



Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Sangetsu Corporation

Supplementary Materials for Financial Results as of June 30, 2024 FY2024 Q1

August 2, 2024

Sangetsu Corporation

Securities code: 8130

(Prime Market of Tokyo Stock Exchange
and Premier Market of Nagoya Stock Exchange)

Points of Financial Results in FY2024 Q1

■ Consolidated Results

- Net sales Reached Record Highs in the First Quarter
Increased Net sales in the Domestic Interior Segment and Increased Net sales in the North America Business and the China & Hong Kong Business.
- On the other hand, profit decreased due to an increase in cost of sales and an increase in SG & A expenses for the entire Group.

■ Domestic Interior Segment

- Despite the weakening market, sales of wallpaper and flooring materials, which are major products, increased year on year.
- During the first quarter (April-June), sales prices remained almost unchanged
Gross profit per unit decreased due to rising logistics costs and some raw material prices.
- Increase in personnel expenses, relocation and renovation expenses and other SGA expenses.

Points of Financial Results in FY2024 Q1

■ Domestic Exterior segment

- Decrease in sales due to a decrease in the number of new housing starts.
- Increase in costs due to an increase in personnel through personnel enhancement measures implemented in the previous fiscal year.

■ Overseas Segment

- North America continued to maintain strong performance and remain profitable. On the other hand, increased personnel and other costs.
- Sales growth in Vietnam and Malaysia in Southeast Asia Continued loss due to increased costs resulting from measures to strengthen space creation functions.
- In China and Hong Kong, despite the sluggish market, continued development of business foundations and customer development.

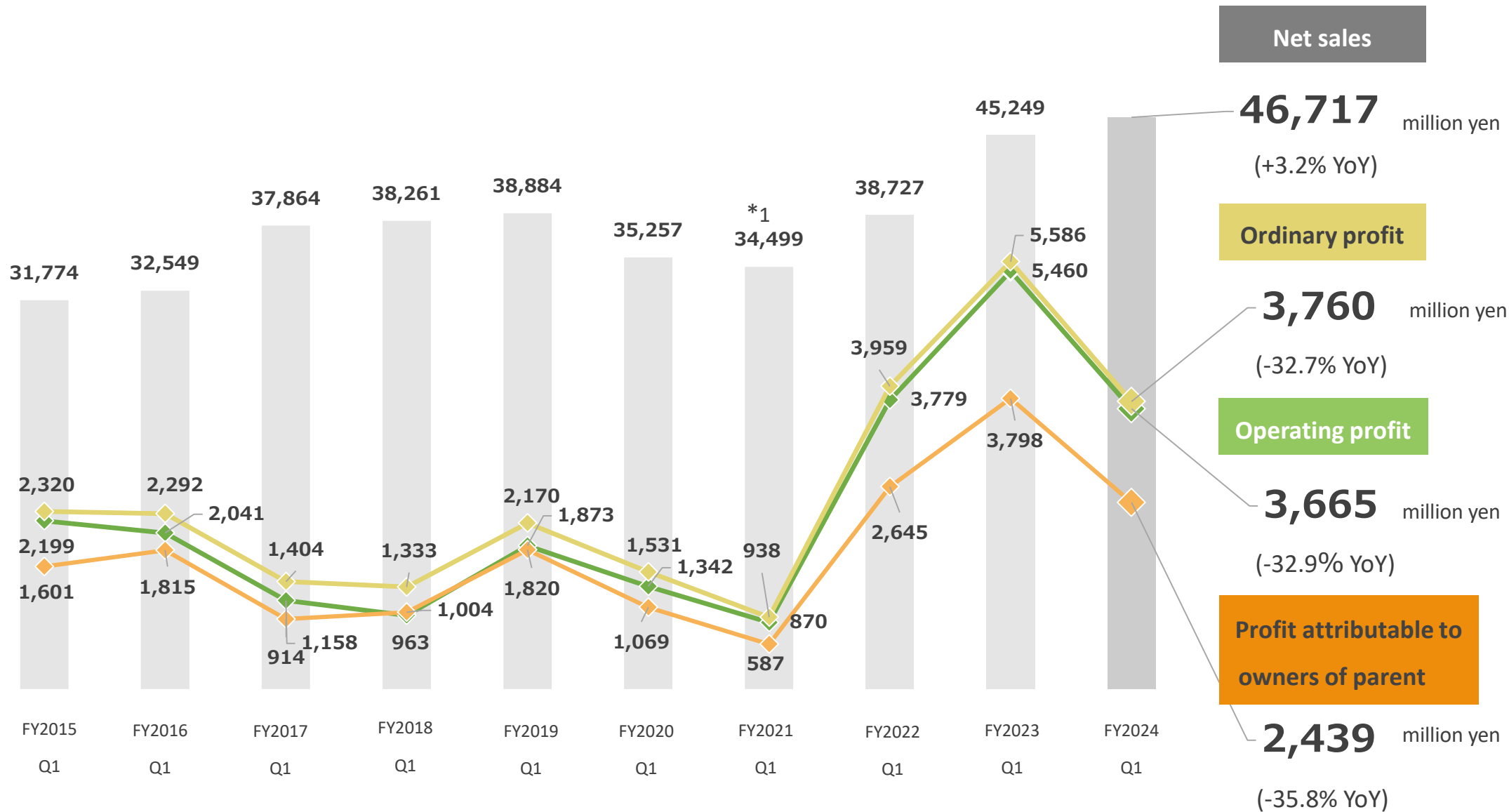
As a result, sales are on an increasing trend and operating income is on an improving trend.

