



**Summary of Business Performance**  
**The Third Quarter of Fiscal Year Ending December 31, 2021**  
**~ The World's No. 1 Brand Across the Five Continents ~**

**HOSHIZAKI CORPORATION**  
(Stock code: 6465 Tokyo Stock Exchange First Section  
and Nagoya Stock Exchange First Section)

November 9, 2021

**HOSHIZAKI**

# Table of Contents

**I . Financial Results for FY 2021 3Q : P.2-14**

**II . Key Factors of Financial Results for FY 2021 3Q : P.15-22**

**III . Business Forecast for FY 2021 : P.23-24**

**IV . Company Profile and Overview of Business : P.25-31**





## **I . Financial Results for FY 2021 3Q**

**HOSHIZAKI**

# Foreign Exchange Rates

	FY 2020 9 months ('20/1-9)		FY 2020 ( '20/1-12)		FY 2021 9 months ('21/1-9)		Forecast of FY 2021, Aug. 6th, 2021	
	Average of period	End of period	Average of period	End of period	Average of period	End of period	Average of period	End of period
US dollar	107.5	105.8	106.7	103.5	108.5	111.9	108.0	108.0
Pound	136.7	136.0	137.0	139.8	150.4	150.4	134.0	134.0
Euro	120.9	124.1	121.8	126.9	129.8	129.8	130.0	130.0
Singapore dollar	77.3	77.3	77.4	78.0	81.0	82.2	78.0	78.0
Chinese yuan	15.3	15.5	15.4	15.8	16.7	17.3	15.2	15.2
Denmark krone	16.2	16.6	16.3	17.0	17.4	17.4	16.3	16.3
Taiwan dollar	3.6	3.6	3.6	3.6	3.8	4.0	3.6	3.6
Hong Kong dollar	13.8	13.6	13.7	13.3	13.9	14.3	13.8	13.8
Indian rupee	1.46	1.45	1.45	1.42	1.48	1.51	1.48	1.48
South Korean won	0.0897	0.0908	0.0907	0.0952	0.0961	0.0947	0.0892	0.0892
Brazilian real	21.4	18.7	20.9	19.9	20.4	20.5	20.7	20.7
Indonesian rupiah	0.0074	0.0072	0.0074	0.0074	0.0076	0.0079	0.0076	0.0076
Thai baht	3.4	3.3	3.4	3.4	3.4	3.3	3.5	3.5
Malaysia ringgito	25.4	25.4	25.4	25.6	26.2	26.7	25.1	25.1
Viet Nam dong	0.0046	0.0045	0.0046	0.0044	0.0046	0.0048	0.0046	0.0046
Philippine peso	2.17	2.20	2.17	2.18	2.24	2.22	2.17	2.17



# Summary of Financial Results for FY 2021 3Q

## ■ Sales : 208.0 billion yen (increased 13.4% year-on-year)

- Japan : 136.3 billion yen (increased 5.3%)
- Overseas : 71.6 billion yen (increased 32.7%) Overseas sales ratio : 34.4% (increased 5.0%)

\*Calculated based on reporting segments: "Americas" and "Europe and Asia"

- In Japan : As for restaurant market, despite the ongoing impact of COVID-19 on night-time restaurant, the sales have increased due to reaction from restricted sales activities in the same previous year. As for non-restaurant market, the sales have increased in various business categories such as stores and food processing business.
- In Overseas: The sales have increased all regions due to reaction from restricted sales activities in the same previous year.

## ■ Operating Income : 21.0 billion yen (increased 25.6%) Operating income margin : 10.1%

- Japan : 14.8 billion yen (increased 10.7%) Operating income margin : 10.9%
- Overseas : 6.5 billion yen (increased 83.5%) Operating income margin : 9.2%

\*Calculated based on reporting segments: "Americas" and "Europe and Asia"

- Both of Japan and overseas, although having impact which is escalating the price of raw materials, the sales profit has increased caused by gain of sales.

## ■ Ordinary Income : 25.3 billion yen (increased 58.9%)

- Foreign exchange gains of 3.7 billion yen from deposits in foreign currencies were recorded as non-operating income. (2.0 billion yen of foreign exchange losses were recorded in the previous fiscal year.)

## ■ Profit Attributable to Owners of Parent : 17.6 billion yen (increased 67.7%)



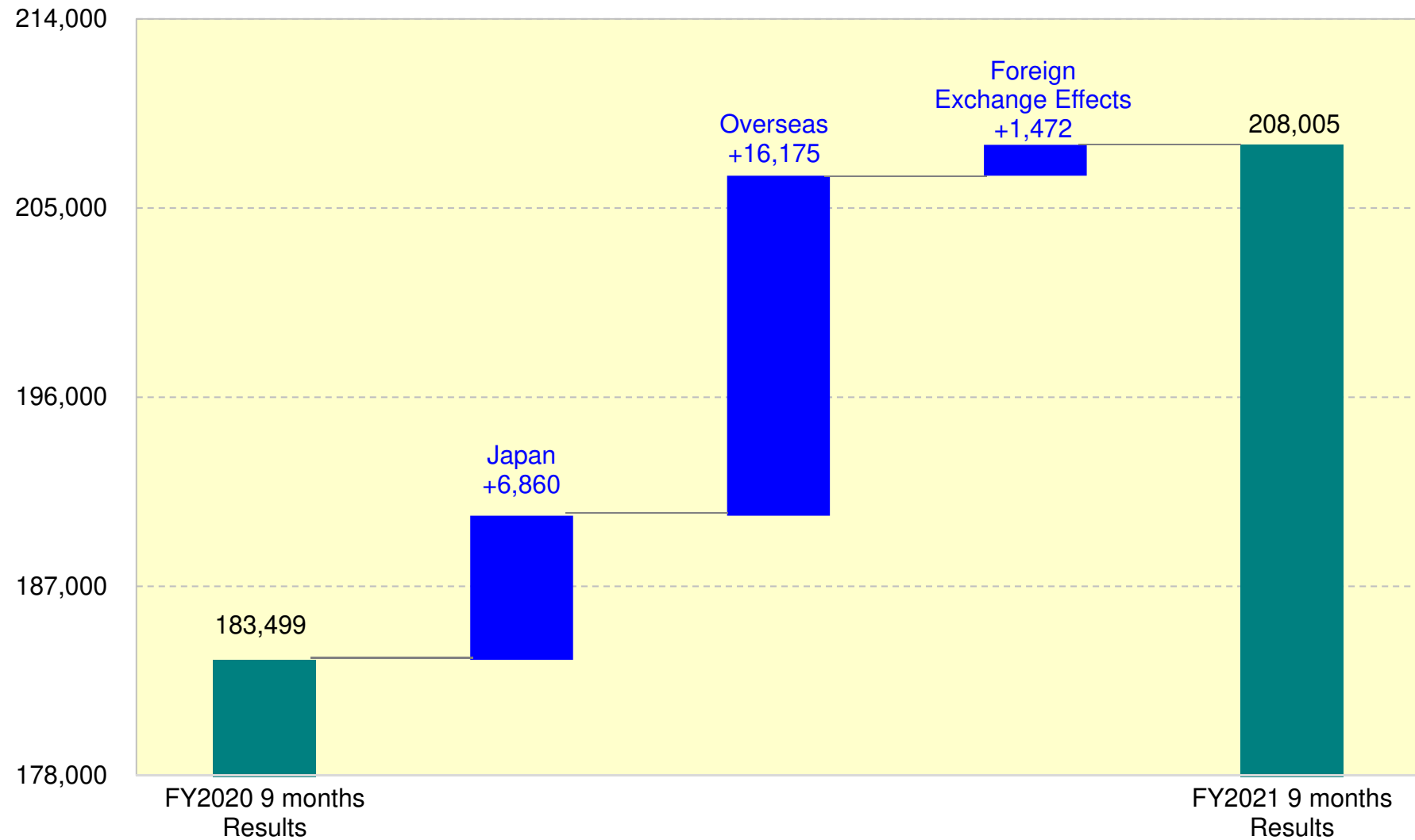
# Consolidated Business Performance

	FY 2020 9 months results		FY 2021 9 months results			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
					Change (Millions of yen)	Percentage (%)
Sales	183,499	100.0	208,005	100.0	+24,506	113.4
Cost of sales	113,622	61.9	130,937	62.9	+17,315	115.2
Gross profit	69,877	38.1	77,068	37.1	+7,190	110.3
Selling, general and administrative expenses	53,110	28.9	56,016	26.9	+2,905	105.5
Operating income	16,766	9.1	21,051	10.1	+4,285	125.6
Ordinary income	15,978	8.7	25,388	12.2	+9,409	158.9
Profit attributable to owners of parent	10,553	5.8	17,694	8.5	+7,141	167.7



