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



May 13, 2022

Company name: Seika Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8061
 URL: <https://seika.com/ir/en/>
 Representative: Akihiko Sakurai, President and Chief Executive Officer
 Contact: Tomoaki Hasegawa, Director, Senior Executive Officer, General Administration
 Phone: +81-3-5221-7101
 Scheduled date of annual general meeting of shareholders: June 28, 2022
 Scheduled date of commencing dividend payments: June 29, 2022
 Scheduled date of filing annual securities report: June 29, 2022
 Availability of supplementary briefing materials for financial results: No
 Schedule of 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 1, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates year-on-year change.)

	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	85,307	18.6	3,824	48.2	3,879	33.5	2,246 (17.5)
March 31, 2021	71,933	—	2,581	(8.1)	2,906	(6.9)	2,721 —

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥2,328 million [(47.1) %]

Fiscal year ended March 31, 2021: ¥4,401 million [—%]

The Company adopted the *Accounting Standard for Revenue Recognition* (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) and other standards from the beginning of the fiscal year ended March 31, 2022. Net sales for the fiscal year ended March 31, 2021 reflect a retroactive application of these accounting standards. Accordingly, the Company does not disclose year-on-year change in net sales for the fiscal year ended March 31, 2021 compared to the fiscal year ended March 31, 2020, as the latter was before the standards were applied.

Upon the application of these accounting standards, sales from agent transactions previously recorded on a gross basis are now shown net of the corresponding cost of sales.

Net sales under the old accounting standards are shown below as “Gross sales”:

Fiscal year ended	Gross sales	Year-on-year change
March 31, 2022	¥134,261 million	(1.5) %
March 31, 2021	¥136,273 million	(3.1) %

	Profit per share	Diluted profit per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2022	186.85	186.20	7.6	3.8	4.5
March 31, 2021	221.87	221.52	10.0	3.1	3.6

(Reference) Share of profit (loss) of entities accounted for using equity method:

Fiscal year ended March 31, 2022: ¥(265) million

Fiscal year ended March 31, 2021: ¥63 million

The Company adopted the *Accounting Standard for Revenue Recognition* (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of the fiscal year ended March 31, 2022. The ratio of operating profit to net sales for the fiscal year ended March 31, 2021 reflects a retroactive application of these accounting standards.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	104,865	31,101	28.7	2,516.57
March 31, 2021	97,458	29,889	29.8	2,365.06

(Reference) Equity: As of March 31, 2022: ¥30,105 million

As of March 31, 2021: ¥29,009 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 end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	4,971	1,125	(3,304)	17,000
March 31, 2021	4,137	(1,566)	(1,903)	14,035

2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended March 31, 2021	—	20.00	—	25.00	45.00	552	20.3	2.0
March 31, 2022	—	25.00	—	40.00	65.00	778	34.8	2.7
Fiscal year ending March 31, 2023 (Forecast)	—	35.00	—	35.00	70.00		33.6	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	50,000	23.6	1,600	22.7	1,500	14.0	1,000	43.1	83.32
Full year	95,000	11.4	3,700	(3.3)	3,700	(4.6)	2,500	11.3	208.30

The Company adopted the *Accounting Standard for Revenue Recognition* (ASBJ Statement No. 29, March 31, 2020) and other standards, and sales from agent transactions are shown net of the corresponding cost of sales.

Net sales under the old accounting standards are shown below as “Gross sales”:

	Gross sales	Year-on-year change
First half	¥77,000 million	11.5 %
Full year	¥170,000 million	26.6 %

* Notes:

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

Newly added: — (Name of subsidiary)

Excluded: — (Name of subsidiary)

(2) Changes in accounting policies, changes in accounting estimates and 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) Restatement: No

(3) Number of outstanding shares (common shares)

1) Number of outstanding shares at the end of the period (including treasury shares):

As of March 31, 2022:	12,320,650 shares
As of March 31, 2021:	12,820,650 shares

2) Number of treasury shares at the end of the period:

As of March 31, 2022:	357,800 shares
As of March 31, 2021:	554,878 shares

3) Average number of shares during the period:

Fiscal year ended March 31, 2022:	12,022,521 shares
Fiscal year ended March 31, 2021:	12,266,613 shares

(Reference) Overview of Non-consolidated Financial Results

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

(1) Non-consolidated Operating Results

(% indicates year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2022	57,802	8.4	1,243	(8.7)	3,538	100.8	2,500	(5.1)
March 31, 2021	53,347	—	1,361	(23.5)	1,762	(13.9)	2,634	—

The Company adopted the *Accounting Standard for Revenue Recognition* (ASBJ Statement No. 29, March 31, 2020) and other standards from the beginning of the fiscal year ended March 31, 2022. Net sales for the fiscal year ended March 31, 2021 reflect a retroactive application of these accounting standards. Accordingly, the Company does not disclose year-on-year change in net sales for the fiscal year ended March 31, 2021 compared to the fiscal year ended March 31, 2020, as the latter was before the standards were applied.

Upon the application of these accounting standards, sales from agent transactions previously recorded on a gross basis are now shown net of the corresponding cost of sales.

Net sales under the old accounting standards are shown below as “Gross sales”:

Fiscal year ended	Gross sales	Year-on-year change
March 31, 2022	¥106,756 million	(9.3) %
March 31, 2021	¥117,688 million	(4.7) %

	Profit per share	Diluted profit per share
Fiscal year ended	Yen	Yen
March 31, 2022	207.76	207.04
March 31, 2021	214.55	214.21

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	86,740	22,147	25.2	1,825.53
March 31, 2021	80,167	21,172	26.1	1,703.06

(Reference) Equity: As of March 31, 2022: ¥21,864 million

As of March 31, 2021: ¥20,913 million

* These financial results are outside the scope of audits by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The financial results forecasts in this document are based on information available to the Company as of the date of disclosure of this document. Actual results may differ from these forecasts due to various factors in the future.