
**Full-Year Financial Results Briefing
Materials for the Fiscal Year Ended
March 31, 2024**

Kurimoto Group



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2. Financial Results for the Year Ended

March 31, 2024

Reference Materials

This English presentation was translated from the original Japanese version. In the event of any inconsistency between the statements in the two versions, the statements in the Japanese version shall prevail.

1. Business Summary

1-1 Business Summary

Location:

1-12-19, Kitahorie, Nishi-ku, Osaka 550-8580

Founded:

February 2, 1909

Incorporated:

May 10, 1934

Major Business Areas:

Social infrastructure business, industrial equipment business

Representative:

President Kazutaka Kikumoto

Capital:

31.1 billion yen (as of March 31, 2024)

Number of employees:

2,121 employees (as of March 31, 2024, consolidated)

1,316 employees (as of March 31, 2024, non-consolidated)

Group Companies:

Composed of 22 domestic and overseas companies



1-1 Business Summary

Offices and factories:

○Factories (13 areas)

Osaka: 4 factories,
Shiga Pref., Ibaraki Pref., etc.

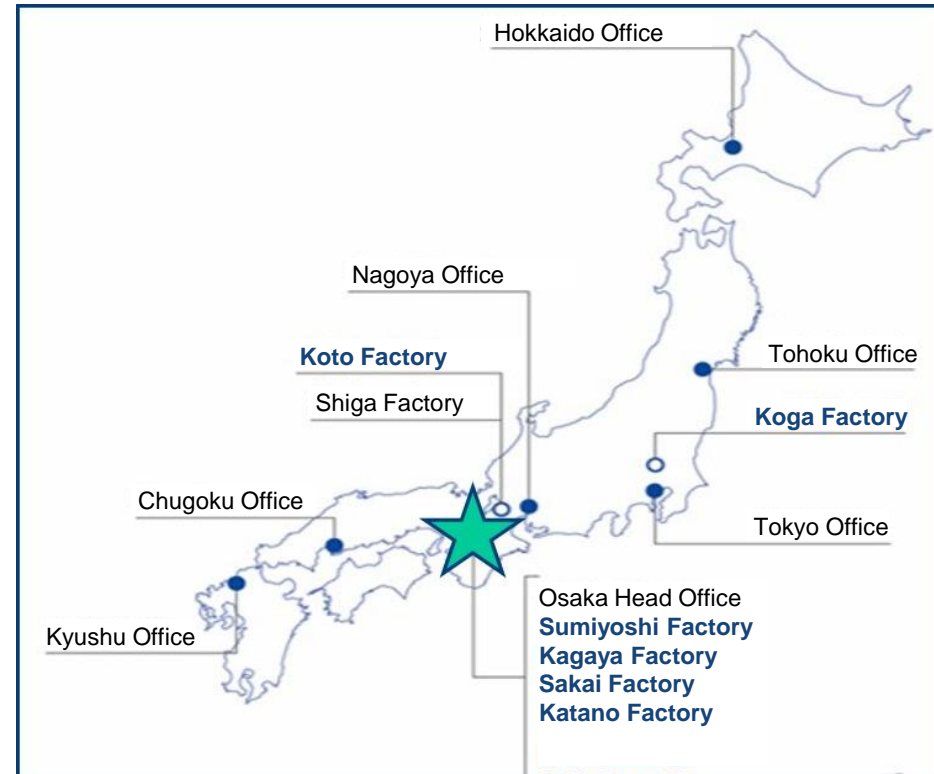
(Pref. = Prefecture)

○Domestic offices (8 areas)

Head Office (Osaka), Tokyo, Sapporo,
Sendai, Nagoya, Hiroshima, Fukuoka,
Okinawa

○Oversea Offices(2 areas)

Europe Office (Germany)
Jakarta Office (Indonesia)



Affiliated Companies:

KURIMOTO TRADING CO., LTD., YAMATOGAWA CO., LTD., Motoyama Eng. Works, Ltd., KS-TECH CO., LTD., JAPAN CASTERING Co., Ltd., Readco Kurimoto, Kurimoto USA, Inc. (USA), KURITETSU (SHANGHAI) TRADING CO., LTD. (China), etc.

1-1 Business Summary

Management Principle

We will meet the trust and expectations of all stakeholders, always provide suitable systems and create “ a future with dreams.”

—Providing optimal systems for social and industrial infrastructures—

1-2 Structure and Key Products in Business Divisions

- ◆ Kurimoto's business divisions have stable social infrastructures and industrial equipment businesses with a balance of public and private demand, with business bases resistant to boom-and-bust cycles.

Social infrastructure = Stability

Facilities that are fundamental to people and their lives, such as water supply and sewage systems, roads, communications, and transportation

Sales ratio

Approx.

50%

Sales ratio








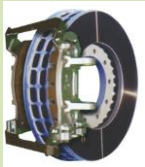



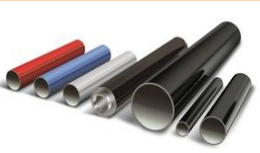
Approx.

50%

Industrial equipment =

Growth potential

Machinery, plant, and other manufacturing equipment required for manufacturers' production activities

Lifeline Segment		Machinery System Segment		Industrial Materials Segment	
Pipe Systems	Valve Systems	Plant Engineering & Machinery	Materials & Machinery	Construction Materials	Plastic Products
Water ductile iron pipes	Water valves, industrial valves	Forging press, kneader	Heat/abrasion resistant casting, crusher	Construction materials such as air conditioning ducts	FRP(M) products such as inspection passage
 	 	 	 	 	 

2. Financial Results for the Year Ended March 31, 2024

2-1 Overview of Financial Results

<Consolidated>

(Millions of yen)

	Results in FYE March 31, 2023		Results in FYE March 31, 2024		Y,o,Y	Initially expected values* for FYE March 31, 2024		vs Forecast
	(A)		(B)		(B-A)	(C)		(B-C)
Net sales	124,827	-	125,925	-	1,097	120,000	-	5,925
Operating income (ratio)	6,840	(5.5%)	7,460	(5.9%)	620	6,000	(5.0%)	1,460
Ordinary income (ratio)	6,868	(5.5%)	7,816	(6.2%)	947	6,000	(5.0%)	1,816
Quarterly net income (ratio) for the year	4,727	(3.8%)	5,470	(4.3%)	743	4,000	(3.3%)	1,470
ROE	-	(6.9%)	-	(7.1%)	(0.2pt)	-	(5.5%)	-

