

Company Report

October 21, 2025

Strategy Advisors Co., Ltd.
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Overseas Business Briefing Held.
Southeast Asian Sales Subsidiaries
are Pioneering the Global Rollout of
Cutting-Edge Solutions for
Manufacturing DX & SX Challenges

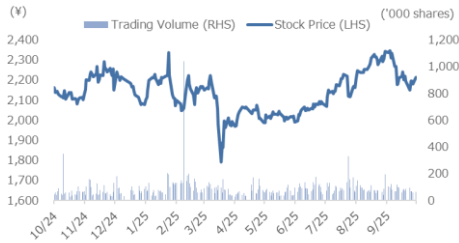
SATO Corporation (hereinafter, the Company) held an Overseas Business Briefing ~ Southeast Asian Sales Subsidiaries ~ on October 17 ([Briefing Materials](#)). The Company had previously held briefings on its overseas operations: the US edition in October 2023 and the European edition in September 2024. This briefing was focused on Southeast Asia as a whole.

The theme was contributing to solving Southeast Asian customers' DX challenges through solution provision leveraging the strengths cultivated domestically: "Koto-uri" (selling the solution, not the product) and "cover end-to-end, seamlessly supporting (one-stop service)". Additionally, the horizontal expansion of these solutions (e.g., SX) and the human resource development strategy for advancing this strategy were explained.

Southeast Asia is characterized by a higher proportion of sales revenue derived from the manufacturing market compared to other overseas regions. Given the high concentration of overseas production facilities for Japanese manufacturers, the company possesses a strength that allows it to leverage the advantages of its domestic operations. It is a promising growth market, with the foundations in place to deploy cutting-edge solutions addressing the rapidly expanding demand for DX and SX solutions in the manufacturing sector.

At the briefing, it was confirmed that the mid-term plan is progressing steadily in Southeast Asia as well, in-line with the overseas business policy of "pursuing sustainable and efficient growth", through the introduction of actual implementation cases. Particularly, with the introduction of the EU's Digital Product Passport (DPP), there is a growing movement to strengthen product traceability in Southeast Asia, a global manufacturing hub. It is worth noting that this trend will likely become a tailwind for the company's mid-term solution demand going forward.

Stock Price and Trading
Volumes (Past Year)



Source: Strategy Advisors

Key Indicators

Stock Price (10/20/25)	2,211
52-Week High (9/24/25)	2,344
52-Week Low (4/07/25)	1,791
All-Time High (9/26/18)	3,795
All-Time Low (3/13/09)	634
Number of Shares Issued	32.5
Market Capitalization (¥bn)	71.8
EV (¥bn)	67.5
Equity Ratio (FY3/25, %)	54.8
ROE (FY3/25 Actual, %)	9.7
PER (FY3/26 CoE, Times)	9.3
PBR (FY3/25 Actual, Times)	0.9
Yield (FY3/26 CoE, %)	3.4

Source: Strategy Advisors

SATO | 6287 (TSE Prime)

The company's stock price is currently around ¥2,200. However, stock valuation remains low, with a PER of 9.3x based on the company's FY3/26 forecast and a PBR of 0.9x based on actual results for FY3/25. The company's equity story is that it will leverage its on-site expertise accumulated through its solutions development in Japan to transform its overseas operations, which are still primarily focused on selling products, into a solutions-based business. It will thereby increasing its global share in the rapidly growing auto-identification market (see the April 1, 2025, Initial Report: [SATO \(6287\): A Company Solving Social Issues with Tagging Solutions, Capturing Growing Demand with a Unique Business Model](#)). The steady progress of mid-term initiatives in Southeast Asia is highly likely to contribute to improved profitability, fueling expectations for earnings growth. Going forward, the feasibility of the equity story should gradually increase, thereby becoming a positive factor for the stock price.

