

# Financial Results for the Fiscal Year Ended March 31, 2023

May 12, 2023

KATO WORKS CO., LTD.



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# Summary of consolidated financial results



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- While net sales for the fiscal year ended March 31, 2023 decreased to 57,530 million yen due to supply chain disruptions, business performance recovered considerably, and we returned to profitability even after excluding the one-time loss recorded in the previous fiscal year (blue figures in brackets) thanks to the steady implementation of measures to improve and enhance profitability as set out in our Medium-term Management Plan.

|  | Results for the year ended<br>March 31, 2022    | Results for the year ended<br>March 31, 2023                                    | (Unit: millions of yen)<br>YOY<br>comparison |
|--|---|---|--|
| Net sales                                      | 63,549  | 57,530  | (6,018)                                      |
| Operating profit (loss)                        | (7,222)<br>(967) *Excluding one-time loss       | 1,258   | +8,481<br>+2,225                             |
| Ordinary profit (loss)                         | (6,929)<br>(674) *Excluding one-time loss       | 1,865   | +8,794<br>+2,539                             |
| Profit (loss) attributable to owners of parent | (9,575)<br>(226) *Excluding one-time loss       | 2,403   | +11,978<br>+2,177                            |
| Dividend per share (yen)                       | Interim 00.00<br>Year-end 10.00<br>Annual 10.00 | Interim 00.00<br>Year-end 30.00 (forecast)<br>Annual 30.00 (forecast) *See P.14 |  |

\*One-time loss: Loss incurred as a result of our revenue structure reforms

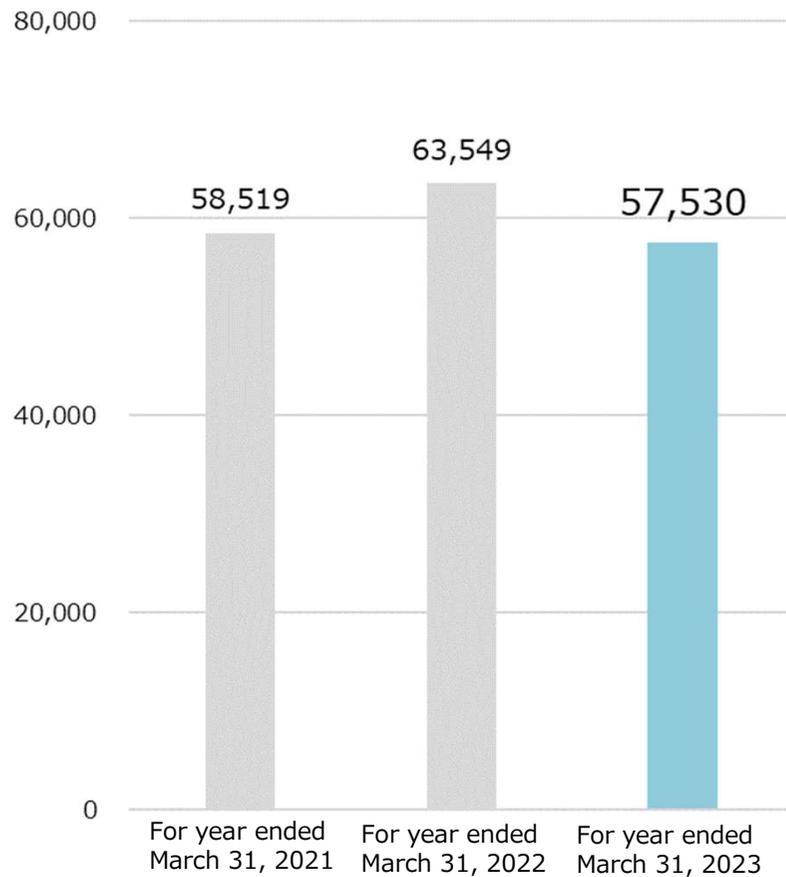
# Changes in consolidated financial results



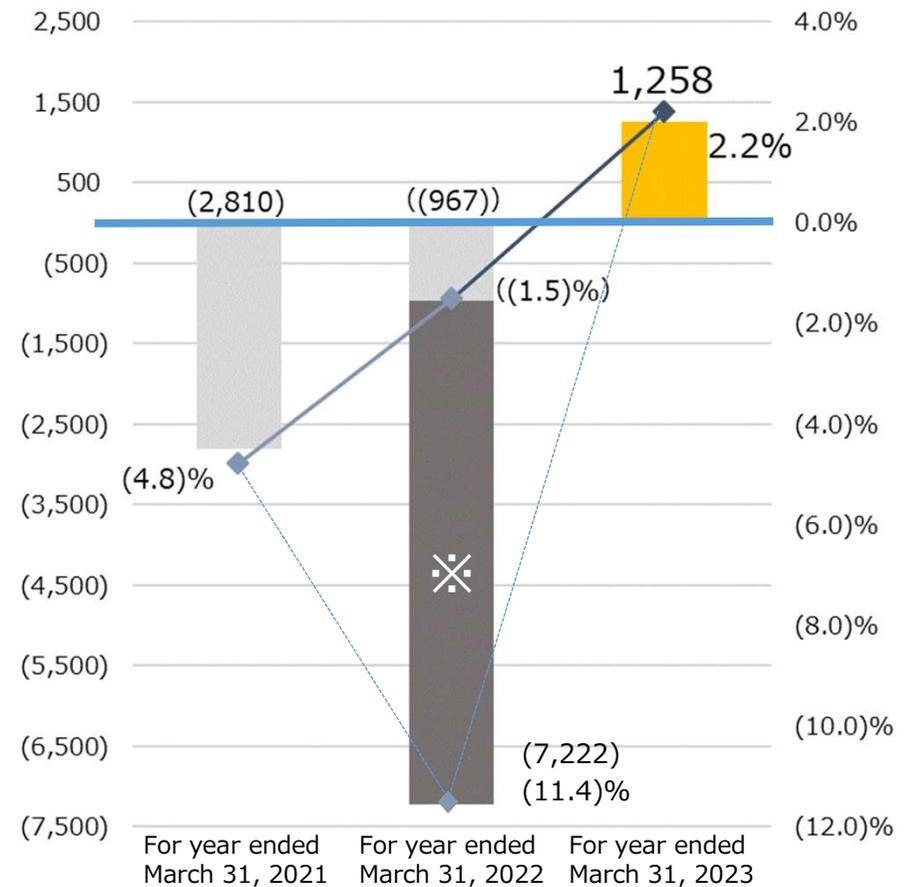
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(Unit: millions of yen)