- The overall deficit of overseas business expanded due to an increase in personnel costs and the recording of one-time expenses related to the acquisition of D'Perception Pte. Ltd.'s shares in Singapore.

Overview of Consolidated Results; Profit-and-loss Statement

	FY2023 Q1	FY2024 Q1			
	Results (A)	Results (B)	YoY (B-A,B/A)	Forecasts for 1H (C)	Rate of progress (B/C)
Net Sales	452.4	467.1	+14.6 (+3.2%)	935.0	50.0%
Gross profit	145.9	145.6	-0.2 (-0.2%)	290.5	50.1%
(margin)	(32.3%)	(31.2%)		(31.1%)	
SGA	91.3	109.0	+17.6 (+19.4%)	214.5	50.8%
Operating profit	54.6	36.6	-17.9 (-32.9%)	76.0	48.2%
(margin)	(12.1%)	(7.8%)		(8.1%)	
Ordinary profit	55.8	37.6	-18.2 (-32.7%)	78.0	48.2%
Profit attributable to owners of parent	37.9	24.3	-13.5 (-35.8%)	52.0	46.9%

Variations in Consolidated Net Sales, Operating Profit, Ordinary Profit, and Profit attributable to owners of parent



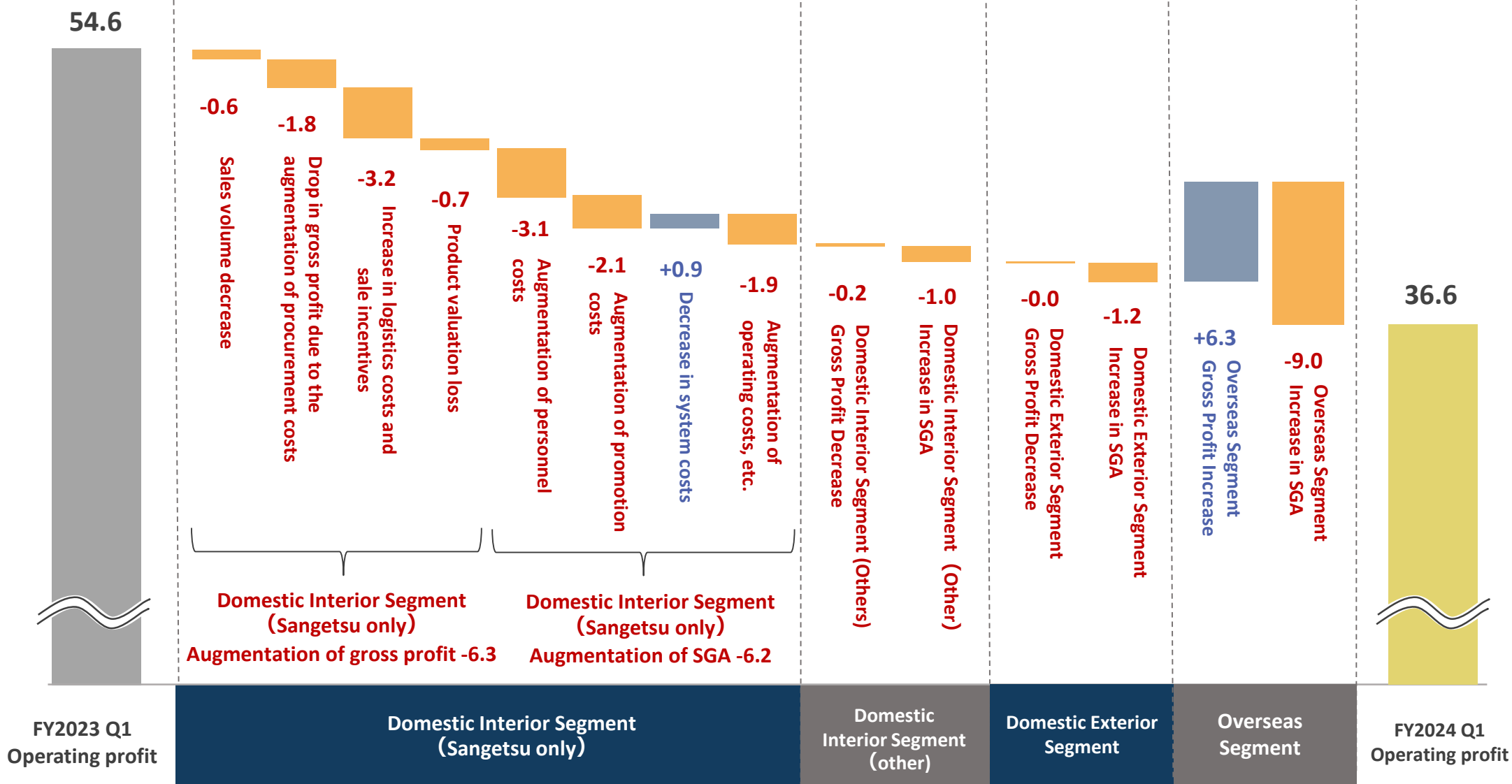
*1 We have been applying the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc. from the beginning of the term ended March 2022.

