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



April 14, 2022

Company name: JDC CORPORATION

Stock exchange listing: Tokyo Stock Exchange

Code number: 1887

URL: <https://www.n-kokudo.co.jp/>

Representative: Takeo Asakura, Representative Director and President

Contact: Hironori Otoishi, Deputy Director of Management Division and General Manager of Accounting Department

Phone: +81-3-3403-3311

Scheduled date of filing quarterly securities report: April 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 Nine Months Ended February 28, 2022 (June 1, 2021 to February 28, 2022)

(1) Consolidated Operating Results (% indicates changes from the corresponding period of the previous fiscal year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended February 28, 2022	85,640	(0.4)	2,440	(69.1)	2,889	(63.4)	2,155	(63.1)
February 28, 2021	86,011	(2.6)	7,907	(6.8)	7,903	(3.7)	5,850	0.9

(Note) Comprehensive income: Nine months ended February 28, 2022: ¥2,205 million [(63.6)%]  
Nine months ended February 28, 2021: ¥6,066 million [10.3%]

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Nine months ended February 28, 2022	24.66	24.60
February 28, 2021	67.46	67.18

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of February 28, 2022	144,697	74,311	51.1
As of May 31, 2021	148,766	74,211	49.6

(Reference) Equity: As of February 28, 2022: ¥73,953 million  
As of May 31, 2021: ¥73,830 million

### 2. Dividends

	Annual dividends				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Total
Fiscal year ended May 31, 2021	Yen -	Yen 10.00	Yen -	Yen 16.00	Yen 26.00
Fiscal year ending May 31, 2022	-	10.00	-		
Fiscal year ending May 31, 2022 (Forecast)				16.00	26.00

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

(Note) Breakdown of dividends

Interim dividends for	
the six months ended November 30, 2020:	¥10.00 ordinary dividends
Year-end dividends for	
the fiscal year ended May 31, 2021:	¥10.00 ordinary dividends and ¥6.00 special dividends
Interim dividends for the six months ended	
November 30, 2021:	¥10.00 ordinary dividends
Year-end dividends for the fiscal year ending	
May 31, 2022 (forecast):	¥10.00 ordinary dividends and ¥6.00 special dividends

### 3. Forecast of Consolidated Financial Results for Fiscal Year Ending May 31, 2022 (June 1, 2021 to May 31, 2022)

(% 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	126,700	7.6	7,300	(30.9)	7,600	(28.2)	6,800	(11.8)	77.81

(Note) Revision to the financial results forecast announced most recently: Yes

#### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New: One company (Company name) Nobeoka Solar Power LLC

(2) Accounting policies adopted specially for 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): 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 stock):

February 28, 2022: 98,255,000 shares

May 31, 2021: 98,255,000 shares

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

February 28, 2022: 10,578,046 shares

May 31, 2021: 11,064,846 shares

3) Average number of shares during the period:

Nine months ended February 28, 2022: 87,391,114 shares

Nine months ended February 28, 2021: 86,717,521 shares

(Notes) 1. The total number of treasury shares at the end of the period includes shares owned by Custody Bank of Japan, Ltd. (trust account E) as trust property of the Board Benefit Trust (J-ESOP) (1,047,800 shares as of February 28, 2022 and 1,118,700 shares as of May 31, 2021). The shares of JDC Corporation owned by Custody Bank of Japan, Ltd. (trust account E) constitute the treasury shares that are deducted in the calculation of the average number of shares during the period (1,081,987 shares for the nine months ended February 28, 2022 and 1,179,712 shares for the nine months ended February 28, 2021).

2. The total number of treasury shares at the end of the period includes shares owned by Custody Bank of Japan, Ltd. (trust account E) as trust property of the Stock Benefit Trust (Employee Stockholding Association Purchase-type) (210,100 shares as of February 28, 2022 and 489,800 shares as of May 31, 2021). The shares of JDC Corporation owned by Custody Bank of Japan, Ltd. (trust account E) constitute the treasury shares that are deducted in the calculation of the average number of shares during the period

(383,074 shares for the nine months ended February 28, 2022 and 488,643 shares for the nine months ended February 28, 2021).

