

# Financial Summary for Q3 FY2024

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2024/10/31



# Financial Summary for FY2024-3Q

**Actual  
FY2024-3Q**  
/Same period of  
previous fiscal year  
(change)

**Orders: JPY665.8 billion / 752.5 billion (86.7 billion)**

**Net sales: JPY772.1 billion / 772.5 billion (0.4 billion)**

**Operating profit: JPY41.1 billion / 49.7 billion ( 8.7 billion)**

**Year-on-year  
comparison**

- Market environment : In Japan, signs of hesitancy were observed in the semiconductor market's recovery  
Europe continued to experience deterioration due to monetary tightening  
In China, demand remained sluggish, impacting even Southeast Asia
- Orders : Decreased due to inventory adjustment in hydraulic excavators, a drop in demand for semiconductor-related products, and other factors.
- Net sales : Although impacted by a reduction in orders in the Mechatronics and Industrial Machinery segments, net sales remained unchanged year on year due to an order backlog in other segments and foreign exchange gains
- Operating profit : Decreased across all segments except Logistics & Construction.

# Financial Summary for FY2024-3Q

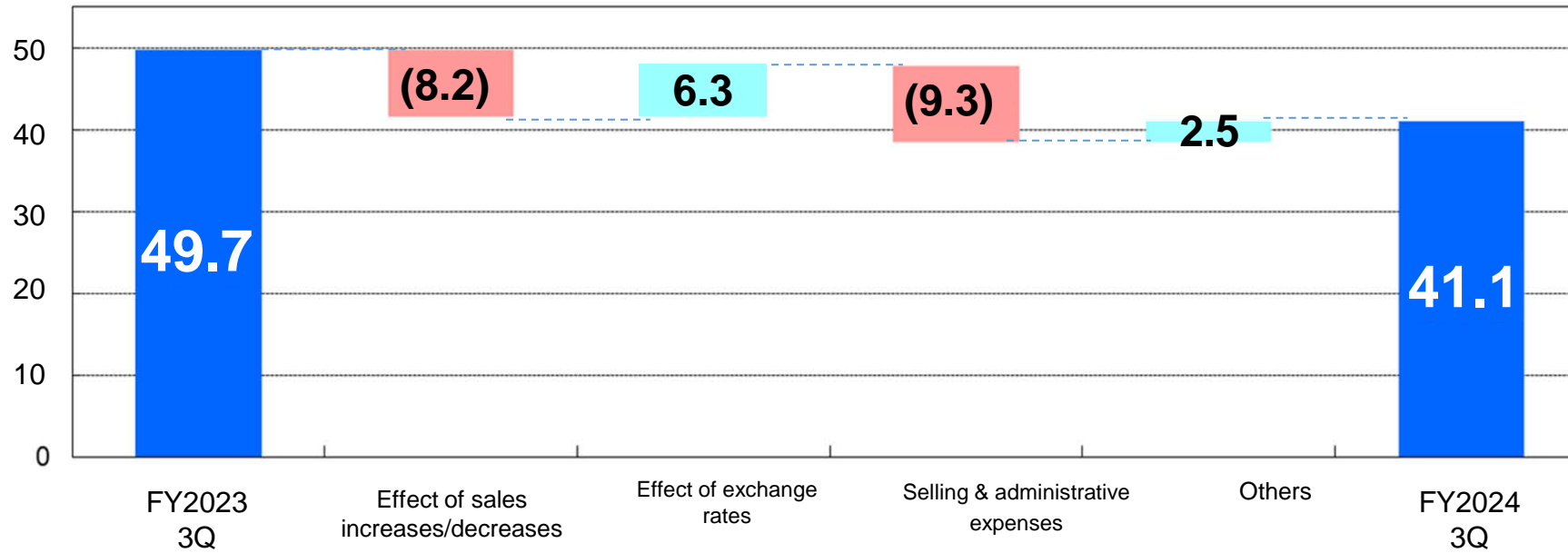
Unit: JPY billion	FY2023				FY2024				Year-on-year change	Actual FY2023 (23.1-23.12)	Forecast FY2024 (24.1-24.12)
	Actual 1Q (Jan-Mar)	Actual 2Q (Apr-Jun)	Actual 3Q (Jul-Sep)	Actual 3Q (23.1-23.9)	Actual 1Q (Jan-Mar)	Actual 2Q (Apr-Jun)	Actual 3Q (Jul-Sep)	Actual 3Q (24.1-24.9)			
Orders	260.0	252.7	239.9	752.5	221.1	232.0	212.7	665.8	(86.7)	1,008.7	1,030.0
Net sales	248.2	261.8	262.4	772.5	254.8	265.5	251.7	772.1	(0.4)	1,081.5	1,070.0
Operating profit	16.2	14.5	19.1	49.7	18.4	14.9	7.7	41.1	(8.7)	74.4	65.0
Operating profit ratio	6.5%	5.5%	7.3%	6.4%	7.2%	5.6%	3.1%	5.3%	-	6.9%	6.1%
Ordinary profit	16.4	16.5	17.5	50.4	18.8	15.1	1.4	35.3	(15.1)	70.2	61.0
Ordinary profit ratio	6.6%	6.3%	6.7%	6.5%	7.4%	5.7%	0.6%	4.6%	-	6.5%	5.7%
Extraordinary loss	(0.1)	(0.2)	(0.2)	(0.5)	(0.2)	(0.2)	(0.4)	(0.8)	(0.3)	(18.8)	(5.0)
Current profit	10.8	11.7	11.8	34.3	13.6	9.9	0.8	24.3	(10.0)	32.7	38.0
Current profit ratio	4.4%	4.5%	4.5%	4.4%	5.3%	3.7%	0.3%	3.1%	-	3.0%	3.6%
Dividend per share									-	JPY120	JPY125
Currency exchange rate (US dollars)				¥ 138				¥ 146	-	¥ 139	¥ 145

