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

May 13, 2022

Company name: CHIYODA UTE CO., LTD.

Stock exchange listing: Tokyo

Code number: 5387

URL: <http://www.chiyoda-ute.co.jp>

Representative: Yoshihisa Hirata

, President & CEO

Contact: Takashi Oida

, Director and Head of Administration Unit

Phone: 059-364-5215

Scheduled date of Annual General Meeting of Shareholders: June 28, 2022

Scheduled date of commencing dividend payments: -

Scheduled date of filing annual securities report: June 28, 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	25,602	1.6	806	85.2	1,063	46.6	823	24.6
March 31, 2021	25,206	(12.8)	435	-	725	-	660	-

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 848 million [5.3%]
Fiscal year ended March 31, 2021: ¥ 805 million [-%]

	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	35.30	-	5.8	3.3	3.1
March 31, 2021	28.34	-	5.0	2.3	1.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2022: ¥ 70 million
Fiscal year ended March 31, 2021: ¥ 52 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	32,035	14,535	45.3	622.70
March 31, 2021	31,848	13,687	42.9	586.34

(Reference) Equity: As of March 31, 2022: ¥ 14,520 million
As of March 31, 2021: ¥ 13,672 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	1,705	(293)	(1,453)	2,448
March 31, 2021	264	(330)	1,005	2,489

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	-	0.00	-	0.00	0.00	-	-	-
March 31, 2022	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending March 31, 2023 (Forecast)	-	0.00	-	0.00	0.00		-	

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	31,239	22.0	3,124	287.4	3,226	203.4	2,260	174.5	96.92

* Notes:

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

(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: 23,318,397 shares

March 31, 2021: 23,737,165 shares

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

March 31, 2022: - shares

March 31, 2021: 418,768 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2022: 23,318,397 shares

Fiscal Year ended March 31, 2021: 23,318,397 shares

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Assets		
Current assets		
Cash and deposits	2,511,451	2,470,579
Notes and accounts receivable - trade	4,067,701	4,037,228
Electronically recorded monetary claims - operating	1,397,721	1,877,603
Merchandise and finished goods	1,310,834	1,215,132
Work in process	66,212	81,793
Raw materials and supplies	1,485,679	1,548,321
Other	209,165	127,067
Allowance for doubtful accounts	(84,980)	(10,807)
Total current assets	10,963,784	11,346,919
Non-current assets		
Property, plant and equipment		
Buildings and structures	13,550,533	13,593,201
Accumulated depreciation	(9,155,972)	(9,426,591)
Buildings and structures, net	4,394,560	4,166,610
Machinery, equipment and vehicles	25,546,012	25,742,726
Accumulated depreciation	(23,586,975)	(24,025,162)
Machinery, equipment and vehicles, net	1,959,036	1,717,563
Land	11,219,382	11,218,888
Leased assets	1,285,858	1,318,712
Accumulated depreciation	(761,912)	(822,248)
Leased assets, net	523,945	496,464
Construction in progress	25,434	104,792
Other	572,628	584,845
Accumulated depreciation	(498,900)	(514,870)
Other, net	73,728	69,974
Total property, plant and equipment	18,196,088	17,774,292
Intangible assets	221,037	171,559
Investments and other assets		
Investment securities	1,212,660	1,271,140
Deferred tax assets	111,235	187,436
Other	1,149,625	1,297,180
Allowance for doubtful accounts	(24,748)	(24,750)
Total investments and other assets	2,448,772	2,731,007
Total non-current assets	20,865,898	20,676,860
Deferred assets		
Bond issuance costs	18,738	11,283
Total deferred assets	18,738	11,283
Total assets	31,848,422	32,035,063

(Thousand yen)

