

**Supplementary Explanatory Materials for
Financial Results for
the Six Months Ended May 20, 2023**

Zojirushi Corporation

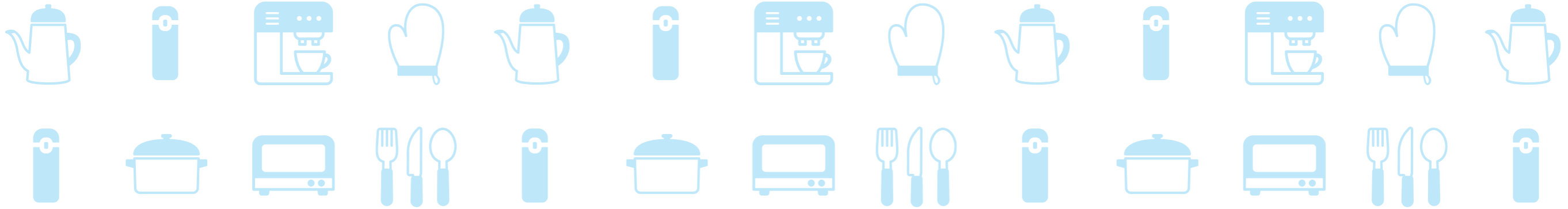
July 3, 2023



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I. Consolidated Financial Results for the Six Months Ended May 20, 2023



