

The logo for MAX, consisting of the letters "MAX" in a bold, white, sans-serif font inside an orange square.The slogan "ENGINEERED FOR PERFORMANCE" in a smaller, orange, sans-serif font, positioned below the MAX logo and flanked by two curved orange lines.

MAX Co., Ltd.

Financial Results Briefing for First Quarter of FY 2024

Announcement Date: July 31, 2024

Participants

Yoshihiro Kaku, Senior Managing Director / Senior Executive Officer

Nobuo Suda, General Manager, Corporate Communications Dept.

Table of Contents

Group-Wide Financial Results in the First Quarter of FY 2024

1. Group-Wide Financial Results in the First Quarter of FY 2024
2. Changes in Group-Wide Financial Results in the First Quarter of FY 2020 to FY 2024
3. Changes in Net Sales by Quarter
4. Factors for Increase/Decrease of Operating Income
5. Other Financial Information
6. Economic Indicators

Financial Results for Individual Segments in the First Quarter of FY 2024

7. Financial Results for Individual Segments in the First Quarter of FY 2024
8. Changes in Segment Results by Quarter
9. Industrial Equipment Segment: Financial Results for the First Quarter of FY 2024
10. Industrial Equipment Segment: Changes in Net Sales by Quarter
11. Office Equipment Segment: Financial Results for the First Quarter of FY 2024
12. Office Equipment Segment: Changes in Net Sales by Quarter
13. HCR Equipment Segment: Financial Results for the First Quarter of FY 2024
14. HCR Equipment Segment: Changes in Net Sales by Quarter
15. Changes in Quarterly Net Sales by Overseas Region
16. Priority Business: Overview of Rebar Tying Tools Business

Operating Results Forecast for FY 2024


17. Group-Wide Plan in the First Half of FY 2024
18. Segment Plans in the First Half of FY 2024
19. Group-Wide Plan in FY 2024
20. Segment Plans in FY 2024
21. Plans for Each Subsegment (Business) in FY 2024
22. Dividend Policy: Dividends per Share
23. Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio

Reference Materials

24. Changes in Quarterly Segment Net Sales by Overseas Region (North America)
25. Changes in Quarterly Segment Net Sales by Overseas Region (Europe)
26. Changes in Quarterly Segment Net Sales by Overseas Region (Asia Excluding Japan)
27. Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (North America)
28. Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (Europe)
29. Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (Domestic)
30. Main Products in Industrial Equipment Product Operations and Office Equipment Product Operations
31. Product Breakdown of the Domestic/Overseas Industrial Equipment Product Operations
32. Product Breakdown of the Domestic/Overseas Office Equipment Product Operations

Summary of Financial Results in the First Quarter of FY 2024

- **Both net sales and income reached a record high for the first quarter.**
- **Results were lead by overseas industrial equipment product operations. This was thanks to factors such as the launch of the new model of rebar tying tools in Europe and U.S. and the impact of foreign exchange rates with a weak yen.**
- **Revised our full-year business forecast for the fiscal year ending March 31, 2025 upwards.**



Group-Wide Financial Results in the First Quarter of FY 2024

Group-Wide Financial Results in the First Quarter of FY 2024

■ Exchange rates

Q1 FY 2024 1 USD = 155.02 JPY / 1 EUR = 167.03 JPY

Q1 FY 2023 1 USD = 135.81 JPY / 1 EUR = 147.90 JPY

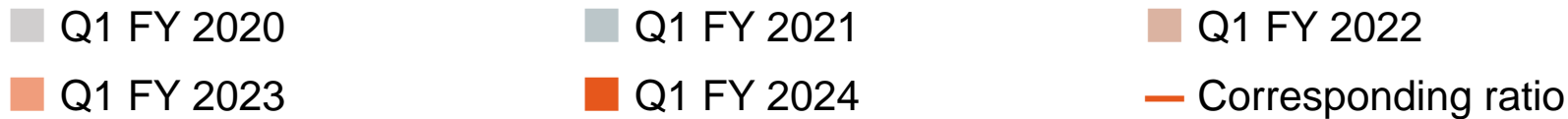
Planned (Q1) 1 USD = 150.00 JPY / 1 EUR = 160.00 JPY

(unit: millions of yen, %)

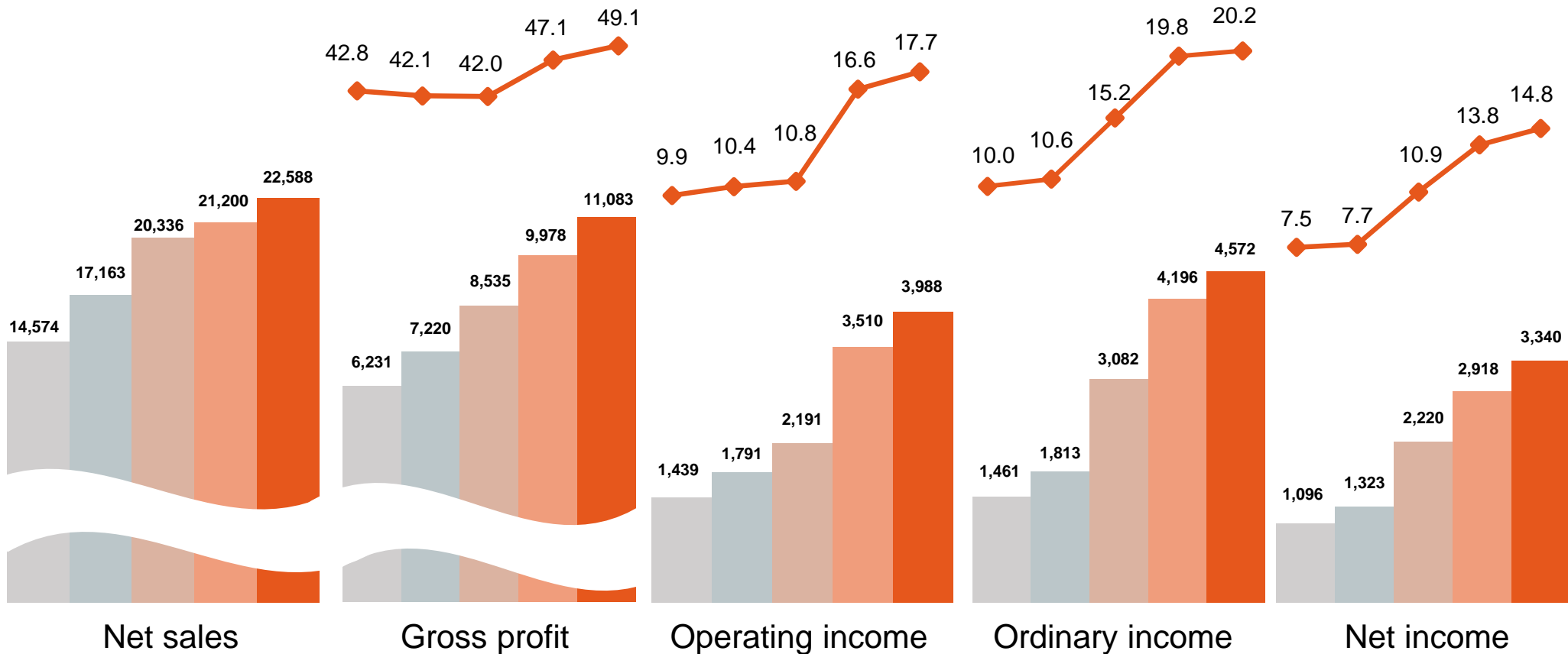
	Results in Q1 for FY under review	Results in Q1 of previous FY	% increase/ decrease	First-half plan*	Rate of progress
Net sales	22,588	21,200	+6.5	44,430	50.8
Gross profit	11,083	9,978	+11.1	—	—
Corresponding ratio	49.1	47.1		—	
Operating income	3,988	3,510	+13.6	6,650	60.0
Corresponding ratio	17.7	16.6		15.0	
Ordinary income	4,572	4,196	+9.0	6,650	68.8
Corresponding ratio	20.2	19.8		15.0	
Net income attributable to shareholders of parental company	3,340	2,918	+14.4	5,280	63.3
Corresponding ratio	14.8	13.8		11.9	
Net income per share (yen)	71.82	61.71	—	113.49	—

*Plan announced on April 26, 2024

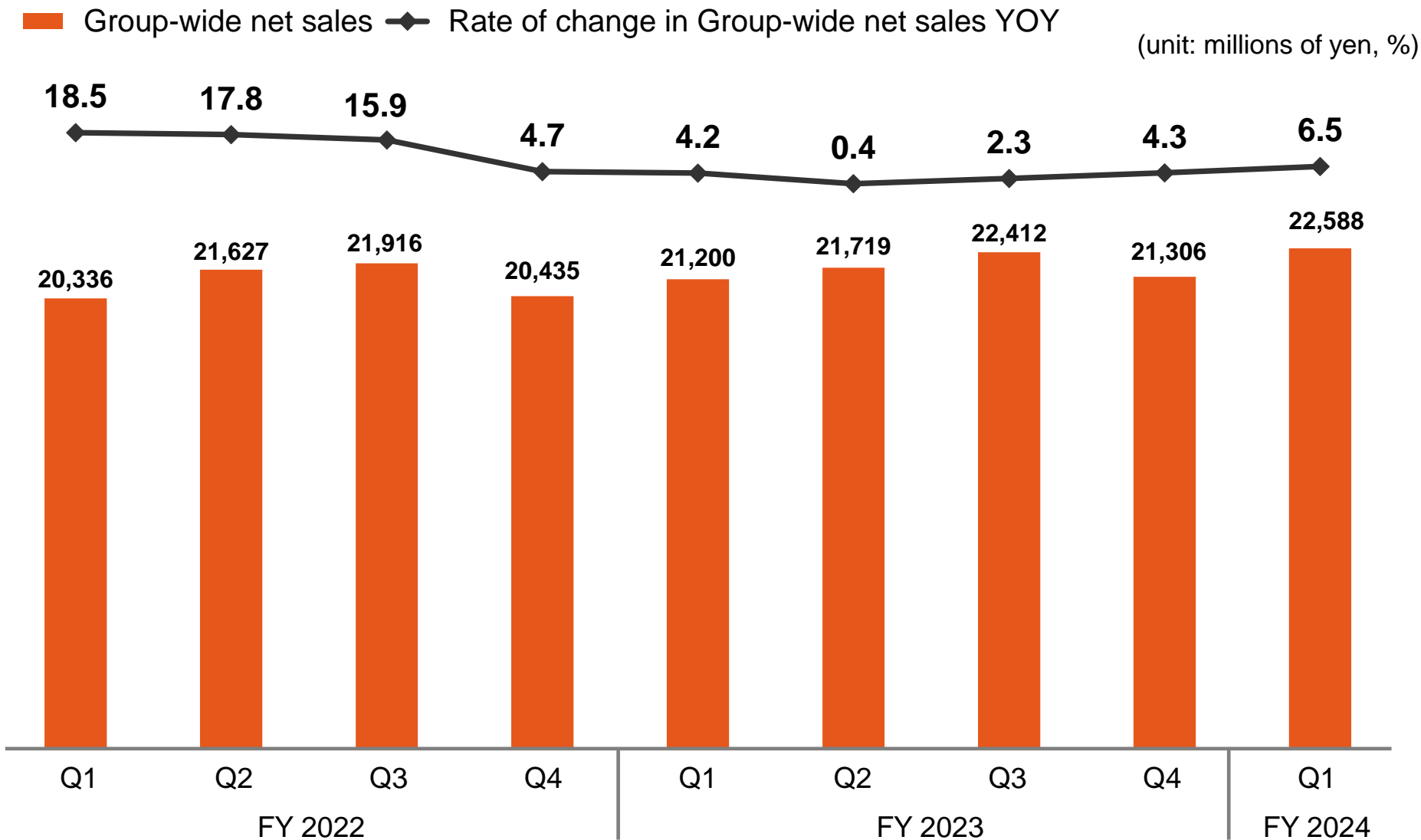
Changes in Group-Wide Financial Results in the First Quarter of FY 2020 to FY 2024