* Initially expected values (C): Values announced on May 12, 2023

Net sales

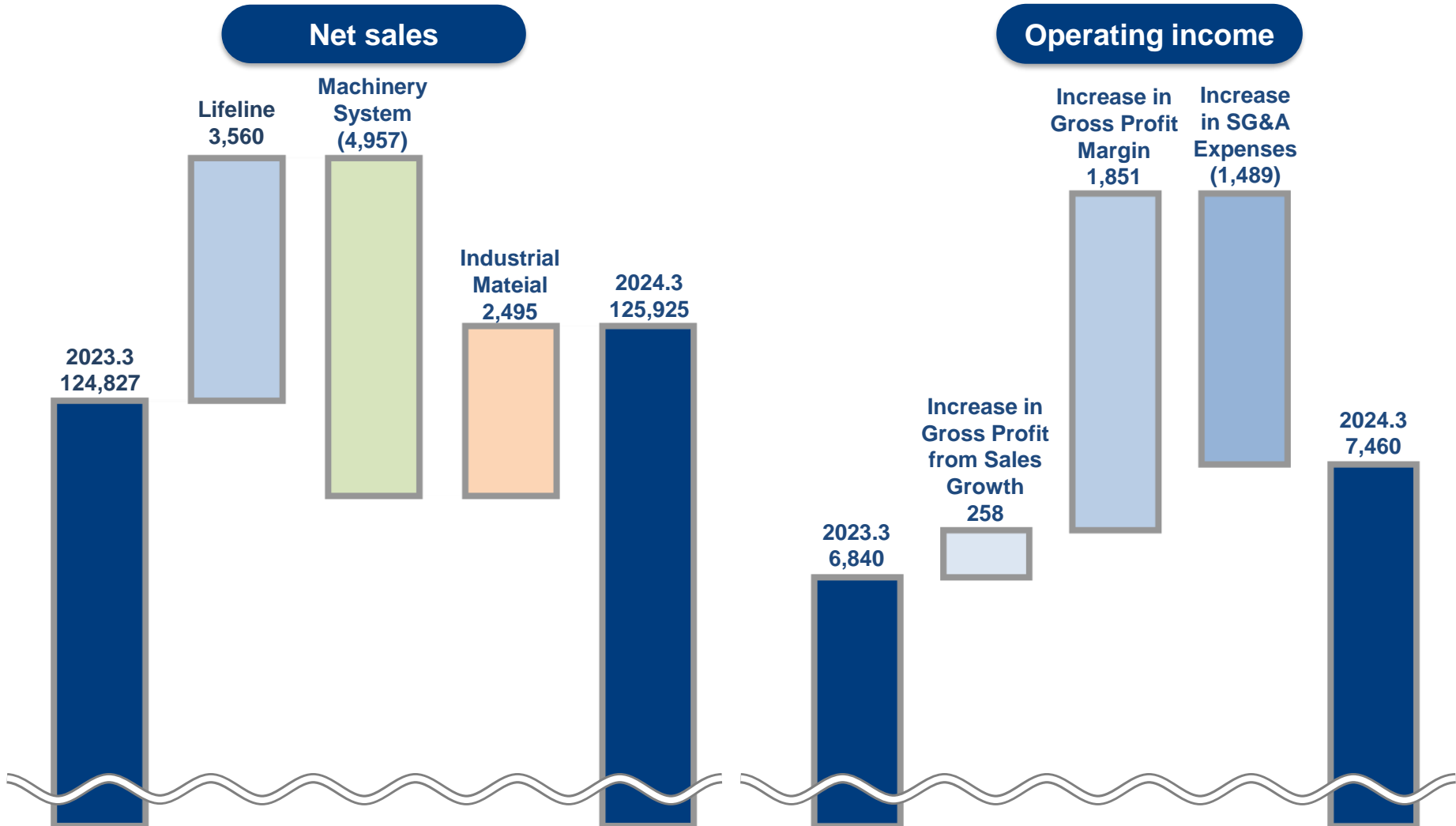
Net sales increased by 1,097 million yen year-on-year, thanks to a strong social infrastructure sector (public demand), despite lower sales in the industrial equipment sector (private demand) as a reaction to the concentration of sales in the previous fiscal year.

Operating income

Operating income grew by 620 million yen year-on-year supported by higher sales and the positive effects of cost reduction activities.

2-2 Comparison of Net Sales and Operating Income

(Millions of yen)



2-3 Segment Results

		Results in FYE March 31, 2023 (A)	Results in FYE March 31, 2024 (B)	Y,o,Y (B-A)	Initially expected values for FYE March 31, 2024 (C)	vs Forecast (B-C)
Lifeline	Net sales	60,879	64,439	3,560	59,200	5,239
	Operating income	3,679	4,494	815	3,200	1,294
	(Ratio)	(6.0%)	(7.0%)	(1.0 pts)	(5.4%)	(1.6 pts)
Machinery System	Net sales	34,102	29,144	(4,957)	31,800	(2,656)
	Operating income	2,208	1,491	(717)	1,600	(109)
	(Ratio)	(6.5%)	(5.1%)	(1.4 pts)	(5.0%)	(0.1 pts)
Industrial Mateial	Net sales	29,845	32,340	2,495	29,000	3,340
	Operating income	1,404	2,255	851	1,200	1,055
	(Ratio)	(4.7%)	(7.0%)	(2.3 pts)	(4.1%)	(2.9 pts)

* The total operating income includes adjustments, and does not match the sum of segment profit.

* Initially expected values for FYE March 31, 2024 (C): “Financial Results Briefing Materials for the Fiscal Year Ended March 31, 2023” announced on June 1, 2023

2-4 Overview by Business Segment

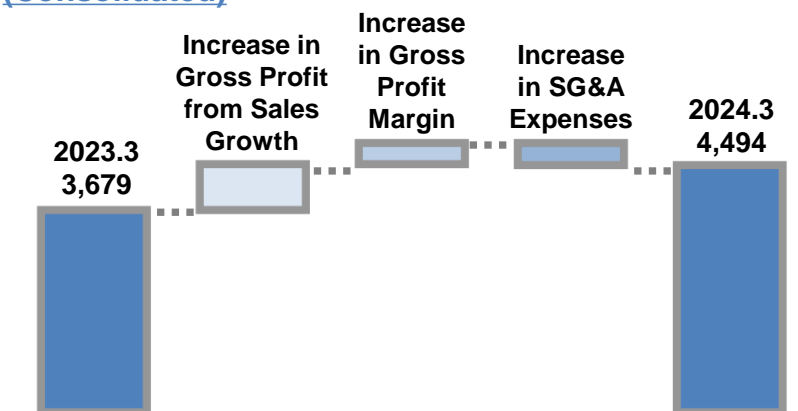
Lifeline

(Millions of yen)

	Results in FYE March 31, 2023 (A)	Results in FYE March 31, 2024 (B)	Y,o,Y (B-A)	Initially expected values* for FYE March 31, 2024 (C)	vs Forecast (B-C)
Net sales	60,879	64,439	3,560	59,200	5,239
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(Ratio)	(6.0%)	(7.0%)	(1.0 pts)	(5.4%)	(1.6 pts)

* Initially expected values for FYE March 31, 2023 (C): “Financial Results Briefing Materials for the Fiscal Year Ended March 31, 2023” announced on June 1, 2023

Breakdown of increase/decrease in Operating Income (Consolidated)



Net sales and Operating Income by Business Segment

Net sales

Net sales increased by 3,560 million yen year-on-year, thanks to constant and firm sales in the Valve Systems Division and sales subsidiaries.

Operating income

Operating income increased by 815 million yen year-on-year as the Valve Systems Division's price revisions have taken effect, also thanks to higher sales and the positive effects of cost reduction activities.

