

# Material on the Consolidated Financial Results for the Six Months Ended September 30, 2025

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

**November 6, 2025**

# Financial Results for the Six Months Ended September 30, 2025

# Highlights of financial results for the six months ended September 30, 2025



## ■ Net sales

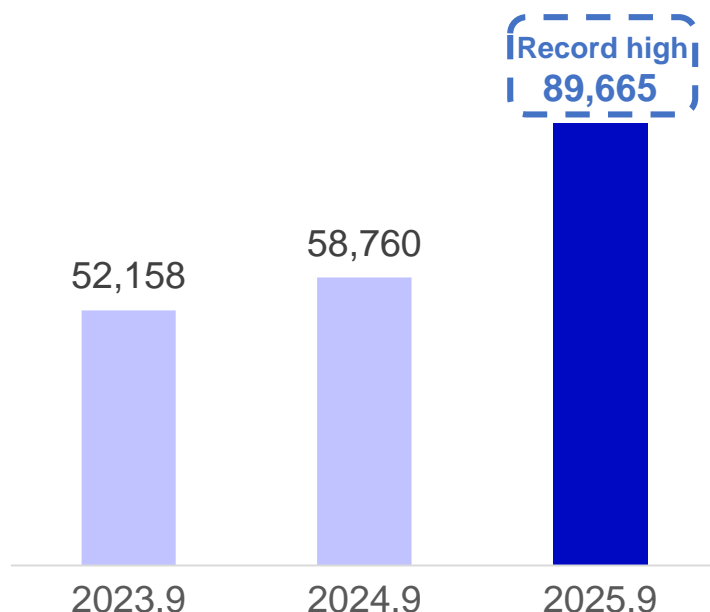
Net sales increased sharply by ¥30.9 billion to ¥89.6 billion year on year, marking a record high for a six-month period for the third consecutive fiscal year, driven by the peaking of large-scale construction projects.

## ■ Profit

Operating profit and profit attributable to owners of parent stood at ¥7.9 billion and ¥5.7 billion, respectively, both hitting record highs for a six-month period. These results were attributable to the substantial increase in net sales and an improved gross profit margin.

Net sales (JPY mil)

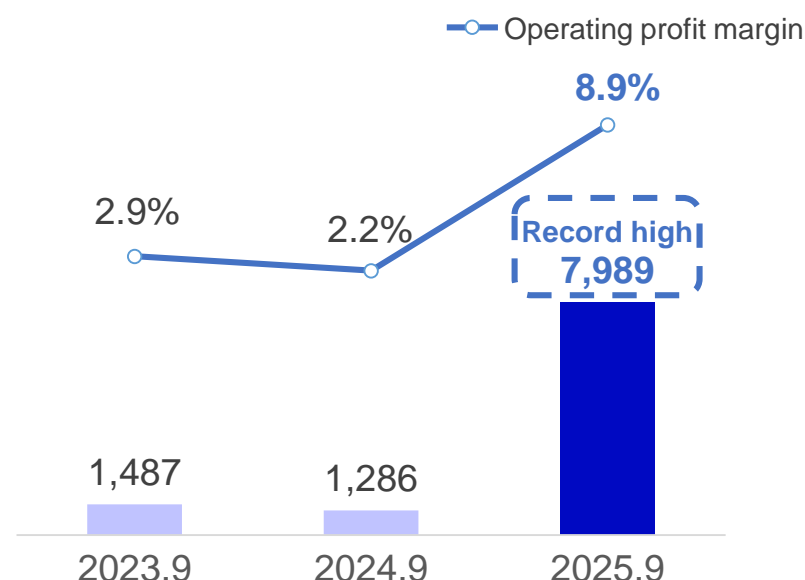
YoY ¥ **30.9** bn. (**52.6%**)



[Reference] Highest record as of the previous fiscal year: ¥58,760 million for the six months ended September 30, 2024

Operating profit (JPY mil)

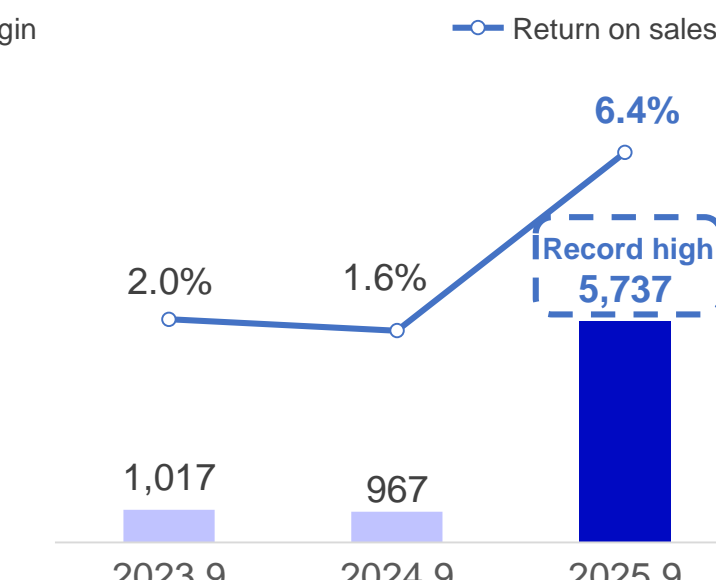
YoY ¥ **6.7** bn. (**520.9%**)



[Reference] Highest record as of the previous fiscal year: ¥4,138 million for the six months ended September 30, 2016

Profit attributable to owners of parent (JPY mil)

YoY ¥ **4.7** bn. (**492.9%**)



[Reference] Highest record as of the previous fiscal year: ¥3,110 million for the six months ended September 30, 2016

# Financial results for the six months ended September 30, 2025



	(Millions of Yen)				
	Six months ended Sept.30, 2023 Actual	Six months ended Sept.30, 2024 Actual	Six months ended Sept.30, 2025 Actual	Year on year Increase/ decrease	Change
<b>Net sales</b>	52,158	58,760	<b>89,665</b>	30,905	52.6%
Net sales of completed construction contracts	45,728	49,581	79,064	29,482	59.5%
Net sales in real estate business and other	6,429	9,179	10,601	1,422	15.5%
<b>Gross profit</b>	6,377	6,421	<b>13,331</b>	6,910	107.6%
<i>(Gross profit margin)</i>	(12.2%)	(10.9%)	(14.9%)		4.0pt
Gross profit on completed construction contracts	4,558	3,409	9,655	6,245	183.2%
Gross profit on real estate business and other	1,819	3,011	3,676	664	22.1%
<b>Selling, general, and administrative expenses</b>	4,889	5,134	<b>5,341</b>	207	4.0%
<b>Operating profit</b>	1,487	1,286	<b>7,989</b>	6,703	520.9%
<i>(Operating profit margin)</i>	(2.9%)	(2.2%)	(8.9%)		6.7pt
<b>Ordinary profit</b>	1,564	1,325	<b>7,982</b>	6,656	502.0%
<i>(Ordinary profit margin)</i>	(3.0%)	(2.3%)	(8.9%)		6.6pt
<b>Profit attributable to owners of parent</b>	1,017	967	<b>5,737</b>	4,770	492.9%
<i>(Return on sales)</i>	(2.0%)	(1.6%)	(6.4%)		4.8pt

# Factors for increase or decrease in net sales/operating profit (vs results for the fiscal year ended September 30, 2024)

- **Net sales . . . There was a significant ¥30.9 billion increase year on year due to the significant growth of the construction business, resulting in a new high continued from the previous fiscal year.**

Construction business: Net sales increased significantly by ¥29.4 billion year on year due to a large logistics facility project reaching its peak.

Real estate business: Net sales rose ¥1.4 billion year on year, the result of the sale of self-developed land for industrial use., etc.

- **Profit . . . Operating profit increased significantly by ¥6.7 billion year on year to a new record high.**

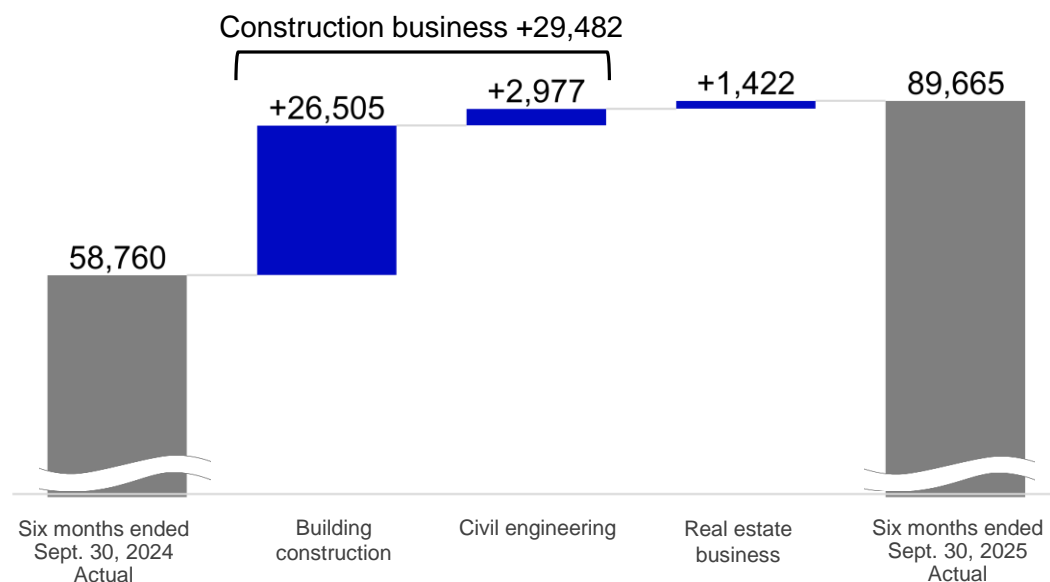
Construction business: Profit increased significantly, up ¥6.2 billion year on year, benefitting from the effects of increased sales, as well as improved profit margins.

Real estate business: Profit rose ¥0.6 billion year on year, the result of the sale of profitable self-developed land for industrial use.

SG&A expenses: Expenses rose ¥0.2 billion year on year, primarily from increased investments in human capital associated with personnel system revisions.

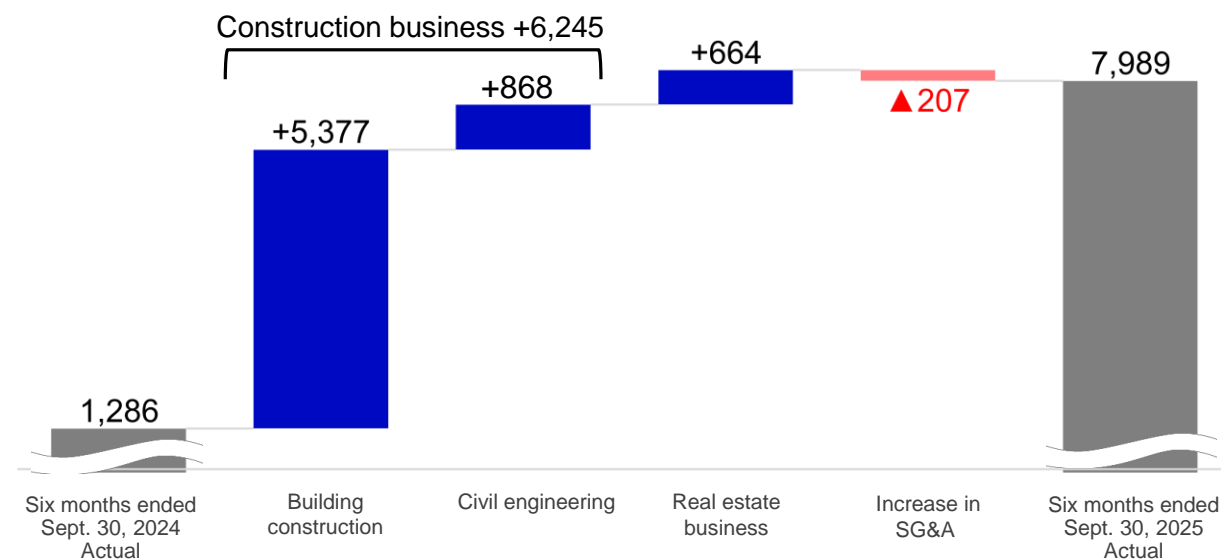
## Net sales (JPY mil)

YoY **¥30,905 mil.** 



## Operating profit (JPY mil)

YoY **¥6,703 mil.** 



# Comparison with financial forecasts



(Millions of Yen)

	Six months ended Sept. 30, 2025 Forecast	Six months ended Sept. 30, 2025 Actual	vs forecasts	
			Increase/decrease	Achievement rate
<b>Net sales</b>	88,000	<b>89,665</b>	1,665	101.9%
Net sales of completed construction contracts	78,000	79,064	1,064	101.4%
Net sales in real estate business and other	10,000	10,601	601	106.0%
<b>Gross profit</b>	11,300	<b>13,331</b>	2,031	118.0%
<i>(Gross profit margin)</i>	<i>(12.8%)</i>	<i>(14.9%)</i>		<i>2.1pt</i>
Gross profit on completed construction contracts	8,000	9,655	1,655	120.7%
Gross profit on real estate business and other	3,300	3,676	376	111.4%
<b>Selling, general, and administrative expenses</b>	5,300	<b>5,341</b>	41	100.8%
<b>Operating profit</b>	6,000	<b>7,989</b>	1,989	133.2%
<i>(Operating profit margin)</i>	<i>(6.8%)</i>	<i>(8.9%)</i>		<i>2.1pt</i>
<b>Ordinary profit</b>	6,000	<b>7,982</b>	1,982	133.0%
<i>(Ordinary profit margin)</i>	<i>(6.8%)</i>	<i>(8.9%)</i>		<i>2.1pt</i>
<b>Profit attributable to owners of parent</b>	4,100	<b>5,737</b>	1,637	139.9%
<i>(Return on sales)</i>	<i>(4.7%)</i>	<i>(6.4%)</i>		<i>1.7pt</i>

