

Translation

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Summary of Consolidated Financial Results for the Three Months Ended August 31, 2022 (Based on Japanese GAAP)

October 13, 2022

Company name: DAIKOKUTENBUSSAN CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 2791 URL <http://www.e-dkt.co.jp/>
 Representative: Representative Director and President SHOJI OGA
 Inquiries: Senior Managing Director MASASHI OMURA TEL 086-435-1100
 Scheduled date to file Quarterly Securities Report: October 14, 2022
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended August 31, 2022 (from June 1, 2022 to August 31, 2022)

(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	%
Three months ended August 31, 2022	58,519	5.6	446	(77.7)	493	(76.1)	309	(76.8)
Three months ended August 31, 2021	55,393	–	2,001	(24.0)	2,069	(24.1)	1,335	(23.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended August 31, 2022	22.22		–	
Three months ended August 31, 2021	95.86		95.81	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2022	87,638	46,736	53.1
As of May 31, 2022	81,930	46,802	56.9

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 May 31, 2022	–	0.00	–	29.00	29.00
Year ending May 31, 2023	–				
Year ending May 31, 2023 (Forecast)		0.00	–	29.00	29.00

3. Forecast of consolidated financial results for the year ending May 31, 2023 (from June 1, 2022 to May 31, 2023)

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
Six months ending November 30, 2022	111,700	2.3	538	(85.7)	738	(81.3)	492	(80.3)	35.32
Full year	234,600	4.7	3,923	(54.1)	4,223	(52.7)	2,793	(50.3)	200.51

4. Notes

- (1) Changes in significant subsidiaries during the three months ended August 31, 2022
(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: 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 August 31, 2022	14,474,200 shares	As of May 31, 2022	14,474,200 shares
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Number of treasury shares at the end of the period

As of August 31, 2022	545,354 shares	As of May 31, 2022	545,354 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2022	13,928,846 shares	Three months ended August 31, 2021	13,928,880 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of May 31, 2022	As of August 31, 2022
Assets		
Current assets		
Cash and deposits	9,540	7,514
Notes and accounts receivable - trade	123	124
Merchandise and finished goods	7,118	7,088
Work in process	152	167
Raw materials and supplies	378	549
Other	4,050	4,663
Allowance for doubtful accounts	(203)	(229)
Total current assets	21,160	19,878
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,501	36,116
Land	8,558	8,558
Other, net	13,819	10,158
Total property, plant and equipment	47,878	54,833
Intangible assets	335	325
Investments and other assets		
Construction assistance fund receivables	1,516	1,503
Guarantee deposits	4,829	4,929
Other	6,267	6,224
Allowance for doubtful accounts	(57)	(57)
Total investments and other assets	12,556	12,600
Total non-current assets	60,770	67,759
Total assets	81,930	87,638

(Millions of yen)

	As of May 31, 2022	As of August 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,523	14,839
Short-term borrowings	2,587	5,425
Income taxes payable	1,810	229
Provision for bonuses	567	315
Asset retirement obligations	6	6
Other	6,778	7,764
Total current liabilities	26,273	28,581
Non-current liabilities		
Long-term borrowings	4,095	7,535
Retirement benefit liability	41	41
Asset retirement obligations	3,008	3,059
Other	1,709	1,684
Total non-current liabilities	8,854	12,320
Total liabilities	35,128	40,901
Net assets		
Shareholders' equity		
Share capital	1,661	1,661
Capital surplus	1,823	1,823
Retained earnings	43,909	43,815
Treasury shares	(880)	(880)
Total shareholders' equity	46,514	46,419
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	131	160
Total accumulated other comprehensive income	131	160
Share acquisition rights	52	52
Non-controlling interests	104	104
Total net assets	46,802	46,736
Total liabilities and net assets	81,930	87,638

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Net sales	55,393	58,519
Cost of sales	42,129	45,537
Gross profit	13,264	12,982
Selling, general and administrative expenses	11,263	12,535
Operating profit	2,001	446
Non-operating income		
Interest income	7	6
Dividend income	4	4
Rental income	21	27
Insurance claim income	37	39
Other	18	18
Total non-operating income	88	95
Non-operating expenses		
Interest expenses	7	6
Rental expenses	12	16
Provision of allowance for doubtful accounts	1	18
Other	0	7
Total non-operating expenses	20	48
Ordinary profit	2,069	493
Profit before income taxes	2,069	493
Income taxes - current	516	157
Income taxes - deferred	216	25
Total income taxes	732	183
Profit	1,336	310
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,335	309

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended August 31, 2021	Three months ended August 31, 2022
Profit	1,336	310
Other comprehensive income		
Valuation difference on available-for-sale securities	46	28
Total other comprehensive income	46	28
Comprehensive income	1,382	338
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,382	338
Comprehensive income attributable to non-controlling interests	0	0