

Logisnext

FY2024 Q1
Financial Results
(April 1 to June 30, 2024)

Aug 23, 2024
MITSUBISHI LOGISNEXT

1. Key Points in FY2024 Q1 Results

Forklift Market Conditions

- The domestic market for forklifts and other material handling equipment remained stable and firm.
- Overseas, demand had exhibited a temporary recovery trend, but is now weakening.

Status of Mitsubishi Logisnext

- Lengthening lead times were shortened to nearly appropriate levels through production improvements. The order backlog has not yet reached an appropriate level only in the U.S., where there was a 7 or 8-month backlog at the end of June 2024.
- While there have been some delays in the process of obtaining the engine certifications, which resulted in the suspension of shipments from May for certain models offered in North America, we reached an agreement to resume the shipments of main models from July by consulting with the U.S. environmental authorities.

Performance Overview

- Net sales decreased by 0.1% YoY due to lower overseas sales, despite the effects of price optimization and yen depreciation.
- Operating profit before amortization of goodwill decreased 24.6% YoY due to lower sales as a result of the suspension of shipments of certain models offered in North America and a market slowdown as well as an increase in expenses mainly due to inflation.
- Profit attributable to owners of parent increased 17.8% YoY due to extraordinary income on sales of non-current assets.

Net Sales
165.8 B yen
YoY -0.1%

Operating Profit*
9.6 B yen
YoY -24.6%

Profit Attributable to Owners of Parent
7.7 B yen
YoY +17.8%

2. Financial Highlights

Unit: Hundred million yen

	FY23 Q1	FY24 Q1	YoY Change	
Net Sales	1,661.2	1,658.8	-2.4	-0.1%
Operating Profit (Before amortization of goodwill) (Operating profit margin)	128.2 7.7%	96.7 5.8%	-31.5	-24.6%
Amortization of Goodwill	25.0	26.7	—	—
Operating Profit (Operating profit margin)	103.2 6.2%	70.0 4.2%	-33.1	-32.1%
Ordinary Profit (Ordinary profit margin)	96.2 5.8%	58.0 3.5%	-38.1	-39.7%
Profit Attributable to Owners of Parent (Net income margin)	66.0 4.0%	77.8 4.7%	11.7	+17.8%
Capital Adequacy Ratio	22.0%*1	23.8%		
ROE	28.6%*1	25.1%*2		

*1 FY23 full year indicators
*2 Calculated on an annualized basis

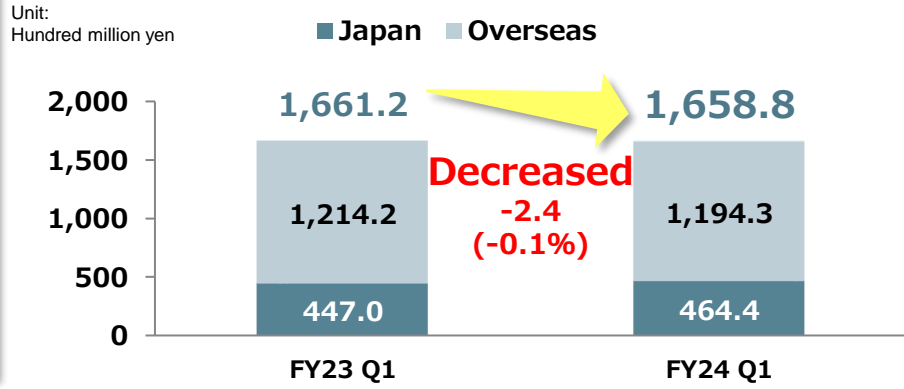
FX Rates

USD	137.37 yen	155.83 yen
EUR	149.47 yen	167.83 yen
CNY	19.56 yen	21.47 yen

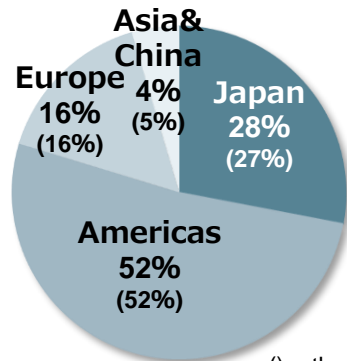
3. Business Results by Segment

Net Sales

- Net sales in Japan increased YoY as orders remained steady, and the effects of price optimization also contributed.
- Net sales overseas decreased YoY due to the suspension of shipments of certain models offered in North America due to delays in the process of obtaining U.S. emissions certifications and a market slowdown, despite the impact of yen depreciation on exchange rates.



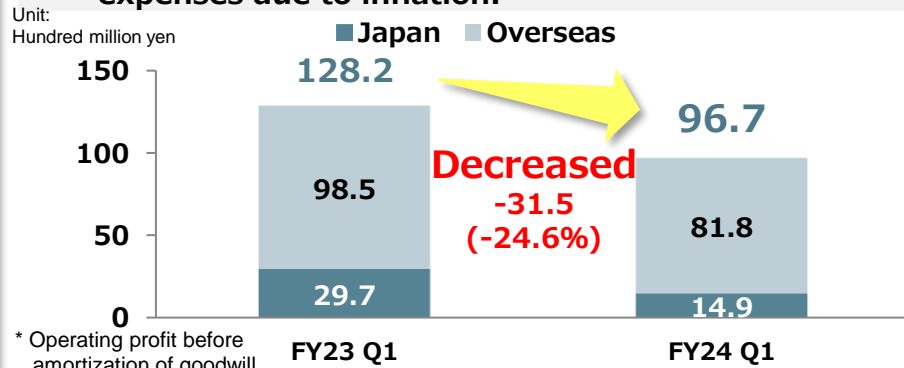
FY24 Q1 Sales by Region



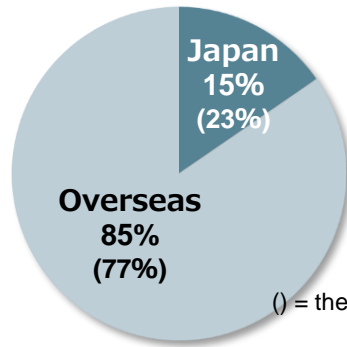
() = the same period last year

Operating Profit*

- Segment profit in Japan decreased YoY due to a decrease in exports to the Americas and an increase in R&D expenses and other expenses.
- Segment profit overseas decreased YoY. During the same period of the previous year, the profit increased significantly due to the clearance of order backlogs and the effects of price optimization, whereas during the current period there was a decline in sales in the Americas and an increase in expenses due to inflation.



