

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2024 (Based on Japanese GAAP)

May 8, 2024

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  
 Managing Operating Officer  
 Scheduled date of ordinary general meeting of shareholders: June 25, 2024  
 Scheduled date to file Securities Report: June 25, 2024  
 Scheduled date to commence dividend payments: June 7, 2024  
 Preparation of supplementary material on financial results: Yes  
 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, 2024 (from April 1, 2023 to March 31, 2024)

#### (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, 2024	31,005	10.4	3,407	109.1	3,473	110.3	2,955	138.0
Year ended March 31, 2023	28,088	23.9	1,629	23.8	1,651	25.7	1,241	8.2

	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, 2024	222.19	–	13.0	10.8	11.0
Year ended March 31, 2023	95.33	–	6.1	5.9	5.8

#### (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, 2024	35,334	24,432	69.1	1,837.05
As of March 31, 2023	29,083	21,065	72.4	1,583.87

#### (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, 2024	2,303	(1,097)	488	5,825
Year ended March 31, 2023	(198)	(799)	(189)	3,959

### 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, 2023	–	8.00	–	22.00	30.00	395	31.5	1.9
Year ended March 31, 2024	–	10.00	–	40.00	50.00	664	22.5	2.9
Year ending March 31, 2025 (Forecast)	–	10.00	–	30.00	40.00		54.8	

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	28,800	(7.1)	1,400	(58.9)	1,400	(59.7)	980	(66.8)	73.68

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2024

(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: No

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, 2024	14,950,000 shares	As of March 31, 2023	14,950,000 shares
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Number of treasury shares at the end of the period

As of March 31, 2024	1,650,022 shares	As of March 31, 2023	1,650,022 shares
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Average number of shares during the period

Year ended March 31, 2024	13,299,978 shares	Year ended March 31, 2023	13,021,763 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	3,959	5,825
Notes receivable - trade	551	457
Accounts receivable - trade	7,735	7,702
Electronically recorded monetary claims - operating	1,568	4,278
Merchandise and finished goods	3,105	3,997
Work in process	1,789	1,829
Raw materials and supplies	3,181	3,047
Other	649	284
Allowance for doubtful accounts	(31)	(31)
Total current assets	22,510	27,393
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,846	1,627
Machinery, equipment and vehicles, net	694	619
Land	2,238	2,238
Leased assets, net	375	339
Construction in progress	110	711
Other, net	234	233
Total property, plant and equipment	5,499	5,770
Intangible assets		
Goodwill	22	16
Other	101	195
Total intangible assets	123	211
Investments and other assets		
Investment securities	32	213
Deferred tax assets	336	689
Retirement benefit asset	384	797
Other	196	259
Total investments and other assets	949	1,959
Total non-current assets	6,572	7,941
Total assets	29,083	35,334

(Millions of yen)

	As of March 31, 2023	As of March 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	3,875	3,850
Short-term borrowings	–	1,000
Electronically recorded obligations - operating	375	405
Accounts payable - other	1,169	1,394
Accrued expenses	679	723
Income taxes payable	345	1,001
Contract liabilities	58	211
Provision for bonuses	614	895
Provision for product warranties	58	44
Provision for loss on orders received	51	73
Other	289	922
Total current liabilities	7,519	10,522
Non-current liabilities		
Lease liabilities	190	155
Directors' retirement benefits payable	68	68
Deferred tax liabilities	133	9
Provision for director's stock based compensation	–	33
Retirement benefit liability	54	58
Other	51	54
Total non-current liabilities	498	378
Total liabilities	8,017	10,901
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,774	2,774
Capital surplus	2,698	2,755
Retained earnings	16,033	18,561
Treasury shares	(1,540)	(1,597)
Total shareholders' equity	19,965	22,493
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11	28
Foreign currency translation adjustment	1,109	1,697
Remeasurements of defined benefit plans	(21)	213
Total accumulated other comprehensive income	1,100	1,939
Total net assets	21,065	24,432
<b>Total liabilities and net assets</b>	<b>29,083</b>	<b>35,334</b>