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

## ■ Net sales . . . Approximately on the same level as the forecast

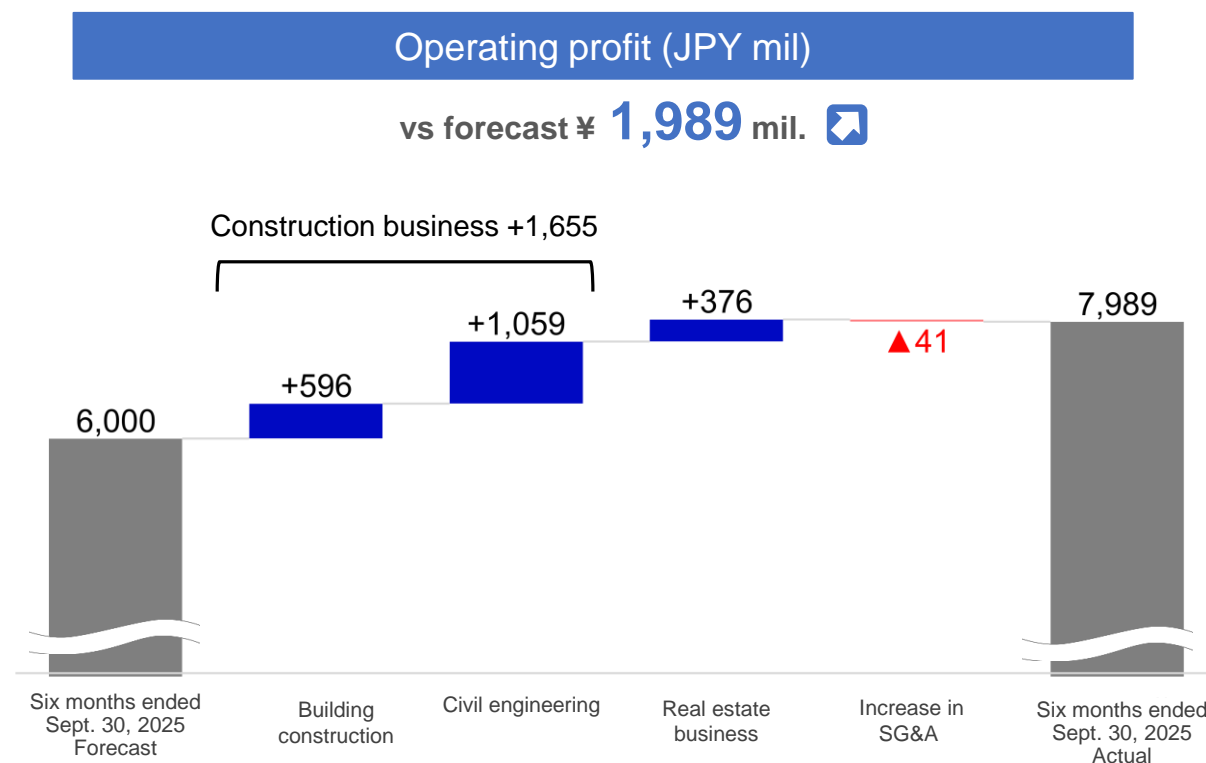
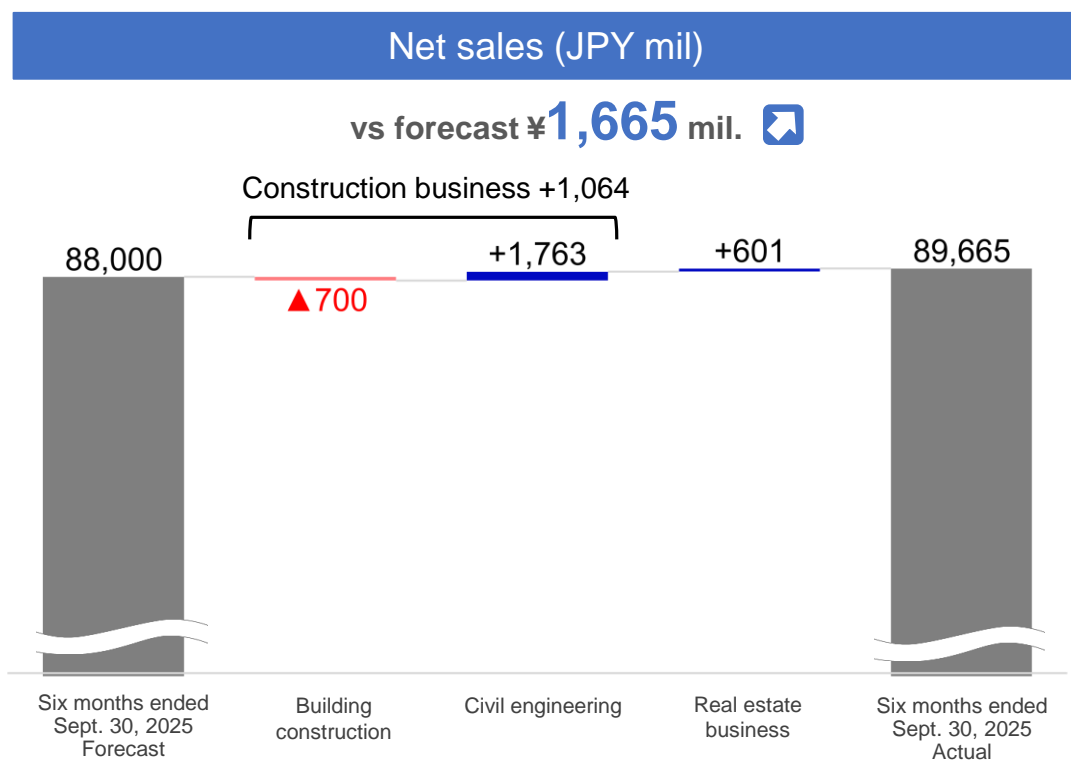
Construction business: Net sales were approximately consistent with the forecast. A decrease in building construction was offset by an increase in civil engineering.

Real estate business: Net sales were approximately on the same level as the forecast.

## ■ Profit . . . Operating profit was ¥1.9 billion higher than forecast.

Construction business: Profit increased ¥1.6 billion, primarily due to improved profitability and additional or revised contract amounts.

Real estate business: Operating profit exceeded the forecast by ¥0.3 billion due to higher profit than initially expected in the real estate sales business.



# <Overall status by segment> Architectural business



## ■ Orders received

Orders received remained high, mainly due to orders for the construction of multiple large condominiums. However, they were lower than the previous fiscal year, when orders reached a record high for a six-month period.

## ■ Net sales

Net sales increase significantly by ¥26.5 billion year on year, primarily due to a large logistics facility project reaching its peak.

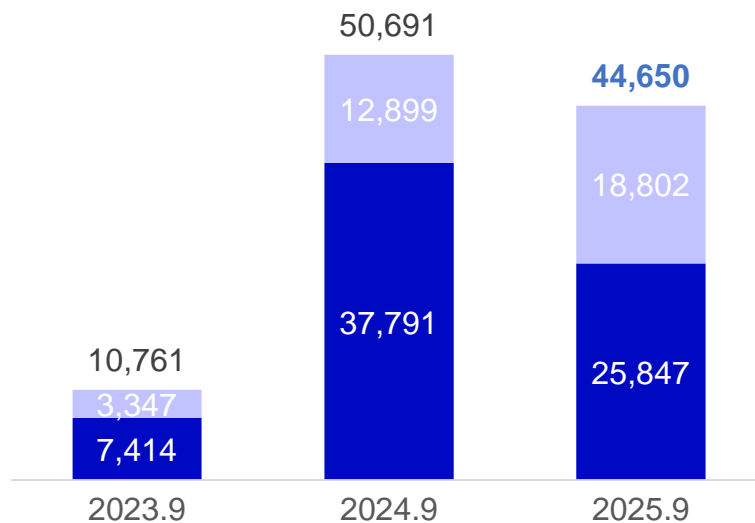
## ■ Gross profit

Gross profit increased significantly by ¥5.3 billion year over year. This growth was primarily driven by higher sales, additional contract amounts linked to rising prices of goods, and the absence of a provision for losses on construction contracts that was recorded in the previous fiscal year.

Orders received by use (JPY mil)

YoY ¥6.0 bn. (11.9%)

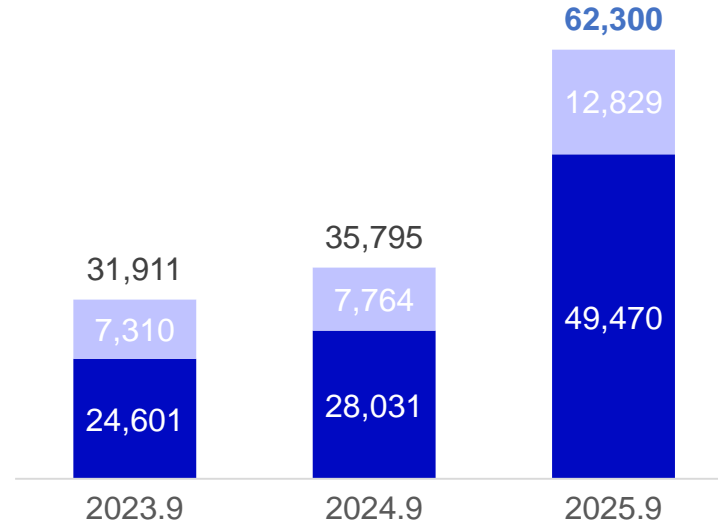
■ Condominium construction works  
■ General construction works



Net sales by use (JPY mil)

YoY ¥26.5 bn. (74.0%)

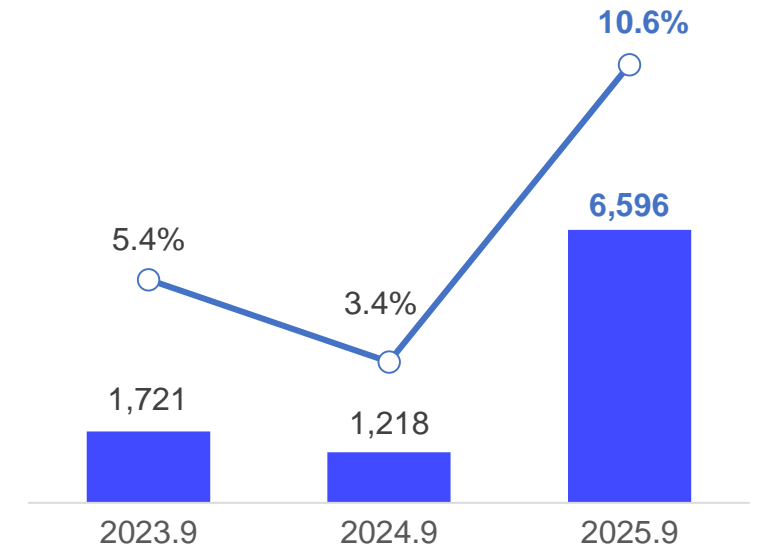
■ Condominium construction works  
■ General construction works



Gross profit (JPY mil)

YoY ¥5.3 bn. (441.3%)

○ Gross profit margin





# <Overall status by segment> Civil engineering business



## ■ Orders received

Orders received remained high, roughly at the same level as the previous fiscal year, largely due to large-scale construction project orders from the public sector.

## ■ Net sales

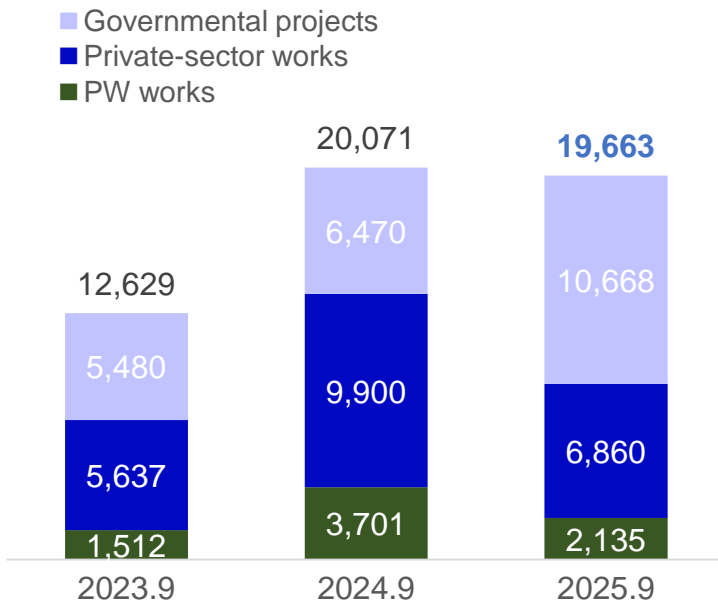
Sales rose by ¥2.9 billion year on year, reflecting steady progress in construction projects in both the public and private sectors.

