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## Non-consolidated Financial Results for the Year Ended March 31, 2021 [Japanese GAAP]

May 14, 2021

Company name: Meiho Facility Works Ltd.

Stock exchange listing: Tokyo

Code number: 1717

URL: <https://www.meiho.co.jp/>

Representative: Yoshi Onuki

President and Representative Director

Executive Director General Manager of Corporate Planning  
Division

Contact: Kazuo Oshima

Phone: 03-5211-0066

Scheduled date of Annual General Meeting of Shareholders: June 25, 2021

Scheduled date of commencing dividend payments: June 08, 2021

Scheduled date of filing annual securities report: June 25, 2021

Availability of supplementary briefing material on annual financial results: Yes

Yes

Schedule of annual financial results briefing session: (Scheduled to be distributed as a video for the purpose of preventing the spread of covid-19 infection)

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

### 1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (April 01, 2020 to March 31, 2021)

#### (1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

|                   | Net sales   |        | Operating profit |      | Ordinary profit |      | Net income  |       |
|-------------------|-------------|--------|------------------|------|-----------------|------|-------------|-------|
|                   | Million yen | %      | Million yen      | %    | Million yen     | %    | Million yen | %     |
| Fiscal year ended |             |        |                  |      |                 |      |             |       |
| March 31, 2021    | 4,240       | (2.6)  | 909              | 0.8  | 910             | 0.5  | 620         | (3.0) |
| March 31, 2020    | 4,353       | (22.2) | 902              | 16.6 | 906             | 16.2 | 639         | 13.8  |

|                   | Basic earnings per share | Diluted earnings per share | Rate of return on equity | Ordinary profit to total assets ratio | Operating profit to net sales ratio |
|-------------------|--------------------------|----------------------------|--------------------------|---------------------------------------|-------------------------------------|
|                   | Yen                      | Yen                        | %                        | %                                     | %                                   |
| Fiscal year ended |                          |                            |                          |                                       |                                     |
| March 31, 2021    | 52.30                    | 51.38                      | 15.6                     | 16.5                                  | 21.5                                |
| March 31, 2020    | 52.98                    | 51.99                      | 16.7                     | 16.1                                  | 20.7                                |

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2021: ¥ - million  
Fiscal year ended March 31, 2020: ¥ - million

#### (2) Non-consolidated Financial Position

|                | Total assets | Net assets  | Capital adequacy ratio | Net assets per share |
|----------------|--------------|-------------|------------------------|----------------------|
|                | Million yen  | Million yen | %                      | Yen                  |
| As of          |              |             |                        |                      |
| March 31, 2021 | 5,504        | 3,966       | 71.0                   | 343.49               |
| March 31, 2020 | 5,519        | 4,127       | 73.5                   | 333.97               |

(Reference) Equity: As of March 31, 2021: ¥ 3,907 million  
As of March 31, 2020: ¥ 4,055 million

#### (3) Non-consolidated Cash Flows

|                   | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|------------------------------------------------|
|                   | Million yen                          | Million yen                          | Million yen                          | Million yen                                    |
| Fiscal year ended |                                      |                                      |                                      |                                                |
| March 31, 2021    | 590                                  | (135)                                | (850)                                | 1,438                                          |
| March 31, 2020    | (146)                                | (143)                                | (252)                                | 1,834                                          |

## 2. Dividends

|                              | Annual dividends |                 |                 |          |       | Total dividends | Payout ratio | Dividends to net assets |
|------------------------------|------------------|-----------------|-----------------|----------|-------|-----------------|--------------|-------------------------|
|                              | 1st quarter-end  | 2nd quarter-end | 3rd quarter-end | Year-end | Total |                 |              |                         |
| Fiscal year ended            | Yen              | Yen             | Yen             | Yen      | Yen   | Million yen     | %            | %                       |
| March 31, 2020               | -                | 0.00            | -               | 21.50    | 21.50 | 261             | 40.6         | 6.8                     |
| March 31, 2021               | -                | 0.00            | -               | 26.00    | 26.00 | 309             | 49.7         | 7.7                     |
| Fiscal year ending           |                  |                 |                 |          |       |                 |              |                         |
| March 31, 2022<br>(Forecast) | -                | 0.00            | -               | 28.00    | 28.00 |                 | 50.2         |                         |

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2020 :

|                                                                                     |           |
|-------------------------------------------------------------------------------------|-----------|
| Common dividend                                                                     | 16.50 yen |
| Commemorative dividend for listing on the first section of the Tokyo Stock Exchange | 5.00 yen  |

