

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended November 30, 2023 (Based on Japanese GAAP)

January 11, 2024

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: January 12, 2024  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended November 30, 2023 (from June 1, 2023 to November 30, 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	%
Six months ended November 30, 2023	131,787	12.9	3,955	268.3	4,052	204.1	2,488	222.7
Six months ended November 30, 2022	116,776	7.0	1,073	(71.4)	1,332	(66.2)	771	(69.1)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended November 30, 2023	178.68		178.64	
Six months ended November 30, 2022	55.36		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of November 30, 2023	97,649	51,599	52.7
As of May 31, 2023	97,194	49,518	50.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended May 31, 2023	–	0.00	–	29.00	29.00
Year ending May 31, 2024	–	0.00			
Year ending May 31, 2024 (Forecast)			–	29.00	29.00

3. Forecast of consolidated financial results for the year ending May 31, 2024 (from June 1, 2023 to May 31, 2024)

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	264,187	9.1	7,355	63.5	7,452	53.8	4,588	47.2	329.39

4. Notes

- (1) Changes in significant subsidiaries during the six months ended November 30, 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 November 30, 2023	14,474,200 shares	As of May 31, 2023	14,474,200 shares
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Number of treasury shares at the end of the period

As of November 30, 2023	545,471 shares	As of May 31, 2023	545,471 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended November 30, 2023	13,928,729 shares	Six months ended November 30, 2022	13,928,845 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of May 31, 2023	As of November 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	8,630	9,742
Notes and accounts receivable - trade	151	128
Merchandise and finished goods	8,370	9,321
Work in process	146	153
Raw materials and supplies	593	599
Other	6,201	3,963
Allowance for doubtful accounts	(203)	(203)
Total current assets	23,890	23,705
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	40,209	40,365
Land	9,357	10,110
Other, net	10,325	10,085
Total property, plant and equipment	59,892	60,561
Intangible assets	344	309
Investments and other assets		
Construction assistance fund receivables	1,376	1,380
Guarantee deposits	5,129	5,146
Other	6,620	6,605
Allowance for doubtful accounts	(59)	(59)
Total investments and other assets	13,067	13,072
Total non-current assets	73,304	73,943
Total assets	97,194	97,649

(Millions of yen)

	As of May 31, 2023	As of November 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	16,749	16,365
Short-term borrowings	4,601	4,201
Income taxes payable	503	1,826
Provision for bonuses	581	638
Other	8,267	8,163
Total current liabilities	30,703	31,196
Non-current liabilities		
Long-term borrowings	11,950	9,905
Retirement benefit liability	41	42
Asset retirement obligations	3,397	3,382
Other	1,583	1,522
Total non-current liabilities	16,972	14,853
Total liabilities	47,676	46,050
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,661	1,661
Capital surplus	1,823	1,823
Retained earnings	46,621	48,706
Treasury shares	(881)	(881)
Total shareholders' equity	49,225	51,310
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	131	125
Total accumulated other comprehensive income	131	125
Share acquisition rights	52	52
Non-controlling interests	108	110
Total net assets	49,518	51,599
<b>Total liabilities and net assets</b>	<b>97,194</b>	<b>97,649</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended November 30, 2022	Six months ended November 30, 2023
Net sales	116,776	131,787
Cost of sales	90,776	101,611
Gross profit	26,000	30,175
Selling, general and administrative expenses	24,926	26,220
Operating profit	1,073	3,955
Non-operating income		
Interest income	13	13
Dividend income	4	4
Rental income	55	58
Insurance claim income	71	39
Settlement income	165	–
Other	41	56
Total non-operating income	351	171
Non-operating expenses		
Interest expenses	13	15
Rental expenses	32	31
Provision of allowance for doubtful accounts	2	(0)
Loss on disposal of non-current assets	–	23
Other	43	4
Total non-operating expenses	92	75
Ordinary profit	1,332	4,052
Profit before income taxes	1,332	4,052
Income taxes - current	797	1,626
Income taxes - deferred	(238)	(65)
Total income taxes	559	1,561
Profit	773	2,491
Profit attributable to non-controlling interests	1	2
Profit attributable to owners of parent	771	2,488

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended November 30, 2022	Six months ended November 30, 2023
Profit	773	2,491
Other comprehensive income		
Valuation difference on available-for-sale securities	54	(5)
Total other comprehensive income	54	(5)
Comprehensive income	827	2,485
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	825	2,482
Comprehensive income attributable to non-controlling interests	1	2

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended November 30, 2022	Six months ended November 30, 2023
Cash flows from operating activities		
Profit before income taxes	1,332	4,052
Depreciation	3,067	3,516
Increase (decrease) in provision for bonuses	20	57
Increase (decrease) in allowance for doubtful accounts	2	0
Interest and dividend income	(17)	(18)
Interest expenses	13	15
Settlement income	(165)	–
He amount of rent offset of construction assistance fund receivables	93	93
He amount of rent off set of construction assistance fund receivables deposited	(24)	(24)
Decrease (increase) in trade receivables	(12)	23
Decrease (increase) in inventories	(1,179)	(964)
Decrease (increase) in other current assets	(1,245)	2,238
Increase (decrease) in trade payables	449	(383)
Increase (decrease) in other current liabilities	(101)	609
Increase (decrease) in other non-current liabilities	0	(29)
Other, net	7	34
Subtotal	2,241	9,221
Interest and dividends received	5	5
Interest paid	(12)	(13)
Income taxes paid	(1,615)	(334)
Net cash provided by (used in) operating activities	619	8,878
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,586)	(4,733)
Proceeds from sale of property, plant and equipment	0	1
Purchase of intangible assets	(63)	(1)
Proceeds from sale of investment securities	5	–
Payments for asset retirement obligations	(12)	(25)
Payments of guarantee deposits	(208)	(105)
Proceeds from refund of guarantee deposits	27	63
Payments of construction assistance fund receivables	(26)	(85)
Proceeds from collection of long-term loans receivable	7	0
Proceeds from construction assistance deposits received	–	25
Other, net	(37)	(28)
Net cash provided by (used in) investing activities	(10,894)	(4,888)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	4,300	(400)
Proceeds from long-term borrowings	5,000	–
Repayments of long-term borrowings	(1,353)	(2,044)
Repayments of lease liabilities	(47)	(36)
Purchase of treasury shares	(0)	–
Dividends paid	(396)	(396)
Net cash provided by (used in) financing activities	7,501	(2,877)
Net increase (decrease) in cash and cash equivalents	(2,773)	1,111
Cash and cash equivalents at beginning of period	9,540	8,630
Cash and cash equivalents at end of period	6,767	9,742