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February 13, 2025

Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Under Japanese GAAP)

Company name: YUASA TRADING CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 8074
 URL: <https://www.yuasa.co.jp/en/>
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(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 | % |
| Nine months ended | | | | | | | | |
| December 31, 2024 | 385,381 | 2.2 | 9,787 | 4.3 | 10,524 | 4.2 | 6,738 | (24.5) |
| December 31, 2023 | 376,985 | 4.3 | 9,385 | 10.6 | 10,104 | 10.6 | 8,920 | 54.0 |

Note: Comprehensive income For the nine months ended December 31, 2024: ¥6,642 million [(17.1)%]
 For the nine months ended December 31, 2023: ¥8,015 million [42.3%]

| | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen | Yen |
| December 31, 2024 | 320.53 | 319.45 |
| December 31, 2023 | 424.23 | 422.56 |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|-------------------|-----------------|-----------------|-----------------------|
| As of | Millions of yen | Millions of yen | % |
| December 31, 2024 | 286,970 | 105,498 | 36.6 |
| March 31, 2024 | 290,989 | 102,409 | 35.0 |

Reference: Equity
 As of December 31, 2024: ¥104,955 million
 As of March 31, 2024: ¥101,854 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|--------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2024 | – | 86.00 | – | 96.00 | 182.00 |
| Fiscal year ending March 31, 2025 | – | 72.00 | – | | |
| Fiscal year ending March 31, 2025 (Forecast) | | | | 118.00 | 190.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-----------------|-----|------------------|------|-----------------|------|---|-----|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 542,400 | 3.0 | 17,000 | 15.5 | 18,000 | 14.4 | 12,000 | 1.6 | 571.27 |

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

| | |
|-------------------------|-------------------|
| As of December 31, 2024 | 22,100,000 shares |
| As of March 31, 2024 | 22,100,000 shares |

- (ii) Number of treasury shares at the end of the period

| | |
|-------------------------|------------------|
| As of December 31, 2024 | 1,067,374 shares |
| As of March 31, 2024 | 1,094,305 shares |

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|-------------------------------------|-------------------|
| Nine months ended December 31, 2024 | 21,024,326 shares |
| Nine months ended December 31, 2023 | 21,027,920 shares |

Note: The shares of the Company held by the “Board Incentive Plan (BIP) Trust” are included in the number of treasury shares at the end of the period (206,477 shares as of December 31, 2024 and 223,038 shares as of March 31, 2024). Also, the shares of the Company held by the “Board Incentive Plan (BIP) Trust” are included in treasury shares that are deducted for calculation of the average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) (211,997 shares for the nine months ended December 31, 2024 and 199,387 shares for the nine months ended December 31, 2023).

- * Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: Yes (voluntary)

- * Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual business and other results may differ substantially due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to “1. Qualitative Information Regarding Results for the First Nine Months, (3) Explanation of consolidated earnings forecasts and other forward-looking statements” on page 5 of the attached material.

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1. Qualitative Information Regarding Results for the First Nine Months

(1) Explanation of operating results

During the nine months under review (April 1, 2024 to December 31, 2024), despite cautious movement in regard to capital investment such as machine tools, particularly in automobile-related industries, the Japanese economy was on a moderate recovery trend due to improvements in the employment and income environment. Meanwhile, the outlook remained uncertain due to such factors as an increase in geopolitical risk, persistently high raw materials costs, and the progressing depreciation of the yen. In addition, Japan is experiencing an ongoing decline in its working-age population resulting from the low birthrate and aging population, and there are concerns that restrictions on working hours under the Act on the Arrangement of Related Acts to Promote Work Style Reform and other factors will lead to construction delays, longer construction times, business downsizing and other impacts due to labor shortages, particularly in the construction and logistics industries.

In the industrial field, demand for capital investment has been steady in semiconductor-related industries, etc. In the housing and construction field, demands for redevelopment chiefly in urban areas and related to the Expo 2025 Osaka, Kansai remained firm, but new housing starts, mainly for detached housing, continued to remain weak.

In overseas countries, the economic expansion continued in the U.S., and the economies of countries such as Thailand, India, and Indonesia demonstrated underlying strength, while the economy in China remained stagnant.

