



**Summary of Business Performance**  
**The First Quarter of Fiscal Year Ending December 31, 2023**  
**~ The World's No. 1 Brand Across the Five Continents ~**

**HOSHIZAKI CORPORATION**  
Stock code: 6465  
Tokyo Stock Exchange : Prime Market  
Nagoya Stock Exchange : Premier Market

May 10, 2023

**HOSHIZAKI**

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## **I . Financial Results for FY 2023 1Q**

**HOSHIZAKI**

# Foreign Exchange Rates

	Average of Period			End of Period	
	FY2022 3 months	FY2023 3 months	Forecast of FY 2023 (Feb. 10th 2023)	FY2022 End of December	FY2023 End of March
US dollar	116.3	132.4	125.0	132.7	133.5
Pound	155.9	160.9	160.0	160.0	165.5
Euro	130.4	142.1	135.0	141.4	145.7
Singapore dollar	85.9	99.3	97.0	98.7	100.6
Chinese yuan	18.3	19.3	20.0	19.0	19.4
Denmark krone	17.5	19.1	19.1	19.0	19.5
Taiwan dollar	4.1	4.3	4.5	4.3	4.3
Hong Kong dollar	14.9	16.8	17.1	17.0	17.0
Indian rupee	1.56	1.62	1.60	1.61	1.64
South Korean won	0.0966	0.1040	0.1050	0.1055	0.1031
Brazillian real	22.3	25.5	26.5	25.4	26.2
Indonesian Rupiah	0.0081	0.0087	0.0092	0.0085	0.0089
Thai Baht	3.5	3.9	3.8	3.8	3.9
Malaysia Ringgito	27.7	30.1	30.5	30.0	30.2
Viet Nam Dong	0.0050	0.0056	0.0058	0.0056	0.0056
Philippine Peso	2.27	2.43	2.51	2.40	2.47



# Summary of Financial Results for FY 2023 1Q

In Japan, both sales and operating income have exceeded FY2019 levels which are before the COVID-19 pandemic. Overseas, with the recovery performance in the Americas region, sales and operating income have been shifted to increase in this quarter from sales growth and operating income decline in the previous quarter.

## Sales : 90.5 billion yen (increased 24.8% year-on-year)

- Japan : 51.7 billion yen (increased 16.9%)
- Overseas : 38.8 billion yen (increased 37.3%) Overseas sales ratio : 42.8% (increased 3.9pt)

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

- Japan: The difficulty in procuring the parts and materials last year has been resolved. Owing to it, sale has increased due to the focus on enabling expanding sales in the restaurant market, also expanding and developing the customers of the non-restaurant market such as food retail business and food processing business.
- Overseas: Sales increased due to the focus on product supply in response to continued demand, also the business performance of the acquired companies last year contributed to sales.

## Operating Income : 11.8 billion yen (increased 73.8%) Operating income margin : 13.1% (increased 3.7pt)

- Japan : 7.8 billion yen (increased 67.2%) Operating income margin : 15.2% (increased 4.6pt)
- Overseas : 4.4 billion yen (increased 91.3%) Operating income margin : 11.4% (increased 3.2pt)

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

- Despite to effect of soring the materials price and labor cost, we posted an increase in income due to higher sales and the effect of price revisions.

## Ordinary Income : 12.7 billion yen (increased 10.9%)

- Foreign exchange gains of 0.2 billion yen from deposits in foreign currencies were recorded as non-operating income. (4.3 billion yen of foreign exchange gains were recorded in the previous fiscal year.)

## Profit Attributable to Owners of Parent : 8.7 billion yen (increased 10.4%)



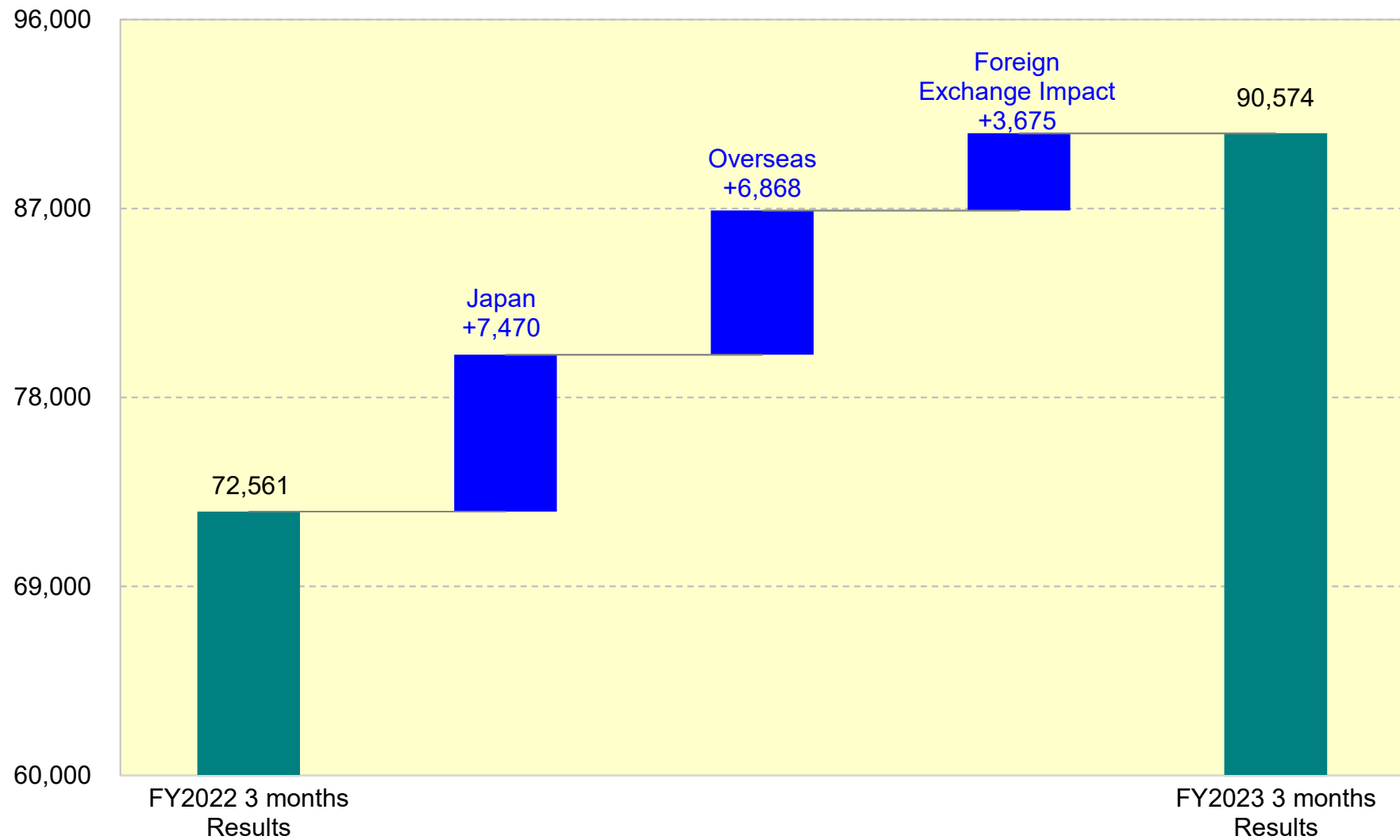
# Consolidated Business Performance

	FY 2022 3 months results		FY 2023 3 months results			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
					Change (Millions of yen)	Percentage (%)
Sales	72,561	100.0	90,574	100.0	+18,012	124.8
Cost of sales	46,505	64.1	57,168	63.1	+10,663	122.9
Gross profit	26,056	35.9	33,405	36.9	+7,349	128.2
Selling, general and administrative expenses	19,253	26.5	21,581	23.8	+2,327	112.1
Operating income	6,802	9.4	11,824	13.1	+5,022	173.8
Ordinary income	11,481	15.8	12,730	14.1	+1,249	110.9
Profit attributable to owners of parent	7,906	10.9	8,731	9.6	+825	110.4



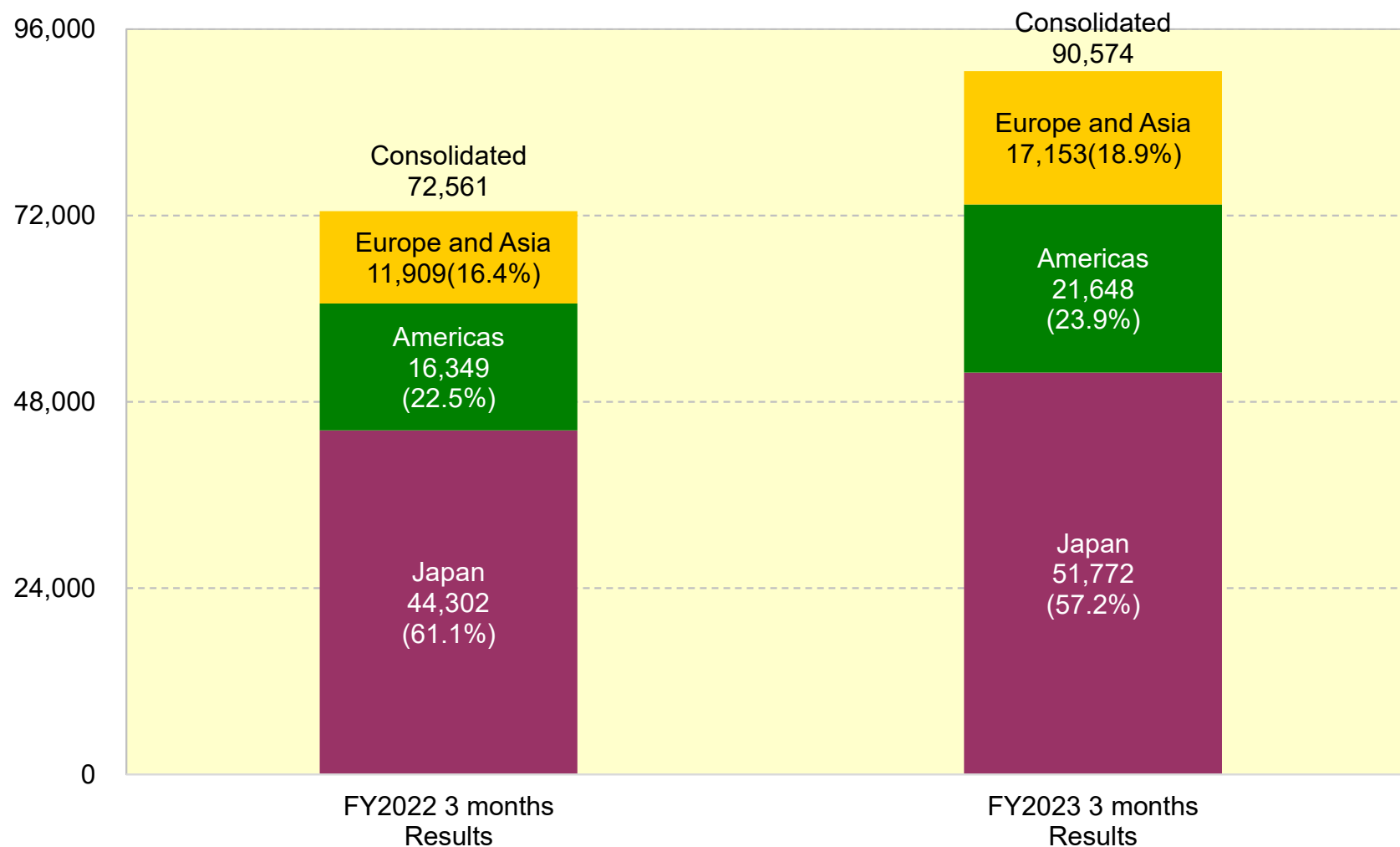
# Factors for Change in Consolidated Sales by Japan and Overseas

