



# **Fiscal 2012 Financial Results**

**Year ended March 31, 2012**

**May 11, 2012**

# Fiscal 2012 Consolidated Results: Summary

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**Net sales: ¥246.6 billion (up 3.0% year-on-year)**

Buoyed by domestic sales; overseas sales down due to forex impact

**Operating income: ¥26.6 billion (up 5.5% year-on-year)**

Boosted by healthy earnings in Japan, Australia, and Brazil

**Ordinary income: ¥28.9 billion (up 7.8% year-on-year)**

Helped by improved operating income and inclusion of Indonesian affiliate results

**Net income: ¥16.8 billion (up 8.6% year-on-year)**

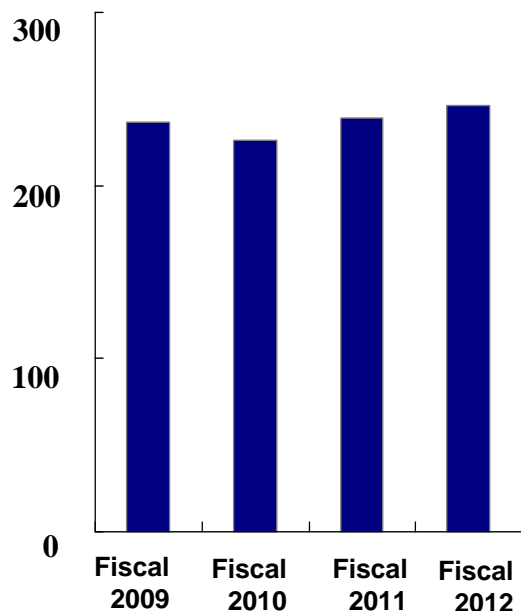
Boosted by improved ordinary income, despite extraordinary losses

- **Medium-term business plan “Reform & Breakthrough”**  
(April 2009–March 2012) **ended with record-high income figures**
- **Operating margin up 0.3 point, to record-high 10.8%**

# Consolidated Financial Results

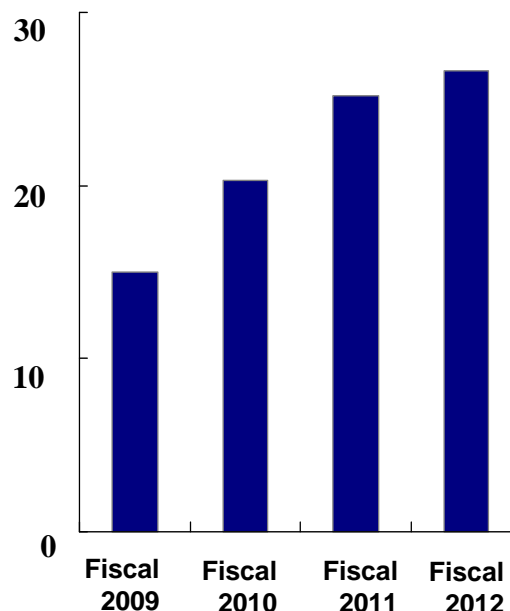
## Net Sales

[Billions of yen]



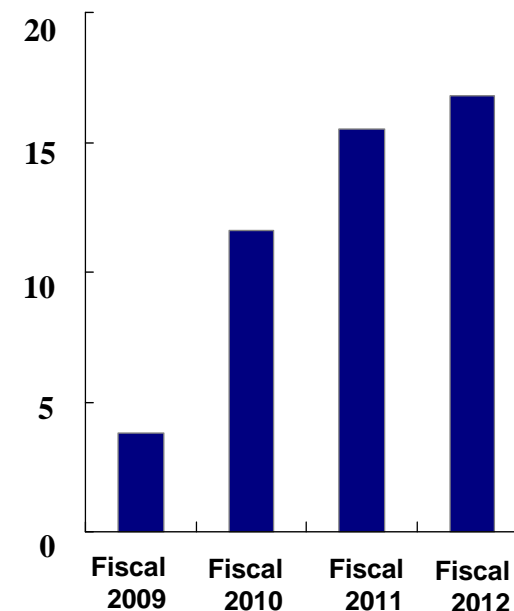
## Operating Income

[Billions of yen]



