

Translation

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Summary of Consolidated Financial Results for the Three Months Ended January 31, 2022 (Based on Japanese GAAP)

March 3, 2022

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: March 10, 2022
 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, 2022 (from November 1, 2021 to January 31, 2022)

(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, 2022	27,161	33.5	1,658	130.2	1,766	115.7	1,194	117.3
Three months ended January 31, 2021	20,353	1.3	720	(12.0)	819	(7.0)	549	(10.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended January 31, 2022	131.20		–	
Three months ended January 31, 2021	58.78		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of January 31, 2022	86,025	43,203	50.0
As of October 31, 2021	83,990	42,886	50.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended October 31, 2021	–	40.00	–	50.00	90.00
Year ending October 31, 2022	–	–	–	–	–
Year ending October 31, 2022 (Forecast)	–	50.00	–	50.00	100.00

3. Forecast of consolidated financial results for the year ending October 31, 2022 (from November 1, 2021 to October 31, 2022)

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, 2022	51,500	19.8	2,800	47.0	3,000	43.5	2,100	45.6	232.84
Full year	100,000	8.2	5,300	11.7	5,600	11.9	3,900	8.8	432.41

4. Notes

- (1) Changes in significant subsidiaries during the three months ended January 31, 2022
(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: Yes
- 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, 2022	10,500,000 shares	As of October 31, 2021	10,800,000 shares
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Number of treasury shares at the end of the period

As of January 31, 2022	1,426,206 shares	As of October 31, 2021	1,680,806 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, 2022	9,102,494 shares	Three months ended January 31, 2021	9,351,833 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of October 31, 2021	As of January 31, 2022
Assets		
Current assets		
Cash and deposits	26,335	27,588
Notes and accounts receivable - trade	21,291	20,554
Electronically recorded monetary claims - operating	7,561	8,697
Securities	6	–
Merchandise	4,916	5,643
Other	235	164
Allowance for doubtful accounts	(13)	(13)
Total current assets	60,333	62,633
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,275	6,199
Machinery, equipment and vehicles, net	377	357
Land	10,239	10,239
Leased assets, net	81	73
Other, net	314	312
Total property, plant and equipment	17,287	17,183
Intangible assets	110	127
Investments and other assets		
Investment securities	1,848	1,707
Long-term loans receivable	19	16
Deferred tax assets	713	653
Other, net	4,045	4,072
Allowance for doubtful accounts	(367)	(368)
Total investments and other assets	6,259	6,081
Total non-current assets	23,657	23,391
Total assets	83,990	86,025

(Millions of yen)

	As of October 31, 2021	As of January 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	35,628	38,136
Short-term borrowings	105	105
Lease obligations	21	17
Income taxes payable	1,024	430
Provision for bonuses	669	323
Other	976	1,123
Total current liabilities	38,426	40,135
Non-current liabilities		
Lease obligations	15	11
Deferred tax liabilities	2	7
Retirement benefit liability	2,212	2,233
Asset retirement obligations	6	6
Other	442	426
Total non-current liabilities	2,678	2,686
Total liabilities	41,104	42,821
Net assets		
Shareholders' equity		
Share capital	2,575	2,575
Capital surplus	3,412	3,372
Retained earnings	40,032	39,966
Treasury shares	(4,201)	(3,719)
Total shareholders' equity	41,818	42,193
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	785	669
Foreign currency translation adjustment	131	163
Remeasurements of defined benefit plans	(10)	(9)
Total accumulated other comprehensive income	906	824
Share acquisition rights	-	3
Non-controlling interests	160	181
Total net assets	42,886	43,203
Total liabilities and net assets	83,990	86,025

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, 2021	Three months ended January 31, 2022
Net sales	20,353	27,161
Cost of sales	17,331	23,168
Gross profit	3,021	3,993
Selling, general and administrative expenses		
Freight and packing costs	314	330
Provision of allowance for doubtful accounts	6	0
Salaries and bonuses	688	697
Welfare expenses	219	226
Provision for bonuses	305	313
Retirement benefit expenses	77	68
Travel, transportation and communication expenses	57	65
Depreciation	134	118
Other	497	514
Total selling, general and administrative expenses	2,300	2,334
Operating profit	720	1,658
Non-operating income		
Interest income	1	1
Dividend income	11	14
Rental income from buildings	30	31
Purchase discounts	11	–
Foreign exchange gains	–	7
Insurance claim income	25	33
Other	38	42
Total non-operating income	119	131
Non-operating expenses		
Interest expenses	0	0
Depreciation	13	12
Guarantee commission	2	2
Foreign exchange losses	0	–
Other	4	8
Total non-operating expenses	21	23
Ordinary profit	819	1,766
Profit before income taxes	819	1,766
Income taxes - current	98	400
Income taxes - deferred	171	156
Total income taxes	270	556
Profit	548	1,209
Profit (loss) attributable to non-controlling interests	(0)	15
Profit attributable to owners of parent	549	1,194

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

Consolidated statements of income (cumulative)

(Millions of yen)

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Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended January 31, 2021	Three months ended January 31, 2022
Profit	548	1,209
Other comprehensive income		
Valuation difference on available-for-sale securities	142	(115)
Foreign currency translation adjustment	20	37
Remeasurements of defined benefit plans, net of tax	8	0
Total other comprehensive income	170	(77)
Comprehensive income	719	1,132
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	719	1,111
Comprehensive income attributable to non-controlling interests	(0)	20