

# The Consolidated Financial Results Briefing for the Six Months Ended September 30, 2024

YAHAGI CONSTRUCTION CO., LTD. Code no.: 1870 (Listed on Prime Market of Tokyo  
Stock Exchange and Premier Market of Nagoya Stock Exchange)

November 14, 2024

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# Financial Results for the Six Months Ended September 30, 2024

# Highlights of financial results for the six months ended September 30, 2024



## ■ Net sales

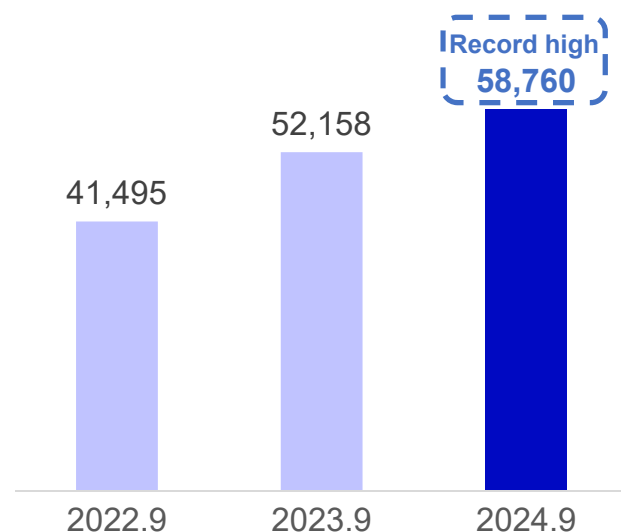
Net sales increased by ¥6.6 billion year on year to ¥58.7 billion, the second straight year a record-high interim figure has been achieved.

## ■ Profit

Gross profit remained on par with the same period of the previous fiscal year but selling, general and administrative expenses rose due to an increase in employee pay, with the result that operating profit declined by ¥0.2 billion year on year to ¥1.2 billion and interim profit decreased by ¥0.05 billion year on year to ¥0.9 billion.

### Net sales (JPY mil)

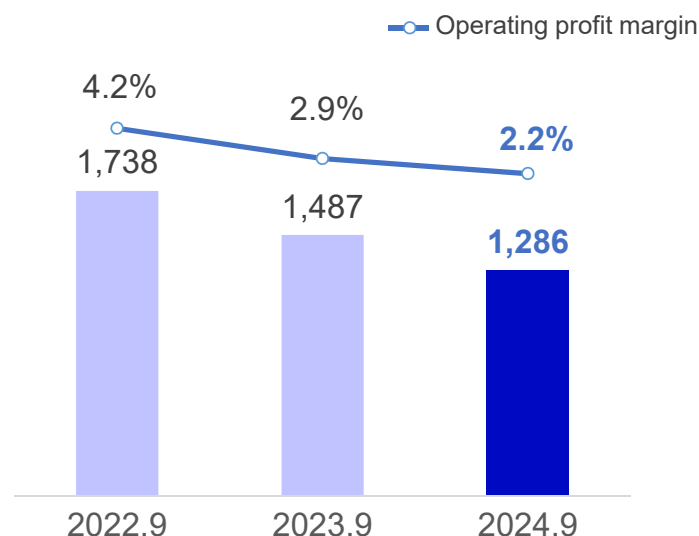
YoY ¥6.6 bn. (12.7%)



[Reference] Highest record as of the previous fiscal year: ¥52,158 million for the six months ended September 30, 2023

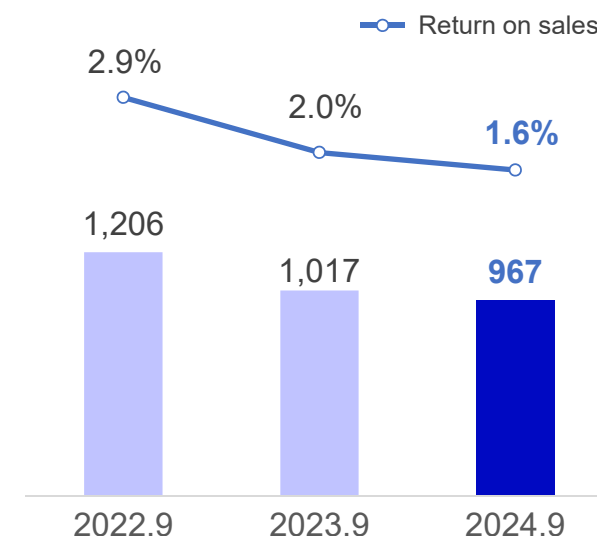
### Operating profit (JPY mil)

YoY ¥0.2 bn. (13.5%)



### Profit attributable to owners of parent (JPY mil)

YoY ¥0.05 bn. (4.9%)



# Financial results for the six months ended September 30, 2024



(Millions of Yen)

	Six months ended Sept.30, 2022 Actual	Six months ended Sept.30, 2023 Actual	Six months ended Sept.30, 2024 Actual	Year on year Increase/ decrease	Change
<b>Net sales</b>	41,495	52,158	<b>58,760</b>	6,602	12.7%
Net sales of completed construction contracts	35,715	45,728	49,581	3,852	8.4%
Net sales in real estate business and other	5,779	6,429	9,179	2,749	42.8%
<b>Gross profit</b>	5,995	6,377	<b>6,421</b>	43	0.7%
(Gross profit margin)	(14.4%)	(12.2%)	(10.9%)		▲1.3pt
Gross profit on completed construction contracts	4,003	4,558	3,409	▲1,148	▲25.2%
Gross profit on real estate business and other	1,992	1,819	3,011	1,192	65.5%
<b>Selling, general, and administrative expenses</b>	4,257	4,889	<b>5,134</b>	244	5.0%
<b>Operating profit</b>	1,738	1,487	<b>1,286</b>	▲200	▲13.5%
(Operating profit margin)	(4.2%)	(2.9%)	(2.2%)		▲0.7pt
<b>Ordinary profit</b>	1,775	1,564	<b>1,325</b>	▲238	▲15.3%
(Ordinary profit margin)	(4.3%)	(3.0%)	(2.3%)		▲0.7pt
<b>Profit attributable to owners of parent</b>	1,206	1,017	<b>967</b>	▲50	▲4.9%
(Return on sales)	(2.9%)	(2.0%)	(1.6%)		▲0.4pt

# Factors for increase or decrease in net sales/operating profit (vs results for the first six months ended September 30, 2023)



## ■ Net sales • • • Increased by ¥6.6 billion year on year, achieving a new high as in the same period of the previous year.

Construction business: Net sales increased by ¥3.8 billion due mainly to progress in a large logistics facility project and other construction projects.

Real estate business: Net sales increased by ¥2.7 billion year on year, thanks to the sale of industrial land developed by the Company and an increase in units sold in the condominiums for sale business.

## ■ Profit • • • Operating profit dropped by ¥0.2 billion year on year.

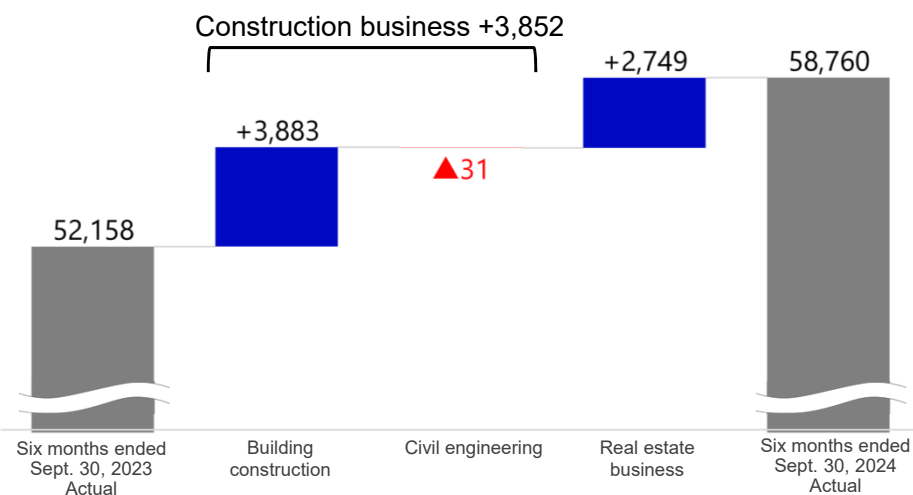
Construction business: Profit decreased by ¥1.1 billion year on year. This is explained mainly by the posting of provision for loss on construction contracts due partly to the impact of the increase in materials prices and the acquisition of profit attributable to a increase in the amount of certain large civil engineering projects due to huge changes in the previous year.

Real estate business: Profit rose ¥1.1 billion year on year, the result of the sale of profitable self-developed land for industrial use.

SG&A: Expenses rose ¥0.2 billion year on year due to increases in human capital investment including an increase in pay levels and in advertising and other expenses.

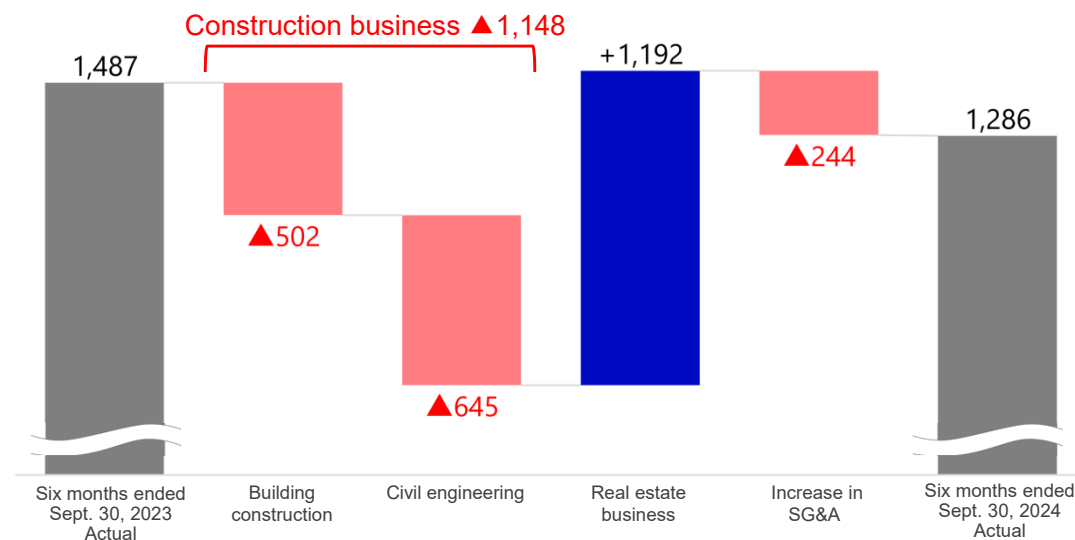
### Net sales (JPY mil)

