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## Consolidated Financial Results for the Year Ended January 31, 2023 [Japanese GAAP]

March 10, 2023

Company name: TOHO Co.,Ltd.

Stock exchange listing: Tokyo

Code number: 8142

URL: <https://www.to-ho.co.jp>

Representative: Hiroyuki Koga

Representative Director &amp; President

Contact: Toshiaki Sato

Executive Director

Phone: 078-845-2431

Scheduled date of Annual General Meeting of Shareholders: April 25, 2023

Scheduled date of commencing dividend payments: April 26, 2023

Scheduled date of filing annual securities report: April 26, 2023

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

## 1. Consolidated Financial Results for the Fiscal Year Ended January 31, 2023 (February 01, 2022 to January 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended January 31, 2023	215,572	14.3	3,649	-	3,877	-	1,006	200.0
January 31, 2022	188,567	1.3	(446)	-	178	-	335	-

(Note) Comprehensive income: Fiscal year ended January 31, 2023: ¥ 2,686 million [ 124.5%]  
Fiscal year ended January 31, 2022: ¥ 1,196 million [ -%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
January 31, 2023	93.59	-	4.8	4.6	1.7
January 31, 2022	31.20	-	1.7	0.2	(0.2)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended January 31, 2023: ¥ (9) million  
Fiscal year ended January 31, 2022: ¥ (21) million

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
January 31, 2023	87,352	22,752	25.7	2,083.28
January 31, 2022	82,702	20,237	24.1	1,852.14

(Reference) Equity: As of January 31, 2023: ¥ 22,409 million  
As of January 31, 2022: ¥ 19,923 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 the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
January 31, 2023	4,110	(931)	(4,477)	7,511
January 31, 2022	3,547	2,078	(4,003)	8,596

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
January 31, 2022	-	0.00	-	5.00	5.00	53	16.0	0.3
January 31, 2023	-	10.00	-	25.00	35.00	376	37.4	1.8
Fiscal year ending January 31, 2024 (Forecast)	-	30.00	-	30.00	60.00		32.3	

(Note) For details, please refer to the "Notice Concerning Dividends from Surplus (Year-end Dividend)" (available in Japanese only) announced today.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending January 31, 2024 (February 01, 2023 to January 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending July 31, 2023	104,500	4.1	1,250	0.7	1,300	(9.7)	650	3.0	60.43
Full year	214,000	(0.7)	3,800	4.1	3,900	0.6	2,000	98.7	185.93

## \* Notes:

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name: )  
Exclusion: - (Company name: )

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

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

3) Changes in accounting estimates: No

4) Retrospective restatement: No

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

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

January 31, 2023: 11,012,166 shares

January 31, 2022: 11,012,166 shares

2) Total number of treasury shares at:

January 31, 2023: 255,523 shares

January 31, 2022: 255,338 shares

3) Average number of shares during:

Fiscal Year ended January 31, 2023: 10,756,728 shares

Fiscal Year ended January 31, 2022: 10,756,873 shares

## (Reference) Summary of Non-consolidated Financial Results

## 1. Non-consolidated Financial Results for the Fiscal Year Ended January 31, 2023 (February 01, 2022 to January 31, 2023)

## (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
January 31, 2023	30,609	(54.8)	258	215.5	803	105.2	(3,444)	-
January 31, 2022	67,703	6.4	81	-	391	(56.5)	593	(30.9)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
January 31, 2023	(320.22)	-
January 31, 2022	55.21	-

## (2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
January 31, 2023	70,523	16,892	24.0	1,570.46
January 31, 2022	69,480	20,397	29.4	1,896.27

(Reference) Equity: As of January 31, 2023: ¥ 16,892 million  
As of January 31, 2022: ¥ 20,397 million

\* This document is exempt from audit conducted by certified public accountants or an audit corporation.

## Consolidated Financial Statements

## Consolidated Balance Sheets

(Million yen)

