

**Translation**

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2024 (Based on Japanese GAAP)

November 7, 2024

Company name: YAHAGI CONSTRUCTION CO., LTD.  
 Stock exchange listing: Tokyo, Nagoya  
 Stock code: 1870 URL <https://www.yahagi.co.jp/>  
 Representative: President and Director Mitsuhiro Takayanagi  
 Inquiries: General Manager of Accounting Department Yoshiki Saguchi TEL 052-935-2348  
 Scheduled date to file Semi-annual Securities Report: November 8, 2024  
 Scheduled date to commence dividend payments: November 29, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

## (1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2024	58,760	12.7	1,286	(13.5)	1,325	(15.3)	967	(4.9)
Six months ended September 30, 2023	52,158	25.7	1,487	(14.4)	1,564	(11.9)	1,017	(15.6)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Six months ended September 30, 2024	22.49		-	
Six months ended September 30, 2023	23.66		-	

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2024	121,829	65,948	54.1
As of March 31, 2024	126,000	66,538	52.8

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2024	-	30.00	-	30.00	60.00
Year ending March 31, 2025	-	40.00	-	-	-
Year ending March 31, 2025 (Forecast)	-	-	-	40.00	80.00

## 3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	140,000	16.8	8,200	(13.8)	8,200	(14.5)	5,400	(16.4)	125.55

4. Notes

- (1) Significant changes in the scope of consolidation during the six months ended September 30, 2024: No
- (2) Application of special accounting methods for preparing interim consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2024	44,607,457 shares	As of March 31, 2024	44,607,457 shares
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Number of treasury shares at the end of the period

As of September 30, 2024	1,582,273 shares	As of March 31, 2024	1,584,173 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	43,023,601 shares	Six months ended September 30, 2023	43,012,983 shares
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**Interim consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	19,987	16,392
Notes receivable, accounts receivable from completed construction contracts and other	39,564	39,937
Electronically recorded monetary claims - operating	93	103
Costs on construction contracts in progress	3,251	3,019
Real estate for sale	21,016	20,784
Merchandise and finished goods	6	20
Raw materials and supplies	825	884
Other	3,254	3,390
Allowance for doubtful accounts	(88)	(84)
Total current assets	87,910	84,447
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,846	16,091
Machinery, vehicles, tools, furniture and fixtures	3,921	4,075
Land	18,317	18,317
Leased assets	78	78
Construction in progress	163	—
Accumulated depreciation	(11,180)	(11,607)
Total property, plant and equipment	27,148	26,955
Intangible assets	728	704
Investments and other assets		
Investment securities	5,202	4,815
Retirement benefit asset	248	254
Deferred tax assets	3,792	3,562
Other	1,017	1,136
Allowance for doubtful accounts	(48)	(47)
Total investments and other assets	10,213	9,721
Total non-current assets	38,090	37,382
Total assets	126,000	121,829

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Liabilities</b>		
Current liabilities		
Accounts payable for construction contracts	11,112	11,444
Short-term borrowings	14,100	19,300
Income taxes payable	4,663	148
Advances received on construction contracts in progress	8,853	4,691
Provision for warranties for completed construction	441	442
Provision for loss on construction contracts	322	1,178
Provision for bonuses for directors (and other officers)	85	38
Other	4,128	2,493
Total current liabilities	43,708	39,738
Non-current liabilities		
Long-term borrowings	8,300	8,600
Deferred tax liabilities for land revaluation	221	221
Retirement benefit liability	3,680	3,712
Asset retirement obligations	449	461
Provision for share-based payments	136	160
Other	2,966	2,986
Total non-current liabilities	15,753	16,142
Total liabilities	59,461	55,880
<b>Net assets</b>		
Shareholders' equity		
Share capital	6,808	6,808
Capital surplus	7,244	7,244
Retained earnings	56,015	55,680
Treasury shares	(875)	(873)
Total shareholders' equity	69,192	68,859
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,326	2,093
Revaluation reserve for land	(5,882)	(5,882)
Remeasurements of defined benefit plans	894	869
Total accumulated other comprehensive income	(2,661)	(2,919)
Non-controlling interests	8	8
Total net assets	66,538	65,948
Total liabilities and net assets	126,000	121,829

