

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Based on Japanese GAAP)

February 7, 2024

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: February 13, 2024
 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 nine months ended December 31, 2023 (from April 1, 2023 to December 31, 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	%
Nine months ended December 31, 2023	30,314	15.9	1,560	94.3	1,529	87.4	970	97.9
Nine months ended December 31, 2022	26,144	(2.1)	803	(49.3)	816	(49.5)	490	(52.6)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	21.31	21.14
Nine months ended December 31, 2022	10.82	10.73

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	41,235	14,257	34.4	312.86
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	Yen	Yen	Yen	Yen
Year ended March 31, 2023	–	6.00	–	6.00	12.00
Year ending March 31, 2024	–	6.00	–		
Year ending March 31, 2024 (Forecast)				8.00	14.00

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	28.54

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 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 December 31, 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 December 31, 2023	502,647 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)

Nine months ended December 31, 2023	45,549,549 shares	Nine months ended December 31, 2022	45,321,263 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	1,837	2,530
Notes receivable, accounts receivable from completed construction contracts and other	28,280	28,042
Costs on construction contracts in progress	487	565
Merchandise and finished goods	1,373	1,798
Work in process	233	182
Raw materials and supplies	358	426
Accounts receivable - other	1,958	1,586
Other	23	98
Total current assets	34,553	35,231
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,278	2,251
Land	2,201	2,201
Other, net	562	633
Total property, plant and equipment	5,042	5,086
Intangible assets	119	120
Investments and other assets		
Investment securities	427	496
Deferred tax assets	91	143
Other	139	174
Allowance for doubtful accounts	(18)	(18)
Total investments and other assets	640	796
Total non-current assets	5,802	6,003
Total assets	40,355	41,235

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	5,255	5,342
Electronically recorded obligations - operating	2,314	2,978
Short-term borrowings	9,200	9,700
Current portion of long-term borrowings	1,199	2,199
Income taxes payable	149	402
Deposits received	249	253
Advances received on construction contracts in progress	2,044	1,308
Provision for bonuses	–	171
Provision for loss on construction contracts	20	17
Other	386	799
Total current liabilities	20,821	23,174
Non-current liabilities		
Long-term borrowings	5,566	3,666
Other	124	137
Total non-current liabilities	5,691	3,803
Total liabilities	26,513	26,978
Net assets		
Shareholders' equity		
Share capital	3,114	3,114
Capital surplus	2,773	2,761
Retained earnings	7,912	8,336
Treasury shares	(152)	(182)
Total shareholders' equity	13,647	14,030
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	92	139
Total accumulated other comprehensive income	92	139
Share acquisition rights	103	87
Total net assets	13,842	14,257
Total liabilities and net assets	40,355	41,235

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Net sales	26,144	30,314
Cost of sales	23,351	26,562
Gross profit	2,792	3,751
Selling, general and administrative expenses	1,989	2,190
Operating profit	803	1,560
Non-operating income		
Interest and dividend income	7	8
Gain on sale of scraps	37	29
Other	20	16
Total non-operating income	64	54
Non-operating expenses		
Interest expenses	37	54
Construction guarantee fee	13	16
Other	0	13
Total non-operating expenses	52	84
Ordinary profit	816	1,529
Profit before income taxes	816	1,529
Income taxes - current	350	632
Income taxes - deferred	(25)	(73)
Total income taxes	325	558
Profit	490	970
Profit attributable to owners of parent	490	970

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	490	970
Other comprehensive income		
Valuation difference on available-for-sale securities	(7)	46
Total other comprehensive income	(7)	46
Comprehensive income	483	1,017
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	483	1,017
Comprehensive income attributable to non-controlling interests	—	—