

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 13, 2024

Company name: TOKYO RADIATOR MFG. CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 7235 URL <http://www.tokyo-radiator.co.jp/>
 Representative: President Hironori Kimura
 Inquiries: Executive Corporate Officer Kazuhiko Yano TEL 0466-87-1231
 Scheduled date of ordinary general meeting of shareholders: June 27, 2024
 Scheduled date to file Securities Report: June 27, 2024
 Scheduled date to commence dividend payments: June 28, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the 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	%
Year ended March 31, 2024	33,401	5.1	1,397	69.8	1,548	82.4	1,681	–
Year ended March 31, 2023	31,785	17.8	823	–	849	784.7	(718)	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2024	179.07	–	9.0	5.1	4.2
Year ended March 31, 2023	(52.78)	–	(3.7)	2.8	2.6

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2024	31,628	21,902	63.1	2,124.29
As of March 31, 2023	29,168	19,149	59.4	1,844.51

(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
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2024	1,343	(1,261)	(311)	5,176
Year ended March 31, 2023	3,503	(908)	(3,985)	5,214

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2023	–	8.00	–	8.00	16.00	190	(30.3)	1.0
Year ended March 31, 2024	–	9.00	–	14.00	23.00	215	12.8	1.2
Year ending March 31, 2025 (Forecast)	–	13.00	–	13.00	26.00		22.2	

3. Forecast of consolidated financial results for the 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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	33,000	(1.2)	1,400	0.2	1,500	(3.2)	1,100	(34.6)	117.17

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2024	14,400,000 shares	As of March 31, 2023	14,400,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	5,012,108 shares	As of March 31, 2023	5,012,107 shares
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Average number of shares during the period

Year ended March 31, 2024	9,387,893 shares	Year ended March 31, 2023	13,618,679 shares
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Consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and deposits	6,913,007	7,088,813
Notes and accounts receivable - trade, and contract assets	5,491,375	5,447,168
Electronically recorded monetary claims - operating	1,050,852	2,953,812
Merchandise and finished goods	1,146,948	1,215,043
Work in process	526,493	527,506
Raw materials and supplies	2,468,420	2,125,072
Income taxes refund receivable	36,911	–
Other	516,285	531,734
Total current assets	18,150,294	19,889,152
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,220,265	6,550,926
Accumulated depreciation	(3,596,905)	(3,793,373)
Buildings and structures, net	2,623,360	2,757,553
Machinery, equipment and vehicles	17,477,738	17,777,364
Accumulated depreciation	(13,198,453)	(13,621,364)
Machinery, equipment and vehicles, net	4,279,284	4,155,999
Tools, furniture and fixtures	7,166,564	7,165,394
Accumulated depreciation	(5,994,143)	(6,228,864)
Tools, furniture and fixtures, net	1,172,421	936,529
Land	1,106,558	1,106,558
Construction in progress	225,941	264,043
Total property, plant and equipment	9,407,566	9,220,685
Intangible assets	202,887	153,859
Investments and other assets		
Investment securities	1,285,929	1,783,111
Deferred tax assets	57,219	66,597
Retirement benefit asset	–	449,884
Other	79,448	73,721
Allowance for doubtful accounts	(15,000)	(8,500)
Total investments and other assets	1,407,597	2,364,814
Total non-current assets	11,018,051	11,739,359
Total assets	29,168,346	31,628,511

(Thousands of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,177,749	2,888,852
Electronically recorded obligations - operating	2,717,481	2,939,846
Accrued expenses	1,428,910	1,397,293
Income taxes payable	87,438	144,128
Provision for product warranties	35,632	39,168
Provision for loss on special claims	449,525	119,683
Notes payable - facilities	4,577	–
Electronically recorded obligations - non-operating	281,926	127,128
Accounts payable - facilities	209,694	277,940
Other	371,083	556,822
Total current liabilities	8,764,019	8,490,865
Non-current liabilities		
Retirement benefit liability	129,014	22,621
Deferred tax liabilities	931,826	885,528
Other	194,152	326,614
Total non-current liabilities	1,254,993	1,234,764
Total liabilities	10,019,013	9,725,629
Net assets		
Shareholders' equity		
Share capital	1,317,600	1,317,600
Capital surplus	778,300	778,300
Retained earnings	16,842,178	18,363,652
Treasury shares	(3,704,603)	(3,704,604)
Total shareholders' equity	15,233,474	16,754,947
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	577,438	892,149
Foreign currency translation adjustment	1,371,318	1,808,945
Remeasurements of defined benefit plans	133,877	486,582
Total accumulated other comprehensive income	2,082,634	3,187,677
Non-controlling interests	1,833,223	1,960,256
Total net assets	19,149,332	21,902,882
Total liabilities and net assets	29,168,346	31,628,511

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	31,785,486	33,401,003
Cost of sales	28,033,056	28,887,959
Gross profit	3,752,430	4,513,043
Selling, general and administrative expenses	2,929,087	3,115,320
Operating profit	823,342	1,397,723
Non-operating income		
Interest income	88,267	124,438
Dividend income	56,551	69,112
Foreign exchange gains	33,264	–
Rental income	2,618	2,415
Commission income	9,827	9,901
Subsidies for employment adjustment	9,693	–
Other	47,437	23,322
Total non-operating income	247,659	229,191
Non-operating expenses		
Interest expenses	15,834	20,080
Foreign exchange losses	–	47,668
Vehicle Referral system incentive fee	188	227
Commission for purchase of treasury shares	198,510	–
Other	7,316	10,042
Total non-operating expenses	221,848	78,019
Ordinary profit	849,153	1,548,895
Extraordinary income		
Gain on sale of non-current assets	329	1,509
Gain on sale of investment securities	–	8,040
Compensation income	–	347,891
Total extraordinary income	329	357,441
Extraordinary losses		
Loss on sale of non-current assets	–	320
Loss on retirement of non-current assets	27,104	134,485
Impairment losses	–	27,656
Loss on special claims	922,996	–
Total extraordinary losses	950,101	162,462
Profit (loss) before income taxes	(100,617)	1,743,874
Income taxes - current	262,476	276,047
Income taxes - deferred	222,743	(344,886)
Total income taxes	485,220	(68,839)
Profit (loss)	(585,837)	1,812,713
Profit attributable to non-controlling interests	132,929	131,645
Profit (loss) attributable to owners of parent	(718,766)	1,681,068

