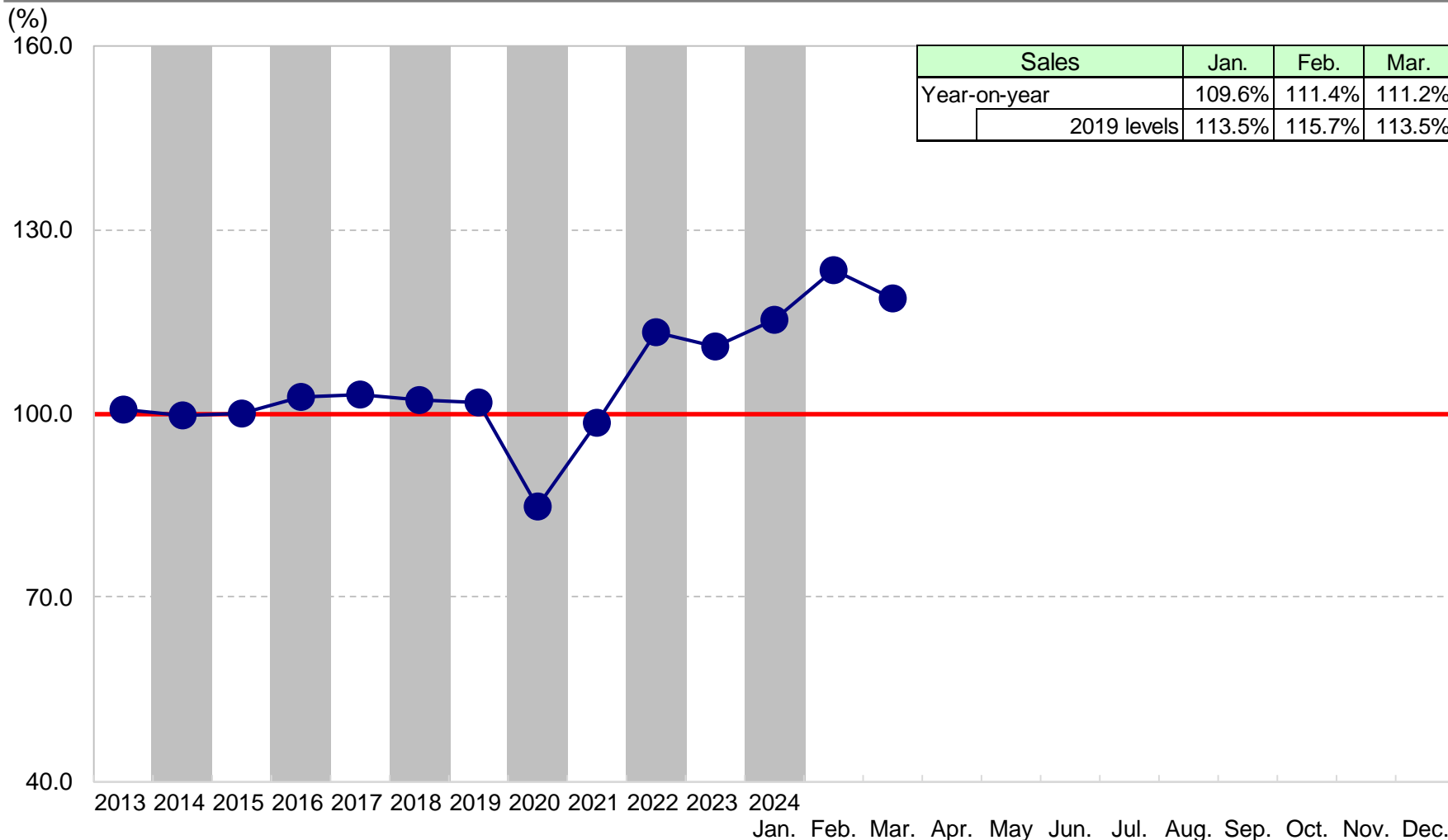


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



Japan : Sales of Major Restaurant Chains (Year-on-year Change)

- Sales in the restaurant industry have continued to recover, partly due to an increase in inbound demand. Total store sales in March were 111.2% from the same month last year 113.5% from 19 before the pandemic.

