



YAMAZEN CORPORATION

Financial Results Briefing for the Fiscal Year Ended March 2026

May 19, 2026

[Presenter]

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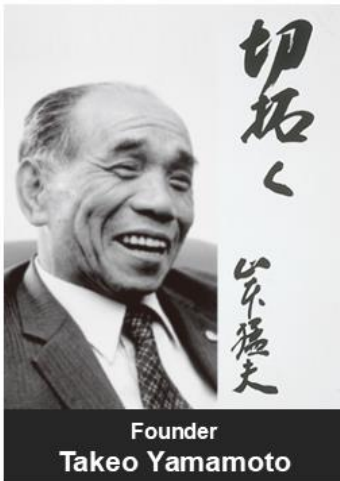
Director Executive Officer CFO

- **About Yamazen**
- **Financial Summary for FY2025**
- **Medium-Term Management Plan "PROACTIVE YAMAZEN 2027" and Full-Year Forecast for FY2026**
- **Strategic Partnership with Advantage Partners and Financing for the Enhancement of Corporate Value**
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- As the figures in this document are rounded down to the nearest million yen, the breakdowns may not match the totals. The percentage changes are rounded off to the first decimal place.
- Unless otherwise noted, "FY2025 full-year forecast" refers to the figures announced on March 30, 2026.
- The plans, future prospects, strategies and other information in this document that do not relate to past or present facts are forecasts of future performance and are based on the judgments and assumptions derived from information currently available to the Company's management. Therefore, actual results may differ significantly due to uncertainties, economic conditions, and other risk factors. Furthermore, this document is not intended to solicit investment. Please make investment decisions at your own discretion.

Kishida: Good afternoon, everyone. My name is Kishida from YAMAZEN. Thank you very much for joining today's financial results briefing.

Let me begin by outlining today's agenda. First, I will speak about our corporate philosophy and business model. I will then walk you through an overview of our results for FY2025. After that, I will discuss our medium-term management plan and our forecast for FY2026. Finally, I will explain the initiative with Advantage Partners announced in February, as well as our approach to shareholder returns.



Founder
Takeo Yamamoto

Founded in 1947

Management of Fostering Personnel

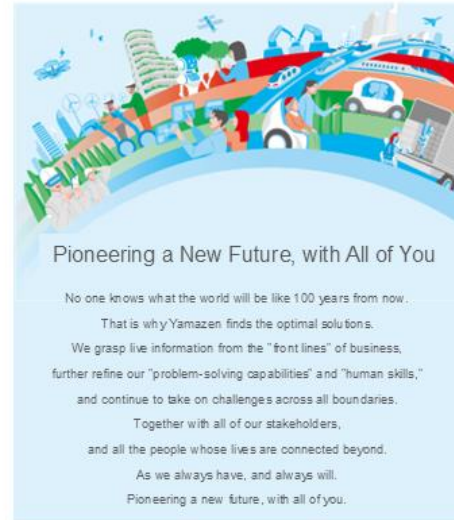
To make active use of personnel, and to foster independent and virtuous employees

Management of Breaking Through

To challenge, innovate and create

Management of Trust

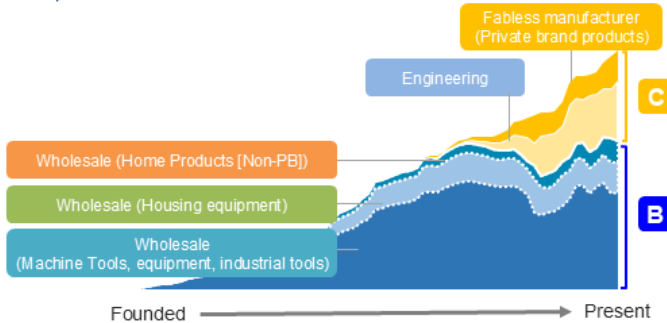
To respond to the needs and expectations of society and contribute to them



Let me begin with a brief introduction to YAMAZEN. The Company was founded in Osaka in 1947, shortly after World War II, by our founder, Mr. Takeo Yamamoto. He started the business by supplying tools and daily necessities required for the restoration of daily life. His pioneering spirit has remained at the core of our philosophy and continues to shape our DNA today. On the right, you can see our Purpose: "Pioneering a new future, with all of you."

- A** Founded as a wholesaler of industrial tools (production equipment), we have expanded our business to include the machine tools, industrial machinery, and housing-related domains
 - B** Our continuous transactions with many distributors have allowed us to establish a stable revenue base through business models likened to recurring revenue
 - C** We have expanded our business domains and scale by adding on such functions as engineering and fables manufacturer in line with the items handled by each business division
- ➔ **We have stabilized our business by linking our add-on business to stable and continuous transactions**

Business operation of YAMAZEN (schematic diagram)



Relationship Between Business Models and Business Organizations



Next, let me explain our business model.

This diagram illustrates how our model has evolved since the Company's founding. The foundation of our business is the strong trust we have built with our business partners. Based on that foundation, we operate three business models. The first is wholesale, which provides stable earnings. The second is engineering, which involves direct sales to users and generates relatively high margins. The third is a fables manufacturer model, which enables asset-light and agile product development. We have continued to grow by reinvesting the stable cash flow generated through wholesale into our engineering and fables manufacturer businesses.

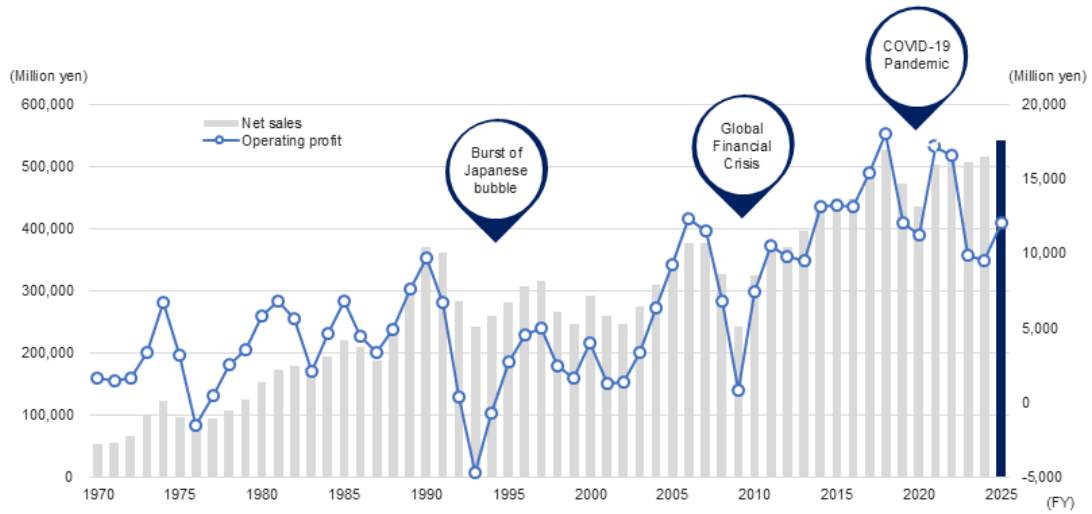
- Demonstrating a strong presence in Japan and overseas based on solid relationships with manufacturers



Here you can see YAMAZEN's competitive strengths.

These strengths come from our extensive relationships with manufacturers, our strong ability to identify high-quality products, and our capability to propose related solutions to distributors throughout Japan. Because we are not tied to any specific manufacturer, we can offer the most suitable products to distributors and develop our business with flexibility. And ultimately, the talent who make all of this possible are one of our greatest strengths.

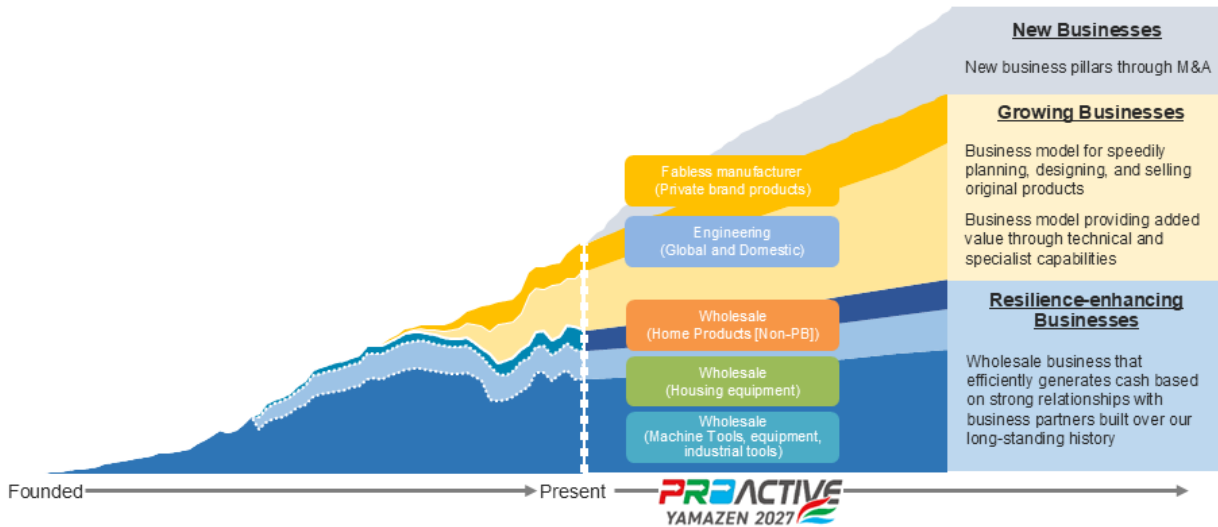
- Expanding our business steadily despite economic fluctuations



Let me now walk you through our performance trends.

Our business is influenced by capital investment trends in Japan and overseas, as well as consumer spending. As a result, our performance temporarily declined during the global financial crisis following the collapse of Lehman Brothers and the COVID-19 pandemic. Even so, our overall trajectory has been one of steady growth over time.

- Accelerate growth through the implementation of continuous M&A in Resilience-enhancing Businesses and Growing Businesses, as well as the acquisition of new business domains



Next, let me explain the growth profile of our business portfolio.

As I mentioned earlier, wholesale serves as the foundation of our business, and on top of that, we have expanded our engineering and fables manufacturer businesses. We position wholesale as a resilience business. By strengthening its earning power, we aim to continue generating stable cash flow. We then allocate that capital, including the cash flow generated by wholesale, to our engineering and fables manufacturer businesses, which serve as our growth drivers. This enables us to pursue further growth. Looking ahead, we will continue building new pillars of business through ongoing M&A and the creation of new business opportunities.

(Million yen)

	FY2024	FY2025	YoY	Full-year Forecasts	Achievement rate
Net sales	516,126	541,885	+5.0%	535,000	101.3%
Gross profit	76,969	83,028	+7.9%	-	-
(Gross profit margin)	14.9%	15.3%	+0.4pt	-	-
SG&A expenses	67,433	70,986	+5.3%	-	-
Operating profit	9,535	12,041	+26.3%	11,500	104.7%
(Operating profit margin)	1.8%	2.2%	+0.4pt	2.1%	-
Non-operating profit/loss	482	968	+100.5%	-	-
Ordinary profit	10,018	13,010	+29.9%	12,500	104.1%
Extraordinary gain/loss	2,237	1,182	-47.1%	-	-
Profit attributable to owners of parent	7,845	9,330	+18.9%	9,000	103.7%
ROE (Return on Equity)	6.1%	7.0%	+1.0pt	-	-
ROA (Ratio of ordinary profit to total assets)	3.4%	4.0%	+0.6pt	-	-
EPS (Earnings per share)	90.83 yen	109.46 yen	+18.83 yen	-	-
BPS (Book value per share)	1,481.00 yen	1,612.56 yen	+131.55 yen	-	-

Net sales: 541,885 million yen

- Demand for capital investment overseas increased.
- Demand for air conditioning, water heating equipment, and other housing equipment remains strong.

Gross profit: 83,028 million yen

- Gross profit increased due to sales growth mainly in Global and Building Materials.
- Gross profit margin increased due to an increased share of high-margin Global and Home Products.

Operating profit: 12,041 million yen

- Operating profit increased as the increase in gross profit outweighed higher personnel expenses and commission expenses.

