

**Presentation Materials**

# **First Half FY2024 Business Results**

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**October 31, 2024**



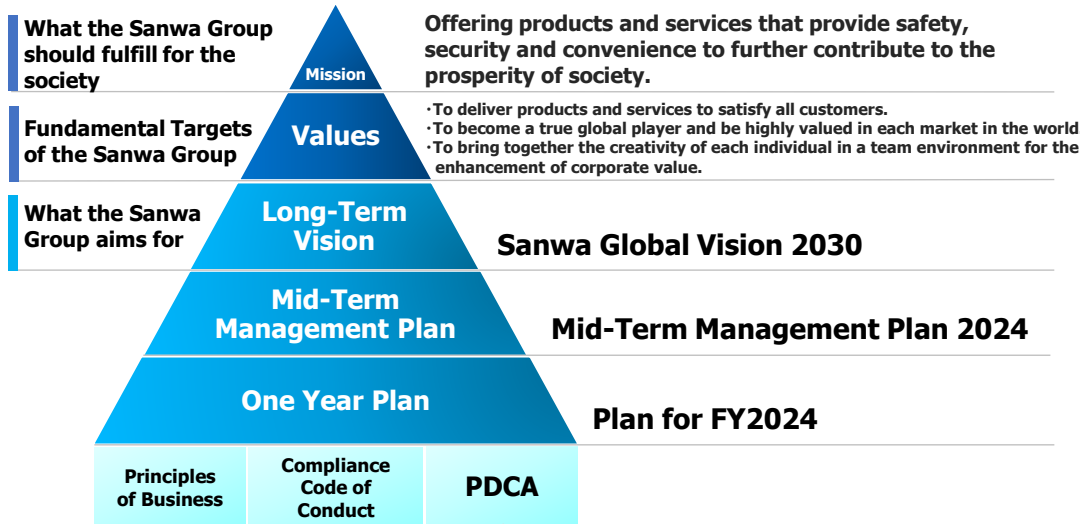
**SANWA HOLDINGS CORPORATION**  
[www.sanwa-hldgs.co.jp](http://www.sanwa-hldgs.co.jp)

# Contents

## Contents

|                                                           |       |
|-----------------------------------------------------------|-------|
| ■ Performance at a glance                                 |       |
| 01 Performance at a glance                                | ...04 |
| ■ First Half FY2024 Consolidated Results                  |       |
| 02 Business Results Highlights                            | ...06 |
| 03 Net Sales & Operating Profit (By Sector)               | ...07 |
| ■ FY2024 Consolidated Forecasts                           |       |
| 04 Business Forecasts Highlights                          | ...09 |
| 05 Net Sales & Operating Profit (By Sector)               | ...10 |
| ■ Progress of Mid-Term Management Plan 2024               |       |
| 06 Progress of Basic Strategies①~⑤                        | ...12 |
| ■ Financial Highlights                                    |       |
| 07 Capital Allocation and Shareholder Returns             | ...18 |
| 08 Consolidated BS/CF & Extraordinary losses              | ...19 |
| ◆ Appendix                                                |       |
| 01 Outline of Consolidated Results by Sector              | ...21 |
| 02 Order Intake & Net Sales by Products (Japan)           | ...22 |
| 03 North America・Europe : Net Sales by products (ODC, NF) | ...23 |
| 04 Business and External Environment                      | ...24 |
| 05 Key Figures & Ratios                                   | ...25 |
| 06 Improvement of Capital Efficiency                      | ...26 |
| 07 Capital Expenditure & Depreciation                     | ...27 |
| 08 Topics                                                 | ...28 |
| 09 External Evaluations                                   | ...29 |

## Our Mission, Our values



## PDCA of Sanwa Group



In the PDCA (plan, do, check, act) cycle, it is important to carry out processes from planning to implementation, subsequent assessment of issues to be resolved, and improvements and countermeasures that lead to the next stage. In all business operations, all Sanwa Group employees act with an awareness of problems, are never satisfied with the status quo, and are committed to making steady efforts every day. Therefore, the Sanwa Group has made the PDCA cycle part of its Compliance Code of Conduct.



## Foot-note on Forecast

Any contents in this brochure are based on various assumptions, and neither promise nor guarantee the indicated results of forecast or realization of any management issue.

## **Performance at a glance**

**H1 FY2024 Consolidated Results**

**FY2024 Consolidated Forecasts**

**Progress of Mid-Term Management Plan 2024**

**Financial Highlights**

# 01 Performance at a glance

## • H1 FY2024 results reached record levels

Sales and profits levels reached record levels, driven by strong performance in Japan and North America.

## • FY2024 forecasts revised upward

Sales forecast at 653.0 billion yen and operating profit at 72.5 billion yen, projected to achieve record highs for fourth consecutive year. Operating profit forecast revised upward by 10.0 billion yen.

## • Enhanced shareholder returns

**Dividend :**

Interim and year-end dividends (forecast) to increase by 8 yen each, bringing total annual dividend to 94 yen per share (+16 yen).

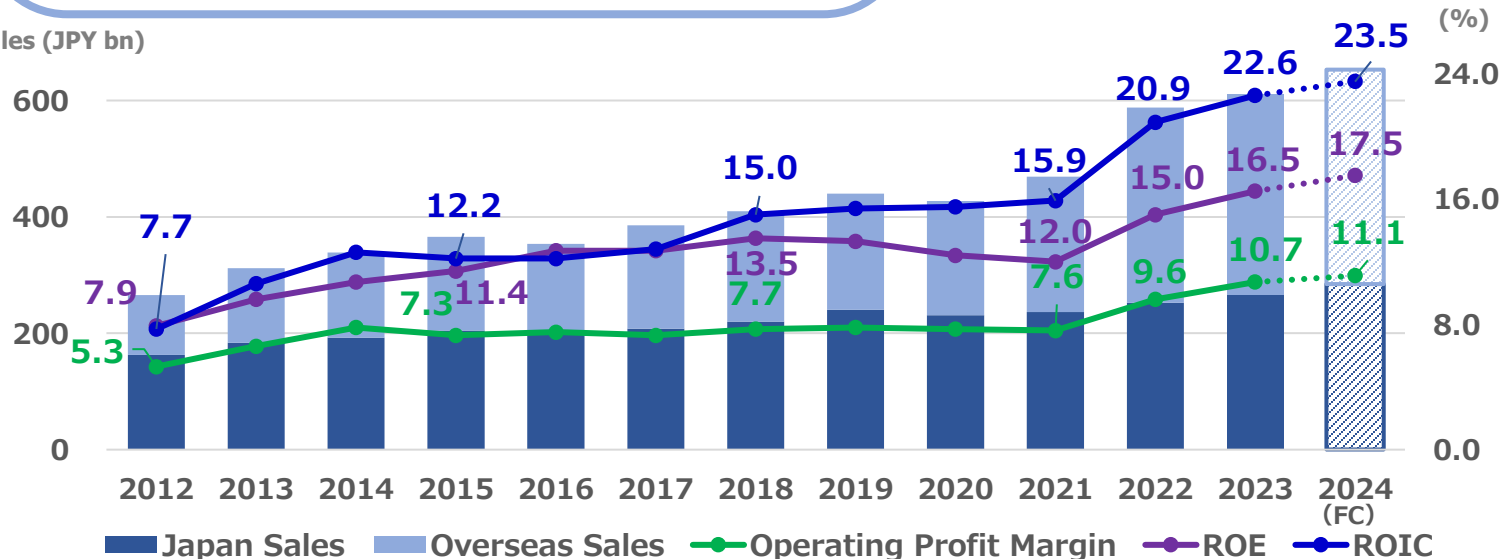
**Share buyback :**

Newly announced 15.0 billion yen buyback. Combined with completed 5.0 billion yen buyback, total for current fiscal year at 20.0 billion yen.

(JPY bn)

|                         | H1 FY2024 Actual | H1 FY2024 Initial Forecast | FY2024 Revised Forecast | FY2024 Initial Forecast | Mid-Term Management Plan 2024 Targets |
|-------------------------|------------------|----------------------------|-------------------------|-------------------------|---------------------------------------|
| Net Sales               | 313.8            | 293.0                      | 653.0                   | 625.0                   | 580.0                                 |
| Operating Profit        | 32.31            | 26.50                      | 72.50                   | 62.50                   | 45.00                                 |
| Operating Profit Margin | 10.3%            | 9.0%                       | 11.1%                   | 10.0%                   | 7.8%                                  |
| SVA (1)                 | -                | -                          | 36.4                    | 30.0                    | 19.0                                  |
| ROIC (2)                | -                | -                          | 23.5%                   | 20.0%                   | 17.5%                                 |
| ROE (3)                 | -                | -                          | 17.5%                   | 15.0%                   | 13.5%                                 |

Sales (JPY bn)



(1) Calculated at the weighted average cost of capital (WACC) of 6%, tax rate of 33%  
 (2) ROIC = Net operating profit after tax / Invested capital x 100  
 \*The invested capital used in the Company's ROIC has been calculated excluding cash and cash equivalents as well as investments in securities.  
 (3) The cost of equity capital 8% assumed

| Forex Rate | H1 FY2024 Actual | FY2024 Initial Forecast | FY2024 Revised Forecast |
|------------|------------------|-------------------------|-------------------------|
| 1 USD      | 154.06           | 142.00                  | 149.00                  |
| 1 EUR      | 166.12           | 152.00                  | 162.00                  |