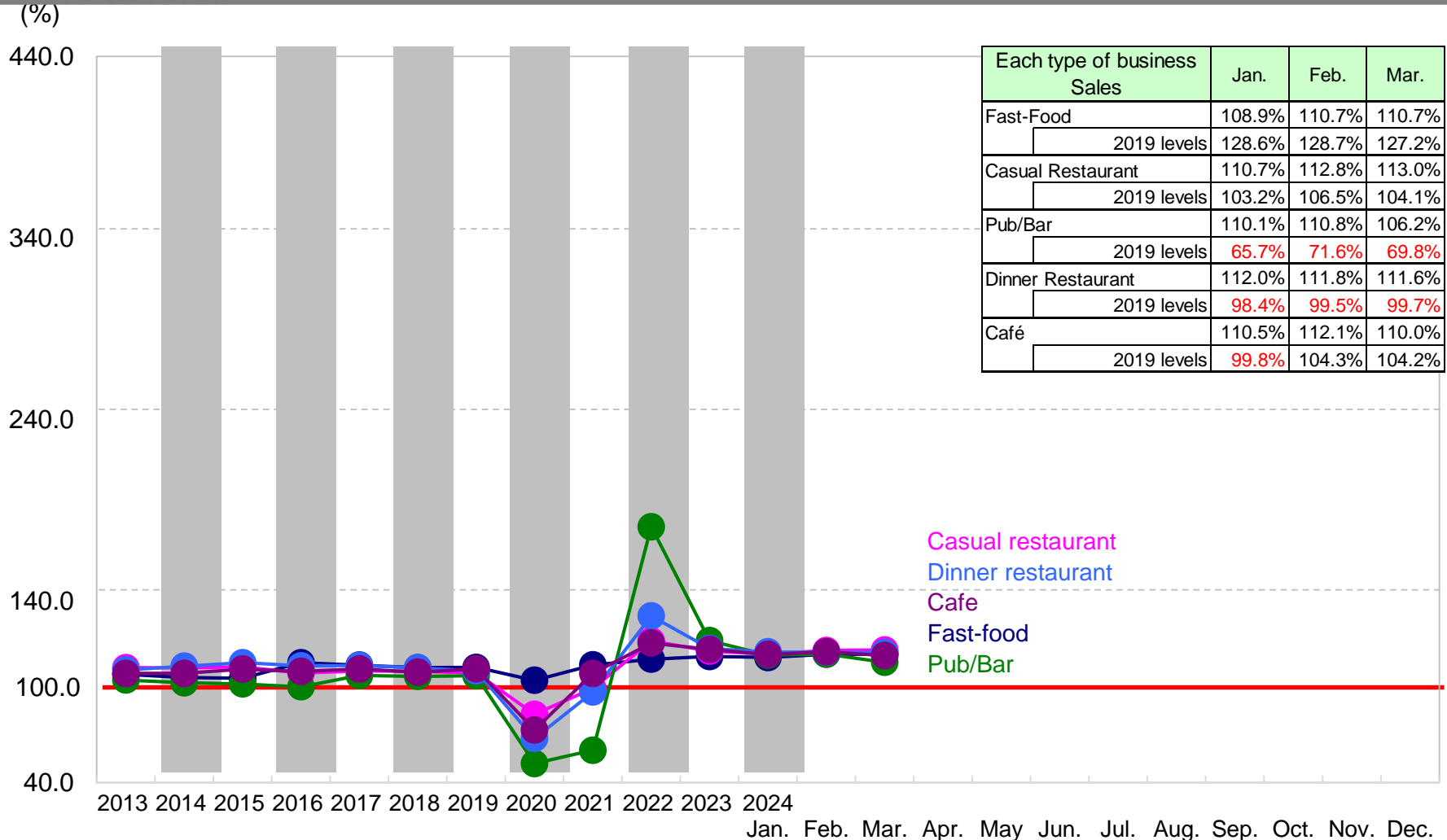


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



Japan : Sales by Type of Business in Major Restaurant Chains (Year-on-year Change)

