

RYOBI

Ryobi Limited

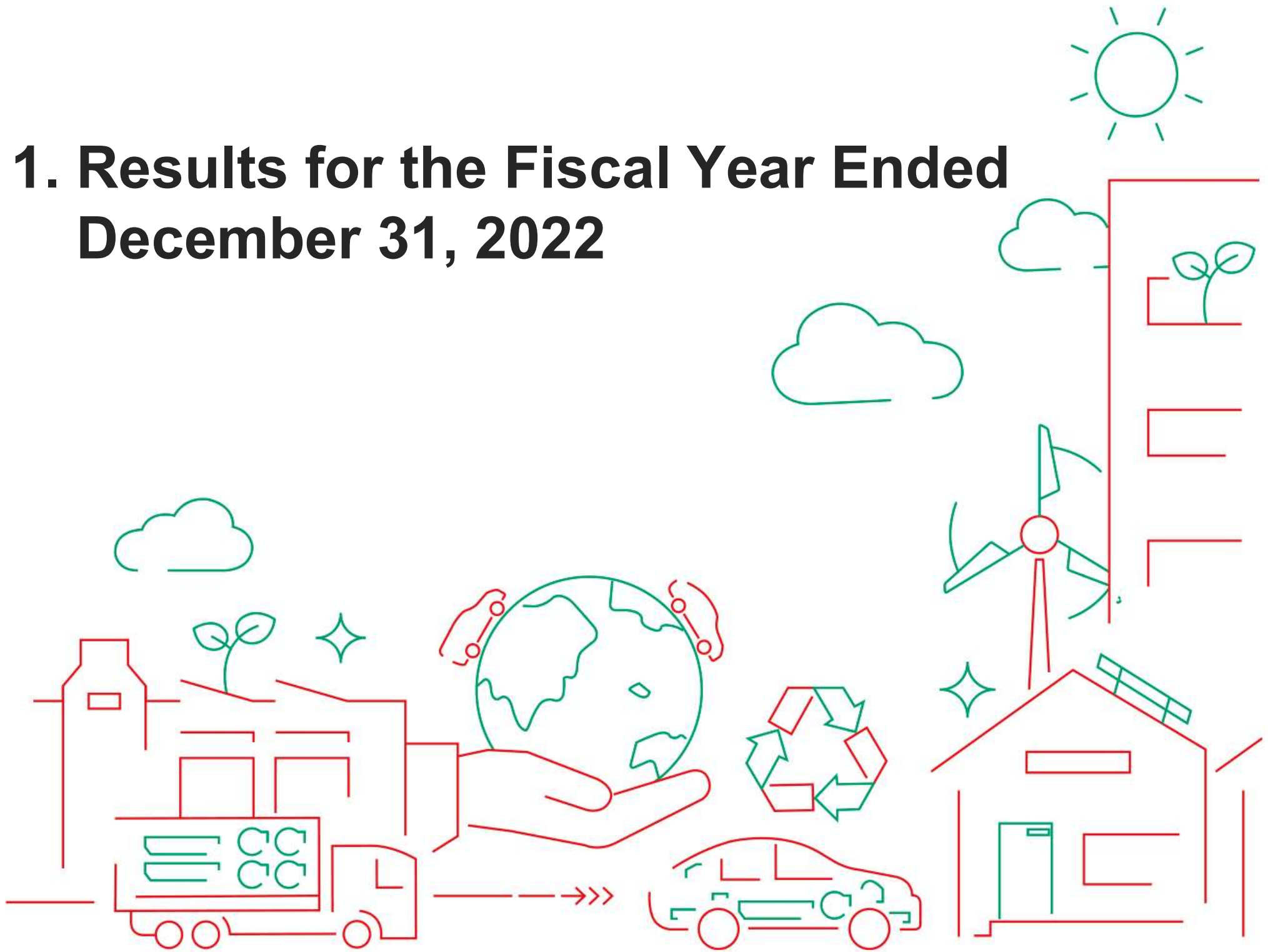
February 14, 2023

Financial Results Presentation for the Fiscal Year Ended December 31, 2022



1. Results for the Fiscal Year Ended December 31, 2022	3
2. Forecasts for the Fiscal Year Ending December 31, 2023	13
3. Status by Business Segment	20
(1) Die Castings	
(2) Builders' Hardware	
(3) Printing Equipment	
4. Sustainability ESG/SDGs	40
5. Shareholder Returns	45

1. Results for the Fiscal Year Ended December 31, 2022



Highlights of Financial Results

➤ Consolidated results: Sales and profitability increased compared to the previous fiscal year

Die Castings

- Production volumes (weight) declined in Japan due to the impact on automobile production of semiconductor shortages and other factors, though rose overseas as economic activity normalized, realizing a modest overall gain
- Sales grew due to the offsetting of higher raw material (aluminum) prices with upward revisions of sales prices, as well as the increase in yen-based sales of overseas subsidiaries due to the weak yen
- Profitability increased as a result of the benefit of increasing sales, despite the impact of a sharp increase in energy prices and other factors

Builders' Hardware

Sales increased both in Japan and overseas. Profitability declined due to higher procurement costs caused by the appreciation of the Chinese yuan

Printing Equipment

- Sales grew both in Japan and overseas as government subsidies promoted capital investment in Japan and demand recovery progressed overseas
- Profitability turned positive due to sales growth, despite rising raw material prices

➤ **FY2023 Forecasts**

While supply chain disruptions and a sharp increase in material prices remained as concerns, we foresee sales growth driven by gradual economic recovery. We expect profitability to be around that achieved in FY2022

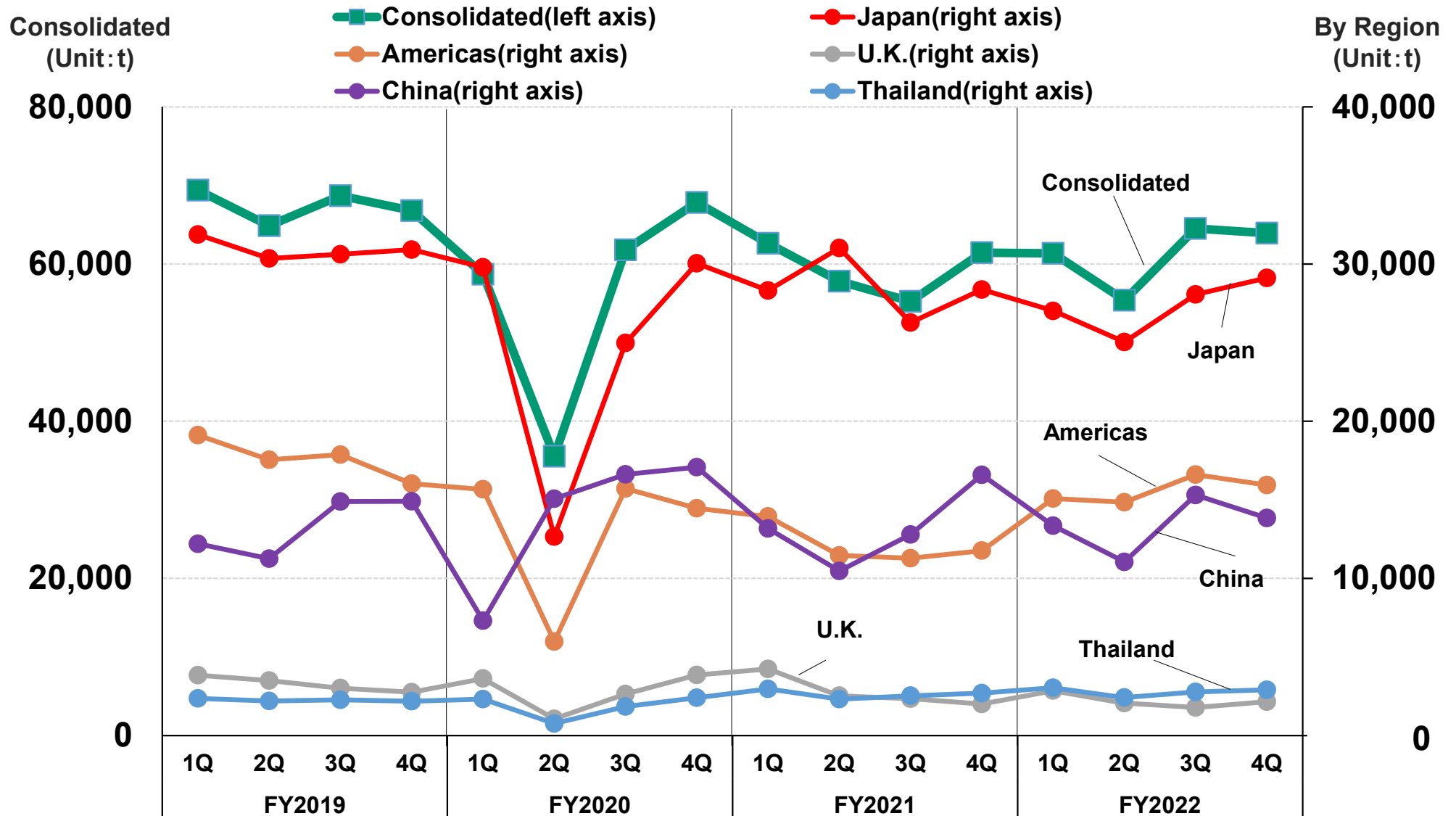
➤ **Shareholder Returns**

- We increased year-end dividends for FY2022 by 5 yen from 20 yen per share to 25 yen per share. Annual dividend of 45 yen per share (25 yen higher than in the previous year)
- The annual dividend for FY2023 is expected to be 50 yen per share, 5 yen higher than in the previous year

Trends in the Production Weight of Die Castings

Production in Japan and China was sluggish due to shortage of semiconductors and other components and the lockdown in China, but increased year-on-year due to recovery since the 3QTR of 2022

Trends in the Production weight (FY2019 – FY2022)



Results Summary

- Sales increased both year-on-year and forecasts due to higher raw material prices and the weaker of yen
- Profitability turned positive and increased year-on-year as the result of the benefit of increasing sales
- Operating income and ordinary income increased against forecasts, and net income attributable to owners of parent modestly decreased against forecasts

(Unit: Billions of Yen)

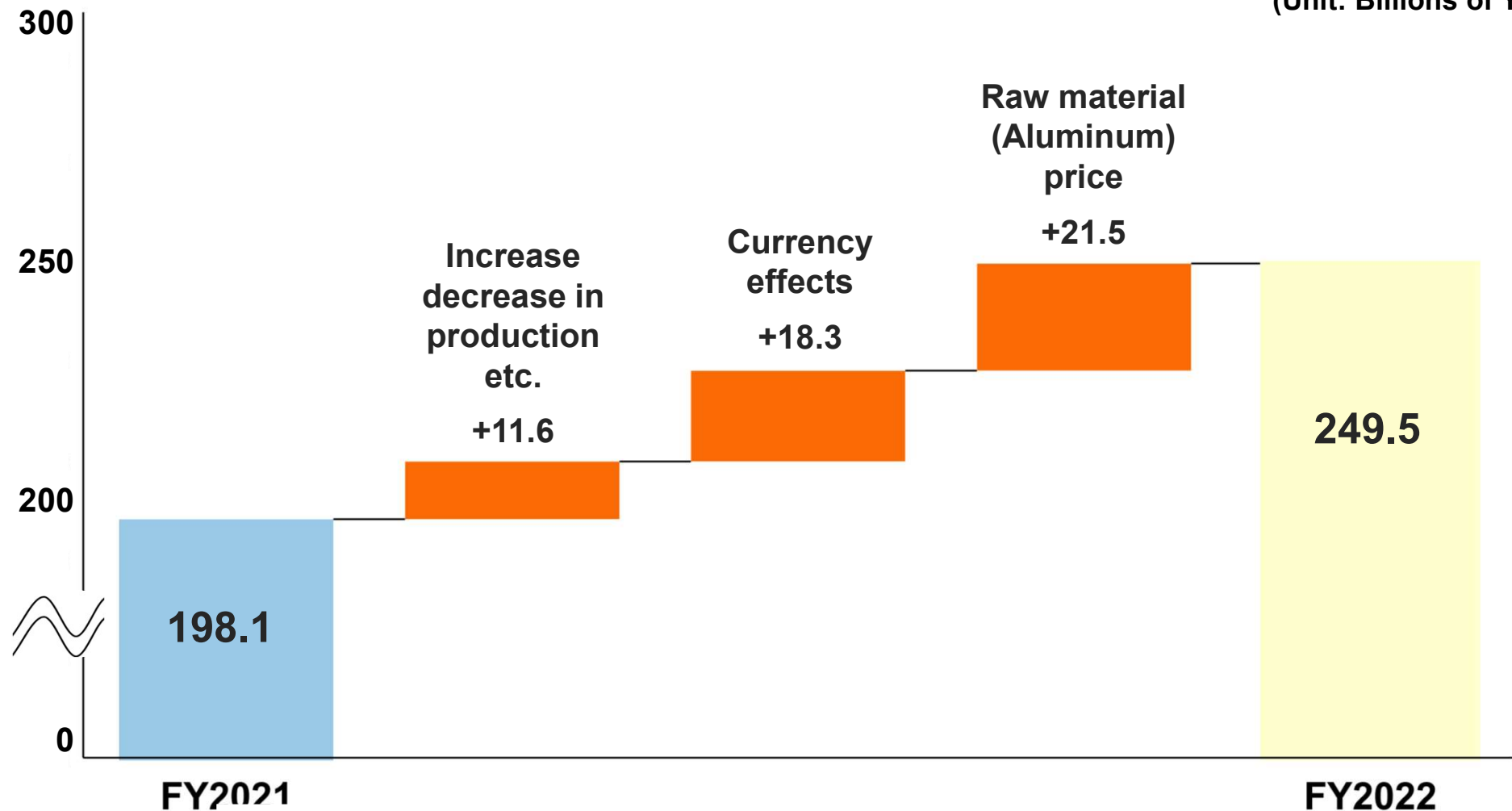
	FY2021	FY2022			
	Results	Results	Change	Forecasts	Change
Net Sales	198.1	249.5	51.4 (26.0%)	248.0	1.5 (0.6%)
Operating income	- 1.5	7.0	8.5 (—)	6.4	0.6 (8.9%)
Ordinary income	0.0	7.8	7.8 *(—)	7.6	0.2 (2.5%)
Net income attributable to owners of parent	- 4.4	4.8	9.2 (—)	5.1	- 0.3 (- 6.2%)

* Since the year-on-year rate of ordinary income from the previous fiscal year is over 1,000%, “-” is indicated.

