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 ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT
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July 30, 2021

Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2022 <under Japanese GAAP>

Company name: **MEISEI INDUSTRIAL CO., LTD.**
 Listing: First Section of Tokyo Securities Exchange
 Securities code: 1976
 URL: <https://www.meisei-kogyo.co.jp/en/>
 Representative: Toshiteru Otani, Representative Director, Chairman and Chief Executive Officer (CEO)
 Inquiries: Susumu Yamamoto, General Manager of Finance Division
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Scheduled date to file quarterly securities report: August 10, 2021
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: None
 Holding of quarterly financial results presentation meeting: None

(Note: Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2022 (from April 1, 2021 to June 30, 2021)

(1) Consolidated operating results

(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, 2021	10,965	8.5	990	41.5	1,102	41.8	706	42.6
June 30, 2020	10,110	(3.6)	699	(24.1)	777	(23.2)	495	(27.7)

Note: Comprehensive income
 Three months ended June 30, 2021: ¥761 million [49.6%]
 Three months ended June 30, 2020: ¥508 million [(27.2) %]

	Net income per share	Diluted net income per share
Three months ended	Yen	Yen
June 30, 2021	13.78	—
June 30, 2020	9.67	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2021	68,598	54,232	78.5	1,050.38
March 31, 2021	68,920	54,365	78.3	1,053.19

Reference: Shareholders' equity
 As of June 30, 2021: ¥53,855 million
 As of March 31, 2021: ¥53,999 million

2. Cash Dividends

	Cash dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Annual
Fiscal year ended March 31, 2021	Yen –	Yen 10.00	Yen –	Yen 20.00	Yen 30.00
Fiscal year ending March 31, 2022	–				
Fiscal year ending March 31, 2022 (Forecast)		10.00	–	14.00	24.00

Note: Revisions to the cash dividend forecasts most recently announced: None

3. Consolidated Earnings Forecasts for the Fiscal 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		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2021	24,000	2.4	2,350	(3.2)	2,450	(5.4)	1,650	(5.5)	32.18
Fiscal year ending March 31, 2022	52,000	2.9	5,500	(14.1)	5,700	(15.5)	3,850	(16.3)	75.09

Note: Revisions to the earnings forecasts most recently announced: None

* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements of prior period financial statements after error corrections
 - a. Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatements of prior period financial statements after error corrections: None
- (4) Number of issued shares (common shares)

- a. Total number of issued shares at end of period (including treasury shares)

As of June 30, 2021	59,386,718 shares
As of March 31, 2021	59,386,718 shares

- b. Number of treasury shares at end of period

As of June 30, 2021	8,114,451 shares
As of March 31, 2021	8,114,323 shares

- c. Average number of outstanding shares during period

Three months ended June 30, 2021	51,272,353 shares
Three months ended June 30, 2020	51,265,462 shares

Note: The figures stated for the number of treasury shares at end of period include shares of the Company that are held by a trust established to distribute shares to officers (Officers' Share Distribution Trust). The calculation used to calculate the average number of outstanding shares during period excludes treasury shares, which include shares of the Company held by the Officers' Share Distribution Trust.

* The quarterly financial results are not subject to quarterly review.

* Proper use of earnings forecasts and other special notes

(Caution regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport to be a promise by the Company to realize such statements. Actual business and other results may differ substantially due to various factors.

Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Assets		
Current assets		
Cash and deposits	22,484	25,383
Notes receivable, accounts receivable from completed construction contracts and other	22,151	19,792
Securities	400	300
Costs on construction contracts in progress	1,655	1,287
Merchandise and finished goods	251	216
Raw materials and supplies	166	174
Other	339	311
Allowance for doubtful accounts	(20)	(19)
Total current assets	47,428	47,445
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,031	10,009
Machinery and vehicles	4,805	4,819
Land	11,150	11,150
Other	2,037	2,066
Accumulated depreciation	(12,589)	(12,762)
Total property, plant and equipment	15,436	15,284
Intangible assets	86	81
Investments and other assets		
Investment securities	3,492	3,309
Investment property	2,053	2,041
Retirement benefit asset	31	32
Deferred tax assets	45	65
Other	432	428
Allowance for doubtful accounts	(86)	(91)
Total investments and other assets	5,969	5,786
Total non-current assets	21,491	21,152
Total assets	68,920	68,598

