

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2021 (Based on Japanese GAAP)

February 4, 2022

Company name: NISSHIN GROUP HOLDINGS Company, Limited  
 Stock exchange listing: Tokyo  
 Stock code: 8881 URL <https://www.nisshin-hd.co.jp/>  
 Representative: Representative Director and President Yukiyoshi Tsutsumi  
 Representative Director and Senior Managing Director Hideki Kuroiwa TEL 03-5360-2016  
 Inquiries: Director  
 Scheduled date to file Quarterly Securities Report: February 10, 2022  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on quarterly financial results: No  
 Holding of quarterly financial results meeting: Yes (for analysts)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)

#### (1) Consolidated operating results (cumulative)

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                         | %      |
| Nine months ended December 31, 2021 | 45,981          | (16.5) | 1,364            | (56.4) | 1,213           | (58.4) | 731                                     | (62.1) |
| Nine months ended December 31, 2020 | 55,050          | 0.4    | 3,129            | (2.0)  | 2,918           | 0.1    | 1,928                                   | (25.3) |

|                                     | Earnings per share |  | Diluted earnings per share |  |
|-------------------------------------|--------------------|--|----------------------------|--|
|                                     | Yen                |  | Yen                        |  |
| Nine months ended December 31, 2021 | 15.62              |  | –                          |  |
| Nine months ended December 31, 2020 | 41.11              |  | –                          |  |

#### (2) Consolidated financial position

|                         | Total assets    | Net assets      | Equity ratio | Net assets per share |
|-------------------------|-----------------|-----------------|--------------|----------------------|
|                         | Millions of yen | Millions of yen | %            | Yen                  |
| As of December 31, 2021 | 111,872         | 61,336          | 54.7         | 1,310.65             |
| As of March 31, 2021    | 107,461         | 61,566          | 57.2         | 1,309.64             |

### 2. Cash dividends

|                                       | Annual dividends per share |                 |                 |                 |       |
|---------------------------------------|----------------------------|-----------------|-----------------|-----------------|-------|
|                                       | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|                                       | Yen                        |                 |                 |                 |       |
| Year ended March 31, 2021             | –                          | 0.00            | –               | 18.00           | 18.00 |
| Year ending March 31, 2022            | –                          | 0.00            | –               |                 |       |
| Year ending March 31, 2022 (Forecast) |                            |                 |                 | 22.00           | 22.00 |

### 3. Forecast of consolidated financial results for the year ending March 31, 2022 (from April 1, 2021 to March 31, 2022)

Percentages indicate year-on-year changes

|           | Net sales       |     | Operating profit |     | Ordinary profit |       | Profit attributable to owners of parent |       | Earnings per share |
|-----------|-----------------|-----|------------------|-----|-----------------|-------|---|-------|--------------------|
|           | Millions of yen | %   | Millions of yen  | %   | Millions of yen | %     | Millions of yen                         | %     | Yen                |
| Full year | 83,000          | 2.7 | 5,300            | 0.6 | 5,000           | (0.1) | 3,400                                   | (0.7) | 72.54              |

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended December 31, 2021  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

|                         |                   |                      |                   |
|-------------------------|-------------------|----------------------|-------------------|
| As of December 31, 2021 | 46,951,260 shares | As of March 31, 2021 | 46,951,260 shares |
|-------------------------|-------------------|----------------------|-------------------|

Number of treasury shares at the end of the period

|                         |                |                      |               |
|-------------------------|----------------|----------------------|---------------|
| As of December 31, 2021 | 219,232 shares | As of March 31, 2021 | 45,632 shares |
|-------------------------|----------------|----------------------|---------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                     |                   |                                     |                   |
|-------------------------------------|-------------------|-------------------------------------|-------------------|
| Nine months ended December 31, 2021 | 46,820,502 shares | Nine months ended December 31, 2020 | 46,905,662 shares |
|-------------------------------------|-------------------|-------------------------------------|-------------------|

