

Translation

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

February 7, 2022

Company name: Br. Holdings Corporation
 Stock exchange listing: Tokyo
 Stock code: 1726 URL <https://www.brhd.co.jp>
 Representative: President Kimiyasu Fujita
 Director, General Manager, Administration
 Inquiries: Division Takeshi Amatsu TEL 082-261-2860
 Scheduled date to file Quarterly Securities Report: February 14, 2022
 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 nine months ended December 31, 2021 (from April 1, 2021 to December 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	%
Nine months ended December 31, 2021	26,715	(5.7)	1,585	(16.5)	1,617	(14.2)	1,034	(13.3)
Nine months ended December 31, 2020	28,323	9.4	1,898	41.8	1,885	43.8	1,193	51.9

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2021	22.93		22.73	
Nine months ended December 31, 2020	30.73		30.41	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2021	36,509	12,801	34.8	281.12
As of March 31, 2021	32,649	12,152	36.9	267.80

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	–	5.00	–	6.00	11.00
Year ending March 31, 2022	–	6.00	–		
Year ending March 31, 2022 (Forecast)				6.00	12.00

3. Forecast of 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 attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	39,000	0.5	2,350	(22.8)	2,300	(22.1)	1,500	(23.0)	33.28

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 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 December 31, 2021	45,795,000 shares	As of March 31, 2021	45,795,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2021	622,596 shares	As of March 31, 2021	802,596 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2021	45,104,332 shares	Nine months ended December 31, 2020	38,823,637 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Assets		
Current assets		
Cash and deposits	2,730	3,165
Notes receivable, accounts receivable from completed construction contracts and other	19,776	23,685
Costs on construction contracts in progress	635	638
Merchandise and finished goods	1,392	1,038
Work in process	97	150
Raw materials and supplies	116	149
Accounts receivable - other	1,902	1,612
Other	17	40
Total current assets	26,669	30,480
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,314	2,427
Land	2,081	2,201
Other, net	790	601
Total property, plant and equipment	5,186	5,231
Intangible assets	95	94
Investments and other assets		
Investment securities	410	427
Deferred tax assets	152	141
Other	158	157
Allowance for doubtful accounts	(24)	(24)
Total investments and other assets	698	702
Total non-current assets	5,980	6,028
Total assets	32,649	36,509

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,572	4,193
Electronically recorded obligations - operating	2,267	2,099
Short-term borrowings	5,300	10,300
Current portion of long-term borrowings	1,300	1,000
Income taxes payable	748	55
Deposits received	1,039	677
Advances received on construction contracts in progress	829	2,329
Provision for bonuses	–	179
Provision for loss on construction contracts	148	127
Provision for warranties for completed construction	18	18
Other	1,374	598
Total current liabilities	17,597	21,580
Non-current liabilities		
Long-term borrowings	2,750	2,000
Other	149	127
Total non-current liabilities	2,899	2,127
Total liabilities	20,497	23,707
Net assets		
Shareholders' equity		
Share capital	3,114	3,114
Capital surplus	2,776	2,794
Retained earnings	6,386	6,937
Treasury shares	(318)	(247)
Total shareholders' equity	11,958	12,598
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	90	100
Total accumulated other comprehensive income	90	100
Share acquisition rights	103	103
Total net assets	12,152	12,801
Total liabilities and net assets	32,649	36,509

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Net sales	28,323	26,715
Cost of sales	24,606	23,184
Gross profit	3,716	3,530
Selling, general and administrative expenses	1,817	1,945
Operating profit	1,898	1,585
Non-operating income		
Interest and dividend income	6	6
Gain on sale of scraps	10	42
Other	20	23
Total non-operating income	37	72
Non-operating expenses		
Interest expenses	34	25
Construction guarantee fee	16	15
Other	0	0
Total non-operating expenses	50	41
Ordinary profit	1,885	1,617
Profit before income taxes	1,885	1,617
Income taxes - current	839	603
Income taxes - deferred	(147)	(20)
Total income taxes	692	582
Profit	1,193	1,034
Profit attributable to owners of parent	1,193	1,034

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	1,193	1,034
Other comprehensive income		
Valuation difference on available-for-sale securities	(24)	9
Total other comprehensive income	(24)	9
Comprehensive income	1,168	1,043
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,168	1,043
Comprehensive income attributable to non-controlling interests	—	—