

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 11, 2022

Company name: TAMURA CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 6768 URL <https://www.tamuracorp.com/global/index.html>
 Representative: President Masahiro Asada
 Inquiries: Vice President, Corporate Management Yusaku Hashiguchi TEL 03-3978-2031
 Scheduled date of ordinary general meeting of shareholders: June 28, 2022
 Scheduled date to file Securities Report: June 28, 2022
 Scheduled date to commence dividend payments: June 29, 2022
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(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, 2022	88,328	19.5	1,564	(20.5)	2,001	(16.1)	(84)	–
Year ended March 31, 2021	73,906	(7.2)	1,969	(14.0)	2,384	(5.0)	542	(47.0)

Note: Comprehensive income Year ended March 31, 2022 ¥2,877 million [35.2%]
 Year ended March 31, 2021 ¥2,128 million [354.9%]

	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, 2022	(1.02)	–	(0.2)	2.1	1.8
Year ended March 31, 2021	6.61	6.57	1.2	2.7	2.7

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

Year ended March 31, 2022 ¥221 million
 Year ended March 31, 2021 ¥176 million

Note: Diluted earnings per share is not presented because net loss per share was recorded for the latest term while the Company has dilutive shares.

(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, 2022	104,055	50,221	48.0	607.89
As of March 31, 2021	91,064	48,143	52.6	583.09

Reference: Equity As of March 31, 2022 ¥49,937 million
 As of March 31, 2021 ¥47,886 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 end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	(4,949)	(4,622)	4,536	12,887
Year ended March 31, 2021	5,049	(3,052)	(767)	17,187

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, 2021	–	3.00	–	5.00	8.00	656	121.1	1.4
Year ended March 31, 2022	–	5.00	–	5.00	10.00	821	–	1.7
Year ending March 31, 2023 (Forecast)	–	5.00	–	5.00	10.00		45.6	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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
Six months ending September 30, 2022	45,600	10.8	800	182.8	800	22.5	200	–	2.43
Full year	94,000	6.4	3,000	91.7	3,000	49.9	1,800	–	21.91

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(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:

Yes

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, 2022	82,771,473 shares	As of March 31, 2021	82,771,473 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	622,797 shares	As of March 31, 2021	646,556 shares
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Average number of shares during the period

Year ended March 31, 2022	82,139,826 shares	Year ended March 31, 2021	82,122,216 shares
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(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2022	39,140	2.7	(442)	–	725	(42.7)	(27)	–
Year ended March 31, 2021	38,110	(4.3)	304	–	1,267	11.3	212	15.8

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended March 31, 2022	(0.33)		–	
Year ended March 31, 2021	2.59		2.57	

Note: Diluted earnings per share is not presented because net loss per share was recorded for the latest term while the Company has dilutive shares.

(2) Non-consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2022	64,273		37,594		58.2		455.42	
As of March 31, 2021	63,353		38,233		60.1		463.57	

Reference: Equity As of March 31, 2022 ¥37,412 million
 As of March 31, 2021 ¥38,070 million

* This report of Summary of Consolidated Financial Results is exempt from audit conducted by certified public accountants or an audit corporation.

* Explanation of proper use of financial results forecast, and other special matters

Caution concerning forward-looking statements

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may also differ materially due to various factors.

How to obtain a copy of the supplementary material on financial results

The presentation and other materials on the financial results are available on TDnet as well as at the Company's website.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	17,598	13,707
Notes and accounts receivable - trade	18,664	–
Notes receivable - trade	–	1,112
Accounts receivable - trade	–	20,816
Contract assets	–	16
Electronically recorded monetary claims - operating	420	581
Merchandise and finished goods	5,703	8,912
Work in process	1,983	2,475
Raw materials and supplies	6,546	10,729
Other	2,508	3,419
Allowance for doubtful accounts	(88)	(24)
Total current assets	53,336	61,746
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,913	23,549
Accumulated depreciation	(10,236)	(11,392)
Buildings and structures, net	11,676	12,157
Machinery, equipment and vehicles	16,961	18,039
Accumulated depreciation	(12,798)	(13,738)
Machinery, equipment and vehicles, net	4,162	4,301
Tools, furniture and fixtures	9,394	9,552
Accumulated depreciation	(7,952)	(8,130)
Tools, furniture and fixtures, net	1,442	1,422
Land	5,121	5,313
Leased assets	3,930	6,506
Accumulated depreciation	(1,232)	(1,774)
Leased assets, net	2,698	4,732
Construction in progress	2,132	2,471
Total property, plant and equipment	27,234	30,399
Intangible assets		
Goodwill	287	253
Leased assets	388	342
Other	729	720
Total intangible assets	1,406	1,316
Investments and other assets		
Investment securities	4,137	5,054
Retirement benefit asset	4,122	4,439
Deferred tax assets	293	381
Other	588	808
Allowance for doubtful accounts	(55)	(90)
Total investments and other assets	9,087	10,592
Total non-current assets	37,727	42,309
Total assets	91,064	104,055

