

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

MAX Co., Ltd.

Financial Results Briefing for the First Half (Semi-annual) of FY 2024

Announcement date: October 31, 2024

Participants

Tatsushi Ogawa, President

Yoshihiro Kaku, Senior Managing Director / Senior Executive Officer

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

Nobuo Suda, Executive Officer / General Manager, Corporate Communications Dept.

Table of Contents

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

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

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

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

Operating Results Forecast for FY 2024

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

Reference Materials

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

Summary of Financial Results in the First Half of FY 2024

- Both net sales and Operating profit reached record highs in the first half of the year.
- Operating profit for the first half was in line with the plan announced on July 31, 2024.
- Sales of tools for concrete structures with a focus on the rebar tying tools business, totaled ¥17.5 billion (+14% YoY).
This business is progressing steadily, with 55% progress rate against the annual plan of ¥32 billion.



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

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

1

■ Exchange Rate

H1 FY 2024	1 USD 153.93 JPY	/	1 EUR 166.49 JPY
H1 FY 2023	1 USD 139.94 JPY	/	1 EUR 152.73 JPY
Planned(H1)	1 USD 152.51 JPY	/	1 EUR 166.02 JPY

	Results in H1 for FY under review	Results in H1 of previous FY	% increase/ decrease	First-half plan*	Achievement rate
	(unit: millions of yen, %)				
Net sales	44,881	42,920	+4.6	45,000	99.7
Gross profit	21,650	19,794	+9.4	—	—
Corresponding ratio	48.2	46.1		—	
Operating profit	7,416	6,649	+11.5	7,200	103.0
Corresponding ratio	16.5	15.5		16.0	
Ordinary profit	7,150	7,436	-3.8	7,340	97.4
Corresponding ratio	15.9	17.3		16.3	
Profit attributable to shareholders of parent company	5,453	5,587	-2.4	5,600	97.4
Corresponding ratio	12.2	13.0		12.4	
Net profit per share (yen)	117.22	118.51	—	120.37	—

* Revised plan announced on July 31, 2024

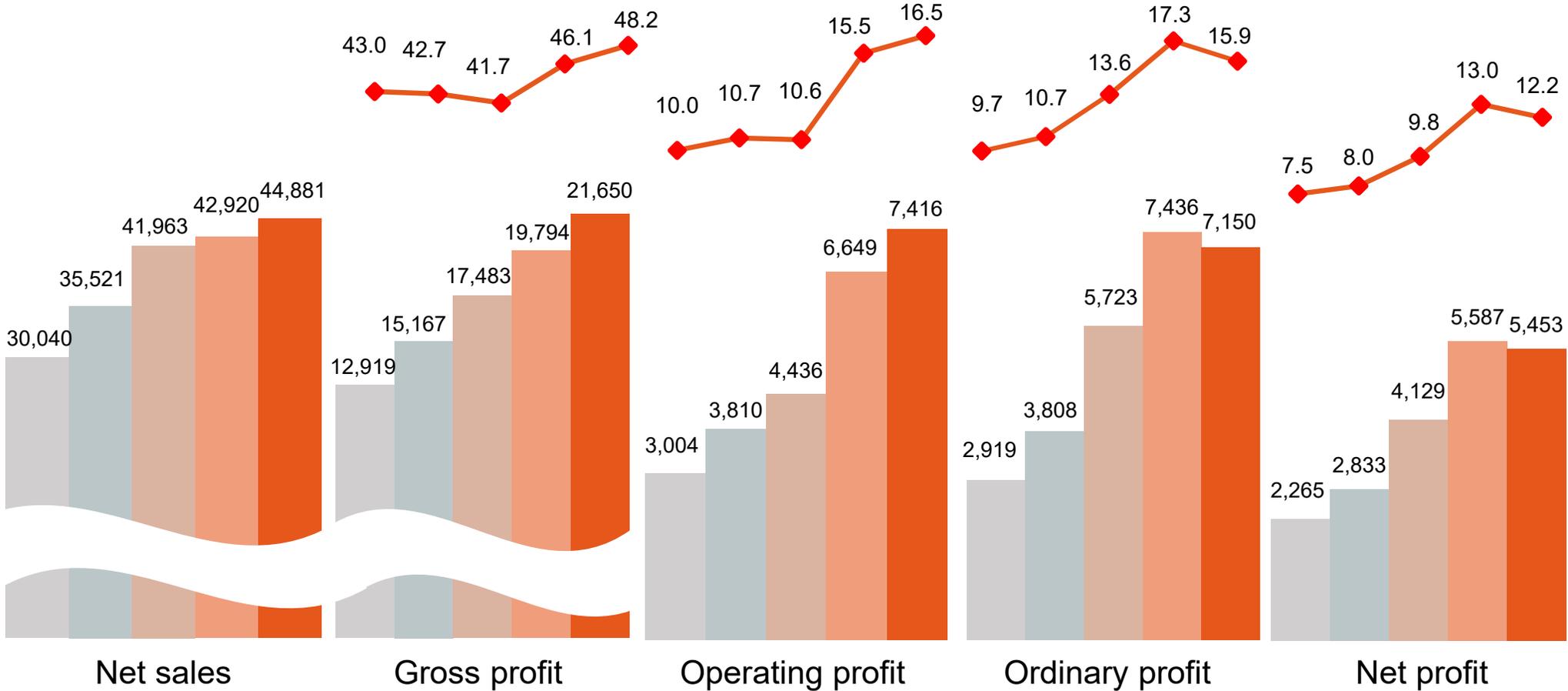
Changes in Group-Wide Financial Results in the First Half of FY 2020 to FY 2024

■ H1 FY 2020
■ H1 FY 2023

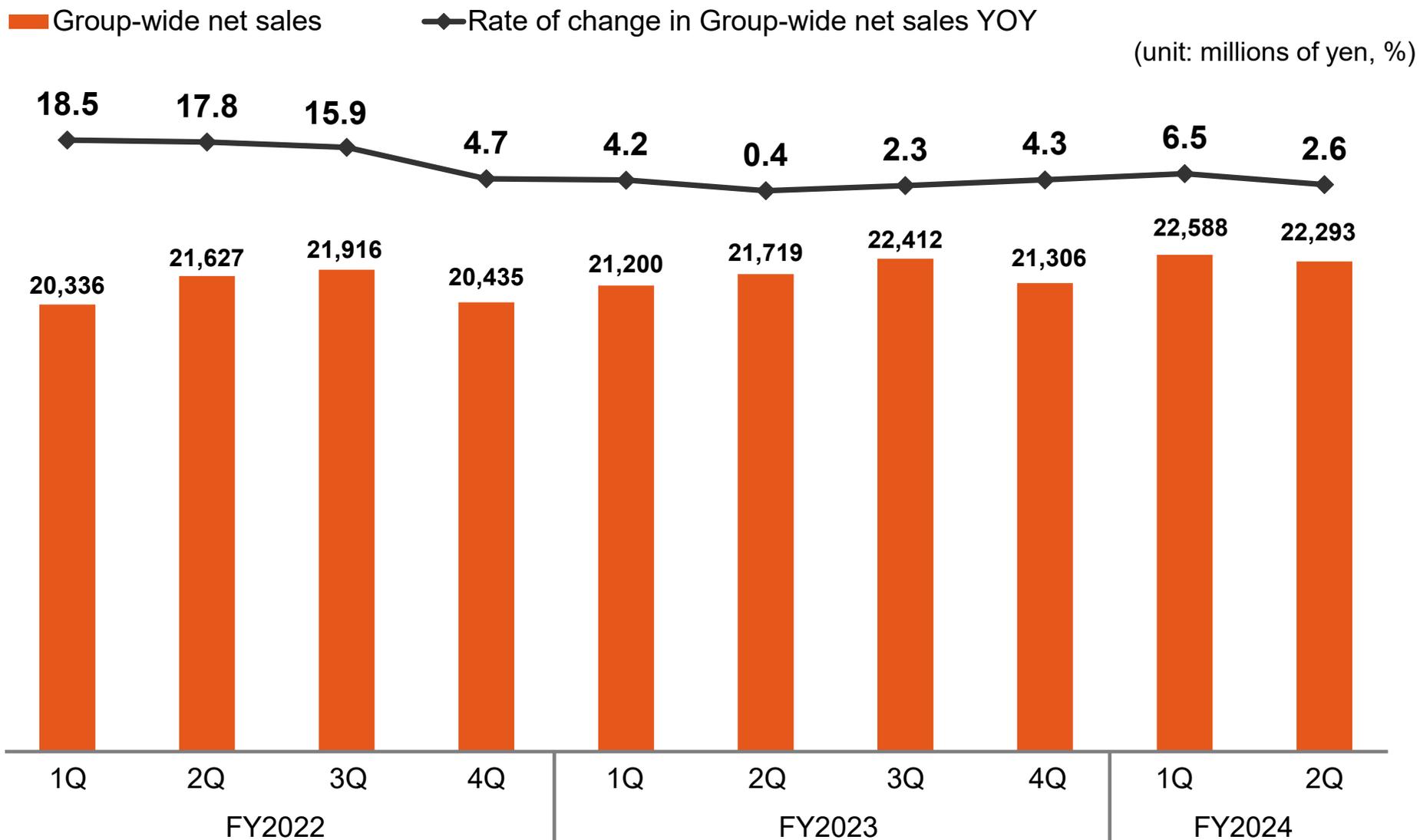
■ H1 FY 2021
■ H1 FY 2024

■ H1 FY 2022
— Corresponding ratio

(unit: millions of yen, %)

