

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



February 5, 2024

Company name: DAIICHI JITSUGYO CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 8059
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 Scheduled date of filing quarterly securities report: February 14, 2024
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: Available
 Schedule of quarterly financial results briefing session: None

(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 (% indicates changes from the previous corresponding period.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2023	117,445	11.0	4,514	1.8	4,764	(3.9)	4,289	(10.3)
December 31, 2022	105,833	(2.0)	4,434	(11.1)	4,960	(11.6)	4,780	19.9

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥7,081 million [13.5%]

Nine months ended December 31, 2022: ¥6,238 million [47.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	135.31	134.84
December 31, 2022	148.90	148.31

* The Company conducted a 3-for-1 stock split of common shares on October 1, 2023. Accordingly, the basic earnings per share and the diluted earnings per share are calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2023.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2023	182,505	68,745	37.6
As of March 31, 2023	152,535	63,658	41.6

(Reference) Equity: As of December 31, 2023: ¥68,628 million

As of March 31, 2023: ¥63,499 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	—	64.00	—	114.00	178.00
Fiscal year ending March 31, 2024	—	78.00	—		
Fiscal year ending March 31, 2024 (Forecast)				34.00	—

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

* Dividends for the second quarter-end of the fiscal year ending March 31, 2024 include a commemorative dividend of ¥15.00 for the 75th anniversary of the foundation.

* The Company conducted a 3-for-1 stock split of common shares on October 1, 2023. Accordingly, the year-end dividends per share for the fiscal year ending March 31, 2024 (forecast) is presented in an amount that reflects the stock split, and the total annual dividends per share is presented as “—.” The year-end dividends per share for the fiscal year ending March 31, 2024 (forecast) without taking into account the stock split will be ¥102.00, resulting in a total annual dividends per share of ¥180.00.

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 income		Ordinary income		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	180,000	17.1	7,500	11.6	8,000	12.5	5,400 (14.5)	170.47

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

* The basic earnings per share in the consolidated financial results forecast for the fiscal year ending March 31, 2024 reflects the impact of the stock split. The basic earnings per share without taking into account the stock split will be ¥511.42.

*** 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: None

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):

December 31, 2023: 33,259,200 shares

March 31, 2023: 33,259,200 shares

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

December 31, 2023: 1,541,789 shares

March 31, 2023: 1,582,875 shares

3) Average number of shares during the period:

Nine months ended December 31, 2023: 31,703,192 shares

Nine months ended December 31, 2022: 32,108,370 shares

* The Company conducted a 3-for-1 stock split of common shares on October 1, 2023. Accordingly, the total number of issued and outstanding shares (common shares) is calculated on the assumption that the stock split was conducted at the beginning of the fiscal year ended March 31, 2023.

* 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, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	34,518	30,186
Notes and accounts receivable - trade, and contract assets	38,101	33,339
Electronically recorded monetary claims	7,141	9,329
Merchandise and finished goods	21,408	29,162
Work in process	1,401	2,127
Raw materials and supplies	777	938
Advance payments to suppliers	25,434	50,695
Other	6,619	6,729
Allowance for doubtful accounts	(125)	(142)
Total current assets	135,278	162,364
Fixed assets		
Tangible fixed assets	3,200	3,458
Intangible fixed assets	1,413	2,296
Investment and other assets		
Investment securities	10,041	11,345
Retirement benefit asset	1,209	1,211
Deferred tax assets	543	773
Other	1,008	1,215
Allowance for doubtful accounts	(159)	(159)
Total investment and other assets	12,643	14,385
Total fixed assets	17,256	20,140
Total assets	152,535	182,505
Liabilities		
Current liabilities		
Notes and accounts payable	33,724	39,466
Short-term bank loans	5,143	3,220
Income taxes payable	1,439	709
Advances received	38,219	58,163
Provisions	1,599	1,530
Other	6,385	7,352
Total current liabilities	86,511	110,441
Long-term liabilities		
Long-term loans	240	150
Deferred tax liabilities	1,123	1,975
Provisions	24	30
Retirement benefit liability	492	533
Other	485	629
Total long-term liabilities	2,365	3,318
Total liabilities	88,877	113,759

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Net assets		
Shareholders' equity		
Common stock	5,105	5,105
Capital surplus	3,826	3,840
Retained earnings	51,319	53,581
Treasury stock	(1,546)	(1,508)
Total shareholders' equity	58,704	61,018
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	2,991	3,625
Deferred gain or loss on derivatives under hedge accounting	(217)	572
Foreign currency translation adjustments	1,800	3,205
Remeasurements of defined benefit plans	220	206
Total accumulated other comprehensive income	4,795	7,610
Stock acquisition rights	96	78
Non-controlling interests	62	38
Total net assets	63,658	68,745
Total liabilities and net assets	152,535	182,505

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	105,833	117,445
Cost of sales	87,103	96,631
Gross profit	18,730	20,814
Selling, general and administrative expenses	14,295	16,300
Operating income	4,434	4,514
Non-operating income		
Penalty income	133	—
Interest received	84	118
Dividend income	241	426
Purchase discounts	177	144
Share of profit of entities accounted for using equity method	28	40
Other	272	341
Total non-operating income	937	1,070
Non-operating expenses		
Interest expenses	21	50
Commission expenses	71	79
Foreign exchange losses	282	613
Commitment fees	8	24
Other	29	52
Total non-operating expenses	412	820
Ordinary income	4,960	4,764
Extraordinary profit		
Gain on sale of investment securities	1,893	1,150
Gain on sale of businesses	—	130
Insurance claim income	—	996
Total extraordinary profit	1,893	2,277
Extraordinary loss		
Loss on sale of investment securities	1	1
Loss on valuation of investment securities	0	—
Loss on disaster	—	683
Other	—	3
Total extraordinary loss	1	688
Income before income taxes	6,852	6,353
Income taxes	1,858	1,976
Deferred taxes	280	114
Total income taxes	2,138	2,090
Profit	4,713	4,262
Loss attributable to non-controlling interests	(67)	(27)
Profit attributable to owners of parent	4,780	4,289

Quarterly Consolidated Statements of Comprehensive Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	4,713	4,262
Other comprehensive income		
Unrealized gain or loss on available-for-sale securities	(169)	634
Deferred gain or loss on derivatives under hedge accounting	511	790
Foreign currency translation adjustments	1,184	1,409
Remeasurements of defined benefit plans	(1)	(14)
Total other comprehensive income	1,524	2,818
Comprehensive income	6,238	7,081
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,283	7,104
Comprehensive income attributable to non-controlling interests	(44)	(23)