

Consolidated Financial Results
for the Fiscal Year Ended December 31, 2023
[Japanese GAAP]



February 13, 2024

Company Name: RYOBI LIMITED
 Stock Code: 5851 URL <https://www.ryobi-group.co.jp/> Stock exchange listing: Tokyo
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 Divisional Deputy General Manager of
 Corporate Planning Division
 General Manager of Finance Department

Scheduled date of Ordinary General Meeting of Shareholders: March 27, 2024

Scheduled date to submit the Annual Securities Report: March 27, 2024

Date of scheduled payment of dividend: March 28, 2024

Availability of supplementary briefing material on yearly results: Yes

Presentation Meeting: Yes (for securities analysts / institutional investors)

(Rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 (From January 1, 2023 to December 31, 2023)

(1) Consolidated Results of Operations

(% indicates changes from 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	%
FY ended December 31, 2023	282,693	13.3	12,214	75.3	13,861	77.9	10,115	111.4
FY ended December 31, 2022	249,521	26.0	6,969	–	7,791	–	4,784	–

(Note) Comprehensive income: FY ended December 31, 2023: 19,046 million yen [55.9%]

FY ended December 31, 2022: 12,215 million yen [99.2%]

	Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets ratio	Operating income to net sales ratio
	Yen	Yen	%	%	%
FY ended December 31, 2023	312.51	–	7.1	4.5	4.3
FY ended December 31, 2022	147.80	–	3.7	2.7	2.8

(Reference) Equity in earnings of affiliated companies: FY ended December 31, 2023: 154 million yen

FY ended December 31, 2022: (225) million yen

* As year-on-year percentage changes of ordinary income for FY ended December 31, 2022 would be more than 1,000%, it is indicated as “–”.

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	318,839	160,721	47.5	4,674.39
As of December 31, 2022	300,285	143,723	44.8	4,154.04

(Reference) Shareholders' Equity: As of December 31, 2023: 151,302 million yen

As of December 31, 2022: 134,460 million yen

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY ended December 31, 2023	26,005	(17,432)	(8,593)	26,401
FY ended December 31, 2022	16,787	(15,860)	(2,856)	26,099

2. Dividends

	Cash dividends per share					Total dividends paid(annual) Millions of yen	Payout ratio (consolidated) %	Dividends to net assets ratio (consolidated) %
	End of Q1 Yen	End of Q2 Yen	End of Q3 Yen	Year-end Yen	Annual Yen			
FY December 2022	–	20.00	–	25.00	45.00	1,456	30.4	1.1
FY December 2023	–	35.00	–	45.00	80.00	2,589	25.6	1.8
FY December 2024 (Forecast)	–	40.00	–	40.00	80.00		28.8	

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

*Notes

- (1) Significant changes of companies during the Fiscal Year ended December 31, 2023 (changes in specific companies involving changes in the scope of consolidation): Not applicable

New Company: –

Excluded companies: –

- (2) Changes in accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to the revision of accounting standards: Applicable

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

3) Changes in accounting estimates: Not applicable

4) Restatements: Not applicable

(Note) Please see “3. Consolidated financial statements and main notes (5)Main notes to the consolidated financial statements (Changes to accounting policies)” on page 15.

- (3) Shares issued (common stock)

1) Shares issued (including treasury stock)	As of December 31, 2023	32,646,143	As of December 31, 2022	32,646,143
2) Treasury stock	As of December 31, 2023	277,764	As of December 31, 2022	277,580
3) Average shares outstanding during the period	FY December 31, 2023	32,368,452	FY December 31, 2022	32,368,647

(Reference) Summary of the Non-consolidated Financial Results

Overview of the Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2023

(From January 1, 2023 to December 31, 2023)

(1) Non-consolidated Results of Operations

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY ended December 31, 2023	108,158	10.4	1,356	(17.5)	3,766	(45.1)	2,074	(59.5)
FY ended December 31, 2022	97,947	5.9	1,643	–	6,864	223.7	5,125	–

	Net income per share	Fully diluted net income per share
	Yen	Yen
FY ended December 31, 2023	64.10	–
FY ended December 31, 2022	158.35	–

(2) Non-consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	176,967	79,038	44.7	2,441.84
As of December 31, 2022	174,991	76,331	43.6	2,358.19

(Reference) Shareholders' Equity: As of December 31, 2023: 79,038 million yen
As of December 31, 2022: 76,331 million yen

* These consolidated financial results are outside the scope of audit.

* 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 "1. Status of business results, etc.

(1) Analysis of business results 3) Outlook for the next fiscal year (fiscal year ending December 2024)" on page 4.

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1. Status of Business Results, etc.

(1) Analysis of Business Results

1) Business results for the current consolidated fiscal year (fiscal year ended December 2023)

In the consolidated fiscal year under review, the business environment in which the Group operates continued to improve moderately, including recovering domestic and international automotive production. Nevertheless, prospects remain uncertain, including the continuing conflict in Ukraine, the deteriorating situation in the Middle East, the soaring cost of energy and other resources, and price and exchange rate fluctuations attributable to monetary policies worldwide.

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

Consequently, the financial results for the consolidated fiscal year under review showed growth in sales and profits from the previous consolidated fiscal year, as shown below.