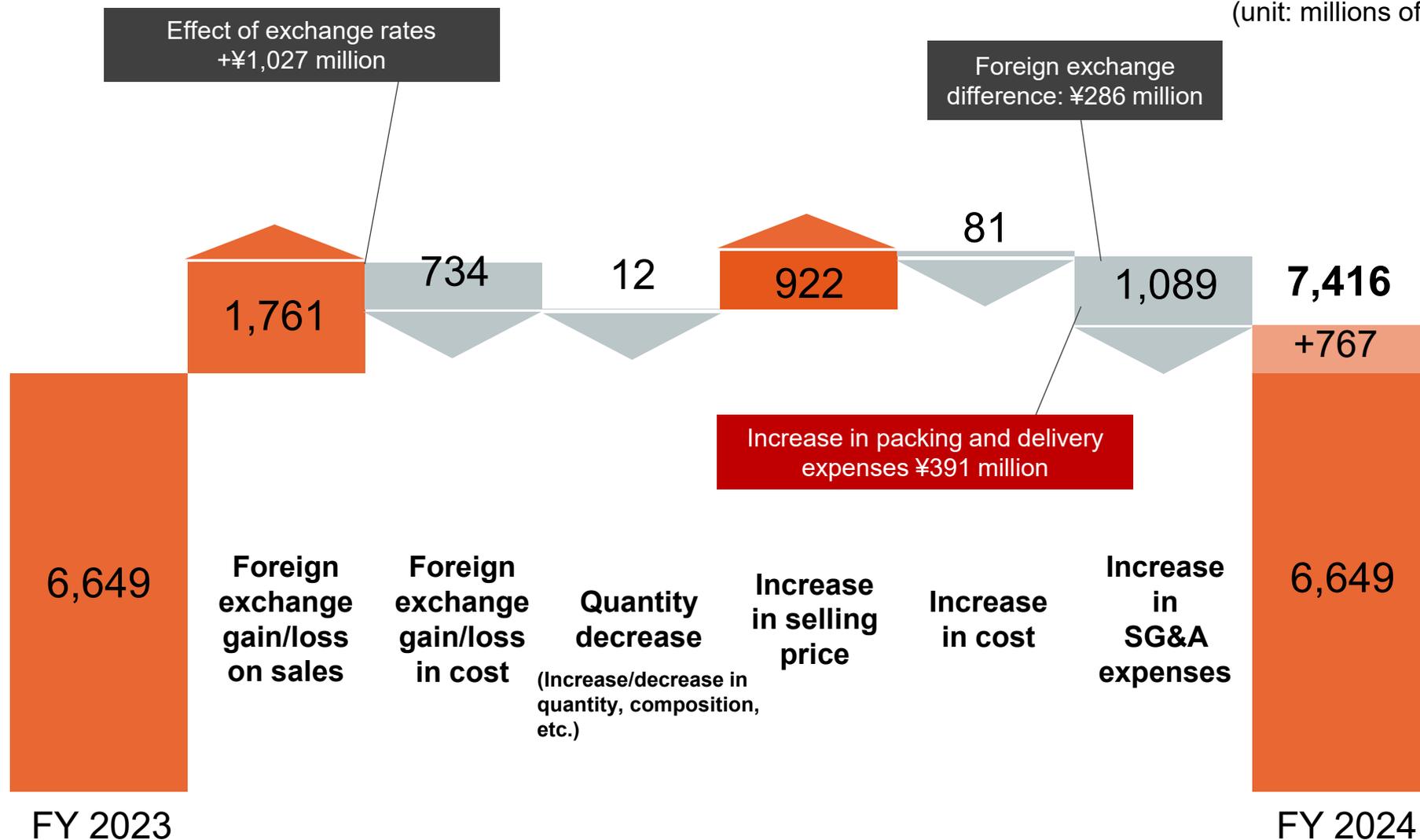


Changes in Net Sales by Quarter



Factors for Increase/Decrease of Operating profit

(unit: millions of yen)



■ Non-Operating profit/expenses and extraordinary profit/loss (unit: millions of yen)

	Results in H1 for FY under review	Results in H1 of previous FY	YOY
Non-Operating profit/expenses	-265	787	-1,053
Non-Operating profit (excluding foreign exchange effect)	336	237	+99
Non-Operating expenses (excluding foreign exchange effect)	-32	-46	+13
Foreign exchange gain/loss	-569	596	-1,165
Extraordinary profit/loss	473	55	+418
Extraordinary profit	479*	69	+409
Extraordinary loss	-5	-14	+8

*Mainly sale of shares

■ Facilities investment, depreciation, R&D expenses (unit: millions of yen, %)

	Results in H1 for FY under review	Results in H1 of previous FY	FY 2024 annual plan	Rate of progress
Facilities investment	1,128	926	3,698	30.5
Depreciation	1,621	1,509	3,590	45.2
R&D expenses	2,146	2,089	4,666	46.0

Domestic

The economy continues to move in a gradual recovery. New housing starts related to the Industrial Equipment segment declined.

Overseas

In the United States, housing construction starts remained sluggish, although loan rates have been declining for some time now. On the other hand, construction investment trended firm.

In Europe, there were signs of a recovery as inflation was suppressed and interest rates were lowered, but the economy in Germany, which is our main market, remained stagnated.

■ Reference indices

Number of new housing construction starts

- Down 4.5% YOY for the period from January to June 2024 (Owner-occupied: -7.5%, Rental: -0.6 %, Unit sales: -7.7%)

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

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

- Up 0.3% YOY for the period from October 2023 to March 2024 (Offices: +39.6%, Stores: -14.6%, Factories: -5.9%, Warehouses: +9.5%)
- Supply and demand of skilled rebar workers (for construction sites) is inclined in short supply.

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

Currency exchange rates

- 1 USD = 153.93 JPY, 1 EUR = 166.49 JPY (H1 FY 2023: 1 USD = 139.94 JPY, 1 EUR = 152.73 JPY)
- Foreign exchange sensitivity in sales (annual conversion) *Planned value for FY 2024
USD: 200 million JPY, EUR: 80 million JPY
- Foreign exchange sensitivity in Operating profit (annual conversion)*Planned value for FY 2024
USD: 50 million JPY, EUR: 80 million JPY

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

- The annualized rate is 1,262,000 units in July 2024, 1,361,000 units in August 2024, and 1,354,000 units in September 2024 (Previous year—July: 1,473,000 units, August: 1,305,000 units, September: 1,363,000 units)



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

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

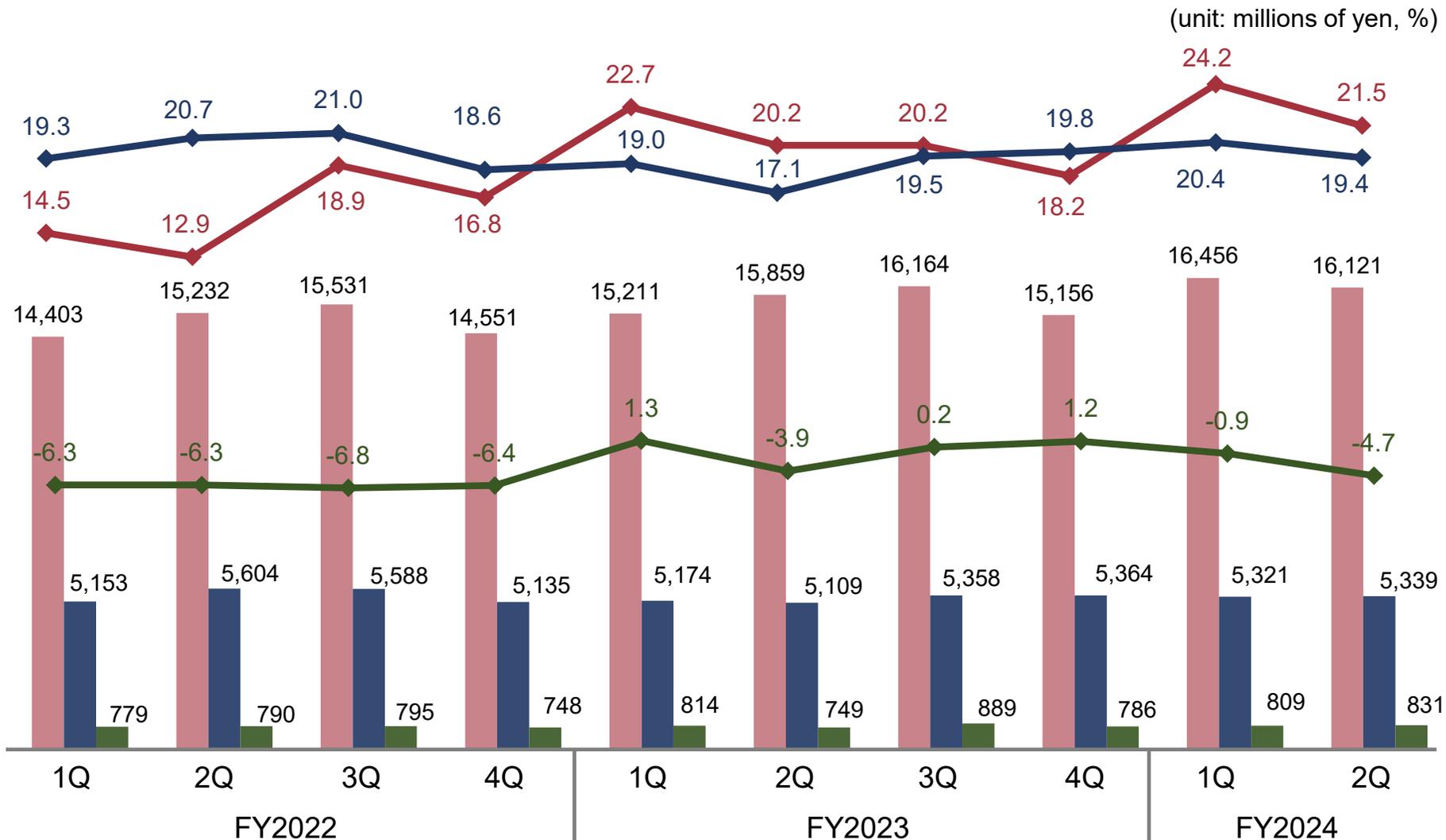
(unit: millions of yen, %)

	Results in H1 for FY under review	Results in H1 of previous FY	% increase/ decrease	First-half plan*	Achievement rate
Industrial Equipment segment					
Net sales	32,577	31,071	+4.8	32,970	98.8
Segment profit	7,453	6,656	+12.0	7,480	99.6
Segment profit rate	22.9	21.4		22.7	
Office Equipment segment					
Net sales	10,661	10,284	+3.7	10,400	102.5
Segment profit	2,120	1,859	+14.0	2,000	106.0
Segment profit rate	19.9	18.1		19.2	
HCR Equipment segment					
Net sales	1,641	1,564	+5.0	1,630	100.7
Segment profit	-45	-19	—	-20	—
Segment profit rate	-2.8	-1.2		-1.2	
Adjustment amount	-2,111	-1,846	—	-2,260	—
Group-wide total					
Net sales	44,881	42,920	+4.6	45,000	99.7
Operating profit	7,416	6,649	+11.5	7,200	103.0
Operating margin	16.5	15.5		16.0	

