

**YAMAZEN CORPORATION**

**FY2025  
Q1**

**Financial  
Results Briefing**



Stock Code: 8051

# Table of Contents

- **Outline and Business Models**
- **Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights**
- **Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”**
- **Initiatives Aimed at Global Business Growth**
- **Capital Policy and Shareholder Returns**
- **Appendix**

- 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.
- 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.

- **Outline and Business Models**
- Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights
- Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”
- Initiatives Aimed at Global Business Growth
- Capital Policy and Shareholder Returns
- Appendix

# Management Philosophy



## 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

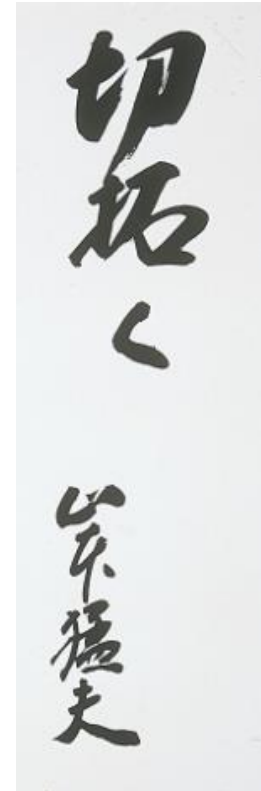
To make active use of personnel, and to foster independent and virtuous employees

## Management of Breaking Through

To challenge, innovate and create

## Management of Trust

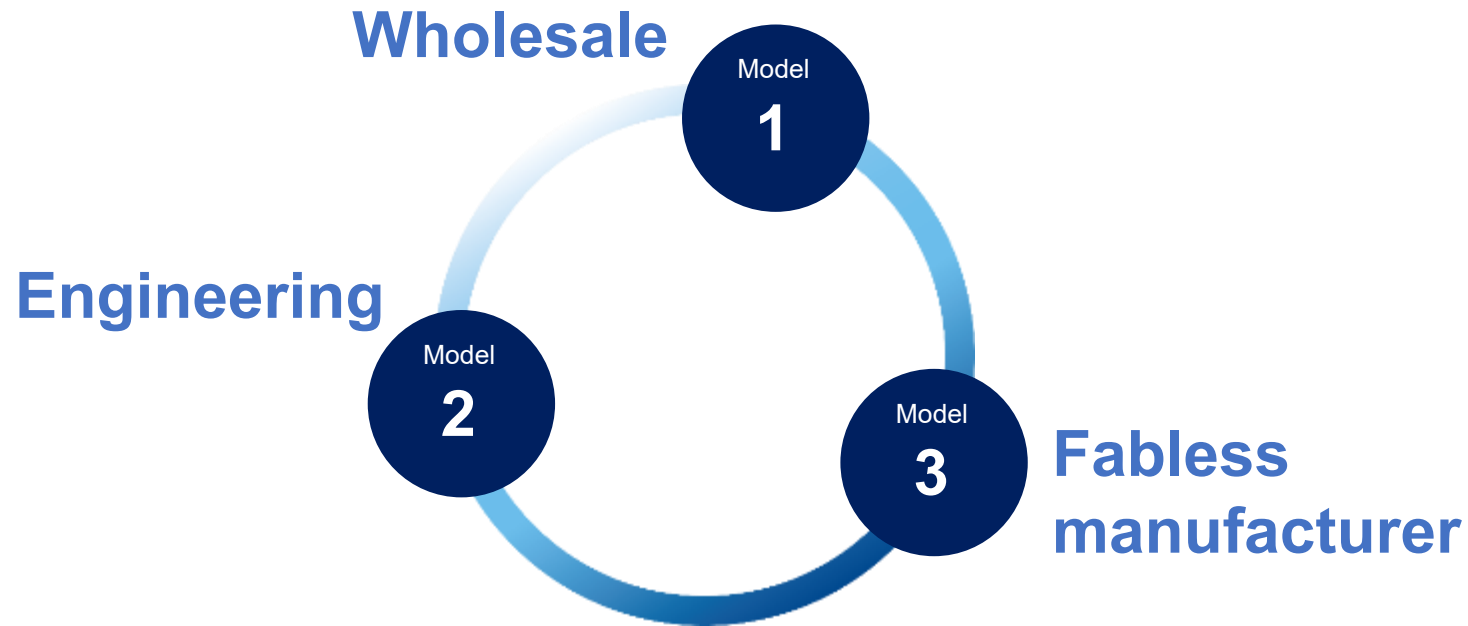
To respond to the needs and expectations of society and contribute to them



## Leading worldwide manufacturing and enriched lives

**Yamazen has continually been a contributor to society, satisfying numerous user expectations in the two domains of Production Equipment that support manufacturing, and Consumer Goods that enrich everyday living. Moving forward, we will create new value by exceeding and integrating these two boundaries to lead worldwide manufacturing and enriched lives.**





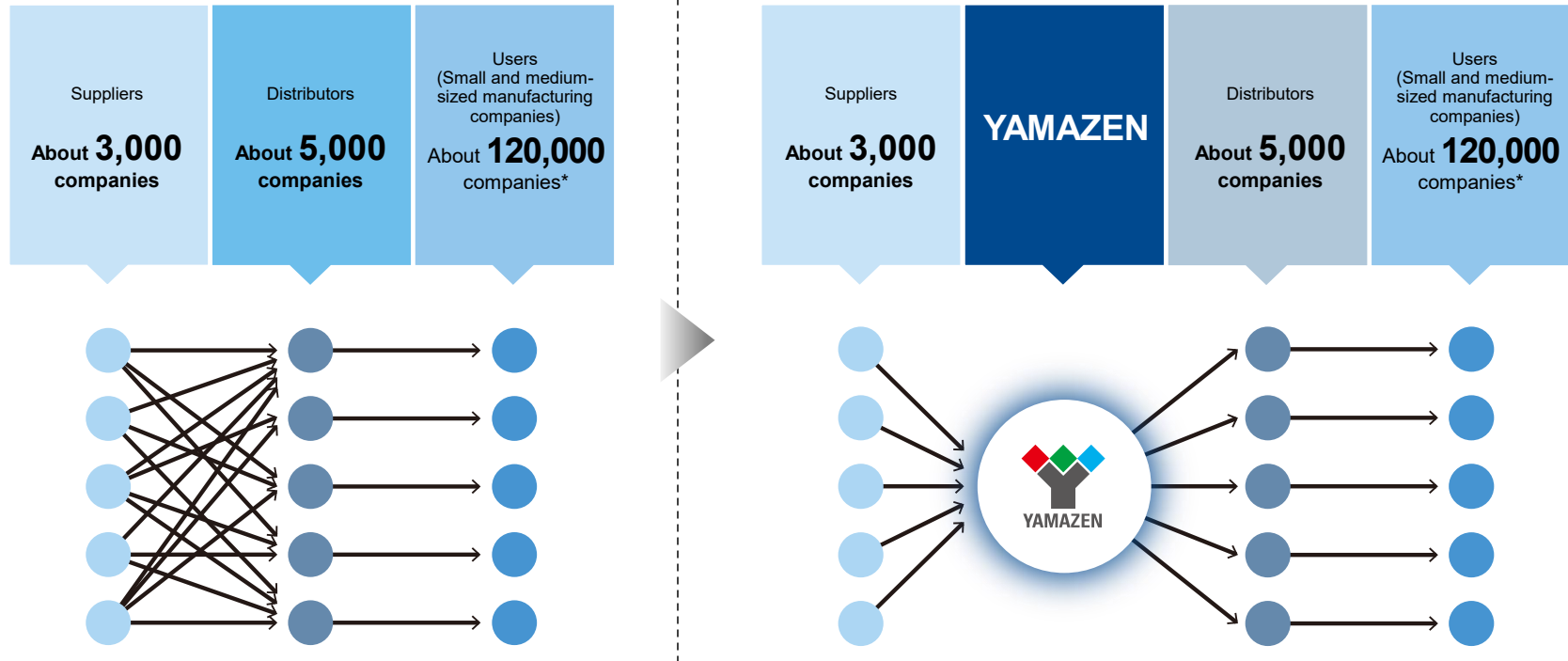
**YAMAZEN's Driving Force Behind Value Creation**

**Independent and virtuous employees who have a pioneering spirit and the ability to think while taking action**

# YAMAZEN's Three Business Models and Strengths

## Model 1 Wholesale

In the machinery tool industry, it is difficult for small and medium-sized manufacturers, which are our users, to find the optimal equipment from the wide array of manufacturers and products available, and distributors are also exploring the best proposals for users. In addition, it is time-consuming work for manufacturers to manage transactions with their many distributors. We act as an intermediary between manufacturers and distributors, utilizing our vast knowledge of products and know-how to propose products that meet the needs of users. This allows distributors to provide users with the optimal products and manufacturers to consolidate their sales channels and streamline sales and payment collection.

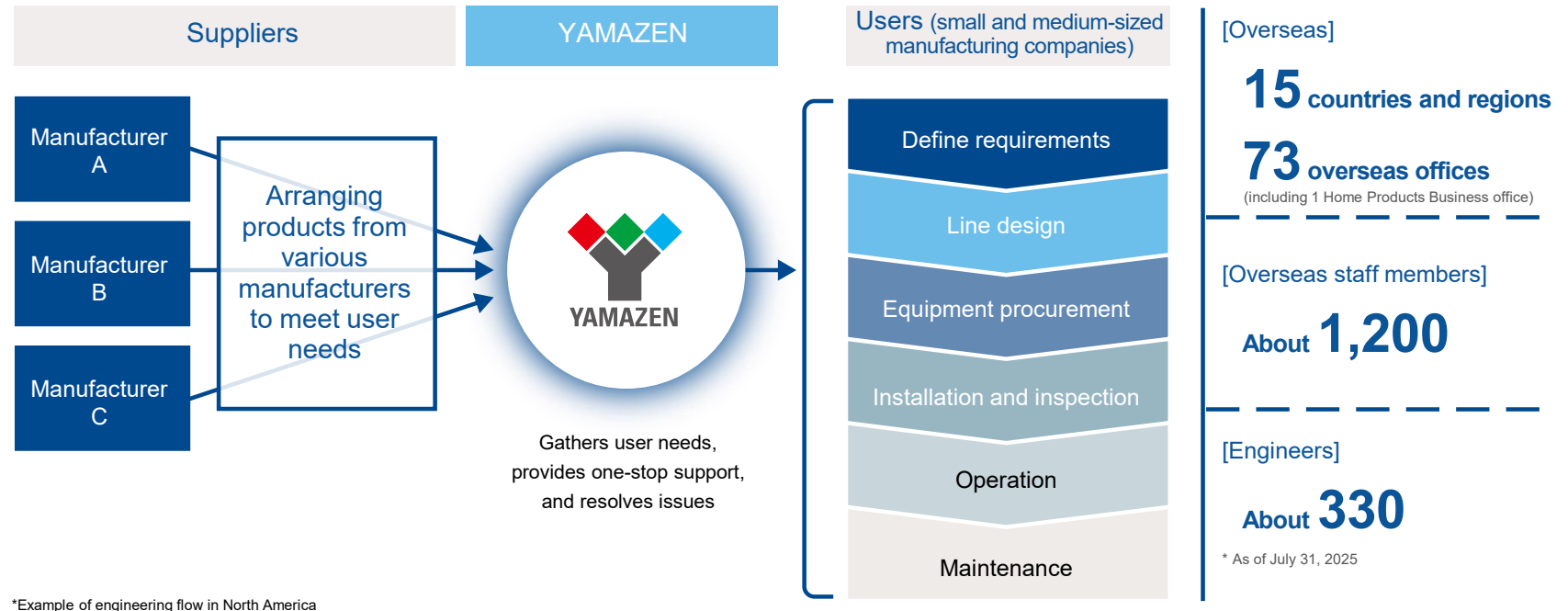


\*Example from the metal processing industry

# YAMAZEN's Three Business Models and Strengths

## Model 2 Engineering

For engineering, we have laid out a system to gather user needs and provide one-stop support, ranging from defining requirements to production line design, procurement of production equipment, installation, and operation. Outside Japan, we have 73 branches in 15 countries and regions, with approximately 330 engineers providing advanced services and contributing to “global manufacturing.”



\*Example of engineering flow in North America

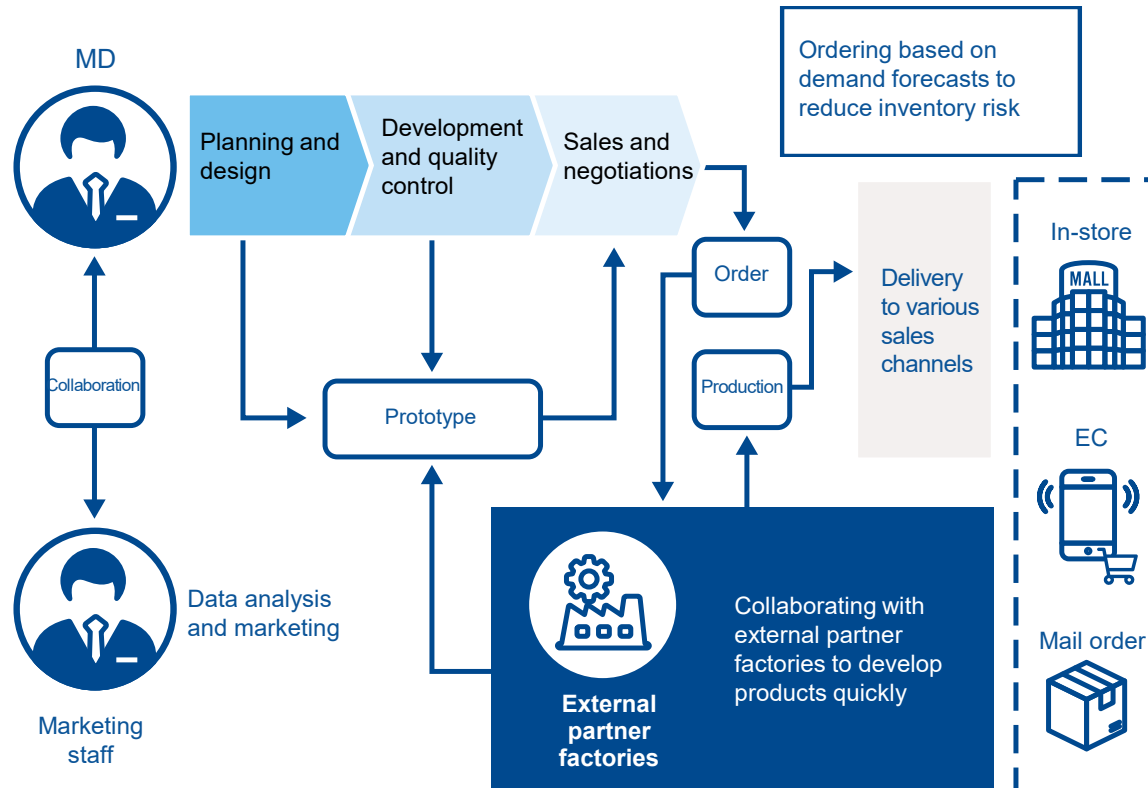


Model

3

## Fabless manufacturer

About 60% of sales in the Home Products Business comes from private brand (PB) products. We can commercialize these private brand products swiftly because our merchandisers (MDs), who are familiar with customer needs and have sales experience, can collaborate with our marketing staff to plan and develop them quickly. We deliver convenient and reasonably priced new products produced at our partner factories overseas to consumers through such channels as home improvement stores, home appliance mass retailers, e-commerce (YAMAZEN's site and platform sellers), and mail order.



