

Presentation Materials of Financial Results FY2023  
(July 1, 2023-June 30, 2024)

MAEDAKOSEN CO., LTD.

Prime Market, Tokyo Stock Exchange

Stock code: 7821



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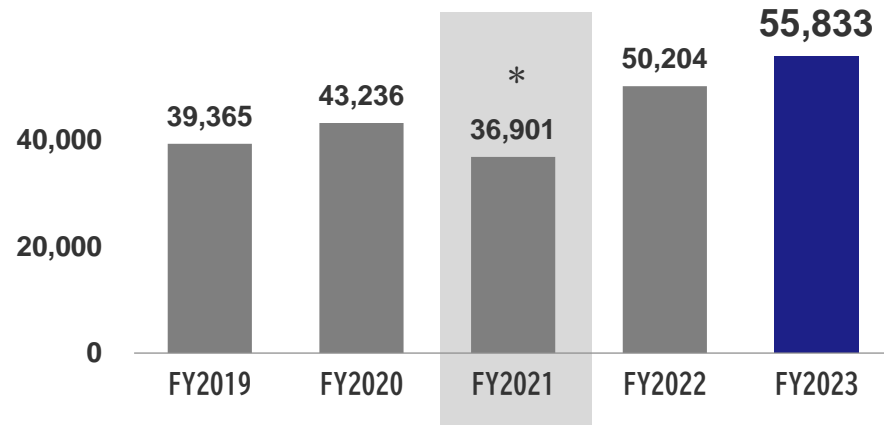


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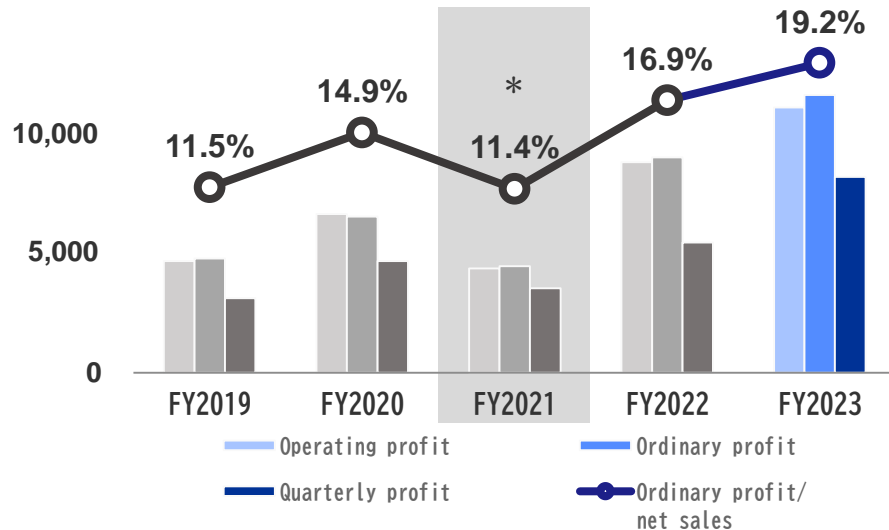
# Financial Summary of the Fiscal Year Ending June 30, 2024

# Consolidated Summary

## Net Sales



## Profit

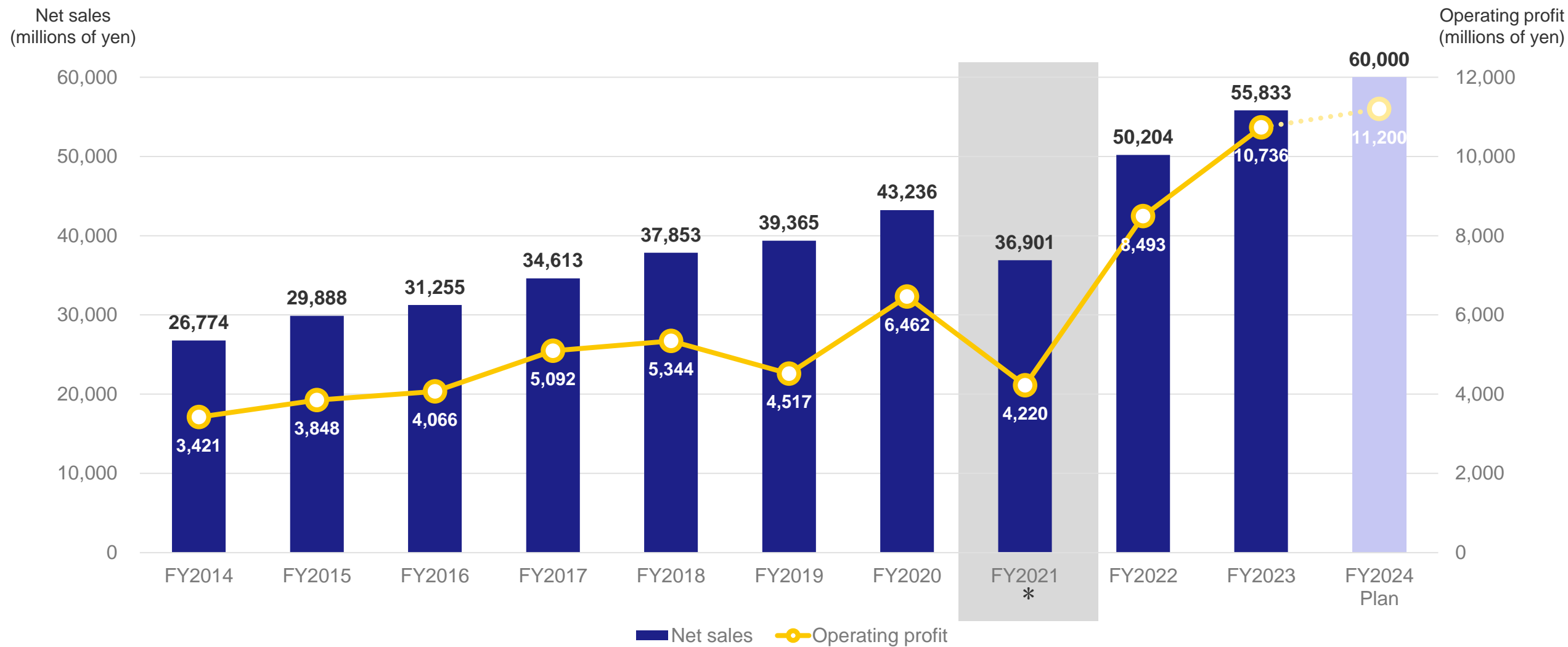


	FY2022		FY2023		
	Results	Sales ratio	Results	Sales ratio	Year on year changes
Net Sales	50,204	—	55,833	—	+ 11.2 %
Operating profit	8,493	16.9 %	10,736	19.2 %	+ 26.4 %
EBITDA	11,682	23.3 %	14,106	25.3 %	+ 20.7 %
Depreciation	3,188	6.4 %	3,370	6.0 %	+ 5.7 %
Ordinary profit	8,690	17.3 %	11,236	20.1 %	+ 29.3 %
Profit attributable to owners of parent	5,258	10.5 %	7,979	14.3 %	+ 51.8 %



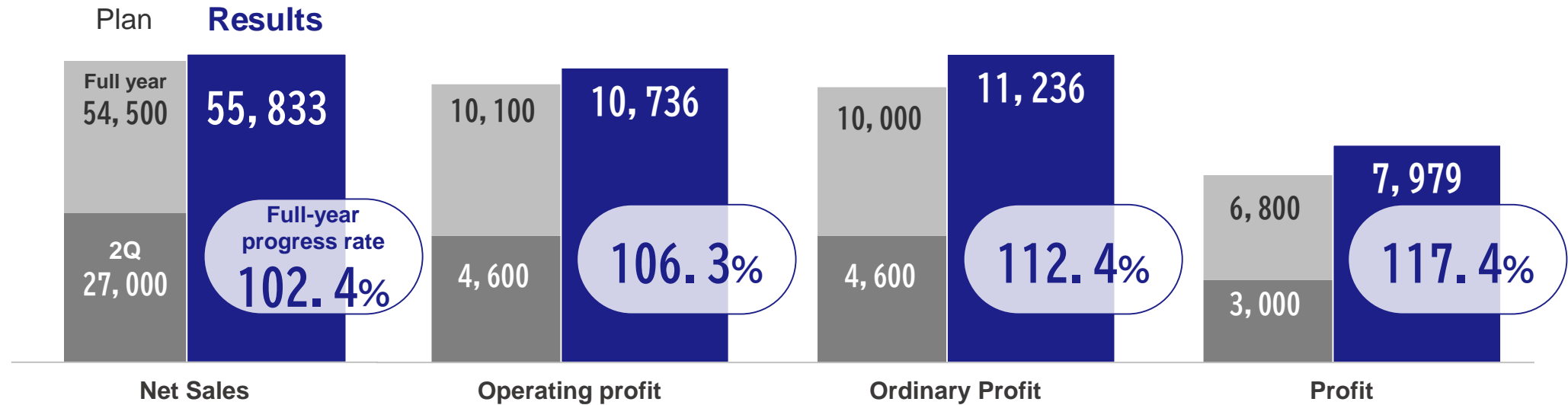
Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

# Consolidated performance trends – Net sales and Operating profit



Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

# Comparison between Plan and Results



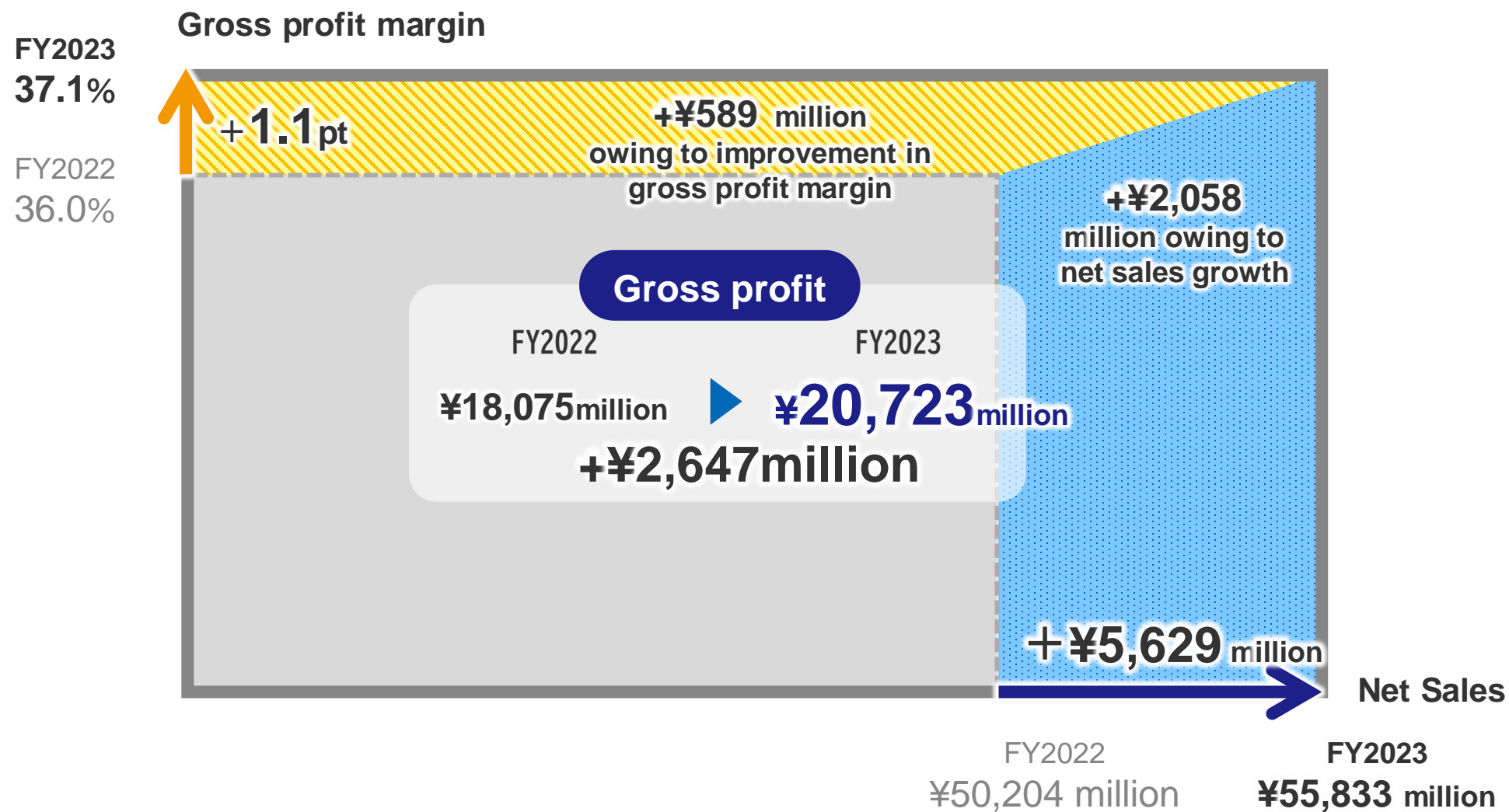
	Plan	Actual	Plan achievement rate
Net Sales	54,500	55,833	102.4 %
Operating profit	10,100	10,736	106.3 %
EBITDA * <sub>1</sub>	13,400	14,106	105.3 %
Ordinary profit	10,000	11,236	112.4 %
Profit attributable to owners of parent	6,800	7,979	117.4 %



