

Translation

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

January 31, 2023

Company name: MEIJI ELECTRIC INDUSTRIES CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 3388 URL <https://www.meijidenki.co.jp/>
 Representative: President and Representative Director Hiroki Sugiwaki
 Inquiries: Administration General Manager Yoshihide Atsumi TEL 052-451-7661
 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	47,794	0.3	1,177	1.5	1,395	(8.4)	1,015	(14.1)
Nine months ended December 31, 2021	47,664	7.5	1,161	27.2	1,522	39.1	1,181	46.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	80.23		–	
Nine months ended December 31, 2021	102.85		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	44,625	28,177	62.6
As of March 31, 2022	44,666	27,328	60.7

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	–	20.00	–	27.00	47.00
Year ending March 31, 2023	–	20.00	–		
Year ending March 31, 2023 (Forecast)				28.00	48.00

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	73,500	8.5	2,710	34.9	2,870	17.7	2,000	12.3	173.04

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: Yes
- (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 December 31, 2022	12,717,120 shares	As of March 31, 2022	12,717,120 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	65,771 shares	As of March 31, 2022	65,771 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	12,651,349 shares	Nine months ended December 31, 2021	11,487,749 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	7,749,181	4,627,589
Notes and accounts receivable - trade	16,252,930	14,662,350
Electronically recorded monetary claims - operating	8,527,181	9,330,148
Merchandise and finished goods	4,095,061	6,131,663
Work in process	342,209	969,526
Raw materials and supplies	46,338	59,417
Other	509,507	1,029,443
Allowance for doubtful accounts	(32,235)	(74,507)
Total current assets	37,490,176	36,735,631
Non-current assets		
Property, plant and equipment	3,662,614	4,145,602
Intangible assets	240,850	555,516
Investments and other assets	3,272,517	3,189,097
Total non-current assets	7,175,983	7,890,216
Total assets	44,666,159	44,625,848
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,756,239	7,139,825
Electronically recorded obligations - operating	5,667,843	5,666,912
Short-term borrowings	225,658	1,267,091
Income taxes payable	479,206	63,654
Provision for bonuses	481,571	265,644
Provision for bonuses for directors (and other officers)	2,240	56,477
Other	1,344,064	1,625,604
Total current liabilities	16,956,824	16,085,209
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	3,550	3,550
Other	377,442	359,370
Total non-current liabilities	380,992	362,920
Total liabilities	17,337,817	16,448,130
Net assets		
Shareholders' equity		
Share capital	1,624,866	1,624,866
Capital surplus	1,957,909	1,957,909
Retained earnings	22,204,363	22,624,825
Treasury shares	(32,756)	(32,756)
Total shareholders' equity	25,754,383	26,174,845
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,340,636	1,239,910
Foreign currency translation adjustment	13,725	476,217
Remeasurements of defined benefit plans	23,703	57,379
Total accumulated other comprehensive income	1,378,066	1,773,507
Non-controlling interests	195,892	229,364
Total net assets	27,328,342	28,177,718
Total liabilities and net assets	44,666,159	44,625,848

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	47,664,339	47,794,864
Cost of sales	41,311,680	41,025,841
Gross profit	6,352,658	6,769,022
Selling, general and administrative expenses	5,191,595	5,591,098
Operating profit	1,161,062	1,177,923
Non-operating income		
Interest income	1,799	2,156
Dividend income	55,727	72,872
Purchase discounts	94,959	107,119
Subsidy income	114,300	9,912
Other	102,245	32,526
Total non-operating income	369,032	224,587
Non-operating expenses		
Interest expenses	3,660	6,612
Other	3,490	456
Total non-operating expenses	7,150	7,069
Ordinary profit	1,522,945	1,395,441
Extraordinary income		
Gain on sale of non-current assets	1,005	42,308
Gain on sale of investment securities	81,812	–
Other	1,173	1,156
Total extraordinary income	83,991	43,464
Extraordinary losses		
Loss on retirement of non-current assets	143	59
Total extraordinary losses	143	59
Profit before income taxes	1,606,793	1,438,846
Income taxes	408,905	413,205
Profit	1,197,887	1,025,641
Profit attributable to non-controlling interests	16,392	10,566
Profit attributable to owners of parent	1,181,495	1,015,075

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,197,887	1,025,641
Other comprehensive income		
Valuation difference on available-for-sale securities	491,240	(100,726)
Foreign currency translation adjustment	139,473	485,398
Remeasurements of defined benefit plans, net of tax	28,695	33,676
Total other comprehensive income	659,409	418,347
Comprehensive income	1,857,297	1,443,989
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,848,831	1,410,517
Comprehensive income attributable to non-controlling interests	8,465	33,472