

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 29, 2022

Company name: DAIKEN MEDICAL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 7775 URL <https://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: August 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

(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	%
Three months ended June 30, 2022	2,196	11.1	288	15.7	288	15.5	202	14.8
Three months ended June 30, 2021	1,977	10.4	249	30.3	249	30.4	176	29.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	7.04		–	
Three months ended June 30, 2021	6.14		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	10,758	6,336	58.8
As of March 31, 2022	10,920	6,446	59.0

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, 2022	–	9.00	–	11.00	20.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	9.00	–	11.00	20.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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
Six months ending September 30, 2022	4,170	2.1	520	(8.0)	520	(8.0)	360	(10.1)	12.53
Full year	8,750	2.5	1,200	4.3	1,200	4.1	840	1.1	29.24

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: No

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 June 30, 2022	∴	31,840,000 shares	As of March 31, 2022	∴	31,840,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	∴	3,111,559 shares	As of March 31, 2022	∴	3,111,559 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2022	∴	28,728,441 shares	Three months ended June 30, 2021	∴	28,728,441 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	2,518,589	2,331,579
Notes and accounts receivable - trade	1,346,167	1,329,428
Electronically recorded monetary claims - operating	1,085,208	1,113,270
Finished goods	973,067	997,658
Work in process	72,279	69,955
Raw materials	499,189	500,451
Other	78,024	114,757
Allowance for doubtful accounts	(91)	(91)
Total current assets	6,572,435	6,457,009
Non-current assets		
Property, plant and equipment		
Buildings, net	1,937,619	1,915,716
Land	1,703,670	1,703,670
Other, net	478,110	455,238
Total property, plant and equipment	4,119,400	4,074,626
Intangible assets	15,135	13,440
Investments and other assets		
Deferred tax assets	160,449	160,449
Other	78,033	77,288
Allowance for doubtful accounts	(24,650)	(24,650)
Total investments and other assets	213,831	213,087
Total non-current assets	4,348,367	4,301,154
Total assets	10,920,803	10,758,164

(Thousands of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	463,151	450,907
Electronically recorded obligations - operating	560,469	548,358
Short-term borrowings	1,000,000	1,200,000
Current portion of long-term borrowings	597,826	495,877
Income taxes payable	212,541	94,933
Accrued expenses	70,899	139,246
Other	246,349	266,862
Total current liabilities	3,151,237	3,196,185
Non-current liabilities		
Long-term borrowings	1,280,033	1,185,038
Other	43,401	40,932
Total non-current liabilities	1,323,434	1,225,970
Total liabilities	4,474,671	4,422,156
Net assets		
Shareholders' equity		
Share capital	495,875	495,875
Capital surplus	400,875	400,875
Retained earnings	7,368,595	7,254,909
Treasury shares	(1,826,582)	(1,826,582)
Total shareholders' equity	6,438,763	6,325,077
Share acquisition rights	7,368	10,930
Total net assets	6,446,131	6,336,007
Total liabilities and net assets	10,920,803	10,758,164

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Net sales	1,977,150	2,196,446
Cost of sales	1,109,054	1,282,114
Gross profit	868,095	914,331
Selling, general and administrative expenses	619,071	626,318
Operating profit	249,024	288,012
Non-operating income		
Foreign exchange gains	311	612
Gain on forfeiture of unclaimed dividends	544	261
Compensation income	381	163
Miscellaneous income	239	54
Total non-operating income	1,477	1,092
Non-operating expenses		
Interest expenses	960	978
Total non-operating expenses	960	978
Ordinary profit	249,541	288,126
Extraordinary losses		
Loss on retirement of non-current assets	298	0
Total extraordinary losses	298	0
Profit before income taxes	249,243	288,126
Income taxes	72,938	85,800
Profit	176,305	202,326