

Translation

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

August 9, 2023

Company name: MEIWA ESTATE Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8869 URL <https://www.meiwajisyo.co.jp/corp/>
 Representative: President & CEO Hideaki Harada
 Inquiries: Executive Officer Motomi Shimazu TEL 03(5489)0111
 Scheduled date to file Quarterly Securities Report: August 9, 2023
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 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	14,058	20.6	934	13.7	685	28.7	585	23.1
Three months ended June 30, 2022	11,654	(17.8)	822	(12.4)	532	(29.5)	475	(24.0)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	24.98		–	
Three months ended June 30, 2022	20.30		–	

(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	121,533	29,853	24.6	1,273.19
As of March 31, 2023	116,538	29,998	25.7	1,279.38

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	–	0.00	–	45.00	45.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		0.00	–	50.00	50.00

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	83,000	33.2	6,300	6.0	5,200	4.2	3,800	(13.9)	162.06

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	23,447,684 shares	As of March 31, 2023	23,447,684 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	– shares	As of March 31, 2023	– 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	23,447,684 shares	Three months ended June 30, 2022	23,447,684 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	34,147	33,738
Notes and accounts receivable - trade	195	162
Real estate for sale	7,015	11,970
Real estate for sale in process	61,371	63,119
Operating loans	401	405
Income taxes refund receivable	3	74
Other	1,107	1,207
Allowance for doubtful accounts	(0)	(0)
Total current assets	104,242	110,677
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,202	2,070
Land	5,170	4,546
Other, net	172	218
Total property, plant and equipment	7,544	6,835
Intangible assets		
Software	59	56
Goodwill	12	11
Other	179	175
Total intangible assets	251	244
Investments and other assets		
Investment securities	1,932	1,301
Deferred tax assets	1,107	1,018
Retirement benefit asset	255	255
Other	1,262	1,260
Allowance for doubtful accounts	(59)	(59)
Total investments and other assets	4,499	3,776
Total non-current assets	12,295	10,855
Total assets	116,538	121,533

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable - trade	4,586	3,859
Electronically recorded obligations - operating	15,448	17,019
Short-term borrowings	8,887	10,144
Current portion of long-term borrowings	7,649	13,116
Accrued expenses	232	228
Income taxes payable	524	33
Advances received	4,250	4,891
Provision for bonuses	444	237
Provision for bonuses for directors (and other officers)	122	26
Provision for shareholder benefit program	69	23
Other	2,009	1,795
Total current liabilities	44,225	51,375
Non-current liabilities		
Long-term borrowings	41,321	39,310
Provision for retirement benefits for directors (and other officers)	243	221
Retirement benefit liability	211	217
Other	537	555
Total non-current liabilities	42,314	40,304
Total liabilities	86,539	91,679
Net assets		
Shareholders' equity		
Share capital	3,537	3,537
Capital surplus	5,395	5,395
Retained earnings	21,245	20,855
Total shareholders' equity	30,178	29,789
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(175)	67
Remeasurements of defined benefit plans	(4)	(3)
Total accumulated other comprehensive income	(180)	64
Total net assets	29,998	29,853
Total liabilities and net assets	116,538	121,533

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	11,654	14,058
Cost of sales	8,683	10,543
Gross profit	2,971	3,515
Selling, general and administrative expenses	2,149	2,580
Operating profit	822	934
Non-operating income		
Interest income	0	0
Penalty income	22	18
Subsidy income	4	2
Reversal of allowance for doubtful accounts	1	0
Other	14	10
Total non-operating income	42	31
Non-operating expenses		
Interest expenses	194	240
Consumption taxes	97	-
Other	39	39
Total non-operating expenses	331	280
Ordinary profit	532	685
Extraordinary income		
Gain on sale of non-current assets	-	29
Gain on sale of golf club membership	6	-
Total extraordinary income	6	29
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on sale of investment securities	-	34
Total extraordinary losses	0	34
Profit before income taxes	538	680
Income taxes - current	25	6
Income taxes - deferred	36	88
Total income taxes	62	95
Profit	475	585
Profit attributable to owners of parent	475	585

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	475	585
Other comprehensive income		
Valuation difference on available-for-sale securities	–	243
Remeasurements of defined benefit plans, net of tax	3	1
Total other comprehensive income	3	244
Comprehensive income	479	830
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	479	830