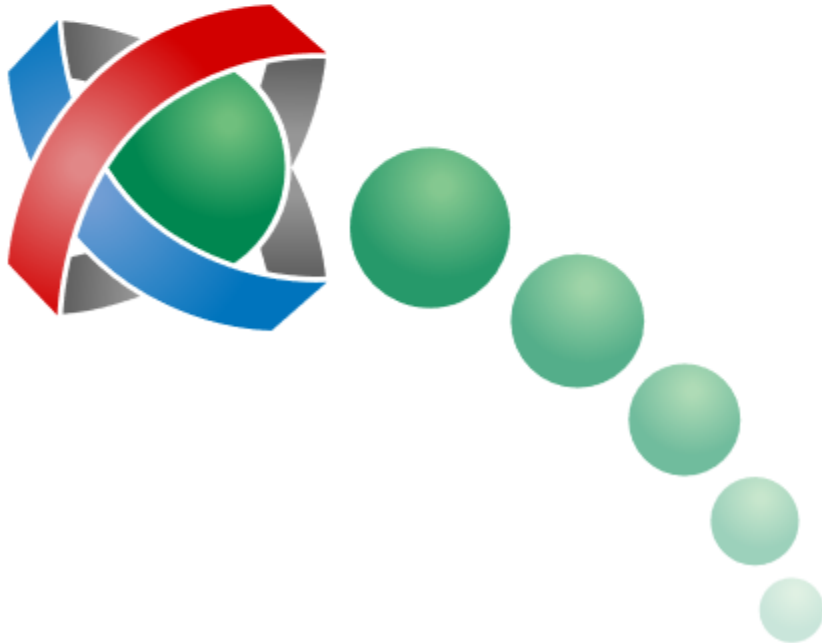


YAMAZEN CORPORATION
FY3/25 (Q1)

**Financial
Results Briefing**



September 6, 2024

Masamichi YAMAZOE
Director, Executive Officer, CFO

AGENDA

I . Outline and Our Business Models

II . FY3/25 (Q1) Financial Highlights

III. Earnings Forecast for FY3/25

IV. Initiatives by Business

V. Medium-Term Management Plan “CROSSING YAMAZEN 2024”

VI. Shareholder Returns and Capital Policy

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Appendix



Founder Takeo Yamamoto

Founded Yamazen Tool Manufacturing & Sales Co., Ltd. in May 1947. Expanded the company's business domain from machinery tools to machine tools, housing equipment, and home products. The company's rapid growth through unique management attracted attention and became the model for the novel Doterai Yatsu. He died in 1991 (aged 70).

Management of Fostering Personnel

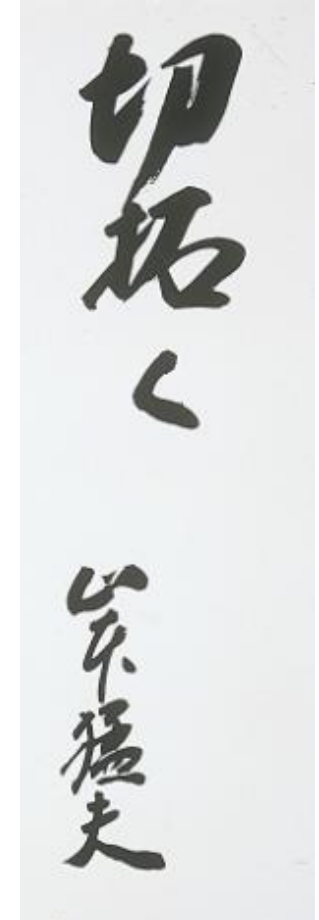
To make active use of personnel, and to foster independent and virtuous employees

Management of Breaking Through

To challenge, innovate and create

Management of Trust

To respond to the needs and expectations of society and contribute to them



Suppliers



Distributors

Users

Production equipment (domestic and overseas)

About 3,000 companies

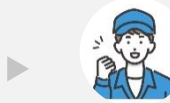


Machine Tools Business (Domestic)
(Machine tools, etc.)

Industrial Solution Business (Domestic)
(Equipment related to production facilities, etc.)

Tools & Engineering Business (Domestic)
(Industrial tools, consumables, etc.)

About 5,000 companies



Manufacturer customers in Japan



Export

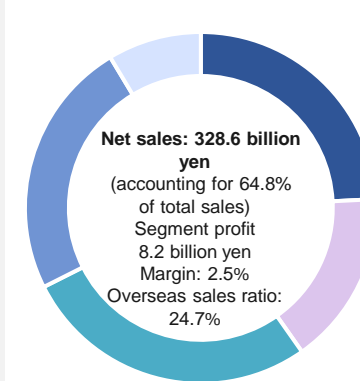


16 overseas subsidiaries and 65 business locations*

Engineering and maintenance services



Manufacturer customers overseas



FY3/24

Domestic Machine Tools	79.5 billion yen
Overseas Machine Tools	52.7 billion yen
Domestic Industrial Solution	89.8 billion yen
Domestic T&E	78.2 billion yen
Overseas Industrial Solution + T&E	28.3 billion yen

Consumer goods (domestic)

Building materials

Home products

About 900 companies



Building Materials Business
(Building materials and equipment)

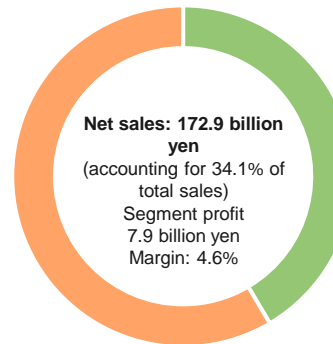
About 2,900 companies



House-builders



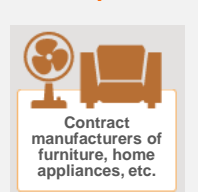
General customers



FY3/24

Building materials	71.8 billion yen
Home products	101.1 billion yen

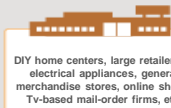
About 600 companies



Home Products Business
(Home appliances, interior, exterior and leisure products, etc.)

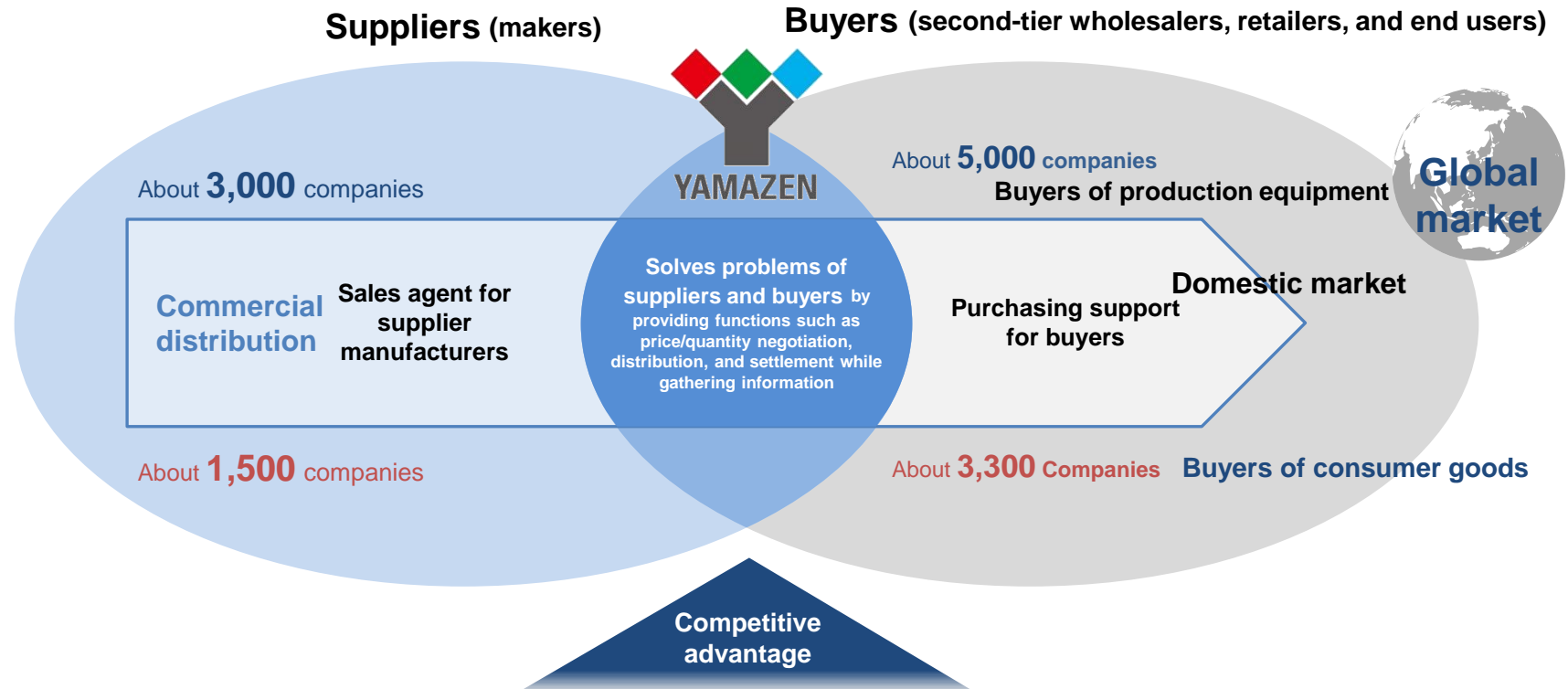
*Our private brand (PB) products account for about 60% of sales.

About 400 companies



E-commerce/B2C

*As of April 30, 2024; figures for the Production Equipment Business only



Solid relationships with business partners and significant presence we fostered as a wholesaler in our long history in this industry

- Strong relationships with many continuous suppliers and buyers cultivated over 70 years
- Worldwide network (16 local subsidiaries and 66 offices in 14 countries/regions*)

Flexible business operation with low risks

- With minimum invested capital, we can change or increase product categories flexibly and approach various markets
- To stick to the “procurement process while expecting order receipt”

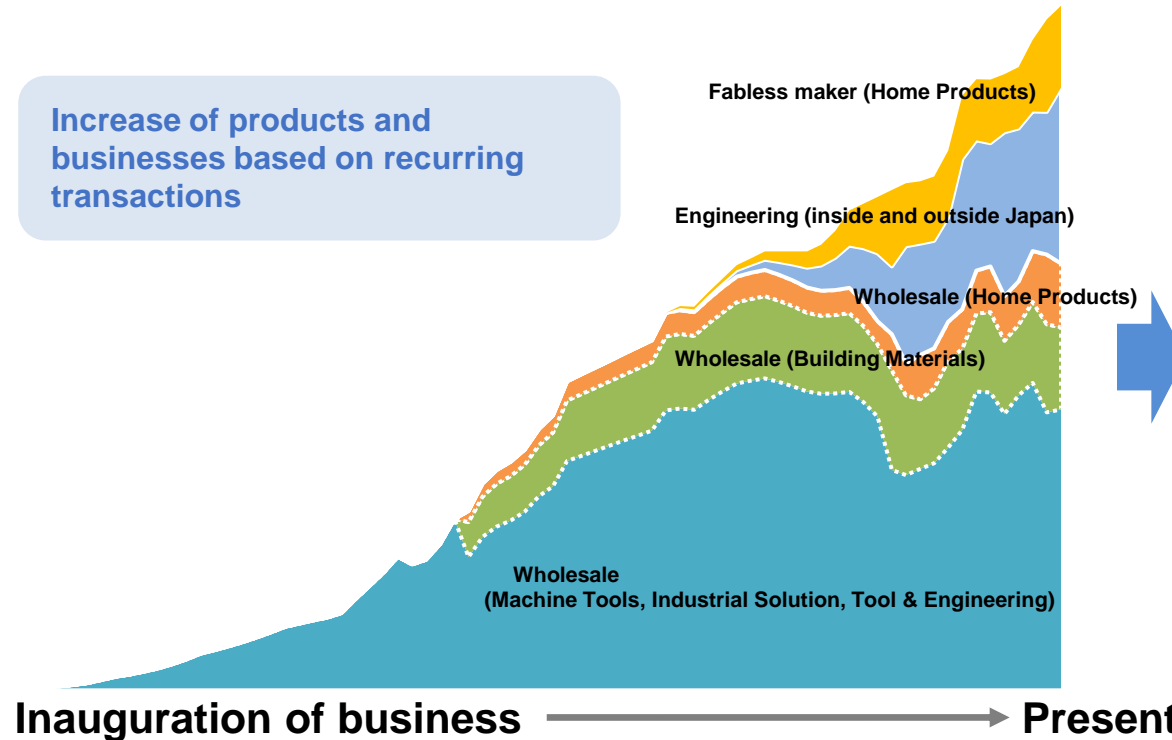
Human resources for attaining our Management Philosophy

- Marketing staff’s capabilities of gathering information, proposing plans, and negotiating tenaciously, which follow the ambition of the founder

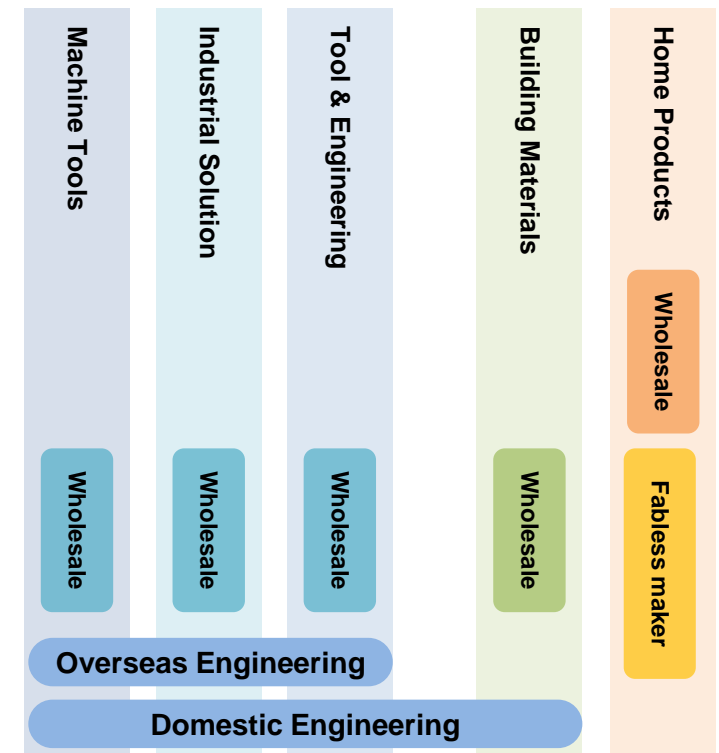
We started business with wholesale of production equipment, **developed a revenue base with recurring transactions with many clients, added some spot transactions, transformed them into recurring ones, and expanded our business domain and scale**

Business operation of YAMAZEN (schematic diagram)

Increase of products and businesses based on recurring transactions



Business and Organizational Relationships



■ Production Equipment Business

Business outline

Major items handled

Business model and strengths

Machine Tools Domestic/Overseas

• In collaboration with top makers inside and outside Japan, **we offer production and processing systems (cutting-edge hardware and software)** with machine tools for on-site operation, to support "manufacturing" inside and outside Japan.

• Outside Japan, we have community-based **sales systems and an advanced engineering function** in major industrial cities, and **comprehensively support** the design of production lines, the installation of machine tools, and maintenance.

Machine tools (machining centers, CNC lathes, CNC grinding machines, CNC milling machines, electric discharge machines, conventional machine tools, 3D printers, etc.), metal forming machines, plate processing machines, injection molding machines, die-casting machines, CAD/CAM, etc.

Industrial Solution Domestic/Overseas

We **meet a variety of needs (consumables, ancillary facilities, etc.)** at production sites, and provide an **integrated system** for improving production efficiency through automation and labor-saving, and the environment of each production site, and adopting cutting-edge technologies.

Material handling (devices for distribution), mechatronics (mechatronic devices, robots, labor-saving equipment), aids for environmental improvement, etc.

Tool & Engineering Domestic/Overseas

The on-site engineering section automates production lines and selects machines and blades that constitute the production lines. **After the delivery of equipment, we support the procurement of supplies and maintenance consistently.**

Cutting tools, auxiliary tools, hand tools, electric tools, measuring equipment, fluid machinery, etc.

Wholesale (Japan)

Machine Tools:

Profit margin is low but there is no stock and extremely high return on capital

Industrial Solution/T&E:

• **To grasp latent needs from users and propose solutions**
• **Inventory control** for swift delivery

Engineering (inside and outside Japan)

We directly sell products to factories while adding engineering functions, achieving a **high profit margin**

■ Consumer Goods Business

Building Materials Domestic

To comprehensively propose new products and systems aimed at realizing society and living space that are friendly to people and the earth, including environment-conscious, decarbonized, healthy, and barrier-free ones.

In detail, we procure and stably supply processed wooden products and primarily and secondarily processed industrial products, propose and sell building materials, equipment, devices, etc., and also concentrate on renovation business.

Kitchens, cooking appliances, kitchen-related appliances, bathroom appliances, washbasin appliances, Water boiling equipment, Sanitary appliances, air-conditioning/ventilation equipment, solar power generation, storage batteries, floor heating, solar thermal water heating equipment, stored-heat heating systems, plumbing equipment & materials, interior architectural materials, electrical equipment & materials, etc.

Wholesale

A wholesale model for building materials and equipment to house builders, etc., with an immediate delivery system through distribution bases nationwide, **with extremely high return on capital through a model that holds almost no stock**

Home Products Domestic

We deal in familiar and useful products that are used in daily life, such as home appliances, interior, exterior, leisure, and anti-disaster goods, and possess functions as a trading company in the field of distribution and logistics and as a maker that plans and develops original products.



Planning, development, and sale of home appliances (electric fans, heating equipment, cooking equipment, audiovisual equipment, lifestyle appliances), furniture, products for outdoor and leisure activities, kitchen utensils, daily goods, exteriors, gardening products, agriculture products, Healthcare goods, sanitary goods, industrial tools, goods for automobiles and motorcycles, anti-disaster goods, etc.

Wholesale

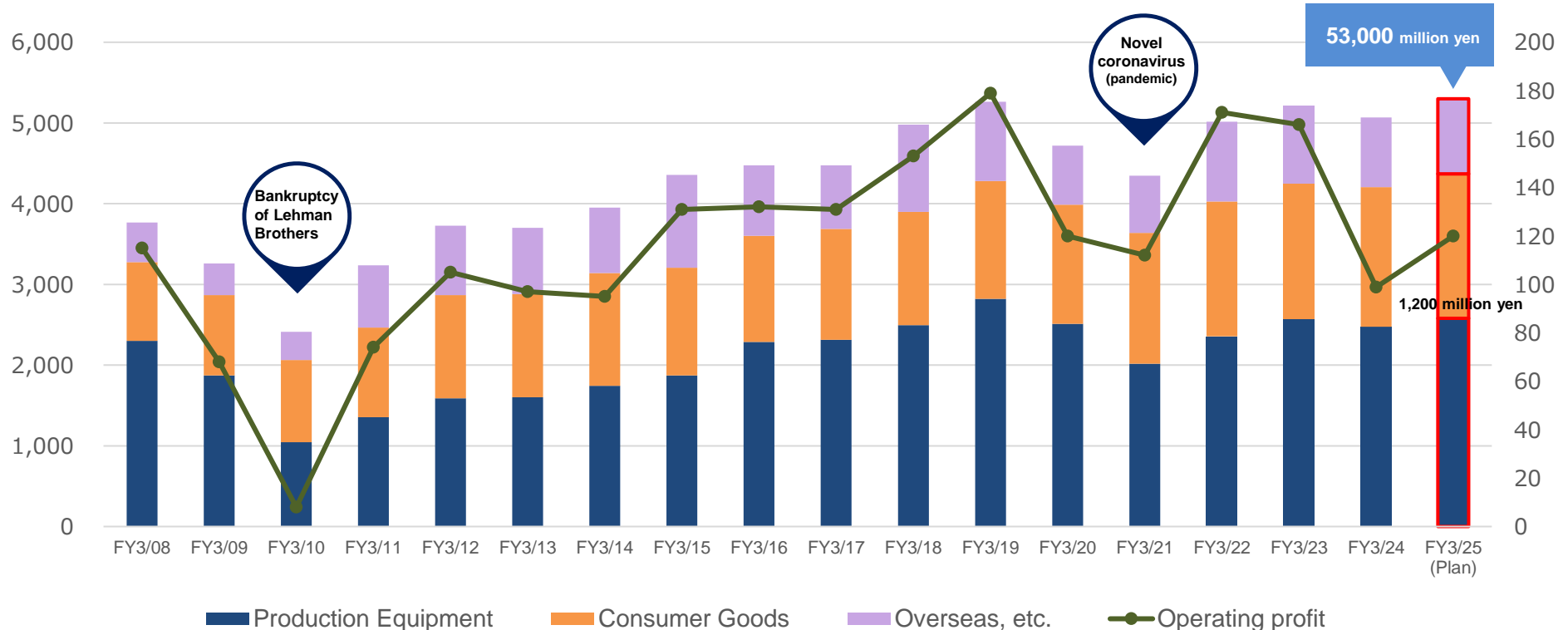
Stable cashflow generation through a wide assortment of national brand and private brand products

Fabless maker

High profit margin through the sale of private brand products that meet consumer needs

Net sales and operating profit remained healthy thanks to robust business despite the changes in the external environment

variations in net sales and operating profit [100 million yen]



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FY3/25 (Q1) Consolidated Profit and Loss Results

(Million yen)	FY3/24 (Q1)	FY3/25 (Q1)	Percentage change YoY	Full Year Plan	Achievement Rate
Net sales	119,957	118,577	-1.2%	530,000	22.4%
Gross profit	18,485	17,756	-3.9%	-	-
(Gross profit margin)	15.4%	15.0%	-0.4ppt	-	-
SG&A expenses	16,032	16,885	+5.3%	-	-
Operating profit	2,452	870	-64.5%	12,000	7.3%
(Operating profit margin)	2.0%	0.7%	-1.3ppt	2.3%	-
Non-operating profit/loss	196	261	+33.0%	-	-
Ordinary profit	2,649	1,132	-57.3%	12,000	9.4%
Extraordinary gain/loss	-4	180	-	-	-
Profit attributable to owners of parent	1,569	642	-59.1%	7,600	8.5%

Due to the delayed recovery of domestic and international capital investment trends, sluggish demand for durable consumer goods, etc., net sales decreased by 1.2% YoY. Gross profit decreased by 3.9% due to the effect of decreased sales and the impact of exchange rate fluctuations, etc. Operating profit decreased by 64.5% YoY due to the decrease in gross profit, the increase in system-related expenses associated with the introduction of SAP ERP as a growth investment, and the increase in personnel expenses, etc.

