

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

August 05, 2022

Company name: TOA CORPORATION

Stock exchange listing: Tokyo, Sapporo

Code number: 1885

URL: <https://www.toa-const.co.jp/eng/>

Representative: Takeshi Hayakawa

President and Chief Executive Officer

Contact: Tetsuya Kimura

General Manager, Administration Dept., Administration General H/Q

Phone: +81-3-6757-3821

Scheduled date of filing quarterly securities report: August 05, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 01, 2022 to June 30, 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	%
Three months ended June 30, 2022	47,141	(7.4)	727	(51.3)	937	(39.9)	620	(45.2)
June 30, 2021	50,891	36.5	1,493	22.3	1,560	18.1	1,132	31.2

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 602 million [(11.9)%]
Three months ended June 30, 2021: ¥ 684 million [(33.8)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	29.04	28.27
June 30, 2021	59.83	49.82

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2022	185,866	83,854	44.7
March 31, 2022	212,916	86,725	40.4

(Reference) Equity: As of June 30, 2022: ¥ 83,136 million
As of March 31, 2022: ¥ 86,028 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, 2022	-	-	-	90.00	90.00
Fiscal year ending March 31, 2023	-	-	-	-	-
Fiscal year ending March 31, 2023 (Forecast)	-	-	-	90.00	90.00

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

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
Full year	220,000	0.1	9,600	(2.8)	9,500	(6.3)	6,600	(10.6)	309.67

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

* Explanatory Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(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: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: Yes

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):

June 30, 2022: 22,494,629 shares

March 31, 2022: 22,494,629 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 1,201,750 shares

March 31, 2022: 658,371 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 21,373,083 shares

Three months ended June 30, 2021: 18,925,729 shares

(Note) Both the number of treasury stock at the end of the period and the number of treasury stock excluded for calculating the average number of shares during the period include the company's shares held by the Board Benefit Trust (BBT).

* This document is not subject to quarterly review procedures by certified public accountants or audit firms.

* Disclaimer regarding appropriate use of the forecasts and other specific remarks:

The forecasts given above are based on information currently available and certain premises regarded as reasonable. The actual business results may be materially different from forecasts due to a variety of factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheet

(Million yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	32,028	28,243
Notes receivable, accounts receivable from completed construction contracts and other	111,809	86,210
Securities	42	42
Costs on construction contracts in progress	3,597	6,166
Real estate for sale	1,558	1,532
Advances paid	8,211	5,526
Other	4,831	7,552
Allowance for doubtful accounts	(7)	(7)
Total current assets	162,072	135,267
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,786	4,705
Machinery, vehicles, tools, furniture and fixtures, net	3,327	3,444
Land	19,127	19,125
Other	7,854	7,899
Total property, plant and equipment	35,095	35,175
Intangible assets	975	911
Investments and other assets		
Investment securities	10,600	10,589
Other	4,710	4,462
Allowance for doubtful accounts	(539)	(539)
Total investments and other assets	14,771	14,513
Total non-current assets	50,843	50,599
Total assets	212,916	185,866

(Million yen)

	As of March 31,2022	As of June 30,2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	34,601	25,398
Electronically recorded obligations - operating	7,897	6,707
Short-term borrowings	18,875	9,361
Income taxes payable	1,737	229
Advances received on construction contracts in progress	15,785	16,510
Deposits received	18,255	20,223
Provision for warranties for completed construction	859	850
Provision for loss on construction contracts	1,809	1,902
Provision for bonuses for directors (and other officers)	63	13
Other	7,864	3,865
Total current liabilities	107,750	85,061
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	1,050	1,050
Long-term borrowings	10,937	9,813
Deferred tax liabilities for land revaluation	2,320	2,320
Retirement benefit liability	1,339	1,086
Provision for share awards for directors (and other officers)	106	88
Other	2,686	2,591
Total non-current liabilities	18,440	16,950
Total liabilities	126,190	102,012
Net assets		
Shareholders' equity		
Share capital	18,976	18,976
Capital surplus	19,042	19,042
Retained earnings	43,543	42,190
Treasury shares	(1,524)	(3,025)
Total shareholders' equity	80,037	77,184
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,235	2,221
Deferred gains or losses on hedges	5	(5)
Revaluation reserve for land	3,659	3,659
Remeasurements of defined benefit plans	89	75
Total accumulated other comprehensive income	5,990	5,951
Non-controlling interests	697	718
Total net assets	86,725	83,854
Total liabilities and net assets	212,916	185,866

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales	50,891	47,141
Cost of sales	46,654	43,632
Gross profit	4,237	3,508
Selling, general and administrative expenses	2,743	2,780
Operating profit	1,493	727
Non-operating income		
Interest income	5	3
Dividend income	127	136
Foreign exchange gains	-	125
Other	45	45
Total non-operating income	178	310
Non-operating expenses		
Interest expenses	53	52
Guarantee fee	38	27
Other	18	20
Total non-operating expenses	110	100
Ordinary profit	1,560	937
Extraordinary income		
Gain on sale of non-current assets	15	-
Gain on sales of right of using facilities	-	0
Total extraordinary income	15	0
Extraordinary losses		
Loss on sale of non-current assets	-	0
Impairment losses	22	1
Other	1	0
Total extraordinary losses	23	1
Profit before income taxes	1,551	937
Income taxes - current	62	58
Income taxes - deferred	360	236
Total income taxes	422	295
Profit	1,129	642
Profit (loss) attributable to non-controlling interests	(3)	21
Profit attributable to owners of parent	1,132	620

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

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Profit	1,129	642
Other comprehensive income		
Valuation difference on available-for-sale securities	(497)	(13)
Deferred gains or losses on hedges	1	(10)
Remeasurements of defined benefit plans, net of tax	51	(14)
Total other comprehensive income	(444)	(39)
Comprehensive income	684	602
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	687	581
Comprehensive income attributable to non-controlling interests	(3)	21