



First Quarter of FY2025 Earnings Presentation

MARUKA FURUSATO Corporation

May 2025

"Unlocking 'Aha!' moments, one after another"

UNISOL



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First Quarter of FY2025 Consolidated Financial Results



● First Quarter of FY2025 Results: Increase in sales and decrease in profit

Summary

- Net sales increased mainly due to the impact of the Machinery & Tools segment.
- Operating profit decreased due to higher SG&A expenses.
- Removal expenses of non-current assets were recorded as an extraordinary loss.
- Profit attributable to owners of the parent decreased.

By segment

- Machinery & Tools Increase in sales and profit
- Construction Products Decrease in sales and profit
- Construction Machinery Increase in sales and profit
- IoT Solution Increase in sales and profit

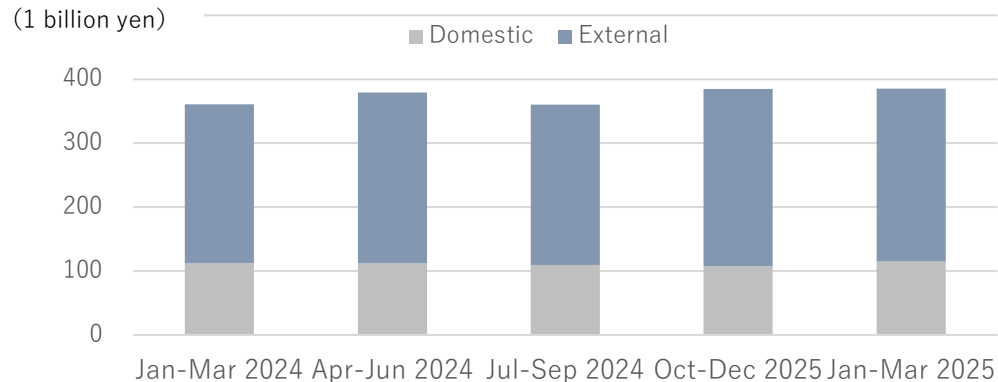
● Full Year Forecast announced at 14th Feb 2025: On track against 1H forecast

Percentage of progress • Net sales: 51.5%、 Operating profit: 49.0%



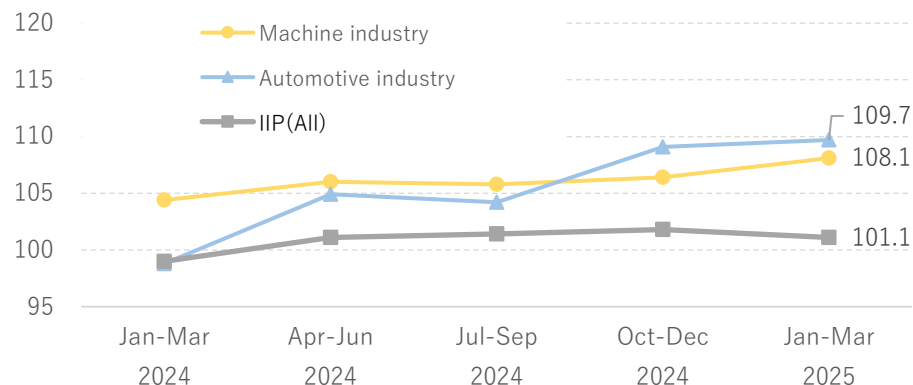
Machine Tool Orders

- Domestic demand: Turn to positive YoY since Oct-Dec 2024.
- External demand: Turn to positive YoY since Apr-Jun 2024.



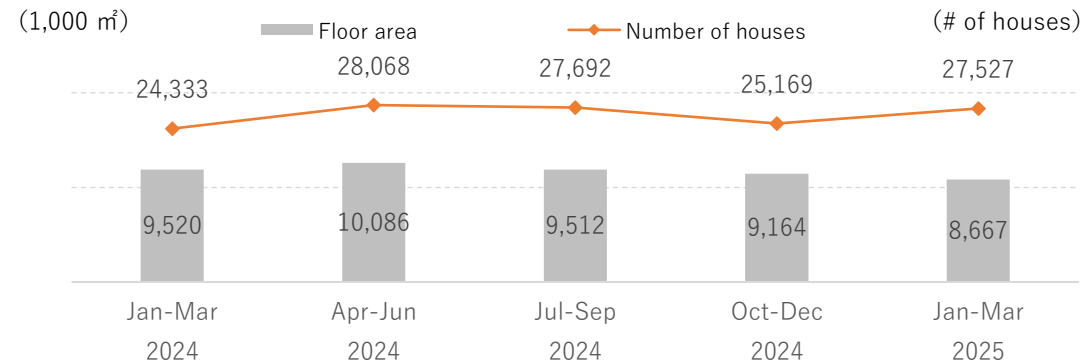
Index of Industrial Production (Seasonally adjusted)

- In the key industries of machinery and automotive, the year-on-year comparison turned positive from Jan-Mar 2025.



Statistics of Construction Start

- Steel-framed floor area: 10 consecutive quarters of YoY decline since Oct-Dec 2022.
- New housing units: Turned positive in Jan-Mar 2025 after negative YoY for the past 2 years.



Impact of Tariff Measures Imposed by the U.S.

- Annual sales to the U.S. averaged around 4 billion yen over 3 years.
- It is approximately 2.4% against consolidated sales, therefore the impact of the U.S. trade policy is considered to be minimal.

(JPY Million)	Sales to U.S.	Ratio to Total Sales	Sales in U.S. (for reference)
FY2022	6,487	4.0%	16,234
FY2023	3,021	1.7%	16,977
FY2024	2,372	1.5%	12,480

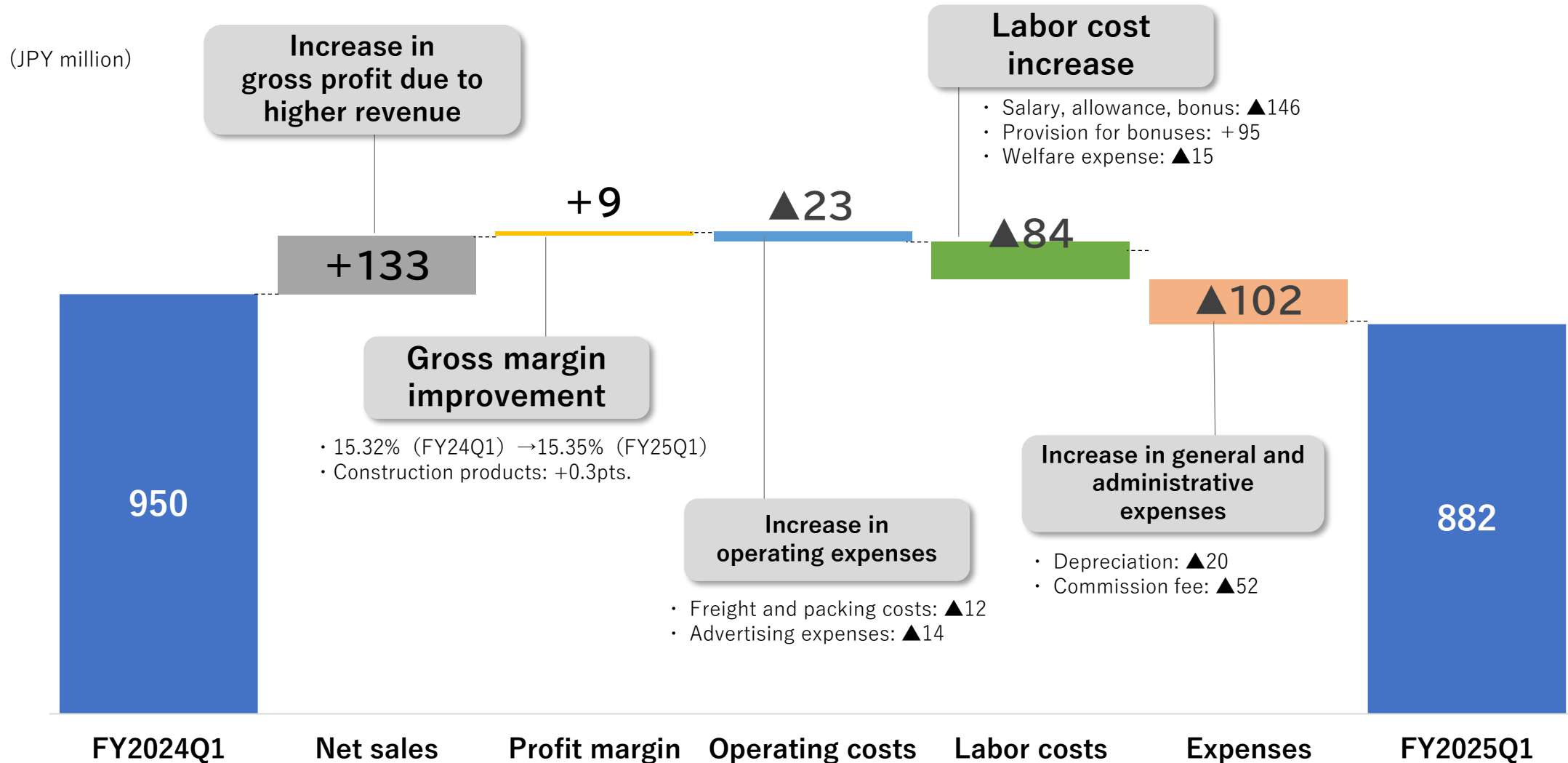


Consolidated Financial Results Summary

(JPY million)	FY2024Q1	FY2025Q1	±	± ratio	
Net sales	40,362	41,234	871	2.2%	• Net sales : Increased mainly in Machinery & Tools Segment . (Machinery & Tools : +4.2%)
Gross profit	6,185	6,328	143	2.3%	• Operating profit : Decreased due to increase in SG&A expenses. (SG&A expenses : +4.0%)
SG&A expenses	5,234	5,445	210	4.0%	• Ordinary profit : Slightly decreased, despite the occurrence of foreign exchange gains. (Foreign exchange gain or loss : +90 million)
Operating profit	950	882	▲ 67	▲7.1%	• Extraordinary loss : Removal expenses of non-current assets were recorded. (Fixed asset removal costs : 95 million)
Ordinary profit	1,135	1,114	▲ 21	▲1.9%	• Profit attributable to owners of the parent : Decreased (▲18.7%)
Profit attributable to owners of the parent	698	567	▲ 130	▲18.7%	



