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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 8, 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 file semi-annual securities report: November 14, 2024
Scheduled date to commence dividend payments: November 29, 2024
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 Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	133,506	(1.2)	13,000	(32.5)	14,663	(30.3)	7,369	(47.7)
September 30, 2023	135,173	(2.3)	19,268	4.7	21,049	0.8	14,098	1.1

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 12,045 million [(58.0)%]
Six months ended September 30, 2023: ¥ 28,673 million [54.3%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	92.24	92.17
September 30, 2023	177.02	176.86

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
September 30, 2024	453,579	371,808	78.6
March 31, 2024	429,529	360,501	80.8

(Reference) Equity: As of September 30, 2024: ¥ 356,593 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	-	55.00			
Fiscal year ending March 31, 2025 (Forecast)			-	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
Full year	258,000	(4.9)	25,200	(27.6)	27,400	(28.6)	17,800	(31.8)	221.15

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

* 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 semi-annual 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):

September 30, 2024: 84,000,000 shares

March 31, 2024: 84,000,000 shares

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

September 30, 2024: 2,823,538 shares

March 31, 2024: 4,322,095 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 79,896,602 shares

Six months ended September 30, 2023: 79,647,258 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	91,866	93,279
Notes and accounts receivable - trade	55,221	52,784
Securities	13,508	17,636
Finished goods	20,313	22,689
Raw materials and supplies	37,537	43,397
Other	3,773	5,808
Allowance for doubtful accounts	(54)	(67)
Total current assets	222,166	235,528
Non-current assets		
Property, plant and equipment		
Land	38,615	42,542
Other	65,476	75,522
Total property, plant and equipment	104,092	118,065
Intangible assets		
Goodwill	175	176
Other	1,942	2,149
Total intangible assets	2,117	2,326
Investments and other assets		
Investment securities	97,292	91,704
Other	3,864	5,958
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	101,154	97,659
Total non-current assets	207,363	218,051
Total assets	429,529	453,579

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	30,204	36,180
Short-term borrowings	3,142	2,695
Income taxes payable	3,627	3,036
Provision for bonuses	1,394	1,466
Provision for bonuses for directors (and other officers)	159	115
Other	10,681	11,584
Total current liabilities	49,210	55,079
Non-current liabilities		
Long-term borrowings	2,224	1,867
Provision for retirement benefits for directors (and other officers)	144	162
Provision for share awards	302	341
Retirement benefit liability	3,961	3,936
Deferred tax liabilities	12,438	10,186
Long-term suspense receipt	-	9,489
Other	747	707
Total non-current liabilities	19,817	26,691
Total liabilities	69,028	81,771
Net assets		
Shareholders' equity		
Share capital	9,595	9,595
Capital surplus	13,414	15,354
Retained earnings	292,032	293,332
Treasury shares	(10,922)	(7,168)
Total shareholders' equity	304,119	311,114
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,482	25,822
Foreign currency translation adjustment	10,822	19,067
Remeasurements of defined benefit plans	589	589
Total accumulated other comprehensive income	42,894	45,479
Share acquisition rights	107	107
Non-controlling interests	13,379	15,107
Total net assets	360,501	371,808
Total liabilities and net assets	429,529	453,579

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	135,173	133,506
Cost of sales	106,912	110,480
Gross profit	28,261	23,026
Selling, general and administrative expenses	8,992	10,025
Operating profit	19,268	13,000
Non-operating income		
Interest income	270	498
Dividend income	1,107	947
Share of profit of entities accounted for using equity method	199	55
Foreign exchange gains	63	-
Rental income from real estate	298	322
Other	200	192
Total non-operating income	2,141	2,016
Non-operating expenses		
Interest expenses	92	35
Loss on investments in investment partnerships	52	77
Foreign exchange losses	-	60
Rental expenses on real estate	146	137
Other	69	42
Total non-operating expenses	360	354
Ordinary profit	21,049	14,663
Extraordinary income		
Gain on sale of non-current assets	19	5
Gain on sale of investment securities	18	76
Gain on sale of shares of subsidiaries and associates	559	471
Other	35	47
Total extraordinary income	632	600
Extraordinary losses		
Loss on sale of non-current assets	0	1
Loss on retirement of non-current assets	123	93
Loss on sale of investment securities	37	2
Share-based payment expenses	-	3,850
Other	32	2
Total extraordinary losses	194	3,950
Profit before income taxes	21,488	11,313
Income taxes	6,530	3,075
Profit	14,957	8,237
Profit attributable to non-controlling interests	858	867
Profit attributable to owners of parent	14,098	7,369

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	14,957	8,237
Other comprehensive income		
Valuation difference on available-for-sale securities	7,606	(4,683)
Foreign currency translation adjustment	5,894	9,199
Remeasurements of defined benefit plans, net of tax	0	0
Share of other comprehensive income of entities accounted for using equity method	214	(707)
Total other comprehensive income	13,715	3,808
Comprehensive income	28,673	12,045
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	27,199	9,953
Comprehensive income attributable to non-controlling interests	1,474	2,091