

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 27, 2023

Company name: MARUWA CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 5344 URL <https://www.maruwa-g.com/>
 Representative: President and Representative Director Toshiro Kanbe
 Inquiries: Director Yukiko Morishita TEL 0561-51-0841
 Scheduled date to file Quarterly Securities Report: August 9, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2023 (from April 1, 2023 to June 30, 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 June 30, 2023	12,722	(8.8)	3,530	(25.7)	4,145	(27.8)	2,846	(30.4)
Three months ended June 30, 2022	13,954	25.6	4,749	49.3	5,740	77.4	4,088	84.9

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	230.73	–
Three months ended June 30, 2022	331.41	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	108,264	96,980	89.6
As of March 31, 2023	108,031	94,215	87.2

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	–	38.00	–	40.00	78.00
Year ending March 31, 2024	–	–	–	–	–
Year ending March 31, 2024 (Forecast)	–	43.00	–	43.00	86.00

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
Six months ending September 30, 2023	27,100	(8.7)	9,100	(14.3)	–	–	–	–	–
Full year	61,500	4.6	21,000	4.3	–	–	–	–	–

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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 June 30, 2023	12,372,000 shares	As of March 31, 2023	12,372,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	34,775 shares	As of March 31, 2023	34,649 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, 2023	12,337,328 shares	Three months ended June 30, 2022	12,337,461 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	49,795	49,224
Notes receivable - trade	343	309
Accounts receivable - trade	10,701	10,260
Electronically recorded monetary claims - operating	1,820	1,608
Merchandise and finished goods	2,267	2,452
Work in process	2,905	3,014
Raw materials and supplies	3,767	4,259
Other	3,043	1,275
Allowance for doubtful accounts	(9)	(9)
Total current assets	74,634	72,395
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	14,075	14,612
Machinery, equipment and vehicles, net	7,446	7,848
Land	4,872	4,890
Construction in progress	3,920	5,660
Other, net	731	748
Total property, plant and equipment	31,046	33,759
Intangible assets		
Other	284	303
Total intangible assets	284	303
Investments and other assets	2,066	1,805
Total non-current assets	33,397	35,868
Total assets	108,031	108,264

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,975	3,114
Electronically recorded obligations - operating	1,542	1,603
Current portion of long-term borrowings	333	266
Income taxes payable	2,684	888
Provision for bonuses	914	472
Provision for bonuses for directors (and other officers)	124	3
Other	4,334	4,024
Total current liabilities	12,910	10,373
Non-current liabilities		
Long-term borrowings	400	400
Deferred tax liabilities	141	145
Other	364	364
Total non-current liabilities	905	909
Total liabilities	13,816	11,283
Net assets		
Shareholders' equity		
Share capital	8,646	8,646
Capital surplus	12,018	12,018
Retained earnings	73,381	75,735
Treasury shares	(209)	(211)
Total shareholders' equity	93,838	96,188
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	125	186
Foreign currency translation adjustment	251	604
Total accumulated other comprehensive income	377	791
Total net assets	94,215	96,980
Total liabilities and net assets	108,031	108,264

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, 2022	Three months ended June 30, 2023
Net sales	13,954	12,722
Cost of sales	6,742	6,533
Gross profit	7,212	6,188
Selling, general and administrative expenses	2,462	2,658
Operating profit	4,749	3,530
Non-operating income		
Interest income	13	33
Rental income	25	30
Foreign exchange gains	960	525
Other	14	53
Total non-operating income	1,013	642
Non-operating expenses		
Interest expenses	1	0
Rent expenses on real estate for investments	12	11
Other	8	14
Total non-operating expenses	22	26
Ordinary profit	5,740	4,145
Extraordinary income		
Gain on sale of non-current assets	0	–
Gain on liquidation of subsidiaries	3	–
Total extraordinary income	3	–
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	127
Loss on sale of investment securities	–	2
Total extraordinary losses	1	129
Profit before income taxes	5,743	4,015
Income taxes - current	1,262	877
Income taxes - deferred	391	291
Total income taxes	1,654	1,169
Profit	4,088	2,846
Profit attributable to owners of parent	4,088	2,846

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	4,088	2,846
Other comprehensive income		
Valuation difference on available-for-sale securities	(5)	61
Foreign currency translation adjustment	703	352
Total other comprehensive income	697	414
Comprehensive income	4,786	3,260
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,786	3,260