

Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 [Japanese GAAP]



April 26, 2022

Company name: Toyo Machinery & Metal Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange

Code number: 6210

URL: <http://www.toyo-mm.co.jp/>

Representative: Yoshiaki Tabata, President and Representative Director

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Scheduled date of Annual General Meeting of Shareholders: June 24, 2022

Scheduled date of filing quarterly securities report: June 24, 2022

Scheduled date of commencing dividend payments: June 27, 2022

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: No

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

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2022	33,273	33.8	1,759	-	1,970	-	1,276	-
March 31, 2021	24,870	(18.3)	(211)	-	(101)	-	(232)	-

(Note) Comprehensive income: Year ended March 31, 2022: ¥ 1,719 million [- %]

Year ended March 31, 2021: ¥ (124) million [- %]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary income to total assets	Operating income to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	62.18	-	6.9	6.6	5.3
March 31, 2021	(11.28)	-	-	-	-

(Reference) Share of profit of entities accounted for using equity method:

Fiscal year ended March 31, 2022: ¥ 19 million

Fiscal year ended March 31, 2021: ¥ (61) million

(Note) Since “Accounting Standards for Revenue Recognition” (ASBJ Statement No.29, March 31st, 2020), etc. have been applied the beginning of the first quarter of the current consolidated fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	31,133	19,627	62.1	942.06
As of March 31, 2021	28,573	18,158	62.6	868.42

(Reference) Equity: As of March 31, 2022: ¥ 19,325 million

As of March 31, 2021: ¥17,872 million

(Note) Since “Accounting Standards for Revenue Recognition” (ASBJ Statement No.29, March 31st, 2020), etc. have been applied the beginning of the first quarter of the current consolidated fiscal year.

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	(550)	(315)	540	7,143
March 31, 2021	3,778	(1,321)	(344)	7,183

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	%	%
March 31, 2021	-	-	-	5.00	5.00	102	-	0.6
March 31, 2022	-	7.50	-	17.50	25.00	512	40.2	2.7
Fiscal year ending March 31, 2023 (Forecast)	-	15.00	-	15.00	30.00		47.4	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	16,750	5.5	925	28.7	1,000	24.8	650	44.7	31.69
Full year	33,500	0.7	1,850	5.1	2,000	1.5	1,300	1.8	63.37

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
New companies: –
Excluded companies: –
- (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 at the end of the period (including treasury shares):
March 31, 2022: 20,703,000 shares
March 31, 2021: 20,703,000 shares
 - 2) Total number of treasury shares at the end of the period:
March 31, 2022: 189,030 shares
March 31, 2021: 122,238 shares
 - 3) Average number of shares during the period:
Fiscal Year ended March 31, 2022: 20,534,576 shares
Fiscal Year ended March 31, 2021: 20,583,674 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

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

	Net sales		Operating income		Ordinary income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended								
March 31, 2022	26,467	30.1	162	-	580	-	444	-
March 31, 2021	20,339	(24.7)	(1,028)	-	(501)	-	(312)	-

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Fiscal year ended				
March 31, 2022	21.63		-	
March 31, 2021	(15.20)		-	

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2022	26,261	14,919	56.8	727.29
As of March 31, 2021	24,797	14,715	59.3	714.99

(Reference) Equity: As of March 31, 2022: ¥14,919 million

As of March 31, 2021: ¥14,715 million

* This Consolidated Financial Results is not subject to auditing performed by certified public accountant or audit firm.

* Explanation of the proper use of financial results forecast and other notes

(Notice about forward-looking statements)

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions which the Company deems as reasonable, and do not constitute a guarantee that they will be achieved by the Company. Actual results may differ significantly from these forecasts due to a wide range of factors.

Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	7,183	7,143
Notes and accounts receivable - trade	4,680	5,275
Electronically recorded monetary claims - operating	1,109	2,171
Merchandise and finished goods	2,342	2,917
Work in process	2,544	2,926
Raw materials and supplies	455	777
Other	1,202	1,448
Allowance for doubtful accounts	(6)	(8)
Total current assets	19,511	22,651
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,153	3,999
Machinery, equipment and vehicles, net	1,829	1,564
Tools, furniture and fixtures, net	124	94
Land	780	780
Leased assets, net	1	11
Construction in progress	2	111
Total property, plant and equipment	6,893	6,561
Intangible assets	602	507
Investments and other assets		
Investment securities	970	980
Deferred tax assets	553	385
Other	42	47
Allowance for doubtful accounts	(0)	-
Total investments and other assets	1,566	1,412
Total non-current assets	9,061	8,482
Total assets	28,573	31,133

(Million yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,734	3,868
Electronically recorded obligations - operating	952	1,028
Short-term loans payable	-	1,100
Current portion of long-term loans payable	300	200
Accrued expenses	614	712
Income taxes payable	135	215
Accrued consumption taxes	11	40
Provision for product warranties	57	60
Provision for directors' bonuses	-	20
Provision for share awards for directors	-	4
Other	1,572	1,556
Total current liabilities	7,378	8,807
Non-current liabilities		
Long-term loans payable	660	460
Net defined benefit liability	2,368	2,221
Other	7	17
Total non-current liabilities	3,036	2,698
Total liabilities	10,414	11,506
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,382	2,385
Retained earnings	12,933	13,953
Treasury shares	(40)	(36)
Total shareholders' equity	17,782	18,809
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	95	95
Deferred gains or losses on hedges	(11)	(0)
Foreign currency translation adjustment	4	388
Remeasurements of defined benefit plans	1	32
Total accumulated other comprehensive income	89	516
Non-controlling interests	285	301
Total net assets	18,158	19,627
Total liabilities and net assets	28,573	31,133

