

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

## Consolidated Financial Results for the Six Months Ended February 28, 2022 [Japanese GAAP]



April 14, 2022

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: April 14, 2022

Scheduled date of commencing dividend payments: May 9, 2022

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Scheduled (for securities analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated Financial Results for the six months ended February 28, 2022 (September 1, 2021 to February 28, 2022)

(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	%
Six months ended February 28, 2022	62,076	11.8	5,332	31.7	6,127	42.3	3,909	46.6
February 28, 2021	55,532	13.7	4,050	35.8	4,306	57.9	2,666	57.2

(Note) Comprehensive income: Six months ended February 28, 2022: ¥4,382 million [(47.1 %)]  
Six months ended February 28, 2021: ¥3,070 million [74.5 %]

	Basic profit per share		Diluted profit per share	
	Yen	Yen	Yen	Yen
Six months ended February 28, 2022	184.28	153.20		
February 28, 2021	125.70	104.83		

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of February 28, 2022	145,140	56,827	37.2
As of August 31, 2021	141,791	53,319	35.8

(Reference) Equity: As of February 28, 2022: ¥54,019 million  
As of August 31, 2021: ¥50,820 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, 2021	-	35.00	-	40.00	75.00
Fiscal year ending August 31, 2022	-	37.50			
Fiscal year ending August 31, 2022 (Forecast)			-	37.50	75.00

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

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending August 31, 2022 (September 1, 2021 to August 31, 2022)

(% 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
Full year	154,100	15.0	12,002	3.0	11,213	(5.4)	7,054	(6.8)	332.48

(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: Yes
  - 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):
    - February 28, 2022: 21,217,600 shares
    - August 31, 2021: 21,217,600 shares
  - 2) Total number of treasury shares at the end of the period:
    - February 28, 2022: 521 shares
    - August 31, 2021: 521 shares
  - 3) Average number of shares during the period:
    - Six months ended February 28, 2022: 21,217,079 shares
    - Six months ended February 28, 2021: 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).

Supplementary briefing materials will be posted on the Company’s website within one week after the announcement of financial results.

## Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of August 31, 2021	As of February 28, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	36,283,555	30,923,097
Notes and accounts receivable-trade	7,773,374	-
Notes and accounts receivable - trade, and contract assets	-	8,474,825
Real estate for sale	34,446,282	38,395,970
Real estate for sale in process	40,478,646	45,443,990
Costs on construction contracts in progress	757,016	1,208,223
Other	1,811,226	1,878,260
Allowance for doubtful accounts	(7,523)	(14,817)
Total current assets	121,542,579	126,309,551
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,320,089	6,308,114
Accumulated depreciation	(1,046,068)	(1,222,353)
Buildings and structures, net	5,274,021	5,085,761
Land	4,069,961	4,059,689
Other	483,978	512,829
Accumulated depreciation	(306,410)	(323,768)
Other, net	177,567	189,061
Total property, plant and equipment	9,521,551	9,334,511
Intangible assets	1,438,330	1,363,601
Investments and other assets		
Other	9,546,496	8,375,681
Allowance for doubtful accounts	(257,848)	(242,770)
Total investments and other assets	9,288,648	8,132,910
Total non-current assets	20,248,529	18,831,023
Total assets	141,791,109	145,140,574

(Thousand yen)

	As of August 31, 2021	As of February 28, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	14,008,432	12,594,072
Short-term borrowings	19,273,631	26,599,034
Current portion of long-term borrowings	10,536,506	8,591,142
Current portion of bonds payable	1,210,000	1,576,000
Current portion of convertible bond-type bonds with share acquisition rights	-	10,000,000
Income taxes payable	3,930,603	1,650,447
Provision for bonuses	468,425	415,696
Other	4,117,240	3,496,036
Total current liabilities	53,544,839	64,922,429
Non-current liabilities		
Bonds payable	3,274,500	2,984,500
Convertible bond-type bonds with share acquisition rights	10,000,000	-
Long-term borrowings	19,910,946	18,690,727
Retirement benefit liability	644,987	685,319
Asset retirement obligations	125,810	126,013
Other	970,679	904,123
Total non-current liabilities	34,926,923	23,390,684
Total liabilities	88,471,763	88,313,113
<b>Net assets</b>		
Shareholders' equity		
Share capital	1,340,150	1,340,150
Capital surplus	1,238,646	1,238,646
Retained earnings	48,355,046	51,416,206
Treasury shares	(462)	(462)
Total shareholders' equity	50,933,380	53,994,540
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(35,302)	29,322
Foreign currency translation adjustment	(44,860)	22,085
Remeasurements of defined benefit plans	(32,561)	(26,827)
Total accumulated other comprehensive income	(112,724)	24,580
Non-controlling interests	2,498,689	2,808,340
Total net assets	53,319,345	56,827,460
Total liabilities and net assets	141,791,109	145,140,574

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income

## Quarterly Consolidated Statements of Income

Six Months Ended February 28 and 29

(Thousand yen)

