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Summary of Consolidated Financial Results for the Year Ended May 31, 2021 [Japanese GAAP]

July 12, 2021

Company name: Tama Home Co., Ltd.

Stock exchange listing: Tokyo, Fukuoka

Code number: 1419

URL: <https://www.tamahome.jp/>

Representative: Shinya Tamaki

Contact: Katsuya Tamaki

Phone: 03-6408-1200

President & Representative Director

Vice President & Director

Scheduled date of Annual General Meeting of Shareholders: August 26, 2021

Scheduled date of commencing dividend payments: August 27, 2021

Scheduled date of filing annual securities report: August 26, 2021

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended May 31, 2021 (June 01, 2020 to May 31, 2021)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended May 31, 2021	218,092	4.2	10,999	11.4	11,093	13.7	7,168	40.3
May 31, 2020	209,207	12.0	9,873	34.0	9,754	40.3	5,109	29.9

(Note) Comprehensive income: Fiscal year ended May 31, 2021: ¥ 7,055 million [39.1%]
Fiscal year ended May 31, 2020: ¥ 5,071 million [126.3%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended May 31, 2021	243.35	-	30.3	11.0	5.0
May 31, 2020	172.76	-	26.0	10.2	4.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended May 31, 2021: ¥ million
Fiscal year ended May 31, 2020: ¥ million

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of May 31, 2021	100,216	26,214	26.1	887.47
May 31, 2020	101,713	21,232	20.8	718.95

(Reference) Equity: As of May 31, 2021: ¥ 26,141 million
As of May 31, 2020: ¥ 21,177 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 the end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended May 31, 2021	17,639	(1,520)	(14,436)	32,681
May 31, 2020	2,201	(3,494)	5,274	30,993

2. Dividends

	Dividend per share					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
May 31, 2020	-	0.00	-	70.00	70.00	2,061	40.5	10.6
May 31, 2021	-	0.00	-	100.00	100.00	2,945	41.1	12.5
Fiscal year ending May 31, 2022 (Forecast)	-	0.00	-	110.00	110.00		44.4	

(Note) Breakdown of the year-end dividend for the fiscal year ended May 31, 2021 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2022 (June 01, 2021 to May 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	225,000	3.2	11,300	2.7	11,300	1.9	7,300	1.8	247.83

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New	-	(Company name:)
Exclusion:	1	(Company name: TamaFood International (Hong Kong) Company Limited)

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

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

May 31, 2021:	29,455,800 shares
May 31, 2020:	29,455,800 shares

2) Total number of treasury shares at the end of the period:

May 31, 2021:	1 shares
May 31, 2020:	1 shares

3) Average number of shares during the period:

Fiscal Year ended May 31, 2021:	29,455,799 shares
Fiscal Year ended May 31, 2020:	29,575,843 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended May 31, 2021 (June 01, 2020 to May 31, 2021)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 31, 2021	210,847	4.4	9,658	12.3	10,199	12.9	6,759	57.7
May 31, 2020	201,923	12.6	8,601	29.2	9,035	32.4	4,286	31.4

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
May 31, 2021	229.48	-
May 31, 2020	144.94	-

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
May 31, 2021	88,054	22,201	25.2	753.72
May 31, 2020	89,261	17,504	19.6	594.28

(Reference) Equity: As of May 31, 2021: ¥ 22,201 million
As of May 31, 2020: ¥ 17,504 million

Consolidated Financial Statements

Consolidated Balance Sheets

(Million yen)

