Q3 FY06/2024
Financial Results Briefing Materials



(TSE Prime, NSE Premier 6036 JT)

May 10, 2024

Agenda

■ Business Performance
- Quarterly and 9-months Results

■ KeePer Products Related Segment
- Breakdown of Sub-Segments
- New Car Market
- Connection to KeePer LABO
- Overseas Business
- Non-Auto Coating

■ KeePer LABO Operation Segment
- Monthly Sales
- Existing Store Sales
- New Labo Store

■ Annual Earnings Forecast
- Revision of Earnings Forecast



Q3 cumulative

Sales 15,109 mn yen +22.2% YoY
OP 4,392 mn yen +8.8% YoY

mn yen	Q1 July-Sep		Q2 Oct-Dec		Q3 Jan-Mar		Q3 Cumulative July-Mar		
	Results	YoY	Results	YoY	Results	YoY	Results	YoY	Revised Progress Rate
Net sales	**4,762**	**+25.7%**	**5,940**	**+24.3%**	**4,406**	**+16.1%**	**15,109**	**+22.2%.**	**73.7%**
products-related (Internal transactions)	2,132 (357)	+34.6%	2,707 (472)	+26.6%	2,057 (280)	+27.3%	6,897 (1,110)	+29.2%	73.7%
LABO operation	2,629	+19.3%	3,232	+22.5%	2,349	+7.8%	8,211	+16.9%	73.7%
Gross profit	**3,879**	**+24.6%**	**4,879**	**+24.3%**	**3,547**	**+14.9%**	**12,307**	**+21.7%**	**–**
SGA	2,703	+39.1%	2,735	+32.3%	2,475	+19.7%	7,914	+30.2%	–
OP	**1,176**	**+0.5%**	**2,143**	**+16.1%**	**1,072**	**+5.2%**	**4,392**	**+8.8%**	**72.0%**
products-related (Internal transactions)	714 (271)	+22.7%	1,202 (336)	+21.0%	795 (196)	+46.3%	2,712 (803)	+28.0%	–
LABO operation	462	-21.3%	941	+10.4%	276	-41.8%	1,680	-12.3%	–
Recurring profit	**1,181**	**+0.1%**	**2,143**	**+15.1%**	**1,067**	**+5.7%**	**4,391**	**+8.4%**	**71.9%**

KeePer Products Related Segment (B-to-B)

KeePer PRO SHOP キーパープロショップ





Products Related Segment was a significant increase in both sales and income.
In particular, the new car market made a great leap forward with +86.3% YoY, accounting for 1/4 of the sales of Products Related Segment.

mn yen	Q3 FY06/2023 Cumulative (Jul-Mar)		Q3 FY06/2024 Cumulative (Jul-Mar)		
	Results	Composition ratio	Results	Composition ratio	YoY
Products Related	**5,339**	**-**	**6,897**	**-**	**+29.2%**
Aftermarket	4,154	77.8%	4,796	69.5%	+15.5%
New Car Market	932	17.5%	1,737	25.2%	+86.3%
Overseas	26	0.5%	42	0.6%	+59.0%
Non-Auto Coating	227	4.2%	322	4.7%	+42.6%

Q3 cumulative - new car market sales **1,737** mn yen **+86.3% YoY**

HONDA



The increase in the number of Honda cars installed, which have been adopted as genuine since March 2023, will be a major driver of sales in the new car market.
Expanding the application to include coating for existing vehicles, not just new ones.

MITSUBISHI



The Mitsubishi, which was adopted as genuine in July 2023, is also performing well, with the high performance and recognition of KeePer coating leading to an increase in the attachment rate of coatings.
Expanding the application to include coating for existing vehicles, not just new ones.

TOYOTA



Two and a half years have passed since the Toyota Mobility Parts were adopted as genuine, and the growth in the number of units installed has accelerated in the current fiscal year.
Compared to Toyota's overall volume, the percentage is still small, so there is plenty of room for growth.
The connection between new car dealerships and KeePer LABO stores is becoming more widespread.

SUBARU



Subaru has been showing steady growth in the three and a half years since were adopted as genuine.
Continue to focus on improving coating profitability at new car dealerships and on activities to introduce new coatings.

KeePer LABO Ariake, located on the Toyota and Lexus dealership premises, opened in May 2023 in a shop-in-shop format and serves as a customer attraction to the dealership.
In addition, with the introduction of KeePer coatings within Toyota dealerships, demand for KeePer LABO stores on dealership premises has increased, and the number of projects in progress has increased.

» KeePer LABO in the form of a SHOP-IN-SHOP

| Ariake store: Open May 13, 2023



| Kishiwada Kita: Open May 22, 2024



| First store opening in Oita Prefecture: Scheduled for November 2024



In February 2024,
SG KeePer Pte. Ltd. was established.
KeePer LABO Singapore was scheduled to open in July 2024.

SG KeePer Pte. Ltd.

Representative	KeePer, President and Representative Director Toshiyuki Kaku
Business	KeePer LABO Operation, KeePer Products Related Businesses
Capital Stock	1.2 million Singapore dollars
Investment Ratio	KeePer 51%, Toshiya Kimura 30%. Tokyo Century Leasing (Singapore) Pte. Ltd.

▼ KeePer LABO Singapore image



Diversification of non-auto coatings lineup and the start of sales at retailers nationwide gradually contributed to sales.
Establish branding for KeePer as a daily product in addition to KeePer as a practical product for cars.