Analysis of Changes in Net Sales

- Sales increased by 51.4 billion yen due to higher raw material prices and the weaker of yen
- Production volumes (weight) declined in Japan due to the impact on automobile production of semiconductor shortages and other factors, though rose overseas as economic activity normalized, realizing a modest overall gain

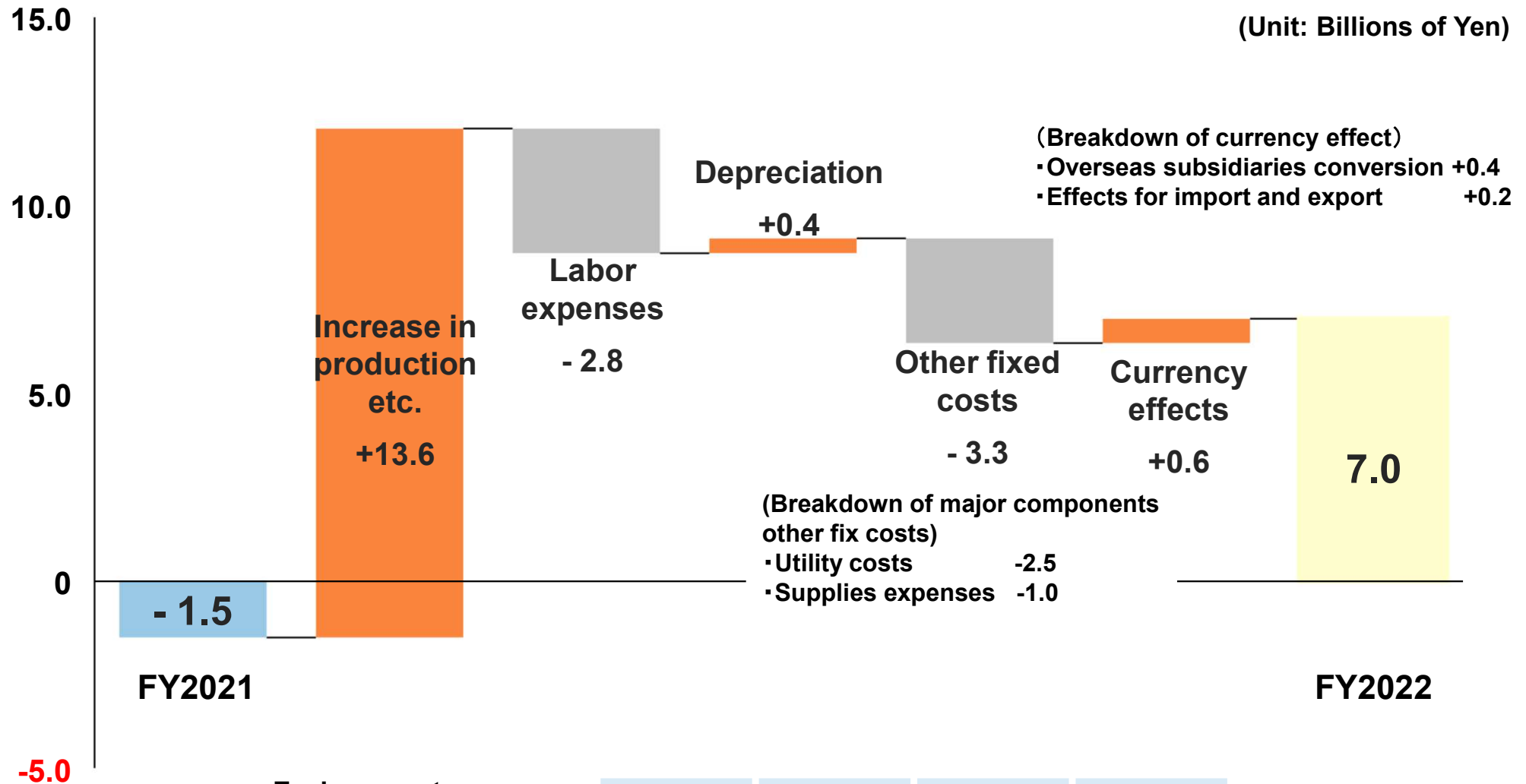
(Unit: Billions of Yen)



Exchange rates (average during the period)	USD	GBP	CNY	THB
	FY2021	¥109.46	¥150.64	¥16.96
FY2022	¥130.52	¥161.52	¥19.40	¥3.72

Analysis of Changes in Operating Income

- Profitability turned positive as a result of the benefit of increasing sales
- Labor expenses increased due to a personnel increase at overseas subsidiaries
- Other fixed cost increased due to soaring energy prices in Japan and overseas



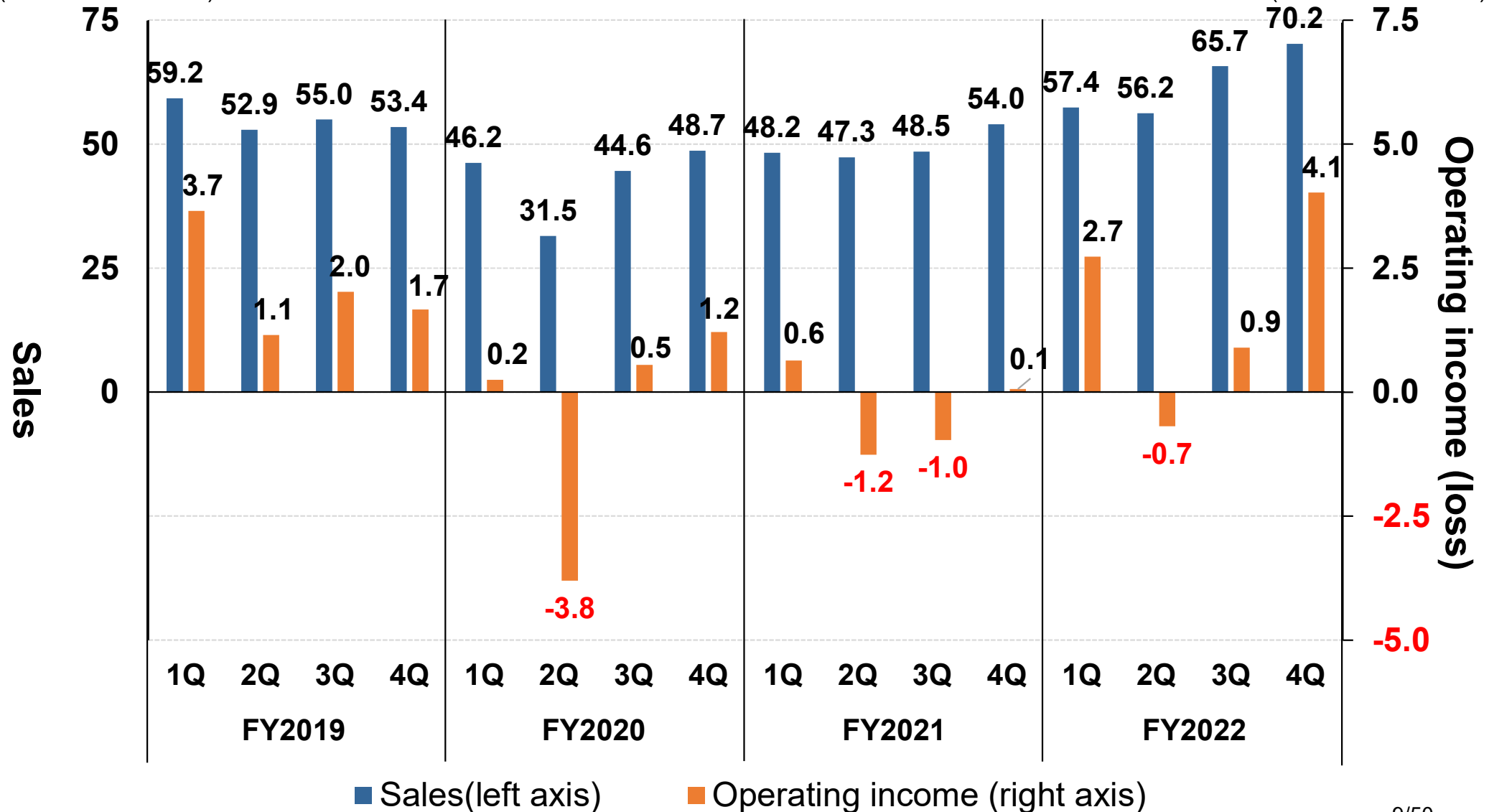
Exchange rates (average during the period)	USD	GBP	CNY	THB
	FY2021	¥109.46	¥150.64	¥16.96
FY2022	¥130.52	¥161.52	¥19.40	¥3.72

Trends in Sales and Operating Income (Consolidated)

- Despite sluggish growth primarily in Japan and China from the second quarter, production volumes finally recovered
- Profitability improved in the fourth quarter due to progress in adjusting prices to reflect the sharp increase in energy and other costs

(Unit: Billions of Yen)

(Unit: Billions of Yen)



Results by Business Segment

Die Castings: Profitability increased due to benefit of increasing sales, despite soaring energy prices

Builders' Hardware: Both domestic and overseas sales increased, but profitability decreased due to the appreciation of the Chinese yuan

Printing Equipment: Both domestic and overseas sales increased, and profitability turned positive for the first time in 3 fiscal period due to benefit of increasing sales

(Unit: Billions of Yen)

	FY2021	FY2022			
	Results	Results	Change	Forecasts (Announced on 8/4)	Change (Announced on 8/4)
Net sales	198.1	249.5	51.4 (26.0%)	248.0	1.5 (0.6%)
Die castings	169.9	215.7	45.8 (27.0%)	215.0	0.7 (0.3%)
Builders' hardware	9.6	10.1	0.6 (6.0%)	10.0	0.1 (1.4%)
Printing equipment	18.4	23.4	5.0 (27.3%)	23.0	0.4 (1.8%)
Operating income	- 1.5	7.0	8.5 (—)	6.4	0.6 (8.9%)
Die castings	- 1.4	5.2	6.7 (—)	5.4	- 0.2 (-3.1%)
Builders' hardware	0.4	0.2	- 0.1 (- 37.4%)	0.3	- 0.1 (- 24.7%)
Printing equipment	- 0.4	1.5	1.9 (—)	0.7	0.8 (115.4%)

Consolidated Balance Sheet

- Total assets increased by 20.9 billion yen year-on-year, of which 11.5 billion yen was due to the impact of foreign exchange fluctuations
- Notes and accounts receivable-trade increased by 12.1 billion yen due to benefit of increasing for both domestic and overseas sales (without currency translation effect)

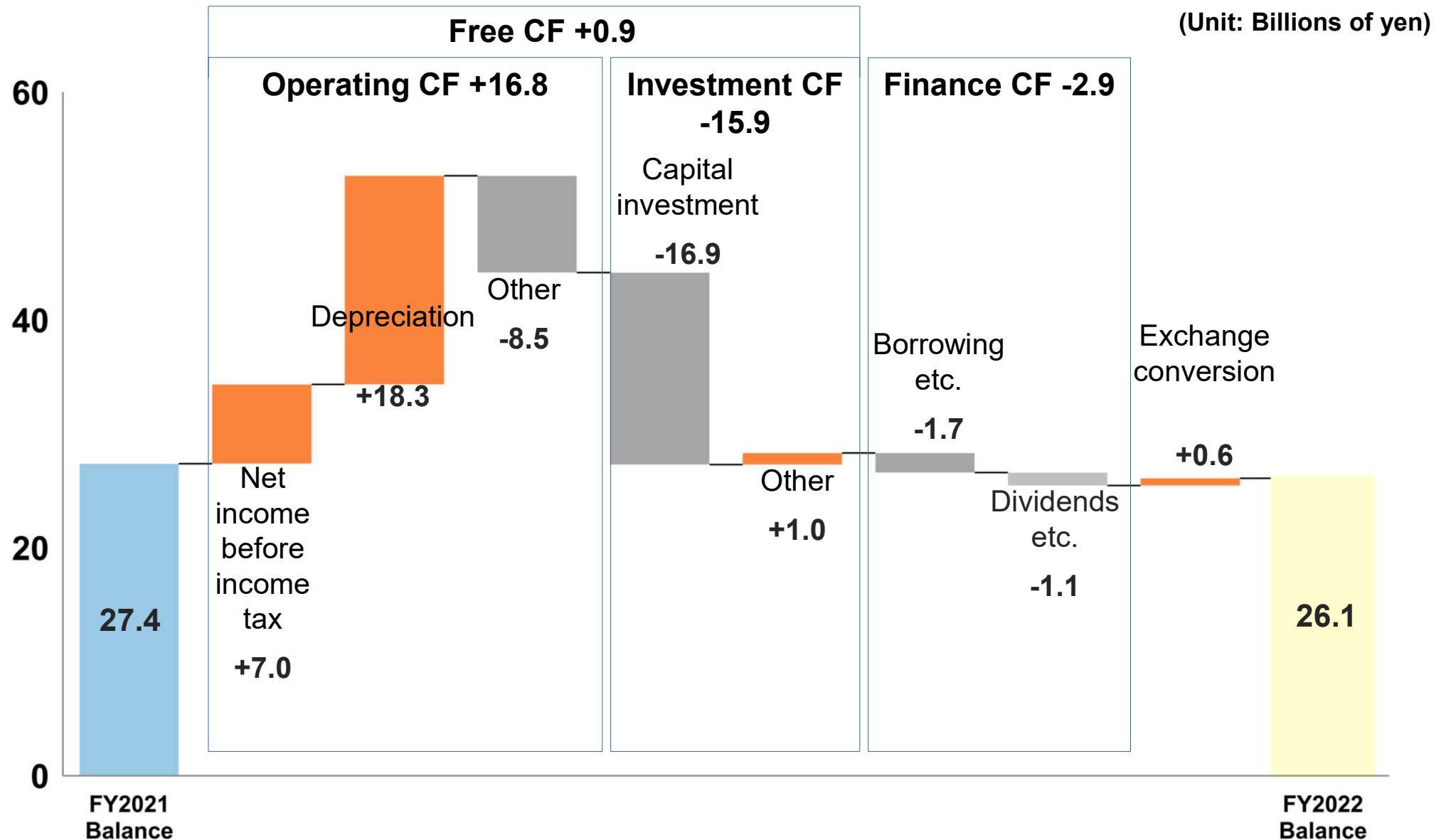
(Unit: Billions of Yen)

	FY2021	FY2022	Change	Currency Translation Effect		FY2021	FY2022	Change	Currency Translation Effect
Current assets	129.6	145.3	15.8	4.3	Current liabilities	110.8	114.7	3.9	3.3
Cash and deposits	28.5	27.3	-1.2	0.3	Notes and accounts payable—trade	41.6	46.5	4.9	0.8
Notes and accounts receivable—trade	44.3	58.3	14.0	1.9	Short-term borrowings	51.0	46.5	-4.5	1.9
Securities	0.7	0.7	0.0	0.0	Other	18.2	21.7	3.5	0.6
Inventories	52.5	55.5	3.0	1.9	Non-current liabilities	36.9	41.9	4.9	0.7
Other	3.5	3.6	0.1	0.2	Long-term borrowings	22.8	27.9	5.1	0.6
Non-current assets	149.8	154.9	5.1	7.3	Other	14.2	14.0	-0.2	0.1
Property, plant and equipment	117.2	123.9	6.8	6.4	Shareholders' equity	111.6	116.1	4.5	0.2
Intangible assets	3.2	2.8	-0.4	0.1	Accumulated other comprehensive income	11.3	18.3	7.0	7.4
Investments and other assets	29.5	28.2	-1.3	0.8	Non-controlling interests	8.8	9.3	0.5	-
Deferred assets	0.0	0.0	0.0	0.0	Total net assets	131.7	143.7	12.0	7.6
Total assets	279.4	300.3	20.9	11.5	Total liabilities and net assets	279.4	300.3	20.9	11.5

