



Summary of Business Performance for the Fiscal Year Ended 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)

February 9, 2022

HOSHIZAKI

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I . Financial Results for FY 2021

HOSHIZAKI

Foreign Exchange Rates

	FY 2020 ('20/1-12)		FY 2021 ('21/1-12)		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
US dollar	106.7	103.5	109.8	115.0	108.0	108.0
Pound	137.0	139.8	151.1	155.2	134.0	134.0
Euro	121.8	126.9	129.9	130.5	130.0	130.0
Singapore dollar	77.4	78.0	81.7	85.1	78.0	78.0
Chinese yuan	15.4	15.8	17.0	18.0	15.2	15.2
Denmark krone	16.3	17.0	17.4	17.5	16.3	16.3
Taiwan dollar	3.6	3.6	3.9	4.1	3.6	3.6
Hong Kong dollar	13.7	13.3	14.1	14.7	13.8	13.8
Indian rupee	1.45	1.42	1.50	1.55	1.48	1.48
South Korean won	0.0907	0.0952	0.0961	0.0973	0.0892	0.0892
Brazilian real	20.9	19.9	20.4	20.6	20.7	20.7
Indonesian Rupiah	0.0074	0.0074	0.0077	0.0081	0.0076	0.0076
Thai Baht	3.4	3.4	3.4	3.4	3.5	3.5
Malaysia Ringgito	25.4	25.6	26.5	27.5	25.1	25.1
Viet Nam Dong	0.0046	0.0044	0.0047	0.0049	0.0046	0.0046
Philippine Peso	2.17	2.18	2.25	2.26	2.17	2.17



Summary of Financial Results for FY 2021

■ Sales : 274.4 billion yen (increased 15.2% year-on-year)

- Japan : 175.2 billion yen (increased 5.5%)
- Overseas : 99.1 billion yen (increased 37.3%) Overseas sales ratio : 36.1% (increased 5.8%)

*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, food processing, agriculture, forestry and fisheries industry business.
- In Overseas: The sales have substantial increased in all regions due to reaction from restricted sales activities in the same previous year.

■ Operating Income : 24.9 billion yen (increased 35.1%) Operating income margin : 9.1%

- Japan : 16.4 billion yen (increased 15.0%) Operating income margin : 9.4%
- Overseas : 9.0 billion yen (increased 103.1%) Operating income margin : 9.1%

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

- Both 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 : 31.1 billion yen (increased 78.9%)

- Foreign exchange gains of 5.3 billion yen from deposits in foreign currencies were recorded as non-operating income. (2.3 billion yen of foreign exchange losses were recorded in the previous fiscal year.)

■ Profit Attributable to Owners of Parent : 21.6 billion yen (increased 89.5%)

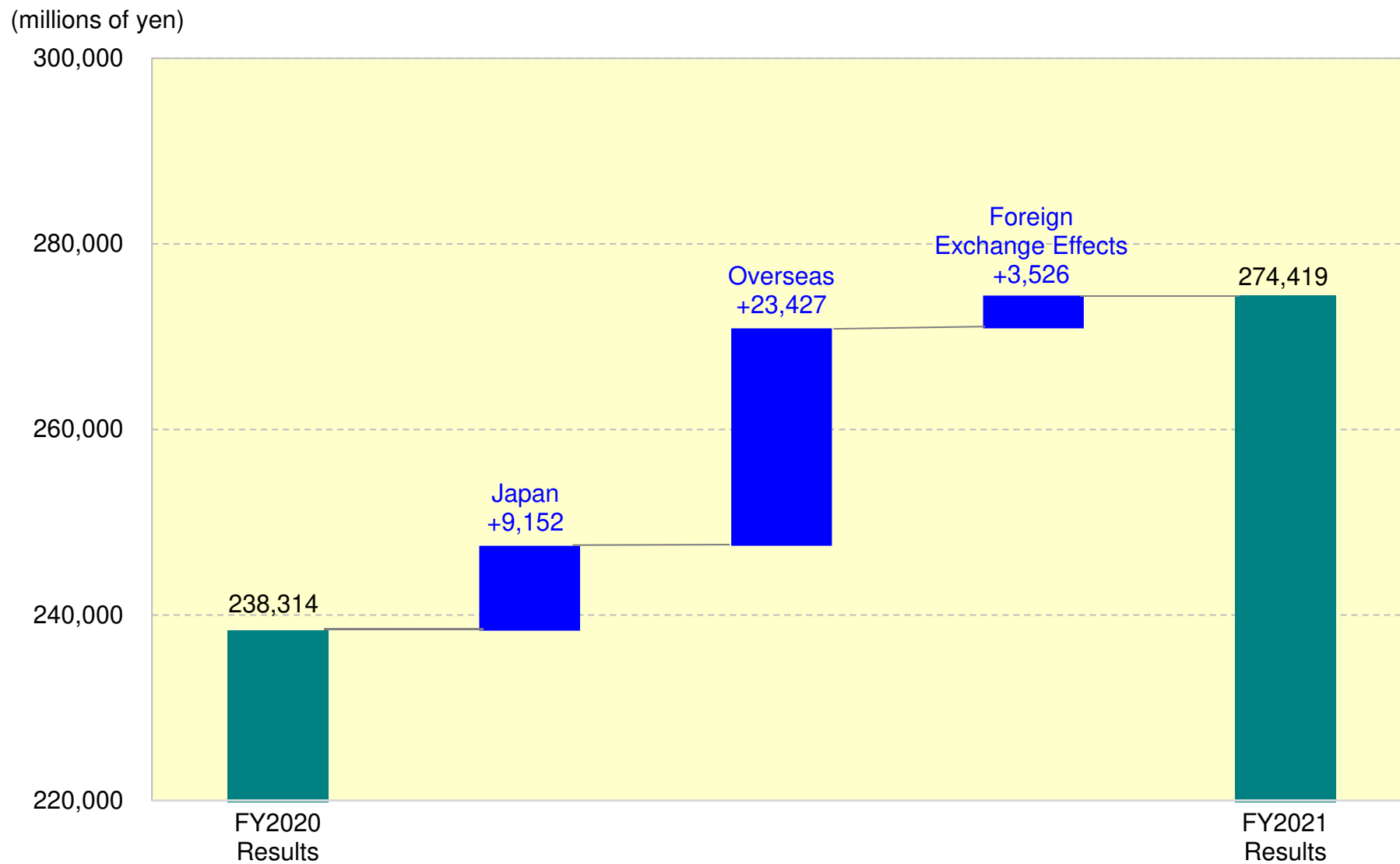


Consolidated Business Performance

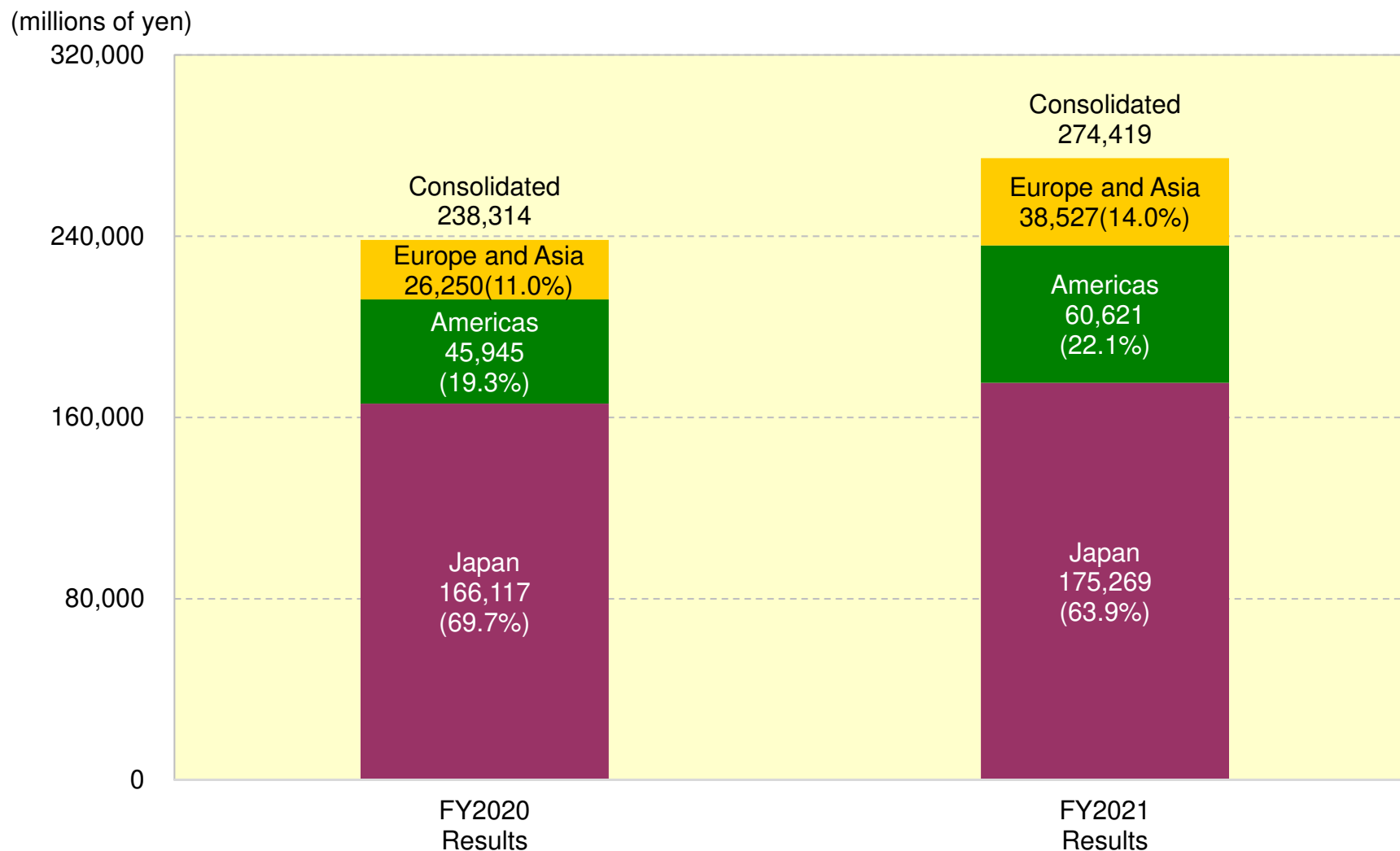
	FY 2020 results		FY 2021 forecast August 6, 2021		FY 2021 results					
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year		Over forecast	
							Change (Millions of yen)	Percentage (%)	Change (Millions of yen)	Percentage (%)
Sales	238,314	100.0	265,000	100.0	274,419	100.0	+36,104	115.2	9,419	103.6
Cost of sales	149,261	62.6	167,000	63.0	174,727	63.7	+25,466	117.1	7,727	104.6
Gross profit	89,053	37.4	98,000	37.0	99,691	36.3	+10,638	111.9	1,691	101.7
Selling, general and administrative expenses	70,605	29.6	75,000	28.3	74,760	27.2	+4,155	105.9	-239	99.7
Operating income	18,447	7.7	23,000	8.7	24,931	9.1	+6,483	135.1	1,931	108.4
Ordinary income	17,420	7.3	27,000	10.2	31,165	11.4	+13,744	178.9	4,165	115.4
Profit attributable to owners of parent	11,442	4.8	18,900	7.1	21,679	7.9	+10,237	189.5	2,779	114.7



Factors for Change in Consolidated Sales by Japan and Overseas



Year-on-year Comparison of Sales by Reporting Segments



*Figures in parenthesis indicate component percentages.