YoY ¥6,602 mil. ↗



### Operating profit (JPY mil)

YoY ¥200 mil. ↘



# Comparison with financial forecasts (announced at the beginning of fiscal year on May 9, 2024)



(Millions of Yen)

	Six months ended Sept.30, 2024 Forecast	Six months ended Sept.30, 2024 Actual	vs forecasts	
			Increase/decrease	Achievement rate
<b>Net sales</b>	57,000	<b>58,760</b>	1,760	103.1%
Net sales of completed construction contracts	48,600	49,581	981	102.0%
Net sales in real estate business and other	8,400	9,179	779	109.3%
<b>Gross profit</b>	6,000	<b>6,421</b>	421	107.0%
<i>(Gross profit margin)</i>	<i>(10.5%)</i>	<i>(10.9%)</i>		<i>0.4pt</i>
Gross profit on completed construction contracts	3,400	3,409	9	100.3%
Gross profit on real estate business and other	2,600	3,011	411	115.8%
<b>Selling, general, and administrative expenses</b>	5,100	<b>5,134</b>	34	100.7%
<b>Operating profit</b>	900	<b>1,286</b>	386	143.0%
<i>(Operating profit margin)</i>	<i>(1.6%)</i>	<i>(2.2%)</i>		<i>0.6pt</i>
<b>Ordinary profit</b>	900	<b>1,325</b>	425	147.3%
<i>(Ordinary profit margin)</i>	<i>(1.6%)</i>	<i>(2.3%)</i>		<i>0.7pt</i>
<b>Profit attributable to owners of parent</b>	600	<b>967</b>	367	161.3%
<i>(Return on sales)</i>	<i>(1.1%)</i>	<i>(1.6%)</i>		<i>0.5pt</i>

# Factors for increase or decrease in net sales/operating profit (vs year-beginning forecasts)



## ■ Net sales • • • Up around ¥1.7 billion from the forecast

**Construction business:** Net sales surpassed the forecast by ¥0.9 billion after good progress mainly in the large logistics facility project in construction projects, despite progress being slower than expected on the whole following the delayed start of certain projects.

**Real estate business:** Net sales were ¥0.7 billion higher than forecast due to brisk sales in the condominiums for sale business, including the sell-out of the property that was completed and started deliveries in the current fiscal year.

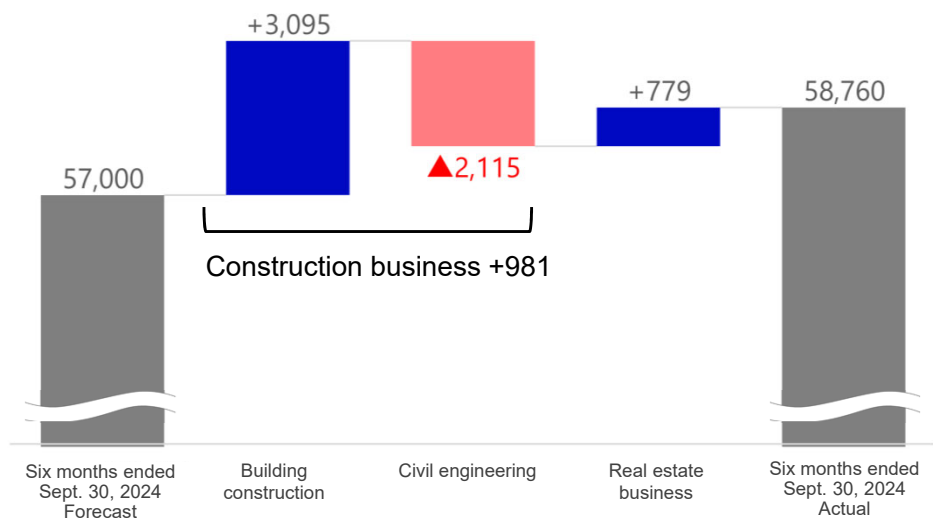
## ■ Profit • • • Operating profit was ¥0.3 billion higher than forecast.

**Construction business:** Operating profit was nearly as forecast as the growth of profit in construction projects offset the fall in profit in civil engineering.

**Real estate business:** Operating profit exceeded the forecast by ¥0.4 billion due to increased sales in the condominiums for sale business and higher profit than initially expected in the real estate sales business.

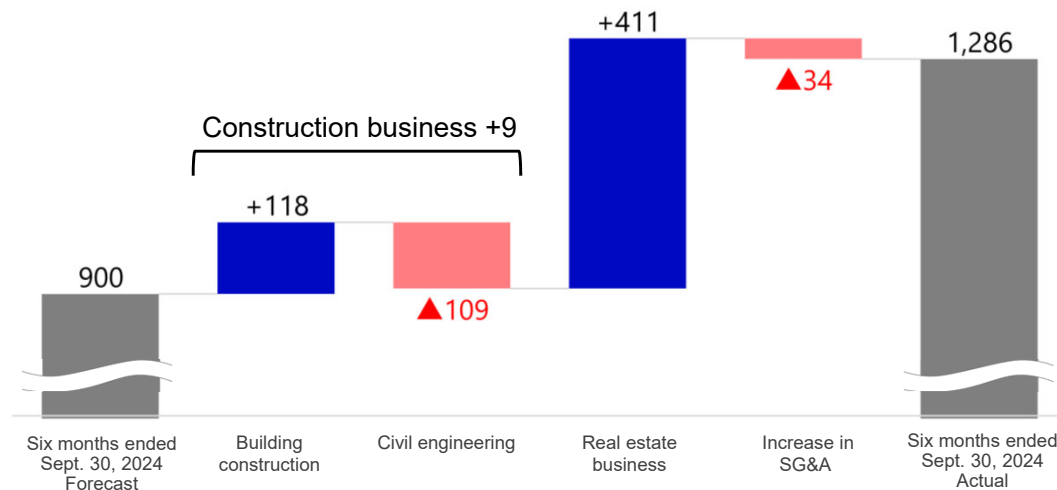
### Net sales (JPY mil)

YoY ¥1,760 mil.



### Operating profit (JPY mil)

YoY ¥386 mil.





## <Overall status by segment> Architectural business



### ■ Orders received

Increased massively, ¥39.9 billion year on year, as a result of orders received for multiple large construction projects such as a large logistics facility and a large office building.

### ■ Net sales

Increased by ¥3.8 billion year on year due to progress in construction, mainly in the large logistics facility project.

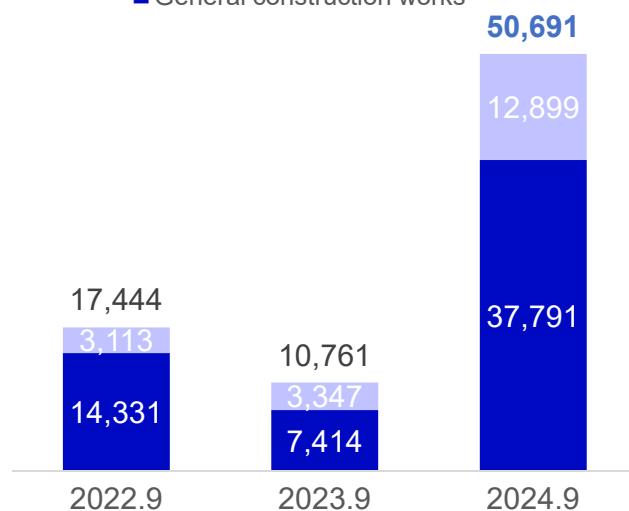
### ■ Gross profit

Decreased ¥0.5 billion year on year as a result of the posting of a provision for loss on construction contracts due partly to the impact of the increase of materials prices in some large construction projects, despite increased sales having a positive effect.

#### Orders received by use (JPY mil)

YoY ¥39.9 bn. (371.0%) ↗

■ Condominium construction works  
■ General construction works



#### Net sales by use (JPY mil)

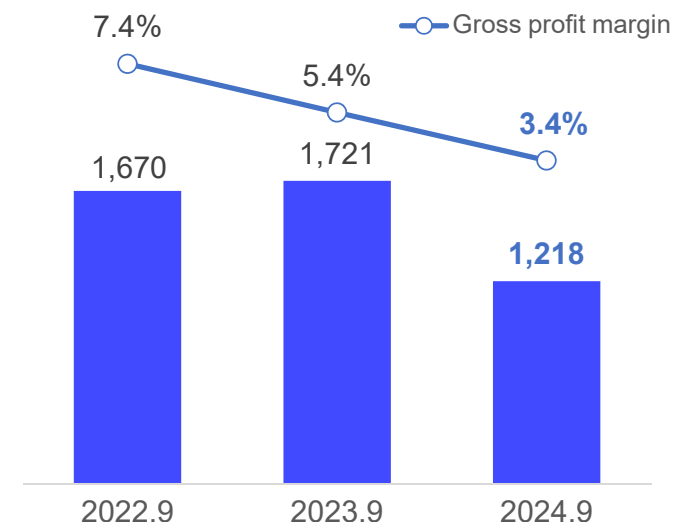
YoY ¥3.8 bn. (12.2%) ↗

■ Condominium construction works  
■ General construction works



#### Gross profit (JPY mil)

YoY ¥0.5 bn. (29.2%) ↗



## <Overall status by segment> Civil engineering business



### ■ Orders received

Increased significantly by ¥7.4 billion year on year following the receipt of orders for multiple large-scale construction projects mainly in the private sector.

### ■ Net sales

Stayed nearly flat year on year in all of the public and private projects.

### ■ Gross profit

Fell by ¥0.6 billion year on year, due partly to the acquisition of profit following an increase in the amount of some large projects due to significant changes at the time of completion in the first half of the previous fiscal year.