(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")

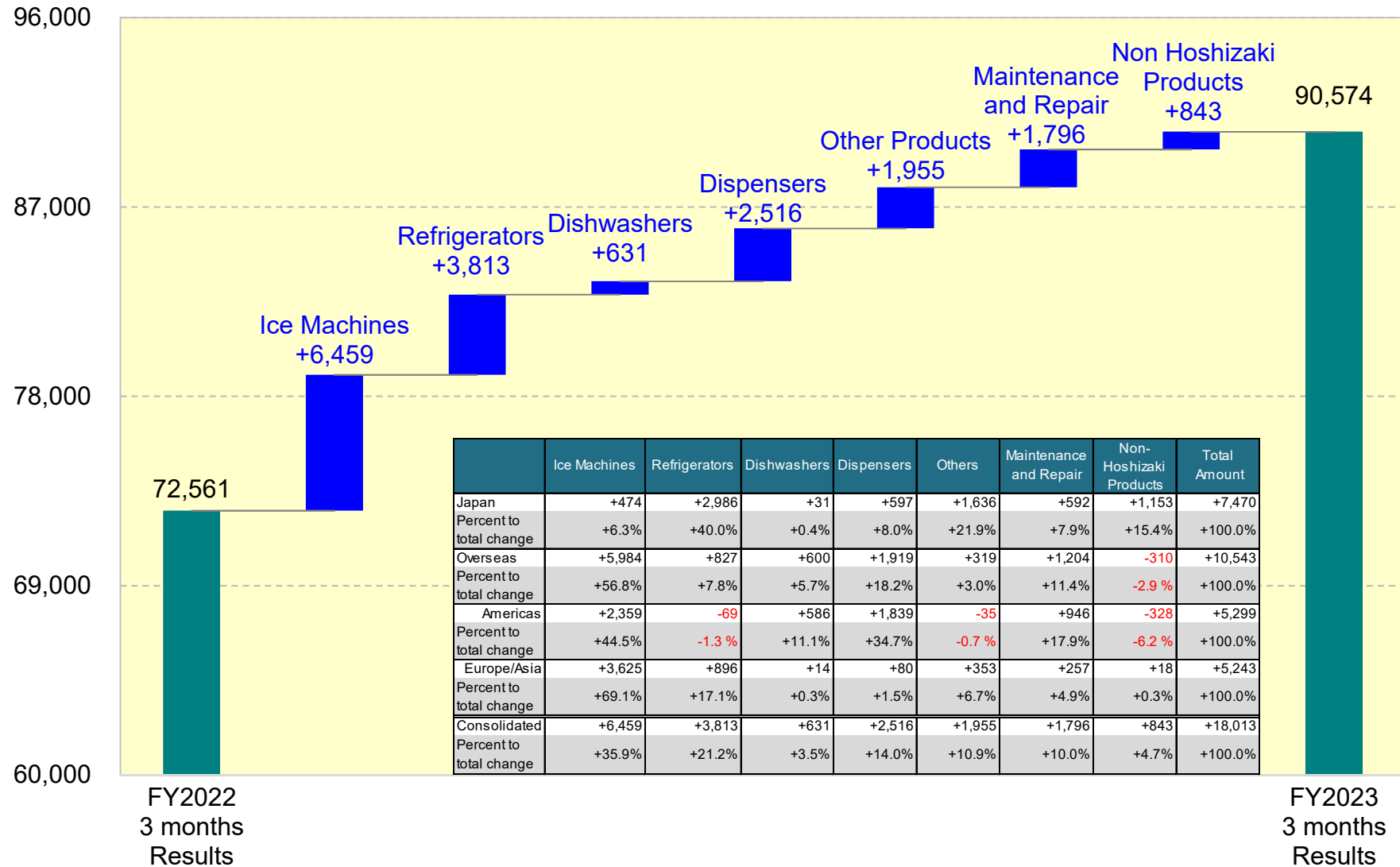
(This is a classification for internal management control, and we use the same classification for reporting segments in the quarterly report.)