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,721	10,640
Electronically recorded obligations - operating	2,202	2,631
Short-term borrowings	5,879	12,040
Current portion of long-term borrowings	3,903	803
Lease liabilities	708	814
Income taxes payable	455	440
Contract liabilities	–	76
Provision for bonuses	941	1,020
Provision for bonuses for directors (and other officers)	48	30
Other	3,017	3,364
Total current liabilities	26,878	31,862
Non-current liabilities		
Long-term borrowings	9,804	13,815
Lease liabilities	2,224	3,711
Deferred tax liabilities	1,109	1,536
Retirement benefit liability	2,454	2,517
Other	451	389
Total non-current liabilities	16,043	21,970
Total liabilities	42,921	53,833
Net assets		
Shareholders' equity		
Share capital	11,829	11,829
Capital surplus	17,019	17,019
Retained earnings	19,006	18,102
Treasury shares	(243)	(235)
Total shareholders' equity	47,611	46,716
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11	195
Deferred gains or losses on hedges	(1)	–
Foreign currency translation adjustment	(595)	2,097
Remeasurements of defined benefit plans	860	927
Total accumulated other comprehensive income	275	3,220
Share acquisition rights	162	181
Non-controlling interests	94	102
Total net assets	48,143	50,221
Total liabilities and net assets	91,064	104,055

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

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	73,906	88,328
Cost of sales	52,685	65,996
Gross profit	21,220	22,332
Selling, general and administrative expenses	19,251	20,767
Operating profit	1,969	1,564
Non-operating income		
Interest income	58	68
Dividend income	58	73
Share of profit of entities accounted for using equity method	176	221
Foreign exchange gains	–	21
Subsidy income	396	105
Other	298	413
Total non-operating income	988	904
Non-operating expenses		
Interest expenses	346	394
Foreign exchange losses	175	–
Other	51	73
Total non-operating expenses	573	468
Ordinary profit	2,384	2,001
Extraordinary income		
Gain on sale of non-current assets	3	9
Gain on sale of investment securities	208	2
Subsidy income	375	–
Total extraordinary income	588	11
Extraordinary losses		
Loss on sale and retirement of non-current assets	129	89
Impairment losses	–	503
Loss on valuation of investment securities	–	100
Loss on valuation of shares of subsidiaries and associates	22	33
Loss on sale of investment securities	0	0
Loss on liquidation of subsidiaries and associates	12	75
Extra retirement payments	540	–
Total extraordinary losses	704	801
Profit before income taxes	2,268	1,210
Income taxes - current	954	916
Income taxes - deferred	760	364
Total income taxes	1,715	1,280
Profit (loss)	553	(69)
Profit attributable to non-controlling interests	10	14
Profit (loss) attributable to owners of parent	542	(84)

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit (loss)	553	(69)
Other comprehensive income		
Valuation difference on available-for-sale securities	279	183
Deferred gains or losses on hedges	(1)	1
Foreign currency translation adjustment	(213)	2,440
Remeasurements of defined benefit plans, net of tax	1,494	66
Share of other comprehensive income of entities accounted for using equity method	15	254
Total other comprehensive income	1,575	2,947
Comprehensive income	2,128	2,877
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,122	2,861
Comprehensive income attributable to non-controlling interests	6	15

Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,829	17,019	19,121	(256)	47,713
Changes during period					
Dividends of surplus			(656)		(656)
Profit attributable to owners of parent			542		542
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(1)	13	11
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(115)	12	(102)
Balance at end of period	11,829	17,019	19,006	(243)	47,611

