



Consolidated Financial Results for the Three Months Ended June 30, 2022 [Japanese GAAP]

August 09, 2022

Company name: TOKYU CONSTRUCTION CO., LTD.
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1720
 URL: <https://www.tokyu-cnst.co.jp/>
 Representative: Mitsuhiro Terada, Representative Director, President
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 Scheduled date of filing quarterly securities report: August 10, 2022
 Scheduled date of commencing dividend payments: -
 Availability of supplementary briefing material on quarterly financial results: No
 Schedule of quarterly financial results briefing session: No

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 01, 2022 to June 30, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	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, 2022	61,468	9.1	(517)	-	(186)	-	(340)	-
June 30, 2021	56,333	32.0	(67)	-	(116)	-	(267)	-

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 480 million [-%]
 Three months ended June 30, 2021: ¥ (946) million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	(3.25)	-
June 30, 2021	(2.55)	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of June 30, 2022	229,756	93,075	40.2
March 31, 2022	237,811	93,064	38.9

(Reference) Equity: As of June 30, 2022: ¥ 92,470 million
 As of March 31, 2022: ¥ 92,490 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, 2022	-	20.00	-	5.00	25.00
Fiscal year ending March 31, 2023	-				
Fiscal year ending March 31, 2023 (Forecast)		18.00	-	18.00	36.00

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023(April 01, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	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
Full year	289,000	12.0	4,000	-	4,500	-	3,500	-	33.42

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

* Notes:

(1) Changes in significant subsidiaries during the three months ended June 30, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New - (Company name:)

Exclusion: - (Company name:)

(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) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2022: 106,761,205 shares

March 31, 2022: 106,761,205 shares

2) Total number of treasury shares at the end of the period:

June 30, 2022: 1,944,585 shares

March 31, 2022: 2,029,142 shares

3) Average number of shares during the period:

Three months ended June 30, 2022: 104,757,957 shares

Three months ended June 30, 2021: 104,648,706 shares

Note: The number of treasury shares at end of each period includes the shares of the company owned by BIP trust and Employee Stock Ownership plan trust. BIP trust and Employee Stock Ownership plan trust are included in the number of treasury shares deducted in the calculation of average number of shares outstanding during the period (Three months ended June 30, 2022). BIP trust are included in the number of treasury shares deducted in the calculation of average number of shares outstanding during the period (Three months ended June 30, 2021).

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

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

The statements regarding forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2022	As of June 30,2022
Assets		
Current assets		
Cash and deposits	38,648	53,636
Notes receivable, accounts receivable from completed construction contracts and other	115,860	97,060
Costs on construction contracts in progress	6,981	5,812
Costs on real estate business	2	6
Real estate for sale	3,801	3,789
Raw materials and supplies	53	63
Other	8,695	5,334
Allowance for doubtful accounts	(78)	(69)
Total current assets	173,963	165,634
Non-current assets		
Property, plant and equipment	29,675	29,314
Intangible assets	1,390	1,417
Investments and other assets		
Investment securities	30,171	30,659
Long-term loans receivable	26	9
Deferred tax assets	130	303
Other	2,453	2,417
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	32,782	33,390
Total non-current assets	63,847	64,122
Total assets	237,811	229,756
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	48,699	38,116
Electronically recorded obligations - operating	14,131	14,550
Short-term borrowings	97	99
Income taxes payable	1,651	630
Advances received on construction contracts in progress	14,536	15,120
Deposits received - real estate business	37	27
Provision for warranties for completed construction	6,625	6,997
Provision for loss on construction contracts	8,777	9,697
Provision for bonuses	2,047	3,064
Provision for losses on sales of shares of subsidiaries and associates	105	-
Deposits received	16,566	17,713
Other	1,730	1,311
Total current liabilities	115,004	107,312
Non-current liabilities		
Long-term borrowings	22,334	22,288
Deferred tax liabilities	141	-
Provision for share awards for directors (and other officers)	46	27
Provision for loss on real estate business and other	5,139	5,054
Retirement benefit liability	697	692
Other	1,383	1,305
Total non-current liabilities	29,742	29,367
Total liabilities	144,747	136,680

(Million yen)

	As of March 31,2022	As of June 30,2022
Net assets		
Shareholders' equity		
Share capital	16,354	16,354
Capital surplus	4,089	4,090
Retained earnings	67,309	66,438
Treasury shares	(1,282)	(1,220)
Total shareholders' equity	86,471	85,662
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,087	6,589
Foreign currency translation adjustment	11	247
Remeasurements of defined benefit plans	(80)	(28)
Total accumulated other comprehensive income	6,018	6,808
Non-controlling interests	574	604
Total net assets	93,064	93,075
Total liabilities and net assets	237,811	229,756

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Net sales		
Net sales of completed construction contracts	55,721	60,840
Net sales in real estate business and other	612	627
Total net sales	56,333	61,468
Cost of sales		
Cost of sales of completed construction contracts	52,229	57,764
Cost of sales in real estate business and other	368	335
Total cost of sales	52,598	58,100
Gross profit		
Gross profit on completed construction contracts	3,492	3,076
Gross profit on real estate business and other	243	291
Total gross profit	3,735	3,368
Selling, general and administrative expenses	3,802	3,885
Operating loss	(67)	(517)
Non-operating income		
Interest income	5	3
Dividend income	101	104
Foreign exchange gains	-	384
Share of profit of entities accounted for using equity method	65	-
Other	63	32
Total non-operating income	235	525
Non-operating expenses		
Interest expenses	35	29
Foreign exchange losses	224	-
Share of loss of entities accounted for using equity method	-	61
Other	25	103
Total non-operating expenses	284	194
Ordinary loss	(116)	(186)
Extraordinary losses		
Loss on valuation of investment securities	37	-
Total extraordinary losses	37	-
Loss before income taxes	(153)	(186)
Income taxes - current	545	652
Income taxes - deferred	(445)	(522)
Total income taxes	99	129
Loss	(253)	(316)
Profit attributable to non-controlling interests	14	23
Loss attributable to owners of parent	(267)	(340)

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Million yen)

	For the three months ended June 30,2021	For the three months ended June 30,2022
Loss	(253)	(316)
Other comprehensive income		
Valuation difference on available-for-sale securities	(985)	461
Foreign currency translation adjustment	8	104
Remeasurements of defined benefit plans, net of tax	38	45
Share of other comprehensive income of entities accounted for using equity method	245	184
Total other comprehensive income	(693)	796
Comprehensive income	(946)	480
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(958)	449
Comprehensive income attributable to non-controlling interests	11	30