

Tokyo Stock Exchange, Standard Market
Stock code: 6405

Financial Results for the Fiscal Year Ended March 31, 2025



May 19, 2025 | Suzumo Machinery Co., Ltd.

Contents

1. Overview of FY03/25 Consolidated Financial Results	Pages 3—13
✓ Performance summary	
✓ Year-on-year performance	
✓ Breakdown of domestic and overseas sales	
✓ Domestic and overseas sales (quarterly results)	
✓ Domestic business: Own-machine sales by customer category	
✓ Overseas business: Sales by region	
✓ Year-on-year change in SG&A expenses	
✓ Net sales and operating profit	
✓ Consolidated balance sheet	
2. FY03/26 Consolidated Performance Forecast	Pages 14—17
3. Key Highlights	Pages 18—20

1 . Overview of FY03/25 Consolidated Financial Results

FY03/25: Performance summary

Millions of yen

	FY03/24 Amount	FY03/25 Plan	FY03/25		
			Amount	YoY change	Progress vs. plan
Net sales	14,514	15,960	15,568	+ 7.3%	− 2.5%
Domestic	10,257	10,727	10,605	+ 3.4%	-1.1%
Overseas	4,257	5,233	4,962	+ 16.6%	− 5.2%
Operating profit	1,475	1,900	1,890	+ 28.1%	− 0.5%
Ordinary profit	1,498	1,915	1,947	+ 30.0%	+ 1.7%
Profit attributable to owners of parent	1,140	1,350	1,462	+ 28.2%	+8.4%