Net Sales and Operating Profit of Each Segment

	FY2023 Q1	FY2024 Q1			
	Results (A)	Results (B)	YoY (B-A,B/A)	Forecasts for 1H (C)	Rate of progress (B/C)
Domestic Interior net sales	384.9	389.9	+4.9 (+1.3%)	780.0	50.0%
Wallcoverings Unit	189.5	191.8	+2.2 (+1.2%)	-	-
Flooring Materials Unit	135.5	137.6	+2.0 (+1.5%)	-	-
Fabrics Unit	22.9	22.2	-0.7 (-3.2%)	-	-
Construction and others	36.8	38.1	+1.3 (+3.7%)	-	-
Operating profit	54.6	40.6	-13.9 (-25.5%)	78.9	51.6%
Domestic Exterior net sales	16.1	15.6	-0.4 (-3.0%)	30.0	52.2%
Operating profit	0.9	-0.3	-1.2 (-)	0.1	-
Overseas net sales	51.5	61.6	+10.1 (+19.7%)	125.0	49.3%
Operating profit	-0.9	-3.7	-2.7 (-)	-3.0	-
Adjustment of transactions between segments (net sales)	-0.0	-0.0	+0.0(-)	-	-
Adjustment of transactions between segments (operating profit)	0.0	0.0	-0.0(-0.0%)	-	-
Consolidated net sales	452.4	467.1	+14.6 (+3.2%)	935.0	50.0%
Consolidated operating profit	54.6	36.6	-17.9 (-32.9%)	76.0	48.2%

Change in Consolidated Operating profit (YoY :April-March)

[100 million yen]



Consolidated Earnings Forecasts for FY2024 Announced on May 10, 2024(No changes)