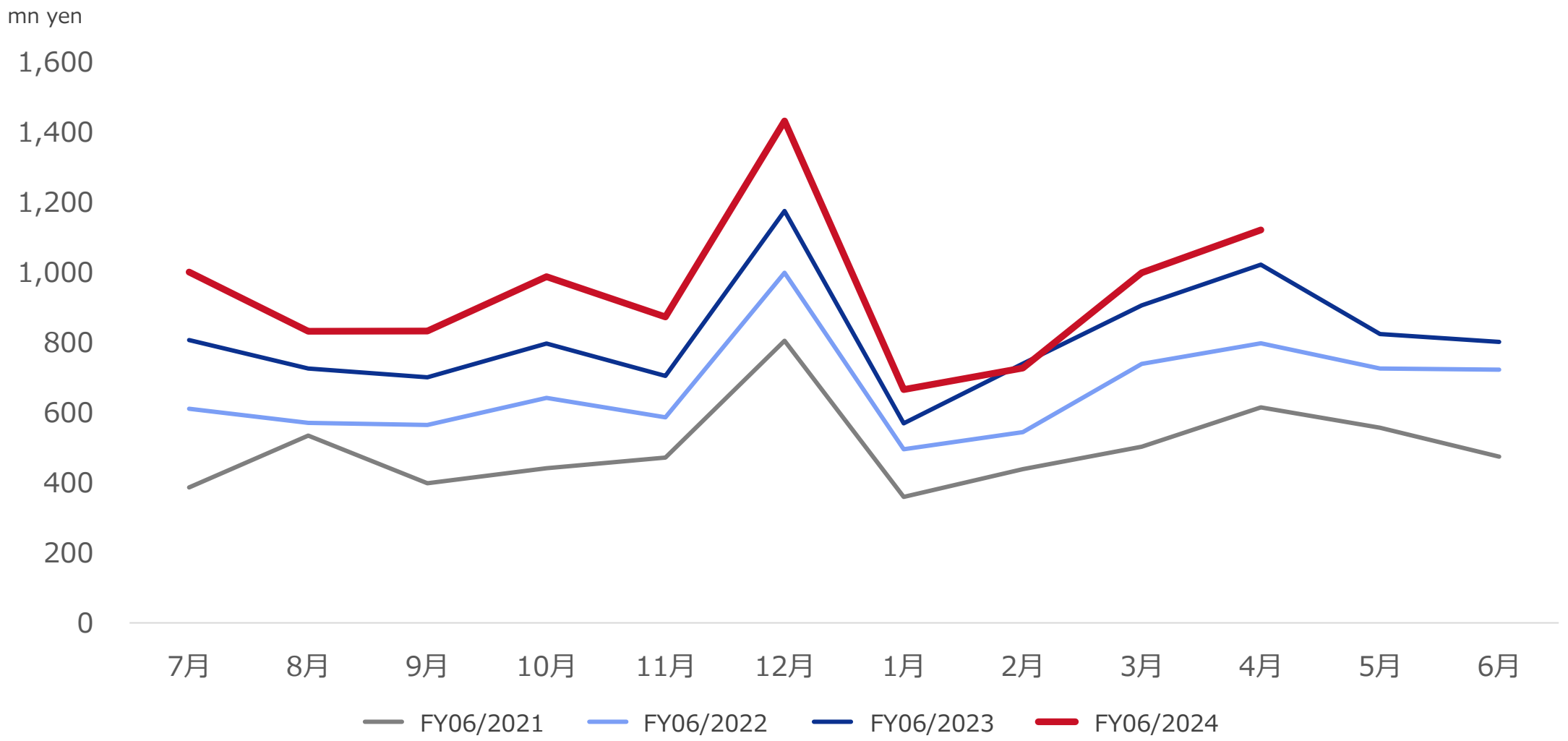
DIY	They collaborate with manufacturers to plan DIY products. Sales will begin sequentially at drugstores, home centers, supermarkets, and specialty stores nationwide. This is a high unit price lineup for a DIY product.	
Whole-sale	There is a growing trend for companies offering house cleaning services to introduce KeePer coatings as an official service of their own. Other companies handling ships and smartphone keepers are also increasing.	

KeePer LABO Operation Segment (B-to-C)

