

# Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 12, 2022

Company name: Imasen Electric Industrial Co., Ltd.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 7266 URL <https://www.imasen.co.jp/>  
 Representative: President Takamitsu Sakurai  
 Inquiries: Executive Officer Tatsushi Inoue TEL 0568-67-1211  
 Scheduled date of ordinary general meeting of shareholders: June 22, 2022  
 Scheduled date to file Securities Report: June 22, 2022  
 Scheduled date to commence dividend payments: June 1, 2022  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

### (1) Consolidated operating results

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	%
Year ended March 31, 2022	85,155	(2.2)	(70)	-	616	-	(1,210)	-
Year ended March 31, 2021	87,096	(22.3)	(790)	-	(581)	-	(3,081)	-

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	(52.67)	-	(2.5)	(0.8)	(0.1)
Year ended March 31, 2021	(143.67)	-	(6.2)	(0.7)	(0.9)

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	80,157	49,777	61.7	2,150.02
As of March 31, 2021	82,280	49,593	59.9	2,144.63

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	3,504	(3,457)	(1,327)	18,455
Year ended March 31, 2021	3,044	(2,720)	4,604	18,831

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	-	5.00	-	10.00	15.00	333	-	0.7
Year ended March 31, 2022	-	10.00	-	5.00	15.00	344	-	0.7
Year ending March 31, 2023 (Forecast)	-	7.50	-	7.50	15.00		-	

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
Six months ending September 30, 2022	46,300	7.0	(990)	-	(700)	-	(1,390)	-	(60.45)
Full year	96,700	13.6	100	-	330	(46.5)	(930)	-	(40.44)

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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: Yes

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2022	23,475,352 shares	As of March 31, 2021	23,475,352 shares
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Number of treasury shares at the end of the period

As of March 31, 2022	482,005 shares	As of March 31, 2021	503,755 shares
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Average number of shares during the period

Year ended March 31, 2022	22,986,084 shares	Year ended March 31, 2021	21,448,712 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	20,068	19,710
Notes receivable – trade	–	82
Accounts receivable – trade	–	15,510
Notes and accounts receivable - trade	17,046	–
Electronically recorded monetary claims - operating	5,825	4,623
Inventories	10,105	12,412
Other	2,269	1,691
Allowance for doubtful accounts	(328)	(288)
Total current assets	54,986	53,742
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,895	6,912
Machinery, equipment and vehicles, net	4,794	4,920
Tools, furniture and fixtures, net	3,127	2,606
Land	4,825	4,865
Construction in progress	1,584	1,140
Total property, plant and equipment	21,227	20,445
Intangible assets		
Other	614	476
Total intangible assets	614	476
Investments and other assets		
Investment securities	5,168	4,822
Retirement benefit asset	–	179
Deferred tax assets	103	170
Other	211	350
Allowance for doubtful accounts	(30)	(30)
Total investments and other assets	5,452	5,492
Total non-current assets	27,293	26,414
Total assets	82,280	80,157