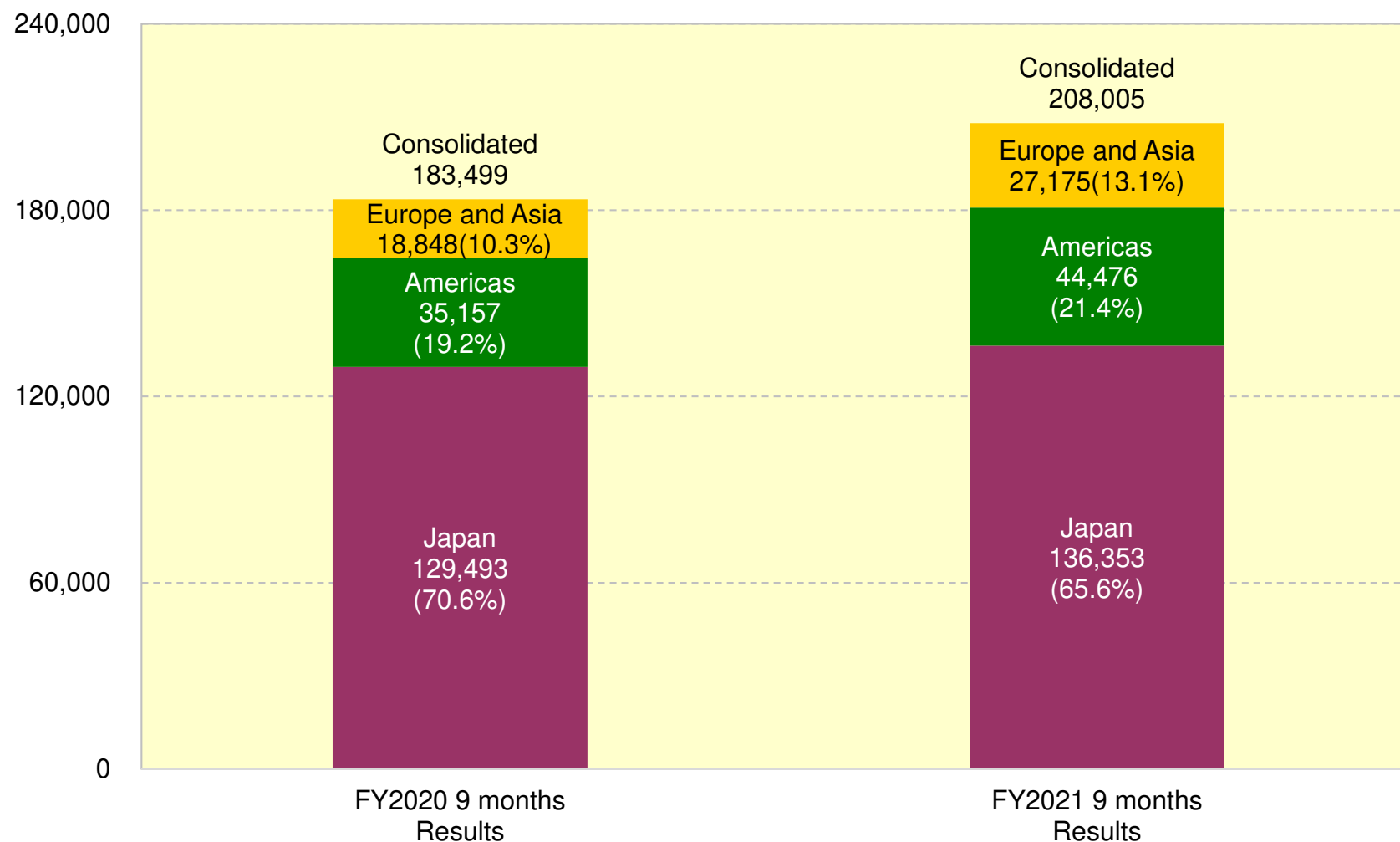
# Factors for Change in Consolidated Sales by Japan and Overseas

(millions of yen)



# Year-on-year Comparison of Sales by Reporting Segments

(millions of yen)



\*Figures in parenthesis indicate component percentages.

\*Classified according to the location of the head offices. (e.g. Lancer Europe is included in "Americas")

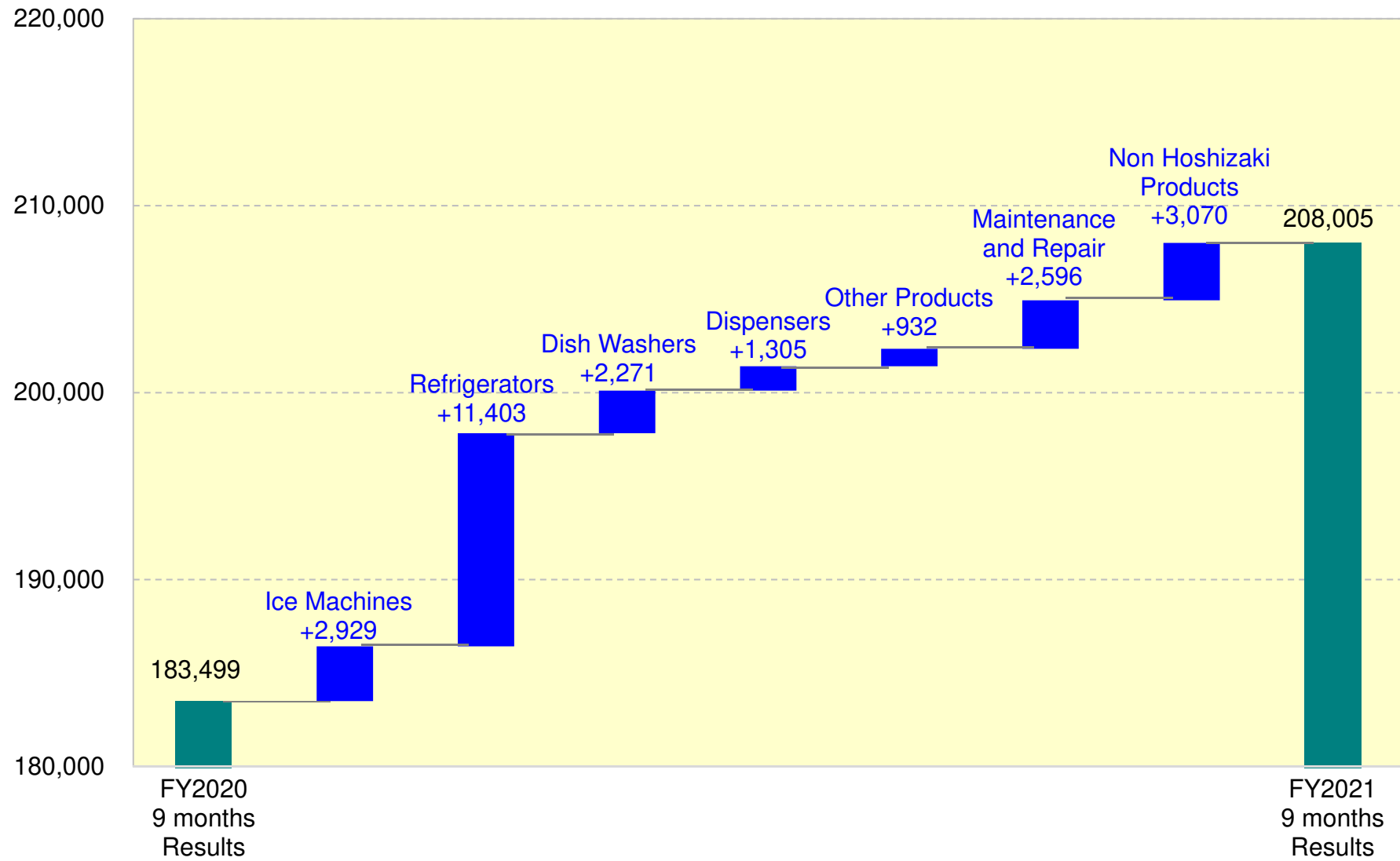
(This is a classification for internal management control, and we use the same classification for reporting segments in the quarterly report.)





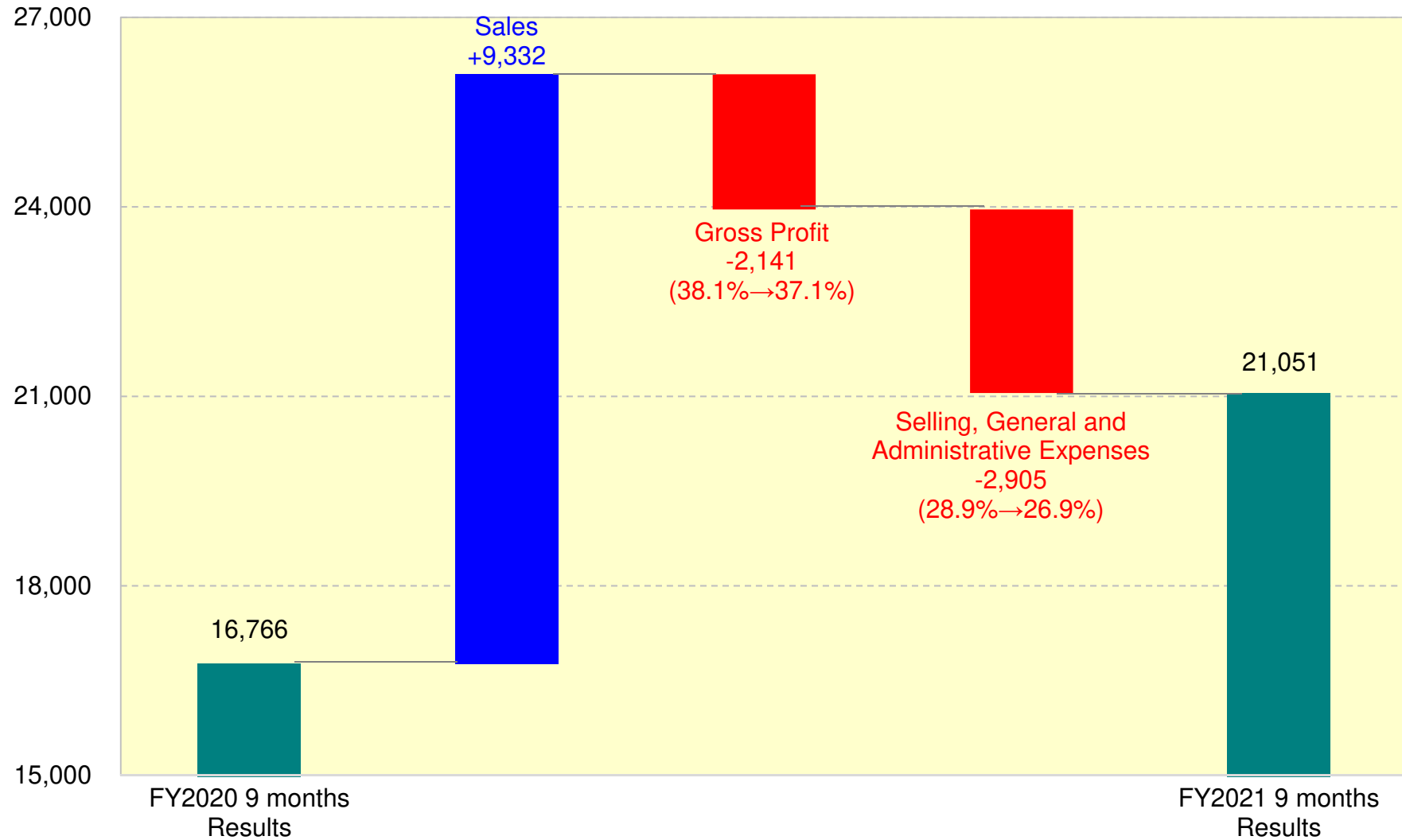
# Factors for Change in Consolidated Sales by Product Groups

(millions of yen)



# Factors for Change in Consolidated Operating Income

(millions of yen)

