



MAX Co., Ltd.

Briefing on Financial Results for FY 2022 (April 1, 2021 to March 31, 2022) and Revised Medium-term Management Plan

Announcement Date: April 28, 2022

Participants

Mitsuteru Kurosawa, President

Yoshihiro Kaku, Managing Director / Senior Executive Officer

Akio Kitaya, Executive Officer / General Manager, Finance & Accounting Dept.

Nobuo Suda, General Manager, Investor Relations and Public Relations Dept.

Table of Contents

Group-Wide Financial Results in FY 2022

1. Group-Wide Financial Results in FY 2022
2. Changes in Group-Wide Financial Results: FY 2018 to FY 2022
3. Changes in Group-Wide Financial Results by Quarter
4. Factors for Increase/Decrease of Operating Income
5. Other Financial Information
6. Record of Strategic Investment
7. Economic Indicators

Financial Results for Individual Segments in FY 2022

8. Financial Results for Individual Segments in FY 2022
9. Changes in Segment Results by Quarter
10. Industrial Equipment Segment: Financial Results for FY 2022
11. Industrial Equipment Segment: Changes in Financial Results by Quarter
12. Office Equipment Segment: Financial Results for FY 2022
13. Office Equipment Segment: Changes in Financial Results by Quarter
14. HCR Equipment Segment: Financial Results for FY 2022
15. HCR Equipment Segment: Changes in Financial Results by Quarter
16. Changes in Quarterly Net Sales by Overseas Region
17. Priority Business: Overview of Rebar Tying Tools Business

Revised Medium-term Management Plan for the Period FY 2023–FY 2024

18. Progress/Review of Medium-term Management Plan
19. Group-Wide Plan for FY 2023–FY 2024
20. FY 2023–FY 2024: Plan by Segment
21. Industrial Equipment Segment (FY 2023–FY 2024 Plan)
22. Office Equipment Segment (FY 2023–FY 2024 Plan)
23. HCR Equipment Segment (FY 2023–FY 2024 Plan)
24. Expansion of Rebar Tying Tools Business
25. Strategic Investment Plan
26. Revision of Dividend Policy
27. Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio
28. Dividends Policy: Dividends per Share

Reference Materials

29. Changes in Quarterly Segment Net Sales by Overseas Region (North America)
30. Changes in Quarterly Segment Net Sales by Overseas Region (Europe)
31. Changes in Quarterly Segment Net Sales by Overseas Region (Asia Excluding Japan)
32. Main Products in Industrial Equipment Product Operations and Office Equipment Product Operations
33. Industrial Equipment Segment: Product Breakdown of the Domestic/Overseas Industrial Equipment Product Operations
34. Office Equipment Segment: Product Breakdown of the Domestic/Overseas Office Equipment Product Operations



Group-Wide Financial Results in FY 2022

Group-Wide Financial Results in FY 2022

■ Exchange rates

FY under review 1 USD = 112.08 JPY / 1 EUR = 130.56 JPY

Previous FY 1 USD = 105.79 JPY / 1 EUR = 123.22 JPY

Planned 1 USD = 109.96 JPY / 1 EUR = 130.59 JPY

(unit: millions of yen, %)

	Results in FY under review	Results in previous FY	% increase/decrease	Full-year plan*	Achievement rate
Net sales	73,958	64,029	+15.5	72,600	101.9
Gross profit	31,388	27,325	+14.9	—	—
Corresponding ratio	42.4	42.7		—	
Operating income	7,498	6,685	+12.2	7,600	98.7
Corresponding ratio	10.1	10.4		10.5	
Ordinary income	8,282	6,826	+21.3	7,600	109.0
Corresponding ratio	11.2	10.7		10.5	
Net income attributable to shareholders of parental company	6,090	5,153	+18.2	5,650	107.8
Corresponding ratio	8.2	8.0		7.8	
ROE	7.5	6.7	—	7.1	—
Net income per share (yen)	128.40	105.80	—	119.11	—
Dividends per share (yen)	64	48	+16	50	—

*Plan announced on October 29, 2021

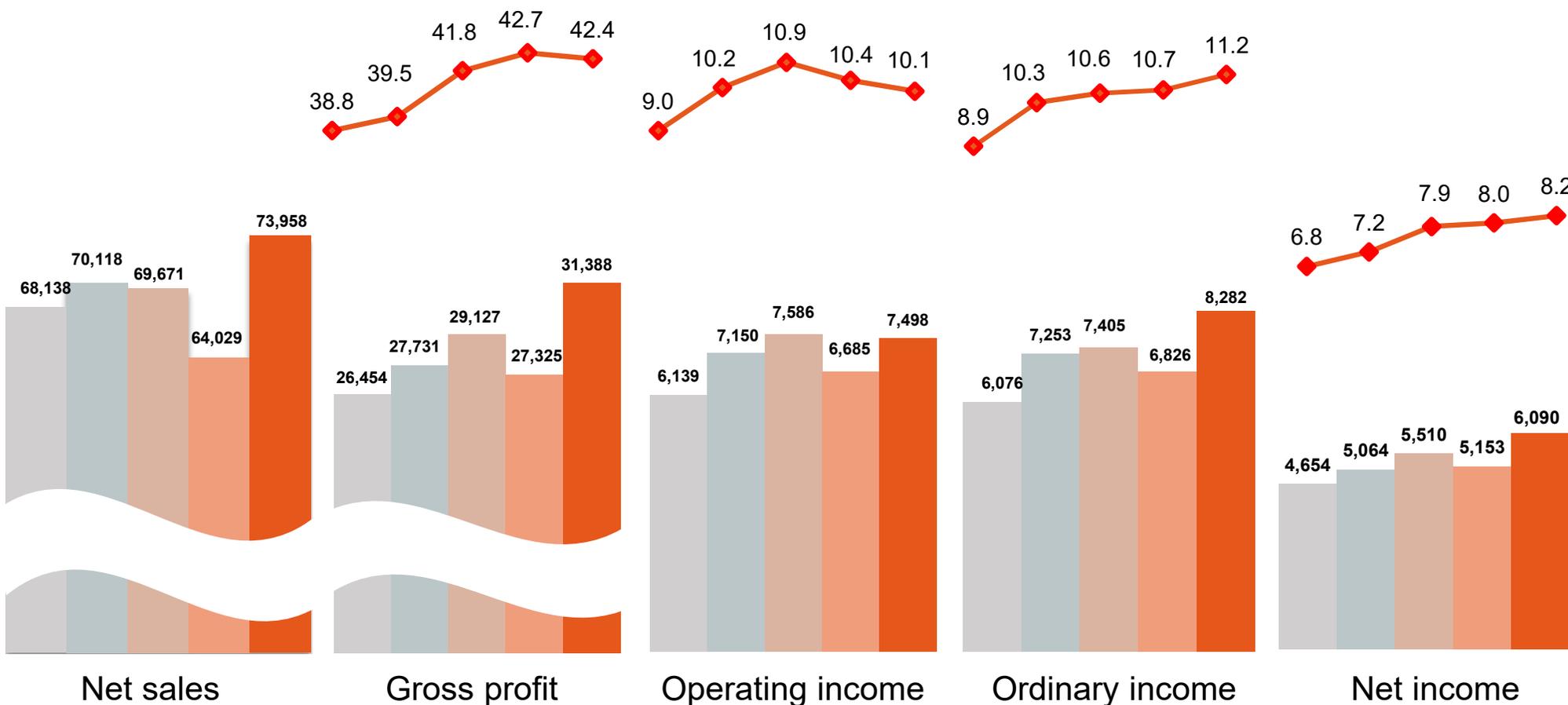
Changes in Group-Wide Financial Results: FY 2018 to FY 2022

FY 2018
FY 2021

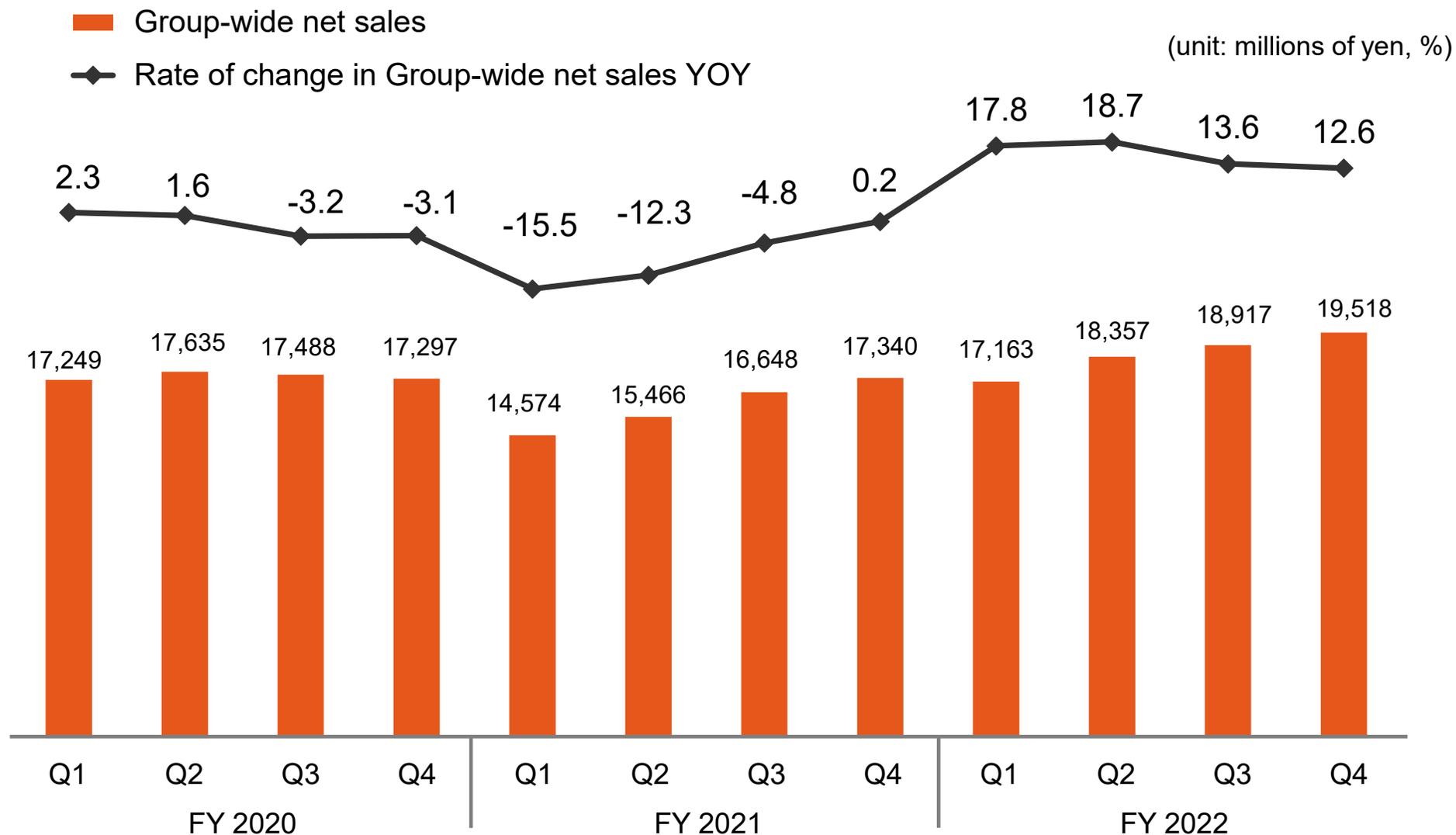
FY 2019
FY 2022

FY 2020
Corresponding ratio

(unit: millions of yen, %)

