

Translation

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Summary of Consolidated Financial Results for the Three Months Ended January 31, 2021 (Based on Japanese GAAP)

March 4, 2021

Company name: SENSU ELECTRIC CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 9824 URL <https://www.senden.co.jp/>
 Representative: Representative Director, President Motohide Nishimura
 Senior Managing Director & Executive
 Inquiries: Officer & General Manager of Administration Division Kazuto Narita TEL 06-6384-1101
 Scheduled date to file Quarterly Securities Report: March 11, 2021
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended January 31, 2021 (from November 1, 2020 to January 31, 2021)

(1) Consolidated operating results (cumulative)

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	%
Three months ended January 31, 2021	20,353	1.3	720	(12.0)	819	(7.0)	549	(10.9)
Three months ended January 31, 2020	20,091	(6.0)	818	(24.0)	880	(22.4)	616	(19.7)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended January 31, 2021	58.78		–	
Three months ended January 31, 2020	64.17		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of January 31, 2021	69,175	40,611	58.5
As of October 31, 2020	67,401	40,409	59.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended October 31, 2020	–	35.00	–	35.00	70.00
Year ending October 31, 2021	–	–	–	–	–
Year ending October 31, 2021 (Forecast)	–	40.00	–	40.00	80.00

3. Forecast of consolidated financial results for the year ending October 31, 2021 (from November 1, 2020 to October 31, 2021)

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 April 30, 2021	39,600	3.1	1,480	(18.0)	1,580	(17.4)	1,060	(19.7)	115.16
Full year	82,100	10.5	3,300	5.6	3,550	5.0	2,400	2.1	260.73

4. Notes

- (1) Changes in significant subsidiaries during the three months ended January 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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

(4) Number of issued shares (common shares)

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

As of January 31, 2021	10,800,000 shares	As of October 31, 2020	10,800,000 shares
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Number of treasury shares at the end of the period

As of January 31, 2021	1,483,822 shares	As of October 31, 2020	1,425,068 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended January 31, 2021	9,351,833 shares	Three months ended January 31, 2020	9,611,977 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of October 31, 2020	As of January 31, 2021
Assets		
Current assets		
Cash and deposits	18,461	18,651
Notes and accounts receivable - trade	16,273	16,877
Electronically recorded monetary claims - operating	4,882	5,621
Securities	7	14
Merchandise	3,847	4,324
Other	205	221
Allowance for doubtful accounts	(13)	(20)
Total current assets	43,664	45,690
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,560	6,488
Machinery, equipment and vehicles, net	416	393
Land	10,605	10,605
Leased assets, net	112	104
Other, net	79	73
Total property, plant and equipment	17,774	17,664
Intangible assets	120	110
Investments and other assets		
Investment securities	1,308	1,461
Long-term loans receivable	33	29
Deferred tax assets	807	610
Other, net	4,067	3,982
Allowance for doubtful accounts	(375)	(375)
Total investments and other assets	5,842	5,709
Total non-current assets	23,737	23,485
Total assets	67,401	69,175

(Millions of yen)

	As of October 31, 2020	As of January 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,858	24,267
Short-term borrowings	105	105
Lease obligations	36	31
Income taxes payable	462	114
Provision for bonuses	588	310
Other	1,211	1,106
Total current liabilities	24,262	25,935
Non-current liabilities		
Lease obligations	37	30
Deferred tax liabilities	3	9
Retirement benefit liability	2,103	2,129
Asset retirement obligations	6	6
Other	578	452
Total non-current liabilities	2,728	2,628
Total liabilities	26,991	28,564
Net assets		
Shareholders' equity		
Share capital	2,575	2,575
Capital surplus	3,397	3,397
Retained earnings	37,146	37,368
Treasury shares	(3,231)	(3,421)
Total shareholders' equity	39,887	39,919
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	408	550
Foreign currency translation adjustment	25	44
Remeasurements of defined benefit plans	(48)	(40)
Total accumulated other comprehensive income	384	554
Non-controlling interests	137	137
Total net assets	40,409	40,611
Total liabilities and net assets	67,401	69,175

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended January 31, 2020	Three months ended January 31, 2021
Net sales	20,091	20,353
Cost of sales	16,850	17,331
Gross profit	3,240	3,021
Selling, general and administrative expenses		
Freight and packing costs	318	314
Provision of allowance for doubtful accounts	72	6
Salaries and bonuses	706	688
Welfare expenses	218	219
Provision for bonuses	316	305
Retirement benefit expenses	69	77
Travel, transportation and communication expenses	78	57
Depreciation	132	134
Amortization of goodwill	1	–
Other	507	497
Total selling, general and administrative expenses	2,421	2,300
Operating profit	818	720
Non-operating income		
Interest income	1	1
Dividend income	11	11
Rental income from buildings	30	30
Purchase discounts	12	11
Foreign exchange gains	4	–
Insurance claim income	7	25
Other	20	38
Total non-operating income	87	119
Non-operating expenses		
Interest expenses	0	0
Depreciation	13	13
Guarantee commission	1	2
Foreign exchange losses	–	0
Other	11	4
Total non-operating expenses	25	21
Ordinary profit	880	819
Extraordinary income		
Gain on reversal of foreign currency translation adjustment	47	–
Total extraordinary income	47	–
Profit before income taxes	928	819
Income taxes - current	123	98
Income taxes - deferred	181	171
Total income taxes	304	270
Profit	623	548
Profit (loss) attributable to non-controlling interests	6	(0)
Profit attributable to owners of parent	616	549

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended January 31, 2020	Three months ended January 31, 2021
Profit	623	548
Other comprehensive income		
Valuation difference on available-for-sale securities	91	142
Foreign currency translation adjustment	(17)	20
Remeasurements of defined benefit plans, net of tax	7	8
Total other comprehensive income	81	170
Comprehensive income	704	719
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	695	719
Comprehensive income attributable to non-controlling interests	9	(0)