Under these circumstances, the Group entered upon its second year of the medium-term management plan, “Growing Together 2026,” covering the three-year period from April 2023 to March 2026, which constitutes the third and final stage of the realizing “Yuasa Vision 360,” our ideal state for the 360th anniversary of the Company’s founding in 2026. We will promote business reforms based on “corporate culture reform,” “DX promotion,” and “sustainability promotion,” with the aim of enhancing corporate value by developing market-out businesses addressing both sales of products and sales of services in the fields of manufacturing, home building, environment building, and town building.

Under “corporate culture reform,” we are advancing the YUASA PRIDE Project (Work Satisfaction Increasing & Regard for the Individual Project) to increase employee engagement and engage in developing human resources capable of solving social issues through “TSUNAGU” innovation. Moreover, we are promoting corporate cultural reform based on the key terms of “comprehensive strengths,” “challenges” and “communication.”

Under “DX promotion,” we will provide support for business transformation by building a data utilization infrastructure, developing DX talent, reforming business processes, and creating innovation.

Under “Sustainability promotion,” we aim to reduce the Group’s CO2 emissions by 30% by March 2026, and to promote green businesses on a Company-wide basis that support business partners’ efforts to become carbon neutral.

As part of the promotion of our growth strategy, we advanced the development of the “F[ai]ND OUT Series” of AI inspection solutions, and our AI appearance inspection system “F[ai]ND OUT EXW” won the “MONODZUKURI Award” in The Best 10 New Products sponsored by The Nikkan Kogyo Shimbun, Ltd. We also worked to grow sales of robots and automation equipment through efforts such as showcasing “Twin Pick,” an automated picking conveyor system, at our logistics centers. In October 2024, to strengthen our sales platform in the central Kyushu area, we established the Kyushu Central Business Office in Kumamoto City.

For the overseas strategy, aiming at strengthening regional strategy, we completed a new head office for our local subsidiary in Thailand (Bangkok) in November 2024 that will also function as a showroom, and in February 2025, we held “YUASA Grand Fair in Thailand,” a comprehensive exhibition under the theme of “Connecting (TSUNAGU) Japanese and Thai Cultures.” Additionally, we newly established a sales base in Pune, our third location in India. We also developed a structure to expand our overseas business, including acquiring general distribution rights in 10 overseas countries and regions for power regulation units that would contribute to energy saving at manufacturing facilities.

As a result, consolidated net sales for the nine months under review increased 2.2% from the same period of the previous year, to ¥385,381 million. In terms of profits, operating profit was ¥9,787 million (up 4.3% year on year), ordinary profit was ¥10,524 million (up 4.2% year on year), and profit attributable to owners of

parent decreased 24.5% from the same period of the previous year, to ¥6,738 million, due to the recording of a gain on return of retirement benefit trust of ¥3,255 million in the previous fiscal year.

Results by reportable segment are as follows: In the first quarter of the fiscal year ending March 31, 2025, YUASA TRADING (THAILAND) CO., LTD., a consolidated subsidiary of the Company, acquired shares of YUASA ENGINEERING SOLUTION (THAILAND) CO., LTD., a consolidated subsidiary of the Company, from the Company. In conjunction with this, the Company has changed the method of classifying the business of YUASA ENGINEERING SOLUTION (THAILAND) CO., LTD., which was previously included in the Housing, Air & Fluidic Control Systems segment, to include it in the Machine Tools segment. Segment information for the nine months ended December 31, 2024 has been prepared based on the segments after the change.

<Industrial Equipment & Tools Division>

The Industrial Equipment & Tools Division remained strong amid the trend of increased imports, despite demand in semiconductor-related industries having not yet fully recovered. However, the outlook for EV-related products has become increasingly uncertain, as EV-related facilities investment has stalled and sales of metalworking-related materials have remained particularly sluggish.

Under these circumstances, needs related to social issues such as carbon neutrality, work-style reforms, and automation and labor-saving are increasing, and despite sales of related materials remaining steady, net sales were ¥57,184 million (down 1.7% year on year).

<Machine Tools Division>

In the Machine Tools Division, the recovery in orders received remained at a standstill in Japan as demand remained sluggish for facilities investment in automobile-related industries, despite the gradual recovery in demand seen for semiconductor manufacturing equipment, medical devices, and defense-related industries, as well as the increase in business negotiations. Overseas, industries including the semiconductor and aerospace-related industries were steady centered on the South Asian block.

