

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 11, 2023

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, 2023
 Scheduled date to file Securities Report: June 28, 2023
 Scheduled date to commence dividend payments: June 29, 2023
 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, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	107,993	22.3	4,829	208.6	4,329	116.3	2,047	—
Year ended March 31, 2022	88,328	19.5	1,564	(20.5)	2,001	(16.1)	(84)	—

Note: Comprehensive income Year ended March 31, 2023 ¥3,875 million [34.7%]
 Year ended March 31, 2022 ¥2,877 million [35.2%]

	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, 2023	25.01	24.86	4.0	4.0	4.5
Year ended March 31, 2022	(1.02)	—	(0.2)	2.1	1.8

Reference: Share of profit (loss) of entities accounted for using equity method Year ended March 31, 2023 ¥341 million
 Year ended March 31, 2022 ¥221 million

Diluted earnings per share for the year ended March 31, 2022 is not presented because net loss per share was recorded for the 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, 2023	111,786	52,918	47.1	644.49
As of March 31, 2022	104,055	50,221	48.0	607.89

Reference: Equity As of March 31, 2023 ¥52,633 million
 As of March 31, 2022 ¥49,937 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, 2023	2,180	(2,642)	591	13,620
Year ended March 31, 2022	(4,949)	(4,622)	4,536	12,887

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, 2022	—	5.00	—	5.00	10.00	821	—	1.7
Year ended March 31, 2023	—	5.00	—	5.00	10.00	821	40.0	1.6
Year ending March 31, 2024 (Forecast)	—	5.00	—	5.00	10.00		63.0	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	108,000	0.0	4,600	(4.7)	4,100	(5.3)	1,300	(36.5)	15.88

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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, 2023	82,771,473 shares	As of March 31, 2022	82,771,473 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	1,103,272 shares	As of March 31, 2022	622,797 shares
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Average number of shares during the period

Year ended March 31, 2023	81,844,870 shares	Year ended March 31, 2022	82,139,826 shares
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(Reference) Overview of non-consolidated financial results

Non-consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	47,824	22.2	470	—	2,374	227.1	1,844	—
Year ended March 31, 2022	39,140	2.7	(442)	—	725	(42.7)	(27)	—

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Year ended March 31, 2023	22.53		22.39	
Year ended March 31, 2022	(0.33)		—	

Diluted earnings per share for the year ended March 31, 2022 is not presented because net loss per share was recorded for the 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, 2023	68,557	38,587	56.0	470.34
As of March 31, 2022	64,273	37,594	58.2	455.42

Reference: Equity As of March 31, 2023 ¥38,411 million
 As of March 31, 2022 ¥37,412 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 on the Company's website.

Consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	13,707	14,441
Notes receivable - trade	1,112	1,412
Accounts receivable - trade	20,816	25,149
Contract assets	16	19
Electronically recorded monetary claims - operating	581	706
Merchandise and finished goods	8,912	9,615
Work in process	2,475	2,711
Raw materials and supplies	10,729	13,364
Other	3,419	3,144
Allowance for doubtful accounts	(24)	(26)
Total current assets	61,746	70,537
Non-current assets		
Property, plant and equipment		
Buildings and structures	23,549	24,552
Accumulated depreciation	(11,392)	(12,376)
Buildings and structures, net	12,157	12,176
Machinery, equipment and vehicles	18,039	19,865
Accumulated depreciation	(13,738)	(14,655)
Machinery, equipment and vehicles, net	4,301	5,210
Tools, furniture and fixtures	9,552	9,894
Accumulated depreciation	(8,130)	(8,370)
Tools, furniture and fixtures, net	1,422	1,523
Land	5,313	5,354
Leased assets	6,506	6,868
Accumulated depreciation	(1,774)	(2,251)
Leased assets, net	4,732	4,617
Construction in progress	2,471	486
Total property, plant and equipment	30,399	29,369
Intangible assets		
Goodwill	253	229
Leased assets	342	236
Other	720	762
Total intangible assets	1,316	1,228
Investments and other assets		
Investment securities	5,054	5,577
Retirement benefit asset	4,439	3,816
Deferred tax assets	381	598
Other	808	743
Allowance for doubtful accounts	(90)	(83)
Total investments and other assets	10,592	10,651
Total non-current assets	42,309	41,249
Total assets	104,055	111,786