Profit: 9,330 million yen

attributable to owners of parent

- Gains on the sale of policy shareholdings decreased from the previous year, resulting in a reactionary decrease in extraordinary gain.

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Let me now move on to our FY2025 results.

Net sales were JPY541.885 billion, up 5% YoY. Operating profit was JPY12.041 billion, up 26% YoY. The main drivers were strong capital investment demand in our Global Business segment and steady performance in housing-related equipment designed to meet energy-saving needs. Another positive highlight was the improvement in our gross profit margin, which increased by 0.4 percentage points. I will discuss this in more detail later.



FY2025 Results by Segment



(Million yen)

		Net sales					Segment profit (based on disclosed segments, bottom row is operating profit margin)				
		Full-Year Results			Full-year Forecasts		Full-Year Results			Full-year Forecasts	
		FY2024	FY2025	YoY	FY2025	Achievement rate	FY2024	FY2025	YoY	FY2025	Achievement rate
Production Equipment	Machine Tools	72,217	71,270	-1.3%	71,000	100.4%					
	Industrial Solution	95,049	99,411	+4.6%	99,000	100.4%					
	Tool & Engineering	80,204	81,575	+1.7%	81,000	100.7%					
	Domestic total	247,471	252,257	+1.9%	251,000	100.5%					
	Global	85,733	96,961	+13.1%	95,000	102.1%					
	Total	333,205	349,218	+4.8%	346,000	100.9%	8,291	10,423	+25.7%	10,000	104.2%
							2.5%	3.0%	+0.5pt	2.9%	-
Consumer Goods	Building Materials	78,623	87,403	+11.2%	85,000	102.8%	3,192	3,662	+14.7%	3,600	101.7%
							4.1%	4.2%	+0.1pt	4.2%	-
	Home Products	100,883	101,560	+0.7%	102,000	99.6%	4,449	4,810	+8.1%	4,800	100.2%
							4.4%	4.7%	+0.3pt	4.7%	-
	Total	179,506	188,964	+5.3%	187,000	101.1%	7,641	8,473	+10.9%	8,400	100.9%
							4.3%	4.5%	+0.2pt	4.5%	-
							-6,396	-6,854	-	-6,900	-
							-	-	-	-	-
Other		3,414	3,702	+8.4%	2,000	185.1%					
Consolidated		516,126	541,885	+5.0%	535,000	101.3%	9,535	12,041	+26.3%	11,500	104.7%
							1.8%	2.2%	+0.4pt	2.1%	-

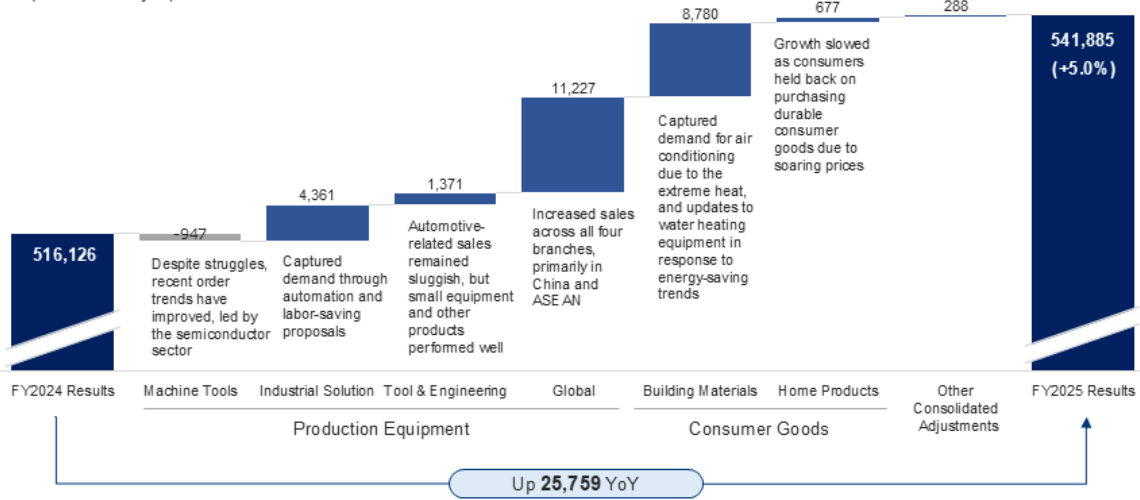
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Here you can see the results by segment.

One of the highlights for FY2025 was the improvement in operating profit margins across all segments.

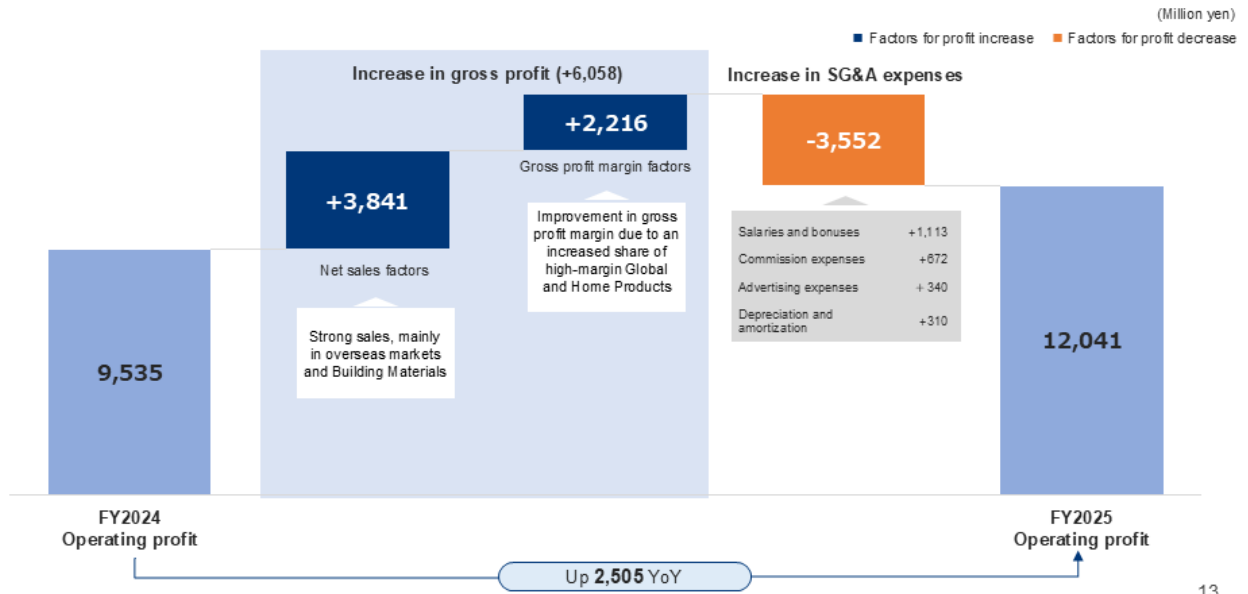
- Sales reached a record high

(YoY / Million yen)



This chart shows the breakdown of net sales by segment.

I will discuss the details later in the presentation.

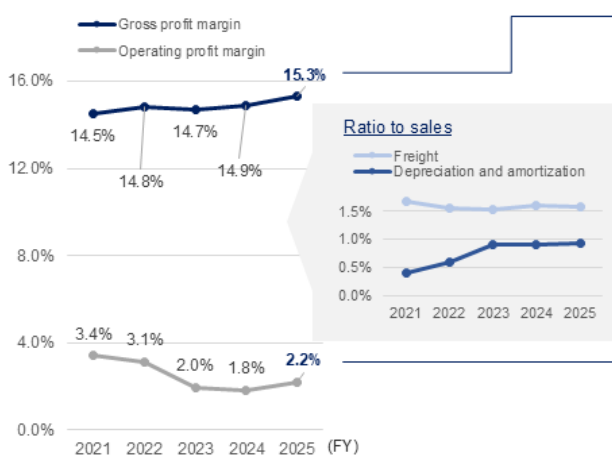


This next chart shows the factors behind the change in operating profit.

Gross profit increased by approximately JPY6 billion. Breaking this down into net sales growth and gross profit margin improvement, higher net sales contributed approximately JPY3.8 billion. This was mainly driven by growth in the Global Business and the Building Materials Business. The remaining JPY2.2 billion came from the improvement in gross profit margin. This was supported by a higher sales mix in the Global Business, which carries higher margins, as well as a higher e-commerce ratio in the Home Products Business.

On the other hand, SG&A expenses increased by approximately JPY3.5 billion, mainly due to higher personnel expenses, service fees, advertising expenses, and depreciation and amortization. Despite these cost increases, we were able to offset them through higher gross profit.

- Gross profit margin improved due to initiatives in each business.



Gross profit margin improved

- Gross profit reached a record high driven by strong sales
- Succeeded in raising awareness in each business division to secure appropriate profits

SG&A expense ratio increased

- SAP ERP implementation (Phase 1: August 2022, Phase 2: January 2026)
- Depreciation and amortization increased due to investments in logistics
- Developed logistics bases during the previous Medium-Term Management Plan period, keeping the ratio to sales under control amid soaring logistics costs

Targets for the Final Year of the Medium-Term Management Plan (FY2027)

Operating profit margin: 2.7%

- Further improvement in gross profit margin
- Radically review SG&A expenses, including streamlining sales activities

Now, let me highlight three achievements from FY2025.

The first is the improvement in our gross profit margin. The second is the acceleration of our global expansion. And the third is the continued growth of the Building Materials Business.

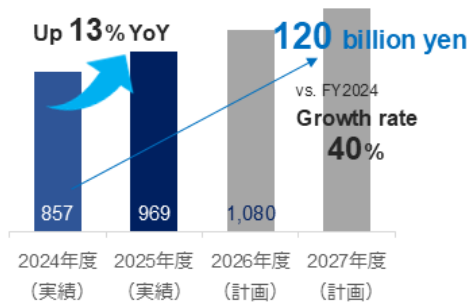
Let me begin with the improvement in our gross profit margin. Both the Global Business and the Building Materials Business, which carry higher margins, performed strongly. In addition, nearly all of our businesses improved profitability. I have consistently encouraged our teams to maintain appropriate profit levels, and I believe that mindset has now become firmly established across the Company. These results reflect the steady efforts made at the operational level.

On the other hand, SG&A expenses increased, mainly due to higher depreciation and amortization associated with investments in our core systems and logistics infrastructure. Compared with our peers, we still do not believe our operating profit margin is at a satisfactory level. We will continue improving gross profit while thoroughly reviewing SG&A expenses. Through these efforts, we aim to strengthen our operating profit margin and further enhance our earnings capability.

Sales Plan

Capturing global capital investment demand and aiming for 40% sales growth during the Medium-Term Management Plan period

(Billion yen)



- Execute M&A to expand business domains (not consolidated in FY2026)

Malaysia (CK Mac Global Sdn. Bhd.)

- Acquired a top-class local machinery trading company as a subsidiary. Will strengthen Yamazen's presence in the region by complementing management resources with existing local subsidiaries.
- Actual results for FY2024/8 (pro forma, 1 Malaysian ringgit = 36 yen)
Sales: approx. 2.8 billion yen, Income before income taxes: approx. 0.3 billion yen

Indonesia (PT. Somagede Indonesia)

- Acquired as a subsidiary a local trading company handling cutting tools from Japanese manufacturers and adhesives from global manufacturers. Will efficiently strengthen and expand the business base, including a broad network of bases, by complementing management resources with existing local subsidiaries.
- Actual results for FY2024/12 (1 Indonesian Rupiah = 0.0093 yen)
Sales: approx. 3.3 billion yen, Operating profit: approx. 0.18 billion yen

Germany

- Plustech Inc. (our consolidated subsidiary), established in the U.S. in 2004 as a joint venture with Sodick Co., Ltd., opened a subsidiary in Germany to expand its business horizontally.
- Will provide sales and services of injection molding machines for the medical equipment and precision electronic components industries by leveraging our sales capabilities and Sodick's technological expertise.

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The second achievement is the acceleration of our global expansion.

