

Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 [Japanese GAAP]



April 26, 2021

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 25, 2021

Scheduled date of filing quarterly securities report: June 25, 2021

Scheduled date of commencing dividend payments: June 28, 2021

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, 2021 (April 1, 2020 to March 31, 2021)

(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, 2021	24,870	(18.3)	(211)	-	(101)	-	(232)	-
March 31, 2020	30,453	(4.2)	1,426	(30.6)	1,438	(32.7)	883	(34.3)

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

Year ended March 31, 2020: ¥798 million [(38.5) %]

	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, 2021	(11.28)	-	-	-	-
March 31, 2020	43.20	-	5.1	5.0	4.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2021: ¥ (61) million

Fiscal year ended March 31, 2020: ¥(12) million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	28,727	18,158	62.2	868.42
As of March 31, 2020	28,128	18,386	64.3	878.67

(Reference) Equity: As of March 31, 2021: ¥17,872 million

As of March 31, 2020: ¥18,091 million

(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, 2021	3,778	(1,321)	(344)	7,183
March 31, 2020	904	(1,894)	434	5,054

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, 2020	-	10.00	-	5.00	15.00	308	34.7	1.7
March 31, 2021	-	-	-	5.00	5.00	102	-	0.6
Fiscal year ending March 31, 2022 (Forecast)	-	7.50	-	7.50	15.00		36.3	

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

(% 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	15,000	(53.3)	600	-	625	-	425	-	20.65
Full year	30,000	20.6	1,200	-	1,250	-	850	-	41.29

* 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: No
 - 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, 2021: 20,703,000 shares
March 31, 2020: 20,703,000 shares
 - 2) Total number of treasury shares at the end of the period:
March 31, 2021: 122,238 shares
March 31, 2020: 112,815 shares
 - 3) Average number of shares during the period:
Fiscal Year ended March 31, 2021: 20,583,674 shares
Fiscal Year ended March 31, 2020: 20,456,930 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 1, 2020 to March 31, 2021)

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

	Net sales		Operating income		Ordinary income		Profit	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2021	20,339	(24.7)	(1,028)	-	(501)	-	(312)	-
March 31, 2020	27,007	(4.5)	587	(42.5)	1,127	(33.8)	838	(32.4)

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2021	(15.20)	-
March 31, 2020	41.01	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2021	24,797	14,715	59.3	714.99
As of March 31, 2020	24,746	15,098	61.0	733.26

(Reference) Equity: As of March 31, 2021: ¥14,715 million

As of March 31, 2020: ¥15,098 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, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and deposits	5,054	7,183
Notes and accounts receivable - trade	5,827	4,680
Electronically recorded monetary claims - operating	1,642	1,109
Merchandise and finished goods	2,750	2,342
Work in process	2,482	2,544
Raw materials and supplies	407	455
Other	903	1,202
Allowance for doubtful accounts	(8)	(6)
Total current assets	19,061	19,511
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,725	4,153
Machinery, equipment and vehicles, net	1,796	1,829
Tools, furniture and fixtures, net	118	124
Land	780	780
Leased assets, net	3	1
Construction in progress	400	2
Total property, plant and equipment	6,825	6,893
Intangible assets	644	602
Investments and other assets		
Investment securities	968	970
Deferred tax assets	492	553
Net defined benefit asset	87	154
Other	53	42
Allowance for doubtful accounts	(3)	(0)
Total investments and other assets	1,597	1,720
Total non-current assets	9,067	9,216
Total assets	28,128	28,727

(Million yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,101	3,734
Electronically recorded obligations - operating	891	952
Short-term loans payable	900	-
Current portion of long-term loans payable	200	300
Accrued expenses	648	614
Income taxes payable	73	135
Accrued consumption taxes	18	11
Provision for product warranties	89	57
Provision for directors' bonuses	7	-
Other	1,231	1,572
Total current liabilities	7,161	7,378
Non-current liabilities		
Long-term loans payable	100	660
Net defined benefit liability	2,471	2,523
Other	9	7
Total non-current liabilities	2,580	3,190
Total liabilities	9,742	10,569
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,382	2,382
Retained earnings	13,268	12,933
Treasury shares	(40)	(40)
Total shareholders' equity	18,117	17,782
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52	95
Deferred gains or losses on hedges	(0)	(11)
Foreign currency translation adjustment	(14)	4
Remeasurements of defined benefit plans	(63)	1
Total accumulated other comprehensive income	(25)	89
Non-controlling interests	294	285
Total net assets	18,386	18,158
Total liabilities and net assets	28,128	28,727

