



Financial Briefing Material for the Period Ended March 2023

May 11, 2023



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Reference: DATA FILE (Full Year)



**Financial Briefing Material for
the Period Ended March 2023**

**Fraudulent Act
Conducted by the
Company's
Employees**

Details of the fraudulent act

It was found that several employees working at the Company's Osaka Head Office, in cooperation with a specific construction subcontractor, accepted from the subcontractor a portion of the amount of padded or fictitious orders placed with the subcontractor in kickbacks and used them as entertainment expenses. The kickbacks were also used to replace construction costs with other construction projects that the Company ordered the subcontractor.

As a result of the kickback fraud, damages incurred by the Company for the period from the fiscal year ended March 31, 2015 to the fiscal year ended March 31, 2023 amounted to approximately 173 million yen in total. The occurrence of such an incident is truly regrettable, and we deeply apologize to our shareholders and all other concerned parties for any inconveniences this may have caused.

Cause analysis and recurrence prevention measures

This fraudulent act was committed in collusion by our employees and a business partner, which is difficult to detect through our internal control system. Major causes of this are a lack of compliance awareness and education, and ineffective governance and risk management processes in some divisions.

We take this situation very seriously, and have formulated multiple measures to prevent recurrence, which include raising compliance awareness and ensuring a thorough understanding of compliance within the company and at our business partners, and to improve workflow. We will do our utmost to restore our stakeholders' trust through the implementation of these recurrence prevention measures.

Impact on our business performance

The impact of this misconduct on our business performance for the period ended March 2023 is limited.



**Full-Year Financial Results for
the Period Ended March 2023**

**Consolidated
Performance
Summary**

Overview of consolidated management indicators, etc. (operating results)

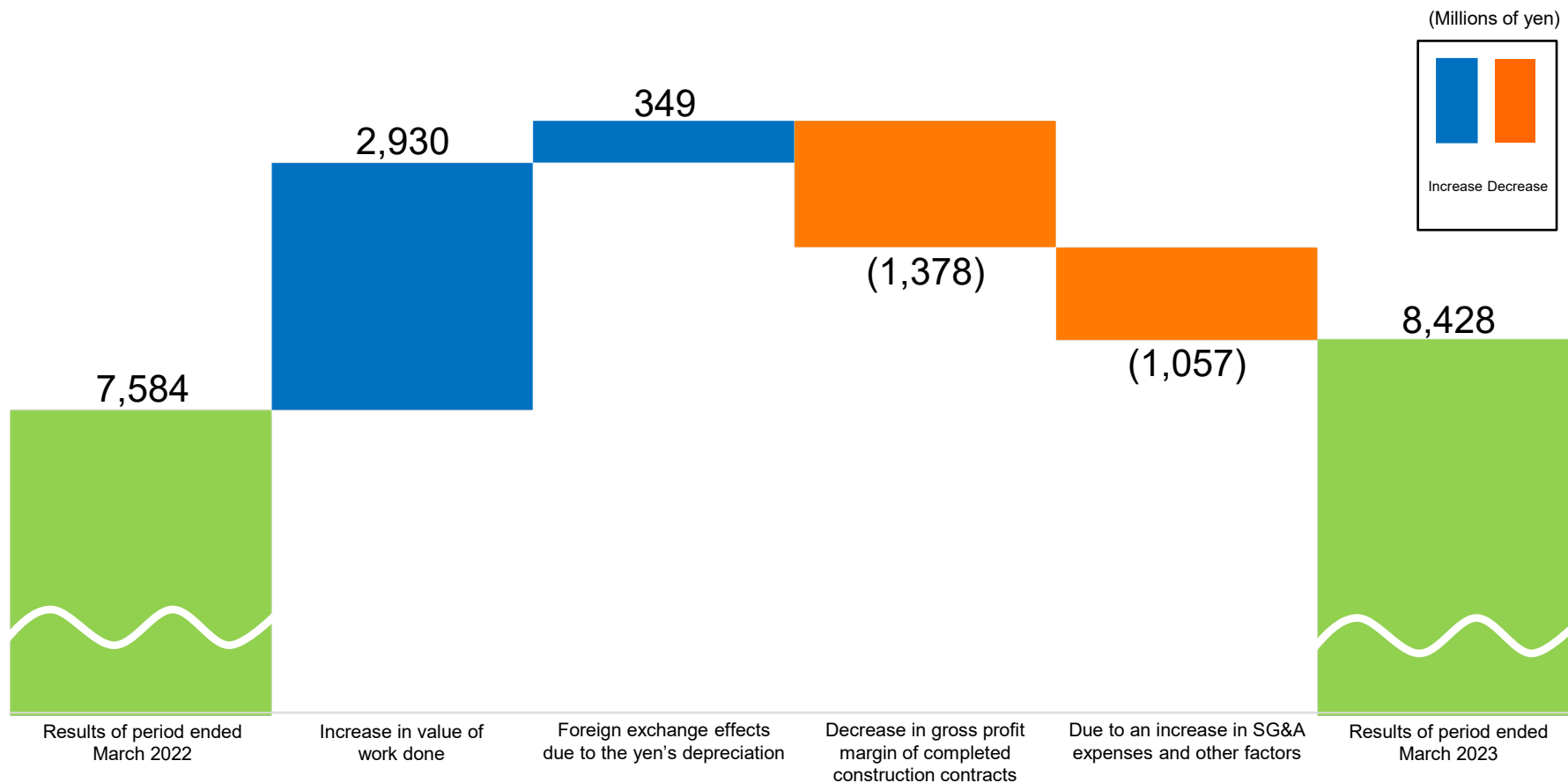
(Millions of yen)

	Period ended March 2022	Period ended March 2023	Increase (Decrease)	Change rate
Net sales of uncompleted construction contracts at beginning of period	143,043	163,782	20,738	14.5%
Net sales of construction contract orders received	183,668	206,337	22,669	12.3%
Net sales of completed construction contracts	162,929	185,961	23,032	14.1%
Gross profit on completed construction contracts	20,723	22,624	1,900	9.2%
Gross profit margin of completed construction contracts (%)	12.7%	12.2%	-0.6p	—
Operating profit	7,584	8,428	844	11.1%
Operating profit margin (%)	4.7%	4.5%	-0.1p	—
Ordinary profit	8,095	9,288	1,193	14.7%
Ordinary profit margin (%)	5.0%	5.0%	0.0p	—
Net profit attributable to owners of parent	5,778	6,626	848	14.7%
Net profit margin (%)	3.5%	3.6%	0.0p	—
Earnings per share (EPS)	270.16 yen	309.56 yen	39.40 yen	14.6%
Price earnings ratio (PER)	7.8 times	7.7 times	-0.1 times	—
Return on equity (ROE)	7.6%	8.3%	0.7p	—
Return on assets (ROA)	6.0%	6.5%	0.5p	—

Business environment and the Company's performance summary

- Net sales of construction contract orders received increased significantly year-on-year as a result of strong orders for redevelopment projects and industrial facilities against the backdrop of corporations' increasing demand for capital investment.
- Due to soaring prices of materials and equipment, the gross profit margin of completed construction contracts declined. Uncompleted construction contracts, however, carried over from the previous period and the increase in construction contract orders received during the current period pushed up net sales of completed contracts, leading gross profit on completed construction contracts to increase accordingly.
- As a result of the above, both sales and profits increased.

Breakdown of increase in consolidated operating profit



- The increase in value of work done is attributable to considerable progress on large-scale construction projects such as industrial facilities, airports, and medical facilities.
- Japanese currency began depreciating rapidly at the end of the previous period and remains flat, resulting in an increase in foreign currency-denominated sales at our overseas branches, which contributed to profits.
- For construction projects making progress in the current period, high prices of materials and equipment pushed down the gross profit margin of completed construction contracts.

Trends in consolidated net sales by construction type

(Millions of yen)

		Period ended March 2022	Period ended March 2023	Increase (Decrease)	Change rate	
Orders received	Electrical installations	27,254	28,741	1,487	5.5%	
	Air conditioning and plumbing installations	Air conditioning installations	117,966	133,219	15,252	12.9%
		Plumbing installations	38,447	44,377	5,929	15.4%
		Subtotal	156,414	177,596	21,182	13.5%
	Total	183,668	206,337	22,669	12.3%	
Net sales (completed)	Electrical installations	25,676	32,879	7,202	28.1%	
	Air conditioning and plumbing installations	Air conditioning installations	98,270	112,452	14,182	14.4%
		Plumbing installations	38,982	40,630	1,647	4.2%
		Subtotal	137,253	153,082	15,829	11.5%
	Total	162,929	185,961	23,032	14.1%	
Net sales (uncompleted)	Electrical installations	23,462	19,324	(4,137)	-17.6%	
	Air conditioning and plumbing installations	Air conditioning installations	105,634	126,401	20,767	19.7%
		Plumbing installations	34,685	38,431	3,746	10.8%
		Subtotal	140,319	164,833	24,513	17.5%
	Total	163,782	184,158	20,375	12.4%	

- Orders received posted an increase in both electrical installations and air conditioning and plumbing installations thanks to orders mainly for factories, data centers, and heat source construction works for overseas resort facilities.
- Net sales (completed) increased due to progress on large-scale construction projects such as factories, data centers, and redevelopment projects.
- Net sales (uncompleted) increased significantly as uncompleted construction contracts carried over from the previous period and construction contract orders received during the current period increased.

* The “Air conditioning and plumbing installations” category has been set as a total of air conditioning installations and plumbing installations.

