

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Three Months Ended August 31, 2021 (Based on Japanese GAAP)

October 13, 2021

Company name: DAIKOKUTENBUSSAN CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 2791 URL <http://www.e-dkt.co.jp/>
 Representative: Representative Director and President SHOJI OGA
 Inquiries: Senior Managing Director MASASHI OMURA TEL 086-435-1100
 Scheduled date to file Quarterly Securities Report: October 14, 2021
 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. Consolidated financial results for the three months ended August 31, 2021 (from June 1, 2021 to August 31, 2021)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended August 31, 2021	55,393	—	2,001	(24.0)	2,069	(24.1)	1,335	(23.0)
Three months ended August 31, 2020	57,241	12.4	2,631	156.4	2,726	159.7	1,734	178.0

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 31, 2021	95.86	95.81
Three months ended August 31, 2020	124.51	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2021	73,613	42,517	57.6
As of May 31, 2021	75,635	41,537	54.7

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 May 31, 2021	—	0.00	—	29.00	29.00
Year ending May 31, 2022	—				
Year ending May 31, 2022 (Forecast)		0.00	—	29.00	29.00

3. Forecast of consolidated financial results for the year ending May 31, 2022 (from June 1, 2021 to May 31, 2022)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending November 30, 2021	109,500	—	3,600	(21.7)	3,700	(22.2)	2,200	(24.4)	157.94
Full year	222,700	—	7,900	(8.1)	8,000	(9.4)	4,800	(13.0)	344.60

4. Notes

- (1) Changes in significant subsidiaries during the three months ended August 31, 2021
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) 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: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2021	14,474,200 shares	As of May 31, 2021	14,474,200 shares
-----------------------	-------------------	--------------------	-------------------

Number of treasury shares at the end of the period

As of August 31, 2021	545,320 shares	As of May 31, 2021	545,320 shares
-----------------------	----------------	--------------------	----------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended August 31, 2021	13,928,880 shares	Three months ended August 31, 2020	13,928,880 shares
------------------------------------	-------------------	------------------------------------	-------------------

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of May 31, 2021	As of August 31, 2021
Assets		
Current assets		
Cash and deposits	7,857	6,763
Notes and accounts receivable - trade	126	97
Merchandise and finished goods	6,529	6,635
Work in process	92	97
Raw materials and supplies	304	348
Other	4,183	3,684
Allowance for doubtful accounts	(203)	(203)
Total current assets	18,889	17,422
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,688	26,012
Land	8,101	8,232
Other, net	8,895	9,144
Total property, plant and equipment	43,685	43,389
Intangible assets	322	310
Investments and other assets		
Construction assistance fund receivables	1,677	1,634
Guarantee deposits	4,907	4,918
Other	6,209	5,993
Allowance for doubtful accounts	(55)	(57)
Total investments and other assets	12,738	12,490
Total non-current assets	56,746	56,190
Total assets	75,635	73,613

(Millions of yen)

	As of May 31, 2021	As of August 31, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,385	13,635
Short-term borrowings	3,904	4,938
Income taxes payable	2,520	598
Provision for bonuses	555	301
Asset retirement obligations	6	6
Other	7,611	5,775
Total current liabilities	27,983	25,254
Non-current liabilities		
Long-term borrowings	1,070	823
Retirement benefit liability	40	43
Asset retirement obligations	2,909	2,919
Other	2,093	2,054
Total non-current liabilities	6,114	5,841
Total liabilities	34,097	31,096
Net assets		
Shareholders' equity		
Share capital	1,661	1,661
Capital surplus	1,823	1,823
Retained earnings	38,695	39,627
Treasury shares	(880)	(880)
Total shareholders' equity	41,300	42,232
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	90	136
Total accumulated other comprehensive income	90	136
Share acquisition rights	46	46
Non-controlling interests	100	101
Total net assets	41,537	42,517
Total liabilities and net assets	75,635	73,613

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended August 31, 2020	Three months ended August 31, 2021
Net sales	57,241	55,393
Cost of sales	43,423	42,129
Gross profit	13,817	13,264
Selling, general and administrative expenses	11,185	11,263
Operating profit	2,631	2,001
Non-operating income		
Interest income	7	7
Dividend income	2	4
Rental income	21	21
Insurance claim income	32	37
Reversal of allowance for doubtful accounts	27	—
Other	25	18
Total non-operating income	116	88
Non-operating expenses		
Interest expenses	6	7
Rental expenses	15	12
Other	0	1
Total non-operating expenses	21	20
Ordinary profit	2,726	2,069
Profit before income taxes	2,726	2,069
Income taxes - current	883	516
Income taxes - deferred	105	216
Total income taxes	989	732
Profit	1,737	1,336
Profit attributable to non-controlling interests	2	0
Profit attributable to owners of parent	1,734	1,335

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended August 31, 2020	Three months ended August 31, 2021
Profit	1,737	1,336
Other comprehensive income		
Valuation difference on available-for-sale securities	20	46
Total other comprehensive income	20	46
Comprehensive income	1,757	1,382
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,754	1,382
Comprehensive income attributable to non-controlling interests	2	0