Net sales



Operating profit (loss)/  
Operating profit (loss) margin

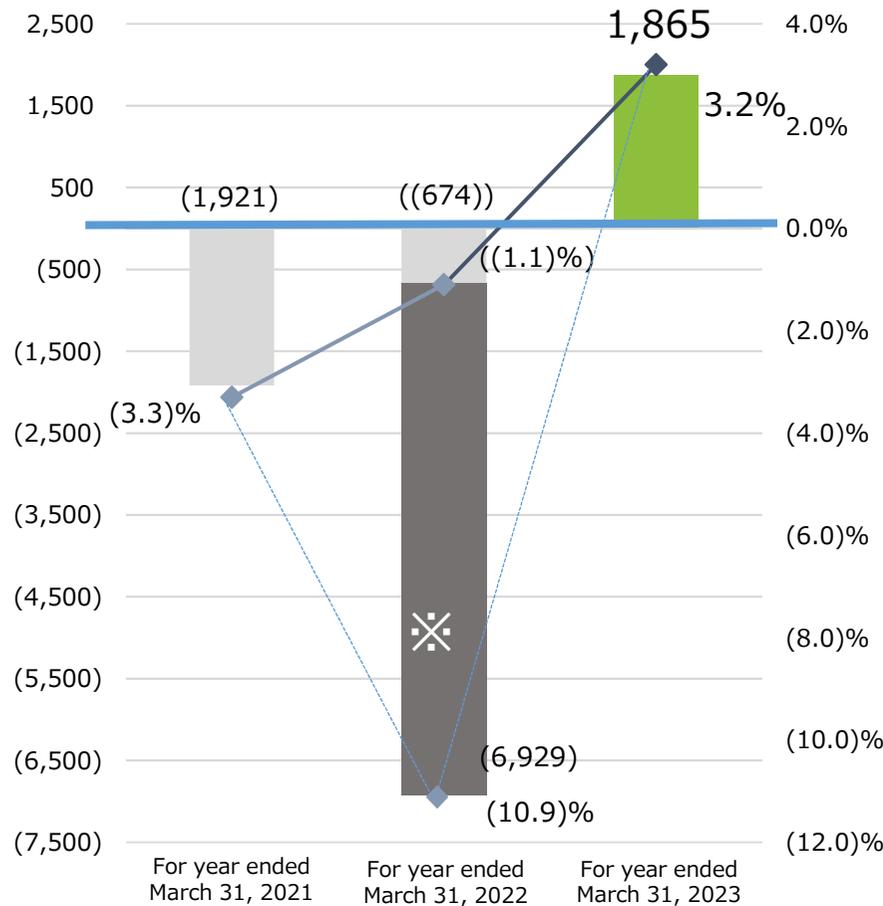


# Changes in consolidated financial results



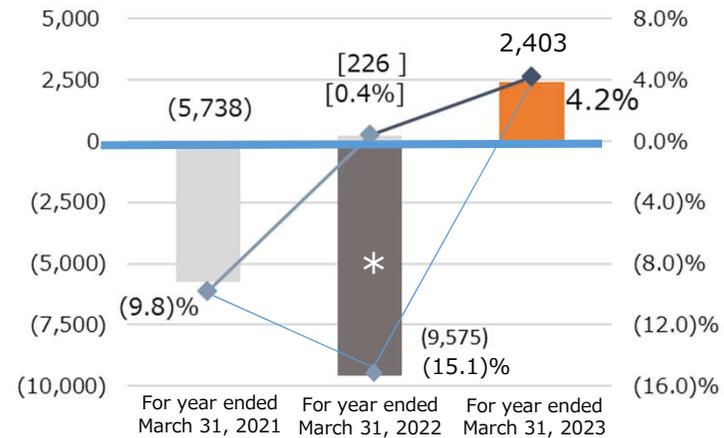
(Unit: millions of yen)

### Ordinary profit (loss)/ Ordinary profit (loss) margin



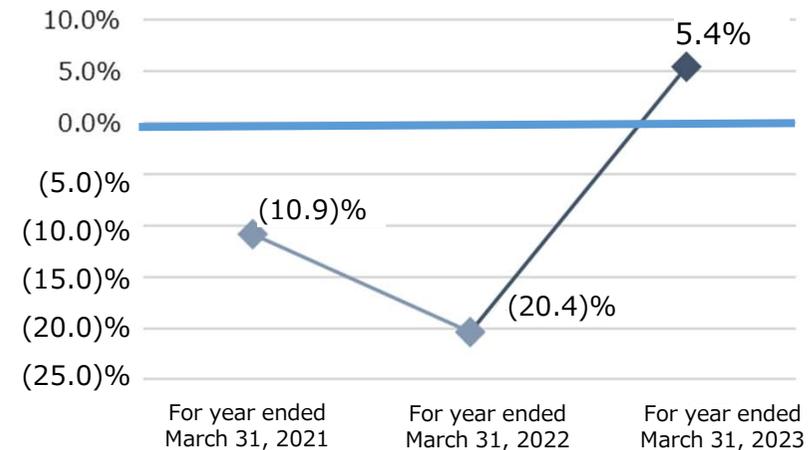
\*One-time loss recorded

### Profit (loss) attributable to owners of parent/ Net profit (loss) margin



\*One-time loss recorded

### ROE (Return on equity)



# Consolidated statement of income



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(Unit: millions of yen)