FY24 Q1 Operating Profit by Segment



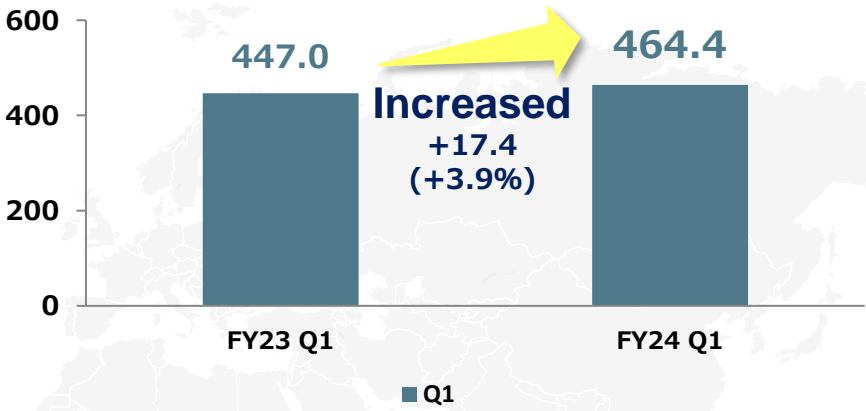
() = the same period last year

* Operating profit before amortization of goodwill

4. Net Sales by Region (Including FX Impacts) **Logisnext**

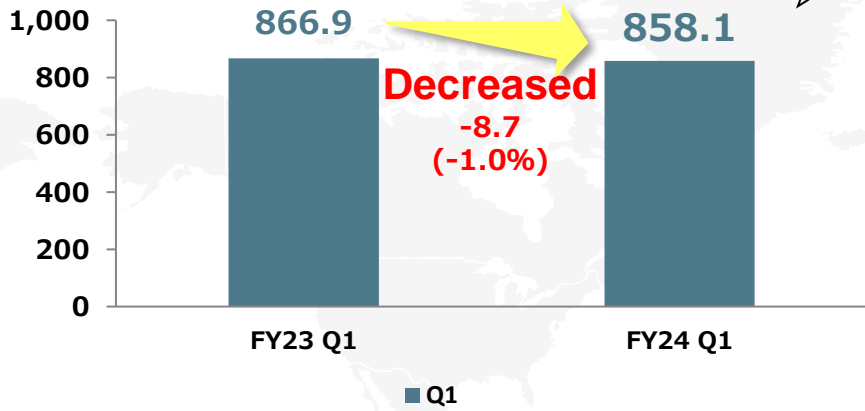
Japan

(Unit: Hundred million yen)



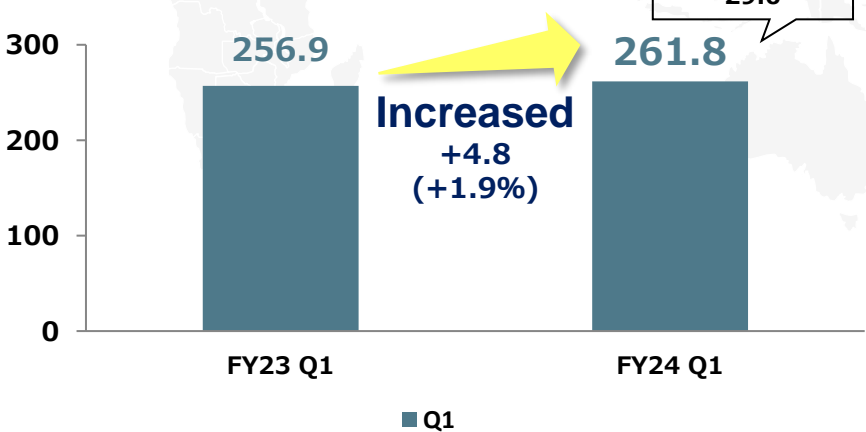
Americas

(Unit: Hundred million yen)



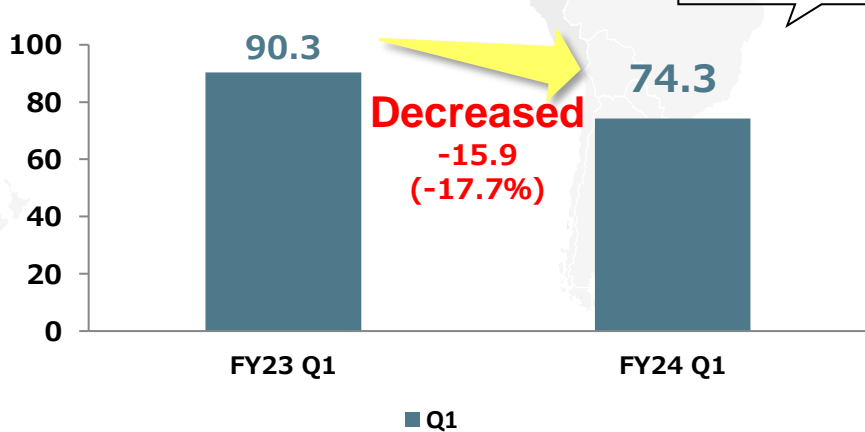
Europe

(Unit: Hundred million yen)