*Revised plan announced on July 31, 2024

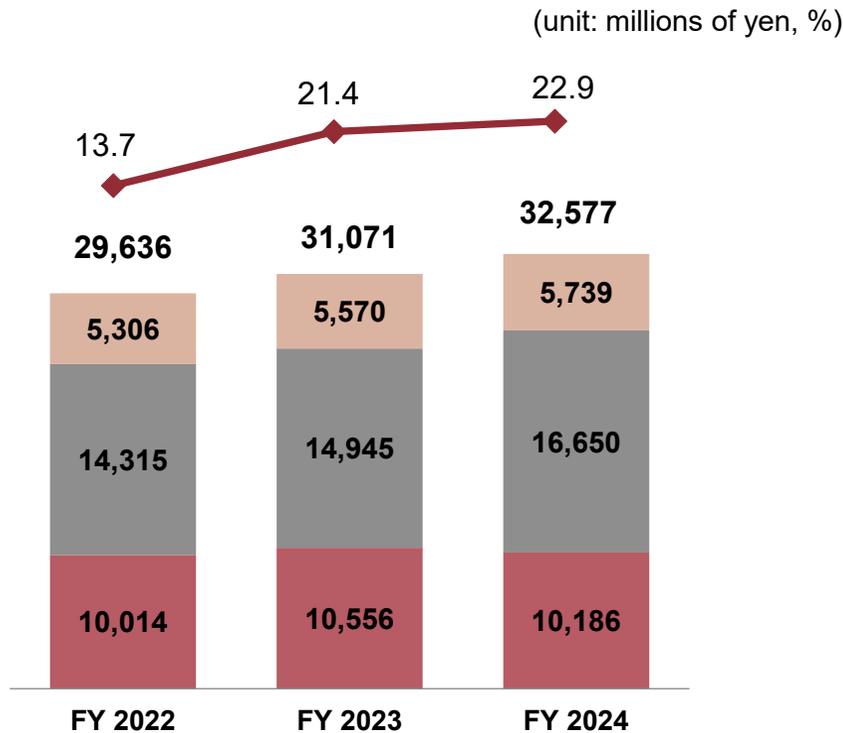
Changes in Segment Results by Quarter

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



Industrial Equipment segment : Financial Results for the First Half of FY 2024

- Domestic industrial equipment business
- Overseas industrial equipment business
- Home environment equipment business
- Segment profit rate



New model of Turbo screw driver



New model of Air Compressor



New model of TWINTIER rebar tying tools

Domestic industrial equipment business

- ▶ Sales of new model of "TWINTIER" rebar tying tools expanded, and sales of the tools and their consumables were strong. On the other hand, sales of tools for wooden structures remained sluggish due to the impact of the decline in new housing starts.

Overseas industrial equipment product business

- ▶ In North America, sales of consumables for "TWINTIER" rebar tying tools increased thanks to steady construction spending on the non-housing market and an increase in the cumulative number of tools in operation. In Europe, sales of rebar tying tools and their consumables were steady. This reflected signs that the decline in sales volume in main market areas such as Germany and Scandinavia had bottomed out, as well as activities in areas where market conditions were favorable.

Home environment equipment business

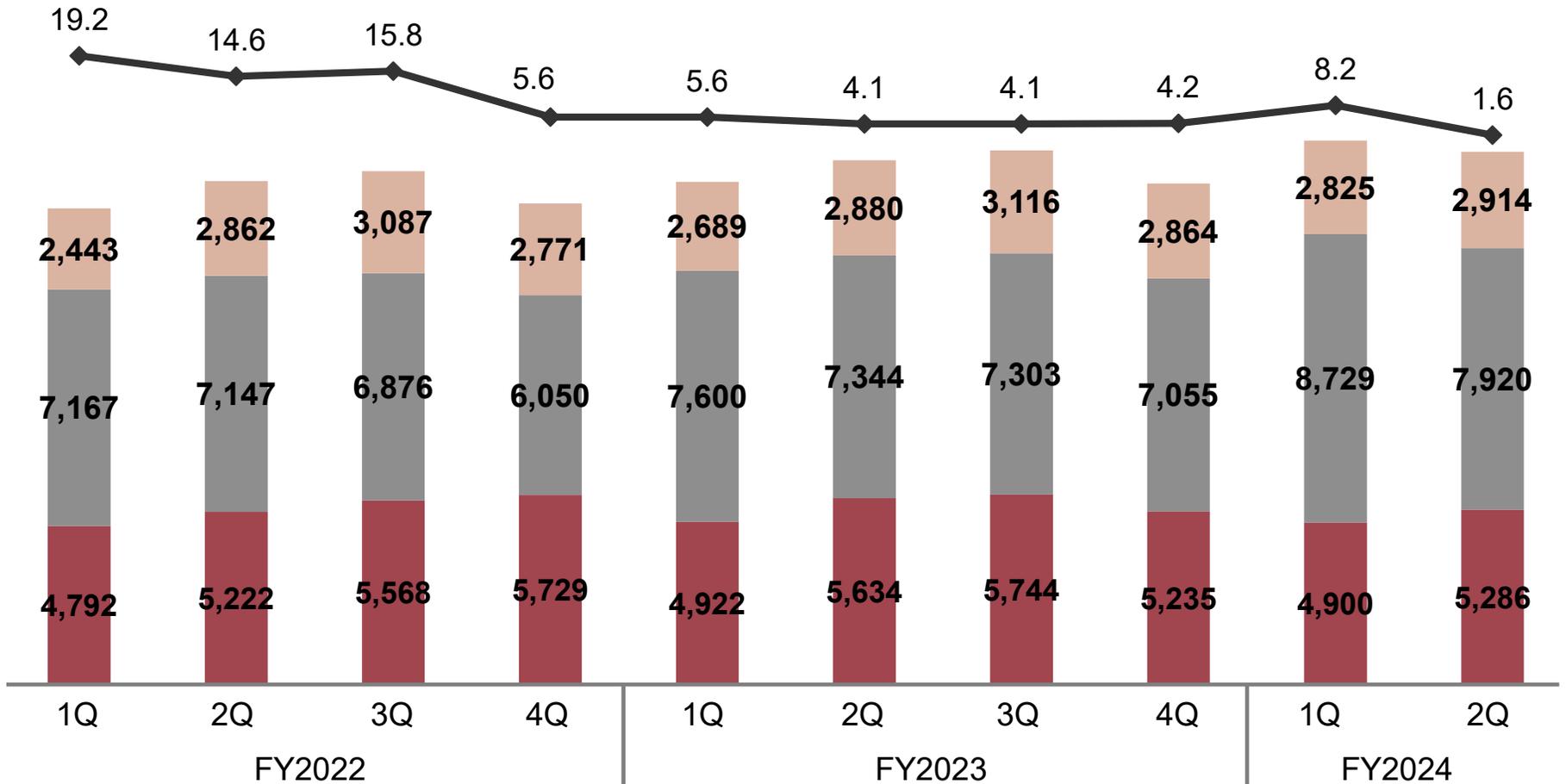
- ▶ Sales of our main products heater-ventilator-dryer for bathrooms, "DRYFAN," declined in the replacement market (replacement of existing units), which we are focusing on, but increased in sales to some OEM customers.

Industrial Equipment segment: Changes in Net Sales by Quarter

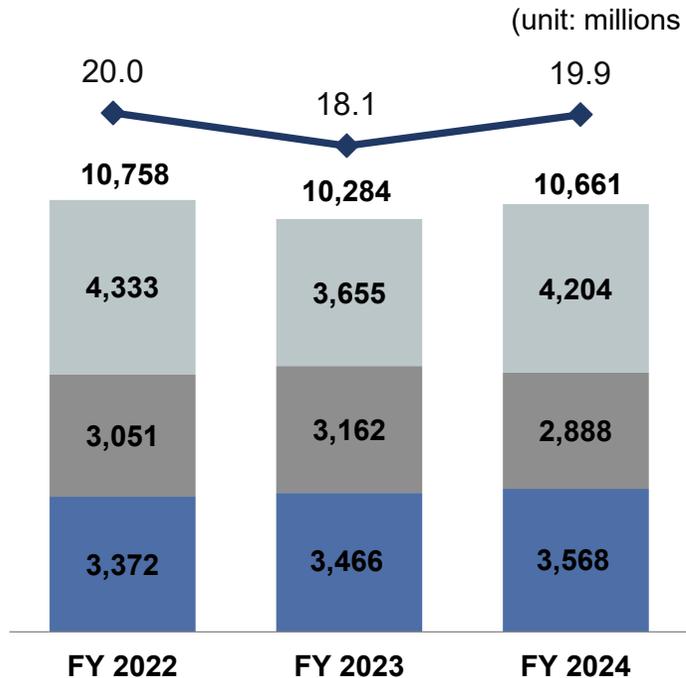
■ Net sales in the domestic industrial equipment business
 ■ Net sales in the overseas industrial equipment business
 ■ Net sales in the home environment equipment business

-Rate of change in net sales YOY for Industrial Equipment segment

(unit: millions of yen, %)



- Domestic office equipment business
- Overseas office equipment business
- Auto stapler equipment business
- Segment profit rate



BEPOP
Sign & label printing machines



LETATWIN
tube markers

Domestic office equipment business



Sales of the sign & label printing machines "BEPOP" increased thanks to proposals for label applications in response to new chemical substance regulations and promotion of proposal activities to major companies with the contest for safety signs and safety awareness training as a starting point.

Overseas office equipment business



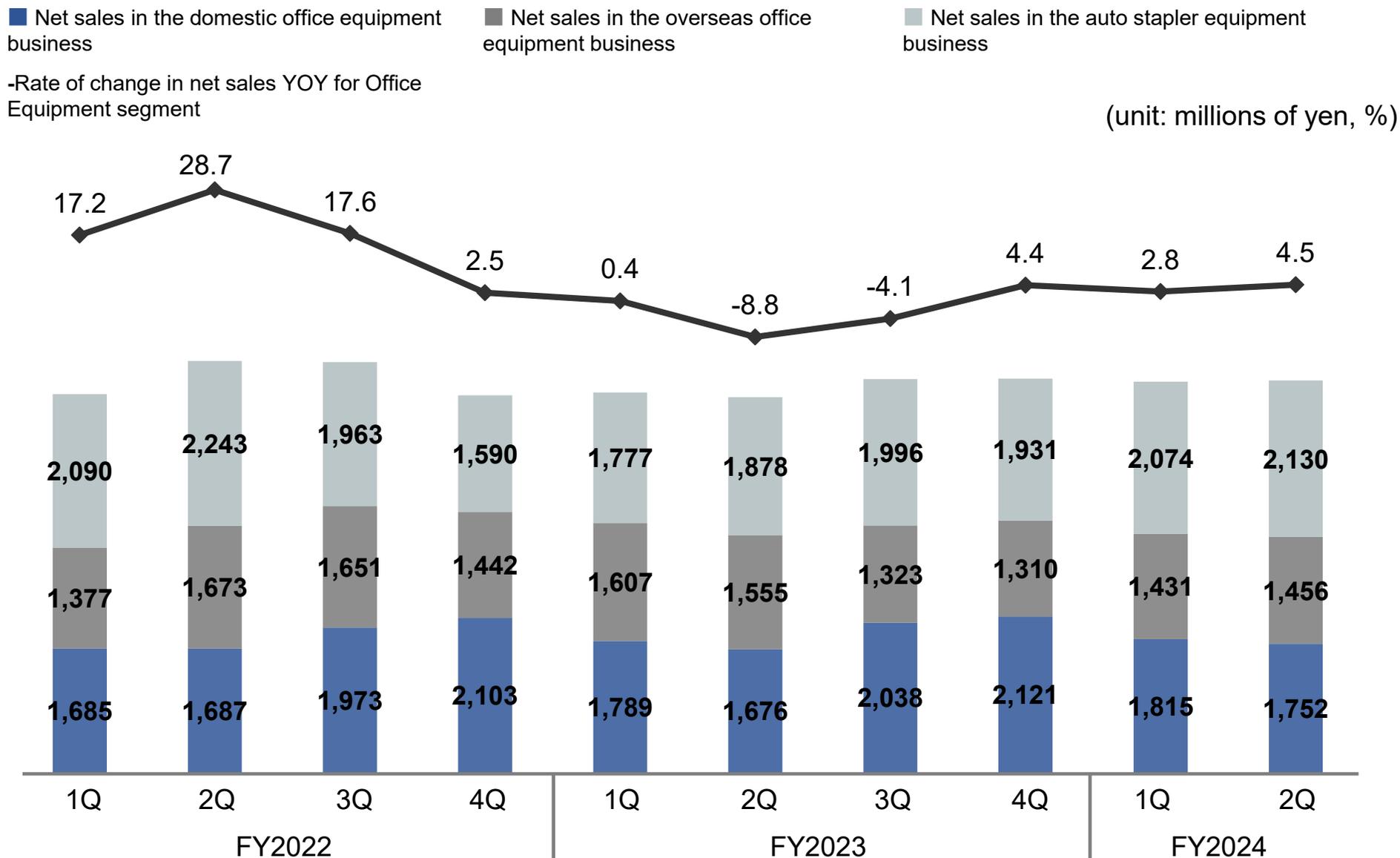
Although sales of labelling and signage products such as "BEPOP" and "LETATWIN" tube markers remained steady, sales of stationery-related products declined due to the continued economic slowdown in some parts of Southeast Asia.