## ■ Gross profit

Gross profit increased ¥0.8 billion due to higher sales, additional or revised contract amounts resulting from design changes and other factors.

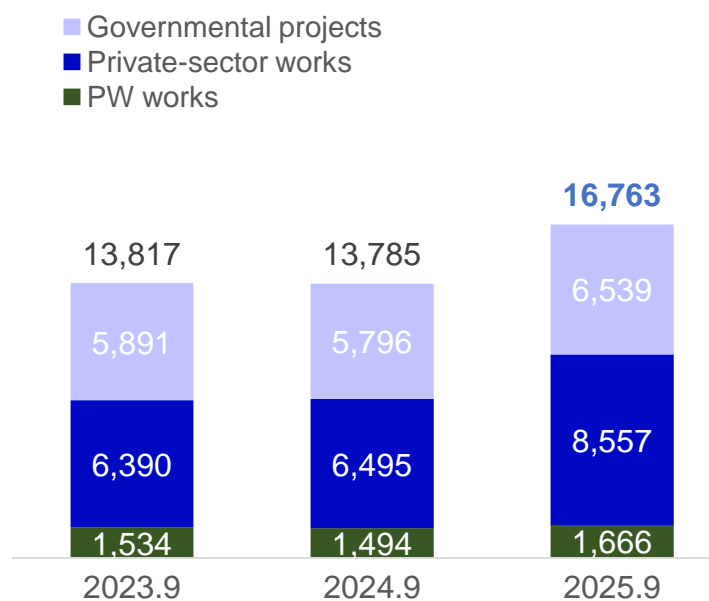
Orders received by use (JPY mil)

YoY ¥0.4 bn. (2.0%)



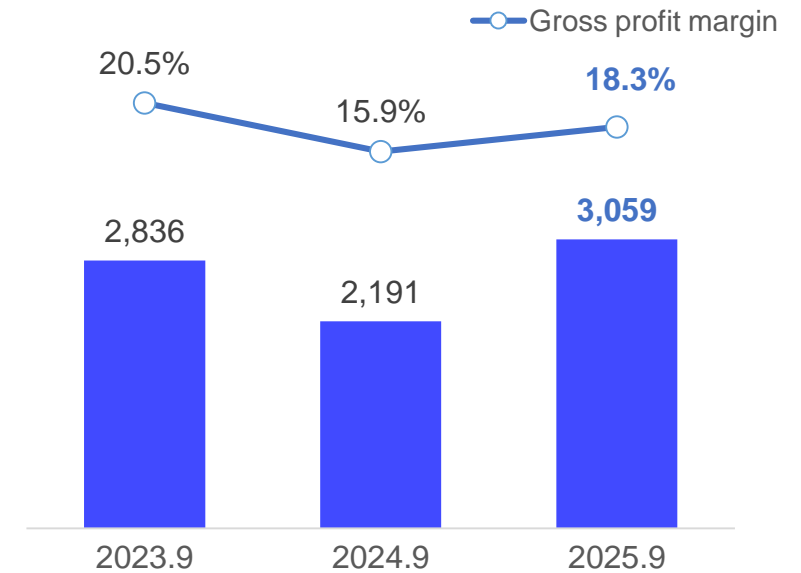
Net sales by use (JPY mil)

YoY ¥2.9 bn. (21.6%)



Gross profit (JPY mil)

YoY ¥0.8 bn. (39.6%)



\* 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

Net sales rose ¥1.4 billion year on year, the result of the sale of self-developed land for industrial use.

## ■ Gross profit

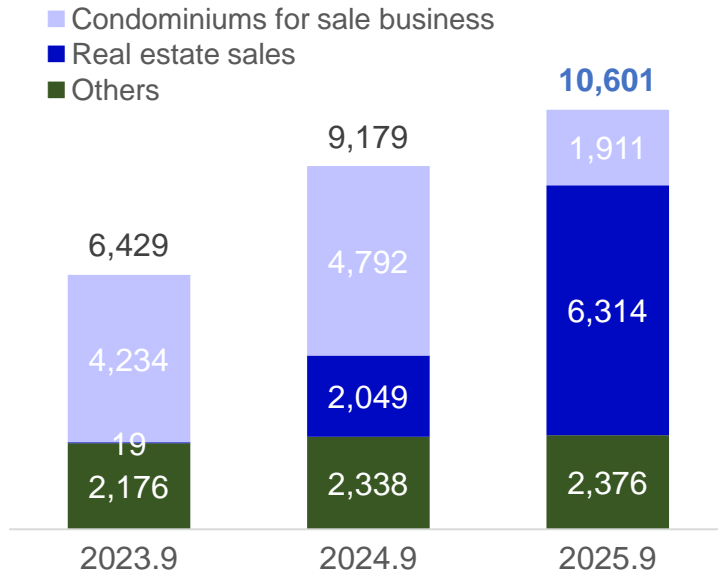
Increased ¥0.6 billion year on year due to the sale of self-developed land for industrial use with high profit margins.

## ■ Condominiums for sale business

The number of units sold declined by 80 from the previous fiscal year due to a lack of new properties available during the first six months under review.

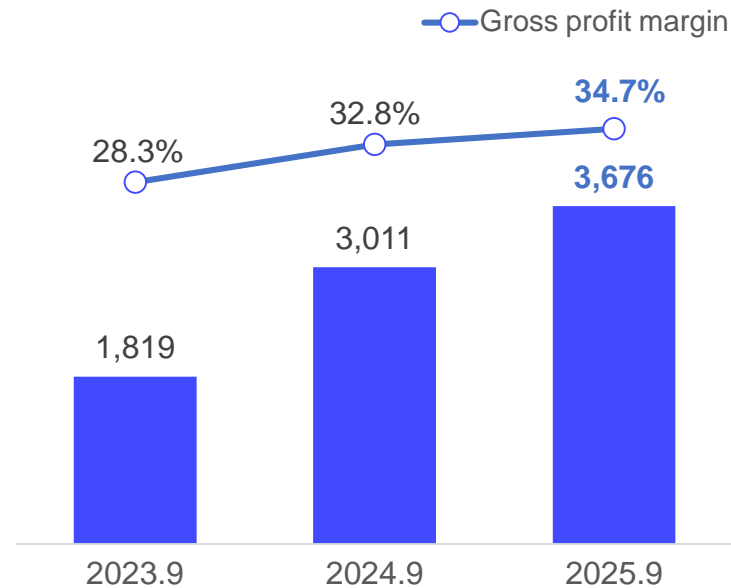
Breakdown of net sales (JPY mil)

YoY **¥1.4 bn. (15.5%)**



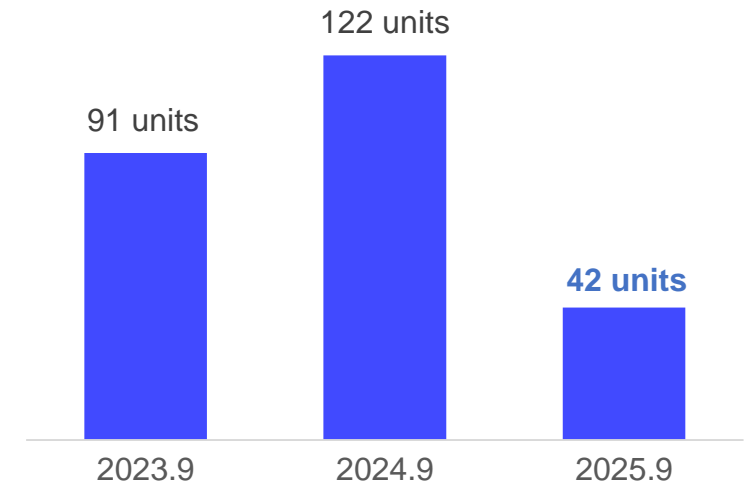
Gross profit (JPY mil)

YoY **¥0.6 bn. (22.1%)**



Number of condominium units sold

YoY **¥80 units (65.6%)**



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

# Summary of orders received and orders received carried forward



## ■ Orders received

Orders for both building construction and civil engineering remained strong, although they were lower than the previous fiscal year, when orders reached a record high for a six-month period.

## ■ Orders received carried forward

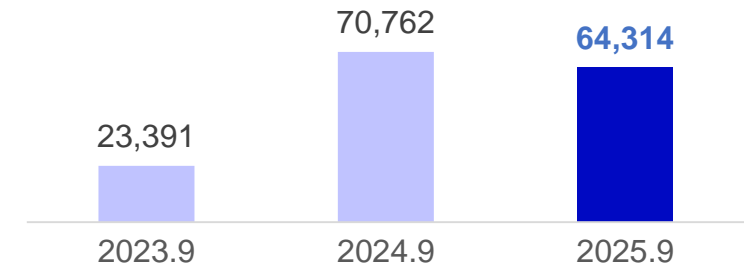
Orders received carried forward, which will help support future net sales, remained high at ¥149.2 billion.

### □ Orders received

	Six months ended Sept. 30, 2023 Actual	Six months ended Sept. 30, 2024 Actual	Six months ended Sept. 30, 2025 Actual	(Millions of Yen) Year on year	
				Increase/decrease	Change
Building construction	10,761	50,691	44,650	▲6,040	▲11.9%
Civil engineering	12,629	20,071	19,663	▲407	▲2.0%
Total	23,391	70,762	64,314	▲6,447	▲9.1%

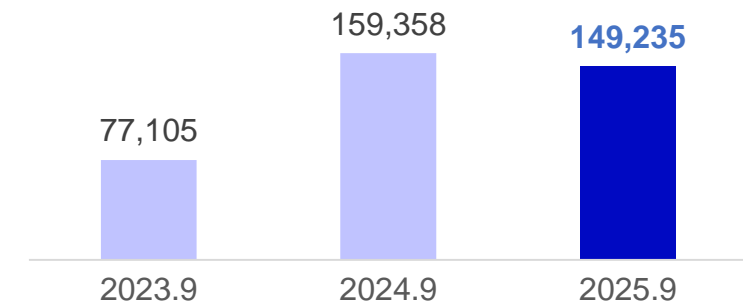
## Orders received (JPY mil)

YoY ¥6.4 bn. (9.1%)



## Orders received carried forward (JPY mil)

YoY ¥10.1 bn. (6.4%)



### □ Orders received carried forward

	Six months ended Sept. 30, 2023 Actual	Six months ended Sept. 30, 2024 Actual	Six months ended Sept. 30, 2025 Actual	(Millions of Yen) Year on year	
				Increase/decrease	Change
Building construction	45,479	118,067	101,993	▲16,074	▲13.6%
Civil engineering	31,625	41,291	47,242	5,951	14.4%
Total	77,105	159,358	149,235	▲10,122	▲6.4%

# Consolidated financial position



## ■ Total assets

Trade receivables increased due to a higher volume of construction in the construction business. Consequently, total assets rose by ¥10.5 billion.

## ■ Liabilities

Total liabilities rose by ¥6.2 billion due to higher trade payables resulting from higher construction volume, as well as an increase in income taxes payable and other current liabilities.

## ■ Net assets

Net assets increased ¥4.2 billion year on year due to the recording of retained earnings.

## □ Consolidated balance sheet

Assets		Six months ended March 31, 2025 Actual	Six months ended Sept. 30, 2025 Actual	Increase/ decrease
Current assets	Cash and deposits	15,669	15,617	▲52
	Trade receivables	58,217	71,170	12,953
	Costs on construction contracts in progress	3,320	2,894	▲425
	Real estate for sale	21,978	21,926	▲51
	Others	9,006	9,482	476
	Total	108,192	121,090	12,899
Non-current assets	Property, plant and equipment	25,138	23,359	▲1,778
	Intangible assets	763	778	14
	Investments and other assets	10,125	9,544	▲581
	Total	36,027	33,682	▲2,344

Total assets	144,220	154,774	10,554
--------------	---------	---------	--------

		(Millions of Yen)		
Liabilities		Six months ended March 31, 2025 Actual	Six months ended Sept. 30, 2025 Actual	Increase/ decrease
Current liabilities	Trade payables	14,553	17,846	3,293
	Short-term borrowings	26,600	26,600	0
	Advances received on construction contracts in progress	10,348	12,004	1,655
	Others	3,971	5,880	1,908
	Total	55,473	62,331	6,857
Non-current liabilities	Long-term borrowings	12,000	11,500	▲500
	Others	7,911	7,853	▲58
	Total	19,911	19,353	▲558
Total liabilities		75,384	81,684	6,299
Net assets		68,835	73,089	4,254

Total liabilities and net assets	144,220	154,774	10,554
----------------------------------	---------	---------	--------

## □ Key management indicators

	FYE March 2022 Actual	FYE March 2023 Actual	FYE March 2024 Actual	FYE March 2025 Actual	Six months ended Sept. 30, 2024 Actual	(Millions of Yen) Six months ended Sept. 30, 2025 Actual
Return on assets (ROA)	5.0%	5.9%	7.5%	6.4%	—	—
Return on equity (ROE)	8.6%	7.6%	10.2%	8.3%	—	—
Earnings per share (EPS)	¥112.18	¥104.83	¥150.23	¥131.17	—	—
Equity ratio	49.4%	46.5%	52.8%	47.7%	54.1%	47.2%
Interest-bearing debt	30,400	31,900	22,400	38,600	27,900	38,100
NET interest-bearing debt (*)	8,388	9,078	2,413	22,931	11,508	22,482

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

## □ Consolidated statements of cash flows

	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	Six months ended Sept. 30, 2024 Actual	(Millions of Yen) Six months ended Sept. 30, 2025 Actual
Cash flows from operating activities	4,050	4,732	4,580	▲ 4,174	▲ 7,332	691
Cash flows from investing activities	▲ 0	▲ 2,014	▲ 586	▲ 816	▲ 444	1,519
Cash flows from financing activities	4,169	▲ 5,023	▲ 5,420	2,951	4,191	▲ 2,243



# Financial Forecasts for the Fiscal Year Ending March 31, 2026

# Highlights of the financial forecasts for the fiscal year ending March 31, 2026

While the six-month results exceeded forecasts, the full-year forecasts have not been changed from the forecasts announced on May 7, 2025.  
The Company will disclose any revision to the forecasts as soon as it becomes necessary.