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Thousands of yen)

|   | As of March 31, 2021 | As of December 31, 2021 |
|---|----------------------|-------------------------|
| Assets  |                      |                         |
| Current assets  |                      |                         |
| Cash and deposits   | 57,874,450           | 47,065,273              |
| Notes receivable, accounts receivable from completed construction contracts and other | 11,388,596           | 17,078,825              |
| Electronically recorded monetary claims - operating                                   | 311,840              | 121,550                 |
| Real estate for sale  | 5,925,878            | 3,364,324               |
| Costs on real estate business   | 14,360,079           | 26,069,406              |
| Costs on construction contracts in progress   | 131,391              | 15,921                  |
| Merchandise   | 3,837                | 3,452                   |
| Short-term loans receivable   | 14,320               | 11,190                  |
| Accounts receivable - other   | 93,978               | 760,957                 |
| Other   | 1,008,102            | 1,552,225               |
| Allowance for doubtful accounts   | (72,529)             | (70,790)                |
| Total current assets  | 91,039,946           | 95,972,335              |
| Non-current assets  |                      |                         |
| Property, plant and equipment   | 11,397,649           | 11,334,643              |
| Intangible assets   | 94,073               | 81,626                  |
| Investments and other assets  | 4,929,991            | 4,483,670               |
| Total non-current assets  | 16,421,714           | 15,899,940              |
| Total assets  | 107,461,660          | 111,872,276             |

(Thousands of yen)

|  | As of March 31, 2021 | As of December 31, 2021 |
|--|----------------------|-------------------------|
| <b>Liabilities</b>   |                      |                         |
| <b>Current liabilities</b>   |                      |                         |
| Notes payable, accounts payable for construction contracts and other | 5,037,443            | 4,676,273               |
| Electronically recorded obligations - operating                      | 4,605,403            | 4,484,940               |
| Short-term borrowings  | 14,513,961           | 13,989,571              |
| Current portion of bonds payable                                     | 88,000               | 88,000                  |
| Income taxes payable   | 985,486              | 41,356                  |
| Provisions   |                      |                         |
| Provision for bonuses  | 455,121              | 186,905                 |
| Provision for warranties for completed construction                  | 174,904              | 200,377                 |
| Provision for loss on construction contracts                         | –                    | 12,607                  |
| Provision for shareholder benefit program                            | 31,993               | –                       |
| Other  | 3,000,845            | 3,586,891               |
| <b>Total current liabilities</b>                                     | <b>28,893,158</b>    | <b>27,266,922</b>       |
| <b>Non-current liabilities</b>                                       |                      |                         |
| Bonds payable  | 400,000              | 356,000                 |
| Long-term borrowings   | 13,890,208           | 20,817,587              |
| Provisions   |                      |                         |
| Provision for retirement benefits for directors (and other officers) | 590,970              | –                       |
| Provision for loss on guarantees                                     | 3,102                | 2,852                   |
| Provision for share awards for directors (and other officers)        | –                    | 14,588                  |
| Retirement benefit liability   | 1,744,039            | 1,681,355               |
| Other  | 373,421              | 396,094                 |
| <b>Total non-current liabilities</b>                                 | <b>17,001,742</b>    | <b>23,268,477</b>       |
| <b>Total liabilities</b>   | <b>45,894,900</b>    | <b>50,535,399</b>       |

(Thousands of yen)

|   | As of March 31, 2021 | As of December 31, 2021 |
|---|----------------------|-------------------------|
| Net assets  |                      |                         |
| Shareholders' equity                                  |                      |                         |
| Share capital   | 10,111,411           | 10,111,411              |
| Capital surplus                                       | 427,432              | 425,478                 |
| Retained earnings                                     | 50,698,293           | 50,625,087              |
| Treasury shares                                       | (25,395)             | (112,694)               |
| Total shareholders' equity                            | 61,211,742           | 61,049,282              |
| Accumulated other comprehensive income                |                      |                         |
| Valuation difference on available-for-sale securities | 222,660              | 201,619                 |
| Remeasurements of defined benefit plans               | (4,738)              | (1,184)                 |
| Total accumulated other comprehensive income          | 217,922              | 200,434                 |
| Non-controlling interests                             | 137,095              | 87,158                  |
| Total net assets                                      | 61,566,759           | 61,336,876              |
| Total liabilities and net assets                      | 107,461,660          | 111,872,276             |

