

(Reference Translation)

August 24, 2022

To whom it may concern,

Company Name: T&K TOKA CO., LTD.
Representative: Yoshikatsu Masuda, President
(Code Number: 4636, TSE Prime Market)
Contact: Hideaki Sekine Director,
Deputy Chief of Headquarters, Management Headquarters
(TEL 03-3963-0511)

Notice Recording of Extraordinary Income and Revision of Earnings Forecasts

In the consolidated second quarter of the fiscal year ending March 31, 2023 (July 2022 to September 2022), we expect to record extraordinary income as follows.

As a result, we have revised the earnings forecasts announced on May 10, 2022 as follows.

Notice

1. Recording of extraordinary income

(1) Recording of gain on liquidation of subsidiaries (non-consolidated)

As announced in the "Notice of Dissolution and Liquidation of a Consolidated Subsidiary" dated July 22, 2020, our consolidated subsidiary, Toka Ink International (Hong Kong) Limited, is in the process of liquidation, and as part of the liquidation process of this company, we confirmed that the residual assets were remitted to us today. As a result, we expect to record gain on liquidation of subsidiaries of JPY1,357 million as extraordinary income.

The gain on liquidation of subsidiaries will be eliminated in consolidation and therefore has no impact on the consolidated results.

2. Revision of Earnings Forecasts

Revision of non-consolidated earnings forecasts for the second quarter of the fiscal year ending March 2023 (April 1, 2022 to September 30, 2022)

	Net sales	Operating profit	Ordinary profit	Net income	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	18,920	460	1,020	790	35.05
Revised forecast (B)	18,920	460	1,020	2,140	94.84
Change (B-A)	-	-	-	1,350	
Rate of change (%)	-	-	-	170.9	
(For reference) Results of the second quarter of previous fiscal year (Second quarter of fiscal year ended March 31, 2022)	17,184	411	603	972	43.16

Revision of non-consolidated earnings forecasts for the fiscal year ending March 31, 2023 (April 1, 2022 to March 31, 2023)

	Net sales	Operating profit	Ordinary profit	Net income	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previously announced forecast (A)	38,620	1,210	1,980	1,530	67.88
Revised forecast (B)	38,620	1,210	1,980	2,880	127.63
Change (B-A)	-	-	-	1,350	
Rate of change (%)	-	-	-	88.2	
(For reference) Results of the previous fiscal year (Fiscal year ended March 31, 2022)	35,267	800	1,607	1,727	76.63

Reason for revision

For the non-consolidated earnings forecasts of second quarter and full year of the fiscal year ending March 2023, as described in 1. Recording of extraordinary income above, we expect to record gain on liquidation of subsidiaries. Therefore, net income is expected to exceed the previously announced forecast.

There are no changes to the consolidated earnings forecasts for the second quarter and full year of the fiscal year ending March 31, 2023.

※ Earnings forecasts in this material are based on information available as of the announcement date. Actual results may differ due to various factors.

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