



May 10, 2023



## IR Material: Current Management Status of the Group Consolidated Financial Results for the Fiscal Year Ended March 31, 2023

Company name:  
YAHAGI CONSTRUCTION CO., LTD.

Representative:  
Mitsuhiro Takayanagi  
President and Director

(Code no.: 1870, listed on Prime Section of  
Tokyo Stock Exchange and Premiere Section  
of Nagoya Stock Exchange)

Headquarters:  
3-19-7 Aoi, Higashi-ku, Nagoya City

Contact:  
keiri@yahagi.co.jp

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Cover: YAHAGI CONSTRUCTION CO., LTD., Headquarters "Hiroba"

This is a space that employees can use freely to gather in a group, work over coffee, etc. while feeling the green and waterside nature, and where they can communicate with various other employees casually.

\*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.

# ① Overview of consolidated financial results for FY March 2023

## 1. Consolidated operating results

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	(Millions of Yen)	
				Year on year Increase/ decrease	Change
<b>Net sales</b>	106,615	93,090	<b>111,110</b>	18,019	19.4%
Net sales of completed construction contracts	92,406	78,993	94,265	15,271	19.3%
Net sales in real estate business and other	14,208	14,096	16,845	2,748	19.5%
<b>Gross profit</b>	15,699	14,935	<b>16,590</b>	1,655	11.1%
(Gross profit margin)	(14.7%)	(16.0%)	(14.9%)		▲1.1pt
Gross profit on completed construction contracts	11,689	10,379	10,822	442	4.3%
Gross profit on real estate business and other	4,009	4,555	5,768	1,213	26.6%
Selling, general, and administrative expenses	8,336	8,765	<b>9,377</b>	612	7.0%
<b>Operating profit</b>	7,362	6,169	<b>7,212</b>	1,043	16.9%
(Operating profit margin)	(6.9%)	(6.6%)	(6.5%)		▲0.1pt
<b>Ordinary profit</b>	7,445	6,174	<b>7,259</b>	1,084	17.6%
(Ordinary profit margin)	(7.0%)	(6.6%)	(6.5%)		▲0.1pt
Profit attributable to owners of parent	3,292	4,842	<b>4,508</b>	▲ 334	▲6.9%
(Return on sales)	(3.1%)	(5.2%)	(4.1%)		▲1.1pt

### < Net sales >

Construction business: **Net sales increased by ¥15.2 billion year on year** due to smooth progress in construction in both building construction and civil engineering projects centered on large steel construction projects

Real estate business: **Net sales grew by ¥2.7 billion year on year** due to brisk sales of 2 new buildings in the condominiums for sale business, among others.

Total: **Net sales increased by ¥18 billion year on year, resulting in record-high total net sales**

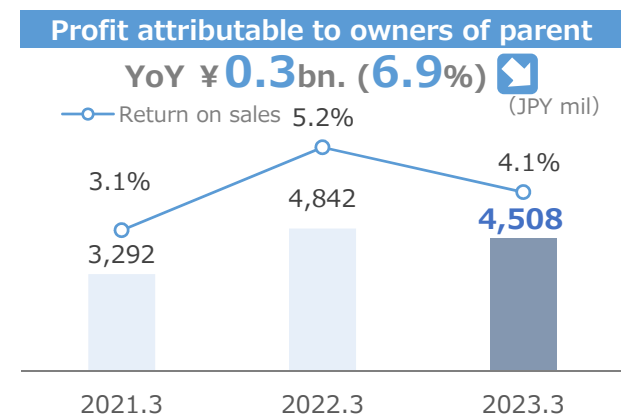
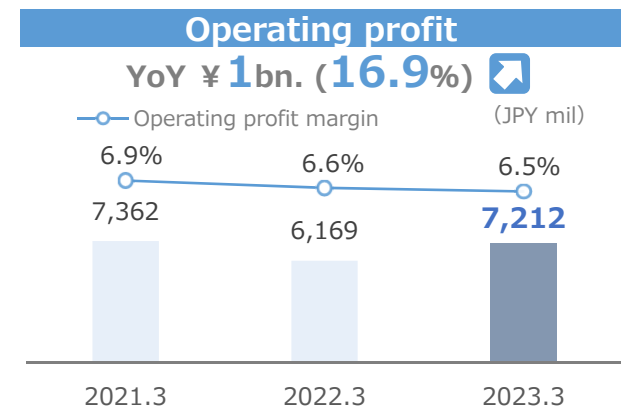
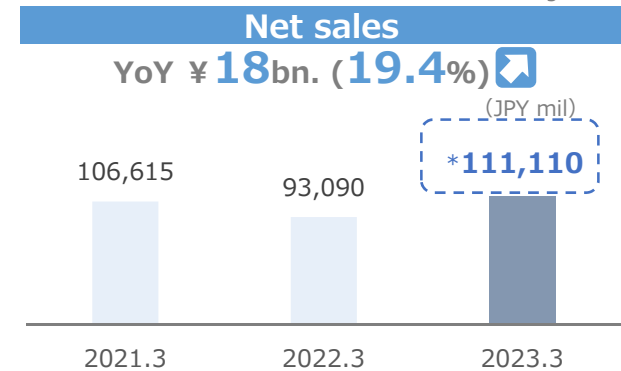
### < Profit >

Construction business: **Profit only rose by ¥0.4 billion year on year** due to effects of some unprofitable large construction projects.

Real estate business: **Profit grew by ¥1.2 billion year on year** mainly due to progress in sales of industrial land in addition to a growth in sales of condominiums for sale

Total: Although a profit increase was posted up to the ordinary profit level, profit **decreased by ¥0.3 billion** due to the recording of extraordinary loss associated with losses on valuation of securities held.

\* Net sales marked a record high.

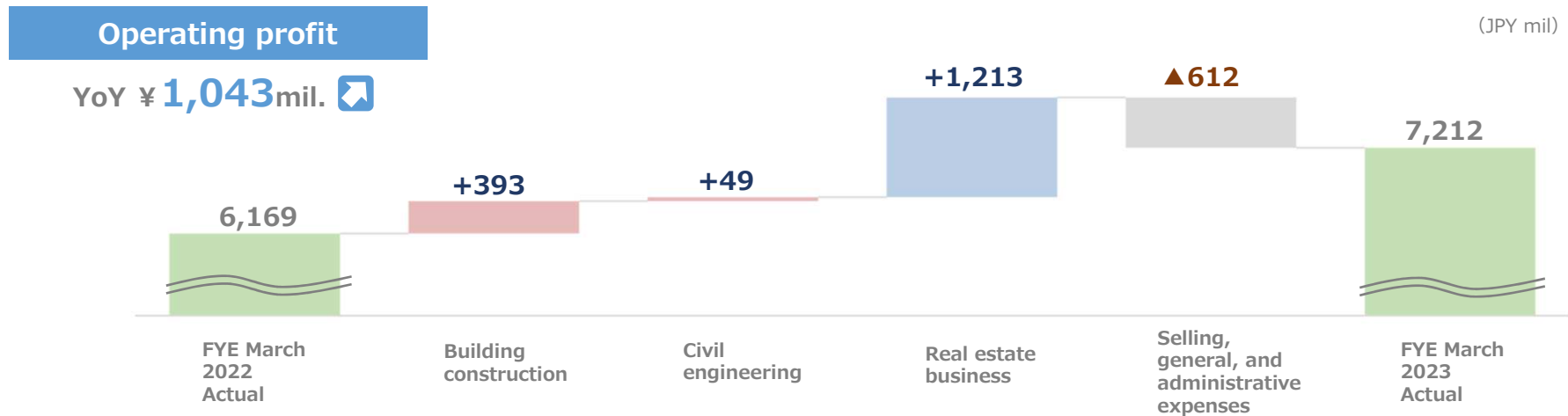
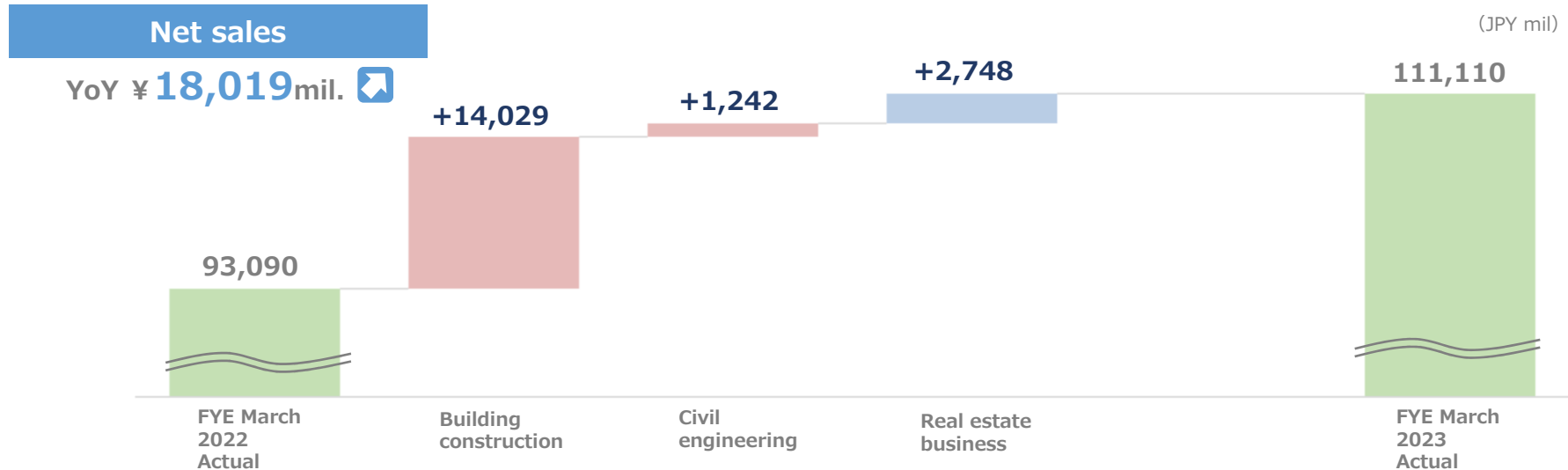