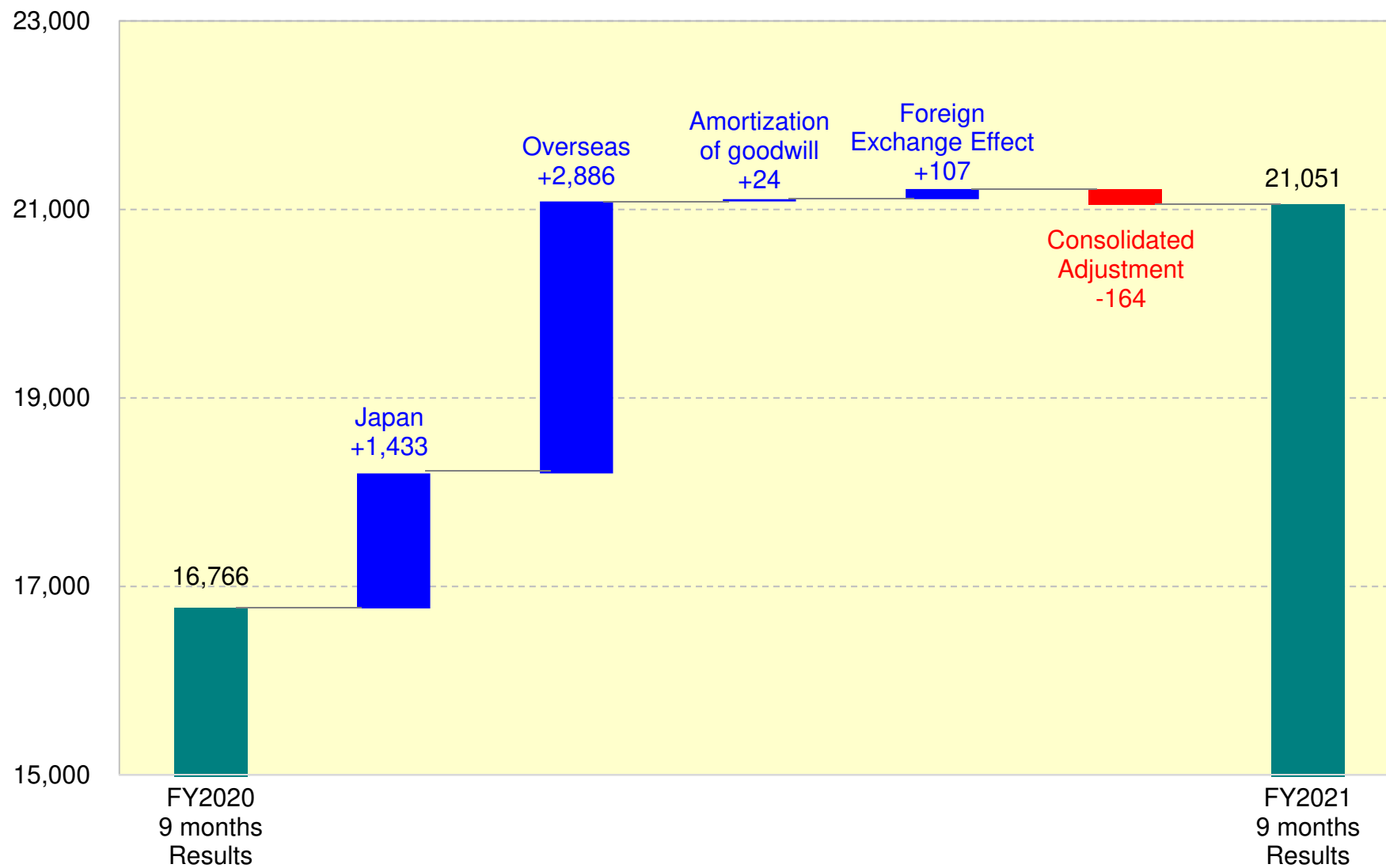


\*Percentages in parenthesis indicates changes in the ratio to sales.



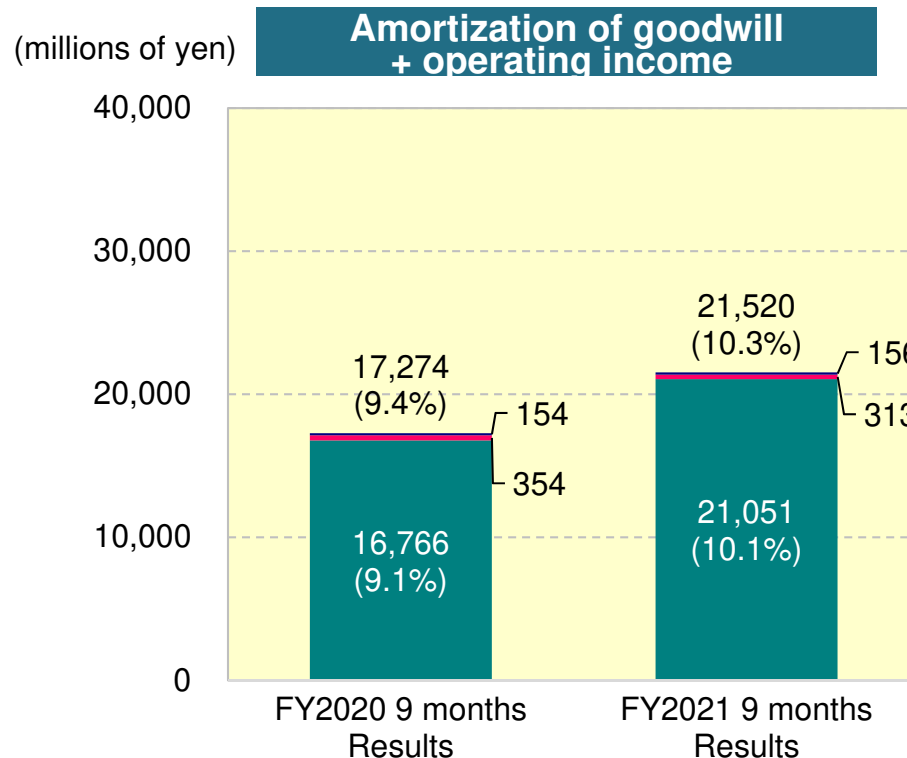
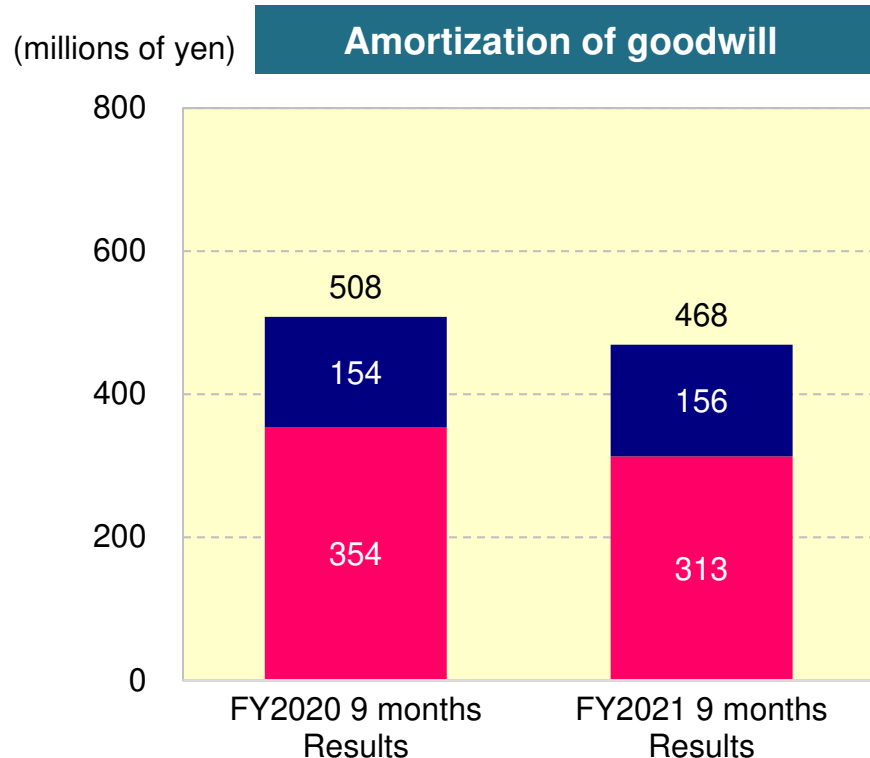
# Factors for Change in Consolidated Operating Income by Japan and Overseas

(millions of yen)



# Impact of Goodwill Amortization

■ Amortization of intangible asset  
■ Amortization of goodwill  
■ Operating income



\*Percentages in parenthesis indicate operating income margin.  
(Millions of yen)

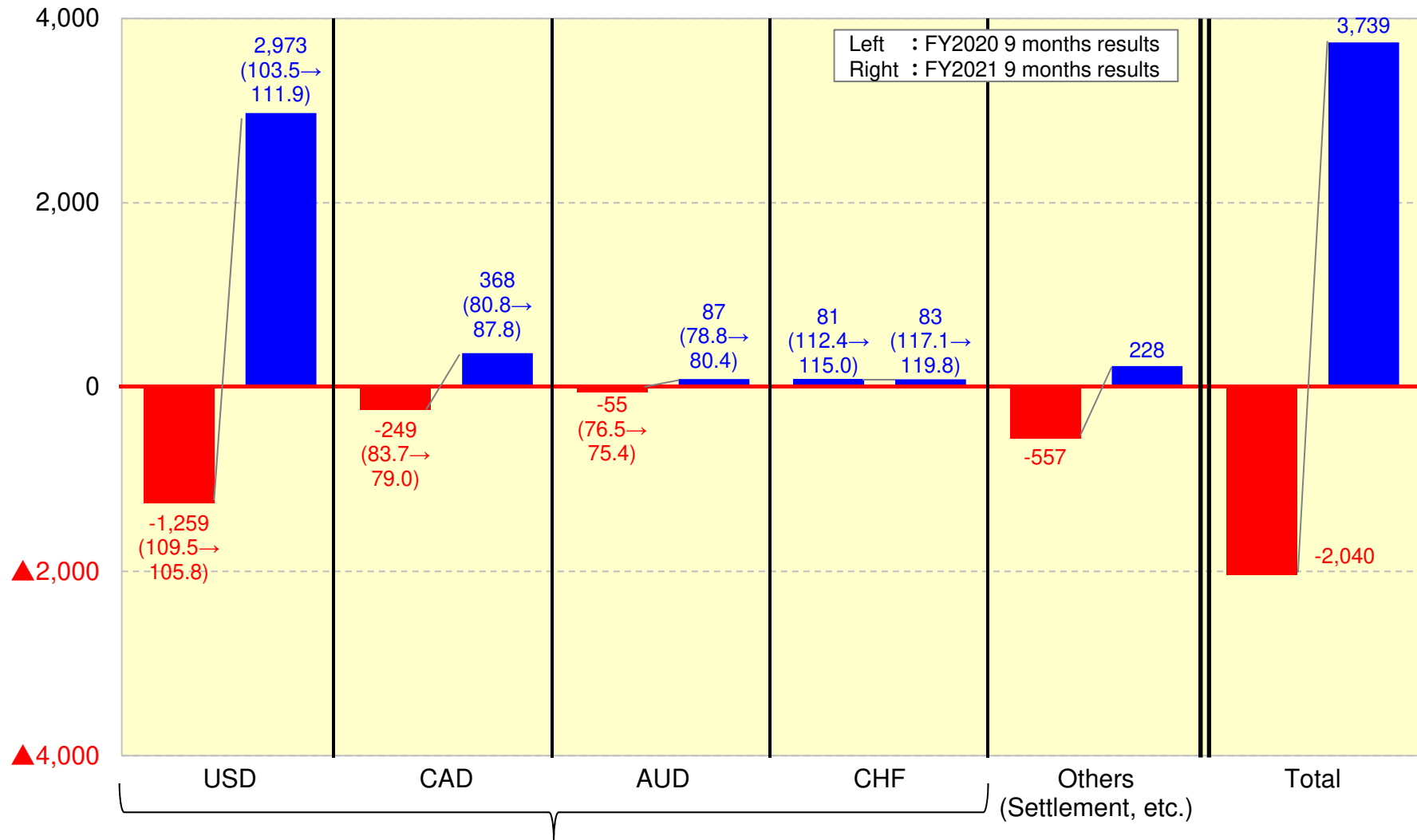
The recognition of goodwill and intangible assets		Amortization of goodwill and intangible assets impairment	
• LANCER	( Feb.2006 M&A : 17,451 Amortized over 10-year period )	• Macom	( in 2014 : 3,186 )
• GRAM	( Sep.2008 M&A : 6,759 Amortized over 12-year period )		( in 2015 : 1,791 )
• Western	( Jan.2013 M&A : 2,198 Amortized over 10-year period )	• GRAM	( in 2017 : 1,800 )
• "	( " : 2,439 One-time amortization )		
• "	( " : 473 One-time amortization )		
• Jackson	( Jan.2013 M&A : 1,006 One-time amortization )		
• "	( " : 2,020 Amortized over 12-year period )		
• Macom	( Jul.2013 M&A : 6,690 Amortized over 15-year period )		