|   | For the year ended March 31, 2022 |                | For the year ended March 31, 2023 |               | Year-on-year   |                     |
|---|-----------------------------------|----------------|-----------------------------------|---------------|----------------|---------------------|
|   | Amount                            | Percentage     | Amount                            | Percentage    | Amount change  | Percent change      |
| <b>Net sales</b>  | <b>63,549</b>                     | <b>100.0%</b>  | <b>57,530</b>                     | <b>100.0%</b> | <b>(6,018)</b> | <b>(9.5)%</b>       |
| Cost of sales   | 56,913                            | 89.6%          | 48,429                            | 84.2%         | (8,483)        | (14.9)%             |
| <b>Gross profit</b>                                     | <b>6,635</b>                      | <b>10.4%</b>   | <b>9,100</b>                      | <b>15.8%</b>  | <b>2,465</b>   | <b>37.2%</b>        |
| Selling, general and administrative expenses            | 13,857                            | 21.8%          | 7,841                             | 13.6%         | (6,015)        | (43.4)%             |
| <b>Operating profit (loss)</b>                          | <b>(7,222)</b>                    | <b>(11.4)%</b> | <b>1,258</b>                      | <b>2.2%</b>   | <b>8,481</b>   | <b>-</b>            |
| Non-operating income (expenses)                         | 293                               | 0.5%           | 606                               | 1.1%          | 313            | 106.9%              |
| <b>Ordinary profit (loss)</b>                           | <b>(6,929)</b>                    | <b>(10.9)%</b> | <b>1,865</b>                      | <b>3.2%</b>   | <b>8,794</b>   | <b>-</b>            |
| Extraordinary income (losses)                           | (2,088)                           | (3.3)%         | 636                               | 1.1%          | 2,724          | -                   |
| <b>Profit (loss) before income taxes</b>                | <b>(9,017)</b>                    | <b>(14.2)%</b> | <b>2,501</b>                      | <b>4.3%</b>   | <b>11,519</b>  | <b>-</b>            |
| Income taxes  | 572                               | 0.9%           | 49                                | 0.1%          | (522)          | (91.3)%             |
| Profit (loss) attributable to non-controlling interests | (14)                              | 0.0%           | 48                                | 0.1%          | 63             | -                   |
| <b>Profit (loss) attributable to owners of parent</b>   | <b>(9,575)</b>                    | <b>(15.1)%</b> | <b>2,403</b>                      | <b>4.2%</b>   | <b>11,978</b>  | <b>-</b>            |
| <b>ROE</b>  |                                   | <b>(20.4)%</b> |                                   | <b>5.4%</b>   |                | <b>+25.8 points</b> |

## ➤ Improvement in cost sales ratio and operating profit margin

Profitability improved due to selling price revisions, the reduction in various fixed costs, and a drastic reduction of manufacturing costs

Cost sales ratio: 89.6% → 84.2%

Operating profit margin (11.4%) [(1.5%)] → 2.2%

Figures in bracket [ ] represent margin excluding one-time loss.

## ➤ Increase in non-operating income

Mainly due to foreign exchange gains of 413 million yen (up 63 million yen) and dividends received of 214 million yen (up 188 million yen)

## ➤ Increase in extraordinary profit

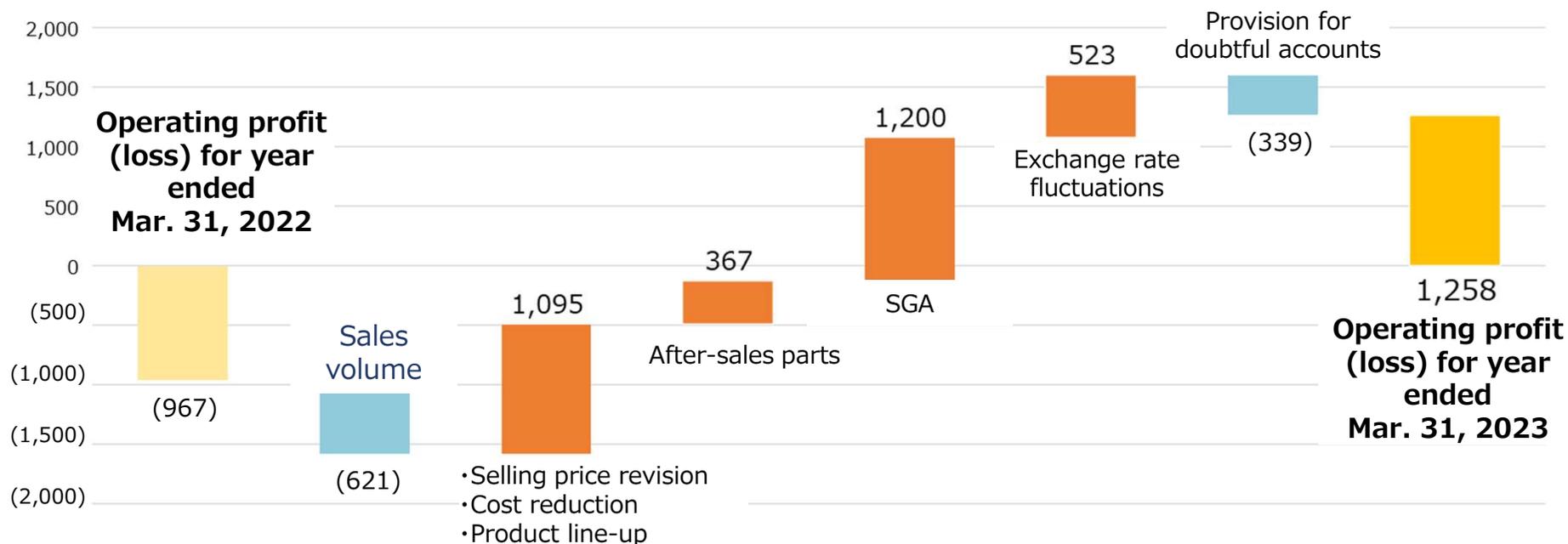
Mainly due to gains on the sale of The Hitachinaka Plant (temporary name) of 986 million yen

# Analysis of operating profit (excluding one-time losses)



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(Unit: millions of yen)



## ➤ Factors of changes in operating profit (loss)

- Decrease in sales volume (621 million) yen
- Selling price/cost/product line-up measures 1,095 million yen
- Increase in after-sales parts 367 million yen
- Decrease in SGA (personnel costs, etc.) 1,200 million yen
- Fluctuations in exchange rates 523 million yen
- Increase in provision for doubtful accounts (339 million) yen



