

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

August 7, 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 commence dividend payments: –
 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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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 June 30, 2024	7,826	2.4	758	39.2	792	36.4	527	47.4
Three months ended June 30, 2023	7,645	3.9	544	5.3	581	5.5	357	(2.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	24.91		–	
Three months ended June 30, 2023	16.31		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2024	46,631	39,380	84.5	1,866.05
As of March 31, 2024	45,965	39,039	84.9	1,840.77

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	–	18.00	–	22.00	40.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	21.00	–	21.00	42.00

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
Six months ending September 30, 2024	15,850	1.4	1,220	2.5	1,310	4.0	860	6.4	40.55
Full year	32,000	(0.0)	2,580	4.6	2,730	5.1	1,780	5.9	83.93

4. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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: Yes
 - 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 June 30, 2024	21,500,000 shares	As of March 31, 2024	21,500,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	396,406 shares	As of March 31, 2024	291,806 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	21,166,544 shares	Three months ended June 30, 2023	21,927,224 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	10,845	10,826
Notes and accounts receivable - trade	5,384	5,367
Electronically recorded monetary claims - operating	6,918	6,330
Merchandise and finished goods	5,872	6,243
Work in process	103	139
Raw materials and supplies	1,336	1,395
Other	244	340
Total current assets	30,706	30,644
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,231	2,206
Machinery, equipment and vehicles, net	665	687
Land	4,622	4,622
Construction in progress	72	199
Other, net	270	277
Total property, plant and equipment	7,861	7,993
Intangible assets		
Software	454	436
Goodwill	237	227
Other	23	23
Total intangible assets	714	687
Investments and other assets		
Investment securities	5,304	5,834
Long-term loans receivable	4	4
Insurance funds	1,260	1,360
Deferred tax assets	14	12
Other	101	97
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	6,681	7,305
Total non-current assets	15,258	15,986
Total assets	45,965	46,631

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	3,052	3,141
Electronically recorded obligations - operating	794	760
Income taxes payable	474	362
Provision for bonuses	259	67
Provision for bonuses for directors (and other officers)	29	10
Buy-sell transaction liability	49	61
Other	1,053	1,504
Total current liabilities	5,712	5,907
Non-current liabilities		
Deferred tax liabilities	611	745
Retirement benefit liability	534	523
Asset retirement obligations	4	4
Other	62	69
Total non-current liabilities	1,213	1,343
Total liabilities	6,925	7,251
Net assets		
Shareholders' equity		
Share capital	3,358	3,358
Capital surplus	3,909	3,912
Retained earnings	29,600	29,661
Treasury shares	(312)	(454)
Total shareholders' equity	36,556	36,478
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,229	2,595
Foreign currency translation adjustment	281	332
Remeasurements of defined benefit plans	(28)	(26)
Total accumulated other comprehensive income	2,483	2,902
Total net assets	39,039	39,380
Total liabilities and net assets	45,965	46,631

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	7,645	7,826
Cost of sales	5,371	5,416
Gross profit	2,274	2,409
Selling, general and administrative expenses	1,729	1,650
Operating profit	544	758
Non-operating income		
Interest income	5	2
Dividend income	37	37
Other	18	16
Total non-operating income	60	56
Non-operating expenses		
Foreign exchange losses	10	21
Loss on cancellation of insurance policies	13	–
Other	0	0
Total non-operating expenses	24	22
Ordinary profit	581	792
Extraordinary income		
Gain on sale of non-current assets	0	–
Total extraordinary income	0	–
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Total extraordinary losses	0	0
Profit before income taxes	581	792
Income taxes	223	265
Profit	357	527
Profit attributable to owners of parent	357	527

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	357	527
Other comprehensive income		
Valuation difference on available-for-sale securities	221	366
Foreign currency translation adjustment	35	50
Remeasurements of defined benefit plans, net of tax	(29)	1
Total other comprehensive income	227	418
Comprehensive income	584	946
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	584	946