※The amount of goodwill and intangible assets are calculated using the foreign exchange rates at the time of the acquisitions



# Breakdown of Foreign Exchange Gain and Loss

(millions of yen)



\*The figures in parentheses show the movement of the exchange rate from the end of the previous FY to the end of the current period.



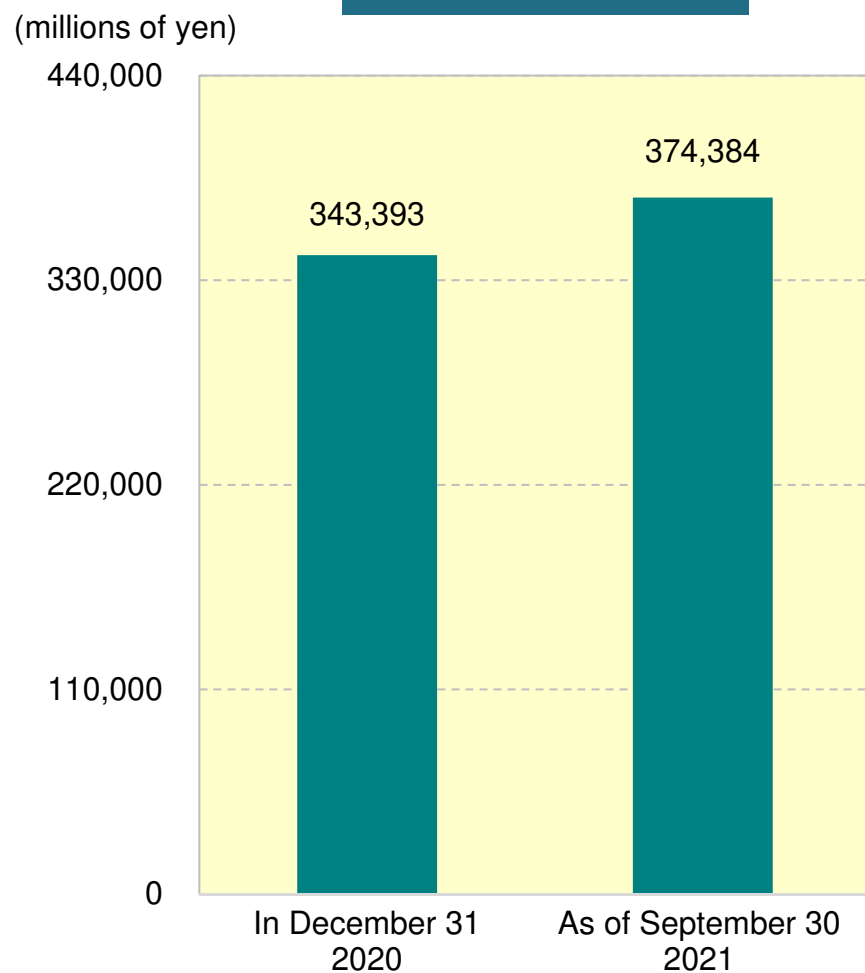
# Consolidated Balance Sheet

	As of December 31, 2020		As of September 30, 2021		
	Amount (Millions of yen)	Component percentage (%)	Amount (Millions of yen)	Component percentage (%)	Change (Millions of yen)
Current assets	277,241	80.7	302,850	80.9	+25,609
(Cash and cash equivalents)	217,727	63.4	233,985	62.5	+16,258
(Notes and accounts receivable-trade)	27,122	7.9	34,635	9.3	+7,512
(Inventory)	28,405	8.3	30,927	8.3	+2,521
Non-current assets	66,152	19.3	71,534	19.1	+5,381
Total assets	343,393	100.0	374,384	100.0	+30,990
Current liabilities	80,265	23.4	94,932	25.4	+14,667
(Notes and accounts payable-trade)	16,052	4.7	26,027	7.0	+9,975
(Advance received)	26,070	7.6	24,882	6.6	-1,187
Non-current liabilities	23,416	6.8	23,883	6.4	+466
Total liabilities	103,681	30.2	118,815	31.7	+15,133
Total net assets	239,711	69.8	255,568	68.3	+15,856
Total liabilities and net assets	343,393	100.0	374,384	100.0	+30,990
Cash and deposits (including long-term deposits)	217,215		233,985		+16,769

