

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 9, 2024

Company name: Shindengen Electric Manufacturing Co., Ltd  
 Stock exchange listing: Tokyo  
 Stock code: 6844 URL <https://www.shindengen.co.jp/>  
 Representative: President Nobuyoshi Tanaka  
 Inquiries: Manager of Corporate Planning Group, Isao Matsubara TEL 048-483-5311  
 Planning Dept.  
 Scheduled date to file Quarterly Securities Report: February 13, 2024  
 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, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	76,038	2.5	1,032	(64.7)	1,327	(63.7)	(819)	–
Nine months ended December 31, 2022	74,209	8.9	2,920	(30.4)	3,655	(14.9)	2,440	(41.1)

Note: Comprehensive income  
 Nine months ended December 31, 2023 ¥4,837 million [(34.3)%]  
 Nine months ended December 31, 2022 ¥7,358 million [74.0%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	(79.49)		–	
Nine months ended December 31, 2022	236.79		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	143,934	66,048	45.9
As of March 31, 2023	138,092	62,539	45.3

Reference: Equity  
 As of December 31, 2023 ¥66,048 million  
 As of March 31, 2023 ¥62,539 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 March 31, 2023	–	0.00	–	130.00	130.00
Year ending March 31, 2024	–	0.00	–		
Year ending March 31, 2024 (Forecast)				130.00	130.00

Note: Revision of cash dividend forecast most recently announced: No

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	100,900	(0.1)	1,000	(72.4)	1,300	(70.0)	(700)	-	(67.88)

Note: Revision of consolidated financial results forecast most recently announced: No

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 2023	10,338,884 shares	As of March 31, 2023	10,338,884 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	25,986 shares	As of March 31, 2023	29,678 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, 2023	10,311,687 shares	Nine months ended December 31, 2022	10,308,599 shares
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\* Quarterly financial results reports are exempt from quarterly reviews conducted by certified public accountants or an audit corporation.

\* Explanation of proper use of financial results forecast, and other special matters

(Caution concerning forward-looking statements)

The forward-looking statements, including the financial results forecast shown in this document, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance. Actual performance and other results may differ materially due to various factors.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	25,147	29,537
Notes and accounts receivable - trade	19,421	17,749
Merchandise and finished goods	11,318	12,503
Work in process	6,085	6,833
Raw materials and supplies	17,465	19,025
Other	6,026	5,071
Allowance for doubtful accounts	(23)	(23)
Total current assets	85,440	90,698
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,287	16,766
Machinery, equipment and vehicles, net	9,266	9,178
Land	4,357	4,396
Leased assets, net	693	619
Construction in progress	1,820	2,137
Other, net	2,126	2,302
Total property, plant and equipment	35,553	35,401
Intangible assets		
Software	622	594
Leased assets	2	–
Other	59	34
Total intangible assets	684	629
Investments and other assets		
Investment securities	14,876	15,772
Deferred tax assets	659	522
Other	921	952
Allowance for doubtful accounts	(42)	(41)
Total investments and other assets	16,414	17,205
Total non-current assets	52,652	53,236
Total assets	138,092	143,934

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	17,668	17,152
Short-term borrowings	5,895	6,335
Current portion of bonds payable	1,500	1,150
Lease liabilities	375	462
Income taxes payable	239	174
Provision for bonuses	965	–
Asset retirement obligations	80	10
Other	5,737	5,826
Total current liabilities	32,462	31,111
Non-current liabilities		
Bonds payable	2,350	1,650
Long-term borrowings	26,780	30,860
Lease liabilities	629	546
Deferred tax liabilities	2,707	2,821
Retirement benefit liability	8,594	8,912
Provision for product warranties	1,180	1,104
Asset retirement obligations	801	819
Other	47	59
Total non-current liabilities	43,091	46,774
Total liabilities	75,553	77,885
<b>Net assets</b>		
Shareholders' equity		
Share capital	17,823	17,823
Capital surplus	7,733	7,732
Retained earnings	30,563	28,403
Treasury shares	(109)	(95)
Total shareholders' equity	56,010	53,863
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,559	4,573
Foreign currency translation adjustment	893	3,448
Remeasurements of defined benefit plans	3,076	4,163
Total accumulated other comprehensive income	6,528	12,185
Total net assets	62,539	66,048
<b>Total liabilities and net assets</b>	<b>138,092</b>	<b>143,934</b>