Japanese GAAP - Consolidated

FY	Net Sales	YoY (%)	Operating Income	YoY (%)	Ordinary Profit (¥mn)	YoY (%)	Net Income (¥mn)	YoY (%)	EPS (¥)	DPS (¥)
3/25Q1	37,674	10.8	2,864	32.6	2,411	16.4	1,197	-8.2	36.95	-
3/26Q1	37,829	0.4	2,359	-17.6	1,885	-21.8	1,211	1.2	37.31	-
3/23	142,824	14.5	8,841	38.1	9,068	49.7	4,184	10.3	126.7	72.0
3/24	143,446	0.4	10,383	17.4	8,961	-1.2	3,565	-14.8	110.0	73.0
3/25	154,807	7.9	12,341	18.9	11,144	24.4	7,151	100.6	220.4	75.0
3/26 CoE	161,000	4.0	12,500	1.3	12,100	8.6	7,700	7.7	237.3	76.0

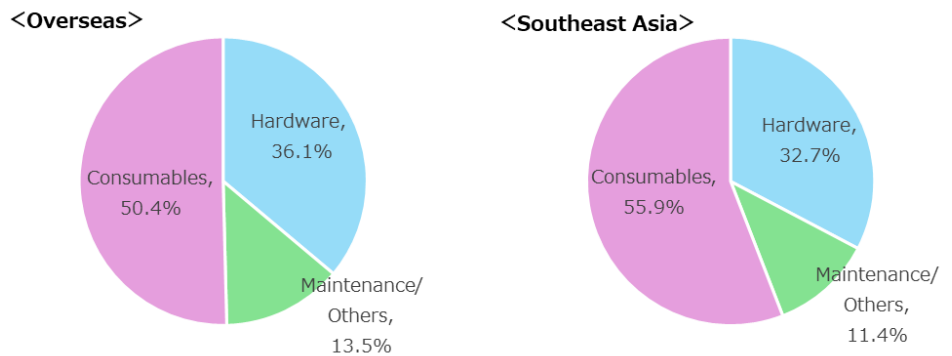
CoE: Company Estimates

Source: Company Data, compiled by Strategy Advisors

Southeast Asia Product Sales Mix

The company's sales by product consist of hardware, consumables and maintenance/other. For overseas markets overall, hardware accounts for the 30%, consumables for around 50% and maintenance/others for 10% (FY3/25 results). A similar trend is observed in Southeast Asia. Regarding business models, while domestic operations primarily focus on "Koto-uri (selling the solution, not the product)"—solution provision—, overseas markets still largely rely on "Mono-uri (selling single products)"; meaning that hardware unit sales remain prevalent, particularly in Europe and the US. To expand solution provision overseas, it will be crucial to leverage the company's strengths in manufacturing, starting with Southeast Asia—often called the world's factory—as a base for business development.

Figure 1. Overseas Base Business Sales Composition Ratio (FY24 Actual)

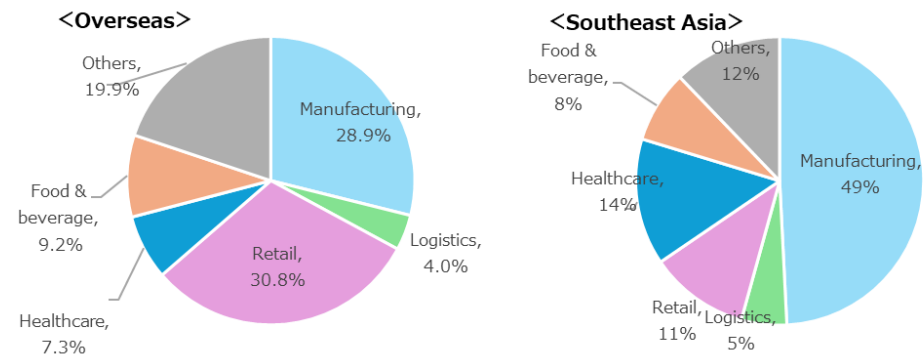


Source: Company materials

Southeast Asia Market Revenue Composition Ratio: Manufacturing Sector Dominates

Meanwhile, looking at sales composition by market, while the retail market is the largest overseas, in Southeast Asia specifically; the manufacturing market accounts for over 50%, demonstrating an overwhelming presence. Southeast Asia is often called the world's factory, hosting many manufacturing bases for Japanese companies. This makes it a region where the company can leverage its strength of holding a high domestic market share. Notably, half of the company's Southeast Asian sales are to Japanese companies and over half of those are in the manufacturing sector. Furthermore, the proportion of sales to the healthcare market is also relatively high, driven by products like blood bags.

Figure 2. Southeast Asia Sales Composition by Market (FY24 Actual)



Source: Company Materials

Sustained Upward Growth

Net sales for FY3/25 in Southeast Asia reached just under ¥10 billion, with an operating margin of approximately 10% (Strategy Advisors estimate based on company materials). From FY3/19 to FY3/25, the overall overseas growth rate shows a sales CAGR of approximately 7% and an operating income CAGR of approximately 12%. Focusing solely on Southeast Asia, the sales CAGR is approximately 8% and the operating income CAGR is approximately 10%. Particularly since the onset of the COVID-19 pandemic, the region has maintained steady upward growth.

