

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 5, 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 to file Quarterly Securities Report: August 13, 2021  
 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 June 30, 2021 (from April 1, 2021 to June 30, 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	%
Three months ended June 30, 2021	18,153	–	162	232.7	213	(7.6)	157	(13.2)
Three months ended June 30, 2020	22,356	(21.9)	48	(42.3)	230	20.1	181	9.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	39.93		–	
Three months ended June 30, 2020	46.02		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2021	30,408	18,633	61.3	4,734.88
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	Yen	Yen	Yen	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)	330.38

Note 1: Revision of consolidated financial results forecast most recently announced: Yes

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 current 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 three months ended June 30, 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 June 30, 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 June 30, 2021	90,639 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)

Three months ended June 30, 2021	3,934,841 shares	Three months ended June 30, 2020	3,934,424 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 June 30, 2021
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	10,287	9,130
Notes and accounts receivable - trade	5,270	5,585
Merchandise and finished goods	1,772	2,652
Work in process	8	7
Raw materials and supplies	94	66
Other	404	453
Allowance for doubtful accounts	(364)	(384)
<b>Total current assets</b>	<b>17,472</b>	<b>17,511</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	3,447	3,424
Land	3,163	3,173
Other, net	851	851
<b>Total property, plant and equipment</b>	<b>7,461</b>	<b>7,449</b>
Intangible assets	2,438	2,777
<b>Investments and other assets</b>		
Other	2,867	2,841
Allowance for doubtful accounts	(171)	(171)
<b>Total investments and other assets</b>	<b>2,695</b>	<b>2,670</b>
<b>Total non-current assets</b>	<b>12,596</b>	<b>12,897</b>
<b>Total assets</b>	<b>30,068</b>	<b>30,408</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	2,368	2,642
Short-term borrowings	2,346	2,536
Income taxes payable	69	30
Provision for bonuses	54	127
Provision for shareholder benefit program	2	2
Other	1,114	862
<b>Total current liabilities</b>	<b>5,955</b>	<b>6,202</b>
<b>Non-current liabilities</b>		
Long-term borrowings	3,127	2,881
Retirement benefit liability	867	807
Provision for share awards	33	30
Provision for share awards for directors (and other officers)	–	1
Asset retirement obligations	124	124
Other	1,695	1,725
<b>Total non-current liabilities</b>	<b>5,848</b>	<b>5,572</b>
<b>Total liabilities</b>	<b>11,804</b>	<b>11,774</b>

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Net assets		
Shareholders' equity		
Share capital	2,376	2,376
Capital surplus	1,085	1,085
Retained earnings	14,885	14,723
Treasury shares	(196)	(195)
Total shareholders' equity	18,149	17,989
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	486	484
Deferred gains or losses on hedges	(10)	(1)
Revaluation reserve for land	360	360
Foreign currency translation adjustment	(741)	(213)
Remeasurements of defined benefit plans	19	13
Total accumulated other comprehensive income	114	643
Total net assets	18,263	18,633
Total liabilities and net assets	30,068	30,408

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	22,356	18,153
Cost of sales	21,224	16,746
Gross profit	1,132	1,407
Selling, general and administrative expenses	1,083	1,244
Operating profit	48	162
Non-operating income		
Interest income	12	6
Dividend income	76	44
Subsidy income	11	23
Foreign exchange gains	73	–
Other	21	11
Total non-operating income	195	85
Non-operating expenses		
Interest expenses	5	5
Foreign exchange losses	–	26
Other	7	2
Total non-operating expenses	13	34
Ordinary profit	230	213
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	201	220
Income taxes - current	15	39
Income taxes - deferred	4	23
Total income taxes	19	63
Profit	181	157
Profit attributable to owners of parent	181	157

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

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	181	157
Other comprehensive income		
Valuation difference on available-for-sale securities	25	(1)
Deferred gains or losses on hedges	1	9
Foreign currency translation adjustment	(512)	527
Remeasurements of defined benefit plans, net of tax	1	(6)
Total other comprehensive income	(484)	529
Comprehensive income	(302)	686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(302)	686
Comprehensive income attributable to non-controlling interests	—	—