

# Summary of Consolidated Financial Results for the Year Ended March 31, 2023 (Based on Japanese GAAP)

May 12, 2023

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, 2023  
 Scheduled date to file Securities Report: June 22, 2023  
 Scheduled date to commence dividend payments: May 31, 2023  
 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, 2023 (from April 1, 2022 to March 31, 2023)

### (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, 2023	99,730	17.1	(770)	-	28	(95.4)	(2,053)	-
Year ended March 31, 2022	85,155	(2.2)	(70)	-	616	-	(1,210)	-

	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, 2023	(89.70)	-	(4.2)	0.0	(0.8)
Year ended March 31, 2022	(52.67)	-	(2.5)	(0.8)	(0.1)

### (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, 2023	82,903	48,887	58.5	2,159.80
As of March 31, 2022	80,157	49,777	61.7	2,150.02

### (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, 2023	(787)	(2,050)	(30)	15,885
Year ended March 31, 2022	3,504	(3,457)	(1,327)	18,455

## 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, 2022	-	10.00	-	5.00	15.00	344	-	0.7
Year ended March 31, 2023	-	7.50	-	7.50	15.00	342	-	0.7
Year ending March 31, 2024 (Forecast)	-	6.00	-	-	-		-	

(Note) The expected dividend amount as of the end of the fiscal year ending March 31, 2024 is not yet determined at this time.

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
Six months ending September 30, 2023	46,800	2.1	(970)	-	(1,030)	-	(2,830)	-	(125.99)
Full year	95,400	(4.3)	70	-	50	77.8	(1,970)	-	(87.70)

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2023

(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:

No

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, 2023	23,475,352 shares	As of March 31, 2022	23,475,352 shares
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Number of treasury shares at the end of the period

As of March 31, 2023	1,014,557 shares	As of March 31, 2022	482,005 shares
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Average number of shares during the period

Year ended March 31, 2023	22,891,606 shares	Year ended March 31, 2022	22,986,084 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Assets		
Current assets		
Cash and deposits	19,710	17,283
Notes receivable – trade	82	30
Accounts receivable – trade	15,510	16,389
Electronically recorded monetary claims - operating	4,623	5,462
Inventories	12,412	14,765
Other	1,691	2,336
Allowance for doubtful accounts	(288)	(266)
Total current assets	53,742	56,003
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,912	6,771
Machinery, equipment and vehicles, net	4,920	5,061
Tools, furniture and fixtures, net	2,606	2,679
Land	4,865	4,951
Construction in progress	1,140	760
Total property, plant and equipment	20,445	20,224
Intangible assets		
Other	476	700
Total intangible assets	476	700
Investments and other assets		
Investment securities	4,822	5,251
Retirement benefit asset	179	178
Deferred tax assets	170	150
Other	350	421
Allowance for doubtful accounts	(30)	(27)
Total investments and other assets	5,492	5,975
Total non-current assets	26,414	26,900
Total assets	80,157	82,903