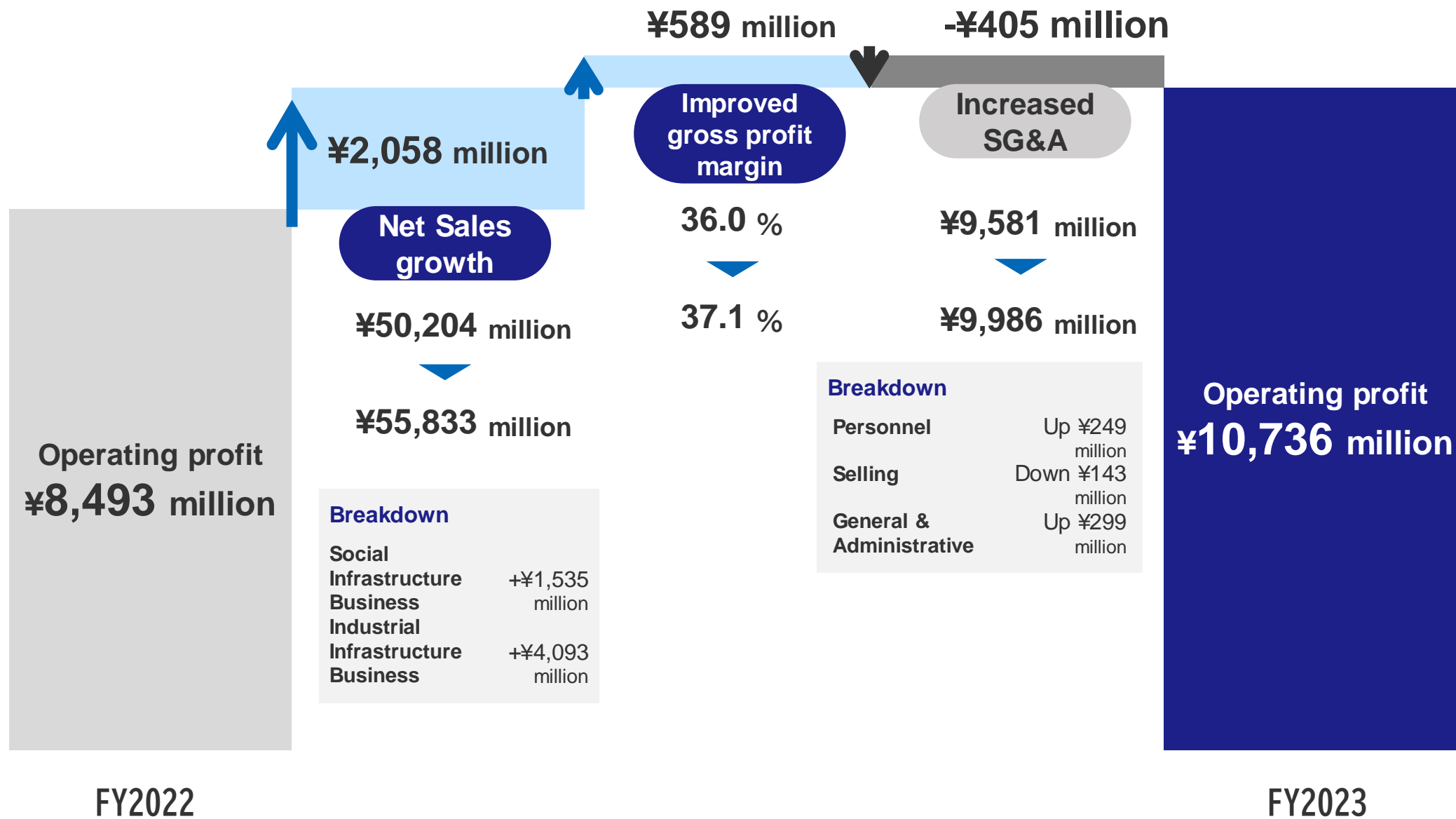
Note1: EBITDA=Operating profit + Depreciation + Amortization of goodwill

Note2: The full-year plan has been revised as of February 14, 2024.

# Analysis of Changes in Gross Profit



# Analysis of Changes in Operating Profit







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## Financial Summary by Segment

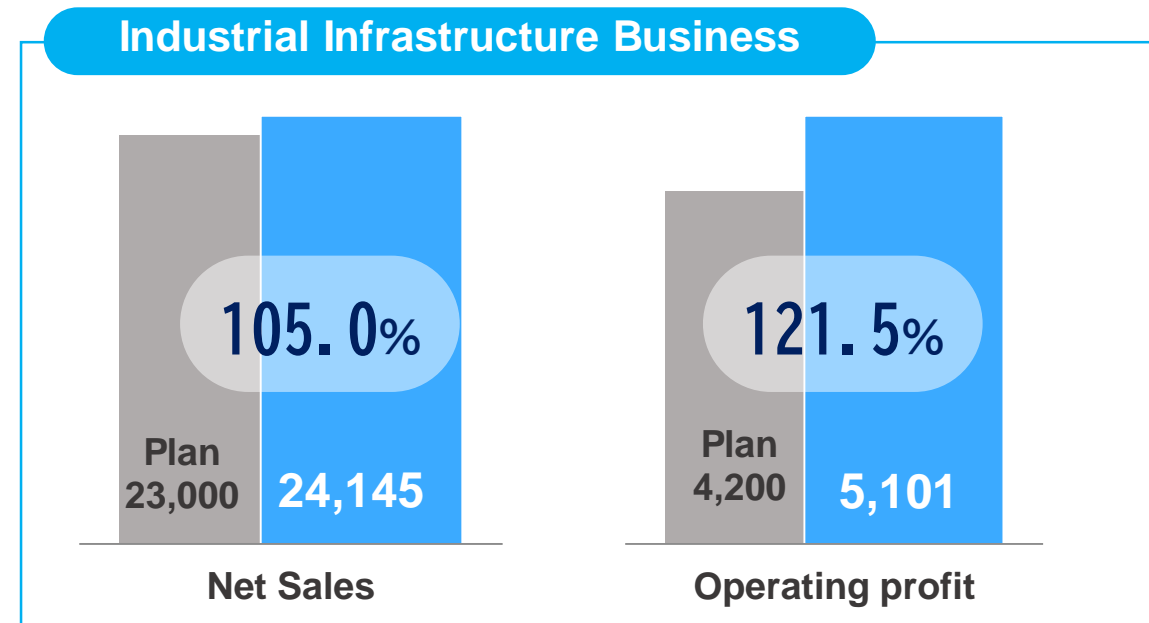
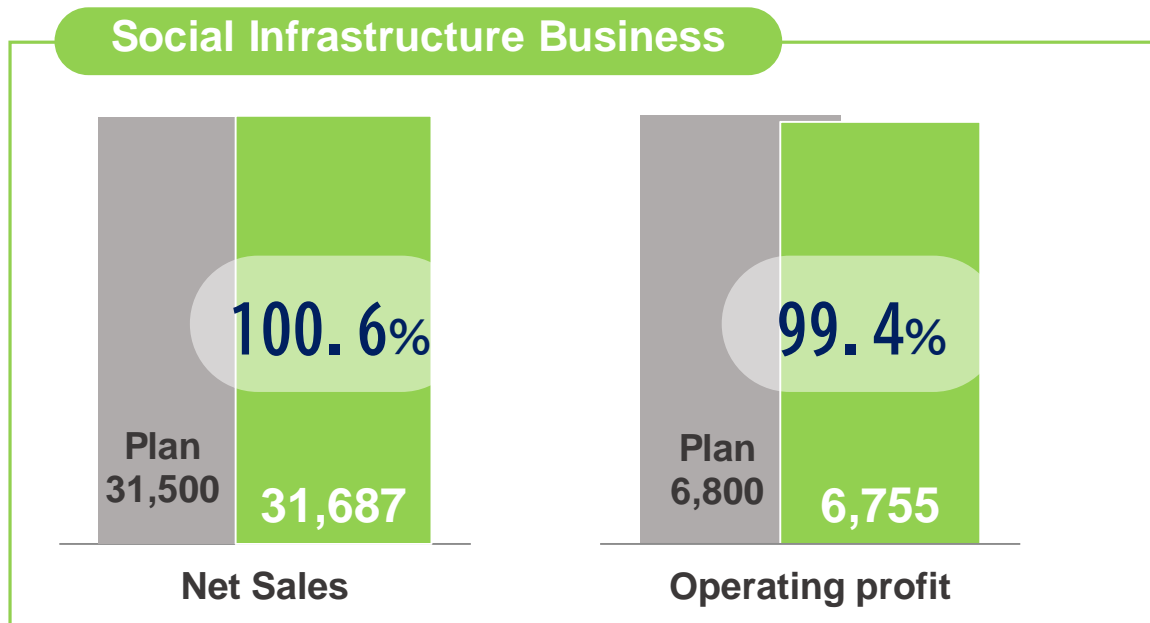
# Summary of Financial Results by Segment

	2023/6 Results			2024/6 Results			
	Amount	Operating profit margin	weight	Amount	Operating profit margin	weight	Year on year changes
<b>Net Sales</b>							
Social Infrastructure Business	30,152		60.1 %	<b>31,687</b>		56.8 %	+ 5.1 %
Industrial Infrastructure Business	20,051		39.9 %	<b>24,145</b>		43.2 %	+ 20.4 %
Total	50,204		100.0 %	<b>55,833</b>		100.0 %	+ 11.2 %
<b>Operating profit</b>							
Social Infrastructure Business	6,438	21.4 %	67.5 %	<b>6,755</b>	21.3 %	57.0 %	+ 4.9 %
Industrial Infrastructure Business	3,098	15.5 %	32.5 %	<b>5,101</b>	21.1 %	43.0 %	+ 64.6 %
Subtotal	9,537	—	100.0 %	<b>11,857</b>	—	100.0 %	+ 24.3 %
Common	- 1,043	—	—	<b>- 1,120</b>	—	—	—
Total	8,493	16.9 %	—	<b>10,736</b>	19.2 %	—	+ 26.4 %



# Progress Rate against Plan by Segment

(millions of yen)

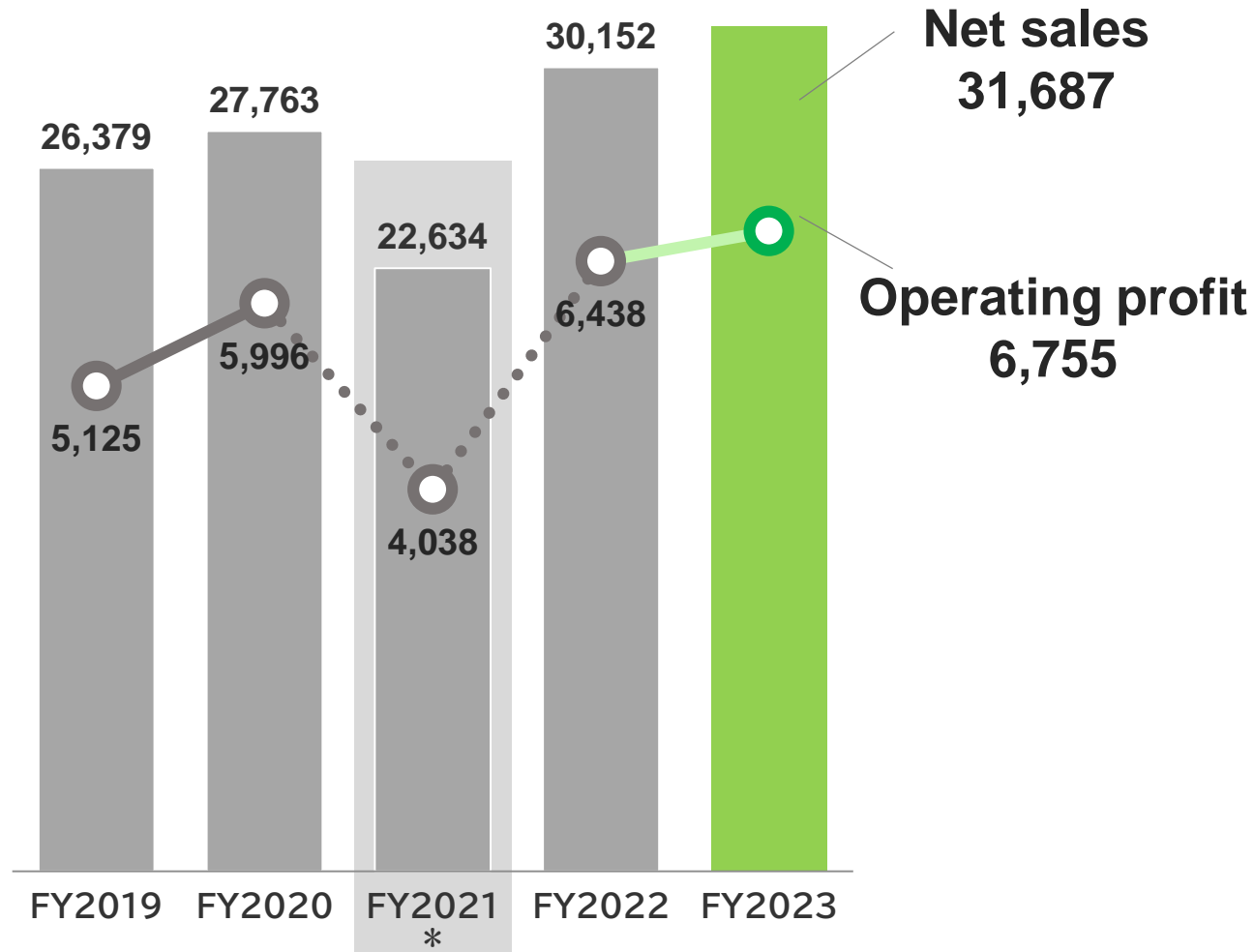


FY2023	Net sales			Operating profit		
	Plan	Results	Progress rate	Plan	Results	Progress rate
Social Infrastructure Business	31,500	31,687	100.6 %	6,800	6,755	99.4 %
Industrial Infrastructure Business	23,000	24,145	105.0 %	4,200	5,101	121.5 %
Common				-900	- 1,120	—
Total	54,500	55,833	102.4 %	10,100	10,736	106.3 %



Note: The full-year plan has been revised as of February 14, 2024.

# Segment Performance - Social Infrastructure Business



## Positive Factors

- The Social Infrastructure Business was strong overall.
- Both net sales and profits were favorable for mainstay civil engineering materials.
- Among agricultural materials, the bird and animal damage prevention business (electric fence business) performed well.
- All subsidiaries performed well due to the effects of price increases, despite factors such as the soaring cost of raw materials.