## 3. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022 (April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

|                                        | Net sales   |     | Operating profit |      | Ordinary profit |      | Net income  |      | Basic earnings per share |
|----------------------------------------|-------------|-----|------------------|------|-----------------|------|-------------|------|--------------------------|
|                                        | Million yen | %   | Million yen      | %    | Million yen     | %    | Million yen | %    | Yen                      |
| Six months ended<br>September 30, 2021 | 1,830       | 2.5 | 330              | 18.8 | 330             | 18.2 | 228         | 24.3 | 19.99                    |
| Full year                              | 4,270       | 0.7 | 920              | 1.1  | 920             | 1.0  | 638         | 2.8  | 55.73                    |

\* Notes:

(1) 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

(2) Total number of issued shares (common shares)

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

|                 |                   |
|-----------------|-------------------|
| March 31, 2021: | 12,775,900 shares |
| March 31, 2020: | 12,775,900 shares |

2) Total number of treasury shares at the end of the period:

|                 |                  |
|-----------------|------------------|
| March 31, 2021: | 1,401,403 shares |
| March 31, 2020: | 631,970 shares   |

3) Average number of shares during the period:

|                                   |                   |
|-----------------------------------|-------------------|
| Fiscal Year ended March 31, 2021: | 11,863,987 shares |
| Fiscal Year ended March 31, 2020: | 12,071,698 shares |

(Note) We have introduced a stock benefit trust for employees (J-ESOP). Since the shares owned by the trust are shown as treasury stock, they are included in the treasury stock in the calculation of the average number of shares during the period.

\*This Financial Results is not subject to audit procedures.

## Non-consolidated Financial Statements

### Non-consolidated Balance Sheets

(Thousand yen)

|                                                           | As of March 31,2020 | As of March 31,2021 |
|-----------------------------------------------------------|---------------------|---------------------|
| <b>Assets</b>                                             |                     |                     |
| <b>Current assets</b>                                     |                     |                     |
| Cash and deposits                                         | 1,834,097           | 1,438,834           |
| Notes receivable - trade                                  | 99,360              | 75,600              |
| Accounts receivable from completed construction contracts | 2,793,408           | 3,084,692           |
| Accounts receivable - trade                               | 40                  | 34                  |
| Costs on construction contracts in progress               | 9,536               | 7,482               |
| Supplies                                                  | -                   | 1,217               |
| Prepaid expenses                                          | 67,939              | 64,397              |
| Other                                                     | 4,824               | 13,421              |
| <b>Total current assets</b>                               | <b>4,809,206</b>    | <b>4,685,680</b>    |
| <b>Non-current assets</b>                                 |                     |                     |
| <b>Property, plant and equipment</b>                      |                     |                     |
| Buildings                                                 | 78,154              | 123,225             |
| Accumulated depreciation                                  | (55,528)            | (59,630)            |
| Buildings, net                                            | 22,625              | 63,595              |
| Tools, furniture and fixtures                             | 151,121             | 155,495             |
| Accumulated depreciation                                  | (108,503)           | (113,382)           |
| Tools, furniture and fixtures, net                        | 42,618              | 42,113              |
| <b>Total property, plant and equipment</b>                | <b>65,244</b>       | <b>105,708</b>      |
| <b>Intangible assets</b>                                  |                     |                     |
| Patent right                                              | 775                 | 1,026               |
| Software                                                  | 14,901              | 10,633              |
| Telephone subscription right                              | 1,467               | 1,467               |
| <b>Total intangible assets</b>                            | <b>17,144</b>       | <b>13,127</b>       |
| <b>Investments and other assets</b>                       |                     |                     |
| Investment securities                                     | 100,000             | 100,000             |
| Deferred tax assets                                       | 327,969             | 349,802             |
| Guarantee deposits                                        | 19,800              | 19,800              |
| Leasehold deposits                                        | 125,153             | 155,414             |
| Insurance funds                                           | 55,077              | 75,156              |
| <b>Total investments and other assets</b>                 | <b>628,000</b>      | <b>700,173</b>      |
| <b>Total non-current assets</b>                           | <b>710,389</b>      | <b>819,010</b>      |
| <b>Total assets</b>                                       | <b>5,519,596</b>    | <b>5,504,690</b>    |