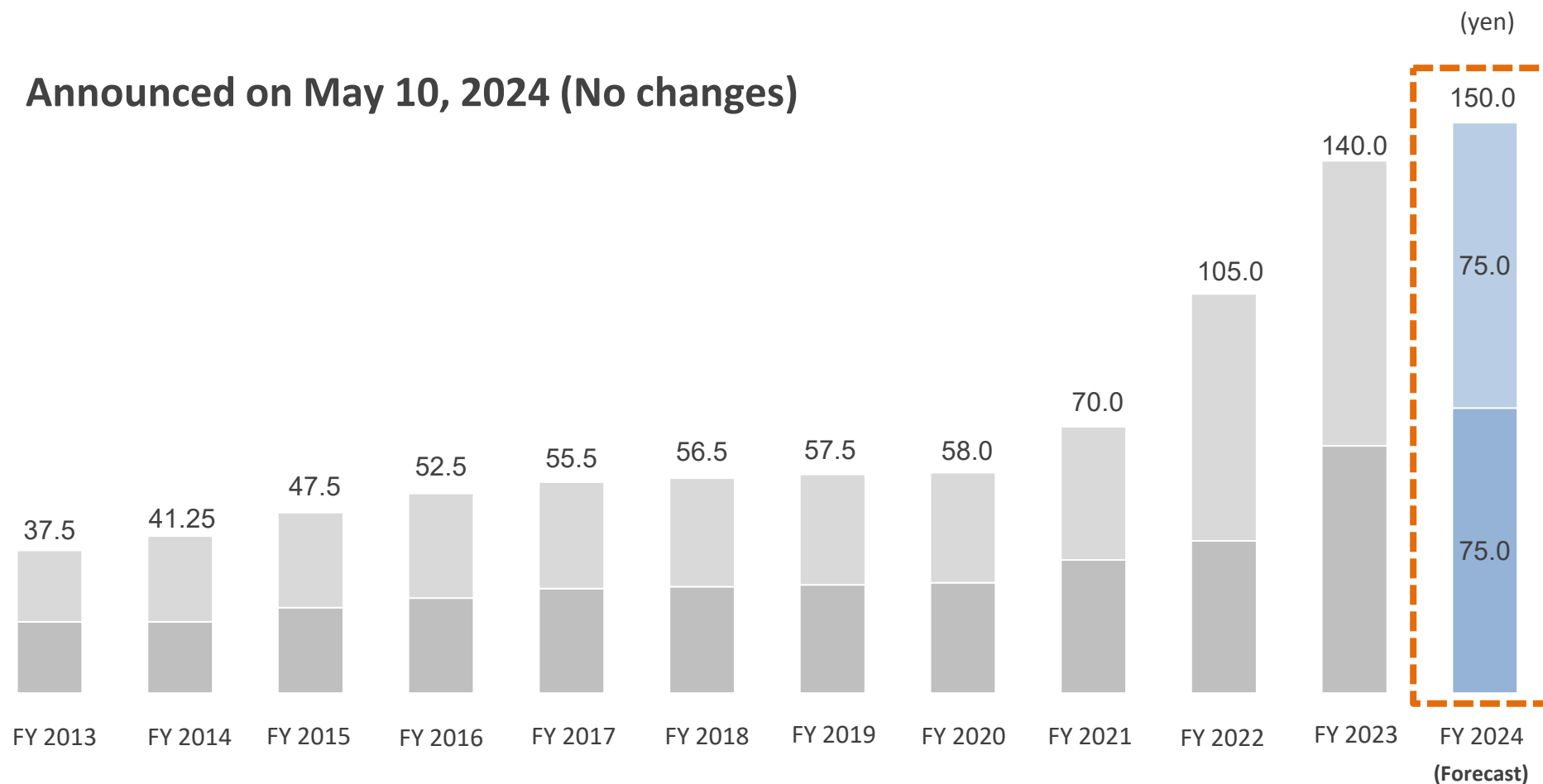
	FY2023		FY2024					
	Full-year	1H	Full-year		1H		2H	
	Results (A)	Results	Forecasts (B)	YoY (B-A,B/A)	Forecasts	Q1 Results	Rate of progress	Forecasts
Net Sales	1,898.5	906.1	1,960.0	+ 61.4 (+ 3.2%)	935.0	467.1	50.0%	1,025.0
Gross profit	589.5	289.2	605.0	+ 15.4 (+ 2.6%)	290.5	145.6	50.1%	314.5
(margin)	(31.1%)	(31.9%)	(30.9%)		(31.1%)	(31.2%)		(30.7%)
SGA	398.5	186.6	445.0	+ 46.4 (+11.7%)	214.5	109.0	50.8%	230.5
Operating profit	191.0	102.5	160.0	-31.0 (-16.2%)	76.0	36.6	48.2%	84.0
(margin)	(10.1%)	(11.3%)	(8.2%)		(8.1%)	(7.8%)		(8.2%)
Ordinary profit	196.9	104.5	165.0	-31.9 (-16.2%)	78.0	37.6	48.2%	87.0
Profit attributable to owners of the parent	142.9	71.2	110.0	-32.9 (-23.0%)	52.0	24.3	46.9%	58.0

The Company announced the revision of transaction prices on August 1, 2024. The impact of the revision is currently under scrutiny and has not been incorporated in the above forecast (announced on May 10, 2024)

If it becomes necessary to revise the forecast, the Company will promptly announce the revision

Results and forecast of shareholder return: Changes in dividend per share

Announced on May 10, 2024 (No changes)



FY 2024 (forecast) interim dividend of 75.0 yen/share, year-end dividend of 75.0 yen/share (+10.0 yen YoY) Dividend increase for 11 consecutive years

Notes for the Future Outlook

This material includes Information that Falls Under Future related Descriptions. The descriptions of items other than the past and present facts are the descriptions about future forecasts. These descriptions about future forecasts are based on our assumptions and judgment considering currently available information, which include known or unknown risks, uncertainties, and other factors, so they may be affected by such factors.

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