

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 15, 2023

Company name: Rasa Industries, Ltd.
 Stock exchange listing: Tokyo
 Stock code: 4022 URL <https://www.rasa.co.jp/>
 Representative: PRESIDENT SAKAO Kousaku
 MANAGING DIRECTOR GENERAL
 Inquiries: MOCHIZUKI Tetsuo TEL 03-3258-1835
 MANAGER ACCOUNTING DEPT.
 Scheduled date of ordinary general meeting of shareholders: June 29, 2023
 Scheduled date to file Securities Report: June 29, 2023
 Scheduled date to commence dividend payments: June 30, 2023
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)

(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, 2023	49,600	40.1	4,622	33.0	4,690	31.7	3,232	27.3
Year ended March 31, 2022	35,411	22.2	3,475	30.7	3,562	34.4	2,538	26.7

	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, 2023	408.37	–	14.9	10.5	9.3
Year ended March 31, 2022	320.15	–	13.4	9.0	9.8

(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, 2023	47,552	23,252	48.6	2,922.42
As of March 31, 2022	41,924	20,301	48.2	2,546.86

(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, 2023	2,042	(961)	245	4,940
Year ended March 31, 2022	1,996	(2,322)	308	3,538

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, 2022	–	–	–	70.00	70.00	555	21.9	2.9
Year ended March 31, 2023	–	–	–	82.00	82.00	648	20.1	3.0
Year ending March 31, 2024 (Forecast)	–	41.00	–	41.00	82.00		25.0	

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 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
Six months ending September 30, 2023	22,800	(9.5)	1,500	(42.9)	1,500	(45.5)	1,150	(37.2)	145.33
Full year	48,400	(2.4)	3,600	(22.1)	3,600	(23.2)	2,600	(19.6)	328.56

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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: Yes

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, 2023	7,944,203 shares	As of March 31, 2022	7,944,203 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	30,972 shares	As of March 31, 2022	10,409 shares
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Average number of shares during the period

Year ended March 31, 2023	7,914,688 shares	Year ended March 31, 2022	7,930,528 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Assets		
Current assets		
Cash and deposits	3,538	4,940
Notes receivable - trade	1,524	1,503
Electronically recorded monetary claims - operating	822	1,034
Accounts receivable - trade	8,031	8,765
Merchandise and finished goods	2,581	3,827
Work in process	976	1,372
Raw materials and supplies	1,780	3,165
Other	332	957
Allowance for doubtful accounts	(2)	(2)
Total current assets	19,584	25,564
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,924	16,516
Accumulated depreciation	(12,091)	(12,418)
Buildings and structures, net	3,832	4,097
Machinery, equipment and vehicles	22,520	24,324
Accumulated depreciation	(18,692)	(19,642)
Machinery, equipment and vehicles, net	3,828	4,682
Tools, furniture and fixtures	2,253	2,704
Accumulated depreciation	(1,708)	(1,802)
Tools, furniture and fixtures, net	545	901
Land	6,908	6,879
Construction in progress	3,349	1,234
Other	194	218
Accumulated depreciation	(91)	(122)
Other, net	102	96
Total property, plant and equipment	18,566	17,893
Intangible assets	47	40
Investments and other assets		
Investment securities	2,195	2,736
Deferred tax assets	852	691
Other	691	631
Allowance for doubtful accounts	(14)	(5)
Total investments and other assets	3,725	4,053
Total non-current assets	22,339	21,987
Total assets	41,924	47,552

(Millions of yen)

	As of March 31, 2022	As of March 31, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,264	5,524
Short-term borrowings	5,806	7,147
Income taxes payable	712	730
Provision for bonuses	401	460
Other	1,635	1,874
Total current liabilities	12,821	15,737
Non-current liabilities		
Long-term borrowings	5,337	5,021
Retirement benefit liability	3,066	3,165
Provision for environmental measures	4	–
Other	393	376
Total non-current liabilities	8,801	8,563
Total liabilities	21,622	24,300
Net assets		
Shareholders' equity		
Share capital	8,443	8,443
Retained earnings	11,523	14,199
Treasury shares	(23)	(59)
Total shareholders' equity	19,943	22,583
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44	155
Deferred gains or losses on hedges	9	10
Foreign currency translation adjustment	500	743
Remeasurements of defined benefit plans	(291)	(366)
Total accumulated other comprehensive income	263	542
Non-controlling interests	95	126
Total net assets	20,301	23,252
Total liabilities and net assets	41,924	47,552