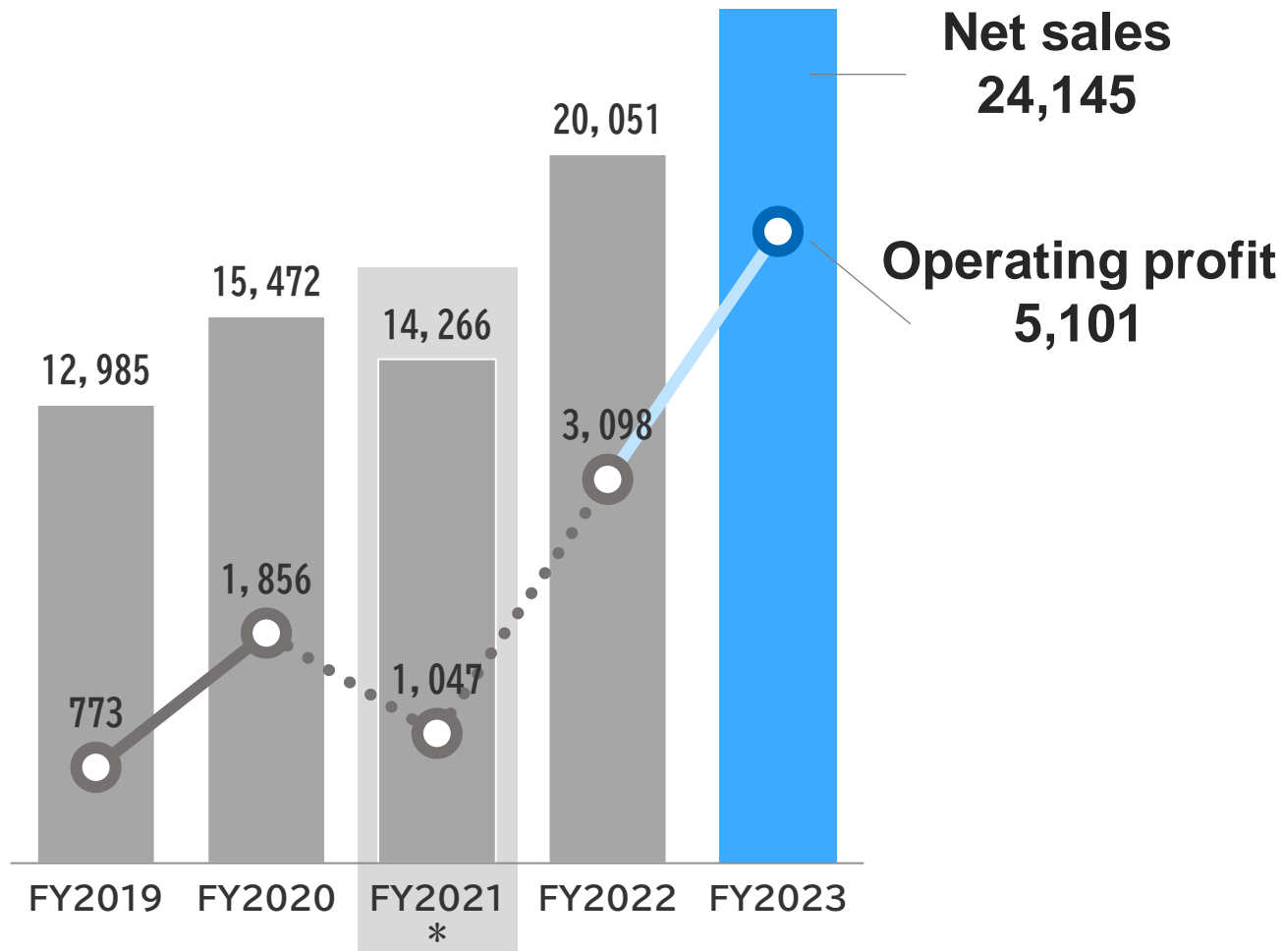
## Negative Factors

- In the non-woven fabric business, progress in new businesses (medical, automobile, windshield wipers) was slow and fell short of planned figures. ⇒ Improving trend from next fiscal year
- Among agricultural materials, the greenhouse business did not achieve the planned targets due to poor progress in projects.



Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

# Segment Performance - Industrial Infrastructure Business



## Positive Factors

- The BBS business saw strong performance due to high demand from OEMs both in Japan and overseas.
- In particular, BBS Motorsport GmbHs performance significantly exceeded targets thanks to the contribution of large-scale projects.
- MIRAI KOSEN Co., Ltd. saw a recovery in performance in the second half due to the effects of price increases.

## Negative Factors

- At MIRAI KOSEN, orders for processed yarns decreased due to inventory adjustments by customers.



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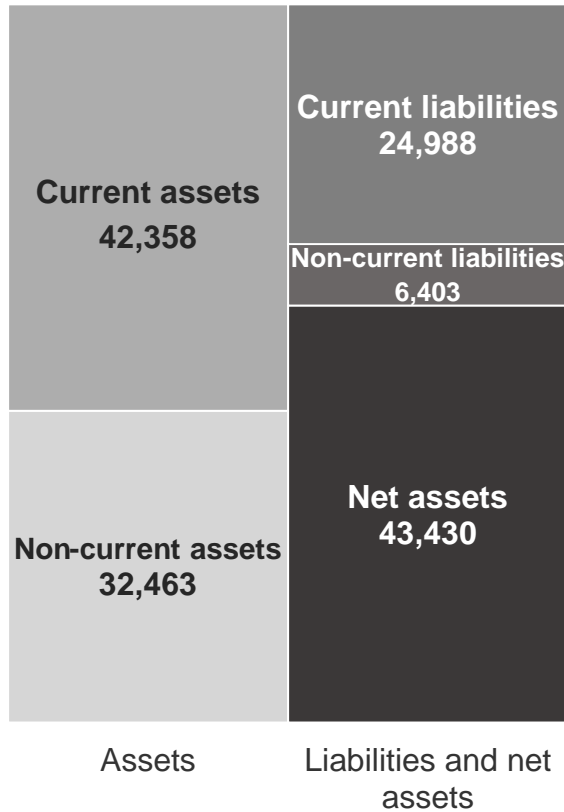
**3**

## Financial Condition

# Financial Position

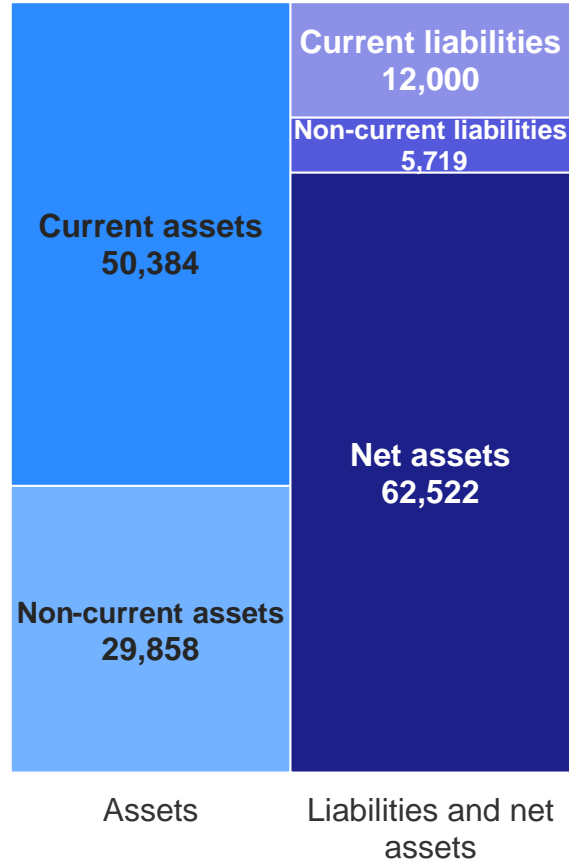
2023/6 End of year

Total assets **74,821**



2024/6 End of year

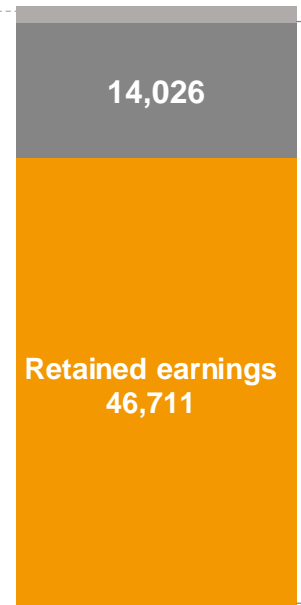
Total assets **80,243**



## Robust financial base

- Allows for agile investment
- Able to respond even to unlikely risks
- Maintain sufficient organizational strength

