

# Consolidated Financial Results for the Three Months Ended March 31, 2024 [Japanese GAAP]



May 13, 2024

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 Stock Code: 5851 URL <https://www.ryobi-group.co.jp/> Stock exchange listing: Tokyo  
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Scheduled date to submit the Quarterly Securities Report: May 13, 2024

Date of scheduled payment of dividend: –

Availability of supplementary briefing material on quarterly results: Yes

Presentation Meeting: No

(Rounded down to the nearest million yen)

## 1. Consolidated Financial Results for the Three Months Ended March 31, 2024 (From January 1, 2024 to March 31, 2024)

### (1) Consolidated Results of Operations

(% indicates changes from the corresponding period of the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2024	69,918	13.5	2,711	40.4	3,220	51.8	2,148	66.3
Three months ended March 31, 2023	61,601	7.3	1,931	(29.3)	2,120	(32.8)	1,291	(39.7)

(Note) Comprehensive income: Three months ended March 31, 2024: 9,957 million yen [200.9%]

Three months ended March 31, 2023: 3,309 million yen [(55.5%)]

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended March 31, 2024	66.38	–
Three months ended March 31, 2023	39.91	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of March 31, 2024	324,984	169,092	49.1
As of December 31, 2023	318,839	160,721	47.5

(Reference) Shareholders' Equity: As of March 31, 2024: 159,541 million yen

As of December 31, 2023: 151,302 million yen

## 2. Dividends

	Cash dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY December 2023	–	35.00	–	45.00	80.00
FY December 2024	–	–	–	–	–
FY December 2024 (Forecast)	–	40.00	–	40.00	80.00

(Note) Correction from the dividend forecast, which is published in the most recent: No

## 3. Forecast of Consolidated Financial Results for the Fiscal Year Ending December 31, 2024

(From January 1, 2024 to December 31, 2024)

(% indicates percentage changes as compared with the previous corresponding fiscal period and fiscal year, as applicable.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	150,000	15.5	5,600	15.5	5,500	(9.3)	4,000	(7.7)	123.58
Full year	305,000	7.9	13,000	6.4	12,800	(7.7)	9,000	(11.0)	278.05

(Note) Correction from the consolidated forecast, which is published in the most recent: No

\*Notes

(1) Significant changes of companies during the three months ended March 31, 2024 (changes in specific companies involving changes in the scope of consolidation): Not applicable

New Company: –

Excluded companies: –

(2) Adoption of specific accounting treatments to the preparation of consolidated quarterly financial statements: Not applicable

(3) Changes in accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to the revision of accounting standards: Not applicable

2) Changes in accounting policies other than 1): Not applicable

3) Changes in accounting estimates: Not applicable

4) Restatements: Not applicable

(4) Shares issued (common stock)

1) Shares issued (including treasury stock)	As of March 31, 2024	32,646,143	As of December 31, 2023	32,646,143
2) Treasury stock	As of March 31, 2024	277,799	As of December 31, 2023	277,764
3) Average shares outstanding during the period	Three months ended March 31, 2024	32,368,362	Three months ended March 31, 2023	32,368,519

\* These consolidated quarterly financial results are outside the scope of certified public accountant's or audit firm's quarterly review.

\* Explanation for the appropriate use of performance forecasts and other special notes:

The statements regarding forecast of financial results in this report are based on the information that is available, as well as estimates, assumptions and projections that are believed to be reasonable at the time of publication, and they are not meant to be a commitment by the Company. Regarding the note for prerequisite and use of performance forecasts, please see “(3) Description of Forecasts of Consolidated Financial Results and Forward-looking Information” under “1. Qualitative Information Concerning the Quarter” on page 3.

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## 1. Qualitative Information Concerning the Quarter

### (1) Description of Business Results

During the three months ended March 31, 2024 (January 1 - March 31, 2024), the business environment in which the Group operates continues to be uncertain for various reasons, including the continuing conflict in Ukraine, the deteriorating situation in the Middle East, remaining high energy prices, and fluctuation of price and exchange rate attributable to tight monetary policies worldwide.

Under these conditions, the Group actively promoted sales activities and made progress on measures, including measures intended to lower costs and improved productivity and business efficiency.

Consequently, the financial results for the three months ended March 31, 2024, showed growth in sales and profits compared to the same period of the previous fiscal year.

