

## Financial Results for the First Quarter of the Fiscal Year Ending September 30, 2024 (under Japan GAAP) (Consolidated)

January 30, 2024

Company name: M&A Capital Partners Co., Ltd. Stock exchange listings:  
Tokyo Stock Exchange  
Securities code: 6080 (URL: <https://www.ma-cp.com>)  
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Scheduled filing date for quarterly securities report: February 14, 2024  
Scheduled date of commencing dividend payments: -  
Availability of supplementary briefing materials on quarterly financial results: Yes  
Financial results briefing session: No

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the Three Months Ended December 31, 2023 (October 1, 2023 to December 31, 2023)

#### (1) Consolidated Operating Results (Cumulative) (Percentages indicate rates of year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
December 31, 2023	3,156	1.8	591	79.2	592	78.9	411	405.3
December 31, 2022	3,100	(39.3)	330	(87.2)	330	(87.1)	81	(95.4)

(Note) Comprehensive income: For the three months ended December 31, 2023: ¥ 409 million [417.4%]  
For the three months ended December 31, 2022: ¥ 79 million [-95.5%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
December 31, 2023	12.94	12.76
December 31, 2022	2.56	2.51

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	40,385	36,236	88.5
As of September 30, 2023	43,901	37,161	83.3

(Reference) Shareholders' equity: As of December 31, 2023: ¥ 35,731 million  
As of September 30, 2023: ¥ 36,591 million

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended September 30, 2023	—	0.00	—	40.00	40.00
Fiscal year ending September 30, 2024	—				
Fiscal year ending September 30, 2024(Forecast)		0.00	—	40.00	40.00

(Note) Changes in dividend forecast from the most recent announcement: None

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending September 30, 2024 (October 1, 2023 to September 30, 2024)

(Percentages indicate rates of year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	22,835	9.5	8,102	8.8	8,104	8.5	5,436	28.7	171.20

(Note) Changes in financial results forecast from the most recent announcement: None

Notes:

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in the scope of consolidation): None
- (2) Application of special accounting treatment in preparing the quarterly financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement
  - 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common stock)
  - 1) Total number of issued shares at the end of the period (including treasury shares):
    - December 31, 2023: 31,759,000 shares
    - September 30, 2023: 31,759,000 shares
  - 2) Total number of treasury shares at the end of the period:
    - December 31, 2023: 398 shares
    - September 30, 2023: 398 shares
  - 3) Average number of shares outstanding during the period:
    - Three months ended December 31, 2023: 31,758,602 shares
    - Three months ended December 31, 2022: 31,728,602 shares

\* The quarterly financial statements are outside the scope of quarterly reviews by certified public accountants and auditing firms.

\* Explanation of the proper use of financial results forecast and other notes

Descriptions or statements concerning projected figures and future outlooks contained within these materials are based on the decisions and assumptions resulting from information currently obtainable by the Company. The possibility exists that due to the intrinsic uncertainty of those decisions and assumptions and/or changes in terms of business operations as well as situational changes occurring internally/externally, the actual results may substantially differ from the content of projections. These materials do not constitute a guarantee on the part of the Company as to the certainty of any and all content concerning forecasts for the future.

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# 1. Qualitative Information on Quarterly Financial Results

## (1) Explanation of Business Results

### a. Market conditions

According to statistical data collected and published by MACP Group company RECOF DATA Corporation, the number of M&A deals publicly announced in relation to Japanese companies was 4,015 for 2023 (January to December), a year-on-year decrease of 6.7%, marking the first decline in three years. However, despite the decline in the number of deals, the total value of these deals increased 52.2% year-on-year to JPY17.9tn, indicating that the investment appetite for high-quality deals remains strong.

In addition, in the recent “8th Review Committee on the Concentration of Management Resources, etc. of Small and Medium Enterprises” published on March 16, 2023, by the Small and Medium Enterprise Agency, and materials titled “Report, etc. on Results of Establishing the M&A Support Institution Registration System,” 3,403 M&A deals were closed among small and medium enterprises in FY2021 (April 2021 to March 2022). However, according to the materials publicly released by the agency, titled “Current Status and Challenges of M&A in Small and Medium-sized Enterprises and Small-Scale Businesses,” it is estimated that up to 600,000 companies operating in the black may face the risk of being dissolved due to a lack of successor candidates by 2025. Therefore, we expect abundance of potential business succession M&A needs to continue for the foreseeable future, and there remains significant room for growth in the number of deals within the Group.

