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Non-consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

January 31, 2024

Company name: KAWASAKI SETSUBI KOGYO CO., LTD.

Stock exchange listing: Nagoya

Code number: 1777

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

Representative: Katsushi Hiroe

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Scheduled date of filing quarterly securities report: February 5, 2024

Scheduled date of commencing dividend payments: -

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 Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	15,615	10.4	725	15.0	740	13.0	485	14.3
December 31, 2022	14,146	(18.7)	630	(38.7)	655	(37.4)	425	(38.6)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	40.60	-
December 31, 2022	35.53	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of December 31, 2023	19,125	11,233	58.7
March 31, 2023	18,354	10,951	59.7

(Reference) Equity: As of December 31, 2023: ¥ 11,233 million

As of March 31, 2023: ¥ 10,951 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, 2023	-	8.00	-	10.00	18.00
Fiscal year ending March 31, 2024	-	8.00	-		
Fiscal year ending March 31, 2024 (Forecast)				10.00	18.00

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

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	23,500	12.9	1,100	5.7	1,120	4.2	754	6.6	63.02

(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):

December 31, 2023: 12,000,000 shares

March 31, 2023: 12,000,000 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 35,827 shares

March 31, 2023: 35,827 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 11,964,173 shares

Nine months ended December 31, 2022: 11,964,173 shares

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

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	5,482	4,273
Notes receivable - trade	492	63
Electronically recorded monetary claims - operating	1,328	2,029
Accounts receivable from completed construction contracts	5,932	7,462
Costs on construction contracts in progress	256	526
Other	387	281
Allowance for doubtful accounts	(82)	(101)
Total current assets	13,797	14,536
Non-current assets		
Property, plant and equipment		
Buildings, net	1,536	1,482
Land	1,592	1,592
Other, net	111	96
Total property, plant and equipment	3,240	3,170
Intangible assets	422	517
Investments and other assets		
Other	919	925
Allowance for doubtful accounts	(25)	(25)
Total investments and other assets	893	900
Total non-current assets	4,557	4,589
Total assets	18,354	19,125

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes payable - trade	184	164
Electronically recorded obligations - operating	1,024	1,290
Accounts payable for construction contracts	2,632	2,554
Income taxes payable	117	103
Advances received on construction contracts in progress	819	1,069
Provision for bonuses	500	255
Provision for bonuses for directors (and other officers)	16	-
Provision for warranties for completed construction	12	10
Provision for loss on construction contracts	28	-
Other	596	917
Total current liabilities	5,931	6,366
Non-current liabilities		
Provision for retirement benefits	1,056	1,058
Asset retirement obligations	45	45
Other	368	421
Total non-current liabilities	1,471	1,525
Total liabilities	7,402	7,891
Net assets		
Shareholders' equity		
Share capital	1,581	1,581
Capital surplus	395	395
Retained earnings	8,954	9,225
Treasury shares	(7)	(7)
Total shareholders' equity	10,923	11,193
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	28	40
Total valuation and translation adjustments	28	40
Total net assets	10,951	11,233
Total liabilities and net assets	18,354	19,125

Quarterly Non-consolidated Statements of Income

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

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Net sales of completed construction contracts	14,146	15,615
Cost of sales of completed construction contracts	12,007	13,303
Gross profit on completed construction contracts	2,139	2,312
Selling, general and administrative expenses	1,508	1,587
Operating profit	630	725
Non-operating income		
Dividend income	6	6
Rental income from real estate	34	34
Other	7	2
Total non-operating income	48	43
Non-operating expenses		
Interest expenses	1	1
Rental expenses on real estate	15	19
Other	7	6
Total non-operating expenses	23	28
Ordinary profit	655	740
Profit before income taxes	655	740
Income taxes	230	255
Profit	425	485