FY3/25 (Q1) Net Sales by Business Segment

(Million yen)	FY3/24 (Q1)	FY3/25 (Q1)	Percentage change YoY
Machine Tools Division	29,378	25,912	-11.8%
Industrial Solution Division	21,813	22,598	+3.6%
Tool & Engineering Division	25,223	25,910	+2.7%
(Total for Production Equipment Business)	76,416	74,421	-2.6%
Building Materials Division	15,847	17,946	+13.2%
Home Products Division	26,395	24,999	-5.3%
(Total for Consumer Goods Business)	42,242	42,945	+1.7%
Other	1,299	1,210	-6.9%
Total	119,957	118,577	-1.2%

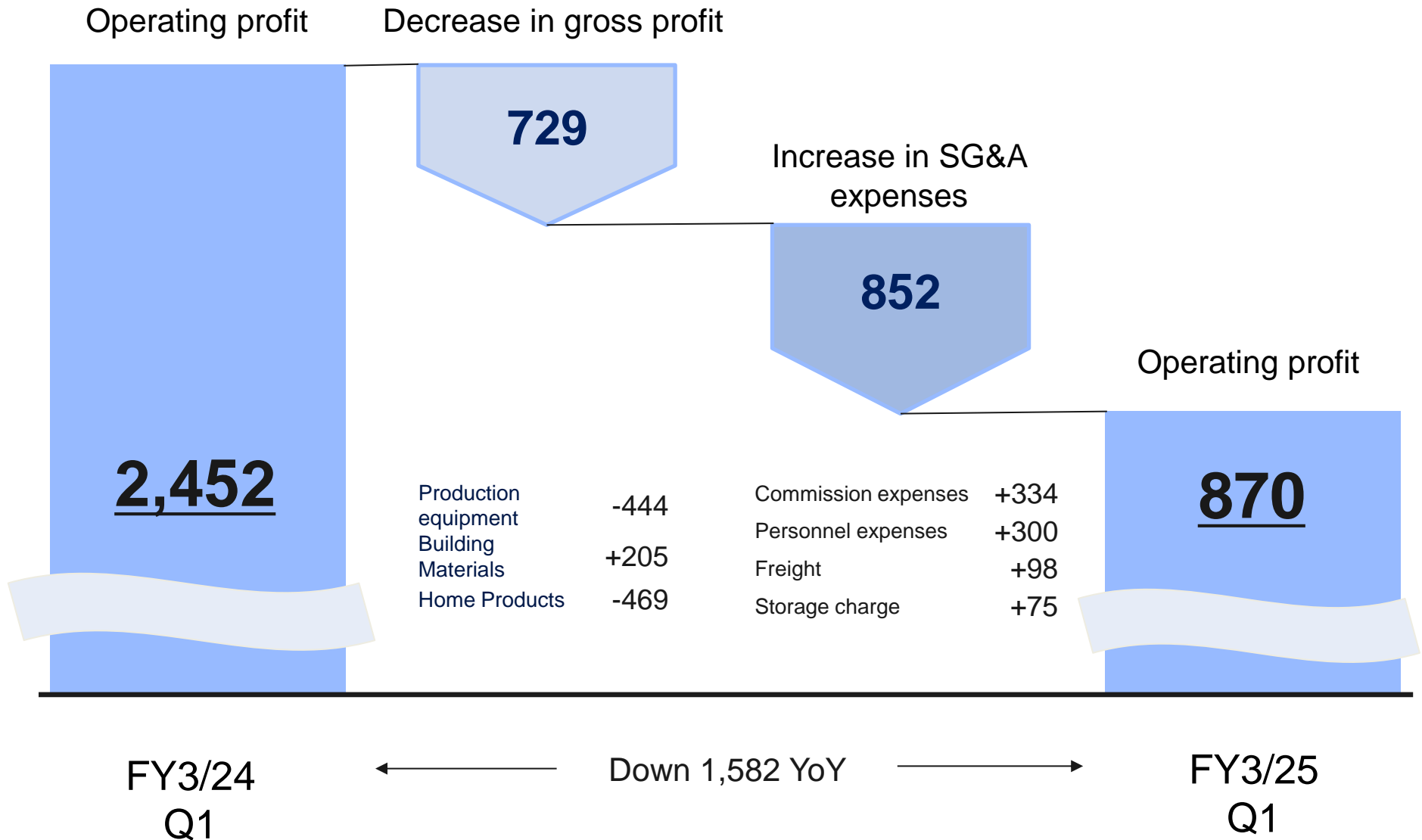
- **Domestic Production Equipment Business:** In the automobile and semiconductor industries, there was no active movement toward new investments, and the performance of consumables such as machine tools and cutting tools was below the same period of the previous year. On the other hand, the need for automation and labor saving in the industrial sector increased, and sales of related products such as work supplies and material handling tools, which contribute to reducing the labor burden at production sites, exceeded the same period of the previous year, and in the steel processing industry, where demand for public infrastructure renewal is strong, infrastructure-related equipment such as fully automatic machines performed well. In addition, aids for environmental improvement to meet energy-saving needs also showed solid results.
- **Overseas Production Equipment Business:** Although the North America Regional Headquarters was affected by the sluggish appetite for capital investment, sales of high-value-added equipment for the medical and aviation industries were strong. The Taiwan Regional Headquarters saw demand in its main industries, such as electronics and semiconductors, on a recovery trend, exceeding the same period of the previous year. The China Regional Headquarters continued to see sluggish sales to export-oriented industries, and sales to the renewable energy industry, such as solar power generation and wind power generation, were sluggish, falling below the same period of the previous year. The ASEAN Regional Headquarters captured new equipment demand by responding to production transfers and relocations from other regions, and investments in stagnant industries such as semiconductors also began to move, exceeding the same period of the previous year.

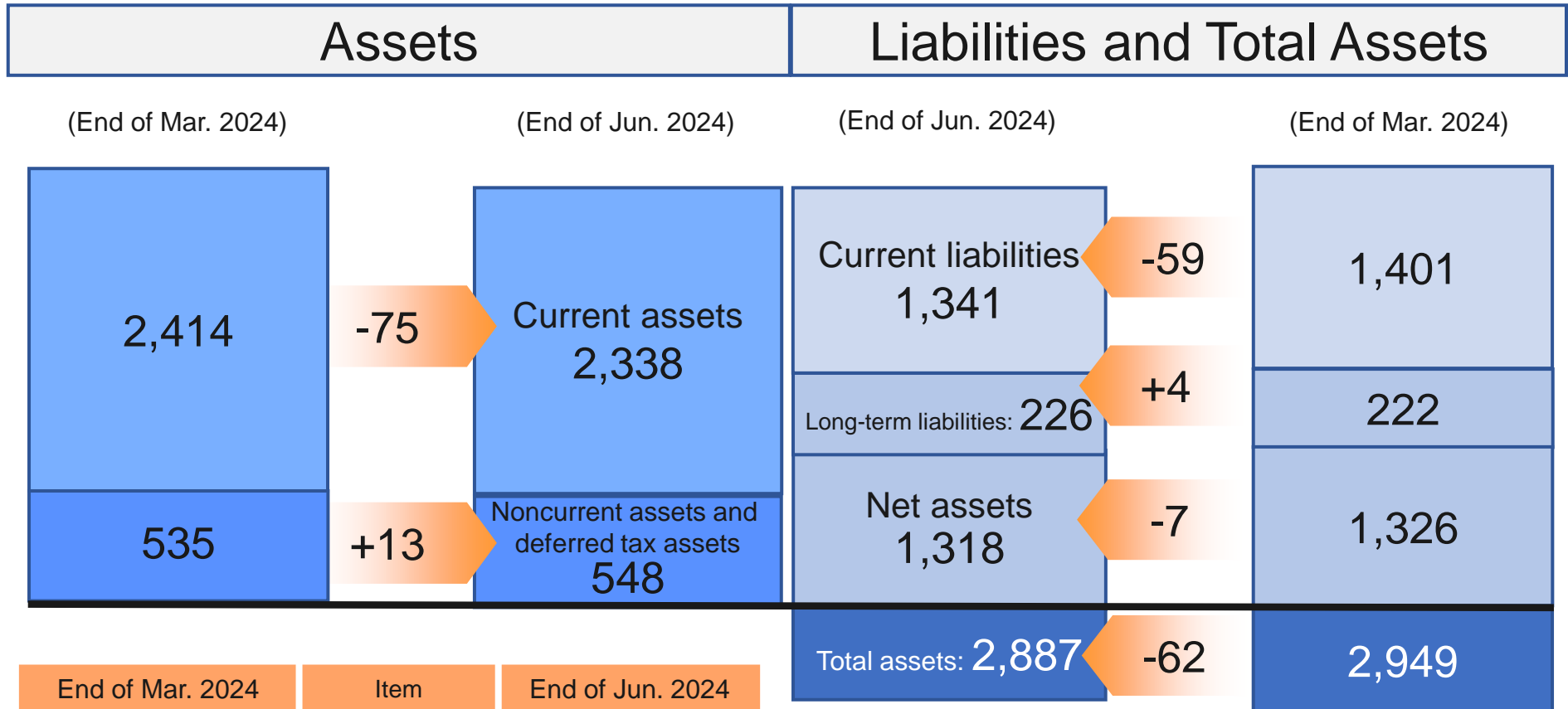
Net sales (Million yen)			FY3/24 (Q1)	FY3/25 (Q1)	Percentage change YoY
Production equipment	Domestic	Machine Tools	17,099	13,671	-20.0%
		Industrial Solution	21,220	21,809	+2.8%
		Tool & Engineering Business	19,622	19,744	+0.6%
		Total	57,943	55,225	-4.7%
	Overseas	Machine Tools	12,278	12,241	-0.3%
		Industrial Solution + T&E Businesses Total	6,194	6,955	+12.3%
		Total	18,473	19,196	+3.9%
	Total	Net sales	76,416	74,421	-2.6%
		Segment profit	1,828	809	-55.7%
		Segment profit margin	2.4%	1.1%	-1.3ppt

- **Building Materials Business:** While demand was sluggish, sales of air conditioning equipment were strong due to energy-saving renovation demand and the effects of extreme heat, and as a result of focusing on proposing high-value-added products that respond to consumers' desire to save money due to soaring utility costs, sales of solar power generation and storage batteries were also strong. The company is also actively developing the non-residential sector and proposals for facility renovations that combine environmental products and installation were successful in helping SMEs respond to carbon neutrality, exceeding the same period of the previous year.
- **Home Products Business:** For private brand products, the company has been working on speedy planning and development that captures consumer needs and strengthening its lineup, and as a result of disseminating information using various media to promote the YAMAZEN brand, sales of cooking equipment, home appliances and Av appliances, etc., have been strong. Net sales and membership also grew steadily at YAMAZEN Bizcom, the company's e-commerce site for corporate and sole proprietor customers. However, the company was unable to compensate for the decline in consumer purchasing appetite due to rising prices of goods and services due to soaring prices of raw materials, electricity and gas, and the continued weak yen, resulting in lower results than the same period of the previous year.

(Million yen)			FY3/24 (Q1)	FY3/25 (Q1)	Percentage change YoY
Consumer goods	Building Materials Division	Net sales	15,847	17,946	+13.2%
		Segment profit	230	382	+66.2%
		Segment profit margin	1.5%	2.1%	+0.7ppt
	Home Products Division	Net sales	26,395	24,999	-5.3%
		Segment profit	1,830	1,199	-34.5%
		Segment profit margin	6.9%	4.8%	-2.1ppt
	Total	Net sales	42,242	42,945	+1.7%
		Segment profit	2,060	1,581	-23.2%
		Segment profit margin	4.9%	3.7%	-1.2ppt

(Million yen)





End of Mar. 2024	Item	End of Jun. 2024
5.1%	ROE	0.5%
44.6%	Shareholders' equity ratio	45.2%
1,480.16 yen	Net assets per share	1,481.85 yen
119.5 billion yen	Market cap	125.1 billion yen
10.6 billion yen	Basic operating cash flow	-1.4 billion yen

(Unit: 100 million yen)

*ROE, shareholders' equity ratio and net assets per share are taken from the financial results summary.

*Market capitalization is calculated by multiplying the closing price at the end of the fiscal year by the number of shares outstanding (excluding treasury shares) on the same date.

*Basic operating cash flow is calculated by deducting the increase/decrease in working capital from operating cash flow.

*Amounts less than 100 million yen have been rounded.

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(Million yen)	FY3/24 Results	FY3/25 Plan	Percentage change YoY
Net sales	506,866	530,000	+4.6%
Operating profit	9,887	12,000	+21.4%
Operating profit margin	2.0%	2.3%	+0.3ppt
Ordinary profit	10,435	12,000	+15.0%
Profit attributable to owners of parent	6,488	7,600	+17.1%

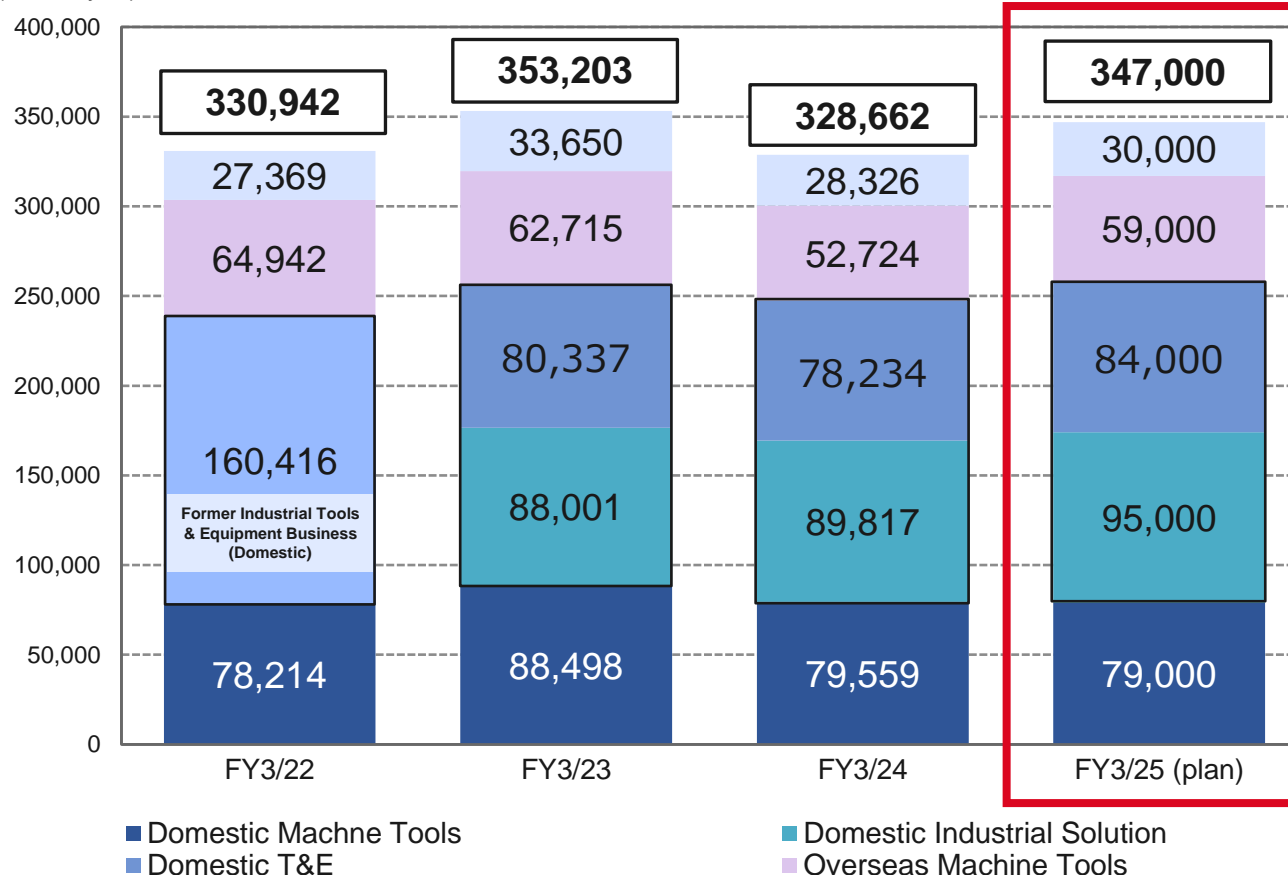
Although the environment surrounding the Production Equipment business remains uncertain, domestic and overseas demand for capital investment is expected to recover in the second half of the fiscal year, and therefore, net sales are projected to increase by 4.6% YoY and operating profit by 21.4% YoY in FY3/25.

(Million yen)	FY3/24 Results	FY3/25 Plan	Percentage change YoY
Machine Tools Division	132,284	138,000	+4.3%
Industrial Solution Division	93,189	98,600	+5.8%
Tool & Engineering Division	103,188	110,400	+7.0%
(Total for Production Equipment Business)	328,662	347,000	+5.6%
Building Materials Division	71,842	75,000	+4.4%
Home Products Division	101,119	104,000	+2.8%
(Total for Consumer Goods Business)	172,962	179,000	+3.5%
Other	5,241	4,000	-23.7%
Total	506,866	530,000	+4.6%

(Million yen)		Net sales plan	Percentage change YoY	Segment profit plan	Percentage change YoY	Segment profit margin
Production Equipment Business Total	Full-year	347,000	+5.6%	9,200	+11.9%	2.7%

Production Equipment Business: 3-year sales trends and full-year forecasts

(Million yen)

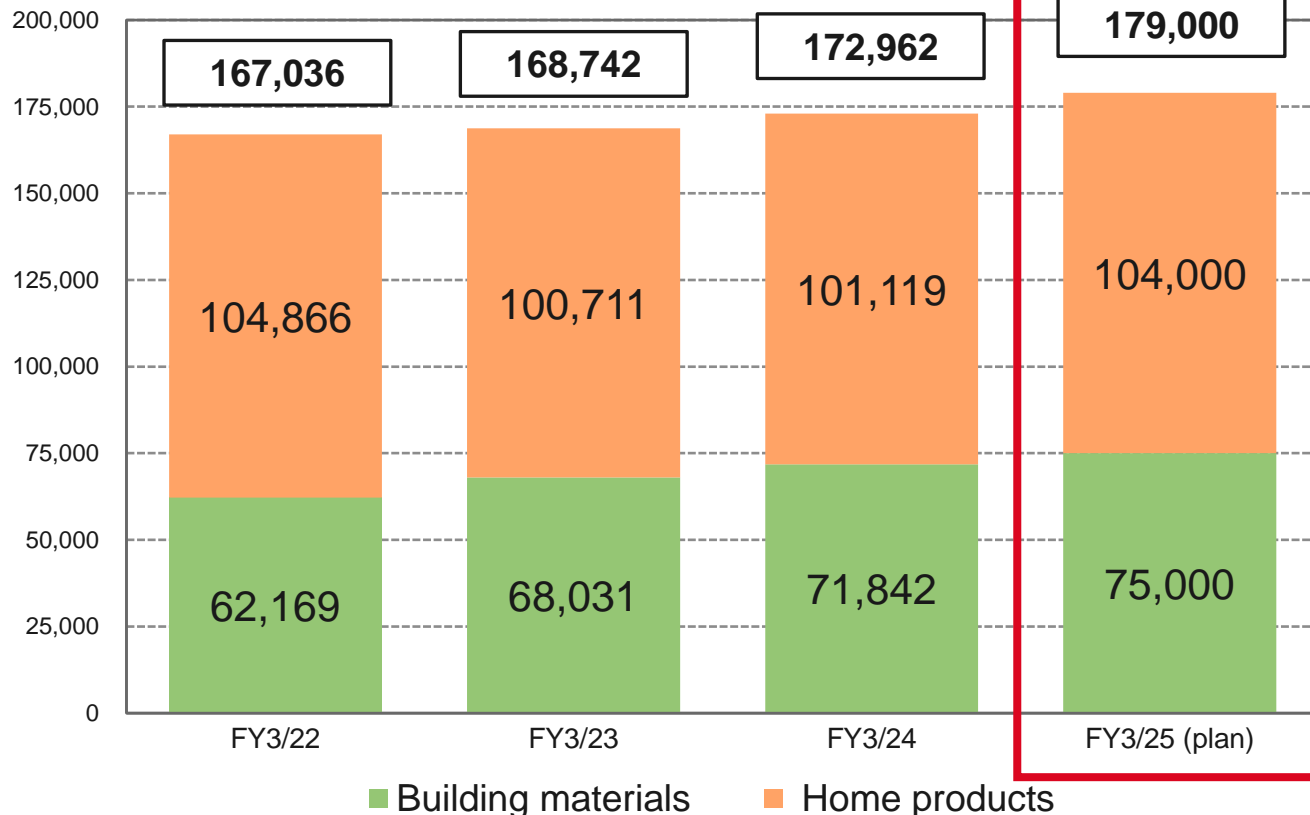


- ✓ Each division will **brush up expertise**, and **provide solutions** to meet the needs in production sites, such as “**automation and labor saving**” and “**decarbonization**” at an accelerated pace.
- ✓ Approach to new domains of **semiconductors, logistics, 3 major product industries (food, medical and cosmetics), etc.**
- ✓ **A new business that provides total support to manufacturing sites** will be started
- ✓ Outside Japan, we will **geographically expand and restructure target markets**, and enhance **borderless marketing and initiatives in growing industries**.

