

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

November 8, 2023

Company name: TAYCA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 4027 URL <https://www.tayca.co.jp/>
 Representative: Representative Director, Shunji Idei
 President Executive Officer
 Inquiries: Director, Managing Executive Officer Yasuyuki Nakatsuka TEL 06-6943-6401
 Scheduled date to file Quarterly Securities Report: November 13, 2023
 Scheduled date to commence dividend payments: December 4, 2023
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(1) Consolidated operating results (cumulative)

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	%
Six months ended September 30, 2023	27,098	(2.4)	1,402	(48.9)	1,655	(46.4)	1,127	(47.9)
Six months ended September 30, 2022	27,767	26.0	2,746	41.4	3,090	44.9	2,165	34.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2023	48.65		-	
Six months ended September 30, 2022	93.44		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2023	78,701	56,342	71.0	2,409.79
As of March 31, 2023	75,717	53,658	70.3	2,296.45

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	-	18.00	-	18.00	36.00
Year ending March 31, 2024	-	18.00	-	-	-
Year ending March 31, 2024 (Forecast)	-	-	-	20.00	38.00

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	56,000	2.2	2,400	(43.2)	2,700	(42.8)	1,700	(43.1)	73.35

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of September 30, 2023	25,714,414 shares	As of March 31, 2023	25,714,414 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	2,535,083 shares	As of March 31, 2023	2,539,651 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	23,176,164 shares	Six months ended September 30, 2022	23,175,089 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	11,661	10,946
Notes and accounts receivable - trade	14,792	16,046
Electronically recorded monetary claims - operating	358	466
Merchandise and finished goods	11,015	10,978
Work in process	1,837	1,881
Raw materials and supplies	6,344	6,668
Other	624	238
Allowance for doubtful accounts	(3)	(1)
Total current assets	46,631	47,224
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,580	6,938
Machinery, equipment and vehicles, net	7,088	6,601
Other, net	3,291	3,451
Total property, plant and equipment	16,960	16,991
Intangible assets		
Goodwill	1,407	1,383
Other	119	136
Total intangible assets	1,526	1,520
Investments and other assets		
Investment securities	9,279	11,497
Other	1,338	1,486
Allowance for doubtful accounts	(20)	(20)
Total investments and other assets	10,597	12,964
Total non-current assets	29,085	31,476
Total assets	75,717	78,701

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,627	5,335
Short-term borrowings	3,050	5,694
Income taxes payable	688	424
Provision for bonuses	386	388
Other	3,475	3,017
Total current liabilities	14,228	14,859
Non-current liabilities		
Long-term borrowings	3,805	2,788
Retirement benefit liability	3,144	3,092
Other	879	1,617
Total non-current liabilities	7,829	7,499
Total liabilities	22,058	22,358
Net assets		
Shareholders' equity		
Share capital	9,855	9,855
Capital surplus	6,766	6,769
Retained earnings	33,714	34,425
Treasury shares	(2,460)	(2,456)
Total shareholders' equity	47,876	48,593
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,554	6,091
Deferred gains or losses on hedges	20	–
Foreign currency translation adjustment	716	1,112
Remeasurements of defined benefit plans	51	59
Total accumulated other comprehensive income	5,342	7,263
Non-controlling interests	438	485
Total net assets	53,658	56,342
Total liabilities and net assets	75,717	78,701

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	27,767	27,098
Cost of sales	21,897	22,443
Gross profit	5,870	4,654
Selling, general and administrative expenses	3,124	3,251
Operating profit	2,746	1,402
Non-operating income		
Interest income	3	7
Dividend income	121	134
Foreign exchange gains	166	133
Other	82	38
Total non-operating income	374	313
Non-operating expenses		
Interest expenses	20	40
Loss on abandonment of inventories	8	13
Other	1	6
Total non-operating expenses	30	60
Ordinary profit	3,090	1,655
Extraordinary losses		
Loss on retirement of non-current assets	26	52
Total extraordinary losses	26	52
Profit before income taxes	3,063	1,603
Income taxes - current	886	388
Income taxes - deferred	(11)	65
Total income taxes	875	454
Profit	2,188	1,148
Profit attributable to non-controlling interests	22	21
Profit attributable to owners of parent	2,165	1,127

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	2,188	1,148
Other comprehensive income		
Valuation difference on available-for-sale securities	(154)	1,537
Deferred gains or losses on hedges	(79)	(20)
Foreign currency translation adjustment	779	420
Remeasurements of defined benefit plans, net of tax	11	7
Total other comprehensive income	556	1,945
Comprehensive income	2,744	3,094
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,679	3,048
Comprehensive income attributable to non-controlling interests	64	46

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	3,063	1,603
Depreciation	1,507	1,384
Amortization of goodwill	144	153
Interest and dividend income	(125)	(142)
Interest expenses	20	40
Decrease (increase) in trade receivables	(914)	(1,034)
Decrease (increase) in inventories	(1,144)	(201)
Increase (decrease) in trade payables	(742)	(1,574)
Other, net	266	436
Subtotal	2,076	665
Interest and dividends received	125	142
Interest paid	(20)	(40)
Income taxes paid	(742)	(642)
Net cash provided by (used in) operating activities	1,438	124
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,264)	(1,684)
Purchase of investment securities	(3)	(3)
Other, net	(356)	(411)
Net cash provided by (used in) investing activities	(1,624)	(2,099)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	62	2,443
Repayments of long-term borrowings	(980)	(975)
Purchase of treasury shares	(0)	(0)
Dividends paid	(415)	(416)
Other, net	(0)	31
Net cash provided by (used in) financing activities	(1,333)	1,083
Effect of exchange rate change on cash and cash equivalents	208	177
Net increase (decrease) in cash and cash equivalents	(1,311)	(714)
Cash and cash equivalents at beginning of period	12,981	11,582
Cash and cash equivalents at end of period	11,670	10,867