



Securities Code: 8074
Financial results briefing material

Financial results briefing for fiscal year ended March 2021

May 17th, 2021

President & CEO

Hiroyuki Tamura



**Service Integrated
Shosha Group**



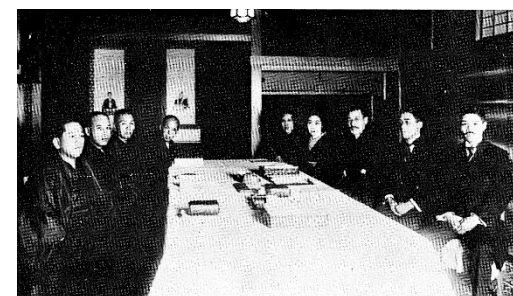
YUASA TRADING CO., LTD.

Introduction : History of YUASA

Year	History
1666	Founded in Kyoto by Shokuro Yuasa as a charcoal shop
1671	Closed the charcoal shop and opened a knives wholesale store
1674	Opened an outlet in Edo (Tokyo)
1816	Opened an outlet in Osaka
1910	Established a base in China (Wuhan)
1915	Opened a Yuasa storage battery factory
1919	Established Yuasa Shichizaemon Shoten Co., Ltd. (head office in Kyoto)
1940	Changed company name to Yuasa Hardware Co., Ltd
1992	Yuasa Shoji Co., Ltd. merged with Yuasa Sangyo (Yuasa Trading Co., Ltd.) under the new name Yuasa Trading Co., Ltd.
2016	Reached the 350th anniversary since the foundation of the company
2019	Celebrated the 100th anniversary since the establishment of the company



Charcoal shop (Yuasa Trading's name) was located in Edo, Nihonbashi, Tori-Aburacho (currently Nihonbashi Odenmachi, former head office location)



Company establishment commemorative meeting (1919)

Introduction : Our business model

Suppliers

About 6,000 companies

Okuma
DMG Mori Seiki
FANUC
OKK
KITO
Tungaloy
Daikin Industries
Mitsubishi Electric
Panasonic
TOTO
LIXIL
NORITZ
KITZ
Omron
INABA SEISAKUSHO
Sekisui Jushi
TACHIKAWA
KUBOTA
Construction Machinery Japan
YANMAR HOLDINGS
HOKUETSU INDUSTRIES
Daifuku
Etc.

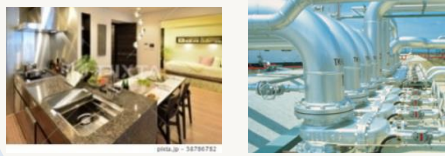


YUASA

Manufacturing field



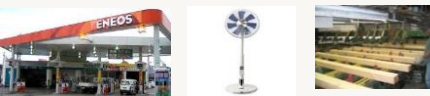
Living environment field



Infrastructure / Architecture field



Energy/Consumer goods/Timber



Customers

About 20,000 companies

Machine tool dealers / Dealers

Exporters

Overseas subsidiaries

Housing equipment stores
Pipe material stores
Various wholesalers

Subcontractors
House makers
Construction shops

Exterior wholesalers
Hardware wholesalers
Various wholesalers

Contractors

Construction machinery stores / Rental stores
Civil engineering material stores

Fuel wholesalers / Oil retailers
Home centers / Home appliance mass retailers
Timber wholesalers/ Secondary processing manufacturers

End Users



Manufacturing industry



Building owners



Developers



Construction industry



General consumers

Introduction : Where can you see us?

Advertising in The Nikkei

We post an advertisement on the front page of the morning edition of the Nikkei newspaper on the 5th of every month. In addition, we also irregularly post advertisements in the evening edition, once a month.



Nikkei newspaper, morning edition (5th of every month)



Female professional golfers

We have contracts with two female professional golfers to support young professional athletes. We would appreciate your support.



Minami Hiruta Pro (Affiliate contract)



Hikari Tanabe Pro (Sponsor contract)

YUASA PRIMUS products

Our subsidiary, YUASA PRIMUS handles its own home appliances and other brand products, and they are sold at electronics retail stores, home centers & EC sites nationwide.



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Growing Together 2023

FY2021/3 Summary of financial results

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2021	432,185	(12.0)	8,983	(24.3)	10,011	(21.8)	6,930	(22.6)
Year ended March 31, 2020	491,348	(0.5)	11,871	(5.2)	12,804	(4.7)	8,950	(1.0)

Forecast for the fiscal year ended March 2021 announced on June 19, 2020 (compared to actual results)

Net sales : 450,000 (96.0%) Operating profit : 9,250 (97.1%)

Ordinary profit : 10,000 (100.1%) Current net profit : 6,700 (103.4%)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2021	237,487	90,242	37.7	4,057.16
As of March 31, 2020	237,071	81,028	34.0	3,635.18

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2021	5,982	(3,509)	(3,713)	41,947
Year ended March 31, 2020	12,970	(2,843)	(3,509)	43,246

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2020	–	70.00	–	80.00	150.00	3,341	37.2	4.2
Year ended March 31, 2021	–	30.00	–	70.00	100.00	2,228	31.9	2.6
Year ending March 31, 2022 (Forecast)	–	49.00	–	74.00	123.00		33.1	

Sales by Segment

Segments	FY03/19	FY03/20	FY03/21		FY03/22※	
	Results	Results	Results	Change(vs FY03/20 results)	Forecast	Change(vs FY03/21 results)
Industrial Equipment & Tools	73.0	70.0	61.5	△12.2%	76.5	+24.3%
Machine Tools	130.5	122.4	82.7	△32.4%	121.5	+46.9%
Housing, Air & Fluidic Control Systems	152.1	162.4	158.9	△2.1%	160.0	+0.6%
Building Supplies & Exterior	56.2	58.2	56.6	△2.8%	58.0	+2.4%
Construction Machines	34.3	37.2	36.1	△3.1%	38.0	+5.3%
Energy	23.4	20.5	15.5	△24.4%	17.0	+9.3%
Other	23.8	20.3	20.6	+1.8%	21.0	+1.5%
Total	493.6	491.3	432.1	△12.0%	492.0	+13.8%

※The sales forecast for FY22/3 is calculated based on the sales before the application of the revenue recognition standard.
Sales after applying the revenue recognition standard: 471.0 billion yen

Unit : billions of yen
(rounded down)

Consolidated balance sheets

- Trade receivables and accounts payables decreased as a result of a drop in sales due to the Covid-19.
- Net defined benefit assets, investment securities & accumulated other comprehensive income increased due to stock price recovery.
- Investment securities increased due to capital tie-up with connectome.design, Inc. and investment in DONKEY Corporation.