2,225 million yen

# Consolidated balance sheet



(Unit: millions of yen)

|   |                             |                                       | As of March 31, 2022 |               | As of March 31, 2023 |                | Year-on-year   |  |
|---|-----------------------------|---------------------------------------|----------------------|---------------|----------------------|----------------|----------------|--|
|   |                             |                                       | Amount               | Percentage    | Amount               | Percentage     | Amount change  |  |
| Assets                                  | Current assets              | Cash and deposits                     | 18,669               | 18.2%         | 19,977               | 20.2%          | 1,308          | <p>➤ <b>Decrease in trade receivables</b><br/>                     28,340 million yen → 25,060 million yen<br/>                     *Trade receivables turnover period improved<br/>                     (As of Mar. 31, 2022: 162.8 days)<br/>                     (As of Mar. 31, 2023: 159.0 days)</p>      |
|   |                             | Trade receivables                     | 28,340               | 27.6%         | 25,060               | 25.4%          | (3,280)        |  |
|   |                             | Inventories                           | 32,070               | 31.2%         | 31,583               | 32.0%          | (487)          |  |
|   |                             | Other                                 | (1,662)              | (1.6)%        | (948)                | (1.0)%         | 714            |  |
|   | <b>Total current assets</b> |                                       | <b>77,417</b>        | <b>75.4%</b>  | <b>75,672</b>        | <b>76.6%</b>   | <b>(1,744)</b> |  |
|   | Non-current assets          | Property, plant and equipment         | 21,185               | 20.6%         | 19,131               | 19.4%          | (2,053)        | <p>➤ <b>Decrease in inventories</b><br/>                     32,070 million yen → 31,583 million yen<br/>                     *Inventory turnover period worsened due to lower sales<br/>                     (As of Mar. 31, 2022: 184.2 days)<br/>                     (As of Mar. 31, 2023: 200.4 days)</p> |
|   |                             | Intangible assets                     | 399                  | 0.4%          | 414                  | 0.4%           | 15             |  |
|   |                             | Investments and other assets          | 3,643                | 3.5%          | 3,580                | 3.6%           | (63)           |  |
|   |                             | <b>Total non-current assets</b>       | <b>25,228</b>        | <b>24.6%</b>  | <b>23,126</b>        | <b>23.4%</b>   | <b>(2,101)</b> |  |
|   | <b>Total assets</b>         |                                       | <b>102,645</b>       | <b>100.0%</b> | <b>98,799</b>        | <b>100.0%</b>  | <b>(3,846)</b> |  |
| Liabilities and Net assets              | Liabilities                 | Trade payables                        | 13,159               | 12.8%         | 13,942               | 14.1%          | 783            | <p>➤ <b>Decrease in interest-bearing debt</b><br/>                     40,230 million yen → 34,379 million yen<br/>                     *Decrease due to repayment of long-term borrowings</p>   |
|   |                             | Interest-bearing debt                 | 40,230               | 39.2%         | 34,379               | 34.8%          | (5,850)        |  |
|   |                             | Other                                 | 5,010                | 4.9%          | 3,571                | 3.6%           | (1,439)        |  |
|   | <b>Total liabilities</b>    |                                       | <b>58,400</b>        | <b>56.9%</b>  | <b>51,893</b>        | <b>52.5%</b>   | <b>(6,507)</b> |  |
|   | Net assets                  | Retained earnings                     | 28,495               | 27.8%         | 30,781               | 31.2%          | 2,285          | <p>➤ <b>Decrease in interest-bearing debt</b><br/>                     40,230 million yen → 34,379 million yen<br/>                     *Decrease due to repayment of long-term borrowings</p>   |
|   |                             | Valuation and translation adjustments | 4,640                | 4.5%          | 4,901                | 5.0%           | 260            |  |
|   |                             | Other                                 | 11,109               | 10.8%         | 11,223               | 11.4%          | 113            |  |
|   | <b>Total net assets</b>     |                                       | <b>44,245</b>        | <b>43.1%</b>  | <b>46,906</b>        | <b>47.5%</b>   | <b>2,660</b>   |  |
| <b>Total liabilities and net assets</b> |                             | <b>102,645</b>                        | <b>100.0%</b>        | <b>98,799</b> | <b>100.0%</b>        | <b>(3,846)</b> |                |  |

# Consolidated statement of cash flows



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- Regarding consolidated cash flow for the fiscal year ended March 31, 2023, cash flows from operating activities increased by 6.4 billion yen due to the collection of trade receivables and control of inventory assets. Cash flows from investing activities increased by 1.3 billion following the sale of the Hitachinaka Plant (temporary name). Cash flows from financing activities were at the same level as the previous fiscal year as a result of the repayment of long-term borrowings. As a result, the cash balance rose by 1.3 billion year on year and interest-bearing debt decreased by 5.8 billion yen.

(Unit: millions of yen)

|                                      |  | For the year ended March 31, 2022 | For the year ended March 31, 2023 |   |
|--------------------------------------|--|-----------------------------------|-----------------------------------|---|
|                                      |  | Amount                            | Amount                            |   |
| Cash flows from operating activities | Profit (loss) before income taxes                          | (9,017)                           | 2,501                             |   |
|                                      | Depreciation   | 1,956                             | 1,576                             |   |
|                                      | Decrease (increase) in trade receivables                   | 6,342                             | 3,736                             | ➤ CF from operating activities  |
|                                      | Decrease (increase) in inventories                         | 9,427                             | 730                               | Increased by 6.4 billion yen mainly due to the decrease in trade receivables    |
|                                      | Increase (decrease) in trade payables                      | 731                               | 517                               |   |
|                                      | Other, net   | 105                               | (2,592)                           |   |
|                                      | <b>Net cash provided by (used in) operating activities</b> | <b>9,547</b>                      | <b>6,471</b>                      |   |
| Cash flows from investing activities | Purchase of property, plant and equipment                  | (1,241)                           | (197)                             | ➤ CF from investing activities  |
|                                      | Other, net   | 1,737                             | 1,567                             | Increased by 1.3 billion yen primarily due to the sale of non-current assets    |
|                                      | <b>Net cash provided by (used in) investing activities</b> | <b>496</b>                        | <b>1,369</b>                      |   |
| Cash flows from financing activities | Increase (decrease) in interest-bearing debt               | (6,362)                           | (6,477)                           | ➤ CF from financing activities  |
|                                      | Other, net   | (275)                             | (129)                             | Decreased by 6.6 billion yen primarily due to repayment of long-term borrowings |
|                                      | <b>Net cash provided by (used in) financing activities</b> | <b>(6,637)</b>                    | <b>(6,606)</b>                    |   |
| Increase (decrease)                  | Effect of exchange rate change                             | 648                               | 73                                |   |
|                                      | <b>Net increase (decrease)</b>                             | <b>4,054</b>                      | <b>1,308</b>                      | ➤ Cash balance  |
|                                      | <b>Cash and cash equivalents at beginning of period</b>    | <b>14,614</b>                     | <b>18,669</b>                     | Increased by 1.3 billion yen year on year.                                      |
|                                      | <b>Cash and cash equivalents at end of period</b>          | <b>18,669</b>                     | <b>19,977</b>                     |   |
|                                      | <b>Balance of interest-bearing debt</b>                    | <b>40,230</b>                     | <b>34,379</b>                     | ➤ Interest-bearing debt<br>Decreased by 5.8 billion yen year on year.           |