**Performance at a glance**

**H1 FY2024 Consolidated Results**

**FY2024 Consolidated Forecasts**

**Progress of Mid-Term Management Plan 2024**

**Financial Highlights**

# 02 Business Results Highlights

## 《Consolidated Results》

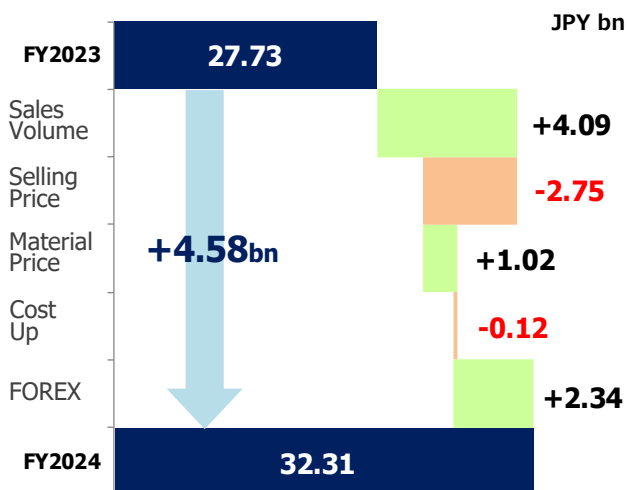
|                                         | H1 FY2023 Actual | H1 FY2024 Actual | Variance vs. H1 FY2023 (%) | H1 FY2024 Initial Forecast | Variance vs. H1 FY2024 Initial Forecast (%) |
|-----------------------------------------|------------------|------------------|----------------------------|----------------------------|---------------------------------------------|
| Net Sales                               | 285.7            | 313.8<br>[293.3] | +28.1<br>(+9.9%)           | 293.0                      | +20.8<br>(+7.1%)                            |
| Operating Profit                        | 27.73            | 32.31<br>[29.97] | +4.58<br>(+16.5%)          | 26.50                      | +5.81<br>(+21.9%)                           |
| Ordinary Profit                         | 27.16            | 34.20<br>[31.73] | +7.04<br>(+25.9%)          | 26.00                      | +8.20<br>(+31.5%)                           |
| Profit attributable to owners of parent | 22.11            | 23.78<br>[21.97] | +1.67<br>(+7.5%)           | 18.00                      | +5.78<br>(+32.1%)                           |

(JPY bn, %)

[assumed Forex rate same as FY2023]

| Forex Rate | H1 FY2023 Actual | H1 FY2024 Initial Forecast | H1 FY2024 Actual |
|------------|------------------|----------------------------|------------------|
| 1 USD      | 136.54           | 142.00                     | 154.06           |
| 1 EUR      | 147.93           | 152.00                     | 166.12           |

## Operating profit reconciliation(consolidated)



## 《Summary》

Record sales and profits. Exceeded forecast and previous-year levels.

### Net sales

• Exceeded forecast and increased YoY. Impact of currency fluctuation was 20.5 billion yen. Sales increased in Japan due to higher sales volume and price pass-through. In North America, sales grew through sales initiatives such as sales channel expansion. Sales in Europe decreased on local currency basis due to lower volume amid continuing market weakness.

### Operating profit

• Exceeded forecast and increased YoY. Operating profit margin was 10.3%. Impact of currency fluctuation was 2.34 billion yen. Higher sales volume in Japan and North America offset volume decline in Europe. Price pass-through took effect in Japan, while sustained small price declines in North America. Raw material costs decreased and cost reductions were achieved in North America.

### Ordinary profit

• Significantly exceeded forecast and increased YoY, reflecting improvements in non-operating income/expenses and equity in earnings of affiliates.

### Net Profit attributable to owners of parent

• Exceeded forecast and previous year.

# Net Sales & Operating Profit (By Sector)

## 【Net Sales】

## 【Operating Profit】

 (JPY bn, *USD m*, *EUR m*, %)

|                     | H1<br>FY2023        | H1<br>FY2024        | YoY<br>(%)             | H1<br>FY2023                   | H1<br>FY2024                   | YoY<br>(%)              | Comments                                                                                                                                                                                                                                                          |
|---------------------|---------------------|---------------------|------------------------|--------------------------------|--------------------------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Japan               | 121.5               | 130.4               | +7.4%                  | 10.49<br>8.6%                  | 12.33<br>9.5%                  | +17.5%                  | Sales increased, driven by solid performance in factory and office sectors. Growth led by heavy duty shutters, doors for commercial buildings and condominiums, and partitions. Profit increased significantly due to sales growth effect and price pass-through. |
| North America (ODC) | <i>762</i><br>104.0 | <i>772</i><br>119.0 | <i>+1.4%</i><br>+14.4% | <i>120.7</i><br>16.48<br>15.8% | <i>127.3</i><br>19.61<br>16.5% | <i>+5.5%</i><br>+19.0%  | Sales increased as market share gains through expanded sales channels amid moderate recovery in residential market. Operating profit rose, reflecting cost reductions in production and external transportation, along with efforts to maintain selling prices.   |
| Europe (NF)         | <i>368</i><br>54.4  | <i>348</i><br>57.8  | <i>-5.4%</i><br>+6.2%  | <i>8.5</i><br>1.25<br>2.3%     | <i>5.1</i><br>0.85<br>1.5%     | <i>-39.5%</i><br>-32.0% | Sales decreased on a local currency basis, reflecting substantial impact from volume decline amid challenging market environment. Operating profit decreased as cost-cutting measures and price pass-through efforts did not fully offset the decline in volume.  |
| Asia                | 5.9                 | 69                  | +15.4%                 | 0.05<br>0.8%                   | 0.14<br>2.1%                   | +198.0%                 | Sales and operating profit increased as Taiwan and Hong Kong subsidiaries maintained strong performance.                                                                                                                                                          |
| Consolidated        | 285.7               | 313.8               | +9.9%                  | 27.73<br>9.7%                  | 32.31<br>10.3%                 | +16.5%                  |                                                                                                                                                                                                                                                                   |

\*Due to intercompany elimination, values does not add up to consolidated result.

\*The upper figure in North America and Europe shows results on a local currency basis.

\*The lower figure in Operating Profit shows the operating profit margin.

| Forex Rate | H1 FY2023<br>Actual | 1H FY2024<br>Initial<br>Forecast | H1 FY2024<br>Actual |
|------------|---------------------|----------------------------------|---------------------|
| 1 USD      | 136.54              | 142.00                           | 154.06              |
| 1 EUR      | 147.93              | 152.00                           | 166.12              |

**Performance at a glance**

**H1 FY2024 Consolidated Results**

**FY2024 Consolidated Forecasts**

**Progress of Mid-Term Management Plan 2024**

**Financial Highlights**

# 04 Business Forecasts Highlights

| 《Consolidated Results》                  | FY2023 Actual | FY2024 Revised Forecast | Variance vs. FY2023 (%) | FY2024 Initial Forecast | Variance vs. FY2024 Initial Forecast(%) |
|-----------------------------------------|---------------|-------------------------|-------------------------|-------------------------|-----------------------------------------|
| Net Sales                               | 611.1         | 653.0<br>[634.2]        | +41.9<br>(+6.9%)        | 625.0                   | +28.0<br>(+4.5%)                        |
| Operating Profit                        | 65.36         | 72.50<br>[70.25]        | +7.14<br>(+10.9%)       | 62.50                   | +10.00<br>(+16.0%)                      |
| Ordinary Profit                         | 64.90         | 75.00<br>[72.66]        | +10.10<br>(+15.6%)      | 62.00                   | +13.00<br>(+21.0%)                      |
| Profit attributable to owners of parent | 43.23         | 51.00<br>[49.31]        | +7.77<br>(+18.0%)       | 42.50                   | +8.50<br>(+20.0%)                       |

(JPY bn, %)

[assumed Forex rate same as FY2023]

| Forex Rate | FY2023 Actual | FY2024 Initial Forecast | FY2024 Revised Forecast |
|------------|---------------|-------------------------|-------------------------|
| 1 USD      | 141.20        | 142.00                  | 149.00                  |
| 1 EUR      | 153.17        | 152.00                  | 162.00                  |

## Operating profit reconciliation(consolidated)

|                | FY2023  |                    | FY2024      |
|----------------|---------|--------------------|-------------|
|                | 65.36   | (Initial Forecast) | 72.5 (62.5) |
| Sales Volume   |         | +9.54 (+7.73)      |             |
| Selling Price  |         | -0.51 (-4.56)      |             |
| Material Price | +7.14bn | -0.94 (-1.77)      |             |
| Cost Up        |         | -3.2 (-4.4)        |             |
| FOREX          |         | +2.25 (+0.14)      |             |

## 《Summary》

Sales and profits expected to set new records for the forth consecutive year.  
Operating profit forecast revised upward by 10.0 billion yen from initial forecast.

### Net sales

· Net sales forecast to increase by 6.9%, with impact of currency fluctuation at 18.8 billion yen. Forecast revised upward by 28.0 billion yen from initial forecast. Sales in Japan expected to increase due to higher sales volume and price pass-through. In North America, sales growth forecast through sales initiatives such as sales channels expansion. Sales in Europe forecast to decrease on local currency basis due to lower volume amid continuing market weakness.

### Operating profit

· Consolidated profit forecast to increase by 10.9%, with impact of currency fluctuation at 2.25 billion yen. Forecast revised upward by 10 billion yen from initial forecast. Volume effect expected to improve by 1.8 billion yen from initial forecast due to sales growth in Japan and North America. Selling price effect expected to improve by 4.0 billion yen, with sustained small price decline in North America. Cost improvements of 1.2 billion yen expected, particularly through cost reductions in North America and Europe.

