

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 29, 2022

Company name: Sansha Electric Manufacturing Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6882 URL <https://www.sansha.co.jp>
 Representative: Representative Director, President Hajimu Yoshimura
 General Manager
 Inquiries: Corporate Planning Division Hiroyuki Maruyama TEL 06-6321-0321
 Operating Officer
 Scheduled date to file Quarterly Securities Report: August 5, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2022 (from April 1, 2022 to June 30, 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	%
Three months ended June 30, 2022	6,287	25.6	102	31.6	120	54.2	12	–
Three months ended June 30, 2021	5,005	19.0	78	–	78	–	(21)	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	0.98		–	
Three months ended June 30, 2021	(1.52)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2022	27,293	20,043	73.4	1,560.07
As of March 31, 2022	27,146	19,810	73.0	1,541.90

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	–	8.00	–	17.00	25.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	–	–

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	26,000	14.7	1,600	21.5	1,600	21.8	1,200	4.6	93.40

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 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: 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 June 30, 2022	14,950,000 shares	As of March 31, 2022	14,950,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	2,102,122 shares	As of March 31, 2022	2,102,122 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	12,847,878 shares	Three months ended June 30, 2021	14,047,878 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	5,026	4,641
Notes receivable - trade	838	883
Accounts receivable - trade	6,364	6,110
Electronically recorded monetary claims - operating	1,242	1,667
Merchandise and finished goods	2,634	2,742
Work in process	1,591	1,553
Raw materials and supplies	2,618	2,892
Other	562	496
Allowance for doubtful accounts	(59)	(75)
Total current assets	20,819	20,913
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,866	1,811
Machinery, equipment and vehicles, net	517	472
Land	2,238	2,238
Leased assets, net	295	283
Construction in progress	79	142
Other, net	262	264
Total property, plant and equipment	5,259	5,213
Intangible assets		
Goodwill	28	26
Other	114	116
Total intangible assets	143	143
Investments and other assets		
Investment securities	24	25
Deferred tax assets	255	297
Retirement benefit asset	508	529
Other	135	171
Total investments and other assets	924	1,023
Total non-current assets	6,326	6,379
Total assets	27,146	27,293

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,470	3,406
Electronically recorded obligations - operating	337	298
Accounts payable - other	913	886
Accrued expenses	609	703
Income taxes payable	195	156
Contract liabilities	388	383
Provision for bonuses	565	355
Provision for product warranties	57	54
Provision for loss on orders received	40	114
Other	326	372
Total current liabilities	6,905	6,731
Non-current liabilities		
Lease liabilities	101	100
Directors' retirement benefits payable	68	68
Deferred tax liabilities	161	239
Retirement benefit liability	52	56
Other	48	54
Total non-current liabilities	431	518
Total liabilities	7,336	7,249
Net assets		
Shareholders' equity		
Share capital	2,774	2,774
Capital surplus	2,698	2,698
Retained earnings	15,226	15,020
Treasury shares	(1,903)	(1,903)
Total shareholders' equity	18,795	18,590
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5	7
Foreign currency translation adjustment	901	1,341
Remeasurements of defined benefit plans	107	105
Total accumulated other comprehensive income	1,014	1,453
Total net assets	19,810	20,043
Total liabilities and net assets	27,146	27,293

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	5,005	6,287
Cost of sales	3,914	5,029
Gross profit	1,090	1,257
Selling, general and administrative expenses	1,012	1,155
Operating profit	78	102
Non-operating income		
Interest income	1	2
Dividend income	1	0
Rental income	3	3
Gain on valuation of derivatives	8	34
Other	7	10
Total non-operating income	21	51
Non-operating expenses		
Interest expenses	1	1
Foreign exchange losses	17	31
Other	2	0
Total non-operating expenses	21	33
Ordinary profit	78	120
Profit before income taxes	78	120
Income taxes - current	38	67
Income taxes - deferred	61	40
Total income taxes	99	108
Profit (loss)	(21)	12
Profit (loss) attributable to owners of parent	(21)	12

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit (loss)	(21)	12
Other comprehensive income		
Valuation difference on available-for-sale securities	(2)	1
Foreign currency translation adjustment	44	439
Remeasurements of defined benefit plans, net of tax	(8)	(1)
Total other comprehensive income	33	439
Comprehensive income	12	451
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12	451