Exchange rates (as of fiscal-year end)	USD	GBP	CNY	THB
Dec. 31 2021	¥115.02	¥155.24	¥18.06	¥3.43
Dec. 31 2022	¥132.70	¥160.00	¥19.01	¥3.80

Changing in Cash Flows

- Of the -8.5 billion yen in other operating CF, an increase in working capital due to an increase in sales accounted for -9.5 billion yen
- Of the -15.9 billion yen in investment CF, expenditures in the overseas die castings business accounted for -12.0 billion yen



2. Forecasts for the Fiscal Year Ending December 31, 2023



Forecasts

- Gradual economic recovery is expected to drive year-on-year sales growth, although supply chain disruptions and a sharp increase in energy and material prices remain as concerns
- Profitability is expected to be around the same as in FY2022 due to increases in fixed and other costs
- Expected exchange rate: USD @¥125, CNY @¥18.5

(Unit: Billions of Yen)

	FY2022	FY2023	
	Results	Forecasts	Change
Net sales	249.5	266.0	16.5 (6.6%)
Operating income	7.0	7.5	0.5 (7.6%)
Ordinary income	7.8	7.4	-0.4 (-5.0%)
Net income attributable to owners of parent	4.8	5.5	0.7 (15.0%)

Forecasts by Business Segment

Die Castings: Sales and profitability increase due to slightly recover the automotive production from parts shortage

Builders' Hardware: Both domestic and overseas sales increase, and profitability increase as a result of the benefit of increasing sales

Printing Equipment: Sales remains on stable level, but profitability decline due to rising raw material prices

(Unit: Billions of Yen)

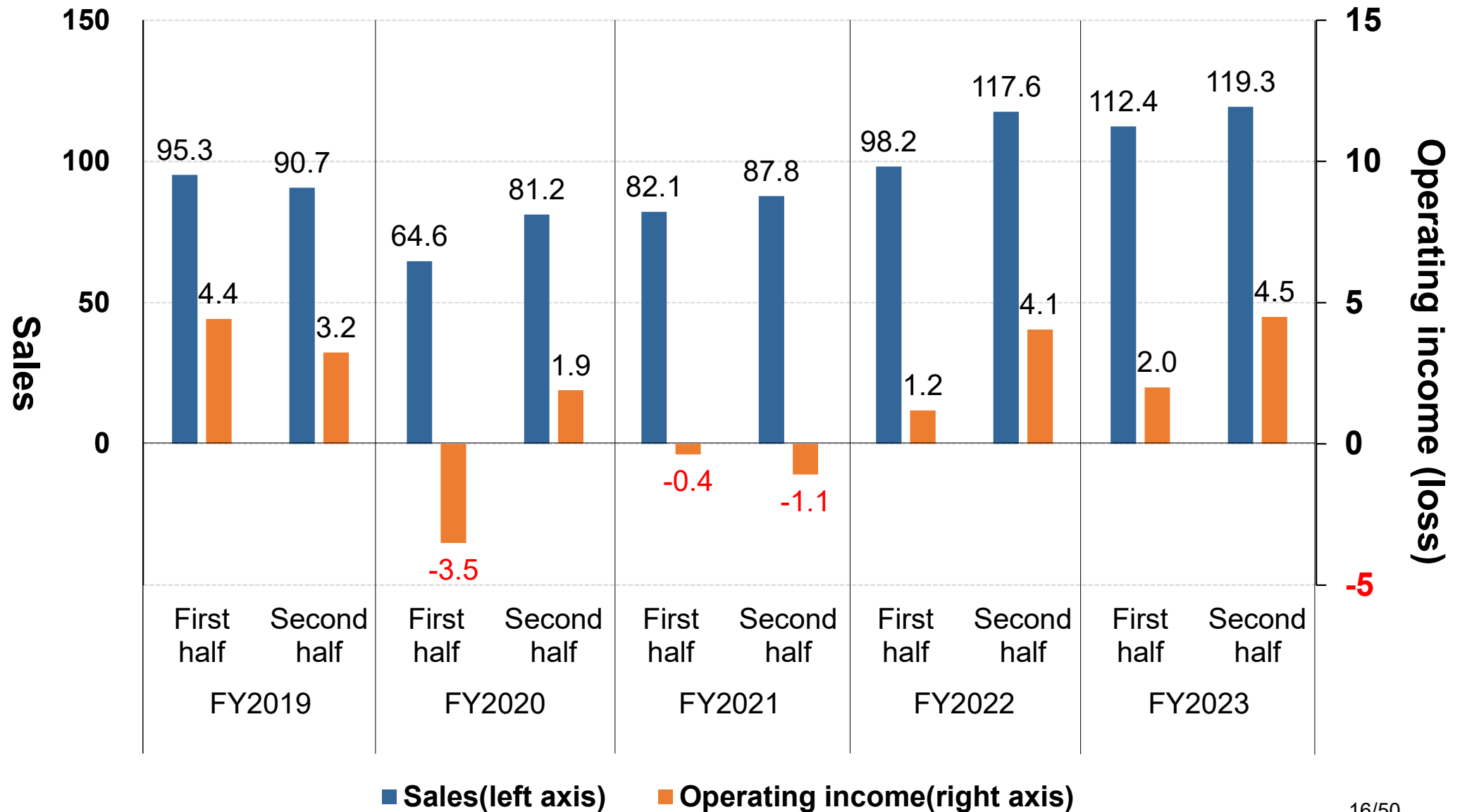
	FY2022	FY2023	
	Results	Forecasts	Change
Net sales	249.5	266.0	16.5 (6.6%)
Die castings	215.7	231.7	16.0 (7.4%)
Builders' hardware	10.1	11.0	0.9 (8.4%)
Printing equipment	23.4	23.3	- 0.1 (- 0.5%)
Operating income	7.0	7.5	0.5 (7.6%)
Die castings	5.2	6.5	1.3 (24.2%)
Builders' hardware	0.2	0.3	0.1 (32.3%)
Printing equipment	1.5	0.7	- 0.8 (- 53.5%)

Trends in Sales and Operating Income (Die Castings)

- In the first half of 2023, domestic automobile production volume decline year-on-year due to the influence of parts shortage etc.
- Since second half, situation slightly improve, and sales and profitability increase year-on-year

(Unit: Billions of Yen)

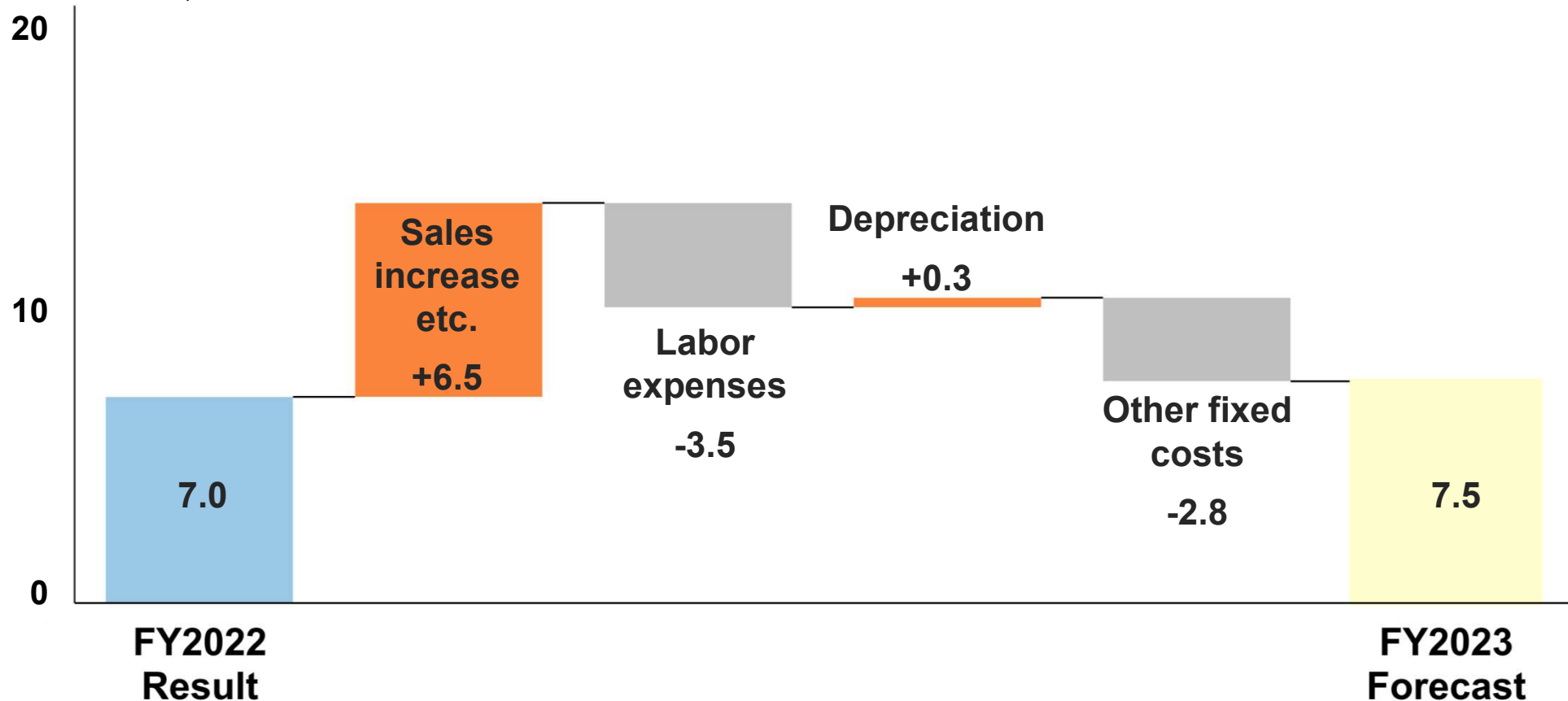
(Unit: Billions of Yen)



Analysis of Changes in Operating Income Forecast

- Despite sales growth, minimal operating income growth is expected due to cost increases
- Labor expenses will increase due to wage hikes in Japan and overseas, and the expanded overseas staff
- Other fixed costs will increase with rising energy prices and higher production volumes

(Unit: Billions of Yen)



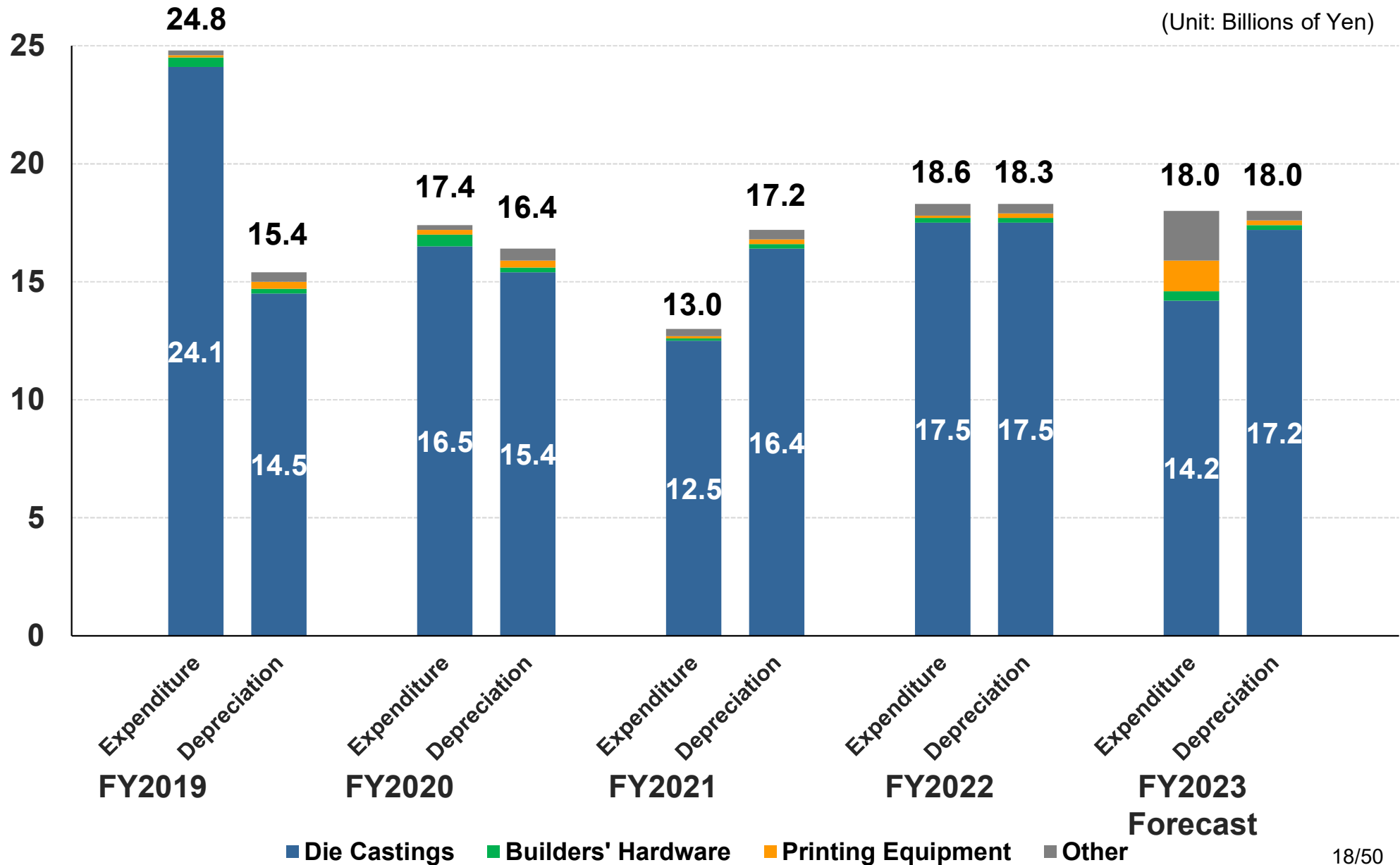
Exchange rates (average during the period)	USD	GBP	CNY	THB
FY2022	¥130.52	¥161.52	¥19.40	¥3.72
FY2023 (Forecast)	¥125.00	¥155.00	¥18.50	¥3.60

Annual impact of yen appreciation on operating income (1% higher than forecasts)

USD - ¥60 million
 GBP - ¥10 million
 CNY + ¥40 million

Trends in Capital Expenditure and Depreciation

- For FY2023, investment is expected to be 18.0 billion yen and depreciation is expected to be 18.0 billion yen
- Capital expenditure will be within depreciation as our plan

