

Translation

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

August 5, 2022

Company name: MAEZAWA KYUSO INDUSTRIES CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 6485 URL <https://www.qso.co.jp/>  
 Representative: President and Representative Director Yuichi Taniai  
 Director, Chief of Administration Yoichiro Taniguchi  
 Inquiries: Headquarters Yoichiro Taniguchi TEL 03-3716-1512  
 Scheduled date to file Quarterly Securities Report: August 5, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: No

(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	7,361	11.6	517	4.7	550	4.0	365	10.7
Three months ended June 30, 2021	6,593	4.2	494	0.3	529	1.3	330	(17.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	16.46	–
Three months ended June 30, 2021	14.76	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	46,223	37,521	81.2	1,690.54
As of March 31, 2022	45,619	37,630	82.5	1,695.48

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	–	10.00	–	20.00	30.00
Year ending March 31, 2023	–				
Year ending March 31, 2023 (Forecast)		15.00	–	15.00	30.00

### 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	14,480	3.1	950	(16.6)	1,030	(14.7)	680	(13.4)	30.64
Full year	29,290	1.7	1,830	(14.5)	1,990	(13.0)	1,320	(11.9)	59.47

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): No
- (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: Yes
- 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	23,000,000 shares	As of March 31, 2022	23,000,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	805,117 shares	As of March 31, 2022	805,117 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	22,194,883 shares	Three months ended June 30, 2021	22,362,912 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
<b>Assets</b>		
Current assets		
Cash and deposits	14,301	15,109
Notes and accounts receivable - trade	5,196	5,548
Electronically recorded monetary claims - operating	5,401	4,883
Securities	399	200
Merchandise and finished goods	4,707	5,025
Work in process	66	94
Raw materials and supplies	1,211	1,386
Other	520	593
Total current assets	31,806	32,840
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,987	1,971
Machinery, equipment and vehicles, net	681	670
Land	4,622	4,622
Construction in progress	21	34
Other, net	206	187
Total property, plant and equipment	7,518	7,486
Intangible assets		
Software	435	659
Goodwill	316	306
Other	23	24
Total intangible assets	775	990
Investments and other assets		
Investment securities	3,807	3,595
Long-term loans receivable	5	4
Insurance funds	1,468	1,087
Deferred tax assets	127	110
Other	115	111
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	5,519	4,906
Total non-current assets	13,813	13,382
Total assets	45,619	46,223

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	5,017	5,382
Electronically recorded obligations - operating	639	655
Income taxes payable	300	213
Provision for bonuses	252	76
Provision for bonuses for directors (and other officers)	16	3
Buy-sell transaction liability	57	66
Other	837	1,539
<b>Total current liabilities</b>	<b>7,121</b>	<b>7,937</b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	293	213
Retirement benefit liability	487	470
Asset retirement obligations	4	4
Other	82	76
<b>Total non-current liabilities</b>	<b>867</b>	<b>765</b>
<b>Total liabilities</b>	<b>7,989</b>	<b>8,702</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,358	3,358
Capital surplus	3,711	3,713
Retained earnings	29,649	29,570
Treasury shares	(766)	(766)
<b>Total shareholders' equity</b>	<b>35,953</b>	<b>35,877</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,396	1,248
Foreign currency translation adjustment	296	409
Remeasurements of defined benefit plans	(15)	(14)
<b>Total accumulated other comprehensive income</b>	<b>1,677</b>	<b>1,643</b>
<b>Total net assets</b>	<b>37,630</b>	<b>37,521</b>
<b>Total liabilities and net assets</b>	<b>45,619</b>	<b>46,223</b>

**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	6,593	7,361
Cost of sales	4,624	5,283
Gross profit	1,968	2,077
Selling, general and administrative expenses	1,474	1,559
Operating profit	494	517
Non-operating income		
Interest income	5	5
Dividend income	34	37
Other	2	3
Total non-operating income	42	46
Non-operating expenses		
Foreign exchange losses	4	2
Loss on cancellation of insurance policies	–	10
Other	2	0
Total non-operating expenses	7	12
Ordinary profit	529	550
Extraordinary income		
Gain on sale of membership	1	–
Total extraordinary income	1	–
Extraordinary losses		
Loss on retirement of non-current assets	13	0
Loss on sale of investment securities	0	–
Total extraordinary losses	14	0
Profit before income taxes	516	550
Income taxes	186	185
Profit	330	365
Profit attributable to owners of parent	330	365

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	330	365
Other comprehensive income		
Valuation difference on available-for-sale securities	96	(147)
Foreign currency translation adjustment	89	112
Remeasurements of defined benefit plans, net of tax	13	1
Total other comprehensive income	199	(33)
Comprehensive income	529	331
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	529	331