Operating Profit Analysis (By Factors)





Consolidated Balance Sheet

(JPY million)	FY2024Q1	FY2025Q1	Increase/ Decrease
Total assets	120,821	120,529	▲292
Cash and deposits	27,533	29,979	2,446
Notes receivable-trade, Accounts receivable-trade and contract assets	28,608	26,404	▲2,203
Property, plant and equipment	25,375	25,515	140
Investment securities	3,116	2,893	▲222
Other assets	36,187	35,735	▲451
Total liabilities	47,448	47,795	346
Notes payable-trade and accounts payable-trade	17,669	17,943	273
Electronically recorded liabilities	17,122	16,325	▲797
Contract liabilities	5,084	6,558	1,474
Short-term loans payable	466	446	▲20
Other liabilities	7,104	6,521	▲583
Total net assets	73,373	72,734	▲639
Equity capital	72,339	71,621	▲718
Non-controlling Interests	1,034	1,113	78
Equity capital ratio	59.9%	59.4%	

- Total assets: Decreased by 292 million mainly due to decrease in current assets of 335 million and Increase in non-current assets of 42 million.
- Total liabilities: Increased by 346 million mainly due to increase in current liabilities of 399 million and decrease in non-current liabilities of 52 million.
- Net assets : Decreased by 639 million mainly due to decrease in dividends payment of 1, 871 million and due to the 567 million in net income attributable to owners of the parent company.

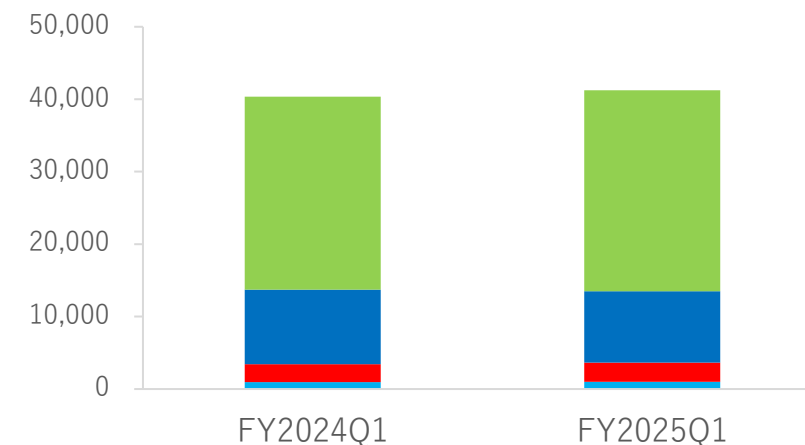


Consolidated Financial Results (By Segments)

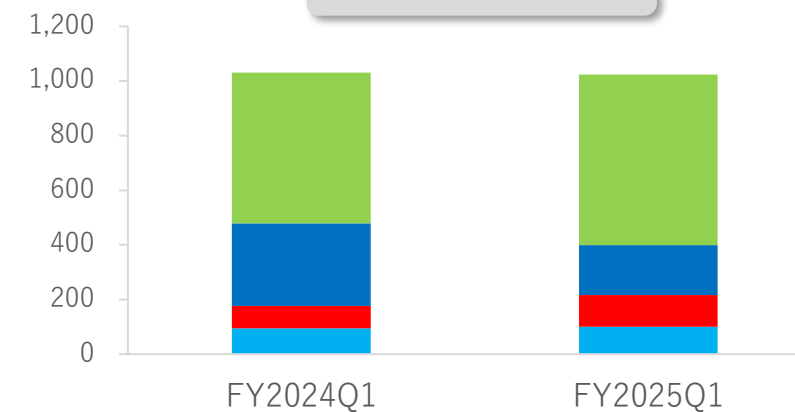
(JPY million)

	FY2024Q1	FY2025Q1	Ratio of increase/ Decrease
Net sales	40,362	41,234	2.2%
■ Machinery & Tools Segment	26,634	27,741	4.2%
■ Construction Products Segment	10,300	9,860	▲4.3%
■ Construction Machinery Segment	2,481	2,653	6.9%
■ IoT Solutions Segment	947	979	3.5%
Operating profit	950	882	▲7.1%
■ Machinery & Tools Segment	552	563	2.1%
■ Construction Products Segment	302	183	▲39.3%
■ Construction Machinery Segment	82	97	18.1%
■ IoT Solutions Segment	95	101	5.3%
■ Adjustment	▲82	▲63	—

Net sales

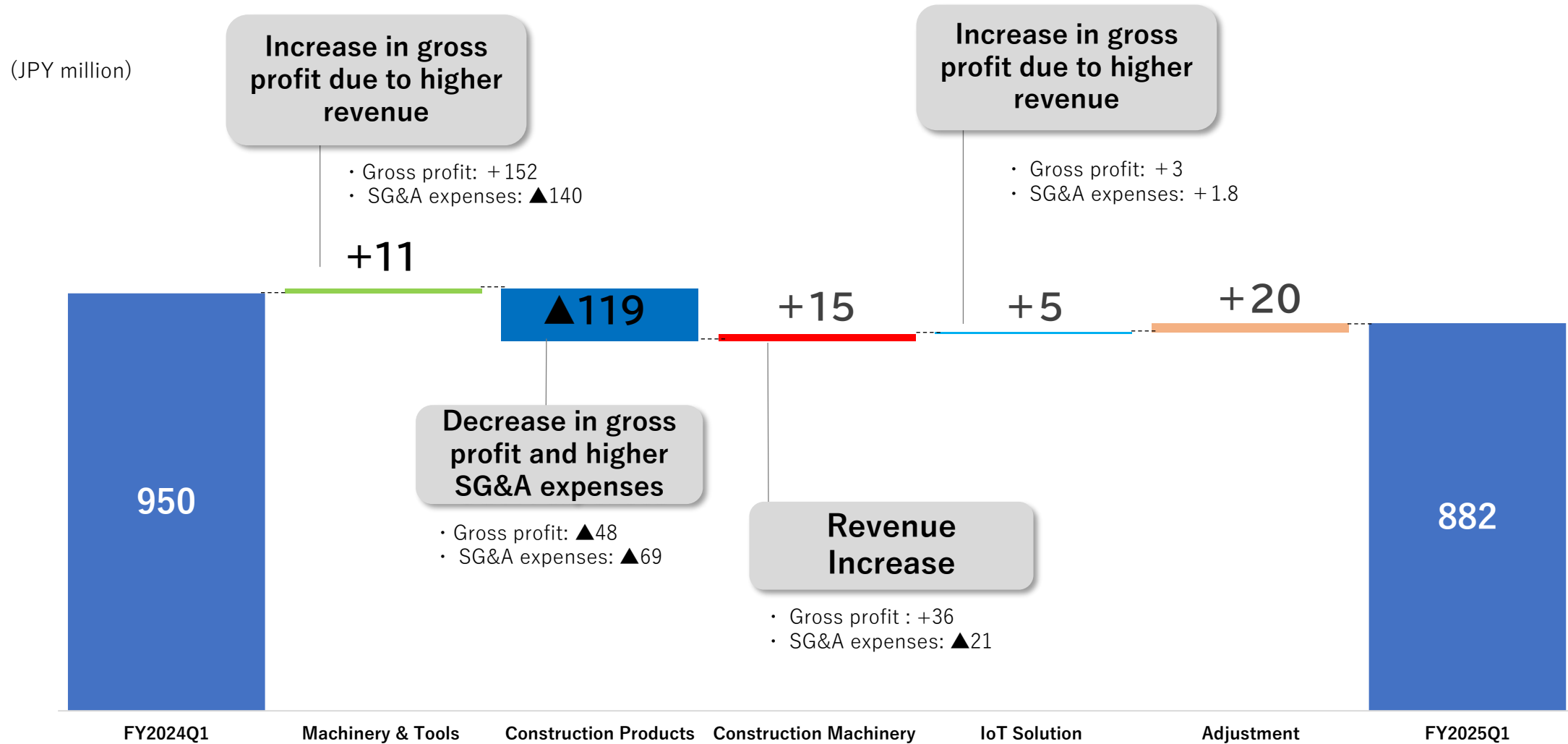


Operating profit





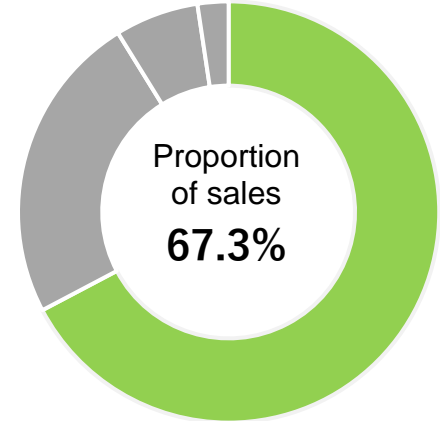
Operating Profit Analysis (By Segments)