## Net Income

[Billions of yen]

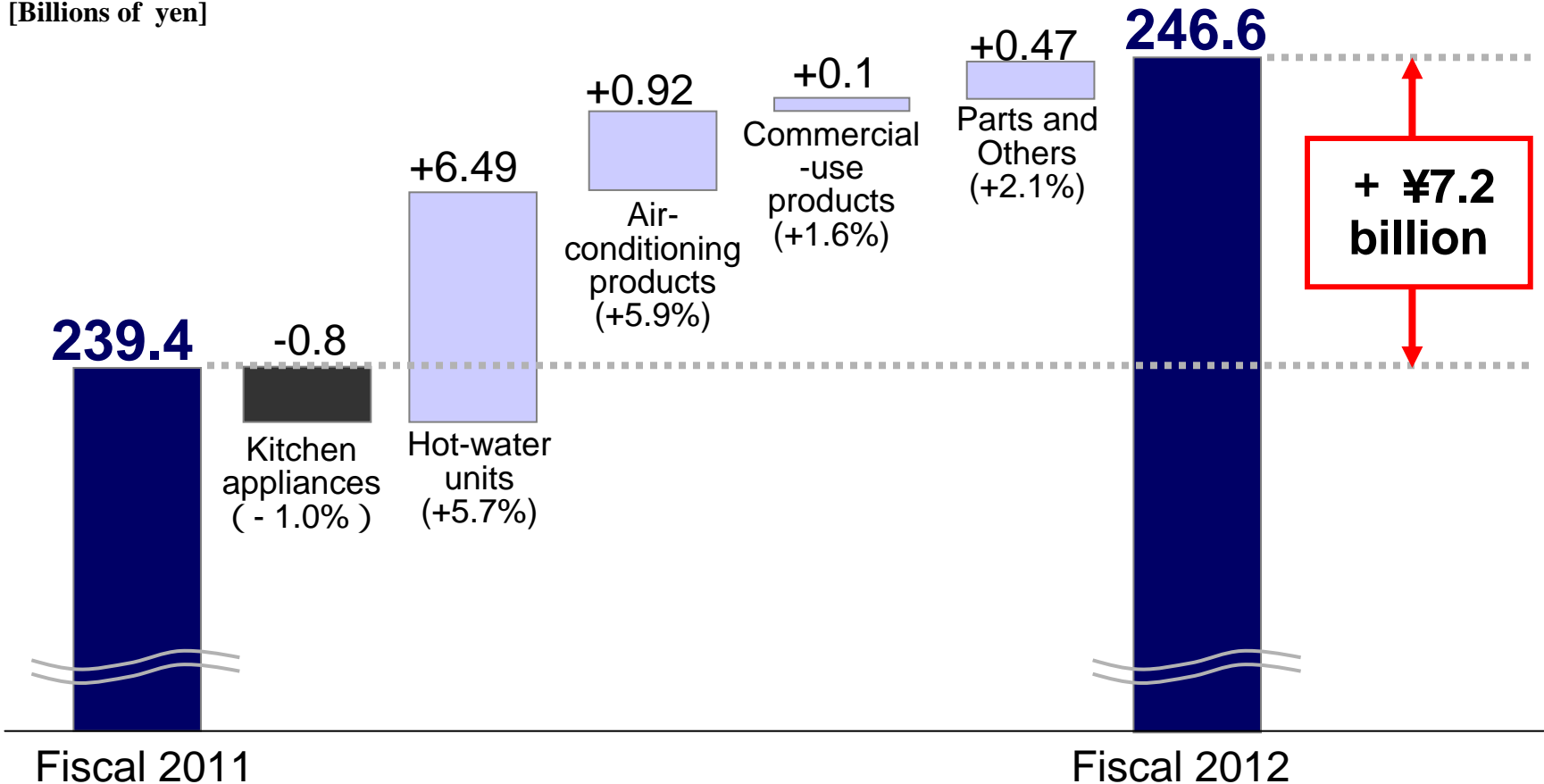


- Net sales up two consecutive years
- Operating income and net income up three consecutive years, to record-high figures