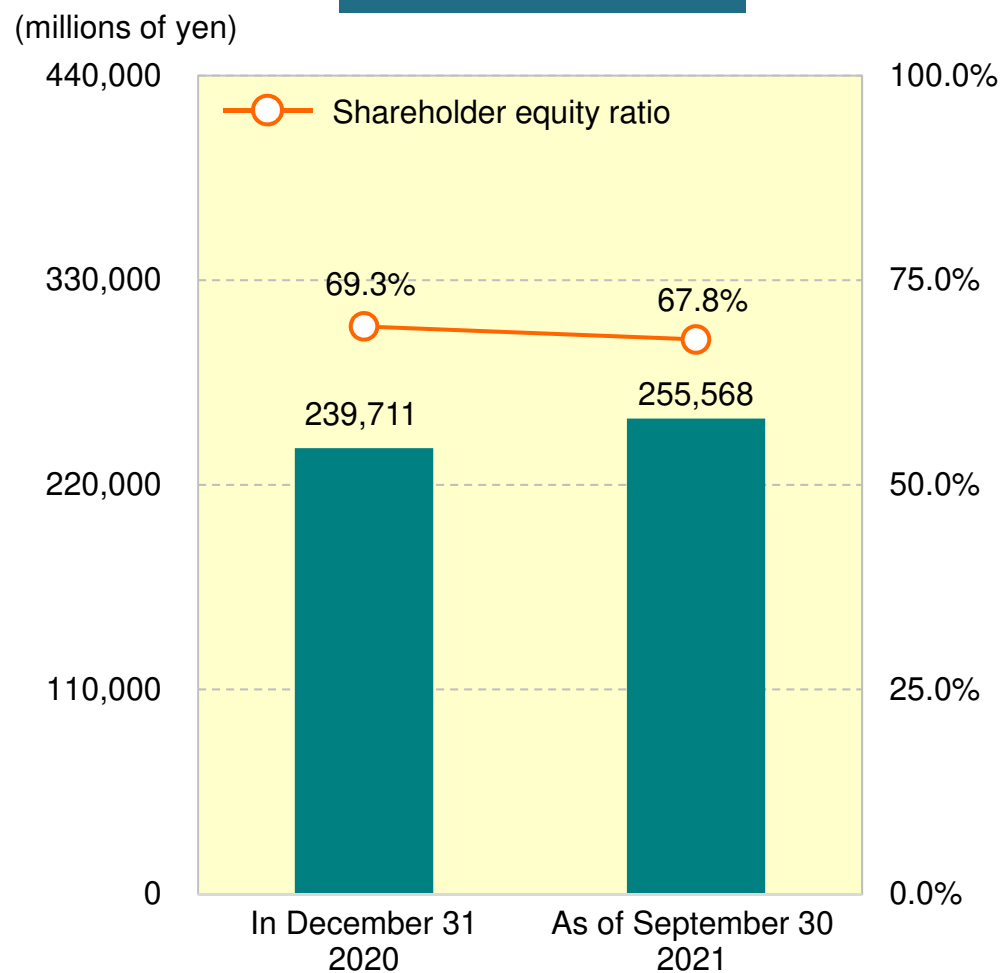


# Comparison of Consolidated Total Assets and Net Assets

## Total Assets



## Net Assets



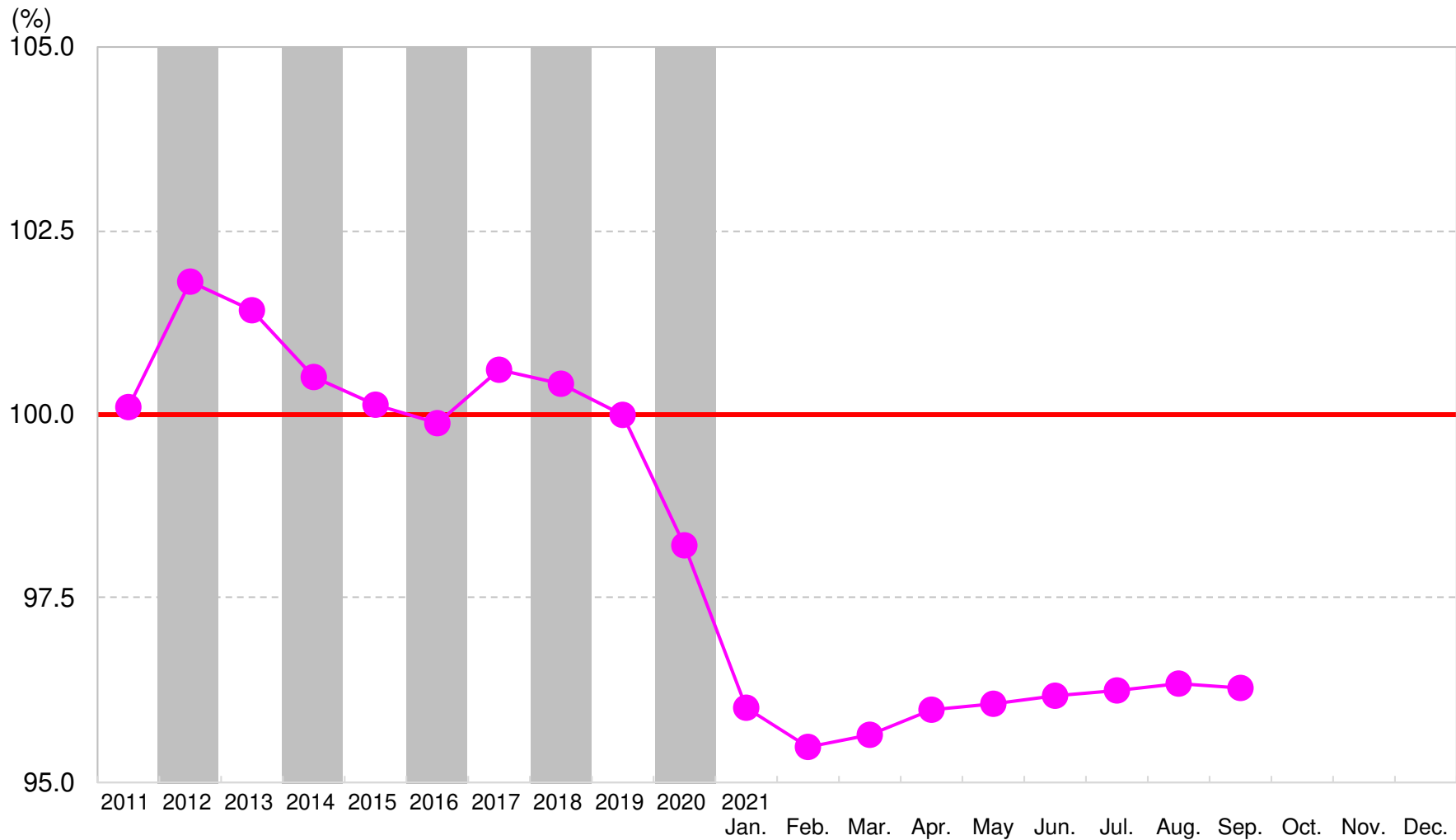


## **Ⅱ . Key Factors of Financial Results for FY 2021 3Q**



# Japan : Number of Major Restaurant Chains(Year-on-year Change)

- Major restaurant chains' store numbers continued to decrease since 2020.

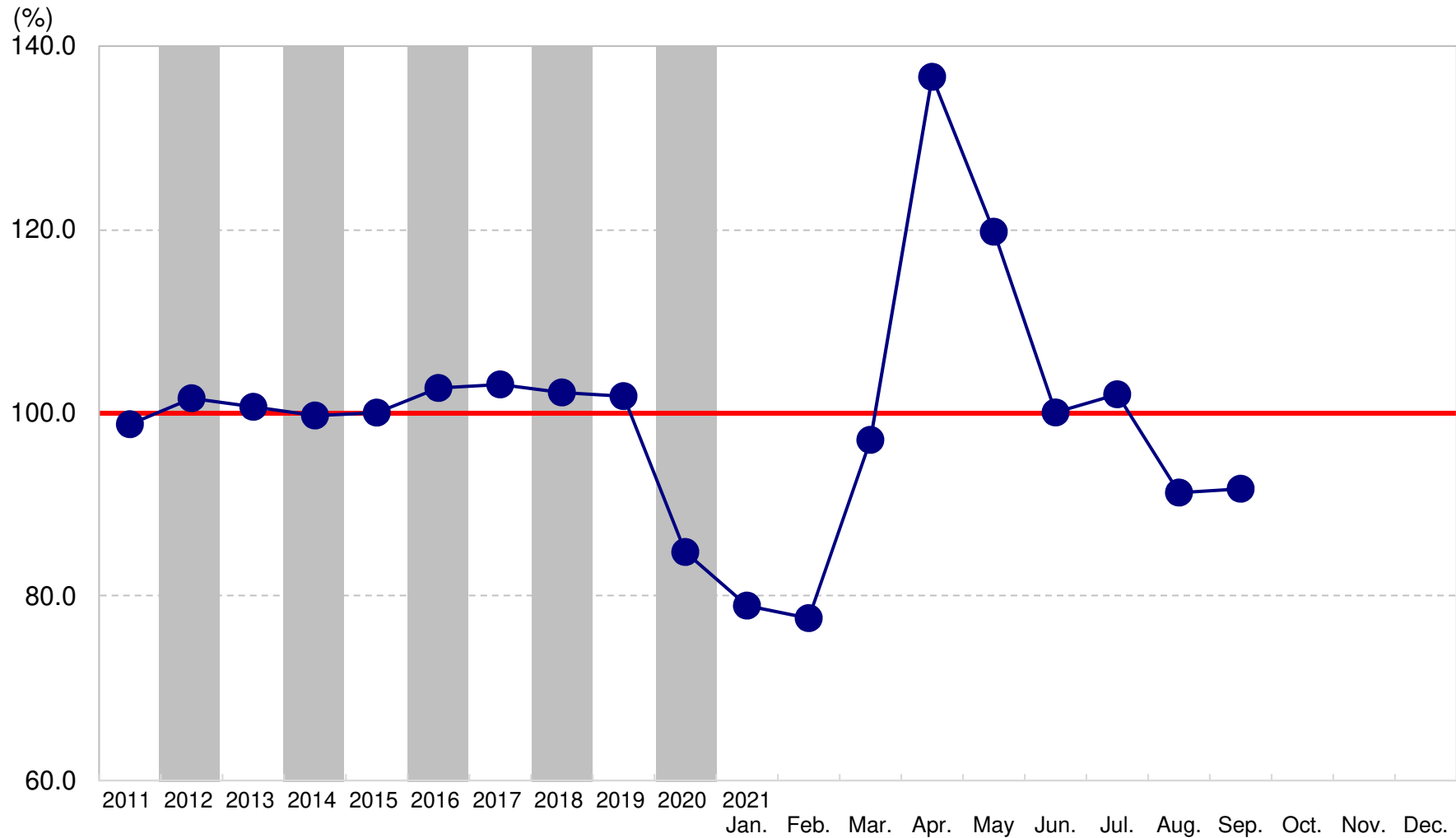


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



# Japan : Sales of Major Restaurant Chains(Year-on-year Change)

- Sales to major restaurant chains fell below August and September 2020 sales level due to government made re-declaration state of emergency and request for shorten business hours and restriction of serving alcohol.

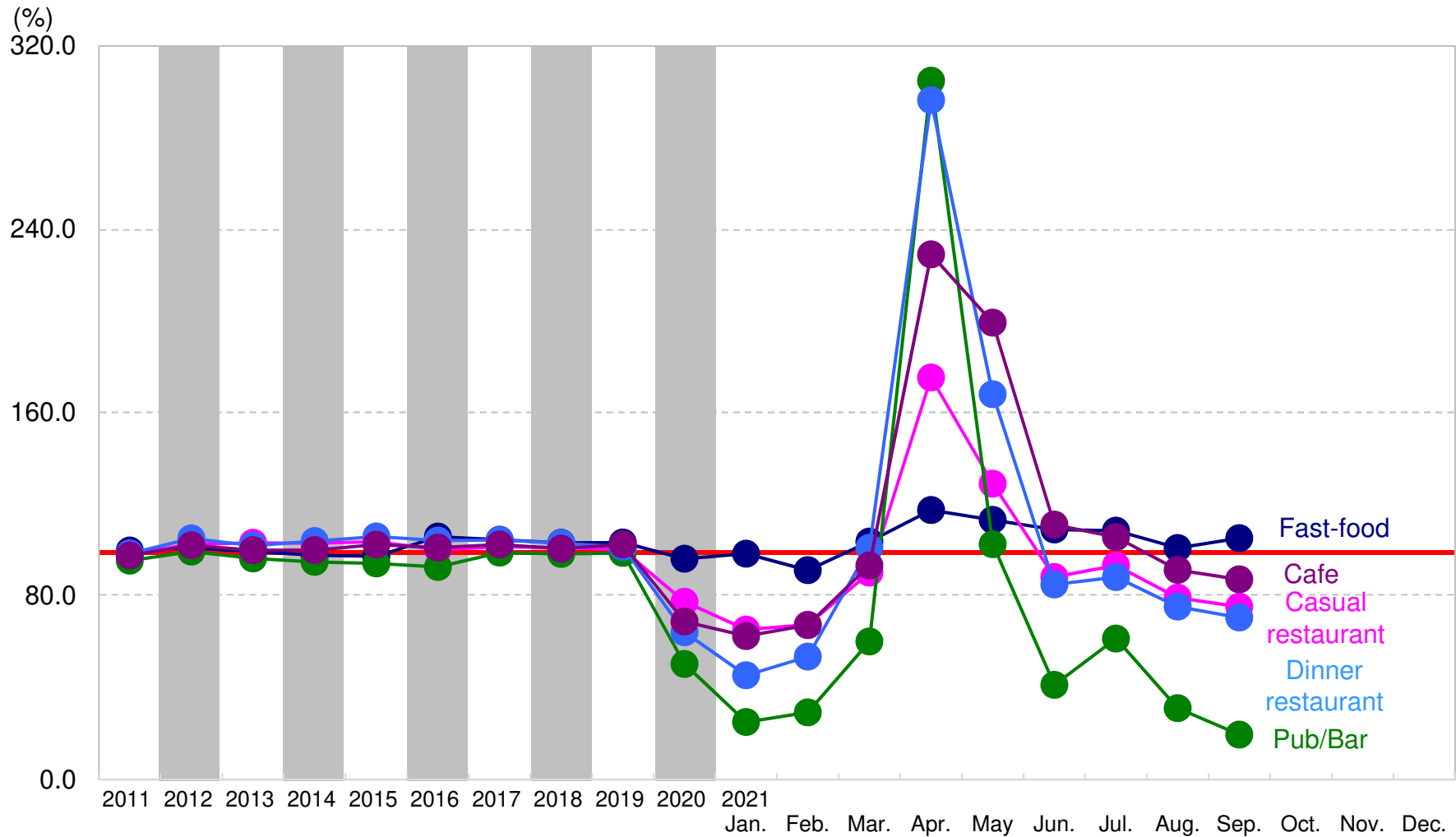


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



# Japan : Sales by Type of Business in Major Restaurant Chains (Year-on-year Change)

- Fast food sales remain strong by takeout demand. On the other hand, Cafes is a slowdown in customer traffic due to stay at home, Casual/Dinner restaurants are remain tough situation due to requests to shorten business hours and restriction to serve alcohol, also in many pubs/bars are closed business as the cause.

