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Consolidated Financial Results for the Year Ended March 31, 2024 [Japanese GAAP]

May 15, 2024

Company name: TSUKAMOTO CORPORATION CO., LTD.
Stock exchange listing: Tokyo
Code number: 8025
URL: https://www.tsukamoto.co.jp/
Representative: NIROU MOMOSE PRESIDENT
Contact: EIJI TSUNODA EXECUTIVE OFFICER
Phone: +81-3-3279-1330
Scheduled date of Annual General Meeting of Shareholders: June 26, 2024
Scheduled date of commencing dividend payments: June 27, 2024
Scheduled date of filing annual securities report: June 28, 2024
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, 2024 (April 1, 2023 to March 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	9,798	(23.9)	(222)	-	57	(57.9)	174	168.9
March 31, 2023	12,879	(17.7)	14	(93.6)	136	(54.5)	65	-

(Note) Comprehensive income: Fiscal year ended March 31, 2024: ¥ 1,923 million [312.3%]
Fiscal year ended March 31, 2023: ¥ 466 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	43.39	-	1.4	0.2	(2.3)
March 31, 2023	16.20	-	0.6	0.5	0.1

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2024: ¥ million
Fiscal year ended March 31, 2023: ¥ million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	28,175	13,726	48.7	3,401.13
March 31, 2023	25,808	11,900	46.1	2,960.93

(Reference) Equity: As of March 31, 2024: ¥ 13,726 million
As of March 31, 2023: ¥ 11,900 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	274	435	(194)	2,675
March 31, 2023	417	561	(637)	2,159

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	Millions of yen	%	%
March 31, 2023	-	-	-	30.00	30.00	120	185.1	1.0
March 31, 2024	-	-	-	30.00	30.00	121	69.1	0.9
Fiscal year ending March 31, 2025 (Forecast)	-	-	-	30.00	30.00		80.6	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2024 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2024	4,500	(10.7)	(280)	-	(220)	-	(140)	-	(34.73)
Full year	10,000	2.1	0	-	100	73.9	150	(14.2)	37.21

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(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, 2024: 4,069,747 shares

March 31, 2023: 4,069,747 shares

2) Number of treasury shares at the end of the period:

March 31, 2024: 33,910 shares

March 31, 2023: 50,505 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2024: 4,030,808 shares

Fiscal Year ended March 31, 2023: 4,013,518 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

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

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2024	8,998	(23.9)	(101)	-	79	(41.3)	176	173.1
March 31, 2023	11,823	(18.9)	146	(66.7)	135	(59.2)	64	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
March 31, 2024	43.68	-
March 31, 2023	16.07	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	27,504	13,459	48.9	3,335.11
March 31, 2023	25,295	11,825	46.7	2,942.11

(Reference) Equity: As of March 31, 2024: ¥ 13,459 million
As of March 31, 2023: ¥ 11,825 million

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	2,169,450	2,685,275
Notes and accounts receivable - trade	1,968,590	1,674,291
Electronically recorded monetary claims - operating	101,082	135,850
Inventories	1,789,011	1,738,096
Other	712,551	617,768
Allowance for doubtful accounts	(220)	(2,286)
Total current assets	6,740,465	6,848,997
Non-current assets		
Property, plant and equipment		
Buildings and structures	5,176,077	5,169,359
Accumulated depreciation	(3,089,213)	(3,179,231)
Buildings and structures, net	2,086,864	1,990,127
Land	10,562,576	10,562,576
Leased assets	63,660	63,660
Accumulated depreciation	(59,020)	(60,412)
Leased assets, net	4,640	3,248
Other	217,853	212,288
Accumulated depreciation	(114,076)	(114,988)
Other, net	103,776	97,300
Total property, plant and equipment	12,757,857	12,653,252
Intangible assets		
Leased assets	15,565	144
Other	48,861	61,411
Total intangible assets	64,427	61,555
Investments and other assets		
Investment securities	4,721,142	6,824,264
Investments in capital	800,115	800,115
Retirement benefit asset	642,574	880,774
Other	217,071	241,547
Allowance for doubtful accounts	(135,501)	(134,849)
Total investments and other assets	6,245,402	8,611,851
Total non-current assets	19,067,687	21,326,659
Total assets	25,808,153	28,175,657

