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August 7, 2024

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2024 [JGAAP]

Company Name: DAINICHISEIKA COLOR & CHEMICALS MFG. CO., LTD.
Stock Code: 4116
(URL: https://www.daicolor.co.jp)
Stock Exchange Listing: Tokyo
Representative: Koji Takahashi, Representative Director and President
Contact: Tatsuhiko Komada, Senior Managing Executive Officer, Chief Financial Officer
Phone: +81-3-3662-1638
Scheduled date to commence dividend payments: –
Availability of supplementary briefing material on results: Yes
Holding of Results Briefing Session: None

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

(1) Consolidated Results of Operations (cumulative) (% indicates changes from the previous corresponding term)

	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 June 30, 2024	31,349	3.3	1,698	81.1	2,093	66.0	1,525	(3.7)
Three months ended June 30, 2023	30,339	(4.6)	937	(19.2)	1,261	(21.4)	1,583	30.1

(Note) Comprehensive income: Three months ended June 30, 2024: ¥3,729 million [47.3%]
Three months ended June 30, 2023: ¥2,531 million [(19.9)%]

	Profit per share	Fully diluted profit per share
	Yen	Yen
Three months ended June 30, 2024	88.94	–
Three months ended June 30, 2023	85.66	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2024	197,674	121,635	60.3
As of March 31, 2024	194,852	119,166	59.9

(Reference) Equity: As of June 30, 2024: ¥119,123 million
As of March 31, 2024: ¥116,748 million

2. Dividends

	Annual cash dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	–	40.00	–	70.00	110.00
Year ending March 31, 2025	–				
Year ending March 31, 2025 (Forecast)		66.00	–	66.00	132.00

(Note) Revisions of dividend forecast from recently announced figures: Not applicable

(Note) Breakdown of Year-end dividend for Year ended March 31, 2024: Ordinary dividend: ¥40.00; Extraordinary dividend: ¥30.00
Breakdown of Interim dividend for Year ending March 31, 2025 (Forecast): Ordinary dividend: ¥51.00; Extraordinary dividend: ¥15.00
Breakdown of Year-end dividend for Year ending March 31, 2025 (Forecast): Ordinary dividend: ¥51.00; Extraordinary dividend: ¥15.00

3. Earnings Forecast of Consolidated Financial Results for the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(% indicates changes from the previous corresponding term)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	62,000	4.2	3,500	104.9	3,900	81.9	8,800	245.9	512.92
Full year	123,300	2.9	6,000	31.8	6,600	31.9	10,600	189.6	617.84

(Note) Revisions of forecast of financial results from recently announced figures: Applicable

*** Notes**

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2024: Applicable
Included: – (–)
Excluded: One company DSF CO., LTD.

(2) Adoption of specific accounting treatments to the preparation of quarterly consolidated financial statements: Not applicable

(3) Changes in accounting policies, changes in accounting estimates and restatements
1) Changes in accounting policies due to the revision of accounting standards: Applicable
2) Changes in accounting policies other than 1): Not applicable
3) Changes in accounting estimates: Not applicable
4) Restatements: Not applicable

(4) Total number of issued shares (common stock)

1) Total number of issued shares at the end of the period (including treasury shares):	As of June 30, 2024	18,613,110 shares	As of March 31, 2024	18,613,110 shares
2) Total number of treasury shares at the end of the period:	As of June 30, 2024	1,456,494 shares	As of March 31, 2024	1,456,394 shares
3) Average number of shares during the period (cumulative):	Three months ended June 30, 2024	17,156,649 shares	Three months ended June 30, 2023	18,491,029 shares

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants and audit corporations: Not applicable

* Explanation for the appropriate use of performance forecasts and other special notes:
- The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	23,579	22,380
Notes and accounts receivable - trade	53,223	54,813
Inventories	31,609	32,328
Other	1,300	1,600
Allowance for doubtful accounts	(88)	(93)
Total current assets	109,625	111,029
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,344	20,351
Land	13,745	13,750
Other, net	13,753	14,398
Total property, plant and equipment	47,843	48,500
Intangible assets		
Other	1,175	1,217
Total intangible assets	1,175	1,217
Investments and other assets		
Investment securities	18,778	19,396
Retirement benefit asset	14,100	14,216
Other	3,346	3,329
Allowance for doubtful accounts	(17)	(15)
Total investments and other assets	36,207	36,926
Total non-current assets	85,227	86,645
Total assets	194,852	197,674
Liabilities		
Current liabilities		
Notes and accounts payable - trade	28,963	29,430
Short-term borrowings	11,686	12,596
Current portion of long-term borrowings	3,936	4,204
Income taxes payable	954	817
Provision for bonuses	1,799	2,714
Other	8,757	7,740
Total current liabilities	56,097	57,504
Non-current liabilities		
Long-term borrowings	9,316	8,392
Retirement benefit liability	7,035	7,119
Other	3,235	3,022
Total non-current liabilities	19,587	18,534
Total liabilities	75,685	76,038

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	10,039	10,039
Capital surplus	9,768	9,768
Retained earnings	84,023	84,348
Treasury shares	(3,130)	(3,130)
Total shareholders' equity	100,701	101,026
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,044	7,506
Foreign currency translation adjustment	5,399	7,066
Remeasurements of defined benefit plans	3,601	3,524
Total accumulated other comprehensive income	16,046	18,097
Non-controlling interests	2,418	2,512
Total net assets	119,166	121,635
Total liabilities and net assets	194,852	197,674

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

(Quarterly Consolidated Statements of Income)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Net sales	30,339	31,349
Cost of sales	24,928	25,125
Gross profit	5,410	6,224
Selling, general and administrative expenses	4,473	4,525
Operating profit	937	1,698
Non-operating income		
Interest income	46	105
Dividend income	175	160
Share of profit of entities accounted for using equity method	–	27
Foreign exchange gains	138	99
Other	119	112
Total non-operating income	479	505
Non-operating expenses		
Interest expenses	70	61
Share of loss of entities accounted for using equity method	59	–
Rental expenses on non-current assets	14	15
Other	11	33
Total non-operating expenses	156	110
Ordinary profit	1,261	2,093
Extraordinary income		
Gain on sale of non-current assets	1	13
Gain on sale of investment securities	1,038	30
Total extraordinary income	1,040	43
Extraordinary losses		
Loss on retirement of non-current assets	15	41
Loss on sale of investment securities	0	29
Loss on closing of plant	–	43
Other	0	0
Total extraordinary losses	16	115
Profit before income taxes	2,284	2,021
Income taxes - current	963	801
Income taxes - deferred	(273)	(346)
Total income taxes	690	454
Profit	1,594	1,566
Profit attributable to non-controlling interests	10	40
Profit attributable to owners of parent	1,583	1,525

(Quarterly Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Three months ended June 30, 2023	Three months ended June 30, 2024
Profit	1,594	1,566
Other comprehensive income		
Valuation difference on available-for-sale securities	217	461
Foreign currency translation adjustment	799	1,676
Remeasurements of defined benefit plans, net of tax	(58)	(77)
Share of other comprehensive income of entities accounted for using equity method	(22)	102
Total other comprehensive income	936	2,163
Comprehensive income	2,531	3,729
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,485	3,576
Comprehensive income attributable to non-controlling interests	46	152