# Performance by Segment for FY2024-3Q

		Orders			Net sales			Operating profit				
		3Q FY2023 Actual	3Q FY2024 Actual	Change	3Q FY2023 Actual	3Q FY2024 Actual	Change	3Q FY2023 Actual /Operating profit ratio (%)	3Q FY2024 Actual /Operating profit ratio (%)	Change		
Unit: JPY billion												
Mechatronics		150.9	148.2	(2.7)	162.0	150.1	(11.9)	9.5	5.9	2.1	1.4	(7.4)
	(Plastics machinery)	64.7	65.1	0.4	72.5	65.0	( 7.5)					
	(Others)	133.1	122.1	(11.0)	127.9	135.8	7.9					
Industrial Machinery		197.8	187.2	(10.6)	200.4	200.8	0.4	17.5	8.8	14.1	7.0	(3.4)
	(Hydraulic excavators)	161.6	109.4	(52.1)	172.6	164.3	(8.3)					
	(Others)	135.5	131.1	(4.4)	106.7	121.5	14.7					
Logistics & Construction		297.0	240.5	(56.5)	279.3	285.8	6.5	18.1	6.5	21.4	7.5	3.3
Energy & Lifeline		102.3	85.2	(17.1)	126.2	130.8	4.6	3.1	2.5	2.0	1.6	(1.1)
Others		4.6	4.7	0.2	4.6	4.6	0.0	1.5	-	1.3	-	(0.1)
Total		752.5	665.8	(86.7)	772.5	772.1	(0.4)	49.7	6.4	41.1	5.3	(8.7)

# Analysis of Changes in Operating Profit for 2024-3Q

Unit: JPY billion



## <Effect of changes in sales by segment>

Unit: JPY billion

Mechatronics	(5.8)
Industrial Machinery	(0.1)
Logistics & Construction	(2.0)
Energy & Lifeline	(0.3)

## <Selling & administrative expenses>

- Personnel expenses, R&D expenditures, and other costs increased.