	Accumulated other comprehensive income					Share acquisition rights	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 period	(268)	0	(402)	(633)	(1,304)	161	93	46,664
Changes during period								
Dividends of surplus								(656)
Profit attributable to owners of parent								542
Purchase of treasury shares								(0)
Disposal of treasury shares								11
Net changes in items other than shareholders' equity	279	(1)	(193)	1,494	1,579	1	0	1,581
Total changes during period	279	(1)	(193)	1,494	1,579	1	0	1,478
Balance at end of period	11	(1)	(595)	860	275	162	94	48,143

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,829	17,019	19,006	(243)	47,611
Cumulative effects of changes in accounting policies			2		2
Restated balance	11,829	17,019	19,008	(243)	47,613
Changes during period					
Dividends of surplus			(821)		(821)
Profit attributable to owners of parent			(84)		(84)
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares			(0)	9	8
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(906)	8	(897)
Balance at end of period	11,829	17,019	18,102	(235)	46,716

	Accumulated other comprehensive income					Share acquisition rights	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 period	11	(1)	(595)	860	275	162	94	48,143
Cumulative effects of changes in accounting policies								2
Restated balance	11	(1)	(595)	860	275	162	94	48,145
Changes during period								
Dividends of surplus								(821)
Profit attributable to owners of parent								(84)
Purchase of treasury shares								(0)
Disposal of treasury shares								8
Net changes in items other than shareholders' equity	183	1	2,693	66	2,945	19	8	2,973
Total changes during period	183	1	2,693	66	2,945	19	8	2,075
Balance at end of period	195	–	2,097	927	3,220	181	102	50,221

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	2,268	1,210
Depreciation	3,491	3,361
Impairment losses	–	503
Increase (decrease) in provision for bonuses	18	78
Increase (decrease) in provision for bonuses for directors (and other officers)	1	(17)
Increase (decrease) in allowance for doubtful accounts	(5)	(36)
Increase (decrease) in retirement benefit liability	(190)	(155)
Interest and dividend income	(116)	(142)
Interest expenses	346	394
Foreign exchange losses (gains)	(8)	(163)
Share of loss (profit) of entities accounted for using equity method	(176)	(221)
Loss (gain) on sale of investment securities	(208)	(2)
Loss (gain) on valuation of investment securities	–	100
Loss (gain) on sale and retirement of non-current assets	125	80
Loss on valuation of shares of subsidiaries and associates	22	33
Loss on liquidation of subsidiaries and associates	12	9
Decrease (increase) in trade receivables	1,742	(2,544)
Decrease (increase) in inventories	(1,048)	(6,665)
Increase (decrease) in trade payables	(110)	913
Other, net	(101)	(508)
Subtotal	6,063	(3,772)
Interest and dividends received	173	232
Interest paid	(338)	(379)
Income taxes paid	(848)	(1,029)
Net cash provided by (used in) operating activities	5,049	(4,949)
Cash flows from investing activities		
Payments into time deposits	–	(367)
Proceeds from withdrawal of time deposits	145	–
Purchase of property, plant and equipment	(3,764)	(3,294)
Proceeds from sale of property, plant and equipment	29	75
Payments for retirement of property, plant and equipment	(54)	(7)
Purchase of intangible assets	(44)	(93)
Purchase of investment securities	(44)	(492)
Proceeds from sale of investment securities	307	72
Loan advances	(6)	(180)
Proceeds from collection of loans receivable	375	11
Other, net	2	(346)
Net cash provided by (used in) investing activities	(3,052)	(4,622)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	996	5,411
Proceeds from long-term borrowings	152	4,802
Repayments of long-term borrowings	(236)	(4,029)
Repayments of lease liabilities	(1,019)	(823)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	0	0
Dividends paid	(654)	(817)
Dividends paid to non-controlling interests	(6)	(6)
Net cash provided by (used in) financing activities	(767)	4,536
Effect of exchange rate change on cash and cash equivalents	(160)	735
Net increase (decrease) in cash and cash equivalents	1,070	(4,300)
Cash and cash equivalents at beginning of period	16,117	17,187
Cash and cash equivalents at end of period	17,187	12,887