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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



August 14, 2023

Company name: Double Standard Inc.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 3925
 URL: <https://double-std.com>
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 Phone: +81-3-6384-5411
 Scheduled date of filing quarterly securities report: August 14, 2023
 Scheduled date of commencing dividend payments: -
 Availability of supplementary explanatory materials on quarterly financial results: Available
 Schedule of quarterly financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 - June 30, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three Months ended June 30, 2023	1,508	(15.1)	363	(42.2)	368	(40.3)	338	(22.7)
June 30, 2022	1,776	(23.2)	628	34.5	617	36.3	437	40.8

(Note) Comprehensive income: Three Months ended June 30, 2023: ¥343 million [(12.8)%]

Three Months ended June 30, 2022: ¥394 million [26.8%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three Months ended June 30, 2023	24.92	-
June 30, 2022	32.25	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2023	4,985	4,329	84.9
As of March 31, 2023	5,613	4,664	81.4

(Reference) Equity: As of June 30, 2023: ¥4,231 million

As of March 31, 2023: ¥4,572 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, 2023	-	0.00	-	50.00	50.00
Fiscal year ending March 31, 2024	-				
Fiscal year ending March 31, 2024 (Forecast)		0.00	-	55.00	55.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	7,700	11.4	2,350	10.8	2,330	10.3	1,731	6.5	127.48

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

*** Notes:**

- (1) Changes in significant subsidiaries during the period: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation):
Newly included: - (), Excluded: - ()
- (2) Adoption of accounting treatment specific to 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 revisions to accounting standards and other regulations: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Number of issued shares (common shares)
- 1) Total number of issued shares at the end of the period (including treasury shares):
 - June 30, 2023: 13,580,000 shares
 - March 31, 2023: 13,580,000 shares
 - 2) Number of treasury shares at the end of the period:
 - June 30, 2023: 954 shares
 - March 31, 2023: 954 shares
 - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):
 - Three Months ended June 30, 2023: 13,579,046 shares
 - Three Months ended June 30, 2022: 13,579,084 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 financial results forecast and other forward-looking statements presented in this document are based on information that is currently available to the Company and certain assumptions that the Company deems reasonable, and are not intended to represent the Company's commitment to achieve the projected financial results. In addition, actual financial results, etc. may differ significantly from the forecast and statements due to various factors.

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1. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	4,160,733	3,738,924
Accounts receivable - trade	777,930	576,115
Work in process	44,997	65,775
Prepaid expenses	15,394	20,860
Other	527	1,883
Total current assets	4,999,583	4,403,559
Non-current assets		
Property, plant and equipment		
Buildings, net	61,148	60,016
Tools, furniture and fixtures, net	16,266	15,024
Total property, plant and equipment	77,415	75,041
Intangible assets		
Software	62,199	57,658
Trademark right	508	486
Goodwill	327,200	318,810
Total intangible assets	389,909	376,955
Investments and other assets		
Deferred tax assets	49,889	33,658
Leasehold and guarantee deposits	96,899	96,549
Other	49	15
Total investments and other assets	146,837	130,223
Total non-current assets	614,162	582,221
Total assets	5,613,746	4,985,780

(Thousand yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	311,507	273,299
Accounts payable - other	106,049	63,003
Accrued expenses	11,774	12,361
Income taxes payable	393,940	148,392
Accrued consumption taxes	72,954	58,491
Advances received	2,376	1,782
Other	8,856	64,005
Total current liabilities	907,459	621,334
Non-current liabilities		
Retirement benefit liability	6,669	8,369
Provision for retirement benefits for directors (and other officers)	34,829	26,407
Total non-current liabilities	41,499	34,777
Total liabilities	948,958	656,111
Net assets		
Shareholders' equity		
Share capital	263,778	263,778
Capital surplus	253,298	253,298
Retained earnings	4,057,232	3,716,632
Treasury shares	(2,096)	(2,096)
Total shareholders' equity	4,572,212	4,231,612
Non-controlling interests	92,575	98,056
Total net assets	4,664,787	4,329,669
Total liabilities and net assets	5,613,746	4,985,780

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

Three Months Ended June 30

(Thousand yen)

	For the Three Months ended June 30, 2022	For the Three Months ended June 30, 2023
Net sales	1,776,079	1,508,166
Cost of sales	947,750	891,363
Gross profit	828,329	616,802
Selling, general and administrative expenses	199,708	253,729
Operating profit	628,620	363,073
Non-operating income		
Surrender value of insurance policies	-	8,003
Other	3	13
Total non-operating income	3	8,017
Non-operating expenses		
Share of loss of entities accounted for using equity method	11,193	-
Donations	50	2,690
Other	-	0
Total non-operating expenses	11,243	2,690
Ordinary profit	617,381	368,401
Extraordinary income		
Gain on sale of investment securities	36,141	133,134
Total extraordinary income	36,141	133,134
Profit before income taxes	653,522	501,535
Income taxes - current	187,870	141,471
Income taxes - deferred	27,719	16,230
Total income taxes	215,589	157,701
Profit	437,932	343,833
Profit attributable to non-controlling interests	-	5,481
Profit attributable to owners of parent	437,932	338,352

Quarterly Consolidated Statement of Comprehensive Income

Three Months Ended June 30

(Thousand yen)

	For the Three Months ended June 30, 2022	For the Three Months ended June 30, 2023
Profit	437,932	343,833
Other comprehensive income		
Valuation difference on available-for-sale securities	(43,832)	-
Total other comprehensive income	(43,832)	-
Comprehensive income	394,100	343,833
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	394,100	338,352
Comprehensive income attributable to non-controlling interests	-	5,481

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.