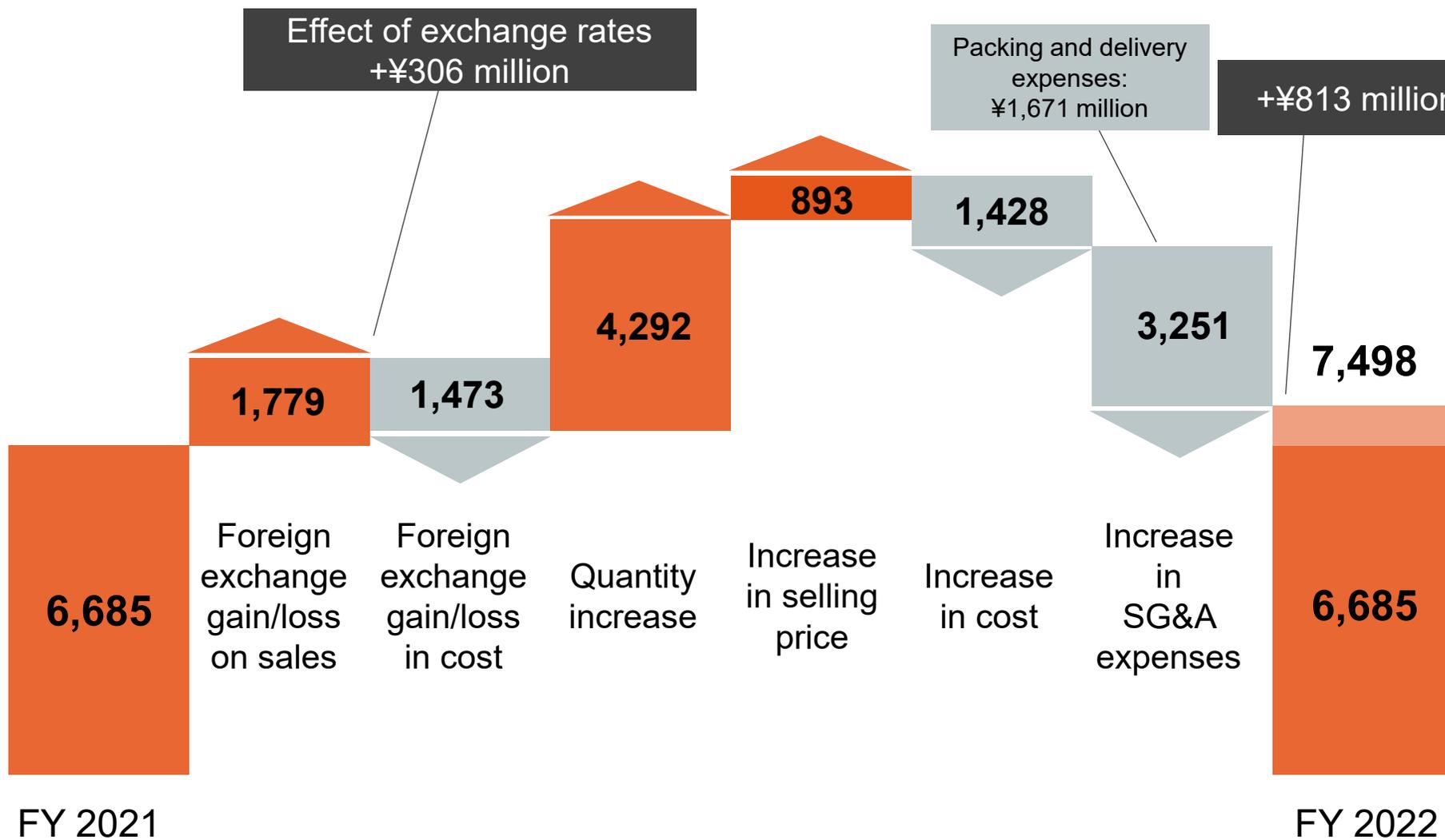


Changes in Group-Wide Financial Results by Quarter



Factors for Increase/Decrease of Operating Income

(unit: millions of yen)



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

	FY 2022	FY 2021	YOY	(unit: millions of yen)
Non-operating income/expenses	783	141	+642	
Non-operating income (excluding foreign exchange effect)	387	324	+63	
Non-operating expenses (excluding foreign exchange effect)	-90	-89	-1	
Foreign exchange gain/loss	486	-94	+580	
Extraordinary income/loss	-32	205	-238	
Extraordinary income	3	* 256	-252	
Extraordinary loss	-36	-50	+13	

*Refund of customs duties from previous year: ¥226 million

■ Facilities investment, depreciation, R&D expenses

	FY 2022	FY 2021	FY 2022 annual plan	Implementation rate	(unit: millions of yen, %)
Facilities investment	4,183	4,967	5,388	77.6	
Depreciation	2,811	2,522	2,933	95.8	
R&D expenses	3,463	3,128	3,256	106.4	

Priority Policy

Contribute to business growth by expanding priority businesses and actively investing in the launch of new businesses

Strategic investment for mid- and long-term business growth

Cumulative investment amount over 3 years (FY 2022 to FY 2024) **¥3.6 billion**

(unit: millions of yen)

FY 2022	Actual investment	Plan*	Implementation rate
Investment in enhancing operating infrastructure	168	188	89.4%
Investment in digital technology	119	156	76.3%
Strategic investment in development	364	417	87.3%
Brand strategy, etc.	34	43	79.1%
Total	685	804	85.2%

*Forecast as of February 1, 2022

Domestic

Although difficult conditions engendered by COVID-19 remained, the Japanese economy continued to move toward recovery.

In the housing market, which affects the Group's Industrial Equipment segment, the number of new housing construction starts has increased since March 2021 as compared to the previous year.

Overseas

Global economy continued to show signs of recovery due to gradual mitigation of impact caused by COVID-19. A highly level of activity continues at construction and civil engineering sites in Western countries; for example, construction expenditures and the number of new housing construction starts are increasing in the United States, and infrastructure demand associated with large-scale public investment is increasing in European countries.

Reference indices

Number of new housing construction starts

- Up **5.0%** YOY for the period from January to December 2021 (Owner-occupied: +9.4%, Rental: +4.8%, Built-for-sale: +1.5%)

→ Positive effect on the industrial equipment product operations (wooden structure related) and residential environmental equipment operations

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

- Up 0.6% YOY for the period from October 2020 to September 2021 (Offices: +10.5%, Shops: 21.9%, Factories: -5.7%, Warehouses: +5.5%)
 - There is currently a shortage of skilled rebar workers (for construction sites)
- Positive effect on the industrial equipment product operations (concrete related)

Currency exchange rates

- 1 USD = 112.08 JPY, 1 EUR = 130.56 JPY (Previous FY: 1 USD = 105.79 JPY, 1 EUR = 123.22 JPY)
- Regarding foreign exchange sensitivity for the consolidated financial results, we have achieved a balance of foreign currency sales/procurement, so there is little effect on operating income.

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

- The annualized rate is 1,679,000 units in January 2022, 1,788,000 units in February 2022, and 1,793,000 units in March 2022 (Previous year—January: 1,625,000 units, February: 1,447,000 units, March: 1,725,000 units)



Financial Results for Individual Segments in FY 2022

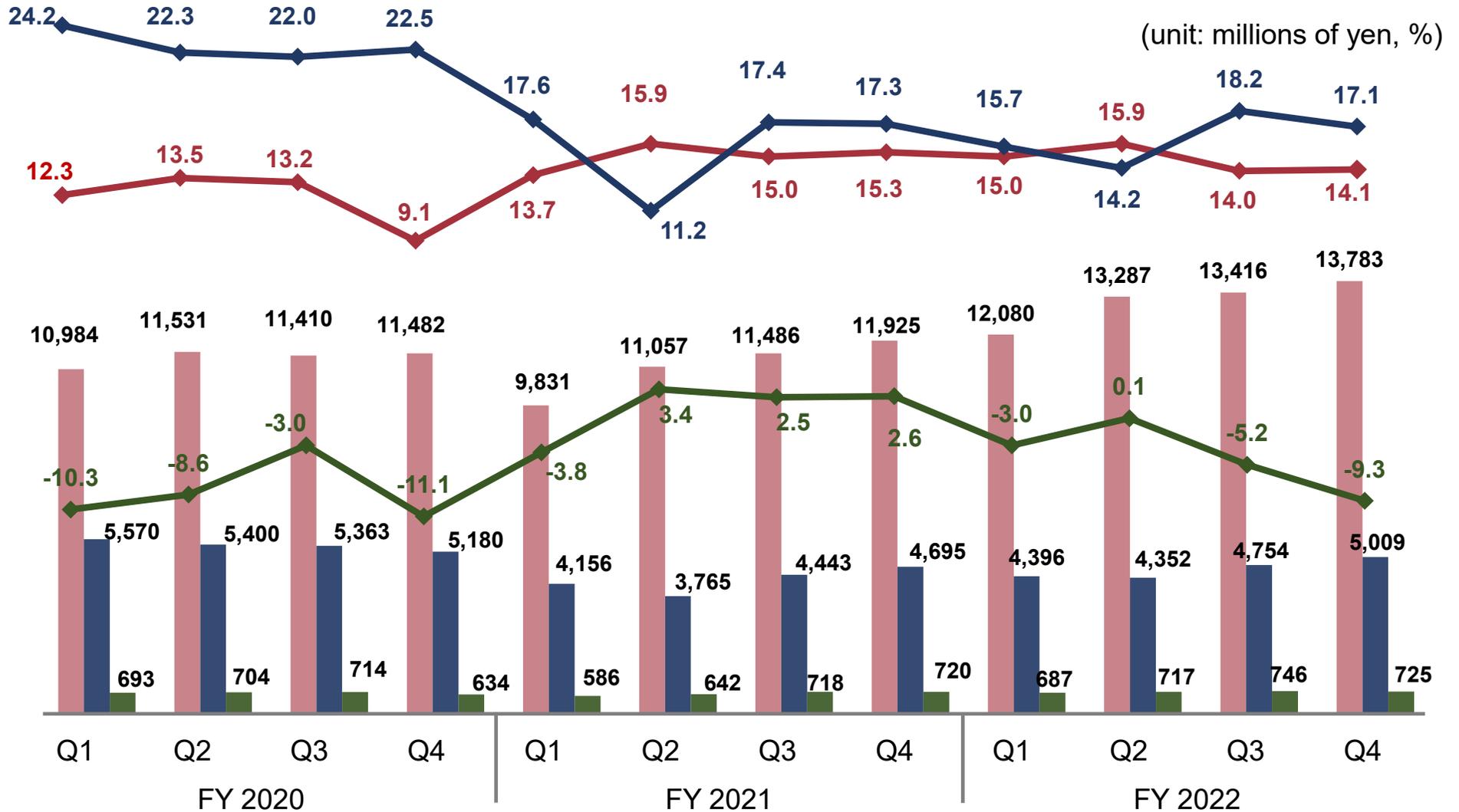
Financial Results for Individual Segments in FY 2022

