

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 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 of ordinary general meeting of shareholders: June 22, 2022
 Scheduled date to file Securities Report: June 22, 2022
 Scheduled date to commence dividend payments: June 23, 2022
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	81,113	–	1,850	28.6	2,021	16.2	1,597	4.9
Year ended March 31, 2021	103,147	(12.5)	1,439	7.0	1,739	13.3	1,523	12.1

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	406.78	–	8.3	6.6	2.3
Year ended March 31, 2021	387.19	–	8.7	5.9	1.4

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	31,381	20,347	64.8	5,186.47
As of March 31, 2021	30,068	18,263	60.7	4,641.76

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	497	(85)	(1,204)	8,392
Year ended March 31, 2021	3,529	(238)	(299)	8,997

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	–	–	80.00	80.00	318	20.7	1.8
Year ended March 31, 2022	–	–	–	100.00	100.00	397	24.6	2.0
Year ending March 31, 2023 (Forecast)	–	–	–	100.00	100.00		30.2	

(Note) The year-end dividend per share for the year ended March 31, 2022, was changed from 80 yen to 100 yen. For more details, please refer to “Notice Concerning Revisions to Dividends Forecasts (Dividend Increase)” announced today (May 9, 2022).

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
Full year	80,000	(1.3)	1,500	(18.9)	1,600	(20.8)	1,300	(18.6)	331.36

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: Yes

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of March 31, 2022	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 March 31, 2022	102,780 shares	As of March 31, 2021	91,328 shares
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Average number of shares during the period

Year ended March 31, 2022	3,927,656 shares	Year ended March 31, 2021	3,934,689 shares
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* Financial results reports are exempt from audit 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.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	10,287	9,130
Notes and accounts receivable - trade	5,270	5,810
Merchandise and finished goods	1,772	2,998
Work in process	8	4
Raw materials and supplies	94	86
Other	404	393
Allowance for doubtful accounts	(364)	(382)
Total current assets	17,472	18,041
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,261	10,081
Accumulated depreciation	(6,814)	(6,844)
Buildings and structures, net	3,447	3,236
Machinery, equipment and vehicles	3,283	3,526
Accumulated depreciation	(2,646)	(2,760)
Machinery, equipment and vehicles, net	636	766
Land	3,163	2,969
Construction in progress	32	91
Other	647	666
Accumulated depreciation	(465)	(526)
Other, net	182	140
Total property, plant and equipment	7,461	7,204
Intangible assets		
Leasehold interests in land	184	184
Fishery right	2,207	3,097
Other	46	35
Total intangible assets	2,438	3,317
Investments and other assets		
Investment securities	2,271	2,405
Deferred tax assets	81	76
Distressed receivables	188	177
Other	325	320
Allowance for doubtful accounts	(171)	(162)
Total investments and other assets	2,695	2,817
Total non-current assets	12,596	13,339
Total assets	30,068	31,381

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,368	2,403
Short-term borrowings	2,346	2,619
Income taxes payable	69	280
Provision for bonuses	54	65
Provision for shareholder benefit program	2	1
Other	1,114	900
Total current liabilities	5,955	6,271
Non-current liabilities		
Long-term borrowings	3,127	2,060
Deferred tax liabilities	394	436
Long-term guarantee deposits	909	935
Deferred tax liabilities for land revaluation	298	298
Retirement benefit liability	867	785
Provision for share awards	33	33
Provision for share awards for directors	–	20
Asset retirement obligations	124	122
Other	92	67
Total non-current liabilities	5,848	4,761
Total liabilities	11,804	11,033
Net assets		
Shareholders' equity		
Share capital	2,376	2,376
Capital surplus	1,085	1,085
Retained earnings	14,885	16,002
Treasury shares	(196)	(260)
Total shareholders' equity	18,149	19,203
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	486	612
Deferred gains or losses on hedges	(10)	(0)
Revaluation reserve for land	360	522
Foreign currency translation adjustment	(741)	(38)
Remeasurements of defined benefit plans	19	47
Total accumulated other comprehensive income	114	1,144
Total net assets	18,263	20,347
Total liabilities and net assets	30,068	31,381

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	103,147	81,113
Cost of sales	97,300	74,654
Gross profit	5,846	6,459
Selling, general and administrative expenses	4,407	4,608
Operating profit	1,439	1,850
Non-operating income		
Interest income	43	21
Dividend income	100	69
Gain on sale of non-current assets	16	50
Subsidy income	121	42
Rental income	19	19
Other	47	43
Total non-operating income	348	247
Non-operating expenses		
Interest expenses	26	22
Loss on retirement of non-current assets	2	30
Foreign exchange losses	6	16
Other	12	6
Total non-operating expenses	47	75
Ordinary profit	1,739	2,021
Extraordinary income		
National subsidies	–	41
Gain on sale of investment securities	18	7
Total extraordinary income	18	48
Extraordinary losses		
Loss on sale of non-current assets	–	49
Loss on tax purpose reduction entry of non-current assets	–	41
Loss on valuation of investment securities	29	–
Total extraordinary losses	29	91
Profit before income taxes	1,727	1,979
Income taxes - current	287	414
Income taxes - deferred	(83)	(32)
Total income taxes	204	381
Profit	1,523	1,597
Profit attributable to owners of parent	1,523	1,597