	As of January 31,2022	As of January 31,2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	8,700	8,163
Notes and accounts receivable - trade	15,108	-
Notes and accounts receivable - trade, and contract assets	-	18,293
Inventories	10,841	12,587
Other	3,176	3,530
Allowance for doubtful accounts	(75)	(98)
<b>Total current assets</b>	<b>37,750</b>	<b>42,477</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	25,537	25,670
Accumulated depreciation	(16,745)	(17,193)
Buildings and structures, net	8,791	8,476
Machinery, equipment and vehicles	6,238	6,476
Accumulated depreciation	(4,491)	(4,960)
Machinery, equipment and vehicles, net	1,747	1,515
Tools, furniture and fixtures	4,205	4,312
Accumulated depreciation	(3,465)	(3,642)
Tools, furniture and fixtures, net	739	669
Land	14,977	14,947
Construction in progress	1	29
Leased assets	5,180	4,509
Accumulated depreciation	(3,969)	(3,197)
Leased assets, net	1,210	1,311
<b>Total property, plant and equipment</b>	<b>27,468</b>	<b>26,951</b>
<b>Intangible assets</b>		
Goodwill	6,150	4,719
Software	552	455
Other	130	172
<b>Total intangible assets</b>	<b>6,833</b>	<b>5,347</b>
<b>Investments and other assets</b>		
Investment securities	1,635	1,758
Shares of subsidiaries and associates	411	-
Leasehold deposits	3,672	3,517
Deferred tax assets	722	2,330
Retirement benefit asset	3,886	4,677
Other	468	424
Allowance for doubtful accounts	(147)	(133)
<b>Total investments and other assets</b>	<b>10,649</b>	<b>12,576</b>
<b>Total non-current assets</b>	<b>44,951</b>	<b>44,874</b>
<b>Total assets</b>	<b>82,702</b>	<b>87,352</b>

(Million yen)

	As of January 31,2022	As of January 31,2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	23,556	26,301
Short-term borrowings	11,729	11,180
Income taxes payable	691	1,183
Provision for bonuses	448	915
Provision for point card certificates	242	-
Provision for product warranties	74	55
Asset retirement obligations	44	-
Provision for loss on business liquidation	-	1,543
Other	3,190	4,148
Total current liabilities	39,977	45,327
Non-current liabilities		
Long-term borrowings	18,998	15,647
Provision for place of business closings	1	-
Deferred tax liabilities	641	732
Asset retirement obligations	936	973
Retirement benefit liability	458	467
Lease liabilities	930	958
Other	519	493
Total non-current liabilities	22,486	19,271
Total liabilities	62,464	64,599
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,344	5,344
Capital surplus	5,100	5,100
Retained earnings	9,198	10,044
Treasury shares	(639)	(639)
Total shareholders' equity	19,004	19,849
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	295	462
Deferred gains or losses on hedges	0	(10)
Foreign currency translation adjustment	162	1,390
Remeasurements of defined benefit plans	460	717
Total accumulated other comprehensive income	918	2,559
Non-controlling interests	314	343
Total net assets	20,237	22,752
Total liabilities and net assets	82,702	87,352

Consolidated Statements of Income and Comprehensive Income  
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended January 31,2022	For the fiscal year ended January 31,2023
Net sales	188,567	215,572
Cost of sales	151,476	172,422
Gross profit	37,090	43,150
Selling, general and administrative expenses		
Freight and packing costs	4,676	5,174
Promotion expenses	1,275	1,055
Provision of allowance for doubtful accounts	9	44
Retirement benefit expenses	63	(40)
Employees' salaries	14,213	13,912
Employees' bonuses	953	1,978
Provision for bonuses	444	908
Welfare expenses	2,496	2,710
Travel and transportation expenses	1,034	1,110
Utilities expenses	1,473	2,003
Lease	912	905
Depreciation	2,093	1,951
Rent expenses on land and buildings	3,392	3,297
Other	4,497	4,487
Total selling, general and administrative expenses	37,537	39,500
Operating profit (loss)	(446)	3,649
Non-operating income		
Interest income	1	4
Dividend income	23	26
Foreign exchange gains	13	72
Subsidies for employment adjustment	493	121
Other	291	188
Total non-operating income	823	413
Non-operating expenses		
Interest expenses	129	128
Share of loss of entities accounted for using equity method	21	9
Other	47	47
Total non-operating expenses	198	186
Ordinary profit	178	3,877

(Million yen)

	For the fiscal year ended January 31,2022	For the fiscal year ended January 31,2023
<b>Extraordinary income</b>		
Gain on sale of non-current assets	1,067	13
Gain on sale of investment securities	269	1
Total extraordinary income	1,336	15
<b>Extraordinary losses</b>		
Loss on sale of non-current assets	52	-
Loss on retirement of non-current assets	32	100
Loss on store closings	22	32
Impairment losses	255	1,471
Provision for loss on business liquidation	-	1,543
Loss on sale of investment securities	3	31
Loss on valuation of investment securities	-	10
Total extraordinary losses	366	3,190
Profit before income taxes	1,147	702
Income taxes - current	904	1,376
Income taxes - deferred	(161)	(1,706)
Total income taxes	742	(329)
Profit	405	1,031
Profit attributable to non-controlling interests	69	24
Profit attributable to owners of parent	335	1,006

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended January 31,2022	For the fiscal year ended January 31,2023
Profit	405	1,031
Other comprehensive income		
Valuation difference on available-for-sale securities	(121)	167
Deferred gains or losses on hedges	0	(11)
Foreign currency translation adjustment	712	1,239
Remeasurements of defined benefit plans, net of tax	200	259
Total other comprehensive income	791	1,655
Comprehensive income	1,196	2,686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,117	2,647
Comprehensive income attributable to non-controlling interests	78	38