# I . Consolidated profit and loss

## 1. Consolidated operating results

Factors for increase or decrease in net sales/operating profit  
(vs results for FY March 2022)



# I . Consolidated profit and loss

## 2. Comparison with financial forecasts

### <Net sales>

In the building construction business, net sales were ¥4.1 billion higher than forecast due to smooth progress in construction.

### <Profit>

In addition to a growth in construction in the building construction business, gross profit on completed construction contracts exceeded the forecast, supported by improvement in profit margin on each project, and sales of 2 new buildings in the condominiums for sale business were brisk in the real estate business. Consequently, operating profit and ordinary profit also exceeded the forecast by ¥1.2 billion. On the other hand, profit was ¥0.3 billion higher than forecast despite the recording of extraordinary loss.

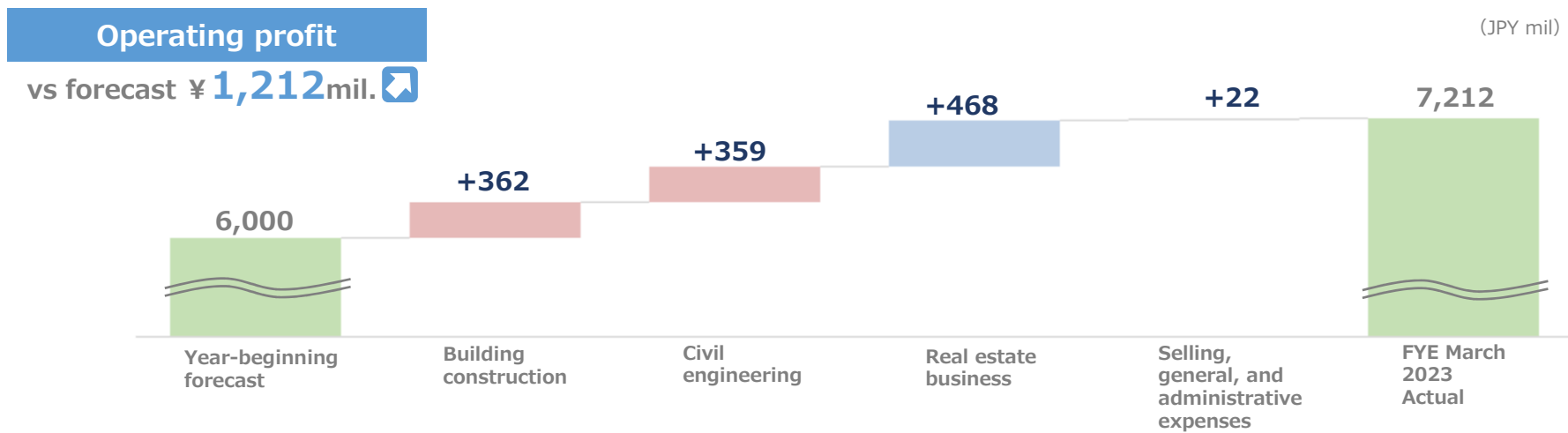
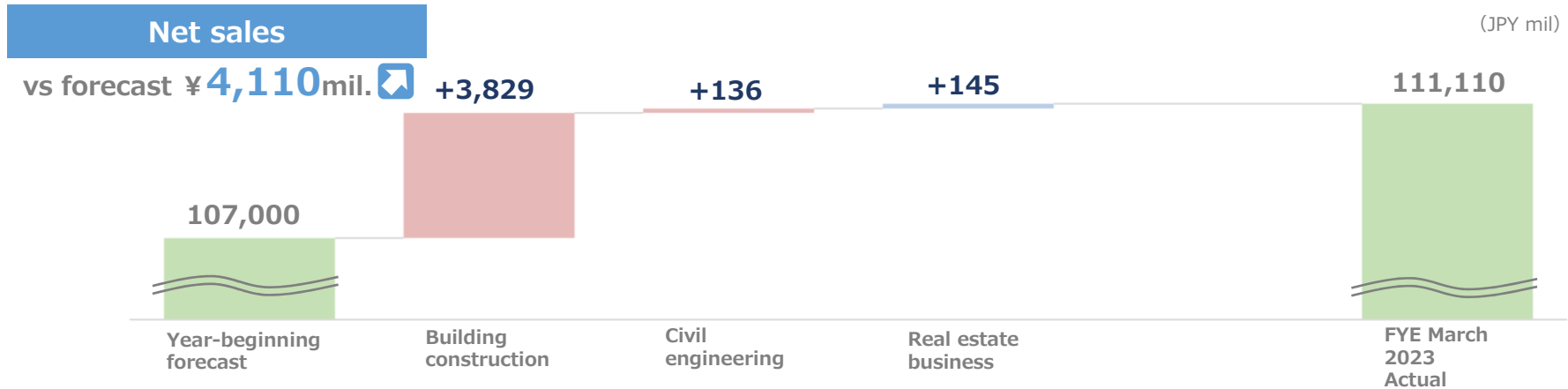
	FYE March 2023 Forecast	FYE March 2023 Actual	vs forecasts (Millions of Yen)	
			Increase/ decrease	Change
<b>Net sales</b>	107,000	<b>111,110</b>	4,110	103.8%
Net sales of completed construction contracts	90,300	94,265	3,965	104.4%
Net sales in real estate business and other	16,700	16,845	145	100.9%
<b>Gross profit</b>	15,400	<b>16,590</b>	1,190	107.7%
<i>(Gross profit margin)</i>	<i>(14.4%)</i>	<i>(14.9%)</i>		<i>0.5pt</i>
Gross profit on completed construction contracts	10,100	10,822	722	107.1%
Gross profit on real estate business and other	5,300	5,768	468	108.8%
Selling, general, and administrative expenses	9,400	<b>9,377</b>	▲ 22	99.8%
<b>Operating profit</b>	6,000	<b>7,212</b>	1,212	120.2%
<i>(Operating profit margin)</i>	<i>(5.6%)</i>	<i>(6.5%)</i>		<i>0.9pt</i>
<b>Ordinary profit</b>	6,000	<b>7,259</b>	1,259	121.0%
<i>(Ordinary profit margin)</i>	<i>(5.6%)</i>	<i>(6.5%)</i>		<i>0.9pt</i>
<b>Profit attributable to owners of parent</b>	4,150	<b>4,508</b>	358	108.6%
<i>(Return on sales)</i>	<i>(3.9%)</i>	<i>(4.1%)</i>		<i>0.2pt</i>



# I . Consolidated profit and loss

## 2. Comparison with financial forecasts

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





## Ⅱ. Overall status by business

### 1. Building construction

#### <Orders received>

Increased by ¥3.9 billion year on year as a result of winning orders for multiple large projects for logistics facilities, commercial facilities, etc.

#### <Net sales>

Grew significantly by ¥14 billion year on year due to smooth progress in works for multiple large projects for which orders were received mainly for construction of logistics facilities in the previous year.