Account Name	FY03/20	FY03/21		Main factors of change
	Balance at the end of period	Balance at the end of period	Change	
Current assets	197.4	185.7	△11.6	Trade receivables : △8.3
Noncurrent assets	39.6	51.7	+12.0	Net defined benefit assets : +5.4 Investment securities : +4.3
Total assets	237.0	237.4	+0.4	
Current liabilities	149.8	138.0	△11.8	Accounts payables : △9.5
Noncurrent liabilities	6.1	9.1	+3.0	Deferred tax liabilities : +2.5
Net assets	81.0	90.2	+9.2	Retained earnings : +4.4 Accumulated other comprehensive income : +4.7
Total liabilities and net assets	237.0	237.4	+0.4	
Equity ratio	34.0%	37.7%	+3.7%	

Unit : billions of yen
(rounded down)

Status of consolidated cash flows

Items	FY03/20	FY03/21	Main factors
Net cash provided by (△used in) operating activities	12.9	5.9	Income before income taxes: +10.4 Income tax payment: △4.7
Net cash provided by (△used in) investing activities	△2.8	△3.5	Acquisition of investment securities : △2.3 Acquisition of subsidiary shares : △1.2
Net cash provided by (△used in) financing activities	△3.5	△3.7	Dividend payment : △2.4 Repayment of long-term loans : △1.3
Net increase (△ decrease) in cash and cash equivalents	6.6	△1.3	
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	-	0	
Cash and cash equivalents at the end of period	43.2	41.9	

Unit : billions of yen
(rounded down)

FY03/22 Forecast

	First Half			Second Half			Full Business Year		
	Prev. terms results	Current terms forecast	Change	Prev. terms results	Current terms forecast	Change	Prev. terms results	Current terms forecast	Change
Net sales <small>[after applying the revenue recognition standard]</small>	202.3	227.7 [218.1]	+12.6%	229.8	264.3 [252.9]	+14.9%	432.1	492.0 [471.0]	+13.8%
Operating income (ratio)※	4.0 (2.0%)	4.6 (2.0%)	+12.9% (+0.0P)	4.9 (2.0%)	7.1 (2.6%)	+44.6% (+0.6P)	8.9 (2.1%)	11.7 (2.4%)	+30.2% (+0.3P)
Ordinary income (ratio)※	4.5 (2.3%)	5.0 (2.2%)	+9.1% (▲0.1P)	5.4 (2.0%)	7.5 (2.8%)	+38.1% (+0.8P)	10.0 (2.3%)	12.5 (2.5%)	+24.9% (+0.2P)
Profit attributable to owners of parent	2.9	3.2	+10.8%	3.9	4.9	+23.9%	6.9	8.2	+18.3%

※The operating income to net sales ratio and ordinary income to net sales ratio for the current fiscal year are calculated based on sales before the application of the revenue recognition standard.

Unit : billions of yen
(rounded down)

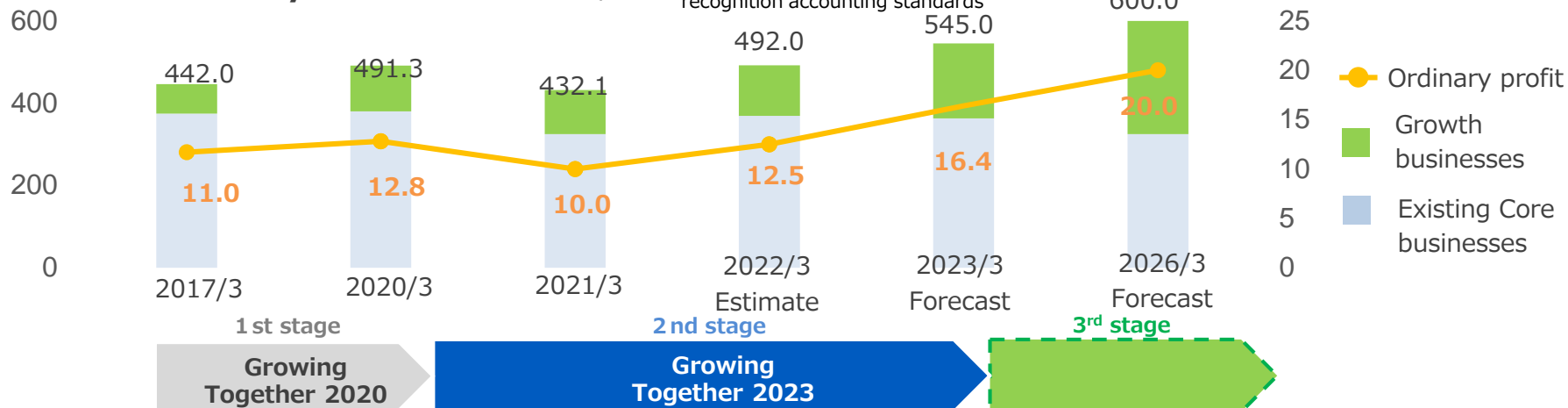
YUASA VISION 360 and Numeric Targets for Growing Together 2023



We will aim for growth as Service Integrated Shosha Group with its profit structure top-ranked in the industry.

