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## Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2023 [Japan GAAP] (Consolidated)

November 10, 2022

Company Name	ASAHI KOGYOSHA CO., LTD.	Exchange listed on	Tokyo Stock Exchange
Securities Code	1975	URL	<a href="https://www.asahikogyosha.co.jp">https://www.asahikogyosha.co.jp</a>
Representative	(Title) President and Representative Director	(Name)	Yasutomo Takasu
Contact	(Title) Director, Vice President, Executive Officer, and General Manager of General Affairs Division	(Name)	Michiya Kameda (TEL) 03-6452-8181
Scheduled filing date of the quarterly securities report		November 10, 2022	
Scheduled commencement date of dividends payment		December 5, 2022	
Preparation of supplementary materials for quarterly financial results	: Yes		
Convening quarterly financial results briefing	: Yes		

(Amounts rounded down to the nearest millions of yen.)

### 1. Consolidated Results for the Second Quarter of the Fiscal Year Ending March 2023 (from April 1, 2022 to September 30, 2022)

#### (1) Consolidated Operating Results (Cumulative)

(Percentages represent comparison changes from the same quarter in the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Q2 of fiscal year ending March 2023	31,388	10.5	55	26.4	206	-9.0	106	-14.6
Q2 of fiscal year ending March 2022	28,408	-7.1	43	-88.9	227	-56.1	124	-69.9

(Note) Comprehensive income: End of Q2 for fiscal year ending March 2023 282 million yen [-%]  
End of Q2 for fiscal year ending March 2022 -8 million yen [-%]

	Net income per share	Net income per share – diluted
	yen	yen
End of Q2 for fiscal year ending March 2023	8.29	-
End of Q2 for fiscal year ending March 2022	9.72	-

(Note) The shares of common stock were split at a ratio of 2 shares for 1 share on April 1, 2022. “Net income per share” was calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

#### (2) Consolidated Financial Positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	million yen	million yen	%	yen
End of Q2 for fiscal year ending March 2023	66,057	34,230	51.8	2,663.74
Fiscal year ended March 2022	72,081	34,360	47.7	2,678.31

(Reference) Shareholders' equity: End of Q2 for fiscal year ending March 2023 34,230million yen  
Fiscal year ended March 2022 34,360 million yen

(Note) The shares of common stock were split at a ratio of 2 shares for 1 share on April 1, 2022. “Net assets per share” was calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

## 2. Dividends

	Annual dividends				
	End of Q1	End of Q2	End of Q3	End of Q4	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 2022	-	50.00	-	70.00	120.00
Fiscal year ended March 2023	-	25.00			
Fiscal year ended March 2023 (forecast)			-	25.00	50.00

(Note) Revisions to the most recently announced earnings forecasts : None

### (Note)1. Breakdown of dividends

End of Q2 for fiscal year ending March 2022	Ordinary dividends: 50.00 yen
End of fiscal year ended March 2022	Ordinary dividends: 50.00 yen; Special dividends: 20.00 yen
End of Q2 for fiscal year ending March 2023	Ordinary dividends: 25.00 yen
End of fiscal year ended March 2023 (forecast)	Ordinary dividends: 25.00 yen

2. The shares of common stock were split at a ratio of 2 shares for 1 share on April 1, 2022. For the fiscal year ended March 2022, the actual amount of dividends before the stock split is stated.

## 3. Forecast of Consolidated Results for the Fiscal Year Ended March 2023 (from April 1, 2022 to March 31, 2023)

(Percentages represent comparison changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income attributable to the parent company's shareholders		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Full year	79,600	15.7	2,600	13.6	2,800	7.9	2,000	7.5	155.89

(Note) Revisions to the most recently announced earnings forecasts

: None

## \* Notes

- (1) Changes in major subsidiaries during the cumulative quarterly period under review  
(Change in specific subsidiaries that will accompany a change in scope of consolidation) : None
- (2) Application of special accounting methods for the preparation of quarterly consolidated financial statements : None
- (3) Change in accounting policies or estimates and retrospective restatements
- 1) Change in accounting policies in accordance with revision of accounting standards : None
  - 2) Change in accounting policies other than item 1) above : None
  - 3) Change in accounting estimates : None
  - 4) Retrospective restatements : None

### (4) Number of shares issued (common shares)

1) Number of shares issued at the end of the period (including treasury shares)	Q2 of fiscal year ending March 2023	13,600,000 shares	Fiscal year ended March 2022	13,600,000 shares
2) Number of treasury shares at the end of the period	Q2 of fiscal year ending March 2023	749,570 shares	Fiscal year ended March 2022	770,822 shares
3) Average number of shares issued during the period (cumulative quarterly period)	Q2 of fiscal year ending March 2023	12,837,060 shares	Q2 of fiscal year ending March 2022	12,811,640 shares

(Note) The shares of common stock were split at a ratio of 2 shares for 1 share on April 1, 2022. "Number of shares issued at the end of the period," "Number of treasury shares at the end of the period," and "Average number of shares issued during the period" were calculated assuming that the stock split was conducted at the beginning of the previous consolidated fiscal year.

