



FY2024 Earnings Presentation

MARUKA FURUSATO Corporation

February 2025

“Why didn’t we think of this?” one after another.

UNISOL



FY2024 Consolidated Financial Results



● Decrease in sales and income

Summary

- Sales decreased mainly in the Machinery & Tools segment
- Operating profit decreased further due to increase in SG&A expenses
- Gain on sale of policy shareholdings recorded in extraordinary profit
- Impairment loss recorded as extraordinary loss
- Net income attributable to shareholders of the parent company decreased slightly

By segments

- Machinery & Tools: Decrease in sales and income
- Construction Products: Decrease in sales and income
- Construction Machinery, IoT Solution: Increase in income and profit

● Almost as forecasted which has been revised on July 26, 2024

Achievement ratio • Sales 99%, Operating Profit 102%.

● Annual dividend: 107 yen (including special dividend)

● Acceleration of DOE 3.5% achievement to FY25 from FY27-29

Annual dividend forecast at FY2025: **101 yen**



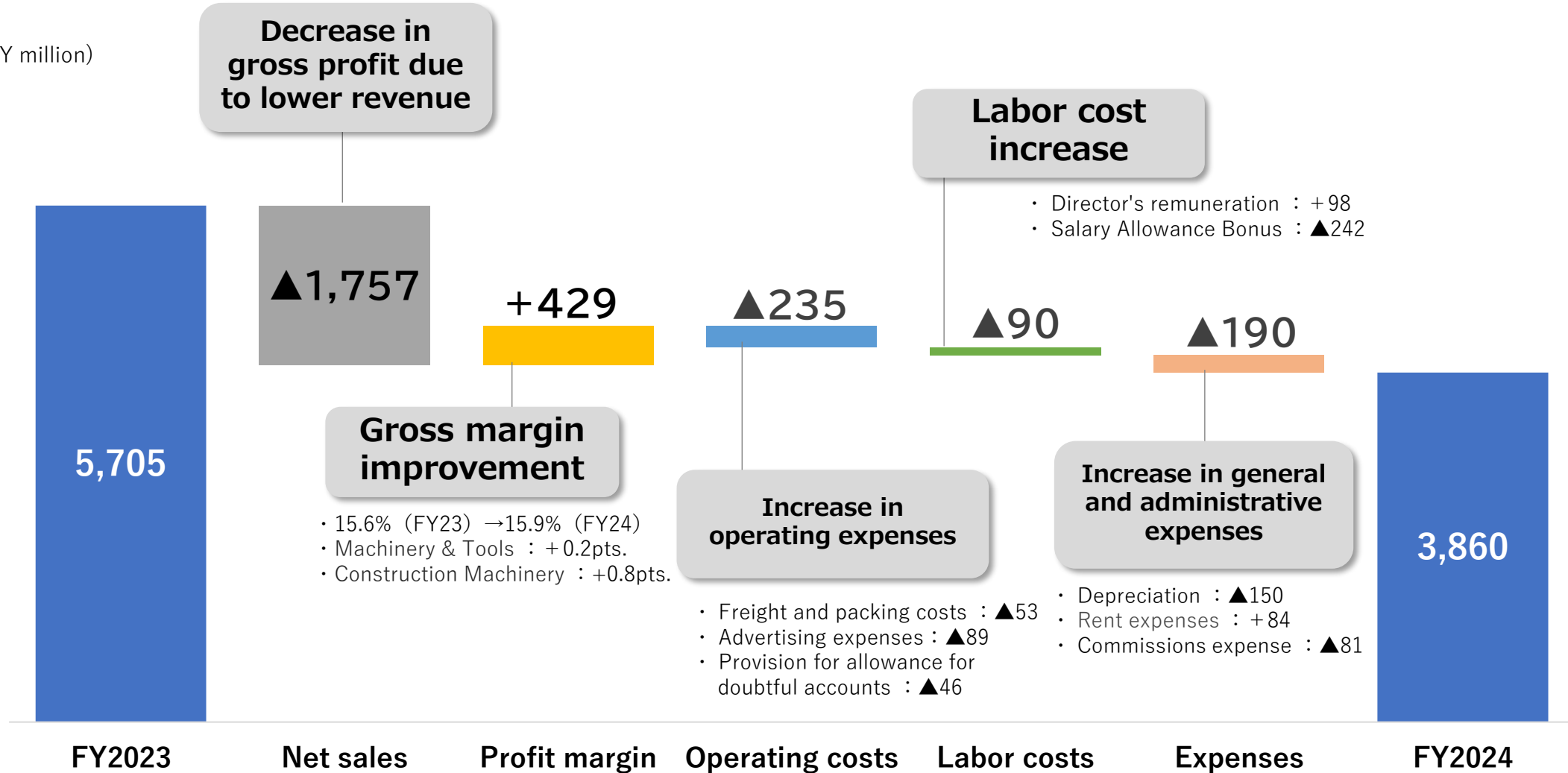
Consolidated Financial Results Summary

(JPY million)	FY2023	FY2024	Increase/ Decrease	Percentage increase/ decrease	
Net sales	172,980	161,716	▲11,263	▲6.5%	• Net sales : Decrease mainly in Machinery & Tools Segment (Machinery & Tools : ▲10.6%)
Gross profit	26,994	25,666	▲1,328	▲4.9%	• Operating profit : Further decrease due to increase in SG&A expenses (SG&A expenses : + 2.4%)
SG&A expenses	21,289	21,806	516	2.4%	• Extraordinary profit : Recognized gain on sale of policy shareholdings (Gain on sales of investment securities 2,378 million yen)
Operating profit	5,705	3,860	▲1,844	▲32.3%	• Extraordinary loss : Impairment loss recorded (Impairment loss : 419 million yen)
Ordinary profit	6,652	4,659	▲1,992	▲30.0%	• Profit attributable to owners of the parent : Decrease slightly (▲1.8%)
Profit attributable to owners of the parent	4,698	4,613	▲85	▲1.8%	



Operating Profit Analysis (By Factors)

(JPY million)





(JPY million)	FY2023	FY2024	Increase/ Decrease
Total assets	120,342	120,821	479
Cash and deposits	21,750	27,533	5,783
Notes receivable-trade, Accounts receivable-trad and contract assets	31,365	28,608	▲2,757
Property, plant and equipment	24,628	25,375	747
Investment securities	5,145	3,116	▲2,028
Other assets	37,452	36,187	▲1265
Total liabilities	47,623	47,448	▲175
Notes payable-trade and accounts payable-trade	17,777	17,669	▲108
Electronically recorded liabilities	16,706	17,122	416
Contract liabilities	4,631	5,084	453
Short-term loans payable	896	466	▲429
Other liabilities	7,611	7,104	▲607
Total net assets	72,719	73,373	654
Equity capital	71,838	72,339	501
Non-controlling Interests	881	1,034	153
Equity capital ratio	59.7%	59.9%	

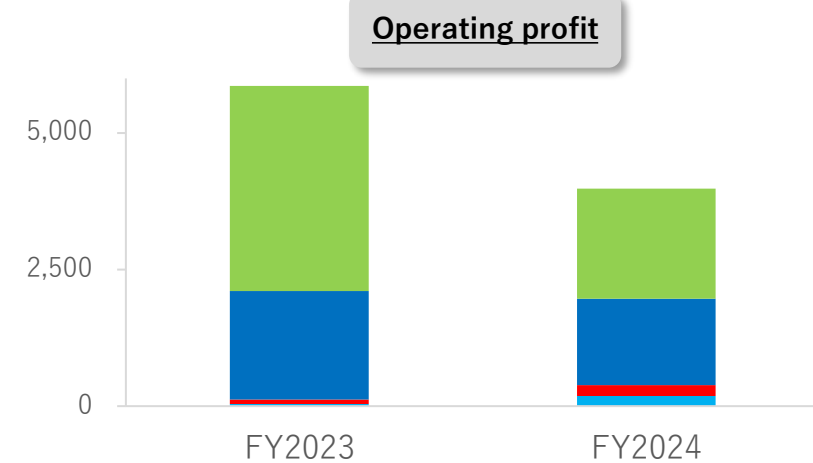
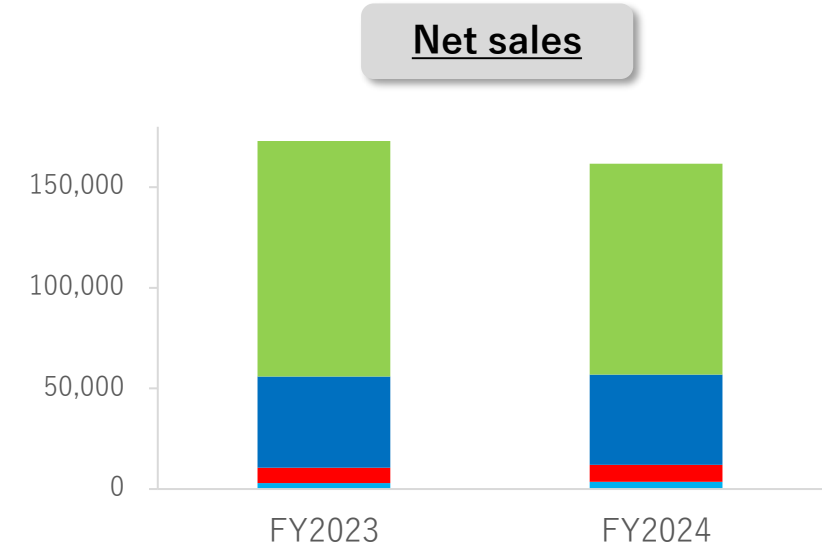
(JPY million)	FY2023	FY2024	Increase/ Decrease
Net cash provided by (used in) operating activities	6,031	7,863	1,832
Net cash provided by (used in) investment activities	▲4,670	1,433	6,103
Free cash flow	1,361	9,296	7,935
Net cash provided by (used in) financing activities	▲5,370	▲3,368	2,002
Cash and cash equivalents at end of year	20,174	26,129	5,954

- Net cash provided by (used in) operating activities : Increased by 1,832million yen year on year mainly due to decrease in trade receivables of 4,638 million yen
- Net cash provided by (used in) investment activities : Increased by 6,103million yen year on year mainly due to sales of investment securities of 3,058 million yen



Consolidated Financial Results (By Segment)

