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Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

August 14, 2024

Company name: Diamond Electric Holdings Co., Ltd.

Listing: Tokyo

Securities code: 6699

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

Representative: ONO YuuRi

President and CEO

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Senior Managing Executive Officer, CFO

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Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(Japanese yen amounts are rounded down to millions, unless otherwise noted.)

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

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Three months ended June 30, 2024	21,318	(3.6)	6	-	629	125.3	(118)	-
June 30, 2023	22,110	11.5	(407)	-	279	-	(77)	-

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ 739 million [9.1%]
Three months ended June 30, 2023: ¥ 677 million [57.5%]

	Basic earnings per share	Diluted earnings per share
Three months ended June 30, 2024	JPY (14.18)	JPY -
June 30, 2023	(9.27)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of June 30, 2024	Millions of JPY 81,037	Millions of JPY 10,909	% 13.3
March 31, 2024	82,032	10,280	12.4

(Reference) Equity: As of June 30, 2024: ¥ 10,762 million
As of March 31, 2024: ¥ 10,141 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, 2024	-	0.00	-	12.50	12.50
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		0.00	-	25.00	25.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- Japanese yen
Special dividend	- Japanese yen

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

(Percentages indicate year-on-year changes.)

	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
Six months ending September 30, 2024	43,600	(3.1)	(50)	-	(340)	-	(870)	-	(103.90)
Full year	92,800	(0.6)	1,350	484.8	590	(55.1)	(200)	-	(23.89)

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:)
Excluded:	-	(Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024:	9,132,001 shares
March 31, 2024:	9,128,001 shares

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

June 30, 2024:	755,320 shares
March 31, 2024:	755,182 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024:	8,373,274 shares
Three months ended June 30, 2023:	8,373,238 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

* Proper use of earnings forecasts, and other special matters

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of Japanese yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	8,097	10,001
Notes and accounts receivable - trade	14,759	11,356
Electronically recorded monetary claims - operating	809	705
Securities	60	-
Merchandise and finished goods	5,275	5,756
Work in process	1,453	1,487
Raw materials and supplies	17,356	18,041
Other	4,933	4,251
Allowance for doubtful accounts	(3)	(15)
Total current assets	52,742	51,586
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	6,275	6,604
Machinery, equipment and vehicles, net	5,383	7,511
Land	3,646	3,678
Construction in progress	3,766	1,663
Other, net	1,469	1,468
Total property, plant and equipment	20,541	20,925
Intangible assets		
Goodwill	27	25
Other	627	601
Total intangible assets	654	626
Investments and other assets		
Investment securities	2,935	2,750
Long-term loans receivable	15	18
Deferred tax assets	667	481
Retirement benefit asset	177	169
Other	4,519	4,699
Allowance for doubtful accounts	(220)	(220)
Total investments and other assets	8,094	7,898
Total non-current assets	29,290	29,450
Total assets	82,032	81,037

(Millions of Japanese yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,002	9,130
Electronically recorded obligations - operating	5,818	4,682
Contract liabilities	4,832	5,195
Short-term borrowings	20,222	20,334
Current portion of bonds payable	270	270
Current portion of long-term borrowings	5,787	5,723
Lease liabilities	659	695
Accounts payable - other	2,241	2,057
Income taxes payable	525	527
Provision for bonuses	524	522
Provision for product warranties	429	370
Provision for product compensation	2,250	2,410
Other	1,619	1,941
Total current liabilities	55,183	53,861
Non-current liabilities		
Bonds payable	830	830
Long-term borrowings	12,576	12,162
Lease liabilities	1,540	1,438
Long-term accounts payable - other	82	86
Retirement benefit liability	473	655
Asset retirement obligations	227	229
Deferred tax liabilities	698	721
Long-term unearned revenue	124	125
Other	15	16
Total non-current liabilities	16,568	16,265
Total liabilities	71,752	70,127
Net assets		
Shareholders' equity		
Share capital	1,236	1,237
Capital surplus	8,142	8,144
Retained earnings	(198)	(431)
Treasury shares	(1,670)	(1,671)
Total shareholders' equity	7,509	7,279
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	44	76
Foreign currency translation adjustment	2,513	3,385
Remeasurements of defined benefit plans	74	20
Total accumulated other comprehensive income	2,631	3,482
Share acquisition rights	-	2
Non-controlling interests	138	144
Total net assets	10,280	10,909
Total liabilities and net assets	82,032	81,037

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Millions of Japanese yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales	22,110	21,318
Cost of sales	19,335	18,485
Gross profit	2,774	2,832
Selling, general and administrative expenses	3,181	2,826
Operating profit (loss)	(407)	6
Non-operating income		
Interest income	4	12
Dividend income	10	10
Foreign exchange gains	792	722
Subsidy income	1	5
Share of profit of entities accounted for using equity method	35	47
Other	21	35
Total non-operating income	866	833
Non-operating expenses		
Interest expenses	127	149
Commission expenses	28	17
Other	25	43
Total non-operating expenses	180	210
Ordinary profit	279	629
Extraordinary income		
Gain on sale of non-current assets	8	17
Compensation income	-	13
Other	-	1
Total extraordinary income	8	32
Extraordinary losses		
Loss on sale of non-current assets	1	2
Loss on retirement of non-current assets	0	0
Loss on sale of investment securities	-	30
Loss on debt forgiveness to subsidiaries and affiliates	26	-
Expenses for suspension of operation	-	16
Other	0	-
Total extraordinary losses	27	48
Profit before income taxes	259	613
Income taxes	332	725
Loss	(72)	(112)
Profit attributable to non-controlling interests	5	6
Loss attributable to owners of parent	(77)	(118)

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

(Millions of Japanese yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Loss	(72)	(112)
Other comprehensive income		
Valuation difference on available-for-sale securities	14	31
Foreign currency translation adjustment	740	817
Remeasurements of defined benefit plans, net of tax	(24)	(53)
Share of other comprehensive income of entities accounted for using equity method	18	55
Total other comprehensive income	749	851
Comprehensive income	677	739
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	671	732
Comprehensive income attributable to non-controlling interests	5	6