2-4 Overview by Business Segment

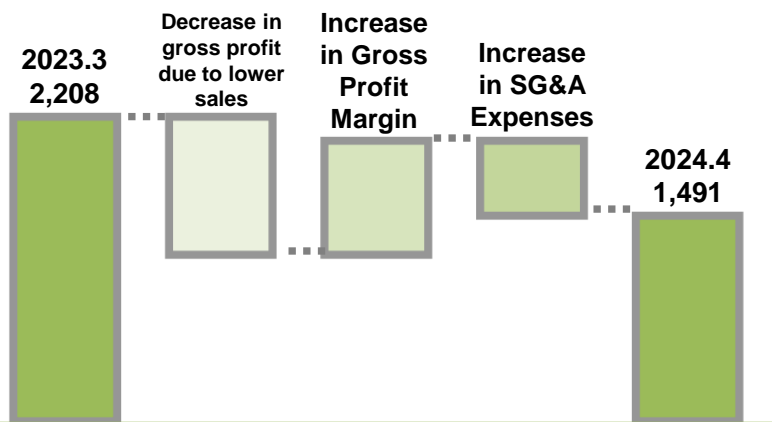
Machinery System

(Millions of yen)

	Results in FYE March 31, 2023 (A)	Results in FYE March 31, 2024 (B)	Y,o,Y (B-A)	Initially expected values* for FYE March 31, 2024 (C)	vs Forecast (B-C)
Net sales	34,102	29,144	(4,957)	31,800	(2,656)
Operating income	2,208	1,491	(717)	1,600	(109)
(Ratio)	(6.5%)	(5.1%)	(1.4 pts)	(5.0%)	(0.1 pts)

* Initially expected values for FYE March 31, 2023 (C): “Financial Results Briefing Materials for the Fiscal Year Ended March 31, 2023” announced on June 1, 2023

Breakdown of increase/decrease in Operating Income (Consolidated)



Net sales and Operating Income by Business Segment

Net sales

Net sales decreased by 4,957 million yen year-on-year, adversely affected by the previous fiscal year's concentration of sales in the Plant Engineering and Machinery Division, despite strong performance in the Materials and Machinery Division.

Operating income

Operating income decreased by 717 million yen year-on-year as the Plant Engineering and Machinery Division experienced lower income due to lower sales, despite income growth posted by the Materials and Machinery Division.

2-4 Overview by Business Segment

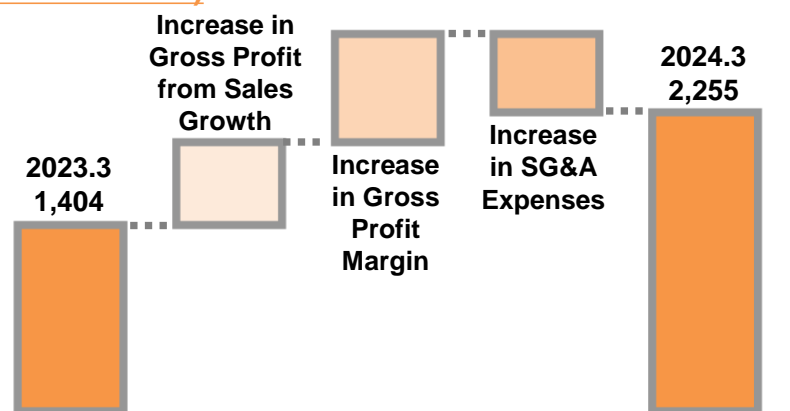
Industrial Material

(Millions of yen)

	Results in FYE March 31, 2023 (A)	Results in FYE March 31, 2024 (B)	Y,o,Y (B-A)	Initially expected values* for FYE March 31, 2024 (C)	vs Forecast (B-C)
Net sales	29,845	32,340	2,495	29,000	3,340
Operating income	1,404	2,255	851	1,200	1,055
(Ratio)	(4.7%)	(7.0%)	(2.3 pts)	(4.1%)	(2.9 pts)

* Initially expected values for FYE March 31, 2023 (C): “Financial Results Briefing Materials for the Fiscal Year Ended March 31, 2023” announced on June 1, 2023

Breakdown of increase/decrease in Operating Income (Consolidated)



Net sales and Operating Income by Business Segment

Net sales

Net sales increased by 2,495 million yen year-on-year due to constant and firm sales posted by both the Construction Materials Division and the Plastic Products Division.

Operating income

Operating income increased by 851 million yen year-on-year with an increase in the sales composition of high value-added products, in addition to higher sales.

2-5 Overview of Financial Position

<Consolidated>

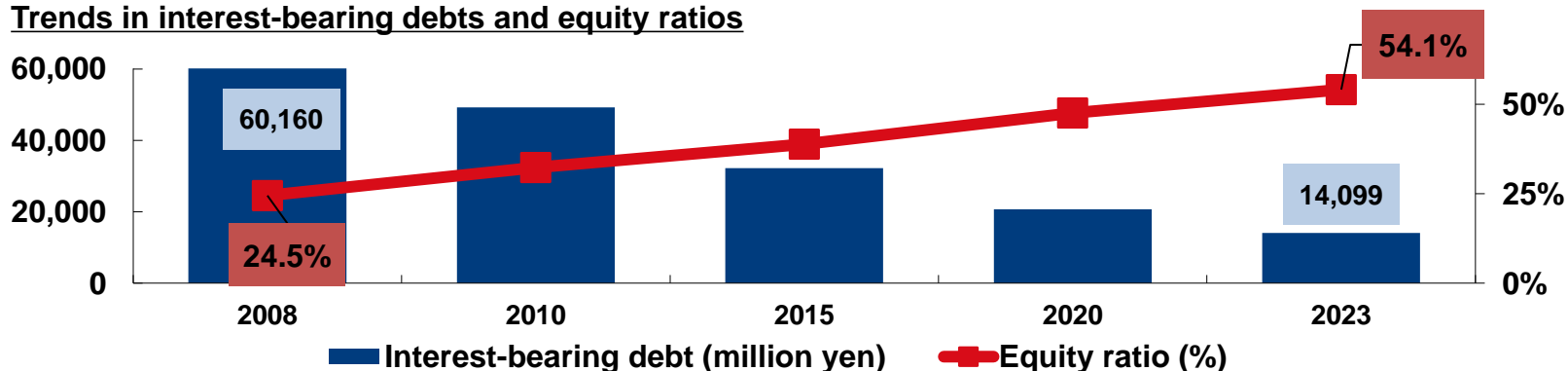
(Millions of yen)

	As of March 31, 2023	As of March 31, 2024	Increase/ Decrease
Cash and deposits	20,334	19,368	(966)
Other current assets	73,132	75,619	2,487
Total current assets	93,466	94,987	1,521
Total non-current assets	51,697	56,189	4,492
Total assets	145,164	151,176	6,012
Total current liabilities	62,311	59,442	(2,869)
Total non-current liabilities	9,889	9,003	(886)
Total liabilities	72,200	68,446	(3,754)
Total net assets	72,963	82,730	9,767
Total liabilities and net assets	145,164	151,176	6,012