	As of May 31,2020	As of May 31,2021
Assets		
Current assets		
Cash and deposits	30,993	32,681
Notes receivable, accounts receivable from completed construction contracts and other	1,357	1,294
Operating loans	6,801	7,200
Real estate for sale	6,377	9,234
Costs on construction contracts in progress	11,873	12,054
Real estate for sale in process	16,300	10,225
Other inventories	479	599
Other	1,342	1,321
Allowance for doubtful accounts	(6)	(8)
Total current assets	75,519	74,603
Non-current assets		
Property, plant and equipment		
Buildings and structures	22,462	22,405
Accumulated depreciation	(13,145)	(13,479)
Buildings and structures, net	9,316	8,926
Machinery, equipment and vehicles	4,425	4,445
Accumulated depreciation	(1,189)	(1,415)
Machinery, equipment and vehicles, net	3,236	3,029
Land	6,698	6,587
Leased assets	151	129
Accumulated depreciation	(118)	(103)
Leased assets, net	33	25
Construction in progress	13	18
Other	556	574
Accumulated depreciation	(420)	(429)
Other, net	136	144
Total property, plant and equipment	19,434	18,732
Intangible assets	832	953
Investments and other assets		
Investment securities	514	486
Long-term loans receivable	77	74
Deferred tax assets	1,789	1,946
Other	4,053	3,932
Allowance for doubtful accounts	(509)	(513)
Total investments and other assets	5,926	5,926
Total non-current assets	26,193	25,612
Total assets	101,713	100,216

(Million yen)

	As of May 31,2020	As of May 31,2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	14,260	15,301
Short-term borrowings	15,336	12,588
Current portion of long-term borrowings	3,785	356
Income taxes payable	2,389	2,858
Advances received on construction contracts in progress	22,977	25,880
Provision for warranties for completed construction	1,362	1,341
Provision for bonuses	191	244
Other	8,543	9,792
Total current liabilities	68,847	68,363
Non-current liabilities		
Long-term borrowings	8,263	2,140
Asset retirement obligations	1,567	1,816
Other	1,801	1,681
Total non-current liabilities	11,633	5,638
Total liabilities	80,480	74,001
Net assets		
Shareholders' equity		
Share capital	4,310	4,310
Capital surplus	4,280	4,280
Retained earnings	12,228	17,334
Treasury shares	(0)	(0)
Total shareholders' equity	20,818	25,924
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	20	19
Deferred gains or losses on hedges	0	3
Foreign currency translation adjustment	338	193
Total accumulated other comprehensive income	358	216
Non-controlling interests	55	73
Total net assets	21,232	26,214
Total liabilities and net assets	101,713	100,216

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended May 31,2020	For the fiscal year ended May 31,2021
Net sales	209,207	218,092
Cost of sales	159,269	165,872
Gross profit	49,937	52,219
Selling, general and administrative expenses	40,064	41,220
Operating profit	9,873	10,999
Non-operating income		
Interest income	4	1
Dividend income	0	0
Rental income from land and buildings	27	27
Purchase discounts	75	72
Share of profit of entities accounted for using equity method	0	5
Foreign exchange gains	-	88
Penalty income	84	100
Other	265	155
Total non-operating income	459	453
Non-operating expenses		
Interest expenses	207	220
Commission for syndicated loans	60	4
Arrangement fee	94	-
Foreign exchange losses	29	-
Loss on investments in investment partnerships	23	11
Other	163	123
Total non-operating expenses	578	358
Ordinary profit	9,754	11,093
Extraordinary income		
Gain on sale of non-current assets	5	49
Gain on sale of investment securities	3	0
Foreign currency translation adjustments reversal gains	-	31
Total extraordinary income	9	82
Extraordinary losses		
Loss on retirement of non-current assets	118	78
Loss on valuation of investment securities	948	-
Loss on cancellation of leases	17	11
Impairment losses	360	732
Loss on withdrawal from business	112	-
Total extraordinary losses	1,558	822
Profit before income taxes	8,205	10,353
Income taxes - current	3,324	3,316
Income taxes - deferred	(244)	(157)
Total income taxes	3,080	3,158
Profit	5,125	7,194
Profit attributable to non-controlling interests	15	26
Profit attributable to owners of parent	5,109	7,168

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended May 31,2020	For the fiscal year ended May 31,2021
Profit	5,125	7,194
Other comprehensive income		
Valuation difference on available-for-sale securities	15	(1)
Deferred gains or losses on hedges	(3)	3
Foreign currency translation adjustment	(65)	(143)
Share of other comprehensive income of entities accounted for using equity method	(0)	1
Total other comprehensive income	(53)	(139)
Comprehensive income	5,071	7,055
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,074	7,025
Comprehensive income attributable to non-controlling interests	(2)	29