### Ordinary profit

· Expected to increase due to improvements in non-operating income/expenses and equity in earnings of affiliates.

### Net Profit attributable to owners of parent

· Extraordinary losses forecast at 2.1 billion yen, expected to increase from initial forecast. Earnings per share forecast at 235 yen.

# 05 Net Sales & Operating Profit (By Sector)

|                     | 【Net Sales】           |                         |                       | 【Operating Profit】             |                                |                         | (JPY bn, <i>USD m</i> , <i>EUR m</i> , %)                                                                                                                                                                                                                                                                                                                              |
|---------------------|-----------------------|-------------------------|-----------------------|--------------------------------|--------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                     | FY2023 Actual         | FY2024 Revised Forecast | YoY (%)               | FY2023 Actual                  | FY2024 Revised Forecast        | YoY (%)                 | Comments                                                                                                                                                                                                                                                                                                                                                               |
| Japan               | 265.7                 | 284.4                   | +7.0%                 | 27.73<br>10.4%                 | 30.78<br>10.8%                 | +11.0%                  | Sales expected to increase with higher sales volume driven by factory and warehouse construction, and price pass-through. Heavy duty shutters and partitions projected to maintain strong performance. Operating profit expected to increase significantly through appropriate cost management and ensuring delivery, despite rising costs from 2024 logistics issues. |
| North America (ODC) | <i>1,558</i><br>219.9 | <i>1,607</i><br>239.4   | <i>+3.2%</i><br>+8.9% | <i>244.4</i><br>34.50<br>15.7% | <i>267.4</i><br>39.84<br>16.6% | <i>+9.4%</i><br>+15.5%  | Sales expected to increase, fueled by sales initiatives to capture demand amid moderate recovery in residential market. Operating profit forecast to rise, reflecting higher sales volume, production cost reductions, and sales price strategy implementation.                                                                                                        |
| Europe (NF)         | <i>728</i><br>111.5   | <i>705</i><br>114.2     | <i>-3.2%</i><br>+2.4% | <i>25.4</i><br>3.89<br>3.5%    | <i>18.9</i><br>3.06<br>2.7%    | <i>-25.7%</i><br>-21.4% | Sales expected to decrease on a local currency basis as sales measures unable to compensate for market shrinkage. Operating profit forecast to decrease due to lower volume and various cost increases.                                                                                                                                                                |
| Asia                | 14.4                  | 15.5                    | +7.7%                 | 0.58<br>4.1%                   | 0.40<br>2.6%                   | -30.5%                  | Sales expected to increase driven by strong performance in Taiwan. Operating profit projected to grow through stable profitability.                                                                                                                                                                                                                                    |
| Consolidated        | 611.1                 | 653.0                   | +6.9%                 | 65.36<br>10.7%                 | 72.50<br>11.1%                 | +10.9%                  |                                                                                                                                                                                                                                                                                                                                                                        |

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| Forex Rate | FY2023 Actual | FY2024 Initial Forecast | FY2024 Revised Forecast |
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**Performance at a glance**

**H1 FY2024 Consolidated Results**

**FY2024 Consolidated Forecasts**

**Progress of Mid-Term Management Plan 2024**

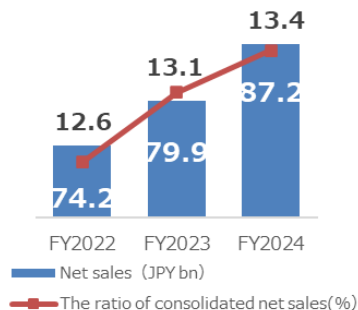
**Financial Highlights**

## Basic Strategies ① Expand and strengthen core businesses at Japan, North America and Europe

With quick and appropriate response to customer needs, aims to strengthen business and expand core business, including the service business.



Service Business:  
Consolidated Sales Trends



### 1 Increase market share of shutter and door business

- **JP** : Core products maintaining solid performance in factory and office sectors. Strategic products performing well, including expanded lineup of partition products with new Duo Glass series, waterproof products, and high-speed sheet shutters  
 : Working on appropriate cost management and ensuring delivery in response to 2024 logistics issues
- **NA**: Expand market share through sales initiatives to capture recovery in residential market and launch of new products  
 ⇒ Promote dealer support measures for sales expansion and acquire new dealers  
 ⇒ Launch residential products: gate operators / non-residential products: dock levelers
- **EU**: Aim to secure profits focusing on industrial doors despite challenging market conditions

### 2 Expand service business

- **JP** : Steady growth through expansion of general repairs by strengthening proposal-based sales for repair plans  
 : Aim to expand stock market by increasing maintenance contract rate for new projects
- **NA**: Strengthening service business in the pedestrian access division
- **EU**: Develop and strengthen service business structure focusing on industrial doors

### 3 Utilizing M&A to strengthen business and expand business domain

- Continue to explore and implement M&A opportunities aligned with growth strategy

## Basic Strategies ② Strengthen a basis for growth of Asian business

**Restructuring manufacturing and sales operation to increase market share, and build foundation for a fourth pillar alongside Japan, North America and Europe**

| (JPY bn)         | H1 FY2023<br>Actual | FY2023<br>Actual | H1 FY2024<br>Actual | FY2024<br>Revised<br>Forecast | Mid-Term<br>Management Plan<br>2024 Targets |
|------------------|---------------------|------------------|---------------------|-------------------------------|---------------------------------------------|
| Net Sales        | 5.9                 | 14.4             | 6.9                 | 15.5                          | 16.0                                        |
| Operating Profit | 0.05                | 0.58             | 0.14                | 0.40                          | 0.80                                        |

### 1 Significantly boost production capacity by enhanced facilities

- Enhance productivity at the Sanwa Novoferm Changshu Plant and expand sales in the industrial market
- Improve productivity by renovating production facilities at main factories(Vietnam and Indonesia)

### 2 Restructuring sales operations and address product diversification

- Further strengthen sales capabilities in Hong Kong, including at AUB
- Expand sales by capturing demand in the fire resistance and heat insulation market (Vietnam, Taiwan)
- Bolster efforts to secure order volume amid downturn in Chinese market

### 3 Strengthen the foundation of business framework

- Strengthen integrated management of the three Hong Kong companies (Sanwa Shutter (HK), Suzuki Shutter (HK), and AUB)
- Strengthen business administration at Sanwa Shanghai
- ERP system implementation for Asian business



## Basic Strategies ③ Expand product for disaster prevention and climate change response and enhance smart products and services

Expand product for disaster prevention and climate change response and enhance smart products and services to meet the changing needs of society due to climate change and digitalization.

### 1 Expand product for disaster prevention and climate change response

| (JPY bn)                                                             | FY2022<br>Actual | FY2023<br>Actual | FY2024<br>Revised<br>Forecast | FY2024<br>Target |
|----------------------------------------------------------------------|------------------|------------------|-------------------------------|------------------|
| Disaster Prevention Product                                          | 69.1             | 71.8             | 72.7                          | 81.0             |
| Climate Change Adaption Product                                      | 20.5             | 21.8             | 24.8                          | 18.0             |
| Climate Change Mitigation Product                                    | 106.6            | 101.2            | 106.4                         | 96.0             |
| Sales of product for Disaster prevention and Climate change response | 196.2            | 194.8            | 203.9                         | 195.0            |

#### Disaster Prevention



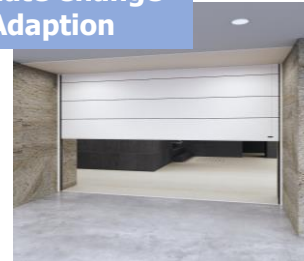
Lightweight steel doors (Specific fireproof equipment with window)  
(Sanwa Shutter)

#### Climate Change Mitigation



Re-Carbo series  
Overhead doors with high thermal insulation performance  
(Sanwa Shutter)

#### Climate Change Adaption



Water Guard Waterproof Shutter  
Added a fireproof・smokeproof type  
(Sanwa Shutter)

#### Climate Change Mitigation



Re-Carbo series  
Thermally insulated QuickSaver  
(Sanwa Shutter)

### 2 Enhance smart products and services

- Expand integration with smart home platforms in each area
- Introduce products and services that facilitate remote monitoring functions

#### IoT



RemoSma smartphone-enabled garage door control system  
(Sanwa Shutter)



Aladdin Connect  
(ODC)



Homematic IP  
Smart Home System  
(NF)

## Basic Strategies ④ Increase productivity through digitalization and manufacturing innovation

Promote digitalization of business processes and invest for production capacity expansion and labor saving

### 1 Promote Digitalization

- JP : Promote electronic data interchange (EDI) of installation contracts
  - : Nationwide rollout of order intake system for partition products
- NA: Efficiency improvements at locations that have implemented ERP
  - : ERP implementation at main door plant (Mt. Hope plant) scheduled for completion in 1Q 2025
- EU: Promote digitalization of each process
  - ⇒Implementation of Advanced Planning and Scheduling (APS) and Manufacturing Execution System (MES) at door plants in Germany
- AS: Promote business process improvement with ERP (Hong Kong, eastern China and Vietnam)

#### Capital Expenditure

| (JPY bn)           | FY 2022 Actual | FY 2023 Actual | FY 2024 Forecast | FY 2022-2024 Forecast | Mid-Term Management Plan 2024 total Targets |
|--------------------|----------------|----------------|------------------|-----------------------|---------------------------------------------|
| IT Investment      | 1.8            | 2.4            | 2.7              | 6.9                   | 12.0                                        |
| Capital Investment | 8.2            | 11.0           | 14.5             | 33.7                  | 34.0                                        |
| Total Investment   | 10.0           | 13.4           | 17.2             | 40.6                  | 46.0                                        |

