

# Briefing Materials on the Financial Results for FY2024

May 23, 2025

**Ryoyo Ryosan Holdings, Inc.**

TSE Prime: 167A

<https://www.rr-hds.co.jp/en/>



**リョーサン菱洋**  
RYOYO RYOSAN HOLDINGS

# Table of Contents

- **Review of FY2024 and Outline of Measures in FY2025 and Beyond** . . . . . Pp. 2 – 5
- **Measures in FY2025** . . . . . Pp. 6 – 9
- **FY2025 Forecast and Returns to Shareholders** . . . . . Pp. 10 – 13
- **Appendix** . . . . . Pp. 15 – 18

# **Review of FY2024 and Outline of Measures in FY2025 and Beyond**

# FY2024 Results and FY2025 Forecast (Overview)

In FY2024 the Group suffered decreases in sales and earnings that were large and greater than initially expected.

Despite continued, elevated levels of uncertainty in the external environment, in FY2025 the Group is moving toward increases in both sales and earnings.

	FY2023 (Reference: Simple sum of the two companies' results)	FY2024 (Results)	FY2025 (Forecast)
Net sales	¥399.3 bn	¥359.8 bn (−9.9% YoY)	¥380.0 bn (+ 5.6% YoY)
Operating profit	¥12.75 bn	¥8.54 bn (−33.0% YoY)	¥9.50 bn (+11.2 YoY)

## FY2024 results

- A recovery in the device field in or after H2, anticipated at the beginning of the fiscal year, did not materialize; instead an adjustment phase lengthened.  
⇒ The full-year results forecast was revised downward when the H1 results were announced.
- Operating profit cleared the revised forecast (¥8 bn) but declined over 30% YoY.

## FY2025 forecast

- Uncertainty in the external environment, including economic policy trends in US and China, is expected to increase, rendering substantial recovery unlikely. **Leveraging results of measures in FY2024, the Group expects sales and earnings to increase YoY in FY2025.**

# Review of FY2024

**Unexpectedly disappointing business results threw certain management issues into sharp relief. Through repeated trial-and-error, the Group succeeded in clarifying the orientation of its growth strategy for FY2025 and beyond.**

## Review of FY2024

Sharp drop in sales and earnings



Due to changes in the business environment, the Group's earnings structure remains vulnerable to external shocks.

## Clarification

## Management issues of the Group

**Inadequate customer contact points  
(qualitative and quantitative)**

### Improving productivity

Shortage of customer contact points in absolute numbers and weakness of framework for understanding customer needs

### Integration synergy

Scattershot actions with underwhelming results  
(FY2024 net sales: ¥2.5 bn)

### Creating originality

Lateness in establishing expertise that generates competitive edge

Trial  
-and-  
-error

## Outline of measures in FY2025

Stricter focus on and thorough implementation of measures that expand customer contact points

## Acceleration

## Responses in and after FY2025

**Expansion of customer contact points  
(qualitative and quantitative)**

### Improving productivity

Increase in customer contact points in absolute numbers and strengthening of framework for understanding customer needs

### Integration synergy

Generation of synergy through focused measures based on the strengths of both companies

