

Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 [Japanese GAAP]



April 27, 2023

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
 Contact: Masato Sakai, Corporate Officer General Manager Management Planning Office
 Phone: +81-78-942-2345
 Scheduled date of Annual General Meeting of Shareholders: June 23, 2023
 Scheduled date of filing Annual securities report: June 23, 2023
 Scheduled date of commencing dividend payments: June 26, 2023
 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, 2023 (April 1, 2022 to March 31, 2023)

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	35,298	6.1	1,319	(25.0)	1,538	(21.9)	987	(22.6)
March 31, 2022	33,273	33.8	1,759	-	1,970	-	1,276	-

(Note) Comprehensive income: Year ended March 31, 2023: ¥ 1,392 million [(19.0)%]

Year ended March 31, 2022: ¥ 1,719 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, 2023	48.13	-	5.0	4.9	3.7
March 31, 2022	62.18	-	6.9	6.6	5.3

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

Fiscal year ended March 31, 2023: ¥ 67 million

Fiscal year ended March 31, 2022: ¥ 19 million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of March 31, 2023	32,275	20,359	62.0	974.17
As of March 31, 2022	31,133	19,627	62.1	942.06

(Reference) Equity: As of March 31, 2023: ¥ 19,995 million

As of March 31, 2022: ¥ 19,325 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, 2023	676	(565)	(470)	6,922
March 31, 2022	(550)	(315)	540	7,143

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, 2022	-	7.50	-	17.50	25.00	512	40.2	2.7
March 31, 2023	-	15.00	-	15.00	30.00	615	62.3	3.1
Fiscal year ending March 31, 2024 (Forecast)	-	17.50	-	17.50	35.00		194.2	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% 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	(12.0)	(400)	-	(300)	-	(230)	-	(11.21)
Full year	33,000	(6.5)	400	(69.6)	600	(61.0)	370	(62.5)	18.03

* 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, 2023: 20,703,000 shares

March 31, 2022: 20,703,000 shares

2) Total number of treasury shares at the end of the period:

March 31, 2023: 177,429 shares

March 31, 2022: 189,030 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2023: 20,522,028 shares

Fiscal Year ended March 31, 2022: 20,534,576 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

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

Fiscal year ended	Net sales		Operating income		Ordinary income		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2023	28,803	8.8	(96)	-	539	(7.1)	448	0.9
March 31, 2022	26,467	30.1	162	-	580	-	444	-

Fiscal year ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
March 31, 2023	21.84		-	
March 31, 2022	21.63		-	

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2023	26,440	14,754	55.8	718.82
March 31, 2022	26,261	14,919	56.8	727.29

(Reference) Equity: As of March 31, 2023: ¥14,754 million

As of March 31, 2022: ¥14,919 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, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	7,143	6,922
Notes and accounts receivable - trade	5,275	5,750
Electronically recorded monetary claims - operating	2,171	2,701
Merchandise and finished goods	2,917	3,153
Work in process	2,926	3,328
Raw materials and supplies	777	909
Other	1,448	1,398
Allowance for doubtful accounts	(8)	(10)
Total current assets	22,651	24,153
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	3,999	3,821
Machinery, equipment and vehicles, net	1,564	1,238
Tools, furniture and fixtures, net	94	100
Land	780	780
Leased assets, net	11	11
Construction in progress	111	452
Total property, plant and equipment	6,561	6,404
Intangible assets	507	438
Investments and other assets		
Investment securities	980	1,048
Deferred tax assets	385	167
Other	47	63
Allowance for doubtful accounts	-	(0)
Total investments and other assets	1,412	1,278
Total non-current assets	8,482	8,121
Total assets	31,133	32,275

(Million yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,868	4,184
Electronically recorded obligations - operating	1,028	1,178
Short-term loans payable	1,100	1,500
Current portion of long-term loans payable	200	200
Accrued expenses	712	665
Income taxes payable	215	126
Accrued consumption taxes	40	8
Provision for product warranties	60	65
Provision for directors' bonuses	20	11
Other	1,556	1,595
Total current liabilities	8,803	9,535
Non-current liabilities		
Long-term loans payable	460	260
Net defined benefit liability	2,221	2,102
Provision for share awards for directors	4	—
Other	17	17
Total non-current liabilities	2,703	2,380
Total liabilities	11,506	11,916
Net assets		
Shareholders' equity		
Capital stock	2,506	2,506
Capital surplus	2,385	2,389
Retained earnings	13,953	14,274
Treasury shares	(36)	(34)
Total shareholders' equity	18,809	19,136
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	95	142
Deferred gains or losses on hedges	(0)	(3)
Foreign currency translation adjustment	388	681
Remeasurements of defined benefit plans	32	39
Total accumulated other comprehensive income	516	859
Non-controlling interests	301	363
Total net assets	19,627	20,359
Total liabilities and net assets	31,133	32,275

