

# Summary of Consolidated Financial Results for the Fiscal First Quarter Ended June 30, 2019 (Based on Japanese GAAP)

August 8, 2019

Company name: Imasen Electric Industrial Co., Ltd.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 7266 URL <http://www.imasen.co.jp/>  
 Representative: President Takamitsu Sakurai  
 Inquiries: Executive Officer Tomochika Okuda TEL 0568-67-1211  
 Scheduled date to file quarterly Securities Report: August 9, 2019  
 Scheduled date to commence dividend payments: —  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the Fiscal First Quarter Ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

### (1) Consolidated operating results

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	%
3 months ended June 30, 2019	27,657	△9.8	641	△40.3	650	△31.1	276	△56.7
3 months ended June 30, 2018	30,652	7.8	1,073	57.5	944	71.5	638	39.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
3 months ended June 30, 2019	13.30	—
3 months ended June 30, 2018	30.71	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2019	82,727	51,005	61.3	2,439.57
As of March 31, 2019	84,151	50,676	59.8	2,421.26

## 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, 2019	—	16.00	—	16.00	32.00
Year ended March 31, 2020	—				
Year ending March 31, 2020 (Forecast)		16.00	—	17.00	33.00

## 3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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
Six months ending September 30, 2019	54,000	△9.6	1,600	△6.0	1,600	△6.0	1,000	△10.9	48.09
Full year	112,000	△5.5	4,600	23.0	4,500	21.9	3,200	29.3	153.89

4. Notes

- (1) Changes in significant subsidiaries during the quarter  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) 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

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2019	21,341,152 shares	As of March 31, 2019	21,341,152 shares
---------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of June 30, 2019	547,393 shares	As of March 31, 2019	547,393 shares
---------------------	----------------	----------------------	----------------

Average number of shares during the period

3 months ended June 30, 2019	20,793,759 shares	3 months ended July 30, 2018	20,793,867 shares
------------------------------	-------------------	------------------------------	-------------------

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	13,208	12,115
Notes and accounts receivable - trade	18,990	19,066
Electronically recorded monetary claims - operating	6,885	7,279
Inventories	12,097	12,317
Other	3,133	2,713
Allowance for doubtful accounts	(503)	(498)
Total current assets	53,811	52,993
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,655	7,592
Machinery, equipment and vehicles, net	6,382	6,153
Other, net	10,052	10,049
Total property, plant and equipment	24,091	23,795
Intangible assets		
Other	542	534
Total intangible assets	542	534
Investments and other assets		
Investment securities	5,000	4,668
Other	778	805
Allowance for doubtful accounts	(71)	(70)
Total investments and other assets	5,707	5,402
Total non-current assets	30,340	29,733
Total assets	84,151	82,727

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	10,158	10,399
Electronically recorded obligations - operating	6,629	6,112
Short-term loans payable	2,510	2,431
Income taxes payable	423	272
Provision for bonuses	1,202	503
Provision for product warranties	472	469
Other	6,179	5,972
Total current liabilities	27,576	26,160
Non-current liabilities		
Long-term loans payable	1,913	1,706
Net defined benefit liability	2,154	2,160
Other	1,830	1,693
Total non-current liabilities	5,898	5,560
Total liabilities	33,475	31,721
<b>Net assets</b>		
Shareholders' equity		
Capital stock	6,297	6,297
Capital surplus	6,049	6,049
Retained earnings	35,478	35,489
Treasury shares	(441)	(441)
Total shareholders' equity	47,382	47,394
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,719	1,495
Foreign currency translation adjustment	1,234	1,827
Remeasurements of defined benefit plans	10	10
Total accumulated other comprehensive income	2,964	3,333
Non-controlling interests	329	278
Total net assets	50,676	51,005
Total liabilities and net assets	84,151	82,727

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	3 months ended June 30, 2018	3 months ended June 30, 2019
Net sales	30,652	27,657
Cost of sales	27,201	24,923
Gross profit	3,450	2,733
Selling, general and administrative expenses		
Packing and transportation expenses	772	651
Salaries, allowances and bonuses	580	557
Provision for bonuses	72	72
Retirement benefit expenses	18	21
Depreciation	69	43
Other	864	745
Total selling, general and administrative expenses	2,376	2,092
Operating profit	1,073	641
Non-operating income		
Interest income	29	39
Dividend income	53	56
Other	51	79
Total non-operating income	134	174
Non-operating expenses		
Interest expenses	91	110
Foreign exchange losses	157	43
Other	15	10
Total non-operating expenses	264	165
Ordinary profit	944	650
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on disposal of non-current assets	1	5
Loss on valuation of investment securities	–	24
Total extraordinary losses	1	30
Profit before income taxes	943	620
Income taxes - current	292	258
Income taxes - deferred	(10)	68
Total income taxes	282	327
Profit	661	293
Profit attributable to non-controlling interests	22	17
Profit attributable to owners of parent	638	276

## Consolidated statements of comprehensive income

(Millions of yen)

	3 months ended June 30, 2018	3 months ended June 30, 2019
Profit	661	293
Other comprehensive income		
Valuation difference on available-for-sale securities	(165)	(223)
Foreign currency translation adjustment	(1,166)	589
Remeasurements of defined benefit plans, net of tax	(0)	(0)
Total other comprehensive income	(1,331)	364
Comprehensive income	(670)	658
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(678)	645
Comprehensive income attributable to non-controlling interests	7	12

## Consolidated statements of cash flows

(Millions of yen)

	3 months ended June 30, 2018	3 months ended June 30, 2019
Cash flows from operating activities		
Profit before income taxes	943	620
Depreciation	1,113	1,053
Increase (decrease) in provision for bonuses	(712)	(699)
Interest and dividend income	(82)	(95)
Interest expenses	91	110
Loss (gain) on valuation of investment securities	–	24
Loss (gain) on disposal of non-current assets	0	4
Decrease (increase) in notes and accounts receivable - trade	(161)	(189)
Decrease (increase) in inventories	(64)	(251)
Increase (decrease) in notes and accounts payable - trade	322	(405)
Other, net	206	469
Subtotal	1,654	643
Interest and dividend income received	77	90
Interest expenses paid	(93)	(110)
Income taxes paid	(235)	(378)
Net cash provided by (used in) operating activities	1,403	245
Cash flows from investing activities		
Decrease (increase) in time deposits	(77)	(162)
Purchase of property, plant and equipment	(510)	(776)
Purchase of investment securities	(14)	(15)
Other, net	(30)	(8)
Net cash provided by (used in) investing activities	(632)	(963)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	186	40
Repayments of long-term loans payable	(411)	(328)
Repayments of lease obligations	(301)	(319)
Cash dividends paid	(332)	(332)
Other, net	(65)	(63)
Net cash provided by (used in) financing activities	(924)	(1,004)
Effect of exchange rate change on cash and cash equivalents	149	441
Net increase (decrease) in cash and cash equivalents	(4)	(1,281)
Cash and cash equivalents at beginning of period	10,912	11,337
Cash and cash equivalents at end of period	10,908	10,056