(unit: millions of yen, %)

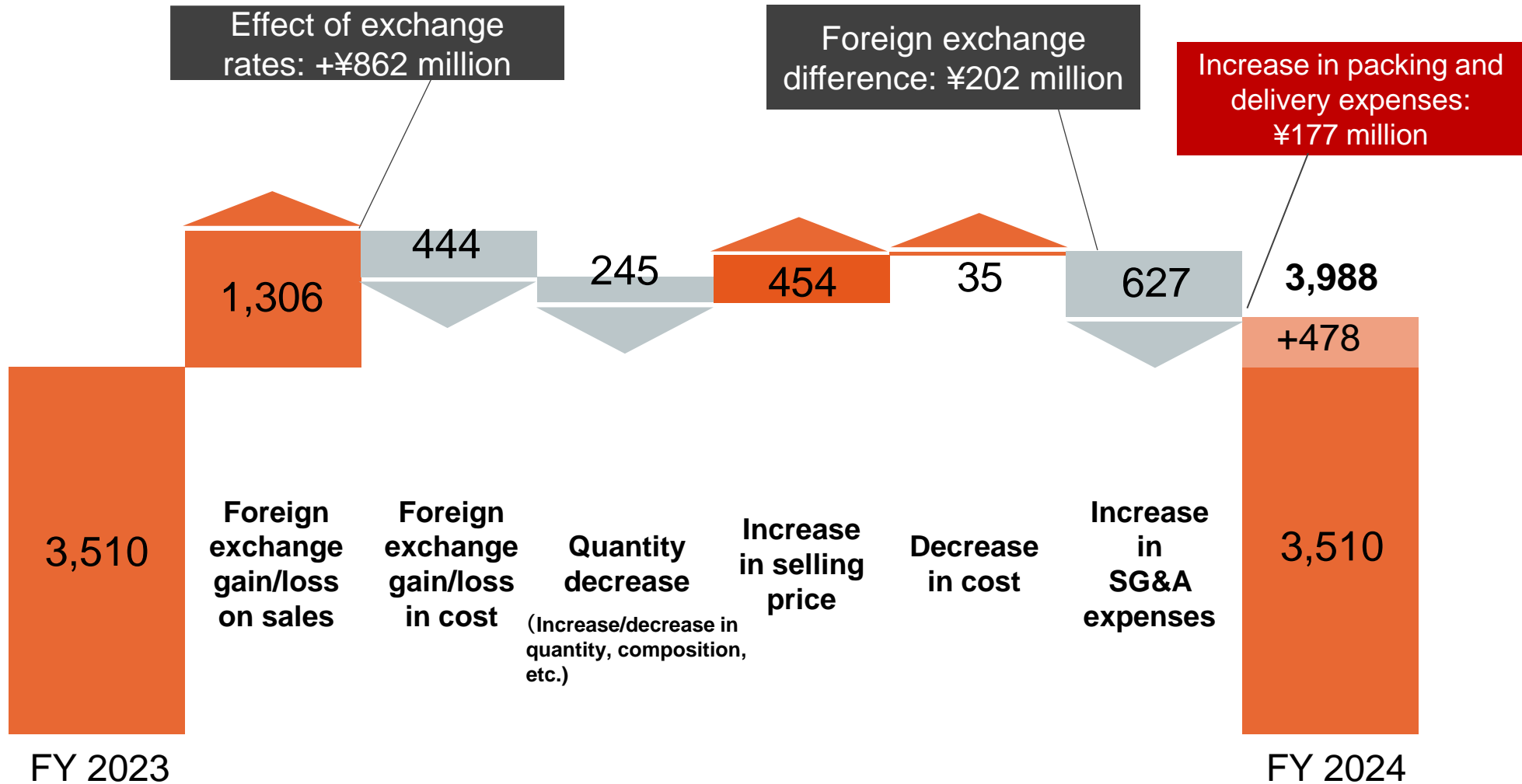


Changes in Net Sales by Quarter



Factors for Increase/Decrease of Operating Income

(unit: millions of yen)



■ Non-operating income/expenses and extraordinary income/loss

(unit: millions of yen)

	Results in Q1 for FY under review	Results in Q1 of previous FY	YOY
Non-operating income/expenses	583	686	-102
Non-operating income (excluding foreign exchange effect)	184	152	+31
Non-operating expenses (excluding foreign exchange effect)	-17	-22	+4
Foreign exchange gain/loss	416	555	-138
Extraordinary income/loss	198	-7	+206
Extraordinary income	199*	0	+199
Extraordinary loss	-1	-7	+6

*Sale of shares

■ Facilities investment, depreciation, R&D expenses

(unit: millions of yen, %)

	Results in Q1 for FY under review	Results in Q1 of previous FY	FY 2024 annual plan	Rate of progress
Facilities investment	477	444	3,698	12.9
Depreciation	786	750	3,590	21.9
R&D expenses	1,089	1,012	4,666	23.3

Domestic

Continued signs of gradual economic recovery. The number of new housing constructions starts, which is related to the Industrial Equipment segment, was sluggish (as of May, owner-occupied starts have decreased for 30 consecutive months). The construction floor area of non-residential structures continues to stagnate.

Overseas

In the United States, housing construction starts decreased due to the impact of increased interest rates for loans, but construction investment trended firm. In Europe, the economic outlook remained uncertain due to concern regarding inflation and a high level of interest rates. In particular, housing market conditions remained sluggish in Germany.

Reference indices

Number of new housing construction starts

- Down 9.6% YOY for the period from January to March 2024 (Owner-occupied: -9.0%, Rental: -4.3%, Unit sales: -16.9%)

→ Negative effect on the industrial equipment product operations (wooden structure related)

Floor area of construction starts of non-residential structures / Supply and demand for skilled construction workers

- Up 7.2% YOY for the period from October to December 2023 (Offices: +36.7%, Shops: -0.7%, Factories: -12.2%, Warehouses: +51.5%)

- There is a shortage of skilled rebar workers (for construction sites).

→ Positive effect on the industrial equipment product operations (concrete structure related)

Currency exchange rates

- 1 USD = 155.02 JPY, 1 EUR = 167.03 JPY (Q1 FY 2023: 1 USD = 135.81 JPY, 1 EUR = 147.90 JPY)
- Foreign exchange sensitivity in sales (annual conversion) (Planned value for FY 2024)
USD: 200 million JPY, EUR: 80 million JPY
- Foreign exchange sensitivity in operating income (annual conversion) (Planned value for FY 2024)
USD: 50 million JPY, EUR: 80 million JPY

Number of new housing construction starts in the U.S.

- The annualized rate is 1,377,000 units in April 2024, 1,314,000 units in May 2024, and 1,353,000 units in June 2024 (Previous year—April: 1,368,000 units, May: 1,583,000 units, June: 1,415,000 units)



Financial Results for Individual Segments in the First Quarter of FY 2024

Financial Results for Individual Segments in the First Quarter of FY 2024

(unit: millions of yen, %)

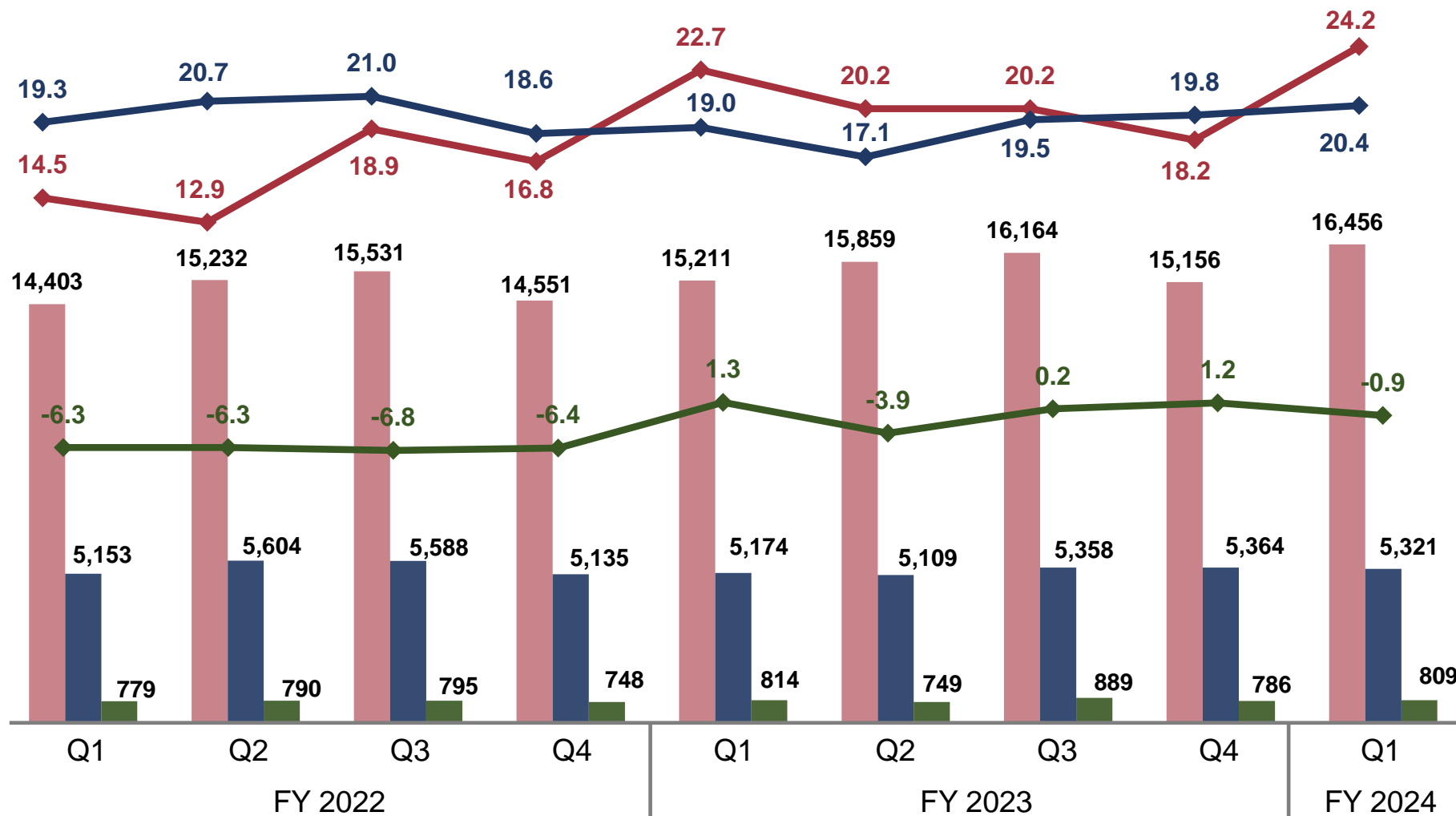
	Results in Q1 for FY under review	Results in Q1 of previous FY	% increase/ decrease	First-half plan*	Rate of progress
Industrial Equipment segment					
Net sales	16,456	15,211	+8.2	32,290	51.0
Segment profit	3,981	3,458	+15.1	7,110	56.0
Segment profit rate	24.2	22.7		22.0	
Office Equipment segment					
Net sales	5,321	5,174	+2.8	10,450	50.9
Segment profit	1,085	985	+10.1	1,790	60.6
Segment profit rate	20.4	19.0		17.1	
HCR Equipment segment					
Net sales	809	814	-0.5	1,690	47.9
Segment profit	-7	10	—	0	—
Segment profit rate	-0.9	1.3		0.0	
Adjustment amount	-1,070	-944		-2,250	
Group-wide total					
Net sales	22,588	21,200	+6.5	44,430	50.8
Operating income	3,988	3,510	+13.6	6,650	60.0
Operating margin	17.7	16.6		15.0	