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

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Net sales	30,453	24,870
Cost of sales	23,832	20,477
Gross profit	6,621	4,393
Selling, general and administrative expenses	5,194	4,605
Operating profit (Loss)	1,426	△211
Non-operating income		
Interest and dividend income	13	24
Rent income on non-current assets	67	67
Patent income	28	15
Compensation income	34	-
Subsidy income	-	51
Foreign exchange gain	-	29
Other	14	17
Total non-operating income	158	206
Non-operating expenses		
Interest expenses	5	9
Loss on sales of notes receivable - trade	0	0
Loss on retirement of non-current assets	7	1
Rent expenses on non-current assets	8	8
Commission fee	12	2
Loss on disposal of inventories	21	3
Foreign exchange losses	66	-
Share of loss of entities accounted for using equity method	12	61
Other	10	9
Total non-operating expenses	145	96
Ordinary profit(loss)	1,438	△101
Extraordinary profit		
Gain on sales of investment securities	13	-
Total extraordinary profit	13	-
Extraordinary losses		
Loss on retirement of non-current assets	96	-
Total extraordinary losses	96	-
Profit (Loss) before income tax	1,355	(101)
Income taxes - current	395	250
Income taxes refund	-	(23)
Income taxes - deferred	59	(104)
Total income taxes	455	122
Profit (Loss)	900	(223)
Profit attributable to non-controlling interests	16	8
Profit (Loss) attributable to owners of parent	883	(232)

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Profit (Loss)	900	(223)
Other comprehensive income		
Valuation difference on available-for-sale securities	(21)	43
Deferred gains or losses on hedges	(0)	(9)
Foreign currency translation adjustment	(26)	(13)
Remeasurements of defined benefit plans, net of tax	(54)	64
Share of other comprehensive income of entities accounted for using equity method	0	14
Total other comprehensive income	(102)	98
Comprehensive income	798	(124)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	764	(116)
Comprehensive income attributable to non-controlling interests	33	(8)

(3) Consolidated Statement of Changes in Equity
For the fiscal year ended March 31, 2020

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,506	2,053	12,874	(749)	16,685
Changes of items during period					
Dividends of surplus			(489)		(489)
Profit(loss) attributable to owners of parent			883		883
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		329		709	1,038
Net changes of items other than shareholders' equity					
Total changes of items during period	-	329	394	709	1,432
Balance at end of current period	2,506	2,382	13,268	(40)	18,117

	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	74	(0)	28	(8)	93	260	17,038
Changes of items during period							
Dividends of surplus							(489)
Profit(loss) attributable to owners of parent							883
Purchase of treasury shares							(0)
Disposal of treasury shares							1,038
Net changes of items other than shareholders' equity	(21)	(0)	(42)	(54)	(119)	33	(85)
Total changes of items during period	(21)	(0)	(42)	(54)	(119)	33	1,347
Balance at end of current period	52	(0)	(14)	(63)	(25)	294	18,386

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

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2020	For the fiscal year ended March 31, 2021
Cash flows from operating activities		
Profit before income taxes	1,355	(101)
Depreciation	787	842
Increase (decrease) in allowance for doubtful accounts	3	(5)
Increase (decrease) in provision for directors' bonuses	(18)	(7)
Increase (decrease) in provision for product warranties	(33)	(31)
Increase (decrease) in net defined benefit liability	(12)	90
Interest and dividend income	(13)	(24)
Interest expenses	5	9
Foreign exchange losses (gains)	0	(3)
Subsidy income	-	(51)
Loss on retirement of non-current assets	100	1
Loss (gain) on sales of investment securities	(13)	-
Share of loss (profit) of entities accounted for	12	61
Decrease (increase) in notes and accounts receivable -	(216)	1,683
Decrease (increase) in inventories	878	299
Increase (decrease) in notes and accounts payable -	(1,483)	685
Increase (decrease) in accrued consumption taxes	3	(7)
Decrease (increase) in consumption taxes refund	156	(172)
Other, net	(5)	642
Subtotal	1,507	3,911
Interest and dividend income received	13	24
Subsidies received	-	51
Interest expenses paid	(5)	(9)
Income taxes paid	(611)	(199)
Net cash provided by (used in) operating activities	904	3,778
Cash flows from investing activities		
Purchase of property, plant and equipment	(810)	(1,174)
Purchase of intangible assets	(230)	(127)
Payments for retirement of property, plant and equipment	(50)	-
Proceeds from sales of investment securities	22	-
Purchase of investment securities	(825)	(19)
Other	0	0
Net cash provided by (used in) investing activities	(1,894)	(1,321)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	100	(900)
Increase in long-term loans payable	-	1,000
Repayments of long-term loans payable	(200)	(340)
Cash dividends paid	(489)	(102)
Sold of treasury shares	1,025	-
Purchase of treasury shares	(0)	(0)
Other, net	(1)	(1)
Net cash provided by (used in) financing activities	434	(344)
Effect of exchange rate change on cash and cash equivalents	(2)	4
Net increase (decrease) in cash and cash equivalents	(558)	2,117
Increase in cash and cash equivalents from newly consolidated subsidiaries	-	11
Cash and cash equivalents at beginning of period	5,613	5,054
Cash and cash equivalents at end of period	5,054	7,183