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	8,077	10,434
Electronically recorded obligations - operating	5,072	4,612
Short-term loans payable	4,121	5,884
Lease liabilities	320	403
Income taxes payable	387	283
Provision for bonuses	975	806
Provision for product warranties	458	381
Other	3,441	3,374
<b>Total current liabilities</b>	<b>22,853</b>	<b>26,180</b>
<b>Non-current liabilities</b>		
Long-term loans payable	3,725	2,516
Lease liabilities	449	1,145
Deferred tax liabilities	1,362	2,385
Retirement benefit liability	1,709	1,652
Other	279	135
<b>Total non-current liabilities</b>	<b>7,525</b>	<b>7,835</b>
<b>Total liabilities</b>	<b>30,379</b>	<b>34,016</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	7,289	7,289
Capital surplus	7,041	7,041
Retained earnings	30,367	28,021
Treasury shares	(389)	(763)
<b>Total shareholders' equity</b>	<b>44,310</b>	<b>41,589</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	1,742	2,002
Foreign currency translation adjustment	3,162	4,783
Remeasurements of defined benefit plans	221	135
<b>Total accumulated other comprehensive income</b>	<b>5,126</b>	<b>6,921</b>
<b>Non-controlling interests</b>	<b>341</b>	<b>376</b>
<b>Total net assets</b>	<b>49,777</b>	<b>48,887</b>
<b>Total liabilities and net assets</b>	<b>80,157</b>	<b>82,903</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Net sales	85,155	99,730
Cost of sales	78,206	93,445
Gross profit	6,948	6,285
Selling, general and administrative expenses		
Packing and transportation expenses	1,894	1,792
Provision for product warranties	93	(4)
Salaries, allowances and bonuses	2,148	2,305
Provision for bonuses	147	110
Retirement benefit expenses	98	58
Depreciation	140	151
Other	2,498	2,641
Total selling, general and administrative expenses	7,019	7,055
Operating loss	(70)	(770)
Non-operating income		
Interest income	152	168
Dividend income	168	186
Compensation income	8	7
Foreign exchange gains	343	565
Other	227	198
Total non-operating income	900	1,126
Non-operating expenses		
Interest expenses	157	247
Other	55	80
Total non-operating expenses	212	328
Ordinary profit	616	28
Extraordinary income		
Gain on sales of non-current assets	54	25
Gain on sales of investment securities	223	74
Total extraordinary income	278	100
Extraordinary losses		
Loss on disposal of non-current assets	364	6
Loss on sale of investment securities	2	–
Impairment loss	935	–
Loss on liquidation of subsidiaries and affiliates	0	–
Loss on cancel of derivatives	–	122
Total extraordinary losses	1,303	129
Loss before income taxes	(407)	(1)
Income taxes - current	885	1,019
Income taxes - deferred	(110)	974
Total income taxes	775	1,993
Loss	(1,182)	(1,994)
Profit attributable to non-controlling interests	27	58
Loss attributable to owners of parent	(1,210)	(2,053)

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Loss	(1,182)	(1,994)
Other comprehensive income		
Valuation difference on available-for-sale securities	(159)	259
Foreign currency translation adjustment	1,954	1,634
Remeasurements of defined benefit plans, net of tax	74	(85)
Total other comprehensive income	1,869	1,808
Comprehensive income	686	(186)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	615	(258)
Comprehensive income attributable to non-controlling interests	71	71

## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023
Cash flows from operating activities		
Loss before income taxes	(407)	(1)
Depreciation	3,871	2,949
Impairment loss	935	–
Increase (decrease) in allowance for doubtful accounts	(40)	(54)
Increase (decrease) in provision for bonuses	(48)	(169)
Increase (decrease) in provision for product warranties	39	(86)
Interest and dividend income	(321)	(355)
Interest expenses	157	247
Employment adjustment subsidy	(367)	(90)
Loss (gain) on sale of investment securities	(221)	(74)
Loss (gain) on disposal of non-current assets	309	(19)
Decrease (increase) in notes and accounts receivable - trade	3,819	(616)
Decrease (increase) in inventories	(1,690)	(1,520)
Increase (decrease) in trade payable	(2,398)	1,057
Other, net	259	(1,169)
Subtotal	3,896	95
Interest and dividend income received	321	354
Interest expenses paid	(157)	(246)
Employment adjustment subsidy received	349	101
Income taxes paid	(1,022)	(1,092)
Income taxes refund	116	–
Net cash provided by (used in) operating activities	3,504	(787)
Cash flows from investing activities		
Decrease (increase) in time deposits	103	(88)
Purchase of property, plant and equipment	(3,647)	(1,641)
Proceeds from sale of property, plant and equipment	243	7
Payments for retirement of property, plant and equipment	(268)	–
Purchase of investment securities	(68)	(74)
Proceeds from sale of investment securities	411	97
Other, net	(231)	(351)
Net cash provided by (used in) investing activities	(3,457)	(2,050)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	858	1,822
Proceeds from long-term loans payable	1,019	200
Repayments of long-term loans payable	(1,986)	(1,919)
Repayments of lease obligations	(701)	(448)
Cash dividends paid	(459)	(287)
Proceeds from issuance of shares	–	1,034
Other, net	(57)	(431)
Net cash provided by (used in) financing activities	(1,327)	(30)
Effect of exchange rate change on cash and cash equivalents	905	297
Net increase (decrease) in cash and cash equivalents	(375)	(2,570)
Cash and cash equivalents at beginning of period	18,831	18,455
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(0)	–
Cash and cash equivalents at end of period	18,455	15,885