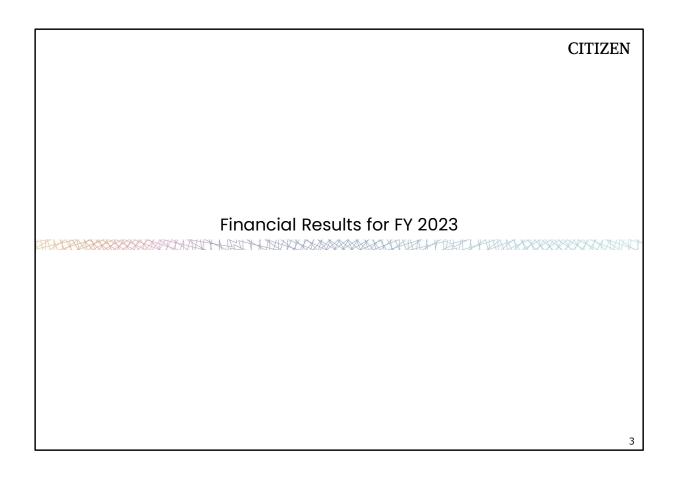


Index	CITIZEN
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	2

My name is Toshiyuki Furukawa, in charge of the Public & Investor Relations Department.
I will provide details on these topics today.



I will provide an explanation on the financial results for fiscal 2023.

#### **CITIZEN** Financial Results for FY 2023 FY2022 FY2023 1-4Q 1-4Q YoY Change (Apr-Mar) (Apr-Mar) (Unit: billion yen) Result Result Amount % 301.3 312.8 + 11.4 Net sales + 3.8% Operating profit 23.7 25.0 + 1.3 + 5.7% Operating margir 7.9% 8.0% **Ordinary Profit** 29.0 30.8 + 1.7 + 5.9% Profit attributable to 21.8 22.9 + 1.1 + 5.1% owners of parent ¥144/USD ¥135/USD Exchange rate ¥141/EUR ¥156/EUR Sales and Profits increased, reflecting continuing growth in the mainstay Watches segment

This is our statement of income for the full year.

Net sales increased 3.8% year on year to JPY 312.8 billion. Operating profit rose 5.7% year on year to JPY 25.0 billion, with an operating margin of 8.0%. Solid performance was achieved in the mainstay Watches business, resulting in increased sales and profit.

Ordinary profit totaled JPY 30.8 billion, while profit attributable to owners of parent amounted to JPY 22.9 billion.

Financial results by Business Segn	nents		本并当		CITIZEN
	FY2022	FY2023			
Net sales	1-4Q(Apr-Mar)	1-4Q(Apr-Mar)	YoY (	Change	
(Unit : billion yen)	Result	Result	Amount	%	
Watches	150.0	166.2	+ 16.2	+ 10.8%	
Machine Tools	86.1	81.6	(4.5)	(5.3%)	
Devices and Components	44.7	42.4	( 2.2 )	(5.0%)	_
Electronic and Other Products	20.4	22.5	+ 2.0	+ 10.0%	_
Consolidated Total	301.3	312.8	+ 11.4	+ 3.8%	=
Operating Profit					
(Unit: billion yen, %:operating m	nargin)				
Watches	16.6	19.8	+ 3.2	+ 19.4%	
	11.1%	11.9%			_
Machine Tools	12.2 14.2%	9.0	(3.1)	(26.0%)	
	(0.8)	0.4	L		_
Devices and Components	(1.8%)	1.1%	+ 1.2	-	
Electronic and Other Products	1.1	1.5	+ 0.4	+ 38.7%	_
Electronic and Other Products	5.6%	7.1%	+ 0.4	⊤ 38.7%	
Eliminations or general corporc	atı (5.4)	(5.8)	(0.4)	-	
Consolidated Total	23.7 7.9%	25.0 8.0%	+ 1.3	+ 5.7%	-
	7.070	0.0%	I		

We are now looking at financial results by segment.

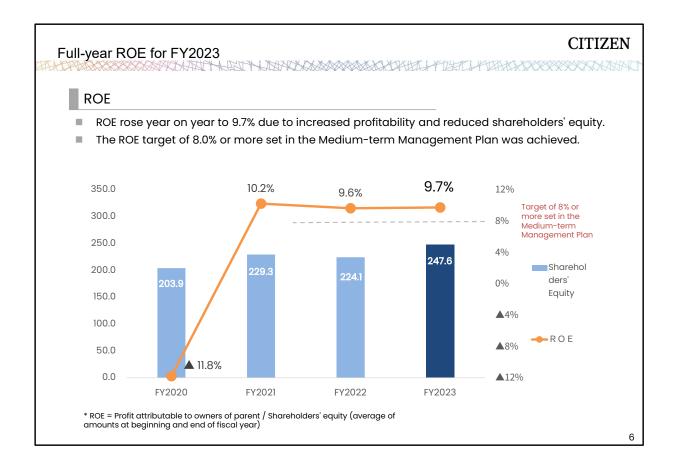
Brisk sales continued in the Watches business, mainly in European and American markets. Net sales improved 10.8% year on year to JPY 166.2 billion, with operating profit recording a 19.4% rise to JPY 19.8 billion on an operating margin of 11.9%.