#### Orders received by use (JPY mil)

YoY **¥7.4 bn. (58.9%)**



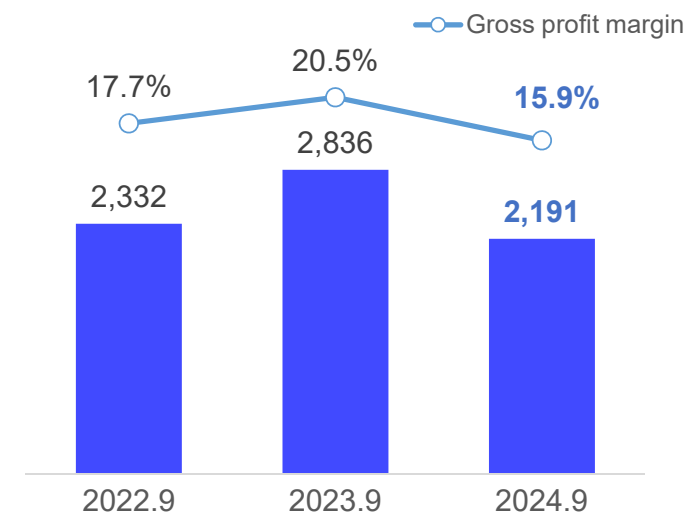
#### Net sales by use (JPY mil)

YoY **¥0.03 bn. (0.2%)**



#### Gross profit (JPY mil)

YoY **¥0.6 bn. (22.8%)**



\* PW works: Works performed by the Company's proprietary PAN WALL method for natural ground reinforcement.

## <Overall status by segment> Real estate business



### ■ Net sales

Increased ¥2.7 billion year on year following the sale of industrial land developed by the Company and an increase in units sold in the condominiums for sale business.

### ■ Gross profit

Increased ¥1.1 billion year on year due to the sale of self-developed land for industrial use with high profit margins.

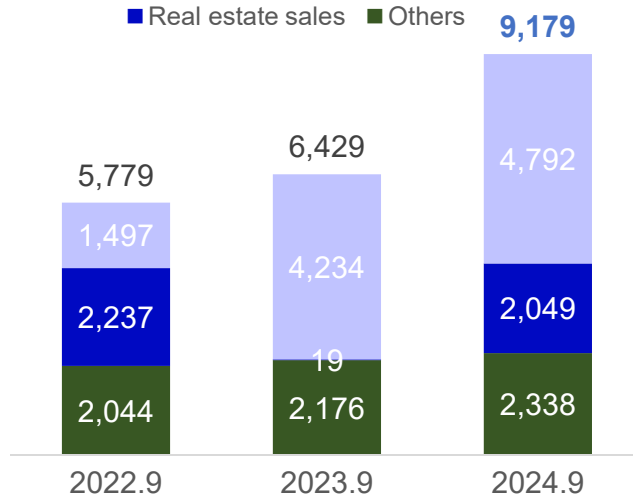
### ■ Condominiums for sale business

Increased by 31 units year on year, due mainly to the sell-out of the property that was completed and the start of deliveries this fiscal year.

#### Breakdown of net sales (JPY mil)

YoY **¥2.7 bn. (42.8%)**

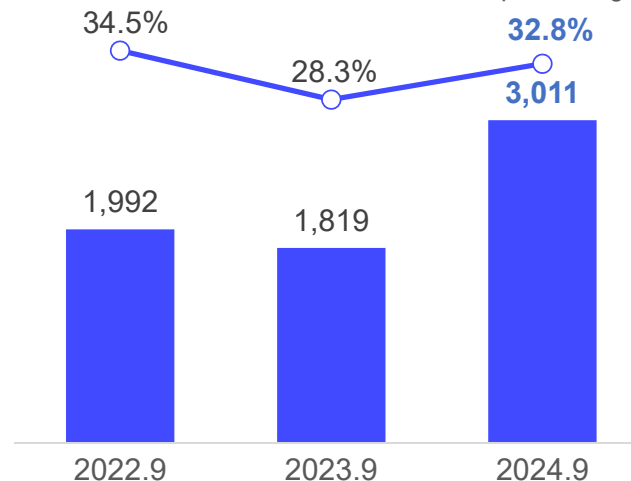
■ Condominiums for sale business  
■ Real estate sales ■ Others



#### Gross profit (JPY mil)

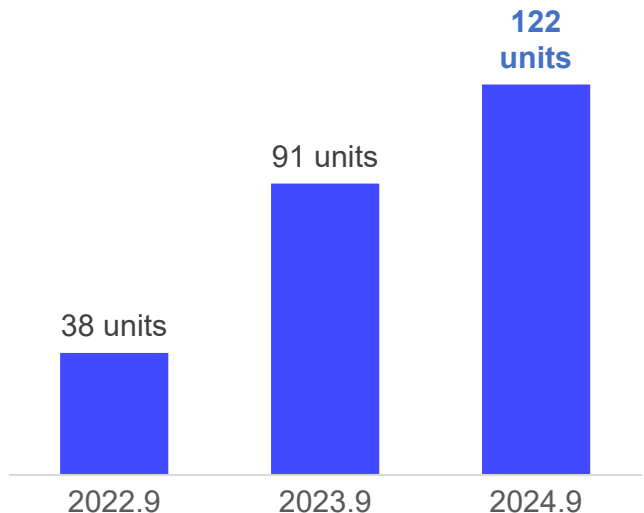
YoY **¥1.1 bn. (65.5%)**

○ Gross profit margin



#### Number of condominium units sold

YoY **¥31 units (34.1%)**



\* Others include businesses and other operations of subsidiaries that are not included in the leasing business, the brokerage business and the construction business.

# Consolidated financial position



- **Total assets:** Total assets decreased by ¥4.1 billion, reflecting a decrease in cash and deposits due to the revision of the required funds in hand and a decline in investments and other assets following the sale of cross-shareholdings.
- **Liabilities:** Total liabilities decreased ¥3.5 billion, due to a decrease in advances received on construction contracts in progress in view of the progress in the construction of the large logistics facility project and a drop in others in current liabilities following the payment of income taxes.
- **Net assets:** Net assets decreased by ¥0.5 billion due to the payment of dividends, even though retained earnings were recorded.

## Consolidated balance sheet

Assets		As of March 31, 2024 Actual	As of Sept. 30, 2024 Actual	Increase/ decrease
Current assets	Cash and deposits	19,987	16,392	▲3,595
	Trade receivables	39,657	40,040	382
	Costs on construction contracts in progress	3,251	3,019	▲232
	Real estate for sale	21,016	20,784	▲231
	Others	3,997	4,210	213
	<b>Total</b>	87,910	84,447	▲3,463
Non-current assets	Property, plant and equipment	27,148	26,955	▲193
	Intangible assets	728	704	▲23
	Investments and other assets	10,213	9,721	▲491
	<b>Total</b>	38,090	37,382	▲708
<b>Total assets</b>		126,000	121,829	▲4,171

(Millions of Yen)

Liabilities		As of March 31, 2024 Actual	As of Sept. 30, 2024 Actual	Increase/ decrease
Current liabilities	Trade payables	11,112	11,444	331
	Short-term borrowings	14,100	19,300	5,200
	Advances received on construction contracts in progress	8,853	4,691	▲4,161
	Others	9,642	4,301	▲5,340
	<b>Total</b>	43,708	39,738	▲3,970
Non-current liabilities	Long-term borrowings	8,300	8,600	300
	Others	7,453	7,542	89
	<b>Total</b>	15,753	16,142	389
<b>Total liabilities</b>		59,461	55,880	▲3,581
<b>Net assets</b>		66,538	65,948	▲589
<b>Total liabilities and net assets</b>		126,000	121,829	▲4,171

# Consolidated financial position



## □ Key management indicators

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	FYE March 2024 Actual	Six months ended Sept. 30, 2023 Actual	(Millions of Yen) Six months ended Sept. 30, 2024 Actual
Return on assets (ROA)	6.3%	5.0%	5.9%	7.5%	—	—
Return on equity (ROE)	6.2%	8.6%	7.6%	10.2%	—	—
Earnings per share (EPS)	¥75.86	¥112.18	¥104.83	¥150.23	—	—
Equity ratio	42.1%	49.4%	46.5%	52.8%	46.0%	54.1%
Interest-bearing debt	42,940	30,400	31,900	22,400	35,900	27,900
NET interest-bearing debt (*)	20,848	8,388	9,078	2,413	15,129	11,508

(\*) Net interest-bearing debt = interest-bearing debt - cash and deposits

## □ Consolidated statements of cash flows

	Six months ended Sept. 30, 2019 Actual	Six months ended Sept. 30, 2020 Actual	Six months ended Sept. 30, 2021 Actual	Six months ended Sept. 30, 2022 Actual	Six months ended Sept. 30, 2023 Actual	(Millions of Yen) Six months ended Sept. 30, 2024 Actual
Cash flow from operating activities	2,823	4,050	4,732	4,580	▲4,174	▲7,332
Cash flows from investing activities	▲1,462	▲0	▲2,014	▲586	▲816	▲444
Cash flow from financing activities	▲2,739	4,169	▲5,023	▲5,420	2,951	4,191

# Summary of orders received and carry forward to the next fiscal year



## ■ Orders received

Increased a substantial ¥47.3 billion year on year, to ¥70.7 billion, a new six-month high, after receiving a number of large construction projects including a large logistics facility and a large office building.

## ■ Carry forward to the next fiscal year

A significant ¥82.2 billion increase to ¥159.3 billion was recorded, setting a new six-month high, reflecting the buoyant orders received in the second half of the previous fiscal year and a large increase in orders received in the current fiscal year.