## ■ Net sales

Net sales are forecast to reach ¥168.0 billion, a new record high for the fourth consecutive year, due to the progress of work in several large building construction projects.

## ■ Profit

Operating profit is forecast to be ¥10.0 billion and profit to be ¥6.6 billion. Profits at all levels are expected to reach record highs due to an increase in sales in the construction business. The ¥10.0 billion operating profit target in the medium-term management plan is expected to be achieved.

Net sales (JPY mil)

YoY ¥27.3 bn. (19.4%)



Record high  
168,000

119,824

140,699



2024.3

2025.3

2026.3

[Reference] Highest records as of the previous fiscal year: ¥119,824 million for the fiscal year ended March 31, 2024

Operating profit (JPY mil)

YoY ¥1.3 bn. (15.5%)



Operating profit margin

7.9%

6.2%

6.0%

9,514

8,654

10,000

2024.3

2025.3

2026.3

Profit attributable to owners of parent (JPY mil)

YoY ¥0.9 bn. (16.9%)



Return on sales

5.4%

4.0%

3.9%

6,462

5,643

6,600

2024.3

2025.3

2026.3

# Financial forecasts for the fiscal year ending March 31, 2026



Full-year forecasts for the fiscal year ending March 31, 2026 are as follows. Both net sales and profits at all levels are forecast to reach record highs, with net sales expected to be ¥168.0 billion (up¥ 27.3 billion year on year), operating profit to be ¥10.0 billion (up ¥1.3 billion) and profit to be ¥6.6 billion (up ¥0.9 billion).

## □ Consolidated financial forecasts for the fiscal year ending March 31, 2026

	2025.3	2026.3	(Millions of Yen)	
	Actual	Full-year forecasts	Year on year (full year)	Change
			Increase/decrease	
Net sales	140,699	<b>168,000</b>	27,300	19.4%
Net sales of completed construction contracts	118,701	150,000	31,298	26.4%
Net sales in real estate business and other	21,997	18,000	▲ 3,997	▲ 18.2%
Gross profit	19,416	<b>21,500</b>	2,083	10.7%
(Gross profit margin)	(13.8%)	(12.8%)		▲ 1.0pt
Gross profit on completed construction contracts	10,836	15,000	4,163	38.4%
Gross profit on real estate business and other	8,580	6,500	▲ 2,080	▲ 24.2%
Selling, general, and administrative expenses	10,762	<b>11,500</b>	737	6.9%
Operating profit	8,654	<b>10,000</b>	1,345	15.5%
(Operating profit margin)	(6.2%)	(6.0%)		▲ 0.2pt
Ordinary profit	8,616	<b>9,900</b>	1,283	14.9%
(Ordinary profit margin)	(6.1%)	(5.9%)		▲ 0.2pt
Profit attributable to owners of parent	5,643	<b>6,600</b>	956	16.9%
(Return on sales)	(4.0%)	(3.9%)		▲ 0.1pt



# Consolidated financial forecasts for the fiscal year ending March 31, 2026 (by segment)



	2025.3 Actual	2026.3 Full-year forecasts	(Millions of Yen) Year on year (full year)	
			Increase/decrease	Change
<b>Net sales</b>	140,699	<b>168,000</b>	27,300	19.4%
<b>Net sales of completed construction contracts</b>	118,701	<b>150,000</b>	31,298	26.4%
<b>Building construction</b>	86,529	111,600	25,070	29.0%
<b>Civil engineering</b>	32,172	38,400	6,227	19.4%
<b>Net sales in real estate business and other</b>	21,997	<b>18,000</b>	▲3,997	▲18.2%
<b>Gross profit</b>	19,416	<b>21,500</b>	2,083	10.7%
<b>Gross profit on completed construction contracts</b>	10,836	<b>15,000</b>	4,163	38.4%
<i>(Gross profit margin on completed construction contracts)</i>	(9.1%)	(10.0%)		0.9pt
<b>Building construction</b>	4,676	8,600	3,923	83.9%
<i>(Profit margin on building construction)</i>	(5.4%)	(7.7%)		2.3pt
<b>Civil engineering</b>	6,159	6,400	240	3.9%
<i>(Profit margin on civil engineering)</i>	(19.1%)	(16.7%)		▲2.4pt
<b>Gross profit on real estate business and other</b>	8,580	<b>6,500</b>	▲2,080	▲24.2%
<i>(Gross profit margin on real estate business and others)</i>	(39.0%)	(36.1%)		▲2.9pt

# Factors for increase or decrease in net sales/operating profit (vs results for the fiscal year ended March 31, 2025)

## ■ Net sales

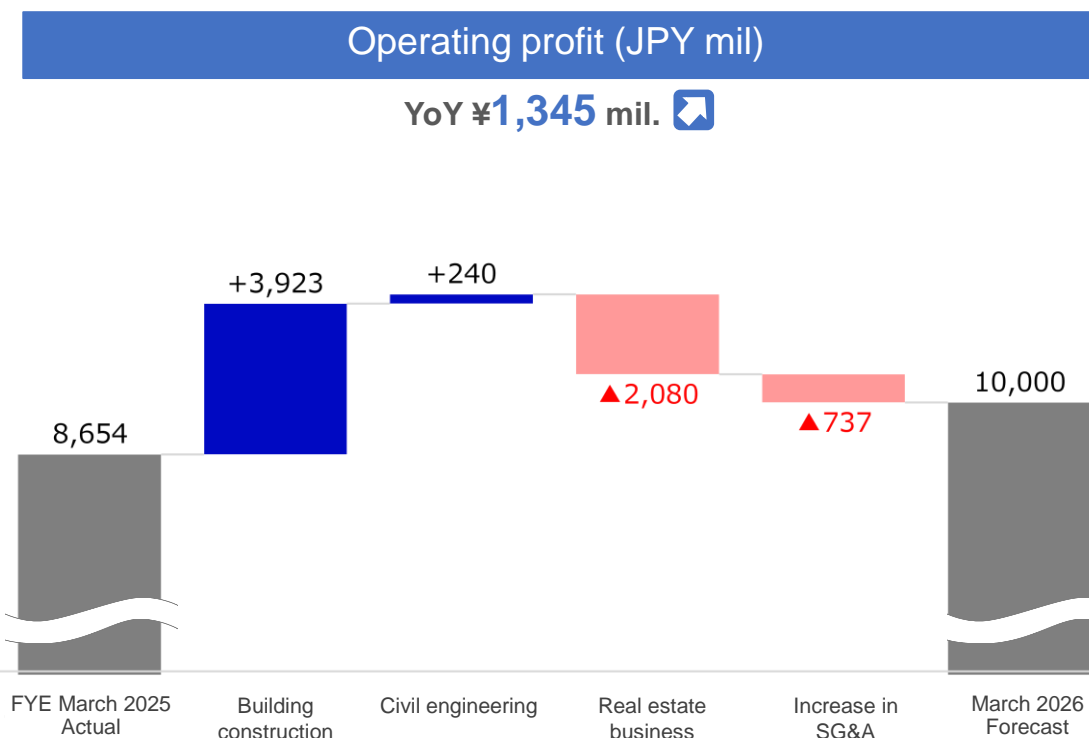
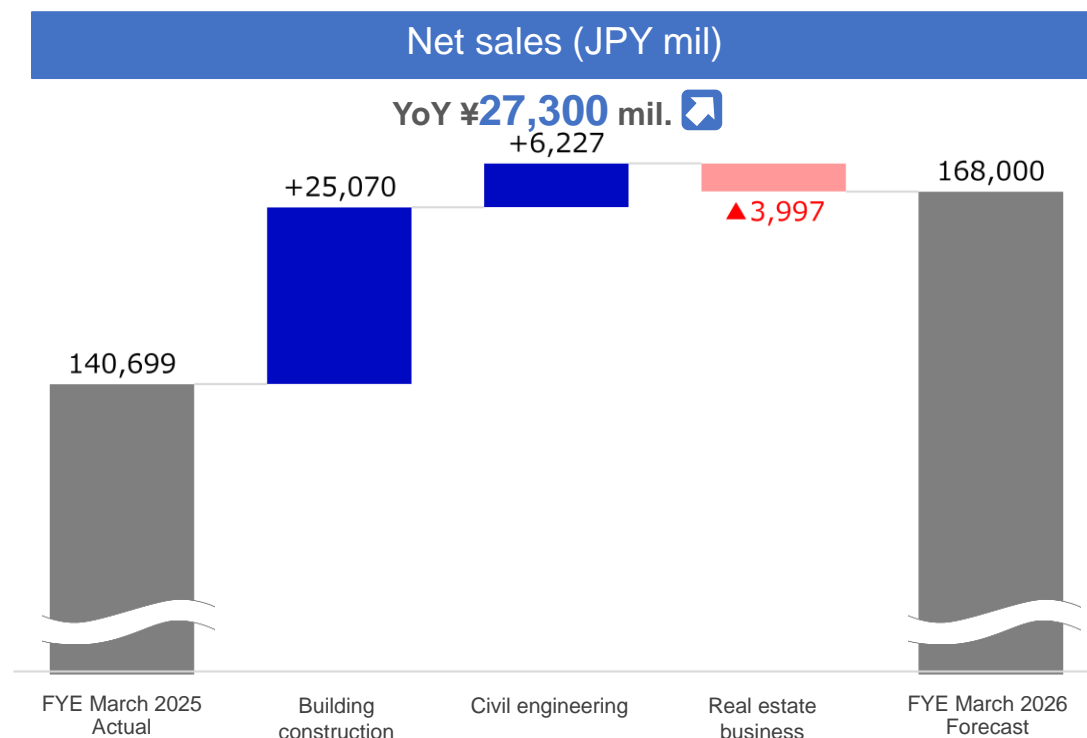
**Construction business:** Net sales are expected to far exceed the previous fiscal year due to the progress of work in several large building construction projects.

**Real estate business:** Net sales are expected to fall below the previous fiscal year as the number of units sold in the condominiums for sale business will decrease due to a decrease in the number of newly offered units.

## ■ Profit

**Construction business:** Profit is expected to far exceed the previous fiscal year due to an increase in sales in both the building construction and civil engineering segments.

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

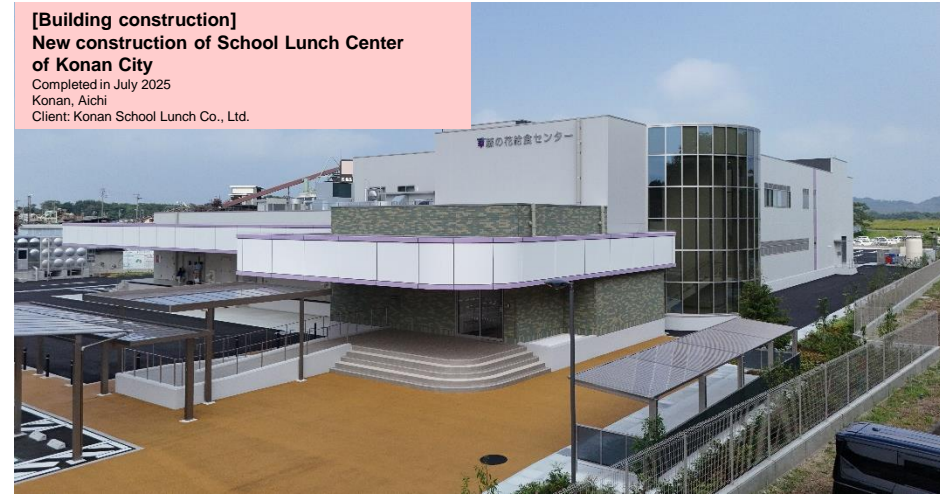


# Major completed construction project

**[Building construction]**  
**New construction of**  
**Mitsui Fudosan Logistics Park Ichinomiya**  
Completed in May 2025  
Ichinomiya, Aichi  
Client: Mitsui Fudosan Co., Ltd.



**[Building construction]**  
**New construction of School Lunch Center**  
**of Konan City**  
Completed in July 2025  
Konan, Aichi  
Client: Konan School Lunch Co., Ltd.