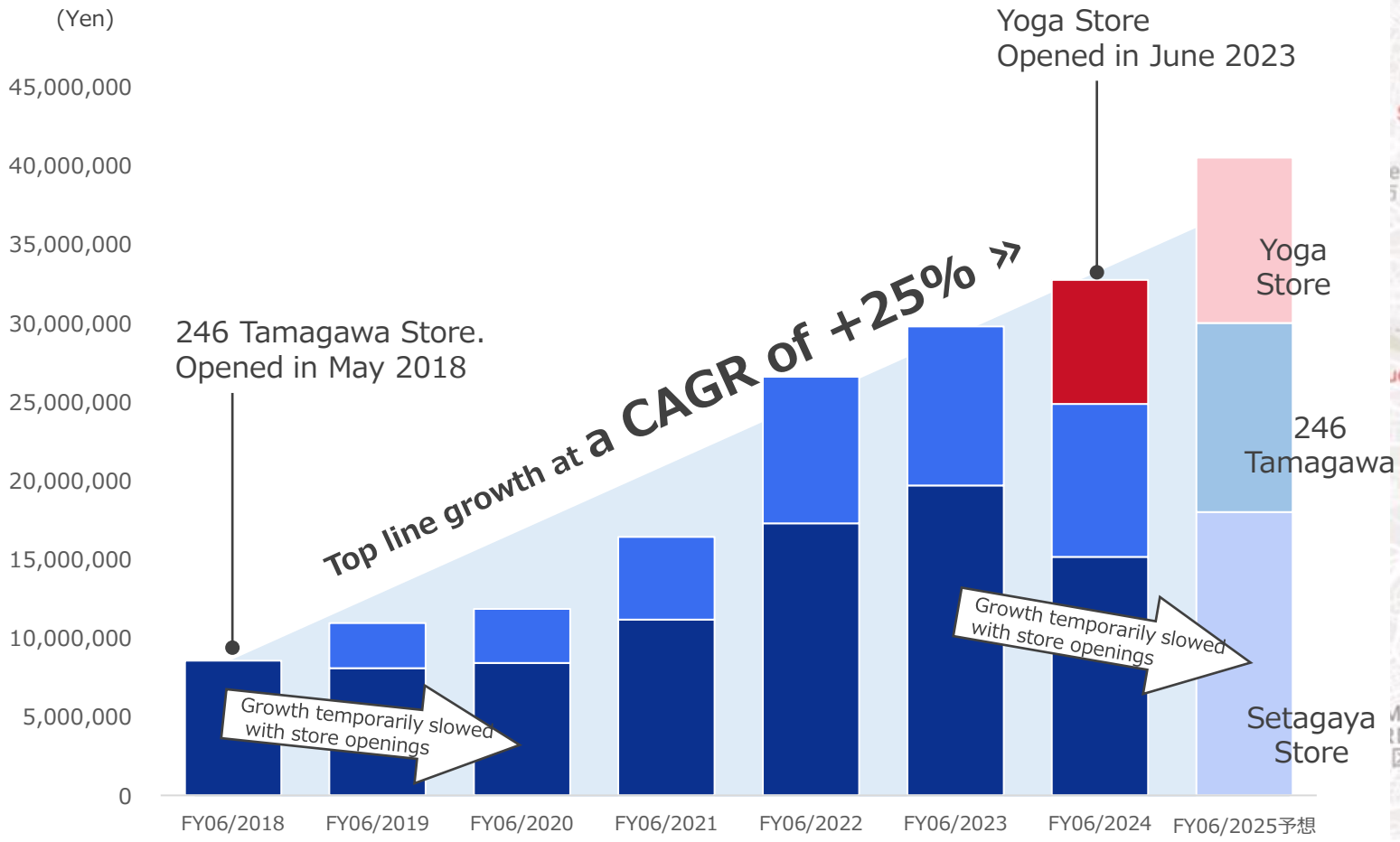


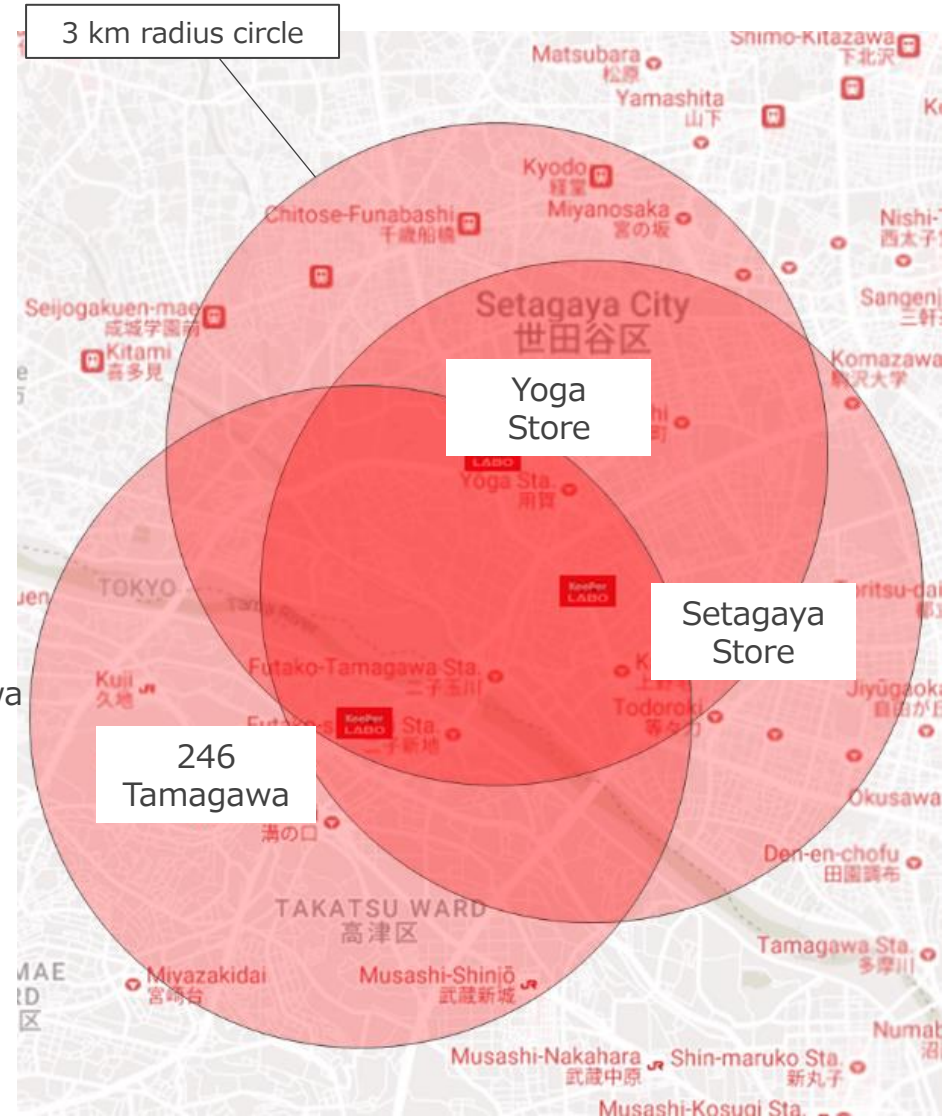


Monthly Sales in the LABO Operation Segment



Average monthly sales at Setagaya, 246 Tamagawa and Yoga store*



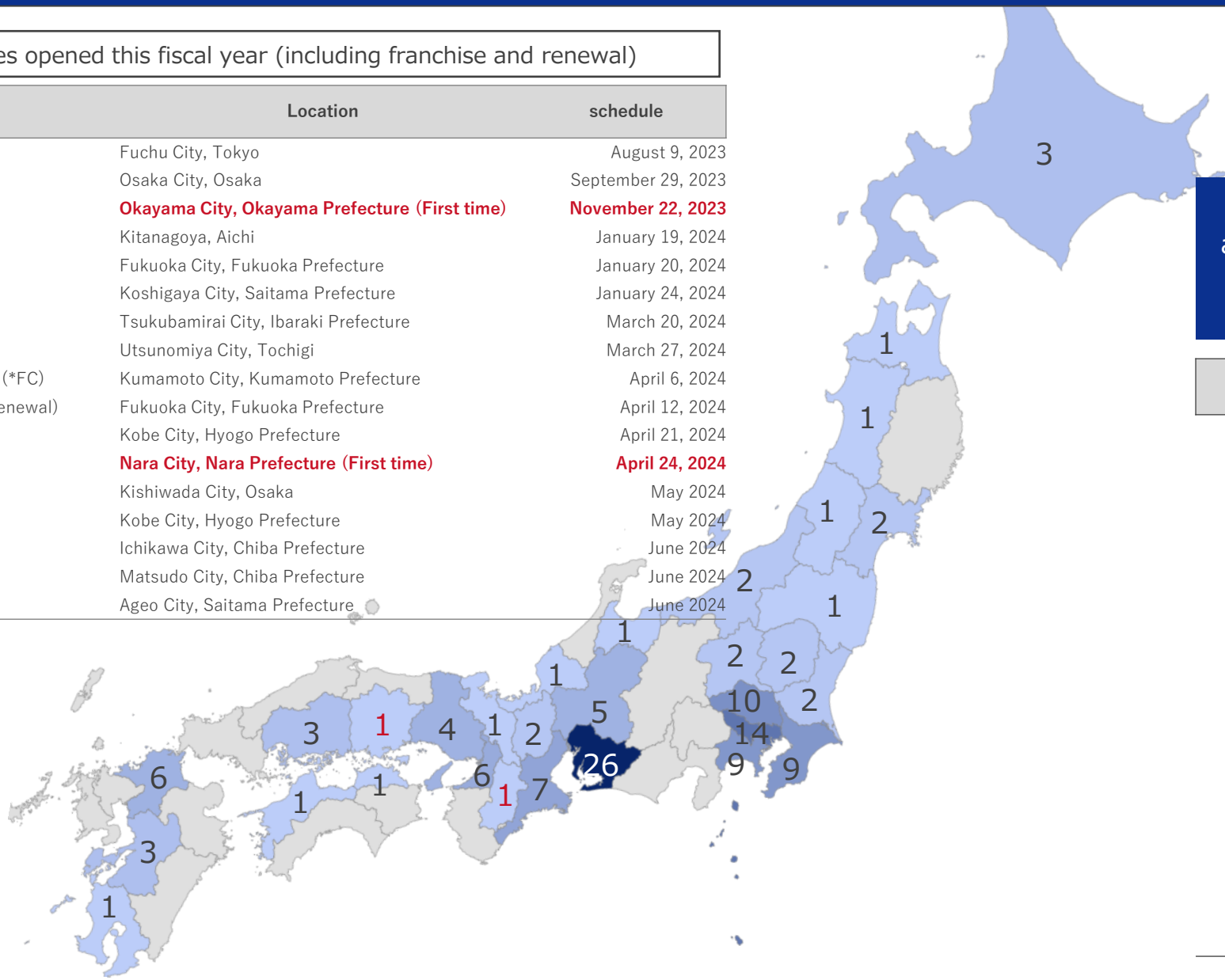


*Since the current fiscal year is the nine-month period from July 2023 to March 2024, the average is calculated based on the nine-month results for the same period for the past fiscal years.

Distribution of all 129 stores (116 directly managed stores + 13 franchise stores) *As of May 10, 2024

17 new stores opened this fiscal year (including franchise and renewal)

Store Name	Location	schedule
Fuchu Store	Fuchu City, Tokyo	August 9, 2023
Hirano Store	Osaka City, Osaka	September 29, 2023
Okayama Store	**Okayama City, Okayama Prefecture (First time)**	**November 22, 2023**
Nishiharu Store	Kitanagoya, Aichi	January 19, 2024
Fukuoka Hayara Store	Fukuoka City, Fukuoka Prefecture	January 20, 2024
Koshigaya Store	Koshigaya City, Saitama Prefecture	January 24, 2024
Yawahara Interchange	Tsukubamirai City, Ibaraki Prefecture	March 20, 2024
Utsunomiya Store	Utsunomiya City, Tochigi	March 27, 2024
Kumamoto Nagamine Store (*FC)	Kumamoto City, Kumamoto Prefecture	April 6, 2024
Fukuoka Kasuga Store (**Renewal)	Fukuoka City, Fukuoka Prefecture	April 12, 2024
Kobe Tamatsu Store	Kobe City, Hyogo Prefecture	April 21, 2024
Nara Daianji Store	**Nara City, Nara Prefecture (First time)**	**April 24, 2024**
Kishiwada Store	Kishiwada City, Osaka	May 2024
Kobe Kita Store	Kobe City, Hyogo Prefecture	May 2024
Ichikawa Store	Ichikawa City, Chiba Prefecture	June 2024
Matsudo Yahashira Store	Matsudo City, Chiba Prefecture	June 2024
Ageo Store	Ageo City, Saitama Prefecture	June 2024