Customer Challenges: Building DX and Enhancing Product Traceability

Currently, the challenge for Southeast Asian customers is building production systems (DX) that reduce reliance on labor to address rising labor costs. The company proposes standardizing operations through RFID and automation to address this. Furthermore, driven by the European DPP initiative, there is a growing demand for enhanced product traceability in Southeast Asia, which hosts numerous manufacturing bases and sits upstream in the supply chain. Here too, the company sees a business opportunity in providing solutions that electronically attach product lifecycle information.

The Company's Strengths Lie in its "Cover End-to-End, Seamlessly Supporting" Solutions and Extensive Direct Sales Network

The company's strengths are, first, its ability to provide end-to-end, seamlessly supporting (one-stop) solutions covering everything from hardware to consumables, software, maintenance and more. Second, it has established a direct sales network of 630 personnel across seven countries (Thailand, Malaysia, Singapore, Indonesia, India, Vietnam, and Philippines). Below are two implemented case studies.

Implemented Case (1): RFID Utilization for Automotive Parts Inventory Management and Stock Taking

A system utilizing RFID for inventory management and stocktaking of maintenance parts has been adopted at Nichirin Vietnam (automotive parts manufacturing). Key selection factors included the ability to provide a one-stop solution, along with the valuable on-site expertise in RFID implementation. This expertise covers aspects such as RFID signal range, readable conditions and optimal tag placement and application methods. The improvement effect at the customer site reduced the task time from the previous 8 hours to just 30 minutes after implementation. This successful case is being actively promoted as a solution to address common challenges faced by other manufacturing customers both within and outside Vietnam.

Implemented Case (2): Labor Reduction in EC Logistics Warehouses

For a customer in India's e-commerce industry, tasks like labeling packages, reading data and sorting items in the logistics warehouse were time-consuming. Additionally, significant fluctuations in parcel volume between peak and off-peak seasons made securing sufficient workers challenging. The company proposed and implemented a one-stop total solution that reduced staffing by the equivalent of 3 workers. Here too, the strength lies in engineering proposals around the conveyor system (including cameras and software), leveraging on-site expertise. This successful case is also being scaled to other logistics warehouses, including e-commerce facilities, both within and outside India.

RFID and Automation See Rapid Growth, Expanding Beyond Manufacturing

RFID and automation (referring to automated labeling) sales in Southeast Asia achieved a CAGR of 23% from FY3/19 to FY3/25 (21% growth for overseas overall). Across Southeast Asian countries, deployment is beginning across all sectors—logistics, retail, healthcare, food, and more—primarily targeting manufacturing. Plans are in place to sustain high growth toward the FY2021 sales target (undisclosed). While currently deploying solutions developed domestically in Southeast Asia, the view is that the high-growth Southeast Asian region could potentially lead the way in advanced solutions in the future.

Examples of solutions expected to be commercialized in the future include (1) solutions related to beverage PET bottle recycling and (2) solutions related to DPP. These are introduced below.

Examples with Future Commercialization Potential (1): PET Bottle Recycling

In a Southeast Asian country, a government-led PET bottle recycling system is being established. The goal is to improve recycling rates to reduce environmental impact. Beverage manufacturers attach a unique code to each PET bottle, representing a deposit amount (e.g., 10 cents, depending on the country's currency unit). Consumers receive this 10 cents back when they return the bottle. The government pays beverage manufacturers the total amount collected. There are two methods for manufacturers to apply the codes: affixing labels or pre-printing on the film. The company's business opportunity arises if the label affixing method is chosen. This system is scheduled to start soon.

Future Business Opportunities (2): Addressing the European DPP

To comply with Europe's new environmental regulation, the DPP, the company plans to provide solutions tailored to on-site needs. Approximately 25% of imports into the EU originate from ASEAN and India, compelling Southeast Asian manufacturers to adapt. Leveraging its on-site expertise, the company intends to supply solutions through its proposal capabilities.

