

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended April 30, 2024 (Based on Japanese GAAP)

June 10, 2024

Company name: Morozoff Limited  
 Stock exchange listing: Tokyo  
 Stock code: 2217 URL <https://www.morozoff.co.jp>  
 Representative: Representative Director and President Shinji Yamaguchi  
 Director and General Manager of Business Kenji Isono TEL 078-822-5000  
 Inquiries: Management Division  
 Scheduled date to file Quarterly Securities Report: June 14, 2024  
 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 April 30, 2024 (from February 1, 2024 to April 30, 2024)

(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 April 30, 2024	9,310	6.3	728	10.3	732	10.4	500	15.4
Three months ended April 30, 2023	8,758	9.6	660	3.2	663	(13.4)	433	(11.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended April 30, 2024	72.29		–	
Three months ended April 30, 2023	61.58		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2024	25,665	19,638	76.5
As of January 31, 2024	27,919	19,719	70.6

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended January 31, 2024	–	0.00	–	98.00	98.00
Year ending January 31, 2025	–				
Year ending January 31, 2025 (Forecast)		35.00	–	43.00	78.00

3. Forecast of consolidated financial results for the year ending January 31, 2025 (from February 1, 2024 to January 31, 2025)

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 July 31, 2024	16,050	1.9	790	(5.3)	820	(4.2)	540	0.1	77.00
Full year	35,370	1.2	2,120	(14.3)	2,170	(13.8)	1,350	(21.3)	192.49

4. Notes

- (1) Changes in significant subsidiaries during the three months ended April 30, 2024  
 (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: No
- 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 April 30, 2024	7,088,452 shares	As of January 31, 2024	7,088,452 shares
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Number of treasury shares at the end of the period

As of April 30, 2024	171,187 shares	As of January 31, 2024	171,117 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended April 30, 2024	6,917,314 shares	Three months ended April 30, 2023	7,036,841 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of January 31, 2024	As of April 30, 2024
Assets		
Current assets		
Cash and deposits	7,130,761	9,435,663
Notes and accounts receivable - trade	6,726,775	2,069,305
Securities	499,950	799,260
Merchandise and finished goods	2,144,975	880,539
Work in process	338,301	781,971
Raw materials and supplies	497,382	664,484
Other	115,363	184,101
Allowance for doubtful accounts	(1,000)	(1,000)
Total current assets	17,452,510	14,814,326
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,310,368	2,260,280
Land	3,644,738	3,644,738
Other, net	1,642,958	1,575,275
Total property, plant and equipment	7,598,065	7,480,294
Intangible assets		
Other	191,505	195,961
Total intangible assets	191,505	195,961
Investments and other assets		
Investment securities	1,496,133	1,579,832
Retirement benefit asset	277,639	661,852
Other	903,891	935,290
Allowance for doubtful accounts	-	(2,500)
Total investments and other assets	2,677,664	3,174,475
Total non-current assets	10,467,235	10,850,731
Total assets	27,919,745	25,665,057

(Thousands of yen)

	As of January 31, 2024	As of April 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	1,048,751	1,118,084
Electronically recorded obligations - operating	2,185,384	404,222
Short-term borrowings	1,590,000	1,590,000
Income taxes payable	553,000	204,163
Provision for bonuses	206,050	430,515
Other	1,950,561	1,554,454
Total current liabilities	7,533,747	5,301,440
Non-current liabilities		
Retirement benefit liability	80,692	79,367
Other	585,440	646,200
Total non-current liabilities	666,132	725,568
Total liabilities	8,199,880	6,027,008
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,737,467	3,737,467
Capital surplus	3,922,552	3,922,552
Retained earnings	12,146,385	11,968,540
Treasury shares	(565,558)	(565,852)
Total shareholders' equity	19,240,846	19,062,707
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	486,662	542,036
Revaluation reserve for land	290,138	290,138
Foreign currency translation adjustment	86,331	111,217
Remeasurements of defined benefit plans	(384,115)	(368,050)
Total accumulated other comprehensive income	479,017	575,342
Total net assets	19,719,864	19,638,049
<b>Total liabilities and net assets</b>	<b>27,919,745</b>	<b>25,665,057</b>

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

**Consolidated statements of income (cumulative)**

(Thousands of yen)

	Three months ended April 30, 2023	Three months ended April 30, 2024
Net sales	8,758,173	9,310,573
Cost of sales	4,169,655	4,403,460
Gross profit	4,588,517	4,907,113
Selling, general and administrative expenses	3,927,960	4,178,465
Operating profit	660,556	728,647
Non-operating income		
Dividend income	1,755	1,755
Electricity sale income	2,494	2,210
Other	5,454	6,046
Total non-operating income	9,704	10,011
Non-operating expenses		
Interest expenses	5,754	5,658
Other	1,370	889
Total non-operating expenses	7,125	6,547
Ordinary profit	663,135	732,111
Extraordinary income		
Gain on sale of investment securities	5,153	–
Total extraordinary income	5,153	–
Extraordinary losses		
Loss on sale and retirement of non-current assets	222	1,226
Total extraordinary losses	222	1,226
Profit before income taxes	668,066	730,885
Income taxes	234,732	230,830
Profit	433,333	500,054
Profit attributable to owners of parent	433,333	500,054

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

(Thousands of yen)

	Three months ended April 30, 2023	Three months ended April 30, 2024
Profit	433,333	500,054
Other comprehensive income		
Valuation difference on available-for-sale securities	45,703	55,374
Foreign currency translation adjustment	9,196	24,885
Remeasurements of defined benefit plans, net of tax	13,966	16,065
Total other comprehensive income	68,867	96,324
Comprehensive income	502,201	596,378
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	502,201	596,378
Comprehensive income attributable to non-controlling interests	—	—