Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

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

October 31, 2024

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
Inquiries: Executive Officer and General Manager, Business Planning Department Masayuki Tamagaki TEL 06-4391-1781

Scheduled date to file Semi-annual Securities Report: November 14, 2024
Scheduled date to commence dividend payments: December 2, 2024
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 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 September 30, 2024	179,729	13.2	11,826	20.7	12,417	16.3	8,438	12.7
Six months ended September 30, 2023	158,787	10.2	9,799	10.1	10,679	2.1	7,484	(0.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	150.29	148.30
Six months ended September 30, 2023	134.01	132.71

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	254,563	167,817	65.7
As of March 31, 2024	262,811	162,269	61.5

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, 2024	–	60.00	–	70.00	130.00
Year ending March 31, 2025	–	60.00			
Year ending March 31, 2025 (Forecast)			–	70.00	130.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	362,000	4.8	23,500	10.2	23,800	5.4	16,400	5.0	292.97

4. Notes

(1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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:	Yes
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, 2024	56,420,000 shares	As of March 31, 2024	56,419,000 shares

Number of treasury shares at the end of the period

As of September 30, 2024	54,475 shares	As of March 31, 2024	441,211 shares

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	56,148,136 shares	Six months ended September 30, 2023	55,848,056 shares

Semi-annual consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	57,495	53,277
Notes and accounts receivable - trade, and contract assets	73,995	62,939
Electronically recorded monetary claims - operating	35,881	32,701
Securities	12,000	15,499
Merchandise and finished goods	20,711	24,231
Work in process	420	410
Raw materials and supplies	3,257	2,993
Other	1,800	1,886
Allowance for doubtful accounts	(2)	(1)
Total current assets	205,561	193,939
Non-current assets		
Property, plant and equipment		
Land	14,090	14,094
Other, net	7,584	7,427
Total property, plant and equipment	21,674	21,522
Intangible assets	1,446	2,003
Investments and other assets		
Investment securities	19,645	20,569
Other	14,484	16,529
Allowance for doubtful accounts	(1)	(0)
Total investments and other assets	34,128	37,098
Total non-current assets	57,249	60,623
Total assets	262,811	254,563

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	6,383	6,201
Accounts payable - trade	70,846	61,408
Short-term borrowings	413	436
Income taxes payable	5,192	3,316
Provision for bonuses	6,151	3,794
Provision for bonuses for directors (and other officers)	134	95
Other	5,394	4,633
Total current liabilities	94,515	79,885
Non-current liabilities		
Retirement benefit liability	51	55
Other	5,974	6,804
Total non-current liabilities	6,025	6,860
Total liabilities	100,541	86,746
Net assets		
Shareholders' equity		
Share capital	13,962	13,964
Capital surplus	14,171	14,172
Retained earnings	126,868	131,234
Treasury shares	(1,411)	(174)
Total shareholders' equity	153,590	159,197
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,260	7,248
Deferred gains or losses on hedges	(0)	(1)
Foreign currency translation adjustment	736	717
Total accumulated other comprehensive income	7,996	7,964
Share acquisition rights	683	655
Total net assets	162,269	167,817
Total liabilities and net assets	262,811	254,563

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, 2023	Six months ended September 30, 2024
Net sales	158,787	179,729
Cost of sales	131,596	148,394
Gross profit	27,190	31,335
Selling, general and administrative expenses	17,391	19,509
Operating profit	9,799	11,826
Non-operating income		
Interest income	34	57
Dividend income	431	514
Foreign exchange gains	336	–
Other	140	194
Total non-operating income	942	766
Non-operating expenses		
Interest expenses	8	10
Foreign exchange losses	–	110
Loss on cancellation of insurance policies	28	33
Other	25	20
Total non-operating expenses	62	174
Ordinary profit	10,679	12,417
Extraordinary income		
Gain on sale of non-current assets	6	1
Gain on sale of investment securities	288	–
Total extraordinary income	294	1
Extraordinary losses		
Impairment losses	–	173
Loss on retirement of non-current assets	4	1
Loss on sale of non-current assets	0	–
Total extraordinary losses	4	175
Profit before income taxes	10,969	12,243
Income taxes - current	2,692	3,061
Income taxes - deferred	792	743
Total income taxes	3,485	3,804
Profit	7,484	8,438
Profit attributable to owners of parent	7,484	8,438

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	7,484	8,438
Other comprehensive income		
Valuation difference on available-for-sale securities	1,211	(12)
Deferred gains or losses on hedges	5	(1)
Foreign currency translation adjustment	207	(18)
Total other comprehensive income	1,423	(32)
Comprehensive income	8,908	8,405