(1) Composition of net sales by product category/principal products

Household appliances



- Air-conditioning, cooling, and heating
- Humidifiers



- Kitchen housework
- Dish dryers

- Other household appliances

Household and thermal products



- Glass vacuum bottles
- Glass carafes



- Stainless-steel vacuum bottles
- Stainless-steel bottles

- Other household and thermal products

Cooking appliances



- Rice cooking
- Rice cookers



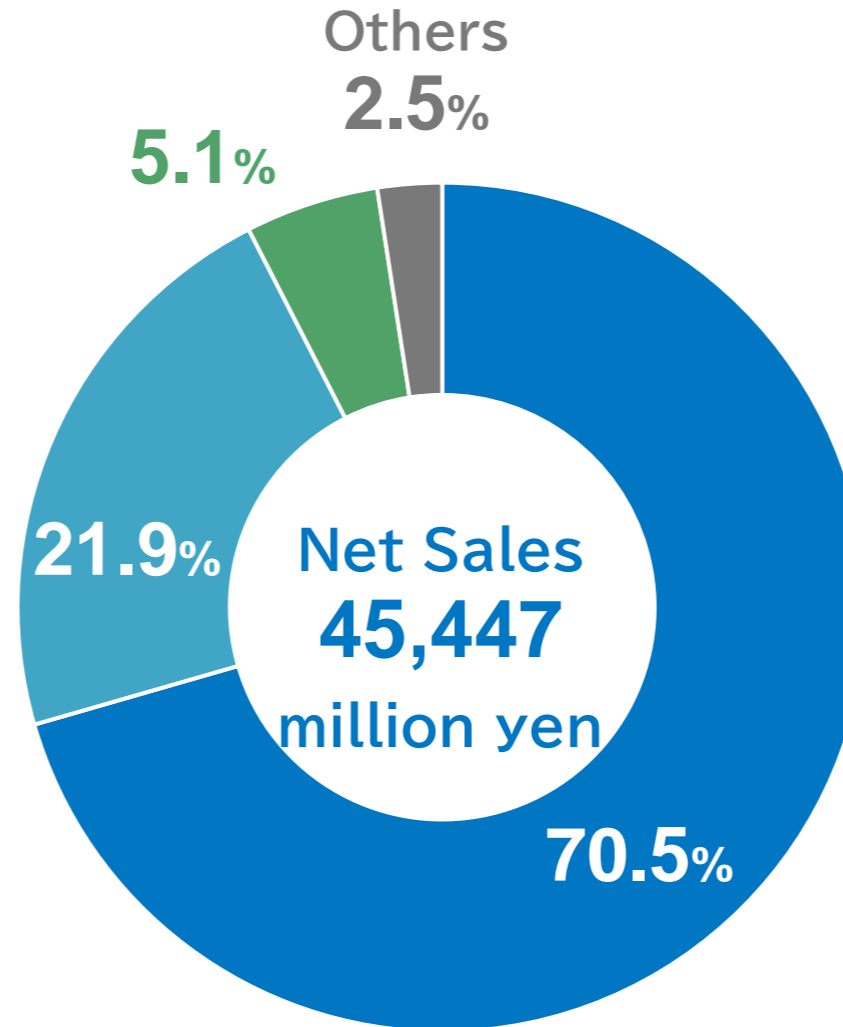
- Water boiling
- Electric pots



- Electric cooking
- Toaster ovens
- Electric griddles



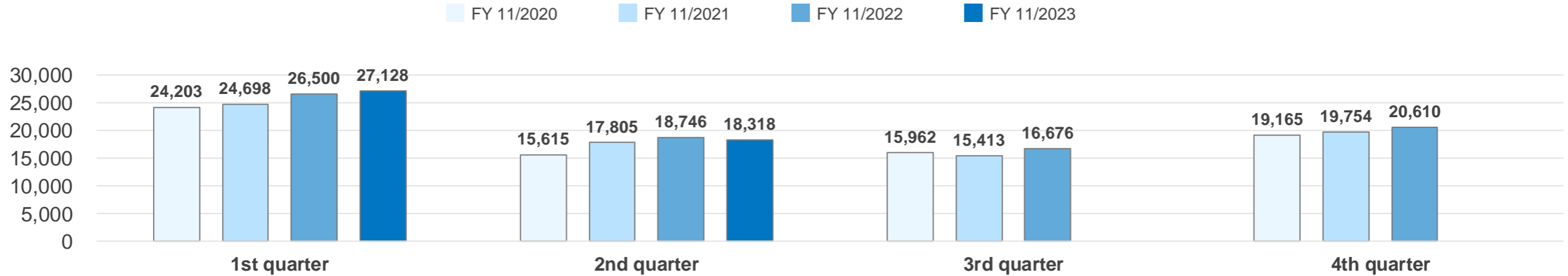
- Microwave cooking
- Oven ranges



(2) Comparison of quarterly financial results

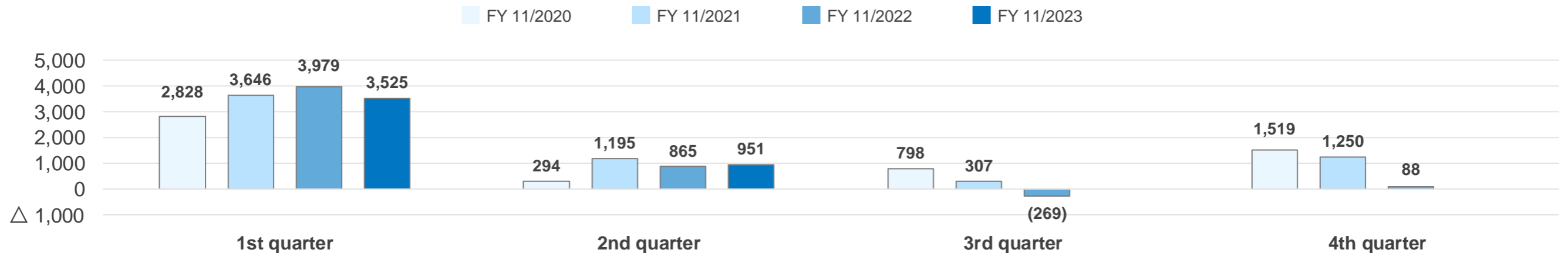
Quarterly net sales

Unit: Million yen



Quarterly operating profit

Unit: Million yen



(3) Overview of financial results

Net sales

45,447 million yen

Year on year

+200 million yen **+0.4%**

Operating profit

4,476 million yen

Year on year

-367 million yen **-7.6%**



Domestic net sales

-357 million yen

(year on year)



Overseas net sales

+557 million yen

(year on year)

Cooking appliances

Sales of rice cookers/warmers saw a year-on-year decline, as micom and induction heating pressure rice cookers struggled. Sales of electric pots were weak, but sales of electric kettles were strong. The oven range, a new category product, contributed to increased sales, but sales of electric griddles, toaster ovens, and other products were sluggish, resulting in an overall decline year on year.

Cooking appliances

Sales of rice cookers/warmers were strong in North America and Southeast Asia, but due to weak sales of electric pots and electric cooking appliances, overall sales declined year on year.

Household and thermal products

Sales of stainless-steel vacuum bottles, stainless-steel carafes, and stainless-steel soup jars were strong, resulting in an overall increase year on year.

Household and thermal products

Sales were sluggish in China, but overall sales increased year on year thanks to strong performance of stainless-steel products in Taiwan, Southeast Asia, and Korea.

Household appliances

Overall sales increased year on year thanks to the strong performance of humidifiers.

Household appliances

Humidifiers performed well in Korea.

Attributable to net sales **-591** million yen

Attributable to gross profit margin **+1,738** million yen

Attributable to selling, general and administrative expenses **-492** million yen

Impact of foreign exchange rates **-1,021** million yen

FY11/2022 Q2 : 1USD = ¥116
 FY11/2023 Q2 : 1USD = ¥136

(4) Statements of income (P/L)

(Unit: Million yen, %)

	Six months ended May 20, 2022		Six months ended May 20, 2023		YoY change	
	Amount	Composition	Amount	Composition	Amount	Rate
Net sales	45,247	100.0%	45,447	100.0%	200	0.4%
Gross profit	14,529	32.1%	15,088	33.2%	559	3.8%
Selling, general and administrative expenses	9,684	21.4%	10,611	23.3%	926	9.6%
Operating profit	4,844	10.7%	4,476	9.9%	(367)	(7.6)%
Ordinary profit	5,593	12.4%	5,340	11.8%	(252)	(4.5)%
Profit attributable to owners of parent	3,673	8.1%	3,732	8.2%	59	1.6%

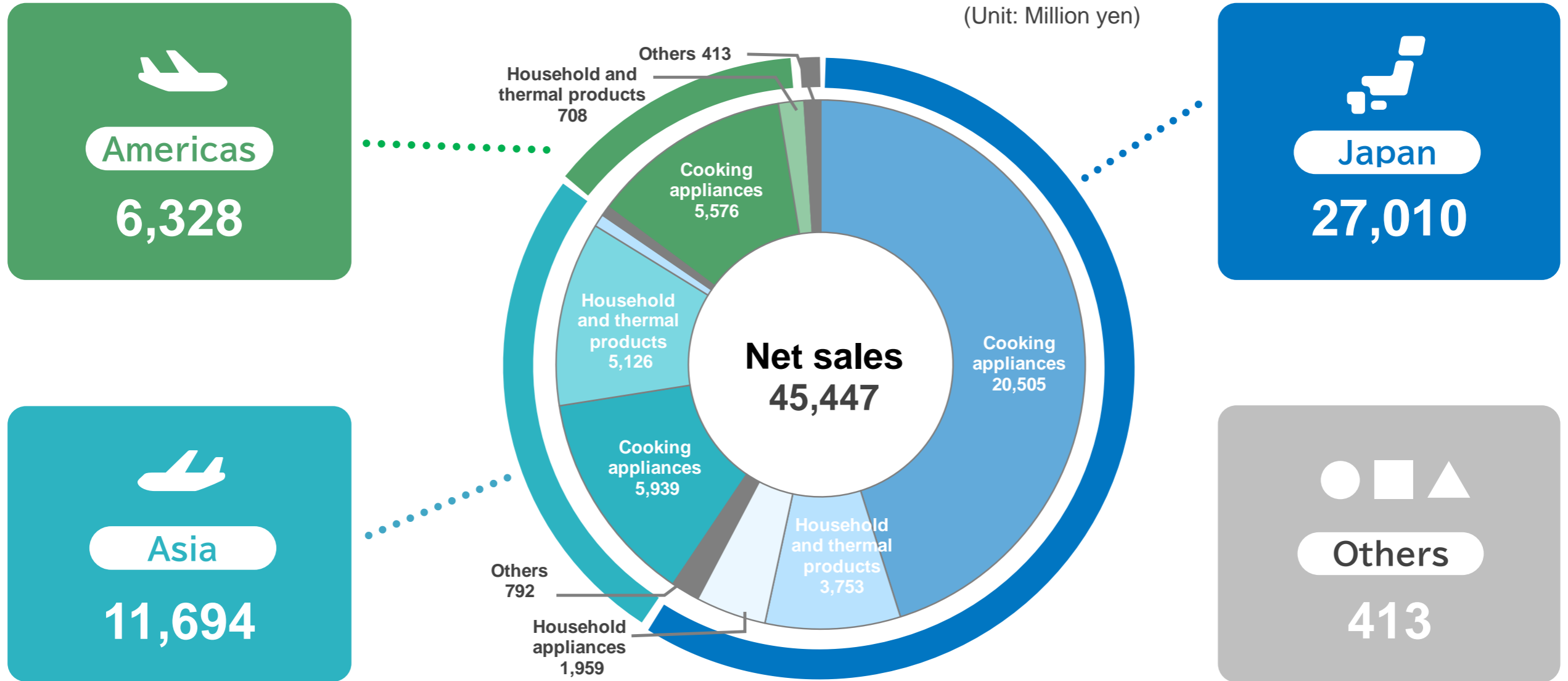
(5) Net sales/operating profit by region and product category

