

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

August 5, 2022

Company name: Br. Holdings Corporation
 Stock exchange listing: Tokyo
 Stock code: 1726 URL <https://www.brhd.co.jp>
 Representative: President Kimiyasu Fujita
 Inquiries: Accounting Manager Hiroaki Kawano TEL 082-261-2860
 Scheduled date to file Quarterly Securities Report: August 12, 2022
 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, 2022 (from April 1, 2022 to June 30, 2022)

(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, 2022	8,056	(8.0)	315	(57.4)	325	(56.5)	197	(60.8)
Three months ended June 30, 2021	8,756	(0.7)	738	48.4	749	52.2	504	65.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2022	4.38		4.34	
Three months ended June 30, 2021	11.21		11.11	

(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, 2022	35,661	13,204	36.7	290.02
As of March 31, 2022	33,961	13,296	38.8	292.06

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2022	–	6.00	–	6.00	12.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	6.00	–	6.00	12.00

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	35.42

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022
 (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, 2022	45,795,000 shares	As of March 31, 2022	45,795,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	622,596 shares	As of March 31, 2022	622,596 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, 2022	45,172,404 shares	Three months ended June 30, 2021	44,992,404 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	1,556	3,169
Notes receivable, accounts receivable from completed construction contracts and other	20,458	21,049
Costs on construction contracts in progress	376	605
Merchandise and finished goods	1,204	1,645
Work in process	229	218
Raw materials and supplies	136	209
Accounts receivable - other	3,972	2,707
Other	13	51
Total current assets	27,949	29,657
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,398	2,383
Land	2,201	2,201
Other, net	623	627
Total property, plant and equipment	5,223	5,212
Intangible assets	103	105
Investments and other assets		
Investment securities	429	401
Deferred tax assets	123	161
Other	155	140
Allowance for doubtful accounts	(23)	(18)
Total investments and other assets	685	685
Total non-current assets	6,012	6,003
Total assets	33,961	35,661

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	5,242	4,992
Electronically recorded obligations - operating	1,897	2,349
Short-term borrowings	5,500	6,900
Current portion of long-term borrowings	950	800
Income taxes payable	181	175
Deposits received	1,425	1,237
Advances received on construction contracts in progress	1,784	2,162
Provision for bonuses	–	161
Provision for loss on construction contracts	155	141
Provision for warranties for completed construction	20	18
Other	580	696
Total current liabilities	17,737	19,635
Non-current liabilities		
Long-term borrowings	2,800	2,700
Other	128	121
Total non-current liabilities	2,928	2,821
Total liabilities	20,665	22,457
Net assets		
Shareholders' equity		
Share capital	3,114	3,114
Capital surplus	2,794	2,794
Retained earnings	7,429	7,356
Treasury shares	(247)	(247)
Total shareholders' equity	13,091	13,017
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	101	83
Total accumulated other comprehensive income	101	83
Share acquisition rights	103	103
Total net assets	13,296	13,204
Total liabilities and net assets	33,961	35,661

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, 2021	Three months ended June 30, 2022
Net sales	8,756	8,056
Cost of sales	7,403	7,104
Gross profit	1,352	952
Selling, general and administrative expenses	613	637
Operating profit	738	315
Non-operating income		
Interest and dividend income	3	3
Gain on sale of scraps	14	13
Other	9	7
Total non-operating income	27	24
Non-operating expenses		
Interest expenses	7	10
Construction guarantee fee	9	4
Other	0	0
Total non-operating expenses	17	14
Ordinary profit	749	325
Profit before income taxes	749	325
Income taxes - current	266	156
Income taxes - deferred	(21)	(27)
Total income taxes	244	128
Profit	504	197
Profit attributable to owners of parent	504	197

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	504	197
Other comprehensive income		
Valuation difference on available-for-sale securities	(3)	(18)
Total other comprehensive income	(3)	(18)
Comprehensive income	500	178
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	500	178
Comprehensive income attributable to non-controlling interests	—	—