## YAMAZEN's Driving Force Behind Value Creation

### Independent and virtuous employees who have a pioneering spirit and the ability to think while taking action

“Destiny is something that you pioneer yourself.” This life philosophy of Founder Takeo Yamamoto is embedded deeply in our management philosophy and remains ingrained in the hearts of our employees, handed down to this day.

Taking responsibility for their own actions, our autonomous and independent talent challenges themselves to innovate and create, pioneering a new future.

This is our core competence.

#### Pioneering spirit

A mindset of constantly responding to change and taking on the challenge of innovation and creation

#### Thinking in Action

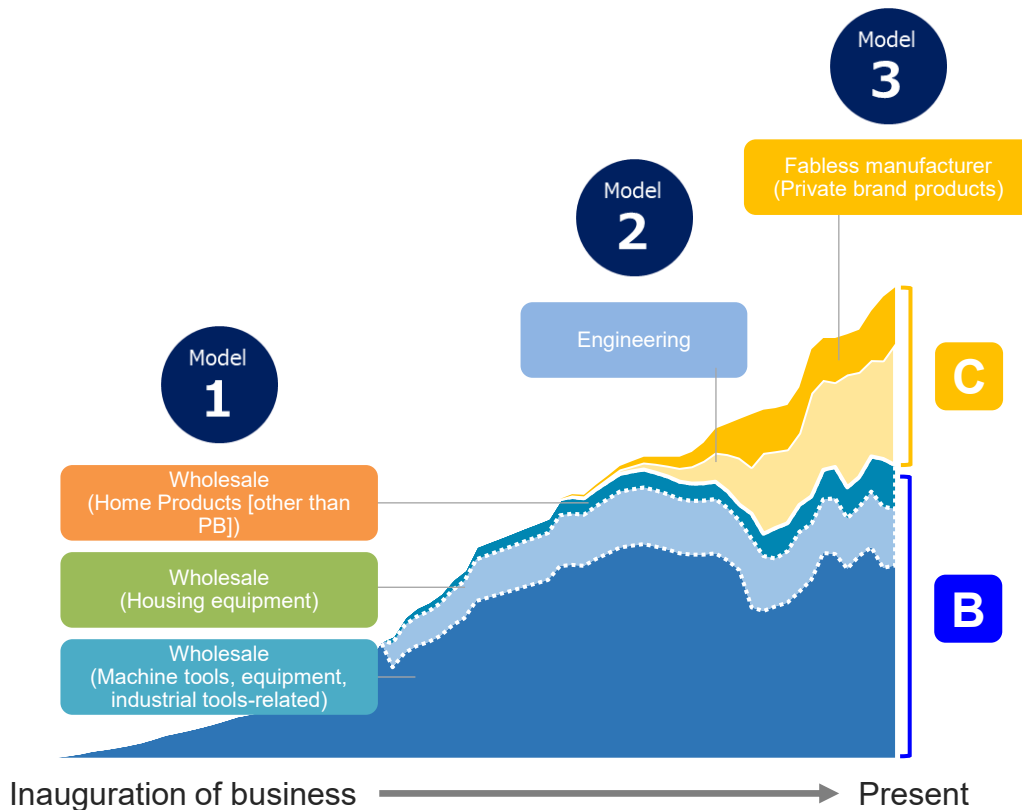
The ability to think and act on one's own

#### Independent and Virtuous Employees

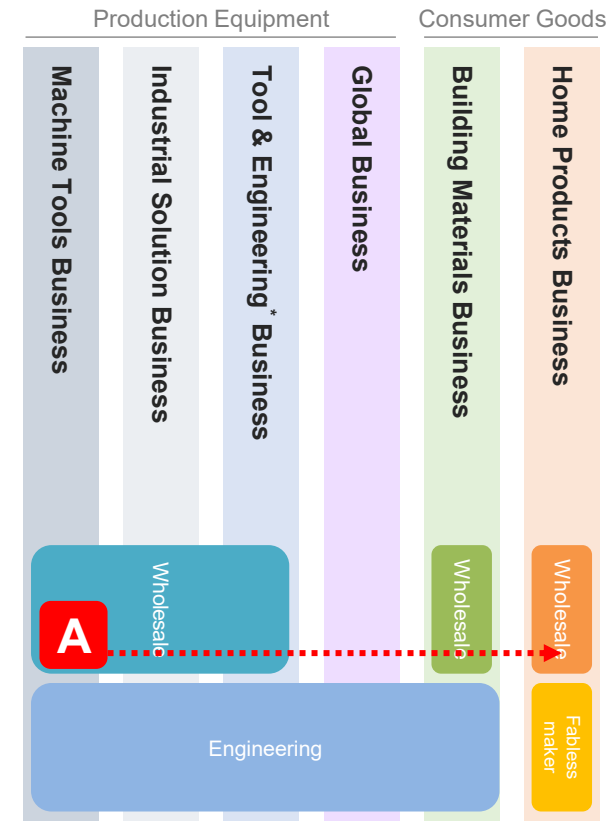
Self-reliant human resources who share the Yamazen Group's unique philosophy, who respond promptly and flexibly to change, even as unexpected change becomes commonplace, by independently taking on challenges and putting ideas and actions into practice on site, and who are always of service to customers

- 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 **A**
- Our continuous transactions with many distributors have allowed us to establish a stable revenue base through business models likened to recurring revenue **B**
- 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 **C**

## Business operation of YAMAZEN (schematic diagram)



## Relationship Between Business Models and Business Organizations



\*Some of the following is abbreviated as "T&E"

\*In the following pages, the word "Business" may be omitted.

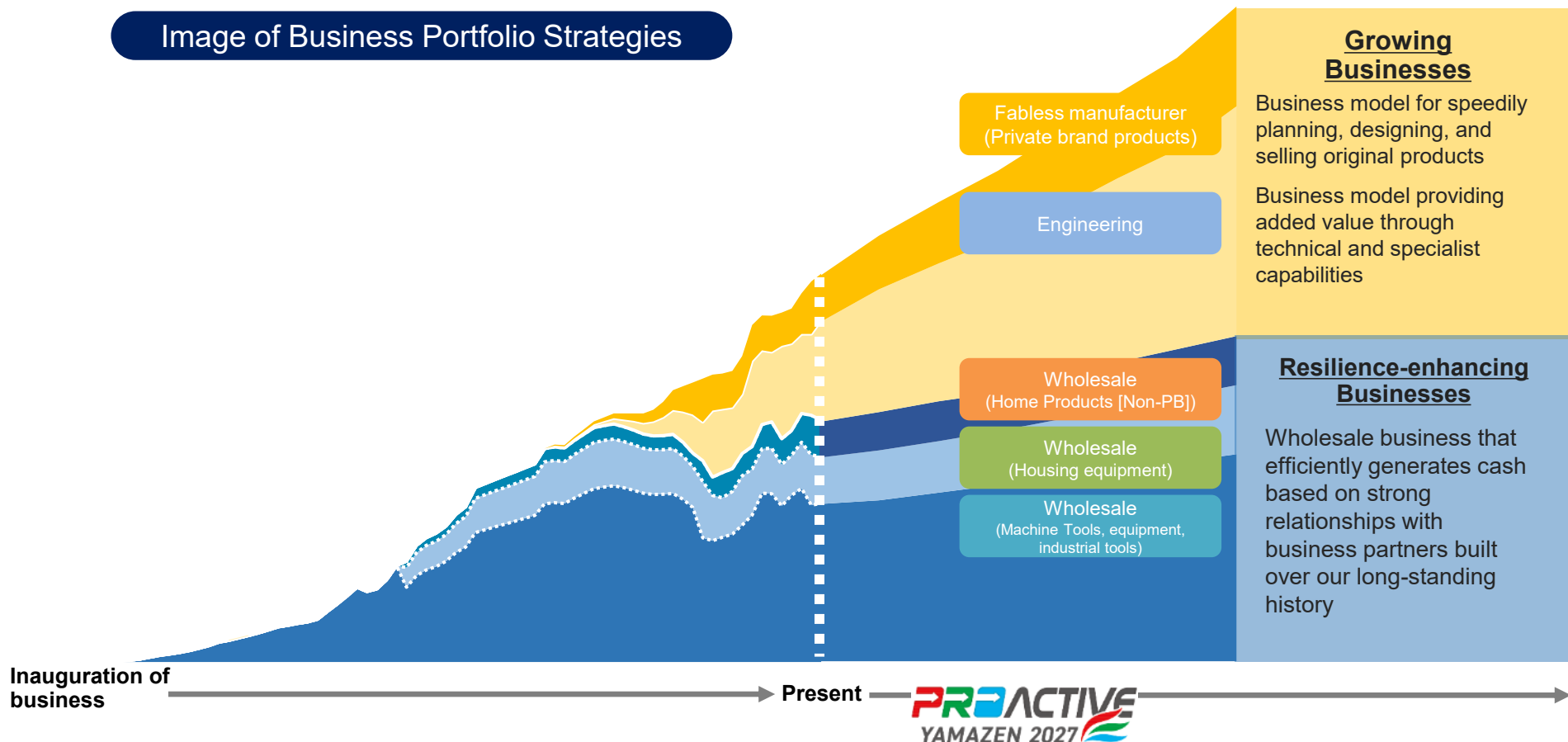
- Business Portfolio Approach

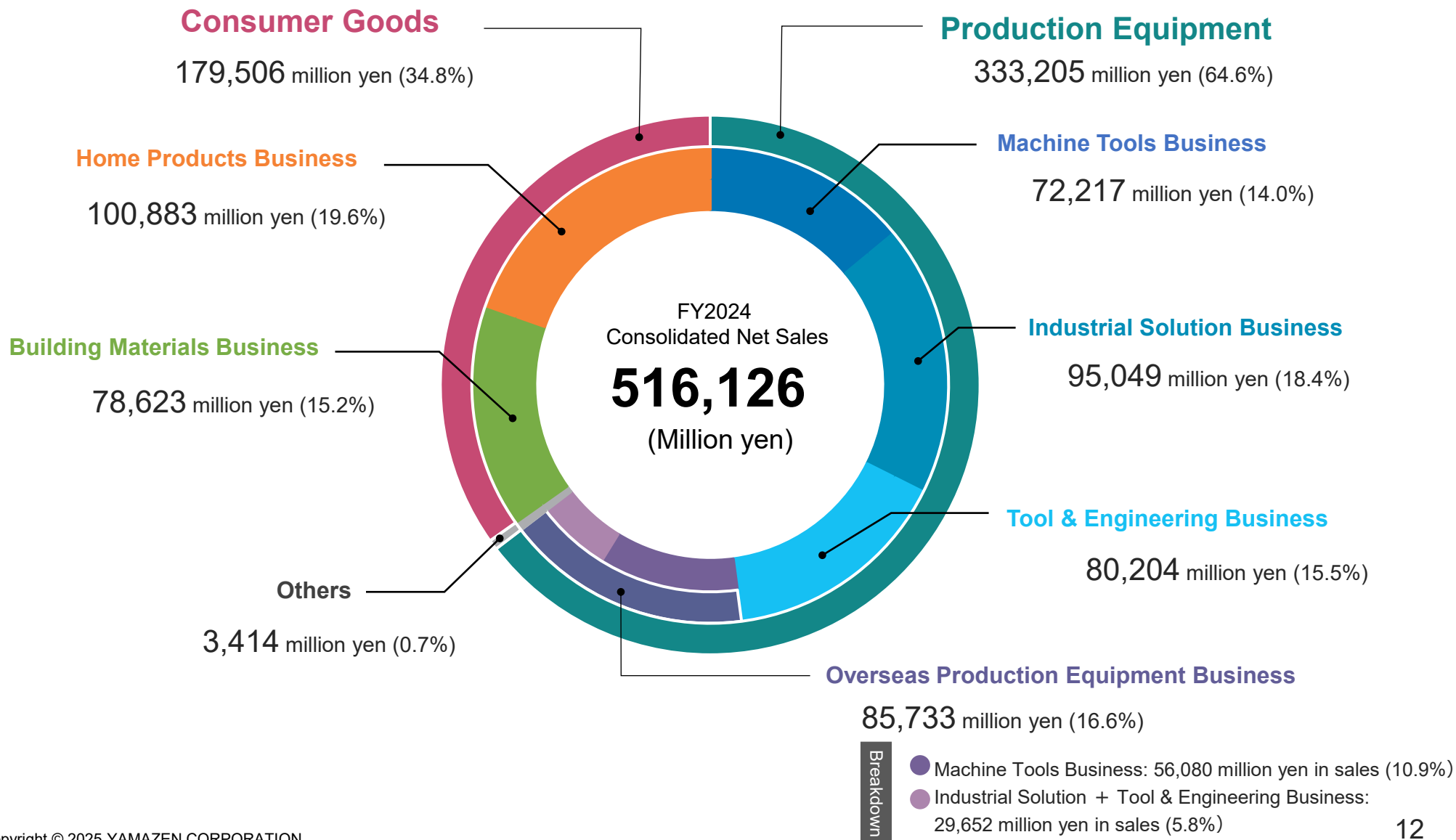
Determining business direction by considering the two axes of “capital profitability” and “growth potential,” as well as synergies between businesses

- Positioning of business portfolio

Allocating all capital gained from the wholesale business to Value enhancement and high-growth potential business domains

## Image of Business Portfolio Strategies





- Outline and Business Models
- **Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights**
- Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”
- Initiatives Aimed at Global Business Growth
- Capital Policy and Shareholder Returns
- Appendix

- Due to the heat wave that began before the end of the rainy season in Japan, orders for products designed to prevent heat stress have been strong in both the Production Equipment Business and the Consumer Goods Business.
- Backed by strong orders that exceeded the initial plan, the Company has revised upward its Q2 consolidated earnings forecast for both sales and profit indicators.
- With respect to the full-year consolidated earnings forecasts for FY2025, we will leave the announced figures unchanged at this time because we should carefully assess market trends and changes in the external environment, etc., from Q3 onward.