Overview of consolidated management indicators, etc. (financial position)

(Millions of yen)

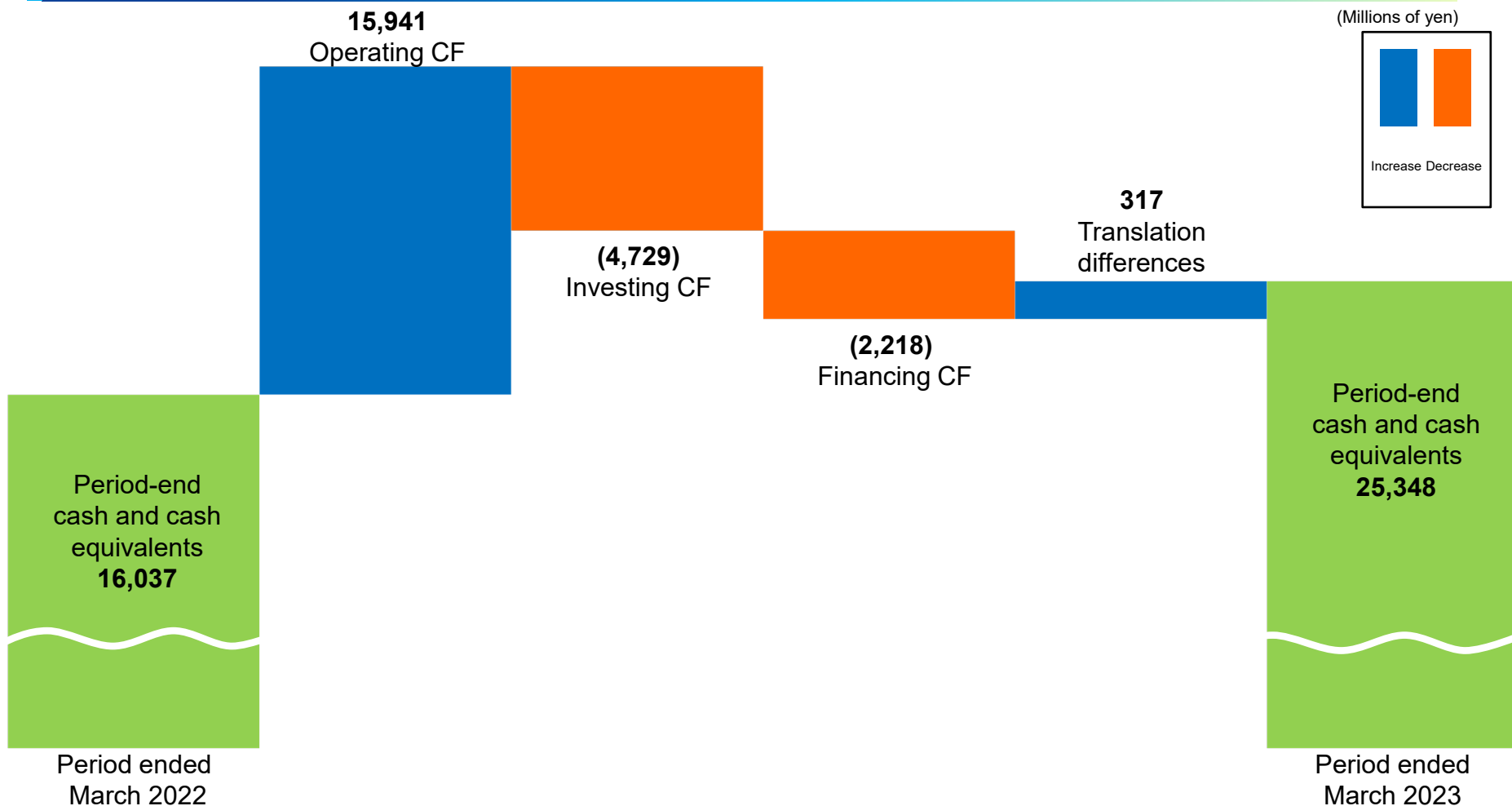
	Period ended March 2022	Period ended March 2023	Increase (Decrease)	Change rate	Major factors behind increase/decrease and annotation items
Net assets	77,242	82,424	5,182	6.7%	Recording of retained earnings and other factors
Total assets	139,099	148,544	9,444	6.8%	Increase in cash and cash equivalents, acquisition of shares of subsidiaries and affiliates, and other factors
Book value per share (BPS)	3,603.11 yen	3,841.33 yen	238.22 yen	6.6%	As per the increase in Net assets stated above
Price book-value ratio (PBR)	0.58 times	0.62 times	—	—	(Reference) Closing stock price as of Mar. 31, 2022: 2,099 yen Closing stock price as of Mar. 31, 2023: 2,369 yen
Equity capital ratio	55.4%	55.4%	-0.0p	—	

Overview of consolidated management indicators, etc. (cash flows)

(Millions of yen)

	Period ended March 2022	Period ended March 2023	Increase (Decrease)	Change rate	Major factors behind increase/decrease and annotation items
Cash flows from operating activities	(11,718)	15,941	27,659	—	Trade receivables were collected at a good pace.
Cash flows from investing activities	(873)	(4,729)	(3,855)	—	Acquisition of shares of subsidiaries and affiliates
Cash flows from financing activities	(3,214)	(2,218)	995	—	Dividend payment
Cash and cash equivalents at beginning of period	31,747	16,037	(15,710)	-49.5%	
Increase/decrease in cash and cash equivalents	(15,710)	9,310	25,020	—	
Cash and cash equivalents at end of year	16,037	25,348	9,310	58.1%	

Breakdown of cash flows (Trends in period-end balance of cash and cash equivalents)



- Increases in Operating CF (collection of trade receivables related to large projects recorded in the previous period at a good pace) and translation differences (an effect of the yen's depreciation) exceeded decreases in Investing CF (acquisition of shares of subsidiaries and affiliates) and Financing CF (dividend payment).
- We have signed commitment credit line agreements with three banks for efficient working capital financing.



**Full-Year Financial Results for
the Period Ended March 2023**

Full-Year Financial Closing Highlights

Renovations, direct orders and public works

(Millions of yen)

	Period ended March 2022			Period ended March 2023			Year-on-year change	
	First half year	Second half year	Full year	First half year	Second half year	Full year	Increase (Decrease)	Change rate
Renovations	49,326	39,898	89,224	49,121	34,569	83,691	(5,533)	-6.2%
Ratio of renovations (%)	45.9%	52.3%	48.6%	39.3%	42.5%	40.6%	-8.0p	—
Mid-to-large renovations	33,014	21,591	54,605	23,578	15,440	39,018	(15,586)	-28.5%
Small-scale renovations	16,312	18,307	34,619	25,543	19,129	44,673	10,053	29.0%
General construction work	58,096	36,346	94,443	75,844	46,801	122,646	28,203	29.9%
Total orders received	107,423	76,245	183,668	124,966	81,371	206,337	22,669	12.3%
Of which, direct orders	50,524	36,460	86,985	55,333	34,959	90,293	3,308	3.8%
Ratio of direct orders (%)	47.0%	47.8%	47.4%	44.3%	43.0%	43.8%	-3.6p	—
Of which, public works	21,127	10,275	31,403	12,381	7,449	19,830	(11,572)	-36.9%
Ratio of public works (%)	19.7%	13.5%	17.1%	9.9%	9.2%	9.6%	-7.5p	—

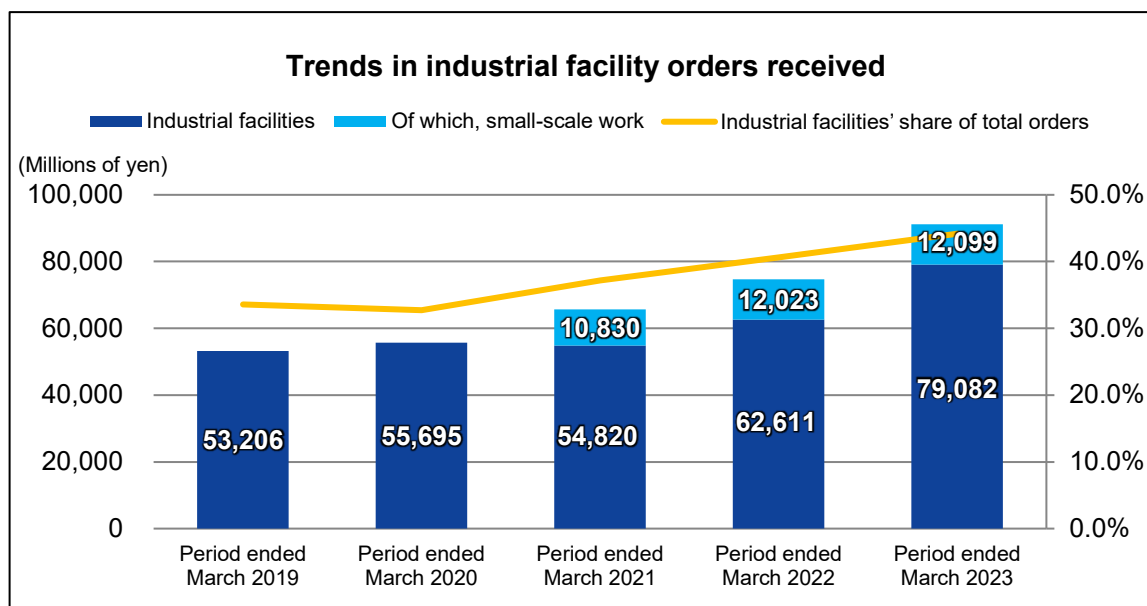
- Renovations decreased due to a reactionary drop following large-scale projects received in the previous period, although small-scale projects posted an increase.
- General construction work increased thanks to orders received for redevelopment projects and industrial facilities in Japan, and heat source construction work for overseas resort facilities.
- Direct orders increased thanks to the above-mentioned industrial facility and overseas construction works.
- Public works decreased due to a reactionary drop following large-scale projects received in the previous period.

Industrial facilities

(Millions of yen)

	Period ended March 2022			Period ended March 2023			Year-on-year change	
	First half year	Second half year	Full year	First half year	Second half year	Full year	Increase (Decrease)	Change rate
Total industrial facilities	37,090	37,543	74,633	53,744	37,436	91,181	16,547	22.2%
(Share of total orders: %)	34.5%	49.2%	40.6%	43.0%	46.0%	44.2%	3.6p	–
Total orders received	107,423	76,245	183,668	124,966	81,371	206,337	22,669	12.3%

* Factories, labs, data centers, and logistics facilities are classified as “industrial facilities.”



- Both orders received and industrial facilities' share of total orders reached record high levels.
- With progress in labor-saving and digitalization, investment in DX-related construction, such as data centers, has been steady, and multiple orders were received for large-scale projects.
- Going forward, we will continue to proactively work on large-scale industrial facility projects that contribute to national policies, such as “semiconductor manufacturing infrastructure development” and “domestic vaccine production.”

