



Summary of Business Performance The Third Quarter of 2024

~ Aiming to be the world's No.1 brand connecting the five continents ~

HOSHIZAKI CORPORATION

Stock code: 6465

Tokyo Stock Exchange : Prime Market

Nagoya Stock Exchange : Premier Market

November 12, 2024

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I . Financial Results for FY 2024 3Q

Foreign Exchange Rates

	Average of Period		End of Period	
	FY2023 9 months	FY2024 9 months	FY2023 End of December	FY2024 End of September
US dollar	138.2	151.3	141.8	142.7
Pound	172.2	193.2	180.6	191.0
Euro	149.7	164.5	157.1	159.4
Singapore dollar	103.1	113.1	107.4	111.4
Chinese yuan	19.6	20.9	19.9	20.4
Taiwan dollar	4.4	4.7	4.6	4.5
Hong Kong dollar	17.6	19.3	18.1	18.3
Indian rupee	1.69	1.82	1.72	1.71
South Korean won	0.1064	0.1120	0.1105	0.1094
Brazilian real	27.6	28.9	29.3	26.2
Indonesian Rupiah	0.0092	0.0096	0.0092	0.0095
Thai Baht	4.0	4.2	4.1	4.4
Malaysia Ringgito	30.5	32.6	30.8	34.7
Viet Nam Dong	0.0058	0.0062	0.0059	0.0059
Philippine Peso	2.51	2.67	2.58	2.56
Turkish lira	6.34	4.18	4.82	4.18

Summary of Financial Results for FY 2024 3Q

In addition to responding to strong demand for capital investment in Japan, we achieved record high sales and operating income due to the contribution of three new consolidated companies overseas and favorable business performance mainly in India. We have revised upward our full-year earnings forecast, including the foreign exchange outlook.

Sales : 331.2 billion yen (increased 17.4% year-on-year)

- Japan : 167.9 billion yen (increased 7.9%)
- Overseas : 163.3 billion yen (increased 29.1%) Overseas sales ratio : 49.3% (increased 4.5pt)

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

- Japan : As inbound tourism recovered, demand for capital investment remained firm, mainly in the food and beverage and service industries, and net sales increased.
- Overseas : Sales increased due to contributions from consolidated Ozti in Turkey, the Americas Dispenser Business, and the India Business, as well as the impact of the weak yen.

Operating Income : 42.9 billion yen (increased 20.7%) Operating income margin : 13.0% (increased 0.4pt)

- Japan : 25.6 billion yen (increased 22.2%) Operating income margin : 15.3% (increased 1.8pt)
- Overseas : 19.3 billion yen (increased 22.5%) Operating income margin : 11.9% (increased 0.6pt)

*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.
Introduced inflation accounting in response to Turkey's inflationary environment. 2.3 billion yen negative impact on operating income.

Ordinary Income : 47.5 billion yen (increased 9.6%)

- Foreign exchange gains of 1.1 billion yen from deposits in foreign currencies were recorded as non-operating income. (5.1 billion yen of foreign exchange gains were recorded in the previous fiscal year.)

Profit Attributable to Owners of Parent : 30.5 billion yen (increased 1.9%)

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

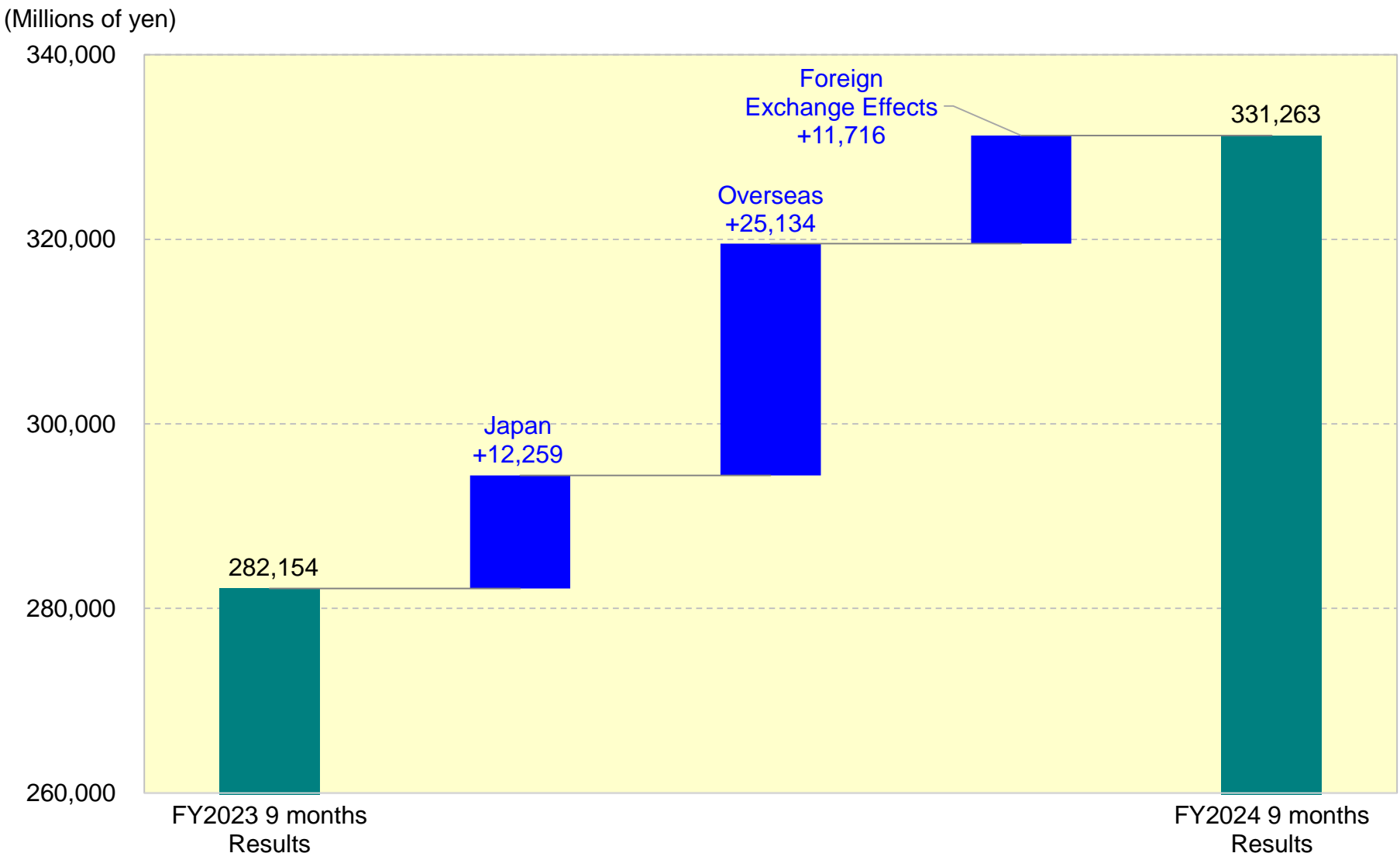


Consolidated Business Performance

	FY 2023 9 months results		FY 2024 9 months results			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
					Change (Millions of yen)	Percentage (%)
Sales	282,154	100.0	331,263	100.0	+49,108	117.4
Cost of sales	178,542	63.3	204,131	61.6	+25,589	114.3
Gross profit	103,611	36.7	127,131	38.4	+23,519	122.7
Selling, general and administrative expenses	68,033	24.1	84,197	25.4	+16,164	123.8
Operating income	35,577	12.6	42,934	13.0	+7,356	120.7
Ordinary income	43,380	15.4	47,550	14.4	+4,170	109.6
Profit attributable to owners of parent	30,016	10.6	30,589	9.2	+573	101.9

