

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

August 4, 2021

Company name: TODA KOGYO CORP.
 Stock exchange listing: Tokyo
 Stock code: 4100 URL <https://www.todakogyo.co.jp>
 Representative: President and Representative Director Shigeru Takaragi
 Department Manager of Corporate Planning
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 Department
 Scheduled date to file Quarterly Securities Report: August 10, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results (cumulative)

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	%
Three months ended June 30, 2021	8,172	–	640	–	1,047	–	945	–
Three months ended June 30, 2020	6,637	(11.3)	(196)	–	(193)	–	(227)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	164.10		163.21	
Three months ended June 30, 2020	(39.45)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	42,050	10,648	22.1
As of March 31, 2021	41,783	9,375	19.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2021	–	0.00	–	0.00	0.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	0.00	–	0.00	–

3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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, 2021	16,000	–	1,000	–	1,500	–	1,200	–	208.21
Full year	31,000	–	1,700	–	2,400	–	1,800	–	312.32

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2021	6,099,192 shares	As of March 31, 2021	6,099,192 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	335,931 shares	As of March 31, 2021	335,871 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	5,763,291 shares	Three months ended June 30, 2020	5,763,810 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	6,629	5,809
Notes and accounts receivable - trade	8,180	9,126
Merchandise and finished goods	3,362	3,270
Work in process	1,409	1,493
Raw materials and supplies	2,146	2,009
Other	1,342	1,817
Allowance for doubtful accounts	(6)	(5)
Total current assets	23,065	23,521
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,340	2,351
Machinery, equipment and vehicles, net	1,294	1,406
Land	6,317	6,315
Construction in progress	177	127
Other, net	578	630
Total property, plant and equipment	10,709	10,832
Intangible assets		
Other	200	180
Total intangible assets	200	180
Investments and other assets		
Investment securities	3,526	2,537
Other	4,284	4,982
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	7,807	7,515
Total non-current assets	18,718	18,528
Total assets	41,783	42,050

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,995	4,213
Short-term borrowings	9,372	9,199
Current portion of long-term borrowings	3,756	3,499
Income taxes payable	165	149
Provision for bonuses	259	89
Provision for environmental measures	60	60
Provision for loss on factory closings	80	49
Other	1,359	1,478
Total current liabilities	19,051	18,739
Non-current liabilities		
Long-term borrowings	10,070	9,397
Retirement benefit liability	2,080	2,073
Other	1,206	1,191
Total non-current liabilities	13,356	12,662
Total liabilities	32,408	31,401
Net assets		
Shareholders' equity		
Share capital	7,477	7,477
Capital surplus	4,344	4,344
Retained earnings	(3,224)	(2,283)
Treasury shares	(1,513)	(1,513)
Total shareholders' equity	7,083	8,024
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	779	615
Foreign currency translation adjustment	281	677
Remeasurements of defined benefit plans	(9)	(6)
Total accumulated other comprehensive income	1,052	1,287
Share acquisition rights	66	71
Non-controlling interests	1,173	1,265
Total net assets	9,375	10,648
Total liabilities and net assets	41,783	42,050

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	6,637	8,172
Cost of sales	5,682	6,290
Gross profit	954	1,882
Selling, general and administrative expenses		
Employees' salaries	262	292
Research and development expenses	307	269
Other	581	679
Total selling, general and administrative expenses	1,151	1,241
Operating profit (loss)	(196)	640
Non-operating income		
Interest income	8	9
Dividend income	34	21
Outsourcing service income	3	3
Share of profit of entities accounted for using equity method	–	390
Subsidies for employment adjustment	–	19
Foreign exchange gains	29	–
Other	18	50
Total non-operating income	94	497
Non-operating expenses		
Interest expenses	54	46
Share of loss of entities accounted for using equity method	35	–
Foreign exchange losses	–	12
Other	1	31
Total non-operating expenses	91	90
Ordinary profit (loss)	(193)	1,047
Extraordinary income		
Gain on disposal of non-current assets	0	0
Gain on sale of investment securities	–	39
National subsidies	–	20
Total extraordinary income	0	60
Extraordinary losses		
Loss on disposal of non-current assets	1	9
Loss on tax purpose reduction entry of non-current assets	–	16
Total extraordinary losses	1	25
Profit (loss) before income taxes	(195)	1,082
Income taxes - current	30	62
Income taxes - deferred	(4)	44
Total income taxes	25	106
Profit (loss)	(221)	976
Profit attributable to non-controlling interests	6	30
Profit (loss) attributable to owners of parent	(227)	945

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit (loss)	(221)	976
Other comprehensive income		
Valuation difference on available-for-sale securities	169	(163)
Foreign currency translation adjustment	(146)	339
Remeasurements of defined benefit plans, net of tax	8	3
Share of other comprehensive income of entities accounted for using equity method	(23)	117
Total other comprehensive income	8	296
Comprehensive income	(213)	1,273
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(199)	1,180
Comprehensive income attributable to non-controlling interests	(14)	92