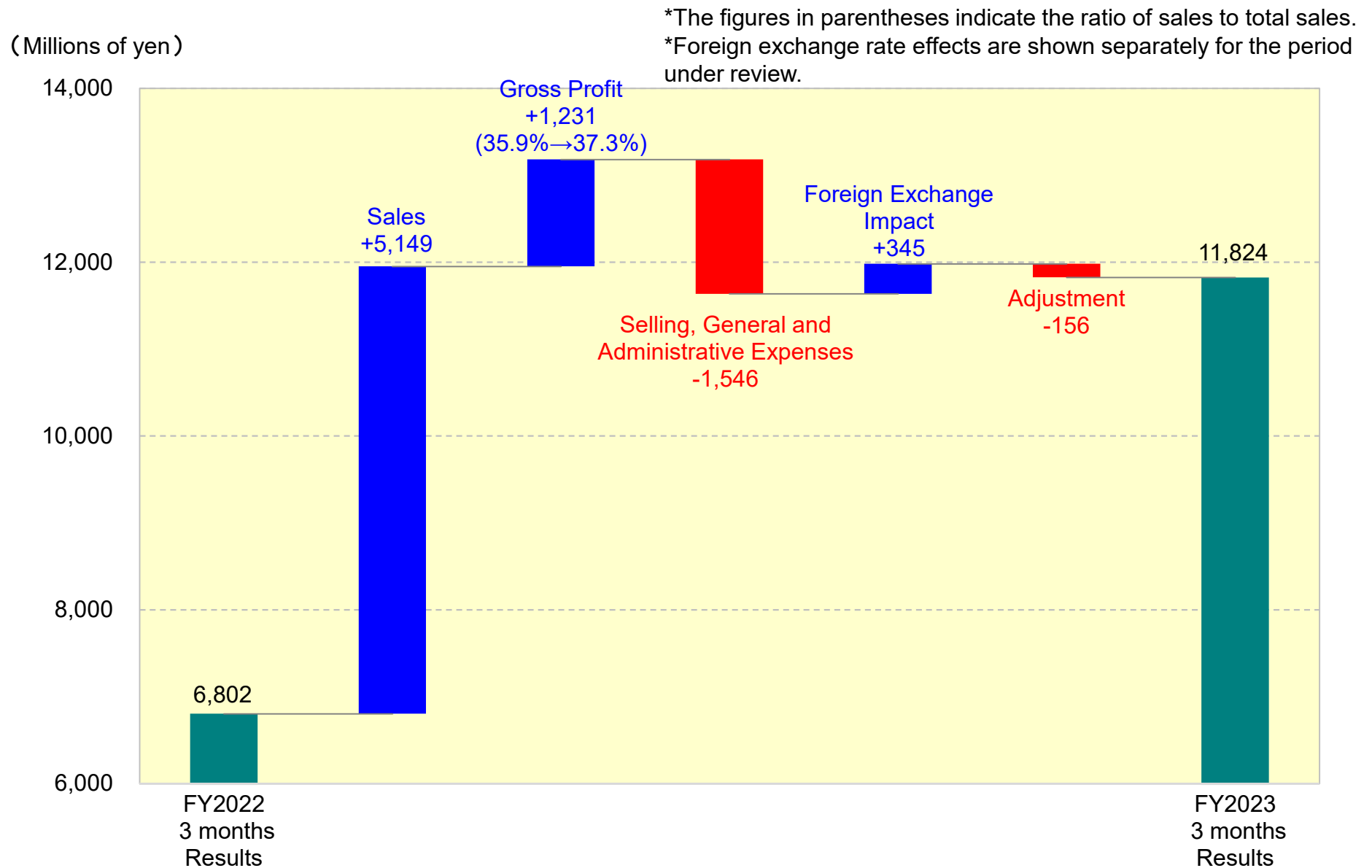


# Factors for Change in Consolidated Sales by Product Groups

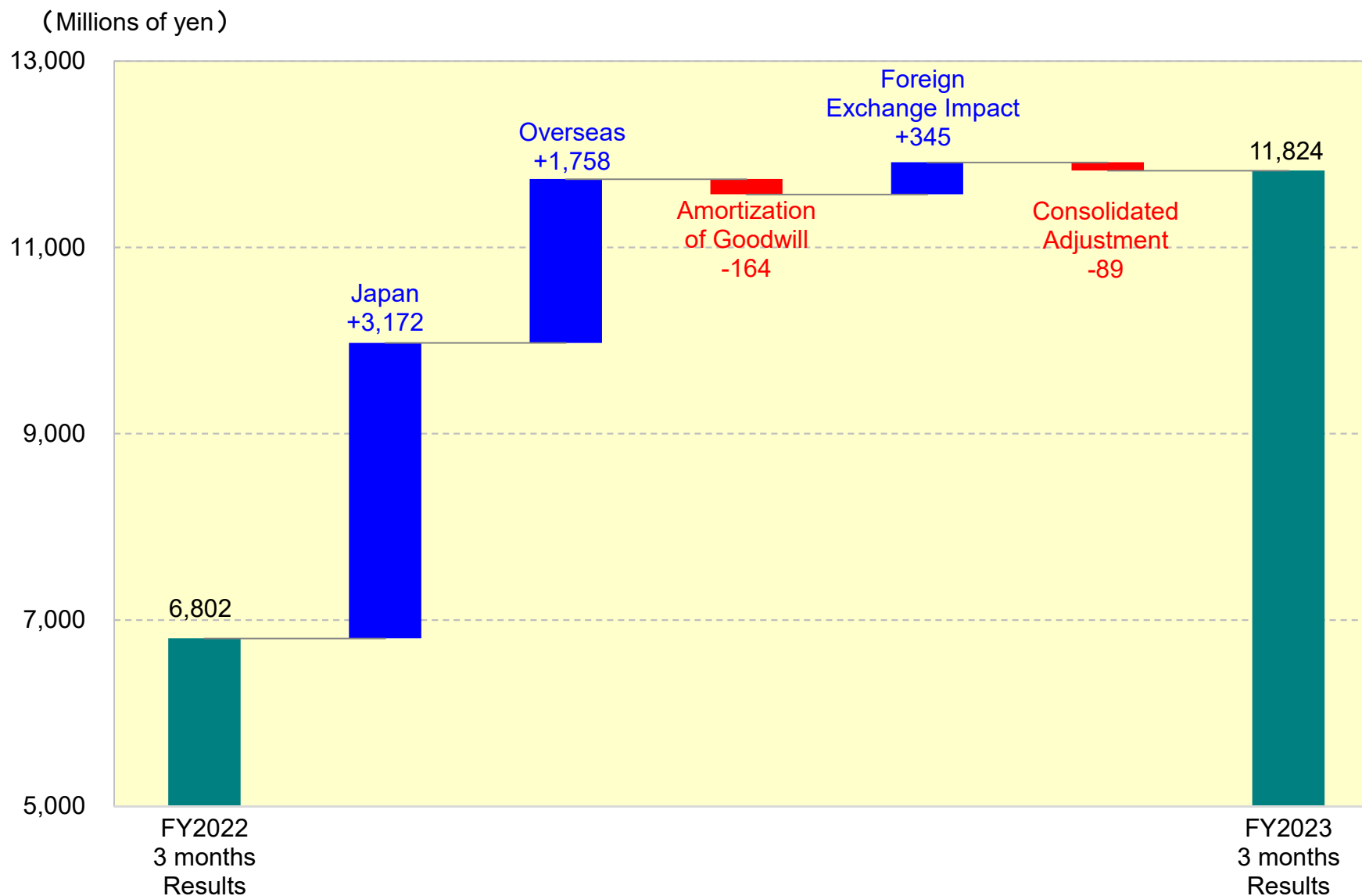
(Millions of yen)



# Factors for Change in Consolidated Operating Income

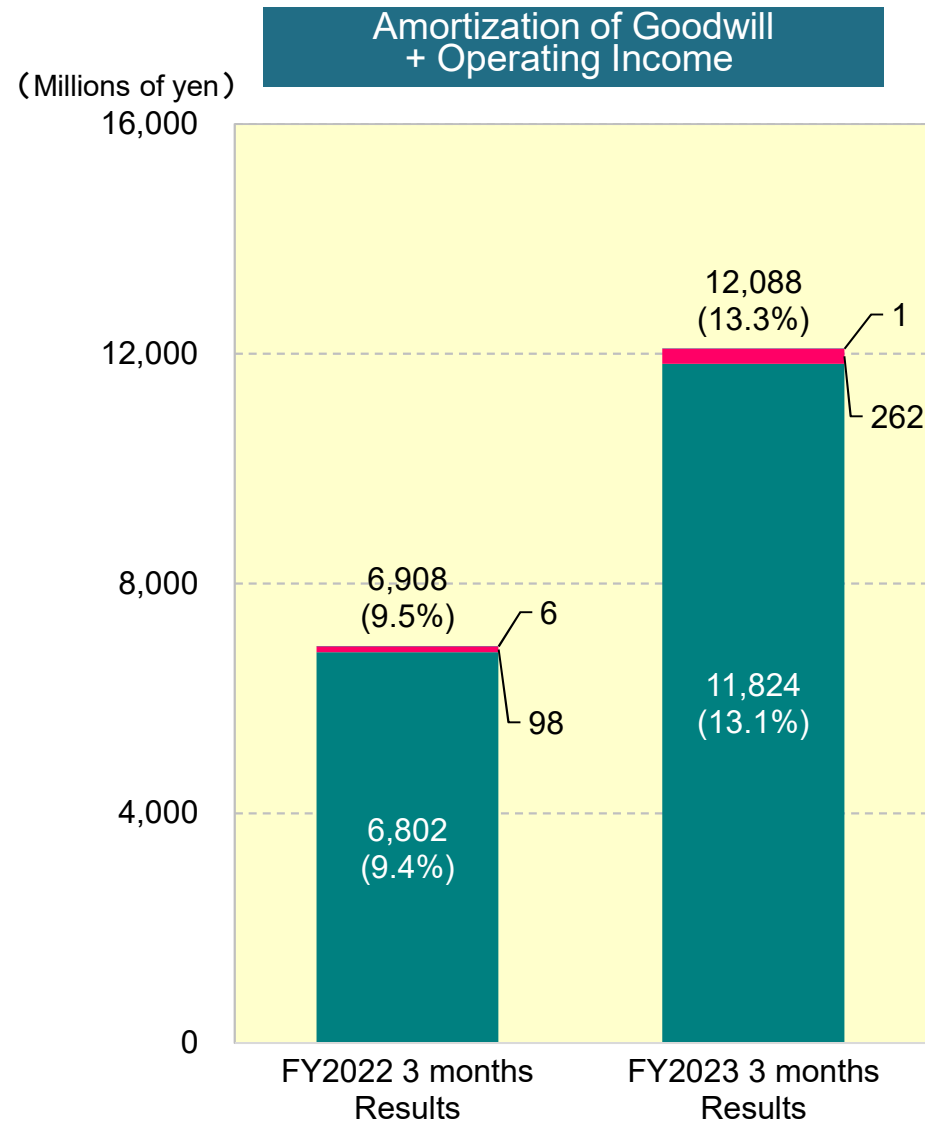
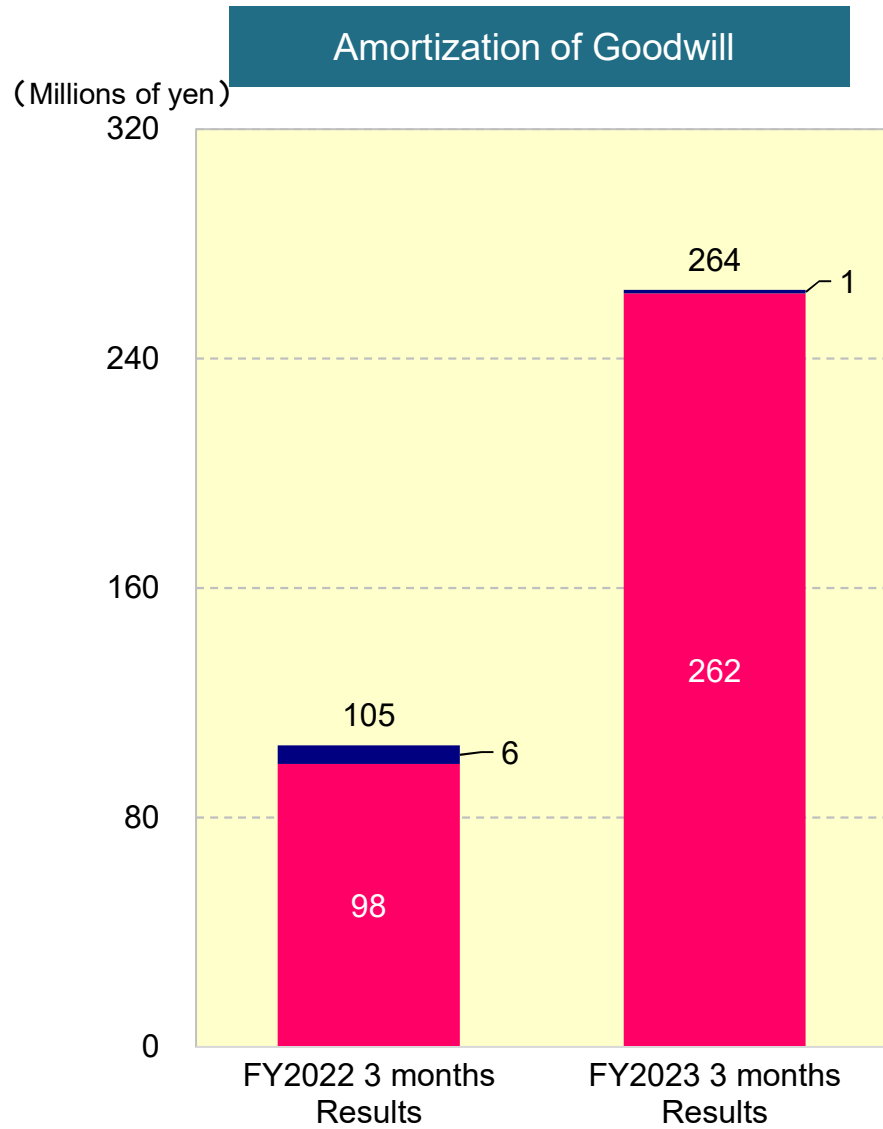