Auto stapler equipment business

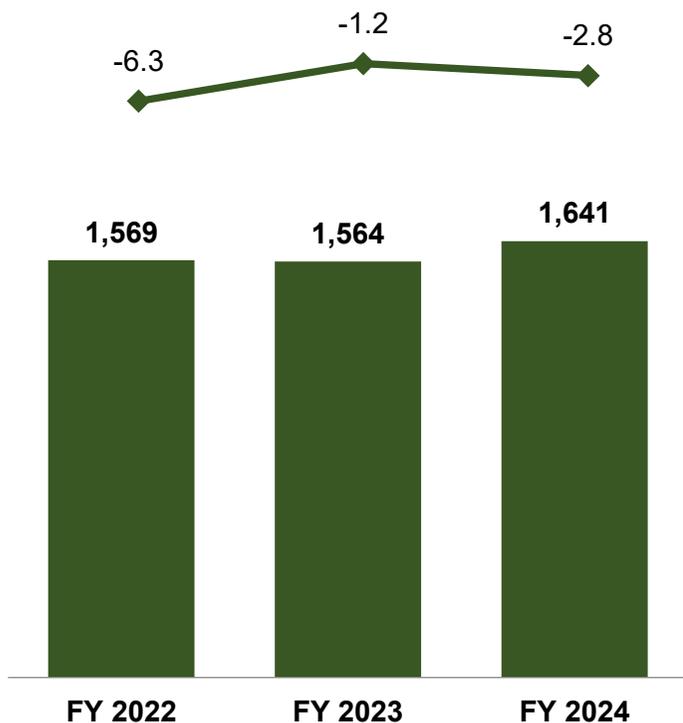


Orders from clients continued to recover, and sales of Auto staplers and consumables remained steady.

Office Equipment Segment: Changes in Net Sales by Quarter



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



Wheelchairs for overseas market



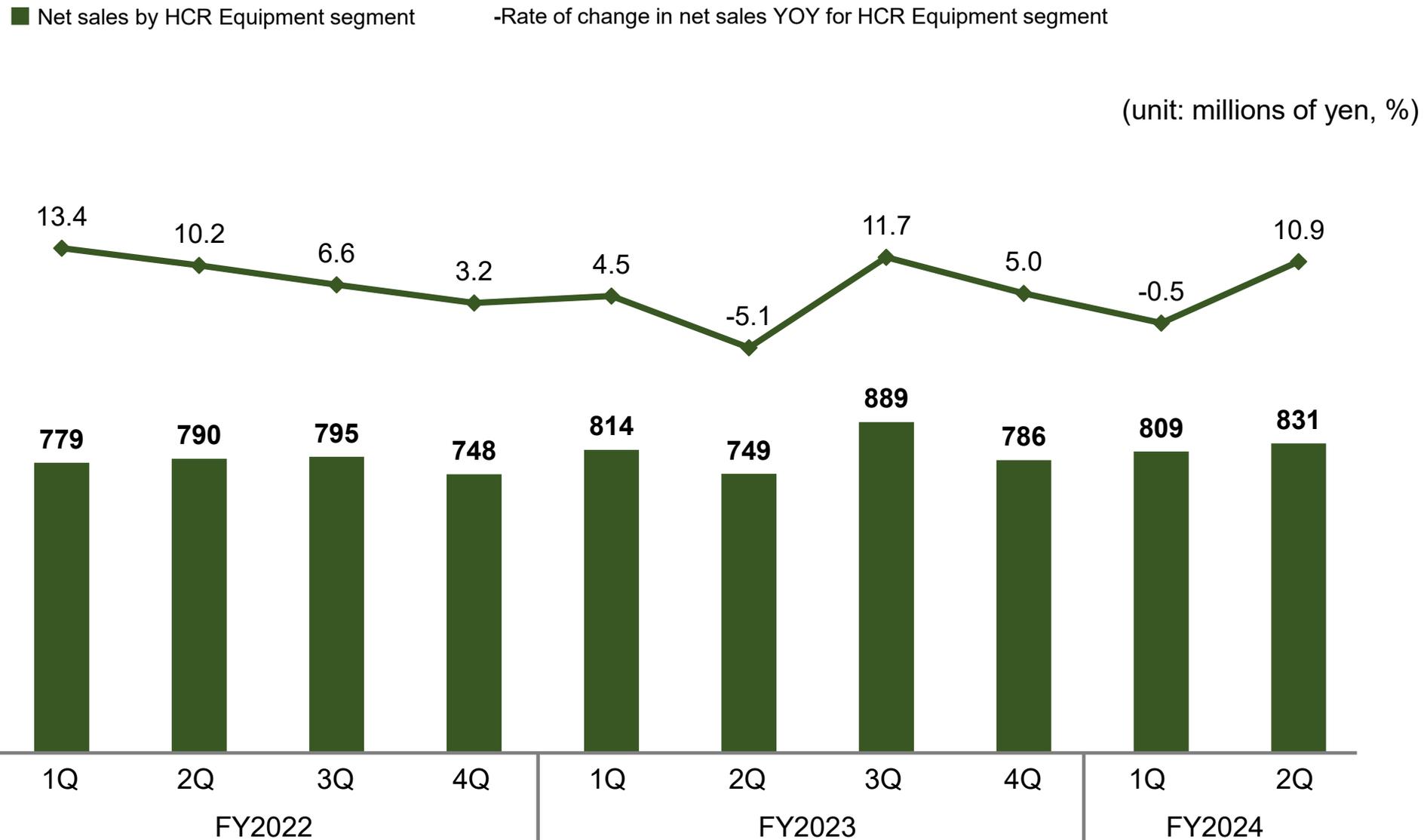
Multifunctional Wheelchair Modern Series

HCR Equipment segment



Although orders from clients were sluggish in the domestic market, sales of wheelchairs for overseas markets, especially the rental market in China, increased.

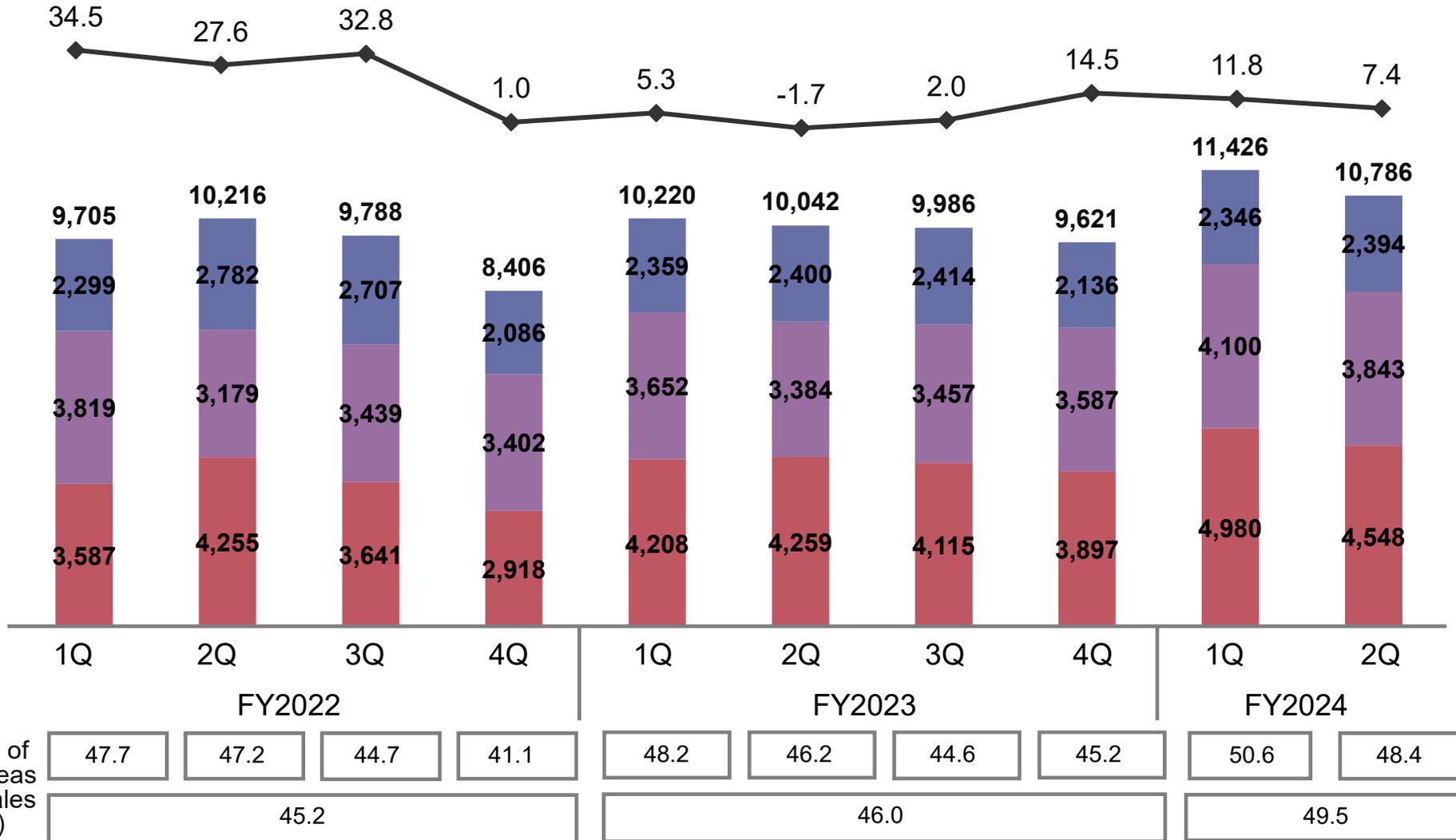
HCR Equipment Segment: Changes in Net Sales by Quarter



Changes in Quarterly Net Sales by Overseas Region

■ Net sales in North America ■ Net sales in Europe
■ Net sales in Asia — Total overseas net sales (rate of change YOY)

(unit: millions of yen, %)



Note: Includes overseas net sales for auto stapler equipment business.