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	1,523	1,597
Other comprehensive income		
Valuation difference on available-for-sale securities	244	126
Deferred gains or losses on hedges	(10)	10
Revaluation reserve for land	–	162
Foreign currency translation adjustment	(206)	702
Remeasurements of defined benefit plans, net of tax	79	28
Total other comprehensive income	107	1,030
Comprehensive income	1,630	2,627
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,630	2,627
Comprehensive income attributable to non-controlling interests	–	–

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,376	1,085	13,620	(196)	16,885
Changes during period					
Dividends of surplus			(258)		(258)
Profit attributable to owners of parent			1,523		1,523
Purchase of treasury shares				(2)	(2)
Disposal of treasury shares				1	1
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,264	(0)	1,264
Balance at end of period	2,376	1,085	14,885	(196)	18,149

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	241	–	360	(534)	(60)	6	16,892
Changes during period							
Dividends of surplus							(258)
Profit attributable to owners of parent							1,523
Purchase of treasury shares							(2)
Disposal of treasury shares							1
Net changes in items other than shareholders' equity	244	(10)	–	(206)	79	107	107
Total changes during period	244	(10)	–	(206)	79	107	1,371
Balance at end of period	486	(10)	360	(741)	19	114	18,263

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,376	1,085	14,885	(196)	18,149
Changes during period					
Dividends of surplus			(318)		(318)
Profit attributable to owners of parent			1,597		1,597
Purchase of treasury shares				(66)	(66)
Disposal of treasury shares				3	3
Reversal of revaluation reserve for land			(162)		(162)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,117	(63)	1,053
Balance at end of period	2,376	1,085	16,002	(260)	19,203

	Accumulated other comprehensive income						Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	486	(10)	360	(741)	19	114	18,263
Changes during period							
Dividends of surplus							(318)
Profit attributable to owners of parent							1,597
Purchase of treasury shares							(66)
Disposal of treasury shares							3
Reversal of revaluation reserve for land							(162)
Net changes in items other than shareholders' equity	126	10	162	702	28	1,030	1,030
Total changes during period	126	10	162	702	28	1,030	2,083
Balance at end of period	612	(0)	522	(38)	47	1,144	20,347

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	1,727	1,979
Depreciation	466	452
Loss (gain) on valuation of investment securities	29	–
Increase (decrease) in allowance for doubtful accounts	(202)	6
Increase (decrease) in provision for bonuses	(16)	10
Increase (decrease) in retirement benefit liability	(198)	(36)
Increase (decrease) in provision for share awards for directors (and other officers)	–	20
Increase (decrease) in provision for share awards	3	2
Increase (decrease) in provision for shareholder benefit program	2	(1)
Interest and dividend income	(143)	(90)
Interest expenses	26	22
Loss (gain) on sale of investment securities	(18)	(7)
Loss (gain) on sale of property, plant and equipment	–	49
Loss (gain) on sale of intangible assets	(12)	(50)
Subsidy income	(121)	(42)
National subsidies	–	(41)
Loss on tax purpose reduction entry of non-current assets	–	41
Decrease (increase) in trade receivables	1,197	(486)
Decrease (increase) in inventories	842	(1,189)
Increase (decrease) in trade payables	(316)	115
Increase (decrease) in accrued consumption taxes	96	(267)
Other, net	212	18
Subtotal	3,577	506
Interest and dividends received	145	92
Interest paid	(26)	(21)
Subsidies received	118	47
Proceeds from state subsidy	–	41
Income taxes refund (paid)	(285)	(168)
Net cash provided by (used in) operating activities	3,529	497
Cash flows from investing activities		
Payments into time deposits	(828)	(495)
Proceeds from withdrawal of time deposits	828	1,193
Proceeds from sale of property, plant and equipment	49	208
Proceeds from sale of intangible assets	52	184
Purchase of property, plant and equipment	(88)	(423)
Purchase of intangible assets	(330)	(839)
Proceeds from sale of investment securities	–	98
Purchase of investment securities	(6)	(6)
Loan advances	(11)	(2)
Proceeds from collection of loans receivable	108	4
Other, net	(12)	(8)
Net cash provided by (used in) investing activities	(238)	(85)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(400)	228
Proceeds from long-term borrowings	1,400	–
Repayments of long-term borrowings	(1,011)	(1,021)
Purchase of treasury shares	(2)	(66)
Proceeds from disposal of treasury shares	1	–
Dividends paid	(259)	(316)
Other, net	(27)	(27)
Net cash provided by (used in) financing activities	(299)	(1,204)
Effect of exchange rate change on cash and cash equivalents	(42)	186
Net increase (decrease) in cash and cash equivalents	2,948	(605)
Cash and cash equivalents at beginning of period	6,049	8,997
Cash and cash equivalents at end of period	8,997	8,392