*Plan announced on April 26, 2024

Changes in Segment Results by Quarter

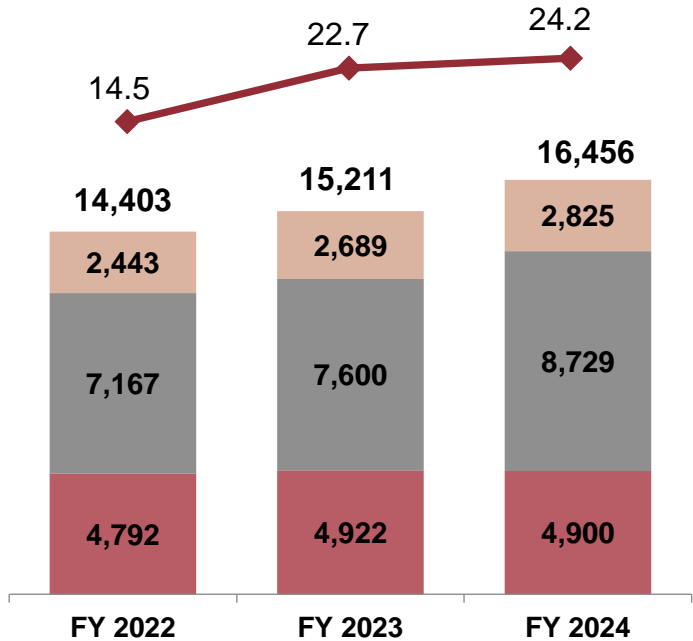
- Net sales by Industrial Equipment segment
- Net sales by Office Equipment segment
- Net sales by HCR Equipment segment
- Segment profit rate for Industrial Equipment segment
- Segment profit rate for Office Equipment segment
- Segment profit rate for HCR Equipment segment

(unit: millions of yen, %)



Industrial Equipment Segment: Financial Results for the First Quarter of FY 2024

■ Domestic industrial equipment product operations ■ Overseas industrial equipment product operations
■ Residential environmental equipment operations — Segment profit rate
 (unit: millions of yen, %)



TWINTIER rebar tying tools



Compressors (limited color)

Domestic industrial equipment product operations



Sales of both tools and consumables trended firm thanks to the effect of the new model of rebar tying tools TWINTIER. On the other hand, sales of tools for wooden structure decreased due to a decrease in new housing construction starts.

Overseas industrial equipment product operations



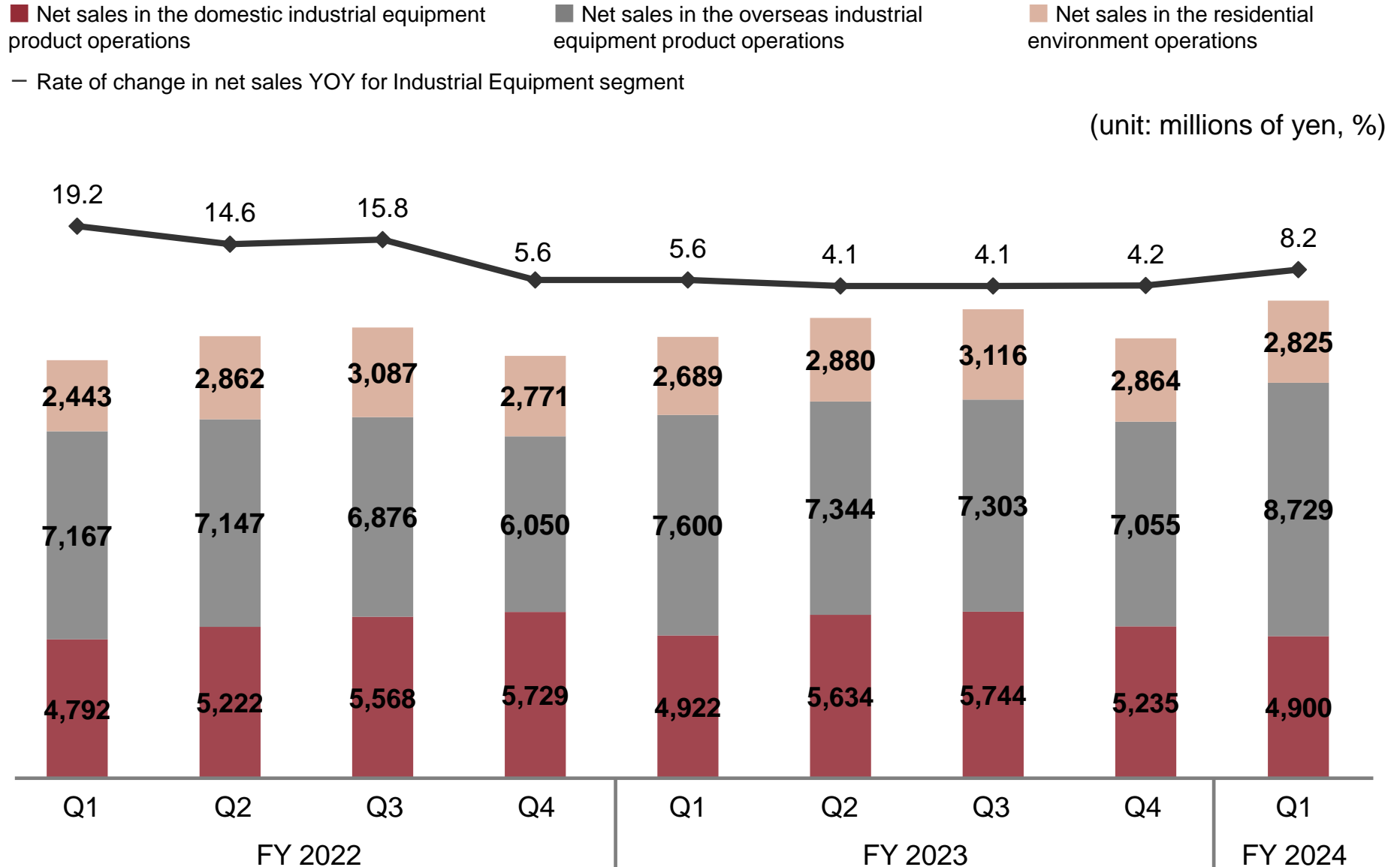
In North America, sales of rebar tying tools and related consumables increased thanks to firm trends in construction expenditures, growing sales for the new model of rebar tying tools TWINTIER that was launched in May, and the spread of large-diameter tools for the civil engineering market. In Europe, although tough market conditions continued in our main area of Germany and Northern Europe, sales of rebar tying tools and consumables recovered thanks to factors such as increased sales of the new model of rebar tying tools (launched in May, similar to North America) and strengthened activities in areas with favorable market conditions.

Residential environmental equipment operations



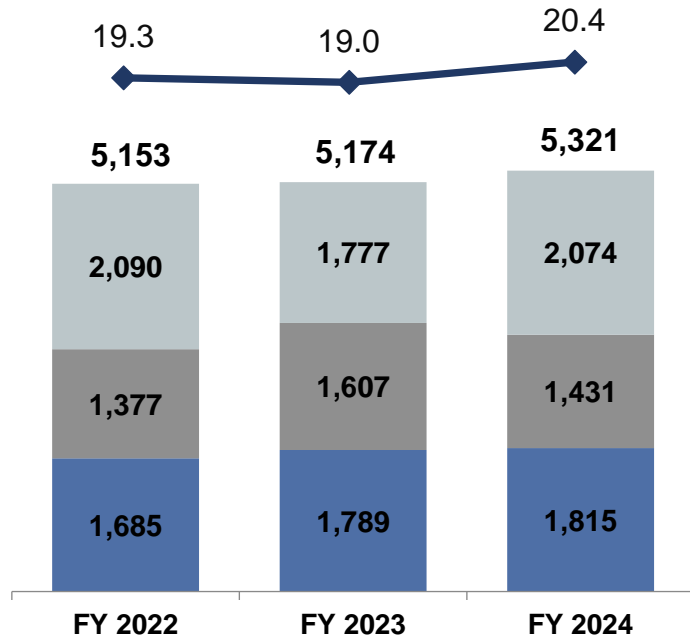
Sales of DRYFAN bathroom heaters, ventilators and dehumidifiers, which are the mainstay of the business, stagnated in the housing stock for renovation and replacement, which is a focus of the segment. On the other hand, sales increased for some OEMs.

Industrial Equipment Segment: Changes in Net Sales by Quarter



Office Equipment Segment: Financial Results for the First Quarter of FY 2024

- Domestic office equipment product operations
 - Overseas office equipment product operations
 - Auto-stapler product operations
 - Segment profit rate
- (unit: millions of yen, %)



BEPOP label-making machines



LETATWIN tube markers

Domestic office equipment product operations



Although sales of stationery-related products decreased, sales of labeling and signage products, mainly BEPOP label-making machines, increased thanks to strengthened proposal activities.

Overseas office equipment product operations



Sales of stationery-related products decreased due to economic stagnation in some regions of Southeast Asia.