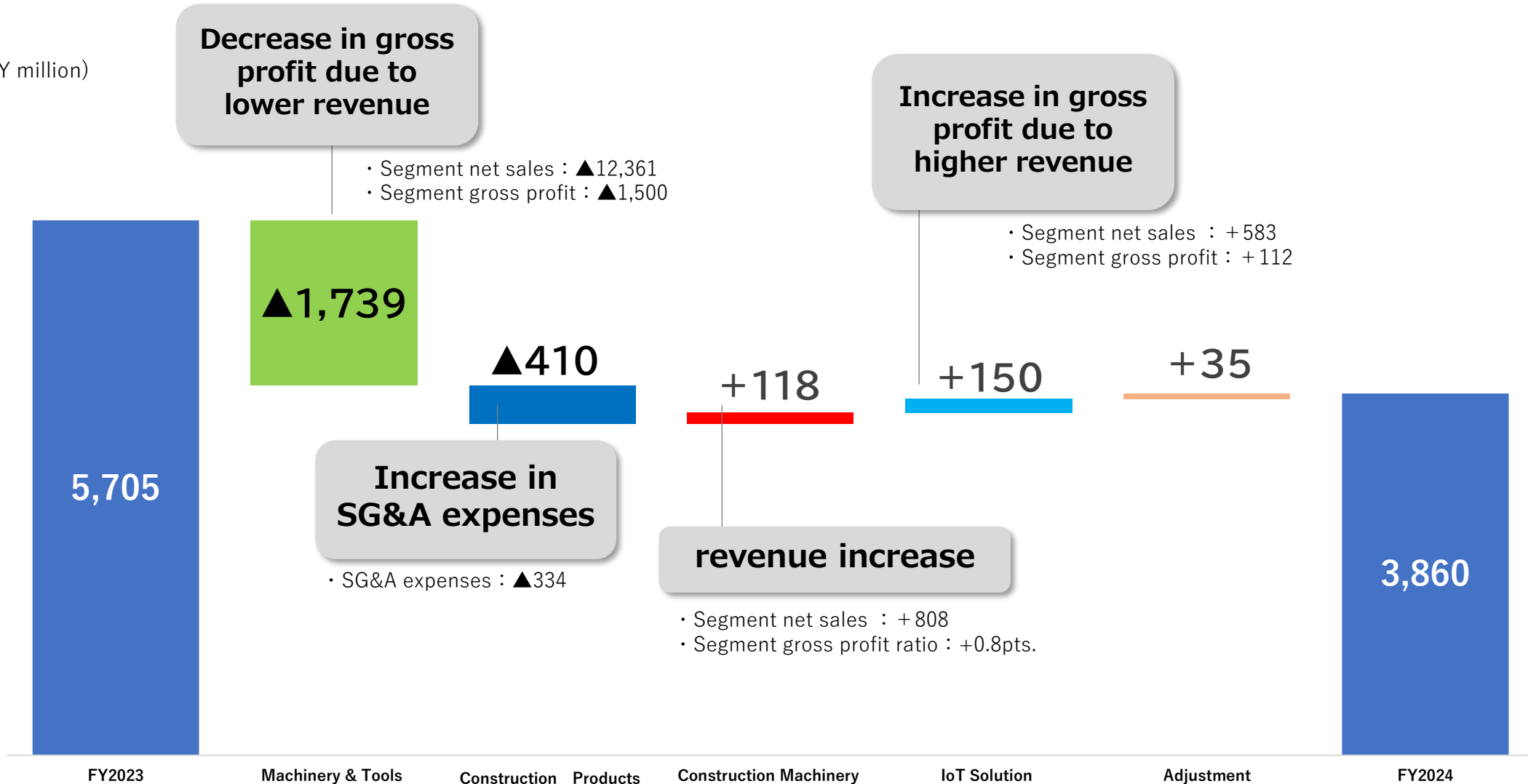
(JPY million)	FY2023	FY2024	Percentage increase/decrease
Net sales	172,980	161,761	▲6.5%
■ Machinery & Tools Segment	117,128	104,767	▲10.6%
■ Construction Products Segment	45,241	44,947	▲0.7%
■ Construction Machinery Segment	7,605	8,413	10.6%
■ IoT Solution Segment	3,004	3,588	19.4%
Operating profit	5,705	3,860	▲32.3%
■ Machinery & Tools Segment	3,758	2,019	▲46.3%
■ Construction Products Segment	1,987	1,576	▲20.6%
■ Construction Machinery Segment	81	200	144.8%
■ IoT Solution Segment	38	188	393.7%
■ Adjustment	▲160	▲104	—





Operating Profit Analysis (By Segments)

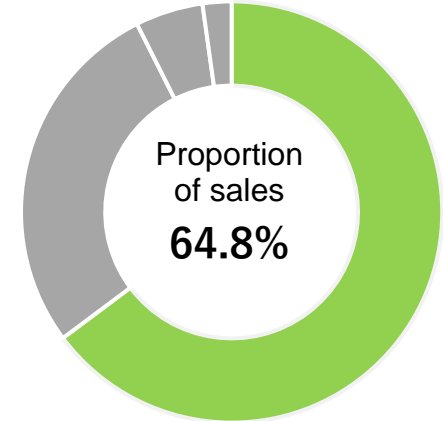
(JPY million)





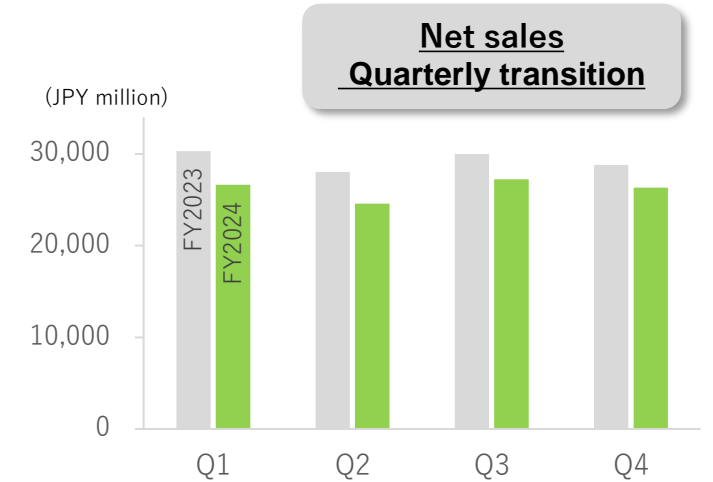
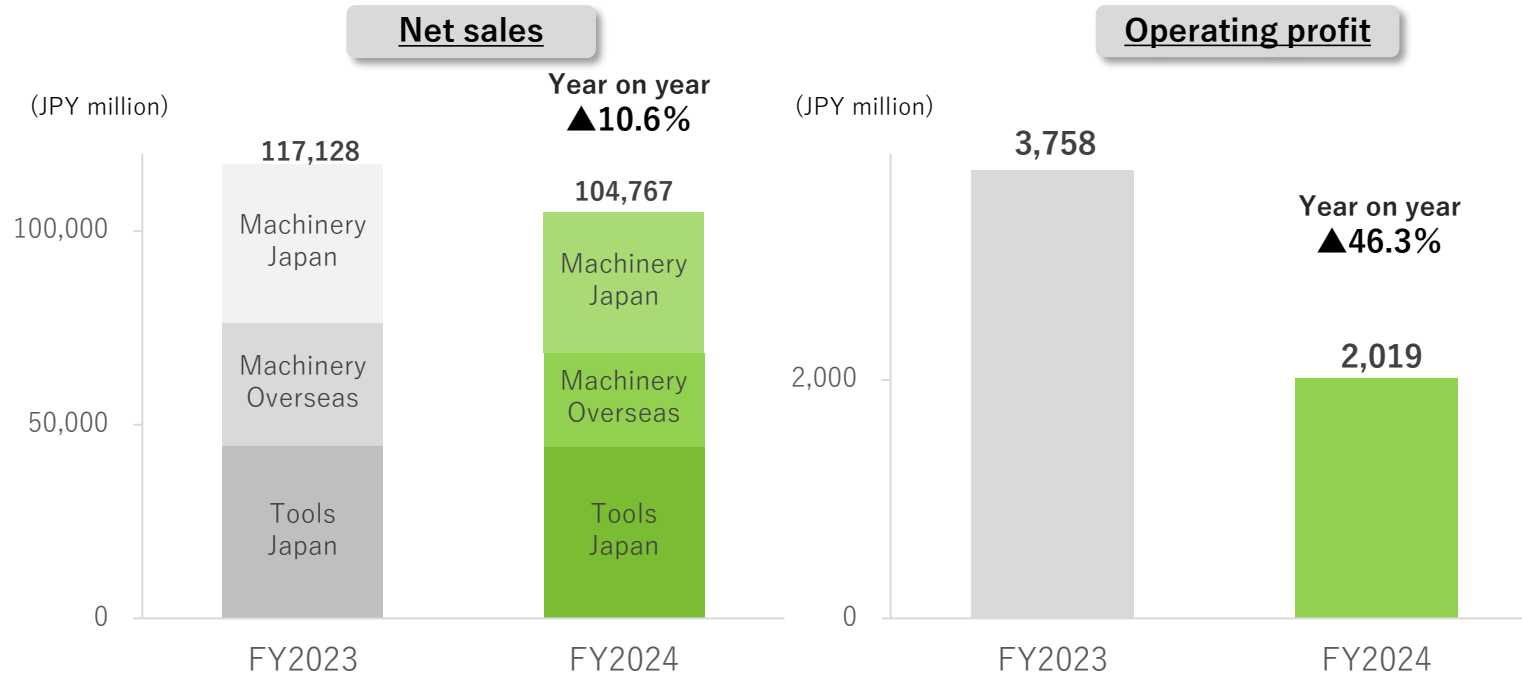
Major Factors for Increase/Decrease

- Machinery (Japan) : Decreased by 11.5% year on year. Equipment mainly for the automotive industry are in gradually increasing and sales channel developments are in progress not only the automotive industry. Orders are in incremental trend based on demand improvement of domestic machine tools.
- Machinery (Overseas) : Decreased by 23.9% year on year. (Explanation on next page)
- Tools (Japan) : Increased by 0.2% year on year. Although there are some equipment projects for environmental measures, etc., consumables in the metalworking industry, including the automobile industry, are weak.