This fiscal year marks the second year of our medium-term management plan, and the Global Business is the key driver of the plan. For the Global Business, we are targeting net sales of JPY120 billion, representing a 40% increase from FY2024, the final year of the previous plan. This target excludes the impact of M&A, and we are steadily making progress toward achieving it.

At the beginning of the fiscal year, North America faced challenges due to tariffs and high interest rates. Taiwan also continued to experience weakness in semiconductor-related investment. However, from the beginning of 2026, we captured the recovery in demand and regained momentum. In China, we benefited from stronger domestic demand driven by government economic policies and active capital investment. ASEAN also performed strongly throughout the year, supported by domestic demand in each country as well as demand related to production shifts into the region. As a result, net sales increased 13% YoY. If we continue growing at this pace, we believe the JPY120 billion target is well within reach. Overall, we view the progress to date as very encouraging.

Although not included in the JPY120 billion target, we also completed two overseas M&A transactions involving machinery trading companies in Malaysia and Indonesia. These initiatives are progressing steadily. Going forward, we will continue expanding our footprint and market coverage while further accelerating our global development.

- Despite sluggish housing starts, the Building Materials Business posted increased sales for the fifth consecutive fiscal year, contributing to the improvement of company-wide sales and profit margins
- Increased sales in all quadrants: New / Existing (Renovation) × Residential / Non-residential

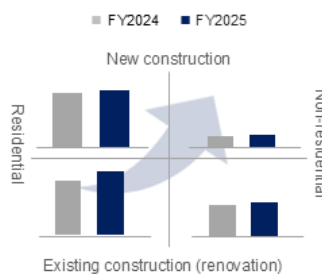
Segment Performance Trends



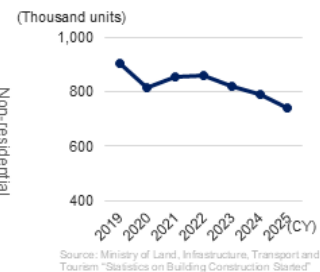
Steady expansion driven by multifaceted initiatives

- Policy**
 - Strengthened "non-residential sectors" such as offices and factories
 - Continuous cultivation of new distributors
- Measures (Examples)**
 - Captured energy-saving demand, such as the replacement of air conditioners and water heaters
 - Renovation proposals for non-residential buildings combining environmental products such as solar power generation

Sales Image by Quadrant



Number of housing construction starts



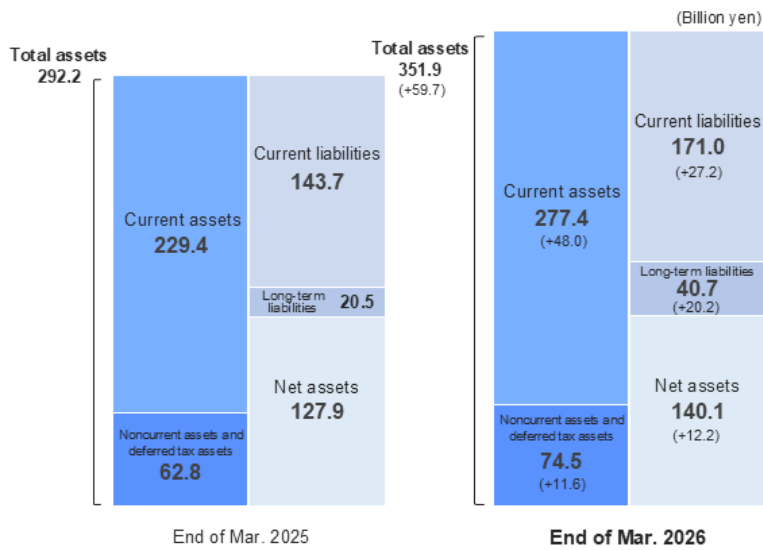
Source: Ministry of Land, Infrastructure, Transport and Tourism "Statistics on Building Construction Started"

The third point is the growth of the Building Materials Business.

The Building Materials Business tends to generate mixed reactions among investors. Some investors say that because the business has been performing well, they do not see it as a major issue to focus on. On the other hand, investors who closely follow the business often ask why it has been performing so strongly. The business has achieved five consecutive years of revenue growth and has made a significant contribution to the Company's overall growth in both net sales and profit.

There are several factors behind this growth. Even as new housing starts continue to decline, we have strengthened not only our core housing-related business but also non-residential areas such as offices and factories. We have also expanded our renovation business. Each individual initiative may appear modest, but the accumulation of these efforts is steadily producing results.

Last year, we captured replacement demand for air conditioning equipment and water heaters, as well as broader energy-saving needs. We also promoted solutions combining solar power systems and storage batteries for factories and offices. In the home renovation market, many of you may have seen renovation corners inside major electronics retailers. Behind the scenes, YAMAZEN provides training on products and sales methods to these retailers, helping stimulate demand. By steadily executing these initiatives one by one, we have expanded the number of manufacturers and distributors working with us. We believe this steady expansion is driving the overall growth of the business.



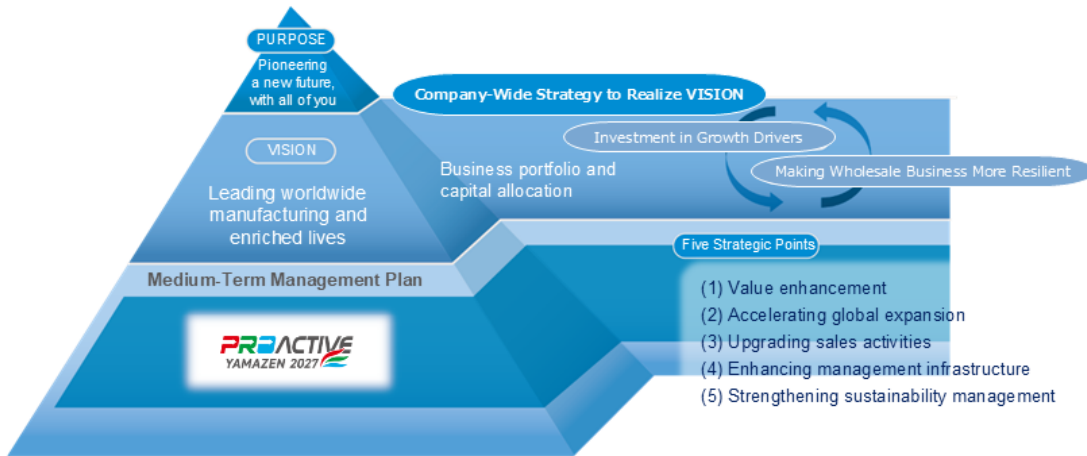
End of Mar. 2025	Item	End of Mar. 2026
6.1%	ROE	7.0%
43.3%	Shareholders' equity ratio	39.3%
1,481.00 yen	Net assets per share	1,612.56 yen
112.5 billion yen	Market cap	123.3 billion yen
8.3 billion yen	Basic operating cash flow	13.4 billion yen

- ※ 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 changes in working capital from operating cash flow.
- ※ Rounded down to the nearest 100 million yen.
- ※ Figures in parentheses in the graphs represent the change from the end of the previous fiscal year.

This is our consolidated financial position.

Total assets increased mainly due to the issuance of JPY28 billion in convertible bonds. I will explain this in more detail later in the presentation.

The Overall Framework of Strategies and Initiatives to Realize the 2030 Corporate Vision



Now, I would like to move on to our medium-term management plan and our earnings outlook.

Our three-year plan, PROACTIVE YAMAZEN 2027, began in FY2025, and this year marks the second year of the plan.

To achieve our purpose and vision, we are strengthening our wholesale business while investing in our growth drivers. Through these efforts, we aim to build a more resilient and well-balanced business portfolio. To support this objective, we have identified five strategic points.

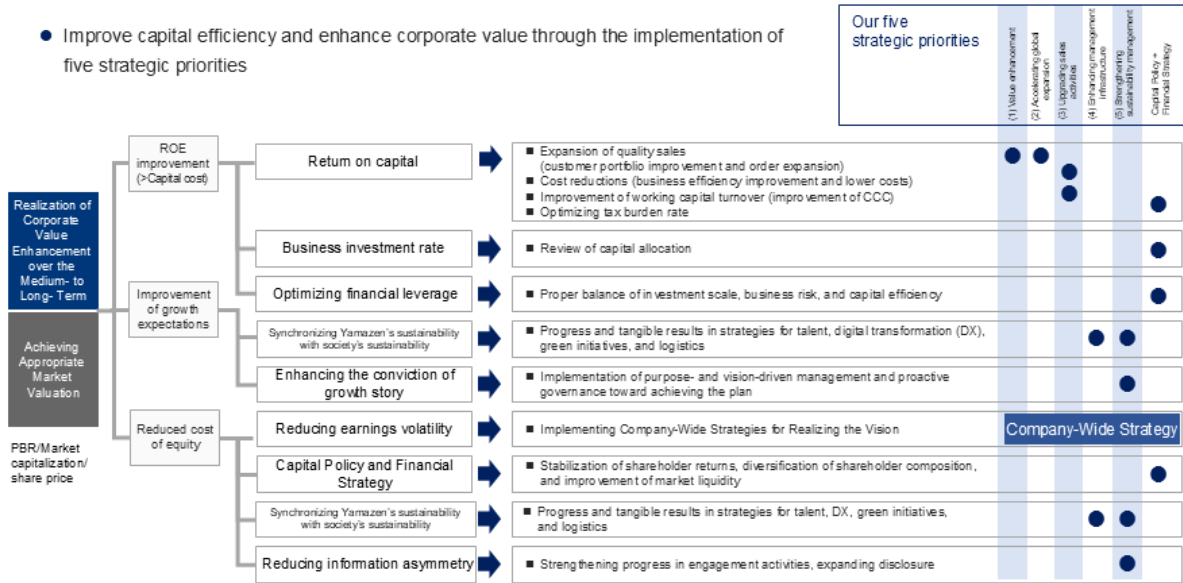
- Each business segment will implement initiatives in line with the five strategic priorities.



They are shown in this slide.

The first is advancing value creation. The second is accelerating our global expansion. The third is enhancing our sales capabilities. The fourth is strengthening our management foundation. And the fifth is reinforcing sustainability management. By promoting these initiatives across all business divisions and headquarters functions, we will work toward achieving the goals of our medium-term plan.

- Improve capital efficiency and enhance corporate value through the implementation of five strategic priorities



This chart illustrates how these strategic points contribute to enhancing corporate value.

Each of the five points is linked to initiatives aimed at improving ROE, increasing growth expectations, and reducing the cost of equity. By steadily executing these strategies, we will continue enhancing our corporate value.

- The Group's performance is influenced mainly by capital investment in the Production Equipment segment and by personal consumption in the Consumer Goods segment
- The external environment is generally improving, but the impact of the situation in the Middle East remains a concern.

External Environment		Business Segments Mainly Affected	FY2025		FY2026	
			1-3Q	4Q		
Global Situation	Increase in logistics costs associated with soaring crude oil prices	All segments	-	-	☹️	
	Impact of naphtha supply instability (coating for end products [machine tools, industrial tools, etc.], machine oils, housing construction materials, plastic products, etc.)	All segments	-	-	☹️	
Domestic	Capital investment appetite among small and midsize manufacturers—our end-users—remained weak	Machine Tools Tool & Engineering	☹️	☹️	☹️	
	Recovery in the semiconductor industry	Machine Tools, Industrial Solutions	☹️	😊	😊	
	High needs for automation and labor-saving solutions due to labor shortages	Industrial Solutions	😊	😊	😊	
	Continued willingness to invest in energy-saving equipment amid high energy prices	Industrial Solutions	😊	😊	😊	
	Replacement demand for housing equipment remained firm despite a downtrend in new housing starts	Building materials	😊	😊	😊	
	Rising prices outpace wage increases, leading to continued frugality and selective purchasing trends for durable consumer goods.	Home Products	☹️	☹️	☹️	
Global	North America	Recovery in the defense, aerospace, and power generation industries in 2H	Global	☹️	😊	😊
	Taiwan	Demand related to AI and semiconductors increasing from 2H	Global	☹️	😊	😊
	China	Government stimulus measures and policies promoting reinvestment in manufacturing are boosting capital investment	Global	😊	😊	😊
	ASEAN	Capital investment demand remains active due to the domestic manufacturing industry and production transfers from other regions	Global	😊	😊	😊

Here you can see our view of the external environment as we move from FY2025 into FY2026 I will not go into all the details, but there remains uncertainty, including geopolitical risks, making the outlook difficult to predict. Even so, we are seeing some positive signs in capital investment trends, both in Japan and overseas.

