

Translation

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Summary of Consolidated Financial Results for the Three Months Ended December 31, 2023 (Based on Japanese GAAP)

February 6, 2024

Company name: MTG Co.,Ltd.
 Stock exchange listing: Tokyo
 Stock code: 7806 URL <https://www.mtg.gr.jp/>
 Representative: President Tsuyoshi Matsushita
 Inquiries: Director CFO Akihiko Tajima TEL 052-307-7890
 Scheduled date to file Quarterly Securities Report: February 14, 2024
 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, 2023 (from October 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended December 31, 2023	17,075	15.1	1,243	(9.5)	1,000	(8.7)	509	19.3
Three months ended December 31, 2022	14,837	16.3	1,373	(35.4)	1,096	(50.1)	427	(68.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2023	12.93		12.87	
Three months ended December 31, 2022	10.85		10.82	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	54,261	43,043	78.1
As of September 30, 2023	54,449	42,712	77.0

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2023	–	0.00	–	10.00	10.00
Year ending September 30, 2024	–				
Year ending September 30, 2024 (Forecast)		0.00	–	10.00	10.00

3. Forecast of consolidated financial results for the year ending September 30, 2024 (from October 1, 2023 to September 30, 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	67,000	11.4	3,400	(5.5)	3,400	(18.4)	2,000	0.8	50.74

4. Notes

- (1) Changes in significant subsidiaries during the three months ended December 31, 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 December 31, 2023	40,099,268 shares	As of September 30, 2023	40,097,168 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	678,553 shares	As of September 30, 2023	678,553 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, 2023	39,420,007 shares	Three months ended December 31, 2022	39,392,022 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	16,137	13,233
Notes and accounts receivable - trade	6,017	7,809
Merchandise and finished goods	10,611	10,422
Raw materials and supplies	744	805
Prepaid expenses	995	1,027
Other	1,986	2,314
Allowance for doubtful accounts	(1)	(1)
Total current assets	36,491	35,611
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	309	381
Land	8,883	8,883
Other, net	1,142	1,761
Total property, plant and equipment	10,335	11,026
Intangible assets	630	724
Investments and other assets		
Investment securities	3,645	3,673
Deferred tax assets	2,565	2,438
Other	932	937
Allowance for doubtful accounts	(151)	(151)
Total investments and other assets	6,991	6,898
Total non-current assets	17,958	18,649
Total assets	54,449	54,261

(Millions of yen)

	As of September 30, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,831	2,552
Accounts payable - other	2,012	1,975
Income taxes payable	1,485	716
Provision for product warranties	1,618	1,056
Other provisions	1,002	695
Other	3,380	3,746
Total current liabilities	11,330	10,742
Non-current liabilities		
Other	406	474
Total non-current liabilities	406	474
Total liabilities	11,737	11,217
Net assets		
Shareholders' equity		
Share capital	16,778	16,779
Capital surplus	16,160	16,144
Retained earnings	10,706	10,763
Treasury shares	(889)	(889)
Total shareholders' equity	42,756	42,798
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(11)	(2)
Foreign currency translation adjustment	(812)	(439)
Total accumulated other comprehensive income	(824)	(441)
Share acquisition rights	0	0
Non-controlling interests	779	687
Total net assets	42,712	43,043
Total liabilities and net assets	54,449	54,261

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, 2022	Three months ended December 31, 2023
Net sales	14,837	17,075
Cost of sales	5,958	6,650
Gross profit	8,878	10,424
Selling, general and administrative expenses	7,504	9,181
Operating profit	1,373	1,243
Non-operating income		
Interest and dividend income	3	2
Other	10	7
Total non-operating income	14	10
Non-operating expenses		
Interest expenses	0	0
Foreign exchange losses	280	248
Other	11	4
Total non-operating expenses	291	252
Ordinary profit	1,096	1,000
Extraordinary income		
Gain on sale of non-current assets	–	1
Gain on reversal of share acquisition rights	3	–
Insurance claim income	–	32
Total extraordinary income	3	34
Extraordinary losses		
Expenses related to recall	5	5
Total extraordinary losses	5	5
Profit before income taxes	1,094	1,028
Income taxes	722	629
Profit	371	399
Loss attributable to non-controlling interests	(55)	(109)
Profit attributable to owners of parent	427	509

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended December 31, 2022	Three months ended December 31, 2023
Profit	371	399
Other comprehensive income		
Valuation difference on available-for-sale securities	(5)	8
Foreign currency translation adjustment	269	373
Total other comprehensive income	263	382
Comprehensive income	634	781
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	690	891
Comprehensive income attributable to non-controlling interests	(55)	(109)