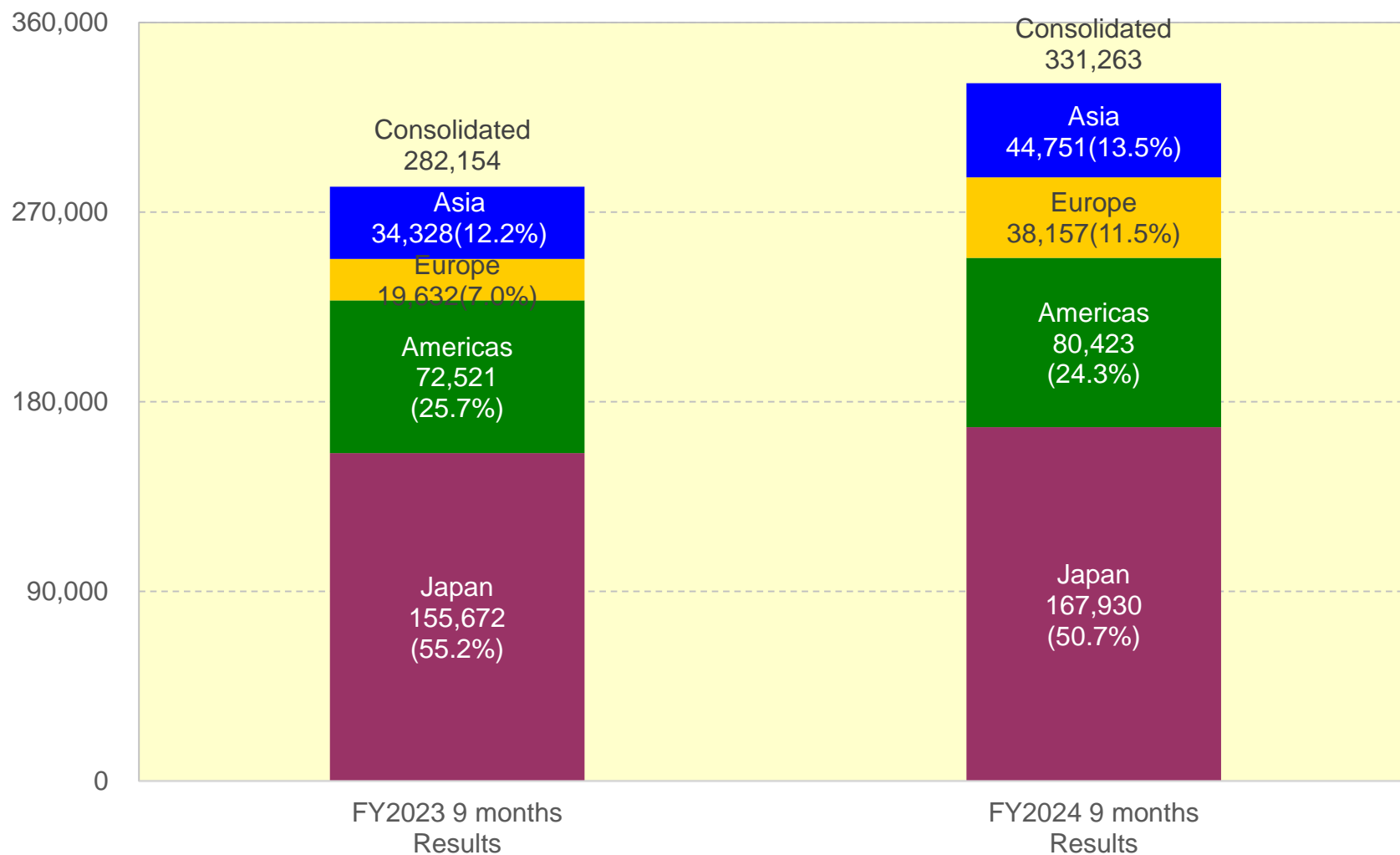


Factors for Change in Consolidated Sales (Japan and Overseas)



Year-on-year Comparison of Sales by Reporting Segments

(Millions of yen)



*Figures in parenthesis indicate component percentages.

*Classified according to the location of the head offices.

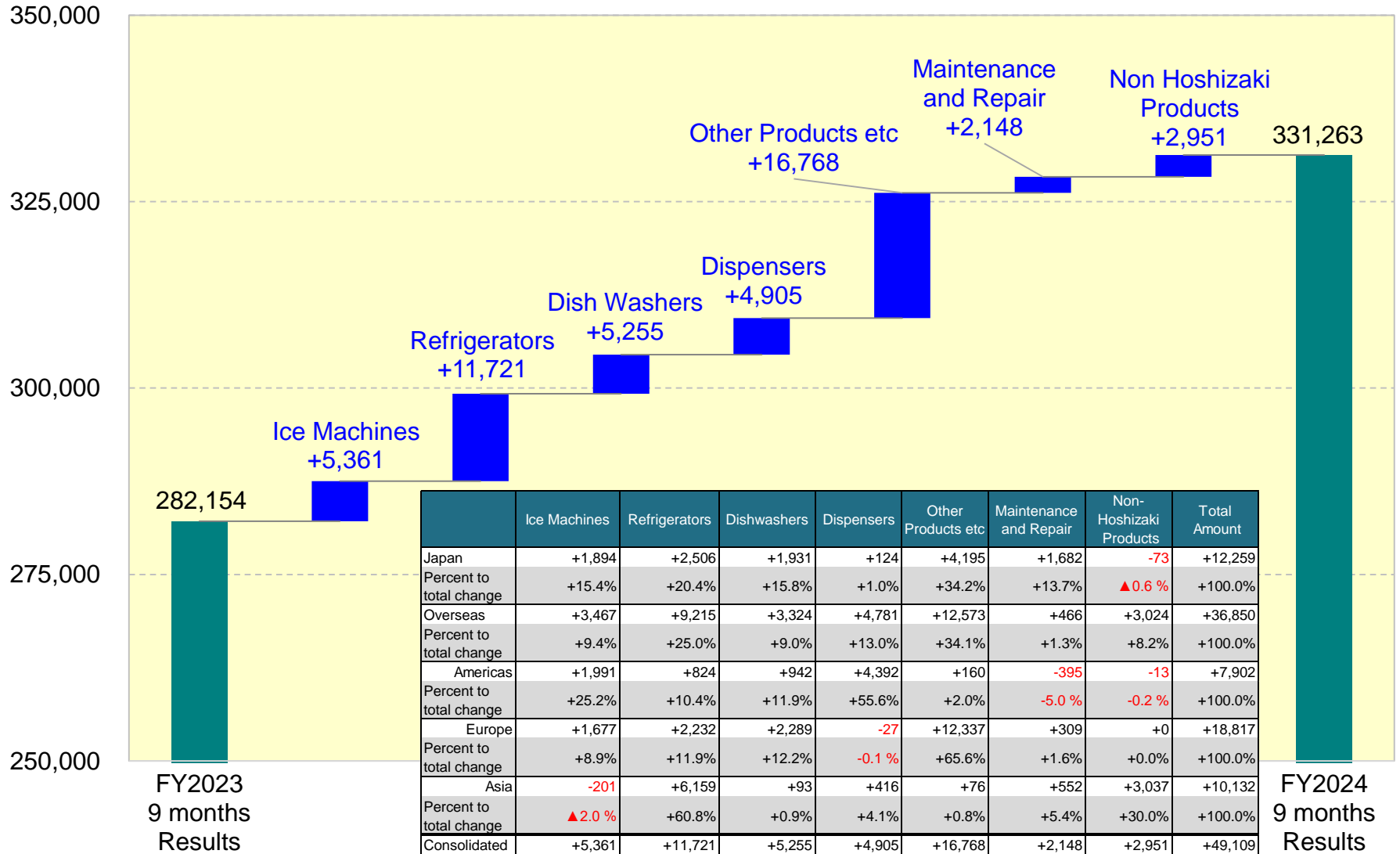
(e.g. Lancer Europe is included in "Americas")

(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)



	Ice Machines	Refrigerators	Dishwashers	Dispensers	Other Products etc	Maintenance and Repair	Non-Hoshizaki Products	Total Amount
Japan	+1,894	+2,506	+1,931	+124	+4,195	+1,682	-73	+12,259
Percent to total change	+15.4%	+20.4%	+15.8%	+1.0%	+34.2%	+13.7%	▲0.6%	+100.0%
Overseas	+3,467	+9,215	+3,324	+4,781	+12,573	+466	+3,024	+36,850
Percent to total change	+9.4%	+25.0%	+9.0%	+13.0%	+34.1%	+1.3%	+8.2%	+100.0%
Americas	+1,991	+824	+942	+4,392	+160	-395	-13	+7,902
Percent to total change	+25.2%	+10.4%	+11.9%	+55.6%	+2.0%	-5.0%	-0.2%	+100.0%
Europe	+1,677	+2,232	+2,289	-27	+12,337	+309	+0	+18,817
Percent to total change	+8.9%	+11.9%	+12.2%	-0.1%	+65.6%	+1.6%	+0.0%	+100.0%
Asia	-201	+6,159	+93	+416	+76	+552	+3,037	+10,132
Percent to total change	▲2.0%	+60.8%	+0.9%	+4.1%	+0.8%	+5.4%	+30.0%	+100.0%
Consolidated	+5,361	+11,721	+5,255	+4,905	+16,768	+2,148	+2,951	+49,109
Percent to total change	+10.9%	+23.9%	+10.7%	+10.0%	+34.1%	+4.4%	+6.0%	+100.0%