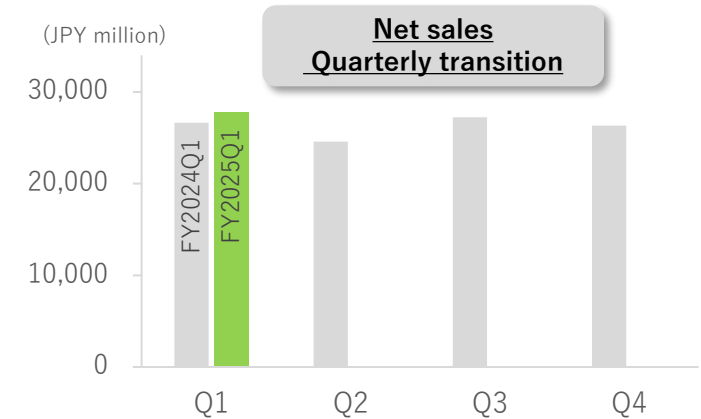
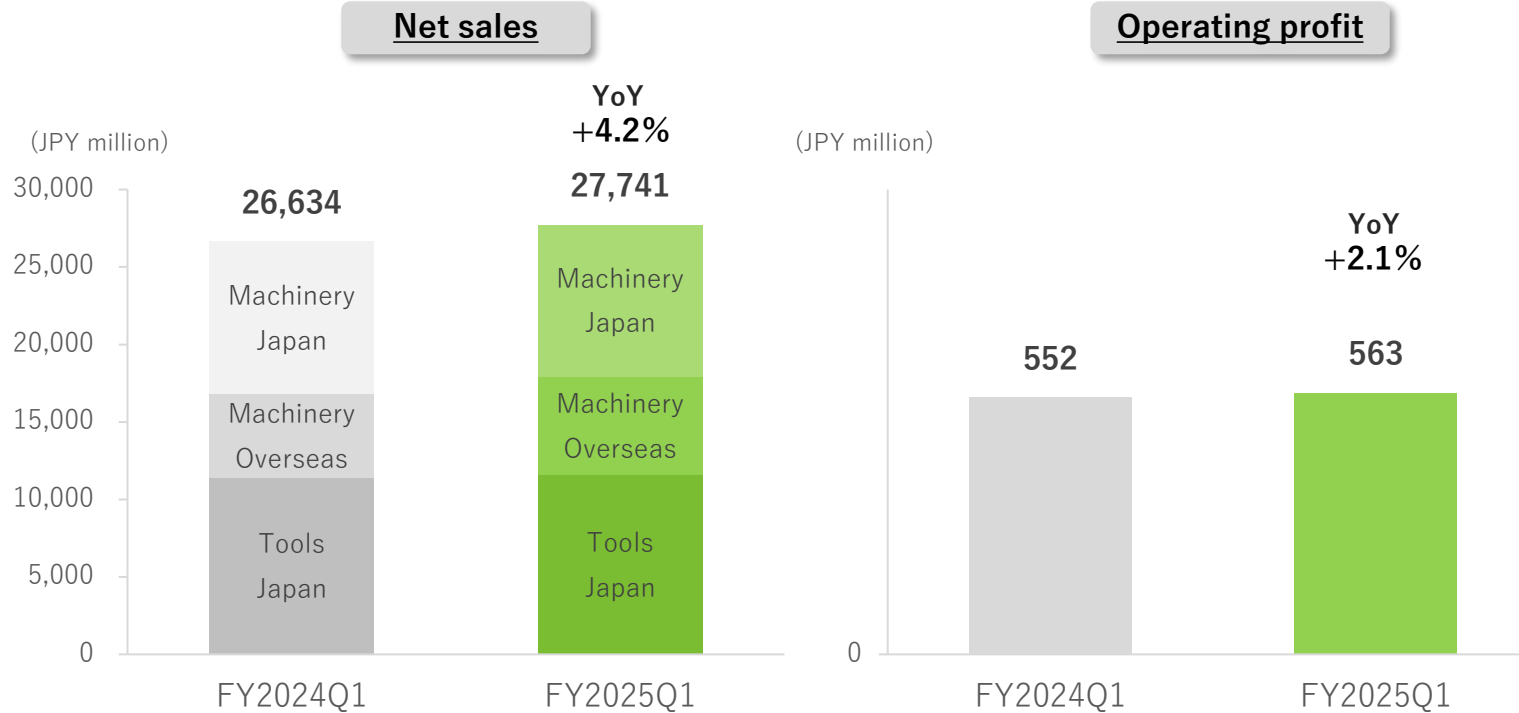
Major Factors for Increase/Decrease

- Machinery (Japan): Decreased by 0.2% year on year. While supported by strong performance of large manufacturers, who are direct-sales customers, flat due to weak appetite for capital investment among small and medium-sized wholesale customers.
- Machinery (Overseas): Increased by 17.6% year on year. (Explanation on next page)
- Tools (Japan): Increased by 1.5% year on year. In direct-sales business, production by major automakers was down YoY, on the other hand, increased in energy- and labor-saving and other facility-related demand in wholesale business.



Our Business

A machinery technology trading company with the technical skills and proposal capabilities for providing, as well as designing, the optimum machinery and tools for the manufacturing industry in Japan and overseas

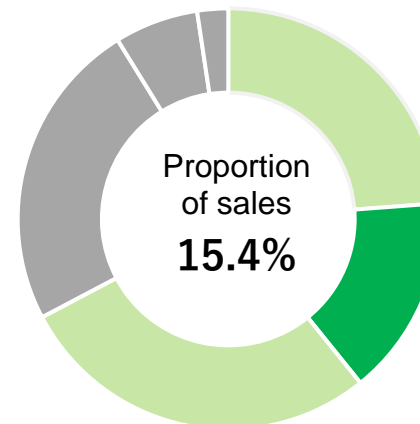




Machinery & Tools Segment (Overseas)

Major Factors for Increase/Decrease

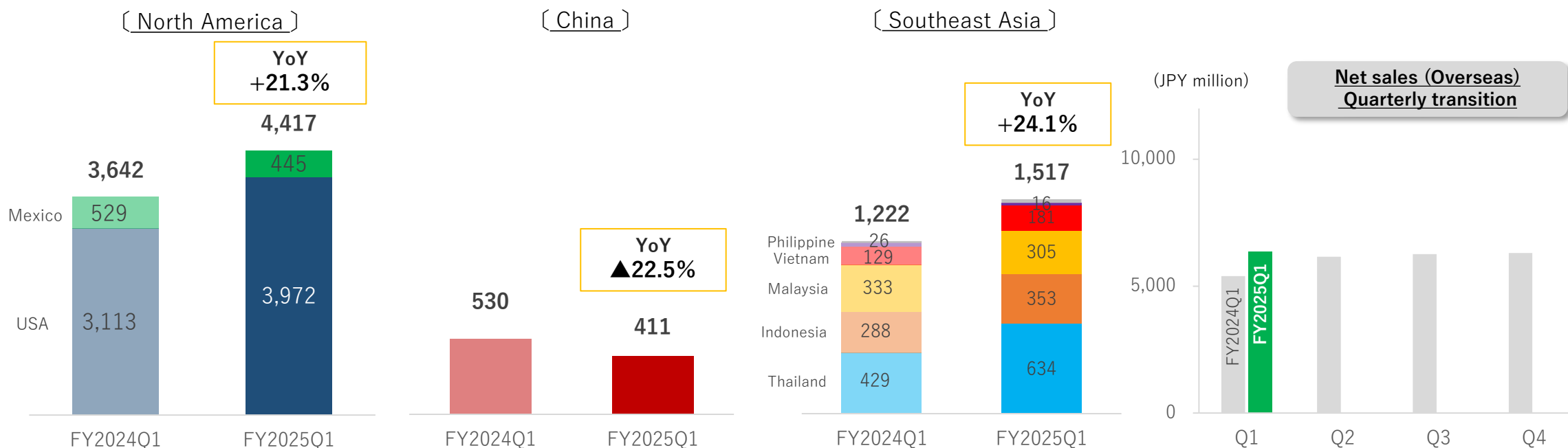
- North America: Recovery in orders received due to recovery in the U.S. economy, and equipment orders from several Japanese automakers contributed to sales growth.
- China: Japanese automakers struggle in price competition due to economic slowdown.
- Southeast Asia: Indonesia and Thailand increased due to equipment projects and repair services for motorcycles, agricultural machinery, food products, etc.



**Net sales
(Overseas)**

6,347 million yen (Year on year +17.6%)

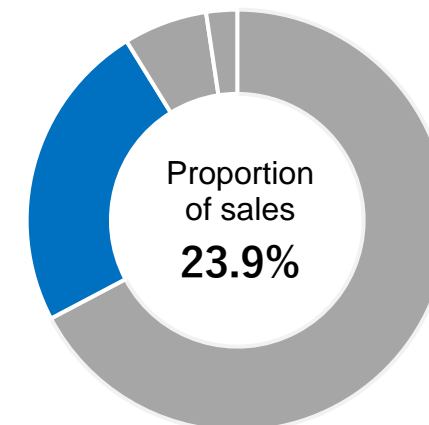
Overseas sales ratio **15.4%** (Year on year +2.0pts.)