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit (loss)	(585,837)	1,812,713
Other comprehensive income		
Valuation difference on available-for-sale securities	6,337	314,711
Foreign currency translation adjustment	541,940	547,945
Remeasurements of defined benefit plans, net of tax	(233,790)	352,705
Total other comprehensive income	314,487	1,215,361
Comprehensive income	(271,350)	3,028,075
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(506,868)	2,786,111
Comprehensive income attributable to non-controlling interests	235,518	241,963

Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,317,600	778,300	17,676,048	(4,587)	19,767,361
Changes during period					
Dividends of surplus			(115,103)		(115,103)
Profit attributable to owners of parent			(718,766)		(718,766)
Purchase of treasury shares				(3,700,016)	(3,700,016)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	(833,870)	(3,700,016)	(4,533,887)
Balance at end of period	1,317,600	778,300	16,842,178	(3,704,603)	15,233,474

	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	571,101	931,966	367,668	1,870,736	1,711,406	23,349,504
Changes during period						
Dividends of surplus						(115,103)
Profit attributable to owners of parent						(718,766)
Purchase of treasury shares						(3,700,016)
Net changes in items other than shareholders' equity	6,337	439,351	(233,790)	211,898	121,817	333,715
Total changes during period	6,337	439,351	(233,790)	211,898	121,817	(4,200,171)
Balance at end of period	577,438	1,371,318	133,877	2,082,634	1,833,223	19,149,332

Fiscal year ended March 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,317,600	778,300	16,842,178	(3,704,603)	15,233,474
Changes during period					
Dividends of surplus			(159,594)		(159,594)
Profit attributable to owners of parent			1,681,068		1,681,068
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	–	–	1,521,474	(0)	1,521,473
Balance at end of period	1,317,600	778,300	18,363,652	(3,704,604)	16,754,947

	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	577,438	1,371,318	133,877	2,082,634	1,833,223	19,149,332
Changes during period						
Dividends of surplus						(159,594)
Profit attributable to owners of parent						1,681,068
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	314,711	437,626	352,705	1,105,043	127,032	1,232,076
Total changes during period	314,711	437,626	352,705	1,105,043	127,032	2,753,549
Balance at end of period	892,149	1,808,945	486,582	3,187,677	1,960,256	21,902,882

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	(100,617)	1,743,874
Depreciation	1,292,062	1,437,125
Commission for purchase of treasury shares	198,510	–
Increase (decrease) in provisions	465,121	(332,806)
Increase (decrease) in retirement benefit liability	(122,843)	419,597
Decrease (increase) in retirement benefit asset	78,423	(449,884)
Interest and dividend income	(144,818)	(193,550)
Interest expenses	15,834	20,080
Foreign exchange losses (gains)	976	42,384
Loss on retirement of non-current assets	27,104	134,485
Loss (gain) on sale of investment securities	–	(8,040)
Compensation income	–	(347,891)
Impairment losses	–	27,656
Decrease (increase) in trade receivables	1,906,405	(1,789,359)
Decrease (increase) in inventories	(407,125)	419,947
Decrease (increase) in dies for sales	(238,638)	(48,087)
Increase (decrease) in trade payables	424,640	(127,356)
Increase (decrease) in accrued expenses	235,090	(71,163)
Increase (decrease) in accrued consumption taxes	73,766	121,396
Other, net	(43,051)	55,663
Subtotal	3,660,840	1,054,072
Interest and dividends received	144,875	194,774
Interest paid	(15,834)	(20,080)
Proceeds from compensation	–	300,000
Income taxes refund (paid)	(286,689)	(185,229)
Net cash provided by (used in) operating activities	3,503,192	1,343,536
Cash flows from investing activities		
Payments into time deposits	(18,000)	(177,280)
Proceeds from withdrawal of time deposits	200,686	56,400
Purchase of property, plant and equipment	(1,015,751)	(1,067,948)
Proceeds from sale of property, plant and equipment	330	1,756
Purchase of intangible assets	(33,019)	(22,777)
Purchase of investment securities	(43,208)	(50,431)
Proceeds from sale of investment securities	–	8,500
Other, net	165	(9,576)
Net cash provided by (used in) investing activities	(908,798)	(1,261,357)
Cash flows from financing activities		
Dividends paid	(115,103)	(159,594)
Dividends paid to non-controlling interests	(113,701)	(114,930)
Repayments of lease liabilities	(33,881)	(36,923)
Purchase of treasury shares	(3,722,988)	–
Net cash provided by (used in) financing activities	(3,985,675)	(311,448)
Effect of exchange rate change on cash and cash equivalents	118,270	191,815
Net increase (decrease) in cash and cash equivalents	(1,273,010)	(37,453)
Cash and cash equivalents at beginning of period	6,487,277	5,214,267
Cash and cash equivalents at end of period	5,214,267	5,176,813