(unit: millions of yen, %)

	Results in FY under review	Results in previous FY	% increase/ decrease	Full-year plan* *Figures announced on October 29, 2021	Achievement rate
Industrial Equipment segment					
Net sales	52,569	44,300	+18.7	51,000	103.1
Segment profit	7,739	6,652	+16.3	7,630	101.4
Segment profit rate	14.7	15.0		15.0	
Office Equipment segment					
Net sales	18,513	17,061	+8.5	18,720	98.9
Segment profit	3,034	2,738	+10.8	3,270	92.8
Segment profit rate	16.4	16.1		17.5	
HCR Equipment segment					
Net sales	2,875	2,667	+7.8	2,880	99.9
Segment profit	-126	36	—	0	—
Segment profit rate	-4.4	1.4		—	
Adjustment amount	-3,148	-2,741	+14.8	-3,300	—
Group-wide total					
Net sales	73,958	64,029	+15.5	72,600	101.9
Operating income	7,498	6,685	+12.2	7,600	98.7
Operating margin	10.1	10.4		10.5	

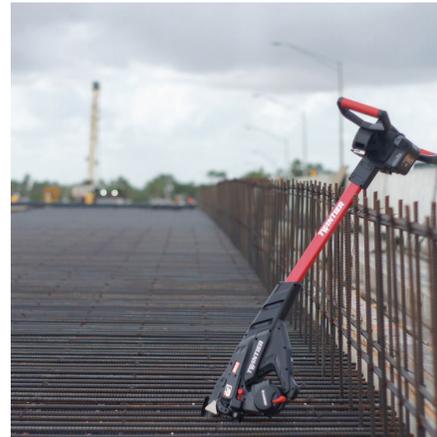
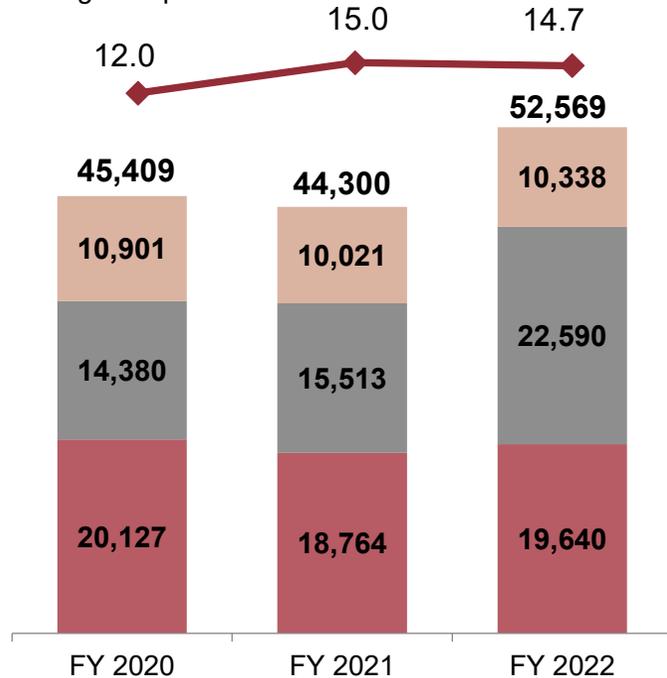
Changes in Segment Results by Quarter

- 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



Industrial Equipment Segment: Financial Results for FY 2022

■ 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:
 Walker Model



DRYFAN bathroom heaters,
 ventilators and dehumidifiers

Domestic industrial equipment product operations



Against a background of a steady increase in the number of new housing construction starts in Japan compared to the previous year, sales of consumables for tools for wooden structures increased, and sales of dedicated consumables for TWINTIER rebar tying tools also grew.

Overseas industrial equipment product operations



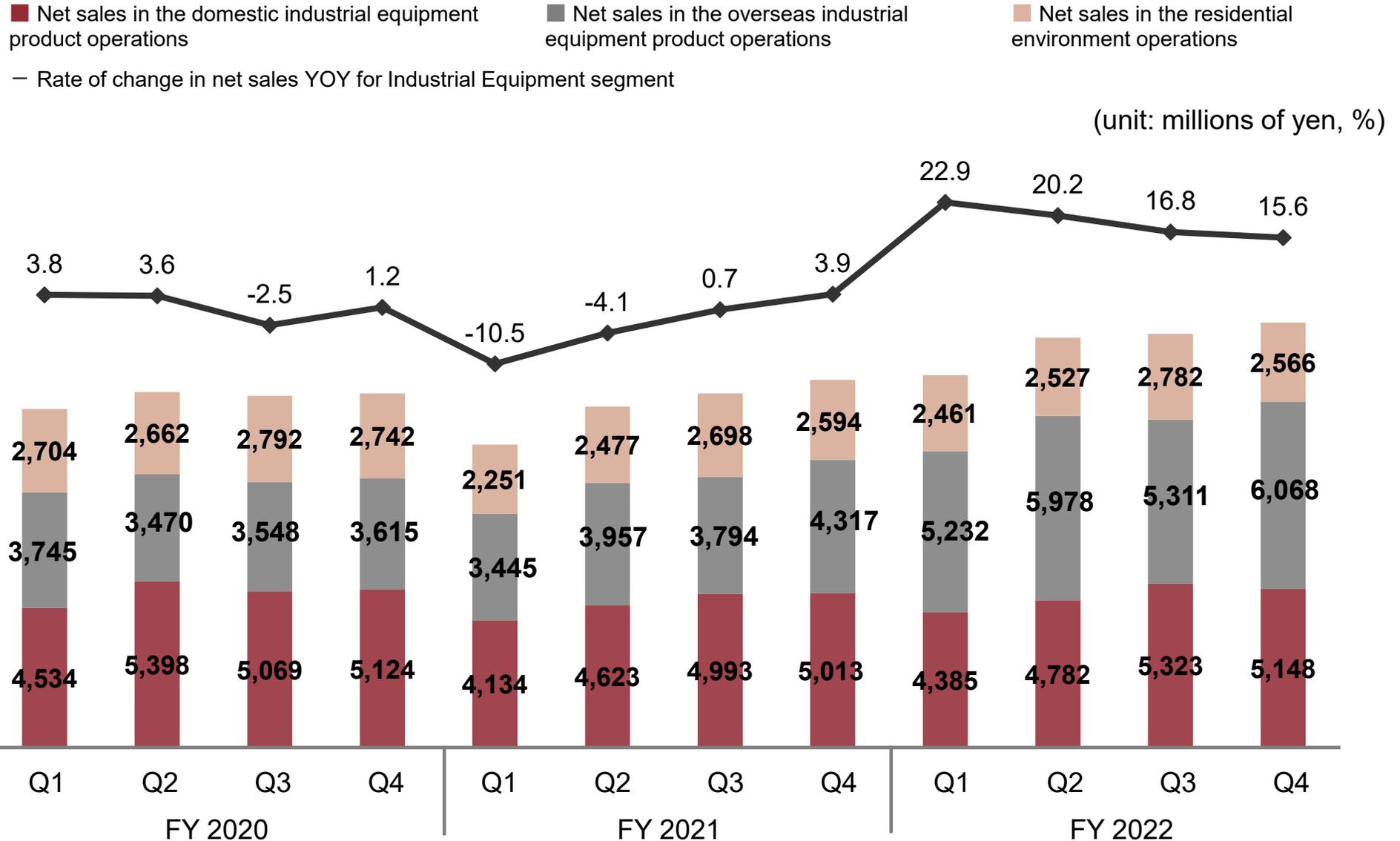
Against a background of favorable market conditions such as an increase in construction expenditures and the number of housing starts in the United States and growing infrastructure demand in Europe, sales of TWINTIER rebar tying tools and their dedicated consumables grew significantly, and sales of tools for wooden structures also increased.

Residential environmental equipment operations



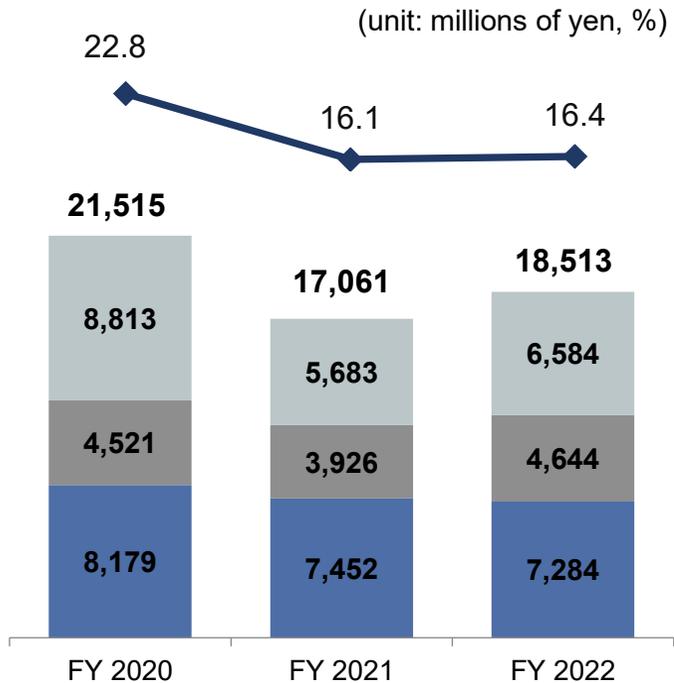
Sales of DRYFAN bathroom heaters, ventilators and dehumidifiers, which are the mainstay of the business, increased in both the housing stock market for renovation & replacement and the new-housing market.

Industrial Equipment Segment: Changes in Financial Results by Quarter

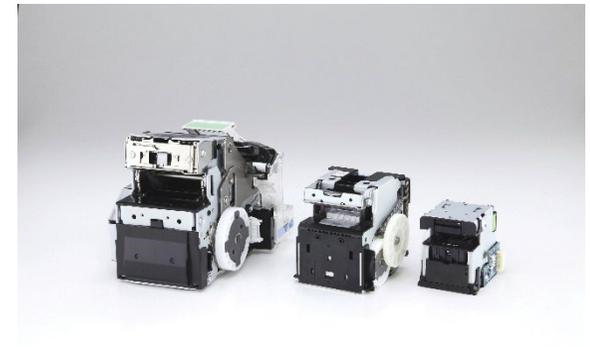


Office Equipment Segment: Financial Results for FY 2022

- Domestic office equipment product operations
- Overseas office equipment product operations
- Auto-stapler product operations
- Segment profit rate



LETATWIN tube markers



Electric staplers to be built into a multi-function copier: Auto Stapler

Domestic office equipment product operations

- ▶ In addition to decreased sales of stationery-related products, sales of labelling and signage products were sluggish due to the impact of a shortage in electronic components in the fourth quarter.

Overseas office equipment product operations

- ▶ Although sales of BEPOP label-making machines stagnated in Europe due to the impact of partial restriction on sales activities, sales of stationery-related products increased in Southeast Asia, and sales of LETATWIN tube markers were strong in China.

