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Consolidated Financial Results for the Three Months Ended January 31, 2022 [Japanese GAAP]

March 16, 2022

Company name: TBCSCAT Inc.
Stock exchange listing: Tokyo
Code number: 3974
URL: http://www.tbcscat.jp/
Representative: Nagashima Hideo President and CEO
Contact: Nishio Shinobu Director,General Manager of Accounting and Finance Division
Phone: 03(5623)9670
Scheduled date of filing quarterly securities report: March 16, 2022
Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on quarterly financial results: Yes
Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended January 31, 2022 (November 01, 2021 to January 31, 2022)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
January 31, 2022	630	2.0	56	15.1	55	14.0	32	(9.2)
January 31, 2021	617	(7.7)	48	20.5	48	22.0	35	46.4

(Note) Comprehensive income: Three months ended January 31, 2022: ¥ 27 million [(21.4)%]
Three months ended January 31, 2021: ¥ 35 million [46.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
January 31, 2022	7.31	-
January 31, 2021	8.20	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
January 31, 2022	3,575	2,312	64.7
October 31, 2021	3,714	2,316	62.4

(Reference) Equity: As of January 31, 2022: ¥ 2,312 million
As of October 31, 2021: ¥ 2,316 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended October 31, 2021	-	0.00	-	7.00	7.00
Fiscal year ending October 31, 2022	-				
Fiscal year ending October 31, 2022 (Forecast)		4.00	-	4.00	8.00

(Note) Revision to the forecast for dividends announced most recently: Yes

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending October 31, 2022 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending October 31, 2022(November 01, 2021 to October 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	2,546	2.5	198	10.0	198	9.6	129	6.9	29.26

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the three months ended January 31, 2022 (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

(4) Total number of issued shares (common shares)

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

January 31, 2022: 5,240,000 shares

October 31, 2021: 5,240,000 shares

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

January 31, 2022: 822,729 shares

October 31, 2021: 822,929 shares

3) Average number of shares during the period:

Three months ended January 31, 2022: 4,417,125 shares

Three months ended January 31, 2021: 4,334,571 shares

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of October 31,2021	As of January 31,2022
Assets		
Current assets		
Cash and deposits	1,726,985	1,555,142
Accounts receivable - trade	185,693	234,819
Merchandise	39,983	32,463
Work in process	3,726	4,574
Other	28,428	38,245
Allowance for doubtful accounts	(171)	(254)
Total current assets	1,984,645	1,864,990
Non-current assets		
Property, plant and equipment		
Buildings and structures	1,890,902	1,891,232
Accumulated depreciation	(1,070,803)	(1,079,119)
Buildings and structures, net	820,099	812,112
Land	319,248	319,248
Other	163,914	164,831
Accumulated depreciation	(137,904)	(140,439)
Other, net	26,010	24,391
Total property, plant and equipment	1,165,358	1,155,753
Intangible assets		
Software	62,167	54,017
Software in progress	205,884	230,739
Goodwill	66,689	62,984
Other	494	219
Total intangible assets	335,237	347,960
Investments and other assets		
Deferred tax assets	155,435	139,670
Other	90,538	83,350
Allowance for doubtful accounts	(16,693)	(16,351)
Total investments and other assets	229,280	206,669
Total non-current assets	1,729,876	1,710,383
Total assets	3,714,521	3,575,373

(Thousand yen)

	As of October 31,2021	As of January 31,2022
Liabilities		
Current liabilities		
Accounts payable - trade	42,828	37,625
Short-term borrowings	200,000	200,000
Current portion of long-term borrowings	85,680	81,680
Accrued expenses	135,318	104,176
Income taxes payable	52,419	3,675
Provision for bonuses	79,654	34,406
Other	96,761	109,406
Total current liabilities	692,661	570,969
Non-current liabilities		
Long-term borrowings	303,880	286,460
Provision for retirement benefits for directors (and other officers)	18,365	18,365
Provision for share awards	10,548	13,091
Retirement benefit liability	340,426	342,658
Other	31,855	31,471
Total non-current liabilities	705,075	692,046
Total liabilities	1,397,737	1,263,016
Net assets		
Shareholders' equity		
Share capital	200,000	200,000
Capital surplus	338,339	338,339
Retained earnings	1,996,498	1,996,307
Treasury shares	(214,716)	(214,612)
Total shareholders' equity	2,320,122	2,320,034
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(3,337)	(7,677)
Total accumulated other comprehensive income	(3,337)	(7,677)
Total net assets	2,316,784	2,312,357
Total liabilities and net assets	3,714,521	3,575,373

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Thousand yen)

	For the three months ended January 31,2021	For the three months ended January 31,2022
Net sales	617,986	630,469
Cost of sales	353,114	353,374
Gross profit	264,872	277,094
Selling, general and administrative expenses	216,203	221,093
Operating profit	48,669	56,001
Non-operating income		
Interest income	-	0
Dividend income	0	-
Facility rental fee	438	428
Subsidy income	643	-
Other	109	86
Total non-operating income	1,191	515
Non-operating expenses		
Interest expenses	939	811
Other	66	-
Total non-operating expenses	1,006	811
Ordinary profit	48,854	55,706
Extraordinary income		
Subsidies income	11,240	6,054
Total extraordinary income	11,240	6,054
Extraordinary losses		
Loss on COVID19	16,298	10,656
Total extraordinary losses	16,298	10,656
Profit before income taxes	43,796	51,104
Income taxes - current	1,685	1,171
Income taxes - deferred	6,585	17,665
Total income taxes	8,270	18,837
Profit	35,525	32,267
Profit attributable to owners of parent	35,525	32,267

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Thousand yen)

	For the three months ended January 31,2021	For the three months ended January 31,2022
Profit	35,525	32,267
Other comprehensive income		
Valuation difference on available-for-sale securities	-	(4,339)
Total other comprehensive income	-	(4,339)
Comprehensive income	35,525	27,928
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	35,525	27,928