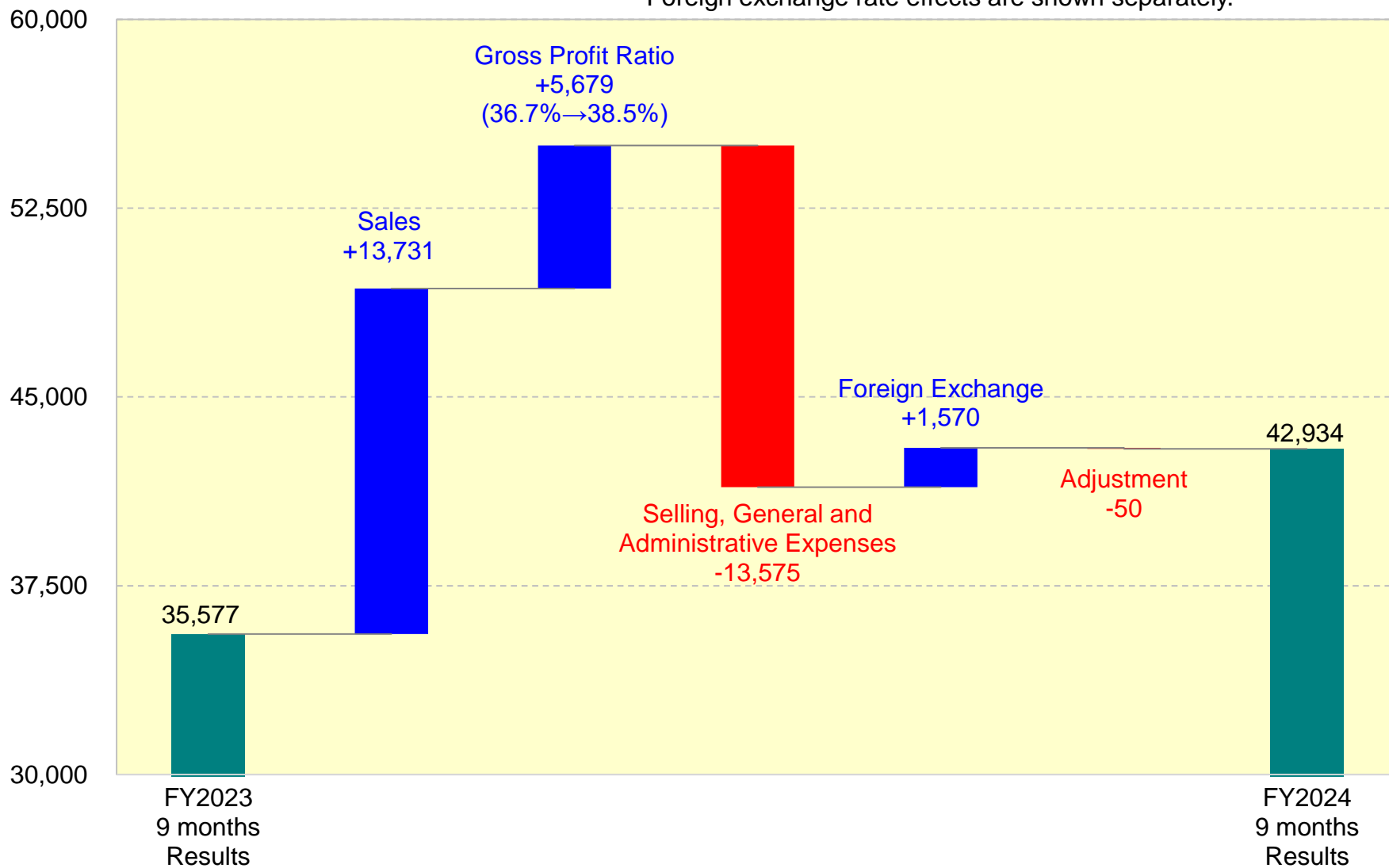


Factors for Change in Consolidated Operating Income

(Millions of yen)

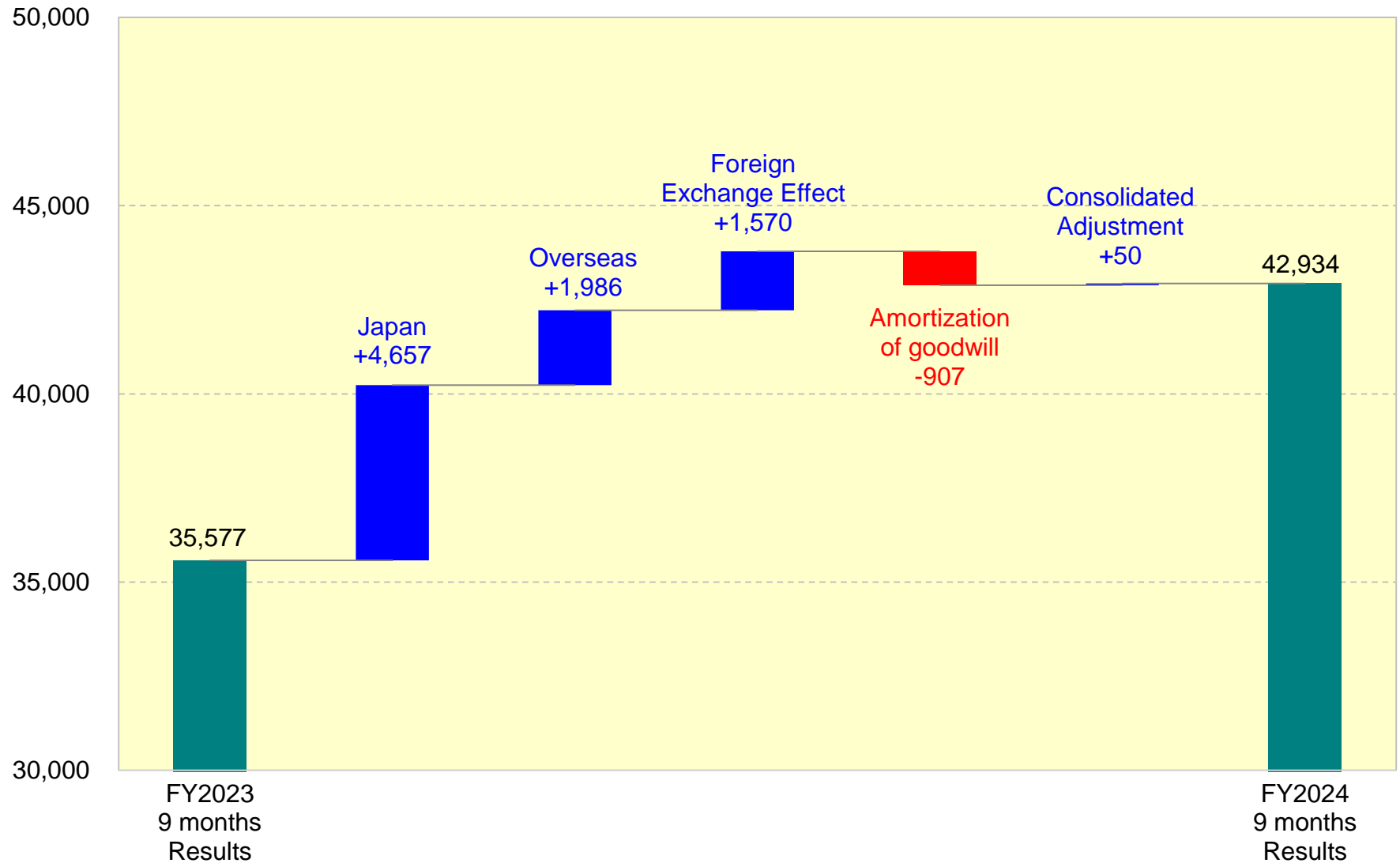
*The figures in parentheses indicate the ratio of sales to total sales.

*Foreign exchange rate effects are shown separately.



