



Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

May 09, 2022

Company name: TOKAI Corp.

Stock exchange listing: Tokyo

Code number: 9729

URL: <https://www.tokai-corp.com/>

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Scheduled date of Annual General Meeting of Shareholders: June 29, 2022

Scheduled date of commencing dividend payments: June 30, 2022

Scheduled date of filing annual securities report: June 30, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2022	123,484	4.6	8,252	13.1	8,878	10.3	5,806	5.9
March 31, 2021	118,009	(2.3)	7,294	(7.8)	8,050	(1.6)	5,481	4.3

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 5,630 million [(10.1) %]
Fiscal year ended March 31, 2021: ¥ 6,265 million [33.5%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2022	164.42	-	7.7	8.5	6.7
March 31, 2021	153.96	-	7.7	8.1	6.2

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ - million
Fiscal year ended March 31, 2021: ¥ - million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	105,900	77,519	72.7	2,187.22
March 31, 2021	102,180	73,878	71.8	2,065.02

(Reference) Equity: As of March 31, 2022: ¥ 77,002 million
As of March 31, 2021: ¥ 73,386 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended March 31, 2022	10,133	(6,738)	(2,897)	35,508
March 31, 2021	9,229	(4,195)	(1,974)	34,987

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	15.00	-	15.00	30.00	1,067	19.5	1.5
March 31, 2022	-	19.00	-	23.00	42.00	1,480	25.5	2.0
Fiscal year ending March 31, 2023 (Forecast)	-	21.00	-	22.00	43.00		25.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	130,307	5.5	7,782	(5.7)	8,109	(8.7)	5,998	3.3	170.27

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

March 31, 2022:	36,041,346 shares
March 31, 2021:	36,041,346 shares

2) Total number of treasury shares at the end of the period:

March 31, 2022:	835,839 shares
March 31, 2021:	503,239 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022:	35,313,209 shares
Fiscal Year ended March 31, 2021:	35,603,806 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	49,867	5.5	3,179	13.4	5,155	15.4	3,899	10.8
March 31, 2021	47,263	0.9	2,804	(5.2)	4,465	3.8	3,520	16.2

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2022	110.44	-
March 31, 2021	98.87	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	62,930	45,949	73.0	1,305.19
March 31, 2021	60,694	44,258	72.9	1,245.38

(Reference) Equity: As of March 31, 2022: ¥ 45,949 million
As of March 31, 2021: ¥ 44,258 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	35,148	35,794
Notes and accounts receivable - trade	17,078	18,137
Securities	93	361
Inventories	5,646	4,635
Other	838	857
Allowance for doubtful accounts	(35)	(39)
Total current assets	58,769	59,748
Non-current assets		
Property, plant and equipment		
Buildings and structures	28,141	28,570
Accumulated depreciation	(17,144)	(17,985)
Buildings and structures, net	10,997	10,585
Machinery, equipment and vehicles	16,114	16,363
Accumulated depreciation	(11,536)	(11,977)
Machinery, equipment and vehicles, net	4,578	4,385
Land	11,443	11,436
Leased assets	1,512	1,997
Accumulated depreciation	(720)	(772)
Leased assets, net	792	1,224
Construction in progress	84	424
Other	6,163	7,204
Accumulated depreciation	(3,849)	(4,521)
Other, net	2,313	2,682
Total property, plant and equipment	30,209	30,739
Intangible assets		
Goodwill	185	97
Other	1,332	1,480
Total intangible assets	1,517	1,577
Investments and other assets		
Investment securities	6,476	7,325
Deferred tax assets	1,303	1,381
Other	4,175	5,365
Allowance for doubtful accounts	(270)	(238)
Total investments and other assets	11,684	13,834
Total non-current assets	43,411	46,151
Total assets	102,180	105,900

(Million yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,178	12,305
Short-term borrowings	1,804	1,627
Accounts payable - other	3,472	3,777
Income taxes payable	1,370	1,765
Provision for bonuses	2,060	2,140
Provision for bonuses for directors (and other officers)	75	77
Other	1,727	1,501
Total current liabilities	22,689	23,194
Non-current liabilities		
Long-term borrowings	807	660
Lease liabilities	511	432
Deferred tax liabilities	362	161
Provision for retirement benefits for directors (and other officers)	502	496
Retirement benefit liability	2,010	2,097
Other	1,418	1,338
Total non-current liabilities	5,612	5,186
Total liabilities	28,302	28,381
Net assets		
Shareholders' equity		
Share capital	8,108	8,108
Capital surplus	4,948	4,949
Retained earnings	59,643	64,246
Treasury shares	(1,164)	(1,951)
Total shareholders' equity	71,535	75,352
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,900	1,677
Remeasurements of defined benefit plans	(48)	(28)
Total accumulated other comprehensive income	1,851	1,649
Non-controlling interests	491	516
Total net assets	73,878	77,519
Total liabilities and net assets	102,180	105,900