Asia & China

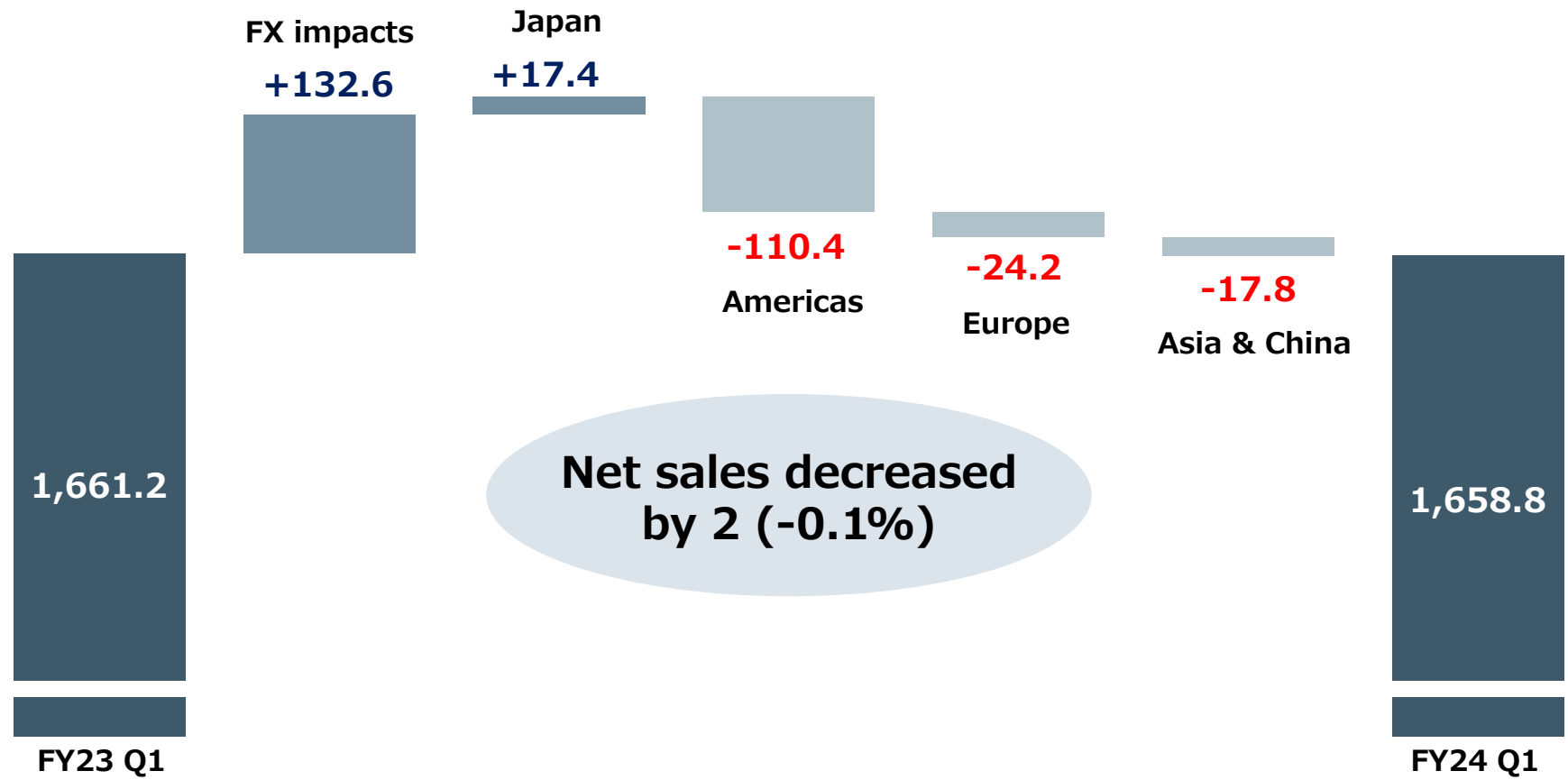
(Unit: Hundred million yen)



5. Net Sales – FY2023 Q1 vs FY2024 Q1 **Logisnext**

- Only in Japan, net sales increased YoY. Overseas, net sales decreased only slightly YoY due to an increase in the FX impact of yen depreciation, but excluding the FX impact, net sales decreased in all regions due to a market slowdown, etc.

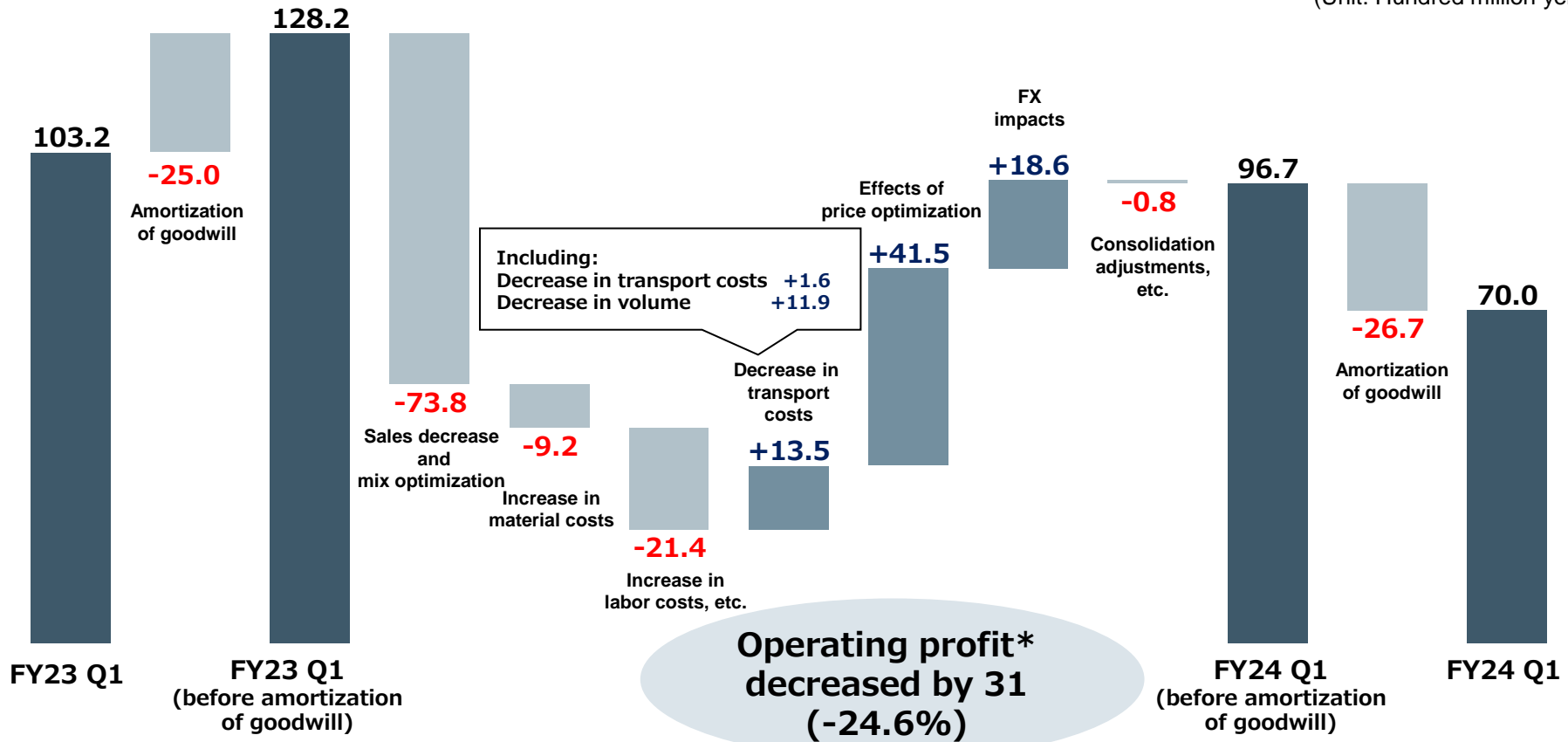
(Unit: Hundred million yen)



