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January 31, 2024

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under Japanese GAAP)

Company name: Mars Group Holdings Corporation
 Listing: Tokyo Stock Exchange Prime
 Stock code: 6419 (URL: <https://www.mars-ghd.co.jp/>)
 Representative: President and CEO Akihiro Matsunami
 Inquiries: Director Joji Takahashi (Tel: +81-3-3352-8555)
 Scheduled date to file quarterly securities report: February 14, 2024
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended								
December 31, 2023	27,378	99.0	9,181	268.5	9,834	228.1	6,725	200.8
December 31, 2022	13,755	24.6	2,491	91.4	2,997	40.3	2,236	35.5

Note: Comprehensive income For the nine months ended December 31, 2023: 8,628 million yen [171.3%]
 For the nine months ended December 31, 2022: 3,181 million yen [21.5%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	395.68	393.65
December 31, 2022	134.93	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
December 31, 2023	78,744	66,497	84.4	3,783.55
March 31, 2023	63,922	56,307	88.1	3,429.37

(Reference) Shareholders' equity: As of December 31, 2023: 66,482 million yen As of March 31, 2023: 56,307 million yen

2. Cash dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	-	35.00	-	35.00	70.00
FY2024	-	60.00	-		
FY2024 (Forecast)			-	45.00	105.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal 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		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	32,000	57.3	9,300	125.4	10,000	111.4	6,600	109.9	379.05

Note: Revisions to the forecast of operating results most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: - companies (Company name)

Excluded: - companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2023	22,720,000 shares
As of March 31, 2023	22,720,000 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2023	5,148,604 shares
As of March 31, 2023	6,300,865 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	16,998,516 shares
Nine months ended December 31, 2022	16,574,218 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

- All forward-looking statements in this document such as financial forecasts and outlooks are based on the information currently available to and certain assumptions deemed reasonable by the company and are not a promise that the company is committed to achieving them. In addition, they may be materially different from actual results etc. due to various factors.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	22,700,571	26,271,262
Notes and accounts receivable - trade	4,430,108	6,352,545
Lease receivables and investments in leases	412,793	391,314
Securities	349,965	350,105
Merchandise and finished goods	2,183,557	4,843,443
Work in process	172,942	389,295
Raw materials and supplies	3,247,645	5,659,684
Other	1,681,447	1,662,151
Allowance for doubtful accounts	(56,412)	(57,513)
Total current assets	35,122,618	45,862,288
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,226,755	5,126,524
Land	9,628,287	10,072,896
Other, net	309,242	728,736
Total property, plant and equipment	15,164,285	15,928,157
Intangible assets	306,158	325,653
Investments and other assets		
Investment securities	11,471,098	14,940,889
Other	2,350,102	2,174,702
Allowance for doubtful accounts	(491,481)	(486,825)
Total investments and other assets	13,329,720	16,628,765
Total non-current assets	28,800,163	32,882,576
Total assets	63,922,782	78,744,864
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,858,476	5,133,340
Lease liabilities	268,902	253,268
Income taxes payable	1,052,319	2,596,129
Provision for bonuses	342,507	178,052
Other	944,796	1,659,250
Total current liabilities	5,467,002	9,820,041
Non-current liabilities		
Lease liabilities	294,372	239,623
Provision for retirement benefits for directors (and other officers)	177,990	188,790
Retirement benefit liability	585,916	600,497
Asset retirement obligations	61,447	61,797
Other	1,028,684	1,337,051
Total non-current liabilities	2,148,410	2,427,759
Total liabilities	7,615,412	12,247,801

(Thousands of yen)

As of March 31, 2023 As of December 31, 2023

Net assets			
Shareholders' equity			
Share capital		7,934,100	7,934,100
Capital surplus		8,371,830	9,218,414
Retained earnings		51,144,527	56,242,091
Treasury shares		(12,655,002)	(10,327,109)
Total shareholders' equity		54,795,454	63,067,496
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities		1,641,643	3,512,547
Remeasurements of defined benefit plans		(129,727)	(97,781)
Total accumulated other comprehensive income		1,511,915	3,414,766
Share acquisition rights		—	14,800
Total net assets		56,307,370	66,497,063
Total liabilities and net assets		63,922,782	78,744,864

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
(Quarterly Consolidated Statements of Income)
(For the nine months ended December 31, 2023)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	13,755,358	27,378,632
Cost of sales	6,023,389	12,280,674
Gross profit	7,731,969	15,097,957
Selling, general and administrative expenses	5,240,301	5,916,781
Operating profit	2,491,667	9,181,176
Non-operating income		
Dividend income	414,838	559,285
Other	94,209	93,595
Total non-operating income	509,047	652,881
Non-operating expenses		
Commission for purchase of treasury shares	3,349	—
Total non-operating expenses	3,349	—
Ordinary profit	2,997,366	9,834,057
Extraordinary income		
Gain on sale of non-current assets	1,894	—
Gain on sale of investment securities	268,488	81,267
Total extraordinary income	270,382	81,267
Extraordinary losses		
Loss on sale of land	3,966	—
Retirement benefits for directors (and other officers)	3,120	17,100
Total extraordinary losses	7,086	17,100
Profit before income taxes	3,260,663	9,898,225
Income taxes - current	928,040	3,337,094
Income taxes - deferred	96,313	(164,793)
Total income taxes	1,024,353	3,172,301
Profit	2,236,309	6,725,923
Profit attributable to owners of parent	2,236,309	6,725,923

(Quarterly Consolidated Statements of Comprehensive Income)
(For the Nine months ended December 31, 2023)

(Thousands of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	2,236,309	6,725,923
Other comprehensive income		
Valuation difference on available-for-sale securities	926,464	1,870,904
Remeasurements of defined benefit plans, net of tax	18,310	31,946
Total other comprehensive income	944,775	1,902,851
Comprehensive income	3,181,084	8,628,774
Comprehensive income attributable to owners of parent	3,181,084	8,628,774