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## Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese GAAP]

April 28, 2022

Company name: YAMATO KOGYO CO.,LTD.

Stock exchange listing: Tokyo

Code number: 5444

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

Representative: Mikio Kobayashi

President

Contact: Kazumi Yonezawa

Director, Executive Managing Officer

Phone: 079-273-1061

Scheduled date of Annual General Meeting of Shareholders: June 29, 2022

Scheduled date of commencing dividend payments: June 30, 2022

Scheduled date of filing annual securities report: June 30, 2022

Availability of supplementary briefing material on annual financial results: No

Schedule of annual financial results briefing session: Yes

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

## 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (April 01, 2021 to March 31, 2022)

## (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	%
Fiscal year ended March 31, 2022	150,029	10.3	13,290	32.7	57,646	167.3	39,917	700.8
March 31, 2021	136,025	(25.2)	10,018	(11.6)	21,569	(6.7)	4,984	(66.2)

(Note) Comprehensive income: Fiscal year ended March 31, 2022: ¥ 65,545 million [ -%]  
Fiscal year ended March 31, 2021: ¥ (6,657) million [ -%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2022	618.62	-	12.2	14.9	8.9
March 31, 2021	75.29	-	1.6	5.8	7.4

(Reference) Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2022: ¥ 40,348 million  
Fiscal year ended March 31, 2021: ¥ 8,521 million

## (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2022	414,928	375,686	84.4	5,501.16
March 31, 2021	359,788	325,797	84.0	4,598.58

(Reference) Equity: As of March 31, 2022: ¥ 350,351 million  
As of March 31, 2021: ¥ 302,046 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 the end of period
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2022	11,457	76,736	(15,904)	95,467
March 31, 2021	27,042	(24,378)	(9,937)	19,163

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2021	-	40.00	-	40.00	80.00	5,348	106.3	1.7
March 31, 2022	-	60.00	-	100.00	160.00	10,407	25.9	3.2
Fiscal year ending March 31, 2023 (Forecast)	-	100.00	-	100.00	200.00		22.7	

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 01, 2022 to March 31, 2023)

(% 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
Six months ended September 30, 2022	95,000	40.3	7,500	99.8	44,500	110.7	32,000	115.6	502.46
Full year	193,000	28.6	14,000	5.3	79,000	37.0	56,000	40.3	879.30

## \* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- New - (Company name: )
- Exclusion: - (Company name: )
- (2) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: Yes
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No
- (3) Total number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
- March 31, 2022: 65,000,000 shares
- March 31, 2021: 67,670,000 shares
- 2) Total number of treasury shares at the end of the period:
- March 31, 2022: 1,313,215 shares
- March 31, 2021: 1,987,442 shares
- 3) Average number of shares during the period:
- Fiscal Year ended March 31, 2022: 64,525,916 shares
- Fiscal Year ended March 31, 2021: 66,205,231 shares

## Consolidated Financial Statements

## Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	101,572	99,717
Notes and accounts receivable - trade	17,616	-
Notes receivable - trade	-	129
Accounts receivable - trade	-	25,015
Securities	-	20
Merchandise and finished goods	10,627	18,360
Work in process	492	555
Raw materials and supplies	16,931	20,926
Other	2,775	3,007
Allowance for doubtful accounts	(15)	(22)
<b>Total current assets</b>	<b>150,000</b>	<b>167,710</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	32,913	33,652
Accumulated depreciation	(21,410)	(22,341)
Buildings and structures, net	11,502	11,310
Machinery, equipment and vehicles	116,350	118,139
Accumulated depreciation	(87,485)	(91,307)
Machinery, equipment and vehicles, net	28,864	26,832
Tools, furniture and fixtures	2,364	2,479
Accumulated depreciation	(1,997)	(2,133)
Tools, furniture and fixtures, net	366	345
Land	17,630	17,815
Construction in progress	1,609	1,550
Other	2,377	2,154
Accumulated depreciation	(209)	(248)
Other, net	2,167	1,905
<b>Total property, plant and equipment</b>	<b>62,142</b>	<b>59,761</b>
<b>Intangible assets</b>		
Goodwill	912	810
Other	574	822
<b>Total intangible assets</b>	<b>1,486</b>	<b>1,632</b>
<b>Investments and other assets</b>		
Investment securities	45,660	56,255
Investments in capital	54,489	78,826
Long-term loans receivable from subsidiaries and associates	20,886	23,067
Long-term time deposits	21,253	23,660
Retirement benefit asset	995	917
Other	3,144	3,396
Allowance for doubtful accounts	(272)	(301)
<b>Total investments and other assets</b>	<b>146,158</b>	<b>185,823</b>
<b>Total non-current assets</b>	<b>209,787</b>	<b>247,217</b>
<b>Total assets</b>	<b>359,788</b>	<b>414,928</b>

