



FY2019

Consolidated financial statements  
(excerpts)

## (1) Consolidated balance sheet

(Millions of yen)

	As of February 28,2019	As of February 29,2020
<b>Assets</b>		
Current assets		
Cash and deposits	14,616	14,660
Notes and accounts receivable-trade	203,084	188,755
Electronically recorded monetary claims-operating	34,960	35,010
Merchandise and finished goods	57,320	57,657
Work in process	3,752	4,786
Raw materials and supplies	1,476	1,421
Other	14,230	10,112
Allowance for doubtful accounts	(684)	(642)
Total current assets	328,756	311,762
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,056	17,356
Machinery, equipment and vehicles, net	2,463	2,604
Land	16,335	16,428
Construction in progress	526	1,799
Other, net	1,736	1,679
Total property, plant and equipment	38,118	39,868
Intangible assets	1,247	1,577
Investments and other assets		
Investment securities	127,837	117,724
Long-term loans receivable	264	215
Retirement benefit asset	16,565	16,688
Deferred tax assets	1,110	1,055
Other	5,451	5,478
Allowance for doubtful accounts	(288)	(281)
Total investments and other assets	150,940	140,880
Total non-current assets	190,307	182,326
Total assets	519,063	494,089

(Millions of yen)

	As of February 28,2019	As of February 29,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	107,497	105,160
Electronically recorded obligations - operating	19,015	24,466
Short-term borrowings	107,822	75,979
Income taxes payable	3,114	2,676
Provision for bonuses	1,394	1,355
Other	14,337	11,712
Total current liabilities	253,180	221,350
Non-current liabilities		
Long-term borrowings	15,870	20,966
Deferred tax liabilities	29,028	25,741
Provision for retirement benefits for directors (and other officers)	900	911
Retirement benefit liability	1,971	2,209
Other	3,512	3,457
Total non-current liabilities	51,283	53,287
<b>Total liabilities</b>	<b>304,464</b>	<b>274,637</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,128	9,128
Capital surplus	7,798	7,798
Retained earnings	129,287	142,646
Treasury shares	(465)	(467)
Total shareholders' equity	145,749	159,105
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	55,672	48,068
Deferred gains or losses on hedges	(33)	66
Foreign currency translation adjustment	493	142
Remeasurements of defined benefit plans	3,020	2,053
Total accumulated other comprehensive income	59,152	50,330
Non-controlling interests	9,698	10,015
<b>Total net assets</b>	<b>214,599</b>	<b>219,451</b>
<b>Total liabilities and net assets</b>	<b>519,063</b>	<b>494,089</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated statement of income

(Millions of yen)

	Fiscal year ended February 28, 2019	Fiscal year ended February 29, 2020
Net sales	948,596	875,623
Cost of sales	884,663	814,521
Gross profit	63,932	61,101
Selling, general and administrative expenses	42,960	42,069
Operating profit	20,972	19,032
Non-operating income		
Interest income	1,521	1,457
Dividend income	3,561	3,658
Share of profit of entities accounted for using equity method	810	392
Other	986	992
Total non-operating income	6,880	6,501
Non-operating expenses		
Interest expenses	2,009	1,856
Loss on sales of notes receivable - trade	20	21
Other	819	643
Total non-operating expenses	2,850	2,521
Ordinary profit	25,002	23,012
Extraordinary income		
Gain on sales of non-current assets	24	9
Gain on sales of investment securities	4	14
Gain on sales of shares of subsidiaries and associates	—	161
Total extraordinary income	28	185
Extraordinary losses		
Loss on disposal of non-current assets	39	22
Impairment loss	52	62
Loss on valuation of investment securities	466	155
Loss on liquidation of subsidiaries and associates	—	143
Other	0	—
Total extraordinary losses	558	384
Profit before income taxes	24,471	22,814
Income taxes - current	6,929	6,055
Income taxes - deferred	292	481
Total income taxes	7,222	6,537
Profit	17,249	16,277
Profit attributable to non-controlling interests	755	606
Profit attributable to owners of parent	16,494	15,670

## Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended February 28, 2019	Fiscal year ended February 29, 2020
Profit	17,249	16,277
Other comprehensive income		
Valuation difference on available-for-sale securities	(10,483)	(7,625)
Deferred gains or losses on hedges	146	100
Foreign currency translation adjustment	121	(606)
Remeasurements of defined benefit plans, net of tax	(1,176)	(963)
Share of other comprehensive income of entities accounted for using equity method	(236)	225
Total other comprehensive income	(11,628)	(8,870)
Comprehensive income	5,621	7,406
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,930	6,848
Comprehensive income attributable to non-controlling interests	691	558

## (3) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended February 28, 2019	Fiscal year ended February 29, 2020
Cash flows from operating activities		
Profit before income taxes	24,471	22,814
Depreciation	3,628	3,787
Impairment loss	52	62
Loss (gain) on sales of investment securities	(4)	(14)
Loss (gain) on valuation of investment securities	466	155
Loss (gain) on sales and retirement of property, plant and equipment	15	12
Interest and dividend income	(5,082)	(5,116)
Interest expenses	2,009	1,856
Share of loss (profit) of entities accounted for using equity method	(810)	(392)
Decrease (increase) in trade receivables	(20,123)	13,567
Decrease (increase) in inventories	(6,130)	(1,815)
Increase (decrease) in trade payables	6,142	3,700
Decrease (increase) in advance payments - trade	(3,291)	3,005
Increase (decrease) in advances received	3,109	(2,877)
Other, net	(2,172)	(1,592)
Subtotal	2,281	37,153
Interest and dividends received	5,748	5,586
Interest paid	(2,019)	(1,838)
Income taxes paid	(6,843)	(6,535)
Net cash provided by (used in) operating activities	(832)	34,365
Cash flows from investing activities		
Net decrease (increase) in time deposits	(507)	(282)
Purchase of property, plant and equipment	(2,094)	(4,562)
Proceeds from sales of property, plant and equipment	113	21
Purchase of investment securities	(263)	(835)
Proceeds from sales of investment securities	5	24
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	227	—
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	223
Loan advances	(5)	(1)
Collection of loans receivable	16	4
Other, net	(6)	(420)
Net cash provided by (used in) investing activities	(2,515)	(5,828)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	3,529	(24,801)
Proceeds from long-term borrowings	11,872	6,673
Repayments of long-term borrowings	(9,236)	(7,846)
Purchase of treasury shares	(4)	(1)
Dividends paid	(1,926)	(2,312)
Dividends paid to non-controlling interests	(282)	(240)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(4)	(0)
Other, net	—	(0)
Net cash provided by (used in) financing activities	3,946	(28,529)
Effect of exchange rate change on cash and cash equivalents	(117)	(159)
Net increase (decrease) in cash and cash equivalents	480	(151)
Cash and cash equivalents at beginning of period	8,304	8,785
Cash and cash equivalents at end of period	8,785	8,633

Company name : OKAYA & CO., LTD.  
Stock exchange listing : Nagoya (First Section)  
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Representative : Tokuichi Okaya, President  
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