

Translation

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Summary of Non-Consolidated Financial Results for the Nine Months Ended December 31, 2022 (Based on Japanese GAAP)

January 31, 2023

Company name: DAIKEN MEDICAL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 7775 URL <https://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, 2023
 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, 2022 (from April 1, 2022 to December 31, 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	%
Nine months ended December 31, 2022	6,896	7.4	969	3.9	968	3.8	688	3.9
Nine months ended December 31, 2021	6,420	6.7	933	10.3	933	5.8	662	4.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2022	23.95		–	
Nine months ended December 31, 2021	23.05		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2022	10,889	6,569	60.2
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	–	9.00	–		
Year ending March 31, 2023 (Forecast)				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
Full year	9,000	5.4	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 December 31, 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 December 31, 2022	‡	3,111,560 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)

Nine months ended December 31, 2022	‡	28,728,441 shares	Nine months ended December 31, 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 December 31, 2022
Assets		
Current assets		
Cash and deposits	2,518,589	2,072,693
Notes and accounts receivable - trade	1,346,167	1,464,729
Electronically recorded monetary claims - operating	1,085,208	1,210,952
Finished goods	973,067	1,010,934
Work in process	72,279	109,961
Raw materials	499,189	552,322
Other	78,024	153,366
Allowance for doubtful accounts	(91)	(91)
Total current assets	6,572,435	6,574,867
Non-current assets		
Property, plant and equipment		
Buildings, net	1,937,619	1,870,576
Land	1,703,670	1,703,670
Other, net	478,110	504,352
Total property, plant and equipment	4,119,400	4,078,600
Intangible assets	15,135	11,047
Investments and other assets		
Deferred tax assets	160,449	160,449
Other	78,033	89,252
Allowance for doubtful accounts	(24,650)	(24,650)
Total investments and other assets	213,831	225,051
Total non-current assets	4,348,367	4,314,699
Total assets	10,920,803	10,889,566

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	463,151	527,784
Electronically recorded obligations - operating	560,469	676,171
Short-term borrowings	1,000,000	1,200,000
Current portion of long-term borrowings	597,826	588,329
Income taxes payable	212,541	136,671
Accrued expenses	70,899	83,296
Other	246,349	276,487
Total current liabilities	3,151,237	3,488,740
Non-current liabilities		
Long-term borrowings	1,280,033	795,048
Other	43,401	35,847
Total non-current liabilities	1,323,434	830,895
Total liabilities	4,474,671	4,319,635
Net assets		
Shareholders' equity		
Share capital	495,875	495,875
Capital surplus	400,875	400,875
Retained earnings	7,368,595	7,482,153
Treasury shares	(1,826,582)	(1,826,582)
Total shareholders' equity	6,438,763	6,552,320
Share acquisition rights	7,368	17,610
Total net assets	6,446,131	6,569,931
Total liabilities and net assets	10,920,803	10,889,566

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Nine months ended December 31, 2021	Nine months ended December 31, 2022
Net sales	6,420,476	6,896,291
Cost of sales	3,579,100	4,055,632
Gross profit	2,841,375	2,840,658
Selling, general and administrative expenses	1,907,700	1,870,906
Operating profit	933,675	969,752
Non-operating income		
Interest income	0	0
Compensation income	900	277
Foreign exchange gains	181	436
Gain on forfeiture of unclaimed dividends	796	471
Miscellaneous income	1,027	887
Total non-operating income	2,905	2,073
Non-operating expenses		
Interest expenses	2,871	2,920
Other	50	–
Total non-operating expenses	2,922	2,920
Ordinary profit	933,658	968,905
Extraordinary losses		
Loss on retirement of non-current assets	901	50
Total extraordinary losses	901	50
Profit before income taxes	932,757	968,855
Income taxes	270,622	280,729
Profit	662,135	688,126