

**Translation**

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**Summary of Consolidated Financial Results  
for the Six Months Ended September 30, 2024  
(Based on Japanese GAAP)**



November 14, 2024

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 file Semi-annual Securities Report: November 14, 2024  
 Scheduled date to commence dividend payments: December 6, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 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	%
Six months ended September 30, 2024	34,020	(0.5)	3,089	42.5	3,427	48.7	2,294	43.5
Six months ended September 30, 2023	34,201	21.0	2,167	100.0	2,305	99.3	1,598	99.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2024	111.11	–
Six months ended September 30, 2023	77.46	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	101,997	78,999	74.3
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 six months ended September 30, 2024: No

(2) Application of special accounting methods for preparing semi-annual 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 September 30, 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 September 30, 2024	2,204,333 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)

Six months ended September 30, 2024	20,650,857 shares	Six months ended September 30, 2023	20,637,580 shares
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**Semi-annual consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	23,041	23,254
Notes receivable - trade	2,207	2,248
Electronically recorded monetary claims - operating	9,136	7,335
Accounts receivable - trade	14,702	12,072
Securities	999	999
Merchandise and finished goods	5,760	8,137
Work in process	2,714	2,401
Raw materials and supplies	9,313	8,533
Other	366	692
Allowance for doubtful accounts	(4)	(4)
<b>Total current assets</b>	<b>68,239</b>	<b>65,670</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	8,438	8,391
Machinery, equipment and vehicles, net	1,506	1,469
Land	6,499	6,516
Construction in progress	2,530	6,562
Other, net	198	269
<b>Total property, plant and equipment</b>	<b>19,172</b>	<b>23,208</b>
Intangible assets	968	1,020
<b>Investments and other assets</b>		
Investment securities	11,599	11,485
Deferred tax assets	379	411
Other	183	201
Allowance for doubtful accounts	(2)	(0)
<b>Total investments and other assets</b>	<b>12,159</b>	<b>12,098</b>
<b>Total non-current assets</b>	<b>32,301</b>	<b>36,327</b>
<b>Total assets</b>	<b>100,540</b>	<b>101,997</b>

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	9,950	8,512
Electronically recorded obligations - operating	3,652	2,576
Short-term borrowings	2,265	2,368
Accrued expenses	704	570
Income taxes payable	1,344	909
Provision for bonuses	714	842
Provision for bonuses for directors (and other officers)	77	45
Provision for product warranties	191	191
Other	1,376	1,648
<b>Total current liabilities</b>	<b>20,275</b>	<b>17,666</b>
<b>Non-current liabilities</b>		
Long-term borrowings	1,423	2,374
Lease liabilities	349	367
Deferred tax liabilities	2,046	1,986
Retirement benefit liability	592	593
Other	10	10
<b>Total non-current liabilities</b>	<b>4,421</b>	<b>5,331</b>
<b>Total liabilities</b>	<b>24,697</b>	<b>22,997</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,954	1,954
Capital surplus	1,788	1,788
Retained earnings	63,102	64,539
Treasury shares	(2,704)	(2,691)
<b>Total shareholders' equity</b>	<b>64,141</b>	<b>65,591</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	5,541	5,453
Foreign currency translation adjustment	3,224	4,778
Remeasurements of defined benefit plans	(91)	(78)
<b>Total accumulated other comprehensive income</b>	<b>8,673</b>	<b>10,153</b>
<b>Non-controlling interests</b>	<b>3,027</b>	<b>3,255</b>
<b>Total net assets</b>	<b>75,843</b>	<b>78,999</b>
<b>Total liabilities and net assets</b>	<b>100,540</b>	<b>101,997</b>