Our Business

A machinery technology trading company with the technical skills and proposal capabilities for providing, as well as designing, the optimum machinery and tools for the manufacturing industry in Japan and overseas

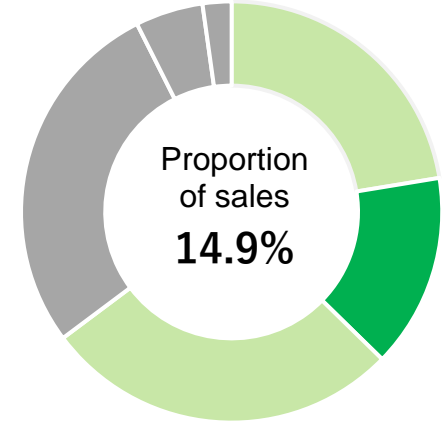




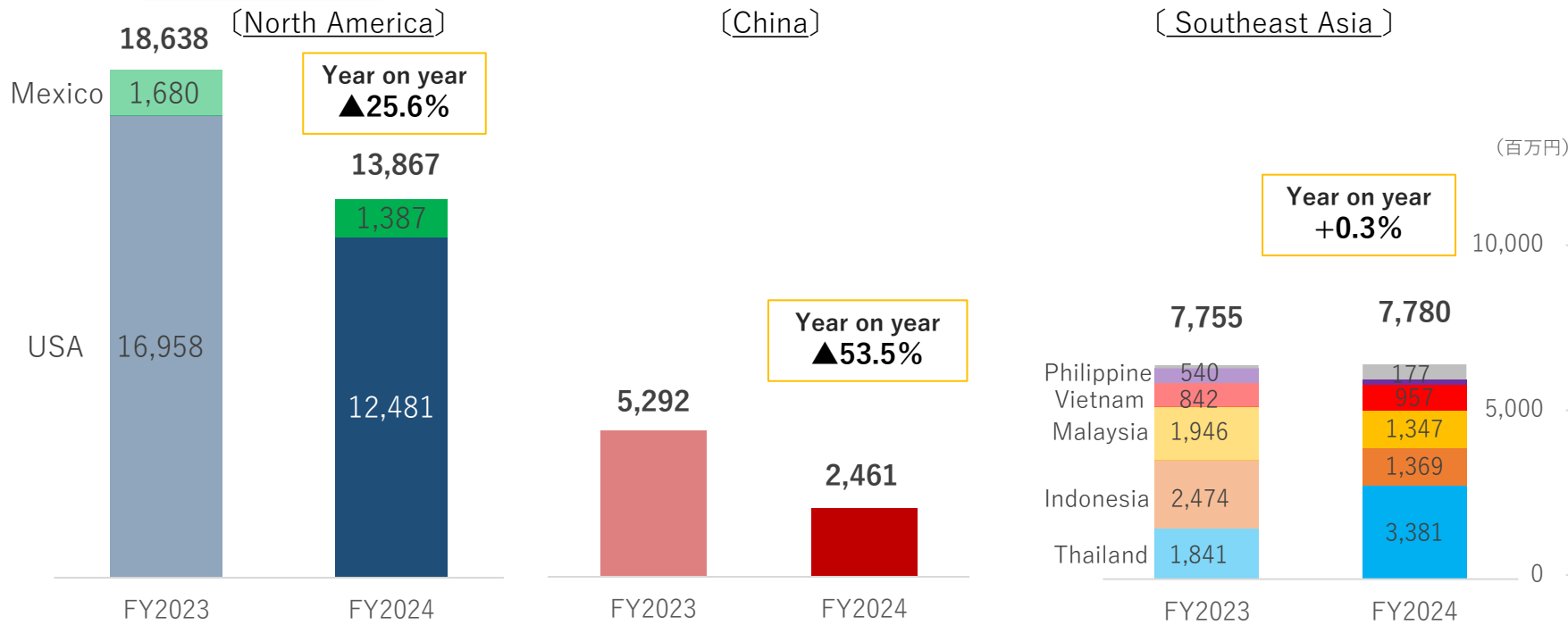
Machinery & Tools Segment (Overseas)

Major Factors for Increase/Decrease

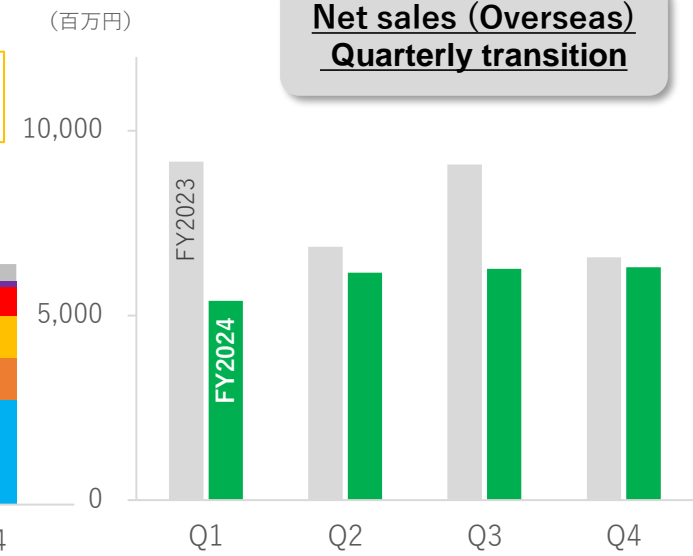
- North America : Gradually improving in orders amid lingering effects of high interest rates and buying restraint ahead of the presidential election in USA
- China : Continuous economic slowdown has led to a decline and postponement of equipment projects towards Japanese automakers.
- Southeast Asia : Indonesia and Malaysia posted lower revenues, while Thailand posted higher revenues due to several investment projects.



Net sales (Overseas) **24,118** million yen (Year on year ▲23.9%)
Overseas sales ratio **14.9%** (Year on year ▲3.4pts.)



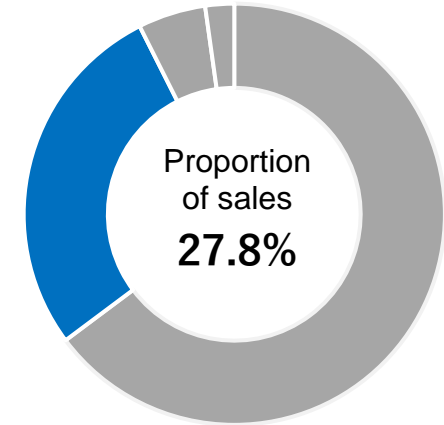
Net sales (Overseas) Quarterly transition





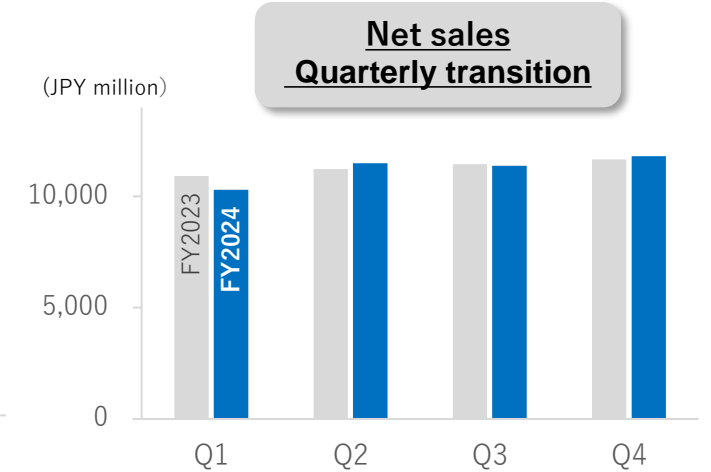
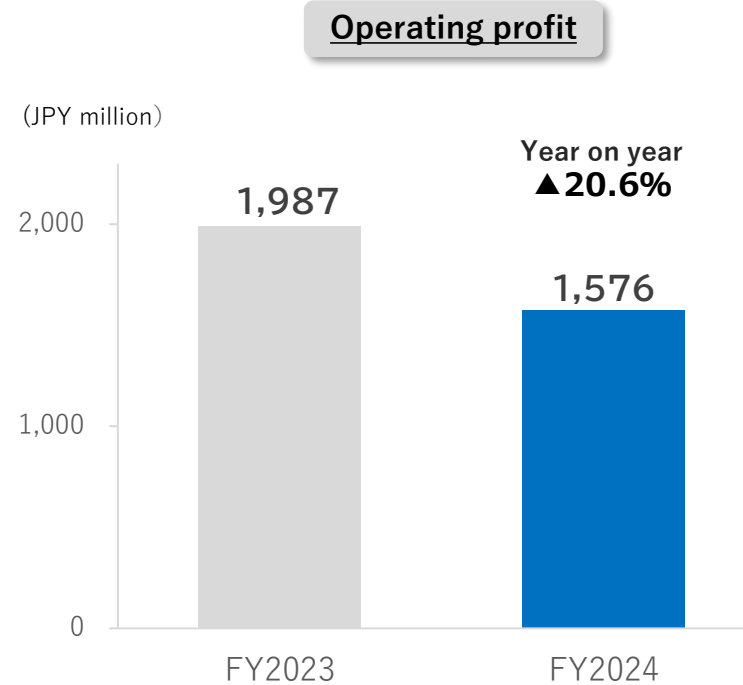
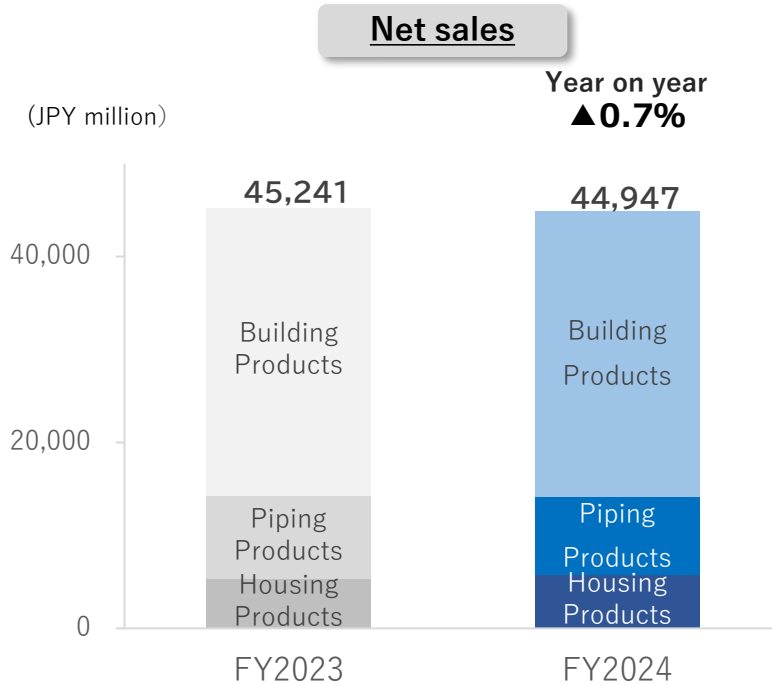
● Major Factors for Increase/Decrease

- Building products : Decreased by 0.6% year on year. Impact of materials price hikes, labor shortage, work-style reform in construction industry, called “8 days closure in 4 weeks”, and demand decline for steel frame constructions.
- Piping products : Decreased by 6.1% year on year. Although there are orders for large scale projects, overall sales declined due to fierce price competition.
- Housing products : Increased by 8.6% year on year. Focused on securing orders from major clients and renovation projects with construction, and price improvement.



