

Translation

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

August 9, 2024

Company name: IWATSU ELECTRIC CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 6704 URL <https://www.iwatsu.co.jp>
 Representative: President Shogo Kimura
 Director & Executive Officer, General
 Inquiries: Hidenori Tokida TEL 03-5370-5111
 Manager of Corporate Headquarters
 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 three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2024	4,572	(9.1)	(822)	–	(800)	–	(815)	–
Three months ended June 30, 2023	5,030	1.8	(414)	–	(426)	–	423	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	(54.68)	–
Three months ended June 30, 2023	42.47	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	44,835	28,889	61.5
As of March 31, 2024	46,723	29,987	61.2

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	–	0.00	–	25.00	25.00
Year ending March 31, 2025	–	–	–	–	–
Year ending March 31, 2025 (Forecast)	–	0.00	–	–	–

3. Notes

- (1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: No
- (2) Application of special accounting methods for preparing quarterly 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: No
 - 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 June 30, 2024	14,980,344 shares	As of March 31, 2024	14,980,344 shares
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Number of treasury shares at the end of the period

As of June 30, 2024	44,643 shares	As of March 31, 2024	100,270 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	14,918,769 shares	Three months ended June 30, 2023	9,976,197 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	7,347	6,916
Notes receivable - trade	313	269
Electronically recorded monetary claims - operating	800	890
Accounts receivable - trade	3,928	2,240
Merchandise and finished goods	2,052	2,711
Work in process	1,203	705
Raw materials and supplies	3,260	3,204
Other	261	246
Allowance for doubtful accounts	(1)	(0)
Total current assets	19,166	17,184
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,107	8,020
Land	15,049	15,049
Other, net	1,165	1,120
Total property, plant and equipment	24,322	24,190
Intangible assets	197	257
Investments and other assets		
Investment securities	2,577	2,732
Other	491	501
Allowance for doubtful accounts	(31)	(31)
Total investments and other assets	3,037	3,202
Total non-current assets	27,556	27,650
Total assets	46,723	44,835

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,113	840
Short-term borrowings	80	110
Provision for bonuses	463	251
Provision for product warranties	109	107
Other	1,849	1,508
Total current liabilities	3,616	2,817
Non-current liabilities		
Long-term borrowings	6,025	6,023
Deferred tax liabilities	3,377	3,417
Provision for share awards	42	–
Retirement benefit liability	3,078	3,102
Other	594	585
Total non-current liabilities	13,118	13,128
Total liabilities	16,735	15,946
Net assets		
Shareholders' equity		
Share capital	7,882	7,882
Capital surplus	8,805	8,805
Retained earnings	11,049	9,862
Treasury shares	(104)	(61)
Total shareholders' equity	27,633	26,488
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	775	881
Remeasurements of defined benefit plans	186	186
Total accumulated other comprehensive income	962	1,068
Non-controlling interests	1,391	1,331
Total net assets	29,987	28,889
Total liabilities and net assets	46,723	44,835

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Revenue	5,030	4,572
Cost of sales	3,557	3,378
Gross profit	1,473	1,194
Selling, general and administrative expenses	1,887	2,017
Operating loss	(414)	(822)
Non-operating income		
Interest income	2	0
Dividend income	29	28
Rental income from land and buildings	8	8
Other	3	7
Total non-operating income	43	44
Non-operating expenses		
Interest expenses	7	14
Foreign exchange losses	41	4
Other	6	3
Total non-operating expenses	55	21
Ordinary loss	(426)	(800)
Extraordinary income		
Gain on sale of shares of subsidiaries and associates	878	–
Total extraordinary income	878	–
Profit (loss) before income taxes	451	(800)
Income taxes - current	96	6
Income taxes - deferred	(57)	(2)
Total income taxes	39	4
Profit (loss)	412	(804)
Profit (loss) attributable to non-controlling interests	(11)	11
Profit (loss) attributable to owners of parent	423	(815)

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit (loss)	412	(804)
Other comprehensive income		
Valuation difference on available-for-sale securities	172	106
Foreign currency translation adjustment	139	–
Remeasurements of defined benefit plans, net of tax	13	(0)
Total other comprehensive income	324	106
Comprehensive income	737	(698)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	748	(709)
Comprehensive income attributable to non-controlling interests	(11)	11