

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)



February 13, 2025

Company name: Denyo Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 6517 URL <https://www.denyo.co.jp/>
 Representative: President Takanori Yoshinaga
 Inquiries: Director & Managing Executive Officer Makoto Tanabe TEL 03-6861-1111
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(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, 2024	52,524	(1.6)	5,301	36.4	5,825	42.8	4,047	43.1
Nine months ended December 31, 2023	53,351	15.5	3,886	41.3	4,080	44.8	2,828	41.8

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	196.05	—
Nine months ended December 31, 2023	137.02	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	102,435	77,967	73.1
As of March 31, 2024	100,540	75,843	72.4

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	—	24.00	—	40.00	64.00
Year ending March 31, 2025	—	30.00	—	—	—
Year ending March 31, 2025 (Forecast)	—	—	—	40.00	70.00

3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

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	74,000	1.2	6,700	(5.5)	7,000	(5.1)	4,700	(7.8)	227.62

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 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 December 31, 2024	22,859,660 shares	As of March 31, 2024	22,859,660 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	2,283,159 shares	As of March 31, 2024	2,211,496 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, 2024	20,643,535 shares	Nine months ended December 31, 2023	20,640,198 shares
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Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	23,041	21,436
Notes receivable - trade	2,207	1,711
Electronically recorded monetary claims - operating	9,136	10,803
Accounts receivable - trade	14,702	12,014
Securities	999	999
Merchandise and finished goods	5,760	7,059
Work in process	2,714	2,058
Raw materials and supplies	9,313	8,622
Other	366	1,027
Allowance for doubtful accounts	(4)	(4)
Total current assets	68,239	65,728
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,438	12,899
Machinery, equipment and vehicles, net	1,506	2,400
Land	6,499	6,508
Construction in progress	2,530	1,465
Other, net	198	344
Total property, plant and equipment	19,172	23,617
Intangible assets	968	1,015
Investments and other assets		
Investment securities	11,599	11,497
Deferred tax assets	379	342
Other	183	233
Allowance for doubtful accounts	(2)	(0)
Total investments and other assets	12,159	12,073
Total non-current assets	32,301	36,706
Total assets	100,540	102,435

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,950	10,133
Electronically recorded obligations - operating	3,652	3,264
Short-term borrowings	2,265	1,832
Accrued expenses	704	872
Income taxes payable	1,344	495
Provision for bonuses	714	463
Provision for bonuses for directors (and other officers)	77	62
Provision for product warranties	191	208
Other	1,376	1,694
Total current liabilities	20,275	19,028
Non-current liabilities		
Long-term borrowings	1,423	2,373
Lease liabilities	349	360
Deferred tax liabilities	2,046	2,102
Retirement benefit liability	592	592
Other	10	10
Total non-current liabilities	4,421	5,439
Total liabilities	24,697	24,468
Net assets		
Shareholders' equity		
Share capital	1,954	1,954
Capital surplus	1,788	1,788
Retained earnings	63,102	65,649
Treasury shares	(2,704)	(2,906)
Total shareholders' equity	64,141	66,485
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,541	5,485
Foreign currency translation adjustment	3,224	2,959
Remeasurements of defined benefit plans	(91)	(71)
Total accumulated other comprehensive income	8,673	8,374
Non-controlling interests	3,027	3,107
Total net assets	75,843	77,967
Total liabilities and net assets	100,540	102,435

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

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	53,351	52,524
Cost of sales	42,614	39,864
Gross profit	10,736	12,660
Selling, general and administrative expenses	6,850	7,358
Operating profit	3,886	5,301
Non-operating income		
Interest income	85	126
Dividend income	200	234
Rental income from buildings	65	81
Foreign exchange gains	–	68
Share of profit of entities accounted for using equity method	32	66
Other	39	31
Total non-operating income	423	608
Non-operating expenses		
Interest expenses	73	73
Foreign exchange losses	145	–
Other	9	11
Total non-operating expenses	229	84
Ordinary profit	4,080	5,825
Extraordinary income		
Gain on sale of non-current assets	6	4
Gain on sale of investment securities	0	190
Total extraordinary income	7	195
Extraordinary losses		
Loss on disposal of non-current assets	38	2
Total extraordinary losses	38	2
Profit before income taxes	4,049	6,018
Income taxes - current	1,188	1,606
Income taxes - deferred	23	113
Total income taxes	1,211	1,719
Profit	2,837	4,299
Profit attributable to		
Profit attributable to owners of parent	2,828	4,047
Profit attributable to non-controlling interests	9	252
Other comprehensive income		
Valuation difference on available-for-sale securities	1,621	(55)
Foreign currency translation adjustment	2,037	(245)
Remeasurements of defined benefit plans, net of tax	11	20
Share of other comprehensive income of entities accounted for using equity method	6	(0)
Total other comprehensive income	3,676	(280)
Comprehensive income	6,514	4,019
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,180	3,747
Comprehensive income attributable to non-controlling interests	334	271

Revenue Recongnition

[Breakdown of Revenue from Contracts with Customers]

(1) Sales results by product

Product	Nine months ended December 31, 2023	Nine months ended December 31, 2024	(Millions of yen)	
			Year-on-year Change	%
Generators	44,998	43,491	(1,506)	(3.3)
Welders	3,225	3,381	155	4.8
Compressors	523	708	184	35.2
Others	4,604	4,943	338	7.4
Revenue from contracts with customers	53,351	52,524	(827)	(1.6)
Other revenue	—	—	—	—
Net sales to external customers	53,351	52,524	(827)	(1.6)

(2) Sales results by region

Region	Nine months ended December 31, 2023	Nine months ended December 31, 2024	(Millions of yen)	
			Year-on-year Change	%
Japan	26,379	30,143	3,764	14.3
Overseas	26,972	22,380	(4,591)	(17.0)
North/Central America	19,473	15,098	(4,375)	(22.5)
Asia	5,167	5,229	62	1.2
Others	2,331	2,053	(277)	(11.9)
Revenue from contracts with customers	53,351	52,524	(827)	(1.6)
Other revenue	—	—	—	—
Net sales to external customers	53,351	52,524	(827)	(1.6)