

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

October 31, 2022

Company name: Inaba Denki Sangyo Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9934 URL <https://www.inaba.co.jp>  
 Representative: President and Representative Director Seiichi Kita  
 Executive Officer and General Manager of  
 Inquiries: Business Planning Department Masayuki Tamagaki TEL 06-4391-1781  
 Scheduled date to file Quarterly Securities Report: November 14, 2022  
 Scheduled date to commence dividend payments: December 1, 2022  
 Preparation of supplementary material on quarterly financial results: Yes (for institutional investors and analysts)  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 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	%
Six months ended September 30, 2022	144,121	8.6	8,900	12.2	10,461	21.7	7,502	22.2
Six months ended September 30, 2021	132,672	5.4	7,933	9.4	8,594	15.2	6,140	8.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	134.96		134.15	
Six months ended September 30, 2021	110.23		109.40	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	219,840	146,391	66.2
As of March 31, 2022	235,420	141,253	59.7

### 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	—	50.00	—	60.00	110.00
Year ending March 31, 2023	—	50.00			
Year ending March 31, 2023 (Forecast)			—	60.00	110.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	300,000	3.8	17,600	8.2	18,200	3.7	13,000	6.0	234.28

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 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 September 30, 2022	56,419,000 shares	As of March 31, 2022	56,419,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	625,215 shares	As of March 31, 2022	928,881 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	55,585,685 shares	Six months ended September 30, 2021	55,705,633 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	77,568	69,572
Notes and accounts receivable - trade, and contract assets	72,626	59,073
Electronically recorded monetary claims - operating	23,133	20,776
Merchandise and finished goods	14,610	19,141
Work in process	298	397
Raw materials and supplies	2,370	3,486
Other	1,754	1,562
Total current assets	192,363	174,008
Non-current assets		
Property, plant and equipment		
Land	14,105	14,112
Other, net	7,463	7,743
Total property, plant and equipment	21,569	21,856
Intangible assets	1,462	1,413
Investments and other assets		
Investment securities	16,993	16,769
Other	3,033	5,801
Allowance for doubtful accounts	(0)	(8)
Total investments and other assets	20,025	22,561
Total non-current assets	43,056	45,832
Total assets	235,420	219,840
<b>Liabilities</b>		
Current liabilities		
Electronically recorded obligations - operating	5,603	3,852
Accounts payable - trade	68,705	54,320
Short-term borrowings	343	387
Income taxes payable	4,271	2,495
Provision for bonuses	5,623	2,667
Provision for bonuses for directors (and other officers)	94	92
Provision for product warranties	93	93
Other	4,009	3,209
Total current liabilities	88,744	67,118
Non-current liabilities		
Retirement benefit liability	54	60
Other	5,368	6,271
Total non-current liabilities	5,423	6,331
Total liabilities	94,167	73,449

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
Net assets		
Shareholders' equity		
Share capital	13,962	13,962
Capital surplus	14,171	14,171
Retained earnings	109,361	113,484
Treasury shares	(2,413)	(1,624)
Total shareholders' equity	135,082	139,994
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,105	5,031
Foreign currency translation adjustment	297	602
Total accumulated other comprehensive income	5,403	5,633
Share acquisition rights	766	763
Total net assets	141,253	146,391
Total liabilities and net assets	235,420	219,840

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

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	132,672	144,121
Cost of sales	109,622	118,903
Gross profit	23,049	25,217
Selling, general and administrative expenses	15,116	16,317
Operating profit	7,933	8,900
Non-operating income		
Interest income	22	21
Dividend income	548	487
Foreign exchange gains	37	655
Other	109	431
Total non-operating income	716	1,594
Non-operating expenses		
Interest expenses	6	6
Other	49	27
Total non-operating expenses	56	33
Ordinary profit	8,594	10,461
Extraordinary income		
Gain on sale of investment securities	–	455
Gain on sale of shares of subsidiaries and associates	151	13
Gain on sale of non-current assets	0	5
Total extraordinary income	152	473
Extraordinary losses		
Loss on retirement of non-current assets	16	7
Loss on sale of non-current assets	0	1
Total extraordinary losses	17	8
Profit before income taxes	8,729	10,926
Income taxes - current	2,436	2,276
Income taxes - deferred	152	1,147
Total income taxes	2,589	3,424
Profit	6,140	7,502
Profit attributable to owners of parent	6,140	7,502

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	6,140	7,502
Other comprehensive income		
Valuation difference on available-for-sale securities	448	(74)
Foreign currency translation adjustment	12	304
Total other comprehensive income	460	230
Comprehensive income	6,600	7,732