Major Factors for Increase/Decrease

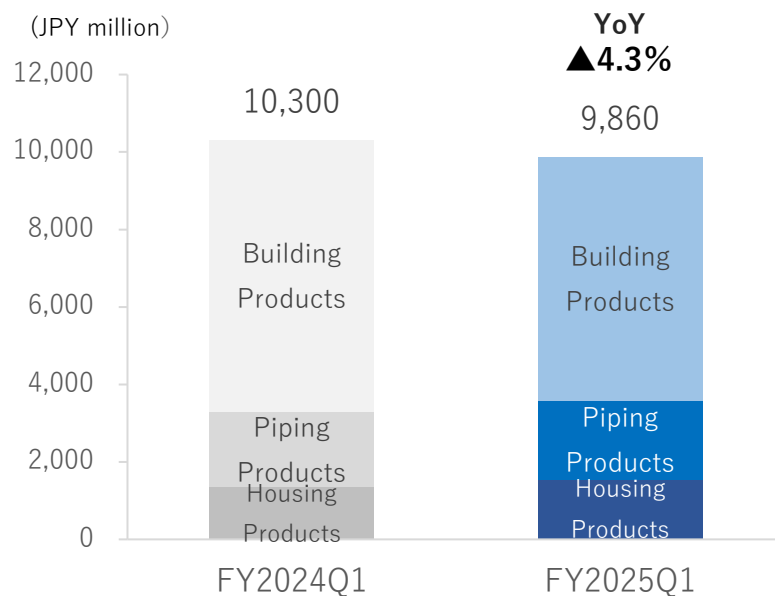
- Building products: Decreased by 10.4% year on year. Demand for steel frame construction slumped due to soaring material prices, labor shortages, and work style reforms in the construction industry.
- Piping products: Increased by 4.4% year on year. Small but steady business for semiconductors and electronic parts.
- Housing products: Increased by 15.3% year on year. Increased due to focus on projects with construction and sales of high value-added products.



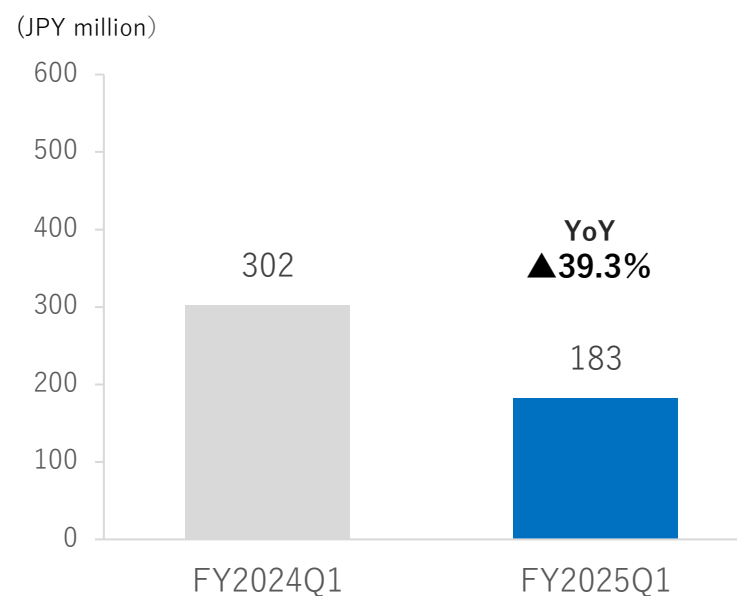
Our Business

A construction products trading company with manufacturing functions that provides building products, piping products and housing equipment devices just in time to the construction industry in Japan

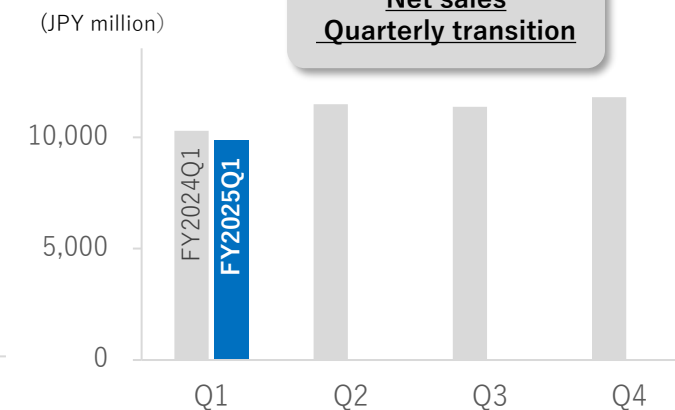
Net sales



Operating profit



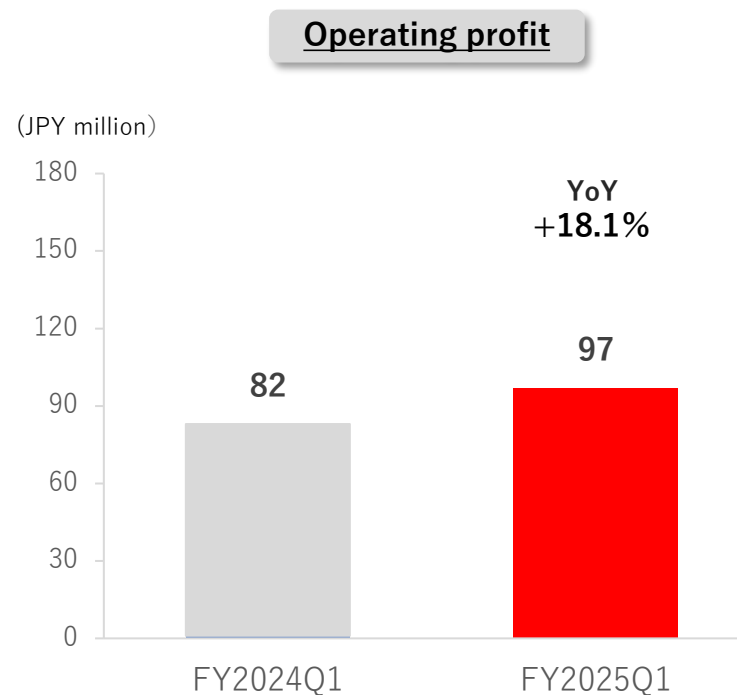
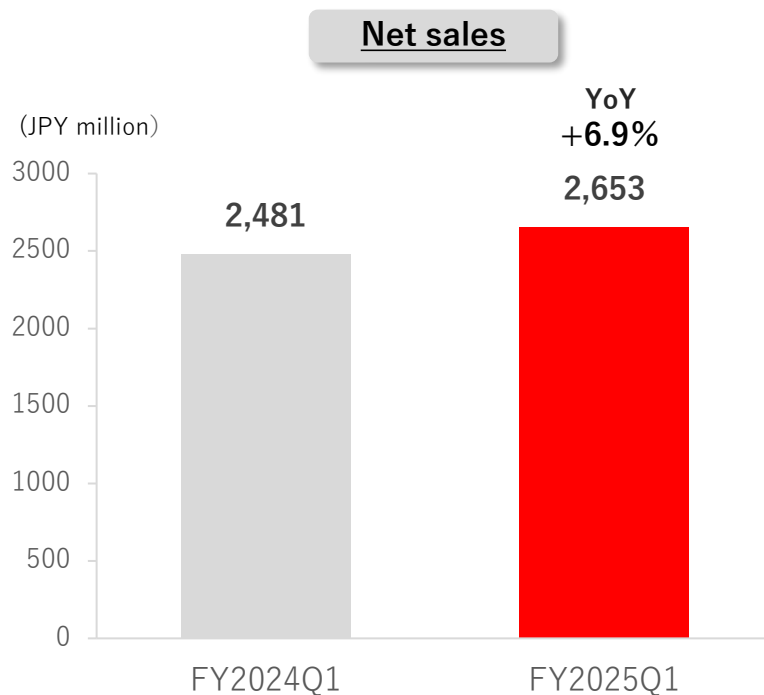
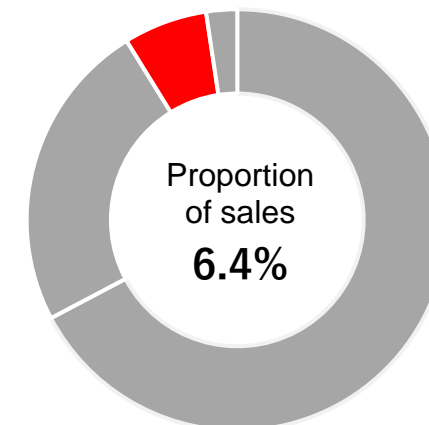
Net sales
Quarterly transition





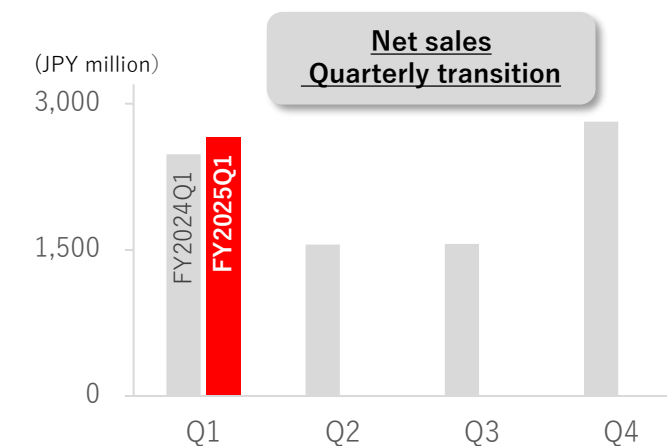
● Major Factors for Increase/Decrease

- The number of sales exceeded the figures for crawler cranes in the domestic construction machinery shipment statistics.
- Increased for foundation construction equipment due to strong orders in FY2024.
- Sales of used vehicles and rental of elevating vehicles also contributed to sales expansion.