Auto-stapler product operations



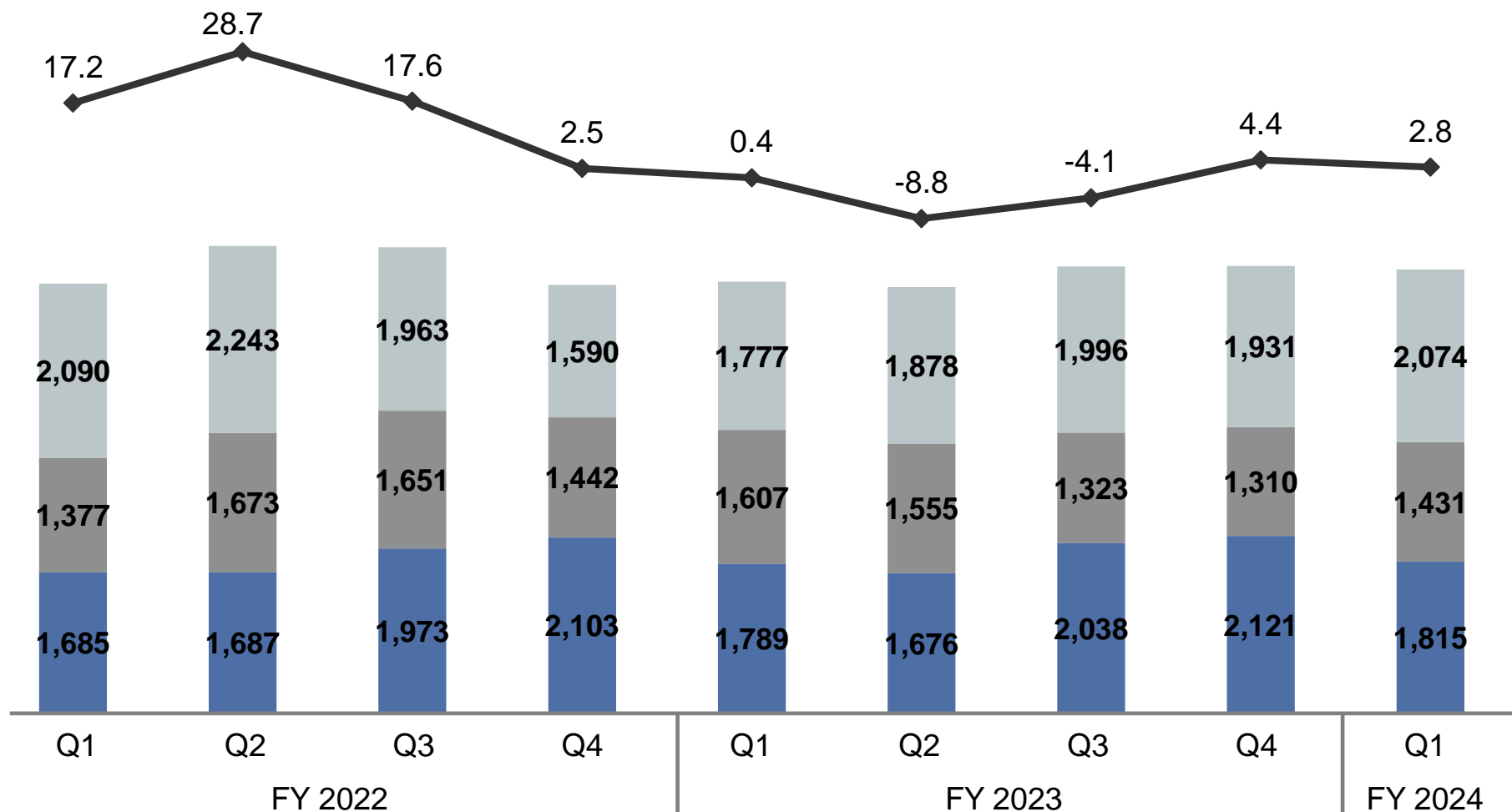
Sales of both Auto Staplers and dedicated consumables trended firm thanks to signs of recovery in orders from customers.

Office Equipment Segment: Changes in Net Sales by Quarter

■ Net sales in the domestic office equipment product operations
 ■ Net sales in the overseas office equipment product operations
 ■ Net sales in the auto-stapler product operations

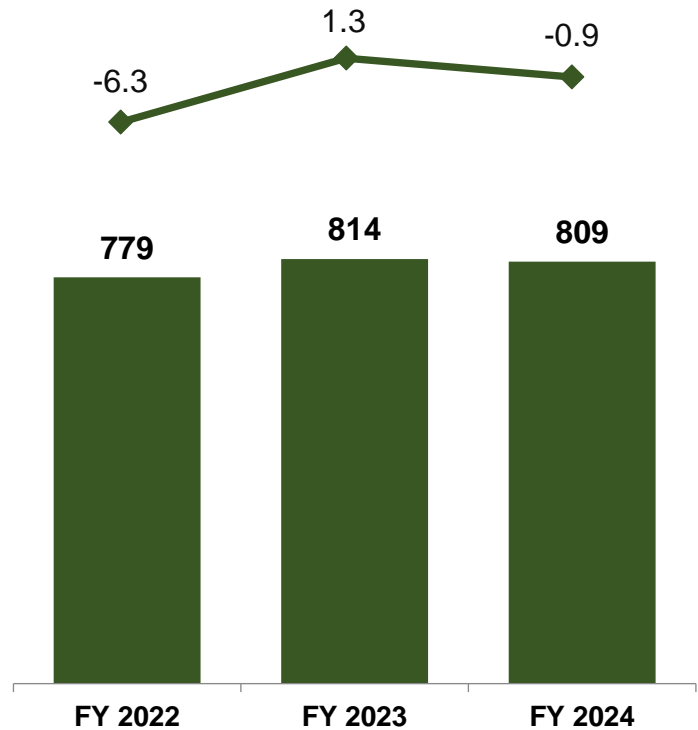
— Rate of change in net sales YOY for Office Equipment segment

(unit: millions of yen, %)



HCR Equipment Segment: Financial Results for the First Quarter of FY 2024

■ Net sales by HCR Equipment segment
— Segment profit rate
(unit: millions of yen, %)



Functionally sophisticated wheelchairs: WAVIT Roo+



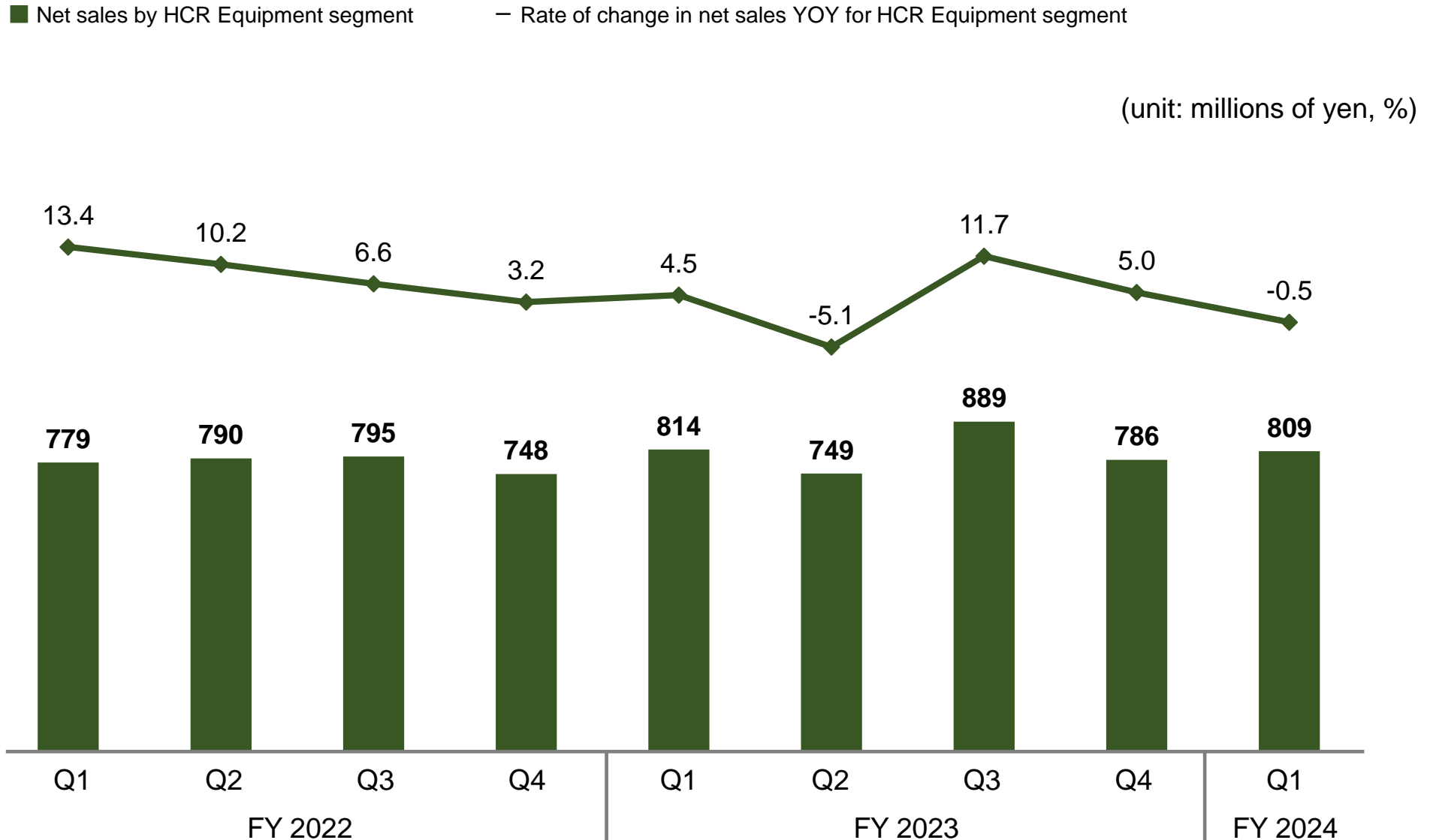
Wheelchairs for overseas market

HCR Equipment segment



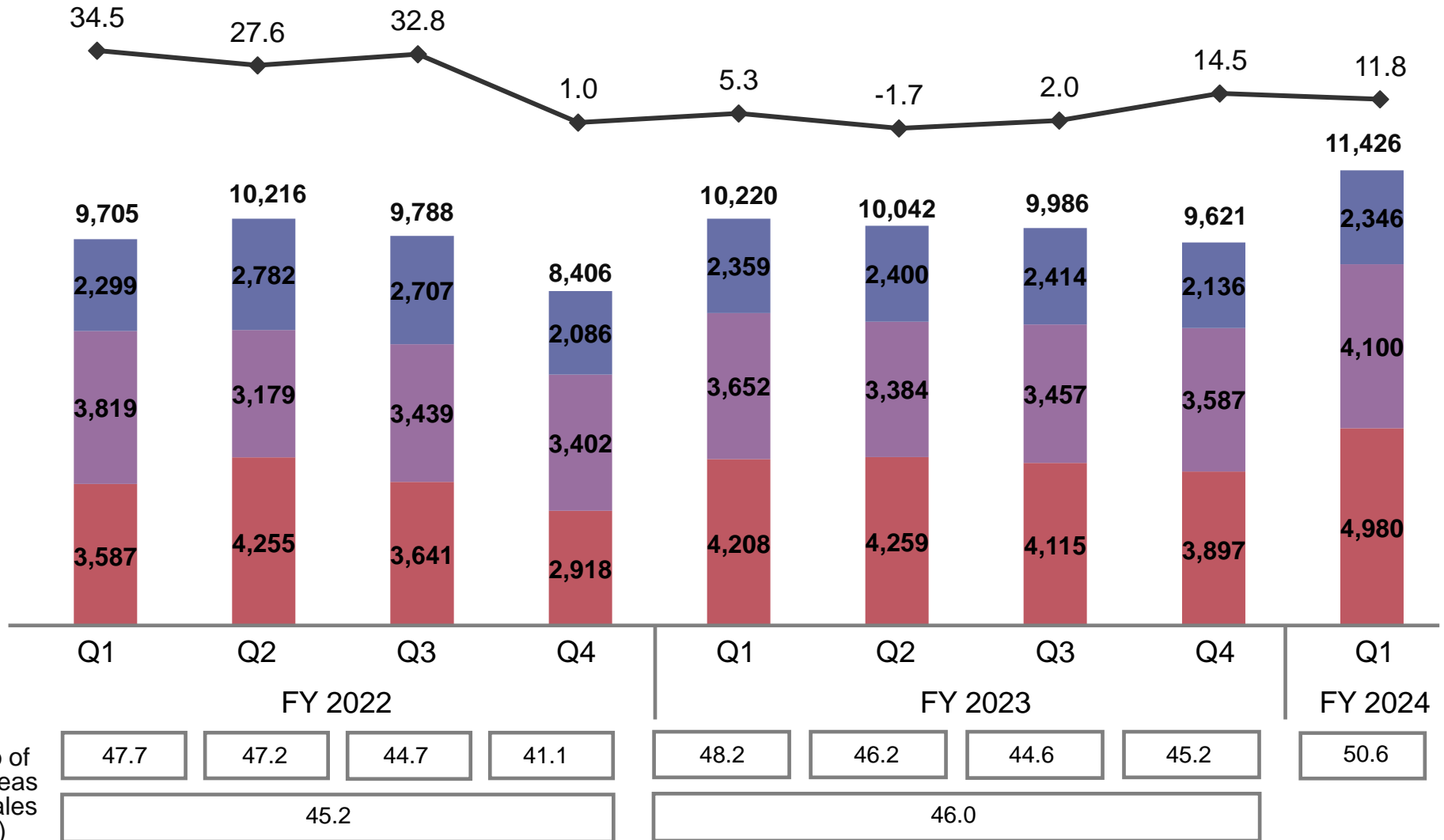
Although sales to overseas grew with a focus on the rental market in China, sales of wheelchairs decreased to the domestic market.

