

# Consolidated Financial Results for the Six Months Ended February 28, 2023 [Japanese GAAP]



April 14, 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 filing quarterly securities report: April 14, 2023  
 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 Six Months Ended February 28, 2023 (September 1, 2022 – February 28, 2023)

(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	%
Six months ended								
February 28, 2023	14,801	(57.2)	1,510	(44.4)	1,219	(50.3)	1,052	(37.6)
February 28, 2022	34,571	30.9	2,716	(19.1)	2,453	(18.8)	1,687	(15.3)

Note: Comprehensive income: Six months ended February 28, 2023: ¥1,088 million [(36.1)%]

Six months ended February 28, 2022: ¥1,705 million [(13.5)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
February 28, 2023	25.88	–
February 28, 2022	41.50	–

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 February 28, 2023	105,304	26,406	25.1
As of August 31, 2022	101,418	27,552	27.2

(Reference) Equity: As of February 28, 2023: ¥26,390 million

As of August 31, 2022: ¥27,537 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, 2022	–	0.00	–	55.00	55.00
Fiscal year ending August 31, 2023	–	0.00			
Fiscal year ending August 31, 2023 (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, 2023 (September 1, 2022 – August 31, 2023)

(% 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	61,276	(8.8)	11,247	44.7	10,647	46.0	7,240	70.0	178.04

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):
 

February 28, 2023:	46,027,488 shares
August 31, 2022:	46,027,488 shares
  - 2) Total number of treasury shares at the end of the period:
 

February 28, 2023:	5,365,304 shares
August 31, 2022:	5,362,972 shares
  - 3) Average number of shares during the period:
 

Six months ended February 28, 2023:	40,663,248 shares
Six months ended February 28, 2022:	40,659,666 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, 2022	As of February 28, 2023
<b>Assets</b>		
Current assets		
Cash and deposits	27,597	37,206
Notes and accounts receivable - trade	1,336	700
Lease receivables	5,411	5,662
Accounts receivable from completed construction contracts	9,581	2,406
Merchandise	14,266	14,427
Real estate for sale	426	427
Costs on construction contracts in progress	2,161	3,362
Raw materials and supplies	41	15
Other	4,605	4,251
Allowances for doubtful accounts	(407)	(358)
<b>Total current assets</b>	<b>65,022</b>	<b>68,102</b>
Non-current assets		
Property, plant and equipment		
Machinery, equipment and vehicles, net	19,318	19,676
Other, net	9,175	9,252
<b>Total property, plant and equipment</b>	<b>28,494</b>	<b>28,929</b>
Intangible assets	4,290	4,230
Investments and other assets		
Investment securities	849	1,164
Long-term loans receivable	86	117
Deferred tax assets	1,363	1,363
Other	1,429	1,524
Allowances for doubtful accounts	(118)	(127)
<b>Total investments and other assets</b>	<b>3,610</b>	<b>4,042</b>
<b>Total non-current assets</b>	<b>36,395</b>	<b>37,202</b>
<b>Total assets</b>	<b>101,418</b>	<b>105,304</b>

(Million yen)

	As of August 31, 2022	As of February 28, 2023
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,175	991
Accounts payable for construction contracts	2,634	2,182
Current portion of bonds payable	140	140
Short-term borrowings	15,031	14,901
Income taxes payable	444	–
Provision for warranties for completed construction	195	185
Provision for loss on withdrawal from electric power business	1,126	727
Other	6,917	7,763
<b>Total current liabilities</b>	<b>28,665</b>	<b>26,892</b>
Non-current liabilities		
Bonds payable	310	240
Long-term borrowings	43,584	50,475
Asset retirement obligations	959	962
Deferred tax liabilities	13	13
Other	332	314
<b>Total non-current liabilities</b>	<b>45,199</b>	<b>52,005</b>
<b>Total liabilities</b>	<b>73,865</b>	<b>78,898</b>
Net assets		
Shareholders' equity		
Share capital	2,020	2,020
Capital surplus	734	745
Retained earnings	28,049	26,865
Treasury shares	(3,255)	(3,265)
<b>Total shareholders' equity</b>	<b>27,550</b>	<b>26,367</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(6)	28
Foreign currency translation adjustment	(6)	(5)
<b>Total accumulated other comprehensive income</b>	<b>(13)</b>	<b>23</b>
Non-controlling interests	15	15
<b>Total net assets</b>	<b>27,552</b>	<b>26,406</b>
<b>Total liabilities and net assets</b>	<b>101,418</b>	<b>105,304</b>