### 2 Manufacturing Innovation

- JP : Steady expansion of Steel door's production volume with enhanced supply system by capital investment and increased manpower.
- NA: Concentrate automatic door production at Matamoros plant in Mexico
  - : Close Portland and Trail plants, integrate operations into the other plant
- EU: Completed expansion of new building at door plant in Italy (August 2024)
- AS: Productivity improvements at Sanwa Novoferm (Changshu) and promoting expansion of production capacity in the ASEAN region



New building of Italy Door Plant

## Basic Strategies ⑤ Enhance sustainability management

As the final year of the Mid-Term Management Plan, will promote initiatives to achieve KPIs while advancing efforts with the next Mid-Term Management Plan in mind

## Manufacturing



## 2024

- Launch "Mechanical Pit Leveler," a dock leveler (ODC)
- Launch fireproof and wind-resistant lightweight shutter "Taifu Guard LS" (Sanwa Shutter)



Fireproof and wind-resistant lightweight shutter "Taifu Guard LS"

## 2024KPI

- Climate change(mitigation・adaption) products ¥114bn (consolidated)
- Disaster prevention products ¥81bn (consolidated)

## Future subject

- Quantify environmental contribution effects
- Expand lineup of products that solve problems

## Environment



## 2024

- Expansion of Scope 3 calculation categories and scope of third-party verification (Sanwa Shutter)
- Installation of solar power generation equipment at Sanwa Novoferm Changshu Plant and Sanwa Shutter Shizuoka Plant



Sanwa Novoferm Changshu Plant



Sanwa Shutter Shizuoka Plant

## 2024KPI

- Reduce Scope1+2 CO<sub>2</sub> emissions by 10% (Sanwa Shutter)

## 2030 KPI

- Reduce Scope1+2 CO<sub>2</sub> emissions by 30% (Sanwa Shutter)
- Reduce water usage・waste intensity by 10% (Sanwa Shutter)

## Future subject

- Set new target of CO<sub>2</sub> emissions
- Response to biodiversity

## People



## 2024

- Human rights due diligence
- Providing next-generation leadership training, career advancement training for female employees, and career enhancement training.
- Providing overseas training at ODC in the U.S.



Next-generation Leadership training

## 2024KPI

- Conduct human rights due diligence

## 2030 KPI

- Rate of female managerial employees 15%(consolidated)
- Rate of female employees 20%(consolidated)

## Future subject

- Expand scope of human rights due diligence
- Reset KPIs aligned with human rights strategy

## Governance



## 2024

- Appoint chairperson of the Nomination & Compensation Committee from among outside directors
- Implement compliance e-learning for all employees

## 2024KPI

- Address board diversity
- Number of stakeholder dialogue events: 200

## Future subject

- Improvement of Board of Directors effectiveness
- Dialogue with various stakeholders

**Performance at a glance**

**H1 FY2024 Consolidated Results**

**FY2024 Consolidated Forecasts**

**Progress of Mid-Term Management Plan 2024**

**Financial Highlights**

# Capital Allocation and Shareholder Returns

- Allocate **40.5 billion yen this fiscal year** to strengthen shareholder returns, driven by a significant increase in operating CF
  - ➡ Announced a forecast annual dividend of **94 yen** per share, an increase of 16 yen, as well as a new share buyback of **15.0 billion yen**

## Capital Allocation (2022-2024)

- Upward revision of financial results will result in an additional **18.4 billion yen** in total dividends and share buybacks
- Total shareholder return for the current fiscal year is expected to be **40.5 billion yen**, and total shareholder return during Mid-term management plan period is expected to be **75.4 billion yen**.

(JPY bn)

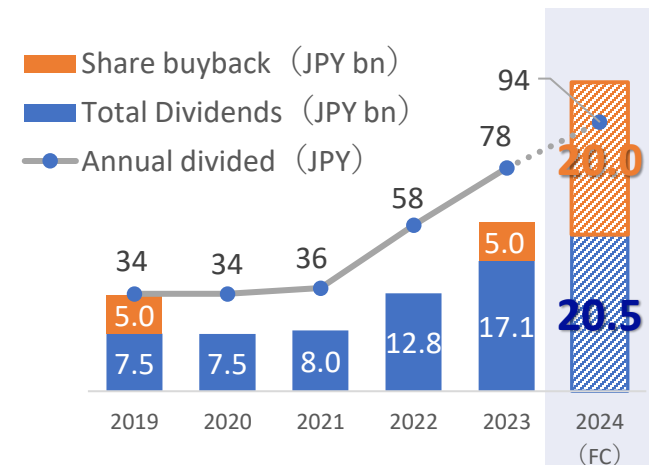
|                              |                     | Mid-Term Management Plan 2024 total Targets | FY2024 Initial Forecast | FY2024 Revised Forecast          |
|------------------------------|---------------------|---------------------------------------------|-------------------------|----------------------------------|
| CF from Operating activities |                     | 120.0                                       | 160.0                   | 170.0                            |
| Strategic Investment         | Capital Investments | 46.0                                        | 41.9                    | 40.6                             |
|                              | M&A                 | 20.0                                        | 20.0                    | 20.0                             |
| Shareholder Returns          | Dividends           | 44.0                                        | 47.0<br>➡+3.0           | 50.4<br>➡ <u>this time +3.4</u>  |
|                              | Share Buyback       | 10.0                                        | 10.0                    | 25.0<br>➡ <u>this time +15.0</u> |

Total shareholder returns  
for 3 years

54.0 JPY bn ➡ 57.0 JPY bn ➡ 75.4 JPY bn

## Shareholder Returns

- Dividend policy :  
Aim to maintain stable dividend payments targeting a payout ratio of 40% of earnings per share (EPS)
- Dividend amount :  
FY2023 : 78yen (Interim 29yen, Year-end 49yen)  
FY2024 : **94yen** (forecast) (Interim **47yen**, Year-end **47yen**)  
➡ Dividend **+16 yen** (+8 yen for both Interim and Year-end)
- Share buybacks: Flexibly implement buybacks while considering growth investments and cash on hand  
➡ Announced a new share buyback of **15.0 billion yen**



# Consolidated BS/CF & Extraordinary losses

| Consolidated BS                  | (JPY bn, %)      |       |                  |       |                           |
|----------------------------------|------------------|-------|------------------|-------|---------------------------|
|                                  | H1 FY2023 Actual | %     | H1 FY2024 Actual | %     | Variance vs. FY2023 (amt) |
| Current assets                   | 310.8            | 65.0  | 348.3            | 66.5  | +37.5                     |
| Cash and cash equivalents        | 85.3             | 17.8  | 93.4             | 17.9  | +8.1                      |
| Inventories, accounts receivable | 231.6            | 48.4  | 222.2            | 42.4  | -9.4                      |
| Noncurrent assets                | 167.3            | 35.0  | 175.3            | 33.5  | +8.0                      |
| Investment securities            | 27.4             | 5.7   | 30.3             | 5.8   | +2.9                      |
| Total assets                     | 478.1            | 100.0 | 523.6            | 100.0 | 45.5                      |
| Interest-bearing debt            | 48.2             | 10.1  | 43.5             | 8.3   | -4.7                      |
| Other liabilities                | 155.6            | 32.6  | 163.0            | 31.1  | +7.4                      |
| Net assets                       | 274.2            | 57.3  | 317.0            | 60.5  | +42.8                     |

| Breakdown of Extraordinary Losses      | (JPY bn)         |               |                  |                 |
|----------------------------------------|------------------|---------------|------------------|-----------------|
|                                        | H1 FY2023 Actual | FY2023 Actual | H1 FY2024 Actual | FY2024 Forecast |
| Extraordinary Profits                  | 4.40             | 4.76          | 0.04             | 0.09            |
| Extraordinary Losses                   | -0.21            | -7.37         | -0.49            | -2.18           |
| Loss on disposal of fixed assets       | -0.01            | -0.07         | -0.01            | -0.01           |
| Business Restructuring Expenses        | -0.02            | -0.32         | -0.48            | -1.17           |
| Impairment loss on fixed assets        | —                | -4.67         | —                | —               |
| Other Extraordinary Losses             | -0.18            | -2.31         | —                | -1.00           |
| Extraordinary Profits and Losses (Net) | 4.19             | -2.60         | -0.45            | -2.09           |

| Consolidated CF                                        | (JPY bn)         |                  |                           |
|--------------------------------------------------------|------------------|------------------|---------------------------|
|                                                        | H1 FY2023 Actual | H1 FY2024 Actual | Variance vs. FY2023 (amt) |
| Net income before income taxes                         | 31.3             | 33.7             | +2.4                      |
| Depreciation and amortization/Amortization of goodwill | 7.7              | 8.1              | +0.4                      |
| Income taxes paid                                      | -9.7             | -10.5            | -0.8                      |
| Working capital                                        | 1.1              | 3.4              | +2.3                      |
| Others                                                 | 0.6              | -1.6             | -2.2                      |
| CF from Operating activities                           | 31.1             | 33.2             | +2.1                      |
| CF from Investing activities                           | -9.3             | -20.9            | -11.6                     |
| FCF (Operating + Investing)                            | 21.7             | 12.2             | -9.5                      |
| CF from Financing activities                           | -10.1            | -19.5            | -9.4                      |
| Cash and cash equivalents (end of year)                | 85.3             | 93.4             | 8.1                       |

