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Consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

November 9, 2023

Company name: TOBA,INC.

Stock exchange listing: Tokyo

Code number: 7472

URL: <https://www.toba.co.jp/>

Representative: Minoru Endo

President

Contact: Masanori Shimazu

General Manager and Director

Phone: +81-3-3944-4031

Scheduled date of filing quarterly securities report: November 9, 2023

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	13,807	(8.4)	731	(20.3)	780	(20.5)	537	(20.9)
September 30, 2022	15,072	4.6	917	2.1	982	4.0	679	2.9

(Note) Comprehensive income: Six months ended September 30, 2023: ¥ 772 million [5.5%]
Six months ended September 30, 2022: ¥ 732 million [(11.7)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	131.46	-
September 30, 2022	159.64	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	29,718	19,980	67.2
March 31, 2023	29,124	19,799	67.9

(Reference) Equity: As of September 30, 2023: ¥ 19,980 million
As of March 31, 2023: ¥ 19,786 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	0.00	-	120.00	120.00
Fiscal year ending March 31, 2024	-	0.00			
Fiscal year ending March 31, 2024 (Forecast)			-	120.00	120.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% 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
Full year	30,000	1.8	1,800	6.2	1,900	5.5	1,290	(9.8)	313.71

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the six months ended September 30, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) 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

(4) Total number of issued shares (common shares)

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

September 30, 2023: 4,700,000 shares

March 31, 2023: 4,700,000 shares

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

September 30, 2023: 616,748 shares

March 31, 2023: 587,875 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 4,090,226 shares

Six months ended September 30, 2022: 4,255,642 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	11,012,398	12,211,337
Notes and accounts receivable - trade	7,791,569	6,922,723
Electronically recorded monetary claims - operating	3,293,285	3,420,834
Merchandise	363,128	342,704
Other	135,454	76,698
Allowance for doubtful accounts	(64)	(66)
Total current assets	22,595,770	22,974,230
Non-current assets		
Property, plant and equipment	1,931,052	1,972,588
Intangible assets	518,329	476,369
Investments and other assets	4,078,919	4,295,025
Total non-current assets	6,528,301	6,743,983
Total assets	29,124,071	29,718,213
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,288,600	2,197,977
Electronically recorded obligations - operating	4,810,978	6,446,865
Income taxes payable	368,656	251,450
Provisions	200,620	147,000
Other	251,767	215,544
Total current liabilities	8,920,622	9,258,837
Non-current liabilities		
Provisions	8,557	7,543
Other	395,048	471,550
Total non-current liabilities	403,605	479,093
Total liabilities	9,324,228	9,737,931
Net assets		
Shareholders' equity		
Share capital	1,148,000	1,148,000
Capital surplus	1,095,438	1,099,082
Retained earnings	17,594,119	17,637,339
Treasury shares	(1,258,482)	(1,346,141)
Total shareholders' equity	18,579,075	18,538,280
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	935,577	1,095,663
Foreign currency translation adjustment	271,543	346,338
Total accumulated other comprehensive income	1,207,120	1,442,002
Share award rights	13,647	-
Total net assets	19,799,843	19,980,282
Total liabilities and net assets	29,124,071	29,718,213

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the six months)

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales	15,072,799	13,807,367
Cost of sales	12,913,998	11,758,119
Gross profit	2,158,800	2,049,248
Selling, general and administrative expenses	1,240,971	1,318,057
Operating profit	917,829	731,191
Non-operating income		
Interest income	5,862	11,002
Dividend income	30,453	23,130
Purchase discounts	26,133	13,250
Other	7,138	6,533
Total non-operating income	69,587	53,917
Non-operating expenses		
Foreign exchange losses	4,318	3,176
Other	936	1,491
Total non-operating expenses	5,254	4,667
Ordinary profit	982,162	780,441
Extraordinary income		
Gain on sale of investment securities	-	2,475
Total extraordinary income	-	2,475
Profit before income taxes	982,162	782,916
Income taxes - current	301,316	238,292
Income taxes - deferred	1,473	6,904
Total income taxes	302,789	245,197
Profit	679,373	537,718
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	679,373	537,718

Quarterly Consolidated Statements of Comprehensive Income (For the six months)

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Profit	679,373	537,718
Other comprehensive income		
Valuation difference on available-for-sale securities	(133,683)	160,086
Foreign currency translation adjustment	186,432	74,795
Total other comprehensive income	52,749	234,881
Comprehensive income	732,122	772,600
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	732,122	772,600
Comprehensive income attributable to non-controlling interests	-	-

Quarterly Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Cash flows from operating activities		
Profit before income taxes	982,162	782,916
Depreciation	24,458	74,183
Increase (decrease) in allowance for doubtful accounts	72	2
Increase (decrease) in provision for bonuses	(30,396)	(13,620)
Increase (decrease) in provision for bonuses for directors (and other officers)	(36,000)	(40,000)
Increase (decrease) in provision for share awards	751	(1,014)
Interest and dividend income	(36,315)	(34,132)
Loss (gain) on sale of investment securities	-	(2,475)
Decrease (increase) in trade receivables	(571,093)	777,243
Decrease (increase) in inventories	(95,160)	23,522
Increase (decrease) in trade payables	158,399	535,245
Other, net	(49,271)	86,572
Subtotal	347,605	2,188,442
Interest and dividends received	36,312	34,146
Income taxes paid	(399,314)	(350,763)
Net cash provided by (used in) operating activities	(15,395)	1,871,825
Cash flows from investing activities		
Payments into time deposits	(500,000)	-
Proceeds from withdrawal of time deposits	500,000	1,000,000
Purchase of property, plant and equipment	(6,233)	(54,450)
Purchase of intangible assets	(199,832)	(76,200)
Purchase of investment securities	(9,680)	(10,677)
Proceeds from sale of investment securities	-	16,909
Net cash provided by (used in) investing activities	(215,746)	875,581
Cash flows from financing activities		
Purchase of treasury shares	-	(99,545)
Dividends paid	(511,614)	(494,499)
Net cash provided by (used in) financing activities	(511,614)	(594,044)
Effect of exchange rate change on cash and cash equivalents	84,598	45,576
Net increase (decrease) in cash and cash equivalents	(68,158)	2,198,938
Cash and cash equivalents at beginning of period	9,600,528	10,012,398
Cash and cash equivalents at end of period	8,942,370	12,211,337