

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated Financial Highlights	FY2017	FY2018	FY2019	FY2020	FY2021
Net sales	92,177	94,703	92,965	80,437	92,168
Operating profit	6,853	5,638	1,757	(1,080)	5,562
Ordinary profit	7,164	5,980	1,598	(1,164)	5,828
Profit attributable to owners of parent	5,293	3,876	(4,156)	(5,561)	5,902
Net assets	59,169	59,470	53,211	49,413	57,229
Total assets	133,706	128,669	121,560	127,806	135,041
Profit attributable to owners of parent/equity(%)	9.4	6.5	(7.4)	(11)	11.1
Ordinary profit/total assets(%)	5.5	4.6	1.3	(1)	4.4
Equity ratio	44.3	46.2	43.8	39	42.4
Capital investment	6,053	6,975	9,402	11,820	5,297
Depreciation	4,519	4,971	5,176	4,735	5,549
Research and development expenditure	5,495	5,562	5,035	4,964	4,088

Shindengen Electric Manufacturing Co., Ltd.

Segment information

(million yen)

Sales by Segment	FY2017	FY2018	FY2019	FY2020	FY2021
Electronic Device Business	39,945	40,474	37,484	34,279	42,271
Car Electronics Business	49,109	52,076	51,640	41,632	47,074
Energy Systems & Solutions Business *	7,595	-	9,406	8,763	-
Other	1,214	8,654	932	829	8,714

Operating income by segment	FY2017	FY2018	FY2019	FY2020	FY2021
Electronic Device Business	4,315	2,576	(241)	85	5,038
Car Electronics Business	7,716	9,972	6,022	2,195	3,709
Energy Systems & Solutions Business *	(1,944)	-	(141)	603	-
Other	66	(2,445)	20	23	696

*We has revised its operating segments from FY20/3. Figures for the corresponding period of FY19/3 have been restated to conform with the new segments. We have changed the "Next Generation Energy Business" segment name to "Energy Systems & Solutions Business" from FY2018.

*Other segment includes figures for Energy Systems & Solutions Business on FY22/3.

By segment

Electronic Device Business	FY2017	FY2018	FY2019	FY2020	FY2021
Net Sales	39,945	40,474	37,484	34,279	42,271
Segment income	4,315	2,576	(241)	85	5,038
Depreciation	2,208	2,851	2,986	2,708	3,100
Permanent Assets	3,205	3,893	3,103	1,863	2,179

Car Electronics Business	FY2017	FY2018	FY2019	FY2020	FY2021
Net Sales	49,109	52,076	51,640	41,632	47,074
Segment income	7,716	9,972	6,022	2,195	3,709
Depreciation	1,571	1,421	1,647	1,576	1,989
Permanent Assets	912	1,892	1,668	744	2,740

*We has revised its operating segments from FY20/3. Figures for the corresponding period of FY19/3 have been restated to conform with the new segments.

Energy Systems & Solutions Business *	FY2017	FY2018	FY2019	FY2020	FY2021
Net Sales	7,595	-	9,406	8,763	-
Segment income	(1,944)	-	(141)	603	-
Depreciation	283	-	202	168	-
Permanent Assets	174	-	67	26	-

*We has revised its operating segments from FY20/3. Figures for the corresponding period of FY19/3 have been restated to conform with the new segments. We have changed the "Next Generation Energy Business" segment name to "Energy Systems & Solutions Business" from FY2018.

Other	FY2017	FY2018	FY2019	FY2020	FY2021
Net Sales	1,214	8,654	932	829	8,714
Segment income	66	(2,445)	5,659	23	696
Depreciation	0	228	-	-	214
Permanent Assets	-	303	-	-	229

*We has revised its operating segments from FY20/3. Figures for the corresponding period of FY19/3 have been restated to conform with the new segments.

*Other segment includes figures for Energy Systems & Solutions Business on FY22/3.

