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May 11, 2022

## Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Under Japanese GAAP)

Company name: Techno Medica Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 6678  
 URL: <http://www.technomedica.co.jp>  
 Representative: Masatomo Saneyoshi, President and CEO  
 Inquiries: Kazuto Tsugawa, Director and General Manager of Corporate Management Division  
 Telephone: +81-45-948-1961  
 Scheduled date of annual general meeting of shareholders: June 28, 2022  
 Scheduled date to commence dividend payments: June 29, 2022  
 Scheduled date to file annual securities report: June 28, 2022  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for Securities analysts, Institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Non-consolidated financial results for the fiscal 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	%
Fiscal year ended								
March 31, 2022	9,699	7.3	1,861	15.8	1,851	13.6	1,281	11.1
March 31, 2021	9,040	△7.9	1,607	27.8	1,629	28.4	1,153	15.3

	Basic earnings per share	Diluted earnings 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	150.85	—	8.4	10.3	19.2
March 31, 2021	135.78	—	7.9	9.6	17.8

Reference: Share of profit (loss) of entities accounted for using equity method  
 For the fiscal year ended March 31, 2022 ¥ - million  
 For the fiscal year ended March 31, 2021: ¥ - million

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2022	18,508	15,650	84.6	1,858.63
March 31, 2021	17,554	14,960	85.2	1,755.98

Reference: Equity  
 As of March 31, 2022: ¥15,650 million  
 As of March 31, 2021: ¥14,960 million

**(3) Non-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	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	2,062	2,489	△598	11,523
March 31, 2021	825	△153	△415	7,570

**2. Cash dividends**

	Annual dividends per share					Total cash dividends (Total)	Payout ratio	Ratio of dividends to net assets
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2021	—	0.00	—	51.00	51.00	434	37.6	3.0
Fiscal year ended March 31, 2022	—	0.00	—	60.00	60.00	505	39.8	3.3
Fiscal year ending March 31, 2023 (Forecast)	—	0.00	—	55.00	55.00		44.5	

**\* Notes**

(1) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(2) Number of issued shares (common shares)

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

As of March 31, 2022	8,760,000 shares
As of March 31, 2021	8,760,000 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2022	339,751 shares
As of March 31, 2021	240,451 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2022	8,494,402 shares
Fiscal year ended March 31, 2021	8,493,580 shares

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

\* Proper use of earnings forecasts, and other special matters

Earnings forecasts contained in these disclosure materials are based on available information to the company and assumptions believed to be reasonable by management. This is not a promise or guarantee by the company that it will achieve these goals. Actual results may differ substantially due to several factors such as economic situation, market trend, exchange rates and other factors.

### 3. Non-Consolidated Financial Statements

#### (1) Non-Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	10,138,620	11,523,507
Notes receivable - trade	87,125	30,587
Electronically recorded monetary claims - operating	426,259	533,349
Accounts receivable - trade	3,092,542	3,088,090
Merchandise and finished goods	1,430,258	909,427
Work in process	98,635	191,018
Raw materials and supplies	117,134	128,854
Prepaid expenses	44,791	36,791
Other	35,197	31,124
<b>Total current assets</b>	<b>15,470,566</b>	<b>16,472,750</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
<b>Buildings</b>	<b>1,184,296</b>	<b>1,199,326</b>
Accumulated depreciation	△636,104	△674,876
<b>Buildings, net</b>	<b>548,191</b>	<b>524,450</b>
<b>Structures</b>	<b>2,577</b>	<b>2,577</b>
Accumulated depreciation	△2,361	△2,386
<b>Structures, net</b>	<b>215</b>	<b>191</b>
<b>Machinery and equipment</b>	<b>350,019</b>	<b>350,019</b>
Accumulated depreciation	△202,669	△228,589
<b>Machinery and equipment, net</b>	<b>147,349</b>	<b>121,429</b>
<b>Tools, furniture and fixtures</b>	<b>272,020</b>	<b>292,694</b>
Accumulated depreciation	△190,651	△233,612
<b>Tools, furniture and fixtures, net</b>	<b>81,369</b>	<b>59,081</b>
<b>Land</b>	<b>787,326</b>	<b>787,326</b>
<b>Total property, plant and equipment</b>	<b>1,564,453</b>	<b>1,492,479</b>
<b>Intangible assets</b>		
Telephone subscription right	1,177	1,177
Patent right	1,331	1,099
Software	21,346	30,739
<b>Total intangible assets</b>	<b>23,854</b>	<b>33,017</b>
<b>Investments and other assets</b>		
Investments in capital	7,510	7,510
Long-term prepaid expenses	74,449	49,100
Deferred tax assets	324,827	363,419
Other	88,780	115,682
Allowance for doubtful accounts	-	△25,714
<b>Total investments and other assets</b>	<b>495,567</b>	<b>509,998</b>
<b>Total non-current assets</b>	<b>2,083,875</b>	<b>2,035,494</b>
<b>Total assets</b>	<b>17,554,441</b>	<b>18,508,245</b>