(Million yen)		Net sales plan	Percentage change YoY	Segment profit plan	Percentage change YoY	Segment profit margin
Building Materials Division	Full-year	75,000	+4.4%	2,700	+1.8%	3.6%
Home Products Division	Full-year	104,000	+2.8%	6,300	+19.4%	6.1%

Consumer Goods Business: 3-year sales trends and full-year forecasts

(Million yen)



■ Building Materials Division

Continue proposal-based sales of high-value-added products

- ✓ Expand sales of new energy equipment for decarbonization (solar power generation, storage batteries, etc.)
- ✓ Strengthen the system for managing orders and construction for facility renovation projects in non-residential sector

■ Home Products Division

- ✓ Develop new products that meet consumer needs and popularize own brands
- ✓ Expansion of Yamazen Bizcom, our own e-commerce site aimed at corporations and sole proprietors, etc.

FY3/25 (Q1) YoY Comparison / Achievement Rate Against Plan

(Million yen)

Segment	Business		FY3/24 Q1 results	FY3/25 (Q1) results	Percentage change YoY	FY3/25 Full Year Plan	Achievement Rate Against Full Year Plan
Production equipment	Domestic Machine Tools	Net sales	17,099	13,671	-20.0%	79,000	17.3%
	Domestic Industrial Solution	Net sales	21,220	21,809	+2.8%	95,000	23.0%
	Domestic T&E	Net sales	19,622	19,744	+0.6%	84,000	23.5%
	Domestic production equipment total	Net sales	57,943	55,225	-4.7%	258,000	21.4%
	Overseas Machine Tools	Net sales	12,278	12,241	-0.3%	59,000	20.7%
	Overseas Industrial Solution + T&E	Net sales	6,194	6,955	+12.3%	30,000	23.2%
	Overseas production equipment total	Net sales	18,473	19,196	+3.9%	89,000	21.6%
	Production equipment total	Net sales	76,416	74,421	-2.6%	347,000	21.4%
		Segment profit	1,828	809	-55.7%	9,200	8.8%
		Segment profit margin	2.4%	1.1%	-1.3ppt	2.7%	-1.6ppt
Consumer goods	Building materials	Net sales	15,847	17,946	+13.2%	75,000	23.9%
		Segment profit	230	382	+66.2%	2,700	14.2%
		Segment profit margin	1.5%	2.1%	+0.7ppt	3.6%	-1.5ppt
	Home products	Net sales	26,395	24,999	-5.3%	104,000	24.0%
		Segment profit	1,830	1,199	-34.5%	6,300	19.0%
		Segment profit margin	6.9%	4.8%	-2.1ppt	6.1%	-1.3ppt
	Consumer goods total	Net sales	42,242	42,945	+1.7%	179,000	24.0%
		Segment profit	2,060	1,581	-23.2%	9,000	17.6%
		Segment profit margin	4.9%	3.7%	-1.2ppt	5.0%	-1.3ppt
Other		Net sales	1,299	1,210	-6.9%	4,000	30.3%
		Segment profit	-1,436	-1,520	-	-6,200	-
		Segment profit margin	-	-	-	-	-
Consolidated		Net sales	119,957	118,577	-1.2%	530,000	22.4%
		Operating profit	2,452	870	-64.5%	12,000	7.3%
		Operating profit margin	2.0%	0.7%	-1.3ppt	2.3%	-1.5ppt

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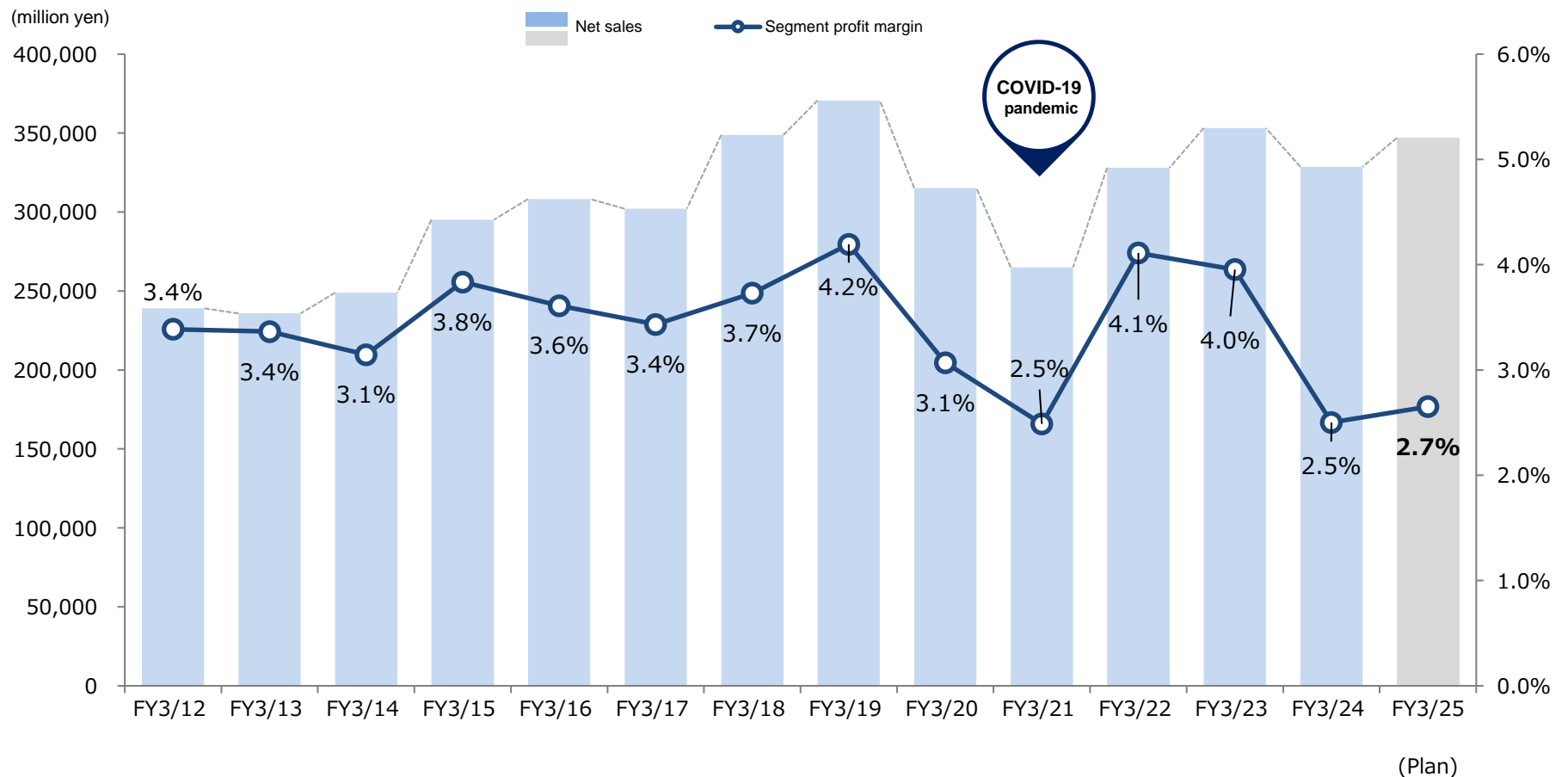
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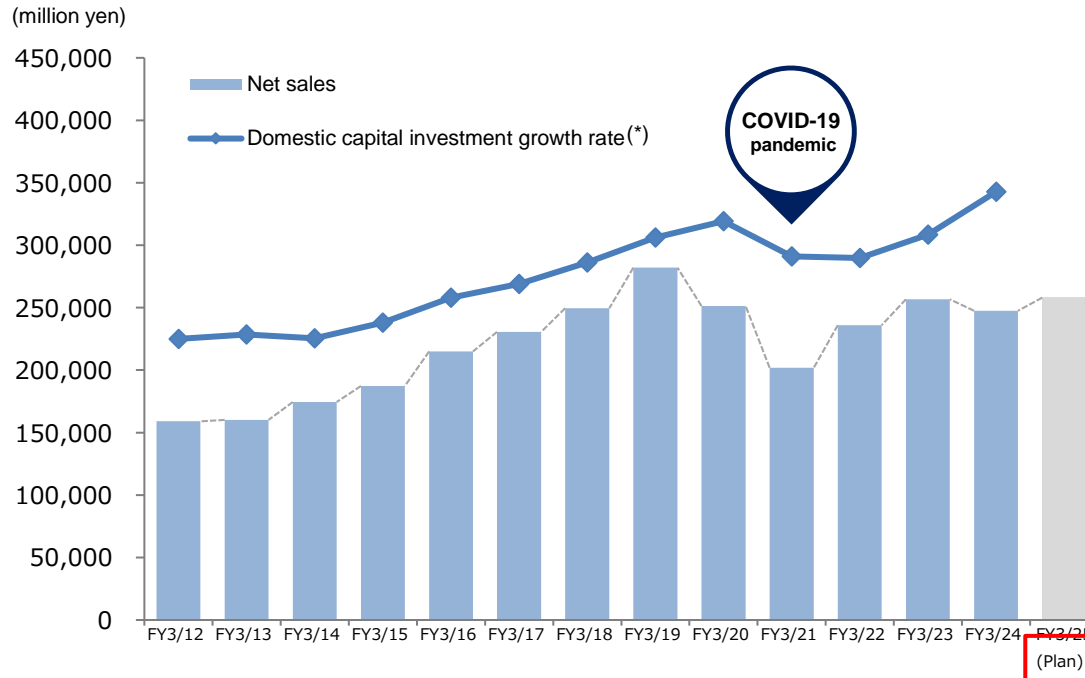
Although the trends are different for domestic and overseas in the Production Equipment Business, overall it is showing growth that is linked to the trend in capital investment

(The domestic and overseas situations are explained on the following pages)

Production Equipment Business (Domestic + Overseas) Net Sales and Segment Profit Margin Trends



Net Sales Trend in the Domestic Production Equipment Business



Domestic capital investment trends are affecting performance

✓ Current Situation

Strength

- The Domestic Production Equipment Business has established a top-class presence in the industry and has roles in identifying and providing information on numerous manufacturers' products and services and a market-in role of capturing user needs through a large number of stores.

Opportunity

- There is a growing need for solutions to social issues, including automation, labor saving, and decarbonization

Opportunity

- The market for production equipment manufacturers is an area with room for expansion, such as semiconductors, distribution, and the three product industries (food, medicine, and cosmetics)

We plan to improve profit margins by enhancing expertise in the wholesale business and expanding the engineering business, while also strengthening our development of new business areas, thereby mitigating the negative impact of capital investment trends and achieving sustainable growth

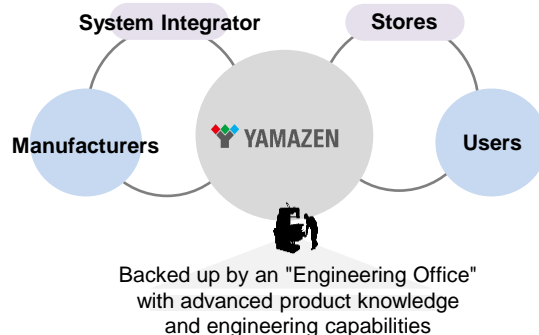
Strengthening wholesale business expertise

By strengthening the expertise of each division that makes up the Production Equipment Business and **expanding solution proposals to meet the needs of production sites**, including "automation and labor saving" and "decarbonization," we will further increase our presence in established markets and work to maintain and continue the wholesale business, which is our revenue base

Machine Tools Business

Establish a specialist engineering team to develop a system to respond to issues faced by each player

Will work on fostering engineering capabilities in order to provide more benefits to each player and to solidify YAMAZEN's value of existence. As a part of this, an "Engineering Office" will be established to provide engineering expertise and establish a function of connecting all players, including manufacturers, stores, and users, in collaboration with system integrators.



Industrial Solution Business

Strengthen "solution proposals for social issues" such as decarbonization, automation, labor saving

In the Industrial Solution Business, we are developing and building a system to propose solutions to users' individual needs in order to provide comprehensive solutions to the challenges faced by small, medium, and regional users, such as "personnel shortages," "decarbonization," and "digitalization," and focusing on developing new industries and approaching users directly. We are also working on developing original commercial products



Business meetings on the theme of "decarbonization" were held in various locations to acquire orders for aids for environmental improvement

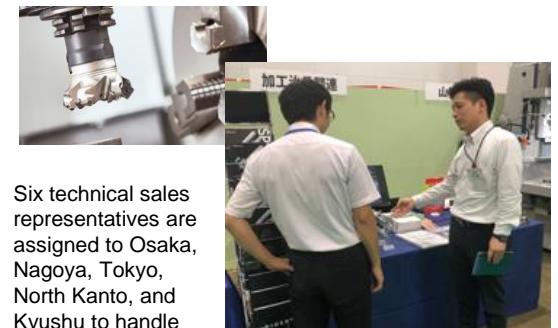


Enhanced technical support in order to focus especially on automated system proposals, including the "evey auto" automated carrying system

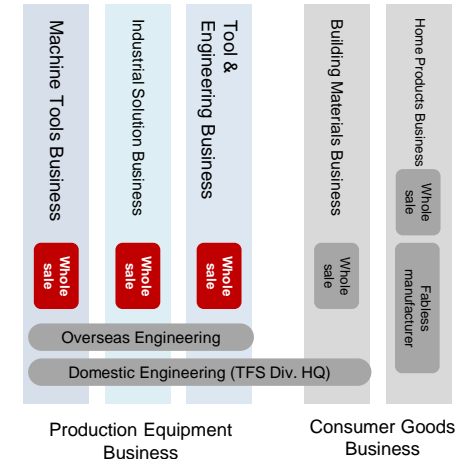
Tool & Engineering Business

Contribute to users' productivity improvement by strengthening proposals for process improvement, jigs, etc. by "technical sales representatives"

We are strengthening our services to customers, such as process improvement and product proposals, by assigning "technical sales representatives" with technical expertise throughout Japan and collaborating with stores and manufacturers as partners. We are also participating in product development of peripheral equipment for machine tools, planning original products from the user's point of view and contributing to productivity improvement and cost reduction.

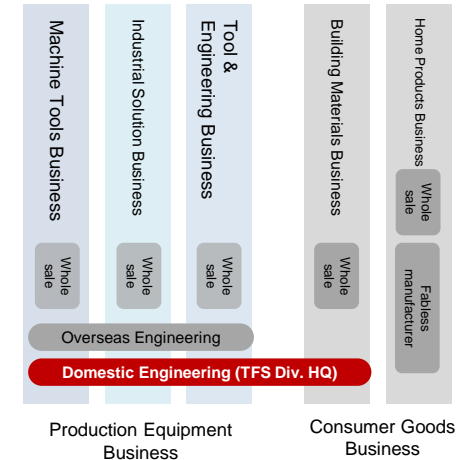


Six technical sales representatives are assigned to Osaka, Nagoya, Tokyo, North Kanto, and Kyushu to handle projects nationwide.



Expansion of domestic engineering business

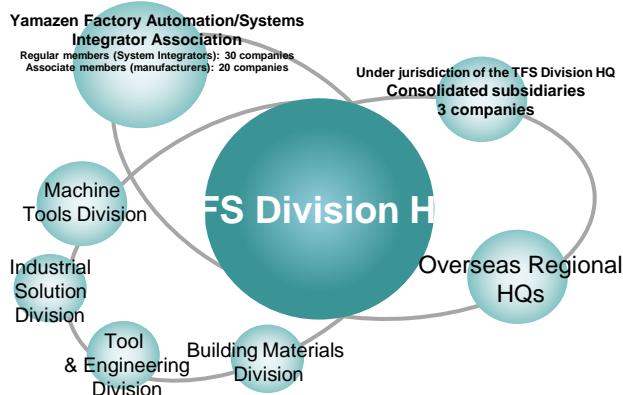
The TFS (Total Factory Solutions) Division Headquarters, which promotes the domestic engineering business, **directly proposes total solutions for production sites, including automation, to users.** In addition to the engineering business based on the **domestic production equipment wholesale business**, we have positioned the **semiconductor industry, the three product industry (food, medicine, and cosmetics), the logistics industry, and the construction machinery industry as new focus fields**, and have **organized dedicated teams** to rapidly develop new customers



Propose total solutions for production sites

Engineering capabilities through internal and external networks

We play a central role in the "Yamazen Factory Automation/Systems Integrator Association" that promotes collaboration among the various business divisions, domestic group companies, overseas regional headquarters, and external networks, and directly proposing solutions to users



Strengthen development of new fields

Strengthen "development of new fields" such as the three product categories, distribution and semiconductors.

We are focusing on proposing automated lines, etc. that utilize cooperative robots to users not only in the machinery and metal-related manufacturing industries, but also the **three product category (food, medicine, and cosmetics) industries, distribution, warehousing, etc.**

Case Study of Entry into Three Product Categories

Industry: Fanci Biken Corporation, Mishima Plant
"Automated manufacturing system for series of age-specific supplements"

Introduced an automated system to the individual-package feeding and packaging line for the company's "age-specific supplement series," which are single-packs of carefully selected ingredients according to age and gender.



▶ Case study video:
<https://youtu.be/JYfaBC9eUik>

In addition, a **"New Business Development Department"** was newly established to strengthen sales development to **semiconductor manufacturers and semiconductor material manufacturers. We will propose "equipment" and "materials" that meet both domestic and overseas demand** in the semiconductor market, which will continue to expand due to strong demand for generative AI, DX, Evs, autonomous driving, etc. In May, we exhibited at Southeast Asia's largest semiconductor exhibition, held in Malaysia, proposing Japanese-made equipment and materials.

May 2024
Exhibit at SEMICON SOUTHEAST ASIA 2024, Southeast Asia's largest semiconductor exhibition



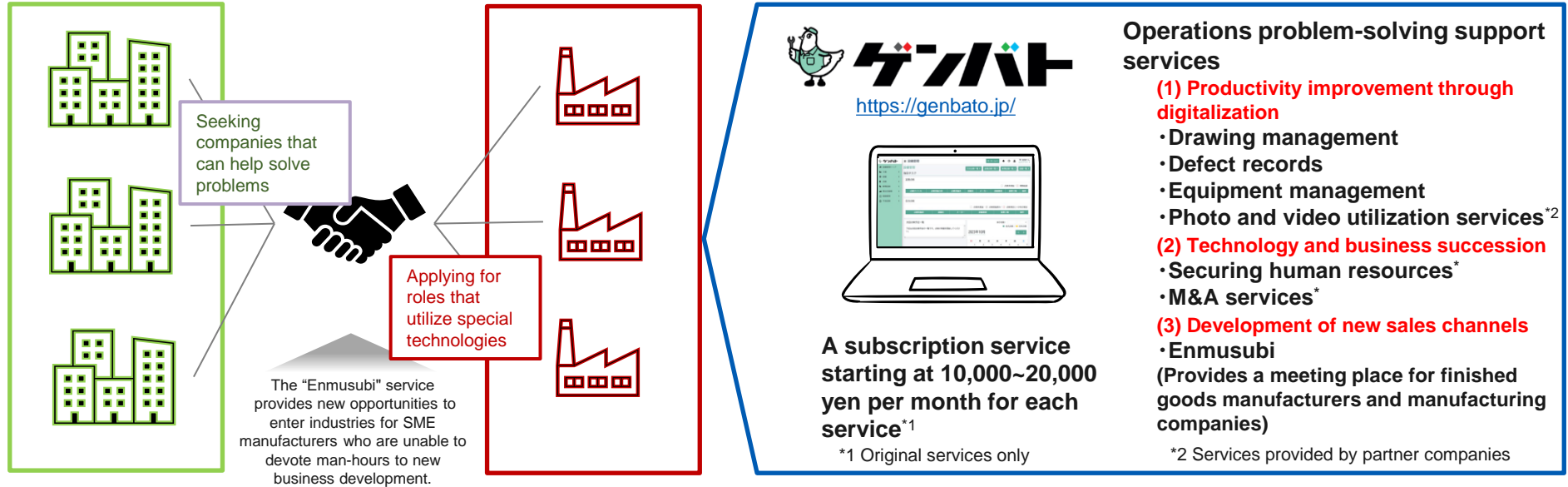
New Business

Started a new business to support manufacturing companies with (1) productivity improvement through digitalization, (2) technology and business succession, and (3) development of new sales channels.