Increase/decrease in major items

<ul style="list-style-type: none"> ■ Current assets • Increase of work in process 	1,807
<ul style="list-style-type: none"> ■ Non-current assets • Increase in investment securities 	6,523
<ul style="list-style-type: none"> ■ Current liabilities • Decrease in borrowings • Increase in notes and accounts payable – trade 	(6,565)
<ul style="list-style-type: none"> • Electronically recorded obligations • Increase in income taxes payable 	(1,317)
<ul style="list-style-type: none"> • Electronically recorded obligations • Increase in income taxes payable 	6,286
<ul style="list-style-type: none"> • Increase in income taxes payable 	(844)
<ul style="list-style-type: none"> ■ Non-current liabilities • Increase in long-term borrowings • Decrease in retirement benefit liability 	1,013
<ul style="list-style-type: none"> • Decrease in retirement benefit liability 	(1,886)

Trends in interest-bearing debts and equity ratios

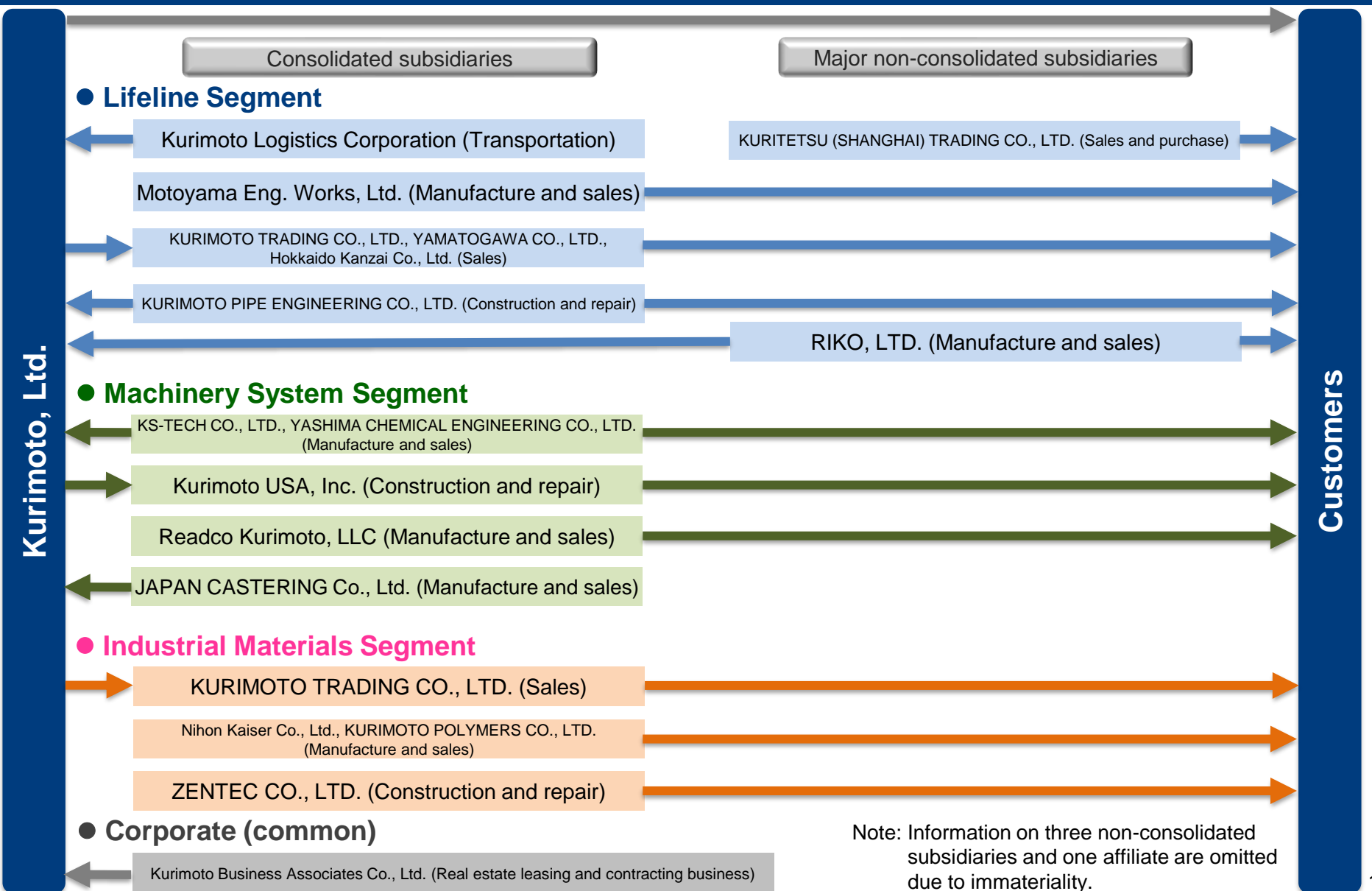


2-6 Consolidated Statement of Cash Flows

<Consolidated>	Classification (only major sub-items are shown.)	As of March 31, 2023	As of March 31, 2024	(Millions of yen)
	Cash flows from operating activities	5,064	10,278	
	Profit before income taxes	6,879	7,944	
	Depreciation	2,930	2,951	
	Decrease (increase) in trade receivables	(6,925)	(82)	
	Decrease (increase) in inventories	587	(2,019)	
	Increase (decrease) in trade payables	693	4,713	
	Other	900	(3,232)	
	Cash flows from investing activities	(1,741)	(2,690)	
	Proceeds from purchase of marketable securities and investment securities	634	158	
	Purchase of short-term and long-term investment securities	(2,379)	(2,380)	
	Other	4	(470)	
	Cash flows from financing activities	(4,495)	(8,604)	
	Increase (decrease) in borrowings	(3,522)	(6,565)	
	Dividends paid	(915)	(1,211)	
	Expenditure on purchase of treasury stock	-	(700)	
	Other	(56)	(127)	
	Net increase (decrease) in cash and cash equivalents	(1,024)	(968)	
	Cash and cash equivalents at end of period	20,275	19,306	
	Interest-bearing debt at end of period	20,664	14,099	

Reference Materials

Reference Materials 1 Kurimoto Group

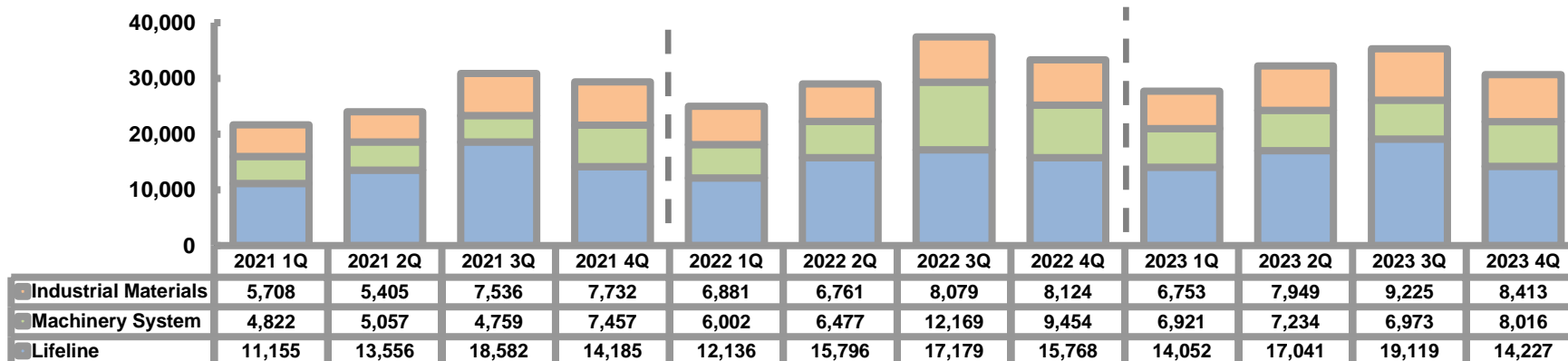


Note: Information on three non-consolidated subsidiaries and one affiliate are omitted due to immateriality.