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

- Domestic and overseas sales of tools for concrete structures: ¥17.5 billion (¥3.1 billion in Japan, ¥14.4 billion overseas)

Growth of 13.5% over the previous year / 54.7% progress against the annual plan

Steady sales of consumable tie wires as the cumulative number of tools in operation increased

Overseas

North America

- Construction investment in the non-residential market remained steady. Sales of tools decreased compared to the previous year due to the impact of the promotion carried out in the previous year, despite the progress of the distribution of new products. On the other hand, sales of consumables grew significantly thanks to an increase in the number of tools in operation.

Europe

- In main areas such as Germany and Sweden, the decline in sales volume appears to have bottomed out, and sellouts from distributors and dealers have gradually recovered.
- In addition to sales expansion of the new "TWINTIER" product launched in May, the company promoted sales expansion activities in Southern and Eastern Europe, where market conditions are steady, and both tools and consumables exceeded the previous year's sales volumes in the first half of the fiscal year.

Japan

- As sales of the new "TWINTIER" products expanded, total sales of tools increased. Sales of consumables were also strong thanks to an increase in the number of tools in operation.

Launched the world's first rebar tying tools with 4G LTE communication and GPS functionality

Visualization of operational status and tracking in the event of theft have been realized.

In collaboration with KDDI CORPORATION (hereafter, KDDI), MAX has incorporated KDDI's IoT network service into its battery-operated rebar tying tools. **We promote construction DX that utilizes digital technologies such as IoT to improve productivity and efficiency in jobsite work.**

Sales area

Initially launched in the Kanto region (Tokyo, Saitama, Chiba, Kanagawa). We plan to expand sequentially throughout Japan and overseas.



Main Features

- (1) GPS and remote locking to prevent theft-related problems
- (2) Visualization of tool operating status
- (3) Tool placement tailored to the busyness of the jobsites





Operating Results Forecast for FY 2024

Group-Wide Plan in FY 2024

■ Forecasted exchange rates (from Q3)

1 USD = 145.00 JPY

1 EUR = 160.00 JPY

(unit: millions of yen, %)

	Current plan (October 31, 2024)	Previous plan (July 31, 2024)	Difference	Results in previous FY	% increase/ decrease
Net sales	90,300	90,300	—	86,638	+4.2
Operating profit	13,600	13,600	—	12,601	+7.9
Corresponding ratio	15.1	15.1		14.5	
Ordinary profit	13,740	13,740	—	13,717	+0.2
Corresponding ratio	15.2	15.2		15.8	
Profit attributable to shareholders of parent company	10,360	10,360	—	10,435	-0.7
Corresponding ratio	11.5	11.5		12.0	
Net profit per share (yen)	222.67	222.91	-0.24	222.57	
ROE	10.1	10.1	—	11.1	

There are no changes to the group-wide plan announced on July 31, 2024, in terms of net sales and profits, but we have revised the business performance forecasts by segment and by business in light of recent trends and future forecasts.

Segment Plans in FY 2024

(unit: millions of yen, %)	Current plan (October 31, 2024)	Previous plan (July 31, 2024)	Difference	Results in previous FY	% increase/ decrease
Industrial Equipment segment					
Net sales	65,290	65,640	-350	62,392	+4.6
Segment profit	14,030	14,060	-30	12,691	+10.5
Segment profit rate	21.5	21.4		20.3	
Office Equipment segment					
Net sales	21,670	21,320	+350	21,006	+3.2
Segment profit	4,180	4,000	+180	3,965	+5.4
Segment profit rate	19.3	18.8		18.9	
HCR Equipment segment					
Net sales	3,340	3,340	—	3,239	+3.1
Segment profit	0	0	—	-7	—
Segment profit rate	0.0	0.0		-0.2	
Adjustment amount	-4,610	-4,460	-150	-4,048	—
Group-wide total					
Net sales	90,300	90,300	—	86,638	+4.2
Operating profit	13,600	13,600	—	12,601	+7.9
Operating margin	15.1	15.1		14.5	

Plans for Each Subsegment (By Business) in FY 2024

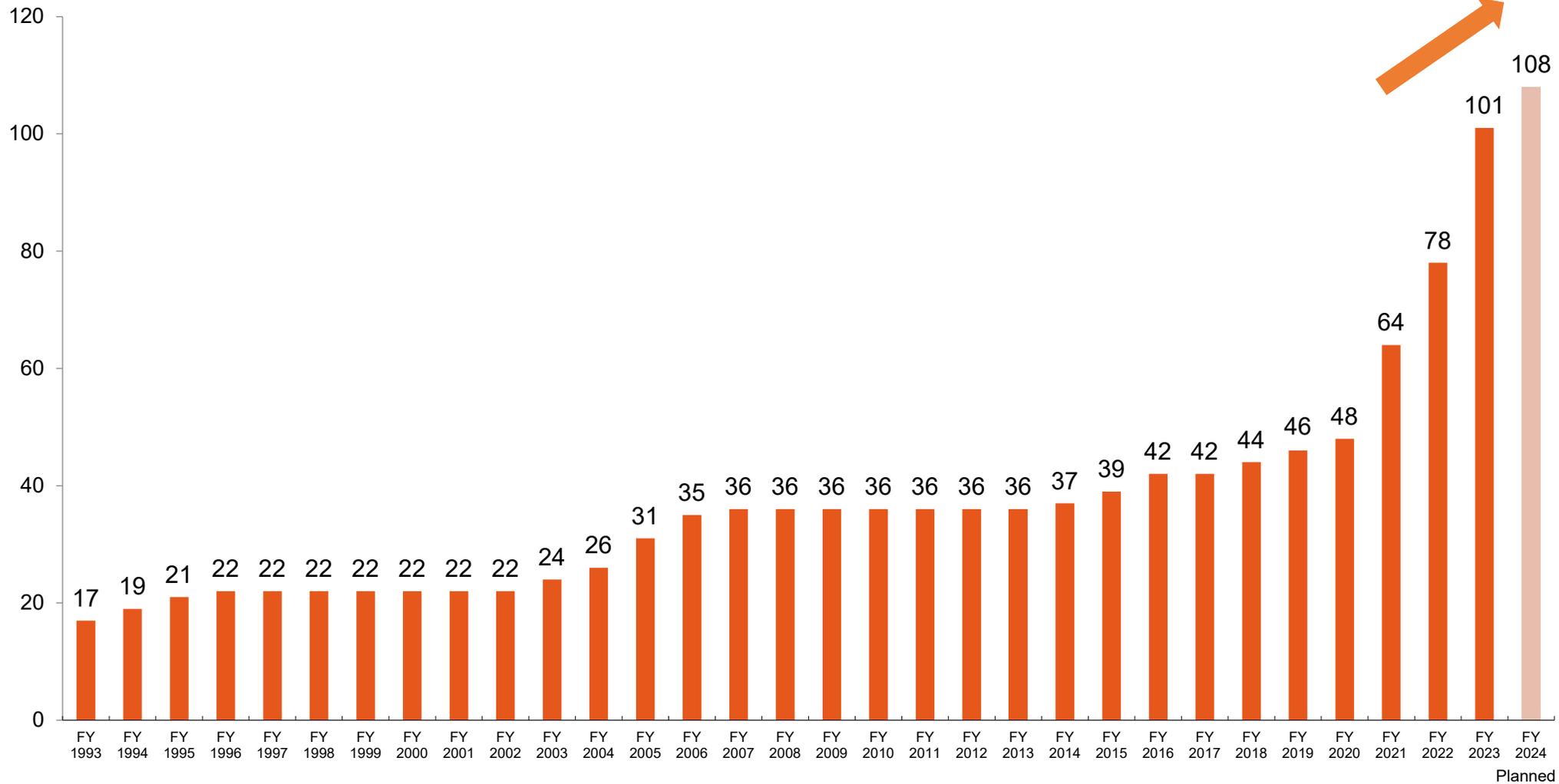
20

(unit: millions of yen, %)	Current plan (October 31, 2024)	Previous plan (July 31, 2024)	Difference	Results in previous FY	% increase/ decrease
Industrial Equipment segment					
Segment net sales	65,290	65,640	-350	62,392	+4.6
Domestic industrial equipment business	21,560	21,960	-400	21,536	+0.1
Overseas industrial equipment business	31,930	31,930	—	29,304	+9.0
Home environment equipment business	11,800	11,750	50	11,551	+2.2
Segment profit	14,030	14,060	-30	12,691	+10.5
Segment profit rate	21.5	21.4		20.3	

	Current plan (October 31, 2024)	Previous plan (July 31, 2024)	Difference	Results in previous FY	% increase/ decrease
Office Equipment segment					
Segment net sales	21,670	21,320	350	21,006	+3.2
Domestic office equipment business	7,820	7,750	70	7,626	+2.5
Overseas office equipment business	5,850	5,800	50	5,796	+0.9
Auto-stapler equipment business	8,000	7,770	230	7,583	+5.5
Segment profit	4,180	4,000	180	3,965	+5.4
Segment profit rate	19.3	18.8		18.9	

Dividend Policy: Dividends per Share

(unit: yen)



