

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended February 28, 2023 (Based on Japanese GAAP)

April 13, 2023

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: April 14, 2023
 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 nine months ended February 28, 2023 (from June 1, 2022 to February 28, 2023)

(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 February 28, 2023	177,970	7.5	2,749	(55.1)	3,045	(52.2)	1,690	(58.3)
Nine months ended February 28, 2022	165,543	–	6,124	(13.3)	6,371	(12.4)	4,049	(10.9)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended February 28, 2023	121.36	–
Nine months ended February 28, 2022	290.74	290.64

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of February 28, 2023	91,146	48,159	52.7
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	–	0.00	–		
Year ending May 31, 2023 (Forecast)				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
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 nine months ended February 28, 2023
(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 February 28, 2023	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 February 28, 2023	545,471 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)

Nine months ended February 28, 2023	13,928,818 shares	Nine months ended February 28, 2022	13,928,860 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of May 31, 2022	As of February 28, 2023
Assets		
Current assets		
Cash and deposits	9,540	7,260
Notes and accounts receivable - trade	123	116
Merchandise and finished goods	7,118	7,804
Work in process	152	163
Raw materials and supplies	378	544
Other	4,050	5,580
Allowance for doubtful accounts	(203)	(203)
Total current assets	21,160	21,267
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,501	36,543
Land	8,558	8,718
Other, net	13,819	11,584
Total property, plant and equipment	47,878	56,846
Intangible assets	335	363
Investments and other assets		
Construction assistance fund receivables	1,516	1,425
Guarantee deposits	4,829	4,975
Other	6,267	6,328
Allowance for doubtful accounts	(57)	(60)
Total investments and other assets	12,556	12,669
Total non-current assets	60,770	69,878
Total assets	81,930	91,146

(Millions of yen)

	As of May 31, 2022	As of February 28, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,523	13,309
Short-term borrowings	2,587	12,514
Income taxes payable	1,810	49
Provision for bonuses	567	323
Asset retirement obligations	6	6
Other	6,778	5,632
Total current liabilities	26,273	31,835
Non-current liabilities		
Long-term borrowings	4,095	6,290
Retirement benefit liability	41	41
Asset retirement obligations	3,008	3,215
Other	1,709	1,604
Total non-current liabilities	8,854	11,151
Total liabilities	35,128	42,987
Net assets		
Shareholders' equity		
Share capital	1,661	1,661
Capital surplus	1,823	1,823
Retained earnings	43,909	45,195
Treasury shares	(880)	(881)
Total shareholders' equity	46,514	47,799
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	131	199
Total accumulated other comprehensive income	131	199
Share acquisition rights	52	52
Non-controlling interests	104	107
Total net assets	46,802	48,159
Total liabilities and net assets	81,930	91,146

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended February 28, 2022	Nine months ended February 28, 2023
Net sales	165,543	177,970
Cost of sales	125,640	138,003
Gross profit	39,902	39,966
Selling, general and administrative expenses	33,778	37,216
Operating profit	6,124	2,749
Non-operating income		
Interest income	20	20
Dividend income	4	4
Rental income	66	84
Insurance claim income	122	97
Settlement income	–	165
Other	93	57
Total non-operating income	307	430
Non-operating expenses		
Interest expenses	21	21
Rental expenses	36	48
Provision of allowance for doubtful accounts	1	2
Other	0	62
Total non-operating expenses	59	135
Ordinary profit	6,371	3,045
Extraordinary income		
Subsidy income	0	–
Total extraordinary income	0	–
Extraordinary losses		
Impairment losses	–	110
Loss on tax purpose reduction entry of non-current assets	0	–
Total extraordinary losses	0	110
Profit before income taxes	6,371	2,934
Income taxes - current	2,222	1,322
Income taxes - deferred	97	(81)
Total income taxes	2,319	1,241
Profit	4,052	1,693
Profit attributable to non-controlling interests	2	3
Profit attributable to owners of parent	4,049	1,690

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended February 28, 2022	Nine months ended February 28, 2023
Profit	4,052	1,693
Other comprehensive income		
Valuation difference on available-for-sale securities	48	67
Total other comprehensive income	48	67
Comprehensive income	4,100	1,761
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,097	1,758
Comprehensive income attributable to non-controlling interests	2	3