- Sales in all categories of business continued to grow at a rate of more than 100% the same month last year. On the other hand, sales at night stores have not recovered to 100% the same month from 19. In particular, pubs and izakaya remained at about 70% of the 19 level.

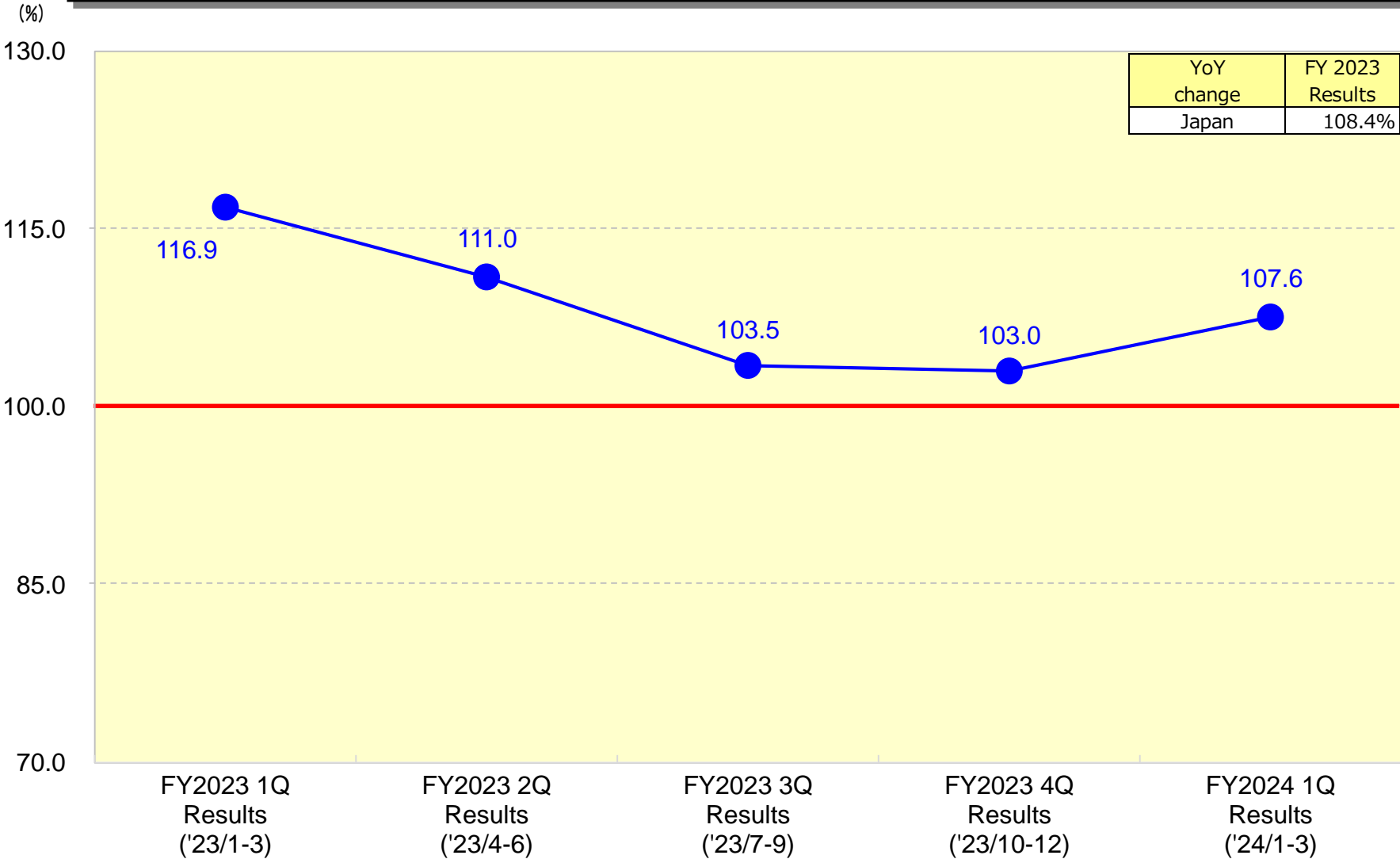