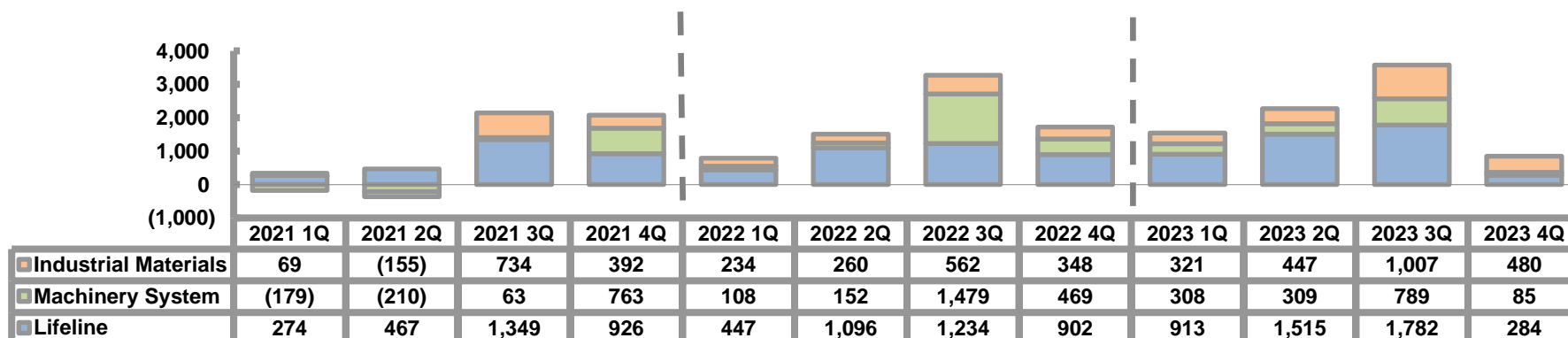
Trends of Quarterly Segment Earnings (Consolidated)

(Millions of yen)

Net sales



Operating income



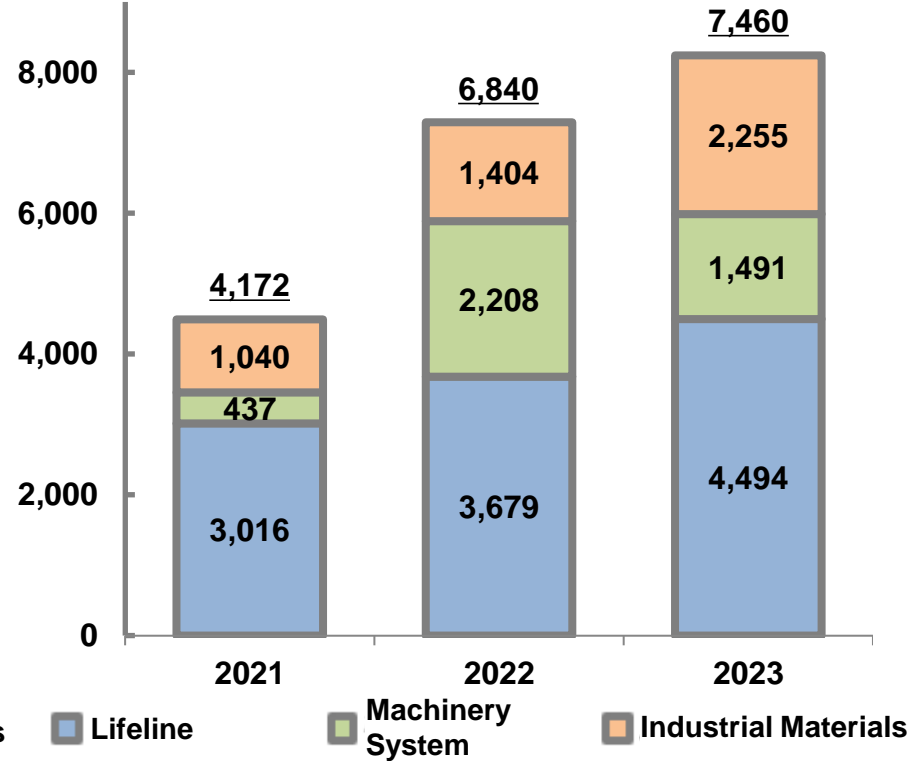
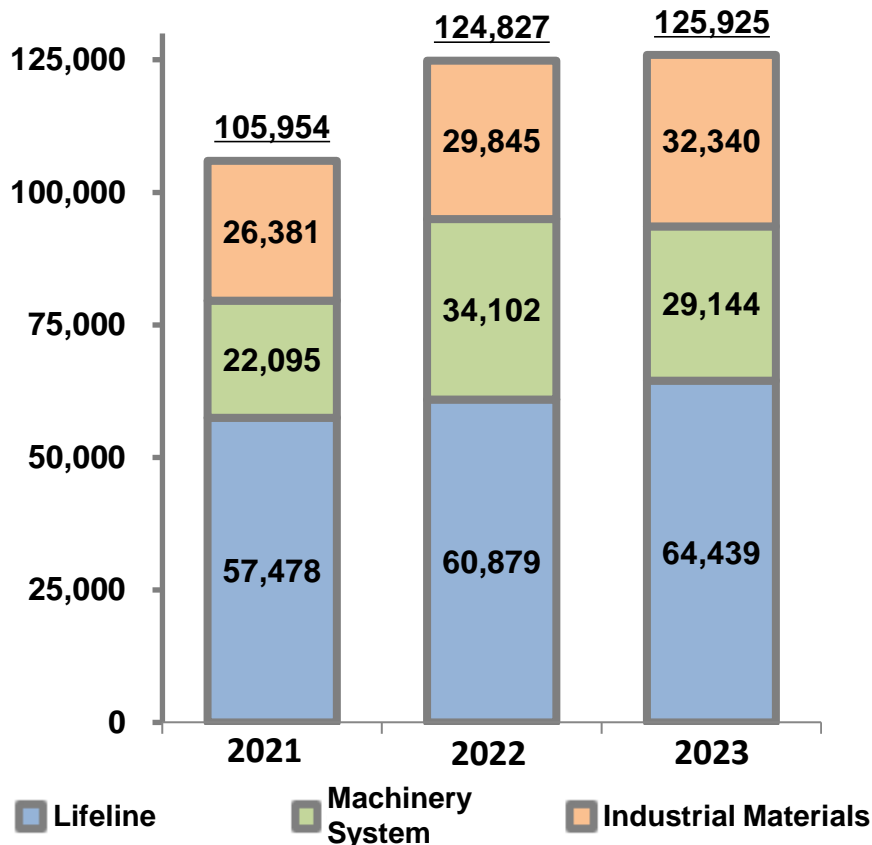
* The total operating income includes adjustments, and does not match the sum of segment profit.