Equity ratio  
**77.8%**

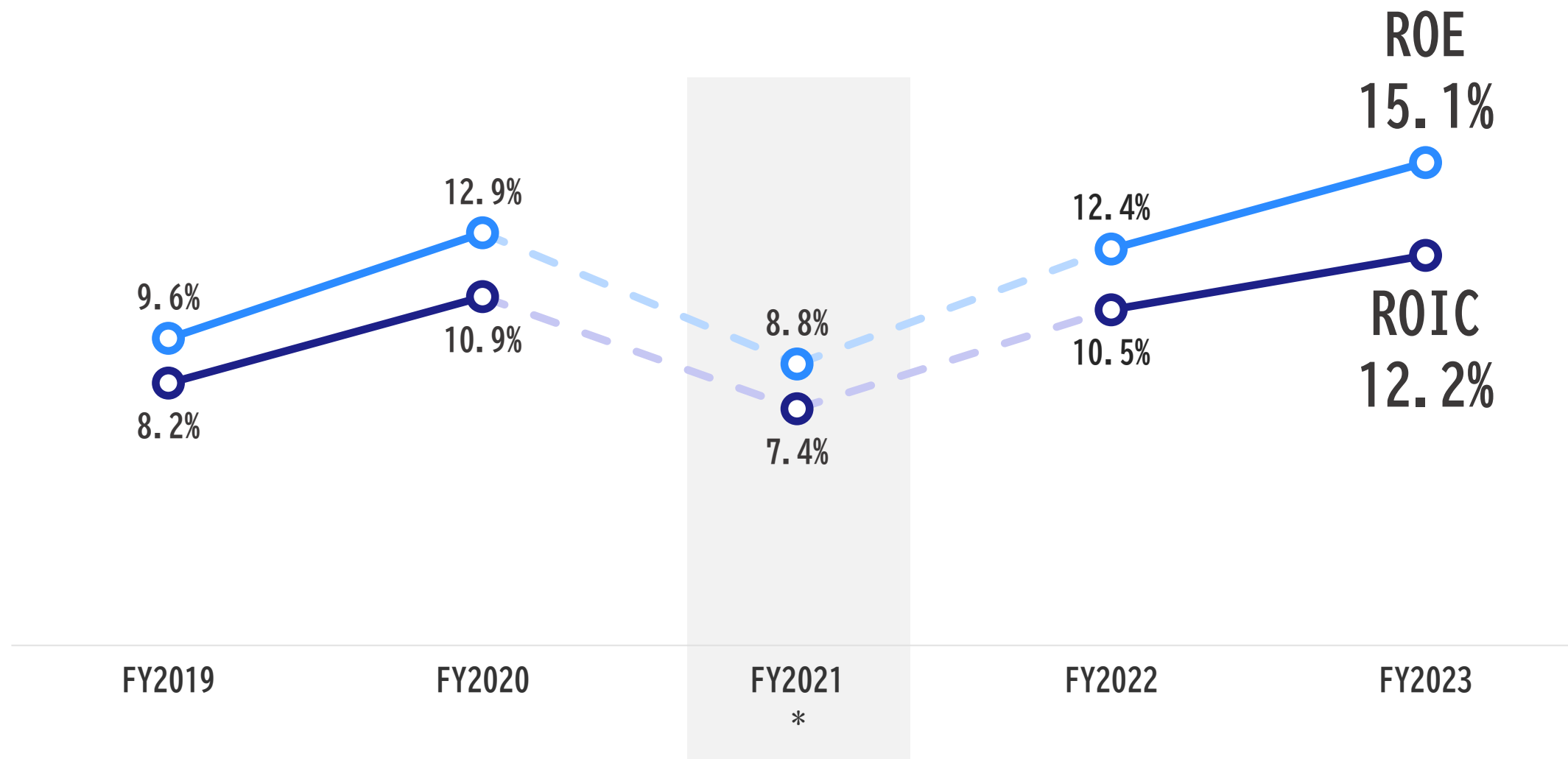


Shareholders' equity  
60,737

Breakdown of net assets



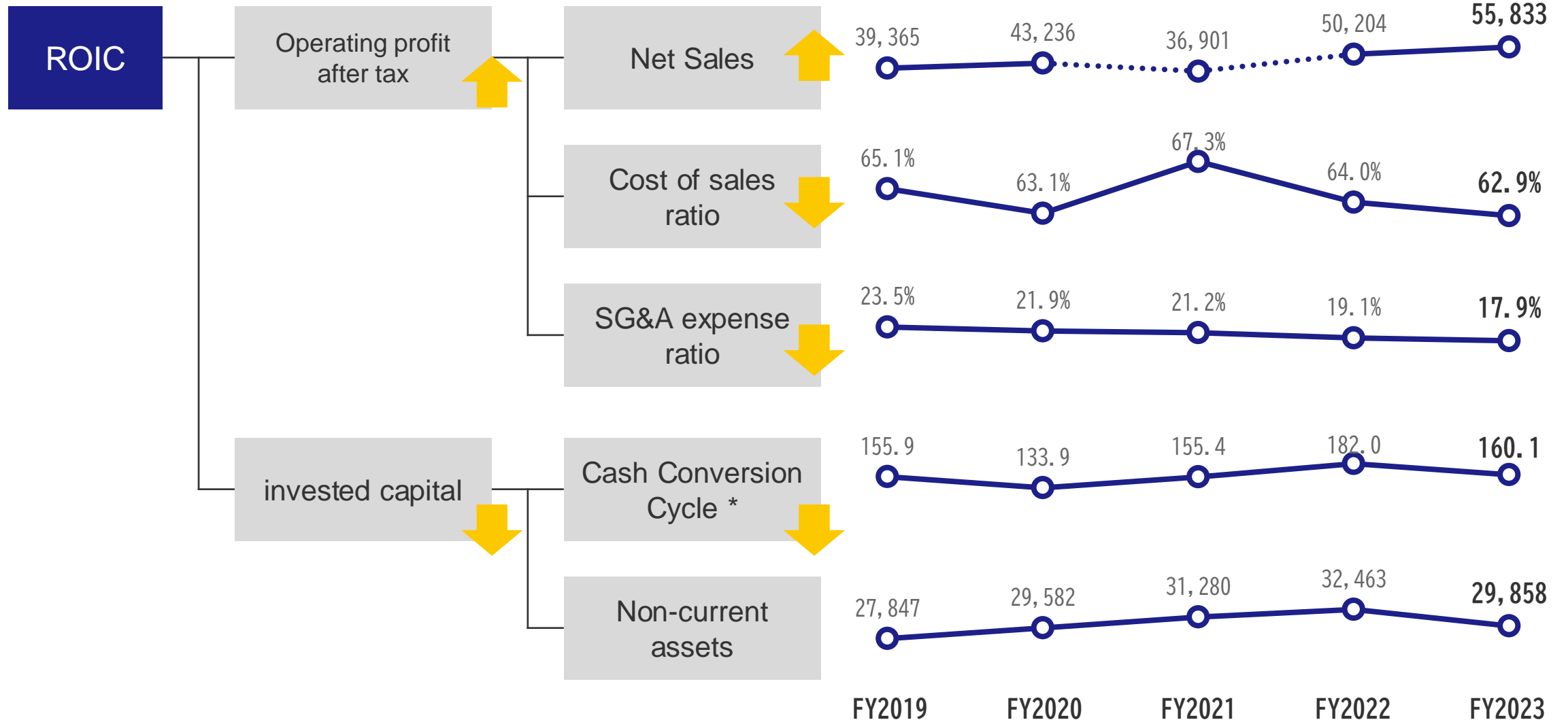
## Key Indicators – ROE and ROIC



Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

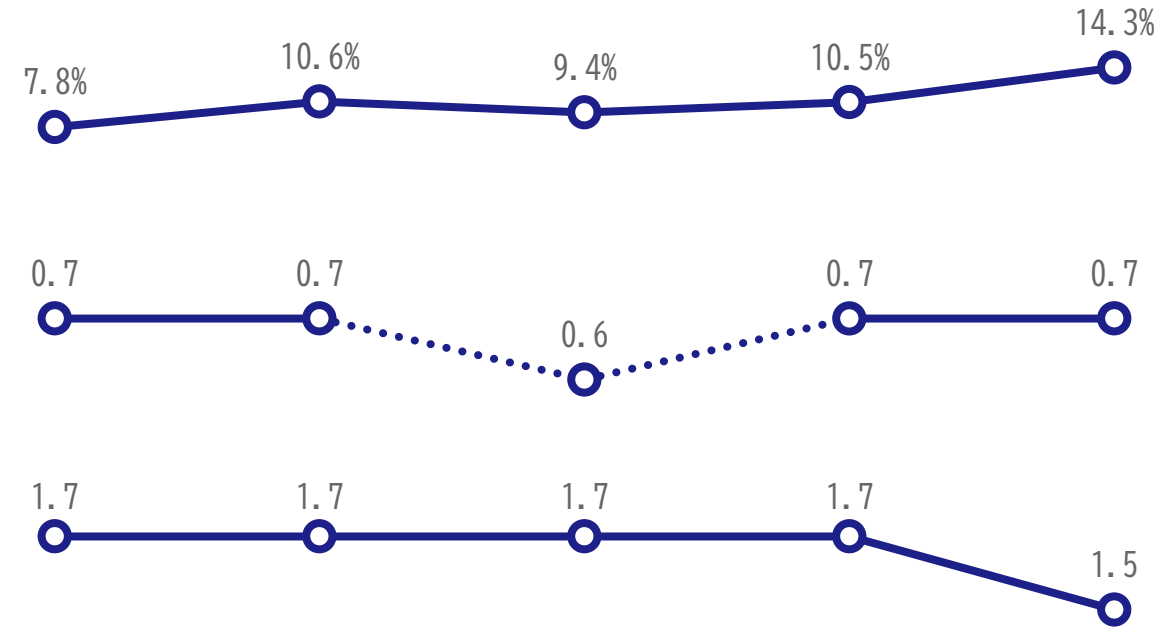
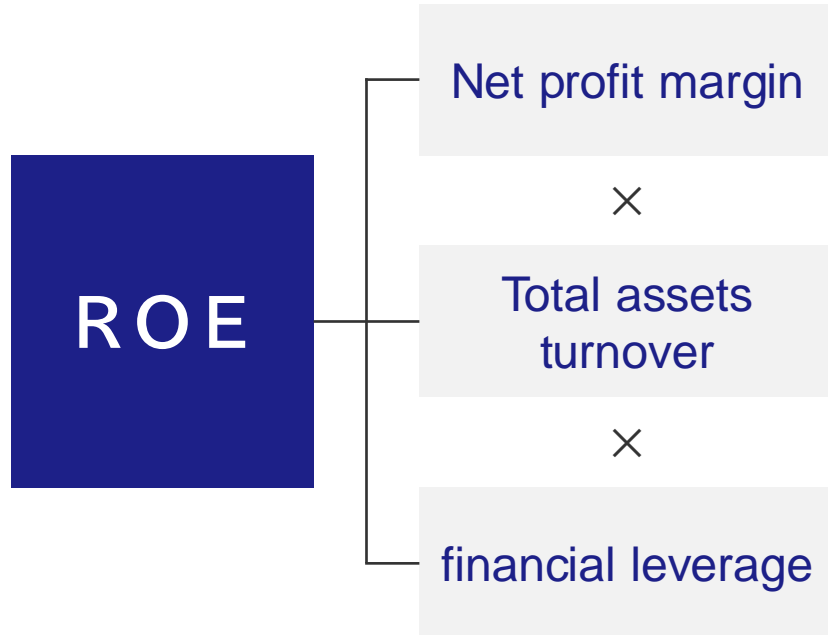


# Analysis of ROIC



Note: Number of days required from payment of purchase price to collection of sales proceeds

# Analysis of ROE



	FY2019	FY2020	FY2021	FY2022	FY2023
ROE	9.6%	12.9%	8.8%	12.4%	15.1%
Net Sales	39,365	43,236	36,901	50,204	55,833

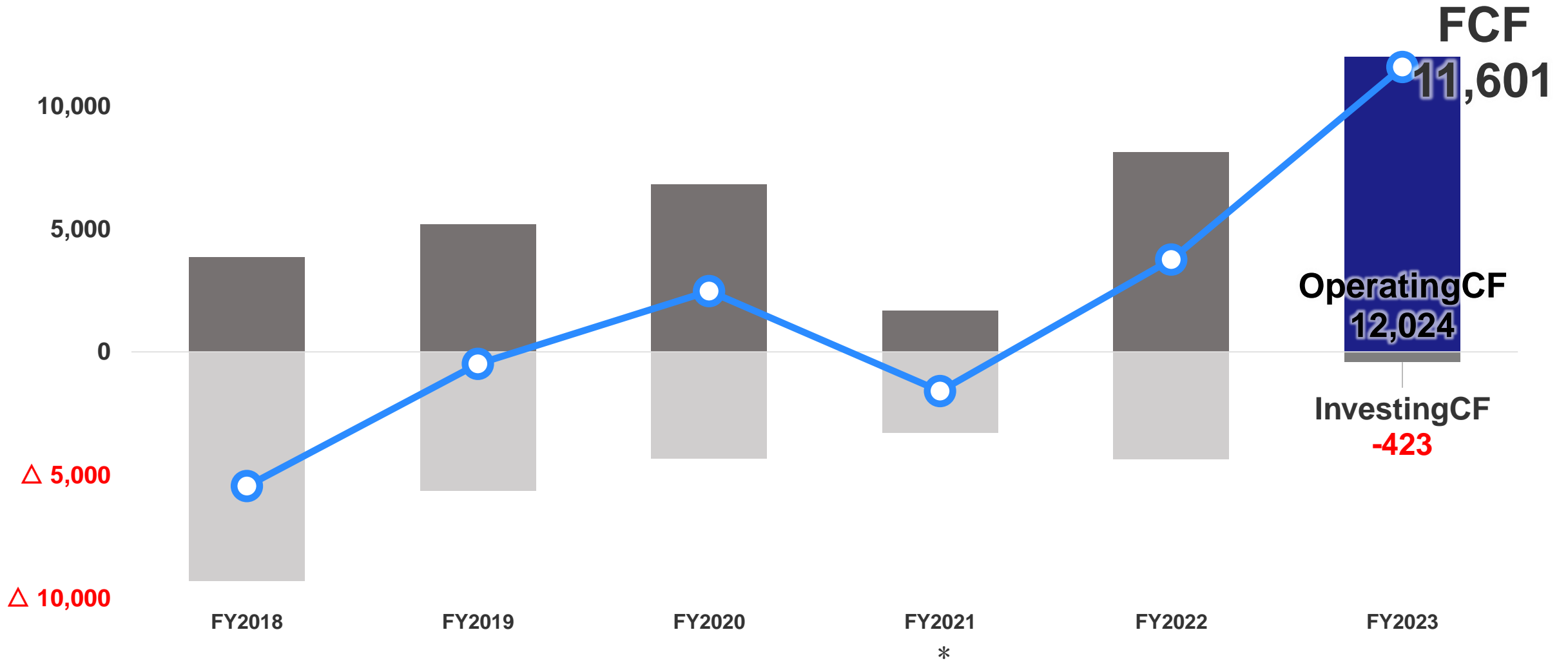
\*

Maintaining extremely high financial stability and a high level of ROE  
 → **Due to high profit margin**



Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

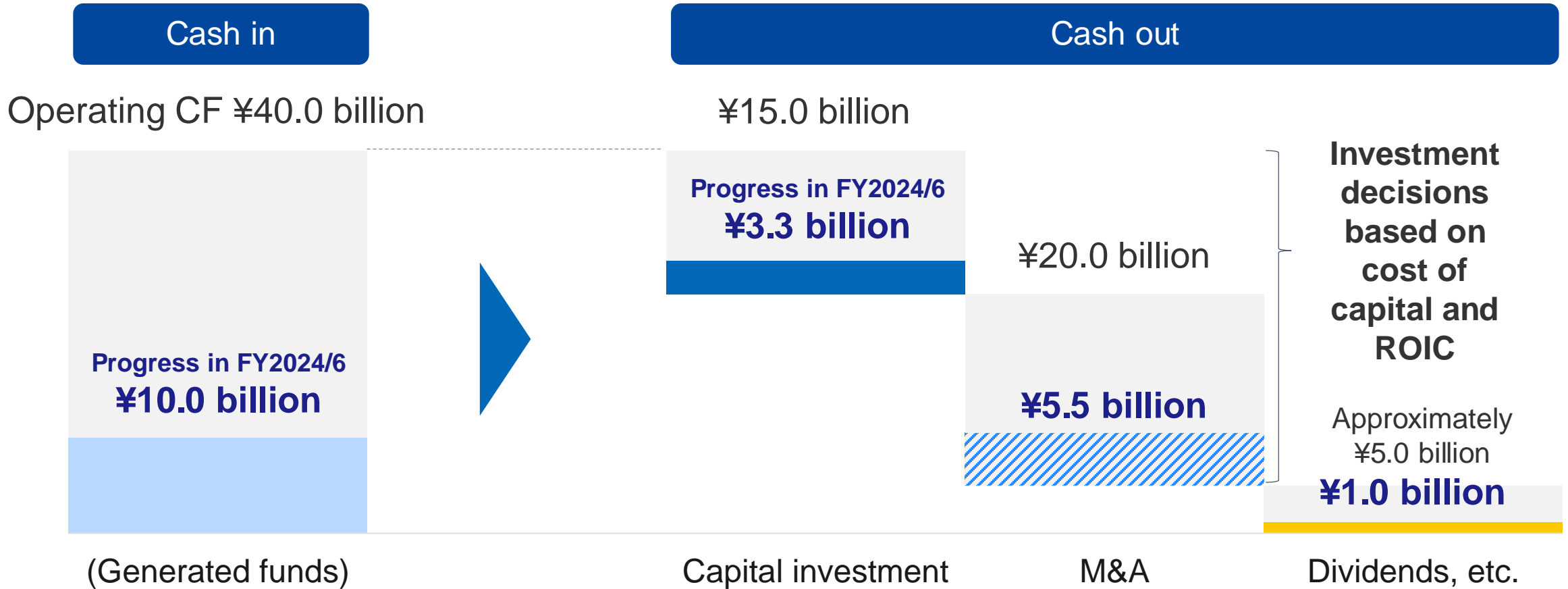
# Key Indicators – Free cash flow trends



Note: Free cash flow = Cash flows from operating activities - Cash flows from investing activities  
Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