#### <Gross profit>

Gross profit only rose by ¥0.4 billion year on year due to effects of some unprofitable large construction projects.

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	(Millions of Yen)	
				Year on year	
				Increase/ decrease	Change
<b>Consolidated orders received</b>	52,515	60,072	<b>64,034</b>	3,962	6.6%
Condominium construction works	10,131	13,806	<b>14,326</b>	520	3.8%
General construction works	42,384	46,216	<b>49,708</b>	3,492	7.6%
<b>Consolidated net sales</b>	58,635	50,300	<b>64,329</b>	14,029	27.9%
Condominium construction works	19,067	16,430	<b>11,444</b>	▲ 4,986	▲30.3%
General construction works	39,567	33,870	<b>52,885</b>	19,015	56.1%
<b>Consolidated gross profit</b>	5,929	4,669	<b>5,062</b>	393	8.4%
<b>Consolidated gross profit margin</b>	10.1%	9.3%	<b>7.9%</b>		▲1.4pt

\* General construction works include seismic retrofitting works.

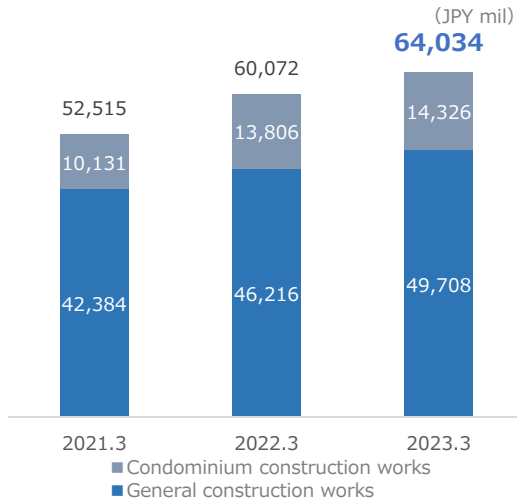


# Ⅱ. Overall status by business

## 1. Building construction

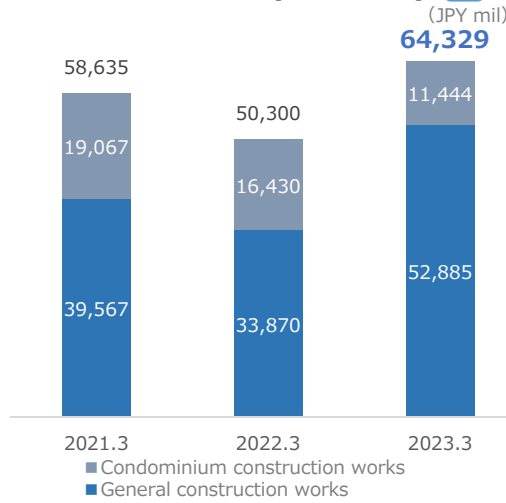
### Orders received

YoY ¥3.9bn. (6.6%)



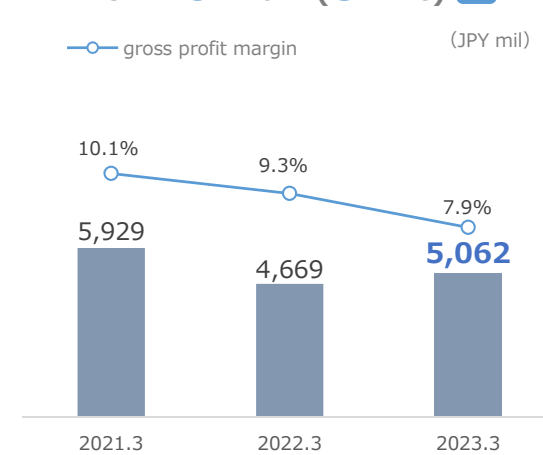
### Net sales

YoY ¥14bn. (27.9%)

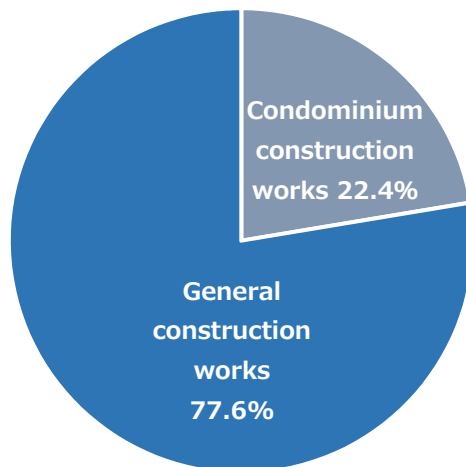


### Gross profit

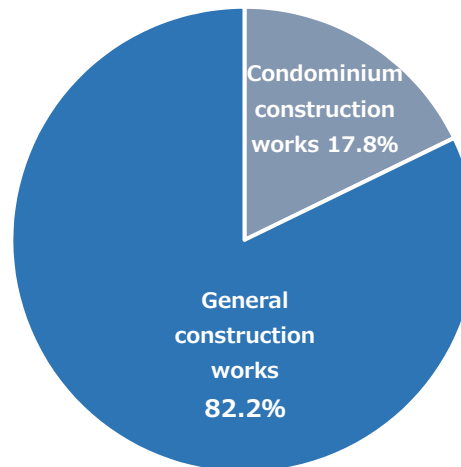
YoY ¥0.4bn. (8.4%)



### Orders received ratio by use



### Net sales ratio by use



### Major completed construction work



## Ⅱ. Overall status by business

### 2. Civil engineering

#### <Orders received>

Overall orders received for civil engineering grew by ¥1.9 billion year on year with basically steady orders received for governmental projects and others.

#### <Net sales>

Increased by ¥1.2 billion year on year due to smooth progress in construction for governmental projects just like orders received.

#### <Gross profit>

Only rose by ¥0.04 billion year on year.

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	(Millions of Yen)	
				Year on year Increase/ decrease	Change
<b>Consolidated orders received</b>	28,831	32,567	<b>34,485</b>	1,918	5.9%
<b>Governmental projects</b>	12,119	12,886	<b>15,083</b>	2,197	17.0%
<b>Private-sector works</b>	12,980	15,481	<b>15,190</b>	▲ 291	▲1.9%
<b>PW works</b>	3,732	4,200	<b>4,212</b>	12	0.3%
<b>Consolidated net sales</b>	33,771	28,693	<b>29,936</b>	1,242	4.3%
<b>Governmental projects</b>	14,877	8,946	<b>12,158</b>	3,211	35.9%
<b>Private-sector works</b>	14,520	15,410	<b>13,452</b>	▲ 1,958	▲12.7%
<b>PW works</b>	4,372	4,336	<b>4,325</b>	▲ 11	▲0.3%
<b>Consolidated gross profit</b>	5,760	5,710	<b>5,759</b>	49	0.9%
<b>Consolidated gross profit margin</b>	17.1%	19.9%	<b>19.2%</b>		▲0.7pt

\* Private-sector works include civil engineering and track works for Nagoya Railroad.

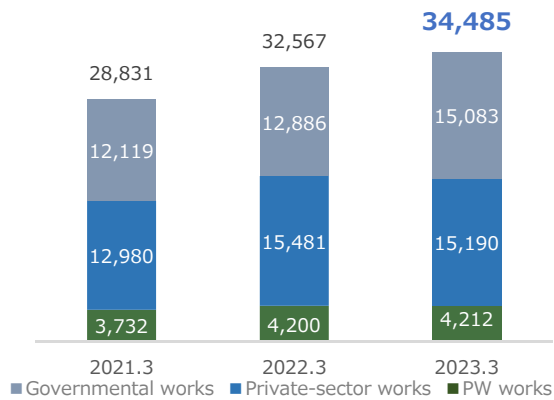
\* PW works: Works performed by "PAN Wall" method, a reinforced earth method for natural grounds which is the Company's unique technology

# II. Overall status by business

## 2. Civil engineering

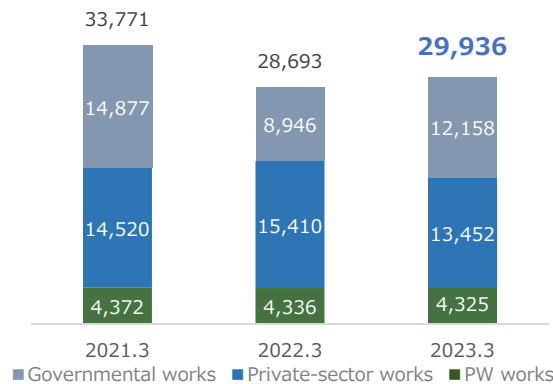
### Orders received

YoY ¥ **1.9bn.** (5.9%) (JPY mil)