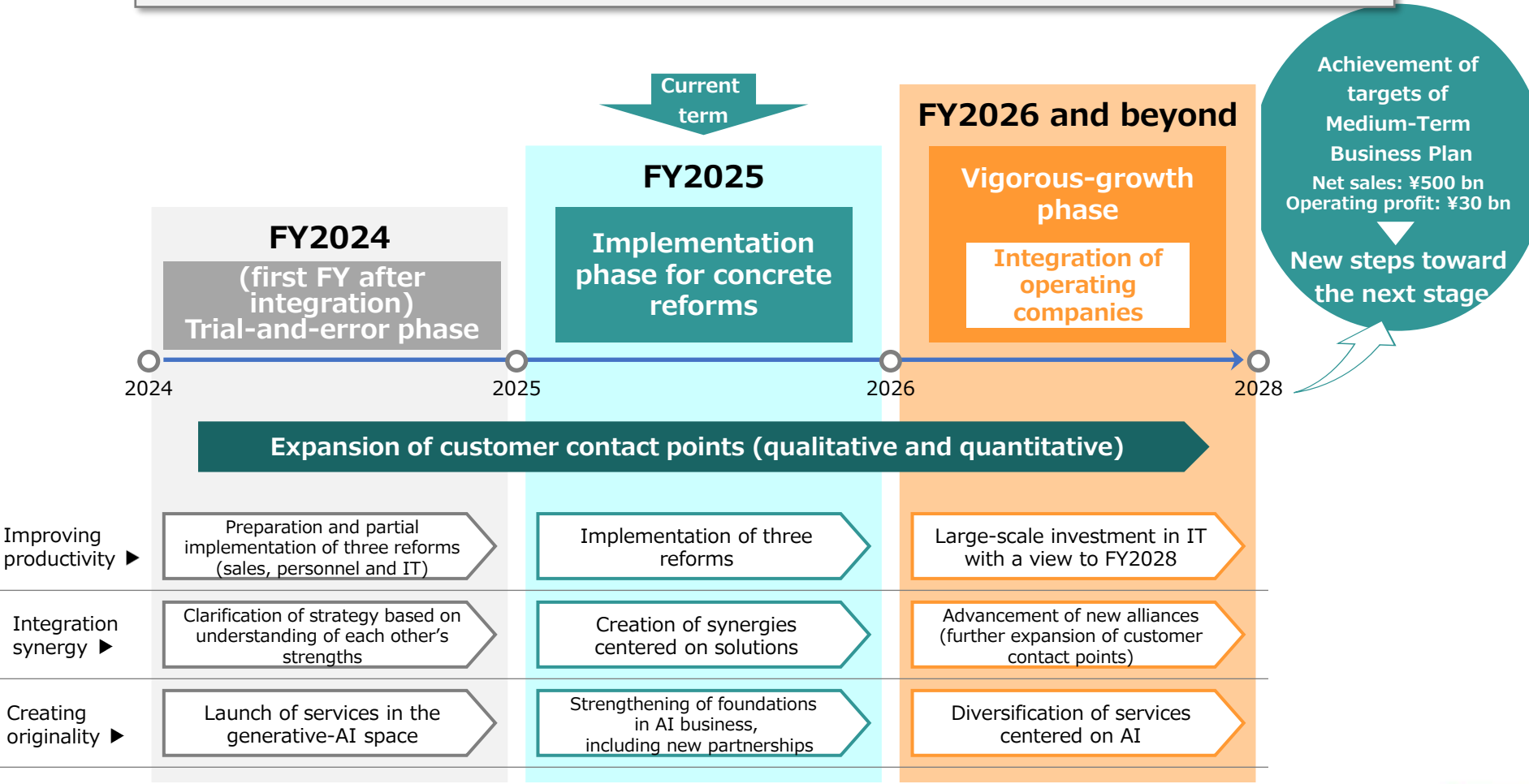
### Creating originality

Establishment and strengthening of expertise that generates competitive edge



# Outline of Measures in FY2025 and Beyond

The Group will accelerate measures to expand customer contact points and achieve solid results, with an eye to integrating operating companies by April 2026 at the earliest.



# Measures in FY2025

# 1. Improving Productivity

Measures in FY2025

Preparation and partial implementation of three reforms (sales, personnel and IT)

## Implementation of three reforms

Large-scale investment in IT with a view to FY2028

**Realization of productivity improvement and focus of management resources on providing solutions to customers**

### Sales reform



- Use of sales information as a Group and accelerating dissemination of information to business partners
- Strengthening of sales capabilities and thorough preparations to maximize organizational results
- Rightsizing of workload and reassignment of personnel to reduce ancillary duties

### Personnel reform



- Formation of a new personnel system in coordination with sales reform
- Training the next generation of senior management

### IT reform



- Preparing for systems integration with a view to integration of operating companies
- Exploring ways to build an IT foundation that contributes to creating industry-leading competitive edge