Consolidated financial results

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2022		Results for the Fiscal Year Ended December 31, 2023		Increase/Decrease	
Net sales	249,521		282,693		33,172	13.3%
Operating income	6,969	2.8%	12,214	4.3%	5,244	75.3%
Ordinary income	7,791	3.1%	13,861	4.9%	6,070	77.9%
Net income attributable to owners of parent	4,784	1.9%	10,115	3.6%	5,331	111.4%

Percentages indicate profit margin or rate of increase/decrease.

2) Status by Business

Viewed by segment, both sales and profits in the Die Castings business were up from the previous consolidated fiscal year. Net sales increased in both domestic and overseas markets thanks to various factors, including recovering domestic and overseas automotive production alongside improvements in the semiconductor supply system and higher yen-based sales of overseas subsidiaries due to the weak yen. Growth in sales and other factors boosted profits, despite rising energy costs and increasing labor costs, among other factors.

In the Builders' Hardware business, sales were up from the previous consolidated fiscal year, while profits declined. Net sales increased in both domestic and overseas markets. Profits fell for various reasons, including rising procurement costs for products produced overseas and increasing labor costs, despite the effect of higher sales.

In the Printing Equipment business, sales were up from the previous consolidated fiscal year, while profit declined. Net sales increased in both domestic and overseas markets. Profits fell due to factors such as the impact of soaring raw material prices and increasing labor costs despite efforts to improve productivity.

Net sales by segment

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2022		Results for the Fiscal Year Ended December 31, 2023		Increase/Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Die Castings	215,726	86.5%	247,551	87.6%	31,825	14.8%
Builders' Hardware	10,145	4.1%	10,823	3.8%	678	6.7%
Printing Equipment	23,417	9.4%	24,094	8.5%	677	2.9%

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

Operating income by segment

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2022		Results for the Fiscal Year Ended December 31, 2023		Increase/Decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Die Castings	5,232	2.4%	10,916	4.4%	5,684	108.6%
Builders' Hardware	226	2.2%	172	1.6%	(54)	(24.1%)
Printing Equipment	1,506	6.4%	1,136	4.7%	(370)	(24.6%)

Percentages indicate profit margin or rate of increase/decrease.

3) Outlook for the next fiscal year (fiscal year ending December 2024)

Despite rising prices, the slowing Chinese economy, and events in Ukraine and in the Middle East, the Japanese economy is expected to maintain a path of moderate recovery, thanks in part to improving employment and income and the effects of various policies.

Based on these circumstances, we currently anticipate higher sales and operating income for the consolidated fiscal year ending December 2024 than in the consolidated fiscal year under review, as shown below. However, due to smaller foreign exchange gains, ordinary income and net income attributable to owners of parent are expected to decline.

The assumed exchange rates are 140 yen to the U.S. dollar, 180 yen to the British pound, 19.5 yen to the Chinese yuan, and 4.0 yen to the Thai baht.

Consolidated business forecast

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2023		Forecasts for the Fiscal Year Ending December 31, 2024		Increase/Decrease	
Net sales	282,693		305,000		22,306	7.9%
Operating income	12,214	4.3%	13,000	4.3%	785	6.4%
Ordinary income	13,861	4.9%	12,800	4.2%	(1,061)	(7.7%)
Net income attributable to owners of parent	10,115	3.6%	9,000	3.0%	(1,115)	(11.0%)

Percentages indicate profit margin or rate of increase/decrease.

The outlook for full-year operating results by segment for the next consolidated fiscal year is as follows.

Sales in the Die Castings business are expected to increase both in Japan and overseas as automotive production continues to recover. Thanks to higher sales, despite the effects of higher labor costs and soaring energy prices, profits are also expected to increase.

Sales in the Builders' Hardware business are expected to increase both in Japan and overseas, and profits are expected to increase due to higher sales.

Sales in the Printing Equipment business are expected to increase both in Japan and overseas; however, profits are expected to decline due to soaring raw material costs and higher exhibition expenses.

Net sales by segment

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2023		Forecasts for the Fiscal Year Ending December 31, 2024		Increase/Decrease	
Die Castings	247,551	87.6%	267,700	87.8%	20,148	8.1%
Builders' Hardware	10,823	3.8%	11,000	3.6%	176	1.6%
Printing Equipment	24,094	8.5%	26,300	8.6%	2,205	9.2%

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

Operating income by segment

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2023		Forecasts for the Fiscal Year Ending December 31, 2024		Increase/Decrease	
Die Castings	10,916	4.4%	12,200	4.6%	1,283	11.8%
Builders' Hardware	172	1.6%	300	2.7%	127	74.3%
Printing Equipment	1,136	4.7%	500	1.9%	(636)	(56.0%)

Percentages indicate profit margin or rate of increase/decrease.

(2) Overview of Financial Position for the Fiscal Year under Review

1) Asset, liabilities and net assets

Total assets at the end of the fiscal year under review were up 18,554 million yen from the end of the previous consolidated fiscal year to 318,839 million yen. This was due mainly to increases of 5,961 million yen in notes and accounts receivable - trade, 4,487 million yen in inventories and 4,355 million yen in investment securities.

Liabilities were up 1,556 million yen from the end of the previous consolidated fiscal year to 158,118 million yen. This was due mainly to increases of 4,366 million yen in notes and accounts payable – trade and 2,123 million yen in deferred tax liabilities. Long- and short-term borrowings decreased by 4,162 million yen. The balance of interest-bearing debt not including discounts on notes receivable and lease liabilities was 70,195 million yen.