Finished goods manufacturers

Manufacturing companies

“Genbato”, a composite SaaS platform for manufacturing companies



Benefits for manufacturing companies

By utilizing digital services that are easy to adopt, operational issues can be solved, productivity can be increased, new customer contacts can be made, and new sales channels can be developed.

Benefits to the Company

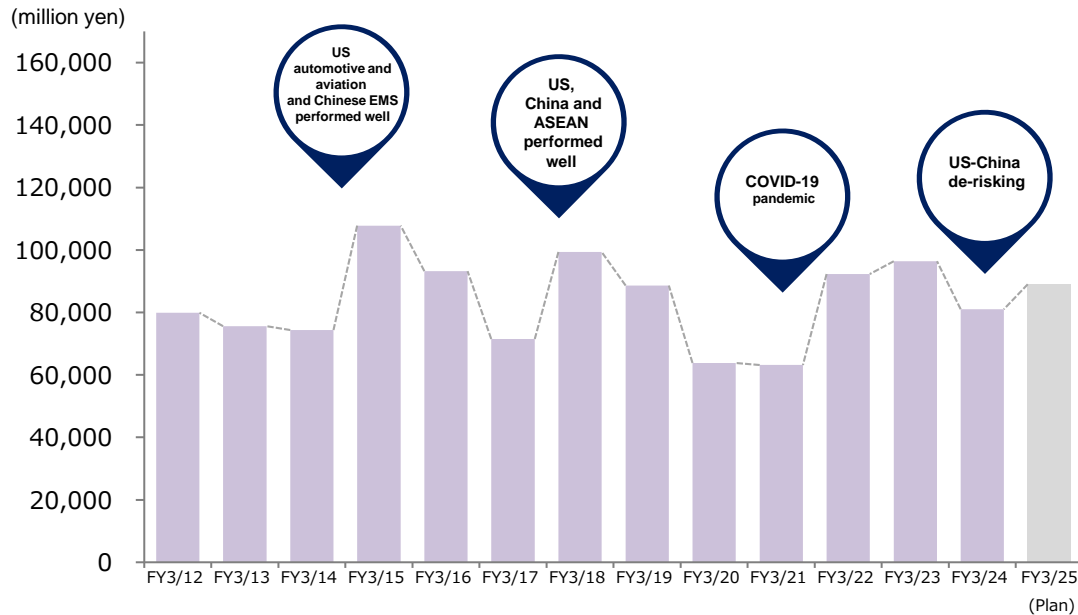
Realize monetization as a new business and establish an “eco-cycle” starting from Genbato.

Eco-cycle: A cycle that starts with Genbato and leads to productivity improvement at manufacturing companies → more profit-earning opportunities → increased willingness to invest → delivery of necessary products to worksites → further revitalization of manufacturing companies and growth of the industry as a whole.

The service was launched on February 21, 2024, and awareness will be increased through exhibitions and sales activities. New original services (daily report management, QC document management) will be released, and partner services will be added from time to time.

Aiming for 7,000 contracts and 1 billion yen in service usage value in FY3/28

Net Sales Trend in the Overseas Production Equipment Business



Capital investment trends in each country largely affects performance

✓ Current Situation

Strength

- **65 offices^{*1} in 14 overseas countries and regions, covering a wide range of regions** (about 330 engineers out of about 1,270 overseas personnel^{*2})

Strength

- The scale of our global network, built up over our long history since 1963, is **one of the largest among trading companies specializing in production equipment**, and the **barrier to entry is high**

Strength

- **Our localized sales structures and advanced engineering function^{*3}** allows us to **sell directly** to Japanese-affiliated and local users, which achieves **strong relationships of trust and high gross profit margins**

Opportunity

- Changes in the structure of global trade are **driving users to relocate their production bases**

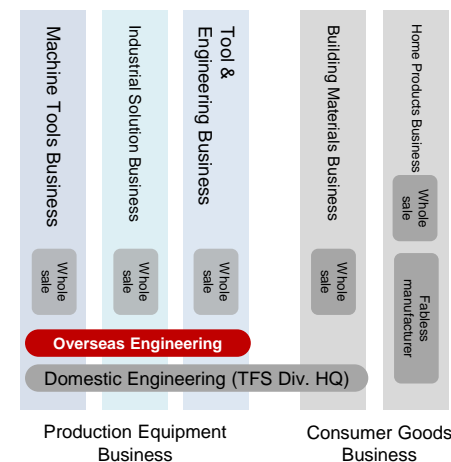
Because capital investment trends vary by country, which can lead to volatility in performance, we are strengthening our initiatives for borderless sales activities and geographic expansion

^{*1} As of April 30, 2024: Figures for the Production Equipment Business only ^{*2} As of March 31, 2024: Figures for the Production Equipment Business only

^{*3} Advanced engineering function: YAMAZEN's engineers provide total support for manufacturing by offering a one-stop service that includes design, sales, installation, testing, operation, after-sales service, and maintenance in response to user needs

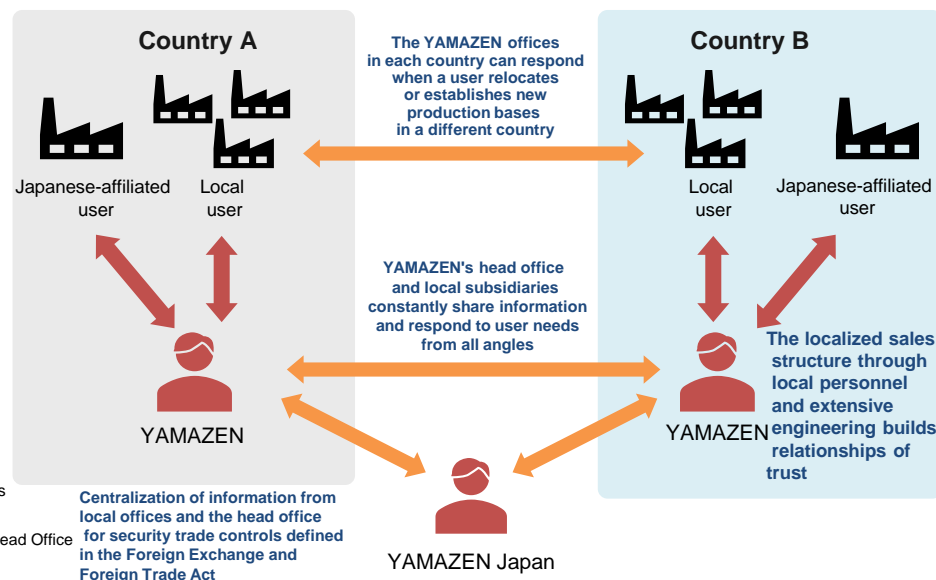
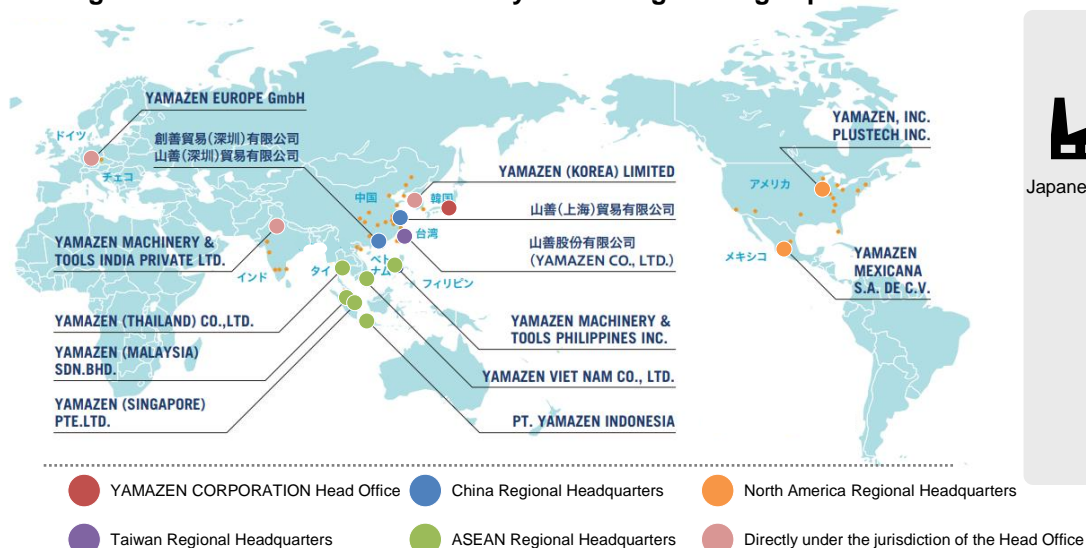
Strengthening borderless sales activities

Due to changes in the global manufacturing supply chain, the **trend of companies worldwide relocating their production bases** is accelerating. Utilizing **our wide network** and **multinational human resources**, we have named our cross-border sales activities, technical support, and equipment installation support as **our "cross-border marketing strategies"** and are strengthening our efforts by closely coordinating information between each base and our head office



Strengthening the "Cross-border marketing strategies"

Response to users' global investment strategies by leveraging our bases which cover a wide range of regions around the world and locally-based engineering capabilities



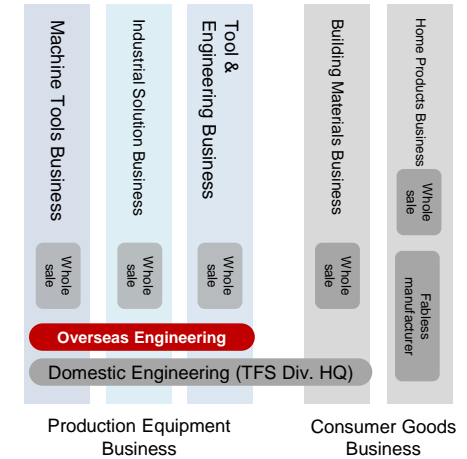
Examples of cross-border projects

- * US aircraft parts manufacturer's investment in vietnam
- * German industrial optical product manufacturing company's investment in Taiwan
- * Taiwanese semiconductor manufacturing company's investment in Japan

- * Chinese auto parts manufacturer's investment in Mexico
- * Singaporean electronic parts processing company's investment in China, etc.

Geographic expansion initiatives

Aiming for further growth in the Overseas Production Equipment Business, we will strengthen our geographical expansion initiatives **by improving our market coverage rate through the cost-effective expansion of bases** and **actively entering regions where competitors have not yet entered**, in order to further expand our already strong, wide-ranging network



Promote a new model of base development in North America

Reduce investment costs and efficiently improve market coverage

We aim to **efficiently improve market coverage** by streamlining and expanding the scale and roles of our bases, **complementing each other's functions while keeping investment costs down** according to the target market

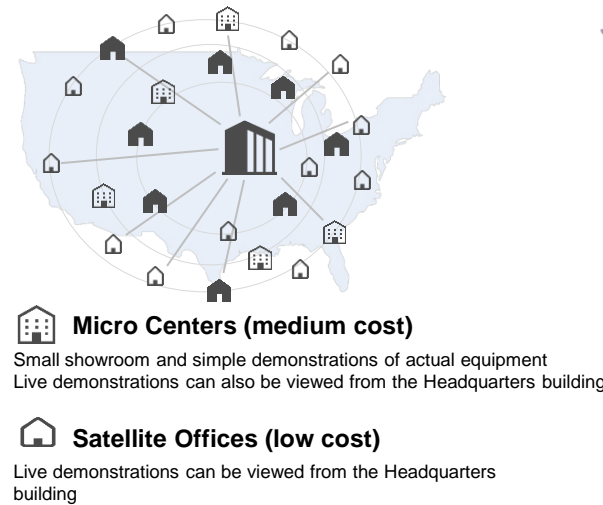
Image of base development (current)

Comprised of only large-scale locations, high costs and low market coverage



Image of base development (future)

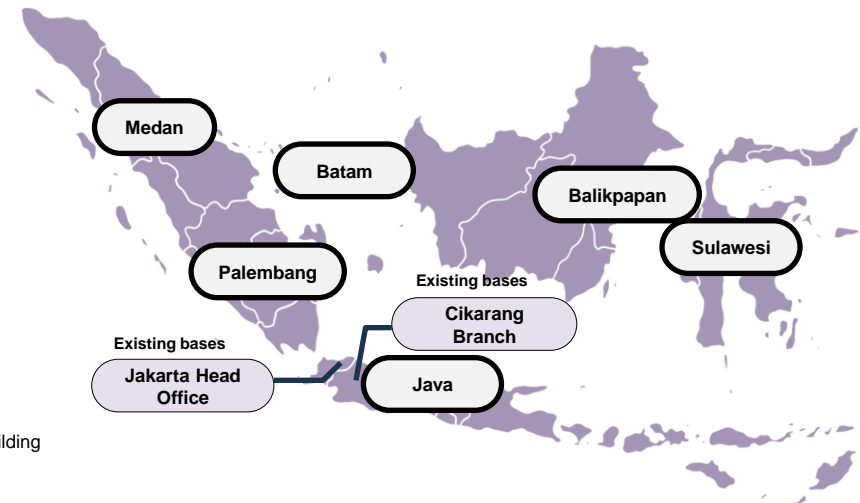
Effectively combine large, medium and small scale bases to cost-effectively increase market coverage



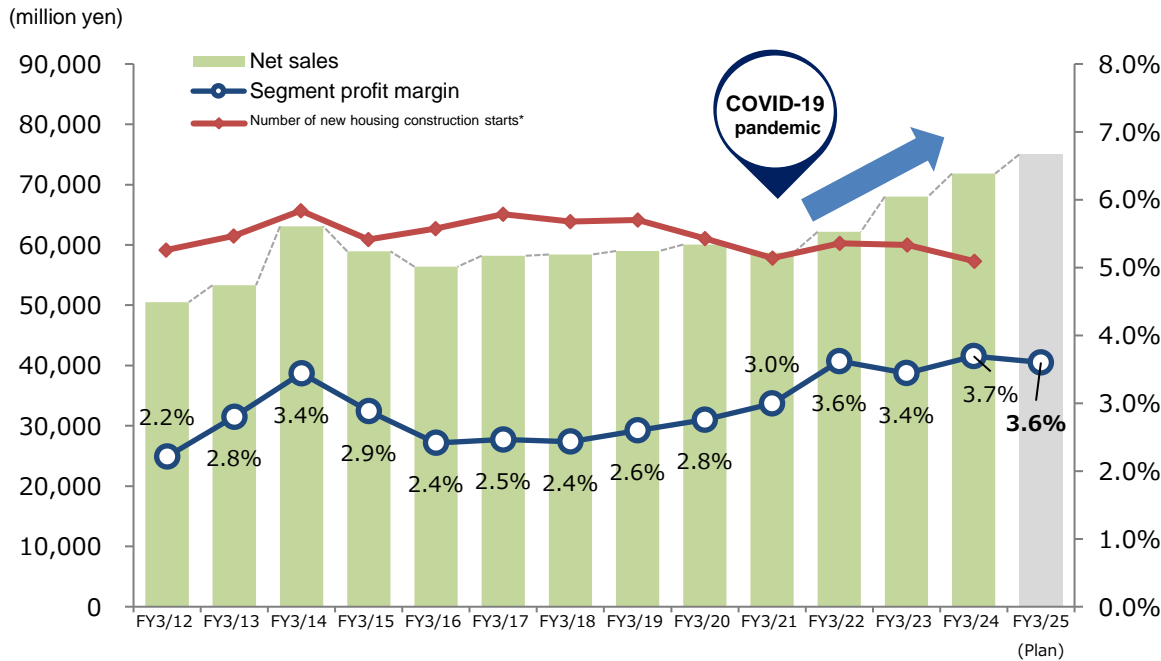
Promotion of the "Remote Island Project" in Indonesia

Entering new regions that competitors have not entered and gaining first-mover advantage

In Indonesia, the world's fourth most populous country, we are currently targeting the following six regions as our "Remote Island Project," and plan to open new bases in addition to our existing bases in Jakarta and Cikarang



Building Materials Business Net Sales and Segment Profit Margin Trends



Previously trended in line with new housing starts, but now on a different curve

✓ Current Situation

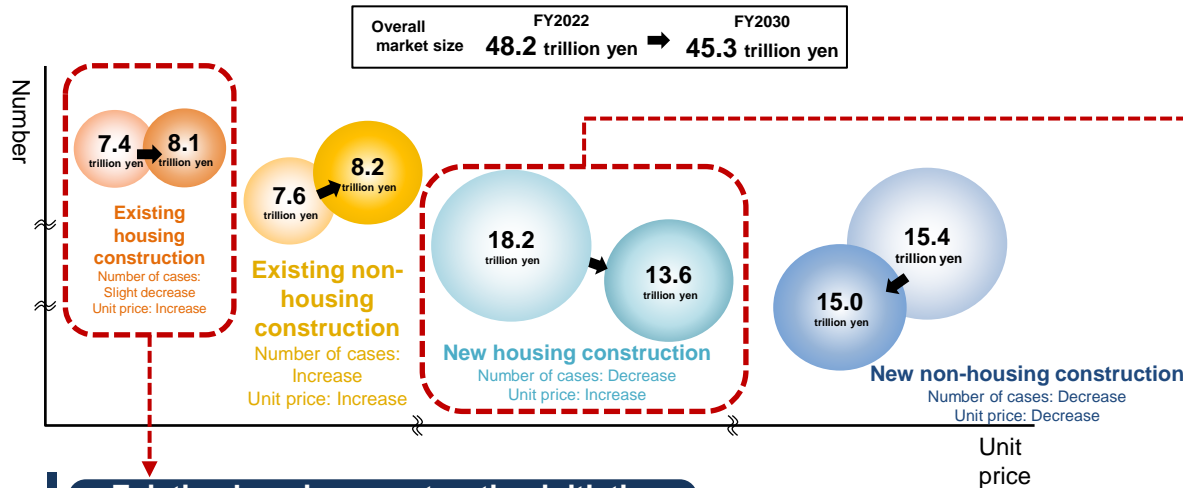
- Strength**
 - Top-class distribution volume in Japan for housing equipment, air conditioning equipment, and smart energy equipment
- Strength**
 - Nationwide-level proposal sales system and construction network through the assignment of engineers to sales offices in accordance with the Construction Business Act
- Strength**
 - Organizational sales capabilities through business promotion teams with specialized knowledge in each field and line sales
- Opportunity**
 - Revision of home building characteristics is accelerating due to mandatory energy-saving standards for new homes
- Opportunity**
 - Demand for renewal of energy-saving equipment is increasing due to corporate carbon-neutral initiatives and rising electricity prices

In order to grow business performance without being affected by the trend in the number of new housing starts, we will expand our competitive strategy in the new housing construction field and strengthen our efforts in the existing housing construction and existing non-housing construction fields as key areas

Initiatives aimed at new and existing housing construction

Regarding new housing construction, we will strengthen our sales proposals to wide-area builders and ZEH proposals, and for existing housing construction, we will establish a specialized business promotion team for the mass retailer renovation business, and promote sales through organizational sales capabilities in cooperation with line sales, so we can steadily expand our share in the industry even in the midst of a decline in the number of housing starts

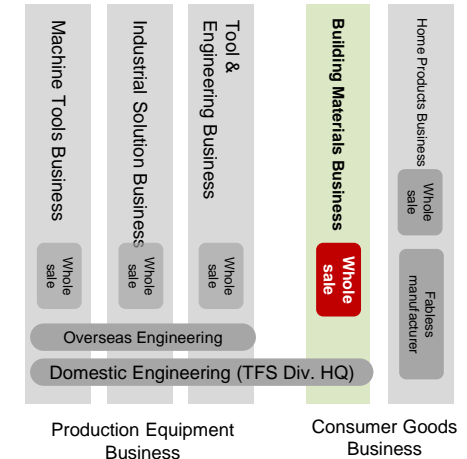
Domestic construction market size forecast*



Existing housing construction initiatives

Established a specialized business promotion team for the mass retailer renovation business

In response to the recent growing demand for renovations, we are focusing on expanding sales in the residential and existing building construction fields, by establishing the Retail Works Office and Mass Retailer Customer Service Center and equipping them with sales know-how for the planning of packaged renovations for home improvement stores and home appliance mass retailers, from construction basics to closing



New housing construction initiatives

Strengthening proposal sales to wide-area builders and strengthening proposals of "ZePlus", our original ZEH*

As the new housing construction sector is expected to shrink, we will focus on efficiency and strengthen our sales proposals to wide-area builders through specialized organizations to mitigate the impact of the decline in new housing starts, and also aim to expand our market share through initiatives such as expanding sales of our original ZEH series "ZePlus" that captures social needs and supporting local builders to introduce ZEH

※ZEH
(net Zero Energy House)

Housing that achieves an annual primary energy consumption balance of plus-minus "zero" by improving the insulation and energy-saving performance of the house and generating energy through solar power generation, etc.

