

Consolidated Financial Results for the Three Months Ended June 30, 2021 [Japanese GAAP]

August 11, 2021

Company name: MIRAIT Holdings Corporation Stock exchange listing: TSE
Code Number: 1417 URL: <https://www.mirait.co.jp/>
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Scheduled date for filing of quarterly report: August 11, 2021
Scheduled date for commencement of dividend payment: —
Supplementary briefing materials on quarterly results: Available
Quarterly results briefing: None

(Amounts are rounded down to the nearest one million)

1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)

(1) Consolidated Operating Results (cumulative)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended June 30, 2021	100,546	12.3	4,707	170.5	5,136	100.6	2,744	114.4
Three months ended June 30, 2020	89,546	7.4	1,740	48.4	2,560	49.8	1,279	40.5

(Note) Comprehensive income: Three months ended June 30, 2021 3,503 million yen (—%)
Three months ended June 30, 2020 (67) million yen (—%)

	Net income per share	Diluted net income per share
	yen	yen
Three months ended June 30, 2021	27.10	—
Three months ended June 30, 2020	11.92	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of June 30, 2021	334,099	231,543	67.8
As of March 31, 2021	358,751	231,323	63.1

(Reference) Equity: As of June 30, 2021 226,587 million yen
As of March 31, 2021 226,389 million yen

2. Dividends

	Annual dividends per share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	Yen
Fiscal year ended March 31, 2021	—	22.50	—	22.50	45.00
Fiscal year ending March 31, 2022	—				
Fiscal year ending March 31, 2022 (forecast)		25.00	—	25.00	50.00

(Note) Revision of dividend forecasts from recently announced figures: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022
(April 1, 2021 to March 31, 2022)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year ending March 31, 2022	470,000	1.3	30,500	1.2	32,000	0.8	21,000	(13.2)	208.92

(Note) Revision of financial results forecasts from recently announced figures: None

* Notes:

- (1) Significant changes in subsidiaries during the period under review: None
- (2) Application of specific accounting practices for preparing consolidated quarterly financial statements: Yes
- (3) Changes in accounting principles and changes or restatements of accounting estimates:
- 1) Changes in accounting principles due to revision of accounting standards: Yes
 - 2) Changes in accounting principles other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Restatements: None

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

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

June 30, 2021	108,325,329 shares	March 31, 2021	108,325,329 shares
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- 2) Total number of treasury stock at the end of the period

June 30, 2021	7,482,117 shares	March 31, 2021	6,907,718 shares
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- 3) Average number of shares outstanding during the period

June 30, 2021	101,250,306 shares	June 30, 2020	107,366,385 shares
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(Note) Total number of treasury stock includes the Company's stock held by the Board Incentive Plan trust under the Company's performance-linked stock remuneration program for directors and executive officers.

* Implementation status of quarterly review processes

- This quarterly summary of consolidated financial results is not subject to the quarterly review procedures stipulated under the Financial Instruments and Exchange Act.

* Explanation regarding the appropriate use of performance forecasts, and other items warranting special mention

- The performance forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Accordingly, actual performance may differ materially depending on various factors.

Consolidated Quarterly Financial Statements and Notes

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2021	Three Months Ended June 30, 2021
Assets		
Current assets		
Cash and deposits	44,764	54,608
Notes receivable, accounts receivable from completed construction contracts and other	147,605	103,388
Costs on construction contracts in progress	30,789	32,744
Investments in leases	5,460	5,198
Other	4,902	9,787
Allowance for doubtful accounts	(26)	(0)
Total current assets	233,494	205,726
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	38,546	41,740
Land	32,891	33,384
Construction in progress	5,602	4,123
Other, net	9,614	9,424
Total property, plant and equipment	86,655	88,673
Intangible assets		
Customer related assets	2,523	2,609
Goodwill	3,094	3,106
Software	1,620	1,911
Other	311	305
Total intangible assets	7,549	7,932
Investments and other assets		
Investment securities	22,562	22,300
Retirement benefit asset	2,988	3,910
Deferred tax assets	2,504	2,620
Leasehold and guarantee deposits	1,425	1,401
Other	1,798	1,770
Allowance for doubtful accounts	(227)	(235)
Total investments and other assets	31,052	31,766
Total non-current assets	125,256	128,372
Total assets	358,751	334,099

