

# Consolidated Financial Results for the Fiscal Year Ended August 31, 2023 [Japanese GAAP]



October 13, 2023

Company name: West Holdings Corporation  
Stock exchange listing: Tokyo Stock Exchange  
Code number: 1407

URL: <https://www.west-gr.co.jp>

Representative: Eiichiro Egashira, Representative Director and President

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Scheduled date of general shareholders' meeting: November 22, 2023

Scheduled date of commencing dividend payments: November 24, 2023

Scheduled date of filing securities report: November 22, 2023

Availability of supplementary explanatory materials on annual financial results: None

Schedule of annual financial results briefing session: Scheduled (for analysts and institutional investors)

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

## 1. Consolidated Financial Results for the Fiscal Year Ended August 31, 2023 (September 1, 2022 - August 31, 2023)

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

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2023	43,734	(34.9)	8,499	9.4	7,972	9.3	6,016	41.3
August 31, 2022	67,169	(1.1)	7,770	(23.4)	7,293	(24.4)	4,257	(34.5)

Note: Comprehensive income: Fiscal year ended August 31, 2023: ¥6,080 million [41.9%]

Fiscal year ended August 31, 2022: ¥4,285 million [(33.8)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
August 31, 2023	147.97	—	20.4	7.1	19.4
August 31, 2022	104.71	—	16.1	7.3	11.6

(Reference) Equity in earnings of affiliated companies: Fiscal year ended August 31, 2023: ¥ – million

Fiscal year ended August 31, 2022: ¥ – million

Note: Diluted earnings per share has not been presented since there are no potential shares.

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of August 31, 2023	123,802	31,403	25.4	771.95
As of August 31, 2022	101,418	27,552	27.2	677.18

(Reference) Equity: As of August 31, 2023: ¥31,387 million

As of August 31, 2022: ¥27,537 million

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
August 31, 2023	7,445	(5,484)	16,555	46,263
August 31, 2022	(4,858)	(4,674)	2,914	27,709

### 2. Dividends

	Annual dividends					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended August 31, 2022	Yen —	Yen 0.00	Yen —	Yen 55.00	Yen 55.00	Million yen 2,236	% 52.5	% 8.5
Fiscal year ended August 31, 2023	—	0.00	—	55.00	55.00	2,236	37.2	7.6
Fiscal year ending August 31, 2024 (Forecast)	—	0.00	—	55.00	55.00		30.1	

### 3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2024 (September 1, 2023 - August 31, 2024)

(% 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	26,150	76.7	3,894	157.7	3,564	192.3	2,408	128.8	59.22
Full year	64,655	47.8	11,683	37.5	10,983	37.8	7,438	23.6	182.93

#### \* Notes:

(1) Changes in significant subsidiaries during the fiscal year under review: None  
(Changes in specified subsidiaries resulting in changes in scope of consolidation)  
Newly included: — (Company name:)  
Excluded: — (Company name:)

(2) Changes in accounting policies, changes in accounting estimates and retrospective restatement  
1) Changes in accounting policies due to the revision of accounting standards: None  
2) Changes in accounting policies other than 1) above: None  
3) Changes in accounting estimates: None  
4) Retrospective restatement: None

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

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

August 31, 2023: 46,027,488 shares

August 31, 2022: 46,027,488 shares

2) Total number of treasury shares at the end of the year:

August 31, 2023: 5,367,122 shares

August 31, 2022: 5,362,972 shares

3) Average number of shares during the year:

Year ended August 31, 2023: 40,662,125 shares  
Year ended August 31, 2022: 40,662,802 shares

**(Reference) Summary of Non-consolidated Financial Results**

**1. Non-consolidated Financial Results for the Fiscal Year Ended August 31, 2023 (September 1, 2022 - August 31, 2023)**

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

Year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 31, 2023	6,105	43.7	4,788	82.6	4,685	78.5	4,335	142.7
August 31, 2022	4,248	(13.7)	2,622	(23.8)	2,624	(23.3)	1,786	(39.0)

Year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
August 31, 2023	106.62	—
August 31, 2022	43.93	—

Note: Diluted earnings per share has not been presented since there are no potential shares.