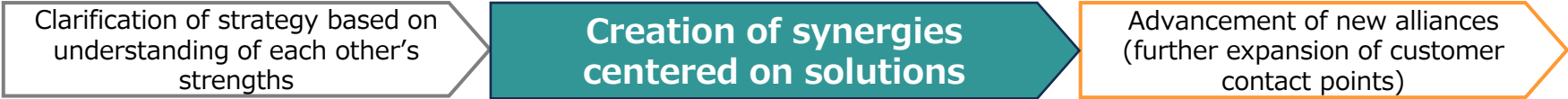
### Preparation of management infrastructure to support the three reforms

- Exploring concentration in headquarters and effective use of assets
- Centralization of operations to support streamlining of administrative divisions
- Consideration of merging and reorganization of sales offices

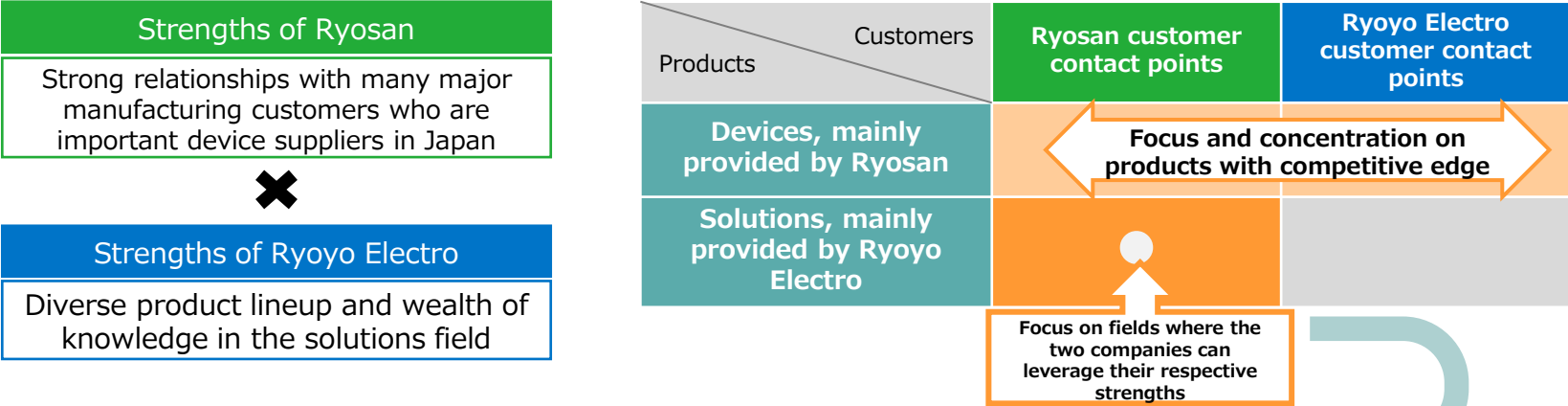


# 2. Integration Synergy

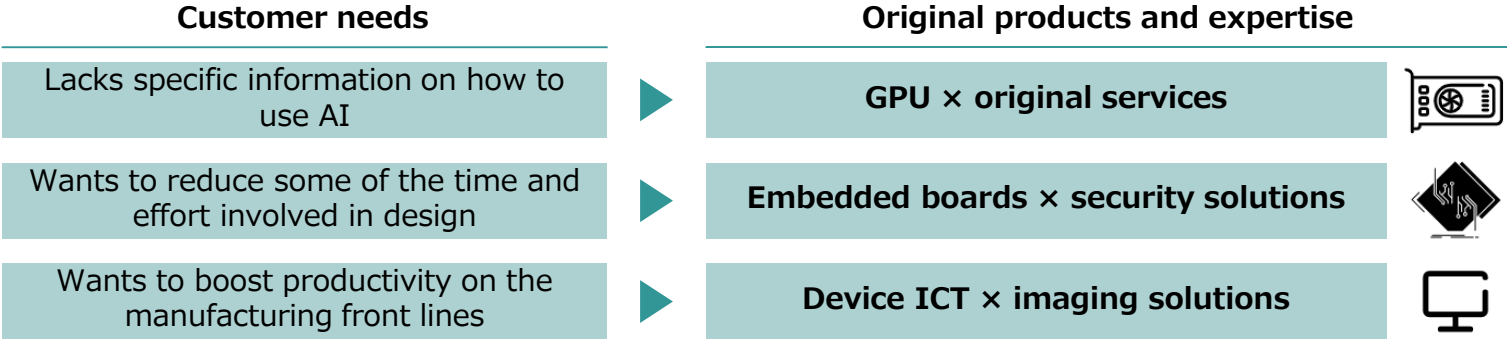
Measures in FY2025



1. The Group will formulate a strategy leveraging the respective strengths of Ryosan and Ryoyo Electro, based on FY2024 results.

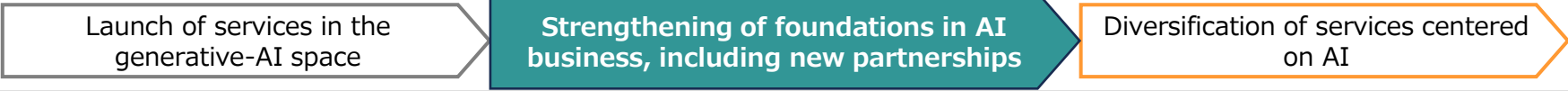


2. The Group will assemble dedicated teams combining Ryosan and Ryoyo Electro personnel to deliver solutions to customers.



# 3. Creating Originality

Measures in FY2025



## 1. The Group will expand services under the RYOYO AI Techmate Program, a program to support introduction of generative AI.



Service overview	Results and progress	Expansion of features
1) Infrastructure testing 2) Matching with partner companies 3) Programs for personnel training and technical support	✓ Multiple inquiries after service launch ✓ Creation of 23 major projects	With a view to forming new partnerships, the Group is strengthening consulting functions and continuing support for introduction of generative AI.




New

## 2. The Group will launch services in anticipation of widening application of AI.

### What the future will look like

- ✓ **Upcoming changes in AI**  
Till now: Large-scale data learning **to support and replace human work**  
Coming soon: Robots, etc. that learn large-scale data recognize changes in the real world and **work in harmony with humans**
- ✓ **Widening application of AI**  
**Ex. 1: Changes in the manufacturing workplace**  
Robots act autonomously on their own best judgements without interfering with people, leading to improved productivity.  