Net assets were up 16,997 million yen from the end of the previous consolidated fiscal year to 160,721 million yen. Major accounts showing increases over the same period included retained earnings (up 8,173 million yen) and foreign currency translation adjustments (up 4,623 million yen). Shareholders' equity, the result of subtracting non-controlling interests from net assets, was up 16,842 million yen from the end of the previous consolidated fiscal year to 151,302 million yen. As a result, the shareholders' equity ratio improved by 2.7 percentage points from the end of the previous consolidated fiscal year to 47.5%.

(Millions of yen)

	As of December 31, 2022		As of December 31, 2023		Increase/Decrease	
Total assets	300,285		318,839		18,554	6.2%
Shareholders' equity	134,460	44.8%	151,302	47.5%	16,842	12.5%
Interest-bearing debt	74,358	24.8%	70,195	22.0%	(4,162)	(5.6%)

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

2) Cash flows

The balance of cash and cash equivalents at the end of the fiscal year under review stood at 26,401 million yen, up 301 million yen from the end of the previous consolidated fiscal year.

Cash flow provided by operating activities was 26,005 million yen. This increase was due mainly to 18,489 million yen in depreciation, 13,220 million yen in income before income taxes and 3,637 million yen in increase in trade payables. Factors including an increase of 4,363 million yen in trade receivables had negative effects on cash flow.

Cash flow used in investing activities was 17,432 million yen. This was due mainly to various expenditures, including 16,322 million yen on the purchase of property, plant and equipment.

Cash flow used in financing activities was 8,593 million yen. This was due to various factors, including a decrease of 6,320 million yen in long- and short-term borrowings and the payment of 1,941 million yen in dividends.

(Millions of yen)

	Results for the Fiscal Year Ended December 31, 2022	Results for the Fiscal Year Ended December 31, 2023	Increase/Decrease
Cash flow from operating activities	16,787	26,005	9,218
Cash flow from investing activities	(15,860)	(17,432)	(1,571)
Cash flow from financing activities	(2,856)	(8,593)	(5,737)

The trend in cash flow indicators is as follows.

	Results for the Fiscal Year Ended December 31, 2022	Results for the Fiscal Year Ended December 31, 2023
Shareholders' equity ratio	44.8%	47.5%
Shareholders' equity ratio based on market value	12.4%	27.0%
Ratio of interest-bearing debt to cash flows	4.4 years	2.7 years
Interest coverage ratio	16.6 times	21.7 times

(Notes) Shareholders' equity ratio : Shareholders' equity / Total asset

Shareholders' equity ratio based on market value : Market capitalization / Total assets

Ratio of interest-bearing debt to cash flows: Interest-bearing debt / Cash flows from Operating activities

Interest coverage ratio : Cash flows from Operating activities / Interest paid

- Each indicator is calculated based on consolidated figures.
- Market capitalization is calculated as the closing stock price at the end of the term × the number of shares issued (net of treasury stock) at the end of the term.
- Interest-bearing debt covers debt recorded on the consolidated balance sheet on which interest is paid (discounted notes receivable and lease obligations are excluded).
- Operating cash flow is the cash flow from operating activities stated on the consolidated cash flow statement.
- Interest paid is the amount of interest paid stated on the consolidated statement of cash flows.

(3) Basic Profit Allocation Policy, and Dividends for Current and New Fiscal Year

Our basic profit distribution policy is to maintain a stable return of profits to shareholders while securing funds for growth investment along with a medium- to long-term improvement in consolidated operating performance. In addition, we determine profit distribution after considering various factors, using a dividend payout ratio of 30% as a guide, in addition to maintaining stable dividends. Funds retained internally are used to strengthen our production and sales systems in response to changes in the business environment, capital expenditures for growth, the development of new technologies and products, operational rationalization, and other efforts to strengthen competitiveness and improve earnings power over the medium to long term.

Given various factors, including our performance in the period under review and our financial position based on the above policy, the board of directors resolved at their meeting on February 13, 2024 to increase the most recent year-end dividend planned for the fiscal year ended December 2023 of 35 yen by 10 yen to 45 yen per share, which is 20 yen higher than in the previous period, and to submit this proposal to the general meeting of shareholders to be held on March 27, 2024. As a result, the annual dividend including the 35 yen interim dividend will be 80 yen per share, 35 yen higher than in the previous period.

The planned dividend for the fiscal year ending December 2024 is 80 yen per share per annum (interim dividend of 40 yen and year-end dividend of 40 yen).

Details of dividends from surplus (dividend increase)

	Determined amount	The dividend forecast published in the most recent (on August 8, 2023)	Previous period results (FY December 2022)
Reference date	December 31, 2023	December 31, 2023	December 31, 2022
Dividend per share	45.00 yen	35.00 yen	25.00 yen
Total dividends paid (annual)	1,456 million yen	–	809 million yen
Effective date	March 28, 2024	–	March 30, 2023
Dividend source	Retained earnings	–	Retained earnings

2. Basic Policy for the Selection of Accounting Standards

The Group's policy is to prepare consolidated financial statements based on Japanese Accounting Standards with consideration for inter-period and inter-company comparability.

Regarding the application of International Accounting Standards, our policy is to respond appropriately after taking into account domestic and overseas conditions.

3. Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheet

(Unit: millions of yen)

	December 31, 2022	December 31, 2023
Assets		
Current assets		
Cash and deposits	27,339	27,641
Notes and accounts receivable - trade	58,337	64,298
Securities	650	650
Merchandise and finished goods	18,104	21,470
Work in process	16,829	17,245
Raw materials and supplies	20,526	21,233
Other	3,586	4,144
Allowance for doubtful accounts	(32)	(37)
Total current assets	145,341	156,646
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	32,716	33,886
Machinery, equipment and vehicles, net	56,196	59,750
Land	15,778	15,242
Construction in progress	13,084	8,406
Other, net	6,183	6,162
Total property, plant and equipment	123,959	123,447
Intangible assets		
Other	2,803	2,619
Total intangible assets	2,803	2,619
Investments and other assets		
Investment securities	14,826	19,182
Retirement benefit asset	6,439	8,235
Deferred tax assets	4,053	4,445
Other	2,923	4,325
Allowance for doubtful accounts	(63)	(63)
Total investments and other assets	28,179	36,125
Total non-current assets	154,943	162,193
Total assets	300,285	318,839

(Unit: millions of yen)

	December 31, 2022	December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	46,546	50,912
Short-term borrowings	39,942	36,625
Current portion of long-term borrowings	6,545	9,553
Income taxes payable	879	1,300
Provision for bonuses	549	645
Provision for directors' bonuses	36	62
Other	20,199	18,815
Total current liabilities	114,698	117,915
Non-current liabilities		
Long-term borrowings	27,869	24,016
Deferred tax liabilities	3,242	5,366
Deferred tax liabilities for land revaluation	510	510
Retirement benefit liability	7,183	7,044
Other	3,056	3,265
Total non-current liabilities	41,863	40,202
Total liabilities	156,561	158,118
Net assets		
Shareholders' equity		
Common stock	18,472	18,472
Additional paid in capital	21,892	22,294
Retained earnings	76,118	84,292
Treasury stock	(346)	(347)
Total shareholders' equity	116,136	124,711
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,649	8,394
Revaluation reserve for land	811	811
Foreign currency translation adjustment	11,675	16,299
Remeasurements of defined benefit plans	186	1,084
Total accumulated other comprehensive income	18,323	26,590
Non-controlling interests	9,263	9,418
Total net assets	143,723	160,721
Total liabilities and net assets	300,285	318,839

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

(Consolidated Statement of Income)

(Unit: millions of yen)

	from: January 1, 2022 to: December 31, 2022	from: January 1, 2023 to: December 31, 2023
Net sales	249,521	282,693
Cost of sales	221,275	248,199
Gross profit	28,245	34,494
Selling, general and administrative expenses	21,276	22,280
Operating income	6,969	12,214
Non-operating income		
Interest income	123	141
Dividend income	413	465
Rental income	156	152
Foreign exchange gains	321	893
Dividend income of insurance	41	147
Share of profit of entities accounted for using equity method	–	154
Usage income of trademark	342	417
Other	889	965
Total non-operating income	2,289	3,338
Non-operating expenses		
Interest expenses	1,025	1,424
Loss on abandonment of inventories	44	–
Depreciation	13	13
Share of loss of entities accounted for using equity method	225	–
Other	156	252
Total non-operating expenses	1,466	1,690
Ordinary income	7,791	13,861
Extraordinary income		
Gain on disposal of non-current assets	23	66
Gain on sale of investment securities	–	3
Total extraordinary income	23	69
Extraordinary losses		
Loss on disposal of non-current assets	170	197
Impairment loss	–	512
Loss on valuation of investment securities	4	–
Loss on sale of investment securities	250	–
Compensation expenses	430	–
Total extraordinary losses	855	710
Income before income taxes	6,960	13,220
Income taxes – current	1,345	2,221
Income taxes – deferred	374	304
Total income taxes	1,720	2,525
Net income	5,240	10,695
Net income attributable to non-controlling interests	455	579
Net income attributable to owners of parent	4,784	10,115

(Consolidated Statement of Comprehensive Income)

(Unit: millions of yen)

	from: January 1, 2022 to: December 31, 2022	from: January 1, 2023 to: December 31, 2023
Net income	5,240	10,695
Other comprehensive income		
Valuation difference on available-for-sale securities	137	2,824
Revaluation reserve for land	–	0
Foreign currency translation adjustment	7,251	4,519
Remeasurements of defined benefit plans	(549)	902
Share of other comprehensive income of entities accounted for using equity method	136	103
Total other comprehensive income	6,975	8,350
Comprehensive income	12,215	19,046
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,769	18,383
Comprehensive income attributable to non-controlling interests	445	663

(3) Consolidated Statements of Changes in Equity

Consolidated fiscal year ended December 31, 2022(January 1 – December 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	18,472	21,875	71,587	(346)	111,588
Cumulative impact of changes in accounting policies			718		718
Balance at beginning of period reflecting changes in accounting policies	18,472	21,875	72,305	(346)	112,306
Changes during period					
Dividends of surplus			(971)		(971)
Net income attributable to owners of parent			4,784		4,784
Purchase of treasury stock				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		17			17
Net changes in items other than shareholders' equity					
Total changes during period	–	17	3,813	(0)	3,830
Balance at end of period	18,472	21,892	76,118	(346)	116,136

