

Translation

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Summary of Consolidated Financial Results for the Six Months Ended April 30, 2021 (Based on Japanese GAAP)

June 3, 2021

Company name: SENSHU 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: June 10, 2021
 Scheduled date to commence dividend payments: July 2, 2021
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended April 30, 2021 (from November 1, 2020 to April 30, 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	%
Six months ended April 30, 2021	42,973	11.9	1,905	5.6	2,090	9.3	1,442	9.2
Six months ended April 30, 2020	38,399	(9.4)	1,804	(16.1)	1,911	(15.5)	1,320	(13.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended April 30, 2021	154.94		-	
Six months ended April 30, 2020	137.86		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2021	76,437	41,339	53.9
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	-	40.00	-	-	-
Year ending October 31, 2021 (Forecast)	-	-	-	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
Full year	86,900	17.0	3,850	23.2	4,200	24.2	2,900	23.3	318.97

4. Notes

- (1) Changes in significant subsidiaries during the six months ended April 30, 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 April 30, 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 April 30, 2021	1,558,120 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)

Six months ended April 30, 2021	9,311,639 shares	Six months ended April 30, 2020	9,580,301 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of October 31, 2020	As of April 30, 2021
Assets		
Current assets		
Cash and deposits	18,461	23,778
Notes and accounts receivable - trade	16,273	18,661
Electronically recorded monetary claims - operating	4,882	5,554
Securities	7	6
Merchandise	3,847	4,534
Other	205	296
Allowance for doubtful accounts	(13)	(15)
Total current assets	43,664	52,815
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,560	6,411
Machinery, equipment and vehicles, net	416	381
Land	10,605	10,562
Leased assets, net	112	96
Other, net	79	115
Total property, plant and equipment	17,774	17,568
Intangible assets	120	105
Investments and other assets		
Investment securities	1,308	1,568
Long-term loans receivable	33	26
Deferred tax assets	807	712
Other, net	4,067	4,010
Allowance for doubtful accounts	(375)	(370)
Total investments and other assets	5,842	5,948
Total non-current assets	23,737	23,621
Total assets	67,401	76,437

(Millions of yen)

	As of October 31, 2020	As of April 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,858	30,206
Short-term borrowings	105	105
Lease obligations	36	26
Income taxes payable	462	627
Provision for bonuses	588	591
Other	1,211	888
Total current liabilities	24,262	32,444
Non-current liabilities		
Lease obligations	37	27
Deferred tax liabilities	3	5
Retirement benefit liability	2,103	2,162
Asset retirement obligations	6	6
Other	578	451
Total non-current liabilities	2,728	2,653
Total liabilities	26,991	35,097
Net assets		
Shareholders' equity		
Share capital	2,575	2,575
Capital surplus	3,397	3,412
Retained earnings	37,146	38,261
Treasury shares	(3,231)	(3,701)
Total shareholders' equity	39,887	40,547
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	408	582
Foreign currency translation adjustment	25	91
Remeasurements of defined benefit plans	(48)	(31)
Total accumulated other comprehensive income	384	642
Non-controlling interests	137	149
Total net assets	40,409	41,339
Total liabilities and net assets	67,401	76,437

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Net sales	38,399	42,973
Cost of sales	32,010	36,514
Gross profit	6,388	6,458
Selling, general and administrative expenses		
Freight and packing costs	625	643
Provision of allowance for doubtful accounts	(5)	0
Salaries and bonuses	1,418	1,416
Welfare expenses	415	425
Provision for bonuses	573	582
Retirement benefit expenses	149	150
Travel, transportation and communication expenses	138	109
Depreciation	265	258
Amortization of goodwill	2	–
Other	999	967
Total selling, general and administrative expenses	4,584	4,553
Operating profit	1,804	1,905
Non-operating income		
Interest income	3	3
Dividend income	14	16
Rental income from buildings	60	60
Purchase discounts	24	13
Foreign exchange gains	2	2
Other	54	132
Total non-operating income	160	228
Non-operating expenses		
Interest expenses	1	0
Depreciation	26	26
Guarantee commission	3	4
Other	22	11
Total non-operating expenses	52	43
Ordinary profit	1,911	2,090
Extraordinary income		
Gain on reversal of foreign currency translation adjustment	47	–
Total extraordinary income	47	–
Extraordinary losses		
Loss on valuation of investment securities	7	–
Total extraordinary losses	7	–
Profit before income taxes	1,951	2,090
Income taxes - current	516	595
Income taxes - deferred	107	46
Total income taxes	623	641
Profit	1,327	1,448
Profit attributable to non-controlling interests	6	6
Profit attributable to owners of parent	1,320	1,442

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Profit	1,327	1,448
Other comprehensive income		
Valuation difference on available-for-sale securities	(68)	174
Foreign currency translation adjustment	(45)	72
Remeasurements of defined benefit plans, net of tax	15	16
Total other comprehensive income	(97)	263
Comprehensive income	1,229	1,712
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,223	1,700
Comprehensive income attributable to non-controlling interests	5	12