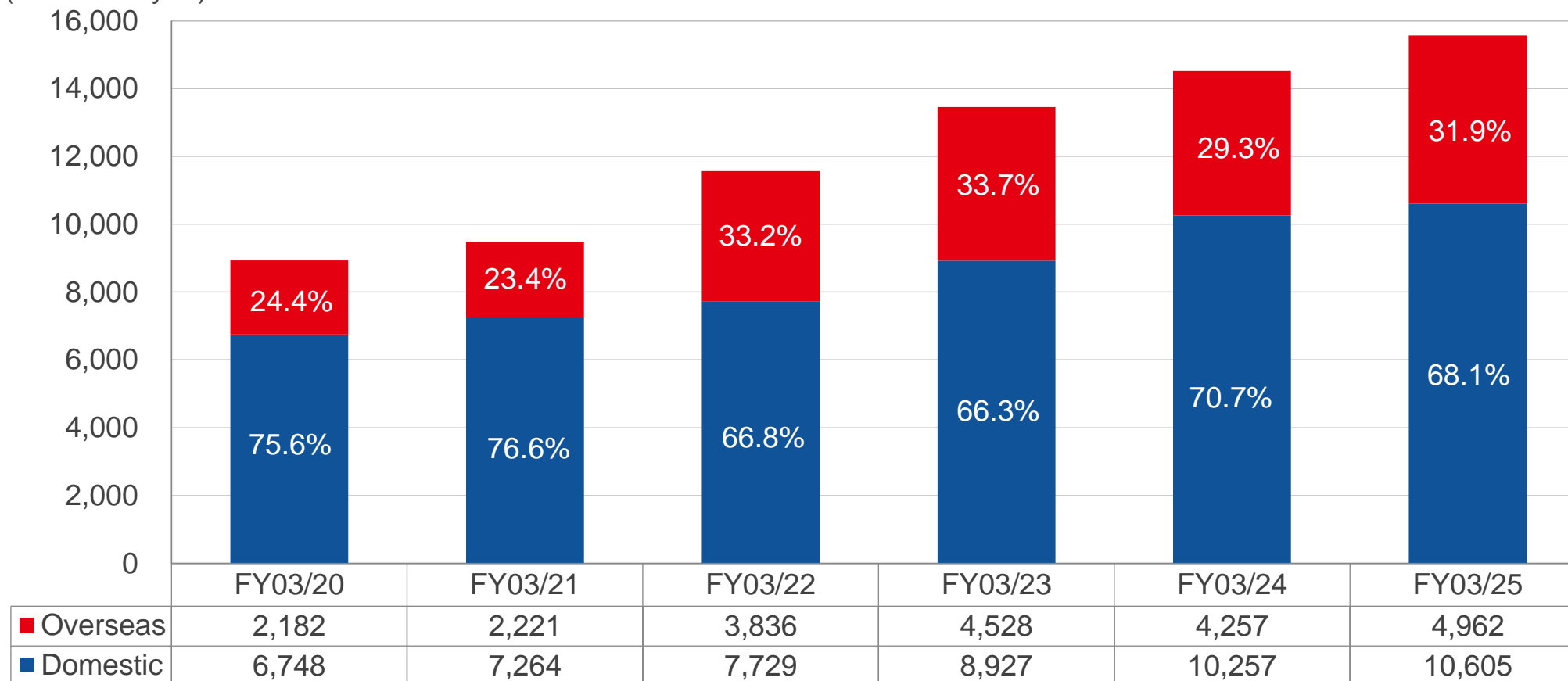
FY03/25: Year-on-year performance

Millions of yen

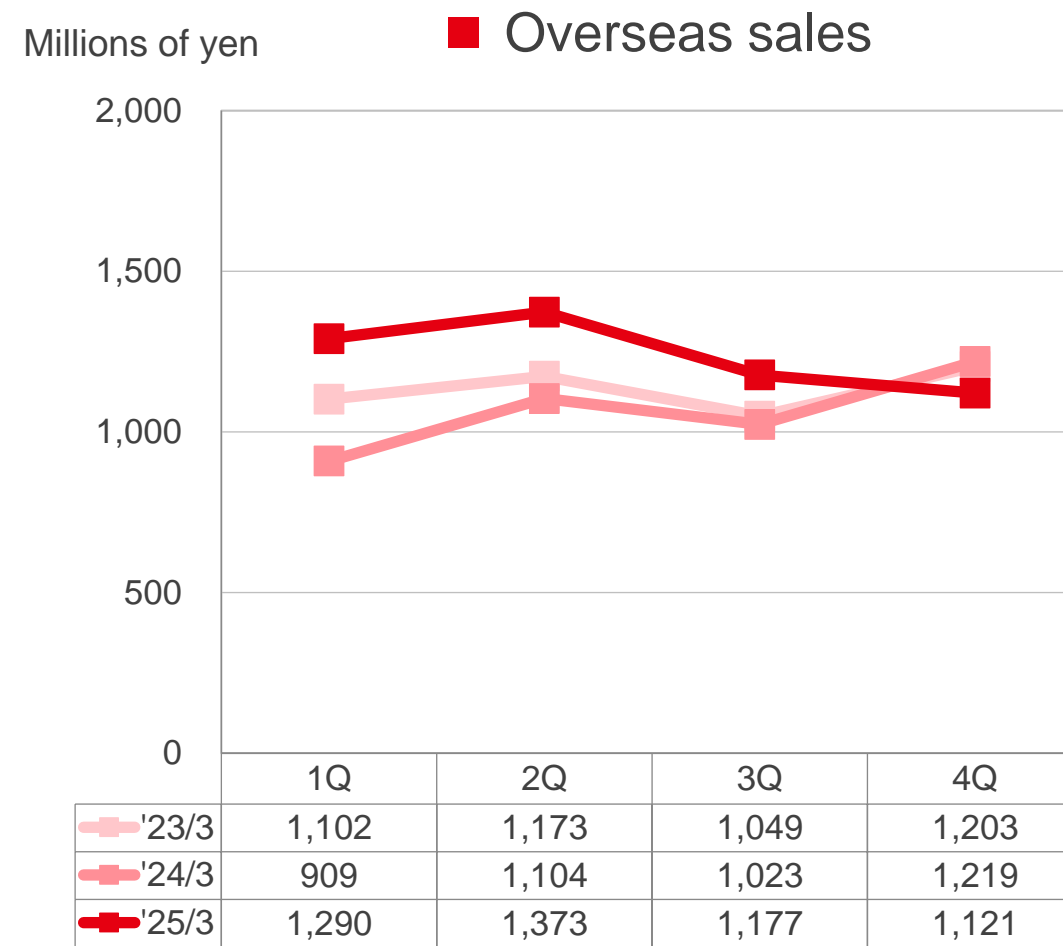
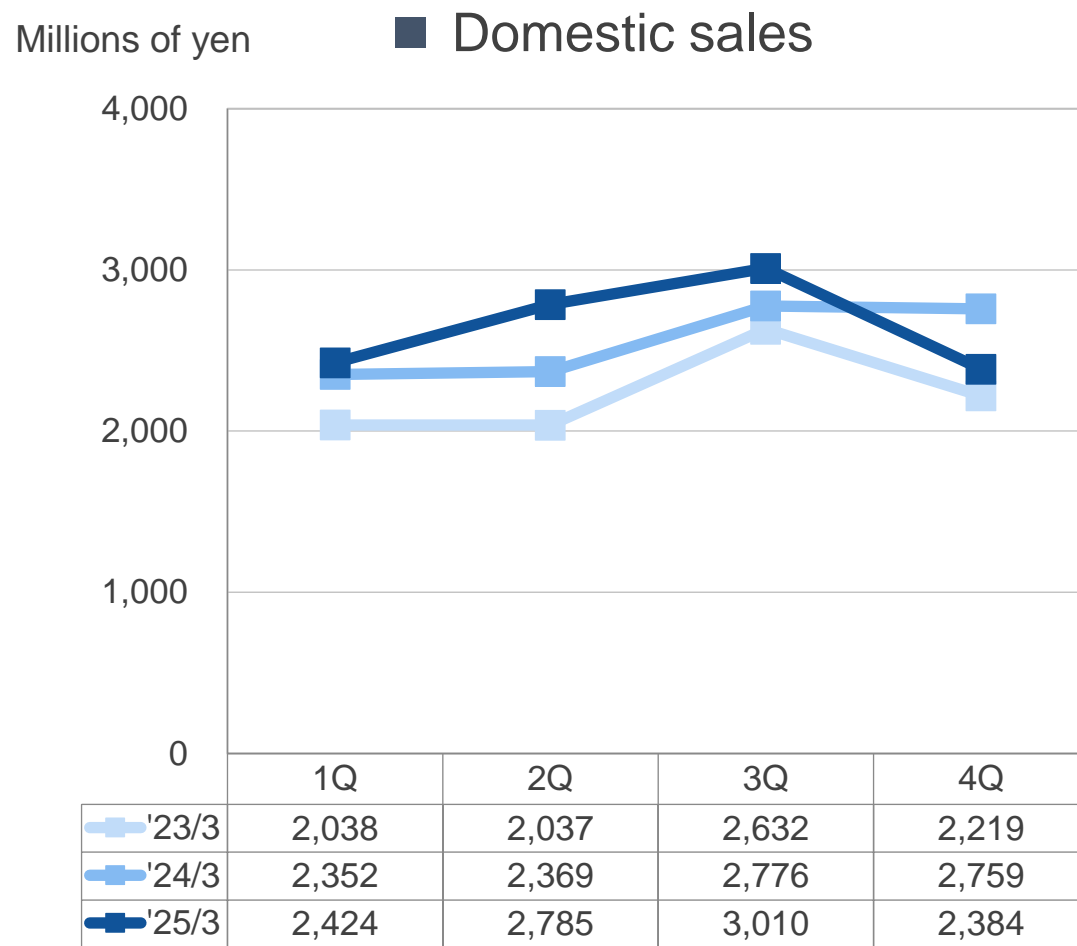
	FY03/24	FY03/25			YoY	
		1H	2H	Full year	YoY change	YoY change(%)
Net sales	14,514	7,874	7,693	15,568	+1,053	+7.3%
Cost of sales	7,659	3,884	3,819	7,703	+44	+0.6%
Gross profit (Profit margin)	6,855 (47.2%)	3,989 (50.7%)	3,874 (50.4%)	7,864 (50.5%)	+1,008 (+ 3.3%)	+14.7%
SG&A expenses (SG&A ratio)	5,380 (37.1%)	2,938 (37.3%)	3,035 (39.5%)	5,974 (38.4%)	+593 (+ 1.3%)	+11.0%
Operating profit (Profit margin)	1,475 (10.2%)	1,051 (13.4%)	838 (10.9%)	1,890 (12.1%)	+414 (+ 2.0%)	+28.1%
Ordinary profit (Profit margin)	1,498 (10.3%)	1,092 (13.9%)	855 (11.1%)	1,947 (12.5%)	+449 (+ 2.2%)	+30.0%
Profit attributable to owners of parent (Profit margin)	1,140 (7.9%)	794 (10.1%)	668 (8.7%)	1,462 (9.4%)	+322 (+ 1.5%)	+28.2%

