

Translation

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Summary of Consolidated Financial Results for the Six Months Ended February 29, 2024 (Based on Japanese GAAP)

April 12, 2024

Company name: TOUMEI CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 4439 URL <https://www.toumei.co.jp/>
 Representative: CEO Fumihiko Yamamoto
 Inquiries: Managing Director General Manager of Naoto Hibino TEL 059(330)2151
 Administrative Division
 Scheduled date to file Quarterly Securities Report: April 12, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended February 29, 2024 (from September 1, 2023 to February 29, 2024)

(1) Consolidated operating results (cumulative)

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 February 29, 2024	11,056	6.5	934	25.6	973	21.5	599	20.1
Six months ended February 28, 2023	10,385	29.2	744	–	801	–	498	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended February 29, 2024	80.51		78.99	
Six months ended February 28, 2023	67.83		66.06	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 29, 2024	11,368	6,680	58.7
As of August 31, 2023	11,533	6,176	53.5

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended August 31, 2023	–	0.00	–	13.00	13.00
Year ending August 31, 2024	–	0.00			
Year ending August 31, 2024 (Forecast)			–	14.00	14.00

3. Forecast of consolidated financial results for the year ending August 31, 2024 (from September 1, 2023 to August 31, 2024)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	23,264 ~27,389	13.3 ~33.4	1,976	19.8	2,015	15.1	1,281	11.3	172.22

4. Notes

- (1) Changes in significant subsidiaries during the six months ended February 29, 2024
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of February 29, 2024	7,442,100 shares	As of August 31, 2023	7,439,100 shares
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Number of treasury shares at the end of the period

As of February 29, 2024	533 shares	As of August 31, 2023	533 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended February 29, 2024	7,439,853 shares	Six months ended February 28, 2023	7,354,505 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of August 31, 2023	As of February 29, 2024
Assets		
Current assets		
Cash and deposits	4,412,567	5,386,333
Notes and accounts receivable - trade	4,911,968	3,875,095
Merchandise and finished goods	7,306	18,260
Raw materials and supplies	172,889	112,083
Other	738,081	524,068
Allowance for doubtful accounts	(69,565)	(61,233)
Total current assets	10,173,248	9,854,608
Non-current assets		
Property, plant and equipment	217,825	217,318
Intangible assets	546,909	682,279
Investments and other assets		
Investment securities	30,276	21,762
Deferred tax assets	56,139	58,710
Other	546,032	571,154
Allowance for doubtful accounts	(37,136)	(37,136)
Total investments and other assets	595,311	614,490
Total non-current assets	1,360,047	1,514,087
Total assets	11,533,295	11,368,696
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,915,835	1,921,105
Short-term borrowings	1,400,000	800,000
Current portion of long-term borrowings	200,000	200,000
Accounts payable - other	429,278	450,211
Income taxes payable	540,188	408,405
Provision for bonuses	66,870	83,702
Other	140,810	153,344
Total current liabilities	4,692,983	4,016,768
Non-current liabilities		
Long-term borrowings	600,000	600,000
Asset retirement obligations	55,057	56,164
Other	8,345	15,204
Total non-current liabilities	663,403	671,369
Total liabilities	5,356,386	4,688,138
Net assets		
Shareholders' equity		
Share capital	624,797	627,569
Capital surplus	614,797	617,569
Retained earnings	4,912,023	5,414,332
Treasury shares	(663)	(663)
Total shareholders' equity	6,150,954	6,658,807
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	21,025	15,082
Total accumulated other comprehensive income	21,025	15,082
Share acquisition rights	4,928	6,668
Total net assets	6,176,908	6,680,558
Total liabilities and net assets	11,533,295	11,368,696

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Net sales	10,385,236	11,056,990
Cost of sales	7,301,317	7,508,213
Gross profit	3,083,919	3,548,776
Selling, general and administrative expenses	2,339,884	2,614,580
Operating profit	744,034	934,196
Non-operating income		
Interest income	1,150	1,268
Gain on settlement of liabilities	48,803	41,913
Gain on sale of investment securities	1,903	–
Other	10,492	2,119
Total non-operating income	62,349	45,301
Non-operating expenses		
Interest expenses	4,725	4,854
Other	60	909
Total non-operating expenses	4,786	5,764
Ordinary profit	801,598	973,734
Profit before income taxes	801,598	973,734
Income taxes	302,735	374,723
Profit	498,862	599,010
Profit attributable to owners of parent	498,862	599,010

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended February 28, 2023	Six months ended February 29, 2024
Profit	498,862	599,010
Other comprehensive income		
Valuation difference on available-for-sale securities	2,470	(5,942)
Total other comprehensive income	2,470	(5,942)
Comprehensive income	501,333	593,067
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	501,333	593,067