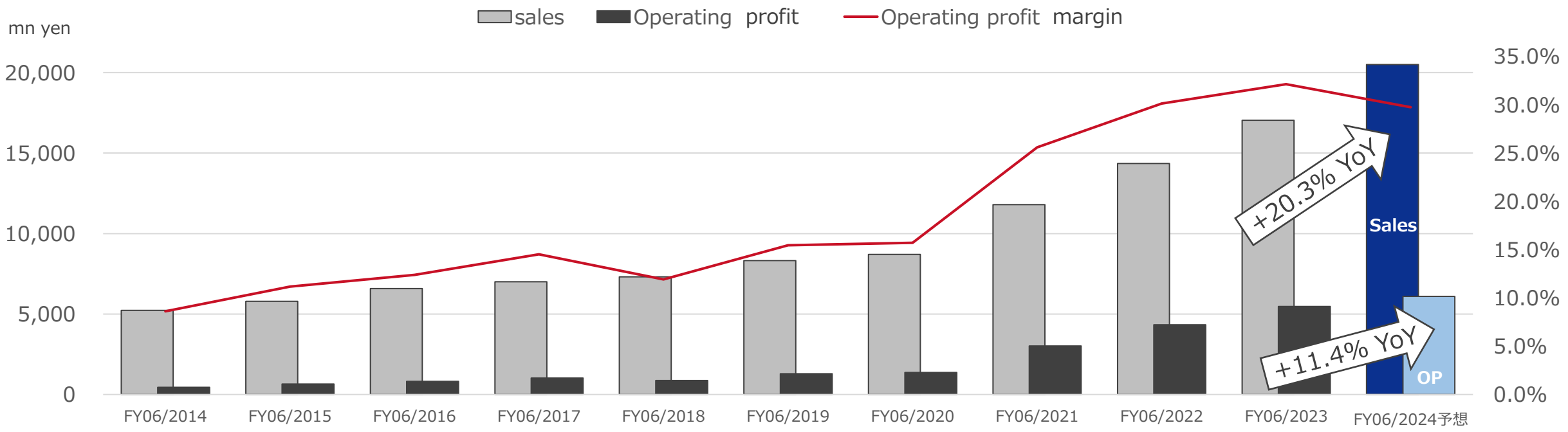
30 new stores in the next fiscal year, as set forth in the medium-term plan of the planned 18 stores are already scheduled to open

	Planned Store Locations
1	Hiroshima City, Hiroshima Prefecture
2	Sakai City, Osaka
3	Toyota City, Aichi Prefecture
4	Shinagawa Ward, Tokyo
5	Nagoya City, Aichi Prefecture
6	**Kanazawa City, Ishikawa Prefecture (First time)**
7	Sapporo, Hokkaido
8	Sano City, Tochigi Prefecture
9	Yokohama City, Kanagawa Prefecture
10	Kita-ku, Tokyo
11	Ashiya City, Hyogo Prefecture
12	Kashiba City, Nara Prefecture
13	Ogaki City, Gifu Prefecture
14	Nagoya City, Aichi Prefecture
15	Okazaki City, Aichi Prefecture
16	**Oita City, Oita Prefecture (First time)**
17	**Matsumoto City, Nagano Prefecture (First time)**
18	Ise City, Mie Prefecture

Annual sales 20.5 billion yen +20.3% YoY
Operating income: 6.1 billion yen +11.4% YoY
revised earnings forecast.
However, the year-end dividend will not be lowered from the initial forecast of 50 yen, and the company will continue to increase dividends for the ninth consecutive fiscal year since its listing.
The dividend payout ratio is expected to be 32.84%.

mn yen	Net sales	Operating profit	Recurring profit	Net profit	EPS
Previous forecast (A)	21,137	6,602	6,602	4,595	168.44 yen
Revised forecast (B)	20,500	6,100	6,100	4,200	153.92 yen
Change (B-A)	-637	-502	-502	-395	-14.52 yen
Percentage change (%)	-3.1	-7.7	-7.7	-8.6	-8.7
(Reference) Results for the previous period	17,042	5,475	5,470	3,957	145.6 yen

Sales, OP Trends and Revised Forecasts



Supplemental



Sales

LABO Operation Segment

2,349 mn yen (+7.8% YoY)
- ✓ No. of store visits - 4.0% YoY
- ✓ ASP +12.3% YoY
- ✓ Open 5 new stores