HCR Equipment Segment: Changes in Net Sales by Quarter



Changes in Quarterly Net Sales by Overseas Region

■ Net sales in North America
 ■ Net sales in Europe
■ Net sales in Asia
 — Total overseas net sales (rate of change YOY)
 (unit: millions of yen, %)



Note: Includes overseas net sales for auto-stapler product operations.

Steady sales of tools for concrete structures with a focus on the rebar tying tools business

- Domestic and overseas sales of tools for concrete structures: **¥8.9 billion** (+17% year-on-year)
(Rate of progress compared to annual plan: **28%**)

In Europe and North America, sales of both tools and consumables trended firm thanks to launch of new model of rebar tying tools and increase in total number of tools in operation.

Overseas



North America

- In particular, sales of consumables increased thanks to continued firm construction investment in the non-residential housing market and to an increase in the total number of tools in operation. The new model of rebar tying tools TWINTIER was launched in May, and sales of both tools and consumables increased year-on-year on a quantity basis.

Europe

- Although tough conditions continued in the housing market in our main area of Germany, in addition to increased sales for the new model of rebar tying tools TWINTIER that was launched in May, we also held activities to increase sales in Southern Europe and Eastern Europe. In Q1, sales of both tools and consumables increased year-on-year on a quantity basis. However, uncertain economic outlook for the construction market continues.

Japan



- Sales of tools grew thanks to increased sales of the new model RB-442T of rebar tying tools TWINTIER that was launched last December. Sales of consumables also trended firm thanks to an increase in the total number of tools in operation.



Operating Results Forecast for FY 2024

Group-Wide Plan in the First Half of FY 2024

■ Forecasted exchange rates (Q2)

1 USD = 150.00 JPY

1 EUR = 165.00 JPY

(unit: millions of yen, %)

	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in H1 of previous FY	% increase/ decrease
Net sales	45,000	44,430	570	42,920	+4.8
Operating income	7,200	6,650	550	6,649	+8.3
Corresponding ratio	16.0	15.0		15.5	
Ordinary income	7,340	6,650	690	7,436	-1.3
Corresponding ratio	16.3	15.0		17.3	
Net income attributable to shareholders of parental company	5,600	5,280	320	5,587	+0.2
Corresponding ratio	12.4	11.9		13.0	
Net income per share (yen)	120.37	113.49	6.88	118.51	

• Thanks to factors such as recent performance and changes in the forecasted exchange rates, we expect to surpass the forecast of operating results announced on April 26, 2024. Therefore, we have revised our plans for the first half and full year of the fiscal year ending March 31, 2025.

Segment Plans in the First Half of FY 2024

(unit: millions of yen, %)	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in H1 of previous FY	% increase/ decrease
Industrial Equipment segment					
Net sales	32,970	32,290	680	31,071	+6.1
Segment profit	7,480	7,110	370	6,656	+12.4
Segment profit rate	22.7	22.0		21.4	
Office Equipment segment					
Net sales	10,400	10,450	-50	10,284	+1.1
Segment profit	2,000	1,790	210	1,859	+7.6
Segment profit rate	19.2	17.1		18.1	
HCR Equipment segment					
Net sales	1,630	1,690	-60	1,564	+4.2
Segment profit	-20	0	-20	-19	—
Segment profit rate	-1.2	0		-1.2	
Adjustment amount	-2,260	-2,250	-10	-1,846	—
Group-wide total					
Net sales	45,000	44,430	570	42,920	+4.8
Operating income	7,200	6,650	550	6,649	+8.3
Operating margin	16.0	15.0		15.5	

Group-Wide Plan in FY 2024

■ Forecasted exchange rates (from Q3)

1 USD = 145.00 JPY

1 EUR = 160.00 JPY

(unit: millions of yen, %)

	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in previous FY	% increase/ decrease
Net sales	90,300	89,800	500	86,638	+4.2
Operating income	13,600	13,000	600	12,601	+7.9
Corresponding ratio	15.1	14.5		14.5	
Ordinary income	13,740	13,000	740	13,717	+0.2
Corresponding ratio	15.2	14.5		15.8	
Net income attributable to shareholders of parental company	10,360	10,000	360	10,435	-0.7
Corresponding ratio	11.5	11.1		12.0	
Net income per share (yen)	222.91	216.10	6.81	222.57	
ROE	10.1	10.0	0.1P	11.1	

Segment Plans in FY 2024

(unit: millions of yen, %)	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in previous FY	% increase/ decrease
Industrial Equipment segment					
Net sales	65,640	64,600	1,040	62,392	+5.2
Segment profit	14,060	13,420	640	12,691	+10.8
Segment profit rate	21.4	20.8		20.3	
Office Equipment segment					
Net sales	21,320	21,750	-430	21,006	+1.5
Segment profit	4,000	4,010	-10	3,965	+0.9
Segment profit rate	18.8	18.4		18.9	
HCR Equipment segment					
Net sales	3,340	3,450	-110	3,239	+3.1
Segment profit	0	20	-20	-7	—
Segment profit rate	0.0	0.6		-0.2	
Adjustment amount	-4,460	-4,450	-10	-4,048	—
Group-wide total					
Net sales	90,300	89,800	500	86,638	+4.2
Operating income	13,600	13,000	600	12,601	+7.9
Operating margin	15.1	14.5		14.5	

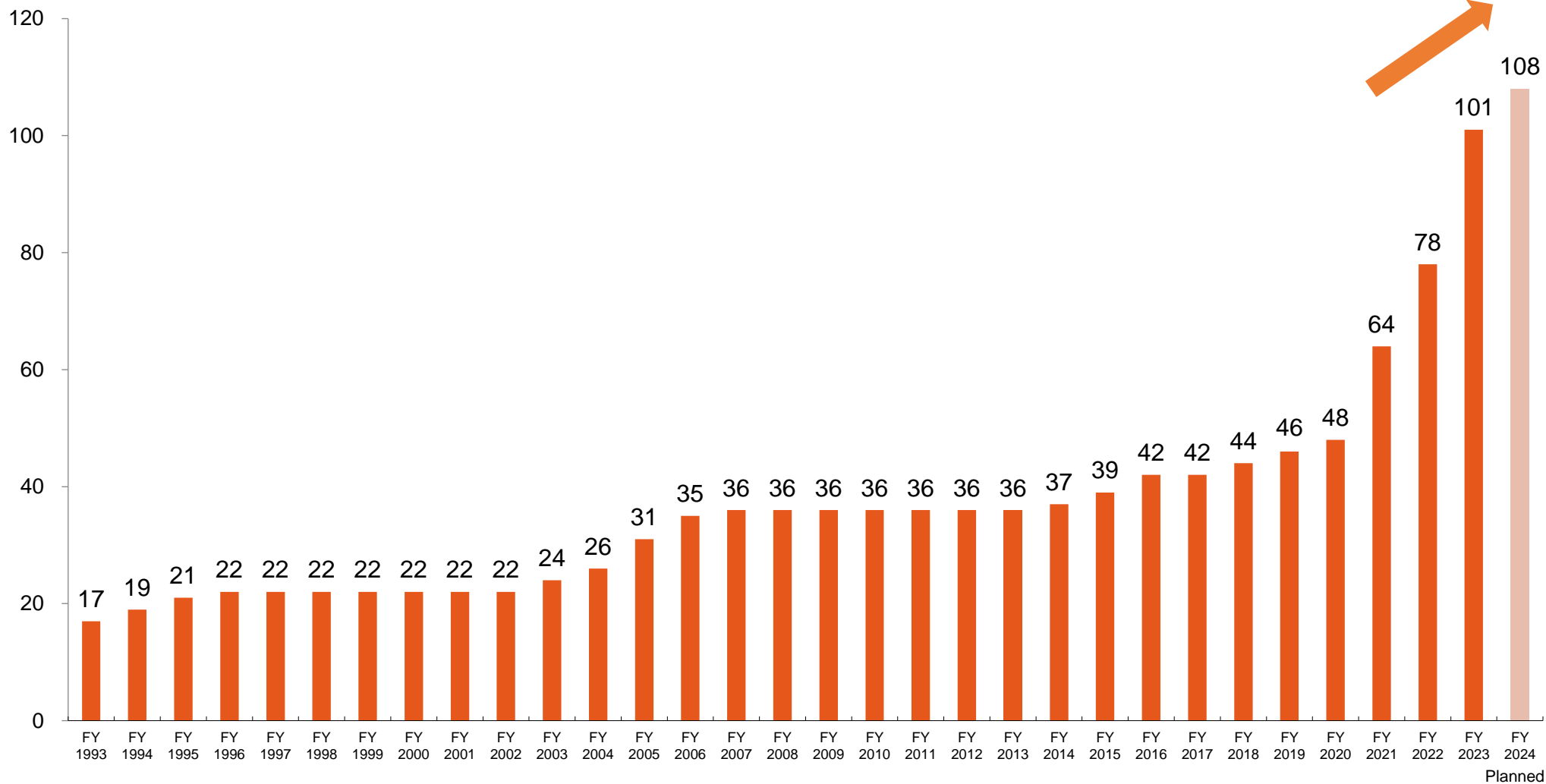
Plans for Each Subsegment (Business) in FY 2024

(unit: millions of yen, %)	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in previous FY	% increase/ decrease
Industrial Equipment segment					
Segment net sales	65,640	64,600	1,040	62,392	+5.2
Domestic industrial equipment product operations	21,960	22,220	-260	21,536	+2.0
Overseas industrial equipment product operations	31,930	30,750	1,180	29,304	+9.0
Residential environmental equipment operations	11,750	11,630	120	11,551	+1.7
Segment profit	14,060	13,420	640	12,691	+10.8
Segment profit rate	21.4	20.8		20.3	

	Current plan (July 31, 2024)	Previous plan (Apr. 26, 2024)	Difference	Results in previous FY	% increase/ decrease
Office Equipment segment					
Segment net sales	21,320	21,750	-430	21,006	+1.5
Domestic office equipment product operations	7,750	7,720	30	7,626	+1.6
Overseas office equipment product operations	5,800	6,600	-800	5,796	+0.1
Auto-stapler product operations	7,770	7,430	340	7,583	+2.5
Segment profit	4,000	4,010	-10	3,965	+0.9
Segment profit rate	18.8	18.4		18.9	

Dividend Policy: Dividends per Share

(unit: yen)