Consolidated financial results

(Millions of yen)

	Three months ended March 31, 2023		Three months ended March 31, 2024		Increase/Decrease	
Net sales	61,601		69,918		8,317	13.5%
Operating income	1,931	3.1%	2,711	3.9%	780	40.4%
Ordinary income	2,120	3.4%	3,220	4.6%	1,099	51.8%
Net income attributable to owners of parent	1,291	2.1%	2,148	3.1%	856	66.3%

Percentages indicate profit margin or rate of increase/decrease.

Viewed by segment, both sales and profits in the Die Castings business were up year on year (YoY). Net sales increased in both domestic and overseas markets. Although some automotive manufacturers suspended production and shipments, sales increased thanks to various factors, including recovering domestic and overseas automotive production and higher yen-based sales of overseas subsidiaries due to the weak yen. Growth in sales boosted profits, despite increasing labor costs, among other factors.

In the Builders' Hardware business, both sales and profits declined YoY. Overseas sales increased but domestic sales decreased. Despite efforts to improve productivity and reduce costs, profits decreased due to various factors, including rising procurement costs for products manufactured overseas.

In the Printing Equipment business, both sales and profits grew YoY. Net sales overall remained strong from the previous year. Domestic sales increased but overseas sales decreased. Growth in sales boosted profits, despite the impact of rising raw material prices.

(i) Net sales by segment

(Millions of yen)

	Three months ended March 31, 2023		Three months ended March 31, 2024		Increase/Decrease	
Die Castings	53,549	86.9%	61,353	87.8%	7,804	14.6%
Builders' Hardware	2,568	4.2%	2,535	3.6%	(32)	(1.3%)
Printing Equipment	5,450	8.8%	5,991	8.6%	541	9.9%

Percentages indicate share of the total or rate of increase/decrease.

(ii) Operating income or loss by segment

(Millions of yen)

	Three months ended March 31, 2023		Three months ended March 31, 2024		Increase/Decrease	
Die Castings	1,588	3.0%	2,352	3.8%	764	48.1%
Builders' Hardware	41	1.6%	(47)	(1.9%)	(88)	—
Printing Equipment	316	5.8%	421	7.0%	105	33.3%

Percentages indicate profit margin or rate of increase/decrease.

## (2) Description of Financial Position

Total assets at the end of the quarter were up 6,144 million yen from the end of the previous consolidated fiscal year to 324,984 million yen. This was due mainly to increases of 4,510 million yen in investment securities, 2,263 million yen in property, plant and equipment and 1,569 million yen in inventories. On the other hand, notes and accounts receivable-trade decreased by 2,356 million yen.

Liabilities were down 2,226 million yen from the end of the previous consolidated fiscal year to 155,891 million yen. This was due mainly to a decrease of 1,776 million yen in long-and short-term borrowings and 1,533 million yen in notes and accounts payable-trade. On the other hand, provision for bonuses increased by 1,357 million yen. The balance of interest-bearing debt not including discounts on notes receivable and lease liabilities was 68,418 million yen.

Net assets were up 8,371 million yen from the end of the previous consolidated fiscal year to 169,092 million yen. Main accounts showing increases over the same period included foreign currency translation adjustments (up 4,586 million yen) and valuation difference on available-for-sale securities (up 2,904 million yen). Shareholders' equity, the result of subtracting non-controlling interests from net assets, was up 8,239 million yen from the end of the previous consolidated fiscal year to 159,541 million yen. As a result, the equity ratio improved by 1.6 percentage points from the end of the previous consolidated fiscal year to 49.1%.

(Millions of yen)

	As of December 31, 2023		As of March 31, 2024		Increase/Decrease	
Total assets	318,839		324,984		6,144	1.9%
Shareholders' equity	151,302	47.5%	159,541	49.1%	8,239	5.4%
Interest-bearing debt	70,195	22.0%	68,418	21.1%	(1,776)	(2.5%)

Percentages indicate percentage of total assets or rate of increase/decrease.

(Cash flow)

The balance of cash and cash equivalents at the end of the quarter stood at 25,996 million yen, down 405 million yen from the end of the previous consolidated fiscal year.

Cash flow provided by operating activities was 7,650 million yen, up 7,819 million yen from the same quarter in the previous consolidated fiscal year. This increase was due mainly to 4,711 million yen in depreciation, 3,200 million yen in income before income taxes and 3,795 million yen in decrease in trade receivables. Factors including a decrease of 2,070 million yen in trade payables had negative effects on cash flow.