In this environment, the Group has continued to work on bolstering employee education and the training system, strengthening our information platform for M&A, and bolstering the knowledge department, which centers on professionals such as accountants and lawyers with the objective of improving service quality and building a system enabling high-quality advisory services. These efforts have allowed us to handle numerous medium- to large-scale deals with high complexity and large transaction values. As a result, we have been able to enhance the reputation of the Group’s brand, contributing to our differentiation within the industry.

Further, we aim to increase the rate of successfully closing deals through initiatives to improve matching, such as through collaboration among group companies and with partner financial institutions and through an IT system leveraging our extensive database of deals closed in the past and potential buyers.

Although we have seen an increase in new entrants to the market for M&A intermediation, the experience and know-how we have accumulated in M&A intermediation within the Group cannot be replicated by financial institutions or others overnight. We expect the organizational capability to provide high-quality advice and a brand backed by an extensive track record to be factors that enable the Company to clearly differentiate itself from others, and we will continue to generate high-quality M&A transactions.

### b. Condition of the Group

With regard to the operating results for the Group, net sales rose ¥55 million (1.8%) year on year to ¥3,156 million. While the number of deals—including large deals—increased, there was a higher proportion of large deals that were on the smaller side, which led to a decrease in the fee per closed deal, resulting in net sales remaining almost unchanged.

The cost of sales declined by ¥279 million (19.1%) year on year to ¥1,184 million due mainly to a decrease in bonuses and outsourcing expenses.

Selling, general and administrative expenses were nearly flat year on year, rising by ¥73 million (5.7% YoY) to ¥1,380 million primarily due to an increase in commission fees and personnel costs related to the expansion of the sales department, which offset the cost reduction resulting from the elimination of temporary costs related to office relocation that were incurred in the same quarter of the previous year.

As a result, operating income increased by ¥261 million (79.2%) year on year to ¥591 million, ordinary income increased by ¥261 million (78.9%) year on year to ¥592 million, and profit attributable to owners of parent increased by ¥329 million (405.3%) year on year to ¥411 million.

The details of deals closed by the Group, the Company and RECOF are as follows.

Number of deals (consolidated)

Name of type			For the three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)	For the three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)	Year-on- year change	
Whole Group	M&A deals closed		(number of deals)	33	41	+8
	By amount of processing fees	Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more	(number of deals)	5	7	+2
		Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million	(number of deals)	28	34	+6

Number of deals (non-consolidated)

Name of type			For the three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)	For the three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)	Year-on- year change	
M&A Capital Partners Co., Ltd.	M&A deals closed		(number of deals)	30	37	+7
	By amount of processing fees	Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more	(number of deals)	5	6	+1
		Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million	(number of deals)	25	31	+6

Name of type			For the three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)	For the three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)	Year-on- year change	
RECOF Corporation	M&A deals closed		(number of deals)	3	4	+1
	By amount of processing fees	Number of deals among those wherein amount of processing fees for the deal was JPY 100 million or more	(number of deals)	0	1	+1
		Number of deals among those wherein amount of processing fees for the deal was less than JPY 100 million	(number of deals)	3	3	±0

Segment information is omitted because our Group's only reportable segment is the M&A-related services business.

## (2) Explanation of Financial Condition

### (Current assets)

Current assets decreased by ¥3,163 million (7.9%) compared to the end of the previous consolidated fiscal year, reaching ¥36,814 million. This was primarily due to a decrease of ¥3,127 million in cash and deposits.

### (Non-current assets)

Non-current assets decreased by ¥353 million (9.0%) compared to the end of the previous consolidated fiscal year, reaching ¥3,571 million. The main factors behind this were a decrease of ¥265 million in deferred tax assets and a decrease of ¥48 million in goodwill.

### (Current liabilities)

Current liabilities decreased by ¥2,187 million (40.3%) compared to the end of the previous consolidated fiscal year, reaching

¥3,243 million. This was primarily due to an increase of ¥559 million in provision for bonuses, a decrease of ¥1,204 in accounts payable - other and a decrease of ¥1,787 in income taxes payable.

(Non-current liabilities)

Non-current liabilities decreased by ¥404 million (30.9%) compared to the end of the previous consolidated fiscal year, reaching ¥904 million. This was mainly due to provision for bonuses decreasing by ¥341 million.