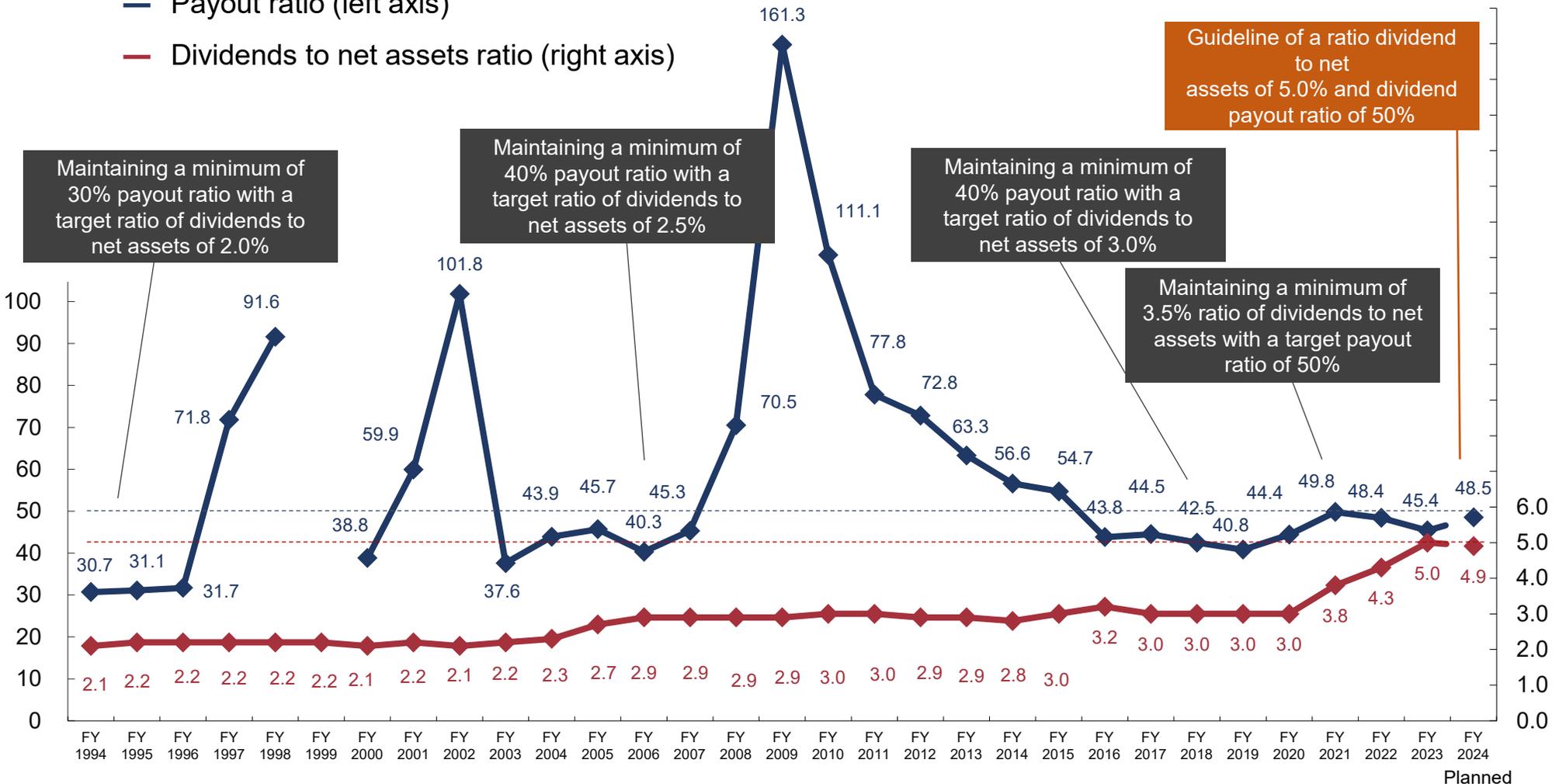
Planned

Dividend Policy: Payout Ratio and Dividends to Net Assets Ratio

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

(unit: %)

- Payout ratio (left axis)
- Dividends to net assets ratio (right axis)



Note: Non-consolidated base until FY 2004.

Published the Integrated Report 2024

To obtain stakeholders' deeper understanding of the MAX Group, the Group published Integrated Report 2024.

Main Points

Enhanced value creation process

The value that MAX creates for the world has been made concrete as “eliminating labor shortages” and “contributing to improving health and safety in the workplace and at home”. We have specified economic, social and environmental values for the outcomes, and have worked to enhance the value creation process.

Rebar Tying Tools Business featured

In addition to the history of rebar tying tools, which has been a driving force for growth, the report includes comments from local sales managers in the North American area, where sales have been strong. The report also provides information on the anticipated market size and growth strategy for the Rebar Tying Tools Business.

Please refer to our website for the "Integrated Report 2024.

<https://www.max-ltd.co.jp/about/ir/data/integrated/>

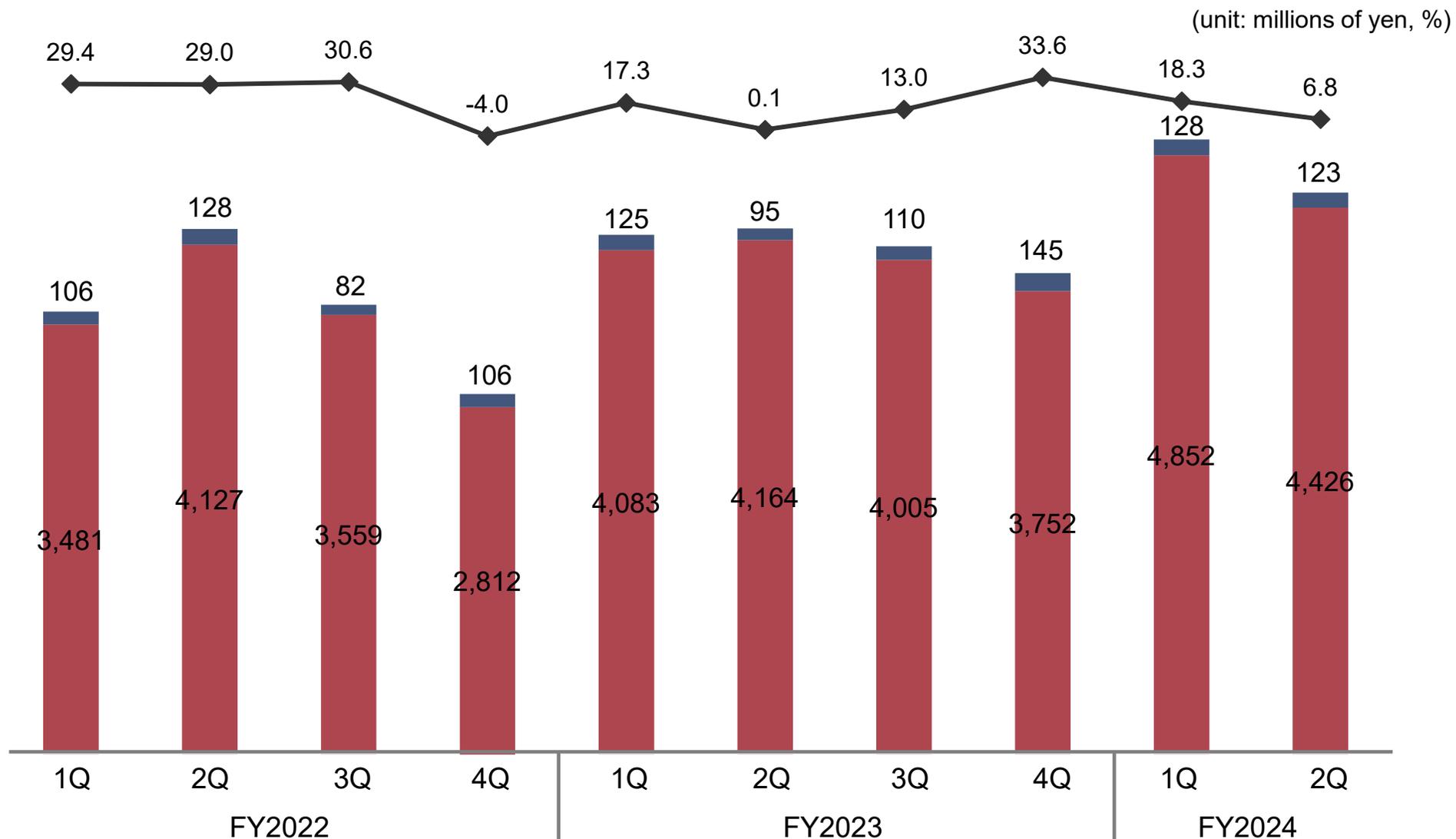




Reference Materials

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

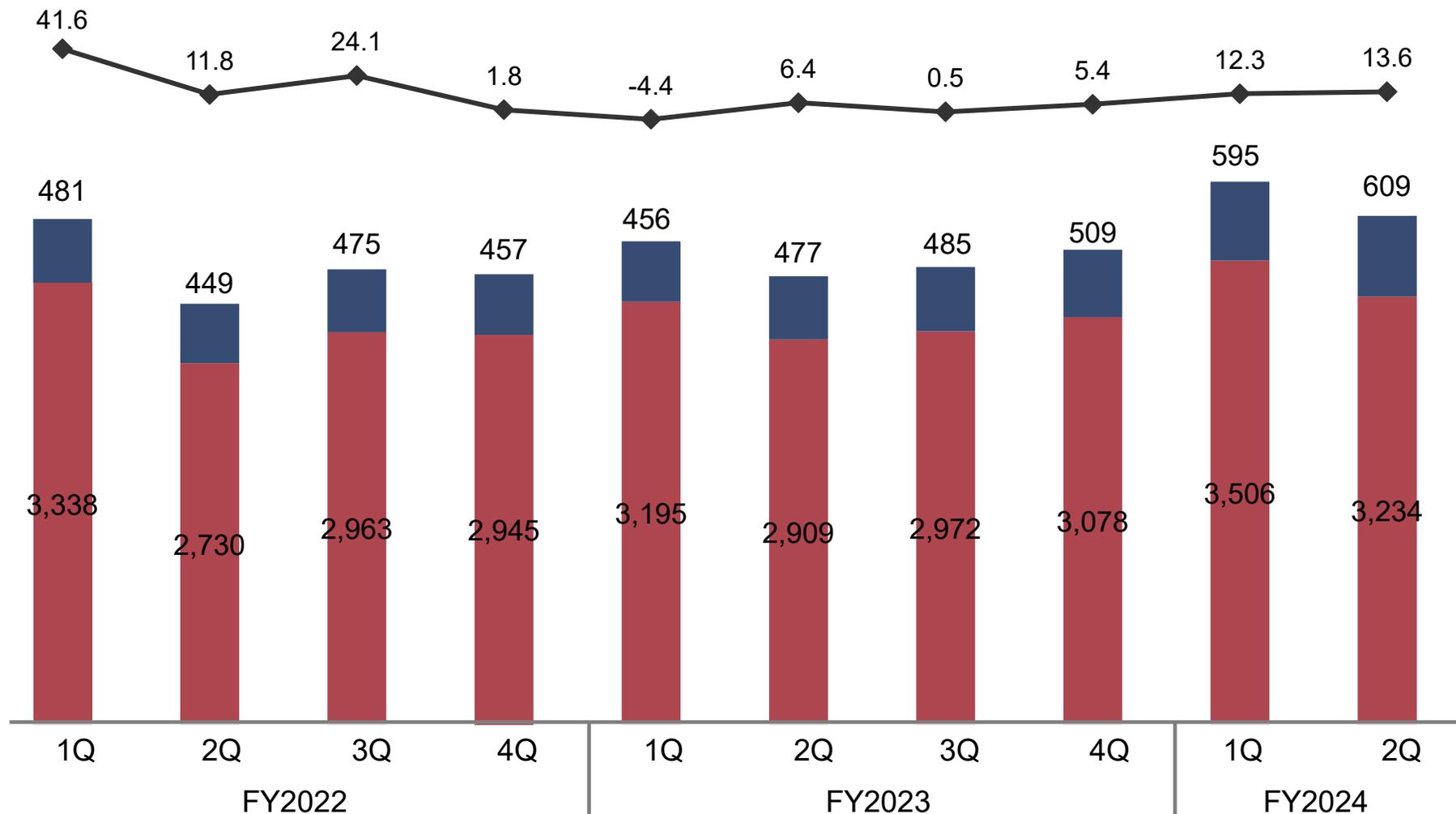
■ Net sales by Industrial Equipment segment ■ Net sales by Office Equipment segment — Rate of change in net sales YOY in North America