	As of March 31,2021	As of March 31,2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,682,641	2,819,312
Short-term borrowings	1,176,496	1,591,223
Current portion of long-term borrowings	1,542,640	1,608,282
Current portion of bonds payable	330,400	730,400
Accounts payable - other	1,123,596	1,340,169
Income taxes payable	133,613	268,815
Accrued consumption taxes	201,680	159,474
Provision for bonuses	308,559	396,208
Other	555,595	643,959
Total current liabilities	8,055,222	9,557,845
Non-current liabilities		
Bonds payable	1,555,600	825,200
Long-term borrowings	5,696,599	4,288,317
Lease liabilities	648,701	559,789
Deferred tax liabilities	7,630	7,630
Provision for retirement benefits for directors (and other officers)	192,065	198,494
Retirement benefit liability	1,311,121	1,346,961
Asset retirement obligations	135,450	144,775
Other	558,856	570,586
Total non-current liabilities	10,106,023	7,941,755
Total liabilities	18,161,246	17,499,600
Net assets		
Shareholders' equity		
Share capital	5,960,988	5,960,988
Capital surplus	6,751,539	6,555,255
Retained earnings	1,153,527	1,976,765
Treasury shares	(196,284)	-
Total shareholders' equity	13,669,771	14,493,009
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	244,285	256,059
Remeasurements of defined benefit plans	(241,508)	(228,737)
Total accumulated other comprehensive income	2,776	27,322
Non-controlling interests	14,628	15,130
Total net assets	13,687,176	14,535,462
Total liabilities and net assets	31,848,422	32,035,063

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	25,206,025	25,602,467
Cost of sales	14,904,646	14,755,948
Gross profit	10,301,379	10,846,519
Selling, general and administrative expenses	9,866,044	10,040,199
Operating profit	435,335	806,319
Non-operating income		
Interest income	2,497	100
Dividend income	34,169	37,592
Rental income	150,537	155,372
Subsidies for employment adjustment	162,193	101,762
Share of profit of entities accounted for using equity method	52,660	70,047
Revenue from fuel sales	36,997	47,671
Other	86,422	48,823
Total non-operating income	525,478	461,369
Non-operating expenses		
Interest expenses	80,741	78,540
Rental expenses	57,108	56,283
Compensation expenses	26,031	-
Other	71,680	69,706
Total non-operating expenses	235,561	204,530
Ordinary profit	725,251	1,063,159
Extraordinary income		
Gain on sale of non-current assets	47,964	12,412
Gain on sale of investment securities	1,675	3,673
Gain on sale of shares of subsidiaries and associates	1,782	-
Gain on sale of shares of subsidiaries	47,740	-
Total extraordinary income	99,162	16,085
Extraordinary losses		
Loss on sale of non-current assets	1,900	0
Loss on retirement of non-current assets	8,402	2,048
Impairment losses	-	61,839
Loss on sale of investment securities	5,360	-
Loss on valuation of investment securities	49,489	990
Total extraordinary losses	65,152	64,878
Profit before income taxes	759,261	1,014,366
Income taxes - current	111,314	271,848
Income taxes - deferred	(18,208)	(81,223)
Total income taxes	93,106	190,625
Profit	666,155	823,740
Profit attributable to non-controlling interests	5,272	502
Profit attributable to owners of parent	660,882	823,238

Consolidated Statements of Comprehensive Income

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	666,155	823,740
Other comprehensive income		
Valuation difference on available-for-sale securities	120,022	11,774
Remeasurements of defined benefit plans, net of tax	19,595	12,771
Total other comprehensive income	139,617	24,545
Comprehensive income	805,773	848,286
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	800,500	847,783
Comprehensive income attributable to non-controlling interests	5,272	502

Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,960,988	6,751,539	492,645	(196,284)	13,008,889
Changes during period					
Profit attributable to owners of parent			660,882		660,882
Cancellation of treasury shares		-		-	-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	660,882	-	660,882
Balance at end of period	5,960,988	6,751,539	1,153,527	(196,284)	13,669,771

	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	124,262	(261,104)	(136,841)	9,355	12,881,402
Changes during period					
Profit attributable to owners of parent					660,882
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity	120,022	19,595	139,617	5,272	144,890
Total changes during period	120,022	19,595	139,617	5,272	805,773
Balance at end of period	244,285	(241,508)	2,776	14,628	13,687,176