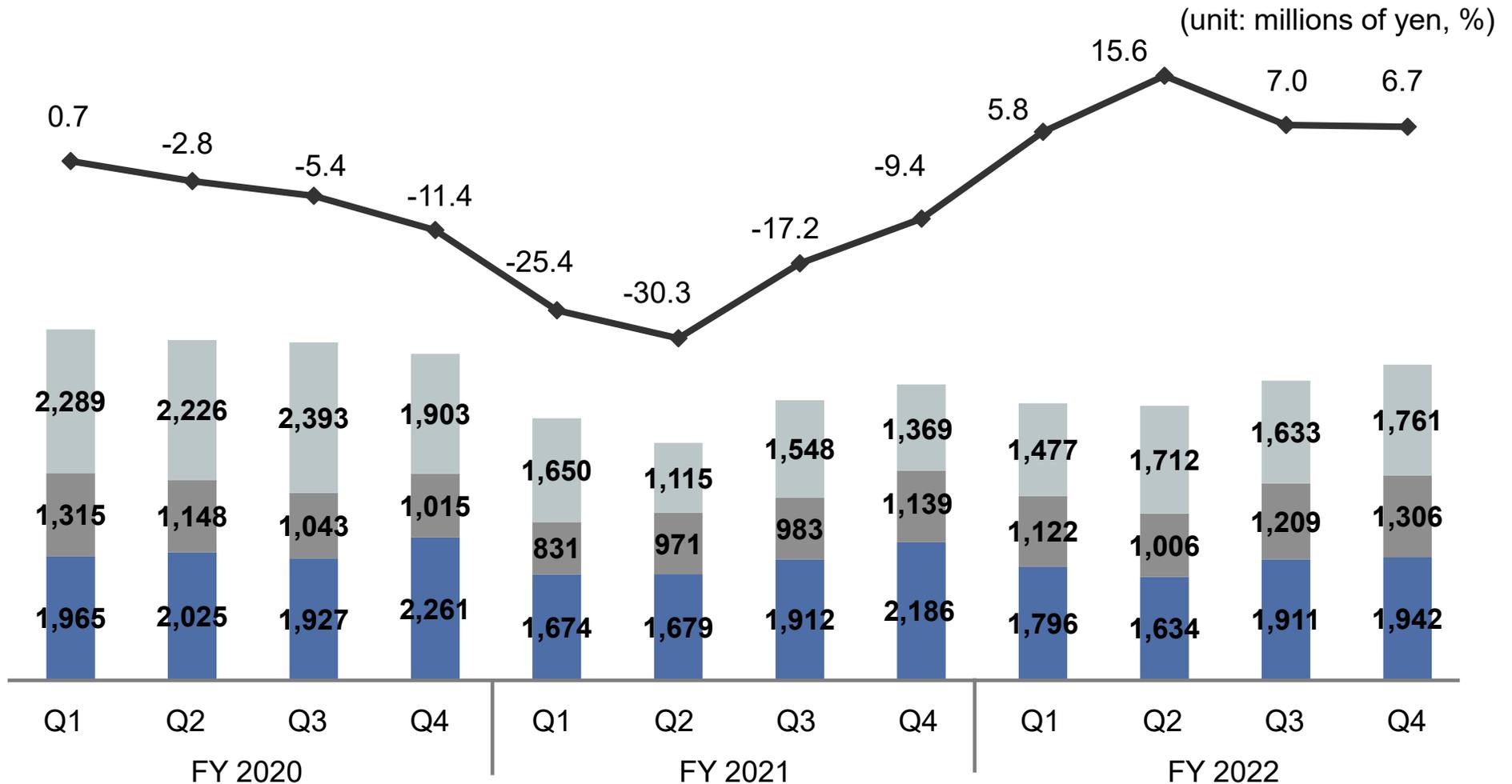
Auto-stapler product operations

- ▶ Sales of Auto Staplers and dedicated consumables increased amid a gradual recovery in the office occupancy rate.

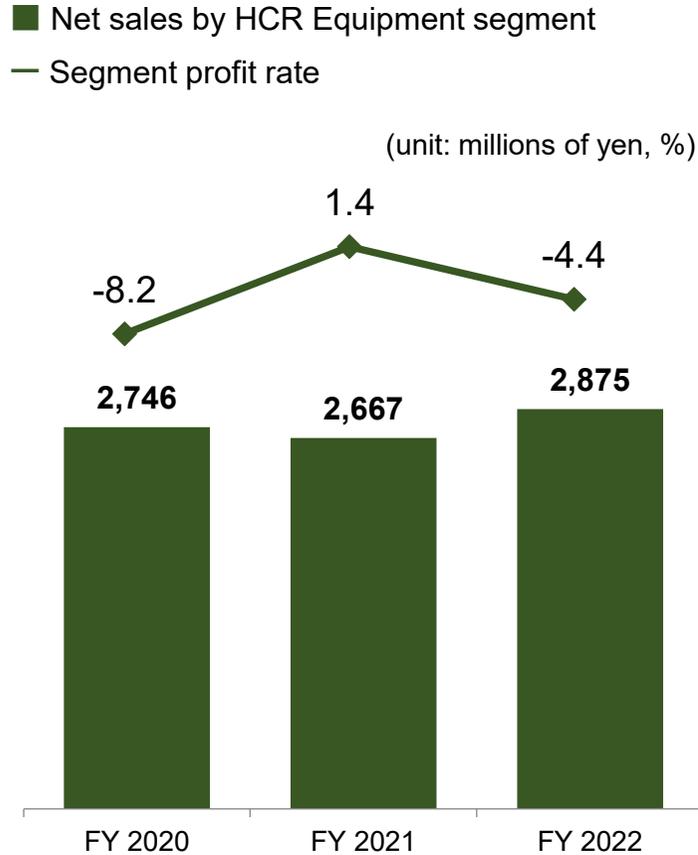
Office Equipment Segment: Changes in Financial Results by Quarter