● Our Business

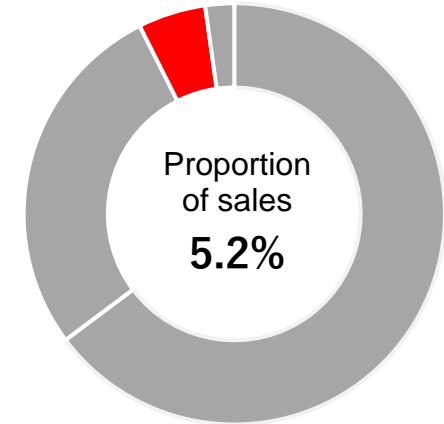
A construction products trading company with manufacturing functions that provides building products, piping products and housing equipment devices just in time to the construction industry in Japan





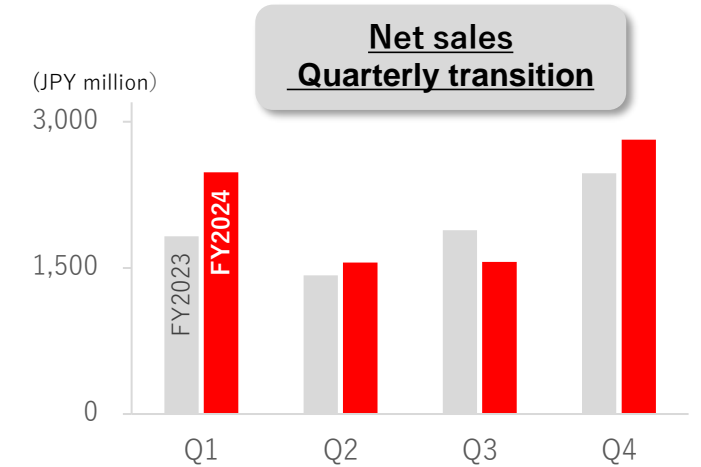
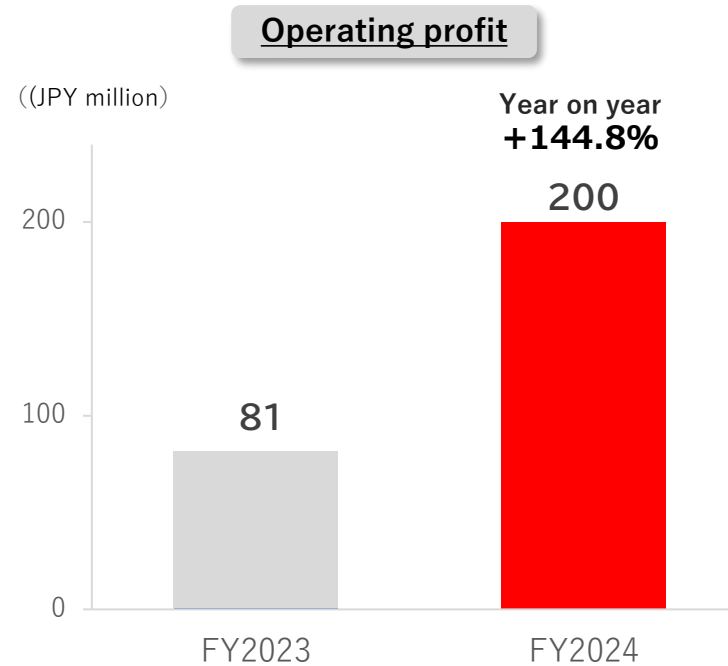
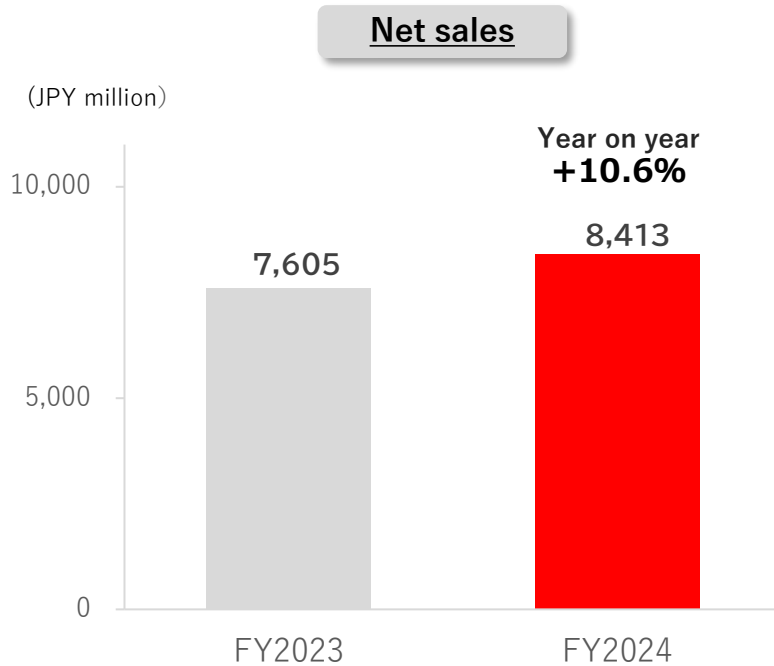
Major Factors for Increase/Decrease

- Increased orders mainly for crawler cranes, our mainstay product, most sales has been recorded in the fourth quarter
- Improved profitability in new and used vehicles



Our Business

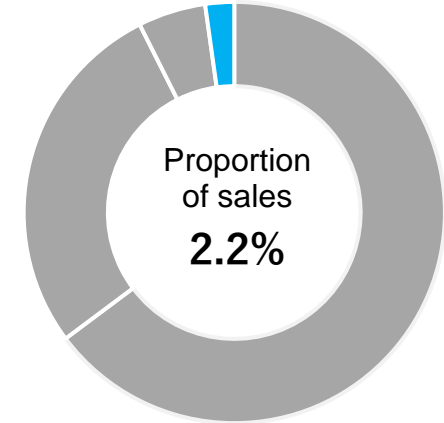
Sales of cargo handling machinery, construction machinery, etc., sales of insurance, and rental of elevating work vehicles, including operators, to public works contractors, etc. in Japan



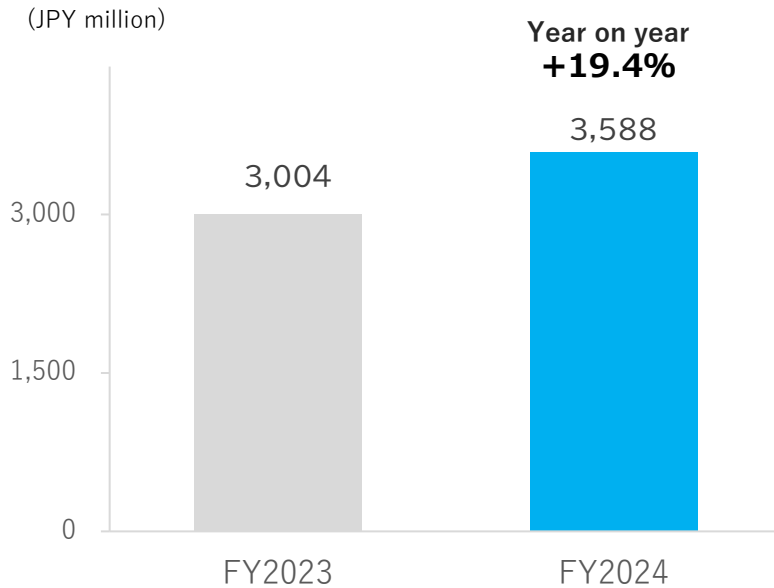


● Major Factors for Increase/Decrease

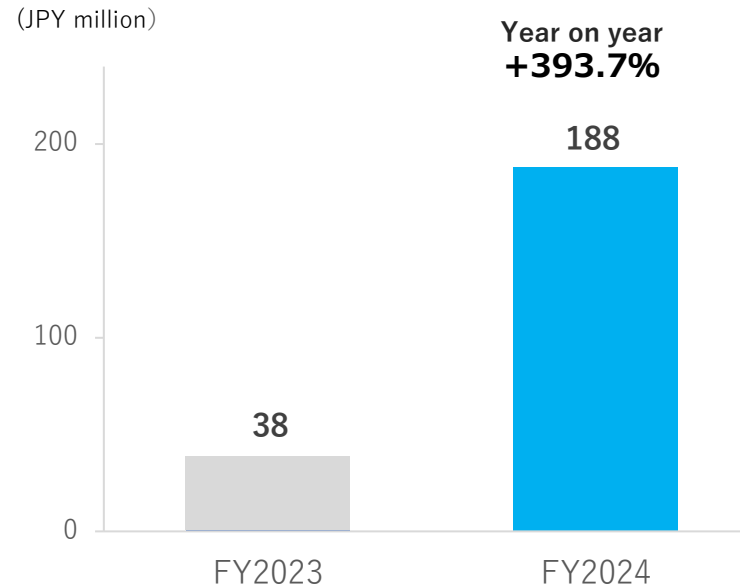
- Continued orders from large scale project, and stabilized profit structure by increasing the number of blue-chip customers
- Increased revenues and profits due to ongoing cost reductions



Net sales



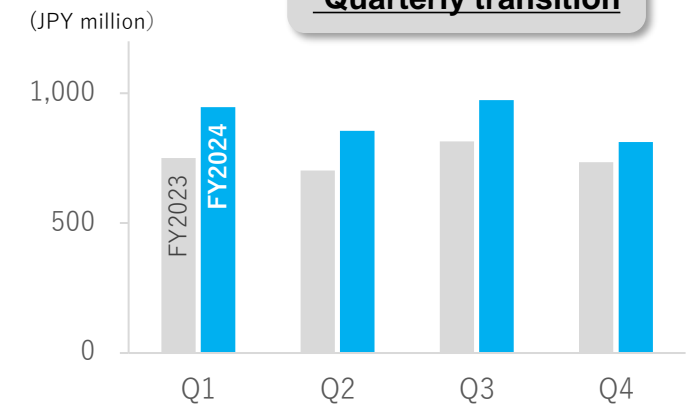
Operating profit



● Our Business

Provision of total solutions tailored to needs related to offices, factories, warehouses, etc., and realization of controlling, preventing and mitigating various risks

Net sales Quarterly transition





FY2025 Earnings Forecasts



Consolidated Earnings Forecast Summary

(JPY million)	FY2024 Results	FY2025 Forecast	Increase/Decrease	Percentage increase/decrease
Net sales	161,716	170,000	8,283	5.1%
Gross profit	25,666	27,000	1,333	5.2%
Gross profit ratio	15.9%	15.9%	0p	-
SG&A expenses	21,806	22,500	693	3.2%
Operating profit	3,860	4,500	639	16.6%
Ordinary profit	4,659	5,100	440	9.5%
Profit attributable to owners of the parent	4,613	3,300	▲1,313	▲28.5%

- Net sales : Increase mainly due to recovery in Machinery & Tools Segment (Machinery & Tools : +6.8%)
- Operating profit : Increase due to sales increase and SG&A expense reduction (+16.6%)
- Extraordinary profit : No sales of policy shareholdings expected (FY2024 1H : Gain on sales of investment securities 2,378 million yen)
- Extraordinary loss : Impairment loss of 419 million yen was recorded in FY2024
- Profit attributable to owners of the parent : Decrease due to the absence of extraordinary gains in the previous year (▲28.5%)