Overseas operations

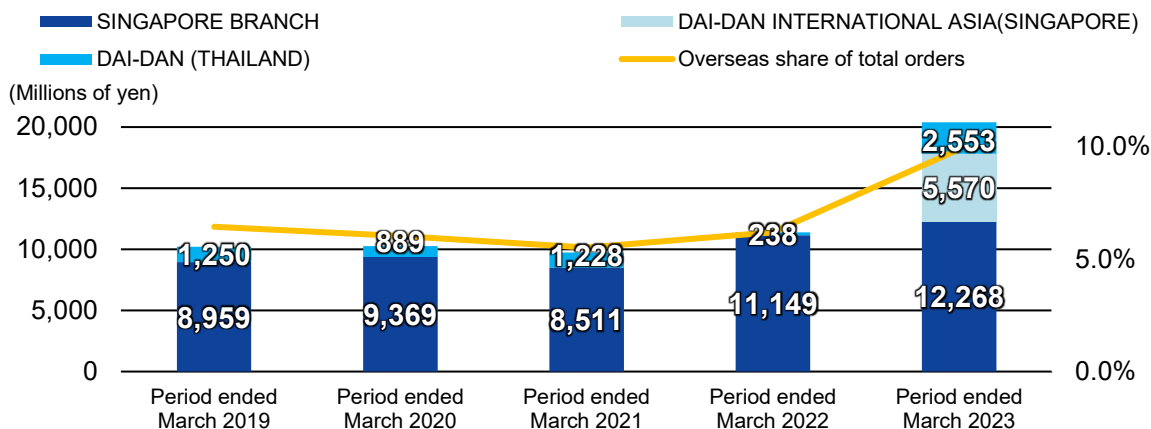
- Singapore Branch, DAI-DAN INTERNATIONAL ASIA PTE. LTD. (Singapore), DAI-DAN (THAILAND) CO., LTD., DAI-DAN (VIETNAM) CO., LTD. (non-consolidated), and DAI-DAN Taiwan Co., Ltd. (non-consolidated) are the bases of our overseas operations.
- On January 26, 2023, the Board of Directors resolved to conclude a share transfer agreement with Presico Engineering Pte. Ltd. and make it an equity method applied affiliate, and on February 28, 2023, we completed the acquisition. We aim to expand our business and increase corporate value through synergies with Presico's track record in the Singapore equipment construction market, its technological capabilities, and its business areas.

(Millions of yen)

	Period ended March 2022			Period ended March 2023			Year-on-year change	
	First half year	Second half year	Full year	First half year	Second half year	Full year	Increase (Decrease)	Change rate
Total overseas orders received (consolidated)	6,449	4,937	11,386	13,486	6,904	20,390	9,004	79.1%
(Share of total orders: %)	6.0%	6.5%	6.2%	10.8%	8.5%	9.9%	3.7p	–
Total orders received	107,423	76,245	183,668	124,966	81,371	206,337	22,669	12.3%

Trends in overseas construction orders received

(Consolidated)



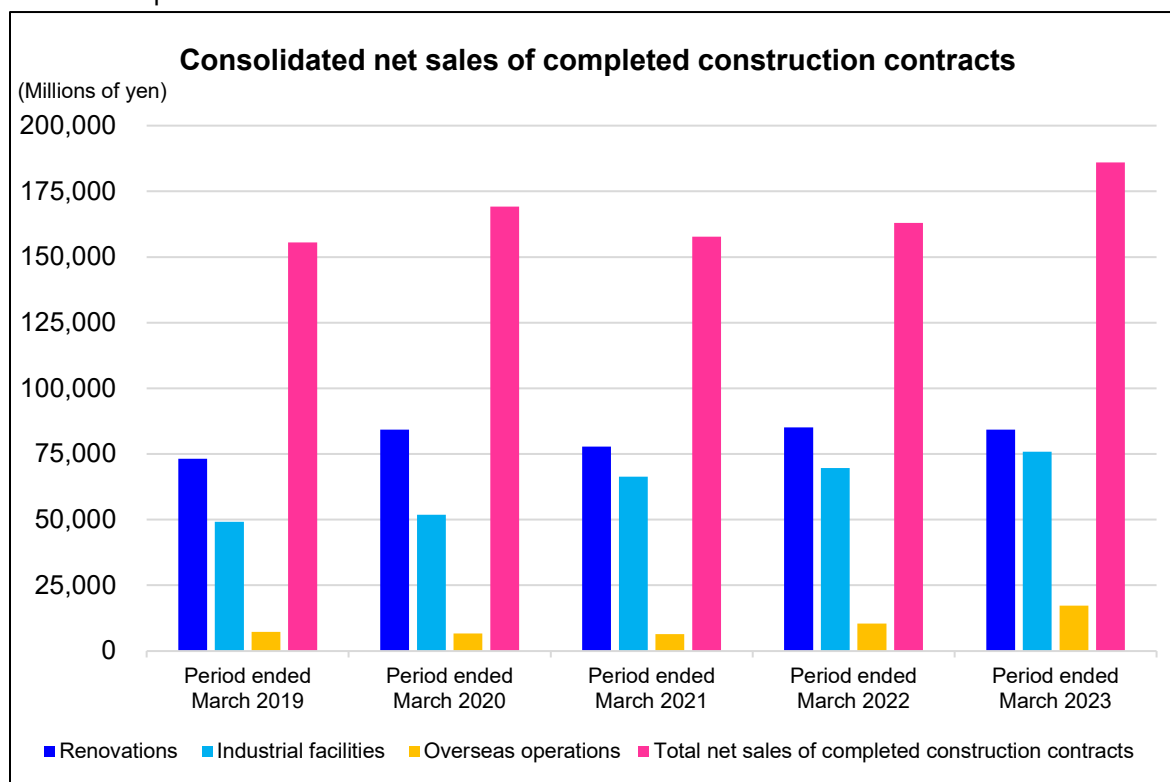
- During the current period, orders were received for heat source construction works for large-scale resort facilities in Singapore and total overseas orders increased compared to a year earlier.
- Thailand also saw a significant year-on-year increase resulting mainly from orders received for large plants.
- As a result of the above, we managed to receive the largest amount of orders and highest share in the last five years.

Status of completed construction contracts

(Millions of yen)

	Period ended March 2022		Period ended March 2023		Year-on-year change	
	Monetary amount	Composition ratio	Monetary amount	Composition ratio	Monetary amount	Change rate
Total net sales of completed construction contracts	162,929	100.0%	185,961	100.0%	23,032	14.1%
Of which, (Renovations)	85,183	52.3%	84,285	45.3%	(897)	-1.1%
(Industrial facilities)	69,629	42.7%	75,874	40.8%	6,244	9.0%
(Overseas operations)	10,414	6.4%	17,233	9.3%	6,819	65.5%

* The figures in the table include a certain amount of overlap, as calculation is done by construction type: renovations, industrial facilities, and overseas operations.



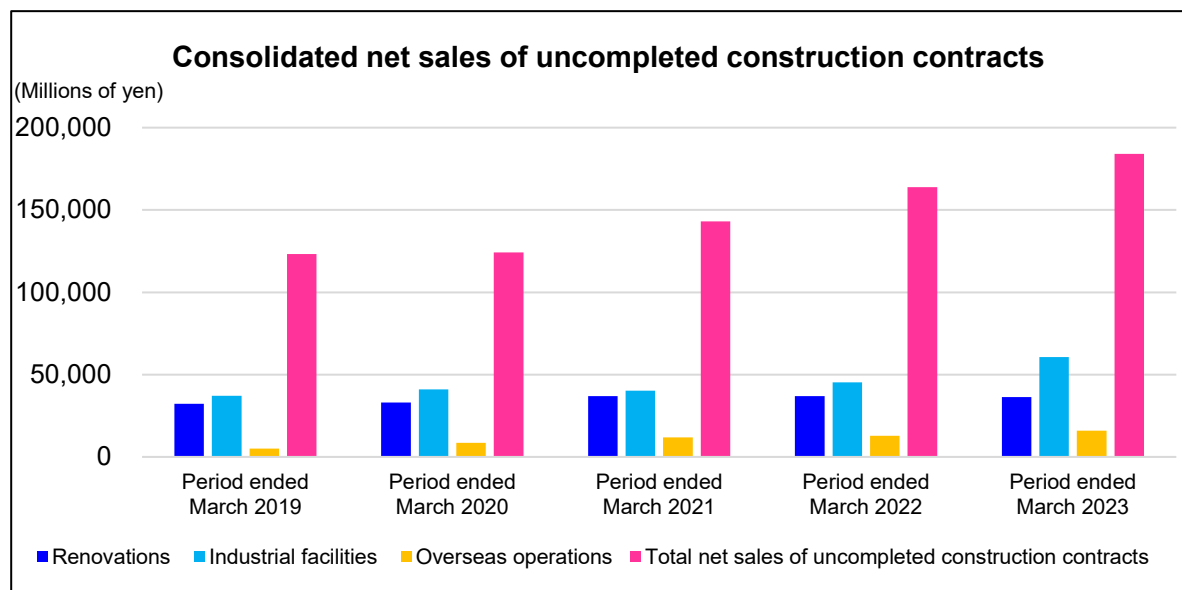
- Renovations remained almost unchanged.
- The increase in industrial facilities and overseas operations is largely a result of progress in large-scale construction projects such as airports, factories, and data centers. In particular, net sales in overseas operations have increased significantly.
- In addition to the above, large-scale construction projects such as medical facilities made progress, causing net sales of completed construction contracts to grow for the current period.

Status of uncompleted construction contracts

(Millions of yen)

	Period ended March 2022		Period ended March 2023		Year-on-year change	
	Monetary amount	Composition ratio	Monetary amount	Composition ratio	Monetary amount	Change rate
Net sales of uncompleted construction contracts at beginning of period	143,043	—	163,782	—	20,738	14.5%
Net sales of construction contract orders received	183,668	—	206,337	—	22,669	12.3%
Net sales of completed construction contracts	162,929	—	185,961	—	23,032	14.1%
Net sales of uncompleted construction contracts	163,782	100.0%	184,158	100.0%	20,375	12.4%
Of which, (Renovations)	36,896	22.5%	36,302	19.7%	(593)	-1.6%
(Industrial facilities)	45,260	27.6%	60,567	32.9%	15,306	33.8%
(Overseas operations)	12,839	7.8%	15,996	8.7%	3,157	24.6%
Of which, those to be completed in the next fiscal year	102,837	—	123,323	—	20,486	19.9%

* The figures in the table include a certain amount of overlap, as calculation is done by construction type: renovations, industrial facilities, and overseas operations.



