

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

April 30, 2024

Company name: MITANI SANGYO CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 8285 URL <https://www.mitani.co.jp/>
 Representative: President & CEO Tadateru Mitani
 Inquiries: Director & CFO Daigou Uchida TEL 076-233-2151
 Scheduled date of ordinary general meeting of shareholders: June 13, 2024
 Scheduled date to file Securities Report: June 12, 2024
 Scheduled date to commence dividend payments: May 29, 2024
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 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 31, 2024	95,857	6.0	1,666	70.3	2,443	42.4	2,068	115.4
Year ended March 31, 2023	90,416	7.1	978	(14.2)	1,716	(12.8)	960	(32.6)

	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 31, 2024	33.59	–	4.7	2.7	1.7
Year ended March 31, 2023	15.60	–	2.4	2.0	1.1

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	94,869	47,156	49.6	763.56
As of March 31, 2023	86,309	41,612	48.1	673.81

(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 31, 2024	5,602	(869)	(3,812)	7,717
Year ended March 31, 2023	3,661	(1,445)	(1,539)	6,624

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 31, 2023	–	4.50	–	4.50	9.00	554	57.7	1.4
Year ended March 31, 2024	–	4.50	–	4.50	9.00	554	26.8	1.3
Year ending March 31, 2025 (Forecast)	–	4.50	–	4.50	9.00		31.7	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 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
Full year	101,000	5.4	1,700	2.0	2,200	(10.0)	1,750	(15.4)	28.42

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 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: No

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 31, 2024	61,772,500 shares	As of March 31, 2023	61,772,500 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	202,137 shares	As of March 31, 2023	202,055 shares
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Average number of shares during the period

Year ended March 31, 2024	61,570,418 shares	Year ended March 31, 2023	61,570,465 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	7,531	8,874
Notes and accounts receivable - trade	16,399	17,225
Electronically recorded monetary claims - operating	3,151	4,010
Accounts receivable from completed construction contracts	6,974	7,530
Merchandise and finished goods	3,834	3,198
Work in process	631	694
Costs on construction contracts in progress	135	95
Raw materials and supplies	1,518	1,494
Other	2,141	2,750
Allowance for doubtful accounts	(22)	(24)
Total current assets	42,296	45,850
Non-current assets		
Property, plant and equipment		
Buildings and structures	20,785	21,291
Accumulated depreciation	(11,230)	(11,789)
Buildings and structures, net	9,554	9,502
Machinery, equipment and vehicles	7,507	7,960
Accumulated depreciation	(6,049)	(6,693)
Machinery, equipment and vehicles, net	1,457	1,267
Tools, furniture and fixtures	1,951	2,068
Accumulated depreciation	(1,487)	(1,620)
Tools, furniture and fixtures, net	464	447
Land	4,041	3,928
Leased assets	1,674	1,898
Accumulated depreciation	(911)	(992)
Leased assets, net	763	906
Construction in progress	28	8
Total property, plant and equipment	16,310	16,060
Intangible assets		
Software	707	609
Leased assets	261	258
Telephone subscription right	36	36
Other	98	113
Total intangible assets	1,103	1,017
Investments and other assets		
Investment securities	24,014	29,365
Guarantee deposits	1,376	1,366
Deferred tax assets	284	289
Other	989	986
Allowance for doubtful accounts	(65)	(65)
Total investments and other assets	26,599	31,942
Total non-current assets	44,013	49,019
Total assets	86,309	94,869

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,925	11,118
Electronically recorded obligations - operating	1,693	2,105
Accounts payable for construction contracts	2,276	2,553
Short-term borrowings	14,971	13,647
Lease liabilities	347	395
Income taxes payable	367	847
Accrued consumption taxes	262	514
Advances received on construction contracts in progress	189	177
Provision for bonuses for directors (and other officers)	128	183
Provision for loss on orders received	11	17
Provision for warranties for completed construction	19	26
Provision for shareholder benefit program	63	59
Other	3,586	4,779
Total current liabilities	33,842	36,427
Non-current liabilities		
Long-term borrowings	5,104	3,929
Deposit received for guarantee	139	141
Lease liabilities	782	913
Deferred tax liabilities	3,572	5,004
Provision for retirement benefits for directors (and other officers)	508	514
Retirement benefit liability	395	468
Asset retirement obligations	273	276
Other	78	38
Total non-current liabilities	10,853	11,286
Total liabilities	44,696	47,713
Net assets		
Shareholders' equity		
Share capital	4,808	4,808
Capital surplus	3,357	3,357
Retained earnings	24,760	26,274
Treasury shares	(42)	(42)
Total shareholders' equity	32,882	34,396
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8,246	11,878
Deferred gains or losses on hedges	8	18
Foreign currency translation adjustment	336	695
Remeasurements of defined benefit plans	13	23
Total accumulated other comprehensive income	8,604	12,615
Non-controlling interests	125	143
Total net assets	41,612	47,156
Total liabilities and net assets	86,309	94,869