6. Operating Profit* – FY2023 Q1 vs FY2024 Q1 **Logisnext**

- Operating profit* decreased 24.6% YoY due to lower sales as a result of the suspension of shipments of certain models offered in North America and a market slowdown in Europe and Asia, as well as higher material costs and expenses, despite the effects of price optimization and the impact of yen depreciation.
- Material costs remained high in Japan. Expenses increased due to inflation, such as a rise in labor costs in response to wage increases.

(Unit: Hundred million yen)



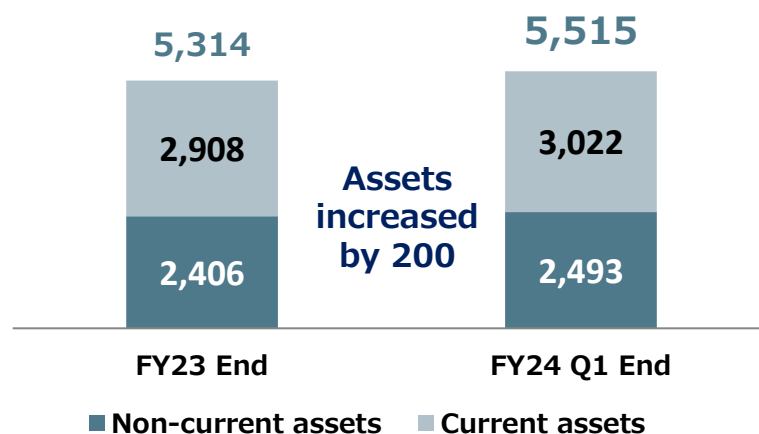
* Operating profit before amortization of goodwill
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7. Consolidated Balance Sheet

- Net assets increased due to an increase in retained earnings from net profit and an increase in foreign currency translation adjustment.

(Unit: Hundred million yen)

Assets



Item	FY23 End	FY24 Q1 End	Change
Current assets	2,908	3,022	+113
Property, plant and equipment	1,791	1,876	+84
Intangible assets	338	322	-15
Investments and other assets	276	294	+17
Total non-current assets	2,406	2,493	+87
Total assets	5,314	5,515	+200

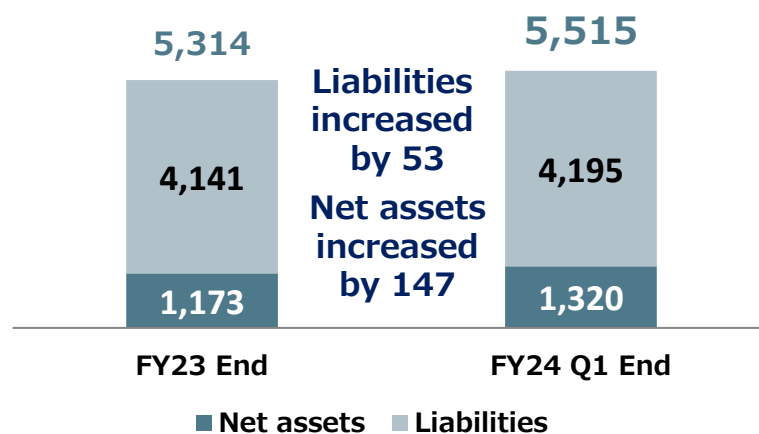
Current assets: Increased

Due to exchange rate conversion effects, an increase in inventory, etc.

Non-current assets: Increased

Due to exchange rate conversion effects, etc.

Liabilities/Net Assets



Item	FY23 End	FY24 Q1 End	Change
Current liabilities	2,133	2,090	-43
Non-current liabilities	2,007	2,105	+97
Total liabilities	4,141	4,195	+53
Total net assets	1,173	1,320	+147
Total liabilities and net assets	5,314	5,515	+200

