

**Consolidated Financial Results
for the Three Months Ended June 30, 2022
[Japanese GAAP]**



August 1, 2022

Company name: DAIICHI JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8059
 URL: <https://www.djk.co.jp/>
 Representative: Ichiro Uno, President & CEO
 Contact: Yuzo Ueda, General Manager, Accounting Department
 Phone: +81-3-6370-8697
 Scheduled date of filing quarterly securities report: August 10, 2022
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: None
 Schedule of quarterly financial results briefing session: None

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 1, 2022 - June 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	29,616	13.1	545	54.3	890	41.0	519	25.8
June 30, 2021	26,187	–	353	(57.9)	631	(43.7)	412	(40.9)

(Note) Comprehensive income: Three months ended June 30, 2022: ¥834 million [85.9%]

Three months ended June 30, 2021: ¥448 million [(59.6)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	48.48	48.29
June 30, 2021	38.59	38.41

* The Company has adopted the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of the first quarter of the fiscal year ended March 31, 2022. Accordingly, the percentage change in net sales from the previous corresponding period for the three months ended June 30, 2021, is not presented.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2022	129,112	58,614	45.2
As of March 31, 2022	132,235	58,722	44.3

(Reference) Equity: As of June 30, 2022: ¥58,343 million

As of March 31, 2022: ¥58,587 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	60.00	—	85.00	145.00
Fiscal year ending March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		45.00	—	65.00	110.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Six months ending September 30, 2022	66,000	(3.8)	2,300	(24.4)	2,400	(26.2)	1,600	(29.0)	149.41
Full year	140,000	(5.5)	5,500	(19.9)	5,800	(25.6)	3,900	(27.3)	364.18

(Note) Revision to the financial results forecast announced most recently: None

***Notes:**

(1) Changes in significant subsidiaries during the period under review (Changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued and outstanding shares (common shares)

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

June 30, 2022: 11,086,400 shares

March 31, 2022: 11,086,400 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 377,274 shares

March 31, 2022: 377,294 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 10,709,106 shares

Three months ended June 30, 2021: 10,693,206 shares

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information currently available to the Company and certain assumptions deemed reasonable, and the Company does not promise the achievement of these forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. For the assumptions underlying the forecasts and the notes on the use of the forecasts, please refer to “(3) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the Appendix (available in Japanese only).

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheet

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	28,422	31,629
Notes and accounts receivable - trade, and contract assets	—	26,635
Notes and accounts receivable - trade	35,184	—
Electronically recorded monetary claims	9,486	6,904
Merchandise and finished goods	19,402	21,920
Work in process	1,392	1,787
Raw materials and supplies	550	566
Accounts prepaid	15,938	17,363
Other	4,752	5,955
Allowance for doubtful accounts	(109)	(112)
Total current assets	115,021	112,650
Fixed assets		
Tangible fixed assets	3,073	3,075
Intangible fixed assets	1,651	1,564
Investment and other assets		
Investment securities	9,858	9,156
Retirement benefit asset	1,270	1,262
Deferred tax assets	484	513
Other	1,017	1,031
Allowance for doubtful accounts	(142)	(141)
Total investment and other assets	12,488	11,822
Total fixed assets	17,213	16,462
Total assets	132,235	129,112
Liabilities		
Current liabilities		
Notes and accounts payable	28,682	26,627
Short-term bank loans	7,082	5,220
Income taxes payable	1,375	175
Advances received	27,362	29,632
Provisions	1,451	854
Other	5,337	5,594
Total current liabilities	71,292	68,103
Long-term liabilities		
Long-term loans	360	330
Deferred tax liabilities	974	1,122
Provisions	20	20
Retirement benefit liability	463	484
Other	402	436
Total long-term liabilities	2,220	2,394
Total liabilities	73,512	70,498

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Equity		
Shareholders' equity		
Common stock	5,105	5,105
Capital surplus	3,812	3,812
Retained earnings	46,683	46,138
Treasury stock	(858)	(858)
Total shareholders' equity	54,742	54,197
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	2,737	2,369
Deferred gain or loss on derivatives under hedge accounting	(414)	(334)
Foreign currency translation adjustments	1,274	1,864
Remeasurements of defined benefit plans	248	247
Total accumulated other comprehensive income	3,845	4,146
Stock acquisition rights	96	96
Non-controlling interests	38	174
Total equity	58,722	58,614
Total liabilities and equity	132,235	129,112

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Net sales	26,187	29,616
Cost of sales	21,905	24,492
Gross profit	4,281	5,123
Selling, general and administrative expenses	3,928	4,577
Operating income	353	545
Non-operating income		
Interest received	18	20
Dividend income	108	134
Purchase discounts	103	63
Foreign exchange gains	67	145
Other	25	28
Total non-operating income	323	391
Non-operating expenses		
Interest expenses	8	6
Share of loss of entities accounted for using equity method	9	8
Commission expenses	21	20
Other	6	11
Total non-operating expenses	45	46
Ordinary income	631	890
Extraordinary loss		
Loss on sale of investment securities	5	—
Total extraordinary loss	5	—
Income before income taxes	626	890
Income taxes	136	129
Deferred taxes	75	247
Total income taxes	212	376
Profit	413	513
Profit (loss) attributable to non-controlling interests	0	(5)
Profit attributable to owners of parent	412	519

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Profit	413	513
Other comprehensive income		
Unrealized gain or loss on available-for-sale securities	(340)	(368)
Deferred gain or loss on derivatives under hedge accounting	1	80
Foreign currency translation adjustments	370	609
Remeasurements of defined benefit plans	3	(0)
Total other comprehensive income	35	321
Comprehensive income	448	834
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	448	819
Comprehensive income attributable to non-controlling interests	0	14