### □ Orders received

	Six months ended Sept. 30, 2022 Actual	Six months ended Sept. 30, 2023 Actual	Six months ended Sept. 30, 2024 Actual	(Millions of Yen) Year on year Increase/decrease Change	
Building construction	17,444	10,761	50,691	39,929	371.0%
Civil engineering	11,978	12,629	20,071	7,441	58.9%
Total	29,422	23,391	70,762	47,370	202.5%

### □ Carry forward to the next fiscal year

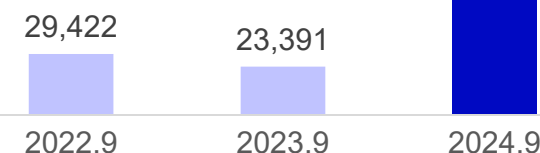
	Six months ended Sept. 30, 2022 Actual	Six months ended Sept. 30, 2023 Actual	Six months ended Sept. 30, 2024 Actual	(Millions of Yen) Year on year Increase/decrease Change	
Building construction	56,955	45,479	118,067	72,587	159.6%
Civil engineering	27,079	31,625	41,291	9,665	30.6%
Total	84,034	77,105	159,358	82,252	106.7%

## Orders received (JPY mil)

YoY **¥47.3 bn. (202.5%)**



Record high  
70,762



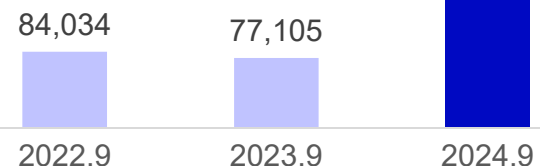
[Reference] Highest records as of the previous fiscal year  
¥52,370 million for the six months ended September 30, 2019

## Carry forward to the next fiscal year (JPY mil)

YoY **¥82.2 bn. (106.7%)**



Record high  
159,358



[Reference] Highest records as of the previous fiscal year  
¥99,306 million for the six months ended September 30, 2020



## II

# Financial Forecasts for the Fiscal Year Ending March 31, 2025

# Financial Forecasts for the FYE March 31, 2025



Full-year forecasts for the fiscal year ending March 31, 2025, are net sales of ¥140.0 billion (up ¥20.0 billion year on year) [record high], operating profit of ¥8.2 billion (down ¥1.3 billion year on year), and profit attributable to owners of parent of ¥5.4 billion (down ¥1.0 billion year on year).

\* While the six-month results exceeded forecasts, the full-year forecasts have not been changed from the forecasts announced on May 9, 2024. The Company will disclose any revision to the forecasts as soon as it becomes necessary.

## ■ Net sales

Overall net sales are expected to reach a record high, as in the previous fiscal year, due to an increase in sales in the construction business.

## ■ Profit

Profit at each level is expected to fall below the figures for the previous fiscal year. While profit will rise in the construction business, the real estate business will see profit at each level fall below the previous fiscal year, as the expected sale of large industrial land developed by the Company in the second half will not reach the level of the previous fiscal year, resulting in a decrease in profit.

### □ Consolidated financial forecasts for the fiscal year ending March 31, 2025

	FYE March 2024 Actual	FYE March 2025 Full-year forecasts	Year on year Increase/decrease	(Millions of Yen) Change
<b>Net sales</b>	119,824	<b>140,000</b>	20,175	16.8%
Net sales of completed construction contracts	96,230	119,000	22,770	23.7%
Net sales in real estate business and other	23,594	21,000	▲2,594	▲11.0%
<b>Gross profit</b>	19,797	<b>18,900</b>	▲897	▲4.5%
(Gross profit margin)	(16.5%)	(13.5%)		▲3.0pt
Gross profit on completed construction contracts	9,584	10,600	1,016	10.6%
Gross profit on real estate business and other	10,212	8,300	▲1,912	▲18.7%
<b>Selling, general, and administrative expenses</b>	10,282	<b>10,700</b>	418	4.1%
<b>Operating profit</b>	9,514	<b>8,200</b>	▲1,314	▲13.8%
(Operating profit margin)	(7.9%)	(5.9%)		▲2.0pt
<b>Ordinary profit</b>	9,588	<b>8,200</b>	▲1,388	▲14.5%
(Ordinary profit margin)	(8.0%)	(5.9%)		▲2.1pt
<b>Profit attributable to owners of parent</b>	6,462	<b>5,400</b>	▲1,062	▲16.4%
(Return on sales)	(5.4%)	(3.9%)		▲1.5pt



# Factors for increase or decrease in net sales/operating profit (vs results for the fiscal year ended March 31, 2024)



## ■ Net sales

**Construction business:** Net sales are expected to exceed the result of the previous fiscal year mainly due to progress in the largest-ever building construction project received in the previous fiscal year.

**Real estate business:** Net sales are expected to fall below the result of the previous fiscal year despite the planned sale of large-scale self-developed land for industrial use in the current fiscal year as it is not as large as lot No. 1 of the Obu Tokai Development Project sold in the previous fiscal year.

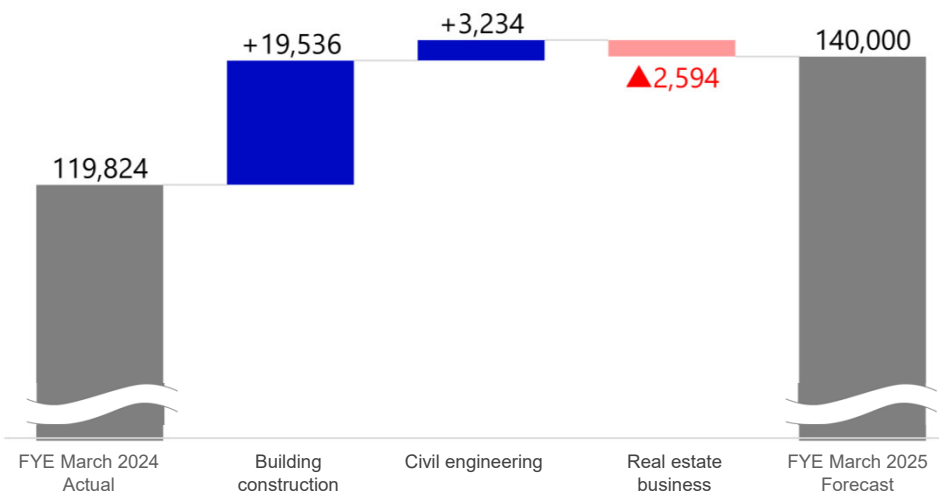
## ■ Profit

**Construction business:** Profit is expected to exceed the result of the previous fiscal year due to an increase in sales.

**Real estate business:** Profit is expected to fall below the result of the previous fiscal year due to a decrease in sales.

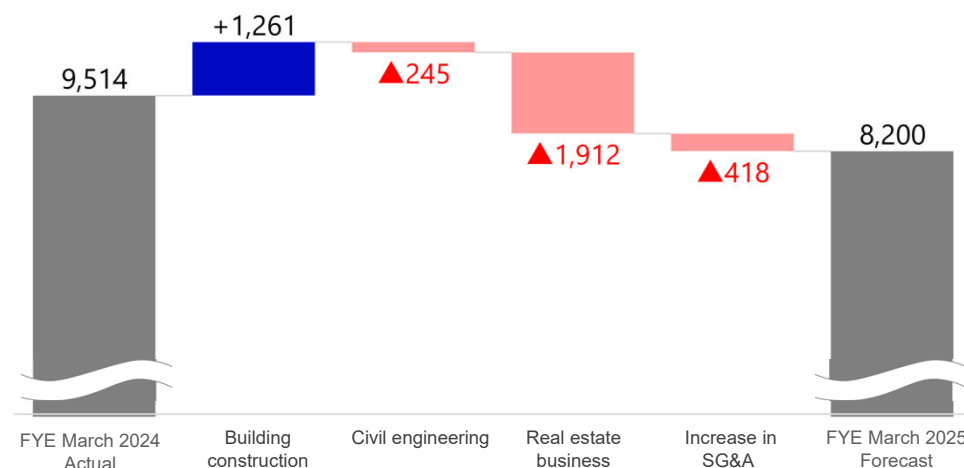
### Net sales (JPY mil)

YoY ¥20,175 mil.



### Operating profit (JPY mil)

YoY ¥1,314 mil.



# Shareholder Returns

# Dividend policy



## ■ Dividend policy

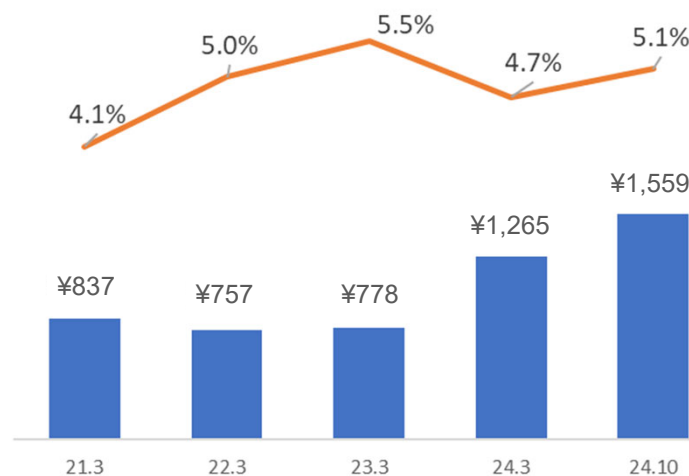
- Provide continuing and stable shareholder returns, while taking into account consolidated financial results and financial conditions.
- Target payout ratio of 30% or more.
- Consider purchasing treasury shares flexibly as needed, in light of growth investment conditions and market trends.

	FYE March 2020	FYE March 2021	FYE March 2022	FYE March 2023	FYE March 2024	FYE March 2025
Interim dividend	¥16	¥17	¥17	¥19	¥30	¥40 (actual)
Year-end dividend	¥18	¥17	¥21	¥24	¥30	¥40 (forecast)
Annual dividend	¥34 <sup>*1</sup>	¥34	¥38	¥43	¥60	¥80 <sup>*2</sup> (forecast)
Payout ratio (consolidated)	28.6%	44.8%	33.9%	41.0%	39.9%	63.7% (forecast)