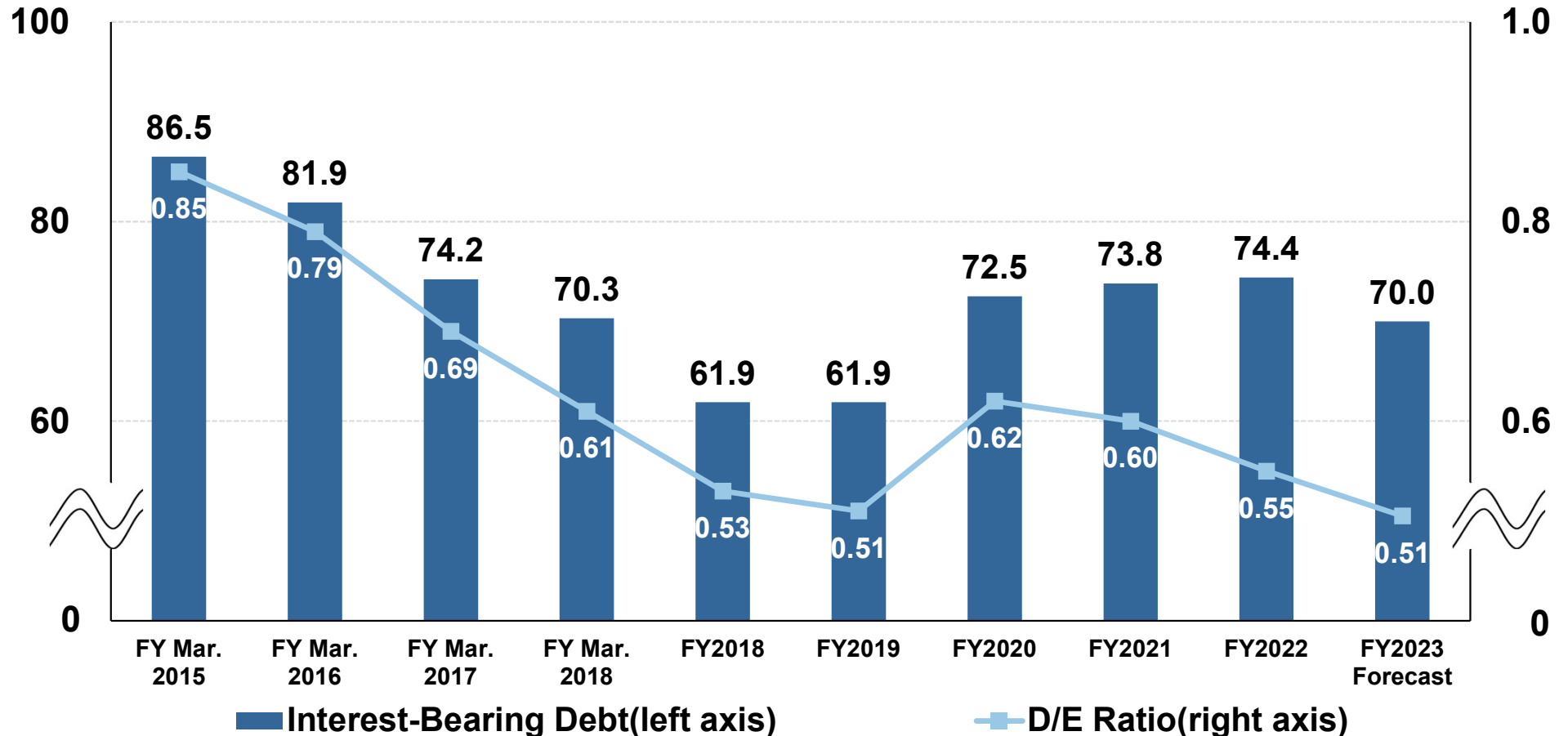


Trends in Interest-Bearing Debt and D/E Ratio

- Interest-bearing debt at the end of FY2023 is expected to be 70.0 billion yen
- Target of D/E Ratio is under 0.5 times

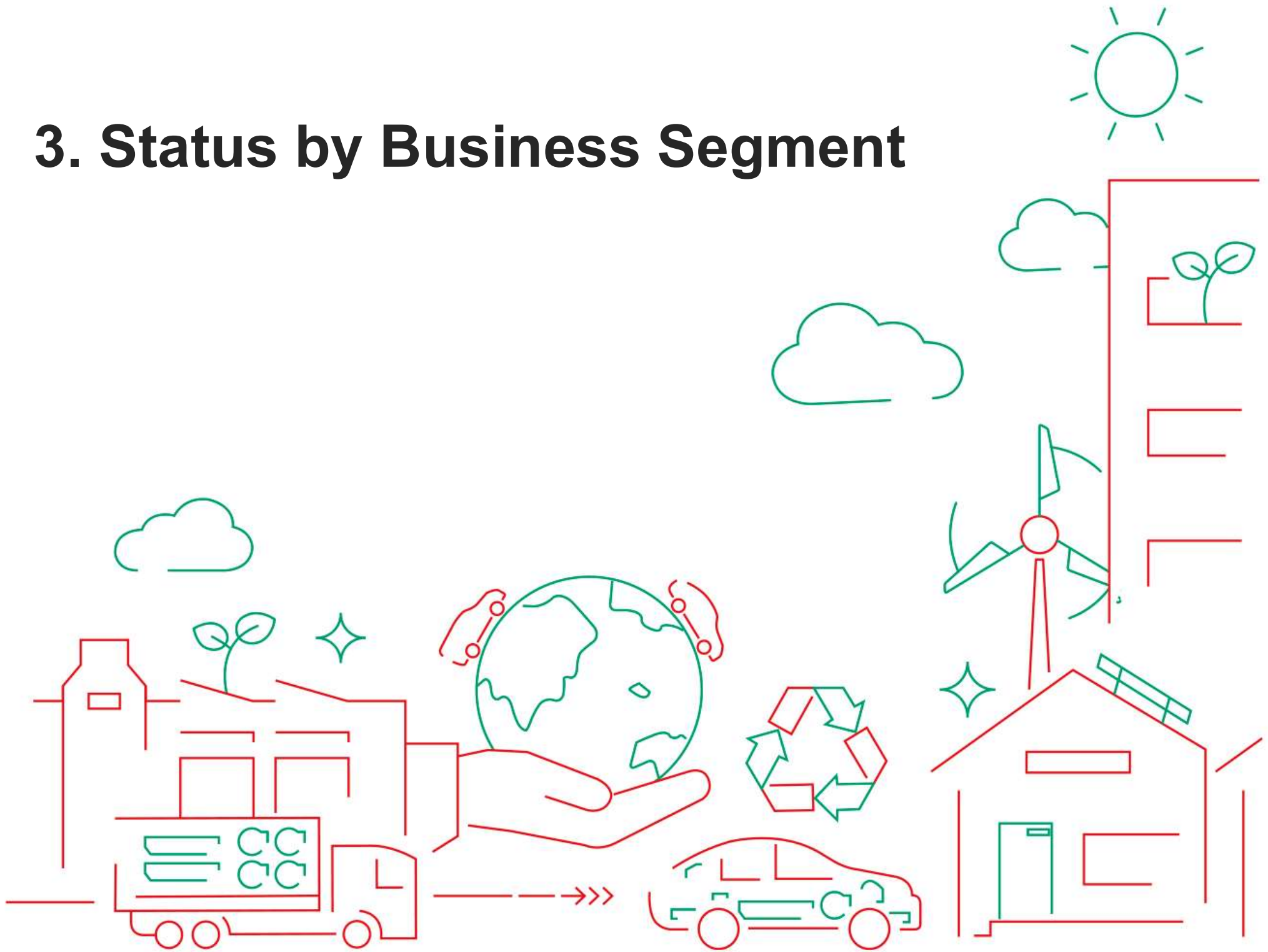
(Unit: Billions of Yen)

(Unit: Times)



	FY Mar. 2015	FY Mar. 2016	FY Mar. 2017	FY Mar. 2018	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023 Forecast
Borrowing dependence (Interest-bearing debt/total assets)	32.3%	30.9%	28.2%	25.8%	23.0%	23.5%	28.0%	26.4%	24.8%	23.3%

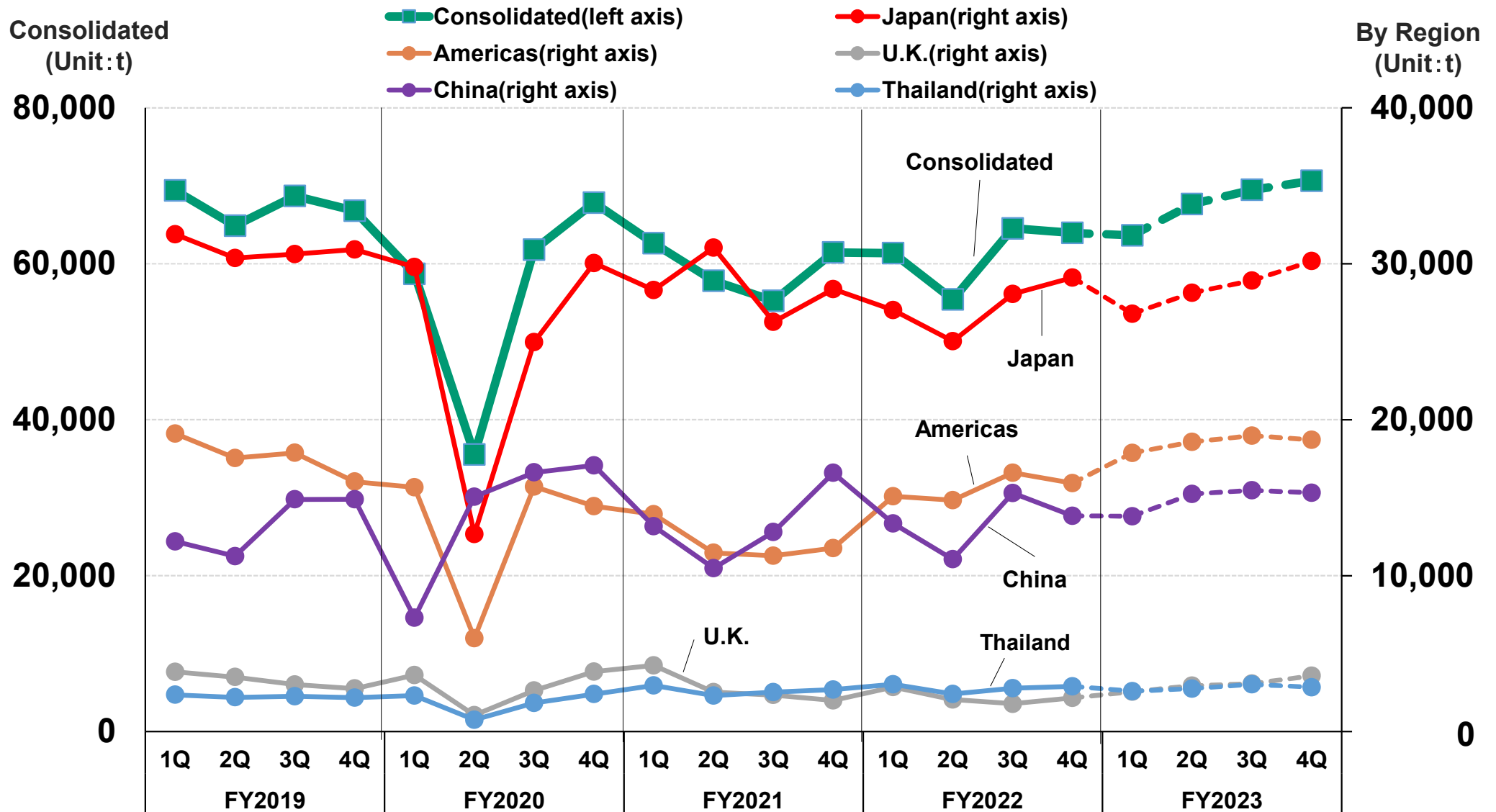
3. Status by Business Segment



Trends in the Production Weight of Die Castings

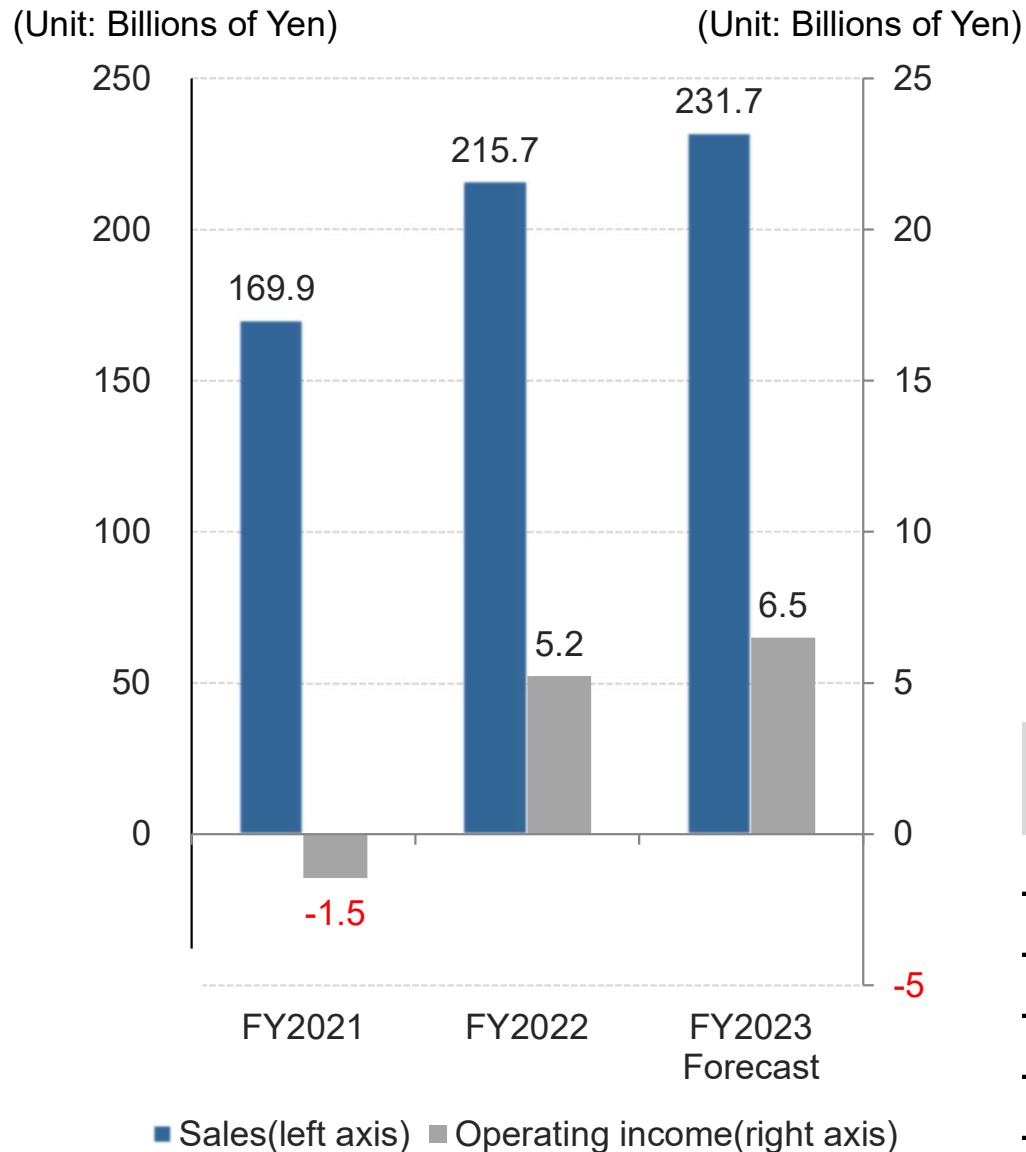
Trends in the Production Weight (FY2019 - FY2023)

- Domestic production of 1QTR of FY2023 decrease comparing with 4QTR of FY2022
- Production will be slightly recovered since 2QTR of FY2023, and production in FY2023 (consolidated) will exceed FY2019



Die Castings

Forecast of Sales and Operating Income



Situation by Region in FY2023

(Japan)

Production volume of 1QTR slightly decline due to parts shortage, and full year sales a little bit increase year-on-year

(Americas)

Production and sales increase due to math production of new model
Labor expenses increase due to a personnel increase and rise of wages

(U.K.)