Six months ended May 20, 2023









(Unit: Million yen, %)

	Japan	Overseas				Subtotal	Total
		Asia	Of which, China	Americas	Others		
Cooking appliances	20,505	5,939	1,967	5,576	36	11,551	32,057
YoY change rate	(3.2)%	(13.6)%	(31.6)%	16.1%	508.7%	(1.1)%	(2.5)%
Household and thermal products	3,753	5,126	2,933	708	376	6,211	9,964
YoY change rate	6.0%	6.6%	(8.4)%	12.5%	6.9%	7.3%	6.8%
Household appliances	1,959	351	27	—	—	351	2,310
YoY change rate	0.9%	231.7%	95.3%	—	—	231.7%	12.9%
Others	792	276	93	43	0	321	1,114
YoY change rate	14.4%	5.1%	25.8%	31.1%	(62.0)%	7.5%	12.3%
Net sales	27,010	11,694	5,022	6,328	413	18,436	45,447
Composition	59.4%	25.7%	11.1%	13.9%	0.9%	40.6%	100.0%
YoY change rate	(1.3)%	(3.0)%	(18.6)%	15.8%	14.9%	3.1%	0.4%
Operating profit	1,238	2,007	616	1,211	20	3,238	4,476
Profit ratio	4.6%	17.2%	12.3%	19.1%	4.9%	17.6%	9.9%
Composition	27.7%	44.8%	13.8%	27.1%	0.4%	72.3%	100.0%
YoY change rate	(26.4)%	(17.9)%	(48.4)%	65.4%	(226.1)%	2.4%	(7.6)%

(6) Net sales by region and product category



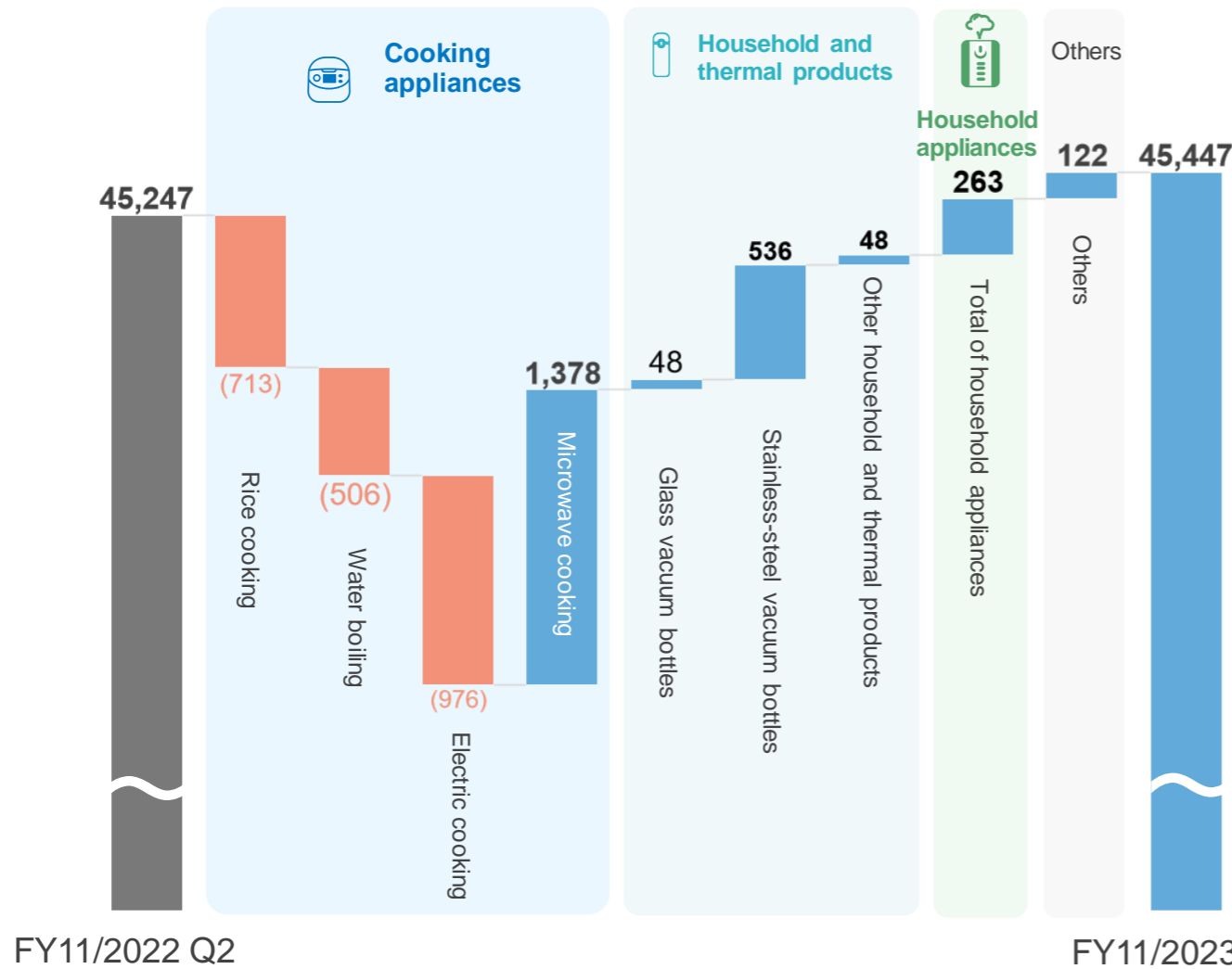
(7) Net sales by product category (details)