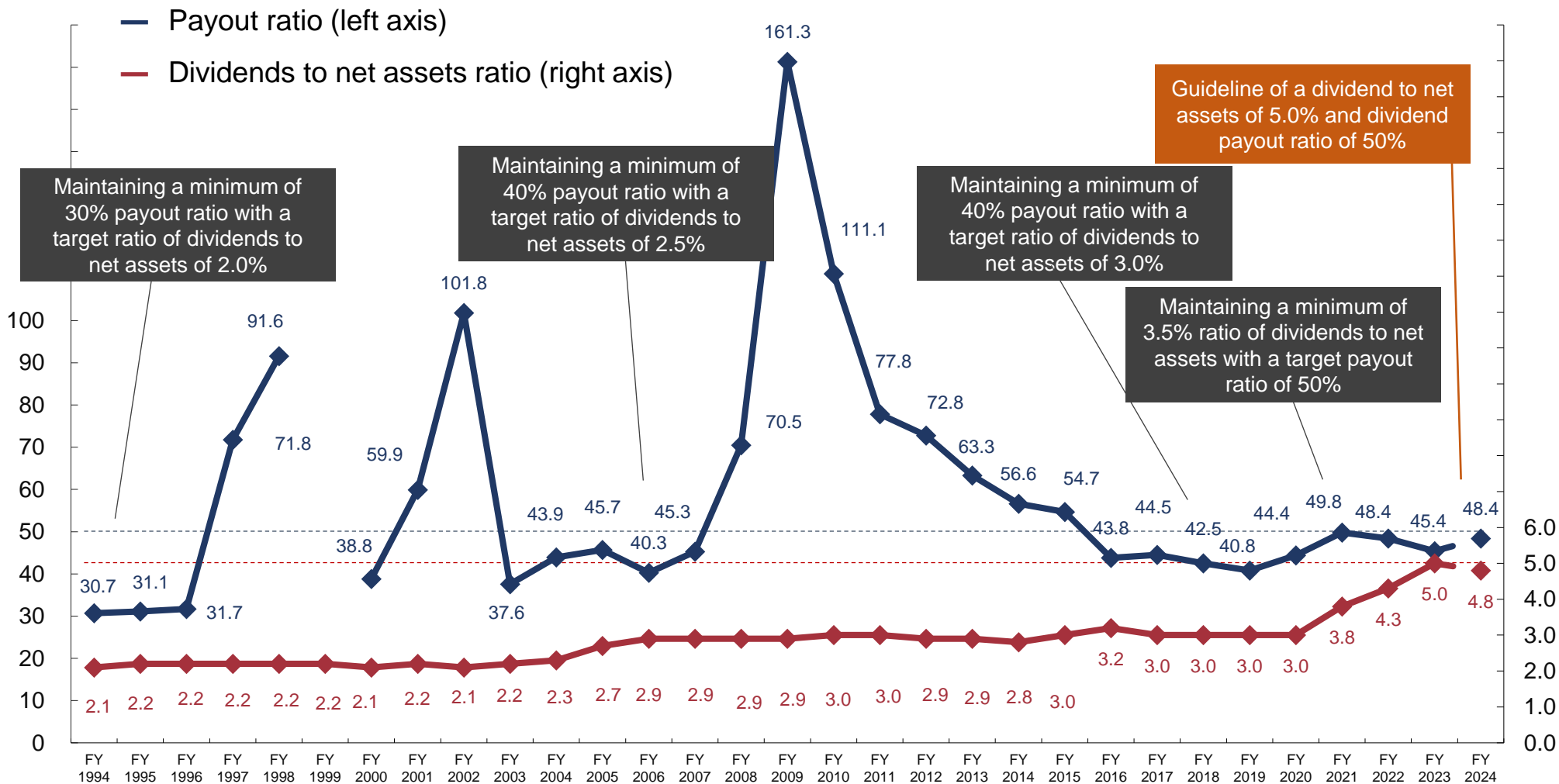


Planned

Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio

Guideline of a ratio of dividends to net assets of 5.0% and a dividend payout ratio of 50%, as based on consolidated financial results

(unit: %)



Note: Non-consolidated base until FY 2004.

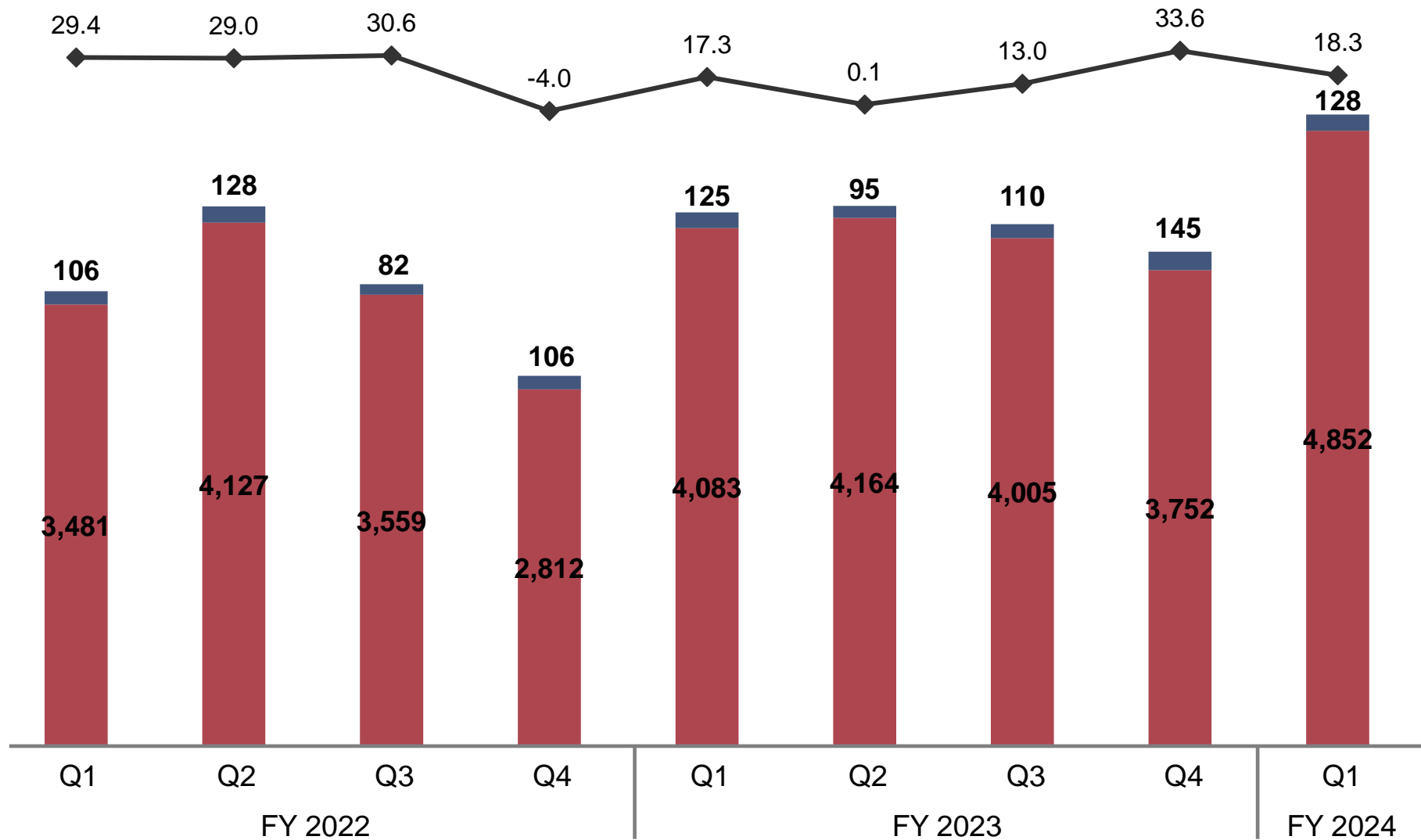
Planned



Reference Materials

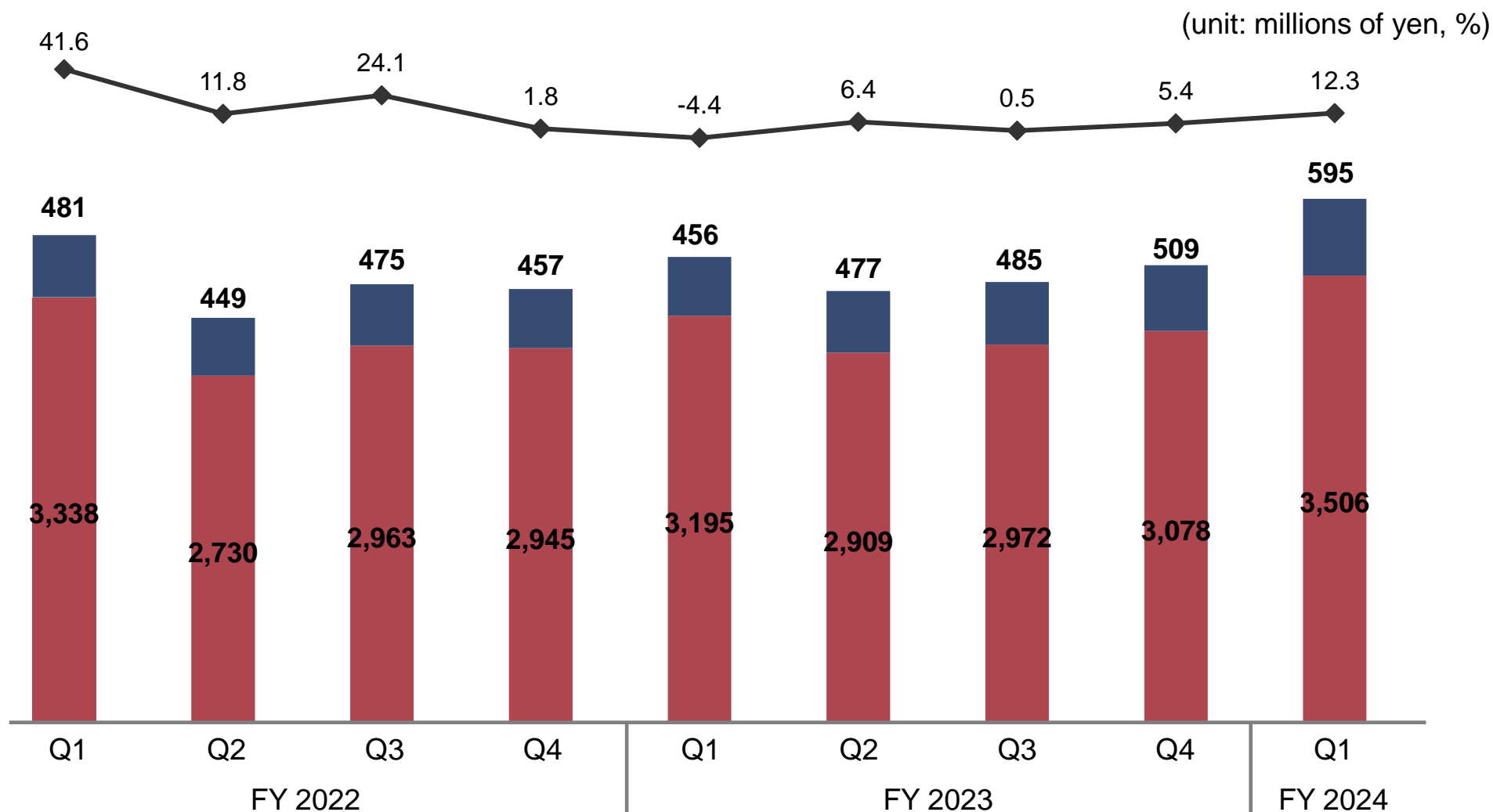
Changes in Quarterly Segment Net Sales by Overseas Region (North America)

■ Net sales by Industrial Equipment segment
 ■ Net sales by Office Equipment segment
 — Rate of change in net sales YOY in North America
 (unit: millions of yen, %)



Changes in Quarterly Segment Net Sales by Overseas Region (Europe)