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,503	811	4,288	734	11,337	8,790	131,717
Cumulative impact of changes in accounting policies							718
Balance at beginning of period reflecting changes in accounting policies	5,503	811	4,288	734	11,337	8,790	132,435
Changes during period							
Dividends of surplus							(971)
Net income attributable to owners of parent							4,784
Purchase of treasury stock							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							17
Net changes in items other than shareholders' equity	146	–	7,387	(547)	6,985	472	7,458
Total changes during period	146	–	7,387	(547)	6,985	472	11,288
Balance at end of period	5,649	811	11,675	186	18,323	9,263	143,723

Consolidated fiscal year ended December 31, 2023(January 1 – December 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Common stock	Additional paid in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of period	18,472	21,892	76,118	(346)	116,136
Cumulative impact of changes in accounting policies					–
Balance at beginning of period reflecting changes in accounting policies	18,472	21,892	76,118	(346)	116,136
Changes during period					
Dividends of surplus			(1,942)		(1,942)
Net income attributable to owners of parent			10,115		10,115
Purchase of treasury stock				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		401			401
Net changes in items other than shareholders' equity					
Total changes during period	–	401	8,173	(0)	8,574
Balance at end of period	18,472	22,294	84,292	(347)	124,711

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	5,649	811	11,675	186	18,323	9,263	143,723
Cumulative impact of changes in accounting policies							–
Balance at beginning of period reflecting changes in accounting policies	5,649	811	11,675	186	18,323	9,263	143,723
Changes during period							
Dividends of surplus							(1,942)
Net income attributable to owners of parent							10,115
Purchase of treasury stock							(0)
Change in ownership interest of parent due to transactions with non-controlling interests							401
Net changes in items other than shareholders' equity	2,745	0	4,623	898	8,267	155	8,423
Total changes during period	2,745	0	4,623	898	8,267	155	16,997
Balance at end of period	8,394	811	16,299	1,084	26,590	9,418	160,721

(4) Consolidated Statement of Cash Flows

(Unit: millions of yen)

	from: January 1, 2022 to: December 31, 2022	from: January 1, 2023 to: December 31, 2023
Cash flows from operating activities		
Income before income taxes	6,960	13,220
Depreciation	18,327	18,489
Impairment loss	–	512
Increase (decrease) in allowance for doubtful accounts	2	4
Increase (decrease) in provision for bonuses	161	96
Increase (decrease) in retirement benefit liability	(319)	(195)
Interest and dividend income	(537)	(606)
Interest expenses	1,025	1,424
Subsidy income	(66)	(77)
Share of loss (profit) of entities accounted for using equity method	225	(154)
Loss (gain) on disposal of non-current assets	147	132
Loss (gain) on sale of investment securities	250	(3)
Loss (gain) on valuation of investment securities	4	–
Decrease (increase) in trade receivables	(12,038)	(4,363)
Decrease (increase) in inventories	(1,538)	(2,768)
Decrease (increase) in other current assets	(14)	(423)
Increase (decrease) in trade payables	4,074	3,637
Increase (decrease) in other current liabilities	1,038	451
Other, net	246	(1,032)
Subtotal	17,947	28,343
Interest and dividends received	600	553
Interest paid	(1,011)	(1,198)
Subsidies received	86	77
Income taxes refund (paid)	(835)	(1,769)
Net cash provided by operating activities	16,787	26,005
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,879)	(16,322)
Proceeds from sale of property, plant and equipment	76	429
Purchase of securities	(1,300)	(1,300)
Proceeds from sale of securities	1,300	1,300
Purchase of investment securities	(11)	(18)
Proceeds from sale of investment securities	750	4
Payments into time deposits	(2,404)	(2,404)
Proceeds from withdrawal of time deposits	2,404	2,404
Other, net	202	(1,526)
Net cash used in investing activities	(15,860)	(17,432)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,039	(4,871)
Proceeds from long-term borrowings	11,110	5,320
Repayments of long-term borrowings	(13,365)	(6,768)
Redemption of bonds	(1,500)	–
Purchase of treasury stock	(0)	(0)
Dividends paid	(973)	(1,941)
Other, net	(167)	(332)
Net cash used in financing activities	(2,856)	(8,593)
Effect of exchange rate change on cash and cash equivalents	640	322
Net increase (decrease) in cash and cash equivalents	(1,289)	301
Cash and cash equivalents at beginning of period	27,388	26,099
Cash and cash equivalents at end of period	26,099	26,401

(5) Main Notes to the Consolidated Financial Statements

(Notes on the Going-concern Assumption)

Not applicable

(Changes to Accounting Policies)

(Application of the Implementation Guidance on Accounting Standard for Fair Value Measurement)

The Company has applied the Implementation Guidance on Accounting Standard for Fair Value Measurement (Accounting Standards Board of Japan Guidance No. 31, June 17, 2021; “Fair Value Measurement Implementation Guidance” hereinafter) since the start of the current fiscal year. Pursuant to the transitional treatment described in Paragraph 27-2 of the Fair Value Measurement Implementation Guidance, the new accounting policies stipulated therein will be applied for the future. This change has had no impact on the consolidated financial statements.

(Segment Information, etc.)

[Segment Information]

1. Overview of reported segments

The Company's reported segments are the constituent units of the Company for which separate financial information is available. They are subject to periodic review by the board of directors to determine the allocation of the company's resources and to provide a management evaluation.

The Group consists of product-based segments, with Die Castings, Builders' Hardware, and Printing Equipment representing the three reported segments.