● Our Business

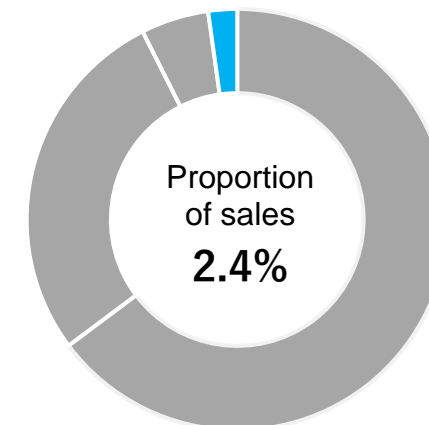
Sales of cargo handling machinery, construction machinery, etc., sales of insurance, and rental of elevating work vehicles, including operators, to public works contractors, etc. in Japan





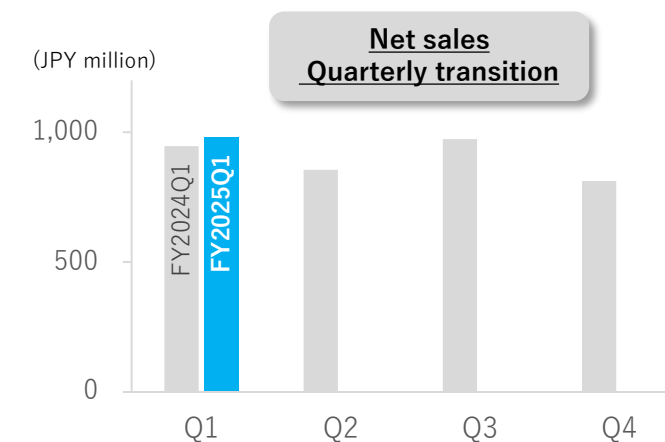
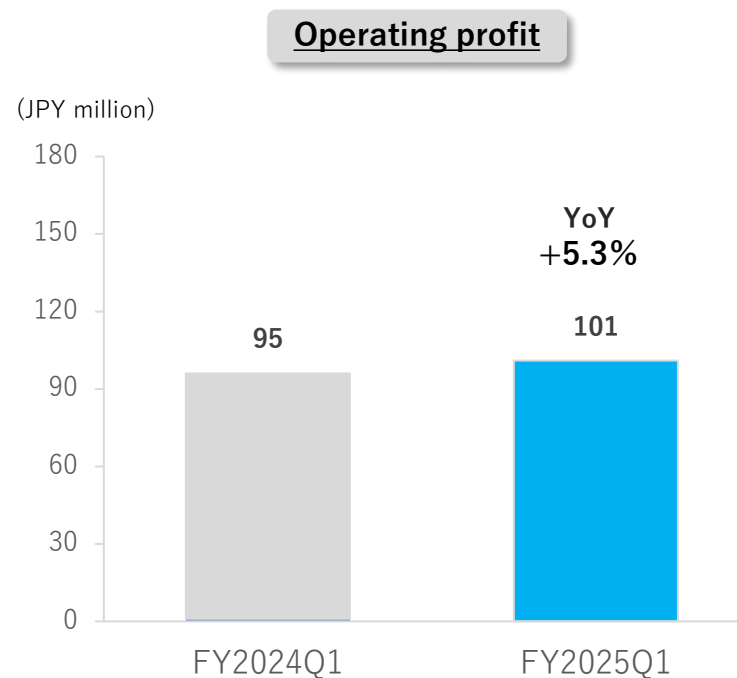
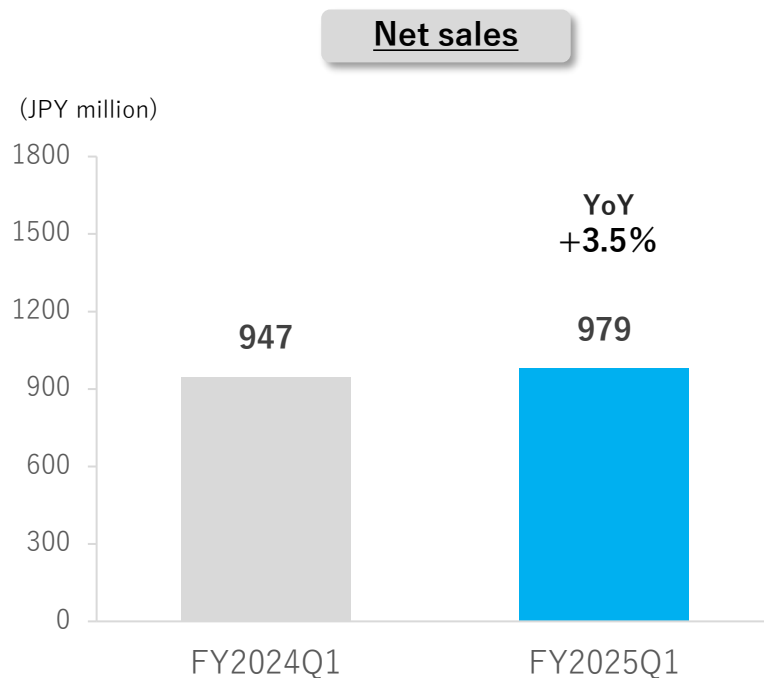
● Major Factors for Increase/Decrease

- In the physical security market, demand for data centers and other facilities is strong.
- Strong performance in the area of camera and other equipment sales in cooperation with major security companies.
- In the system development area, large projects for non-Japanese companies contributed to sales.



● Our Business

Provision of total solutions tailored to needs related to offices, factories, warehouses, etc., and realization of controlling, preventing and mitigating various risks





FY2025 Earnings Forecasts



Consolidated Earnings Forecast Summary

(JPY million)	FY2025 Q1 Results	FY2025 1H Forecast	Progress Ratio	FY2025 2H Forecast	FY2025 Forecast	
Net sales	41,234	80,000	51.5%	90,000	170,000	<ul style="list-style-type: none"> Net sales: Forecasts are weighted toward the second half, exceeding the progress rate in the first half. (Machinery & Tools: Progress: 52.8%) Operating profit: On track, but GP margin was lower than forecast due to ▲0.8pts vs forecast in Construction Products Segment. Ordinary profit: Exceeded 50% mainly by the occurrence of foreign exchange gains, + 90 million. Exchange rate: <ul style="list-style-type: none"> Assumption JPY140/USD Results JPY158/USD (Dec 31, 2024) Extraordinary loss: Removal expenses of non-current assets due to relocation of distribution center, 95 million .
Gross profit	6,328	12,800	49.4%	14,200	27,000	
Gross profit ratio	15.3%	16.0%	-	15.8%	15.9%	
SG&A expenses	5,445	11,000	49.5%	11,500	22,500	
Operating profit	882	1,800	49.0%	2,700	4,500	
Ordinary profit	1,114	2,100	53.0%	3,000	5,100	
Profit attributable to owners of the parent	597	1,420	40.0%	1,880	3,300	



Consolidated Earnings Forecast (By Half-term, By Segments)

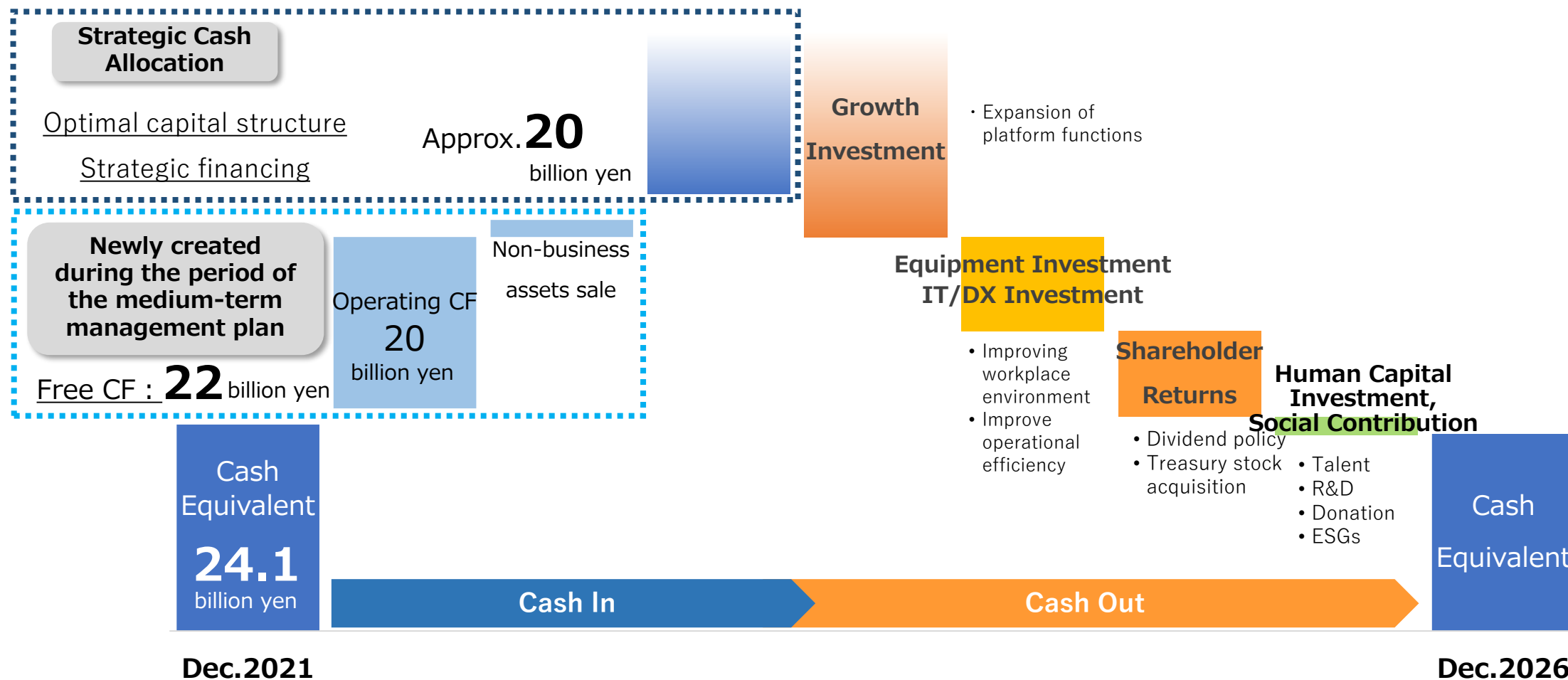
(JPY million)	FY2025 Q1 Results	FY2025 1H Forecast	Percentage of progress	FY2025 2H Forecast	FY2025 Forecast
Net sales	41,234	80,000	51.5%	90,000	170,000
■ Machinery & Tools Segment	27,741	52,500	52.8%	59,350	111,850
■ Construction Products Segment	9,860	22,000	44.8%	23,760	45,760
■ Construction Machinery Segment	2,653	3,650	72.7%	4,750	8,400
■ IoT Solution Segment	979	1,850	52.9%	2,140	3,990
Operating profit	882	1,800	49.0%	2,700	4,500
■ Machinery & Tools Segment	563	990	56.9%	1,560	2,550
■ Construction Products Segment	183	700	26.1%	1,020	1,720
■ Construction Machinery Segment	97	60	161.7%	120	180
■ IoT Solution Segment	101	100	101.0%	50	150
■ Adjustment	▲63	▲50	—	▲50	▲100



