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August 9 2024

Consolidated Financial Results for the Three Months Ended June 30, 2024 (Under Japanese GAAP)

Company name: SHINNIHON CORPORATION
 Listing: Tokyo Stock Exchange
 Securities code: 1879
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
June 30, 2024	21,347	4.5	1,900	(13.2)	1,915	(15.4)	1,315	(15.1)
June 30, 2023	20,424	20.3	2,188	11.1	2,263	13.8	1,548	12.4

Note: Comprehensive income For the three months ended June 30, 2024: ¥1,410 million [(10.4)%]
 For the three months ended June 30, 2023: ¥1,573 million [14.2%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended		
June 30, 2024	22.48	—
June 30, 2023	26.48	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
June 30, 2024	157,897	112,283	71.1
March 31, 2024	168,154	113,095	67.3

Reference: Equity
 As of June 30, 2024: ¥112,283 million
 As of March 31, 2024: ¥113,095 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	15.00	—	38.00	53.00
Fiscal year ending March 31, 2025	—				
Fiscal year ending March 31, 2025 (Forecast)		26.00	—	27.00	53.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of Consolidated Results of Operations for the Fiscal Year Ending March 2025 (From April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

Year ending	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
March 31, 2025	135,000	1.1	17,700	0.7	17,700	0.2	12,300	0.1	210.29

Note: Revision to the forecasts of consolidated results since the latest announcement: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2024	61,360,720 shares
As of March 31, 2024	61,360,720 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2024	2,870,971 shares
As of March 31, 2024	2,870,971 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2024	58,489,749 shares
Three months ended June 30, 2023	58,489,877 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

- * Proper use of earnings forecasts, and other special matters

The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended as a promise by the Company that they will be achieved. Actual results may differ materially due to various factors.

Consolidated financial statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and deposits	84,173	67,283
Notes and accounts receivable on completed construction contracts and other	12,421	16,786
Real estate for sale	9,476	6,756
Costs on construction contracts in progress	1,109	490
Development projects in progress	44,671	50,254
Materials and supplies	54	67
Other	493	632
Allowance for doubtful accounts	(32)	(35)
Total current assets	152,369	142,236
Non-current assets		
Property, plant, and equipment		
Buildings and structures	9,633	9,646
Machinery and equipment	283	283
Vehicles, Tools, furniture, and fixtures	431	451
Land	6,816	6,816
Leased assets	92	98
Accumulated depreciation	(4,978)	(5,053)
Total property, plant, and equipment	12,278	12,242
Intangible assets	133	169
Investments and other assets		
Investment securities	1,220	1,349
Deferred tax assets	1,493	1,224
Other	669	681
Allowance for doubtful accounts	(9)	(5)
Total investments and other assets	3,373	3,249
Total non-current assets	15,785	15,661
Total assets	168,154	157,897

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable on construction contracts and other	38,663	33,509
Income taxes payable	4,350	955
Advances received on construction contracts in progress	4,206	3,482
Advances received on development projects in progress, real estate for sale and other	1,799	3,132
Provision for bonuses	655	345
Provision for warranties for completed construction	249	314
Other	3,003	1,727
Total current liabilities	52,929	43,466
Non-current liabilities		
Provision for retirement benefits for directors	215	220
Retirement benefits liability	1,119	1,114
Deferred tax liabilities	285	299
Other	507	512
Total non-current liabilities	2,128	2,147
Total liabilities	55,058	45,614
Net assets		
Shareholder's equity		
Share capital	3,665	3,665
Capital surplus	3,440	3,440
Retained earnings	106,113	105,206
Treasury share	(574)	(574)
Total shareholder's equity	112,644	111,736
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	475	564
Remeasurements of defined benefit plans	(24)	(18)
Total accumulated other comprehensive income	451	546
Total net assets	113,095	112,283
Total liabilities and net assets	168,154	157,897

(2) Consolidated statement of income and consolidated statement of comprehensive income**Consolidated statement of income**

(Millions of yen)

	From April 1, 2023 to June 30, 2023	From April 1, 2024 to June 30, 2024
Net sales		
Net sales of completed construction contracts	17,566	16,916
Net sales in development business and other	2,858	4,431
Total net sales	20,424	21,347
Cost of sales		
Cost of sales of completed construction contracts	15,451	15,338
Cost of sales in development business and other	1,885	3,124
Total cost of sales	17,337	18,463
Gross profit		
Gross profit on completed construction contracts	2,114	1,577
Gross profit on development business and other	972	1,307
Total gross profit	3,087	2,884
Selling, general, and administrative expenses	899	984
Operating income	2,188	1,900
Non-operating income		
Dividend income	13	15
Gain on investment securities	60	-
Other	3	2
Total non-operating income	77	17
Non-operating expense		
Commission fee	2	2
Other	0	0
Total non-operating expense	2	2
Ordinary income	2,263	1,915
Profit before income taxes	2,263	1,915
Income taxes - current	400	358
Income taxes - deferred	313	241
Total income taxes	714	600
Net income	1,548	1,315
Net income attributable to owners of parent	1,548	1,315

Consolidated statement of comprehensive income

(Millions of yen)

	From April 1, 2023 to June 30, 2023	From April 1, 2024 to June 30, 2024
Net income	1,548	1,315
Other comprehensive income		
Valuation difference on available-for-sale securities	18	89
Retirements of defined benefit plans, net of tax	5	6
Total other comprehensive income	24	95
Comprehensive income attributable to:	1,573	1,410
Owners of parent	1,573	1,410
Non-controlling interests	-	-