(Thousand yen)

|                                                         | As of March 31,2020 | As of March 31,2021 |
|---------------------------------------------------------|---------------------|---------------------|
| <b>Liabilities</b>                                      |                     |                     |
| Current liabilities                                     |                     |                     |
| Accounts payable for construction contracts             | 32,030              | 37,740              |
| Accounts payable - trade                                | 22                  | 29                  |
| Accounts payable - other                                | 47,174              | 88,354              |
| Accrued expenses                                        | 83,930              | 98,021              |
| Income taxes payable                                    | 149,573             | 198,528             |
| Accrued consumption taxes                               | 104,277             | 50,545              |
| Advances received on construction contracts in progress | 4,252               | 57,653              |
| Deposits received                                       | 31,096              | 33,715              |
| Provision for bonuses                                   | 355,728             | 334,925             |
| Total current liabilities                               | 808,086             | 899,515             |
| Non-current liabilities                                 |                     |                     |
| Long-term accounts payable - other                      | 199,841             | 199,841             |
| Provision for retirement benefits                       | 384,625             | 438,658             |
| Total non-current liabilities                           | 584,466             | 638,499             |
| Total liabilities                                       | 1,392,553           | 1,538,014           |
| Net assets                                              |                     |                     |
| Shareholders' equity                                    |                     |                     |
| Share capital                                           | 543,404             | 543,404             |
| Capital surplus                                         |                     |                     |
| Legal capital surplus                                   | 349,676             | 349,676             |
| Other capital surplus                                   | 157,681             | 303,788             |
| Total capital surplus                                   | 507,358             | 653,464             |
| Retained earnings                                       |                     |                     |
| Legal retained earnings                                 | 6,159               | 6,159               |
| Other retained earnings                                 |                     |                     |
| General reserve                                         | 300,000             | 300,000             |
| Retained earnings brought forward                       | 2,784,577           | 3,143,964           |
| Total retained earnings                                 | 3,090,737           | 3,450,123           |
| Treasury shares                                         | (85,776)            | (739,935)           |
| Total shareholders' equity                              | 4,055,723           | 3,907,058           |
| Share acquisition rights                                | 71,319              | 59,617              |
| Total net assets                                        | 4,127,042           | 3,966,675           |
| Total liabilities and net assets                        | 5,519,596           | 5,504,690           |

Non-consolidated Statements of Income

(Thousand yen)

|                                                   | For the fiscal year<br>ended March 31,2020 | For the fiscal year<br>ended March 31,2021 |
|---------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Net sales                                         | 4,353,631                                  | 4,240,560                                  |
| Cost of sales                                     | 2,062,726                                  | 1,940,954                                  |
| Gross profit                                      | 2,290,904                                  | 2,299,605                                  |
| Selling, general and administrative expenses      | 1,387,941                                  | 1,389,680                                  |
| Operating profit                                  | 902,962                                    | 909,925                                    |
| Non-operating income                              |                                            |                                            |
| Interest income                                   | 38                                         | 3                                          |
| Gain on forfeiture of unclaimed dividends         | 593                                        | 358                                        |
| Insurance return                                  | 1,542                                      | -                                          |
| Gain on reversal of subscription rights to shares | 981                                        | 651                                        |
| Other                                             | 1,005                                      | 839                                        |
| Total non-operating income                        | 4,160                                      | 1,852                                      |
| Non-operating expenses                            |                                            |                                            |
| Commission for purchase of treasury shares        | -                                          | 1,035                                      |
| Loss on retirement of non-current assets          | 360                                        | 0                                          |
| Other                                             | 340                                        | -                                          |
| Total non-operating expenses                      | 701                                        | 1,035                                      |
| Ordinary profit                                   | 906,422                                    | 910,742                                    |
| Extraordinary losses                              |                                            |                                            |
| Cost of integration of offices                    | -                                          | 14,689                                     |
| Total extraordinary losses                        | -                                          | 14,689                                     |
| Profit before income taxes                        | 906,422                                    | 896,053                                    |
| Income taxes - current                            | 265,392                                    | 297,405                                    |
| Income taxes - deferred                           | 1,429                                      | (21,833)                                   |
| Total income taxes                                | 266,821                                    | 275,572                                    |
| Profit                                            | 639,600                                    | 620,481                                    |