**[Civil engineering]**  
**Reconstruction of pedestrian deck**  
**at the west exit of Toyotashi Station**  
Completed in July 2025  
Toyota, Aichi  
Client: Toyota City



**[Civil engineering]**  
**Railroad construction for Nagoya Railroad**  
**(Mikawa Chiryu Station)**  
Completed in June 2025  
Chiryu, Aichi  
Client: Nagoya Railroad Co., Ltd.



# Shareholder Returns

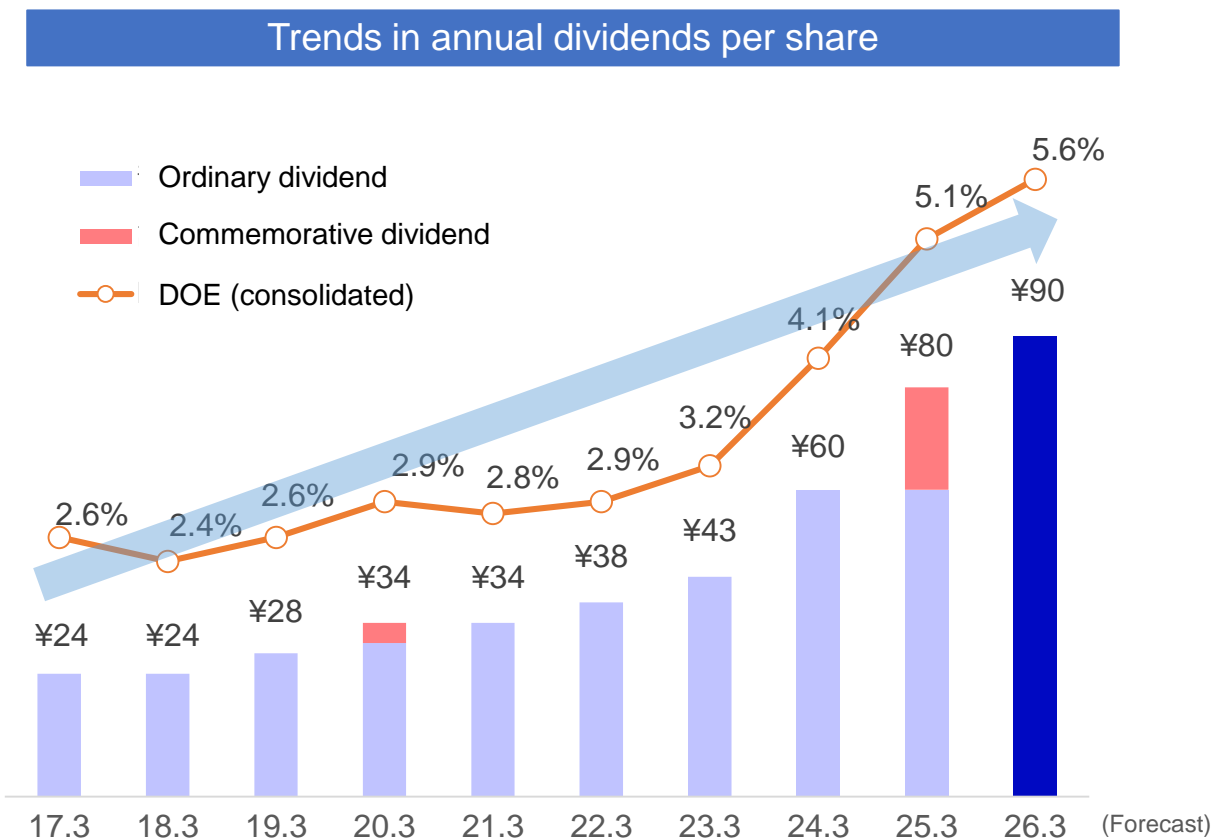


## Dividend policy (applied in FYE March 2026): Dividend on equity ratio (DOE) of 5% or more and progressive dividends

- The interim dividend for the fiscal year ending March 31, 2026 will be 45 yen, which is the publicly disclosed value.
- The forecast year-end dividend will also be 45 yen as publicly disclosed, and the annual dividend is planned to be 90 yen (up 10 yen from the previous year).
- Dividend on equity ratio (DOE) is forecast to be 5.6%.

	2022.3	2023.3	2024.3	2025.3	2026.3
Interim dividend	¥17	¥19	¥30	¥40	¥45
Year-end dividend	¥21	¥24	¥30	¥40	¥45 (forecast)
Annual dividend	¥38	¥43	¥60	¥80	¥90 (forecast)
Dividend payout ratio	33.9%	41.0%	39.9%	61.0%	58.7% (forecast)
Dividend on equity ratio (DOE)	2.9%	3.2%	4.1%	5.1%	5.6% (forecast)

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



# IV

## Medium-Term Management Plan

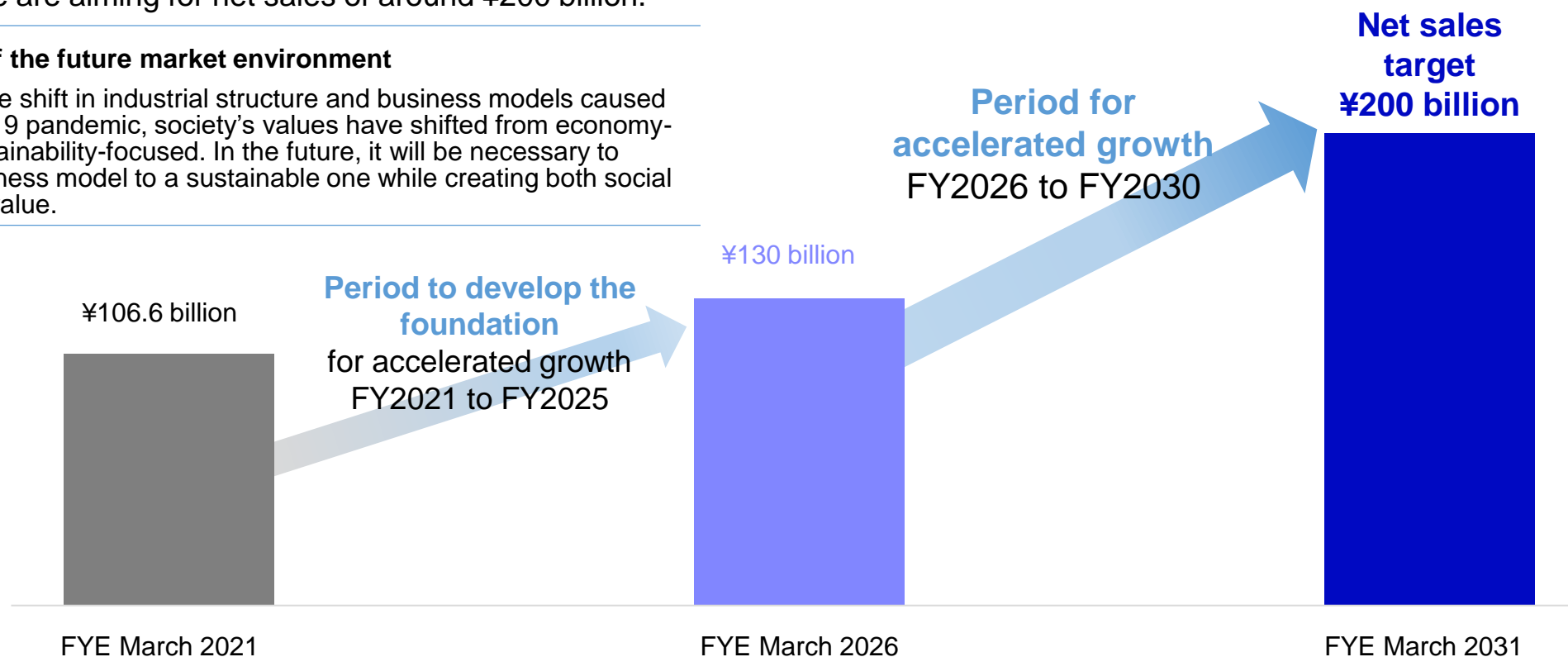
# Vision for FY2030 and the positioning of the medium-term management plan

## 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.

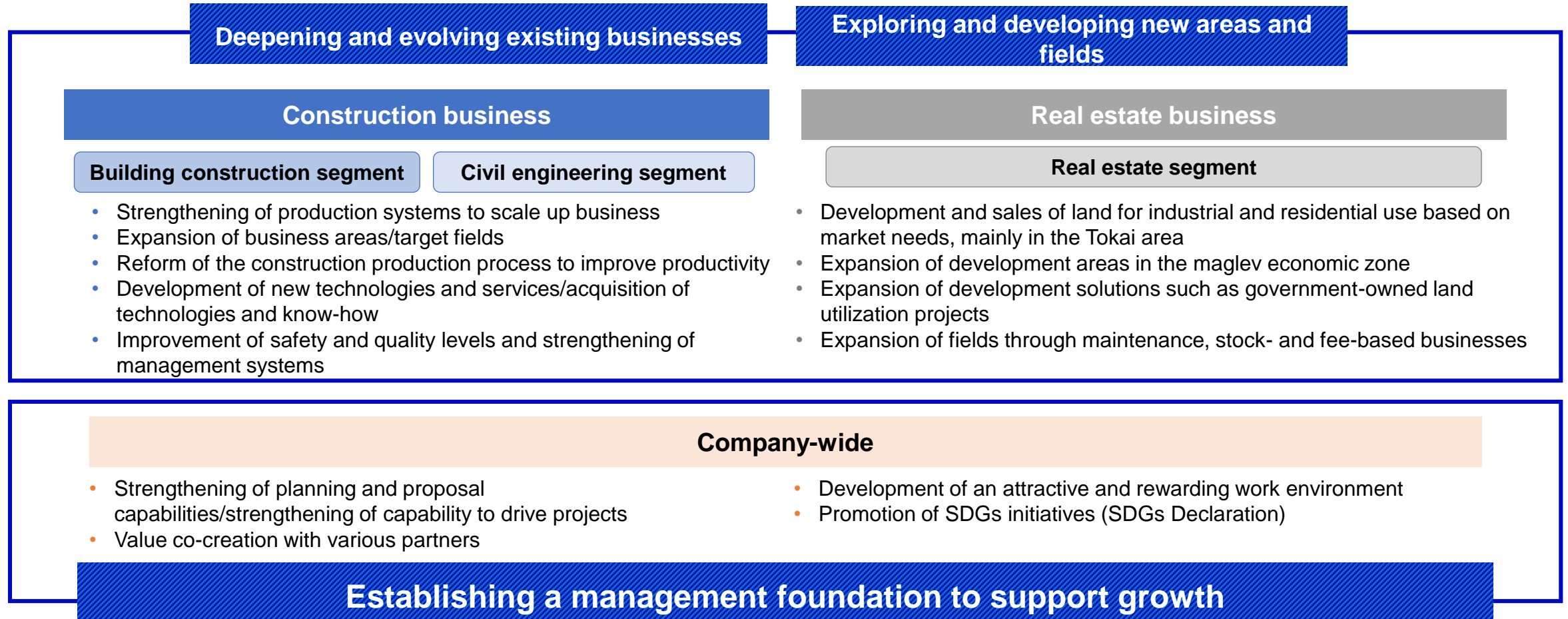
### Recognition of the future market environment

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





# Progress of the the medium-term management plan (FY2021 to FY2025)



## ■ Net sales

Net sales are expected to far exceed the numerical target in the medium-term management plan (¥130.0 billion) due to an increase in orders received for building construction associated with real estate development, and also aggressive initiatives in large construction projects.

## ■ Profit

The numerical operating profit target in the medium-term management plan (¥10.0 billion) is expected to be achieved due to a significant increase in sales which more than offset the steep increase of material and labor costs which was not anticipated when the plan was formulated.