Net sales +5.2% YoY

Although the economic environment remains uncertain, we will capture recovery demand centered on production equipment and effectively utilize the business foundation that has been implemented and expanded to strengthen sales capabilities and further expand market share.

Operating profit: +10.4% YoY

Although amortization of core and logistics system costs, as well as increases in personnel and logistics-related expenses, are expected, we aim to further improve the gross profit margin and review SG&A expenses, including streamlining sales activities.

(Million yen)

	FY2025 Results	FY2026 Forecasts	YoY
Net sales	541,885	570,000	+5.2%
Operating profit	12,041	13,300	+10.4%
Operating profit margin	2.2%	2.3%	+0.1pt
Ordinary profit	13,010	13,800	+6.1%
Profit attributable to owners of parent	9,330	9,000	-3.5%

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Based on this outlook, let me explain our earnings plan for FY2026.

We are targeting net sales of JPY570 billion, up 5.2% YoY, and operating profit of JPY13.3 billion, up 10.4% YoY.

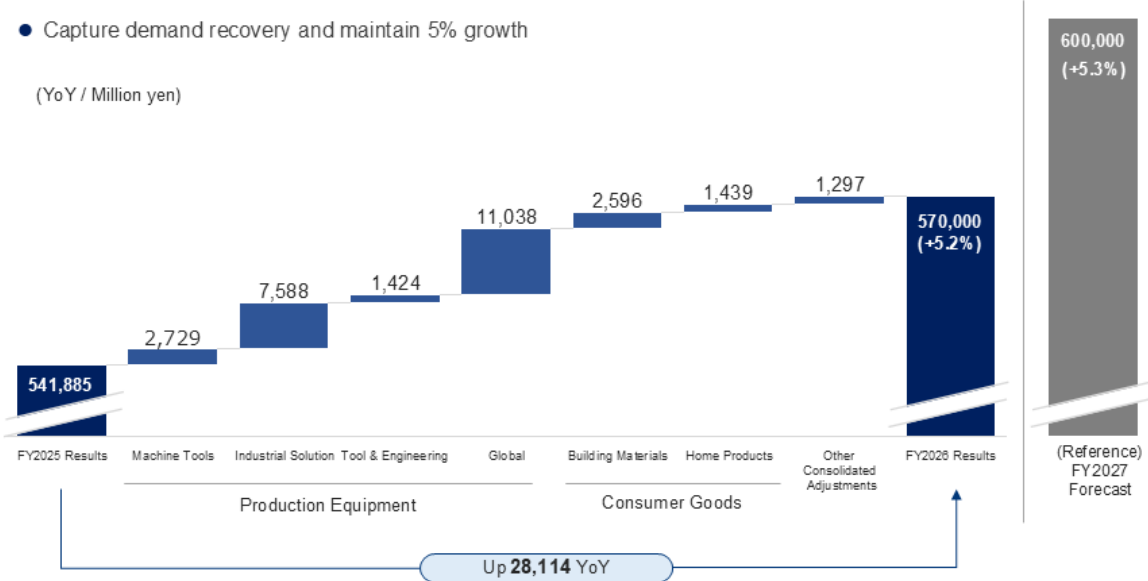


Full-Year Earnings Forecast for FY2026: Sales Analysis by Business Segment



- Capture demand recovery and maintain 5% growth

(YoY / Million yen)



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This chart shows our FY2026 net sales plan by segment.

We expect revenue growth across all segments. Let me walk you through the details while also reflecting on our FY2025 performance.

		Previous MTP Results	Mid-term Management Plan					
		FY2024	Results		Plan		Plan	
			FY2025	YoY	FY2026	YoY	FY2027	Change vs. Previous MTP
Net sales	Machine Tools	72,217	71,270	-1.3%	74,000	+3.8%	77,000	+6.6%
	Industrial Solution	95,049	99,411	+4.6%	107,000	+7.6%	112,000	+17.8%
	Tool & Engineering	80,204	81,575	+1.7%	83,000	+1.7%	88,000	+9.7%
	Domestic Total	247,471	252,257	+1.9%	264,000	+4.7%	277,000	+11.9%
Segment Profit (Domestic & Overseas Total)		8,291	10,423	+25.7%	12,500	+19.9%	13,500	+62.8%
Segment Profit Margin (Domestic & Overseas Total)		2.5%	3.0%	+0.5pt	3.4%	+0.4pt	3.4%	+0.9pt

* The forecasts by segment for FY2027 were revised on May 13, 2026, and certain figures within T&E were reclassified into Industrial Solution for FY2026 and FY2027.

FY2025 Results

- Machine Tools** Sales of machine tools to major auto parts processing manufacturers were slightly lower than the previous year.
- IS** Sales of equipment and machinery for responding to automation, labor-saving and improving the working environment remained strong.
- T&E** Sales of various work supplies used at production sites and small equipment were strong.



Participated in the "J-HRT" consortium to accelerate the social implementation of humanoid robots, which are seeing growing demand

Initiatives for FY2026 (Examples)

- Machine Tools** Expand sales of machine tools and increase orders by utilizing subsidies. Cultivate new customers by expanding sales of not only machine tools but also metal forming machines, industrial machinery, machine peripheral equipment, etc.
- IS** Accelerate solution proposals for automation, labor saving, workload reduction, environmental improvement, etc. Expand sales of original products and strengthen new product development.
- T&E** Strengthen approaches to new fields and growth industries. Strengthening the development and expanding the sales of original products. Improve operational efficiency by automating order-taking operations through "Teraiid".

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Let me begin with the domestic production equipment segment.

In FY2025, the Machine Tools Business was affected by the slowdown in the automotive industry. However, from the beginning of the calendar year, we benefited from recovering semiconductor-related demand, and orders have remained firm. In FY2026, we will work to stabilize the business by leveraging subsidy programs and expanding sales not only of machine tools but also forging presses and industrial machinery, thereby broadening our customer base.

In the Industrial Solutions Business, FY2025 performance was strong, driven by demand for automation and improvements in workplace environments. We expect these needs to continue growing. We are also focusing on the development of original products. By accelerating proposals that directly address customer challenges, we aim to achieve net sales of more than JPY100 billion in this segment this fiscal year.

In the Tool & Engineering Business, FY2025 results were affected by weakness in the automotive sector, but sales of work tools and small devices remained strong. In FY2026, we will actively target growth industries such as aerospace, as well as new areas including railways. By expanding our lineup of original products, we aim to use them as entry points into new markets while also contributing to higher gross profit margins.

You may also have seen increased media coverage of humanoid robots recently. We are actively working toward their practical implementation in society. As shown in the center photo, humanoid robots cannot function without motion-tracking data based on human movement. To address this, we are collaborating across industries to establish Japan's first private-sector physical data center, where such data can be accumulated and shared among multiple companies.



Segment Results/Plan (Overseas Production Equipment)



		Previous MTP Results		Mid-term Management Plan				(Million yen)	
		Results		Plan		Plan			
		FY2024	FY2025 YoY	FY2026 YoY	FY2027	Change vs. Previous MTP			
Net sales	Global	85,733	96,961 +13.1%	108,000 +11.4%	120,000	+40.0%			
	Segment Profit (Domestic & Overseas Total)	8,291	10,423 +25.7%	12,500 +19.9%	13,500	+62.8%			
	Segment Profit Margin (Domestic & Overseas Total)	2.5%	3.0% +0.5pt	3.4% +0.4pt	3.4%	+0.9pt			

* Segment profit for the Production Equipment Business is undisclosed.

FY2025 Results

- Made up for delays up to the third quarter by capturing demand related to aerospace, power generation, and data centers in North America, and AI and semiconductors in Taiwan.
- We captured demand from capital investment by domestic demand-oriented companies in China and in ASEAN due to the transfer of production from other countries, with results remaining strong.

Initiatives for FY2026 (Examples)

- Improve profitability by optimizing the product portfolio and developing strategic inventory
- Develop markets for semiconductor-related products and new energy, etc., and expand the range of products handled
- Promote cross-border marketing strategies and the development of bases that support global manufacturing

Countries/Areas where Sales are to Grow

In order of increase in sales for FY2024/FY2027



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Next is the global production equipment segment.

We have operations across four regions: North America, China, Taiwan, and ASEAN. Until Q3 of FY2025, performance varied by region, but for the full-year, all regions delivered significant YoY growth, making a strong contribution to company-wide sales and profit. This remains the business where we expect the strongest growth in FY2026.

YAMAZEN now operates 89 locations across 15 countries and regions. Because each market requires different products, we build product portfolios tailored to the industrial characteristics of each region. By responding quickly and flexibly to customer needs, we aim to further strengthen our earning power. In addition to strong semiconductor-related demand, we will actively expand into new markets such as renewable energy while broadening our lineup of machinery and mechanical components.

Another key initiative is our cross-border strategy, which leverages our extensive regional network. This includes cross-border sales activities, technical support, and assistance with equipment installation. This is one of YAMAZEN's unique strengths, made possible by the close collaboration among our global offices, each with deep expertise in local market development. We will continue capturing demand and expanding our cross-border business this fiscal year. Although geopolitical risks and supply chain shifts may continue to create uncertainty, we will flexibly adjust our regional strategies in response to changes in the external environment. With our JPY120 billion sales target for FY2027 in mind, we are targeting JPY108 billion in FY2026.

	Previous MTP Results	Mid-term Management Plan					
		Results		Plan		Plan	
		FY2024	FY2025	YoY	FY2026	YoY	FY2027
Net sales	78,623	87,403	+11.2%	90,000	+3.0%	93,000	+18.3%
Segment Profit	3,192	3,662	+14.7%	3,700	+1.0%	4,000	+25.3%
Segment Profit Margin	4.1%	4.2%	+0.1pt	4.1%	-0.1pt	4.3%	+0.2pt

* Forecasts by segment for FY2027 were revised on May 13, 2026.

FY2025 Results

- Sales of air conditioning equipment were strong due to the extreme heat and demand for energy-saving renovations and replacement of products such as water heaters that meet consumers' cost-saving needs also remained firm.
- We strengthened proposals for facility renovations that combine environmentally friendly materials and construction in the non-residential sector such as office buildings, which improved the profit margin

Initiatives to establish the non-residential business



To establish the non-residential business, stepped up seminars on corporate decarbonization for distributors and the dissemination of information on subsidies. Supported the creation of energy-saving scenarios for users, including solar power generation

Initiatives for FY2026 (Examples)

- Strengthen sales efforts for installation projects handled in-house or by partner companies
- Focus on new energy proposals such as PPAs and bundled proposals for solar power and storage batteries
- Focus on the renovation support business for home appliance retailers
- Generate service revenue by strengthening subsidy support activities and consulting services for municipalities

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Next is the Building Materials Business.

This segment has achieved five consecutive years of revenue growth. In FY2025, sales of air-conditioning equipment and replacement demand for water heaters remained strong. In addition, in the non-residential sector, including office buildings and factories, we improved profitability through renovation projects combining energy-efficient equipment with installation services.

As you know, new housing starts continue to trend downward. Even so, we will further expand our strong renovation and renewal business for general consumers. For corporate customers, we will strengthen proposals for solar power and storage battery solutions, as well as other new-energy solutions. By enhancing our expertise in construction management, we will increase the number of value-added projects that include installation work and improve overall profitability. In addition, through support for subsidy applications for small and mid-sized manufacturers and strengthened consulting services for municipalities, we aim to achieve net sales of JPY90 billion.

	(Million yen)						
	Previous MTP Results	Results		Mid-term Management Plan Plan		Plan	
		FY2024	FY2025	YoY	FY2026	YoY	FY2027
Net sales	100,883	101,560	+0.7%	103,000	+1.4%	110,000	+9.0%
Segment Profit	4,449	4,810	+8.1%	4,900	+1.9%	5,500	+23.6%
Segment Profit Margin	4.4%	4.7%	+0.3pt	4.8%	+0.0pt	5.0%	+0.6pt

* Forecasts by segment for FY2027 were revised on May 13, 2026.

