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Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 7, 2024

Company name: Maruichi Steel Tube Ltd.
Listing: Tokyo
Securities code: 5463
URL: https://www.maruichikokan.co.jp
Representative: Hiroyuki Suzuki Chairman Representative Director and CEO
Inquiries: Kohji Aoyama General Manager of Finance Department
Telephone: +81-6-6643-0101

Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	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, 2024	67,512	0.6	8,286	(11.2)	9,631	(6.4)	6,513	(3.8)
June 30, 2023	67,080	2.3	9,331	6.2	10,292	5.3	6,770	4.9

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ 11,340 million [(18.2) %]
Three months ended June 30, 2023: ¥ 13,871 million [64.6%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2024	81.75	81.69
June 30, 2023	85.02	84.93

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	441,253	365,556	79.5
March 31, 2024	429,529	360,501	80.8

(Reference) Equity: As of June 30, 2024: ¥ 350,951 million
As of March 31, 2024: ¥ 347,014 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, 2024	-	55.00	-	76.00	131.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		55.00	-	76.00	131.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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, 2024	138,500	2.5	16,000	(17.0)	17,500	(16.9)	9,200	(34.7)	115.16
Full year	280,000	3.2	34,200	(1.8)	36,200	(5.6)	21,600	(17.3)	268.41

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: - (Company name:)

Excluded: - (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
2) Changes in accounting policies due to other reasons: None
3) Changes in accounting estimates: None
4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024: 84,000,000 shares
March 31, 2024: 84,000,000 shares

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

June 30, 2024: 4,320,557 shares
March 31, 2024: 4,322,095 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024: 79,678,344 shares
Three months ended June 30, 2023: 79,631,484 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	91,866	86,530
Notes and accounts receivable - trade	55,221	55,177
Securities	13,508	16,209
Finished goods	20,313	22,415
Raw materials and supplies	37,537	41,475
Other	3,773	5,223
Allowance for doubtful accounts	(54)	(60)
Total current assets	222,166	226,971
Non-current assets		
Property, plant and equipment		
Land	38,615	42,411
Other	65,476	69,393
Total property, plant and equipment	104,092	111,805
Intangible assets		
Goodwill	175	176
Other	1,942	1,986
Total intangible assets	2,117	2,162
Investments and other assets		
Investment securities	97,292	96,407
Other	3,864	3,909
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	101,154	100,313
Total non-current assets	207,363	214,282
Total assets	429,529	441,253

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,204	27,984
Short-term borrowings	3,142	3,293
Income taxes payable	3,627	2,485
Provision for bonuses	1,394	654
Provision for bonuses for directors (and other officers)	159	147
Other	10,681	11,230
Total current liabilities	49,210	45,795
Non-current liabilities		
Long-term borrowings	2,224	2,045
Provision for retirement benefits for directors (and other officers)	144	153
Provision for share awards	302	354
Retirement benefit liability	3,961	3,984
Deferred tax liabilities	12,438	12,125
Long-term suspense receipt	-	10,460
Other	747	777
Total non-current liabilities	19,817	29,901
Total liabilities	69,028	75,697
Net assets		
Shareholders' equity		
Share capital	9,595	9,595
Capital surplus	13,414	13,414
Retained earnings	292,032	292,477
Treasury shares	(10,922)	(10,918)
Total shareholders' equity	304,119	304,569
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,482	30,412
Foreign currency translation adjustment	10,822	15,380
Remeasurements of defined benefit plans	589	589
Total accumulated other comprehensive income	42,894	46,382
Share acquisition rights	107	107
Non-controlling interests	13,379	14,498
Total net assets	360,501	365,556
Total liabilities and net assets	429,529	441,253

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, 2023	For the three months ended June 30, 2024
Net sales	67,080	67,512
Cost of sales	53,304	54,168
Gross profit	13,775	13,344
Selling, general and administrative expenses	4,443	5,057
Operating profit	9,331	8,286
Non-operating income		
Interest income	120	288
Dividend income	633	702
Share of profit of entities accounted for using equity method	91	88
Foreign exchange gains	-	84
Rental income from real estate	154	156
Other	105	123
Total non-operating income	1,105	1,445
Non-operating expenses		
Interest expenses	56	18
Foreign exchange losses	0	-
Rental expenses on real estate	70	66
Other	17	15
Total non-operating expenses	145	100
Ordinary profit	10,292	9,631
Extraordinary income		
Gain on sale of non-current assets	7	3
Gain on sale of investment securities	1	45
Gain on sale of shares of subsidiaries and associates	559	471
Other	30	47
Total extraordinary income	597	567
Extraordinary losses		
Loss on sale of non-current assets	0	-
Loss on retirement of non-current assets	65	79
Loss on sale of investment securities	37	1
Other	12	2
Total extraordinary losses	115	83
Profit before income taxes	10,773	10,115
Income taxes	3,600	3,067
Profit	7,173	7,048
Profit attributable to non-controlling interests	403	534
Profit attributable to owners of parent	6,770	6,513

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

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Profit	7,173	7,048
Other comprehensive income		
Valuation difference on available-for-sale securities	5,656	(1,070)
Foreign currency translation adjustment	890	5,296
Remeasurements of defined benefit plans, net of tax	0	-
Share of other comprehensive income of entities accounted for using equity method	150	66
Total other comprehensive income	6,698	4,292
Comprehensive income	13,871	11,340
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	13,268	10,001
Comprehensive income attributable to non-controlling interests	603	1,339