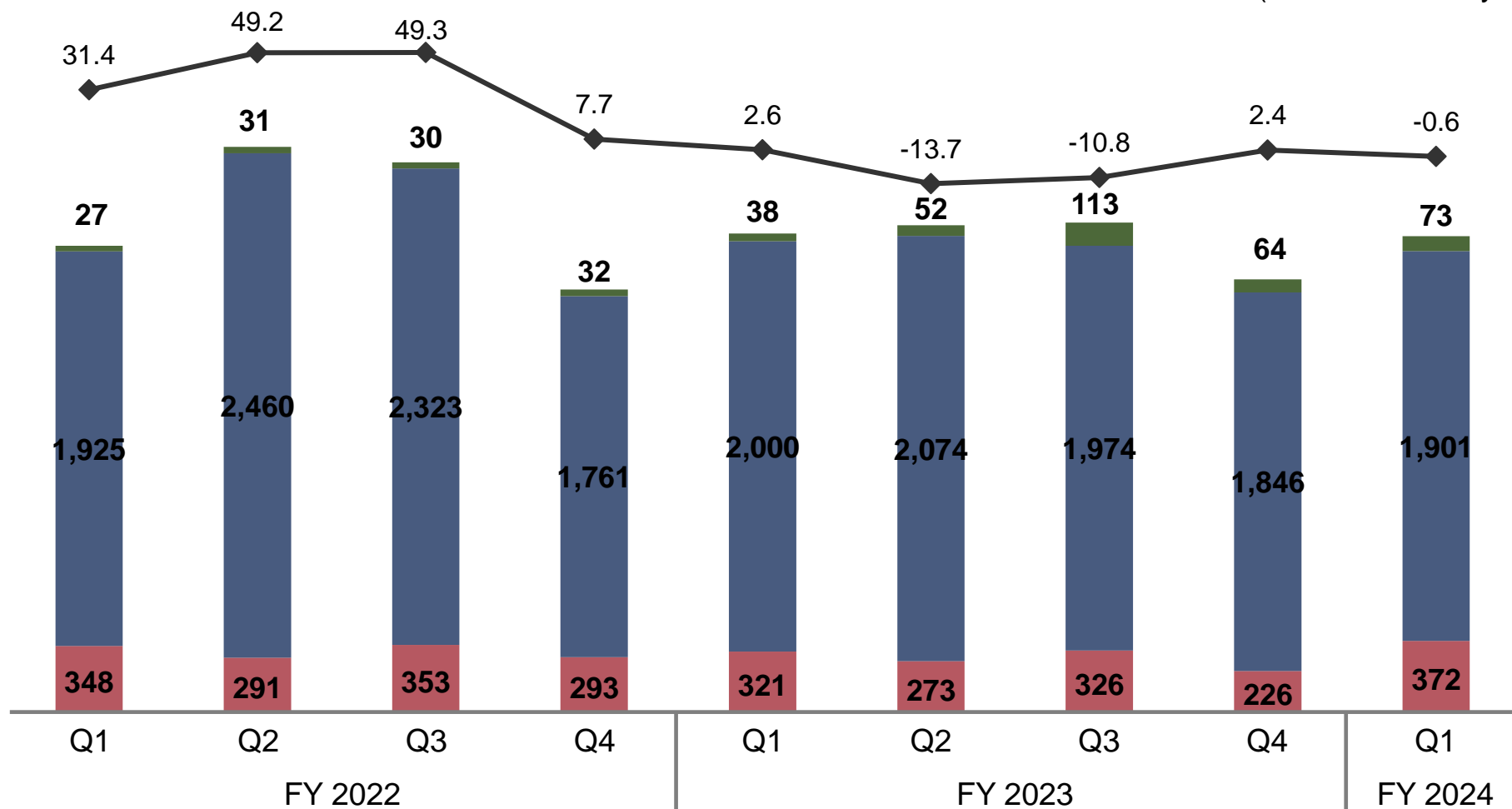
■ Net sales by Industrial Equipment segment ■ Net sales by Office Equipment segment — Rate of change in net sales YOY in Europe



Changes in Quarterly Segment Net Sales by Overseas Region (Asia Excluding Japan)

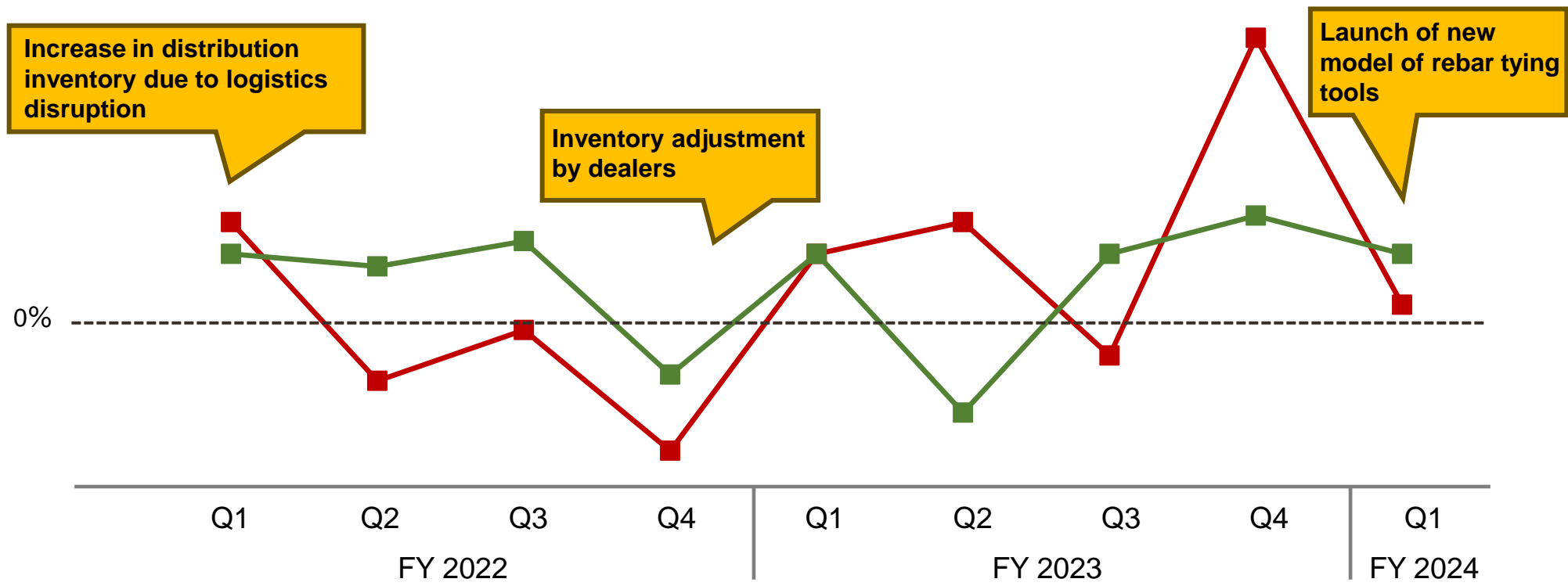
- Net sales by Industrial Equipment segment
- Net sales by Office Equipment segment
- Net sales by HCR Equipment segment
- Rate of change in net sales YOY in Asia

(unit: millions of yen, %)



Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (North America)

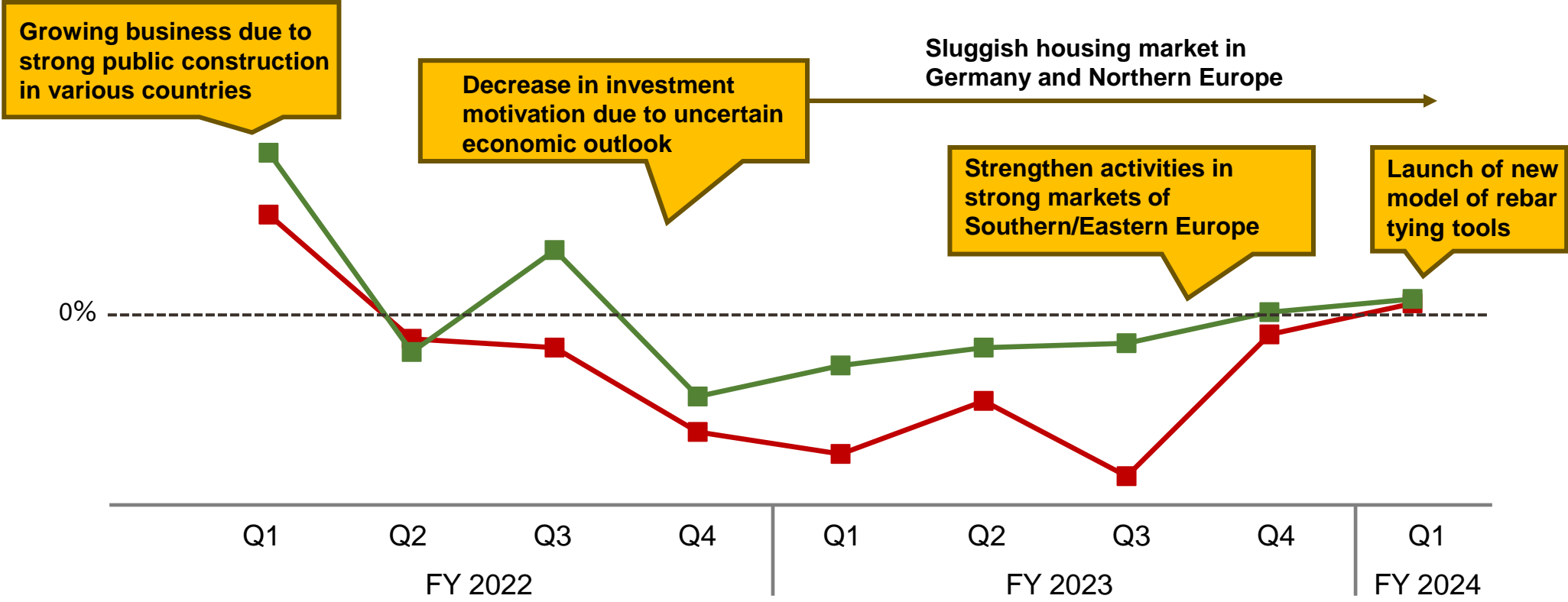
■ Tools: Rate of increase in quantity YOY ■ Consumables: Rate of increase in quantity YoY



North America	FY 2022				FY 2023				FY 2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Tools	16%	-9%	-1%	-20%	11%	16%	-5%	45%	3%
Consumables	11%	9%	13%	-8%	11%	-14%	11%	17%	11%

