

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

February 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
 Director, Managing Executive Officer, Kiyoshi Murata
 Inquiries: Chief of Administration H.Q. TEL 0791-75-4160
 Scheduled date to file Quarterly Securities Report: February 13, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	20,618	29.5	3,767	107.9	4,144	96.3	2,871	104.5
Nine months ended December 31, 2021	15,925	10.1	1,812	7.0	2,111	16.2	1,404	(23.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	153.24		–	
Nine months ended December 31, 2021	72.76		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	41,572	31,580	75.1
As of March 31, 2022	39,001	30,291	77.0

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	–	18.00	–	32.00	50.00
Year ending March 31, 2023	–	58.00	–		
Year ending March 31, 2023 (Forecast)				58.00	116.00

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	26,730	20.2	4,480	79.6	5,050	71.0	3,520	77.1	191.95

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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: 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 December 31, 2022	19,540,038 shares	As of March 31, 2022	20,440,038 shares
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Number of treasury shares at the end of the period

As of December 31, 2022	1,259,553 shares	As of March 31, 2022	1,435,876 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	18,738,991 shares	Nine months ended December 31, 2021	19,299,583 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Assets		
Current assets		
Cash and deposits	14,441,811	14,267,876
Notes and accounts receivable - trade, and contract assets	6,604,424	8,077,457
Electronically recorded monetary claims - operating	1,278,989	1,719,256
Finished goods	1,805,280	2,397,566
Work in process	1,846,682	2,171,719
Raw materials and supplies	1,558,859	2,075,413
Other	1,177,334	840,747
Allowance for doubtful accounts	(613,722)	(724,832)
Total current assets	28,099,659	30,825,204
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	4,622,790	4,490,581
Other, net	4,067,090	4,119,188
Total property, plant and equipment	8,689,880	8,609,769
Intangible assets		
Other	181,692	138,181
intangible assets	181,692	138,181
Investments and other assets	2,029,891	1,999,124
Total non-current assets	10,901,464	10,747,075
Total assets	39,001,124	41,572,279
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,110,839	2,353,096
Electronically recorded obligations - operating	635,722	703,587
Short-term borrowings	340,000	380,000
Income taxes payable	497,494	774,539
Provision for product warranties	35,911	50,889
Provision for bonuses	520,341	263,518
Other	3,227,848	3,798,990
Total current liabilities	7,368,157	8,324,623
Non-current liabilities		
Long-term borrowings	79,380	78,400
Retirement benefit liability	533,544	547,968
Other	728,974	1,040,822
Total non-current liabilities	1,341,899	1,667,190
Total liabilities	8,710,057	9,991,814

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Net assets		
Shareholders' equity		
Share capital	3,143,675	3,143,675
Capital surplus	3,331,904	2,931,466
Retained earnings	23,882,434	24,159,760
Treasury shares	(1,864,953)	(2,034,704)
Total shareholders' equity	28,493,060	28,200,197
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	419,567	398,877
Foreign currency translation adjustment	1,110,077	2,619,615
Remeasurements of defined benefit plans	(3,691)	(1,916)
Total accumulated other comprehensive income	1,525,953	3,016,575
Non-controlling interests	272,053	363,691
Total net assets	30,291,067	31,580,465
Total liabilities and net assets	39,001,124	41,572,279

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

Consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	15,925,482	20,618,964
Cost of sales	9,483,442	11,792,206
Gross profit	6,442,039	8,826,757
Selling, general and administrative expenses	4,629,649	5,059,617
Operating profit	1,812,389	3,767,140
Non-operating income		
Interest income	43,664	79,695
Dividend income	30,143	32,875
Rental income	24,850	23,592
Foreign exchange gains	63,992	187,788
Other	161,548	88,990
Total non-operating income	324,200	412,942
Non-operating expenses		
Interest expenses	12,233	24,523
Other	13,273	11,389
Total non-operating expenses	25,507	35,912
Ordinary profit	2,111,082	4,144,170
Extraordinary income		
Gain on sale of investment securities	–	25,552
Total extraordinary income	–	25,552
Extraordinary losses		
Loss on sale of non-current assets	13,399	–
Loss on valuation of investment securities	–	2,141
Total extraordinary losses	13,399	2,141
Profit before income taxes	2,097,683	4,167,582
Income taxes	649,198	1,194,468
Profit	1,448,485	2,973,113
Profit attributable to non-controlling interests	44,235	101,528
Profit attributable to owners of parent	1,404,250	2,871,585

Consolidated statements of comprehensive income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Profit	1,448,485	2,973,113
Other comprehensive income		
Valuation difference on available-for-sale securities	(41,494)	(20,690)
Foreign currency translation adjustment	583,407	1,499,647
Remeasurements of defined benefit plans, net of tax	6,447	1,775
Total other comprehensive income	548,360	1,480,732
Comprehensive income	1,996,846	4,453,846
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,946,729	4,362,207
Comprehensive income attributable to non-controlling interests	50,116	91,638