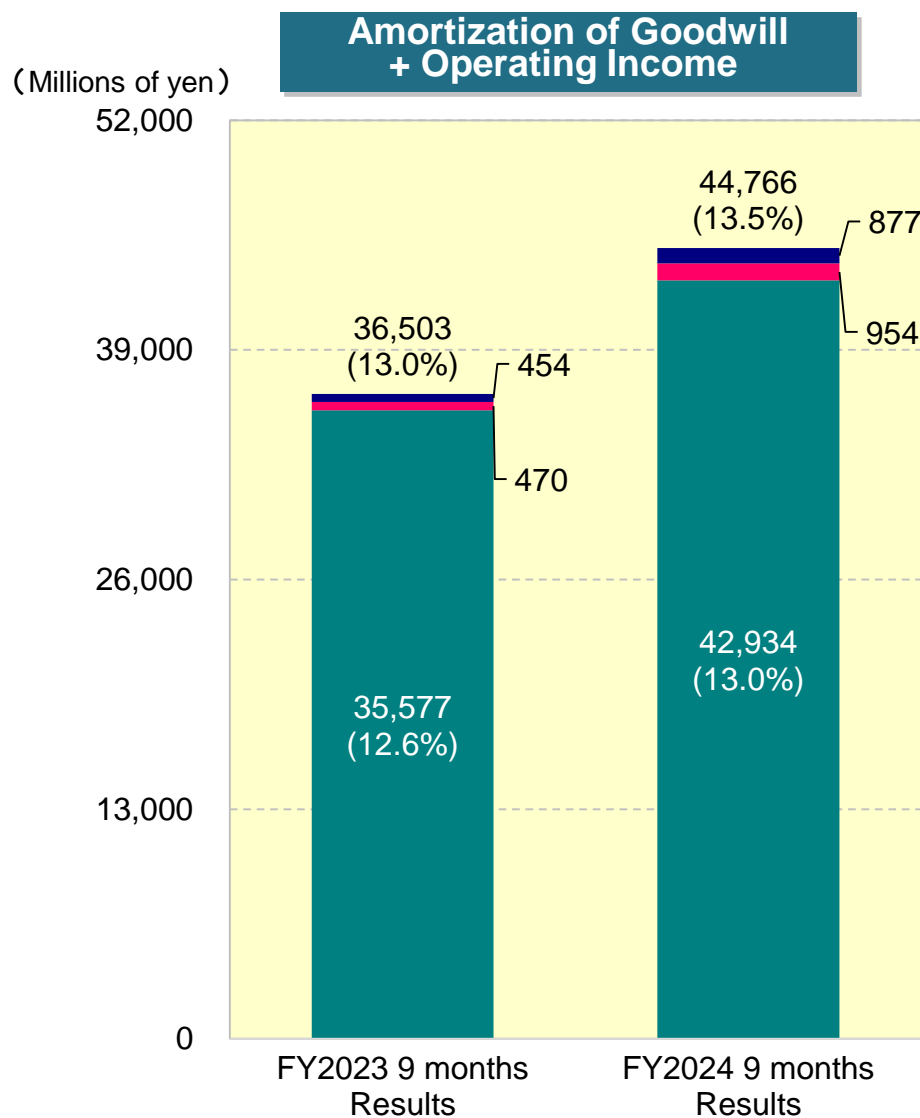
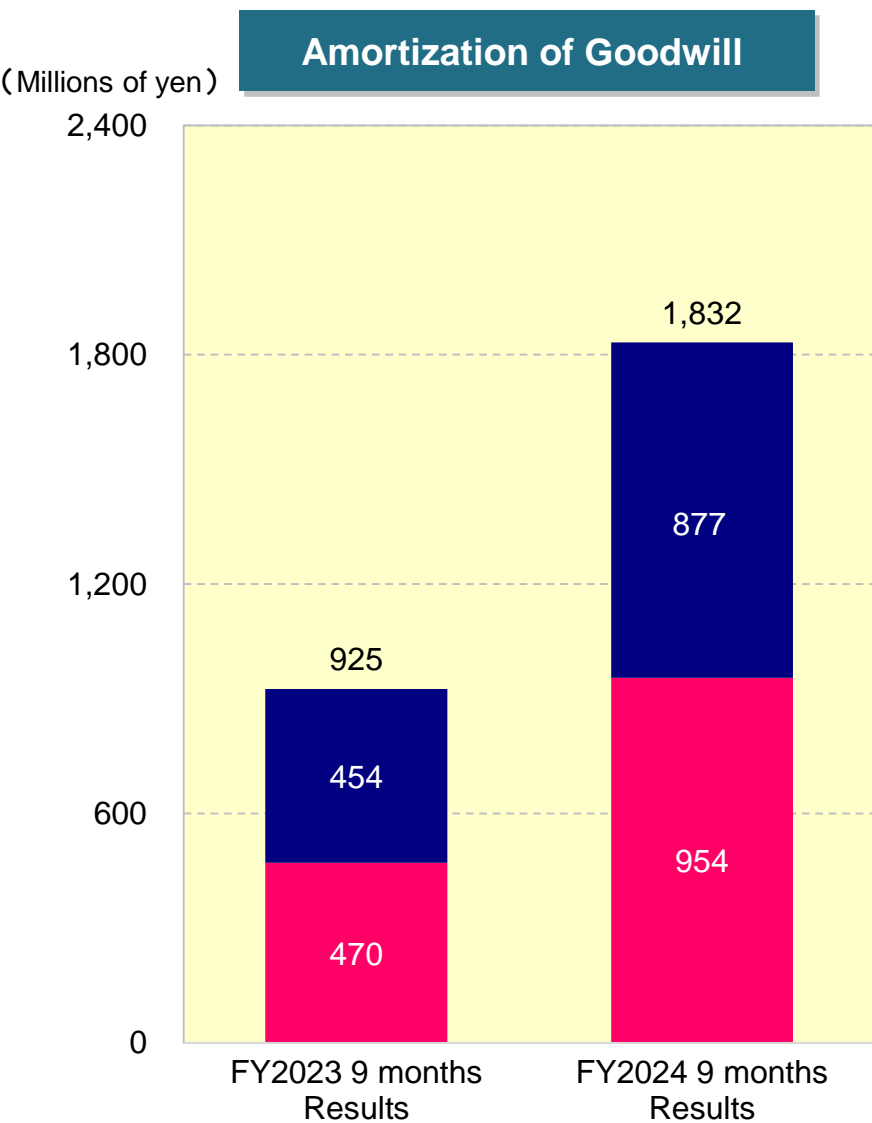
Factors for Change in Consolidated Operating Income by Japan and Overseas

(Millions of yen)



Impact of Goodwill Amortization

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



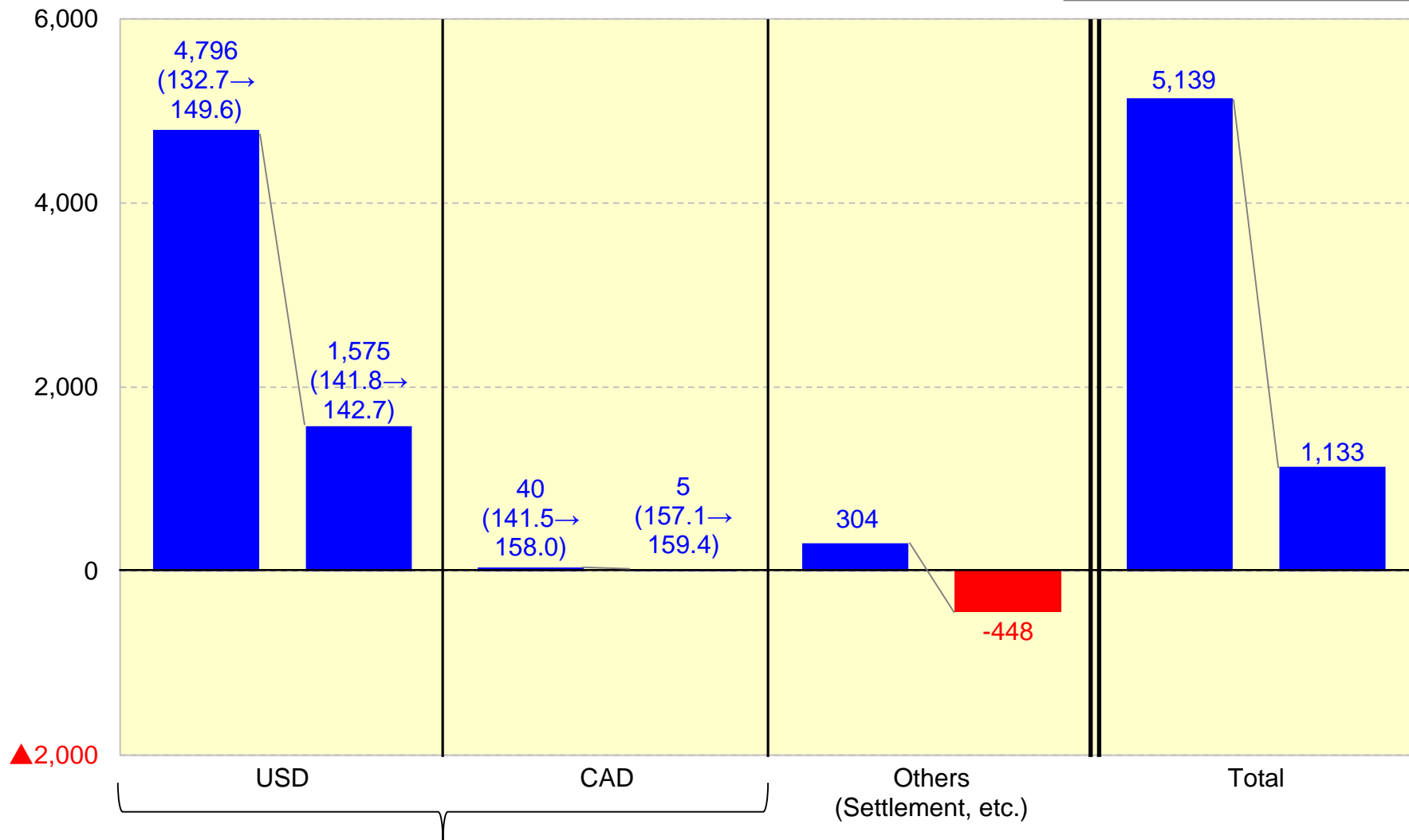
*Percentages in parentheses indicate sales ratio.