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	90,416	95,857
Cost of sales	74,057	77,460
Gross profit	16,358	18,396
Selling, general and administrative expenses		
Commission Charges	1,353	1,570
Freight and incidental costs	1,164	1,126
Travel and transportation expenses	473	587
Remuneration for directors (and other officers)	582	592
Employees' salaries	4,112	4,355
Employees' bonuses	1,140	1,583
Retirement benefit expenses	247	243
Provision for bonuses for directors (and other officers)	130	192
Provision for retirement benefits for directors (and other officers)	60	64
Welfare expenses	1,268	1,439
Rent expenses	1,337	1,352
Depreciation	689	696
Other	2,819	2,924
Total selling, general and administrative expenses	15,380	16,729
Operating profit	978	1,666
Non-operating income		
Interest income	43	76
Dividend income	376	457
Gain on investments in investment partnerships	9	17
Share of profit of entities accounted for using equity method	198	250
Purchase discounts	87	68
Rent income	159	158
Foreign exchange gains	15	36
Other	153	148
Total non-operating income	1,043	1,214
Non-operating expenses		
Interest expenses	156	194
Rent expenses	109	114
Other	40	128
Total non-operating expenses	306	437
Ordinary profit	1,716	2,443

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	3	151
Gain on sale of investment securities	42	467
Compensation income	–	335
Subsidy income	61	54
Total extraordinary income	107	1,008
Extraordinary losses		
Loss on sale of non-current assets	1	1
Loss on retirement of non-current assets	14	103
Loss on sale of investment securities	30	4
Loss on valuation of investment securities	14	12
Impairment losses	12	140
Office relocation expenses	–	8
Loss on liquidation of subsidiaries and associates	–	5
Total extraordinary losses	73	276
Profit before income taxes	1,749	3,175
Income taxes - current	728	1,234
Income taxes - deferred	50	(145)
Total income taxes	779	1,088
Profit	970	2,086
Profit attributable to non-controlling interests	10	17
Profit attributable to owners of parent	960	2,068

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	970	2,086
Other comprehensive income		
Valuation difference on available-for-sale securities	592	3,583
Deferred gains or losses on hedges	4	10
Foreign currency translation adjustment	289	359
Share of other comprehensive income of entities accounted for using equity method	31	59
Total other comprehensive income	917	4,011
Comprehensive income	1,888	6,098
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,877	6,080
Comprehensive income attributable to non-controlling interests	10	18

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,808	3,357	24,354	(42)	32,476
Changes during period					
Dividends of surplus			(554)		(554)
Profit attributable to owners of parent			960		960
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	406	(0)	406
Balance at end of period	4,808	3,357	24,760	(42)	32,882

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	7,640	3	46	(4)	7,686	115	40,279
Changes during period							
Dividends of surplus							(554)
Profit attributable to owners of parent							960
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	605	4	289	17	917	10	927
Total changes during period	605	4	289	17	917	10	1,333
Balance at end of period	8,246	8	336	13	8,604	125	41,612

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	4,808	3,357	24,760	(42)	32,882
Changes during period					
Dividends of surplus			(554)		(554)
Profit attributable to owners of parent			2,068		2,068
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,514	(0)	1,514
Balance at end of period	4,808	3,357	26,274	(42)	34,396

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	8,246	8	336	13	8,604	125	41,612
Changes during period							
Dividends of surplus							(554)
Profit attributable to owners of parent							2,068
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	3,632	10	359	10	4,011	17	4,029
Total changes during period	3,632	10	359	10	4,011	17	5,543
Balance at end of period	11,878	18	695	23	12,615	143	47,156

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,749	3,175
Depreciation	2,169	2,112
Impairment losses	12	140
Share of loss (profit) of entities accounted for using equity method	(198)	(250)
Loss (gain) on investments in investment partnerships	(9)	(17)
Loss (gain) on valuation of investment securities	14	12
Increase (decrease) in allowance for doubtful accounts	85	1
Increase (decrease) in provision for bonuses for directors (and other officers)	44	55
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(367)	6
Increase (decrease) in retirement benefit liability	48	63
Increase (decrease) in provision for loss on orders received	8	6
Increase (decrease) in provision for shareholder benefit program	15	(4)
Interest and dividend income	(419)	(533)
Interest expenses	156	194
Loss (gain) on sale of investment securities	(11)	(462)
Loss (gain) on sale of non-current assets	(1)	(149)
Loss on retirement of non-current assets	14	103
Compensation income	–	(335)
Loss (gain) on liquidation of subsidiaries and associates	–	5
Decrease (increase) in trade receivables	1,427	(2,098)
Decrease (increase) in inventories	(520)	725
Increase (decrease) in trade payables	90	1,798
Other, net	(212)	1,093
Subtotal	4,096	5,642
Interest and dividends received	439	552
Interest paid	(151)	(196)
Income taxes paid	(723)	(730)
Proceeds from compensation	–	335
Net cash provided by (used in) operating activities	3,661	5,602
Cash flows from investing activities		
Payments into time deposits	(448)	(205)
Proceeds from withdrawal of time deposits	712	–
Purchase of property, plant and equipment	(1,250)	(976)
Proceeds from sale of property, plant and equipment	27	277
Purchase of intangible assets	(334)	(222)
Purchase of investment securities	(210)	(247)
Proceeds from sale of investment securities	100	778
Payments for investments in capital of subsidiaries and associates	–	(100)
Loan advances	(15)	(16)
Proceeds from collection of loans receivable	76	9
Other, net	(103)	(166)
Net cash provided by (used in) investing activities	(1,445)	(869)

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(498)	(844)
Repayments of finance lease liabilities	(335)	(383)
Proceeds from long-term borrowings	1,850	–
Repayments of long-term borrowings	(1,889)	(1,921)
Repayments of installment payables	(111)	(107)
Dividends paid	(554)	(554)
Dividends paid to non-controlling interests	(0)	(0)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(1,539)	(3,812)
Effect of exchange rate change on cash and cash equivalents	141	172
Net increase (decrease) in cash and cash equivalents	817	1,093
Cash and cash equivalents at beginning of period	5,806	6,624
Cash and cash equivalents at end of period	6,624	7,717