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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]



February 13, 2024

Company name: Oriental Shiraishi Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1786
 URL: <https://www.orsc.co.jp/english/>
 Representative: Tatsuya Ohno, President and CEO
 Contact: Yukihiko Hashimoto, Director in Charge of Corporate Planning
 Phone: +81-3-6220-0630
 Scheduled date of filing quarterly securities report: February 13, 2024
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: Not available
 Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 – December 31, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2023	49,295	14.5	5,069	28.7	5,143	24.6	3,504	24.8
December 31, 2022	43,068	(1.8)	3,937	0.1	4,128	2.1	2,806	0.8

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥3,809 million [33.2%]
 Nine months ended December 31, 2022: ¥2,860 million [(3.9)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2023	27.19	—
December 31, 2022	24.16	—

(Note) Diluted earnings per share are not indicated as there are no potential shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2023	71,193	48,342	67.9	364.89
As of March 31, 2023	66,787	41,617	62.3	358.22

(Reference) Equity: As of December 31, 2023: ¥48,342 million
 As of March 31, 2023: ¥41,617 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen —	Yen 0.00	Yen —	Yen 13.50	Yen 13.50
Fiscal year ending March 31, 2024	—	6.50	—		
Fiscal year ending March 31, 2024 (forecast)				8.00	14.50

(Note) Revisions to dividend forecasts announced most recently: Yes

For details of the dividend forecasts for the fiscal year ending March 31, 2024, please refer to “Notice Regarding Revision of Dividend Forecast” announced on February 13, 2024.

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	69,000	12.2	6,000	15.1	6,000	10.5	4,200	7.1	32.59

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

For details of the consolidated financial results forecast for the fiscal year ending March 31, 2024, please refer to “Notice Regarding Revision of Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024” announced on February 13, 2024.

* Notes:

(1) Changes in significant subsidiaries during the period under review: None

(Changes in specified subsidiaries resulting in changes in scope of consolidation)

Newly included: (Company name:)

Excluded: (Company name:)

(2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

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

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

As of December 31, 2023: 138,809,400 shares

As of March 31, 2023: 122,498,436 shares

2) Total number of treasury shares at the end of the period:

As of December 31, 2023: 6,322,346 shares

As of March 31, 2023: 6,321,246 shares

3) Average number of shares during the period:

Nine months ended December 31, 2023: 128,882,673 shares

Nine months ended December 31, 2022: 116,171,815 shares

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

Financial results forecast and other forward-looking statements presented herein are based on the information the Company currently possesses and the assumptions it deems reasonable. Actual outcomes, etc. may diverge significantly from them due to wide-ranging factors.

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	14,589	19,500
Notes receivable, accounts receivable from completed construction contracts and other	34,254	31,309
Costs on construction contracts in progress	869	1,631
Raw materials and supplies	283	327
Advances paid	1,092	764
Income taxes refund receivable	41	—
Consumption taxes refund receivable	129	1,970
Other	322	329
Allowance for doubtful accounts	(2)	(9)
Total current assets	51,579	55,824
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,837	1,792
Machinery and equipment, net	2,198	2,093
Land	5,189	5,189
Construction in progress	105	597
Other, net	274	230
Total property, plant and equipment	9,604	9,903
Intangible assets		
Goodwill	1,132	1,026
Software	509	377
Other	198	55
Total intangible assets	1,841	1,458
Investments and other assets		
Investment securities	3,069	3,450
Retirement benefit asset	21	20
Deferred tax assets	348	218
Other	363	356
Allowance for doubtful accounts	(41)	(38)
Total investments and other assets	3,761	4,007
Total non-current assets	15,207	15,369
Total assets	66,787	71,193

(Million yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	10,160	9,963
Short-term borrowings	900	900
Current portion of long-term borrowings	588	373
Accounts payable - other	829	695
Income taxes payable	1,236	694
Accrued consumption taxes	2,108	85
Advances received on construction contracts in progress	2,300	1,995
Deposits received	636	950
Provision for bonuses	14	713
Provision for loss on construction contracts	329	116
Provision for warranties for completed construction	50	52
Other	434	418
Total current liabilities	19,589	16,960
Non-current liabilities		
Long-term borrowings	2,611	2,631
Provision for share-based payments	93	143
Provision for special repairs	3	4
Retirement benefit liability	2,716	2,878
Deferred tax liabilities	79	44
Other	77	188
Total non-current liabilities	5,580	5,890
Total liabilities	25,170	22,850
Net assets		
Shareholders' equity		
Share capital	1,000	5,000
Capital surplus	453	2,072
Retained earnings	40,354	41,409
Treasury shares	(456)	(709)
Total shareholders' equity	41,352	47,772
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	494	762
Remeasurements of defined benefit plans	(228)	(192)
Total accumulated other comprehensive income	265	570
Total net assets	41,617	48,342
Total liabilities and net assets	66,787	71,193

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales		
Net sales of completed construction contracts	43,068	49,295
Cost of sales		
Cost of sales of completed construction contracts	35,111	39,596
Gross profit		
Gross profit on completed construction contracts	7,957	9,699
Selling, general and administrative expenses	4,019	4,629
Operating profit	3,937	5,069
Non-operating income		
Interest income	4	3
Dividend income	52	75
Patent royalties	43	56
Gain on sale of scraps	117	32
Other	49	29
Total non-operating income	267	198
Non-operating expenses		
Interest expenses	14	11
Advances received deposits	27	44
Commission expenses	9	26
Other	24	40
Total non-operating expenses	76	124
Ordinary profit	4,128	5,143
Extraordinary income		
Gain on sale of non-current assets	—	12
Total extraordinary income	—	12
Extraordinary losses		
Loss on valuation of investments in capital	1	—
Other	0	—
Total extraordinary losses	2	—
Profit before income taxes	4,126	5,156
Income taxes - current	1,590	1,691
Income taxes - deferred	(270)	(39)
Total income taxes	1,319	1,651
Profit	2,806	3,504
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	2,806	3,504

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	2,806	3,504
Other comprehensive income		
Valuation difference on available-for-sale securities	12	268
Remeasurements of defined benefit plans, net of tax	41	36
Total other comprehensive income	53	304
Comprehensive income	2,860	3,809
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,860	3,809
Comprehensive income attributable to non-controlling interests	—	—