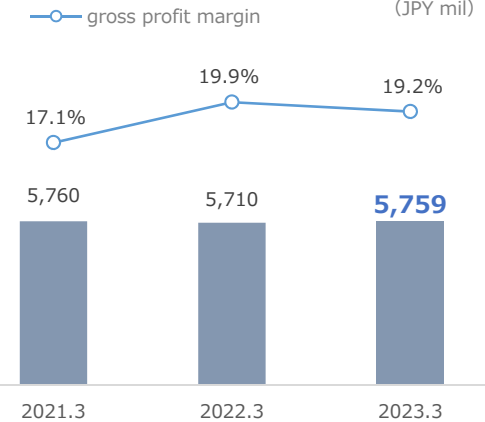
### Net sales

YoY ¥ **1.2bn.** (4.3%) (JPY mil)

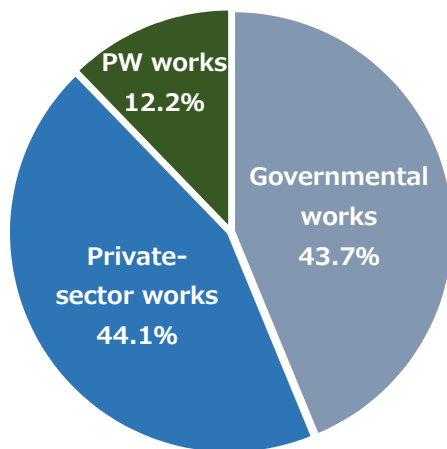


### Gross profit

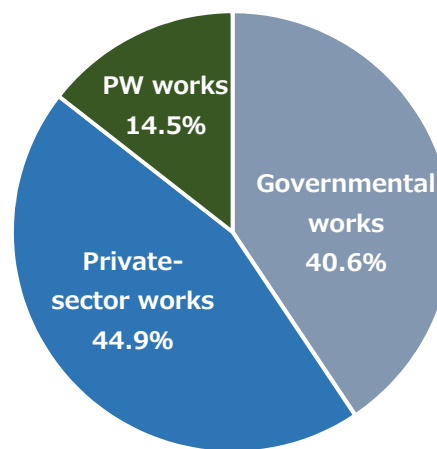
YoY ¥ **0.04bn.** (0.9%) (JPY mil)



### Orders received ratio by use



### Net sales ratio by use



### Major completed construction work



**FY2020 Route 247 Nishi Chita Doro Tokai JCT/H Lamp Bridge Lower Part Project**  
Tokai City, Aichi Pref.  
Client: Chubu Regional Bureau, Ministry of Land, Infrastructure and Transport

## II. Overall status by business

### 3. Real estate business

#### <Orders received>

In the condominiums for sale business, revenue increased by ¥2.7 billion year on year largely due to brisk sales of 2 new buildings.

#### <Net sales>

In addition to the increase in revenue in the condominiums for sale business, gain on sale of industrial land in the real estate sales business also contributed to a year-on-year rise in profit by ¥1.2 billion.

#### <Results of condominiums for sale>

The number of delivered units increased by 43 units year on year since 2 new buildings were completed and delivered. The number of contracted units also increased by 30 units year on year.

(Millions of Yen)

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	Year on year	
				Increase/ decrease	Change
<b>Consolidated net sales</b>	14,208	14,096	<b>16,845</b>	2,748	19.5%
Condominiums for sale business	10,039	7,292	<b>9,315</b>	2,023	27.7%
Real estate sales	621	2,991	<b>3,448</b>	457	15.3%
Others	3,547	3,813	<b>4,082</b>	269	7.1%
<b>Consolidated gross profit</b>	4,009	4,555	<b>5,768</b>	1,213	26.6%
<b>Consolidated gross profit margin</b>	28.2%	32.3%	<b>34.2%</b>		1.9pt

#### □ Results of condominiums for sale

(Company's share)

<b>Number of delivered units</b>	199	180	<b>223</b>	43	23.9%
<b>Number of contracted units</b>	130	194	<b>224</b>	30	15.5%

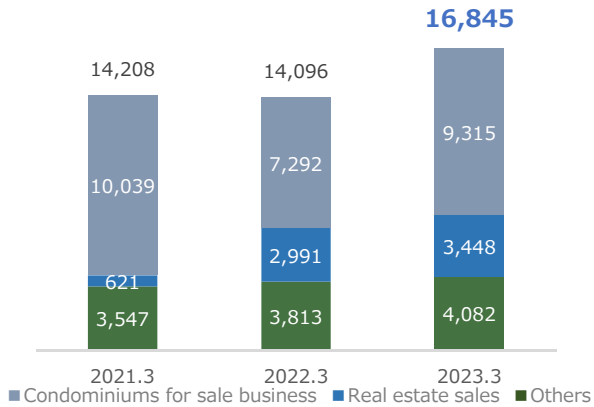
\* Others include subsidiaries' businesses, etc. that are not included in the leasing business, the distribution business and the construction business.

## Ⅱ. Overall status by business

### 3. Real estate business

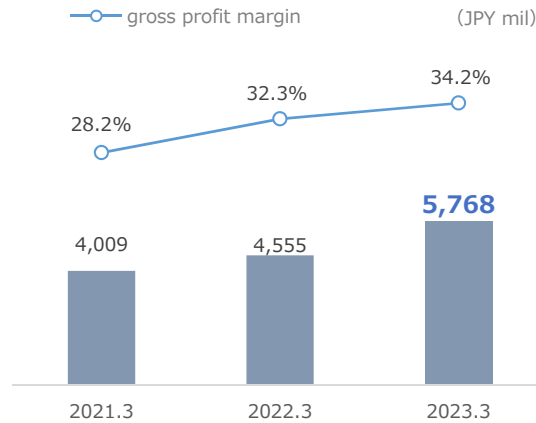
#### Net sales

YoY ¥ **2.7bn. (19.5%)** (JPY mil)



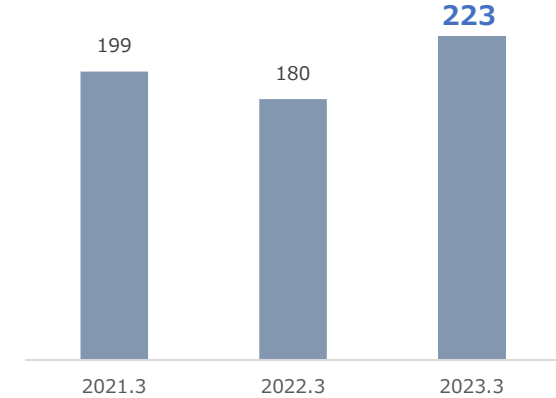
#### Gross profit

YoY ¥ **1.2bn. (26.6%)** (JPY mil)

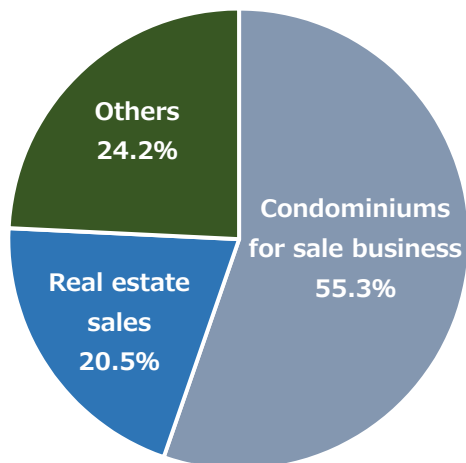


#### Number of contracted units

YoY **43units (23.9%)** (Company's share)



#### Net sales ratio by use



#### ● Major completed development properties



## Ⅲ. Consolidated financial position

Total assets : **Increased by ¥13.5 billion**, mainly due to an increase in trade receivables by ¥9.9 billion along with growth in works completed in the building construction business, and rises in real estate for sale by ¥0.3 billion and in property, plant and equipment by ¥1.2 billion as a result of investments in the real estate business.

Liabilities : **Increased by ¥10.6 billion** largely due to a rise in accounts payable by ¥8.3 billion in relation to growth in works completed.

Net assets : **Increased by ¥2.8 billion** from the end of the previous year, mainly due to the recording of profit.

