

Translation

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

February 13, 2025

Company name: DAIHO CORPORATION
 Stock exchange listing: Tokyo
 Stock code: 1822 URL <https://www.daiho.co.jp>
 Representative: CEO Kakue Morishita
 Deputy General Manager of Administration
 Inquiries: Division Headquarters; Yoshinori Umehara TEL 03-3297-7406
 General Manager of Accounting Division
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of 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	104,326	(10.8)	2,470	–	2,635	466.7	1,912	–
Nine months ended December 31, 2023	116,948	7.1	144	(93.6)	465	(79.3)	(1,020)	–

Note: Comprehensive income Nine months ended December 31, 2024 ¥1,316 million [–%]
 Nine months ended December 31, 2023 ¥(131) million [–%]

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended December 31, 2024	108.58		108.26	
Nine months ended December 31, 2023	(57.93)		–	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2024	149,489	69,787	45.7
As of March 31, 2024	165,081	68,919	40.9

Reference: Equity As of December 31, 2024 ¥68,372 million
 As of March 31, 2024 ¥67,534 million

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	–	–	–	27.00	27.00
Year ending March 31, 2025	–	–	–		
Year ending March 31, 2025 (Forecast)				114.00	114.00

Note: Revisions to the cash dividend forecasts most recently announced: No

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	145,000	(11.2)	5,900	–	5,900	368.4	4,000	–	226.95

Note: Revisions to the financial results forecasts most recently announced: No

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	18,083,163 shares	As of March 31, 2024	18,083,163 shares
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Number of treasury shares at the end of the period

As of December 31, 2024	458,108 shares	As of March 31, 2024	490,847 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	17,610,157 shares	Nine months ended December 31, 2023	17,611,710 shares
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Note: The Company has introduced a share distribution trust system for delivering shares to the Company's Directors, etc. via a trust. The Company's shares that are owned by the trust (117,100 shares) are included in "number of treasury shares at the end of the period," and in calculating and presenting "average number of shares during the period," the Company has considered the shares owned by said trust to be included.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: No

* Proper use of earnings forecasts, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. Results may differ materially from the consolidated forecasts due to various factors.

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	17,533	31,095
Notes receivable, accounts receivable from completed construction contracts and other	100,024	76,948
Electronically recorded monetary claims - operating	5,779	204
Costs on construction contracts in progress	1,258	2,155
Short-term loans receivable	2	3
Advances paid	9,554	7,359
Other	2,737	2,142
Allowance for doubtful accounts	(2,125)	(2)
Total current assets	134,764	119,906
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,016	12,003
Machinery, vehicles, tools, furniture and fixtures	7,744	7,850
Land	8,895	8,750
Leased assets	202	221
Construction in progress	4	–
Accumulated depreciation	(11,158)	(11,762)
Total property, plant and equipment	17,705	17,063
Intangible assets	603	541
Investments and other assets		
Investment securities	10,990	10,952
Deferred tax assets	274	329
Other	1,035	2,919
Allowance for doubtful accounts	(293)	(2,222)
Total investments and other assets	12,007	11,978
Total non-current assets	30,316	29,583
Total assets	165,081	149,489

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	32,556	23,867
Electronically recorded obligations - operating	12,122	7,655
Short-term borrowings	6,950	950
Current portion of convertible-bond-type bonds with share acquisition rights	—	18
Income taxes payable	286	240
Accrued consumption taxes	580	1,888
Advances received on construction contracts in progress	5,144	9,306
Deposits received	18,670	18,263
Provision for warranties for completed construction	1,026	728
Provision for bonuses	810	24
Provision for loss on construction contracts	3,746	2,523
Other	869	841
Total current liabilities	82,762	66,306
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	23	—
Long-term borrowings	6,000	6,000
Deferred tax liabilities	9	3
Provision for share awards	193	178
Provision for retirement benefits for directors (and other officers)	19	25
Provision for retirement benefits for directors (and executive officers)	19	24
Retirement benefit liability	6,430	6,489
Other	703	675
Total non-current liabilities	13,398	13,396
Total liabilities	96,161	79,702
Net assets		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	42,446	42,397
Retained earnings	14,698	16,132
Treasury shares	(2,116)	(1,990)
Total shareholders' equity	65,028	66,539
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,507	1,871
Foreign currency translation adjustment	(58)	(85)
Remeasurements of defined benefit plans	56	46
Total accumulated other comprehensive income	2,505	1,833
Share acquisition rights	126	86
Non-controlling interests	1,258	1,327
Total net assets	68,919	69,787
Total liabilities and net assets	165,081	149,489

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	116,948	104,326
Cost of sales	111,508	96,239
Gross profit	5,440	8,086
Selling, general and administrative expenses	5,296	5,615
Operating profit	144	2,470
Non-operating income		
Interest income	13	6
Dividend income	137	185
Foreign exchange gains	375	153
Other	54	56
Total non-operating income	580	400
Non-operating expenses		
Interest expenses	36	69
Guarantee commission	53	46
Commission expenses	13	62
Provision of allowance for doubtful accounts	146	31
Other	9	26
Total non-operating expenses	259	236
Ordinary profit	465	2,635
Extraordinary income		
Gain on sale of non-current assets	19	8
Reversal of allowance for doubtful accounts	–	225
Gain on sale of investment securities	70	54
Other	1	–
Total extraordinary income	92	288
Extraordinary losses		
Loss on sale and retirement of non-current assets	9	2
Provision of allowance for doubtful accounts	1,032	–
Loss on litigation	19	22
Loss on sale of investment securities	2	3
Impairment losses	0	126
Other	–	0
Total extraordinary losses	1,062	155
Profit (loss) before income taxes	(505)	2,769
Income taxes - current	464	566
Income taxes - deferred	(12)	214
Total income taxes	451	780
Profit (loss)	(957)	1,988
Profit attributable to non-controlling interests	62	76
Profit (loss) attributable to owners of parent	(1,020)	1,912

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit (loss)	(957)	1,988
Other comprehensive income		
Valuation difference on available-for-sale securities	909	(635)
Foreign currency translation adjustment	(12)	(27)
Remeasurements of defined benefit plans, net of tax	(71)	(9)
Total other comprehensive income	825	(671)
Comprehensive income	(131)	1,316
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(194)	1,240
Comprehensive income attributable to non-controlling interests	62	76