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

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	34,201	34,020
Cost of sales	27,554	26,055
Gross profit	6,646	7,964
Selling, general and administrative expenses	4,479	4,875
Operating profit	2,167	3,089
Non-operating income		
Interest income	56	68
Dividend income	122	148
Rental income from buildings	42	53
Foreign exchange gains	–	78
Share of profit of entities accounted for using equity method	12	29
Other	27	15
Total non-operating income	261	393
Non-operating expenses		
Interest expenses	48	46
Foreign exchange losses	68	–
Other	6	8
Total non-operating expenses	123	55
Ordinary profit	2,305	3,427
Extraordinary income		
Gain on sale of non-current assets	3	4
Gain on sale of investment securities	0	10
Total extraordinary income	4	15
Extraordinary losses		
Loss on disposal of non-current assets	8	2
Total extraordinary losses	8	2
Profit before income taxes	2,301	3,441
Income taxes - current	785	1,010
Income taxes - deferred	(49)	(39)
Total income taxes	735	970
Profit	1,565	2,471
Profit attributable to		
Profit attributable to owners of parent	1,598	2,294
Profit (loss) attributable to non-controlling interests	(33)	176
Other comprehensive income		
Valuation difference on available-for-sale securities	1,146	(88)
Foreign currency translation adjustment	1,395	1,796
Remeasurements of defined benefit plans, net of tax	7	13
Share of other comprehensive income of entities accounted for using equity method	4	0
Total other comprehensive income	2,553	1,721
Comprehensive income	4,118	4,193
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,906	3,773
Comprehensive income attributable to non-controlling interests	212	419

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	2,301	3,441
Depreciation	613	592
Interest and dividend income	(179)	(216)
Interest expenses	48	46
Share of loss (profit) of entities accounted for using equity method	(12)	(29)
Loss (gain) on sale of investment securities	(0)	(10)
Decrease (increase) in trade receivables	(430)	5,055
Decrease (increase) in inventories	(38)	(382)
Increase (decrease) in trade payables	416	(2,882)
Other, net	823	(9)
Subtotal	3,541	5,604
Interest and dividends received	187	227
Interest paid	(47)	(47)
Income taxes paid	(787)	(1,445)
Net cash provided by (used in) operating activities	2,894	4,339
Cash flows from investing activities		
Purchase of property, plant and equipment	(610)	(4,686)
Purchase of intangible assets	(117)	(172)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	51	12
Net decrease (increase) in time deposits	(11)	–
Other, net	(2)	2
Net cash provided by (used in) investing activities	(692)	(4,845)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	–	(1,076)
Proceeds from long-term borrowings	–	2,200
Repayments of long-term borrowings	(30)	(42)
Purchase of treasury shares	(0)	(0)
Dividends paid	(578)	(857)
Dividends paid to non-controlling interests	(37)	(95)
Other, net	(11)	(12)
Net cash provided by (used in) financing activities	(658)	115
Effect of exchange rate change on cash and cash equivalents	155	600
Net increase (decrease) in cash and cash equivalents	1,698	210
Cash and cash equivalents at beginning of period	22,331	24,029
Cash and cash equivalents at end of period	24,029	24,239

## Revenue Recognition

[Breakdown of Revenue from Contracts with Customers]

(1) Sales results by product

(Millions of yen)

Product	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year	
			Change	%
Generators	29,201	28,483	(718)	(2.5)
Welders	2,122	2,124	2	0.1
Compressors	364	341	(23)	(6.4)
Others	2,512	3,070	558	22.2
Revenue from contracts with customers	34,201	34,020	(181)	(0.5)
Other revenue	—	—	—	—
Net sales to external customers	34,201	34,020	(181)	(0.5)

(2) Sales results by region

(Millions of yen)

Region	Six months ended September 30, 2023	Six months ended September 30, 2024	Year-on-year	
			Change	%
Japan	15,589	18,208	2,619	16.8
Overseas	18,612	15,811	(2,800)	(15.0)
North/Central America	13,714	11,011	(2,703)	(19.7)
Asia	3,281	3,429	147	4.5
Others	1,616	1,371	(244)	(15.2)
Revenue from contracts with customers	34,201	34,020	(181)	(0.5)
Other revenue	—	—	—	—
Net sales to external customers	34,201	34,020	(181)	(0.5)