(Million yen)

	FY2024 Q2 Results	FY2025 Q2 Plan (Announced on May 14, 2025)	FY2025 Q2 Revised plan (Announced on August 8, 2025)	FY2025 Full-year plan (No change from the figures as of May 14, 2025)
Net sales	248,924	250,000	<b>255,000</b>	530,000
Operating profit	3,442	3,000	<b>4,000</b>	9,000
Ordinary profit	3,494	3,000	<b>4,000</b>	9,000
Profit attributable to owners of parent	2,567	2,500	<b>3,200</b>	7,000

## Net sales: 126,136 million yen, YoY: +6.4%

Net sales increased owing to strong sales of products designed to prevent heat stress, environmental improvement equipment, and air-conditioning control equipment due to the extreme heat.

## Operating profit: 1,732 million yen, YoY: +99.0%

Although SG&A expenses increased 2.9% YoY due to increases in provisions of allowance for doubtful accounts, sales commissions, freight costs, etc., the increase in gross profit more than offset these costs, resulting in a profit increase.

## Gross profit: 19,114 million yen, YoY: +7.7%

Gross profit increased due to increased net sales.

## Quarterly net profit attributable to owners of parent : 1,823 million yen, YoY: +183.9%

Profits rose due to an increase in operating profit and the recording of a gain on sales of policy stockholdings.

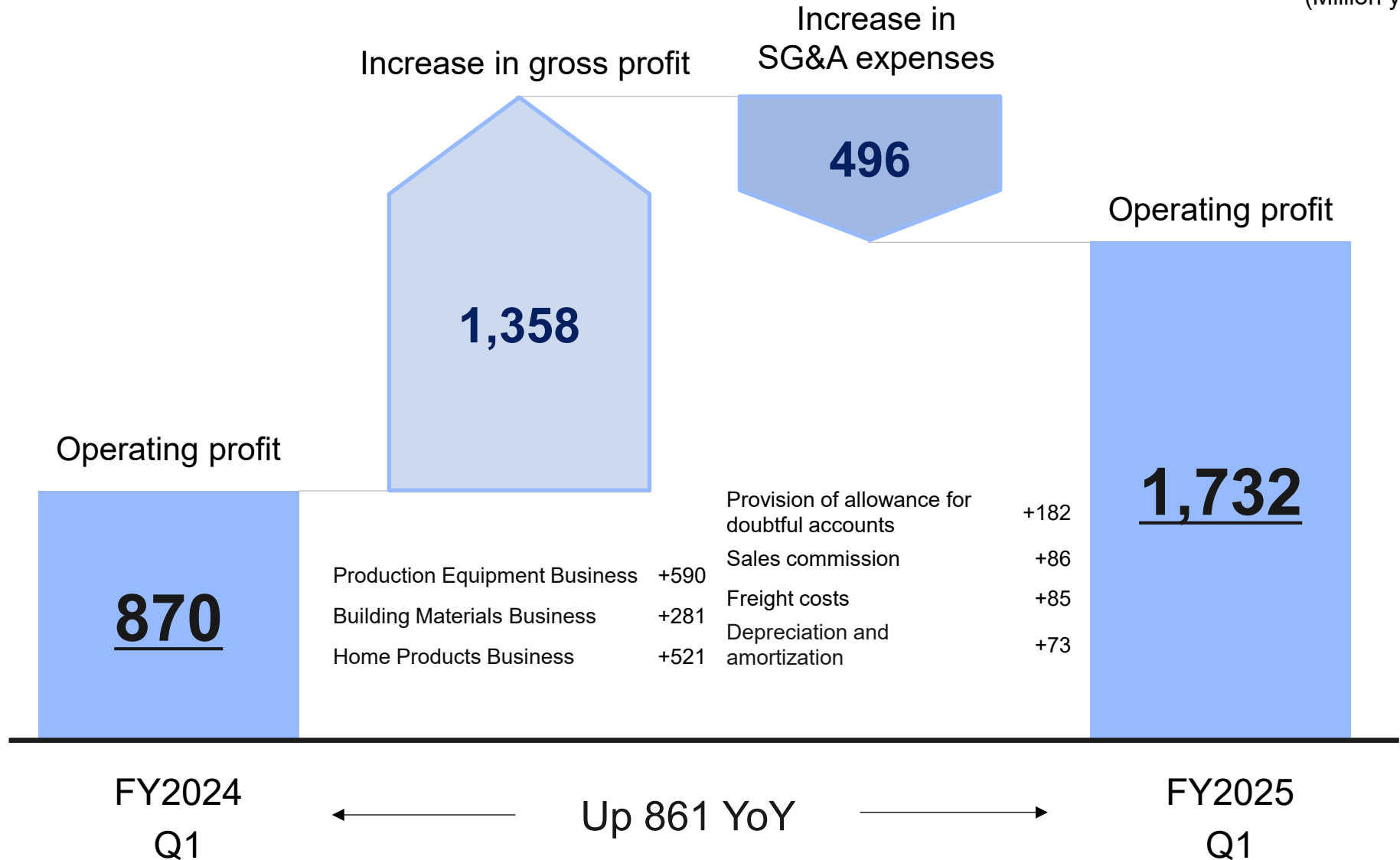
(Million yen)

	FY2024 Q1	FY2025 Q1	YoY	Full-year Plan	Achievement Rate
Net sales	118,577	126,136	+ 6.4%	530,000	23.8%
Gross profit	17,756	19,114	+ 7.7%	-	-
(Gross profit margin)	15.0%	15.2%	+0.2pt	-	-
SG&A expenses	16,885	17,381	+ 2.9%	-	-
Operating profit	870	1,732	+ 99.0%	9,000	19.3%
(Operating profit margin)	0.7%	1.4%	+0.6pt	1.7%	-
Non-operating profit/loss	261	57	- 78.0%	-	-
Ordinary profit	1,132	1,790	+ 58.1%	9,000	19.9%
Extraordinary gain/loss	180	1,015	+462.8%	-	-
Profit attributable to owners of parent	642	1,823	+ 183.9%	7,000	26.1%



(Million yen)

# Factors for Changes in Operating Profit

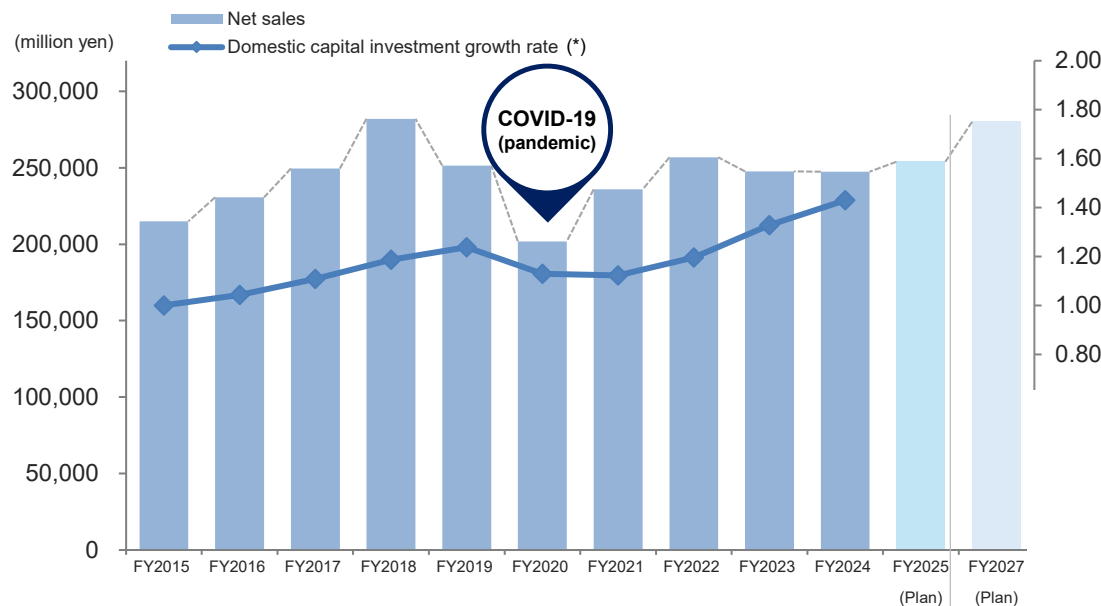


# FY2025 Q1 YoY Comparison / Achievement Rate Against Plan

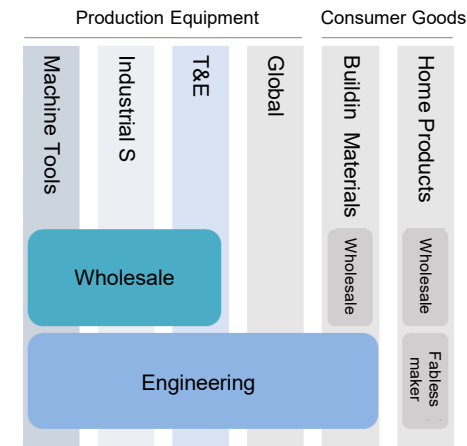
(Million yen)

Business			FY2024 Q1 Results	FY2025 Q1 Results	YoY	FY2025 Full-year Plan	Achievement Rate Against Full-Year Plan	
	Machine Tools	Net sales	13,671	15,362	+12.4%	73,000	21.0%	
		Industrial Solutions	Net sales	21,809	23,185	+6.3%	99,000	23.4%
		T&E	Net sales	19,744	19,987	+1.2%	82,000	24.4%
		Domestic production equipment total	Net sales	55,225	58,534	+6.0%	254,000	23.0%
	Global	Net sales	19,196	18,887	-1.6%	90,000	21.0%	
Production equipment total		Net sales	74,421	77,421	+4.0%	344,000	22.5%	
		Segment profit	809	1,201	+48.4%	8,300	14.5%	
		Segment profit margin	1.1%	1.6%	+0.5pt	2.4%	-	
	Building materials	Net sales	17,946	20,987	+17.0%	80,000	26.2%	
		Segment profit	382	547	+43.1%	3,300	16.6%	
		Segment profit margin	2.1%	2.6%	+0.5pt	4.1%	-	
	Home products	Net sales	24,999	26,664	+6.7%	104,000	25.6%	
		Segment profit	1,199	1,397	+16.5%	4,600	30.4%	
		Segment profit margin	4.8%	5.2%	+0.4pt	4.4%	-	
	Consumer goods total	Net sales	42,945	47,652	+11.0%	184,000	25.9%	
		Segment profit	1,581	1,945	+23.0%	7,900	24.6%	
		Segment profit margin	3.7%	4.1%	+0.4pt	4.3%	-	
Others		Net sales	1,210	1,062	-12.2%	2,000	53.1%	
		Segment profit	-1,520	-1,414	-	-7,200	-	
		Segment profit margin	-	-	-	-	-	
Consolidated		Net sales	118,577	126,136	+6.4%	530,000	23.8%	
		Operating profit	870	1,732	+99.0%	9,000	19.3%	
		Operating profit margin	0.7%	1.4%	+0.6pt	1.7%	-	

## Net Sales Trend in the Domestic Production Equipment Business



\* Growth rates calculated based the Bank of Japan's "National Tankan and Annual Plan (Capital Investment) (Fiscal Year) / Capital Investment (Including Land Investment) / Year-on-year Comparison / Fiscal Year / Large Enterprises / Manufacturing / Actual Results" with FY2015 as the starting point (1).



- As our original business, the wholesale of various industrial tools, such as machine tools, devices for distribution, and other industrial machinery
- Stable revenue base through business models likened to recurring revenue

See p. 43-44 for major items handled, commercial distribution

## Market Trends (Opportunities)

- ✓ The domestic machine tools market is growing gradually in the medium to long term
- ✓ The expanding market for electrified parts is changing traditional manufacturing processes
- ✓ The demand for automation/labor-saving at manufacturing/distribution sites is expanding
- ✓ The digital transformation of manufacturing sites through AI and IoT
- ✓ The expansion of renewable energy/energy-saving markets

## Main Policies

- ✓ Improving the profitability of existing businesses
- ✓ Reducing business volatility through market development in growth industries
- ✓ Promoting solutions business by strengthening customer contact points
- ✓ Improving profitability through original product development
- ✓ Strengthening distribution infrastructure through optimal placement of distribution bases

- Sales increased as energy-saving equipment, heat stress prevention products, and environmental improvement equipment aimed at improving the working environment remained strong
- For machine tools, although capital investment in the automotive industry remains sluggish, sales in the Machine Tools business increased as a reactionary rise was seen due to weak performance in machine tools in the previous year.
- For cutting tools and other consumables, the sales of work supplies and measuring equipment used at production sites remained strong

(Million yen)

	Net sales	FY2024 Q1	FY2025 Q1	Percentage change YoY
Domestic Production Equipment	Machine Tools Business	13,671	<b>15,362</b>	+ 12.4%
	Industrial Solution Business	21,809	<b>23,185</b>	+ 6.3%
	Tool & Engineering Business	19,744	<b>19,987</b>	+ 1.2%
	Total	55,225	<b>58,534</b>	+ 6.0%

## Responding to Workplace Improvements

### Sales of equipment designed to prevent heat stress, etc. drove sales

Sales of equipment designed to prevent heat stress have remained strong owing to the “Amended Ordinance on Industrial Safety and Health” coming into effect on June 1st, which made heat stress prevention measures mandatory in the workplace.

Increased sales of environmental improvement equipment to improve working environment also contributed.