## Consolidated Statements of Changes in Net Assets

For the fiscal year ended January 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,344	5,089	8,863	(639)	18,657
Changes during period					
Dividends of surplus					-
Profit attributable to owners of parent			335		335
Purchase of treasury shares				(0)	(0)
Purchase of shares of consolidated subsidiaries		11			11
Net changes in items other than shareholders' equity					
Total changes during period	-	11	335	(0)	346
Balance at end of period	5,344	5,100	9,198	(639)	19,004

	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	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	417	-	(543)	262	136	589	19,384
Changes during period							
Dividends of surplus						(24)	(24)
Profit attributable to owners of parent							335
Purchase of treasury shares							(0)
Purchase of shares of consolidated subsidiaries							11
Net changes in items other than shareholders' equity	(122)	0	705	198	782	(250)	531
Total changes during period	(122)	0	705	198	782	(275)	853
Balance at end of period	295	0	162	460	918	314	20,237

For the fiscal year ended January 31,2023

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,344	5,100	9,198	(639)	19,004
Changes during period					
Dividends of surplus			(161)		(161)
Profit attributable to owners of parent			1,006		1,006
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	-	-	845	(0)	845
Balance at end of period	5,344	5,100	10,044	(639)	19,849

	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	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	295	0	162	460	918	314	20,237
Changes during period							
Dividends of surplus						(10)	(171)
Profit attributable to owners of parent							1,006
Purchase of treasury shares							(0)
Net changes in items other than shareholders' equity	166	(11)	1,228	257	1,640	38	1,679
Total changes during period	166	(11)	1,228	257	1,640	28	2,514
Balance at end of period	462	(10)	1,390	717	2,559	343	22,752

## Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended January 31,2022	For the fiscal year ended January 31,2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,147	702
Depreciation	2,197	2,060
Amortization of goodwill	860	886
Impairment losses	255	1,471
Loss on retirement of non-current assets	32	100
Increase (decrease) in allowance for doubtful accounts	(16)	6
Increase (decrease) in provision for place business closings	(3)	(1)
Increase (decrease) in provision for bonuses	26	459
Increase (decrease) in provision for product warranties	21	(18)
Increase (decrease) in provision for point card certificates	43	(242)
Increase (decrease) in provision for loss on business liquidation	-	1,543
Loss (gain) on valuation of investment securities	-	10
Increase (decrease) in retirement benefit liability	(307)	(409)
Interest and dividend income	(24)	(30)
Interest expenses	129	128
Share of loss (profit) of entities accounted for using equity method	21	9
Foreign exchange losses (gains)	(1)	(33)
Loss (gain) on sale of non-current assets	(1,014)	(13)
Loss (gain) on sale of investment securities	(265)	30
Decrease (increase) in trade receivables	(375)	(2,986)
Decrease (increase) in inventories	(508)	(1,658)
Decrease (increase) in other account receivables	124	(102)
Increase (decrease) in trade payables	2,661	2,665
Increase (decrease) in other obligations	(767)	585
Increase (decrease) in accrued consumption taxes	(9)	137
Other, net	(26)	(61)
Subtotal	4,200	5,237
Income taxes refund (paid)	(556)	(1,041)
Interest and dividends received	24	30
Interest paid	(121)	(120)
Dividends received from entities accounted for using equity method	1	3
Net cash provided by (used in) operating activities	3,547	4,110

(Million yen)

	For the fiscal year ended January 31,2022	For the fiscal year ended January 31,2023
<b>Cash flows from investing activities</b>		
Payments into time deposits	(182)	(549)
Proceeds from withdrawal of time deposits	230	6
Purchase of non-current assets	(1,015)	(1,108)
Proceeds from sales and collection of non current assets	2,595	308
Purchase of investment securities	(13)	(10)
Proceeds from sale of investment securities	486	93
Proceeds from sale of shares of subsidiaries and associates	-	397
Other, net	(22)	(68)
Net cash provided by (used in) investing activities	2,078	(931)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(300)	500
Proceeds from long-term borrowings	9,650	8,200
Repayments of long-term borrowings	(12,553)	(12,600)
Repayments of lease liabilities	(454)	(404)
Purchase of treasury shares	(0)	(0)
Dividends paid	(2)	(161)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(318)	-
Other, net	(24)	(10)
Net cash provided by (used in) financing activities	(4,003)	(4,477)
Effect of exchange rate change on cash and cash equivalents	133	213
Net increase (decrease) in cash and cash equivalents	1,757	(1,084)
Cash and cash equivalents at beginning of period	6,839	8,596
Cash and cash equivalents at end of period	8,596	7,511