# Fiscal 2012 Consolidated Net Sales by Product

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[Billions of yen]



- Revenue driven by hot-water units and air conditioning products (both greatly exceeding targets)
- Kitchen appliances below target due to earthquake impact and lower sales volume for tabletop stoves

# Fiscal 2012: Consolidated Sales/Income Results

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[Billions of yen]	Net Sales	YOY Change	Operating Income	YOY Change	Operating Margin	YOY Change
<b>Consolidated</b>	246.6	+ 3.0%	26.6	+ 5.5%	10.8%	+ 0.3P



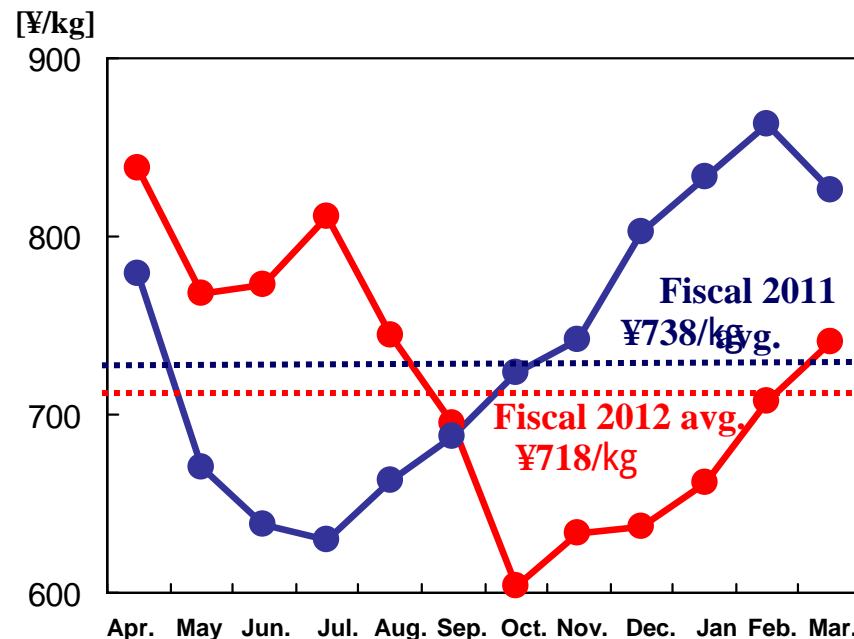
[Billions of yen]	Net Sales	YOY Change	Operating Income	YOY Change	Operating Margin	YOY Change
<b>Rinnai</b>	183.0	+ 4.6%	18.0	+ 11.9%	9.9%	+ 0.7P
<b>Domestic</b>	97.0	+ 6.6%	2.0	+ 13.7%	2.1%	+ 0.1P
<b>Overseas</b>	76.8	- 3.8%	6.1	-10.2%	8.0%	- 0.6P
<b>Total</b>	356.9	+ 3.2%	26.2	+ 5.9%	7.4%	+ 0.2P

## Electrolytic Copper

- Fiscal 2012 average assumed price: ¥860/kg
- Prices trending lower than assumed price

	Fiscal 2012 avg.	Fiscal 2011 avg.	YOY change
<b>Avg. price</b>	¥718	¥738	- 2.8%

Used in: Hot-Water units (Heat exchangers, etc.)