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



Japan : Year-on-Year Change in Sales

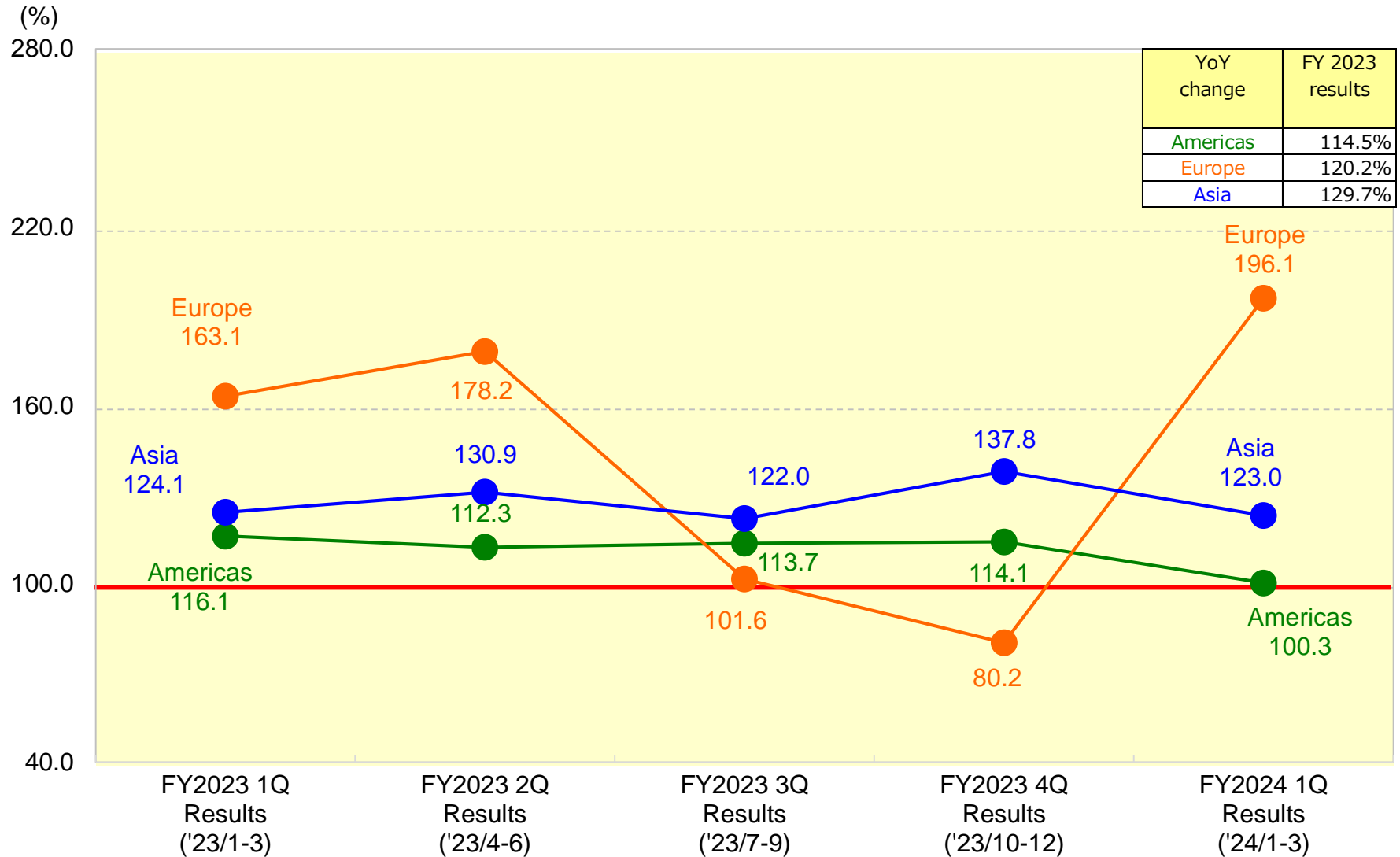
● The first quarter of 2024 was even higher than the first quarter of 2023, when demand was strong on the back of a recovery in parts procurement difficulties.



