

# Financial Results for First Two Quarters of Fiscal 2024, ending March 31, 2024 (April 1 — September 30, 2023) Reference Data

November 7, 2023

Rinnai Corporation

**Rinnai**

# Disclaimer

Forecasts, projections, strategies, and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions that the Company believes are reasonable. Actual results may differ materially from these statements due to various risks and uncertainties. This material is for informational purposes only and is not intended as a solicitation to trade.

# Fiscal 2024 (First Two Quarters): Consolidated Income Results

(Millions of yen)

	Net sales	Operating income	%of net sales	Ordinary income	%of net sales	Net income attributable to owners of the parent company	%of net sales
<b>Consolidated amounts</b>	<b>192,694</b>	<b>10,120</b>	<b>5.3%</b>	<b>14,910</b>	<b>7.7%</b>	<b>7,902</b>	<b>4.1%</b>
YOY change	-1%	-47%		-33%		-41%	
FY2023	194,347	19,084	9.8%	22,213	11.4%	13,382	6.9%
<b>Parent Company</b>	<b>94,174</b>	<b>4,068</b>	<b>4.3%</b>	<b>13,285</b>	<b>14.1%</b>	<b>10,948</b>	<b>11.6%</b>
YOY change	-21%	-64%		-20%		-12%	
FY2023	119,836	11,407	9.5%	16,563	13.8%	12,377	10.3%
<b>Domestic subsidiaries</b>	<b>45,267</b>	<b>265</b>	<b>0.6%</b>	<b>421</b>	<b>0.9%</b>	<b>285</b>	<b>0.6%</b>
YOY change	-17%	-84%		-77%		-78%	
FY2023	54,723	1,666	3.0%	1,871	3.4%	1,300	2.4%
<b>Overseas subsidiaries</b>	<b>110,745</b>	<b>6,333</b>	<b>5.7%</b>	<b>8,140</b>	<b>7.4%</b>	<b>6,696</b>	<b>6.0%</b>
YOY change	+5%	-7%		+8%		+13%	
FY2023	105,351	6,789	6.4%	7,553	7.2%	5,929	5.6%
<b>Total</b>	<b>250,187</b>	<b>10,667</b>	<b>4.3%</b>	<b>21,847</b>	<b>8.7%</b>	<b>17,931</b>	<b>7.2%</b>
YOY change	-11%	-46%		-16%		-9%	
FY2023	279,912	19,863	7.1%	25,988	9.3%	19,608	7.0%

# Fiscal 2024 (First Two Quarters): Main Overseas Consolidated Subsidiaries Income Results

(Millions of yen)

	Net sales	YOY change	Operating income	%of net sales	Ordinary income	%of net sales	Net income	%of net sales
Rinnai America	25,827	+11%	(3,253)	-	(3,586)	-	(2,706)	-
Rinnai Australia	14,812	+8%	722	4.9%	810	5.5%	635	4.3%
Shanghai Rinnai	27,070	+15%	4,994	18.5%	6,206	22.9%	5,233	19.3%
Rinnai Korea	13,524	-8%	32	0.2%	219	1.6%	168	1.2%
Rinnai Indonesia	8,021	-4%	1,313	16.4%	1,474	18.4%	1,150	14.3%

# Fiscal 2024 (First Two Quarters): Consolidated Sales Results

(Millions of yen)

