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Consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

November 08, 2022

Company name: Maruichi Steel Tube Ltd.
Stock exchange listing: Tokyo
Code number: 5463
URL: https://www.maruichikokan.co.jp
Representative: Hiroyuki Suzuki Chairman Representative Director and CEO
Contact: Kohji Aoyama General Manager of Finance Department
Phone: 06-6643-0101
Scheduled date of filing quarterly securities report: November 14, 2022
Scheduled date of commencing dividend payments: November 30, 2022
Availability of supplementary briefing material on quarterly financial results: Yes
Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2022	138,399	39.0	18,412	6.4	20,874	12.0	13,946	3.7
September 30, 2021	99,551	28.7	17,299	138.3	18,637	121.0	13,453	147.6

(Note) Comprehensive income: Six months ended September 30, 2022: ¥ 18,584 million [(24.1)%]
Six months ended September 30, 2021: ¥ 24,473 million [272.1%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	175.05	174.86
September 30, 2021	164.24	164.07

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2022	390,282	321,135	79.1
March 31, 2022	370,078	307,593	80.4

(Reference) Equity: As of September 30, 2022: ¥ 308,575 million
As of March 31, 2022: ¥ 297,474 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	40.00	-	51.00	91.00
Fiscal year ending March 31, 2023	-	40.00			
Fiscal year ending March 31, 2023 (Forecast)			-	69.00	109.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	274,100	22.2	31,400	(13.4)	34,600	(10.0)	21,900	(21.1)	274.95

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2022 (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New 1 (Company name: Maruichi Stainless Tube Texas Corporation)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2022: 84,000,000 shares

March 31, 2022: 84,000,000 shares

2) Total number of treasury shares at the end of the period:

September 30, 2022: 4,376,881 shares

March 31, 2022: 4,033,365 shares

3) Average number of shares during the period:

Six months ended September 30, 2022: 79,675,271 shares

Six months ended September 30, 2021: 81,914,623 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	71,050	78,960
Notes and accounts receivable - trade	50,248	54,195
Securities	13,189	9,819
Finished goods	19,880	22,658
Raw materials and supplies	34,321	47,235
Other	3,952	4,220
Allowance for doubtful accounts	(79)	(95)
Total current assets	192,562	216,996
Non-current assets		
Property, plant and equipment		
Land	36,577	36,953
Other	50,204	54,470
Total property, plant and equipment	86,782	91,424
Intangible assets		
Goodwill	318	343
Other	1,343	1,427
Total intangible assets	1,662	1,770
Investments and other assets		
Investment securities	85,842	76,694
Other	3,231	3,399
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	89,071	80,090
Total non-current assets	177,515	173,285
Total assets	370,078	390,282

(Million yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	34,477	38,514
Short-term borrowings	2,874	6,689
Income taxes payable	5,174	4,978
Provision for bonuses	1,288	1,267
Provision for bonuses for directors (and other officers)	156	113
Other	6,017	6,884
Total current liabilities	49,988	58,447
Non-current liabilities		
Long-term borrowings	345	317
Provision for retirement benefits for directors (and other officers)	169	127
Provision for share awards	247	270
Retirement benefit liability	3,782	3,887
Deferred tax liabilities	7,306	5,396
Other	645	699
Total non-current liabilities	12,496	10,698
Total liabilities	62,485	69,146
Net assets		
Shareholders' equity		
Share capital	9,595	9,595
Capital surplus	15,796	15,833
Retained earnings	257,951	267,631
Treasury shares	(10,072)	(11,062)
Total shareholders' equity	273,270	281,997
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	22,477	16,115
Foreign currency translation adjustment	1,006	9,822
Remeasurements of defined benefit plans	720	639
Total accumulated other comprehensive income	24,204	26,577
Share acquisition rights	162	162
Non-controlling interests	9,955	12,397
Total net assets	307,593	321,135
Total liabilities and net assets	370,078	390,282

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales	99,551	138,399
Cost of sales	75,102	111,814
Gross profit	24,449	26,585
Selling, general and administrative expenses	7,150	8,172
Operating profit	17,299	18,412
Non-operating income		
Interest income	114	108
Dividend income	615	1,837
Share of profit of entities accounted for using equity method	172	208
Foreign exchange gains	87	74
Rental income from real estate	413	390
Other	183	188
Total non-operating income	1,586	2,807
Non-operating expenses		
Interest expenses	51	52
Rental expenses on real estate	143	153
Other	53	139
Total non-operating expenses	248	345
Ordinary profit	18,637	20,874
Extraordinary income		
Gain on sale of non-current assets	6	89
Gain on sale of investment securities	43	449
Other	0	0
Total extraordinary income	50	539
Extraordinary losses		
Loss on retirement of non-current assets	70	96
Loss on sale of investment securities	0	375
Other	0	21
Total extraordinary losses	71	492
Profit before income taxes	18,616	20,920
Income taxes	4,083	6,100
Profit	14,533	14,820
Profit attributable to non-controlling interests	1,079	873
Profit attributable to owners of parent	13,453	13,946

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Profit	14,533	14,820
Other comprehensive income		
Valuation difference on available-for-sale securities	3,353	(4,490)
Foreign currency translation adjustment	1,905	9,205
Remeasurements of defined benefit plans, net of tax	211	(80)
Share of other comprehensive income of entities accounted for using equity method	4,469	(871)
Total other comprehensive income	9,940	3,763
Comprehensive income	24,473	18,584
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	23,108	16,320
Comprehensive income attributable to non-controlling interests	1,364	2,263