

Translation

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

November 14, 2022

Company name: MIDAC HOLDINGS CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 6564 URL <https://www.midac.jp/>  
 Representative: President Keiko Kato  
 Director  
 Inquiries: Department Manager Hiroaki Takada TEL 053-488-7173  
 Planning Department  
 Scheduled date to file Quarterly Securities Report: November 14, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	3,783	24.0	1,256	9.0	1,224	8.2	732	14.0
Six months ended September 30, 2021	3,052	9.2	1,152	26.0	1,131	25.6	642	36.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	26.59		26.58	
Six months ended September 30, 2021	24.17		24.16	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	20,478	10,012	48.8
As of March 31, 2022	20,040	9,536	47.6

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	–	0.00	–	5.00	5.00
Year ending March 31, 2023	–	0.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	3.50	3.50

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
Full year	7,844	22.9	2,962	30.8	2,885	31.9	1,750	36.2	63.46

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: 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: 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 September 30, 2022	27,773,500 shares	As of March 31, 2022	27,773,500 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	171,615 shares	As of March 31, 2022	200,667 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	27,560,130 shares	Six months ended September 30, 2021	26,594,137 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,894,217	6,131,175
Notes and accounts receivable - trade	676,330	796,980
Inventories	63,817	65,391
Other	496,797	246,842
Allowance for doubtful accounts	(1,288)	(1,041)
<b>Total current assets</b>	<b>7,129,873</b>	<b>7,239,348</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	797,941	792,274
Machinery, equipment and vehicles, net	680,684	635,667
Final disposal site, net	4,958,244	5,193,726
Land	2,484,755	2,570,623
Construction in progress	1,788,486	1,920,601
Other, net	64,272	59,131
<b>Total property, plant and equipment</b>	<b>10,774,385</b>	<b>11,172,025</b>
<b>Intangible assets</b>		
Goodwill	1,175,467	1,054,994
Facility installation right	160,400	140,350
Other	39,744	39,033
<b>Total intangible assets</b>	<b>1,375,611</b>	<b>1,234,377</b>
<b>Investments and other assets</b>		
Deferred tax assets	246,114	269,948
Other	514,176	563,083
<b>Total investments and other assets</b>	<b>760,290</b>	<b>833,032</b>
<b>Total non-current assets</b>	<b>12,910,287</b>	<b>13,239,435</b>
<b>Total assets</b>	<b>20,040,161</b>	<b>20,478,783</b>

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	68,086	39,782
Short-term borrowings	4,883,500	1,790,000
Current portion of bonds payable	30,000	23,000
Current portion of long-term borrowings	619,879	733,767
Income taxes payable	489,857	370,553
Accounts payable - other	1,036,507	240,498
Provision for bonuses	86,300	91,294
Other	236,221	415,802
<b>Total current liabilities</b>	<b>7,450,352</b>	<b>3,704,698</b>
<b>Non-current liabilities</b>		
Bonds payable	216,000	209,000
Long-term borrowings	1,955,519	5,631,689
Provision for maintenance of final disposal site	699,605	745,687
Asset retirement obligations	110,922	111,713
Other	71,372	63,841
<b>Total non-current liabilities</b>	<b>3,053,418</b>	<b>6,761,931</b>
<b>Total liabilities</b>	<b>10,503,771</b>	<b>10,466,630</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	2,149,871	90,000
Capital surplus	2,896,672	4,922,452
Retained earnings	4,545,900	5,140,586
Treasury shares	(62,637)	(153,199)
<b>Total shareholders' equity</b>	<b>9,529,807</b>	<b>9,999,839</b>
Share acquisition rights	6,582	12,313
<b>Total net assets</b>	<b>9,536,390</b>	<b>10,012,153</b>
<b>Total liabilities and net assets</b>	<b>20,040,161</b>	<b>20,478,783</b>

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	3,052,233	3,783,248
Cost of sales	1,132,658	1,583,492
Gross profit	1,919,575	2,199,755
Selling, general and administrative expenses	767,042	943,256
Operating profit	1,152,533	1,256,499
Non-operating income		
Interest income	102	73
Gain on sale of non-current assets	6,100	3,974
Rental income from real estate	6,887	6,058
Subsidy income	8,377	–
Other	3,093	5,939
Total non-operating income	24,561	16,045
Non-operating expenses		
Interest expenses	32,224	41,093
Other	13,584	6,997
Total non-operating expenses	45,808	48,091
Ordinary profit	1,131,286	1,224,453
Profit before income taxes	1,131,286	1,224,453
Income taxes	488,564	491,761
Profit	642,722	732,691
Profit attributable to owners of parent	642,722	732,691

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

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	642,722	732,691
Comprehensive income	642,722	732,691
Comprehensive income attributable to Comprehensive income attributable to owners of parent	642,722	732,691

## Consolidated statements of cash flows

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	1,131,286	1,224,453
Depreciation	178,302	291,709
Amortization of goodwill	125,212	120,473
Share-based payment expenses	22,636	24,874
Increase (decrease) in allowance for doubtful accounts	(1,169)	(246)
Increase (decrease) in provision for bonuses	743	4,993
Increase (decrease) in provision for maintenance of final disposal site	17,049	46,082
Interest and dividend income	(110)	(81)
Interest expenses	32,224	41,093
Loss (gain) on sale of non-current assets	(6,100)	(3,974)
Loss on tax purpose reduction entry of non-current assets	7,564	–
Decrease (increase) in trade receivables	61,377	(120,650)
Decrease (increase) in inventories	(6,149)	(1,573)
Decrease (increase) in other current assets	14,366	15,819
Increase (decrease) in trade payables	(13,766)	(28,304)
Receivable consumption tax	–	234,876
Increase (decrease) in other current liabilities	(102,842)	134,042
Other, net	1,003	3,288
Subtotal	1,461,627	1,986,874
Interest and dividends received	110	81
Interest paid	(31,164)	(40,585)
Income taxes paid	(572,344)	(611,744)
Net cash provided by (used in) operating activities	858,229	1,334,625
Cash flows from investing activities		
Purchase of property, plant and equipment	(612,457)	(1,433,767)
Proceeds from sale of property, plant and equipment	6,238	16,622
Purchase of intangible assets	(3,707)	(22,346)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	(55,000)
Payments of leasehold and guarantee deposits	(38,580)	(119)
Other, net	–	(5,541)
Net cash provided by (used in) investing activities	(648,505)	(1,500,151)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	328,000	(3,093,500)
Proceeds from long-term borrowings	–	4,100,000
Repayments of long-term borrowings	(283,614)	(309,942)
Redemption of bonds	(14,000)	(14,000)
Purchase of treasury shares	(1,168)	(137,064)
Dividends paid	(66,485)	(137,864)
Other, net	–	(5,145)
Net cash provided by (used in) financing activities	(37,268)	402,483
Net increase (decrease) in cash and cash equivalents	172,455	236,958
Cash and cash equivalents at beginning of period	4,293,770	5,894,217
Cash and cash equivalents at end of period	4,466,225	6,131,175