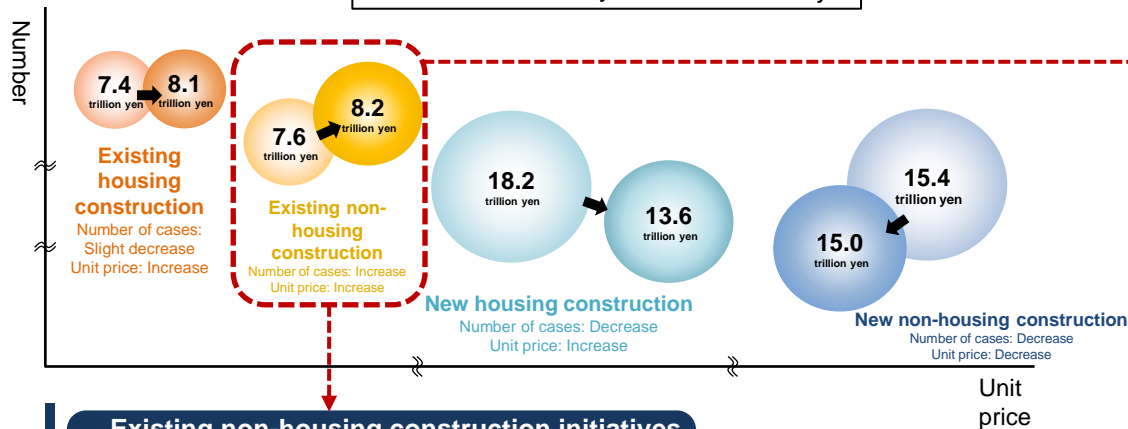


Initiatives aimed at existing non-housing construction

In the existing non-housing construction field, we will establish a specialized team to propose equipment upgrades that combine environmental products and construction in response to companies' initiatives towards carbon neutrality and the demand for energy-saving equipment upgrades due to soaring electricity costs

Domestic construction market size forecast*

Overall market size FY2022 48.2 trillion yen → FY2030 45.3 trillion yen

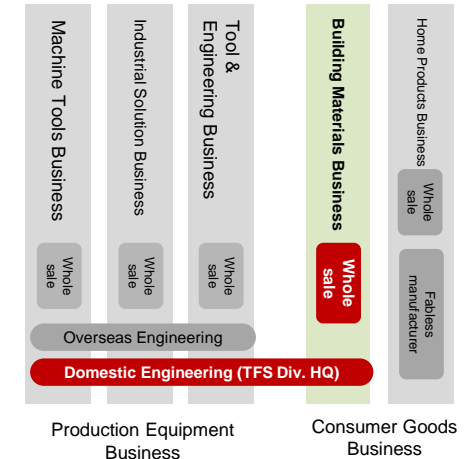


Existing non-housing construction initiatives

Strengthening proposals to companies through specialist organizations

Strengthen proposals for facility renovations that combine environmental products and installation to help companies respond to carbon neutrality and rising utility costs, so we can respond to customer requests through PPA or self-ownership methods

Expand tie-up companies through new initiatives such as collaboration with financial institutions and proposals for sets with industrial storage batteries centered on reused batteries



Construction organization to support Building Materials Business

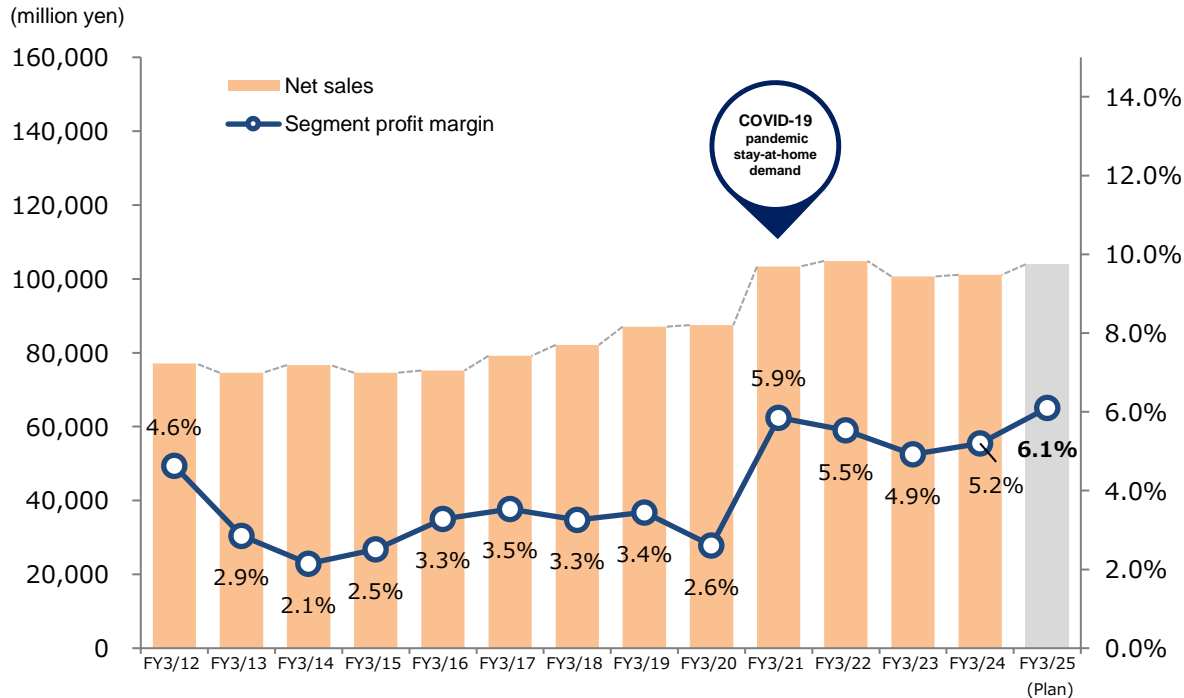
Strengthening our construction network through nationwide expansion of "Yamazen Health and Safety Council"

With the aim of improving on-site safety and construction quality, we have organized the "Yamazen Health and Safety Council" construction network to further strengthen our competitive advantage as a "trading company with nationwide construction capabilities". Furthermore, the launch of the search site "Aneikai.com" will enable members to search for the details of construction performed by members and the areas they cover, which will increase opportunities for members to come into contact with each other and lead to the creation of new business opportunities and the strengthening of our construction network.

Construction company cooperative organization "Yamazen Health and Safety Council"
Number of registered companies: 211
*As of April 1, 2024



Home Products Business Net Sales and Segment Profit Margin Trends



The fabless manufacturer business accounts for 60% of the business, with relatively high profit margins

✓ Current Situation

Strength

- Has a product line (electric fans, electric blankets, etc.) that is top-class in its category

Strength

- Has the ability to offer a variety of sales floor proposals by handling both private brand and national brand products

Strength

- Has a variety of sales channels including home appliance retailers, GMS, discount stores, home centers, mail-order companies, and e-commerce companies (both YAMAZEN's site and platform sellers)

Strength

- The speed of market launch and the number of products available are high thanks to the discerning and agile product development system of the MD, who has experience in sales and understands the needs of buyers and consumers.

Strength

- Fabless structure enables the growth of sales and profit while minimizing investment risk

Opportunity

- There are sales channels and markets that the Company can enter, such as B-to-B and local governments.

To further grow the fabless manufacturer business, we will strengthen our private brand product planning and design functions, promote initiatives such as localizing inspection functions and expand new sales channels (B-to-B)

Initiatives to strengthen development of private brand products

In order to further strengthen our current **strength of fast market launch and a large number of products**, thanks to **an agile product development system and the discerning eye of MDs with sales experience and an understanding of the needs of buyers and consumers**, **we will improve the development system and strengthen branding** by utilizing media, social media, etc.

Strengthening development of private brand products

Improve development speed and accuracy

by establishing a marketing system, strengthening the planning and design functions, and localizing the inspection function

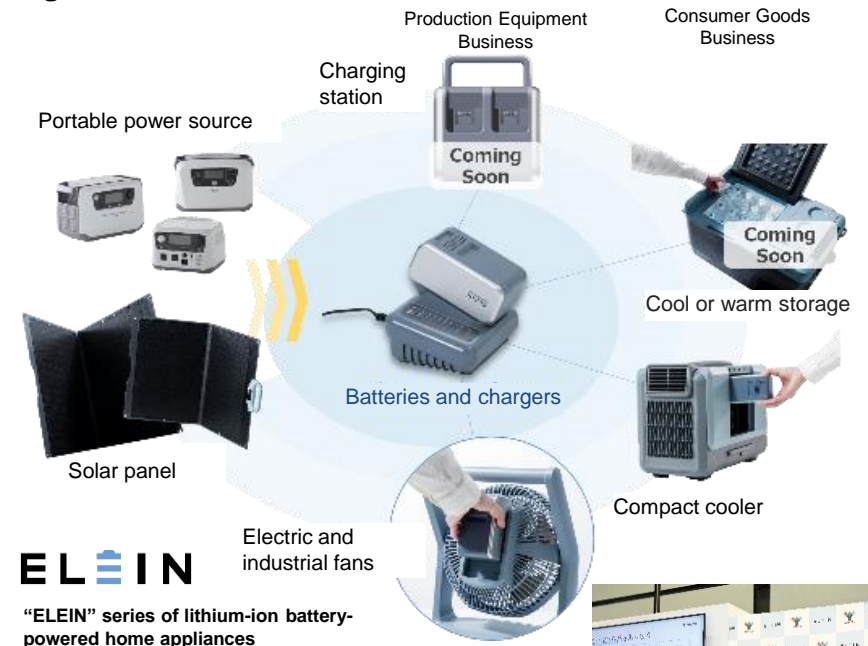
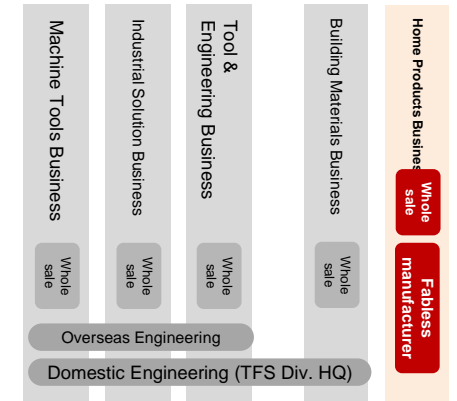
- To achieve further growth of private brands, we will establish a marketing system to accurately grasp the needs of buyers and consumers, **develop and deploy YAMAZEN's original private-brand products, and offer an extensive lineup of products.**
- We will aim to increase product turnover by **improving development speed and small-lot production** to constantly reap returns, and promote initiatives such as **strengthening planning and design functions and localization of inspection functions.**



Folding bed that does not require tools
"Wooden Pattant Bed"



Direct cooling of the neck and underarms
Water-cooled clothing "DIRECT COOL PREMIUM"



"ELEIN" series of lithium-ion battery-powered home appliances

Effectively utilizes solar energy when combined with solar panels. It has been introduced on television, in newspapers, magazines, and on the web as a product that meets the needs of consumers in the midst of rising electricity prices and increasing natural disasters such as earthquakes



A new product launch event for the media was held

Initiatives aimed at new sales channels (B-to-B)

For general consumers, products are delivered through various sales channels such as home appliance retailers, GMS, discount stores, home centers, mail-order companies, and e-commerce companies (both YAMAZEN's site and platform sellers), with sales representatives conducting negotiations and proposals with discretion that suits the needs of each channel, but we are working to develop B-to-B routes in order to capture even more new markets

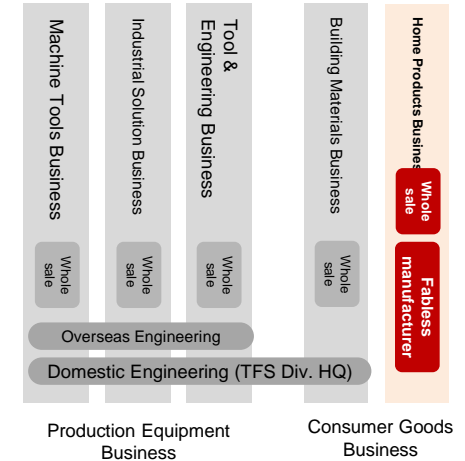
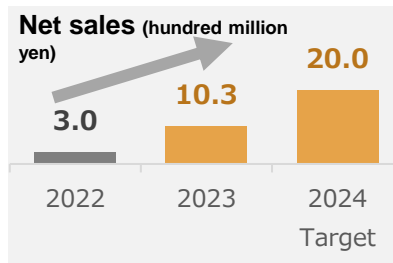
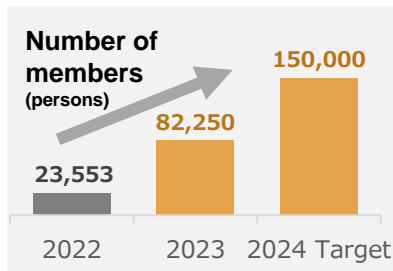
Initiatives aimed at new sales channels

Focus on developing new markets such as B-to-B and local governments

- In response to diversifying consumer needs and an increasingly competitive environment, we will **expand "YAMAZEN Bizcom"**, YAMAZEN's own e-commerce site, to cultivate new corporate customers, **and strengthen corporate sales to local governments and other entities**, with a focus on making it one of the pillars of the business.



commerce site,
"YAMAZEN Bizcom"



- In addition to expanding sales of consumer products to corporate channels, strengthen product development for B-to-B, aiming to secure sales and profits that will add on to existing sales.



We exhibited an "motorized height adjustable desk" as a new working style proposal at "ORGATEC TOKYO 2024" an exhibition for cutting-edge office environment proposals

Disaster Preparedness Bag
Meets demand
for office stockpiles



AGENDA

I . Outline and Our Business Models

II . FY3/25 (Q1) Financial Highlights

III . Earnings Forecast for FY3/25

IV . Initiatives by Business

V . Medium-Term Management Plan “CROSSING YAMAZEN 2024”

VI . Shareholder Returns and Capital Policy

Appendix

PURPOSE

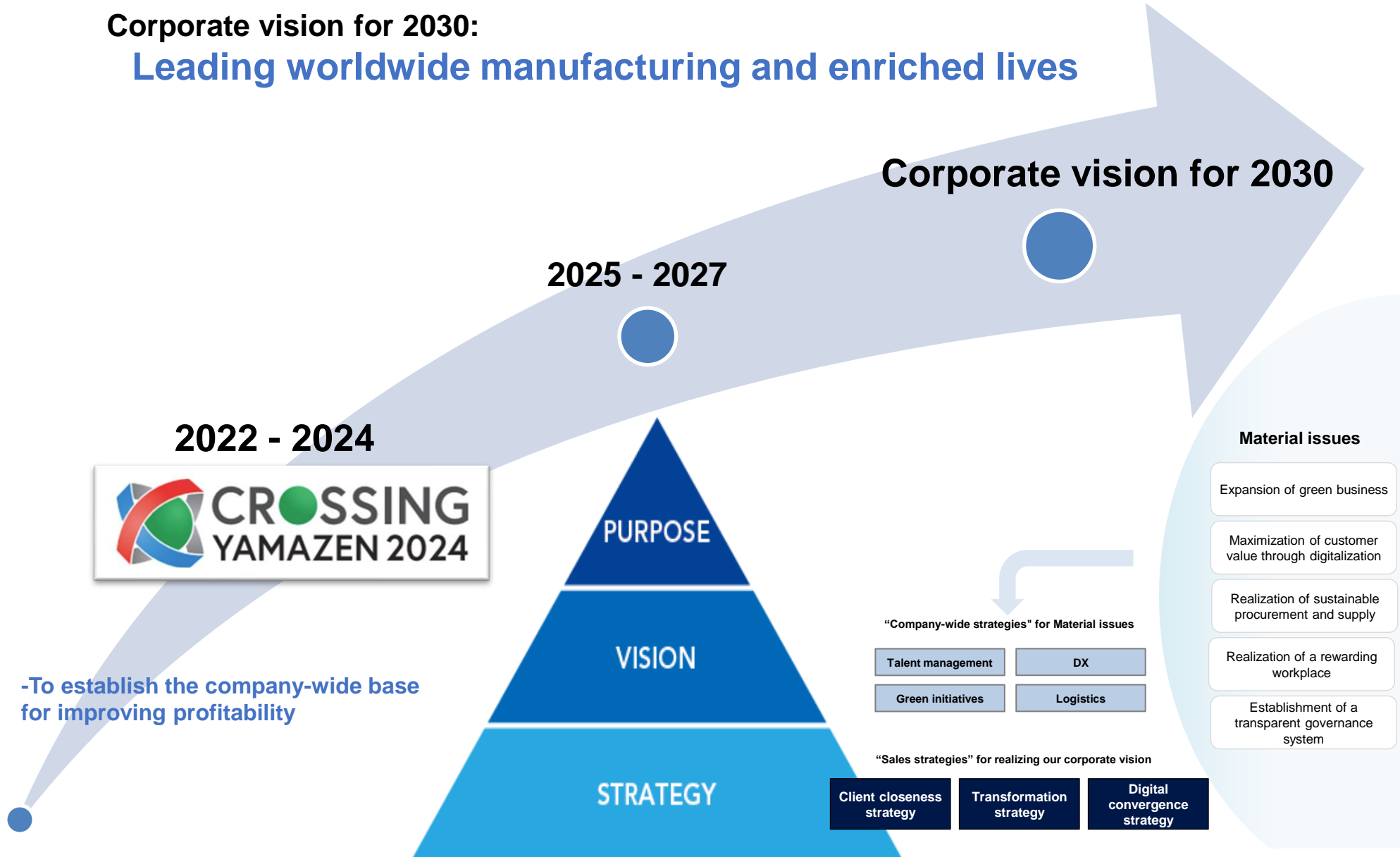
Pioneering a new future, with you all

VISION

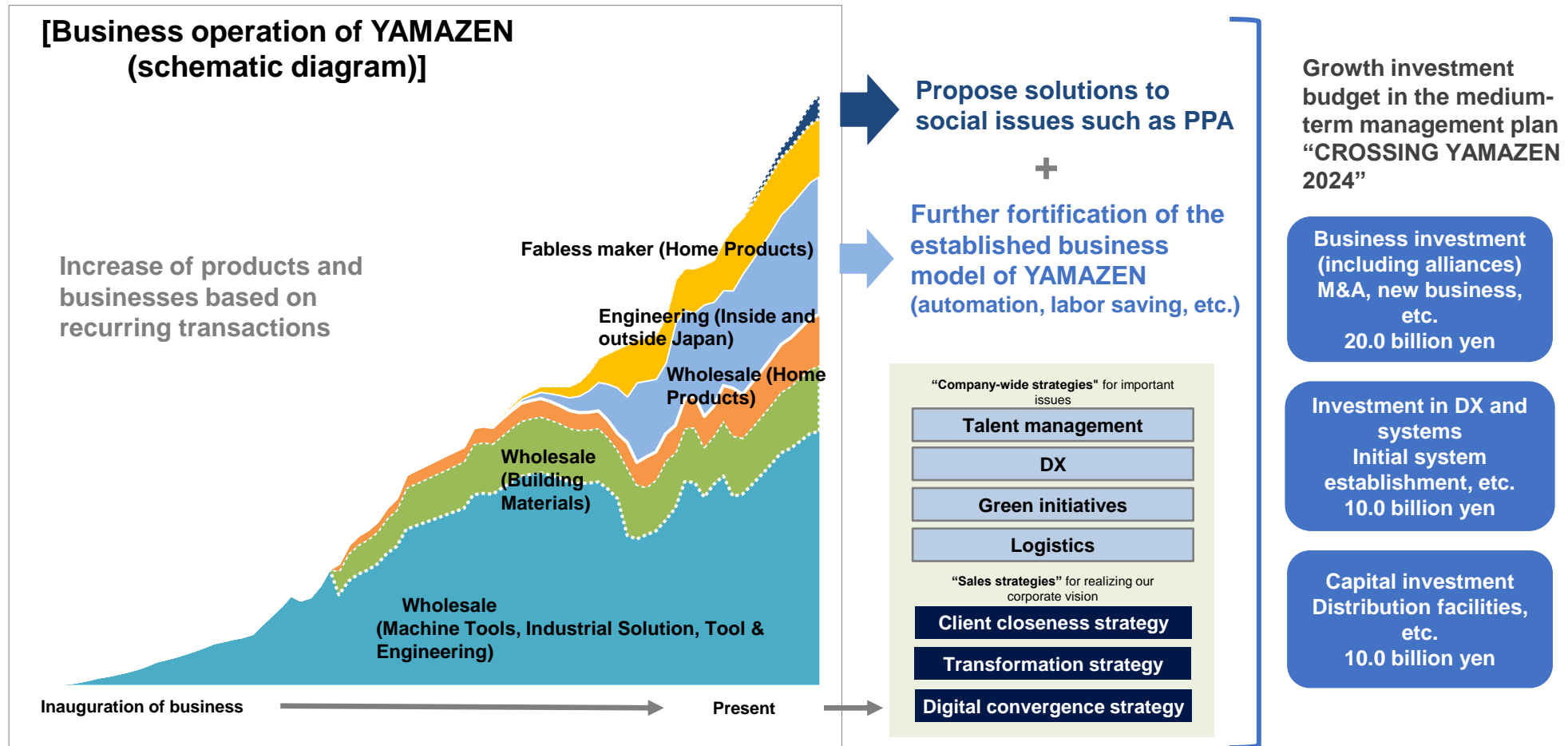
Leading worldwide manufacturing and enriched lives