Net sales	Six months ended May 20, 2022		Six months ended May 20, 2023		YoY change (Unit: Million yen, %)		
	Amount	Composition	Amount	Composition	Amount	Rate	
Net sales	45,247	100.0%	45,447	100.0%	200	0.4%	 Rice cooking Rice cookers/warmers
Total of cooking appliances	32,876	72.7%	32,057	70.5%	(818)	(2.5)%	 Water boiling Electric pots/kettles
Rice cooking	20,422	45.1%	19,708	43.4%	(713)	(3.5)%	 Electric cooking Electric griddles/coffee makers/ toaster ovens
Water boiling	5,685	12.6%	5,178	11.4%	(506)	(8.9)%	 Microwave cooking Oven ranges
Electric cooking	6,768	15.0%	5,792	12.7%	(976)	(14.4)%	
Microwave cooking	—	—	1,378	3.0%	1,378	—	
Total of household and thermal products	9,331	20.6%	9,964	21.9%	633	6.8%	 Glass vacuum bottles Glass carafes
Glass vacuum bottles	781	1.7%	829	1.8%	48	6.2%	 Stainless-steel vacuum bottles Stainless-steel vacuum bottles/ tumblers/soup jars
Stainless-steel vacuum bottles	8,487	18.8%	9,023	19.9%	536	6.3%	
Other household and thermal products	62	0.1%	111	0.2%	48	77.4%	
Total of household appliances	2,047	4.5%	2,310	5.1%	263	12.9%	 Air-conditioning, cooling, and heating Humidifiers/air cleaners
Air-conditioning, cooling, and heating	1,446	3.2%	1,774	3.9%	327	22.7%	 Kitchen housework Dish driers
Kitchen housework	264	0.6%	246	0.5%	(18)	(7.1)%	
Other household appliances	336	0.7%	290	0.6%	(45)	(13.6)%	
Others	992	2.2%	1,114	2.5%	122	12.3%	Others Restaurant business, etc.

(8) Factors of YoY change in net sales/operating profit

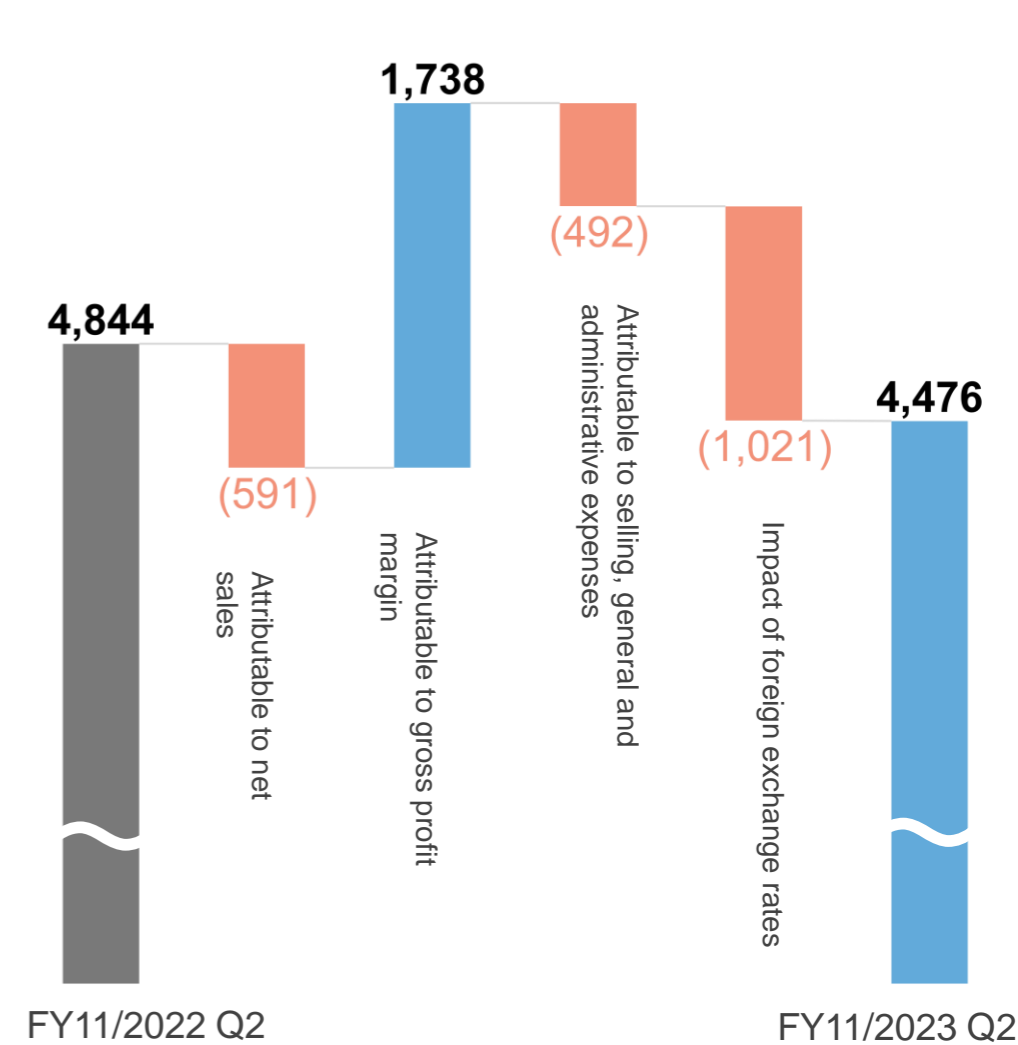
Net sales

(Unit: Million yen)



Operating profit

(Unit: Million yen)