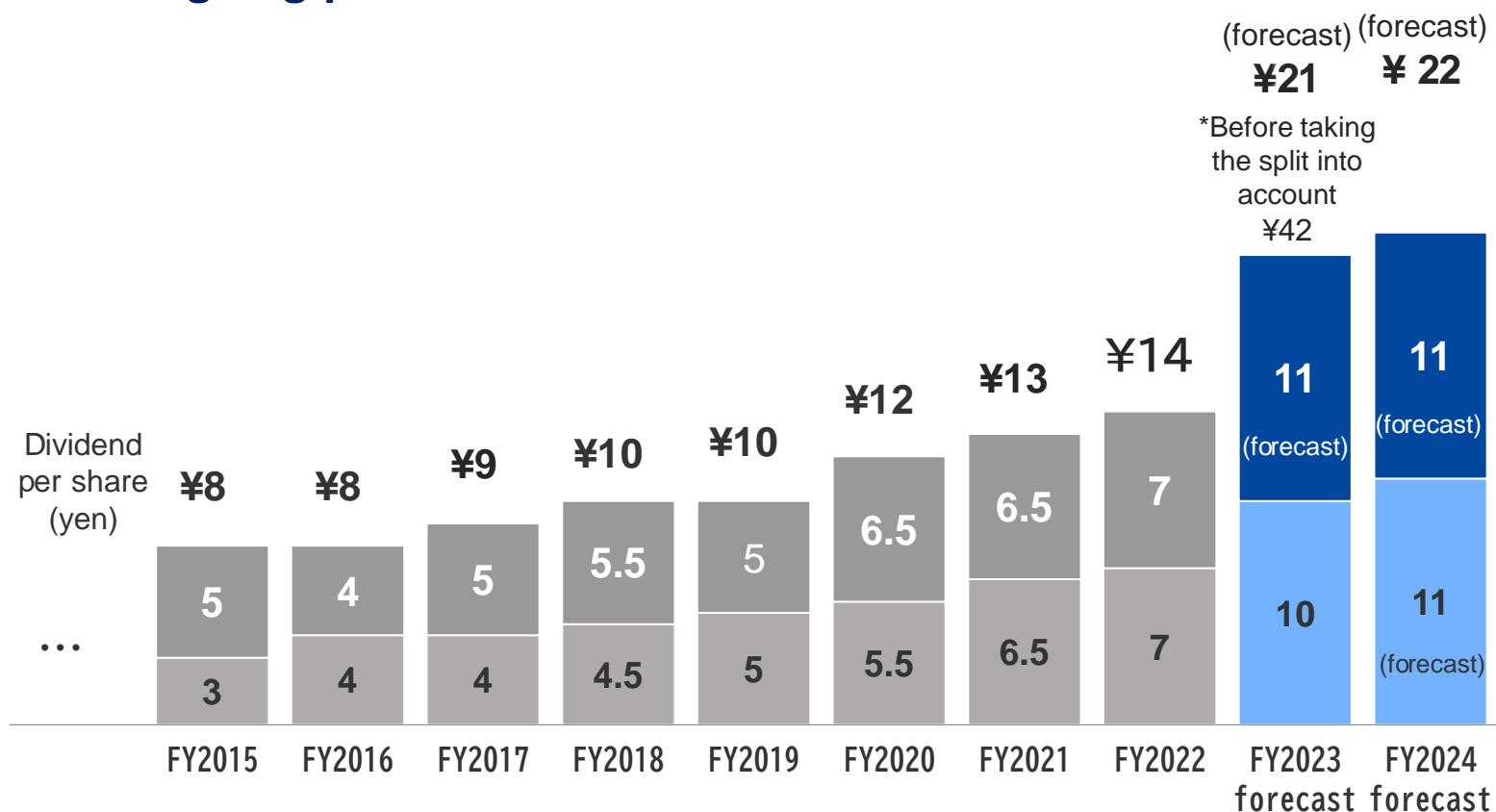
# Cash allocation

Progress toward the Medium-Term Management Plan PART-II-Period  
(FY2024/6 - FY2027/6) total (estimate)



# Shareholder Return Policy

## Continuing to pay progressive dividends since going public in 2007



FY2023	
Interim dividend	¥10 (Up ¥3 YoY)
Year-end dividend (forecast)	¥11 (Up ¥4 YoY)
<b>Full-year dividend (forecast)</b>	<b>¥21 (Up ¥7 YoY)</b>
FY2024	
Interim dividend (forecast)	¥11 (Up ¥1 YoY)
Year-end dividend (forecast)	¥11 (Up ¥0 YoY)
<b>Year-end dividend (forecast)</b>	<b>¥22 (Up ¥1 YoY)</b>



Note: Since it was a transitional period for the change in the accounting period, the fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

Note: The Company conducted a 2-for-1 stock split on July 1, 2024, and the dividend amount is recorded taking this split into account.



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## Topics of FY2023

# Euro-yen-denominated Convertible Bonds with Share Acquisition Rights, Maturing in 2024

Conversion deadline April 4, 2024

Face value ¥12.0 billion

**Completion of full conversion**


	FY2022-end (pre-conversion)	FY2023-end (post-conversion)
Total number of issued shares	32,260,200 Shares	<b>34,040,306</b> Shares
Equity	¥43.3 billion	<b>¥62.4</b> billion
Total assets	¥74.8 billion	<b>¥80.2</b> billion
Equity ratio	58.0 %	<b>77.8 %</b>
Profit	¥5.2 billion	<b>¥7.9</b> billion
ROE	12.4 %	<b>15.1 %</b>



# Stock Split

**Stock split** implemented at a **ratio of 2 shares for every 1 share** with the aim of improving liquidity

## ● Number of shares

<b>Pre-split</b>	Total number of issued shares	34,040,306 shares	 <b>2-for-1 split</b>
	Number of shares upon increase due to split	34,040,306 shares	
<b>Post-split</b>	Total number of issued shares	68,080,612 shares	
	Total number of authorized shares	155,000,000 shares	

## ● Schedule

<b>Record date</b>	June 30, 2024 (Sunday)
<b>Effective date</b>	July 1, 2024 (Monday)



## Conclusion of share transfer agreement (Mitsui Chemicals Industrial Products, Ltd.)

<b>Date of Contract</b>	Wednesday, June 26, 2024		
<b>Business</b>	Manufacture, processing and sales of synthetic resin products Manufacture, processing and sales of civil engineering materials, construction materials and piping materials		
<b>Number of employees</b>	182 (as of June 1, 2024)	<b>Date of establishment</b>	October 1, 1964
<b>Capital stock</b>	400 million yen	<b>Major shareholders and shareholding ratio</b>	Mitsui Chemicals, Inc. 100%
<b>Purpose of making the company a subsidiary</b>	<ol style="list-style-type: none"> <li>1. <b>Expansion</b> of civil engineering material product <b>lineup and expansion of scale of business</b></li> <li>2. <b>Expansion of fields of business</b> (Studded tiles and other construction materials, plumbing materials)</li> <li>3. <b>Development of new products</b> by combining both companies' <b>resin and fiber processing technologies</b>.</li> </ol>		
<b>Scheduled closing date</b>	Tuesday, April 1, 2025 *Company name to be changed		



# Business segments of Mitsui Chemicals Industrial Products, Ltd.

## Environmental Solutions Division

### Civil Engineering Materials Department

Geogrids, geonets, and geotextiles, plate and tubular drainage materials, roadbed reinforcement materials, geotubes, geoshelton, etc.

### Building Materials Department

#### Construction & Coating Materials Group

Anticorrosion materials, coated flooring materials, studded tiles, grouting materials, etc.

#### Housing Materials Group

FRP waterproofing materials, wood protective coating, urethane foam insulation

## Lifeline Solutions Division

### Gas pipe Department

PE gas pipeline system

### Elmex Department

Water supply, hot water supply, fire extinguishing piping systems

# Main products by business segment

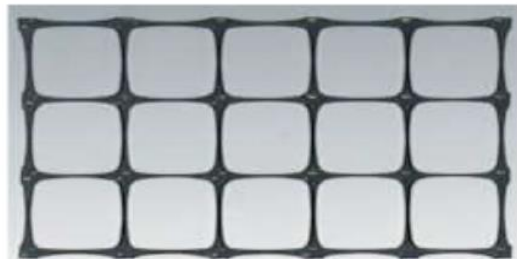
## Tensar

(Soil and embankment reinforcement material)



### Uniaxial Tensar (RE, SR)

Choice between the uniaxial extension type and biaxial extension type depends on the direction of the force.



### Biaxial Tensar (SS, GM)



## Studded tiles

(for the visually impaired)



## Remaster

(FRP waterproof material)



## Gas pipe

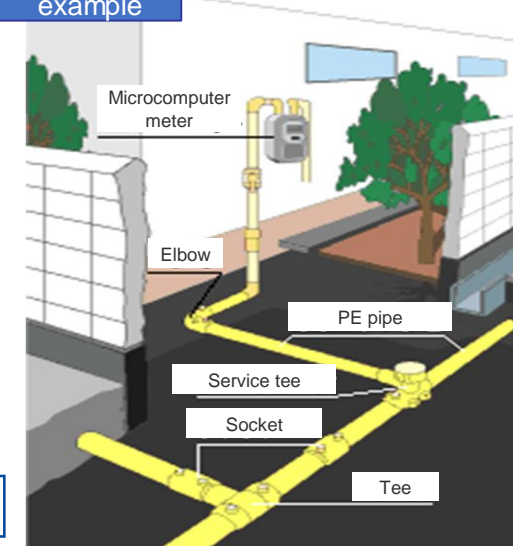


## Gas EF fitting



### PE gas piping system (Pipes and EF fittings)

## Usage example



# Use of M&A

Establish a 4-year M&A investment quota of **20 billion yen** to accelerate growth through M&A

## M&A Policy

### Target

In principle, "**Manufacturing**" companies, companies with special technologies and products

### Focus areas

#### Strengthen existing businesses

##### Same industry as existing businesses

Civil engineering and construction materials, bird and animal control, horticultural greenhouses, and reputable-brand auto components

##### Existing business periphery

Civil engineering works (slope and bridge maintenance), civil engineering-related and agriculture-related materials, textile-related products

#### Creation of new businesses

##### New business

Top niche company, projects for government agencies, healthcare, sports, pet supplies

##### Overseas

Civil engineering and construction materials, ASEAN

### PMI

doing common things well x "Mixing"

- Organizational and safety measures at production sites
- Appropriate capital investment
- Continuous improvement activities in production
- Visualization of figures and results
- Establishment of monthly meeting structure
- Providing management personnel

**Building cooperative relationships as equal partners rather than hierarchies**

**Mixing together the Group's people, manufacturing, skills, and networks**



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**Forecast of  
Consolidated Financial Results for the  
Fiscal Year Ending June 30, 2025**

# Forecast for the fiscal year ending June 30, 2025

## ◎All companies

- Continue to **promote spread of key measures** in the second year of the new four-year medium-term management plan.
- **Strengthening of the production system** by investing in new facilities
- Strengthen existing businesses and expand new businesses using **M&A** as a growth strategy
- The company is committed **to implementing cost-of-capital aware initiatives to increase its corporate value.**

## ◎Social Infrastructure Business

- Civil engineering: **Entry into new fields** such as renewable energy, land resilience products
- Subsidiaries: **Increase earnings** by expanding and strengthening business and enhancing networks

## ◎Industry Infrastructure Business

- BBS: **Strengthen planning, manufacturing and sales** of larger wheels and products for next-generation automobiles in Japan and overseas
- MIRAI KOSEN: **Putting in place profit-and-loss improvement activities** such as price increases and cost reductions



## Forecast of FY2024 (Consolidated Financial Plan)

	FY2023		FY2024(Plan)			
	2Q	Full year	2Q		Full year plan	
			Amount	Change	Amount	Change
Net sales	28,441	55,833	<b>31,000</b>	+ 9.0 %	<b>60,000</b>	+ 7.5 %
Operating profit	5,661	10,736	<b>6,000</b>	+ 6.0 %	<b>11,200</b>	+ 4.3 %
EBITDA	7,234	14,106	<b>7,600</b>	+ 5.1 %	<b>14,500</b>	+ 2.8 %
Ordinary profit	5,473	11,236	<b>6,000</b>	+ 9.6 %	<b>11,200</b>	—
Profit attributable to owners of parent	3,760	7,979	<b>4,200</b>	+ 11.7 %	<b>7,700</b>	- 3.5 %

# Forecast of FY2024 by Segment

		FY2023 Results	FY2024	
			Plan	Change
Social Infrastructure Business	Net sales	31,687	34,500	+ 8.9%
	Operating profit	6,755	6,900	+ 2.1%
Industrial Infrastructure Business	Net sales	24,145	25,500	+ 5.6%
	Operating profit	5,101	5,500	+ 7.8%
Common	Operating profit	- 1,120	-1,200	—
Total	Net sales	55,833	60,000	+ 7.5%
	Operating profit	10,736	11,200	+ 4.3%