Sales increase due to increasing of production
Proceed offset soaring energy prices to sales prices

(China)

Gradually recover the impact of China's lockdown

(Unit: Billions of Yen)

Sales	FY2021	FY2022	FY2023 Forecast
Japan	86.4	93.0	93.8
Americas	31.4	58.2	63.2
Europe	10.6	13.0	17.1
China	34.6	42.6	48.6
Thailand	6.8	8.9	9.0

Die Castings

Number of Automobile Sold and Change of Power Train Mix

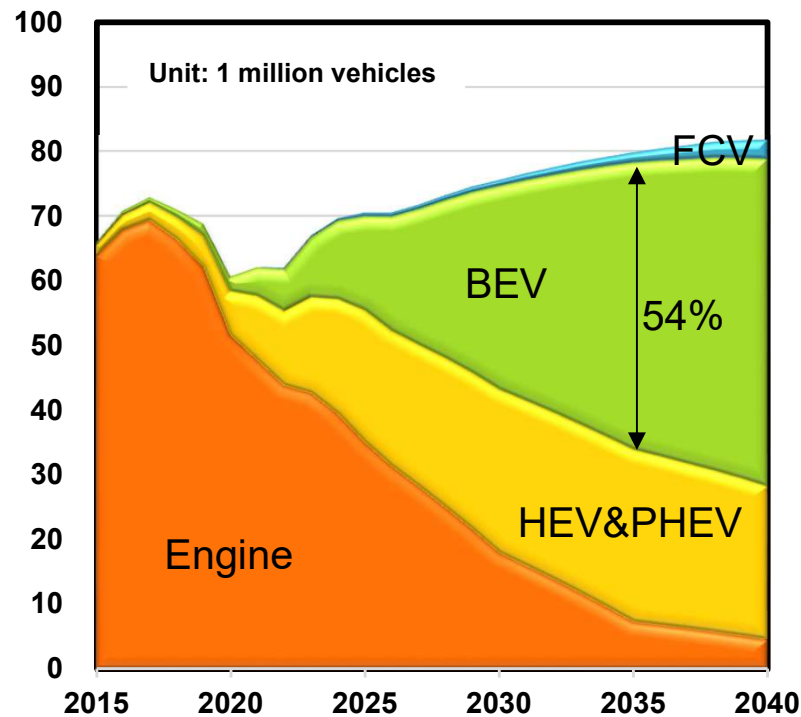
- Automobile sales forecast has been almost same as previous our forecast
New automobile sales is expected to increase up to around 2040
- Surely proceed to BEV (percentage of BEV in 2035 is 54%)
- Transmission and engine parts will shrink, but as body/chassis (weight reduction parts), and electrification parts (for HEV & BEV) sales will increase, therefore we expect demand of die casting will increase

Sales volume base

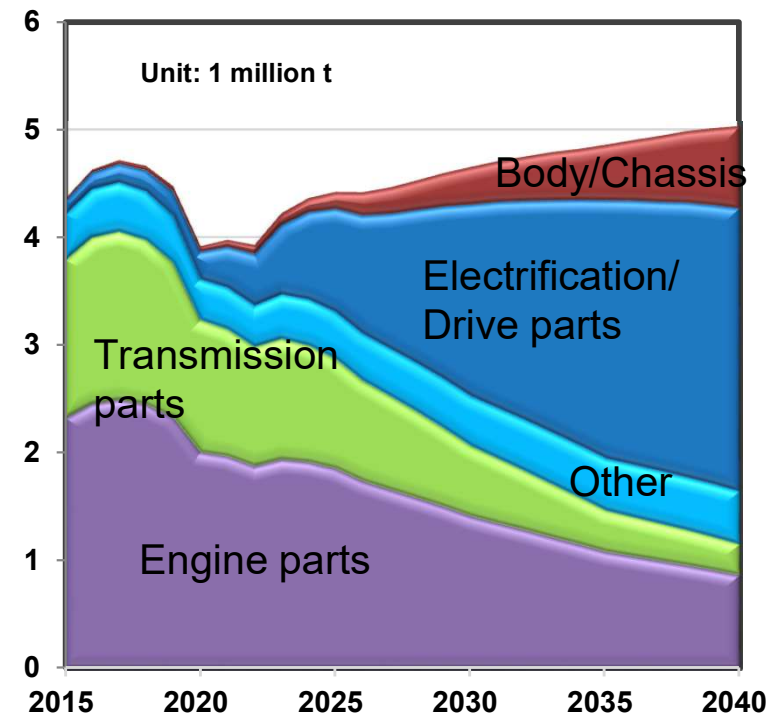
Key countries: Japan, U.S.A., Europe, China, India

As of Oct. 2022

Outlook on Power Train Mix
(Number of automobiles sold
of Key countries)



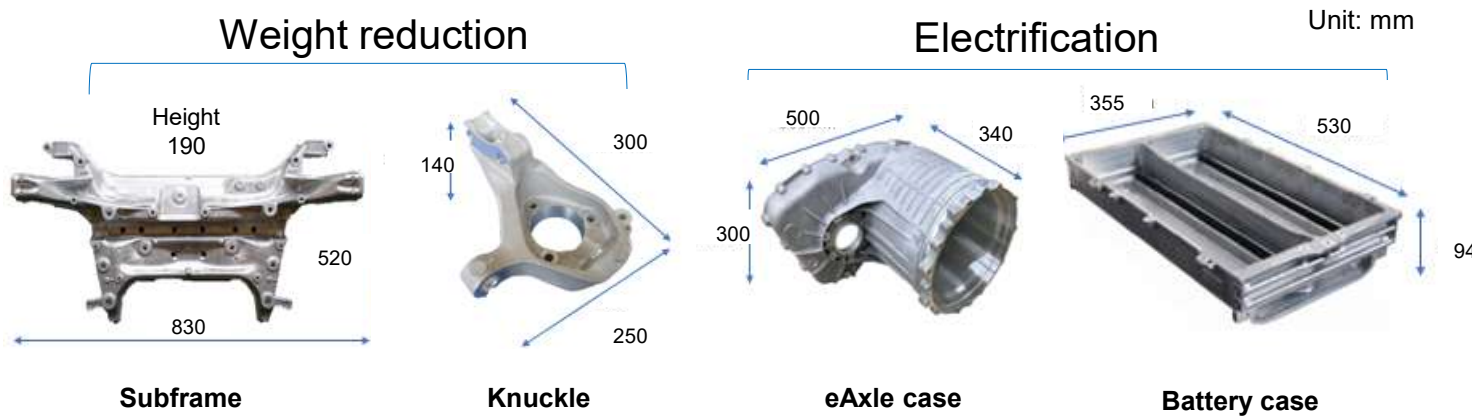
Outlook on Die Casting Demand
(Total weight of Key countries)



Die Castings

Outlook on Die Casting Demand - Our opportunities in the shift to electrification -

Example for weight reduction and electrification parts



RL proactively propose to customers to adopt the weight reduction and electrification parts, leveraging the characteristics of aluminum die castings, which are light weight, corrosion resistance, sustainable materials

Volume of use for die casting by power source (Kg / unit) Ryobi's forecast

Power source	Engine	PHEV	BEV A-B*	BEV C-D*	BEV E-F*
FY2022	64	76	33	39	55
FY2035	64	76	33	53	65
FY2040	62	76	32	59	68

- Volume of use in PHEVs will not increase, but higher than in engine-driven vehicles
- In the C-D segment of BEVs, figures relative to 2022 are projected to be +14 kg in 2035 and +20 kg in 2040

* A-B segment : Small & Compact size
C-D segment : Medium size
E-F segment : Executive & Full size

BEV size in 2030-2035 by region Ryobi's forecast

Japan	A-B segment is 60%
U.S.A.	C segment and over is 90%
China	C segment and over is 80%
Europe	C segment and over is 70%

- The C segment and over dominates the BEV size mix in regions other than Japan
- In Japan, rational electrification centering on HEVs will advance, but the shift toward BEVs is slow (proportion of BEVs at around 35%)

Die Castings

Outlook on Die Casting Demand - Our opportunities in the shift to electrification -

- Use of die castings in BEVs will increase due to the characteristics of aluminum die castings (light weight, corrosion resistance, sustainable materials etc.)
- Shift to electrification of automobiles remains a tailwind for our die castings business

Volume of use for die casting by power source in 2022, 2035, 2040 (Ryobi's forecast)

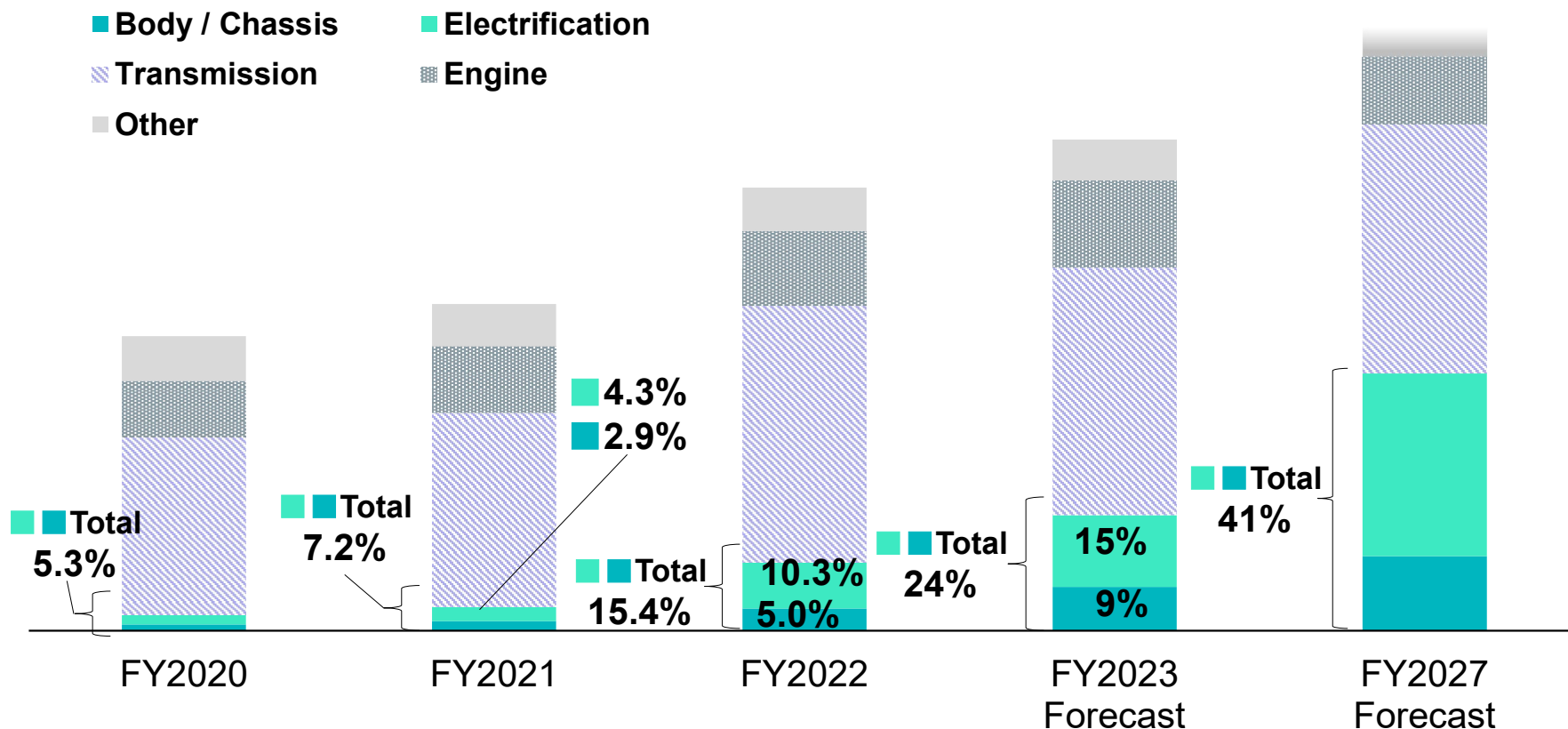
Power source	FY2022				FY2035				FY2040			
	E/G	PHEV	BEV C-D	BEV E-F	E/G	PHEV	BEV C-D	BEV E-F	E/G	PHEV	BEV C-D	BEV E-F
[A] Volume of use for Die casting (unit: kg / unit)	64	76	39	55	64	76	53	65	62	76	59	68
[B] Number of sales for key countries (Unit: 1 million vehicles)	37.50	2.27	4.03	0.39	6.35	10.92	27.29	7.37	4.02	10.22	30.70	8.27
[A x B] Total weight of use (Unit: thousand t)	2,400	174	155	21	404	834	1,443	480	250	775	1,803	565
Total weight of use (Unit: thousand t) Compare with 2022 (%)	2,751				3,160				3,393			
					+ 15%				+ 23%			

Die Castings

Initiatives for Weight Reduction and Electrification - Sales contribution of strategic products -

- Orders of weight reduction and electrification components are steady
- Weight reduction and electrification components accounted for approximately 78% of new orders in the FY2022 (FY2020: 38%, FY2021: 55%)

Trends in sales share by die casting parts category

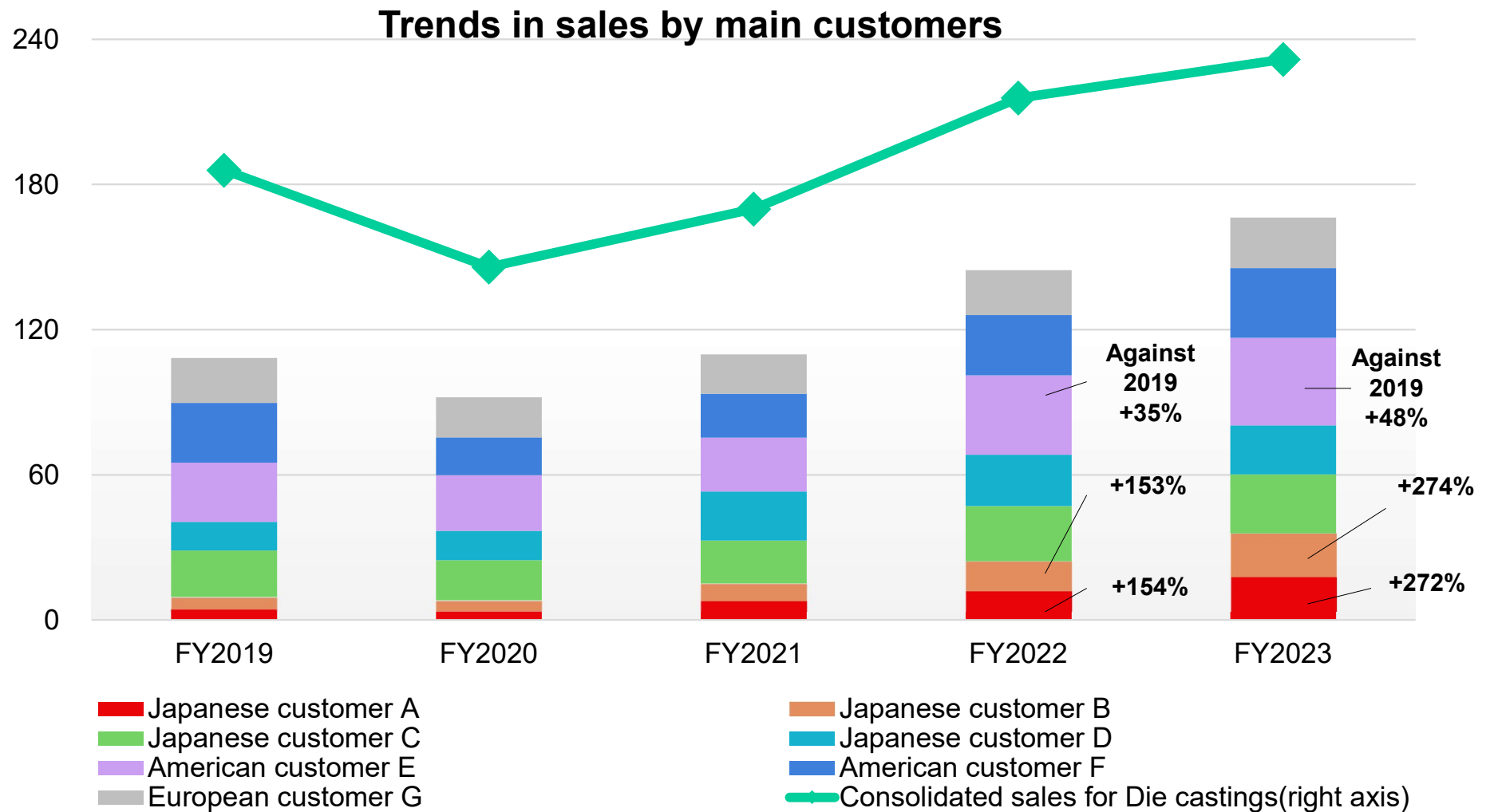


Die Castings

Initiatives for Weight Reduction and Electrification - Trends in sales by customer -

