

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

Consolidated Financial Results for the Three Months Ended November 30, 2021 [Japanese GAAP]



January 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: January 14, 2022

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, 2021 (September 1, 2021 to November 30, 2021)

(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, 2021	21,583	(12.4)	1,498	4.7	1,544	(9.2)	988	(3.5)
November 30, 2020	24,649	14.5	1,431	17.7	1,700	54.4	1,024	56.1

(Note) Comprehensive income: Three months ended November 30, 2021: ¥1,122 million [0.5%]

Three months ended November 30, 2020: ¥1,116 million [69.0%]

	Basic profit per share	Diluted profit per share
Three months ended	Yen	Yen
November 30, 2021	46.59	38.74
November 30, 2020	48.29	40.28

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2021	142,617	53,560	35.8
As of August 31, 2021	141,791	53,319	35.8

(Reference) Equity: As of November 30, 2021: ¥51,077 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	-				
Fiscal year ending August 31, 2022 (Forecast)		37.50	-	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
First half	57,282	3.2	4,024	(0.6)	3,647	(15.3)	2,383	(10.6)	112.32
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):
 - November 30, 2021: 21,217,600 shares
 - August 31, 2021: 21,217,600 shares
 - 2) Total number of treasury shares at the end of the period:
 - November 30, 2021: 521 shares
 - August 31, 2021: 521 shares
 - 3) Average number of shares during the period:
 - Three months ended November 30, 2021: 21,217,079 shares
 - Three months ended November 30, 2020: 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, 2021	As of November 30, 2021
Assets		
Current assets		
Cash and deposits	36,283,555	23,045,659
Notes and accounts receivable - trade	7,773,374	-
Notes and accounts receivable - trade, and contract assets	-	8,129,863
Real estate for sale	34,446,282	41,185,321
Real estate for sale in process	40,478,646	43,858,556
Costs on construction contracts in progress	757,016	1,118,116
Other	1,811,226	6,831,936
Allowance for doubtful accounts	(7,523)	(12,093)
Total current assets	121,542,579	124,157,360
Non-current assets		
Property, plant and equipment		
Buildings and structures	6,320,089	6,302,016
Accumulated depreciation	(1,046,068)	(1,133,955)
Buildings and structures, net	5,274,021	5,168,061
Land	4,069,961	4,059,689
Other	483,978	504,612
Accumulated depreciation	(306,410)	(314,782)
Other, net	177,567	189,829
Total property, plant and equipment	9,521,551	9,417,580
Intangible assets	1,438,330	1,404,431
Investments and other assets		
Other	9,546,496	7,896,076
Allowance for doubtful accounts	(257,848)	(257,800)
Total investments and other assets	9,288,648	7,638,275
Total non-current assets	20,248,529	18,460,287
Total assets	141,791,109	142,617,647

(Thousand yen)

	As of August 31, 2021	As of November 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	14,008,432	11,938,121
Short-term borrowings	19,273,631	24,938,326
Current portion of long-term borrowings	10,536,506	11,158,589
Current portion of bonds payable	1,210,000	1,496,000
Current portion of convertible bond-type bonds with share acquisition rights	-	10,000,000
Income taxes payable	3,930,603	328,247
Provision for bonuses	468,425	224,653
Other	4,117,240	4,645,818
Total current liabilities	53,544,839	64,729,756
Non-current liabilities		
Bonds payable	3,274,500	2,634,500
Convertible bond-type bonds with share acquisition rights	10,000,000	-
Long-term borrowings	19,910,946	19,976,804
Retirement benefit liability	644,987	668,987
Asset retirement obligations	125,810	125,913
Other	970,679	920,809
Total non-current liabilities	34,926,923	24,327,014
Total liabilities	88,471,763	89,056,771
Net assets		
Shareholders' equity		
Share capital	1,340,150	1,340,150
Capital surplus	1,238,646	1,238,646
Retained earnings	48,355,046	48,494,939
Treasury shares	(462)	(462)
Total shareholders' equity	50,933,380	51,073,274
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(35,302)	34,808
Foreign currency translation adjustment	(44,860)	(646)
Remeasurements of defined benefit plans	(32,561)	(29,694)
Total accumulated other comprehensive income	(112,724)	4,467
Non-controlling interests	2,498,689	2,483,134
Total net assets	53,319,345	53,560,875
Total liabilities and net assets	141,791,109	142,617,647

(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, 2020	For the three months ended November 30, 2021
Net sales	24,649,711	21,583,659
Cost of sales	21,111,613	17,908,354
Gross profit	3,538,098	3,675,304
Selling, general and administrative expenses	2,106,618	2,176,829
Operating profit	1,431,479	1,498,475
Non-operating income		
Interest income	9,137	8,753
Dividend income	7	24,188
Foreign exchange gains	-	84,683
Cancellation income of advance money on a contract	1,500	3,950
Subsidy income	131,913	20,137
Surrender value of insurance policies	113,849	61
Consumption taxes refund	134,561	-
Other	101,275	63,872
Total non-operating income	492,245	205,646
Non-operating expenses		
Interest expenses	150,397	108,761
Commission such as financings	30,656	37,060
Other	42,256	13,525
Total non-operating expenses	223,310	159,347
Ordinary profit	1,700,415	1,544,774
Extraordinary income		
Gain on sale of non-current assets	23,084	-
Gain on sale of investment securities	-	27,154
Total extraordinary income	23,084	27,154
Profit before income taxes	1,723,499	1,571,929
Income taxes	604,480	567,092
Profit	1,119,019	1,004,837
Profit attributable to non-controlling interests	94,343	16,260
Profit attributable to owners of parent	1,024,676	988,576

Quarterly Consolidated Statements of Comprehensive Income

Three Months Ended November 30

(Thousand yen)

	For the three months ended November 30, 2020	For the three months ended November 30, 2021
Profit	1,119,019	1,004,837
Other comprehensive income		
Valuation difference on available-for-sale securities	(13,925)	70,110
Foreign currency translation adjustment	7,918	44,214
Remeasurements of defined benefit plans, net of tax	3,631	2,867
Total other comprehensive income	(2,374)	117,191
Comprehensive income	1,116,644	1,122,029
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,022,301	1,105,768
Comprehensive income attributable to non-controlling interests	94,343	16,260