# Changes in consolidated net sales by principal item



(Unit: millions of yen)

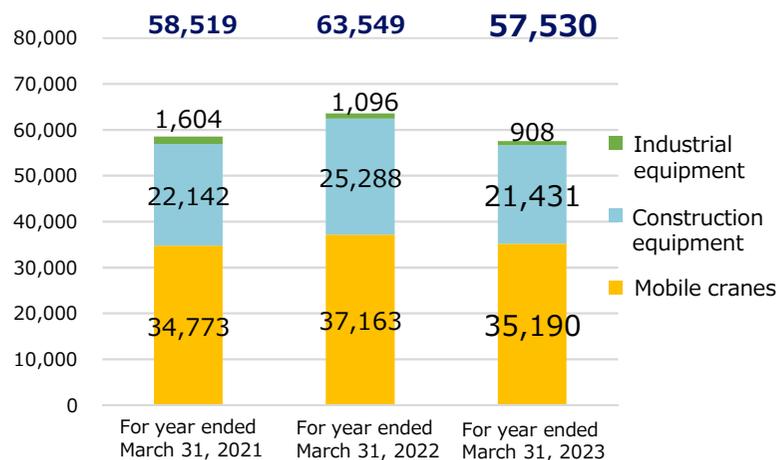
|                               | For the year ended March 31, 2021 |                   | For the year ended March 31, 2022 |                   | For the year ended March 31, 2023 |                   | Year-on-year   |                |
|-------------------------------|-----------------------------------|-------------------|-----------------------------------|-------------------|-----------------------------------|-------------------|----------------|----------------|
|                               | Amount                            | Composition ratio | Amount                            | Composition ratio | Amount                            | Composition ratio | Amount change  | Percent change |
| <b>Mobile cranes</b>          |                                   |                   |                                   |                   |                                   |                   |                |                |
| Domestic sales                | 30,320                            | 51.8%             | 30,889                            | 48.6%             | 31,521                            | 54.8%             | 631            | 2.0%           |
| Overseas sales                | 4,453                             | 7.6%              | 6,274                             | 9.9%              | 3,669                             | 6.4%              | (2,605)        | (41.5)%        |
| Subtotal                      | <b>34,773</b>                     | <b>59.4%</b>      | <b>37,163</b>                     | <b>58.5%</b>      | <b>35,190</b>                     | <b>61.2%</b>      | <b>(1,973)</b> | <b>(5.3)%</b>  |
| <b>Construction equipment</b> |                                   |                   |                                   |                   |                                   |                   |                |                |
| Domestic sales                | 10,682                            | 18.3%             | 11,463                            | 18.0%             | 8,533                             | 14.8%             | (2,929)        | (25.6)%        |
| Overseas sales                | 11,459                            | 19.6%             | 13,825                            | 21.8%             | 12,898                            | 22.4%             | (926)          | (6.7)%         |
| Subtotal                      | <b>22,142</b>                     | <b>37.8%</b>      | <b>25,288</b>                     | <b>39.8%</b>      | <b>21,431</b>                     | <b>37.3%</b>      | <b>(3,856)</b> | <b>(15.3)%</b> |
| <b>Industrial equipment</b>   |                                   |                   |                                   |                   |                                   |                   |                |                |
| Domestic sales                | 1,604                             | 2.7%              | 1,078                             | 1.7%              | 906                               | 1.6%              | (172)          | (16.0)%        |
| Overseas sales                | 0                                 | 0.0%              | 17                                | 0.0%              | 1                                 | 0.0%              | (16)           | (91.4)%        |
| Subtotal                      | <b>1,604</b>                      | <b>2.7%</b>       | <b>1,096</b>                      | <b>1.7%</b>       | <b>908</b>                        | <b>1.6%</b>       | <b>(188)</b>   | <b>(17.2)%</b> |
| <b>Total</b>                  |                                   |                   |                                   |                   |                                   |                   |                |                |
| Domestic sales                | 42,607                            | 72.8%             | 43,431                            | 68.3%             | 40,961                            | 71.2%             | (2,470)        | (5.7)%         |
| Overseas sales                | 15,912                            | 27.2%             | 20,117                            | 31.7%             | 16,569                            | 28.8%             | (3,548)        | (17.6)%        |
| Total                         | <b>58,519</b>                     | <b>100.0%</b>     | <b>63,549</b>                     | <b>100.0%</b>     | <b>57,530</b>                     | <b>100.0%</b>     | <b>(6,018)</b> | <b>(9.5)%</b>  |

Having been affected by supply chain disruptions and considering profitability factors and the state of orders, we focused on selection and concentration in our production and sales strategies, prioritizing cranes in Japan, for which there is a large backlog of orders, and construction equipment for Europe and the United States.

As a result, sales of mobile cranes in Japan increased by 2.0% year on year, including price revisions. At the same time, despite the increase in demand in Europe and the United States, sales of construction equipment for overseas markets decreased by 6.7% due to a decline in demand in China.