	Total	Water heaters	Kitchen appliances	Air conditioning appliances	Commercial -use equipment	Others
<b>Consolidated amounts</b>	<b>192,694</b>	<b>114,471</b>	<b>42,560</b>	<b>9,736</b>	<b>5,345</b>	<b>20,579</b>
YOY change	-1%	+2%	-4%	-5%	+4%	-7%
FY2022	194,347	112,581	44,251	10,228	5,160	22,124
<b>Parent Company</b>	<b>94,174</b>	<b>51,819</b>	<b>26,713</b>	<b>3,121</b>	<b>1,259</b>	<b>11,260</b>
YOY change	-21%	-27%	-2%	-24%	+6%	-30%
FY2022	119,836	71,105	27,381	4,114	1,184	16,050
<b>Domestic subsidiaries</b>	<b>45,267</b>	<b>16,796</b>	<b>6,037</b>	<b>152</b>	<b>683</b>	<b>21,597</b>
YOY change	-17%	-16%	-5%	+6%	-13%	-21%
FY2022	54,723	19,998	6,338	143	786	27,456
<b>Overseas subsidiaries</b>	<b>110,745</b>	<b>72,750</b>	<b>16,600</b>	<b>7,663</b>	<b>4,466</b>	<b>9,263</b>
YOY change	+5%	+11%	-8%	-5%	+4%	+0%
FY2022	105,351	65,684	18,050	8,096	4,285	9,234
<b>Total</b>	<b>250,187</b>	<b>141,366</b>	<b>49,351</b>	<b>10,937</b>	<b>6,408</b>	<b>42,122</b>
YOY change	-11%	-10%	-5%	-11%	+2%	-20%
FY2022	279,912	156,787	51,770	12,355	6,257	52,741

# Fiscal 2024 (First Two Quarters): Main Overseas Consolidated Subsidiaries Sales Results

(Millions of yen)

	Total	YOY change	Water heaters	YOY change	Kitchen appliances	YOY change	Air conditioning appliances	YOY change	Commercial-use equipment	YOY change	Others	YOY change
Rinnai America	25,827	+11% (+0%)	23,065	+9%			1,072	+38%	192	+67%	1,497	+13%
Rinnai Australia	14,812	+8% (+5%)	7,353	+22%			5,400	-9%	830	+38%	1,227	+8%
Shanghai Rinnai	27,070	+15% (+12%)	24,668	+19%	1,592	-20%					808	-14%
Rinnai Korea	13,524	-8% (-12%)	7,305	-7%	3,221	-9%			2,206	-6%	791	-16%
Rinnai Indonesia	8,021	-4% (-10%)	78	+152%	6,731	-6%			922	-4%	290	+12%

Note: (on a local currency basis)

# Overseas Consolidated Subsidiaries: FX Impact

\*Below shows difference between actual Fiscal 2024 local-currency results and results if previous year's exchange rates were used.

FX impact: ¥ millions  
Rate: ¥

	FX impact	Currency	FY2023-2Q avg. rate	FY2024-2Q avg. rate	FY2024 assumed rate	Composition of overseas sales
Rinnai America	2,436	USD	123.164	135.989	130.000	24.4%
Rinnai Australia	513	AUD	88.100	91.273	90.000	13.9%
Shanghai Rinnai	642	RMB	18.979	19.473	19.000	23.9%
Rinnai Korea	615	KRW	0.1001	0.1050	0.1040	12.4%
Rinnai Indonesia	427	IDR	0.00856	0.00906	0.00870	7.3%
Others	994					18.1%
<b>Total</b>	<b>5,627</b>					<b>100.0%</b>

# Fiscal 2024 (First Two Quarters): Income Results by Segment

(Millions of yen)

	Net sales			Operating income		
	Fiscal 2023	Fiscal 2024	YOY change	Fiscal 2023	Fiscal 2024	YOY change
Japan	93,982	86,675	-8%	13,200	4,609	-65%
United States	23,325	25,827	+11%	(1,179)	(3,171)	-
Australia	13,613	14,757	+8%	460	742	+61%
China	24,971	28,321	+13%	3,810	5,118	+34%
South Korea	15,596	14,720	-6%	885	46	-95%
Indonesia	8,043	7,737	-4%	955	1,313	+38%
Others	14,815	14,655	-1%	2,508	1,963	-22%
<b>Total</b>	<b>194,347</b>	<b>192,694</b>	<b>-1%</b>	<b>19,084</b>	<b>10,120</b>	<b>-47%</b>



# Fiscal 2024 (First Two Quarters): Sales Results by Segment

(Millions of yen)