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of August 31, 2023	60,729	14,521	23.9	357.15
As of August 31, 2022	47,924	12,408	25.9	305.14

(Reference) Equity: As of August 31, 2023: ¥14,521 million  
As of August 31, 2022: ¥12,408 million

\* These consolidated financial results are outside the scope of audit 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) Consolidated Balance Sheets

(Million yen)

	As of August 31, 2022	As of August 31, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	27,597	46,150
Accounts receivable - trade	1,336	863
Lease receivables	5,411	5,564
Accounts receivable from completed construction contracts	9,581	9,587
Merchandise	14,266	11,998
Real estate for sale	426	326
Costs on construction contracts in progress	2,161	2,295
Raw materials and supplies	41	14
Other	4,605	7,382
Allowances for doubtful accounts	(407)	(210)
Total current assets	65,022	83,973
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,674	2,691
Accumulated depreciation	(1,163)	(1,274)
Buildings and structures, net	1,510	1,416
Machinery, equipment and vehicles	24,784	27,359
Accumulated depreciation	(5,465)	(6,961)
Machinery, equipment and vehicles, net	19,318	20,397
Land	7,132	8,780
Other	2,708	2,650
Accumulated depreciation	(2,175)	(2,404)
Other, net	532	246
Total property, plant and equipment	28,494	30,841
Intangible assets	4,290	4,174
Investments and other assets		
Investment securities	849	1,209
Long-term loans receivable	86	225
Deferred tax assets	1,363	1,414
Other	1,429	2,071
Allowances for doubtful accounts	(118)	(108)
Total investments and other assets	3,610	4,812
Total non-current assets	36,395	39,828
Total assets	101,418	123,802

(Million yen)

	As of August 31, 2022	As of August 31, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,175	644
Accounts payable for construction contracts	2,634	3,039
Current portion of bonds payable	140	140
Short-term borrowings	15,031	17,866
Income taxes payable	444	319
Provision for warranties for completed construction	195	176
Provision for loss on withdrawal from electric power business	1,126	—
Contract liabilities	5,383	5,765
Other	1,534	2,930
Total current liabilities	28,665	30,882
Non-current liabilities		
Bonds payable	310	170
Long-term borrowings	43,584	60,078
Asset retirement obligations	959	962
Deferred tax liabilities	13	—
Other	332	305
Total non-current liabilities	45,199	61,516
Total liabilities	73,865	92,399
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,020	2,020
Capital surplus	734	756
Retained earnings	28,049	31,830
Treasury shares	(3,255)	(3,270)
Total shareholders' equity	27,550	31,337
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(6)	48
Foreign currency translation adjustment	(6)	1
Total accumulated other comprehensive income	(13)	50
Non-controlling interests	15	15
Total net assets	27,552	31,403
Total liabilities and net assets	101,418	123,802

(2) Consolidated Statements of Income and Comprehensive Income  
 Consolidated Statements of Income

(Million yen)

	For the fiscal year ended August 31, 2022	For the fiscal year ended August 31, 2023
Net sales	67,169	43,734
Cost of sales	52,725	28,378
Gross profit	14,443	15,356
Selling, general and administrative expenses	6,673	6,856
Operating profit	7,770	8,499
Non-operating income		
Interest income	2	2
Dividend income	14	33
Interest on tax refund	—	37
Subsidy income	3	75
Consumption tax difference	19	20
Other	31	15
Total non-operating income	70	183
Non-operating expenses		
Interest expenses	455	609
Foreign exchange losses	—	81
Commission expenses	61	6
Other	29	12
Total non-operating expenses	547	710
Ordinary profit	7,293	7,972
Extraordinary income		
Reversal of provision for loss on withdrawal from electric power business	—	265
Total extraordinary income	—	265
Extraordinary losses		
Provision for loss on withdrawal from electric power business	1,500	—
Total extraordinary losses	1,500	—
Profit before distributions of profit or loss on silent partnerships and income taxes	5,792	8,238
Distributions of profit or loss on silent partnerships	28	40
Profit before income taxes	5,764	8,198
Income taxes - current	2,391	2,270
Income taxes - deferred	(885)	(88)
Total income taxes	1,506	2,181
Profit	4,257	6,016
Profit attributable to owners of parent	4,257	6,016

## Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended August 31, 2022	For the fiscal year ended August 31, 2023
Profit	4,257	6,016
Other comprehensive income		
Valuation difference on available-for-sale securities	30	55
Deferred gains or losses on hedges	—	—
Foreign currency translation adjustment	(2)	8
Total other comprehensive income	27	63
Comprehensive income	4,285	6,080
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,285	6,080
Comprehensive income attributable to non-controlling interests	—	—

