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

February 14, 2024

Company name: Diamond Electric Holdings Co., Ltd.

Stock exchange listing: Tokyo

Code number: 6699

URL: <https://www.diaelec-hd.co.jp>

Representative: ONO YuuRi

President and CEO

Contact: TOKUHARA Eishin

Senior Managing Executive Officer, CFO

Phone: +81-6-6302-8211

Scheduled date of filing quarterly securities report: February 14, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Nine months ended December 31, 2023	68,657	3.7	(417)	-	(140)	-	(1,855)	-
December 31, 2022	66,201	16.0	(2,011)	-	(1,994)	-	(2,049)	-

(Note) Comprehensive income:   
 Nine months ended December 31, 2023: ¥ (704) million [ -% ]  
 Nine months ended December 31, 2022: ¥ (1,132) million [ -% ]

	Basic earnings per share	Diluted earnings per share
Nine months ended	JPY	JPY
December 31, 2023	(221.65)	-
December 31, 2022	(273.20)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of JPY	Millions of JPY	%	JPY
December 31, 2023	81,726	10,089	12.2	1,188.75
March 31, 2023	78,727	10,903	13.7	1,287.38

(Reference) Equity:   
 As of December 31, 2023: ¥ 9,953 million  
 As of March 31, 2023: ¥ 10,779 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal year ended March 31, 2023	-	12.50	-	12.50	25.00
Fiscal year ending March 31, 2024	-	0.00	-		
Fiscal year ending March 31, 2024 (Forecast)				-	-

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend - Japanese yen

Special dividend - Japanese yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to 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
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	JPY
Full year	93,000	2.1	0	-	600	-	(1,300)	-	(155.26)

(Note) Revision to the financial results forecast announced most recently: Yes

\* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): None

New - (Company name: )

Exclusion: - (Company name: )

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: Yes

(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 shares (common shares)

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

December 31, 2023: 9,128,001 shares

March 31, 2023: 9,128,001 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 755,098 shares

March 31, 2023: 754,749 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 8,373,165 shares

Nine months ended December 31, 2022: 7,502,540 shares

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of Japanese yen)

	As of March 31, 2023	As of December 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	9,640	10,193
Notes and accounts receivable - trade	14,823	12,704
Electronically recorded monetary claims - operating	526	826
Securities	106	56
Merchandise and finished goods	5,500	5,575
Work in process	1,487	1,749
Raw materials and supplies	15,442	16,604
Other	4,546	5,168
Allowance for doubtful accounts	-	(0)
Total current assets	52,074	52,879
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	5,164	6,257
Machinery, equipment and vehicles, net	5,431	5,576
Land	3,488	3,635
Construction in progress	2,747	3,023
Other, net	1,685	1,506
Total property, plant and equipment	18,516	19,999
Intangible assets		
Goodwill	33	28
Other	547	630
Total intangible assets	581	659
Investments and other assets		
Investment securities	2,970	3,099
Long-term loans receivable	5	16
Deferred tax assets	727	788
Retirement benefit asset	221	218
Other	3,850	4,285
Allowance for doubtful accounts	(220)	(220)
Total investments and other assets	7,554	8,188
Total non-current assets	26,652	28,847
Total assets	78,727	81,726

(Millions of Japanese yen)

	As of March 31, 2023	As of December 31, 2023
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	9,928	10,503
Electronically recorded obligations - operating	6,994	5,961
Contract liabilities	4,209	4,424
Short-term borrowings	18,729	18,665
Current portion of bonds payable	-	250
Current portion of long-term borrowings	3,890	7,015
Lease liabilities	420	594
Accounts payable - other	2,152	2,401
Income taxes payable	40	371
Provision for bonuses	197	300
Provision for product warranties	442	428
Provision for product compensation	539	1,662
Other	995	1,826
<b>Total current liabilities</b>	<b>48,542</b>	<b>54,407</b>
<b>Non-current liabilities</b>		
Bonds payable	1,000	750
Long-term borrowings	15,610	13,221
Lease liabilities	966	1,408
Retirement benefit liability	604	632
Asset retirement obligations	222	226
Deferred tax liabilities	575	653
Long-term unearned revenue	127	162
Other	174	175
<b>Total non-current liabilities</b>	<b>19,281</b>	<b>17,229</b>
<b>Total liabilities</b>	<b>67,823</b>	<b>71,637</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,236	1,236
Capital surplus	10,330	8,142
Retained earnings	(375)	(157)
Treasury shares	(1,685)	(1,670)
<b>Total shareholders' equity</b>	<b>9,505</b>	<b>7,550</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	(7)	(7)
Foreign currency translation adjustment	1,346	2,482
Remeasurements of defined benefit plans	(64)	(72)
<b>Total accumulated other comprehensive income</b>	<b>1,273</b>	<b>2,402</b>
Share acquisition rights	9	-
Non-controlling interests	114	135
<b>Total net assets</b>	<b>10,903</b>	<b>10,089</b>
<b>Total liabilities and net assets</b>	<b>78,727</b>	<b>81,726</b>

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of Japanese yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales	66,201	68,657
Cost of sales	58,028	59,773
Gross profit	8,172	8,884
Selling, general and administrative expenses	10,184	9,301
Operating loss	(2,011)	(417)
Non-operating income		
Interest income	8	26
Dividend income	20	22
Foreign exchange gains	480	563
Subsidy income	15	29
Share of profit of entities accounted for using equity method	53	114
Other	63	56
Total non-operating income	641	812
Non-operating expenses		
Interest expenses	295	401
Commission expenses	168	80
Other	161	53
Total non-operating expenses	624	535
Ordinary loss	(1,994)	(140)
Extraordinary income		
Gain on sale of non-current assets	4	10
Other	6	0
Total extraordinary income	11	10
Extraordinary losses		
Loss on sale of non-current assets	0	32
Loss on retirement of non-current assets	4	0
Provision for product defect compensation	-	1,123
Loss on debt forgiveness to subsidiaries and affiliates	-	26
Other	0	0
Total extraordinary losses	5	1,183
Loss before income taxes	(1,989)	(1,313)
Income taxes	52	520
Loss	(2,041)	(1,833)
Profit attributable to non-controlling interests	8	22
Loss attributable to owners of parent	(2,049)	(1,855)

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of Japanese yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Loss	(2,041)	(1,833)
Other comprehensive income		
Valuation difference on available-for-sale securities	11	0
Foreign currency translation adjustment	934	1,044
Remeasurements of defined benefit plans, net of tax	(166)	(7)
Share of other comprehensive income of entities accounted for using equity method	128	91
Total other comprehensive income	909	1,129
Comprehensive income	(1,132)	(704)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,140)	(727)
Comprehensive income attributable to non-controlling interests	8	22