Net Sales · Ordinary Profits (in billions of yen)

※Sales are before the application of revenue recognition accounting standards



YUASA VISION 360 - 2026 Vision (360th anniversary)

Grow as Service Integrated Shosha Group with its profit structure top-ranked in the industry

2026 Numeric target
 Net sales : JPY 600.0bn · Ordinary profit: JPY20.0bn
 Ordinary profit margin: 3.3%

Sales composition

- Overseas
- Robots (AI) & IoT
- Eco & Energy Solution
- New Distribution
- Resilience & Security
- Agriculture Process
- Long-Term Care & Medical
- Food Equipment
- Sharing
- Existing Core businesses

Management indicators
 ROE: 11.7+% (FY03/26)
 Shareholder return ratio: 33.0+% (FY03/26)

【Growing Together 2023】

Build a sustainable management foundation based on total strength, a challenging spirit, and communication

2023 Numeric target
 Net sales : 545.0bn · Ordinary profit: JPY16.4bn
 Ordinary profit margin: 3.0%

Sales composition

- Overseas
- Robots (AI) & IoT
- Eco & Energy Solution
- New Distribution
- Resilience & Security
- Agriculture Process
- Long-Term Care & Medical
- Food Equipment
- Sharing
- Existing Core businesses

Management indicators
 ROE: 11.4+% (FY03/23)
 Shareholder return ratio: 33.0+% (FY03/23)
 Investment budget: JPY17.0bn (FY03/21-FY03/23)

Driving the Growth Strategy (1)



(1) Overseas business

We will focus the management resources of the group in North America, South Asia, and East Asia.

【Priority country】 Thailand

Investment budget
JPY **4.0** bn

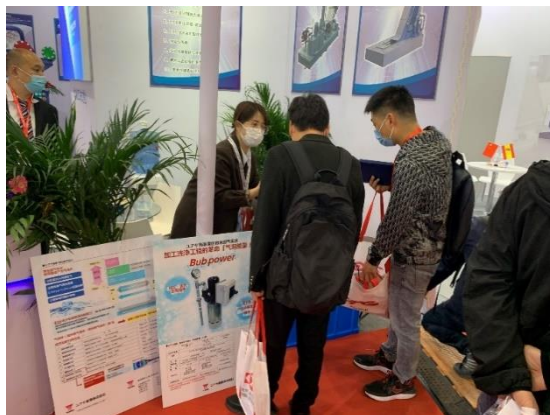
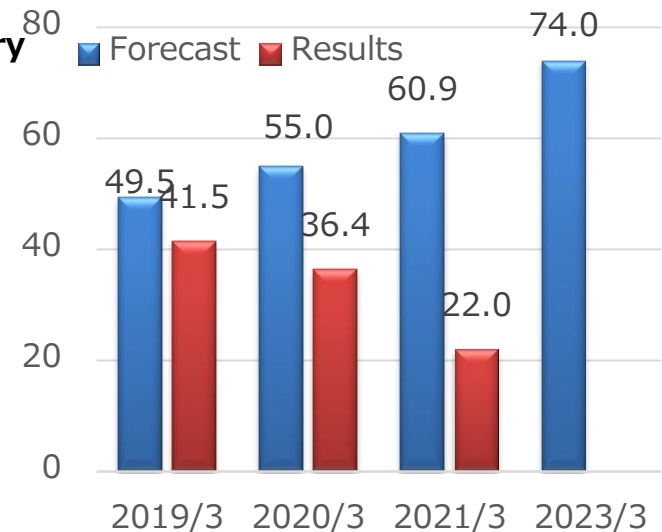


Growing Together 2023 Progress

- Industrial Market** Local sales staff training & sales expansion to local companies (target: sales ratio of 50%)
- Living Environment Market** Sales expansion of energy-saving and energy-creating products in Thailand and Vietnam
- Construction Market** [Building materials] Strengthening overseas building materials business (import / export)
[Construction machinery] Expanding exports of second-hand construction and agricultural machinery

Net Sales
22.0 → **74.0** bn
(2021 Results) (2023 Forecast)

Net sales (billions of yen)



Staff introducing coolant devices at an exhibition in China

Driving the Growth Strategy (2)

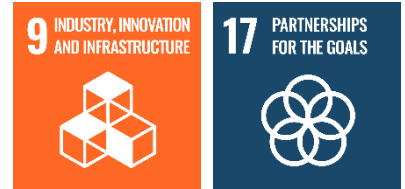


(2) Robots (AI) & IoT Business

We aim to expand the entire customer network by proposing cutting-edge AI / IoT / robot technologies.

【Investment targets】 Alliances with AI venture companies and system integrators. Investment to enhance system integration capabilities

Investment budget
JPY **4.0** bn

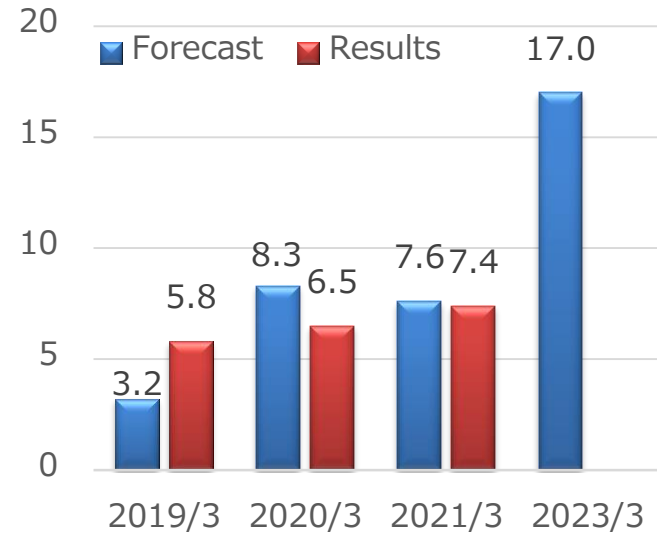


Growing Together 2023 Progress

- Industrial Market** Introducing collaborative robots to stations and commercial facilities
- Living Environment Market** Development and proposal of equipment compatible with Society 5.0
- Construction Market** Development and proposal of exterior-related IoT products

