

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

January 31, 2024

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, Masayuki Tamagaki
 Business Planning Department TEL 06-4391-1781
 Scheduled date to file Quarterly Securities Report: February 14, 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(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, 2023	242,712	10.4	15,018	11.1	15,947	6.1	11,039	1.7
Nine months ended December 31, 2022	219,862	9.1	13,520	16.5	15,025	20.6	10,858	24.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	197.45	195.51
Nine months ended December 31, 2022	195.16	193.97

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	242,599	156,551	64.2
As of March 31, 2023	245,646	151,228	61.3

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 March 31, 2023	–	50.00	–	70.00	120.00
Year ending March 31, 2024	–	60.00	–		
Year ending March 31, 2024 (Forecast)				60.00	120.00

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

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	328,000	3.5	19,900	6.8	20,800	2.6	14,300	(7.3)	256.85

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(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 December 31, 2023	56,419,000 shares	As of March 31, 2023	56,419,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	525,191 shares	As of March 31, 2023	744,179 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, 2023	55,908,517 shares	Nine months ended December 31, 2022	55,635,459 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	57,882	49,115
Notes and accounts receivable - trade, and contract assets	79,107	59,371
Electronically recorded monetary claims - operating	25,380	36,557
Securities	10,000	12,000
Merchandise and finished goods	18,406	25,237
Work in process	382	466
Raw materials and supplies	3,324	3,243
Other	1,845	3,067
Allowance for doubtful accounts	(2)	(2)
Total current assets	196,328	189,058
Non-current assets		
Property, plant and equipment		
Land	14,098	14,103
Other, net	7,527	7,547
Total property, plant and equipment	21,626	21,650
Intangible assets	1,356	1,366
Investments and other assets		
Investment securities	16,933	18,255
Other	9,403	12,270
Allowance for doubtful accounts	(2)	(1)
Total investments and other assets	26,335	30,523
Total non-current assets	49,317	53,540
Total assets	245,646	242,599

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	5,921	6,349
Accounts payable - trade	69,827	60,199
Short-term borrowings	382	409
Income taxes payable	2,689	2,078
Provision for bonuses	5,526	3,941
Provision for bonuses for directors (and other officers)	138	143
Other	4,283	6,413
Total current liabilities	88,768	79,534
Non-current liabilities		
Retirement benefit liability	51	56
Other	5,598	6,456
Total non-current liabilities	5,649	6,513
Total liabilities	94,417	86,047
Net assets		
Shareholders' equity		
Share capital	13,962	13,962
Capital surplus	14,171	14,171
Retained earnings	118,521	122,276
Treasury shares	(1,982)	(1,535)
Total shareholders' equity	144,672	148,875
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,335	6,308
Deferred gains or losses on hedges	(4)	(2)
Foreign currency translation adjustment	493	641
Total accumulated other comprehensive income	5,824	6,947
Share acquisition rights	731	728
Total net assets	151,228	156,551
Total liabilities and net assets	245,646	242,599

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, 2022	Nine months ended December 31, 2023
Net sales	219,862	242,712
Cost of sales	181,553	201,116
Gross profit	38,309	41,596
Selling, general and administrative expenses	24,788	26,577
Operating profit	13,520	15,018
Non-operating income		
Interest income	31	51
Dividend income	617	572
Other	903	388
Total non-operating income	1,553	1,012
Non-operating expenses		
Interest expenses	9	13
Loss on cancellation of insurance policies	11	36
Other	26	34
Total non-operating expenses	47	84
Ordinary profit	15,025	15,947
Extraordinary income		
Gain on sale of investment securities	819	288
Gain on sale of non-current assets	9	7
Gain on sale of shares of subsidiaries and associates	13	–
Total extraordinary income	841	296
Extraordinary losses		
Loss on retirement of non-current assets	8	4
Loss on sale of non-current assets	2	0
Total extraordinary losses	10	4
Profit before income taxes	15,857	16,238
Income taxes - current	3,925	4,650
Income taxes - deferred	1,073	549
Total income taxes	4,998	5,199
Profit	10,858	11,039
Profit attributable to owners of parent	10,858	11,039

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	10,858	11,039
Other comprehensive income		
Valuation difference on available-for-sale securities	(608)	972
Deferred gains or losses on hedges	–	2
Foreign currency translation adjustment	201	147
Total other comprehensive income	(406)	1,122
Comprehensive income	10,451	12,161