In the Machine Tools business, net sales decreased 5.3% year on year to JPY 81.6 billion while orders received remained in an adjustment phase.

Operating profit decreased to JPY 9.0 billion due in part to a fall in sales and a rise in material costs.

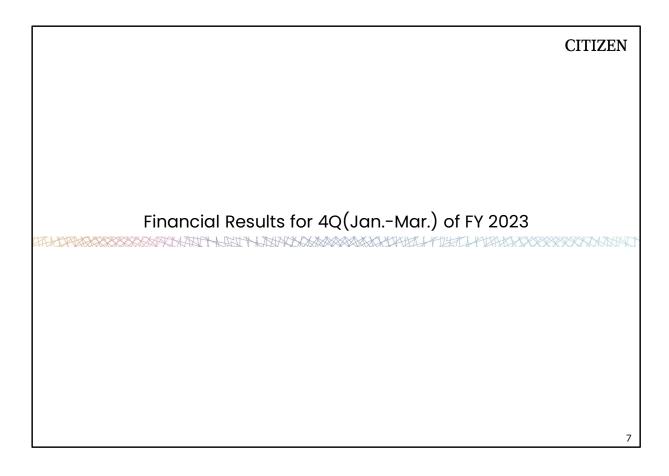
Devices and Components recorded a decline in net sales, but operating profit increased.

Electronics and Other Products segment posted an increase in both net sales and operating profit.



As for the progress of ROE, that in FY2023 was 9.7%.

Like in FY2022, we were able to surpass the target ROE of at least 8.0% in our Medium-term Management Plan by raising profitability and reducing shareholders' equity. We are expecting to achieve an ROE of 8.0% or higher also in FY2024, the final fiscal year of the Medium-term Management Plan.



Next, I will describe the financial results for the fourth quarter.

Results for 4Q(Jan	Mar.) of FY	<sup>'</sup> 2023	X_++124.7L	HIATAXXX
(Unit : billion yen)	FY2022 4Q(Jan-Mar) Result	FY2023 4Q(Jan-Mar) Result	YoY (	Change %
Net sales	71.1	73.9	+ 2.7	+ 3.9%
Operating profit	2.6	1.6	(1.0)	(38.3%)
Operating margir	3.8%	2.2%	-	-
Ordinary Profit	4.6	3.3	(1.3)	( 28.4% )
Profit attributable to owners of parent	2.1	2.2	+ 0.1	+ 6.0%
Exchange rate	¥133/USD ¥142/EUR	¥147/USD ¥160/EUR		

Net sales in the fourth quarter increased 3.9% year on year to JPY 73.9 billion. Operating profit decreased 38.3% year on year to JPY 1.6 billion, with an operating margin of 2.2%.

The Machine Tools segment was the major factor for the decrease in profit.

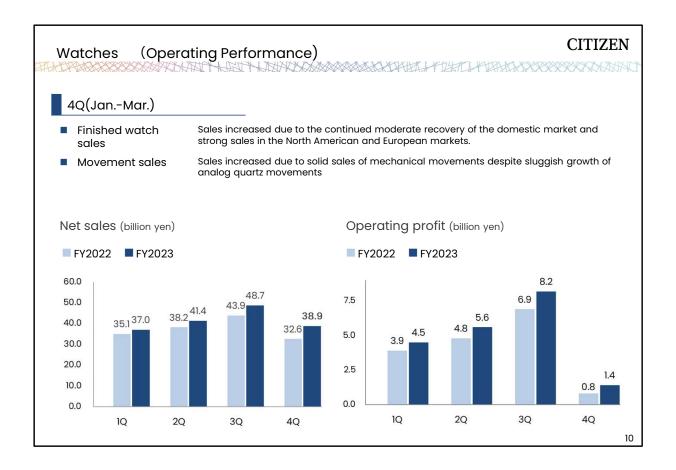
Ordinary profit declined 28.4% year on year to JPY 3.3 billion, while profit stood at JPY 2.2 billion, up 6% year on year.