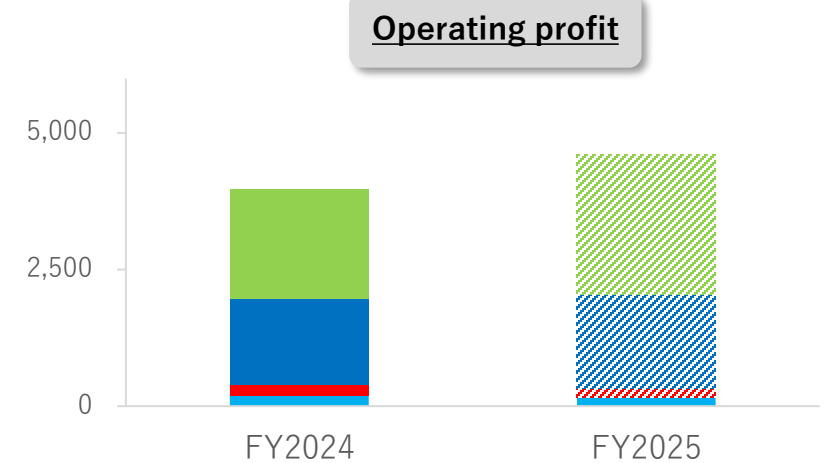
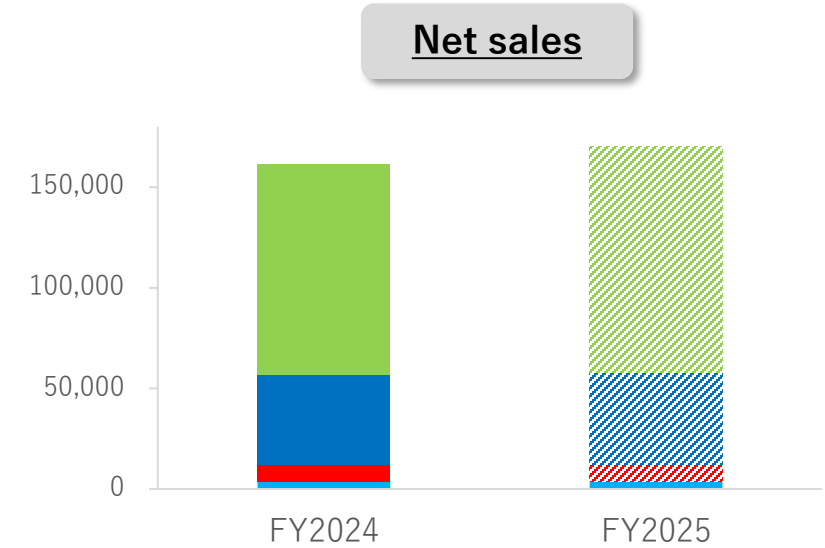
Consolidated Earnings Forecast Summary Half-term

(JPY million)	FY2024 1H Results	FY2025 1H Forecast	Increase/ Decrease	Percentage increase/ decrease	FY2024 2H Results	FY2025 2H Forecast	Increase/ Decrease	Percentage increase/ decrease
Net sales	78,845	80,000	1,154	1.5%	82,871	90,000	7,128	8.6%
Gross profit	12,539	12,800	260	2.1%	13,127	14,200	1,072	8.2%
Gross profit ratio	15.9%	16.0%	0.1p	-	15.8%	15.8%	▲0p	-
SG&A expenses	10,832	11,000	167	1.6%	10,973	11,500	526	4.8%
Operating profit	1,706	1,800	93	5.5%	2,153	2,700	546	25.4%
Ordinary profit	2,160	2,100	▲60	▲2.8%	2,499	3,000	500	20.0%
Profit attributable to owners of the parent	2,862	1,420	▲1,442	▲50.4%	1,750	1,880	129	7.4%



Consolidated Earnings Forecast Summary (By Segment)

(JPY million)	FY2024 Results	FY2025 Forecast	Percentage increase/decrease
Net sales	161,761	170,000	5.1%
■ Machinery & Tools Segment	104,767	111,850	6.8%
■ Construction Products Segment	44,947	45,760	1.8%
■ Construction Machinery Segment	8,413	8,400	▲0.2%
■ IoT Solution Segment	3,588	3,990	11.2%
Operating profit	3,860	4,500	16.6%
■ Machinery & Tools Segment	2,019	2,550	26.3%
■ Construction Products Segment	1,576	1,720	9.1%
■ Construction Machinery Segment	200	180	▲10.2%
■ IoT Solution Segment	188	150	▲20.5%
■ Adjustment	▲124	▲100	—





Consolidated Earnings Forecast (By Half-term Segments)

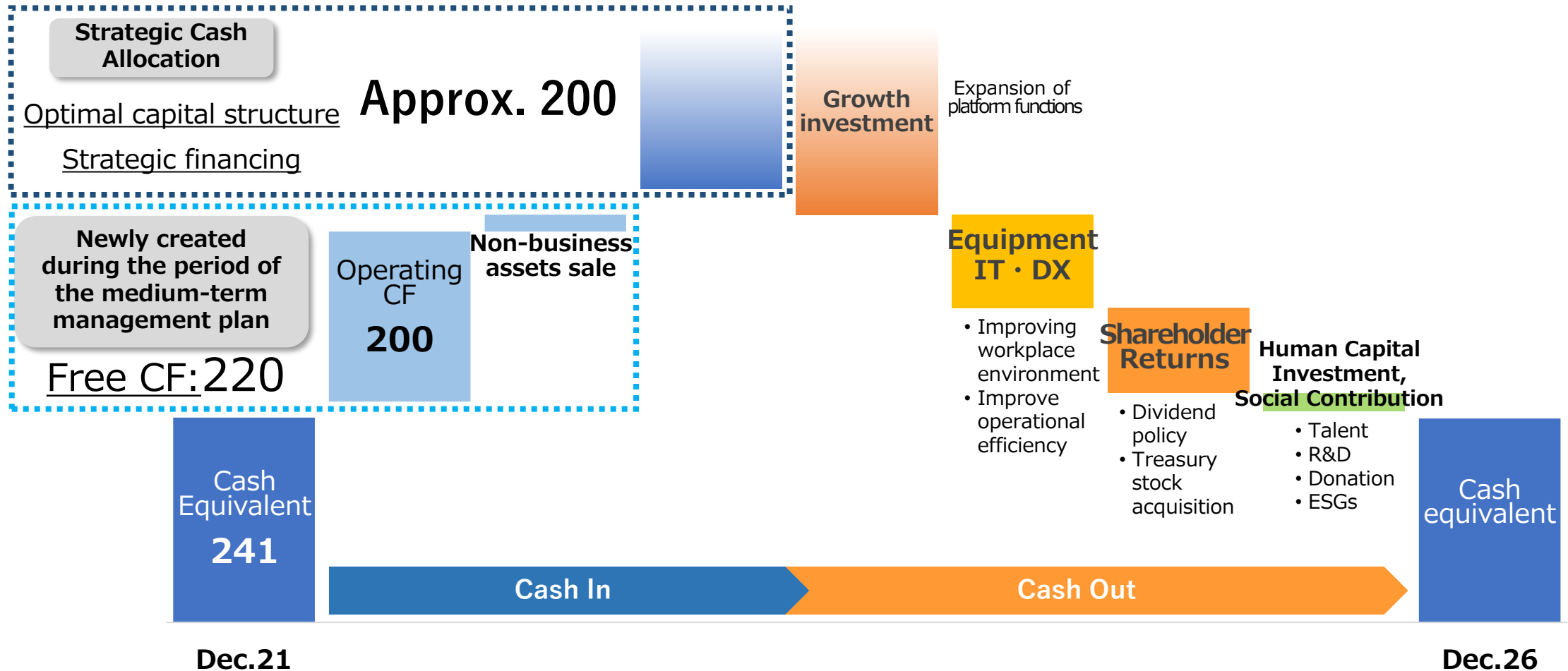
(JPY million)	FY2024 1H Results	FY2025 1H Forecast	Percentage increase/ decrease	FY2024 2H Results	FY2025 2H Forecast	Percentage increase/ decrease
Net sales	78,845	80,000	1.5%	82,871	90,000	8.6%
■ Machinery & Tools Segment	51,226	52,500	2.5%	53,541	59,350	10.9%
■ Construction Products Segment	21,780	22,000	1.0%	23,166	23,760	2.6%
■ Construction Machinery Segment	4,036	3,650	▲9.6%	4,377	4,750	8.5%
■ IoT Solution Segment	1,802	1,850	2.6%	1,785	2,140	19.8%
Operating profit	1,706	1,800	5.5%	2,153	2,700	25.4%
■ Machinery & Tools Segment	843	990	17.4%	1,176	1,560	32.7%
■ Construction Products Segment	745	700	▲6.1%	831	1,020	22.7%
■ Construction Machinery Segment	77	60	▲22.6%	122	120	▲2.3%
■ IoT Solution Segment	124	100	▲19.4%	64	50	▲22.4%
■ Adjustment	▲83	▲50	—	▲41	▲50	—



Business Strategy with Financial Capital Strategy

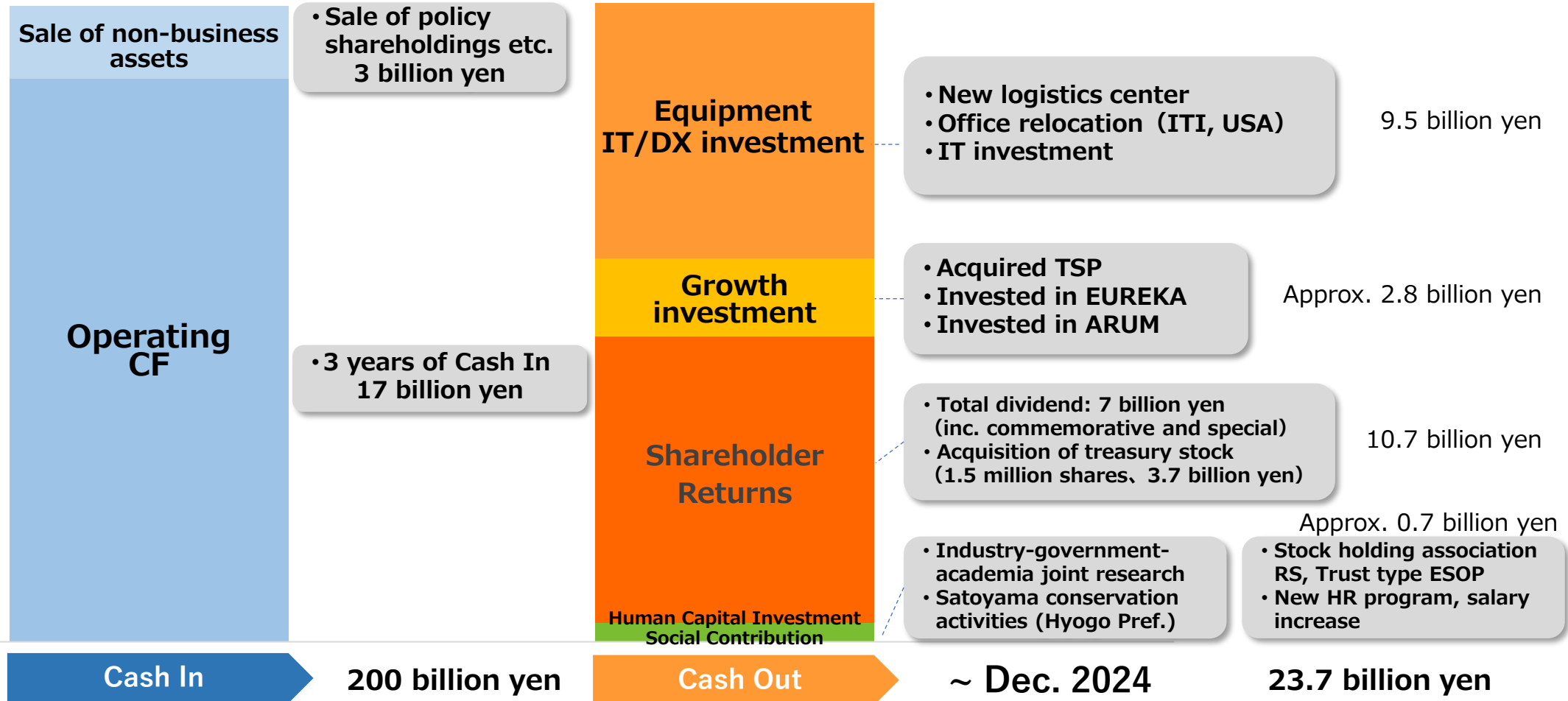


Cash Allocation Policy (2022-2026)