\* Quarterly financial results are not subject to quarterly review procedures by a certified public accountant or audit firm.

\* Explanation of appropriate use of operating results forecasts and other special notes

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 deems reasonable, and are not intended as a guarantee that the Company will be achieve the targets. Actual results may differ significantly due to various factors. Please refer to "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 2 of the attached document for the assumptions used in the forecasts and precautions on using the forecasts.

## 2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheet

(Million yen)

	Previous fiscal year (March 31, 2022)	Second quarter of current fiscal year (September 30, 2022)
<b>Assets</b>		
Current assets		
Cash and deposits	19,513	15,017
Notes receivable, accounts receivable from completed construction contracts and other	24,606	23,131
Electronically recorded monetary claims - operating	5,029	3,479
Finished goods	0	0
Costs on construction contracts in progress	873	1,392
Work in process	635	721
Raw materials and supplies	145	223
Other	1,335	2,208
Allowance for doubtful accounts	-2	-1
Total current assets	52,136	46,173
Non-current assets		
Property, plant and equipment	5,383	5,277
Intangible assets	1,031	889
Investments and other assets		
Investment securities	12,290	12,405
Other	1,251	1,324
Allowance for doubtful accounts	-12	-12
Total investments and other assets	13,529	13,717
Total non-current assets	19,944	19,883
Total assets	72,081	66,057
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	17,058	14,181
Electronically recorded obligations - operating	10,051	8,639
Short-term borrowings	3,800	2,730
Income taxes payable	956	84
Advances received on construction contracts in progress	1,936	2,344
Provision for warranties for completed construction	63	66
Provision for loss on construction contracts	381	333
Other	1,328	1,167
Total current liabilities	35,576	29,547
Non-current liabilities		
Retirement benefit liability	978	1,072
Other	1,165	1,207
Total non-current liabilities	2,143	2,279
Total liabilities	37,720	31,827

(Million yen)

	Previous fiscal year (March 31, 2022)	Second quarter of current fiscal year (September 30, 2022)
Net assets		
Shareholders' equity		
Share capital	3,857	3,857
Capital surplus	3,760	3,777
Retained earnings	23,120	22,777
Treasury shares	-691	-672
Total shareholders' equity	30,046	29,739
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,652	4,740
Foreign currency translation adjustment	170	222
Remeasurements of defined benefit plans	-509	-472
Total accumulated other comprehensive income	4,314	4,490
Total net assets	34,360	34,230
Total liabilities and net assets	72,081	66,057

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income  
(Quarterly consolidated statement of income)  
(Second Quarter Cumulative Period)

	(Million yen)	
	Second quarter of the previous fiscal year (From April 1, 2021 to September 30, 2021)	Second quarter of the current fiscal year (From April 1, 2022 to September 30, 2022)
Net sales	28,408	31,388
Cost of sales	25,326	28,358
Gross profit	3,082	3,029
Selling, general and administrative expenses	3,038	2,973
Operating profit	43	55
Non-operating income		
Interest income	0	1
Dividend income	145	151
Other	63	46
Total non-operating income	209	199
Non-operating expenses		
Interest expenses	16	15
Commitment fees	7	30
Other	2	2
Total non-operating expenses	25	47
Ordinary profit	227	206
Extraordinary income		
Gain on sale of businesses	—	70
Total extraordinary income	—	70
Extraordinary losses		
Loss on disposal of non-current assets	0	3
Loss on valuation of investment securities	0	15
Total extraordinary losses	0	18
Profit before income taxes	226	257
Income taxes - current	55	114
Income taxes - deferred	46	36
Total income taxes	101	151
Profit	124	106
Profit attributable to owners of parent	124	106

(Quarterly consolidated statement of comprehensive income)  
(Second Quarter Cumulative Period)

(Million yen)

	Second quarter of the previous fiscal year (From April 1, 2021 to September 30, 2021)	Second quarter of the current fiscal year (From April 1, 2022 to September 30, 2022)
Profit	124	106
Other comprehensive income		
Valuation difference on available-for-sale securities	-198	87
Foreign currency translation adjustment	42	51
Remeasurements of defined benefit plans, net of tax	22	36
Total other comprehensive income	-133	176
Comprehensive income	-8	282
Profit attributable to		
Comprehensive income attributable to owners of parent	-8	282
Comprehensive income attributable to non-controlling interests	—	—