

Translation

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**Summary of Consolidated Financial Results
for the Year Ended March 31, 2021
(Based on Japanese GAAP)**

May 7, 2021

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 16, 2021
 Scheduled date to file Securities Report: June 16, 2021
 Scheduled date to commence dividend payments: June 17, 2021
 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, 2021 (from April 1, 2020 to March 31, 2021)

(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, 2021	103,147	(12.5)	1,439	7.0	1,739	13.3	1,523	12.1
Year ended March 31, 2020	117,857	1.3	1,344	(1.3)	1,535	(10.0)	1,359	(1.6)

	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, 2021	387.19	—	8.7	5.9	1.4
Year ended March 31, 2020	350.28	—	8.4	5.3	1.1

(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, 2021	30,068	18,263	60.7	4,641.76
As of March 31, 2020	29,097	16,892	58.1	4,293.44

(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, 2021	3,529	(238)	(299)	8,997
Year ended March 31, 2020	2,296	(259)	(1,017)	6,049

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, 2020	—	—	—	65.00	65.00	258	18.6	1.5
Year ended March 31, 2021	—	—	—	80.00	80.00	318	20.7	1.8
Year ending March 31, 2022 (Forecast)	—	—	—	80.00	80.00		24.2	

(Note) The year-end dividend for the year ended March 31, 2021, was changed from 65 yen to 80 yen.

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	110,000	6.6	1,500	4.2	1,600	(8.0)	1,300	(14.7)	330.40

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2021

(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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

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, 2021	4,026,000 shares	As of March 31, 2020	4,026,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2021	91,328 shares	As of March 31, 2020	91,550 shares
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Average number of shares during the period

Year ended March 31, 2021	3,934,689 shares	Year ended March 31, 2020	3,880,450 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, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	7,385	10,287
Notes and accounts receivable - trade	6,417	5,270
Merchandise and finished goods	2,677	1,772
Work in process	7	8
Raw materials and supplies	49	94
Other	480	404
Allowance for doubtful accounts	(490)	(364)
Total current assets	16,527	17,472
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,318	10,261
Accumulated depreciation	(6,591)	(6,814)
Buildings and structures, net	3,726	3,447
Machinery, equipment and vehicles	3,314	3,283
Accumulated depreciation	(2,540)	(2,646)
Machinery, equipment and vehicles, net	774	636
Land	3,167	3,163
Construction in progress	40	32
Other	641	647
Accumulated depreciation	(420)	(465)
Other, net	221	182
Total property, plant and equipment	7,929	7,461
Intangible assets		
Leasehold interests in land	184	184
Fishery right	1,924	2,207
Other	50	46
Total intangible assets	2,159	2,438
Investments and other assets		
Investment securities	1,969	2,271
Deferred tax assets	60	81
Distressed receivables	241	188
Other	457	325
Allowance for doubtful accounts	(247)	(171)
Total investments and other assets	2,480	2,695
Total non-current assets	12,569	12,596
Total assets	29,097	30,068

(Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,729	2,368
Short-term borrowings	2,581	2,346
Income taxes payable	157	69
Provision for bonuses	70	54
Provision for shareholder benefit program	–	2
Other	853	1,114
Total current liabilities	6,393	5,955
Non-current liabilities		
Long-term borrowings	2,903	3,127
Deferred tax liabilities	357	394
Long-term guarantee deposits	916	909
Deferred tax liabilities for land revaluation	298	298
Retirement benefit liability	1,065	867
Provision for share awards	30	33
Asset retirement obligations	127	124
Other	111	92
Total non-current liabilities	5,811	5,848
Total liabilities	12,204	11,804
Net assets		
Shareholders' equity		
Share capital	2,376	2,376
Capital surplus	1,085	1,085
Retained earnings	13,620	14,885
Treasury shares	(196)	(196)
Total shareholders' equity	16,885	18,149
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	241	486
Deferred gains or losses on hedges	–	(10)
Revaluation reserve for land	360	360
Foreign currency translation adjustment	(534)	(741)
Remeasurements of defined benefit plans	(60)	19
Total accumulated other comprehensive income	6	114
Total net assets	16,892	18,263
Total liabilities and net assets	29,097	30,068

