

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 (Based on Japanese GAAP)

July 29, 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 to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024	5,975	(12.5)	425	(24.8)	534	(13.0)	278	(30.5)
Three months ended June 30, 2023	6,829	8.6	565	450.0	614	408.9	400	–

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2024	20.92		–	
Three months ended June 30, 2023	30.11		–	

(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, 2024	33,349	24,533	73.6	1,844.64
As of March 31, 2024	35,334	24,432	69.1	1,837.05

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, 2024	–	10.00	–	40.00	50.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		10.00	–	30.00	40.00

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) Significant changes in the scope of consolidation during the three months ended June 30, 2024: 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, 2024	14,950,000 shares	As of March 31, 2024	14,950,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	1,650,022 shares	As of March 31, 2024	1,650,022 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, 2024	13,299,978 shares	Three months ended June 30, 2023	13,299,978 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	5,825	7,455
Notes receivable - trade	457	405
Accounts receivable - trade	7,702	5,784
Electronically recorded monetary claims - operating	4,278	1,976
Merchandise and finished goods	3,997	4,160
Work in process	1,829	2,147
Raw materials and supplies	3,047	3,227
Other	284	324
Allowance for doubtful accounts	(31)	(24)
Total current assets	27,393	25,458
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,627	1,603
Machinery, equipment and vehicles, net	619	670
Land	2,238	2,238
Leased assets, net	339	330
Construction in progress	711	869
Other, net	233	204
Total property, plant and equipment	5,770	5,915
Intangible assets		
Goodwill	16	14
Other	195	219
Total intangible assets	211	234
Investments and other assets		
Investment securities	213	204
Deferred tax assets	689	494
Retirement benefit asset	797	730
Other	259	311
Total investments and other assets	1,959	1,740
Total non-current assets	7,941	7,890
Total assets	35,334	33,349

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,850	3,075
Electronically recorded obligations - operating	405	327
Short-term borrowings	1,000	1,000
Accounts payable - other	1,394	1,623
Accrued expenses	723	918
Income taxes payable	1,001	98
Contract liabilities	211	226
Provision for bonuses	895	441
Provision for product warranties	44	41
Provision for loss on orders received	73	97
Other	922	586
Total current liabilities	10,522	8,435
Non-current liabilities		
Lease liabilities	155	150
Directors' retirement benefits payable	68	68
Deferred tax liabilities	9	12
Provision for share based compensation expenses for directors	33	33
Retirement benefit liability	58	57
Other	54	57
Total non-current liabilities	378	379
Total liabilities	10,901	8,815
Net assets		
Shareholders' equity		
Share capital	2,774	2,774
Capital surplus	2,755	2,755
Retained earnings	18,561	18,302
Treasury shares	(1,597)	(1,597)
Total shareholders' equity	22,493	22,234
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	28	34
Foreign currency translation adjustment	1,697	2,104
Remeasurements of defined benefit plans	213	159
Total accumulated other comprehensive income	1,939	2,298
Total net assets	24,432	24,533
Total liabilities and net assets	35,334	33,349

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, 2023	Three months ended June 30, 2024
Net sales	6,829	5,975
Cost of sales	5,036	4,263
Gross profit	1,792	1,711
Selling, general and administrative expenses	1,227	1,286
Operating profit	565	425
Non-operating income		
Interest income	3	5
Dividend income	0	1
Rental income	3	3
Gain on valuation of derivatives	32	44
Compensation income for damage	–	110
Other	30	7
Total non-operating income	70	173
Non-operating expenses		
Interest expenses	2	3
Share of loss of entities accounted for using equity method	–	16
Foreign exchange losses	18	42
Other	0	1
Total non-operating expenses	20	63
Ordinary profit	614	534
Profit before income taxes	614	534
Income taxes - current	153	33
Income taxes - deferred	60	223
Total income taxes	214	256
Profit	400	278
Profit attributable to owners of parent	400	278

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	400	278
Other comprehensive income		
Valuation difference on available-for-sale securities	2	5
Foreign currency translation adjustment	309	407
Remeasurements of defined benefit plans, net of tax	5	(53)
Total other comprehensive income	317	359
Comprehensive income	717	637
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	717	637