

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

January 30, 2024

Company name: SUN-WA TECHNOS CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 8137 URL <https://www.sunwa.co.jp/>
 Representative: President and Representative Director Akihiro matsuo
 Executive Officer and General Manager Takamichi Matoba
 Administration Headquarters TEL 03-5202-4011
 Scheduled date to file Quarterly Securities Report: February 13, 2024
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2023 (from April 1, 2023 to December 31, 2023)

(1) Consolidated operating results (cumulative)

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	%
Nine months ended December 31, 2023	128,131	(2.3)	4,714	(13.0)	4,924	(9.9)	3,911	1.5
Nine months ended December 31, 2022	131,130	20.1	5,421	63.9	5,468	56.0	3,854	54.0

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2023	257.30		–	
Nine months ended December 31, 2022	249.16		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	102,537	47,011	45.8
As of March 31, 2023	106,581	44,484	41.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	20.00	–	70.00	90.00
Year ending March 31, 2024	–	45.00	–		
Year ending March 31, 2024 (Forecast)				50.00	95.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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
Full year	165,000	(8.8)	5,700	(25.3)	6,000	(21.8)	4,800	(12.6)	315.76

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2023
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (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 December 31, 2023	16,044,000 shares	As of March 31, 2023	16,044,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2023	932,459 shares	As of March 31, 2023	562,331 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2023	15,201,322 shares	Nine months ended December 31, 2022	15,469,013 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	14,145	14,917
Notes and accounts receivable - trade, and contract assets	48,455	42,031
Electronically recorded monetary claims - operating	10,467	10,262
Merchandise	17,488	20,493
Work in process	3	5
Other	3,871	3,381
Allowance for doubtful accounts	(167)	(154)
Total current assets	94,263	90,936
Non-current assets		
Property, plant and equipment	2,272	2,150
Intangible assets	221	188
Investments and other assets	9,824	9,261
Total non-current assets	12,318	11,600
Total assets	106,581	102,537
Liabilities		
Current liabilities		
Notes and accounts payable - trade	25,988	21,131
Electronically recorded obligations - operating	19,347	16,632
Short-term borrowings	9,557	9,123
Income taxes payable	1,378	617
Provisions	-	46
Other	3,598	2,905
Total current liabilities	59,870	50,456
Non-current liabilities		
Long-term borrowings	-	3,000
Long-term accounts payable - other	52	51
Provision for retirement benefits for directors (and other officers)	124	134
Retirement benefit liability	775	796
Other	1,274	1,086
Total non-current liabilities	2,227	5,069
Total liabilities	62,097	55,525
Net assets		
Shareholders' equity		
Share capital	3,727	3,727
Capital surplus	3,544	3,587
Retained earnings	31,742	33,890
Treasury shares	(812)	(1,680)
Total shareholders' equity	38,202	39,524
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,319	4,060
Foreign currency translation adjustment	1,962	3,425
Total accumulated other comprehensive income	6,282	7,486
Total net assets	44,484	47,011
Total liabilities and net assets	106,581	102,537

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	131,130	128,131
Cost of sales	114,370	111,759
Gross profit	16,759	16,371
Selling, general and administrative expenses	11,338	11,657
Operating profit	5,421	4,714
Non-operating income		
Interest income	17	9
Dividend income	141	148
Purchase discounts	30	28
Rental income from buildings	104	110
Other	119	130
Total non-operating income	413	427
Non-operating expenses		
Interest expenses	94	143
Loss on sale of trade receivables	33	22
Foreign exchange losses	220	33
Other	17	17
Total non-operating expenses	366	216
Ordinary profit	5,468	4,924
Extraordinary income		
Gain on sale of non-current assets	–	8
Gain on sale of investment securities	12	701
Gain on sale of shares of subsidiaries and associates	21	–
Total extraordinary income	34	710
Profit before income taxes	5,502	5,634
Income taxes	1,647	1,723
Profit	3,854	3,911
Profit attributable to owners of parent	3,854	3,911

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	3,854	3,911
Other comprehensive income		
Valuation difference on available-for-sale securities	(426)	(259)
Foreign currency translation adjustment	1,872	1,463
Total other comprehensive income	1,445	1,204
Comprehensive income	5,300	5,115
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,300	5,115
Comprehensive income attributable to non-controlling interests	—	—