- Sales to Japanese customer A grew by 154% in 2022 from 2019 due to increased adoption of weight reduction and electrification components
- Sales to Japanese customer B grew by 153% from 2019

(Unit: Billions of Yen)



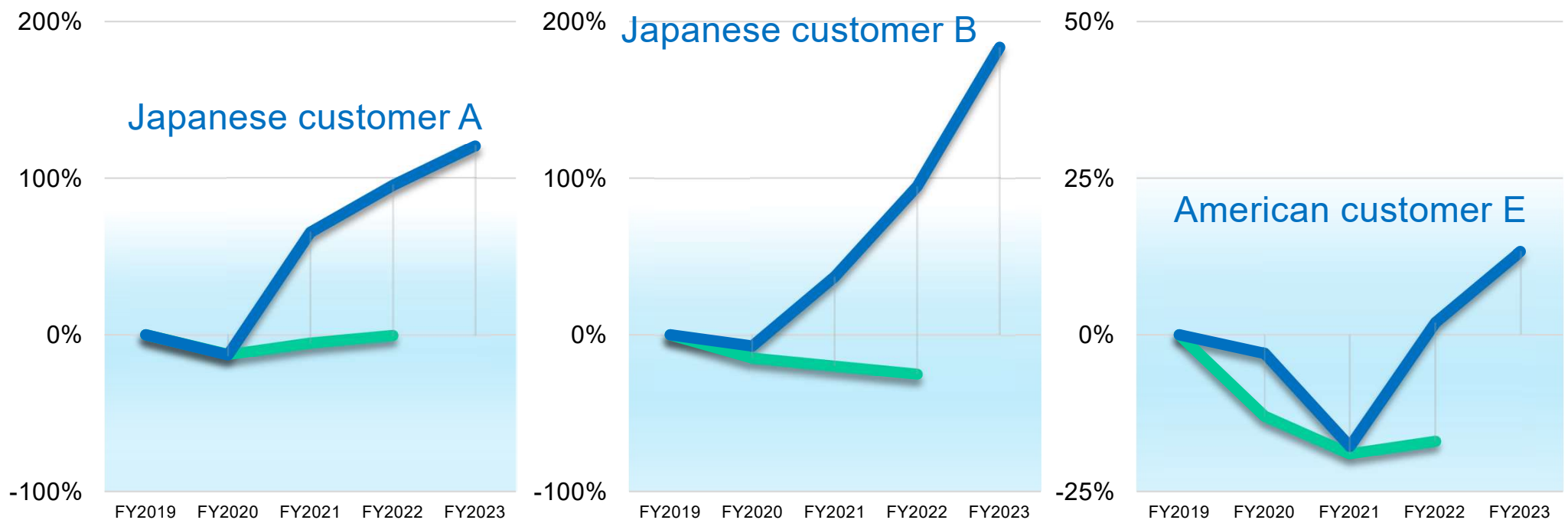
Die Castings

Initiatives for Weight Reduction and Electrification

- Trends in sales by customer (excluding the effect of foreign exchange fluctuation and raw materials)-

- Sales to Japanese customer A and B approximately doubled, far outpacing production growth at these customers, even excluding the effects of foreign exchange fluctuations and raw materials
- Sales to American customer E are expected to grow significantly with the launch of mass production of components for BEVs

— Rate of change for automobile production — Rate of change for Ryobi's sales volume



* Rate of change in all graph assume 2019 as the baseline

* Production units are figures published by the companies and Ryobi's estimates

Die Castings

Initiatives for Weight Reduction and Electrification - Orders received for Strategic Products -

Orders for strategic products remain steady



SUBARU Crosstrek



MITSUBISHI Outlander PHEV



SAIC-General Motors
Velite 6 PHEV



HONDA Civic



TOYOTA Land Cruiser 300



HONDA Honda e



SUZUKI Spacia



TOYOTA Lexus RX



TOYOTA Mirai FCV



Stellantis Peugeot 308
PHEV



SUBARU Impreza Hybrid



Geely XingYue L Hybrid



NISSAN Ariya



TOYOTA RAV4 Hybrid



Mazda MX-30 EV



Mazda CX-60



MITSUBISHI Eclipse Cross PHEV

The above models equipped with Ryobi produced body / chassis parts (weight reduction parts) or electrification parts

Current mass-production initiatives (within 1 year)

Product description	
Body / Chassis parts	Steering parts
	Shock tower
	Subframe
Electrification parts	Cowl top panel
	HEV transmission case
	PHEV battery case
	PHEV transmission case

Planned future production initiatives

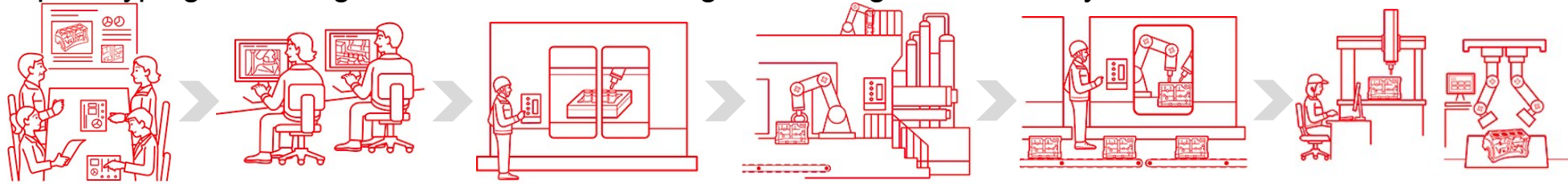
Product description	
Body / Chassis parts	Steering knuckle
	Shock tower
	Subframe
Electrification parts	HEV inverter case
	HEV converter case
	HEV motor housing
	HEV case generator
	HEV transmission housing
	HEV battery case
	PHEV transmission case
	BEV battery charger case/cover
	BEV eAxle housing
BEV eAxle end cover	
	BEV compressor housing

Die Castings

Strength of Ryobi's Die Castings Business

Development support and integrated production system

Developed a proprietary, integrated production system spanning product development support, prototyping, die design and fabrication, casting, machining and assembly



Product development and prototyping

Supporting customers through technology proposals from the early development stages

Die design

Designers, die engineers, and casting engineers work as a team to analyze dies

Die fabrication

We design dies using CAD/CAM systems and create automatic machining programs for die machining equipment

Casting

A molten aluminum alloy is injected at high speed and high pressure into the die of the casting machine, where it is instantly shaped into form

Machining and assembly

Cast products are then machined, surface-treated, and assembled as requested by customer

Quality inspection

We have introduced an automatic appearance inspection system to improve quality by eliminating inconsistencies in accuracy caused by manual inspections

Global production structure

Manufacturing bases established in six countries supply die casting products to customers around the world

U.S.A.

RYOBI DIE CASTING (USA), INC.

Mexico

RDCM, S. DE R.L. DE C.V.

U.K.

RYOBI ALUMINIUM CASTING (UK), LIMITED

China, Dalian

RYOBI DIE CASTING DALIAN CO., LTD.

China, Changzhou

RYOBI DIE CASTING CHANGZHOU CO., LTD.

Thailand

RYOBI DIE CASTING (THAILAND) CO., LTD.



Die Castings

Strength of Ryobi's Die Castings business

Trade with OEMs around the world free of “Keiretsu” trade

Appreciation for our technological capabilities, quality, and other traits allows us to cater globally to customers around the world without skews toward any particular automobile manufacturer “Keiretsu”

- AISIN
- Isuzu Motors
- JATCO
- Suzuki Motor
- Stellantis
- Geely Automobile
- SUBARU
- General Motors
- Daihatsu Motor
- Toyota Motor
- NISSAN Motor
- HINO Motors
- Hyundai Motor
- Ford Motor
- Volkswagen
- HONDA Motor
- Mazda Motor
- MITSUBISHI Motors
- and others

Confidence in our productivity and high regard for our quality from global customers

Initiatives targeting productivity improvements, global cost reductions, quality improvements, etc. have been recognized by customers around the world

Examples of awards in 2022

Project award
From Toyota



Most cooperation award
from Volkswagen
Automatic Transmission



Quality gold award
from SAIC
General Motors



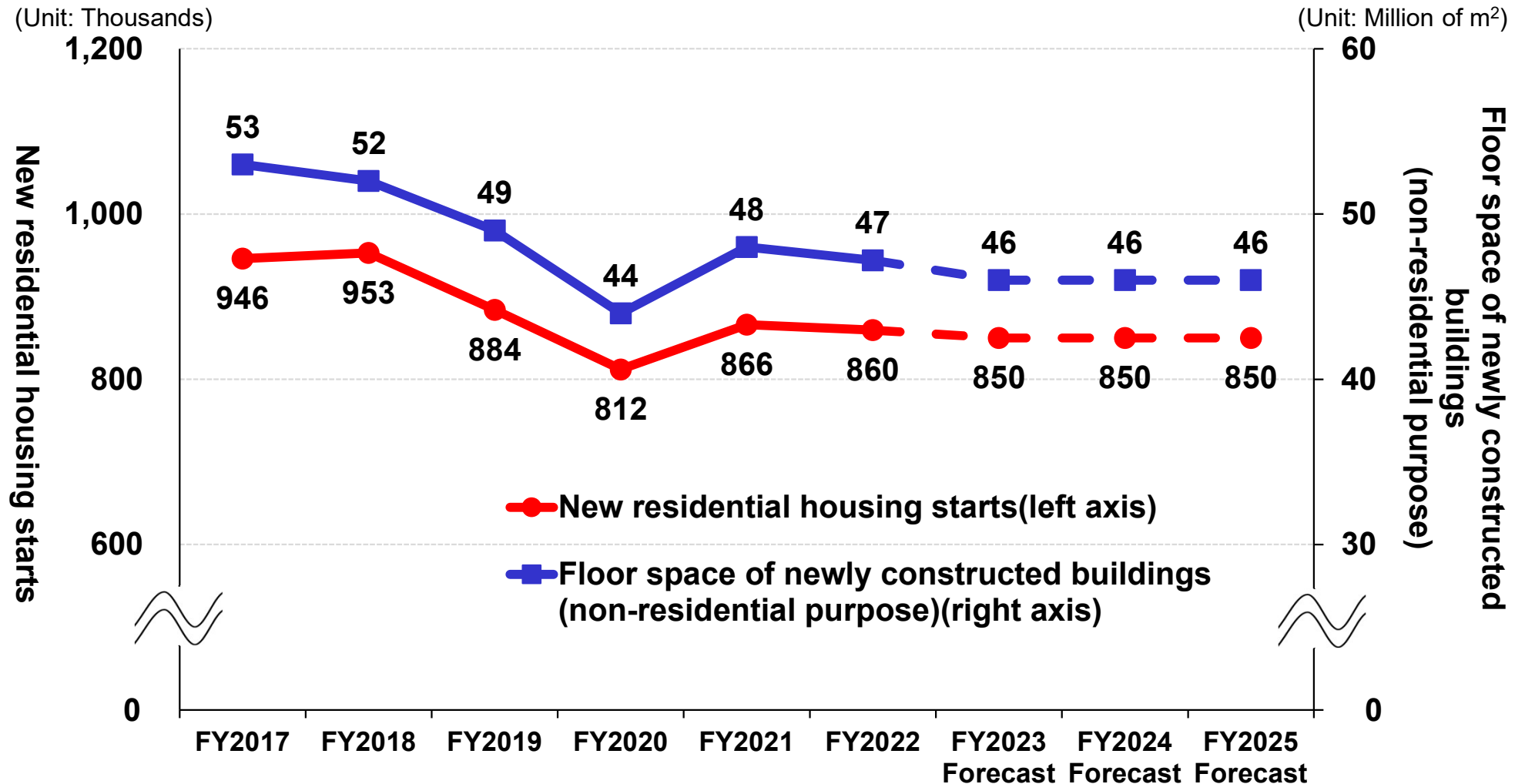
Project award
From Toyota



Builders' Hardware

Outlook on the Domestic Builders' Hardware Market

New residential housing starts and non-residential floor space are both expected to remain at around 850 thousand units and 46 million m², respectively, from 2022 onward



Source: Ministry of Land, Infrastructure, Transport and Tourism
(figures for 2023 and later are Ryobi's forecasts)

