

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated Financial Highlights	FY2018	FY2019	FY2020	FY2021	FY2022
Net sales	94,703	92,965	80,437	92,168	101,007
Operating profit	5,638	1,757	(1,080)	5,562	3,621
Ordinary profit	5,980	1,598	(1,164)	5,828	4,326
Profit attributable to owners of parent	3,876	(4,156)	(5,561)	5,902	1,644
Net assets	59,470	53,211	49,413	57,229	62,539
Total assets	128,669	121,560	127,806	135,041	138,092
Profit attributable to owners of parent/equity (%)	6.5	(7.4)	(10.8)	11.1	2.7
Ordinary profit/total assets (%)	4.6	1.3	(0.9)	4	3.2
Equity ratio	46.2	43.8	38.7	42	45.3
Capital investment	6,975	9,402	11,820	5,297	4,924
Depreciation	4,971	5,176	4,735	5,549	5,714
Research and development expenditure	5,562	5,035	4,964	4,088	4,677

Shindengen Electric Manufacturing Co., Ltd.

Segment information

(million yen)

Sales by Segment	FY2018	FY2019	FY2020	FY2021	FY2022
Electronic Device Business	34,016	30,989	29,213	36,381	37,232
Car Electronics Business	52,032	51,637	41,630	47,072	56,984
Energy Systems & Solutions Business *	-	9,406	8,763	-	-
Other	8,654	932	829	8,714	6,790

Operating income by segment	FY2018	FY2019	FY2020	FY2021	FY2022
Electronic Device Business	2,576	(241)	85	5,038	2,944
Car Electronics Business	9,972	6,022	2,195	3,709	5,281
Energy Systems & Solutions Business *	-	(141)	603	-	-
Other	(2,445)	20	23	696	(72)

*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	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	34,016	30,989	29,213	36,381	37,232
Segment income	2,576	(241)	85	5,038	2,944
Depreciation	2,851	2,986	2,708	3,100	3,131
Permanent Assets	3,893	3,103	1,863	2,179	2,596

Car Electronics Business	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	52,032	51,637	41,630	47,072	56,984
Segment income	9,972	6,022	2,195	3,709	5,281
Depreciation	1,421	1,647	1,576	1,989	2,160
Permanent Assets	1,892	1,668	744	2,740	2,007

*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 *	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	-	9,406	8,763	-	-
Segment income	-	(141)	603	-	-
Depreciation	-	202	168	-	-
Permanent Assets	-	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	FY2018	FY2019	FY2020	FY2021	FY2022
Net Sales	8,654	932	829	8,714	6,790
Segment income	(2,445)	5,659	23	696	(72)
Depreciation	228	-	-	214	237
Permanent Assets	303	-	-	229	178

*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	FY2021	FY2022
Net sales	92,168	101,007
Cost of sales	73,528	83,222
Gross profit	18,639	17,784
Selling, general and administrative expenses	13,077	14,163
Operating profit	5,562	3,621
Non-operating income		
Interest income	62	198
Dividend income	363	404
Share of profit of entities accounted for using equity method	165	25
Foreign exchange gains	140	428
Royalty income	3	3
Other	157	359
Total non-operating income	893	1,420
Non-operating expenses		
Interest expenses	245	253
Other	381	462
Total non-operating expenses	627	715
Ordinary profit	5,828	4,326
Extraordinary income		
Gain on sales of investment securities	1,033	67
Gain on sales of noncurrent assets	64	-
Total extraordinary income	1,098	67
Extraordinary losses		
Impairment loss	-	320
Loss on valuation of investments in capital of subsidiaries and affiliates	68	-
Loss on valuation of investment securities	36	-
Loss on sales of investment securities	0	-
Total extraordinary losses	105	320
Profit before income taxes	6,821	4,073
Income taxes - current	1,376	1,150
Income taxes - deferred	(458)	1,277
Total income taxes	918	2,428
Profit	5,902	1,644
Profit attributable to		
Profit (loss) attributable to owners of parent	5,902	1,644
Other comprehensive income		
Valuation difference on available-for-sale securities	(501)	162
Foreign currency translation adjustment	1,663	1,749
Remeasurements of defined benefit plans, net of tax	599	2,761
Share of other comprehensive income of entities accounted for using equity method	143	15
Total other comprehensive income	1,905	4,688
Comprehensive income	7,808	6,333
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,808	6,333
Comprehensive income attributable to non-controlling interests	-	-

