Consolidated Financial Results
for the Six Months Ended September 30, 2020 [Japanese GAAP]

November 12, 2020

Company name: MIRAIT Holdings Corporation
Stock exchange listing: TSE
Code Number: 1417
URL: https://www.mirait.co.jp/
Representative: Toshiki Nakayama, President and CEO
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Scheduled date for filing of quarterly report: November 12, 2020
Scheduled date for commencement of dividend payment: November 30, 2020
Supplementary briefing materials on quarterly results: Available
Quarterly results briefing: Scheduled (for analysts and institutional investors)

(Amounts are rounded down to the nearest one million)

1. Consolidated Financial Results for the Six Months Ended September 30, 2020
(April 1, 2020 to September 30, 2020)

(1) Consolidated Operating Results (cumulative)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended September 30, 2020	191,788	4.8	6,744	36.0	7,748	38.7	4,799	43.2
Six months ended September 30, 2019	182,973	30.4	4,958	(1.0)	5,587	(1.8)	3,352	(6.9)

(Note) Comprehensive income: Six months ended September 30, 2020 3,788 million yen (-10.7%)
Six months ended September 30, 2019 4,244 million yen (-13.4%)

	Net income per share	Diluted net income per share
	yen	yen
Six months ended September 30, 2020	44.69	—
Six months ended September 30, 2019	33.44	29.78

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
As of September 30, 2020	319,721	221,284	67.9
As of March 31, 2020	352,134	218,710	61.2

(Reference) Equity: As of September 30, 2020 217,035 million yen
As of March 31, 2020 215,423 million yen

2. Dividends

	Annual dividends per share				
	End of 1Q	End of2Q	End of 3Q	Year-end	Total
	yen	yen	yen	yen	Yen
Fiscal year ended March 31, 2020	—	20.00	—	20.00	40.00
Fiscal year ending March 31, 2021	—	22.50			
Fiscal year ending March 31, 2021 (forecast)			—	22.50	45.00

(Note) Revision of dividend forecasts from recently announced figures: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021
(April 1, 2020 to March 31, 2021)

(% indicates change from the same period of the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	Yen
Full year ending March 31, 2021	445,000	0.9	23,000	4.6	24,300	4.7	16,000	5.1	148.97

(Note) Revision of financial results forecasts from recently announced figures: Yes

* Notes:

(1) Significant changes in subsidiaries during the period under review: None

(2) Application of specific accounting practices for preparing consolidated quarterly financial statements: Yes

(3) Changes in accounting principles and changes or restatements of accounting estimates:

1) Changes in accounting principles due to revision of accounting standards: None

2) Changes in accounting principles other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Total number of issued shares (common stock)

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

September 30, 2020	108,325,329 shares	March 31, 2020	108,325,329 shares

2) Total number of treasury stock at the end of the period

September 30, 2020	906,345 shares	March 31, 2020	958,390 shares

3) Average number of shares outstanding during the period

September 30, 2020	107,386,848 shares	September 30, 2019	100,248,168 shares

(Note) Total number of treasury stock includes the Company's stock held by the Board Incentive Plan trust under the Company's performance-linked stock remuneration program for directors and executive officers.

* Implementation status of quarterly review processes

– This quarterly summary of consolidated financial results is not subject to the quarterly review procedures stipulated under the Financial Instruments and Exchange Act.

* Explanation regarding the appropriate use of performance forecasts, and other items warranting special mention

– The performance forecasts and other forward-looking statements in this report are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Accordingly, actual performance may differ materially depending on various factors.

Consolidated Quarterly Financial Statements and Notes

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	Fiscal Year Ended March 31, 2020	Six Months Ended September 30, 2020
Assets		
Current assets		
Cash and deposits	33,543	40,448
Notes receivable, accounts receivable from completed construction contracts and other	147,584	102,069
Costs on construction contracts in progress	32,758	42,422
Investments in leases	6,123	5,881
Other	5,798	4,458
Allowance for doubtful accounts	(96)	(73)
Total current assets	225,712	195,206
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	38,948	38,574
Land	32,806	32,785
Construction in progress	1,383	2,584
Other, net	9,457	9,551
Total property, plant and equipment	82,596	83,496
Intangible assets		
Customer related assets	1,943	1,796
Goodwill	2,921	3,754
Software	1,729	1,630
Other	118	117
Total intangible assets	6,711	7,298
Investments and other assets		
Investment securities	30,139	26,871
Retirement benefit asset	1,967	2,074
Deferred tax assets	2,081	1,833
Leasehold and guarantee deposits	1,385	1,430
Other	1,687	1,650
Allowance for doubtful accounts	(147)	(140)
Total investments and other assets	37,114	33,719
Total non-current assets	126,422	124,514
Total assets	352,134	319,721

