

May 14, 2024

Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)

Company name: TOKYO PRINTING INK MFG. CO., LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 4635
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 Representative: Satoshi Horikawa, Representative Director and President
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 Scheduled date of annual general meeting of shareholders: June 26, 2024
 Scheduled date to commence dividend payments: June 27, 2024
 Scheduled date to file annual securities report: June 27, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (Scheduled to be held on May 30, 2024)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Consolidated operating results

(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	%
Fiscal year ended March 31, 2024	43,922	1.2	768	-	986	(79.4)	881	(46.4)
March 31, 2023	43,406	4.8	(21)	-	4,783	432.6	1,645	126.7

Note: Comprehensive income For the fiscal year ended March 31, 2024: ¥ 2,342 million [23.9 %]
 For the fiscal year ended March 31, 2023: ¥ 1,890 million [177.1 %]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2024	335.78	-	3.1	2.0	1.8
March 31, 2023	627.47	-	6.3	10.1	(0.1)

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2024	52,466	29,398	55.7	10,982.28
March 31, 2023	47,797	27,265	56.7	10,333.05

Reference: Equity
 As of March 31, 2024: ¥ 29,207 million
 As of March 31, 2023: ¥ 27,093 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 end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2024	1,989	(1,281)	(398)	3,734
March 31, 2023	(893)	2,461	(2,014)	3,374

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2023	-	80.00	-	80.00	160.00	419	25.5	1.6
Fiscal year ended March 31, 2024	-	40.00	-	60.00	100.00	264	29.8	0.9
Fiscal year ending March 31, 2025 (Forecast)		60.00		60.00	120.00		42.0	

Note: Breakdown of dividends at the end of the second quarter of the fiscal year ending March 31, 2023 Ordinary dividend 40.00yen Special dividend 40.00yen

Note: Breakdown of year-end dividends for the fiscal year ending March 31, 2023 Ordinary dividend 40.00yen, special dividend 40.00yen

Note: Breakdown of annual dividends for the fiscal year ending March 31, 2024 Ordinary dividend 80.00 yen per share 100th anniversary commemorative dividend (year-end) 20.00 yen per share

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	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
Six months ending September 30, 2024	22,000	3.4	350	37.9	280	(43.9)	200	(47.8)	76.19
Fiscal year ending March 31, 2025	46,000	4.7	1,200	56.1	1,050	6.4	750	(14.9)	285.73

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2024	2,725,758 shares
As of March 31, 2023	2,725,758 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2024	66,266 shares
As of March 31, 2023	103,688 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2024	2,624,885 shares
Fiscal year ended March 31, 2023	2,622,279 shares

[Reference] Overview of non-consolidated financial results

1. Non-Consolidated financial results for the fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(1) Non-Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2024	42,782	1.4	486	-	826	(78.0)	767	(63.8)
March 31, 2023	42,192	4.9	(120)	-	3,751	319.5	2,119	209.9

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2024	292.42	-
March 31, 2023	808.11	-

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	47,765	25,922	54.3	9,747.24
March 31, 2023	44,156	24,661	55.9	9,405.28

Reference: Equity

As of March 31, 2024: ¥ 25,922 million

As of March 31, 2023: ¥ 24,661 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may differ significantly from the forecast figures due to various factors. Please refer to "1. Summary of Business Results, (4) Outlook" on page 7 of the attached document for the assumptions used in forecasting business results and precautions regarding the use of the forecast.

(Method of accessing supplementary material on financial results)