Consolidated Statements of Changes in Net Assets

For the fiscal year ended May 31,2020

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	4,310	4,357	9,076	-	17,743	4	3	385	393	52	18,190
Changes during period											
Dividends of surplus			(1,142)		(1,142)						(1,142)
Profit attributable to owners of parent			5,109		5,109						5,109
Purchase of treasury shares				(893)	(893)						(893)
Cancellation of treasury shares		(77)	(815)	893	-						-
Capital increase of consolidated subsidiaries		0			0						0
Net changes in items other than shareholders' equity						15	(3)	(47)	(35)	2	(32)
Total changes during period	-	(77)	3,152	(0)	3,074	15	(3)	(47)	(35)	2	3,042
Balance at end of period	4,310	4,280	12,228	(0)	20,818	20	0	338	358	55	21,232

For the fiscal year ended May 31,2021

(Million yen)

	Shareholders' equity					Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	4,310	4,280	12,228	(0)	20,818	20	0	338	358	55	21,232
Changes during period											
Dividends of surplus			(2,061)		(2,061)						(2,061)
Profit attributable to owners of parent			7,168		7,168						7,168
Purchase of treasury shares					-						-
Cancellation of treasury shares					-						-
Capital increase of consolidated subsidiaries					-						-
Net changes in items other than shareholders' equity						(1)	3	(144)	(142)	18	(124)
Total changes during period	-	-	5,106	-	5,106	(1)	3	(144)	(142)	18	4,982
Balance at end of period	4,310	4,280	17,334	(0)	25,924	19	3	193	216	73	26,214

Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended May 31,2020	For the fiscal year ended May 31,2021
Cash flows from operating activities		
Profit before income taxes	8,205	10,353
Depreciation	1,550	1,682
Impairment losses	360	732
Loss on retirement of non-current assets	118	78
Loss on cancellation of leases	17	11
Loss (gain) on sale and retirement of property, plant and equipment	(5)	(49)
Loss on withdrawal from business	112	-
Increase (decrease) in allowance for doubtful accounts	10	5
Increase (decrease) in provision for warranties for completed construction	131	(21)
Interest and dividend income	(5)	(1)
Interest expenses	207	220
Decrease (increase) in trade receivables	(1,920)	(334)
Decrease (increase) in inventories	(6,643)	2,917
Increase (decrease) in trade payables	(268)	1,041
Increase (decrease) in advances received on construction contracts in progress	(214)	2,903
Other, net	3,792	1,197
Subtotal	5,450	20,736
Interest and dividends received	3	2
Interest paid	(212)	(214)
Loss on cancellation of leases paid	(17)	(11)
Income taxes paid	(3,027)	(2,876)
Other, net	6	3
Net cash provided by (used in) operating activities	2,201	17,639
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,679)	(1,655)
Proceeds from sale of property, plant and equipment	131	233
Purchase of investment securities	(140)	(0)
Proceeds from sale of investment securities	8	1
Proceeds from collection of loans receivable	3	3
Other, net	(818)	(103)
Net cash provided by (used in) investing activities	(3,494)	(1,520)

(Million yen)

	For the fiscal year ended May 31,2020	For the fiscal year ended May 31,2021
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	6,751	(2,748)
Proceeds from long-term borrowings	6,103	264
Repayments of long-term borrowings	(5,308)	(9,816)
Purchase of treasury shares	(893)	-
Dividends paid	(1,140)	(2,060)
Proceeds from share issuance to non-controlling shareholders	3	-
Dividends paid to non-controlling interests	(17)	(11)
Repayments of installment payables	(11)	(6)
Other, net	(212)	(57)
Net cash provided by (used in) financing activities	5,274	(14,436)
Effect of exchange rate change on cash and cash equivalents	(2)	6
Net increase (decrease) in cash and cash equivalents	3,979	1,688
Cash and cash equivalents at beginning of period	27,013	30,993
Cash and cash equivalents at end of period	30,993	32,681