Liabilities: Increased

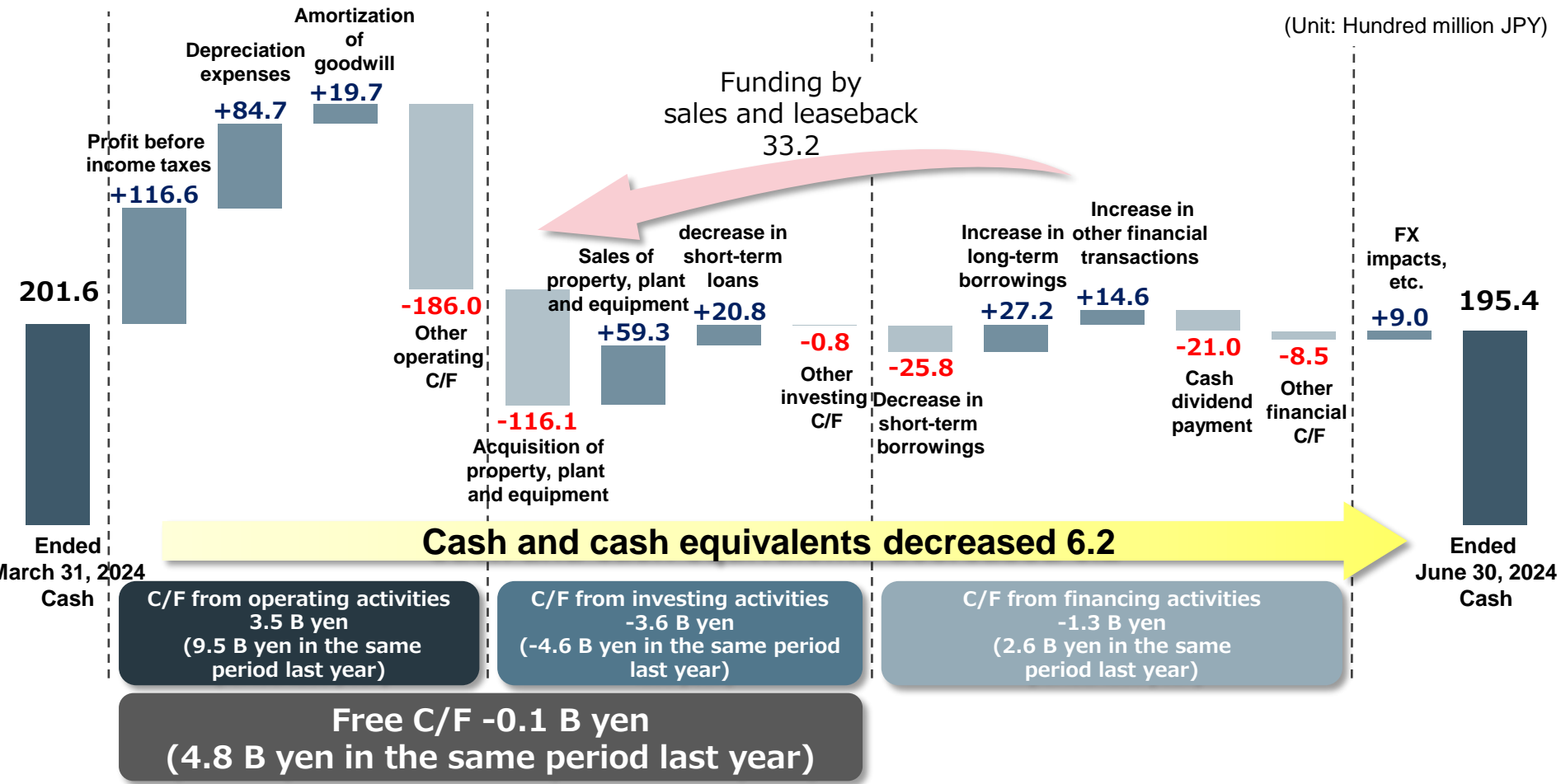
Due to exchange rate conversion effects, a decrease in trade payables, etc.

Net assets: Increased

Due to an increase in retained earnings and a larger foreign currency translation adjustment.

Reference: Cash Flow

- C/F from operating activities decreased YoY to 3.5 B yen due to a rise in working capital, despite an increase in profit before income taxes.
- C/F from investing activities improved YoY to -3.6 B yen due to the sale of land.
- Free C/F was -0.1 B yen due to a decrease in C/F from operating activities.



Reference: Key Performance Indicators **Logisnext**

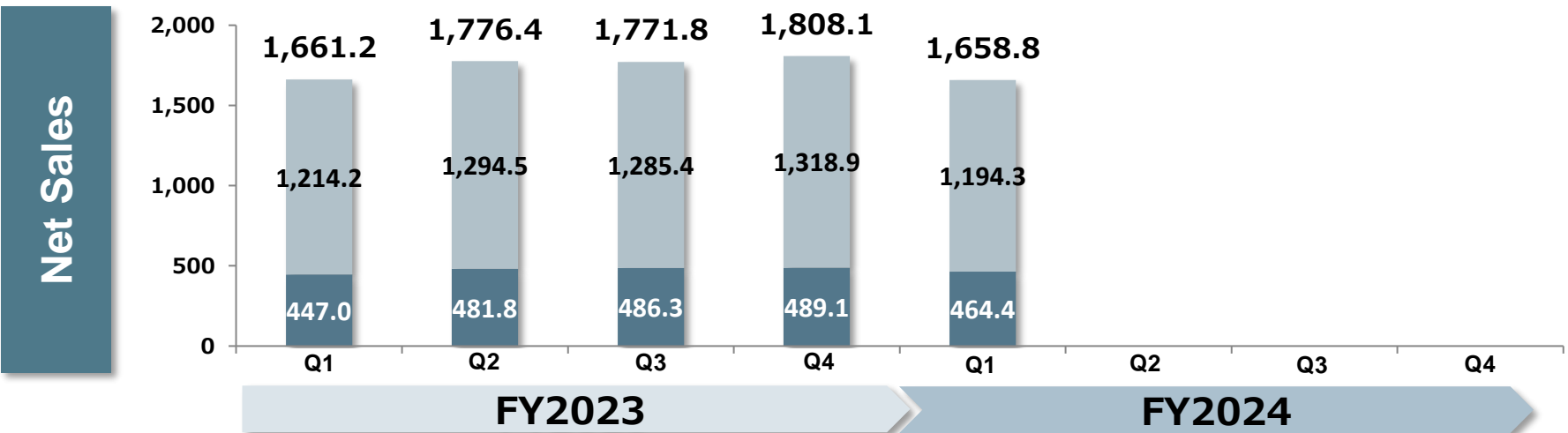
	Indicator	Formula	FY23		FY24 1Q ^{*1}		Comments
				Before amortization of goodwill *2		Before amortization of goodwill *2	
Performance	Return-on-assets (ROA)	$\frac{\text{Net income}}{\text{Total assets}}$	5.5%		5.7%		Indicator improved due to extraordinary income from asset management.
	Return-on-equity (ROE)	$\frac{\text{Net income}}{\text{Shareholders' equity}}$	28.6%		25.1%		Indicator deteriorated due to deleveraging as a result of better capital adequacy.
Profitability	Operating profit margin	$\frac{\text{Operating profit}}{\text{Sales}}$	6.1%	7.5%	4.2%	5.8%	Indicator deteriorated as a result of lower sales due to the suspension of shipments of certain models offered in North America.
	Net income margin	$\frac{\text{Net income}}{\text{Sales}}$	3.9%	5.3%	4.7%	6.2%	Indicator improved due to extraordinary income from asset management.
Asset Efficiency	Total asset turnover	$\frac{\text{Sales}}{\text{Total assets}}$	1.4 times		1.2 times		
	Receivable turnover	$\frac{\text{Sales}}{\text{Accounts receivable}}$	7.3 times		7.2 times		
	Inventory turnover	$\frac{\text{Cost of sales}}{\text{Inventories}}$	4.5 times		3.7 times		
Financial Soundness	Capital adequacy ratio	$\frac{\text{Shareholders' equity}}{\text{Total assets}}$	22.0%		23.8%		
	D/E ratio	$\frac{\text{Interest-bearing debt}}{\text{Shareholders' equity}}$	2.1 times		1.9 times		
Shares	Earnings per share	$\frac{\text{Net income}}{\text{Shares outstanding}}$	258.06 yen		292.00 yen		
	Price earnings ratio (PER)	$\frac{\text{Stock price}}{\text{Earnings per share}}$	7.3 times		5.5 times		Stock prices: End of FY2023: 1,894 yen End of FY2024 Q1: 1,601 yen
	Price book value ratio (PBR)	$\frac{\text{Stock price}}{\text{Book value per share}}$	1.7 times		1.3 times		