Cash flow used in investing activities was 3,474 million yen, down 1,275 million yen from the same quarter in the previous consolidated fiscal year. This was due mainly to various expenditures, including 3,391 million yen on the purchase of property, plant and equipment.

Cash flow used in financing activities was 5,014 million yen, up 4,017 million yen from the same quarter in the previous consolidated fiscal year. This was due to various factors, including a decrease of 3,436 million yen in long-and short-term borrowings and the payment of 1,396 million yen in dividends.

(Millions of yen)

	Three months ended March 31, 2023	Three months ended March 31, 2024	Increase/Decrease
Cash flow from operating activities	(169)	7,650	7,819
Cash flow from investing activities	(4,750)	(3,474)	1,275
Cash flow from financing activities	(996)	(5,014)	(4,017)

## (3) Description of Forecasts of Consolidated Financial Results and Forward-looking Information

Forecasts of consolidated financial results in the fiscal year ending December 31, 2024, remain unchanged from those announced on February 13, 2024 (during the announcement of financial results for the fiscal year ended December 31, 2023).

## 2. Quarterly Consolidated Financial Statements and Main Notes

### (1) Quarterly Consolidated Balance Sheet

(Unit: millions of yen)

	December 31, 2023	March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	27,641	27,236
Notes and accounts receivable - trade	64,298	61,942
Securities	650	650
Merchandise and finished goods	21,470	21,193
Work in process	17,245	19,059
Raw materials and supplies	21,233	21,265
Other	4,144	4,100
Allowance for doubtful accounts	(37)	(24)
Total current assets	156,646	155,423
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	33,886	34,131
Machinery, equipment and vehicles, net	59,750	60,998
Land	15,242	15,302
Construction in progress	8,406	9,306
Other, net	6,162	5,971
Total property, plant and equipment	123,447	125,711
Intangible assets		
Other	2,619	2,572
Total intangible assets	2,619	2,572
Investments and other assets		
Investment securities	19,182	23,692
Other	17,006	17,652
Allowance for doubtful accounts	(63)	(66)
Total investments and other assets	36,125	41,277
Total non-current assets	162,193	169,560
<b>Total assets</b>	<b>318,839</b>	<b>324,984</b>

(Unit: millions of yen)

	December 31, 2023	March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	50,912	49,378
Short-term borrowings	36,625	36,187
Current portion of long-term borrowings	9,553	9,786
Income taxes payable	1,300	1,343
Provision for bonuses	645	2,003
Provision for directors' bonuses	62	–
Other	18,815	17,074
Total current liabilities	117,915	115,774
Non-current liabilities		
Long-term borrowings	24,016	22,444
Retirement benefit liability	7,044	7,070
Other	9,141	10,602
Total non-current liabilities	40,202	40,117
Total liabilities	158,118	155,891
<b>Net assets</b>		
Shareholders' equity		
Common stock	18,472	18,472
Additional paid in capital	22,294	22,294
Retained earnings	84,292	84,984
Treasury stock	(347)	(347)
Total shareholders' equity	124,711	125,403
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,394	11,299
Revaluation reserve for land	811	811
Foreign currency translation adjustment	16,299	20,886
Remeasurements of defined benefit plans	1,084	1,140
Total accumulated other comprehensive income	26,590	34,138
Non-controlling interests	9,418	9,550
Total net assets	160,721	169,092
Total liabilities and net assets	318,839	324,984

**(2) Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income**  
(Quarterly Consolidated Statement of Income)  
(Three months ended March 31, 2024)

(Unit: millions of yen)

	from: January 1, 2023 to: March 31, 2023	from: January 1, 2024 to: March 31, 2024
Net sales	61,601	69,918
Cost of sales	54,493	61,539
Gross profit	7,107	8,379
Selling, general and administrative expenses	5,176	5,667
Operating income	1,931	2,711
Non-operating income		
Interest income	28	49
Dividend income	2	2
Rental income	37	36
Foreign exchange gains	202	491
Share of profit of entities accounted for using equity method	22	59
Usage income of trademark	123	170
Other	175	163
Total non-operating income	593	972
Non-operating expenses		
Interest expenses	336	389
Depreciation	3	3
Other	64	70
Total non-operating expenses	404	463
Ordinary income	2,120	3,220
Extraordinary income		
Gain on disposal of non-current assets	35	2
Total extraordinary income	35	2
Extraordinary losses		
Loss on disposal of non-current assets	39	11
Loss on valuation of investment securities	–	11
Impairment loss	38	–
Total extraordinary losses	78	22
Income before income taxes	2,077	3,200
Income taxes	694	906
Net income	1,383	2,294
Net income attributable to non-controlling interests	91	145
Net income attributable to owners of parent	1,291	2,148