FY03/25 : Breakdown of domestic and overseas sales

Net sales
(Millions of yen)

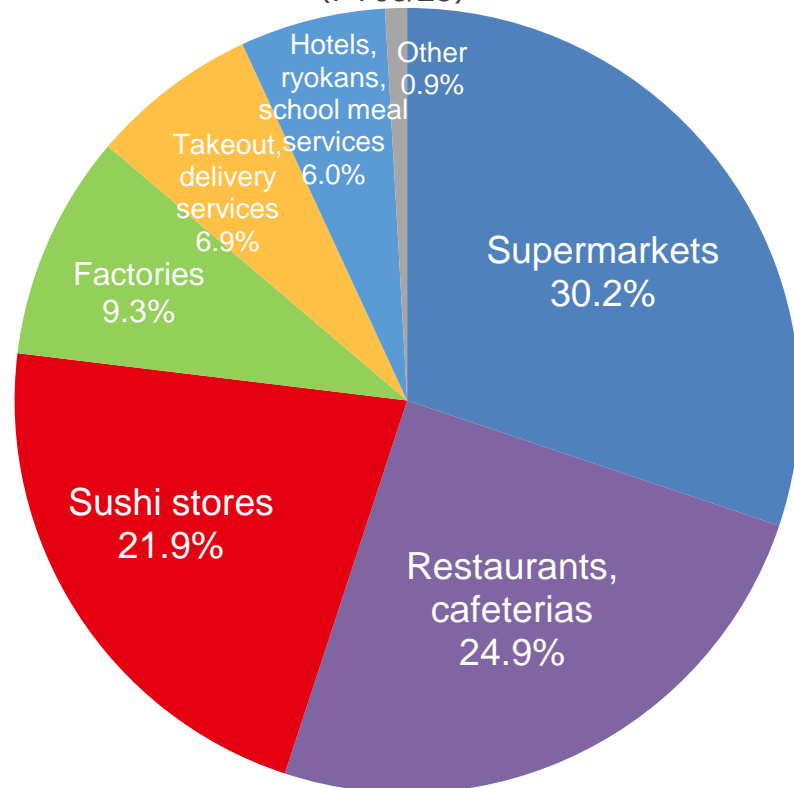


FY03/25 : Domestic and overseas sales (quarterly results)



