

Translation

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

June 4, 2024

Company name: SENSHU ELECTRIC CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 9824 URL <https://www.senden.co.jp/>
 Representative: Representative Director, President Motohide Nishimura
 Senior Managing Director & Executive
 Inquiries: Officer & General Manager of Administration Division Kazuto Narita TEL 06-6384-1101
 Scheduled date to file Quarterly Securities Report: June 11, 2024
 Scheduled date to commence dividend payments: July 2, 2024
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended April 30, 2024 (from November 1, 2023 to April 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	%
Six months ended April 30, 2024	66,125	6.9	5,104	18.6	5,327	18.8	3,674	22.7
Six months ended April 30, 2023	61,851	12.1	4,304	21.7	4,482	20.7	2,994	20.2

(Note) Comprehensive income Six months ended April 30, 2024 ¥4,381 million [38.5%]
 Six months ended April 30, 2023 ¥3,164 million [27.6%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended April 30, 2024	208.88		208.74	
Six months ended April 30, 2023	168.11		168.09	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of April 30, 2024	105,823	53,361	50.1
As of October 31, 2023	101,367	50,714	49.7

Reference: Equity As of April 30, 2024 ¥52,982 million
 As of October 31, 2023 ¥50,329 million

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 October 31, 2023	–	50.00	–	60.00	110.00
Year ending October 31, 2024	–	65.00			
Year ending October 31, 2024 (Forecast)			–	65.00	130.00

(Note) Revision of cash dividend forecast most recently announced: Yes

3. Forecast of consolidated financial results for the year ending October 31, 2024 (from November 1, 2023 to October 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	132,000	5.6	9,600	14.7	10,000	14.0	7,000	18.2	401.64

(Note) Revision of consolidated financial results forecast most recently announced: Yes

Pursuant to a resolution at a meeting of the Board of Directors held on September 11, 2023, the Company repurchased 270,000 treasury shares. Furthermore, the Company's Board of Directors resolved at a meeting held on June 4, 2024 to repurchase treasury shares. The earnings per share in the consolidated financial results forecast is calculated taking into account the increase or decrease in the number of treasury shares due to the shares repurchased or to be repurchased and other factors.

4. Notes

- (1) Changes in significant subsidiaries during the six months ended April 30, 2024
(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 April 30, 2024	19,500,000 shares	As of October 31, 2023	21,000,000 shares
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Number of treasury shares at the end of the period

As of April 30, 2024	1,971,497 shares	As of October 31, 2023	3,303,008 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended April 30, 2024	17,590,183 shares	Six months ended April 30, 2023	17,811,392 shares
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* Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.

* Proper use of forecasts of financial results, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual performance and other results may differ materially due to various factors.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
Assets		
Current assets		
Cash and deposits	28,534	28,828
Notes and accounts receivable - trade	23,313	22,977
Electronically recorded monetary claims - operating	11,302	13,013
Securities	9	10
Merchandise	6,914	7,654
Work in process	247	225
Raw materials and supplies	257	290
Other	271	319
Allowance for doubtful accounts	(18)	(19)
Total current assets	70,830	73,301
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,083	7,274
Machinery, equipment and vehicles, net	361	330
Land	12,282	12,394
Leased assets, net	103	184
Other, net	523	1,314
Total property, plant and equipment	20,355	21,498
Intangible assets		
Goodwill	122	104
Other	180	164
Total intangible assets	303	269
Investments and other assets		
Investment securities	2,310	3,289
Long-term time deposits	3,000	3,000
Deferred tax assets	715	433
Other, net	4,253	4,422
Allowance for doubtful accounts	(400)	(391)
Total investments and other assets	9,878	10,754
Total non-current assets	30,537	32,522
Total assets	101,367	105,823

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	43,050	44,656
Short-term borrowings	691	726
Current portion of bonds payable	64	14
Current portion of long-term borrowings	5	–
Lease liabilities	22	36
Income taxes payable	1,561	1,785
Provision for bonuses	773	809
Other	1,544	1,535
Total current liabilities	47,713	49,563
Non-current liabilities		
Bonds payable	42	35
Long-term borrowings	54	–
Lease liabilities	49	121
Deferred tax liabilities	8	4
Retirement benefit liability	2,120	2,183
Asset retirement obligations	7	7
Other	656	546
Total non-current liabilities	2,939	2,899
Total liabilities	50,652	52,462
Net assets		
Shareholders' equity		
Share capital	2,575	2,575
Capital surplus	2,757	488
Retained earnings	48,574	51,186
Treasury shares	(5,142)	(3,518)
Total shareholders' equity	48,764	50,731
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	961	1,544
Foreign currency translation adjustment	446	564
Remeasurements of defined benefit plans	156	142
Total accumulated other comprehensive income	1,565	2,251
Share acquisition rights	59	30
Non-controlling interests	326	347
Total net assets	50,714	53,361
Total liabilities and net assets	101,367	105,823

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended April 30, 2023	Six months ended April 30, 2024
Net sales	61,851	66,125
Cost of sales	52,447	55,651
Gross profit	9,404	10,473
Selling, general and administrative expenses		
Freight and packing costs	674	730
Provision of allowance for doubtful accounts	22	(0)
Salaries and bonuses	1,428	1,497
Welfare expenses	507	516
Provision for bonuses	728	781
Retirement benefit expenses	131	135
Travel, transportation and communication expenses	142	147
Depreciation	241	274
Amortization of goodwill	17	17
Other	1,203	1,266
Total selling, general and administrative expenses	5,099	5,368
Operating profit	4,304	5,104
Non-operating income		
Interest income	7	10
Dividend income	25	38
Rental income from buildings	66	67
Foreign exchange gains	–	12
Other	148	152
Total non-operating income	247	281
Non-operating expenses		
Interest expenses	1	2
Depreciation	25	24
Guarantee commission	6	6
Foreign exchange losses	6	–
Other	29	25
Total non-operating expenses	69	58
Ordinary profit	4,482	5,327
Extraordinary income		
Subsidy income	–	112
Total extraordinary income	–	112
Profit before income taxes	4,482	5,440
Income taxes - current	1,450	1,721
Income taxes - deferred	8	27
Total income taxes	1,458	1,749
Profit	3,024	3,690
Profit attributable to non-controlling interests	29	16
Profit attributable to owners of parent	2,994	3,674

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended April 30, 2023	Six months ended April 30, 2024
Profit	3,024	3,690
Other comprehensive income		
Valuation difference on available-for-sale securities	204	582
Foreign currency translation adjustment	(64)	123
Remeasurements of defined benefit plans, net of tax	0	(14)
Total other comprehensive income	140	690
Comprehensive income	3,164	4,381
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,115	4,360
Comprehensive income attributable to non-controlling interests	49	21