Business Strategy with Financial Capital Strategy

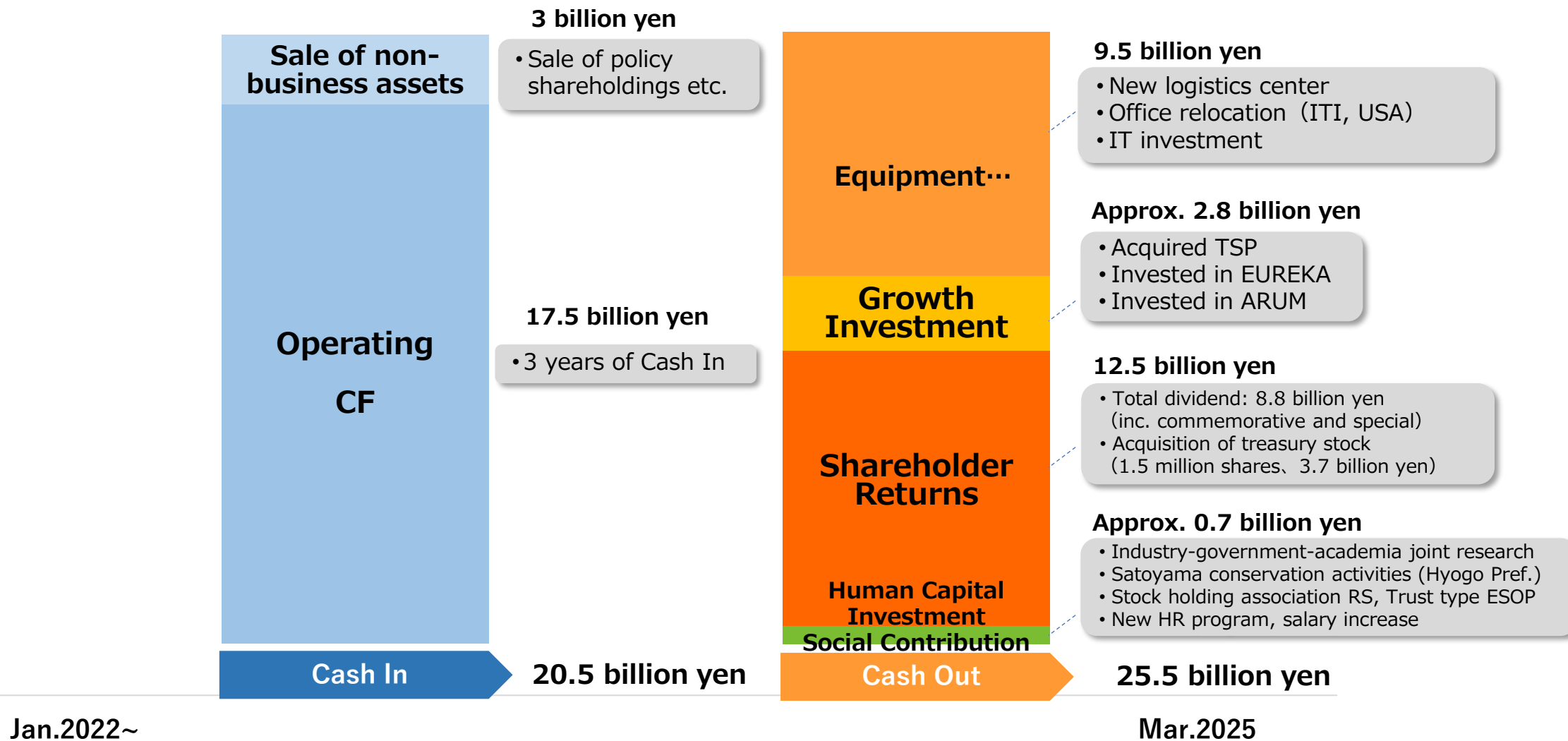


Cash Allocation Policy (2022-2026)



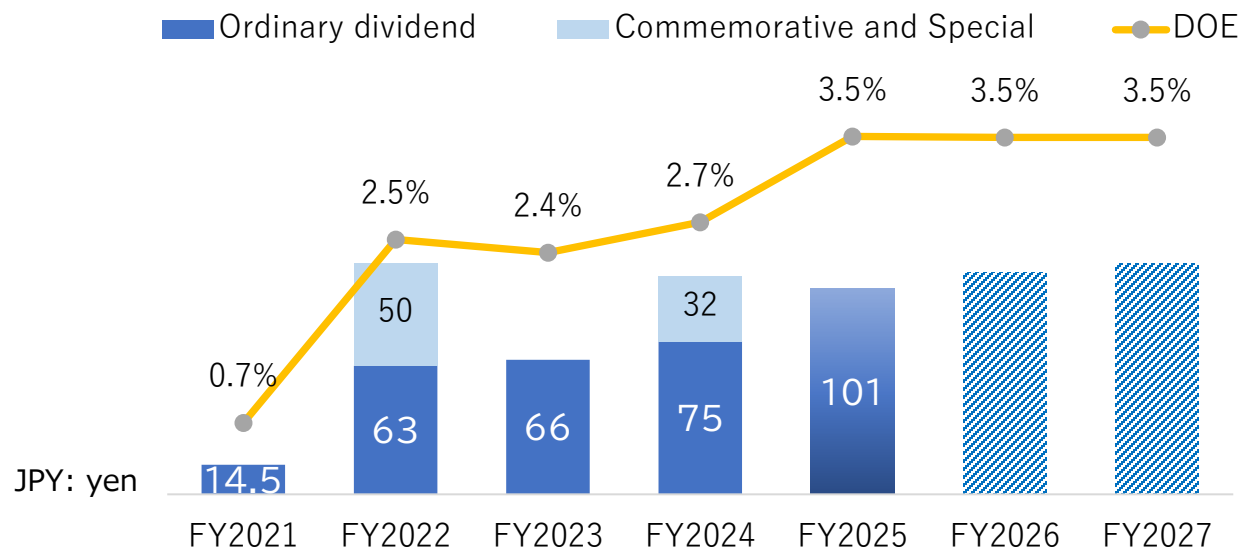


Cash Allocation Progress (2022-2024)





Dividend Policy



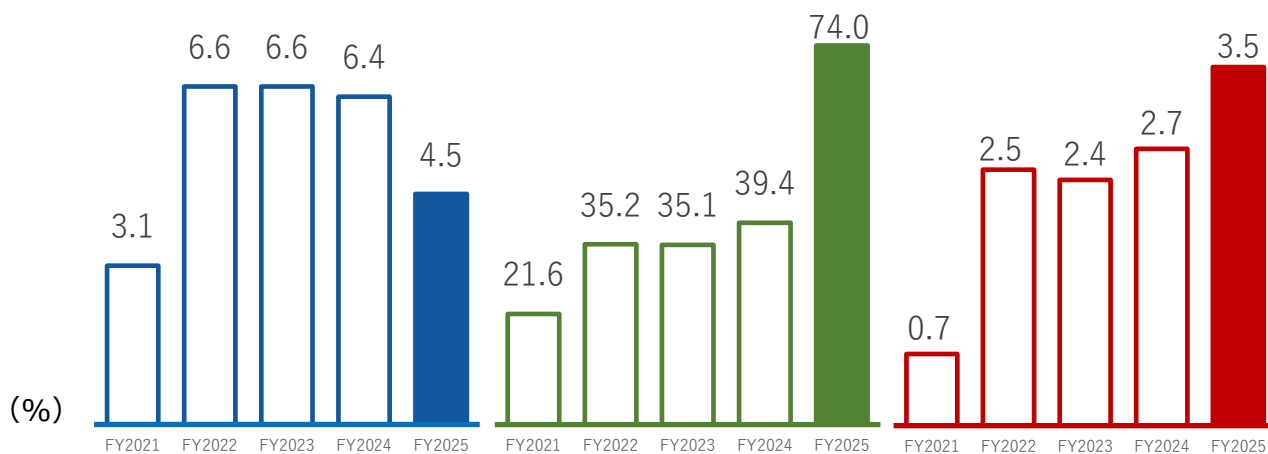
Acceleration of DOE achievement timeline Next MTMP(FY2027-29) ➔ FY2025

