

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended December 31, 2022 (Based on Japanese GAAP)

February 8, 2023

Company name: MTG Co.,Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 7806 URL <https://www.mtg.gr.jp/>  
 Representative: President Tsuyoshi Matsushita  
 Inquiries: Senior Managing Director CFO Makoto Yoshitaka TEL 052-307-7890  
 Scheduled date to file Quarterly Securities Report: February 13, 2023  
 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 December 31, 2022 (from October 1, 2022 to December 31, 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 December 31, 2022	14,837	16.3	1,373	(35.4)	1,096	(50.1)	427	(68.6)
Three months ended December 31, 2021	12,760	16.6	2,126	51.1	2,198	53.5	1,361	4.4

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2022	10.85		10.82	
Three months ended December 31, 2021	34.86		34.57	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	50,601	41,613	81.3
As of September 30, 2022	49,942	41,285	81.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2022	–	0.00	–	10.00	10.00
Year ending September 30, 2023	–				
Year ending September 30, 2023 (Forecast)		0.00	–	10.00	10.00

3. Forecast of consolidated financial results for the year ending September 30, 2023 (from October 1, 2022 to September 30, 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	57,000	16.4	2,600	(19.7)	2,300	(38.2)	1,400	(47.9)	35.54

4. Notes

- (1) Changes in significant subsidiaries during the three months ended December 31, 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 December 31, 2022	40,082,288 shares	As of September 30, 2022	40,082,288 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	690,302 shares	As of September 30, 2022	690,261 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended December 31, 2022	39,392,022 shares	Three months ended December 31, 2021	39,054,497 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of September 30, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	16,529	14,684
Notes and accounts receivable - trade	4,838	6,580
Merchandise and finished goods	9,654	9,762
Raw materials and supplies	1,414	1,229
Prepaid expenses	436	483
Other	1,727	1,973
Allowance for doubtful accounts	(1)	(1)
Total current assets	34,600	34,713
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	289	290
Land	8,883	8,883
Other, net	615	740
Total property, plant and equipment	9,788	9,915
Intangible assets	476	484
Investments and other assets		
Investment securities	2,673	3,063
Deferred tax assets	1,923	1,927
Other	592	610
Allowance for doubtful accounts	(113)	(112)
Total investments and other assets	5,076	5,489
Total non-current assets	15,341	15,888
Total assets	49,942	50,601

(Millions of yen)

	As of September 30, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,644	2,130
Accounts payable - other	1,739	1,735
Income taxes payable	964	617
Provision for bonuses	512	270
Other provisions	609	627
Other	2,808	3,204
Total current liabilities	8,279	8,585
Non-current liabilities		
Other	377	403
Total non-current liabilities	377	403
Total liabilities	8,656	8,988
<b>Net assets</b>		
Shareholders' equity		
Share capital	16,772	16,772
Capital surplus	16,153	16,153
Retained earnings	9,116	9,149
Treasury shares	(904)	(904)
Total shareholders' equity	41,137	41,170
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	54	48
Foreign currency translation adjustment	(346)	(77)
Total accumulated other comprehensive income	(292)	(28)
Share acquisition rights	3	0
Non-controlling interests	436	471
Total net assets	41,285	41,613
<b>Total liabilities and net assets</b>	<b>49,942</b>	<b>50,601</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended December 31, 2021	Three months ended December 31, 2022
Net sales	12,760	14,837
Cost of sales	4,337	5,958
Gross profit	8,423	8,878
Selling, general and administrative expenses	6,296	7,504
Operating profit	2,126	1,373
Non-operating income		
Interest and dividend income	4	3
Foreign exchange gains	81	–
Other	8	10
Total non-operating income	94	14
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	–	280
Commitment fees	2	–
Loss on cancellation of leasehold contracts	12	–
Other	7	11
Total non-operating expenses	22	291
Ordinary profit	2,198	1,096
Extraordinary income		
Gain on reversal of share acquisition rights	–	3
Total extraordinary income	–	3
Extraordinary losses		
Loss on valuation of investment securities	0	–
Settlement payments	275	–
Expenses related to recall	–	5
Total extraordinary losses	275	5
Profit before income taxes	1,922	1,094
Income taxes	574	722
Profit	1,347	371
Loss attributable to non-controlling interests	(13)	(55)
Profit attributable to owners of parent	1,361	427

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

(Millions of yen)

	Three months ended December 31, 2021	Three months ended December 31, 2022
Profit	1,347	371
Other comprehensive income		
Valuation difference on available-for-sale securities	(91)	(5)
Foreign currency translation adjustment	(20)	269
Total other comprehensive income	(112)	263
Comprehensive income	1,235	634
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,249	690
Comprehensive income attributable to non-controlling interests	(13)	(55)