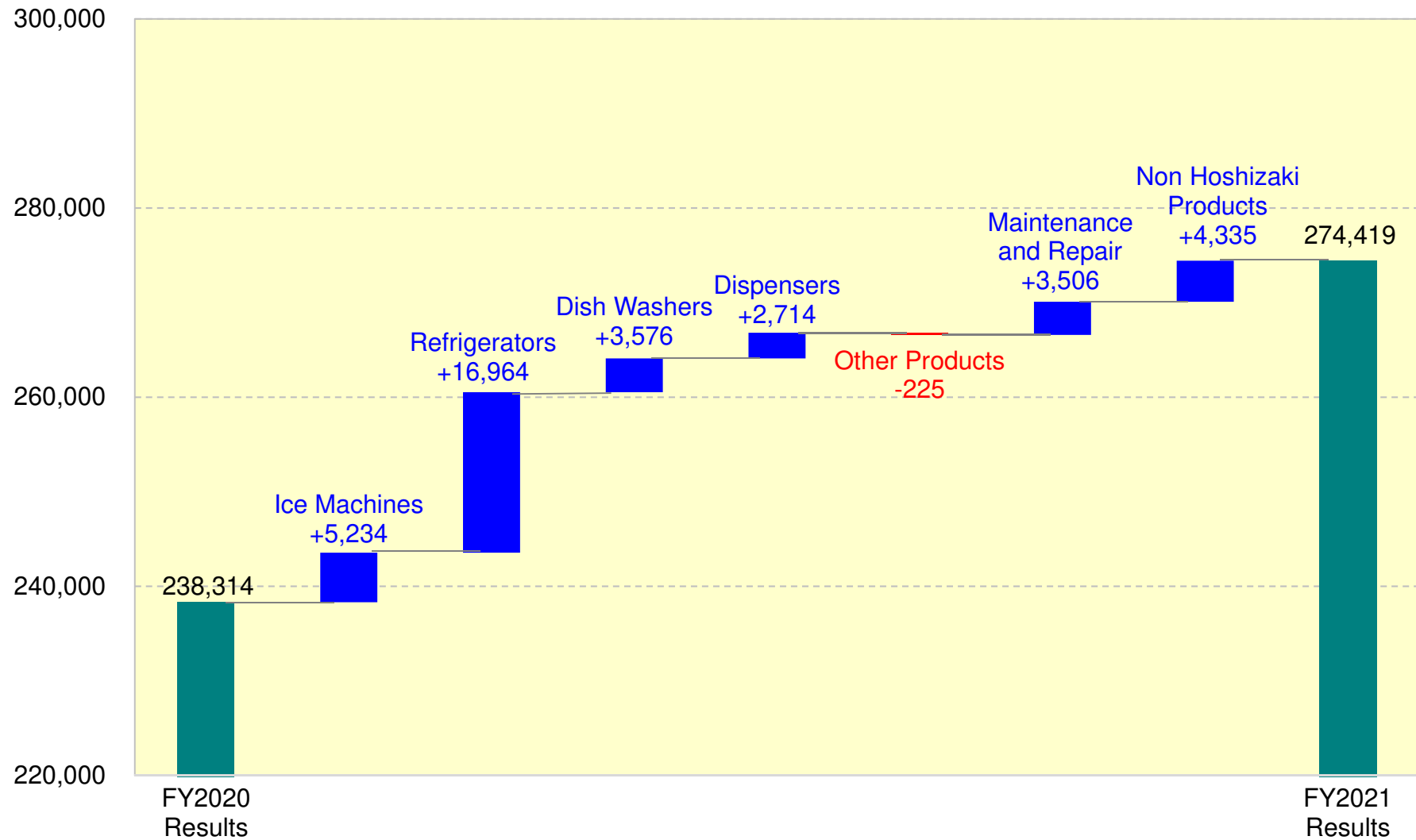
*Classified according to the location of the head offices. (e.g. Lancer Europe is included in "Americas")

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



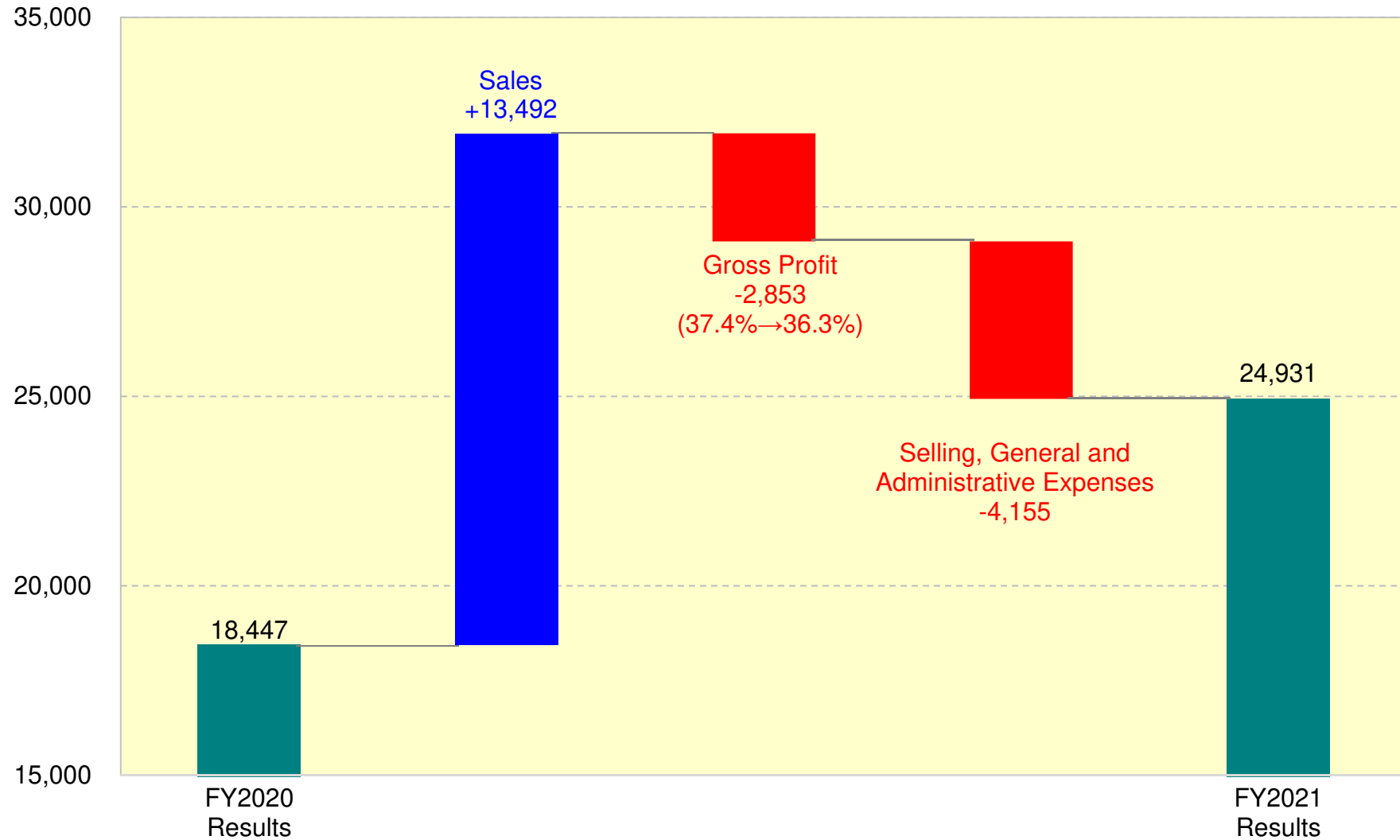
Factors for Change in Consolidated Sales by Product Groups

(millions of yen)



Factors for Change in Consolidated Operating Income

(millions of yen)