Reference Materials 3 Trends of Segment Earnings

(Millions of yen)

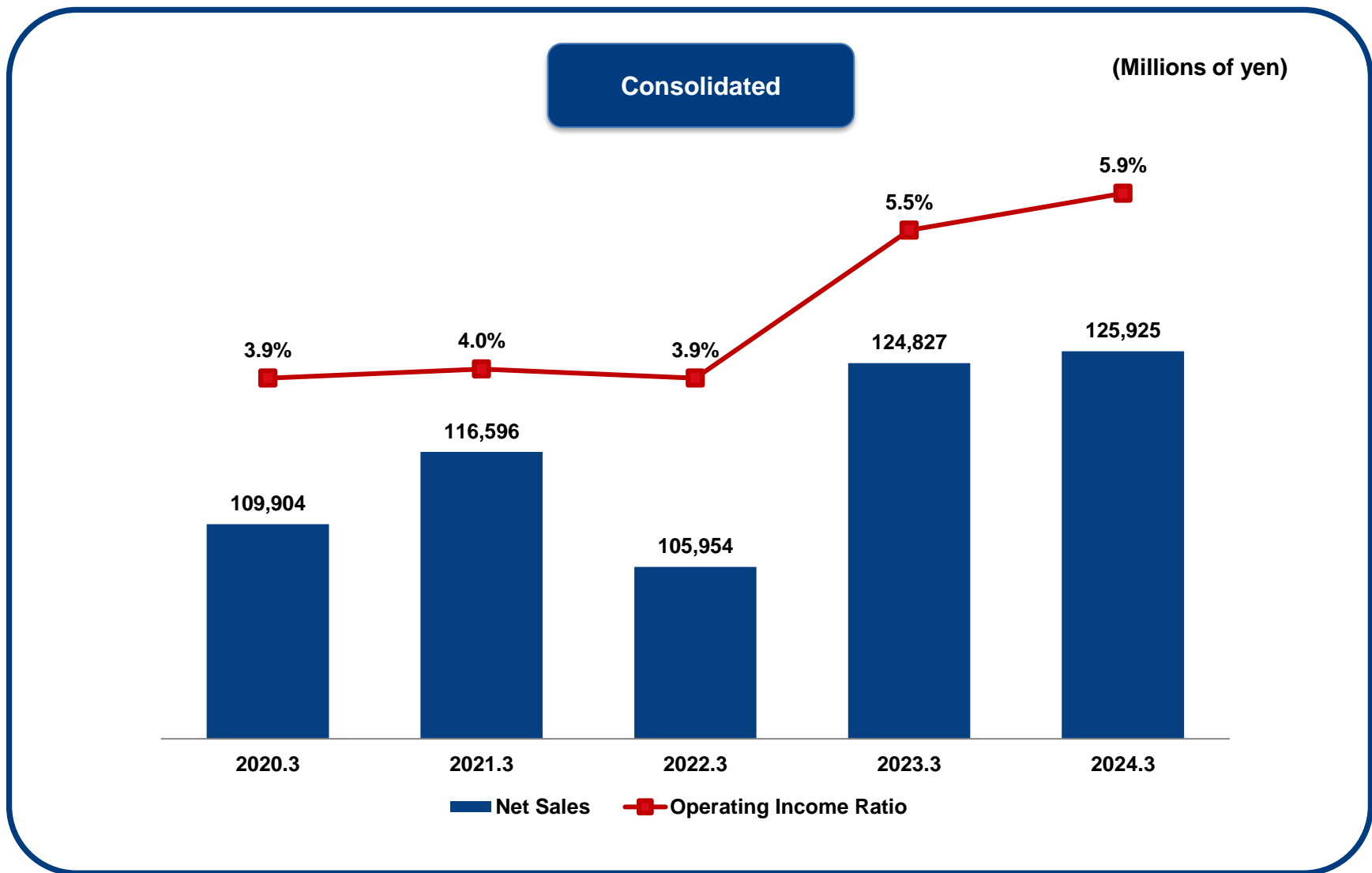
Net sales

Operating income



* The total operating income includes adjustments, and does not match the sum of segment profit.

Trends of Sales and Operating Income (Consolidated)

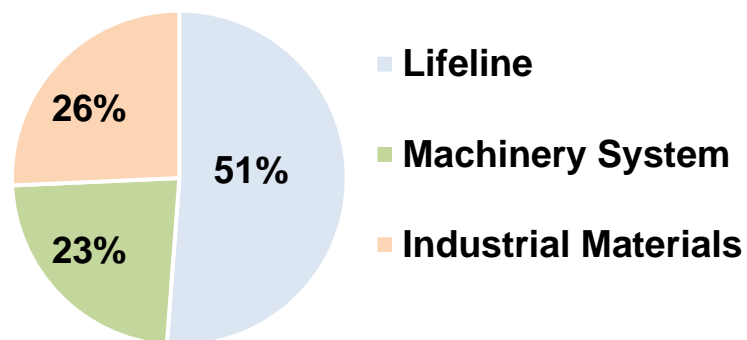


Reference Materials 5

Sales Composition by Segment, etc.

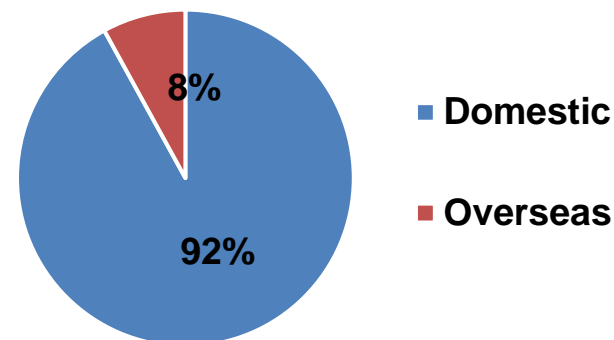
(Millions of yen)

Segment Sales Composition



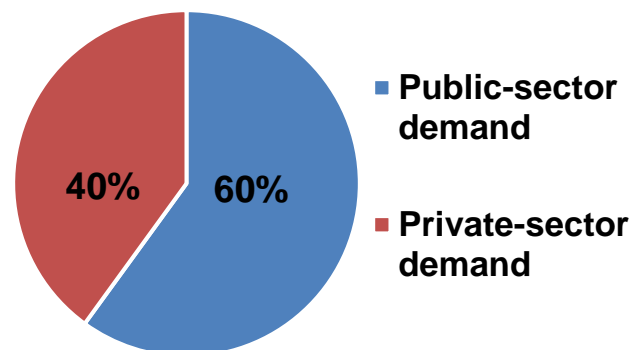
* Results as of March 31, 2023 (consolidated)

Domestic/overseas sales composition



* Average over the past 3 years (non-consolidated)

Demand (public/private) composition



* Average over the past 3 years (consolidated)