## Extraordinary Losses

- The impairment loss on fixed assets in FY2023 was mainly a one-time impairment loss in Europe and North America. Other extraordinary losses included a one-time loss related to pension plan changes in North America.
- Projected to remain at the 2.0 billion yen level in FY2024, including business restructuring expenses

# Appendix

# Outline of Consolidated Results by Sector

|                                                         | FY2023   |              |       |          |              |       |           |              |       | FY2024           |           |              |        |           |              |        |                  |          |              |        |
|---------------------------------------------------------|----------|--------------|-------|----------|--------------|-------|-----------|--------------|-------|------------------|-----------|--------------|--------|-----------|--------------|--------|------------------|----------|--------------|--------|
|                                                         | 1st Half |              |       | 2nd Half |              |       | Full Year |              |       | 1st Half         |           |              |        | 2nd Half  |              |        | Full Year        |          |              |        |
|                                                         |          | profit ratio | Y/Y   |          | profit ratio | Y/Y   |           | profit ratio | Y/Y   | Initial Forecast |           | profit ratio | Y/Y    | Forecast  | profit ratio | Y/Y    | Initial Forecast | Forecast | profit ratio | Y/Y    |
| Net Sales                                               | 285,657  |              | 6.5   | 325,449  |              | 1.7   | 611,107   |              | 3.9   | 293,000          | 313,827   |              | 9.9    | 339,172   |              | 4.2    | 625,000          | 653,000  |              | 6.9    |
| <div>assumed forex rate same as the previous year</div> |          |              |       |          |              |       |           |              |       |                  | [293,275] |              | [2.7]  | [340,925] |              | [4.8]  | [634,201]        |          |              | [3.8]  |
| Japan                                                   | 121,482  |              | 8.1   | 144,246  |              | 2.6   | 265,728   |              | 5.0   | 123,502          | 130,421   |              | 7.4    | 153,992   |              | 6.8    | 278,607          | 284,414  |              | 7.0    |
| North America (ODC)                                     | 104,031  |              | 3.8   | 115,888  |              | -2.5  | 219,919   |              | 0.3   | 108,654          | 118,999   |              | 14.4   | 120,412   |              | 3.9    | 225,038          | 239,412  |              | 8.9    |
| Europe (NF)                                             | 54,445   |              | 5.5   | 57,083   |              | 6.0   | 111,529   |              | 5.8   | 55,691           | 57,824    |              | 6.2    | 56,385    |              | -1.2   | 112,033          | 114,210  |              | 2.4    |
| Asia                                                    | 5,947    |              | 47.9  | 8,405    |              | 22.9  | 14,352    |              | 32.2  | 6,867            | 6,866     |              | 15.4   | 8,596     |              | 2.3    | 15,462           | 15,462   |              | 7.7    |
| Operating Profit                                        | 27,733   | 9.7          | 29.0  | 37,626   | 11.6         | 8.1   | 65,360    | 10.7         | 16.1  | 26,500           | 32,313    | 10.3         | 16.5   | 40,186    | 11.8         | 6.8    | 62,500           | 72,500   | 11.1         | 10.9   |
| <div>assumed forex rate same as the previous year</div> |          |              |       |          |              |       |           |              |       |                  | [29,974]  |              | [8.1]  | [40,278]  |              | [7.0]  | [70,253]         |          |              | [7.5]  |
| Japan                                                   | 10,487   | 8.6          | 23.5  | 17,245   | 12.0         | 6.4   | 27,732    | 10.4         | 12.2  | 10,083           | 12,327    | 9.5          | 17.5   | 18,452    | 12.0         | 7.0    | 28,483           | 30,780   | 10.8         | 11.0   |
| North America (ODC)                                     | 16,476   | 15.8         | 40.6  | 18,026   | 15.5         | 4.0   | 34,502    | 15.7         | 18.8  | 15,416           | 19,605    | 16.5         | 19.0   | 20,237    | 16.8         | 12.3   | 30,532           | 39,842   | 16.6         | 15.5   |
| Europe (NF)                                             | 1,253    | 2.3          | -39.7 | 2,636    | 4.7          | 20.4  | 3,889     | 3.5          | -8.9  | 1,338            | 852       | 1.5          | -32.0  | 2,203     | 3.8          | -16.4  | 3,546            | 3,055    | 2.7          | -21.4  |
| Asia                                                    | 47       | 0.8          | -56.0 | 528      | 6.3          | 250.2 | 575       | 4.0          | 122.9 | 40               | 140       | 2.1          | 198.0  | 259       | 3.0          | -51.0  | 400              | 400      | 2.6          | -30.5  |
| Ordinary Profit                                         | 27,163   | 9.5          | 36.8  | 37,739   | 11.6         | 14.6  | 64,903    | 10.6         | 23.0  | 26,000           | 34,201    | 10.9         | 25.9   | 40,798    | 12.0         | 8.1    | 62,000           | 75,000   | 11.5         | 15.6   |
| <div>assumed forex rate same as the previous year</div> |          |              |       |          |              |       |           |              |       |                  | [31,726]  |              | [16.8] | [40,930]  |              | [8.5]  | [72,657]         |          |              | [11.9] |
| Profit attributable to owners of parent                 | 22,109   | 7.7          | 63.9  | 21,119   | 6.5          | 7.8   | 43,228    | 7.1          | 30.7  | 18,000           | 23,775    | 7.6          | 7.5    | 27,224    | 8.0          | 28.9   | 42,500           | 51,000   | 7.8          | 18.0   |
| <div>assumed forex rate same as the previous year</div> |          |              |       |          |              |       |           |              |       |                  | [21,973]  |              | [-0.6] | [27,335]  |              | [29.4] | [49,308]         |          |              | [14.1] |

《Local currency》

\$ in thousands, € in thousands・%

|                  |                     | FY2023    |              |       |           |              |      |             |              |       |                  | FY2024    |              |          |           |              |           |                  |             |              |       |
|------------------|---------------------|-----------|--------------|-------|-----------|--------------|------|-------------|--------------|-------|------------------|-----------|--------------|----------|-----------|--------------|-----------|------------------|-------------|--------------|-------|
|                  |                     | 1st Half  |              |       | 2nd Half  |              |      | Full Year   |              |       | 1st Half         |           |              | 2nd Half |           |              | Full Year |                  |             |              |       |
|                  |                     |           | profit ratio | Y/Y   |           | profit ratio | Y/Y  |             | profit ratio | Y/Y   | Initial Forecast |           | profit ratio | Y/Y      | Forecast  | profit ratio | Y/Y       | Initial Forecast | Forecast    | profit ratio | Y/Y   |
| Sales            | North America (ODC) | \$761,910 |              | -5.4  | \$795,595 |              | -6.9 | \$1,557,505 |              | -6.1  | \$765,171        | \$772,426 |              | 1.4      | \$834,367 |              | 4.9       | \$1,584,781      | \$1,606,794 |              | 3.2   |
|                  | Europe (NF)         | €368,048  |              | -3.6  | € 360,092 |              | -5.1 | €728,140    |              | -4.4  | €366,391         | €348,088  |              | -5.4     | € 356,911 |              | -0.9      | €737,062         | €705,000    |              | -3.2  |
| Operating Profit | North America (ODC) | \$120,674 | 15.8         | 28.2  | \$123,680 | 15.5         | -1.7 | \$244,355   | 15.7         | 11.1  | \$108,565        | \$127,257 | 16.5         | 5.5      | \$140,142 | 16.8         | 13.3      | \$215,015        | \$267,400   | 16.6         | 9.4   |
|                  | Europe (NF)         | €8,476    | 2.3          | -44.9 | € 16,919  | 4.7          | 9.7  | €25,396     | 3.5          | -17.6 | €8,806           | €5,129    | 1.5          | -39.5    | € 13,733  | 3.8          | -18.8     | €23,335          | €18,863     | 2.7          | -25.7 |

1) Figures of [ ] in FY2024/2023 is assumed forex rate same as FY2023/2022.

2) Figures are round off. &lt;+&gt; is for increase, &lt;-&gt; is for decrease from the previous year.

3) Forex rate is term average.

4) Figures by entities are before consolidation adjustment and do not add up to total.

| Forex Rate | FY2023 |        | FY2024 |        |
|------------|--------|--------|--------|--------|
|            | H1     | FY     | H1     | FY(F)  |
| USD        | 136.54 | 141.20 | 154.06 | 149.00 |
| EUR        | 147.93 | 153.17 | 166.12 | 162.00 |