▲ YAMAZEN's original high-volume spot cooler to prevent heat stress

## Honed Advanced Engineering Capabilities as a Group of Technical Specialists

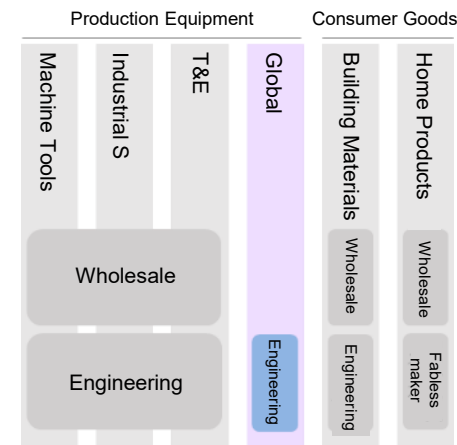
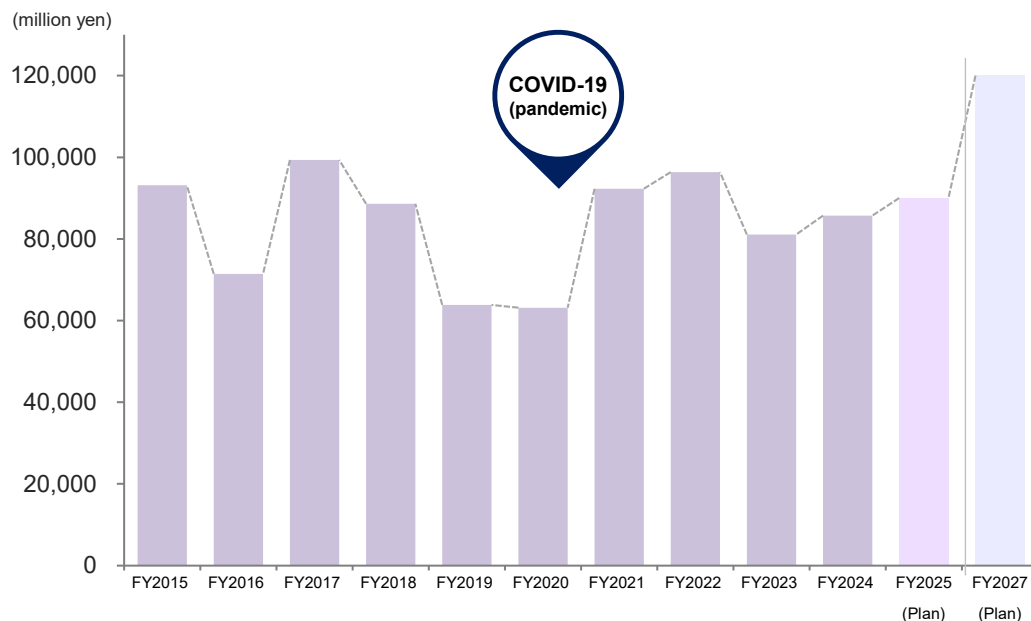
### Formed a business partnership with INSOL-HIGH Inc. to promote automation and productivity improvement in the manufacturing and logistics industries

In April, we signed a business partnership agreement with INSOL-HIGH Inc., which has developed an industrial platform specializing in the domain of humanoid robots.

We promoted joint projects aimed at the social implementation of humanoid robots, which are more effective and versatile than single-function robots and automation systems, and accelerated automation and productivity improvements in the manufacturing and logistics industries.



## Net Sales Trend in the Global Business



- Handling not only equipment sales but also engineering and after-sales services
- The biggest growth driver in the current Medium-Term Management Plan

See p. 45 for countries of operation, commercial distribution

See p. 31-37 for the Medium-Term Management Plan

## Market Trends (Opportunities)

- ✓ While the global machine tools market is experiencing a boom-and-bust cycle, it is growing gradually in the medium to long term
- ✓ Increased dispersion and multi-polarization of production bases due to changes in the trading system, such as tariffs, and geopolitical risks, etc.
- ✓ Increased automation/labor-saving demand owing to streamlining and chronic labor shortages in the manufacturing industry

## Main Policies

- ✓ Promoting localization and streamlining of management to strengthen trade with global companies
- ✓ Aiming to expand geographically and optimize business domains to address the restructuring of global supply chains
- ✓ Market development and product development to address changes in market trends and needs

- Capital investment by export-driven companies in North America and China was sluggish overall and down compared to the previous year
  - Captured new demand for equipment, such as capital investment by domestic demand-driven companies in China and production transfers from other regions to ASEAN
- (Million yen)

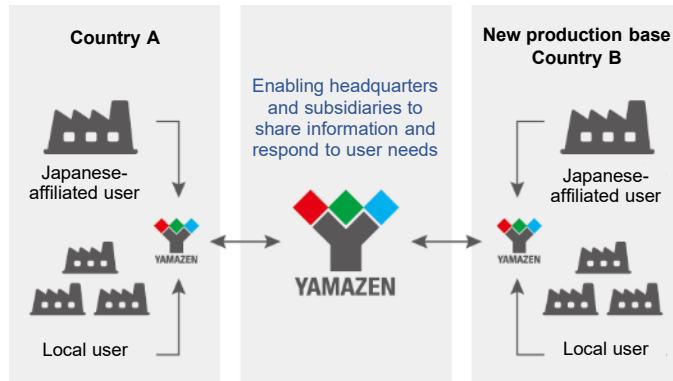
	Net sales	FY2024 Q1	FY2025 Q1	Percentage change YoY
Demand for equipment investment	Global Business	19,196	<b>18,887</b>	-1.6%

## Geographic Expansion of Business Domains

### Embracing the geographical shift in manufacturing bases as a business opportunity

Our overwhelming strength has been in our ability to cover multiple regions through our global network of bases in various countries and distributor rights with manufacturers in those countries.

Steadily brought cross-border projects to fruition and responded to the shift of manufacturing bases.



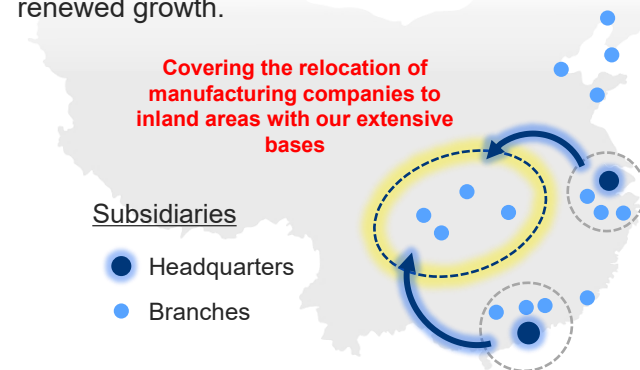
## Capturing Capital Investment from Domestic Demand-driven Companies in China

### Reliably secured new demand amid the shift in China's capital investment

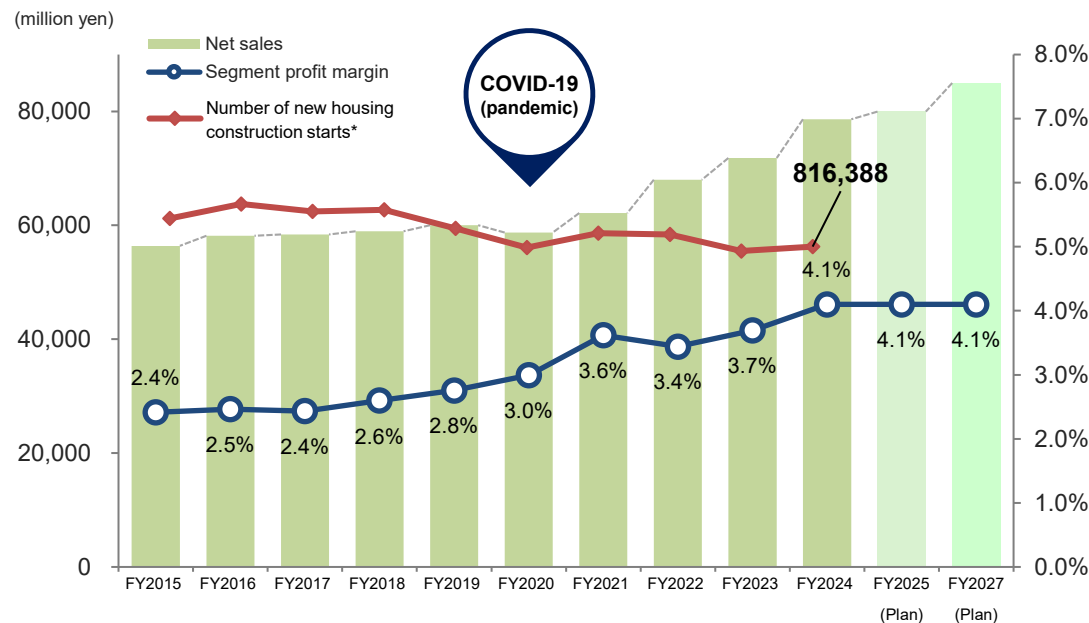
Due to the impact of Trump's tariffs, capital investment by export-driven companies decreased, and Japanese-affiliated companies shifted production and/or downsized and withdrew.

Due to rising personnel expenses and other manufacturing costs, domestic demand-driven companies increasingly relocated from coastal to inland areas.

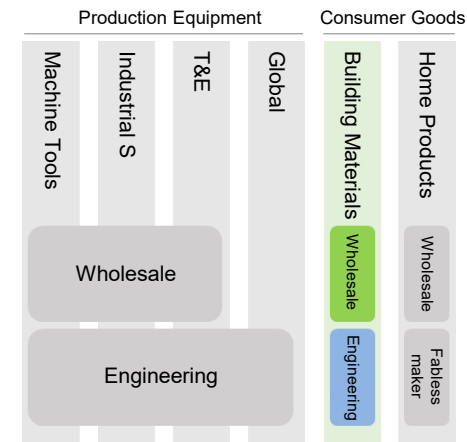
Leveraging our long-standing sales bases in inland areas and our strong trade relationships in these areas, we aimed to expand trade with domestic demand-driven industrial companies and achieve renewed growth.



## Building Materials Business: Net Sales and Segment Profit Margin Trends



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



- Boasting top-class distribution volume in general household housing equipment and air-conditioning equipment in Japan
- In recent years, strengthening non-residential building materials business centered on energy-saving equipment

See p. 47-48 for major items handled, commercial distribution

## Market Trends (Opportunities)

- ✓ The number of new housing starts is expected to fall below 800,000 from FY2025 onwards due to the declining birthrate and aging population, as well as the rising mortgage interest rates
- ✓ The renewable energy/energy-saving markets are expanding due to the global trend toward carbon neutrality
- ✓ Reviews of housing performance have accelerated as compliance with energy-saving standards has become mandatory under the Amendment to the Building Standards Act in April 2025

## Main Policies

- ✓ Focusing on subsidy proposals for residential and non-residential sectors (offices, factories, facilities, stores, etc.) with high energy-saving performance products
- ✓ Working to expand the retail sector of home improvement stores/home appliances mass retailers and e-commerce to strengthen the home renovation sector
- ✓ Strengthening efforts for the standard adoption of products by builders to expand our market share in the new home sector, and expanding ZePlus business

- Sales of air conditioning equipment remained strong and increased significantly due to demand for energy-saving renovations and the extreme heat
- Focused on proposing high-value-added products in response to consumers' desire to reduce spending, and sales of high-efficiency water heaters and other products remained strong as a result
- Successfully strengthened proposals for facility renovations that combine environmental products and installation to help SMEs respond to carbon neutrality

(Million yen)

	FY2024 Q1	FY2025 Q1	Percentage change YoY
Net sales	17,946	<b>20,987</b>	+ 17.0%
Segment profit	382	<b>547</b>	+ 43.1%
Segment profit margin	2.1%	<b>2.6%</b>	+ 0.5pt

## Sales Increased for All of Residential, Non-residential, New, and Existing

**Steadily increasing sales by focusing on the renovation business for both residential and non-residential**

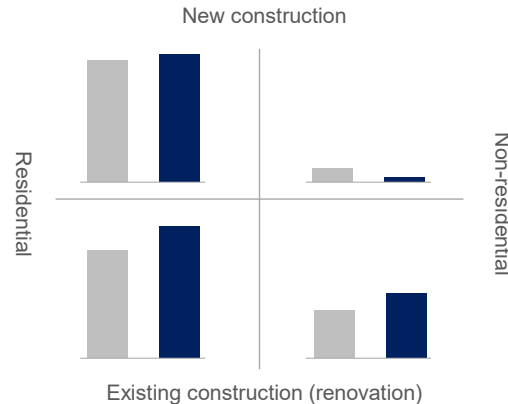
Demand for new housing is on a long-term downward trend.

Starting in April, it has become mandatory to meet energy-saving standards for all new housing construction. Strengthened proposals for high-value-added products.

Strengthened efforts for renovation projects, including the construction of public facilities, office buildings, factories, schools, and hospitals.

● Image of sales for each quadrant

■ 2023 ■ 2024



## Expansion of the Renovation Business

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

Established a system that enables us to provide comprehensive support for "package renovations" at mass retailers of home appliances, home improvement centers, etc., ranging from planning to sales and construction.

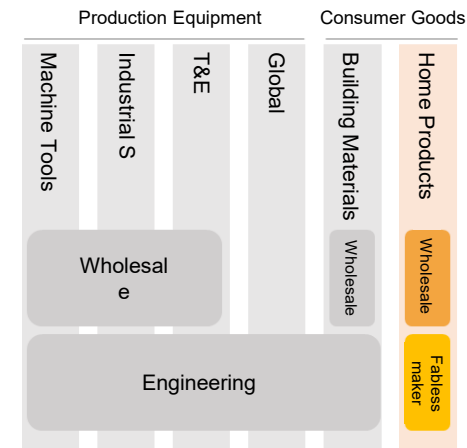
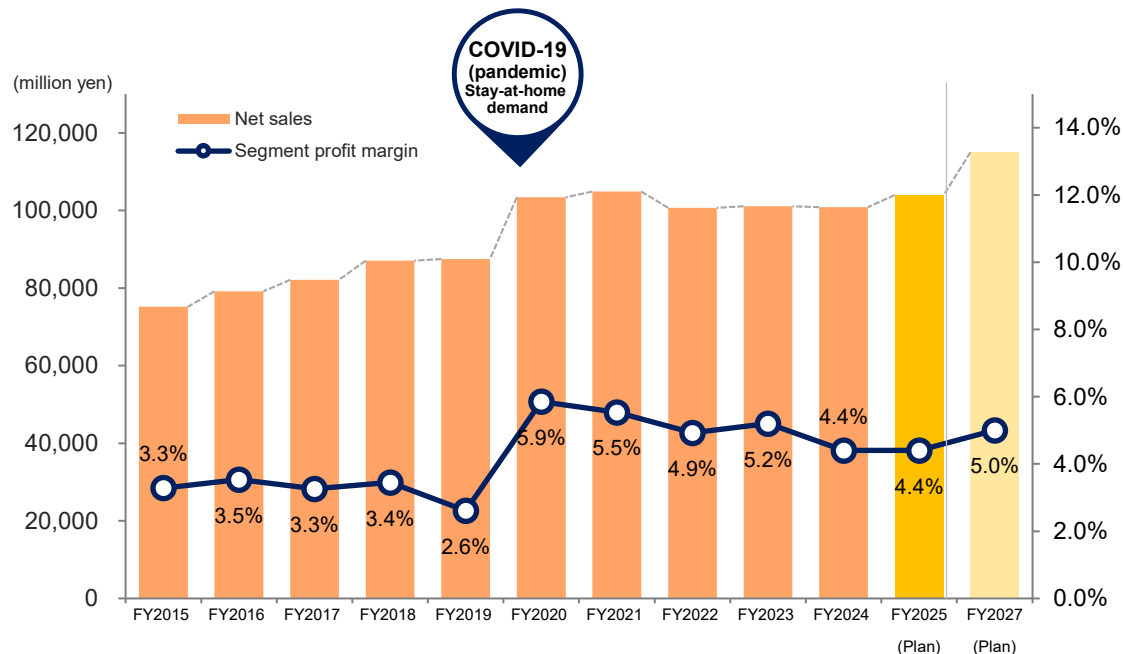
Promoted sales through training and the sharing of sales know-how to mass retailers of home appliances.



