

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

April 27, 2023

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 22, 2023
 Scheduled date to file Securities Report: June 23, 2023
 Scheduled date to commence dividend payments: June 23, 2023
 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, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	417,621	(9.8)	12,230	15.1	6,589	(22.3)	4,906	(23.1)
Year ended March 31, 2022	462,822	53.1	10,629	112.7	8,478	85.9	6,379	85.1

Note: Comprehensive income Year ended March 31, 2023 ¥6,874 million [(12.6)%]
 Year ended March 31, 2022 ¥7,864 million [115.3%]

	Earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	%	%	%
Year ended March 31, 2023	721.37	12.0	5.9	2.9
Year ended March 31, 2022	938.04	18.0	7.2	2.3

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2023 ¥(7) million
 Year ended March 31, 2022 ¥39 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, 2023	107,177	44,198	40.3	6,353.93
As of March 31, 2022	116,990	39,364	33.0	5,673.96

Reference: Equity As of March 31, 2023 ¥43,213 million
 As of March 31, 2022 ¥38,589 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, 2023	(4,961)	(263)	8,584	12,137
Year ended March 31, 2022	5,896	(183)	(7,597)	8,216

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, 2022	–	0.00	–	300.00	300.00	2,040	32.0	5.8
Year ended March 31, 2023	–	0.00	–	300.00	300.00	2,040	41.6	5.0
Year ending March 31, 2024 (Forecast)	–	0.00	–	240.00	240.00		40.8	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	370,000	(11.4)	7,000	(42.8)	5,500	(16.5)	4,000	(18.5)	588.15

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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: No

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, 2023	6,802,000 shares	As of March 31, 2022	6,802,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	963 shares	As of March 31, 2022	935 shares
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Average number of shares during the period

Year ended March 31, 2023	6,801,042 shares	Year ended March 31, 2022	6,801,137 shares
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Reference: Summary of non-consolidated financial results

1. Non-consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	202,778	(7.7)	7,196	47.5	3,276	(5.1)	2,292	(4.2)
Year ended March 31, 2022	219,666	50.1	4,880	146.1	3,451	110.3	2,394	114.2

	Earnings per share
	Yen
Year ended March 31, 2023	337.09
Year ended March 31, 2022	352.02

(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, 2023	67,964	27,702	40.8	4,073.33
As of March 31, 2022	98,659	27,056	27.4	3,978.21

Reference: Equity As of March 31, 2023 ¥27,702 million
 As of March 31, 2022 ¥27,056 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, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	6,713	7,489
Notes and accounts receivable - trade	58,574	51,292
Electronically recorded monetary claims - operating	7,099	2,851
Merchandise	40,163	35,994
Advance payments to suppliers	208	2,637
Deposits paid	1,503	4,647
Other	809	505
Allowance for doubtful accounts	(72)	(67)
Total current assets	114,998	105,352
Non-current assets		
Property, plant and equipment		
Buildings	115	115
Accumulated depreciation	(95)	(97)
Buildings, net	20	17
Other	514	640
Accumulated depreciation	(135)	(347)
Other, net	379	292
Total property, plant and equipment	399	309
Intangible assets	82	94
Investments and other assets		
Investment securities	760	823
Deferred tax assets	565	434
Other	183	163
Total investments and other assets	1,509	1,421
Total non-current assets	1,991	1,825
Total assets	116,990	107,177

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	47,884	37,930
Short-term borrowings	9,500	20,563
Income taxes payable	1,249	488
Advances received	425	175
Provision for bonuses	330	282
Accounts payable - other	14,981	2,115
Other	2,722	708
Total current liabilities	77,094	62,264
Non-current liabilities		
Retirement benefit liability	490	509
Deferred tax liabilities	0	–
Other	40	204
Total non-current liabilities	531	714
Total liabilities	77,625	62,978
Net assets		
Shareholders' equity		
Share capital	2,054	2,054
Retained earnings	34,786	37,652
Treasury shares	(2)	(2)
Total shareholders' equity	36,838	39,703
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	177	231
Deferred gains or losses on hedges	(237)	103
Foreign currency translation adjustment	1,810	3,174
Total accumulated other comprehensive income	1,750	3,509
Non-controlling interests	775	985
Total net assets	39,364	44,198
Total liabilities and net assets	116,990	107,177