(Quarterly Consolidated Statement of Comprehensive Income)  
(Three months ended March 31, 2024)

(Unit: millions of yen)

	from: January 1, 2023 to: March 31, 2023	from: January 1, 2024 to: March 31, 2024
Net income	1,383	2,294
Other comprehensive income		
Valuation difference on available-for-sale securities	630	3,020
Revaluation reserve for land	0	–
Foreign currency translation adjustment	1,172	4,474
Remeasurements of defined benefit plans	78	56
Share of other comprehensive income of entities accounted for using equity method	45	112
Total other comprehensive income	1,926	7,663
Comprehensive income	3,309	9,957
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,201	9,695
Comprehensive income attributable to non-controlling interests	107	261

### (3) Quarterly Consolidated Statement of Cash Flows

(Unit: millions of yen)

	from: January 1, 2023 to: March 31, 2023	from: January 1, 2024 to: March 31, 2024
<b>Cash flows from operating activities</b>		
Income before income taxes	2,077	3,200
Depreciation	4,428	4,711
Impairment loss	38	-
Increase (decrease) in allowance for doubtful accounts	(7)	(10)
Increase (decrease) in provision for bonuses	1,019	1,357
Increase (decrease) in retirement benefit liability	89	102
Interest and dividend income	(31)	(51)
Interest expenses	336	389
Subsidy income	(13)	(35)
Share of loss (profit) of entities accounted for using equity method	(22)	(59)
Loss (gain) on valuation of investment securities	-	11
Loss (gain) on disposal of non-current assets	4	8
Decrease (increase) in trade receivables	3,595	3,795
Decrease (increase) in inventories	(1,998)	(158)
Decrease (increase) in other current assets	(117)	64
Increase (decrease) in trade payables	(5,766)	(2,070)
Increase (decrease) in other current liabilities	(2,650)	(1,781)
Other, net	(261)	(623)
Subtotal	720	8,849
Interest and dividends received	31	96
Interest paid	(354)	(491)
Subsidies received	13	35
Income taxes paid	(580)	(840)
Net cash provided by (used in) operating activities	(169)	7,650
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(4,552)	(3,391)
Proceeds from sale of property, plant and equipment	93	17
Purchase of investment securities	(6)	(13)
Payments into time deposits	(111)	(15)
Proceeds from withdrawal of time deposits	15	15
Other, net	(189)	(87)
Net cash used in investing activities	(4,750)	(3,474)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,609	(1,533)
Repayments of long-term borrowings	(1,771)	(1,903)
Purchase of treasury stock	(0)	(0)
Dividends paid	(779)	(1,396)
Other, net	(55)	(181)
Net cash used in financing activities	(996)	(5,014)
Effect of exchange rate change on cash and cash equivalents	120	433
Net increase (decrease) in cash and cash equivalents	(5,795)	(405)
Cash and cash equivalents at beginning of period	26,099	26,401
Cash and cash equivalents at end of period	20,303	25,996

#### (4) Main Notes to the Quarterly Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Notes on marked fluctuations in amounts of shareholders' equity, if any)

Not applicable

(Segment Information, etc.)

[Segment Information]

Information regarding amounts of net sales, profits or losses by reportable segment in the three months ended March 31, 2023  
(January 1 – March 31, 2023)

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated statement of income (Note 3)
	Die Castings	Builders' Hardware	Printing Equipment	Total				
Net Sales								
Sales unaffiliated customers	53,549	2,568	5,450	61,567	33	61,601	–	61,601
Inter-segment sales or transfers	13	–	–	13	1	15	(15)	–
Total	53,562	2,568	5,450	61,581	34	61,616	(15)	61,601
Segment income (loss)	1,588	41	316	1,946	(14)	1,931	(0)	1,931

Notes:

1. The “Other” category consists of businesses not included in reporting segments, including the insurance agency and golf course businesses.
2. Adjustments to segment income or loss include elimination of intersegment transactions, etc.
3. Segment income or loss matches operating income on the Quarterly Consolidated Statement of Income.