**Ex. 2: Changes in the healthcare workplace**  
Robots conduct surgery autonomously by mastering complex movements and sophisticated judgements, supporting medical workplaces with shortages of skilled personnel.

### Emerging key fields

	1	2	3
Field	Data centers, etc.	Virtual spaces	Real world
Role	Modeling  Learning	Testing  Reproduction	Behavior  Inference
The Group's response	Continued support through the AI Techmate Program	Start of service slated for FY2025	Extensive track record

The Group will launch a support menu for introducing “digital twins” required for testing in virtual spaces, providing one-stop service.

**New services by RYOYO**

- 3D modeling
- Simulations
- Robotics
- Digital humans
- Implementation support

# **FY2025 Forecast and Returns to Shareholders**

# FY2025 Forecast

**Despite continuing uncertainty in the external environment, sales are expected to rise in both the Device Business and Solution Business.**

(Unit: Hundreds of millions of yen)	FY2024	FY2025	YoY	
	(Results)	(Forecast)	Increase/ decrease	% increase/ decrease
<b>Net sales</b>	3,598	3,800	+202	+5.6%
<b>Device Business</b>	2,596	2,700	+104	+4.0%
<b>Solution Business</b>	1,002	1,100	+98	+9.7%
<b>Operating profit</b>	85.4	95.0	+9.6	+11.2%
<b>(%)</b>	2.4%	2.5%		
<b>Ordinary profit</b>	71.3	80.0	+8.7	+12.1%
<b>Net profit (Parent)</b>	93.9	60.0	-33.9	-36.1%

- The above figures do not take into account tariffs and other measures incurred by each country as of this writing.
- Amortization of goodwill under SG&A expenses is ¥1 billion in both the FY2024 results and the FY2025 forecast.
- Extraordinary income in FY2024 includes appropriation of gain on sale of investment securities (¥3.8 billion) and gain on step acquisitions (¥2.36 billion).
  - ⇒ Gain on sale of investment securities is expected to be appropriated in FY2025 as well. However, net profit is expected to decline YoY.