Products Related Segment

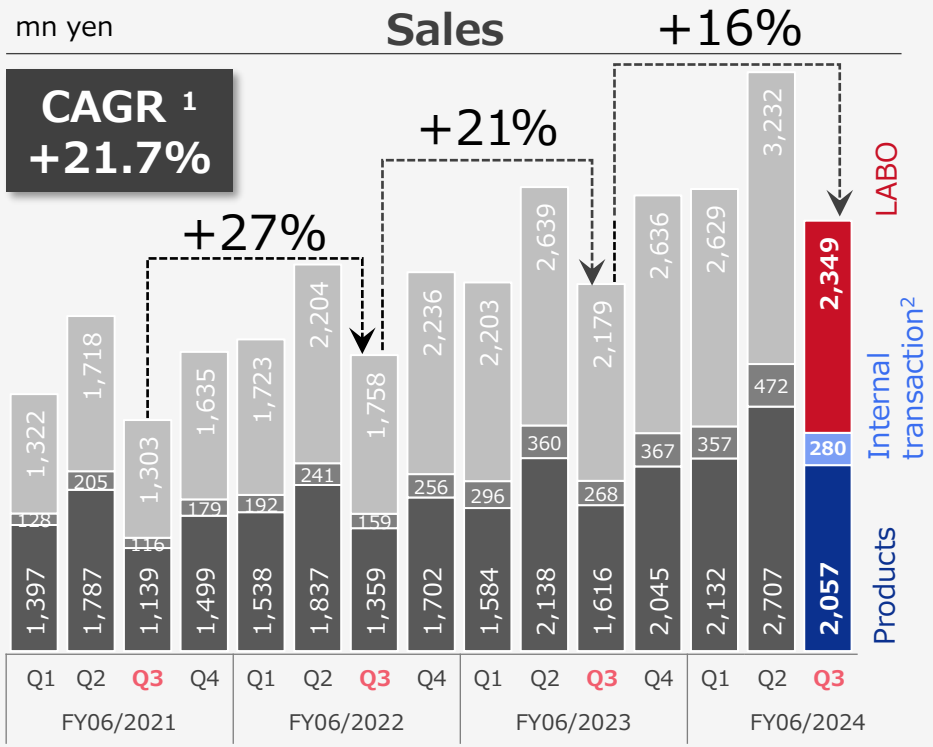
2,057 mn yen (+27.3% YoY)
- ✓ Aftermarket continued to grow steadily at +8%YoY.
- ✓ In the new car market, there has been a strong growth of 77%, driven by an increase in stores adopting genuine products and additional genuine lineup offerings from manufacturers already in the market.
- ✓ Coatings for products other than cars, primarily focusing on smartphone keepers and golf-related items, have made significant progress, up 73%.

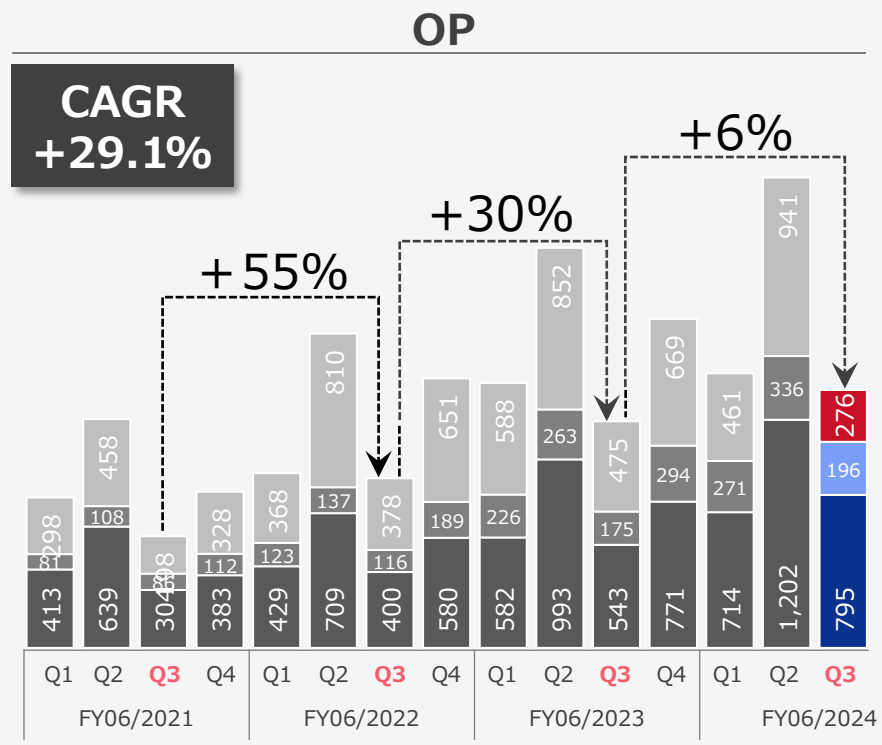
OP

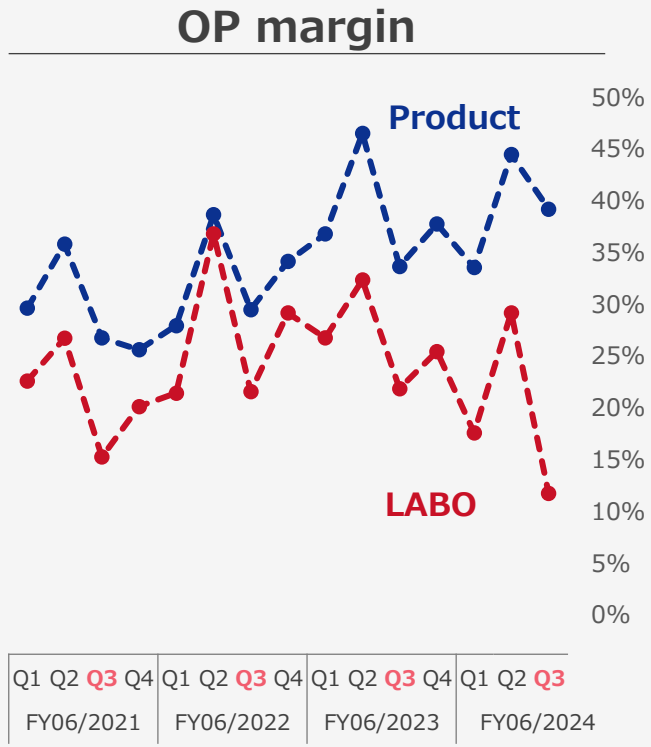
276 mn yen (-41.8% YoY)
- ✓ The labor cost ratio (LABO labor cost / LABO sales) increased from 43.4% in the previous year's Q3 to 51.2% in the current Q3. Due to the inability to adjust staffing to the slowdown in sales growth caused by external factors, inefficiencies have occurred.