(Millions of yen)

	Fiscal Year Ended March 31, 2020	Six Months Ended September 30, 2020
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	58,738	44,731
Short-term borrowings	16,789	205
Income taxes payable	3,281	1,645
Lease obligations	3,371	3,382
Advances received on construction contracts in progress	4,670	4,798
Provision for loss on construction contracts	959	1,263
Provision for bonuses	7,515	7,115
Provision for bonuses for directors (and other officers)	120	52
Provision for warranties for completed construction	7	6
Other	9,284	8,178
Total current liabilities	104,738	71,379
Non-current liabilities		
Long-term accounts payable - other	213	1,945
Lease obligations	7,607	7,265
Deferred tax liabilities	1,650	1,046
Deferred tax liabilities for land revaluation	41	41
Provision for retirement benefits for directors (and other officers)	128	115
Provision for share based compensation	282	258
Retirement benefit liability	17,635	15,384
Asset retirement obligations	172	173
Other	953	826
Total non-current liabilities	28,685	27,057
Total liabilities	133,424	98,437
Net assets		
Shareholders' equity		
Share capital	7,000	7,000
Capital surplus	69,399	69,402
Retained earnings	135,546	138,260
Treasury shares	(1,386)	(1,315)
Total shareholders' equity	210,559	213,346
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,967	4,701
Revaluation reserve for land	(98)	(98)
Foreign currency translation adjustment	(281)	(1,192)
Remeasurements of defined benefit plans	276	277
Total accumulated other comprehensive income	4,863	3,688
Non-controlling interests	3,287	4,249
Total net assets	218,710	221,284
Total liabilities and net assets	352,134	319,721

(2) Consolidated Quarterly Statements of Income and Comprehensive Income

Six Months Ended September 30, 2020

(Millions of yen)

	Six Months Ended September 30, 2019	Six Months Ended September 30, 2020
Net sales of completed construction contracts	182,973	191,788
Cost of sales of completed construction contracts	163,376	170,377
Gross profit on completed construction contracts	19,597	21,411
Selling, general and administrative expenses	14,638	14,666
Operating profit	4,958	6,744
Non-operating income		
Interest income	57	37
Dividend income	484	577
Foreign exchange gains	—	217
Surrender value of insurance policies	58	87
Share of profit of entities accounted for using equity method	55	—
Other	203	230
Total non-operating income	859	1,151
Non-operating expenses		
Interest expenses	22	21
Share of loss of entities accounted for using equity method	—	78
Foreign exchange losses	113	—
Other	94	46
Total non-operating expenses	230	146
Ordinary profit	5,587	7,748
Extraordinary income		
Gain on sales of non-current assets	398	9
Gain on sales of investment securities	38	485
Gain on revision of retirement benefit plan	—	275
Total extraordinary income	436	770
Extraordinary losses		
Loss on retirement of non-current assets	23	71
Loss on sales of investment securities	31	5
Loss on valuation of investment securities	3	58
Other	18	39
Total extraordinary losses	76	174
Profit before income taxes	5,948	8,344
Income taxes	2,504	3,381
Profit	3,443	4,963
Profit attributable to		
Profit attributable to owners of parent	3,352	4,799
Profit attributable to non-controlling interests	90	164

(Millions of yen)

	Six Months Ended September 30, 2019	Six Months Ended September 30, 2020
Other comprehensive income		
Valuation difference on available-for-sale securities	1,096	(264)
Foreign currency translation adjustment	(235)	(912)
Remeasurements of defined benefit plans, net of tax	(59)	1
Share of other comprehensive income of entities accounted for using equity method	(1)	(0)
Total other comprehensive income	800	(1,175)
Comprehensive income	4,244	3,788
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,156	3,624
Comprehensive income attributable to non-controlling interests	88	163