# Factors for Change in Consolidated Operating Income by Japan and Overseas



# Impact of Goodwill Amortization

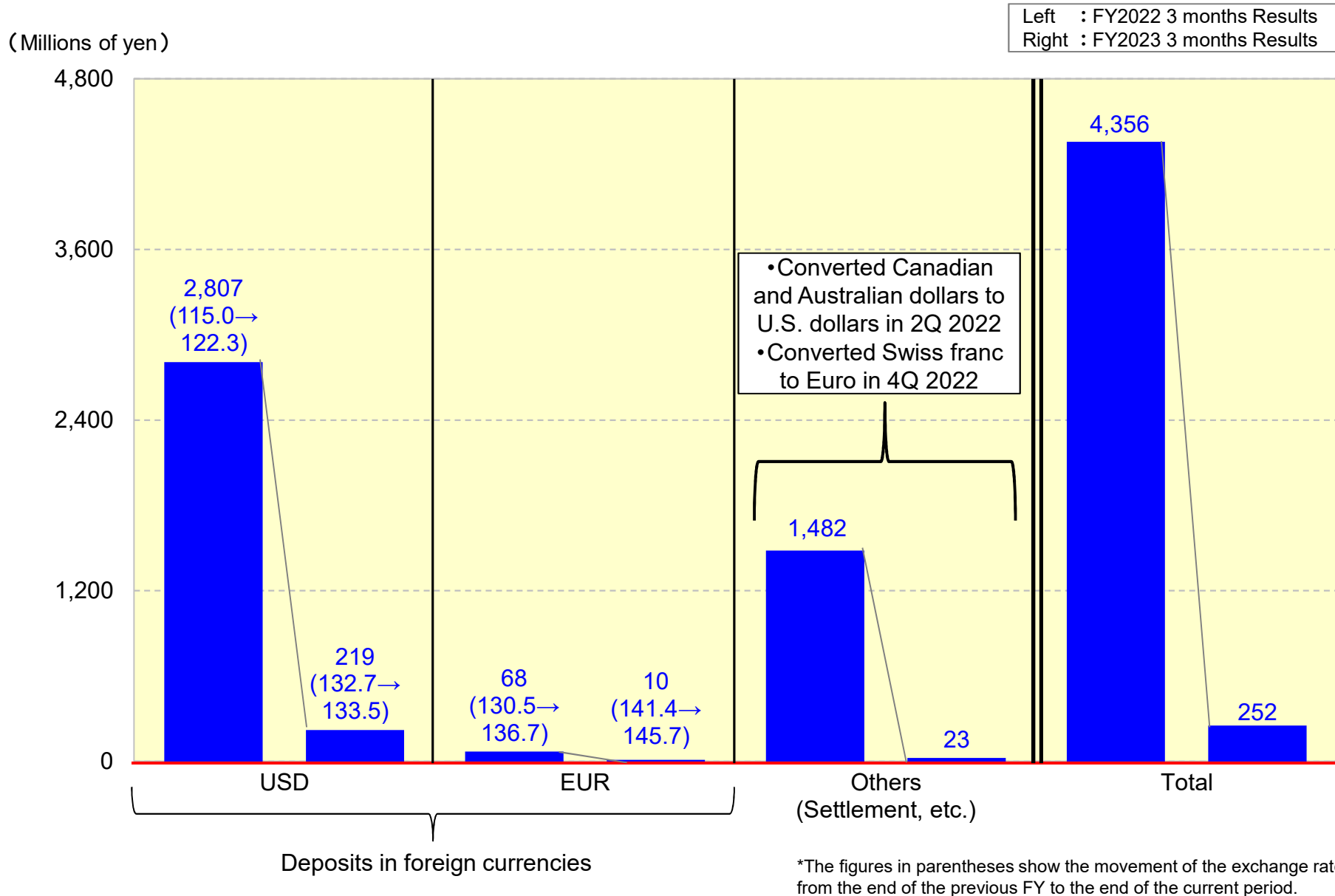
- Amortization of intangible asset
- Amortization of goodwill
- Operating income



\*Percentages in parentheses indicate sales ratio.



# Breakdown of Foreign Exchange Gain and Loss



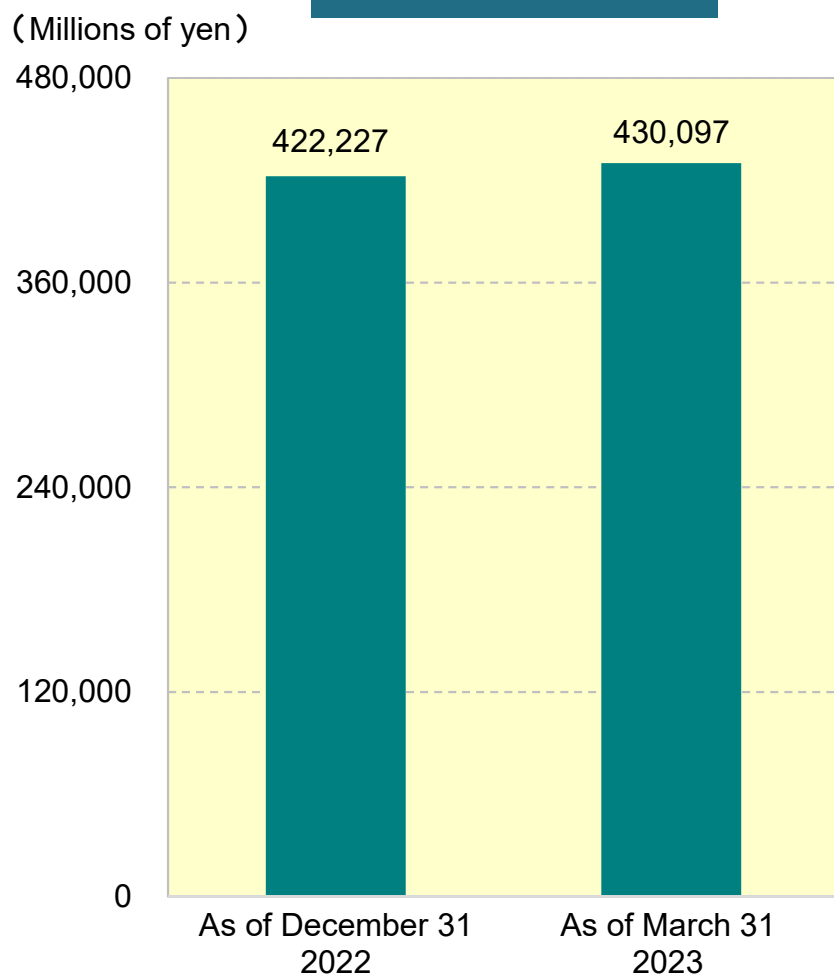
# Consolidated Balance Sheet

	As of December 31, 2022		As of March 31, 2023		
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Change (Millions of yen)
Current assets	328,240	77.7	332,593	77.3	+4,353
(Cash and cash equivalents)	226,066	53.5	220,170	51.2	-5,895
(Notes and accounts receivable-trade)	45,783	10.8	53,541	12.4	+7,757
(Inventory)	51,826	12.3	54,118	12.6	+2,291
Non-current assets	93,986	22.3	97,503	22.7	+3,517
Total assets	422,227	100.0	430,097	100.0	+7,870
Current liabilities	102,987	24.4	103,330	24.0	+343
(Notes and accounts payable-trade)	32,714	7.7	34,926	8.1	+2,212
Non-current liabilities	26,612	6.3	26,819	6.2	+206
Total liabilities	129,600	30.7	130,150	30.3	+550
Total net assets	292,627	69.3	299,946	69.7	+7,319
Total liabilities and net assets	422,227	100.0	430,097	100.0	+7,870
Cash and deposits (including long-term deposits)	226,065		220,170		-5,894