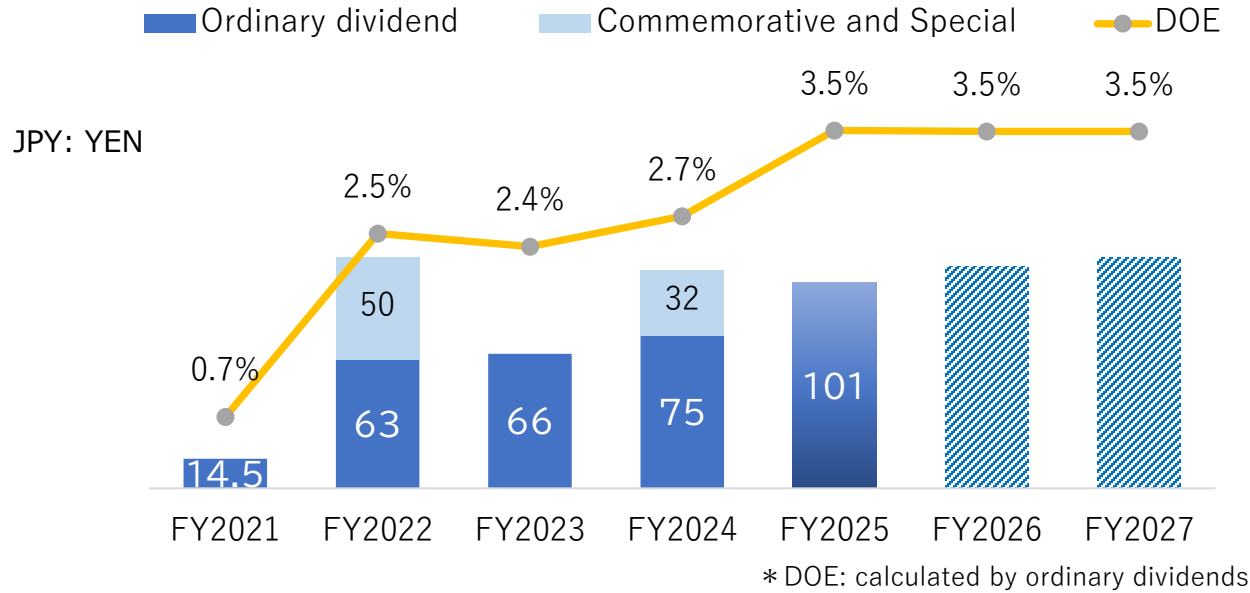


Cash Allocation Progress (2022-2024)





Dividend Policy

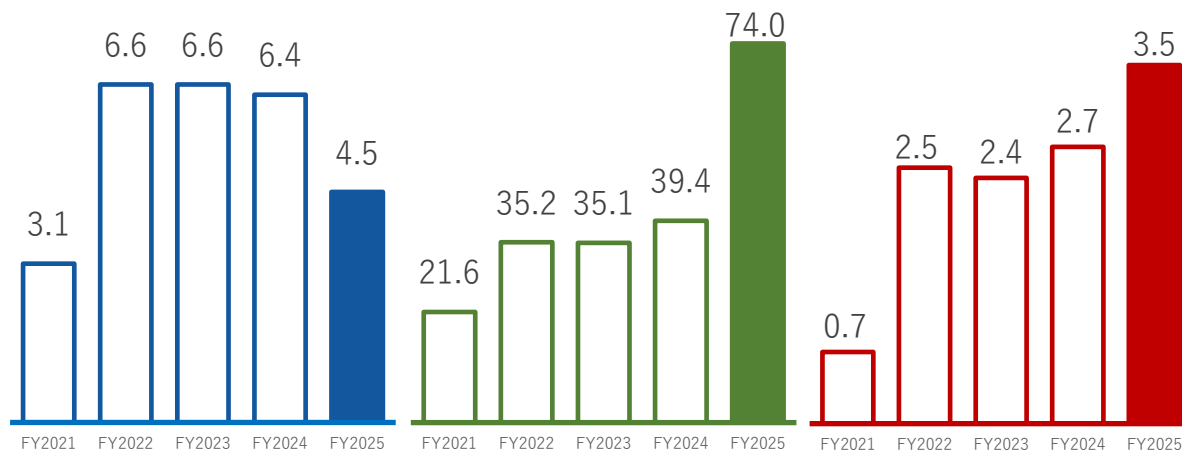


● Acceleration of DOE achievement timeline Next MTMP(FY2027-29) ➔ FY2025

* The timeline has been announced as "Change in Shareholder Return Policy" at Apr. 15, 2024

- **DOE 3.5%** (FY2025~)
* DOE : Ratio of dividends to shareholders' equity
- Calculation Formula:
Shareholders' equity (beginning of the term) × 3.5%
- **Dividend forecast: 101 yen/Share**

ROE × **Dividend payout ratio** = **DOE**



- **Shareholders' equity*** : **69,937** million yen
- **Cash equivalents*** : **26,129** million yen
- **FCF (FY2024)** : **9,296** million yen
- **Net Profit (Forecast)** : **3,300** million yen
- **Dividend Forecast** : **2,454** million yen

* Beginning of the term, FY2025 if not specified



4

Medium-Term Management Plan 「UNISOL」 (2022-2026)



SLOGAN

“Why didn’t we think of this?”
one after another.

VISION

Society filled with “I want to make it happen.”

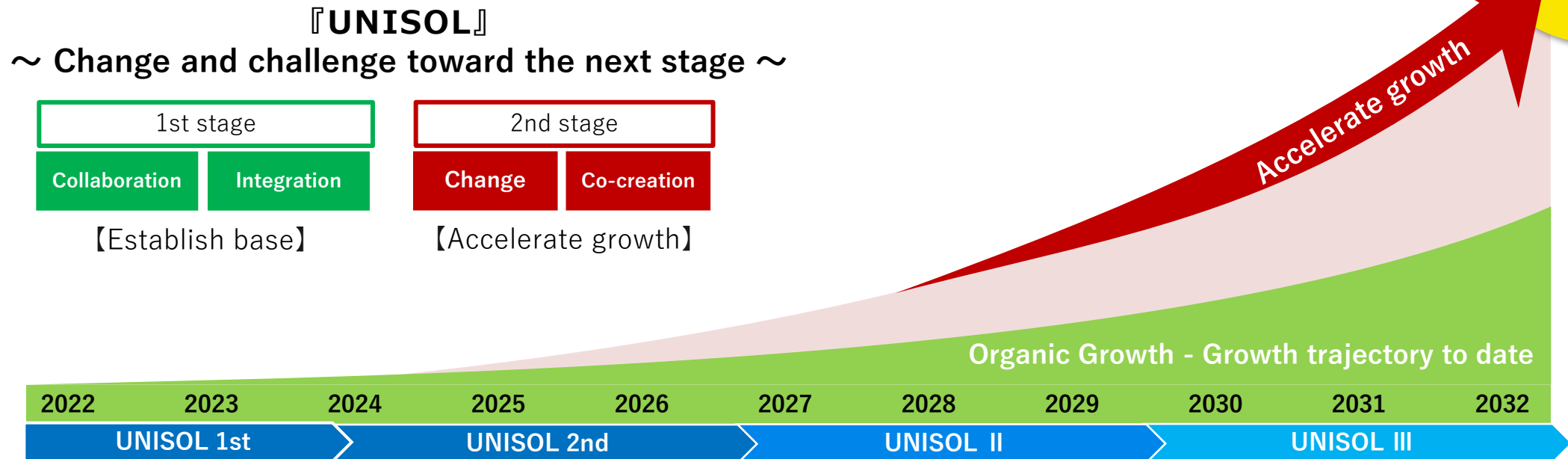
MISSION

Open up “now” with impressive proposals,
and accompany customers beyond the changes.



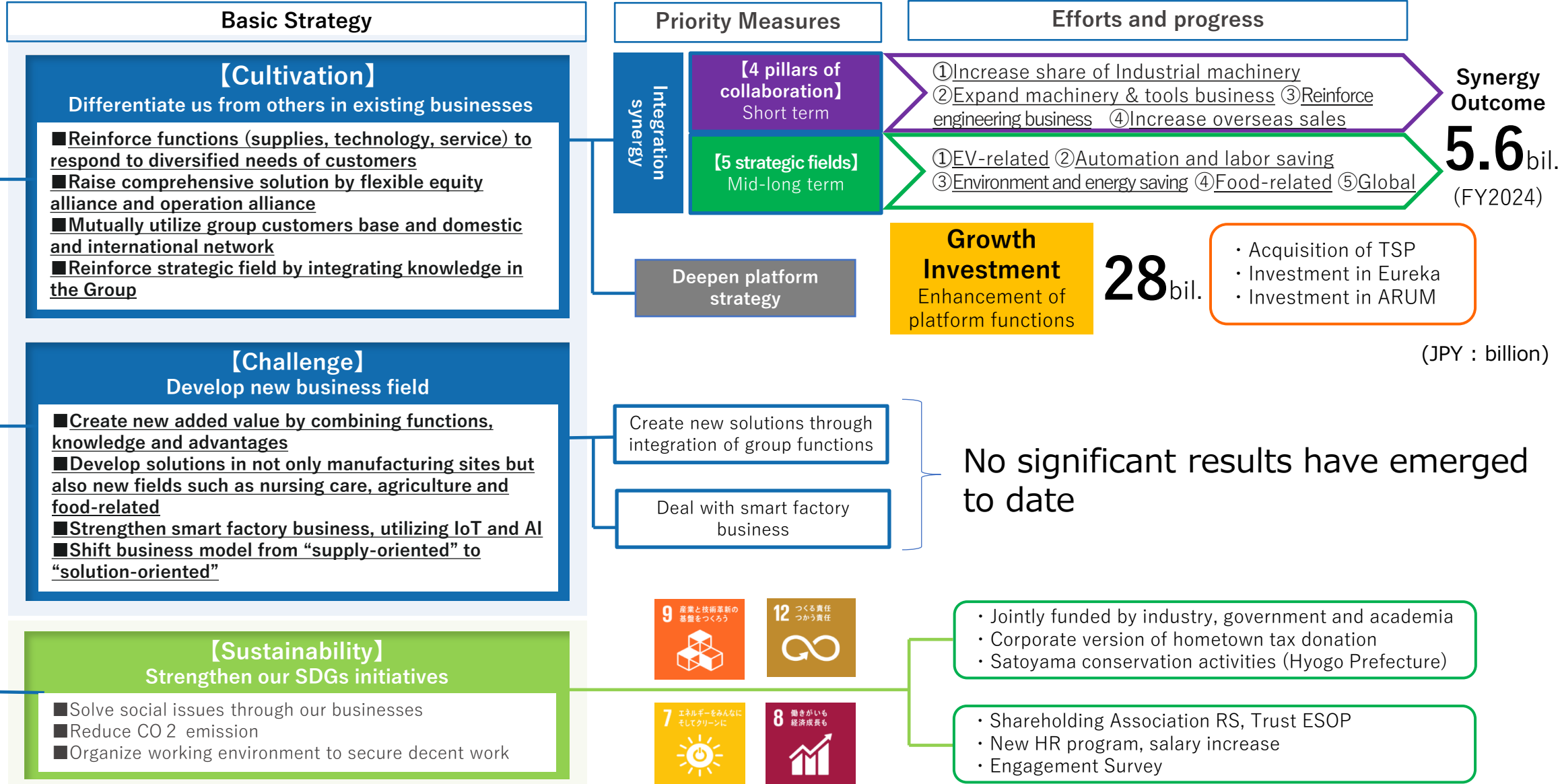
「UNIQUE SOLUTIONS」

We aim to be the **“Solution Partner”** of choice by addressing various issues faced in the field with unique ideas.