*1 P/L items are calculated on an annualized basis

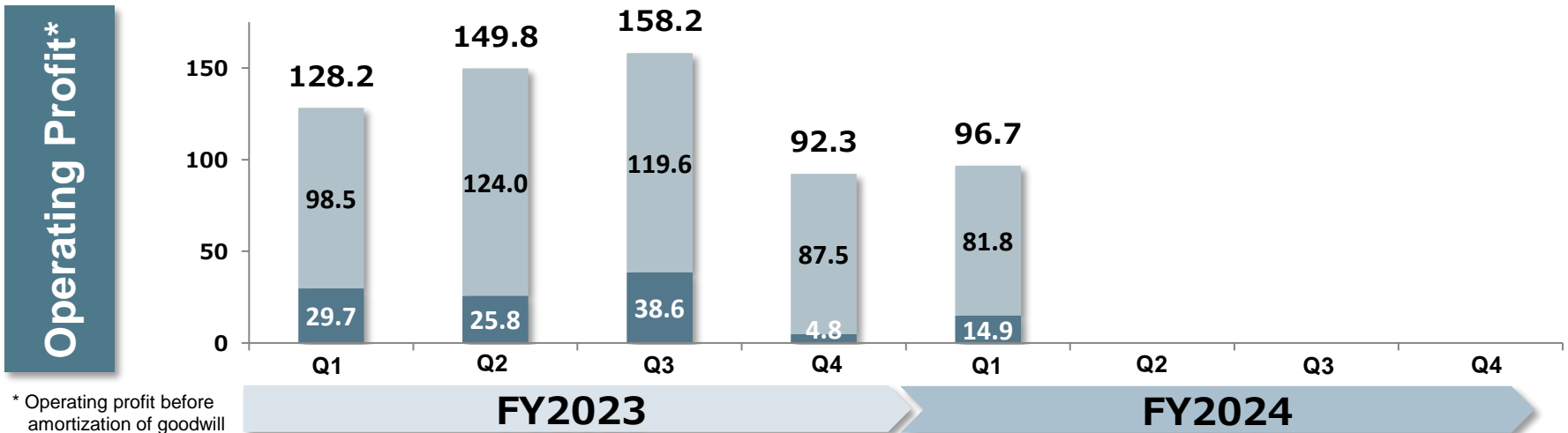
*2 For reference purposes

Reference: Quarterly Net Sales and Operating Profit Trends by Segment

Unit: Hundred million JPY



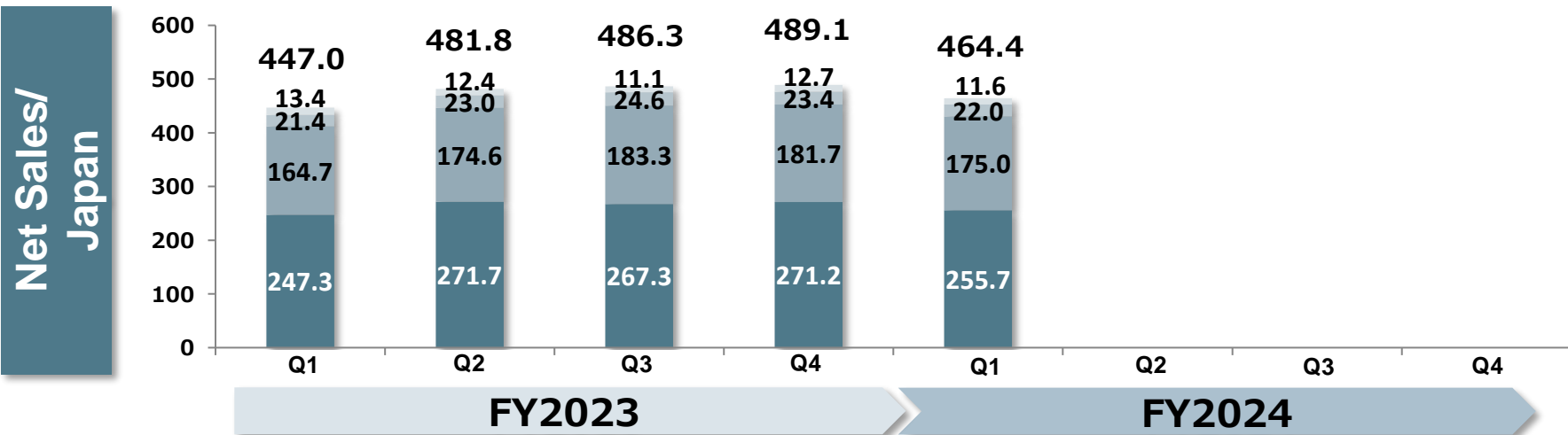
Unit: Hundred million JPY



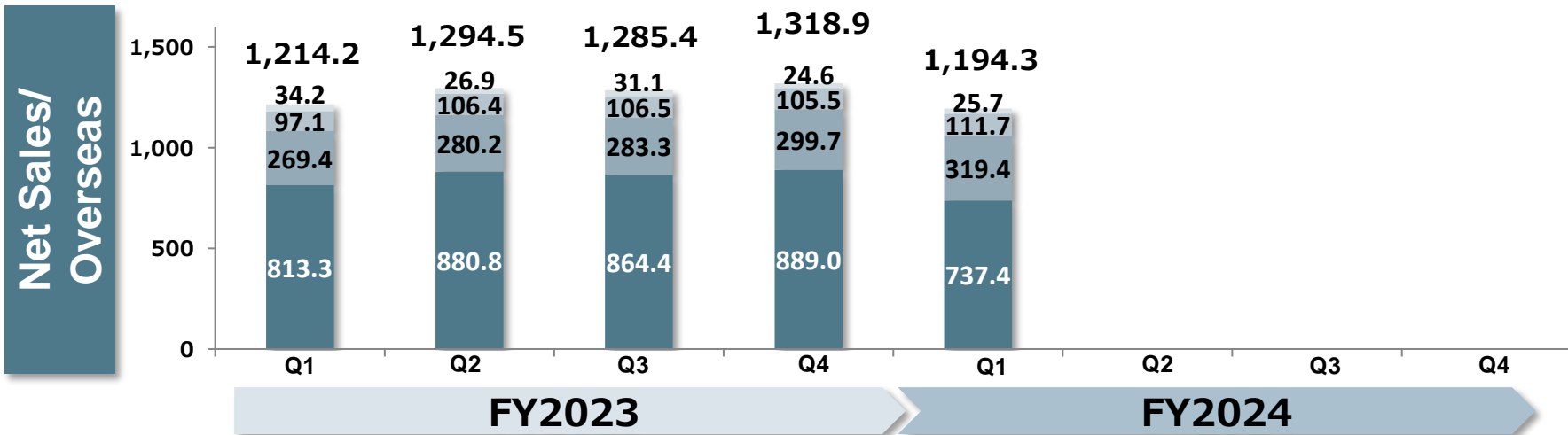
* Operating profit before amortization of goodwill

