

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 28, 2023

Company name: MITANI SANGYO CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8285 URL <https://www.mitani.co.jp/>
 Representative: President & CEO Tadateru Mitani
 Inquiries: Director & CFO Daigou Uchida TEL 076-233-2151
 Scheduled date to file Quarterly Securities Report: August 4, 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	21,303	4.0	9	–	237	–	305	–
Three months ended June 30, 2022	20,474	5.9	(443)	–	(232)	–	(262)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	4.97		–	
Three months ended June 30, 2022	(4.26)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2023	88,317	43,792	49.4	709.18
As of March 31, 2023	86,309	41,612	48.1	673.81

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 March 31, 2023	–	4.50	–	4.50	9.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		4.50	–	4.50	9.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	92,000	1.8	1,050	7.3	1,550	(9.7)	1,000	4.1	16.24

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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, 2023	61,772,500 shares	As of March 31, 2023	61,772,500 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	202,055 shares	As of March 31, 2023	202,055 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, 2023	61,570,445 shares	Three months ended June 30, 2022	61,570,485 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	7,531	7,579
Notes and accounts receivable - trade	16,399	15,295
Electronically recorded monetary claims - operating	3,151	3,740
Accounts receivable from completed construction contracts	6,974	5,593
Merchandise and finished goods	3,834	3,581
Work in process	631	795
Costs on construction contracts in progress	135	402
Raw materials and supplies	1,518	1,712
Other	2,141	2,946
Allowance for doubtful accounts	(22)	(20)
Total current assets	42,296	41,627
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,554	9,507
Land	4,041	4,041
Other, net	2,713	2,899
Total property, plant and equipment	16,310	16,448
Intangible assets		
Software	707	687
Other	395	453
Total intangible assets	1,103	1,140
Investments and other assets		
Investment securities	24,014	26,554
Other	2,651	2,611
Allowance for doubtful accounts	(65)	(65)
Total investments and other assets	26,599	29,100
Total non-current assets	44,013	46,690
Total assets	86,309	88,317

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,925	9,628
Electronically recorded obligations - operating	1,693	1,945
Accounts payable for construction contracts	2,276	1,888
Short-term borrowings	14,971	14,696
Income taxes payable	367	214
Provision for bonuses for directors (and other officers)	128	29
Provision for loss on orders received	11	5
Provision for warranties for completed construction	19	17
Provision for shareholder benefit program	63	63
Other	4,385	4,641
Total current liabilities	33,842	33,131
Non-current liabilities		
Long-term borrowings	5,104	4,811
Provision for retirement benefits for directors (and other officers)	508	487
Retirement benefit liability	395	409
Asset retirement obligations	273	274
Other	4,572	5,411
Total non-current liabilities	10,853	11,393
Total liabilities	44,696	44,525
Net assets		
Shareholders' equity		
Share capital	4,808	4,808
Capital surplus	3,357	3,357
Retained earnings	24,760	24,788
Treasury shares	(42)	(42)
Total shareholders' equity	32,882	32,911
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,246	10,014
Deferred gains or losses on hedges	8	45
Foreign currency translation adjustment	336	679
Remeasurements of defined benefit plans	13	13
Total accumulated other comprehensive income	8,604	10,753
Non-controlling interests	125	127
Total net assets	41,612	43,792
Total liabilities and net assets	86,309	88,317

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, 2022	Three months ended June 30, 2023
Net sales	20,474	21,303
Cost of sales	17,017	17,277
Gross profit	3,456	4,025
Selling, general and administrative expenses	3,900	4,015
Operating profit (loss)	(443)	9
Non-operating income		
Interest income	4	5
Dividend income	170	223
Share of profit of entities accounted for using equity method	26	–
Rent income on real estate and facilities	41	39
Other	74	67
Total non-operating income	317	336
Non-operating expenses		
Interest expenses	25	50
Share of loss of entities accounted for using equity method	–	7
Rent expenses on real estate and facilities	30	26
Foreign exchange losses	17	9
Other	32	15
Total non-operating expenses	106	109
Ordinary profit (loss)	(232)	237
Extraordinary income		
Gain on sale of non-current assets	0	–
Gain on sale of investment securities	41	0
Compensation income	–	332
Total extraordinary income	41	332
Extraordinary losses		
Loss on retirement of non-current assets	0	9
Loss on sale of investment securities	0	0
Loss on valuation of investment securities	4	0
Office relocation expenses	–	8
Loss on liquidation of subsidiaries and associates	–	5
Total extraordinary losses	4	23
Profit (loss) before income taxes	(194)	545
Income taxes	66	238
Profit (loss)	(261)	307
Profit attributable to non-controlling interests	0	1
Profit (loss) attributable to owners of parent	(262)	305

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit (loss)	(261)	307
Other comprehensive income		
Valuation difference on available-for-sale securities	(220)	1,758
Deferred gains or losses on hedges	22	37
Foreign currency translation adjustment	461	343
Share of other comprehensive income of entities accounted for using equity method	(4)	10
Total other comprehensive income	258	2,149
Comprehensive income	(3)	2,456
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4)	2,455
Comprehensive income attributable to non-controlling interests	0	1