Breakdown of Foreign Exchange Gain and Loss

(Millions of yen)

Left : FY2023 9 months Results
Right : FY2024 9 months Results



*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.

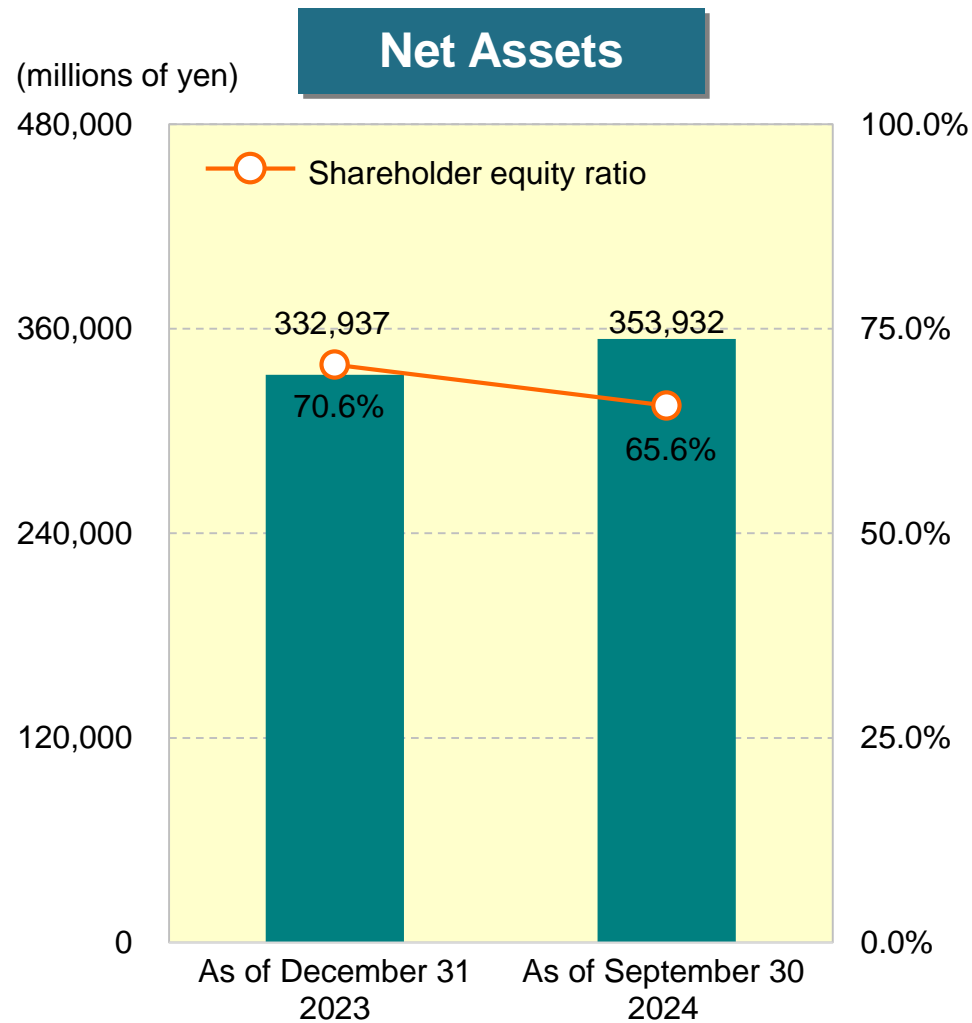
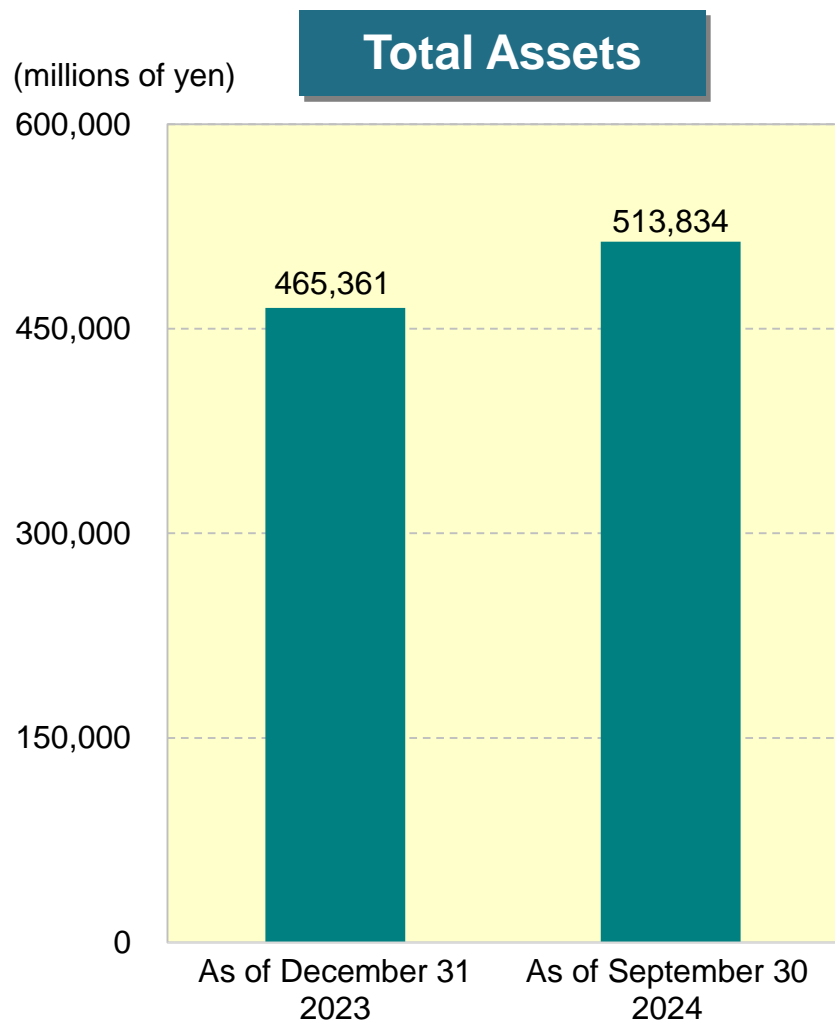


Consolidated Balance Sheet

		As of December 31, 2023		As of September 30, 2024		
		Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Change (Millions of yen)
	Current assets	364,145	78.3	370,940	72.2	+6,795
	(Cash and cash equivalents)	254,530	54.7	232,125	45.2	-22,404
	(Notes and accounts receivable-trade)	52,026	11.2	68,350	13.3	+16,324
	(Inventory)	52,264	11.2	64,906	12.6	+12,642
	Non-current assets	101,215	21.7	142,894	27.8	+41,678
Total assets		465,361	100.0	513,834	100.0	+48,473
	Current liabilities	104,638	22.5	125,646	24.5	+21,007
	(Notes and accounts payable-trade)	30,308	6.5	34,416	6.7	+4,108
	Non-current liabilities	27,785	6.0	34,256	6.7	+6,470
	Total liabilities	132,424	28.5	159,902	31.1	+27,478
Total net assets		332,937	71.5	353,932	68.9	+20,995
Total liabilities and net assets		465,361	100.0	513,834	100.0	+48,473
Cash and deposits (including long-term deposits)		254,530		239,262		-15,268