Die Castings consists of die-cast products and aluminum castings used as components for automobiles and other equipment.

Builders' Hardware consists of door closers and other products.

Printing Equipment consists of offset-printing presses, printing peripheral equipment, and other products.

2. Method of calculating amounts of net sales, profits or losses, assets and other items by reportable segment

The earnings of the reported segments are operating profits. Intersegment sales or transfers are based on arm's-length prices.

3. Information regarding amounts of net sales, profits or losses, assets and other items by reportable segment

Consolidated fiscal year ended December 31, 2022(January 1 – 31, 2022)

(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	215,726	10,145	23,417	249,288	232	249,521	–	249,521
Inter-segment sales or transfers	63	–	–	63	14	78	(78)	–
Total	215,789	10,145	23,417	249,351	247	249,599	(78)	249,521
Segment income	5,232	226	1,506	6,965	4	6,969	(0)	6,969
Segment assets	234,174	11,283	23,028	268,486	228	268,714	31,570	300,285
Other items								
Depreciation	17,881	203	241	18,326	0	18,327	–	18,327
Amount invested in equity-method affiliates	–	2,168	–	2,168	–	2,168	–	2,168
Increase in tangible fixed assets and intangible fixed assets	18,307	202	123	18,633	12	18,646	–	18,646

Notes:

- The "Other" category consists of businesses not included in reporting segments, including the insurance agency and golf course businesses.
- The adjustment amounts are as follows:
 - Adjustments to segment income include elimination of intersegment transactions, etc.
 - Adjustments to segment assets are due to corporate assets and the elimination of intersegment transactions, etc.
- Segment income matches operating income on the Consolidated Statement of Income.

Consolidated fiscal year ended December 31, 2023(January 1 – December 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	247,551	10,823	24,094	282,469	223	282,693	–	282,693
Inter-segment sales or transfers	51	–	–	51	16	67	(67)	–
Total	247,603	10,823	24,094	282,521	239	282,761	(67)	282,693
Segment income	10,916	172	1,136	12,224	(10)	12,214	(0)	12,214
Segment assets	246,865	11,997	25,733	284,596	247	284,844	33,995	318,839
Other items								
Depreciation	18,031	213	244	18,489	0	18,489	–	18,489
Amount invested in equity-method affiliates	–	2,459	–	2,459	–	2,459	–	2,459
Increase in tangible fixed assets and intangible fixed assets	12,642	181	1,040	13,863	32	13,896	–	13,896

Notes:

1. The “Other” category consists of businesses not included in reporting segments, including the insurance agency and golf course businesses.
2. The adjustment amounts are as follows:
 - (1) Adjustments to segment income include elimination of intersegment transactions, etc.
 - (2) Adjustments to segment assets are due to corporate assets and the elimination of intersegment transactions, etc.
3. Segment income matches operating income on the Consolidated Statement of Income.

[Related Information]

Consolidated fiscal year ended December 31, 2022(January 1 – December 31, 2022)

1. Information by product and service

It is omitted here because similar information is disclosed in the segment information section.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	U.S.A.	China	Others	Total
114,726	36,951	45,002	52,840	249,521

(Notes) Sales by region are based on the locations of customers and are classified by country or region.

(2) Tangible fixed assets

(Millions of yen)

Japan	U.S.A.	Mexico	China	Others	Total
50,938	18,633	10,821	33,168	10,398	123,959

Consolidated fiscal year ended December 31, 2023(January 1 – December 31, 2023)

1. Information by product and service

It is omitted here because similar information is disclosed in the segment information section.

2. Information by region

(1) Net sales

(Millions of yen)

Japan	U.S.A.	China	Others	Total
124,786	50,178	47,564	60,163	282,693

(Notes) Sales by region are based on the locations of customers and are classified by country or region.

(2) Tangible fixed assets

(Millions of yen)

Japan	U.S.A.	Mexico	China	Others	Total
49,882	20,434	10,797	31,693	10,639	123,447

[Information on impairment losses on fixed assets by reporting segment]

Consolidated fiscal year ended December 31, 2022(January 1 – December 31, 2022)

Not applicable.

Consolidated fiscal year ended December 31, 2023(January 1 – December 31, 2023)

(Millions of yen)

	Die Castings	Builders' Hardware	Printing Equipment	Other	Eliminations / Corporate	Total
Impairment loss	–	–	–	–	512	512

(Per Share Information)

	Consolidated fiscal year ended December 31, 2022 (January 1 – December 31, 2022)	Consolidated fiscal year ended December 31, 2023 (January 1 – December 31, 2023)
Net asset per share	4,154.04 yen	4,674.39 yen
Net income per share	147.80 yen	312.51 yen
Diluted net income per share	–	–

(Notes) 1. Diluted net income per share was omitted because there are no dilutive shares.

2. The basis for calculating net income per share is as follows.

	Consolidated fiscal year ended December 31, 2022 (January 1 – December 31, 2022)	Consolidated fiscal year ended December 31, 2023 (January 1 – December 31, 2023)
Net income attributable to owners of parent (million yen)	4,784	10,115
Amount not attributable to common shareholders (million yen)	–	–
Net income attributable to owners of parent in relation to common shares (million yen)	4,784	10,115
Average number of shares during the fiscal year (thousand shares)	32,368	32,368

(Important Subsequent Events)

Not applicable.