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

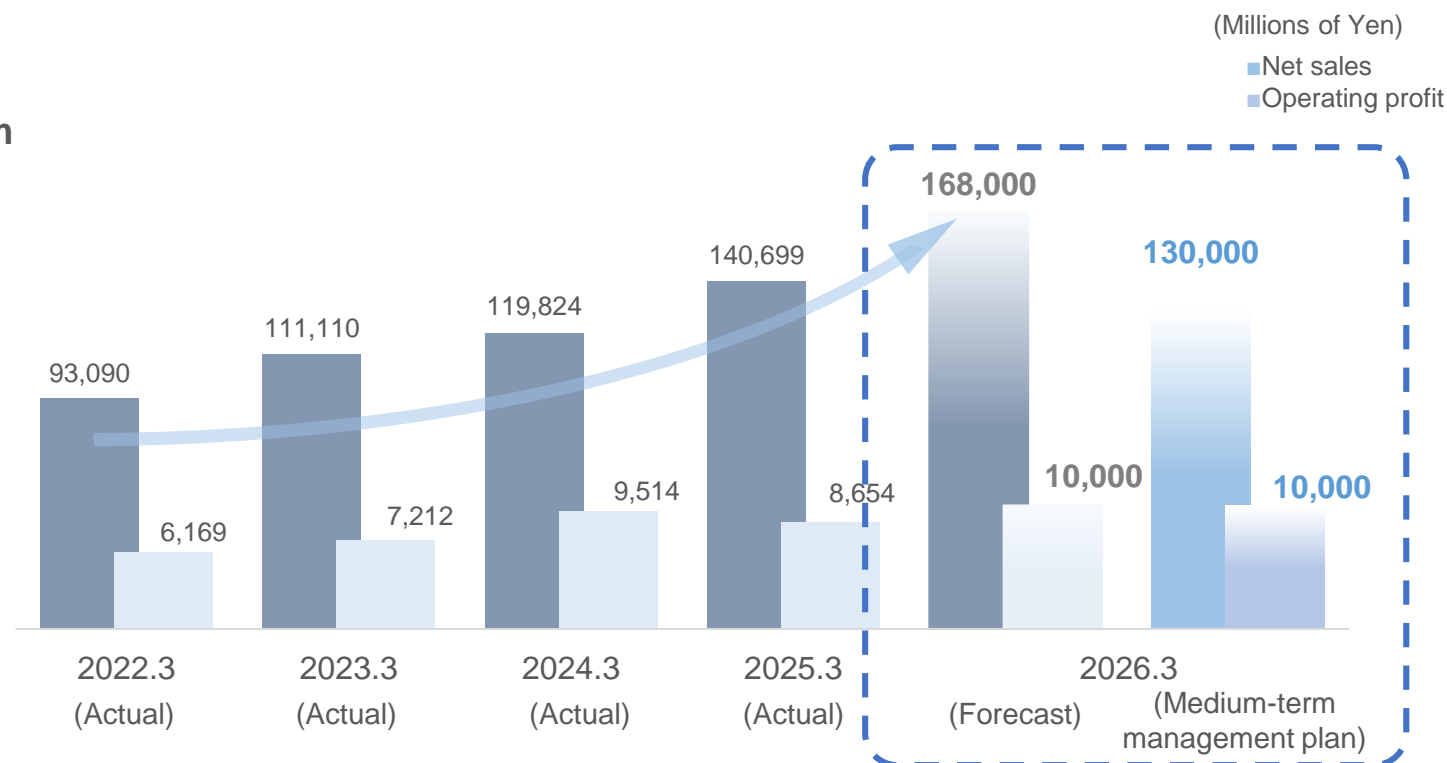
□ Consolidated net sales: 130.0 billion yen

□ Consolidated operating profit: 10.0 billion yen

### ◆ FYE March 2026 Forecast

□ Consolidated net sales: 168.0 billion yen

□ Consolidated operating profit: 10.0 billion yen



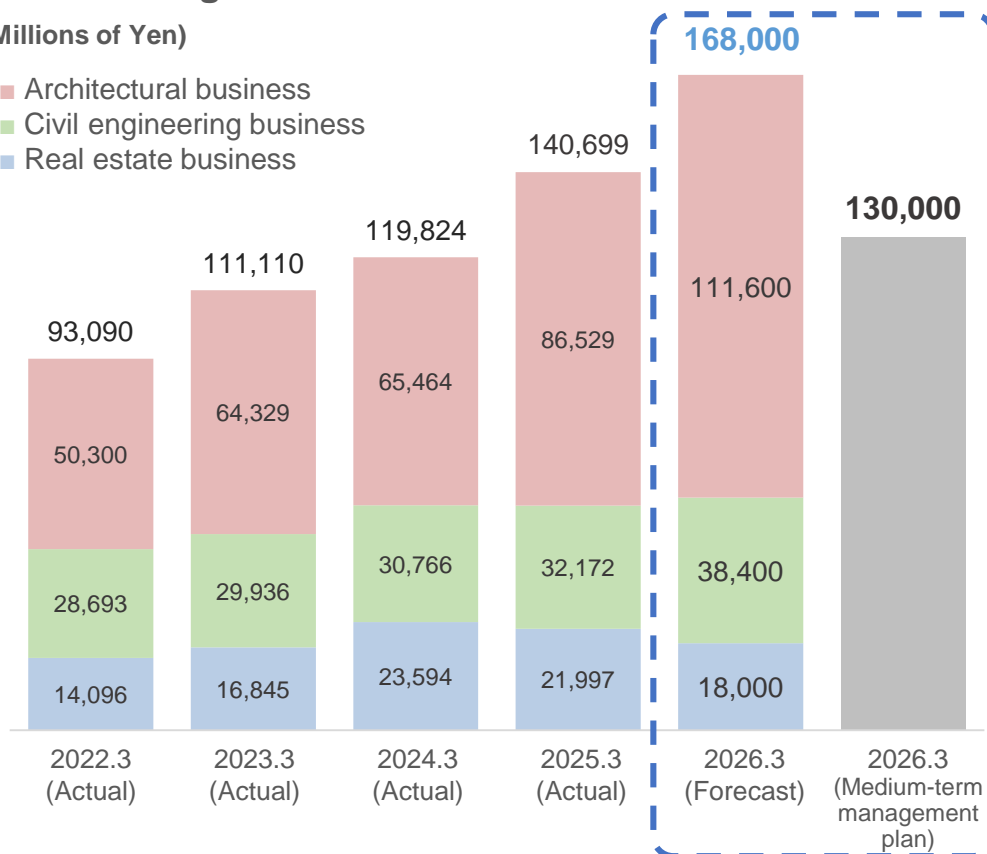
# Numerical targets and progress in the medium-term management plan (FY2021 to FY2025)

**Good progress was made in the architectural, civil engineering and real estate businesses. In terms of profit, a well-balanced business portfolio has been established.**

## □ Trend in segment net sales

(Millions of Yen)

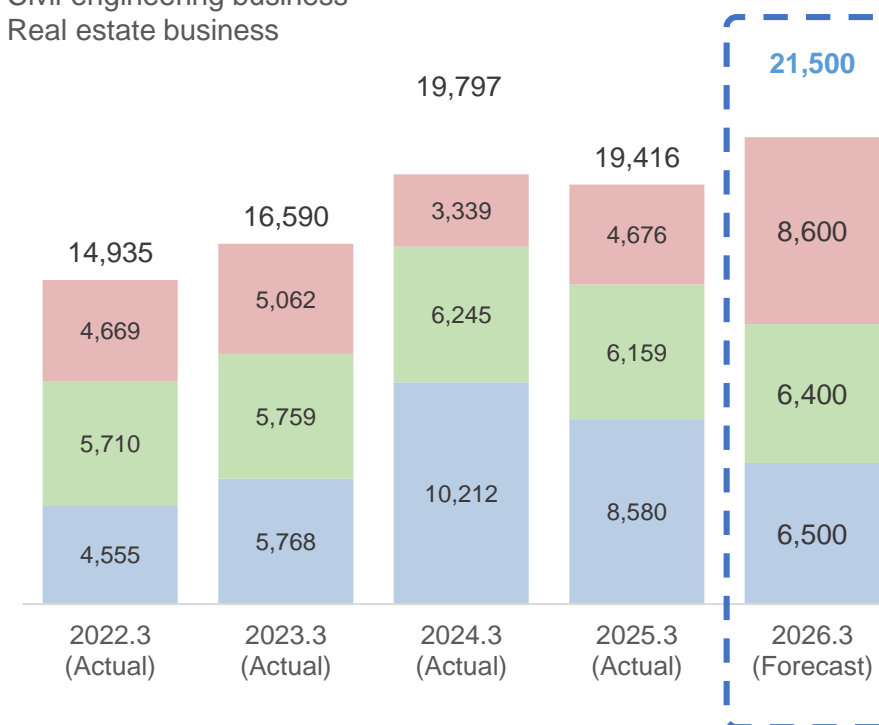
- Architectural business
- Civil engineering business
- Real estate business



## □ Trend in segment gross profit

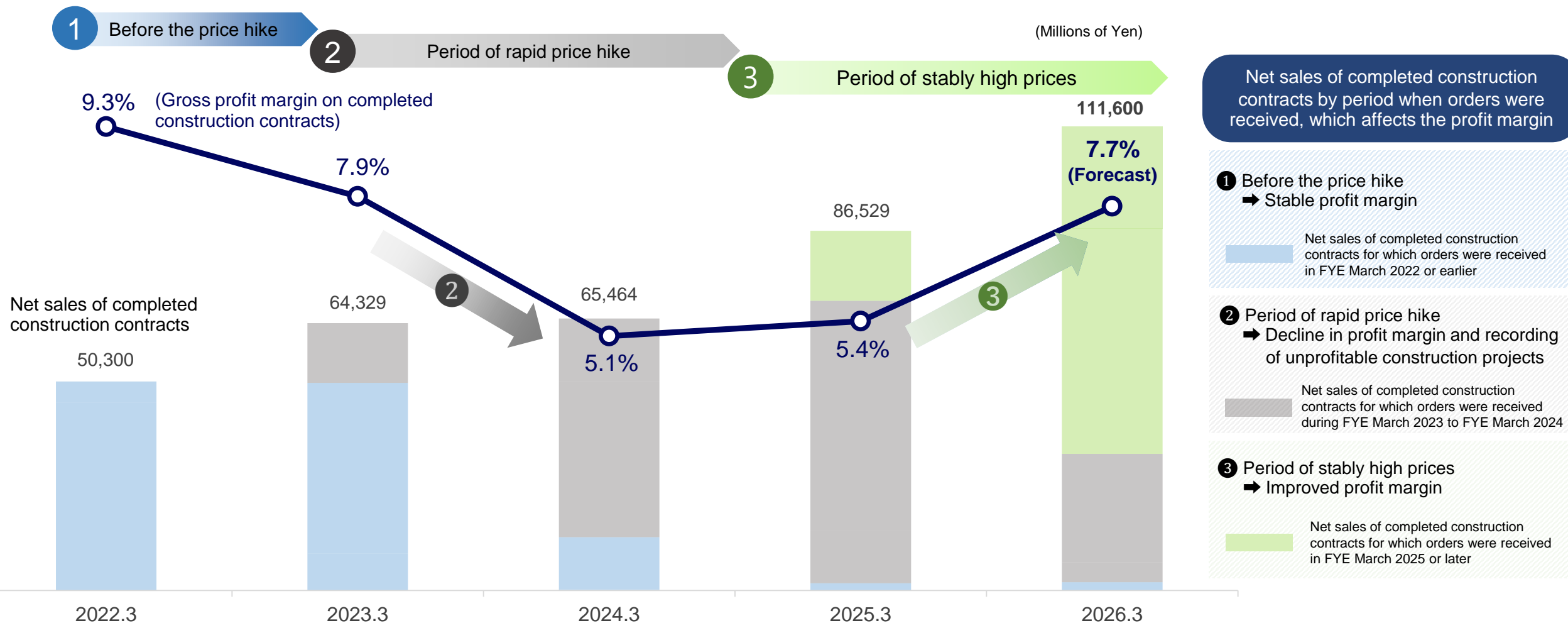
(Millions of Yen)

- Architectural business
- Civil engineering business
- Real estate business



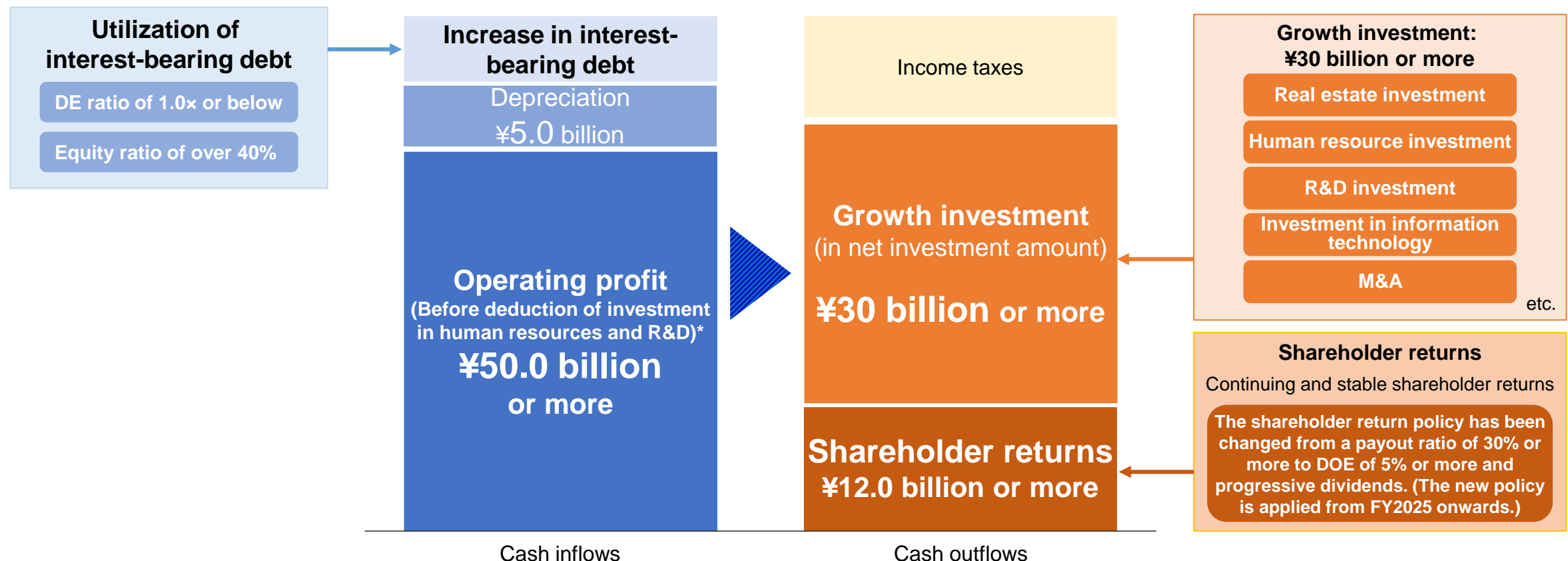
# Trend in profit margin of architectural business

While the profit margin has been trending lower for the past several years due to the rapid price hike, the margin is expected to improve in the current fiscal year given progress in price pass-through and a decrease in the number of unprofitable construction projects.