# Order Intake & Net Sales by Products (Japan)

¥ in millions • %

|                                    | FY2023               |                  |            |                      |                  |            |                  |            |                  |            | FY2024               |                  |            |                         |                  |            |                  |            |                  |            |
|------------------------------------|----------------------|------------------|------------|----------------------|------------------|------------|------------------|------------|------------------|------------|----------------------|------------------|------------|-------------------------|------------------|------------|------------------|------------|------------------|------------|
|                                    | 1st Half             |                  |            | 2nd Half             |                  |            | Full Year        |            |                  |            | 1st Half             |                  |            | 2nd Half(F)             |                  |            | Full Year(F)     |            |                  |            |
|                                    | Order Intake         | Sales            | % to total | Order Intake         | Sales            | % to total | Order Intake     | % to total | Sales            | % to total | Order Intake         | Sales            | % to total | Order Intake            | Sales            | % to total | Order Intake     | % to total | Sales            | % to total |
| Lightweight Shutters               | <4.7><br>13,480      | <3.1><br>12,994  | 10.7       | <3.2><br>13,145      | <1.4><br>13,253  | 9.2        | <4.0><br>26,626  | 9.5        | <2.2><br>26,247  | 9.9        | <2.0><br>13,746      | <1.8><br>13,226  | 10.1       | <4.8><br>13,774         | <3.1><br>13,660  | 8.9        | <3.4><br>27,521  | 9.4        | <2.4><br>26,887  | 9.5        |
| Heavy-duty Shutters                | <5.2><br>17,906      | <1.1><br>15,925  | 13.1       | <24.2><br>20,564     | <-2.1><br>18,240 | 12.6       | <14.6><br>38,471 | 13.7       | <-0.6><br>34,166 | 12.9       | <7.6><br>19,261      | <11.8><br>17,802 | 13.6       | <-0.0><br>20,563        | <8.3><br>19,756  | 12.8       | <3.5><br>39,824  | 13.6       | <9.9><br>37,558  | 13.2       |
| Waterproof/<br>other Shutters      | <4.0><br>11,412      | <4.1><br>10,048  | 8.3        | <8.4><br>12,254      | <5.2><br>12,382  | 8.6        | <6.2><br>23,666  | 8.4        | <4.7><br>22,430  | 8.4        | <10.3><br>12,589     | <16.6><br>11,718 | 9.0        | <3.0><br>12,620         | <-5.2><br>11,732 | 7.6        | <6.5><br>25,209  | 8.6        | <4.6><br>23,451  | 8.2        |
| Comm. Bldgs/<br>Condominiums Doors | <12.0><br>34,001     | <11.8><br>28,638 | 23.6       | <1.6><br>33,999      | <6.2><br>36,878  | 25.6       | <6.5><br>68,001  | 24.2       | <8.6><br>65,517  | 24.7       | <0.1><br>34,024      | <7.3><br>30,737  | 23.6       | <3.7><br>35,241         | <3.8><br>38,268  | 24.9       | <1.9><br>69,265  | 23.7       | <5.3><br>69,005  | 24.3       |
| Partitions                         | <20.6><br>8,958      | <15.2><br>6,292  | 5.2        | <20.1><br>9,396      | <3.1><br>9,729   | 6.7        | <20.3><br>18,354 | 6.5        | <7.5><br>16,021  | 6.0        | <7.0><br>9,583       | <13.8><br>7,160  | 5.5        | <8.3><br>10,177         | <20.3><br>11,702 | 7.6        | <7.7><br>19,760  | 6.8        | <17.7><br>18,862 | 6.6        |
| Entrance                           | <29.7><br>19,963     | <13.4><br>15,587 | 12.8       | <4.0><br>18,064      | <6.6><br>18,595  | 12.9       | <16.1><br>38,027 | 13.5       | <9.6><br>34,183  | 12.9       | <-2.2><br>19,514     | <10.2><br>17,183 | 13.2       | <7.2><br>19,370         | <20.4><br>22,383 | 14.5       | <2.3><br>38,884  | 13.3       | <15.8><br>39,567 | 13.9       |
| Housing-related Products           | <2.2><br>8,353       | <3.6><br>8,275   | 6.8        | <-4.6><br>7,798      | <-4.3><br>7,921  | 5.5        | <-1.2><br>16,152 | 5.8        | <-0.4><br>16,196 | 6.1        | <-5.9><br>7,856      | <-7.8><br>7,632  | 5.9        | <-0.6><br>7,751         | <0.4><br>7,954   | 5.2        | <-3.4><br>15,607 | 5.3        | <-3.8><br>15,587 | 5.5        |
| Maintenance & Repair               | <4.9><br>24,498      | <8.9><br>22,377  | 18.4       | <4.8><br>24,408      | <1.5><br>26,283  | 18.2       | <4.9><br>48,907  | 17.4       | <4.8><br>48,661  | 18.3       | <9.3><br>26,785      | <5.5><br>23,612  | 18.1       | <9.5><br>26,724         | <5.1><br>27,632  | 17.9       | <9.4><br>53,509  | 18.3       | <5.3><br>51,244  | 18.0       |
| Others                             | <52.6><br>1,519      | <36.2><br>1,342  | 1.1        | <-20.0><br>1,129     | <-22.6><br>960   | 0.7        | <10.0><br>2,649  | 0.9        | <3.4><br>2,303   | 0.9        | <-1.0><br>1,504      | <0.4><br>1,347   | 1.0        | <-8.9><br>1,029         | <-6.1><br>901    | 0.6        | <-4.3><br>2,534  | 0.9        | <-2.3><br>2,249  | 0.8        |
| Total                              | <10.7><br>140,095    | <8.1><br>121,482 | 100.0      | <6.5><br>140,760     | <2.7><br>144,246 | 100.0      | <8.6><br>280,856 | 100.0      | <5.1><br>265,728 | 100.0      | <3.4><br>144,867     | <7.4><br>130,421 | 100.0      | <4.6><br>147,252        | <6.8><br>153,992 | 100.0      | <4.0><br>292,119 | 100.0      | <7.0><br>284,414 | 100.0      |
|                                    | the end of Sep. 2023 |                  |            | the end of Mar. 2024 |                  |            | Y/Y              |            |                  |            | the end of Sep. 2024 |                  |            | the end of Mar. 2025(F) |                  |            | Y/Y              |            |                  |            |
| Outstanding Order Backlog          | 127,750              |                  |            | 124,941              |                  |            | 15,741           |            |                  |            | 138,929              |                  |            | 132,646                 |                  |            | 7,705            |            |                  |            |

1) &lt; &gt; = % year on year 2) Outstanding Order Backlog = Backlog of orders including orders worked-in-process

3) The disclosed product groups were changed. OSD, shutters, and waterproof-related products, which were previously disclosed, are now included in "Waterproof/other shutters", stainless steel products, front products, and automatic door engines are included in "Entrance" and residential doors, window products, and exterior products are included in "Housing-related Products".

# North America & Europe : Net Sales by products (ODC, NF)

## ODC Group Sales Performance

\$ in thousands, <1%yoy>

|                             |                                       | FY2023  |           |         |           |           |           | FY2024  |           |         |           |              |           |
|-----------------------------|---------------------------------------|---------|-----------|---------|-----------|-----------|-----------|---------|-----------|---------|-----------|--------------|-----------|
|                             |                                       | 1H      |           | 2H      |           | Full Year |           | 1H      |           | 2H(F)   |           | Full Year(F) |           |
|                             |                                       |         | %to total |         | %to total |           | %to total |         | %to total |         | %to total |              | %to total |
| Sales breakdown by Products |                                       |         |           |         |           |           |           |         |           |         |           |              |           |
|                             | Vehicular Access                      | <-8.9>  |           | <-7.5>  |           | <-8.2>    |           | <2.0>   |           | <2.8>   |           | <2.4>        |           |
|                             |                                       | 551,749 | 72.4      | 574,150 | 72.2      | 1,125,900 | 72.3      | 562,642 | 72.8      | 590,196 | 70.7      | 1,152,838    | 71.7      |
|                             | Residential                           | <-16.4> |           | <-12.8> |           | <-14.6>   |           | <7.7>   |           | <4.7>   |           | <6.1>        |           |
|                             |                                       | 267,595 | 35.1      | 288,972 | 36.3      | 556,566   | 35.7      | 288,204 | 37.3      | 302,522 | 36.3      | 590,726      | 36.8      |
|                             | Commercial                            | <-0.6>  |           | <-1.4>  |           | <-1.0>    |           | <-3.4>  |           | <0.9>   |           | <-1.3>       |           |
|                             |                                       | 284,155 | 37.3      | 285,178 | 35.8      | 569,333   | 36.6      | 274,438 | 35.5      | 287,674 | 34.5      | 562,112      | 35.0      |
|                             | Electronic & Perimeter Access Control | <-1.5>  |           | <-8.6>  |           | <-5.3>    |           | <-0.4>  |           | <9.0>   |           | <4.4>        |           |
|                             |                                       | 146,262 | 19.2      | 154,617 | 19.4      | 300,878   | 19.3      | 145,653 | 18.9      | 168,606 | 20.2      | 314,259      | 19.6      |
|                             | Pedestrian Access                     | <25.8>  |           | <4.1>   |           | <13.7>    |           | <0.4>   |           | <13.1>  |           | <6.9>        |           |
|                             |                                       | 63,899  | 8.4       | 66,828  | 8.4       | 130,727   | 8.4       | 64,131  | 8.3       | 75,566  | 9.1       | 139,697      | 8.7       |
| Net Sales                   |                                       | <-5.4>  |           | <-6.9>  |           | <-6.1>    |           | <1.4>   |           | <4.9>   |           | <3.2>        |           |
|                             |                                       | 761,910 | 100.0     | 795,595 | 100.0     | 1,557,505 | 100.0     | 772,426 | 100.0     | 834,368 | 100.0     | 1,606,794    | 100.0     |

1) < > = % year on year

2) Previous "Door" "Operator" "Automatic Door" are now "Vehicular Access" "Electronic & Perimeter Access Control" "Pedestrian Access" respectively.