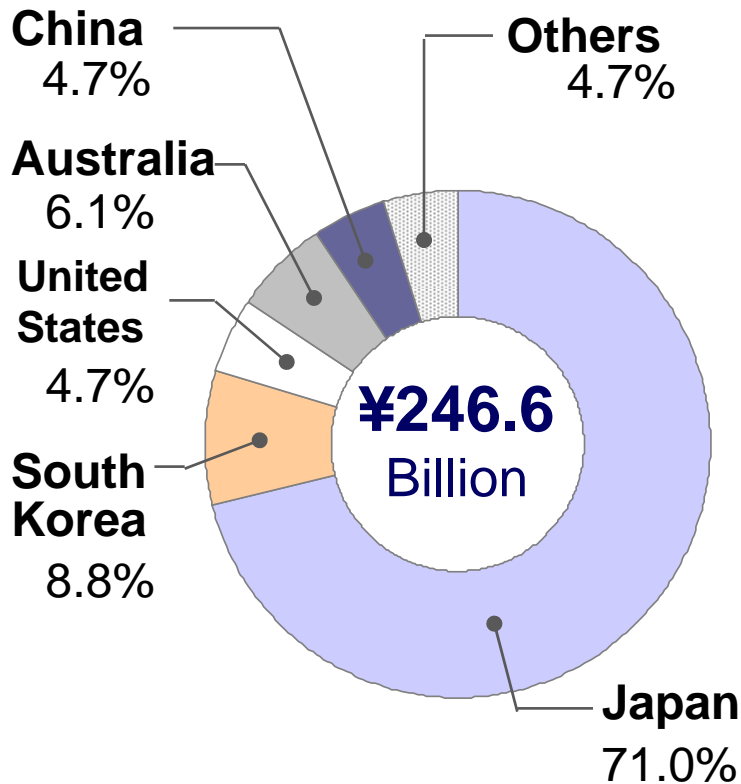


## Steel

- Iron and steel prices rising → Reflecting price hikes from July (average unit prices up around 10%)