# Dividends

**Dividend per share in FY2024 was ¥140, in line with the original forecast. Dividend per share in FY2025 is forecasted to be unchanged at ¥140.**

		Dividend per share			Dividend payout ratio	Dividend yield*
		Interim	Year-end	Total		
FY2025	(Forecast)	¥70	¥70	¥140	93.5%	5.7%
FY2024	(Forecast)	—	¥70	¥140	59.7%	
	(Result)	¥70	—	—		

\*Dividend yield is based on the May 22, 2025 closing share price of ¥2,448.

## Policy on return to shareholders

The basic policy of the Group is to return value to shareholders by supporting and improving the share price over the medium-to-long term and by delivering a stable dividend.

Dividends are determined based on comprehensive assessment of a variety of factors, including financial condition of the Group, dividend payout ratio and dividend yield.



# Shareholder Benefits

**The Company implements a program of shareholder benefits. The purpose of this program is to increase the appeal of investing in the Company, thereby fostering deeper understanding and strengthening support of the Company.**

## Overview of the program

### 1) Eligible shareholders

This program is for shareholders who are listed or registered in the shareholder registry as of March 31 of each year and who hold 100 or more shares of the Company (determined once a year).

### 2) Benefits

Eligible shareholders can choose to receive one item from a list of gifts, which are primarily food products such as Japanese and Western pastries, meats and ready-made foods. The value of the gift items is based on the number of shares held by the shareholder.

Number of shares held	Benefit
100–499 shares	One item of ¥2,000 equivalent value from the gift catalogue
500–999 shares	One item of ¥4,000 equivalent value from the gift catalogue
1,000 shares or more	One item of ¥6,000 equivalent value from the gift catalogue



### 3) Timing

Shareholders who are listed or registered in the shareholder registry as of March 31 of each year and who hold 100 or more shares of the Company will be sent a guide to the shareholder benefits they are eligible to receive, around the end of June of the same year.

# Appendix

# FY2024 Results

**Recovery was originally expected to begin during or after H2 but did not materialize. However, operating profit improved from H2 in comparison with H1.**

(Unit: Hundreds of millions of yen)	FY2023 (Simple sum of results for 2 cos.)	FY2024			YoY (reference)		FY2024 forecast	
		H1 (Results)	H2 (Results)	Full year (Results)	Increase/ decrease	% increase/ decrease	Initial forecast	Revised Nov. 2024
<b>Net sales</b>	3,993	1,801	1,798	3,598	-395	-9.9%	4,150	3,700
<b>Gross profit</b>	385.8	166.4	182.9	349.4	-36.4	-9.4%		
<b>(%)</b>	9.7%	9.2%	10.2%	9.7%				
<b>SG&amp;A expenses</b>	258.2	132.4	131.5	263.9	+5.7	+2.2%		
<b>Operating profit</b>	127.5	34.0	51.4	85.4	-42.1	-33.0%	130.0	80.0
<b>(%)</b>	3.2%	1.9%	2.9%	2.4%			3.1%	2.2%
<b>Ordinary profit</b>	150.2	33.3	38.0	71.3	-78.9	-52.5%	110.0	70.0
<b>Net profit (Parent)</b>	117.2	56.1	37.8	93.9	-23.4	-19.9%	80.0	80.0

- In non-operating income for FY2023, equity-method investment gains of ¥5.16 billion were appropriated.
- In SG&A expenses for FY2024, amortization of goodwill, etc. of ¥1 billion was appropriated.
- In extraordinary income for FY2024, gain on sale of investment securities of ¥3.8 billion and gain on step acquisitions of ¥2.36 billion (Q1 only) were appropriated.