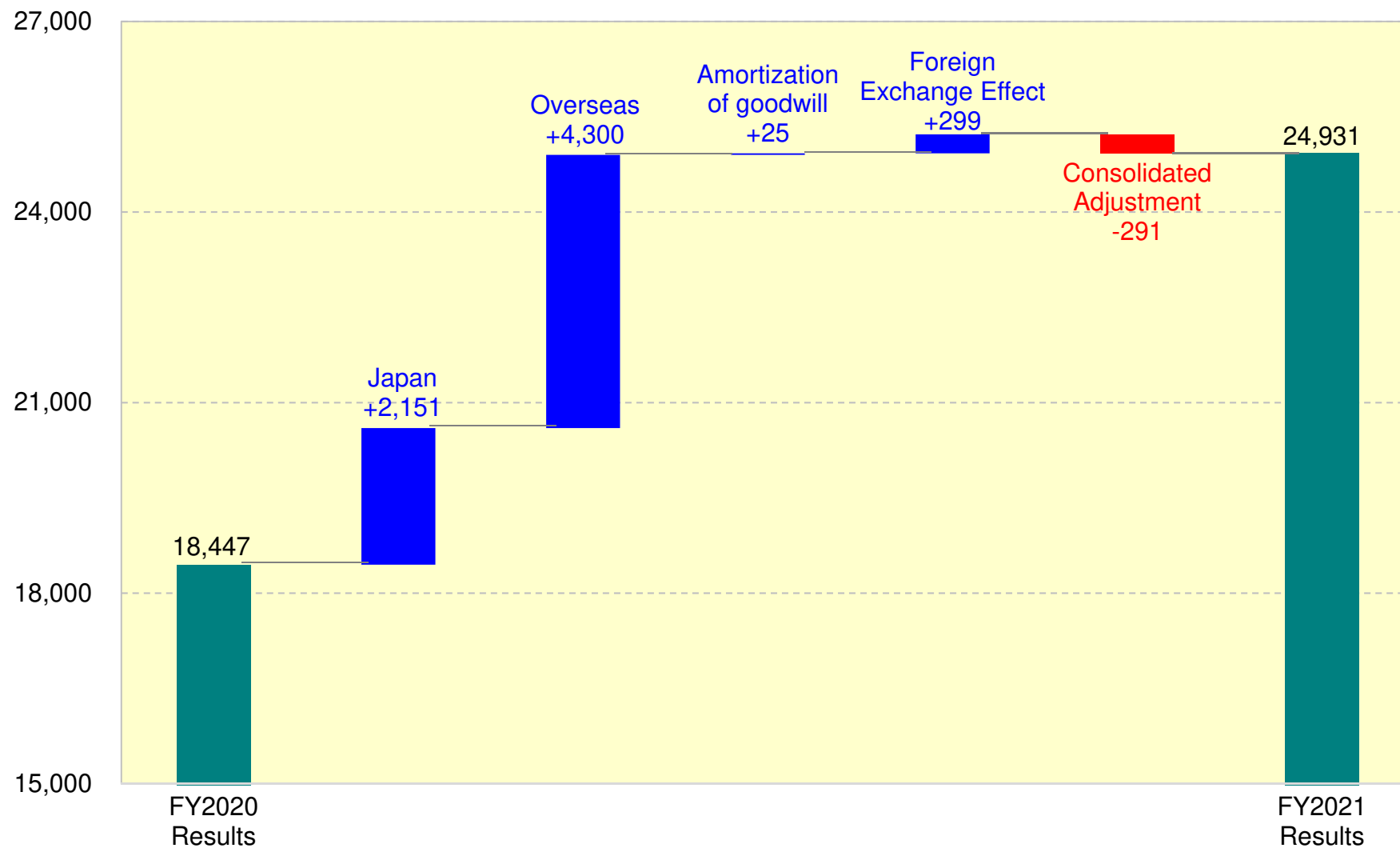


*Percentages in parenthesis indicates changes in the ratio to sales.

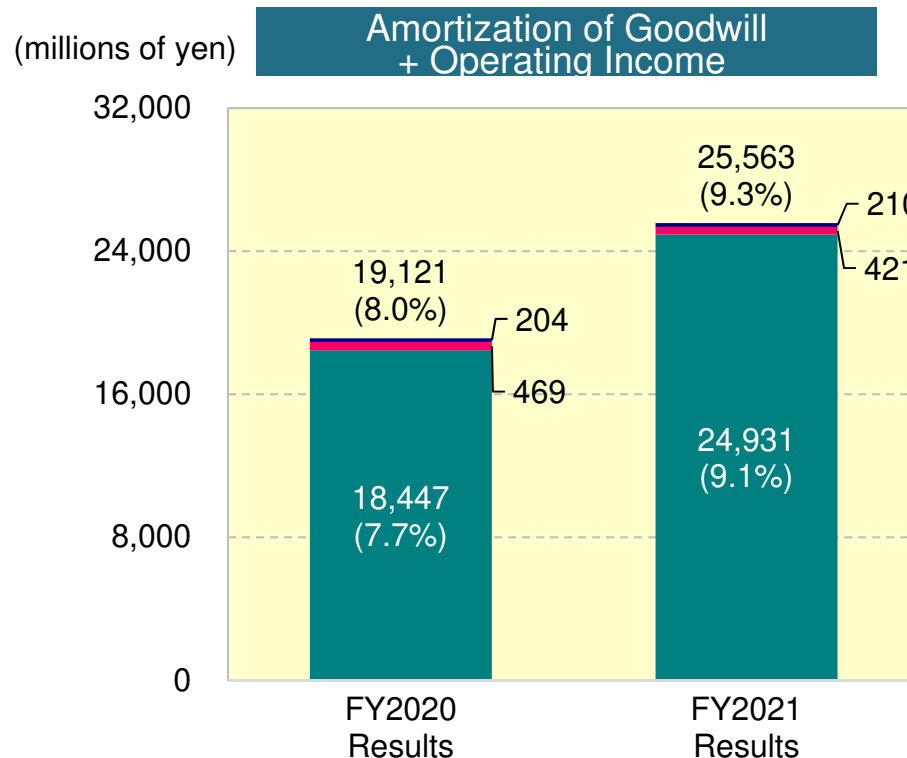
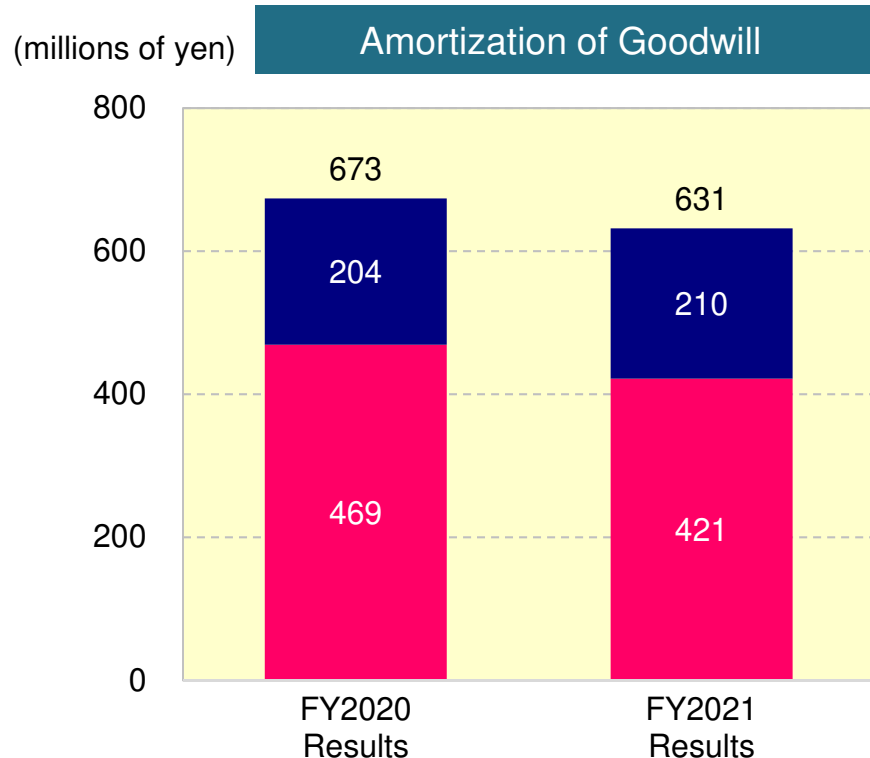
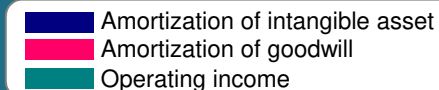


Factors for Change in Consolidated Operating Income by Japan and Overseas

(millions of yen)



Impact of Goodwill Amortization



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

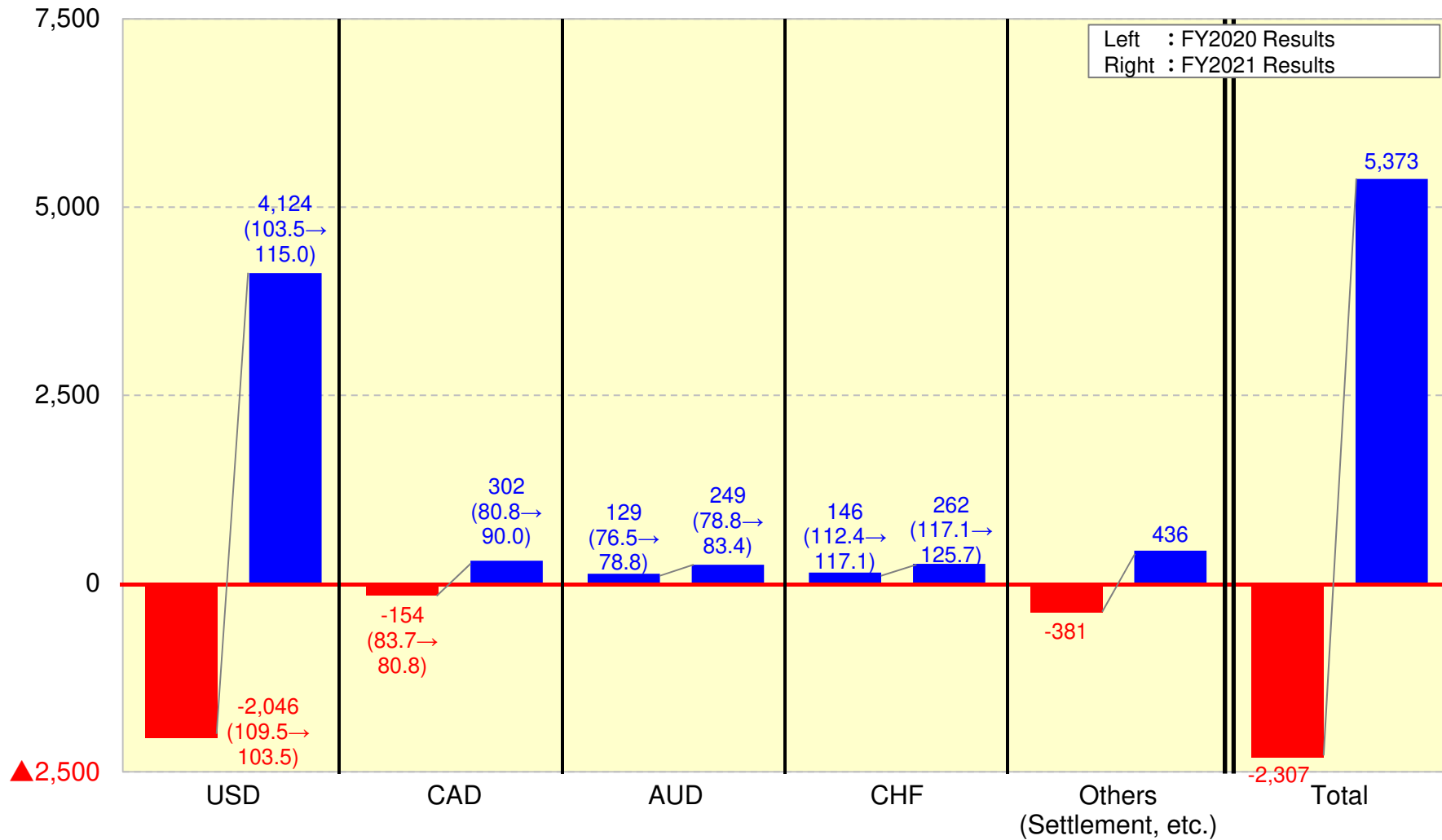
The recognition of goodwill and intangible assets		Amortization of goodwill and intangible assets impairment	
• LANCER	(Feb.2006 M&A : 17,451 Amortized over 10-year period)	• Macom	(in 2014 : 3,186)
• GRAM	(Sep.2008 M&A : 6,759 Amortized over 12-year period)		(in 2015 : 1,791)
• Western	(Jan.2013 M&A : 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.