# Consolidated Net Sales by Geographical Segment

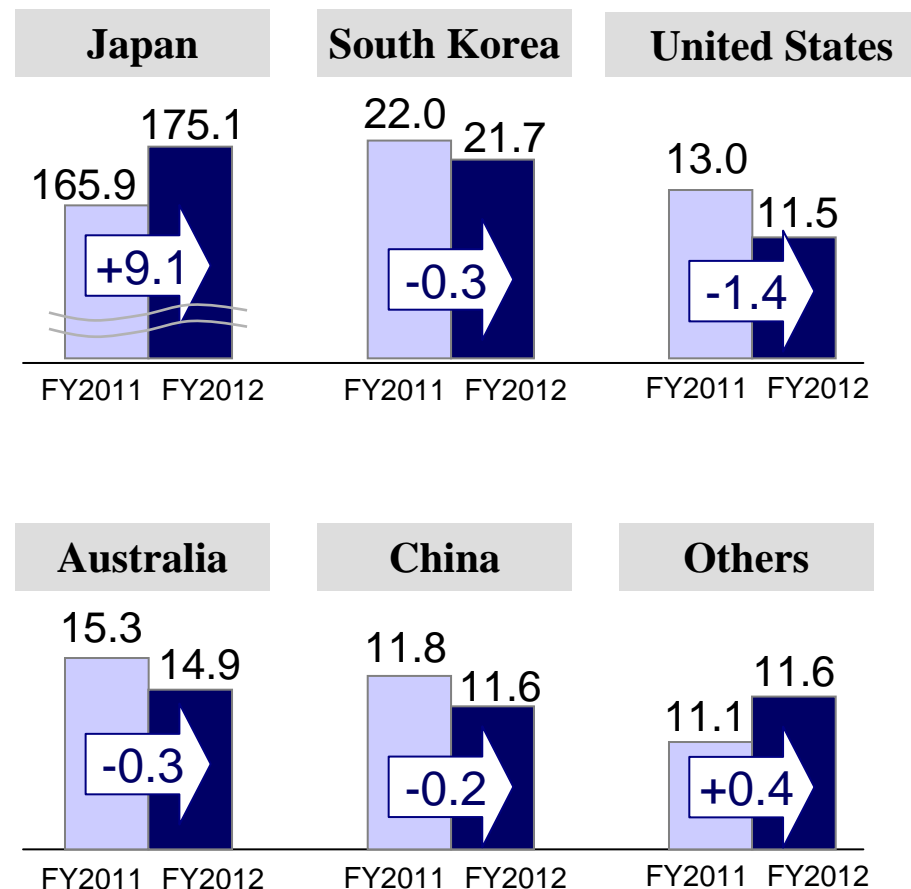
## Fiscal 2012 Consolidated Net Sales



Composition of Others :  
Local group companies in Taiwan, Thailand, Vietnam,  
New Zealand, Brazil and etc.

## YOY Change by Geographical Segment

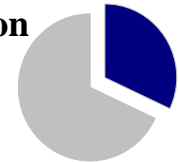
[Billions of yen]



# Sales by Business Segment (Kitchen appliances)

[Billions of yen]	Fiscal 2011	Fiscal 2012	YOY Change
<b>Japan</b>	68.4	67.8	- 0.9%
<b>South Korea</b>	6.5	6.0	- 6.8%
<b>China</b>	1.3	1.8	+ 35.8%
<b>Others</b>	3.2	2.9	- 8.3%
<b>Total</b>	79.6	78.7	- 1.0%

Composition ratio 31.9%



Japan



Korea



China

- Japan: Sales of tabletop stoves down despite increase in built-in stoves
- South Korea: Sales of stoves down due to intense competition



# Sales by Business Segment (Hot-water units)

[Billions of yen]	Fiscal 2011	Fiscal 2012	YOY Change
<b>Japan</b>	71.9	78.1	+ 8.7%
<b>South Korea</b>	8.6	9.4	+ 9.3%
<b>United States</b>	11.7	10.2	- 12.0%
<b>Australia</b>	7.1	8.0	+ 13.2%
<b>China</b>	9.9	9.3	- 5.9%
<b>Others</b>	5.1	5.6	+ 10.1%
<b>Total</b>	114.5	121.0	+ 5.7%



- **Japan:** Healthy sales owing to higher sales ratio for *Eco Jozu* products
- **Australia:** Increased sales of gas units due to restrictions on electric storage-type systems
- **United States:** No growth in unit sales due to delayed economic recovery

# Sales by Business Segment (Air-conditioning products) 9

[Billions of yen]	Fiscal 2011	Fiscal 2012	YOY Change
<b>Japan</b>	8.1	9.8	+ 20.8%
<b>Korea</b>	0.4	0.2	- 34.4%
<b>United States</b>	1.1	1.1	- 0.7%
<b>Australia</b>	5.4	4.9	- 9.6%
<b>Others</b>	0.5	0.4	- 14.0%
<b>Total</b>	15.7	16.6	+ 5.9%