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Net sales	24,870	33,273
Cost of sales	20,477	26,174
Gross profit	4,393	7,099
Selling, general and administrative expenses	4,605	5,339
Operating profit (Loss)	(211)	1,759
Non-operating income		
Interest and dividend income	24	32
Rent income on non-current assets	67	67
Patent income	15	-
Subsidy income	51	0
Foreign exchange gain	29	90
Share of profit of entities accounted for using equity method	-	19
Other	17	21
Total non-operating income	206	231
Non-operating expenses		
Interest expenses	9	5
Rent expenses on non-current assets	8	8
Commission fee	2	2
Loss on disposal of inventories	3	-
Share of loss of entities accounted for using equity method	61	-
Other	11	5
Total non-operating expenses	96	21
Ordinary profit(loss)	(101)	1,970
Profit (Loss) before income tax	(101)	1,970
Income taxes - current	250	516
Income taxes refund	(23)	-
Income taxes - deferred	(104)	161
Total income taxes	122	677
Profit (Loss)	(223)	1,292
Profit attributable to non-controlling interests	8	15
Profit (Loss) attributable to owners of parent	(232)	1,276

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Profit (Loss)	(223)	1,292
Other comprehensive income		
Valuation difference on available-for-sale securities	43	0
Deferred gains or losses on hedges	(9)	10
Foreign currency translation adjustment	(13)	369
Remeasurements of defined benefit plans, net of tax	64	31
Share of other comprehensive income of entities accounted for using equity method	14	14
Total other comprehensive income	98	426
Comprehensive income	(124)	1,719
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(116)	1,703
Comprehensive income attributable to non-controlling	(8)	16

(3) Consolidated Statement of Changes in Equity
For the fiscal year ended March 31, 2021

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,506	2,382	13,268	(40)	18,117
Changes of items during period					
Dividends of surplus			(102)		(102)
Profit(loss) attributable to owners of parent			(232)		(232)
Purchase of treasury shares				(0)	(0)
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	(335)	(0)	(335)
Balance at end of current period	2,506	2,382	12,933	(40)	17,782

	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 current period	52	(0)	(14)	(63)	(25)	294	18,386
Changes of items during period							
Dividends of surplus							(102)
Profit(loss) attributable to owners of parent							(232)
Purchase of treasury shares							(0)
Net changes of items other than shareholders' equity	43	(11)	19	64	115	(8)	107
Total changes of items during period	43	(11)	19	64	115	(8)	(227)
Balance at end of current period	95	(11)	4	1	89	285	18,158

For the fiscal year ended March 31, 2022

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,506	2,382	12,933	(40)	17,782
Changes of items during period					
Dividends of surplus			(256)		(256)
Profit(loss) attributable to owners of parent			1,276		1,276
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		2		3	6
Net changes of items other than shareholders' equity					
Total changes of items during period	-	2	1,020	3	1,026
Balance at end of current period	2,506	2,385	13,953	(36)	18,809

	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 current period	95	(11)	4	1	89	285	18,158
Changes of items during period							
Dividends of surplus							(256)
Profit(loss) attributable to owners of parent							1,276
Purchase of treasury shares							(0)
Disposal of treasury shares							6
Net changes of items other than shareholders' equity	0	11	383	31	426	16	442
Total changes of items during period	0	11	383	31	426	16	1,468
Balance at end of current period	95	(0)	388	32	516	301	19,627

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2021	For the fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	(101)	1,970
Depreciation	842	864
Increase (decrease) in allowance for doubtful accounts	(5)	1
Increase (decrease) in provision for directors' bonuses	(7)	20
Increase (decrease) in provision for share awards for directors	-	4
Increase (decrease) in provision for product warranties	(31)	3
Increase (decrease) in net defined benefit liability	(64)	(101)
Interest and dividend income	(24)	(32)
Interest expenses	9	5
Foreign exchange gain	(3)	(2)
Subsidy income	(51)	(0)
Loss on retirement of non-current assets	1	0
Share of loss (profit) of entities accounted for using equity method	61	(19)
Decrease (increase) in notes and accounts receivable - trade	1,683	(1,580)
Decrease (increase) in inventories	299	(1,241)
Increase (decrease) in notes and accounts payable – trade	685	52
Increase (decrease) in accrued consumption taxes	(7)	29
Decrease (increase) in consumption taxes refund receivable	(172)	(213)
Other, net	797	54
Subtotal	3,911	(183)
Interest and dividend income received	24	49
Subsidies received	51	0
Interest expenses paid	(9)	(3)
Income taxes paid	(199)	(412)
Net cash provided by (used in) operating activities	3,778	(550)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,174)	(254)
Purchase of intangible assets	(127)	(60)
Purchase of investment securities	(19)	-
Other	0	-
Net cash provided by (used in) investing activities	(1,321)	(315)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(900)	1,100
Increase in long-term loans payable	1,000	-
Repayments of long-term loans payable	(340)	(300)
Cash dividends paid	(102)	(256)
Purchase of treasury shares	(0)	-
Other, net	(1)	(2)
Net cash provided by (used in) financing activities	(344)	540
Effect of exchange rate change on cash and cash equivalents	4	266
Net increase (decrease) in cash and cash equivalents	2,117	(58)
Cash and cash equivalents at beginning of period	5,054	7,183
Increase in cash and cash equivalents from newly consolidated subsidiaries	11	19
Cash and cash equivalents at end of period	7,183	7,143