

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2019 (Based on Japanese GAAP)

August 6, 2019

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: August 9, 2019  
 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 three months ended June 30, 2019 (from April 1, 2019 to June 30, 2019)

#### (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	%
Three months ended June 30, 2019	6,335	31.1	97	(37.4)	94	(39.2)	35	(63.1)
Three months ended June 30, 2018	4,832	(5.9)	156	(47.8)	155	(48.0)	95	(55.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2019	0.90		0.89	
Three months ended June 30, 2018	2.46		2.42	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2019	24,249	6,096	24.7	152.32
As of March 31, 2019	23,017	6,261	26.6	156.24

### 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, 2019	–	3.00	–	4.00	7.00
Year ending March 31, 2020	–				
Year ending March 31, 2020 (Forecast)		4.00	–	4.00	8.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

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	34,000	24.4	1,750	26.2	1,700	20.1	1,050	41.6	26.83

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2019  
 (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: No
- 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 June 30, 2019	39,700,000 shares	As of March 31, 2019	39,700,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2019	352,996 shares	As of March 31, 2019	475,996 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, 2019	39,234,851 shares	Three months ended June 30, 2018	38,917,937 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	2,812	3,275
Notes receivable, accounts receivable from completed construction contracts and other	9,926	8,628
Costs on construction contracts in progress	3,145	3,741
Merchandise and finished goods	1,238	1,793
Work in process	132	92
Raw materials and supplies	110	138
Accounts receivable - other	310	1,059
Other	26	48
Total current assets	17,703	18,778
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,635	1,635
Land	2,081	2,081
Other, net	790	975
Total property, plant and equipment	4,508	4,692
Intangible assets	91	86
Investments and other assets		
Investment securities	518	455
Deferred tax assets	61	103
Other	161	159
Allowance for doubtful accounts	(26)	(26)
Total investments and other assets	714	691
Total non-current assets	5,314	5,470
Total assets	23,017	24,249

(Millions of yen)

	As of March 31, 2019	As of June 30, 2019
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	3,706	3,633
Electronically recorded obligations - operating	2,621	2,690
Short-term borrowings	2,400	2,700
Current portion of long-term borrowings	975	720
Income taxes payable	269	40
Advances received on construction contracts in progress	3,541	4,427
Provision for bonuses	–	142
Provision for loss on construction contracts	45	43
Provision for warranties for completed construction	45	35
Other	1,002	1,217
<b>Total current liabilities</b>	<b>14,608</b>	<b>15,651</b>
<b>Non-current liabilities</b>		
Long-term borrowings	2,050	2,400
Other	97	101
<b>Total non-current liabilities</b>	<b>2,147</b>	<b>2,501</b>
<b>Total liabilities</b>	<b>16,756</b>	<b>18,153</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,317	1,317
Capital surplus	889	911
Retained earnings	3,792	3,670
Treasury shares	(30)	(22)
<b>Total shareholders' equity</b>	<b>5,968</b>	<b>5,877</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	160	115
<b>Total accumulated other comprehensive income</b>	<b>160</b>	<b>115</b>
Share acquisition rights	133	103
<b>Total net assets</b>	<b>6,261</b>	<b>6,096</b>
<b>Total liabilities and net assets</b>	<b>23,017</b>	<b>24,249</b>

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Net sales	4,832	6,335
Cost of sales	4,100	5,651
Gross profit	731	683
Selling, general and administrative expenses	575	585
Operating profit	156	97
Non-operating income		
Interest and dividend income	3	3
Gain on sales of scraps	6	5
Other	5	7
Total non-operating income	16	15
Non-operating expenses		
Interest expenses	5	6
Constraction guarantee fee	10	10
Other	1	1
Total non-operating expenses	16	19
Ordinary profit	155	94
Profit before income taxes	155	94
Income taxes - current	98	81
Income taxes - deferred	(38)	(22)
Total income taxes	59	59
Profit	95	35
Profit attributable to owners of parent	95	35

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2018	Three months ended June 30, 2019
Profit	95	35
Other comprehensive income		
Valuation difference on available-for-sale securities	27	(44)
Total other comprehensive income	27	(44)
Comprehensive income	122	(8)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	122	(8)
Comprehensive income attributable to non-controlling interests	—	—