

**Non-consolidated Financial Statements**  
**for the First Nine Months of the Fiscal Year Ending March 31, 2023**

Company name: Zuken Elmic, Inc.

Listing: TSE Standard Market

Stock code: 4770

 URL: <https://www.elwsc.co.jp/>

President: Joe Asakura

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**(1) Balance Sheets**

|                                       | FY2021 selected data<br>(As of Mar. 31, 2022) | (Thousands of yen)<br>3Q of FY2022<br>(As of Dec. 31, 2022) |
|---------------------------------------|---|---|
| <b>Assets</b>                         |   |   |
| Current assets                        |   |   |
| Cash and deposits                     | 592,058                                       | 604,782   |
| Notes and accounts receivable – trade | 168,554                                       | 230,792   |
| Merchandise and finished goods        | 118   | 47  |
| Work in process                       | 9,551   | 13,203  |
| Raw materials                         | 26  | 26  |
| Prepaid expenses                      | 3,256   | 4,341   |
| Other current assets                  | 209   | 205   |
| Allowance for doubtful accounts       | (100)   | (100)   |
| Total current assets                  | 773,674                                       | 853,298   |
| Noncurrent assets                     |   |   |
| Property, plant and equipment         | 17,552  | 13,821  |
| Intangible assets                     | 13,652  | 10,669  |
| Investments and other assets          |   |   |
| Deferred tax assets                   | —   | 32,517  |
| Other investments and other assets    | 3,384   | 3,384   |
| Allowance for doubtful accounts       | (1,850)                                       | (1,850)   |
| Total investments and other assets    | 1,534   | 34,052  |
| Total noncurrent assets               | 32,738  | 58,544  |
| Total assets                          | 806,413                                       | 911,843   |
| <b>Liabilities</b>                    |   |   |
| Current liabilities                   |   |   |
| Accounts payable – trade              | 33,608  | 31,688  |
| Income taxes payable                  | 25,965  | 11,708  |
| Unearned revenue                      | 26,507  | 30,412  |
| Provision for bonuses                 | 30,815  | 16,700  |
| Provision for product warranties      | 11,070  | 9,173   |
| Other current liabilities             | 53,032  | 56,283  |
| Total current liabilities             | 180,999                                       | 155,965   |
| Noncurrent liabilities                |   |   |
| Long-term unearned revenue            | 3,052   | 548   |
| Provision for retirement benefits     | 1,853   | 1,853   |
| Other long-term liabilities           | 9,691   | 7,471   |
| Total noncurrent liabilities          | 14,598  | 9,873   |
| Total liabilities                     | 195,597                                       | 165,838   |
| <b>Net assets</b>                     |   |   |
| Shareholders' equity                  |   |   |
| Capital stock                         | 500,000                                       | 500,000   |
| Capital surplus                       | 135,998                                       | 135,998   |
| Retained earnings                     | (25,064)                                      | 110,123   |
| Treasury shares                       | (117)   | (117)   |
| Total shareholders' equity            | 610,816                                       | 746,004   |
| Total net assets                      | 610,816                                       | 746,004   |
| Total liabilities and net assets      | 806,413                                       | 911,843   |

**(2) Statements of Income**  
**(For the Nine-month Period)**

|  | (Thousands of yen)             |                                |
|--|--------------------------------|--------------------------------|
|  | 3Q of FY2021                   | 3Q of FY2022                   |
|  | (Apr. 1, 2021 – Dec. 31, 2021) | (Apr. 1, 2022 – Dec. 31, 2022) |
| Net sales                                    | 578,298                        | 654,317                        |
| Cost of sales                                | 299,123                        | 305,778                        |
| Gross profit                                 | 279,174                        | 348,538                        |
| Selling, general and administrative expenses | 211,386                        | 229,857                        |
| Operating profit (loss)                      | 67,788                         | 118,680                        |
| Non-operating income                         |                                |                                |
| Interest income                              | 2                              | 2                              |
| Commission fee                               | 35                             | 37                             |
| Foreign exchange gains                       | —                              | 249                            |
| Others income                                | 2                              | —                              |
| Total non-operating income                   | 39                             | 290                            |
| Non-operating expenses                       |                                |                                |
| Interest expenses                            | 160                            | 102                            |
| Foreign exchange losses                      | 26                             | —                              |
| Loss on retirement of non-current assets     | 0                              | —                              |
| Total non-operating expenses                 | 187                            | 102                            |
| Ordinary profit (loss)                       | 67,641                         | 118,868                        |
| Profit (loss) before income taxes            | 67,641                         | 118,868                        |
| Income taxes –current                        | 10,122                         | 16,378                         |
| Income taxes–deferred                        | (11)                           | (32,697)                       |
| Total income taxes                           | 10,110                         | (16,319)                       |
| Net profit (loss)                            | 57,530                         | 135,187                        |