

Translation

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Summary of Non-Consolidated Financial Results for the Three Months Ended June 30, 2021 (Based on Japanese GAAP)

July 30, 2021

Company name: DAIKEN MEDICAL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 7775 URL <http://www.daiken-iki.co.jp>
 Representative: President Keiichi Yamada
 General Manager Finance and Accounting
 Inquiries: Division Toshikazu Itami TEL 06-6231-9917
 Scheduled date to file Quarterly Securities Report: August 2, 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. Non-consolidated financial results for the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

(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	%
Three months ended June 30, 2021	1,977	10.4	249	30.3	249	30.4	176	29.1
Three months ended June 30, 2020	1,790	(13.0)	191	(38.4)	191	(41.2)	136	(41.4)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2021	6.14		–	
Three months ended June 30, 2020	4.75		–	

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	10,724	6,042	56.3
As of March 31, 2021	10,752	6,182	57.5

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, 2021	–	9.00	–	11.00	20.00
Year ending March 31, 2022	–	–	–	–	–
Year ending March 31, 2022 (Forecast)	–	9.00	–	11.00	20.00

3. Forecast of non-consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

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
Six months ending September 30, 2021	4,350	15.3	510	12.7	510	4.3	360	2.7	12.53
Full year	9,000	14.5	1,200	30.3	1,200	25.4	840	24.4	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: Yes

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 June 30, 2021	∴	31,840,000 shares	As of March 31, 2021	∴	31,840,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2021	∴	3,111,559 shares	As of March 31, 2021	∴	3,111,559 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2021	∴	28,728,441 shares	Three months ended June 30, 2020	∴	28,728,441 shares
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Quarterly non-consolidated financial statements
Non-consolidated balance sheets

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	2,170,643	2,418,145
Notes and accounts receivable - trade	1,597,757	1,286,824
Electronically recorded monetary claims - operating	989,922	963,964
Finished goods	891,412	946,036
Work in process	86,665	64,032
Raw materials	443,833	479,023
Other	92,402	117,988
Allowance for doubtful accounts	(87)	(87)
Total current assets	6,272,550	6,275,928
Non-current assets		
Property, plant and equipment		
Buildings, net	2,019,367	1,996,846
Land	1,703,670	1,703,670
Other, net	502,053	495,049
Total property, plant and equipment	4,225,091	4,195,567
Intangible assets	21,723	19,655
Investments and other assets		
Deferred tax assets	166,802	166,802
Other	91,404	90,994
Allowance for doubtful accounts	(24,650)	(24,650)
Total investments and other assets	233,555	233,145
Total non-current assets	4,480,370	4,448,368
Total assets	10,752,921	10,724,296

(Thousands of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	849,189	512,815
Electronically recorded obligations - operating	141,925	452,059
Short-term borrowings	1,000,000	1,500,000
Current portion of long-term borrowings	704,034	666,534
Income taxes payable	111,074	84,430
Accrued expenses	179,500	158,398
Provision for Sales allowance	179,346	–
Asset retirement obligations	6,738	6,720
Other	175,208	241,564
Total current liabilities	3,347,018	3,622,523
Non-current liabilities		
Long-term borrowings	1,177,859	1,015,913
Other	45,768	43,291
Total non-current liabilities	1,223,627	1,059,204
Total liabilities	4,570,645	4,681,728
Net assets		
Shareholders' equity		
Share capital	495,875	495,875
Capital surplus	400,875	400,875
Retained earnings	7,112,107	6,972,400
Treasury shares	(1,826,582)	(1,826,582)
Total shareholders' equity	6,182,275	6,042,567
Total net assets	6,182,275	6,042,567
Total liabilities and net assets	10,752,921	10,724,296

Non-consolidated statements of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	1,790,803	1,977,150
Cost of sales	981,733	1,109,054
Gross profit	809,070	868,095
Selling, general and administrative expenses	617,979	619,071
Operating profit	191,090	249,024
Non-operating income		
Foreign exchange gains	202	311
Gain on forfeiture of unclaimed dividends	814	544
Compensation income	–	381
Other	330	239
Total non-operating income	1,347	1,477
Non-operating expenses		
Interest expenses	955	960
Other	106	–
Total non-operating expenses	1,061	960
Ordinary profit	191,376	249,541
Extraordinary losses		
Loss on retirement of non-current assets	145	298
Total extraordinary losses	145	298
Profit before income taxes	191,230	249,243
Income taxes	54,670	72,938
Profit	136,560	176,305