

Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

August 4, 2023

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 14, 2023
 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, 2023 (from April 1, 2023 to June 30, 2023)

(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, 2023	8,291	2.9	85	(72.8)	76	(76.5)	23	(88.0)
Three months ended June 30, 2022	8,056	(8.0)	315	(57.4)	325	(56.5)	197	(60.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	0.52		0.52	
Three months ended June 30, 2022	4.38		4.34	

(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, 2023	39,989	13,629	33.9	297.81
As of March 31, 2023	40,355	13,842	34.0	302.57

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, 2023	–	6.00	–	6.00	12.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		6.00	–	6.00	12.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	42,000	16.6	2,050	25.3	2,000	23.1	1,300	26.7	28.67

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023
 (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, 2023	45,795,000 shares	As of March 31, 2023	45,795,000 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	321,646 shares	As of March 31, 2023	384,596 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, 2023	45,418,241 shares	Three months ended June 30, 2022	45,172,404 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	1,837	2,665
Notes receivable, accounts receivable from completed construction contracts and other	28,280	26,340
Costs on construction contracts in progress	487	630
Merchandise and finished goods	1,373	1,752
Work in process	233	244
Raw materials and supplies	358	481
Accounts receivable - other	1,958	1,987
Other	23	45
Total current assets	34,553	34,147
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,278	2,246
Land	2,201	2,201
Other, net	562	570
Total property, plant and equipment	5,042	5,018
Intangible assets	119	120
Investments and other assets		
Investment securities	427	479
Deferred tax assets	91	105
Other	139	135
Allowance for doubtful accounts	(18)	(18)
Total investments and other assets	640	702
Total non-current assets	5,802	5,842
Total assets	40,355	39,989

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	5,255	4,664
Electronically recorded obligations - operating	2,314	2,474
Short-term borrowings	9,200	9,200
Current portion of long-term borrowings	1,199	1,699
Income taxes payable	149	98
Deposits received	249	293
Advances received on construction contracts in progress	2,044	2,293
Provision for bonuses	–	164
Provision for loss on construction contracts	20	23
Other	386	555
Total current liabilities	20,821	21,466
Non-current liabilities		
Long-term borrowings	5,566	4,766
Other	124	126
Total non-current liabilities	5,691	4,892
Total liabilities	26,513	26,359
Net assets		
Shareholders' equity		
Share capital	3,114	3,114
Capital surplus	2,773	2,764
Retained earnings	7,912	7,663
Treasury shares	(152)	(127)
Total shareholders' equity	13,647	13,414
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	92	128
Total accumulated other comprehensive income	92	128
Share acquisition rights	103	87
Total net assets	13,842	13,629
Total liabilities and net assets	40,355	39,989

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, 2022	Three months ended June 30, 2023
Net sales	8,056	8,291
Cost of sales	7,104	7,500
Gross profit	952	790
Selling, general and administrative expenses	637	705
Operating profit	315	85
Non-operating income		
Interest and dividend income	3	4
Gain on sale of scraps	13	9
Other	7	7
Total non-operating income	24	21
Non-operating expenses		
Interest expenses	10	21
Construction guarantee fee	4	7
Other	0	2
Total non-operating expenses	14	31
Ordinary profit	325	76
Profit before income taxes	325	76
Income taxes - current	156	82
Income taxes - deferred	(27)	(29)
Total income taxes	128	52
Profit	197	23
Profit attributable to owners of parent	197	23

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	197	23
Other comprehensive income		
Valuation difference on available-for-sale securities	(18)	35
Total other comprehensive income	(18)	35
Comprehensive income	178	59
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	178	59
Comprehensive income attributable to non-controlling interests	—	—