

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

April 26, 2022

Company name: TOMEN DEVICES CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 2737 URL <https://www.tomendevices.co.jp>
 Representative: President Ichiro Tsumaki
 Inquiries: General manager, Accounting Department Hideki Hara TEL 03-3536-9150
 Scheduled date of ordinary general meeting of shareholders: June 23, 2022
 Scheduled date to file Securities Report: June 24, 2022
 Scheduled date to commence dividend payments: June 24, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Consolidated operating results

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	%
Year ended March 31, 2022	462,822	53.1	10,629	112.7	8,478	85.9	6,379	85.1
Year ended March 31, 2021	302,385	16.1	4,997	10.4	4,561	4.3	3,446	1.9

Note: Comprehensive income Year ended March 31, 2022 ¥7,864 million [115.3%]
 Year ended March 31, 2021 ¥3,653 million [13.2%]

	Earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	%	%	%
Year ended March 31, 2022	938.04	18.0	7.2	2.3
Year ended March 31, 2021	506.68	10.8	4.3	1.7

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2022 ¥39 million
 Year ended March 31, 2021 ¥15 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	116,990	39,364	33.0	5,673.96
As of March 31, 2021	119,889	32,801	26.8	4,729.45

Reference: Equity As of March 31, 2022 ¥38,589 million
 As of March 31, 2021 ¥32,166 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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	5,896	(183)	(7,597)	8,216
Year ended March 31, 2021	(11,583)	(30)	11,296	9,550

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	–	0.00	–	170.00	170.00	1,156	33.6	3.6
Year ended March 31, 2022	–	0.00	–	300.00	300.00	2,040	32.0	5.8
Year ending March 31, 2023 (Forecast)	–	0.00	–	300.00	300.00		37.1	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	440,000	(4.9)	7,700	(27.6)	7,000	(17.4)	5,500	(13.8)	808.69

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

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

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2022	6,802,000 shares	As of March 31, 2021	6,802,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	935 shares	As of March 31, 2021	774 shares
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Average number of shares during the period

Year ended March 31, 2022	6,801,137 shares	Year ended March 31, 2021	6,801,264 shares
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Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	219,666	50.1	4,880	146.1	3,451	110.3	2,394	114.2
Year ended March 31, 2021	146,349	19.5	1,983	38.0	1,641	37.4	1,117	36.3

	Earnings per share
	Yen
Year ended March 31, 2022	352.02
Year ended March 31, 2021	164.32

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	98,659	27,056	27.4	3,978.21
As of March 31, 2021	82,879	25,990	31.4	3,821.44

Reference: Equity As of March 31, 2022 ¥27,056 million
 As of March 31, 2021 ¥25,990 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	3,197	6,713
Notes and accounts receivable - trade	58,070	58,574
Electronically recorded monetary claims - operating	3,958	7,099
Merchandise	43,921	40,163
Advance payments to suppliers	1,558	208
Deposits paid	6,352	1,503
Other	1,296	809
Allowance for doubtful accounts	(69)	(72)
Total current assets	118,286	114,998
Non-current assets		
Property, plant and equipment		
Buildings	114	115
Accumulated depreciation	(92)	(95)
Buildings, net	22	20
Other	152	514
Accumulated depreciation	(102)	(135)
Other, net	50	379
Total property, plant and equipment	73	399
Intangible assets	143	82
Investments and other assets		
Investment securities	833	760
Deferred tax assets	400	565
Other	151	183
Total investments and other assets	1,385	1,509
Total non-current assets	1,603	1,991
Total assets	119,889	116,990

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	45,690	47,884
Short-term borrowings	14,602	9,500
Income taxes payable	439	1,249
Advances received	10,437	425
Provision for bonuses	182	330
Accounts payable - other	14,722	14,981
Other	504	2,722
Total current liabilities	86,578	77,094
Non-current liabilities		
Retirement benefit liability	470	490
Deferred tax liabilities	—	0
Other	39	40
Total non-current liabilities	510	531
Total liabilities	87,088	77,625
Net assets		
Shareholders' equity		
Share capital	2,054	2,054
Retained earnings	29,567	34,786
Treasury shares	(1)	(2)
Total shareholders' equity	31,619	36,838
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	248	177
Deferred gains or losses on hedges	(136)	(237)
Foreign currency translation adjustment	434	1,810
Total accumulated other comprehensive income	546	1,750
Non-controlling interests	634	775
Total net assets	32,801	39,364
Total liabilities and net assets	119,889	116,990