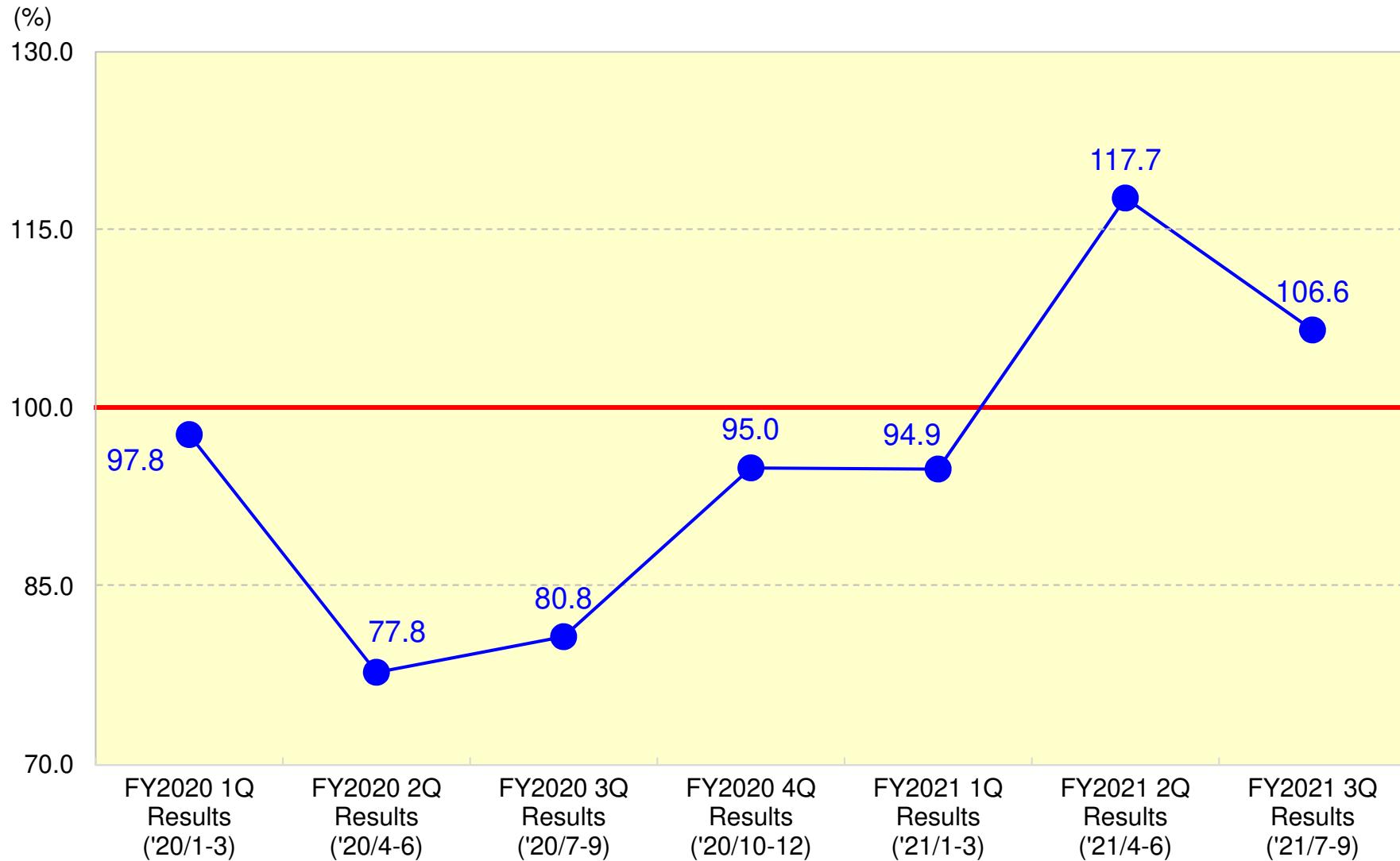


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")

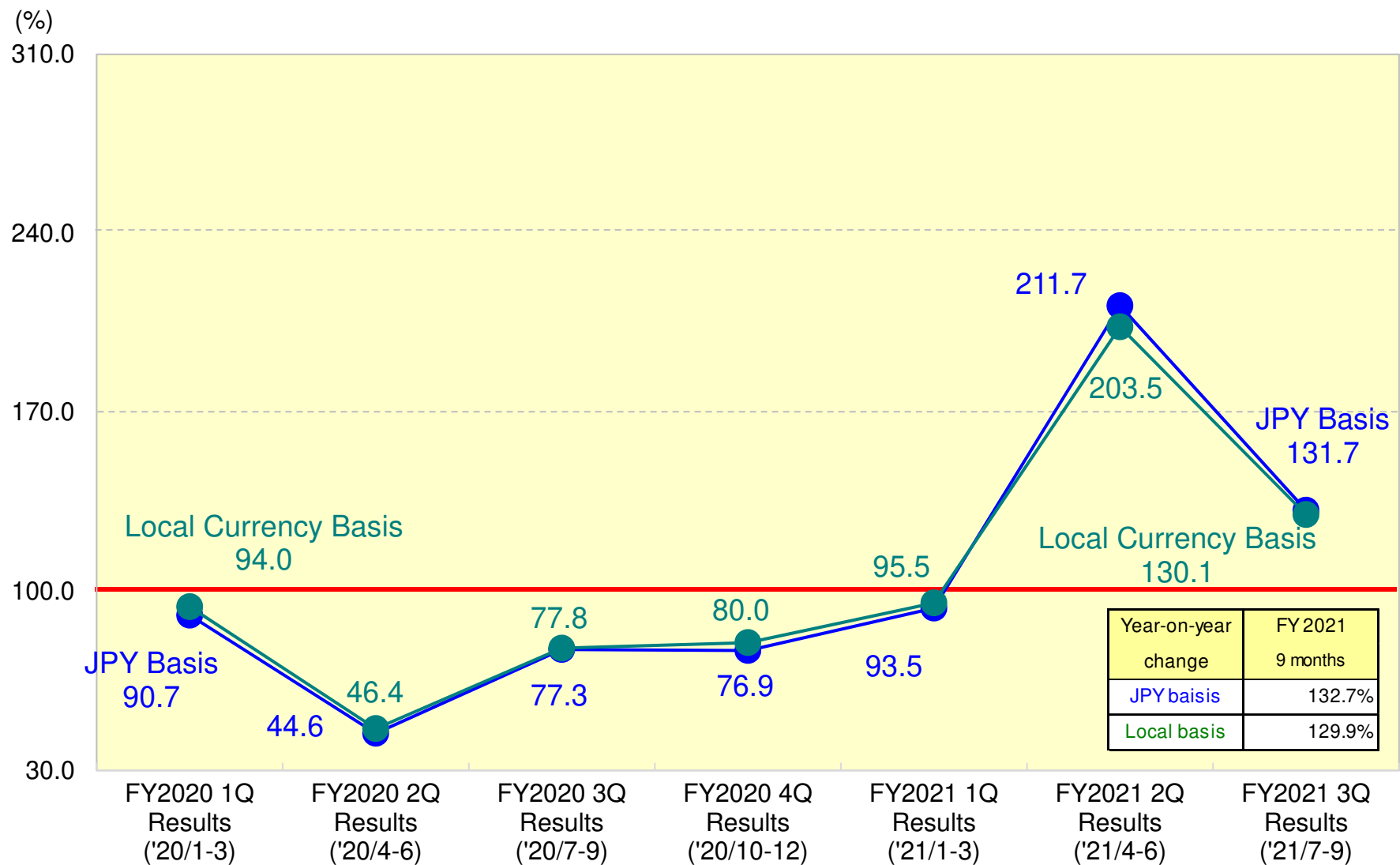


# Japan : Year-on-Year Change in Sales

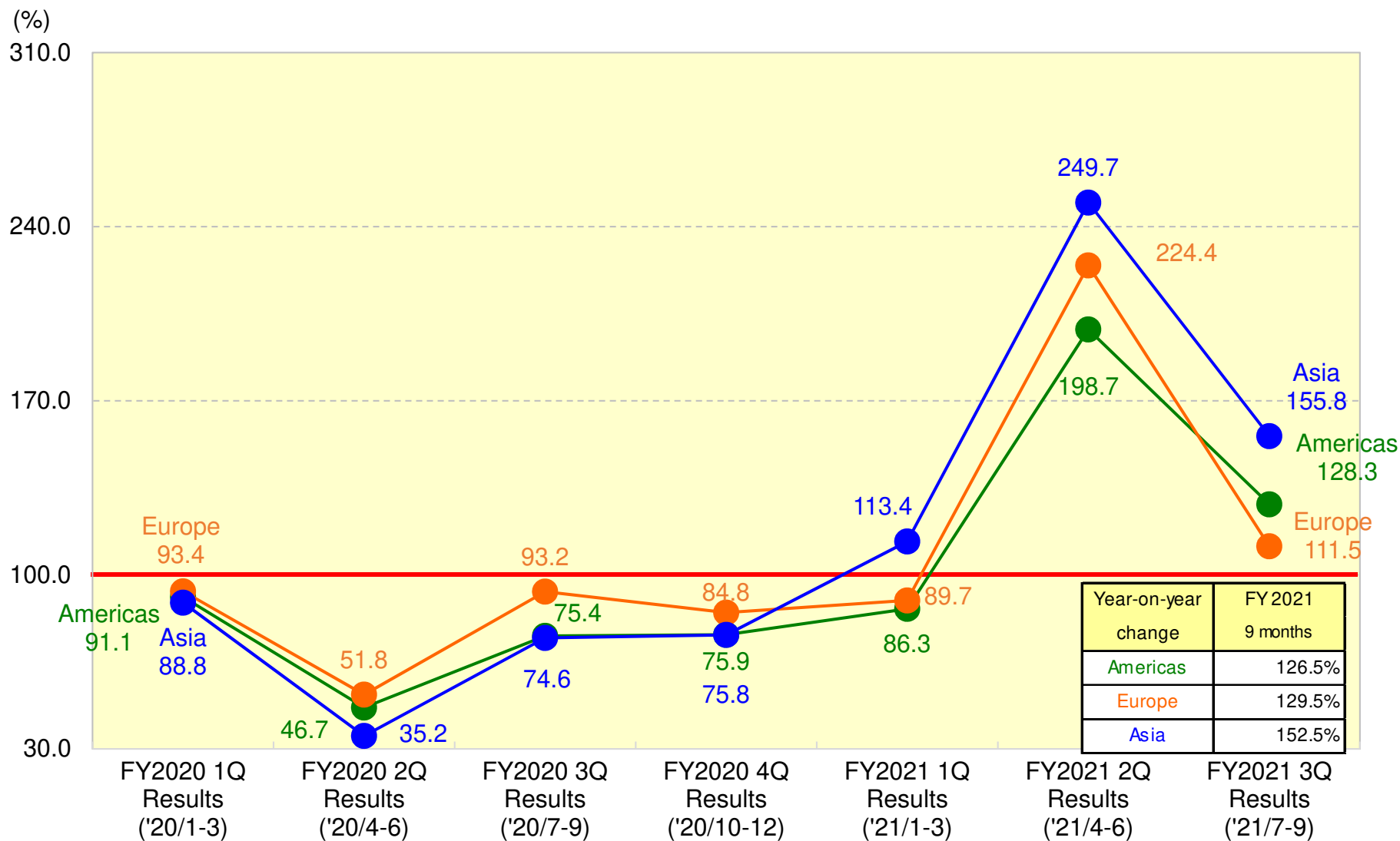
- Despite the ongoing impact of COVID-19, the sales turned to an increase due to reaction from restricted sales activities in the same previous year.