### □ Consolidated balance sheets

Assets		FYE March 2022 Actual	FYE March 2023 Actual	Changes
Current assets	Cash and deposits	22,011	22,821	809
	Trade receivables	32,808	42,753	9,945
	Costs on construction contracts in progress	2,534	2,074	▲ 460
	Real estate for sale	19,884	20,239	355
	Other	3,195	4,334	1,138
<b>Total</b>		80,435	92,223	11,788
Fixed assets	Property, plant and equipment	27,272	28,497	1,225
	Intangible assets	390	805	415
	Investments and other assets	8,326	8,460	134
	<b>Total</b>	35,988	37,763	1,775

<b>Total assets</b>	116,423	129,987	13,563
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(Millions of Yen)

Liabilities		FYE March 2022 Actual	FYE March 2023 Actual	Changes
Current liabilities	Accounts payable	10,394	18,697	8,302
	Short-term borrowings	25,400	28,100	2,700
	Advances received on construction contracts in progress	4,780	4,604	▲ 175
	Other	4,573	5,442	869
<b>Total</b>		45,148	56,843	11,695
Long-term liabilities	Long-term borrowings	5,000	3,800	▲ 1,200
	Other	8,743	8,912	169
<b>Total</b>		13,743	12,712	▲ 1,030
<b>Total liabilities</b>		58,891	69,556	10,664
<b>Net assets</b>		57,532	60,431	2,899

<b>Total liabilities and net assets</b>	116,423	129,987	13,563
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## Ⅲ. Consolidated financial position

### □ Key management indicators

	(Millions of Yen)				
	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual
Return on assets (ROA)	7.4%	7.3%	6.3%	5.0%	<b>5.9%</b>
Return on equity (ROE)	9.5%	10.2%	6.2%	8.6%	<b>7.6%</b>
Earnings per share (EPS)	¥103.15	¥118.85	¥75.86	¥112.18	<b>¥104.83</b>
Equity ratio	45.8%	48.6%	42.1%	49.4%	<b>46.5%</b>
Interest-bearing debt	23,737	26,057	42,940	30,400	<b>31,900</b>
Net interest-bearing debt (*)	9,670	12,281	20,848	8,388	<b>9,079</b>

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

### □ Consolidated statements of cash flows

	(Millions of Yen)				
	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual
Cash flows from operating activities	▲ 4,912	631	▲ 6,757	15,841	<b>4,152</b>
Cash flows from investing activities	▲ 3,104	▲ 1,640	▲ 220	▲ 1,549	<b>▲ 3,069</b>
Cash flows from financing activities	7,756	918	15,356	▲ 14,351	<b>▲ 253</b>

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

Orders received : Increased by ¥5.8 billion year on year mainly due to orders received for multiple large projects for both building construction and civil engineering.

Carry forward to the next fiscal year : Carry forward to the next fiscal year, which contributes to net sales in and after the next fiscal year, also grew significantly by ¥9.1 billion year on year due to a rise in orders received.

### Orders received

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	(Millions of Yen)	
				Year on year Increase/ decrease	Change
Building construction	52,515	60,072	64,034	3,962	6.6%
Civil engineering	28,831	32,567	34,485	1,918	5.9%
<b>Total</b>	81,346	92,639	98,520	5,880	6.3%

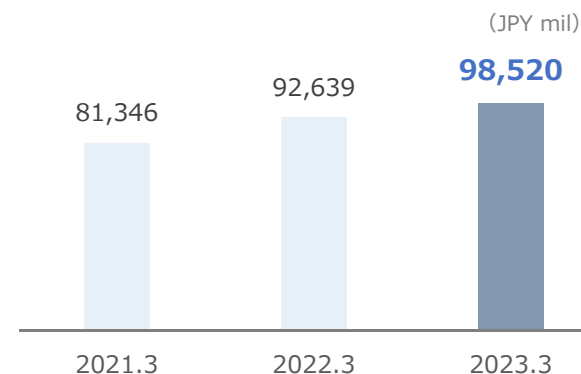
### Carry forward to the next fiscal year

	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	(Millions of Yen)	
				Year on year Increase/ decrease	Change
Building construction	52,469	62,064	(*) 66,629	4,565	7.4%
Civil engineering	25,967	28,263	32,812	4,549	16.1%
<b>Total</b>	78,437	90,327	(*) 99,442	9,114	10.1%

\*The results for FY March 2023 include the results of HOKUWA CONSTRUCTION, INC. (¥4,860 million), which became a subsidiary as of March 31, 2023.

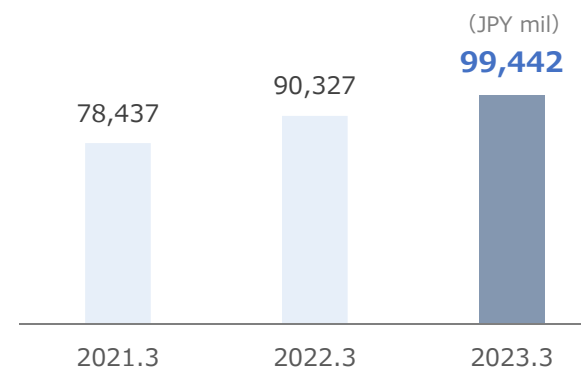
### Orders received

YoY ¥5.8bn. (6.3%) 



### Carry forward to the next fiscal year

YoY ¥9.1bn. (10.1%) 





## ② Consolidated financial forecasts for FY March 2024

# V. Forecasts for the next fiscal year

In forecasts for the fiscal year ending March 31, 2024 (full year), a record high is expected at each profit level, with net sales of ¥122 billion, operating profit of ¥9.5 billion, and profit of ¥6.3 billion.

## <Net sales>

Construction business: Results are expected to exceed those in the previous year, as net sales of HOKUWA CONSTRUCTION, INC., which became a subsidiary, will be added.

Real estate business: Sale of extraordinarily large self-developed land, which is the Company's record-scale project, is scheduled, net sales are expected to be significantly more than the result in the previous year.

Total: With a large increase in sales in the real estate business, overall net sales will exceed the result in the previous year, achieving a record high.

## <Profit>

Construction business: Profit is expected to be lower than the result in the previous year due to a decline in profit margin stemming from many unprofitable works.

Real estate business: Profit is expected to significantly exceed the result in the previous year along with sale of extraordinarily large self-developed land.

Total: Due to robust growth in revenue, profit will also far exceed the result in the previous year at each profit level, achieving a record high.

## □ Full-year consolidated financial forecasts for the fiscal year ending March 31, 2024 (Millions of Yen)

	FYE March 2023 Actual	FYE March 2024 Full-year forecasts	Year on year (full year)		Six months ended Sept. 30, 2022 Actual	2023.9 Interim forecast	Year on year (interim)	
			Increase/ decrease	Change			Increase/ decrease	Change
<b>Net sales</b>	111,110	<b>122,000</b>	10,889	9.8%	41,495	<b>53,000</b>	11,504	27.7%
Net sales of completed construction contracts	94,265	98,700	4,434	4.7%	35,715	46,100	10,384	29.1%
Net sales in real estate business and other	16,845	23,300	6,454	38.3%	5,779	6,900	1,120	19.4%
<b>Gross profit</b>	16,590	<b>19,700</b>	3,109	18.7%	5,995	<b>5,500</b>	▲ 495	▲8.3%
(Gross profit margin)	(14.9%)	(16.1%)		1.2pt	(14.4%)	(10.4%)		▲4.0pt
Gross profit on completed construction contracts	10,822	9,400	▲ 1,422	▲13.1%	4,003	3,300	▲ 703	▲17.6%
Gross profit on real estate business and other	5,768	10,300	4,531	78.6%	1,992	2,200	207	10.4%
Selling, general, and administrative expenses	9,377	<b>10,200</b>	822	8.8%	4,257	<b>5,000</b>	742	17.4%
<b>Operating profit</b>	7,212	<b>9,500</b>	2,287	31.7%	1,738	<b>500</b>	▲ 1,238	▲71.2%
(Operating profit margin)	(6.5%)	(7.8%)		1.3pt	(4.2%)	(0.9%)		▲3.3pt
<b>Ordinary profit</b>	7,259	<b>9,500</b>	2,240	30.9%	1,775	<b>500</b>	▲ 1,275	▲71.8%
(Ordinary profit margin)	(6.5%)	(7.8%)		1.3pt	(4.3%)	(0.9%)		▲3.4pt
<b>Profit attributable to owners of parent</b>	4,508	<b>6,300</b>	1,791	39.7%	1,206	<b>300</b>	▲ 906	▲75.1%
(Return on sales)	(4.1%)	(5.2%)		1.1pt	(2.9%)	(0.6%)		▲2.3pt