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated Balance Sheet	FY2021	FY2022
Assets		
Current assets		
Cash and deposits	29,613	25,147
Notes and accounts receivable – trade	18,919	19,421
Merchandise and finished goods	8,790	11,318
Work in process	5,561	6,085
Raw materials and supplies	13,938	17,465
Other	5,156	6,026
Allowance for doubtful accounts	(22)	(23)
Total current assets	81,958	85,440
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,962	17,287
Machinery, equipment and vehicles, net	8,907	9,266
Land	4,560	4,357
Leased assets, net	905	693
Construction in progress	1,753	1,820
Other, net	1,984	2,126
Total property, plant and equipment	36,073	35,553
Intangible assets		
Software	454	622
Leased assets	8	2
Other	284	59
Total intangible assets	747	684
Investments and other assets		
Investment securities	14,807	14,876
Deferred tax assets	703	659
Assets related to retirement benefits	36	90
Other	760	831
Allowance for doubtful accounts	(46)	(42)
Total investments and other assets	16,262	16,414
Total non-current assets	53,083	52,652
Total assets	135,041	138,092
Liabilities		
Current liabilities		
Notes and accounts payable – trade	16,657	17,668
Short-term loans payable	5,100	5,895
Current portion of bonds	1,450	1,500
Lease obligations	331	375
Income taxes payable	414	239
Provision for bonuses	951	965
Asset retirement obligation	–	80
Other	4,907	5,737
Total current liabilities	29,813	32,462
Non-current liabilities		
Bonds payable	3,850	2,350
Long-term loans payable	28,275	26,780
Lease obligations	874	629
Deferred tax liabilities	334	2,707
Net defined benefit liability	12,217	8,594
Provision for product warranties	1,589	1,180
Asset retirement obligations	803	801
Other	55	47
Total non-current liabilities	47,999	43,091
Total liabilities	77,812	75,553
Net assets		
Shareholders' equity		
Capital stock	17,823	17,823
Capital surplus	7,733	7,733
Retained earnings	29,949	30,563
Treasury shares	(117)	(109)
Total shareholders' equity	55,388	56,010
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,396	2,559
Foreign currency translation adjustment	(871)	893
Remeasurements of defined benefit plans	314	3,076
Total accumulated other comprehensive income	1,840	6,528
Total net assets	57,229	62,539
Total liabilities and net assets	135,041	138,092

Shindengen Electric Manufacturing Co., Ltd.

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Consolidated statements of cash flows	FY2021	FY2022
Cash flows from operating activities		
Profit (loss) before income taxes	6,821	4,073
Depreciation	5,548	5,714
Increase (decrease) in provision for bonuses	187	13
Increase (decrease) in provision for product warranties	(307)	(409)
Increase (decrease) in net defined benefit liability	233	213
Interest and dividend income	(426)	(603)
Interest expenses	245	253
Decrease (increase) in notes and accounts receivable - trade	267	352
Decrease (increase) in inventories	(4,440)	(5,470)
Increase (decrease) in notes and accounts payable - trade	1,373	(470)
Decrease (increase) in consumption taxes refund receivable	796	(1,656)
Decrease (increase) in accounts receivable - other	14	395
Impairment loss	-	320
Loss gain on sales of investment securities	(1,032)	(67)
Other, net	(312)	739
Subtotal	8,969	3,398
Interest and dividend income received	463	611
Interest expenses paid	(245)	(253)
Income taxes paid	(896)	(1,020)
Net cash provided by (used in) operating activities	8,290	2,736
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,931)	(4,731)
Proceeds from sales of property, plant and equipment	324	48
Purchase of intangible assets	(155)	(188)
Proceeds from sales of investment securities	1,143	123
Proceeds from sales of shares of affiliated companies	-	149
Other, net	(289)	511
Net cash provided by (used in) investing activities	(7,907)	(4,088)
Cash flows from financing activities		
Proceeds from long-term loans payable	8,300	4,400
Repayments of long-term loans payable	(5,125)	(5,100)
Redemption of bonds	(1,525)	(1,455)
Purchase of treasury shares	(1)	(1)
Repayments of lease obligations	(374)	(361)
Cash dividends paid	-	(1,030)
Net cash provided by (used in) financing activities	1,273	(3,549)
Effect of exchange rate change on cash and cash equivalents	858	886
Net increase (decrease) in cash and cash equivalents	2,515	(4,014)
Cash and cash equivalents at beginning of period	26,646	29,161
Cash and cash equivalents at end of period	29,161	25,147