\*1 Including commemorative dividend of ¥4 for the 70th anniversary of founding

\*2 Including commemorative dividend of ¥20 for the 75th anniversary of founding

## Average share price and average dividend yield



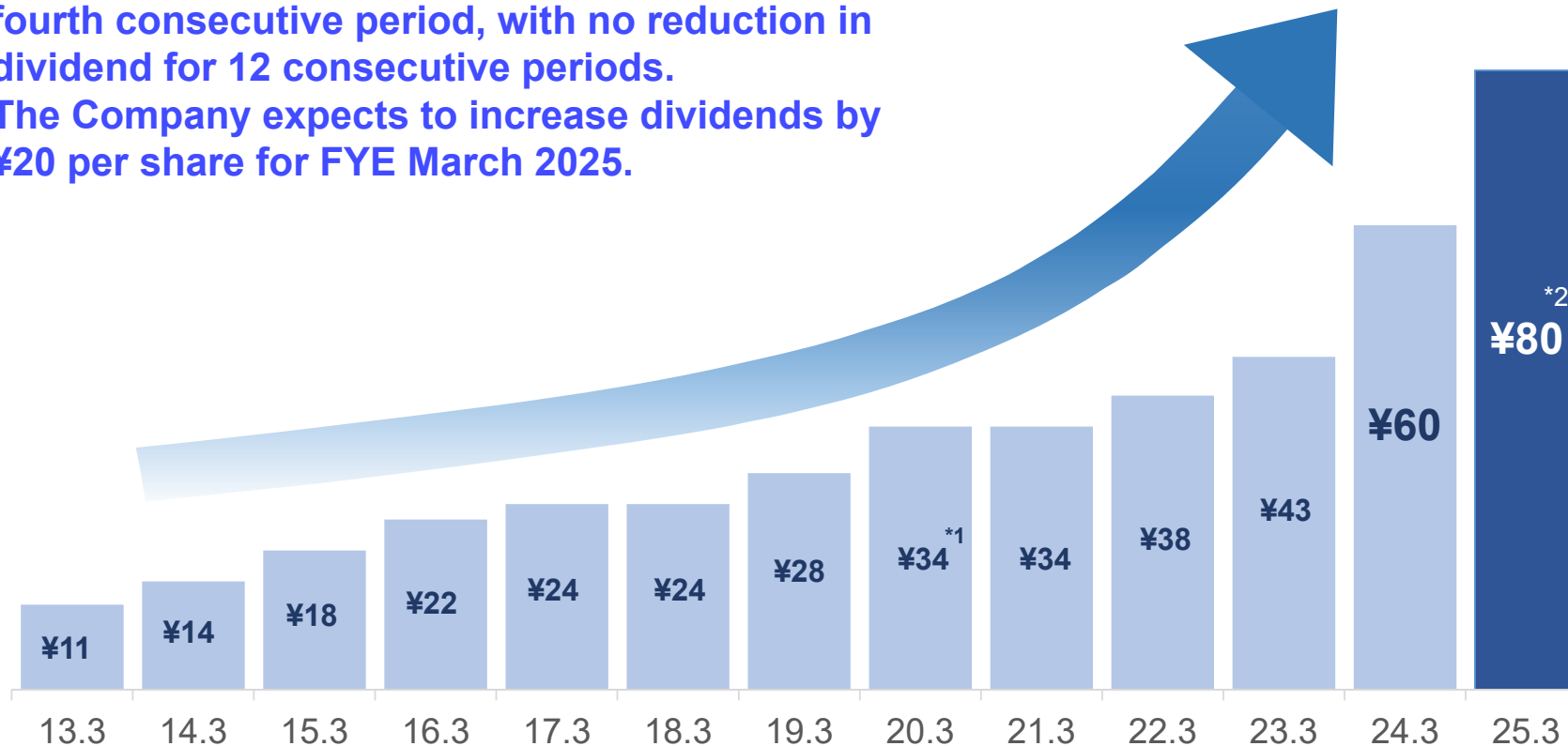
\* Average dividend yield = annual dividend per share / annual average closing share price

\* For 24.10 (Oct. 2024), the average dividend yield represents the average of dividend yield in the period from April 1, 2024 to October 31, 2024.

## Trends in dividends



The Company plans to increase dividends for a fourth consecutive period, with no reduction in dividend for 12 consecutive periods.  
The Company expects to increase dividends by ¥20 per share for FYE March 2025.



\*1 Including commemorative dividend of ¥4 for the 70th anniversary of founding

\*2 Including commemorative dividend of ¥20 for the 75th anniversary of founding



## IV

# Medium-Term Management Plan



# Vision for FY2030 and the positioning of the medium-term management plan

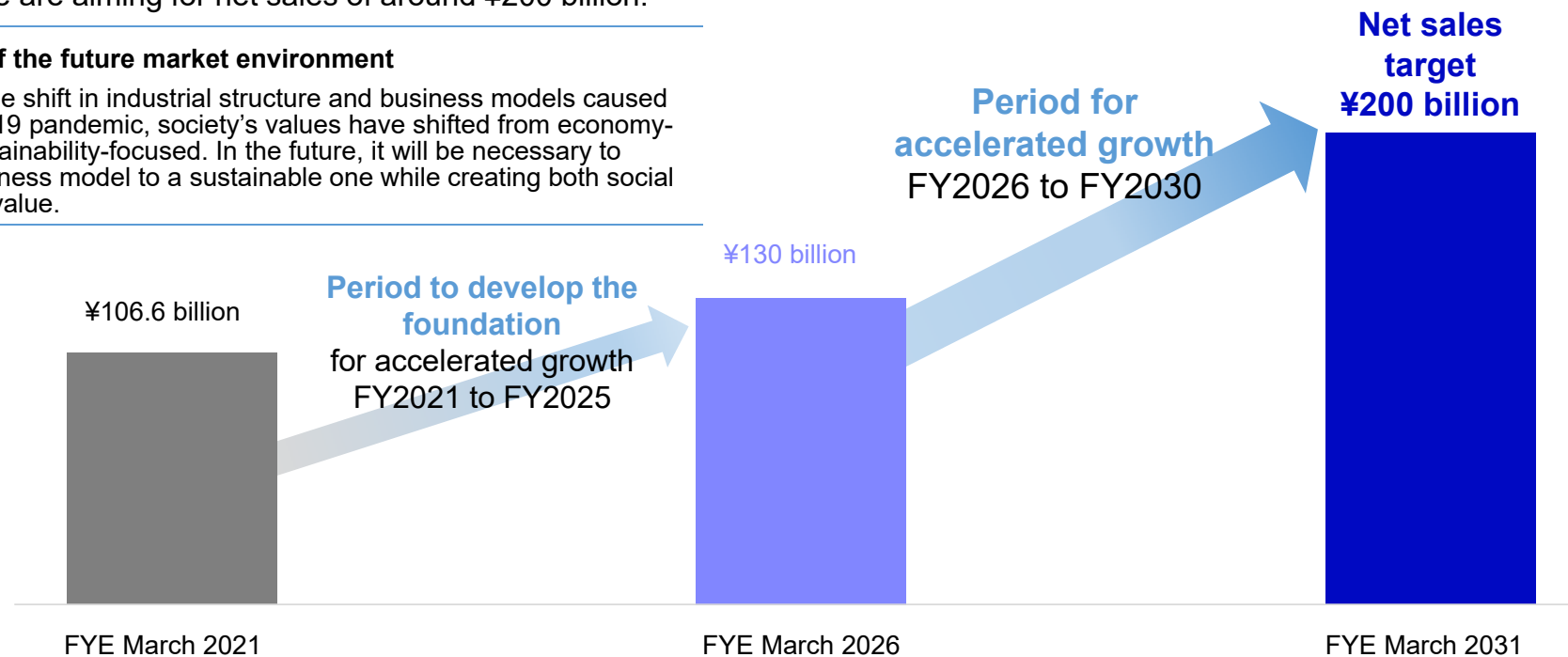


## Vision for FY2030: “Problem-solving and value-creating company”

- A company that contributes to the sustainable development of customers, communities, and society by creating and providing new value through construction engineering in order to realize a better society, not just by solving problems faced by customers and communities.
- A company that expands business beyond the Tokai area to the maglev economic zone, and has strong competitiveness in specific customers and fields within the areas.
- We are aiming for net sales of around ¥200 billion.

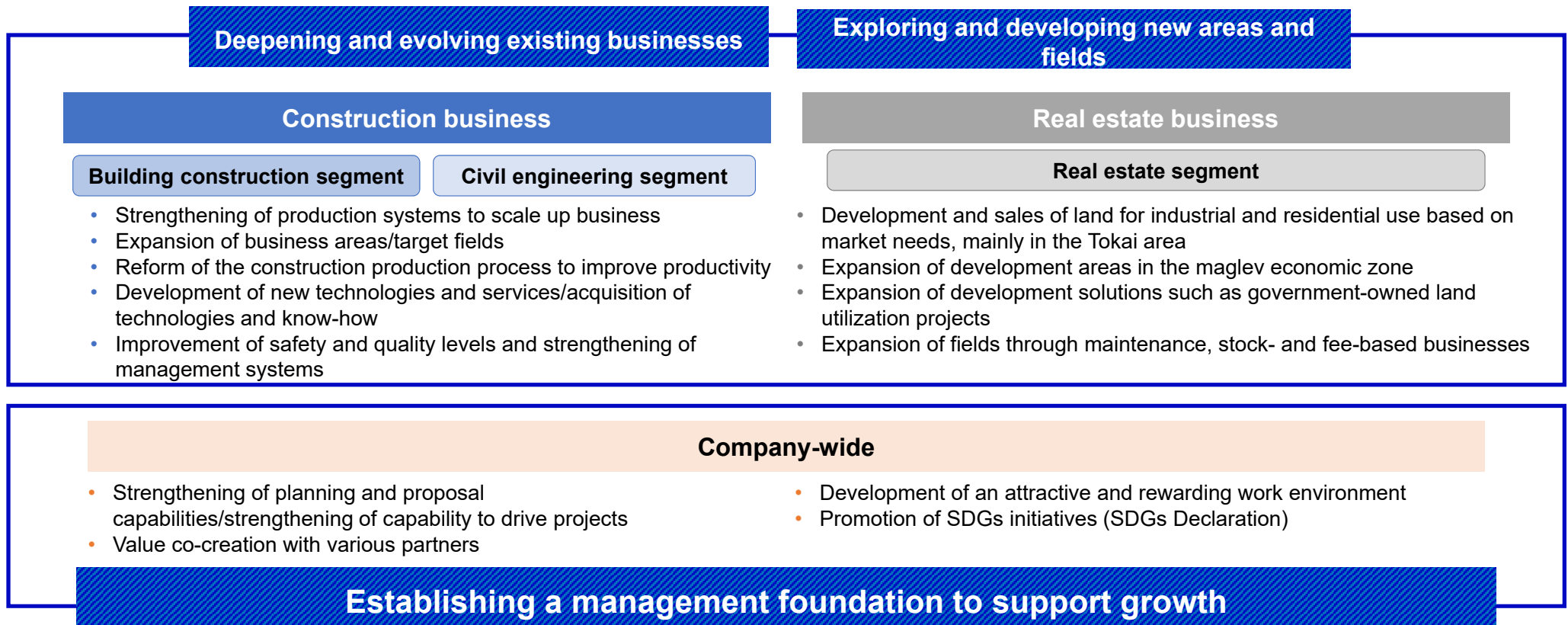
### Recognition of the future market environment

In addition to the shift in industrial structure and business models caused by the COVID-19 pandemic, society's values have shifted from economy-focused to sustainability-focused. In the future, it will be necessary to evolve the business model to a sustainable one while creating both social and corporate value.