- The highest net sales of uncompleted construction contracts in the last five years were posted in the current period, meaning a sufficient volume of construction works has been secured.
- A sufficient volume of unfinished construction projects has been secured, especially for large-scale projects such as medical facilities, redevelopment projects, and industrial facilities, and these will contribute to the value of work done for the next period and beyond.

Quarterly operating results

(Millions of yen)

		Period ended March 2022	Period ended March 2023	Increase (Decrease)	Change rate
Net sales of construction contract orders received	April–June	44,698	66,712	22,014	49.3%
	July–September	62,725	58,253	(4,471)	-7.1%
	October–December	42,695	40,617	(2,078)	-4.9%
	January–March	33,550	40,754	7,204	21.5%
	April–March	183,668	206,337	22,669	12.3%
Net sales of completed construction contracts	April–June	27,257	35,342	8,085	29.7%
	July–September	38,523	47,348	8,825	22.9%
	October–December	42,477	47,398	4,921	11.6%
	January–March	54,672	55,873	1,201	2.2%
	April–March	162,929	185,961	23,032	14.1%
Operating profit	April–June	528	818	289	54.7%
	July–September	2,240	2,832	592	26.4%
	October–December	1,292	1,521	229	17.7%
	January–March	3,524	3,257	(266)	-7.5%
	April–March	7,584	8,428	844	11.1%

- Following a large increase during the April-June period, net sales of construction orders received decreased during the July-December period, in line with our order-taking activities that take into consideration installer capacity, but posted an increase on a full-year basis.
- Net sales of completed construction contracts increased for the full year as a result of steady progress in construction work carried over from the previous year and orders received during the current year.
- Operating profit decreased during the January-March period, but increased on a full-year basis as a result of higher net sales of completed construction contracts.



**Full-Year Financial Results for
the Period Ended March 2023**

**Full-Year Earnings
Forecast for the
Period Ending
March 2024**

Consolidated full-year earnings forecast

(Millions of yen)

	Period ended March 2023	Period ending March 2024	Year-on-year change, full year	
	Full year	Current forecast [Full year]	Increase (Decrease)	Change rate
Net sales of construction contract orders received	206,337	210,000	3,663	1.8%
Net sales of completed construction contracts	185,961	200,000	14,039	7.5%
Gross profit on completed construction contracts	22,624	24,400	1,776	7.8%
Gross profit margin of completed construction contracts (%)	12.2%	12.2%	0.0p	—
Operating profit	8,428	8,500	72	0.8%
Operating profit margin (%)	4.5%	4.3%	-0.3p	—
Ordinary profit	9,288	8,900	(388)	-4.2%
Ordinary profit margin (%)	5.0%	4.5%	-0.5p	—
Net profit attributable to owners of parent	6,626	6,500	(126)	-1.9%
Net profit margin (%)	3.6%	3.3%	-0.3p	—
Return on equity (ROE)	8.3%	7.7%	-0.6p	—

Preconditions for earnings forecast

- In response to the extended top-line targets in the Stage 2030 Phase 1 “Preparation Stage” of the Mid-Term Management Plan, both net sales of construction contract orders received and net sales of completed construction contracts are expected to increase.
- The profit margin on completed construction contracts is expected to remain generally unchanged due largely to high prices of materials and equipment and labor costs, although profit improvement is expected in some unfinished construction projects.
- Although gross profit on completed construction contracts is expected to increase, operating income will record only a minor increase due to an increase in expenses resulting from DX investments associated with the promotion of workstyle reforms and ongoing increases in recruitment.

Shareholder return policy

- We consider returning profits to our shareholders through profit distribution as the most important management issue and strive to build a sound financial structure.
- **Aiming to further promote profit return to shareholders, we will adopt a new dividend policy of striving for a dividend payout ratio of 35% or more (previously 30%) starting from the period ending March 2024.**

Dividend status

	Full-year dividend			Total dividend (Total sum)	Dividend ratio (Consolidated)	Dividend on equity ratio (Consolidated)
	End of second quarter	End of period	Total			
	Yen Sen	Yen Sen	Yen Sen	Million yen	%	%
Period ended March 2022	45.00	45.00	90.00	1,935	33.3%	2.5%
Period ended March 2023	45.00	55.00	100.00	2,150	32.3%	2.7%
Period ending March 2024 (Forecast)	55.00	55.00	110.00	—	36.2%	—

Purchase of treasury shares

- We will consider it as appropriate aiming for returning profits to our shareholders and improving capital efficiency.

**Full-Year Financial Results for
the Period Ended March 2023**

Progress Status of Mid-Term Management Plan

“Preparation Stage” FY2021–2023

“Preparation Stage”

- A “Preparation Stage” to improve and strengthen our domestic and overseas foundations toward the Long-term Vision 2030.
- Take on the challenges of entering new businesses and establish a group structure to expand consolidated sales.
- Aiming to become a “company that creates space value,” and deliver value to a wide range of customers.

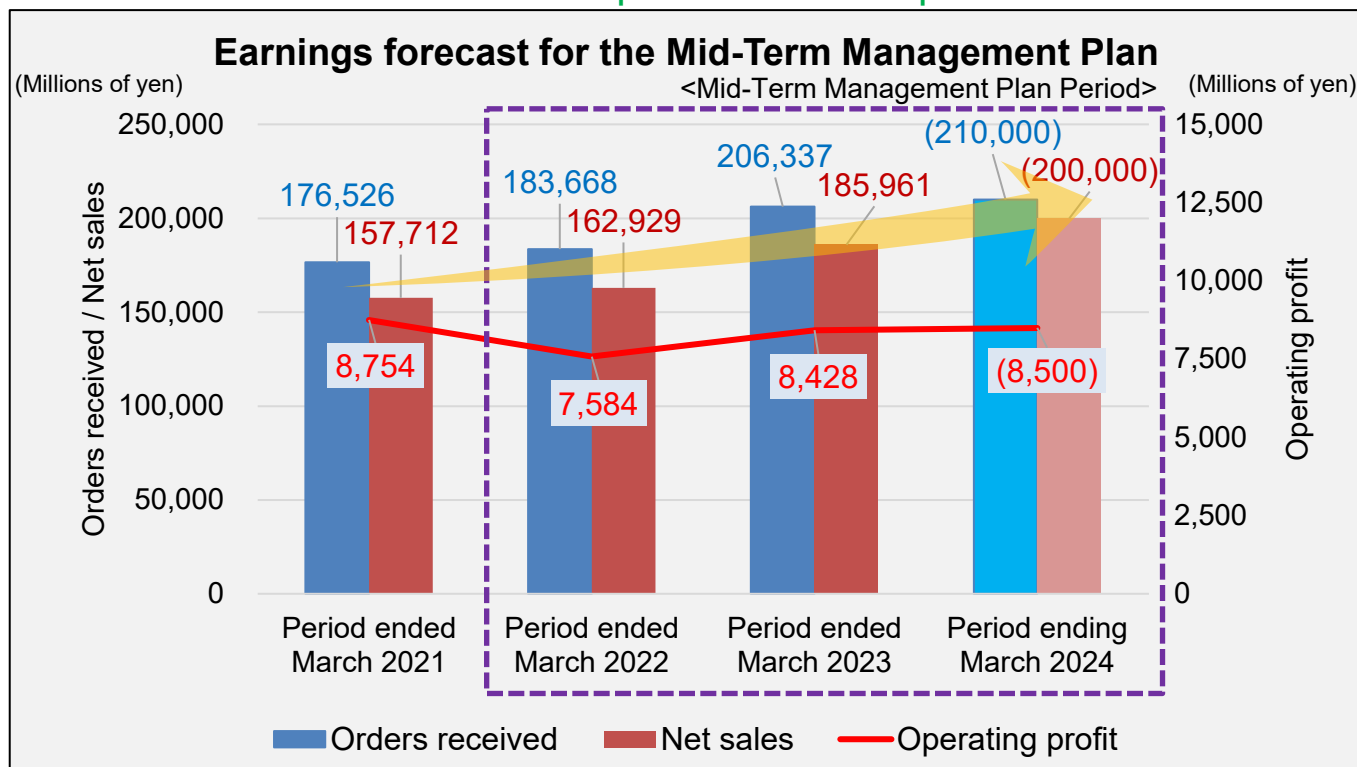
Business strategies	Strategy of “Preparation Stage” FY2021–2023	Implementation status of measures
Expand core businesses	<ul style="list-style-type: none"> • Increase industrial installations • Strengthen businesses of recurring revenue model 	<ul style="list-style-type: none"> • Engineers are appropriately assigned to electronic device factories, data centers, and other large-sized industrial facilities. • Customers are retained through active maintenance order acquisition activities in cooperation with subsidiaries.
Reinforce overseas business	<ul style="list-style-type: none"> • Develop a foundation to control overseas operations • Develop new bases 	<ul style="list-style-type: none"> • Domestic headquarters are supporting sales, technical proposals, and quality control for each project. • Amid the pandemic, remote sales activities have been strengthened in Vietnam, where we started operation in 2020.
Strengthen technological capabilities	<ul style="list-style-type: none"> • Strengthen on-site capabilities • Expand ZEB & IoT businesses 	<p>Details are provided in “Our Sustainability Initiatives.”</p>
Find new businesses	<ul style="list-style-type: none"> • Contribute to commercialization of regenerative medicine • Promote businesses that reduce environmental load 	

Progress of the Mid-Term Management Plan

<Orders received / Net sales / Operating profit>

- Promoting measures to achieve the targets of the Mid-Term Management Plan “Preparation Stage”
 - By strengthening our ability to respond to construction projects, which are growing in size, and obtaining more orders in focused areas such as industrial facilities and overseas operations, we expect to steadily achieve our sales target of 200 billion yen for the period ending March 2024, the final year of the plan.
 - Operating profit recovery has been delayed because of increased workstyle reform expenses and investments for productivity improvement, in addition to the adverse effects of the pandemic and high material and equipment costs due to inflation.
- We forecast operating profit of 8.5 billion yen against the target of 10 billion yen for the period ending March 2024.