## (3) Consolidated Statements of Changes in Equity

Fiscal year ended August 31, 2022 (from September 1, 2021 to August 31, 2022)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,020	728	25,824	(3,216)	25,356
Changes during period					
Dividends of surplus			(2,032)		(2,032)
Profit attributable to owners of parent			4,257		4,257
Purchase of treasury shares				(48)	(48)
Disposal of treasury shares				9	9
Restricted stock payment		6			6
Net changes of items other than shareholders' equity					
Total changes during period	—	6	2,225	(38)	2,193
Balance at end of period	2,020	734	28,049	(3,255)	27,550

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(37)	—	(3)	(40)	15	25,331
Changes during period						
Dividends of surplus						(2,032)
Profit attributable to owners of parent						4,257
Purchase of treasury shares						(48)
Disposal of treasury shares						9
Restricted stock payment						6
Net changes of items other than shareholders' equity	30		(2)	27		27
Total changes during period	30	—	(2)	27	—	2,221
Balance at end of period	(6)	—	(6)	(13)	15	27,552



Fiscal year ended August 31, 2023 (from September 1, 2022 to August 31, 2023)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,020	734	28,049	(3,255)	27,550
Changes during period					
Dividends of surplus			(2,236)		(2,236)
Profit attributable to owners of parent			6,016		6,016
Purchase of treasury shares				(15)	(15)
Restricted stock payment		21			21
Net changes of items other than shareholders' equity					
Total changes during period	—	21	3,780	(15)	3,787
Balance at end of period	2,020	756	31,830	(3,270)	31,337

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	(6)	—	(6)	(13)	15	27,552
Changes during period						
Dividends of surplus						(2,236)
Profit attributable to owners of parent						6,016
Purchase of treasury shares						(15)
Restricted stock payment						21
Net changes of items other than shareholders' equity	55		8	63		63
Total changes during period	55	—	8	63	—	3,850
Balance at end of period	48	—	1	50	15	31,403

## (4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended August 31, 2022	For the fiscal year ended August 31, 2023
Cash flows from operating activities		
Profit before income taxes	5,764	8,198
Depreciation	1,432	2,168
Increase (decrease) in allowance for doubtful accounts	130	(206)
Increase (decrease) in provision for warranties for completed construction	1	(18)
Increase (decrease) in provision for loss on withdrawal from electric power business	1,126	(1,126)
Interest and dividend income	(16)	(36)
Interest expenses	455	609
Decrease (increase) in trade receivables	4,248	381
Decrease (increase) in inventories	(10,916)	2,186
Decrease (increase) in advance payments to suppliers	776	(908)
Increase (decrease) in trade payables	(1,515)	(1,187)
Increase (decrease) in advances received on construction contracts in progress	215	(144)
Decrease (increase) in accounts receivable - other	(1,744)	697
Increase (decrease) in accounts payable - other	72	259
Increase (decrease) in accrued consumption taxes	(120)	726
Increase (decrease) in advances received	873	235
Other, net	(1,212)	(915)
Subtotal	(428)	10,920
Interest and dividends received	17	36
Interest paid	(479)	(632)
Income taxes paid	(3,967)	(2,879)
Net cash provided by (used in) operating activities	(4,858)	7,445
Cash flows from investing activities		
Purchase of investment securities	(503)	(280)
Purchase of property, plant and equipment	(5,160)	(4,019)
Purchase of intangible assets	(339)	(1)
Proceeds from withdrawal of time deposits	1,500	—
Proceeds from refund of leasehold and guarantee deposits	1,567	10
Payments of leasehold and guarantee deposits	(1,449)	(5)
Proceeds from collection of long-term loans receivable	18	4
Long-term loan advances	(4)	(182)
Other, net	(303)	(1,010)
Net cash provided by (used in) investing activities	(4,674)	(5,484)
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(5,500)	504
Redemption of bonds	(190)	(140)
Proceeds from long-term borrowings	27,442	35,404
Repayments of long-term borrowings	(16,675)	(16,938)
Purchase of treasury shares	(38)	(15)
Dividends paid	(2,031)	(2,236)
Other, net	(92)	(22)
Net cash provided by (used in) financing activities	2,914	16,555
Effect of exchange rate change on cash and cash equivalents	(20)	26
Net increase (decrease) in cash and cash equivalents	(6,639)	18,543
Cash and cash equivalents at beginning of period	34,349	27,709
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	10
Cash and cash equivalents at end of period	27,709	46,263