Reference Materials 6

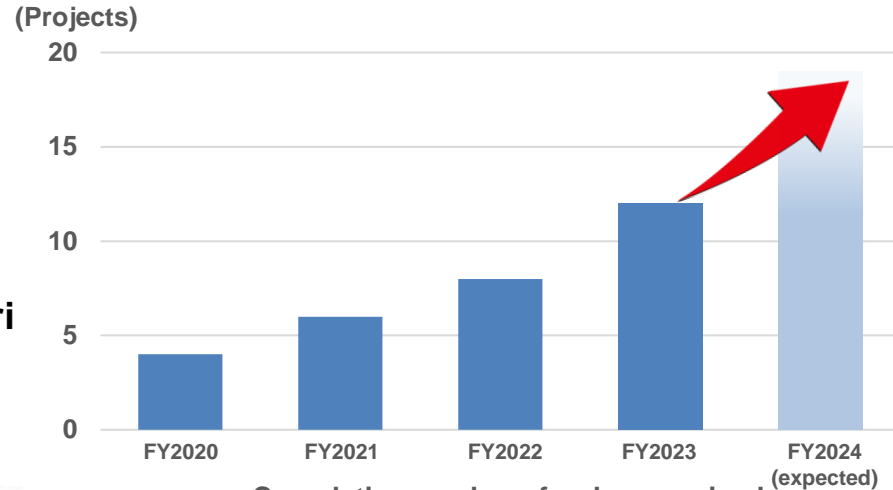
DB Method for Water Supply Pipelines

Water business

✓ Design-build construction (DB) method for water supply pipelines

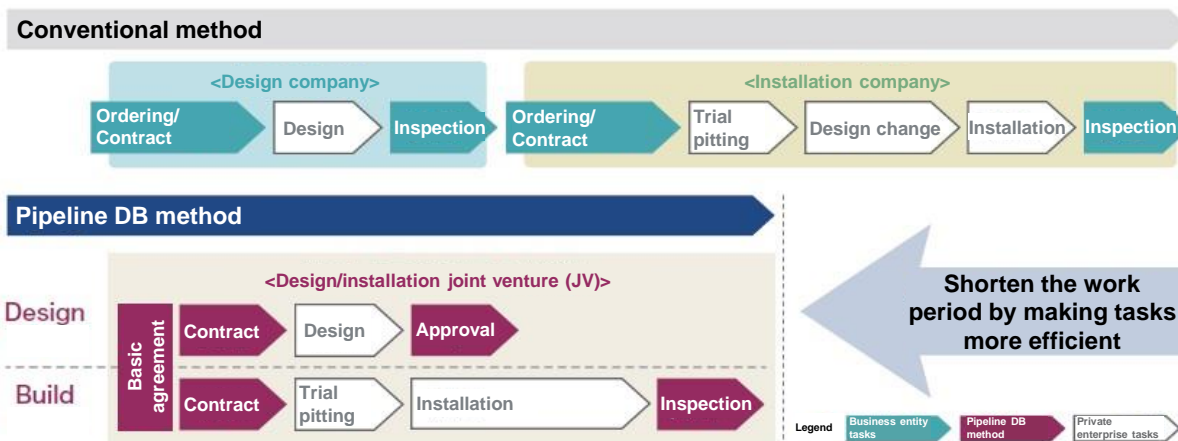
We received four orders in FY2023 and completed one projects. We have been steadily developing our knowhow in the business.

- Orders received
 - [1] Chitose City, Hokkaido
 - [2] Rumoi City, Hokkaido
 - [3] Tsugaru Wide-area Waterworks Consortium, Aomori
 - [4] Izumisano City, Osaka



Reference: Difference between conventional methods and the pipeline DB method

■ **Ordering flow** Ordering “design” and “installation” together makes tasks more efficient for both the purchaser and the contractor.



Cumulative number of orders received



* Design-build construction method (method of ordering design and installation together)

* For details on projects ordered, refer to the reference materials.

Reference 7

Orders Received for Water Pipelines, Based on the DB Method

- Main orders received for water pipelines (ordered for design and installation both together) based on the DB method

No.	Purchaser	Order received	Completion	Project name	Contractor	Business scale
1	Komoro City, Nagano Prefecture	FY2019	FY2022	Water pipeline upgrade work (Maruyama wastewater reservoir to Sakanoue distribution reservoir)	Kurimoto, Ltd.	390 million yen
2	Izumisano City, Osaka Prefecture	FY2020	FY2022	Water pipeline upgrade work for the Hineno water purification plant, etc. in Izumisano City	Kurimoto, Ltd. and Izumisano City Water Supply Association Joint venture for specific construction work	310 million yen
3	Kobe City, Hyogo Prefecture	FY2020	FY2023	Distribution mains replacement work in Chuo-ku (Higashi Machi, etc.)	Kurimoto, Ltd., Minato Construction Corporation, and Ando Kensetsu Co., Ltd. Joint venture for specific construction work	620 million yen
4	Koryo-cho, Nara Prefecture	FY2020	FY2021	Distribution mains installation in Mami-minami in Koryo-cho Earthquake-resistant design and installation work	Kurimoto Ltd. and Ushio Consultants Company, Ltd. Joint venture	250 million yen
5	Koryo-cho, Nara Prefecture	FY2021	FY2024 (Plan)	Distribution mains installation in Koryo-cho Earthquake-resistant design and installation work	Muramoto, Kurimoto Ltd., and Ushio Consultants Company, Ltd. Joint venture	540 million yen
6	Nakatsugawa City, Gifu Prefecture	FY2021	FY2024 (Plan)	Water pipeline upgrade work around Nakatsugawa Station	Kurimoto Pipe Engineering Co., Ltd., Hobo Kousan, and Shin-Nippon Design Group	440 million yen
7	Nara Prefecture	<u>FY2022</u>	FY2027 (Plan)	Connecting Pipe Section 1 Development Project	Kurimoto Ltd., Muramoto, and Ushio Consultants Company, Ltd. Joint venture for specific construction work	–
8	Harima-cho, Hyogo Prefecture	<u>FY2022</u>	FY2026 (Plan)	Trunk water mains installation work in Higashi Honjo and Nijima areas	Kurimoto Ltd. and Ushio Consultants Company, Ltd. Joint venture	440 million yen
9	Chitose City, Hokkaido	<u>FY2023</u>	FY2025 (Plan)	(5) Bibi District sewage system improvement project	Kurimoto-Maizuru-Shinyei-Nihon Suido Consultants Specified Joint Venture	1,380 million yen
10	Rumoi City, Hokkaido	<u>FY2023</u>	FY2024 (Plan)	Water supply pipeline renewal at Shinnobusha Water Filtration Plant	Kurimoto Pipe Engineering-Nihon Suido Consultants Specified Construction Joint Venture	110 million yen
11	Tsugaru Wide-area Waterworks Consortium, Aomori	<u>FY2023</u>	FY2030 (Plan)	Water supply pipeline earthquake proofing (duplexing) project	Kurimoto-Marukan Kensetsu-Nihon Suiko Sekkei Specified Joint Venture	4,800 million yen
12	Izumisano City, Osaka Prefecture	<u>FY2023</u>	FY2024 (Plan)	Water pipeline upgrade work for the Hineno water purification plant, etc. in Izumisano City (Part 2)	Kurimoto-Izumisano City Waterworks Cooperative Specific Construction Joint Venture	90 million yen

