

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2022 (Based on Japanese GAAP)

May 13, 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: Takeshi Amatsu TEL 082-261-2860  
 Division  
 Scheduled date of ordinary general meeting of shareholders: June 17, 2022  
 Scheduled date to file Securities Report: June 20, 2022  
 Scheduled date to commence dividend payments: June 20, 2022  
 Preparation of supplementary material on financial results: No  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

#### (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	%
Year ended March 31, 2022	35,899	(7.5)	2,289	(24.8)	2,296	(22.3)	1,527	(21.6)
Year ended March 31, 2021	38,797	11.6	3,045	41.1	2,954	40.9	1,948	44.4

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2022	33.85	33.55	12.1	6.9	6.4
Year ended March 31, 2021	49.69	49.18	20.7	10.0	7.8

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2022	33,961	13,296	38.8	292.06
As of March 31, 2021	32,649	12,152	36.9	267.80

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2022	20	(520)	(639)	1,425
Year ended March 31, 2021	(3,224)	(194)	3,672	2,565

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2021	—	5.00	—	6.00	11.00	464	22.1	5.0
Year ended March 31, 2022	—	6.00	—	6.00	12.00	542	35.5	4.3
Year ending March 31, 2023 (Forecast)	—	6.00	—	6.00	12.00		33.8	

3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	37,000	3.1	2,450	7.0	2,400	4.5	1,600	4.8	35.46

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2022

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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

(3) Number of issued shares (common shares)

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

As of March 31, 2022	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 March 31, 2022	622,596 shares	As of March 31, 2021	802,596 shares
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Average number of shares during the period

Year ended March 31, 2022	45,121,117 shares	Year ended March 31, 2021	39,203,387 shares
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**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	2,730	1,556
Notes receivable, accounts receivable from completed construction contracts and other	19,776	20,458
Costs on construction contracts in progress	635	376
Merchandise and finished goods	1,392	1,204
Work in process	97	229
Raw materials and supplies	116	136
Accounts receivable - other	1,902	3,972
Other	17	13
Total current assets	26,669	27,949
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,574	6,801
Machinery, vehicles, tools, furniture and fixtures	5,683	5,733
Land	2,081	2,201
Construction in progress	165	1
Accumulated depreciation and impairment	(9,318)	(9,514)
Total property, plant and equipment	5,186	5,223
Intangible assets		
Software	46	83
Software in progress	28	–
Telephone subscription right	20	20
Total intangible assets	95	103
Investments and other assets		
Investment securities	410	429
Deferred tax assets	152	123
Other	158	155
Allowance for doubtful accounts	(24)	(23)
Total investments and other assets	698	685
Total non-current assets	5,980	6,012
Total assets	32,649	33,961

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable, accounts payable for construction contracts and other	4,572	5,242
Electronically recorded obligations - operating	2,267	1,897
Accounts payable - other	277	152
Short-term borrowings	5,300	5,500
Current portion of long-term borrowings	1,300	950
Income taxes payable	748	181
Accrued consumption taxes	454	99
Deposits received	1,039	1,425
Advances received on construction contracts in progress	829	1,784
Provision for loss on construction contracts	148	155
Provision for warranties for completed construction	18	20
Other	642	328
<b>Total current liabilities</b>	<b>17,597</b>	<b>17,737</b>
<b>Non-current liabilities</b>		
Long-term borrowings	2,750	2,800
Other	149	128
<b>Total non-current liabilities</b>	<b>2,899</b>	<b>2,928</b>
<b>Total liabilities</b>	<b>20,497</b>	<b>20,665</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	3,114	3,114
Capital surplus	2,776	2,794
Retained earnings	6,386	7,429
Treasury shares	(318)	(247)
<b>Total shareholders' equity</b>	<b>11,958</b>	<b>13,091</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	90	101
<b>Total accumulated other comprehensive income</b>	<b>90</b>	<b>101</b>
Share acquisition rights	103	103
<b>Total net assets</b>	<b>12,152</b>	<b>13,296</b>
<b>Total liabilities and net assets</b>	<b>32,649</b>	<b>33,961</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	38,797	35,899
Cost of sales	33,215	31,053
Gross profit	5,582	4,845
Selling, general and administrative expenses	2,537	2,556
Operating profit	3,045	2,289
Non-operating income		
Interest and dividend income	6	6
Rental income from land and buildings	6	6
Royalty income	5	2
Gain on sale of scraps	14	54
Subsidy income	5	5
Other	18	18
Total non-operating income	57	94
Non-operating expenses		
Interest expenses	48	39
Construction guarantee fee	19	18
Financing expenses	47	28
Share issuance costs	32	–
Other	0	1
Total non-operating expenses	148	87
Ordinary profit	2,954	2,296
Profit before income taxes	2,954	2,296
Income taxes - current	1,086	772
Income taxes - deferred	(80)	(2)
Total income taxes	1,006	769
Profit	1,948	1,527
Profit attributable to owners of parent	1,948	1,527

## Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	1,948	1,527
Other comprehensive income		
Valuation difference on available-for-sale securities	22	10
Total other comprehensive income	22	10
Comprehensive income	1,970	1,538
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,970	1,538
Comprehensive income attributable to non-controlling interests	—	—

## Consolidated statements of changes in equity

Fiscal year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,317	951	4,826	(395)	6,699
Changes during period					
Issuance of new shares	1,796	1,796			3,593
Dividends of surplus			(388)		(388)
Profit attributable to owners of parent			1,948		1,948
Disposal of treasury shares		28		76	104
Net changes in items other than shareholders' equity					
Total changes during period	1,796	1,824	1,560	76	5,258
Balance at end of period	3,114	2,776	6,386	(318)	11,958

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	68	68	103	6,871
Changes during period				
Issuance of new shares				3,593
Dividends of surplus				(388)
Profit attributable to owners of parent				1,948
Disposal of treasury shares				104
Net changes in items other than shareholders' equity	22	22	–	22
Total changes during period	22	22	–	5,281
Balance at end of period	90	90	103	12,152

Fiscal year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,114	2,776	6,386	(318)	11,958
Cumulative effects of changes in accounting policies			57		57
Restated balance	3,114	2,776	6,443	(318)	12,015
Changes during period					
Dividends of surplus			(540)		(540)
Profit attributable to owners of parent			1,527		1,527
Disposal of treasury shares		17		71	89
Net changes in items other than shareholders' equity					
Total changes during period	–	17	986	71	1,075
Balance at end of period	3,114	2,794	7,429	(247)	13,091

	Accumulated other comprehensive income		Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of period	90	90	103	12,152
Cumulative effects of changes in accounting policies				57
Restated balance	90	90	103	12,209
Changes during period				
Dividends of surplus				(540)
Profit attributable to owners of parent				1,527
Disposal of treasury shares				89
Net changes in items other than shareholders' equity	10	10	–	10
Total changes during period	10	10	–	1,086
Balance at end of period	101	101	103	13,296



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	2,954	2,296
Depreciation	340	349
Share-based payment expenses	104	89
Share issuance costs	32	–
Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Increase (decrease) in provision for loss on construction contracts	148	8
Increase (decrease) in provision for warranties for completed construction	(16)	1
Interest and dividend income	(6)	(6)
Interest expenses	48	39
Decrease (increase) in trade receivables	(5,869)	(118)
Decrease (increase) in costs on construction contracts in progress	781	215
Decrease (increase) in other inventories	596	(351)
Decrease (increase) in accounts receivable - other	(1,493)	(2,071)
Increase (decrease) in trade payables	(679)	299
Increase (decrease) in advances received on construction contracts in progress	(596)	955
Increase (decrease) in accrued consumption taxes	349	(405)
Increase (decrease) in deposits received	783	386
Decrease (increase) in other assets	(11)	2
Increase (decrease) in other liabilities	105	(340)
Other loss (gain)	(3)	0
Subtotal	(2,434)	1,349
Interest and dividends received	6	6
Interest paid	(48)	(40)
Income taxes paid	(749)	(1,295)
Net cash provided by (used in) operating activities	(3,224)	20
Cash flows from investing activities		
Payments into time deposits	(985)	(446)
Proceeds from withdrawal of time deposits	1,240	480
Purchase of property, plant and equipment	(440)	(529)
Purchase of intangible assets	(43)	(28)
Purchase of investment securities	(1)	(1)
Proceeds from sale of investment securities	30	–
Loan advances	(0)	–
Proceeds from collection of loans receivable	5	5
Net cash provided by (used in) investing activities	(194)	(520)

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,500	200
Proceeds from long-term borrowings	–	1,000
Repayments of long-term borrowings	(1,000)	(1,300)
Proceeds from issuance of shares	3,561	–
Dividends paid	(387)	(539)
Repayments of lease liabilities	(0)	–
Net cash provided by (used in) financing activities	3,672	(639)
Net increase (decrease) in cash and cash equivalents	252	(1,139)
Cash and cash equivalents at beginning of period	2,312	2,565
Cash and cash equivalents at end of period	2,565	1,425