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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]

August 7, 2023

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
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Scheduled date of filing quarterly securities report: August 10, 2023
Scheduled date of commencing dividend payments: -
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 Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2023	67,080	2.3	9,331	6.2	10,292	5.3	6,770	4.9
June 30, 2022	65,541	43.7	8,789	13.6	9,777	13.0	6,453	6.0

(Note) Comprehensive income: Three months ended June 30, 2023: ¥ 13,871 million [64.6%]
Three months ended June 30, 2022: ¥ 8,428 million [(33.0)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2023	85.02	84.93
June 30, 2022	80.95	80.87

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2023	403,555	333,836	79.9
March 31, 2023	393,165	324,220	79.7

(Reference) Equity: As of June 30, 2023: ¥ 322,626 million
As of March 31, 2023: ¥ 313,468 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, 2023	-	40.00	-	69.50	109.50
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		55.00	-	55.00	110.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2023	137,000	(1.0)	17,400	(5.5)	19,200	(8.0)	12,800	(8.2)	160.76
Full year	273,500	0.0	30,500	1.6	33,000	(4.1)	22,500	(6.9)	282.58

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2023 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

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: No
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):

June 30, 2023: 84,000,000 shares
March 31, 2023: 84,000,000 shares

2) Number of treasury shares at the end of the period:

June 30, 2023: 4,346,151 shares
March 31, 2023: 4,376,545 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2023: 79,631,484 shares
Three months ended June 30, 2022: 79,718,038 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	88,542	83,978
Notes and accounts receivable - trade	52,835	57,058
Securities	11,615	15,223
Finished goods	20,771	19,974
Raw materials and supplies	39,789	38,738
Other	3,856	4,855
Allowance for doubtful accounts	(34)	(52)
Total current assets	217,377	219,775
Non-current assets		
Property, plant and equipment		
Land	37,402	38,421
Other	54,307	55,514
Total property, plant and equipment	91,710	93,936
Intangible assets		
Goodwill	192	187
Other	1,451	1,486
Total intangible assets	1,644	1,673
Investments and other assets		
Investment securities	79,008	84,455
Other	3,428	3,717
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	82,433	88,169
Total non-current assets	175,788	183,779
Total assets	393,165	403,555

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	33,832	34,085
Short-term borrowings	6,482	7,195
Income taxes payable	5,679	2,906
Provision for bonuses	1,433	686
Provision for bonuses for directors (and other officers)	182	153
Other	7,837	9,147
Total current liabilities	55,447	54,175
Non-current liabilities		
Long-term borrowings	1,652	1,374
Provision for retirement benefits for directors (and other officers)	142	90
Provision for share awards	266	316
Retirement benefit liability	3,808	3,817
Deferred tax liabilities	6,906	9,217
Other	720	726
Total non-current liabilities	13,497	15,542
Total liabilities	68,945	69,718
Net assets		
Shareholders' equity		
Share capital	9,595	9,595
Capital surplus	13,436	13,419
Retained earnings	274,533	277,133
Treasury shares	(11,061)	(10,984)
Total shareholders' equity	286,503	289,163
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,694	25,378
Foreign currency translation adjustment	6,599	7,414
Remeasurements of defined benefit plans	670	670
Total accumulated other comprehensive income	26,964	33,462
Share acquisition rights	162	107
Non-controlling interests	10,589	11,103
Total net assets	324,220	333,836
Total liabilities and net assets	393,165	403,555

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	65,541	67,080
Cost of sales	52,779	53,304
Gross profit	12,761	13,775
Selling, general and administrative expenses	3,972	4,443
Operating profit	8,789	9,331
Non-operating income		
Interest income	59	120
Dividend income	627	633
Share of profit of entities accounted for using equity method	119	91
Foreign exchange gains	51	-
Rental income from real estate	193	154
Other	84	105
Total non-operating income	1,137	1,105
Non-operating expenses		
Interest expenses	19	56
Foreign exchange losses	-	0
Rental expenses on real estate	71	70
Other	59	17
Total non-operating expenses	149	145
Ordinary profit	9,777	10,292
Extraordinary income		
Gain on sale of non-current assets	86	7
Gain on sale of investment securities	33	1
Gain on sale of shares of subsidiaries and associates	-	559
Other	-	30
Total extraordinary income	119	597
Extraordinary losses		
Loss on sale of non-current assets	-	0
Loss on retirement of non-current assets	60	65
Loss on sale of investment securities	0	37
Other	-	12
Total extraordinary losses	61	115
Profit before income taxes	9,835	10,773
Income taxes	2,937	3,600
Profit	6,897	7,173
Profit attributable to non-controlling interests	444	403
Profit attributable to owners of parent	6,453	6,770

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

(Millions of yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	6,897	7,173
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,295)	5,656
Foreign currency translation adjustment	3,394	890
Remeasurements of defined benefit plans, net of tax	(87)	0
Share of other comprehensive income of entities accounted for using equity method	1,519	150
Total other comprehensive income	1,531	6,698
Comprehensive income	8,428	13,871
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,416	13,268
Comprehensive income attributable to non-controlling interests	1,012	603