Builders' Hardware

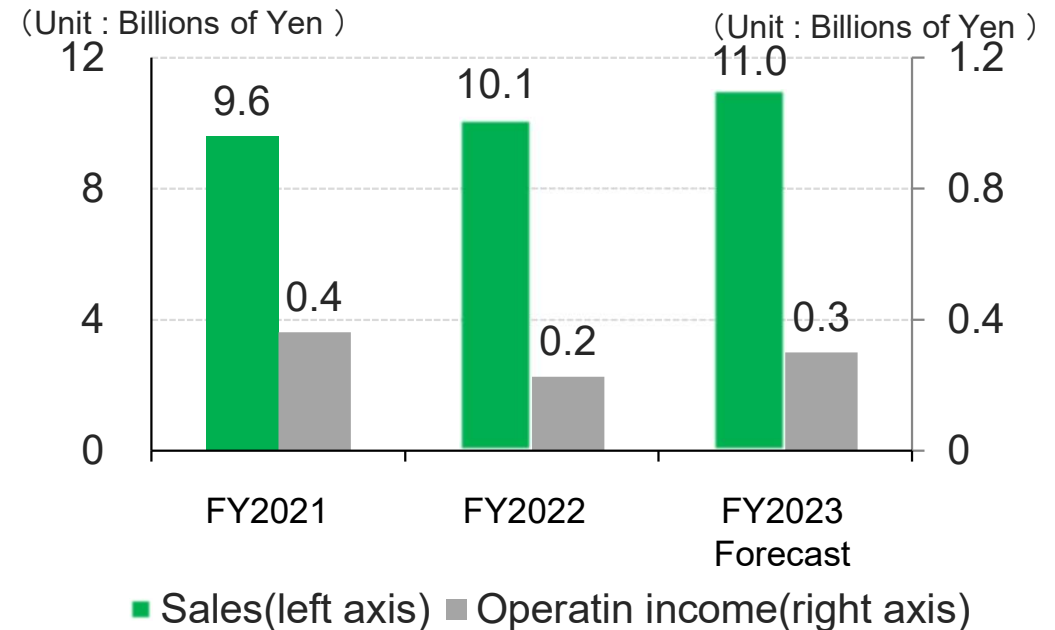
The Business Environment

- In Japan, floor space for newly constructed buildings (non-residential purpose) and the number of new residential housing starts both remain flat
- Surges in raw material prices
- Growing demand for non-contact devices in the living environment field
- Over the long term, gradual shrinkage anticipated for domestic door closer and sliding door closer markets

Main Initiatives

- Expand share in the Japanese market
- Expand sales of high-value-added products
- Sales prices increase
- Expand sales in overseas markets

Forecast of Sales and Operating Income



Performance Summary

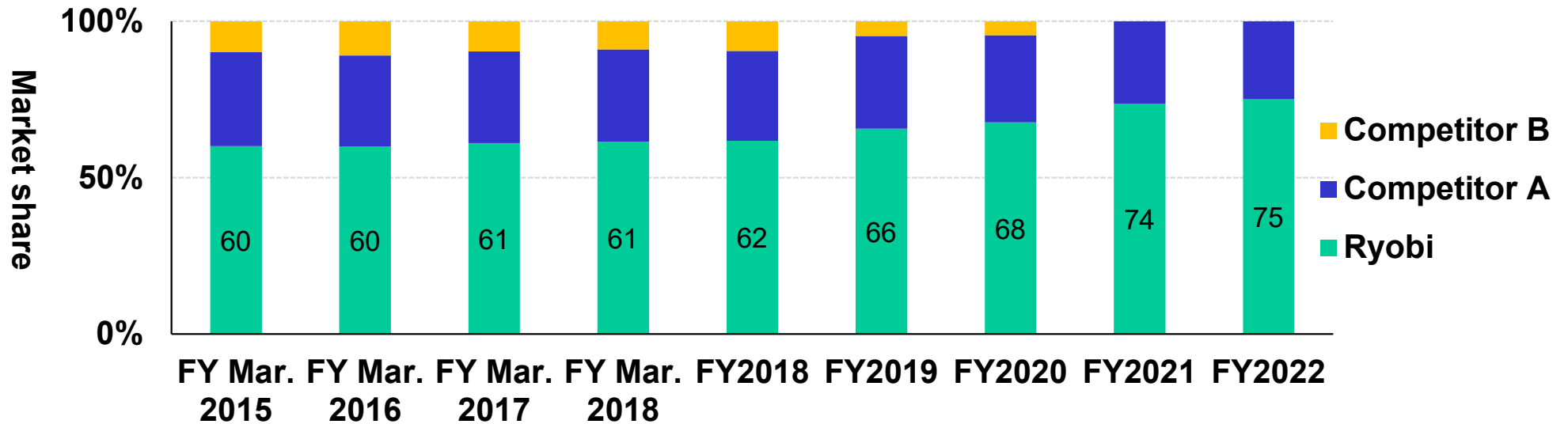
- (FY2022) Sales increased both in Japan and overseas
Profitability declined despite cost reduction due to higher procurement costs caused by the appreciation of the Chinese yuan
- (FY2023) Sales are expected to increase both domestically and overseas
Profitability increase due to higher sales

Builders' Hardware

Situation of Market Share

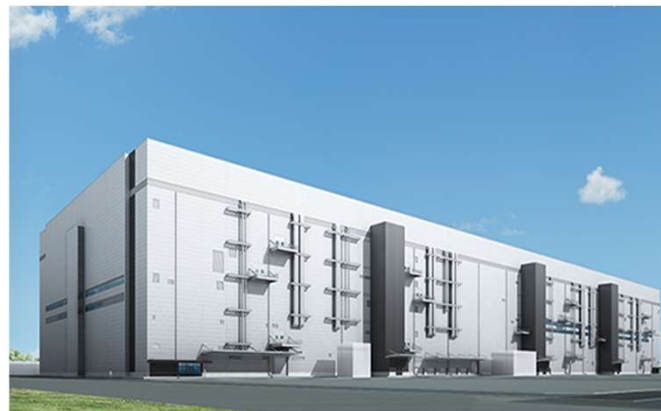
Market share in domestic market

Source: Ryobi's forecast



- Our current market share is approximately 75%
- We are leveraging our high market share to secure stable sales
- In March 2021, Competitor B withdrew from the door closer business
- Our market share further increase
- Ryobi's share in the building market is approximately 80% in the Tokyo metropolitan area and approximately 70% in the Kansai area

Examples of properties where adopting our products in FY2022



KIOXIA
Kitakami plant
Iwate Prefecture, Japan



Umekita 2nd Project
Osaka Prefecture, Japan 34/50

Builders' Hardware

Initiatives to Expand Sales of Strategic Products - Improve recognition of strategic products and enhance functions -

RUCAD: electrically operated door controller linked to various activated devices



Enables contactless door opening and closing in a variety of situations by IC cards and face recognition devices etc.

GEOPRO series pivot hinge GP-18 that supports door weights up to 180 kg for commercial facilities and office buildings



Approximate dimensions (measured values)
W108 × D75 × H35 mm



Approximate dimensions (measured values)
W200 × D80 × H120 mm



GC-6V, a concealed door closer is capable of easily opening and securely closing even a large door



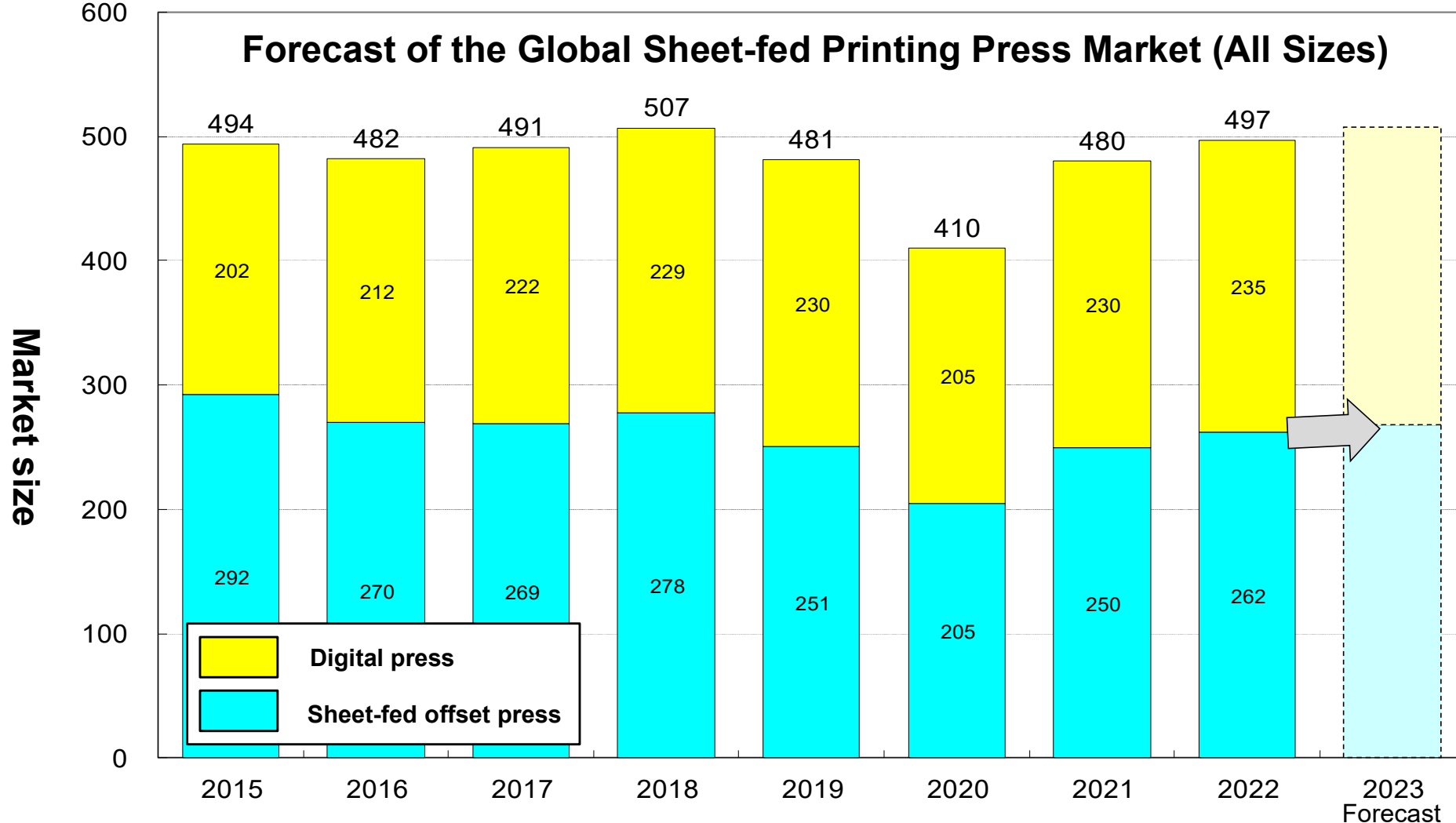
Approximate dimensions(body)
W367 × D40 × H68 mm

Printing Equipment

Forecast of the Global Sheet-fed Printing Press Market (All Sizes)

The market, which has shrunk due to COVID-19, is generally on a recovery trend

(Unit: Billions of Yen)



Source: Estimated by RYOBI MHI Graphic Technology Ltd. based on financial results materials disclosed by manufactures (as of Dec. 2022)

Printing Equipment

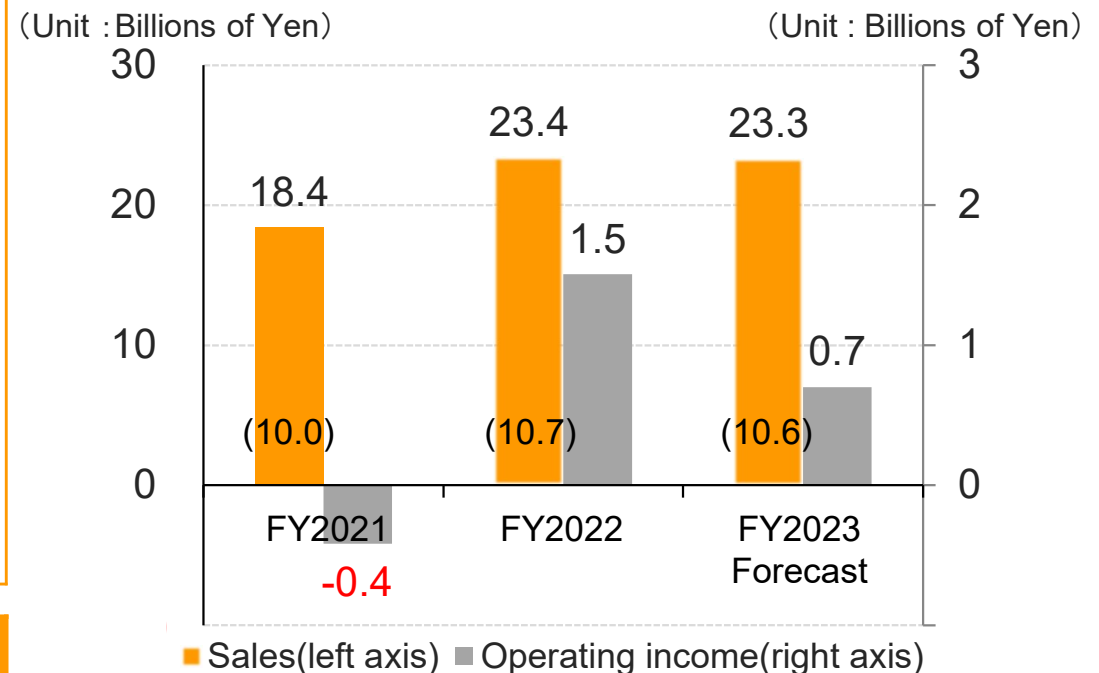
The Business Environment

- Demand for automation and labor saving due to shortage of manpower and aging of printing press operators
- Sales of presses for packaging printing are steady
- Decrease in paper supply and sharp rise in prices lead to shift away from printing
- After 2008 financial crisis and the COVID-19 pandemic, the number of printing equipment manufacturer has decreased (2 Japanese and 3 German companies)
→ A certain level of income can be expected as a survivor

Main Initiatives

- Collaboration with participating companies and new businesses through the RMGT consortium
- Development of automation, labor saving, and assist functions for printing presses
- Increasing orders for flagship models and improving price competitiveness through cost reductions
- Strengthen sales of press models for package printing
- Passing on higher raw material prices to selling prices

Forecast of Sales and Operating Income



※Figures in parentheses indicate exports in sales

Performance Summary

- (FY2022) Domestic sales increased due to promotion of capital investment through subsidies, and overseas demand recovery
Profitability turned positive due to sales increase
- (FY2023) Sales are expected to remain largely flat both domestically and overseas
Profitability is expected to decline due to the effects of soaring raw material prices, and other factors

Printing Equipment

Collaboration Based on the RMGT Consortium

At this point, 38 companies have expressed agreement with the philosophy and participate in the RMGT Consortium to make proposals leveraging the strengths of participating companies.

(Results of initiatives since establishment)

- Support from 38 companies at the time of this earnings briefing meeting
- Won new business deals for peripheral equipment; inquiries about products in other lines of business
- Partnership proposals to address customer issues
- New themes for co-creation explored by participating companies

(Examples of areas targeted by the alliance)



Process coordination



- Visualization and analysis of printing status
- Strengthening process coordination
- Progress management for production processes and automatic scheduling

Automation Labor saving



- Automation of / labor savings in printing processes
- Automation of / labor savings in pre-press and post-press processes
- Operator assistance

Maintenance



- Predictive maintenance
- Remote maintenance system

Environment



- Environmental impact reduction
- Improvements in the work environment

Printing Equipment

Topics of Printing Equipment

Construction of 3rd factory



Striving to optimize production systems and improve productivity by consolidating scattered factories through additional factory construction on land adjacent to RMGT No. 1 and No. 2 factories.

- **Location** : Fuchu City, Hiroshima Prefecture
- **Facility use** : Assembly of a sheetfed offset press
- **Construction started** : Jan. 2023
- **Scheduled for completion** : Oct. 2023
- **Total floor area** : 4.4 thousand m²
(Total floor area 1st factory: 10.0 thousand m², 2nd factory: 19.3 thousand m²)

Exhibit at IGAS (Nov. 2022)



Introduced an example of a smart factory by linking the RMGT970 model printing equipment and equipment belonging to RMGT consortium companies.