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income  
Six Months Ended February 28

(Million yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
Net sales	34,571	14,801
Cost of sales	28,910	10,065
Gross profit	5,660	4,735
Selling, general and administrative expenses	2,944	3,224
Operating profit	2,716	1,510
Non-operating income		
Interest income	2	0
Dividend income	3	7
Foreign exchange gains	17	—
Insurance claim income	—	5
Other	8	9
Total non-operating income	31	23
Non-operating expenses		
Interest expenses	235	305
Commission expenses	57	3
Foreign exchange losses	—	0
Other	1	6
Total non-operating expenses	294	315
Ordinary profit	2,453	1,219
Extraordinary income		
Reversal of provision for loss on withdrawal from electric power business	—	263
Total extraordinary income	—	263
Profit before distributions of profit or loss on silent partnerships and income taxes	2,453	1,483
Distributions of profit or loss on silent partnerships	12	14
Profit before income taxes	2,441	1,468
Income taxes	754	415
Profit	1,687	1,052
Profit attributable to non-controlling interests	—	—
Profit attributable to owners of parent	1,687	1,052

Consolidated Statements of Comprehensive Income

Six Months Ended February 28

(Million yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
Profit	1,687	1,052
Other comprehensive income		
Valuation difference on available-for-sale securities	11	35
Foreign currency translation adjustment	6	0
Total other comprehensive income	17	36
Comprehensive income	1,705	1,088
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,705	1,088
Comprehensive income attributable to non-controlling interests	–	–

## (3) Quarterly Consolidated Statements of Cash Flows

(Million yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,441	1,468
Depreciation	662	1,044
Increase (decrease) in allowance for doubtful accounts	(10)	(39)
Increase (decrease) in provision for warranties for completed construction	(36)	(9)
Increase (decrease) in provision for loss on withdrawal from electric power business	—	(399)
Interest and dividend income	(5)	(8)
Interest expenses	235	305
Decrease (increase) in trade receivables	1,792	7,603
Decrease (increase) in inventories	(6,508)	(1,346)
Decrease (increase) in advance payments to suppliers	692	(198)
Increase (decrease) in trade payables	(749)	(1,673)
Decrease (increase) in operating guarantee deposit	(1,263)	—
Increase (decrease) in advances received on construction contracts in progress	576	962
Decrease (increase) in accounts receivable - other	(220)	1,856
Increase (decrease) in accounts payable - other	16	(55)
Increase (decrease) in accrued consumption taxes	(36)	(174)
Increase (decrease) in advances received	507	58
Increase (decrease) in deposits received	71	36
Other, net	(78)	(659)
Subtotal	(1,912)	8,771
Interest and dividends received	5	9
Interest paid	(256)	(335)
Income taxes refund (paid)	(2,440)	(1351)
Net cash provided by (used in) operating activities	(4,603)	7,092



(Million yen)

	Six months ended February 28, 2022	Six months ended February 28, 2023
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(503)	(280)
Purchase of property, plant and equipment	(110)	(1,268)
Purchase of intangible assets	(43)	(1)
Proceeds from withdrawal of time deposits	1,500	—
Proceeds from refund of leasehold and guarantee deposits	4	9
Payments of leasehold and guarantee deposits	(100)	(2)
Proceeds from collection of long-term loans receivable	5	2
Long-term loan advances	—	(44)
Other, net	(270)	(177)
Net cash provided by (used in) investing activities	482	(1,763)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	(4,739)	—
Proceeds from long-term borrowings	16,728	15,276
Repayments of long-term borrowings	(8,498)	(8,688)
Redemption of bonds	(120)	(70)
Purchase of treasury shares	(26)	(9)
Dividends paid	(2,030)	(2,234)
Other, net	(81)	(9)
Net cash provided by (used in) financing activities	1,232	4,264
Effect of exchange rate change on cash and cash equivalents	(18)	15
Net increase (decrease) in cash and cash equivalents	(2,907)	9,609
Cash and cash equivalents at beginning of period	34,349	27,709
Cash and cash equivalents at end of period	31,441	37,318