# Consolidated Balance Sheet

Unit: JPY billion	December 2023	September 2024	Change
<b>Current Assets</b>	<b>748.3</b>	<b>750.6</b>	<b>2.3</b>
Cash and deposits	104.5	107.4	3.0
Notes and accounts receivable	289.9	257.9	(32.0)
Inventories	321.1	350.3	29.2
Others	32.9	35.0	2.2
<b>Non-current Assets</b>	<b>452.6</b>	<b>472.4</b>	<b>19.8</b>
Property, plant and equipment	330.0	345.7	15.7
Intangible assets	45.6	44.6	(1.0)
Investments and other assets	77.0	82.1	5.1
<b>Total</b>	<b>1,200.9</b>	<b>1,223.0</b>	<b>22.2</b>

Unit: JPY billion	December 2023	September 2024	Change
<b>Liabilities</b>	<b>573.4</b>	<b>593.1</b>	<b>19.7</b>
Notes and accounts payable - trade	180.8	151.2	(29.6)
Interest-bearing debts	162.2	225.2	63.0
Others	230.3	216.7	(13.7)
<b>Net Assets</b>	<b>627.5</b>	<b>629.9</b>	<b>2.4</b>
Shareholders' equity	488.5	488.2	(0.3)
Accumulated other comprehensive income	131.3	135.5	4.2
Non-controlling interests	7.7	6.2	(1.5)
<b>Total liabilities and net assets</b>	<b>1,200.9</b>	<b>1,223.0</b>	<b>22.2</b>
Net interest-bearing debts ratio	4.8%	9.6%	4.8%
Shareholders' equity ratio	51.6%	51.0%	(0.6)%

# Mechatronics

**3Q FY2024:** Orders for small and medium size reducers were strong in Japan, while demand for semiconductor-related products saw a decline. Sales and operating profit declined due to the lack of recovery in demand for gear reducers and motors in Europe and China.

Unit: JPY billion	Actual 3Q FY2023 (2023.1-2023.9)	Actual 3Q FY2024 (2024.1-2024.9)	Year-on-year change	Actual FY2023 (2023.1-2023.12)	Forecast FY2024 (2024.1-2024.12)
Orders	150.9	148.2	(2.7)	197.8	210.0
Net sales	162.0	150.1	(11.9)	220.0	210.0
Operating profit	9.5	2.1	(7.4)	12.4	7.5
Operating profit ratio (%)	5.9	1.4	-	5.6	3.5
Backlog of orders	102.7	89.3	-	91.2	

# Industrial Machinery

## <Plastics machinery>

**3Q FY2024:** Orders remained unchanged year on year as demand for electrical and electronics-related products bottomed out in China, while sluggish market conditions persisted in Europe.  
Sales and operating profit decreased due to a decline in order backlogs, primarily in Europe.

## <Others>

**3Q FY2024:** Orders decreased partly due to inventory adjustment and postponement of investment by customers resulting from stagnation in the semiconductor market. However, sales increased partly because there was a substantial backlog of orders. Operating profit was flat year on year due to a change in the model lineup.

Unit: JPY billion	3Q FY2023 Actual (2023.1-2023.9)	3Q FY2024 Actual (2024.1-2024.9)	Year-on-year change	FY2023 Actual (2023.1-2023.12)	Forecast FY2024 (2024.1-2024.12)
Plastics machinery	64.7	65.1	0.4	89.3	95.0
Others	133.1	122.1	(11.0)	175.6	180.0
<b>Orders</b>	<b>197.8</b>	<b>187.2</b>	<b>(10.6)</b>	<b>265.0</b>	<b>275.0</b>
Plastics machinery	72.5	65.0	(7.5)	97.1	90.0
Others	127.9	135.8	7.9	182.8	190.0
<b>Net sales</b>	<b>200.4</b>	<b>200.8</b>	<b>0.4</b>	<b>279.8</b>	<b>280.0</b>
<b>Operating profit</b>	<b>17.5</b>	<b>14.1</b>	<b>(3.4)</b>	<b>25.6</b>	<b>22.0</b>
<b>Operating profit ratio (%)</b>	<b>8.8</b>	<b>7.0</b>	<b>-</b>	<b>9.1</b>	<b>7.9</b>
<b>Backlog of orders</b>	<b>192.7</b>	<b>167.2</b>	<b>-</b>	<b>180.8</b>	



# Logistics & Construction

## <Hydraulic excavators>

**3Q FY2024:** Orders and sales decreased, partly due to a decline in demand for rental equipment in the US and Japan and the absence of gains from advance orders in the US in the previous fiscal year.  
On the other hand, operating profit was flat year on year.

