

## Translation

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

October 30, 2023

Company name: Inaba Denki Sangyo Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9934 URL <https://www.inaba.co.jp>  
 Representative: President and Representative Director Seiichi Kita  
 Executive Officer and General Manager,  
 Inquiries: Business Planning Department Masayuki Tamagaki TEL 06-4391-1781  
 Scheduled date to file Quarterly Securities Report: November 14, 2023  
 Scheduled date to commence dividend payments: December 1, 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	158,787	10.2	9,799	10.1	10,679	2.1	7,484	(0.2)
Six months ended September 30, 2022	144,121	8.6	8,900	12.2	10,461	21.7	7,502	22.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	134.01	132.71
Six months ended September 30, 2022	134.96	134.15

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	239,595	157,254	65.3
As of March 31, 2023	245,646	151,228	61.3

## 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	—	50.00	—	70.00	120.00
Year ending March 31, 2024	—	60.00			
Year ending March 31, 2024 (Forecast)			—	60.00	120.00

## 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	328,000	3.5	19,900	6.8	20,800	2.6	14,300	(7.3)	256.85

#### 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: 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 September 30, 2023	56,419,000 shares	As of March 31, 2023	56,419,000 shares
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Number of treasury shares at the end of the period

As of September 30, 2023	341,991 shares	As of March 31, 2023	744,179 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	55,848,056 shares	Six months ended September 30, 2022	55,585,685 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and deposits	57,882	54,834
Notes and accounts receivable - trade, and contract assets	79,107	63,110
Electronically recorded monetary claims - operating	25,380	31,204
Securities	10,000	12,000
Merchandise and finished goods	18,406	21,411
Work in process	382	446
Raw materials and supplies	3,324	3,303
Other	1,845	1,521
Allowance for doubtful accounts	(2)	(2)
Total current assets	196,328	187,831
Non-current assets		
Property, plant and equipment		
Land	14,098	14,102
Other, net	7,527	7,601
Total property, plant and equipment	21,626	21,704
Intangible assets	1,356	1,364
Investments and other assets		
Investment securities	16,933	18,598
Other	9,403	10,097
Allowance for doubtful accounts	(2)	(1)
Total investments and other assets	26,335	28,695
Total non-current assets	49,317	51,764
Total assets	245,646	239,595

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	5,921	5,007
Accounts payable - trade	69,827	58,512
Short-term borrowings	382	406
Income taxes payable	2,689	2,958
Provision for bonuses	5,526	3,122
Provision for bonuses for directors (and other officers)	138	94
Other	4,283	5,406
Total current liabilities	88,768	75,506
Non-current liabilities		
Retirement benefit liability	51	56
Other	5,598	6,777
Total non-current liabilities	5,649	6,834
Total liabilities	94,417	82,340
Net assets		
Shareholders' equity		
Share capital	13,962	13,962
Capital surplus	14,171	14,171
Retained earnings	118,521	122,089
Treasury shares	(1,982)	(911)
Total shareholders' equity	144,672	149,311
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,335	6,547
Deferred gains or losses on hedges	(4)	0
Foreign currency translation adjustment	493	701
Total accumulated other comprehensive income	5,824	7,248
Share acquisition rights	731	693
Total net assets	151,228	157,254
Total liabilities and net assets	245,646	239,595

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

## Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	144,121	158,787
Cost of sales	118,903	131,596
Gross profit	25,217	27,190
Selling, general and administrative expenses	16,317	17,391
Operating profit	8,900	9,799
Non-operating income		
Interest income	21	34
Dividend income	487	431
Foreign exchange gains	655	336
Other	431	140
Total non-operating income	1,594	942
Non-operating expenses		
Interest expenses	6	8
Loss on cancellation of insurance policies	5	28
Other	21	25
Total non-operating expenses	33	62
Ordinary profit	10,461	10,679
Extraordinary income		
Gain on sale of investment securities	455	288
Gain on sale of non-current assets	5	6
Gain on sale of shares of subsidiaries and associates	13	—
Total extraordinary income	473	294
Extraordinary losses		
Loss on retirement of non-current assets	7	4
Loss on sale of non-current assets	1	0
Total extraordinary losses	8	4
Profit before income taxes	10,926	10,969
Income taxes - current	2,276	2,692
Income taxes - deferred	1,147	792
Total income taxes	3,424	3,485
Profit	7,502	7,484
Profit attributable to owners of parent	7,502	7,484

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	7,502	7,484
Other comprehensive income		
Valuation difference on available-for-sale securities	(74)	1,211
Deferred gains or losses on hedges	—	5
Foreign currency translation adjustment	304	207
Total other comprehensive income	230	1,423
Comprehensive income	7,732	8,908