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Consolidated Financial Results for the Three Months Ended June 30, 2023 [Japanese GAAP]



August 10, 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: August 10, 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 Three Months Ended June 30, 2023 (April 1, 2023 - June 30, 2023)

(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, 2023	15,592	23.6	1,076	38.5	1,119	26.6	775	29.3
June 30, 2022	12,613	(24.5)	777	(50.5)	884	(45.0)	599	(45.2)

(Note) Comprehensive income: Three months ended June 30, 2023: ¥1,012 million [61.4%]
 Three months ended June 30, 2022: ¥627 million [(43.1)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2023	6.37	–
June 30, 2022	5.16	–

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

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of June 30, 2023	68,774	46,418	67.5	350.36
As of March 31, 2023	66,787	41,617	62.3	358.22

(Reference) Equity: As of June 30, 2023: ¥46,418 million
 As of March 31, 2023: ¥41,617 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, 2023	—	0.00	—	13.50	13.50
Fiscal year ending March 31, 2024	—				
Fiscal year ending March 31, 2024 (forecast)		6.50	—	7.00	13.50

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

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 - March 31, 2024)

(% 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	69,000	12.2	5,200	(0.3)	5,200	(4.2)	3,600	(8.2)	30.99	

(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, 2023:	138,809,400 shares
As of March 31, 2023:	122,498,436 shares
 - 2) Total number of treasury shares at the end of the period:

As of June 30, 2023:	6,321,490 shares
As of March 31, 2023:	6,321,246 shares
 - 3) Average number of shares during the period:

Three months ended June 30, 2023:	121,673,193 shares
Three months ended June 30, 2022:	116,167,487 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, 2023	As of June 30, 2023
Assets		
Current assets		
Cash and deposits	14,589	18,701
Notes receivable, accounts receivable from completed construction contracts and other	34,254	32,344
Costs on construction contracts in progress	869	1,090
Raw materials and supplies	283	288
Advances paid	1,092	476
Income taxes refund receivable	41	40
Consumption taxes refund receivable	129	269
Other	322	359
Allowance for doubtful accounts	(2)	(2)
Total current assets	51,579	53,568
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,837	1,810
Machinery and equipment, net	2,198	2,039
Land	5,189	5,189
Construction in progress	105	218
Other, net	274	253
Total property, plant and equipment	9,604	9,511
Intangible assets		
Goodwill	1,132	1,097
Software	509	467
Other	198	150
Total intangible assets	1,841	1,715
Investments and other assets		
Investment securities	3,069	3,400
Retirement benefit asset	21	20
Deferred tax assets	348	238
Other	363	360
Allowance for doubtful accounts	(41)	(40)
Total investments and other assets	3,761	3,979
Total non-current assets	15,207	15,206
Total assets	66,787	68,774

(Million yen)

	As of March 31, 2023	As of June 30, 2023
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts	10,160	8,697
Short-term borrowings	900	900
Current portion of long-term borrowings	588	480
Accounts payable - other	829	550
Income taxes payable	1,236	282
Accrued consumption taxes	2,108	29
Advances received on construction contracts in progress	2,300	4,166
Deposits received	636	615
Provision for bonuses	14	485
Provision for loss on construction contracts	329	272
Provision for warranties for completed construction	50	52
Other	434	235
Total current liabilities	19,589	16,768
Non-current liabilities		
Long-term borrowings	2,611	2,517
Provision for share-based payments	93	109
Provision for special repairs	3	3
Retirement benefit liability	2,716	2,771
Deferred tax liabilities	79	107
Other	77	76
Total non-current liabilities	5,580	5,588
Total liabilities	25,170	22,356
Net assets		
Shareholders' equity		
Share capital	1,000	5,000
Capital surplus	453	1,820
Retained earnings	40,354	39,552
Treasury shares	(456)	(456)
Total shareholders' equity	41,352	45,916
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	494	718
Remeasurements of defined benefit plans	(228)	(216)
Total accumulated other comprehensive income	265	501
Total net assets	41,617	46,418
Total liabilities and net assets	66,787	68,774

(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, 2022	For the three months ended June 30, 2023
Net sales		
Net sales of completed construction contracts	12,613	15,592
Cost of sales		
Cost of sales of completed construction contracts	10,455	12,741
Gross profit		
Gross profit on completed construction contracts	2,158	2,851
Selling, general and administrative expenses	1,381	1,775
Operating profit	777	1,076
Non-operating income		
Interest income	1	1
Dividend income	17	31
Patent royalties	10	14
Gain on sale of scraps	87	15
Other	15	7
Total non-operating income	132	71
Non-operating expenses		
Interest expenses	5	4
Advances received deposits	9	17
Commission expenses	3	3
Other	6	2
Total non-operating expenses	24	27
Ordinary profit	884	1,119
Extraordinary income		
Gain on sale of non-current assets	–	12
Total extraordinary income	–	12
Extraordinary losses		
Loss on valuation of investments in capital	1	–
Total extraordinary losses	1	–
Profit before income taxes	882	1,132
Income taxes - current	507	322
Income taxes - deferred	(224)	33
Total income taxes	282	356
Profit	599	775
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	599	775

Quarterly Consolidated Statements of Comprehensive Income
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2022	For the three months ended June 30, 2023
Profit	599	775
Other comprehensive income		
Valuation difference on available-for-sale securities	13	224
Remeasurements of defined benefit plans, net of tax	13	12
Total other comprehensive income	27	236
Comprehensive income	627	1,012
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	627	1,012
Comprehensive income attributable to non-controlling interests	—	—