

Summary of Consolidated Financial Results for the First Quarter of FY2024 (Based on Japanese GAAP)

August 8, 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 to file quarterly Securities Report: August 9, 2023
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the Fiscal First Quarter of FY2024 (from April 1, 2023 to June 30, 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	%
First Quarter of FY2024	24,127	7.9	20	-	323	162.9	(908)	-
First Quarter of FY2023	22,354	(1.3)	(555)	-	123	(84.1)	(270)	-

	Earnings per share	Diluted earnings per share
	Yen	Yen
First Quarter of FY2024	(40.82)	-
First Quarter of FY2023	(11.77)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
First Quarter of FY2024	83,711	48,704	57.8	2,181.31
FY2023	82,903	48,887	58.5	2,159.80

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
FY2023	-	7.50	-	7.50	15.00
FY2024	-	-	-	-	-
FY2024(Forecast)	-	6.00	-	-	-

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
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 quarter
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of 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)

FY2024 First quarter	23,475,352 shares	FY2023	23,475,352 shares
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Number of treasury shares at the end of the period

FY2024 First quarter	1,308,994 shares	FY2023	1,014,557 shares
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Average number of shares during the period

FY2024 First quarter	22,259,517 shares	FY2023 First quarter	22,993,335 shares
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*This report is not subject to quarterly review by certified public accountants or auditing firms.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2023 First quarter (As of June 30, 2023)
Assets		
Current assets		
Cash and deposits	17,283	16,522
Notes and accounts receivable - trade	16,420	17,823
Electronically recorded monetary claims - operating	5,462	5,597
Inventories	14,765	13,911
Other	2,336	2,126
Allowance for doubtful accounts	(266)	(273)
Total current assets	56,003	55,707
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,771	6,693
Machinery, equipment and vehicles, net	5,061	4,832
Other, net	8,391	8,753
Total property, plant and equipment	20,224	20,279
Intangible assets		
Other	700	729
Total intangible assets	700	729
Investments and other assets		
Investment securities	5,251	6,258
Other	750	764
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	5,975	6,995
Total non-current assets	26,900	28,004
Total assets	82,903	83,711

(Millions of yen)

	FY2023 (As of March 31, 2023)	FY2023 First quarter (As of June 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,434	8,975
Electronically recorded obligations - operating	4,612	4,888
Short-term loans payable	5,884	7,079
Income taxes payable	283	261
Provision for bonuses	806	306
Provision for product warranties	381	212
Other	3,777	5,495
Total current liabilities	26,180	27,219
Non-current liabilities		
Long-term loans payable	2,516	2,297
Retirement benefit liability	1,652	1,461
Other	3,666	4,027
Total non-current liabilities	7,835	7,786
Total liabilities	34,016	35,006
Net assets		
Shareholders' equity		
Capital stock	7,289	7,289
Capital surplus	7,041	7,041
Retained earnings	28,021	26,944
Treasury shares	(763)	(963)
Total shareholders' equity	41,589	40,312
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,002	2,678
Foreign currency translation adjustment	4,783	5,228
Remeasurements of defined benefit plans	135	131
Total accumulated other comprehensive income	6,921	8,038
Non-controlling interests	376	353
Total net assets	48,887	48,704
Total liabilities and net assets	82,903	83,711

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

(Millions of yen)

	FY 2023 First quarter (Apr.1.2022 through Jun. 30.2022)	FY 2024 First quarter (Apr.1.2023 through Jun. 30.2023)
Net sales	22,354	24,127
Cost of sales	21,189	22,264
Gross profit	1,165	1,863
Selling, general and administrative expenses		
Packing and transportation expenses	479	424
Salaries, allowances and bonuses	546	580
Provision for bonuses	62	41
Retirement benefit expenses	15	18
Depreciation	37	34
Other	579	743
Total selling, general and administrative expenses	1,720	1,843
Operating profit (loss)	(555)	20
Non-operating income		
Interest income	37	41
Dividend income	90	99
Foreign exchange gains	539	259
Other	54	65
Total non-operating income	721	465
Non-operating expenses		
Interest expenses	39	97
Compensation expenses	0	51
Other	3	12
Total non-operating expenses	43	161
Ordinary profit	123	323
Extraordinary income		
Gain on sales of non-current assets	13	–
Gain on sales of investment securities	0	1
Total extraordinary income	14	1
Extraordinary losses		
Loss on disposal of non-current assets	1	6
Extra retirement payments	–	787
Impairment losses	–	32
Total extraordinary losses	1	826
Profit (loss) before income taxes	136	(501)
Income taxes - current	406	423
Income taxes - deferred	(15)	(35)
Total income taxes	391	388
Loss	(254)	(890)
Profit attributable to non-controlling interests	16	18
Loss attributable to owners of parent	(270)	(908)

Consolidated statements of comprehensive income

(Millions of yen)

	FY 2023 First quarter (Apr.1.2022 through Jun. 30.2022)	FY 2024 First quarter (Apr.1.2023 through Jun. 30.2023)
Loss	(254)	(890)
Other comprehensive income		
Valuation difference on available-for-sale securities	(57)	676
Foreign currency translation adjustment	1,199	451
Remeasurements of defined benefit plans, net of tax	(16)	(3)
Total other comprehensive income	1,126	1,124
Comprehensive income	871	234
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	843	209
Comprehensive income attributable to non-controlling interests	28	25

Consolidated statements of cash flows

(Millions of yen)

	FY 2023 First quarter (Apr.1.2022 through Jun. 30.2022)	FY 2024 First quarter (Apr.1.2023 through Jun. 30.2023)
Cash flows from operating activities		
Profit before income taxes	136	(501)
Depreciation	690	706
Increase (decrease) in provision for bonuses	(575)	(499)
Interest and dividend income	(127)	(140)
Interest expenses	39	97
Extra retirement payments	–	787
Employment adjustment subsidy	(60)	–
Loss (gain) on disposal of non-current assets	(12)	6
Decrease (increase) in notes and accounts receivable - trade	242	(1,325)
Decrease (increase) in inventories	(1,313)	972
Increase (decrease) in trade payable	1,049	(1,349)
Other, net	313	604
Subtotal	383	(642)
Interest and dividend income received	118	142
Interest expenses paid	(40)	(97)
Income taxes paid	(540)	(393)
Employment adjustment subsidy received	28	–
Net cash provided by (used in) operating activities	(50)	(991)
Cash flows from investing activities		
Decrease (increase) in time deposits	26	73
Purchase of property, plant and equipment	(401)	(370)
Purchase of investment securities	(30)	(29)
Other, net	(54)	(21)
Net cash provided by (used in) investing activities	(459)	(347)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	349	1,121
Proceeds from long-term loans payable	200	200
Repayments of long-term loans payable	(468)	(388)
Repayments of lease obligations	(77)	(117)
Cash dividends paid	(114)	(168)
Other, net	(36)	(248)
Net cash provided by (used in) financing activities	(148)	398
Effect of exchange rate change on cash and cash equivalents	400	229
Net increase (decrease) in cash and cash equivalents	(259)	(710)
Cash and cash equivalents at beginning of period	18,455	15,885
Cash and cash equivalents at end of period	18,196	15,174