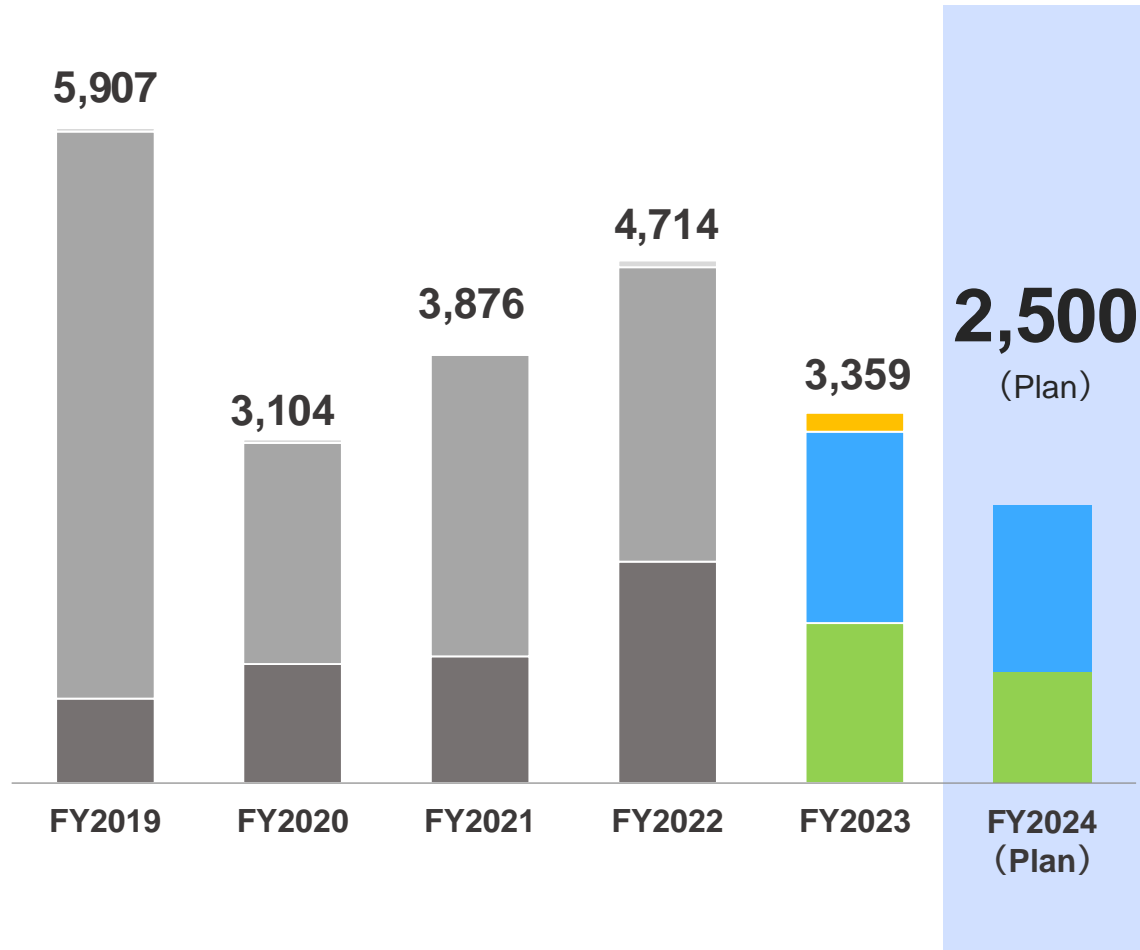




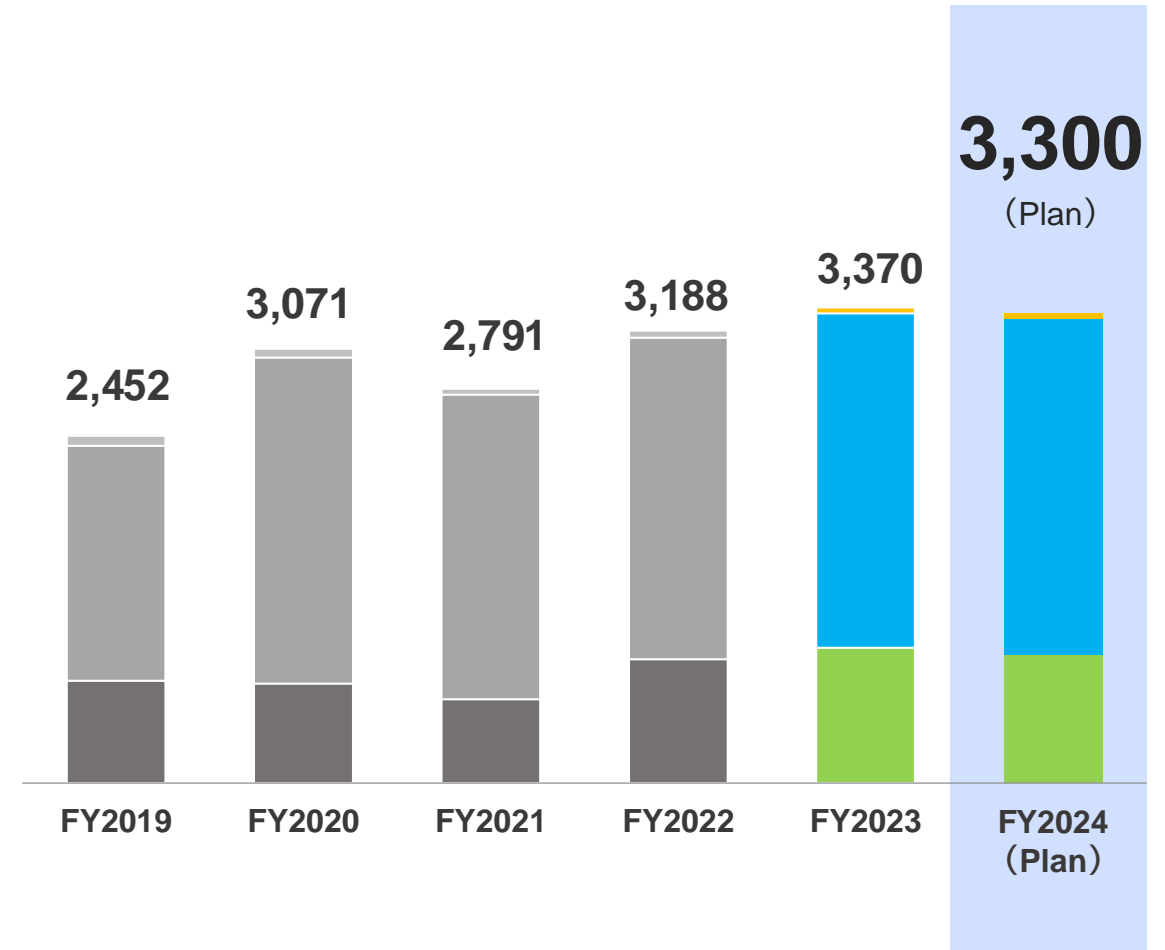
# Forecast of Facility Investment and Depreciation



## Facility Investment

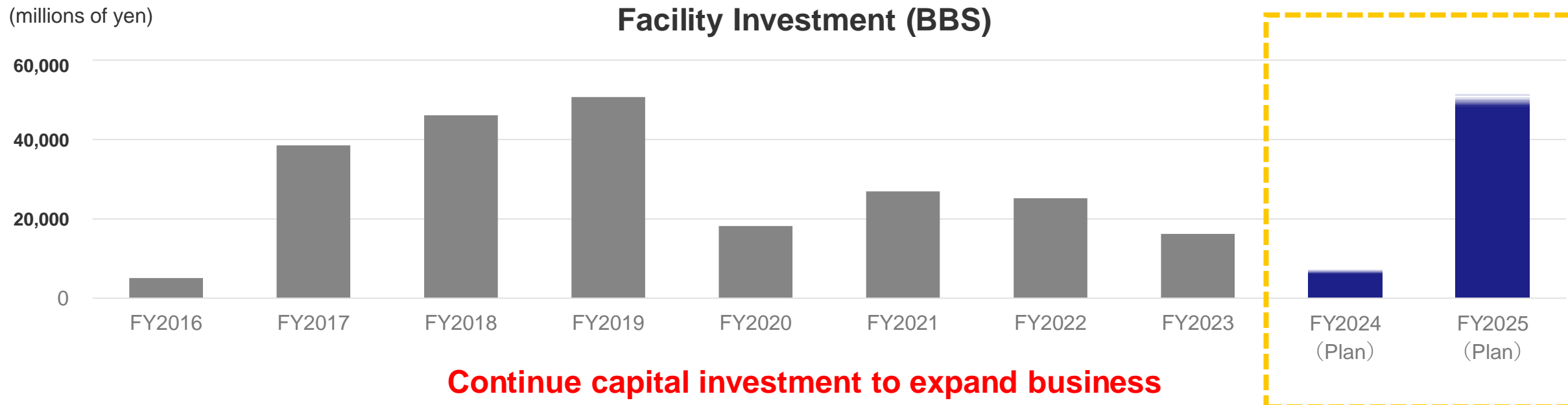


## Depreciation



Note: The fiscal year ended June 2022 was 9 months and 10 days, from September 21, 2021 to June 30, 2022.

# Wheel business Capital expenditures



## TOPICS

**Projects selected for the Small and Medium Enterprise Growth Investment Subsidy administered by the Ministry of Economy, Trade and Industry**

Business Theme : Production capacity expansion plan for global expansion of premium wheels

Evaluation from the perspectives of "management capability," "advancement and growth potential," "ripple effect on the region," etc.