Net sales up 26% from the period ended March 2021 (planned)



Development of off-site bases

Developed off-site bases, our prefabricated processing plants, in the Tokyo and Osaka area.

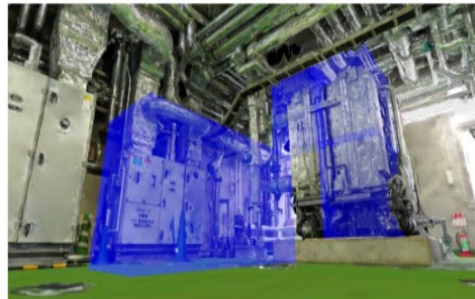
- Reduction of on-site man-hours
- Shortening of on-site work process
- Leveling of on-site work and improvement of construction quality



Construction Visualizer 4D

3D-modeled current situation record

Creating drawings is easy even for repaired properties without existing drawings, and this is used for construction planning, such as loading and unloading.



FY2022

14 cases

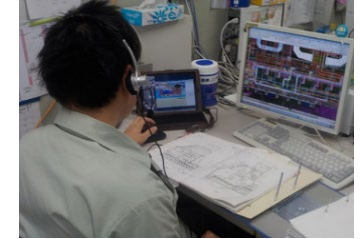
FY2023

14 cases

Strengthening of support department



Store side support department



Participation at worksite

We have newly established a “**Support Department**” and have established a system to provide multifaceted support such as process management and drawing creation remotely from the office to the construction site using web conferencing, BIM, and other means.

FY2022

339 cases

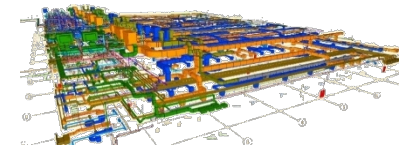
FY2023

432 cases (out of 788 cases)

Full-scale BIM promotion

Utilization of BIM is being promoted as an important measure to improve design and construction quality and increase operation efficiency.

We will develop an operating environment for the de facto standard BIM software, aiming for full-scale operation.



FY2022

52 cases

FY2023

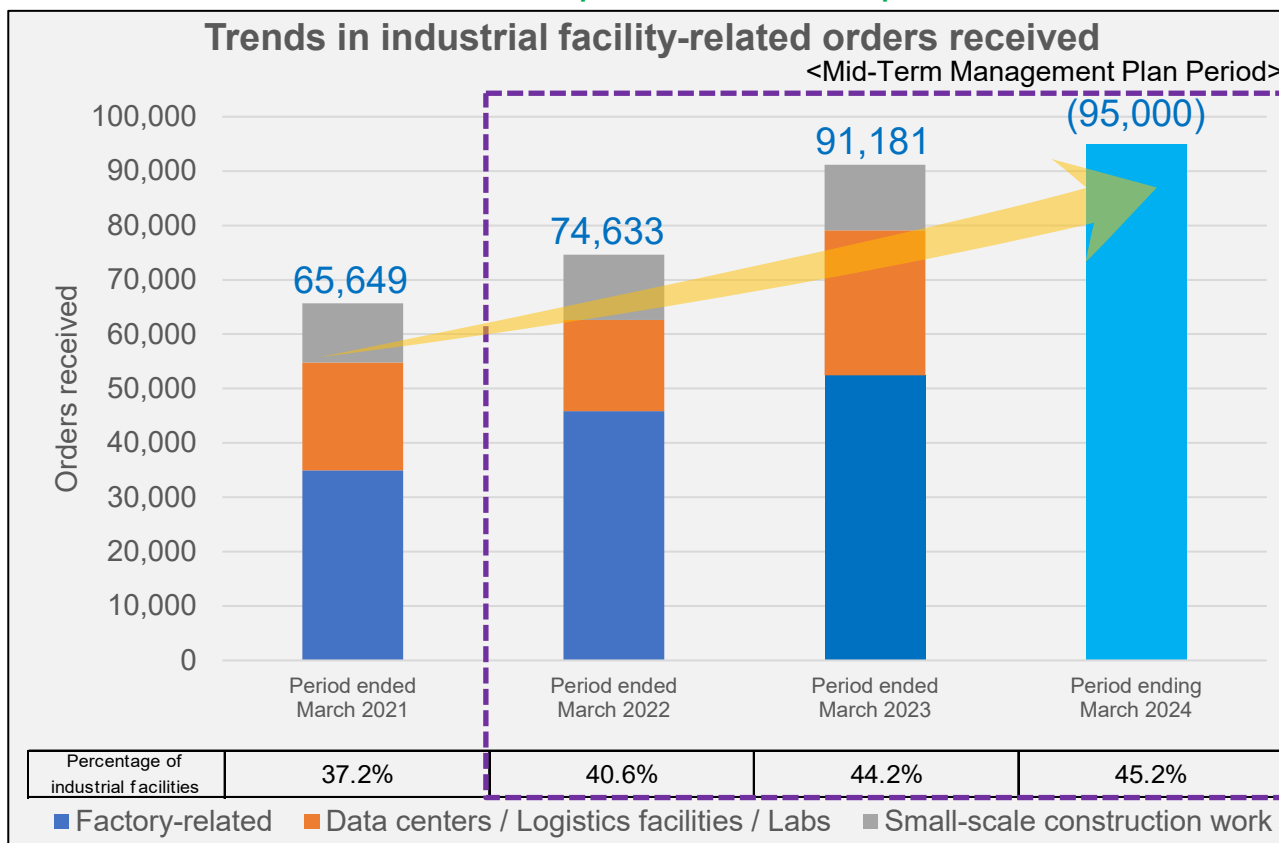
93 cases

Key measures for the Mid-Term Management Plan

<Increase industrial installations>

- Data centers show a marked increase in orders thanks to the expansion of orders for semiconductor manufacturing facilities and automotive battery factories in Japan, as well as advances in big data and AI.
- Against the backdrop of vigorous capital investment related to industrial facilities, we will increase the percentage of industrial facility-related orders received, contributing to an increase in total orders received.
- As a measure to strengthen design and construction that require advanced technologies, we will enhance the Engineering Division, which specializes in industrial facilities.

Orders received up 45% from the period ended March 2021 (planned)

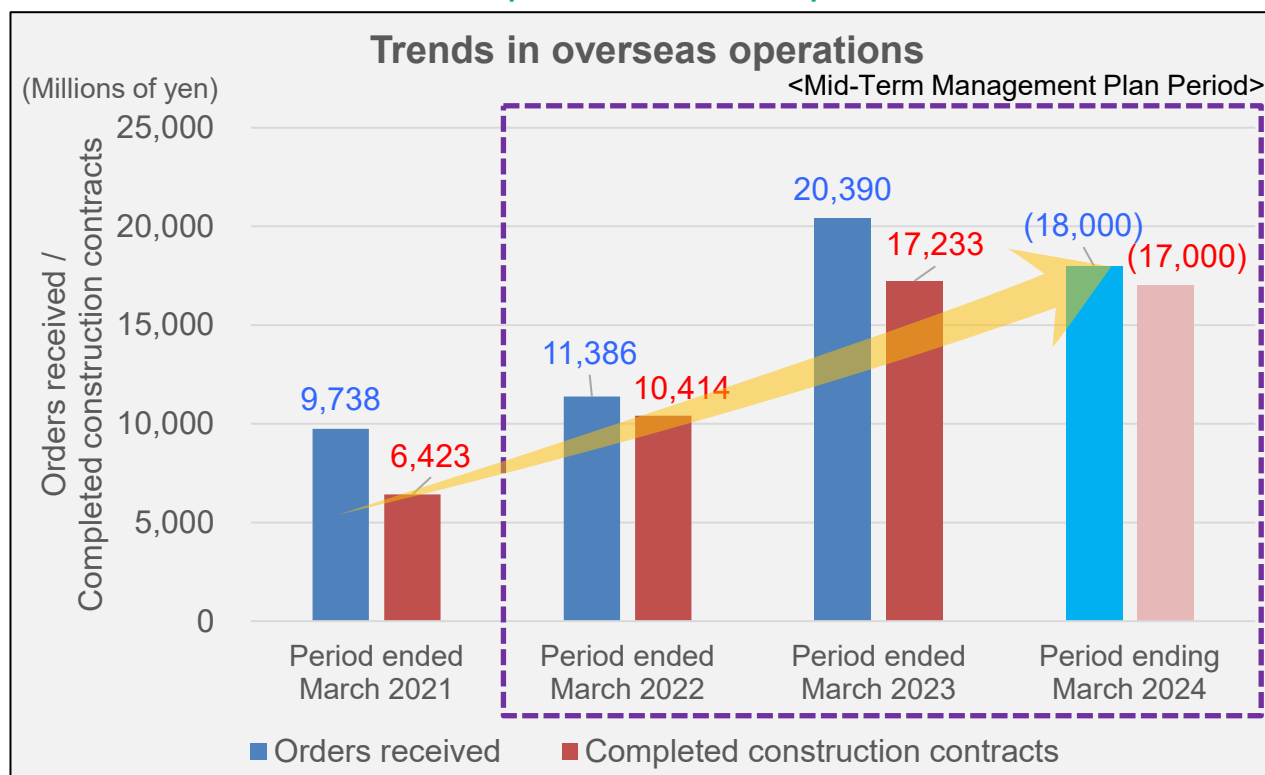


Key measures for the Mid-Term Management Plan

<Reinforce overseas operations>

- We are developing our business mainly in Singapore and Thailand, with local subsidiaries established in Vietnam in October 2020 and in Taiwan in April 2022 to expand business overseas (Southeast Asia).
- We concluded a share transfer agreement with Presico Engineering Pte. Ltd., which operates equipment construction business mainly in Singapore, and made it an equity method applied affiliate.
- Now that impact due to Covid-19 has lessened to a degree, large-scale orders received in Singapore, strengthened order-receiving activities in Thailand, new orders in Vietnam, and similar factors resulted in a significant increase in orders year-on-year.

Orders received up 84% from the period ended March 2021 (planned)























Full-Year Financial Results for the Period Ended March 2023

Our Sustainability Initiatives

Aiming for a CSV business that creates new businesses focusing on social issues, we report on promotion items in the global environment area and life science area, which have a high affinity with our technology.