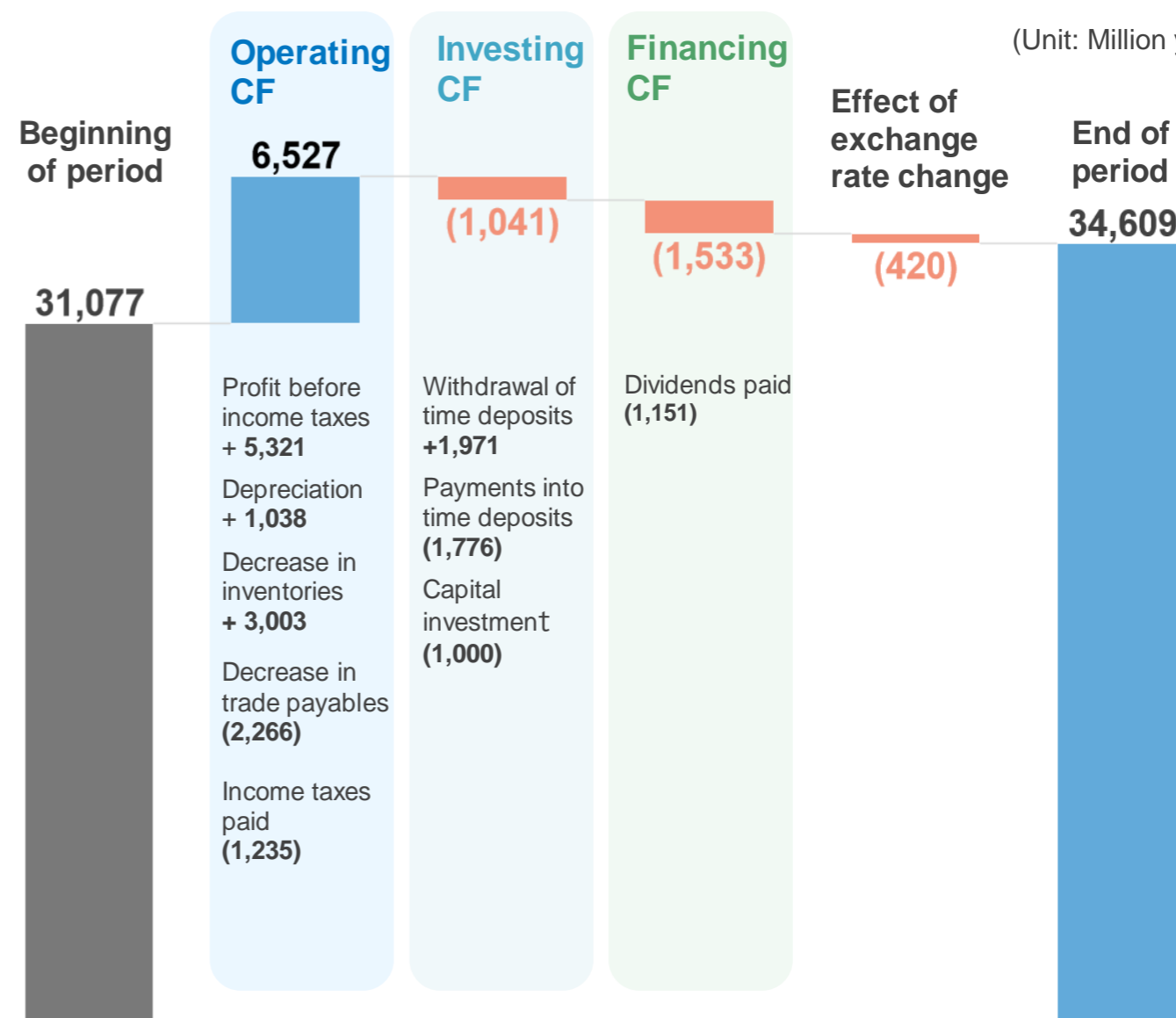
(9) Balance sheets (B/S)

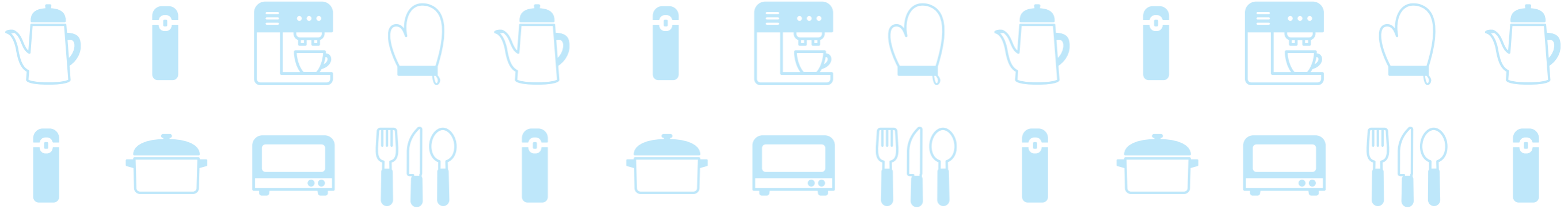
	November 20, 2022	May 20, 2023	Change (Unit: Million yen)
Current assets	84,955	82,332	(2,622)
Cash and deposits	34,119	37,383	3,264
Merchandise and finished goods	25,271	21,319	(3,952)
Other	25,564	23,629	(1,935)
Non-current assets	26,229	26,286	57
Property, plant and equipment	14,409	14,111	(298)
Intangible assets	629	715	86
Investments and other assets	11,189	11,460	270
Total assets	111,184	108,619	(2,564)
Total liabilities	29,906	25,587	(4,318)
Total net assets	81,278	83,031	1,753
Total liabilities and net assets	111,184	108,619	(2,564)

(10) Statements of cash flows

(Unit: Million yen)

	Fiscal year ended May 20, 2022	Fiscal year ended May 20, 2023	Change
Cash flows from operating activities	7,592	6,527	(1,064)
Cash flows from investing activities	(1,754)	(1,041)	712
Cash flows from financing activities	(1,426)	(1,533)	(106)
Effect of exchange rate change on cash and cash equivalents	1,056	(420)	(1,476)
Net increase (decrease) in cash and cash equivalents	5,467	3,531	(1,935)
Cash and cash equivalents at beginning of period	35,209	31,077	(4,132)
Cash and cash equivalents at end of period	40,677	34,609	(6,068)