FY2025 Results

- Expanding the product lineup and improving information dissemination of the YAMAZEN brand (private brand) through social and other media.
- Sales remained solid for workwear with built-in cooling fans and spot coolers due to the extreme heat last summer, and by sales channel, growth in e-commerce contributed to increased sales.
- Sales also grew on online platforms such as Rakuten, and net sales and membership also grew steadily on Yamazen Bizcom, our own e-commerce site for corporations and sole proprietors.

Yamazen Bizcom Membership Trends



Initiatives for FY2026 (Examples)

- Enhance the development capabilities, product mix, and brand strength of private brand products
- Improve service levels through the operation of a dedicated EC logistics facility
- Develop B2B sales channels
- Expand sales and membership at Yamazen Bizcom, our own e-commerce site

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Lastly, the Home Products Business.

In H1 of FY2025, the extreme summer heat drove strong sales of fan-equipped apparel and portable air conditioners. We also strengthened promotions for our private-brand products through TV commercials and active communication on social media platforms such as X and Instagram. EC sales through platforms such as Rakuten also grew steadily, while our own EC site, YAMAZEN Bizcom, continued to see increases in both sales and membership. As a result, the segment achieved more than JPY100 billion in net sales for the sixth consecutive year.

In FY2026, we will continue strengthening the development and brand recognition of our private-brand products while enhancing our EC capabilities, including logistics. We will also further expand both membership and sales on YAMAZEN Bizcom to drive continued growth.



Medium-Term Management Plan: By Segment



(Million yen)

		Net sales						Segment profit (based on disclosed segments, bottom row is operating profit margin)						
		Results		FY2026 Forecasts		FY2027 Forecasts		Results		FY2026 Forecasts		FY2027 Forecasts		
		(Previous Medium-term Plan) FY2024	FY2025		Vs. FY2025 Results		Vs. Previous Medium-term Plan	(Previous Medium-term Plan) FY2024	FY2025		Vs. FY2025 Results		Vs. Previous Medium-term Plan	
Production Equipment	Machine Tools	72,217	71,270	74,000	+3.8%	77,000	+6.6%							
	Industrial Solution	95,049	99,411	107,000	+7.6%	112,000	+17.8%							
	Tool & Engineering	80,204	81,575	83,000	+1.7%	88,000	+9.7%							
	Domestic total	247,471	252,257	264,000	+4.7%	277,000	+11.9%							
	Global	85,733	96,961	108,000	+11.4%	120,000	+40.0%							
	Total	333,205	349,218	372,000	+6.5%	397,000	+19.1%	8,291	10,423	12,500	19.9%	13,500	+62.8%	
							2.5%	3.0%	3.4%	+0.4pt	3.4%	+0.9pt		
Consumer Goods	Building materials	78,623	87,403	90,000	+3.0%	93,000	+18.3%	3,192	3,662	3,700	1.0%	4,000	+25.3%	
							4.1%	4.2%	4.1%	-0.1pt	4.3%	+0.2pt		
	Home Products	100,883	101,560	103,000	+1.4%	110,000	+9.0%	4,449	4,810	4,900	1.9%	5,500	+23.6%	
								4.4%	4.7%	4.8%	+0.0pt	5.0%	+0.6pt	
Total	179,506	188,964	193,000	+2.1%	203,000	+13.1%	7,641	8,473	8,600	1.5%	9,500	+24.3%		
							4.3%	4.5%	4.5%	-0.0pt	4.7%	+0.4pt		
Other	3,414	3,702	5,000	+35.0%	0	-	-6,396	-6,854	-7,800	-	-7,000	-		
							-	-	-	-	-	-		
Consolidated	516,126	541,885	570,000	+5.2%	600,000	+16.3%	9,535	12,041	13,300	10.4%	16,000	+67.8%		
							1.8%	2.2%	2.3%	+0.1pt	2.7%	+0.8pt		

*The forecasts by segment for FY2027 were revised on May 13, 2026, and certain figures within T&E were reclassified into Industrial Solution for FY2026 and FY2027.

This table summarizes the targets for each segment under our medium-term management plan. I will not go into the details here.

■ Sales/Profits

(Million yen)

	(Previous Medium-term Plan) FY2024 Results	FY2025 Results	FY2026 Forecasts Vs. FY2025 Results	FY2027 Forecasts Vs. Previous Medium-term Plan
Net sales	516,126	541,885	570,000 +5.2%	600,000 +16.3%
Operating profit	9,535	12,041	13,300 +10.4%	16,000 +67.8%
(Operating profit margin)	1.8%	2.2%	2.3% +0.1pt	2.7% +0.9pt
Ordinary profit	10,018	13,010	13,800 +6.1%	16,000 +59.7%
Profit attributable to owners of parent	7,845	9,330	9,000 -3.5%	11,000 +40.2%

■ Management Indicators

(Million yen)

	(Previous Medium-term Plan) FY2024 Results	FY2025 Results	FY2026 Forecasts Vs. FY2025 Results	FY2027 Forecasts Vs. Previous Medium-term Plan
Return on Equity (ROE)	6.1%	7.0%	6.5% -0.5pt	8.0% +1.9pt
Basic operating cash flow	8,341	13,470	13,800 +2.4%	14,000 +67.8%
Shareholders' equity ratio	43.3%	39.3%	40~45% -	40~45% -

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These are our targets for net sales, profits, and key management indicators under the plan.

In the final year of the plan, FY2027, we aim to strengthen our earning power and achieve net sales of JPY600 billion and operating profit of JPY16 billion. As for ROE, our goal is to bring it back to 10% in the next medium-term management plan. Under the current plan, our target is to achieve 8% by the final year.

As part of our initiatives to further enhance corporate value, we have entered into a strategic partnership with Advantage Partners (“AP”) and have arranged secure financing.



About AP's private solutions to support the growth of listed companies

- ✓ The team responsible for private investments to support the growth of listed companies* within the Advantage Partners Group, a pioneer in domestic private equity funds (PE funds).
- ✓ They have a proven track record of supporting the discontinuous growth of corporate value for many listed companies.

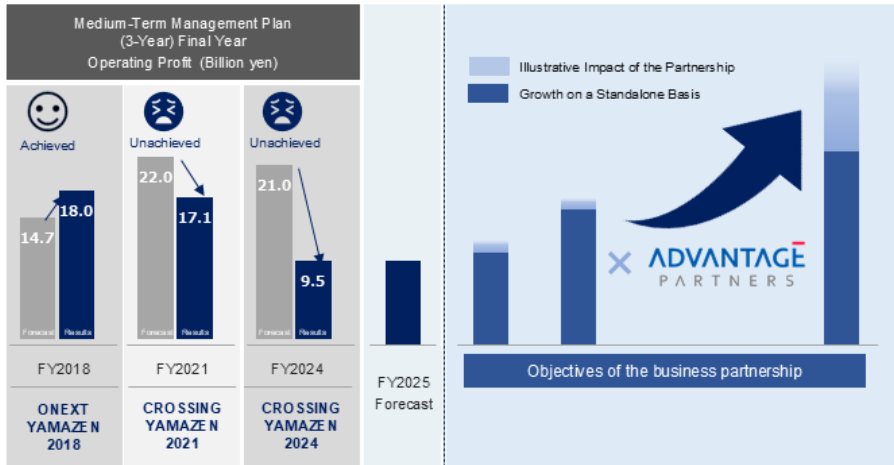
*The team that invests in listed companies through shares, convertible bonds, share acquisition rights etc. and strives towards improvement of corporate value together with management.

Next, I would like to explain our business partnership with Advantage Partners.

Advantage Partners is a private equity fund with a strong track record of supporting the growth of listed companies. Under this partnership, they will provide both financial and operational support. Alongside the business alliance, we issued JPY25 billion in zero-coupon convertible bonds, or CBs. The purpose of this partnership is to translate YAMAZEN's potential into tangible results and significantly strengthen our execution capabilities. We aim not only to improve the quality of our plans but also to accelerate execution.

By further expanding functions during the current medium-term plan, we will improve our growth potential early on.

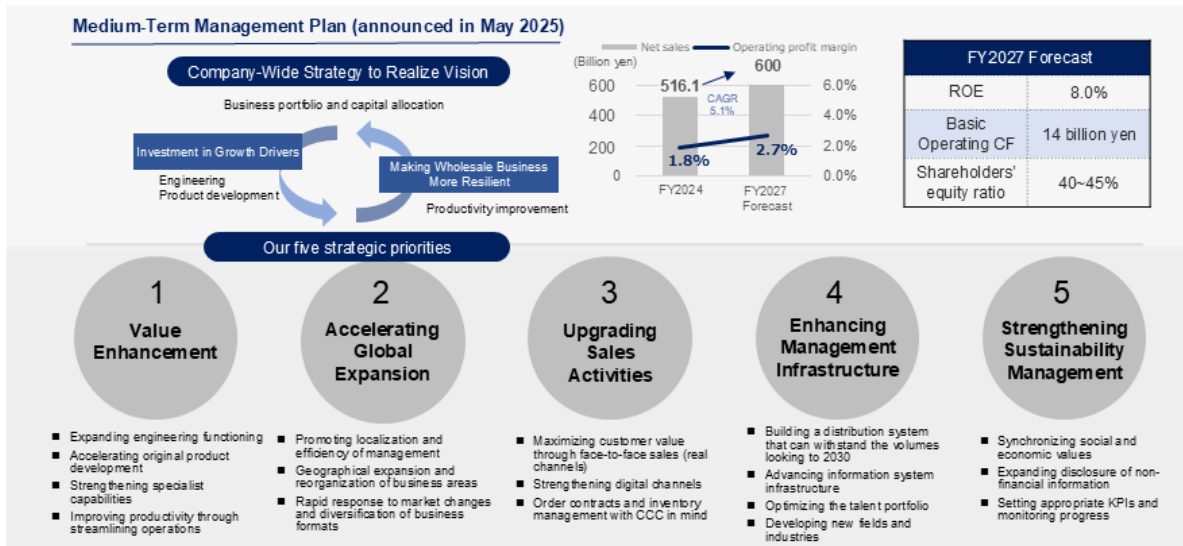
Growth Image



On the left, you can see the operating profit achievement levels under our past three medium-term management plans.

Unfortunately, we fell short of our targets in two of the three plans. While we have continued investing to strengthen our earning power, we believe we did not create sufficient new value or execute with enough speed and intensity. The targets of the current medium-term management plan are non-negotiable. With the support of Advantage Partners, we will accelerate execution and deliver results beyond what we could achieve on our own.

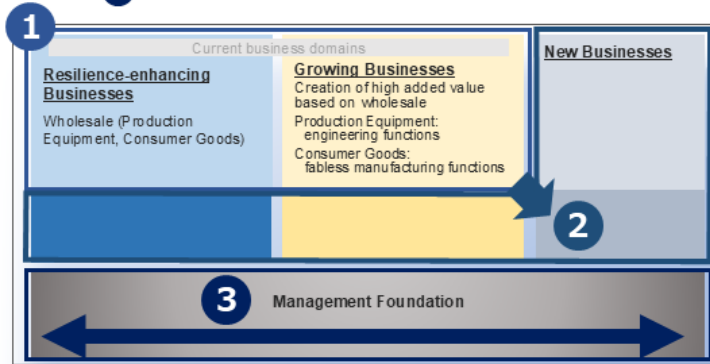
Sharpen our five strategic priorities to transform potential into measurable outcomes.



In developing this combined framework of business partnership and financing, we spent several months in in-depth discussions with Advantage Partners. As a result, the five strategic points outlined in our medium-term management plan aligned almost perfectly with the areas that Advantage Partners, through extensive analysis, identified as YAMAZEN's latent strengths with further growth potential. In other words, this partnership is not about rewriting our plan. Rather, it is about increasing the speed and certainty of execution and bringing forward the growth potential of our corporate value.