Corporate vision for 2030:

Leading worldwide manufacturing and enriched lives



We will create stable cash flows by fortifying the “recurring revenue base,” which is our forte, conducting investment for maintaining competitive advantages, and adding sales from solutions to meet demand in each theme



(Million yen)	FY3/22 results	FY3/23 results (First year of Medium-Term Management Plan)	FY3/24 results	FY3/25 plan (Revised in May 2024)
Net sales	501,872	527,263	506,866	530,000
Operating profit	17,133	16,563	9,887	12,000
Operating profit margin	3.4%	3.1%	2.0%	2.3%
Ordinary profit	17,093	17,280	10,435	12,000
Profit	12,023	12,527	6,488	7,600

Indicators (Million yen)	FY3/22 results	FY3/23 results (First year of Medium-Term Management Plan)	FY3/24 results	FY3/25 plan (Revised in May 2024)
Return on equity (ROE)	10.9%	10.6%	5.1%	5.8%
Basic operating cash flow	12,052	14,427	10,626	12,000
Shareholders' equity ratio	39.9%	42.6%	44.6%	40~45%

AGENDA

I . Outline and Our Business Models

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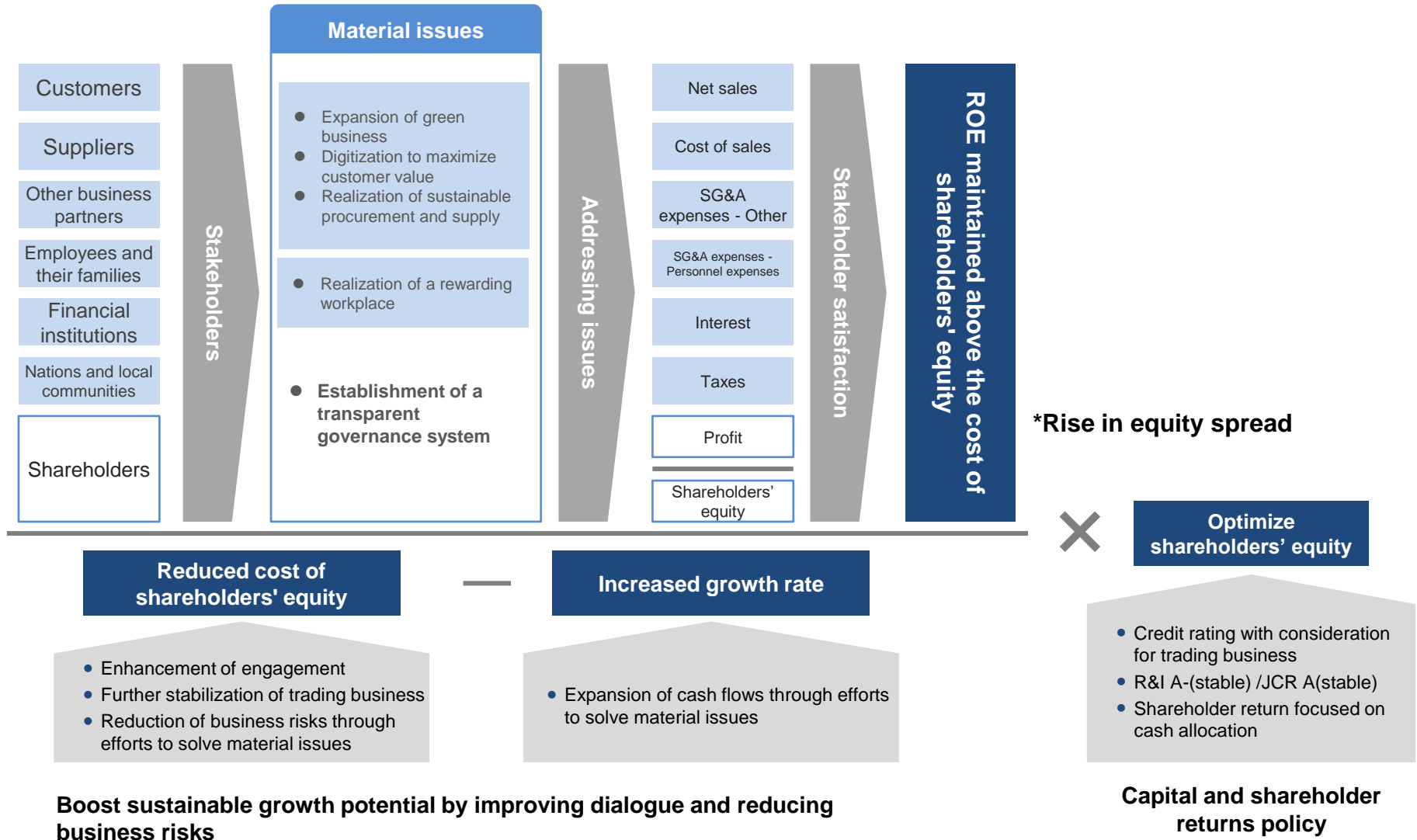
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VI . Shareholder Returns and Capital Policy

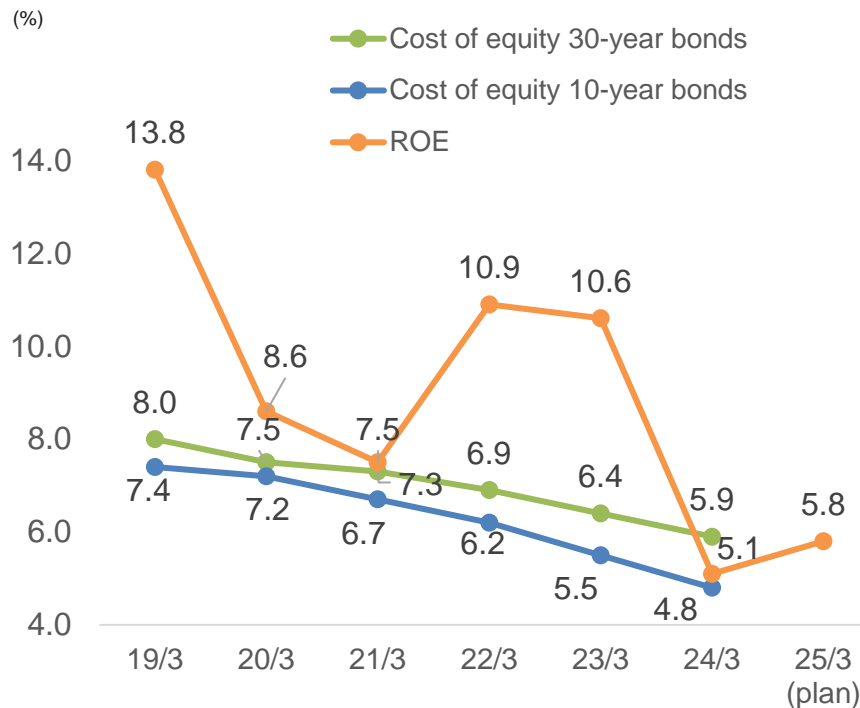
Appendix

We aim to improve our corporate value by pursuing all of “earning capacity,” “yield of capital,” and “financial soundness.”

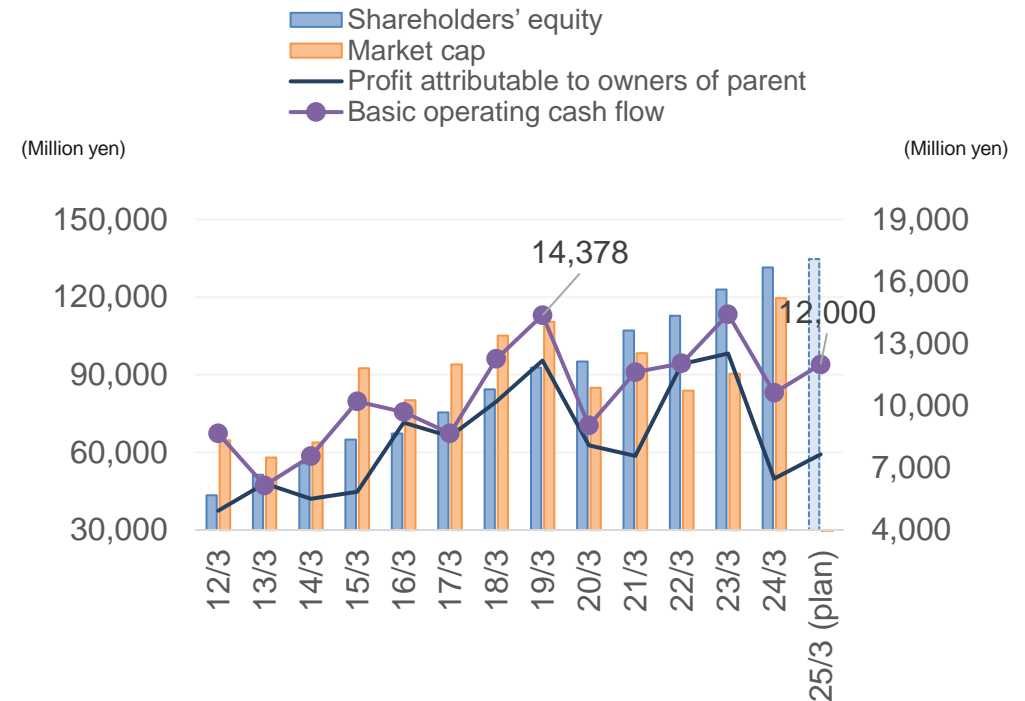


- Cost of shareholders' equity assumed to be around 7% (range of 3.39%-8.78% estimated via CAPM as of March 31, 2024)
- We will strive to reduce the cost of shareholders' equity by continuously enhancing dialogue with the market, and promote investment in business fields with excellent capital efficiency and synergy effects with our existing distribution business to realize sustainable improvement in profitability and growth and increase corporate value over the medium to long term.

ROE/cost of shareholders' equity



Market cap/basic operating cash flow



Timing	Corporate Action	Number of shares held	Destination	Objective				
				Reduction of policy stockhold ings	Market liquidity	Ratio of floating shares	EPS	ROE
April 2021	Acquisition of Euro-yen CBs* & treasury shares	3,870,900	Treasury shares	○	—	—	○	○
September 2021	Acquisition of treasury shares	1,652,900	Treasury shares	○	—	—	○	○
December 2023	Secondary sale of shares held by financial institutions*	6,711,100	Mainly individual shareholders	○	○	○	—	—
May - August 2024	Acquisition of treasury shares*	3,374,800	Treasury shares	○	—	—	○	○
Total: 15,609,700								

The current Medium-Term Management Plan incorporates an increase in depreciation and amortization due to business investments and capital expenditures, and **there is a possibility that shareholder returns will be at an inadequate level based on the progress of the investment plan and a short-term downturn in earnings**, we have therefore revised our shareholder return policy **to ensure stable and continuous shareholder returns**.

Before change

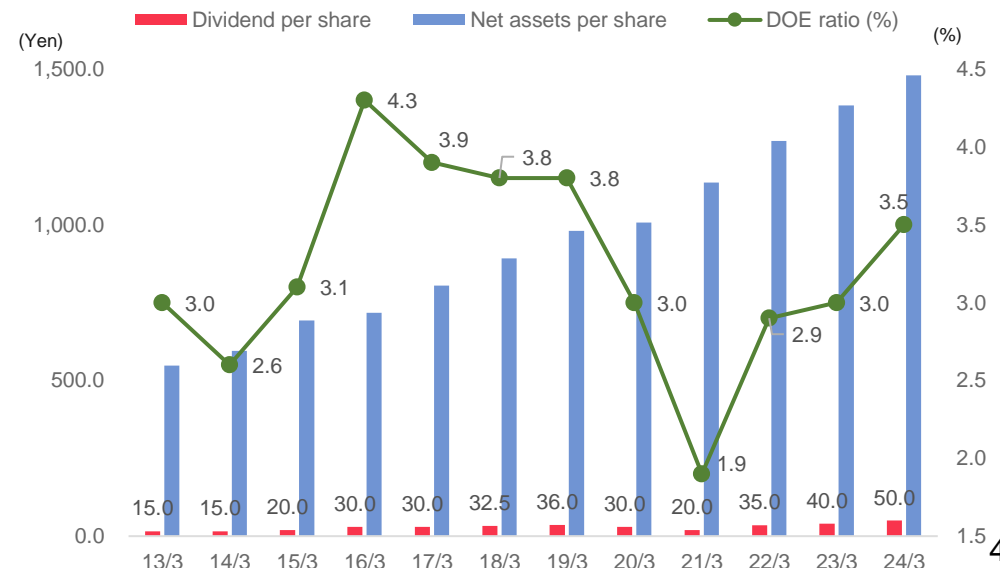
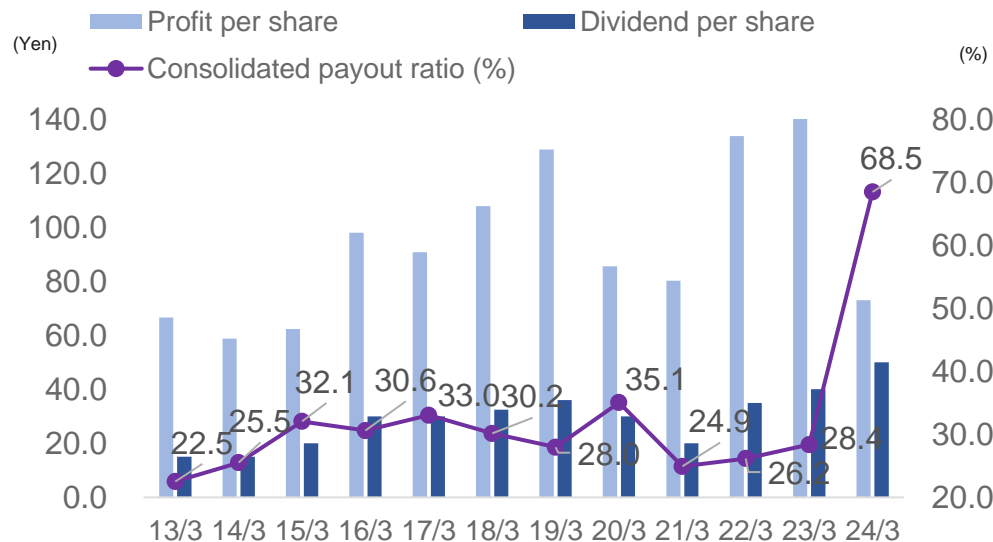
Target payout ratio of 30%

After change

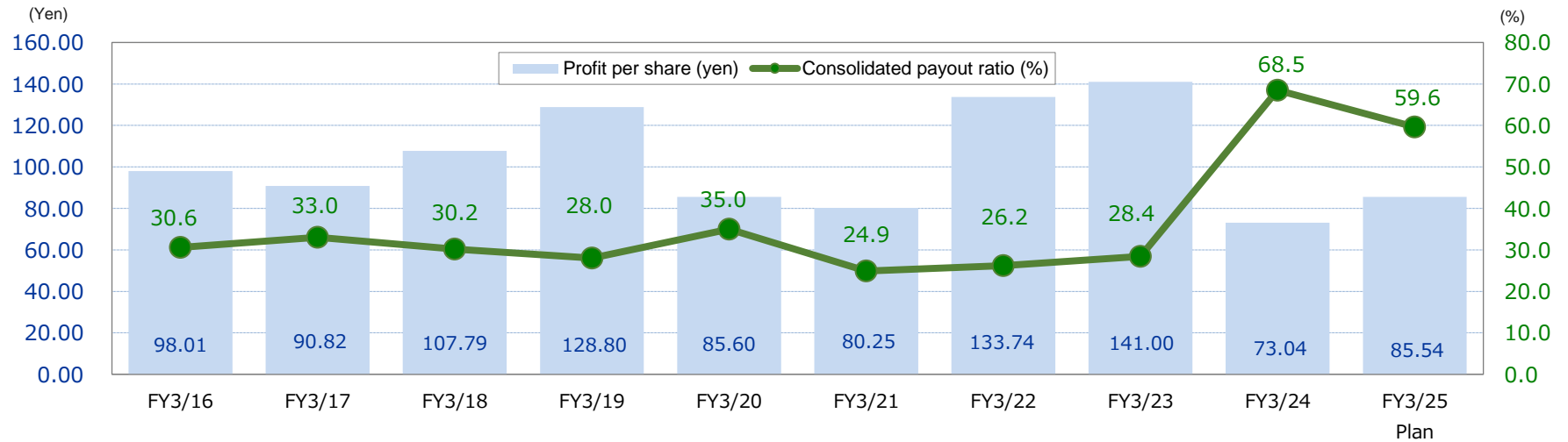
Consolidated payout ratio of 40%
or dividend on equity (DOE) ratio
of 3.5%, whichever is higher

Applicable period: FY3/24 and FY3/25

(During the period of the Medium-Term Management Plan "CROSSING YAMAZEN 2024")



- FY3/24: Paid an interim dividend of 20 yen per share and a year-end dividend of 30 yen per share, for an annual dividend of 50 yen per share.
- FY3/25: Plan to pay an interim dividend of 20 yen per share and a year-end dividend of 31 yen per share, for an annual dividend of 51 yen per share.



		FY3/18	FY3/19	FY3/20	FY3/21	FY3/22	FY3/23	FY3/24	FY3/25 plan
Dividend per share (yen)	Mid-year	13.0	15.0	16.0	10.0	10.0	20.0	20.0	20.0
	End of year	*19.5	*21.0	14.0	10.0	*25.0	20.0	30.0	31.0
	Annual	*32.5	*36.0	30.0	20.0	35.0	40.0	50.0	51.0
Payout ratio (%)		30.2	28.0	35.0	24.9	26.2	28.4	68.5	59.6
Dividend on equity ratio (DOE) (%)		3.8	3.8	3.0	1.9	2.9	3.0	3.5	3.5
Dividend paid (Million yen)		3,074	3,405	2,837	1,891	3,115	3,560	4,451	4,540
Amount of treasury stock acquired (Million yen)		733	-	-	-	5,999	-	-	5,000
Total return ratio (%)		37.3	28.0	35.0	24.9	75.8	28.4	68.5	125.5

ともに、未来を切拓く



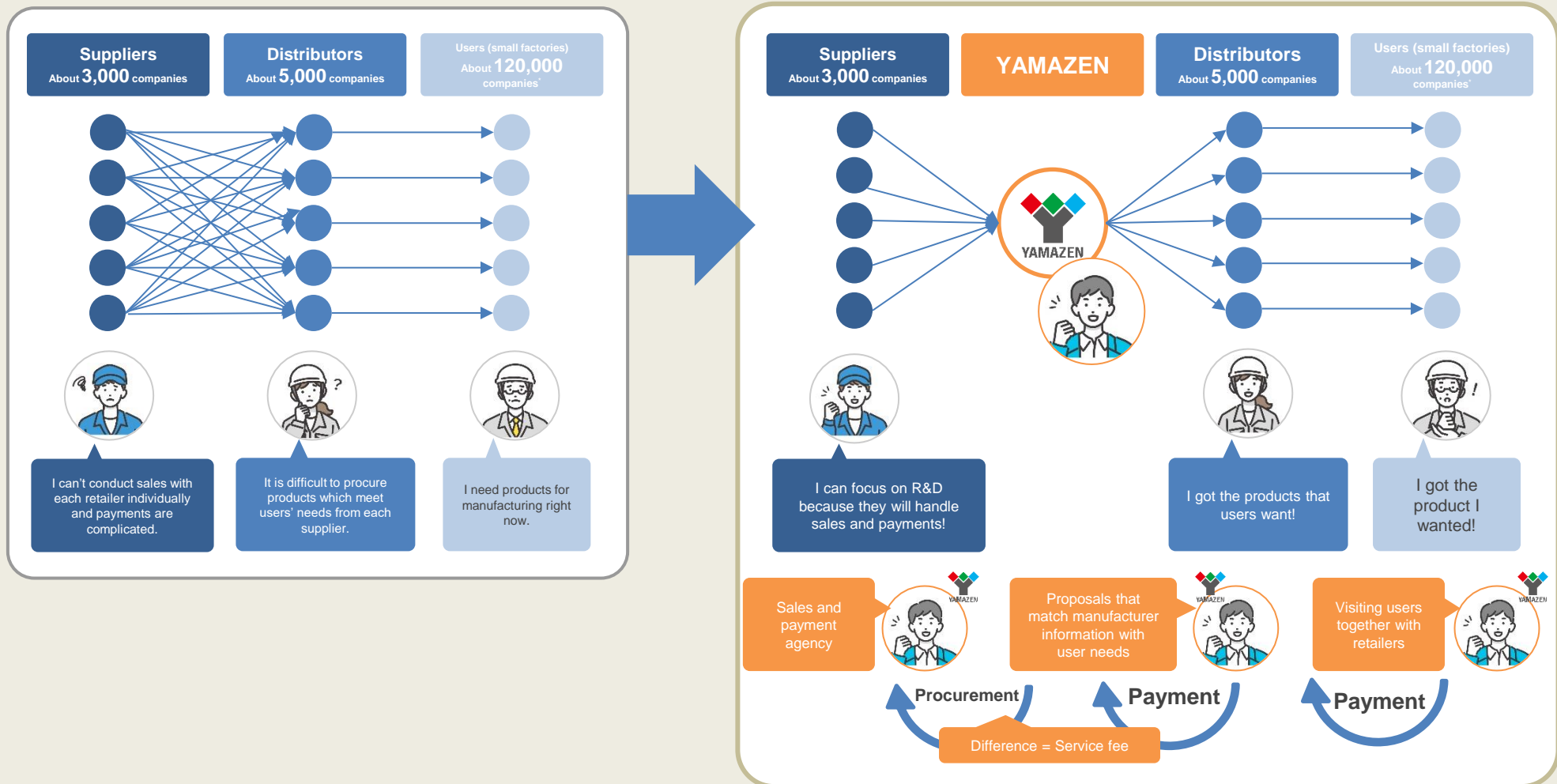
[Note on forward-looking information]

"The forward-looking statements in this document, including the Medium-Term Management Plan and forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly due to various factors. Factors that may affect future forecasts include the economic environment in which the Company operates, competitive pressures, relevant laws and regulations, changes in product development status, and exchange rate fluctuations. However, factors that may affect the future forecasts are not limited to these."