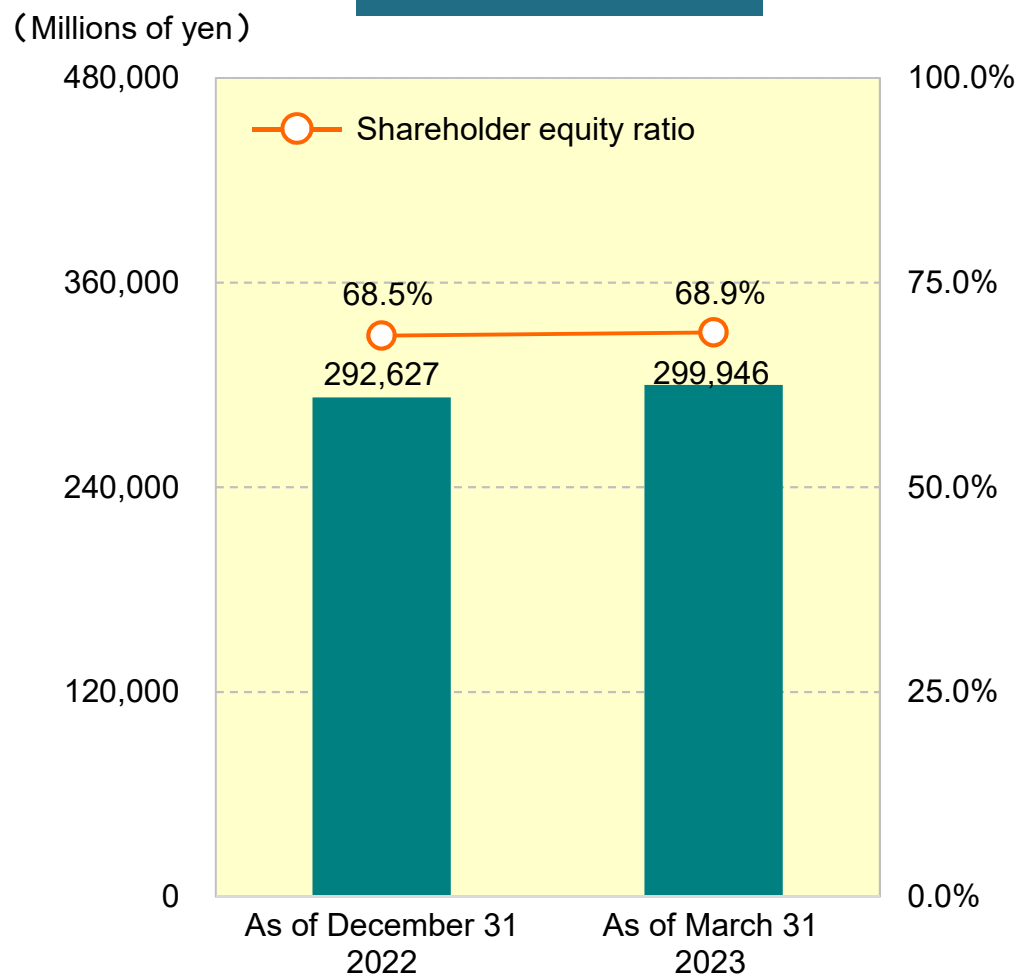


# Comparison of Consolidated Total Assets and Net Assets

## Total Assets



## Net Assets



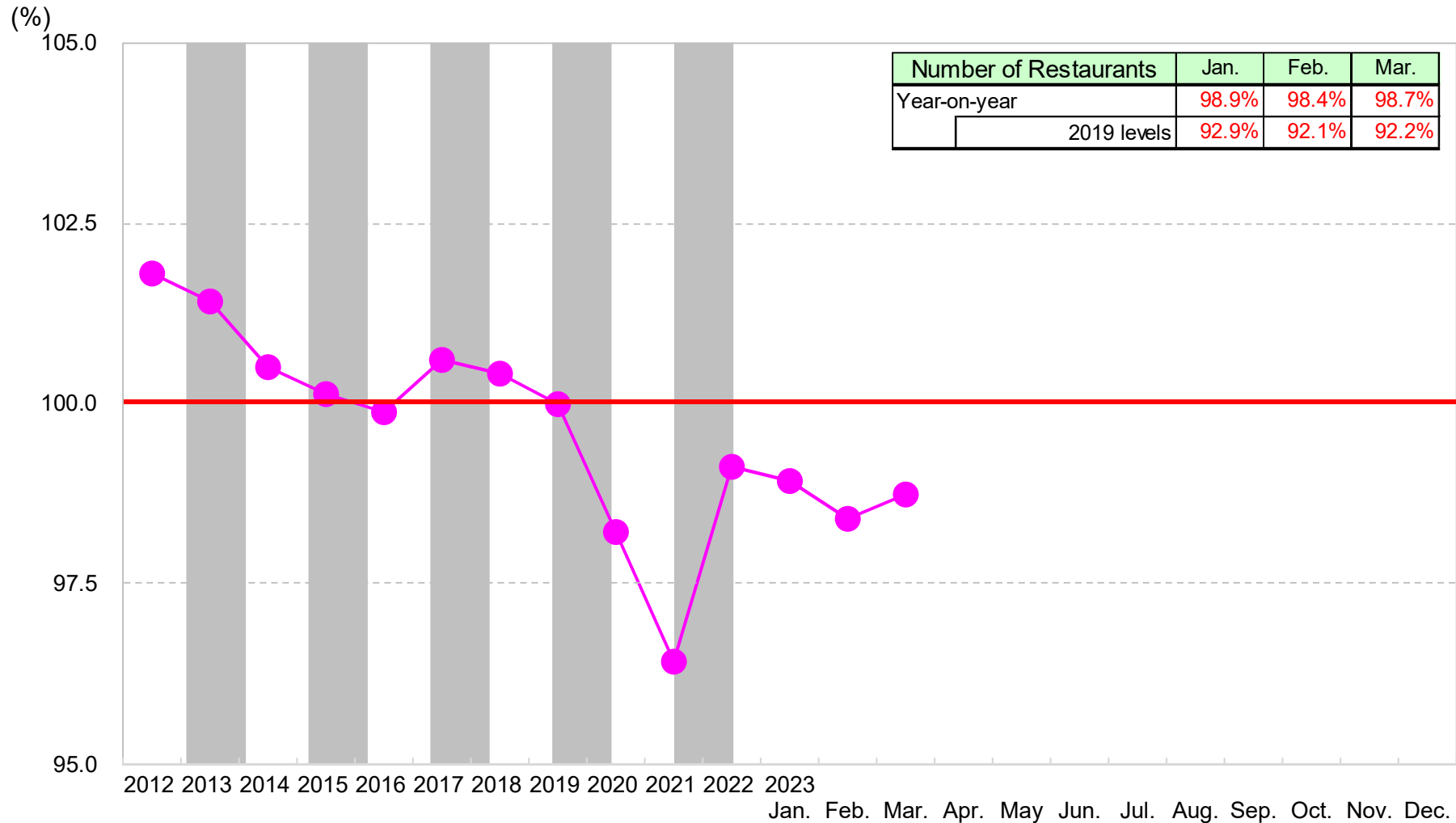


## **Ⅱ . Key Factors of Financial Results for FY 2023 1Q**



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

- Major restaurant chains' store numbers are on a decline from 2020 continuously.

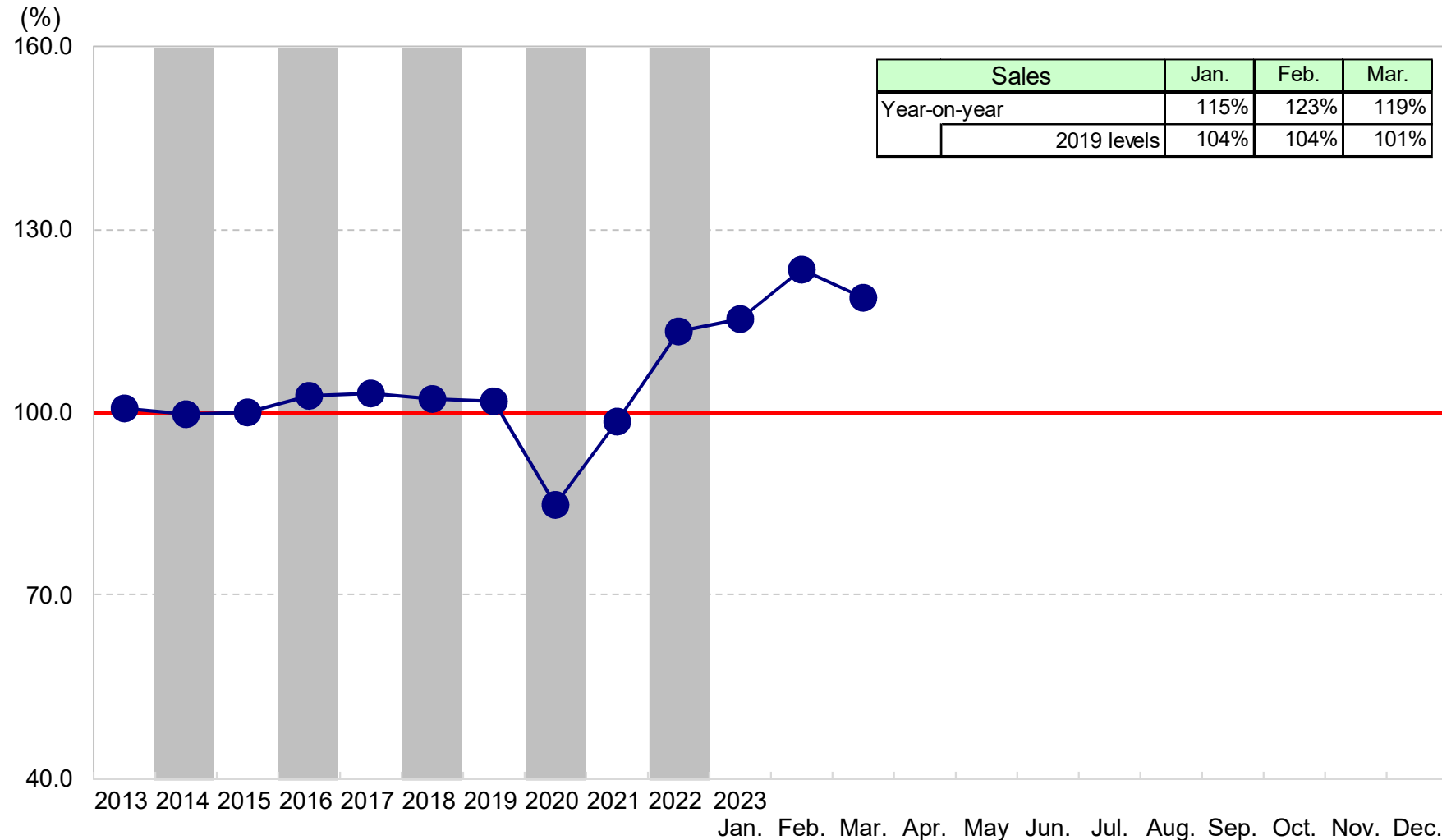


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- The revenues of the major restaurant chains have recovered slowly from the same month last year and have exceeded more than 100% of the 2019 level.

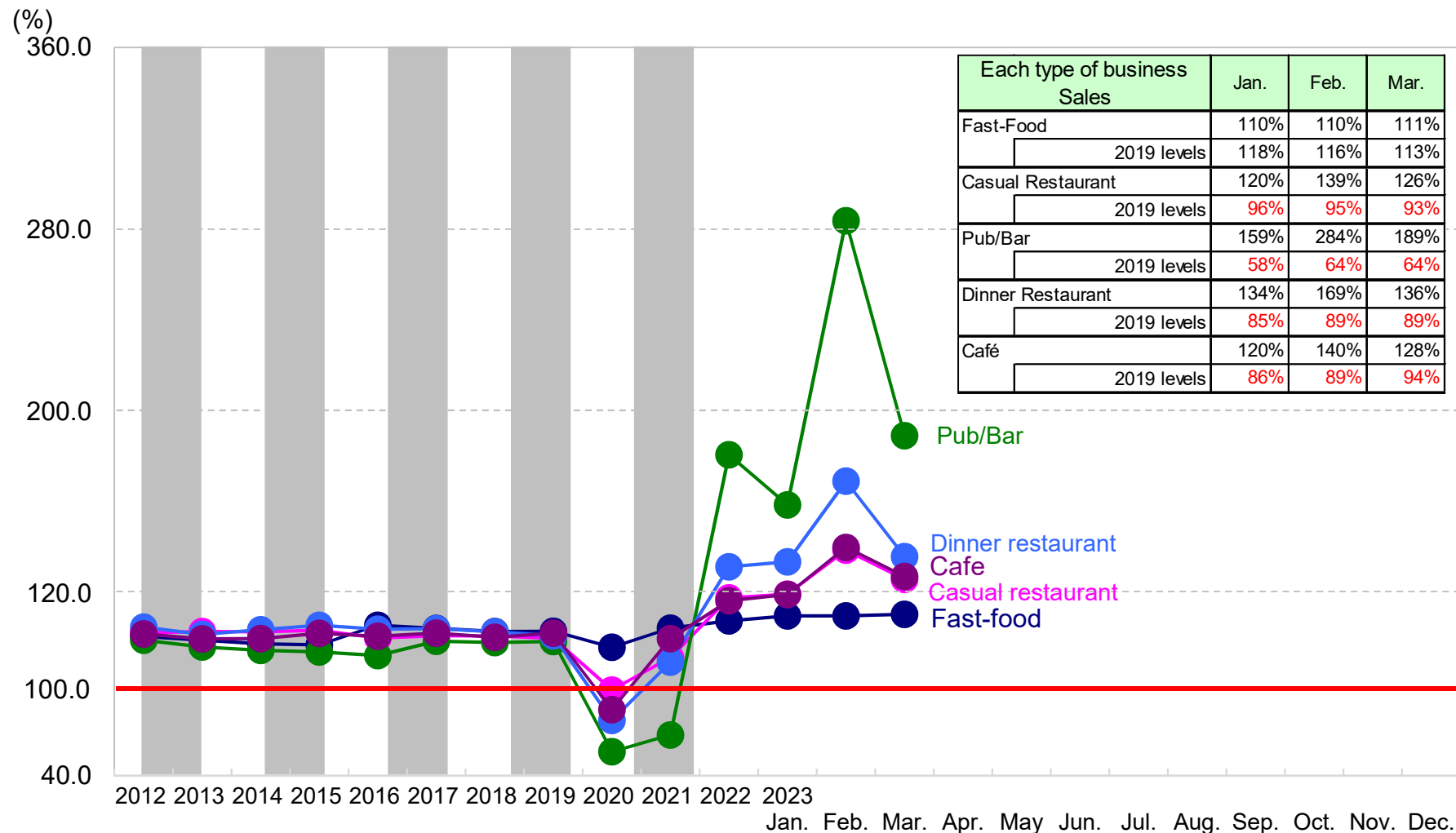


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")



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

- Although sales in all business categories were almost higher in each month YoY, sales in all categories except fast-food have yet reached the 2019 level. In particular, Pubs/Bars slumped by 60% to the 2019 level.