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Consolidated income statement (quarterly)	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q
Net sales	101,007	24,455	49,602	76,038
Cost of sales	83,222	20,531	42,308	64,641
Gross profit	17,784	3,924	7,293	11,397
Selling, general and administrative expenses	14,163	3,498	6,887	10,365
Operating profit	3,621	425	406	1,032
Non-operating income				
Interest income	198	49	123	177
Dividend income	404	198	203	457
Foreign exchange gains	428	206	89	-
Share of profit of entities accounted for using equity method	25	36	48	62
Royalty income	3	4	2	2
Other	359	28	80	112
Total non-operating income	1,420	523	547	812
Non-operating expenses				
Interest expenses	253	62	122	208
Foreign exchange losses	-	-	-	59
Restoration cost	-	-	-	-
Other	462	66	158	249
Total non-operating expenses	715	129	281	517
Ordinary profit	4,326	819	673	1,327
Extraordinary income				
Gain on sales of investment securities	67	-	-	3
Total extraordinary income	67	-	-	3
Special expenses				
Loss on sales of investment securities	-	296	296	296
Impairment loss	320	-	-	-
Total Special expenses	320	296	296	296
Profit before income taxes	4,073	523	377	1,034
Income taxes - current	1,150	671	973	1,316
Income taxes - deferred	1,277	320	361	537
Total income taxes	2,428	992	1,335	1,854
Profit or profit loss	1,644	(468)	(958)	(819)
Profit attributable to				
Profit attributable to owners of parent or profit loss attributable to owners of parent	1,644	(468)	(958)	(819)
Other comprehensive income				
Valuation difference on available-for-sale securities	162	1,670	2,943	2,014
Foreign currency translation adjustment	1,749	1,049	2,560	2,287
Remeasurements of defined benefit plans, net of tax	2,761	1,101	1,183	1,087
Share of other comprehensive income of entities accounted for using equity method	15	267	267	267
Total other comprehensive income	4,688	4,089	6,954	5,656
Comprehensive income	6,333	3,620	5,995	4,837
Comprehensive income attributable to				
Comprehensive income attributable to owners of parent	6,333	3,620	5,995	4,837

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Consolidated Balance Sheet (quarterly)	FY2022 4Q	FY2023 1Q	FY2023 2Q	FY2023 3Q
Assets				
Current assets				
Cash and deposits	25,147	27,882	31,870	29,537
Notes and accounts receivable – trade	19,421	17,078	18,222	17,749
Merchandise and finished goods	11,318	12,195	12,205	12,503
Work in process	6,085	6,541	6,919	6,833
Raw materials and supplies	17,465	18,592	19,305	19,025
Other	6,026	3,067	3,871	5,071
Allowance for doubtful accounts	(23)	(19)	(21)	23
Total current assets	85,440	85,338	92,372	90,698
Non-current assets				
Property, plant and equipment				
Buildings and structures, net	17,287	17,208	17,076	16,766
Machinery, equipment and vehicles, net	9,266	9,208	9,583	9,178
Land	4,357	4,406	4,442	4,396
Leased assets, net	693	706	679	619
Construction in progress	1,820	1,865	1,877	2,137
Other, net	2,126	2,212	2,287	2,302
Total property, plant and equipment	35,553	35,607	35,947	35,401
Intangible assets				
Software	622	616	593	594
Leased assets	2	1	–	–
Other	59	38	50	34
Total intangible assets	684	656	643	629
Investments and other assets				
Investment securities	14,876	15,258	17,102	15,772
Deferred tax assets	659	547	685	522
Assets related to retirement benefits	90	–	–	–
Other	831	952	973	952
Allowance for doubtful accounts	(42)	(42)	(41)	(41)
Total investments and other assets	16,414	16,716	18,719	17,205
Total non-current assets	52,652	52,980	55,310	53,236
Total assets	138,092	138,318	147,683	143,934
Liabilities				
Current liabilities				
Notes and accounts payable – trade	17,668	17,720	17,274	17,152
Short-term loans payable	5,895	5,810	6,180	6,335
Current portion of bonds	1,500	1,400	1,275	1,150
Lease obligations	375	452	454	462
Income taxes payable	239	145	371	174
Provision for bonuses	965	–	989	–
Asset retirement obligation	80	80	10	10
Other	5,737	6,568	5,122	5,826
Total current liabilities	32,462	32,178	31,677	31,111
Non-current liabilities				
Bonds payable	2,350	2,100	1,775	1,650
Long-term loans payable	26,780	25,265	32,395	30,860
Lease obligations	629	632	635	546
Deferred tax liabilities	2,707	2,629	3,221	2,821
Net defined benefit liability	8,594	8,678	8,763	8,912
Provision for product warranties	1,180	1,142	1,121	1,104
Asset retirement obligations	801	814	818	819
Other	47	59	67	59
Total non-current liabilities	43,091	41,321	48,798	46,774
Total liabilities	75,553	73,499	80,475	77,885
Net assets				
Shareholders' equity				
Capital stock	17,823	17,823	17,823	17,823
Capital surplus	7,733	7,733	7,732	7,732
Retained earnings	30,563	28,754	28,264	28,403
Treasury shares	(109)	(109)	(95)	(95)
Total shareholders' equity	56,010	54,201	53,724	53,863
Accumulated other comprehensive income				
Valuation difference on available-for-sale securities	2,559	4,229	5,502	4,573
Foreign currency translation adjustment	893	2,209	3,721	3,448
Remeasurements of defined benefit plans	3,076	4,178	4,259	4,163
Total accumulated other comprehensive income	6,528	10,617	13,482	12,185
Total net assets	62,539	64,819	67,207	66,048
Total liabilities and net assets	138,092	138,318	147,683	143,934