YoY change	FY 2023 Results
Japan	108.4%



Overseas : *Year-on-Year Change in Sales by Areas on Local Currency Basis



*Head Office Area Category (Example: Lancer Europe is included in the Americas. It is an internal business management category, which is the same as the disclosure category of annual securities reports.)





Ⅲ . Business Forecast for FY 2024

Summary of Business Forecast in FY 2024

(Officially announce 2024.02.13)

■ Sales: 410 billion yen (increase by 9.8% year-on-year)

- Japan: Sales 210 billion yen (increase by 4.0%)
- Overseas: Sales 200 billion yen (increase by 16.6%)
- Overseas sales ratio: 48.8% (increase by 2.9pt)
- In Japan, although restrictions on opening new restaurants in the food market continue due to labor shortages, Japan will continue to strategically expand into non-food market in the stable economy after the COVID pandemic. Taking into account the effect of product price hikes, we expect full-year sales to be 104.0% year-on-year.
- In Overseas, inflation is expected to decline and economic growth to stabilize in many countries. In our business, pent-up demand up to the previous fiscal year is expected to settle down. On the other hand, in view of the contribution of Ozti Co., Ltd., which is scheduled to be newly consolidated, full-year sales are expected to be 116.6% year-on-year.
- Exchange rates (average of the period) assumption: 140 yen per US dollar, 151 yen per Euro, 1.70 yen per Indian Rupee

No revisions to full-year earnings forecast for Q1

■ Operating Income: 44 billion yen (increase by 1.1%)

- Although labor costs are expected to increase due to the continuation of the wage increase trend and profit margins are expected to decrease due to the intensification of product mix and price competition, we plan to increase profits by implementing cost-cutting activities. The contribution by Ozti is expected to be minor considering the uncertainty of inflation accounting.

■ Ordinary income: 46 billion yen (decrease by 8.6%)

- Not included foreign exchange gains or losses on deposits in foreign currencies. (Foreign exchange gains of 3 billion yen were recorded in the previous fiscal year.)

■ Profit attributable to owners of parent: 33 billion yen (decrease by 0.5%)



Business Forecast for FY 2024 (Officially announce 2024.02.13)

No revisions to full-year earnings forecast for Q1

	FY 2022 Results		FY2023 Results		FY 2024 Forecasts Feb. 13th, 2024			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
							Change (Millions of yen)	Percentage (%)
Sales	321,338	100.0	373,563	100.0	410,000	100.0	36,436	109.8
Cost of sales	209,642	65.2	237,501	63.6	263,300	64.2	25,798	110.9
Gross profit	111,695	34.8	136,062	36.4	146,700	35.8	10,638	107.8
Selling, general and administrative expenses	84,317	26.2	92,541	24.8	102,700	25.0	10,159	111.0
Operating income	27,378	8.5	43,520	11.7	44,000	10.7	479	101.1
Ordinary income	37,226	11.6	50,322	13.5	46,000	11.2	-4,322	91.4
Profit attributable to owners of parent	23,977	7.5	32,835	8.8	33,000	8.0	164	100.5