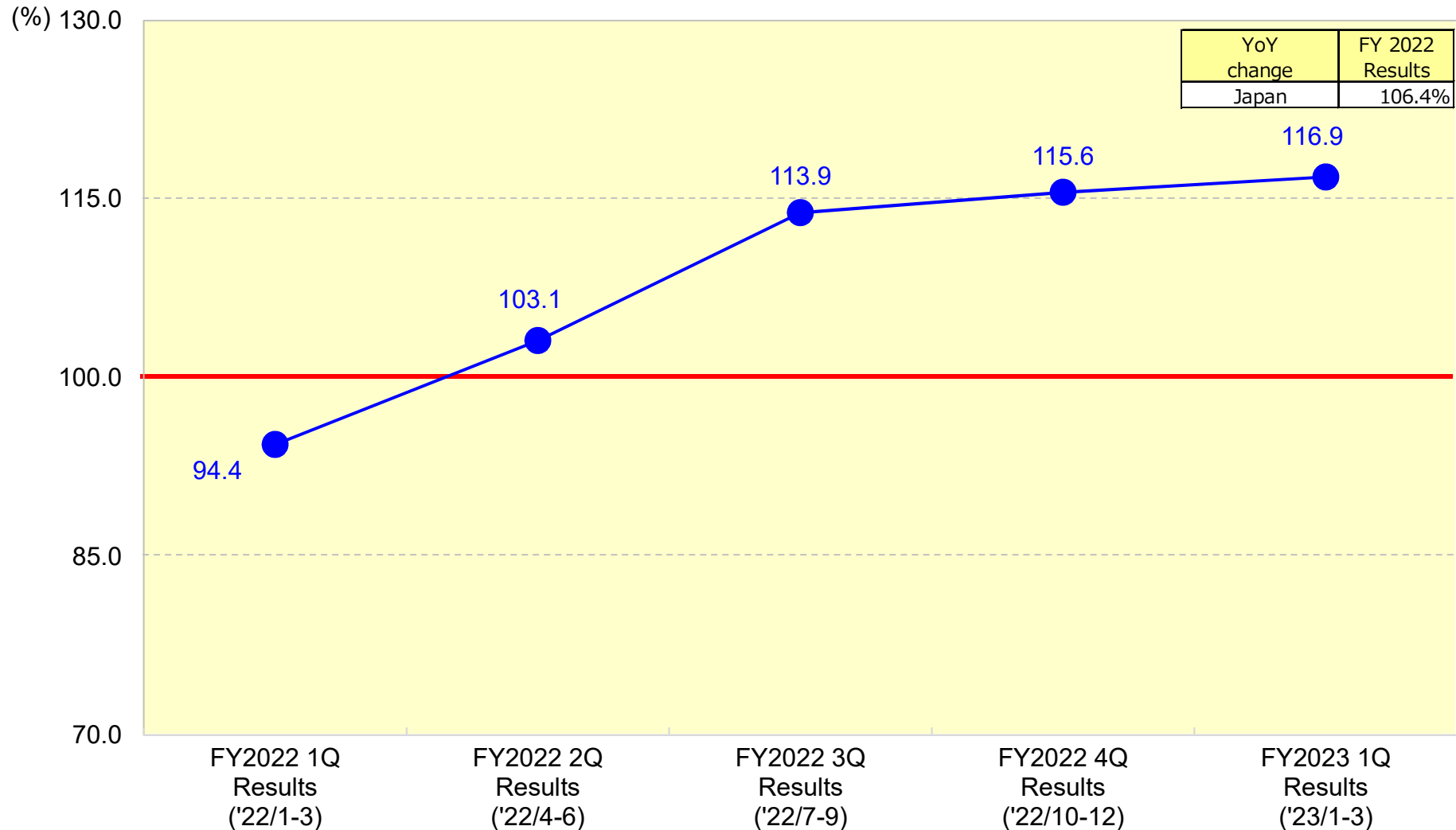


(Source: Japan Food Service Association "Trend Survey on the Food-Service Industry Annual Data")

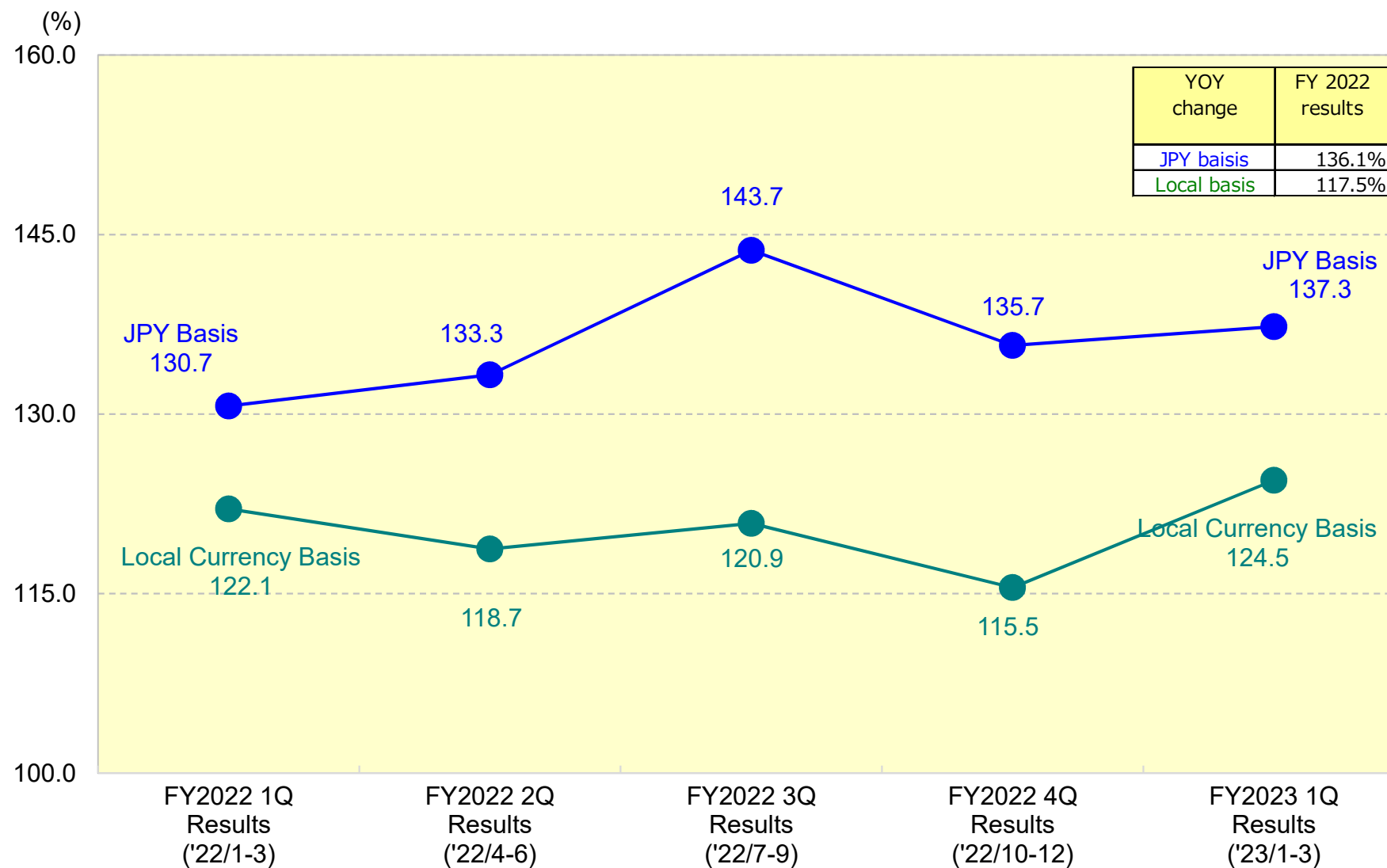


# Japan : Year-on-Year Change in Sales

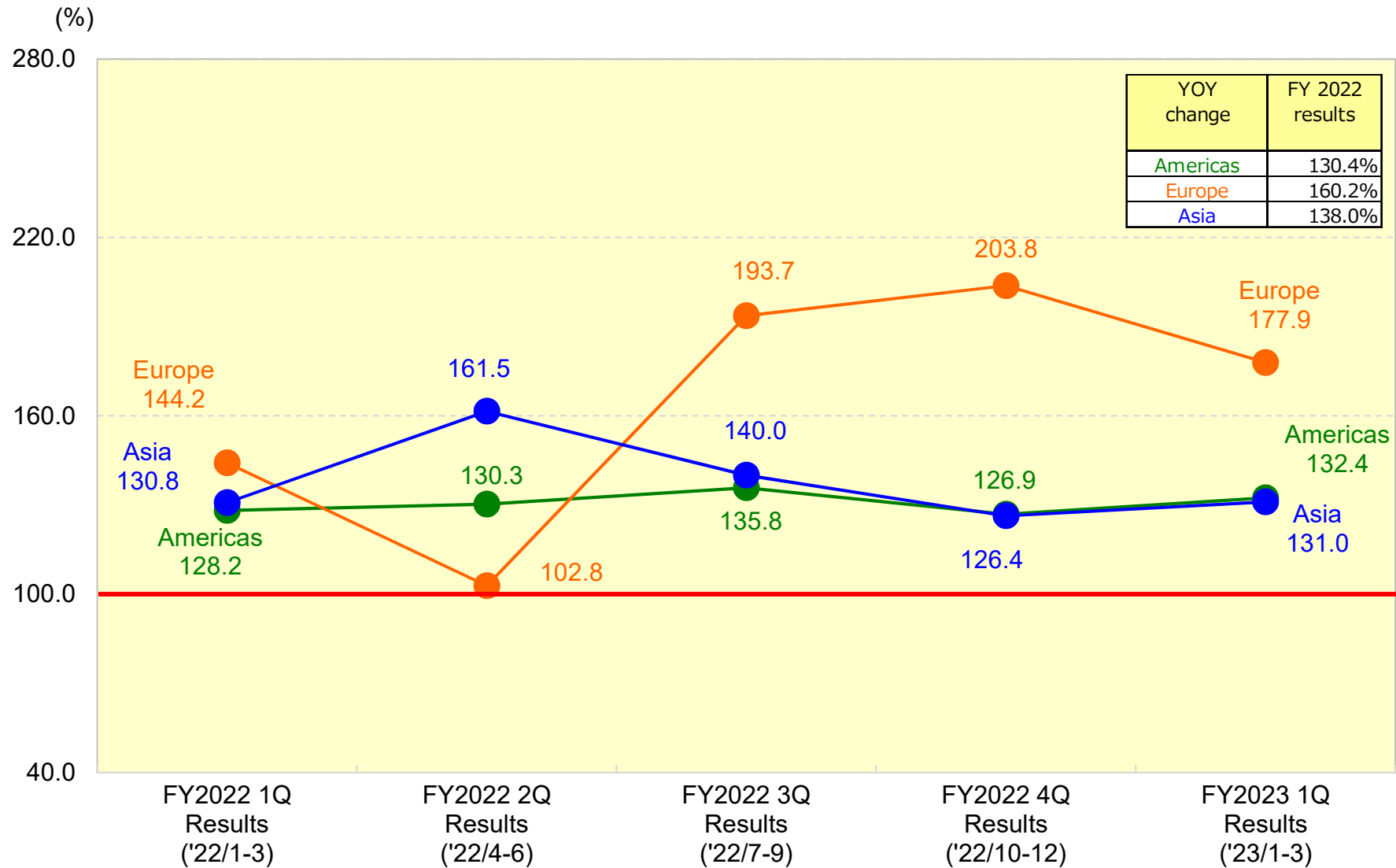
- The difficulty in procuring the parts and materials last year has been resolved. Owing to it, sale has increased due to the focus on enabling expanding sales in the restaurant market, also expanding and developing the customers of the non-restaurant market such as food retail business and food processing business.