## Transformation into a problem-solving and value-creating company

“Enhancement of capabilities to build and create” and the “development of the foundation for sustainable growth” toward accelerated growth



## Numerical targets in the medium-term management plan (FY2021 to FY2025)



	(Millions of Yen)				
	FYE March 2022	FYE March 2023	FYE March 2024	FYE March 2025 Forecast	FYE March 2026 Target
Net sales	93,090	111,110	119,824	140,000	130,000
Operating profit	6,169	7,212	9,514	8,200	10,000

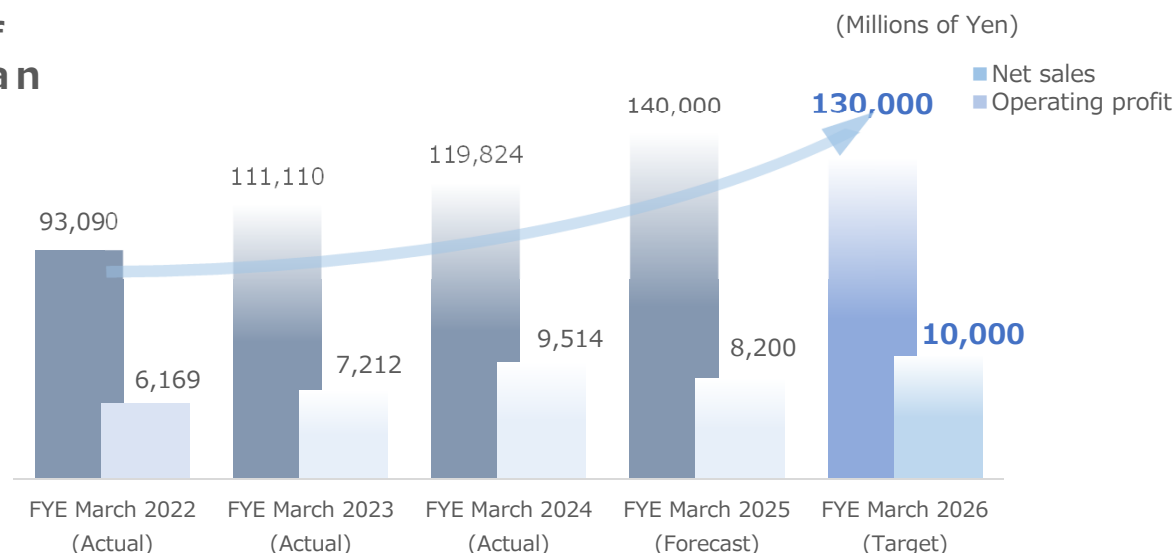
### Targets for the final fiscal year of the medium-term management plan (FYE March 2026)

❑ Consolidated net sales:

**¥130.0 billion**

❑ Consolidated operating profit:

**¥10.0 billion**

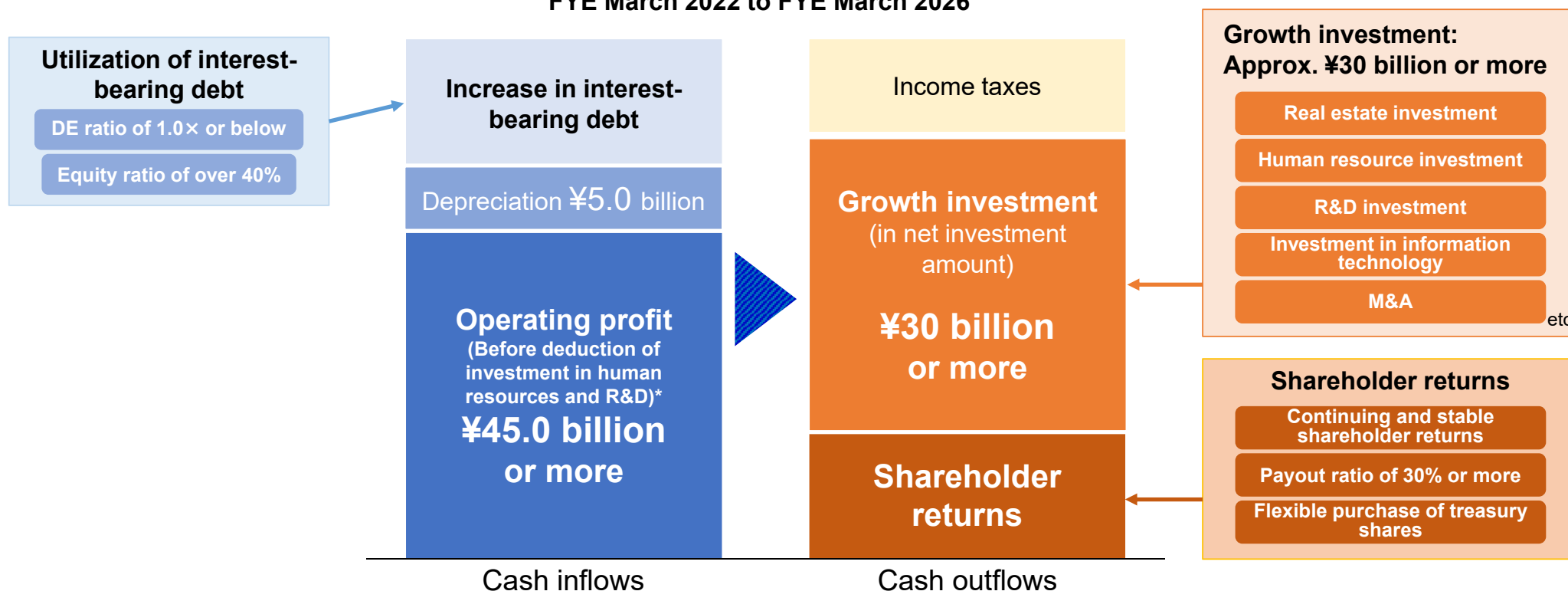




Allocate cash appropriately to future growth investments and shareholder returns, by utilizing interest-bearing debt to the extent that financial soundness can be maintained, in addition to earned profit.

## Cash allocation policy

FYE March 2022 to FYE March 2026



\* Operating profit refers to the figure before the deduction of investments in human assets, research and development and others for growth, which are treated as expenses for the period.

# Investment plan and progress



We plan to make growth investment to build the foundation for realizing the vision for FY2030, in the amount of approx. ¥30 billion over 5 years (¥6 billion per year on average).

We have invested ¥27.5 billion over the past three years, an average of ¥9.2 billion per year, far exceeding our plan.

## Growth investment areas

Real estate  
investment

R&D investment

Human resource  
investment

Investment in  
information  
technology

M & A

### Previous medium-term management plan period (Actual)

#### 3 years

- Total amount: ¥16 billion
- Annual average: ¥5.3 billion

### Current medium-term management plan period (Plan)

#### 5 years

- Total amount: Approx. ¥**30** billion
- Annual average: ¥**6** billion  
(13%up)

### Progress up to FYE March 2024 (Actual)

#### 3 years

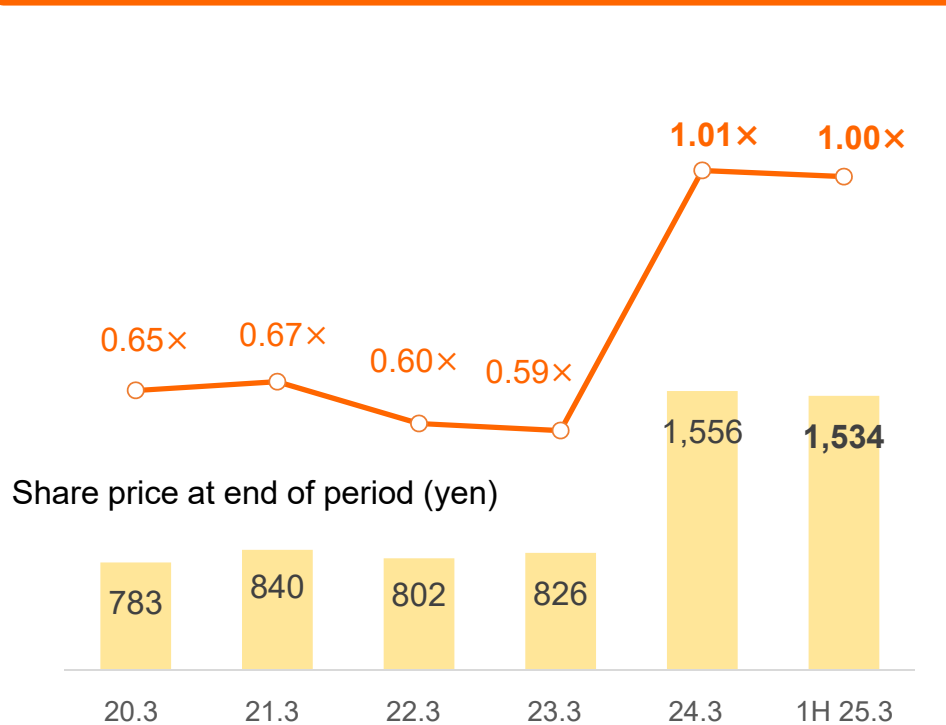
- Made investment worth ¥**27.5** billion in total
  - FYE March 2022: ¥**9.5** billion
  - FYE March 2023: ¥**10.4** billion
  - FYE March 2024: ¥**7.6** billion
- Annual average: ¥**9.2** billion

# Analysis of current status of capital cost and return on equity

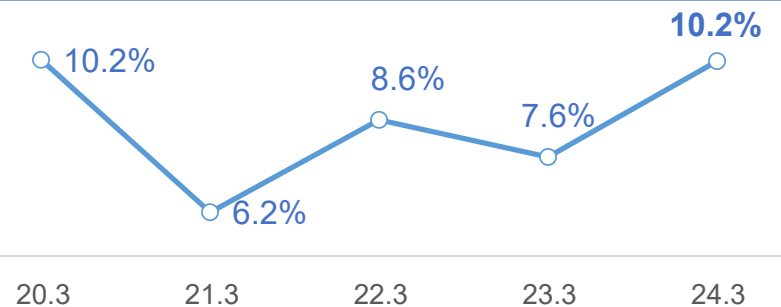


The Company's PBR has been hovering around 1 since FYE March 2024, reflecting the implementation of management with attention to capital costs and the share price.

