Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 10, 2024

Company name: Tokyo Cosmos Electric Co., Ltd.
Stock exchange listing: Tokyo
Stock code: 6772 URL http://www.tocos-j.co.jp/
Representative: Representative Director, President Yoshiki Iwasaki
Inquiries: Director Satoshi Ueda TEL 046-253-2111
Scheduled date of ordinary general meeting of shareholders: June 25, 2024
Scheduled date to file Securities Report: June 26, 2024
Scheduled date to commence dividend payments: June 26, 2024
Preparation of supplementary material on financial results: No
Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

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	%
Year ended March 31, 2024	10,434	(2.6)	1,261	(6.6)	1,403	(7.6)	962	(18.1)
Year ended March 31, 2023	10,712	12.6	1,349	69.7	1,519	71.6	1,174	86.5

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	706.68	–	14.9	10.9	12.1
Year ended March 31, 2023	827.63	–	22.2	11.6	12.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	12,360	7,003	56.7	5,187.13
As of March 31, 2023	13,400	5,915	44.1	4,162.86

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	1,630	(163)	(2,143)	3,553
Year ended March 31, 2023	1,711	(204)	(874)	4,012

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	–	–	60.00	60.00	85	7.2	1.6
Year ended March 31, 2024	–	–	–	145.00	145.00	195	20.5	3.1
Year ending March 31, 2025 (Forecast)	–	–	–	160.00	160.00		38.6	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	10,000	(4.2)	850	(32.6)	800	(43.0)	560	(41.8)	414.79

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	1,581,250 shares	As of March 31, 2023	1,581,250 shares

Number of treasury shares at the end of the period

As of March 31, 2024	231,173 shares	As of March 31, 2023	160,161 shares

Average number of shares during the period

Year ended March 31, 2024	1,361,647 shares	Year ended March 31, 2023	1,419,449 shares

Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	4,036,742	3,577,129
Electronically recorded monetary claims - operating	712,749	621,283
Notes receivable - trade	1,683	3,564
Accounts receivable - trade	2,163,618	2,005,076
Merchandise and finished goods	742,678	519,361
Work in process	355,328	376,094
Raw materials and supplies	761,081	877,452
Other	163,185	106,588
Allowance for doubtful accounts	(16,095)	(6,440)
Total current assets	8,920,972	8,080,110
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,714,782	2,752,447
Accumulated depreciation	(1,668,152)	(1,772,441)
Buildings and structures, net	1,046,629	980,006
Machinery, equipment and vehicles	5,130,917	5,162,489
Accumulated depreciation	(4,491,149)	(4,579,850)
Machinery, equipment and vehicles, net	639,767	582,638
Land	1,715,871	1,715,871
Leased assets	874,233	860,699
Accumulated depreciation	(568,894)	(667,301)
Leased assets, net	305,338	193,398
Construction in progress	88,540	60,677
Other	1,853,633	1,791,741
Accumulated depreciation	(1,804,954)	(1,745,764)
Other, net	48,679	45,976
Total property, plant and equipment	3,844,826	3,578,568
Intangible assets		
Leased assets	100,578	52,301
Other	34,945	27,691
Total intangible assets	135,524	79,992
Investments and other assets		
Investment securities	309,864	562,905
Insurance funds	12,429	–
Deferred tax assets	138,303	19,759
Other	38,937	39,333
Total investments and other assets	499,534	621,999
Total non-current assets	4,479,885	4,280,560
Total assets	13,400,857	12,360,671

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	723,230	707,408
Electronically recorded obligations - operating	613,393	376,073
Short-term borrowings	1,450,000	300,000
Current portion of long-term borrowings	572,272	514,536
Lease liabilities	149,917	141,778
Income taxes payable	227,335	215,903
Provision for bonuses	202,164	220,379
Provision for bonuses for directors (and other officers)	40,000	40,000
Other	412,375	381,324
Total current liabilities	4,390,688	2,897,403
Non-current liabilities		
Long-term borrowings	1,848,080	1,367,444
Lease liabilities	278,213	139,064
Provision for retirement benefits for directors (and other officers)	4,357	3,690
Retirement benefit liability	497,017	453,308
Deferred tax liabilities	60,168	96,360
Deferred tax liabilities for land revaluation	314,794	314,794
Other	91,740	85,582
Total non-current liabilities	3,094,370	2,460,244
Total liabilities	7,485,059	5,357,648
Net assets		
Shareholders' equity		
Share capital	1,277,000	1,277,000
Capital surplus	1,322	4,820
Retained earnings	3,692,626	4,569,606
Treasury shares	(224,051)	(399,862)
Total shareholders' equity	4,746,897	5,451,563
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	115,882	294,088
Revaluation reserve for land	734,519	734,519
Foreign currency translation adjustment	278,864	472,984
Remeasurements of defined benefit plans	39,634	49,867
Total accumulated other comprehensive income	1,168,900	1,551,459
Total net assets	5,915,798	7,003,022
Total liabilities and net assets	13,400,857	12,360,671

