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May 15, 2023

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

[Japanese GAAP]

Company name: Yashima Denki Co., Ltd. Listing: Tokyo Stock Exchange
 Stock code: 3153 URL: <https://www.yashimadenki.co.jp/>
 Representative: Akio Ota, Chairman and CEO
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Scheduled date of Annual General Meeting of Shareholders: June 27, 2023
 Scheduled date of payment of dividend: June 7, 2023
 Scheduled date of filing of Annual Securities Report: June 27, 2023
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and securities analysts)

(All amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 – March 31, 2023)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2023	60,270	0.4	2,794	31.6	2,929	30.1	1,916	25.5
Fiscal year ended Mar. 31, 2022	60,038	1.4	2,123	(2.2)	2,251	(2.7)	1,527	(2.8)

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2023: 1,954 (up 32.5%)
 Fiscal year ended Mar. 31, 2022: 1,475 (down 23.4%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2023	90.10	-	8.1	5.3	4.6
Fiscal year ended Mar. 31, 2022	71.63	-	6.8	4.3	3.5

Reference: Equity in earnings of affiliates (million yen) Fiscal year ended Mar. 31, 2023: -
 Fiscal year ended Mar. 31, 2022: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2023	58,738	24,392	41.2	1,141.83
As of Mar. 31, 2022	50,934	23,046	44.8	1,070.92

Reference: Shareholders' equity (million yen) As of Mar. 31, 2023: 24,202 As of Mar. 31, 2022: 22,843

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2023	2,916	(1,487)	(663)	11,332
Fiscal year ended Mar. 31, 2022	1,721	(759)	(298)	10,567

2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2022	-	0.00	-	22.00	22.00	469	30.7	2.1
Fiscal year ended Mar. 31, 2023	-	0.00	-	25.00	25.00	529	27.7	2.3
Fiscal year ending Mar. 31, 2024 (forecast)	-	0.00	-	25.00	25.00		26.5	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2022:
 Ordinary dividend: 20.00 yen; Commemorative dividend: 2.00 yen

3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	62,000	2.9	2,900	3.8	3,000	2.4	2,000	4.4	94.36

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others: None
 2) Changes in accounting policies other than 1) above: None
 3) Changes in accounting-based estimates: None
 4) Restatements: None

(3) Number of outstanding shares (common shares)

- 1) Number of shares outstanding at the end of the period (including treasury shares)
 As of Mar. 31, 2023: 21,782,500 shares As of Mar. 31, 2022: 21,782,500 shares
- 2) Number of treasury shares at the end of the period
 As of Mar. 31, 2023: 586,177 shares As of Mar. 31, 2022: 451,739 shares
- 3) Average number of shares outstanding during the period
 Fiscal year ended Mar. 31, 2023: 21,268,405 shares Fiscal year ended Mar. 31, 2022: 21,319,826 shares

Reference: Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023

(April 1, 2022 – March 31, 2023)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2023	41,623	0.4	1,639	83.9	2,158	46.5	1,663	39.5
Fiscal year ended Mar. 31, 2022	41,462	0.9	891	10.9	1,473	(11.4)	1,192	(14.5)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Mar. 31, 2023	78.21	-
Fiscal year ended Mar. 31, 2022	55.94	-

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2023	44,360	19,911	44.9	939.39
As of Mar. 31, 2022	37,920	18,850	49.7	883.73

Reference: Shareholders' equity (million yen) As of Mar. 31, 2023: 19,911 As of Mar. 31, 2022: 18,850

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements

Note concerning forward-looking statements

Forecasts of future performance in these materials are based on information available to, and on assumption judged to be valid by, Yashima Denki's management at the time the materials were prepared, but are not promises by Yashima Denki regarding future performance. Actual results may differ materially from the forecasts.

How to view supplementary materials for financial results

Yashima Denki plans to hold an online earnings conference for institutional investors and securities analysts on Wednesday, May 31, 2023. The materials used and the video recording will be posted on the Yashima Denki's website after the conference.