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

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Net sales	117,857	103,147
Cost of sales	111,424	97,300
Gross profit	6,433	5,846
Selling, general and administrative expenses	5,089	4,407
Operating profit	1,344	1,439
Non-operating income		
Interest income	65	43
Dividend income	79	100
Subsidy income	33	121
Rental income	16	19
Gain on valuation of currency swaps	7	–
Other	29	64
Total non-operating income	232	348
Non-operating expenses		
Interest expenses	27	26
Foreign exchange losses	6	6
Loss on retirement of non-current assets	0	2
Other	7	12
Total non-operating expenses	41	47
Ordinary profit	1,535	1,739
Extraordinary income		
Gain on sale of investment securities	–	18
Gain on sale of non-current assets	196	–
Total extraordinary income	196	18
Extraordinary losses		
Loss on valuation of investment securities	–	29
Total extraordinary losses	–	29
Profit before income taxes	1,732	1,727
Income taxes - current	273	287
Income taxes - deferred	99	(83)
Total income taxes	373	204
Profit	1,359	1,523
Profit attributable to owners of parent	1,359	1,523

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Profit	1,359	1,523
Other comprehensive income		
Valuation difference on available-for-sale securities	(249)	244
Deferred gains or losses on hedges	(1)	(10)
Foreign currency translation adjustment	140	(206)
Remeasurements of defined benefit plans, net of tax	(36)	79
Total other comprehensive income	(145)	107
Comprehensive income	1,213	1,630
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,213	1,630
Comprehensive income attributable to non-controlling interests	—	—

Consolidated statements of changes in equity

Fiscal year ended March 31, 2020

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,376	1,048	12,512	(462)	15,474
Changes during period					
Dividends of surplus			(251)		(251)
Profit attributable to owners of parent			1,359		1,359
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		36		266	303
Net changes in items other than shareholders' equity					
Total changes during period	–	36	1,108	266	1,411
Balance at end of period	2,376	1,085	13,620	(196)	16,885

	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	490	1	360	(675)	(24)	152	15,626
Changes during period							
Dividends of surplus							(251)
Profit attributable to owners of parent							1,359
Purchase of treasury shares							(0)
Disposal of treasury shares							303
Net changes in items other than shareholders' equity	(249)	(1)	–	140	(36)	(145)	(145)
Total changes during period	(249)	(1)	–	140	(36)	(145)	1,265
Balance at end of period	241	–	360	(534)	(60)	6	16,892

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

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	1,732	1,727
Depreciation	514	466
Loss (gain) on valuation of investment securities	–	29
Increase (decrease) in provision for bonuses	(19)	(16)
Increase (decrease) in allowance for doubtful accounts	(103)	(202)
Increase (decrease) in retirement benefit liability	(64)	(198)
Increase (decrease) in provision for share awards	2	3
Increase (decrease) in provision for shareholder benefit program	–	2
Interest and dividend income	(145)	(143)
Interest expenses	27	26
Loss (gain) on sale of investment securities	–	(18)
Loss (gain) on sale of property, plant and equipment	(196)	–
Loss (gain) on sale of intangible assets	–	(12)
Subsidy income	(33)	(121)
Decrease (increase) in trade receivables	330	1,197
Decrease (increase) in inventories	838	842
Increase (decrease) in trade payables	(475)	(316)
Increase (decrease) in accrued consumption taxes	(53)	96
Other, net	57	212
Subtotal	2,408	3,577
Interest and dividends received	147	145
Interest paid	(26)	(26)
Subsidies received	33	118
Income taxes refund (paid)	(266)	(285)
Net cash provided by (used in) operating activities	2,296	3,529
Cash flows from investing activities		
Payments into time deposits	(1,235)	(828)
Proceeds from withdrawal of time deposits	2,023	828
Proceeds from sale of property, plant and equipment and intangible assets	226	101
Purchase of property, plant and equipment	(375)	(88)
Purchase of intangible assets	(584)	(330)
Purchase of investment securities	(314)	(6)
Loan advances	(2)	(11)
Proceeds from collection of loans receivable	6	108
Other, net	(2)	(12)
Net cash provided by (used in) investing activities	(259)	(238)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(60)	(400)
Proceeds from long-term borrowings	200	1,400
Repayments of long-term borrowings	(1,181)	(1,011)
Purchase of treasury shares	(0)	(2)
Proceeds from disposal of treasury shares	303	1
Dividends paid	(250)	(259)
Other, net	(28)	(27)
Net cash provided by (used in) financing activities	(1,017)	(299)
Effect of exchange rate change on cash and cash equivalents	17	(42)
Net increase (decrease) in cash and cash equivalents	1,037	2,948
Cash and cash equivalents at beginning of period	5,012	6,049
Cash and cash equivalents at end of period	6,049	8,997