「UNISOL」 Basic Strategies and Priority Measures

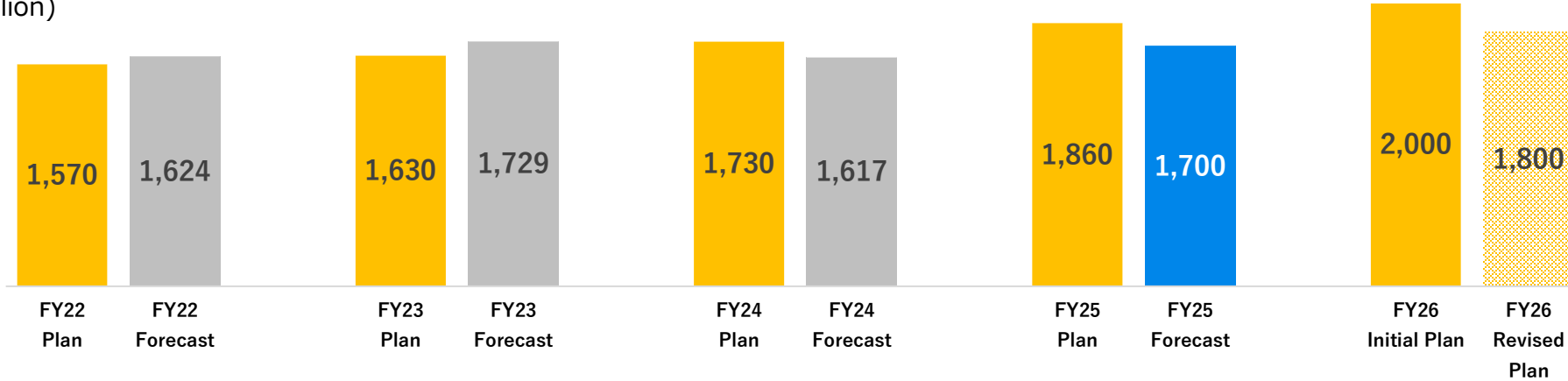
Establish management base to support sustainable growth



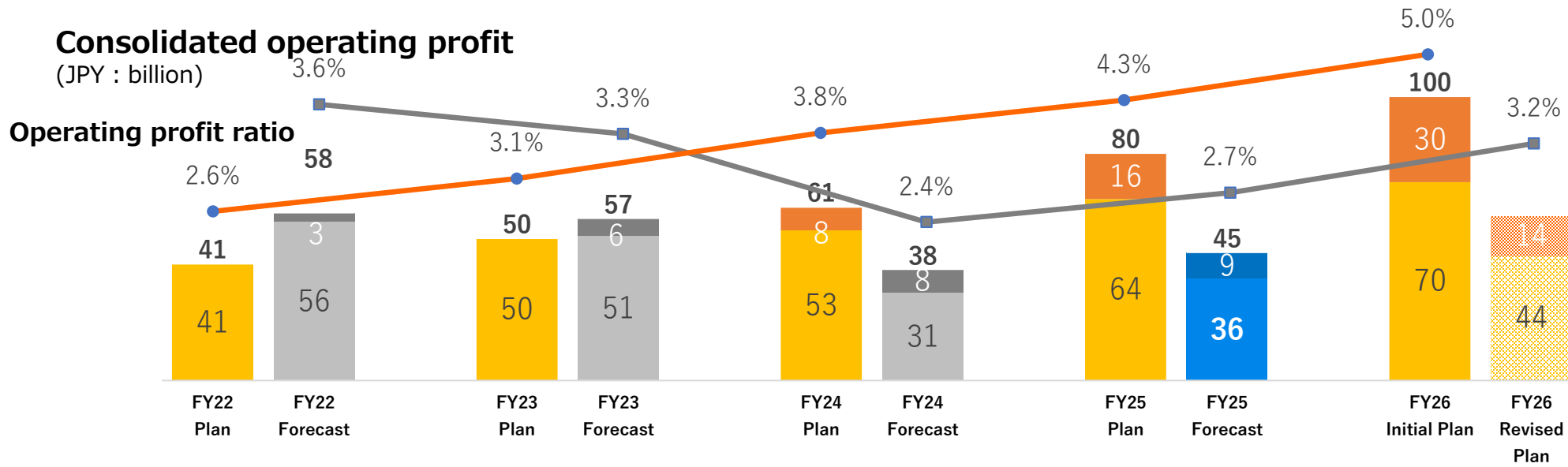


「UNISOL」 Progress on Quantitative Targets

Consolidated net sales (JPY : billion)

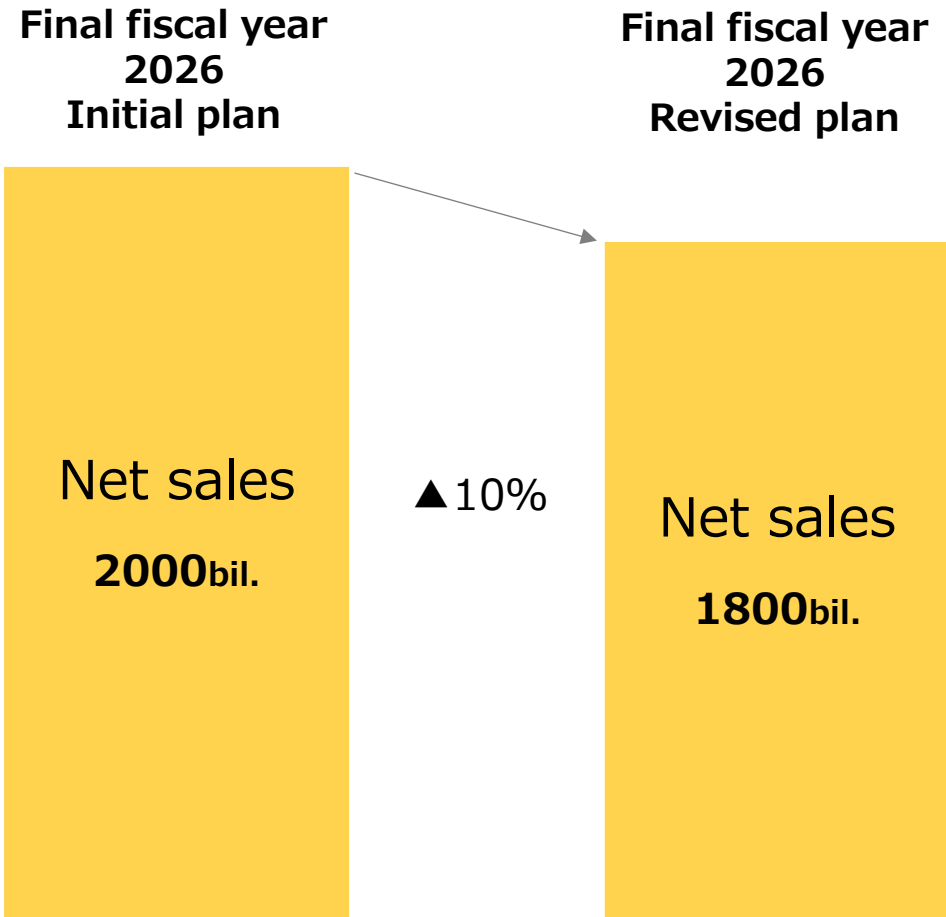


Consolidated operating profit (JPY : billion)



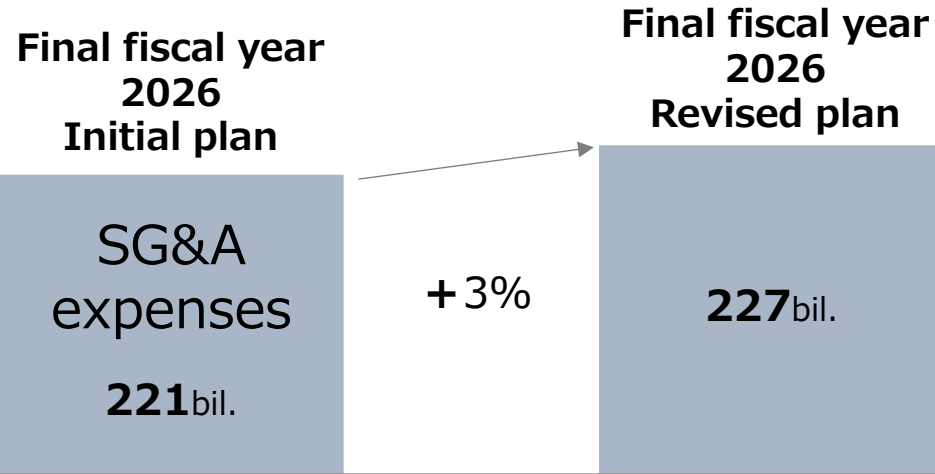
Synergy/Strategy Accumulation

Existing business



Reason for Revision

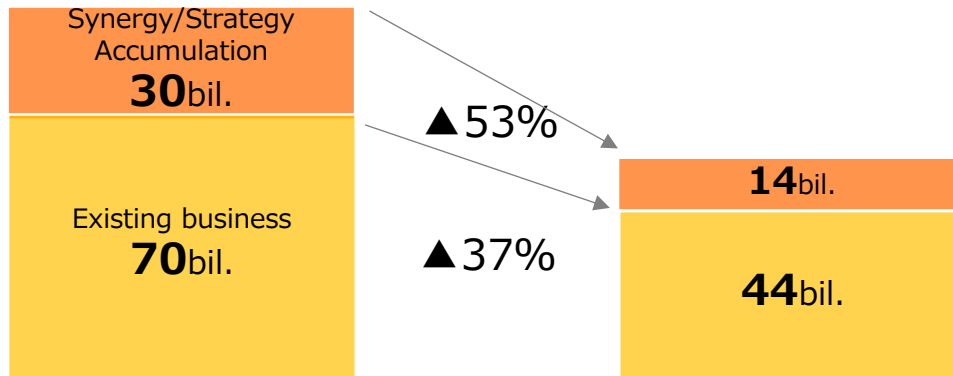
- Significant deterioration in market conditions since we initially developed the plan (Domestic demand of Machine Tools: ▲25%, Steel-framed material needs ▲16%)
- Review of machinery sector sales related to the capital expenditures trend (▲4bil. yen)
- Review of sales in the tool field, where the impact of the capital expenditures trend is small (+8bil. yen)
- Increase due to FX price review in North America (JPY110/USD →JPY140/USD)
- Reviewing the automotive sector in China and Southeast Asia, where the changes are more intense than expected
- Expect sales increase in the construction materials sector due to the increase in raw material prices
- Delay in realization of integration synergies (FY24: 5.6bil. yen)
- Review of Strategic Areas (Sales of "ARUMCODE", "Laser Kellen" etc.)
- Results of Platform Strategy (Investment to TSP, EUREKA etc.)
- Review of new initiatives
 - Engineering: Impact of reduced appetite for capital investment
 - New Business in China: No progress due to worsening Chinese economy