# Overseas : Year-on-Year Change in Sales on JPY Basis and Local Currency Basis



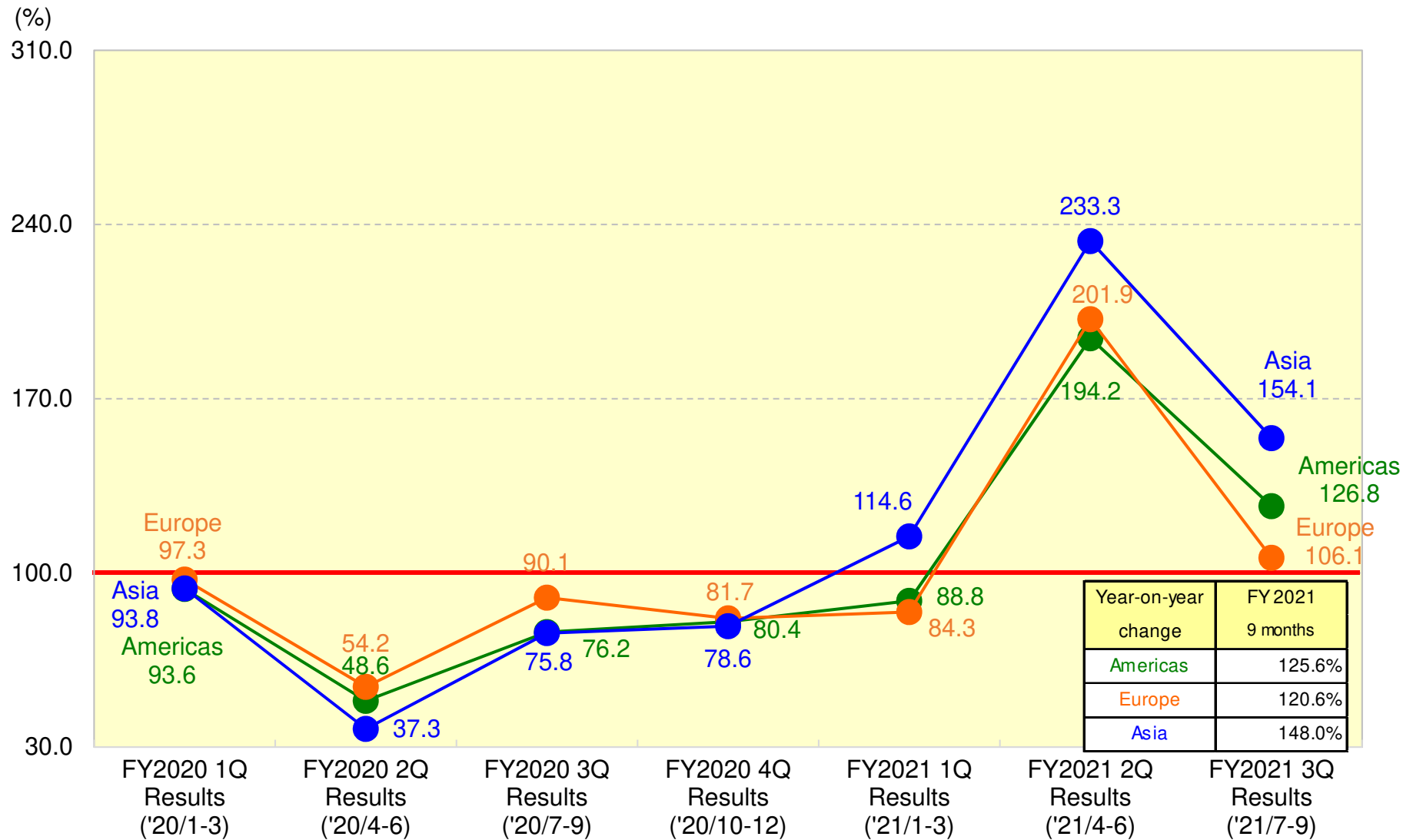
# Overseas : \*Year-on-Year Change in Sales by Area on Japanese Yen Basis



\*Classified according to the location of the head offices. (e.g. Lancer Europe is included in Americas)  
(This is a classification for internal management control, and we use the same classification for reporting segments in the quarterly report.)



# Overseas : \*Year-on-Year Change in Sales on Local Currency Basis



\*Classified according to the location of the head offices. (e.g. Lancer Europe is included in Americas)  
 (This is a classification for internal management control, and we use the same classification for reporting segments in the quarterly report.)





### **Ⅲ. Business Forecast for FY 2021**

**HOSHIZAKI**



# Summary of Business Forecast in FY 2021

- In cumulative 1st and 2nd quarter, despite continuing tough environment due to COVID-19, financial performance exceeded our expectation. We revise our financial forecast by considering recovery in worldwide economy except for some regions, and our current sales performance, although, we have concerned not only stagnation of economy caused by the emergency declaration, but price increase of materials and risk in parts procurement.

	FY 2020 results		FY 2021 forecast Feb 8th, 2021		FY 2021 forecast Aug 6th, 2021			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
							Change (Millions of yen)	Percentage (%)
Sales	238,314	100.0	250,000	100.0	265,000	100.0	+26,685	111.2
Gross profit	89,053	37.4	94,400	37.8	98,000	37.0	+8,946	110.0
Selling, general and administrative expenses	70,605	29.6	74,400	29.8	75,000	28.3	+4,394	106.2
Operating income	18,447	7.7	20,000	8.0	23,000	8.7	+4,552	124.7
Ordinary income	17,420	7.3	20,500	8.2	27,000	10.2	+9,579	155.0
Profit attributable to owners of parent	11,442	4.8	14,300	5.7	18,900	7.1	+7,457	165.2





## **IV. Company Profile and Overview Business**

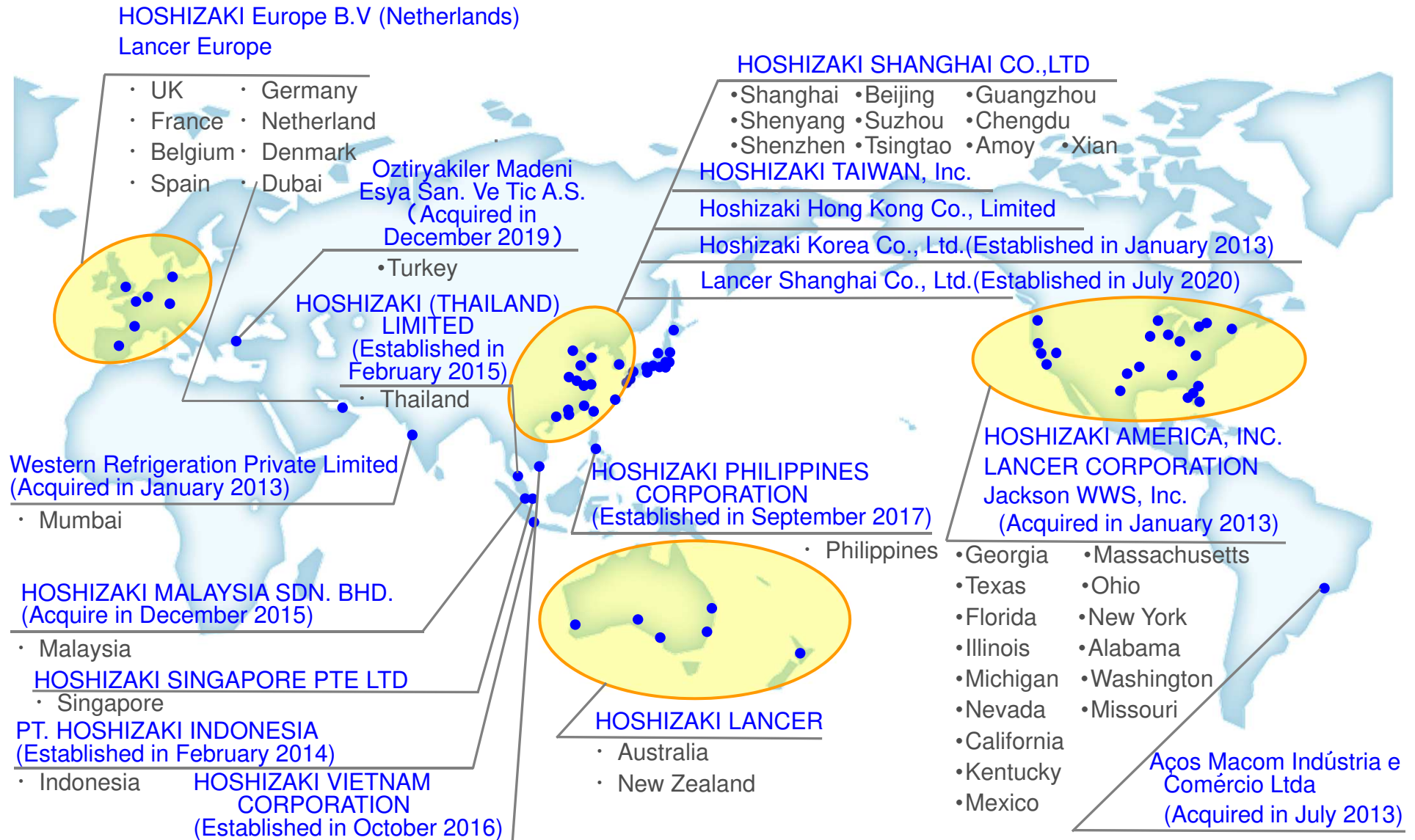
**HOSHIZAKI**

# Company Profile

- Company name : HOSHIZAKI CORPORATION
- Head Office : 3-16 Minamiyakata, Sakae-cho, Toyoake-shi, Aichi
- Representative : Yasuhiro Kobayashi,  
Representative Director, President & COO
- Establishment : February 1947
- Business : Research and development, manufacturing and sales of commercial kitchen appliances & equipment.
- Capital stock : 8,052 million yen (As of September 30, 2021)
- Consolidated business performance : Sales : 238,314 million yen  
(Fiscal Year ended December 31, 2020) Operating profit : 18,447 million yen  
Profit attributable to owners of parent : 11,442 million yen
- Number of consolidated group companies : 51 companies  
(18 companies in Japan, 13 companies in Americas, 20 companies in Europe and Asia)  
(As of September 30, 2021 \*Including HOSHIZAKI CORPORATION)
- Number of employees : 1,210 persons (HOSHIZAKI CORPORATION)  
12,889 persons (Group total) (As of September 30, 2021)
- Number of sales offices in Japan : 435 places (As of September 30, 2021)