\* These quarterly 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 forecasts are based on certain assumptions relating to economic situations and market trends deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

(Reference) Summary of Non-consolidated Financial Results

**1. Non-consolidated Financial Results for the Nine Months Ended February 28, 2022 (June 1, 2021 to February 28, 2022)**

(1) Non-consolidated Operating Results

(% indicates changes from the corresponding period of the previous fiscal year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended February 28, 2022	76,439	0.2	1,583	(78.6)	3,143	(58.1)	2,660	(52.2)
February 28, 2021	76,272	(6.7)	7,408	(7.8)	7,503	(4.2)	5,571	0.8

	Net Income per Share	Diluted Net Income per Share
	Yen	Yen
Nine months ended February 28, 2022	30.44	30.37
February 28, 2021	64.24	63.98

(2) Non-consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Million yen	Million yen	%
As of February 28, 2022	121,338	69,525	57.3
As of May 31, 2021	123,319	68,781	55.8

(Reference) Equity: As of February 28, 2022: ¥69,525 million

As of May 31, 2021: ¥68,781 million

**2. Forecast of Non-consolidated Financial Results for the Fiscal Year Ending May 31, 2022 (June 1, 2021 to May 31, 2022)**

(% indicates changes from the previous corresponding period.)

	Net Sales		Ordinary Profit		Profit		Basic Earnings per Share
	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	112,000	9.5	7,600	(17.7)	7,100	4.4	81.24

(Note) Revision to the financial results forecast announced most recently: Yes

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

The forecasts are based on certain assumptions relating to economic situations and market trends deemed reasonable as of the date of publication of this document. Actual results may differ significantly from these forecasts due to a wide range of factors.

## 2. Quarterly Consolidated Financial Statements and Primary Notes

### (1) Quarterly Consolidated Balance Sheet

(Million yen)

	As of May 31, 2021	As of February 28, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	46,954	23,371
Notes receivable, accounts receivable from completed construction contracts and other	32,502	47,629
Costs on construction contracts in progress	1,276	1,851
Costs on development business and other	2,448	2,653
Advances paid	4,011	2,234
Other	12,638	15,354
Allowance for doubtful accounts	(8)	(5)
Total current assets	99,823	93,088
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,928	7,672
Machinery, vehicles, tools, furniture and fixtures, net	14,663	14,807
Land	9,246	9,251
Other, net	2,649	4,081
Total property, plant and equipment	34,487	35,812
Intangible assets	766	1,879
Investments and other assets		
Investment securities	9,084	9,468
Retirement benefit asset	1,695	1,688
Deferred tax assets	94	139
Other	2,850	2,652
Allowance for doubtful accounts	(35)	(31)
Total investments and other assets	13,688	13,917
Total non-current assets	48,943	51,609
Total assets	148,766	144,697

(Million yen)

	As of May 31, 2021	As of February 28, 2022
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	17,362	19,610
Short-term borrowings	2,691	1,483
Income taxes payable	1,685	19
Advances received on construction contracts in progress	5,482	4,889
Advances received on development projects	213	126
Deposits received	5,345	5,003
Provision for warranties for completed construction	961	862
Provision for loss on construction contracts	49	143
Provision for bonuses	-	579
Provision for bonuses for directors (and other officers)	19	82
Provision for loss on business liquidation	126	130
Other	5,547	2,680
Total current liabilities	39,486	35,610
Non-current liabilities		
Bonds payable	3,000	3,000
Long-term borrowings	28,361	27,260
Provision for share awards	570	534
Provision for loss on litigation	4	19
Retirement benefit liability	496	507
Other	2,636	3,453
Total non-current liabilities	35,069	34,776
Total liabilities	74,555	70,386
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,012	5,012
Capital surplus	18,450	18,494
Retained earnings	51,348	51,194
Treasury shares	(2,425)	(2,206)
Total shareholders' equity	72,386	72,494
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,619	1,749
Deferred gains or losses on hedges	-	(82)
Remeasurements of defined benefit plans	(175)	(209)
Total accumulated other comprehensive income	1,444	1,458
Non-controlling interests	380	357
Total net assets	74,211	74,311
Total liabilities and net assets	148,766	144,697