4Q(JanMar.) 2023 Result by Busin	ess Seg	ments	A+12		CITIZE
	FY2022	FY2023			
Net sales	4Q(Jan-Mar)	4Q(Jan-Mar)	YoY (	Change	
(Unit : billion yen)	Result	Result	Amount	%	
Watches	32.6	38.9	+ 6.3	+ 19.4%	
Machine Tools	22.7	19.4	( 3.3 )	(14.7%)	
Devices and Components	10.5	9.9	( 0.5 )	(5.4%)	-
Electronic and Other Products	5.2	5.5	+ 0.3	+ 6.4%	-
Consolidated Total	71.1	73.9	+ 2.7	+ 3.9%	-
Operating Profit					
(Unit: billion yen, %:operating marg	gin)				
Watches	( 0.8 ) 2.6%	1.4 3.6%	+ 0.5	+ 64.3%	-
Machine Tools	3.7 16.5%	1.5 7.8%	(2.2)	(59.9%)	-
Devices and Components	(0.6)	0.0 0.3%	+ 0.6	-	-
Electronic and Other Products	0.1	0.2 5.1%	+ 0.1	+ 67.2%	
Eliminations or general corporate	(1.4)	(1.5)	(0.1)	-	
Consolidated Total	2.6 3.8%	1.6	(1.0)	( 38.3% )	
			ı		

These are financial results by business segment.

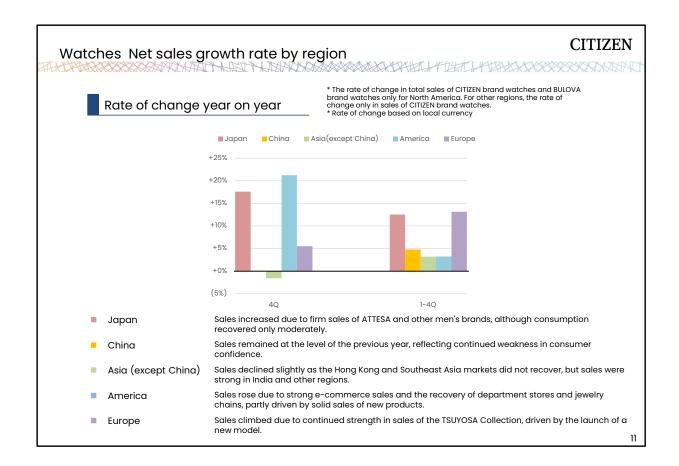
While Watches and Electronic and Other Products segments achieved growth in net sales, Machine Tools and Devices and Components segments saw a decline in net sales

I will provide an overview of each business in the next slide.



I will explain the Watches business.

Finished watch sales increased because a moderate recovery trend was maintained in Japan and sales in North America and Europe remained strong. In sales of movements, analog quartz movements did not grow as expected. Even so, net sales increased because mechanical movements remained firm.



Next, I would like to talk about year-on-year changes in net sales by region on a local currency basis.

The chart on the left shows year-on-year changes for the fourth quarter alone.

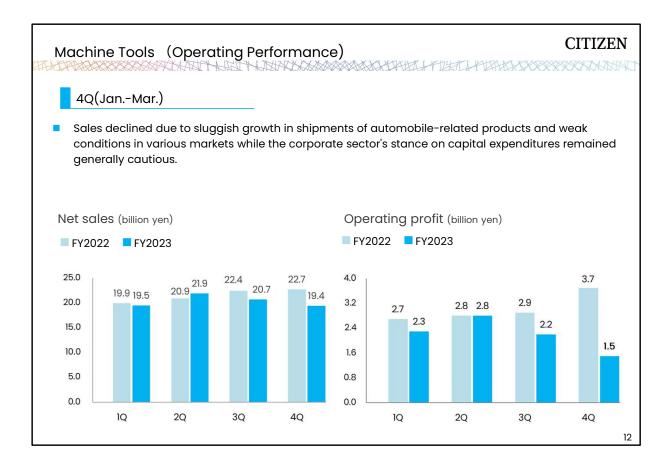
The red bar shows Japan, where the recovery in consumption was moderate but net sales increased because men's brands such as ATTESA remained strong. In China, sales remained at the level of the previous year, reflecting continued

weakness in consumer confidence.

In Asia shown in light green, sales declined slightly as the Hong Kong and Southeast Asian markets did not recover although sales were strong in India and other regions. In North America, shown in light blue, sales rose due to strong e-commerce sales and the recovery of sales for department stores and jewelry chains driven by progress in sales of new products.

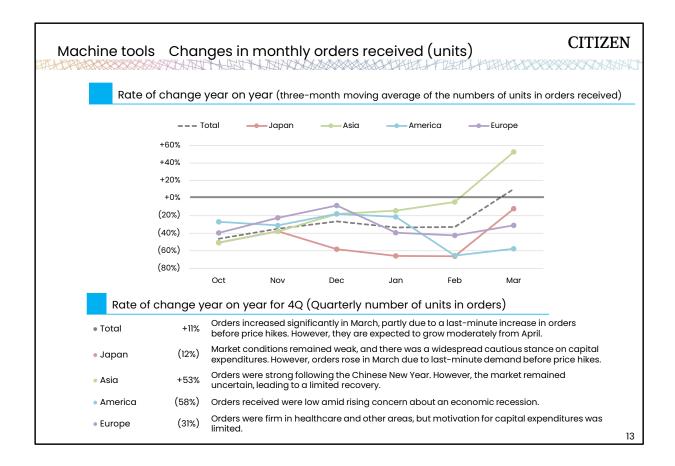
In Europe shown in light purple, sales climbed due to continued strength in sales partly driven by increased product lines of the TSUYOSA Collection.