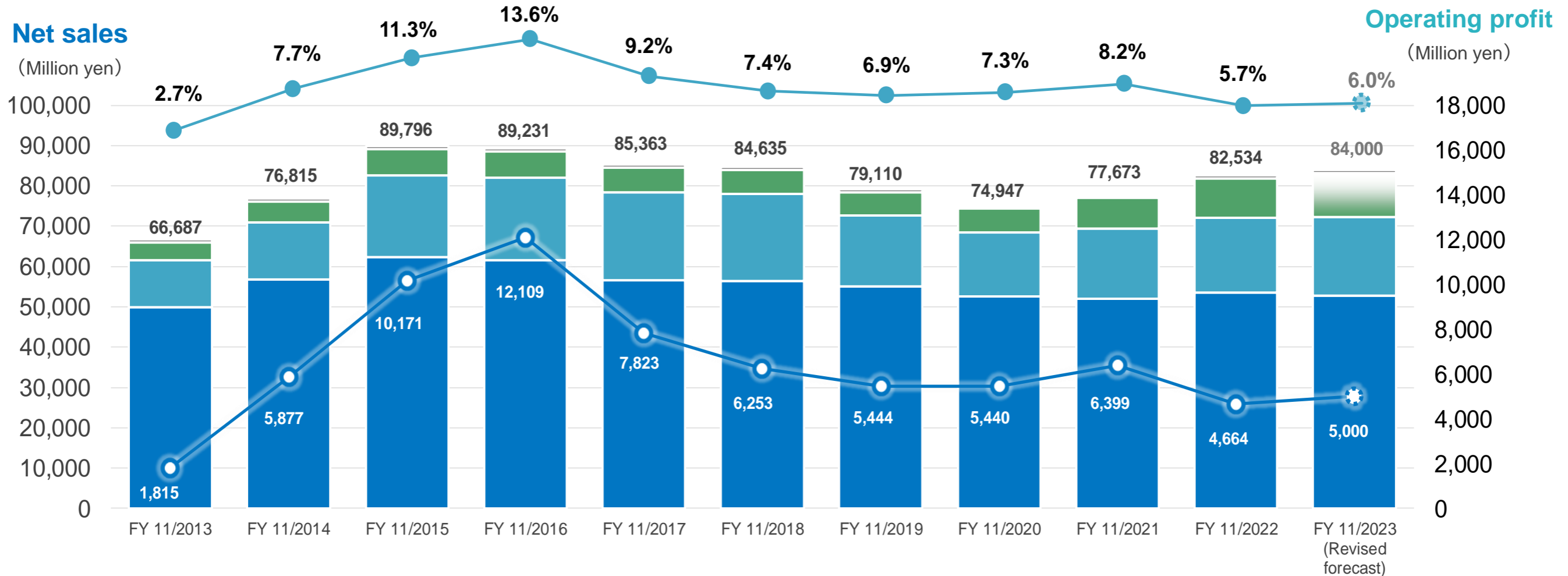


II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023



(1) Financial performance

■ Japan
 ■ Asia
 ■ Americas
 ■ Others
 ○ Operating profit
 ● Ratio of operating profit to net sales



II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023



(2) Statements of income (P/L)

	Fiscal year ended November 20, 2022		Financial results forecast for the fiscal year ending November 20, 2023			YoY change (Unit: Million yen, %)	
	Amount	Composition	Initial forecast	Revised forecast (July 3, 2023)	Composition	Amount	Rate
			Amount	Amount			
Net sales	82,534	100.0%	83,500	84,000	100.0%	1,465	1.8%
Gross profit	24,985	30.3%	24,950	26,300	31.3%	1,314	5.3%
Selling, general and administrative expenses	20,320	24.6%	21,050	21,300	25.4%	979	4.8%
Operating profit	4,664	5.7%	3,900	5,000	6.0%	335	7.2%
Ordinary profit	5,815	7.0%	4,300	6,100	7.3%	284	4.9%
Profit attributable to owners of parent	3,658	4.4%	3,000	4,250	5.1%	591	16.2%
Depreciation	1,963	—	1,801	No change	—	(162)	(8.2%)
Capital investment	2,457	—	3,093	No change	—	636	25.8%
Research and development expenses	882	—	927	No change	—	45	5.1%

※FY11/2023 The exchange rate: Initial forecast 1USD = ¥ 130 Revised forecast 1USD = ¥ 140

(3) Net sales by region and product category

**Financial results forecast for the fiscal year ending November 20, 2023
(Revised forecast July 3, 2023)**

(Unit: Million yen, %)

	Japan	Overseas				Subtotal	Total
		Asia	Of which, China	Americas	Others		
Cooking appliances	39,740	10,220	3,850	9,610	40	19,870	59,610
YoY change rate	(1.1)%	(2.3)%	(12.0)%	15.0%	523.1%	5.5%	1.0%
Household and thermal products	7,210	8,040	4,640	1,320	690	10,050	17,260
YoY change rate	(6.4)%	9.5%	3.8%	(3.6)%	5.6%	7.4%	1.1%
Household appliances	4,110	940	50	—	—	940	5,050
YoY change rate	(3.2)%	226.4%	98.1%	—	—	226.4%	11.4%
Others	1,640	390	100	50	—	440	2,080
YoY change rate	23.0%	(24.3)%	(42.7)%	(33.2)%	(100.0)%	(26.0)%	7.9%
Net sales	52,700	19,590	8,640	10,980	730	31,300	84,000
Composition	62.7%	23.3%	10.3%	13.1%	0.9%	37.3%	100.0%
YoY change rate	(1.4)%	5.3%	(4.5)%	12.1%	9.9%	7.7%	1.8%

II. Consolidated Financial Results Forecast for the Fiscal Year Ending November 20, 2023



(4) Net sales by product category (details)

	Fiscal year ended November 20, 2022		Financial results forecast for the fiscal year ending November 20, 2023			YoY change	
	Amount	Composition	Initial forecast	Revised forecast (July 3, 2023)	Composition	Amount	Rate
			Amount	Amount			
Net sales	82,534	100.0%	83,500	84,000	100.0%	1,465	1.8%
Total of cooking appliances	59,007	71.5%	60,500	59,610	71.0%	602	1.0%
Rice cooking	37,644	45.6%	36,450	36,590	43.6%	(1,054)	(2.8%)
Water boiling	9,314	11.3%	9,270	8,960	10.7%	(354)	(3.8%)
Electric cooking	11,126	13.5%	10,950	10,640	12.7%	(486)	(4.4%)
Microwave cooking	921	1.1%	3,830	3,420	4.1%	2,498	271.0%
Total of household and thermal products	17,065	20.7%	16,520	17,260	20.5%	194	1.1%
Glass vacuum bottles	1,395	1.7%	1,480	1,550	1.8%	154	11.1%
Stainless-steel vacuum bottles	15,521	18.8%	14,900	15,530	18.5%	8	0.1%
Other household and thermal products	148	0.2%	140	180	0.2%	31	21.0%
Total of household appliances	4,533	5.5%	4,520	5,050	6.0%	516	11.4%
Air-conditioning, cooling, and heating	3,553	4.3%	3,580	4,130	4.9%	576	16.2%
Kitchen housework	499	0.6%	460	460	0.5%	(39)	(7.9%)
Other household appliances	480	0.6%	480	460	0.5%	(20)	(4.4%)
Others	1,927	2.3%	1,960	2,080	2.5%	152	7.9%

(Unit: Million yen, %)