* The timeline has been announced as “Change in Shareholder Return Policy” at Apr. 15, 2024

- **DOE 3.5%** (FY2025~)
* DOE : Ratio of dividends to shareholders' equity
- Calculation Formula:
Shareholders' equity (beginning of the term) × 3.5%
- Dividend forecast: **101 yen/Share**

ROE × **Dividend payout ratio** = **DOE**

* DOE: calculated by ordinary dividends



- **Shareholders' equity** : **69,937** million yen
- **Cash equivalents** : **26,129** million yen
- **FCF (FY2024)** : **9,296** million yen
- **Net Profit (Forecast)** : **3,300** million yen
- **Dividend Forecast** : **2,454** million yen

* Beginning of the term, FY2025 if not specified



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Medium-Term Management Plan 「UNISOL」 (2022-2026)



SLOGAN Unlocking “Aha!” moments, one after another

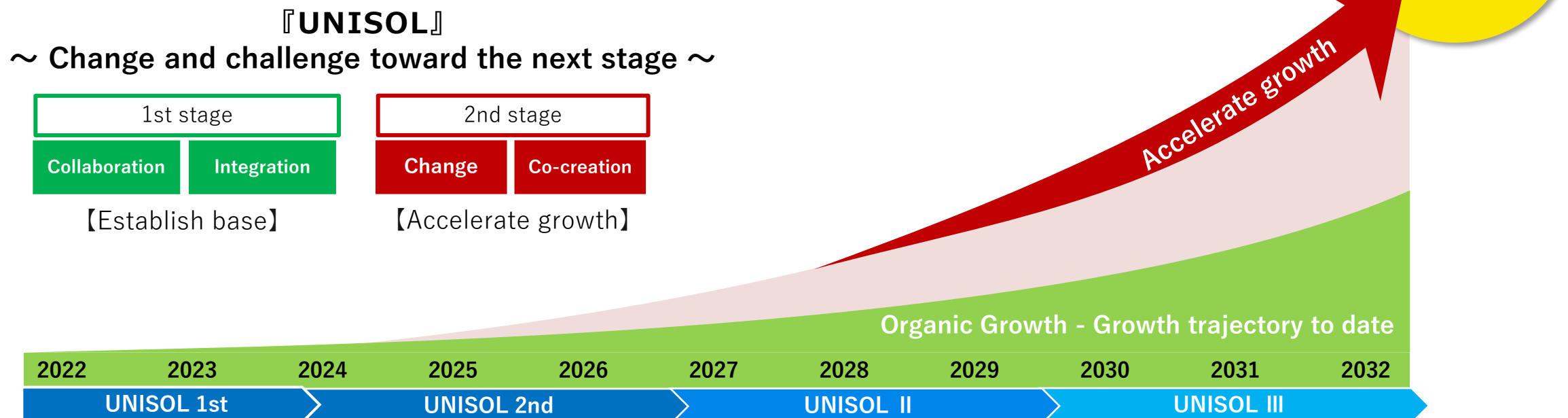
VISION Towards a world overflowing with
“I want to make this happen!”

MISSION Pioneering the present with inspiring solutions,
and partnering for your journey beyond



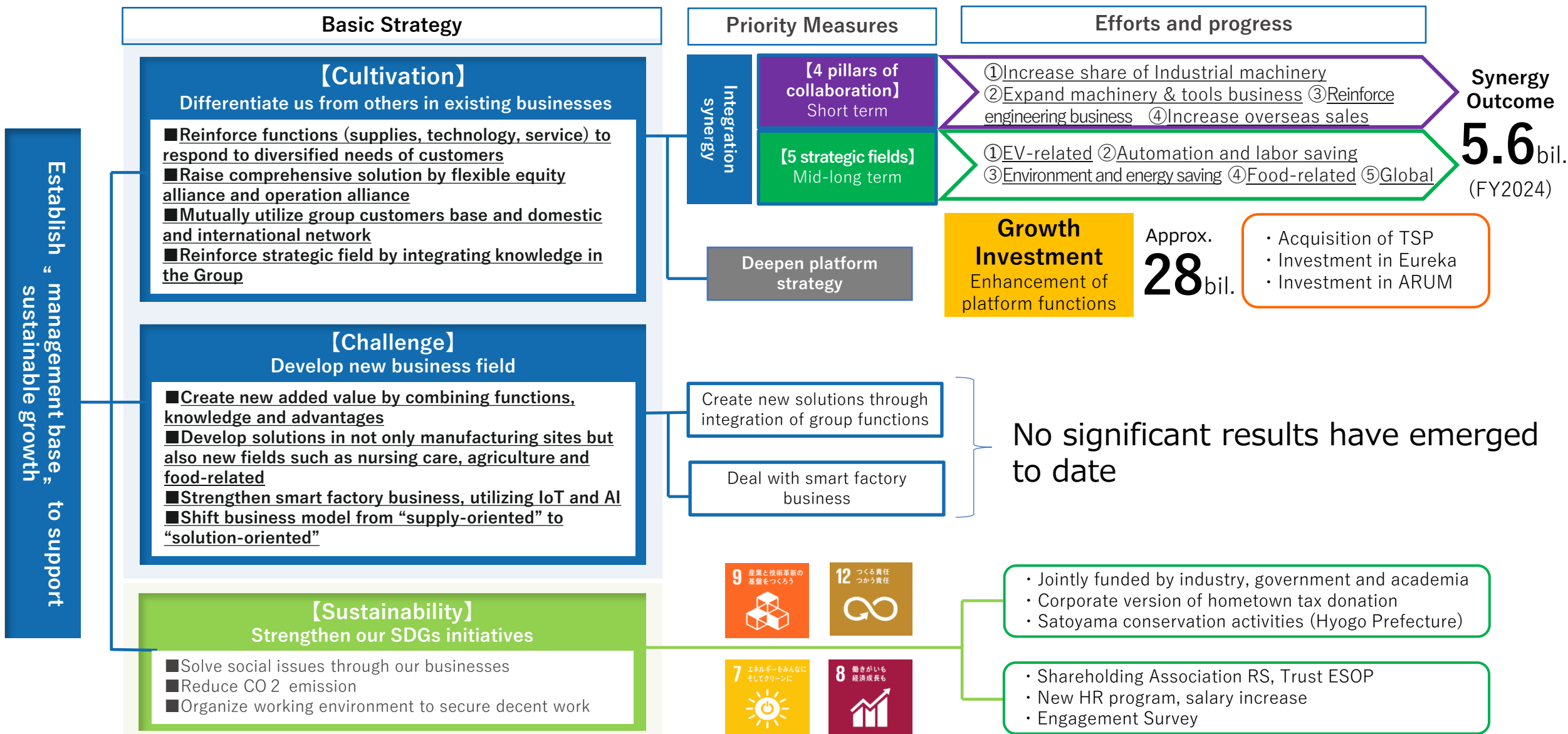
「UNIQUE SOLUTIONS」

We aim to be the **“Solution Partner”** of choice by addressing various issues faced in the field with unique ideas.