(Thousands of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	1,134,825	1,282,543
Accounts payable - other	176,262	146,856
Accrued expenses	79,437	81,284
Income taxes payable	390,992	370,527
Accrued consumption taxes	69,219	148,050
Advances received	215,189	296,351
Deposits received	10,267	9,496
Provision for bonuses	154,353	157,533
Provision for bonuses for directors (and other officers)	18,000	21,375
Unearned revenue	134,346	114,530
Other	1,400	1,657
<b>Total current liabilities</b>	<b>2,384,293</b>	<b>2,630,205</b>
<b>Non-current liabilities</b>		
Provision for retirement benefits	174,293	192,291
Provision for product warranties	104	63
Other	35,598	35,598
<b>Total non-current liabilities</b>	<b>209,996</b>	<b>227,954</b>
<b>Total liabilities</b>	<b>2,594,290</b>	<b>2,858,160</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,069,800	1,069,800
<b>Capital surplus</b>		
Legal capital surplus	967,926	967,926
<b>Total capital surplus</b>	<b>967,926</b>	<b>967,926</b>
<b>Retained earnings</b>		
Legal retained earnings	18,483	18,483
<b>Other retained earnings</b>		
General reserve	8,800,000	8,800,000
Retained earnings brought forward	4,597,660	5,442,468
<b>Total retained earnings</b>	<b>13,416,144</b>	<b>14,260,952</b>
Treasury shares	△493,719	△648,593
<b>Total shareholders' equity</b>	<b>14,960,151</b>	<b>15,650,085</b>
<b>Total net assets</b>	<b>14,960,151</b>	<b>15,650,085</b>
<b>Total liabilities and net assets</b>	<b>17,554,441</b>	<b>18,508,245</b>

## (2) Non-Consolidated Statements of Income

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	9,040,115	9,699,077
Cost of sales		
Beginning finished goods inventory	990,982	1,430,258
Cost of products manufactured	5,024,951	4,360,965
Total	6,015,933	5,791,224
Ending finished goods inventory	1,430,258	909,427
Cost of finished goods sold	4,585,675	4,881,796
Gross profit	4,454,440	4,817,281
Selling, general and administrative expenses	2,846,648	2,955,413
Operating profit	1,607,791	1,861,868
Non-operating income		
Interest income	283	1,184
Dividend income	1,636	1,679
Rental income	6,479	6,508
Compensation income	1,640	368
Foreign exchange gains	4,831	6,528
Other	7,539	1,207
Total non-operating income	22,409	17,476
Non-operating expenses		
Commission expenses	-	2,374
Provision of allowance for doubtful accounts	-	25,714
Other	211	197
Total non-operating expenses	211	28,286
Ordinary profit	1,629,989	1,851,058
Extraordinary income		
Compensation income	19,325	-
Total extraordinary income	19,325	-
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Total extraordinary losses	0	-
Profit before income taxes	1,649,314	1,851,058
Income taxes - current	516,224	608,265
Income taxes - deferred	△20,170	△38,592
Total income taxes	496,054	569,673
Profit	1,153,260	1,281,384

