

# Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2022 (Based on Japanese GAAP)

July 27, 2022

Company name: NIHON DENGI CO.,LTD.  
 Stock exchange listing: Tokyo  
 Stock code: 1723 URL <https://www.nihondengi.co.jp/>  
 Representative: PRESIDENT SHIMADA RYOSUKE  
 DIRECTOR, SENIOR EXECUTIVE  
 OFFICER,  
 Inquiries: DIVISION DIRECTOR OF PLANNING & TAKAMI HIROKAZU TEL 03-5624-1100  
 ADMINISTRATION DIVISION  
 Scheduled date to file Quarterly Securities Report: August 10, 2022  
 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 three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

#### (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, 2022	5,233	(9.7)	16	(94.4)	54	(83.0)	30	(85.8)
Three months ended June 30, 2021	5,795	3.4	289	24.4	322	20.8	214	21.4

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	3.79	–
Three months ended June 30, 2021	26.75	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2022	35,602	27,945	78.5
As of March 31, 2022	38,571	28,865	74.8

### 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, 2022	–	10.00	–	104.00	114.00
Year ending March 31, 2023	–	–	–	–	–
Year ending March 31, 2023 (Forecast)	–	10.00	–	98.00	108.00

### 3. Forecast of consolidated financial results for the year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

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	33,500	5.8	4,100	0.6	4,150	0.3	2,870	(5.3)	358.39

#### 4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2022  
(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: Yes
- 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, 2022	8,197,500 shares	As of March 31, 2022	8,197,500 shares
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Number of treasury shares at the end of the period

As of June 30, 2022	189,399 shares	As of March 31, 2022	189,399 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, 2022	8,008,101 shares	Three months ended June 30, 2021	8,005,896 shares
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# Quarterly consolidated financial statements

## Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,259	6,155
Notes receivable, accounts receivable from completed construction contracts and other	8,244	3,901
Electronically recorded monetary claims - operating	3,528	4,079
Securities	6,294	5,894
Costs on construction contracts in progress	800	1,427
Other inventories	22	29
Other	1,156	864
Allowance for doubtful accounts	(1)	(1)
Total current assets	25,305	22,350
Non-current assets		
Property, plant and equipment	895	890
Intangible assets	1,075	1,018
Investments and other assets		
Investment securities	8,994	8,929
Other	2,310	2,419
Allowance for doubtful accounts	(8)	(5)
Total investments and other assets	11,295	11,342
Total non-current assets	13,265	13,251
Total assets	38,571	35,602
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	3,749	2,714
Income taxes payable	702	9
Advances received on construction contracts in progress	1,347	2,302
Provision for warranties for completed construction	27	27
Provision for loss on construction contracts	28	40
Other	3,098	1,768
Total current liabilities	8,953	6,863
Non-current liabilities		
Retirement benefit liability	156	159
Asset retirement obligations	83	83
Other	511	549
Total non-current liabilities	751	792
Total liabilities	9,705	7,656
<b>Net assets</b>		
Shareholders' equity		
Share capital	470	470
Capital surplus	323	323
Retained earnings	27,790	26,988
Treasury shares	(370)	(370)
Total shareholders' equity	28,215	27,412
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	650	533
Total accumulated other comprehensive income	650	533
Total net assets	28,865	27,945
Total liabilities and net assets	38,571	35,602

**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, 2021	Three months ended June 30, 2022
Net sales	5,795	5,233
Cost of sales	3,979	3,763
Gross profit	1,815	1,469
Selling, general and administrative expenses	1,525	1,453
Operating profit	289	16
Non-operating income		
Interest income	4	4
Dividend income	23	27
Other	4	9
Total non-operating income	32	41
Non-operating expenses		
Loss on cancellation of insurance policies	—	1
Other	—	0
Total non-operating expenses	—	2
Ordinary profit	322	54
Extraordinary income		
Gain on sale of investment securities	—	5
Total extraordinary income	—	5
Profit before income taxes	322	60
Income taxes - current	2	2
Income taxes - deferred	105	27
Total income taxes	108	30
Profit	214	30
Profit attributable to owners of parent	214	30

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2021	Three months ended June 30, 2022
Profit	214	30
Other comprehensive income		
Valuation difference on available-for-sale securities	(7)	(117)
Remeasurements of defined benefit plans, net of tax	(0)	–
Total other comprehensive income	(7)	(117)
Comprehensive income	206	(86)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	206	(86)