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february 1, 2023

Non-consolidated Financial Results for the Nine Months Ended December 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 to file quarterly securities report: february 8, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly 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 Nine Months Ended December 31,2022 (from April 1,2022 to December 31,2022)

(1) Non-consolidated operating results (cumulative)

(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	%
Six months ended								
December 31,2022	6,061	△5.4	823	△15.4	829	△15.6	563	△16.2
December 31,2021	6,408	9.7	974	25.8	983	25.3	673	22.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
December 31,2022	66.90	—
December 31,2021	79.06	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
December 31,2022	17,842	15,799	88.6
December 31,2021	18,508	15,650	84.6

Reference: Equity

As of December 31,2022: ¥15,799 million
 As of March 31,2022: ¥15,650 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	0.00	—	60.00	60.00
Fiscal year ending March 31, 2023	—	0.00	—		
Fiscal year ending March 31, 2023 (Forecast)				55.00	55.00

Note: Revisions to the forecast of cash dividends most recently announced: None

*** Notes**

(1) Adoption of accounting treatment specific to the preparation of quarterly non-consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

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

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

As of December 31,2022	286,351 shares
As of March 31,2022	339,751 shares

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

Nine months ended December 31,2022	8,428,783 shares
Nine months ended December 31,2021	8,514,379 shares

* Quarterly financial results reports are exempt from quarterly review 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.

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	11,523,507	11,231,072
Notes receivable - trade	30,587	39,221
Electronically recorded monetary claims - operating	533,349	524,327
Accounts receivable - trade	3,088,090	2,068,658
Merchandise and finished goods	909,427	1,331,398
Work in process	191,018	207,700
Raw materials and supplies	128,854	162,860
Prepaid expenses	36,791	35,872
Consumption taxes refund receivable	-	78,169
Other	31,124	83,470
Total current assets	16,472,750	15,762,752
Non-current assets		
Property, plant and equipment		
Buildings	1,199,326	1,255,060
Accumulated depreciation	△674,876	△704,933
Buildings, net	524,450	550,127
Structures	2,577	5,042
Accumulated depreciation	△2,386	△2,451
Structures, net	191	2,591
Machinery and equipment	350,019	355,364
Accumulated depreciation	△228,589	△237,452
Machinery and equipment, net	121,429	117,911
Tools, furniture and fixtures	292,694	319,058
Accumulated depreciation	△233,612	△257,271
Tools, furniture and fixtures, net	59,081	61,786
Land	787,326	787,326
Construction in progress	-	412
Total property, plant and equipment	1,492,479	1,520,156
Intangible assets		
Telephone subscription right	1,177	1,177
Patent right	1,099	925
Software	30,739	23,084
Total intangible assets	33,017	25,188
Investments and other assets		
Investments in capital	7,510	7,510
Long-term prepaid expenses	49,100	104,376
Deferred tax assets	363,419	317,812
Other	115,682	129,881
Allowance for doubtful accounts	△25,714	△25,444
Total investments and other assets	509,998	534,135
Total non-current assets	2,035,494	2,079,480
Total assets	18,508,245	17,842,232

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Accounts payable - trade	1,282,543	883,037
Accounts payable - other	146,856	109,071
Accrued expenses	81,284	101,721
Income taxes payable	370,527	-
Accrued consumption taxes	148,050	-
Advances received	296,351	464,373
Deposits received	9,496	45,199
Unearned revenue	114,530	115,372
Provision for bonuses	157,533	82,000
Provision for bonuses for directors (and other officers)	21,375	-
Other	1,657	1,980
Total current liabilities	2,630,205	1,802,755
Non-current liabilities		
Provision for retirement benefits	192,291	203,845
Provision for product warranties	63	51
Other	35,598	35,598
Total non-current liabilities	227,954	239,495
Total liabilities	2,858,160	2,042,250
Net assets		
Shareholders' equity		
Share capital	1,069,800	1,069,800
Capital surplus	967,926	967,926
Retained earnings	14,260,952	14,304,051
Treasury shares	△648,593	△541,795
Total shareholders' equity	15,650,085	15,799,982
Total net assets	15,650,085	15,799,982
Total liabilities and net assets	18,508,245	17,842,232

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	6,408,817	6,061,131
Cost of sales	3,260,378	3,059,406
Gross profit	3,148,438	3,001,724
Selling, general and administrative expenses	2,174,268	2,177,786
Operating profit	974,169	823,937
Non-operating income		
Interest income	1,129	104
Dividend income	0	0
Foreign exchange gains	3,961	-
Rental income	4,898	5,142
Compensation income	333	323
Other	1,416	1,651
Total non-operating income	11,739	7,221
Non-operating expenses		
Commission expenses	2,374	-
Foreign exchange losses	-	1,132
Other	197	416
Total non-operating expenses	2,572	1,549
Ordinary profit	983,337	829,609
Extraordinary losses		
Loss on retirement of non-current assets	-	2,410
Total extraordinary losses	-	2,410
Profit before income taxes	983,337	827,199
Income taxes - current	281,293	217,730
Income taxes - deferred	28,892	45,607
Total income taxes	310,185	263,338
Profit	673,151	563,860