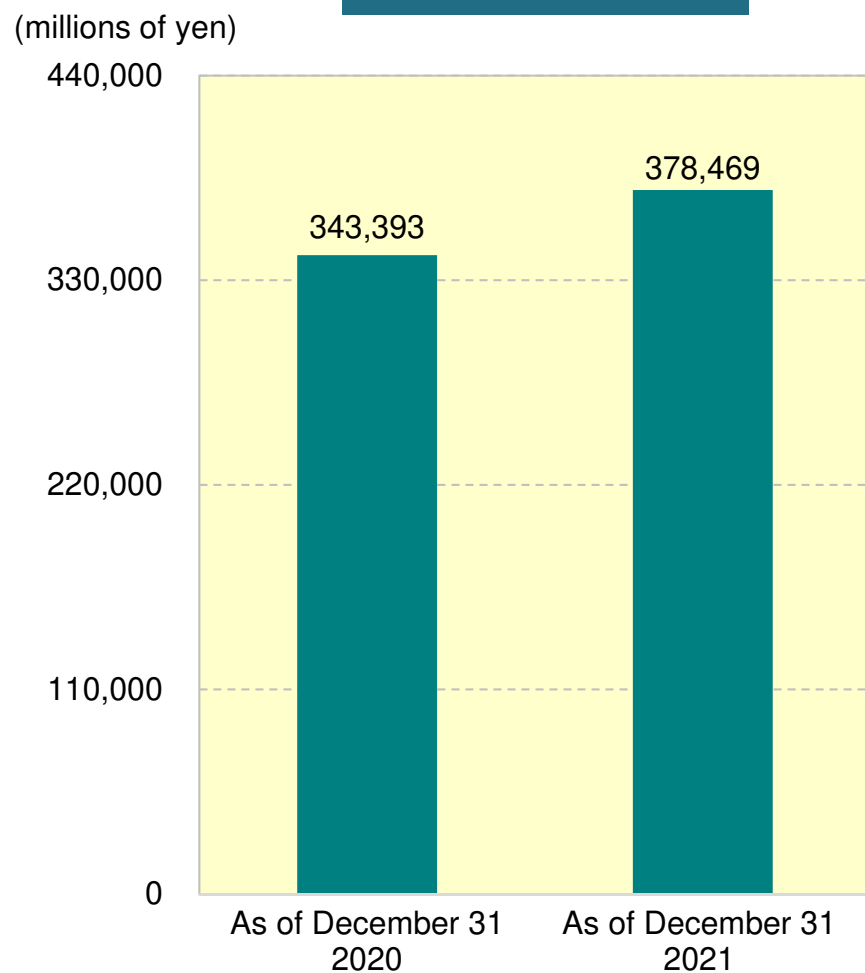
Consolidated Balance Sheet

	FY2020		FY2021		
	Amount (Millions of yen)	Component percentage (%)	Amount (Millions of yen)	Component percentage (%)	Change (Millions of yen)
Current assets	277,241	80.7	310,645	82.1	+33,404
(Cash and cash equivalents)	217,727	63.4	240,723	63.6	+22,996
(Notes and accounts receivable-trade)	27,122	7.9	31,120	8.2	+3,998
(Inventory)	28,405	8.3	35,556	9.4	+7,150
Non-current assets	66,152	19.3	67,823	17.9	+1,670
Total assets	343,393	100.0	378,469	100.0	+35,075
Current liabilities	80,265	23.4	94,448	25.0	+14,183
(Notes and accounts payable-trade)	16,052	4.7	26,070	6.9	+10,018
(Advance received)	26,070	7.6	28,014	7.4	+1,943
Non-current liabilities	23,416	6.8	24,159	6.4	+742
Total liabilities	103,681	30.2	118,607	31.3	+14,925
Total net assets	239,711	69.8	259,862	68.7	+20,150
Total liabilities and net assets	343,393	100.0	378,469	100.0	+35,075
Cash and deposits (including long-term deposits)	217,215		240,723		+23,507