▲ Seminar for mass retailer sales staff



## Home Products Business: Net Sales and Segment Profit Margin Trends



- In addition to national brand products, also handling fabless private brand products at a ratio of about 60%
- The YAMAZEN brand is gradually gaining traction and shows strong growth potential

See p. 47,49 for major items handled, commercial distribution

## Market Trends (Opportunities)

- ✓ Companies are building fan bases among customers through branding, and as a result, there is a growing trend to expand LTV (customer lifetime value).
- ✓ E-commerce demand is expanding, driven in the BtoB segment by labor shortages and the need for operational efficiency, and in the BtoC segment by growing demand among senior consumers.

## Main Policies

- ✓ Increasing customer touchpoints and improving GMV (gross merchandise volume)
- ✓ Improving the system for immediate delivery nationwide
- ✓ Digitalizing transactions across all channels, including brick-and-mortar stores and e-commerce to accurately ascertain user needs and continue to bring optimal products to the market

# Home Products Business: Q1 Results

- Sales and profits increased AV home appliances grew owing to the sales of workwear with built-in cooling fans and spot coolers due to the extreme heat as well as the popularization of the YAMAZEN brand
- Net sales and membership also grew steadily on Yamazen Bizcom, our own e-commerce site for corporations and sole proprietors, which had aimed to expand its sales channels

(Million yen)

	FY2024 Q1	FY2025 Q1	Percentage change YoY
Net sales	24,999	<b>26,664</b>	+ 6.7%
Segment profit	1,199	<b>1,397</b>	+ 16.5%
Segment profit margin	4.8%	<b>5.2%</b>	+ 0.4pt

## Growth in Products Designed to Prevent Heat Stress

**Sales of spot coolers, workwear with built-in cooling fans, and water-cooled clothing were strong due to the extreme heat**

Efforts were made to quickly plan and develop private brand products that captured consumer needs and strengthened our lineup, and the YAMAZEN brand was popularized by disseminating information via social media and various other media.

In Q1, sales were driven by the sales of such private brand products as workwear with built-in cooling fans and water-cooled clothing as a result of the increased corporate needs brought by the laws and regulations to prevent heat stress and individual needs brought by the extreme heat.



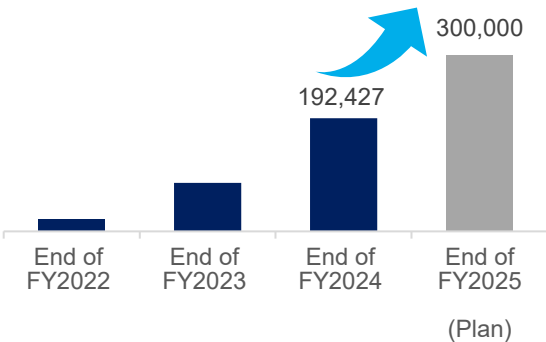
▲ "DIRECT COOL PREMIUM" water-cooled clothing that directly cools the neck and underarms

## Strengthened Yamazen Bizcom Membership Acquisition

**Net sales and membership increased at Yamazen Bizcom, our own e-commerce site aimed at corporations and sole proprietors**

Focused on expanding trade with sole proprietors, and membership steadily increased as a result.

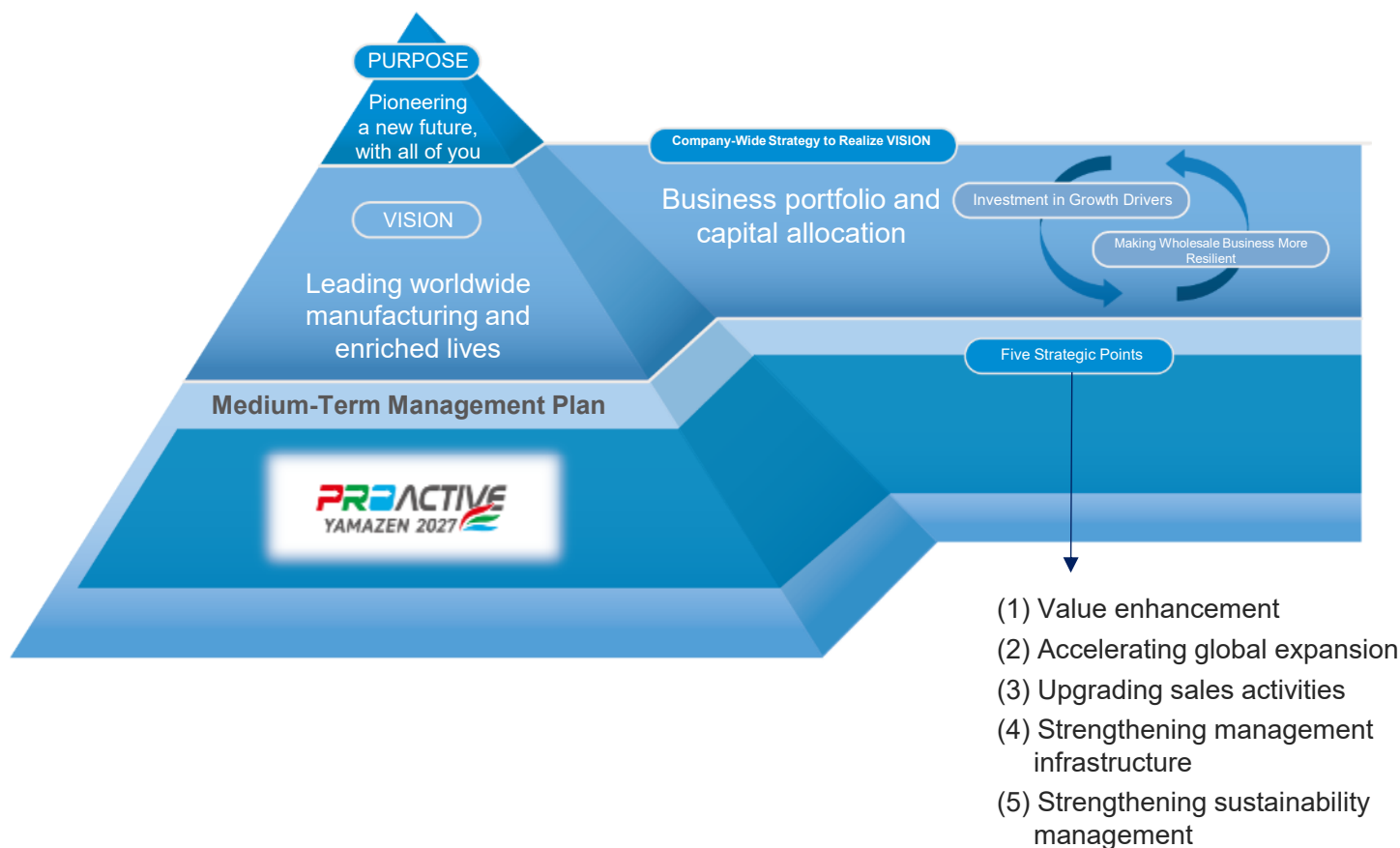
### ● Yamazen Bizcom Membership Trends



- Outline and Business Models
- Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights
- **Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”**
- Initiatives Aimed at Global Business Growth
- Capital Policy and Shareholder Returns
- Appendix

- The previous medium-term management plan (FY2022–FY2024) was positioned as a “Functional Expansion Period.” Building on this foundation, the company has launched a new three-year medium-term management plan, “PROACTIVE YAMAZEN 2027,” starting this fiscal year, which is positioned as a “Value Enhancement Period.”

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



## ■ Sales/Profits

(Unit: million yen)	FY2024 Results	FY2025 Plan		FY2027 Plan	
		Vs. FY2024 Results		Vs. FY2024 Results	
Net sales	516,126	530,000	+2.7%	600,000	+16.3%
Operating profit	9,535	9,000	- 5.6%	16,000	+67.8%
Ordinary profit	10,018	9,000	- 10.2%	16,000	+59.7%
Profit attributable to owners of parent	7,845	7,000	- 10.8%	11,000	+40.2%

## ■ Management Indicators

(Unit: million yen)	FY2024 Results	FY2025 Plan		FY2027 Plan	
		Vs. FY2024 Results		Vs. FY2024 Results	
Return on equity (ROE)	6.1%	5.5%	- 0.6pt	8.0%	+1.9pt
Basic operating cash flow	8,341	11,000	+31.9%	14,000	+67.8%
Shareholders' equity ratio	43.3%	40~45%	-	40~45%	-

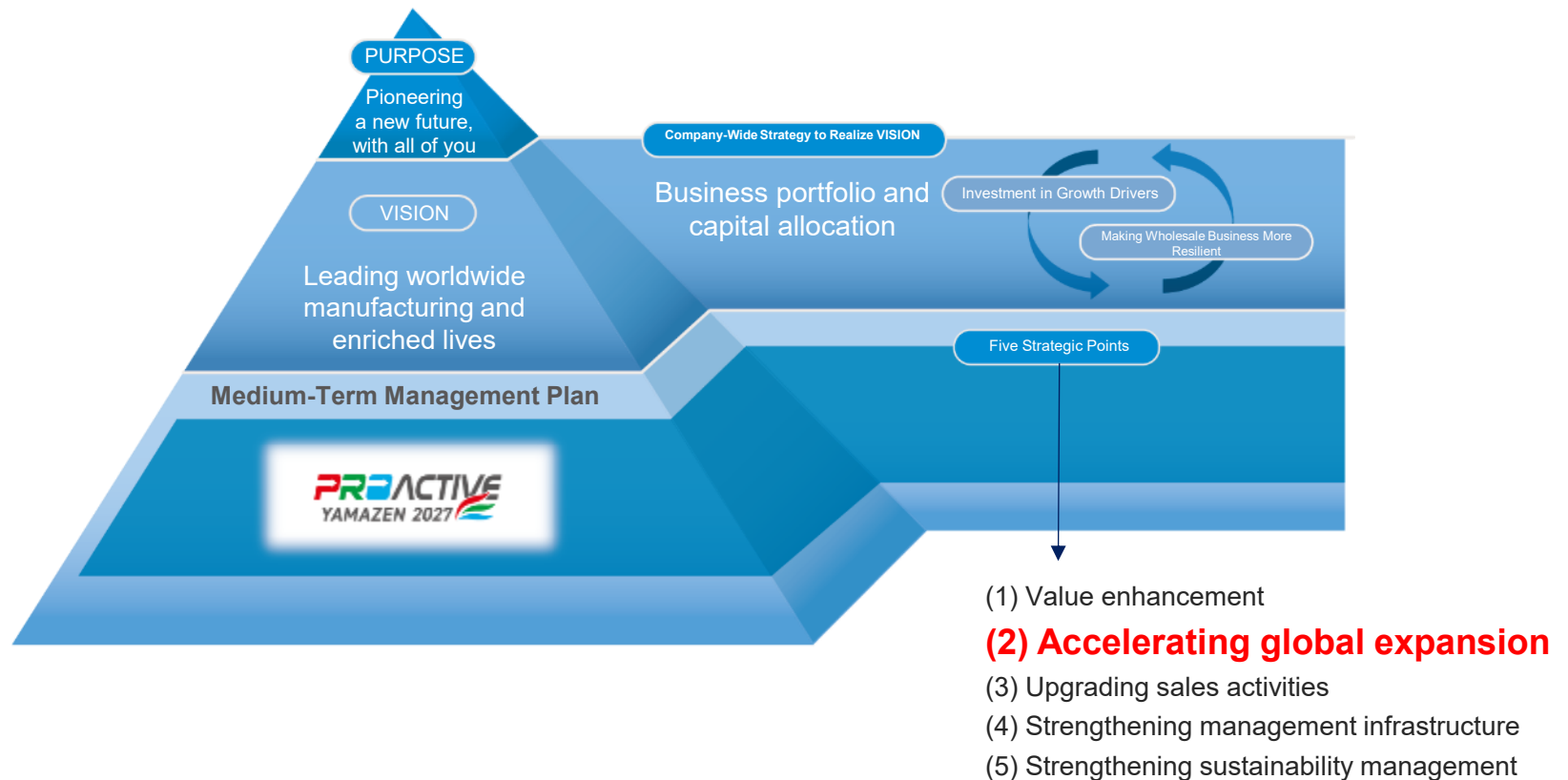
\*Basic operating cash flow is calculated by deducting the increase/decrease in working capital from operating cash flow

# Sales and Profits by Segment

Segment	Business		FY2024 Results	FY2025 Plan		FY2027 Plan	
					Vs. FY2024 Results		Vs. FY2024 Results
Production equipment	Machine Tools	Net sales	72,217	73,000	+1.1%	80,000	+10.8%
	Industrial Solutions	Net sales	95,049	99,000	+4.2%	110,000	+15.7%
	T&E	Net sales	80,204	82,000	+2.2%	90,000	+12.2%
	Domestic production equipment total	Net sales	247,471	254,000	+2.6%	280,000	+13.1%
	Global	Net sales	85,733	90,000	+5.0%	120,000	+40.0%
	Production equipment total	Net sales	333,205	344,000	+3.2%	400,000	+20.0%
		Segment profit	8,291	8,300	+0.1%	13,500	+62.8%
Segment profit margin		2.5%	2.4%	- 0.1pt	3.4%	+0.9pt	
Consumer goods	Building materials	Net sales	78,623	80,000	+1.8%	85,000	+8.1%
		Segment profit	3,192	3,300	+3.4%	3,500	+9.6%
		Segment profit margin	4.1%	4.1%	+0.0pt	4.1%	+0.1pt
	Home products	Net sales	100,883	104,000	+3.1%	115,000	+14.0%
		Segment profit	4,449	4,600	+3.4%	5,800	+30.4%
		Segment profit margin	4.4%	4.4%	+0.0pt	5.0%	+0.6pt
	Consumer goods total	Net sales	179,506	184,000	+2.5%	200,000	+11.4%
		Segment profit	7,641	7,900	+3.4%	9,300	+21.7%
		Segment profit margin	4.3%	4.3%	+0.0pt	4.7%	+0.4pt
Others		Net sales	3,414	2,000	- 41.4%	0	-
		Segment profit	- 6,396	- 7,200	-	- 6,800	-
		Segment profit margin	-	-	-	-	-
Consolidated		Net sales	516,126	530,000	+2.7%	600,000	+16.3%
		Segment profit	9,535	9,000	- 5.6%	16,000	+67.8%
		Segment profit margin	1.8%	1.7%	- 0.1pt	2.7%	+0.8pt

- The previous medium-term management plan (FY2022–FY2024) was positioned as a “Functional Expansion Period.” Building on this foundation, the company has launched a new three-year medium-term management plan, “PROACTIVE YAMAZEN 2027,” starting this fiscal year, which is positioned as a “Value Enhancement Period.”

