

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



Non-consolidated Financial Results for the Six Months Ended September 30, 2022 [Japanese GAAP]

October 31, 2022

Company name: KAWASAKI SETSUBI KOGYO CO., LTD.

Stock exchange listing: Nagoya

Code number: 1777

URL: <http://www.kawasaki-sk.co.jp/>

Representative: Katsushi Hiroe

Contact: Takashi Miwa

Phone: 052-221-7700

Scheduled date of filing quarterly securities report: November 07, 2022

Scheduled date of commencing dividend payments: December 05, 2022

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

President and Representative Director
General Manager of Corporate Planning Department

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

1. Non-consolidated Financial Results for the Six Months Ended September 30, 2022 (April 01, 2022 to September 30, 2022)

(1) Non-consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2022	9,573	(14.4)	372	(44.7)	387	(43.8)	250	(44.2)
September 30, 2021	11,186	11.2	674	50.4	689	46.2	448	46.3

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	20.93	-
September 30, 2021	37.50	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of September 30, 2022	17,694	10,576	59.8
March 31, 2022	19,025	10,430	54.8

(Reference) Equity: As of September 30, 2022: ¥ 10,576 million

As of March 31, 2022: ¥ 10,430 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	10.00	-	8.00	18.00
Fiscal year ending March 31, 2023	-	8.00			
Fiscal year ending March 31, 2023 (Forecast)			-	10.00	18.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 2nd quarter dividend for the fiscal year ending March 31, 2023 :

Commemorative dividend	- yen
Special dividend	- yen

3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	22,500	(4.7)	1,000	(21.1)	1,020	(20.7)	684	(19.6)	57.17

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements:

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

- 1) Changes in accounting policies due to the revision of accounting standards: No
- 2) Changes in accounting policies other than 1) above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatement: No

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

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

September 30, 2022:	12,000,000 shares
March 31, 2022:	12,000,000 shares

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

September 30, 2022:	35,827 shares
March 31, 2022:	35,827 shares

3) Average number of shares during the period:

Six months ended September 30, 2022:	11,964,173 shares
Six months ended September 30, 2021:	11,964,173 shares

Quarterly Non-consolidated Financial Statements
Quarterly Non-consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of September 30,2022
Assets		
Current assets		
Cash and deposits	4,822	3,750
Notes receivable - trade	113	19
Electronically recorded monetary claims - operating	1,811	1,444
Accounts receivable from completed construction contracts	6,853	6,731
Costs on construction contracts in progress	262	424
Other	723	796
Allowance for doubtful accounts	(97)	(91)
Total current assets	14,489	13,075
Non-current assets		
Property, plant and equipment		
Buildings, net	1,575	1,539
Land	1,606	1,606
Other, net	97	94
Total property, plant and equipment	3,279	3,241
Intangible assets	359	482
Investments and other assets		
Other	925	920
Allowance for doubtful accounts	(28)	(25)
Total investments and other assets	897	895
Total non-current assets	4,536	4,618
Total assets	19,025	17,694

(Million yen)

	As of March 31,2022	As of September 30,2022
Liabilities		
Current liabilities		
Notes payable - trade	229	156
Electronically recorded obligations - operating	1,060	1,184
Accounts payable for construction contracts	3,101	2,322
Income taxes payable	325	152
Advances received on construction contracts in progress	845	783
Provision for bonuses	493	318
Provision for bonuses for directors (and other officers)	15	-
Provision for warranties for completed construction	12	50
Provision for loss on construction contracts	68	48
Other	1,027	585
Total current liabilities	7,180	5,602
Non-current liabilities		
Provision for retirement benefits	1,058	1,054
Asset retirement obligations	43	43
Other	312	416
Total non-current liabilities	1,414	1,515
Total liabilities	8,595	7,117
Net assets		
Shareholders' equity		
Share capital	1,581	1,581
Capital surplus	395	395
Retained earnings	8,439	8,593
Treasury shares	(7)	(7)
Total shareholders' equity	10,407	10,562
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	22	14
Total valuation and translation adjustments	22	14
Total net assets	10,430	10,576
Total liabilities and net assets	19,025	17,694

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the six months)

(Million yen)

	For the six months ended September 30,2021	For the six months ended September 30,2022
Net sales of completed construction contracts	11,186	9,573
Cost of sales of completed construction contracts	9,541	8,190
Gross profit on completed construction contracts	1,644	1,383
Selling, general and administrative expenses	970	1,010
Operating profit	674	372
Non-operating income		
Dividend income	2	3
Rental income from real estate	21	23
Gain on sale of non-current assets	7	-
Other	5	1
Total non-operating income	36	29
Non-operating expenses		
Interest expenses	0	0
Rental expenses on real estate	10	10
Stocks maintenance fee	2	3
Office relocation expenses	5	-
Other	2	0
Total non-operating expenses	21	14
Ordinary profit	689	387
Profit before income taxes	689	387
Income taxes	240	137
Profit	448	250