# V. Forecasts for the next fiscal year

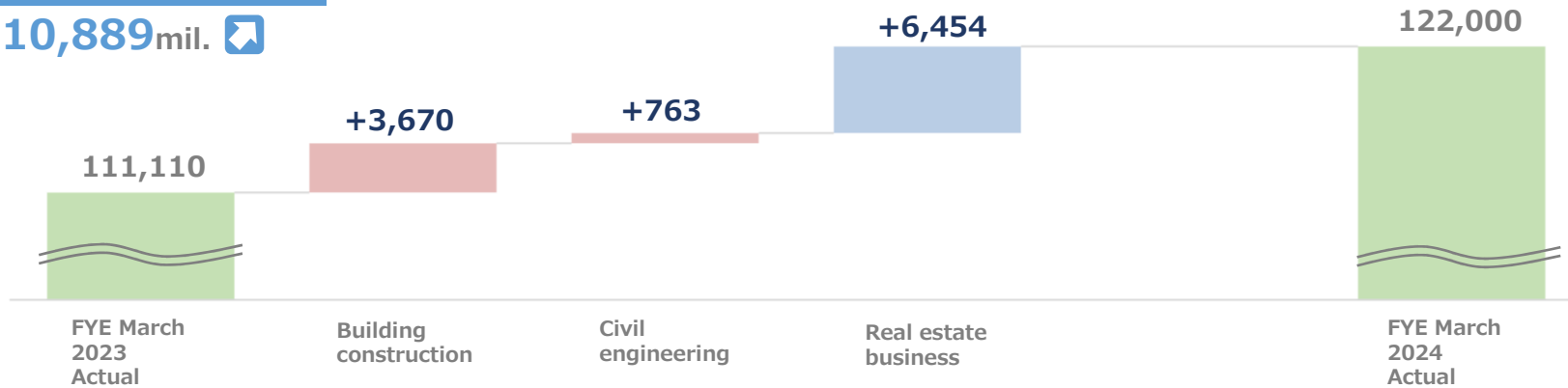
## Consolidated forecasts for FY March 2024

Factors for increase or decrease in net sales/operating profit (vs results in FY March 2023)

### Net sales

YoY ¥ **10,889**mil.

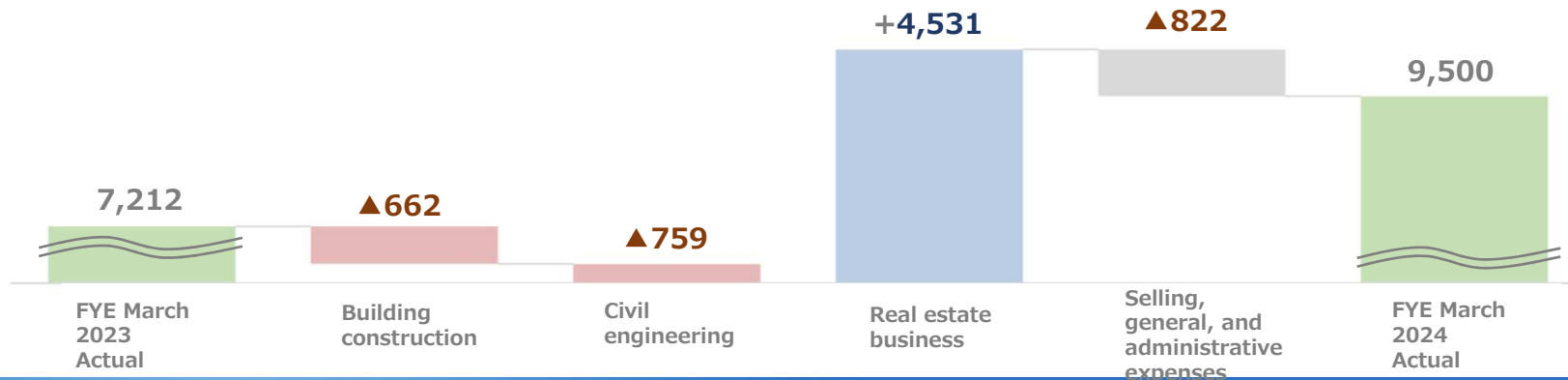
(JPY mil)



### Operating profit

YoY ¥ **2,287**mil.

(JPY mil)



# V. Forecasts for the next fiscal year

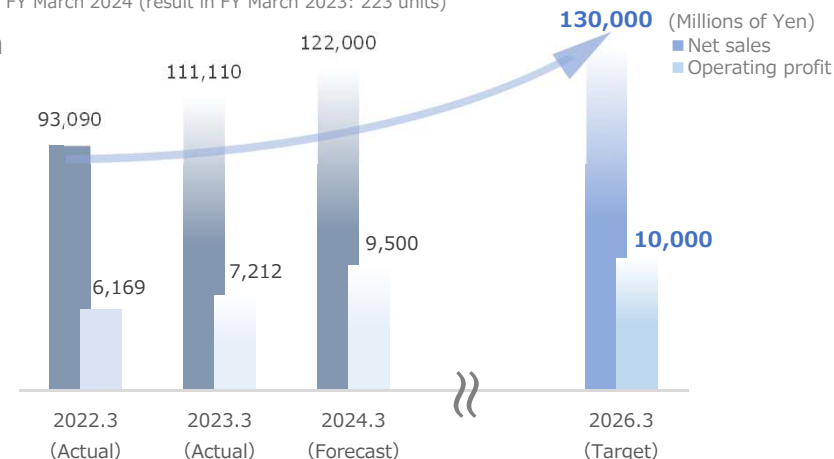
□ Full-year consolidated financial forecasts for the fiscal year ending March 31, 2024  
(By business)

	(Millions of Yen)							
	FYE March 2023 Actual	FYE March 2024 Full-year forecasts	Year on year (full year)		Six months ended Sept. 30, 2022 Actual	2023.9 Interim Forecast	Year on year (interim)	
			Increase/ decrease	Change			Increase/ decrease	Change
<b>Net sales</b>	111,110	<b>122,000</b>	10,889	9.8%	41,495	<b>53,000</b>	11,504	27.7%
Net sales of completed construction contracts	94,265	<b>98,700</b>	4,434	4.7%	35,715	<b>46,100</b>	10,384	29.1%
<b>Building construction</b>	64,329	<b>68,000</b>	3,670	5.7%	22,553	<b>32,700</b>	10,146	45.0%
<b>Civil engineering</b>	29,936	<b>30,700</b>	763	2.6%	13,162	<b>13,400</b>	237	1.8%
Net sales in real estate business and other	16,845	<b>23,300</b>	6,454	38.3%	5,779	<b>6,900</b>	1,120	19.4%
<b>Gross profit</b>	16,590	<b>19,700</b>	3,109	18.7%	5,995	<b>5,500</b>	▲ 495	▲ 8.3%
Gross profit on completed construction contracts	10,822	<b>9,400</b>	▲ 1,422	▲ 13.1%	4,003	<b>3,300</b>	▲ 703	▲ 17.6%
(Gross profit margin on completed construction contracts)	(11.5%)	(9.5%)		▲ 2.0pt	(11.2%)	(7.2%)		▲ 4.0pt
<b>Building construction</b>	5,062	4,400	▲ 662	▲ 13.1%	1,670	1,600	▲ 70	▲ 4.2%
(Profit margin on building construction works)	(7.9%)	(6.5%)		▲ 1.4pt	(7.4%)	(4.9%)		▲ 2.5pt
<b>Civil engineering</b>	5,759	5,000	▲ 759	▲ 13.2%	2,332	1,700	▲ 632	▲ 27.1%
(Profit margin on civil engineering works)	(19.2%)	(16.3%)		▲ 2.9pt	(17.7%)	(12.7%)		▲ 5.0pt
Gross profit on real estate business and other	5,768	<b>10,300</b>	4,531	78.6%	1,992	<b>2,200</b>	207	10.4%
(Gross profit margin on real estate business, etc.)	(34.2%)	(44.2%)		10.0pt	(34.5%)	(31.9%)		▲ 2.6pt

\* Year-beginning works on hand: [FY March 2024] ¥99,442 million (+10.1% year on year) (FY March 2023: ¥90,327 million)  
Breakdown of the above: Building construction: ¥66,629 million (+7.4% year on year), civil engineering: ¥32,812 million (+16.1% year on year)  
\* Number of delivered units of condominiums for sale: 168 units in the full-year plan for FY March 2024 (result in FY March 2023: 223 units)