Reference: Quarterly Net Sales Trends by Category **Logisnext**

Unit: Hundred million JPY

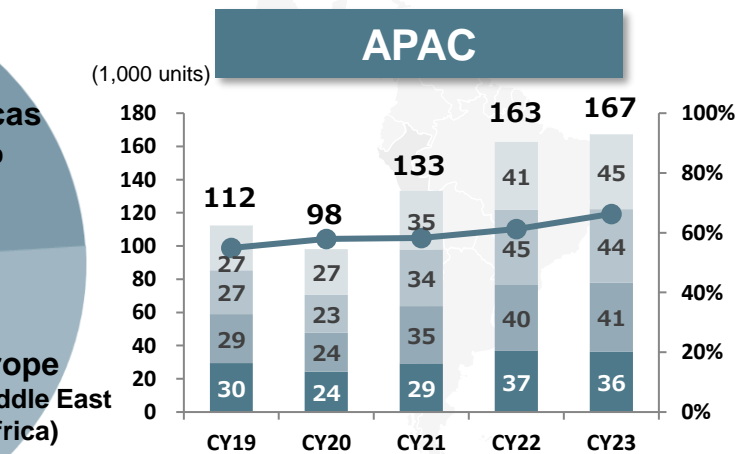
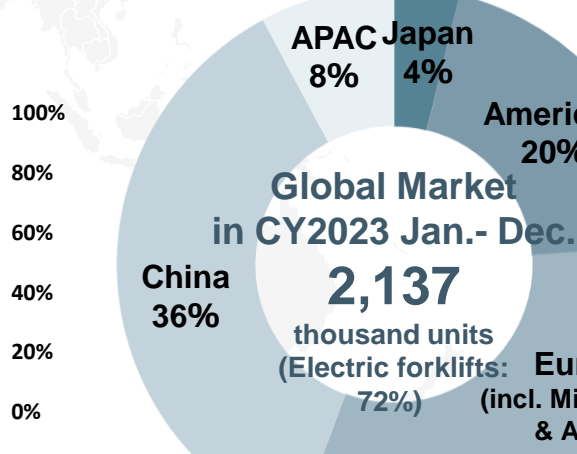
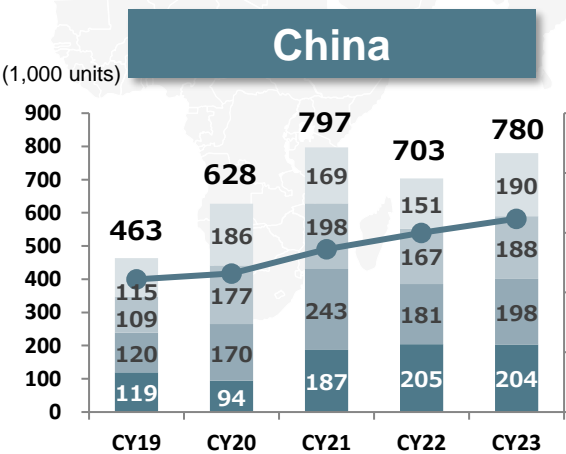
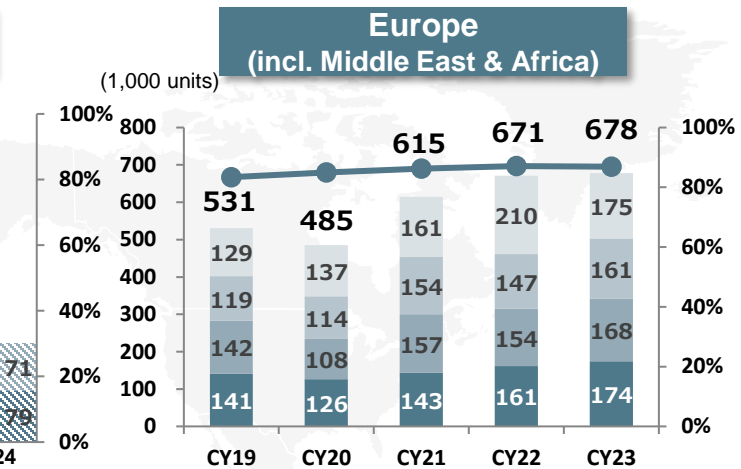
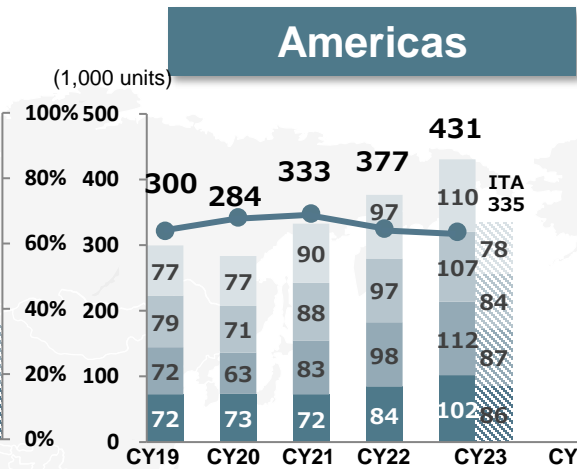
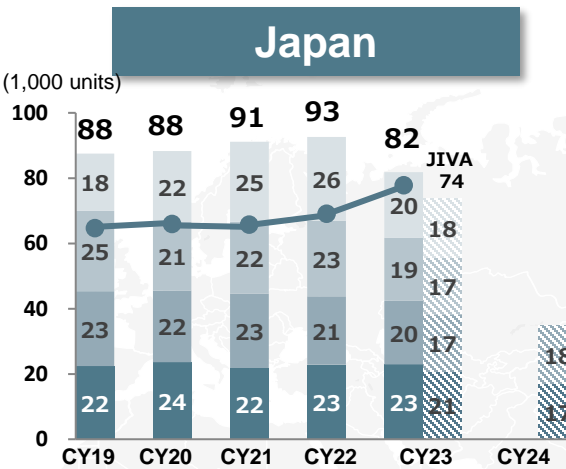