In total, sales increased in all regions as shown in the graph on the right-hand side. In particular, sales grew more than 10% in Japan and Europe.



I will explain the Machine Tools business.

Net sales came to JPY 19.4 billion, down 14.7% year on year, and operating profit was JPY 1.5 billion, down 59.9% year on year, due to a fall in sales and a rise in the cost of materials purchased as a result of sluggish markets, including low growth in shipments of automobile-related products although a cautious stance on capital expenditures remained.



This slide shows the status of orders received by region.

The line graph shows the three-month moving average of orders received and the percentage change year on year.

Orders received bottomed out in the second quarter and have been recovering modestly. Meanwhile, a last-minute surge in demand before an upward price revision occurred in March and caused a temporary, substantial increase in orders.

The table under the graph shows the rates of change year-on-year in the fourth quarter.

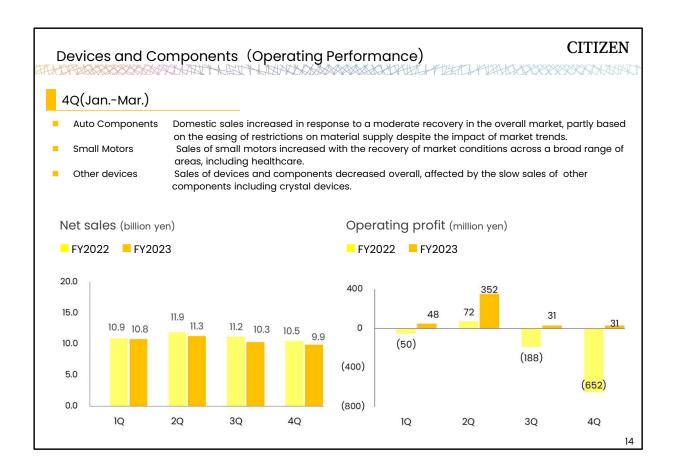
Orders received in total increased 11% year on year.

By region, in Japan, orders received decreased 12% year on year, reflecting the continuation of generally weak market conditions due to the increase in the number of companies taking a cautious stance on capital expenditures.

While the Asian market remains uncertain, orders received in China increased 53% year on year after the Chinese New Year.

In America, orders remained at a low level, reflecting rising concern about an economic recession, and recorded a 58% decrease year on year.

In Europe, while orders were firm in healthcare and other areas, capital expenditures decreased 31% year on year due to limited motivation.

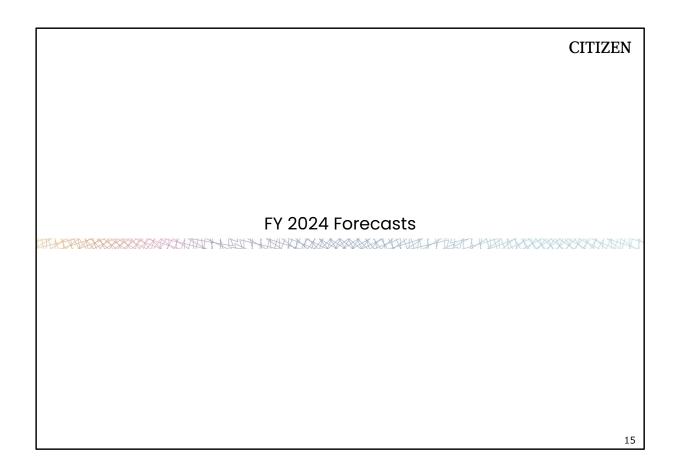


I will explain the Devices and Components business.

Net sales were JPY 9.9 billion, down 5.4% year on year, but we remained the black in terms of operating profit.

Sales of auto components continued to recover slowly, and sales of small motors increased with the recovery in market conditions across a broad range of areas, including healthcare.

Meanwhile, sales of Devices and Components segment decreased overall, affected by slow sales of other components including crystal and Opto-devices.



Next, I will discuss our forecasts for FY2024.