Net sales
7.4 → **17.0** bn
(2021 Results) (2023 Forecast)

Net sales (billions of yen)



Robot demonstration experiment at Takanawa Gateway Station (Yamanote Line)
(Courtesy: JR East)



Proposing automation with a Pick Assists AMR for distribution warehouses
(Made by Rapyuta Robotics)

Driving the Growth Strategy (3)



(3) Eco & Energy Solution Business

We aim to realize a "distributed energy society" that utilizes renewable energy to secure a resilient lifeline and an efficient use of energy.



Growing Together 2023 Progress

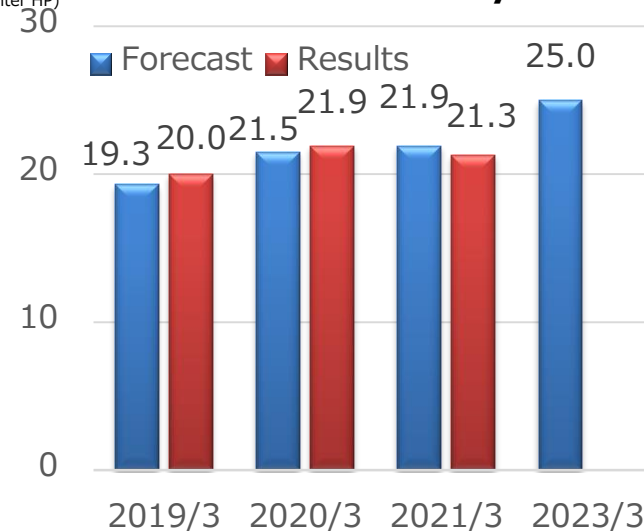
- A storage battery line-up that meets the needs and applications from household to industrial use
- Continuous training of environmental instructors across departments
- Proposal of a solution that combines solar power generation, storage batteries and V2H
- Promotion of recycling business involving O & M
- Support during contract change process from customers own model to an energy service one. (PPA model established)



(Source: Next Generation Vehicle Promotion Center HP)

Net sales
21.3 (2021 Results) → 25.0bn (2023 Forecast)

Net sales (billions of yen)



[Storage batteries utilization proposal at an exhibition]

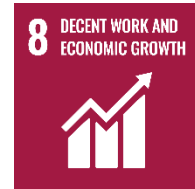


Driving the Growth Strategy (4)



(4) New Distribution Business

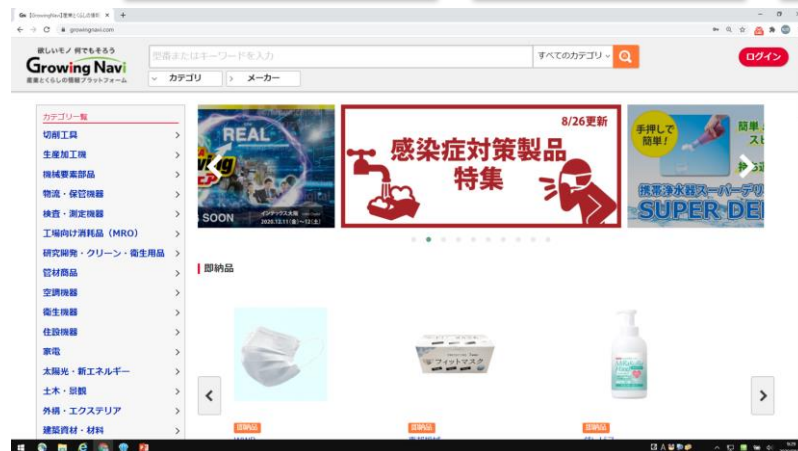
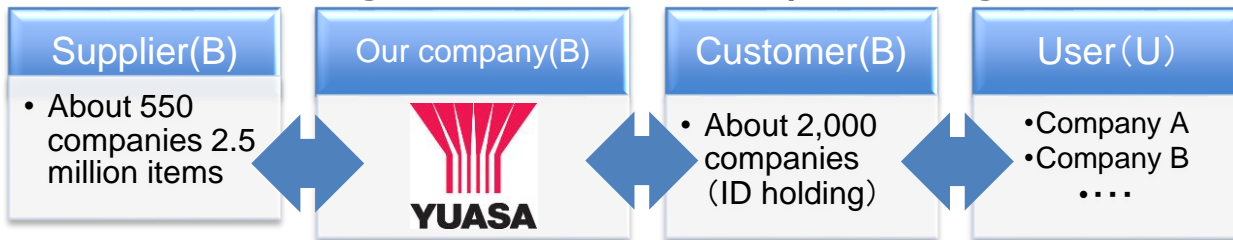
We will expand the electronic commerce (Growing Navi) business with our current customers.



Growing Together 2023 Progress

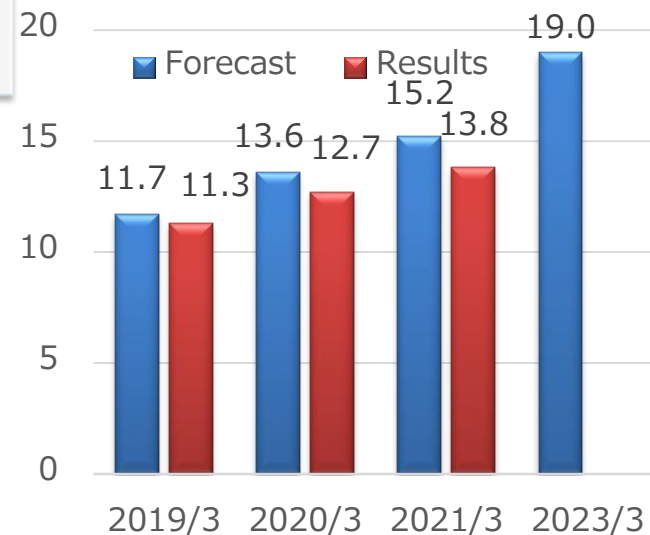
- Increase of orders on Growing Navi (from 2020 results of 5 bn yen to →2023 forecast of 10 bn yen)
- Development of a B to B to U platform that connects customers and users
- Furtherance of the one-stop product supply by the new EC Distribution Business Department.