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



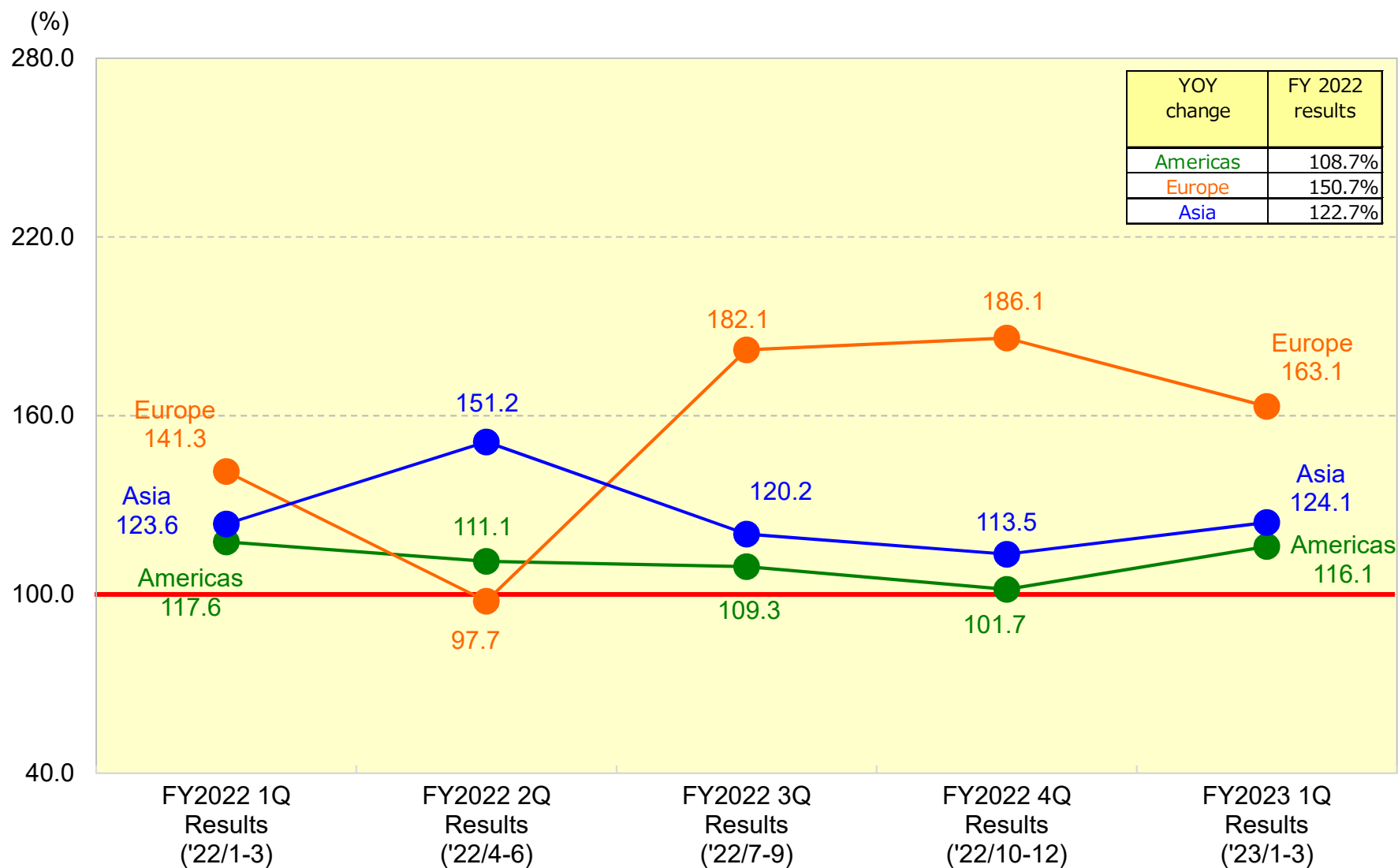
# Overseas : \*Year-on-Year Change in Sales by Area on JPY Basis



\*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 Areas 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 2023**

**HOSHIZAKI**



## Summary of Business Forecast in FY 2023

- **Sales: 350 billion yen (increase by 8.9% year-on-year)**
  - Japan: Sales 195.2 billion yen (increase by 4.7%)
  - Overseas: Sales 154.8 billion yen (increase by 14.8%)
  - Overseas sales ratio: 44.2% (increase by 2.2pt)
  - In Japan, despite continuous COVID-19 infection, there is no release for control action from the government, so a gradual recovery among inbound travelers is also expected. Year-on-Year, sales are forecast to be 104.7% due to a recovery from last year's material shortage and sales efforts in the restaurant market and development in the non-restaurant market.
  - In Overseas, despite ongoing risks such as sluggish economic growth due to each country's anti-inflation measures and difficulties in procuring parts around the US, sales are expected to be 114.8% of the previous year's level, owing to continued demand and the contribution of newly consolidated companies.
  - Exchange rates (average of the period) assumption: 125 yen per US dollar, 135 yen per Euro, 1.60 yen per Indian Rupee
  
- **Operating Income: 34 billion yen (increase by 21.8%)**
  - Despite continuous price higher increases of raw materials rising human resources because of inflation, will pursue work effectiveness and productivity improvement activities to realize cost-down in both Japan and overseas.
  
- **Ordinary income: 35.1 billion yen (decrease by 7.1%)**
  - Not included foreign exchange gains or losses on deposits in foreign currencies (Posted foreign exchange gains of 9.0 billion yen in FY2022).
  
- **Profit attributable to owners of parent: 23.3 billion yen (decrease by 4.3%)**



# Business Forecast for FY 2023

	FY 2021 Results		FY 2022 Results		FY 2023 Forecast (Feb. 10th 2023)			
	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Amount (Millions of yen)	Percentage (%)	Year-on-year	
							Change (Millions of yen)	Percentage (%)
Sales	274,419	100.0	321,338	100.0	350,000	100.0	28,662	108.9
Cost of sales	174,727	63.7	209,519	65.2	224,000	64.0	14,481	106.9
Gross profit	99,691	36.3	111,819	34.8	126,000	36.0	14,181	112.7
Selling, general and administrative expenses	74,760	27.2	83,903	26.1	92,000	26.3	8,096	109.6
Operating income	24,931	9.1	27,915	8.7	34,000	9.7	6,085	121.8
Ordinary income	31,165	11.4	37,763	11.8	35,100	10.0	-2,663	92.9
Profit attributable to owners of parent	21,679	7.9	24,345	7.6	23,300	6.7	-1,045	95.7