Supplementary materials for financial results are disclosed on TDnet on the same day.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	3,375	3,736
Notes receivable - trade	1,305	1,044
Electronically recorded monetary claims - operating	4,530	5,885
Accounts receivable - trade	9,798	10,210
Merchandise and finished goods	4,789	5,151
Work in process	2,090	2,038
Raw materials and supplies	2,614	2,673
Other	405	382
Allowance for doubtful accounts	(10)	(11)
Total current assets	28,899	31,111
Non-current assets		
Property, plant and equipment		
Buildings and structures	17,786	18,040
Accumulated depreciation and impairment	(12,209)	(12,524)
Buildings and structures, net	5,577	5,515
Machinery, equipment and vehicles	23,439	23,665
Accumulated depreciation and impairment	(20,847)	(20,699)
Machinery, equipment and vehicles, net	2,592	2,965
Tools, furniture and fixtures	2,563	2,723
Accumulated depreciation and impairment	(2,228)	(2,322)
Tools, furniture and fixtures, net	334	401
Land	2,736	2,761
Leased assets	780	724
Accumulated depreciation and impairment	(666)	(606)
Leased assets, net	113	118
Construction in progress	693	436
Total property, plant and equipment	12,048	12,198
Intangible assets		
Other	536	745
Total intangible assets	536	745
Investments and other assets		
Investment securities	4,071	4,986
Deferred tax assets	27	23
Retirement benefit asset	662	1,829
Other	1,601	1,622
Allowance for doubtful accounts	(51)	(51)
Total investments and other assets	6,312	8,410
Total non-current assets	18,897	21,354
Total assets	47,797	52,466

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,713	11,128
Short-term borrowings	3,560	3,430
Current portion of long-term borrowings	1,192	1,065
Lease liabilities	70	61
Income taxes payable	21	167
Provision for bonuses	404	434
Provision for bonuses for directors (and other officers)	-	14
Accrued consumption taxes	88	170
Accrued expenses	1,000	979
Other	448	654
Total current liabilities	16,498	18,105
Non-current liabilities		
Long-term borrowings	2,631	2,881
Lease liabilities	99	94
Deferred tax liabilities	806	1,517
Provision for retirement benefits for directors (and other officers)	223	223
Retirement benefit liability	82	98
Other	188	146
Total non-current liabilities	4,033	4,962
Total liabilities	20,531	23,067
Net assets		
Shareholders' equity		
Share capital	3,246	3,246
Capital surplus	2,526	2,537
Retained earnings	20,524	21,090
Treasury shares	(263)	(168)
Total shareholders' equity	26,033	26,705
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	512	1,219
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustment	463	623
Remeasurements of defined benefit plans	85	658
Total accumulated other comprehensive income	1,060	2,501
Non-controlling interests	171	191
Total net assets	27,265	29,398
Total liabilities and net assets	47,797	52,466

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	43,406	43,922
Cost of sales	37,544	37,431
Gross profit	5,861	6,490
Selling, general and administrative expenses		
Salaries and allowances	1,523	1,412
Bonuses	351	302
Welfare expenses	355	355
Depreciation	310	265
Provision of allowance for doubtful accounts	5	4
Bad debt expenses	120	0
Provision for bonuses	170	163
Retirement benefit expenses	29	49
Communication and transportation expenses	190	196
Packing and delivery expenses	1,207	1,207
Other	1,618	1,763
Total selling, general and administrative expenses	5,883	5,722
Operating profit (loss)	(21)	768
Non-operating income		
Interest income	14	20
Dividend income	148	147
Gain on investments	4,584	-
Foreign exchange gains	-	127
Reversal of allowance for doubtful accounts	1	-
Other	137	84
Total non-operating income	4,886	380
Non-operating expenses		
Interest expenses	35	29
Commitment fees	4	5
Commission for syndicated loans	12	-
Foreign exchange losses	4	-
Loss on investments in capital	-	82
Commission expenses	-	30
Other	23	14
Total non-operating expenses	80	162
Ordinary profit	4,783	986

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Extraordinary income		
Gain on sale of non-current assets	-	9
Gain on sale of investment securities	50	277
Total extraordinary income	50	286
Extraordinary losses		
Loss on sale and retirement of non-current assets	26	27
Impairment losses	1,908	-
Loss on disaster	-	99
Other	150	6
Total extraordinary losses	2,085	133
Profit before income taxes	2,749	1,139
Income taxes - current	1,061	88
Income taxes - deferred	20	150
Total income taxes	1,082	238
Profit	1,667	900
Profit attributable to non-controlling interests	21	19
Profit attributable to owners of parent	1,645	881