## NF Group Sales Performance

€ in thousands, <1%yoy>

|                             |                 | FY2023  |           |         |           |           |           | FY2024  |           |         |           |              |           |
|-----------------------------|-----------------|---------|-----------|---------|-----------|-----------|-----------|---------|-----------|---------|-----------|--------------|-----------|
|                             |                 | H1      |           | H2      |           | Full Year |           | H1      |           | H2(F)   |           | Full Year(F) |           |
|                             |                 |         | %to total |         | %to total |           | %to total |         | %to total |         | %to total |              | %to total |
| Sales breakdown by Products |                 |         |           |         |           |           |           |         |           |         |           |              |           |
|                             | Hinged Door     | <-0.7>  |           | <-1.0>  |           | <-0.9>    |           | <-2.1>  |           | <2.9>   |           | <0.4>        |           |
|                             |                 | 102,555 | 27.9      | 103,731 | 28.8      | 206,286   | 28.3      | 100,353 | 28.8      | 106,747 | 29.9      | 207,100      | 29.4      |
|                             | Garage Door     | <-7.5>  |           | <-5.9>  |           | <-6.8>    |           | <-12.9> |           | <-8.0>  |           | <-10.6>      |           |
|                             |                 | 88,807  | 24.1      | 80,713  | 22.4      | 169,519   | 23.3      | 77,343  | 22.2      | 74,257  | 20.8      | 151,600      | 21.5      |
|                             | Industrial Door | <-3.1>  |           | <-7.1>  |           | <-5.1>    |           | <-3.6>  |           | <0.1>   |           | <-1.7>       |           |
|                             |                 | 176,687 | 48.0      | 175,648 | 48.8      | 352,335   | 48.4      | 170,392 | 49.0      | 175,908 | 49.3      | 346,300      | 49.1      |
| Net Sales                   |                 | <-3.6>  |           | <-5.1>  |           | <-4.4>    |           | <-5.4>  |           | <-0.9>  |           | <-3.2>       |           |
|                             |                 | 368,048 | 100.0     | 360,092 | 100.0     | 728,140   | 100.0     | 348,088 | 100.0     | 356,912 | 100.0     | 705,000      | 100.0     |

1) < > = % year on year

# 04 Business and External Environment

## External Environment

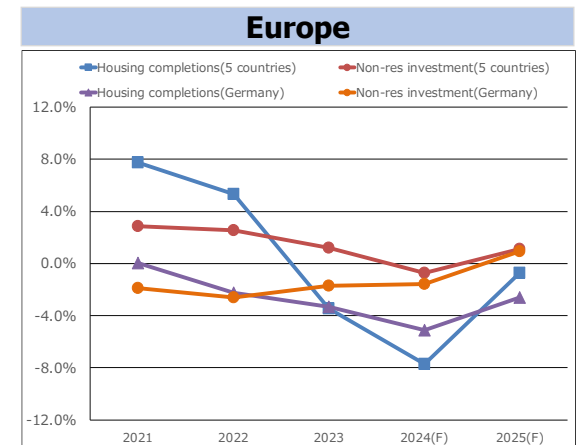
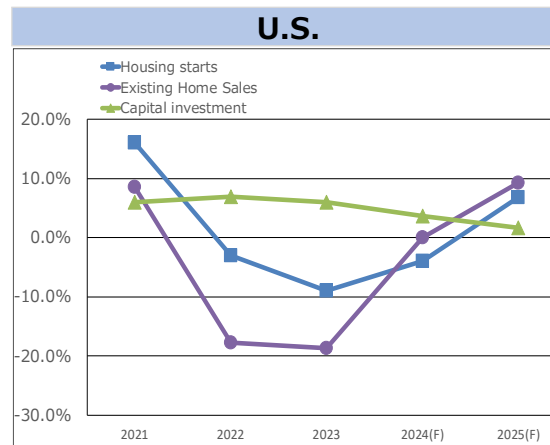
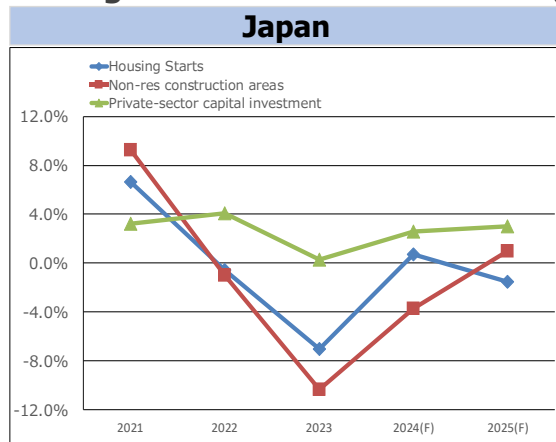
|         |                                   |                  | 2021    |       | 2022    |        | 2023    |        | 2024<br>Forecast |       | 2025<br>Forecast |       |
|---------|-----------------------------------|------------------|---------|-------|---------|--------|---------|--------|------------------|-------|------------------|-------|
|         |                                   |                  |         |       |         |        |         |        |                  |       |                  |       |
| Japan   | Housing Starts                    | k units          | 866     | 6.6%  | 861     | -0.6%  | 800     | -7.0%  | 795              | -0.7% | 783              | -1.5% |
|         | Non-res construction areas        | k m <sup>2</sup> | 43,738  | 9.3%  | 43,296  | -1.0%  | 38,831  | -10.3% | 37,380           | -3.7% | 37,742           | 1.0%  |
|         | Private-sector capital investment | JPY bn           | 88,065  | 3.2%  | 91,652  | 4.1%   | 91,962  | 0.3%   | 94,353           | 2.6%  | 97,184           | 3.0%  |
| USA     | Housing starts                    | k units          | 1,601   | 16.0% | 1,553   | -3.0%  | 1,413   | -9.0%  | 1,357            | -4.0% | 1,450            | 6.9%  |
|         | Existing Home Sales               | k units          | 6,120   | 8.5%  | 5,030   | -17.8% | 4,090   | -18.7% | 4,090            | 0.0%  | 4,470            | 9.3%  |
|         | Capital investment                | USD bn           | 2,985   | 6.0%  | 3,193   | 7.0%   | 3,385   | 6.0%   | 3,506            | 3.6%  | 3,566            | 1.7%  |
| Europe  | Housing completions(5 countries)  | EUR m            | 763,374 | 7.7%  | 803,907 | 5.3%   | 776,045 | -3.5%  | 716,336          | -7.7% | 711,050          | -0.7% |
|         | Non-res investment(5 countries)   | EUR m            | 405,926 | 2.9%  | 416,302 | 2.6%   | 421,297 | 1.2%   | 418,204          | -0.7% | 422,934          | 1.1%  |
| Germany | Housing completions               | EUR m            | 299,497 | 0.0%  | 292,753 | -2.3%  | 283,064 | -3.3%  | 268,574          | -5.1% | 261,620          | -2.6% |
|         | Non-res investment                | EUR m            | 125,621 | -1.9% | 122,361 | -2.6%  | 120,292 | -1.7%  | 118,398          | -1.6% | 119,492          | 0.9%  |

※ EU(5 countries) include U.K., Germany, France, Italy and the Netherlands.

※ Ref:(JPN) MLIT Sep 2024, CAO Sep 2024, R.I.C.E. Oct 2024, (US) National Association of Realtors Oct 2024, DOC Oct 2024, (EU) Euroconstruct July 2024.

※ FY basis in JPN(Apr-March), US/EU on CY basis(Jan-Dec) , (JPN·US)Capital investment 2024-2025 forecast : Nissay Basic Res. Center Sep 2024.

## Change in External Environment (Y/Y)



# 05 Key Figures & Ratios

(¥ in millions, %)

|                                                                             |         | FY2015  | FY2016  | FY2017  | FY2018  | FY2019  | FY2020  | FY2021  | FY2022  | FY2023  | FY2024<br>Forecast |
|-----------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|--------------------|
| Net Sales                                                                   | (JPYm)  | 365,615 | 353,922 | 385,673 | 409,990 | 440,161 | 427,061 | 468,956 | 588,159 | 611,107 | 653,000            |
| Operating profit                                                            | (JPYm)  | 26,870  | 26,440  | 28,322  | 31,593  | 34,217  | 33,077  | 35,487  | 56,307  | 65,360  | 72,500             |
| Profit attributable to owners of the parent                                 | (JPYm)  | 14,627  | 17,070  | 18,280  | 20,910  | 21,647  | 21,251  | 22,842  | 33,084  | 43,228  | 51,000             |
| Operating profit Ratio                                                      | (%)     | 7.3%    | 7.5%    | 7.3%    | 7.7%    | 7.8%    | 7.7%    | 7.6%    | 9.6%    | 10.7%   | 11.1%              |
| SVA(Sanwa Value Added)                                                      | (JPYm)  | 8,290   | 8,057   | 9,026   | 12,693  | 13,974  | 13,609  | 14,784  | 26,906  | 32,184  | 36,400             |
| ROIC:NOPAT/Invested capital                                                 | (%)     | 12.2%   | 12.2%   | 12.8%   | 15.0%   | 15.4%   | 15.5%   | 15.9%   | 20.9%   | 22.6%   | 23.5%              |
| ROE : Net profit attributable to owners of the parent company/Shareholders' | (%)     | 11.4%   | 12.7%   | 12.7%   | 13.5%   | 13.3%   | 12.4%   | 12.0%   | 15.0%   | 16.5%   | 17.5%              |
| Shareholders' Equity Ratio (term end)                                       | (%)     | 41.7%   | 43.0%   | 45.2%   | 47.4%   | 46.3%   | 47.9%   | 52.2%   | 54.4%   | 57.7%   | 59.0%              |
| Debt-Equity Ratio:                                                          |         |         |         |         |         |         |         |         |         |         |                    |
| Interest Bearing Liabilities/Shareholders' Equity                           | (times) | 0.54    | 0.53    | 0.44    | 0.38    | 0.38    | 0.36    | 0.23    | 0.20    | 0.16    | 0.15               |
| EPS : Earnings per share                                                    | (JPY)   | 63.1    | 74.6    | 81.0    | 93.0    | 97.1    | 96.2    | 103.4   | 149.7   | 196.0   | 235.1              |
| Dividend per share                                                          | (JPY)   | 23      | 25      | 30      | 32      | 34      | 34      | 36      | 58      | 78      | 94                 |
| Consolidated dividend payout ratio                                          | (%)     | 36.5%   | 33.5%   | 37.1%   | 34.4%   | 35.0%   | 35.3%   | 34.8%   | 38.7%   | 39.8%   | 40.0%              |
| PBR (Price Book-value Ratio) (term end)                                     | (times) | 1.5     | 1.7     | 2.1     | 1.8     | 1.1     | 1.8     | 1.4     | 1.3     | 2.2     | —                  |
| PER (Price Earnings Ratio) (term end)                                       | (times) | 13.3    | 14.0    | 17.0    | 14.2    | 8.7     | 15.1    | 12.0    | 9.5     | 13.7    | —                  |

\*1 SVA refers to Sanwa's original indicator, following EVA concept.

