

# Translation

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

November 2, 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: November 11, 2022  
 Scheduled date to commence dividend payments: December 5, 2022  
 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 six months ended September 30, 2022 (from April 1, 2022 to September 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	%
Six months ended September 30, 2022	11,562	(5.2)	609	(34.2)	674	(31.1)	450	(47.6)
Six months ended September 30, 2021	12,195	0.7	926	18.7	978	17.1	860	51.6

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2022	56.26	—
Six months ended September 30, 2021	107.47	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2022	35,961	28,383	78.9
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	—	10.00	—	—	—
Year ending March 31, 2023 (Forecast)	—	—	—	140.00	150.00

### 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)	358.32

#### 4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 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 September 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 September 30, 2022	187,097 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)

Six months ended September 30, 2022	8,008,944 shares	Six months ended September 30, 2021	8,006,703 shares
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# Quarterly consolidated financial statements

## Consolidated balance sheets

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,259	5,666
Notes receivable, accounts receivable from completed construction contracts and other	8,244	4,528
Electronically recorded monetary claims - operating	3,528	2,586
Securities	6,294	6,093
Costs on construction contracts in progress	800	1,898
Other inventories	22	46
Other	1,156	1,064
Allowance for doubtful accounts	(1)	(1)
Total current assets	25,305	21,883
Non-current assets		
Property, plant and equipment	895	877
Intangible assets	1,075	969
Investments and other assets		
Investment securities	8,994	9,935
Other	2,310	2,298
Allowance for doubtful accounts	(8)	(3)
Total investments and other assets	11,295	12,231
Total non-current assets	13,265	14,078
Total assets	38,571	35,961
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	3,749	2,475
Income taxes payable	702	36
Advances received on construction contracts in progress	1,347	2,717
Provision for warranties for completed construction	27	27
Provision for loss on construction contracts	28	20
Other	3,098	1,495
Total current liabilities	8,953	6,771
Non-current liabilities		
Retirement benefit liability	156	157
Asset retirement obligations	83	83
Other	511	565
Total non-current liabilities	751	805
Total liabilities	9,705	7,577
<b>Net assets</b>		
Shareholders' equity		
Share capital	470	470
Capital surplus	323	327
Retained earnings	27,790	27,408
Treasury shares	(370)	(365)
Total shareholders' equity	28,215	27,840
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	650	543
Total accumulated other comprehensive income	650	543
Total net assets	28,865	28,383
Total liabilities and net assets	38,571	35,961

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

## Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	12,195	11,562
Cost of sales	8,289	7,946
Gross profit	3,906	3,616
Selling, general and administrative expenses	2,979	3,006
Operating profit	926	609
Non-operating income		
Interest income	9	10
Dividend income	29	33
Other	12	23
Total non-operating income	51	67
Non-operating expenses		
Loss on cancellation of insurance policies	—	2
Other	—	0
Total non-operating expenses	—	3
Ordinary profit	978	674
Extraordinary income		
Gain on sale of non-current assets	286	—
Gain on sale of investment securities	—	5
Total extraordinary income	286	5
Profit before income taxes	1,264	679
Income taxes - current	164	4
Income taxes - deferred	240	225
Total income taxes	404	229
Profit	860	450
Profit attributable to owners of parent	860	450

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

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	860	450
Other comprehensive income		
Valuation difference on available-for-sale securities	135	(107)
Remeasurements of defined benefit plans, net of tax	(0)	—
Total other comprehensive income	135	(107)
Comprehensive income	996	343
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	996	343