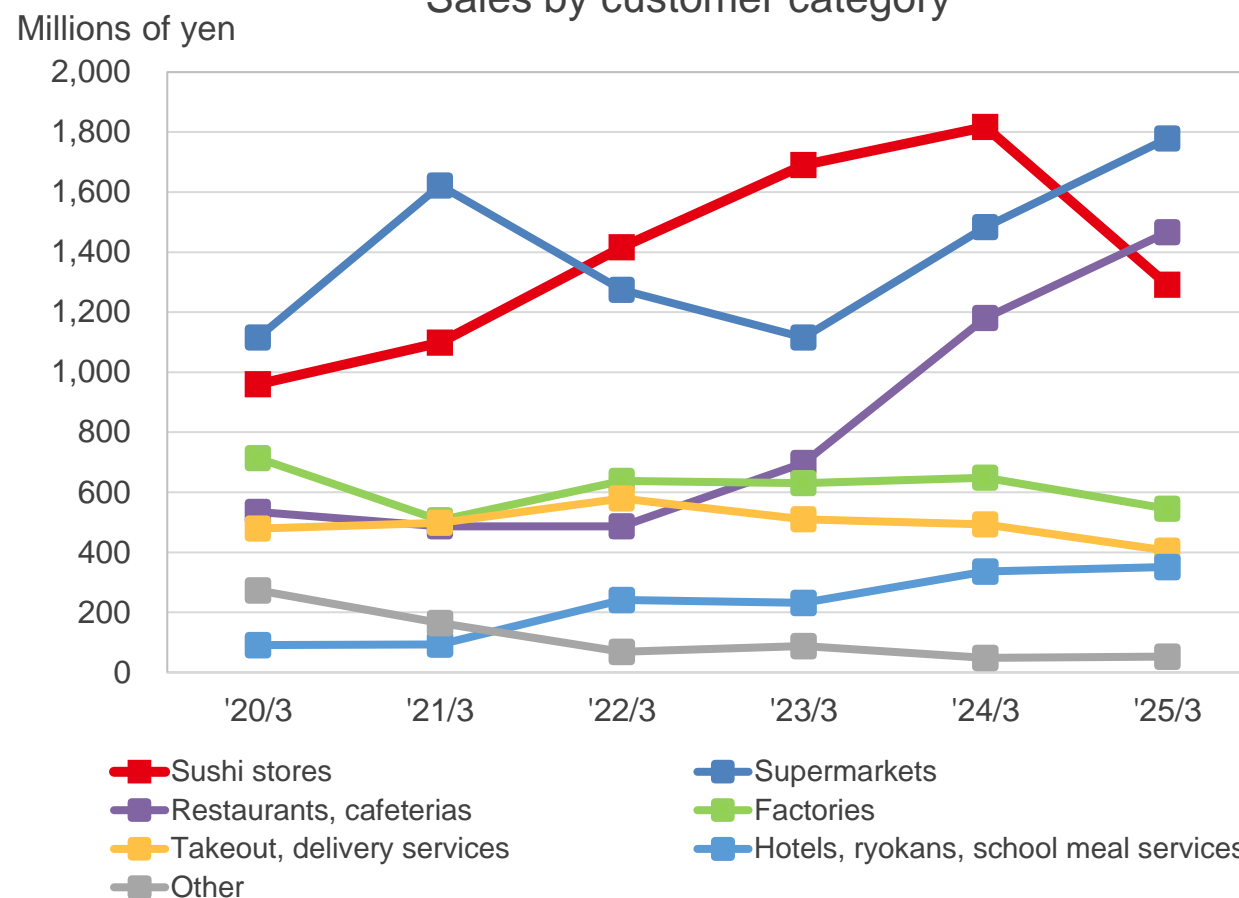
FY03/25 : Domestic business Own-machine sales by customer category

■ Domestic business:
Sales breakdown by customer category
(FY03/25)