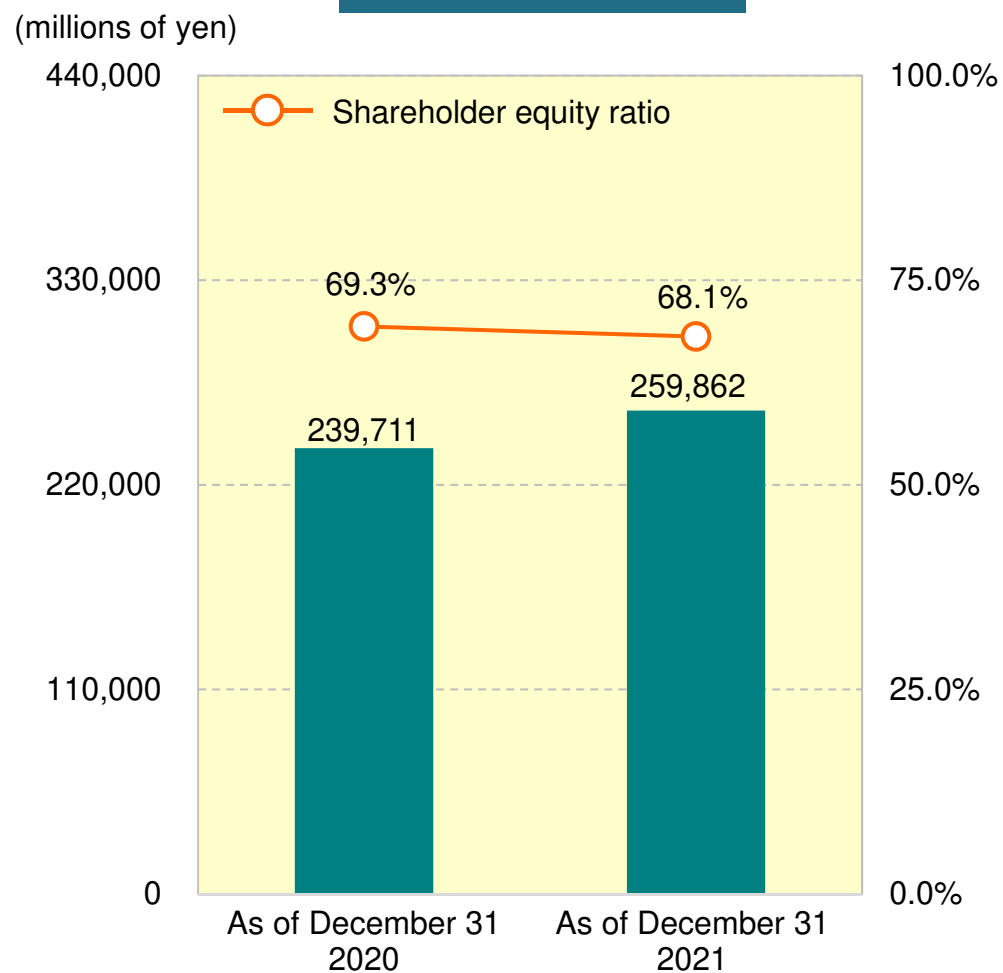


Comparison of Consolidated Total Assets and Net Assets

Total Assets



Net Assets

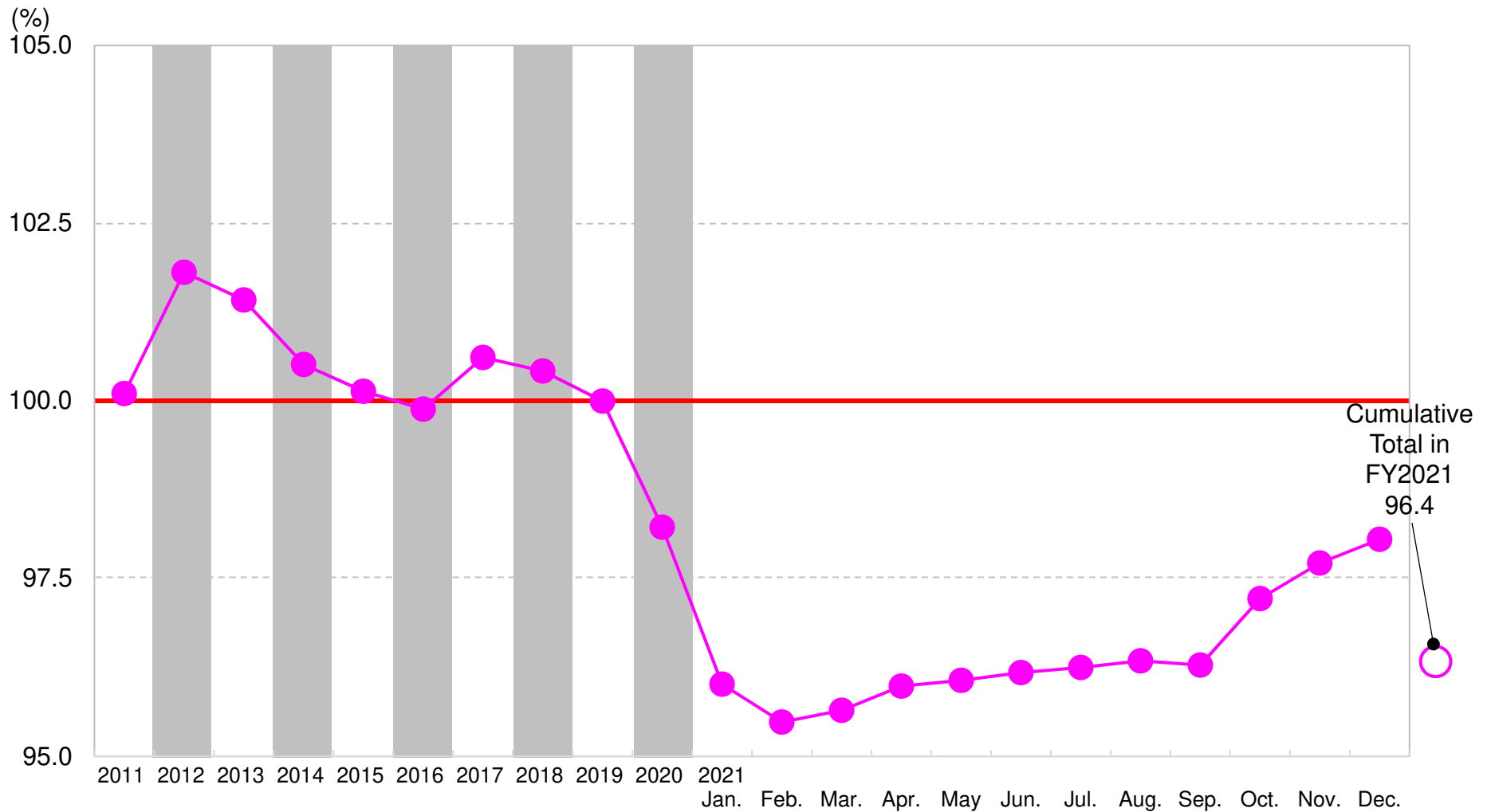




Ⅱ . Key Factors of Financial Results for FY 2021

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

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

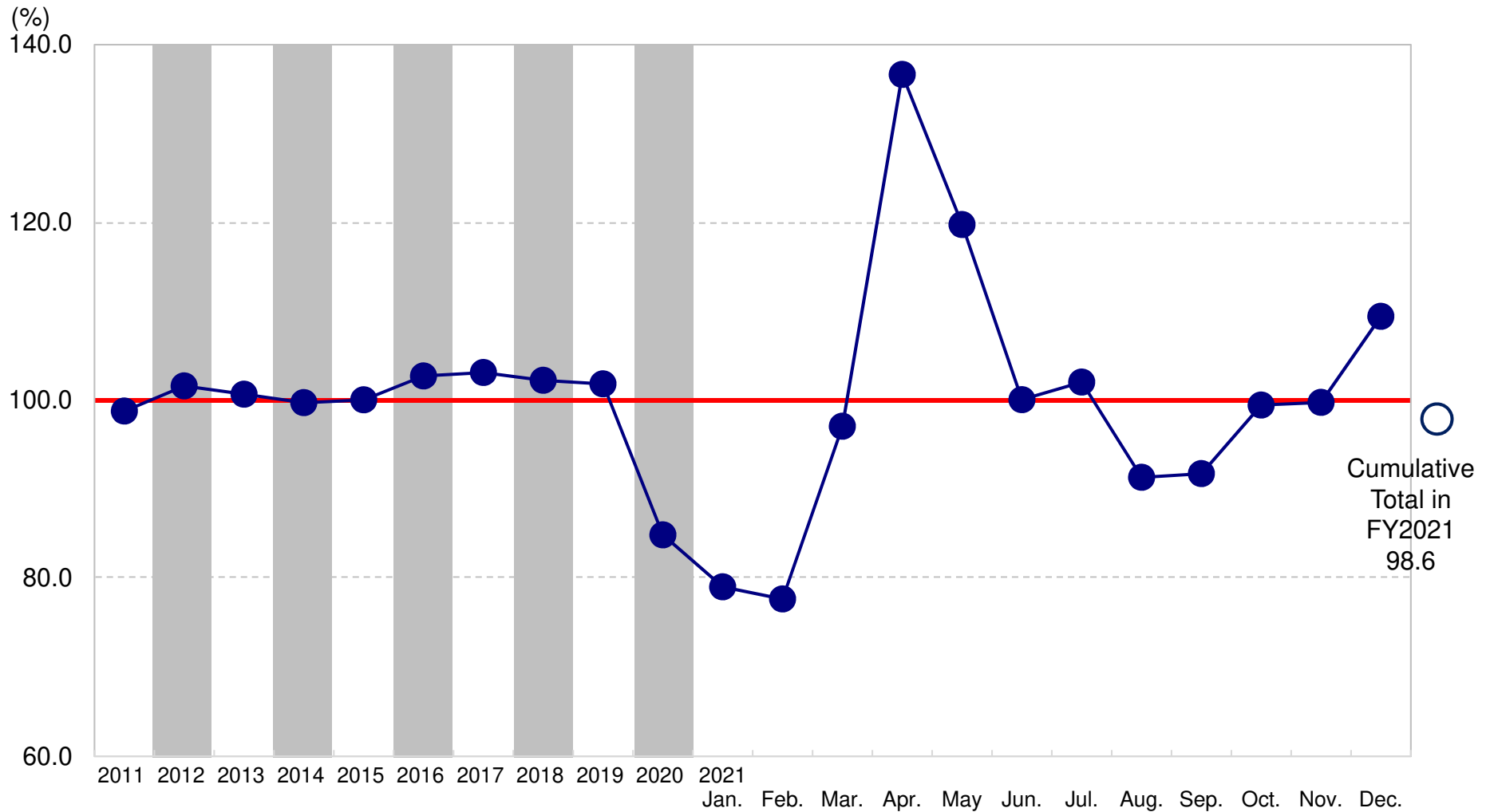


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- All major restaurant chains have recovered the sales from October because government lifted the request of shorter business hours and restriction of serving alcohol. However the sales were still at a low level compared with 2019.

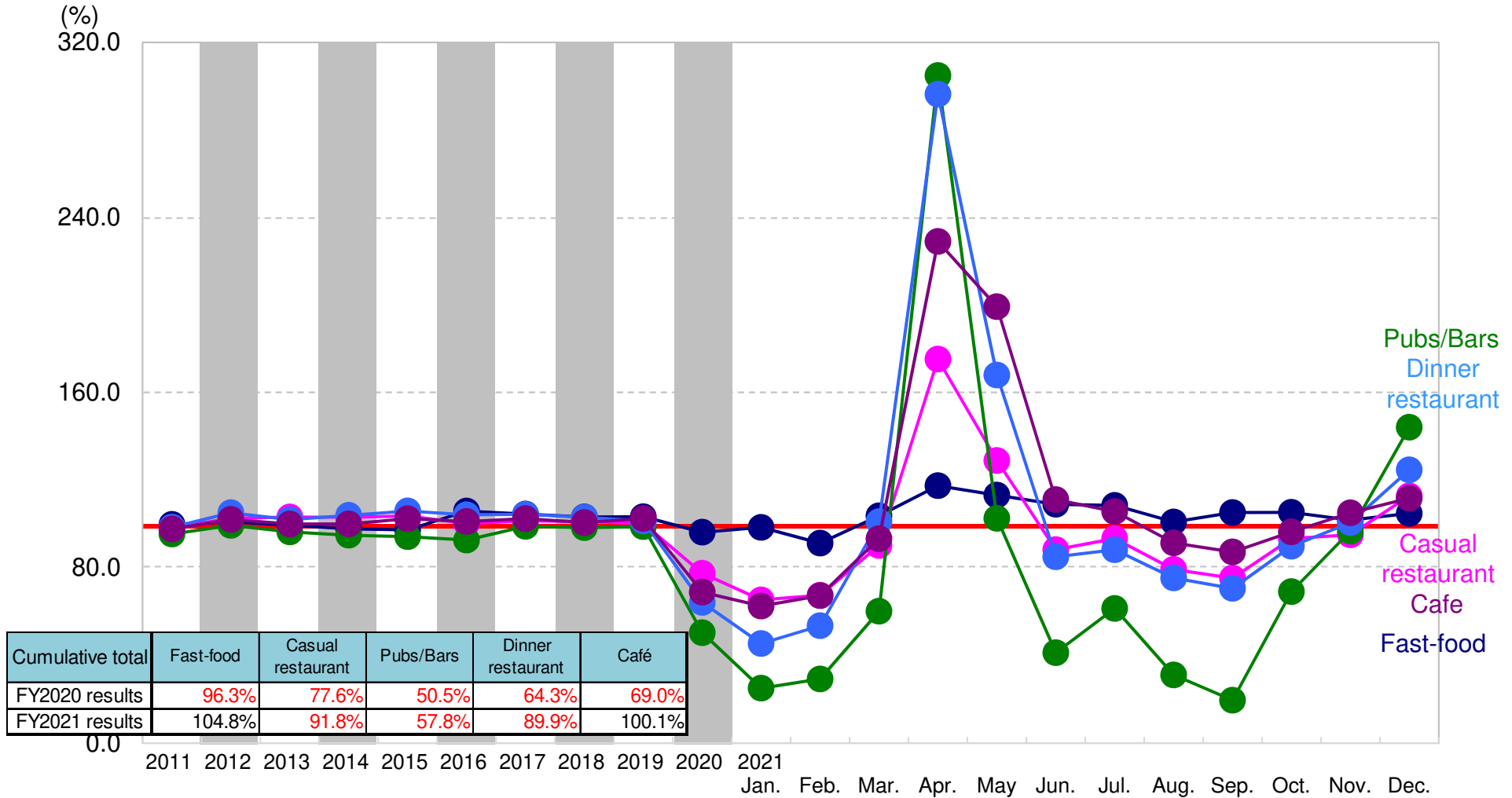


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- Fast food sales remain strong by takeout demands. Dinner restaurants and Pubs/Bars were recovering trend slightly from October as government lifted the request of shorter business hours and restriction of serving alcohol. However the sales were still at a low level compared with 2019.

