

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 20, 2022 (Based on Japanese GAAP)

July 27, 2022

Company name: MIRAI INDUSTRY CO.,LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7931 URL <https://www.mirai.co.jp/>
 Representative: President Masahiro Yamada
 Inquiries: Managing Director Yasushi Nakashima TEL 0584-68-1200
 Scheduled date to file Quarterly Securities Report: August 3, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 20, 2022 (from March 21, 2022 to June 20, 2022)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 20, 2022	9,652	8.0	785	(11.5)	807	(6.5)	523	(7.5)
Three months ended June 20, 2021	8,941	1.7	887	17.9	863	17.0	565	36.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 20, 2022	30.43		–	
Three months ended June 20, 2021	32.92		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 20, 2022	61,379	47,774	77.0
As of March 20, 2022	61,024	47,783	77.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 20, 2022	–	25.00	–	25.00	50.00
Year ending March 20, 2023	–	–	–	–	–
Year ending March 20, 2023 (Forecast)	–	25.00	–	25.00	50.00

3. Forecast of consolidated financial results for the year ending March 20, 2023 (from March 21, 2022 to March 20, 2023)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 20, 2022	19,232	5.7	1,380	(28.9)	1,432	(25.1)	978	(23.8)	56.92
Full year	39,223	6.3	3,448	(14.7)	3,548	(10.3)	2,435	(3.8)	141.65

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 20, 2022
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 20, 2022	25,607,086 shares	As of March 20, 2022	25,607,086 shares
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Number of treasury shares at the end of the period

As of June 20, 2022	8,408,000 shares	As of March 20, 2022	8,415,700 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 20, 2022	17,194,603 shares	Three months ended June 20, 2021	17,181,784 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 20, 2022	As of June 20, 2022
Assets		
Current assets		
Cash and deposits	21,895	21,902
Notes and accounts receivable - trade	6,991	–
Notes and accounts receivable - trade, and contract assets	–	7,388
Electronically recorded monetary claims - operating	3,352	3,364
Merchandise and finished goods	4,068	4,005
Raw materials and supplies	1,274	1,475
Other	1,485	1,510
Allowance for doubtful accounts	(5)	(3)
Total current assets	39,062	39,643
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,494	5,413
Machinery, equipment and vehicles, net	2,907	2,926
Land	4,643	4,643
Construction in progress	492	512
Other, net	619	652
Total property, plant and equipment	14,158	14,148
Intangible assets	181	174
Investments and other assets		
Investment securities	1,062	969
Deferred tax assets	1,199	1,068
Retirement benefit asset	1,006	1,015
Long-term time deposits	4,000	4,000
Other	455	462
Allowance for doubtful accounts	(100)	(103)
Total investments and other assets	7,622	7,413
Total non-current assets	21,962	21,736
Total assets	61,024	61,379

(Millions of yen)

	As of March 20, 2022	As of June 20, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,748	3,144
Electronically recorded obligations - operating	3,766	3,836
Short-term borrowings	45	45
Current portion of long-term borrowings	192	323
Income taxes payable	744	147
Provision for bonuses	–	601
Other	3,347	2,931
Total current liabilities	10,845	11,030
Non-current liabilities		
Long-term borrowings	116	135
Deferred tax liabilities for land revaluation	60	60
Retirement benefit liability	657	668
Provision for Employee Stock Ownership Plan Trust	1,056	1,076
Provision for retirement benefits for directors (and other officers)	116	85
Other	387	547
Total non-current liabilities	2,396	2,574
Total liabilities	13,241	13,605

(Millions of yen)

	As of March 20, 2022	As of June 20, 2022
Net assets		
Shareholders' equity		
Share capital	7,067	7,067
Capital surplus	9,538	9,538
Retained earnings	46,855	46,903
Treasury shares	(15,918)	(15,907)
Total shareholders' equity	47,543	47,603
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	111	27
Revaluation reserve for land	(600)	(600)
Remeasurements of defined benefit plans	223	218
Total accumulated other comprehensive income	(265)	(354)
Non-controlling interests	505	526
Total net assets	47,783	47,774
Total liabilities and net assets	61,024	61,379

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 20, 2021	Three months ended June 20, 2022
Net sales	8,941	9,652
Cost of sales	5,442	6,221
Gross profit	3,499	3,430
Selling, general and administrative expenses		
Freight costs	570	579
Provision of allowance for doubtful accounts	0	1
Remuneration for directors (and other officers)	72	67
Salaries and allowances	665	674
Provision for bonuses	224	227
Retirement benefit expenses	28	31
Provision for Employee Stock Ownership Plan Trust	14	14
Provision for retirement benefits for directors (and other officers)	3	3
Other	1,031	1,044
Total selling, general and administrative expenses	2,611	2,645
Operating profit	887	785
Non-operating income		
Interest income	3	3
Dividend income	3	4
Commission for insurance office work	1	1
Gain on sale of scraps	6	6
Other	12	16
Total non-operating income	28	32
Non-operating expenses		
Interest expenses	1	0
Sales discounts	46	–
Bond issuance costs	3	5
Other	0	4
Total non-operating expenses	52	10
Ordinary profit	863	807
Profit before income taxes	863	807
Income taxes - current	130	111
Income taxes - deferred	146	152
Total income taxes	277	263
Profit	585	544
Profit attributable to non-controlling interests	19	20
Profit attributable to owners of parent	565	523

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 20, 2021	Three months ended June 20, 2022
Profit	585	544
Other comprehensive income		
Valuation difference on available-for-sale securities	(89)	(84)
Remeasurements of defined benefit plans, net of tax	(10)	(4)
Total other comprehensive income	(99)	(89)
Comprehensive income	486	454
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	466	433
Comprehensive income attributable to non-controlling interests	19	20