■ 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



HCR Equipment Segment: Financial Results for FY 2022



Multifunction wheelchairs:
Modern Series

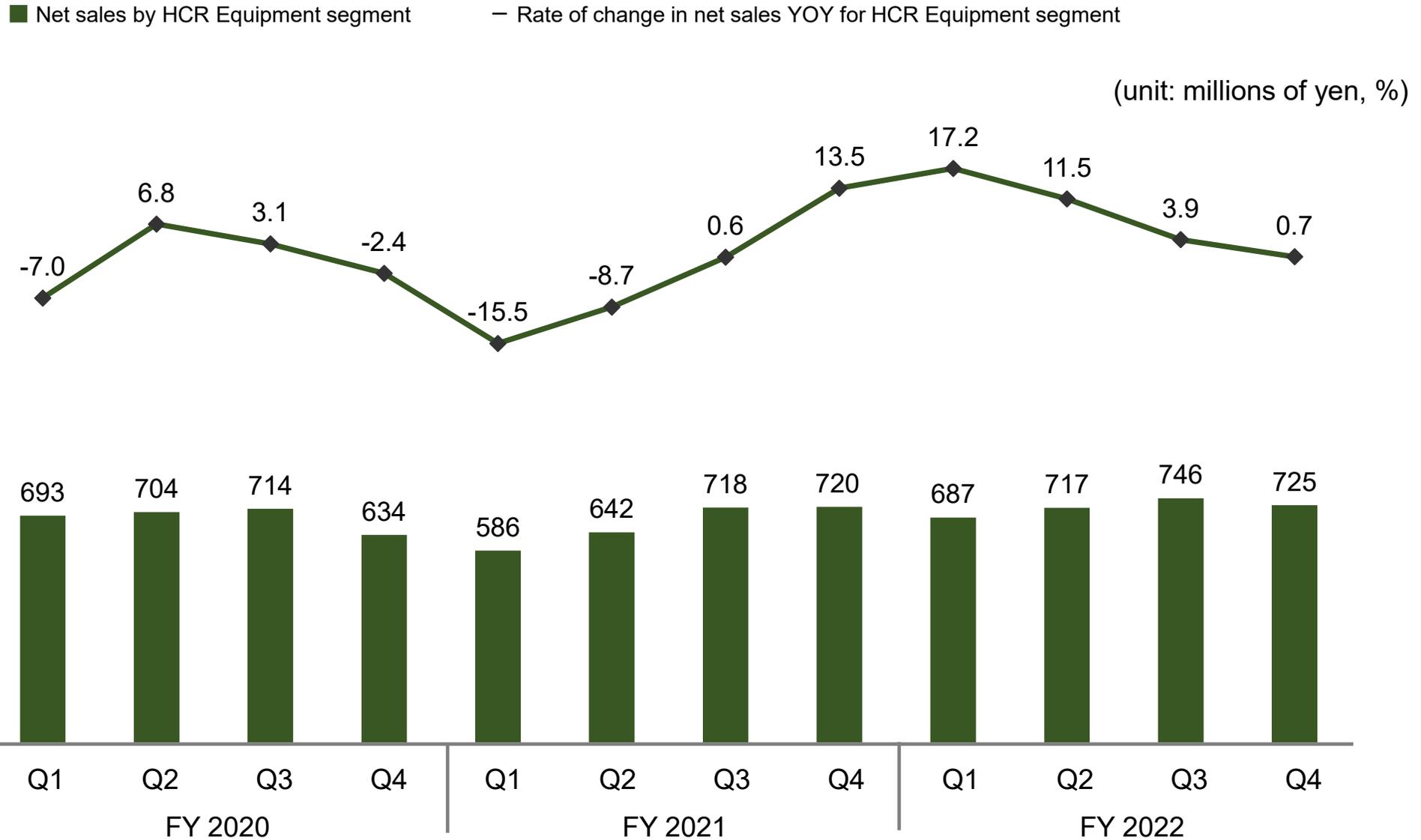


Functionally sophisticated wheelchairs:
WAVIT Roo+

HCR Equipment segment ▶

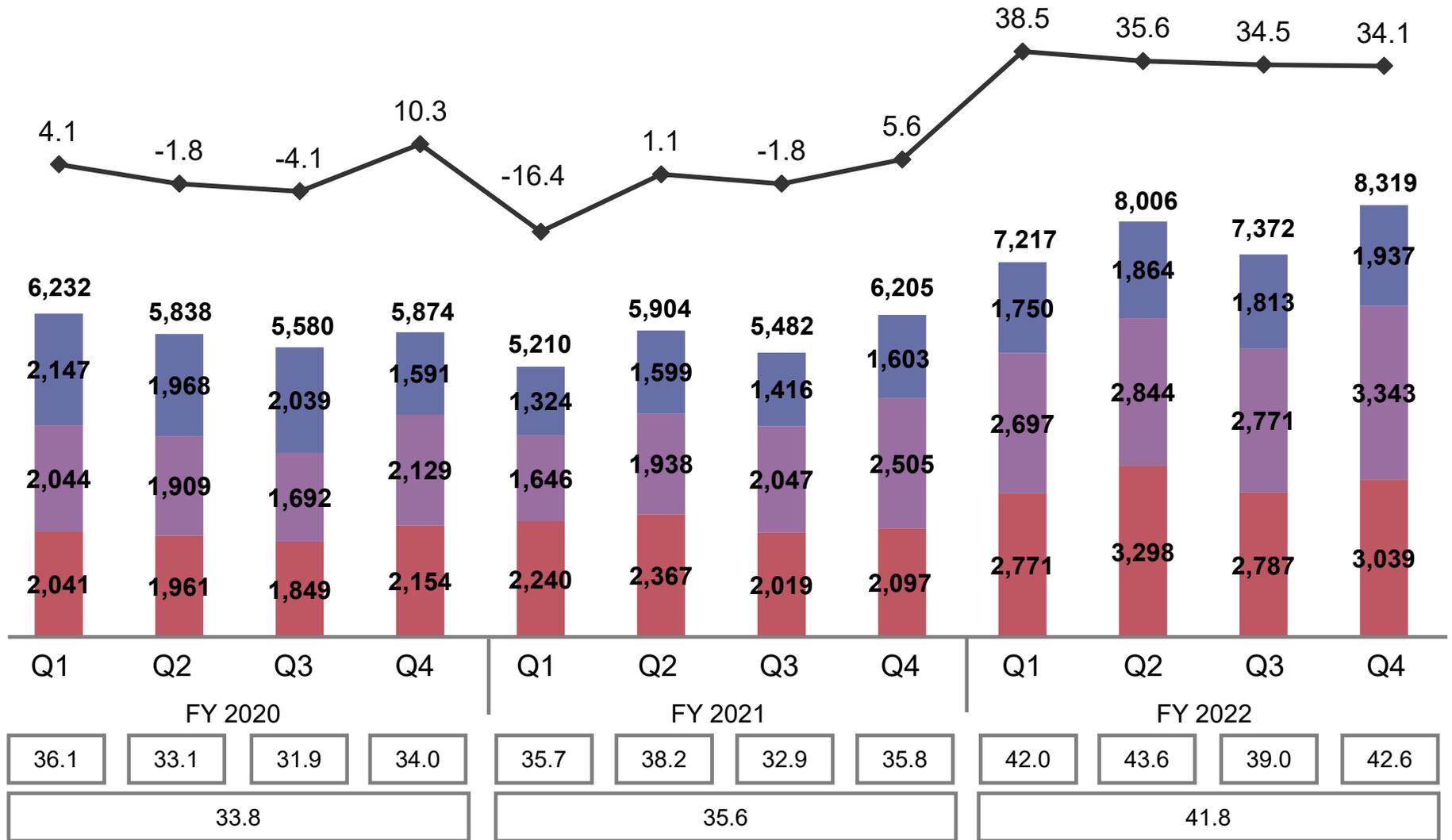
Although there were restrictions on some sales activities due to the COVID-19 pandemic, revenue increased due to steady growth in sales to hospitals and other facilities, and in sales to rental wholesalers. On the other hand, profitability decreased due to increased raw-material prices and transportation costs, and to a weakening yen exchange rate.

HCR Equipment Segment: Changes in Financial Results 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.

Ratio of overseas net sales (%)

Sales of tools for concrete structures were strong, centered on the rebar tying tools business.

- Domestic and overseas sales of tools for concrete structures: ¥22.9 billion (+39.5% year-on-year)
→The target of ¥22.0 billion in net sales by FY 2024 was achieved 2 years ahead of schedule, and we are pursuing further business expansion
- Number of concrete material dealers compared to March 31, 2021: +34.9% (targeting a 40% increase by fiscal year ending March 31, 2024)

Overseas



North America

- Focused on strengthening the sales capabilities of existing dealers and establishing new dealers in areas where we have yet to enter.
- Amid continuing logistical bottlenecks, we strengthened the supply system in response to inventory shortages at local dealers.

Europe

- Infrastructure demand continued due to large-scale public investment in each country and strong sales were driven by replacement demand, particularly in the Northern European rental market.
- Enhanced the dealer support network centered on the newly established German Office.

Japan



- Sales of consumables grew significantly as a result of onsite operations and an increase in the cumulative total number of rebar tying tools.
- By advancing efforts to raise on-site awareness through demonstrations, lending of rebar tying tools and other efforts, we sought to expand by developing new applications in existing construction markets, as well as in the civil engineering market in which the Company is striving to develop a presence.



Revised Medium-term Management Plan for the Period FY 2023–FY 2024

Basic strategy of Medium-term Management Plan

(Announced on April 28, 2021)

Growth of Overseas Business

Business Model Transformation

Launch of New Businesses

Strengthening of Management Infrastructure

Progress/review

Growth of Overseas Business

<Net sales in overseas industrial equipment product operations: ¥22.5 billion>

→Net sales in overseas industrial equipment product operations increased from the initial plan of ¥16.4 billion to **¥22.5 billion, an increase of ¥6 billion (up 37% from the plan)**.

<Net sales of tools for concrete structures: ¥22.9 billion>

→The target of ¥22 billion by FY 2024 was **achieved 2 years ahead of schedule**

→Overseas net sales of tools for concrete structures grew by **50%** compared to the previous fiscal year.

Business Model Transformation

<Steady performance of the stock business>

→Compared to the previous fiscal year, there was increased performance in labelling and signage products in the office equipment business, and in the renovation and replacement market for bathroom heaters, ventilators and dehumidifiers in residential environmental equipment operations.

<Response to increasing costs>

→**Revised selling prices according to the situation in response to changes in the business environment**; for example, rising raw material prices and increasing transportation costs. **Will revise again as necessary in and after FY 2023.**

■ Forecasted exchange rates

1 USD = 120.00 JPY / 1 EUR = 130.00 JPY

(unit: millions of yen, %)

	Results	Plan for next FY		Revised Medium-term Management Plan (Announced on April 28, 2022)	
	FY 2022	FY 2023	% increase/ decrease	FY 2024	% increase/ decrease
Net sales	73,958	78,100	+5.6	81,000	+3.7
Operating income	7,498	8,200	+9.3	9,400	+14.6
Ordinary income	8,282	8,200	-1.0	9,400	+14.6
Net income attributable to shareholders of parental company	6,090	6,000	-1.5	7,000	+16.7
Operating margin	10.1	10.5	+0.4P	11.6	+1.1P
ROE	7.5	7.2		8.1	

FY 2023–FY 2024: Plan by Segment

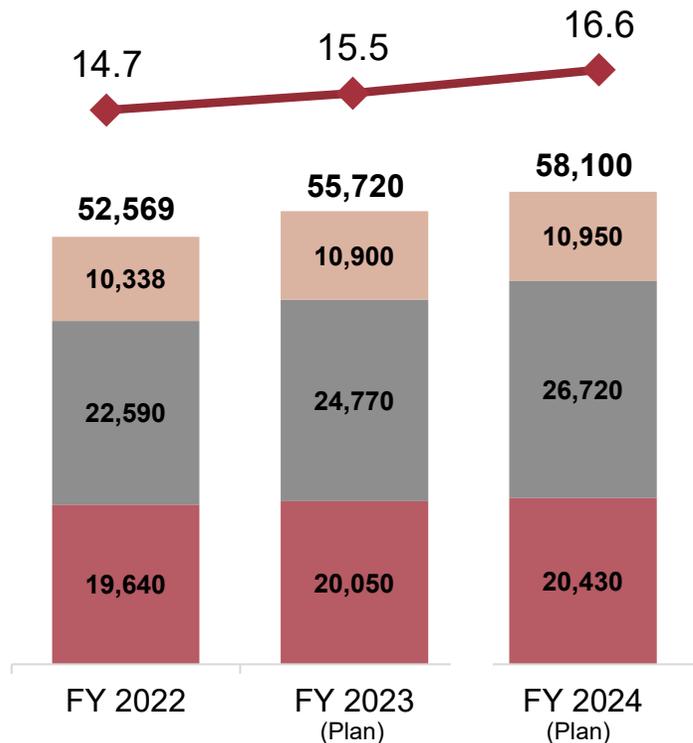
(unit: millions of yen, %)

	Results	Plan for next FY		Revised Medium-term Management Plan (Announced on April 28, 2022)	
	FY 2022	FY 2023	% increase/ decrease	FY 2024	% increase/ decrease
Industrial Equipment segment					
Net sales	52,569	55,720	+6.0	58,100	+4.3
Segment profit	7,739	8,650	+11.8	9,620	+11.2
Segment profit rate	14.7	15.5		16.6	
Office Equipment segment					
Net sales	18,513	19,200	+3.7	19,700	+2.6
Segment profit	3,034	3,280	+8.1	3,410	+4.0
Segment profit rate	16.4	17.1		17.3	
HCR Equipment segment					
Net sales	2,875	3,180	+10.6	3,200	+0.6
Segment profit	-126	0	—	100	—
Segment profit rate	-4.4	0.0		3.1	
Adjustment amount	-3,148	-3,730	—	-3,730	—
Groupwide total					
Net sales	73,958	78,100	+5.6	81,000	+3.7
Operating income	7,498	8,200	+9.3	9,400	+14.6
Operating margin	10.1	10.5		11.6	

Priority Policy

Growth of rebar tying tools business in overseas market, with a focus on Western countries

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



Overseas industrial equipment product operations

- Increase in number of sales staff for the rebar tying tools business
- Expansion of dealer network for concrete materials and enhancement of training
- Enhancement of after-sales support system

Domestic industrial equipment product operations

- Development of civil engineering market for rebar tying tools business and proposal of new applications in existing market

Residential environmental equipment operations

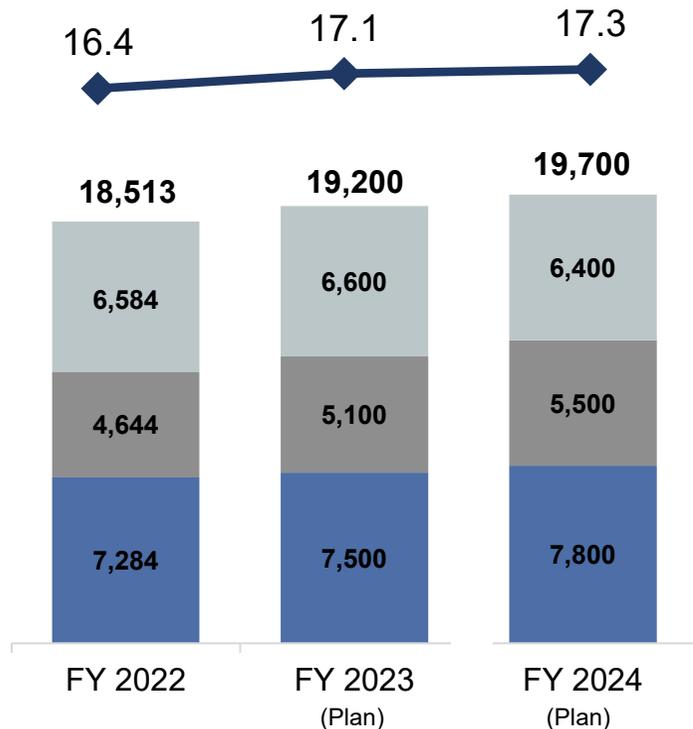
- Expansion of stock business and expansion of construction system for renovation and replacement of bathroom heaters, ventilators and dehumidifiers



Priority Policy

Maintain segment profitability through expansion of labelling and signage products (BEPOP label-making machine, LETATWIN tube marker, etc.)

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



Domestic office equipment product operations

- Enhancement of customer contact and improvement of sales activity productivity through ICT
- Expansion of stock business through labelling and signage products such as BEPOP, label printers, etc.