Changes in net sales by principal item

(Unit: millions of yen)



Changes in domestic and overseas net sales

(Unit: millions of yen)



# Changes in consolidated net sales by principal item (Mobile cranes)

[Explanation of main products]

## Rough terrain cranes

- Operations for traveling and a crane are available at one operator's cab
- Excellent in abilities for travelling over rough terrain in a small radius
- For domestic (4.9t - 80t, 10 models)
- For overseas (13t - 70t, 8 models)



## All terrain cranes

- Operator's cabs are independent respectively for traveling and for crane operations.
- Cranes with abilities for both high speed traveling and traveling rough terrain
- For domestic (110t - 300t, 4 models)
- For overseas (110t - 130t, 2 models)



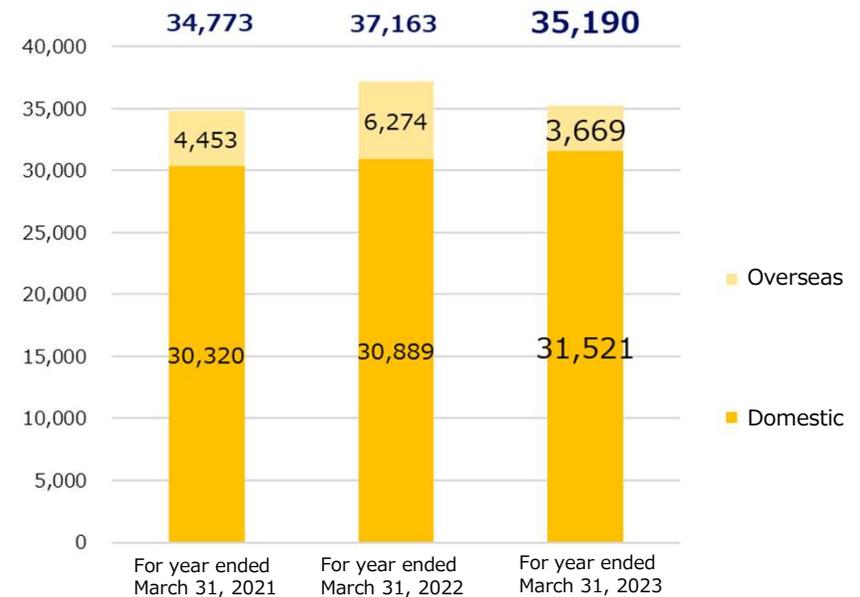
## Crawler cranes

- The lattice boom can be used at various sites, depending on its combination.
- The telescopic boom can be set up quickly with an extendable boom.
- For domestic (50t - 200t, 6 models)
- For overseas (55t - 300t, 6 models)



(Unit: millions of yen)

## Changes in net sales



### ➤ Domestic sales

\*Net sales increased by 2.0% year on year following price revisions and our decision to focus on sales activities emphasizing profits

### ➤ Overseas sales

\*Sales decreased by 41.5% year on year due to supply chain disruptions

# Changes in consolidated net sales by principal item (Construction equipment)

[Explanation of main products]

## Hydraulic excavators

- Excavating machinery with crawler traveling section
- Capable of self-propelling in unspecified places
- Durable and easy to operate
- For domestic (8t - 50t, 7 models)
- For overseas (8t - 38t, 12 models)



## Mini excavators

- Small hydraulic excavators
- Usable at various sites with ability to turn a small radius
- For domestic (0.9t - 8t, 15 models)
- For overseas (0.9t - 13t, 21 models)



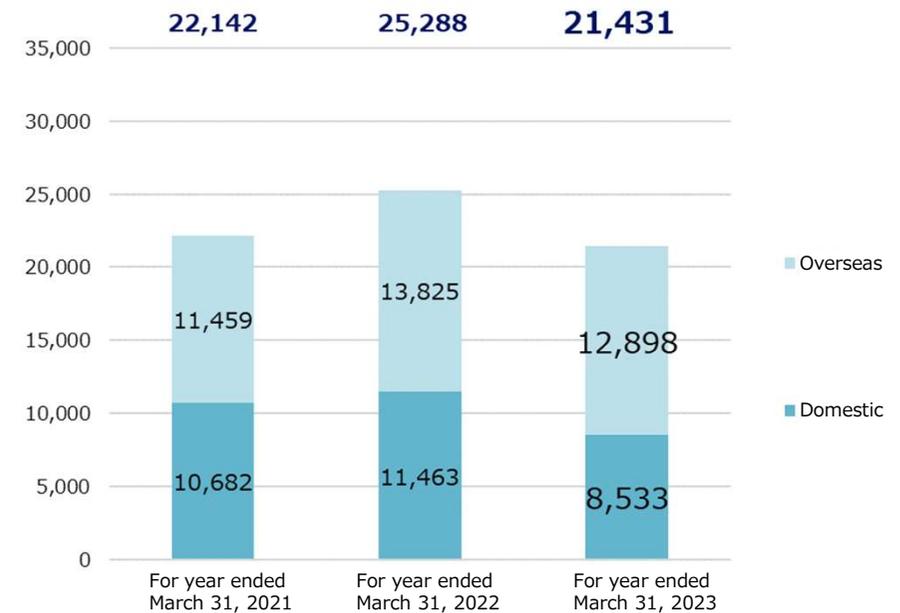
## Crawler carriers

- Transporting machine capable of self-propelling in unspecified places
- Usable at various sites with excellent work efficiency
- For domestic (3.7t - 11t, 7 models)
- For overseas (3.7t - 11t, 5 models)



(Unit: millions of yen)

## Changes in net sales



### ➤ Domestic sales

\* Decreased 25.6% year on year due to supply chain disruptions

### ➤ Overseas sales

\* Decreased 6.7% year on year despite the solid sales in North America and Europe, as demand in other markets failed to pick up markedly

# Changes in consolidated net sales by principal item (Industrial equipment)

[Explanation of main products]

## Street sweepers

- Having both high ability to clean up and a compact size
- Human-friendly, low-noise, and highly efficient sweeper
- For domestic (2 models)
- For overseas (custom-made)



## Vacuum trucks

- Sucking various objects from sludge to powder and granular materials
- Diverse lineup of products including various models from small to large-sized ones
- For domestic (9 models)
- For overseas (custom-made)



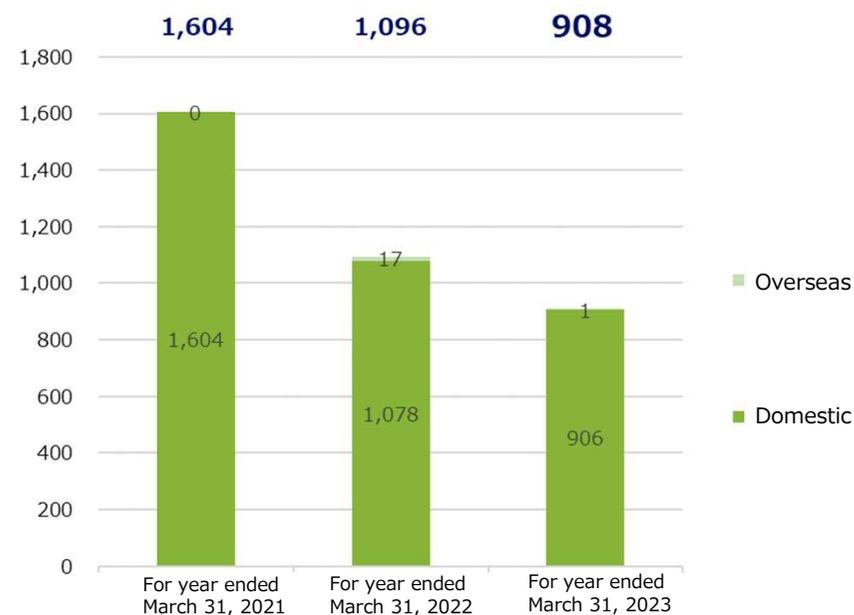
## Snow sweepers

- Adopting a powerful brush and blowing method
- Realizing speedy and efficient snow removal
- For domestic (5 models)
- For overseas (custom-made)