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

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Net sales	28,088	31,005
Cost of sales	21,600	22,423
Gross profit	6,488	8,582
Selling, general and administrative expenses	4,858	5,174
Operating profit	1,629	3,407
Non-operating income		
Interest income	12	13
Dividend income	1	1
Rental income	13	13
Subsidy income	8	26
Electricity sale income	7	7
Gain on valuation of derivatives	44	81
Other	29	23
Total non-operating income	116	167
Non-operating expenses		
Interest expenses	4	9
Foreign exchange losses	88	52
Loss on cancellation of rental contracts	–	35
Other	1	3
Total non-operating expenses	94	101
Ordinary profit	1,651	3,473
Profit before income taxes	1,651	3,473
Income taxes - current	463	1,089
Income taxes - deferred	(53)	(571)
Total income taxes	409	518
Profit	1,241	2,955
Profit attributable to owners of parent	1,241	2,955

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Profit	1,241	2,955
Other comprehensive income		
Valuation difference on available-for-sale securities	6	16
Foreign currency translation adjustment	207	587
Remeasurements of defined benefit plans, net of tax	(128)	234
Total other comprehensive income	85	838
Comprehensive income	1,327	3,794
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,327	3,794

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2023

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,774	2,698	15,226	(1,903)	18,795
Changes during period					
Dividends of surplus			(321)		(321)
Profit attributable to owners of parent			1,241		1,241
Purchase of treasury shares				(1,506)	(1,506)
Disposal of treasury shares		(113)		1,869	1,755
Transfer of loss on disposal of treasury shares		113	(113)		–
Net changes in items other than shareholders' equity					
Total changes during period	–	–	806	362	1,169
Balance at end of period	2,774	2,698	16,033	(1,540)	19,965

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	5	901	107	1,014	19,810
Changes during period					
Dividends of surplus					(321)
Profit attributable to owners of parent					1,241
Purchase of treasury shares					(1,506)
Disposal of treasury shares					1,755
Transfer of loss on disposal of treasury shares					–
Net changes in items other than shareholders' equity	6	207	(128)	85	85
Total changes during period	6	207	(128)	85	1,255
Balance at end of period	11	1,109	(21)	1,100	21,065

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,774	2,698	16,033	(1,540)	19,965
Changes during period					
Dividends of surplus			(426)		(426)
Profit attributable to owners of parent			2,955		2,955
Disposal of treasury shares		57		(57)	–
Net changes in items other than shareholders' equity					
Total changes during period	–	57	2,528	(57)	2,528
Balance at end of period	2,774	2,755	18,561	(1,597)	22,493

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	11	1,109	(21)	1,100	21,065
Changes during period					
Dividends of surplus					(426)
Profit attributable to owners of parent					2,955
Disposal of treasury shares					–
Net changes in items other than shareholders' equity	16	587	234	838	838
Total changes during period	16	587	234	838	3,367
Balance at end of period	28	1,697	213	1,939	24,432



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,651	3,473
Depreciation	885	901
Amortization of goodwill	6	6
Increase (decrease) in allowance for doubtful accounts	(28)	(1)
Increase (decrease) in provision for bonuses	47	275
Increase (decrease) in provision for product warranties	1	(14)
Increase (decrease) in provision for loss on orders received	11	21
Decrease (increase) in retirement benefit asset	(60)	(74)
Increase (decrease) in retirement benefit liability	2	3
Increase (decrease) in provision for directors' stock based compensation	–	33
Interest and dividend income	(13)	(15)
Interest expenses	4	9
Loss (gain) on sale of property, plant and equipment	(2)	–
Decrease (increase) in trade receivables	(1,338)	(2,331)
Decrease (increase) in inventories	(1,177)	(563)
Increase (decrease) in trade payables	387	(140)
Increase (decrease) in accrued expenses	68	36
Other, net	(341)	1,146
Subtotal	103	2,765
Interest and dividends received	13	14
Interest paid	(4)	(9)
Income taxes paid	(311)	(467)
Net cash provided by (used in) operating activities	(198)	2,303
Cash flows from investing activities		
Purchase of property, plant and equipment	(758)	(882)
Proceeds from sale of property, plant and equipment	2	–
Purchase of intangible assets	(43)	(55)
Purchase of investments in associates	–	(159)
Net cash provided by (used in) investing activities	(799)	(1,097)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	1,000
Purchase of treasury shares	(1,506)	–
Proceeds from sale of treasury shares	1,755	–
Dividends paid	(321)	(426)
Repayments of finance lease liabilities	(116)	(85)
Net cash provided by (used in) financing activities	(189)	488
Effect of exchange rate change on cash and cash equivalents	120	171
Net increase (decrease) in cash and cash equivalents	(1,066)	1,865
Cash and cash equivalents at beginning of period	5,026	3,959
Cash and cash equivalents at end of period	3,959	5,825