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	118,009	123,484
Cost of sales	88,628	92,503
Gross profit	29,381	30,981
Selling, general and administrative expenses	22,086	22,729
Operating profit	7,294	8,252
Non-operating income		
Interest income	19	21
Dividend income	145	119
Gain on sale of investment securities	-	179
Subsidy income	381	134
Surrender value of insurance policies	135	10
Other	208	272
Total non-operating income	891	737
Non-operating expenses		
Interest expenses	33	30
Foreign exchange losses	39	-
Rental costs on real estate	11	14
Compensation for damage	4	11
Compensation expenses	30	-
Other	15	55
Total non-operating expenses	135	111
Ordinary profit	8,050	8,878
Extraordinary income		
Gain on sale of non-current assets	1	2
Gain on sale of shares of subsidiaries and associates	-	36
Total extraordinary income	1	38
Extraordinary losses		
Loss on retirement of non-current assets	11	57
Impairment losses	23	105
Loss on disaster	9	35
Loss on valuation of investment securities	46	66
Loss on store closings	6	2
Provision for loss on store closings	12	-
Total extraordinary losses	108	268
Profit before income taxes	7,944	8,647
Income taxes - current	2,597	3,009
Income taxes - deferred	(172)	(194)
Total income taxes	2,424	2,815
Profit	5,520	5,832
Profit attributable to non-controlling interests	38	26
Profit attributable to owners of parent	5,481	5,806

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	5,520	5,832
Other comprehensive income		
Valuation difference on available-for-sale securities	790	(222)
Remeasurements of defined benefit plans, net of tax	(45)	20
Total other comprehensive income	745	(202)
Comprehensive income	6,265	5,630
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,227	5,604
Comprehensive income attributable to non-controlling interests	38	26

Consolidated Statements of Changes in Net Assets
For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,108	4,946	55,230	(1,024)	67,261
Changes during period					
Dividends of surplus			(1,068)		(1,068)
Profit attributable to owners of parent			5,481		5,481
Purchase of treasury shares				(176)	(176)
Disposal of treasury shares		1		36	37
Net changes in items other than shareholders' equity					
Total changes during period	-	1	4,413	(140)	4,274
Balance at end of period	8,108	4,948	59,643	(1,164)	71,535

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,109	(3)	1,105	454	68,821
Changes during period					
Dividends of surplus					(1,068)
Profit attributable to owners of parent					5,481
Purchase of treasury shares					(176)
Disposal of treasury shares					37
Net changes in items other than shareholders' equity	790	(45)	745	37	782
Total changes during period	790	(45)	745	37	5,057
Balance at end of period	1,900	(48)	1,851	491	73,878

For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,108	4,948	59,643	(1,164)	71,535
Changes during period					
Dividends of surplus			(1,203)		(1,203)
Profit attributable to owners of parent			5,806		5,806
Purchase of treasury shares				(824)	(824)
Disposal of treasury shares		0		38	38
Net changes due to Exclusion of consolidated subsidiaries		(0)	0		0
Net changes in items other than shareholders' equity					
Total changes during period	-	0	4,602	(786)	3,817
Balance at end of period	8,108	4,949	64,246	(1,951)	75,352

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,900	(48)	1,851	491	73,878
Changes during period					
Dividends of surplus					(1,203)
Profit attributable to owners of parent					5,806
Purchase of treasury shares					(824)
Disposal of treasury shares					38
Net changes due to Exclusion of consolidated subsidiaries					0
Net changes in items other than shareholders' equity	(222)	20	(201)	25	(176)
Total changes during period	(222)	20	(201)	25	3,640
Balance at end of period	1,677	(28)	1,649	516	77,519

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from operating activities		
Profit before income taxes	7,944	8,647
Depreciation	3,553	3,863
Impairment losses	23	105
Amortization of goodwill	93	90
Increase (decrease) in allowance for doubtful accounts	(7)	(27)
Increase (decrease) in provision for bonuses	104	80
Increase (decrease) in provision for bonuses for directors (and other officers)	(9)	2
Increase (decrease) in provision for retirement benefits for directors (and other officers)	31	(5)
Increase (decrease) in retirement benefit liability	129	116
Interest and dividend income	(165)	(140)
Interest expenses	33	30
Gain on sales of investment securities	-	(179)
Gain on sales of subsidiaries and affiliates' stocks	-	(36)
Loss on retirement of non-current assets	11	57
Loss (gain) on valuation of investment securities	46	66
Decrease (increase) in trade receivables	42	(1,022)
Decrease (increase) in inventories	(285)	1,010
Increase (decrease) in trade payables	215	133
Increase (decrease) in other current liabilities	74	(40)
Other, net	(93)	(121)
Subtotal	11,742	12,631
Interest and dividends received	161	134
Interest paid	(33)	(28)
Income taxes paid	(2,640)	(2,603)
Net cash provided by (used in) operating activities	9,229	10,133
Cash flows from investing activities		
Payments into time deposits	(284)	(290)
Proceeds from withdrawal of time deposits	284	284
Net decrease (increase) in short-term investment securities	-	(300)
Purchase of property, plant and equipment	(2,687)	(3,643)
Purchase of intangible assets	(591)	(500)
Purchase of investment securities	(726)	(1,601)
Proceeds from sale of investment securities	7	284
Proceeds from sale of shares of subsidiaries and associates	-	228
Payments for guarantee deposits	(693)	(738)
Other, net	494	(461)
Net cash provided by (used in) investing activities	(4,195)	(6,738)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(148)	(160)
Proceeds from long-term borrowings	540	350
Repayments of long-term borrowings	(570)	(514)
Purchase of treasury shares	(176)	(824)
Dividends paid	(1,068)	(1,203)
Repayments of installment payables and lease obligations	(475)	(471)
Other, net	(73)	(73)
Net cash provided by (used in) financing activities	(1,974)	(2,897)

Effect of exchange rate change on cash and cash equivalents	6	23
Net increase (decrease) in cash and cash equivalents	3,066	521
Cash and cash equivalents at beginning of period	31,920	34,987
Cash and cash equivalents at end of period	34,987	35,508