# FY2024 Results: Breakdown of Increase/Decrease of Net Sales and Operating Profit

## ■ Device Business

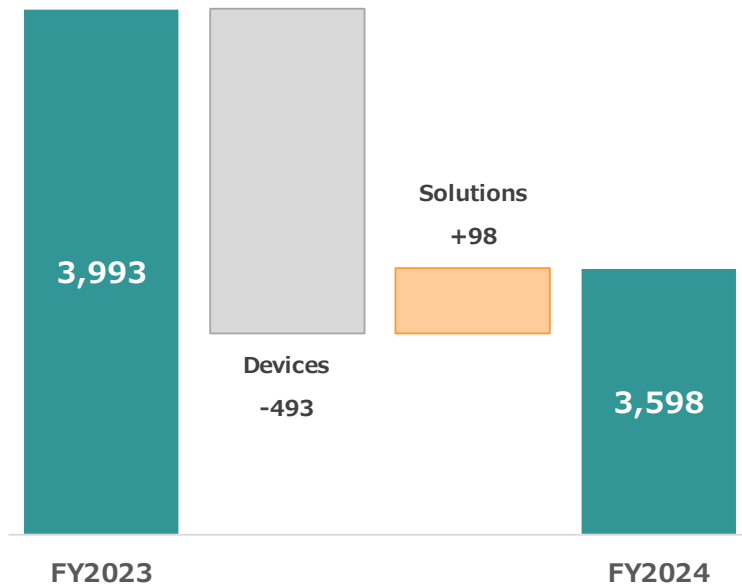
An adjustment phase continued throughout the fiscal year, with net sales declining YoY for each application. Profit improved in H2 amid a decline in major projects and contribution by spot projects.

## ■ Solution Business

Energy-storage business expanded, while corporate investment in IT remained firm. Sales trended higher YoY.

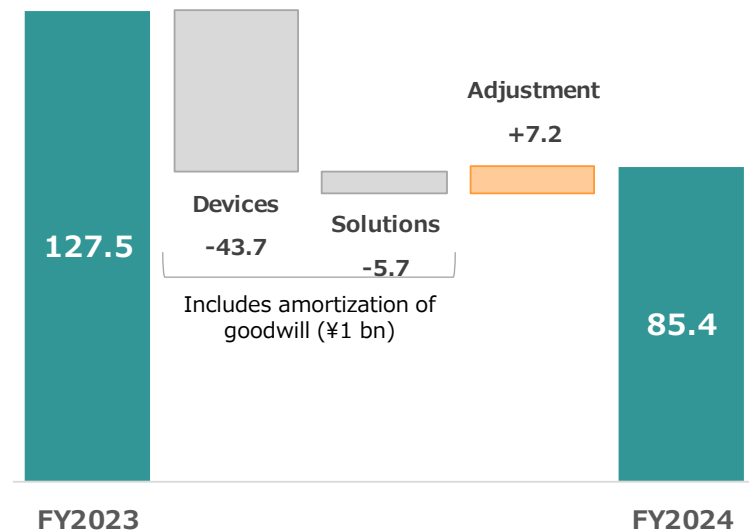
### Net sales

(Unit: Hundreds of millions of yen)



### Operating profit

(Unit: Hundreds of millions of yen)