Appendix

Supplementary Materials for Outline of Our Business Model

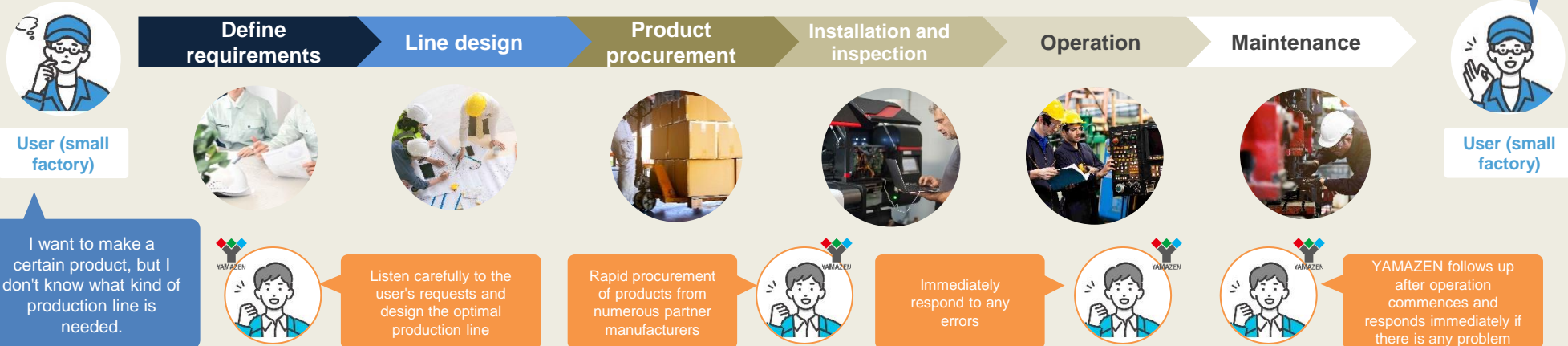
A core business that generates stable cash flows. With our long history, strong client relationships, and thorough knowledge of the industry, we **have a leading share of the domestic production equipment market**



We are one of the few companies that provides an advanced engineering structure worldwide through our own overseas staff. Currently, the TFS Division HQ is promoting this initiative across business divisions within Japan as well.

Flow of Engineering (example from the US)

Our optimal production line is complete!



Overseas
14 countries
and regions

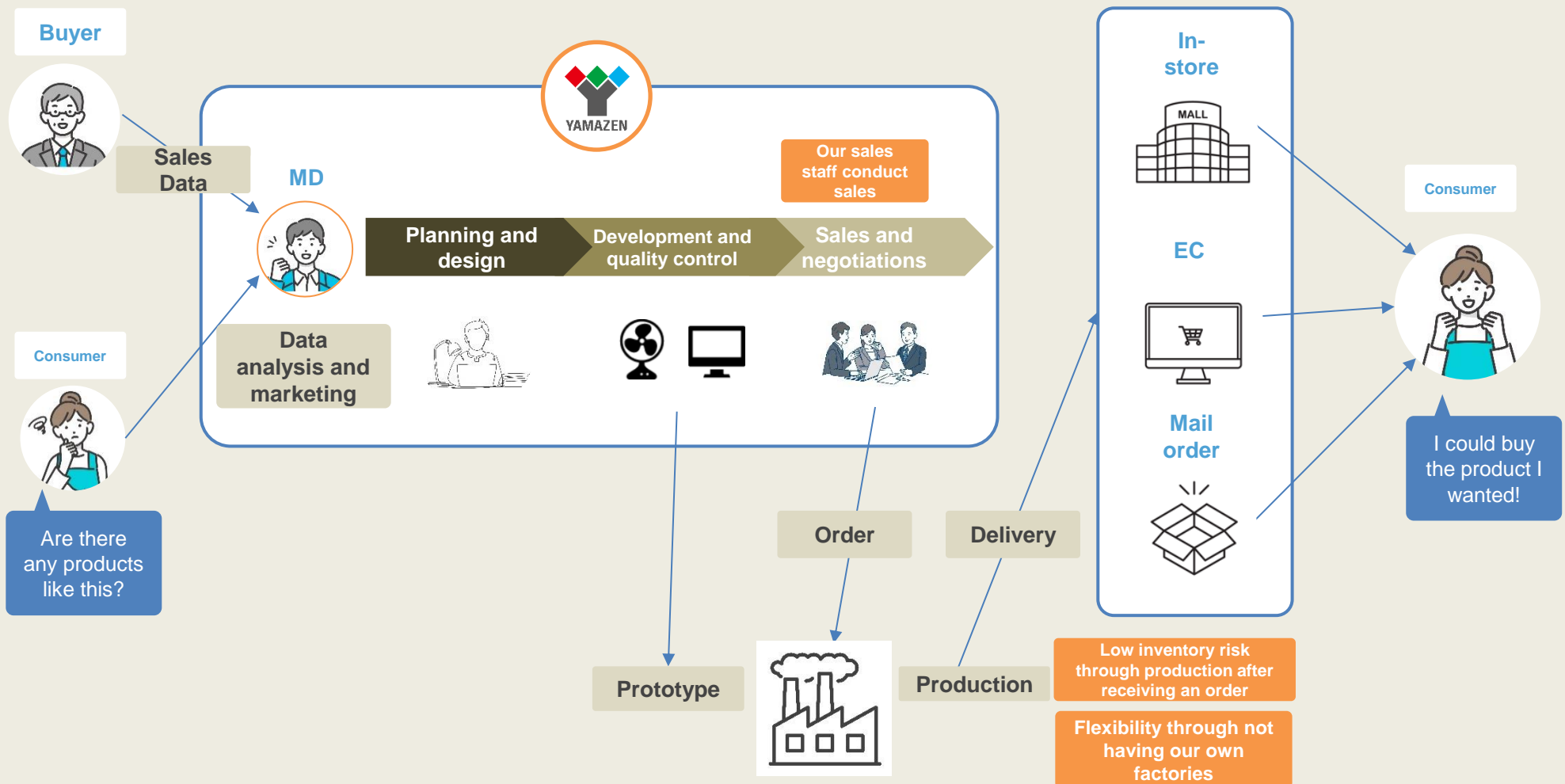
65 branches



Overseas staff
About **1,270**
people

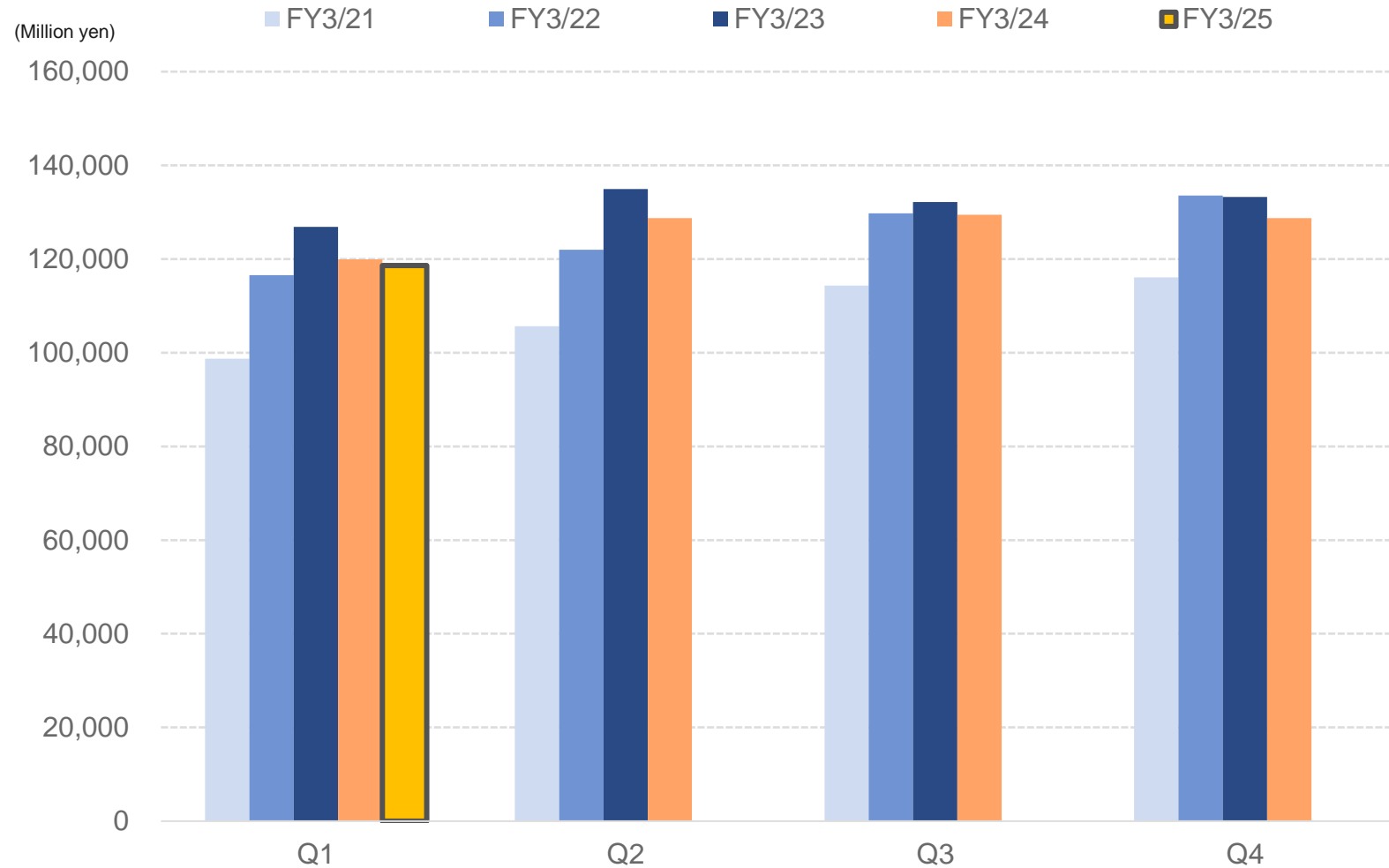
About
330
engineers

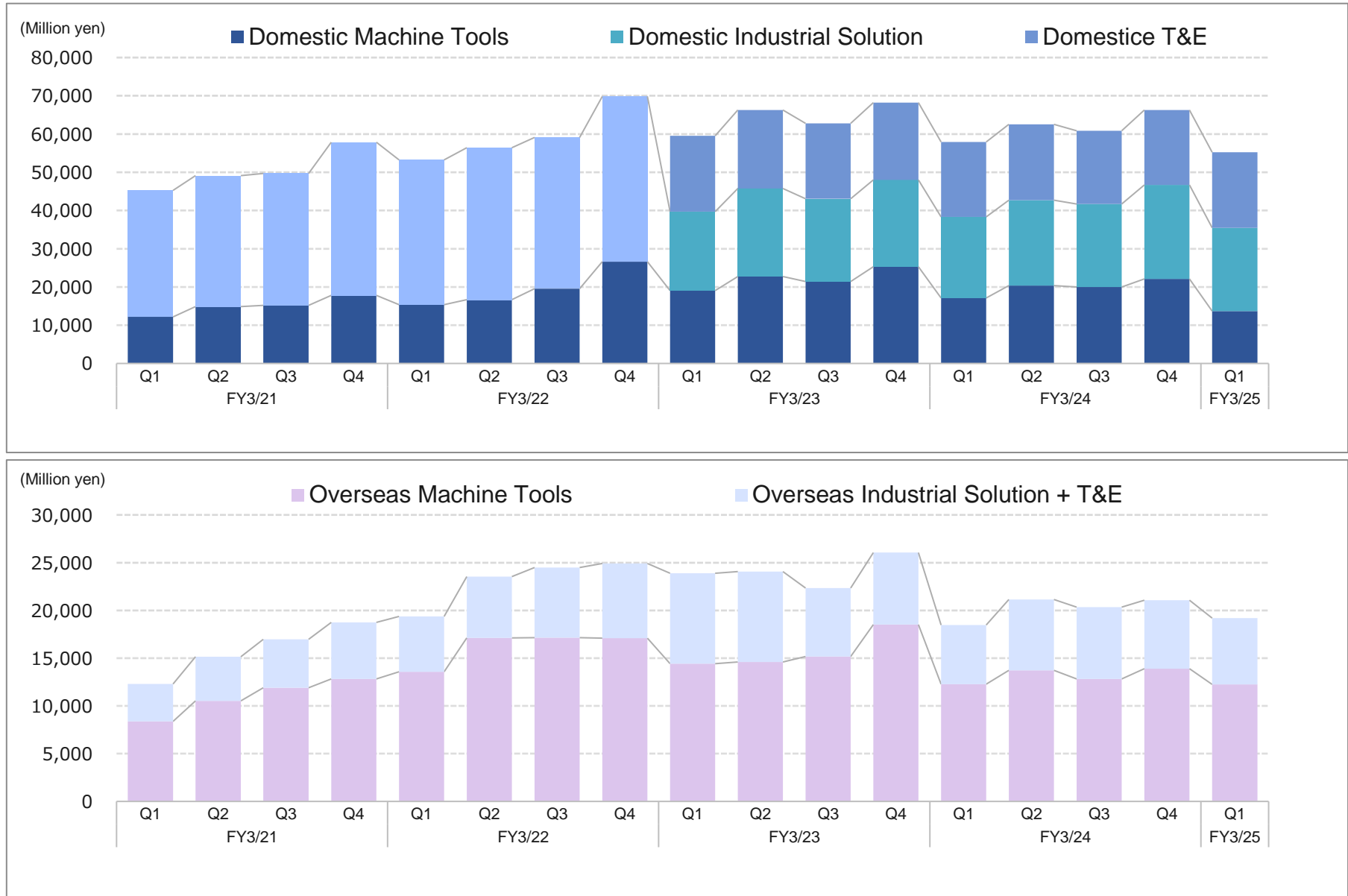
About 60% of net sales in the Home Products Business is from private brand products. We can commercialize these private brand products quickly because our merchandisers (MDs), who are familiar with customer needs and have sales experience, can plan and develop them quickly and with discretion. We do not have our own production facilities, so the risk is low.



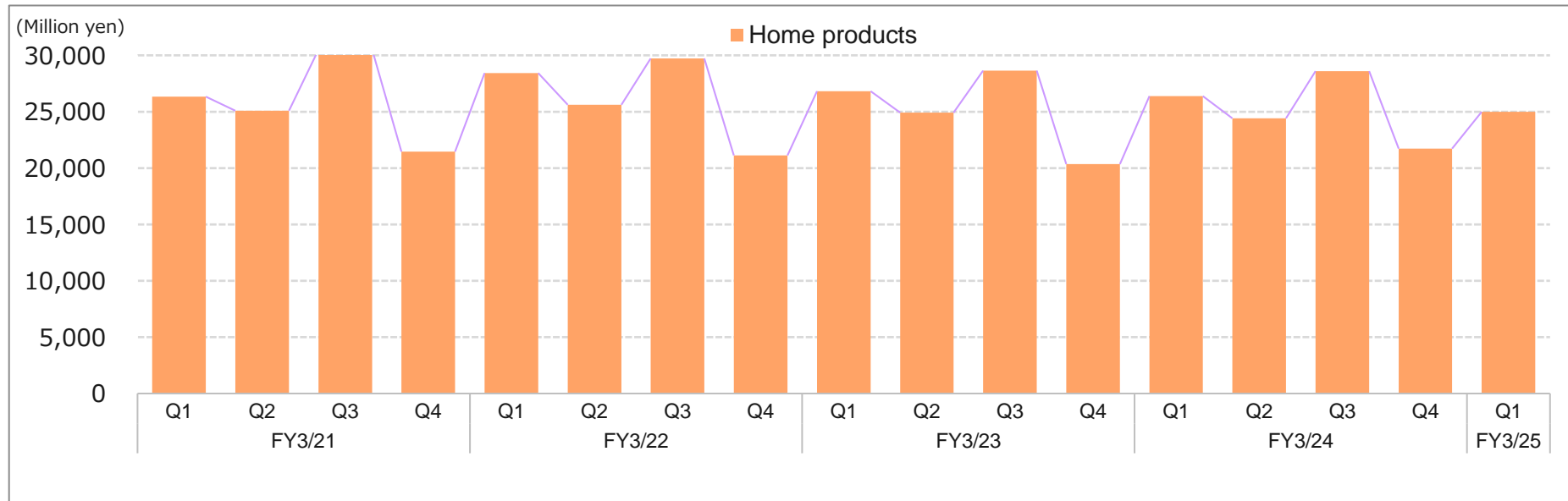
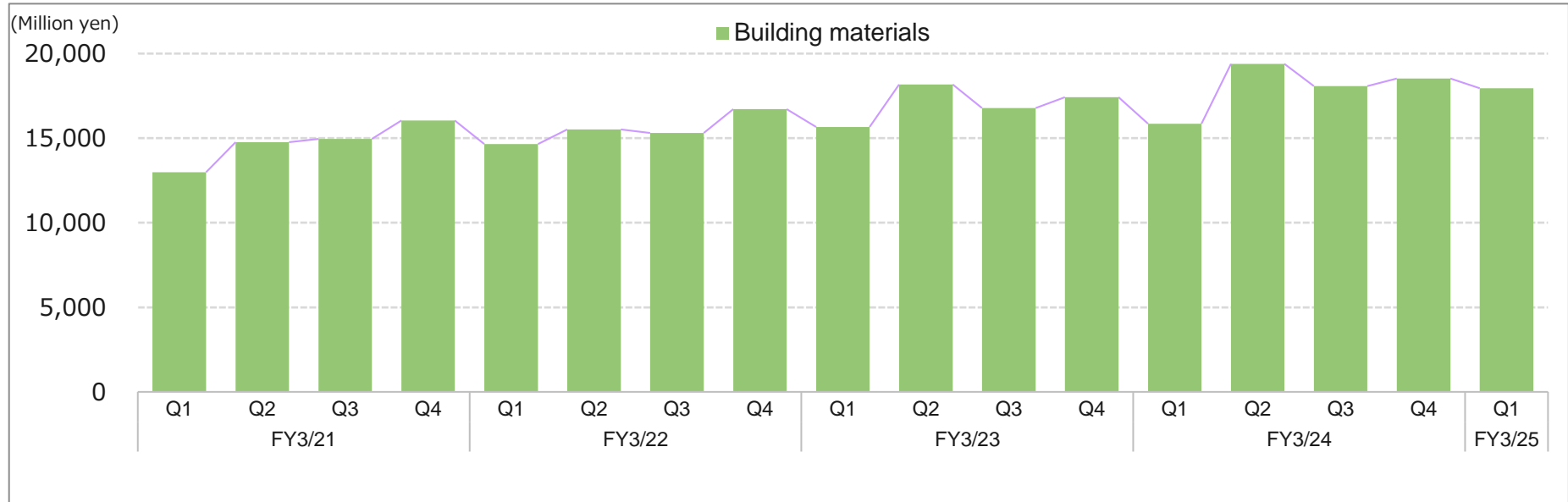
Supplementary materials for outline of the FY3/25 (Q1) financial results

