

Translation

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Summary of Consolidated Financial Results for the Year Ended December 31, 2022 (Based on Japanese GAAP)

February 10, 2023

Company name: HOSHIZAKI CORPORATION
 Stock exchange listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities code: 6465 URL: <http://www.hoshizaki.co.jp>
 Representative: Representative Director, President & COO Yasuhiro Kobayashi
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Scheduled date of annual general meeting of shareholders: March 29, 2023
 Scheduled date to file Securities Report: March 29, 2023
 Scheduled date to commence dividend payments: March 8, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

(1) Consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2022	321,338	17.1	27,915	12.0	37,763	21.2	24,345	12.3
Year ended December 31, 2021	274,419	15.2	24,931	35.1	31,165	78.9	21,679	89.5

Note: Comprehensive income Year ended December 31, 2022 ¥43,883 million [56.4%]
 Year ended December 31, 2021 ¥28,054 million [394.7%]

	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit/ total assets	Operating profit/ net sales
	Yen	Yen	%	%	%
Year ended December 31, 2022	168.06	–	8.9	9.4	8.7
Year ended December 31, 2021	149.67	–	8.7	8.6	9.1

Reference: Share of profit (loss) of entities accounted for using equity method

Year ended December 31, 2022 ¥(871) million
 Year ended December 31, 2021 ¥141 million

- Notes: 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year. Accordingly, each figure for the year ended December 31, 2022 is the figure after applying the accounting standard and relevant ASBJ regulations.
2. The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. Earnings per share is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	422,227	292,627	68.5	1,997.27
As of December 31, 2021	378,469	259,862	68.1	1,779.92

Reference: Equity As of December 31, 2022 ¥289,326 million
 As of December 31, 2021 ¥257,826 million

- Notes: 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year. Accordingly, each figure as of December 31, 2022 is the figure after applying the accounting standard and relevant ASBJ regulations.
2. The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. Net assets per share is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2022	5,170	1,941	(13,349)	186,669
Year ended December 31, 2021	27,343	5,238	(8,122)	181,615

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2021	–	0.00	–	110.00	110.00	7,966	36.7	3.2
Year ended December 31, 2022	–	60.00	–	40.00	–	10,140	41.7	3.7
Year ending December 31, 2023 (Forecast)	–	30.00	–	40.00	70.00		43.5	

Note: The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date.

Second quarter-end of the year ended December 31, 2022 shows the amount before the split and fiscal year-end of the year ended December 31, 2022 shows the amount after the split. Annual dividends per share are not displayed because they cannot be simply totaled by the implementation of stock split.

Total annual dividends per share for 2022 before the stock split will be ¥140.00 per share, an increase of ¥30.00 in real terms from the year ended December 31, 2021.

3. Forecast of consolidated financial results for the year ending December 31, 2023 (from January 1, 2023 to December 31, 2023)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	350,000	8.9	34,000	21.8	35,100	(7.1)	23,300	(4.3)	160.84

*Notes

(1) Changes in significant subsidiaries during the year ended December 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

b. Changes in accounting policies due to other reasons: No

c. Changes in accounting estimates: No

d. Restatement of prior period financial statements: No

Note: For details, please refer to “3. Consolidated financial statements, Changes in accounting policies” of the attached material.

(3) Number of issued shares (common shares)

a. Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	144,864,000 shares	As of December 31, 2021	144,855,300 shares
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b. Number of treasury shares at the end of the period

As of December 31, 2022	3,178 shares	As of December 31, 2021	2,558 shares
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c. Average number of shares during the period

Year ended December 31, 2022	144,857,780 shares	Year ended December 31, 2021	144,848,142 shares
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Note: The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. The number of shares is presented on the assumption that the split was conducted at the beginning of the previous fiscal year.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the year ended December 31, 2022 (from January 1, 2022 to December 31, 2022)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2022	68,249	2.4	9,746	(6.2)	21,337	23.3	17,764	40.9
Year ended December 31, 2021	66,625	5.5	10,392	4.4	17,303	61.3	12,603	56.6

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended December 31, 2022	122.64		-	
Year ended December 31, 2021	87.01		-	

Notes: 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year. Accordingly, each figure for the year ended December 31, 2022 is the figure after applying the accounting standard and relevant ASBJ regulations.

2. The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. Earnings per share is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of December 31, 2022	236,397		145,130		61.4		1,001.86	
As of December 31, 2021	227,977		139,583		61.2		963.62	

Reference: Equity As of December 31, 2022 ¥145,130 million

As of December 31, 2021 ¥139,583 million

Notes: 1. The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the current fiscal year. Accordingly, each figure as of December 31, 2022 is the figure after applying the accounting standard and relevant ASBJ regulations.

2. The Company has split its shares at a ratio of two-for-one common share with July 1, 2022 as the effective date. Net assets per share is calculated assuming that the share split was conducted at the beginning of the previous fiscal year.

* **Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.**

* **Proper use of earnings forecasts, and other special matters**

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual business and other results may differ substantially due to various factors.