

Consolidated Financial Results for the Three Months Ended November 30, 2021 [Japanese GAAP]



January 14, 2022

Company name: West Holdings Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Code number: 1407
 URL: <https://www.west-gr.co.jp/>
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 Scheduled date of filing quarterly securities report: January 14, 2022
 Scheduled date of commencing dividend payments: —
 Availability of supplementary explanatory materials on quarterly financial results: None
 Schedule of quarterly financial results briefing session: Not scheduled

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

1. Consolidated Financial Results for the Three Months Ended November 30, 2021 (September 1, 2021 – November 30, 2021)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended November 30, 2021	14,523	12.2	483	(72.0)	343	(78.3)	234	(77.8)
November 30, 2020	12,947	(6.9)	1,724	39.8	1,585	41.1	1,055	39.8

Note: Comprehensive income: Three months ended November 30, 2021: ¥238 million [(76.9)%]
 Three months ended November 30, 2020: ¥1,034 million [33.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2021	5.76	—
November 30, 2020	25.94	—

- Notes: 1. On March 1, 2021, the Company carried out a 1.3-for-1 stock split for its common stock.
 Basic earnings per share is calculated on the assumption that the said stock split was implemented at the beginning of the previous consolidated fiscal year.
 2. Diluted earnings per share has not been presented since there are no potential shares.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2021	94,151	23,513	25.0
As of August 31, 2021	97,278	25,331	26.0

(Reference) Equity: As of November 30, 2021: ¥23,497 million
 As of August 31, 2021: ¥25,315 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 August 31, 2021	—	0.00	—	50.00	50.00
Fiscal year ending August 31, 2022	—				
Fiscal year ending August 31, 2022 (Forecast)		0.00	—	55.00	55.00

Note: Revisions to the dividend forecast most recently announced: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2022 (September 1, 2021 - August 31, 2022)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	37,907	43.5	3,978	18.5	3,628	20.1	2,358	18.4	57.97
Full year	91,250	34.3	11,672	15.0	10,972	13.7	7,132	9.8	175.34

Note: Revisions to the financial results forecast most recently announced: None

* Notes:

- (1) Changes in significant subsidiaries during the period under review: None
(Changes in specified subsidiaries resulting in changes in scope of consolidation)
Newly included: — (Company name:)
Excluded: — (Company name:)
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: Yes
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

November 30, 2021:	46,027,488 shares
August 31, 2021:	46,027,488 shares
 - 2) Total number of treasury shares at the end of the period:

November 30, 2021:	5,373,997 shares
August 31, 2021:	5,369,813 shares
 - 3) Average number of shares during the period:

Three months ended November 30, 2021:	40,655,011 shares
Three months ended November 30, 2020:	40,683,334 shares

 On March 1, 2021, the Company carried out a 1.3-for-1 stock split for its common stock.
Total number of issued shares (common shares) is calculated on the assumption that the said stock split was implemented at the beginning of the previous consolidated fiscal year.

* These quarterly consolidated financial results are outside the scope of quarterly review by certified public accountants or an audit firm.

* Explanation of the proper use of financial results forecast and other notes

Forward-looking statements in this document, including earnings projections, are based on currently available information and certain premises that are judged to be rational, and the Company does not in any way guarantee the achievement of the projections. Actual results may therefore differ materially depending on various factors.

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of August 31, 2021	As of November 30, 2021
Assets		
Current assets		
Cash and deposits	35,937	30,742
Notes and accounts receivable - trade	7,847	6,949
Lease receivables	5,102	5,252
Accounts receivable from completed construction contracts	7,696	6,484
Merchandise	6,613	7,115
Real estate for sale	2,167	2,058
Costs on construction contracts in progress	11,863	13,418
Raw materials and supplies	0	9
Other	2,611	3,223
Allowances for doubtful accounts	(290)	(276)
Total current assets	79,550	74,979
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	9,579	9,373
Other, net	5,507	5,718
Total property, plant and equipment	15,086	15,092
Intangible assets	353	375
Investments and other assets		
Investment securities	329	330
Long-term loans receivable	109	96
Deferred tax assets	497	497
Other	1,457	2,877
Allowances for doubtful accounts	(104)	(97)
Total investments and other assets	2,288	3,704
Total non-current assets	17,728	19,171
Total assets	97,278	94,151

(Million yen)

	As of August 31, 2021	As of November 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,095	5,149
Accounts payable for construction contracts	2,061	912
Current portion of bonds payable	190	190
Short-term borrowings	20,725	19,634
Income taxes payable	2,083	142
Provision for warranties for completed construction	194	175
Other	6,668	7,117
Total current liabilities	38,018	33,323
Non-current liabilities		
Bonds payable	450	400
Long-term borrowings	32,409	35,852
Asset retirement obligations	705	678
Deferred tax liabilities	37	37
Other	325	346
Total non-current liabilities	33,928	37,314
Total liabilities	71,946	70,638
Net assets		
Shareholders' equity		
Share capital	2,020	2,020
Capital surplus	728	728
Retained earnings	25,824	24,025
Treasury shares	(3,216)	(3,241)
Total shareholders' equity	25,356	23,533
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(37)	(39)
Deferred gains or losses on hedges	—	—
Foreign currency translation adjustment	(3)	2
Total accumulated other comprehensive income	(40)	(36)
Non-controlling interests	15	15
Total net assets	25,331	23,513
Total liabilities and net assets	97,278	94,151

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended November 30

(Million yen)

	Three months ended November 30, 2020	Three months ended November 30, 2021
Net sales	12,947	14,523
Cost of sales	9,668	12,562
Gross profit	3,279	1,961
Selling, general and administrative expenses	1,555	1,478
Operating profit	1,724	483
Non-operating income		
Interest income	2	1
Dividend income	0	0
Foreign exchange gains	0	5
Interest on tax refund	0	4
Other	6	2
Total non-operating income	9	13
Non-operating expenses		
Interest expenses	112	117
Commission expenses	32	34
Other	3	0
Total non-operating expenses	148	152
Ordinary profit	1,585	343
Profit before distributions of profit or loss on silent partnerships and income taxes	1,585	343
Distributions of profit or loss on silent partnerships	8	5
Profit before income taxes	1,576	338
Income taxes	521	104
Profit	1,055	234
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,055	234

Consolidated Statements of Comprehensive Income

Three Months Ended November 30

(Million yen)

	Three months ended November 30, 2020	Three months ended November 30, 2021
Profit	1,055	234
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	(1)
Deferred gains or losses on hedges	(19)	—
Foreign currency translation adjustment	0	6
Total other comprehensive income	(20)	4
Comprehensive income	1,034	238
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,034	238
Comprehensive income attributable to non-controlling interests	—	—