Composition ratio  
6.8%



Japan

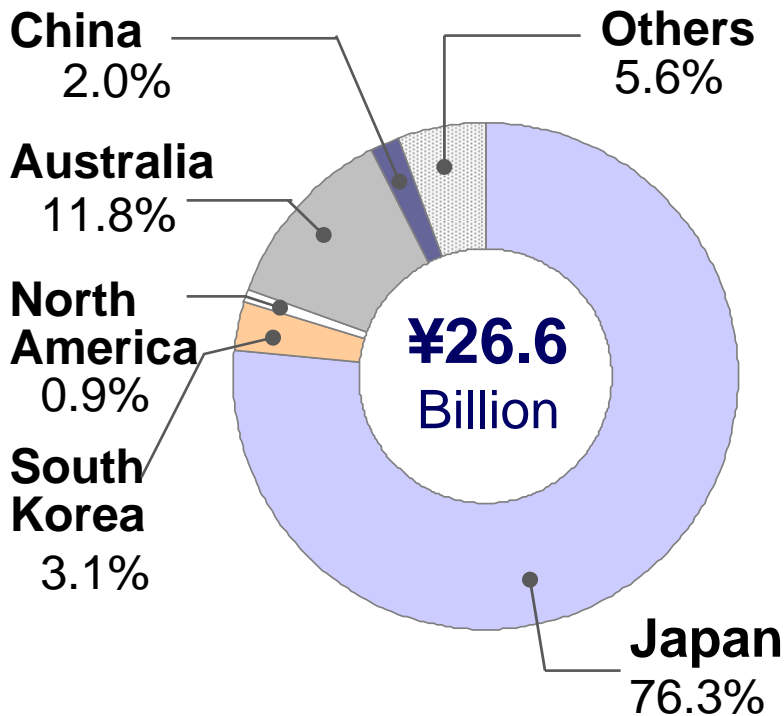


Australia

- **Japan: Shift to gas heaters due to heightened electricity reduction awareness**
- **Australia: Sluggish sales following termination of subsidy system**

# Consolidated Operating Income by Geographical Segment 10

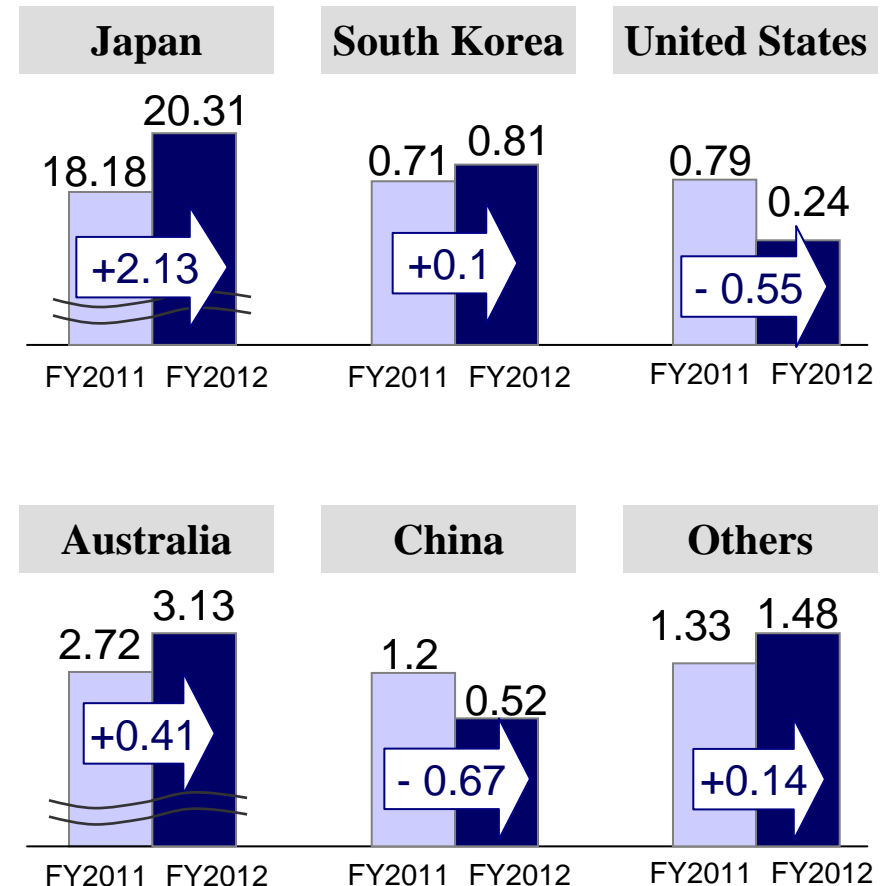
## Fiscal 2012 Consolidated Operating Income



Composition of Others :  
Local group companies in Taiwan, Thailand, Vietnam, New Zealand, Brazil and etc.