To Stimulate Domestic Demand, Local Talent Development is Essential

The 4 Mid-term Plan Initiatives Are Progressing Steadily

Regional Focus is Particularly on Vietnam, India and Indonesia

While the business currently focuses on the manufacturing market, the company aims to further expand into Southeast Asia's domestic demand industries, namely food and apparel. Improving local employee engagement is seen as crucial here. The company believes increasing training opportunities is vital, in addition to instilling its corporate philosophy. It is working to develop talent and improve retention rates through initiatives such as department head training, global internships and promoting the localization of exhibition operations.

Furthermore, the 4 Southeast Asia initiatives outlined in the mid-term plan are progressing steadily. (1) The new consumables factory in Thailand commenced operations in July 2025. Sales of consumables in Thailand are projected to increase by 50% by FY3/31. (2) Sales from global business negotiations in FY3/26 Q1 increased by 70% YoY. Japanese manufacturing companies (electronic components, semiconductors, etc.) are benefiting from the expansion of the EV industry, which is broadening the supplier base, while enhanced traceability is also acting as a tailwind. (3) Horizontal deployment of solutions for Japanese global apparel companies (across all Asian stores) is progressing. Finally, (4) Efforts are focused on creating solutions tailored to local needs. A prime example is the supply of solutions to glass manufacturers in India.

By region, the company is prioritizing Vietnam, India and Indonesia, which offer high national growth potential, aiming to steadily capture domestic demand. By market, the strategy is to first focus on manufacturing, concentrating on capturing demand from customers in the automotive supply chain driven by EVs.

Figure 3. SATO: Selecting Focus Countries Based on Sales Scale & Macro Indicators

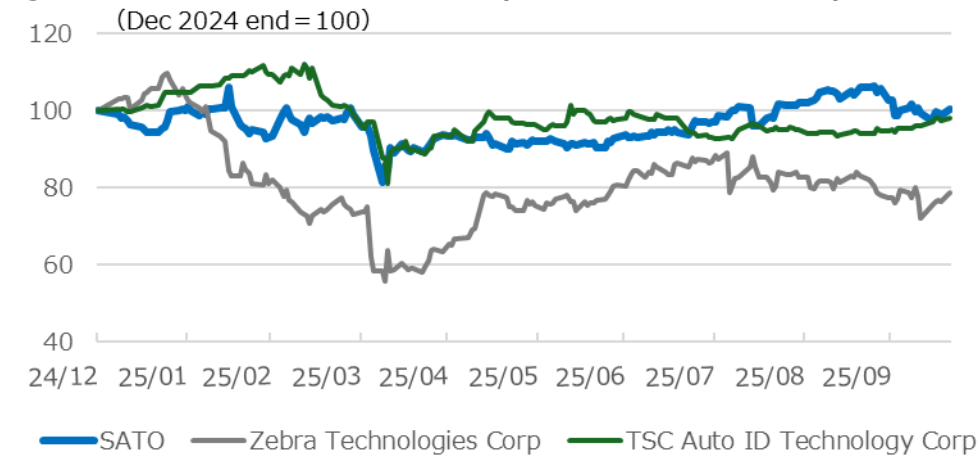
	Sales of SATO's sales subsidiaries (FY24)	GDP growth	Population growth	Growth of Japan's foreign direct investment stocks
Thailand	\$\$\$	↗	👤	🏭
Singapore	\$\$\$	↗	👤	🏭
Vietnam	\$	↗↗↗	👤👤	🏭🏭🏭
India	\$	↗↗↗	👤👤	🏭🏭🏭
Malaysia	\$	↗↗	👤	🏭
Indonesia	\$	↗↗	👤👤	🏭
Philippines	\$	↗↗	👤👤	🏭

Source: Company Materials

Southeast Asia Holds Significant Potential as a Key Market for Deploying Cutting-edge Solutions