# FY2024 Results: Results by Business

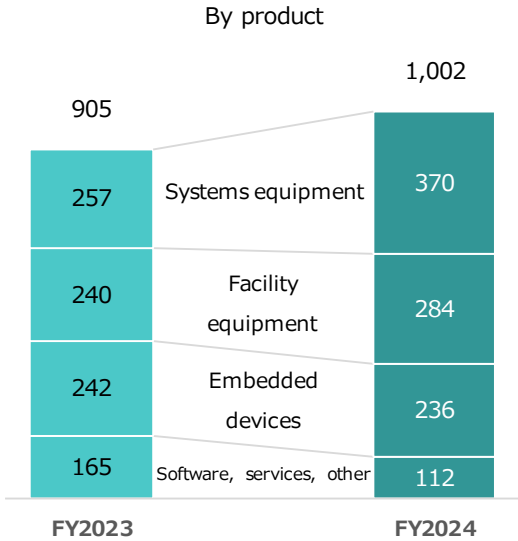
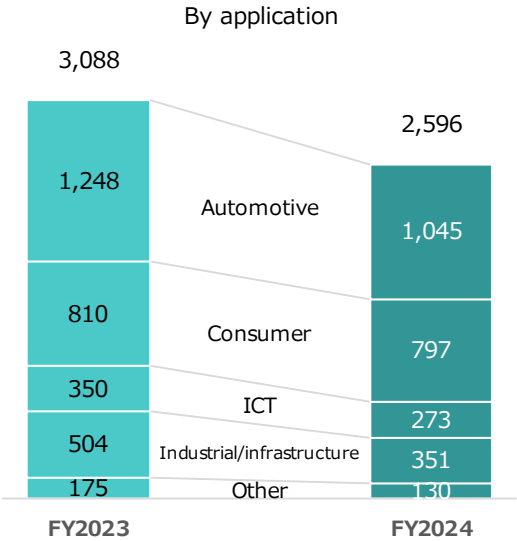
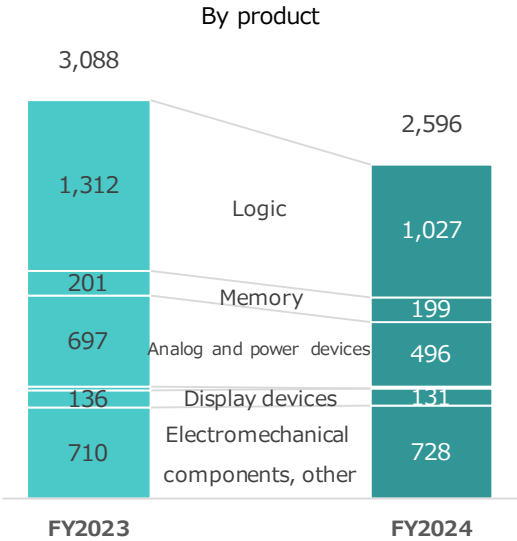
(Unit: Hundreds of millions of yen)		FY2023	FY2024		Full year (Results)	YoY	
		(Simple sum of results for 2 cos.)	H1 (Results)	H2 (Results)		Increase/ decrease	% increase/ decrease
Device Business	Net sales	3,088	1,307	1,289	2,596	-493	-16.0%
	Operating profit	88.5	18.1	26.7	44.8	-43.7	-49.4%
	(%)	2.9%	1.4%	2.1%	1.7%		
Solution Business	Net sales	905	493	509	1,002	+98	+10.8%
	Operating profit	42.1	16.2	20.2	36.4	-5.7	-13.4%
	(%)	4.7%	3.3%	4.0%	3.6%		
Operating profit adjustment		-3.0	-0.3	4.5	4.2	+7.2	—

(Unit: Hundreds  
of millions of  
yen)

## Device Business

(Unit: Hundreds of millions of yen)