(Million yen)

	As of March 31,2021	As of March 31,2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	7,528	11,033
Accounts payable - other	4,149	1,885
Accrued expenses	2,184	2,265
Income taxes payable	570	1,908
Provision for bonuses	552	744
Other	846	1,574
Total current liabilities	15,831	19,411
Non-current liabilities		
Deferred tax liabilities	12,011	13,874
Retirement benefit liability	2,068	1,975
Other	4,080	3,981
Total non-current liabilities	18,159	19,830
<b>Total liabilities</b>	<b>33,990</b>	<b>39,242</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,996	7,996
Retained earnings	295,740	320,784
Treasury shares	(2,966)	(1,412)
Total shareholders' equity	300,770	327,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,566	4,490
Foreign currency translation adjustment	(2,213)	18,649
Remeasurements of defined benefit plans	(77)	(157)
Total accumulated other comprehensive income	1,275	22,982
Non-controlling interests	23,750	25,335
<b>Total net assets</b>	<b>325,797</b>	<b>375,686</b>
<b>Total liabilities and net assets</b>	<b>359,788</b>	<b>414,928</b>

## Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Net sales	136,025	150,029
Cost of sales	113,346	123,788
Gross profit	22,679	26,241
Selling, general and administrative expenses		
Packing and transportation costs	5,240	5,728
Salaries and allowances	2,348	1,813
Provision for bonuses	129	546
Retirement benefit expenses	189	56
Provision for retirement benefits for directors (and other officers)	12	-
Depreciation	253	204
Taxes and dues	380	340
Other	4,106	4,260
Total selling, general and administrative expenses	12,661	12,950
Operating profit	10,018	13,290
Non-operating income		
Interest income	1,361	418
Dividend income	301	321
Equity in earnings of affiliates	8,521	40,348
Foreign exchange gains	696	2,773
Other	775	776
Total non-operating income	11,657	44,637
Non-operating expenses		
Interest expenses	67	82
Loss on investments in investment partnerships	-	19
Loss on valuation of derivatives	5	26
Provision of allowance for doubtful accounts	1	29
Loss on disaster	-	50
Other	30	73
Total non-operating expenses	105	282
Ordinary profit	21,569	57,646
Extraordinary income		
Gain on sale of non-current assets	3	1
Gain on change in equity	-	2
Gain on sale of shares of subsidiaries and associates	-	2
Gain on sale of investment securities	-	1
Other	0	-
Total extraordinary income	3	8
Extraordinary losses		
Loss on sale of shares of subsidiaries and associates	9,460	-
Loss on sale of non-current assets	0	0
Loss on retirement of non-current assets	215	31
Loss on valuation of investment securities	1	-
Provision of Loss on Fair-trade Act	-	248
Other	124	1
Total extraordinary losses	9,803	281
Profit before income taxes	11,770	57,373
Income taxes - current	5,381	12,528
Income taxes - deferred	(109)	1,130
Total income taxes	5,272	13,659
Profit	6,498	43,714
Profit attributable to non-controlling interests	1,513	3,797
Profit attributable to owners of parent	4,984	39,917

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
Profit	6,498	43,714
Other comprehensive income		
Valuation difference on available-for-sale securities	1,021	922
Foreign currency translation adjustment	(9,489)	10,539
Remeasurements of defined benefit plans, net of tax	125	(80)
Share of other comprehensive income of entities accounted for using equity method	(4,813)	10,448
Total other comprehensive income	(13,156)	21,830
Comprehensive income	(6,657)	65,545
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(6,755)	61,623
Comprehensive income attributable to non-controlling interests	97	3,921

## Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31,2021

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,996	-	297,075	(309)	304,762
Changes during period					
Dividends of surplus			(5,957)		(5,957)
Profit attributable to owners of parent			4,984		4,984
Purchase of treasury shares				(2,580)	(2,580)
Disposal of treasury stock upon restricted stock compensation					-
Cancellation of treasury shares					-
Purchase of shares of consolidated subsidiaries			(409)	(76)	(486)
Net increase (decrease) in surplus by change of consolidated scope			47		47
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(1,335)	(2,656)	(3,992)
Balance at end of period	7,996	-	295,740	(2,966)	300,770

