

# Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



August 4, 2023

Company name: SEIKITOKYU KOGYO CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 1898

URL: <https://www.seikitokyu.co.jp>

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Scheduled date of filing quarterly securities report: August 7, 2023

Scheduled date of commencing dividend payments: –

Availability of supplementary briefing materials on quarterly financial results: Unavailable

Schedule of quarterly financial results briefing session: Not scheduled

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

## 1. Consolidated Financial Results for the Three Months Ended June 30, 2023 (April 1, 2023 to June 30, 2023)

### (1) Consolidated Operating Results (Cumulative)

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2023	17,897	(10.6)	(21)	–	(12)	–	(3)	–
June 30, 2022	20,025	7.6	(166)	–	(153)	–	(178)	–

(Note) Comprehensive income: Three months ended June 30, 2023: ¥18 million [–%]

Three months ended June 30, 2022: ¥(142) million [–%]

	Basic earnings per share		Diluted earnings per share	
	Yen	Yen	Yen	Yen
Three months ended June 30, 2023	(0.11)	–	–	–
June 30, 2022	(4.79)	–	–	–

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2023	73,582	38,584	52.4	1,058.63
As of March 31, 2023	78,762	39,660	50.4	1,088.13

(Reference) Equity: As of June 30, 2023: ¥38,584 million

As of March 31, 2023: ¥39,660 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended March 31, 2023	Yen –	Yen 0.00	Yen –	Yen 30.00	Yen 30.00
Fiscal year ending March 31, 2024	–	–	–	–	–
Fiscal year ending March 31, 2024 (Forecast)	–	45.00	–	45.00	90.00

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

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	42,900	2.4	880	257.7	840	241.5	530	488.9	14.54
Full year	93,300	1.0	4,920	84.3	4,820	82.1	3,250	188.4	89.17

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

#### \* Notes:

- (1) Changes in significant subsidiaries during the period under review  
(Changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) 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
- (4) Number of shares issued (common shares)
  - 1) Total number of shares issued at the end of the period (including treasury shares):
 

June 30, 2023:	37,424,507 shares
March 31, 2023:	37,424,507 shares
  - 2) Total number of treasury shares at the end of the period:
 

June 30, 2023:	976,581 shares
March 31, 2023:	976,478 shares
  - 3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year):
 

Three months ended June 30, 2023:	36,447,990 shares
Three months ended June 30, 2022:	37,201,743 shares

\* These consolidated financial results are outside the scope of quarterly review by certified public accountants or audit corporations.

#### \* Explanation of the proper use of financial results forecasts and other notes

Financial results forecasts are based on information available and certain assumptions deemed reasonable by the Company at the time of preparation of this document, which may contain various uncertain factors. Thus, actual results and outcomes may differ from these forecasts.

**(Reference) Non-Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)**

(% indicates year-on-year changes)

	Net sales		Ordinary profit		Profit		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
First half	40,600	2.1	770	272.0	540	369.6	14.82
Full year	88,000	0.4	4,400	83.3	3,030	194.8	83.13

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

**\* Explanation of the proper use of financial results forecast and other notes**

Financial results forecasts are based on information available and certain assumptions deemed reasonable by the Company at the time of preparation of this document, which may contain various uncertain factors. Thus, actual results and outcomes may differ from these forecasts.

Quarterly Consolidated Financial Statements and Primary Notes  
(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	8,173	17,667
Notes receivable, accounts receivable from completed construction contracts and other	38,829	23,917
Costs on construction contracts in progress	228	136
Raw materials and supplies	331	303
Other	2,430	2,389
Allowance for doubtful accounts	–	(4)
Total current assets	49,992	44,409
Non-current assets		
Property, plant and equipment		
Buildings and structures	11,857	11,730
Machinery, vehicles, tools, furniture and fixtures	22,117	22,429
Land	14,897	14,897
Construction in progress	878	1,428
Accumulated depreciation	(23,000)	(23,245)
Total property, plant and equipment	26,750	27,240
Intangible assets	239	257
Investments and other assets		
Other	1,779	1,675
Total investments and other assets	1,779	1,675
Total non-current assets	28,769	29,173
Total assets	78,762	73,582

(Million yen)

	As of March 31, 2023	As of June 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	23,262	18,186
Short-term borrowings	106	203
Income taxes payable	214	80
Advances received on construction contracts in progress	1,570	2,371
Provision for warranties for completed construction	40	41
Provision for loss on construction contracts	4	14
Provision for bonuses	1,655	846
Other	4,311	5,458
Total current liabilities	31,164	27,202
Non-current liabilities		
Long-term borrowings	6,800	6,775
Retirement benefit liability	1,049	932
Other	87	87
Total non-current liabilities	7,936	7,795
Total liabilities	39,101	34,997
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,000	2,000
Capital surplus	500	500
Retained earnings	37,810	36,712
Treasury shares	(803)	(803)
Total shareholders' equity	39,506	38,409
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34	51
Foreign currency translation adjustment	(20)	(32)
Remeasurements of defined benefit plans	139	156
Total accumulated other comprehensive income	153	175
Total net assets	39,660	38,584
<b>Total liabilities and net assets</b>	<b>78,762</b>	<b>73,582</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income  
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Net sales	20,025	17,897
Cost of sales	18,698	16,417
Gross profit	1,326	1,480
Selling, general and administrative expenses	1,493	1,502
Operating loss	(166)	(21)
Non-operating income		
Rental income	4	5
Foreign exchange gains	27	21
Miscellaneous income	7	7
Total non-operating income	40	33
Non-operating expenses		
Interest expenses	13	13
Guarantee commission	7	7
Miscellaneous expenses	5	3
Total non-operating expenses	26	24
Ordinary loss	(153)	(12)
Extraordinary income		
Gain on sale of non-current assets	1	11
Settlement income	–	120
Total extraordinary income	1	131
Extraordinary losses		
Loss on retirement of non-current assets	3	14
Legal reward	–	29
Total extraordinary losses	3	44
Profit (loss) before income taxes	(155)	74
Income taxes	23	78
Loss	(178)	(3)
Loss attributable to non-controlling interests	–	–
Loss attributable to owners of parent	(178)	(3)

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Loss	(178)	(3)
Other comprehensive income		
Valuation difference on available-for-sale securities	(3)	16
Foreign currency translation adjustment	15	(11)
Remeasurements of defined benefit plans, net of tax	23	16
Total other comprehensive income	36	22
Comprehensive income	(142)	18
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(142)	18
Comprehensive income attributable to non-controlling interests	—	—

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in the case of significant changes in shareholders' equity)

Not applicable.