FY2023	Result	FY2024	Forecast	Amount		%	
1H(Apr-Sep)	Full Year	1H(Apr-Sep)	Full Year	1H	Full Year	1H	FullYea
152.9	312.8	151.0	310.0	(1.9)	(2.8)	(1.3%)	( 0.9%
13.5	25.0	11.0	23.0	(2.5)	(2.0)	(18.8%)	( 8.2%
8.9%	8.0%	7.3%	7.4%	-	-	-	
17.4	30.8	12.2	25.5	5 (5.2)	(5.3)	(30.0%)	(17.2%
13.3	22.9	12.5	22.0	(0.8)	(0.9)	(6.6%)	( 4.2%
¥139/USD ¥152/EUR	¥144/USD ¥156/EUR	¥145/USD ¥155/EUR	•				
ts		)	_		·		er yen, Ann
idie 45yei	Year-end	,	(	unit - billion y	en) US	סט בנ	ЛK
	1H(Apr-Sep) 152.9 13.5 8.9% 17.4 13.3 ¥139/USD ¥152/EUR	152.9 312.8  13.5 25.0  8.9% 8.0%  17.4 30.8  13.3 22.9  ¥139/USD ¥152/EUR  \$\frac{\pmathbf{Y}}{\pmathbf{Y}}\$ \frac{\pmathbf{Y}}{\pmathbf{Y}}\$ \frac{\pmathbf{Y}}{\pm	1H(Apr-Sep)         Full Year         1H(Apr-Sep)           152.9         312.8         151.0           13.5         25.0         11.0           8.9%         8.0%         7.3%           17.4         30.8         12.2           13.3         22.9         12.5           ¥139/USD         ¥144/USD         ¥145/USD           ¥152/EUR         ¥156/EUR         ¥155/EUR	1H(Apr-Sep)         Full Year         1H(Apr-Sep)         Full Year           152.9         312.8         151.0         310.0           13.5         25.0         11.0         23.0           8.9%         8.0%         7.3%         7.4%           17.4         30.8         12.2         25.5           13.3         22.9         12.5         22.0           ¥139/USD         ¥144/USD         ¥145/USD         ¥145/USD           ¥152/EUR         ¥156/EUR         ¥155/EUR         ¥155/EUR	1H(Apr-Sep)         Full Year         1H(Apr-Sep)         Full Year         1H           152.9         312.8         151.0         310.0         (1.9)           13.5         25.0         11.0         23.0         (2.5)           8.9%         8.0%         7.3%         7.4%         -           17.4         30.8         12.2         25.5         (5.2)           13.3         22.9         12.5         22.0         (0.8)           ¥139/USD ¥152/EUR         ¥144/USD ¥155/EUR         ¥145/USD ¥155/EUR         ¥155/EUR   Exchange	1H(Apr-Sep)         Full Year         1H(Apr-Sep)         Full Year         1H         Full Year           152.9         312.8         151.0         310.0         (1.9)         (2.8)           13.5         25.0         11.0         23.0         (2.5)         (2.0)           8.9%         8.0%         7.3%         7.4%         -         -           17.4         30.8         12.2         25.5         (5.2)         (5.3)           13.3         22.9         12.5         22.0         (0.8)         (0.9)           ¥139/USD ¥152/EUR         ¥144/USD ¥156/EUR         ¥145/USD ¥155/EUR         ¥145/USD ¥155/EUR         Exchange rate impose	1H(Apr-Sep)         Full Year         1H(Apr-Sep)         Full Year         1H         Full Year         1H           152.9         312.8         151.0         310.0         (1.9)         (2.8)         (1.3%)           13.5         25.0         11.0         23.0         (2.5)         (2.0)         (18.8%)           8.9%         8.0%         7.3%         7.4%         -         -         -           17.4         30.8         12.2         25.5         (5.2)         (5.3)         (30.0%)           13.3         22.9         12.5         22.0         (0.8)         (0.9)         (6.6%)           ¥139/USD ¥152/EUR         ¥145/USD ¥155/EUR         ¥145/USD ¥155/EUR         ¥155/EUR         Exchange rate impact         (1 weak

Net sales were JPY 310.0 billion, down JPY 2.8 billion year on year. Operating profit decreased by JPY 2.0 billion year on year to JPY 23.0 billion, and ordinary profit came to JPY 25.5 billion.

Profit is projected to decrease JPY 0.9 billion year on year to JPY 22.0 billion due in part to extraordinary income as a gain on the sale of investment securities expected in the first quarter.

Exchange rate assumptions for the business forecast are JPY 145 to the U.S. dollar and JPY 155 to the euro.

Forecast for the annual dividend is 45 yen per share, an increase of 5 yen from the previous fiscal year, in line with the policy of our Medium-term Management Plan.