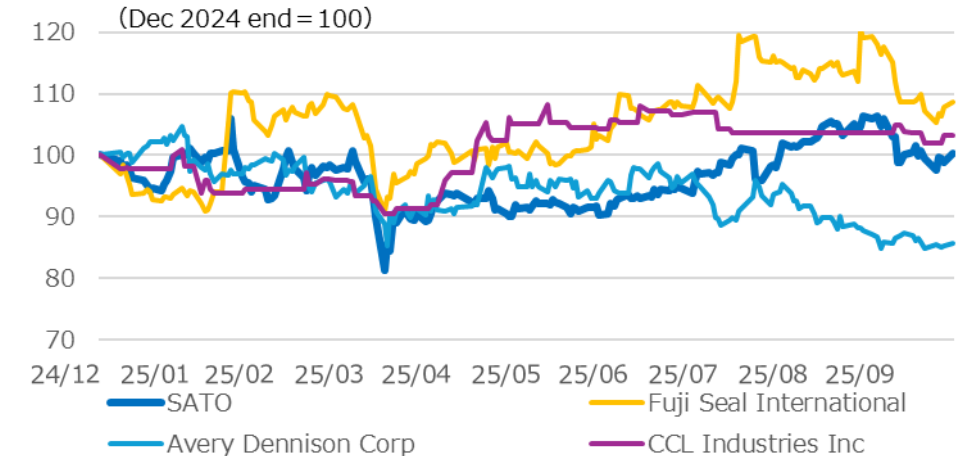
The company's Southeast Asian operations are characterized by a high proportion of sales for the manufacturing market. Given the large number of overseas production facilities operated by Japanese manufacturers, the company possesses strengths that leverage the advantages of its domestic operations. Southeast Asia is a promising growth market with the foundation in place to deploy cutting-edge solutions addressing DX and SX challenges in manufacturing, where demand is expected to surge rapidly. Therefore, expanding the business scale and improving profitability in Southeast Asia is considered to have significant potential to drive the overall performance of the SATO Group over the medium to long term. Expectations for future developments are likely to grow.

Figure 4. SATO & Label Printer Companies Stock Price Comparison



Source: Speeda, compiled by Strategy Advisors

Figure 5. SATO & Consumables Firm (Stickers) Stock Price Comparison



Source: Speeda, compiled by Strategy Advisors

Figure 6. Profitability Comparison with Companies in the Same Industry

Company Name	Code	FY	Curr.	Sales (¥mn)	OP (¥mn)	OPM (%)	ROE (%)	ROIC (%)	Equity Ratio (%)
SATO	6287	3/25	JPY	154,807	12,341	8.0	9.7	9.3	54.8
Zebra Technologies	ZBRA	12/24	USD	755,578	116,044	15.4	15.9	9.3	45.0
TSC Auto ID Technology	3611.TW	12/24	NTD	41,552	4,329	10.4	12.8	8.8	40.1
Fuji Seal International	7864	3/25	JPY	212,345	18,844	8.9	8.8	9.0	69.2
Avery Dennison	AVY	12/24	USD	1,328,170	169,197	12.7	31.8	15.2	27.5
Ricoh	7752	3/25	JPY	2,527,876	63,829	2.5	4.4	2.6	43.7
Canon	7751	12/24	JPY	4,509,821	279,754	6.2	4.8	3.8	63.2
Seiko Epson	6724	3/25	JPY	1,362,944	75,108	5.5	6.8	5.1	55.3
Brother Industries	6448	3/25	JPY	876,558	69,888	8.0	8.1	7.2	74.1
Konica Minolta	4902	3/25	JPY	1,127,882	-64,014	-5.7	-9.5	-8.1	38.0

Source: Company Data, compiled by Strategy Advisors

Figure 7. Valuation Comparison with Peer Companies

Company Name	Code	FY	Curr.	Stock Price (10/20)	Market Cap. (¥mn)	PER (CoE, x)	PBR (Actual, x)	EV/ EBITDA (x)	Dividend Yield (CE, %)	ROE (Actual, %)
SATO	6287	3/25	JPY	2,211	71,781	9.3	0.9	3.7	3.4	9.7
Zebra Technologies	ZBRA	12/24	USD	293.31	2,251,922	18.8	4.2	13.0	-	15.5
TSC Auto ID Technology	3611.TW	12/24	NTD	193.00	45,162	10.7	1.8	-	-	18.9
Fuji Seal International	7864	3/25	JPY	2,760	146,935	8.6	1.0	4.3	2.6	12.0
Avery Dennison	AVY	12/24	USD	159.44	1,877,441	16.8	5.5	10.0	-	33.9
Ricoh	7752	3/25	JPY	1,340	762,776	13.6	0.7	5.8	3.0	5.4
Canon	7751	12/24	JPY	4,507	4,063,296	12.5	1.3	6.5	3.6	10.3
Seiko Epson	6724	3/25	JPY	1,975	632,519	15.4	0.8	4.4	3.7	5.2
Brother Industries	6448	3/25	JPY	2,595	658,823	11.6	1.0	4.1	3.9	8.0
Konica Minolta	4902	3/25	JPY	534	263,892	11.0	0.6	5.3	1.9	5.1

Note: For overseas companies, closing prices are as of Oct. 17, 2025. ROE (company forecast) is calculated by dividing the company's forecast net profit for the current period by the equity capital at the end of the most recent quarterly financial period. For overseas companies, it is the FactSet consensus forecast. EBITDA in EV/EBITDA is calculated by adding the company's forecast operating income for the full year to the depreciation expenses of the most recent full year.