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,040,991	1,022,965
Electronically recorded obligations - operating	1,114,186	991,481
Short-term borrowings	5,051,284	4,924,958
Current portion of long-term borrowings	1,430,000	850,000
Lease liabilities	50,473	29,673
Income taxes payable	32,138	52,305
Accrued consumption taxes	10,665	18,791
Contract liabilities	16,508	10,589
Other	396,240	352,643
Total current liabilities	9,142,490	8,253,408
Non-current liabilities		
Long-term borrowings	1,550,000	2,220,184
Lease liabilities	3,890	27,975
Deferred tax liabilities	2,263,159	2,992,398
Deferred tax liabilities for land revaluation	12,660	12,660
Retirement benefit liability	211,575	202,515
Asset retirement obligations	3,032	3,032
Other	720,632	737,093
Total non-current liabilities	4,764,952	6,195,861
Total liabilities	13,907,442	14,449,269
Net assets		
Shareholders' equity		
Share capital	2,829,844	2,829,844
Capital surplus	710,644	713,177
Retained earnings	6,809,814	6,864,135
Treasury shares	(60,710)	(40,802)
Total shareholders' equity	10,289,593	10,366,355
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,504,803	3,070,312
Deferred gains or losses on hedges	5,281	(3,257)
Revaluation reserve for land	9,152	9,152
Remeasurements of defined benefit plans	91,879	283,824
Total accumulated other comprehensive income	1,611,117	3,360,032
Total net assets	11,900,710	13,726,387
Total liabilities and net assets	25,808,153	28,175,657

Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Net sales	12,879,765	9,798,443
Cost of sales	9,528,549	6,820,172
Gross profit	3,351,216	2,978,270
Selling, general and administrative expenses	3,336,580	3,200,855
Operating profit (loss)	14,635	(222,585)
Non-operating income		
Interest income	3,475	2,899
Dividend income	186,496	196,294
Gain on sale of investment securities	4,250	158,036
Dividend income of insurance	6,224	5,740
Foreign exchange gains	-	6,034
Other	53,026	13,768
Total non-operating income	253,473	382,774
Non-operating expenses		
Interest expenses	95,629	93,412
Loss on sale of notes receivable - trade	1,511	1,806
Provision of allowance for doubtful accounts	-	160
Foreign exchange losses	22,486	-
Other	11,804	7,308
Total non-operating expenses	131,432	102,688
Ordinary profit	136,676	57,501
Extraordinary income		
Gain on sale of investment securities	-	209,020
Total extraordinary income	-	209,020
Extraordinary losses		
Loss on cancellation of licence contracts	46,276	-
Loss on litigation	4,766	14,479
Impairment losses	-	20,714
Loss on valuation of investment securities	-	2,920
Total extraordinary losses	51,042	38,114
Profit before income taxes	85,634	228,406
Income taxes - current	8,000	33,312
Income taxes - deferred	12,596	20,195
Total income taxes	20,597	53,508
Profit	65,036	174,898
Profit attributable to		
Profit attributable to owners of parent	65,036	174,898
Profit attributable to non-controlling interests	-	-
Other comprehensive income		
Valuation difference on available-for-sale securities	416,058	1,565,508
Deferred gains or losses on hedges	4,755	(8,538)
Remeasurements of defined benefit plans, net of tax	(19,275)	191,945
Total other comprehensive income	401,538	1,748,915
Comprehensive income	466,575	1,923,813
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	466,575	1,923,813
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statements of Changes in Equity

For the 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	2,829,844	707,461	6,864,794	(83,150)	10,318,950
Changes during period					
Dividends of surplus			(120,017)		(120,017)
Profit attributable to owners of parent			65,036		65,036
Purchase of treasury shares				(278)	(278)
Restricted stock payment		3,183		22,718	25,902
Net changes in items other than shareholders' equity					
Total changes during period	-	3,183	(54,980)	22,440	(29,356)
Balance at end of period	2,829,844	710,644	6,809,814	(60,710)	10,289,593