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,667	900
Other comprehensive income		
Valuation difference on available-for-sale securities	31	707
Deferred gains or losses on hedges	0	(0)
Foreign currency translation adjustment	414	161
Remeasurements of defined benefit plans, net of tax	(222)	572
Total other comprehensive income	223	1,441
Comprehensive income	1,890	2,342
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,867	2,322
Comprehensive income attributable to non-controlling interests	23	20

Consolidated statement of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,246	2,526	19,193	(262)	24,703
Dividends of surplus			(314)		(314)
Profit attributable to owners of parent			1,645		1,645
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares					
Net changes in items other than shareholders' equity					
Total changes during period	-	-	1,330	(1)	1,329
Balance at end of period	3,246	2,526	20,524	(263)	26,033

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	481	-	50	307	839	147	25,690
Dividends of surplus							(314)
Profit attributable to owners of parent							1,645
Purchase of treasury shares							(1)
Disposal of treasury shares							
Net changes in items other than shareholders' equity	31	0	412	(222)	221	23	245
Total changes during period	31	0	412	(222)	221	23	1,574
Balance at end of period	512	0	463	85	1,060	171	27,265

Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,246	2,526	20,524	(263)	26,033
Dividends of surplus			(314)		(314)
Profit attributable to owners of parent			881		881
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		10		96	106
Net changes in items other than shareholders' equity					
Total changes during period	-	10	566	95	672
Balance at end of period	3,246	2,537	21,090	(168)	26,705

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	512	0	463	85	1,060	171	27,265
Dividends of surplus							(314)
Profit attributable to owners of parent							881
Purchase of treasury shares							(0)
Disposal of treasury shares							106
Net changes in items other than shareholders' equity	707	(0)	160	572	1,440	20	1,460
Total changes during period	707	(0)	160	572	1,440	20	2,133
Balance at end of period	1,219	-	623	658	2,501	191	29,398

Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	2,749	1,139
Depreciation	1,499	1,328
Impairment losses	1,908	-
Increase (decrease) in allowance for doubtful accounts	4	1
Increase (decrease) in retirement benefit liability	1	16
Decrease (increase) in retirement benefit asset	(407)	(340)
Interest and dividend income	(163)	(168)
Interest expenses	35	29
Loss on retirement of property, plant and equipment	26	20
Loss (gain) on sale of property, plant and equipment	-	(2)
Loss (gain) on sale of investment securities	(50)	(277)
Loss (gain) on investments in capital	-	82
Gain on investments	(4,584)	-
Loss on disaster	-	99
Decrease (increase) in trade receivables	(919)	(1,420)
Decrease (increase) in inventories	(697)	(357)
Increase (decrease) in trade payables	652	1,408
Other, net	125	262
Subtotal	179	1,821
Interest and dividends received	163	168
Interest paid	(38)	(30)
Income taxes paid	(1,199)	30
Net cash provided by (used in) operating activities	(893)	1,989
Cash flows from investing activities		
Payments into time deposits	(0)	(0)
Purchase of property, plant and equipment	(1,225)	(1,261)
Proceeds from sale of property, plant and equipment	-	32
Purchase of intangible assets	(43)	(320)
Purchase of investment securities	-	(50)
Proceeds from sale of investment securities	89	404
Proceeds from share of gain on investments	3,668	25
Other, net	(27)	(112)
Net cash provided by (used in) investing activities	2,461	(1,281)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(60)	(130)
Proceeds from long-term borrowings	-	1,370
Repayments of long-term borrowings	(1,549)	(1,247)
Repayments of finance lease liabilities	(89)	(76)
Dividends paid	(314)	(314)
Purchase of treasury shares	(1)	(0)
Net cash provided by (used in) financing activities	(2,014)	(398)
Effect of exchange rate change on cash and cash equivalents	198	51
Net increase (decrease) in cash and cash equivalents	(248)	360
Cash and cash equivalents at beginning of period	3,622	3,374
Cash and cash equivalents at end of period	3,374	3,734