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	35,411	49,600
Cost of sales	27,362	40,186
Gross profit	8,048	9,414
Selling, general and administrative expenses	4,573	4,791
Operating profit	3,475	4,622
Non-operating income		
Interest income	1	1
Dividend income	36	41
Rental income from land and buildings	30	28
Share of profit of entities accounted for using equity method	314	390
Other	108	53
Total non-operating income	490	514
Non-operating expenses		
Interest expenses	139	194
Inactive mine environmental impact mitigation expenses	131	125
Foreign exchange losses	–	56
Other	132	70
Total non-operating expenses	403	446
Ordinary profit	3,562	4,690
Extraordinary income		
Gain on sale of investment securities	112	5
Other	4	–
Total extraordinary income	116	5
Extraordinary losses		
Loss on disaster	36	35
Impairment losses	122	30
Other	–	0
Total extraordinary losses	159	66
Profit before income taxes	3,519	4,629
Income taxes - current	938	1,221
Income taxes - deferred	24	145
Total income taxes	962	1,367
Profit	2,556	3,262
Profit attributable to non-controlling interests	17	30
Profit attributable to owners of parent	2,538	3,232

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Profit	2,556	3,262
Other comprehensive income		
Valuation difference on available-for-sale securities	(50)	110
Deferred gains or losses on hedges	9	0
Foreign currency translation adjustment	403	126
Remeasurements of defined benefit plans, net of tax	(24)	(74)
Share of other comprehensive income of entities accounted for using equity method	26	120
Total other comprehensive income	365	282
Comprehensive income	2,922	3,544
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,894	3,511
Comprehensive income attributable to non-controlling interests	28	33

Consolidated statements of changes in equity

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	9,346	(43)	17,746
Changes during period				
Dividends of surplus		(356)		(356)
Profit attributable to owners of parent		2,538		2,538
Purchase of treasury shares			(0)	(0)
Disposal of treasury shares		(4)	20	15
Net changes in items other than shareholders' equity				
Total changes during period	–	2,177	19	2,196
Balance at end of period	8,443	11,523	(23)	19,943

	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	95	–	80	(267)	(92)	67	17,721
Changes during period							
Dividends of surplus							(356)
Profit attributable to owners of parent							2,538
Purchase of treasury shares							(0)
Disposal of treasury shares							15
Net changes in items other than shareholders' equity	(50)	9	419	(24)	355	28	383
Total changes during period	(50)	9	419	(24)	355	28	2,580
Balance at end of period	44	9	500	(291)	263	95	20,301

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity			
	Share capital	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	8,443	11,523	(23)	19,943
Changes during period				
Dividends of surplus		(555)		(555)
Profit attributable to owners of parent		3,232		3,232
Purchase of treasury shares			(50)	(50)
Disposal of treasury shares		(0)	15	14
Net changes in items other than shareholders' equity				
Total changes during period	–	2,675	(35)	2,640
Balance at end of period	8,443	14,199	(59)	22,583

	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	44	9	500	(291)	263	95	20,301
Changes during period							
Dividends of surplus							(555)
Profit attributable to owners of parent							3,232
Purchase of treasury shares							(50)
Disposal of treasury shares							14
Net changes in items other than shareholders' equity	110	0	243	(74)	279	31	310
Total changes during period	110	0	243	(74)	279	31	2,950
Balance at end of period	155	10	743	(366)	542	126	23,252

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Profit before income taxes	3,519	4,629
Depreciation	1,525	1,845
Increase (decrease) in retirement benefit liability	88	29
Interest and dividend income	(38)	(42)
Share of loss (profit) of entities accounted for using equity method	(314)	(390)
Interest expenses	139	194
Loss (gain) on sale of investment securities	(112)	(5)
Impairment losses	122	30
Decrease (increase) in trade receivables	(1,700)	(887)
Decrease (increase) in inventories	(1,311)	(3,016)
Decrease (increase) in other assets	(142)	(571)
Increase (decrease) in trade payables	753	1,254
Increase (decrease) in other liabilities	204	121
Other, net	129	96
Subtotal	2,861	3,288
Interest and dividends received	38	146
Interest paid	(140)	(189)
Income taxes paid	(763)	(1,203)
Net cash provided by (used in) operating activities	1,996	2,042
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,430)	(919)
Proceeds from sale of investment securities	163	20
Other, net	(56)	(62)
Net cash provided by (used in) investing activities	(2,322)	(961)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	592	2,200
Proceeds from long-term borrowings	2,968	2,000
Repayments of long-term borrowings	(2,859)	(3,304)
Dividends paid	(354)	(552)
Other, net	(39)	(98)
Net cash provided by (used in) financing activities	308	245
Effect of exchange rate change on cash and cash equivalents	149	75
Net increase (decrease) in cash and cash equivalents	130	1,402
Cash and cash equivalents at beginning of period	3,407	3,538
Cash and cash equivalents at end of period	3,538	4,940