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Consolidated Financial Results for the Year Ended March 31, 2023 [Japanese GAAP]

May 15, 2023

Company name: SUNCORPORATION

Stock exchange listing: Tokyo

Code number: 6736

URL: <https://www.sun-denshi.co.jp>

Representative: Ryusuke Utsumi

President and Representative Director

Contact: Yoshimi Kimura

Representative and Executive managing director

Phone: +81-52-756-5981

Scheduled date of Annual General Meeting of Shareholders: June 22, 2023

Scheduled date of commencing dividend payments: June 23, 2023

Scheduled date of filing annual securities report: June 23, 2023

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

(Amounts of less than one millions of yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2023	37,449	0.7	(1,711)	-	14,174	46.5	6,878	144.0
March 31, 2022	37,205	39.5	1,360	97.9	9,673	997.5	2,818	-

(Note) Comprehensive income: Fiscal year ended March 31, 2023: ¥ 13,510 million [61.3%]
Fiscal year ended March 31, 2022: ¥ 8,375 million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2023	292.82	278.46	20.4	22.9	(4.6)
March 31, 2022	117.77	108.47	12.5	14.7	3.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2023: ¥ million
Fiscal year ended March 31, 2022: ¥ million

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2023	41,758	35,013	83.7	1,543.58
March 31, 2022	82,088	27,040	29.7	1,018.23

(Reference) Equity: As of March 31, 2023: ¥ 34,908 million
As of March 31, 2022: ¥ 24,377 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2023	(13,481)	(25,168)	25,574	2,934
March 31, 2022	3,632	4,020	(3,036)	27,438

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
March 31, 2022	-	20.00	-	20.00	40.00	957	34.0	4.9
March 31, 2023	-	0.00	-	20.00	20.00	452	6.8	1.6
Fiscal year ending March 31, 2024 (Forecast)	-	-	-	-	-		-	

(Note) The dividend forecast for the fiscal year ending March 31, 2024 is undecided at this time.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

The Company's forecast for the fiscal year ending March 31, 2024 is based on the uncertain impact of recent geopolitical risks and financial instability, as well as the fact that it is currently difficult to reasonably estimate the impact of changes in the fair value of the price adjustment provisions, certain restricted stock rights and derivative warrant liabilities recognized by the equity method affiliate, Cellebrite DI Ltd. It is difficult to reasonably estimate the impact of changes in the fair value of these liabilities on the Company's results of operations at this point in time.

The Company has not yet determined the fair value of the price adjustment provisions, certain restricted stock rights, and derivative warrant liabilities recognized in DI Ltd. The Company will promptly announce its consolidated earnings forecast when such disclosure becomes possible.

* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New - (Company name:)

Exclusion: (Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2023: 23,998,828 shares

March 31, 2022: 23,992,328 shares

2) Number of treasury shares at the end of the period:

March 31, 2023: 1,366,387 shares

March 31, 2022: 51,262 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended March 31, 2023: 23,490,418 shares

Fiscal Year ended March 31, 2022: 23,933,693 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2023 (April 1, 2022 to March 31, 2023)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2023	8,051	0.1	163	45.5	3,415	(60.2)	3,212	(86.6)
March 31, 2022	8,046	46.7	112	-	8,579	-	23,998	-

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2023	136.78	136.55
March 31, 2022	1,002.69	1,000.79

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2023	36,848	31,876	86.3	1,404.98
March 31, 2022	47,076	32,080	68.0	1,337.97

(Reference) Equity: As of March 31, 2023: ¥ 31,798 million
As of March 31, 2022: ¥ 32,032 million