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Consolidated Financial Results for the Six Months Ended September 30, 2024 [Japanese GAAP]

November 6, 2024

Company name: TOBA,INC.

Listing: Tokyo

Securities code: 7472

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

Representative: Minoru Endo

President

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General Manager and Director

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Scheduled date to file semi-annual securities report: November 6, 2024

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 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	%
Six months ended September 30, 2024	14,186	2.7	662	(9.4)	728	(6.7)	493	(8.2)
September 30, 2023	13,807	(8.4)	731	(20.3)	780	(20.5)	537	(20.9)

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 567 million [(26.5)%]
Six months ended September 30, 2023: ¥ 772 million [5.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	124.35	-
September 30, 2023	131.46	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	29,066	20,381	70.1
March 31, 2024	32,124	20,491	63.7

(Reference) Equity: As of September 30, 2024: ¥ 20,381 million
As of March 31, 2024: ¥ 20,476 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, 2024	-	0.00	-	120.00	120.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)			-	130.00	130.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2025(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
Full year	31,000	9.0	1,950	28.7	2,040	26.1	1,380	28.4	344.79

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

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

September 30, 2024: 4,700,000 shares

March 31, 2024: 4,700,000 shares

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

September 30, 2024: 747,117 shares

March 31, 2024: 697,548 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 3,968,831 shares

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

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document, such as the financial results forecast, are based on information currently available to the Company and certain assumptions that the Company has deemed reasonable. These statements are not intended as the Company's commitment to achieve them, and actual performance may differ significantly due to various factors.

Semi-annual Consolidated Financial Statements
Semi-annual Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	12,648,062	11,278,793
Notes and accounts receivable - trade	8,114,794	7,052,857
Electronically recorded monetary claims - operating	3,273,002	3,031,485
Merchandise	351,345	447,566
Other	213,044	106,513
Allowance for doubtful accounts	(3,584)	(64)
Total current assets	24,596,664	21,917,152
Non-current assets		
Property, plant and equipment	1,986,025	1,996,700
Intangible assets		
Goodwill	328,122	311,716
Other	478,208	422,721
Total intangible assets	806,330	734,438
Investments and other assets	4,735,363	4,418,478
Total non-current assets	7,527,718	7,149,616
Total assets	32,124,383	29,066,769
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,937,905	2,308,233
Electronically recorded obligations - operating	6,930,505	5,292,201
Short-term borrowings	200,000	-
Current portion of long-term borrowings	47,620	-
Income taxes payable	337,704	227,132
Provisions	211,427	145,600
Other	388,206	211,699
Total current liabilities	11,053,369	8,184,866
Non-current liabilities		
Long-term borrowings	19,900	-
Provisions	9,052	3,941
Other	551,050	496,608
Total non-current liabilities	580,003	500,550
Total liabilities	11,633,372	8,685,417
Net assets		
Shareholders' equity		
Share capital	1,148,000	1,148,000
Capital surplus	1,099,082	1,104,093
Retained earnings	18,174,396	18,186,682
Treasury shares	(1,595,341)	(1,781,407)
Total shareholders' equity	18,826,137	18,657,368
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,305,285	1,159,732
Foreign currency translation adjustment	344,731	564,250
Total accumulated other comprehensive income	1,650,016	1,723,982
Share award rights	14,857	-
Total net assets	20,491,010	20,381,351
Total liabilities and net assets	32,124,383	29,066,769

Semi-annual Consolidated Statements of Income and Comprehensive Income

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	13,807,367	14,186,058
Cost of sales	11,758,119	12,102,221
Gross profit	2,049,248	2,083,836
Selling, general and administrative expenses	1,318,057	1,421,458
Operating profit	731,191	662,378
Non-operating income		
Interest income	11,002	9,661
Dividend income	23,130	25,146
Purchase discounts	13,250	14,059
Gain on cancellation of insurance policies	-	14,599
Other	6,533	5,389
Total non-operating income	53,917	68,856
Non-operating expenses		
Interest expenses	-	595
Foreign exchange losses	3,176	705
Other	1,491	1,515
Total non-operating expenses	4,667	2,817
Ordinary profit	780,441	728,416
Extraordinary income		
Gain on sale of investment securities	2,475	89
Total extraordinary income	2,475	89
Profit before income taxes	782,916	728,505
Income taxes - current	238,292	231,547
Income taxes - deferred	6,904	3,417
Total income taxes	245,197	234,964
Profit	537,718	493,540
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	537,718	493,540

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	537,718	493,540
Other comprehensive income		
Valuation difference on available-for-sale securities	160,086	(145,552)
Foreign currency translation adjustment	74,795	219,519
Total other comprehensive income	234,881	73,966
Comprehensive income	772,600	567,507
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	772,600	567,507
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual Consolidated Statements of Cash Flows

(Thousands of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	782,916	728,505
Depreciation	74,183	88,998
Amortization of goodwill	-	16,406
Increase (decrease) in allowance for doubtful accounts	2	(3,520)
Increase (decrease) in provision for bonuses	(13,620)	(28,827)
Increase (decrease) in provision for bonuses for directors (and other officers)	(40,000)	(37,000)
Increase (decrease) in provision for share awards	(1,014)	(5,110)
Interest and dividend income	(34,132)	(34,808)
Loss (gain) on sale of investment securities	(2,475)	(89)
Decrease (increase) in trade receivables	777,243	1,394,469
Decrease (increase) in inventories	23,522	(93,992)
Increase (decrease) in trade payables	535,245	(2,307,508)
Other, net	86,572	72,146
Subtotal	2,188,442	(210,330)
Interest and dividends received	34,146	34,807
Income taxes paid	(350,763)	(339,115)
Net cash provided by (used in) operating activities	1,871,825	(514,638)
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	1,000,000	-
Purchase of property, plant and equipment	(54,450)	(37,080)
Proceeds from sale of property, plant and equipment	-	108
Purchase of intangible assets	(76,200)	(20,980)
Purchase of investment securities	(10,677)	(11,358)
Proceeds from sale of investment securities	16,909	992
Net cash provided by (used in) investing activities	875,581	(68,317)
Cash flows from financing activities		
Repayments of short-term borrowings	-	(200,000)
Repayments of long-term borrowings	-	(67,520)
Purchase of treasury shares	(99,545)	(202,083)
Dividends paid	(494,499)	(481,254)
Net cash provided by (used in) financing activities	(594,044)	(950,858)
Effect of exchange rate change on cash and cash equivalents	45,576	164,545
Net increase (decrease) in cash and cash equivalents	2,198,938	(1,369,268)
Cash and cash equivalents at beginning of period	10,012,398	12,648,062
Cash and cash equivalents at end of period	12,211,337	11,278,793