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



- Outline and Business Models
- Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights
- Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”
- **Initiatives Aimed at Global Business Growth**
- Capital Policy and Shareholder Returns
- Appendix



## High-value-added Business Providing Engineering Services

### Suppliers



Machine tools/production equipment



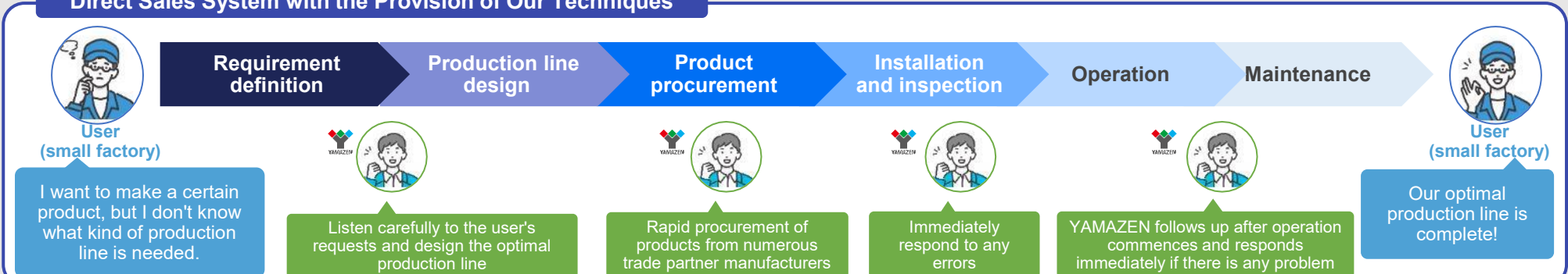
**YAMAZEN**



### Clients



### Direct Sales System with the Provision of Our Techniques



## We are one of the few specialist trading companies that deliver advanced engineering services worldwide

01

### Extensive engineering know-how

We entered North America in 1963. As a specialized trading company currently with 16 overseas subsidiaries and 73 overseas branches (72 for Production Equipment and 1 for Home Products) in 15 countries and regions, including China, Taiwan, ASEAN, and India, we possess vast know-how regarding production sites.

02

### Community-based sales

As in Japan, we have a community-based sales style in which there is trade with not only Japanese-affiliated users but also many local users, allowing us to ascertain the industrial structure of each country/area and capture their production demand.

03

### Extensive engineering talent

Have been strengthening training for engineers  
Have secured highly skilled engineering talent with a wealth of knowledge and experience

04

### Capable of handling a wide array of products

Trading with many suppliers allows us to combine a wide array of products  
Great opportunities to acquire distributor rights

**15** Overseas countries and regions

**73** overseas offices



Overseas staff members  
About **1,200**

Number of engineers among total overseas staff  
About **330**

# Global Business: Key Measures and Initiatives

## Localization of Management

- Appointing national staff to management positions
- Advancements in engineering
  - ◆ The mechatronics specialist team set up in China is scheduled to be expanded horizontally to India and Thailand
  - ◆ A calibration and metrology specialist team is scheduled to be set up in Thailand
  - ◆ In ASEAN and India, engineering competitions are to be held to standardize YAMAZEN's engineering quality.

## Geographic Expansion of Target Markets

- Improving global coverage
- Supporting end-user production transfers
- Promoting cross-border business by fully utilizing global networks

## Diversification of Markets and Business Formats

- Responding to the diversification of business formats by country and area
- Optimizing product portfolios by country and area
  - ◆ Products for the medical, aircraft/space, semiconductor, and electronics industries

## Strengthening of Relationships with Suppliers

- Increasing sales expectations from suppliers, leading to the acquisition of distributor rights
  - Supplies that have acquired new commercial rights  
FY2024 (results): **20** companies  
Areas: India, Indonesia, Vietnam, South Korea, North America

## Improving global coverage

### An Information-Sharing Network Across Global Offices



## Selecting Promising Countries, Expanding Globally, and Reducing Risk

### ASEAN

The geographical expansion of manufacturing bases continues, due in part to the demand from Chinese companies to relocate production. It has the highest sales growth rate among the four regional headquarters.

### India

We have increased our bases from 7 to 11 to expand user coverage.

### US

Although there is uncertainty about US policy, the country is on a growth trajectory long-term owing to the investment effects from industries within the US.

### China

While there is a movement to shift the industrial structure from external demand-driven to domestic demand-driven, in the medium to long term, it is expected that the country will return to a growth trajectory under government leadership.

## Horizontally Expanding the North American Base Development Model in India

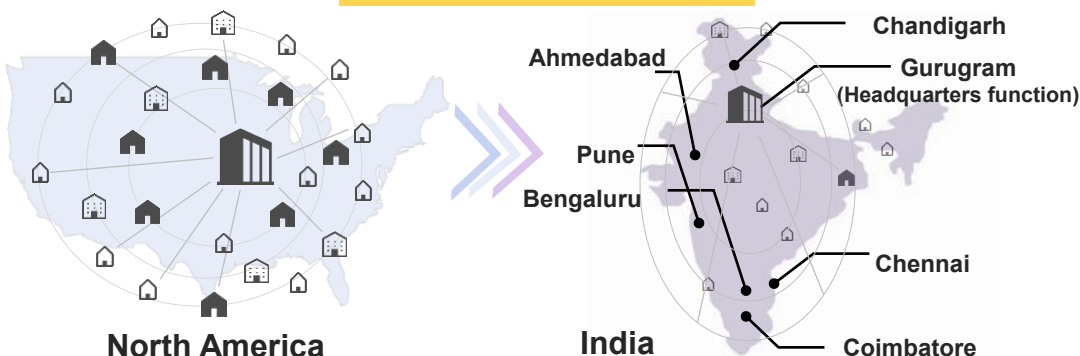
In North America, we have efficiently increased market coverage while keeping investment costs down by clarifying the scale and role of each base and engaging in the expansion of bases according to the target market. Our plan is to also apply this base expansion model to India and expand the current 7 bases to 11 by 2030.

### North American Base Expansion Model

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



### Image of base expansion



## From Turkey to Europe and EMEA

We have opened a branch in Istanbul in the Republic of Turkey, one of the world's leading countries in demand for machine tools and an important area for expanding the EMEA (Europe, the Middle East and Africa) market. As we collaborate with our existing European bases (Germany and Czech Republic), we are considering entering the Middle East and North African markets in the future.



▲ Established on February 1, 2025  
The building where the Istanbul Office is located

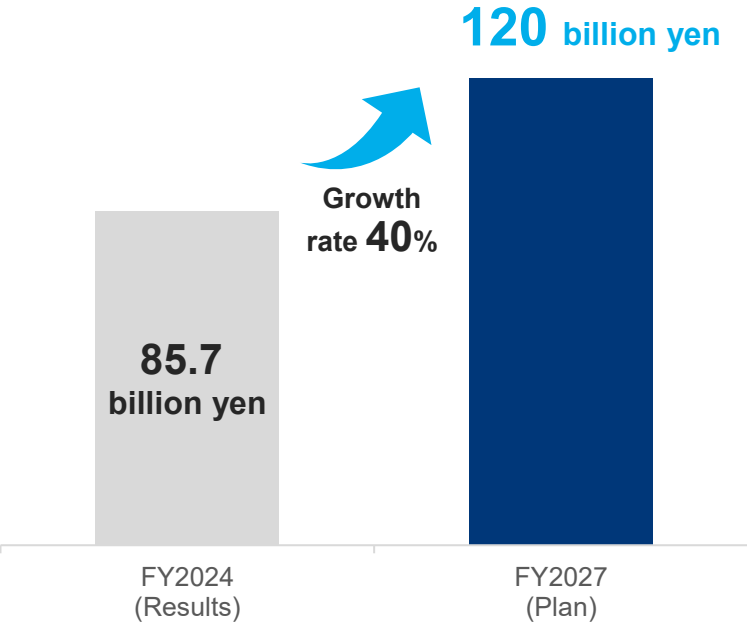
## Expanding Trade with Domestic Demand-driven Companies in the Chinese Market

In China, where Japanese-affiliated suppliers are downsizing or withdrawing, we have built trade relationships with local companies over many years and have a strong sales base. Our national staff members familiar with the local industries at each base are aiming for renewed growth by working to expand trade with domestic demand-driven industrial companies while quickly ascertaining changes in manufacturing.



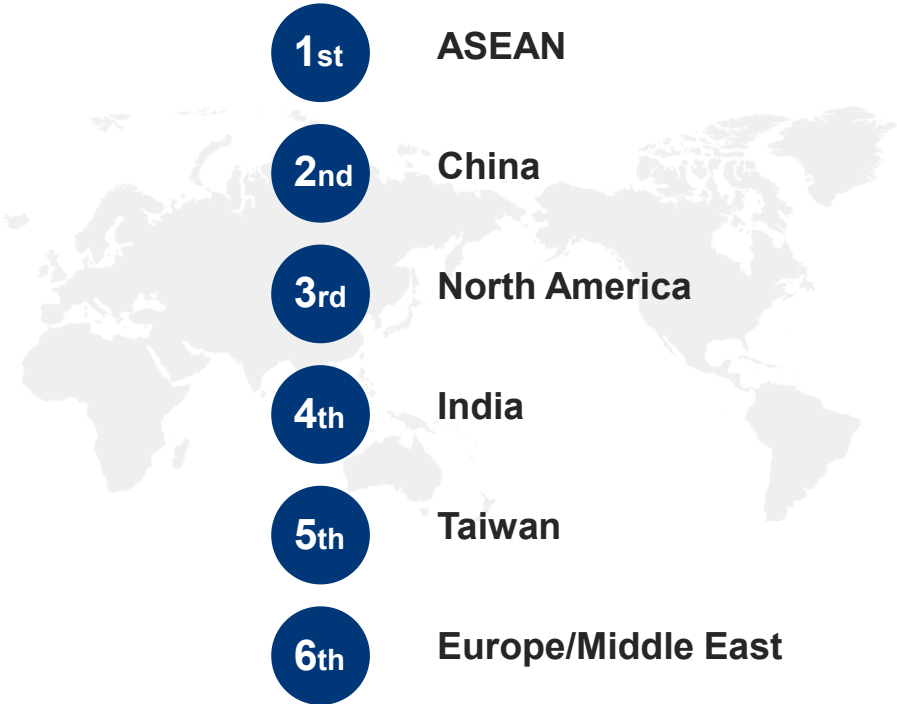


## Sales Plan



## Countries/Areas where Sales are to Grow

In order of increase in sales for FY2024/FY2027



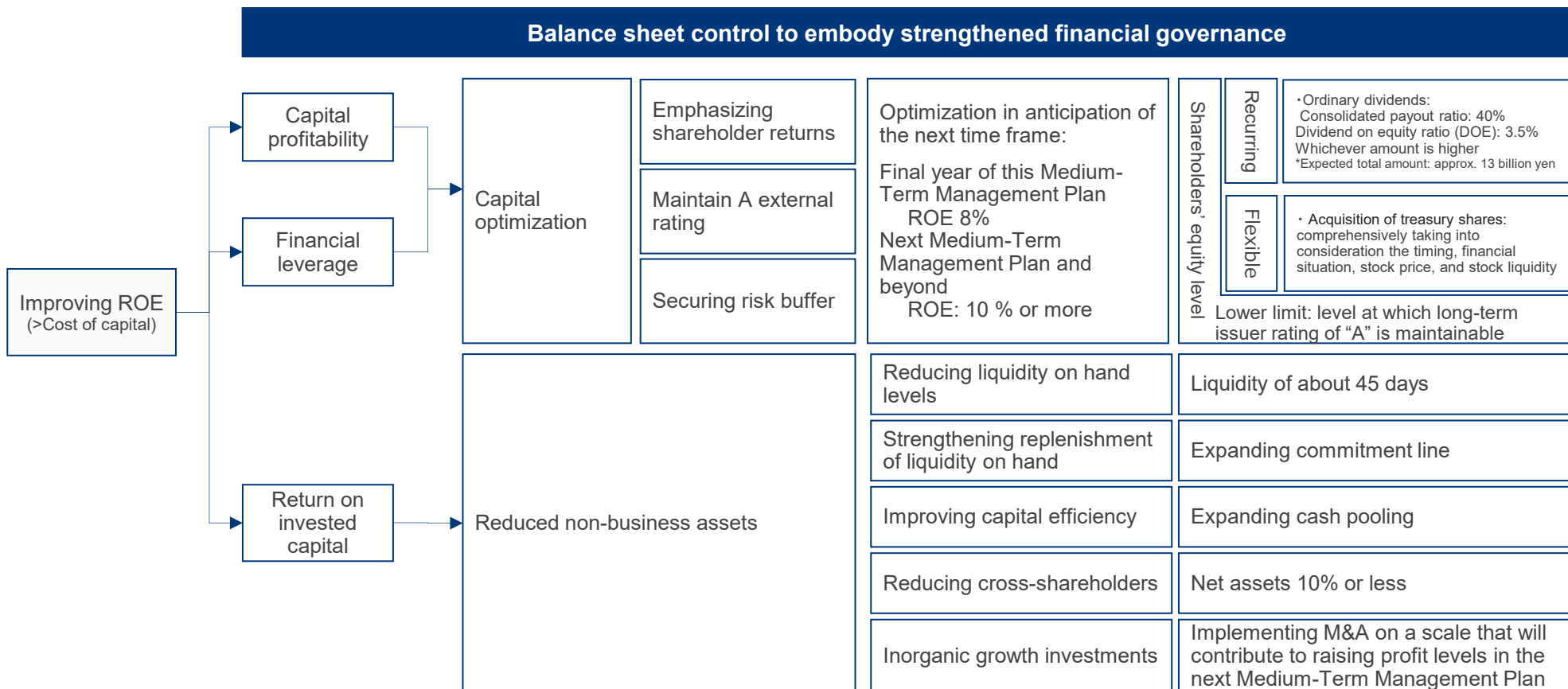
- Outline and Business Models
- Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights
- Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”
- Initiatives Aimed at Global Business Growth
- **Capital Policy and Shareholder Returns**
- Appendix

# Initiatives to Improve ROE

- Eliminating negative equity spread (ROE < cost of capital) and returning to being a value-creating company