## Trends in Price Book-value Ratio (PBR)



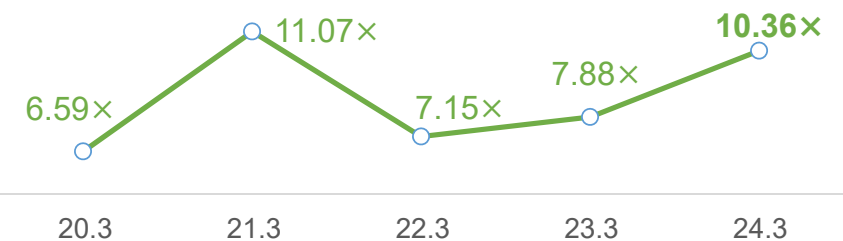
## Trends in Return on Equity (ROE)



=

×

## Trends in Price Earnings Ratio (PER)



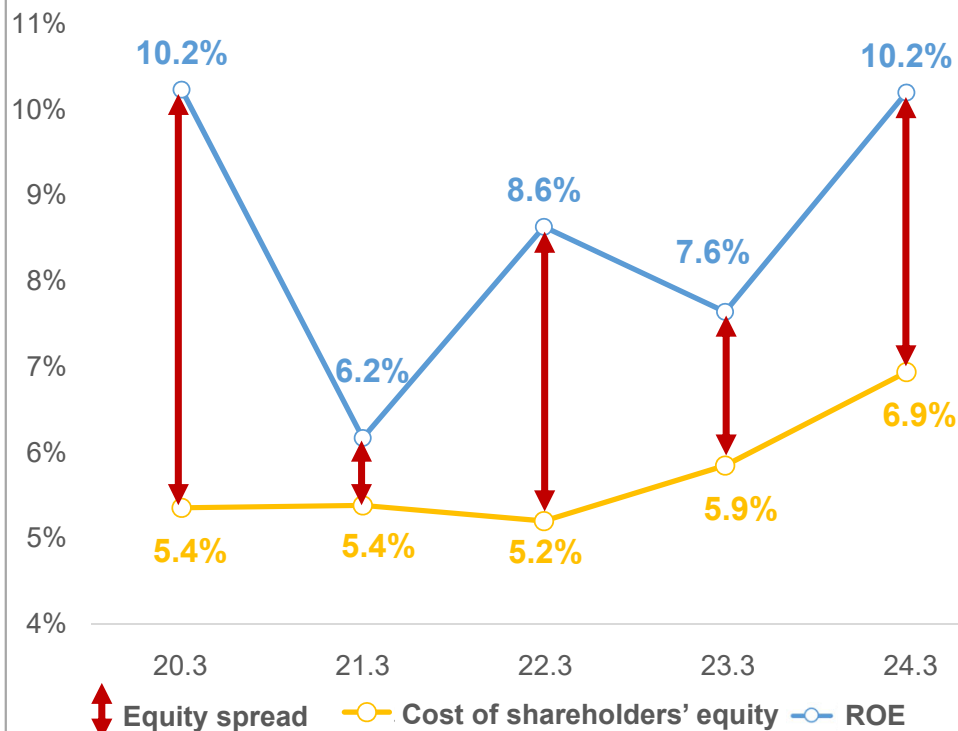
# Analysis of current status of capital cost and return on equity



The Company's return on equity (ROE) exceeds its cost of shareholders' equity.

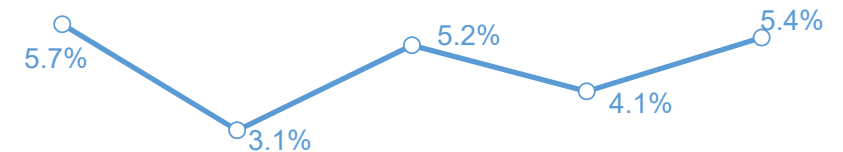
The Company aims to widen the spread, or the gap between ROE and the cost of shareholders' equity by increasing ROE.

Trends in equity spread (ROE – cost of shareholders' equity)

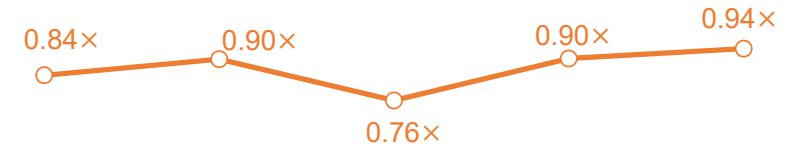


ROE

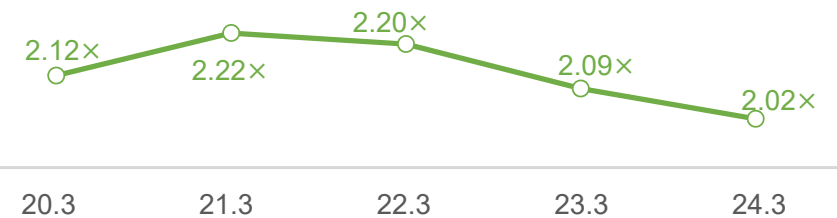
Net profit margin



Asset turnover ratio



Financial leverage



# Efforts to maximize corporate value



The Company will step up initiatives for widening the spread (= constantly creating excess returns) and increasing PER (= gaining market appreciation through engagement) in a bid to maximize the corporate value (= PBR exceeding 1).

## Maximizing corporate value

### Drivers to improve corporate value

#### Widening the spread

Profit growth

Improvement of capital efficiency

Shareholder returns  
Optimization of financial leverage

#### Improving PER

### Details of main initiatives

= Constantly creating excess returns

#### Growth strategy

- Steady achievement of the medium-term management plan

FY2025 financial results targets

Net sales: ¥130 billion  
Operating profit: ¥10 billion

#### Financial and capital strategy

- Utilization of cash and deposits
  - optimal allocation to growth investment and shareholder returns
- Review of assets held
- Utilization of borrowing
- Strengthening of shareholder returns

#### IR strategy

- Strengthening of IR and SR activities
  - Expansion and increased sophistication of information disclosure
- = Gaining market appreciation through engagement

# Strengthening of IR



The Company will expand opportunities for dialogue with shareholders and investors, and enhance the dissemination of information for deeper understanding of the Company's growth strategy.

## Strengthening IR activities

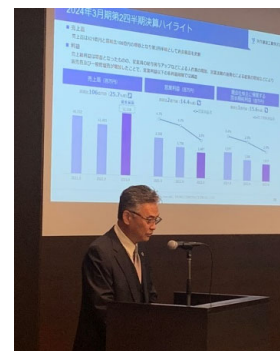
### 1 Regularly hold financial results and company briefing sessions

#### For institutional investors

- Financial results briefing (Tokyo and online) **Hold regularly in May**
- Mid-term financial results briefing (Tokyo and online) **Hold regularly in January**

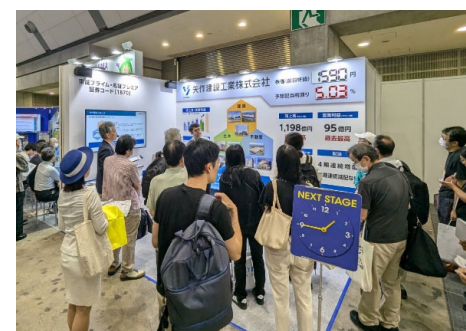
#### For individual investors

- Hold company briefings (in Nagoya and Tokyo)

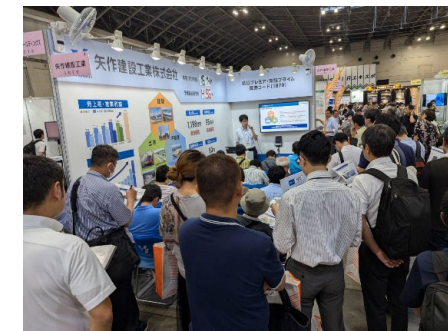


### 2 Conducting and enhancing SR interviews and strengthening participation in IR events

- Regularly hold** SR interviews (with seven companies in FY2022, with nine in FY2023)
- Exhibit at the Nikkei IR and Individual Investor Fair in Tokyo (The Company has exhibited them **at two consecutive events** since 2023.)
- Exhibit at the Nagoya Stock Exchange IR Expo (The Company has exhibited them **at 15 consecutive events** since 2008.)



Nikkei IR and Individual Investor Fair 2024



Nagoya Stock Exchange IR Expo 2024

## Expansion and increased sophistication of information disclosure

### 3 Disclose materials on quarterly financial results

### 4 Disclose financial results summary and materials on financial results in English

### 5 Enhance online dissemination of financial and non-financial information



# Efforts to achieve the medium-term management plan



## Initiative for the (tentatively named) Nishiki 3-5<sup>th</sup> Street Block Project as a new symbol in the future

The Company received the (tentatively named) Nishiki 3-5<sup>th</sup> Street Block Project from Mitsubishi Estate Co., Ltd. It is an office-commercial building complex development project in the former sites of Central Park Annex and Sakura Nishiki Building with a direct link to Hisaya-Odori Station in Nagoya's central district of Sakae. The Company will serve to improve urban functions of the Sakae area by creating new liveliness and by improving ease of touring different facilities in the area.

### Deepening and evolving existing businesses

Acquire technological and management capabilities for large office buildings and other large-sized buildings

Accumulate achievements in the design and construction of a CFT structure\*, demand for which is expected to increase in the future

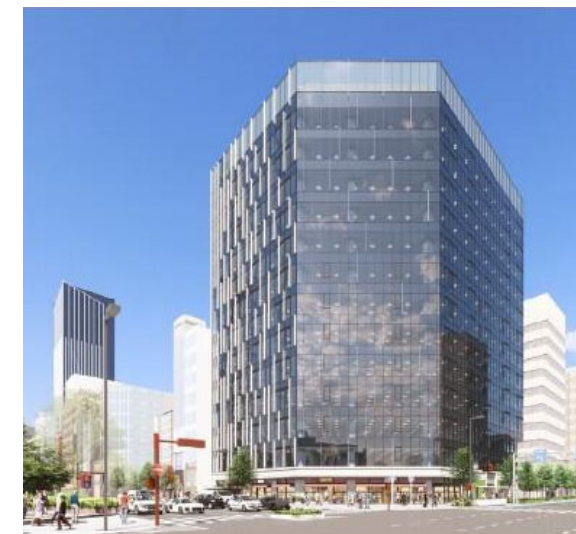
Contribute to boosting name recognition and attracting personnel through the construction of new landmark buildings

CFT structure: Concrete Filled Steel Tube Structure. A round or rectangular steel tube is filled with concrete and is used mainly as a column. It provides greater freedom in designing spaces than the steel frame structure and the reinforced concrete structure. For example, it allows smaller dimensions of columns and larger floor-to-floor heights. Without necessity of on-site reinforcing bar works and concrete form works, it also leads to higher productivity and shorter construction periods.