【Growing Navi B to B to U Development Image】



Net Sales
 13.8 → 19.0 bn
 (2021 Results) (2023 Forecast)

Net sales (billions of yen)



Driving the Growth Strategy (5)



(5) Resilience & Security Business

We will promote the formation of safe and secure social infrastructure, with a focus on disaster prevention, disaster mitigation and BCP.



Growing Together 2023 Progress

- Development of aluminum privacy fence "Yachibei®" used for concrete wall reinforcement. ~Prevents collapse damage in the event of an earthquake and contributes to resilient town development~
- Development and proposal of social infrastructure related products by Mira Innovation Project (Bollards with a flood sensor, disaster prevention power supply warehouse, etc.)

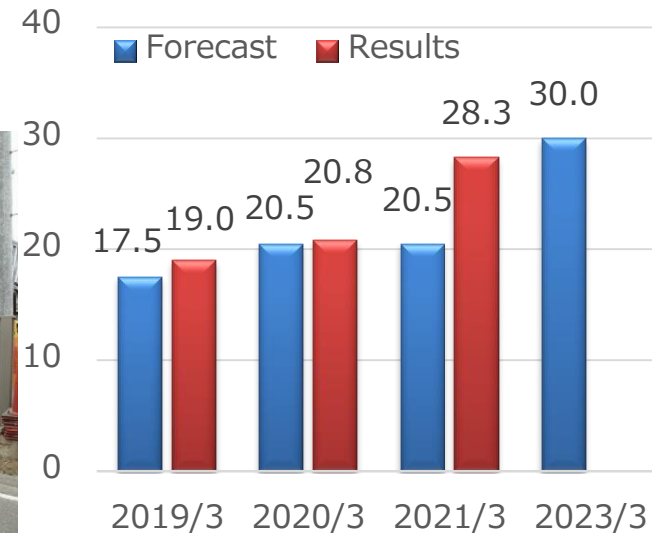
【Yachibei® features】



- Lightweight aluminum panel reduces collapse damage caused by an earthquake (about 85% weight reduction)
- By the reuse of existing posts,
 - ① Repair cost is reduced (by about 35%)
 - ② Shortened construction time
 - ③ Controlled industrial waste discharge, environmentally friendly
- Post cover, improved design by coping

Net Sales
 28.3 → 30.0 bn
 (2021 Results) (2023 Forecast)

Net sales (billions of yen)



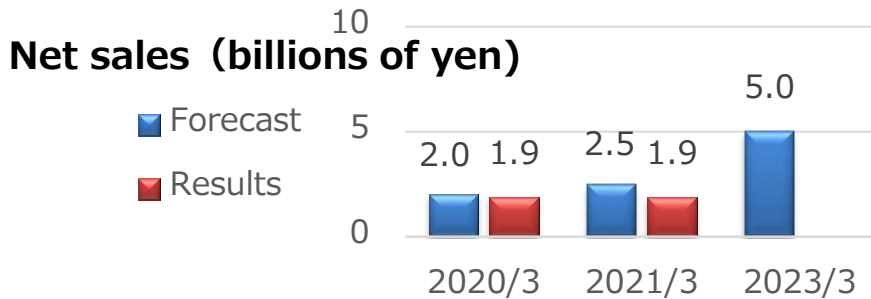
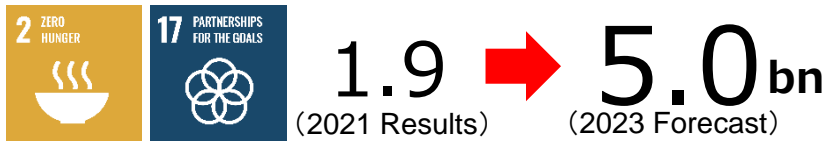
Driving the Growth Strategy (6)



We will add the two new areas developed in the 1st stage to our growth businesses.

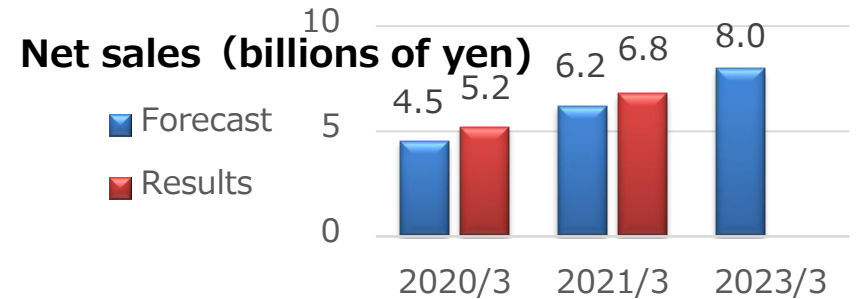
(6) Agriculture Process Business

We will propose a next generation "profitable agriculture". **Net sales**



(7) Long-term Care & Medical Business

We will support on-site improvements in an aging society. **Net sales**



Growing Together 2023 Progress

- Development and proposal of robots for smart agriculture with DONKEY Co., Ltd.
- Proposal of a fluorescent lamp that activates strawberry immunity with UV-B (ultraviolet rays)



① Activates strawberry immunity by UV-B (ultraviolet) stimulation



② The constitution changes, making it harder to get sick

Growing Together 2023 Progress

- Promotion of infectious disease countermeasures for long-term care and medical facilities using subsidies
- Infection reduction proposal using container houses.