Overseas office equipment product operations

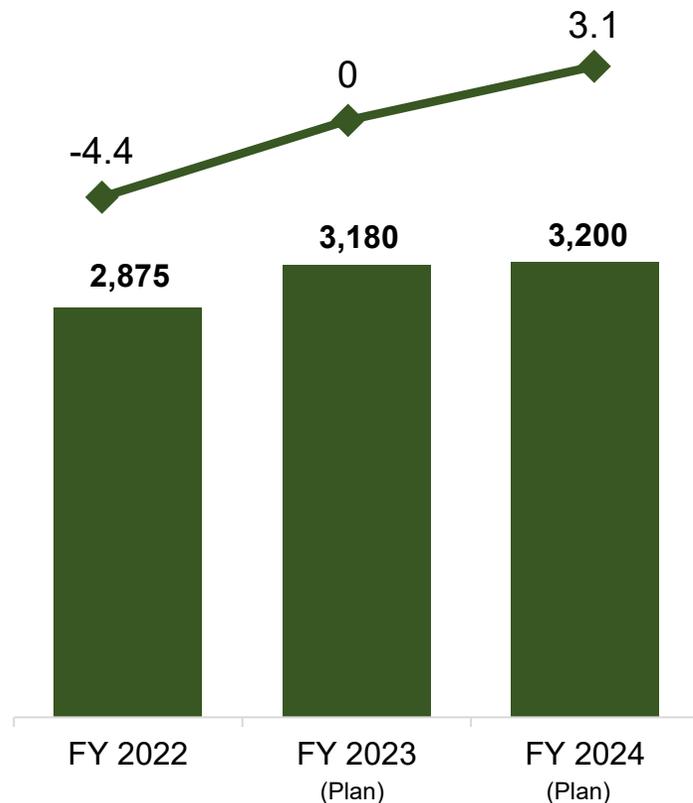
- Increase in sales of labelling and signage products (BEPOP, LETATWIN, etc.) in Western countries and China
- Proposal activities for electric staple remover and other products with expected demand for industrial applications



Priority Policy

Improve profitability through sales promotion activities for high value-added wheelchairs, expansion of sales in overseas markets, and improvement in productivity at the plant in China

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

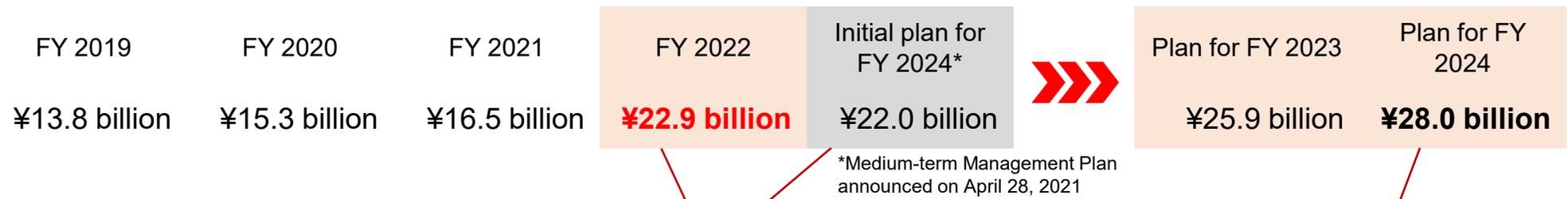


- Improvement of profitability through improved productivity and in-house manufacturing at the plant in China
- Expansion of sales of high value-added wheelchairs and continuous introduction of new products
- Entry and expansion into overseas markets with a focus on the Chinese and ASEAN markets



Sales of tools for concrete structures in Japan and overseas

Continued growth triggered by the launch of the rechargeable rebar tying tool TWINTIER in November 2017



Achieved the initial plan for FY 2024 two terms ahead of schedule due to growth in overseas markets centered on Europe and the United States

Upward revision of sales plan for tools for concrete structures, aiming for net sales of ¥28.0 billion in FY 2024

Priority policies for the rebar tying tools business

Japan

- Develop the civil engineering market
- Propose new applications in existing markets
- Improve awareness at sites using NETIS

Overseas (Western countries)

- Expand dealer network
- Strengthen and train dealers
- Increase sales staff
- Enhance after-sales support system
- Establish new sales offices

Production and Development

- Enhance production capability with a focus on expanding future demand
- Construct Thai Factory No. 3 (scheduled for completion in FY 2023)
- Develop next-generation products

Strategic investment for mid- and long-term business growth

Priority Policy

Contribute to business growth by expanding priority businesses and actively investing in the launch of new businesses

	Main policies	Actual investment in FY 2022	Plan for FY 2023
Investment in operating infrastructure	<ul style="list-style-type: none"> • Increase sales staff at overseas sales offices • Establish new sales offices • Survey new markets and sales channels 	¥170 million	¥500 million
Investment in digital technology	<ul style="list-style-type: none"> • Promote digital marketing • Renew homepage 	¥120 million	¥200 million
Strategic investment in development	<ul style="list-style-type: none"> • Review new business/services • Review intellectual property strategy 	¥360 million	¥500 million
Investment in corporate communication	<ul style="list-style-type: none"> • Issue integrated reports, etc. • Strengthen brand power and inner branding 	¥30 million	¥100 million
Total		¥680 million	¥1,300 million

<Before Change>

Based on consolidated financial results, we will maintain a minimum of 40% payout ratio with a target ratio of dividends to net assets of 3.0%.

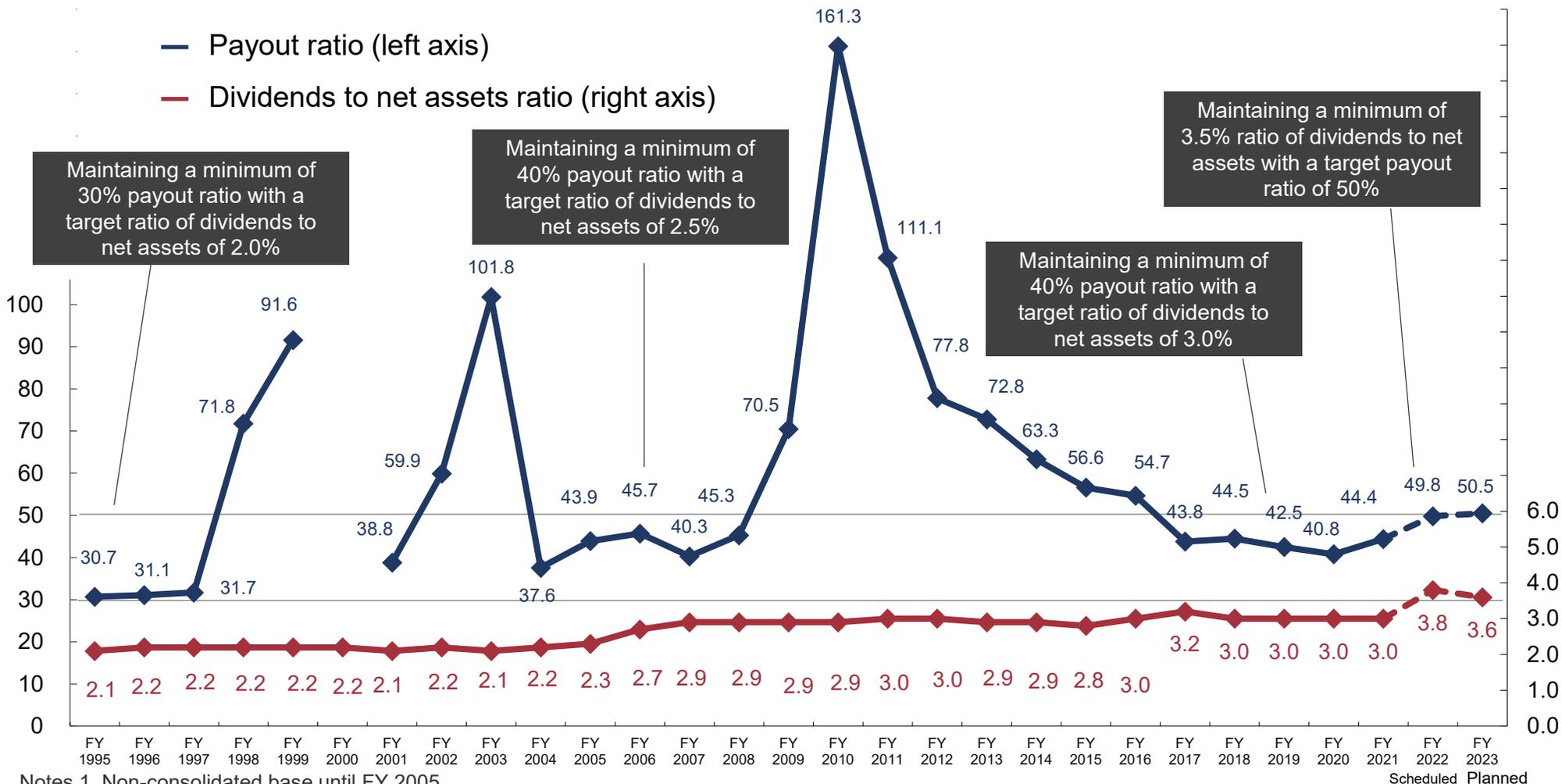


<After Change>

Based on consolidated financial results, we will maintain a minimum of 3.5% ratio of dividends to net assets with a target payout ratio of 50%.

Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio

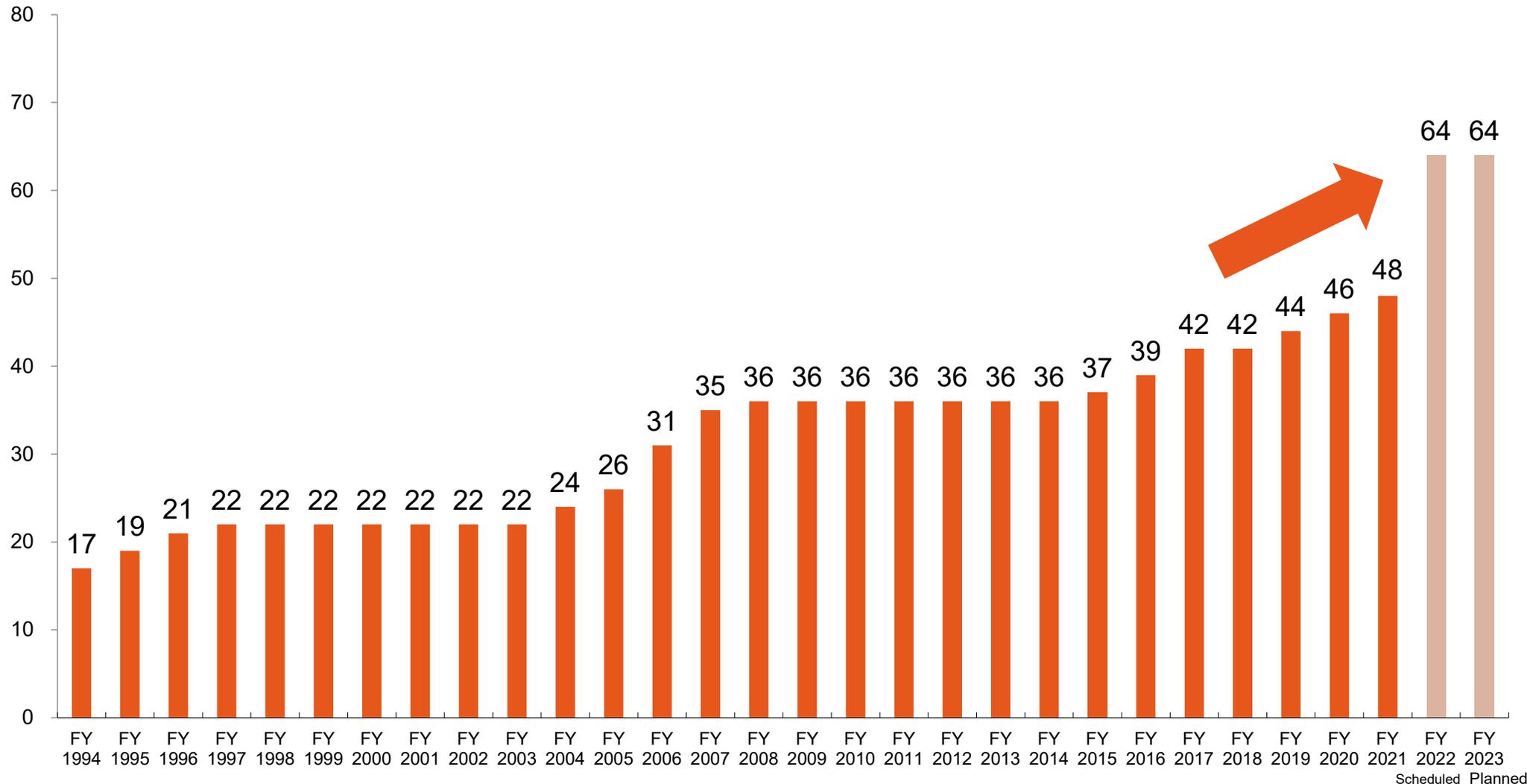
Based on consolidated financial results, seek to “maintain a minimum of 3.5% ratio of dividends to net assets with a target payout ratio of 50%.” (unit: %)