795 mn yen (+46.3% YoY)
- ✓In the aftermarket, there has been a decrease in the proportion of low-margin items such as car wash machines and coating booths, leading to an improvement in profit margins (last year during the same period, there was a concentration of investment in gas station facilities).

mn yen



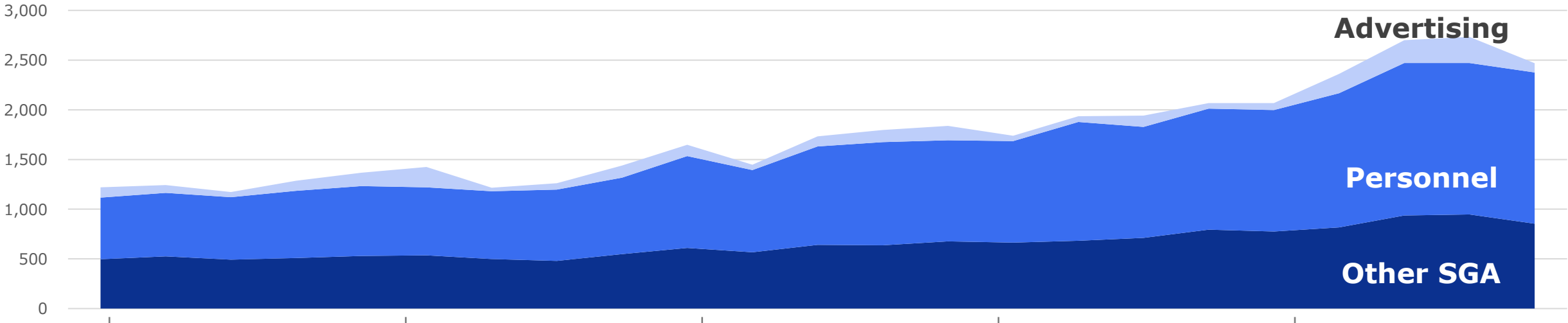




1. Compound Average Growth Rate

2. The amount of internal transactions from product-related businesses to the LABO operation business is shown.

Advertising Cost: Temporary reduction due to the absence of TV commercials in Q3 (resuming in Q4).
Personnel: Preemptive hiring for the upcoming plan to open 30 stores next period. Despite a slight decrease in labor costs during the slow season, the labor cost ratio stands at 34.4% (compared to the historical average of 33% over the past three years).
Other SGA: Overall decrease in sales-related expenses.



Unit: mn yen	FY06/2020 Q1	Q2	Q3	Q4	FY06/2021 Q1	Q2	Q3	Q4	FY06/2022 Q1	Q2	Q3	Q4	FY06/2023 Q1	Q2	Q3	Q4	FY06/2024 Q1	Q2	Q3
Advertising	134	204	36	65	121	114	54	102	121	145	54	57	114	55	65	193	230	262	92
YoY	28.8%	161.5%	-30.8%	-36.9%	-9.7%	-44.1%	50.0%	56.9%	0.0%	27.2%	0.0%	-44.1%	-5.8%	-62.1%	20.4%	238.6%	101.8%	376.4%	41.9%
Ad/sales	5.9%	7.9%	2.0%	3.1%	4.5%	3.3%	2.2%	3.3%	3.7%	3.6%	1.7%	1.4%	3.0%	1.2%	1.7%	4.1%	4.8%	4.4%	2.1%
Personnel	703	685	682	718	769	925	826	989	1,039	1,017	1,022	1,196	1,117	1,218	1,221	1,352	1,535	1,524	1,515
YoY	13.4%	7.4%	8.8%	6.4%	9.4%	35.0%	21.1%	37.7%	35.1%	9.9%	23.7%	20.9%	7.5%	19.8%	19.5%	13.0%	37.4%	25.1%	24.1%
Personnel/sales	31.2%	26.6%	38.8%	34.0%	28.3%	26.4%	33.8%	31.6%	31.9%	25.2%	32.8%	30.4%	29.5%	25.5%	32.2%	28.9%	32.2%	25.7%	34.4%
Other SGA	530	536	499	479	549	610	567	642	637	676	664	682	711	795	782	816	936	948	867
YoY	6.6%	1.9%	1.2%	-5.9%	3.6%	13.8%	13.6%	34.0%	16.0%	10.8%	17.1%	6.2%	11.6%	17.6%	17.8%	19.6%	32.2%	19.2%	11.7%
Others/SGA	23.5%	20.8%	28.4%	22.7%	20.2%	17.4%	23.2%	20.5%	19.5%	16.7%	21.3%	17.3%	18.8%	16.6%	20.6%	17.4%	19.7%	16.0%	19.7%
Total SGA	1,367	1,425	1,217	1,262	1,439	1,649	1,447	1,733	1,797	1,838	1,740	1,935	1,943	2,068	2,068	2,361	2,703	**2,735**	2,475
YoY	12.0%	14.7%	3.8%	-1.9%	5.3%	15.7%	18.9%	37.3%	24.9%	11.5%	20.2%	11.7%	8.1%	12.5%	18.9%	22.0%	39.0%	32.3%	19.7%
SGA/sales	60.6%	55.3%	69.3%	59.8%	52.9%	47.0%	59.3%	55.3%	55.1%	45.5%	55.8%	49.1%	51.3%	43.3%	54.5%	50.4%	56.8%	46.1%	56.2%

