

Translation

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Summary of Consolidated Financial Results for the Year Ended March 20, 2024 (Based on Japanese GAAP)

April 25, 2024

Company name: MIRAI INDUSTRY CO.,LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 7931 URL <https://www.mirai.co.jp/>
 Representative: President Masahiro Yamada
 Inquiries: Managing Director Yasushi Nakashima TEL 0584-68-1200
 Scheduled date of ordinary general meeting of shareholders: June 14, 2024
 Scheduled date to file Securities Report: June 17, 2024
 Scheduled date to commence dividend payments: May 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 20, 2024 (from March 21, 2023 to March 20, 2024)

(1) Consolidated operating results

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	%
Year ended March 20, 2024	44,091	11.4	7,332	81.3	7,477	80.1	5,116	86.6
Year ended March 20, 2023	39,568	7.2	4,044	0.0	4,152	5.0	2,742	8.3

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 20, 2024	304.53	–	10.3	11.7	16.6
Year ended March 20, 2023	159.40	–	5.7	6.6	10.2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 20, 2024	63,534	50,792	78.9	3,110.43
As of March 20, 2023	64,226	49,963	76.9	2,869.36

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 20, 2024	4,675	(3,175)	(4,950)	18,133
Year ended March 20, 2023	4,000	(1,974)	(979)	21,584

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 20, 2023	–	25.00	–	25.00	50.00	900	31.4	1.8
Year ended March 20, 2024	–	50.00	–	100.00	150.00	2,621	49.3	5.0
Year ending March 20, 2025 (Forecast)	–	50.00	–	80.00	130.00		49.8	

3. Forecast of consolidated financial results for the year ending March 20, 2025 (from March 21, 2024 to March 20, 2025)

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
Six months ending September 20, 2024	22,232	2.5	2,910	(10.6)	2,970	(10.6)	2,005	(11.0)	124.42
Full year	45,163	2.4	6,102	(16.8)	6,227	(16.7)	4,205	(17.8)	260.93

4. Notes

(1) Changes in significant subsidiaries during the year ended March 20, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 20, 2024	25,607,086 shares	As of March 20, 2023	25,607,086 shares
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Number of treasury shares at the end of the period

As of March 20, 2024	9,489,520 shares	As of March 20, 2023	8,397,265 shares
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Average number of shares during the period

Year ended March 20, 2024	16,802,670 shares	Year ended March 20, 2023	17,202,981 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 20, 2023	As of March 20, 2024
Assets		
Current assets		
Cash and deposits	23,094	19,929
Notes and accounts receivable - trade, and contract assets	7,531	7,835
Electronically recorded monetary claims - operating	4,236	4,818
Merchandise and finished goods	4,418	4,636
Raw materials and supplies	1,498	1,668
Other	1,590	1,553
Allowance for doubtful accounts	(4)	(2)
Total current assets	42,366	40,438
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,619	18,497
Accumulated depreciation	(12,549)	(12,994)
Buildings and structures, net	5,069	5,503
Machinery, equipment and vehicles	19,098	19,608
Accumulated depreciation	(16,471)	(16,888)
Machinery, equipment and vehicles, net	2,627	2,719
Land	4,643	4,643
Construction in progress	675	558
Other	22,814	23,477
Accumulated depreciation	(22,185)	(22,712)
Other, net	628	764
Total property, plant and equipment	13,644	14,190
Intangible assets	146	131
Investments and other assets		
Investment securities	1,155	1,636
Deferred tax assets	1,225	1,067
Retirement benefit asset	1,278	1,683
Long-term time deposits	4,000	4,000
Other	509	486
Allowance for doubtful accounts	(99)	(99)
Total investments and other assets	8,069	8,774
Total non-current assets	21,860	23,096
Total assets	64,226	63,534

(Millions of yen)

	As of March 20, 2023	As of March 20, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,118	2,712
Electronically recorded obligations - operating	4,212	1,688
Short-term borrowings	45	40
Current portion of long-term borrowings	184	145
Income taxes payable	873	1,762
Other	3,454	3,842
Total current liabilities	11,888	10,190
Non-current liabilities		
Long-term borrowings	19	80
Deferred tax liabilities for land revaluation	60	60
Provision for Employee Stock Ownership Plan Trust	1,154	1,184
Provision for board incentive plan trust	–	22
Provision for retirement benefits for directors (and other officers)	95	97
Retirement benefit liability	648	679
Other	396	425
Total non-current liabilities	2,374	2,550
Total liabilities	14,263	12,741
Net assets		
Shareholders' equity		
Share capital	7,067	7,067
Capital surplus	9,538	9,904
Retained earnings	48,672	52,439
Treasury shares	(15,891)	(19,853)
Total shareholders' equity	49,387	49,557
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	193	552
Revaluation reserve for land	(600)	(600)
Remeasurements of defined benefit plans	400	622
Total accumulated other comprehensive income	(6)	575
Non-controlling interests	582	660
Total net assets	49,963	50,792
Total liabilities and net assets	64,226	63,534