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,640	10,479
Electronically recorded obligations - operating	2,631	3,475
Short-term borrowings	12,040	16,546
Current portion of long-term borrowings	803	730
Lease liabilities	814	852
Income taxes payable	440	703
Contract liabilities	76	149
Provision for bonuses	1,020	1,282
Provision for bonuses for directors (and other officers)	30	59
Other	3,364	3,241
Total current liabilities	31,862	37,520
Non-current liabilities		
Long-term borrowings	13,815	13,532
Lease liabilities	3,711	3,650
Deferred tax liabilities	1,536	1,192
Retirement benefit liability	2,517	2,513
Provision for share awards	—	8
Provision for share awards for directors (and other officers)	—	4
Other	389	444
Total non-current liabilities	21,970	21,348
Total liabilities	53,833	58,868
Net assets		
Shareholders' equity		
Share capital	11,829	11,829
Capital surplus	17,019	17,028
Retained earnings	18,102	19,326
Treasury shares	(235)	(575)
Total shareholders' equity	46,716	47,609
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	195	511
Foreign currency translation adjustment	2,097	4,105
Remeasurements of defined benefit plans	927	407
Total accumulated other comprehensive income	3,220	5,024
Share acquisition rights	181	176
Non-controlling interests	102	108
Total net assets	50,221	52,918
Total liabilities and net assets	104,055	111,786

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	88,328	107,993
Cost of sales	65,996	80,565
Gross profit	22,332	27,428
Selling, general and administrative expenses	20,767	22,599
Operating profit	1,564	4,829
Non-operating income		
Interest income	68	72
Dividend income	73	80
Share of profit of entities accounted for using equity method	221	341
Foreign exchange gains	21	—
Subsidy income	105	83
Other	413	235
Total non-operating income	904	813
Non-operating expenses		
Interest expenses	394	725
Foreign exchange losses	—	512
Other	73	75
Total non-operating expenses	468	1,313
Ordinary profit	2,001	4,329
Extraordinary income		
Gain on sale of non-current assets	9	195
Gain on sale of investment securities	2	1
Gain on reversal of foreign currency translation adjustment	—	193
Total extraordinary income	11	389
Extraordinary losses		
Loss on sale and retirement of non-current assets	89	97
Impairment losses	503	1,333
Loss on valuation of investment securities	100	—
Loss on valuation of shares of subsidiaries and associates	33	485
Loss on sale of investment securities	0	—
Loss on liquidation of subsidiaries and associates	75	5
Total extraordinary losses	801	1,921
Profit before income taxes	1,210	2,798
Income taxes - current	916	1,244
Income taxes - deferred	364	(504)
Total income taxes	1,280	740
Profit (loss)	(69)	2,057
Profit attributable to non-controlling interests	14	10
Profit (loss) attributable to owners of parent	(84)	2,047

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit (loss)	(69)	2,057
Other comprehensive income		
Valuation difference on available-for-sale securities	183	316
Deferred gains or losses on hedges	1	—
Foreign currency translation adjustment	2,440	1,908
Remeasurements of defined benefit plans, net of tax	66	(520)
Share of other comprehensive income of entities accounted for using equity method	254	113
Total other comprehensive income	2,947	1,818
Comprehensive income	2,877	3,875
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,861	3,850
Comprehensive income attributable to non-controlling interests	15	24

Consolidated statements of changes in equity

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 (loss) 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 (loss) 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