Source: Company Data, compiled by Strategy Advisors

Figure 8. Income Statement (¥mn)

FY	3/18	3/19	3/20	3/21	3/22	3/23	3/24	3/25	3/26 CE
Net Sales	113,383	116,179	116,372	109,052	124,783	142,824	143,446	154,807	161,000
Cost of Sales	64,728	65,503	66,193	63,317	74,385	86,140	84,329	91,337	-
Gross Profit	48,655	50,676	50,179	45,735	50,398	56,684	59,117	63,470	-
Gross Profit Margin	42.9%	43.6%	43.1%	41.9%	40.4%	39.7%	41.2%	41.0%	-
SG&A Expenses	42,405	42,997	42,718	39,888	43,994	47,843	48,733	51,129	-
Operating Income	6,249	7,679	7,461	5,847	6,404	8,841	10,383	12,341	12,500
OP Margin	5.5%	6.6%	6.4%	5.4%	5.1%	6.2%	7.2%	8.0%	7.8%
Non-Operating Income	455	569	324	393	404	610	804	863	-
Non-Operating Expenses	816	629	1,213	719	751	384	2,226	2,060	-
Ordinary Profit	5,888	7,618	6,571	5,521	6,057	9,068	8,961	11,144	12,100
Ordinary Profit Margin	5.2%	6.6%	5.6%	5.1%	4.9%	6.3%	6.2%	7.2%	7.5%
Extraordinary Profit	2,835	11	824	10,454	49	37	42	1,220	-
Extraordinary Losses	2,229	1,057	6,760	1,519	143	1,958	3,341	702	-
Income Before Income Taxes	6,494	6,573	636	14,457	5,963	7,147	5,662	11,662	-
Income Taxes - Current	2,544	2,971	2,076	1,403	1,958	2,760	2,246	2,568	-
Income Taxes - Deferred	19	-182	536	-10	47	-570	-784	1,262	-
Total Income Taxes	2,563	2,789	2,612	1,393	2,005	2,190	1,462	3,830	-
(Corporate Tax Rate)	39.5%	42.4%	410.7%	9.6%	33.6%	30.6%	25.8%	32.8%	-
Net Income Attributable to Owners of Parent	4,074	3,773	-1,882	12,959	3,794	4,184	3,565	7,151	7,700
Net Income Margin	3.6%	3.2%	-1.6%	11.9%	3.0%	2.9%	2.5%	4.6%	4.8%
EPS (¥)	121.54	112.46	-56.06	385.86	112.74	126.66	110.02	220.39	237.30

Source: Company Data, compiled by Strategy Advisors

Figure 9. Balance Sheet (¥mn)