Driving the Next Growth Business



We will promote new businesses for the 3rd stage.

(8) Food Equipment Business

We will drive for a total proposal for smart food factories.



Net sales
2.7 → 8.0 bn
(2021 Results) (2023 Forecast)

(9) Sharing Business

We will create a sharing platform that meets market needs.



Net sales
1.5 → 5.0 bn
(2021 Results) (2023 Forecast)

Growing Together 2023 Progress

- Exhibited a "Food Line" at the Yuasa Growing fair
- Proposal of inspection devices that prevent foreign substance contamination (improves food safety)



"Food Line" exhibited at the Yuasa Growing fair

Growing Together 2023 Progress

- Promotion of agricultural machinery sharing service
- Development of sharing models in the fields of factory equipment, industrial equipment, robots, services and maintenance



Mowing by agricultural machinery sharing

Strengthen Core Businesses : Function enhancement

(October 2020)

Made Maruken Service Co., Ltd. and Maruken Trading Co., Ltd. a subsidiary

Business scale
About 2 bn yen

M&A

Construction Machines
Division

[Strong point/ Synergy effect]

- Construction machinery repair / maintenance know-how and rental machine lineup
- Expansion of business domain of Construction Machines Division by maintenance & rental function equipment



Sumitomo Construction Machinery Asphalt Paver HA90C - Maruken Trading is the only rental company in Japan to own it.

(December 2020)

Made Nakagawa Kinzoku Co., Ltd. and Nagai Sangyo Co., Ltd. a subsidiary

Business scale
About 6 bn yen

M&A

Industrial Equipment & Tools Division /
Machine Tools Division

[Strong point/ Synergy effect]

- Sales base centered on direct sales to major manufacturers and their group companies.
- Sales of machine tools to manufacturers in the Keiyo Industrial Zone and Chiba and Ibaraki Prefectures.
- Expect to expand the business domain by increasing handling products, starting with cutting tool sales enhancement.



Expand bases nationwide, with a wide range of transactions centered on major automobile and construction machinery manufacturers

(April 2021)

Yuasa Technical Engineering Co., Ltd. and Yuasa Promatec Co., Ltd. were integrated to form "Yuasa Neotec Co., Ltd."

Business scale
About 40 bn yen

Integration Management

Machine Tools Division

[Strong point/ Synergy effect]

- Aiming for rationalization and efficiency in our Group's business operations.
- Aim to expand business by mutually utilizing a common sales base



YUASA NEOTEC CO.,LTD.

Neo means "new" and tec of course "technology".
We will contribute to manufacturing through "new technology".

Strengthen Core Businesses : Comprehensive strength

At the 7th Japan Resilience Awards, the entire Yuasa Trading Group received two awards for highest excellence and two awards for excellence, for a total of four awards.

Manpower reduction and infectious disease countermeasure: Elephunter

自動追従

レーザーセンサーで追従対象を認識し、一定の距離を保つように追従します。

無人ライン走行

現場で簡単に敷設できる反射テープを認識し、ライン上を無人で走行します。



簡単操作

マニュアルいらずの簡単操作で、すぐに現場で活躍します。

安心設計

広視野センサーで障害物を検知し、賢く衝突を回避します。万が一障害物に衝突しても、バンパーで検知し、その場で自動停止します。

(Winner company: Yuasa Trading Co., LTD)

Infectious Disease Control: Infection Reduction House



(Winner company: Fuji Quality House Co., Ltd.)

Manpower reduction

Infectious disease countermeasures

BCP

The Group has won the award from the 1st to the 7th consecutive time.



ジャパン・レジリエンス・アワード
2021

Manpower reduction/ BCP: Bollard with a flood sensor

【システム概要と特徴】

①親機（冠水センサボラード）が冠水を検知し、子機に情報通知

②子機（無線警告灯）が情報を受信し、警告灯を発光

③通行車両は、警告灯を目視確認事前に危険を察知し、危険を回避



(Winning companies: Yuasa Trading Co., Ltd./Sunpole Co., Ltd./OYO Co., Ltd.)

Manpower reduction and infectious disease countermeasures: Reservation management system for different types of work

ITENE

清掃・点検・工事等、居住者様の予約管理で疲れきってしまう現場へ

- 紙での日程予約
- 度重なる不在・未記入
- 訪問での配布・回収

もう終わりにしませんか？



(Winning company: Yuasa Quobis Co., Ltd./Dandoli-Works Co., Ltd.)

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Grand Fair 2021

Utilizing the experience and know-how at the YUASA Growing fair we, the "Tsunagu, Service Integrated Shosha Group" will not only be connecting exhibitors and visitors, but also be suggesting ways to connect web and real world, the venue itself and other locations, new exhibition methods and so on, and realizing new sales promotions.

YUASA Growing fair



【Holding schedule】

Area	Holding date	Venue
Chubu	Sep.3 (Fri) Sep.4 (Sat)	Port Messe Ngoya Exhibition Hall 3 (Nggoya City)
Kansai	Sep.17 (Fri) Sep.18 (Sat)	INTEX Osaka Building No.6 A/B (Osaka City)
Kyushu	Sep.23 (Thu) Sep.24 (Fri)	Marine Messe Fukuoka Building A (Fukuoka City)
Kanto	Nov.5 (Fri) Nov.6 (Sat)	Makuhari Messe Halls 1-3 (Chiba City)
Tohoku	Dec.1 (Wed) Dec.2 (Thu)	Yume Messe Miyagi (Sendai City)

TSUNAGU Grand Fair 2021

Initiatives for DX

By DX promotion transfer to "Integrated Product-Service trading company"

IT digital investment quota
4.0 bn yen
2nd stage



IT digital investment quota
8.0 bn yen
3rd stage



IT digital investment quota
12 bn yen
YUASA VISION 360

【Promotion status of the next IT digital strategy】

Promote data-based business

- By 2026, we will establish a common IT platform globally and across the Group.
- By accumulating data, we will promote "business originating from data".