Shindengen Electric Manufacturing Co., Ltd.

(million yen)

Consolidated statements of cash flows(quarterly)	FY2021 4Q	FY2022 2Q	FY2022 4Q	FY2023 2Q
Cash flows from operating activities				
Profit (loss) before income taxes	6,821	2,244	4,073	377
Depreciation	5,548	2,855	5,714	2,671
Loss on retirement of property, plant and equipment	48	2	-	-
Increase (decrease) in provision for bonuses	187	38	13	23
Increase (decrease) in provision for product warranties	(307)	(107)	(409)	(58)
Increase (decrease) in net defined benefit liability	233	293	213	108
Interest and dividend income	(426)	(265)	(603)	(326)
Interest expenses	245	122	253	122
Bond issuance cost	-	2	-	-
Decrease (increase) in notes and accounts receivable - trade	267	1,113	352	2,044
Decrease (increase) in inventories	(4,440)	(5,083)	(5,470)	(2,380)
Increase (decrease) in notes and accounts payable - trade	1,373	(1,498)	(470)	(1,537)
Decrease (increase) in consumption taxes refund receivable	796	606	(1,656)	2,060
Decrease (increase) in accounts receivable - other	14	329	395	32
Impairment loss	-	-	320	-
Loss gain on sales of investment securities	(1,032)	-	(67)	296
Other, net	(361)	1,130	739	(688)
Subtotal	8,969	1,779	3,398	2,745
Interest and dividend income received	463	271	611	331
Interest expenses paid	(245)	(123)	(253)	(121)
Income taxes paid	(896)	(734)	(1,020)	(702)
Net cash provided by (used in) operating activities	8,290	1,193	2,736	2,252
Cash flows from investing activities				
Purchase of property, plant and equipment	(8,931)	(2,278)	(4,731)	(2,196)
Proceeds from sales of property, plant and equipment	324	2	48	4
Purchase of intangible assets	(155)	(57)	(188)	(66)
Proceeds from sales of investment securities	1,143	-	123	2,143
Proceeds from sales of shares of affiliated companies	-	149	149	-
Other, net	(289)	502	511	(43)
Net cash provided by (used in) investing activities	(7,907)	(1,681)	(4,088)	(158)
Cash flows from financing activities				
Proceeds from long-term loans payable	8,300	3,600	4,400	8,800
Repayments of long-term loans payable	(5,125)	(2,800)	(5,100)	(2,900)
Redemption of bonds	(1,525)	(752)	(1,455)	(802)
Purchase of treasury shares	(1)	(0)	(1)	(0)
Repayments of lease obligations	(374)	(179)	(361)	(161)
Cash dividends paid	-	(1,030)	(1,030)	(1,340)
Net cash provided by (used in) financing activities	1,273	(1,164)	(3,549)	3,595
Effect of exchange rate change on cash and cash equivalents	858	1,392	886	1,033
Net increase (decrease) in cash and cash equivalents	2,515	(260)	(4,014)	6,723
Cash and cash equivalents at beginning of period	26,646	29,161	29,161	25,147
Cash and cash equivalents at end of period	29,161	28,901	25,147	31,870