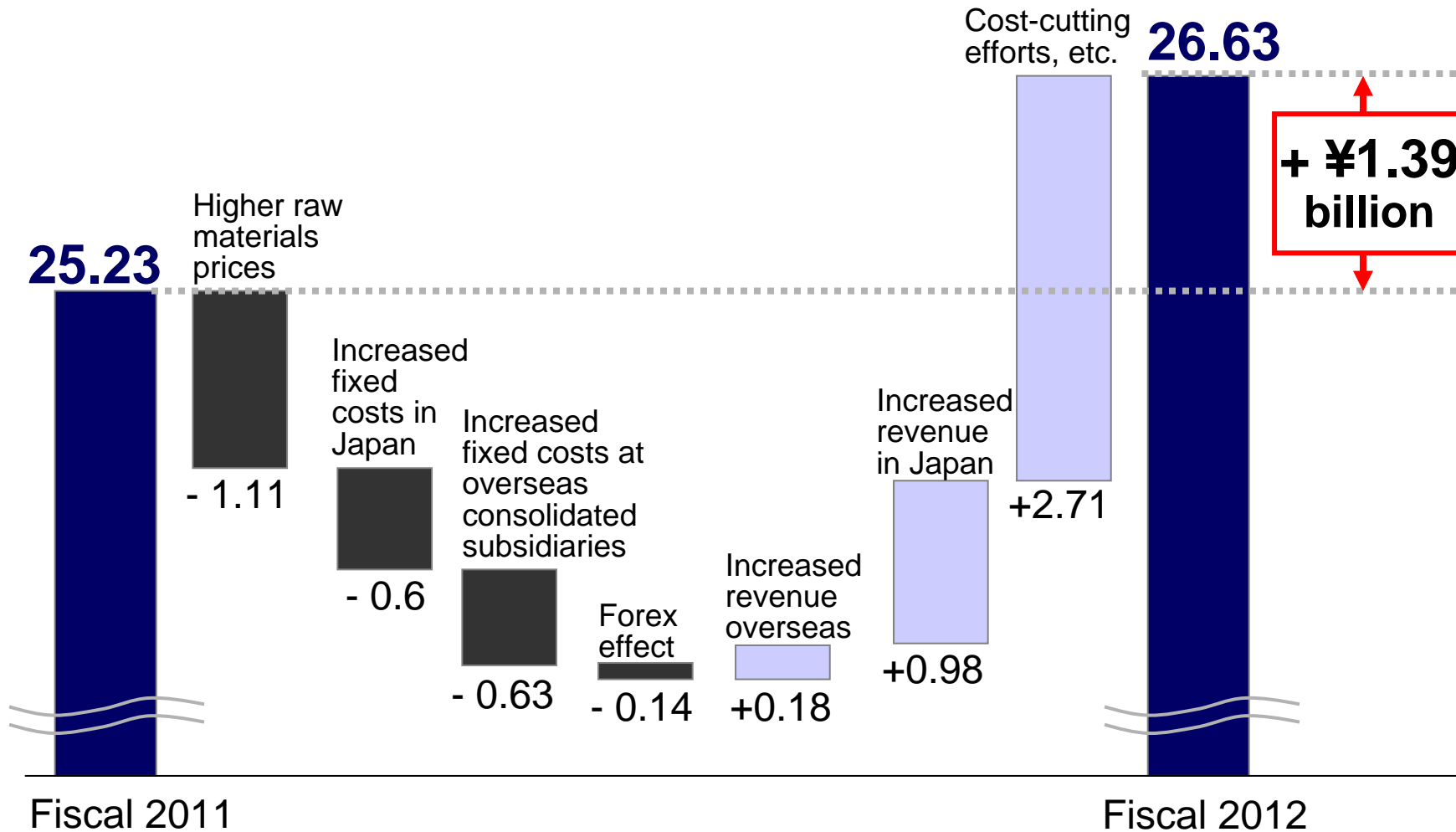
## YOY Change by Geographical Segment

[Billions of yen]



# Fiscal 2012: Consolidated Operating Income

[Billions of yen]



# Rinnai

EXPERIENCE OUR INNOVATION

Performance forecasts and other future-oriented predictions contained in these materials are based on the Company's judgments using available information. Actual results may differ from such forecasts and predictions due to changing future circumstances.