2020	Promotion concept formulation	<ul style="list-style-type: none"> ● Establishment of experts' conference ● Establishment of DX promotion project team ● Survey of current status of business issues, etc.
2021	DX promotion planning	<ul style="list-style-type: none"> ● Formation of DX promotion organization ● Planning of defensive and offensive DX promotions
After 2022	Individual measures promotion	<ul style="list-style-type: none"> ● Defensive DX: Renewal of core system ● New businesses creation ● To the main needs of the supply network

Aiming goal

- We will transform from a "tangible goods" to "intangible data" seller and develop data-based solution sales.
- AI analyzes daily transaction data and aims to build an information infrastructure that can be shared inside and outside the company.

Yuasa Supply Chain

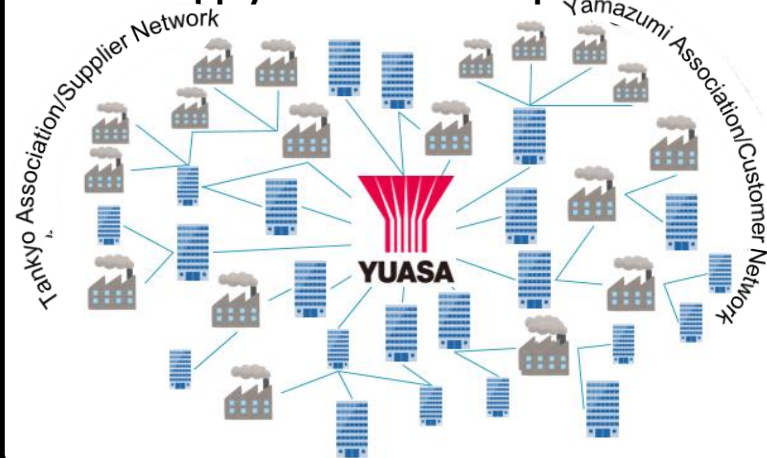
Tankyo Association/Supplier Yamazumi Association/Customer



From Single Item Business to Integrated Product-Service

Yuasa Group Information Infrastructure

Yuasa Supply Network Concept



Commercial transaction data
Various data



Data analysis

Sustainability initiatives

The Group's corporate philosophy is to "contribute to the further development of prosperous, humanitarian societies by valuing mutually beneficial, symbiotic relationships in all countries and regions of the world, with a focus on maintaining harmony with the global environment and at the same time strive toward the realization of sustainability with a formulation of a "Sustainability Declaration"

Sustainability Declaration

From the perspectives of "environment," "society," and "economy," we will set and announce Group's focus issues and will act toward the realization of sustainability.

Carbon neutrality

Aim to reduce emissions by grasping and managing them throughout the supply chain

Information disclosure

We will work to expand information disclosure in support of TCFD (Task Force on Climate-related Financial Disclosures).

YUASA VISION 360

We will further improve sustainability management, which has been passed down for more than 350 years since the foundation

Sustainability × **Technology** × **Innovation**

In the future, we will disclose specific initiatives and roadmaps of the Group.

Strengthening corporate governance

① Reduction of strategically held shares

Standard for reducing strategically held shares
(Common to all group companies)

- Holding limit standard
Net worth standard : Reduced if total shares held exceed a certain percentage of the holding company's net assets
Revenue standard : Reduced if total shares held exceed a certain percentage of the holding company's profits

FY03/21 Sales results
(Including group companies)

- Standard for continuous holding
Reduced if profitability of each stock falls below a certain percentage
- 14 stocks, 605,000 shares

② Appointment of independent outside directors ※ June 24, 2021, Scheduled to be decided at the 142nd

Candidate for new outside director position Ordinary General Meeting of Shareholders

Full Name	Biography and status of important concurrent positions	
Kimura Kyosuke	April 1979	Joined Kimura Shindai Kogyo, Ltd. (currently Paramount Bed Co., Ltd.)
	August 1979	Director of Kimura Shindai Kogyo, Ltd.
	October 1982	Director of Kimura Kosan Co., Ltd. (currently Paramount Bed Holdings Co., Ltd.)
	September 1987	Managing Director of Paramount Bed Co., Ltd.
	April 1991	Senior Managing Director of Paramount Bed Co., Ltd.
	April 1997	Vice President and Representative Director of Paramount Bed Co., Ltd.
	April 2009	President of Paramount Bed Co., Ltd.
	February 2011	President of Paramount Bed Holdings Co., Ltd.
	April 2020	Chairman of Paramount Bed Holdings Co., Ltd. (current position) Chairman of Paramount Bed Co., Ltd. (current position)

Composition of the Board of Directors (Ratio of Independent Outside Directors)

Full-time directors	Independent outside directors	Ratio of independent outside directors
5	3	37.5%

Investment budget for growth (Summary)

We will set an investment budget of 17 billion yen in total to promote businesses growth and IT digital investment.