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	10,712,917	10,434,769
Cost of sales	7,973,776	7,682,297
Gross profit	2,739,140	2,752,472
Selling, general and administrative expenses	1,389,251	1,491,081
Operating profit	1,349,889	1,261,390
Non-operating income		
Interest income	5,761	7,989
Dividend income	10,125	11,995
Foreign exchange gains	134,104	157,129
Miscellaneous income	76,766	71,837
Total non-operating income	226,758	248,952
Non-operating expenses		
Interest expenses	43,324	34,841
Loss due to suspension of business	–	27,311
Commission for syndicated loans	–	36,000
Miscellaneous losses	14,114	8,311
Total non-operating expenses	57,439	106,464
Ordinary profit	1,519,208	1,403,877
Extraordinary income		
Gain on sale of non-current assets	5,272	891
Total extraordinary income	5,272	891
Extraordinary losses		
Loss on sale and retirement of non-current assets	14,130	14,892
Loss on sale of investment securities	65	–
Total extraordinary losses	14,196	14,892
Profit before income taxes	1,510,284	1,389,876
Income taxes - current	300,532	358,031
Income taxes - deferred	34,970	69,599
Total income taxes	335,502	427,630
Profit	1,174,781	962,245
Profit attributable to owners of parent	1,174,781	962,245

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,174,781	962,245
Other comprehensive income		
Valuation difference on available-for-sale securities	20,975	178,206
Foreign currency translation adjustment	64,064	194,119
Remeasurements of defined benefit plans, net of tax	9,640	10,232
Total other comprehensive income	94,680	382,558
Comprehensive income	1,269,462	1,344,803
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,269,462	1,344,803

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,277,000	–	2,560,313	(231,610)	3,605,703
Changes during period					
Dividends of surplus			(42,468)		(42,468)
Profit attributable to owners of parent			1,174,781		1,174,781
Purchase of treasury shares				(415)	(415)
Disposal of treasury shares		1,322		7,974	9,296
Net changes in items other than shareholders' equity					
Total changes during period	–	1,322	1,132,312	7,558	1,141,193
Balance at end of period	1,277,000	1,322	3,692,626	(224,051)	4,746,897

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	94,906	734,519	214,800	29,994	1,074,220	4,679,923
Changes during period						
Dividends of surplus						(42,468)
Profit attributable to owners of parent						1,174,781
Purchase of treasury shares						(415)
Disposal of treasury shares						9,296
Net changes in items other than shareholders' equity	20,975	–	64,064	9,640	94,680	94,680
Total changes during period	20,975	–	64,064	9,640	94,680	1,235,874
Balance at end of period	115,882	734,519	278,864	39,634	1,168,900	5,915,798

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,277,000	1,322	3,692,626	(224,051)	4,746,897
Changes during period					
Dividends of surplus			(85,265)		(85,265)
Profit attributable to owners of parent			962,245		962,245
Purchase of treasury shares				(181,337)	(181,337)
Disposal of treasury shares		3,497		5,526	9,024
Net changes in items other than shareholders' equity					
Total changes during period	–	3,497	876,980	(175,811)	704,666
Balance at end of period	1,277,000	4,820	4,569,606	(399,862)	5,451,563

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	115,882	734,519	278,864	39,634	1,168,900	5,915,798
Changes during period						
Dividends of surplus						(85,265)
Profit attributable to owners of parent						962,245
Purchase of treasury shares						(181,337)
Disposal of treasury shares						9,024
Net changes in items other than shareholders' equity	178,206	–	194,119	10,232	382,558	382,558
Total changes during period	178,206	–	194,119	10,232	382,558	1,087,224
Balance at end of period	294,088	734,519	472,984	49,867	1,551,459	7,003,022

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,510,284	1,389,876
Depreciation	625,414	512,374
Increase (decrease) in allowance for doubtful accounts	6,046	(10,796)
Increase (decrease) in provision for bonuses	11,053	17,642
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(3,307)	(667)
Increase (decrease) in retirement benefit liability	(53,888)	(43,708)
Interest and dividend income	(15,887)	(19,985)
Interest expenses	43,324	34,841
Loss (gain) on sale of investment securities	65	–
Loss due to temporary closure	–	27,311
Syndicated loan fees	–	36,000
Foreign exchange losses (gains)	–	(93,366)
Loss on retirement of property, plant and equipment	13,957	14,892
Loss (gain) on sale of property, plant and equipment	(5,098)	(891)
Decrease (increase) in trade receivables	(197,162)	315,981
Decrease (increase) in inventories	(104,936)	139,383
Increase (decrease) in trade payables	226,169	(309,461)
Other, net	(106,315)	25,626
Subtotal	1,949,719	2,035,052
Interest and dividends received	15,887	19,985
Interest paid	(43,236)	(32,928)
Loss due to temporary closure paid	–	(27,311)
Income taxes paid	(210,991)	(364,746)
Net cash provided by (used in) operating activities	1,711,378	1,630,050
Cash flows from investing activities		
Payments into time deposits	(24,000)	(36,000)
Proceeds from withdrawal of time deposits	24,000	36,000
Purchase of property, plant and equipment	(242,510)	(161,733)
Proceeds from sale of property, plant and equipment	9,363	2,650
Proceeds from sale of investment securities	658	–
Purchase of intangible assets	(10,487)	(5,426)
Other, net	38,871	1,507
Net cash provided by (used in) investing activities	(204,104)	(163,003)

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(188,000)	(1,150,000)
Proceeds from long-term borrowings	100,000	–
Repayments of long-term borrowings	(571,963)	(538,372)
Purchase of treasury shares	(415)	(181,337)
Dividends paid	(41,867)	(84,286)
Syndicated loan fees paid	–	(36,000)
Repayments of lease liabilities	(172,258)	(153,971)
Net cash provided by (used in) financing activities	(874,504)	(2,143,967)
Effect of exchange rate change on cash and cash equivalents	184,158	217,307
Net increase (decrease) in cash and cash equivalents	816,928	(459,612)
Cash and cash equivalents at beginning of period	3,195,813	4,012,742
Cash and cash equivalents at end of period	4,012,742	3,553,129