Net sales	FY2023	FY2023 Result		FY2024 Forecast		Amount		%		
(Unit: billion yen)	1H(Apr-Sep)	Full Year	1H(Apr-Sep)	Full Year	1Н	Full Year	1Н	Full Year		
Watches	78.5	166.2	82.0	171.5	+ 3.4	+ 5.2	+ 4.4%	+ 3.2%		
Machine Tools	41.4	81.6	36.0	73.0	(5.4)	(8.6)	(13.1%)	(10.6%)		
Devices and Components	22.1	42.4	21.3	42.5	( 0.8 )	+ 0.0	( 4.0% )	+ 0.0%		
Electronic and Other Products	10.7	22.5	11.7	23.0	+ 0.9	+ 0.4	+ 8.5%	+ 2.2%		
Consolidated Total	152.9	312.8	151.0	310.0	(1.9)	(2.8)	(1.3%)	(0.9%)		
Operating Profit										
(Unit: billion yen, %:operating m	argin)									
Watches	10.2	19.8	10.2	20.5	+ 0.0	0 + 0.6 ( 0.09	(0.0%)	+ 3.3%		
Wateries	13.0%	11.9%	12.4%	12.0%	. 0.0	. 0.0	(0.0%)	1 3.376		
Machine Tools	5.2 12.6%	9.0 11.1%	2.8 7.8%	6.6 9.0%	(2.4)	(2.4)	(46.4%)	(26.9%)		
	0.4	0.4	0.4	0.8						
Devices and Components	1.8%	1.1%	1.9%	1.9%	+ 0.0	+ 0.3	+ 0.0%	+ 72.8%		
Electronic and Other Products	0.6 6.3%	1.5 7.1%	0.8 6.8%	1.5 6.5%	+ 0.1	+ 0.0	+ 18.5%	(5.5%)		
Eliminations or general corpora	tı (2.9)	(5.8)	(3.2)	(6.4)	(0.2)	(0.5)	-	-		
	13.5	25.0	11.0	23.0	(0.5)	(00)	(12.21)	( )		
Consolidated Total	8.9%	8.0%	7.3%	7.4%	(2.5)	(2.0)	( 18.8% )	(8.2%)		

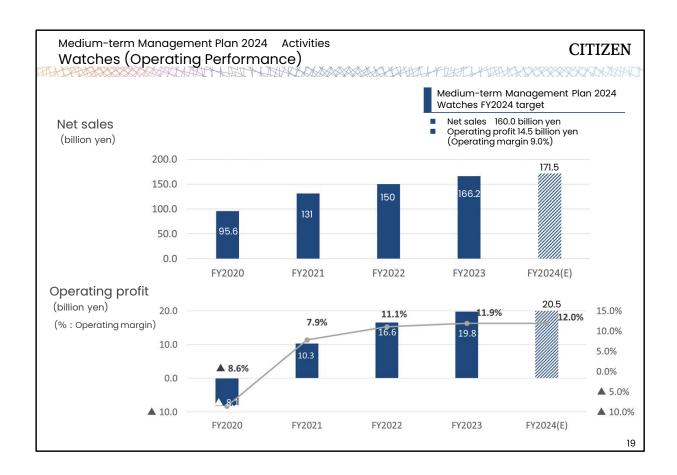
This slide shows our full-year consolidated earnings forecasts by segment.

In Watches, we forecast net sales of JPY 171.5 billion, an increase of JPY 5.2 billion, and operating profit of JPY 20.5 billion while maintaining strong sales. In Machine Tools, we expect a decrease in both sales and profit, including a fall in net sales of JPY 8.6 billion year on year and a decline in operating profit of JPY 2.4 billion year on year. This reflects the impact of changing demand.

In Devices and Components, net sales are projected to be JPY 42.5 billion while remaining at the level of the previous year. In Electronic and Other Devices, net sales are expected to slightly increase year on year to JPY 23.0 billion.



Lastly, I would like to briefly review our activities under Medium-term Management Plan 2024.



In the Watches segment we achieve a steady recovery from the serious downturn of FY2020 due to the COVID-19 pandemic, and like in FY2022, operating profit far exceeded the pre-pandemic figure recorded in FY2018.

With the benefit of a weak yen, the operating margin reached 11.9%, surpassing the target of 9.0% set in our Medium-term Management Plan by a large margin.

### Medium-term Management Plan 2024 Activities Watches Key Strategies Global Brand Strategy for the CITIZEN Brand

# **CITIZEN**



- PROMASTER: The brand is celebrating its 35th anniversary in 2024. It has been further strengthened as a professional sports watch brand.
- CITIZEN L: Sales increased in the North American, Asian, and European markets as a sustainable ladies' watch brand.
- Series 8: Overseas expansion started accelerating in FY2023. Entry in the US market get fully underway after the European market.

### **A PROMASTER**



Release date: Fall/Winter 2024 Recommended retail price: 102,300 - 110,000 yen (tax included) Number of models: 3

# CITIZEN -



Release date: April 4, 2024 Recommended retail price: 62,700 – 71,500 yen (tax included) Number of models: 3

## Series8



Release date: March 21, 2024 Recommended retail price: 198,000 - 209,000 yen (tax included) Number of models: 3 (limited model included)

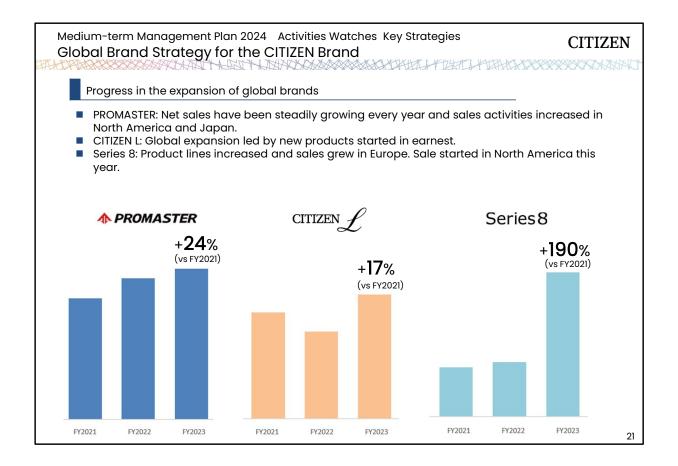
20

Here I would like to describe the Global Brand Strategy, one of our key strategies.