No	Business Name	Investment budget (3 years)	Results (1 year)	Investment information	Remaining budget (2 years)		
1	Overseas	4 bn yen	-	-	4 bn yen		
2	Robots (AI) & IoT	4 bn yen	17 bn yen	Business and capital alliance with AI ventures, etc.	2.3 bn yen		
3	Eco & Energy Solution	In total 5 bn yen ※including existing core businesses budget	-	-	In total 1.5 bn yen ※including existing core businesses budget		
4	New Distribution		100 mn yen	Growing Navi EC website function development, etc.			
5	Resilience & Security		-	-			
6	Agriculture Process		100 mn yen	Investment in an agricultural robot company, etc.			
7	Long-Term Care & Medical		-	-			
8	Food Equipment		-	-			
9	Sharing		-	-			
10	Existing Core businesses		3.3 bn yen	M & A for functional enhancement, etc.			
	IT digital investment		4 bn yen	500 mn yen		Creation of information-related companies' subsidiaries, promoting DX projects, etc.	3.5 bn yen
	Total		17 bn yen	5.7 bn yen		-	11.3 bn yen

Growing Together 2023 Numeric Targets & KPIs



(in billions of yen)

Financial KPI	FY03/20 Results	FY03/21 Results	FY03/22 Forecast	FY03/23 Forecast
Net sales [After applying the revenue recognition standard]	491.3 [-]	432.1 [-]	492.0 [471.0]	545.0 [520.0]
Operating profit	11.8	8.9	11.7	15.4
Operating margin※	2.4%	2.1%	2.4%	2.8%
Ordinary profit	12.8	10.0	12.5	16.4
Profit	8.9	6.9	8.2	11.5
ROE	11.4%	8.1%	8.9%	11.4+%
Shareholder return ratio	37.2%	31.9%	33.0+%	33.0+%

※Operating profit margins for the FY ending March 2022 and 2023 are calculated based on sales before the application of the revenue recognition standard.

Non-financial KPIs	FY03/20 Results	FY03/21 Results	FY03/22 Forecast	FY03/23 Forecast
Percentage of women in management track positions	3.6%	3.8%	4.4%	5.0%
Percentage of women hired for management track positions	9.8%	10.4%	10.4%	12.0%
Paid time off usage rate	51.1%	52.1%	55.0%	60.0%
Average annual hours worked	2,007 hours	2,013 hours	1,950 hours	1,900 hours

Capital allocation policy (shareholder return policy)

Capital allocation policy

We will increase earnings per share and improve shareholder value by allocating the profits generated through our business activities to investments for growth while maintaining financial soundness.

(Maintaining financial soundness)

Due to the increasingly uncertain future environment we aim to maintain a stable financial base.

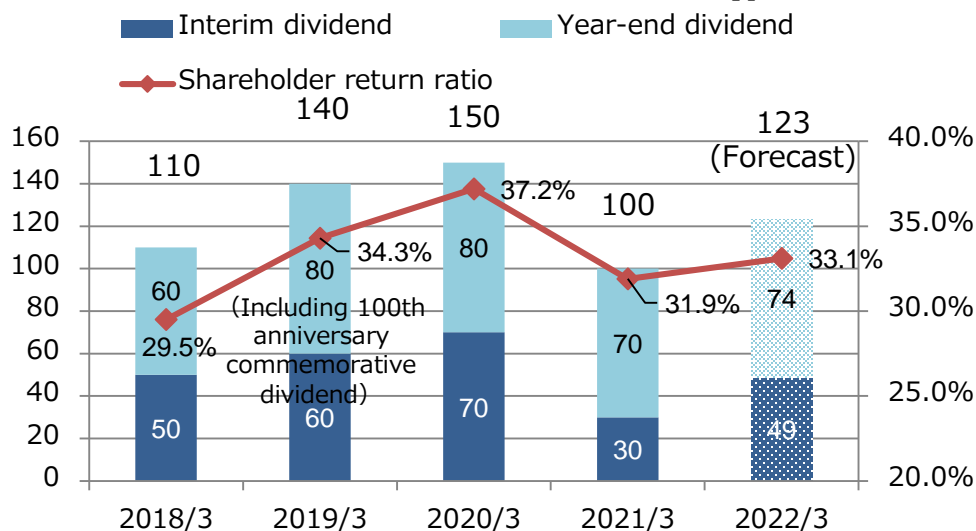
(Investments for growth)

- We will improve profitability by investing in growth businesses, strengthening the functions of core businesses, and strengthening our management base (DX, etc.).
- Investment decisions will be made after careful consideration of profitability, etc. for each individual project.

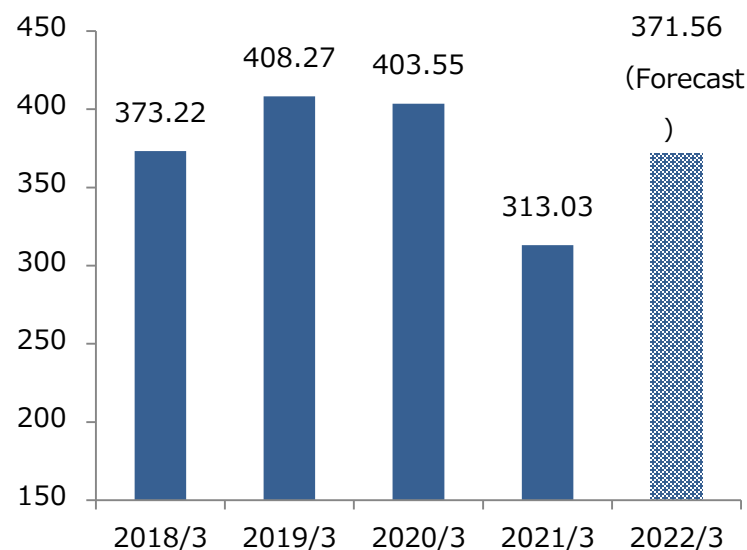
(Shareholder return policy)

We aim for a consolidated shareholder return rate (dividend / acquisition of treasury stock) of 33% or higher.

Changes in dividend per share and shareholder return ratio (yen)



Net income per share (yen)





Service Integrated Shosha Group



Forecasts and forward-looking statements in this document are based on information available as of the date of this document's release and on certain assumptions and expectations. Accordingly, actual results may differ materially due to various risks and uncertainties, such as economic trends, market price conditions, and changes in various systems, and the Company assumes no responsibility for any losses resulting from the use of this information. In addition, the Company assumes no obligation to revise the forecasts and forward-looking statements contained in this document.