

Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

February 6, 2025

Company name: YAHAGI CONSTRUCTION CO., LTD.
 Stock exchange listing: Tokyo, Nagoya
 Stock code: 1870 URL <https://www.yahagi.co.jp/>
 Representative: President and Representative Director Mitsuhiro Takayanagi
 Inquiries: General Manager of Accounting Department Yoshiki Saguchi TEL 052-935-2348
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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	%
Nine months ended December 31, 2024	97,109	6.9	3,318	(63.3)	3,374	(63.1)	2,318	(62.9)
Nine months ended December 31, 2023	90,821	24.3	9,041	167.3	9,155	165.5	6,258	170.2

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2024	53.90	—
Nine months ended December 31, 2023	145.48	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	138,682	65,792	47.4
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	Yen	Yen	Yen	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 nine months ended December 31, 2024: No
- (2) Application of special accounting methods for preparing quarterly 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 December 31, 2024	44,607,457 shares	As of March 31, 2024	44,607,457 shares
-------------------------	-------------------	----------------------	-------------------

Number of treasury shares at the end of the period

As of December 31, 2024	1,578,373 shares	As of March 31, 2024	1,584,173 shares
-------------------------	------------------	----------------------	------------------

Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	43,025,428 shares	Nine months ended December 31, 2023	43,015,860 shares
-------------------------------------	-------------------	-------------------------------------	-------------------

Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and deposits	19,987	16,708
Notes receivable, accounts receivable from completed construction contracts and other	39,564	49,556
Electronically recorded monetary claims - operating	93	63
Costs on construction contracts in progress	3,251	3,084
Real estate for sale	21,016	23,600
Merchandise and finished goods	6	17
Raw materials and supplies	825	627
Other	3,254	8,083
Allowance for doubtful accounts	(88)	(86)
Total current assets	87,910	101,654
Non-current assets		
Property, plant and equipment		
Buildings and structures	15,846	16,147
Machinery, vehicles, tools, furniture and fixtures	3,921	4,130
Land	18,317	18,279
Leased assets	78	78
Construction in progress	163	9
Accumulated depreciation	(11,180)	(11,815)
Total property, plant and equipment	27,148	26,830
Intangible assets	728	717
Investments and other assets		
Investment securities	5,202	5,157
Retirement benefit asset	248	256
Deferred tax assets	3,792	2,969
Other	1,017	1,143
Allowance for doubtful accounts	(48)	(48)
Total investments and other assets	10,213	9,479
Total non-current assets	38,090	37,027
Total assets	126,000	138,682

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Accounts payable for construction contracts	11,112	12,580
Short-term borrowings	14,100	28,200
Income taxes payable	4,663	42
Advances received on construction contracts in progress	8,853	8,055
Provision for warranties for completed construction	441	451
Provision for loss on construction contracts	322	959
Provision for bonuses for directors (and other officers)	85	57
Other	4,128	2,561
Total current liabilities	43,708	52,907
Non-current liabilities		
Long-term borrowings	8,300	12,400
Deferred tax liabilities for land revaluation	221	221
Retirement benefit liability	3,680	3,746
Asset retirement obligations	449	462
Provision for share-based payments	136	173
Other	2,966	2,978
Total non-current liabilities	15,753	19,982
Total liabilities	59,461	72,889
Net assets		
Shareholders' equity		
Share capital	6,808	6,808
Capital surplus	7,244	7,244
Retained earnings	56,015	55,295
Treasury shares	(875)	(870)
Total shareholders' equity	69,192	68,477
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,326	2,330
Revaluation reserve for land	(5,882)	(5,882)
Remeasurements of defined benefit plans	894	857
Total accumulated other comprehensive income	(2,661)	(2,694)
Non-controlling interests	8	9
Total net assets	66,538	65,792
Total liabilities and net assets	126,000	138,682

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales		
Net sales of completed construction contracts	68,976	86,088
Net sales in real estate business and other	21,845	11,020
Total net sales	90,821	97,109
Cost of sales		
Cost of sales of completed construction contracts	61,890	78,598
Cost of sales in real estate business and other	11,974	7,464
Total cost of sales	73,865	86,063
Gross profit		
Gross profit on completed construction contracts	7,085	7,490
Gross profit on real estate business and other	9,870	3,556
Total gross profit	16,956	11,046
Selling, general and administrative expenses	7,915	7,727
Operating profit	9,041	3,318
Non-operating income		
Interest income	1	0
Dividend income	110	132
Other	92	52
Total non-operating income	204	185
Non-operating expenses		
Interest expenses	83	115
Other	6	14
Total non-operating expenses	89	129
Ordinary profit	9,155	3,374
Extraordinary income		
Gain on sale of investment securities	3	45
Total extraordinary income	3	45
Extraordinary losses		
Loss on retirement of non-current assets	6	0
Impairment losses	—	38
Other	1	0
Total extraordinary losses	7	38
Profit before income taxes	9,151	3,381
Income taxes - current	5,522	219
Income taxes - deferred	(2,629)	842
Total income taxes	2,893	1,061
Profit	6,258	2,320
Profit attributable to non-controlling interests	—	1
Profit attributable to owners of parent	6,258	2,318

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	6,258	2,320
Other comprehensive income		
Valuation difference on available-for-sale securities	455	3
Remeasurements of defined benefit plans, net of tax	34	(36)
Total other comprehensive income	489	(32)
Comprehensive income	6,747	2,287
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,747	2,286
Comprehensive income attributable to non-controlling interests	—	1