

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 9, 2022

Company name: Tohto Suisan Co., Ltd
 Stock exchange listing: Tokyo
 Stock code: 8038 URL <https://www.tohsui.co.jp>
 Representative: President and Representative Director Koh Ehara
 Inquiries: Operating Officer, Accounting Dept. Hiroshi Tanaka TEL 03-6633-1005
 Scheduled date to file Quarterly Securities Report: February 14, 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 nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

(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	%
Nine months ended December 31, 2021	62,291	–	1,457	30.4	1,638	15.7	1,243	15.2
Nine months ended December 31, 2020	79,291	(11.8)	1,117	41.7	1,416	45.9	1,079	48.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	316.44		–	
Nine months ended December 31, 2020	274.24		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	33,652	19,682	58.5	5,017.03
As of March 31, 2021	30,068	18,263	60.7	4,641.76

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	–	–	80.00	80.00
Year ending March 31, 2022	–	–	–		
Year ending March 31, 2022 (Forecast)				80.00	80.00

Note: Revision of cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Full year	80,000	–	1,500	4.2	1,600	(8.0)	1,300	(14.7)	330.87

Note 1: Revision of consolidated financial results forecast most recently announced: No

Note 2: The Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter of the fiscal year, and the figures for the forecast of consolidated financial results for the year ending March 31, 2022 are the figures after applying the accounting standard and relevant ASBJ regulations. As a result of this change, because net sales decreased significantly compared with the previous fiscal year, the year-on-year change is not shown.

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021
(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 December 31, 2021	4,026,000 shares	As of March 31, 2021	4,026,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	102,960 shares	As of March 31, 2021	91,328 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	3,929,001 shares	Nine months ended December 31, 2020	3,934,684 shares
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* Quarterly financial results reports are exempt from quarterly review procedures conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including the earnings forecasts, shown in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual results may differ substantially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	10,287	7,994
Notes and accounts receivable - trade	5,270	8,476
Merchandise and finished goods	1,772	3,798
Work in process	8	8
Raw materials and supplies	94	87
Other	404	473
Allowance for doubtful accounts	(364)	(431)
Total current assets	17,472	20,407
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,447	3,333
Land	3,163	3,160
Other, net	851	960
Total property, plant and equipment	7,461	7,454
Intangible assets	2,438	3,123
Investments and other assets		
Other	2,867	2,829
Allowance for doubtful accounts	(171)	(162)
Total investments and other assets	2,695	2,666
Total non-current assets	12,596	13,244
Total assets	30,068	33,652
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,368	4,795
Short-term borrowings	2,346	2,841
Income taxes payable	69	185
Provision for bonuses	54	16
Provision for shareholder benefit program	2	5
Other	1,114	1,030
Total current liabilities	5,955	8,875
Non-current liabilities		
Long-term borrowings	3,127	2,337
Retirement benefit liability	867	817
Provision for share awards for directors	–	15
Provision for share awards	33	27
Asset retirement obligations	124	125
Other	1,695	1,771
Total non-current liabilities	5,848	5,095
Total liabilities	11,804	13,970

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Net assets		
Shareholders' equity		
Share capital	2,376	2,376
Capital surplus	1,085	1,085
Retained earnings	14,885	15,810
Treasury shares	(196)	(260)
Total shareholders' equity	18,149	19,011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	486	503
Deferred gains or losses on hedges	(10)	0
Revaluation reserve for land	360	360
Foreign currency translation adjustment	(741)	(211)
Remeasurements of defined benefit plans	19	18
Total accumulated other comprehensive income	114	670
Total net assets	18,263	19,682
Total liabilities and net assets	30,068	33,652

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	79,291	62,291
Cost of sales	74,867	57,335
Gross profit	4,424	4,955
Selling, general and administrative expenses	3,306	3,498
Operating profit	1,117	1,457
Non-operating income		
Interest income	32	15
Dividend income	98	67
Gain on sale of non-current assets	16	47
Subsidy income	101	40
Foreign exchange gains	32	–
Gain on valuation of currency swaps	1	–
Other	44	46
Total non-operating income	327	217
Non-operating expenses		
Interest expenses	19	16
Foreign exchange losses	–	15
Other	9	4
Total non-operating expenses	29	36
Ordinary profit	1,416	1,638
Extraordinary income		
Gain on sale of investment securities	–	7
Total extraordinary income	–	7
Extraordinary losses		
Loss on valuation of investment securities	29	–
Total extraordinary losses	29	–
Profit before income taxes	1,386	1,645
Income taxes - current	232	317
Income taxes - deferred	74	84
Total income taxes	307	402
Profit	1,079	1,243
Profit attributable to owners of parent	1,079	1,243

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	1,079	1,243
Other comprehensive income		
Valuation difference on available-for-sale securities	92	17
Deferred gains or losses on hedges	0	10
Foreign currency translation adjustment	(339)	529
Remeasurements of defined benefit plans, net of tax	4	(0)
Total other comprehensive income	(242)	556
Comprehensive income	836	1,800
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	836	1,800
Comprehensive income attributable to non-controlling interests	—	—