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## Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]



February 13, 2024

Company name: Double Standard Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 3925

URL: <https://double-std.com>

Representative: Yasuhiro Shimizu, Representative Director

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Scheduled date of filing quarterly securities report: February 13, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary explanatory materials on quarterly financial results: Yes (available in Japanese only)

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 Nine Months Ended December 31, 2023 (April 1, 2023 - December 31, 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	%
Nine Months ended December 31, 2023	5,019	0.3	1,439	(3.1)	1,444	(0.6)	1,065	(9.9)
December 31, 2022	5,006	(8.6)	1,485	9.8	1,453	9.4	1,182	31.0

(Note) Comprehensive income: Nine Months ended December 31, 2023: ¥1,077 million [(5.3)%]

Nine Months ended December 31, 2022: ¥1,138 million [17.7%]

	Basic earnings per share	Diluted earnings per share
Nine Months ended	Yen	Yen
December 31, 2023	78.52	-
December 31, 2022	87.06	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2023	5,623	4,970	86.5
As of March 31, 2023	5,613	4,664	81.4

(Reference) Equity: As of December 31, 2023: ¥4,865 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	-	0.00	-		
Fiscal year ending March 31, 2024 (Forecast)				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):  

December 31, 2023:	13,580,000 shares
March 31, 2023:	13,580,000 shares
  
  - 2) Number of treasury shares at the end of the period:  

December 31, 2023:	64,154 shares
March 31, 2023:	954 shares
  
  - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):  

Nine Months ended December 31, 2023:	13,573,352 shares
Nine Months ended December 31, 2022:	13,579,067 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 December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	4,160,733	3,760,074
Accounts receivable - trade	777,930	714,044
Work in process	44,997	46,422
Prepaid expenses	15,394	32,247
Other	527	109,196
Total current assets	4,999,583	4,661,985
Non-current assets		
Property, plant and equipment		
Buildings, net	61,148	57,753
Tools, furniture and fixtures, net	16,266	13,390
Land	-	250,714
Construction in progress	-	14,630
Total property, plant and equipment	77,415	336,488
Intangible assets		
Software	62,199	88,299
Trademark right	508	442
Goodwill	327,200	302,031
Total intangible assets	389,909	390,773
Investments and other assets		
Investment securities	-	100,000
Deferred tax assets	49,889	38,065
Leasehold and guarantee deposits	96,899	95,849
Other	49	15
Total investments and other assets	146,837	233,930
Total non-current assets	614,162	961,192
Total assets	5,613,746	5,623,178

(Thousand yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	311,507	316,788
Accounts payable - other	106,049	36,408
Accrued expenses	11,774	23,742
Income taxes payable	393,940	174,294
Accrued consumption taxes	72,954	49,187
Advances received	2,376	594
Other	8,856	14,523
Total current liabilities	907,459	615,539
Non-current liabilities		
Retirement benefit liability	6,669	7,529
Provision for retirement benefits for directors (and other officers)	34,829	29,533
Total non-current liabilities	41,499	37,063
Total liabilities	948,958	652,602
<b>Net assets</b>		
Shareholders' equity		
Share capital	263,778	263,778
Capital surplus	253,298	253,298
Retained earnings	4,057,232	4,444,011
Treasury shares	(2,096)	(95,199)
Total shareholders' equity	4,572,212	4,865,887
Non-controlling interests	92,575	104,688
Total net assets	4,664,787	4,970,575
<b>Total liabilities and net assets</b>	<b>5,613,746</b>	<b>5,623,178</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statement of Income  
Nine Months Ended December 31

(Thousand yen)

	For the Nine Months ended December 31, 2022	For the Nine Months ended December 31, 2023
Net sales	5,006,482	5,019,676
Cost of sales	2,919,598	2,825,425
Gross profit	2,086,883	2,194,251
Selling, general and administrative expenses	601,735	754,664
Operating profit	1,485,147	1,439,587
Non-operating income		
Surrender value of insurance policies	-	8,003
Other	14	93
Total non-operating income	14	8,097
Non-operating expenses		
Share of loss of entities accounted for using equity method	31,830	-
Donations	50	2,690
Other	-	46
Total non-operating expenses	31,880	2,736
Ordinary profit	1,453,281	1,444,948
Extraordinary income		
Gain on sale of investment securities	36,141	133,134
Gain on step acquisitions	171,660	-
Total extraordinary income	207,802	133,134
Profit before income taxes	1,661,083	1,578,082
Income taxes - current	456,678	488,415
Income taxes - deferred	22,204	11,823
Total income taxes	478,883	500,238
Profit	1,182,199	1,077,844
Profit attributable to non-controlling interests	-	12,112
Profit attributable to owners of parent	1,182,199	1,065,731

Quarterly Consolidated Statement of Comprehensive Income  
 Nine Months Ended December 31

(Thousand yen)

	For the Nine Months ended December 31, 2022	For the Nine Months ended December 31, 2023
Profit	1,182,199	1,077,844
Other comprehensive income		
Valuation difference on available-for-sale securities	(43,832)	-
Total other comprehensive income	(43,832)	-
Comprehensive income	1,138,367	1,077,844
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,138,367	1,065,731
Comprehensive income attributable to non-controlling interests	-	12,112



### (3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

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

In accordance with the resolution made at the board of directors meeting held on September 22, 2023, the Company has been in the process of acquiring own shares where the upper limits of the number of shares to be acquired and the total amount of acquisition cost are 680,000 shares and 1,020,000 thousand yen, respectively. As of the end of the nine months ended December 31, 2023, the Company had acquired 63,200 shares or 93,103 thousand yen of own shares. Due to the acquisition, the treasury shares of the Company increased by 93,103 thousand yen during the period cumulative for the nine months ended December 31, 2023, and the treasury shares at the end of the nine months ended December 31, 2023 was 95,199 thousand yen.