Rice cooking

Rice cookers/warmers



Water boiling

Electric pots/kettles



Electric cooking

Electric griddles/coffee makers/toaster ovens



Microwave cooking

Oven ranges



Glass vacuum bottles

Glass carafes



Stainless-steel vacuum bottles

Stainless-steel vacuum bottles/tumblers/soup jars



Air-conditioning, cooling, and heating

Humidifiers/air cleaners



Kitchen housework

Dish driers

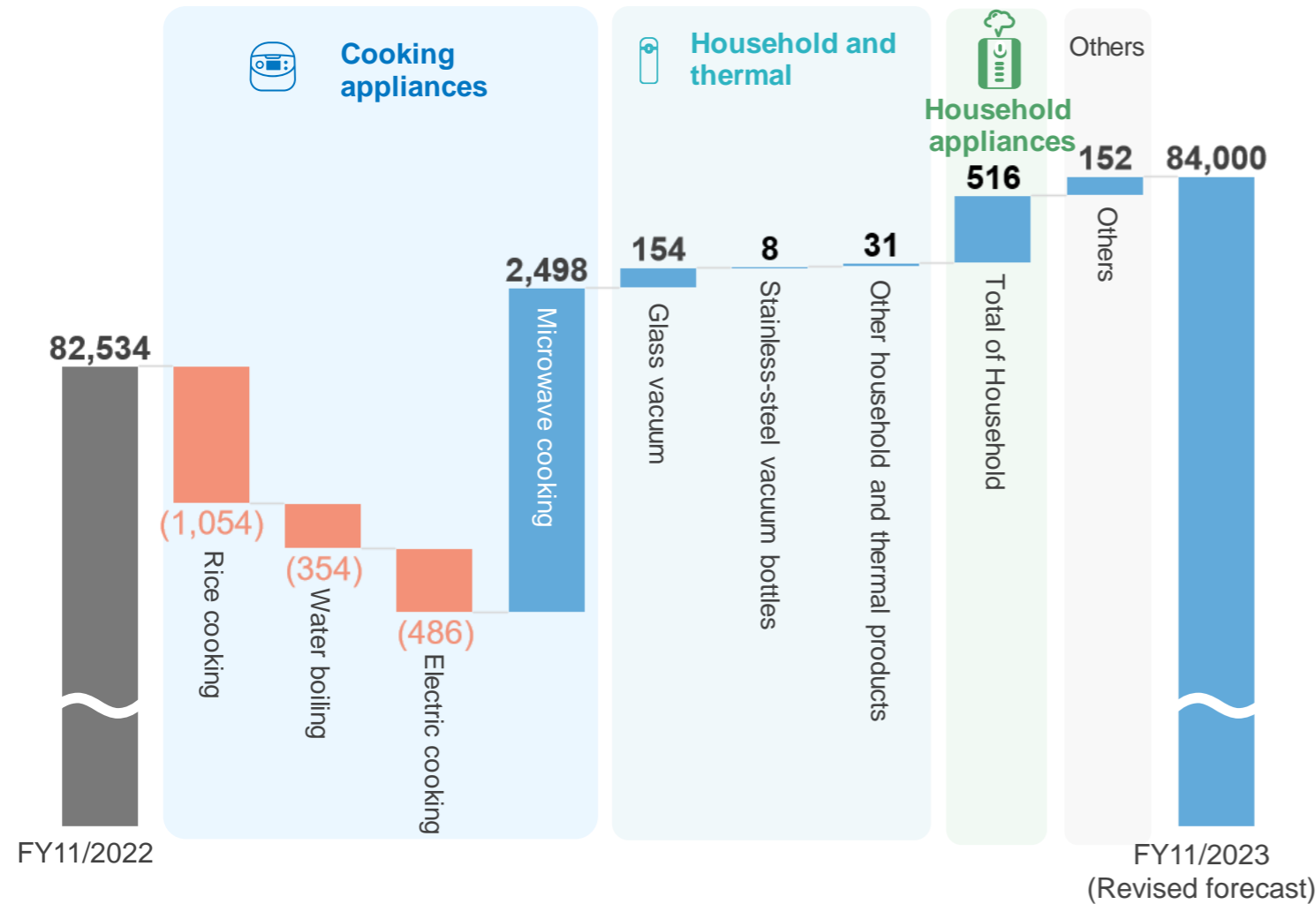
Others

Restaurant business, etc.