Under these circumstances, in addition to developing the precision sheetmetal market and strengthening sales to the fields that process brittle materials in Japan, we aggressively promoted automation, energy-saving, and DX proposals to the measurement field. To expand overseas sales channels, we worked to strengthen sales to locally capitalized companies mainly in the South Asian block, however net sales were ¥76,470 million (down 9.9% year on year).

<Housing, Air & Fluidic Control Systems Division>

In the Housing, Air & Fluidic Control Systems Division, as the slump in new housing starts continued, demand for condominiums and remodeling remained firm, and housing fixtures, pipes/joints products moved solidly. Sales of equipment related to air conditioning and sales in the renewable energy field were also strong due to demand focused on addressing rising energy costs and carbon neutrality.

Under these circumstances, in response to the growing demand for investments in energy conservation field in factories and such, and an increase in redevelopment projects mainly in the Tokyo metropolitan area and major cities, sales of pipes/joints products for non-residential use and high-efficiency equipment related to air conditioning have increased. Also, efforts such as system proposals for solar panels, storage batteries, and other products to become carbon neutral and strengthening engineering capability resulted in net sales of ¥152,969 million (up 12.0% year on year).

<Building Supplies & Exterior Division>

In the Building Supplies & Exterior Division, social infrastructure-related investment continued to demonstrate underlying strength particularly for redevelopment projects mainly in the Tokyo metropolitan area, and for products for countermeasures against natural disasters and traffic accidents. Moreover, demand increased for security products such as monitoring and control systems. On the other hand, sales of public exterior products were sluggish for commercial facilities, stores, and schools.

Under these circumstances, we focused on making package proposals for resilience products such as solutions for flood-control measures as countermeasures against torrential rain disasters and exterior products to contribute to creating walkable towns, and also put efforts into expanding sales of fabrication

hardware related to construction and delivery boxes aimed at supporting childcare and reducing redeliveries. As a result, net sales were ¥40,714 million (up 3.9% year on year).

<Construction Machines Division>

In the Construction Machines Division, large-scale private capital investment remained steady, along with public works projects such as infrastructure development and disaster prevention/mitigation works. On the other hand, we continued to see rising machines and material prices, shorter working hours due to work-style reform in the construction industry, and prolonged construction periods due to a shortage of construction skilled workers.

Under these circumstances, we strengthened sales of manpower- and labor-saving products and proposals of solutions for safe construction at construction, logistics and agricultural sites, as well as products imported from overseas. At the same time, we worked to expand sales of CO2 visualization products for construction sites. We also promoted proposals to government agencies for disaster prevention, disaster mitigation, and BCP-related commercial products and medical container house. In addition, we strove to expand our used construction and agricultural machines auction business, and enhanced container house manufacturing, and construction machines maintenance and rental functions, resulting in net sales of ¥27,949 million (up 0.5% year on year).

<Energy Division>

In the Energy Division, amid a continued decline in demand for gasoline due to the spread of fuel-efficient vehicles, the domestic market stabilized mainly due to the continuation of government fuel oil subsidies.

Under these circumstances, the gas station business, which operates mainly in the Tokai region, worked to strengthen services such as car rental and car maintenance businesses, in addition to high value-added car washing, automobile inspections, coatings, and others. In addition, although we made efforts to strengthen sales of marine fuel in the Keihin area, net sales were ¥13,886 million (down 4.0% year on year).

<Others>

In Others, depressed consumer spending caused by soaring prices impacted winter seasonal household appliances in the consumer goods business. Meanwhile, in private brand products, we captured consumer needs and aggressively developed new products centered on cooking appliances. In the wood products business, the sales volume decreased, affected by sluggish demand for imported plywood and the depreciation of the yen. Meanwhile, in non-residential fields, in addition to proposing custom wood products to the shipbuilding field, we focused on the development of new products using domestic timber and on the development of new markets.

As a result, net sales were ¥16,207 million (up 1.6% year on year).

(2) Explanation of financial position

As of December 31, 2024, total assets were ¥286,970 million, a decrease of ¥4,019 million from the end of the previous fiscal year. This was primarily due to a decrease in notes and accounts receivable - trade, and contract assets of ¥16,912 million, despite increases in electronically recorded monetary claims - operating of ¥4,716 million, intangible assets of ¥2,982 million and cash and deposits of ¥2,472 million.