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	8,768	8,077
Electronically recorded obligations - operating	5,810	5,072
Short-term loans payable	3,141	4,121
Lease liabilities	679	320
Income taxes payable	372	387
Provision for bonuses	1,023	975
Provision for product warranties	411	458
Other	3,825	3,441
<b>Total current liabilities</b>	<b>24,031</b>	<b>22,853</b>
<b>Non-current liabilities</b>		
Long-term loans payable	4,588	3,725
Lease liabilities	453	449
Deferred tax liabilities	1,432	1,362
Retirement benefit liability	1,797	1,709
Other	382	279
<b>Total non-current liabilities</b>	<b>8,655</b>	<b>7,525</b>
<b>Total liabilities</b>	<b>32,687</b>	<b>30,379</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	7,289	7,289
Capital surplus	7,041	7,041
Retained earnings	32,040	30,367
Treasury shares	(406)	(389)
<b>Total shareholders' equity</b>	<b>45,965</b>	<b>44,310</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,901	1,742
Foreign currency translation adjustment	1,251	3,162
Remeasurements of defined benefit plans	146	221
<b>Total accumulated other comprehensive income</b>	<b>3,300</b>	<b>5,126</b>
<b>Non-controlling interests</b>	<b>327</b>	<b>341</b>
<b>Total net assets</b>	<b>49,593</b>	<b>49,777</b>
<b>Total liabilities and net assets</b>	<b>82,280</b>	<b>80,157</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	87,096	85,155
Cost of sales	81,081	78,206
Gross profit	6,015	6,948
Selling, general and administrative expenses		
Packing and transportation expenses	1,909	1,894
Provision for product warranties	48	93
Salaries, allowances and bonuses	2,103	2,148
Provision for bonuses	154	147
Retirement benefit expenses	85	98
Depreciation	167	140
Other	2,336	2,498
Total selling, general and administrative expenses	6,806	7,019
Operating loss	(790)	(70)
Non-operating income		
Interest income	159	152
Dividend income	128	168
Subsidy income	137	–
Compensation income	125	8
Foreign exchange gains	49	343
Other	236	227
Total non-operating income	835	900
Non-operating expenses		
Interest expenses	367	157
Share issuance costs	143	–
Other	115	55
Total non-operating expenses	626	212
Ordinary profit (loss)	(581)	616
Extraordinary income		
Gain on sales of non-current assets	8	54
Gain on sales of investment securities	–	223
Total extraordinary income	8	278
Extraordinary losses		
Loss on disposal of non-current assets	30	364
Loss on sale of investment securities	–	2
Impairment losses	165	935
Loss on liquidation of subsidiaries and affiliates	121	0
Loss on cancel of derivatives	184	–
Total extraordinary losses	501	1,303
Loss before income taxes	(1,074)	(407)
Income taxes - current	736	885
Income taxes - deferred	1,218	(110)
Total income taxes	1,955	775
Loss	(3,029)	(1,182)
Profit attributable to non-controlling interests	52	27
Loss attributable to owners of parent	(3,081)	(1,210)

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Loss	(3,029)	(1,182)
Other comprehensive income		
Valuation difference on available-for-sale securities	859	(159)
Foreign currency translation adjustment	(79)	1,954
Remeasurements of defined benefit plans, net of tax	342	74
Total other comprehensive income	1,122	1,869
Comprehensive income	(1,906)	686
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,963)	615
Comprehensive income attributable to non-controlling interests	56	71

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Loss before income taxes	(1,074)	(407)
Depreciation	3,882	3,871
Impairment loss	165	935
Increase (decrease) in allowance for doubtful accounts	(92)	(40)
Increase (decrease) in provision for bonuses	(137)	(48)
Increase (decrease) in provision for product warranties	(325)	39
Interest and dividend income	(287)	(321)
Interest expenses	367	157
Employment adjustment subsidy	(689)	(367)
Loss (gain) on sale of investment securities	–	(223)
Loss (gain) on disposal of non-current assets	22	309
Decrease (increase) in notes and accounts receivable - trade	2,342	3,819
Decrease (increase) in inventories	941	(1,690)
Increase (decrease) in trade payable	(1,563)	(2,398)
Other, net	(547)	260
Subtotal	3,001	3,896
Interest and dividend income received	295	321
Interest expenses paid	(367)	(157)
Employment adjustment subsidy received	680	349
Income taxes paid	(673)	(1,022)
Income taxes refund	106	116
Net cash provided by (used in) operating activities	3,044	3,504
Cash flows from investing activities		
Decrease (increase) in time deposits	(67)	103
Purchase of property, plant and equipment	(2,582)	(3,647)
Proceeds from sale of property, plant and equipment	96	243
Payments for retirement of property, plant and equipment	–	(268)
Purchase of investment securities	(56)	(68)
Proceeds from sale of investment securities	–	411
Other, net	(110)	(231)
Net cash provided by (used in) investing activities	(2,720)	(3,457)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(62)	858
Proceeds from long-term loans payable	5,680	1,019
Repayments of long-term loans payable	(1,496)	(1,986)
Repayments of lease obligations	(1,154)	(701)
Cash dividends paid	(312)	(459)
Proceeds from issuance of shares	1,840	–
Other, net	108	(57)
Net cash provided by (used in) financing activities	4,604	(1,327)
Effect of exchange rate change on cash and cash equivalents	426	905
Net increase (decrease) in cash and cash equivalents	5,354	(375)
Cash and cash equivalents at beginning of period	13,477	18,831
Cash and cash equivalents at end of period	18,831	18,455