

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

January 27, 2023

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: Senior Managing Director & CFO Seiji Nishino TEL 076-233-2151
 Scheduled date to file Quarterly Securities Report: February 3, 2023
 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, 2022 (from April 1, 2022 to December 31, 2022)

(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, 2022	66,024	9.3	222	16.4	875	10.4	419	45.7
Nine months ended December 31, 2021	60,434	11.2	191	(84.1)	792	(53.0)	287	(69.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	6.81		–	
Nine months ended December 31, 2021	4.68		–	

(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, 2022	87,252	39,811	45.5	644.60
As of March 31, 2022	85,036	40,279	47.2	652.32

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, 2022	–	4.50	–	4.50	9.00
Year ending March 31, 2023	–	4.50	–		
Year ending March 31, 2023 (Forecast)				4.50	9.00

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	89,000	5.4	900	(21.1)	1,600	(18.7)	850	(40.3)	13.81

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2022
(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: Yes
- (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 December 31, 2022	61,772,500 shares	As of March 31, 2022	61,772,500 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2022	202,055 shares	As of March 31, 2022	201,995 shares
-------------------------	----------------	----------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	61,570,471 shares	Nine months ended December 31, 2021	61,570,577 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	6,915	8,027
Notes and accounts receivable - trade	17,208	17,217
Electronically recorded monetary claims - operating	3,384	3,863
Accounts receivable from completed construction contracts	7,253	6,760
Merchandise and finished goods	3,527	4,764
Work in process	628	558
Costs on construction contracts in progress	98	213
Raw materials and supplies	1,280	1,557
Other	1,896	2,043
Allowance for doubtful accounts	(2)	(3)
Total current assets	42,189	45,003
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,184	9,591
Land	3,996	4,041
Other, net	3,338	2,924
Total property, plant and equipment	16,519	16,557
Intangible assets		
Software	698	724
Other	251	228
Total intangible assets	949	952
Investments and other assets		
Investment securities	22,830	22,191
Other	2,547	2,546
Total investments and other assets	25,377	24,738
Total non-current assets	42,846	42,248
Total assets	85,036	87,252

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,042	10,953
Electronically recorded obligations - operating	1,570	1,554
Accounts payable for construction contracts	2,119	1,785
Short-term borrowings	14,323	18,362
Income taxes payable	300	80
Provision for bonuses for directors (and other officers)	84	82
Provision for loss on orders received	2	15
Provision for warranties for completed construction	41	44
Provision for shareholder benefit program	47	47
Other	4,436	4,437
Total current liabilities	32,968	37,364
Non-current liabilities		
Long-term borrowings	6,075	5,077
Provision for retirement benefits for directors (and other officers)	875	493
Retirement benefit liability	341	393
Asset retirement obligations	236	254
Other	4,259	3,856
Total non-current liabilities	11,788	10,075
Total liabilities	44,757	47,440
Net assets		
Shareholders' equity		
Share capital	4,808	4,808
Capital surplus	3,357	3,357
Retained earnings	24,354	24,219
Treasury shares	(42)	(42)
Total shareholders' equity	32,476	32,341
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,640	7,032
Deferred gains or losses on hedges	3	(13)
Foreign currency translation adjustment	46	329
Remeasurements of defined benefit plans	(4)	(1)
Total accumulated other comprehensive income	7,686	7,346
Non-controlling interests	115	123
Total net assets	40,279	39,811
Total liabilities and net assets	85,036	87,252

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, 2021	Nine months ended December 31, 2022
Net sales	60,434	66,024
Cost of sales	49,673	54,254
Gross profit	10,760	11,770
Selling, general and administrative expenses	10,569	11,548
Operating profit	191	222
Non-operating income		
Interest income	20	20
Dividend income	306	367
Share of profit of entities accounted for using equity method	136	199
Rent income on real estate and facilities	136	120
Foreign exchange gains	37	8
Other	162	175
Total non-operating income	798	891
Non-operating expenses		
Interest expenses	61	105
Rent expenses on real estate and facilities	91	81
Other	43	50
Total non-operating expenses	196	238
Ordinary profit	792	875
Extraordinary income		
Gain on sale of non-current assets	1	2
Gain on sale of investment securities	51	42
Subsidy income	38	-
Total extraordinary income	91	45
Extraordinary losses		
Loss on sale of non-current assets	1	1
Loss on retirement of non-current assets	3	11
Loss on sale of investment securities	0	30
Loss on valuation of investment securities	39	12
Total extraordinary losses	45	55
Profit before income taxes	838	865
Income taxes	547	437
Profit	291	427
Profit attributable to non-controlling interests	3	8
Profit attributable to owners of parent	287	419

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	291	427
Other comprehensive income		
Valuation difference on available-for-sale securities	186	(611)
Deferred gains or losses on hedges	0	(16)
Foreign currency translation adjustment	207	282
Share of other comprehensive income of entities accounted for using equity method	20	5
Total other comprehensive income	415	(340)
Comprehensive income	706	87
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	703	78
Comprehensive income attributable to non-controlling interests	3	8