## <Others>

**3Q FY2024:** The mobile crane business saw a decrease in orders due to weak demand in Japan, while sales and operating profit saw an uptick, benefiting from a substantial order backlog in North America.  
For industrial cranes, orders and sales increased due to large-scale projects for iron production and shipbuilding, but operating profit maintained the same level as the previous fiscal year due to a reduction in highly profitable projects.

Unit: JPY billion	3Q FY2023 Actual (2023.1-2023.9)	3Q FY2024 Actual (2024.1-2024.9)	Year-on-year change	FY2023 Actual (2023.1-2023.12)	Forecast FY2024 (2024.1-2024.12)
Hydraulic excavators	161.6	109.4	(52.1)	212.5	200.0
Others	135.5	131.1	(4.4)	181.1	170.0
<b>Orders</b>	<b>297.0</b>	<b>240.5</b>	<b>(56.5)</b>	<b>393.6</b>	<b>370.0</b>
Hydraulic excavators	172.6	164.3	(8.3)	242.4	235.0
Others	106.7	121.5	14.7	151.0	160.0
<b>Net sales</b>	<b>279.3</b>	<b>285.8</b>	<b>6.5</b>	<b>393.4</b>	<b>395.0</b>
<b>Operating profit</b>	<b>18.1</b>	<b>21.4</b>	<b>3.3</b>	<b>28.1</b>	<b>31.0</b>
<b>Operating profit ratio (%)</b>	<b>6.5</b>	<b>7.5</b>	<b>-</b>	<b>7.1</b>	<b>7.9</b>
<b>Backlog of orders</b>	<b>275.4</b>	<b>210.2</b>	<b>-</b>	<b>255.4</b>	

## Energy & Lifeline

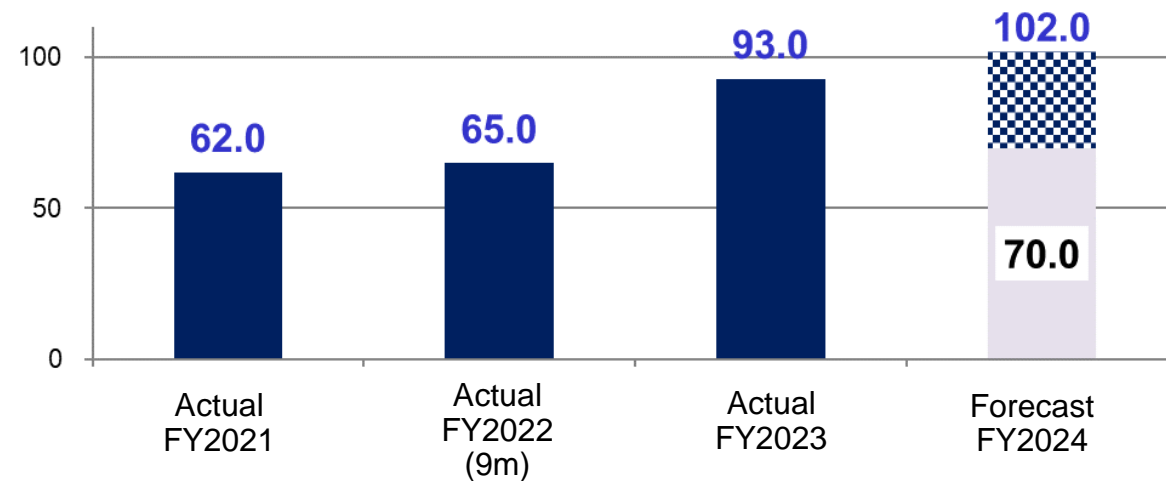
**3Q FY2024:** For the energy plant business, orders decreased due to a reduction in large-scale projects for biomass-fueled power generation plants in Europe. Sales increased because of a backlog of orders, while operating profit decreased partly due to a rise in development expenses incurred for commercializing the Liquid Air Energy Storage (LAES). For other businesses, orders decreased partly due to withdrawal from the new shipbuilding business. Sales and operating profit increased because of a rise in projects that could be factored into sales in this fiscal year.