Comparison of Consolidated Total Assets and Net Assets

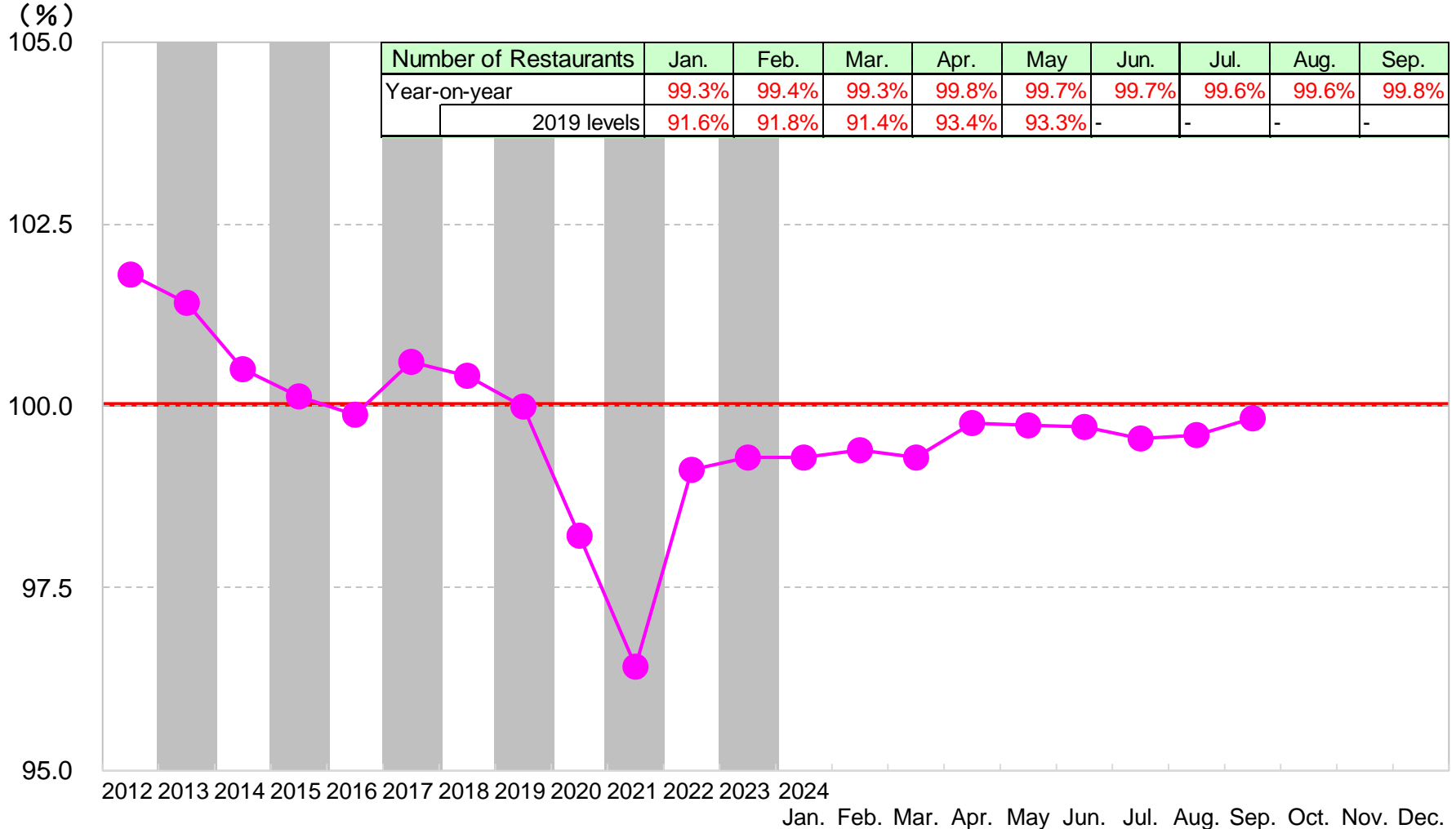




Ⅱ . Key Factors of Financial Results for FY 2024 3Q

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

- The total number of major chain stores in Japan has been declining year-on-year since 2020, but the rate of decline has been moderate and has been flat since the end of last year.

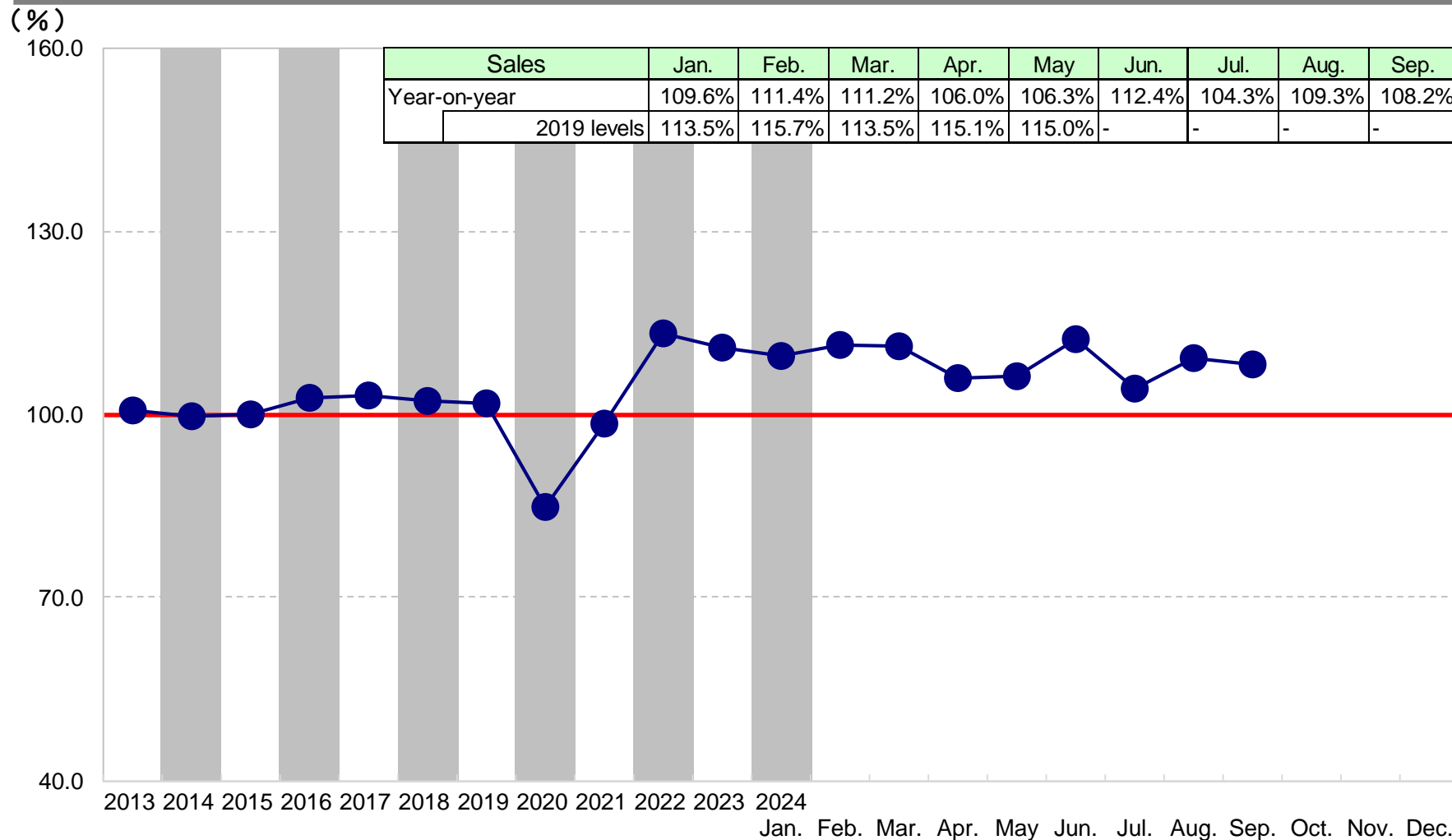


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- Sales in the restaurant industry have continued to recover, partly due to rising inbound demand. Sales in the restaurant industry as a whole for September were 108.2% on a year-on-year basis.