FY	3/18	3/19	3/20	3/21	3/22	3/23	3/24	3/25
Current Assets	57,161	59,367	66,195	74,641	81,950	81,137	86,268	91,558
Cash and Deposits	16,461	16,837	23,796	33,037	29,854	21,923	25,078	27,481
Accounts Receivable	24,737	25,522	23,766	24,878	26,688	27,113	28,617	29,697
Accounts Receivable and Unearned Revenue	1,780	1,834	3,759	1,784	2,177	1,763	1,994	2,123
Inventory	11,365	13,453	13,053	13,072	20,418	26,854	27,135	28,955
Others	2,818	1,721	1,821	1,870	2,813	3,484	3,444	3,302
Allowance For Doubtful Accounts	-208	-153	-185	-236	-234	-230	-451	-275
Fixed Assets	49,286	48,206	36,952	34,671	38,054	41,721	46,188	48,198
Tangible Fixed Assets	31,398	30,720	28,936	27,306	30,390	32,331	36,406	38,725
Intangible Fixed Assets	14,436	11,933	3,688	3,356	3,256	4,372	3,841	5,362
Investments and Other Assets	3,450	5,552	4,326	4,007	4,407	5,017	5,941	4,110
Investment Securities	1,498	1,607	1,188	1,192	1,479	928	1,122	163
Deferred Tax Assets	1,782	1,865	1,311	1,011	1,087	2,132	2,919	1,899
Others	170	2,080	1,827	1,804	1,841	1,957	1,900	2,048
Total Assets	106,447	107,574	103,147	109,312	120,005	122,858	132,457	139,757
Current Liabilities	34,064	36,904	41,492	36,988	42,071	44,963	43,064	41,677
Trade Payables	18,311	18,954	18,095	17,740	20,644	19,360	19,402	16,705
Accounts Payable and Accrued Expenses	3,038	2,835	2,566	3,080	4,705	4,212	4,399	4,920
Interest -Bearing Debt	4,049	4,966	8,549	4,792	4,720	7,722	5,085	4,556
Advance Payment	0	0	4,915	5,536	6,820	7,322	7,518	7,761
Deferred Tax Liabilities	0	0	0	0	0	0	0	0
Others	8,666	10,149	7,367	5,840	5,182	6,347	6,660	7,735
Fixed Liabilities	16,157	14,000	12,832	12,862	13,426	10,200	15,307	17,842
Interest -Bearing Debt	12,671	10,917	9,798	10,555	11,011	7,795	12,562	14,934
Retirement Benefits/Salary Reserves	2,181	1,843	1,800	1,193	1,227	1,002	1,065	975
Others	1,305	1,240	1,234	1,114	1,188	1,403	1,680	1,933
Net Assets	56,225	56,668	48,823	59,462	64,508	67,694	74,085	80,237
Shareholders' Equity	54,664	56,245	51,999	62,646	64,144	63,451	63,149	68,012
Capital and Surplus	16,180	16,205	16,206	16,208	16,233	16,232	16,231	13,815
Retained Earnings	41,145	42,624	38,345	48,974	50,256	52,061	51,718	56,461
Treasury Stock	-2,662	-2,584	-2,552	-2,537	-2,345	-4,842	-4,801	-2,265
Accumulated Other Comprehensive Income	140	-870	-4,206	-4,372	-1,008	2,001	8,127	8,528
Stock Acquisition Rights	99	57	39	28	28	28	19	12
Non -Controlling Interests	1,320	1,235	990	1,159	1,343	2,213	2,789	3,685
Liabilities and Net Assets	106,447	107,574	103,147	109,312	120,005	122,858	132,457	139,757
Interest-Bearing Debt	16,792	15,957	18,423	15,425	15,814	15,599	17,732	19,490
Capital Adequacy Ratio	51.6%	51.5%	46.4%	53.3%	52.6%	53.3%	53.8%	54.8%
D/E Ratio	0.31	0.29	0.39	0.26	0.25	0.24	0.25	0.25

Source: Company Data, compiled by Strategy Advisors

Figure 10. Cash Flow Statement (¥mn)