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated income statement	FY2020	FY2021
Net sales	80,437	92,168
Cost of sales	69,017	73,528
Gross profit	11,419	18,639
Selling, general and administrative expenses	12,499	13,077
Operating profit (loss)	(1,080)	5,562
Non-operating income		
Interest income	79	62
Dividend income	326	363
Share of profit of entities accounted for using equity method	103	165
Foreign exchange gains	-	140
Royalty income	15	3
Subsidies for employment adjustment	148	-
Other	161	157
Total non-operating income	835	893
Non-operating expenses		
Interest expenses	216	245
Financing expenses	548	4
Foreign exchange losses	45	-
Other	108	377
Total non-operating expenses	919	627
Ordinary profit (loss)	(1,164)	5,828
Extraordinary income		
Gain on sales of investment securities	333	1,033
Gain on sales of noncurrent assets	2	64
Total extraordinary income	335	1,098
Extraordinary losses		
Loss on valuation of investments in capital of subsidiaries and affiliates	-	68
Loss on valuation of investment securities	41	36
Loss on sales of investment securities	-	0
Impairment loss	1,586	-
Office relocation expenses	1,025	-
Special retirement expenses	901	-
Loss on sales of noncurrent assets	368	-
Loss related to COVID19	147	-
Loss on valuation of stocks of subsidiaries and affiliates	99	-
Loss on support to subsidiaries and subsidiaries and affiliates	77	-
Total extraordinary losses	4,248	105
Profit (loss) before income taxes	(5,076)	6,821
Income taxes - current	533	1,376
Income taxes - deferred	(49)	(458)
Total income taxes	484	918
Profit (loss)	(5,561)	5,902
Profit attributable to		
Profit (loss) attributable to owners of parent	(5,561)	5,902
Other comprehensive income		
Valuation difference on available-for-sale securities	2,105	(501)
Foreign currency translation adjustment	(996)	1,663
Remeasurements of defined benefit plans, net of tax	1,212	599
Share of other comprehensive income of entities accounted for using equity method	77	143
Total other comprehensive income	2,398	1,905
Comprehensive income	(3,163)	7,808
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,163)	7,808
Comprehensive income attributable to non-controlling interests	-	-

Shindengen Electric Manufacturing Co., Ltd.

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Consolidated income statement (quarterly)	FY2021 2Q	FY2021 3Q	FY2021 4Q	FY2022 1Q
Net sales	45,882	68,144	92,168	23,566
Cost of sales	36,020	54,200	73,528	18,584
Gross profit	9,861	13,943	18,639	4,982
Selling, general and administrative expenses	6,373	9,746	13,077	3,626
Operating profit	3,487	4,197	5,562	1,356
Non-operating income				
Interest income	31	44	62	26
Dividend income	189	359	363	208
Share of profit of entities accounted for using equity method	86	143	165	42
Foreign exchange gains	-	-	140	429
Royalty income	3	3	3	3
Other	98	110	157	41
Total non-operating income	408	662	893	750
Non-operating expenses				
Interest expenses	121	182	245	62
Financing expenses	-	-	4	-
Foreign exchange losses	196	100	-	-
Other	188	282	377	66
Total non-operating expenses	506	565	627	129
Ordinary profit	3,390	4,294	5,828	1,977
Extraordinary income				
Gain on sales of investment securities	1,025	1,033	1,033	-
Gain on sales of noncurrent assets	64	64	64	-
Total extraordinary income	1,089	1,098	1,098	-
Special expenses				
Loss on valuation of investments in capital of subsidiaries and affiliates	-	-	68	-
Loss on valuation of investment securities	36	36	36	-
Loss on sales of investment securities	-	-	0	-
Total Special expenses	36	37	105	-
Profit before income taxes	4,443	5,354	6,821	1,977
Income taxes - current	972	1,015	1,376	313
Income taxes - deferred	66	192	(458)	331
Total income taxes	1,039	1,208	918	645
Profit	3,404	4,146	5,902	1,332
Profit attributable to				
Profit attributable to owners of parent	3,404	4,146	5,902	1,332
Other comprehensive income				
Valuation difference on available-for-sale securities	(570)	(891)	(501)	(344)
Foreign currency translation adjustment	835	851	1,663	1,480
Remeasurements of defined benefit plans, net of tax	54	83	599	21
Share of other comprehensive income of entities accounted for using equity method	13	39	143	144
Total other comprehensive income	332	83	1,905	1,302
Comprehensive income	3,736	4,230	7,808	2,635
Comprehensive income attributable to				
Comprehensive income attributable to owners of parent	3,736	4,230	7,808	2,635