Unit: Hundred million JPY



Reference: Market Conditions/ Forklift Market Trends – Shipments

■ From April to June 2024, shipments in Japan (JIVA statistics) increased slightly YoY. In the Americas (ITA statistics), shipments slowed due to economic slowdowns.



Note: Calculated for the CY from January to December due to changes in statistical disclosure policy of WITS member organizations. Due to the above delay in the disclosure of WITS statistics, JIVA data was used to calculate values for Japan and ITA data for the Americas. Other regions are blank after CY2024 Q1, because national statistical data has not been published. Due to different standards for JIVA and WITS, some models are not included. ITA does not include sales volumes of Chinese and Korean manufacturers.
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Market units
Percent electric forklifts

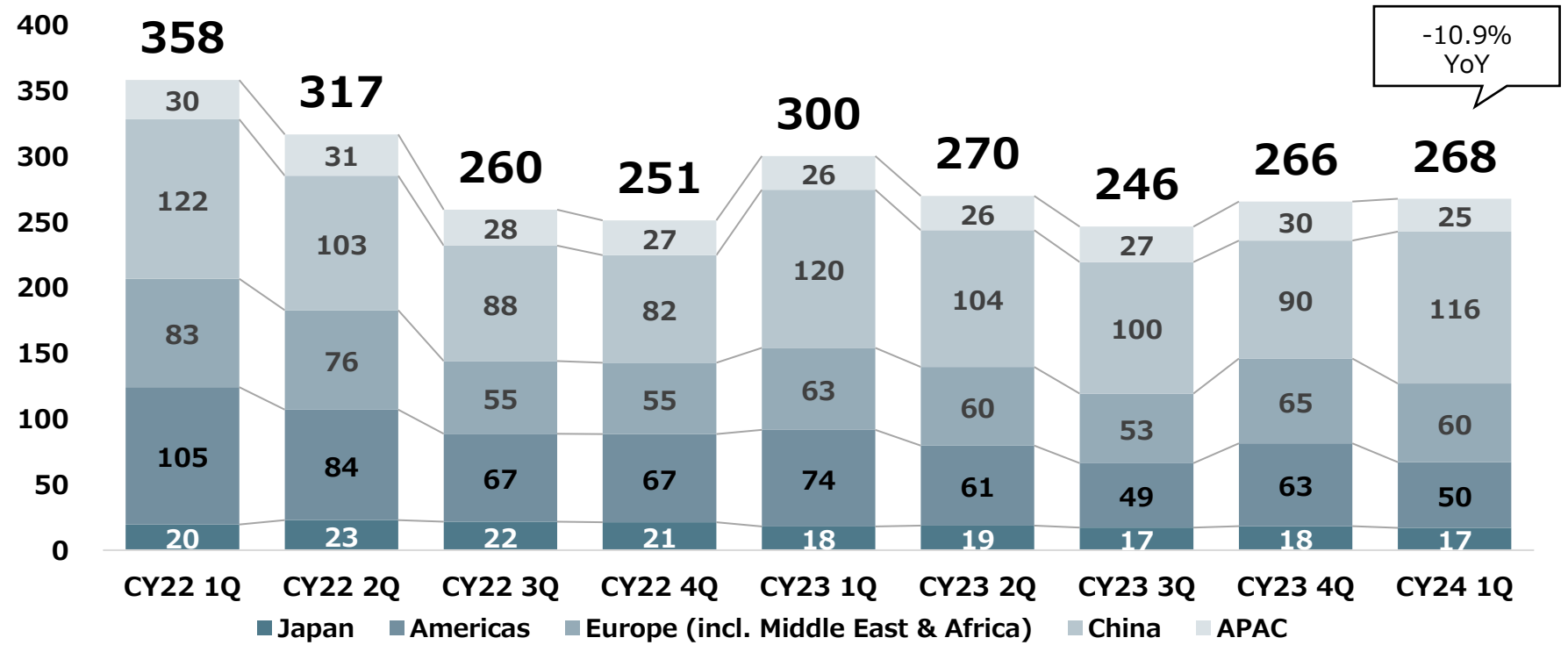
Reference: Market Conditions /

Forklift Market Trends – Orders (Quarterly)

- The market had shown signs of bottoming out in some regions, but has recently weakened due to economic uncertainty (-10.9% YoY).
- The order remained flat QoQ due to increased demand in China.

Purchase Orders (excl. Class III*)

(Unit: 1,000 units)



*Class III: Self-propelled electric small lifts

Note: Due to changes in the statistical disclosure policy of WITS member organizations, the figures are based on the calendar year from January to December.

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