

For Immediate Release
(This is an English translation of the Japanese original.)

Consolidated Financial Results
for the Three Months Ended November 30, 2020
[Japanese GAAP]



January 12, 2021

Company name: SANEI ARCHITECTURE PLANNING CO., LTD.

Stock exchange listing: Tokyo Stock Exchange

Code number: 3228

URL: <https://www.san-a.com>

Representative: Manabu Koike, Representative Director and Senior Managing Director

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Scheduled date of filing quarterly securities report: January 12, 2021

Scheduled date of commencing dividend payments: —

Availability of supplementary briefing material on quarterly financial results: Not available

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 three months ended November 30, 2020 (September 1, 2020 to November 30, 2020)

(1) Consolidated Operating Results (% 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	%
Three months ended November 30, 2020	24,649	14.5	1,431	17.7	1,700	54.4	1,024	56.1
November 30, 2019	21,518	(25.6)	1,216	(61.9)	1,101	(60.7)	656	(65.1)

(Note) Comprehensive income: Three months ended November 30, 2020: ¥1,116 million [69.0%]

Three months ended November 30, 2019: ¥660 million [(66.1 %)]

	Basic profit per share	Diluted profit per share
	Yen	Yen
Three months ended November 30, 2020	48.29	40.28
November 30, 2019	30.95	25.84

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2020	136,506	46,928	32.8
As of August 31, 2020	136,927	46,341	32.3

(Reference) Equity: As of November 30, 2020: ¥44,792 million

As of August 31, 2020: ¥44,279 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, 2020	-	24.00	-	24.00	48.00
Fiscal year ending August 31, 2021	-				
Fiscal year ending August 31, 2021 (Forecast)		35.00	-	35.00	70.00

(Note) Revision to the forecast for dividends announced most recently: No

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

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	58,400	19.5	3,100	4.0	2,800	2.7	1,800	6.1	84.84
Full year	140,000	21.8	10,274	29.0	10,054	39.8	6,400	57.0	301.64

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Adoption of accounting methods specific to the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):
 - November 30, 2020: 21,217,600 shares
 - August 31, 2020: 21,217,600 shares
 - 2) Total number of treasury shares at the end of the period:
 - November 30, 2020: 521 shares
 - August 31, 2020: 521 shares
 - 3) Average number of shares during the period:
 - Three months ended November 30, 2020: 21,217,079 shares
 - Three months ended November 30, 2019: 21,217,079 shares

* These consolidated financial results are outside the scope of quarterly review by certified public accountants or audit firms

* Explanation of the proper use of financial results forecast and other notes

The earnings forecasts and other forward-looking statements herein are based on information available to the Company and certain assumptions deemed reasonable, and the Company does not promise the achievement of those forecasts. Actual results may differ significantly from these forecasts due to a wide range of factors. For the assumptions underlying the forecasts and the notes on the use of the forecasts, please refer to “1. (3) Explanation Regarding Consolidated Financial Results Forecast and Other Forward-looking Information” on page 4 (Japanese version only).

Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of August 31, 2020	As of November 30, 2020
Assets		
Current assets		
Cash and deposits	28,470,636	24,314,409
Notes and accounts receivable-trade	3,968,997	4,353,982
Real estate for sale	30,419,580	33,279,800
Real estate for sale in process	38,880,531	39,631,900
Costs on construction contracts in progress	969,691	1,425,147
Other	3,041,288	1,998,863
Allowance for doubtful accounts	(61,952)	(65,269)
Total current assets	105,688,774	104,938,833
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,601,997	7,213,321
Accumulated depreciation	(1,940,000)	(2,078,420)
Buildings and structures, net	4,661,996	5,134,900
Land	14,743,476	14,660,949
Other	1,076,033	475,868
Accumulated depreciation	(276,409)	(283,052)
Other, net	799,623	192,815
Total property, plant and equipment	20,205,096	19,988,665
Intangible assets	1,769,146	1,822,239
Investments and other assets		
Other	9,381,965	9,878,892
Allowance for doubtful accounts	(117,736)	(121,781)
Total investments and other assets	9,264,229	9,757,110
Total non-current assets	31,238,472	31,568,015
Total assets	136,927,246	136,506,849

(Thousand yen)

	As of August 31, 2020	As of November 30, 2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,625,661	9,262,445
Short-term borrowings	24,543,968	23,313,291
Current portion of long-term borrowings	7,335,359	8,123,857
Current portion of bonds payable	840,000	844,000
Income taxes payable	1,595,139	624,309
Provision for bonuses	362,452	188,539
Other	3,302,218	3,871,951
Total current liabilities	46,604,799	46,228,394
Non-current liabilities		
Bonds payable	4,484,500	4,130,500
Convertible bond-type bonds with share acquisition rights	10,000,000	10,000,000
Long-term borrowings	27,553,098	27,210,999
Retirement benefit liability	635,732	647,256
Asset retirement obligations	328,118	331,213
Other	979,938	1,029,554
Total non-current liabilities	43,981,388	43,349,522
Total liabilities	90,586,188	89,577,916
Net assets		
Shareholders' equity		
Share capital	1,340,150	1,340,150
Capital surplus	1,238,646	1,238,646
Retained earnings	42,040,530	42,555,997
Treasury shares	(462)	(462)
Total shareholders' equity	44,618,865	45,134,331
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(170,847)	(184,773)
Foreign currency translation adjustment	(115,293)	(107,374)
Remeasurements of defined benefit plans	(52,909)	(49,277)
Total accumulated other comprehensive income	(339,050)	(341,425)
Non-controlling interests	2,061,244	2,136,026
Total net assets	46,341,058	46,928,932
Total liabilities and net assets	136,927,246	136,506,849

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

Three Months Ended November 30

(Thousand yen)

	For the three months ended November 30, 2019	For the three months ended November 30, 2020
Net sales	21,518,943	24,649,711
Cost of sales	18,438,246	21,111,613
Gross profit	3,080,697	3,538,098
Selling, general and administrative expenses	1,864,674	2,106,618
Operating profit	1,216,022	1,431,479
Non-operating income		
Interest income	9,848	9,137
Dividend income	12,463	7
Foreign exchange gains	57,971	-
Cancellation income of advance money on a contract	3,620	1,500
Subsidy income	-	131,913
Surrender value of insurance policies	-	113,849
Consumption taxes refund	-	134,561
Other	37,514	101,275
Total non-operating income	121,417	492,245
Non-operating expenses		
Interest expenses	144,693	150,397
Commission such as financings	88,252	30,656
Other	3,225	42,256
Total non-operating expenses	236,171	223,310
Ordinary profit	1,101,268	1,700,415
Extraordinary income		
Gain on sales of non-current assets	-	23,084
Total extraordinary income	-	23,084
Profit before income taxes	1,101,268	1,723,499
Income taxes	368,951	604,480
Profit	732,316	1,119,019
Profit attributable to non-controlling interests	75,725	94,343
Profit attributable to owners of parent	656,591	1,024,676

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended November 30

(Thousand yen)

	For the three months ended November 30, 2019	For the three months ended November 30, 2020
Profit	732,316	1,119,019
Other comprehensive income		
Valuation difference on available-for-sale securities	(105,923)	(13,925)
Foreign currency translation adjustment	31,762	7,918
Remeasurements of defined benefit plans, net of tax	2,515	3,631
Total other comprehensive income	(71,646)	(2,374)
Comprehensive income	660,670	1,116,644
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	584,945	1,022,301
Comprehensive income attributable to non-controlling interests	75,725	94,343