

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 4, 2022

Company name: Moriroku Holdings Company, Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 4249 URL <https://www.moriroku.co.jp/>  
 Representative: President and CEO Takashi Kurita  
 Inquiries: Executive Officer, Accounting and IR Muga Koiwai TEL 03(3403)6102  
 Scheduled date to file Quarterly Securities Report: August 4, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 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 30, 2022 (from April 1, 2022 to June 30, 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 30, 2022	34,054	3.9	342	(66.0)	708	(30.6)	(23)	–
Three months ended June 30, 2021	32,767	–	1,007	673.2	1,020	–	381	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	(1.46)		–	
Three months ended June 30, 2021	23.03		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	140,295	72,778	51.0
As of March 31, 2022	137,125	72,067	51.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	47.00	–	47.00	94.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	47.00	–	53.00	100.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 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 30, 2022	67,000	6.4	750	(21.3)	750	(35.1)	405	(83.3)	25.47
Full year	141,000	9.4	3,000	5.4	3,000	1.2	1,620	(62.0)	101.89

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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: Yes
- (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: No
- 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 30, 2022	16,960,000 shares	As of March 31, 2022	16,960,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	1,183,019 shares	As of March 31, 2022	980,719 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	15,872,950 shares	Three months ended June 30, 2021	16,571,349 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	18,373	19,147
Notes and accounts receivable - trade	33,389	33,906
Electronically recorded monetary claims - operating	1,388	1,435
Merchandise and finished goods	7,762	7,538
Work in process	4,742	4,993
Raw materials and supplies	5,996	5,848
Other	5,419	5,412
Allowance for doubtful accounts	(13)	(14)
Total current assets	77,058	78,268
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,459	20,196
Machinery, equipment and vehicles, net	10,315	10,752
Tools, furniture and fixtures, net	5,566	5,794
Land	5,044	5,165
Leased assets, net	99	281
Construction in progress	4,133	5,252
Total property, plant and equipment	44,619	47,444
Intangible assets	981	1,001
Investments and other assets		
Investment securities	11,868	11,300
Long-term loans receivable	257	280
Retirement benefit asset	534	573
Deferred tax assets	1,158	744
Other	662	698
Allowance for doubtful accounts	(15)	(15)
Total investments and other assets	14,465	13,581
Total non-current assets	60,066	62,027
Total assets	137,125	140,295

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	21,801	22,056
Electronically recorded obligations - operating	2,853	2,388
Short-term borrowings	21,236	24,037
Current portion of long-term borrowings	1,307	1,715
Lease liabilities	255	278
Income taxes payable	1,663	617
Other	6,842	7,173
<b>Total current liabilities</b>	<b>55,961</b>	<b>58,267</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,510	4,113
Lease liabilities	478	566
Deferred tax liabilities	3,963	3,379
Retirement benefit liability	402	423
Asset retirement obligations	173	173
Other	566	592
<b>Total non-current liabilities</b>	<b>9,095</b>	<b>9,248</b>
<b>Total liabilities</b>	<b>65,057</b>	<b>67,516</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,640	1,640
Capital surplus	4,782	4,782
Retained earnings	56,622	55,847
Treasury shares	(1,350)	(1,715)
<b>Total shareholders' equity</b>	<b>61,694</b>	<b>60,555</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	4,869	4,329
Foreign currency translation adjustment	3,584	6,038
Remeasurements of defined benefit plans	264	252
Remeasurements of other postretirement benefit plans of foreign consolidated subsidiaries	277	328
<b>Total accumulated other comprehensive income</b>	<b>8,995</b>	<b>10,948</b>
<b>Non-controlling interests</b>	<b>1,377</b>	<b>1,274</b>
<b>Total net assets</b>	<b>72,067</b>	<b>72,778</b>
<b>Total liabilities and net assets</b>	<b>137,125</b>	<b>140,295</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	32,767	34,054
Cost of sales	27,781	29,339
Gross profit	4,985	4,715
Selling, general and administrative expenses	3,977	4,372
Operating profit	1,007	342
Non-operating income		
Interest income	26	50
Dividend income	162	151
Foreign exchange gains	–	293
Other	42	62
Total non-operating income	231	557
Non-operating expenses		
Interest expenses	87	165
Foreign exchange losses	98	–
Share of loss of entities accounted for using equity method	3	3
Other	29	21
Total non-operating expenses	218	191
Ordinary profit	1,020	708
Extraordinary income		
Gain on sale of non-current assets	8	10
Gain on sale of investment securities	0	–
Subsidy income	12	27
Total extraordinary income	20	38
Extraordinary losses		
Loss on sale of non-current assets	14	3
Loss on retirement of non-current assets	13	7
Total extraordinary losses	28	10
Profit before income taxes	1,013	736
Income taxes	599	736
Profit	413	0
Profit attributable to non-controlling interests	31	23
Profit (loss) attributable to owners of parent	381	(23)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	413	0
Other comprehensive income		
Valuation difference on available-for-sale securities	245	(540)
Foreign currency translation adjustment	1,035	2,458
Remeasurements of defined benefit plans, net of tax	(12)	(11)
Remeasurements of other postretirement benefit plans of foreign consolidated subsidiaries	4	51
Share of other comprehensive income of entities accounted for using equity method	(2)	(4)
Total other comprehensive income	1,271	1,952
Comprehensive income	1,684	1,953
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,653	1,929
Comprehensive income attributable to non-controlling interests	31	23