	Total	YOY change	Water heaters	YOY change	Kitchen appliances	YOY change	Air conditioning appliances	YOY change	Commercial-use equipment	YOY change	Others	YOY change
Japan	<b>86,675</b>	-8%	<b>43,371</b>	-11%	<b>26,860</b>	-2%	<b>2,373</b>	-3%	<b>1,058</b>	+6%	<b>13,011</b>	-11%
United States	<b>25,827</b>	+11%	<b>23,065</b>	+9%			<b>1,072</b>	+38%	<b>192</b>	+67%	<b>1,497</b>	+13%
Australia	<b>14,757</b>	+8%	<b>7,351</b>	+22%			<b>5,365</b>	-9%	<b>828</b>	+38%	<b>1,210</b>	+8%
China	<b>28,321</b>	+13%	<b>25,799</b>	+18%	<b>1,765</b>	-20%				-	<b>756</b>	-15%
South Korea	<b>14,720</b>	-6%	<b>7,100</b>	-5%	<b>3,221</b>	-9%			<b>2,157</b>	-6%	<b>2,240</b>	-1%
Indonesia	<b>7,737</b>	-4%	<b>70</b>	+126%	<b>6,508</b>	-5%			<b>885</b>	-5%	<b>273</b>	+11%
Others	<b>14,655</b>	-1%	<b>7,712</b>	+2%	<b>4,205</b>	-1%	<b>924</b>	-19%	<b>224</b>	+24%	<b>1,589</b>	-7%
<b>Total</b>	<b>192,694</b>	-1%	<b>114,471</b>	+2%	<b>42,560</b>	-4%	<b>9,736</b>	-5%	<b>5,345</b>	+4%	<b>20,579</b>	-7%

## Fiscal 2024 (First Two Quarters): Consolidated Capital Expenditures, Depreciation and R&D Expenses

(Millions of yen)

Capital Expenditures	FY2023 Results		FY2024 Results	
	Investment	Depreciation	Investment	Depreciation
Parent company	6,043	2,718	25,308	3,045
Domestic subsidiaries	817	967	667	1,014
Oversea subsidiaries	3,854	2,232	4,807	2,745
<b>Total</b>	<b>10,715</b>	<b>5,918</b>	<b>30,784</b>	<b>6,805</b>
(Including die and mold)	1,970	1,301	1,856	1,485

R&D Expenses	FY2023 Results		FY2024 Results	
	Parent Company	3,938		4,300
Consolidated subsidiaries	2,019		2,565	
<b>Total</b>	<b>5,958</b>		<b>6,866</b>	

# Fiscal 2024 (First Two Quarters): Nonconsolidated Sales Results

Domestic Sales + Export		Sales Volume		Sales Amount		FY2023	
		Thousand Units	YOY change	Millions of Yen	YOY change	Sales Volume (Thousand Units)	Sales Amount (Millions of yen)
Water heaters	Simple hot-water units [Heating units]	406	-39%	17,068 [15,856]	-44% -46%	667	30,703 [29,417]
	Bath-filling units [Heating units]	177	-37%	13,272 [12,020]	-29% -31%	283	18,795 [17,468]
	Hot-water/heating systems [Heating units]	103	-12%	19,085 [10,519]	-1% -4%	117	19,352 [10,921]
	Others	60	-12%	2,392	+6%	68	2,253
Sub-total		748	-34%	51,819	-27%	1,136	71,105
Kitchen appliances	Cooking stoves	333	-14%	5,094	-6%	389	5,437
	Built-in gas stoves	300	-8%	13,400	-6%	326	14,190
	Others	218	-10%	8,218	+6%	242	7,753
Sub-total		853	-11%	26,713	-2%	958	27,381
Air conditioning appliances	Fan heaters	71	-21%	1,624	-21%	91	2,063
	Others	19	-33%	1,497	-27%	29	2,051
Sub-total		91	-24%	3,121	-24%	120	4,114
Commercial-use equipment		30	+6%	1,259	+6%	28	1,184
Others		52	-20%	11,260	-30%	65	16,050
Total		1,776	-23%	94,174	-21%	2,309	119,836
Export		[445]	-40%	[17,095]	-53%	[745]	[36,222]

