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## Non-consolidated Financial Results for the Six Months Ended September 30, 2023 [Japanese GAAP]

October 31, 2023

Company name: KAWASAKI SETSUBI KOGYO CO., LTD.

Stock exchange listing: Nagoya

Code number: 1777

URL: <https://www.kawasaki-sk.co.jp/>

Representative: Katsushi Hiroe

Contact: Takashi Miwa

Phone: +81-52-221-7700

Scheduled date of filing quarterly securities report: November 6, 2023

Scheduled date of commencing dividend payments: December 4, 2023

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

President and Representative Director  
General Manager of Corporate Planning Department

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

### 1. Non-consolidated Financial Results for the Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

#### (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2023	9,641	0.7	229	(38.5)	236	(38.9)	149	(40.4)
September 30, 2022	9,573	(14.4)	372	(44.7)	387	(43.8)	250	(44.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2023	12.48	-
September 30, 2022	20.93	-

#### (2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2023	18,443	11,004	59.7
March 31, 2023	18,354	10,951	59.7

(Reference) Equity: As of September 30, 2023: ¥ 11,004 million

As of March 31, 2023: ¥ 10,951 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	-	8.00	-	10.00	18.00
Fiscal year ending March 31, 2024	-	8.00			
Fiscal year ending March 31, 2024 (Forecast)			-	10.00	18.00

(Note) Revision to the forecast for dividends announced most recently: No

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net income		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	23,500	12.9	1,100	5.7	1,120	4.2	754	6.6	63.02

(Note) Revision to the financial results forecast announced most recently: No

\* Notes:

(1) Accounting policies adopted specially for the preparation of quarterly Non-consolidated financial statements:

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

September 30, 2023: 12,000,000 shares

March 31, 2023: 12,000,000 shares

2) Number of treasury shares at the end of the period:

September 30, 2023: 35,827 shares

March 31, 2023: 35,827 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2023: 11,964,173 shares

Six months ended September 30, 2022: 11,964,173 shares

Quarterly Non-consolidated Financial Statements  
Quarterly Non-consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	5,482	5,579
Notes receivable - trade	492	83
Electronically recorded monetary claims - operating	1,328	1,552
Accounts receivable from completed construction contracts	5,932	5,974
Costs on construction contracts in progress	256	401
Other	387	303
Allowance for doubtful accounts	(82)	(80)
Total current assets	13,797	13,813
Non-current assets		
Property, plant and equipment		
Buildings, net	1,536	1,499
Land	1,592	1,592
Other, net	111	103
Total property, plant and equipment	3,240	3,196
Intangible assets	422	519
Investments and other assets		
Other	919	938
Allowance for doubtful accounts	(25)	(25)
Total investments and other assets	893	913
Total non-current assets	4,557	4,629
Total assets	18,354	18,443

(Millions of yen)

	As of March 31, 2023	As of September 30, 2023
<b>Liabilities</b>		
Current liabilities		
Notes payable - trade	184	112
Electronically recorded obligations - operating	1,024	952
Accounts payable for construction contracts	2,632	2,508
Income taxes payable	117	112
Advances received on construction contracts in progress	819	1,116
Provision for bonuses	500	323
Provision for bonuses for directors (and other officers)	16	-
Provision for warranties for completed construction	12	11
Provision for loss on construction contracts	28	-
Other	596	770
Total current liabilities	5,931	5,908
Non-current liabilities		
Provision for retirement benefits	1,056	1,047
Asset retirement obligations	45	45
Other	368	437
Total non-current liabilities	1,471	1,530
<b>Total liabilities</b>	<b>7,402</b>	<b>7,438</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,581	1,581
Capital surplus	395	395
Retained earnings	8,954	8,984
Treasury shares	(7)	(7)
Total shareholders' equity	10,923	10,952
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	28	51
Total valuation and translation adjustments	28	51
<b>Total net assets</b>	<b>10,951</b>	<b>11,004</b>
<b>Total liabilities and net assets</b>	<b>18,354</b>	<b>18,443</b>

Quarterly Non-consolidated Statements of Income

Quarterly Non-consolidated Statements of Income (For the six months)

(Millions of yen)

	For the six months ended September 30, 2022	For the six months ended September 30, 2023
Net sales of completed construction contracts	9,573	9,641
Cost of sales of completed construction contracts	8,190	8,400
Gross profit on completed construction contracts	1,383	1,241
Selling, general and administrative expenses	1,010	1,012
Operating profit	372	229
Non-operating income		
Dividend income	3	3
Rental income from real estate	23	23
Other	1	2
Total non-operating income	29	28
Non-operating expenses		
Interest expenses	0	0
Rental expenses on real estate	10	14
Other	3	5
Total non-operating expenses	14	21
Ordinary profit	387	236
Profit before income taxes	387	236
Income taxes	137	87
Profit	250	149