Total liabilities were ¥181,472 million, a decrease of ¥7,107 million from the end of the previous fiscal year. This was primarily due to decreases in notes and accounts payable - trade of ¥6,965 million and income taxes payable of ¥2,224 million.

Total net assets increased by ¥3,088 million from the end of the previous fiscal year, to ¥105,498 million. This was primarily due to an increase in retained earnings of ¥3,215 million, despite a decrease in valuation difference on available-for-sale securities of ¥400 million.

As a result, the equity-to-asset ratio was 36.6% (35.0% at the end of the previous fiscal year).

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

Regarding the consolidated earnings forecasts for the fiscal year ending March 31, 2025, the earnings forecasts are unchanged from the announcement in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2024” dated May 10, 2024.

Furthermore, the earnings forecasts were created based on information which is currently available on the day of the announcement, and the actual performance and results may differ from the forecast values and outlook.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated balance sheet

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|--|----------------------|-------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 42,101 | 44,574 |
| Notes and accounts receivable - trade, and contract assets | 118,642 | 101,729 |
| Electronically recorded monetary claims - operating | 38,338 | 43,055 |
| Inventories | 19,593 | 20,549 |
| Other | 3,610 | 4,542 |
| Allowance for doubtful accounts | (54) | (47) |
| Total current assets | 222,231 | 214,403 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Land | 39,195 | 39,204 |
| Other, net | 5,524 | 5,840 |
| Total property, plant and equipment | 44,719 | 45,045 |
| Intangible assets | | |
| Goodwill | 527 | 262 |
| Other | 3,798 | 7,045 |
| Total intangible assets | 4,326 | 7,308 |
| Investments and other assets | | |
| Other | 20,033 | 20,464 |
| Allowance for doubtful accounts | (320) | (251) |
| Total investments and other assets | 19,712 | 20,213 |
| Total non-current assets | 68,758 | 72,567 |
| Total assets | 290,989 | 286,970 |

(Millions of yen)

| | As of March 31, 2024 | As of December 31, 2024 |
|---|----------------------|-------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 97,142 | 90,177 |
| Electronically recorded obligations - operating | 61,850 | 60,463 |
| Short-term borrowings | 4,092 | 4,092 |
| Income taxes payable | 3,358 | 1,133 |
| Provision for bonuses | 3,200 | 1,553 |
| Provision for bonuses for directors (and other officers) | 91 | – |
| Other | 10,207 | 15,409 |
| Total current liabilities | 179,943 | 172,830 |
| Non-current liabilities | | |
| Long-term borrowings | 3,328 | 2,784 |
| Provision for share awards | 254 | 294 |
| Provision for share awards for directors (and other officers) | 194 | 177 |
| Retirement benefit liability | 1,103 | 1,161 |
| Other | 3,756 | 4,224 |
| Total non-current liabilities | 8,636 | 8,641 |
| Total liabilities | 188,580 | 181,472 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 20,644 | 20,644 |
| Capital surplus | 6,753 | 6,755 |
| Retained earnings | 72,918 | 76,133 |
| Treasury shares | (3,053) | (2,971) |
| Total shareholders' equity | 97,262 | 100,562 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 3,655 | 3,255 |
| Deferred gains or losses on hedges | 18 | 5 |
| Foreign currency translation adjustment | 870 | 1,146 |
| Remeasurements of defined benefit plans | 46 | (13) |
| Total accumulated other comprehensive income | 4,591 | 4,393 |
| Share acquisition rights | 145 | 123 |
| Non-controlling interests | 409 | 419 |
| Total net assets | 102,409 | 105,498 |
| Total liabilities and net assets | 290,989 | 286,970 |