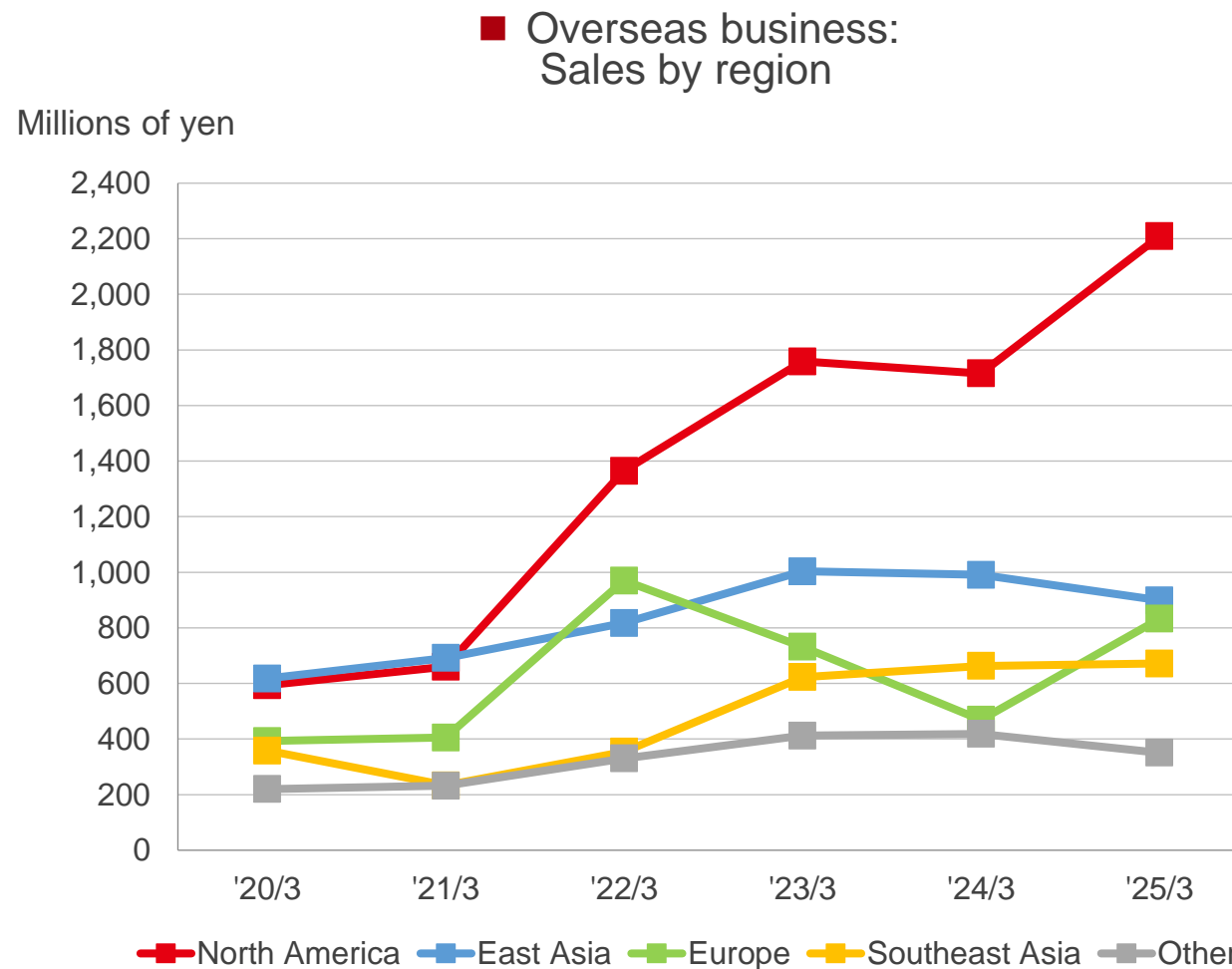
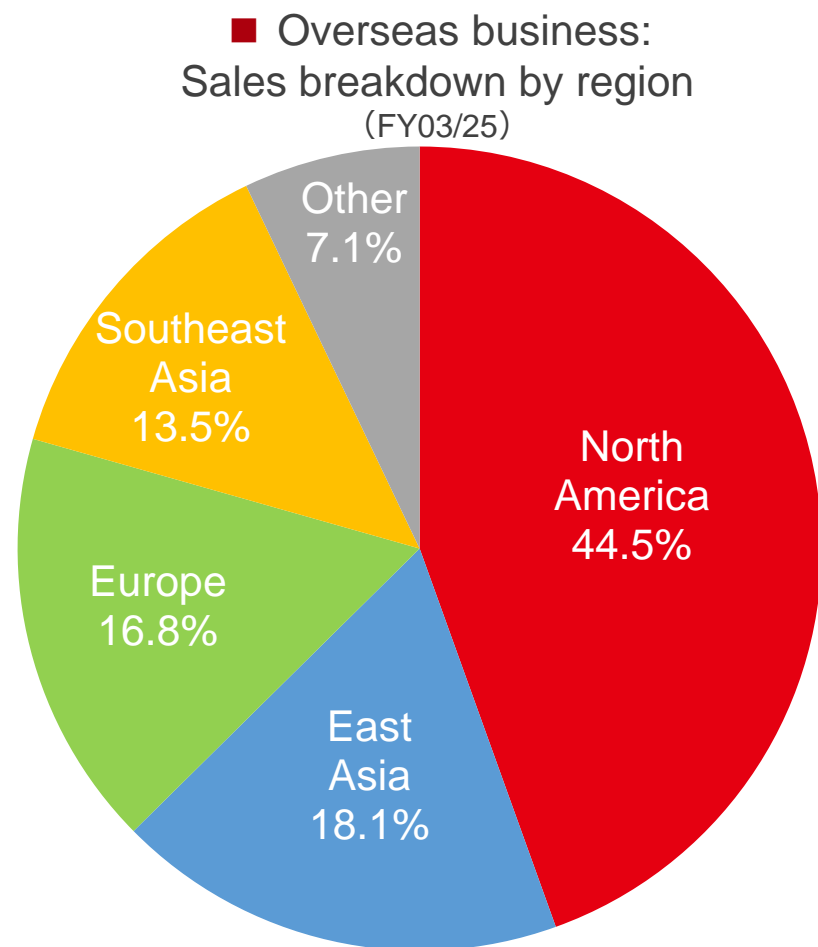


* Calculation of sales breakdown (%) by customer category is based on domestic own-machine sales.