(2) Quarterly Consolidated Statements of Income and Quarterly Comprehensive Income  
Quarterly Consolidated Statement of Income  
Nine months ended February 28

(Million yen)

	For the nine months ended February 28, 2021	For the nine months ended February 28, 2022
<b>Net sales</b>		
Net sales of completed construction contracts	77,509	79,952
Net sales in development business and other	8,501	5,688
<b>Total net sales</b>	<b>86,011</b>	<b>85,640</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	64,744	73,277
Cost of sales in development business and other	7,226	3,617
<b>Total cost of sales</b>	<b>71,971</b>	<b>76,895</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	12,765	6,675
Gross profit on development business and other	1,275	2,070
<b>Total gross profit</b>	<b>14,040</b>	<b>8,745</b>
<b>Selling, general and administrative expenses</b>	<b>6,132</b>	<b>6,305</b>
<b>Operating profit</b>	<b>7,907</b>	<b>2,440</b>
<b>Non-operating income</b>		
Interest income	0	1
Dividend income	238	247
Surrender value of insurance policies	-	625
Other	72	33
<b>Total non-operating income</b>	<b>311</b>	<b>907</b>
<b>Non-operating expenses</b>		
Interest expenses	139	283
Interest expenses of rental payments	47	43
Other	128	131
<b>Total non-operating expenses</b>	<b>315</b>	<b>458</b>
<b>Ordinary profit</b>	<b>7,903</b>	<b>2,889</b>
<b>Extraordinary income</b>		
Gain on sale of non-current assets	58	21
Gain on sale of investment securities	304	89
Other	15	-
<b>Total extraordinary income</b>	<b>378</b>	<b>110</b>
<b>Profit before income taxes</b>	<b>8,281</b>	<b>2,999</b>
<b>Income taxes - current</b>	<b>1,599</b>	<b>581</b>
<b>Income taxes - deferred</b>	<b>811</b>	<b>227</b>
<b>Total income taxes</b>	<b>2,411</b>	<b>808</b>
<b>Profit</b>	<b>5,870</b>	<b>2,190</b>
<b>Profit attributable to non-controlling interests</b>	<b>20</b>	<b>35</b>
<b>Profit attributable to owners of parent</b>	<b>5,850</b>	<b>2,155</b>

Quarterly Consolidated Statement of Comprehensive Income

Nine months ended February 28

(Million yen)

	For the nine months ended February 28, 2021	For the nine months ended February 28, 2022
Profit	5,870	2,190
Other comprehensive income		
Valuation difference on available-for-sale securities	122	129
Deferred gains or losses on hedges	-	(82)
Remeasurements of defined benefit plans, net of tax	74	(33)
Total other comprehensive income	196	14
Comprehensive income	6,066	2,205
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,046	2,170
Comprehensive income attributable to non-controlling interests	20	35



#### 4. Supplementary Information

[Non-consolidated] Status of orders, net sales and projects in process

##### 1) Orders

(Million yen)

Category		For the nine months ended February 28, 2021		For the nine months ended February 28, 2022		Change		For the fiscal year ended May 31, 2021	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	21,644	30.1%	5,477	13.0%	(16,167)	(74.7%)	24,385	18.9%
	Private sector in Japan	10,736	14.9%	13,189	31.2%	2,453	22.9%	29,596	22.9%
	Overseas	-	-	-	-	-	-	-	-
	Subtotal	32,380	45.1%	18,666	44.2%	(13,714)	(42.4%)	53,981	41.8%
Building Business	Public sector in Japan	13	0.0%	80	0.2%	66	493.4%	43	0.0%
	Private sector in Japan	29,362	40.9%	19,610	46.5%	(9,751)	(33.2%)	57,935	44.9%
	Overseas	3,167	4.4%	738	1.8%	(2,428)	(76.7%)	9,144	7.1%
	Subtotal	32,543	45.3%	20,429	48.4%	(12,113)	(37.2%)	67,123	52.0%
Total	Public sector in Japan	21,658	30.1%	5,557	13.2%	(16,100)	(74.3%)	24,429	18.9%
	Private sector in Japan	40,098	55.8%	32,800	77.7%	(7,298)	(18.2%)	87,531	67.8%
	Overseas	3,167	4.4%	738	1.8%	(2,428)	(76.7%)	9,144	7.1%
	Subtotal	64,923	90.4%	39,096	92.6%	(25,827)	(39.8%)	121,105	93.8%
Other Business		6,932	9.6%	3,110	7.4%	(3,821)	(55.1%)	7,995	6.2%
Grand total		71,855	100.0%	42,206	100.0%	(29,648)	(41.3%)	129,101	100.0%