Consolidated Financial Statements**(1) Consolidated Balance Sheet**

(Millions of yen)

	FY3/2022 (As of Mar. 31, 2022)	FY3/2023 (As of Mar. 31, 2023)
Assets		
Current assets		
Cash and deposits	11,450	12,067
Notes and accounts receivable-trade, and contract assets	18,662	23,968
Electronically recorded monetary claims-operating	4,425	3,787
Merchandise	1,909	2,004
Raw materials	63	85
Costs on construction contracts in progress	105	194
Work in process	280	463
Accounts receivable-other	1,966	2,242
Other	210	1,060
Allowance for doubtful accounts	(2)	(2)
Total current assets	39,071	45,872
Non-current assets		
Property, plant and equipment		
Buildings	5,724	5,641
Accumulated depreciation	(1,213)	(1,355)
Buildings, net	4,510	4,285
Machinery, equipment and vehicles	710	683
Accumulated depreciation	(410)	(438)
Machinery, equipment and vehicles, net	299	244
Tools, furniture and fixtures	573	599
Accumulated depreciation	(422)	(442)
Tools, furniture and fixtures, net	151	157
Land	3,652	3,619
Total property, plant and equipment	8,614	8,306
Intangible assets		
Software	222	191
Goodwill	43	21
Other	8	4
Total intangible assets	274	216
Investments and other assets		
Investment securities	2,332	3,769
Deferred tax assets	334	282
Other	308	292
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	2,973	4,341
Total non-current assets	11,862	12,865
Total assets	50,934	58,738

	(Millions of yen)	
	FY3/2022	FY3/2023
	(As of Mar. 31, 2022)	(As of Mar. 31, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	19,163	23,592
Short-term borrowings	990	1,040
Accounts payable-other	2,465	2,941
Income taxes payable	456	585
Contract liabilities	1,662	3,194
Provision for bonuses	863	1,005
Other	487	522
Total current liabilities	26,089	32,881
Non-current liabilities		
Long-term borrowings	230	170
Deferred tax liabilities	16	-
Retirement benefit liability	1,469	1,215
Asset retirement obligations	15	15
Other	67	63
Total non-current liabilities	1,799	1,464
Total liabilities	27,888	34,346
Net assets		
Shareholders' equity		
Share capital	1,585	1,585
Capital surplus	1,051	1,053
Retained earnings	20,734	22,180
Treasury shares	(424)	(562)
Total shareholders' equity	22,946	24,258
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	354	397
Remeasurements of defined benefit plans	(457)	(452)
Total accumulated other comprehensive income	(103)	(55)
Non-controlling interests	202	189
Total net assets	23,046	24,392
Total liabilities and net assets	50,934	58,738

(2) Consolidated Statements of Income and Comprehensive Income**Consolidated Statement of Income**

(Millions of yen)

	FY3/2022 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)
Net sales		
Net sales of goods	45,496	47,750
Construction sales	14,541	12,519
Total net sales	60,038	60,270
Cost of sales		
Cost of goods sold	37,122	38,204
Cost of construction sales	11,494	9,758
Total cost of sales	48,617	47,962
Gross profit		
Gross profit-merchandise	8,374	9,546
Gross profit-construction	3,047	2,761
Total gross profit	11,421	12,307
Selling, general and administrative expenses		
Salaries and allowances	4,523	4,418
Provision for bonuses	715	788
Retirement benefit expenses	349	317
Legal welfare expenses	799	820
Rent expenses on land and buildings	244	243
Provision of allowance for doubtful accounts	(0)	0
Depreciation	345	333
Transportation and storage costs	133	148
Travel and communication expenses	402	451
Other	1,784	1,990
Total selling, general and administrative expenses	9,297	9,513
Operating profit	2,123	2,794
Non-operating income		
Interest income	10	11
Dividend income	36	34
Purchase discounts	4	3
Subsidy income	-	34
Outsourcing service income	38	12
Other	46	43
Total non-operating income	136	139
Non-operating expenses		
Interest expenses	4	4
Other	4	1
Total non-operating expenses	8	5
Ordinary profit	2,251	2,929

(Millions of yen)

	FY3/2022 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)
Extraordinary income		
Gain on sale of non-current assets	1	2
Gain on sale of investment securities	95	82
Surrender value of insurance policies	2	0
Other	0	-
Total extraordinary income	100	85
Extraordinary losses		
Loss on sale of non-current assets	4	48
Loss on retirement of non-current assets	10	20
Loss on valuation of investment securities	-	115
Impairment losses	21	-
Other	3	0
Total extraordinary losses	39	185
Profit before income taxes	2,311	2,828
Income taxes-current	757	942
Income taxes-deferred	20	(0)
Total income taxes	777	941
Profit	1,534	1,887
Profit (loss) attributable to non-controlling interests	7	(29)
Profit attributable to owners of parent	1,527	1,916

Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY3/2022 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)
Profit	1,534	1,887
Other comprehensive income		
Valuation difference on available-for-sale securities	(86)	62
Remeasurements of defined benefit plans, net of tax	26	4
Total other comprehensive income	(59)	67
Comprehensive income	1,475	1,954
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	1,484	1,963
Comprehensive income attributable to non-controlling interests	(9)	(9)

(3) Consolidated Statement of Changes in Equity

FY3/2022 (Apr. 1, 2021 – Mar. 31, 2022)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,585	1,050	19,632	(458)	21,810
Changes during period					
Dividends of surplus			(425)		(425)
Profit attributable to owners of parent			1,527		1,527
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares		1		33	34
Net changes in items other than shareholders' equity					
Total changes during period	-	1	1,101	33	1,136
Balance at end of period	1,585	1,051	20,734	(424)	22,946

(Millions of yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	423	(484)	(60)	219	21,969
Changes during period					
Dividends of surplus					(425)
Profit attributable to owners of parent					1,527
Purchase of treasury shares					(0)
Disposal of treasury shares					34
Net changes in items other than shareholders' equity	(69)	26	(42)	(16)	(58)
Total changes during period	(69)	26	(42)	(16)	1,077
Balance at end of period	354	(457)	(103)	202	23,046

FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,585	1,051	20,734	(424)	22,946
Changes during period					
Dividends of surplus			(469)		(469)
Profit attributable to owners of parent			1,916		1,916
Purchase of treasury shares				(181)	(181)
Disposal of treasury shares		1		44	46
Net changes in items other than shareholders' equity					
Total changes during period	-	1	1,446	(137)	1,311
Balance at end of period	1,585	1,053	22,180	(562)	24,258

(Millions of yen)

	Accumulated other comprehensive income			Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	354	(457)	(103)	202	23,046
Changes during period					
Dividends of surplus					(469)
Profit attributable to owners of parent					1,916
Purchase of treasury shares					(181)
Disposal of treasury shares					46
Net changes in items other than shareholders' equity	43	4	47	(12)	34
Total changes during period	43	4	47	(12)	1,346
Balance at end of period	397	(452)	(55)	189	24,392

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	FY3/2022 (Apr. 1, 2021 – Mar. 31, 2022)	FY3/2023 (Apr. 1, 2022 – Mar. 31, 2023)
Cash flows from operating activities		
Profit (loss) before income taxes	2,311	2,828
Depreciation	438	451
Impairment losses	21	-
Loss (gain) on sale of property, plant and equipment	3	46
Loss on retirement of property, plant and equipment	10	20
Loss (gain) on valuation of investment securities	-	115
Loss (gain) on sale of investment securities	(95)	(82)
Increase (decrease) in allowance for doubtful accounts	(0)	0
Increase (decrease) in provision for bonuses	5	141
Increase (decrease) in retirement benefit liability	(242)	(247)
Interest and dividend income	(47)	(45)
Interest expenses	4	4
Decrease (increase) in trade receivables	(1,898)	(2,988)
Decrease (increase) in inventories	374	(389)
Increase (decrease) in trade payables	1,375	3,553
Increase (decrease) in accrued consumption taxes	(130)	17
Decrease (increase) in accounts receivable-other	(171)	(276)
Increase (decrease) in accounts payable-other	104	441
Other, net	131	101
Subtotal	2,194	3,694
Interest and dividends received	47	44
Interest paid	(4)	(4)
Income taxes paid	(516)	(819)
Net cash provided by (used in) operating activities	1,721	2,916
Cash flows from investing activities		
Purchase of property, plant and equipment	(834)	(67)
Proceeds from sale of property, plant and equipment	1	6
Purchase of intangible assets	(70)	(65)
Purchase of investment securities	(107)	(1,500)
Proceeds from sale of investment securities	142	127
Proceeds from redemption of investment securities	100	-
Payments of leasehold deposits	(4)	(2)
Proceeds from refund of leasehold deposits	9	5
Decrease (increase) in time deposits	(0)	(0)
Other, net	4	10
Net cash provided by (used in) investing activities	(759)	(1,487)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	195	50
Repayments of long-term borrowings	(60)	(60)
Purchase of treasury shares	(0)	(181)
Dividends paid	(426)	(469)
Dividends paid to non-controlling interests	(7)	(3)
Net cash provided by (used in) financing activities	(298)	(663)
Net increase (decrease) in cash and cash equivalents	663	765
Cash and cash equivalents at beginning of period	9,904	10,567
Cash and cash equivalents at end of period	10,567	11,332