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Net sales	33,273	35,298
Cost of sales	26,174	28,370
Gross profit	7,099	6,928
Selling, general and administrative expenses	5,339	5,608
Operating profit (Loss)	1,759	1,319
Non-operating income		
Interest and dividend income	32	24
Rent income on non-current assets	67	67
Foreign exchange gain	90	52
Share of profit of entities accounted for using equity method	19	67
Other	21	32
Total non-operating income	231	244
Non-operating expenses		
Interest expenses	5	6
Rent expenses on non-current assets	8	8
Loss on disposal of fixed assets	0	4
Commission fee	2	2
Other	5	4
Total non-operating expenses	21	25
Ordinary profit(loss)	1,970	1,538
Extraordinary profit		
Gain on sales of investment securities	-	27
Total extraordinary profit	-	27
Extraordinary losses		
Loss on retirement of non-current assets	-	17
Total extraordinary losses	-	17
Profit (Loss) before income tax	1,970	1,547
Income taxes - current	516	346
Income taxes - deferred	161	183
Total income taxes	677	529
Profit (Loss)	1,292	1,018
Profit attributable to non-controlling interests	15	30
Profit (Loss) attributable to owners of parent	1,276	987

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Profit (Loss)	1,292	1,018
Other comprehensive income		
Valuation difference on available-for-sale securities	0	46
Deferred gains or losses on hedges	10	-
Foreign currency translation adjustment	369	285
Remeasurements of defined benefit plans, net of tax	31	6
Share of other comprehensive income of entities accounted for using equity method	14	34
Total other comprehensive income	426	374
Comprehensive income	1,719	1,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,703	1,330
Comprehensive income attributable to non-controlling interests	16	61

(3) Consolidated Statement of Changes in Equity
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

For the fiscal year ended March 31, 2023

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	2,506	2,385	13,953	(36)	18,809
Changes of items during period					
Dividends of surplus			(666)		(666)
Profit(loss) attributable to owners of parent			987		987
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		4		2	6
Net changes of items other than shareholders' equity					
Total changes of items during period	-	4	320	2	327
Balance at end of current period	2,506	2,389	14,274	(34)	19,136

	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	(0)	388	32	516	301	19,627
Changes of items during period							
Dividends of surplus							(666)
Profit(loss) attributable to owners of parent							987
Purchase of treasury shares							(0)
Disposal of treasury shares							6
Net changes of items other than shareholders' equity	46	(3)	293	6	342	61	404
Total changes of items during period	46	(3)	293	6	342	61	731
Balance at end of current period	142	(3)	681	39	859	363	20,359

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2022	For the fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	1,970	1,547
Depreciation	864	838
Increase (decrease) in allowance for doubtful accounts	1	1
Increase (decrease) in provision for directors' bonuses	20	(8)
Increase (decrease) in provision for share awards for directors	4	(4)
Increase (decrease) in provision for product warranties	3	4
Increase (decrease) in net defined benefit liability	(101)	(109)
Interest and dividend income	(32)	(24)
Interest expenses	5	6
Foreign exchange gain	(2)	(8)
Subsidy income	(0)	(2)
Loss on retirement of non-current assets	0	22
Share of loss (profit) of entities accounted for using equity method	(19)	(67)
Gain on sale of investment securities	-	(27)
Decrease (increase) in notes and accounts receivable - trade	(1,580)	(965)
Decrease (increase) in inventories	(1,241)	(704)
Increase (decrease) in notes and accounts payable – trade	52	390
Increase (decrease) in accrued consumption taxes	29	(32)
Decrease (increase) in consumption taxes refund receivable	(213)	(114)
Other	54	324
Subtotal	(183)	1,067
Interest and dividend income received	49	106
Subsidies received	0	2
Interest expenses paid	(3)	(7)
Income taxes paid	(412)	(493)
Net cash provided by (used in) operating activities	(550)	676
Cash flows from investing activities		
Purchase of property, plant and equipment	(254)	(493)
Purchase of intangible assets	(60)	(64)
Purchase of investment securities	-	(7)
Other	-	0
Net cash provided by (used in) investing activities	(315)	(565)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,100	400
Repayments of long-term loans payable	(300)	(200)
Cash dividends paid	(256)	(666)
Other	(2)	(3)
Net cash provided by (used in) financing activities	540	(470)
Effect of exchange rate change on cash and cash equivalents	266	137
Net increase (decrease) in cash and cash equivalents	(58)	(221)
Cash and cash equivalents at beginning of period	7,183	7,143
Increase in cash and cash equivalents from newly consolidated subsidiaries	19	-
Cash and cash equivalents at end of period	7,143	6,922