

Consolidated Financial Results for the Nine Months Ended May 31, 2024 [Japanese GAAP]



July 12, 2024

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

Contact: Nobuo Katsumata, in charge of IR, Corporate Planning Department

Phone: +81-3-6812-2501

Scheduled date of filing quarterly securities report: July 12, 2024

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 Nine Months Ended May 31, 2024 (September 1, 2023 – May 31, 2024)

(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	%
Nine months ended								
May 31, 2024	29,708	13.1	4,197	(3.0)	3,562	(9.2)	2,595	(12.8)
May 31, 2023	26,261	(45.6)	4,327	61.8	3,924	73.0	2,977	481.4

Note: Comprehensive income: Nine months ended May 31, 2024: ¥2,713 million [(9.8)%]

Nine months ended May 31, 2023: ¥3,006 million [470.4%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended		
May 31, 2024	63.96	–
May 31, 2023	73.21	–

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
	Million yen	Million yen	%
As of May 31, 2024	121,512	29,756	24.5
As of August 31, 2023	123,802	31,403	25.4

(Reference) Equity: As of May 31, 2024: ¥29,740 million

As of August 31, 2023: ¥31,387 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended August 31, 2023	Yen —	Yen 0.00	Yen —	Yen 55.00	Yen 55.00
Fiscal year ending August 31, 2024	—	0.00	—		
Fiscal year ending August 31, 2024 (Forecast)				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, 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
Full year	64,655	47.8	11,683	37.5	10,983	37.8	7,438	23.6	182.93

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: None
 - 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):

May 31, 2024:	46,027,488 shares
August 31, 2023:	46,027,488 shares
 - 2) Total number of treasury shares at the end of the period:

May 31, 2024:	6,135,483 shares
August 31, 2023:	5,367,122 shares
 - 3) Average number of shares during the period:

Nine months ended May 31, 2024:	40,579,324 shares
Nine months ended May 31, 2023:	40,662,676 shares

* 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, 2023	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	46,150	36,690
Notes and accounts receivable - trade	863	895
Lease receivables	5,564	5,216
Accounts receivable from completed construction contracts	9,587	9,006
Merchandise	11,998	13,147
Real estate for sale	326	332
Costs on construction contracts in progress	2,295	4,028
Raw materials and supplies	14	51
Other	7,382	8,338
Allowances for doubtful accounts	(210)	(176)
Total current assets	83,973	77,531
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	20,397	20,424
Land	8,780	15,325
Other, net	1,662	1,506
Total property, plant and equipment	30,841	37,257
Intangible assets	4,174	428
Investments and other assets		
Investment securities	1,209	1,462
Long-term loans receivable	225	717
Deferred tax assets	1,414	1,368
Other	2,071	2,860
Allowances for doubtful accounts	(108)	(114)
Total investments and other assets	4,812	6,294
Total non-current assets	39,828	43,981
Total assets	123,802	121,512

(Million yen)

	As of August 31, 2023	As of May 31, 2024
Liabilities		
Current liabilities		
Notes and accounts payable - trade	644	1,030
Accounts payable for construction contracts	3,039	1,735
Current portion of bonds payable	140	140
Short-term borrowings	17,866	18,603
Income taxes payable	319	515
Provision for warranties for completed construction	176	164
Other	8,695	8,451
Total current liabilities	30,882	30,642
Non-current liabilities		
Bonds payable	170	50
Long-term borrowings	60,078	59,794
Asset retirement obligations	962	959
Deferred tax liabilities	0	0
Other	305	309
Total non-current liabilities	61,516	61,114
Total liabilities	92,399	91,756
Net assets		
Shareholders' equity		
Share capital	2,020	2,020
Capital surplus	756	775
Retained earnings	31,830	32,188
Treasury shares	(3,270)	(5,413)
Total shareholders' equity	31,337	29,572
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	48	153
Foreign currency translation adjustment	1	14
Total accumulated other comprehensive income	50	168
Non-controlling interests	15	15
Total net assets	31,403	29,756
Total liabilities and net assets	123,802	121,512

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Nine Months Ended May 31

(Million yen)

	Nine months ended May 31, 2023	Nine months ended May 31, 2024
Net sales	26,261	29,708
Cost of sales	17,075	19,902
Gross profit	9,186	9,806
Selling, general and administrative expenses	4,858	5,609
Operating profit	4,327	4,197
Non-operating income		
Interest income	1	8
Dividend income	9	11
Interest on tax refund	2	6
Subsidy income	75	7
Other	18	13
Total non-operating income	107	47
Non-operating expenses		
Interest expenses	449	567
Commission expenses	3	91
Foreign exchange losses	44	21
Other	11	0
Total non-operating expenses	509	681
Ordinary profit	3,924	3,562
Extraordinary income		
Gain on sale of non-current assets	–	0
Reversal of provision for loss on withdrawal from electric power business	349	–
Total extraordinary income	349	0
Extraordinary losses		
Loss on retirement of noncurrent assets	–	2
Total extraordinary losses	–	2
Profit before distributions of profit or loss on silent partnerships and income taxes	4,273	3,560
Distributions of profit or loss on silent partnerships	25	20
Profit before income taxes	4,248	3,540
Income taxes	1,271	945
Profit	2,977	2,595
Profit attributable to owners of parent	2,977	2,595

Consolidated Statements of Comprehensive Income

Nine Months Ended May 31

(Million yen)

	Nine months ended May 31, 2023	Nine months ended May 31, 2024
Profit	2,977	2,595
Other comprehensive income		
Valuation difference on available-for-sale securities	29	104
Foreign currency translation adjustment	(0)	13
Total other comprehensive income	29	117
Comprehensive income	3,006	2,713
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,006	2,713
Comprehensive income attributable to non-controlling interests	–	–