(Unit: millions of yen)

## Changes in net sales



## ➤ Net sales

\*Decreased 17.2% year on year on supply chain disruptions and other production-related factors

# Changes in consolidated net sales by destination (excluding Japan)



(Unit: millions of yen)

|   | For the year ended March 31, 2021 |                   | For the year ended March 31, 2022 |                   | For the year ended March 31, 2023 |                   | Year-on-year   |                | Composition ratio of total net sales |
|---|-----------------------------------|-------------------|-----------------------------------|-------------------|-----------------------------------|-------------------|----------------|----------------|--------------------------------------|
|   | Amount                            | Composition ratio | Amount                            | Composition ratio | Amount                            | Composition ratio | Amount change  | Percent change |                                      |
| Asia                                    | 10,601                            | 66.6%             | 10,745                            | 53.4%             | 5,698                             | 34.4%             | (5,047)        | (47.0)%        | 9.9%                                 |
| Middle and Near East                    | 52                                | 0.3%              | 302                               | 1.5%              | 523                               | 3.2%              | 221            | 73.3%          | 0.9%                                 |
| Europe                                  | 3,294                             | 20.7%             | 4,871                             | 24.2%             | 5,166                             | 31.2%             | 294            | 6.1%           | 9.0%                                 |
| Oceania                                 | 426                               | 2.7%              | 980                               | 4.9%              | 934                               | 5.6%              | (45)           | (4.6)%         | 1.6%                                 |
| Africa                                  | 58                                | 0.4%              | 218                               | 1.1%              | 82                                | 0.5%              | (135)          | (62.1)%        | 0.1%                                 |
| North America/Central and South America | 1,479                             | 9.3%              | 2,998                             | 14.9%             | 4,163                             | 25.1%             | 1,164          | 38.8%          | 7.2%                                 |
| <b>Total overseas net sales</b>         | <b>15,912</b>                     | <b>100.0%</b>     | <b>20,117</b>                     | <b>100.0%</b>     | <b>16,569</b>                     | <b>100.0%</b>     | <b>(3,548)</b> | <b>(17.6)%</b> | <b>28.8%</b>                         |

(Unit: millions of yen)

➤ **Asia (down 47.0% year on year)**

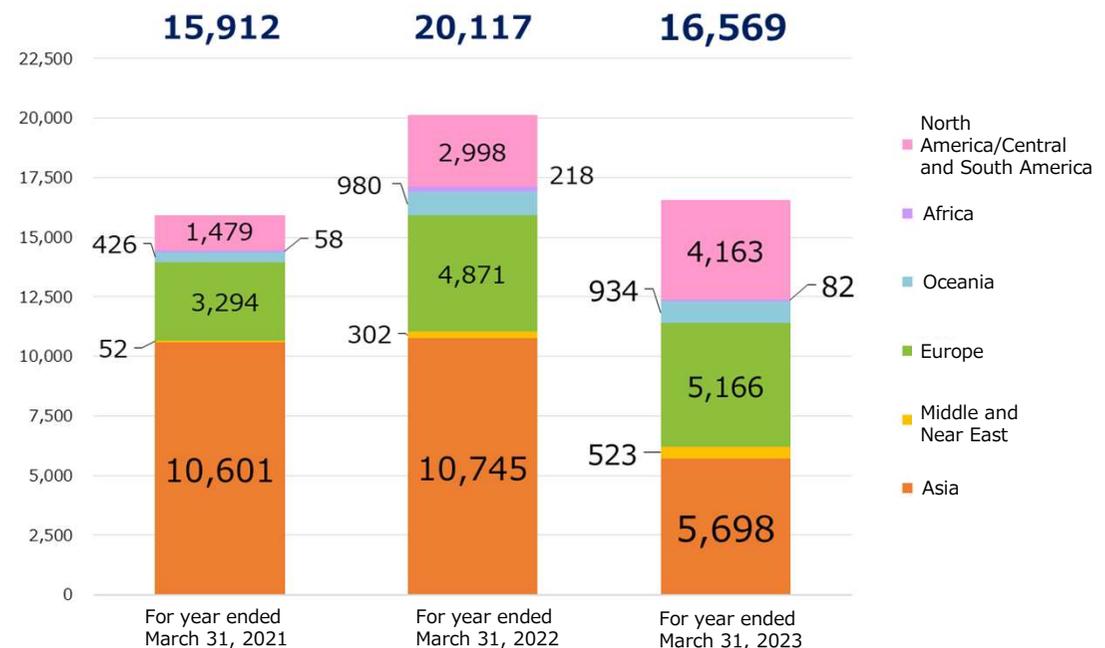
Decreased significantly due to a decline in demand in the Chinese market  
10,745 million yen → 5,698 million yen

**Europe (up 6.1% year on year)**

Increased only slightly due to the impact of supply chain disruptions although backlog of orders remains high  
4,871 million yen → 5,166 million yen

➤ **North America/Central and South America (up 38.8% year on year)**

Increased due to brisk demand in the Americas market  
2,998 million yen → 4,163 million yen



# Notice concerning the appropriation of surplus (dividend increase)



- At the meeting of the Board of Directors held on May 12, 2023, the Company resolved the following amendment to the year-end dividend for the 124th fiscal year with a record date of March 31, 2023, which was announced on the same day.
- This matter is set to be officially decided following the Annual General Meeting of Shareholders to be held on June 29, 2023.

| Year-end dividend for the 124th fiscal year | Revised proposal<br>(Announced May 12, 2023) | Latest forecast<br>(Announced May 13, 2023) | Year ended March 31, 2022 |
|---|--|---|---------------------------|
| Record date                                 | March 31, 2023                               | March 31, 2023                              | March 31, 2022            |
| Dividend per share                          | 30.00 yen                                    | 10.00 yen                                   | 10.00 yen                 |
| Total amount of dividends                   | 351 million yen                              | —   | 117 million yen           |
| Effective date                              | June 30, 2023                                | —   | June 30, 2022             |
| Dividend resource                           | Retained earnings                            | —   | Retained earnings         |

- As a basic principle, the Company makes decisions regarding dividends based on its belief that the returning of profits to shareholders is one of its most important management tasks, while comprehensively taking into account such factors as financial results for each term, dividend payout ratio, and internal reserves needed for future growth..