Our materiality items	Specific measures	SDGs
Contribute to a decarbonized society	Expansion of ZEB-related construction work	 
Keep up with changes in business environment through DX	Adoption of ICT utilization technology at construction sites	   
Realize a high-quality medical environment	Initiatives in the regenerative medicine field	
Achieve innovation and improve productivity through research and fostering of human resources	Increase in intellectual rights possession	   
Health and safety conscious work environment that makes employees feel their work is rewarding	Improvement in employee satisfaction	   
Partnership with subcontractors and suppliers	Improvement in retention rate of Meisters	  

■ Promotion of decarbonization by **converting our own buildings to ZEB**

- Completed ZEB conversion at **4** branches
Currently, Niigata Branch is being converted to ZEB.



- Hokkaido Branch ●
Received the Encouragement Prize, Hokkaido Energy Saving and New Energy Award and many other awards

- Hokkuriku Branch ●
Received the Ishikawa Landscape Award and many other awards



- Our know-how gained through rebuilding is utilized in design and construction.
- For ZEB, continuous optimization after construction is important.
→ “REMOVIS,” a cloud-based automatic control system that enables **remote management and tuning of equipment** has been developed and is in operation.

■ **ZEB orders received** status

- FY2022: **8** cases
(FY2021: 8 cases, FY2023 target: 8 cases)
- Under the ZEB policy of **gradually intensifying energy-saving standards**, the ZEB market is expected to grow from April 2024.



- Hachinohe Nishi Medical Examination Plaza ZEB Renovation Project ●

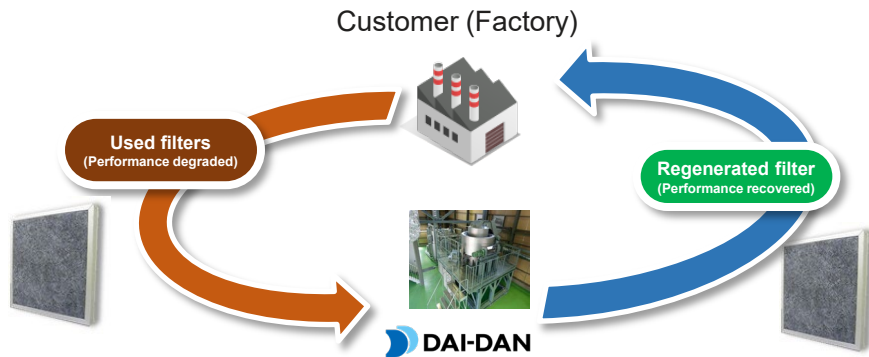
■ **REMOVIS orders received** status

- FY2022: **3** cases
(FY2021: 1 case, FY2023 target: 4 cases)
- Number of inquiries increases with the growing need for more efficient facility management.

■ Air Filter Regeneration

business expansion

- Reuse business leveraging our one-of-a-kind “supercritical CO₂ regeneration technology”
- Best suited to chemical filters in **semiconductor manufacturing facilities**
- Decarbonization technology that not only contributes to **waste reduction** but is also expected to **reduce CO₂ emissions by approx. 30%**
- Expand regeneration plant operations and start sales activities in Taiwan.



FY2022 Sales **27** million yen **▶** FY2025 Sales **230** million yen **▶** FY2030 Sales **1,100** million yen

■ Entering the area of Regenerative Medicine

- Our original low-cost, high-quality cell processing facility was **approved by the Ministry of Health, Labour and Welfare**
→ **Expansion of equipment and system sales business**
- Acquisition of **cancer treatment** cell manufacturing technology by way of investment in venture companies
→ **Development of contract cell manufacturing business**
- Leveraging strengths in owning both hardware and software to promote development and expansion in both areas of business



FY2022 Sales **804** million yen **▶** FY2025 Sales **1,510** million yen **▶** FY2030 Sales **5,570** million yen

Environment: Addressing climate change

- Improvement of FTSE (rating agency) ESG scores

Overall score: 2.7 (2021) ⇒ 3.0 (2022)

- Selected as a component of the FTSE Blossom Japan Relative Index.



**FTSE Blossom
Japan Sector
Relative Index**

- Introduction of green electricity to the head office, branch offices, etc.

- Promotion of “Dai-Dan Forest Making”



Forest Management agreement concluded in (as of April 30, 2023):

- Hokkaido
- Miyagi
- Saitama
- Mie
- Ishikawa
- Shiga
- Okayama
- Ehime
- Kumamoto



Social: Workstyle reforms and improvement of working conditions

- Company-wide project to reduce overtime work

Promotion of the <SMILE 2024 Project>

Responding to the upper limit of overtime work from April 2024

- Permeation of an industry-wide system of eight days off per four weeks (two days off per week) to achieve work-life balance
- Review of operations, enhancement of support ⇒ Establishment of Support Department

- Employee satisfaction and treatment

- Increase in starting salary, extension of retirement age to 65
- Continuous improvements in treatment

DAI-DAN
サステナビリティ委員会
働き方・人間関係タスクフォース

S 従業員の満足と Satisfaction

M 意欲を高めるために Motivation

I 創意工夫で Idea

L ゆとりと Leeway

E 能率を生み出す Efficiency

長時間労働是正に向けた
全社プロジェクト

**SMILE 2024
Project**

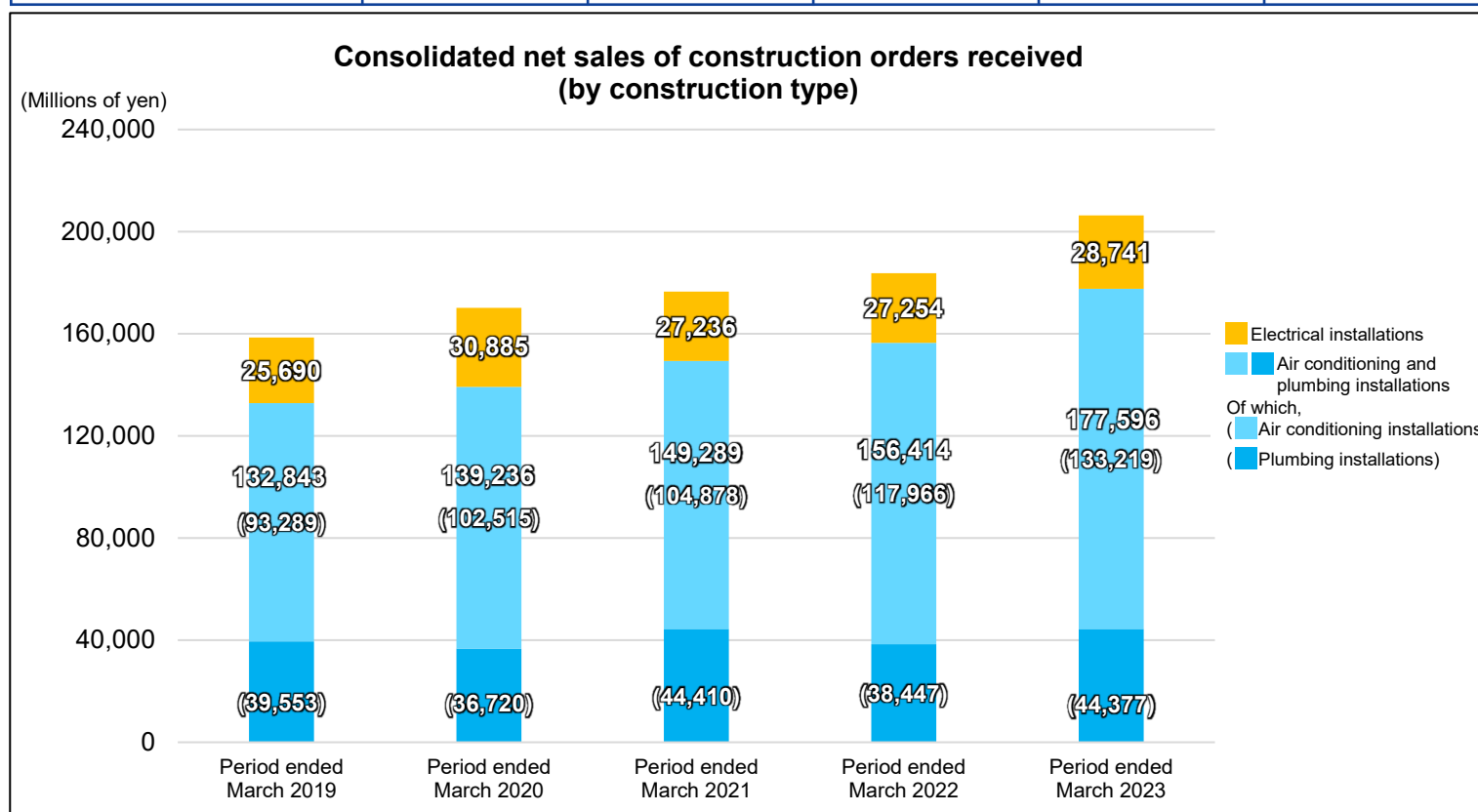


**Reference:
DATA FILE
(Full Year)**

Consolidated net sales of construction orders received by construction type (Full year)

(Millions of yen)