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|--|--|--|
| Net sales | 376,985 | 385,381 |
| Cost of sales | 336,099 | 342,006 |
| Gross profit | 40,885 | 43,375 |
| Selling, general and administrative expenses | 31,500 | 33,588 |
| Operating profit | 9,385 | 9,787 |
| Non-operating income | | |
| Interest income | 1,183 | 1,309 |
| Dividend income | 256 | 294 |
| Other | 212 | 199 |
| Total non-operating income | 1,652 | 1,802 |
| Non-operating expenses | | |
| Interest expenses | 793 | 842 |
| Other | 140 | 221 |
| Total non-operating expenses | 933 | 1,064 |
| Ordinary profit | 10,104 | 10,524 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 2 | 2 |
| Gain on sale of investment securities | 31 | 121 |
| Gain on liquidation of subsidiaries and associates | 19 | – |
| Gain on return of retirement benefit trust | 3,255 | – |
| Total extraordinary income | 3,308 | 123 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 101 | 119 |
| Loss on retirement of non-current assets | 0 | 4 |
| Compensation expenses | – | 191 |
| Total extraordinary losses | 101 | 315 |
| Profit before income taxes | 13,311 | 10,332 |
| Income taxes | 4,381 | 3,544 |
| Profit | 8,930 | 6,787 |
| Profit attributable to non-controlling interests | 9 | 48 |
| Profit attributable to owners of parent | 8,920 | 6,738 |

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

| | Nine months ended December 31, 2023 | Nine months ended December 31, 2024 |
|--|--|--|
| Profit | 8,930 | 6,787 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 884 | (347) |
| Deferred gains or losses on hedges | 31 | (13) |
| Foreign currency translation adjustment | 503 | 276 |
| Remeasurements of defined benefit plans, net of tax | (2,333) | (60) |
| Total other comprehensive income | (914) | (145) |
| Comprehensive income | 8,015 | 6,642 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 8,005 | 6,592 |
| Comprehensive income attributable to non-controlling interests | 9 | 49 |

(3) Notes to quarterly consolidated financial statements

Notes on going concern assumption

No item to report.

Notes on significant changes in the amount of shareholders' equity

No item to report.

Notes on changes in accounting policies

(Application of "Accounting Standard for Current Income Taxes," etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the "Revised Accounting Standard of 2022") and other relevant ASBJ regulations from the beginning of the first quarter of the fiscal year ending March 31, 2025.

Previously, calculated amounts of corporate taxes, inhabitants taxes and enterprise taxes on earnings, etc. ("current income taxes") were recorded in profit or loss in accordance with laws and regulations. Moving forward, current income taxes on earnings will be recorded in profit or loss, shareholders' equity, or other comprehensive income according to the transaction, etc. from which those taxes were incurred. Concerning current income taxes recorded in accumulated other comprehensive income, when a transaction, etc., which is the reason for said current income taxes to be applied, is recorded in profit or loss, the corresponding amount of tax will be recorded in profit or loss. Additionally, if the transaction, etc. subject to taxation is related to shareholders' equity or other comprehensive income in addition to profit or loss, and it is difficult to calculate the amount of current income taxes to be applied to shareholders' equity or other comprehensive income, the amount of such taxes will be recorded in profit or loss.

Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022, and the transitional treatment in the proviso of paragraph 65-2 (2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; the "Revised Implementation Guidance of 2022").

As a result, the beginning balance of "retained earnings" of the fiscal year ending March 31, 2025 increased by ¥52 million, and the beginning balance of "valuation difference on available-for-sale securities" in accumulated other comprehensive income of the fiscal year ending March 31, 2025 decreased by the same amount.

Moreover, as for revisions related to the review of treatment in consolidated financial statements in the case where gain or loss on sales arising from sale of shares of subsidiaries, etc. between consolidated subsidiaries is deferred (for tax purposes), the Company has applied the Revised Implementation Guidance of 2022 from the beginning of the first quarter of the fiscal year ending March 31, 2025. This change in the accounting policy has been applied retrospectively, and for the third quarter of the previous fiscal year and the previous fiscal year, the quarterly consolidated financial statements and the consolidated financial statements have reflected the retrospective application. This has no impact on the quarterly consolidated financial statements for the third quarter of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

Notes to quarterly consolidated statement of cash flows

Quarterly consolidated statement of cash flows for the nine months ended December 31, 2024 is not prepared. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the nine months ended December 31, 2023 and 2024 are as follows.

| | (Millions of yen) | |
|--------------------------|--|--|
| | Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023) | Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024) |
| Depreciation | 1,108 | 1,584 |
| Amortization of goodwill | 447 | 264 |

Notes on segment information, etc.