Notes 1. Non-consolidated base until FY 2005.
 2. The plan for payout ratio and ratio of dividends to net assets for FY 2023 was calculated based on the dividend policy and Medium-term Management Plan as of April 28, 2022.

Dividends Policy: Dividends per Share

(unit: yen)



Note: The dividend plan for the fiscal year ending March 31, 2023 is calculated based on the dividend policy and the Medium-term Management Plan as of April 28, 2022.

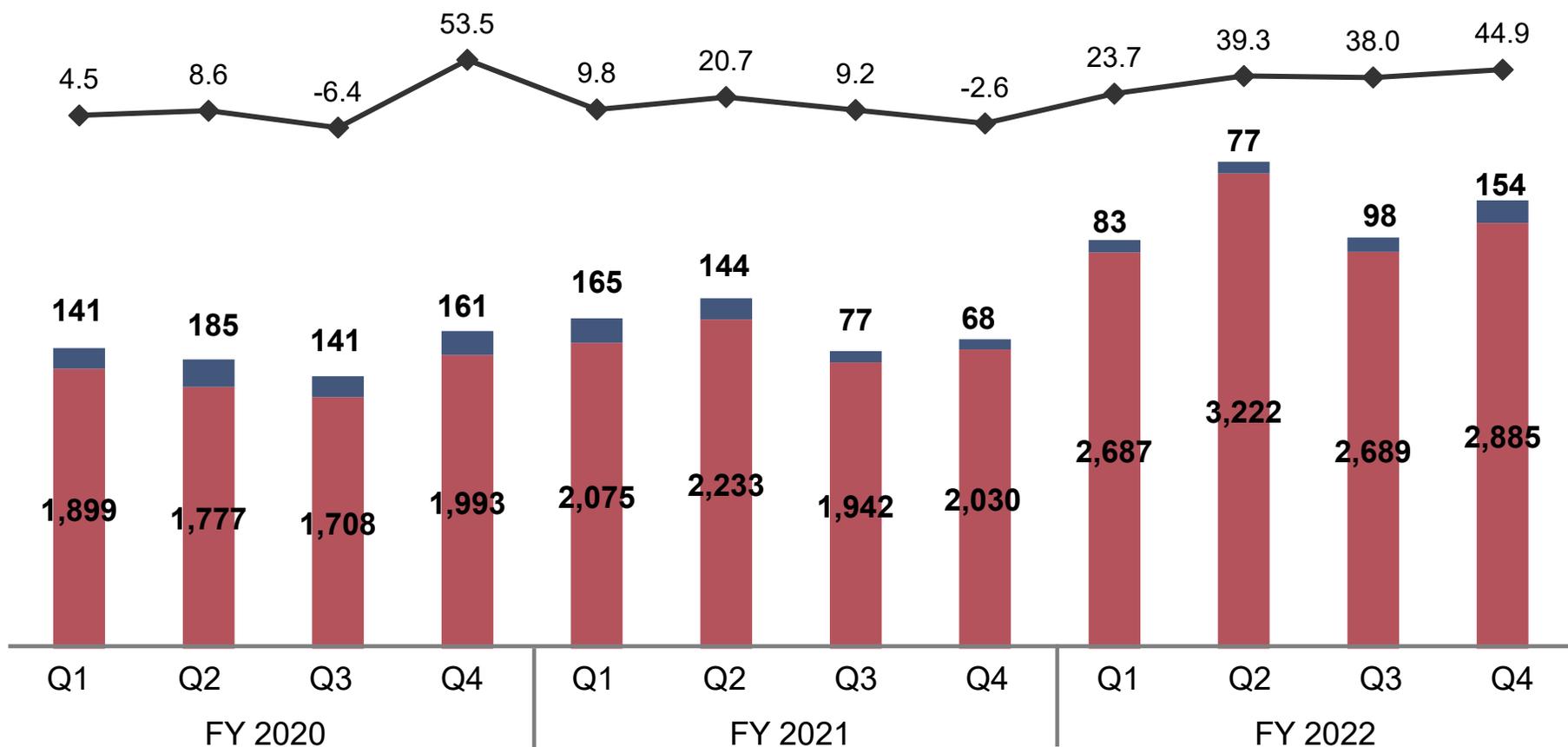


Reference Materials

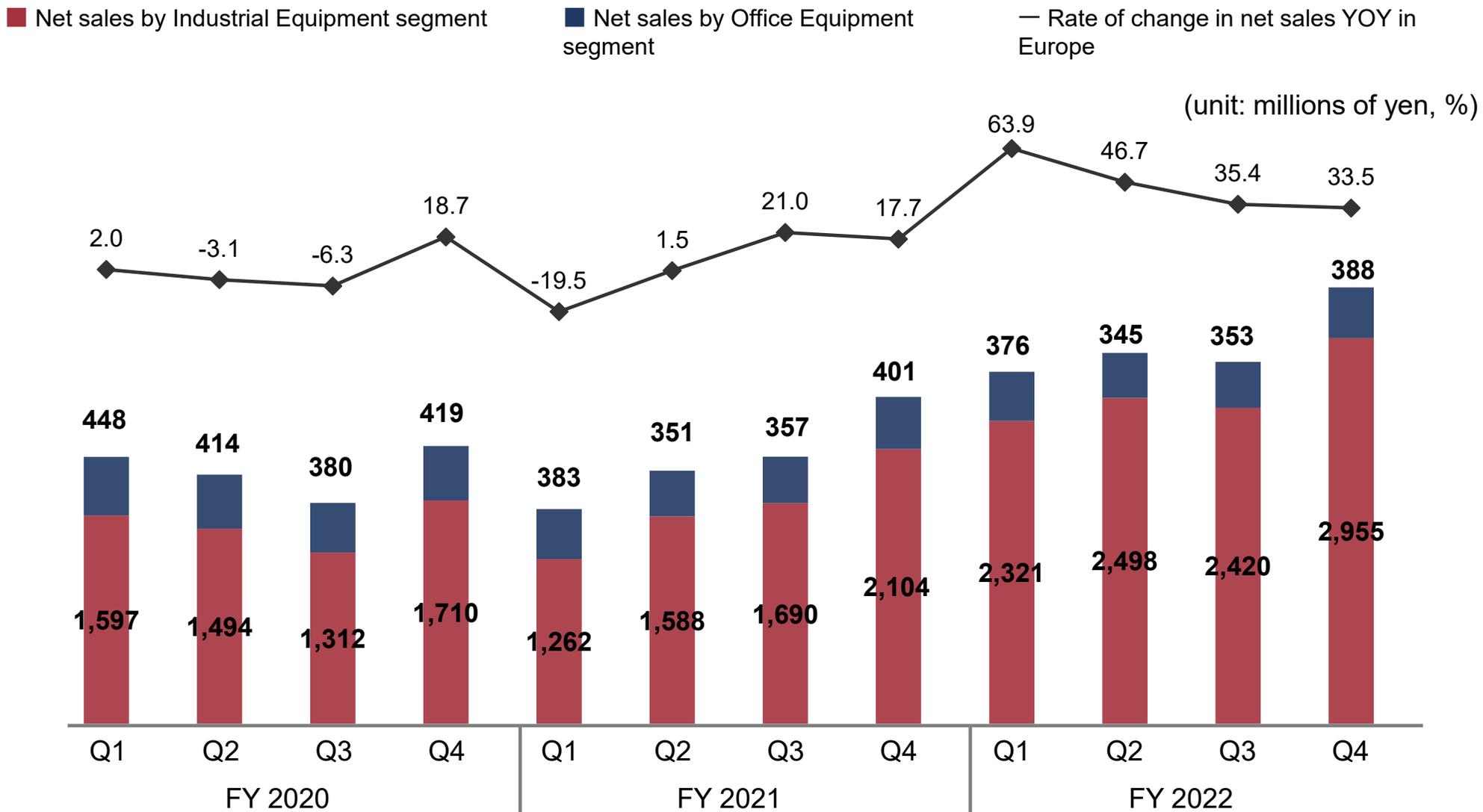
Changes in Quarterly Segment Net Sales by Overseas Region (North America)