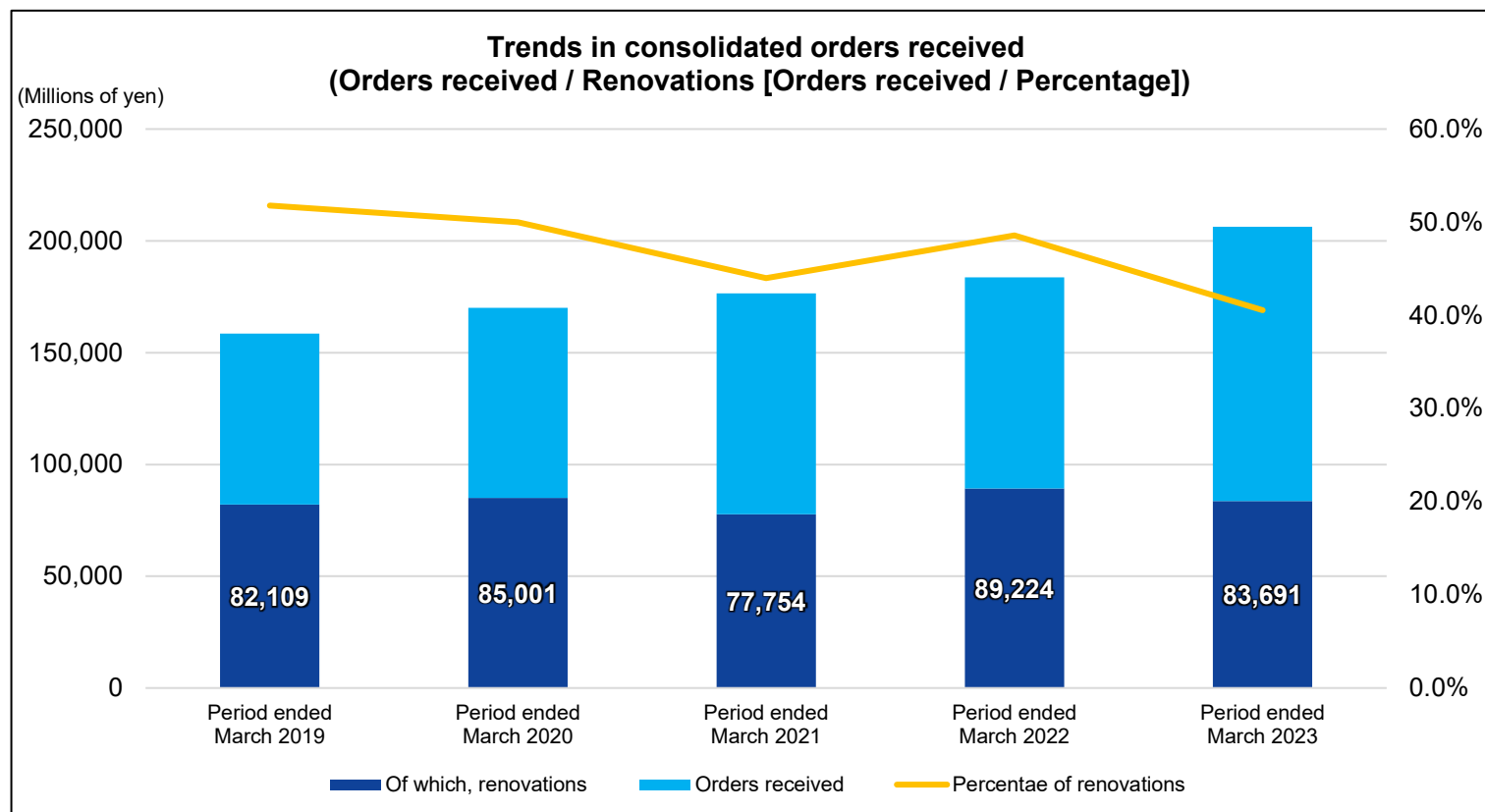
		Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023
Electrical installations		25,690	30,885	27,236	27,254	28,741
Air conditioning and plumbing installations	Air conditioning installations	93,289	102,515	104,878	117,966	133,219
	Plumbing installations	39,553	36,720	44,410	38,447	44,377
	Subtotal	132,843	139,236	149,289	156,414	177,596
Total		158,533	170,121	176,526	183,668	206,337



Trends in consolidated orders received (Orders received / Renovations) (Full year)

(Millions of yen)

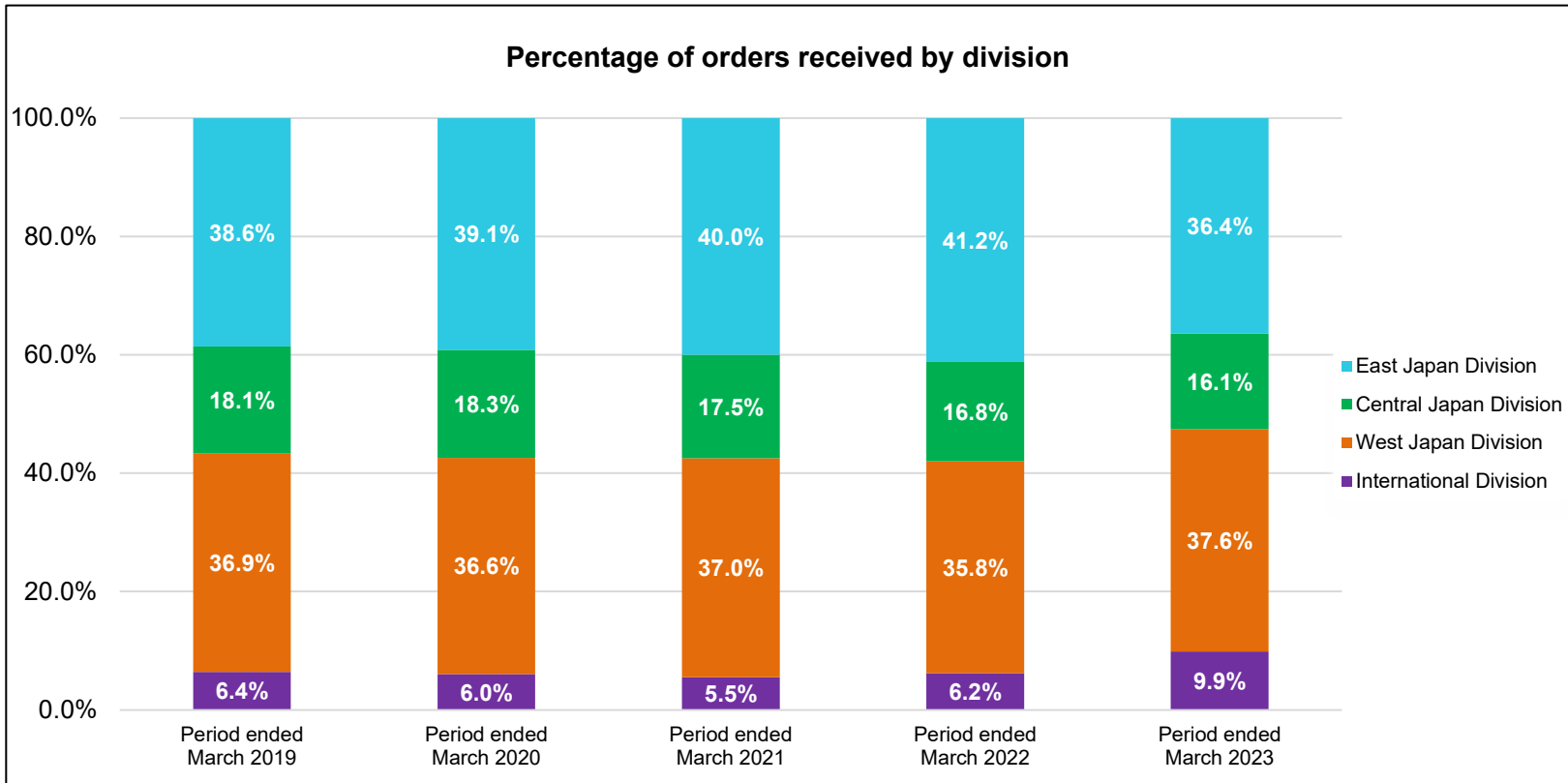
	Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023
Net sales of construction contract orders received	158,533	170,121	176,526	183,668	206,337
Renovations	82,109	85,001	77,754	89,224	83,691
Percentage of renovations	51.8%	50.0%	44.0%	48.6%	40.6%



Percentage of consolidated orders received by division (Full year)

Percentage of orders received

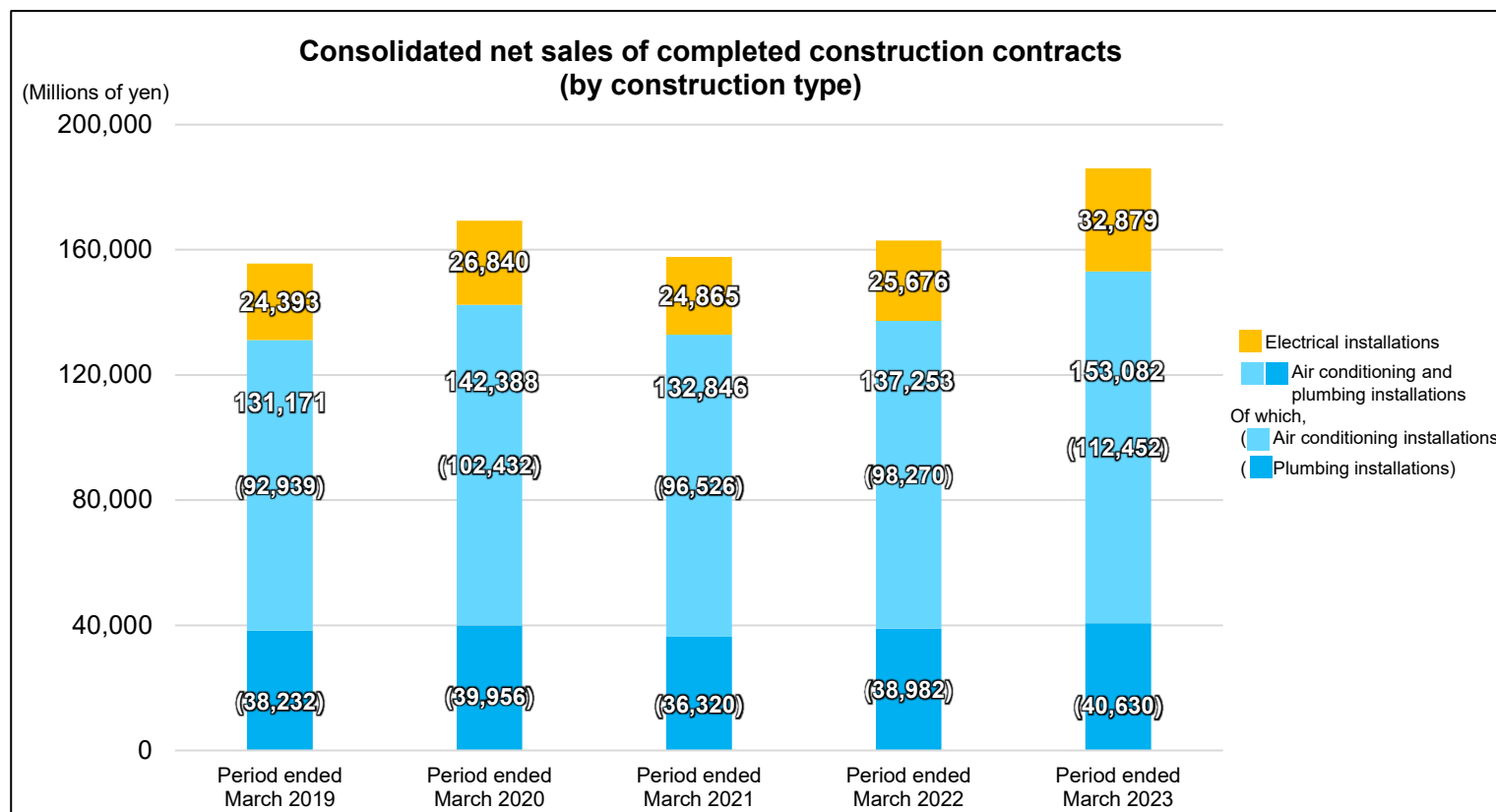
	Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023
East Japan Division	38.6%	39.1%	40.0%	41.2%	36.4%
Central Japan Division	18.1%	18.3%	17.5%	16.8%	16.1%
West Japan Division	36.9%	36.6%	37.0%	35.8%	37.6%
International Division	6.4%	6.0%	5.5%	6.2%	9.9%