PROMASTER celebrated the 35th anniversary of its establishment this year. We are further stepping up efforts to promote it as a professional sports watch from the CITIZEN brand in the global market.

In FY2023, we launched the global operation of CITIZEN L in earnest as an environmentally friendly, sustainable ladies' watch brand.

Additionally, we have started the global operation of the Series 8 brand of mechanical watches.



These charts show the growth rates of each global brand.

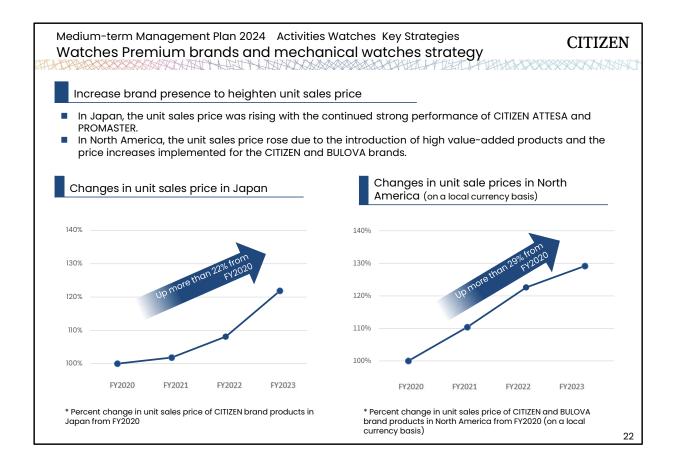
Sales of PROMASTER grew 24% in two years from FY2021.

Sales in North America and Japan increased, and we have been able to steadily grow sales every year.

The growth rate of CITIZEN L was 17%. The global operation of the brand's new products started in FY2023.

Sales of Series 8 surged 190%. We started increasing product lines in FY2023 and successfully grew sales in Europe.

We also plan to launch sales in North America in earnest this year.



Here I will explain about the changes in unit sales prices in the two major regions.

In the Japanese market, unit sales prices rose 22% from FY2020 thanks to continuously strong performance of ATTESA and PROMASTER. In the North American market, unit sales prices jumped 29% from FY2020 after the release of high value-added products and price increases of the CITIZEN and BLUOVA brands.

### Medium-term Management Plan 2024 Activities Watches Key Strategies Premium brands and mechanical watches strategy

# **CITIZEN**

# 100th anniversary of the first CITIZEN watch

- This year is the 100th anniversary of the first CITIZEN-branded watch. Special limited-edition pocket watch to be launched in the fall of 2024 for the next 100 years.
- To commemorate the centenary, CITIZEN is releasing a new themed collection LAYERS of TIME featuring structural color dials inspired by the geological layers of rock and minerals that shaped our planet over millions of



Special Limited-Edition Pocket Watch

Release date: Autumn, 2024 Recommended retail price: 1,100,000 yen (tax included) 100 units worldwide



LAYERS of TIME Limited-Edition Models

Release date: May 28, 2024 Release date: May 26, 2024

Recommended retail price: 66,000 - 341,000 yen (tax included)

EXCEED (450 units worldwide), ATTESA (1,900 units/2,100 units worldwide),

PROMASTER (10,000 units worldwide, CTIZEN COLLECTION (2,400 units worldwide),

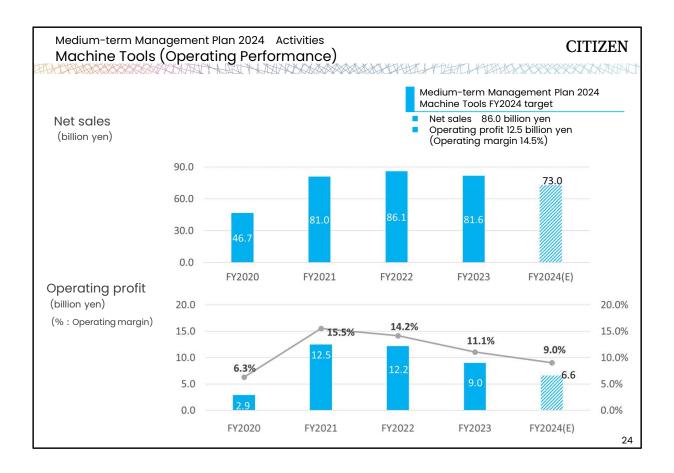
xC (1,500 units worldwide), CTIZEN L (4,200 units worldwide)

23

Year 2024 is the anniversary of 100 years since 1924 when the first watch named CITIZEN was released.