□ Numerical targets in the mid-term  
management plan  
(FY2021 to FY 2025)

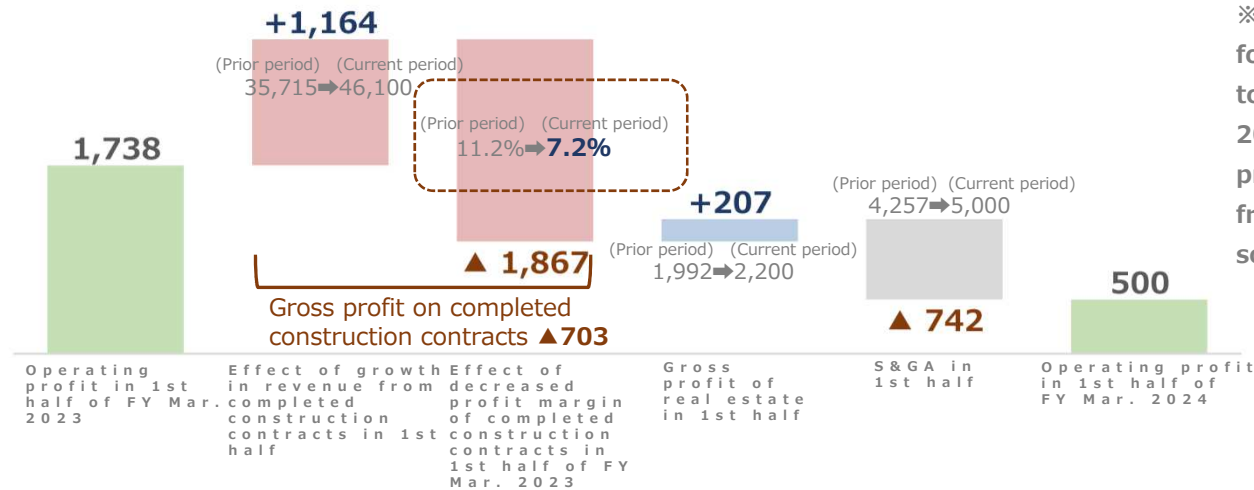
- ◎ Net sales:  
¥130.0 billion
- ◎ Operating profit:  
¥10.0 billion



# V. Forecasts for the next fiscal year

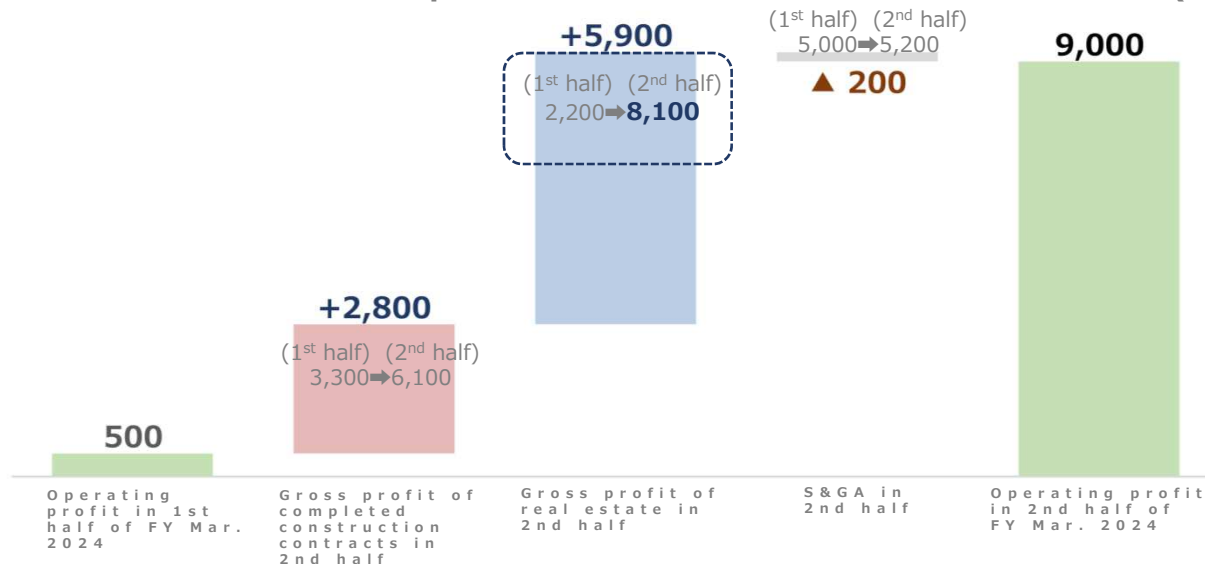
## □ Supplementary information

### ● Factors for decrease in operating profit for the first half of FY March 2024 (Year on year)



※In building construction, operating profit for six months ending Sept. 2023 is expected to fall below that of six months ended Sept. 2022 due to an expected decline in gross profit on completed construction contracts from the effect of low profit likelihood for some constructions.

### ● Factors for increase in profit for the second half of FY March 2024 (from the first half of FY March 2024)



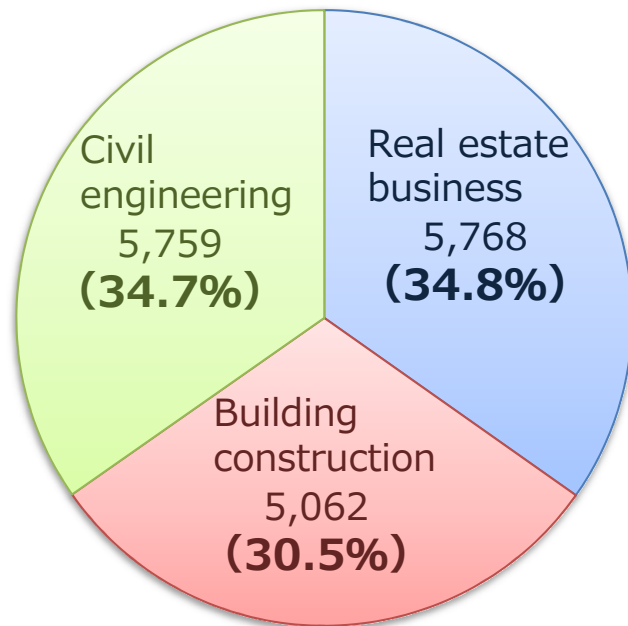
※Strong growth in operating profit for the fiscal year ending March 31 2024 is expected in the second six months of the fiscal year, forecasting ¥0.5 billion for the first six months and ¥9.0 billion for the second six months, due to the company's sales projections for land for its own development in the second six-month period at a scale larger than anything the Company has previously done. Operating profit of ¥9.5 billion is expected for the full year.

# V. Forecasts for the next fiscal year

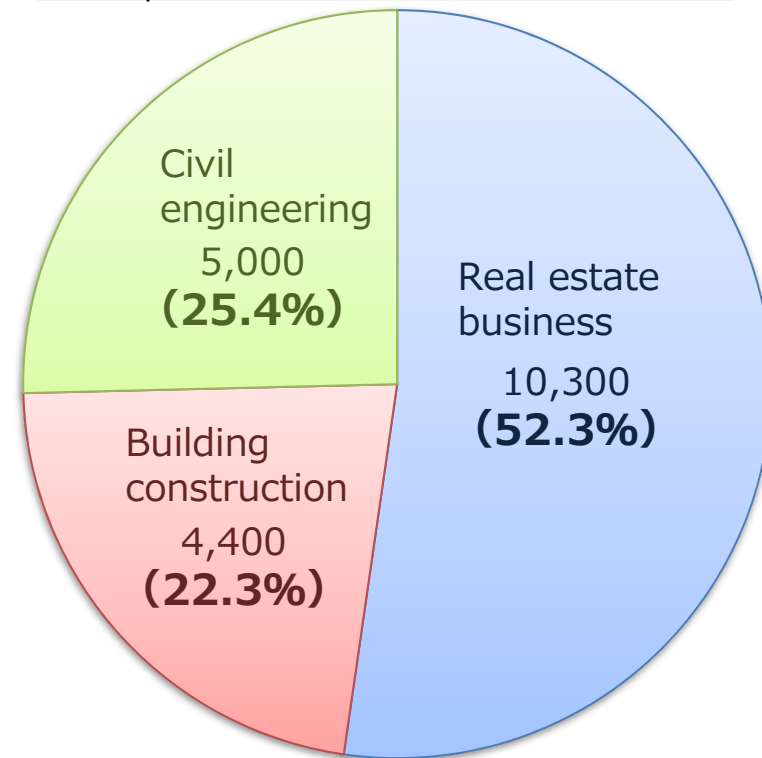
## □ Supplementary information

● As for the percentage of each section in gross profit on sales for FY March 2024, the percentage of the real estate section rose significantly on a temporary basis, partly due to contribution of the sale of self-developed land, which is the Company's record-scale project.