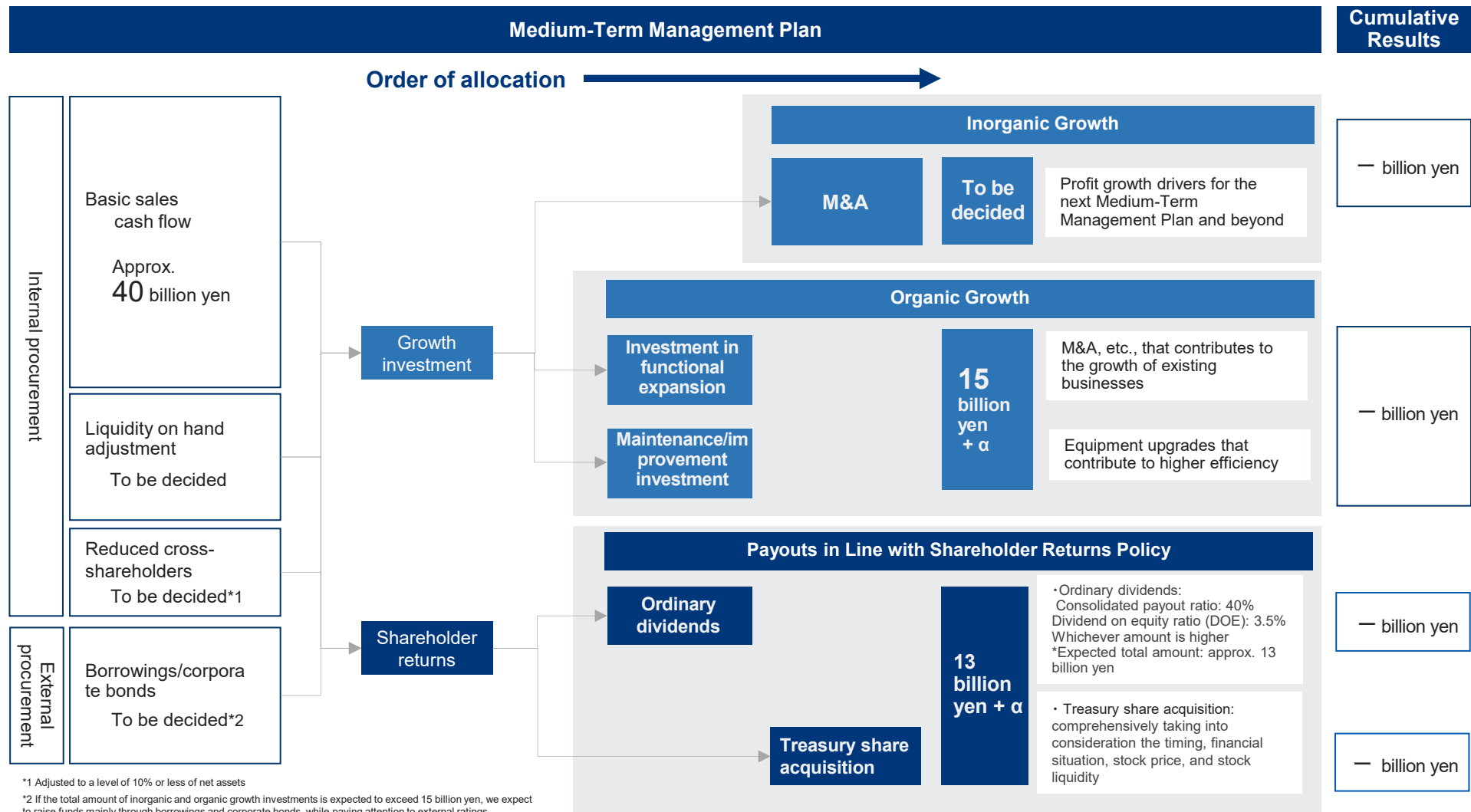
## Initiatives to Improve ROE

Strengthening financial governance and implementing balance sheet control consistent with the medium- to long-term ROE targets



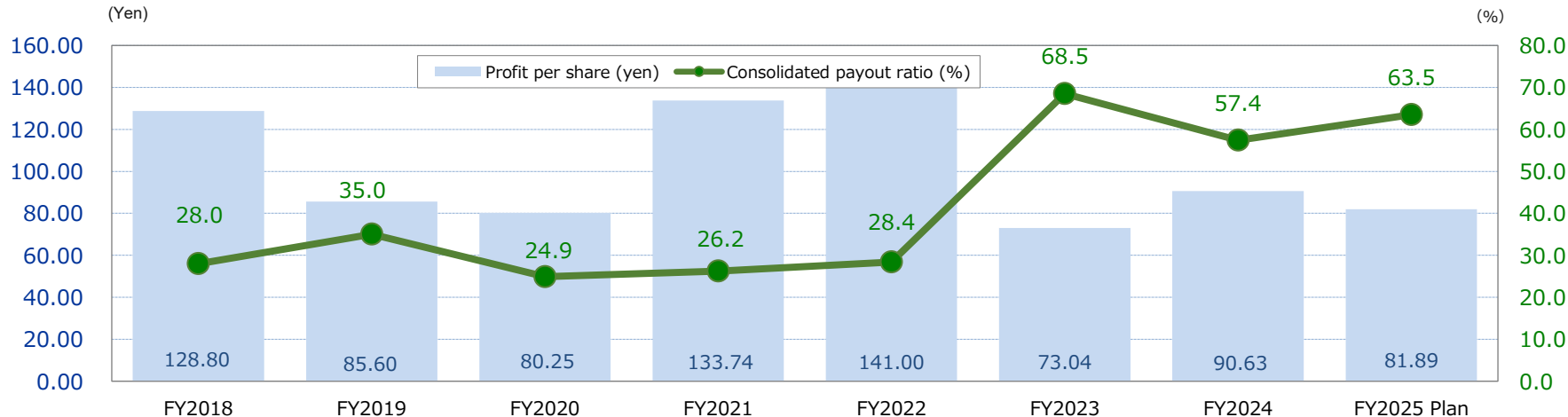


- Looking to achieve an ROE of 10% or more for the next Medium-Term Management Plan and beyond, we will implement organic investments and shareholder returns while also promoting inorganic investments to be growth drivers for the next Medium-Term Management Plan and beyond



# Shareholder Returns

- The higher amount between a 40% dividend payout ratio and a 3.5% dividend on equity will be adopted.
- For FY2024, an increase in dividends was announced during the fiscal year, resulting in an annual dividend of 52 yen per share, with the same level planned for FY2025.
- With respect to share repurchases, the Company will act flexibly, taking into comprehensive consideration the share price and stock liquidity.



		FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025 Plan
Dividend per share (yen)	Mid-year	15.0	16.0	10.0	10.0	20.0	20.0	20.0	20.0
	End of year	*21.0	14.0	10.0	*25.0	20.0	30.0	32.0	32.0
	Annual	*36.0	30.0	20.0	35.0	40.0	50.0	52.0	52.0
Payout ratio (%)		28.0	35.0	24.9	26.2	28.4	68.5	57.4	63.5
Dividend on equity ratio (DOE) (%)		3.8	3.0	1.9	2.9	3.0	3.5	3.5	3.5
Dividend paid (Million yen)		3,405	2,837	1,891	3,115	3,560	4,451	4,453	4,453
Amount of treasury stock acquired (Million yen)		-	-	-	5,999	-	-	4,999	-
Total return ratio (%)		28.0	35.0	24.9	75.8	28.4	68.5	120.5	63.5

Pioneering a new future,  
with all of you



- Outline and Business Models
- Revision of FY2025 Q2 (Interim) Consolidated Earnings Forecast  
/ FY2025 (Q1) Financial Highlights
- Medium-Term Management Plan “PROACTIVE YAMAZEN 2027”
- Initiatives Aimed at Global Business Growth
- Capital Policy and Shareholder Returns
- **Appendix**

## Machine Tools Business

Major items handled

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 (presses, shirring, bending machines, laser cutting machines), injection molding machines, die-casting machines, CAD/CAM, machine tool-accessories (industrial robots, measuring equipment, automation peripheral equipment, machine tools accessories, etc.), etc.



Machine tools



## Industrial Solution Business

Major items handled

Material handling equipment, packing/wrapping systems, automated warehousing, picking/sorter systems, robot systems, CAD systems, hydraulic/pneumatic equipment, various sensors, labor-saving/automation systems, compressors, pumps, ventilators, painting equipment, welding equipment, power generators, compact construction machine, prefabricated house-related equipment, multilevel parking lots, steel frame processing machines, cleaning systems, effluent treatment equipment, dust extracting equipment, incinerators, oil mist collectors, cutting and cleaning fluid purification equipment, deodorization equipment, acoustic absorption/sound-proofing systems, environmental improvement equipment, aluminum frames, clean room-related equipment, HVAC equipment, air-conditioning systems, etc.



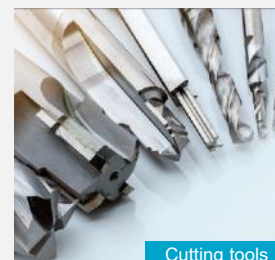
Material handling equipment



## Tool & Engineering Business

Major items handled

Cutting tools, tooling, accessory tools, machine tool-accessories, measuring equipment, grinding tools/diamond tools, hand/plumbing/electric tools, hydraulic/air pressure tools, welding machines, cutting machines, plate processing machines, compact machine tools, press-related tools, tool grinding machines, construction/cargo handling-related equipment, chemical products, office automation/office equipment, home appliances, etc.



Cutting tools



# Production Equipment Business

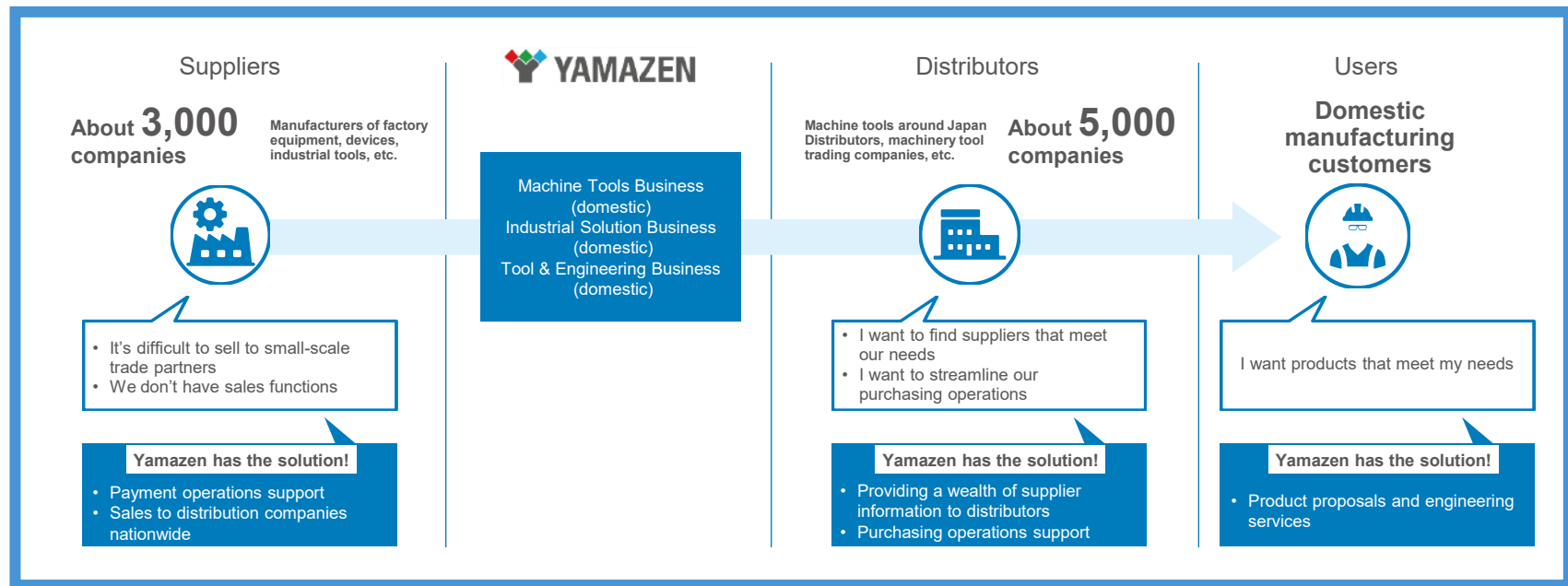
**Business Model** >>> Wholesale and Engineering

## Machine Tools Business, Industrial Solution Business, Tool & Engineering Business

At production sites where a high level of expertise is required, we respond to customer needs as they change with the times and promote high-value-added proposal sales and technical sales. We aim to be the one-and-only choice for our customers.



### Domestic Production Equipment: Wholesale Business Commercial Distribution



## Business Model >>> Engineering

### Global Business

We promote high-value-added proposal sales at manufacturing sites both in Japan and overseas that require a high level of expertise.

### Global Network

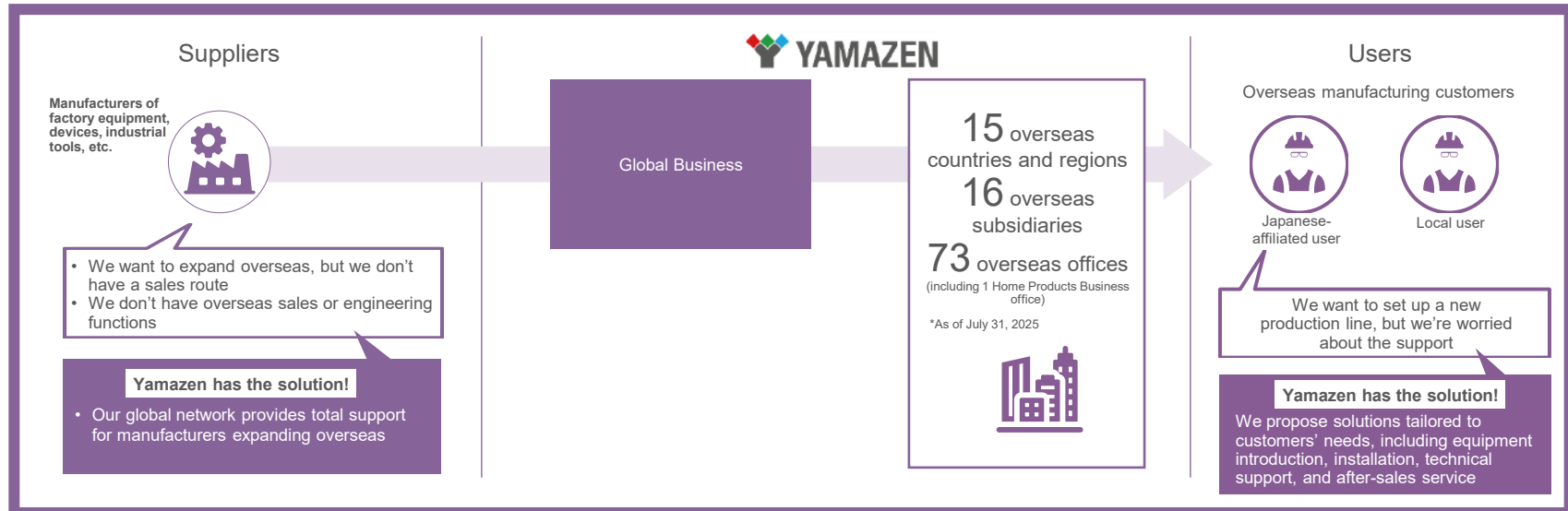


**15** overseas countries and regions,  
**16** overseas subsidiaries,  
**73** overseas branches (including 1 Home Products Business branch)

Yamazen Group overseas staff members: 1,200; engineers: about 330

\*As of July 31, 2025

### Global Business Commercial Distribution





## Building Materials Business

Major items  
handled

Kitchen equipment, cooking equipment, bathroom equipment, washbasin equipment, water boiling equipment, sanitary equipment, air-conditioning equipment, solar power generation, storage batteries, plumbing equipment & materials, interior architectural materials, exterior architectural materials, interior, sashes, exterior, secondary construction materials, construction materials, construction equipment, structural frames, BCP-related equipment, etc.