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

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

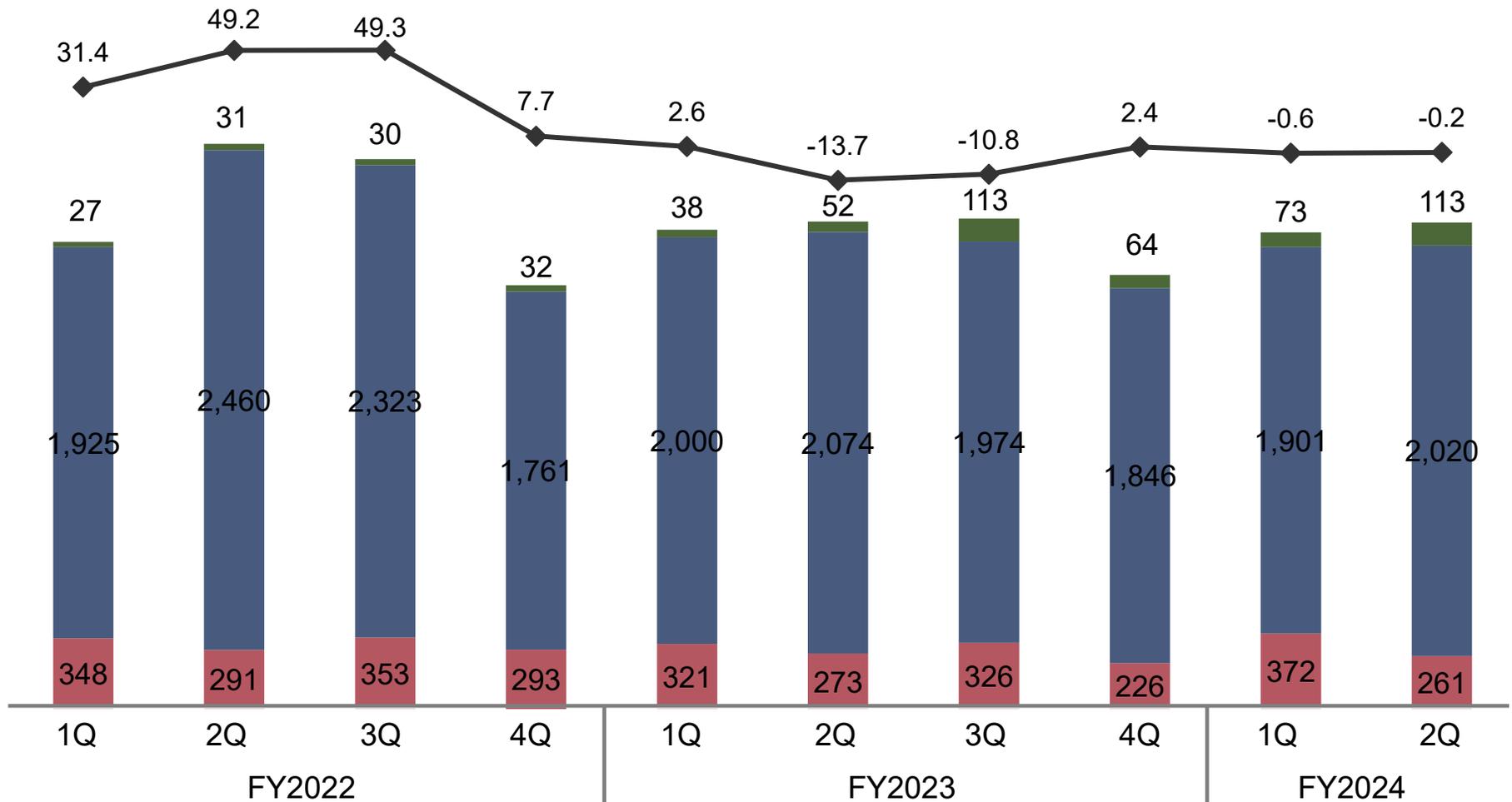
(unit: millions of yen, %)



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

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

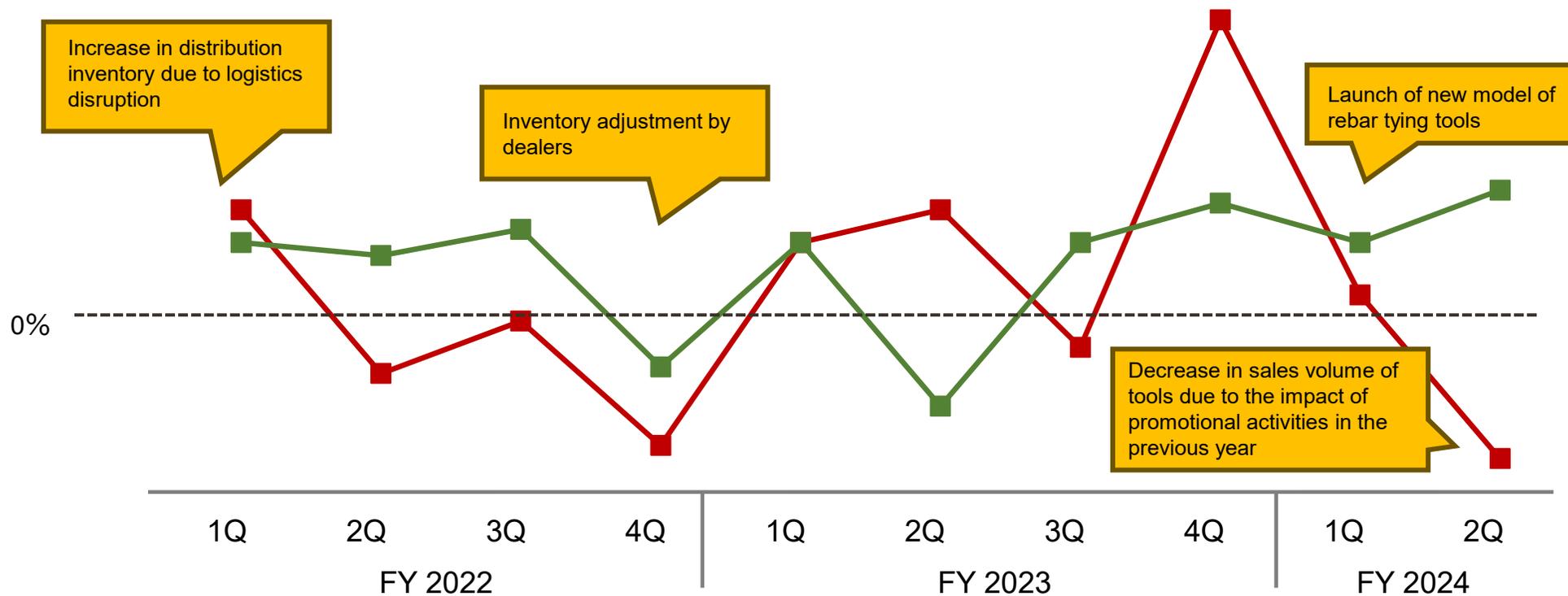
(unit: millions of yen, %)



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

■ Tools: Rate of increase in quantity YOY

■ Consumables: Rate of increase in quantity YoY



North America	FY 2022				FY 2023				FY 2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Tools	16%	-9%	-1%	-20%	11%	16%	-5%	45%	3%	-22%
Consumables	11%	9%	13%	-8%	11%	-14%	11%	17%	11%	19%

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

■ Tools: Rate of increase in quantity YOY

■ Consumables: Rate of increase in quantity YoY

Growing business due to strong public construction in various countries

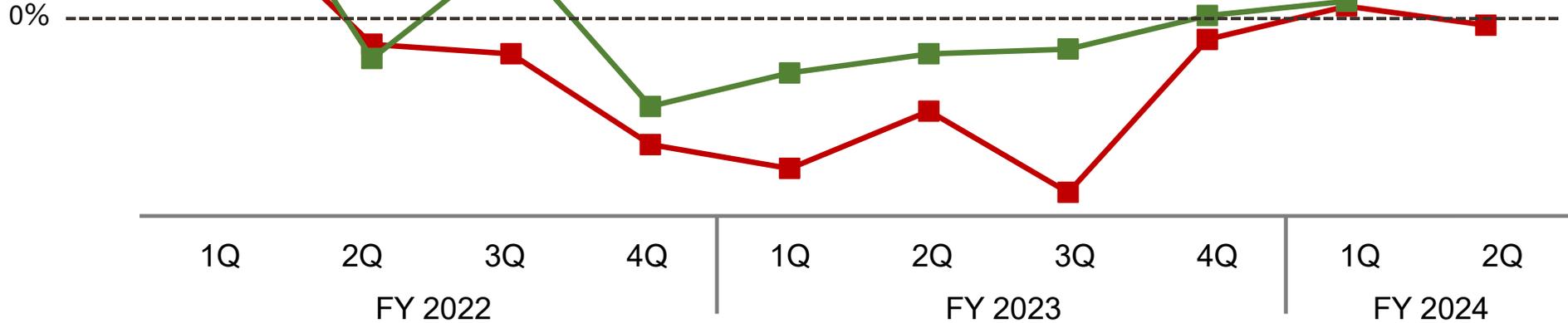
Decrease in investment motivation due to uncertain economic outlook

Sluggish housing market in Germany and Northern Europe

Strengthen activities in strong markets of Southern/Eastern Europe

There is a sense that the decline in sales volume has bottomed out.