Non-consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2020

(Thousand yen)

|                                                      | Shareholders' equity |                       |                       |                       |                         |                         |                                   |                         |
|------------------------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
|                                                      | Share capital        | Capital surplus       |                       |                       | Legal retained earnings | Other retained earnings |                                   | Total retained earnings |
|                                                      |                      | Legal capital surplus | Other capital surplus | Total capital surplus |                         | General reserve         | Retained earnings brought forward |                         |
| Balance at beginning of period                       | 543,404              | 349,676               | 109,779               | 459,455               | 6,159                   | 300,000                 | 2,396,508                         | 2,702,667               |
| Changes during period                                |                      |                       |                       |                       |                         |                         |                                   |                         |
| Exercise of share acquisition rights                 |                      |                       | 27,783                | 27,783                |                         |                         |                                   |                         |
| Dividends of surplus                                 |                      |                       |                       |                       |                         |                         | (251,531)                         | (251,531)               |
| Profit                                               |                      |                       |                       |                       |                         |                         | 639,600                           | 639,600                 |
| Purchase of treasury shares                          |                      |                       |                       |                       |                         |                         |                                   |                         |
| Disposal of treasury shares                          |                      |                       | 20,119                | 20,119                |                         |                         |                                   |                         |
| Net changes in items other than shareholders' equity |                      |                       |                       |                       |                         |                         |                                   |                         |
| Total changes during period                          | -                    | -                     | 47,902                | 47,902                | -                       | -                       | 388,069                           | 388,069                 |
| Balance at end of period                             | 543,404              | 349,676               | 157,681               | 507,358               | 6,159                   | 300,000                 | 2,784,577                         | 3,090,737               |

|                                                      | Shareholders' equity |                            | Share acquisition rights | Total net assets |
|------------------------------------------------------|----------------------|----------------------------|--------------------------|------------------|
|                                                      | Treasury shares      | Total shareholders' equity |                          |                  |
| Balance at beginning of period                       | (108,365)            | 3,597,162                  | 57,353                   | 3,654,515        |
| Changes during period                                |                      |                            |                          |                  |
| Exercise of share acquisition rights                 | 13,790               | 41,574                     |                          | 41,574           |
| Dividends of surplus                                 |                      | (251,531)                  |                          | (251,531)        |
| Profit                                               |                      | 639,600                    |                          | 639,600          |
| Purchase of treasury shares                          | (27)                 | (27)                       |                          | (27)             |
| Disposal of treasury shares                          | 8,826                | 28,945                     |                          | 28,945           |
| Net changes in items other than shareholders' equity |                      |                            | 13,965                   | 13,965           |
| Total changes during period                          | 22,588               | 458,561                    | 13,965                   | 472,527          |
| Balance at end of period                             | (85,776)             | 4,055,723                  | 71,319                   | 4,127,042        |

For the fiscal year ended March 31,2021

(Thousand yen)

|                                                      | Shareholders' equity |                       |                       |                       |                         |                   |                                   |                         |
|------------------------------------------------------|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------|-----------------------------------|-------------------------|
|                                                      | Share capital        | Capital surplus       |                       |                       | Legal retained earnings | Retained earnings |                                   | Total retained earnings |
|                                                      |                      | Legal capital surplus | Other capital surplus | Total capital surplus |                         | General reserve   | Retained earnings brought forward |                         |
| Balance at beginning of period                       | 543,404              | 349,676               | 157,681               | 507,358               | 6,159                   | 300,000           | 2,784,577                         | 3,090,737               |
| Changes during period                                |                      |                       |                       |                       |                         |                   |                                   |                         |
| Exercise of share acquisition rights                 |                      |                       | 20,923                | 20,923                |                         |                   |                                   |                         |
| Dividends of surplus                                 |                      |                       |                       |                       |                         |                   | (261,094)                         | (261,094)               |
| Profit                                               |                      |                       |                       |                       |                         |                   | 620,481                           | 620,481                 |
| Purchase of treasury shares                          |                      |                       |                       |                       |                         |                   |                                   |                         |
| Disposal of treasury shares                          |                      |                       | 125,183               | 125,183               |                         |                   |                                   |                         |
| Net changes in items other than shareholders' equity |                      |                       |                       |                       |                         |                   |                                   |                         |
| Total changes during period                          | -                    | -                     | 146,106               | 146,106               | -                       | -                 | 359,386                           | 359,386                 |
| Balance at end of period                             | 543,404              | 349,676               | 303,788               | 653,464               | 6,159                   | 300,000           | 3,143,964                         | 3,450,123               |