Unit: JPY billion	3Q FY2023 Actual (2023.1-2023.9)	3Q FY2024 Actual (2024.1-2024.9)	Year-on-year change	FY2023 Actual (2023.1-2023.12)	Forecast FY2024 (2024.1-2024.12)
Orders	102.3	85.2	(17.1)	146.3	170.0
Net sales	126.2	130.8	4.6	182.2	181.0
Operating profit	3.1	2.0	(1.1)	6.3	2.0
Operating profit ratio (%)	2.5	1.6	-	3.5	1.1
Backlog of orders	238.6	182.2	-	227.9	

# Sales of the Semiconductor-Related Product Business

## Total sales from semiconductor related businesses (approximate numbers)

Unit: JPY billion



## Products for the semi-conductor sector that we possess and their key technologies

Product	Relevant segment	Key technologies		
		Beam control	Ultracold	Vacuum
Laser annealing equipment	Mechatronics	◎		
Ion implanter	Industrial Machinery	◎		○
Ion irradiation business		◎		○
Superconducting magnet for MCZ			◎	○
4K GM Cryocooler/ Cryopump			◎	◎
Vacuum robotics				◎

Relationship with key technologies (◎: Close ○: Moderate)

Ref.

## Reference information on each segment [1]

## &lt;Mechatronics&gt;

-Gear reducer business : Sales contribution ratio by model (approximate numbers)

	Gear motor (middle size)	Gear box (large size)	For use in precision equipment (MCD)	Service	Electric control	Total
FY2024 3Q	40%	20%	10%	10%	20%	100%
FY2023	40%	20%	5%	10%	25%	100%

## &lt;Industrial Machinery&gt;

-Sales mix of injection molding machines by segment (approximate numbers)

	Electric and electronic product- related	Automobile	foods, containers, miscellaneous goods	Others	Total
FY2024 3Q	20%	20%	40%	20%	100%
FY2023	15%	20%	55%	10%	100%

- Business performance for semiconductor production equipment (ion implanters) (approximate numbers)

	FY2023		FY2024	
	Actual 3Q (23.1-23.9)	Actual (23.1-23.12)	Actual 3Q	Forecast
Unit: JPY billion				
Orders	44.0	55.0	27.0	39.5
Sales	34.0	51.0	41.0	54.0

Ref.

## Reference information on each segment [2]

## &lt;Logistics &amp; Construction&gt;

## - Hydraulic excavators: demand by region/changes in sales (approximate numbers)

\*Only foreign capital

Unit: 10,000 units (upper row) JPY billion (lower row)		North America	Europe	Asia (Excluding China)	China*	Japan	Others	Total
FY2024	Demand forecast	4.2	3.2	2.2	1.2	2.7	-	
	Net sales 3Q	49.2	9.9	24.9	4.0	67.6	8.7	164.3
FY2023	Demand	4.3	4.0	2.3	1.0	2.5	-	
	Net sales 3Q	57.3	17.7	21.6	4.3	59.4	12.3	172.6
	Net sales Full year	80.8	24.2	28.3	6.1	86.0	16.9	242.4

## - Industrial cranes: order mix by segment (approximate numbers)

	Electricity	Steel	Shipbuilding	Ports	Others	Total
FY2024 3Q	15%	50%	35%	0%	0%	100%
FY2023	0%	20%	10%	60%	10%	100%

