

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 27, 2022

Company name: MARUWA CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 5344 URL <https://www.maruwa-g.com/>
 Representative: Chairman Sei Kanbe
 Inquiries: Director Yukiko Morishita TEL 0561-51-0841
 Scheduled date to file Quarterly Securities Report: August 9, 2022
 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, 2022 (from April 1, 2022 to June 30, 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	%
Three months ended June 30, 2022	13,954	25.6	4,749	49.3	5,740	77.4	4,088	84.9
Three months ended June 30, 2021	11,112	23.7	3,182	47.7	3,236	49.9	2,211	53.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	331.41		–	
Three months ended June 30, 2021	179.24		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	96,246	84,009	87.3
As of March 31, 2022	95,899	79,681	83.1

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	–	34.00	–	36.00	70.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	38.00	–	38.00	76.00

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
Six months ending September 30, 2022	27,000	9.2	8,100	2.2	8,100	(0.2)	5,500	(1.2)	445.79
Full year	60,000	10.4	18,500	1.6	18,500	(3.6)	12,900	(3.4)	1,045.59

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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, 2022	12,372,000 shares	As of March 31, 2022	12,372,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	34,663 shares	As of March 31, 2022	34,492 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, 2022	12,337,461 shares	Three months ended June 30, 2021	12,336,524 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	44,621	44,319
Notes receivable - trade	473	355
Accounts receivable - trade	12,876	12,567
Electronically recorded monetary claims - operating	1,810	1,727
Merchandise and finished goods	1,632	1,989
Work in process	2,648	3,129
Raw materials and supplies	3,706	3,820
Other	2,389	967
Allowance for doubtful accounts	(9)	(9)
Total current assets	70,149	68,866
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,101	10,308
Machinery, equipment and vehicles, net	5,478	7,377
Land	4,699	4,704
Construction in progress	2,653	2,479
Other, net	590	657
Total property, plant and equipment	23,524	25,527
Intangible assets		
Other	298	307
Total intangible assets	298	307
Investments and other assets	1,927	1,545
Total non-current assets	25,750	27,379
Total assets	95,899	96,246

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,444	3,049
Electronically recorded obligations - operating	2,419	2,333
Short-term borrowings	100	100
Current portion of long-term borrowings	866	866
Income taxes payable	4,731	1,279
Provision for bonuses	866	425
Provision for bonuses for directors (and other officers)	71	3
Other	2,455	2,976
Total current liabilities	14,953	11,034
Non-current liabilities		
Long-term borrowings	733	666
Deferred tax liabilities	153	175
Other	377	359
Total non-current liabilities	1,264	1,201
Total liabilities	16,218	12,236
Net assets		
Shareholders' equity		
Share capital	8,646	8,646
Capital surplus	12,017	12,017
Retained earnings	59,274	62,906
Treasury shares	(207)	(208)
Total shareholders' equity	79,732	83,362
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	104	98
Foreign currency translation adjustment	(155)	548
Total accumulated other comprehensive income	(51)	646
Total net assets	79,681	84,009
Total liabilities and net assets	95,899	96,246

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, 2021	Three months ended June 30, 2022
Net sales	11,112	13,954
Cost of sales	5,743	6,742
Gross profit	5,368	7,212
Selling, general and administrative expenses	2,186	2,462
Operating profit	3,182	4,749
Non-operating income		
Interest income	11	13
Rental income	25	25
Foreign exchange gains	26	960
Other	11	14
Total non-operating income	75	1,013
Non-operating expenses		
Interest expenses	2	1
Rent expenses on real estate for investments	10	12
Other	8	8
Total non-operating expenses	21	22
Ordinary profit	3,236	5,740
Extraordinary income		
Gain on sale of non-current assets	0	0
Gain on liquidation of subsidiaries	–	3
Total extraordinary income	0	3
Extraordinary losses		
Loss on sale and retirement of non-current assets	1	1
Total extraordinary losses	1	1
Profit before income taxes	3,234	5,743
Income taxes - current	859	1,262
Income taxes - deferred	163	391
Total income taxes	1,023	1,654
Profit	2,211	4,088
Profit attributable to owners of parent	2,211	4,088

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	2,211	4,088
Other comprehensive income		
Valuation difference on available-for-sale securities	(8)	(5)
Foreign currency translation adjustment	13	703
Total other comprehensive income	5	697
Comprehensive income	2,216	4,786
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,216	4,786