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



August 12, 2022

Company name: Oriental Shiraishi Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1786
 URL: <https://www.orsc.co.jp/english/>
 Representative: Tatsuya Ohno, President and CEO
 Contact: Yukihiko Hashimoto, Director in Charge of Corporate Planning
 Phone: +81-3-6220-0630
 Scheduled date of filing quarterly securities report: August 12, 2022
 Scheduled date of commencing dividend payments: –
 Availability of supplementary explanatory materials on quarterly financial results: Not available
 Schedule of quarterly financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 1, 2022 - 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	12,613	△24.5	777	△50.5	884	△45.0	599	△45.2
June 30, 2021	16,715	–	1,570	–	1,608	–	1,094	–

(Note) Comprehensive income: Three months ended June 30, 2022: ¥ 627 million (△43.1%)
 Three months ended June 30, 2021: ¥ 1,102 million (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2022	5.16	–
June 30, 2021	9.36	–

(Note) 1. Diluted earnings per share are not indicated as there are no potential shares.

(Note) 2. Percentage change figures from the previous corresponding period are not indicated for the three months ended June 30, 2021 as the Company began creating quarterly consolidated financial statements with the results for the first quarter of the fiscal year ended March 31, 2022.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2022	59,677	38,331	64.2	329.96
As of March 31, 2022	60,952	38,989	64.0	335.63

(Reference) Equity: As of June 30, 2022: ¥38,331 million
 As of March 31, 2022: ¥38,989 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	–	0.00	–	11.00	11.00
Fiscal year ending March 31, 2023	–				
Fiscal year ending March 31, 2023 (forecast)		0.00	–	11.00	11.00

(Note) Revisions to dividend forecasts announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - 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
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	65,000	7.0	5,000	△5.8	5,000	△8.4	3,300	△12.7	28.37

(Note) Revisions to financial results forecast announced most recently: None

* Notes:

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: (Company name:)
Excluded: (Company name:)
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - ① Changes in accounting policies due to the revision of accounting standards: None
 - ② Changes in accounting policies other than ① above: None
 - ③ Changes in accounting estimates: None
 - ④ Retrospective restatement: None
- (4) Total number of issued shares (common shares)
 - ① Total number of issued shares at the end of the period (including treasury shares):
As of June 30, 2022: 122,498,436 shares
As of March 31, 2022: 122,498,436 shares
 - ② Total number of treasury shares at the end of the period:
As of June 30, 2022: 6,330,961 shares
As of March 31, 2022: 6,330,932 shares
 - ③ Average number of shares during the period:
Three months ended June 30, 2022: 116,167,487 shares
Three months ended June 30, 2021: 116,857,445 shares

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

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

Financial results forecast and other forward-looking statements presented herein are based on the information the Company currently possesses and the assumptions it deems reasonable. Actual outcomes, etc. may diverge significantly from them due to wide-ranging factors.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Assets		
Current assets		
Cash and deposits	13,998	13,796
Notes receivable, accounts receivable from completed construction contracts and other	29,496	27,940
Costs on construction contracts in progress	497	868
Raw materials and supplies	262	265
Advances paid	972	896
Consumption taxes refund receivable	94	223
Other	325	591
Allowance for doubtful accounts	△3	△3
Total current assets	45,645	44,579
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,920	1,893
Machinery and equipment, net	2,228	2,138
Land	5,190	5,190
Construction in progress	120	57
Other, net	311	296
Total property, plant and equipment	9,771	9,575
Intangible assets		
Goodwill	1,274	1,238
Software	676	638
Other	392	343
Total intangible assets	2,343	2,220
Investments and other assets		
Investment securities	2,806	2,849
Retirement benefit asset	44	51
Deferred tax assets	54	118
Other	331	324
Allowance for doubtful accounts	△44	△43
Total investments and other assets	3,192	3,301
Total non-current assets	15,306	15,097
Total assets	60,952	59,677

(Million yen)

	As of March 31, 2022	As of June 30, 2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	9,130	7,165
Short-term borrowings	1,200	900
Current portion of long-term borrowings	658	658
Accounts payable - other	512	407
Income taxes payable	432	483
Accrued consumption taxes	629	37
Advances received on construction contracts in progress	1,773	3,349
Deposits received	1,042	1,567
Provision for bonuses	15	616
Provision for loss on construction contracts	104	100
Provision for warranties for completed construction	68	69
Other	334	220
Total current liabilities	15,901	15,575
Non-current liabilities		
Long-term borrowings	3,199	2,998
Stock-based compensation allowance	65	72
Provision for special repairs	2	2
Retirement benefit liability	2,448	2,498
Deferred tax liabilities	289	142
Other	56	55
Total non-current liabilities	6,060	5,770
Total liabilities	21,962	21,346
Net assets		
Shareholders' equity		
Share capital	1,000	1,000
Capital surplus	453	453
Retained earnings	37,718	37,032
Treasury shares	△458	△458
Total shareholders' equity	38,713	38,027
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	464	478
Remeasurements of defined benefit plans	△188	△174
Total accumulated other comprehensive income	275	303
Total net assets	38,989	38,331
Total liabilities and net assets	60,952	59,677

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended June 30

(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	16,715	12,613
Cost of sales		
Cost of sales of completed construction contracts	13,808	10,455
Gross profit		
Gross profit on completed construction contracts	2,906	2,158
Selling, general and administrative expenses	1,336	1,381
Operating profit	1,570	777
Non-operating income		
Interest income	1	1
Dividend income	17	17
Patent royalties	10	10
Gain on sale of scraps	24	87
Other	14	15
Total non-operating income	68	132
Non-operating expenses		
Interest expenses	7	5
Advances received deposits	16	9
Commission expenses	3	3
Other	2	6
Total non-operating expenses	29	24
Ordinary profit	1,608	884
Extraordinary losses		
Loss on valuation of investment securities	6	–
Loss on valuation of investments in capital	–	1
Total extraordinary losses	6	1
Profit before income taxes	1,601	882
Income taxes - current	582	507
Income taxes - deferred	△74	△224
Total income taxes	507	282
Profit	1,094	599
Profit attributable to non-controlling interests	0	–
Profit attributable to owners of parent	1,094	599

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Profit	1,094	599
Other comprehensive income		
Valuation difference on available-for-sale securities	△3	13
Remeasurements of defined benefit plans, net of tax	12	13
Total other comprehensive income	8	27
Comprehensive income	1,102	627
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,102	627
Comprehensive income attributable to non-controlling interests	0	—