4. Non-consolidated Financial Statements and Main Note

(1) Balance Sheet

(Unit: millions of yen)

	December 31, 2022	December 31, 2023
Assets		
Current assets		
Cash and deposits	13,926	11,326
Notes receivable - trade	426	423
Electronically recorded monetary claims - operating	3,500	3,342
Accounts receivable - trade	27,831	29,310
Securities	650	650
Merchandise and finished goods	4,227	4,647
Work in process	6,674	6,665
Raw materials and supplies	2,536	2,802
Accounts receivable - other	5,560	6,599
Short-term loans receivable	10,990	10,437
Other	769	834
Allowance for doubtful accounts	(3,070)	(4,517)
Total current assets	74,022	72,521
Non-current assets		
Property, plant and equipment		
Buildings	9,225	10,676
Structures	633	779
Machinery and equipment	7,350	6,540
Vehicles	50	56
Tools, furniture and fixtures	3,223	2,762
Land	11,843	11,192
Construction in progress	3,140	3,019
Other	0	–
Total property, plant and equipment	35,467	35,027
Intangible assets		
Software	1,274	1,058
Other	127	114
Total intangible assets	1,402	1,172
Investments and other assets		
Investment securities	10,971	14,680
Shares of subsidiaries and associates	17,789	17,875
Investments in capital of subsidiaries and associates	29,041	29,041
Other	7,339	7,744
Allowance for doubtful accounts	(1,043)	(1,096)
Total investments and other assets	64,098	68,245
Total non-current assets	100,968	104,445
Total assets	174,991	176,967

(Unit: millions of yen)

	December 31, 2022	December 31, 2023
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	13,071	13,694
Accounts payable - trade	16,462	18,395
Short-term borrowings	27,380	24,980
Current portion of long-term borrowings	2,955	6,055
Accounts payable - other	4,651	4,266
Accrued expenses	1,199	1,167
Income taxes payable	535	270
Provision for bonuses	287	348
Provision for board member's bonuses	36	62
Deposits received from employees	1,604	1,589
Electronically recorded obligations-facilities	1,062	281
Other	199	495
Total current liabilities	69,446	71,608
Non-current liabilities		
Long-term borrowings	22,604	17,648
Provision for retirement benefits	5,421	5,183
Deferred tax liabilities	1,152	2,961
Provision for loss on guarantees	–	492
Other	34	33
Total non-current liabilities	29,212	26,320
Total liabilities	98,659	97,928
Net assets		
Shareholders' equity		
Common stock	18,472	18,472
Additional paid in capital		
Legal capital surplus	11,617	11,617
Other capital surplus	10,052	10,052
Total additional paid in capital	21,669	21,669
Retained earnings		
Other retained earnings		
Retained earnings brought forward	31,169	31,302
Total retained earnings	31,169	31,302
Treasury stock	(346)	(347)
Total shareholders' equity	70,964	71,096
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,366	7,941
Total valuation and translation adjustments	5,366	7,941
Total net assets	76,331	79,038
Total liabilities and net assets	174,991	176,967

(2) Statement of Income

(Unit: millions of yen)

	from: January 1, 2022 to: December 31, 2022	from: January 1, 2023 to: December 31, 2023
Net sales	97,947	108,158
Cost of sales	84,106	93,915
Gross profit	13,840	14,242
Selling, general and administrative expenses	12,196	12,885
Operating income	1,643	1,356
Non-operating income		
Interest income	133	353
Dividend income	3,467	2,011
Rental income	440	440
Outsourcing service income	244	250
Foreign exchange gains	229	976
Reversal of provision for loss guarantees	1,874	–
Other	882	895
Total non-operating income	7,273	4,929
Non-operating expenses		
Interest expenses	321	316
Depreciation	142	142
Loss on abandonment of inventories	12	–
Provision of allowance for doubtful accounts	1,502	1,499
Provision for loss on guarantees	–	492
Other	73	67
Total non-operating expenses	2,052	2,519
Ordinary income	6,864	3,766
Extraordinary income		
Gain on disposal of non-current assets	0	46
Gain on sale of investment securities	–	3
Total extraordinary income	0	49
Extraordinary losses		
Loss on disposal of non-current assets	27	18
Impairment loss	–	512
Loss on valuation of investment securities	4	–
Loss on sale of investment securities	250	–
Compensation expenses	430	–
Total extraordinary losses	711	531
Net income before income taxes	6,153	3,285
Income taxes – current	698	520
Income taxes – deferred	329	689
Total income taxes	1,028	1,210
Net income	5,125	2,074

(3) Statements of Changes in Equity

Non-consolidated fiscal year ended December 31, 2022(January 1 – December 31, 2022)

(Millions of yen)

	Shareholders' equity							Treasury stock	Total shareholders' equity
	Common stock	Additional paid in capital			Retained earnings				
		Legal capital surplus	Other capital surplus	Total additional paid in capital	Other retained earnings Retained earnings brought forward	Total retained earnings			
Balance at beginning of period	18,472	11,617	10,052	21,669	26,431	26,431	(346)	66,226	
Cumulative impact of changes in accounting policies					584	584		584	
Balance at beginning of period reflecting changes in accounting policies	18,472	11,617	10,052	21,669	27,015	27,015	(346)	66,810	
Changes during period									
Dividends of surplus					(971)	(971)		(971)	
Net income					5,125	5,125		5,125	
Purchase of treasury stock							(0)	(0)	
Net changes in items other than shareholders' equity									
Total changes during period	–	–	–	–	4,154	4,154	(0)	4,154	
Balance at end of period	18,472	11,617	10,052	21,669	31,169	31,169	(346)	70,964	

