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Consolidated Financial Results for the Nine Months Ended December 31, 2022 [Japanese GAAP]



February 13, 2023

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: February 13, 2023
 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 Nine Months Ended December 31, 2022 (April 1, 2022 - December 31, 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	%
Nine months ended December 31, 2022	43,068	(1.8)	3,937	0.1	4,128	2.1	2,806	0.8
December 31, 2021	43,875	–	3,933	–	4,044	–	2,784	–

(Note) Comprehensive income: Nine months ended December 31, 2022: ¥2,860 million [(3.9)%]
 Nine months ended December 31, 2021: ¥2,976 million [–%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2022	24.16	–
December 31, 2021	23.93	–

(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 nine months ended December 31, 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 December 31, 2022	64,743	40,566	62.7	349.18
As of March 31, 2022	60,952	38,989	64.0	335.63

(Reference) Equity: As of December 31, 2022: ¥40,566 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
Fiscal year ended March 31, 2022	Yen —	Yen 0.00	Yen —	Yen 11.00	Yen 11.00
Fiscal year ending March 31, 2023	—	0.00	—		
Fiscal year ending March 31, 2023 (forecast)				12.00	12.00

(Note) Revisions to dividend forecasts announced most recently: Yes

For details of the dividend forecasts for the fiscal year ending March 31, 2023, please refer to “Notice Regarding Revision of Dividend Forecast” announced on February 13, 2023.

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)
- (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 December 31, 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 December 31, 2022:	6,320,714 shares
As of March 31, 2022:	6,330,932 shares
 - 3) Average number of shares during the period:

Nine months ended December 31, 2022:	116,171,815 shares
Nine months ended December 31, 2021:	116,389,464 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 December 31, 2022
Assets		
Current assets		
Cash and deposits	13,998	15,029
Notes receivable, accounts receivable from completed construction contracts and other	29,496	31,879
Costs on construction contracts in progress	497	1,323
Raw materials and supplies	262	281
Advances paid	972	667
Income taxes refund receivable	-	121
Consumption taxes refund receivable	94	125
Other	325	329
Allowance for doubtful accounts	(3)	(3)
Total current assets	45,645	49,754
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,920	1,865
Machinery and equipment, net	2,228	1,998
Land	5,190	5,189
Construction in progress	120	98
Other, net	311	247
Total property, plant and equipment	9,771	9,399
Intangible assets		
Goodwill	1,274	1,168
Software	676	573
Other	392	247
Total intangible assets	2,343	1,988
Investments and other assets		
Investment securities	2,806	3,130
Retirement benefit asset	44	57
Deferred tax assets	54	135
Other	331	319
Allowance for doubtful accounts	(44)	(42)
Total investments and other assets	3,192	3,601
Total non-current assets	15,306	14,989
Total assets	60,952	64,743

(Million yen)

	As of March 31, 2022	As of December 31, 2022
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	9,130	9,076
Short-term borrowings	1,200	1,200
Current portion of long-term borrowings	658	623
Accounts payable - other	512	240
Income taxes payable	432	879
Accrued consumption taxes	629	774
Advances received on construction contracts in progress	1,773	3,469
Deposits received	1,042	1,111
Provision for bonuses	15	622
Provision for loss on construction contracts	104	161
Provision for warranties for completed construction	68	68
Other	334	357
Total current liabilities	15,901	18,585
Non-current liabilities		
Long-term borrowings	3,199	2,704
Stock-based compensation allowance	65	85
Provision for special repairs	2	3
Retirement benefit liability	2,448	2,594
Deferred tax liabilities	289	125
Other	56	77
Total non-current liabilities	6,060	5,591
Total liabilities	21,962	24,176
Net assets		
Shareholders' equity		
Share capital	1,000	1,000
Capital surplus	453	453
Retained earnings	37,718	39,239
Treasury shares	(458)	(456)
Total shareholders' equity	38,713	40,237
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	464	476
Remeasurements of defined benefit plans	(188)	(147)
Total accumulated other comprehensive income	275	329
Total net assets	38,989	40,566
Total liabilities and net assets	60,952	64,743

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Net sales		
Net sales of completed construction contracts	43,875	43,068
Cost of sales		
Cost of sales of completed construction contracts	36,236	35,111
Gross profit		
Gross profit on completed construction contracts	7,638	7,957
Selling, general and administrative expenses	3,704	4,019
Operating profit	3,933	3,937
Non-operating income		
Interest income	4	4
Dividend income	43	52
Patent royalties	56	43
Gain on sale of scraps	49	117
Other	49	49
Total non-operating income	203	267
Non-operating expenses		
Interest expenses	19	14
Advances received deposits	29	27
Commission expenses	19	9
Other	23	24
Total non-operating expenses	92	76
Ordinary profit	4,044	4,128
Extraordinary losses		
Loss on valuation of investment securities	6	–
Loss on valuation of investments in capital	–	1
Other	–	0
Total extraordinary losses	6	2
Profit before income taxes	4,037	4,126
Income taxes - current	1,323	1,590
Income taxes - deferred	(70)	(270)
Total income taxes	1,252	1,319
Profit	2,784	2,806
Profit attributable to non-controlling interests	0	–
Profit attributable to owners of parent	2,784	2,806

Quarterly Consolidated Statements of Comprehensive Income
 Nine Months Ended December 31

(Million yen)

	For the nine months ended December 31, 2021	For the nine months ended December 31, 2022
Profit	2,784	2,806
Other comprehensive income		
Valuation difference on available-for-sale securities	140	12
Remeasurements of defined benefit plans, net of tax	50	41
Total other comprehensive income	191	53
Comprehensive income	2,976	2,860
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,976	2,860
Comprehensive income attributable to non-controlling interests	0	—