## (3) Non-Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
						General reserve	Retained earnings brought forward
Balance at beginning of period	1,069,800	967,926	214	968,140	18,483	8,800,000	3,874,152
Changes during period							
Dividends of surplus							△415,485
Profit							1,153,260
Disposal of treasury shares			△1,304	△1,304			△13,175
Transfer of loss on disposal of treasury shares			1,090	1,090			△1,090
Total changes during period	-	-	△214	△214	-	-	723,507
Balance at end of period	1,069,800	967,926	-	967,926	18,483	8,800,000	4,597,660

	Shareholders' equity			Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	
	Total retained earnings			
Balance at beginning of period	12,692,636	△581,282	14,149,293	14,149,293
Changes during period				
Dividends of surplus	△415,485		△415,485	△415,485
Profit	1,153,260		1,153,260	1,153,260
Disposal of treasury shares	△13,175	87,563	73,082	73,082
Transfer of loss on disposal of treasury shares	△1,090			-
Total changes during period	723,507	87,563	810,857	810,857
Balance at end of period	13,416,144	△493,719	14,960,151	14,960,151

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(Thousands of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	
						General reserve	Retained earnings brought forward
Balance at beginning of period	1,069,800	967,926	-	967,926	18,483	8,800,000	4,597,660
Changes during period							
Dividends of surplus							△434,496
Profit							1,281,384
Purchase of treasury shares							
Disposal of treasury shares			△2,079	△2,079			
Transfer of loss on disposal of treasury shares			2,079	2,079			△2,079
Total changes during period	-	-	-	-	-	-	844,808
Balance at end of period	1,069,800	967,926	-	967,926	18,483	8,800,000	5,442,468

	Shareholders' equity			Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	
	Total retained earnings			
Balance at beginning of period	13,416,144	△493,719	14,960,151	14,960,151
Changes during period				
Dividends of surplus	△434,496		△434,496	△434,496
Profit	1,281,384		1,281,384	1,281,384
Purchase of treasury shares		△164,398	△164,398	△164,398
Disposal of treasury shares		9,524	7,444	7,444
Transfer of loss on disposal of treasury shares	△2,079			-
Total changes during period	844,808	△154,874	689,934	689,934
Balance at end of period	14,260,952	△648,593	15,650,085	15,650,085



## (4) Non-Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,649,314	1,851,058
Depreciation	120,814	120,974
Increase (decrease) in provision for retirement benefits	17,293	17,997
Increase (decrease) in provision for bonuses	△3,016	3,179
Increase (decrease) in provision for bonuses for directors (and other officers)	3,375	3,375
Increase (decrease) in provision for product warranties	△865	△40
Interest and dividend income	△1,919	△2,864
Increase (decrease) in allowance for doubtful accounts	△2,241	25,714
Loss on retirement of property, plant and equipment	0	-
Decrease (increase) in trade receivables	△283,419	△46,100
Decrease (increase) in inventories	△286,636	416,728
Increase (decrease) in trade payables	53,283	147,717
Decrease (increase) in other assets	11,005	17,246
Increase (decrease) in other liabilities	△192,729	135,300
Subtotal	1,084,257	2,690,287
Interest and dividends received	1,919	2,864
Income taxes paid	△260,765	△630,173
Net cash provided by (used in) operating activities	825,412	2,062,978
<b>Cash flows from investing activities</b>		
Payments into time deposits	△120,158	-
Proceeds from withdrawal of time deposits	-	2,568,592
Payments of guarantee deposits	△5,682	△4,066
Proceeds from refund of guarantee deposits	6,071	4,785
Purchase of property, plant and equipment	△29,933	△65,740
Purchase of intangible assets	△3,974	△14,431
Net cash provided by (used in) investing activities	△153,677	2,489,140
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	-	△164,398
Dividends paid	△415,337	△434,240
Net cash provided by (used in) financing activities	△415,337	△598,638
Net increase (decrease) in cash and cash equivalents	256,397	3,953,479
Cash and cash equivalents at beginning of period	7,313,630	7,570,028
Cash and cash equivalents at end of period	7,570,028	11,523,507