Note: Hybrid Hot-Water Unit is included in "Hot-water/heating systems"

# Fiscal 2024 (First Two Quarters): Nonconsolidated Sales Results

Domestic Sales (excluding Export)		Sales Volume		Sales Amount		FY2023	
		Thousand Units	YOY change	Millions of Yen	YOY change	Sales Volume (Thousand Units)	Sales Amount (Millions of yen)
Water heaters	Simple hot-water units [Heating units]	141	-26%	6,089 [5,060]	-10% -12%	189	6,780 [5,771]
	Bath-filling units [Heating units]	177	-37%	13,269 [12,020]	-29% -31%	283	18,785 [17,468]
	Hot-water/heating systems [Heating units]	97	-10%	18,466 [9,915]	+1% +1%	108	18,259 [9,851]
	Others	60	-12%	2,391	+6%	68	2,249
	Sub-total	477	-27%	40,216	-13%	649	46,074
Kitchen appliances	Cooking stoves	245	-9%	4,200	-2%	269	4,266
	Built-in gas stoves	281	-5%	12,840	-5%	295	13,497
	Others	184	-2%	7,991	+8%	188	7,412
	Sub-total	710	-6%	25,032	-1%	753	25,175
Air conditioning appliances	Fan heaters	68	-9%	1,504	-3%	75	1,555
	Others	8	-14%	744	-6%	9	789
	Sub-total	76	-10%	2,248	-4%	84	2,344
Commercial-use equipment		19	+5%	970	+4%	18	934
Others		46	-19%	8,609	-5%	57	9,083
Total		1,330	-15%	77,078	-8%	1,564	83,614

Note: Hybrid Hot-Water Unit is included in "Hot-water/heating systems"

# Fiscal 2024: Consolidated Original Income Projections

(Millions of yen)

		Net sales	Operating income	%of net sales	Ordinary income	%of net sales	Net income attributable to owners of the parent company	%of net sales
Consolidated amounts	<b>1st half</b>	<b>190,000</b>	<b>15,000</b>	<b>7.9%</b>	<b>16,500</b>	<b>8.7%</b>	<b>9,500</b>	<b>5.0%</b>
	YOY change	-2%	-21%		-26%		-29%	
	<b>Full year</b>	<b>440,000</b>	<b>43,000</b>	<b>9.8%</b>	<b>46,000</b>	<b>10.5%</b>	<b>26,500</b>	<b>6.0%</b>
	YOY change	3%	4%		3%		2%	
Parent company	<b>Full year</b>	<b>231,000</b>	<b>19,000</b>	<b>8.2%</b>	<b>27,500</b>	<b>11.9%</b>	<b>21,000</b>	<b>9.1%</b>
	YOY change	-5%	-4%		11%		13%	
Domestic subsidiaries	<b>Full year</b>	<b>112,325</b>	<b>3,659</b>	<b>3.3%</b>	<b>4,089</b>	<b>3.6%</b>	<b>2,884</b>	<b>2.6%</b>
	YOY change	-1%	7%		6%		6%	
Overseas subsidiaries	<b>Full year</b>	<b>257,383</b>	<b>22,531</b>	<b>8.8%</b>	<b>24,711</b>	<b>9.6%</b>	<b>19,764</b>	<b>7.7%</b>
	YOY change	7%	11%		11%		9%	
Total	<b>Full year</b>	<b>600,709</b>	<b>45,191</b>	<b>7.5%</b>	<b>56,301</b>	<b>9.4%</b>	<b>43,648</b>	<b>7.3%</b>
	YOY change	1%	4%		10%		11%	

## Fiscal 2024: Main Overseas Consolidated Subsidiaries Original Income Projections

(Millions of yen)

