

Translation

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

January 30, 2023

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: February 14, 2023
 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 nine months ended December 31, 2022 (from April 1, 2022 to December 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	%
Nine months ended December 31, 2022	219,862	9.1	13,520	16.5	15,025	20.6	10,858	24.6
Nine months ended December 31, 2021	201,517	4.2	11,602	7.8	12,458	13.7	8,714	9.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	195.16		193.97	
Nine months ended December 31, 2021	156.23		155.11	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	223,341	145,590	64.8
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 nine months ended December 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 December 31, 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 December 31, 2022	892,715 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)

Nine months ended December 31, 2022	55,635,459 shares	Nine months ended December 31, 2021	55,778,012 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	77,568	54,282
Notes and accounts receivable - trade, and contract assets	72,626	59,430
Electronically recorded monetary claims - operating	23,133	27,012
Securities	–	6,000
Merchandise and finished goods	14,610	22,590
Work in process	298	350
Raw materials and supplies	2,370	3,518
Other	1,754	2,293
Total current assets	192,363	175,479
Non-current assets		
Property, plant and equipment		
Land	14,105	14,099
Other, net	7,463	7,644
Total property, plant and equipment	21,569	21,744
Intangible assets	1,462	1,421
Investments and other assets		
Investment securities	16,993	15,758
Other	3,033	8,946
Allowance for doubtful accounts	(0)	(8)
Total investments and other assets	20,025	24,696
Total non-current assets	43,056	47,862
Total assets	235,420	223,341
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	5,603	5,025
Accounts payable - trade	68,705	57,772
Short-term borrowings	343	387
Income taxes payable	4,271	960
Provision for bonuses	5,623	3,244
Provision for bonuses for directors (and other officers)	94	142
Provision for product warranties	93	–
Other	4,009	4,174
Total current liabilities	88,744	71,705
Non-current liabilities		
Retirement benefit liability	54	48
Other	5,368	5,997
Total non-current liabilities	5,423	6,045
Total liabilities	94,167	77,751

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
Net assets		
Shareholders' equity		
Share capital	13,962	13,962
Capital surplus	14,171	14,171
Retained earnings	109,361	114,041
Treasury shares	(2,413)	(2,369)
Total shareholders' equity	135,082	139,806
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,105	4,497
Foreign currency translation adjustment	297	499
Total accumulated other comprehensive income	5,403	4,997
Share acquisition rights	766	786
Total net assets	141,253	145,590
Total liabilities and net assets	235,420	223,341

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	201,517	219,862
Cost of sales	166,676	181,553
Gross profit	34,840	38,309
Selling, general and administrative expenses	23,237	24,788
Operating profit	11,602	13,520
Non-operating income		
Interest income	33	31
Dividend income	653	617
Other	250	903
Total non-operating income	937	1,553
Non-operating expenses		
Interest expenses	9	9
Other	72	38
Total non-operating expenses	81	47
Ordinary profit	12,458	15,025
Extraordinary income		
Gain on sale of investment securities	–	819
Gain on sale of shares of subsidiaries and associates	151	13
Gain on sale of non-current assets	1	9
Total extraordinary income	153	841
Extraordinary losses		
Loss on retirement of non-current assets	23	8
Loss on sale of non-current assets	1	2
Total extraordinary losses	25	10
Profit before income taxes	12,586	15,857
Income taxes - current	3,878	3,925
Income taxes - deferred	(6)	1,073
Total income taxes	3,872	4,998
Profit	8,714	10,858
Profit attributable to owners of parent	8,714	10,858

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	8,714	10,858
Other comprehensive income		
Valuation difference on available-for-sale securities	193	(608)
Foreign currency translation adjustment	8	201
Total other comprehensive income	202	(406)
Comprehensive income	8,916	10,451