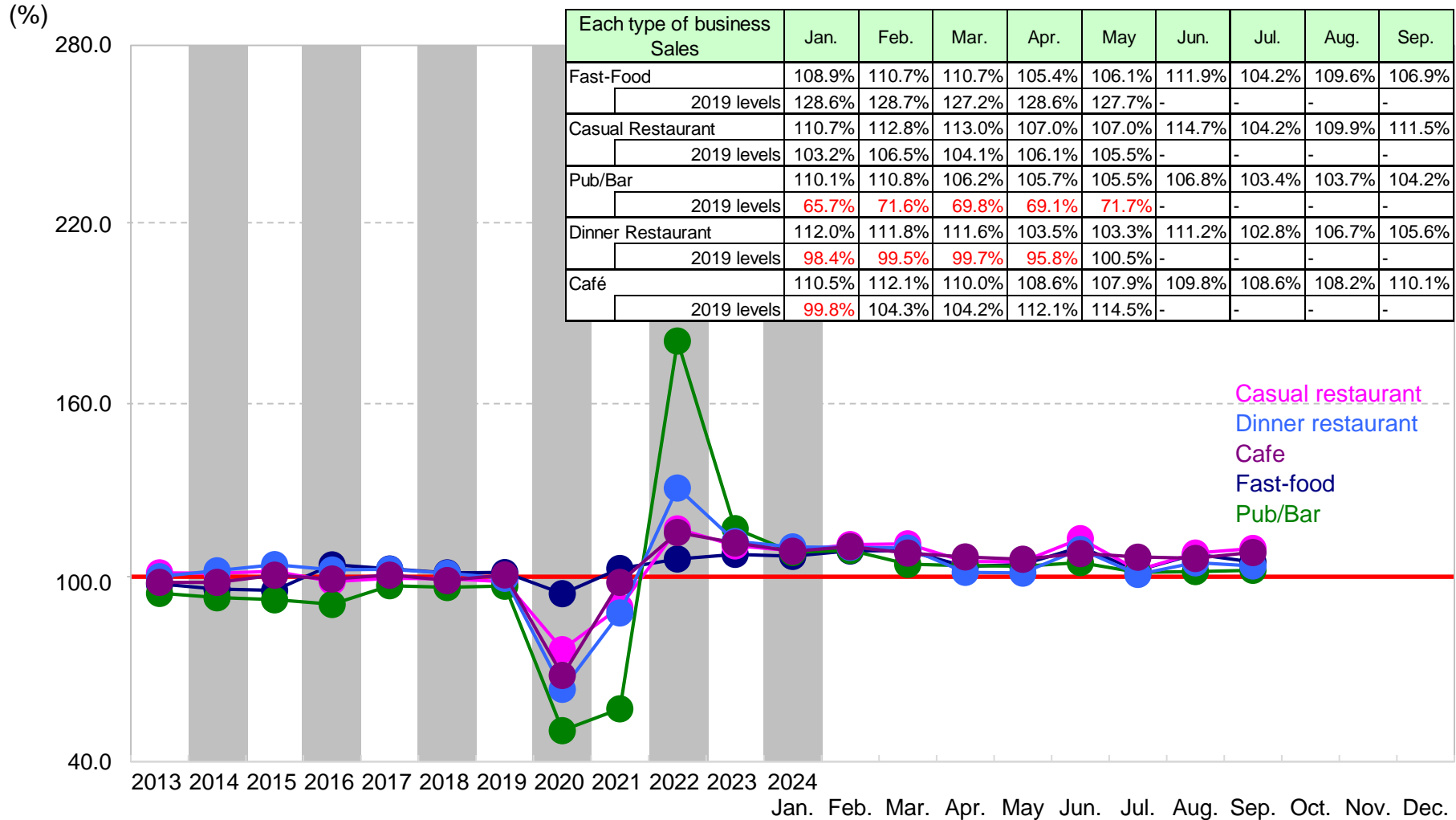


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- All business categories grew at a rate of more than 100% year on year due to increased demand from inbound travel.

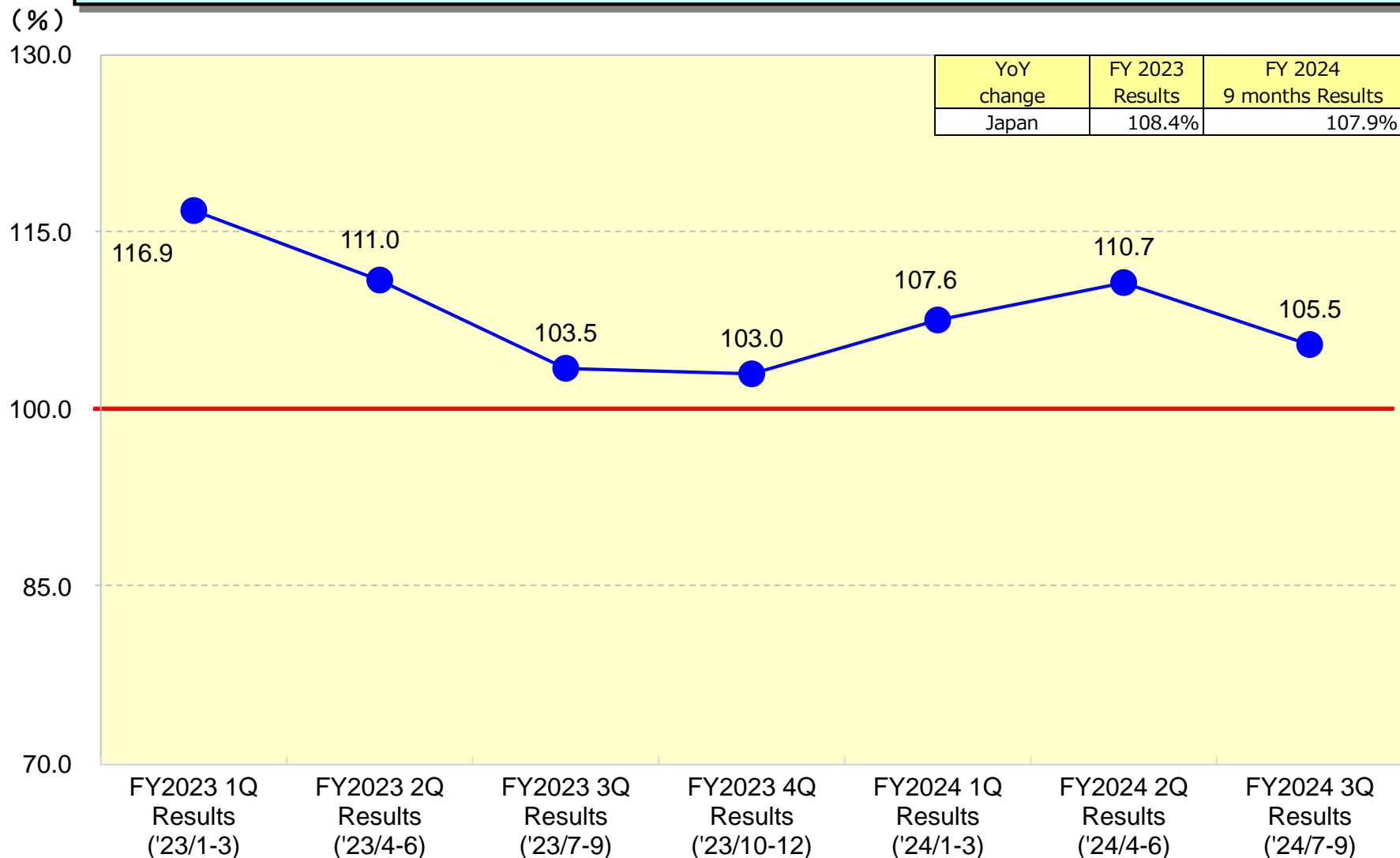


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")

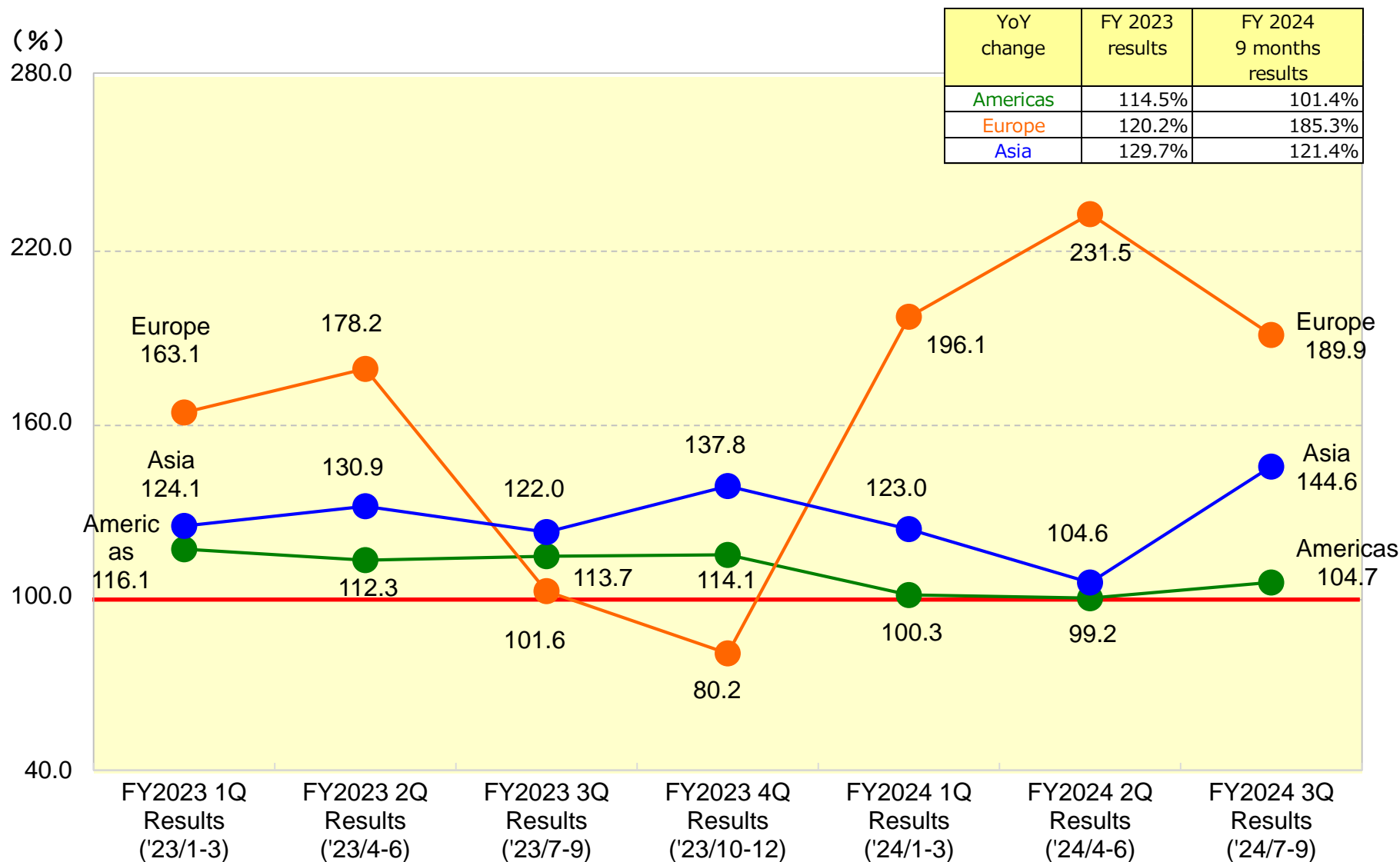


Japan : Year-on-Year Change in Sales

● Amid strong demand for capital investment, net sales in the third quarter of 2024 exceeded 105% of the previous year.