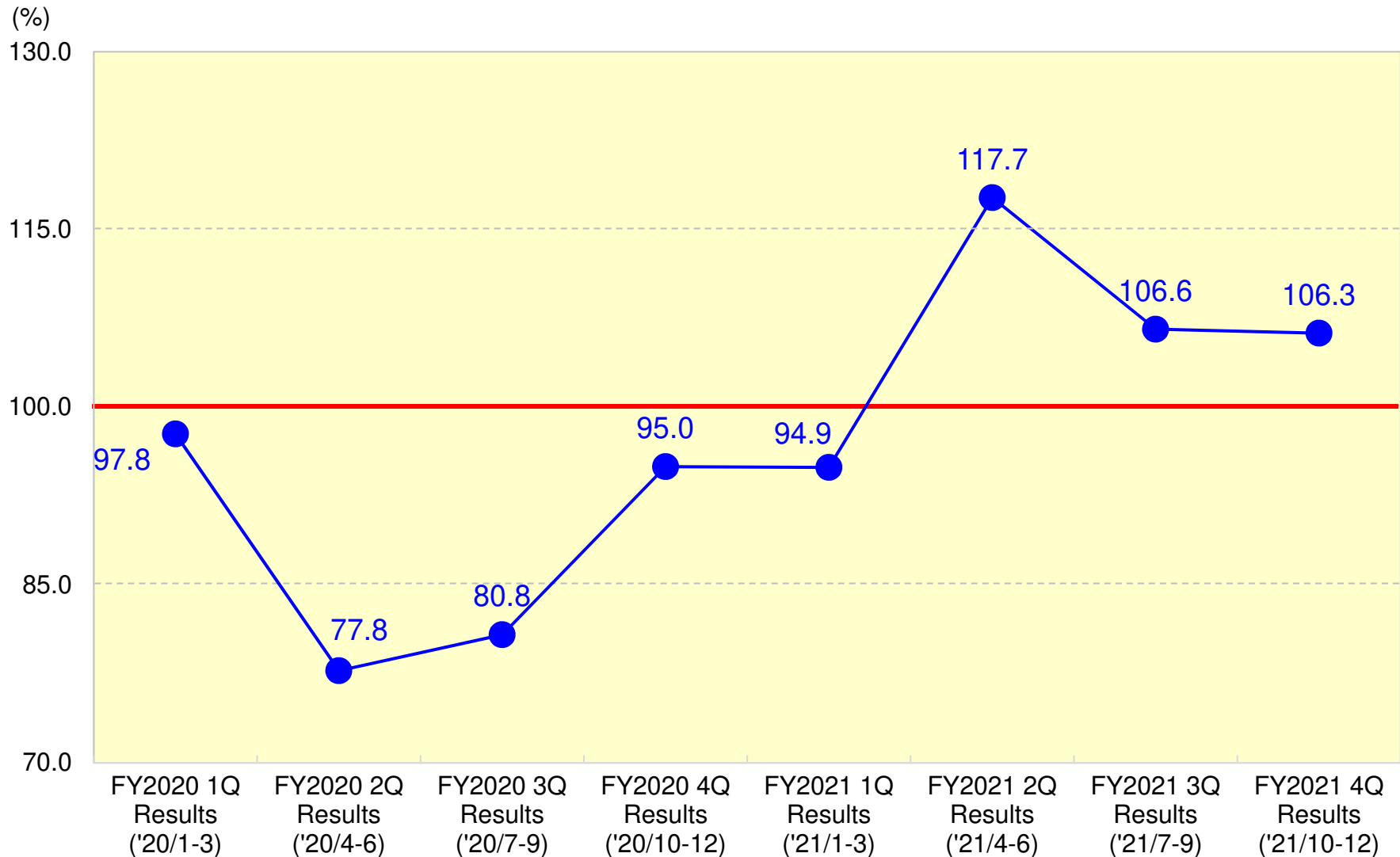


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")

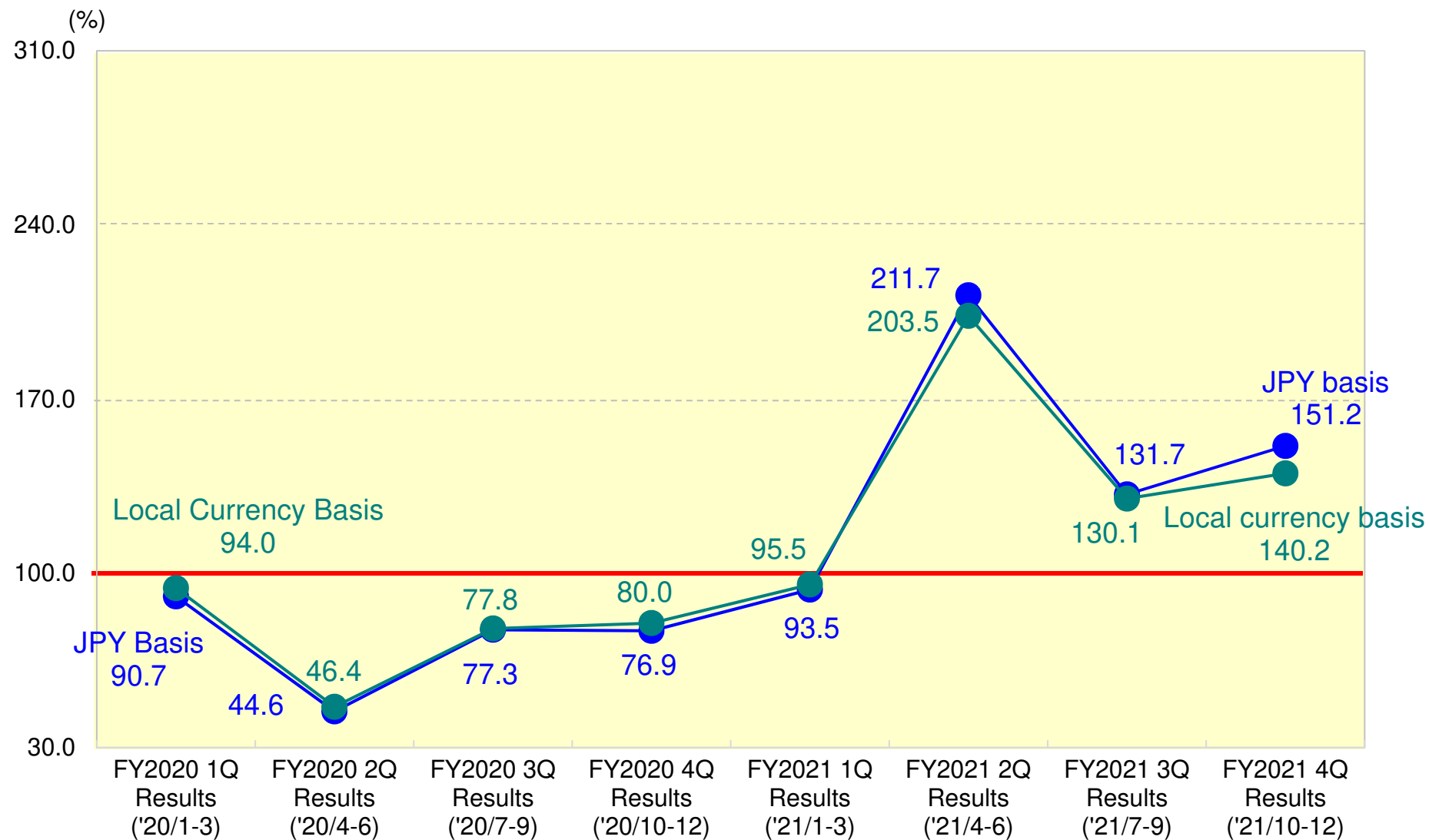


Japan : Year-on-Year Change in Sales

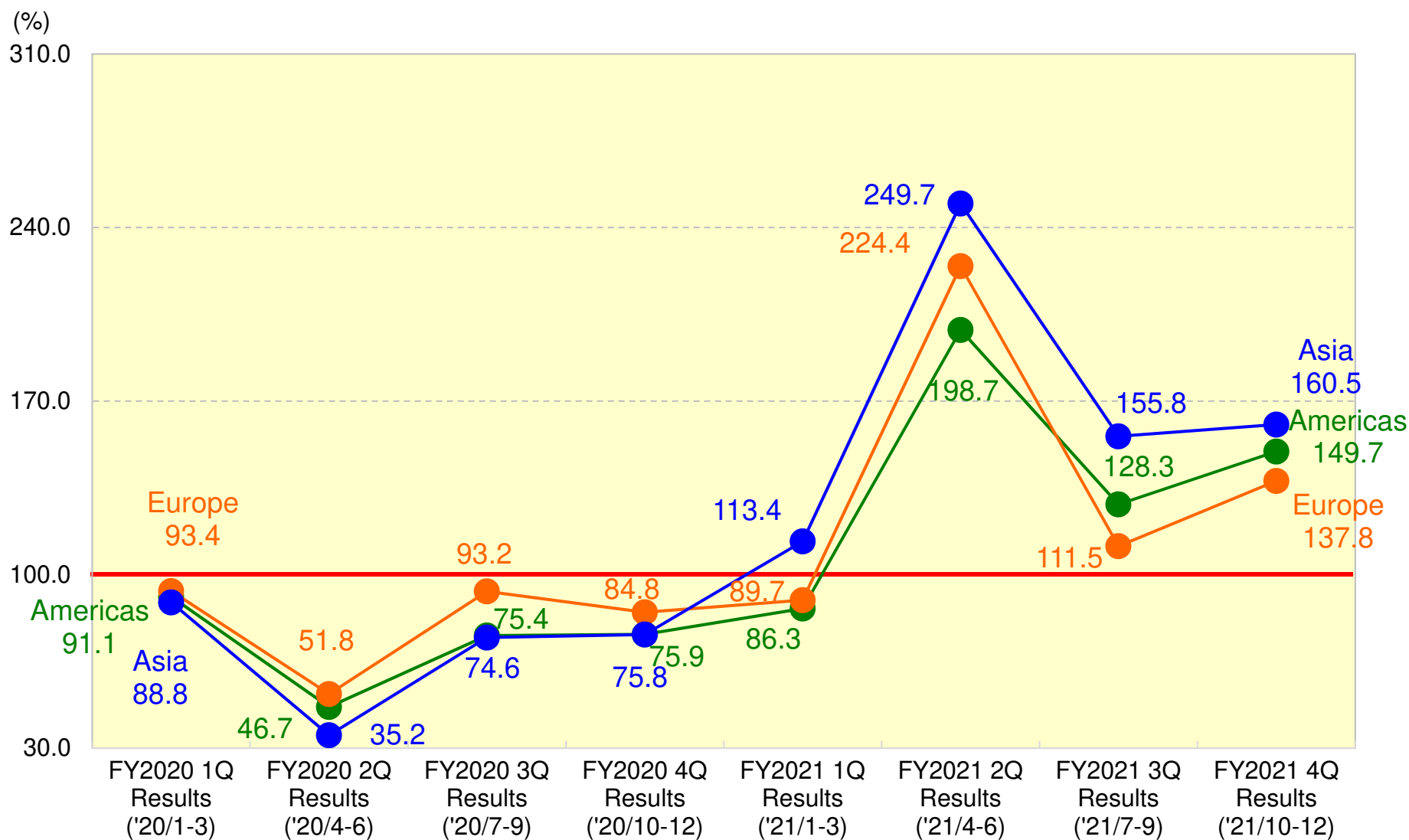
- Despite the ongoing impact of COVID-19, the sales turned to an increase due to reaction from restricted sales activities in the same previous year.