##### 2) Net sales

(Million yen)

Category		For the nine months ended February 28, 2021		For the nine months ended February 28, 2022		Change		For the fiscal year ended May 31, 2021	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	19,328	25.3%	19,163	25.1%	(164)	(0.9%)	26,225	25.6%
	Private sector in Japan	11,949	15.7%	12,649	16.5%	700	5.9%	15,966	15.6%
	Overseas	-	-	-	-	-	-	-	-
	Subtotal	31,277	41.0%	31,813	41.6%	535	1.7%	42,191	41.3%
Building Business	Public sector in Japan	6,927	9.1%	2,194	2.9%	(4,733)	(68.3%)	8,697	8.5%
	Private sector in Japan	26,894	35.3%	33,645	44.0%	6,750	25.1%	37,317	36.5%
	Overseas	4,203	5.5%	5,706	7.5%	1,502	35.7%	6,009	5.9%
	Subtotal	38,026	49.9%	41,545	54.4%	3,519	9.3%	52,024	50.9%
Total	Public sector in Japan	26,256	34.4%	21,357	27.9%	(4,898)	(18.7%)	34,922	34.2%
	Private sector in Japan	38,844	50.9%	46,294	60.6%	7,450	19.2%	53,283	52.1%
	Overseas	4,203	5.5%	5,706	7.5%	1,502	35.7%	6,009	5.9%
	Subtotal	69,303	90.9%	73,359	96.0%	4,055	5.9%	94,216	92.1%
Other Business		6,968	9.1%	3,080	4.0%	(3,888)	(55.8%)	8,030	7.9%
Grand total		76,272	100.0%	76,439	100.0%	167	0.2%	102,246	100.0%

### 3) Projects in process

(Million yen)

Category		For the nine months ended February 28, 2021		For the nine months ended February 28, 2022		Change		For the fiscal year ended May 31, 2021	
		Amount	Composition ratio	Amount	Composition ratio	Amount	Percentage	Amount	Composition ratio
Civil Engineering Business	Public sector in Japan	42,022	34.9%	24,275	20.7%	(17,747)	(42.2%)	37,867	25.0%
	Private sector in Japan	20,790	17.3%	35,603	30.4%	14,812	71.2%	35,633	23.5%
	Overseas	-	-	-	-	-	-	-	-
	Subtotal	62,813	52.1%	59,878	51.1%	(2,934)	(4.7%)	73,500	48.4%
Building Business	Public sector in Japan	3,856	3.2%	-	-	(3,856)	(100.0%)	2,116	1.4%
	Private sector in Japan	43,358	36.0%	47,477	40.6%	4,118	9.5%	61,509	40.5%
	Overseas	10,466	8.7%	9,670	8.3%	(795)	(7.6%)	14,638	9.6%
	Subtotal	57,681	47.9%	57,147	48.8%	(533)	(0.9%)	78,264	51.6%
Total	Public sector in Japan	45,879	38.1%	24,275	20.7%	(21,603)	(47.1%)	39,983	26.3%
	Private sector in Japan	64,149	53.2%	83,080	71.0%	18,931	29.5%	97,143	64.0%
	Overseas	10,466	8.7%	9,670	8.3%	(795)	(7.6%)	14,638	9.6%
	Subtotal	120,495	100.0%	117,026	100.0%	(3,468)	(2.9%)	151,764	100.0%
Other Business		-	-	54	0.0%	54	-	1	0.0%
Grand total		120,495	100.0%	117,081	100.0%	(3,413)	(2.8%)	151,766	100.0%