FY March 2023: Percentage in gross profit on sales of **¥16.6 billion**



FY March 2024: Percentage in gross profit on sales of **¥19.7 billion**

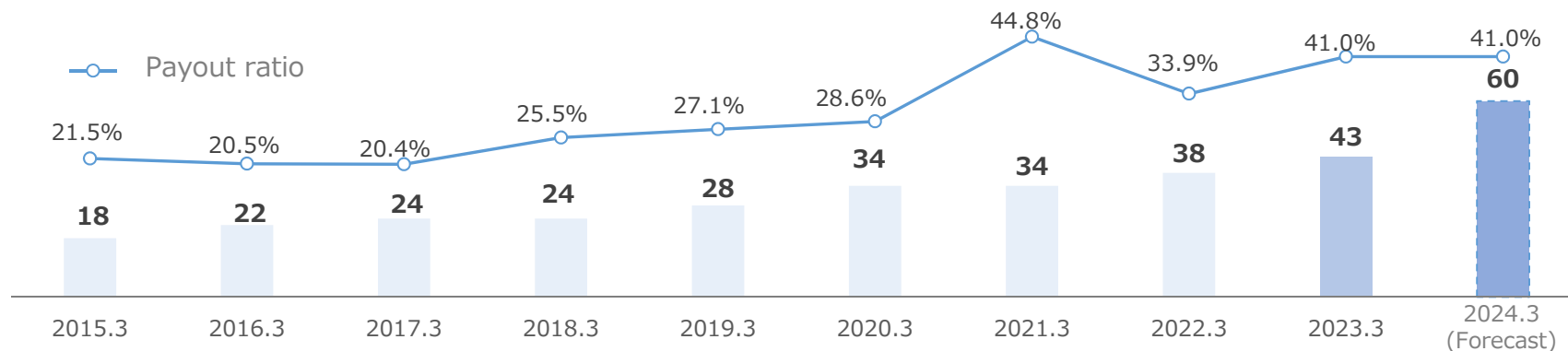


For FYE March 2023, the Company will pay a year-end dividend of ¥24 per share, an increase of ¥5 from the initial forecast of ¥19 per share. Combined with the interim dividend of ¥19, annual dividends will be ¥43 per share. For FYE March 2024, the Company plans to vastly increase that amount by ¥17 and pay annual dividends of ¥60 per share.

	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	FYE March 2024 Forecast
Interim dividend	¥12	¥16	¥17	¥17	¥19	¥30
Year-end dividend	¥16	¥18	¥17	¥21	¥24	¥30
Annual dividends	¥28	(*) ¥34	¥34	¥38	¥43	¥60
Payout ratio (consolidate)	27.1%	28.6%	44.8%	33.9%	41.0%	41.0%

(\*) Including commemorative dividend of ¥4 for the 70th anniversary of foundation

## □ Trends in annual dividends per share



## ③ Reference information



## Ⅵ. Reference information

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

	(Millions of Yen)					
	FYE March 2019 Actual	FYE March 2020 Actual	FYE March 2021 Actual	FYE March 2022 Actual	FYE March 2023 Actual	FYE March 2024 Forecast
<b>Net sales</b>	92,754	90,129	106,615	93,090	<b>111,110</b>	<b>122,000</b>
(Year-on-year percentage change)	(1.2%)	(▲2.8%)	(18.3%)	(▲12.7%)	<b>(19.4%)</b>	<b>(9.8%)</b>
<b>Operating profit</b>	7,705	7,764	7,362	6,169	<b>7,212</b>	<b>9,500</b>
(Year-on-year percentage change)	(0.2%)	(0.8%)	(▲5.2%)	(▲16.2%)	<b>(16.9%)</b>	<b>(31.7%)</b>
<b>Ordinary profit</b>	7,747	7,829	7,445	6,174	<b>7,259</b>	<b>9,500</b>
(Year-on-year percentage change)	(0.4%)	(1.1%)	(▲4.9%)	(▲17.1%)	<b>(17.6%)</b>	<b>(30.9%)</b>
<b>Profit attributable to owners of parent</b>	4,476	5,158	3,292	4,842	<b>4,508</b>	<b>6,300</b>
(Year-on-year percentage change)	(9.6%)	(15.2%)	(▲36.2%)	(47.1%)	<b>(▲6.9%)</b>	<b>(39.7%)</b>

#### □ <Reference>

First year for which consolidated financial statements were prepared

FYE March 1991

Highest records

Net sales

FYE March 2023

111,110 million

Operating profit

FYE March 2020

7,764 million

Ordinary profit

FYE March 2020

7,829 million

Profit attributable to owners of parent

FYE March 2020

5,158 million

## 2. Status of consolidated subsidiaries

Name	Address	Share capital (Millions of yen)	Fiscal year end	Business description	Results for the current fiscal year  Net sales (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>11,128</b>
<b>YAHAGI BUILDING AND LIFE CO., LTD.</b>	Higashi-ku, Nagoya	400	March	Apartment management business, real estate management business, construction business, signage business, property casualty insurance business, WOOD-PITA (a seismic retrofitting method using external reinforcing for existing wooden detached houses) business, Customer service business for condominiums for sale	<b>4,286</b>
<b>YAHAGI GREEN Co., Ltd.</b>	Higashi-ku, Nagoya	100	March	Greenery business, golf course management business	<b>3,148</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, trial experience production	<b>1,691</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>7,203</b>
<b>Nanshin Takamori Development Co., Ltd.</b>	Takamori-machi, Shimoina-gun, Nagano	50	March	Operation of golf courses (Takamori Country Club)	<b>288</b>
<b>HOKUWA CONSTRUCTION ,INC.</b>	Shimogyo-ku, Kyoto	85	March	Construction business	<b>(6,640)</b>

- (\*) 1. All the above companies are wholly-owned subsidiaries of YAHAGI CONSTRUCTION CO., LTD. (For Nanshin Takamori Development Co., Ltd., there are indirect holdings at 69%).  
 2. The Company acquired all the shares in HOKUWA CONSTRUCTION, INC. as of March 31, 2023, and made the said company its subsidiary. Operating results of the said company for the current period are not included in the consolidated net sales.

## Ⅶ. Reference information

### 3. 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				
		FYE March 2022 Actual	FYE March 2023 Actual	Year on year Increase /decrease	Change	FYE March 2022 Actual	FYE March 2023 Actual	Year on year Increase /decrease	Change	FYE March 2022 Actual	FYE March 2023 Actual	Year on year Increase /decrease	Change	
Construction	Building construction	Public	0	28	28	—	0	—	—	—	—	28	28	—
		Private	60,072	64,006	3,933	6.5%	50,300	64,329	14,029	27.9%	62,064 (*)	66,601	4,537	7.3%
	Total		60,072	64,034	3,962	6.6%	50,300	64,329	14,029	27.9%	62,064 (*)	66,629	4,565	7.4%
	Civil engineering	Public	8,704	15,083	6,379	73.3%	8,946	12,158	3,211	35.9%	9,940	12,865	2,924	29.4%
		Private	23,863	19,402	▲ 4,460	▲ 18.7%	19,747	17,777	▲ 1,969	▲ 10.0%	18,323	19,947	1,624	8.9%
	Total		32,567	34,485	1,918	5.9%	28,693	29,936	1,242	4.3%	28,263	32,812	4,549	16.1%
	Subtotal	Public	8,704	15,111	6,407	73.6%	8,946	12,158	3,211	35.9%	9,940	12,893	2,953	29.7%
		Private	83,935	83,408	▲ 527	▲ 0.6%	70,047	82,106	12,059	17.2%	80,387 (*)	86,549	6,161	7.7%
	Subtotal		92,639	98,520	5,880	6.3%	78,993	94,265	15,271	19.3%	90,327 (*)	99,442	9,114	10.1%
	Real estate business and other						14,096	16,845	2,748	19.5%				
Total						93,090	111,110	18,019	19.4%					

\* Carry forward to the next fiscal year (results in the fiscal year ended March 31, 2023) includes the portion of HOKUWA CONSTRUCTION, INC. (¥4,860million), which became a subsidiary as of March 31, 2023.



*To Be Continued*  
**YAHAGI ENGINEERING**