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## Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



August 7, 2023

Company name: TOKYO SANGYO CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 8070

URL: <http://www.tscom.co.jp/>

Representative: Minoru Kambara, President and Representative Director

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Scheduled date of filing quarterly securities report: August 14, 2023

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on quarterly financial results: Not available

Schedule of quarterly financial results briefing session: Not scheduled

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

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 – June 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	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	13,884	2.4	520	(25.5)	919	(11.3)	645	(2.1)
June 30, 2022	13,562	2.5	699	63.7	1,036	47.9	658	112.6

(Note) Comprehensive income: Three months ended June 30, 2023: ¥1,638 million [110.9%]

Three months ended June 30, 2022: ¥776 million [457.0%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	24.87	–
June 30, 2022	25.40	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	79,146	27,952	35.3
As of March 31, 2023	80,910	26,703	33.0

(Reference) Equity: As of June 30, 2023: ¥27,952 million

As of March 31, 2023: ¥26,703 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	–	15.00	–	15.00	30.00
Fiscal year ending March 31, 2024	–				
Fiscal year ending March 31, 2024 (Forecast)		18.00	–	18.00	36.00

(Note) Revision to the dividend forecast announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - 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
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half (Cumulative)	35,000	3.2	1,650	(3.3)	1,750	(15.0)	1,200	(7.6)	46.25
Full year	70,000	9.6	3,300	6.2	3,500	4.4	2,400	411.1	92.50

(Note) Revision to the financial results forecast announced most recently: None

**\* Notes:**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None  
Newly included: – (Company name: –)  
Excluded: – (Company name: –)
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2023:	28,678,486 shares
March 31, 2023:	28,678,486 shares
  - 2) Total number of treasury shares at the end of the period:

June 30, 2023:	2,726,352 shares
March 31, 2023:	2,733,326 shares
  - 3) Average number of shares outstanding during the period:

Three months ended June 30, 2023:	25,946,904 shares
Three months ended June 30, 2022:	25,940,484 shares
- (Note) The Company has introduced the Stock Grant ESOP Trust and the Directors' Compensation BIP Trust. Shares of the Company held by the Trusts are included in treasury shares.

\* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

\* Explanation on the proper use of financial results forecast and other notes

The earnings forecasts and forward-looking statements herein are based on information available to the Company at the time of preparation and certain assumptions deemed to be reasonable, and the Company does not guarantee the achievement of the projections. Actual result may vary significantly due to various factors. For the assumptions used for the earnings forecasts and the notes regarding the use thereof, please refer to “(3) Forward-looking Statements Including Consolidated Financial Results Forecast” under “1. Qualitative Information on Quarterly Financial Results” on page 2 of the attached document.

## Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	7,953	8,202
Notes and accounts receivable - trade, and contract assets	24,544	20,847
Securities	200	200
Merchandise	740	1,119
Work in process	6,000	6,000
Advance payments to suppliers	14,067	13,563
Accounts receivable – other	41	271
Other	3,641	3,906
Allowance for doubtful accounts	(24)	(25)
Total current assets	57,164	54,084
Non-current assets		
Property, plant and equipment	8,666	8,537
Intangible assets	82	85
Investments and other assets		
Investment securities	5,693	7,047
Other	9,410	9,502
Allowance for doubtful accounts	(191)	(191)
Total investments and other assets	14,912	16,357
Total non-current assets	23,661	24,981
Deferred assets		
Bond issuance costs	85	79
Total deferred assets	85	79
Total assets	80,910	79,146
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	8,255	8,925
Accounts payable – consignment	10,305	5,975
Short-term borrowings	9,591	9,591
Accounts payable – other	765	597
Income taxes payable	539	179
Contract liabilities	12,170	13,023
Provisions	523	247
Other	3,127	3,241
Total current liabilities	45,276	41,780
Non-current liabilities		
Bonds payable	3,000	3,000
Long-term borrowings	3,648	3,648
Retirement benefit liability	15	–
Provisions	149	130
Other	2,117	2,633
Total non-current liabilities	8,930	9,412
Total liabilities	54,207	51,193

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Net assets		
Shareholders' equity		
Share capital	3,443	3,443
Capital surplus	2,832	2,834
Retained earnings	19,795	20,045
Treasury shares	(1,486)	(1,483)
Total shareholders' equity	24,584	24,840
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,863	2,753
Deferred gains or losses on hedges	332	401
Foreign currency translation adjustment	133	161
Remeasurements of defined benefit plans	(209)	(204)
Total accumulated other comprehensive income	2,119	3,112
Total net assets	26,703	27,952
Total liabilities and net assets	80,910	79,146

(2) Quarterly Consolidated Income Statement and Consolidated Statement of Comprehensive Income  
Quarterly Consolidated Income Statement  
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	13,562	13,884
Cost of sales	11,357	11,640
Gross profit	2,204	2,243
Selling, general and administrative expenses	1,505	1,722
Operating profit	699	520
Non-operating income		
Interest income	8	5
Dividend income	242	317
Foreign exchange gains	103	98
Other	29	34
Total non-operating income	384	456
Non-operating expenses		
Interest expenses	37	31
Share of loss of entities accounted for using equity method	8	9
Amortization of bond issuance costs	–	5
Other	0	11
Total non-operating expenses	47	57
Ordinary profit	1,036	919
Extraordinary losses		
Special survey costs, etc.	57	–
Total extraordinary losses	57	–
Profit before income taxes	979	919
Income taxes	320	274
Profit	658	645
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	658	645

Quarterly Consolidated Statement of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	658	645
Other comprehensive income		
Valuation difference on available-for-sale securities	(85)	890
Deferred gains or losses on hedges	136	69
Foreign currency translation adjustment	73	28
Remeasurements of defined benefit plans, net of tax	(7)	4
Total other comprehensive income	117	992
Comprehensive income	776	1,638
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	776	1,638
Comprehensive income attributable to non-controlling interests	-	-