

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2022 (Based on Japanese GAAP)

November 4, 2022

Company name: NISSHIN GROUP HOLDINGS Company, Limited  
 Stock exchange listing: Tokyo  
 Stock code: 8881 URL <https://www.nisshin-hd.co.jp/>  
 Representative: Representative Director and President Yuki Yoshi Tsutsumi  
 Representative Director and Senior Managing Director Hideki Kuroiwa TEL 03-5360-2016  
 Inquiries: Director  
 Scheduled date to file Quarterly Securities Report: November 11, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	30,003	0.6	436	(53.6)	300	(65.1)	241	(46.3)
Six months ended September 30, 2021	29,817	(10.2)	940	(37.7)	860	(38.0)	449	(45.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2022	5.15		–	
Six months ended September 30, 2021	9.58		–	

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2022	114,538	63,327	55.2	1,352.54
As of March 31, 2022	114,969	64,132	55.7	1,370.11

### 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	–	0.00	–	22.00	22.00
Year ending March 31, 2023	–	0.00	–	–	–
Year ending March 31, 2023 (Forecast)	–	–	–	22.00	22.00

### 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	86,000	5.6	5,300	1.6	5,100	1.6	3,600	2.2	76.92

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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: Yes
- 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 September 30, 2022	46,951,260 shares	As of March 31, 2022	46,951,260 shares
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Number of treasury shares at the end of the period

As of September 30, 2022	213,532 shares	As of March 31, 2022	219,232 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	46,733,645 shares	Six months ended September 30, 2021	46,864,712 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	61,302,820	51,681,048
Notes receivable, accounts receivable from completed construction contracts and other	16,344,272	22,590,474
Electronically recorded monetary claims - operating	662,069	422,516
Real estate for sale	3,533,277	3,582,368
Costs on real estate business	16,446,116	19,434,798
Costs on construction contracts in progress	15,284	36,965
Short-term loans receivable	2,190	2,259
Accounts receivable - other	313,702	425,454
Other	1,036,435	827,751
Allowance for doubtful accounts	(75,060)	(66,493)
Total current assets	99,581,107	98,937,142
Non-current assets		
Property, plant and equipment	10,847,204	10,763,556
Intangible assets	74,215	74,019
Investments and other assets	4,467,454	4,763,564
Total non-current assets	15,388,874	15,601,141
Total assets	114,969,982	114,538,283
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,218,411	4,897,990
Electronically recorded obligations - operating	7,991,480	3,229,975
Short-term borrowings	10,481,426	20,133,409
Current portion of bonds payable	88,000	88,000
Income taxes payable	700,062	146,297
Provisions		
Provision for bonuses	523,157	380,987
Provision for warranties for completed construction	203,624	203,357
Provision for loss on construction contracts	5,905	–
Provision for shareholder benefit program	34,136	–
Other	3,231,845	3,401,604
Total current liabilities	27,478,049	32,481,622
Non-current liabilities		
Bonds payable	312,000	268,000
Long-term borrowings	20,975,474	16,379,138
Provisions		
Provision for loss on guarantees	2,460	40
Provision for share awards for directors (and other officers)	20,964	30,133
Retirement benefit liability	1,662,796	1,677,547
Other	385,675	373,826
Total non-current liabilities	23,359,370	18,728,686
Total liabilities	50,837,420	51,210,308

(Thousands of yen)

	As of March 31, 2022	As of September 30, 2022
Net assets		
Shareholders' equity		
Share capital	10,111,411	10,111,411
Capital surplus	425,478	425,478
Retained earnings	53,380,500	52,592,071
Treasury shares	(112,694)	(109,827)
Total shareholders' equity	63,804,696	63,019,133
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	226,354	196,988
Remeasurements of defined benefit plans	(2,665)	(1,332)
Total accumulated other comprehensive income	223,688	195,655
Non-controlling interests	104,176	113,185
Total net assets	64,132,561	63,327,974
Total liabilities and net assets	114,969,982	114,538,283

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	29,817,056	30,003,095
Cost of sales	25,485,805	26,368,158
Gross profit	4,331,251	3,634,936
Selling, general and administrative expenses	3,390,889	3,198,145
Operating profit	940,361	436,791
Non-operating income		
Interest income	1,046	1,736
Dividend income	9,258	11,241
Gain on sale of securities	28,905	–
Reversal of allowance for doubtful accounts	7,055	19,725
Reversal of provision for loss on guarantees	100	10
Reversal of allowance for Shareholder benefit	8,323	534
Insurance return	20,123	5,990
Other	45,815	32,157
Total non-operating income	120,628	71,396
Non-operating expenses		
Interest expenses	176,514	202,617
Commission expenses	1,986	1,646
Other	22,200	3,786
Total non-operating expenses	200,701	208,051
Ordinary profit	860,289	300,136
Extraordinary income		
Gain on sale of non-current assets	2,386	6,477
Gain on sale of investment securities	–	54,604
Total extraordinary income	2,386	61,081
Extraordinary losses		
Loss on retirement of non-current assets	–	530
Loss on valuation of shares of subsidiaries and associates	120,165	–
Total extraordinary losses	120,165	530
Profit before income taxes	742,510	360,687
Income taxes - current	151,572	87,574
Income taxes - deferred	147,188	23,091
Total income taxes	298,760	110,666
Profit	443,749	250,020
Profit (loss) attributable to non-controlling interests	(5,265)	9,008
Profit attributable to owners of parent	449,014	241,011

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	443,749	250,020
Other comprehensive income		
Valuation difference on available-for-sale securities	59,731	(29,365)
Remeasurements of defined benefit plans, net of tax	2,369	1,332
Total other comprehensive income	62,100	(28,032)
Comprehensive income	505,850	221,987
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	511,115	212,979
Comprehensive income attributable to non-controlling interests	(5,265)	9,008