IV. Company Profile and Overview of Business

Company Profile



- Company name : HOSHIZAKI CORPORATION
- Head Office : 3-16 Minamiyakata, Sakae-cho, Toyoake-shi, Aichi
- Representative : Yasuhiro Kobayashi,
Representative Director, President & CEO
- Establishment : February 1947
- Business : Research and development, manufacturing, sales, maintenances and service of commercial kitchen appliances & equipment.
- Capital stock : 8,098 million yen (As of December 31, 2023)
- Consolidated business performance : Sales : 373,563 million yen
(Fiscal Year ended December 31, 2023) Operating income : 43,520 million yen
Profit attributable to owners of parent : 32,835 million yen
(*Net income is attributable to shareholders of the parent company.)
- Number of consolidated group companies : 58 companies
(20 companies in Japan, 18 companies in Americas, 20 companies in Europe and Asia)
(As of March 31, 2024 *Including HOSHIZAKI CORPORATION)
- Number of employees : 1,146 persons (HOSHIZAKI CORPORATION)
15,010 persons (Group total) (As of March 31, 2024)
- Number of sales offices in Japan : 427 places *Including Service Centers (As of March 31, 2024)

Main Product Group and Sales Breakdown

Other Products etc



Vacuum Packing Machine



Steam Convection Oven



Dough Conditioner



Hot & Cold Meal Serving Cart

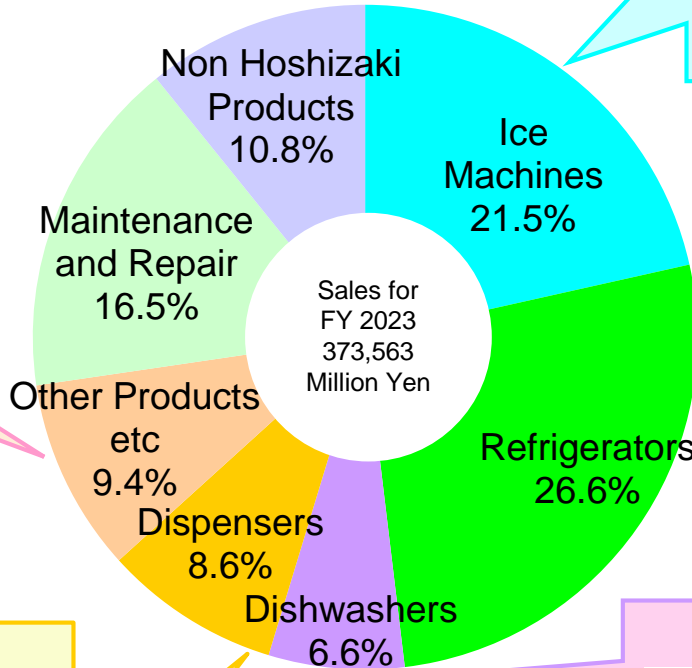
Ice machines