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.

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 approx. ¥35.0 billion over the past four years, an average of ¥8.7 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:  
¥16.0 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)

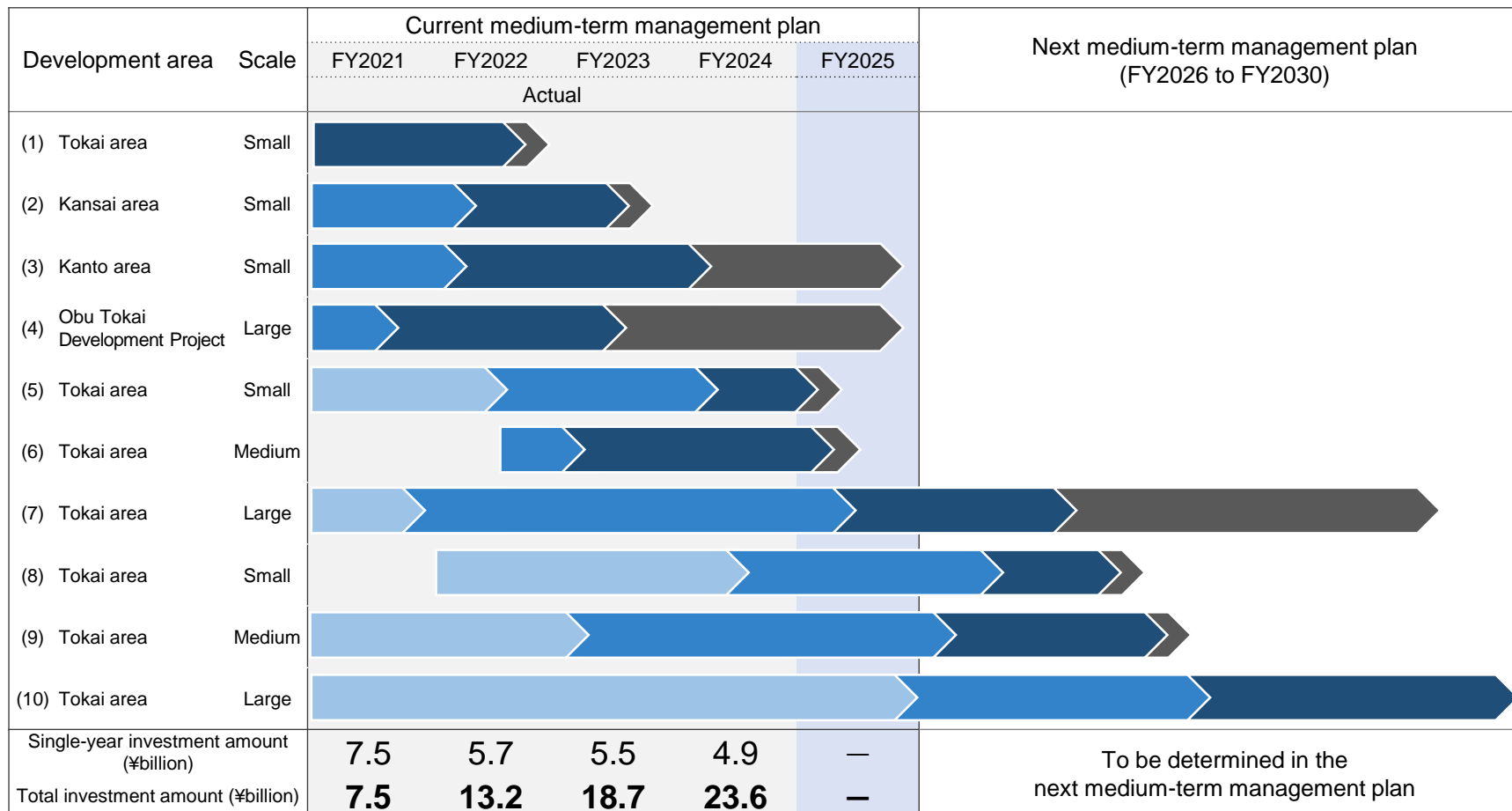
### Progress up to FYE March 2025 (Actual)

#### 4 years

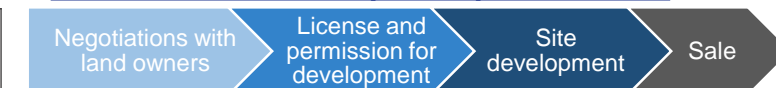
- The investments that have been made were far greater than planned, mainly in real estate
- Total amount: Approx. **¥35** billion
  - Annual average: **¥8.7** billion

**We will increase real estate investments in industrial sites aiming to continuously expand the real estate business.**  
**— Multiple projects will be implemented simultaneously to establish a stable revenue base.**

● **Progress of projects for the development of industrial sites (excerpt)**



● **Industrial site development process flow**



- **The scale** stated is according to the amount of the investment.  
 Small: less than ¥2.0 billion  
 Medium: From ¥2.0 billion to less than ¥10.0 billion  
 Large: ¥10.0 billion or more

**Development track record during the current medium-term management plan period (FY2021 to FY2024)**

**Total investment amount: ¥23.6 billion**

☐ Real estate investments were implemented chiefly in industrial site development.

**Total real estate sales: Approx. ¥30 billion**

☐ Real estate investment does not only help increase future revenue, it also generates stable cash flows through the posting of sales and the recovery of invested funds during the current medium-term management plan and it leads to the creation of funds for future investments.

**Area under development:**

**At least 300,000 tsubo**

☐ Has a positive impacts on real estate sales in and after FY2026

\* The schedules above are correct as of the time of the presentation and may change depending on the progress of development, external conditions and other factors.

## R&D investment

### Accelerate demonstration research and development to deliver value to customers based on market needs

- [Results] - Improvement of the RCS structure (e.g., widening the standards for applicable steel frames)  
 - Enhanced reliability of the PAN WALL method (e.g., the acquisition of certification from a third-party organization and the verification of quake and cold resistance)
- [Future] - Increase cost competitiveness in target markets, i.e., the markets for large properties and ultra high-rise properties and the public sector market, improve productivity and conduct research and development that will be helpful in labor reduction.

\* RCS structure: A hybrid structure composed of reinforced concrete columns and steel framed beams suitable for logistics facilities, factories and other buildings with heavy items on the floor and for buildings with limited columns due to a requirement for large spaces

\* PAN WALL method: The Company's original natural ground reinforcement method

## Investment in information technology

### Increase the productivity of the construction process and carry out workstyle reforms

- [Results] - Redevelopment of IT infrastructure· Hardening of information security  
 - Implementation of workstyle reforms (Encouraging the use of information and communication technologies (ICT), such as BIM and CIM, to increase operational efficiency)
- [Future] - Continue to improve the construction process by encouraging the use of ICT such as BIM and CIM and carry out the workstyle reforms  
 - Increase operational efficiency and proposal capabilities using AI and other digital technologies

\* BIM: Building Information Modeling, a method of information management in the domain of architecture for integrating information about structures, equipment, materials, construction periods, costs and other matters, in addition to building 3d models, to streamline a range of processes from architectural planning and design to construction, maintenance and management

\* CIM: Construction Information Modeling, a method of information management in the domain of civil engineering that, like the BIM, makes use of 3d models and related information to streamline and advance construction projects

## Human resource investment

### Seek to be a company that is chosen and where employees want to keep working for the company

- [Results] - Introduction of a new personnel system and improvement of treatment including the increase of base pay  
 - Implementation of management reforms (e.g., management training)  
 - Enhancement of internal training  
 - Strengthening of recruitment activities (e.g., hiring of female engineers and foreign-national personnel)
- [Future] - Hire architectural engineers mid-career with a view toward the expansion of business  
 - Develop and produce leaders that are women and/or foreign nationals  
 - Provide an environment where employees can work in good mental and physical health

## M&A

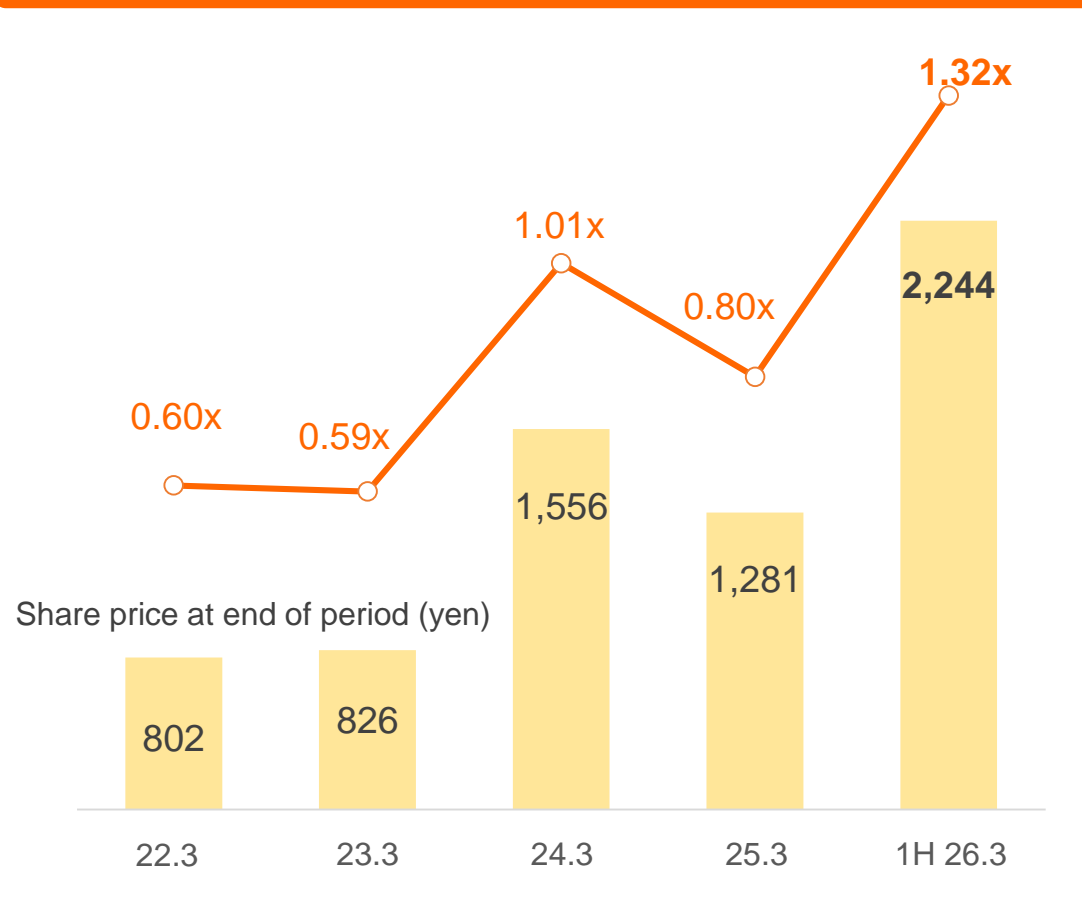
### Positively consider and implement M&A activities to continuously grow and expand the scale of the business

- [Results] - M&A activity involving HOKUWA CONSTRUCTION, INC. conducted in March 2023 (Converting this company which has a solid sales base in Kyoto and the rest of the Kansai region into a subsidiary to produce numerous synergies including the expansion of the trading area)
- [Future] - Positively consider M&A to expand business area the maglev economic zone and to increase supply capacity (construction capacity) etc.