Consolidated net sales of completed construction contracts by construction type (Full year)

(Millions of yen)

		Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023
Electrical installations		24,393	26,840	24,865	25,676	32,879
Air conditioning and plumbing installations	Air conditioning installations	92,939	102,432	96,526	98,270	112,452
	Plumbing installations	38,232	39,956	36,320	38,982	40,630
	Sub total	131,171	142,388	132,846	137,253	153,082
Total		155,565	169,229	157,712	162,929	185,961

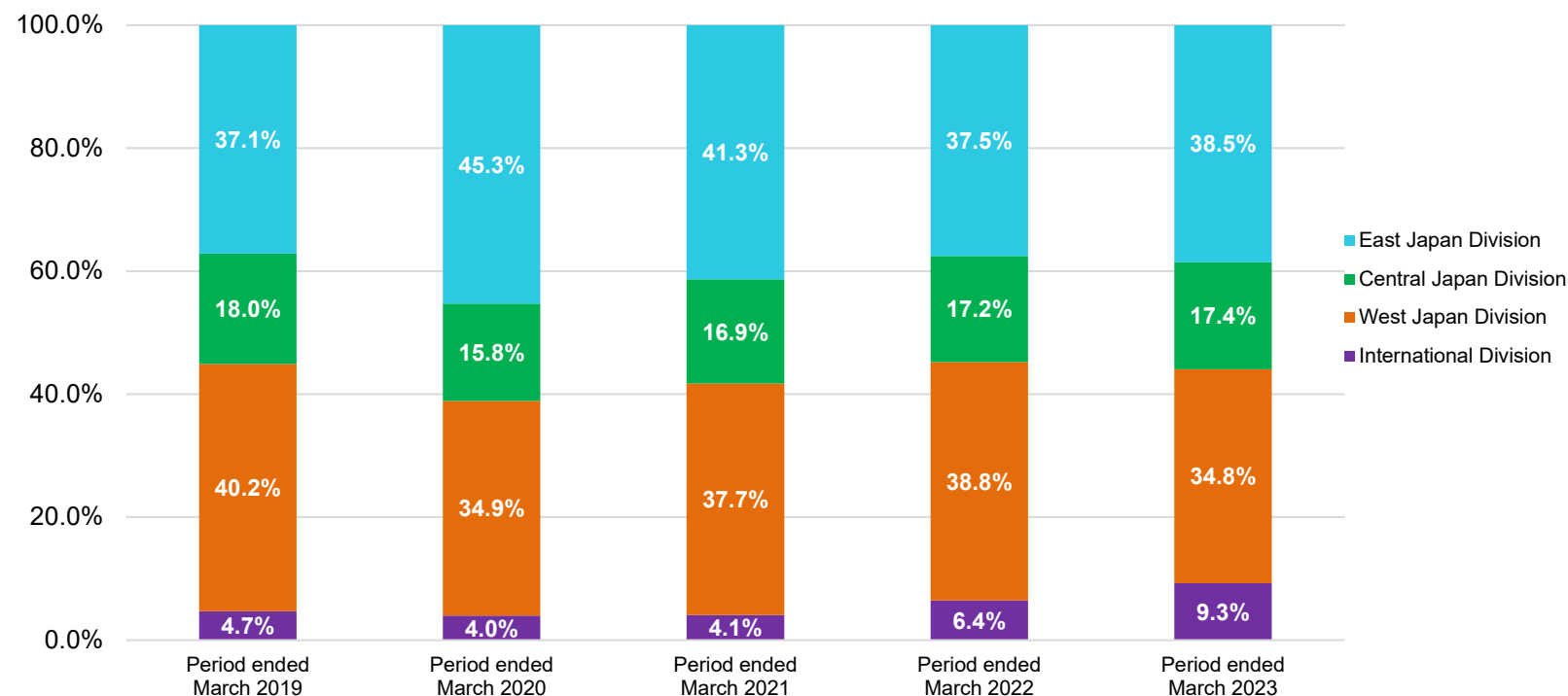


Percentage of consolidated net sales of completed construction contracts by division (Full year)

Percentage of net sales of completed construction contracts

	Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023
East Japan Division	37.1%	45.3%	41.3%	37.5%	38.5%
Central Japan Division	18.0%	15.8%	16.9%	17.2%	17.4%
West Japan Division	40.2%	34.9%	37.7%	38.8%	34.8%
International Division	4.7%	4.0%	4.1%	6.4%	9.3%

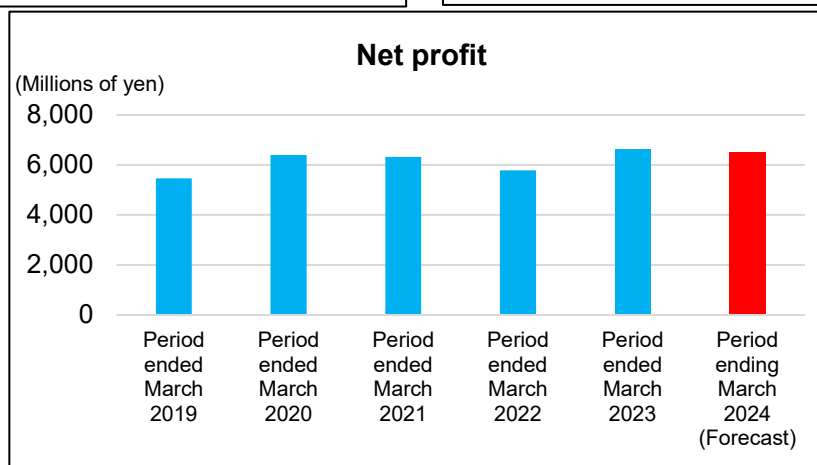
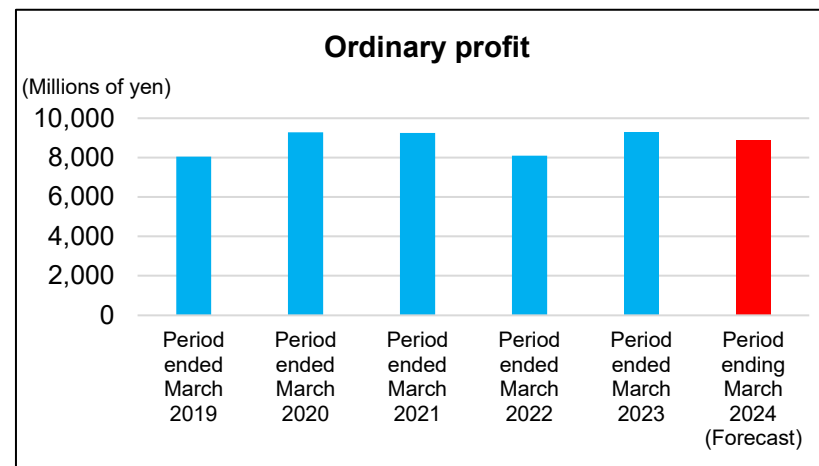
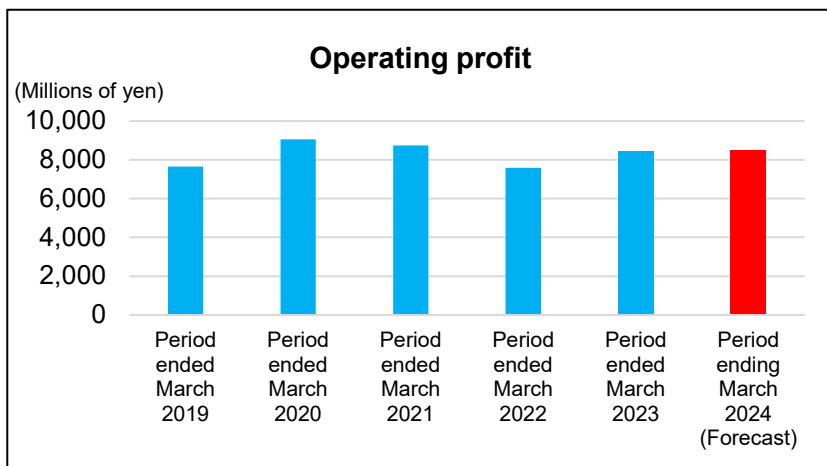
Percentage of net sales of completed construction contracts by division



Consolidated operating/ordinary/net profits (Full year)

(Millions of yen)

	Period ended March 2019	Period ended March 2020	Period ended March 2021	Period ended March 2022	Period ended March 2023	Period ending March 2024 (Forecast)
Operating profit	7,661	9,063	8,754	7,584	8,428	8,500
Ordinary profit	8,057	9,282	9,262	8,095	9,288	8,900
Net profit	5,464	6,399	6,318	5,778	6,626	6,500





お客様とともに、これからも

Disclaimer

The forecast concerning future business results, including future plans and strategies, disclosed by the Company is based on assumptions deemed reasonable at the time of announcement. Therefore, actual business results may differ from the forecast due to various factors.

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