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Net sales</b>		
Net sales of completed construction contracts	45,728	49,581
Net sales in real estate business and other	6,429	9,179
<b>Total net sales</b>	<b>52,158</b>	<b>58,760</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	41,170	46,171
Cost of sales in real estate business and other	4,610	6,167
<b>Total cost of sales</b>	<b>45,781</b>	<b>52,339</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	4,558	3,409
Gross profit on real estate business and other	1,819	3,011
<b>Total gross profit</b>	<b>6,377</b>	<b>6,421</b>
<b>Selling, general and administrative expenses</b>	<b>4,889</b>	<b>5,134</b>
<b>Operating profit</b>	<b>1,487</b>	<b>1,286</b>
<b>Non-operating income</b>		
Interest income	0	0
Dividend income	62	74
Other	78	38
<b>Total non-operating income</b>	<b>141</b>	<b>113</b>
<b>Non-operating expenses</b>		
Interest expenses	60	61
Other	3	13
<b>Total non-operating expenses</b>	<b>64</b>	<b>74</b>
<b>Ordinary profit</b>	<b>1,564</b>	<b>1,325</b>
<b>Extraordinary income</b>		
Gain on sale of investment securities	3	45
<b>Total extraordinary income</b>	<b>3</b>	<b>45</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	0	0
<b>Total extraordinary losses</b>	<b>0</b>	<b>0</b>
<b>Profit before income taxes</b>	<b>1,568</b>	<b>1,371</b>
Income taxes - current	455	57
Income taxes - deferred	95	345
<b>Total income taxes</b>	<b>550</b>	<b>403</b>
<b>Profit</b>	<b>1,017</b>	<b>968</b>
Profit attributable to non-controlling interests	—	0
<b>Profit attributable to owners of parent</b>	<b>1,017</b>	<b>967</b>

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	1,017	968
Other comprehensive income		
Valuation difference on available-for-sale securities	527	(233)
Remeasurements of defined benefit plans, net of tax	23	(24)
Total other comprehensive income	550	(257)
Comprehensive income	1,568	710
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,568	710
Comprehensive income attributable to non-controlling interests	—	0

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,568	1,371
Depreciation	502	511
Amortization of goodwill	40	40
Increase (decrease) in allowance for doubtful accounts	(1)	(4)
Interest and dividend income	(62)	(75)
Interest expenses	60	61
Loss (gain) on sale and retirement of property, plant and equipment	0	0
Decrease (increase) in trade receivables	83	(382)
Decrease (increase) in inventories	(3,937)	390
Increase (decrease) in trade payables	(953)	331
Increase (decrease) in advances received on construction contracts in progress	455	(4,161)
Other, net	(905)	(1,024)
Subtotal	(3,149)	(2,940)
Interest and dividends received	62	75
Interest paid	(61)	(62)
Income taxes paid	(1,026)	(4,404)
Net cash provided by (used in) operating activities	(4,174)	(7,332)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(865)	(428)
Other, net	48	(15)
Net cash provided by (used in) investing activities	(816)	(444)
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	10,000	8,000
Repayments of short-term borrowings	(6,000)	(2,500)
Proceeds from long-term borrowings	600	300
Repayments of long-term borrowings	(600)	(300)
Net decrease (increase) in treasury shares	(0)	—
Dividends paid	(1,041)	(1,302)
Other, net	(6)	(6)
Net cash provided by (used in) financing activities	2,951	4,191
Net increase (decrease) in cash and cash equivalents	(2,039)	(3,585)
Cash and cash equivalents at beginning of period	22,721	19,917
Cash and cash equivalents at end of period	20,681	16,332