**Turn transformational concepts into execution
and deliver step-change growth on an accelerated timeline**

- 1** Drive operational transformation
- 2** Accelerate expansion into new business domains
- 3** Embed best practices companywide

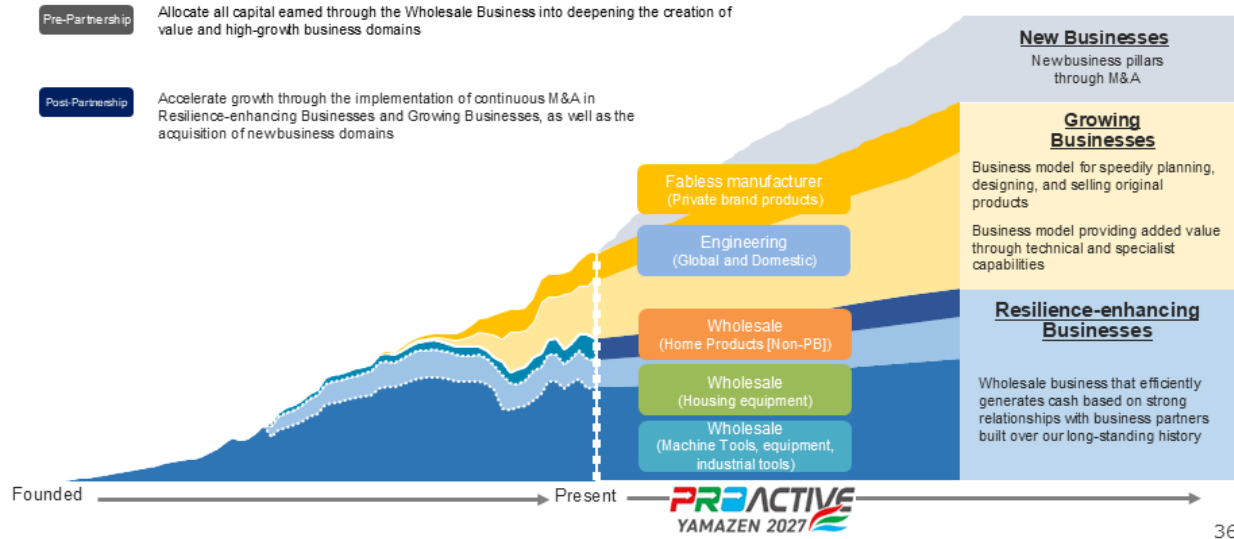


Expansion of value creation foundation

Let me illustrate this further.

The area marked “one” represents our current business domain. Here, we will strengthen our earning power by transforming and streamlining our wholesale-centered operations. The area marked “two” represents ongoing M&A initiatives, through which we will expand our existing business domains and establish new pillars of earnings. And “three” represents the management foundation that supports all of these initiatives. By incorporating external best practices into our organization, we will enhance decision-making and strengthen our talent and organizational capabilities. Together, these initiatives will expand our value-creation platform across both our business domains and management foundation.

Transform potential into measurable outcomes and materially accelerate growth



Let me reiterate our approach.

We position our wholesale operations as our resilience business, generating stable cash flow. We will allocate that capital, including the cash generated through these operations, to our growth businesses, such as engineering and our fables manufacturing operations. At the same time, we aim to accelerate growth further through ongoing M&A in each business domain and through expansion into new business areas.

Overview of Financing (Issuance of Convertible Bonds with Share Subscription Rights)

- We aim to reduce cash-based financing costs by securing zero-coupon funds.
- The CBs include a contingent conversion provision and an issuer acquisition/cash-settlement provision (par-value cash settlement through automatic exercise), designed to manage convertibility and limit potential shareholder dilution.

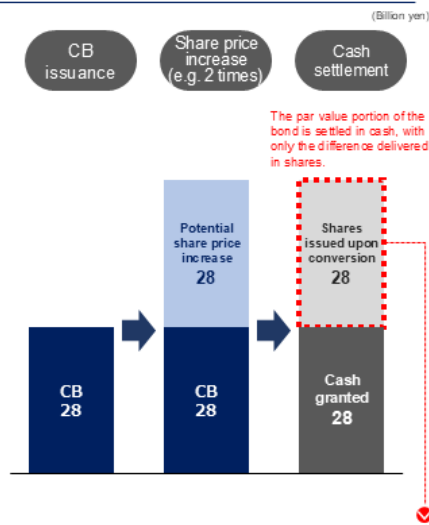
Convertible Bonds with Share Subscription Rights(CB)		
Date of contract / Date of issuance		February 12, 2026 / March 3, 2026
Scheduled allottee		AP PS IV S1, L.P.
Aggregate principal amount		28.0 billion yen (27,979,000,000yen)
Issuance overview	Interest rate	0.0%
	Maturity	5 years
Conditions for conversion to common shares	Conversion price	Initial conversion price(105% of the average closing price over the three months prior to the issuance resolution date) : 1,543yen Reference share price for conversion restrictions (set at 120% of the conversion price): 1,851 yen
	Conversion restriction period	Year 1: Non-convertible Year 2: Convertible up to a cumulative 34.7% of the total number of CB units issued Year 3: Convertible up to a cumulative 67.3% of the total number of CB units issued Year 4: Restrictions lifted (fully convertible)
Par-value cash settlement provision		Set with the aim of limiting shareholder dilution

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Here is an overview of the CB issuance.

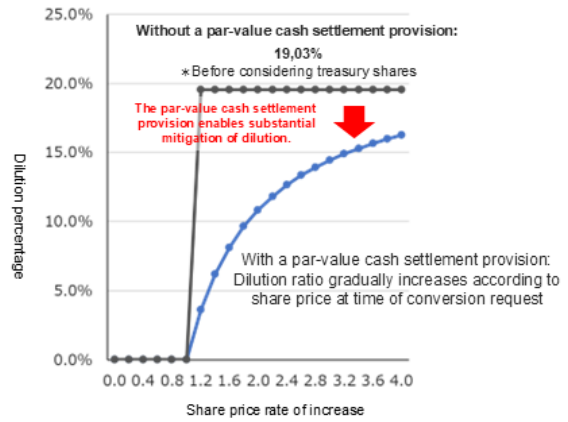
Alongside the business partnership, we issued JPY28 billion in CBs to Advantage Partners. The structure was carefully designed to minimize the impact on existing shareholders. As shown on the slide, we set a premium on the conversion price, and conversion is subject to phased restrictions beginning three years after issuance, helping prevent immediate dilution.

Conceptual diagram of an automatic-exercise, par-value cash-settled CB



The number of shares issued upon conversion is limited, resulting in **financing with significantly reduced dilution.**

Dilution comparison by financing structure (share-count basis)



In addition, the CBs include a cash settlement feature at face value.

Under this structure, the principal portion of the CBs will be settled in cash, while only the excess portion will be settled in shares. As illustrated on the right, this significantly reduces dilution compared with conventional CBs without such a feature. Following the financing, we will review our cash allocation flexibly based on the progress of growth investments and disclose updates in a timely manner.

- We will flexibly review and disclose cash allocations in a timely manner in accordance with the status of this financing and growth investments.
- In principle, our shareholder return policy remains unchanged.
- We will strengthen cash generation through the partnership and consider allocating the cash generated to M&A and other growth investments.

FY2025 to FY2030 (6 cumulative fiscal years)

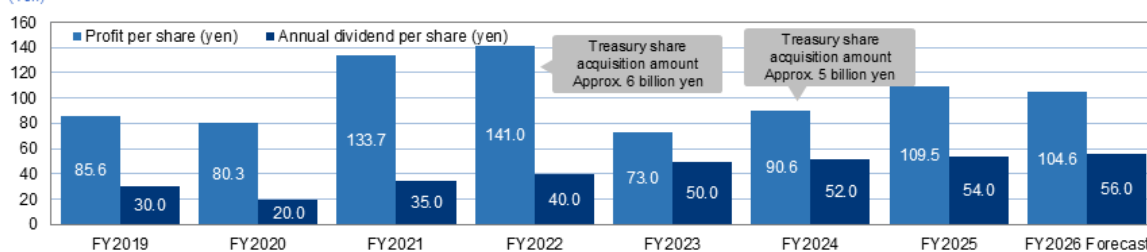
Cash inflows		Cash outflows	
External financing	Proposed CB	28	
	Borrowings, SB, CB, PO	25	Additional procurement of M&A funds
Internal financing	Operating cash flows (6-year cumulative)	100+	Expands "cash generation capabilities" through this strategy partnership
		*M&A upside is <u>not included</u> .	
Growth investment	M&A	50+	<ul style="list-style-type: none"> • M&A for business expansion • Continuously implemented through strengthening of organizational capabilities
	Capital investments	25	• Investments to accelerate growth strategy
Shareholder returns	Shareholder returns	50	<ul style="list-style-type: none"> • Adheres to the current return policy (either a payout ratio of 40% or a DOE of 3.5%, whichever is higher) • Includes the acquisition of treasury shares totaling ¥15 billion
	Proposed CB	28	• Par-value cash settlement

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Over the six years through FY2030, our cumulative operating cash flow, excluding the impact of M&A, is projected to reach JPY100 billion. Leveraging our partnership with Advantage Partners, we plan to execute ongoing M&A totaling approximately JPY50 billion over this six-year period. Through these initiatives, we will further strengthen our cash-generation capability and enhance corporate value.

- The higher amount between a 40% dividend payout ratio and a 3.5% dividend on equity will be adopted.

(Yen)



		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 Forecast
Dividend per share (yen)	Mid-year	16.0	10.0	10.0	20.0	20.0	20.0	20.0	20.0
	End of year	14.0	10.0	*25.0	20.0	30.0	32.0	34.0	36.0
	Annual	30.0	20.0	35.0	40.0	50.0	52.0	54.0	56.0
Payout ratio (%)		35.0	24.9	26.2	28.4	68.5	57.4	49.3	53.6
Dividend on equity ratio (DOE) (%)		3.0	1.9	2.9	3.0	3.5	3.5	3.5	3.5
Dividend paid (Million yen)		2,837	1,891	3,115	3,560	4,451	4,453	4,655	-
Amount of treasury share acquired (Million yen)		-	-	5,999	-	-	4,999	1,414	13,585
Total return ratio (%)		35.0	24.9	75.8	28.4	68.5	120.5	65.3	203.7

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Now, let me conclude with our approach to shareholder returns.

Our basic policy is to maintain a shareholder return framework based on whichever is higher: a dividend payout ratio of 40% or a DOE of 3.5%.

For FY2025, we applied the DOE standard and raised the year-end dividend per share from JPY32 to JPY34, resulting in a record annual dividend of JPY54. For FY2026, we plan to pay an annual dividend of JPY56 per share. Including the share buyback program of up to JPY15 billion launched in March, the total shareholder return ratio for FY2026 is expected to reach 203.7%. We will continue providing stable dividends while maintaining appropriate shareholder returns and improving capital efficiency.

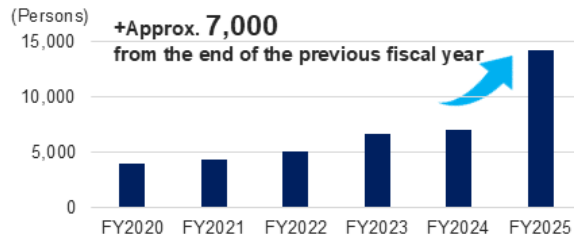
- A new shareholder benefit program has been established to deepen understanding of YAMAZEN-brand products and businesses through the shareholder benefits, and to attract individual investors by enhancing investment appeal.
- Gifts under the program will begin with shareholders of record as of March 31, 2026.

Details of the Benefit

Shareholders on the record date (end of March) will receive coupons usable on YAMAZEN Bizcom.

