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## Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 9, 2024

Company name: TOKAI Corp.

Stock exchange listing: Tokyo

Code number: 9729

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

Representative: Toshiaki Asai

Chief Executive Officer

Contact: Tetsuyuki Fujii

Chief Financial Officer

Phone: +81-58(263)-5111

Scheduled date of filing quarterly securities report: February 13, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

#### (1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	103,418	6.1	5,866	5.5	6,146	7.2	4,127	(6.2)
December 31, 2022	97,446	5.8	5,558	(10.0)	5,735	(14.5)	4,400	(1.0)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 4,660 million [ 3.4%]

Nine months ended December 31, 2022: ¥ 4,506 million [ 6.6%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	117.25	-
December 31, 2022	124.95	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	114,056	84,584	73.6
March 31, 2023	110,785	82,223	73.7

(Reference) Equity: As of December 31, 2023: ¥ 83,988 million

As of March 31, 2023: ¥ 81,654 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	21.00	-	39.00	60.00
Fiscal year ending March 31, 2024	-	25.00	-		
Fiscal year ending March 31, 2024 (Forecast)				31.00	56.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	137,332	5.5	7,855	0.0	8,247	2.1	5,608	(8.2)	159.30

(Note) Revision to the financial results forecast announced most recently: Yes

\* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

December 31, 2023: 36,041,346 shares

March 31, 2023: 36,041,346 shares

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

December 31, 2023: 834,418 shares

March 31, 2023: 814,728 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 35,205,103 shares

Nine months ended December 31, 2022: 35,218,157 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	36,070	29,612
Notes and accounts receivable - trade	19,071	21,317
Securities	927	919
Inventories	5,424	6,463
Other	1,176	1,737
Allowance for doubtful accounts	(42)	(46)
<b>Total current assets</b>	<b>62,628</b>	<b>60,003</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,051	14,123
Machinery, equipment and vehicles, net	4,100	6,160
Land	11,198	11,920
Other, net	7,243	4,878
<b>Total property, plant and equipment</b>	<b>32,592</b>	<b>37,083</b>
Intangible assets		
Goodwill	268	209
Other	1,425	1,349
<b>Total intangible assets</b>	<b>1,694</b>	<b>1,559</b>
Investments and other assets		
Investment securities	7,709	9,403
Deferred tax assets	1,411	1,237
Other	5,086	5,090
Allowance for doubtful accounts	(336)	(323)
<b>Total investments and other assets</b>	<b>13,870</b>	<b>15,409</b>
<b>Total non-current assets</b>	<b>48,157</b>	<b>54,052</b>
<b>Total assets</b>	<b>110,785</b>	<b>114,056</b>

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	13,159	13,701
Short-term borrowings	1,425	1,557
Income taxes payable	1,332	483
Provision for bonuses	2,195	1,079
Provision for bonuses for directors (and other officers)	74	56
Other	5,374	7,397
Total current liabilities	23,561	24,277
Non-current liabilities		
Long-term borrowings	530	222
Deferred tax liabilities	165	575
Provision for retirement benefits for directors (and other officers)	456	456
Retirement benefit liability	2,201	2,308
Other	1,647	1,631
Total non-current liabilities	5,000	5,194
Total liabilities	28,562	29,471
Net assets		
Shareholders' equity		
Share capital	8,108	8,108
Capital surplus	4,934	4,920
Retained earnings	68,715	70,604
Treasury shares	(1,901)	(1,936)
Total shareholders' equity	79,856	81,696
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,816	2,304
Remeasurements of defined benefit plans	(17)	(13)
Total accumulated other comprehensive income	1,798	2,291
Non-controlling interests	568	596
Total net assets	82,223	84,584
Total liabilities and net assets	110,785	114,056

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	97,446	103,418
Cost of sales	73,948	78,460
Gross profit	23,498	24,957
Selling, general and administrative expenses	17,939	19,091
Operating profit	5,558	5,866
Non-operating income		
Interest income	25	33
Dividend income	150	136
Subsidy income	115	50
Rent revenue of real estate	22	19
Other	167	153
Total non-operating income	481	394
Non-operating expenses		
Interest expenses	21	18
Provision of allowance for doubtful accounts	200	-
Compensation for damage	63	57
Rental costs on real estate	14	9
Other	6	28
Total non-operating expenses	304	113
Ordinary profit	5,735	6,146
Extraordinary income		
Gain on sale of non-current assets	1,079	-
Total extraordinary income	1,079	-
Extraordinary losses		
Loss on retirement of non-current assets	96	36
Impairment losses	-	12
Loss on disaster	16	-
Loss on valuation of investment securities	-	15
Total extraordinary losses	113	63
Profit before income taxes	6,702	6,083
Income taxes - current	1,827	1,541
Income taxes - deferred	427	375
Total income taxes	2,254	1,917
Profit	4,447	4,165
Profit attributable to non-controlling interests	46	38
Profit attributable to owners of parent	4,400	4,127

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	4,447	4,165
Other comprehensive income		
Valuation difference on available-for-sale securities	52	489
Remeasurements of defined benefit plans, net of tax	6	4
Total other comprehensive income	58	494
Comprehensive income	4,506	4,660
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,459	4,620
Comprehensive income attributable to non-controlling interests	46	39