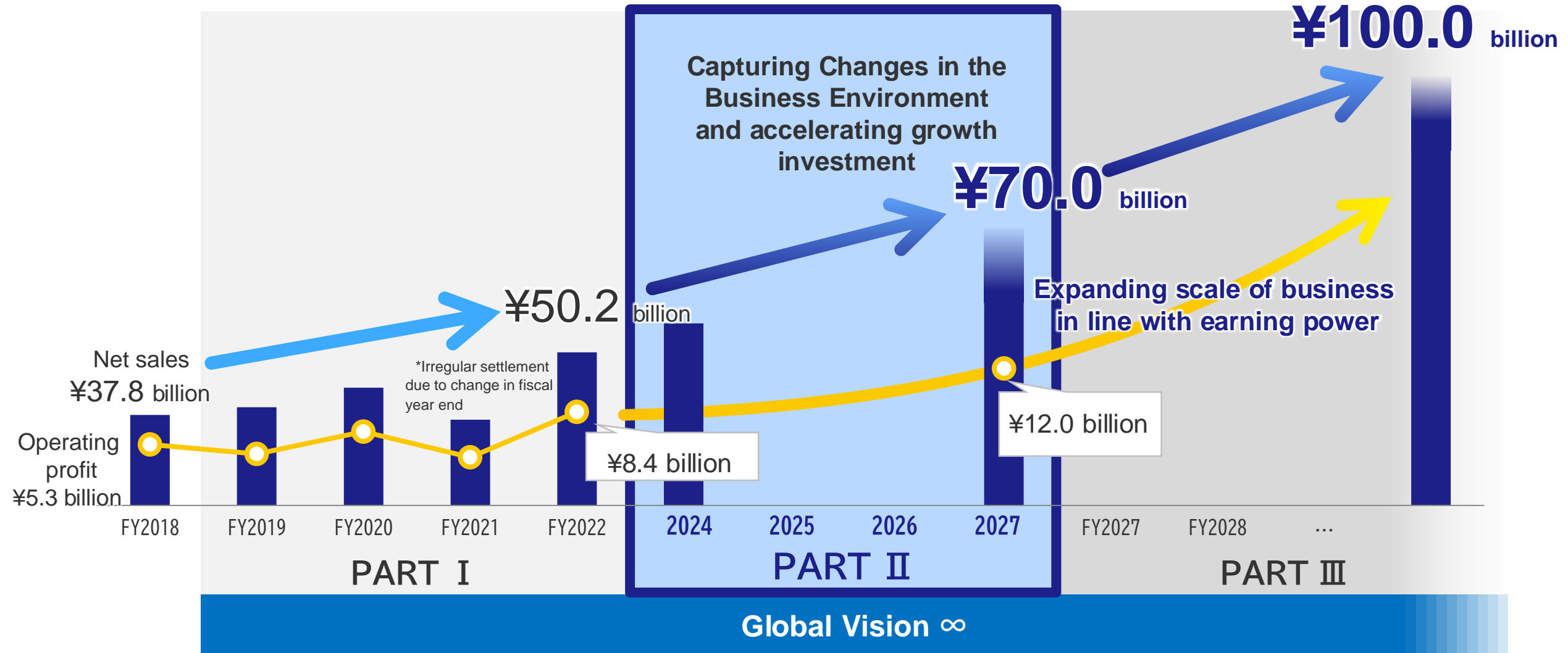
**6**

**Medium-Term Business Plan  
“GLOBAL VISION ∞ -PART II-”**

# Growth Targets

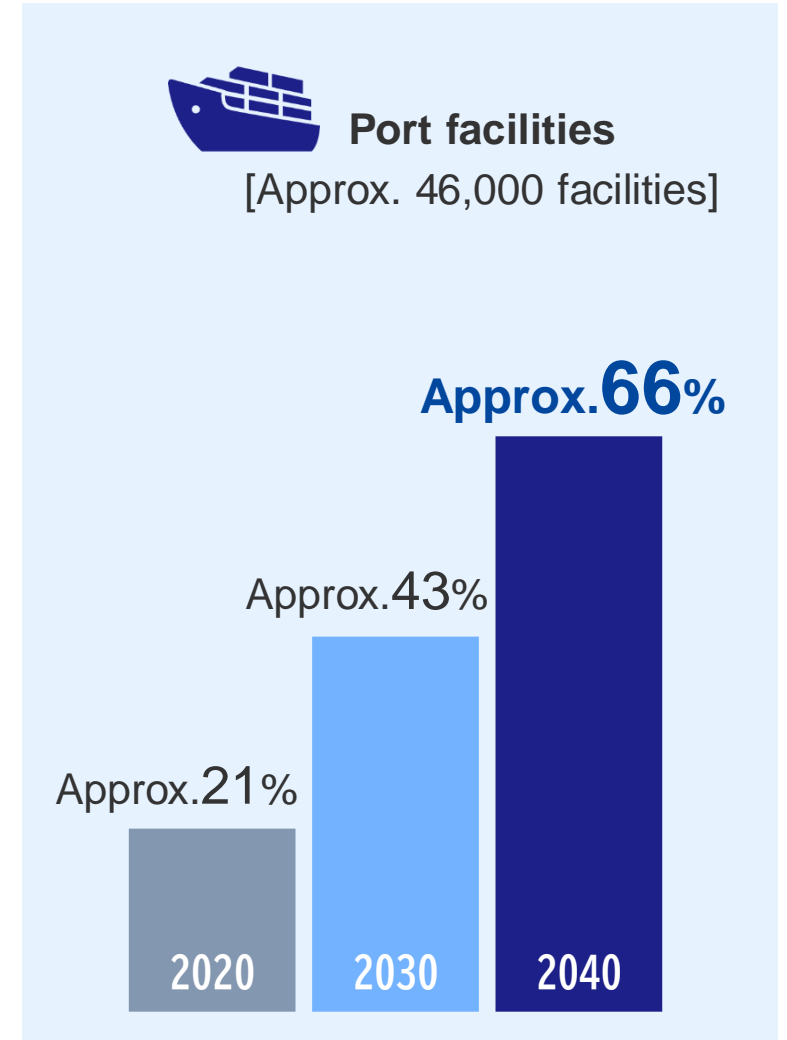
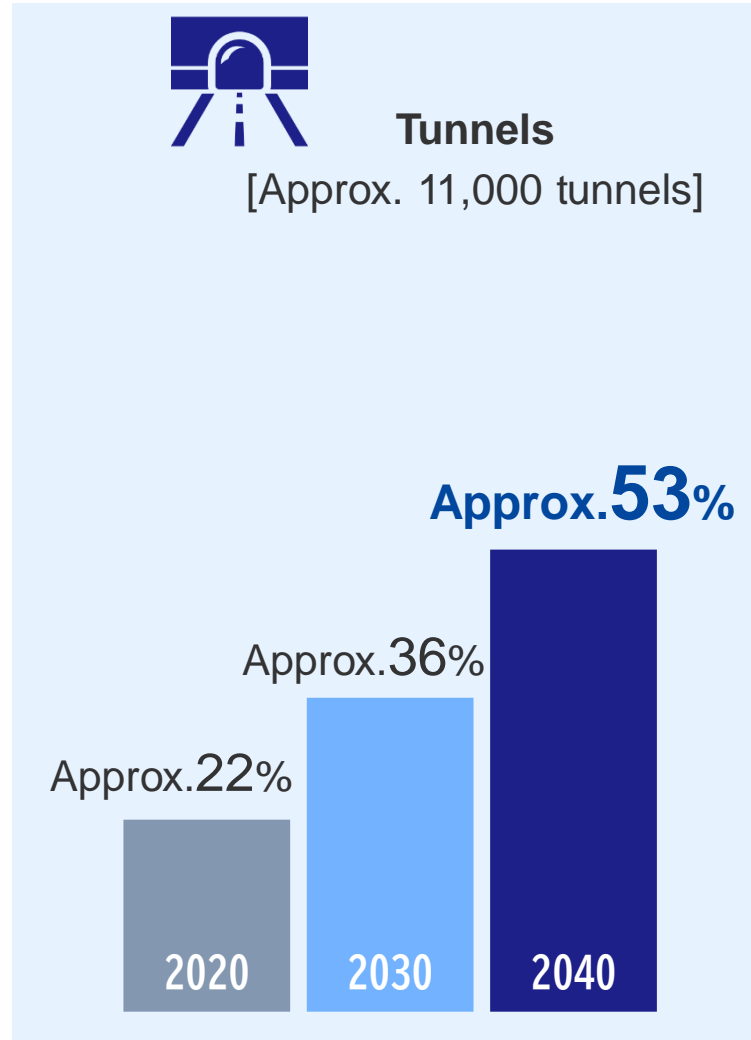
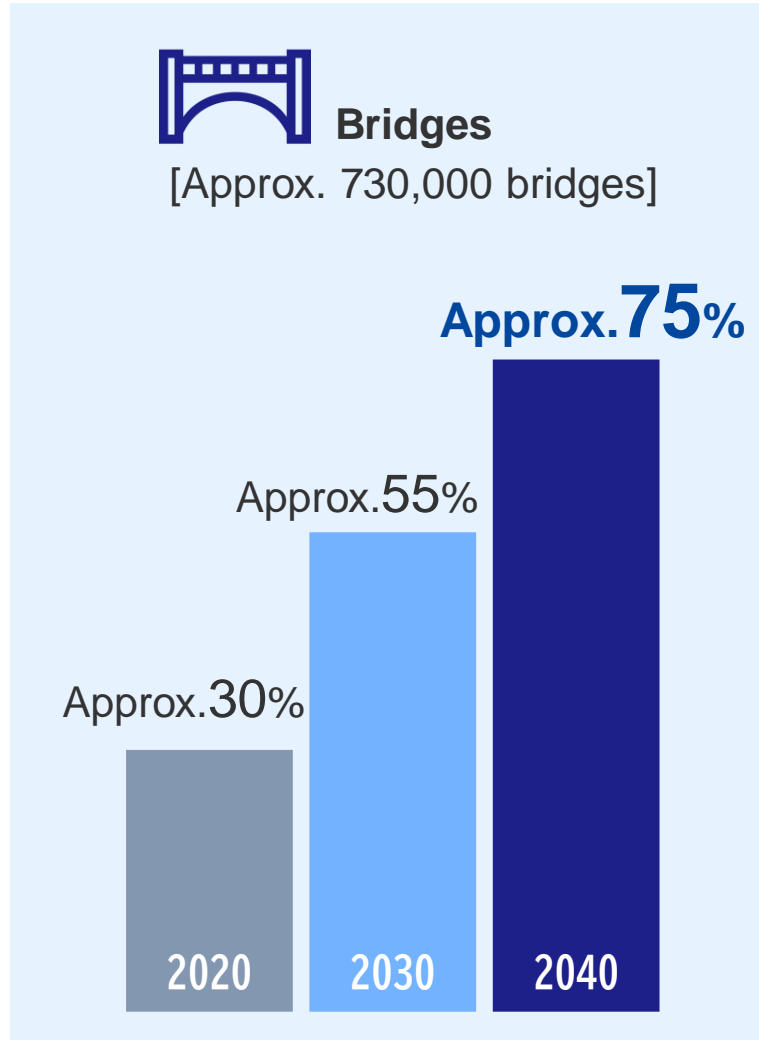
## PART II

Four-year period from the period ended June 30, 2024 to the period ending June 30, 2027



# Background to the growth of social infrastructure business

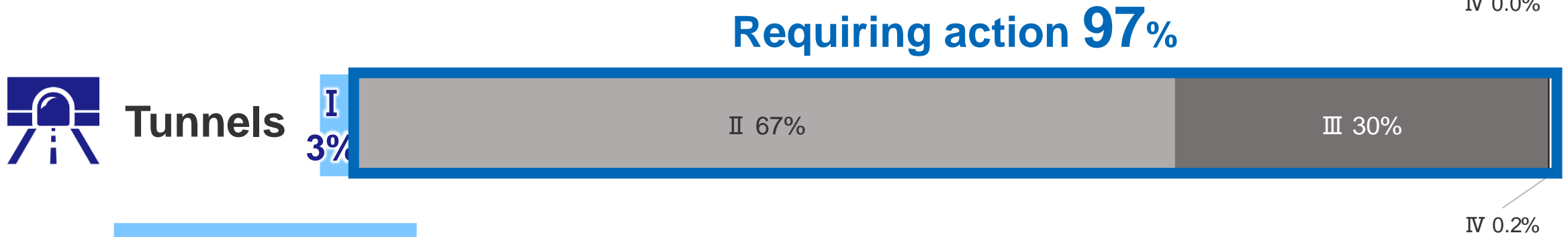
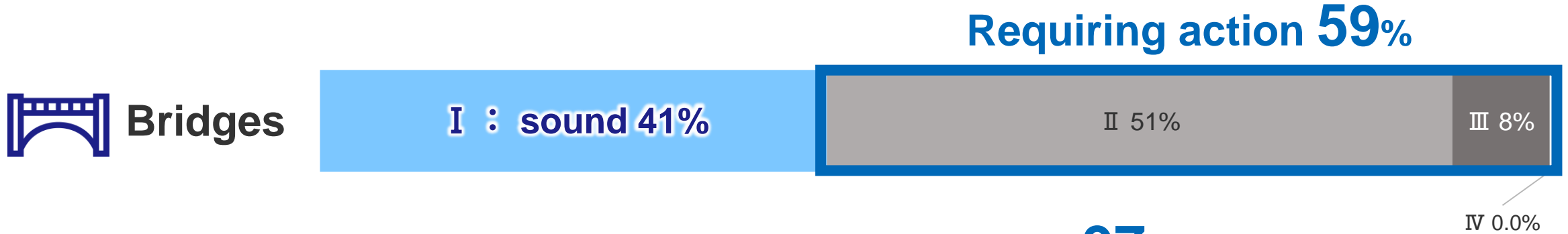
- Percentage of infrastructure that is more than 50 years old



Note: Compiled from Ministry of Land, Infrastructure, Transport and Tourism data

# Background to the growth of social infrastructure business

## – Percentage of infrastructure requiring action



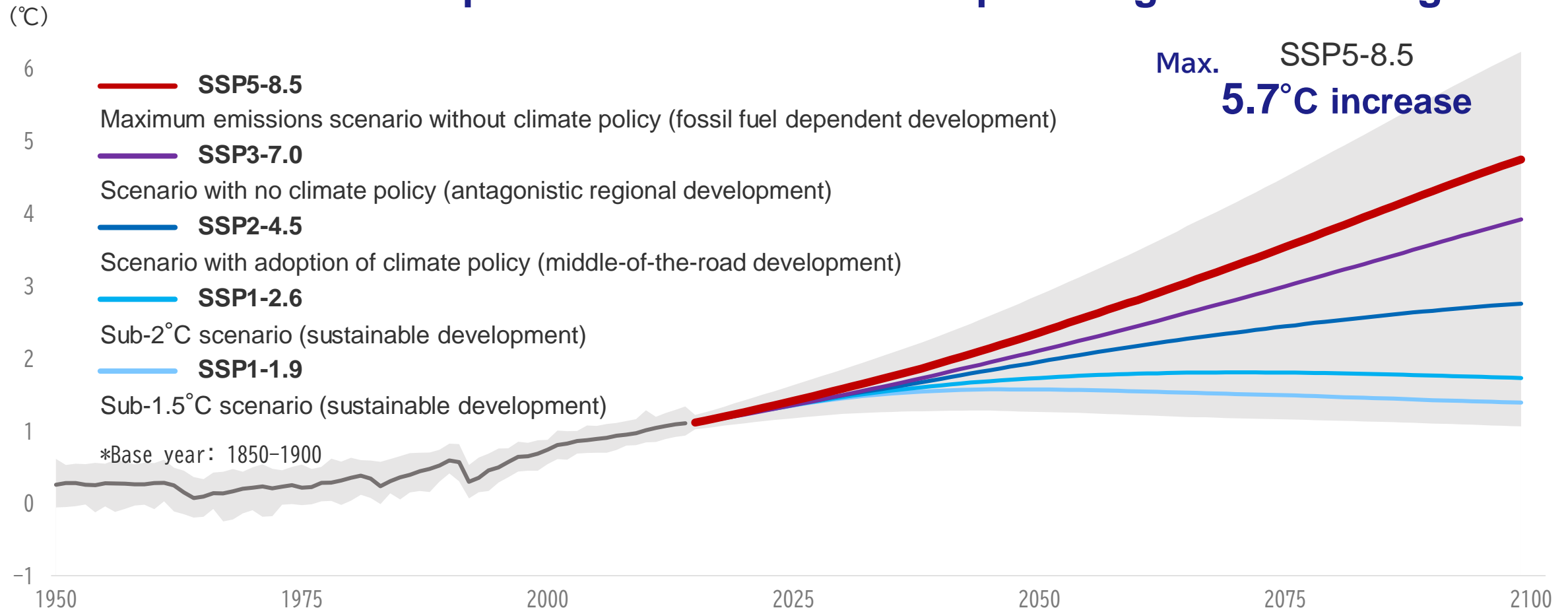
<b>I</b>	<b>Sound</b>	A state in which the function of the structure is not impaired
<b>II</b>	<b>Preventive maintenance phase</b>	A state in which the function of the structure is not impaired, but it is preferable to take measures from the viewpoint of preventive maintenance
<b>III</b>	<b>Early measures phase</b>	A state that may impair the function of the structure and should be addressed as soon as possible
<b>IV</b>	<b>Emergency measures phase</b>	A state in which the function of the structure is impaired or is significantly likely to be impaired, and urgent measures should be taken.



# Background to the growth of social infrastructure business

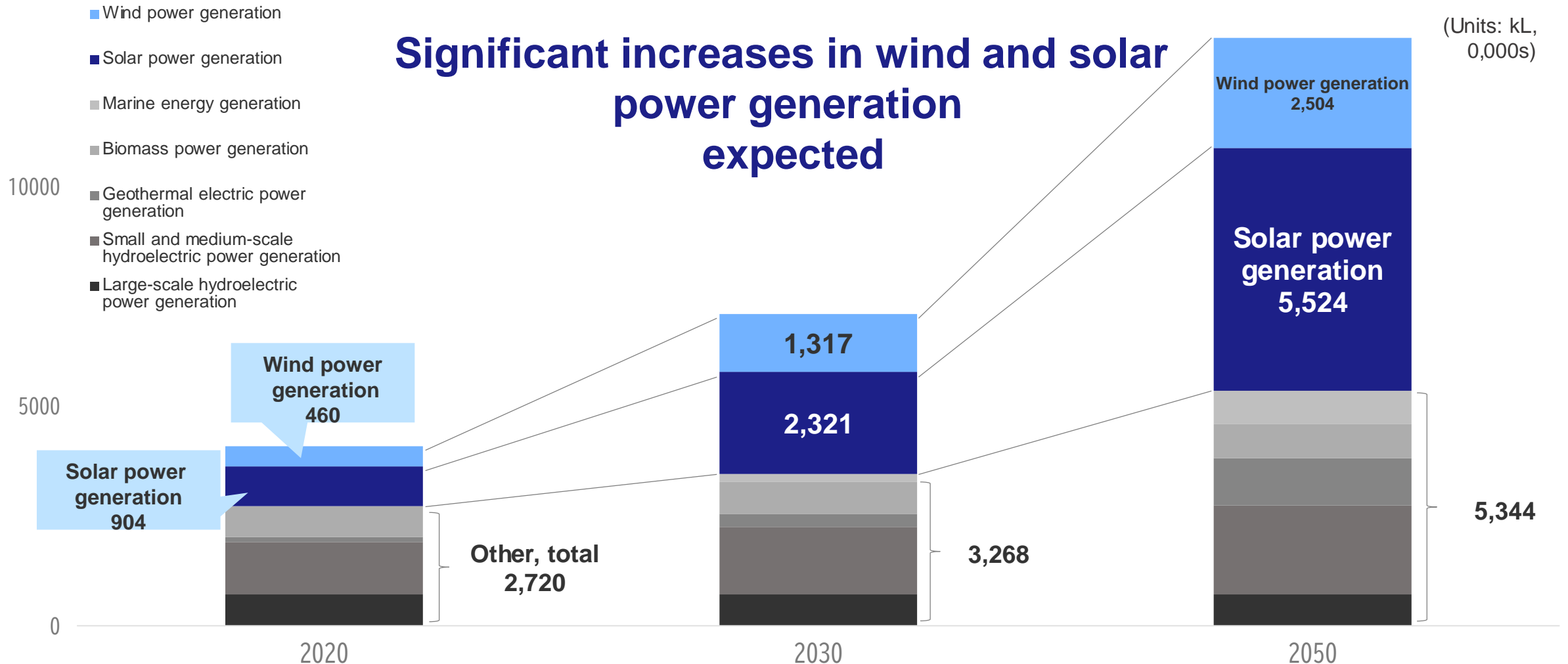
- Global warming

## Great need to improve infrastructure to cope with global warming



# Background to the growth of social infrastructure business

– Estimated amount of renewable energy to be introduced (primary energy supply)

