

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2020 (Based on Japanese GAAP)

February 5, 2021

Company name: Br. Holdings Corporation
 Stock exchange listing: Tokyo
 Stock code: 1726 URL <https://www.brhd.co.jp>
 Representative: President Kimiyasu Fujita
 Director, General Manager, Administration
 Inquiries: Division Takeshi Amatsu TEL 082-261-2860
 Scheduled date to file Quarterly Securities Report: February 12, 2021
 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, 2020 (from April 1, 2020 to December 31, 2020)

(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, 2020	28,323	9.4	1,898	41.8	1,885	43.8	1,193	51.9
Nine months ended December 31, 2019	25,890	43.8	1,339	111.0	1,311	103.1	785	129.5

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2020	30.73		30.41	
Nine months ended December 31, 2019	19.98		19.76	

(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, 2020	30,076	7,756	25.4	196.75
As of March 31, 2020	26,398	6,871	25.6	174.86

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, 2020	–	4.00	–	5.00	9.00
Year ending March 31, 2021	–	5.00	–		
Year ending March 31, 2021 (Forecast)				6.00	11.00

3. Forecast of consolidated financial results for the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021)

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	39,800	14.4	2,850	32.0	2,750	31.1	1,800	33.5	46.36

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2020
(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, 2020	39,700,000 shares	As of March 31, 2020	39,700,000 shares
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Number of treasury shares at the end of the period

As of December 31, 2020	802,596 shares	As of March 31, 2020	995,796 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, 2020	38,823,637 shares	Nine months ended December 31, 2019	39,301,148 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and deposits	2,732	2,278
Notes receivable, accounts receivable from completed construction contracts and other	13,907	17,938
Costs on construction contracts in progress	1,416	1,106
Merchandise and finished goods	1,876	1,631
Work in process	168	123
Raw materials and supplies	157	138
Accounts receivable - other	489	982
Other	35	45
Total current assets	20,784	24,246
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,272	2,307
Land	2,081	2,081
Other, net	588	661
Total property, plant and equipment	4,943	5,051
Intangible assets	74	61
Investments and other assets		
Investment securities	387	353
Deferred tax assets	83	242
Other	150	147
Allowance for doubtful accounts	(25)	(25)
Total investments and other assets	596	717
Total non-current assets	5,614	5,830
Total assets	26,398	30,076

(Millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,756	4,030
Electronically recorded obligations - operating	2,763	2,386
Short-term borrowings	3,800	7,700
Current portion of long-term borrowings	1,000	1,300
Income taxes payable	337	419
Advances received on construction contracts in progress	1,425	1,376
Provision for bonuses	–	164
Provision for loss on construction contracts	–	169
Provision for warranties for completed construction	35	35
Other	1,235	1,595
Total current liabilities	15,353	19,177
Non-current liabilities		
Long-term borrowings	4,050	3,000
Other	123	142
Total non-current liabilities	4,173	3,142
Total liabilities	19,527	22,320
Net assets		
Shareholders' equity		
Share capital	1,317	1,317
Capital surplus	951	979
Retained earnings	4,826	5,631
Treasury shares	(395)	(318)
Total shareholders' equity	6,699	7,609
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	68	43
Total accumulated other comprehensive income	68	43
Share acquisition rights	103	103
Total net assets	6,871	7,756
Total liabilities and net assets	26,398	30,076

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, 2019	Nine months ended December 31, 2020
Net sales	25,890	28,323
Cost of sales	22,810	24,606
Gross profit	3,079	3,716
Selling, general and administrative expenses	1,740	1,817
Operating profit	1,339	1,898
Non-operating income		
Interest and dividend income	6	6
Gain on sales of scraps	11	10
Other	19	20
Total non-operating income	37	37
Non-operating expenses		
Interest expenses	24	34
Constraction guarantee fee	21	16
Other	19	0
Total non-operating expenses	65	50
Ordinary profit	1,311	1,885
Profit before income taxes	1,311	1,885
Income taxes - current	562	839
Income taxes - deferred	(36)	(147)
Total income taxes	526	692
Profit	785	1,193
Profit attributable to owners of parent	785	1,193

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit	785	1,193
Other comprehensive income		
Valuation difference on available-for-sale securities	(35)	(24)
Total other comprehensive income	(35)	(24)
Comprehensive income	749	1,168
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	749	1,168
Comprehensive income attributable to non-controlling interests	—	—