### Exploring and developing new areas and fields



<b>Project name</b>	(Tentatively named) Nishiki 3-5 <sup>th</sup> Street Block Project
<b>Owner</b>	Mitsubishi Estate Co., Ltd.
<b>Construction period</b>	October 2024 to November 2026 (planned)
<b>Main purposes</b>	Offices, stores and parking spaces
<b>Building scale</b>	1 basement floor and 13 above-ground floors Aboveground: Steel frame structure, partly concrete filled steel tube (CFT) structure Underground: Steel frame structure, partly reinforced concrete structure Total floor area Approx. 24,123 m <sup>2</sup>



A conceptual external view of the northeastern side  
(Image courtesy of Mitsubishi Estate Co., Ltd.)

**The Company will accelerate introduction of renewable energy and energy creation for power consumption at construction sites and offices.**



## ■ Shift to renewable energy



▲ A non-fossil certificate

Since April 2023, the Company has been steadily switching electric power used on construction sites to power derived from renewable energy. Currently, nearly 60% of the power consumed on construction sites is generated from renewable energy. In September 2024, the head office building (Aoi Center Building), which is responsible for nearly 60% of power consumption of the Company's fixed offices, shifted to electricity derived from renewable energy.

## ■ Initiatives for energy creation

The Company also own solar power generation facilities to work on energy creation. Currently, the Company owns two such facilities, one in Aichi Prefecture and the other in Gifu Prefecture. The electric energy produced at the two facilities is equivalent to total power consumption at the Company's fixed offices. This effectively means that all the electric power consumed at the fixed offices is from renewable energy.



▲ Ena-Shi Yamaokacho Solar Farm (Gifu Prefecture)



▲ Toyota-Shi Homicho Solar Farm (Aichi Prefecture)

**The Company will work to reduce power consumption and to shift to renewable energy.**



**The Company will conduct environmental conservation activities and organize events for exchange with local inhabitants to help revitalize regional communities.**



## ■ Cleanup and environmental improvement activities

Under the slogan of YAHAGI Blue ENGINEERING ~ **Conserving the blue sky for the future** ~, the Group is conducting environmental conservation activities for the future of the global environment and for the future of our children in collaboration with regional communities.

Around October each year, the Company conducts cleanup activities and environmental improvement activities along the Shonai River and the Yahagi River.



▲ Cleanup activities along the Shonai River



▲ Environmental improvement activities along the Yahagi River

## ■ Events for exchange with local inhabitants

The Company started activities for building communities that are good places to live through collaboration with companies in proximity to its head office and through mutual cooperation between businesses and regional inhabitants. In September 2024, a regional exchange event called “Aoi Machiage” took place at the buildings and parking spaces of the Company and other participating companies, attracting approximately 1,000 participants.

The Company will continue to work with the public sector, local shopping malls and other parties for regional revitalization and for building vibrant communities together with regional communities.



▲ Scenes of Aoi Machiage



# FACT SHEET

# 1. Consolidated financial results (for the last 5 years) and forecasts



	(Millions of Yen)					
	Six months ended Sept. 30, 2020	Six months ended Sept. 30, 2021	Six months ended Sept. 30, 2022	Six months ended Sept. 30, 2023	Six months ended Sept. 30, 2024	FYE March 2025 forecast
<b>Net sales</b>	46,247	46,852	41,495	52,158	<b>58,760</b>	<b>140,000</b>
<i>(Year-on-year percentage change)</i>	(0.2%)	(0.0%)	(▲0.1%)	(25.7%)	(12.7%)	(16.8%)
<b>Operating profit</b>	2,975	2,184	1,738	1,487	<b>1,286</b>	<b>8,200</b>
<i>(Year-on-year percentage change)</i>	(0.3%)	(▲0.3%)	(▲0.2%)	(▲14.4%)	(▲13.5%)	(▲13.8%)
<b>Ordinary profit</b>	3,058	2,211	1,775	1,564	<b>1,325</b>	<b>8,200</b>
<i>(Year-on-year percentage change)</i>	(0.3%)	(▲0.3%)	(▲0.2%)	(▲11.9%)	(▲15.3%)	(▲14.5%)
<b>Profit attributable to owners of parent</b>	2,104	1,577	1,206	1,017	<b>967</b>	<b>5,400</b>
<i>(Year-on-year percentage change)</i>	(0.4%)	(▲0.3%)	(▲0.2%)	(▲15.6%)	(▲4.9%)	(▲16.4%)

## □ <Reference>

First year for which consolidated  
financial statements were prepared

FYE March 1991

## Record high

### ● Net sales

Six months ended Sept. 30, 2024

¥58,760 million

[Reference] Highest records as of the previous fiscal year:

¥52,158 million for the six months ended September 30, 2023

### ● Operating profit

Six months ended Sept. 30, 2016

¥4,138 million

### ● Ordinary profit

Six months ended Sept. 30, 2016

¥4,176 million

### ● Profit attributable to owners of parent

Six months ended Sept. 30, 2016

¥3,110 million

## 2. Orders received, net sales, and carry forward to the next fiscal year (consolidated)



(Millions of Yen)

Category			Orders received				Net sales				Carry forward to the next fiscal year			
			2023.9	2024.9	Year on year		2023.9	2024.9	Year on year		2023.9	2024.9	Year on year	
			Actual	Actual	Increase/ decrease	Change	Actual	Actual	Increase/ decrease	Change	Actual	Actual	Increase/ decrease	Change
Construction	Building construction	Public	—	1	1	—	—	771	771	—	28	862	833	—
		Private	10,761	50,689	39,927	371.0%	31,911	35,024	3,112	9.8%	45,451	117,205	71,753	157.9%
	Total		10,761	50,691	39,929	371.0%	31,911	35,795	3,883	12.2%	45,479	118,067	72,587	159.6%
	Civil engineering	Public	5,480	6,470	989	18.1%	5,891	5,796	▲95	▲1.6%	12,454	18,821	6,366	51.1%
		Private	7,149	13,601	6,451	90.2%	7,925	7,989	64	0.8%	19,171	22,469	3,298	17.2%
	Total		12,629	20,071	7,441	58.9%	13,817	13,785	▲31	▲0.2%	31,625	41,291	9,665	30.6%
		Public	5,480	6,471	990	18.1%	5,891	6,567	675	11.5%	12,482	19,683	7,200	57.7%
		Private	17,911	64,290	46,379	258.9%	39,837	43,013	3,176	8.0%	64,622	139,674	75,052	116.1%
	Total		23,391	70,762	47,370	202.5%	45,728	49,581	3,852	8.4%	77,105	159,358	82,252	106.7%
	Real estate business and other						6,429	9,179	2,749	42.8%				
Total						52,158	58,760	6,602	12.7%					

### 3. Status of consolidated subsidiaries (as of September 30, 2024)



Name	Address	Capital (Millions of yen)	Fiscal year end	Business description	Net sales for the first-half (Millions of yen)
<b>YAHAGI REAL ESTATE Co., Ltd.</b>	Higashi-ku, Nagoya	800	March	Condominiums for sale business, real estate development business, real estate leasing business, real estate brokerage business	<b>5,803</b>
<b>YAHAGI BUILDING AND LIFE CO., LTD.</b>	Higashi-ku, Nagoya	400	March	Apartment and building management business, architectural business	<b>2,114</b>
<b>YAHAGI GREEN Co., Ltd.</b>	Higashi-ku, Nagoya	100	March	Greenery business, golf course management business	<b>1,503</b>
<b>Techno Support Co., Ltd.</b>	Higashi-ku, Nagoya	50	March	PAN WALL (an earth reinforcement method using panels and "soil nails" for slope protection) business, PITA Column (a seismic retrofitting method using external reinforcing for existing buildings) business, construction work, technological development, test piece production	<b>593</b>
<b>YAHAGI ROAD CO., LTD.</b>	Toyota, Aichi	300	March	Paving business, civil engineering business, manufacture and sales of asphalt mixture, recycling business	<b>3,050</b>
<b>Nanshin Takamori Development Co., Ltd.</b>	Takamori-machi, Shimoina-gun, Nagano	50	March	Operation of golf courses (Takamori Country Club)	<b>217</b>
<b>HOKUWA CONSTRUCTION, INC.</b>	Shimogyo-ku, Kyoto	85	March	Architectural business	<b>2,705</b>
<b>Minamichita Mirai Partners Co., Ltd.</b>	Minamichita, Chita-gun, Aichi	30	March	Development and operation business for the surroundings of Morozaki Port Tourism Center	<b>28</b>

(Notes) 1. YAHAGI REAL ESTATE Co., Ltd., YAHAGI BUILDING AND LIFE CO., LTD., YAHAGI GREEN Co., Ltd., Techno Support Co., Ltd., YAHAGI ROAD CO., LTD., Nanshin Takamori Development Co., Ltd., and HOKUWA CONSTRUCTION, INC., are all wholly-owned subsidiaries of YAHAGI CONSTRUCTION CO., LTD. (For Nanshin Takamori Development Co., Ltd., there are indirect holdings of 69%)

2. Minamichita Mirai Partners Co., Ltd. is a subsidiary of YAHAGI CONSTRUCTION CO., LTD., which holds 66.7% of the voting rights of Minamichita Mirai Partners Co., Ltd.

# Share price and trading volume trends ( April 1, 2019 to October 31, 2024 )



Share price  
(Yen)

Closing price as of October 31 : ¥1,515  
PER : 12.06x  
PBR : 0.99x





\* Forward-looking statements such as earnings forecasts contained in this document include projections for the future, assumptions underlying plans, and predictions as of the date of the release of this document. These statements are not guarantees of future performance by the Company. Actual results may differ significantly depending on various factors in the future. This document contains estimates that have not been audited, and the figures are subject to change.

\* This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.