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

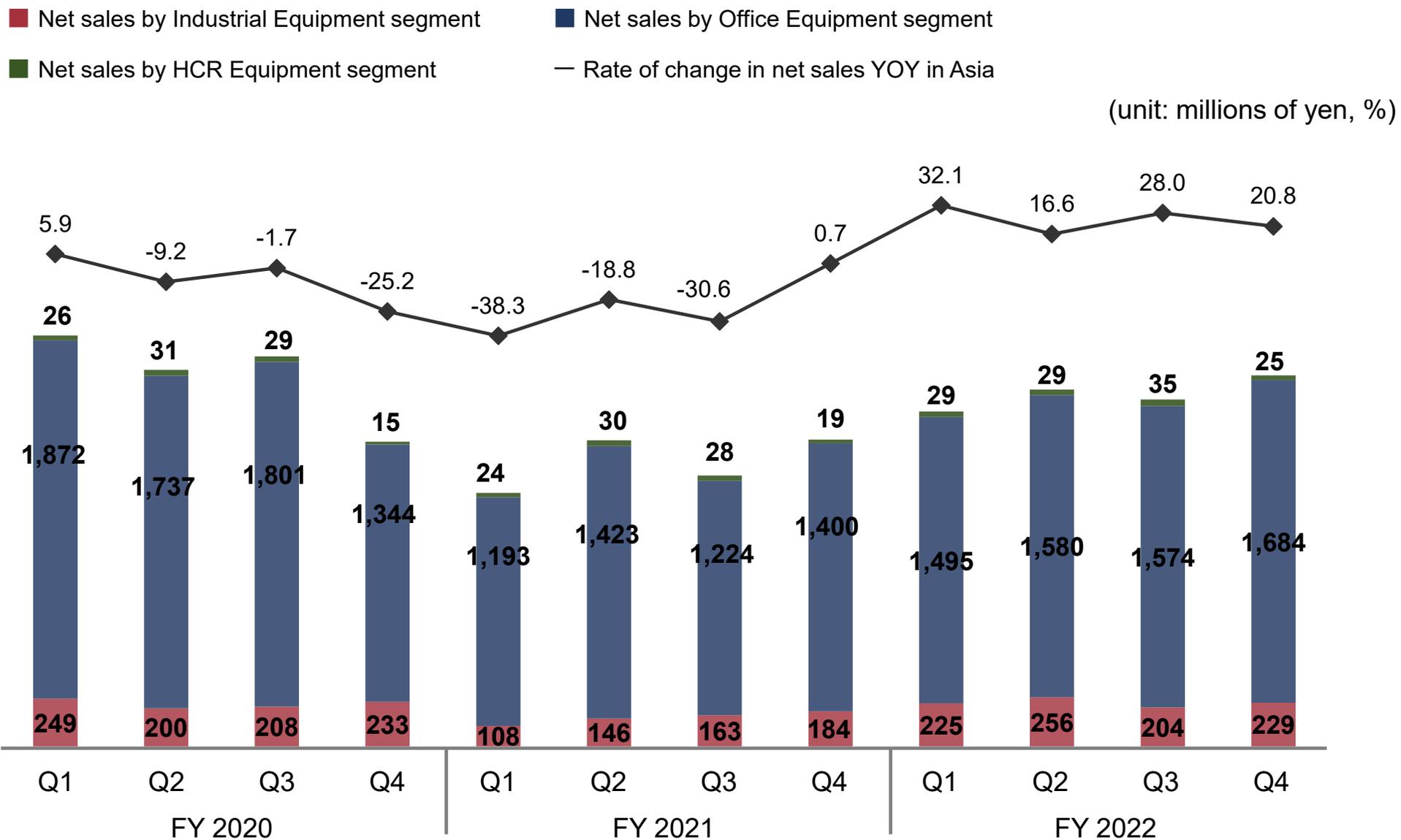
(unit: millions of yen, %)



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



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



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

Industrial equipment product operations

Tools for wooden structures

Nailers



Air compressors



Battery-power tools



Tools for concrete structures

TWINTIER rebar tying tools



Concrete nailers



Gas nailers



AF (Agriculture/Food)

Branch induction binders for horticulture



Bag closing machines



Office equipment product operations

Stationery-related products

Staplers



Hole punches



Stampers



Labelling and signage products

BEPOP label-making machines



LETATWIN tube markers



Label printers for food labeling



Other

Time recorders

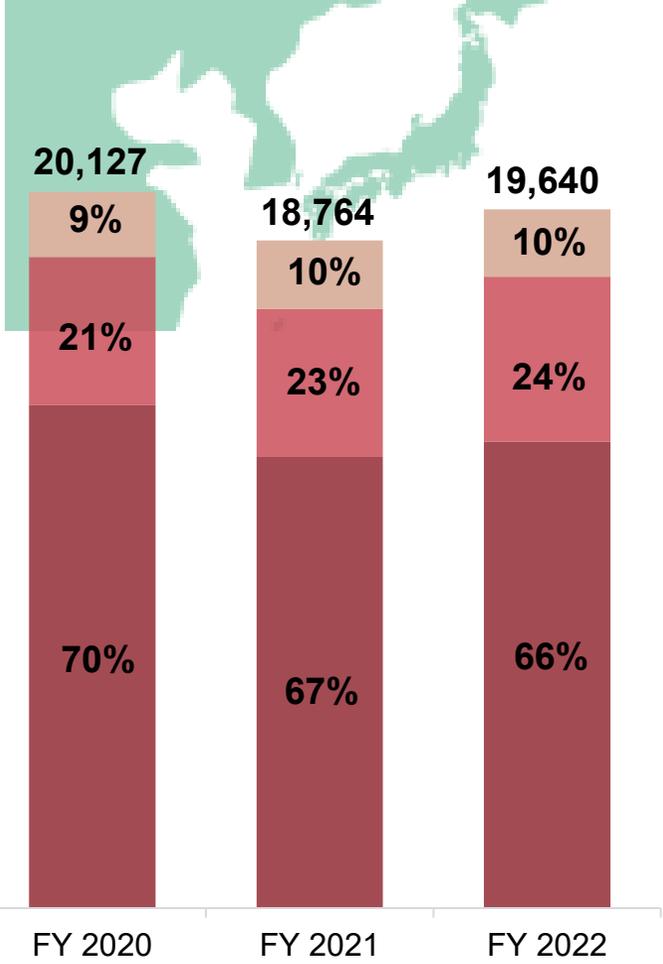


Calligraphy printers

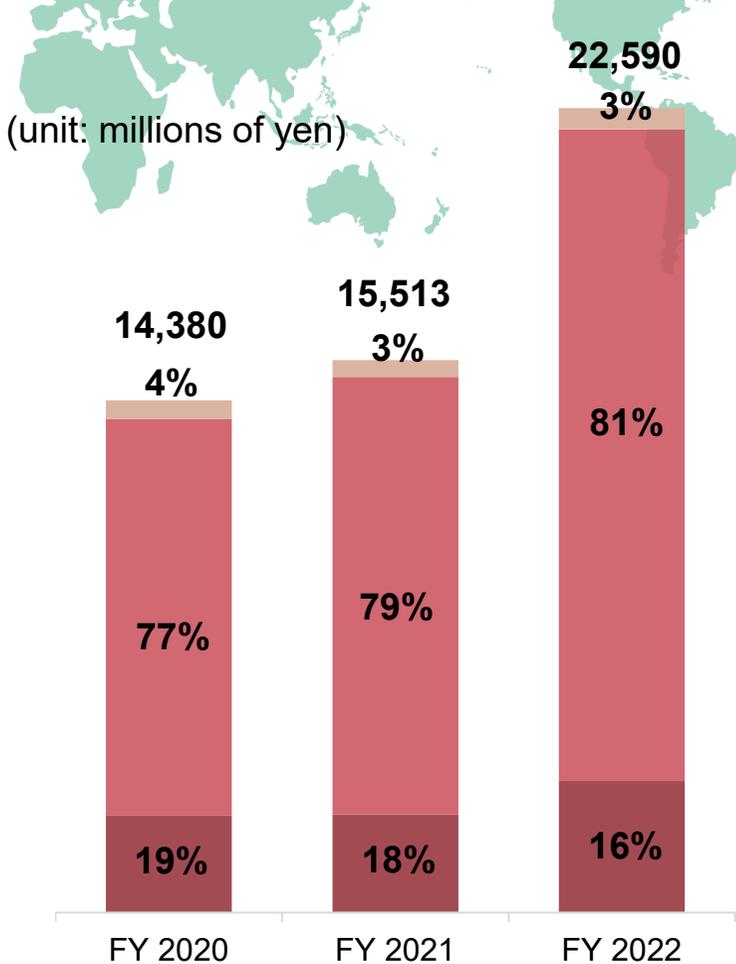


Industrial Equipment Segment: Product Breakdown of the Domestic/Overseas Industrial Equipment Product Operations

Net sales and product breakdown for the domestic industrial equipment product operations



Net sales and product breakdown for the overseas industrial equipment product operations



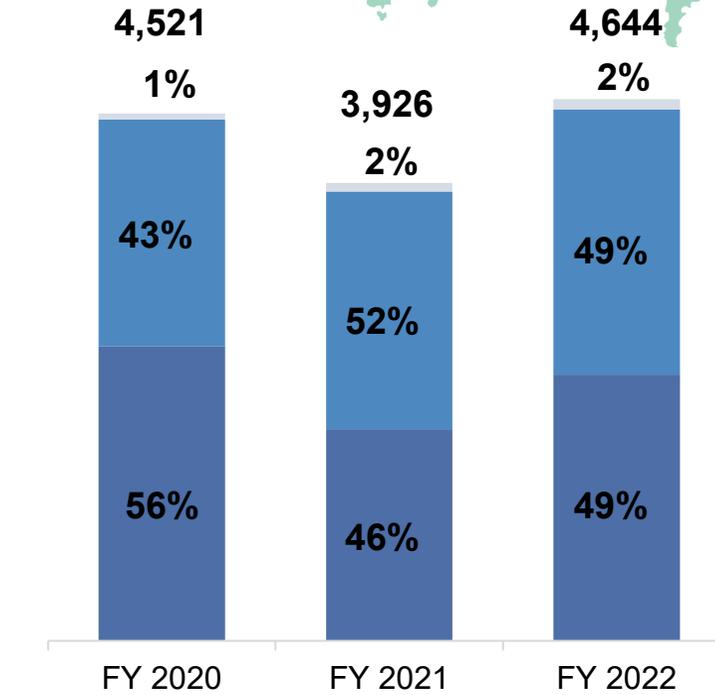
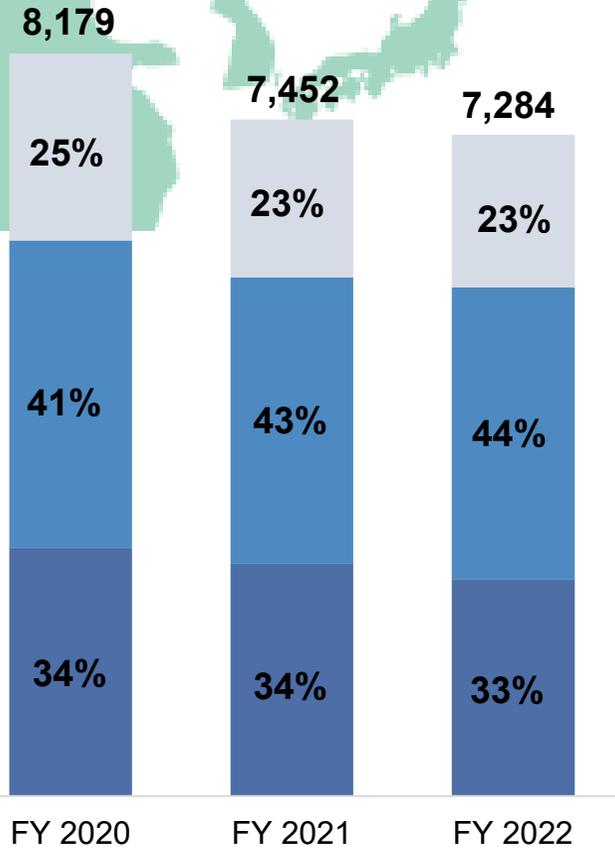
- AF (Agriculture/Food)
- Tools for concrete structures
- Tools for wooden structures

Office Equipment Segment: Product Breakdown of the Domestic/Overseas Office Equipment Product Operations

Net sales and product breakdown for the domestic office equipment product operations

Net sales and product breakdown for the overseas office equipment product operations

(unit: millions of yen)



- Other
- Labelling 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.