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated Balance Sheet	FY2020	FY2021
Assets		
Current assets		
Cash and deposits	26,646	29,613
Notes and accounts receivable - trade	18,589	18,919
Merchandise and finished goods	7,593	8,790
Work in process	4,500	5,561
Raw materials and supplies	10,976	13,938
Other	5,989	5,156
Allowance for doubtful accounts	(21)	(22)
Total current assets	74,273	81,958
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,594	17,962
Machinery, equipment and vehicles, net	8,596	8,907
Land	4,535	4,560
Leased assets, net	1,237	905
Construction in progress	13,217	1,753
Other, net	1,909	1,984
Total property, plant and equipment	36,090	36,073
Intangible assets		
Software	648	454
Leased assets	13	8
Other	294	284
Total intangible assets	956	747
Investments and other assets		
Investment securities	15,370	14,807
Deferred tax assets	334	703
Assets related to retirement benefits	-	36
Other	829	760
Allowance for doubtful accounts	(48)	(46)
Total investments and other assets	16,485	16,262
Total non-current assets	53,532	53,083
Total assets	127,806	135,041
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,443	16,657
Short-term loans payable	5,125	5,100
Current portion of bonds	1,525	1,450
Lease obligations	464	331
Income taxes payable	48	414
Provision for bonuses	763	951
Other	9,301	4,907
Total current liabilities	31,670	29,813
Non-current liabilities		
Bonds payable	5,300	3,850
Long-term loans payable	25,075	28,275
Lease obligations	1,065	874
Deferred tax liabilities	406	334
Net defined benefit liability	12,760	12,217
Provision for product warranties	1,897	1,589
Asset retirement obligations	170	803
Other	47	55
Total non-current liabilities	46,722	47,999
Total liabilities	78,393	77,812
Net assets		
Shareholders' equity		
Capital stock	17,823	17,823
Capital surplus	7,731	7,733
Retained earnings	24,046	29,949
Treasury shares	(122)	(117)
Total shareholders' equity	49,478	55,388
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,897	2,396
Foreign currency translation adjustment	(2,678)	(871)
Remeasurements of defined benefit plans	(284)	314
Total accumulated other comprehensive income	(65)	1,840
Total net assets	49,413	57,229
Total liabilities and net assets	127,806	135,041