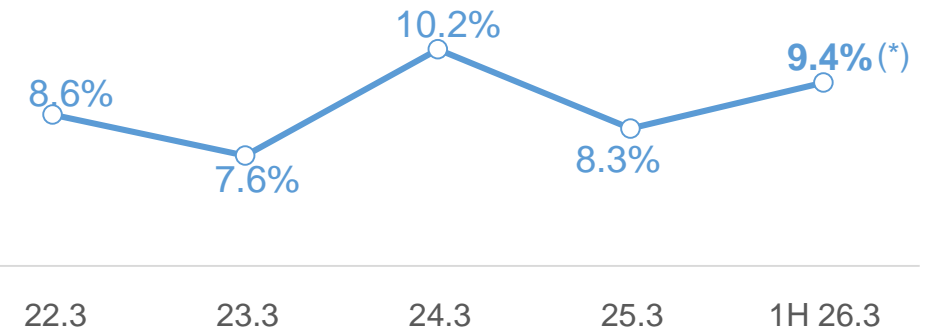


**PBR has increased to a level far above 1.0x due to the implementation of management with an awareness of capital cost and share price**

Trends in Price Book-value Ratio (PBR)



Trends in Return on Equity (ROE)

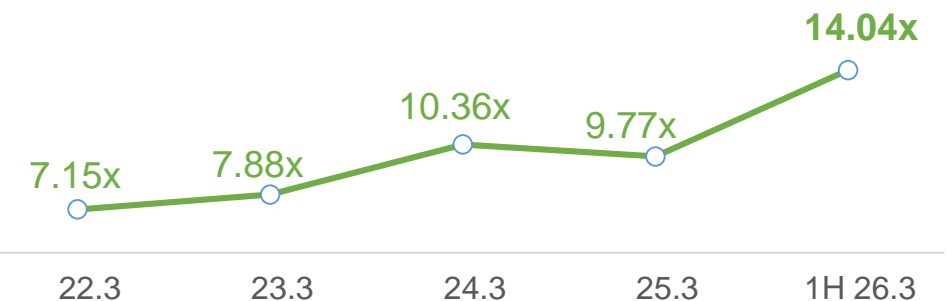


(\*) 26.3 Forecast

=

×

Trends in Price Earnings Ratio (PER)



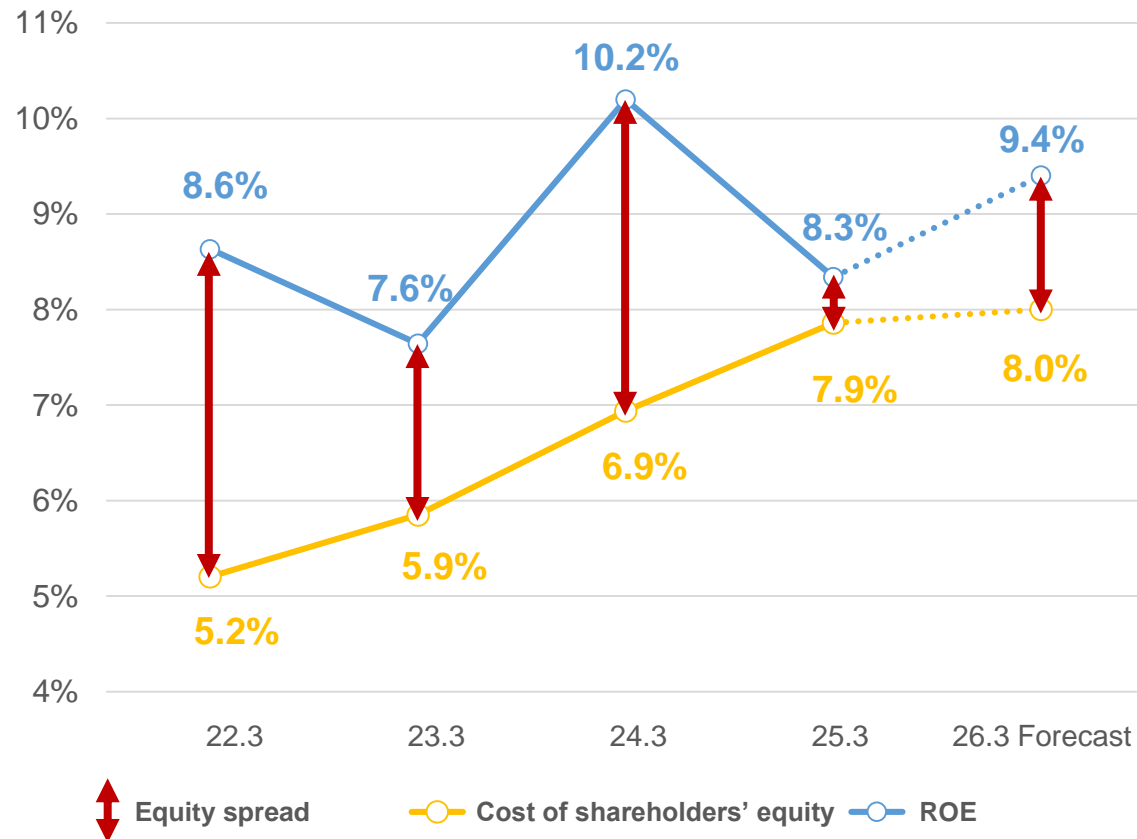


# Analysis of current status of capital cost and return on equity

The Company's return on equity (ROE) is higher than its cost of shareholders' equity. However, the spread between them is narrowing.

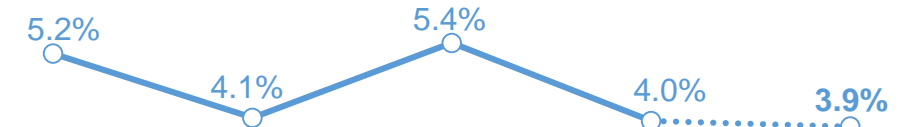
The Company aims to widen the spread, or the gap between ROE and the cost of shareholders' equity by increasing ROE.

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



ROE

Net profit margin



Asset turnover ratio



Financial leverage



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

### = Constantly creating excess returns

Growth strategy

- Steady achievement of the medium-term management plan

**FY2025 planned value**  
Net sales: ¥130 billion  
Operating profit: ¥10 billion

**FY2025 financial results targets**  
Net sales: ¥168 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
  - DOE and progressive dividends introduced in FY2025

IR strategy

- Strengthening of IR and SR activities
- Expansion and increased sophistication of information disclosure

= Gaining market appreciation through engagement

## SBT certification acquired for GHG reduction targets

In March 2025, the Company acquired certification under the Science Based Targets (SBT)\*, an international initiative, for its greenhouse gas (GHG) emission reduction targets with FY2030 as the target year. Group-wide efforts will be continued to build a decarbonized society and promote sustainability.

### ■ SBT-certified GHG reduction targets

Base year	Target year	Scope 1 + 2	Scope 3
		Direct emissions + indirect emissions	Emissions from the entire supply chain
2022	2030	-42% of the base year's level	-25% of the base year's level

Scope 1: Direct emissions associated with the use of fuels for heavy machinery, vehicles, etc. in the Company's production activities

Scope 2: Indirect emissions associated with the use of electricity, etc. in the Company's production activities

Scope 3: Emissions from the entire supply chain, including emissions during operations of buildings designed by the Company



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

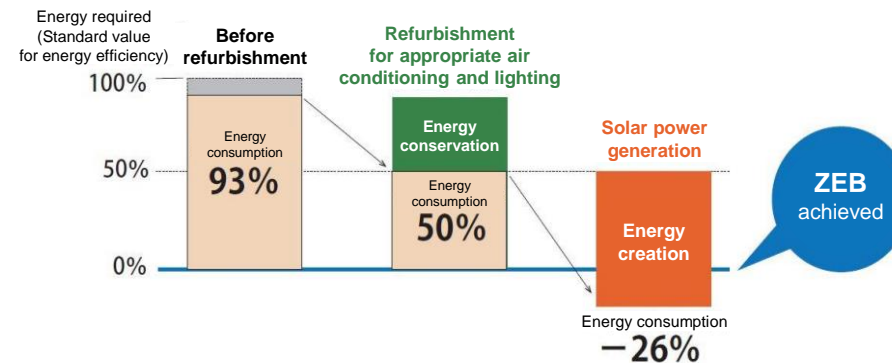
\*SBT: GHG reduction targets set by companies, with the target year being five to ten years into the future, which conform to the Paris Agreement (limiting temperature rise to less than 1.5°C above pre-industrial levels)

## ZEB and CASBEE certifications acquired for Engineering Center, the Company's R&D facility

The Company refurbished the Engineering Center, its R&D facility in Nagakute, Aichi, with a focus on decarbonization and comfort. This resulted in the acquisition of ZEB and S rank in CASBEE-Wellness Office.

### ■ ZEB

Energy consumption was reduced by **126%** from the standard value through *energy conservation*, which was achieved by improving air conditioning and lighting with high ratios of energy consumption and by enhancing the thermal insulation performance, and *energy creation*, achieved with solar power generation. This has resulted in acquisition of ZEB certification, the top rank under the Building-Housing Energy-efficiency Labeling System (BELS).



If standard energy consumption determined by energy efficiency calculation is 100%, energy consumption before the refurbishment was 93% of the standard value.



Engineering Center (Nagakute, Aichi)

### ■ S rank in CASBEE-Wellness Office

The functionality of the spaces was improved by reviewing them based on how they are used and arranging interior equipment and furniture based on the concept of each zone. In addition, furniture made using hinoki cypress from Toyota, Aichi, wall greening, and interior plants for office spaces were also introduced. These initiatives resulted in the acquisition of S rank, the top rank in CASBEE-Wellness Office.



Furniture made of hinoki cypress from Toyota used in the refreshing lounge

**Contributing to the achievement of a decarbonized society and to the maintenance and improvement of the health and comfort of workers**



V

# FACT SHEET

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



	(Millions of Yen)					
	Six months ended Sept. 30, 2021	Six months ended Sept. 30, 2022	Six months ended Sept. 30, 2023	Six months ended Sept. 30, 2024	Six months ended Sept. 30, 2025	FYE March 2026 forecast
<b>Net sales</b>	46,852	41,495	52,158	58,760	89,665	168,000
<i>(Year-on-year percentage change)</i>	(103.4%)	(▲11.4%)	(25.7%)	(12.7%)	(52.6%)	(19.4%)
<b>Operating profit</b>	2,184	1,738	1,487	1,286	7,989	10,000
<i>(Year-on-year percentage change)</i>	(7.7%)	(▲20.4%)	(▲14.4%)	(▲13.5%)	(520.9%)	(15.5%)
<b>Ordinary profit</b>	2,211	1,775	1,564	1,325	7,982	9,900
<i>(Year-on-year percentage change)</i>	(5.6%)	(▲19.7%)	(▲11.9%)	(▲15.3%)	(502.0%)	(14.9%)
<b>Profit attributable to owners of parent</b>	1,577	1,206	1,017	967	5,737	6,600
<i>(Year-on-year percentage change)</i>	(8.6%)	(▲23.5%)	(▲15.6%)	(▲4.9%)	(492.9%)	(16.9%)

☐ **Net sales and each level of profit reached record first-half highs**

☐ **<Reference>**

First year for which consolidated  
financial statements were prepared

FYE March 1991

Highest records as of the previous fiscal year

● Net sales	Six months ended Sept. 30, 2024	¥58,760 million
● 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. Status of consolidated subsidiaries (as of September 30, 2025)



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>3,716</b>
<b>YAHAGI BUILDING AND LIFE CO., LTD.</b>	Higashi-ku, Nagoya	400	March	Apartment and building management business, architectural business	<b>2,628</b>
<b>YAHAGI GREEN Co., Ltd.</b>	Higashi-ku, Nagoya	100	March	Greenery business, golf course management business	<b>1,927</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>595</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>4,383</b>
<b>Nanshin Takamori Development Co., Ltd.</b>	Takamori-machi, Shimoina-gun, Nagano	50	March	Operation of golf courses (Takamori Country Club)	<b>231</b>
<b>HOKUWA CONSTRUCTION, INC.</b>	Shimogyo-ku, Kyoto	85	March	Architectural business	<b>4,372</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.



### 3. Orders received, net sales, and orders received carried forward (consolidated)

(Millions of Yen)

Category			Orders received				Net sales				Orders received carried forward			
			2024.9	2025.9	Year on year		2024.9	2025.9	Year on year		2024.9	2025.9	Year on year	
			Actual	Actual	Increase/ decrease	Change	Actual	Actual	Increase/ decrease	Change	Actual	Actual	Increase/ decrease	Change
Construction	Building construction	Government	1	111	109	—	771	13	▲ 757	▲98.2%	862	136	▲ 725	▲84.1%
		Private	50,689	44,539	▲ 6,150	▲12.1%	35,024	62,286	27,262	77.8%	117,205	101,856	▲ 15,348	▲13.1%
		Total	50,691	44,650	▲ 6,040	▲11.9%	35,795	62,300	26,505	74.0%	118,067	101,993	▲ 16,074	▲13.6%
	Civil engineering	Government	6,470	10,668	4,198	64.9%	5,796	6,539	743	12.8%	18,821	27,206	8,385	44.6%
		Private	13,601	8,995	▲ 4,605	▲33.9%	7,989	10,224	2,234	28.0%	22,469	20,035	▲ 2,433	▲10.8%
		Total	20,071	19,663	▲ 407	▲2.0%	13,785	16,763	2,977	21.6%	41,291	47,242	5,951	14.4%
		Government	6,471	10,779	4,308	66.6%	6,567	6,553	▲ 13	▲0.2%	19,683	27,343	7,659	38.9%
		Private	64,290	53,534	▲ 10,756	▲16.7%	43,013	72,510	29,496	68.6%	139,674	121,892	▲ 17,782	▲12.7%
		Total	70,762	64,314	▲ 6,447	▲9.1%	49,581	79,064	29,482	59.5%	159,358	149,235	▲ 10,122	▲6.4%
	Real estate business and other						9,179	10,601	1,422	15.5%				
	Total						58,760	89,665	30,905	52.6%				

## 4. Trends in share price and trading volume

(April 1, 2020 to October 31, 2025)



Share price  
(yen)

Closing price on Oct. 31: 2,183 yen  
PER: 14.23 ×  
PBR: 1.29 ×

Trading volume  
(thousand shares)

2,500

17,500

2,000

15,000

1,500

10,000

1,000

7,500

500

5,000

0

0

2020/04 2020/10 2021/04 2021/10 2022/04 2022/10 2023/04 2023/10 2024/04 2024/10 2025/04 2025/10



\* 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.