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 2024.11.12)

- In the cumulative third quarter of the fiscal year, business performance was strong due to the continued demand in overseas countries and inbound demand due to the depreciation of the yen in Japan. In addition, the three companies newly consolidated this year contributed to the business performance, and the business performance exceeded initial expectations.
- Revised our earning forecast due to above factors and revision of foreign exchange rates assumption. (Key Exchange rates (average of the period) : 150 yen per US dollar, 163 yen per Euro.)

	FY 2023 results		FY 2024 forecast (2024.02.13)		FY 2024 forecast (2024.11.12)					
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year		Over forecast	
							Change (Millions of yen)	Percentage (%)	Change (Millions of yen)	Percentage (%)
Sales	373,563	100.0	410,000	100.0	430,000	100.0	56,437	115.1	20,000	104.9
Cost of sales	237,501	63.6	263,300	64.2	267,900	62.3	30,399	112.8	4,600	101.7
Gross profit	136,062	36.4	146,700	35.8	162,100	37.7	26,038	119.1	15,400	110.5
Selling, general and administrative expenses	92,541	24.8	102,700	25.0	113,600	26.4	21,059	122.8	10,900	110.6
Operating income	43,520	11.6	44,000	10.7	48,500	11.3	4,980	111.4	4,500	110.2
Ordinary income	50,322	13.5	46,000	11.2	54,000	12.6	3,678	107.3	8,000	117.4
Profit attributable to owners of parent	32,835	8.8	33,000	8.0	34,000	7.9	1,165	103.5	1,000	103.0





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 : 60 companies
(20 companies in Japan, 18 companies in Americas, 22 companies in Europe and Asia)
(As of September 30, 2024 *Including HOSHIZAKI CORPORATION)
- Number of employees : 1,166 persons (HOSHIZAKI CORPORATION)
16,006 persons (Group total) (As of September 30, 2024)
- Number of sales offices in Japan : 427 places *Including Service Centers (As of September 30, 2024)

Main Product Group and Sales Breakdown

Other Products etc



Vacuum Packing Machine



Steam Convection Oven



Dough Conditioner



Hot & Cold Meal Serving Cart

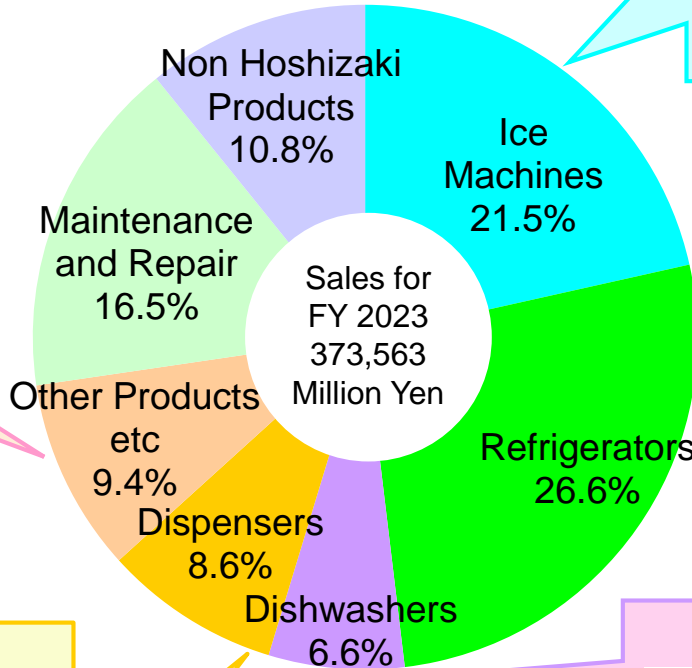
Ice machines




Cube Ice Maker




Ice Dispenser



Refrigerators



Refrigerator



Under-Counter Refrigerator

Dishwashers



Dishwasher



Rack Conveyor Dishwasher

Dispensers



Dispenser



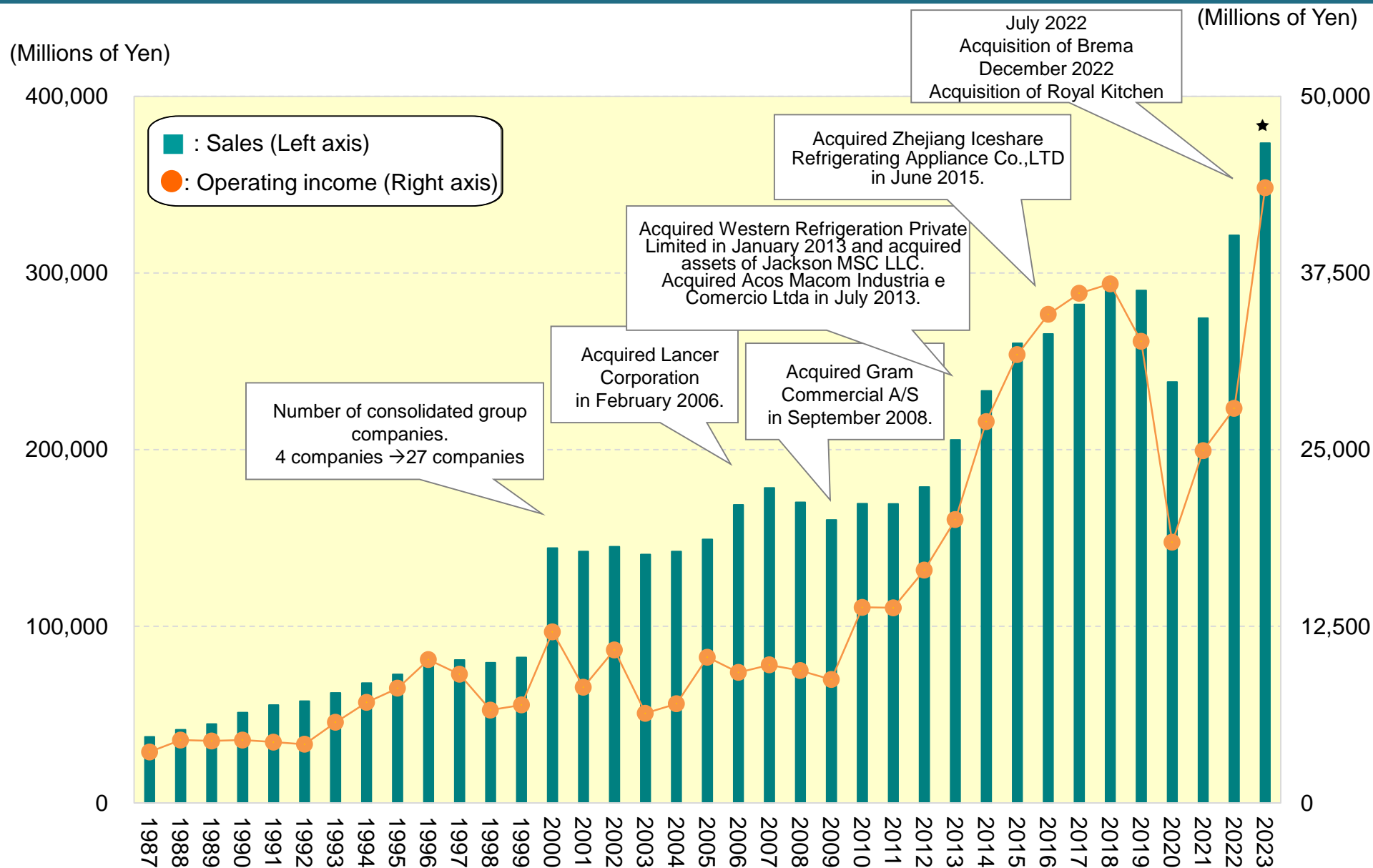
Draft Beer Dispenser



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.

If you have any inquiries concerning this document and our IR activities, please contact as below:

HOSHIZAKI CORPORATION
Corporate Planning & Strategy Dept.
TEL (0562) 96-1320
URL <http://www.hoshizaki.co.jp/>