

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Six Months Ended September 30, 2021 (Based on Japanese GAAP)

November 5, 2021

Company name: TAYCA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 4027 URL <https://www.tayca.co.jp/>
 Representative: Representative Director Hirofumi Yamazaki
 President Executive Officer
 Managing Executive Officer
 Inquiries: General Manager Yasuyuki Nakatsuka TEL 06-6943-6401
 General Affairs Department
 Scheduled date to file Quarterly Securities Report: November 12, 2021
 Scheduled date to commence dividend payments: December 2, 2021
 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 six months ended September 30, 2021 (from April 1, 2021 to September 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	%
Six months ended September 30, 2021	22,040	14.4	1,942	7.5	2,132	57.1	1,614	67.3
Six months ended September 30, 2020	19,268	(14.3)	1,807	(40.3)	1,357	(54.1)	964	(52.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2021	69.66		-	
Six months ended September 30, 2020	41.64		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2021	70,924	51,507	72.1	2,206.84
As of March 31, 2021	69,177	50,230	72.1	2,152.62

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	-	18.00	-	18.00	36.00
Year ending March 31, 2022	-	18.00	-	-	-
Year ending March 31, 2022 (Forecast)	-	-	-	18.00	36.00

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	45,000	17.2	2,600	(11.2)	3,000	9.5	2,100	9.0	90.61

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 30, 2021	25,714,414 shares	As of March 31, 2021	25,714,414 shares
--------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of September 30, 2021	2,538,952 shares	As of March 31, 2021	2,538,667 shares
--------------------------	------------------	----------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2021	23,175,622 shares	Six months ended September 30, 2020	23,176,075 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	13,329	13,187
Notes and accounts receivable - trade	11,395	13,018
Merchandise and finished goods	7,164	8,185
Work in process	1,116	1,076
Raw materials and supplies	3,342	3,343
Other	634	364
Allowance for doubtful accounts	(2)	(2)
Total current assets	36,979	39,174
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,724	6,613
Machinery, equipment and vehicles, net	7,774	7,224
Other, net	3,125	3,480
Total property, plant and equipment	17,624	17,317
Intangible assets		
Goodwill	1,536	1,524
Other	230	199
Total intangible assets	1,767	1,724
Investments and other assets		
Investment securities	11,797	11,494
Other	1,032	1,233
Allowance for doubtful accounts	(23)	(20)
Total investments and other assets	12,806	12,707
Total non-current assets	32,198	31,750
Total assets	69,177	70,924

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,914	4,670
Short-term borrowings	2,415	2,670
Income taxes payable	442	659
Provision for bonuses	350	342
Other	2,875	3,251
Total current liabilities	9,999	11,594
Non-current liabilities		
Long-term borrowings	4,038	3,064
Retirement benefit liability	3,152	3,167
Other	1,757	1,590
Total non-current liabilities	8,948	7,822
Total liabilities	18,947	19,417
Net assets		
Shareholders' equity		
Share capital	9,855	9,855
Capital surplus	6,766	6,766
Retained earnings	29,551	30,748
Treasury shares	(2,459)	(2,459)
Total shareholders' equity	43,714	44,911
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,370	6,158
Deferred gains or losses on hedges	61	108
Foreign currency translation adjustment	(187)	20
Remeasurements of defined benefit plans	(71)	(53)
Total accumulated other comprehensive income	6,173	6,232
Non-controlling interests	341	362
Total net assets	50,230	51,507
Total liabilities and net assets	69,177	70,924

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	19,268	22,040
Cost of sales	14,431	17,134
Gross profit	4,837	4,905
Selling, general and administrative expenses	3,029	2,963
Operating profit	1,807	1,942
Non-operating income		
Interest income	5	0
Dividend income	118	107
Foreign exchange gains	–	45
Other	38	57
Total non-operating income	162	211
Non-operating expenses		
Interest expenses	25	14
Loss on abandonment of inventories	11	2
Foreign exchange losses	0	–
Costs related to the suspension of operations	560	–
Other	13	3
Total non-operating expenses	612	20
Ordinary profit	1,357	2,132
Extraordinary income		
Compensation for forced relocation	180	–
Gain on sales of investment in capital	–	67
Gain on cancellation of leases	–	21
Total extraordinary income	180	88
Extraordinary losses		
Loss on retirement of non-current assets	143	42
Head office relocation expenses	11	–
Total extraordinary losses	154	42
Profit before income taxes	1,383	2,179
Income taxes - current	387	606
Income taxes - deferred	17	(61)
Total income taxes	404	544
Profit	978	1,634
Profit attributable to non-controlling interests	13	20
Profit attributable to owners of parent	964	1,614

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	978	1,634
Other comprehensive income		
Valuation difference on available-for-sale securities	1,229	(212)
Deferred gains or losses on hedges	42	46
Foreign currency translation adjustment	(120)	208
Remeasurements of defined benefit plans, net of tax	13	17
Total other comprehensive income	1,165	59
Comprehensive income	2,144	1,694
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,142	1,673
Comprehensive income attributable to non-controlling interests	2	21

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	1,383	2,179
Depreciation	1,080	1,537
Amortization of goodwill	114	117
Compensation for forced relocation	(180)	–
Interest and dividend income	(124)	(107)
Interest expenses	25	14
Decrease (increase) in trade receivables	2,261	(1,593)
Decrease (increase) in inventories	(914)	(949)
Increase (decrease) in trade payables	(1,031)	706
Other, net	307	821
Subtotal	2,922	2,726
Interest and dividends received	124	107
Interest paid	(25)	(14)
Income taxes paid	(864)	(323)
Net cash provided by (used in) operating activities	2,156	2,496
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,581)	(1,240)
Purchase of investment securities	(3)	(3)
Other, net	(290)	(213)
Net cash provided by (used in) investing activities	(1,876)	(1,456)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	116	237
Proceeds from long-term borrowings	3,000	–
Repayments of long-term borrowings	(556)	(976)
Proceeds from sale of treasury shares	0	–
Purchase of treasury shares	(0)	(0)
Dividends paid	(508)	(415)
Other, net	(15)	(62)
Net cash provided by (used in) financing activities	2,036	(1,217)
Effect of exchange rate change on cash and cash equivalents	(21)	36
Net increase (decrease) in cash and cash equivalents	2,295	(141)
Cash and cash equivalents at beginning of period	10,713	13,250
Cash and cash equivalents at end of period	13,008	13,108