	For the six months ended February 28, 2021	For the six months ended February 28, 2022
Net sales	55,532,490	62,076,625
Cost of sales	47,131,684	52,000,866
Gross profit	8,400,806	10,075,758
Selling, general and administrative expenses	4,350,399	4,743,003
Operating profit	4,050,406	5,332,755
Non-operating income		
Interest income	39,113	24,229
Dividend income	121	369,302
Foreign exchange gains	7,541	192,826
Cancellation income of advance money on a contract	4,300	7,750
Subsidy income	186,190	71,900
Surrender value of insurance policies	113,913	61
Consumption taxes refund	134,734	-
Gain on investments in investment partnerships	-	235,316
Other	139,866	221,076
Total non-operating income	625,781	1,122,464
Non-operating expenses		
Interest expenses	295,782	233,885
Commission such as financings	47,019	70,366
Other	26,895	23,663
Total non-operating expenses	369,697	327,915
Ordinary profit	4,306,490	6,127,304
Extraordinary income		
Gain on sale of non-current assets	45,753	-
Gain on sale of investment securities	-	27,154
Total extraordinary income	45,753	27,154
Profit before income taxes	4,352,243	6,154,458
Income taxes	1,479,481	1,908,901
Profit	2,872,762	4,245,557
Profit attributable to non-controlling interests	205,771	335,714
Profit attributable to owners of parent	2,666,990	3,909,843

Quarterly Consolidated Statements of Comprehensive Income

Six Months Ended February 28

(Thousand yen)

	For the six months ended February 28, 2021	For the six months ended February 28, 2022
Profit	2,872,762	4,245,557
Other comprehensive income		
Valuation difference on available-for-sale securities	157,951	64,624
Foreign currency translation adjustment	32,461	5,734
Remeasurements of defined benefit plans, net of tax	7,263	66,945
Total other comprehensive income	197,677	137,304
Comprehensive income	3,070,439	4,382,861
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,864,668	4,047,147
Comprehensive income attributable to non-controlling interests	205,771	335,714

## (4) Quarterly Consolidated Statements of Cash Flows

(Thousand yen)

	For the six months ended February 28, 2021	For the six months ended February 28, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,352,243	6,154,458
Depreciation	338,133	254,593
Amortization of goodwill	49,315	81,205
Increase (decrease) in allowance for doubtful accounts	23,061	(7,783)
Increase (decrease) in provision for bonuses	29,187	(52,729)
Increase (decrease) in retirement benefit liability	11,817	48,597
Interest and dividend income	(39,235)	(393,532)
Interest expenses	295,782	233,885
Loss (gain) on sale of investment securities	-	(27,154)
Loss (gain) on sale of non-current assets	(45,753)	-
Surrender value of insurance policies	(113,913)	-
Decrease (increase) in trade receivables	(1,378,487)	(605,840)
Decrease (increase) in inventories	(2,120,733)	(9,268,521)
Decrease (increase) in advance payments to suppliers	975,877	147,955
Decrease (increase) in advances paid	(25,712)	(299,063)
Increase (decrease) in trade payables	1,409,395	(1,496,342)
Increase (decrease) in advances received	547,047	142,887
Increase (decrease) in leasehold and guarantee deposits received	(13,081)	22,986
Other, net	(124,493)	(1,355,310)
Subtotal	4,170,451	(6,419,706)
Interest and dividends received	39,235	393,532
Interest paid	(263,032)	(238,318)
Income taxes paid	(1,589,106)	(3,936,109)
Net cash provided by (used in) operating activities	2,357,548	(10,200,602)
<b>Cash flows from investing activities</b>		
Payments into time deposits	(20,358)	(12,000)
Proceeds from withdrawal of time deposits	154,844	412,006
Purchase of property, plant and equipment	(53,933)	(45,166)
Proceeds from sale of property, plant and equipment	204,348	-
Purchase of intangible assets	(29,130)	(24,213)
Purchase of investment securities	(142,657)	-
Proceeds from share of profits on investment securities	-	10,687
Proceeds from withdrawal of investments in silent partnerships	-	1,170,451
Proceeds from cancellation of insurance funds	250,508	9,336
Loan advances to subsidiaries and associates	(445,502)	-
Other, net	(241,506)	519,483
Net cash provided by (used in) investing activities	(323,387)	2,040,583
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	21,521,825	26,176,050
Repayments of short-term borrowings	(21,373,455)	(18,879,250)
Proceeds from long-term borrowings	6,799,722	3,784,593
Repayments of long-term borrowings	(9,002,989)	(7,153,086)
Proceeds from issuance of bonds	-	500,000
Redemption of bonds	(420,000)	(424,000)
Dividends paid	(509,527)	(848,087)
Dividends paid to non-controlling interests	(19,560)	(31,786)
Other, net	(6,805)	(6,946)
Net cash provided by (used in) financing activities	(3,010,790)	3,117,486
Effect of exchange rate change on cash and cash equivalents	33,710	82,079
Net increase (decrease) in cash and cash equivalents	(942,919)	(4,960,453)
Cash and cash equivalents at beginning of period	27,755,076	35,702,776
Cash and cash equivalents at end of period	26,812,157	30,742,322