## Home Products Business

Major items  
handled

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.





# Consumer Goods Business

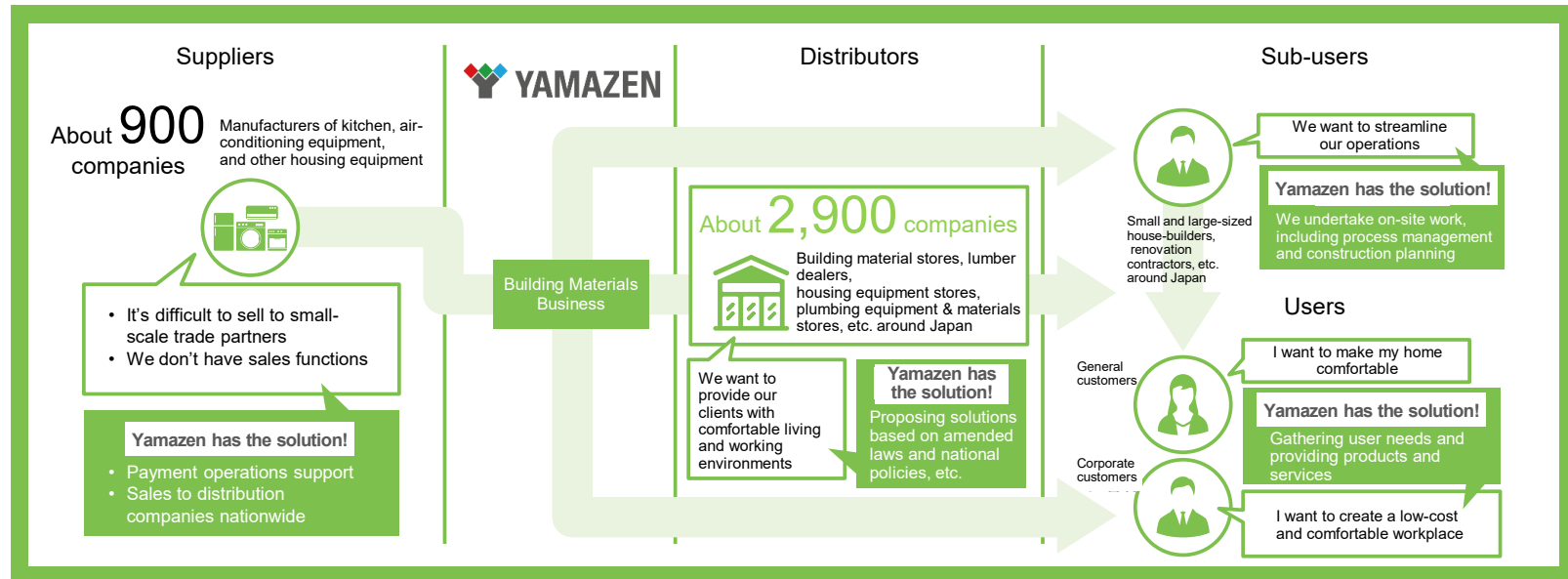
**Business Model** >>> Wholesale and Engineering

## Building Materials Business

We provide total support for creating comfortable spaces, from residential to non-residential. We are comprehensively expanding business as a multi-functional trading company that responds to changing needs, from the procurement and supply of primary processed products to the retail sector.



### Building Materials Business Commercial Distribution



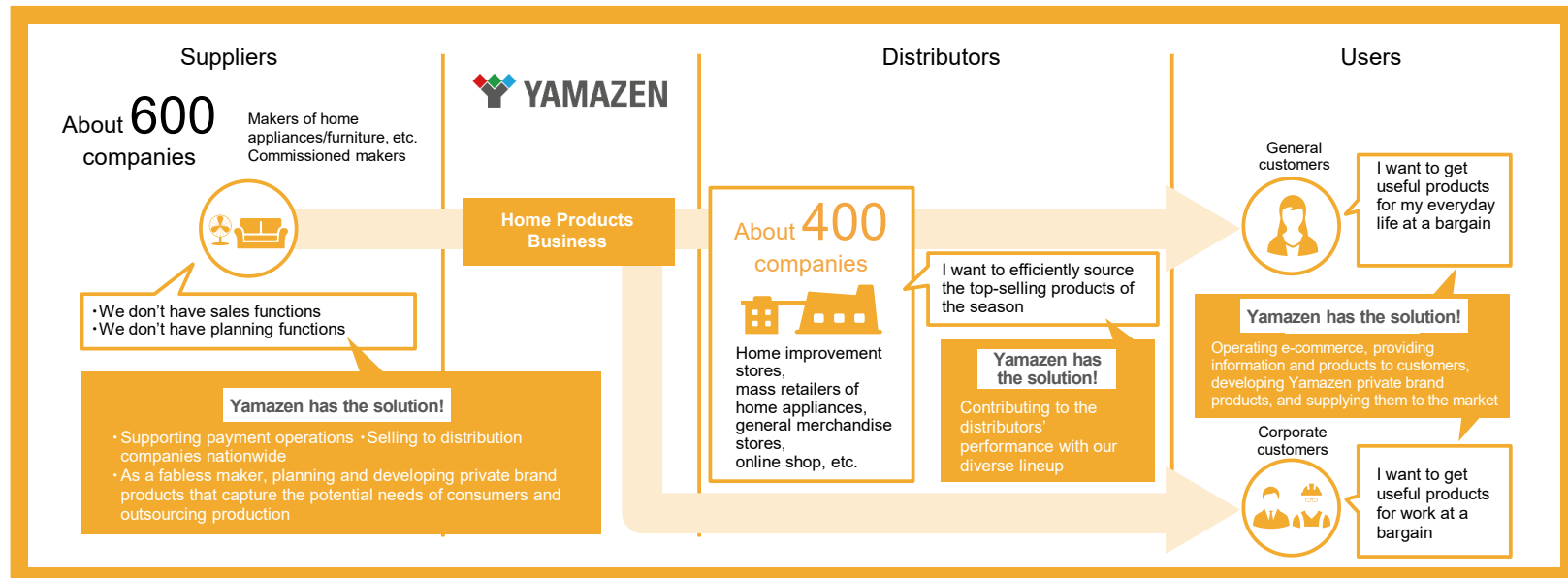
**Business Model** >>> Fabless Manufacturer and Wholesale

## Home Products Business

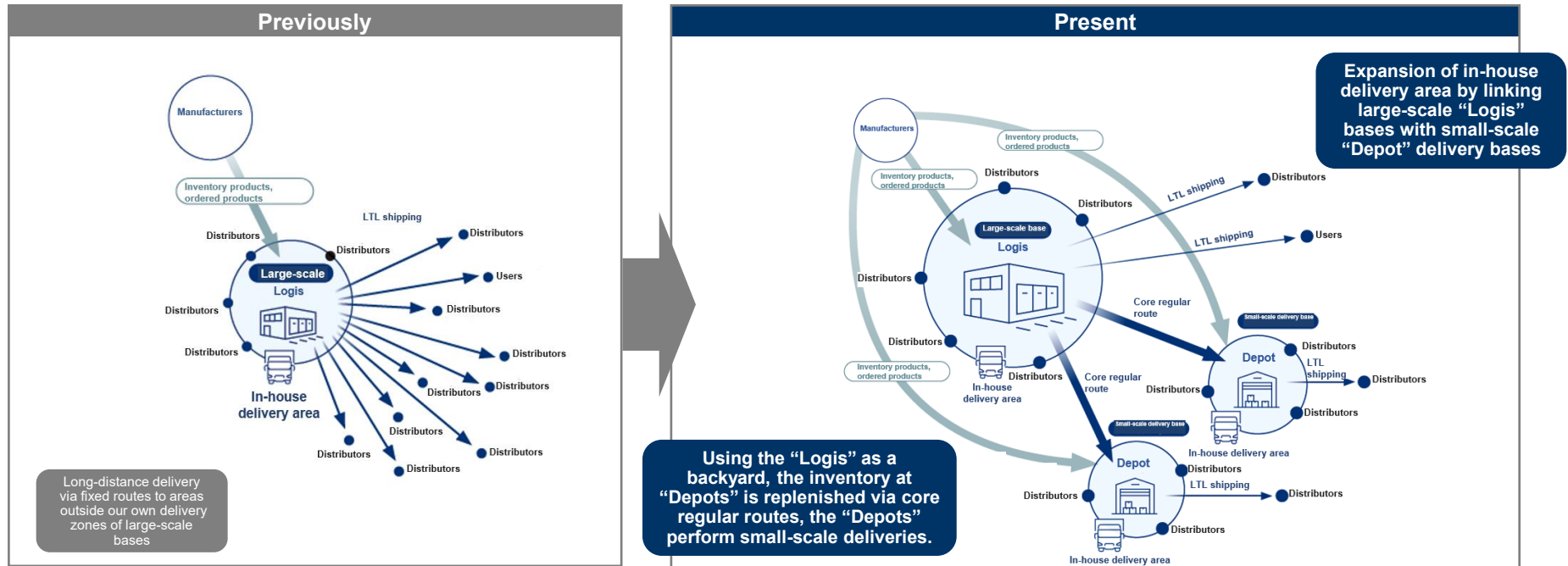
We support the rich and diverse lifestyles of consumers with a wide array of products that utilize our dual functions as a trading company and a fabless maker.



### Home Products Business Commercial Distribution



- Sharing distribution assets across business units by implementing LMS/WMS and increasing efficiency through distribution DX
- Several improvement initiatives have been selected as outstanding examples at the “All-Japan Logistics Improvement Case Study Convention 2025”



## Introduce LMS/WMS





We have been promoting the use of LMS (integrated logistics management system) and WMS (warehouse management system), and the introduction of these systems had been completed at seven locations as of March 2024. Compared to before the relocation, picking productivity at Logis Tokyo (Kitamoto City) has increased by approximately 2.3x, and erroneous shipments have decreased by approximately two thirds. Combined with the effect of introducing material handling systems, the number of personnel in the warehouse has been reduced by approximately 25%.

## Share distribution assets between businesses

Building Materials Business distribution bases (“Depots”) are also being used as small distribution bases for Production Equipment After starting in Okayama, the system has been expanded to Kanazawa, Sendai, and Sapporo. Realizes reduced delivery distances and improved service levels

## Expand and reorganize distribution bases

Logis Osaka (Higashiosaka City) has begun full operation from January 2025 as the most important logistics base in western Japan. The introduction of our latest distribution system has enabled us to streamline and save on labor. In addition, we plan to implement “joint transportation and delivery,” which will also transport cargo from other companies in the industry.

Service Name	Target Segment	Details
 <a href="https://genbato.jp/">https://genbato.jp/</a>	Corporations/ manufacturing sites  Production Equipment	<ul style="list-style-type: none"> <li>✓ A composite SaaS platform for manufacturing companies</li> <li>✓ Providing services to improve streamlining tailored for manufacturing sites, such as equipment management, drawing management, defect records, daily report management, and work procedure manuals</li> </ul>
 <a href="https://monoken.yamazen.co.jp/">https://monoken.yamazen.co.jp/</a>	Corporations/ manufacturing sites  Production Equipment	<ul style="list-style-type: none"> <li>✓ A useful information site for manufacturing companies</li> <li>✓ Providing valuable information useful for manufacturing, such as the latest technological trends and efficient production methods</li> </ul>
 <a href="https://www.teraido.jp/">https://www.teraido.jp/</a>	Corporations/ manufacturing sites  Production Equipment	<ul style="list-style-type: none"> <li>✓ A comprehensive platform site for manufacturing companies</li> <li>✓ In addition to introducing over 2 million products from about 700 manufacturers, including all the consumables and auxiliary equipment needed for production sites, the site also provides information on new products, subsidies, etc.</li> <li>✓ Registered distributors can confirm product orders, quote requests, history confirmations, etc.</li> </ul>
 <a href="https://book.yamazen.co.jp/">https://book.yamazen.co.jp/</a>	Consumer Goods  Corporations/sole proprietors	<ul style="list-style-type: none"> <li>✓ A support site that lists such things as product information, instruction manuals, inquiries, and catalogs for YAMAZEN electric fans, heating equipment, etc.</li> </ul>
 <a href="https://yamazenbizcom.jp/">https://yamazenbizcom.jp/</a>	Consumer goods (Home Products)  Corporations and sole proprietors (Mainly for offices and stores)	<ul style="list-style-type: none"> <li>✓ In addition to our own brand products, the online shop handles about 20,000 items, including such products from partner manufacturers as interior products, home appliances, anti-disaster/anti-crime goods products, DIY products, industrial tools, etc.</li> </ul>
 <a href="https://www.rakuten.ne.jp/gold/e-kurashi/">https://www.rakuten.ne.jp/gold/e-kurashi/</a>	Consumer goods (Home Products)  Sole proprietors	<ul style="list-style-type: none"> <li>✓ Online shop for furniture, home appliances, garden supplies, outdoor equipment, and other household items</li> <li>✓ Winner of The Rakuten SHOP OF THE YEAR award for the 15th consecutive year (2021)</li> </ul>

## List of Officers

Representative Director, President & CEO	Koji KISHIDA	Representative Director, Executive Vice President	Kimihisa SASAKI	Director, Executive Officer, CFO	Masamichi YAMAZOE
Director, Executive Officer	Naonori NAKAYAMA	Outside Director	Hirohiko SUMIDA	Outside Director	Atsumi EGUCHI
Director, Full-time Audit and Supervisory Committee Member	Shinichi KIYOHARA	Outside Director, Audit and Supervisory Committee Member	Yoshinori TSUDA	Outside Director, Audit and Supervisory Committee Member	Naoko NAKATSUKASA

\*As of June 24, 2025

## Links

YAMAZEN Corporate Site  
<https://www.yamazen.co.jp/english/>



YAMAZEN BASE CAMP  
<https://www.yamazen.co.jp/ybc/> \*Japanese Only



IR Information  
<https://www.yamazen.co.jp/english/ir/>



Sustainability  
<https://www.yamazen.co.jp/english/sustainability/>