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Thousands of yen)

|  | Nine months ended<br>December 31, 2020 | Nine months ended<br>December 31, 2021 |
|--|--|--|
| Net sales  | 55,050,608                             | 45,981,773                             |
| Cost of sales  | 46,611,575                             | 39,521,647                             |
| Gross profit   | 8,439,033                              | 6,460,125                              |
| Selling, general and administrative expenses               | 5,309,508                              | 5,095,882                              |
| Operating profit   | 3,129,524                              | 1,364,243                              |
| Non-operating income                                       |  |  |
| Interest income  | 11,362                                 | 1,228                                  |
| Dividend income  | 13,334                                 | 15,452                                 |
| Gain on sale of securities                                 | –                                      | 28,905                                 |
| Reversal of allowance for doubtful accounts                | 16,040                                 | 14,999                                 |
| Reversal of provision for loss on guarantees               | 273                                    | 250                                    |
| Reversal of allowance for Shareholder benefit              | –                                      | 8,323                                  |
| Insurance return   | 3,808                                  | 20,123                                 |
| Other  | 56,187                                 | 64,956                                 |
| Total non-operating income                                 | 101,006                                | 154,238                                |
| Non-operating expenses                                     |  |  |
| Interest expenses  | 288,031                                | 276,718                                |
| Commission expenses  | 17,546                                 | 3,824                                  |
| Other  | 6,740                                  | 24,449                                 |
| Total non-operating expenses                               | 312,317                                | 304,992                                |
| Ordinary profit  | 2,918,212                              | 1,213,489                              |
| Extraordinary income                                       |  |  |
| Gain on sale of non-current assets                         | 92,455                                 | 27,440                                 |
| Total extraordinary income                                 | 92,455                                 | 27,440                                 |
| Extraordinary losses                                       |  |  |
| Loss on sale of non-current assets                         | 67,445                                 | –                                      |
| Loss on retirement of non-current assets                   | 93,967                                 | 13,680                                 |
| Loss on liquidation of subsidiaries and associates         | 65,144                                 | –                                      |
| Loss on valuation of shares of subsidiaries and associates | –                                      | 120,165                                |
| Total extraordinary losses                                 | 226,557                                | 133,845                                |
| Profit before income taxes                                 | 2,784,110                              | 1,107,084                              |
| Income taxes - current                                     | 683,828                                | 231,079                                |
| Income taxes - deferred                                    | 169,759                                | 149,575                                |
| Total income taxes   | 853,588                                | 380,654                                |
| Profit   | 1,930,521                              | 726,429                                |
| Profit (loss) attributable to non-controlling interests    | 1,846                                  | (5,349)                                |
| Profit attributable to owners of parent                    | 1,928,675                              | 731,778                                |

**Consolidated statements of comprehensive income (cumulative)**

(Thousands of yen)

|  | Nine months ended<br>December 31, 2020 | Nine months ended<br>December 31, 2021 |
|--|--|--|
| Profit   | 1,930,521                              | 726,429                                |
| Other comprehensive income                                     |  |  |
| Valuation difference on available-for-sale securities          | 24,927                                 | (21,041)                               |
| Foreign currency translation adjustment                        | 51,742                                 | –                                      |
| Remeasurements of defined benefit plans, net of tax            | 40,276                                 | 3,553                                  |
| Total other comprehensive income                               | 116,947                                | (17,487)                               |
| Comprehensive income   | 2,047,469                              | 708,941                                |
| Comprehensive income attributable to                           |  |  |
| Comprehensive income attributable to owners of parent          | 2,045,679                              | 714,290                                |
| Comprehensive income attributable to non-controlling interests | 1,789                                  | (5,349)                                |