Information regarding amounts of net sales, profits or losses by reportable segment in the three months ended March 31, 2024  
(January 1 – March 31, 2024)

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustment (Note 2)	Amount on consolidated statement of income (Note 3)
	Die Castings	Builders' Hardware	Printing Equipment	Total				
Net Sales								
Sales unaffiliated customers	61,353	2,535	5,991	69,881	37	69,918	–	69,918
Inter-segment sales or transfers	13	–	–	13	1	15	(15)	–
Total	61,367	2,535	5,991	69,895	39	69,934	(15)	69,918
Segment income (loss)	2,352	(47)	421	2,727	(15)	2,711	(0)	2,711

Notes:

1. The “Other” category consists of businesses not included in reporting segments, including the insurance agency and golf course businesses.
2. Adjustments to segment income or loss include elimination of intersegment transactions, etc.
3. Segment income or loss matches operating income on the Quarterly Consolidated Statement of Income.

Supplementary materials for the financial results  
for the three months ended March 31, 2024

May 13, 2024  
RYOBI LIMITED

(Units: millions of yen, %)

	December 2023			December 2024								
	First three months	First six months	Full year	First three months	First six months (forecast)	Full year (forecast)						
Net sales	Profit margin 61,601		Profit margin 129,836	Profit margin 282,693		Profit margin 69,918	Profit margin 150,000	Profit margin 305,000				
Operating income	1,931	3.1	4,847	3.7	12,214	4.3	2,711	3.9	5,600	3.7	13,000	4.3
Ordinary income	2,120	3.4	6,066	4.7	13,861	4.9	3,220	4.6	5,500	3.7	12,800	4.2
Net income attributable to owners of parent	1,291	2.1	4,331	3.3	10,115	3.6	2,148	3.1	4,000	2.7	9,000	3.0
Net income per share	39.91 yen		133.83 yen		312.51 yen		66.38 yen		123.58 yen		278.05 yen	

Net sales by segment

	Share		Share		Share		Share		Share		Share	
Die Castings	53,549	86.9	113,566	87.5	247,551	87.6	61,353	87.8	132,200	88.2	267,700	87.8
Builders' Hardware	2,568	4.2	5,213	4.0	10,823	3.8	2,535	3.6	5,300	3.5	11,000	3.6
Printing Equipment	5,450	8.8	10,961	8.4	24,094	8.5	5,991	8.6	12,500	8.3	26,300	8.6
Domestic	28,093	45.6	57,478	44.3	124,786	44.1	29,891	42.8	64,900	43.3	132,300	43.4
Overseas	33,507	54.4	72,358	55.7	157,907	55.9	40,027	57.2	85,100	56.7	172,700	56.6

Operating income by segment

	Profit margin		Profit margin		Profit margin		Profit margin		Profit margin		Profit margin	
Die Castings	1,588	3.0	4,371	3.8	10,916	4.4	2,352	3.8	5,500	4.2	12,200	4.6
Builders' Hardware	41	1.6	104	2.0	172	1.6	(47)	(1.9)	50	0.9	300	2.7
Printing Equipment	316	5.8	388	3.5	1,136	4.7	421	7.0	50	0.4	500	1.9

Total assets	294,711	%	311,392	%	318,839	%	324,984	%	—	—
Shareholders' equity	136,855	46.4	145,874	46.8	151,302	47.5	159,541	49.1	—	—
Retained earnings	76,601	26.0	79,641	25.6	84,292	26.4	84,984	26.2	—	—
Interest-bearing debt	74,747	25.4	76,173	24.5	70,195	22.0	68,418	21.1	—	70,000

Capital expenditure	2,929	7,506	13,896	3,183	—	27,000
Depreciation	4,428	8,847	18,489	4,711	—	19,000

Cash flow from operating activities	(169)	4,494	26,005	7,650	—	—
Cash flow from investing activities	(4,750)	(8,375)	(17,432)	(3,474)	—	—
Cash flow from financing activities	(996)	(1,633)	(8,593)	(5,014)	—	—

(Unit: persons)

Number of employees at the end of the period	7,427	7,403	7,497	7,488	—	—
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(Projected exchange rates starting from April 1, 2024)

USD/JPY	140	GBP/JPY	180
CNY/JPY	19.5	THB/JPY	4.0