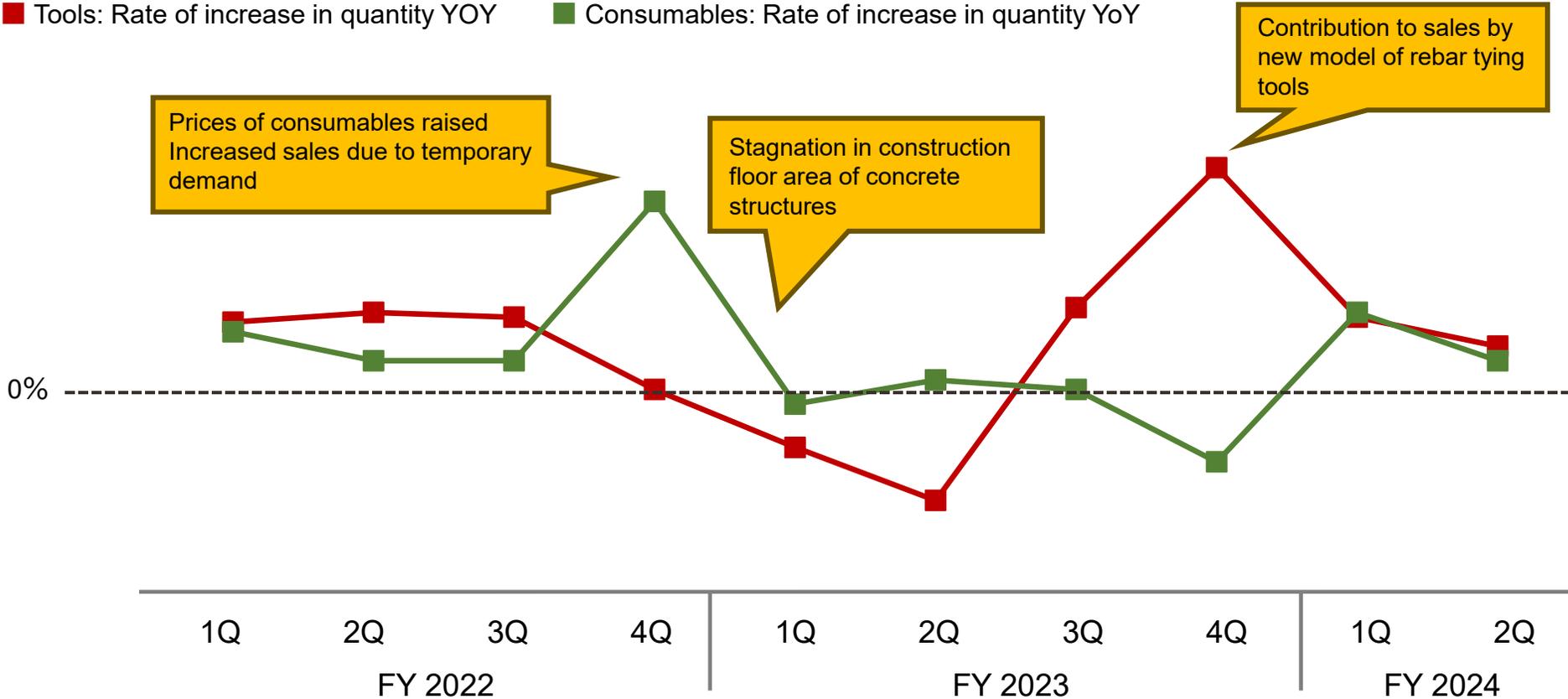
Launch of new model of rebar tying tools



Europe	FY 2022				FY 2023				FY 2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Tools	22%	-6%	-8%	-27%	-32%	-20%	-37%	-5%	2%	-2%
Consumables	36%	-9%	14%	-19%	-12%	-8%	-7%	0%	3%	18%

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

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



Domestic	FY 2022				FY 2023				FY 2024	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Tools	14%	16%	15%	0%	-12%	-23%	17%	46%	15%	9%
Consumables	12%	6%	6%	39%	-3%	2%	0%	-15%	16%	6%

Industrial equipment business

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 tools



Office equipment business

Stationery-related products

Staplers



Hole punches



Roller stamp for protecting personal information, and other products

Labeling and signage products

BEPOP sign & label printing machines



LETATWIN tube markers



Label printers for food labeling



Other

Time recorders

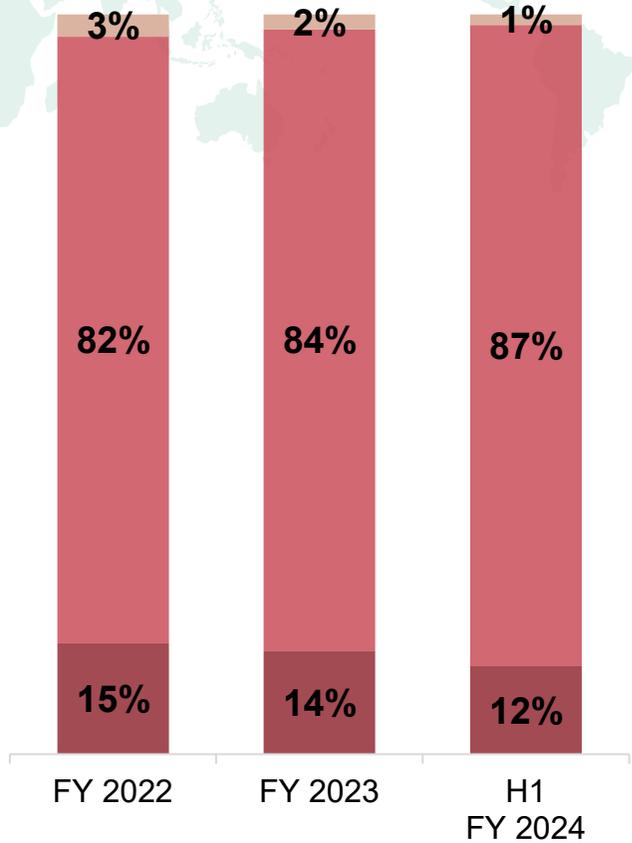
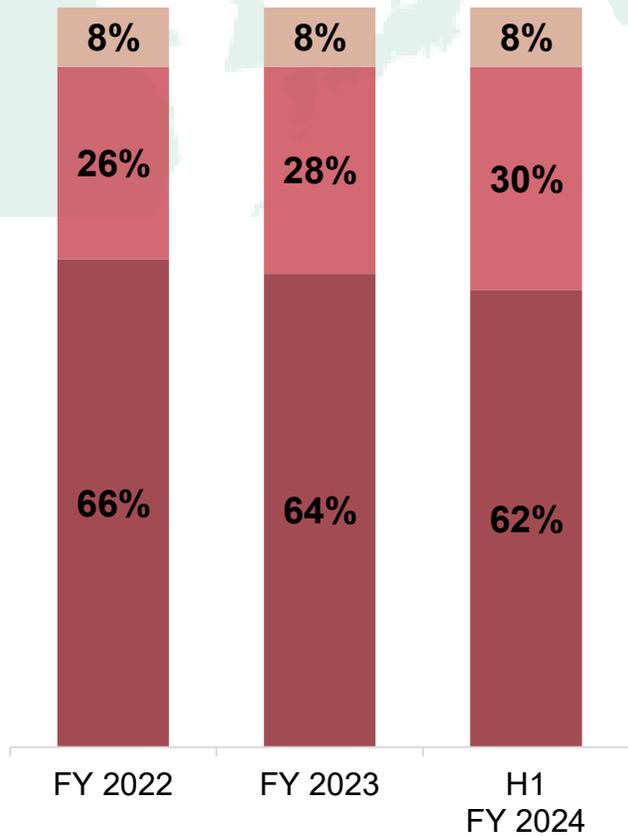


Calligraphy printer



Product breakdown for the domestic industrial equipment business

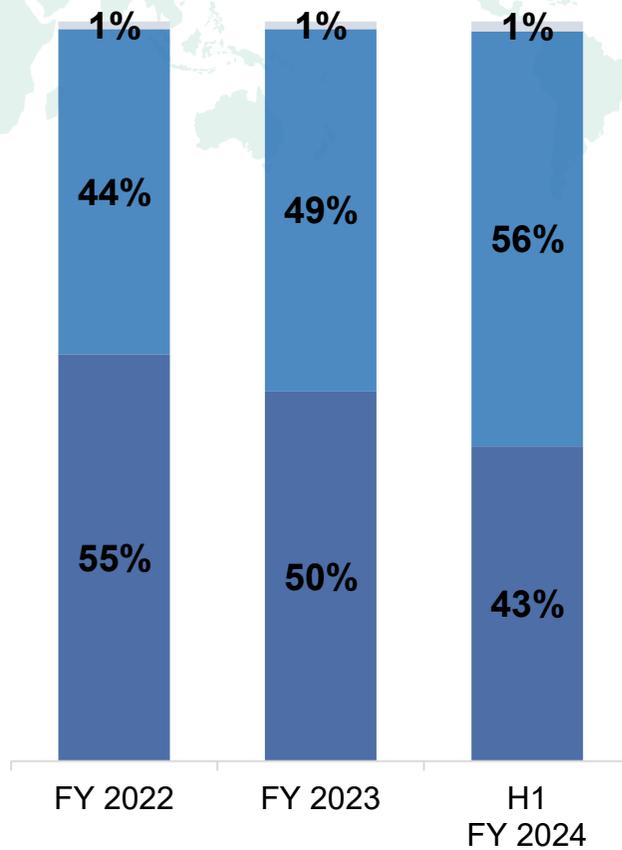
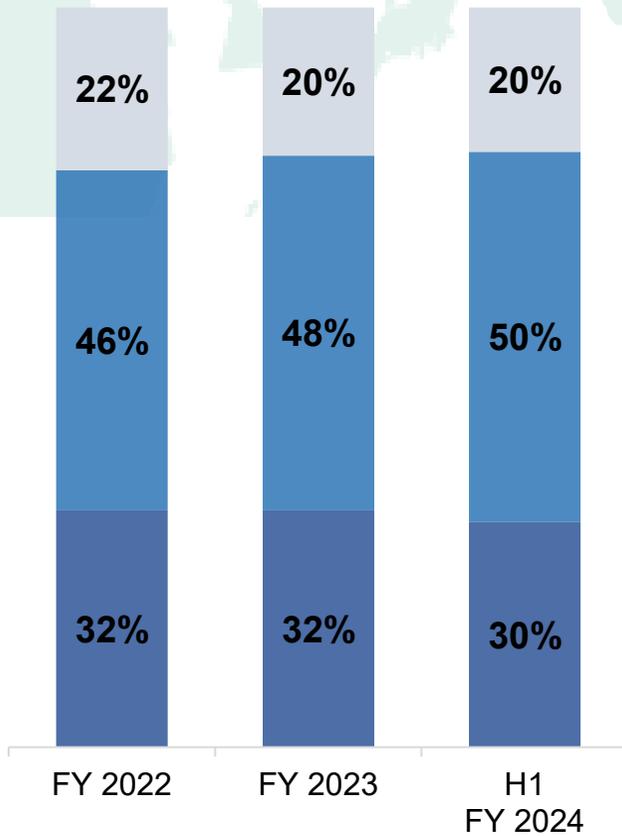
Product breakdown for the overseas industrial equipment business



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

Product breakdown for the domestic office equipment business

Product breakdown for the overseas office equipment business



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



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