Quarterly Trend in Consolidated Net Sales





Consumer Goods Segment Quarterly Sales Trend (Building Materials/Home Products)



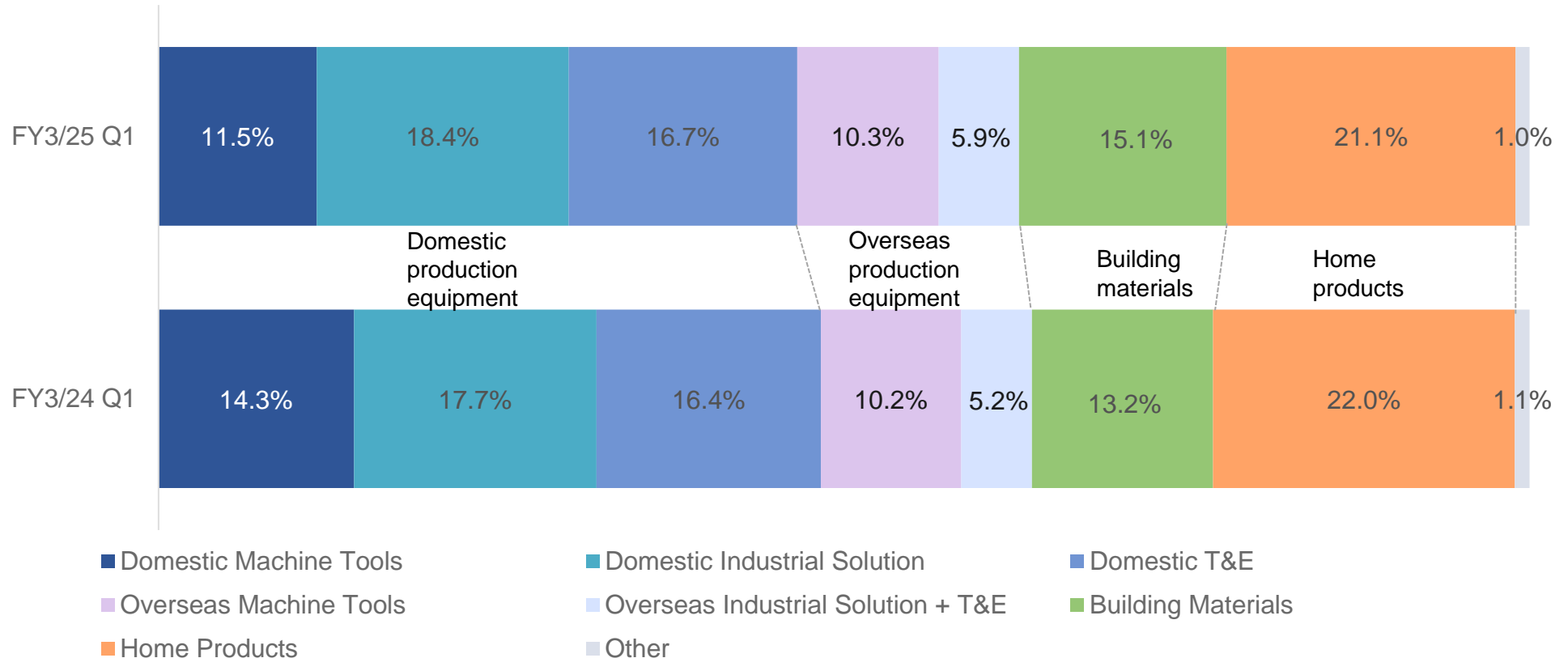
Net Sales Composition by Business (YoY Comparison)

Domestic production equipment: 48.3% → 46.6% (+1.7ppt)
Overseas production equipment: 15.4% → 16.2% (+0.8ppt)

Building Materials Business: 13.2% → 15.1% (+1.9ppt)
Home Products Business: 22.0% → 21.1% (-0.9ppt)

Production equipment total: 63.7% → 62.8% (-0.9ppt)

Consumer goods total: 35.2% → 36.2% (+1.0ppt)



Supplementary materials for the Medium-Term Management Plan “CROSSING YAMAZEN 2024”

Important issues

Company-wide strategies

Overview

Key Measures

Expansion of green business

Talent management

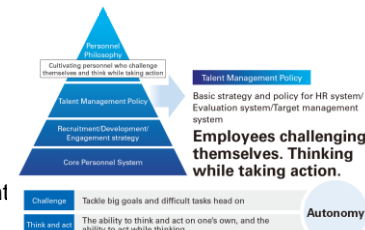
Strengthen human capital by focusing on **developing human resources**, which are our **core competence**, **promoting diversity and inclusion**, and **conducting management that fosters personnel**

■ Diversity & Inclusion

- Abolition of seniority system
- Active participation of women
- Training of professional human capital

■ Fostering personnel

- Introduction of YAMAZEN-style target management system



Maximization of customer value through digitalization

DX

Enhance the intellectual capital of the organization by **formalizing the individual sales and product development know-how** that are our **strengths**, leading to **improved productivity** and the creation of new added value

■ Strengthen DX strategy promotion system

- Establish a DX Strategy Department and DX strategy methodology
- Secure and develop digital human capital

■ Improve productivity of existing business processes

- Integrate core business system (SAP ERP) implementation

■ Realization of productivity improvement measures to cope with increased workload

- Company-wide BPR promotion (AI/RPA/EDI, etc.)



Realization of sustainable procurement and supply

Green initiatives

Contribute to the decarbonization of the entire value chain through the **introduction and deployment of energy-saving equipment and renewable energies** that we propose, and through **services such as the visualization of CO₂ emissions**

■ Strengthen green strategy promotion system

- Establish a governance structure to promote efforts to address issues such as climate change

■ Promote green business

- Cooperate with suppliers and clients to develop decarbonization activities as a business in the three fields of "development business," "sales promotion planning," and "branding"

Example: Development business "Corporate PPA business" and sales promotion planning "Green Ball Project"



Realization of a rewarding workplace

Logistics

Reorganize domestic and overseas business bases and strengthen relationships with business partners, including **local suppliers**, to ensure **sustainable procurement and supply lines**

■ Contribute to the efficiency and sustainability of distribution operations

- Formulated a three-term, nine-year distribution strategy with the aim to become a transportation and delivery platformer for specific industries by 2030

■ Initiatives for Term 1 (2022 - 2024)

- Developed and introduced LMS/WMS* to realize cross-divisional distribution operations
- Opened Logis New Tokyo (Kitamoto City) in January 2023 as a comprehensive distribution base, and also developed and linked small warehouses with area delivery functions in parallel

Sales Strategies	Overview	Key Measures
Close customer relationship strategy	We will work to understand the issues faced by customers worldwide from their perspective, and implement measures to resolve these issues and realize a win-win relationship.	<ul style="list-style-type: none"> ■ Segment-specific strategies: Clarify targets, strengthen expertise, and implement proposal activities strategically ■ Organization of sales: Formalize the strong sales know-how of individuals and build a sales structure that is also strong as an organization ■ Strengthen sales support system: Strengthen marketing, remote sales, and other systems ■ Strengthen digital channels: Strengthen information provision sites, e-commerce sites, etc. that serve as points of contact with customers ■ Promote localization of overseas subsidiaries (glocal): Strengthen local structure through development of local staff, etc.
Transformation strategy	In addition to selling products, we will also provide total solutions for issues related to product manufacturing, engineering and green businesses.	<ul style="list-style-type: none"> ■ Acquisition of engineering capabilities: Acquisition of engineering and construction capabilities that contribute to the production line and construction sites as a whole ■ Focus on green business: Expand green business that will solve social issues while also leading to increased corporate value ■ Establish new business models: Establish new revenue structures such as recurring billing businesses ■ Strengthen product development: Strengthen the system for developing new products and services that provide high added value ■ Strengthen distribution system: Strengthen the distribution system so it can withstand significant future growth
Digital integration strategy	We will strengthen customer contact points utilizing digital technology, provide new solutions, connect the knowledge obtained to human resources, and create new added value.	<ul style="list-style-type: none"> ■ Fusion of real and online through a production equipment online platform: Build a next-generation B-to-B website, etc. ■ Develop in-house commerce through home products website: Gradual expansion of Yamazen Bizcom ■ Strengthen data-driven product development and sales force: Build a data-driven management infrastructure

Development business

■ Corporate PPA

Installation completed at 3 companies and 3 locations
79th term: Installation planned at three Nippon Paper Crecia locations



[Results]

Nippon Paper Crecia, Kaisei Plant
Okudaya Giken, Headquarters Plant
Toyo Koken, Yamanashi Office



Plant name	Site name	Annual electricity sales	Operation commenced (planned)
DayZ-1	Crecia, Kaisei	500,000 kWh	Commenced March 2023
DayZ-2	Okudaya, Sakai	110,000 kWh	Commenced June 2023
DayZ-3	Toyo Koken, Yamanashi	130,000 kWh	Commenced April 2024
DayZ-4	Crecia, Tokyo	380,000 kWh	Planned for Aug. 2024
DayZ-5	Crecia, Koyo	350,000 kWh	Planned for Sept. 2024
DayZ-6	Crecia, Kyoto	4,230,000 kWh	Planned for Dec. 2024
Total annual electricity sales / CO2 reduction		5,700,000 kWh	CO2 reduction 2,500t-CO2

Sales Promotion Business

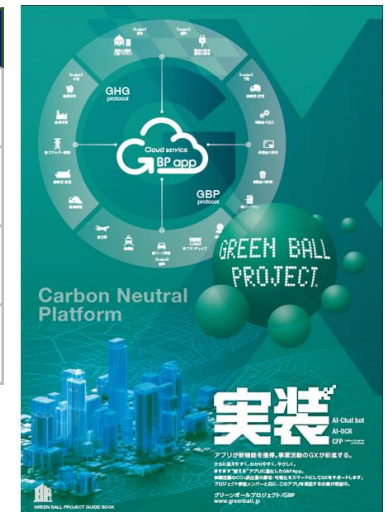
■ GBP App

Provided free of charge to companies participating in GBP and approximately 280 clients



GBPApp		Present	Target
GBP participants	Production Equipment	211 companies	250 companies
	Building materials	67 companies	80 companies
	Subtotal	278 companies	330 companies
Total		278 companies	330 companies

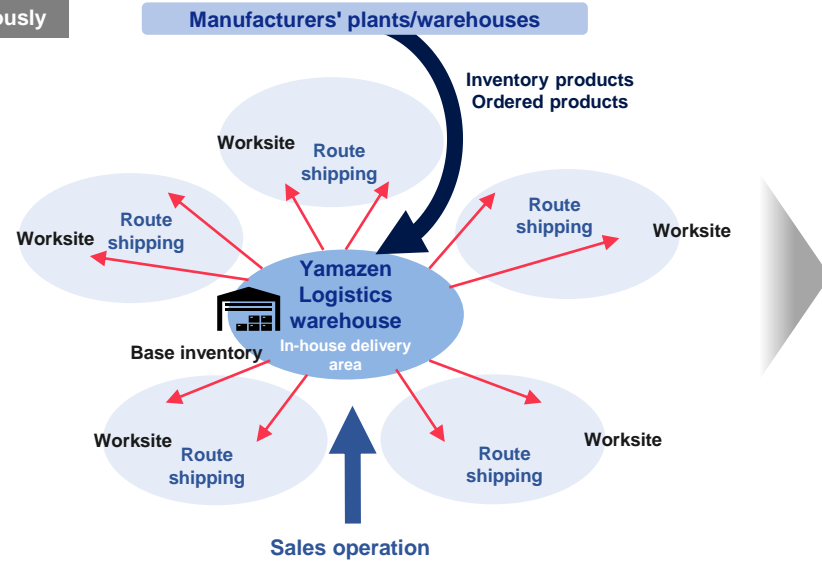
GBP App
Started sale of fee-based services



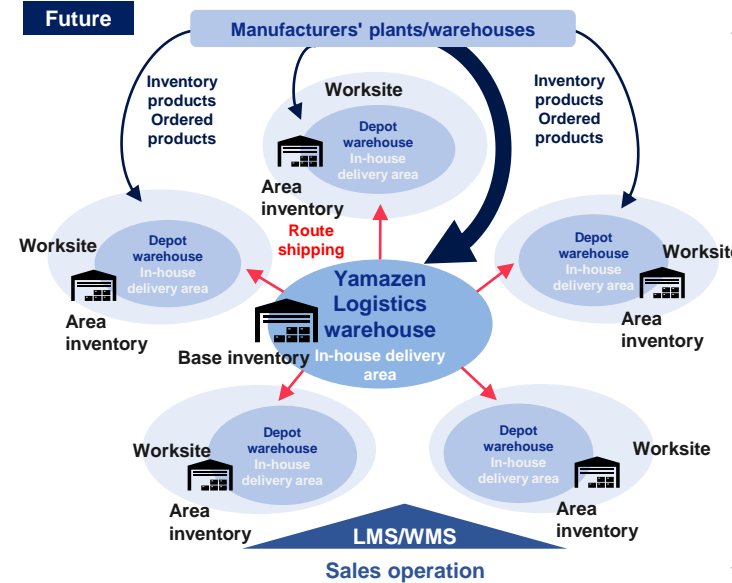
Share distribution assets across business units by implementing LMS/WMS, increase efficiency through distribution DX, and achieve the following:

1. Response to the "2024 problem"
2. Control of "transportation and delivery costs"
3. Service improvement through "expansion of same-day/next-day delivery areas" and "optimization of dispersed inventory according to area demand"

Previously



Future



[Aim]
Promote joint utilization of distribution bases across the Production Equipment, Building Materials, and Home Products businesses, which already have more than 100 locations nationwide

↓
Improve the level of service by sharing the strengths of each business

(e.g., utilizing the delivery and installation skills of the Building Materials Business for large home products)

Key Measures

State of progress

Introduce LMS/WMS	Sequentially introduced at Logis New Tokyo, Logis Fukuoka, and Logis Ashikaga from January 2023
Share distribution assets between businesses	Building Materials Business distribution bases are also being used as small distribution bases for production equipment (Started at Okayama Depot in January 2023, Kanazawa Depot and Sendai Depot in March 2024, Sapporo Depot in May 2024)
Expand and reorganize distribution bases	"Logis Tokyo" fully operational from January 2023, "New Logis Osaka" to be fully operational in January 2025

Achieve "company-wide distribution optimization" with the current Medium-Term Management Plan as the first term, and link it to the medium- to long-term strategies of "profitization" and "establishing a scheme for joint transportation and delivery in specific industries".

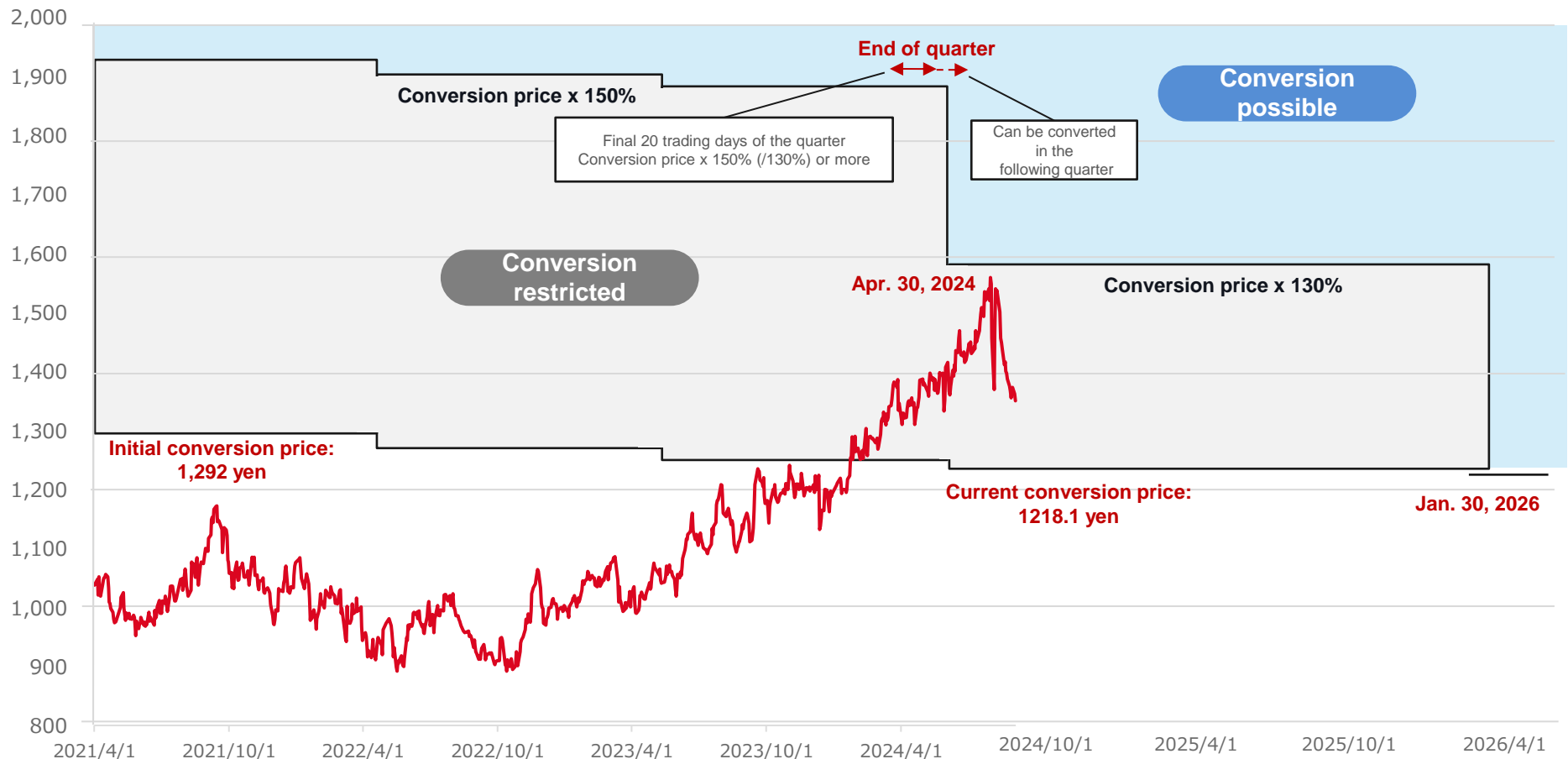
Supplementary Materials for Shareholder Returns and Capital Policy

Euro-yen Convertible Bonds Expiring in 2026

Issue price	10.0 billion yen
Terms-setting date	April 14, 2021
Redemption date	April 30, 2026
Interest rate	0.00% (zero coupon)

Closing price on resolution date	1,050 yen
Conversion price	Initial: 1,292 yen / Current: 1,218.1 yen
Conversion restriction clauses	(i) Until April 30, 2024: Conversion price x 150 (ii) May 1, 2024 to January 30, 2026: Conversion price x 130

Conversion restriction clauses adopted in order to limit dilution



Objective

- **Provide to financial institutions, who hold a high percentage of the Company's shares** among our trading partner shareholders, **a fair opportunity to sell and to mitigate the impact on the market price**
- Realize **diversification of shareholder base through fluidization of closely-held shares**
- Plan to **increase the TOPIX inclusion ratio** through increasing the ratio of floating shares

issuing company

YAMAZEN CORPORATION

Offering structure

Secondary sale by way of purchase and underwriting	5,835,800
Secondary sale by way of over-allotment	875,300
Total	6,711,100

Amount sold

Approx. 8 billion yen

Seller and number of shares sold

Mizuho Bank	1,890,600
Resona Bank	1,866,900
Mizuho Trust & Banking	774,900
MUFG Bank	694,700
Sumitomo Mitsui Banking Corporation	608,700

Main schedule

Date of resolution to sell	Monday, December 11, 2023
Book building period	Friday, December 15, 2023 - Terms-setting date
Terms-setting period	Monday, December 18 - Thursday, December 21, 2023
Delivery date	5 business days after the terms-setting date

Establishment of Treasury Share Acquisition Limit

(Announced on May 14, 2024)

Objective

- Improve capital efficiency by implementing a flexible capital policy that is responsive to changes in the business environment
- Promote the reduction of policy cross-shareholdings
- Realize shareholder returns

Type of Shares to be Acquired:

Common shares

Total Number of Shares that may be Acquired:

6,000,000 shares (upper limit)
(Percentage of issued shares (excluding treasury shares) 6.74%)

Total Amount of Acquisition of Shares:

JPY 5.0 billion (upper limit)

Period of Acquisition:

May 14, 2024 - March 31, 2025

Method of Acquisition:

Purchase on the Tokyo Stock Exchange

Total number of treasury shares acquired (as of August 15, 2024)

Total number of treasury shares acquired: 3,374,800 shares

Total amount of acquisition cost: 4,999,889,995 yen