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



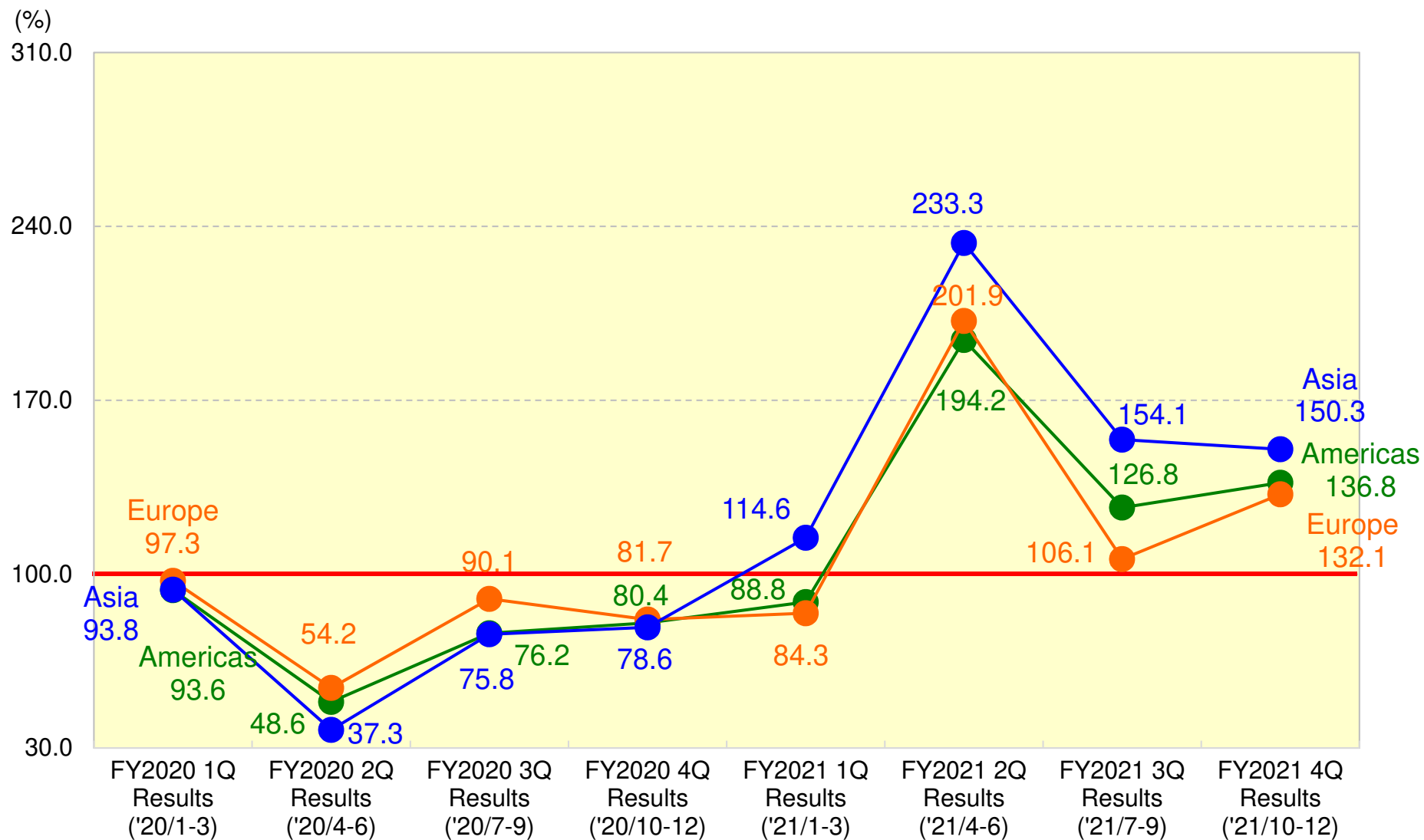
Overseas : *Year-on-Year Change in Sales by Area on JPY Basis



*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 by Area 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 2022

HOSHIZAKI

Summary of Business Forecast in FY 2022

- **Sales: 290.0 billion yen (increase by 5.7% year-on-year)**
 - Japan: Sales 180.2 billion yen (increase by 2.8%)
 - Overseas: Sales 109.8 billion yen (increase by 10.7%)
 - Overseas sales ratio: 37.9% (increase by 1.8pt)
 - In Japan, unlike in Europe and the Americas, there is no clear sign that infection of Omicron mutant virus will stop. However Year-on-year sales forecast will be 102.8% due to sales efforts in restaurant market and developing in non-restaurant market, despite a risk of worsening business performances by government's requesting of shorten business hours and restriction of serving alcohol.
 - In Overseas, Year-on-year sales will be 110.7% (including the sales of BREMA which is planned to be acquired) due to market recovery in various countries, despite risks of parts and materials supply.
 - Exchange rates (average of the period) assumption: 110 yen per US dollar, 130 yen per Euro, 1.51 yen per Indian Rupee

- **Operating Income: 26.5 billion yen (increase by 6.3%)**
 - Despite continuous price increase of raw materials, will pursue work effectiveness and production improvement activities to realize cost-down in both Japan and overseas

- **Ordinary income: 27.2 billion yen (decrease by 12.7%)**
 - Not included foreign exchange gains or losses on deposits in foreign currencies (Posted foreign exchange gains of 5.3 billion yen in fiscal 2021).

- **Profit attributable to owners of parent: 18.9 billion yen (decrease by 12.8%)**



Business Forecast for FY 2022

	FY 2020 results		FY2021 results		FY 2022 forecast forecast (February 9, 2022)			
	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	274,419	100.0	290,000	100.0	15,580	105.7
Cost of sales	149,261	62.6	174,727	63.7	185,500	64.0	10,772	106.2
Gross profit	89,053	37.4	99,691	36.3	104,500	36.0	4,808	104.8
Selling, general and administrative expenses	70,605	29.6	74,760	27.2	78,000	26.9	3,239	104.3
Operating income	18,447	7.7	24,931	9.1	26,500	9.1	1,568	106.3
Ordinary income	17,420	7.3	31,165	11.4	27,200	9.4	-3,965	87.3
Profit attributable to owners of parent	11,442	4.8	21,679	7.9	18,900	6.5	-2,779	87.2





IV. Company Profile and Overview Business

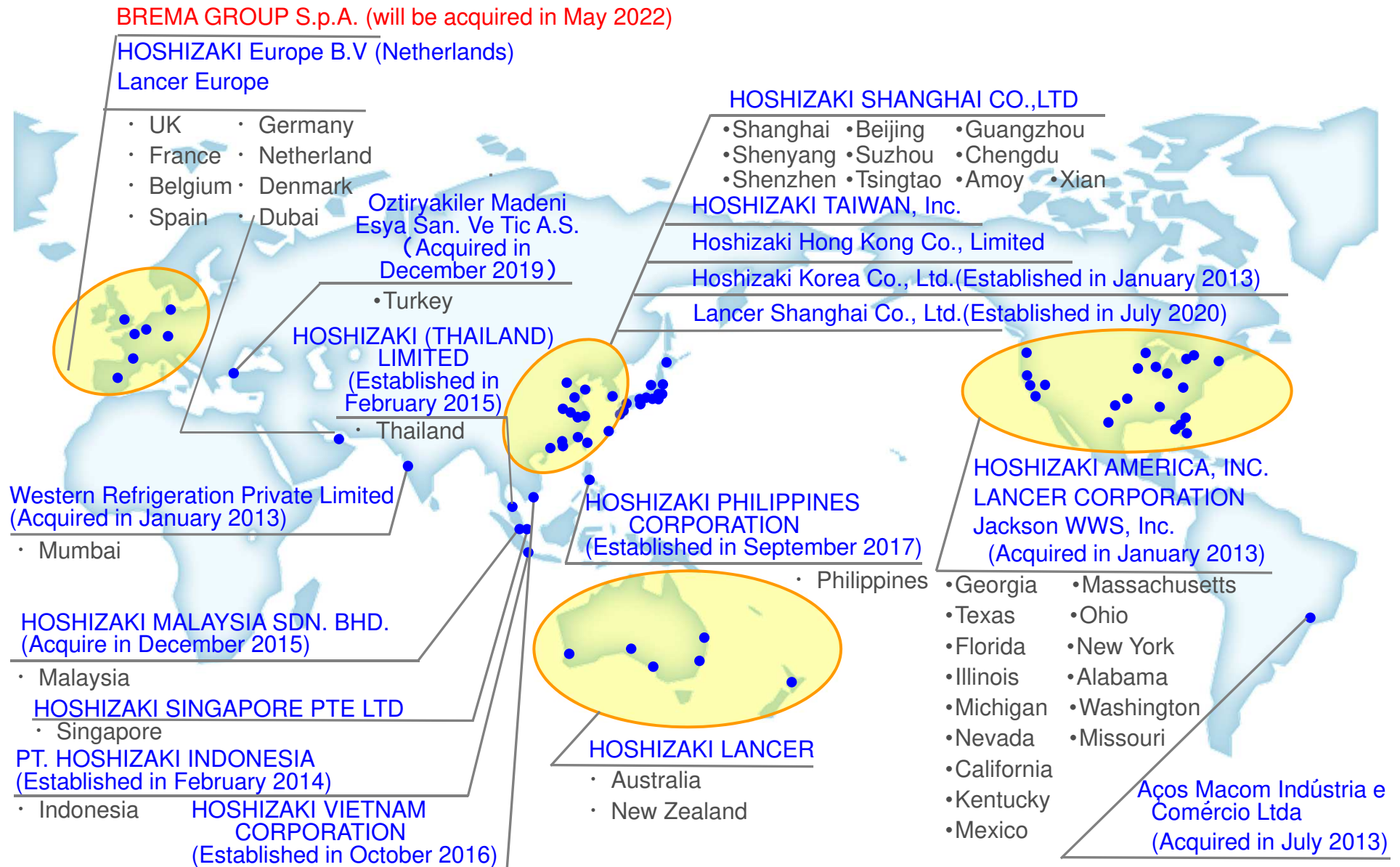
HOSHIZAKI

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 December 31, 2021)
- Consolidated business performance : Sales : 274,419 million yen
(Fiscal Year ended December 31, 2021) Operating profit : 24,931 million yen
Profit attributable to owners of parent : 21,679 million yen
(*Net income is attributable to shareholders of the parent company.)
- Number of consolidated group companies : 51 companies
(18 companies in Japan, 15 companies in Americas, 18 companies in Europe and Asia)
(As of December 31, 2021 *Including HOSHIZAKI CORPORATION)
- Number of employees : 1,209 persons (HOSHIZAKI CORPORATION)
12,923 persons (Group total) (As of December 31, 2021)
- Number of sales offices in Japan : 434 places (As of December 31, 2021)