(5) Factors of YoY change in net sales/operating profit

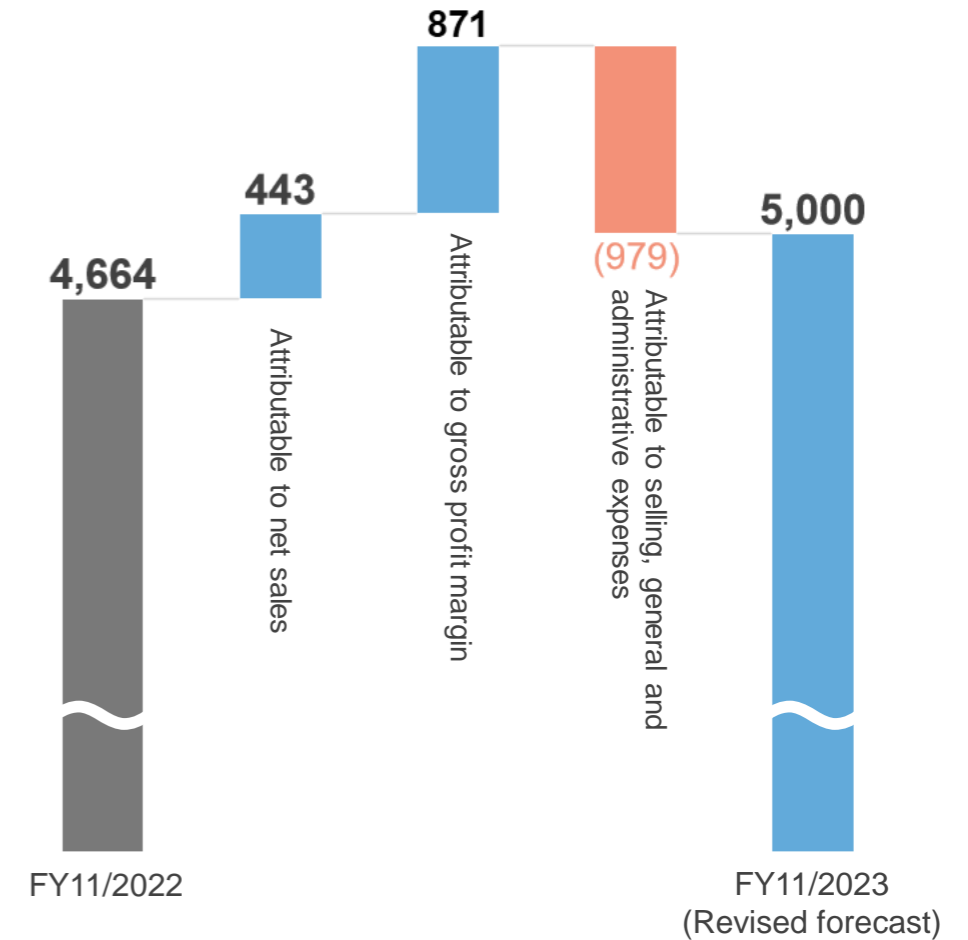
Net sales

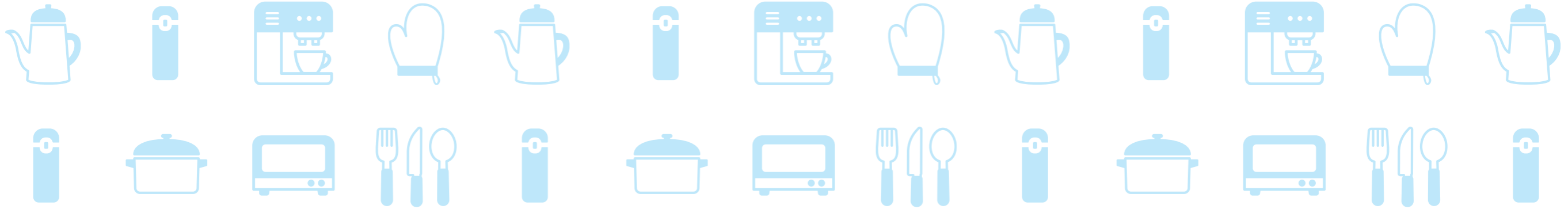
(Unit: Million yen)



Operating profit

(Unit: Million yen)





III. Shareholder Returns



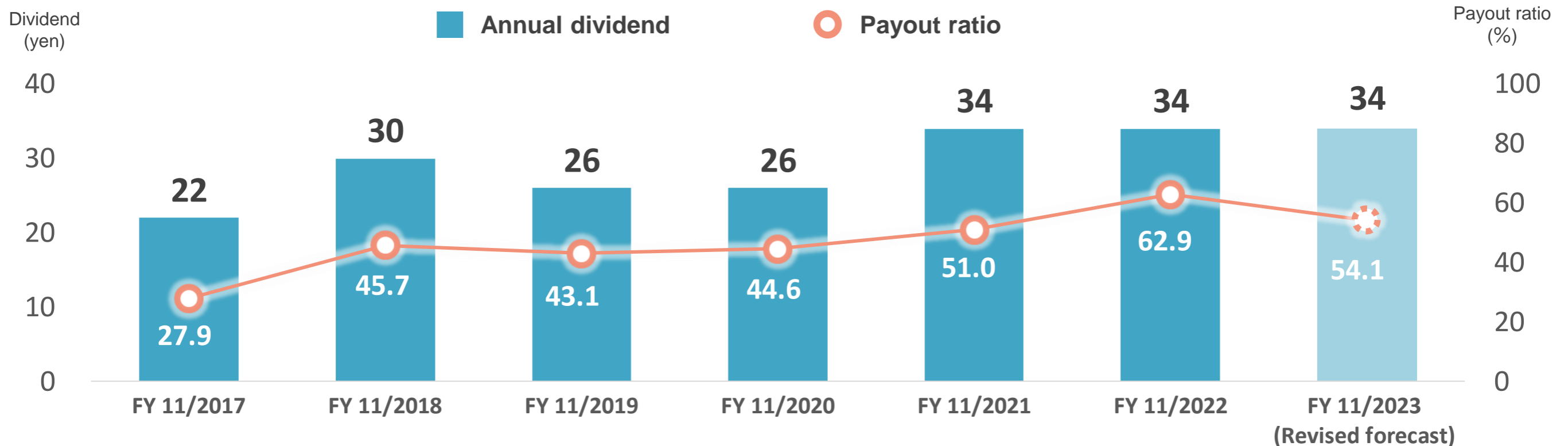
III. Shareholder Returns

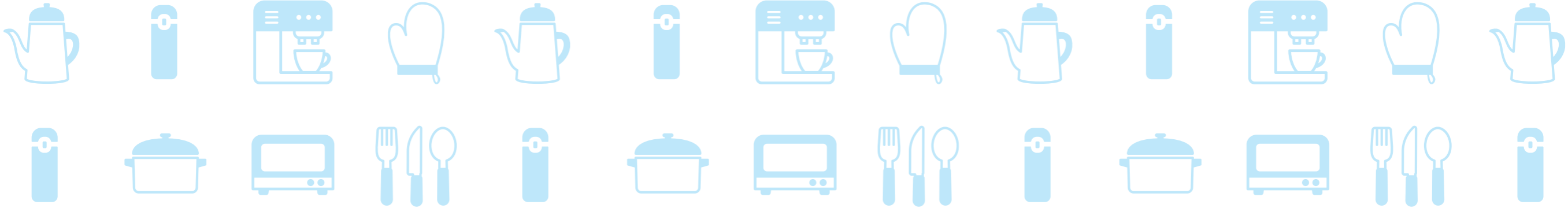
Policy

The Company considers the return of profits to shareholders to be an important policy and will aim to maintain a stable dividend **targeting a consolidated payout ratio of 50% or higher** while comprehensively taking into account internal reserves, earnings forecast, etc. to strengthen its corporate platform and develop its business in the future. The Company plans **a cumulative total return ratio of 100% or higher over the three years** from 2023 to 2025, including the purchase of treasury shares.

Consolidated payout ratio

* The amount for the FY 11/2018 includes a dividend of 8.0 yen commemorating our 100th anniversary.





Notes on forward-looking statements

- This material is provided to investors purely for informational purposes and is not intended to solicit stock trading.
- Forward-looking statements in this material are based on targets or forecasts and are not a commitment or guarantee. Please note that the Company's financial results in the future may differ from the current forecast.
- While statements on the industry, etc., are based on a range of data that are considered reliable, the Company does not guarantee their accuracy or integrity.
- Investors are warned that the use of this material shall be based on their own judgement and responsibility, and that the Company assumes no responsibility for any consequences whatsoever.



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Securities code:7965

Tokyo Stock Exchange, Prime