	FY2023 Results			FY2024 Projection				
	Net sales	Operating income	%of net sales	Net sales	YOY change	Operating income	YOY change	%of net sales
Rinnai America	55,750	306	0.6%	58,332	+5%	442	+44%	0.8%
Rinnai Australia	27,771	1,167	4.2%	30,492	+10%	1,587	+36%	5.2%
Shanghai Rinnai	64,249	9,591	14.9%	65,572	+2%	9,523	-1%	14.5%
Rinnai Korea	30,840	672	2.2%	32,240	+5%	988	+47%	3.1%
Rinnai Indonesia	16,997	2,400	14.1%	18,461	+9%	3,113	+30%	16.9%

# Fiscal 2024: Revised Performance Forecasts

(Millions of yen)

		Net sales	Operating income	%of net sales	Ordinary income	%of net sales	Net income attributable to owners of the parent company	%of net sales
Revised forecasts: Consolidated amounts (A,B)	<b>1st half (A)</b>	<b>190,000</b>	<b>10,000</b>	<b>5.3%</b>	<b>14,000</b>	<b>7.4%</b>	<b>7,500</b>	<b>3.9%</b>
	(A/a)	-	-33%		-15%		-21%	
	FY2024 Original Projections (a)	190,000	15,000	7.9%	16,500	8.7%	9,500	5.0%
	<b>Full year (B)</b>	<b>440,000</b>	<b>39,000</b>	<b>8.9%</b>	<b>44,000</b>	<b>10.0%</b>	<b>25,000</b>	<b>5.7%</b>
	(B/b)	-	-9%		-4%		-6%	
	FY2024 Original Projections (b)	440,000	43,000	9.8%	46,000	10.5%	26,500	6.0%
Revised forecasts: Parent Company (C)	<b>Full year</b>	<b>216,283</b>	<b>17,000</b>	<b>7.9%</b>	<b>27,000</b>	<b>12.5%</b>	<b>20,900</b>	<b>9.7%</b>
	(C/c)	-6%	-11%		-2%		-0%	
	FY2024 Original Projections (c)	231,000	19,000	8.2%	27,500	11.9%	21,000	9.1%
Revised forecasts: Domestic subsidiaries (D)	<b>Full year</b>	<b>104,773</b>	<b>2,731</b>	<b>2.6%</b>	<b>3,127</b>	<b>3.0%</b>	<b>2,032</b>	<b>1.9%</b>
	(D/d)	-7%	-25%		-24%		-30%	
	FY2024 Original Projections (d)	112,325	3,659	3.3%	4,089	3.6%	2,884	2.6%
Revised forecasts: Overseas subsidiaries (E)	<b>Full year</b>	<b>245,856</b>	<b>20,695</b>	<b>8.4%</b>	<b>23,390</b>	<b>9.5%</b>	<b>19,085</b>	<b>7.8%</b>
	(E/e)	-4%	-8%		-5%		-3%	
	FY2024 Original Projections (e)	257,383	22,531	8.8%	24,711	9.6%	19,764	7.7%
Total (B+C+D+E=F)	<b>Full year</b>	<b>566,913</b>	<b>40,427</b>	<b>7.1%</b>	<b>53,517</b>	<b>9.4%</b>	<b>42,017</b>	<b>7.4%</b>
	(F/f)	-6%	-11%		-5%		-4%	
	FY2024 Original Projections (f)	600,709	45,191	7.5%	56,301	9.4%	43,648	7.3%

# Fiscal 2024: Consolidated Capital Expenditures, Depreciation and R&D Expenses

(Millions of yen)

## Capital Expenditures

	FY2023 Results		FY2024 Projection	
	Investment	Depreciation	Investment	Depreciation
Parent company	14,934	6,397	32,600	7,000
Domestic subsidiaries	1,941	2,083	2,500	2,000
Oversea subsidiaries	9,646	4,797	14,800	5,200
<b>Total</b>	<b>26,521</b>	<b>13,278</b>	<b>50,100</b>	<b>14,300</b>
(Including die and mold)	3,847	3,428	3,600	3,200

## R&D Expenses

	FY2023 Results	FY2024 Projection
Parent Company	8,104	10,000
Consolidated subsidiaries	5,353	5,600
<b>Total</b>	<b>13,458</b>	<b>15,600</b>