The full-year financial results for the fiscal year ended March 31 ,2023 have shown a significant recovery from the previous fiscal year thanks to the progress in improving profitability, which has been one of the medium-term management plan goals. Therefore, based on the above policy, the Company has decided to revise (upward) the amount of year-end dividend from the previously announced forecast of 10 yen per share to 30 yen per share.

# Full-year consolidated financial results forecast for fiscal year ending March 31, 2024



## ➤ Key points of forecast

\* While the economic environment is expected to improve partially due to the rebound in demand through the recovery process from the COVID-19 pandemic and the impact of various policies, we remain concerned that recessionary effects sparked by Russia's prolonged invasion of Ukraine and tighter monetary policy in Europe and the United States in the face of inflationary pressures will spread to Japan and dampen the economy there.

Against that backdrop, the Group formulated a Medium-term Management Plan, which started in the fiscal year ended March 31, 2023. In the fiscal year ending March 31, 2024, the second year of the medium-term Management Plan, while we will continue to work on the measures stipulated under the plan, namely, improving and enhancing profitability, improving the financial structure, and building future business foundations, we have taken into account potential limitations relating to the supply of some major parts for our main products as well as a gradual decline in foreign exchange gains in the consolidated financial results forecast as below.

\* We plan to record an extraordinary gain relating to the sale of non-current assets at our consolidated subsidiary KATO WORKS (THAILAND) CO., LTD.

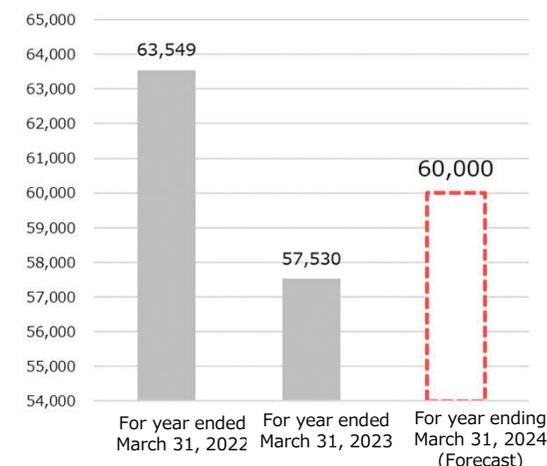
|   | FY ended Mar. 31, 2023 |             | FY ending Mar. 31, 2024<br>(Forecast) |
|---|------------------------|-------------|---------------------------------------|
|   | Amount                 | Ratio       | Amount                                |
| <b>Net sales</b>                                      | <b>57,530</b>          | <b>100%</b> | <b>60,000</b>                         |
| <b>Operating profit (loss)</b>                        | <b>1,258</b>           | <b>2.2%</b> | <b>1,200</b>                          |
| <b>Ordinary profit (loss)</b>                         | <b>1,865</b>           | <b>3.2%</b> | <b>900</b>                            |
| <b>Profit (loss) attributable to owners of parent</b> | <b>2,403</b>           | <b>4.2%</b> | <b>2,000</b>                          |

|                    |          | FY ended Mar. 31, 2023 |                  | FY ending Mar. 31, 2024 (Forecast) |
|--------------------|----------|------------------------|------------------|------------------------------------|
|                    |          | Interim                | Year-end         | Annual                             |
| Dividend per share | Interim  |                        | 0.00 yen         | 20.00 yen                          |
|                    | Year-end | *                      | 30.00 yen        | 20.00 yen                          |
|                    | Annual   | *                      | <b>30.00 yen</b> | <b>40.00 yen</b>                   |

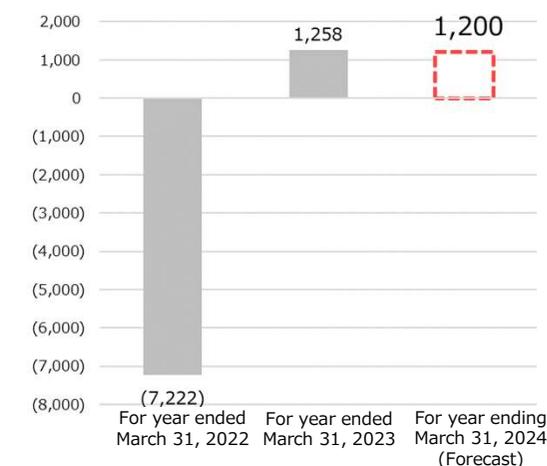
\* The interim and year-end dividends per share for the fiscal year ended March 31, 2023 are scheduled to be officially decided at the 124th Annual General Meeting of Shareholders to be held on June 29, 2023.

(Unit: millions of yen)

## Net sales



## Operating profit (loss)



## Contact

KATO WORKS CO., LTD.  
IR Team, General Affairs Department\*

1-9-37 Higashioi,  
Shinagawa-ku, Tokyo, 140-0011  
E-Mail: [ir-kato@kato-works.co.jp](mailto:ir-kato@kato-works.co.jp)

\*We will establish the Corporate Communications Department on June 1, 2023.

The Corporate Communications Department will have a dedicated person in charge of IR and public relations and will strive to strengthen communication with shareholders, investors, and other stakeholders, while also working to actively enrich information disclosures and IR materials including disclosure materials and promote proactive PR activities.

Contents on the present plans and the forecasts included in this material are planned and forecasted based on information presently available to the Company and certain premises deemed reasonable by the Company. Actual business results, etc. may be significantly different from them due to various factors. Therefore, this material does not promise or guarantee that they will be realized.