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	5,202	5,202	71,429
Cumulative impact of changes in accounting policies			584
Balance at beginning of period reflecting changes in accounting policies	5,202	5,202	72,013
Changes during period			
Dividends of surplus			(971)
Net income			5,125
Purchase of treasury stock			(0)
Net changes in items other than shareholders' equity	163	163	163
Total changes during period	163	163	4,317
Balance at end of period	5,366	5,366	76,331

Non-consolidated fiscal year ended December 31, 2023(January 1 – December 31, 2023)

(Millions of yen)

	Shareholders' equity							
	Common stock	Additional paid in capital			Retained earnings		Treasury stock	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total additional paid in capital	Other retained earnings	Total retained earnings		
Balance at beginning of period	18,472	11,617	10,052	21,669	31,169	31,169	(346)	70,964
Cumulative impact of changes in accounting policies								–
Balance at beginning of period reflecting changes in accounting policies	18,472	11,617	10,052	21,669	31,169	31,169	(346)	70,964
Changes during period								
Dividends of surplus					(1,942)	(1,942)		(1,942)
Net income					2,074	2,074		2,074
Purchase of treasury stock							(0)	(0)
Net changes in items other than shareholders' equity								
Total changes during period	–	–	–	–	132	132	(0)	132
Balance at end of period	18,472	11,617	10,052	21,669	31,302	31,302	(347)	71,096

	Valuation and translation adjustments		Total net assets
	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at beginning of period	5,366	5,366	76,331
Cumulative impact of changes in accounting policies			–
Balance at beginning of period reflecting changes in accounting policies	5,366	5,366	76,331
Changes during period			
Dividends of surplus			(1,942)
Net income			2,074
Purchase of treasury stock			(0)
Net changes in items other than shareholders' equity	2,575	2,575	2,575
Total changes during period	2,575	2,575	2,707
Balance at end of period	7,941	7,941	79,038

Supplementary materials for the financial results
for the fiscal year ended December 31, 2023

February 13, 2024
RYOBI LIMITED

(Units: millions of yen, %)

	'20/12	'21/12	'22/12	'23/12	'24/12 (Forecast)	
	Profit margin		Profit margin		Profit margin	
Net sales	170,973	198,073	249,521	282,693	305,000	150,000
Operating income	(1,789) (1.0)	(1,524) (0.8)	6,969 2.8	12,214 4.3	13,000 4.3	5,600 3.7
Ordinary income	(35) (0.0)	4 0.0	7,791 3.1	13,861 4.9	12,800 4.2	5,500 3.7
Net income attributable to owners of parent	(697) (0.4)	(4,397) (2.2)	4,784 1.9	10,115 3.6	9,000 3.0	4,000 2.7

Net income per share	(21.54) yen	(135.87) yen	147.80 yen	312.51 yen	278.05 yen	123.58 yen
Return on equity	(0.6)%	(3.7)%	3.7%	7.1%	—	—
Ordinary income to total asset ratio	(0.0)%	0.0%	2.7%	4.5%	—	—

Net sales by segment

	Share		Share		Share		Share		Share	
Die Castings	145,869	85.3	169,898	85.8	215,726	86.5	247,551	87.6	267,700	87.8
Builders' Hardware	9,406	5.5	9,574	4.8	10,145	4.1	10,823	3.8	11,000	3.6
Printing Equipment	15,513	9.1	18,393	9.3	23,417	9.4	24,094	8.5	26,300	8.6
Domestic	91,088	53.3	103,649	52.3	114,726	46.0	124,786	44.1	132,300	43.4
Overseas	79,884	46.7	94,424	47.7	134,794	54.0	157,907	55.9	172,700	56.6

Operating income by segment

	Profit margin		Profit margin		Profit margin		Profit margin		Profit margin	
Die Castings	(1,612) (1.1)	(1,449) (0.9)	5,232 2.4	10,916 4.4	12,200 4.6	5,500 4.2				
Builders' Hardware	799 8.5	362 3.8	226 2.2	172 1.6	300 2.7	50 0.9				
Printing Equipment	(944) (6.1)	(417) (2.3)	1,506 6.4	1,136 4.7	500 1.9	50 0.4				

Total assets	258,660	%	279,422	%	300,285	%	318,839	%	—	—
Shareholders' equity	117,147	45.3	122,926	44.0	134,460	44.8	151,302	47.5	—	—
Retained earnings	76,309	29.5	71,587	25.6	76,118	25.3	84,292	26.4	—	—
Interest-bearing debt	72,475	28.0	73,769	26.4	74,358	24.8	70,195	22.0	70,000	—

Capital expenditure	17,392	13,070	18,646	13,896	27,000	—
Depreciation	16,402	17,240	18,327	18,489	19,000	—

Cash flow from operating activities	11,795	14,900	16,787	26,005	—	—
Cash flow from investing activities	(17,567)	(12,162)	(15,860)	(17,432)	—	—
Cash flow from financing activities	9,718	(1,936)	(2,856)	(8,593)	—	—

(Unit: persons)

Number of employees at the end of the period	7,396	7,243	7,375	7,497	—	—
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Assumed exchange rates for FY2024

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