Number of Shares Held	Coupon Amount
100-299 shares	3,000 yen
300 shares or more	5,000 yen

Number of individual shareholders at end of period



YAMAZEN Bizcom

- ✓ Our own e-commerce site launched on May 10, 2022
- ✓ Handles 20,000 items—from consumer-use home appliances to office supplies for businesses—including YAMAZEN-brand products



yamazenbizcom.jp



▲Sales of fans and air circulators rank among the top categories



▲ "Biju-i" (stylish-looking design) rice cookers also garnered attention by featuring a popular idol in advertisements

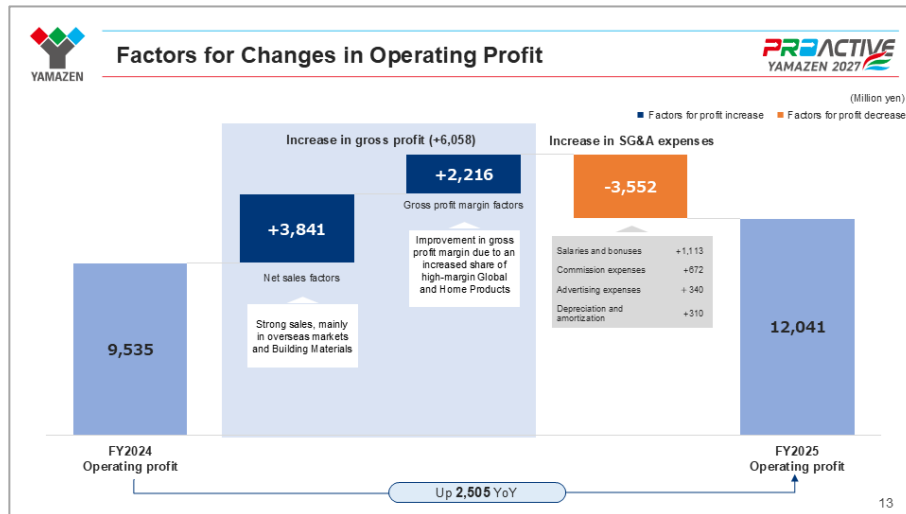
Lastly, I would like to introduce our new shareholder benefit program.

Starting with shareholders of record as of March 31, 2026, we will offer coupons that can be used on our EC site, YAMAZEN Bizcom, with benefit amounts determined by the number of shares held. This program is intended to enhance YAMAZEN's appeal to individual investors while also driving traffic to our EC platform and contributing to sales growth in the Home Products Business.

That concludes YAMAZEN's financial results briefing for FY2025. Thank you very much for your time and attention.

Question & Answer

[Q1]: Could you once again explain the factors behind the improvement in gross profit? Also, while gross profit has improved, operating profit still does not appear to be at a sufficient level compared with peers. How do you plan to improve this going forward?



[A1] Kishida: In the production equipment segment, the expansion of our global operations contributed to the improvement. In the consumer goods segment, higher sales in the Building Materials Business were a positive factor. Gross profit margin also improved. In production equipment, the sales mix improved as our Global Business, which operates on a direct-sales model, expanded. In consumer goods, the Home Products Business benefited from a higher EC ratio, which carries higher margins. In addition, across all businesses, our stronger focus on profitability and related initiatives has produced steady results.

On the other hand, in the Home Products Business, advertising expenses increased alongside the expansion of EC sales, and as a result, the segment profit increased only modestly. Company-wide, personnel expenses and logistics costs continue to rise, making disciplined cost control increasingly important. Going forward, we will continue improving gross profit while thoroughly reviewing costs in order to further strengthen our operating profit margin.

[Q2]: Do you expect the effects of SG&A cost controls to continue? Is the improvement sustainable?

[A2] Kishida: Alongside driving top-line growth, I have instructed the organization to thoroughly review administrative and promotional expenses so that we can steadily improve operating profit. We are beginning to see the positive effects of these efforts.

That said, we are not reducing expenses that are necessary for future growth. Rather, we are rigorously eliminating unnecessary costs. In our work with Advantage Partners as well, standardizing operations across business divisions and advancing digital transformation are key themes we need to address, and we intend to make further progress in these areas.

[Q3]: According to data from the Japan Machine Tool Builders' Association, machine-tool orders have recently been recovering. How are YAMAZEN's orders trending?

[A3] Sasaki: First, regarding the automotive sector, market conditions remain weak, and we expect this trend to continue for some time. On the other hand, since the beginning of the calendar year, capital investment in the semiconductor sector has become very active. In particular, demand for semiconductors used in data centers remains strong, which is driving demand for machine tools used in the production of semiconductor manufacturing equipment components. We have also been able to capture this demand successfully. We expect this favorable environment to continue for several years and intend to capture as much demand as possible.

In addition, during the previous fiscal year, we strengthened proposals leveraging subsidy programs. This contributed to securing large-scale projects, and as a result, our order intake has outperformed the industry data published by the Japan Machine Tool Builders' Association.

[Q4]: Please tell us how the situation in the Middle East is affecting your businesses. Also, have you factored this into your plan for the current fiscal year?

[A4] Sasaki: The situation in the Middle East remains highly uncertain, and therefore, we have not factored any impact into our earnings forecast at this stage. At present, we are not seeing any material impact on our businesses.

That said, for example, some machinery manufacturers are experiencing shortages of industrial oils, while others are facing thinner shortages that are preventing them from completing product painting and finishing processes. In the Building Materials Business, in addition to the widely reported supply instability involving bathroom units, we are also seeing broader impacts on building materials overall. As a result, we are closely monitoring the risk of delivery delays. On the other hand, manufacturers are raising prices in response to higher costs, and our basic policy is to appropriately pass those increases on through selling prices.

[Q5]: Compared with the materials from the earnings briefing last September, the sales targets for the final year of the medium-term plan have been revised upward for the Building Materials Business, while the domestic production equipment segment and the Home Products Business have been revised downward. Could you explain the background behind these changes?

		Net sales						Segment profit (based on disposed segments, bottom row is operating profit margin)					
		Results		FY2026 Forecasts		FY2027 Forecasts		Results		FY2026 Forecasts		FY2027 Forecasts	
		Previous Medium-term Plan FY2024	FY2025	FY2026 Forecasts	Vs. FY2025 Results	FY2027 Forecasts	Vs. Previous Medium-term Plan	Previous Medium-term Plan FY2024	FY2025	FY2026 Forecasts	Vs. FY2025 Results	FY2027 Forecasts	Vs. Previous Medium-term Plan
Production Equipment	Machine Tools	72,217	71,270	74,000	+3.8%	77,000	+6.6%	-	-	-	-	-	-
	Industrial Solution	95,049	99,411	107,000	+7.6%	112,000	+17.8%	-	-	-	-	-	-
	Tool & Engineering	80,204	81,575	83,000	+1.7%	88,000	+9.7%	-	-	-	-	-	-
	Domestic total	247,471	252,257	264,000	+4.7%	277,000	+11.9%	-	-	-	-	-	-
	Global	65,733	96,961	108,000	+11.4%	120,000	+40.0%	-	-	-	-	-	-
	Total	333,205	349,218	372,000	+6.5%	397,000	+19.1%	8,291	10,423	12,500	19.9%	13,500	+62.8%
Consumer Goods	Building materials	78,623	87,403	90,000	+3.0%	93,000	+18.3%	2.5%	3.0%	3.4%	+0.4pt	3.4%	+0.9pt
	Home Products	100,883	101,560	103,000	+1.4%	110,000	+9.0%	3,192	3,662	3,700	1.0%	4,000	+25.3%
								4.1%	4.2%	4.1%	-0.1pt	4.3%	+0.2pt
	Total	179,506	188,964	193,000	+2.1%	203,000	+13.1%	4,449	4,810	4,900	1.9%	5,500	+23.6%
							4.4%	4.7%	4.6%	+0.0pt	5.0%	+0.6pt	
							7,641	8,473	8,600	1.5%	9,500	+24.3%	
							4.3%	4.5%	4.5%	-0.0pt	4.7%	+0.4pt	
Other	3,414	3,702	5,000	+35.0%	0	-	-6,396	-6,854	-7,800	-	-7,000	-	
							-	-	-	-	-	-	
							-	-	-	-	-	-	
Consolidated	516,126	541,885	570,000	+5.2%	600,000	+16.3%	9,535	12,041	13,300	10.4%	16,000	+67.8%	
							1.8%	2.2%	2.3%	+0.1pt	2.7%	+0.6pt	

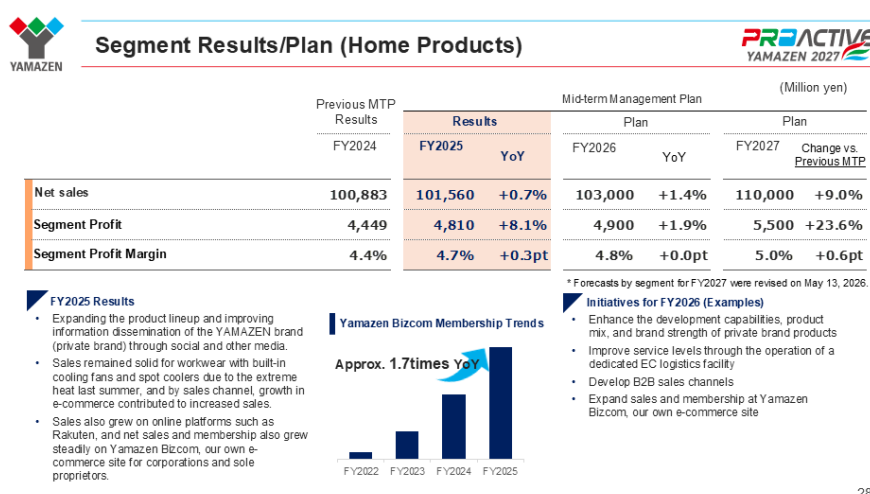
* The forecasts by segment for FY2027 were revised on May 13, 2025, and certain figures within T&E were reclassified into Industrial Solution for FY2026 and FY2027.

[A5] Sasaki: As for the Building Materials Business, as we mentioned earlier in the presentation, the various initiatives we have implemented are steadily producing results, and the business continues to show stable growth. Although there remains some uncertainty due to external factors, we intend to continue expanding our market share.

On the other hand, in the domestic production equipment segment, continued weakness in the automotive sector, which is our core market, is affecting overall performance. At the same time, demand related to semiconductors, automation, labor-saving equipment, and solutions aimed at reducing workloads on production floors remains strong. We will continue focusing on capturing these customer needs.

Regarding the Home Products Business, we view the current situation as a temporary pause in growth. Competition has intensified, with home improvement retailers developing their own private-brand products and companies from other industries entering the home appliance market. For us, this means we need to further sharpen our ideas and strengthen product differentiation. We also intend to redefine the YAMAZEN brand, which has been steadily gaining recognition, and elevate it to the next level.

[Q6]: Membership of YAMAZEN Bizcom, your B2B EC platform, has been growing significantly. Could you share the sales scale and EC ratio associated with this increase in membership?



[A6] Sasaki: I'm afraid we do not disclose sales figures for YAMAZEN Bizcom specifically. However, let me provide some context. For the Home Products Business as a whole, the EC ratio — including Yamazen Bizcom— now exceeds 30% and continues to increase year by year. YAMAZEN Bizcom is now entering its fourth year of operation, and membership has continued to grow steadily, surpassing 340,000 members as of April 2026. Our target for this fiscal year is 500,000 members.

Even in an environment of rising consumer prices, our extensive product lineup and B2B-oriented services, such as bulk purchasing, credit terms, and fast quotation responses, have been very well received. As mentioned earlier, we will also introduce shareholder benefit coupons for shareholders of record as of the end of March. Going forward, we aim to further expand our product lineup and enhance our services in order to attract more general consumers and encourage shareholders to become regular users of YAMAZEN Bizcom.

[Q7]: Please tell us about the progress of your global business.

		Segment Results/Plan (Overseas Production Equipment)				PR ACTIVE YAMAZEN 2027	
		Previous MTP Results		Mid-term Management Plan			
		Results		Plan		Plan	
		FY2024	FY2025 YoY	FY2026 YoY	FY2027 YoY	Change vs. Previous MTP	
Net sales	Global	85,733	96,961 +13.1%	108,000 +11.4%	120,000 +40.0%		
Segment Profit (Domestic & Overseas Total)		8,291	10,423 +25.7%	12,500 +19.9%	13,500 +62.8%		
Segment Profit Margin (Domestic & Overseas Total)		2.5%	3.0% +0.5pt	3.4% +0.4pt	3.4% +0.9pt		

* Segment profit for the Production Equipment Business is undisclosed.