Segment information

I. Nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

1. Information on the amount of net sales and profit/loss for each reportable segment

(Millions of yen)

| | Reportable segments | | | | | | | Others (Note 1) | Total | Adjustment (Note 2) | Amount recorded in the quarterly consolidated statement of income (Note 3) |
|---------------------------------|------------------------------------|------------------|--|------------------------------------|--------------------------|--------|---------|--------------------|---------|------------------------|--|
| | Industrial Equipment & Tools | Machine Tools | Housing, Air & Fluidic Control Systems | Building Supplies & Exterior | Construction Machines | Energy | Total | | | | |
| Net sales | | | | | | | | | | | |
| Sales to external customers | 58,169 | 84,839 | 136,550 | 39,196 | 27,812 | 14,470 | 361,038 | 15,946 | 376,985 | – | 376,985 |
| Intersegment sales or transfers | 10,846 | 4,080 | 8,208 | 4,150 | 3,886 | 33 | 31,205 | 300 | 31,505 | (31,505) | – |
| Total | 69,016 | 88,919 | 144,758 | 43,346 | 31,699 | 14,504 | 392,243 | 16,247 | 408,491 | (31,505) | 376,985 |
| Segment profit | 1,538 | 3,493 | 4,953 | 1,373 | 755 | 143 | 12,258 | 237 | 12,496 | (3,111) | 9,385 |

- Notes:
1. The classification “Others” is a segment of business not included in the reportable segments and includes businesses selling lifestyle-related products and wood products.
 2. The adjustment of the segment profit of negative ¥3,111 million represents mainly costs related to the administration division of the Company that has not been attributed to a reportable segment.
 3. Segment profit is adjusted to operating profit as recorded on the quarterly consolidated statement of income.

2. Information on impairment losses on non-current assets, goodwill, etc. for each reportable segment

No item to report.

II. Nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

1. Information on the amount of net sales and profit/loss for each reportable segment

(Millions of yen)

| | Reportable segments | | | | | | | Others (Note 1) | Total | Adjustment (Note 2) | Amount recorded in the quarterly consolidated statement of income (Note 3) |
|---------------------------------|------------------------------------|------------------|--|------------------------------------|--------------------------|--------|---------|--------------------|---------|------------------------|--|
| | Industrial Equipment & Tools | Machine Tools | Housing, Air & Fluidic Control Systems | Building Supplies & Exterior | Construction Machines | Energy | Total | | | | |
| Net sales | | | | | | | | | | | |
| Sales to external customers | 57,184 | 76,470 | 152,969 | 40,714 | 27,949 | 13,886 | 369,174 | 16,207 | 385,381 | – | 385,381 |
| Intersegment sales or transfers | 11,118 | 3,518 | 7,930 | 4,327 | 4,299 | 37 | 31,233 | 317 | 31,550 | (31,550) | – |
| Total | 68,303 | 79,988 | 160,900 | 45,042 | 32,248 | 13,924 | 400,407 | 16,524 | 416,932 | (31,550) | 385,381 |
| Segment profit | 1,620 | 2,817 | 6,144 | 1,410 | 843 | 154 | 12,991 | 89 | 13,081 | (3,293) | 9,787 |

- Notes:
1. The classification “Others” is a segment of business not included in the reportable segments and includes businesses selling lifestyle-related products and wood products.
 2. The adjustment of the segment profit of negative ¥3,293 million represents mainly costs related to the administration division of the Company that has not been attributed to a reportable segment.
 3. Segment profit is adjusted to operating profit as recorded on the quarterly consolidated statement of income.

2. Information on impairment losses on non-current assets, goodwill, etc. for each reportable segment

No item to report.

3. Matters related to changes in reportable segments

In the first quarter of the fiscal year ending March 31, 2025, YUASA TRADING (THAILAND) CO., LTD., a consolidated subsidiary of the Company, acquired shares of YUASA ENGINEERING SOLUTION (THAILAND) CO., LTD., a consolidated subsidiary of the Company, from the Company. In conjunction with this, the Company has changed the method of classifying the business of YUASA ENGINEERING SOLUTION (THAILAND) CO., LTD., which was previously included in the Housing,

Air & Fluidic Control Systems segment, to include it in the Machine Tools segment. Segment information for the nine months ended December 31, 2023 has been prepared based on the segments after the change.