

Translation

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Summary of Consolidated Financial Results for the Three Months Ended January 31, 2024 (Based on Japanese GAAP)

March 4, 2024

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 11, 2024
 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, 2024 (from November 1, 2023 to January 31, 2024)

(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, 2024	33,744	13.4	2,643	23.1	2,772	22.5	1,958	28.8
Three months ended January 31, 2023	29,764	9.6	2,147	29.4	2,263	28.2	1,520	27.3

(Note) Comprehensive income Three months ended January 31, 2024 ¥2,258 million [42.7%]
 Three months ended January 31, 2023 ¥1,582 million [39.8%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended January 31, 2024	111.10		111.03	
Three months ended January 31, 2023	85.14		–	

(Note) Diluted earnings per share for the three months ended January 31, 2023 is not stated because there are no residual shares having the dilutive effect.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of January 31, 2024	102,788	51,467	49.7
As of October 31, 2023	101,367	50,714	49.7

Reference: Equity As of January 31, 2024 ¥51,065 million
 As of October 31, 2023 ¥50,329 million

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, 2023	–	50.00	–	60.00	110.00
Year ending October 31, 2024	–				
Year ending October 31, 2024 (Forecast)		60.00	–	60.00	120.00

(Note) Revision of cash dividend forecast most recently announced: No

3. Forecast of consolidated financial results for the year ending October 31, 2024 (from November 1, 2023 to October 31, 2024)

	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, 2024	66,000	6.7	4,800	11.5	5,000	11.5	3,500	16.9	200.34
Full year	132,000	5.6	9,200	10.0	9,500	8.3	6,600	11.5	377.78

Percentages indicate year-on-year changes

(Notes) 1. Revision of consolidated financial results forecast most recently announced: Yes

2. Pursuant to a resolution at a meeting of the Board of Directors held on September 11, 2023, the Company repurchased up to 270,000 treasury shares from October 10, 2023 until April 30, 2024. The earnings per share in the consolidated financial results forecast is calculated taking into account the effect of these stock repurchases.

4. Notes

(1) Changes in significant subsidiaries during the three months ended January 31, 2024
(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, 2024	19,500,000 shares	As of October 31, 2023	21,000,000 shares
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Number of treasury shares at the end of the period

As of January 31, 2024	1,936,148 shares	As of October 31, 2023	3,303,008 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, 2024	17,627,572 shares	Three months ended January 31, 2023	17,856,935 shares
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* Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of October 31, 2023	As of January 31, 2024
Assets		
Current assets		
Cash and deposits	28,534	28,596
Notes and accounts receivable - trade	23,313	22,496
Electronically recorded monetary claims - operating	11,302	13,131
Securities	9	10
Merchandise	6,914	6,703
Work in process	247	244
Raw materials and supplies	257	275
Other	271	216
Allowance for doubtful accounts	(18)	(19)
Total current assets	70,830	71,654
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,083	7,113
Machinery, equipment and vehicles, net	361	349
Land	12,282	12,394
Leased assets, net	103	104
Other, net	523	739
Total property, plant and equipment	20,355	20,702
Intangible assets		
Goodwill	122	113
Other	180	177
Total intangible assets	303	290
Investments and other assets		
Investment securities	2,310	2,758
Long-term time deposits	3,000	3,000
Deferred tax assets	715	399
Other, net	4,253	4,382
Allowance for doubtful accounts	(400)	(400)
Total investments and other assets	9,878	10,140
Total non-current assets	30,537	31,133
Total assets	101,367	102,788

(Millions of yen)

	As of October 31, 2023	As of January 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	43,050	44,947
Short-term borrowings	691	726
Current portion of bonds payable	64	64
Current portion of long-term borrowings	5	7
Lease liabilities	22	22
Income taxes payable	1,561	745
Provision for bonuses	773	395
Other	1,544	1,555
Total current liabilities	47,713	48,464
Non-current liabilities		
Bonds payable	42	42
Long-term borrowings	54	52
Lease liabilities	49	52
Deferred tax liabilities	8	7
Retirement benefit liability	2,120	2,144
Asset retirement obligations	7	7
Other	656	549
Total non-current liabilities	2,939	2,855
Total liabilities	50,652	51,320
Net assets		
Shareholders' equity		
Share capital	2,575	2,575
Capital surplus	2,757	374
Retained earnings	48,574	49,470
Treasury shares	(5,142)	(3,203)
Total shareholders' equity	48,764	49,216
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	961	1,235
Foreign currency translation adjustment	446	464
Remeasurements of defined benefit plans	156	149
Total accumulated other comprehensive income	1,565	1,849
Share acquisition rights	59	59
Non-controlling interests	326	342
Total net assets	50,714	51,467
Total liabilities and net assets	101,367	102,788

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, 2023	Three months ended January 31, 2024
Net sales	29,764	33,744
Cost of sales	25,119	28,406
Gross profit	4,645	5,337
Selling, general and administrative expenses		
Freight and packing costs	335	373
Provision of allowance for doubtful accounts	(0)	0
Salaries and bonuses	701	750
Welfare expenses	248	260
Provision for bonuses	345	379
Retirement benefit expenses	65	70
Travel, transportation and communication expenses	68	78
Depreciation	121	138
Amortization of goodwill	8	8
Other	602	633
Total selling, general and administrative expenses	2,497	2,694
Operating profit	2,147	2,643
Non-operating income		
Interest income	3	5
Dividend income	19	26
Rental income from buildings	32	33
Foreign exchange gains	2	3
Other	82	86
Total non-operating income	140	155
Non-operating expenses		
Interest expenses	0	0
Depreciation	12	12
Guarantee commission	3	3
Other	7	10
Total non-operating expenses	23	26
Ordinary profit	2,263	2,772
Extraordinary income		
Subsidy income	–	100
Total extraordinary income	–	100
Profit before income taxes	2,263	2,872
Income taxes - current	540	703
Income taxes - deferred	186	197
Total income taxes	726	900
Profit	1,537	1,971
Profit attributable to non-controlling interests	16	12
Profit attributable to owners of parent	1,520	1,958

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended January 31, 2023	Three months ended January 31, 2024
Profit	1,537	1,971
Other comprehensive income		
Valuation difference on available-for-sale securities	102	273
Foreign currency translation adjustment	(57)	20
Remeasurements of defined benefit plans, net of tax	0	(7)
Total other comprehensive income	45	287
Comprehensive income	1,582	2,258
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,553	2,242
Comprehensive income attributable to non-controlling interests	29	16