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	5,810	5,839
Accounts payable - trade	405	112
Short-term borrowings	60	60
Income taxes payable	1,261	417
Advances received on construction contracts in progress	560	1,209
Provision for bonuses	432	712
Provision for bonuses for directors (and other officers)	82	—
Provision for warranties for completed construction	74	56
Other	1,465	1,638
Total current liabilities	10,153	10,046
Non-current liabilities		
Long-term borrowings	960	960
Retirement benefit liability	336	304
Provision for retirement benefits for directors (and other officers)	163	155
Provision for share awards for directors (and other officers)	75	84
Deferred tax liabilities	1,886	1,852
Deferred tax liabilities for land revaluation	483	483
Asset retirement obligations	16	16
Other	480	461
Total non-current liabilities	4,401	4,319
Total liabilities	14,555	14,366
Net assets		
Shareholders' equity		
Share capital	6,889	6,889
Capital surplus	1,179	1,179
Retained earnings	47,116	46,934
Treasury shares	(3,345)	(3,345)
Total shareholders' equity	51,840	51,658
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	896	787
Revaluation reserve for land	958	958
Foreign currency translation adjustment	240	388
Remeasurements of defined benefit plans	63	62
Total accumulated other comprehensive income	2,158	2,197
Non-controlling interests	366	377
Total net assets	54,365	54,232
Total liabilities and net assets	68,920	68,598

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales of completed construction contracts	10,110	10,965
Cost of sales of completed construction contracts	8,246	8,841
Gross profit on completed construction contracts	1,863	2,123
Selling, general and administrative expenses	1,164	1,133
Operating profit	699	990
Non-operating income		
Interest income	9	7
Dividend income	70	71
Rental income from real estate	63	60
Other	5	21
Total non-operating income	148	161
Non-operating expenses		
Interest expenses	1	1
Rental costs on real estate	34	36
Foreign exchange losses	32	9
Other	2	2
Total non-operating expenses	71	49
Ordinary profit	777	1,102
Profit before income taxes	777	1,102
Income taxes - current	317	385
Income taxes - deferred	(41)	(5)
Total income taxes	275	379
Profit	501	722
Profit attributable to non-controlling interests	6	15
Profit attributable to owners of parent	495	706

Quarterly consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Profit	501	722
Other comprehensive income		
Valuation difference on available-for-sale securities	110	(108)
Foreign currency translation adjustment	(107)	147
Remeasurements of defined benefit plans, net of tax	3	(0)
Total other comprehensive income	6	38
Comprehensive income	508	761
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	502	745
Comprehensive income attributable to non-controlling interests	6	15

Segment Information

I. Three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

Information on sales and income on each reportable segment

(Millions of yen)

	Construction	Boiler	Total	Adjustment (Note 1)	Amounts on the consolidated statement of income (Note 2)
Net sales:					
(1) Sales to external customers	8,458	1,652	10,110	—	10,110
(2) Intersegment sales or transfers	71	47	118	(118)	—
Total	8,529	1,699	10,229	(118)	10,110
Segment profit	644	53	697	2	699

Notes:

1. Adjustment for segment profit represents eliminations of intersegment sales or transfers.
2. Segment profit is adjusted to be consistent with operating profit in the consolidated statements of income.

II. Three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

1. Information on sales and income on each reportable segment, and information on disaggregation of revenue

(Millions of yen)

	Construction	Boiler	Total	Adjustment (Note 1)	Amounts on the consolidated statement of income (Note 2)
Net sales:					
Japan	9,373	796	10,169	—	10,169
Asia	790	4	794	—	794
Other	0	—	0	—	0
Revenue from contracts with customers	10,164	800	10,965	—	10,965
(1) Sales to external customers	10,164	800	10,965	—	10,965
(2) Intersegment sales or transfers	3	47	51	(51)	—
Total	10,167	848	11,016	(51)	10,965
Segment profit (loss)	1,028	(40)	988	2	990

Notes:

1. Adjustment for segment profit (loss) represents eliminations of intersegment sales or transfers.
2. Segment profit (loss) is adjusted to be consistent with operating profit in the consolidated statements of income.

Status of Orders Received, Sales and Balance of Orders

Orders received

Segment	Three months ended June 30, 2020		Three months ended June 30, 2021		Increase (decrease)	Fiscal year ended March 31, 2021	
	Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Construction	10,191	93.3	10,760	81.5	569	44,366	89.5
Boiler	728	6.7	2,438	18.5	1,709	5,214	10.5
Total	10,919	100.0	13,198	100.0	2,279	49,581	100.0

Net sales

Segment	Three months ended June 30, 2020		Three months ended June 30, 2021		Increase (decrease)	Fiscal year ended March 31, 2021	
	Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Construction	8,458	83.7	10,164	92.7	1,705	45,518	90.1
Boiler	1,652	16.3	800	7.3	(851)	5,014	9.9
Total	10,110	100.0	10,965	100.0	854	50,533	100.0

Balance of orders

Segment	Three months ended June 30, 2020		Three months ended June 30, 2021		Increase (decrease)	Fiscal year ended March 31, 2021	
	Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Construction	15,081	85.7	12,793	70.8	(2,288)	12,197	77.0
Boiler	2,511	14.3	5,272	29.2	2,760	3,634	23.0
Total	17,592	100.0	18,065	100.0	472	15,831	100.0