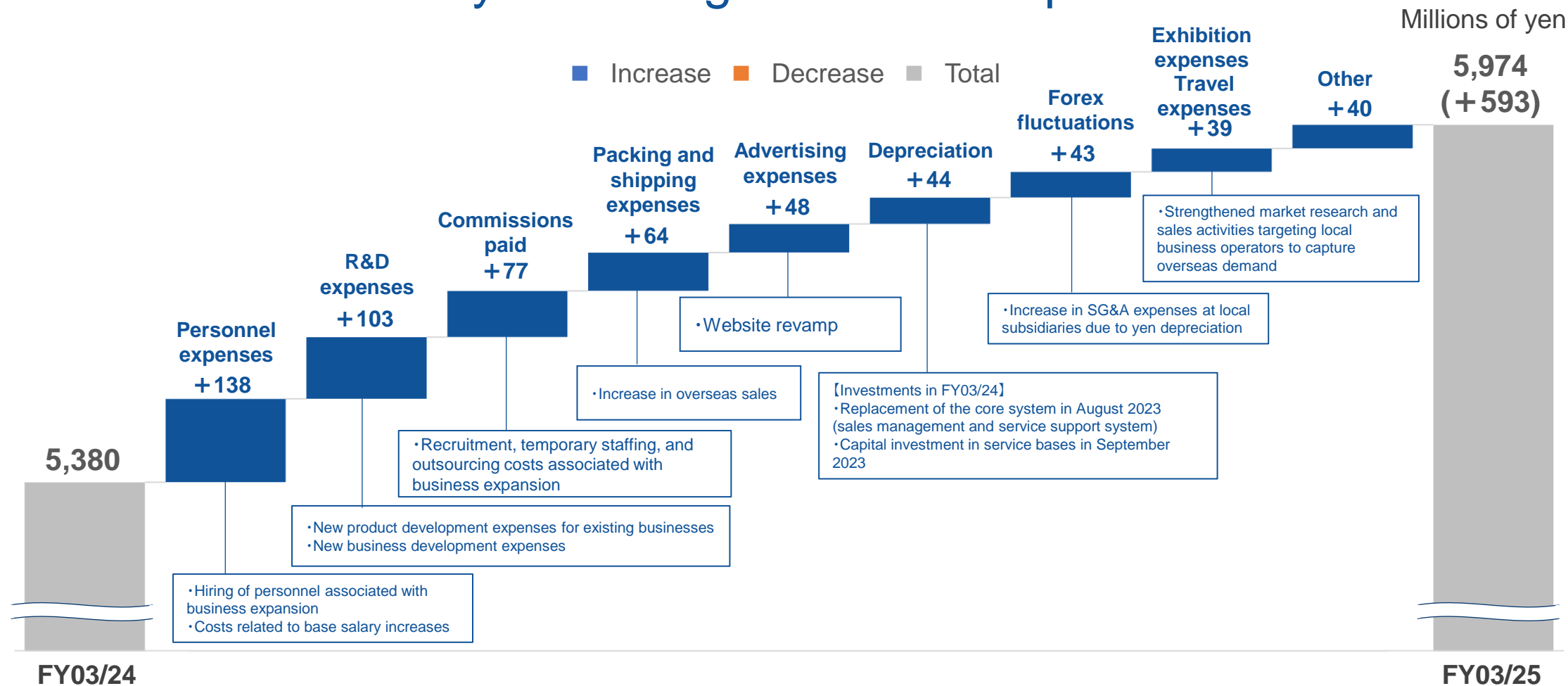
■ Domestic business:
Sales by customer category