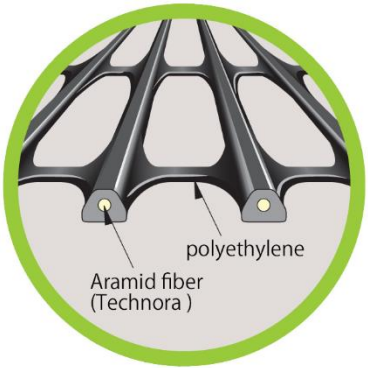


Note: Created by the Company based on materials prepared by the Ministry of the Environment



# Our main disaster prevention products

Geotextile for embankment and ground reinforcement  
“ADEAM”



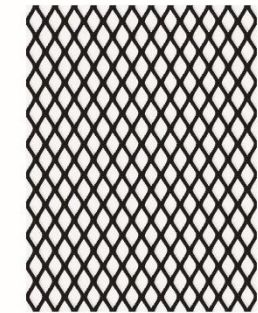
Weather-resistant, large-sized sandbag  
“Two-ton Bag”



Net bag for bag-type foot protection  
“Powerful Unit”  
“Bottle Unit”



Fiber Net for Rockfall Prevention  
“Nature Net”



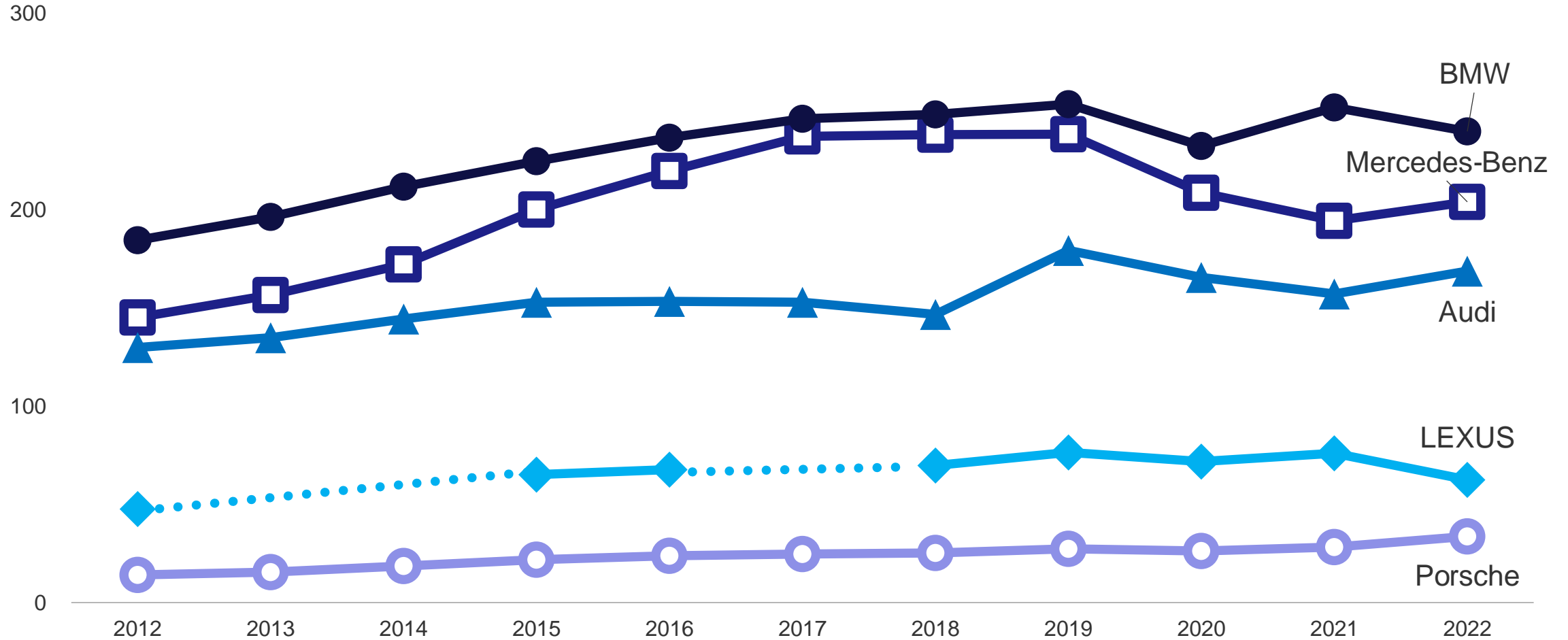
Block mat for river bank protection



# Background to the growth of industrial infrastructure business

## – Sales performance by major luxury car manufacturers

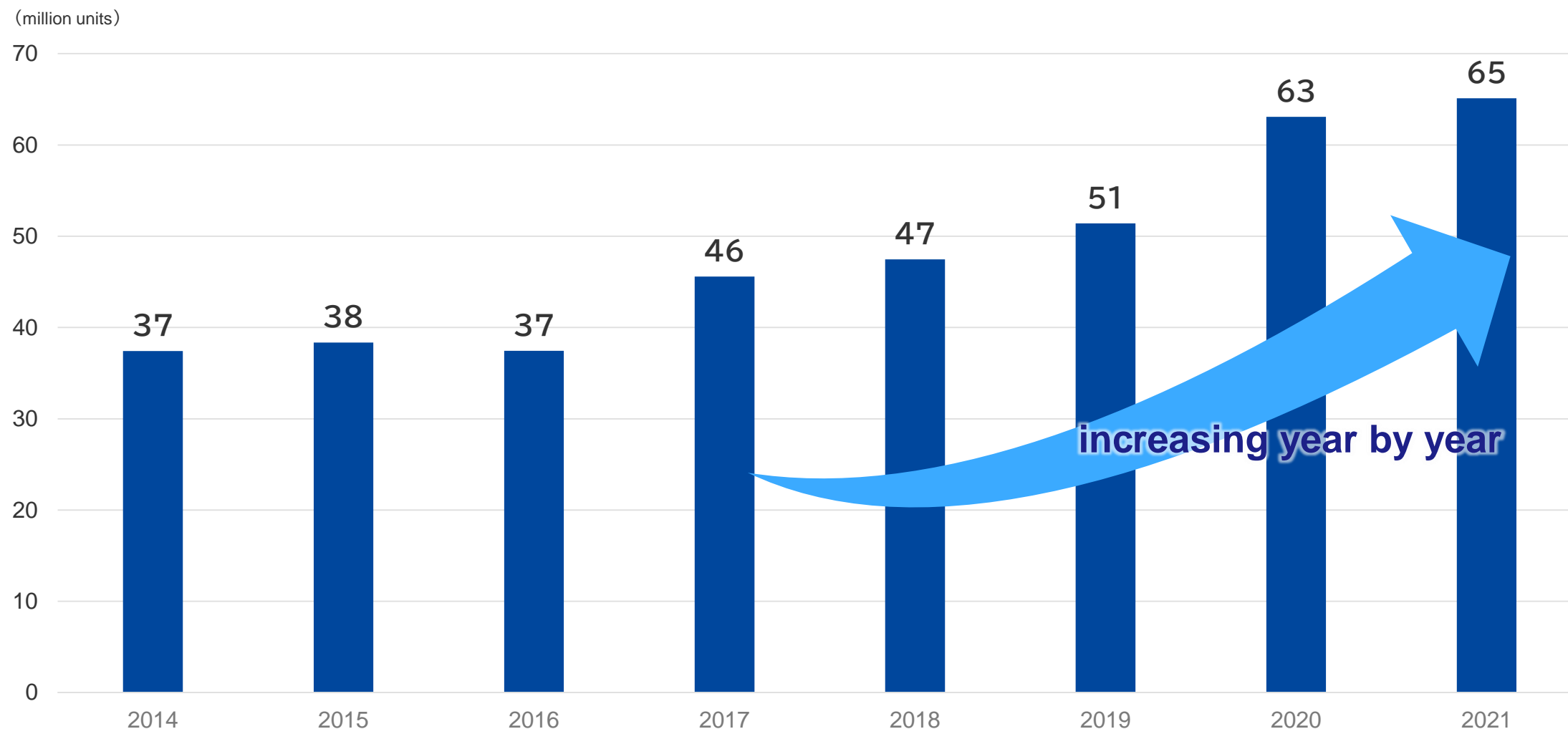
(million units)



Note: Created by our company based on published materials

# Background to the growth of industrial infrastructure business

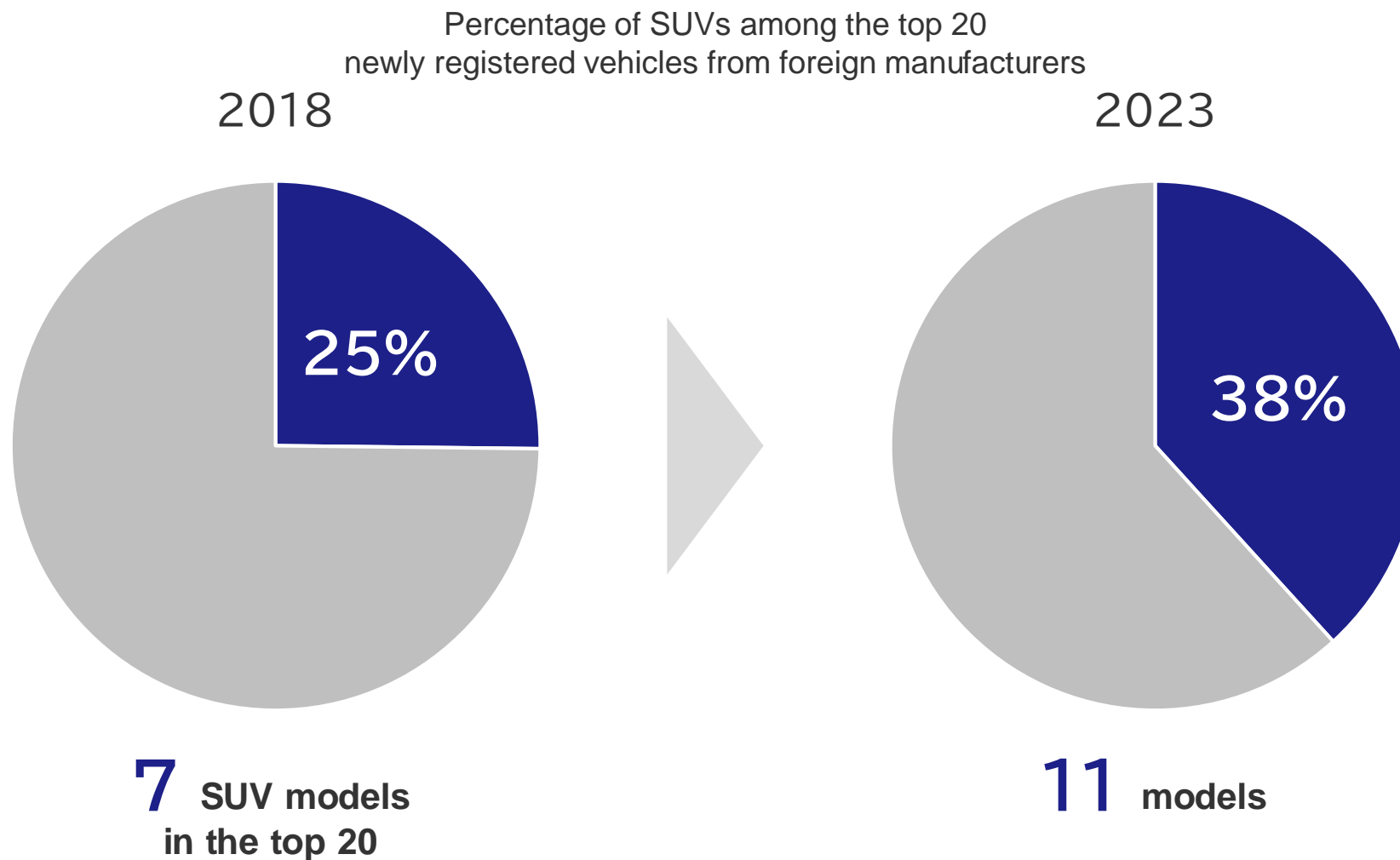
- SUV sales trends – Domestic registered new car sales in 2021



Source: General Incorporated Association Automobile Business Association of Japan

# Background to the growth of industrial infrastructure business

## – Sales of SUV



# Performance Targets (from FY2023 to FY2026)

	FY2022 Results	FY2023 Results	FY2024 Plan	FY2026 Plan
Net sales	50,204	<b>55,833</b>	<b>60,000</b>	<b>70,000</b>
Operating profit	8,493	<b>10,736</b>	<b>11,200</b>	<b>12,000</b>
EBITDA	11,682	<b>14,106</b>	<b>14,500</b>	<b>15,000</b>
Profit attributable to owners of parent	5,258	<b>7,979</b>	<b>7,700</b>	<b>8,000</b>
ROE	12.4 %	<b>15.1 %</b>	<b>12.3 %</b>	<b>12 % or more</b>



# Disclaimer

- This material has been prepared for your understanding of our company and is not intended to solicit investment in our company.
- We have taken great care in the preparation of this document to ensure its accuracy, but we do not guarantee its completeness. We are not responsible for any damages or injuries caused by the information in this document.
- Forecasts of Earnings and future in this material are based on the information available at the time this material was prepared, and include potential risks and uncertainties. Therefore, please understand that actual results may differ significantly from the forward-looking statements mentioned or described due to various factors such as changes in the business environment.

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