FY2025 Results

- Made up for delays up to the third quarter by capturing demand related to aerospace, power generation, and data centers in North America, and AI and semiconductors in Taiwan.
- We captured demand from capital investment by domestic demand-oriented companies in China and in ASEAN due to the transfer of production from other countries, with results remaining strong.

Initiatives for FY2026 (Examples)

- Improve profitability by optimizing the product portfolio and developing strategic inventory
- Develop markets for semiconductor-related products and new energy, etc., and expand the range of products handled
- Promote cross-border marketing strategies and the development of bases that support global manufacturing

Countries/Areas where Sales are to Grow

In order of increase in sales for FY2024/FY2027

[A7] Kishida: Regarding the progress of the Global Business, performance in North America and Taiwan was weak through Q3. However, for the full-year, all overseas regions exceeded the previous year's results. Let me briefly touch on each region. In North America, although capital investment was sluggish at the beginning of the fiscal year due to tariffs and high interest rates, demand gradually recovered during the year, particularly in the aerospace and power generation industries.

In China, although foreign companies continued scaling back operations or withdrawing from the market, we were able to capture capital investment demand from domestic Chinese companies. For example, although EV-related demand is no longer a major focus of the government policy, there was still activity in that area. Looking ahead, we expect China's demand to expand further, supported by the government initiatives related to AI, semiconductors, and humanoid robotics.

In ASEAN, we captured both demand related to production shifts from other countries and solid domestic demand, resulting in steady performance throughout the year. While we do not disclose detailed figures, ASEAN led the Global Business in both sales growth and growth rate. In February, we acquired CK Mac Global, a machine tool trading company in Malaysia. In March, we also acquired PT. Somagede Indonesia, which handles machinery and tools. We will continue strengthening our M&A initiatives in the region.

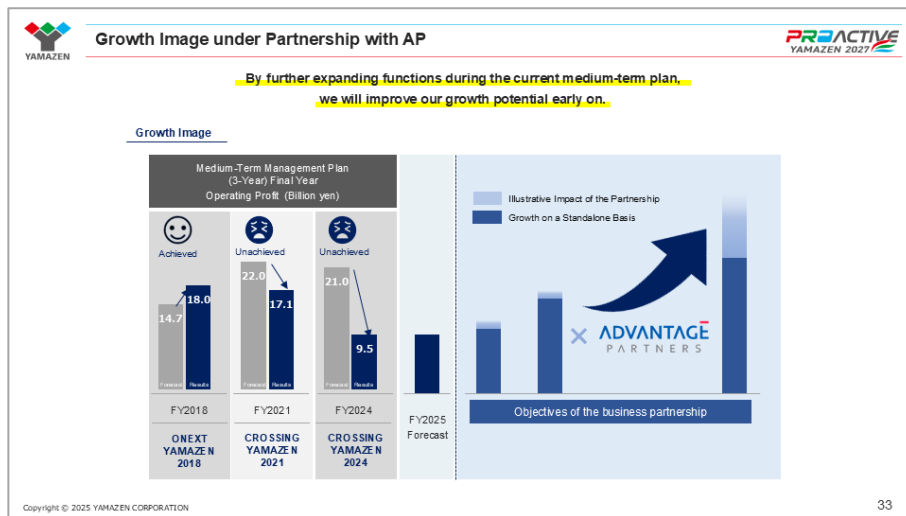
In Taiwan, although performance remained weak through Q3, domestic demand related to AI and semiconductors recovered from the beginning of 2026. We responded quickly to this recovery and rapidly made up for the earlier underperformance.

In Germany, we are currently completing procedures to establish a new company aimed at expanding sales of injection molding machines. India, Turkey, and South Korea are also steadily improving their performance. Our target for global sales in the final year of the medium-term management plan is JPY120 billion, representing a 40% increase from the previous plan, excluding the impact of M&A. We believe the progress so far has been a strong start toward achieving this target.

[Q8]: Please tell us your outlook for SG&A expenses in FY2026.

[A8] Kishida: In January 2026, the core management system for the Home Products Business went live, completing the rollout of core systems across all of our businesses. As a result, depreciation expenses are expected to peak this fiscal year, as depreciation from the initial system investments will overlap with depreciation from subsequent investments. In addition, given the current environment, increases in personnel expenses and logistics costs are unavoidable. We will continue working to improve profitability through gross profit enhancement and a thorough review of expenses.

[Q9]: With the business partnership with Advantage Partners, will you revise your medium-term plan? And without this partnership, would you have been unable to achieve the targets of the current plan?



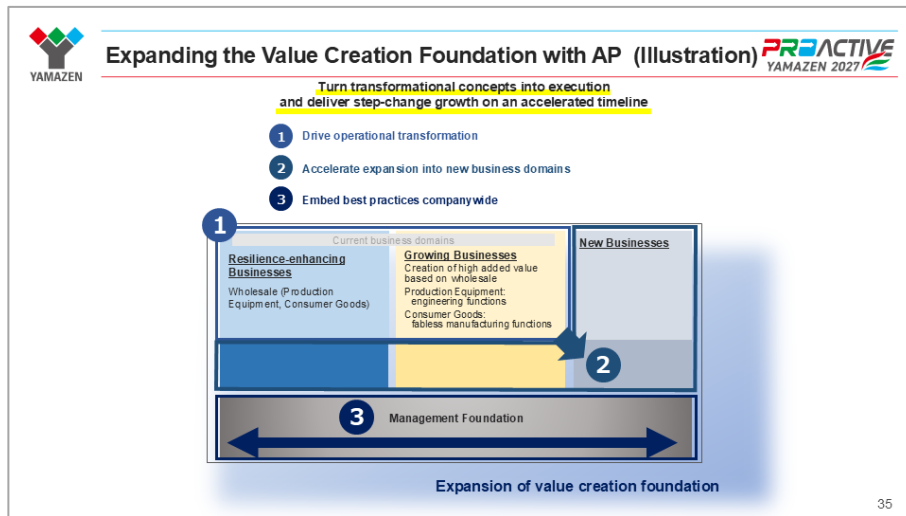
[A9] Kishida: At this point, we have no plans to revise the current medium-term management plan. The targets under the current plan were formulated on the assumption that we would achieve them independently.

Let me elaborate on the purpose of the business partnership. This initiative is intended to accelerate our growth. It is not a short-term measure aimed at revising the current plan, but rather an effort to strengthen our execution capabilities with a view toward the next medium-term plan and growth beyond FY2030. By incorporating Advantage Partners’ best practices into our organization, we aim to strengthen our organizational capabilities, improve the way we operate, and ultimately enhance profitability.

During the due diligence process conducted as part of the partnership discussions, the initiatives proposed by Advantage Partners were broadly aligned with the management plan and the issues we had already identified internally. What we lacked was the ability to execute. Our review of past plans and actual results also confirmed that insufficient execution was the primary factor behind underperformance. Strengthening this capability is precisely the key issue we need to address today.

While our strategic direction remains unchanged, we believe that working with Advantage Partners will allow us to accelerate implementation, increase speed, and reinforce the resources needed to enhance corporate value more effectively than we could on our own.

[Q10]: Please tell us about the progress of your initiatives with Advantage Partners.



[A10] Kishida: Regarding progress, due to the strategic nature of these initiatives, I would like to refrain from commenting on specific individual measures. That said, several initiatives are already underway. For example, to further enhance our wholesale operations, we are working on sales and operational reforms, including digital transformation initiatives. In both the production equipment and the consumer goods segments, we are also moving forward with reforms to our EC functions. In the Home Products Business, we are working to strengthen the branding of our private-brand products, including identifying and analyzing branding-related challenges. Our goal is to establish a rapid cycle of planning, execution, verification, and improvement. Across the Company, dozens of employees from frontline operations have already been assigned to these initiatives, and discussions are taking place daily as we move the initiatives forward.

[Q11]: In your initiatives with Advantage Partners, you mention executing continuous M&A. Could you explain what this specifically entails and when we should expect to see the effects?

Capital Allocation After Financing **PROACTIVE YAMAZEN 2027**

- We will flexibly review and disclose cash allocations in a timely manner in accordance with the status of this financing and growth investments.
- In principle, our shareholder return policy remains unchanged.
- We will strengthen cash generation through the partnership and consider allocating the cash generated to M&A and other growth investments.

FY2025 to FY2030 (6 cumulative fiscal years)

Cash inflows		Cash outflows			
External financing	Proposed CB	28	M&A	50+	M&A for business expansion Continuously implemented through strengthening of organizational capabilities
	Borrowings, SB, CB, PO	25		Capital investments	25
Internal financing	Operating cash flows (6-year cumulative)	100+	Shareholder returns	50	Adheres to the current return policy (either a payout ratio of 40% or a DOE of 3.5%, whichever is higher) Includes the acquisition of treasury shares totaling ¥15 billion
	*M&A upside is not included. Expands "cash generation capabilities" through this strategy partnership		Proposed CB	28	Par-value cash settlement



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[A11] Kishida: M&A has long been one of our key tools for driving growth. However, it is difficult to say that we have consistently achieved the results we originally envisioned. While we have reviewed many potential opportunities, our progress has been constrained by several factors, including limited internal resources,

insufficient expertise in the early stages of deal sourcing and negotiations, and a lack of experience in developing strategic PMI plans.

We are now addressing these issues by building a more structured organization, strengthening our resources, and expanding our pipeline of potential acquisition targets. We expect the contributions to earnings and corporate value to become visible during the next medium-term management plan period. Our objective is to absorb Advantage Partners' expertise and firmly embed it within our organization. By rapidly strengthening our organizational capabilities for executing ongoing M&A, we aim to shorten the time required to generate value after acquisitions. Furthermore, it is essential that we establish a framework that enables us to continue operating independently even after the business partnership with Advantage Partners concludes.

[Q12]: ROE was 7% in FY2025, is planned to decline to 6.5% in FY2026, and then rise to 8% in FY2027. Could you explain the background and thinking behind this trajectory?

 Medium-Term Management Plan: Net sales, profit, and Management Indicators 						
■ Sales/Profits (Million yen)						
	(Previous Medium-term Plan) FY2024 Results	FY2025 Results	FY2026 Forecasts Vs. FY2025 Results	FY2027 Forecasts Vs. Previous Medium-term Plan		
Net sales	516,126	541,885	570,000 +5.2%	600,000 +16.3%		
Operating profit	9,535	12,041	13,300 +10.4%	16,000 +67.8%		
(Operating profit margin)	1.8%	2.2%	2.3% +0.1pt	2.7% +0.9pt		
Ordinary profit	10,018	13,010	13,800 +6.1%	16,000 +59.7%		
Profit attributable to owners of parent	7,845	9,330	9,000 -3.5%	11,000 +40.2%		
■ Management Indicators (Million yen)						
	(Previous Medium-term Plan) FY2024 Results	FY2025 Results	FY2026 Forecasts Vs. FY2025 Results	FY2027 Forecasts Vs. Previous Medium-term Plan		
Return on Equity (ROE)	6.1%	7.0%	6.5% -0.5pt	8.0% +1.9pt		
Basic operating cash flow	8,341	13,470	13,800 +2.4%	14,000 +67.8%		
Shareholders' equity ratio	43.3%	39.3%	40~45%	40~45%	-	-

[A12] Yamazoe: It is true that ROE is expected to temporarily decline when comparing the FY2025 result with the FY2026 plan. However, in FY2025, we recorded gains totaling JPY1.223 billion from the sale of policy-held shares. Excluding this factor, ROE for FY2025 would have been approximately 6.4%.

For FY2026, as Mr. Kishida explained earlier, depreciation expenses related to our information systems are expected to peak due to overlapping depreciation associated with subsequent investments. In addition, we expect to incur costs related to share buybacks. As a result, net profit is expected to remain broadly in line with our current forecast, and ROE is projected to be approximately 6.5%. For FY2027, the final year of the medium-term management plan, our assumptions have not changed from the initial plan, and we continue to expect ROE to reach approximately 8%.