■ Total	FY06/21					FY06/22					FY06/23					FY06/24		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Revenue	**2,719**	**3,505**	**2,442**	**3,134**	**11,801**	**3,261**	**4,041**	**3,117**	**3,938**	**14,358**	**3,787**	**4,779**	**3,795**	**4,680**	**17,041**	**4,762**	**5,940**	**4,406**
yoy	465	928	685	1,024	3,102	542	536	675	804	2,557	526	738	678	742	2,683	975	1,161	611
yoy%	20.6%	36.0%	39.0%	48.5%	35.7%	19.9%	15.3%	27.6%	25.7%	21.7%	16.1%	18.3%	21.8%	18.8%	18.7%	25.6%	24.3%	16.1%
OP	**711**	**1,097**	**502**	**711**	**3,021**	**797**	**1,519**	**778**	**1,231**	**4,326**	**1,169**	**1,847**	**1,019**	**1,439**	**5,474**	**1,176**	**2,143**	**1,072**
yoy	420	548	350	337	1,654	86	422	276	520	1,305	372	328	241	208	1,148	7	296	53
yoy%	1440.0%	98.3%	2444.4%	89.8%	121.0%	12.1%	38.5%	55.0%	73.1%	43.2%	46.7%	21.6%	31.0%	16.9%	26.5%	0.5%	16.0%	5.2%
OPM	**26.1%**	**31.3%**	**20.6%**	**22.7%**	**25.6%**	**24.4%**	**37.6%**	**25.0%**	**31.3%**	**30.1%**	**30.9%**	**38.6%**	**26.9%**	**30.7%**	**32.1%**	**24.7%**	**36.1%**	**24.3%**
■ KeePer LABO operation																		
Revenue	**1,322**	**1,718**	**1,303**	**1,635**	**5,978**	**1,723**	**2,204**	**1,758**	**2,236**	**7,921**	**2,203**	**2,640**	**2,179**	**2,635**	**9,657**	**2,629**	**3,232**	**2,349**
yoy	342	546	398	640	1,926	401	486	455	601	1,943	480	436	421	399	1,736	426	592	169
yoy%	34.9%	46.6%	44.0%	64.3%	47.5%	30.3%	28.3%	34.9%	36.8%	32.5%	27.9%	19.8%	23.9%	17.8%	21.9%	19.3%	22.4%	7.8%
OP	**298**	**458**	**198**	**328**	**1,282**	**368**	**810**	**378**	**651**	**2,207**	**582**	**859**	**475**	**669**	**2,585**	**461**	**941**	**276**
yoy	244	234	199	232	909	70	352	180	323	925	214	49	97	18	378	-121	82	-198
yoy%	451.9%	104.5%	-	241.7%	243.7%	23.5%	76.9%	90.9%	98.5%	72.2%	58.2%	6.0%	25.7%	2.8%	17.1%	-20.7%	9.5%	-41.8%
OPM	**22.5%**	**26.7%**	**15.2%**	**20.1%**	**21.4%**	**21.4%**	**36.8%**	**21.5%**	**29.1%**	**27.9%**	**26.4%**	**32.5%**	**21.8%**	**25.4%**	**26.8%**	**17.5%**	**29.1%**	**11.8%**
No. of visits	**10.6%**	**28.1%**	**25.8%**	**53.0%**	**29.1%**	**25.5%**	**23.5%**	**27.4%**	**19.3%**	**23.5%**	**13.7%**	**9.5%**	**12.6%**	**11.6%**	**11.6%**	**23.0%**	**13.2%**	**-4.0%**
ASP	**25.5%**	**16.3%**	**15.7%**	**8.3%**	**16.2%**	**5.1%**	**4.8%**	**7.3%**	**15.3%**	**7.3%**	**12.8%**	**9.9%**	**10.6%**	**4.9%**	**9.3%**	**-3.0%**	**8.8%**	**12.3%**
■ KeePer Prodcuts related																		
Revenue	**1,397**	**1,787**	**1,139**	**1,499**	**5,822**	**1,538**	**1,837**	**1,359**	**1,702**	**6,436**	**1,584**	**2,139**	**1,616**	**2,044**	**7,383**	**2,490**	**2,707**	**2,057**
yoy	123	383	287	382	1,175	141	50	220	203	614	46	302	257	342	947	906	568	441
yoy%	9.7%	27.3%	33.7%	34.2%	25.3%	10.1%	2.8%	19.3%	13.5%	10.5%	3.0%	16.4%	18.9%	20.1%	14.7%	57.2%	26.6%	27.3%
OP	**413**	**639**	**304**	**383**	**1,739**	**429**	**709**	**400**	**580**	**2,118**	**587**	**989**	**543**	**770**	**2,889**	**714**	**1,202**	**795**
yoy	176	305	160	105	746	16	70	96	197	379	158	280	143	190	771	127	213	251
yoy%	74.3%	91.3%	111.1%	37.8%	75.1%	3.9%	11.0%	31.6%	51.4%	21.8%	36.8%	39.5%	35.8%	32.8%	36.4%	21.6%	21.5%	46.3%
OPM	**29.6%**	**35.8%**	**26.7%**	**25.6%**	**29.9%**	**27.9%**	**38.6%**	**29.4%**	**34.1%**	**32.9%**	**37.1%**	**46.2%**	**33.6%**	**37.7%**	**39.1%**	**28.7%**	**44.4%**	**38.7%**

Note

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