

Translation

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

February 10, 2023

Company name: MAEZAWA KYUSO INDUSTRIES CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6485 URL <https://www.qso.co.jp/>  
 Representative: President and Representative Director Yuichi Taniai  
 Director, Chief of Administration Yoichiro Taniguchi  
 Inquiries: Headquarters Yoichiro Taniguchi TEL 03-3716-1512  
 Scheduled date to file Quarterly Securities Report: February 10, 2023  
 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 nine months ended December 31, 2022 (from April 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	%
Nine months ended December 31, 2022	23,688	8.2	1,724	(3.1)	1,840	(2.9)	1,199	(4.4)
Nine months ended December 31, 2021	21,885	5.2	1,780	(12.5)	1,896	(9.9)	1,254	(14.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	54.10		–	
Nine months ended December 31, 2021	56.21		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2022	44,408	37,968	85.5	1,724.64
As of March 31, 2022	45,619	37,630	82.5	1,695.48

### 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	–	10.00	–	20.00	30.00
Year ending March 31, 2023	–	15.00	–		
Year ending March 31, 2023 (Forecast)				15.00	30.00

### 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
Full year	29,290	1.7	1,830	(14.5)	1,990	(13.0)	1,320	(11.9)	59.47

4. Notes

- (1) Changes in significant subsidiaries during the nine 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: 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 December 31, 2022	23,000,000 shares	As of March 31, 2022	23,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	984,621 shares	As of March 31, 2022	805,117 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	22,172,546 shares	Nine months ended December 31, 2021	22,315,472 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	14,301	10,339
Notes and accounts receivable - trade	5,196	5,949
Electronically recorded monetary claims - operating	5,401	6,436
Securities	399	300
Merchandise and finished goods	4,707	5,503
Work in process	66	113
Raw materials and supplies	1,211	1,435
Other	520	592
Total current assets	31,806	30,669
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,987	1,964
Machinery, equipment and vehicles, net	681	624
Land	4,622	4,622
Construction in progress	21	167
Other, net	206	225
Total property, plant and equipment	7,518	7,604
Intangible assets		
Software	435	792
Goodwill	316	286
Other	23	25
Total intangible assets	775	1,104
Investments and other assets		
Investment securities	3,807	3,620
Long-term loans receivable	5	4
Insurance funds	1,468	1,214
Deferred tax assets	127	88
Other	115	104
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	5,519	5,029
Total non-current assets	13,813	13,739
Total assets	45,619	44,408

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	5,017	3,537
Electronically recorded obligations - operating	639	569
Income taxes payable	300	222
Provision for bonuses	252	77
Provision for bonuses for directors (and other officers)	16	18
Buy-sell transaction liability	57	87
Other	837	1,074
<b>Total current liabilities</b>	<b>7,121</b>	<b>5,587</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	293	313
Retirement benefit liability	487	456
Asset retirement obligations	4	4
Other	82	78
<b>Total non-current liabilities</b>	<b>867</b>	<b>852</b>
<b>Total liabilities</b>	<b>7,989</b>	<b>6,439</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,358	3,358
Capital surplus	3,711	3,711
Retained earnings	29,649	30,064
Treasury shares	(766)	(933)
<b>Total shareholders' equity</b>	<b>35,953</b>	<b>36,201</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,396	1,265
Foreign currency translation adjustment	296	513
Remeasurements of defined benefit plans	(15)	(11)
<b>Total accumulated other comprehensive income</b>	<b>1,677</b>	<b>1,767</b>
<b>Total net assets</b>	<b>37,630</b>	<b>37,968</b>
<b>Total liabilities and net assets</b>	<b>45,619</b>	<b>44,408</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	21,885	23,688
Cost of sales	15,504	17,145
Gross profit	6,380	6,543
Selling, general and administrative expenses	4,600	4,818
Operating profit	1,780	1,724
Non-operating income		
Interest income	15	18
Dividend income	78	83
Foreign exchange gains	9	8
Other	16	15
Total non-operating income	119	126
Non-operating expenses		
Loss on cancellation of insurance policies	2	10
Other	1	1
Total non-operating expenses	3	11
Ordinary profit	1,896	1,840
Extraordinary income		
Gain on sale of non-current assets	–	0
Gain on sale of membership	1	–
Total extraordinary income	1	0
Extraordinary losses		
Loss on sale of non-current assets	–	3
Loss on retirement of non-current assets	13	0
Loss on sale of investment securities	0	–
Total extraordinary losses	14	3
Profit before income taxes	1,882	1,836
Income taxes	628	637
Profit	1,254	1,199
Profit attributable to owners of parent	1,254	1,199

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

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,254	1,199
Other comprehensive income		
Valuation difference on available-for-sale securities	209	(130)
Foreign currency translation adjustment	132	216
Remeasurements of defined benefit plans, net of tax	12	3
Total other comprehensive income	354	89
Comprehensive income	1,608	1,289
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,608	1,289