

Translation

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

February 9, 2024

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 9, 2024
 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, 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	24,360	2.8	1,990	15.4	2,118	15.1	1,383	15.4
Nine months ended December 31, 2022	23,688	8.2	1,724	(3.1)	1,840	(2.9)	1,199	(4.4)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	64.00	–
Nine months ended December 31, 2022	54.10	–

(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, 2023	44,926	38,378	85.4	1,809.60
As of March 31, 2023	44,643	38,225	85.6	1,737.00

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	–	15.00	–	18.00	33.00
Year ending March 31, 2024	–	18.00	–		
Year ending March 31, 2024 (Forecast)				18.00	36.00

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	31,500	1.6	2,250	3.0	2,350	3.6	1,580	10.2	71.80

4. Notes

- (1) Changes in significant subsidiaries during the nine 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: 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: 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	23,000,000 shares	As of March 31, 2023	23,000,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	1,791,762 shares	As of March 31, 2023	993,476 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, 2023	21,620,969 shares	Nine months ended December 31, 2022	22,172,546 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	11,236	10,036
Notes and accounts receivable - trade	5,253	5,675
Electronically recorded monetary claims - operating	6,009	7,071
Securities	400	100
Merchandise and finished goods	5,760	5,609
Work in process	107	111
Raw materials and supplies	1,442	1,387
Other	465	307
Total current assets	30,675	30,298
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,948	2,271
Machinery, equipment and vehicles, net	655	674
Land	4,622	4,622
Construction in progress	261	54
Other, net	221	230
Total property, plant and equipment	7,708	7,853
Intangible assets		
Software	648	481
Goodwill	276	247
Other	23	24
Total intangible assets	948	753
Investments and other assets		
Investment securities	3,837	4,751
Long-term loans receivable	4	4
Insurance funds	1,241	1,159
Deferred tax assets	133	11
Other	97	97
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	5,310	6,020
Total non-current assets	13,967	14,627
Total assets	44,643	44,926

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	3,417	3,185
Electronically recorded obligations - operating	451	766
Income taxes payable	484	165
Provision for bonuses	251	59
Provision for bonuses for directors (and other officers)	20	27
Buy-sell transaction liability	60	73
Other	916	1,121
Total current liabilities	5,602	5,399
Non-current liabilities		
Deferred tax liabilities	267	547
Retirement benefit liability	466	529
Asset retirement obligations	4	4
Other	77	67
Total non-current liabilities	816	1,147
Total liabilities	6,418	6,547
Net assets		
Shareholders' equity		
Share capital	3,358	3,358
Capital surplus	3,711	3,711
Retained earnings	30,304	30,901
Treasury shares	(941)	(1,917)
Total shareholders' equity	36,432	36,053
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,417	1,844
Foreign currency translation adjustment	385	512
Remeasurements of defined benefit plans	(10)	(32)
Total accumulated other comprehensive income	1,792	2,324
Total net assets	38,225	38,378
Total liabilities and net assets	44,643	44,926

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, 2022	Nine months ended December 31, 2023
Net sales	23,688	24,360
Cost of sales	17,145	17,204
Gross profit	6,543	7,155
Selling, general and administrative expenses	4,818	5,165
Operating profit	1,724	1,990
Non-operating income		
Interest income	18	16
Dividend income	83	90
Foreign exchange gains	8	–
Other	15	45
Total non-operating income	126	152
Non-operating expenses		
Foreign exchange losses	–	7
Loss on cancellation of insurance policies	10	13
Other	1	3
Total non-operating expenses	11	24
Ordinary profit	1,840	2,118
Extraordinary income		
Gain on sale of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on sale of non-current assets	3	–
Loss on retirement of non-current assets	0	2
Total extraordinary losses	3	2
Profit before income taxes	1,836	2,116
Income taxes	637	732
Profit	1,199	1,383
Profit attributable to owners of parent	1,199	1,383

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	1,199	1,383
Other comprehensive income		
Valuation difference on available-for-sale securities	(130)	427
Foreign currency translation adjustment	216	126
Remeasurements of defined benefit plans, net of tax	3	(22)
Total other comprehensive income	89	532
Comprehensive income	1,289	1,916
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,289	1,916