- **Visualizing press production status and results across entire printing factory, including pre-press and post-press processes**
- **Labor reductions achieved for sheet transport by the “Nipper” automated guided vehicle**
- **Labor reductions achieved via printing plate supply system**

4. Sustainability ESG/SDGs



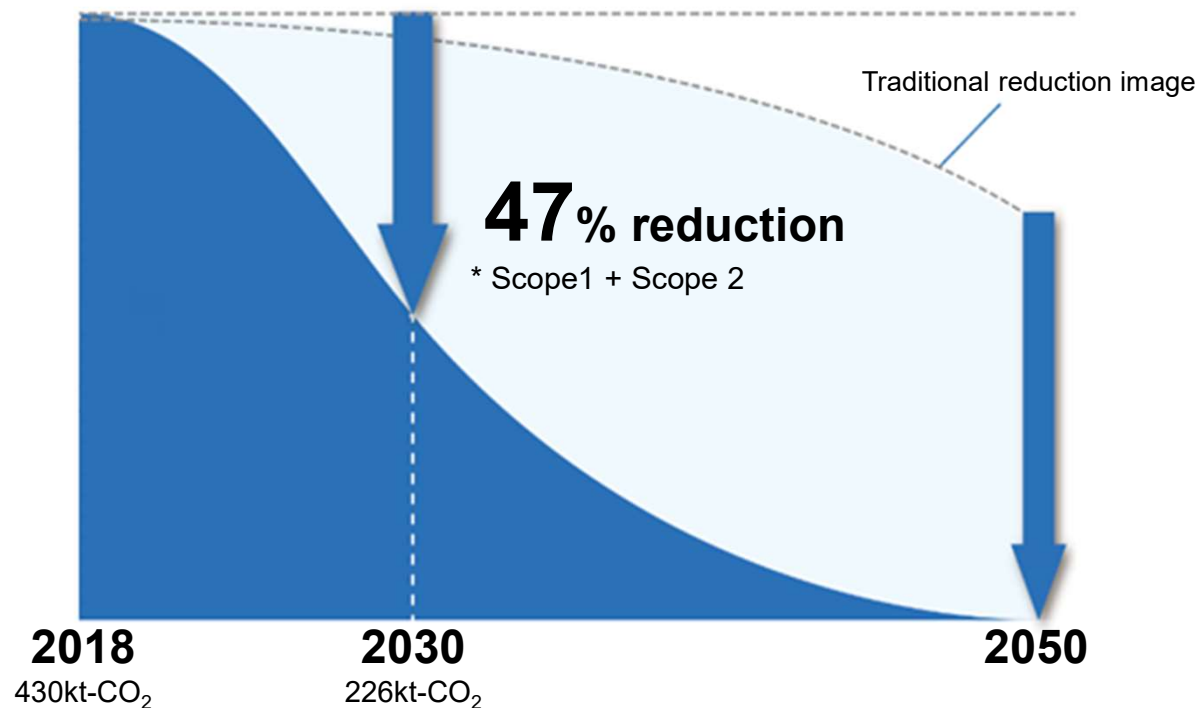
Sustainability ESG/SDGs

Initiative to Environment

FY2022 Environmental Targets

- Achieve carbon neutrality by 2050
- Curb CO₂ emissions from domestic and overseas bases by 47% from the FY2018 level by 2030 *

Target curb the volume of CO₂ emission by 2050



Major measures to become carbon neutral

- Promote the introduction of energy-saving equipment
- Use of renewable energy (solar, hydro-electric, etc.)
- Control of combustion process in melting of aluminum alloys
- Switch to non-fossil energy (hydrogen, ammonia, etc.)





* CO₂ emissions are absolute amounts for Scopes 1 and 2

Sustainability ESG/SDGs

Implementation of “ESG/SDGs Assessment Loan” (*1)

Received positive assessment of progress on ESG/SDGs issues and other matters by the Japan Research Institute, Limited when raising funds in August 2022 and received AA (*2) overall rating

Priority initiatives and performance indicators for this assessment loan (excerpt)

Priority initiatives	Performance indicators	Related SDGs *1
Technological innovation	Initiatives for weight reduction and electrification Body/chassis parts and Electrification parts Composition ratio of sales Target: 41% or more in FY2027	
Work style reform / Promoting of Diversity	Ratio of paid holiday taken Target: 60% or more	
	Percentage of female managers Target: 18% or more	
	Percentage of female new graduates Target: 30% or more	



*1 Loan product in which a company's ESG initiatives and disclosure and contributions to achieving SDGs (sustainable development goals) are assessed based on proprietary assessment standards developed by the Sumitomo Mitsui Banking Corporation and the Japan Research Institute, Limited; current analysis of the suitability of these initiatives and disclosure, future issues, and examples of initiatives to tackle those challenges are offered as feedback

*2 Second-highest rating in The Japan Research Institute, Limited's seven-grade scale

In details: https://www.smbc.co.jp/hojin/financing/sustainable/pdf/220831_08.pdf (Japanese only)

Sustainability ESG/SDGs

Initiative of Overseas Subsidiaries

Various initiatives were pursued to maintain or strengthen relationships with local communities and to create sustainable societies

U.S.A.

Ryobi Die Casting (USA), Inc.



Donation of clothing to children

Provided coats to children needing clothes with winter approaching



Contributed to local community through education

Conducted study tour for local high school students
STEM* education for elementary school girls
provided by female employees

Thailand

Ryobi Die Casting
(Thailand) Co., Ltd.



Tree planting activities

Participated in tree planting activity sponsored by industrial park



Food donations

Donated food to 18 establishments
(kindergartens and elementary schools)
around the industrial park

* Education system targeting the development of internationally competitive human resources through a focus on Science, Technology, Engineering, and Mathematics education

Sustainability ESG/SDGs

Topics of Sustainability

Partnership Building Declaration (S)

We, Ryobi, declared in March 2022 in order to build new partnerships through cooperation, co-existence and mutual prosperity with our supply chain business partners and other value-creating suppliers, we will make concerted efforts to be proactive about the following and others.

- Co-existence and mutual prosperity throughout the supply chain
- Compliance with the “Promotion Standards” (the “Promotion Standards” established under the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises)



Preparation for TCFD (E)

We, Ryobi, launched the internal project team in October 2022, and are preparing to disclose in the Integrated Report being issued in June 2023

Health & Productivity Management* (S)

The Ministry of Economy, Trade and Industry (METI) announced in March 2022, the Nippon Kenko Kaigi has recognized 2,299 organizations under the large enterprise category. We, Ryobi, has been recognized as “Certified Health & Productivity Management” for three consecutive years.



* METI is promoting “Health and Productivity Management,” considering health management of employees from a corporate management perspective and implementing it strategically.

New director (S/G)

Candidate for new director (Scheduled for Mar. 29, 2023)

Name : Mami Ito

Current position : CEO & President of Nihon Dento Kougyo Co., Ltd.

New position : Independent outside director

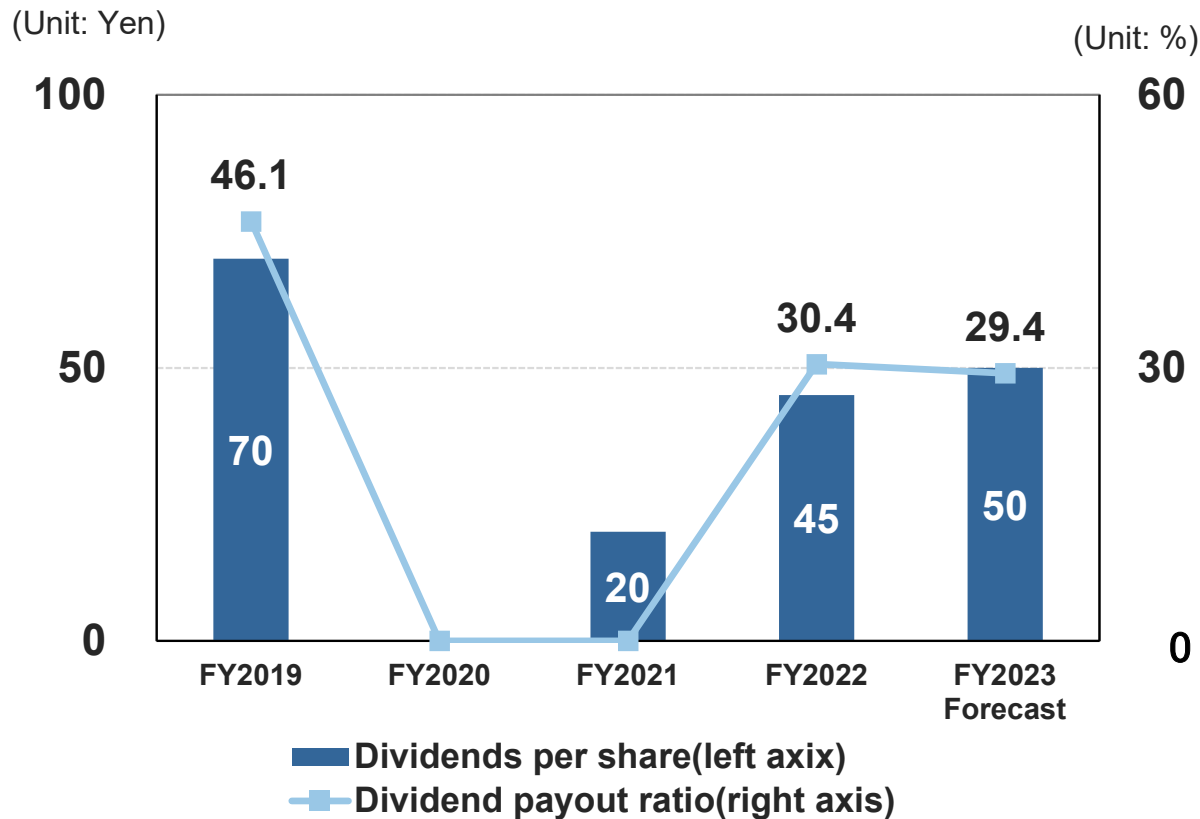
(She will be the first female member of the board of Ryobi Limited.)

5. Shareholder Returns



Shareholder Returns

Trends in Dividends per Share and Dividend Payout Ratio



Dividend Policy

- Ryobi's basic policy for profit distribution 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.
- Along with giving due consideration to maintaining a stable stream of dividends, the amount of shareholder returns is determined in light of prevailing conditions, with an eye to achieving a dividend payout ratio of around 30%.

Status of Dividends

- We decide dividends for FY2022 to increase 5 yen more than our forecasts, based on this year's performance, financial position, and other factors. As the result, annual dividends will be 45 yen, which is 25 yen higher than last year.
- Dividends of 50 yen per share (annual dividend) are planned for FY2023.

	FY2019	FY2020	FY2021	FY2022	FY2023 Forecast	FY2024 Forecast
Dividends per share	¥70	¥0	¥20	¥45	¥50	Dividend payout ratio of around 30%
Dividend payout ratio	46.1%	—	—	30.4%	29.4%	

Disclaimer

This material contains future projections regarding such factors as Ryobi's business plans, strategies, and operating results.

Said projections reflect Ryobi's judgements based on information available at the time of preparation, and therefore, involve inherent risks and uncertainties.

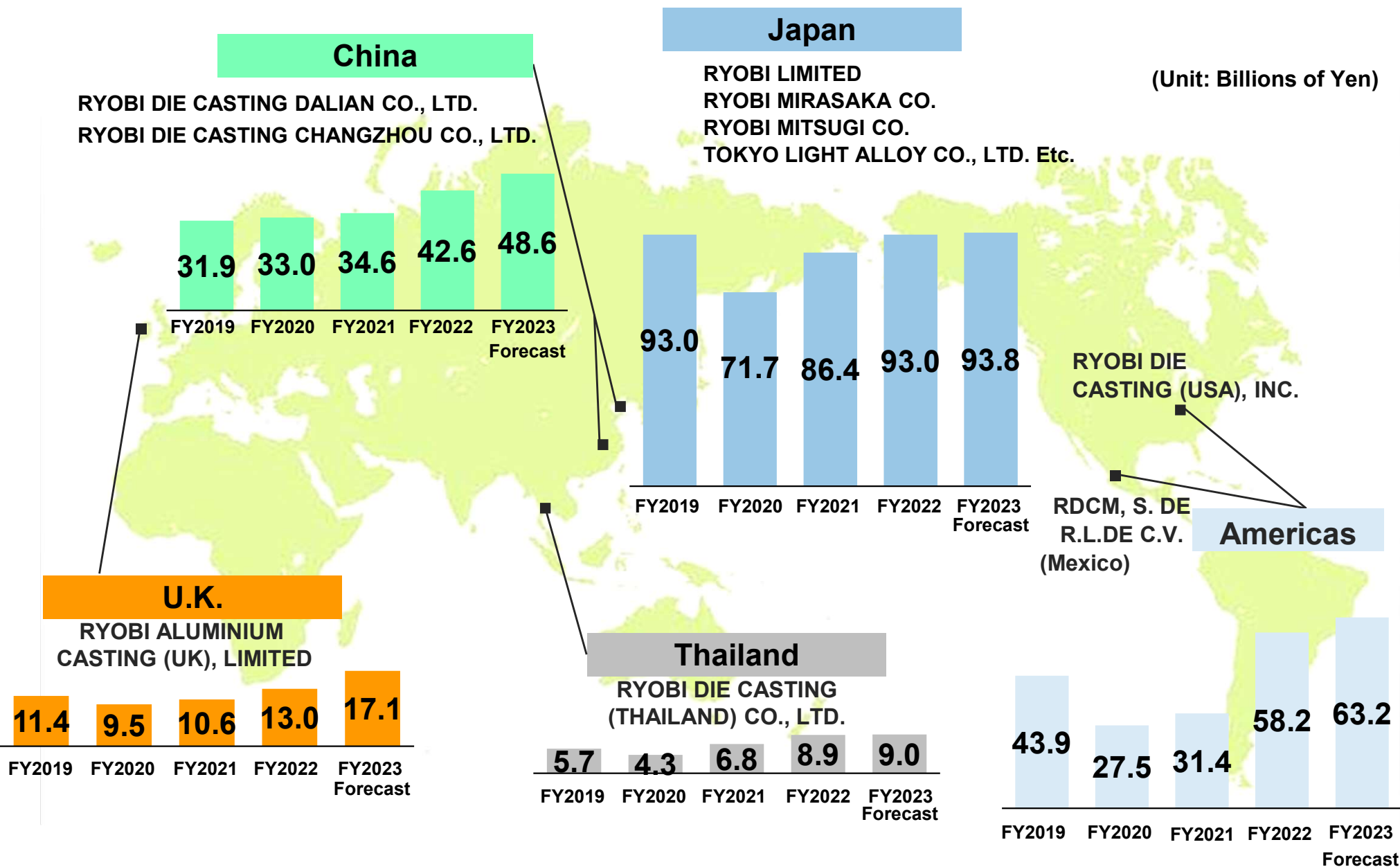
Ryobi's actual endeavors and operating results may differ from these projections due to economic conditions, the business environment, trends in market demand, changes in exchange rates, and other factors.

RYOBI

Beyond Ideals and Dreams

Appendix

Net Sales By Region



Appendix

Capital Expenditure by Region

(Unit: Billions of Yen)