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Consolidated Balance Sheet (quarterly)	FY2021 2Q	FY2021 3Q	FY2021 4Q	FY2022 1Q
Assets				
Current assets				
Cash and deposits	31,103	30,346	29,613	28,972
Notes and accounts receivable - trade	18,393	17,485	18,919	18,281
Merchandise and finished goods	7,508	8,534	8,790	10,684
Work in process	4,684	5,398	5,561	5,856
Raw materials and supplies	12,107	13,237	13,938	15,180
Other	3,179	4,090	5,156	3,032
Allowance for doubtful accounts	(25)	(22)	(22)	(22)
Total current assets	76,951	79,069	81,958	81,984
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	18,093	17,891	17,962	17,951
Machinery, equipment and vehicles, net	8,652	8,724	8,907	9,420
Land	4,527	4,527	4,560	4,610
Leased assets, net	1,103	1,060	905	928
Construction in progress	1,635	1,313	1,753	1,220
Other, net	2,051	1,948	1,984	2,098
Total property, plant and equipment	36,064	35,465	36,073	36,229
Intangible assets				
Software	564	503	454	523
Leased assets	10	9	8	6
Other	260	281	284	191
Total intangible assets	836	793	747	721
Investments and other assets				
Investment securities	14,501	14,119	14,807	14,337
Deferred tax assets	362	353	703	590
Assets related to retirement benefits	-	-	36	-
Other	976	825	797	846
Allowance for doubtful accounts	(48)	(46)	(46)	(46)
Total investments and other assets	15,792	15,251	16,262	15,728
Total non-current assets	52,693	51,511	53,083	52,679
Total assets	129,644	130,581	135,041	134,664
Liabilities				
Current liabilities				
Notes and accounts payable - trade	14,659	15,111	16,657	17,287
Short-term loans payable	5,600	5,325	5,100	5,300
Current portion of bonds	1,500	1,475	1,450	1,425
Lease obligations	439	424	331	436
Income taxes payable	316	121	414	132
Provision for bonuses	784	-	951	-
Other	4,715	5,312	4,907	5,071
Total current liabilities	28,016	27,769	29,813	29,653
Non-current liabilities				
Bonds payable	4,550	4,200	3,850	3,500
Long-term loans payable	27,275	28,350	28,275	26,675
Lease obligations	982	934	874	815
Deferred tax liabilities	285	277	334	426
Net defined benefit liability	12,775	12,877	12,217	12,386
Provision for product warranties	1,741	1,667	1,589	1,538
Asset retirement obligations	802	793	803	775
Other	57	60	55	61
Total non-current liabilities	48,470	49,160	47,999	46,177
Total liabilities	76,486	76,929	77,812	75,831
Net assets				
Shareholders' equity				
Capital stock	17,823	17,823	17,823	17,823
Capital surplus	7,733	7,733	7,733	7,733
Retained earnings	27,450	28,193	29,949	30,250
Treasury shares	(116)	(117)	(117)	(117)
Total shareholders' equity	52,890	53,633	55,388	55,690
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	2,327	2,006	2,396	2,052
Foreign currency translation adjustment	(1,830)	(1,787)	(871)	753
Remeasurements of defined benefit plans	(230)	(200)	314	336
Total accumulated other comprehensive income	267	18	1,840	3,142
Total net assets	53,158	53,651	57,229	58,833
Total liabilities and net assets	129,644	130,581	135,041	134,664

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated statements of cash flows	FY2020	FY2021
Cash flows from operating activities		
Profit (loss) before income taxes	(5,076)	6,821
Depreciation	4,735	5,548
Loss on retirement of property, plant and equipment	48	48
Increase (decrease) in provision for bonuses	(167)	187
Increase (decrease) in provision for product warranties	(379)	(307)
Increase (decrease) in net defined benefit liability	(241)	233
Interest and dividend income	(406)	(426)
Interest expenses	216	245
Bond issuance cost	53	-
Decrease (increase) in notes and accounts receivable - trade	40	267
Decrease (increase) in inventories	(31)	(4,440)
Increase (decrease) in notes and accounts payable - trade	(1,358)	1,373
Decrease (increase) in consumption taxes refund receivable	(1,219)	796
Decrease (increase) in accounts receivable - other	(344)	14
Impairment loss	1,586	-
Loss related to COVID19	147	-
Loss gain on sales of investment securities	(333)	(1,032)
Other, net	(462)	(361)
Subtotal	(3,191)	8,969
Interest and dividend income received	419	463
Interest expenses paid	(216)	(245)
Income taxes paid	(629)	(896)
Net cash provided by (used in) operating activities	(3,618)	8,290
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,197)	(8,931)
Proceeds from sales of property, plant and equipment	326	324
Purchase of intangible assets	(184)	(155)
Purchase of investment securities	(49)	-
Proceeds from sales of investment securities	507	1,143
Other, net	(78)	(289)
Net cash provided by (used in) investing activities	(5,675)	(7,907)
Cash flows from financing activities		
Proceeds from long-term loans payable	15,000	8,300
Repayments of long-term loans payable	(4,525)	(5,125)
Proceeds from issuance of bonds	1,946	-
Redemption of bonds	(1,475)	(1,525)
Purchase of treasury shares	(1)	(1)
Repayments of lease obligations	(364)	(374)
Cash dividends paid	(643)	-
Net cash provided by (used in) financing activities	9,936	1,273
Effect of exchange rate change on cash and cash equivalents	(333)	858
Net increase (decrease) in cash and cash equivalents	308	2,515
Cash and cash equivalents at beginning of period	26,337	26,646
Cash and cash equivalents at end of period	26,646	29,161

