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October 30, 2024

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: Mars Group Holdings Corporation
 Listing: Tokyo Stock Exchange Prime
 Stock code: 6419 (URL: <https://www.mars-ghd.co.jp/>)
 Representative: President and CEO Akihiro Matsunami
 Inquiries: Director Joji Takahashi (Tel: +81-3-3352-8555)
 Scheduled date to file quarterly securities report: November 14, 2024
 Scheduled date to commence dividend payments: December 10, 2024
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results briefing: None

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

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended								
September 30, 2024	25,552	47.3	7,996	37.2	8,470	34.3	5,124	17.6
September 30, 2023	17,349	131.3	5,826	575.4	6,308	426.8	4,356	427.9

Note: Comprehensive income For the six months ended September 30, 2024: 5,165 million yen[(20.4%)]
 For the six months ended September 30, 2023: 6,486 million yen[338.4%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	281.58	-
September 30, 2023	260.69	259.34

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2024	87,000	76,652	88.1	4,155.16
March 31, 2024	83,956	71,254	84.9	3,975.65

(Reference) Shareholders' equity: As of September 30, 2024: 76,652 million yen As of March 31, 2024: 71,242 million yen

2. Cash dividends

	Annual dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2024	-	60.00	-	90.00	150.00
FY2025	-	120.00			
FY2025 (Forecast)			-	75.00	195.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from 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		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	41,800	14.3	12,200	4.3	13,100	4.8	8,200	(4.5)	447.53

Note: Revisions to the forecast of operating results most recently announced: None

*** Notes**

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

Newly included: - companies (Company name)

Excluded: - companies (Company name)

(2) Adoption of accounting treatment specific to the preparation of interim consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2024	22,720,000 shares
As of March 31, 2024	22,720,000 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	4,272,440 shares
As of March 31, 2024	4,800,290 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	18,199,024 shares
Six months ended September 30, 2023	16,710,353 shares

* The second quarter (interim period) financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

- All forward-looking statements in this document such as financial forecasts and outlooks are based on the information currently available to and certain assumptions deemed reasonable by the company and are not a promise that the company is committed to achieving them. In addition, they may be materially different from actual results etc. due to various factors.

Interim Consolidated Financial Statements
(1) Interim Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	29,353,869	34,124,901
Notes and accounts receivable - trade	6,002,812	5,447,365
Lease receivables and investments in leases	420,918	445,185
Securities	350,035	350,280
Merchandise and finished goods	5,051,742	4,450,765
Work in process	326,269	313,765
Raw materials and supplies	6,230,298	5,017,121
Other	1,570,216	1,853,652
Allowance for doubtful accounts	(57,271)	(56,034)
Total current assets	49,248,890	51,947,002
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,077,238	6,001,955
Land	10,007,470	10,007,628
Other, net	1,003,762	402,372
Total property, plant and equipment	16,088,471	16,411,956
Intangible assets	323,054	346,942
Investments and other assets		
Investment securities	16,600,901	15,907,686
Retirement benefit asset	49,974	58,711
Other	2,104,738	2,532,892
Allowance for doubtful accounts	(459,126)	(205,109)
Total investments and other assets	18,296,486	18,294,182
Total non-current assets	34,708,012	35,053,080
Total assets	83,956,902	87,000,083
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,338,627	3,136,190
Lease liabilities	240,783	224,789
Income taxes payable	3,667,889	2,465,591
Provision for bonuses	431,123	468,476
Other	1,648,862	1,730,394
Total current liabilities	10,327,285	8,025,440
Non-current liabilities		
Lease liabilities	288,543	385,589
Provision for retirement benefits for directors (and other officers)	195,480	172,360
Asset retirement obligations	61,914	62,150
Other	1,829,642	1,701,994
Total non-current liabilities	2,375,580	2,322,094
Total liabilities	12,702,865	10,347,535

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	7,934,100	7,934,100
Capital surplus	9,500,829	10,286,972
Retained earnings	58,102,153	61,613,928
Treasury shares	(9,584,281)	(8,513,427)
Total shareholders' equity	65,952,801	71,321,573
Accumulated other comprehensive income		
Valuation difference on available- for-sale securities	4,926,520	4,975,226
Remeasurements of defined benefit plans	363,216	355,747
Total accumulated other comprehensive income	5,289,737	5,330,974
Share acquisition rights	11,497	—
Total net assets	71,254,036	76,652,548
Total liabilities and net assets	83,956,902	87,000,083

(2) Interim Consolidated Statements of Income and Comprehensive Income
(Interim Consolidated Statements of Income)
(For the six months ended September 30, 2024)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	17,349,633	25,552,506
Cost of sales	7,642,103	13,340,283
Gross profit	9,707,529	12,212,223
Selling, general and administrative expenses	3,880,983	4,215,866
Operating profit	5,826,545	7,996,356
Non-operating income		
Dividend income	392,633	447,210
Other	89,453	38,845
Total non-operating income	482,086	486,055
Non-operating expenses		
Foreign exchange losses	—	12,282
Total non-operating expenses	—	12,282
Ordinary profit	6,308,632	8,470,129
Extraordinary income		
Gain on sale of investment securities	81,267	27,194
Total extraordinary income	81,267	27,194
Extraordinary losses		
Loss on valuation of investment securities	—	964,955
Total extraordinary losses	—	964,955
Profit before income taxes	6,389,900	7,532,368
Income taxes - current	2,211,609	2,347,038
Income taxes - deferred	(177,886)	60,780
Total income taxes	2,033,723	2,407,819
Profit	4,356,177	5,124,549
Profit attributable to owners of parent	4,356,177	5,124,549

(Interim Consolidated Statements of Comprehensive Income)
(For the six months ended September 30, 2024)

(Thousands of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	4,356,177	5,124,549
Other comprehensive income		
Valuation difference on available-for-sale securities	2,108,842	48,705
Remeasurements of defined benefit plans, net of tax	21,297	(7,468)
Total other comprehensive income	2,130,140	41,237
Comprehensive income	6,486,317	5,165,786
Comprehensive income attributable to owners of parent	6,486,317	5,165,786