

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2023 (Based on Japanese GAAP)

July 26, 2023

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: August 9, 2023  
 Scheduled date to commence dividend payments: –  
 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 three months ended June 30, 2023 (from April 1, 2023 to June 30, 2023)

(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	%
Three months ended June 30, 2023	7,199	37.6	532	–	577	956.1	389	–
Three months ended June 30, 2022	5,233	(9.7)	16	(94.4)	54	(83.0)	30	(85.8)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2023	48.65		–	
Three months ended June 30, 2022	3.79		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2023	39,367	30,539	77.6
As of March 31, 2023	43,290	31,077	71.8

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2023	–	10.00	–	142.00	152.00
Year ending March 31, 2024	–				
Year ending March 31, 2024 (Forecast)		76.00	–	84.00	160.00

3. Forecast of consolidated financial results for the year ending March 31, 2024 (from April 1, 2023 to March 31, 2024)

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	35,000	2.0	4,550	1.0	4,650	0.8	3,200	1.0	399.48

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2023  
 (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: No
- 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 June 30, 2023	8,197,500 shares	As of March 31, 2023	8,197,500 shares
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Number of treasury shares at the end of the period

As of June 30, 2023	187,134 shares	As of March 31, 2023	187,097 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2023	8,010,396 shares	Three months ended June 30, 2022	8,008,101 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2023	As of June 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	6,087	5,700
Notes receivable, accounts receivable from completed construction contracts and other	9,962	5,156
Electronically recorded monetary claims - operating	4,520	4,370
Securities	5,398	5,798
Costs on construction contracts in progress	1,044	1,586
Other inventories	34	37
Other	737	1,285
Allowance for doubtful accounts	(0)	(0)
Total current assets	27,784	23,934
Non-current assets		
Property, plant and equipment	862	857
Intangible assets	878	827
Investments and other assets		
Investment securities	11,024	11,230
Other	2,742	2,520
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	13,764	13,748
Total non-current assets	15,505	15,433
Total assets	43,290	39,367
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,834	3,237
Income taxes payable	994	17
Advances received on construction contracts in progress	1,518	2,201
Provision for warranties for completed construction	20	22
Provision for loss on construction contracts	6	2
Other	4,056	2,194
Total current liabilities	11,431	7,676
Non-current liabilities		
Retirement benefit liability	159	154
Provision for share awards	–	13
Asset retirement obligations	84	84
Other	537	899
Total non-current liabilities	781	1,152
Total liabilities	12,212	8,828
<b>Net assets</b>		
Shareholders' equity		
Share capital	470	470
Capital surplus	327	474
Retained earnings	30,045	29,297
Treasury shares	(365)	(513)
Total shareholders' equity	30,477	29,729
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	599	809
Total accumulated other comprehensive income	599	809
Total net assets	31,077	30,539
Total liabilities and net assets	43,290	39,367

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Net sales	5,233	7,199
Cost of sales	3,763	5,024
Gross profit	1,469	2,174
Selling, general and administrative expenses	1,453	1,641
Operating profit	16	532
Non-operating income		
Interest income	4	7
Dividend income	27	28
Other	9	9
Total non-operating income	41	44
Non-operating expenses		
Loss on cancellation of insurance policies	1	–
Other	0	–
Total non-operating expenses	2	–
Ordinary profit	54	577
Extraordinary income		
Gain on sale of investment securities	5	–
Total extraordinary income	5	–
Profit before income taxes	60	577
Income taxes - current	2	2
Income taxes - deferred	27	185
Total income taxes	30	187
Profit	30	389
Profit attributable to owners of parent	30	389

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended June 30, 2022	Three months ended June 30, 2023
Profit	30	389
Other comprehensive income		
Valuation difference on available-for-sale securities	(117)	210
Total other comprehensive income	(117)	210
Comprehensive income	(86)	599
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(86)	599