Fiscal year ended March 31, 2023

(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	18,102	(235)	46,716
Changes during period					
Dividends of surplus			(821)		(821)
Profit (loss) attributable to owners of parent			2,047		2,047
Purchase of treasury shares				(347)	(347)
Disposal of treasury shares			(1)	7	5
Change in ownership interest of parent due to transactions with non-controlling interests		9			9
Net changes in items other than shareholders' equity					
Total changes during period	—	9	1,224	(340)	893
Balance at end of period	11,829	17,028	19,326	(575)	47,609

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	195	2,097	927	3,220	181	102	50,221
Changes during period							
Dividends of surplus							(821)
Profit (loss) attributable to owners of parent							2,047
Purchase of treasury shares							(347)
Disposal of treasury shares							5
Change in ownership interest of parent due to transactions with non-controlling interests							9
Net changes in items other than shareholders' equity	316	2,007	(520)	1,803	(5)	5	1,802
Total changes during period	316	2,007	(520)	1,803	(5)	5	2,696
Balance at end of period	511	4,105	407	5,024	176	108	52,918

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	1,210	2,798
Depreciation	3,361	3,915
Impairment losses	503	1,333
Increase (decrease) in provision for bonuses	78	261
Increase (decrease) in provision for bonuses for directors (and other officers)	(17)	28
Increase (decrease) in provision for share awards	—	8
Increase (decrease) in provision for share awards for directors (and other officers)	—	4
Increase (decrease) in allowance for doubtful accounts	(36)	(9)
Increase (decrease) in retirement benefit liability	(155)	(13)
Interest and dividend income	(142)	(152)
Interest expenses	394	725
Foreign exchange losses (gains)	(163)	198
Share of loss (profit) of entities accounted for using equity method	(221)	(341)
Loss (gain) on sale of investment securities	(2)	(1)
Loss (gain) on valuation of investment securities	100	—
Loss (gain) on sale and retirement of non-current assets	80	(97)
Loss on valuation of shares of subsidiaries and associates	33	485
Loss on liquidation of subsidiaries and associates	9	5
Decrease (increase) in trade receivables	(2,544)	(3,783)
Decrease (increase) in inventories	(6,665)	(2,446)
Increase (decrease) in trade payables	913	400
Other, net	(508)	204
Subtotal	(3,772)	3,524
Interest and dividends received	232	271
Interest paid	(379)	(694)
Income taxes paid	(1,029)	(920)
Net cash provided by (used in) operating activities	(4,949)	2,180
Cash flows from investing activities		
Payments into time deposits	(367)	—
Proceeds from withdrawal of time deposits	—	50
Purchase of property, plant and equipment	(3,294)	(2,460)
Proceeds from sale of property, plant and equipment	75	241
Payments for retirement of property, plant and equipment	(7)	(8)
Purchase of intangible assets	(93)	(180)
Purchase of investment securities	(492)	(267)
Proceeds from sale of investment securities	72	3
Proceeds from liquidation of subsidiaries and associates	—	4
Loan advances	(180)	(0)
Proceeds from collection of loans receivable	11	0
Other, net	(346)	(25)
Net cash provided by (used in) investing activities	(4,622)	(2,642)

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	5,411	3,409
Proceeds from long-term borrowings	4,802	165
Repayments of long-term borrowings	(4,029)	(827)
Repayments of lease liabilities	(823)	(1,006)
Purchase of treasury shares	(0)	(0)
Proceeds from sale of treasury shares	0	0
Increase Decrease In Money Trust Of Acquisition Of Treasury Stock	—	(347)
Dividends paid	(817)	(817)
Dividends paid to non-controlling interests	(6)	(7)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(3)
Other, net	—	27
Net cash provided by (used in) financing activities	4,536	591
Effect of exchange rate change on cash and cash equivalents	735	602
Net increase (decrease) in cash and cash equivalents	(4,300)	732
Cash and cash equivalents at beginning of period	17,187	12,887
Cash and cash equivalents at end of period	12,887	13,620