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	462,822	417,621
Cost of sales	448,491	401,486
Gross profit	14,330	16,135
Selling, general and administrative expenses	3,700	3,905
Operating profit	10,629	12,230
Non-operating income		
Interest income	3	2
Dividend income	18	18
Share of profit of entities accounted for using equity method	39	–
Gain on sale of investment securities	14	–
Other	34	31
Total non-operating income	110	53
Non-operating expenses		
Interest expenses	108	1,199
Loss on sale of receivables	484	228
Foreign exchange losses	1,642	4,226
Share of loss of entities accounted for using equity method	–	7
Other	26	30
Total non-operating expenses	2,261	5,693
Ordinary profit	8,478	6,589
Profit before income taxes	8,478	6,589
Income taxes - current	1,979	1,589
Income taxes - deferred	(88)	(43)
Total income taxes	1,890	1,545
Profit	6,587	5,044
Profit attributable to non-controlling interests	207	138
Profit attributable to owners of parent	6,379	4,906

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	6,587	5,044
Other comprehensive income		
Valuation difference on available-for-sale securities	(70)	53
Deferred gains or losses on hedges	(101)	340
Foreign currency translation adjustment	1,448	1,435
Total other comprehensive income	1,276	1,830
Comprehensive income	7,864	6,874
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,584	6,664
Comprehensive income attributable to non-controlling interests	279	209

Consolidated statements of changes in equity

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)
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)
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

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,054	–	34,786	(2)	36,838
Changes during period					
Dividends of surplus			(2,040)		(2,040)
Profit attributable to owners of parent			4,906		4,906
Purchase of treasury shares				(0)	(0)
Change in ownership interest of parent due to transactions with non-controlling interests					–
Transfer from retained earnings to capital surplus					–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	2,865	(0)	2,865
Balance at end of period	2,054	–	37,652	(2)	39,703

	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	177	(237)	1,810	1,750	775	39,364
Changes during period						
Dividends of surplus						(2,040)
Profit attributable to owners of parent						4,906
Purchase of treasury shares						(0)
Change in ownership interest of parent due to transactions with non-controlling interests						–
Transfer from retained earnings to capital surplus						–
Net changes in items other than shareholders' equity	53	340	1,363	1,758	209	1,968
Total changes during period	53	340	1,363	1,758	209	4,834
Balance at end of period	231	103	3,174	3,509	985	44,198

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	8,478	6,589
Depreciation	149	364
Increase (decrease) in provision for bonuses	147	(47)
Increase (decrease) in retirement benefit liability	20	18
Increase (decrease) in allowance for doubtful accounts	(71)	(7)
Share of loss (profit) of entities accounted for using equity method	(39)	7
Interest and dividend income	(22)	(21)
Interest expenses	108	1,199
Foreign exchange losses (gains)	214	(40)
Decrease (increase) in trade receivables	(1,264)	13,575
Decrease (increase) in inventories	5,740	6,224
Decrease (increase) in advance payments to suppliers	1,387	(2,444)
Increase (decrease) in trade payables	(418)	(12,740)
Increase (decrease) in advances received	(10,187)	(272)
Increase (decrease) in accounts payable - other	373	(12,687)
Other, net	2,552	(1,030)
Subtotal	7,167	(1,311)
Interest and dividends received	29	29
Interest paid	(108)	(1,199)
Income taxes paid	(1,192)	(2,479)
Net cash provided by (used in) operating activities	5,896	(4,961)
Cash flows from investing activities		
Purchase of property, plant and equipment	(149)	(206)
Purchase of intangible assets	(6)	(82)
Other, net	(27)	25
Net cash provided by (used in) investing activities	(183)	(263)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(5,941)	10,669
Repayments of lease liabilities	(24)	(43)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,156)	(2,040)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(472)	-
Net cash provided by (used in) financing activities	(7,597)	8,584
Effect of exchange rate change on cash and cash equivalents	551	560
Net increase (decrease) in cash and cash equivalents	(1,333)	3,920
Cash and cash equivalents at beginning of period	9,550	8,216
Cash and cash equivalents at end of period	8,216	12,137