## Solution Business





## FY2024 Results: Balance Sheet

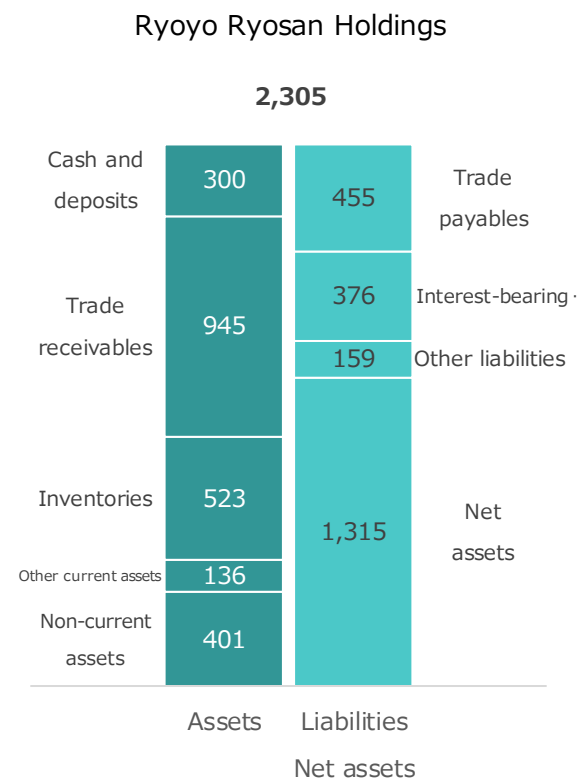
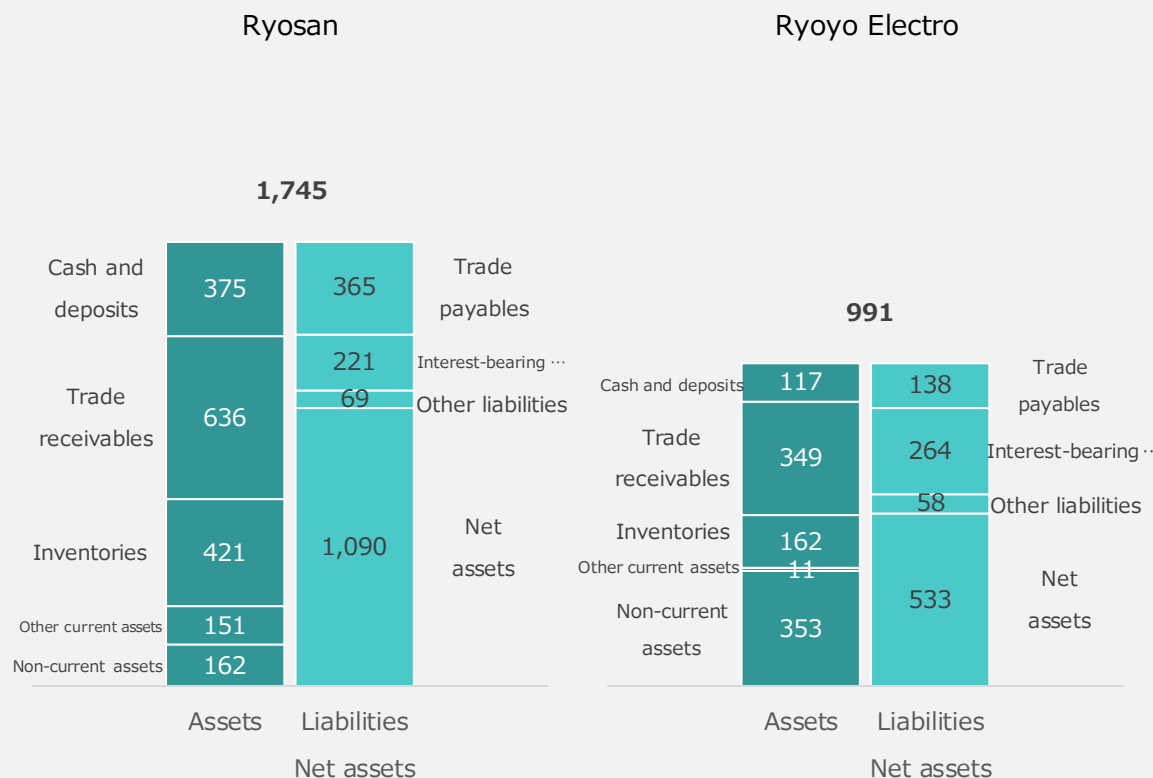
- Goodwill in non-current assets was ¥3.37 billion. Customer-related assets were ¥9.3 billion.
  - The amortization period is 10 years for goodwill and 15 years for customer-related assets.
- Equity ratio was 57.0%. Net assets per share amounted to ¥3,280.12.

**As of March 31, 2024**

(Unit: Hundreds of millions of yen)

**As of March 31, 2025**

(Unit: Hundreds of millions of yen)



# About This Document

## ● Disclaimer

The business results and forward-looking statements in this document are based on certain assumptions considered reasonable by the Company at the time of publication. Please be aware that actual results may differ from these forecasts due to the economic environment and various other factors.

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