Cube Ice Maker




Ice Dispenser



Refrigerators



Refrigerator



Under-Counter Refrigerator

Dishwashers



Dishwasher



Rack Conveyor Dishwasher

Dispensers



Dispenser



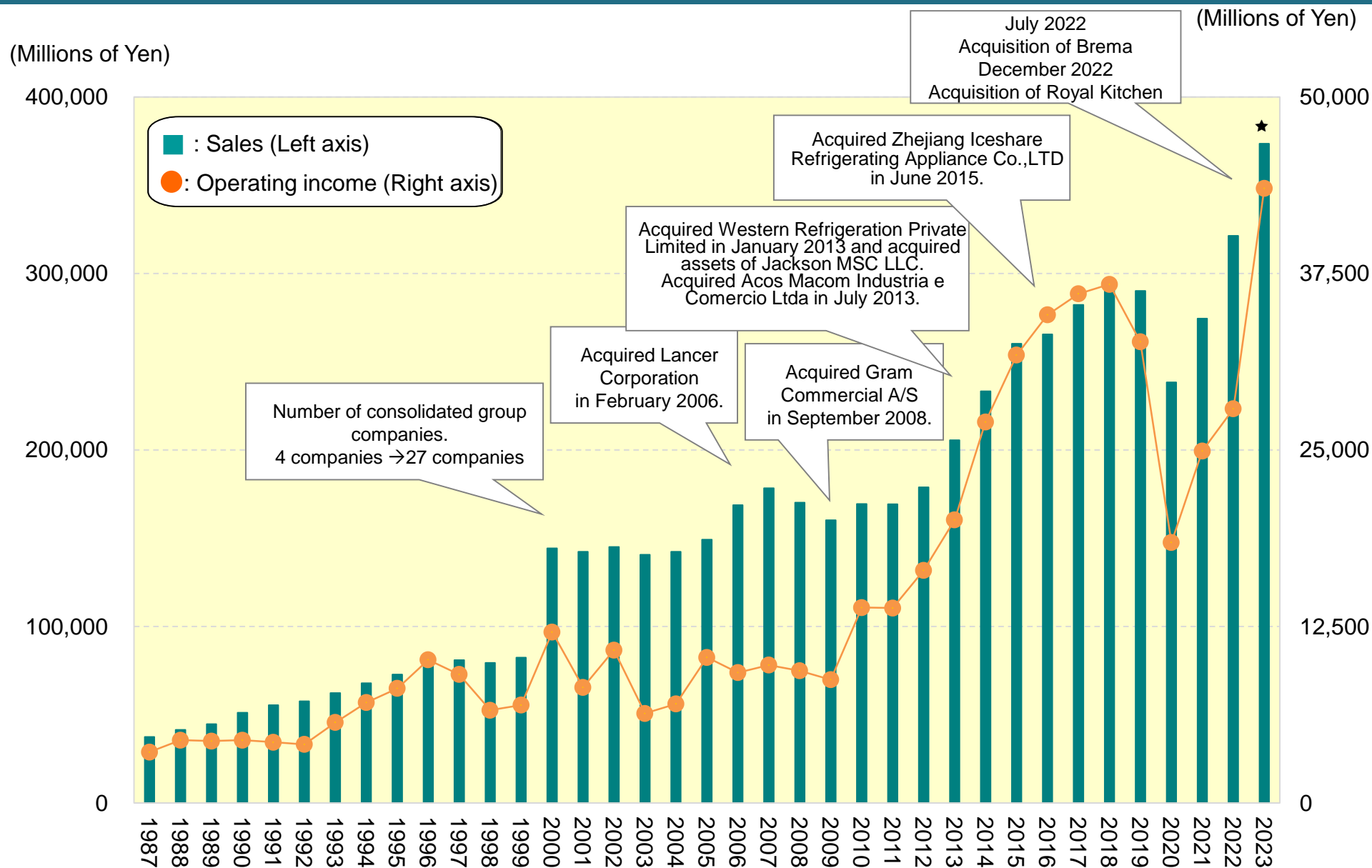
Draft Beer Dispenser



Cold Water Dispenser



Long-term Business Performance Consolidated Basis



★Recorded a record sales and operating income.



Notes on the Appropriate Use of this Document

- This document includes the forward-looking statements and data concerning business performances, strategies, and business plans of HOSHIZAKI CORPORATION (“the Company”).
- The forward-looking statements and data in this document are not historical facts, but the Company’s forecast based on currently available information.
- Because potential risks and uncertain factors, such as economic trends, competition with other companies, are included in this document, please be noted that actual business performance, business development, and financial situation of the Company may differ significantly from the forecast due to various factors, such as future economic trends, competition in the industry, market demand, other economic, social, and political situations.
- This presentation is an English translation of the material initially written in Japanese, which should be considered to be the primary version.

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