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 20, 2023	Fiscal year ended March 20, 2024
Net sales	39,568	44,091
Cost of sales	25,606	26,316
Gross profit	13,961	17,774
Selling, general and administrative expenses		
Freight costs	2,246	2,265
Provision of allowance for doubtful accounts	1	(0)
Remuneration for directors (and other officers)	253	252
Salaries and allowances	3,611	3,653
Retirement benefit expenses	128	117
Provision for Employee Stock Ownership Plan Trust	55	23
Provision for board incentive plan trust	–	22
Provision for retirement benefits for directors (and other officers)	12	12
Other	3,607	4,093
Total selling, general and administrative expenses	9,917	10,441
Operating profit	4,044	7,332
Non-operating income		
Interest income	13	14
Dividend income	30	54
Commission for insurance office work	5	5
Gain on sale of scraps	22	23
Commission income	21	28
Other	41	50
Total non-operating income	135	176
Non-operating expenses		
Interest expenses	4	3
Loss on retirement of non-current assets	10	13
Bond issuance costs	5	6
Other	7	7
Total non-operating expenses	26	31
Ordinary profit	4,152	7,477
Extraordinary income		
Subsidy income	–	191
Total extraordinary income	–	191
Extraordinary losses		
Impairment losses	25	–
Loss on tax purpose reduction entry of non-current assets	–	191
Total extraordinary losses	25	191
Profit before income taxes	4,126	7,477
Income taxes - current	1,409	2,343
Income taxes - deferred	(101)	(61)
Total income taxes	1,307	2,282
Profit	2,818	5,195
Profit attributable to non-controlling interests	76	78
Profit attributable to owners of parent	2,742	5,116

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 20, 2023	Fiscal year ended March 20, 2024
Profit	2,818	5,195
Other comprehensive income		
Valuation difference on available-for-sale securities	81	359
Remeasurements of defined benefit plans, net of tax	177	222
Total other comprehensive income	258	581
Comprehensive income	3,077	5,777
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,000	5,698
Comprehensive income attributable to non-controlling interests	76	78

Consolidated statements of changes in equity

Fiscal year ended March 20, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,067	9,538	46,855	(15,918)	47,543
Cumulative effects of changes in accounting policies			(24)		(24)
Restated balance	7,067	9,538	46,830	(15,918)	47,518
Changes during period					
Dividends of surplus			(900)		(900)
Profit attributable to owners of parent			2,742		2,742
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares				27	27
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,841	27	1,869
Balance at end of period	7,067	9,538	48,672	(15,891)	49,387

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	111	(600)	223	(265)	505	47,783
Cumulative effects of changes in accounting policies						(24)
Restated balance	111	(600)	223	(265)	505	47,758
Changes during period						
Dividends of surplus						(900)
Profit attributable to owners of parent						2,742
Purchase of treasury shares						(0)
Disposal of treasury shares						27
Net changes in items other than shareholders' equity	81	–	177	258	76	335
Total changes during period	81	–	177	258	76	2,205
Balance at end of period	193	(600)	400	(6)	582	49,963

Fiscal year ended March 20, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,067	9,538	48,672	(15,891)	49,387
Changes during period					
Dividends of surplus			(1,350)		(1,350)
Profit attributable to owners of parent			5,116		5,116
Purchase of treasury shares				(4,657)	(4,657)
Disposal of treasury shares		365		695	1,060
Net changes in items other than shareholders' equity					
Total changes during period	–	365	3,766	(3,962)	169
Balance at end of period	7,067	9,904	52,439	(19,853)	49,557

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	193	(600)	400	(6)	582	49,963
Changes during period						
Dividends of surplus						(1,350)
Profit attributable to owners of parent						5,116
Purchase of treasury shares						(4,657)
Disposal of treasury shares						1,060
Net changes in items other than shareholders' equity	359	–	222	581	78	660
Total changes during period	359	–	222	581	78	829
Balance at end of period	552	(600)	622	575	660	50,792

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 20, 2023	Fiscal year ended March 20, 2024
Cash flows from operating activities		
Profit before income taxes	4,126	7,477
Depreciation	2,158	2,149
Subsidy income	–	(191)
Loss on tax purpose reduction entry of non-current assets	–	191
Impairment losses	25	–
Increase (decrease) in allowance for doubtful accounts	(3)	(0)
Increase (decrease) in provision for employee stock ownership plan trust	98	29
Increase (decrease) in provision for board incentive plan trust	–	22
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(21)	2
Increase (decrease) in retirement benefit liability	32	409
Decrease (increase) in retirement benefit asset	(59)	(464)
Interest and dividend income	(44)	(68)
Interest expenses	4	3
Decrease (increase) in trade receivables and contract assets	(1,424)	(885)
Decrease (increase) in inventories	(573)	(387)
Increase (decrease) in trade payables	816	(2,930)
Increase (decrease) in accounts payable - other	86	195
Increase (decrease) in accrued consumption taxes	(18)	277
Other, net	(69)	133
Subtotal	5,135	5,963
Interest and dividends received	44	68
Interest paid	(4)	(3)
Income taxes paid	(1,275)	(1,487)
Subsidies received	100	133
Net cash provided by (used in) operating activities	4,000	4,675
Cash flows from investing activities		
Payments into time deposits	(362)	(543)
Proceeds from withdrawal of time deposits	209	256
Purchase of property, plant and equipment	(1,788)	(2,867)
Proceeds from sale of property, plant and equipment	7	4
Other, net	(39)	(26)
Net cash provided by (used in) investing activities	(1,974)	(3,175)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(5)
Proceeds from long-term borrowings	230	380
Repayments of long-term borrowings	(335)	(357)
Proceeds from issuance of bonds	194	193
Redemption of bonds	(160)	(178)
Purchase of treasury shares	(0)	(4,657)
Proceeds from disposal of treasury shares	–	1,032
Dividends paid	(900)	(1,350)
Other, net	(8)	(7)
Net cash provided by (used in) financing activities	(979)	(4,950)
Net increase (decrease) in cash and cash equivalents	1,046	(3,451)
Cash and cash equivalents at beginning of period	20,538	21,584
Cash and cash equivalents at end of period	21,584	18,133