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## Consolidated Financial Results for the Three Months Ended June 30, 2024 [Japanese GAAP]

July 31, 2024

Company name: NIPPON DENSETSU KOGYO CO., LTD.

Listing: Tokyo

Securities code: 1950

URL: <https://www.densetsuko.co.jp/>

Representative: Kazushige Yasuda

, President and Representative Director

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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 (April 1, 2024 to June 30, 2024)

#### (1) Consolidated Operating Results

(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, 2024	33,011	15.5	(774)	-	(149)	-	(42)	-
June 30, 2023	28,577	12.0	(1,274)	-	(764)	-	(478)	-

(Note) Comprehensive income: Three months ended June 30, 2024: ¥ (520) million [ -%]  
Three months ended June 30, 2023: ¥ 1,717 million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2024	(0.72)	-
June 30, 2023	(7.79)	-

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2024	256,778	195,731	71.1
March 31, 2024	282,597	199,115	65.7

(Reference) Equity: As of June 30, 2024: ¥ 182,590 million  
As of March 31, 2024: ¥ 185,793 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, 2024	-	-	-	47.00	47.00
Fiscal year ending March 31, 2025	-				
Fiscal year ending March 31, 2025 (Forecast)		-	-	50.00	50.00

(Note) Revision to the forecast for dividends announced most recently: None

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending March 31, 2025 :

Commemorative dividend	- yen
Special dividend	- yen

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	205,160	5.7	14,670	9.1	15,830	6.2	10,500	4.6	178.05

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included:	-	(Company name:	)
Excluded:	-	(Company name:	)

(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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

June 30, 2024:	61,537,219 shares
March 31, 2024:	61,537,219 shares

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

June 30, 2024:	2,565,390 shares
March 31, 2024:	2,565,390 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2024:	58,971,829 shares
Three months ended June 30, 2023:	61,471,964 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes(voluntary)

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

Quarterly Consolidated Financial Statements  
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	10,415	9,336
Notes receivable, accounts receivable from completed construction contracts and other	119,952	78,619
Electronically recorded monetary claims - operating	482	2,320
Securities	25,799	33,295
Costs on construction contracts in progress	4,640	8,530
Other	5,882	8,433
Allowance for doubtful accounts	(11)	(8)
Total current assets	167,161	140,528
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	23,095	22,823
Land	29,197	29,197
Other, net	6,085	6,273
Total property, plant and equipment	58,378	58,294
Intangible assets	7,085	7,327
Investments and other assets		
Investment securities	42,375	42,799
Deferred tax assets	2,517	2,705
Other	5,084	5,128
Allowance for doubtful accounts	(6)	(6)
Total investments and other assets	49,971	50,627
Total non-current assets	115,435	116,249
<b>Total assets</b>	<b>282,597</b>	<b>256,778</b>
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	34,962	18,875
Electronically recorded obligations - operating	11,808	17,122
Short-term borrowings	100	100
Income taxes payable	5,810	147
Advances received on construction contracts in progress	1,272	2,408
Provision for warranties for completed construction	62	61
Provision for loss on construction contracts	1,012	985
Provision for bonuses	6,935	2,204
Provision for bonuses for directors (and other officers)	87	6
Other	6,920	4,461
Total current liabilities	68,971	46,373
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	90	92
Retirement benefit liability	10,652	10,890
Provision for share awards	-	65
Other	3,767	3,624
Total non-current liabilities	14,511	14,673
<b>Total liabilities</b>	<b>83,482</b>	<b>61,046</b>

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Net assets		
Shareholders' equity		
Share capital	8,494	8,494
Capital surplus	7,792	7,595
Retained earnings	158,440	155,623
Treasury shares	(5,241)	(5,044)
Total shareholders' equity	169,485	166,668
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,979	13,712
Remeasurements of defined benefit plans	2,328	2,208
Total accumulated other comprehensive income	16,307	15,921
Non-controlling interests	13,321	13,140
Total net assets	199,115	195,731
Total liabilities and net assets	282,597	256,778

Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Net sales of completed construction contracts	28,577	33,011
Cost of sales of completed construction contracts	26,303	30,117
Gross profit on completed construction contracts	2,273	2,893
Selling, general and administrative expenses	3,548	3,667
Operating loss	(1,274)	(774)
Non-operating income		
Interest income	5	10
Dividend income	482	581
Other	107	118
Total non-operating income	595	710
Non-operating expenses		
Interest expenses	0	0
Share of loss of entities accounted for using equity method	85	85
Total non-operating expenses	85	85
Ordinary loss	(764)	(149)
Extraordinary income		
Gain on sale of investment securities	0	-
Total extraordinary income	0	-
Extraordinary losses		
Loss on sale and retirement of non-current assets	211	19
Total extraordinary losses	211	19
Loss before income taxes	(974)	(168)
Income taxes	(329)	(61)
Loss	(645)	(107)
Loss attributable to non-controlling interests	(166)	(64)
Loss attributable to owners of parent	(478)	(42)

Quarterly Consolidated Statements of Comprehensive Income (For the three months)

(Millions of yen)

	For the three months ended June 30, 2023	For the three months ended June 30, 2024
Loss	(645)	(107)
Other comprehensive income		
Valuation difference on available-for-sale securities	2,394	(285)
Remeasurements of defined benefit plans, net of tax	(43)	(119)
Share of other comprehensive income of entities accounted for using equity method	12	(8)
Total other comprehensive income	2,362	(413)
Comprehensive income	1,717	(520)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,866	(429)
Comprehensive income attributable to non-controlling interests	(148)	(91)