FY03/25 : Overseas business Sales by region



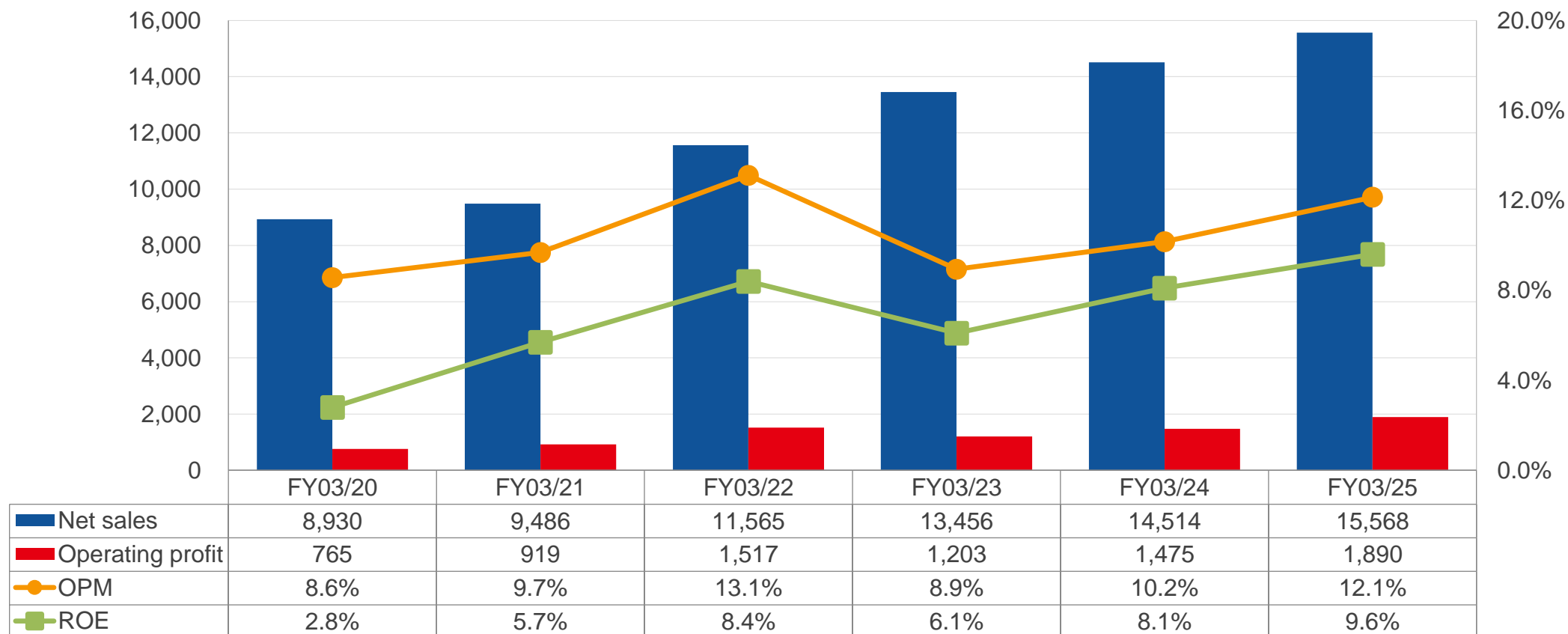
FY03/25 : Year-on-year change in SG&A expenses



FY03/25 : Net sales and operating profit

Net sales, operating profit
(Millions of yen)

Operating profit margin (OPM)
/ ROE



FY03/25 : consolidated balance sheet: Assets

Millions of yen

	As of March 31, 2024		As of March 31, 2025		YoY	
	Amount	% of total	Amount	% of total	YoY change	YoY change (%)
Current assets	10,692	58.7%	10,841	55.7%	+148	+1.4%
Cash and deposits	6,017	33.1%	5,597	28.7%	-420	-7.0%
Trade receivables	1,853	10.2%	2,039	10.5%	+185	+10.0%
Inventories	2,562	14.1%	2,819	14.5%	+256	+10.0%
Other	258	1.4%	385	2.0%	+126	+48.9%
Non-current assets	7,509	41.3%	8,630	44.3%	+1,121	+14.9%
Property, plant and equipment	5,984	32.9%	7,028	36.1%	+1,043	+17.4%
Intangible assets	539	3.0%	518	2.7%	-20	-3.8%
Investments and other assets	985	5.4%	1,084	5.6%	+99	+10.1%
Total assets	18,201	100.0%	19,471	100.0%	+1,270	+7.0%

FY03/25 : consolidated balance sheet: Liabilities and net assets

Millions of yen

	As of March 31, 2024		As of March 31, 2025		YoY	
	Amount	% of total	Amount	% of total	YoY change	YoY change (%)
Total liabilities	3,620	19.9%	3,502	18.0%	-118	-3.3%
Current liabilities	2,006	11.0%	2,007	10.3%	+0	+ 0.0%
Non-current liabilities	1,614	8.9%	1,494	7.7%	-119	-7.4%
Total net assets	14,580	80.1%	15,969	82.0%	+1,388	+ 9.5%
Shareholders' equity	14,356	78.9%	15,423	79.2%	+1,067	+ 7.4%
Total accumulated other comprehensive income	189	1.0%	505	2.6%	+315	+ 166.5%
Non-controlling interests	34	0.2%	39	0.2%	+5	+ 14.5%
Total liabilities and net assets	18,201	100.0%	19,471	100.0%	+1,270	+ 7.0%