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

**HOSHIZAKI**

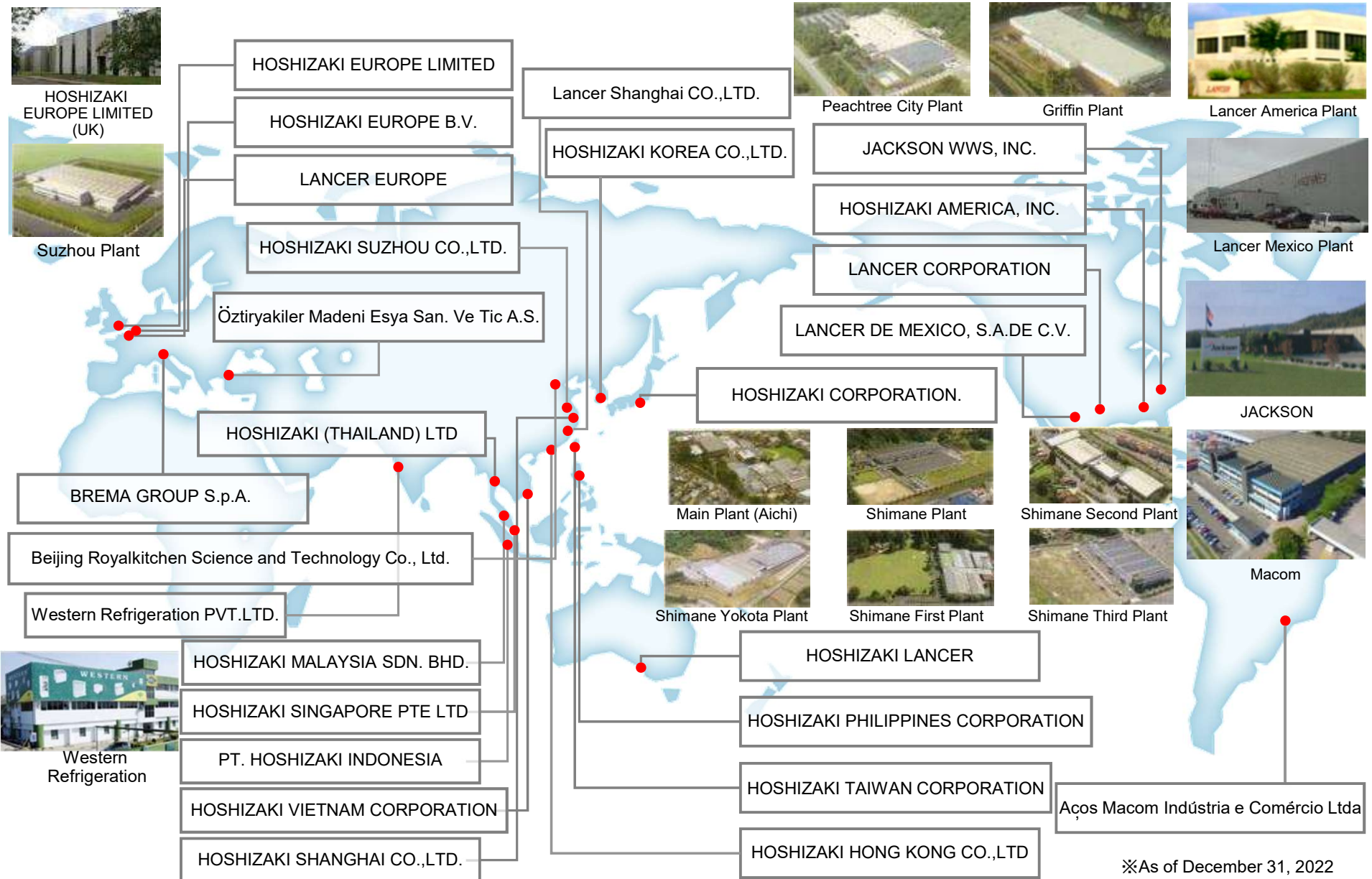
# Company Profile



- 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, sales, maintenances and service of commercial kitchen appliances & equipment.
- Capital stock : 8,070 million yen (As of December 31, 2022)
- Consolidated business performance : Sales : 321,338 million yen  
(Fiscal Year ended December 31, 2022) Operating income : 27,915 million yen  
Profit attributable to owners of parent : 24,345 million yen  
(\*Net income is attributable to shareholders of the parent company.)
- Number of consolidated group companies : 56 companies  
(19 companies in Japan, 17 companies in Americas, 20 companies in Europe and Asia)  
(As of March 31, 2023 \*Including HOSHIZAKI CORPORATION)
- Number of employees : 1,151 persons (HOSHIZAKI CORPORATION)  
13,172 persons (Group total) (As of March 31, 2023)
- Number of sales offices in Japan : 433 places \*Including Service Centers (As of March 31, 2023)



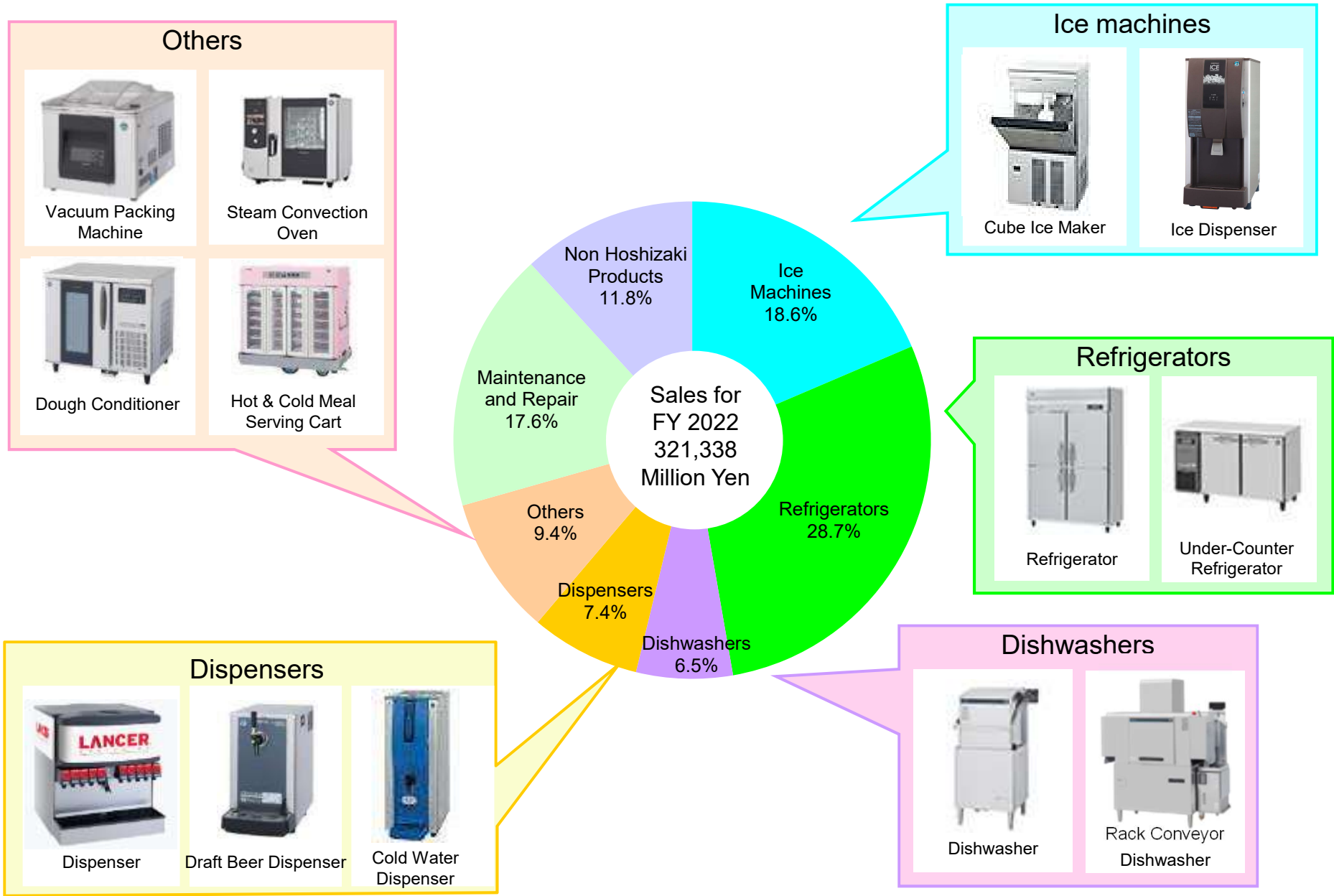
# Global Network, Production and Sales Offices



※As of December 31, 2022



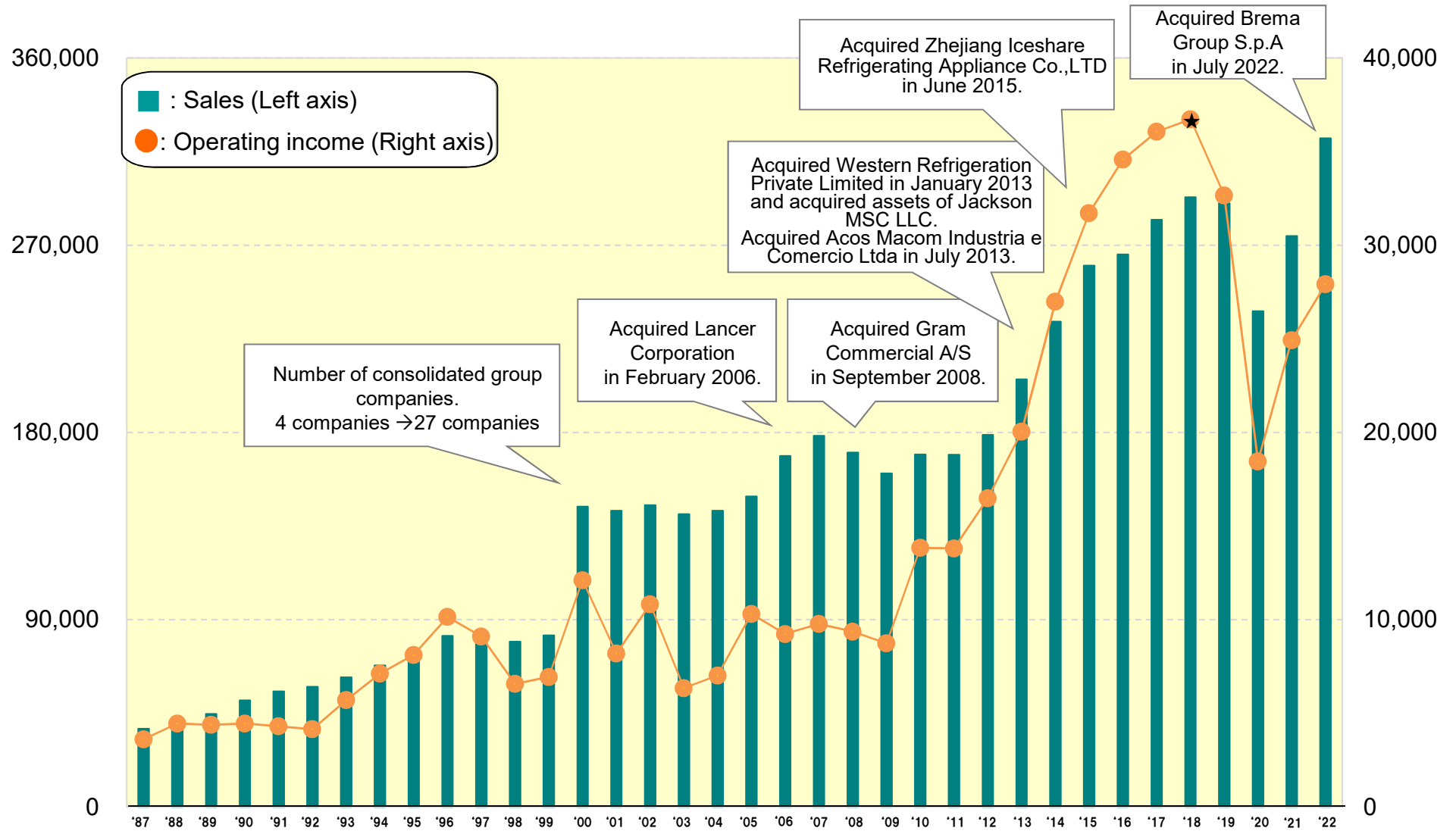
# Main Product Group and Sales Breakdown



# Long-term Business Performance Consolidated Basis

(Millions of Yen)

(Millions of Yen)



★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.

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

HOSHIZAKI CORPORATION  
Corporate Planning & Strategy Dept.  
TEL (0562) 96-1320  
URL <http://www.hoshizaki.co.jp/>