In the fall of this year, we will release a pocket watch built on Citizen's technologies developed in the last 100 years, which will be limited to the global market, to mark the start of the Company's growth in the next 100 years.

A cross-brand collection, Layers of Time, with the dial in a structural color expressing the layering of time, will be released to commemorate the centenary as we work on increasing the sales of the Citizen brand.



This slide shows operating performance in the Machine Tools segment.

Both net sales and operating profit fell below the targets set in the Medium-term Management Plan due to the impact of the capital investment cycle.

Meanwhile, we reached the sales target of JPY 86.0 billion in FY2022, the first fiscal year of the Medium-term Management Plan.

During this time, we have been steadily increasing our production capacity in preparation for the next peak demand with the aim of achieving further growth.

Medium-term Management Plan 2024 Activities for Machine Tools Key Strategies Establishment of business foundations with an eye toward achieving the net sales of 100 billion yen.

**CITIZEN** 



- Accelerate the enhancement of the production capacities with a long-term target of 100 billion yen in net sales
- In May 2023, construction of the precision machining plant at the Karuizawa Headquarters was completed. The production capacity of core components is now 60% higher than in FY2021.
- Capital investment in China, Thailand, and the Headquarters was completed and the production capacity became 40% higher than that in FY2021.



Precision machining plant at the Karuizawa Headquarters

- Production capacity of core components increased 60%
- Total floor area of the precision machining plant: 4,459 m<sup>2</sup>
- Beginning of operations: May 2023



Thai Factory

- Production capacity increased 50% (to a maximum of 350 units per month)
- Extension area: 4,475 m<sup>2</sup>
  (Total floor area after extension: 27,488 m<sup>2</sup>)
- Beginning of operations: November 2022



China Factory

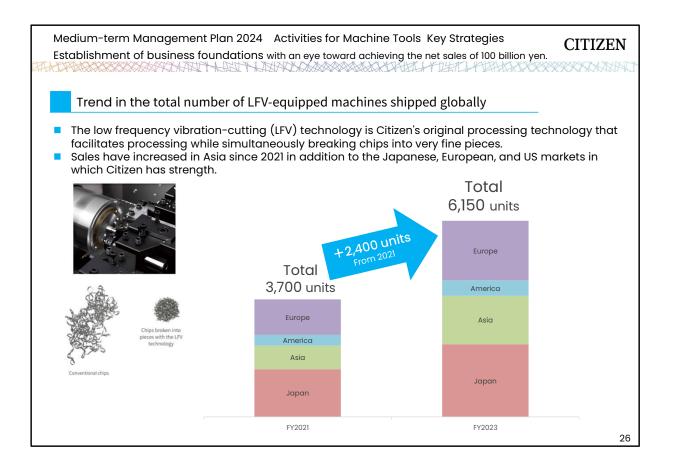
- Production capacity doubled (to a maximum of 350 units per month)
- Extension area: 34,200 m<sup>2</sup>
- Beginning of operations: February 2022

25

This describes the production capacity I just mentioned.

As you can see in the details here, we have increased our production capacity at the Karuizawa head office, in Thailand, and in China.

Production capacity will increase 40% from FY2021 levels as a result of these capital investments.

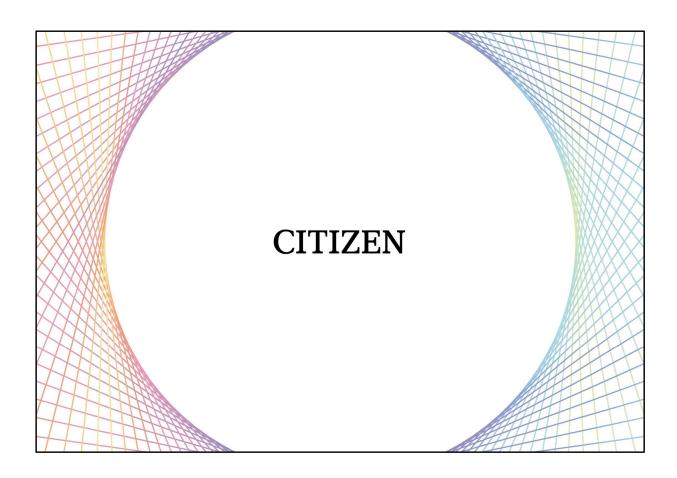


This shows the sales of LFV-equipped products.

LFV is CITIZEN's proprietary control technology for processing chips while breaking them up into fine pieces.

Sales of products equipped with LFV technology have increased in Asia since 2021 in addition to developed markets in which Citizen has strength.

As of the end of January 2023, the global total number of products shipped had increased by 2,400 units since 2021, exceeding 6,150 units. We are steadily implementing value added strategies.



That concludes my presentation. Thank you for your attention.

