

**Translation**

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## Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

January 31, 2022

Company name: DAIKEN MEDICAL CO., LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 7775 URL <http://www.daiken-iki.co.jp>  
 Representative: President Keiichi Yamada  
 General Manager Finance and Accounting  
 Inquiries: Division Toshikazu Itami TEL 0725-30-3574  
 Scheduled date to file Quarterly Securities Report: February 1, 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. Non-consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

#### (1) Non-consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2021	6,420	6.7	933	10.3	933	5.8	662	4.7
Nine months ended December 31, 2020	6,015	(7.5)	846	(11.7)	882	(9.3)	632	(8.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	23.05		–	
Nine months ended December 31, 2020	22.01		–	

#### (2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2021	10,752	6,273	58.3
As of March 31, 2021	10,752	6,182	57.5

### 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 March 31, 2021	–	9.00	–	11.00	20.00
Year ending March 31, 2022	–	9.00	–		
Year ending March 31, 2022 (Forecast)				11.00	20.00

### 3. Forecast of non-consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	8,400	6.8	1,100	19.4	1,100	14.9	770	14.0	26.80

4. Notes

(1) Application of special accounting methods for preparing quarterly non-consolidated financial statements: Yes

(2) 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: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of December 31, 2021	∴	31,840,000 shares	As of March 31, 2021	∴	31,840,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	∴	3,111,559 shares	As of March 31, 2021	∴	3,111,559 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	∴	28,728,441 shares	Nine months ended December 31, 2020	∴	28,728,441 shares
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**Quarterly non-consolidated financial statements**  
**Non-consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	2,170,643	2,081,992
Notes and accounts receivable - trade	1,597,757	1,463,428
Electronically recorded monetary claims - operating	989,922	1,096,225
Finished goods	891,412	958,529
Work in process	86,665	78,831
Raw materials	443,833	501,947
Other	92,402	177,089
Allowance for doubtful accounts	(87)	(87)
Total current assets	6,272,550	6,357,956
Non-current assets		
Property, plant and equipment		
Buildings, net	2,019,367	1,959,730
Land	1,703,670	1,703,670
Other, net	502,053	494,216
Total property, plant and equipment	4,225,091	4,157,618
Intangible assets	21,723	15,935
Investments and other assets		
Deferred tax assets	166,802	166,802
Other	91,404	78,360
Allowance for doubtful accounts	(24,650)	(24,650)
Total investments and other assets	233,555	220,511
Total non-current assets	4,480,370	4,394,065
Total assets	10,752,921	10,752,021

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	849,189	456,594
Electronically recorded obligations - operating	141,925	591,656
Short-term borrowings	1,000,000	1,500,000
Current portion of long-term borrowings	704,034	551,434
Income taxes payable	111,074	167,885
Accrued expenses	179,500	82,923
Provision for Sales allowance	179,346	–
Asset retirement obligations	6,738	–
Other	175,208	301,286
<b>Total current liabilities</b>	<b>3,347,018</b>	<b>3,651,779</b>
<b>Non-current liabilities</b>		
Long-term borrowings	1,177,859	788,371
Other	45,768	38,203
<b>Total non-current liabilities</b>	<b>1,223,627</b>	<b>826,574</b>
<b>Total liabilities</b>	<b>4,570,645</b>	<b>4,478,353</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	495,875	495,875
Capital surplus	400,875	400,875
Retained earnings	7,112,107	7,199,674
Treasury shares	(1,826,582)	(1,826,582)
<b>Total shareholders' equity</b>	<b>6,182,275</b>	<b>6,269,841</b>
Share acquisition rights	–	3,825
<b>Total net assets</b>	<b>6,182,275</b>	<b>6,273,667</b>
<b>Total liabilities and net assets</b>	<b>10,752,921</b>	<b>10,752,021</b>

**Non-consolidated statements of income (cumulative)**

(Thousands of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	6,015,232	6,420,476
Cost of sales	3,321,998	3,579,100
Gross profit	2,693,234	2,841,375
Selling, general and administrative expenses	1,846,676	1,907,700
Operating profit	846,557	933,675
Non-operating income		
Interest income	0	0
Compensation income	449	900
Gain on forfeiture of unclaimed dividends	1,059	796
Subsidy income	36,072	–
Miscellaneous income	760	1,027
Other	551	181
Total non-operating income	38,893	2,905
Non-operating expenses		
Interest expenses	2,802	2,871
Other	–	50
Total non-operating expenses	2,802	2,922
Ordinary profit	882,649	933,658
Extraordinary losses		
Loss on retirement of non-current assets	4,009	901
Total extraordinary losses	4,009	901
Profit before income taxes	878,639	932,757
Income taxes	246,345	270,622
Profit	632,294	662,135