## - Mobile crane business: (Domestic) business performance (approximate numbers)

Unit: JPY billion	FY2023		FY2024	
	Actual 3Q (23.1-23.9)	Actual (23.1-23.12)	Actual 3Q	Forecast
Orders	34.0	45.0	29.0	44.0
Sales	30.0	43.0	31.0	46.0

# Ref. Sales by Regional Segment

<Exchange rate: JPY146 per US dollar> Unit: JPY billion	Actual 3Q FY2024 (2024.1-2024.9)									
	North America	Europe	Asia (Excluding China)	China	Others	Overseas total	Japan	Total sales		
<b>Mechatronics</b>	<b>32.1</b>	<b>32.3</b>	<b>14.9</b>	<b>10.2</b>	<b>12.5</b>	<b>102.1</b>	<b>47.9</b>	<b>150.1</b>		
(Plastics machinery)	7.4	15.6	7.9	16.3	5.1	52.2	12.7	65.0		
<b>Industrial Machinery</b>	<b>20.3</b>	<b>27.0</b>	<b>27.7</b>	<b>48.3</b>	<b>5.6</b>	<b>128.9</b>	<b>71.9</b>	<b>200.8</b>		
(Hydraulic excavators)	49.2	9.9	24.9	4.0	8.7	96.8	67.6	164.3		
<b>Logistics &amp; Construction</b>	<b>107.3</b>	<b>12.2</b>	<b>33.9</b>	<b>4.1</b>	<b>10.9</b>	<b>168.3</b>	<b>117.4</b>	<b>285.8</b>		
<b>Energy &amp; Lifeline</b>	<b>11.4</b>	<b>27.4</b>	<b>11.6</b>	<b>0.5</b>	<b>9.5</b>	<b>60.4</b>	<b>70.4</b>	<b>130.8</b>		
<b>Others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>4.6</b>	<b>4.6</b>		
<b>Total / Sales ratio (%)</b>	<b>171.1</b>	<b>99.1</b>	<b>88.0</b>	<b>63.2</b>	<b>38.5</b>	<b>459.9</b>	<b>312.2</b>	<b>772.1</b>		
<Exchange rate: JPY138per US dollar> Unit: JPY billion	Actual 3Q FY2023 (2023.1-2023.9)									
	North America	Europe	Asia (Excluding China)	China	Others	Overseas total	Japan	Total sales		
<b>Mechatronics</b>	<b>33.2</b>	<b>40.0</b>	<b>14.8</b>	<b>11.7</b>	<b>12.8</b>	<b>112.5</b>	<b>49.5</b>	<b>162.0</b>		
(Plastics machinery)	8.2	21.5	9.7	16.9	5.1	61.3	11.1	72.5		
<b>Industrial Machinery</b>	<b>20.8</b>	<b>32.8</b>	<b>29.7</b>	<b>42.4</b>	<b>5.4</b>	<b>131.1</b>	<b>69.3</b>	<b>200.4</b>		
(Hydraulic excavators)	57.3	17.7	21.6	4.3	12.3	113.2	59.4	172.6		
<b>Logistics &amp; Construction</b>	<b>108.3</b>	<b>18.8</b>	<b>26.7</b>	<b>4.5</b>	<b>13.5</b>	<b>171.8</b>	<b>107.5</b>	<b>279.3</b>		
<b>Energy &amp; Lifeline</b>	<b>11.6</b>	<b>23.0</b>	<b>14.4</b>	<b>0.9</b>	<b>6.4</b>	<b>56.4</b>	<b>69.9</b>	<b>126.2</b>		
<b>Others</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>4.6</b>	<b>4.6</b>		
<b>Total / Sales ratio (%)</b>	<b>174.0</b>	<b>114.6</b>	<b>85.6</b>	<b>59.5</b>	<b>38.1</b>	<b>471.7</b>	<b>300.8</b>	<b>772.5</b>		



# Sumitomo Heavy Industries, Ltd.

All forward-looking statements regarding the company's future performance are based on information currently available to Sumitomo Heavy Industries and determined subjectively. Future performance is not guaranteed and all information related to future performance contained herein is subject to changes in business environments.