Reasons for revision of SG&A expenses

- Rising labor cost levels due to human capital strategy
- Factoring in higher freight rates
- Increase in depreciation, amortization of goodwill and other expenses

Operating profit

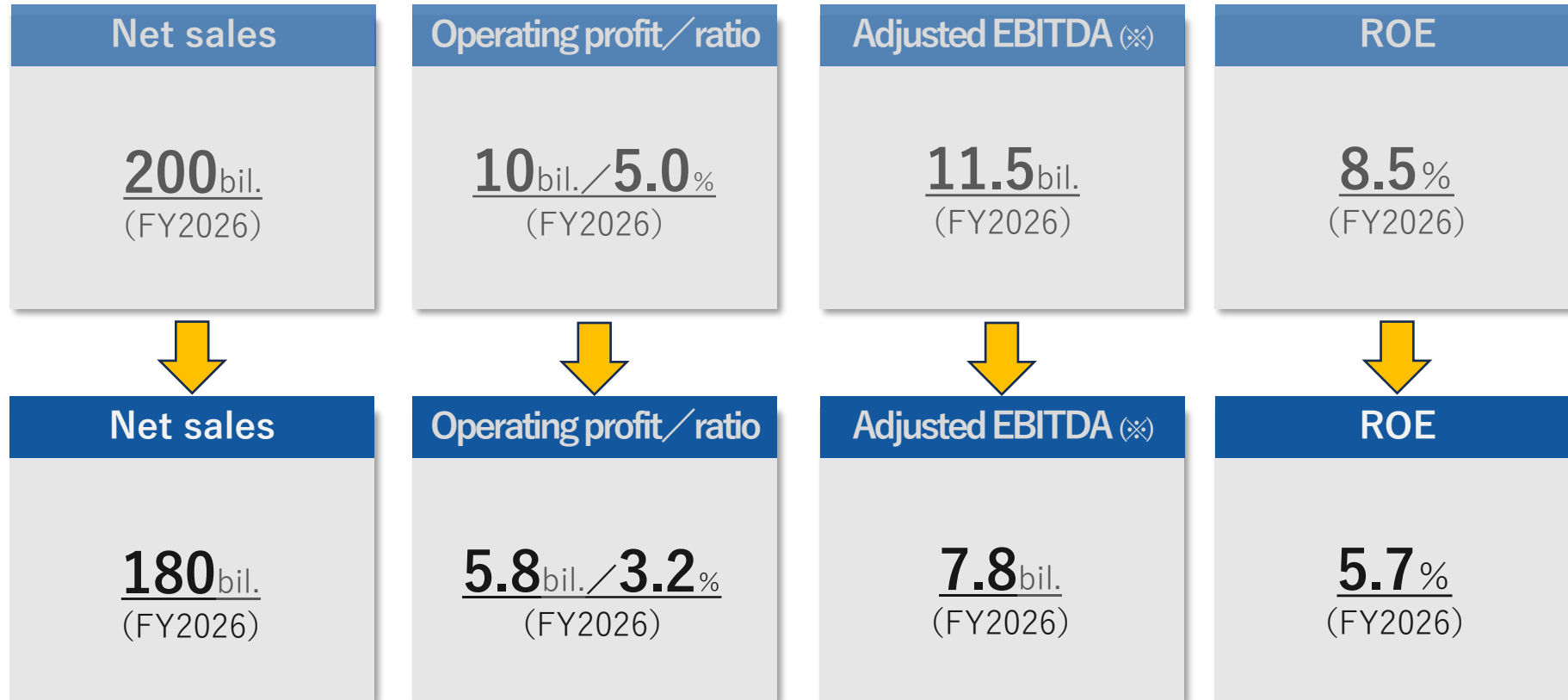


Reasons for revision of Operating profit

- Revised to 5.8bil. yen from 10bil. yen, ▲42%, due to decrease in sales and increase in SG&A expense



「UNISOL」 Revision of Quantitative Targets at FY2026



(※) Adjusted EBITDA = Operating profit + Depreciation + Amortization of goodwill ± Other one-time expenses and income

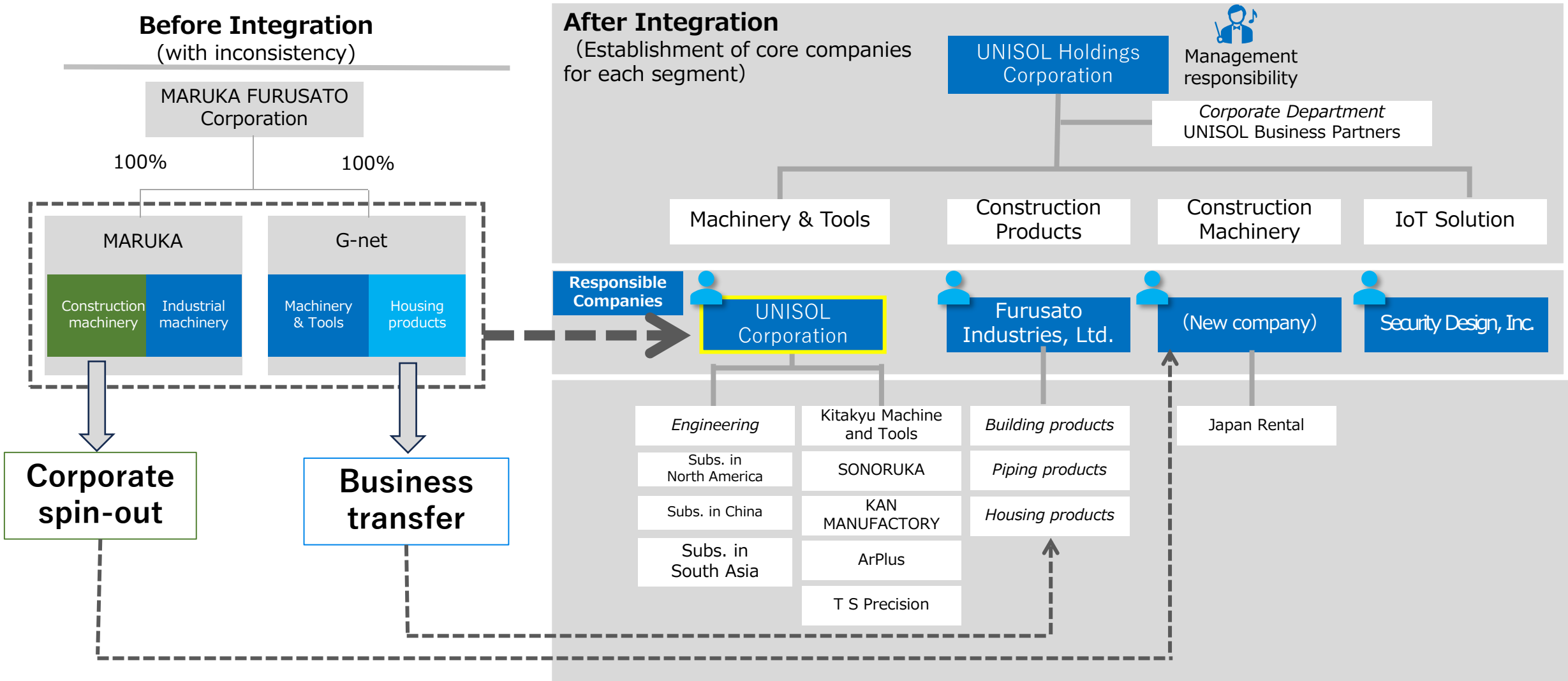


Topics

Reorganization within the Group ~ MARUKA and G-net

Announced at December 16, 2024 (updated by announcement at February 14, 2025)

- Create more synergies through “clarification of business responsibility” and “self-directedness” by eliminating inconsistency

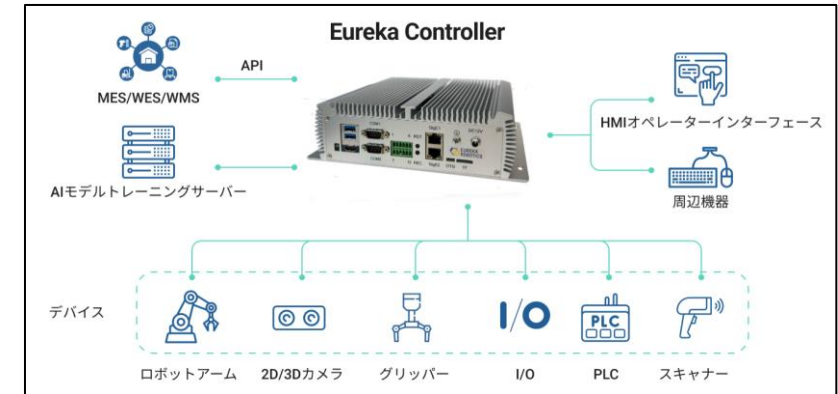




■ Investment in Eureka Robotics

Announced at December 13, 2024

- Eureka’s flagship product, “The Eureka Controller” uses AI-based next-generation robot control technology to support the realization of advanced automation that was previously considered impossible.
- Build a strong sales collaboration with Eureka in global markets while driving technological innovation primarily in the manufacturing and logistics industries.



■ Transition to a Company with Audit and Supervisory Committee

Announced at December 16, 2024

- The Subject to approval and adoption at the 4th Ordinary General Meeting of Shareholders to be held in March 2025.
- Strengthening Supervisory Functions of the Board of Directors.
- Accelerated decision-making.

■ IR Activities for Individual Investors

- YouTube : ”Hineken Channel” Published October 25, 2024
- YouTube : “Listed Company IR Channel” Published November 25, 2024
- Radio NIKKEI : “Market Press” Broadcasting on December 20, 2024





UNISOL