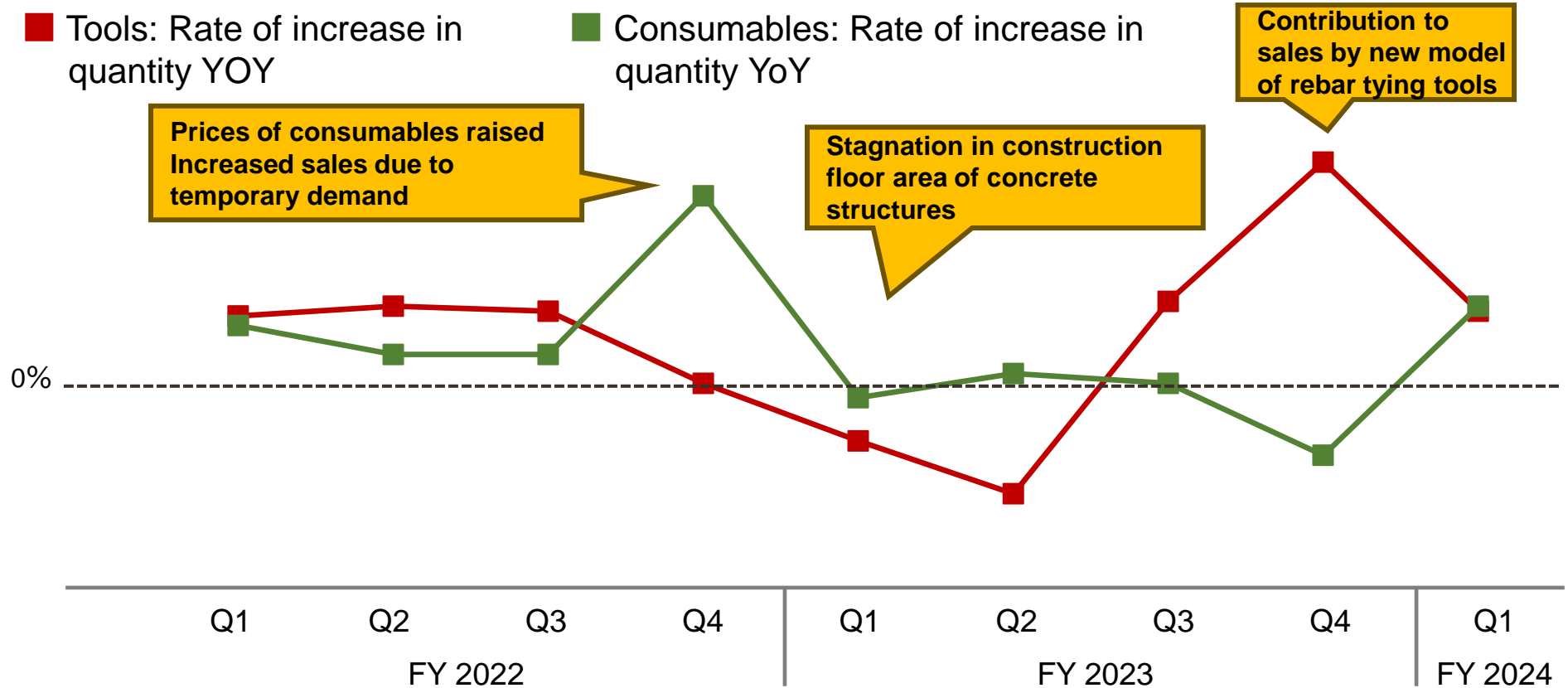
Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (Europe)

■ Tools: Rate of increase in quantity YOY ■ Consumables: Rate of increase in quantity YoY



Europe	FY 2022				FY 2023				FY 2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Tools	22%	-6%	-8%	-27%	-32%	-20%	-37%	-5%	2%
Consumables	36%	-9%	14%	-19%	-12%	-8%	-7%	0%	3%

Rebar Tying Tools (Tools/Consumables): Change in Quantity by Quarter (Domestic)



Domestic	FY 2022				FY 2023				FY 2024
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Tools	14%	16%	15%	0%	-12%	-23%	17%	46%	15%
Consumables	12%	6%	6%	39%	-3%	2%	0%	-15%	16%

Main Products in Industrial Equipment Product Operations and Office Equipment Product Operations

Industrial equipment product operations

Tools for wooden structures	Tools for concrete structures	AF (Agriculture/Food)
<p>Nailers</p> 	<p>TWINTIER rebar tying tools</p> 	<p>Branch induction binders for horticulture</p> 
<p>Air compressors</p> 	<p>Concrete nailers</p> 	<p>Bag closing machines</p> 
<p>Battery-power tools</p> 	<p>Gas nailers</p> 	

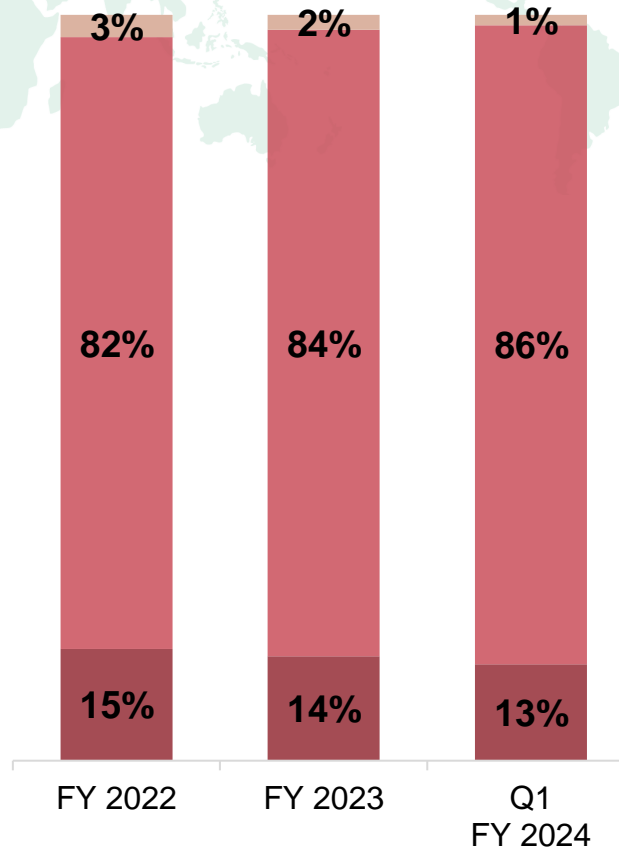
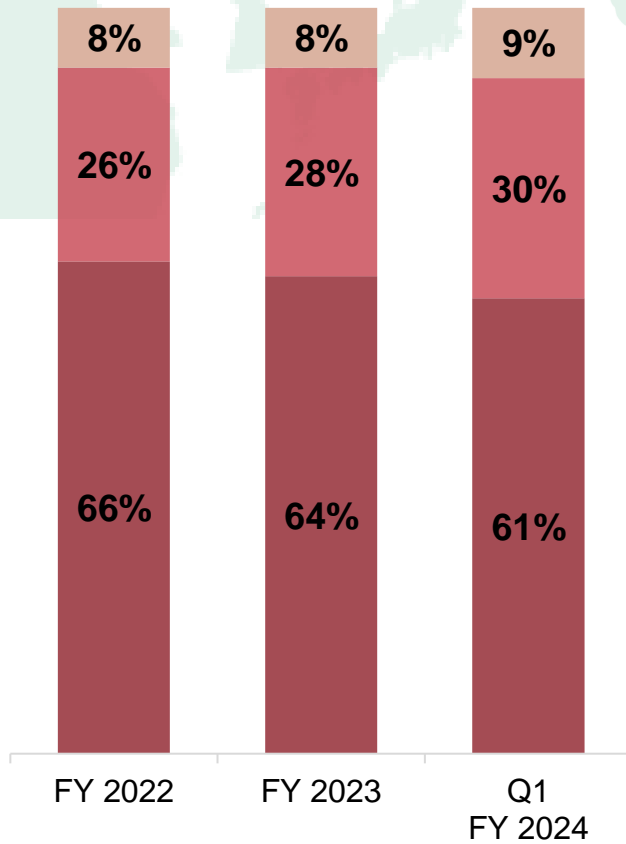
Office equipment product operations

Stationery-related products	Labeling and signage products	Other
<p>Staplers</p> 	<p>BEPOP label-making machines</p> 	<p>Time recorders</p> 
<p>Hole punches</p>  <p>Roller stamp for protecting personal information, and other products</p> 	<p>LETATWIN tube markers</p>  <p>Label printers for food labeling</p> 	<p>Calligraphy printer</p> 

Product Breakdown of the Domestic/Overseas Industrial Equipment Product Operations

Product breakdown for the domestic industrial equipment product operations

Product breakdown for the overseas industrial equipment product operations

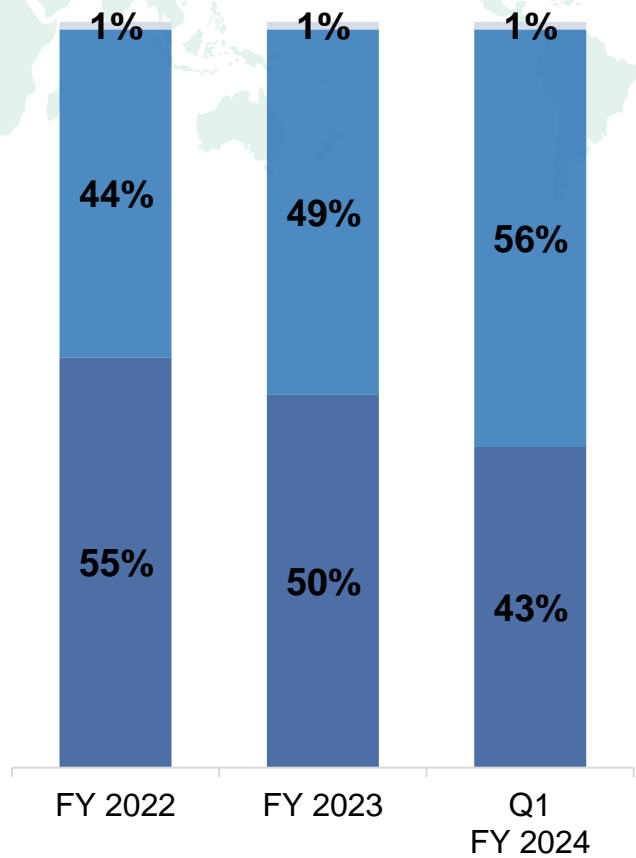
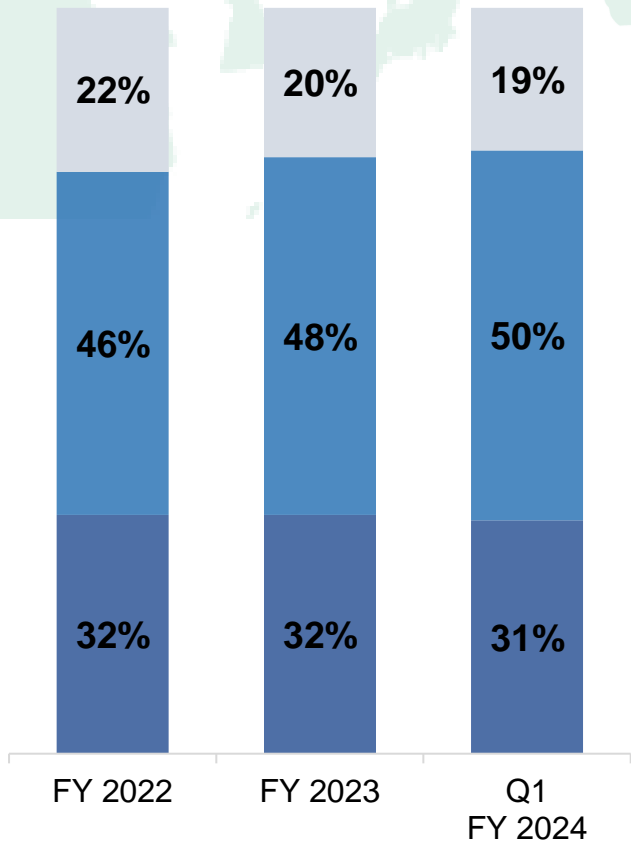


- AF (Agriculture/Food)
- Tools for concrete structures
- Tools for wooden structures

Product Breakdown of the Domestic/Overseas Office Equipment Product Operations

Product breakdown for the domestic office equipment product operations

Product breakdown for the overseas office equipment product operations



- Other
- Labeling and signage products
- Stationery-related products



The contents listed in this document are based on information currently available to the Company and certain assumptions that are deemed as reasonable. Please be aware that actual future business results, etc., may differ considerably depending on various factors.