Reference Materials 8 FRP Inspection Passage

Resilience



- Increasing adoption of fiber-reinforced plastics (FRP) in the road sector

FRP Inspection Passage

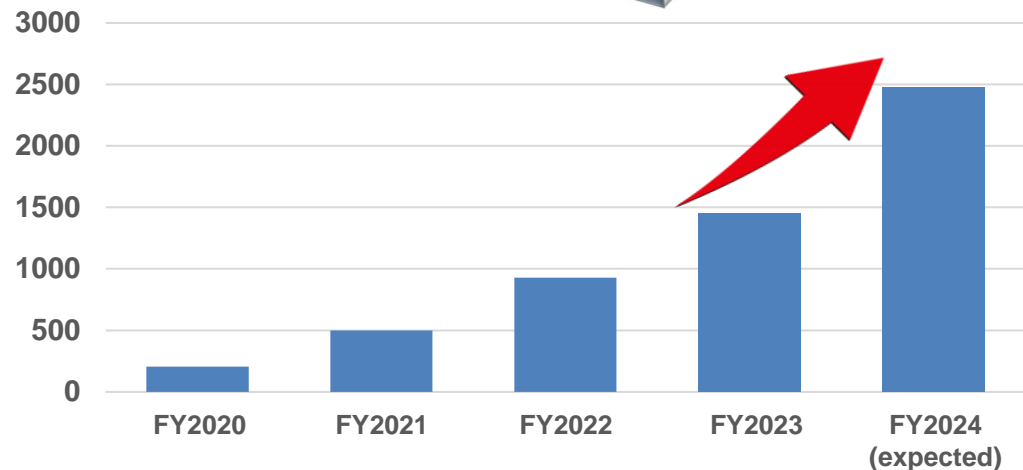
- High durability with no deterioration caused by rust
- Efficient installation
 - Improved workability on the construction site thanks to integral structure of the main girder and slab. The structure is lightweight, as well.
- Improved safety thanks to secure, safe, and anti-slip specifications

Results



Yamanaka Viaduct, Kanmon Expressway

(Millions of yen)

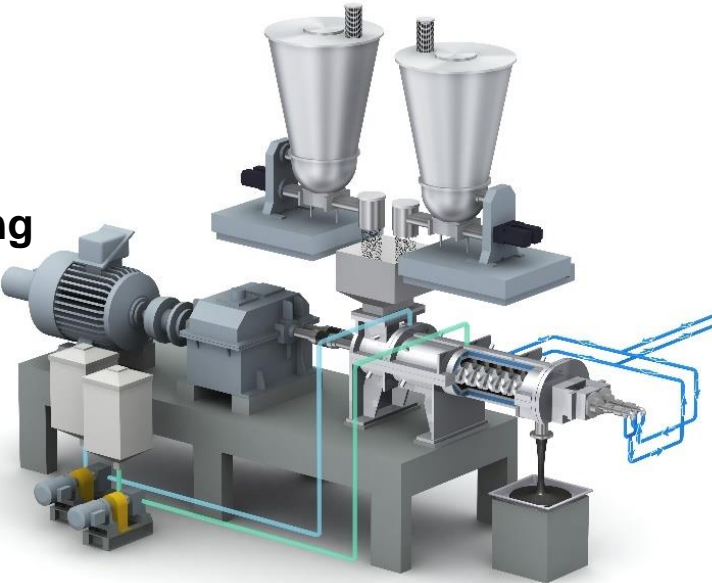


Cumulative value of orders received

Reference Materials 9

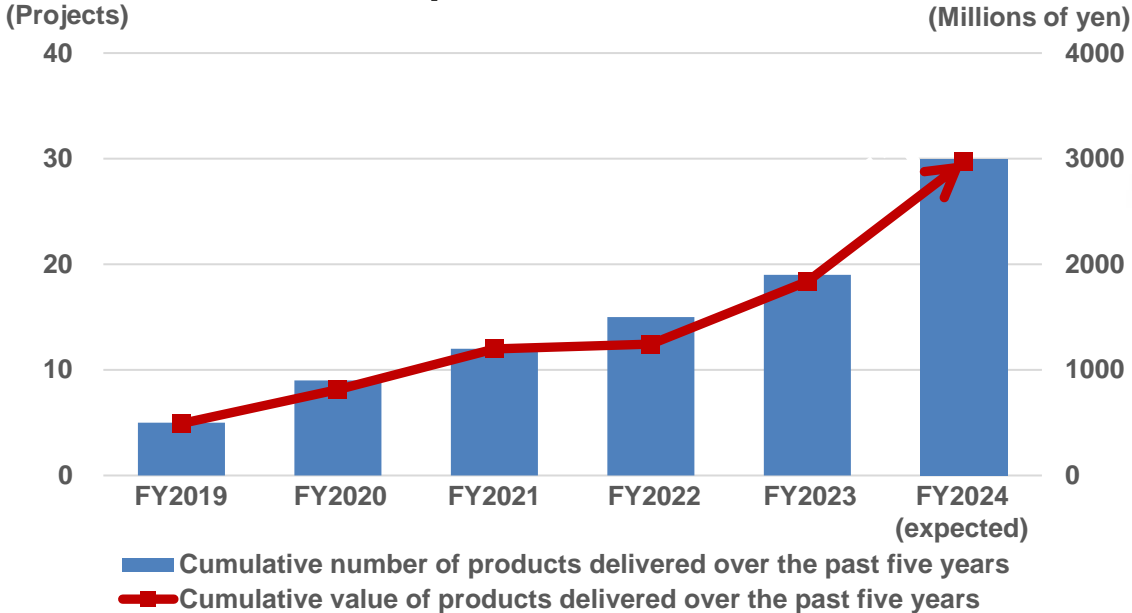
Continuous two-shaft kneading system

Secondary battery manufacturing process



- Expanding the sales of continuous two-shaft kneading systems in the secondary battery related field

By applying continuous kneading machines to the electrode slurry kneading process to reduce kneading time, we will increase efficiency throughout the entire battery manufacturing process, contributing to reducing environmental impact.



We will strengthen activities to increase continuous two-shaft kneading system installations in the trend of shifting to electric vehicles toward carbon neutrality.

Examples of New Business Development and R&D

Kurimoto Composite Center (in our Koto Factory, Higashiomi City, Shiga Prefecture)

Total floor area: Approx. 2,300 m²

Supported manufacturing methods:

Carbon-LFTD system

High-cycle RTM system, pultrusion

Main systems: 10MN hydraulic press,

4.7MN hydraulic press

Three-dimensional measurement system



Carbon-LFTD demonstration line

- Development base for mass-production technology for **CFRP** (carbon fiber-reinforced plastic)

The first privately owned demonstration plant in Japan

We can handle a range of products, from molded products (parts) to manufacturing equipment (processes), according to customer requirements

[Industries expected for applications]

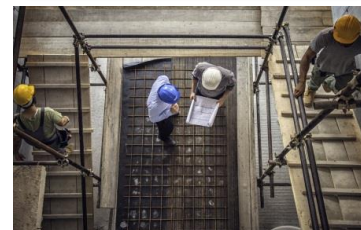
Automobile /
Railway



Energy / Power



Construction /
Civil engineering



Industrial
products



Earnings forecast and other forward-looking statements described in this document are based on currently available information and certain assumptions that the Company believes are reasonable, and do not represent a commitment by the Company that they will be achieved.

In addition, actual business performance may differ significantly due to a number of factors.

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Website: <https://www.kurimoto.co.jp>

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