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,088,745	525	9,152	111,154	1,209,578	11,528,528
Changes during period						
Dividends of surplus						(120,017)
Profit attributable to owners of parent						65,036
Purchase of treasury shares						(278)
Restricted stock payment						25,902
Net changes in items other than shareholders' equity	416,058	4,755	-	(19,275)	401,538	401,538
Total changes during period	416,058	4,755	-	(19,275)	401,538	372,182
Balance at end of period	1,504,803	5,281	9,152	91,879	1,611,117	11,900,710

For the 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	2,829,844	710,644	6,809,814	(60,710)	10,289,593
Changes during period					
Dividends of surplus			(120,577)		(120,577)
Profit attributable to owners of parent			174,898		174,898
Purchase of treasury shares				(594)	(594)
Restricted stock payment		2,532		20,501	23,034
Net changes in items other than shareholders' equity					
Total changes during period	-	2,532	54,321	19,907	76,761
Balance at end of period	2,829,844	713,177	6,864,135	(40,802)	10,366,355

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	1,504,803	5,281	9,152	91,879	1,611,117	11,900,710
Changes during period						
Dividends of surplus						(120,577)
Profit attributable to owners of parent						174,898
Purchase of treasury shares						(594)
Restricted stock payment						23,034
Net changes in items other than shareholders' equity	1,565,508	(8,538)	-	191,945	1,748,915	1,748,915
Total changes during period	1,565,508	(8,538)	-	191,945	1,748,915	1,825,676
Balance at end of period	3,070,312	(3,257)	9,152	283,824	3,360,032	13,726,387

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended March 31, 2023	For the fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	85,634	228,406
Depreciation	132,823	135,958
Loss on litigation	4,766	14,479
Loss on cancellation of licence contracts	46,276	-
Impairment losses	-	20,714
Loss (gain) on valuation of investment securities	-	2,920
Increase (decrease) in allowance for doubtful accounts	(100)	1,414
Increase (decrease) in other provisions	(132,500)	-
Increase (decrease) in retirement benefit liability	(35,993)	(55,315)
Interest and dividend income	(189,971)	(199,193)
Interest expenses	95,629	93,412
Loss (gain) on sale of investment securities	(4,250)	(367,056)
Decrease (increase) in trade receivables	287,200	196,660
Decrease (increase) in inventories	450,282	36,434
Increase (decrease) in trade payables	(309,686)	(67,097)
Increase (decrease) in accrued consumption taxes	(71,088)	8,125
Other, net	(814)	142,216
Subtotal	358,207	192,079
Interest and dividends received	182,801	184,257
Interest paid	(96,321)	(91,015)
Income taxes paid	(27,169)	(10,399)
Net cash provided by (used in) operating activities	417,517	274,922
Cash flows from investing activities		
Payments into time deposits	(10,000)	(10,000)
Proceeds from withdrawal of time deposits	10,000	10,000
Purchase of property, plant and equipment and intangible assets	(53,388)	(22,985)
Proceeds from sale of property, plant and equipment and intangible assets	295,463	4,426
Purchase of investment securities	(377,495)	(2,014)
Proceeds from sale of investment securities	5,594	481,292
Proceeds from divestments	700,000	-
Other payments	(38,390)	(63,229)
Other proceeds	29,478	38,103
Net cash provided by (used in) investing activities	561,263	435,592
Cash flows from financing activities		
Proceeds from short-term borrowings	1,966,204	1,142,973
Repayments of short-term borrowings	(2,411,000)	(1,191,160)
Proceeds from long-term borrowings	50,000	-
Repayments of long-term borrowings	(100,000)	-
Repayments of lease liabilities	(21,685)	(26,796)
Purchase of treasury shares	(278)	(594)
Dividends paid	(120,333)	(119,111)
Net cash provided by (used in) financing activities	(637,093)	(194,689)
Net increase (decrease) in cash and cash equivalents	341,687	515,825
Cash and cash equivalents at beginning of period	1,817,762	2,159,450
Cash and cash equivalents at end of period	2,159,450	2,675,275