|                                                      | Shareholders' equity |                            | Share acquisition rights | Total net assets |
|------------------------------------------------------|----------------------|----------------------------|--------------------------|------------------|
|                                                      | Treasury shares      | Total shareholders' equity |                          |                  |
| Balance at beginning of period                       | (85,776)             | 4,055,723                  | 71,319                   | 4,127,042        |
| Changes during period                                |                      |                            |                          |                  |
| Exercise of share acquisition rights                 | 34,974               | 55,897                     |                          | 55,897           |
| Dividends of surplus                                 |                      | (261,094)                  |                          | (261,094)        |
| Profit                                               |                      | 620,481                    |                          | 620,481          |
| Purchase of treasury shares                          | (695,320)            | (695,320)                  |                          | (695,320)        |
| Disposal of treasury shares                          | 6,188                | 131,371                    |                          | 131,371          |
| Net changes in items other than shareholders' equity |                      |                            | (11,702)                 | (11,702)         |
| Total changes during period                          | (654,158)            | (148,665)                  | (11,702)                 | (160,367)        |
| Balance at end of period                             | (739,935)            | 3,907,058                  | 59,617                   | 3,966,675        |

Non-consolidated Statements of Cash Flows

(Thousand yen)

|                                                                                   | For the fiscal year<br>ended March 31,2020 | For the fiscal year<br>ended March 31,2021 |
|-----------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Cash flows from operating activities</b>                                       |                                            |                                            |
| Profit before income taxes                                                        | 906,422                                    | 896,053                                    |
| Depreciation                                                                      | 29,155                                     | 30,987                                     |
| Increase (decrease) in provision for bonuses                                      | (36,472)                                   | (20,802)                                   |
| Increase (decrease) in provision for retirement benefits                          | 51,989                                     | 54,033                                     |
| Interest and dividend income                                                      | (38)                                       | (3)                                        |
| Decrease (increase) in trade receivables                                          | (356,911)                                  | (267,517)                                  |
| Decrease (increase) in costs on construction contracts<br>in progress             | 10,563                                     | 2,053                                      |
| Increase (decrease) in trade payables                                             | (592,040)                                  | 5,717                                      |
| Increase (decrease) in advances received on<br>construction contracts in progress | 2,679                                      | 53,400                                     |
| Increase (decrease) in provision for loss on<br>construction contracts            | (871)                                      | -                                          |
| Other, net                                                                        | 145,484                                    | 85,130                                     |
| Subtotal                                                                          | 159,960                                    | 839,052                                    |
| Interest received                                                                 | 38                                         | 3                                          |
| Income taxes paid                                                                 | (306,097)                                  | (248,103)                                  |
| Net cash provided by (used in) operating activities                               | (146,098)                                  | 590,951                                    |
| <b>Cash flows from investing activities</b>                                       |                                            |                                            |
| Purchase of property, plant and equipment                                         | (23,043)                                   | (76,493)                                   |
| Purchase of intangible assets                                                     | (7,700)                                    | (701)                                      |
| Purchase of investment securities                                                 | (100,000)                                  | -                                          |
| Payments of leasehold deposits                                                    | (591)                                      | (64,338)                                   |
| Proceeds from refund of leasehold deposits                                        | -                                          | 33,362                                     |
| Payments of guarantee deposits                                                    | (19,800)                                   | -                                          |
| Proceeds from refund of guarantee deposits                                        | 20,302                                     | -                                          |
| Other, net                                                                        | (12,901)                                   | (27,542)                                   |
| Net cash provided by (used in) investing activities                               | (143,733)                                  | (135,712)                                  |
| <b>Cash flows from financing activities</b>                                       |                                            |                                            |
| Proceeds from exercise of employee share options                                  | 101                                        | 128                                        |
| Proceeds from disposal of treasury shares                                         | (27)                                       | 105,300                                    |
| Purchase of treasury shares                                                       | -                                          | (695,320)                                  |
| Dividends paid                                                                    | (252,292)                                  | (259,574)                                  |
| Other, net                                                                        | -                                          | (1,035)                                    |
| Net cash provided by (used in) financing activities                               | (252,218)                                  | (850,502)                                  |
| Net increase (decrease) in cash and cash equivalents                              | (542,050)                                  | (395,263)                                  |
| Cash and cash equivalents at beginning of period                                  | 2,376,148                                  | 1,834,097                                  |
| Cash and cash equivalents at end of period                                        | 1,834,097                                  | 1,438,834                                  |