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	302,385	462,822
Cost of sales	294,526	448,491
Gross profit	7,859	14,330
Selling, general and administrative expenses	2,861	3,700
Operating profit	4,997	10,629
Non-operating income		
Interest income	8	3
Dividend income	17	18
Share of profit of entities accounted for using equity method	15	39
Gain on sale of investment securities	–	14
Other	48	34
Total non-operating income	89	110
Non-operating expenses		
Interest expenses	17	108
Loss on sale of receivables	3	484
Foreign exchange losses	485	1,642
Other	19	26
Total non-operating expenses	525	2,261
Ordinary profit	4,561	8,478
Profit before income taxes	4,561	8,478
Income taxes - current	1,099	1,979
Income taxes - deferred	(78)	(88)
Total income taxes	1,020	1,890
Profit	3,540	6,587
Profit attributable to non-controlling interests	94	207
Profit attributable to owners of parent	3,446	6,379

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	3,540	6,587
Other comprehensive income		
Valuation difference on available-for-sale securities	111	(70)
Deferred gains or losses on hedges	(114)	(101)
Foreign currency translation adjustment	114	1,448
Total other comprehensive income	112	1,276
Comprehensive income	3,653	7,864
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,547	7,584
Comprehensive income attributable to non-controlling interests	105	279

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,054	1,984	27,169	(1)	31,205
Changes during period					
Dividends of surplus			(1,020)		(1,020)
Profit attributable to owners of parent			3,446		3,446
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(2,120)			(2,120)
Change in scope of consolidation			109		109
Transfer from retained earnings to capital surplus		136	(136)		-
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,984)	2,398	(0)	413
Balance at end of period	2,054	-	29,567	(1)	31,619

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	136	(21)	330	445	266	31,917
Changes during period						
Dividends of surplus						(1,020)
Profit attributable to owners of parent						3,446
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						(2,120)
Change in scope of consolidation						109
Transfer from retained earnings to capital surplus						-
Net changes in items other than shareholders' equity	111	(114)	103	101	368	469
Total changes during period	111	(114)	103	101	368	883
Balance at end of period	248	(136)	434	546	634	32,801

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,054	–	29,567	(1)	31,619
Changes during period					
Dividends of surplus			(1,156)		(1,156)
Profit attributable to owners of parent			6,379		6,379
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests		(4)			(4)
Change in scope of consolidation					–
Transfer from retained earnings to capital surplus		4	(4)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	5,219	(0)	5,218
Balance at end of period	2,054	–	34,786	(2)	36,838

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	248	(136)	434	546	634	32,801
Changes during period						
Dividends of surplus						(1,156)
Profit attributable to owners of parent						6,379
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						(4)
Change in scope of consolidation						–
Transfer from retained earnings to capital surplus						–
Net changes in items other than shareholders' equity	(70)	(101)	1,376	1,204	140	1,345
Total changes during period	(70)	(101)	1,376	1,204	140	6,563
Balance at end of period	177	(237)	1,810	1,750	775	39,364

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	4,561	8,478
Depreciation	113	149
Increase (decrease) in provision for bonuses	(5)	147
Increase (decrease) in retirement benefit liability	41	20
Increase (decrease) in allowance for doubtful accounts	30	(71)
Share of loss (profit) of entities accounted for using equity method	(15)	(39)
Interest and dividend income	(26)	(22)
Interest expenses	17	108
Foreign exchange losses (gains)	205	214
Decrease (increase) in trade receivables	(6,982)	(1,264)
Decrease (increase) in inventories	(20,492)	5,740
Decrease (increase) in advance payments to suppliers	1,438	1,387
Increase (decrease) in trade payables	8,359	(418)
Increase (decrease) in advances received	967	(10,187)
Increase (decrease) in accounts payable - other	2,470	373
Other, net	(1,106)	2,552
Subtotal	(10,422)	7,167
Interest and dividends received	33	29
Interest paid	(17)	(108)
Income taxes paid	(1,177)	(1,192)
Net cash provided by (used in) operating activities	(11,583)	5,896
Cash flows from investing activities		
Purchase of property, plant and equipment	(7)	(149)
Purchase of intangible assets	(19)	(6)
Other, net	(3)	(27)
Net cash provided by (used in) investing activities	(30)	(183)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	13,889	(5,941)
Repayments of lease liabilities	(37)	(24)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,020)	(1,156)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,965)	(472)
Proceeds from share issuance to non-controlling shareholders	431	–
Net cash provided by (used in) financing activities	11,296	(7,597)
Effect of exchange rate change on cash and cash equivalents	(35)	551
Net increase (decrease) in cash and cash equivalents	(353)	(1,333)
Cash and cash equivalents at beginning of period	9,904	9,550
Cash and cash equivalents at end of period	9,550	8,216