For the fiscal year ended March 31,2022

(Thousand yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,960,988	6,751,539	1,153,527	(196,284)	13,669,771
Changes during period					
Profit attributable to owners of parent			823,238		823,238
Cancellation of treasury shares		(196,284)		196,284	-
Net changes in items other than shareholders' equity					
Total changes during period	-	(196,284)	823,238	196,284	823,238
Balance at end of period	5,960,988	6,555,255	1,976,765	-	14,493,009

	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	244,285	(241,508)	2,776	14,628	13,687,176
Changes during period					
Profit attributable to owners of parent					823,238
Cancellation of treasury shares					-
Net changes in items other than shareholders' equity	11,774	12,771	24,545	502	25,048
Total changes during period	11,774	12,771	24,545	502	848,286
Balance at end of period	256,059	(228,737)	27,322	15,130	14,535,462

Consolidated Statements of Cash Flows

(Thousand 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	759,261	1,014,366
Depreciation	1,004,570	956,814
Amortization of bond issuance costs	7,455	7,455
Increase (decrease) in allowance for doubtful accounts	4,432	7,641
Increase (decrease) in provision for bonuses	34,601	87,648
Increase (decrease) in retirement benefit liability	12,763	48,611
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(9,039)	6,429
Increase (decrease) in provision for loss on subsidiaries and affiliates	(255)	-
Interest and dividend income	(36,667)	(37,693)
Interest expenses	80,741	78,540
Loss (gain) on sale of shares of subsidiaries	(47,740)	-
Loss (gain) on sale of shares of subsidiaries and associates	(1,782)	-
Share of loss (profit) of entities accounted for using equity method	(52,660)	(70,047)
Loss (gain) on sale and retirement of non-current assets	(37,662)	(10,362)
Impairment losses	-	61,839
Loss (gain) on sale and valuation of investment securities	53,175	(2,683)
Decrease (increase) in trade receivables	(1,211,097)	(449,409)
Decrease (increase) in inventories	235,391	15,680
Increase (decrease) in trade payables	(366,414)	136,671
Increase (decrease) in accrued consumption taxes	74,401	(42,205)
Decrease (increase) in other assets	(22,049)	(172,368)
Increase (decrease) in other liabilities	(86,428)	237,462
Subtotal	394,998	1,874,391
Interest and dividends received	34,732	37,693
Interest paid	(82,445)	(78,202)
Income taxes refund (paid)	(83,033)	(128,488)
Net cash provided by (used in) operating activities	264,251	1,705,394
Cash flows from investing activities		
Payments into time deposits	(170)	-
Purchase of property, plant and equipment	(465,864)	(350,973)
Proceeds from sale of property, plant and equipment	104,938	23,786
Purchase of investment securities	(14,339)	(15,203)
Proceeds from sale of investment securities	28,302	46,251
Proceeds from sale of shares of subsidiaries	4,288	-
Proceeds from sale of shares of subsidiaries and associates	16,782	-
Proceeds from withdrawal of investment securities	4,755	-
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(87,512)	-
Loan advances	(1,587)	(735)
Proceeds from collection of loans receivable	108,604	10,313
Other, net	(29,144)	(6,526)
Net cash provided by (used in) investing activities	(330,946)	(293,088)

(Thousand yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(16,032)	414,726
Proceeds from long-term borrowings	2,810,000	200,000
Repayments of long-term borrowings	(1,273,925)	(1,542,640)
Redemption of bonds	(330,400)	(330,400)
Dividends paid	(240)	(21)
Repayments of lease liabilities	(183,982)	(194,841)
Net cash provided by (used in) financing activities	1,005,419	(1,453,176)
Net increase (decrease) in cash and cash equivalents	938,724	(40,870)
Cash and cash equivalents at beginning of period	1,550,486	2,489,210
Cash and cash equivalents at end of period	2,489,210	2,448,339