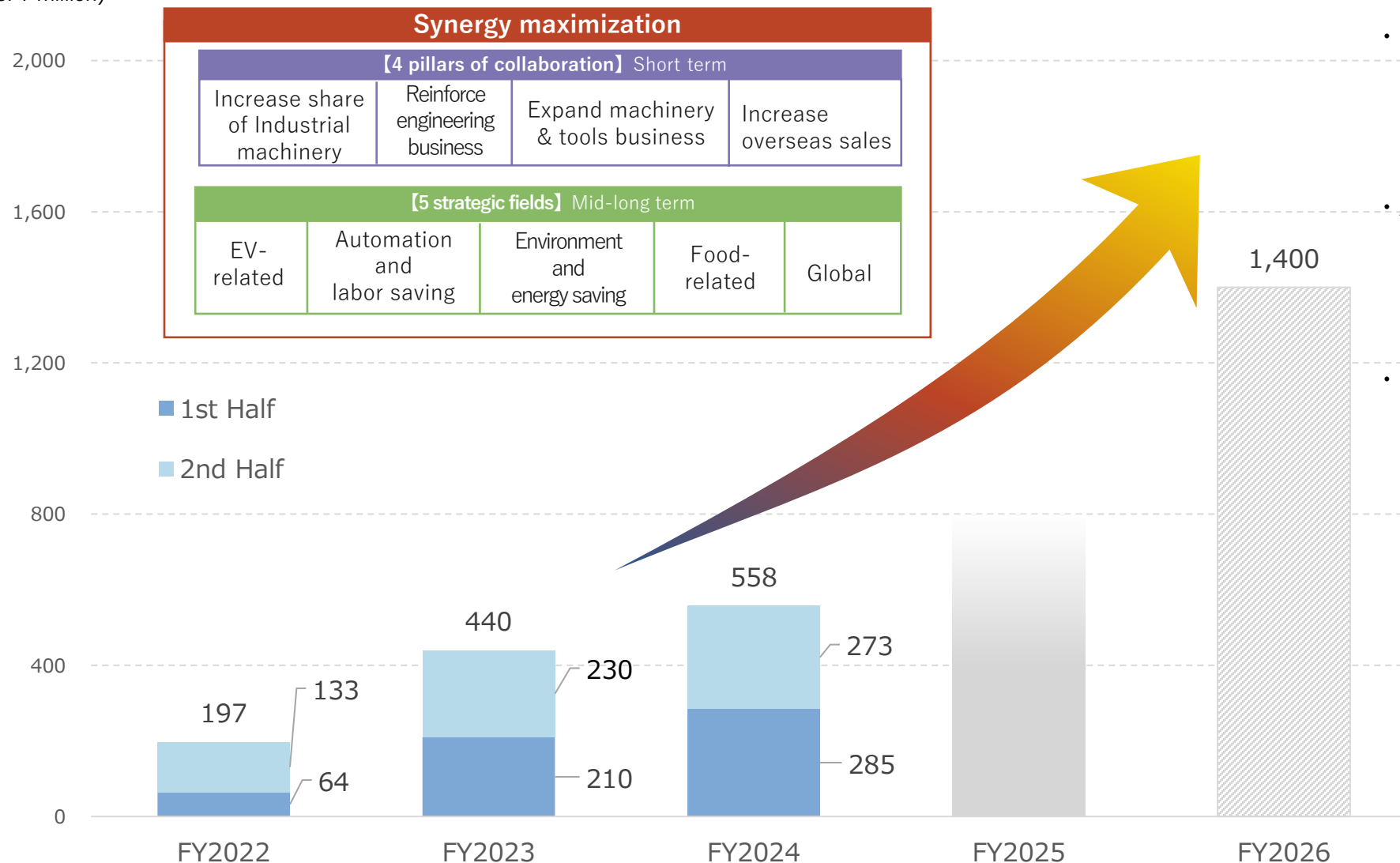


「UNISOL」 Basic Strategies and Priority Measures





(JPY million)



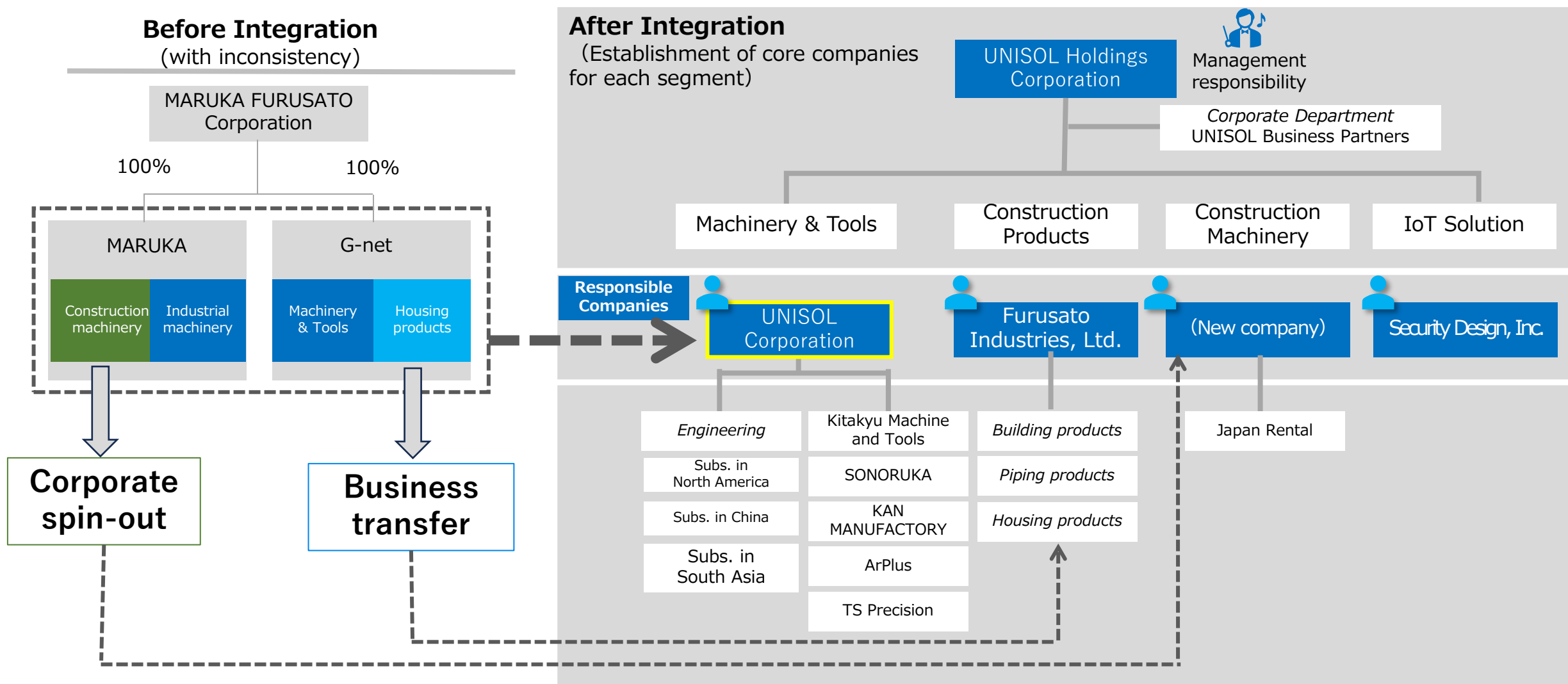
- **Increase share of Industrial machinery**
Continue to expand commercial sales of equipment tools : 28 million yen
- **Automation and labor saving**
Promoting automation and labor saving in direct sales : 41 million yen
- **Sustainable cost reduction** : 31 million yen



Reorganization within the Group ~ MARUKA and G-net

Announced on December 16, 2024 (updated by announcement on February 14, March 28 2025)

- Create more synergies through “clarification of business responsibility” and “self-directedness” by eliminating inconsistency

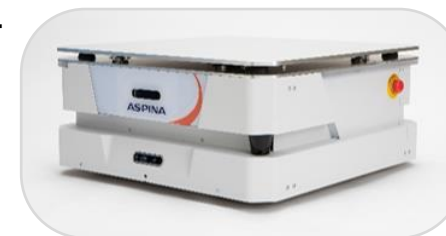




■ Donation to National Institute of Technology (KOSEN), Akashi College

(Announced on February 26, 2025)

- Donated one of our group's autonomous transport robot to Akashi KOSEN.
- Initiatives to foster the next generation that contribute to the sustainability of the manufacturing industry.
- Utilizing machinery and equipment used in manufacturing for educational purposes.

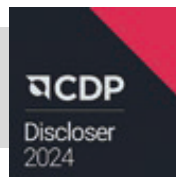


■ Ranked in the 2024 “Eco Test” Passer Ranking

(Announced on March 12, 2025)

- Encourage employees to take the Certificate Test for Environmental Specialists “Eco Test”®.
- 269 employees passed the 36th (Jul 12, 2024 – Aug 1 2024) and 37th (Nov 15, 2024 – Dec 5, 2024) sessions in 2024.
- Fifth highest number of passers in the nation (in the category of 300 or more employees) following last year.

■ CDP2024 (Mar 2025)



- Scored B* on “CDP Climate Change Report”

* CDP score on a scale of 8 (A, A-, B, B-, C, C-, D, D-)

■ INTEGRATED REPORT 2024

- It will be issued at the end of May 2025.
- Past reports are also available on our website.
<https://www.unisol-gr.com/ir/library/integrated-report/>





MTMP 「UNISOL」 Final Year Quantitative Targets and Beyond



Net sales	Operating profit/ratio	Adjusted EBITDA (※)	ROE
<u>180</u> bil. (FY2026)	<u>5.8</u> bil./ <u>3.2</u> % (FY2026)	<u>7.8</u> bil. (FY2026)	<u>5.7</u> % (FY2026)

(※) Adjusted EBITDA = Operating profit + Depreciation + Amortization of goodwill ± Other one-time expenses and income

◆ Launch of the next MTMP project

For the next mid-term management plan starting in FY2027, young leaders from each segment have been selected. The aim is to achieve business strategies through a bottom-up approach and to formulate a consistent value creation story that resonates with employees based on the corporate philosophy.





IR Activities



■ Renewal of our corporate website

(Published on March 3, 2025)

Fully renewed our corporate website.

(※English version to be renewed around June 2025)

- Establishment of “The Future You Want to Achieve” page
- Establishment of “UNISOL Group at a glance” page
- Establishment of “UNISOL's People” page
- Enhancement of “IR Information” page
- Enhancement of “Sustainability” page
(<https://www.unisol-gr.com/>)



■ Expansion of video contents

- Corporate website: Video of Financial Results Briefing (Published on February 18, 2025)
- YouTube: Video of Financial Results Briefing (Published on February 28, 2025)
(<https://www.youtube.com/@IR%E5%8B%95%E7%94%BB> * presented in Japanese)



■ Research Coverage Report

- Fisco (Published on March 19 2025)
- Shared Research (Published on March 17 2025)
(<https://www3.unisol-gr.com/en/ir/library>)

■ Renewal of commercial for Radio NIKKEI

- The new version has been on air since May 2025
- Please listen to our commercial before the program “Market Press”

**Caution regarding Forward-looking Statements and Original Language**

This document contains forward-looking statements based on information available to the company at the time of disclosure and certain assumptions that management believes to be reasonable. The company makes no assurances as to the actual results and/or other outcomes, which may differ substantially from those expressed or implied by such forward-looking statements due to various factors including the timing at which the changes in economic conditions in key markets, both in and outside of Japan, and exchange rate movements. The company will provide timely disclosure of any material changes, events, or other relevant issues. The company has no responsibility for any possible damages arising from the use of information on this material, nor does the Company have any obligation to update these statements. This document is an English language translation of the materials originally written in Japanese. In case of discrepancies, the Japanese version is authoritative and universally valid.