(Millions of yen)

	Fiscal Year Ended March 31, 2021	Three Months Ended June 30, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	63,213	47,649
Short-term borrowings	186	186
Income taxes payable	8,086	1,040
Lease obligations	3,347	3,369
Advances received on construction contracts in progress	3,150	3,871
Provision for loss on construction contracts	1,299	1,112
Provision for bonuses	8,023	4,266
Provision for bonuses for directors (and other officers)	101	40
Provision for warranties for completed construction	10	11
Other	15,599	16,029
Total current liabilities	103,018	77,579
Non-current liabilities		
Long-term accounts payable - other	1,324	1,323
Lease obligations	6,592	6,250
Deferred tax liabilities	1,139	1,137
Deferred tax liabilities for land revaluation	41	41
Provision for retirement benefits for directors (and other officers)	122	93
Provision for share-based compensation	310	348
Retirement benefit liability	13,974	14,927
Asset retirement obligations	189	190
Other	714	663
Total non-current liabilities	24,409	24,976
Total liabilities	127,428	102,555
Net assets		
Shareholders' equity		
Share capital	7,000	7,000
Capital surplus	69,571	69,571
Retained earnings	155,239	155,812
Treasury shares	(10,888)	(11,993)
Total shareholders' equity	220,922	220,389
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,660	4,472
Revaluation reserve for land	(98)	(98)
Foreign currency translation adjustment	(1,126)	(196)
Remeasurements of defined benefit plans	2,031	2,020
Total accumulated other comprehensive income	5,466	6,197
Non-controlling interests	4,934	4,956
Total net assets	231,323	231,543
Total liabilities and net assets	358,751	334,099

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

Three Months Ended June 30, 2021

(Millions of yen)

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2021
Net sales of completed construction contracts	89,546	100,546
Cost of sales of completed construction contracts	80,260	87,485
Gross profit on completed construction contracts	9,286	13,061
Selling, general and administrative expenses	7,546	8,353
Operating profit	1,740	4,707
Non-operating income		
Interest income	21	13
Dividend income	556	366
Foreign exchange gains	198	—
Surrender value of insurance policies	16	14
Share of profit of entities accounted for using equity method	—	6
Other	125	113
Total non-operating income	917	514
Non-operating expenses		
Interest expenses	11	10
Share of loss of entities accounted for using equity method	60	—
Foreign exchange losses	—	36
Other	25	37
Total non-operating expenses	97	85
Ordinary profit	2,560	5,136
Extraordinary income		
Gain on sales of non-current assets	2	7
Gain on sales of investment securities	473	19
Total extraordinary income	476	26
Extraordinary losses		
Loss on revision of retirement benefit plan	—	34
Loss on sale of non-current assets	0	22
Loss on retirement of non-current assets	54	1
Loss on sales of investment securities	5	—
Other	17	33
Total extraordinary losses	77	91
Profit before income taxes	2,959	5,071
Income taxes	1,622	2,305
Profit	1,337	2,765
Profit attributable to		
Profit attributable to owners of parent	1,279	2,744
Profit attributable to non-controlling interests	57	21

(Millions of yen)

	Three Months Ended June 30, 2020	Three Months Ended June 30, 2021
Other comprehensive income		
Valuation difference on available-for-sale securities	(197)	(188)
Foreign currency translation adjustment	(1,183)	925
Remeasurements of defined benefit plans, net of tax	(23)	(11)
Share of other comprehensive income of entities accounted for using equity method	(0)	11
Total other comprehensive income	(1,405)	737
Comprehensive income	(67)	3,503
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(111)	3,475
Comprehensive income attributable to non-controlling interests	43	27