\*2 The invested capital used in the Company's SVA and ROIC has been calculated excluding cash and cash equivalents as well as investments in securities.

# 06 Improvement of Capital Efficiency

- Sanwa Value Added (SVA) is the Company's unique indicator of economic value added used since 2001.
- For ROIC, we will implement improvement measures at each location and promote capital cost management within the group.

## SVA Improvement

$$\begin{aligned}
 \text{SVA} &= \text{NOPAT} - \text{Invested capital} \times \text{Weighted average cost of capital (WACC:6\%)} \\
 &= \text{ROIC} \times \text{Invested capital} - \text{Invested capital} \times \text{WACC (6\%)} \\
 &= \text{Invested capital} \times (\text{ROIC} - \text{WACC (6\%)})
 \end{aligned}$$



Improvement of ROIC leads to improvement of SVA

## ROIC composing elements

### Profitability

**NOPAT Margin**  
(NOPAT/Sales)

Marginal Profit

Fixed Cost

### Capital Efficiency

**Invested Capital Turnover**  
(Sales/Invested capital)

Cash Conversion Cycle

Fixed Asset Turnover

Receivables Holding Period

Inventory Holding Period

## Improvement measures

- Promote sales of high-profitability products
- Reduction measures on installation and logistics expenses
- Appropriate pass-through of material price
- Improve productivity
- Cost reduction measures on SGA, etc.
- Early collection of accounts receivable
- Acquisition of advances received
- Optimization of accounts payable management (terms of payment)
- Optimize inventory control (compress, etc.)
- Disposal of idle assets
- Review of cross-shareholdings

## ROIC Improvement (NOPAT/Invested capital)

WACC: 6%  
Cost of equity: 8% projected

# Capital Expenditure & Depreciation

(¥ in millions)

|                                        | FY2022       |               | FY2023       |               | FY2024       |               |
|----------------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
|                                        | H1           | Full Year     | H1           | Full Year     | H1           | Full Year(F)  |
| <b>Capital Expenditures</b>            | <b>4,140</b> | <b>10,041</b> | <b>6,973</b> | <b>13,364</b> | <b>7,945</b> | <b>17,200</b> |
| Japan                                  | 1,601        | 3,608         | 2,593        | 4,155         | 2,498        | 4,990         |
| Forex rate                             | 124.52       | 132.08        | 136.54       | 141.20        | 154.06       | 149.00        |
| <\$ in thousands>                      | <\$7,842>    | <\$20,396>    | <\$15,540>   | <\$36,826>    | <\$21,759>   | <\$47,449>    |
| North America (ODC)                    | 976          | 2,693         | 2,121        | 5,199         | 3,352        | 7,070         |
| Forex rate                             | 135.16       | 138.52        | 147.93       | 153.17        | 166.12       | 162.00        |
| <€ in thousands>                       | <€9,603>     | <€24,429>     | <€14,219>    | <€24,512>     | <€10,819>    | <€26,913>     |
| Europe (NF)                            | 1,298        | 3,383         | 2,103        | 3,754         | 1,797        | 4,360         |
| Asia                                   | 264          | 355           | 154          | 254           | 297          | 780           |
| <b>Depreciation &amp; Amortization</b> | <b>7,000</b> | <b>14,787</b> | <b>7,710</b> | <b>16,076</b> | <b>8,189</b> | <b>14,700</b> |
| Japan                                  | 1,576        | 3,324         | 1,565        | 3,379         | 1,589        | 3,418         |
| <\$18,277>                             | <\$18,277>   | <\$37,100>    | <\$18,720>   | <\$37,219>    | <\$16,812>   | <\$32,348>    |
| North America (ODC)                    | 2,275        | 4,900         | 2,556        | 5,255         | 2,590        | 4,820         |
| <€12,612>                              | <€12,612>    | <€26,317>     | <€14,254>    | <€28,267>     | <€15,094>    | <€26,123>     |
| Europe (NF)                            | 1,704        | 3,645         | 2,108        | 4,329         | 2,507        | 4,232         |
| Asia                                   | 93           | 149           | 190          | 427           | 169          | 440           |
| Amortization of goodwill               | 1,350        | 2,766         | 1,290        | 2,684         | 1,333        | 1,789         |

Allows for flexible combinations of mailboxes and delivery boxes

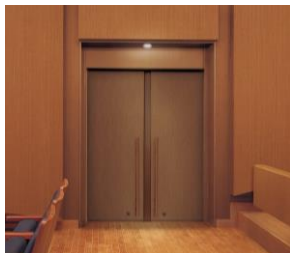
**June 2024**  
Launched the freestanding frame units for mailboxes and delivery boxes, "FU-1 (Base Type)" and "FU-2 (Embedded Type)"



田島メタルワーク株式会社

New mechanism ensures fireproof performance and high sound insulation performance

**July 2024**  
Added doors for theaters, concert halls, etc., to the lineup of high-performance soundproof doors, "Soundproofing Guard"



Instantly creates realistic model home images based on photos of your home!

**July 2024**  
Introduced AI-powered virtual simulator "DoorDreamer™"



The Genuine. The Original.  
OVERHEAD DOOR

Achieves a perfect balance of high design quality and functionality

**October 2024**  
Glass partition "Duo Glass" won the Good Design Award!



GOOD DESIGN AWARD 2024



2025~

**April 2024**

**April 2024**  
Genie, the door opener division of ODC, opened its Innovation Center



The Genuine. The Original.  
OVERHEAD DOOR

**May 2024**  
Participated as a supplier in the venue preparations for Osaka-Kansai Expo 2025



**May 2024**  
Sanwa Holdings and Sanwa Shutter Corporation donated 2 million yen in relief funds to those impacted by the earthquake off the eastern coast of Taiwan



**2024**  
Installed solar power generation equipment at Sanwa Novoferm Changshu Plant in June and at Sanwa Shutter's Shizuoka Plant in September



Sanwa Shutter's Shizuoka Plant

Sanwa Novoferm Changshu Plant



# 09 External Evaluations

The Sanwa Group's sustainability initiatives and disclosure level are evaluated by external parties and are recognized with inclusion in domestic and international ESG indexes and receipt of various awards.

| ESG Index                                                                                                                                                                                                      |                                                                                                                                                                                                                        | Awards and Rating                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>MSCI Japan ESG Select Leaders Index</b></p> <p>2024 CONSTITUENT MSCI Japan ESG Select Leaders Index</p> <p>Rated up</p> <p><b>MSCI</b><br/>ESG RATINGS</p> <p>CCC B BB BBB A AA AAA</p> <p><b>AA</b></p> | <p><b>FTSE4Good Index Series</b></p> <p>4th Consecutive</p> <p></p> <p>FTSE4Good</p>                                                  | <p><b>CDP2023 Climate Change Score A-</b></p> <p>Score up</p> <p></p>                      | <p><b>5th NIKKEI SDGS Management Survey ★3.5</b></p> <p><b>NIKKEI SDGs</b><br/>Management Survey 2023</p> <p>★★★★</p>                                                                                                                                                                                                                                                   |
| <p><b>FTSE Blossom Japan Index</b></p> <p>4th Consecutive</p> <p></p> <p>FTSE Blossom Japan</p>                               | <p><b>FTSE Blossom Japan Sector Relative Index</b></p> <p>3rd Consecutive</p> <p></p> <p>FTSE Blossom Japan Sector Relative Index</p> | <p><b>Daiwa Investor Relation 2023 Internet IR Award [Commendation Award]</b></p> <p></p> | <p><b>Nikko Investor Relations 2023 All Japanese Listed Companies' Website Ranking in All and Sector [AAA Rating]</b></p> <p></p>                                                                                                                                                    |
| <p><b>SOMPO Sustainability Index</b></p> <p>2024 First selection</p> <p></p> <p>Sompo Sustainability Index</p>              | <p><b>S&amp;P/JPX Carbon Efficient Index</b></p> <p></p>                                                                            | <p><b>Institutional Investor The 2024 All-Japan Executive Team Rankings (Construction Sector)</b></p>                                                                         | <p><b>Construction Sector 2<sup>nd</sup> place</b></p> <p><b>Best CEO 1<sup>st</sup> place</b></p> <p><b>Best Company Board 1<sup>st</sup> place</b></p> <p><b>Best ESG Program 2<sup>nd</sup> place</b></p> <p><b>Best IR Professional 1<sup>st</sup> place</b></p> <p><b>Best IR Program 1<sup>st</sup> place</b></p> <p><b>Best IR Team 2<sup>nd</sup> place</b></p> |