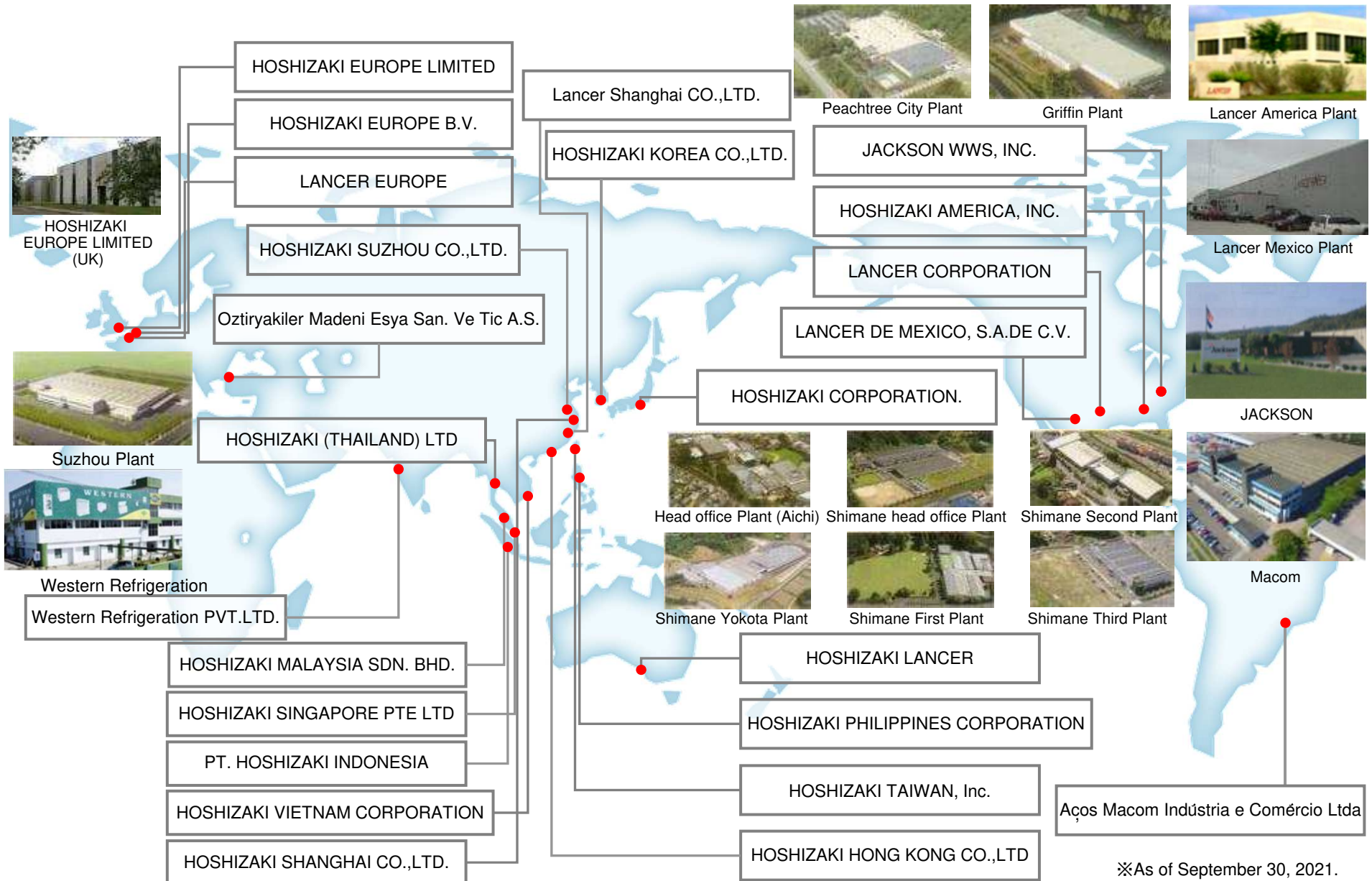
# Overseas : Expanding the Sales Networks



※As of September 30, 2021.



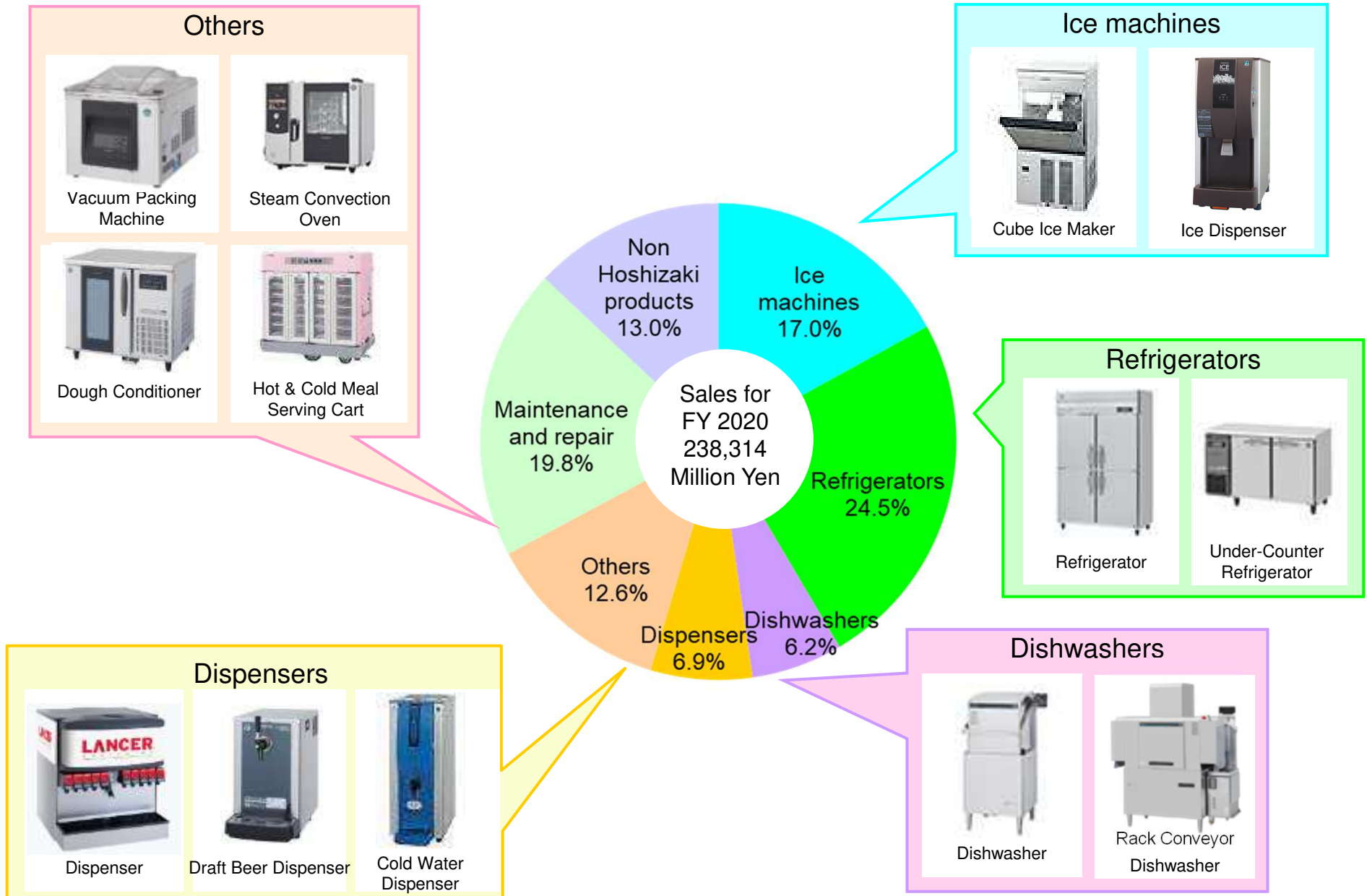
# Global Network, Production and Sales Offices



※As of September 30, 2021.



# Main Product Group and Sales Breakdown



# Long-term Business Performance Consolidated Basis

(Millions of Yen)

300,000

■ : Sales  
● : Operating income

225,000

150,000

75,000

0

Number of consolidated group companies.  
4 companies → 27 companies

Acquired Lancer Corporation  
in February 2006.

Acquired Western Refrigeration Private Limited in January 2013 and acquired assets of Jackson MSC LLC. Acquire Acos Macom Industria e Comercio Ltda in July 2013.

Acquired Gram Commercial A/S in September 2008.

Acquired Zhejiang Ice share Refrigerating Appliance Co.,LTD in June 2015.

(Millions of Yen)

40,000

30,000

20,000

10,000

0

1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

★ Recorded a record sales and operating income.



# Notes on the Appropriate Use of this Document

- This document includes the forward-looking statements and data concerning business performances, strategies, and business plans of HOSHIZAKI CORPORATION (“the Company”).
- The forward-looking statements and data in this document are not historical facts, but the Company’s forecast based on currently available information.
- Because potential risks and uncertain factors, such as economic trends, competition with other companies, are included in this document, please be noted that actual business performance, business development, and financial situation of the Company may differ significantly from the forecast due to various factors, such as future economic trends, competition in the industry, market demand, other economic, social, and political situations.
- This presentation is an English translation of the material initially written in Japanese, which should be considered to be the primary version.

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