FY	3/18	3/19	3/20	3/21	3/22	3/23	3/24	3/25
Cash Flows from Operating Activities								
Profit Before Tax	6,494	6,573	636	14,457	5,963	7,147	5,662	11,662
Depreciation	4,307	4,489	5,043	4,092	4,220	4,855	4,926	5,414
Amortization of Goodwill	1,258	1,081	871	223	236	264	146	127
Impairment Loss	656	1,024	6,397	448	11	0	2,168	631
Profit/Loss On Sale of Fixed Assets	-2,664	-11	-711	-10,414	-30	-4	-32	-29
Increase/Decrease in Accounts Receivable	-1,766	-1,093	1,006	-598	-1,633	35	-953	-1,199
Increase/Decrease in Accounts Payable	-1,063	713	-139	-867	2,557	-1,827	-816	-2,152
Increase/Decrease in Inventory	-576	-2,254	-291	183	-6,288	-5,907	1,297	-1,647
Increase/Decrease in Accounts Payable	949	-188	-96	221	580	378	106	542
Receipts of Interest and Dividends	160	143	121	93	140	301	613	568
Interest Payment	-141	-140	-187	-220	-217	-252	-340	-679
Corporate Tax Paid	-2,985	-1,391	-2,469	-1,510	-1,505	-2,230	-2,766	-2,329
Others	1,555	419	1,078	-302	-732	2,430	2,552	1,562
Total	6,184	9,365	11,259	5,806	3,302	5,190	12,563	12,471
Cash Flows from Investing Activities								
Income And Expenditures from Acquisition and Sale of Tangible Fixed Assets	-6,064	-3,672	-2,858	-3,516	-2,550	-5,247	-5,657	-5,736
Income And Expenditures from Acquisition and Sale of Intangible Fixed Assets	2,604	-545	411	13,564	-1,053	-1,903	-2,018	-3,251
Income And Expenditure from Fixed Term Deposits	191	33	0	-10,000	-201	9,562	282	-729
Income And Expenditures from Acquisition and Sale of Subsidiary Shares	0	0	0	-169	0	0	-617	0
Others	-235	-1,028	-2	19	66	-122	76	1,508
Total	-3,504	-5,212	-2,449	-102	-3,738	2,290	-7,934	-8,208
Cash Flows from Financing Activities								
Net Increase/Decrease in Short-Term Borrowings	-1,353	-101	2,683	-3,522	-262	-295	-3,154	-333
Net Increase/Decrease in Long-Term Borrowings	400	-386	-977	-27	-15	-21	4,924	2,396
Expenditures From Sales of Treasury Stock	0	0	0	0	0	0	0	0
Repayment Of Lease Obligations	-628	-752	-621	-1,251	-1,345	-1,116	-1,214	-1,734
Dividend Payment	-2,089	-2,293	-2,393	-2,329	-2,362	-2,376	-2,337	-2,404
Expenditures For Acquisition of Treasury Stock	0	0	0	0	0	-2,500	0	-1
Others	212	-2	-3	-2	-3	-1	30	-1
Total	-3,458	-3,534	-1,311	-7,131	-3,987	-6,309	-1,751	-2,077
Exchange Differences on Cash	47	-214	-626	629	983	438	473	-403
Cash Increase/Decrease	-731	404	6,871	-798	-3,439	1,610	3,350	1,781
Cash Beginning Balance	16,757	16,026	16,430	23,379	22,580	19,140	20,751	24,102
Ending Cash Balance	16,026	16,430	23,379	22,580	19,140	20,751	24,102	25,883

Source: Company Data, compiled by Strategy Advisors

Figure 11. Key Indicators

	3/18	3/19	3/20	3/21	3/22	3/23	3/24	3/25
EPS (¥)	121.54	112.46	-56.06	385.86	112.74	126.66	110.02	220.39
BPS (¥)	1,634.69	1,649.86	1,423.30	1,735.04	1,874.97	2,020.83	2,199.41	2,357.76
DPS (¥)	65.0	70.0	70.0	70.0	70.0	72.0	73.0	75.0
Dividend Payout Ratio	53.5%	62.2%	-124.9%	18.1%	62.1%	56.8%	66.4%	34.0%
No. of Shares Issued ('000)	34,921	34,921	34,921	34,921	34,921	34,921	34,921	33,636
Treasury Stock ('000)	1,395	1,358	1,342	1,334	1,248	2,532	2,514	1,173
Number of Shares (Excl. Treasury Stock, '000)	33,526	33,564	33,579	33,587	33,673	32,389	32,407	32,463
Average Number of Shares (Excl. Treasury Stock, '000)	33,527	33,558	33,571	33,587	33,654	33,035	32,403	32,449
Equity Ratio	51.6%	51.5%	46.4%	53.3%	52.6%	53.3%	53.8%	54.8%
Interest-Bearing Debt (¥mn)	16,792	15,957	18,423	15,425	15,814	15,599	17,732	19,490
Net Interest-Bearing Debt (¥mn)	331	-880	-5,373	-17,612	-14,040	-6,324	-7,346	-7,991
D/E Ratio	0.31	0.29	0.39	0.26	0.25	0.24	0.25	0.25
Net D/E Ratio	0.01	-0.02	-0.11	-0.30	-0.22	-0.10	-0.10	-0.10
Operating Profit Margin	5.5%	6.6%	6.4%	5.4%	5.1%	6.2%	7.2%	8.0%
EBITDA (¥mn)	11,814	13,249	13,375	10,162	10,860	13,961	15,456	17,884
EBITDA Margin	10.4%	11.4%	11.5%	9.3%	8.7%	9.8%	10.8%	11.6%
ROE	7.5%	6.8%	-3.6%	24.4%	6.2%	6.5%	5.2%	9.7%
ROIC	6.1%	7.5%	7.5%	5.8%	5.8%	7.7%	8.5%	9.3%
Number of Employees	5,076	5,307	5,429	5,451	5,656	5,637	5,744	5,986

Note: The figures for ROIC is calculated as NOPAT/(Average of Invested Capital During the Period).

Source: Company Data, compiled by Strategy Advisors

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