	Accumulated other comprehensive income				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	2,547	10,667	(199)	13,015	24,828	342,606
Changes during period						
Dividends of surplus						(5,957)
Profit attributable to owners of parent						4,984
Purchase of treasury shares						(2,580)
Disposal of treasury stock upon restricted stock compensation						-
Cancellation of treasury shares						-
Purchase of shares of consolidated subsidiaries					18	(468)
Net increase (decrease) in surplus by change of consolidated scope						47
Net changes in items other than shareholders' equity	1,018	(12,880)	122	(11,739)	(1,096)	(12,835)
Total changes during period	1,018	(12,880)	122	(11,739)	(1,077)	(16,809)
Balance at end of period	3,566	(2,213)	(77)	1,275	23,750	325,797

For the fiscal year ended March 31,2022

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,996	-	295,740	(2,966)	300,770
Changes during period					
Dividends of surplus			(6,487)		(6,487)
Profit attributable to owners of parent			39,917		39,917
Purchase of treasury shares				(6,881)	(6,881)
Disposal of treasury stock upon restricted stock compensation		9		40	50
Cancellation of treasury shares		(9)	(8,386)	8,395	-
Purchase of shares of consolidated subsidiaries					-
Net increase (decrease) in surplus by change of consolidated scope					-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	25,044	1,554	26,598
Balance at end of period	7,996	-	320,784	(1,412)	327,369

	Accumulated other comprehensive income				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	3,566	(2,213)	(77)	1,275	23,750	325,797
Changes during period						
Dividends of surplus						(6,487)
Profit attributable to owners of parent						39,917
Purchase of treasury shares						(6,881)
Disposal of treasury stock upon restricted stock compensation						50
Cancellation of treasury shares						-
Purchase of shares of consolidated subsidiaries						-
Net increase (decrease) in surplus by change of consolidated scope						-
Net changes in items other than shareholders' equity	924	20,862	(80)	21,706	1,584	23,290
Total changes during period	924	20,862	(80)	21,706	1,584	49,889
Balance at end of period	4,490	18,649	(157)	22,982	25,335	375,686



## Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2021	For the fiscal year ended March 31,2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	11,770	57,373
Depreciation	6,568	5,687
Amortization of goodwill	102	102
Increase (decrease) in allowance for doubtful accounts	(1)	36
Increase (decrease) in provision for bonuses	(55)	191
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(21)	-
Increase (decrease) in retirement benefit liability	(604)	(88)
Interest and dividend income	(1,663)	(739)
Interest expenses	67	82
Foreign exchange losses (gains)	(10)	(429)
Equity in (earnings) losses of affiliates	(8,521)	(40,348)
Loss (gain) on sale of non-current assets	(3)	(1)
Loss on retirement of non-current assets	215	31
Decrease (increase) in trade receivables	2,359	(7,541)
Decrease (increase) in inventories	217	(11,865)
Increase (decrease) in trade payables	1,630	3,516
Loss (gain) on sale of shares of subsidiaries and associates	9,460	(2)
Increase (decrease) in accounts payable - other	(926)	79
Other, net	(1,864)	(3,269)
Subtotal	18,719	2,814
Interest and dividends received	14,614	18,275
Interest paid	(5)	(0)
Income taxes paid	(6,285)	(9,633)
Net cash provided by (used in) operating activities	27,042	11,457
<b>Cash flows from investing activities</b>		
Payments into time deposits	(18,799)	(6,052)
Proceeds from withdrawal of time deposits	5,637	89,004
Purchase of property, plant and equipment	(5,028)	(3,478)
Proceeds from sale of property, plant and equipment	4	1
Purchase of investment securities	(19)	(1,702)
Proceeds from sale of investment securities	22	3
Purchase of shares of subsidiaries and associates	(2,606)	-
Proceeds from sale of shares of subsidiaries and associates	-	1,336
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(494)	(2,140)
Loan advances to subsidiaries and associates	(3,106)	-
Other, net	12	(235)
Net cash provided by (used in) investing activities	(24,378)	76,736
<b>Cash flows from financing activities</b>		
Purchase of treasury shares	(2,580)	(6,881)
Dividends paid	(5,954)	(6,481)
Dividends paid to non-controlling interests	(1,219)	(2,337)
Other, net	(183)	(203)
Net cash provided by (used in) financing activities	(9,937)	(15,904)
Effect of exchange rate change on cash and cash equivalents	(721)	4,014
Net increase (decrease) in cash and cash equivalents	(7,994)	76,304
Cash and cash equivalents at beginning of period	26,487	19,163
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	670	-
Cash and cash equivalents at end of period	19,163	95,467