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

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	74,209	76,038
Cost of sales	60,642	64,641
Gross profit	13,567	11,397
Selling, general and administrative expenses	10,646	10,365
Operating profit	2,920	1,032
Non-operating income		
Interest income	85	177
Dividend income	399	457
Foreign exchange gains	524	–
Share of profit of entities accounted for using equity method	77	62
Royalty income	3	2
Other	110	112
Total non-operating income	1,201	812
Non-operating expenses		
Interest expenses	187	208
Foreign exchange losses	–	59
Restoration Cost	69	–
Other	210	249
Total non-operating expenses	467	517
Ordinary profit	3,655	1,327
Extraordinary income		
Gain on sale of investment securities	65	3
Total extraordinary income	65	3
Extraordinary losses		
Loss on sale of investment securities	–	296
Total extraordinary losses	–	296
Profit before income taxes	3,720	1,034
Income taxes - current	988	1,316
Income taxes - deferred	291	537
Total income taxes	1,279	1,854
Profit (loss)	2,440	(819)
Profit attributable to		
Profit (loss) attributable to owners of parent	2,440	(819)
Profit attributable to non-controlling interests	–	–
Other comprehensive income		
Valuation difference on available-for-sale securities	(670)	2,014
Foreign currency translation adjustment	2,956	2,287
Remeasurements of defined benefit plans, net of tax	2,644	1,087
Share of other comprehensive income of entities accounted for using equity method	(12)	267
Total other comprehensive income	4,917	5,656
Comprehensive income	7,358	4,837
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,358	4,837
Comprehensive income attributable to non-controlling interests	–	–

## **Notes Pertaining to Going Concern Assumption**

None

## **Notes on Significant Changes in the Amount of Shareholders' Equity**

None

## Segment Information

Year ended December 31, 2023 (April 1, 2023 to December 31, 2023)

### 1. Net sales, income (loss), identifiable assets/liabilities and other items by reporting segments

Millions of yen								
Year ended December 31, 2023								
	Devices Business	Car Electronics Business	Energy systems & solutions Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	Quarterly Consolidated Statements of Income and Comprehensive Income (Notes 3)
Net Sales								
Outside customers	¥ 24,732	¥ 46,777	¥ 4,422	¥ 75,932	¥ 106	¥ 76,038	¥ —	¥ 76,038
Inter-segment	5,497	2	—	5,499	—	5,499	(5,499)	—
Total	30,229	46,780	4,422	81,432	106	81,538	(5,499)	76,038
Segment income (loss)	¥ (527)	¥ 5,118	¥ (173)	¥ 4,417	¥ 34	¥ 4,452	¥ (3,420)	¥ 1,032

Notes: 1. The “Other” category includes activities not included in the reporting segments, such as solenoids.

2. ¥ (3,420) million posted under “Adjustments” includes “Corporate expenses” that have not been allocated to each reporting segment. “Corporate expenses” are primarily general and administrative expenses that cannot be attributed to any reporting segment.

3. Segment income (loss) is adjusted to the operating income stated on the consolidated statements of income and consolidated statements of comprehensive income.

### 2. Changes in reporting segments, etc.

The Company's reporting segments comprise product segments based on the business divisions. Effective April 1, 2023, the segmentation of product administration was changed in part.

As a result, the Company changed its reportable segments. Prior to this change, the reportable segments were the Power Device, Car Electronics. Following the change, the reportable segments are the Power Device and Car Electronics and Energy systems & solutions segments.