

Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2023 (Based on Japanese GAAP)

November 10, 2023

Company name: TEIKOKU ELECTRIC MFG.CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 6333 URL <https://www.teikokudenki.co.jp/>
 Representative: President & CEO Yoshihiro Koroyasu
 Inquiries: Director, Senior Managing Executive Officer, Kiyoshi Murata TEL 0791-75-4160
 Chief of Administration H.Q.
 Scheduled date to file Quarterly Securities Report: November 13, 2023
 Scheduled date to commence dividend payments: December 4, 2023
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

(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	%
Six months ended September 30, 2023	14,306	10.8	2,599	13.6	2,996	8.0	2,074	9.5
Six months ended September 30, 2022	12,909	26.8	2,288	115.3	2,774	124.2	1,894	136.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	114.41	—
Six months ended September 30, 2022	100.57	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	43,853	33,575	75.4
As of March 31, 2023	41,596	31,506	74.7

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
Year ended March 31, 2023	—	58.00	—	58.00	116.00
Year ending March 31, 2024	—	46.00	—	—	—
Year ending March 31, 2024 (Forecast)	—	—	—	46.00	92.00

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
Full year	28,190	(0.9)	4,520	(10.0)	4,680	(14.5)	3,280	(17.9)	181.03

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2023
(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: Yes
- (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 September 30, 2023	18,990,038 shares	As of March 31, 2023	18,990,038 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	843,400 shares	As of March 31, 2023	871,399 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2023	18,135,161 shares	Six months ended September 30, 2022	18,838,069 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	16,141,306	16,206,008
Notes and accounts receivable - trade, and contract assets	7,689,537	8,643,824
Electronically recorded monetary claims - operating	1,231,831	1,435,653
Finished goods	2,111,222	2,204,960
Work in process	1,959,027	2,205,440
Raw materials and supplies	1,953,954	2,162,390
Other	581,697	784,340
Allowance for doubtful accounts	(727,878)	(785,753)
Total current assets	30,940,699	32,856,865
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,383,040	4,284,407
Other, net	4,617,271	4,780,486
Total property, plant and equipment	9,000,312	9,064,893
Intangible assets		
Other	127,870	147,023
Total intangible assets	127,870	147,023
Investments and other assets	1,528,048	1,784,880
Total non-current assets	10,656,230	10,996,797
Total assets	41,596,930	43,853,663
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,006,645	2,265,276
Electronically recorded obligations - operating	645,198	644,415
Short-term borrowings	320,000	320,000
Income taxes payable	865,024	670,097
Provision for product warranties	49,584	70,492
Provision for bonuses	653,697	515,891
Other	3,681,638	3,910,332
Total current liabilities	8,221,788	8,396,504
Non-current liabilities		
Long-term borrowings	79,870	–
Retirement benefit liability	608,109	646,189
Other	1,180,935	1,235,216
Total non-current liabilities	1,868,915	1,881,405
Total liabilities	10,090,703	10,277,910

(Thousands of yen)

	As of March 31, 2023	As of September 30, 2023
Net assets		
Shareholders' equity		
Share capital	3,143,675	3,143,675
Capital surplus	2,931,466	2,956,767
Retained earnings	24,353,090	25,377,079
Treasury shares	(1,476,255)	(1,428,715)
Total shareholders' equity	28,951,976	30,048,807
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	357,202	466,805
Foreign currency translation adjustment	1,827,048	2,576,425
Remeasurements of defined benefit plans	(42,856)	(39,503)
Total accumulated other comprehensive income	2,141,394	3,003,727
Non-controlling interests	412,855	523,218
Total net assets	31,506,226	33,575,753
Total liabilities and net assets	41,596,930	43,853,663

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	12,909,757	14,306,580
Cost of sales	7,413,152	8,272,654
Gross profit	5,496,604	6,033,926
Selling, general and administrative expenses	3,207,719	3,434,272
Operating profit	2,288,885	2,599,653
Non-operating income		
Interest income	48,485	73,668
Dividend income	19,794	13,821
Rental income	15,842	15,186
Foreign exchange gains	356,134	270,869
Other	68,739	47,402
Total non-operating income	508,996	420,948
Non-operating expenses		
Interest expenses	16,578	16,315
Other	6,547	8,104
Total non-operating expenses	23,126	24,420
Ordinary profit	2,774,755	2,996,181
Profit before income taxes	2,774,755	2,996,181
Income taxes	831,011	857,372
Profit	1,943,744	2,138,808
Profit attributable to non-controlling interests	49,161	63,939
Profit attributable to owners of parent	1,894,583	2,074,869

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	1,943,744	2,138,808
Other comprehensive income		
Valuation difference on available-for-sale securities	(47,120)	109,603
Foreign currency translation adjustment	1,416,076	795,801
Remeasurements of defined benefit plans, net of tax	1,183	3,352
Total other comprehensive income	1,370,140	908,757
Comprehensive income	3,313,884	3,047,566
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,235,841	2,937,203
Comprehensive income attributable to non-controlling interests	78,043	110,362