(Net assets)

Net assets decreased by ¥924 million (2.5%) compared to the end of the previous consolidated fiscal year, reaching ¥36,236 million. This was mainly the result of an increase of ¥411 in profit attributable to owners of parent, mainly from the allocation of retained earnings, and a decrease of ¥1,270 million from dividend payments.

### (3) Overview of Consolidated Financial Forecasts and Other Forward-Looking Statements

We have not made any changes to the consolidated performance forecast figures that were announced on October 31, 2023.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Consolidated Balance Sheet

(Thousands of yen)

	As of September 30, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	39,255,168	36,127,308
Accounts receivable - trade	224,553	122,514
Other	497,650	564,335
Total current assets	39,977,372	36,814,158
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings, net	985,079	962,206
Other	197,642	208,932
Total property, plant and equipment	1,182,721	1,171,138
Intangible assets		
Trademark right	99,207	91,280
Goodwill	580,380	532,015
Other	93,806	88,988
Total intangible assets	773,395	712,283
Investments and other assets		
Leasehold and guarantee deposits	935,861	899,033
Deferred tax assets	1,011,649	746,392
Other	27,959	49,477
Allowance for doubtful accounts	(7,000)	(7,000)
Total investments and other assets	1,968,470	1,687,903
Total non-current assets	3,924,587	3,571,326
Total assets	43,901,960	40,385,485
<b>Liabilities</b>		
Current liabilities		
Contract liabilities	649,302	812,696
Provision for bonuses	297,095	857,083
Provision for bonuses for directors (and other officers)	216,541	286,218
Accounts payable - other	1,957,554	753,106
Income taxes payable	1,812,229	25,226
Accrued consumption taxes	230,886	186,199
Other	268,188	323,285
Total current liabilities	5,431,797	3,243,816
Non-current liabilities		
Retirement benefit liability	110,706	108,091
Provision for bonuses	883,567	541,860
Provision for bonuses for directors (and other officers)	273,957	227,441
Other	40,675	27,286
Total non-current liabilities	1,308,907	904,680
Total liabilities	6,740,704	4,148,497

(Thousands of yen)

	As of September 30, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Capital stock	2,916,189	2,916,189
Capital surplus	2,905,939	2,905,939
Retained earnings	30,765,584	29,906,343
Treasury shares	(353)	(353)
Total shareholders' equity	36,587,359	35,728,118
Accumulated other comprehensive income		
Foreign currency translation adjustment	4,570	3,347
Total accumulated other comprehensive income	4,570	3,347
New share subscription rights	569,325	505,521
Total net assets	37,161,255	36,236,988
Total liabilities and net assets	43,901,960	40,385,485



## (2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Quarterly Consolidated Statements of Income

Three months ended December 31, 2023

	(Thousands of yen)	
	For the three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)	For the three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)
Net sales	3,100,528	3,156,497
Cost of sales	1,463,894	1,184,511
Gross profit	1,636,634	1,971,986
Selling, general and administrative expenses	1,306,221	1,380,033
Operating income	330,412	591,953
Non-operating income		
Interest income	1,005	1,003
Miscellaneous income	267	165
Total non-operating income	1,273	1,168
Non-operating expenses		
Loss on retirement of non-current assets	30	128
Miscellaneous losses	722	972
Total non-operating expenses	752	1,100
Ordinary income	330,932	592,021
Extraordinary income		
Gain on reversal of share acquisition rights	—	85,213
Total extraordinary income	—	85,213
Profit before income taxes	330,932	677,235
Income taxes - current	1,605	875
Income taxes - deferred	247,971	265,257
Total income taxes	249,576	266,132
Profit	81,356	411,103
Profit attributable to owners of parent	81,356	411,103

Quarterly Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the three months ended December 31, 2022 (October 1, 2022 to December 31, 2022)	For the three months ended December 31, 2023 (October 1, 2023 to December 31, 2023)
Profit	81,356	411,103
Other comprehensive income		
Foreign currency translation adjustment	(2,142)	(1,222)
Total other comprehensive income	(2,142)	(1,222)
Comprehensive income	79,214	409,880
(Breakdown)		
Comprehensive income attributable to owners of parent	79,214	409,880

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the event of significant changes in shareholders' equity)

Not applicable.