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated statements of cash flows(quarterly)	FY2020 2Q	FY2020 4Q	FY2021 2Q	FY2021 4Q
Cash flows from operating activities				
Profit (loss) before income taxes	(3,553)	(5,076)	4,443	6,821
Depreciation	2,301	4,735	2,720	5,548
Loss on retirement of property, plant and equipment	14	48	10	48
Increase (decrease) in provision for bonuses	(135)	(167)	21	187
Increase (decrease) in provision for product warranties	(133)	(379)	(155)	(307)
Increase (decrease) in net defined benefit liability	83	(241)	97	233
Interest and dividend income	(204)	(406)	(220)	(426)
Interest expenses	107	216	121	245
Bond issuance cost	2	53	-	-
Decrease (increase) in notes and accounts receivable - trade	4,981	40	511	267
Decrease (increase) in inventories	(4,135)	(31)	(892)	(4,440)
Increase (decrease) in notes and accounts payable - trade	(4,675)	(1,358)	(190)	1,373
Decrease (increase) in consumption taxes refund receivable	1,144	(1,219)	2,356	796
Decrease (increase) in accounts receivable - other	67	(344)	398	14
Impairment loss	1,357	1,586	-	-
Loss due to new coronavirus infection	148	147	-	-
Loss gain on sales of investment securities	-	(333)	(1,025)	(1,032)
Other, net	(571)	(462)	302	(361)
Subtotal	(3,198)	(3,191)	8,498	8,969
Interest and dividend income received	207	419	255	463
Interest expenses paid	(107)	(216)	(114)	(245)
Income taxes paid	(322)	(629)	(604)	(896)
Net cash provided by (used in) operating activities	(3,422)	(3,618)	8,035	8,290
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,966)	(6,197)	(7,003)	(8,931)
Proceeds from sales of property, plant and equipment	0	326	261	324
Purchase of intangible assets	(85)	(184)	(51)	(155)
Purchase of investment securities	(49)	(49)	-	-
Proceeds from sales of investment securities	-	507	1,132	1,143
Other, net	(61)	(78)	(55)	(289)
Net cash provided by (used in) investing activities	(2,162)	(5,675)	(5,716)	(7,907)
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings	17,500	-	-	-
Proceeds from long-term loans payable	-	15,000	5,000	8,300
Repayments of long-term loans payable	(2,225)	(4,525)	(2,325)	(5,125)
Proceeds from issuance of bonds	-	1,946	-	-
Redemption of bonds	(677)	(1,475)	(775)	(1,525)
Purchase of treasury shares	(0)	(1)	(1)	(1)
Repayments of lease obligations	(181)	(364)	(198)	(374)
Cash dividends paid	(643)	(643)	-	-
Net cash provided by (used in) financing activities	13,771	9,936	1,700	1,273
Effect of exchange rate change on cash and cash equivalents	(410)	(333)	438	858
Net increase (decrease) in cash and cash equivalents	7,775	308	4,457	2,515
Cash and cash equivalents at beginning of period	26,337	26,337	26,646	26,646
Cash and cash equivalents at end of period	34,112	26,646	31,103	29,161