2. FY03/26 Consolidated Performance Forecast

FY03/26 Consolidated performance forecast

Millions of yen

	FY03/25		FY03/26					
	Amount	% of total	1H			Full year		
			Plan	% of total	YoY change (%)	Plan	% of total	YoY change (%)
Net sales	15,568	100.0%	8,750	100.0%	+11.1%	17,870	100.0%	+14.8%
Domestic	10,605	68.1%	5,152	58.9%	-1.1%	11,195	62.6%	+5.6%
Overseas	4,962	31.9%	3,598	41.1%	+35.1%	6,675	37.4%	+34.5%
Operating profit	1,890	12.1%	895	10.2%	-14.9%	2,000	11.2%	+5.8%
Ordinary profit	1,947	12.5%	930	10.6%	-14.9%	2,045	11.4%	+5.0%
Profit attributable to owners of parent	1,462	9.4%	680	7.8%	-14.4%	1,495	8.4%	+2.2%
Basic earnings per share	¥113.09		¥52.55			¥115.54		

FY03/26 Overseas business

North America: Tariff policy responses

Impacts

- Direct impacts
 - ✓ Higher costs associated with the imposition of a 10% tariff on exports from the Company to its US subsidiary beginning in April 2025
 - ✓ A 24% specific tariff is scheduled to take effect in July 2025
- Indirect impacts
 - ✓ The negative impact on the US economy may lead to the cancellation or postponement of customers' capital investment plans

Response measures

- Inventory buildup
 - ✓ As a precautionary measure, the Company's US subsidiary implemented risk hedging in FY03/25 by building up inventory
 - ✓ In view of the specific tariffs scheduled to take effect in July 2025, we are currently (Apr–Jun) conducting short-term, intensive product shipments to the US subsidiary
- Price pass-through
 - ✓ Prices for parts are scheduled to increase on June 1, 2025
 - ✓ Products from accumulated inventory will be sold at current prices, while pricing for post-tariff inventory is under consideration in light of tariff trends

Europe: Dealer restructuring strategy

Current Issues

- Drawbacks of the one-country-one-dealer system
 - ✓ Under the one-country-one-dealer model, the presence of small-scale distributors has resulted in inconsistent sales activity and limited our ability to capture market needs, making it difficult to build effective sales strategies
 - ✓ Ineffective sales activities targeting major operators across multiple countries

Strategy

- Reorganization of dealers into primary and regional types
 - ✓ Primary dealers span multiple countries and work in cooperation with regional dealers to handle sales across broad geographic areas
 - ✓ By shipping products to primary dealers in bulk, we expect timely shipments to customers and improved price competitiveness through reduced transportation costs
 - ✓ By consolidating market information, previously dispersed among dealers in various countries, at primary dealers, we expect to improve our ability to efficiently identify and respond to market needs

FY03/26 Shareholder return policies / Dividend forecasts

		Annual dividends			Payout ratio
		2nd quarter-end	Year-end	Total	
FY03/24	Results	¥15	¥17	¥32	36.3%
FY03/25	Initial forecast	¥15	¥18	¥33	31.6%
	Revised forecast	¥15	¥19	¥34	30.1%
FY03/26	forecast	¥15	¥20	¥35	30.3%

Shareholder return policies

- Dividend increase
- Total payout ratio (dividends and buybacks): 30% or more
- No. of dividends: twice a year (interim dividend and year-end dividend)

3. Key Highlights

Absorption-type merger of Japan System Project



Background to the merger

- After announcing the previous medium-term management plan in November 2019, we began developing new businesses aimed at delivering total solutions for restaurants that go beyond the traditional kitchen area and include the customer seating floor.
- As part of efforts to expand into total restaurant solutions, we acquired Japan System Project in October 2021. However, due to intensifying competition in the store systems industry, Japan System Project has continued to face challenging business conditions.
- To streamline operations and strengthen sales and development capabilities through integrated business management, we have decided to merge Japan System Project with our Company.

■ Overview of Japan System Project

Location	Nakano Central Park East 4-10-1 Nakano, Nakano-ku, Tokyo
Representative	President Kenji Nakamura*
Establishment	March 25, 1991
Business	Store system development and sales

* Officer dispatched from the Company

■ Merger schedule

Date of Board of Directors resolution	February 19, 2025
Scheduled date of absorption-type merger	September 1, 2025

Change of president and executive officer structure

■ Change of president (as of April 1, 2025)

Name	Current position	Former position
Minako Suzuki	Chairman, Representative Director, Board Member	President, Representative Director, Board Member
Toru Taniguchi	President, Representative Director, Board Member	Representative director, Vice president, and Executive officer and General Manager, Factory Solutions Business Division

■ Executive officer structure (as of April 1, 2025)

Name	Position
Toru Taniguchi	<u>President</u>
Junko Koshino	Managing Executive Officer, Executive Officer, <u>Corporate Department</u>
Kuninori Akita	<u>Senior Executive Officer, Global Business Department</u>
Ryunosuke Kurihara	Executive Officer, <u>Global Business Department</u>
Sadato Nagamoto	Executive Officer, Japan Market Department
Isamu Ito (newly appointed)	<u>Executive Officer, Factory Solution Department</u>
Masayuki Tagashira (newly appointed)	<u>Executive Officer, Production and Engineer Department</u>
Kenji Nakamura	Executive Officer, President of Japan System Project Inc.

* Underlines indicate changes.



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