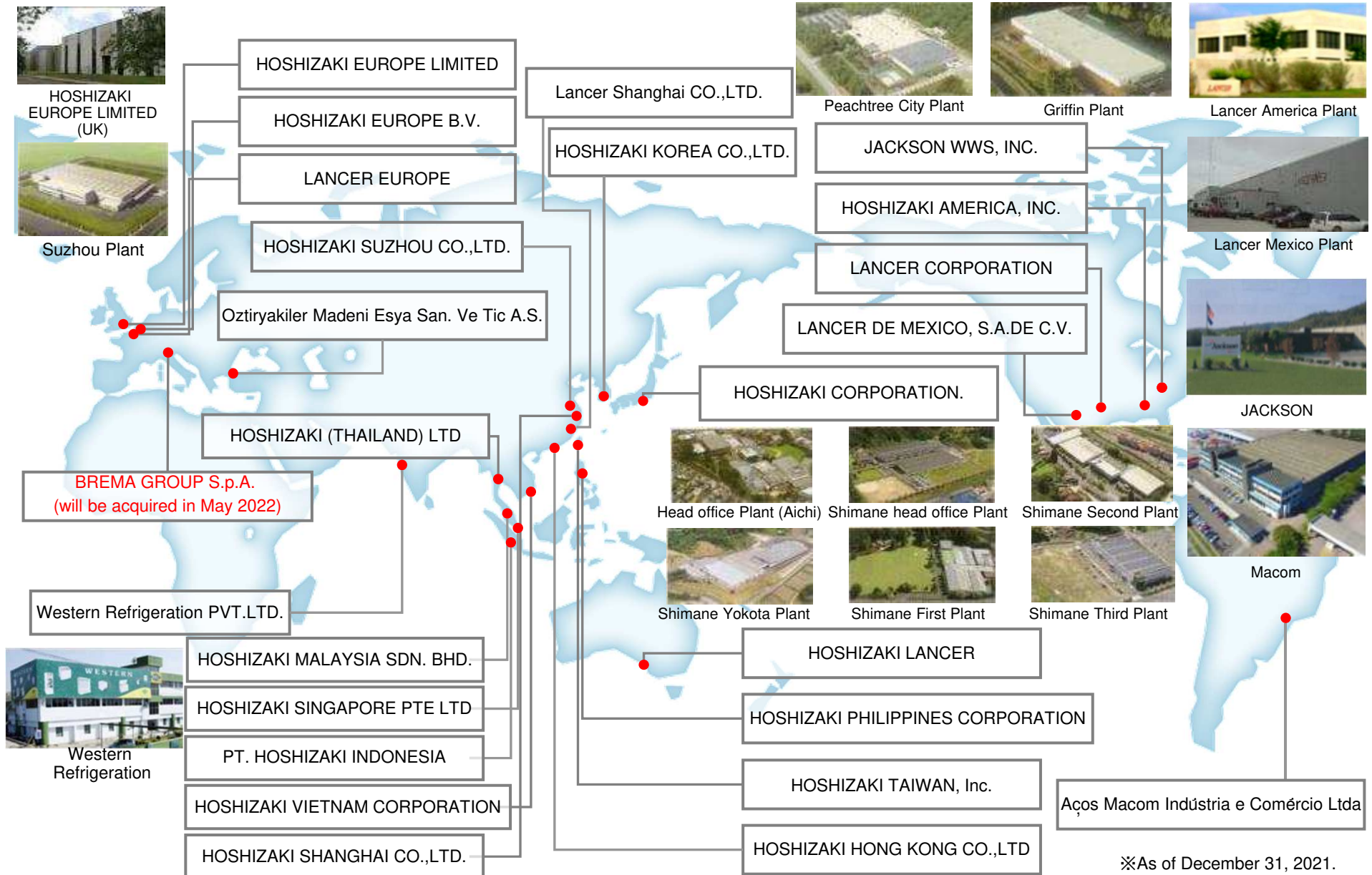
Overseas : Expanding the Sales Networks



※As of December 31, 2021.



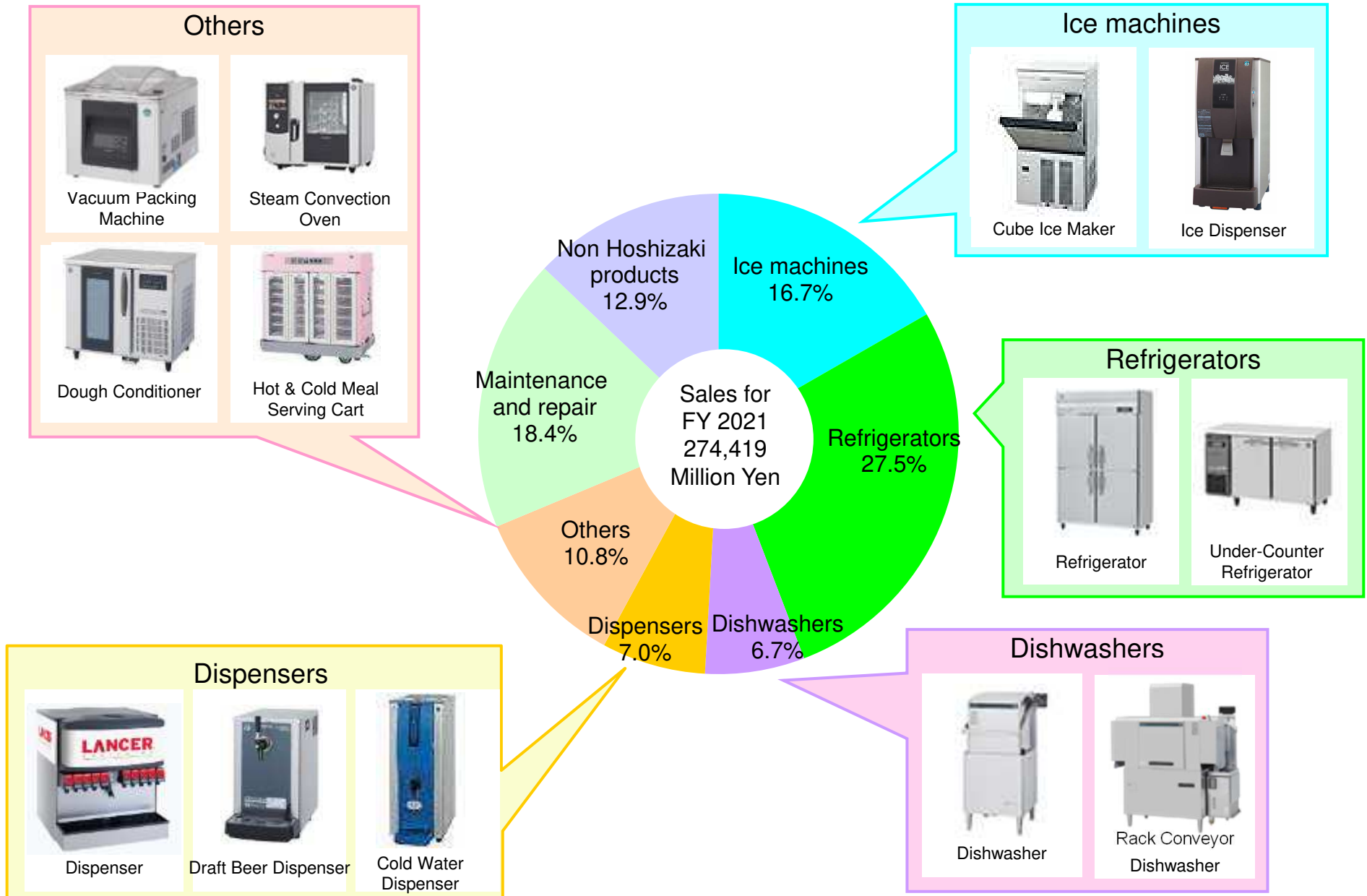
Global Network, Production and Sales Offices



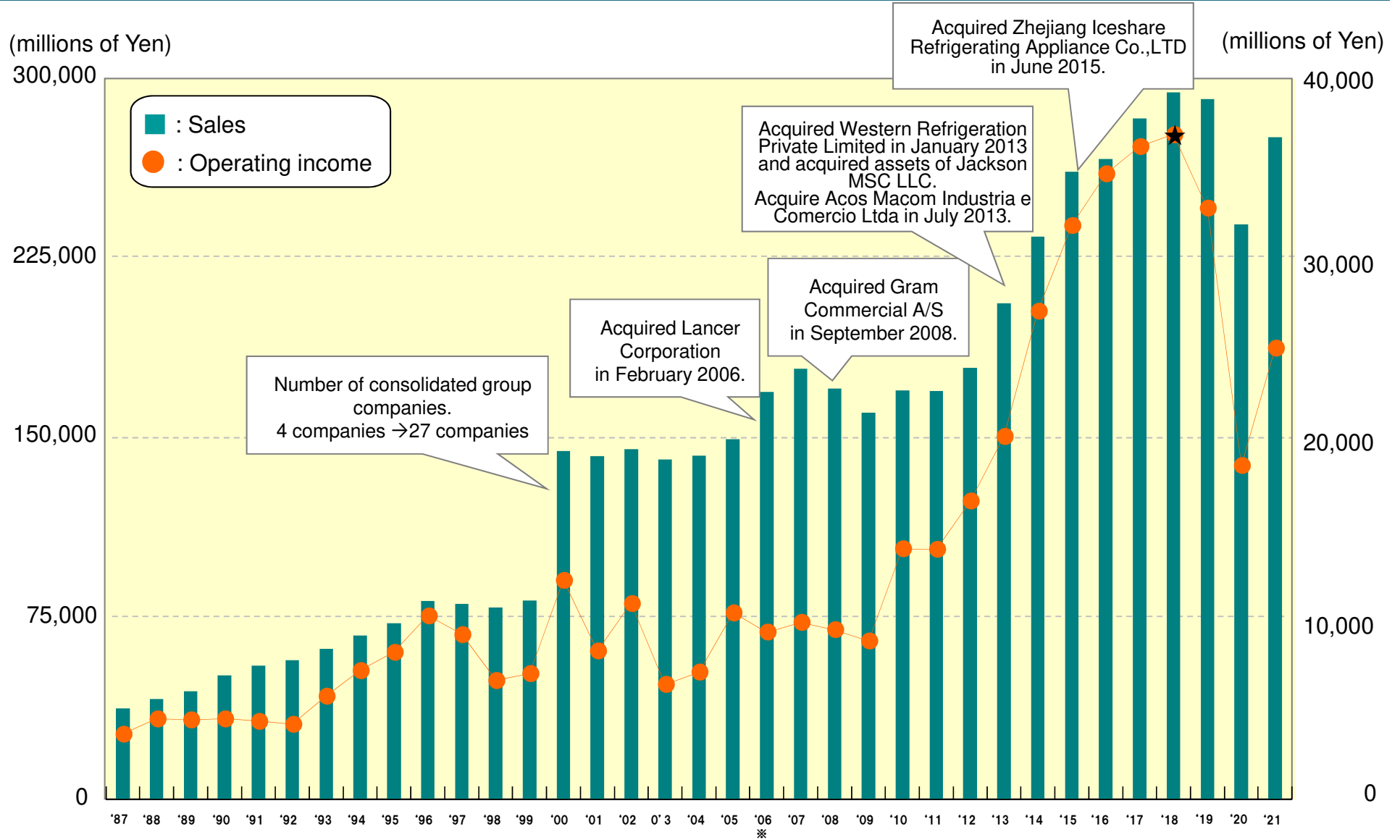
※As of December 31, 2021.



Main Product Group and Sales Breakdown



Long-term Business Performance Consolidated Basis



★ Recorded a record sales and operating income.

※12 months conversion



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.

If you have any inquiries concerning this document and our IR activities, please contact as below:

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